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Sustainability report 2021

Götessons Design Group

Götessons Design Group's first sustainability report

We are proud to present Götessons Design Group's first sustainability report! This report contains information on how Götessons Design Group and its associated companies Götessons Industri, Akustikmiljö and David design are working towards sustainable development.

As a company, we have no legal requirement to report on sustainability at the time of writing. Why are we choosing to spend the energy and time it takes to produce a report? The answer is simple - we think that it's important for companies to take responsibility for their operations and by showing our commitment we hope to influence many more than just ourselves to try and make the world a better place.

In this report you can read about our strategic sustainability work, the related objectives and the results of the work in 2021.

ABOUT THE REPORT

The Board of Directors and CEO of Götessons Design Group AB, (559203-6502), hereby present a sustainability report for the financial year 01/01/2021 - 31/12/2021. We will continue to follow an annual accounting cycle that follows our financial year. With this report, we have begun the work to be able to make the next report in accordance with the GRI Standards.

In addition to the Group company, the report also includes Götessons Industri AB, Akustikmiljö i Falkenberg AB and David design AB. Financial targets and governance are reported in a separate annual report.

Götessons Design Group in brief

From a corner in a Swedish village to a Group covering the whole of Europe

It all started when Ola Götesson founded Götessons Industri AB in 1984. In a corner of premises in Dalstorp, a small village outside Tranemo in southern Västergötland, he manufactured wire products such as waste-paper baskets, hat racks and sink drying racks.

The market soon realised that Götessons was not like other companies. Innovation was mixed with great courage and enthusiastic entrepreneurship. This made the company grow rapidly. The company's innovations were based on people's needs, and with the rise of the computer, it began to develop products to improve the working environment for sedentary people in offices.

In 1992, Ola Götesson created a solution to keep the increasing number of cables beneath and on desks together. The world's first cable collector saw the light of day and it was the start of an incredible journey to the present day. The textile range was launched in the 2010s and the market expanded from offices and workplaces to include the conference and hotel industry.

In 2015, Akustikmiljö i Falkenberg AB and 2020 David design AB were acquired. Now Götessons Industri has expertise in both acoustic solutions and furniture production within the new Nordic design. In 2021, a hub in Germany with its own warehouse and

sales organisation, Götessons Design GmbH, was established. In order to prevent the new brands from being transformed into Götessons Industri, the parent company Götessons Design Group, GDG, was created in 2021. Through GDG, we are able to deliver ergonomic, functional and well-designed complete furniture and interior solutions on a daily basis throughout Europe.

Götessons Design Group's main markets are Sweden, Norway and Germany, but our products are sold throughout Europe and globally, on other continents such as North America and Asia, through our wide range of retailers.

The Group's customers are in the interior design and construction industries, with the former constituting the largest proportion. The companies in the group only sell furniture to retailers, while construction products are sold directly to end customers. Our end customers are in both the public and private sectors: in offices, restaurants, hotels, schools, conferences and sports facilities.

The majority shareholding in GDG is held by Accent Equity Partners AB. Our production facilities are located in Falkenberg and Ulricehamn. The head office is located in Ulricehamn. In 2021, the company employed around 125 people.



FINANCIAL RESULTS

Equity (SEK million)	93.1
Long-term liabilities (SEK million)	252
Total capital (SEK million)	345.1
Created and distributed economic value 2021, SEK million	
Revenue	330
Operating costs, most of which to our suppliers	330
Salaries and benefits of our employees	263
Payments to financiers, net	58.5
Social contributions to the public sector	15.2
Payments to the public sector in the form of taxes	17.8
Total	3.5
Net economic value	358
Dividends to shareholders	-28
Retained in the business	0
	-28

Common sense from Dalstorp

When computers entered our lives in the late 1980s, they were large and cumbersome machines that began to take up space on and around desks.

It became difficult to clean and the workplace looked really messy - cables and cords took up far too much of the available space. Fortunately, Ola Götesson solved the problem by welding together the world's first cable collector and suspending it under his desk.

A pleasant workplace makes people feel good and thus perform better. This is something that should be in every employer's interest.

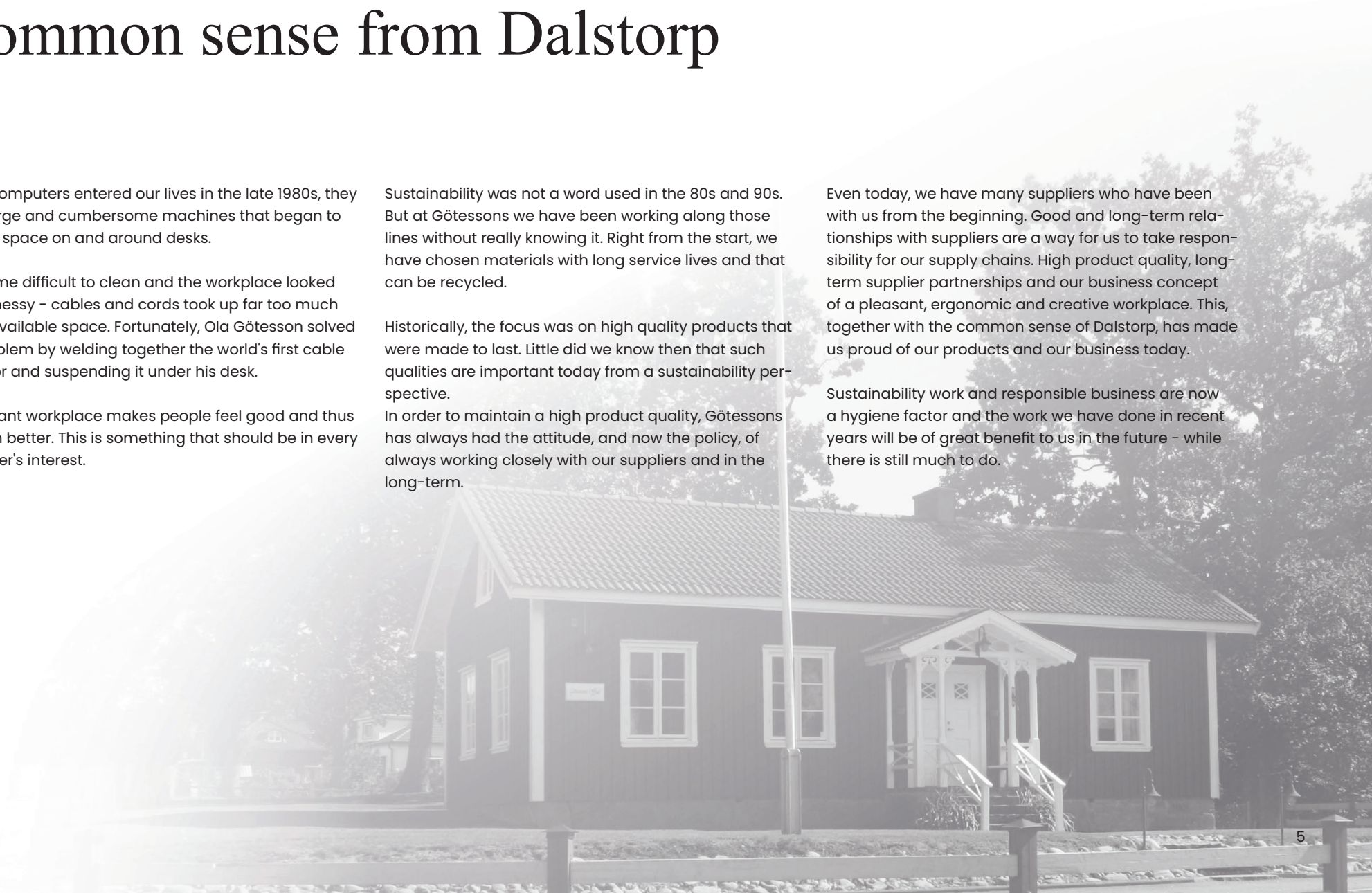
Sustainability was not a word used in the 80s and 90s. But at Götessons we have been working along those lines without really knowing it. Right from the start, we have chosen materials with long service lives and that can be recycled.

Historically, the focus was on high quality products that were made to last. Little did we know then that such qualities are important today from a sustainability perspective.

In order to maintain a high product quality, Götessons has always had the attitude, and now the policy, of always working closely with our suppliers and in the long-term.

Even today, we have many suppliers who have been with us from the beginning. Good and long-term relationships with suppliers are a way for us to take responsibility for our supply chains. High product quality, long-term supplier partnerships and our business concept of a pleasant, ergonomic and creative workplace. This, together with the common sense of Dalstorp, has made us proud of our products and our business today.

Sustainability work and responsible business are now a hygiene factor and the work we have done in recent years will be of great benefit to us in the future - while there is still much to do.



Götessons Design Group

Götessons Design Group is made up of brands whose success is based on understanding people's needs before they do. Together we create furniture, environments and products that combine beauty, ergonomics and sustainability. Götessons Design Group was launched in 2021 and together with our brands we have gathered around 500 products and 100 years of experience in producing furniture and interior design.

GÖTESSONS

Götessons creates ergonomic, functional and well-designed turnkey solutions for offices and public environments, revolutionising with design, courage and knowledge. Head office, production and warehouse are located in Ulricehamn. With Europe as a market, there are sales representatives in Sweden, Norway, Denmark, Finland, Germany, Austria, Switzerland, UK, France, Benelux, Spain, as well as Poland, Czech Republic, Slovakia, the Baltic States and several other countries in Eastern Europe. Götessons is a member of the 100 Group, Teknikföretagen and Företagarna.

AKUSTIKMILJÖ

Akustikmiljö has more than 30 years of experience in trendy acoustic products and solutions. Together they are a skilled team covering all areas from knowledge, in-house production and site visits which allows them to deliver turnkey solutions to any acoustic problems. Thanks to the fact that Akustikmiljö works together with some of Sweden's most respected and reputable acousticians, there is a level of expertise that few can match. Acoustics need not be dull and uninspiring. Production facility and offices are located in Falkenberg. Akustikmiljö are members of Undertaksföreningen.

DAVID DESIGN

David design is a brand of iconic, sustainable and functional furniture, lighting and accessories, for buyers around the world. Founded in 1998 by David Carlsson, the company offers premium collections of design furniture in "the new Nordic style". The head office is located in Helsingborg and has production, product development and warehouse in Ulricehamn. David design is a member of Svensk form and Trä- och möbelföretagen.

CEO	Emil Johansson
Turnover 2021	SEK thousand: 285,40
Results 2021	SEK thousand: 31,088
Number of employees	73
Number of article numbers sold	16,160

CEO	Emil Johansson
Turnover 2021	SEK thousand: 43,258
Results 2021	SEK thousand: 3,147
Number of employees	19
Number of article numbers sold	6,870

CEO	Håkan Nilsson
Turnover 2021	SEK thousand: 19,513
Results 2021	SEK thousand: -1,346
Number of employees	12
Number of article numbers sold	2,050

Word from the CEO Sustainability 2021

With sustainability in mind

At last we have compiled the information about our sustainability work in this report. Since the beginning of the 1990s, Götessons has developed products with sustainability in mind. The first in-house product that was developed was the now well-known cable collector. The aim of the product was to make cleaners' work easier because they had problems with all the cables under the desks. Since then, sustainable ergonomic products have been a matter of course when developing products.

The story is similar at Akustikmiljö, which since its inception has developed products made from recyclable PET to create sustainable acoustic environments in many different settings. David design has created many different design classics over the years, and has proven the idea of having the greatest possible longevity for the product, as well as it being desirable on the second hand market. Together, now all three of these brands create Götessons Design Group, creating a whole new set of opportunities not least in our sustainability work.

For many years, all brands have implemented several individual strategic initiatives to develop their sustainability efforts. The report now brings these efforts together in a clear way, which is extremely positive. Our brands are also learning from each other to create a common strategy and platform. Our goal is for sustainability work to permeate all our processes and choices across all our brands. For GDG, sustainable people and growth are part of

our business concept. In order to deliver on high expectations, our entire organisation needs to be actively involved and work in a structured way with our sustainability work, therefore living as we learn is particularly key to us. Our workplaces, our suppliers and our attitude towards our stakeholders must demonstrate the importance of a sustainable future.

One of several projects is our LOOP concept, where we make a difference in reality and not just on paper. We see a great interest in recycling and reuse. More and more products from our companies are offered in this concept that makes use of the product in the least resource-intensive way given the customer's wishes.

Transparency in our work and around our products is also important, today it is not enough just to have certifications but also an increased responsibility to make it clearer for the customer to make a sustainable choice. In this regard, we are working hard to summarise the

complex production chain in a simple and comprehensible way for our consumers.

We have a good working relationship with our majority shareholder Accent Equity, which requires all of its companies to develop their sustainability work. This means that sustainability is not just an item on the board agenda, but something that is continuously observed and monitored in all different areas.

We strongly believe that our sustainability work will result in better products, better profitability and a better world. However, it is clear that strategy, long-term vision and patience are needed to achieve the results we are striving for. But with *human design, human growth* as the Group's keywords, we are confident of success!

Emil Johansson, CEO



Sustainability work at Götessons Design Group

Sustainability is a broad term. For us, the very state of our planet is a key reason why we are working towards more sustainable operations - without it, there can be no operations.

But sustainable development for us is more than that. The very reason GDG companies exist is to create creative workplaces, where people feel good and can perform throughout their working day.

The work and commitment to running a more sustainable operation cannot be done by one person alone. That's why we work on several levels to achieve our goal: together and across the organisation, with employees, customers, suppliers and interior designers.

Sustainability starts from within, but the effects spread around us.

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A strategy that is more important than ever

Götessons Design Group's sustainability work is based on the Group's Code of Conduct and Sustainability Policy. This is the basis for our sustainability work and must always characterise our operations, our value chains and our customer offering. Götessons Design Group must be a sustainable company for everyone: we must be the industry's most attractive company to work in and with.

Our products must meet high environmental and quality standards, our employees must enjoy and feel good at work, our suppliers and subcontractors are chosen with care, and our customers must be confident with us as a business partner over the long term. Götessons Design Group's sustainability strategy is based on two areas: product design and content on the one hand, and product function, use and production on the other.

A sustainable working day for everyone

A HAPPY WORKDAY FOR EVERYONE - for the people who use our products, for the people in our supply chains, and for our own employees.

This includes developing products that contribute to the well-being of users, ensuring ethical and responsible supply chains with respect for human rights, and maintaining high levels of employee well-being, health and safety internally. This is at the heart of our operations and why we exist as a company - to contribute to a more sustainable working day.

Sustainable furniture and human design

SUSTAINABLE FURNITURE, DESIGNED FOR PEOPLE - this area focuses on the product, i.e. the choice of materials, design, layout and components, where everything must be thought through, checked and executed according to relevant sustainability criteria.

High product quality, safety and quality testing, smart design, no hazardous substances and sustainable material choices - that's important to us.



Since 2011, Götessons has been a member of Global Compact, the UN's corporate network of sustainable development principles for human rights, labour rights, the environment and anti-corruption. For more than 10 years, we have reported annually on our work with ethical operations and sustainable business to the UN.

The Götessons and Akustikmiljö companies have quality and environmental management systems certified according to ISO 9001:2015 and ISO 14001:2015.

All companies in the Group are U-verksamheter (U-operations) and are neither subject to authorisation nor notification under the Environmental Code. The operations' environmental work is characterised by the general rules of the Environmental Code, in particular the precautionary principle, the product selection principle, the household and recycling principle and the principle of best available technology.



What we did in 2021, in brief

Akustikmiljö + Havsalliansen (Ocean Alliance)

Together for a plastic-free ocean! Akustikmiljö is proud to be a partner organisation of the Ocean Alliance, an initiative of Håll Sverige Rent, HSR (Keep Sweden Tidy, HSR), with the goal of a plastic-free ocean. Being part of the Ocean Alliance means that we work to:

1. Eliminate unnecessary single-use plastic packaging.
2. Reduce the use of fossil-based virgin plastics.
3. Reuse or recycle plastic packaging.
4. Reduce litter and restore our oceans from the damage already done.

Our core material EcoSund® is fully recyclable and produced from 50% GRI-certified recycled PET fibres. That's something we're proud of. At the same time, we are constantly working to make our products better and reduce the use of newly produced plastics.

There are more than 150 million tonnes of plastic floating around in our oceans. Every year, the amount of plastic increases by between 5 and 13 million tonnes. Globally it is estimated that 80% of marine litter comes from land - and most of it is plastic that has only been used for a short time before being thrown away. Trends show that by 2050 there will be more plastic than fish in our oceans.



High performance products: Möbelfakta

In 2021, Götessons Industri declared its first products in Möbelfakta. Möbelfakta is a unique Swedish sustainability reference and labelling system for furniture and interior design that sets high standards in the three areas of quality, environment and social responsibility - simultaneously. Each company and product is regularly reviewed and audited by a third party to ensure reassurance for the customer and the regulatory body.

Quality - The quality requirements of Möbelfakta are based on recognised international standards with a focus on the strength, function and safety of furniture and wear and tear. Furniture is tested by accredited testing institutes.

Environment - Möbelfakta sets requirements for the components and the finished product. The materials used meet stringent requirements regarding, for example, chemicals, emissions and sustainable forestry. Requirements for the finished furniture include labelling, traceability, maintenance, product training, spare parts and recycling.

Social responsibility - the requirements for social responsibility are based on the UN Global Compact code of conduct. As a furniture manufacturer, you must have control over your own operations and supply chain, identifying and risk analysing your subcontractors, to ensure that social requirements are met where furniture and components are



manufactured. These requirements include child labour, discrimination, modern slavery etc.

Miljöbron

For the second year in a row, we have been a partner of Miljöbron, an organisation that connects students from colleges and universities in Western Sweden with the local business community for joint knowledge exchanges. A win-win situation for all parties!

Akustikmiljö has been working with students to learn more about biopolymers and future building materials. We have also reviewed our work with the environmental labels Byggvarubedömningen, BASTA and SundaHus.

At Götessons, together with a degree student, we have conducted a stakeholder dialogue with about thirty people from the Swedish furniture industry, such as sustainability managers, salespeople, trade associations, buyers and interior designers during the year. Through in-depth interviews, we have gained an overall picture of future sustainability requirements, as well as having engaged in dialogue on how to encourage customers to choose more sustainable furniture and interior design options. The results can be read later in this sustainability report.



What we did in 2021, in brief

Work environment, well-being and commitment

Work environment and employee satisfaction have always been important to Götessons. In 2021, we took further steps to further improve the working environment and well-being of our employees. The pandemic years have affected everyone in large and small ways, and we want to make the working environment even better for our employees. Instead of conducting employee surveys once a year, this was extended to two, in order to obtain opinions and improvement actions in a timely manner. A well-being group was created during the year with the aim of reinforcing the Götessons spirit and adapting it to the new normal after the pandemic years.

We share our knowledge

One part of our sustainability work is about the social aspect of our business concept: A sustainable working day for everyone. As part of this, we want to share the knowledge we possess through years of experience in interiors for a creative workplace. The Knowledge Bank on the Götessons Industry website contains articles on topics such as work environment, health, well-being and interior design, and how to achieve this through lighting and acoustics, among other things. We want everyone to enjoy their workplace and hope that many people will benefit from the tips we share.

A new way of setting requirements for suppliers

In 2021, and also in 2020, we have been working hard to map the sustainability aspects and environmental impacts of the organisation. Supply chains are an area where companies need to have control. We knew that already - but it was time to kick it into another gear. A Code of Conduct was developed, which applies to all companies in our group, and also to all our suppliers.

Our new approach is based on our Code of Conduct, which in turn is based on the principles of the UN Global Compact, the ILO Core Conventions, the UN Convention on Human Rights, the UN Convention on the Rights of the Child and the UN Global Goals for Agenda 2030. Through enhanced dialogue, monitoring, follow-up and risk analysis, we take responsibility for ensuring that our supply chains meet the requirements for workers and working conditions during the manufacture of our products and their components.

The development of our bee garden continues

The bee garden in project Operation: The Save the bees project at Rönnåsen has continued and is now shared with Götessons' neighbours, AP&T. In addition to the annual and perennial flowers we planted, we also replenished the green space with berry bushes and flowering trees. During the kick-off in late summer, we also planted five fruit trees to symbolise our three brands and current and former majority owners. A symbol that is not only beautiful to look at, but also contributes to a better biodiversity to the industrial area outside Ulriceham.

Local climate compensation in Sjuhärad

Götessons is a partner with Swedebribe in a pilot project for carbon storage and biodiversity enhancement, Project: Restore.

Through cultivation, logging-free forestry and re-flooding of reclaimed wetlands in Sjuhärad, carbon is stored through growing forests and crops, while the restoration of wetlands prevents greenhouse gases from leaking into the atmosphere.



Stakeholders

Stakeholders and their opinions are important to our business. The following is a description of how Götessons Design Group works with the stakeholder perspective.

Through the requirements of the management system ISO 9001:2015 and ISO 14001:2015, where the stakeholder perspective is of great importance, we have developed stakeholder analyses for all three areas - Götessons Industri, Akustikmiljö and David design. Several members of the management team participated in the development of the stakeholder analysis, including the ESG Manager, the CEO of Götessons and Akustikmiljö as well as the CEO of David design. Possible stakeholders were listed, and the assessment began. The stakeholder analysis is based on the following areas: requirements and expectations; management and control of requirements and expectations; risks including estimation; opportunities including estimation.

Götessons has initiated and carried out a stakeholder analysis on the customer side of the Swedish market, in order to work with sustainability issues that are relevant and actually make a difference, and to put energy and resources into efforts that will have a high impact. The work was done during the spring

of 2021 together with a student who through this project also carried out their degree work. The main purpose of the study was divided into two main areas: to identify customers' current and future requirements and expectations for sustainability aspects in the furniture industry; and to identify barriers to sustainable purchasing behaviour among end customers in order to create a better understanding of how customer choice is made and may be affected in the future. Around 30 interviews were conducted with furniture retailers, public sector buyers, interior designers and sustainability managers for architectural firms and furniture retailers and manufacturers. The results of the stakeholder dialogue have helped to build a sustainability strategy for Götessons Design Group based on stakeholder requirements.

The stakeholders considered most essential to our business based on their impact on GDG's decisions and their interest and involvement are deemed to be: staff; owners and management; retailers; end customers; regulatory ranks and architects.



STAKEHOLDER	COMMUNICATION AND DIALOGUE	KEY ISSUE	GOVERNANCE
Owners and management	Management meetings Board meetings (monthly)	Sustainable supply chains Transparent communication Transparency and knowledge of products, manufacturing, energy, materials etc. Traceability in supply chains and for materials Work environment and well-being for own staff Equality	Procedures, supplier assessment (purchasing) and product development process (PU) Internal work environment management, well-being group Equality plan
Personnel	Employee survey 2x/year Safety committee 4x/year Whistle-blower function	Ergonomics, acoustics and well-being Easily accessible and clear product information, material Sustainable supply chains in production Work environment and well-being for own staff Equality	Procedures, supplier assessment (purchasing) and product development process (PU) Internal work environment management, well-being group Equality plan
Retailers	Ongoing dialogue	Certified products Circular furniture flows	LOOP
Prescribing ranks and architects	Website, Sales process, Marketing, Fairs and visits	Ergonomics, acoustics and well-being Easily accessible and clear product information, material Climate impact - product Sustainable supply chains Transparency about products Transparent communication Circular furniture - components Circular furniture - possible to reuse	Marketing. Plan: New product sheets Environment/Specification Procedures, supplier assessment (purchasing) and product development process (PU)
End customer	Homepage, Marketing, Fairs and visits	Ergonomics, acoustics and well-being Certifications and labels Climate impact - product Sustainable supply chains Circular furniture - components Shorter transports Locally produced	Procedures and internal processes: product development/ESG/purchasing
Supplier	Ongoing dialogue	Sustainable supply chains Material requirements on product	Procedures, supplier assessment (purchasing) and product development process (PU)
Public	Homepage, Marketing	Transparent communication Short transports Locally produced No emissions locally No plastic Local community involvement	Marketing process Procedures and internal processes product development/ESG/purchasing. Environmental management system.

Results from stakeholder dialogue

What sustainability requirements will end customers place on furniture in the future?

- Circular furniture flows
- Materials: content, origin and recycled
- Certifications for credibility
- Social responsibility and controlled supply chains
- Reduced climate impact
- Credible, transparent and fact-based communication

How do we get customers to choose more sustainable alternatives?

- Pricing in relation to other sustainability aspects of product value
- Creating high credibility for a more sustainable product by transparent, fact-based communication
- Dealing with lack of knowledge among customers through information and communication
- Work with legislative bodies to ensure that the Public Procurement Act does not conflict with the rapidly developing area of sustainability
- Transparency, comparability and follow-up between products and manufacturers
- Use tools to promote sustainable choices, such as nudging and specific choice situations

Significant issues

The most significant issues for Götessons Design Group have been clarified through the development of a materiality analysis and is the first one done for GDG.

The materiality analysis was done in five steps: development of a gross list of sustainability issues; the gross list was summarised and targeted to stakeholders and how important we think they think the issue is; the sustainability issues were summarised and grouped and then rated according to their impact, including indirect/direct, actual/potential, who is affected, as well as risk assessment, and given a value; the sustainability issues with the highest value were considered relevant to the company; these issues were delineated and governance was described, and then broken down in a table. The results, i.e. which issues are most important for the organisation, are presented in the following diagram. The key issues with their boundaries are presented in more detail in Annex 1.

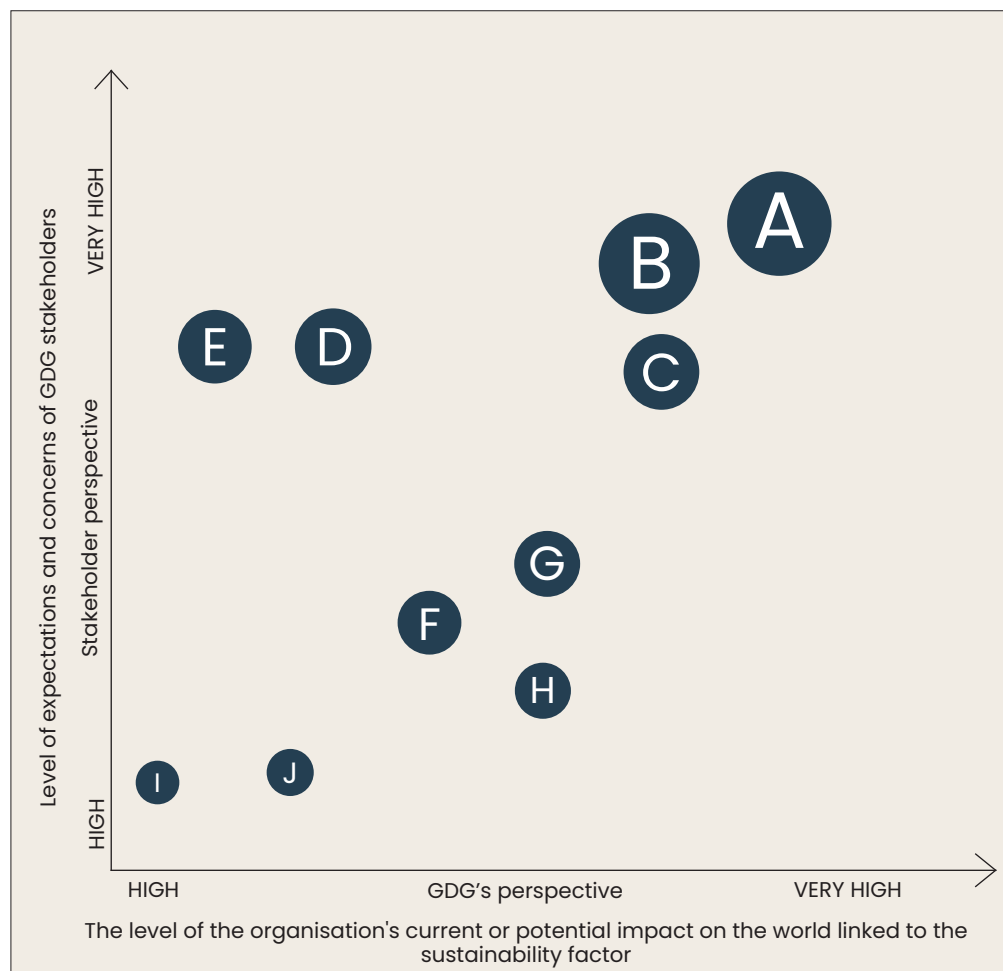
Götessons Design Group's sustainability work is based on two areas: A sustainable working day for everyone, and Sustainable furniture and human design. The first focuses on the social side of our business – sustainable and controlled supply chains, work environment and internal equality, and the function of our products for the user, i.e. customer ergonomics, acoustics and comfort. The second area relates to our products, i.e. furniture, as such. It is about product development and design, and choosing materials that are good for the planet and good for people. It also includes circular furniture flows and business models. All the significant issues fall under one of the areas of 'A sustainable working day for everyone', and 'Sustainable furniture and human design'.

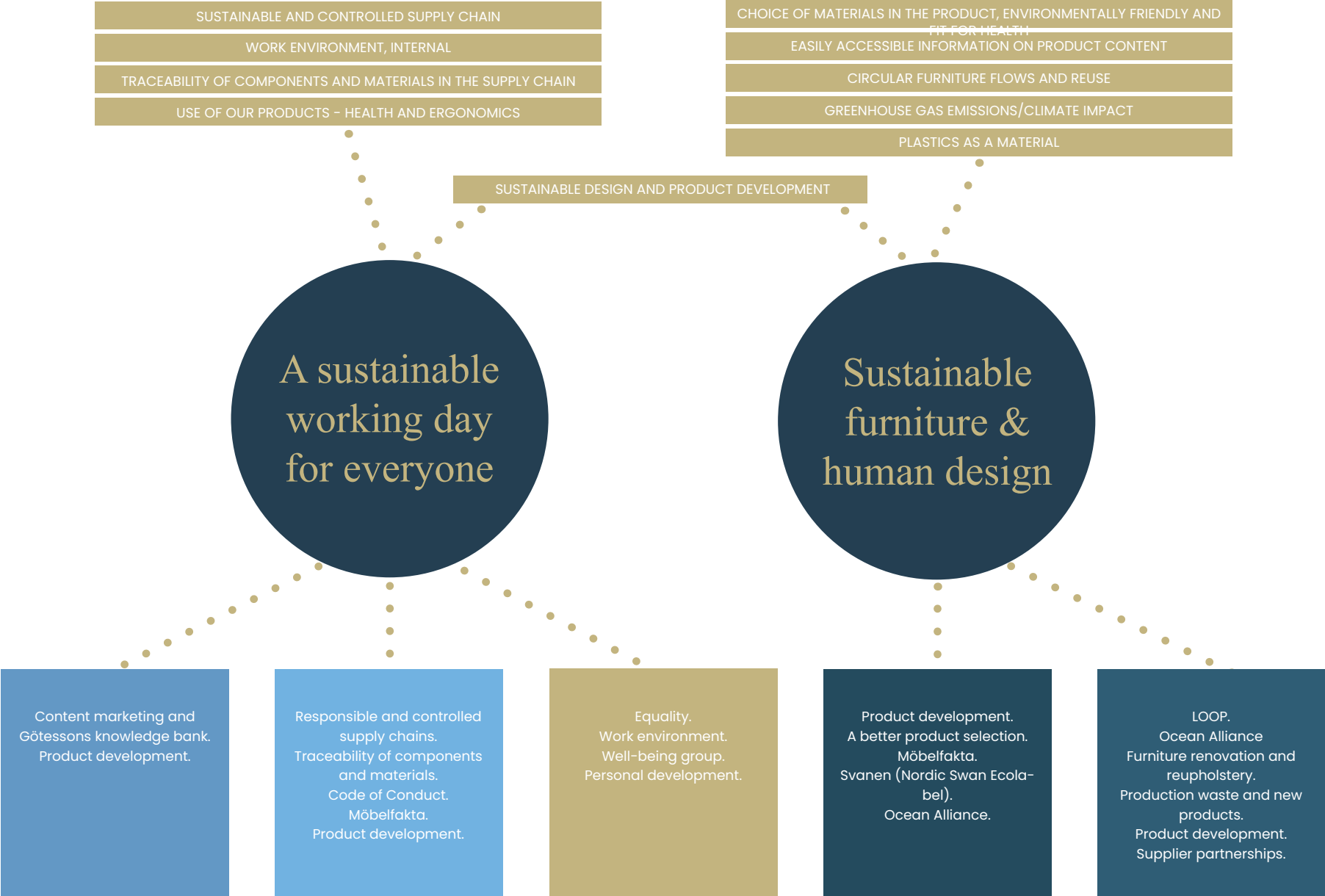
It is on the basis of these two areas that the GDG's

sustainability work, projects, working methods and commitments will continue to be based. Examples of projects linked to either one or both focus areas are the Möbelfakta certification of furniture, a new product development process, and a knowledge bank on a sustainable working day.

Götessons Design Group's sustainability strategy is aligned with five of the 17 UN Sustainable Development Goals, Agenda 2030. Namely Goal 3 (Good health and well-being), Goal 8 (Decent working conditions and sustainable growth), Goal 10 (Reduction of inequality), Goal 12 (Sustainable consumption and production), Goal 14 (Oceans and marine resources) and Goal 15 (Ecosystems and biodiversity).

Question	Id
Choice of materials in the product, environmentally friendly and fit for health	A
Sustainable and controlled supply chain, social	B
Easily accessible information on product content	C
Circular furniture flows and reuse	D
Work environment, internal	E
Greenhouse gas emissions/climate impact	F
Sustainable design and product development	G
Traceability of components and materials in the supply chain	H
Plastics as a material	I
Use of our products - health and ergonomics	J





Goals and focus areas 2021

In 2021, we worked on the following focus areas for Götessons and Akustikmiljö. These are based on our materiality analysis and are in line with our sustainability strategy.

GÖTESSONS

CIRCULAR BUSINESS MODELS AND LOOP

Goal 2021: Implement 20 LOOP projects

Outcome 2021: 3 projects were implemented where 192 products were looped.

SUSTAINABLE PRODUCT DEVELOPMENT

Goal 2021: A product development process that sets clearer sustainability requirements for materials, labels and suppliers.

Outcome 2021: The new product development process was launched in February 2022.

SUSTAINABLE PRODUCT RANGE

Goal 2021: Review which products in the Götessons range are more sustainable, and develop a system to highlight them.

Outcome 2021: The in-house Ecolabel "A better product range" was launched for Götessons in February 2022.

A SUSTAINABLE WORKING DAY FOR EVERYONE

Goal 2021: Develop a marketing and product package in the area of well-being at work.

Outcome 2021: A knowledge page was launched on Götessons website in the autumn of 2021 with articles on how to decorate for a more sustainable working day.

AKUSTIKMILJÖ

CIRCULAR PRODUCTION AND RECYCLING

Goal 2021: Return production waste to raw material supplier to be reused in new products.

Outcome 2021: No return of production waste was implemented during the year. Other projects were started in production waste management.

PLASTIC AND SAVE THE OCEANS

Goal 2021: Become a member of an organisation that promotes better use of plastics.

Outcome 2021: Akustikmiljö became members of the Ocean Alliance, which is run by Håll Sverige Rent (Keep Sweden Tidy).

THE IMPACT OF ACOUSTICS ON PEOPLE

Goal 2021: Work more actively to disseminate knowledge on acoustics and health.

Outcome 2021: A series of social media posts on acoustics, facts and interior design for better well-being were presented.

KNOWLEDGE OF THE ENVIRONMENTAL IMPACT OF PRODUCTS

Goal 2021: Conduct a Life Cycle Assessment (LCA) on EcoSUND.

Outcome 2021: Life cycle analysis conducted in 2021. A third-party audited environmental product declaration will be completed in spring 2022.

ENVIRONMENT

Sustainable furniture & human design

PRODUCTS WITH WELL THOUGHT-OUT DESIGN AND CONTENT

SUSTAINABLE DESIGN, MATERIAL AND PRODUCT DEVELOPMENT

Product development and design is one of the core functions of the Götessons Design Group, and one of our most important sustainability issues. We place great emphasis on developing products that are both safe and beneficial to the health of the user. A design and product development philosophy that is in line with human health sometimes goes against current trends. Our hope is that sustainable solutions will be the common thread throughout, and our ambition is that sustainable development is not something that is strived for in the future, but that the shift happens here and now. In our product development

process, we have set requirements for social and environmental sustainability, including long service life, no hazardous materials and that the product should be reusable. A clear example of how we are embracing this is the decision taken in 2021 not to produce products for Götessons with a chromium or nickel coating. The decision was made partly with the user in mind, but above all it is about people in the supply chain and the environment that need to be protected.

TRACEABILITY OF COMPONENTS AND MATERIALS IN THE SUPPLY CHAIN

Checking the origin and content of components and materials is important from several perspectives: that we have a controlled and ethical supply chain, that no hazardous substances and materials are used, and that the product is recyclable and reusable. The furniture industry faces many challenges and opportunities in terms of being able to trace whole pieces of furniture and components, both to phase out less durable materials, but also to keep products and components in service for a longer time. Suggestions include product passports and QR codes as solutions to achieve circular furniture flows. We welcome these developments and are

studying them closely. We believe that collaboration between players within the sector, but also outside, is essential to achieve a circular future faster. Internally, we work systematically with the traceability of components and materials in our products by meeting the requirements of Svanen (Nordic Swan Ecolabel) and Möbelfakta product certifications. Götessons has had products certified by Svanen ((Nordic Swan Ecolabel) since 2013 and Möbelfakta since 2021. The systematic approach is applied to all companies in the Götessons Design Group.



At Götessons Design Group, our product and design strategy is to ensure that every new product brings something new to the market, while meeting the needs of our customers. We want to do this without compromising on quality, design or the environment. Through our clear product development process, we go through all the steps of material selection, design and quality requirements to deliver the most sustainable product on the market.

- Dajana Omanovic, Product Development Director,
Götessons Design Group

REQUIREMENTS IN OUR PRODUCT DEVELOPMENT PROCESS

- Long service life;
- Smart design - few components, easy to disassemble, high energy efficiency;
- Recycled material as input component;
- Possible to recycle
- Environmental labelling;
- Consist of environmentally friendly materials;
- No hazardous chemicals
- Locally produced and/or checked supplier chain.

Ecolabels and sustainability certifications



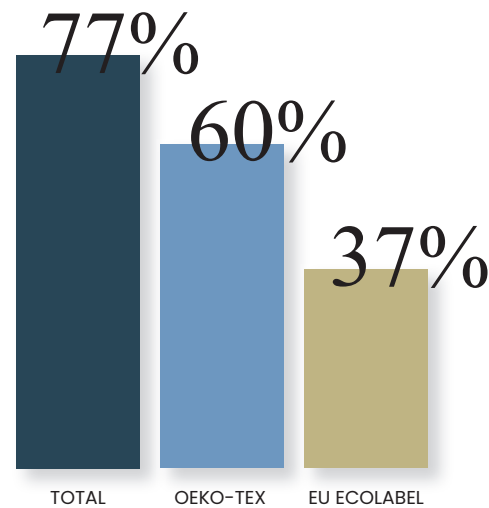
Declared products 2021



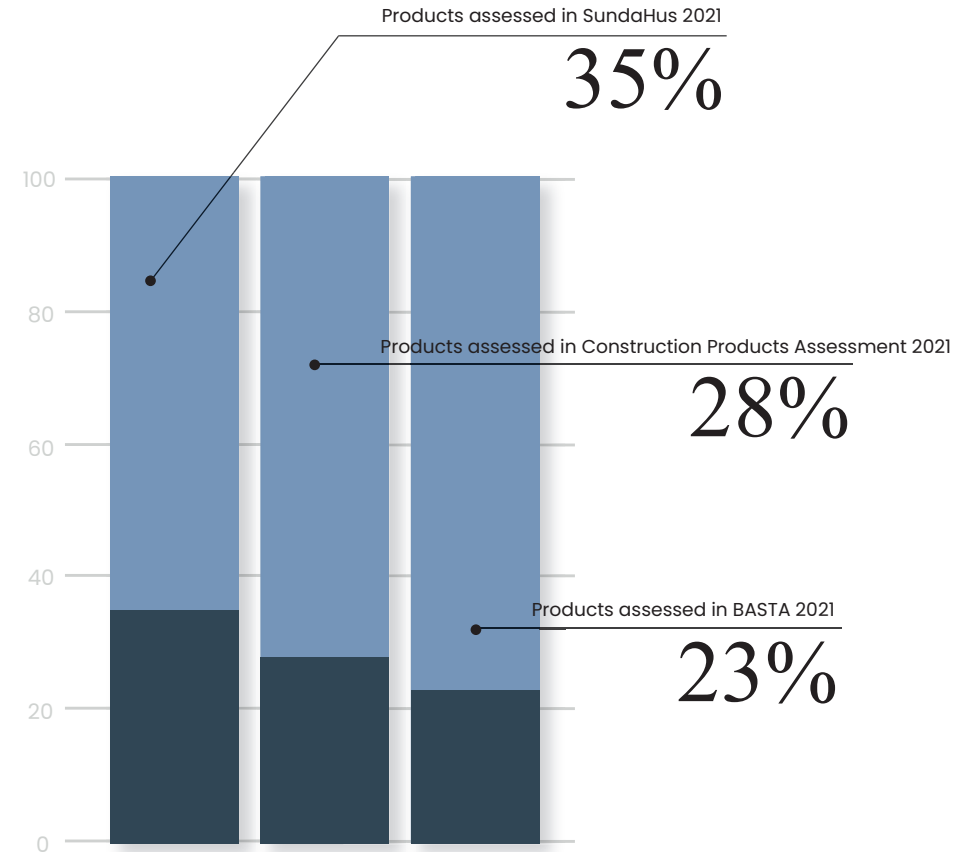
Declared products 2021

88%

of the wood raw material in Götessons products is FCS labelled



77% of the textiles in Götessons standard range are eco-labelled. Some textiles are labelled with both the EU Ecolabel and OEKO-tex.



The proportion of products declared in the Construction Products Assessment, SundaHus and BASTA for Akustikmiljö does not give a completely fair picture because many of the products are similar in material and design, but account for a small proportion of sales, and are therefore not prioritised to be declared.

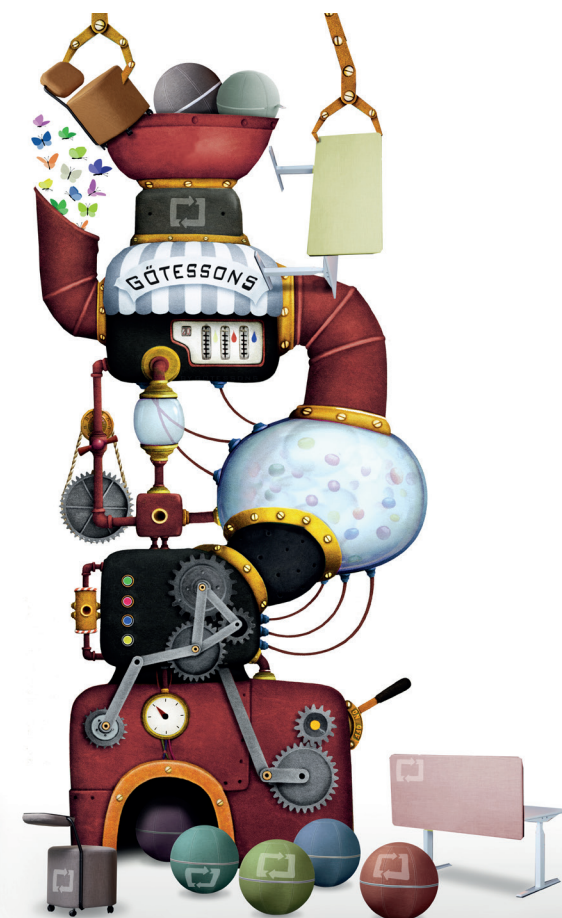
CIRCULAR FURNITURE FLOWS AND REUSE

It has to go full circle. Today's linear consumption behaviour is unsustainable –we are using far more new natural resources than the planet can produce, while piles of waste are increasing in size and polluting land and sea.

It is positive that circular initiatives are being created in many places and in many sectors – the furniture industry is one that is bubbling over a bit. Like us, many colleagues in the sector have taken responsibility and created e-shops or recycling concepts to promote circular furniture use. We are pleased and proud of that! One of the 2021 sustainability goals for Götessons was to implement at least 20

projects within the LOOP concept. LOOP means that we take in old products, recycle wooden frames, sound absorbent, brackets and legs, and, where applicable, the fabric which otherwise goes to energy recovery. The target for 2021 was not met and the outcome was three projects, where 192 screens were looped. For 2022, the target will be reformulated to be based on the number of products instead of the number of projects. A likely reason for the target not being met is that the markets, both private and public, are not fully ready for this type of business and solutions.

The Götessons Design Group is committed to the circular future and will work even harder on circular solutions going forwards. It does not just apply to LOOP. In our product development process, we strive to use recycled material as an input component, both pre-consumer recycled (production waste that occurs before product use) and post consumer recycled (products recycled after use). David design offers refurbishment and reupholstery of used furniture. Akustikmiljö's sound absorbent EcoSUND is made entirely of polyester fibre, 50% of which is recycled PET.



LINEAR = TODAY, CIRCULAR = TOMORROW

LOOP is a unique recycling concept by Götessons launched in February 2020. We take back end-of-life products, refurbish them and re-sell them again just like a new piece of furniture.

Goal 2021: 20 LOOP projects
Outcome 2021: 3 projects were implemented where 192 products were looped.

CIRCULAR SOLUTIONS AT GDG

GÖTESSONS

Works with solutions such as LOOP and product development, e.g. Office Ballz Medley. We offer textiles in different price ranges that are post consumer recycled.

AKUSTIKMILJÖ

EcoSUND is 50% made of GRI-certified post consumer recycled PET plastic

DAVID DESIGN

We refurbish and reupholster used furniture at the customer's request.

EASILY ACCESSIBLE INFORMATION ON PRODUCT CONTENT

The availability of easily accessible information about our products is important for customers and retailers to make informed choices. Having all relevant information in one document also saves time for stakeholders and employees. What does the product contain and what materials does it consist of? Which components are recycled, and how should the product be disassembled for recycling or refurbishment? Add to this information on completed tests, certifications, acoustic performance, maximum load and dimensions, and it can save time in decision-making for many.

During the year, we have launched projects to develop new product sheets, with technical and environmental information, to be made available on our companies' respective websites. The work is not yet complete but we aim to complete this work in the coming 5-year period.

GREENHOUSE GAS EMISSIONS AND CLIMATE IMPACT

Greenhouse gas emissions of Götessons Design Group cannot be reported for 2021. Work has begun on mapping climate and environmental impacts by conducting a Life Cycle Assessment, LCA, on Akustikmiljö's EcoSUND sound absorbent. The results will be presented in 2022, together with the completion of the Environmental Product Declaration, EPD.

Götessons is a partner in a local carbon storage pilot project in Sweden, Project: Restore. At the initiative of Swedebriidge,

six local companies invested money in the project in 2021. It is based on the re-wetting of drained wetlands and the planting of fast-growing trees and plants in Herrljunga. This project is created by participants in the local business community and has no intermediaries. Project: Restore contributes to increased biodiversity, by allowing more animals and plants to thrive when restoring nature. Forestry in the area will be logging-free, and through this carbon is stored in the restored wetlands and through the planting of fast-growing crops.

141.5 tonnes

CO₂ CO2 stored through our participation in Project: Restore in 2021



PLASTICS AS A MATERIAL

EcoSUND is Akustikmiljö's unique sound absorbent made entirely of polyester (PET), 50% of which are recycled PET bottles. The recycled PET fibres are third party certified according to GRS, Global Recycling Standard. GRS ensures that requirements are met for recycled content, limitation of chemicals, and social and environmental issues in production. The fibres are also certified according to Oeko-Tex Standard 100. Because EcoSUND is made of the same material, it is fully recyclable. The product has a long service life and can be reused again and again. It contains no binders and emits no emissions or gases, nor dust or other allergens.

Without compromising on quality, increasing the use of recycled materials is an important issue for us. In the coming years, major efforts will be made to increase the amount of recycled content in order to minimise the amount of plastic

that becomes waste, and instead extend its service life by incorporating it into new products.

Together for a plastic-free ocean! Akustikmiljö in Falkenberg is proud to be a partner organisation of the Ocean Alliance, an initiative from Keep Sweden Tidy where companies and organisations in Sweden come together with the common goal of a plastic-free ocean. EcoSUND, Akustikmiljö's own sound-absorbing material, consists of 100% polyester. We are aware of the negative environmental impact of plastic and try to compensate for the product content in several ways.

We will continue to be committed to the Ocean Alliance vision, especially in our product development and production process.

The Ocean Alliance has an overall vision, where the second point is highly relevant to Akustikmiljö and is thus a focus area in the company's continued work.

1. Eliminate unnecessary single-use plastic packaging
2. Reduce the use of fossil-based virgin plastics
3. Increase reuse and recycling of plastic products and packaging
4. Restore our oceans from plastic pollution



GÖTESSONS, MATERIAL CONSUMPTION 2021

PRODUCT GROUP	TOTAL WEIGHT, KG	MATERIAL
Absorbent wall/ceiling	95967.46	EcoSUND (50% recycled)
Artificial plants	50951.00	Plastic
Cable collector	2556.98	Sheet metal, Plastic
Cable complete set	1508.72	Sheet metal, Plastic
Cable grommets	636.95	Sheet metal, Plastic, Electrical
Cable tray	52698.34	components
Cables/extensions	3418.91	Sheet metal
CPU holders	22100.18	Sheet metal, Plastic, Electrical
Desk screen	534026.86	components
Ergonomic products	1602.29	Sheet metal
Fittings	3208.16	Wood, Absorbent, Textile
Floor protection	21889.35	Sheet metal, Plastic, Foam, Textile
Floor screen	242564.16	Sheet metal, Plastic
Junction boxes	41706.27	Plastic
Laptop holders	6863.56	Wood, Absorbent, Textile
Lighting	14928.05	Sheet metal, Plastic
Monitor arms	91360.95	Sheet metal, Plastic
Soft seating	89437.30	Sheet metal, Plastic, Electrical
Storage	27365.50	components
Table	1344.00	Sheet metal, Plastic, Textile
The Hut range	53645.50	Wood, Foam, Plastic, Textile
Toolbar	9457.01	Wood, Plastic, Sheet metal, Textile
Writing board	2017.51	Wood, Sheet metal
		Wood, Foam, Textile
		Sheet metal
		Wood, Absorbent, Sheet metal,
		Textile, Glass

For Götessons material consumption, the largest sales category, with 39% of the range, is wood, absorbents and textiles.

The second largest sales category of 10% consists of EcoSUND. The next sales category of 6% has input materials such as foam, wood, plastics and textiles.

The remaining sales categories include wood, metal, foam, electrical components, wood EcoSUND, textiles, plastics and glass.

In 2021, the share of recycled material components was <20%.

ACOUSTIC ENVIRONMENT, MATERIAL CONSUMPTION 2021

Akustikmiljö's material consumption consists mainly of the sound absorbent EcoSUND, with a recycled content of 50%. Then the accessories are added to the sound absorbent, such as textile upholstery, velour for wall hanging, sheet metal for hanging on ceilings, walls and frames, and aluminium for suspension from ceilings.

<u>MATERIAL</u>	<u>TOTAL WEIGHT, KG</u>
EcoSUND (50% recycled)	154,800
Textile	9100
Velour	2500
Sheet metal	24,000
Aluminium	700

DAVID DESIGN, MATERIAL CONSUMPTION 2021

Material consumption in kg cannot be presented for 2021. Materials used are: wood, metal, plastic, electrical components, foam, textile, leather and laminate (plastic and paper).

PACKAGING

	<u>MATERIAL</u>	<u>AMOUNT, KG</u>	<u>AMOUNT RECYCLED</u>
Götessons	Corrugated cardboard	8,260	Unknown
	Stretch film	320	
Akustikmiljö		18,000	65%
	Corrugated cardboard	4,850	Unknown
David design		113	
	Corrugated cardboard		
	Stretch film		

WASTE

<u>WASTE PER FRACTION</u>	<u>TONNES</u>
Combustible, fine	12
Combustible, coarse	2
Cardboard	12
Metal	10
Soft plastic	3.5
Office paper	2
Wood	19
Corrugated board	18.5
Unsorted construction waste	67
Hazardous waste	2.3

Waste from Götessons is mainly packaging material in the form of corrugated cardboard, wood, soft plastics and other combustible materials, which are generated in the logistics handling at the warehouse. The waste at Akustikmiljö is generated in the production of sound absorbing materials and textiles. This waste is sorted at the recycling centre by its staff. During assembly, waste is generated in the form of packaging and material cut to size at the customer's premises. For David design, waste is generated during the cutting of textiles and, where appropriate, wallpapering and assembly. The waste consists mainly of textiles, foam, wadding and packaging materials. Combustible materials and wood are incinerated, while metal, plastic, corrugated cardboard and paper are recycled.

*At the waste supplier's premises, this fraction is sorted by the supplier at the recycling centre and the waste is then sent for recycling or energy recovery.

ELECTRICITY CONSUMPTION AND GREENHOUSE GAS EMISSIONS (scope 2)

<u>ELECTRICITY</u>	<u>AMOUNT, kWh</u>	<u>CO₂e</u>
Götessons	353,513	0-emissions
Akustikmiljö	178,604	0-emissions
David design	22,512	0-emissions

The electricity consumption of the companies in the Group is green and comes from fossil-free sources; solar, wind and hydro power as well as biofuels. The premises in Ulricehamn are heated with local district heating, which uses a very low proportion of fossil fuels and a very high proportion of recycled heat from local industries. In Ulricehamn, we plan to invest in a solar cell plant in the coming years. The premises in Falkenberg are heated with electricity and excess heat from the machinery.

*We use only renewable energy.

<u>DISTRICT HEATING</u>	<u>AMOUNT, kWh</u>	<u>CO₂e</u>
Götessons, David design	418,534	3,348 kg CO ₂ e

*Source: Ulricehamns Energi AB, 2020. Combustion, transport and production of the fuel are included.

SOCIAL RESPONSIBILITY

A sustainable working day for everyone

A SUSTAINABLE WORKING DAY FOR EVERYONE – CUSTOMERS, SUPPLIERS AND OURSELVES



THE USE OF OUR PRODUCTS

The philosophy of Götessons has long been 'From workplace to creative space' – that a workplace can be so much more for the people who will use it. It is not just internally that health and well-being is the focus. Our products and their function are at the heart of our business. At Götessons Design Group, we have many years of experience in designing products to create environments where people feel good and thrive.

People spend more and more of their time indoors. Living, eating, sleeping, working and socialising. There are many things to consider to ensure a healthy indoor environment, and we also think it should be pleasant. There are many elements of healthy buildings that are not built-in, but later added through interior design furnishing. In order to spread our knowledge further, with the hope that more people will have a more pleasant workplace and indoor environment, a knowledge base on designing for a sustainable working day was published on Götessons website. It covers how to design for better acoustics, how to furnish meeting rooms in a thoughtful way, what to consider in terms of lighting and how to think when designing classrooms.

In addition to the knowledge we have regarding furniture and interior design, it is important that our products are safe and fit for health. All our products are tested according to the relevant standards for the different categories of furniture and furnishings. We carry out tests for tipping risk, surface finishes, fire and noise, among other things. The products must be durable and meet the customer's requirements and we strive to be present in the market and follow the evolution of needs as well as trends in order to satisfy the market in the best way. We place great emphasis on ergonomics and ensuring that the end user gets the most out of their product while the product provides a benefit in terms of creating a better working environment. For products where it is relevant, we provide instructions for assembly, disassembly, care and cleaning as well as a user manual. In our product development process, we exclude materials and chemicals that are hazardous to health so that the user is not adversely affected by them.

A sustainable and controlled supply chain

Today, it is no longer enough for companies and organisations to have good control over their own internal processes. Increasing attention is being paid to the upstream supply chain, and rightly so. It is very common for companies today that the majority of both environmental impacts and hazardous operations occur in the supply chain. Working solely on environmental and health and safety issues within one's own organisation, but selling products that are not controlled upstream, therefore distorts the picture and the end product is far from sustainable. In addition, it is often complicated because many smaller companies cannot rely on their suppliers, or find it difficult to obtain information

if suppliers and their subcontractors are global, are located in high-risk countries or are state-owned. Globalisation and outsourcing have a downside. But, just because it is sometimes difficult does not mean you should not do it. The market and other stakeholders are increasingly demanding that companies take responsibility for their entire operation, and for all parts of their products – which means it is not possible to have irregular production.

For Götessons Design Group, long and close cooperation with suppliers has been an important point since the company was founded. Quality, good working conditions

and good cooperation have always cost that little bit more. We carry out regular supplier visits and, where appropriate, third-party audits. In 2021, the work on sustainable supply chains took on a new dimension and the work was restructured as Götessons would declare products in Möbelfakta, a sustainability certification that, among other things, places higher demands on the work with the supply chain. A new survey was carried out during the year for Götessons and Akustikmiljö, and further work is underway to continue to ensure sustainable supply chains.

BUSINESS SUPPLY CHAINS

Götessons, Akustikmiljö and David design strategies for production and logistics differ from year to year, but the companies use common suppliers where applicable. The majority of suppliers are located in Sweden or the rest of Europe. Supplier assessments with associated risk analysis generally indicate low risks of negative social aspects such as because deficiencies in, for example, human rights, child labour, forced labour or freedom of association for our largest suppliers. However, there are suppliers in high-risk countries such as China and Turkey where we have noted possible risks of human rights, labour and environmental protection violations. Responsible supplier management is an important area for us and in the coming period we will increase our focus on monitoring and improving high-risk suppliers.

Götessons does not have its own production, but buys all finished products from subcontractors where the product is quality assured, packaged and labelled according to set requirements. Some manufacturing does occur but is more of a logistical nature, i.e. packaging or configuring the product according to customer requirements. A large stock of products is held for good customer service, but about half of the turnover is order-driven with customer-configured products. Suppliers are located in Sweden, Europe and a few in Asia. In total, Götessons has about 45 suppliers (>100,000 SEK/year).

Akustikmiljö produces products made using EcoSUND as core material, in its own premises in Falkenberg. Production is customer order driven and only a small amount of stock is held. Production takes place

in a lamination line with cutting and subsequent manufacturing stations.

The suppliers are mainly located in Sweden. Akustikmiljö has about 30 suppliers (>100,000 SEK/year). David design production is completely customer order driven and almost all products are manufactured according to the customer's wishes. The range of textiles is not fixed as at Götessons and Akustikmiljö; all textile choices are made by the customer. Generally, however, well-known European textile suppliers are chosen. David design production takes place in its own premises in Ulricehamn, and components, and in some cases finished products in the range, are manufactured by subcontractors in Sweden or northern Europe. All assembly, quality control and packaging is carried out in-house. David design has about 20 suppliers (>100,000 SEK/year).

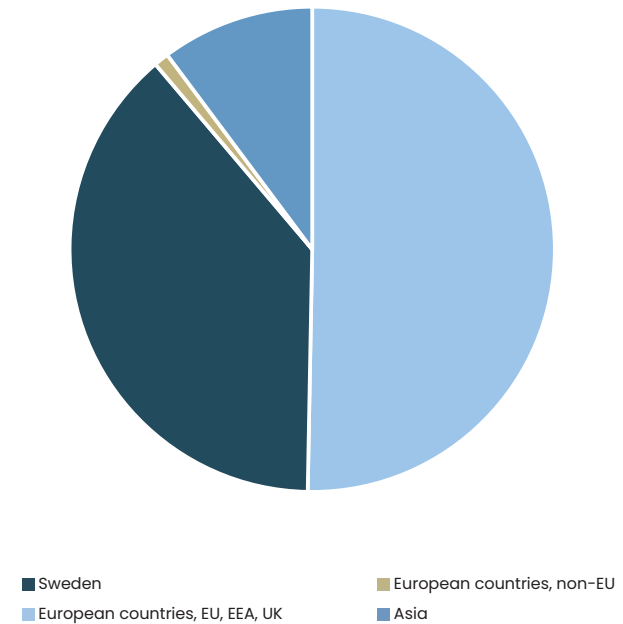
SUPPLIER ASSESSMENTS

In 2021, the Group's new approach to supplier assessments has been implemented, under which 32 suppliers have been assessed, which are also our largest suppliers. The new suppliers added during the year were assessed using an older assessment approach, because they were not component suppliers for products to be declared in Möbelfakta. In the coming years, all component suppliers and critical suppliers will be assessed under the new approach. This process will assess sustainability aspects in the form of country-specific risks and sector specific risks for environmental protection, anti-corruption and social conditions through human rights, workers' rights and the working environment.

CHANGES IN THE SUPPLY CHAIN

A small number of small goods suppliers have been added but all of these are within Sweden. During the year, David design production has moved from Skillingaryd to the joint premises in Ulricehamn. David design now has its production and offices in the same modern premises as Götessons. The move has meant that production has been streamlined and that several economies of scale can be exploited on the supplier side together with Götessons.

SUPPLIERS, DISTRIBUTION OF PURCHASES



PURCHASES FROM LOCAL SUPPLIERS*	PROPORTION %	SUPPLIERS, COUNTRY OF ORIGIN	PROPORTION %
Götessons Industri	29 %	Sweden	38.9%
Akustikmiljö	83%	EU, EEA and UK	50.8%
David design	86%	European countries, non-EU	0.1%
Total for group	39%	Asia	10.3%

*Local supplier means Swedish suppliers.

Distribution of purchased goods by country within Götessons Design Group.

CHALLENGES IN OUR SUPPLY CHAIN

1. It is more difficult to obtain transparent and factual knowledge about the supply chain behind other supply chains in high-risk countries. This applies to both the origin of materials and the social conditions of staff.
2. There is a lack of actual knowledge about the environmental impacts of products and materials in all supply chains, e.g. lack of life cycle analyses. If the knowledge of materials and components had been available, it would facilitate further work at product level.
3. Within Götessons Design Group there are many subcontractors in other supply chains and backwards, which makes it more difficult to track and measure the environmental impact of a single material or component.

EMPLOYEES AND WORK ENVIRONMENT

The employees of Götessons Design Group are our most important resource. Happiness, well-being, equality and development are and have always been top priorities for the company.

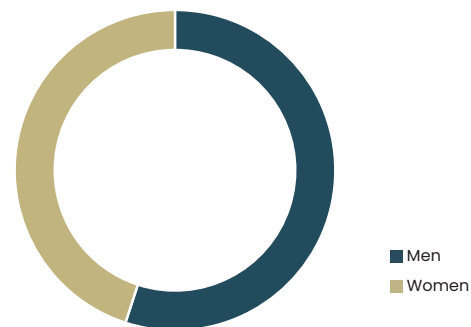
The number of employees in Götessons Design Group in 2021 was 124, of which 45% (56) are women and 55% (68) are men. The age distribution of employees is 15% below 30 years old, 62% between 30-50 years of age, and 23% over 50 years old.

The sickness absence rate at Götessons, Akustikmiljö and David design was 4.85% in 2021.

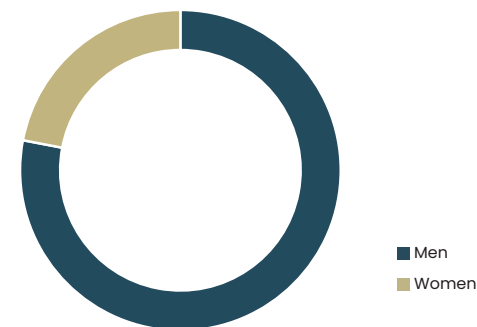
During the year, 23 people were hired, including three temporary staff. The gender distribution of new employees was even, with 50% men and 50% women, and with an age distribution of seven people below 30, 13 people between 30-50, and three people over 50. The turnover of staff through voluntary redundancy was 8 people who left their employment during the year.

The management team of Götessons Design Group consists of nine people, of whom two are women (22%) and seven are men (78%). Six of the people (67%) are between 30-50 years of age and three of the people (33%) are over 50 years old.

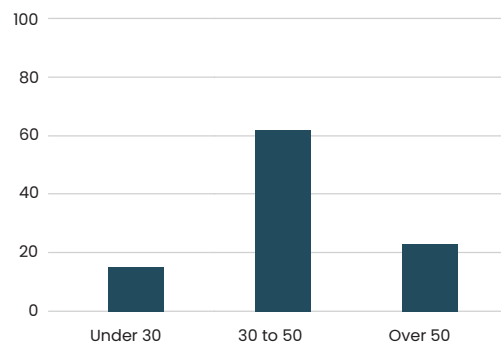
EMPLOYEES IN THE GROUP,
GENDER DISTRIBUTION



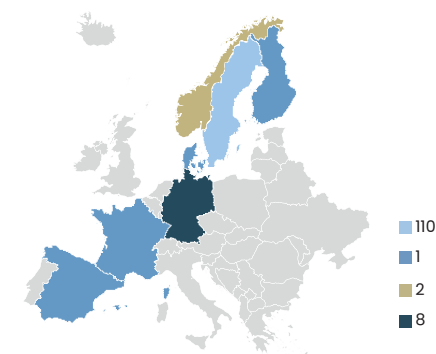
MANAGEMENT TEAM,
GENDER DISTRIBUTION




AGE DISTRIBUTION OF EMPLOYEES,
GROUP



EMPLOYEES BY COUNTRY,
GROUP





Incidents and accidents are monitored and reported by all companies in the Group. In 2021, 5 accidents and 21 incidents were reported. At Götessons Design Group there is a zero vision for workplace accidents and we are constantly working on risk assessments, health and safety audits and improvement work. At GDG, occupational health care is contracted with Priserva. Together we work to identify and catch signs of ill health early on, to help us as employers to reduce and prevent all types of risks and ill health in the work environment and to facilitate return to work in the event of sick leave. Health and safety audits are carried out at least twice a year, both on the collective and the employee side. An external health and safety audit through the trade union was conducted once in 2021 on the collective side.

Götessons Design Group has a health and safety management system for systematic work environment management within the Group, which covers all companies and employees. As an employer, we work with the investigation,

implementation and follow-up of activities in matters that prevent illness and accidents and achieve a satisfactory working environment. This is implemented in the form of policies, working methods, guidelines, and a plan for equal rights and opportunities.

Employee inclusion in work environment management at Götessons Design Group is primarily based on a health and safety committee consisting of ten people, two of whom are part of the company's management group, three middle managers, four health and safety representatives and one other employee representative. The health and safety committee meets four times a year and discusses issues such as the working environment, risk assessments and other social and ethical issues. Our health and safety representatives represent workers on health, safety, ill health and well-being issues. There is an internal whistle-blowing system to obtain information about serious irregularities in the company's sphere of interest and influence. No whistle blowing cases arose in 2021.

At GDG, there is absolutely zero tolerance for discrimination, harassment and discriminatory treatment. Incidents in this area are captured in employee surveys conducted twice a year, through the whistle-blowing system, via the health and safety committees and in the annual staff appraisal interviews. In the two employee surveys conducted in the spring and autumn of 2021, 5 and 3 people respectively responded that they had experienced "bullying, insult or harassment in some form at work". The company has put in place measures to counter this through, among other things: implementation of an equal rights and opportunities plan; training plan for all employees in non-discrimination; equality as an expanded focus area throughout the organisation.

Götessons Design Group's Equal Rights and Opportunities Plan focuses on eight areas: awareness, knowledge and sensitivity; working conditions, rules and practices on wages and other terms of employment; recruitment and promotion and promoting gender balance; training and other skills development; parenting and work; no harassment, sexual harassment, retaliation or discriminatory treatment; and social responsibility. The plan is based on all grounds of discrimination and aims to increase equality within the Group. Götessons Design Group believes that all people are of equal value and our workplace should be characterised

by equal treatment and equality. Within the Group, we must offer equal opportunities at work regardless of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, age or form of employment.

All Götessons Design Group employees are covered by a collective agreement and all employee benefits apply regardless of whether you are a full-time, part-time or hourly employee. At GDG, we comply with the Parental Leave Act, which means that all parents have a legal right to be on parental leave. During the period of parental leave, the person retains their employment and the rights that go with it. In this report, we have chosen to report on those who took at least 30 consecutive days of parental leave during the reporting period. In 2021, five women took at least 30 consecutive days of parental leave.

In 2021, Götessons activity group was transformed into a well-being group, to contribute to increased well-being, engagement and health in the workplace. The well-being group consists of employees from different departments and all staff are asked to provide ideas for well-being-enhancing activities. The group organises around 10 activities a year, large and small, such as padel tournaments and barbecues.

Götessons Design Group believes that all people are of equal value and our workplace should be characterised by equal treatment and equality. Within the Group, we must offer the same opportunities at work regardless of gender, gender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, age or form of employment.



SUSTAINABLE BUSINESS

Business ethics and anti-corruption



SAFE AND RESPONSIBLE PARTNER

Götessons Design Group must be the industry's most attractive company to work with and for – that's the company's vision. It is important for us to always act responsibly in our business relationships, both internally and externally. Basically, it is about having trust in us as a company, where we value ethics, morals, fair conditions and good business practices.

It must feel right to work with us. We therefore have long relationships with suppliers and carefully check materials and producers. Most of our suppliers are based in Sweden or other European countries. We work systematically to take responsibility for our supply chains and ensure compliance with human rights, labour law, environmental responsibility and anti-corruption through CSR reviews or continuous visits where these important issues are discussed. Our Code of Conduct applies to both ourselves and our suppliers.

Götessons Design Group has zero tolerance for and rejects all illegal competition. No form of corruption, bribery, extortion or kickbacks may occur in the sphere of influence of the Group, from or to the companies. Doing business in an ethical manner is important to us and we believe it is the only sustainable way to move

our business forward. To ensure this, we have a Code of Conduct that applies to both ourselves and our suppliers. Götessons Design Group also has a whistle-blowing system. It provides the opportunity for our employees to be able to report serious irregularities, such as economic crime, corruption, security, discrimination and harassment, environmental crimes or irregularities in supplier relations. In 2021, no cases related to whistle-blowing were received. In the near future, the GDG will implement a different whistle-blowing system where more stakeholders will be given the opportunity to raise the alarm.

We feel happiest in a chain where every party is profitable. When we know that we always have our carefully selected suppliers with us and that what we deliver to the customer always meets their requirements and is on time. Our goal therefore is to grow together with our partners, to create security both for ourselves and for our customers. As a responsible partner, we value customer satisfaction highly, which is why we also place great emphasis on making it quick and easy both to contact and order from us. Delivery reliability and fast customer service can be crucial to our customers' success and is therefore something we place great importance on.

GRI Content Index

GRI Index

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102-56	External assurance		The report has not been audited by a third party.

GRI 103: Sustainability Governance (2016)

103-1	Explanation of the key issues and their boundaries	Annex 1	Governance & boundaries for key sustainability issues are presented in Annex 1.
103-2	Approach, management and governance	Annex 1	Governance & boundaries for key sustainability issues are presented in Annex 1.
103-3	Evaluation of governance	Annex 1	Governance & boundaries for key sustainability issues are presented in Annex 1.

Question-specific standard disclosures

KEY SUSTAINABILITY ISSUE: Choice of materials in the product, environmentally friendly and fit for health

KEY SUSTAINABILITY ISSUE: Traceability of components and materials in the supply chain

KEY SUSTAINABILITY ISSUE: Easily accessible information on product content

301-1	Materials used by weight or volume	27, 28	
301-2	Recycled input materials used	27, 28	

KEY SUSTAINABILITY ISSUE: Greenhouse gas emissions, climate impact

305-1	Energy indirect (Scope 2) GHG emissions	29	
	Energy consumption within the organisation	29	

KEY SUSTAINABILITY ISSUE: Plastics as a material

301-1	Materials used by weight or volume	27, 28	
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301-2	Recycled input materials used	27, 28
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KEY SUSTAINABILITY ISSUE: Greenhouse gas emissions, climate impact

305-1	Energy indirect (Scope 2) GHG emissions	29
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302-1	Energy consumption within the organisation	29
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KEY SUSTAINABILITY ISSUE: Plastics as a material

301-1	Materials used by weight or volume	27, 28
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301-2	Recycled input materials used	27, 28
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KEY SUSTAINABILITY ISSUE: Sustainable design and product development

301-1	Materials used by weight or volume	27, 28
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301-2	Recycled input materials used	27, 28
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KEY SUSTAINABILITY ISSUE: Circular furniture flows and reuse

301-1	Materials used by weight or volume	27, 28
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301-2	Recycled input materials used	27, 28
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301-3	Reclaimed products and their packaging materials	24
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306-3	Waste generated	29
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306-4	Waste diverted from disposal	29
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306-5	Waste directed to disposal	29
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KEY SUSTAINABILITY ISSUE: Use of our products; health and ergonomics

417-1	Requirements for product and service information and labelling	22, 31
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KEY SUSTAINABILITY ISSUE: Sustainable and controlled supply chain; social responsibility

204-1	Proportion of spending on local suppliers	33
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308-1	New suppliers that were screened using environmental criteria	33
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407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	32
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408-1	Operations and suppliers at significant risk for incidents of child labour	32
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409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	32
412-1	Operations that have been subject to human rights reviews or impact assessments	33
414-1	New suppliers that were screened using social criteria	33
KEY SUSTAINABILITY ISSUE: Employees and work environment, internal		
401-1	New employee hires and employee turnover	34
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	36
401-3	Parental leave	36
GRI 403: Health and safety (2018)		
403-1	Occupational health and safety management system	35
403-2	Hazard identification, risk assessment, and incident investigation	35
403-3	Occupational health services	35
403-4	Worker participation, consultation, and communication on occupational health and safety	35
403-5	Worker training on occupational health and safety	35
403-6	Promotion of worker health	36
403-8	Workers covered by an occupational health and safety management system	35
403-9	Work-related injuries	35
403-10	Work-related ill health	35
GRI 405: Diversity and equal opportunity (2016)		
405-1	Diversity of governance bodies and employees	34
GRI 406: Non-Discrimination (2016)		
406-1	Incidents of discrimination and corrective action taken	36
Anti-corruption and business ethics		
201-1	Direct economic value generated and distributed	4
205-3	Confirmed incidents of corruption and actions taken	39

Götessons Design Group's organisation and governance

The ultimate responsibility for the sustainability report and the sustainability work, including policies, targets, monitoring and development, lies with the company's Board of Directors, supported by the management team. The ongoing day-to-day work in the area of sustainability is led by the company's ESG department, which during the year consisted of Stellan Bygård and Emma Hagman.

Götessons Design Group's management team

Emil Johansson (CEO), John de Boer (Sales Director), Jörgen Johansson (CFO), Mika Haglund (COO), Jessica Carlstein (Marketing Director), Johan Götesson (Business Development Manager), Dajana Omanovic (Product Development Director), Tomas Svensson (Senior Product Developer) and Stellan Bygård (ESG Manager)

Götessons Design Group's Board of Directors

Niklas Sloutski (Chairman of the Board), Emil Johansson, Martin Creydt, Johan Götesson, Isabelle Sjövall, Tommy Torwald and Håkan Nilsson

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Human design, Human growth

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D E S
G R O

GÖTESSONS

David design

akustikmiljö

ANNEX 1 – Key sustainability issues, boundaries and governance

			BOUNDARY		GOVERNANCE	LACK OF GOVERNANCE	EVALUATION OF GOVERNANCE
Key sustainability aspects	Why is the issue important?	The impact of the issue:	Where in the value chain the issue occurs:	Impact of the issue:	Governance is handled by:	Cause and plan of action:	
Employees and work environment, internal	This is a very important issue for our employees. If they do not feel well or are not happy, it becomes very difficult to run operations.	Health and safety	GDG's production facilities and offices	Causes the impact Contributes to the impact	Objectives, policies, procedures, compliance checks, health and safety committee		Governance works well.
Plastics as a material	Public opinion is generally negative towards plastics. And plastic is a major problem in terms of marine and terrestrial littering.	Greenhouse gas emissions Use of non-renewable materials	At subcontractor At customer	Contributes to the impact	Commitment to GRS certified materials Commitment to support the organisation HSR, member of the Ocean Alliance		To be implemented in 2022 after completion of the 2021 sustainability report.
Sustainable and controlled supply chain; social responsibility	Human rights abuses or similar violations must not be allowed to occur in our value chain.	Human rights Health and safety	At subcontractor	Contributes to the impact Directly linked to the impact through business relationship	Supplier assessment and risk analysis procedures, code of conduct as part of contract		Annual supplier assessment and component mapping
Traceability of components and materials in the supply chain	Customers are increasingly demanding information on products, components, content and country of production. To be transparent, we need to be able to show such information. It is also important for circular furniture production. Good data to have for surveys.	Manufacturing process	At subcontractor	Directly linked to the impact through business relationship	Purchasing, product development and ESG procedures		Annual supplier assessment and component mapping
Choice of materials in the product; environmentally friendly and fit for health	The earth's resources are depleted. We must choose input materials that do not deplete the planet. They must also not be (potentially) harmful to human health. The cleaner, simpler and less complicated the material, the better.	Material Natural resource extraction	At subcontractor	Causes the impact Directly linked to the impact through business relationship	Procedures within the product development department		To be implemented in 2022 once the procedure has been in use for a period of time.

ANNEX 1 – Key sustainability issues, boundaries and governance

Easily accessible information on product content	We need to develop information about our products with both technical and environmental information. On the one hand, customers are demanding it more. In addition, we seem serious when we have proper product sheets Traceability and transparency become more important. On the one hand, it is good for internal data storage, communication and R&D to have clear information.	Material Internal knowledge, processes Transparency	At subcontractor in own production facility At a subsidiary in the group	Causes the impact Directly linked to the impact through business relationship	Project to produce product sheets started.	Internal project for 2022.
Greenhouse gas emissions/ climate impact	Greenhouse gas emissions must be reduced to reduce climate impact. This is best done through smarter production and reuse.	Emissions to air	In own production facility At a subsidiary in the group	Causes the impact	Lack of governance.	Sustainability target 2022 is to map scope 1 and scope 2.
Sustainable design and product development	Product development and the products themselves are the most important part of properly functioning sustainability work for GDG. Design that is not trend-sensitive or short-term and of low quality is very negative for sustainable development.	Material Natural resource extraction Ergonomics, acoustics, well-being - use	In own production facility At a subcontractor	Causes the impact	Procedures within the product development department.	To be implemented in 2022 once the procedure has been in use for a period of time.
Circular furniture flows and reuse	An important part of reducing environmental impact is circular economy. In many ways, the industry is trying to find solutions on its own. There are public programs working to help companies become more circular. We must be part of this, partly because of actual environmental impact, partly because of competition and reputation NOT to be involved.	Material Natural resource extraction Waste	In own production plant At customer At a subcontractor	Causes the impact Contributes to the impact Directly linked to the impact through business relationship	Project, e.g. Loop, supplier collaboration work.	Sustainability goals for 2022. Done together with the PU department
Use of our products; health and ergonomics	Because we sell products to be used during the working day, it is important that we make products that people feel good about using. They should not contain hazardous chemicals, and they should promote ergonomics and well-being.	Ergonomics, acoustics, well-being - use Material	In own production plant At customer	Causes the impact Directly linked to the impact through business relationship	New product development procedures.	To be implemented in 2022 once the procedure has been in use for a period of time.