Sustainability Report 2022

BOLON

Contents

The name of this report has been changed to match the report period 2022, not the year of publishing (2023).
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About Bolon

We are passionate. The ones that follow our hearts. The ones that never stand still. We are dreamers and doers. Humble and confident. We are found all over the world, but we are always down to earth. We believe in creating new dimensions, by challenging conventions and breaking down barriers. Designing great experiences is our game. And we always play to win. We will continue to deliver beautifully woven designs with the ambition of creating more attractive environments for people to experience and enjoy. We are Bolon and we are innovators.

People walk on our floors every day, in countries all over the world. As much as 92% of our products are exported and we are present in no fewer than 63 markets worldwide. In 2022, our largest markets were the USA, Sweden, Germany, France, and Great Britain. Last year, we posted a turnover of 331 million SEK. Like previous years, this further strengthened our position as a leading, global design brand that produces and markets innovative, high-quality flooring.

TURNOVER	331 M
MARKETS	63

A word from our CEO

Sustainability isn't just something we say. It's what we do. And what we've always done. Bolon started production more than 70 years ago with a bold idea: to produce woven carpets from waste material. Put simply, it was recycling – long before the word was invented.

For us, sustainability is built into our DNA. It's an important part of who we are as a company. I am proud that our sustainability work covers all our products, and not just selected niche collections. This means that when it comes to sustainability work, Bolon is the global industry leader.

How we handle materials during production is by far the most important factor and is key to us reaching our ambitious goals regarding climate and circularity.

We will halve our climate impact and have at least 50% recycled material in all our floors by 2028. Since 2018, we have already increased the amount of recycled materials in our floors by 71%.

At Bolon, we let sustainable innovation and development guide us. For over 20 years, we have reduced the environmental impact of our floors step by step – but we're not finished yet. We are pushing for more recycling in the design industry. Because we know that by increasing the amount of recycled material in our floors and rugs leads to circular products with less environmental impact.

Marie Eklund
CEO, Bolon

Summary

CLIMATE

- Our production is carbon neutral
- We use 100% renewable energy in all our production
- 79% of our floors are fossil-free

CIRCULARITY

- All our floors and rugs contain recycled material
- On average, 28% recycled material is used in our floors
- In 2022, we used 71% more recycled material than in 2018

HEALTH AND THE ENVIRONMENT

- All floors are free of phthalates
- All floors are free of heavy metals
- All floors meet the toughest requirements regarding emissions during use

PRODUCTION

- 100% of our floors are made in Sweden
- 98% of all raw materials come from within the EU
- 77% of material comes from Swedish suppliers
- 100% of PVC used is eco-labelled

OUR SUSTAINABILITY JOURNEY 2003 – 2022

2003
Switch to stabilisers free from heavy metals

2006
Development work to achieve higher wear resistance and longer life for our floors

2011
Inauguration of our factory in Sweden for entire floor production

2011
Implementation of 100% renewable electricity

2013
Change to phthalate-free plasticiser

2014
Our integrated recycling plant opens

2015
Start purchasing external waste

2016
Raw material from eco-labelled PVC is introduced in production

2018
All collections contain recycled material

2020
Introduction of post-consumer waste

2021
Launch of our sustainability promise for 2028

2022
Decision made to produce our own electricity via solar cells

Goals and corporate governance

We have analysed how we affect our surroundings and how our surroundings affect our business. Above all, we have focused on climate and circularity. Within these areas, we have established a goal to guide us. We call it “our promise”. When it comes to the areas that relate to health and the environment, we worked longer and with a clear purpose to remove harmful additives.

In several of our important markets, the interest in and demands for sustainability have increased. So, it is important for us to be transparent, to account for the environmental impact of our products and back this up with different third-party certifications. This will allow us to clearly show how we work continuously to reduce our environmental impact.

Our vision is to offer supreme products that are part of circular material flows, are safe for humans and nature, and have zero climate impact.

Based on our vision, we have formulated the following measurable goal: By 2028 at the latest, all our floors will be 50% circular and we will reduce our current climate footprint by 50%. To control and guide our sustainability work, we have defined and set key numbers that are measured monthly and followed up annually.

Today, our floors are free from hazardous substances and have very low emissions over their full lifespan. We maintain this through careful controls of all types of raw materials and follow-up controls throughout production.

Our goals are integrated into our working day – from research and development to production and sales. Our sustainability goals and the work required to reach them are regularly on the agenda at our management group meetings.

Our journey towards increased sustainability is all about improving our floors and rugs step by step. We have deliberately chosen not to have a special “green collection”. Instead, all our floors will be characterized by the same high levels of performance when it comes to sustainability.

We have received clear signals from many markets that sustainability is of great importance. And above all, there is a strong focus on climate impact and circular products. This means that with our investment in sustainability, we see great potential in being able to strengthen our position in the market – while at the same time reducing the environmental impact of our floors.

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

This system consists of three parts:

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

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

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

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

BOLON'S SUSTAINABILITY MANAGEMENT

Steering group for sustainability

This group consists of the CEO, Chairman of the Board, owners, Operations Director, Head of Product Management and the Head of Sustainability. The steering group meets once a quarter to evaluate and make decisions that drive our sustainability work forward. All work is based on the vision and strategy outlined in our sustainability policy.

Sustainability department

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

Production

Our production must live up to local authority requirements. We have quality control managers within production who are responsible for ensuring that these requirements are met and that all materials are handled correctly. All environmental data from our production is reported in the sustainability department's system and then documented.

Product compliance

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

Sales and marketing

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

Climate

The climate issue is currently at the top of the sustainability agenda. At the UN climate summit in Paris 2015, world leaders voted to achieve net zero emissions of greenhouse gases by 2050. For this goal to become reality, we need to be halfway there by as early as 2030 – and everyone must play their part. At Bolon, we are pro-active and want to halve climate emissions throughout our entire value chain by as early as 2028.

The climate impact from our floors comes mainly from the materials they are made of. A total of 63% of our climate impact comes from raw materials. If we then add waste from installation and after end-of-life, no less than 80% of our climate footprint is directly related to materials. As our production is powered by renewable electricity, it is carbon neutral and does not contribute to any climate footprint at all.

37% of our climate impact occurs after our floors have left our factory. This is a challenge for us as we cannot control how our floors are installed and cleaned or what our customers do with our floors after use.

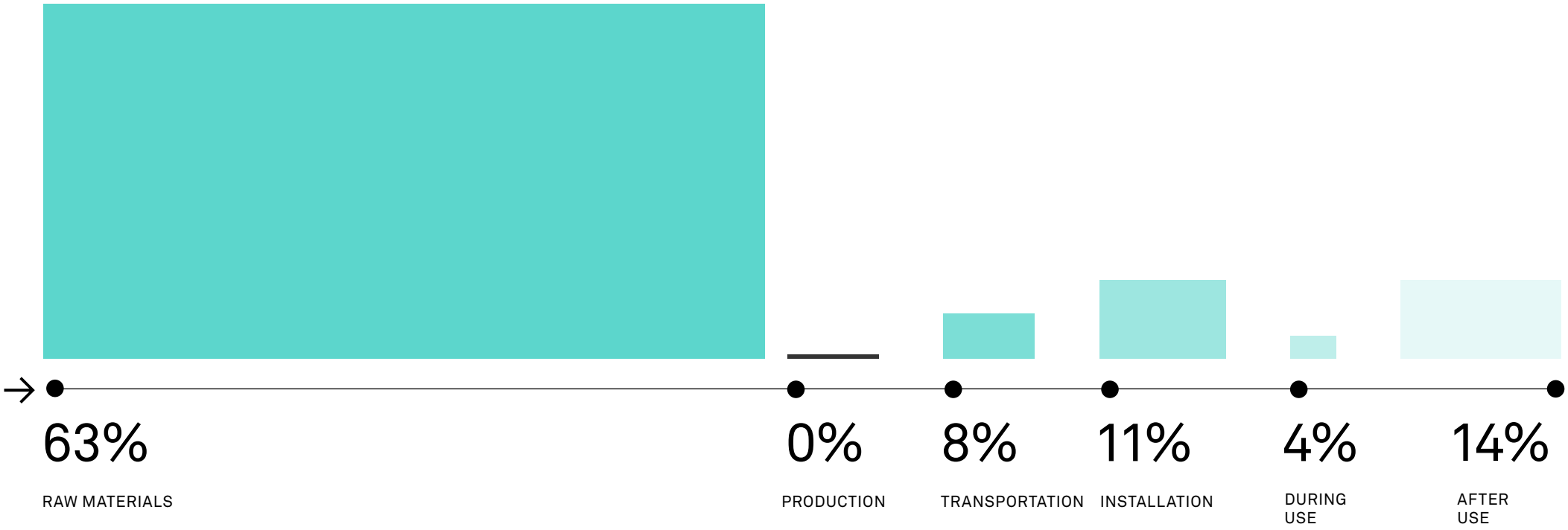
In Sweden, we are part of the flooring industry's initiative to take care of installation waste. This results in a clear climate saving when installation waste is reused for new floors in our recycling plant. In 2022, 6.5 tonnes of installation waste entered our recycling plant and became new floors.

We are conducting a multi-year project to develop the recovery of old Bolon floors. Our goal is to recycle as many old Bolon floors as possible and use them as raw material in new floors.

Fig. 1

Climate footprint of entire value chain for our floors

By identifying the climate impact of our floors throughout their life cycle, we can see that raw materials are of great importance. Therefore, our focus on raw materials will be even greater when it comes to a floor's climate footprint. We will also prioritize the use of more recycled or bio-based raw materials.



SOLAR CELLS

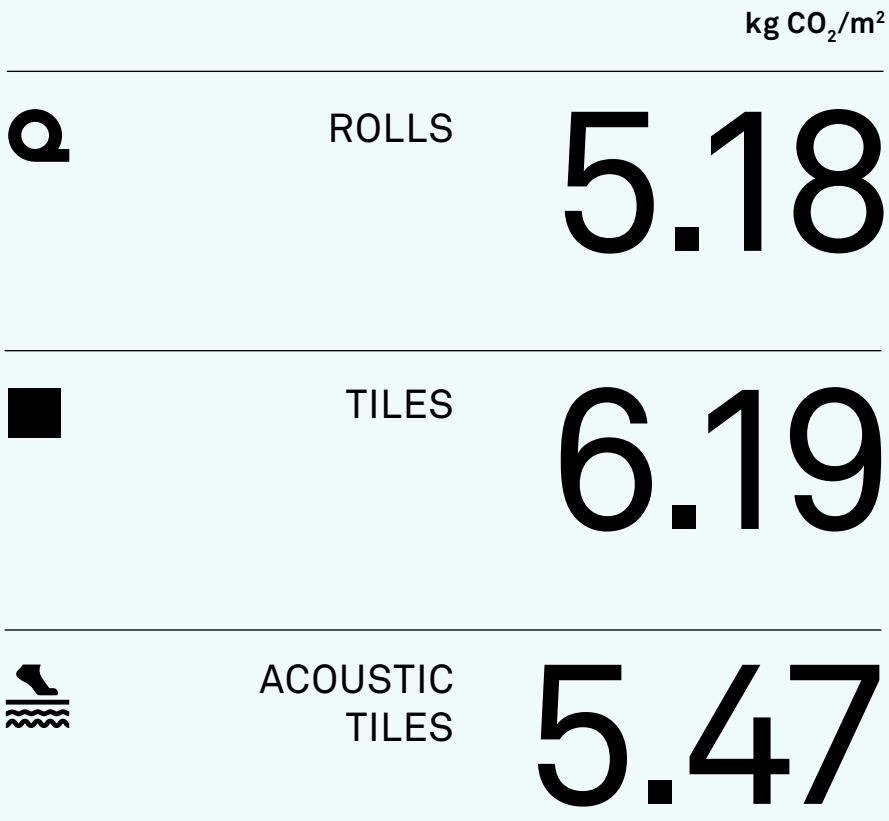
In 2022, we made the decision to invest in a solar cell plant. Our ambition is to maximize this investment by using as much of our head office and factory roofs as possible. Installation began in December 2022 and the solar cells should be operational by early spring 2023.

Estimated energy production is 1100 MWh of electricity per year. This covers around a quarter of the annual electricity needed for our floor production (based on electricity use in 2022). To get an idea of how much electricity this is, the same amount would be enough to power 225 apartments for a year. With our investment in solar cells, we contribute with new, renewable electricity in society.

Fig. 2

Climate footprint of our floors in kg CO_2 eq. per square metre

Refers to raw material for delivery according to A1-A3 in an EPD



The climate footprint of our floors

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

To make reasonable comparisons between different products and materials, information from the first step in an EPD is often used – this step includes raw materials and production. This is the measurement markets are asking for as it is part of the climate impact that is built into a building.

Since 2022, Boverket – the Swedish National Board of Housing, Building and Planning – has made it mandatory for all building products to be EPD-certified. Building certifications with an EPD provide benefits, including the LEED environmental certification system (Leadership in Energy and Environmental Design) which encourages the use of construction products with information regarding their lifecycle. The same applies for BREEAM (BRE Environmental Assessment Method) as it is also a certification system deigned to assess a building's environmental performance.

What determines the climate footprint of our floors is their weight. So, we divide the climate footprint into rolls, tiles and acoustic tiles. Our other collections where the floors do not have standard dimensions are also sorted into these three main categories.

Thanks to the fact that we use a large percentage of recycled material, the climate footprint of our floors is low compared to that of similar floors from other manufacturers.

Recycling vs. climate impact

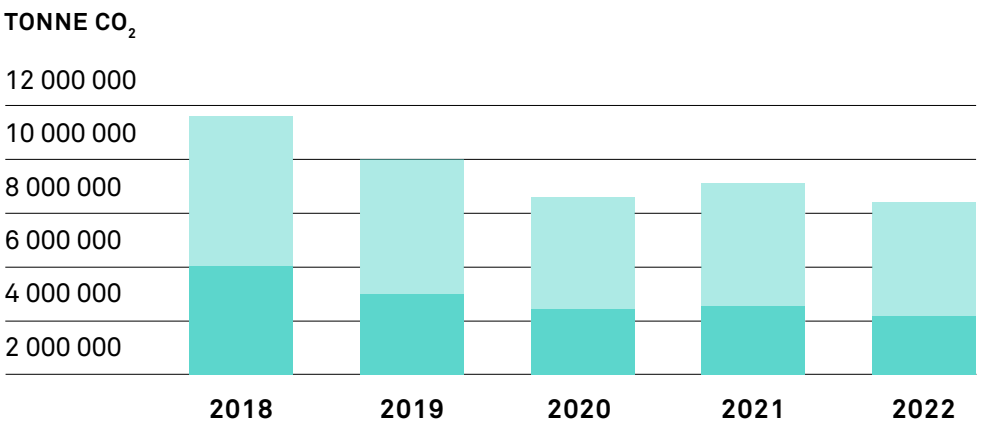
There is a strong link between recycled materials and climate impact. With every kilo of recycled material, we have the opportunity to reduce our climate impact by up to 2 kilos of carbon dioxide. We will continue to increase the amount of recycled raw material used in our production to reduce our climate impact further.

Between 2018 and 2022, we have reduced our annual climate impact by 3,120 tonnes by increasing the amount of recycled material in our products.

Fig. 3

Total CO_2 emissions divided into raw materials and delivery

- A1-A3 is raw material used **in production**
- A4-D is all impact **after production**



27%

The overall reduction of carbon dioxide emissions between 2018 and 2022 per Swedish krona of turnover

Carbon dioxide vs turnover

We have chosen to compare our climate impact with our turnover. This gives us the opportunity to see how we can continue increasing sales whilst reducing our climate footprint. This is represented in kilos of carbon dioxide per Swedish krona of turnover – a measurement that strengthens the picture of our growth as something independent from our emissions.

Viewed from an economic perspective based on the amount of carbon dioxide emissions per Swedish krona of turnover, we can see a clear reduction compared with 2018. The total reduction is 27%.

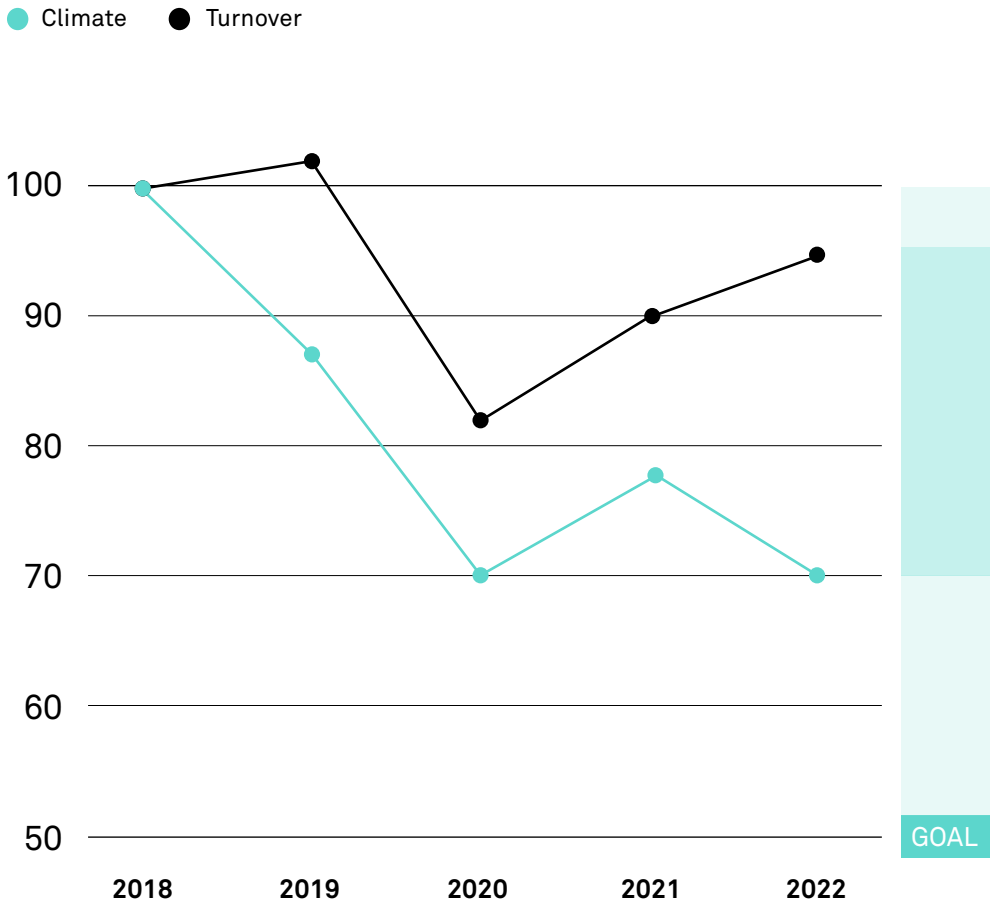
Our journey towards our climate goal

We have decided to index our climate emissions and have chosen 2018 as a base year with the goal of halving emissions by 2028. In the graph opposite, there is also a turnover index based on 2018. Here, you can see how our climate footprint has changed between 2018 and 2022.

In 2020, a decline is seen in turnover due to Covid. Overall, our climate impact has reduced by 30% from 2018 to 2022. This means that we are more than halfway towards what we promised to achieve by 2028.

Fig. 4

Climate index vs turnover index



Circularity

There is a growing interest in the circular economy and circular flows. Countries and regions like the EU are focused on reducing waste by driving the development towards circular material flows. The same trend can be found among our customers in different markets. There is also one clear link between material flows and climate impact where circularity becomes part of the solution to the climate crisis. Basically, it's a matter of managing the development from linear material streams, which always lead to large amounts of waste, towards circular flows and zero waste where used floor materials are taken care of and become new resources. We began strategically investing in circular flooring as early as 2014, by building our own recycling plant directly connected to our factory.

We are actively working to move from the linear to the circular. We search for and buy increasing amounts of waste for use as new raw materials. We are also developing new opportunities by taking back our own used floors in order to reuse them as material in new floors. Taking back our used floors presents a real business challenge – partly as we need to develop systems for collection, and partly because our floors have a long service life and come with a 10–15-year warranty.

Our strength is that we already have our own recycling plant up and running. To speed up our sustainability journey, we have already started taking back laid floors.

In 2020, we reached an important milestone by including recycled material in all our products and collections. We have deliberately chosen to not have a special "green collection". Instead, all our floors will be permeated with the same high levels of performance when it comes to sustainability. The volume of recycled material we use is steadily increasing and so is the environmental benefit to which our operations contribute. We see this as something unique. Whatever floors our customers choose, they can feel reassured that they have made a good environmental choice.

OUR RECYCLING FACILITY

Our integrated recycling facility was completed in 2014. It was designed and built to process our own and other people's waste for reuse in new floors. Our facility has the capacity to handle large amounts of waste. This waste is used as raw material on the back of the floor, which makes up about 70% of the material used in the floor.

Our facility also gives us the opportunity to take care of worn-out floors and installation waste. Going forward, we count on being able to double the amount of waste we handle in the facility.

When waste material becomes a natural part of the raw material supply, it is important to evaluate and control the material content. It is extremely important that the floor always meets the product and chemical requirements we have for our floors. It doesn't matter if the content comes from new raw materials or returned raw materials.

When it comes to requirements regarding wear, fire, emissions and so on – all floors must meet the same standard regardless of the type of waste used.

The recycling method used is a mild, mechanical process. This allows the properties of the material to be maintained without being downgraded. This means the back of each floor comes with its own specific "design", where the colour and pattern differ depending on the returned fraction. Today, we handle six different types of return fractions, which shows the flexibility of our recycling facility.

In the recycling process, the first step for returned raw materials is shredding (tearing), which is followed by granulation. In this step, unwanted fractions are also filtered out. The remaining clean fractions then move on to the next step in the process: agglomeration. Here, the specific material content of each waste fraction is taken into consideration

before it is blended with chalk and/or PVC granules to give the final product the correct material composition. The material is weighed in the right amount to be mixed later. The components are then melted into exactly the right amounts using only frictional heating. The result is our own, self-produced raw material that we call: agglomerate. Today, we have 20 different recipes that produce agglomerate for use on the backs of our floors.

Recycled material

In 2022, we reached up to 1,129 tonnes of recycled material in production – an increase of 48% compared with 2018. To reach our target for 2028 we must continue increasing our use of recycled raw materials, which need to replace the virgin raw materials we use today. The increase in returned raw materials will come through the purchasing of return raw materials as well as external waste. It is a challenge to find good sources of waste and return raw materials. Waste is purchased from 6 different sources and takes 20 different recipes to achieve the right quality.

Fig. 5

Use of recycled material in tonnes per year

In 2022, the use of recycled material increased by 150 tonnes compared with the previous year

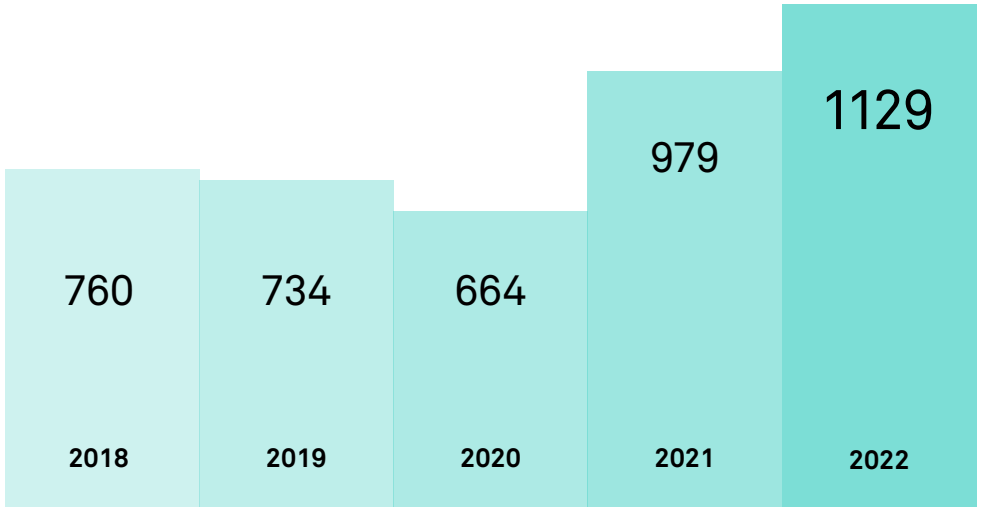
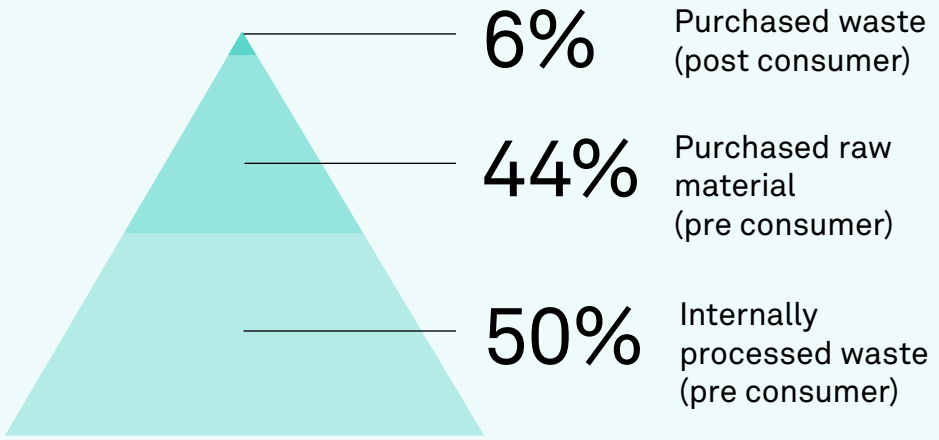


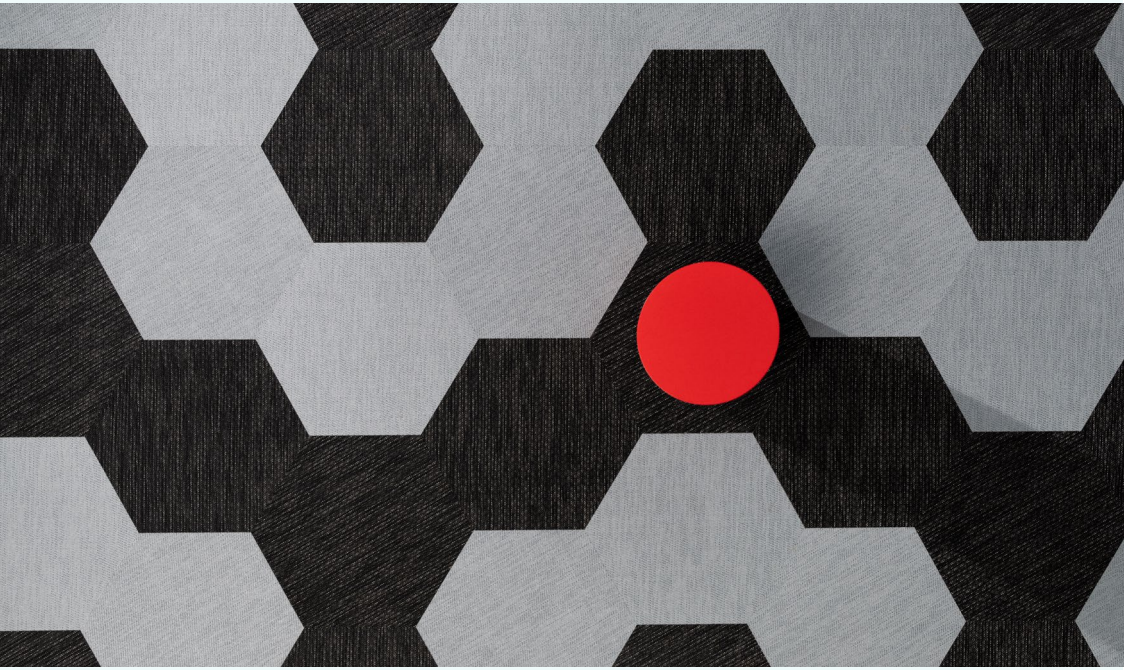
Fig. 6

Proportion of recycled material

Recycled raw material distributed by origin



The graphic above shows how the flows of recycled raw material are distributed. 44% is purchased recycled raw material that would otherwise have been incinerated or ended up in landfill. The proportion of post-consumer waste amounts to 6%, while internal waste processed in our own recycling facility accounts for 50% of the total reused material in 2022. The reporting of figures and the definitions of post- and pre-consumer waste are in accordance with ISO standard 14021.



Circularity index

To show how much recycled materials we use in relation to the total amount of raw materials, we have created a circularity index where 100 is completely linear and zero is completely circular. From 2018 to 2022, our index has gone from 85 to 71. The goal is to reach an index of 50 by 2028. The circularity index is also related to a turnover index which, in the base year 2018 equals 100.

In 2021, our circularity index had a positive development. This is because the amount of recycled material used in our floors has steadily increased over the last five years. Our goal for 2028 is for the circularity index to reach 50, while the turnover index will continue to rise according to the sales targets we set. We are already more than halfway towards our target for 2028.

Fig. 7

Circularity index vs turnover index

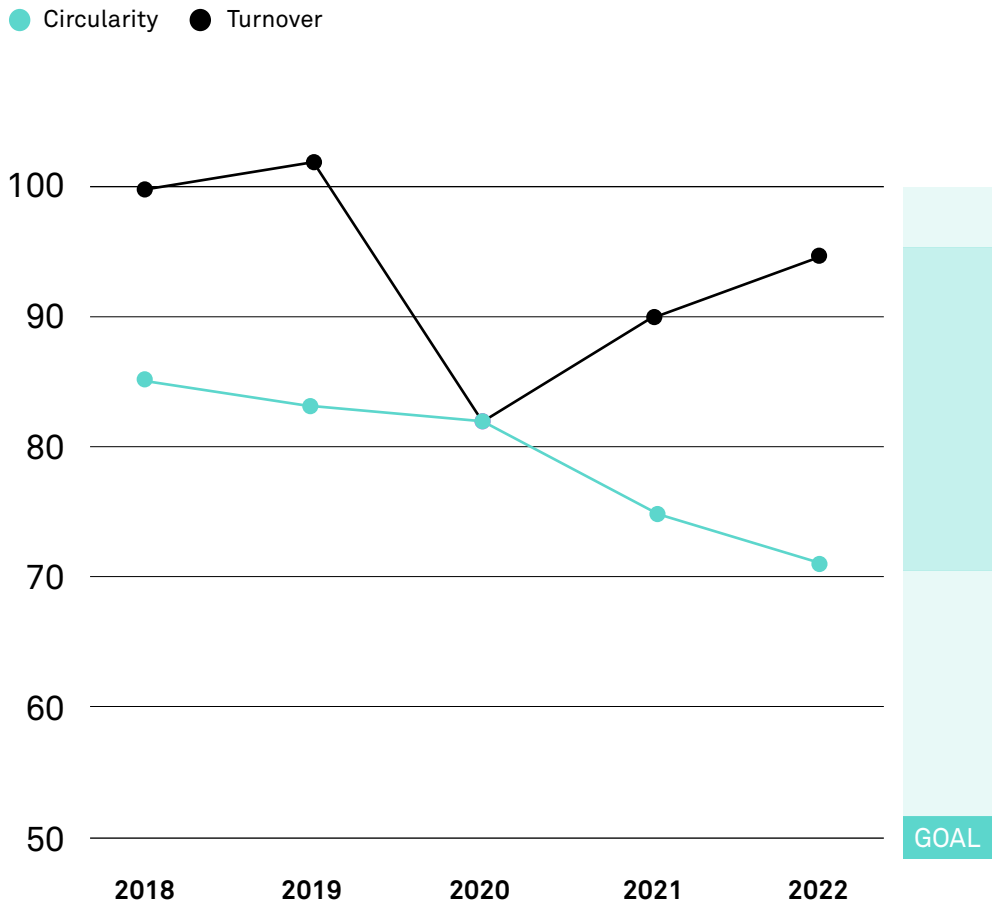
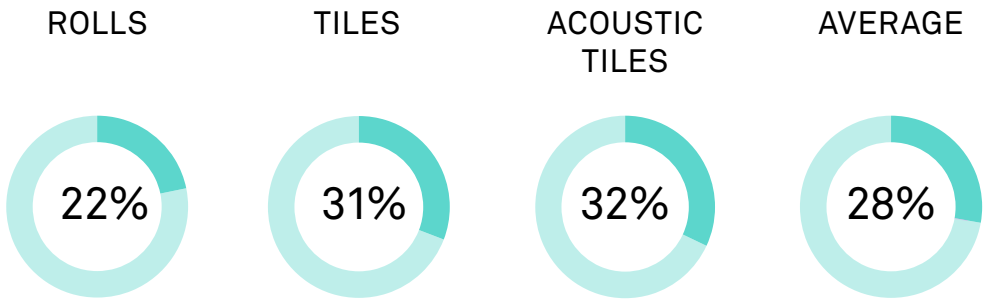


Fig. 8

Our recycling figures 2022

The recycling figures always refer to the previous year's data
Everything is in accordance with ISO 14021



Recycled material

The amount of recycled material in our sold floors has steadily increased. Acoustic tiles represent the biggest breakthrough, where we have gone from 0% to 32%. Acoustic tiles also include 12% post-consumer waste from old PET bottles.

In 2022, recycled materials increased in all product types. This means that we now have, on average, 28% recycled material in our floors.

Fig. 9

Amount of recycled material in our floors 2018-2022

Recycled raw material has increased in all floor types compared with the previous year.
The average value of recycled material in our products has increased by 2 percentage points since the previous year.

	2018	2019	2020	2021	**2022**
ROLLS	14%	16%	18%	20%	22%
TILES	19%	22%	24%	28%	31%
ACOUSTIC TILES			27%	30%	32%
AVERAGE	16%	21%	23%	26%	28%

Health and the environment

Emissions and the spread of environmentally hazardous substances have long been important topics in society. This is also important for our customers who buy our floors and for everyone who walks on them. We have focused on environmentally hazardous substances in our sustainability work for a long time now. 20 years ago, we removed all heavy metals that were then commonly used as stabilizers in plastic. Our floors have been completely phthalate-free since 2014 – the phthalates that were used previously in floors have been prohibited within the EU since 2020.

Completely non-toxic floors are essential if we are to create a circular economy where old floors become new resources. For our customers, it is also important to know that emissions from our floors are very low.

In our work within health and the environment, we handle the chemicals that are used as additives to create the right properties and look in our floors as well as the emissions from our factory and the emissions that occur during the time our floors are in use.

The challenge ahead is to find recycled materials that are free from hazardous substances. Every new source of recycled raw material must be carefully checked to ensure that no hazardous plasticizers or heavy metals are included. In short, more recycled materials demand more controls.

Our long-term goal is to manufacture floors that are friendly to people and the environment. So, we constantly strive to use additives that are free from the EUs risk phrase system for chemicals.

Additives

Additives are extremely important during the production process and for ensuring product quality. Plasticisers such as Mesamoll® and DOTP belong to the largest group of additives used instead of phthalates. Calcium/zinc and soybean oil are currently used as plastic stabilisers. To give our floors stability and other important properties, fibreglass, polyester thread and polyester felt are added.

As well as meeting the EU's strict requirements and continually meeting the requirements of REACH, our products are registered in the Swedish BASTA system (www.basta.se). BASTA goes further than current legislation and covers both chemical products and goods.

Our journey towards hazardous free additives

2003	Phasing out lead as a stabiliser
2013	Phasing out phthalates as plasticisers

Fig. 10

Our additives

Plasticiser	Mesamoll® (Alkylsulfonic acid phenyl ester)	2,5 - 10%
Plasticiser	DOTP	2,5 - 10%
Stabiliser	Calcium/Zinc	<1 - 2,5%
Stabiliser	Soybean oil	<1%
Pigment	Various	<1%
Reinforcement	Fibreglass	1 - 2,5%
Reinforcement	Polyester thread	1 - 2,5%
Felt back *	Polyester felt (90% recycled)	10 - 25%

* Only in acoustic tiles

Fig. 11

Emissions certifications

Floor score	International	Strict requirements for low emissions. Gives points in LEED, BREAM, WELL
French VOC	France/ International	Mandatory French emissions certificate. Awards rankings in different levels. Bolon has A+ which is the best ranking.
Green TAG PHD	Australia/ International	Focus on chemicals and health
M1	Finland/ International	Tough requirements for low emissions in end products
NAAF	Norway	Tough membership certificate from the Norwegian Asthma and Allergy Association

See more certifications at bolon.com ↗

Emissions during use

We test our floors for emissions that can occur during their full lifespan according to international standards.

To meet the different systems and requirements that exist in different markets, we use the relevant certifications for each market when it comes to emissions and health. We meet the strictest requirements, i.e. less than 0.5 milligrams/m3 air for volatile hydrocarbons (TVOC). This means that our floors can be used in all conceivable environments.

Production

All our production takes place in Ulricehamn, Sweden. The entire factory is a dry plant. This means that we do not handle any liquids there except water, which is used as a humidifier to prevent static electricity. We have a closed, circular water system for cooling which is free from additives. The water is taken from deep drilled wells where it cools down before cooling our plant.

We have a duty to report our operations to the local authority, which is the supervisory authority. Our entire production is currently classed as a Class C facility. Between each inspection, we carry out our own inspection to check the impact of our operations on people and the environment. We have not received any complaints and have never had any incidents that threatened the surrounding environment. A quality manager at the factory ensures that we maintain our permits and comply with relevant laws and regulations.

Fig. 12

Factory emissions (Measured every three years)

2018

273

TOTAL KG
HYDROCARBONS

2021

166

TOTAL KG
HYDROCARBONS

Emissions

We regularly measure our emissions released into the air via our ventilation system in line with current conditions. These emissions are summed up in a total number of kilograms of hydrocarbons per year. We generally have very low emissions levels. The latest measurement shows that we emit less than 0.5 kg of hydrocarbons per day.

Energy

We only use certified renewable electricity in our production. In other words, there are no emissions from gas combustion or similar. All heat is produced using heat pumps.
In 2022, our factory and head office's total energy consumption was 4,520 MWh.

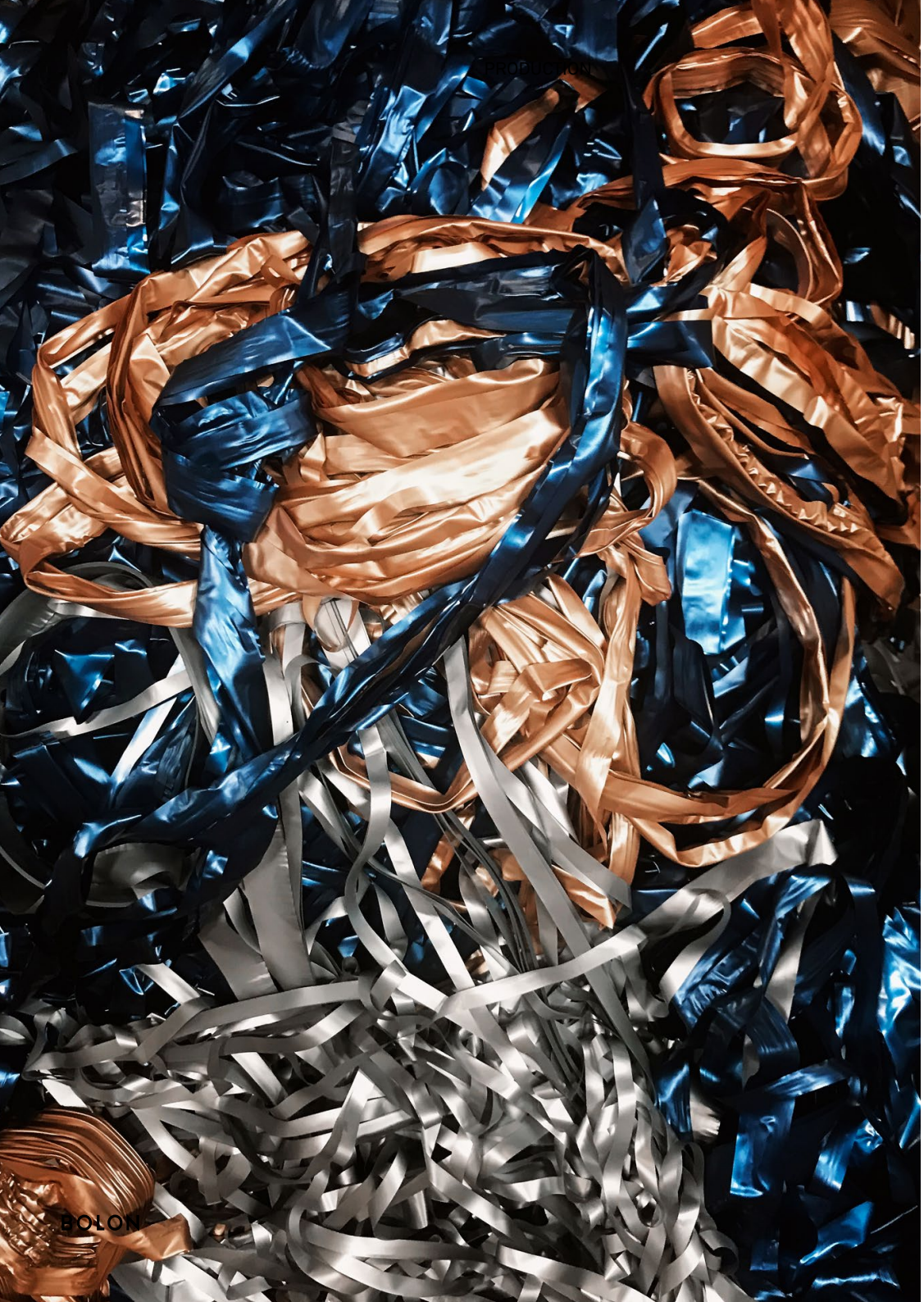
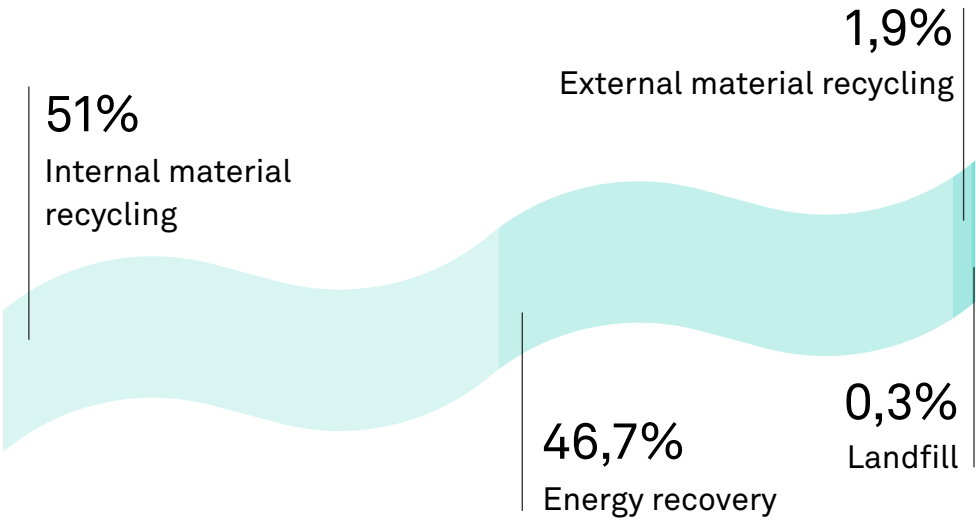


Fig. 13

Production-related waste



Waste

Our production generates by-products that we take care of in the following ways:

1. **Internal material recycling process**
2. **External material recycling**
3. **External energy recovery**
4. **External energy recovery**

99.7% of our production waste is taken care of through material recycling or energy recovery. Only 0.3% ends up in landfill.

Our goal is to increase material recycling from production waste that is currently incinerated as well as to continue having less than 0.5% waste going to landfill.

In 2022, a total of 3,828 tonnes of material was used for floor production and 111 tonnes for packaging. We produced 1,100,000 m^2 of flooring of different types.

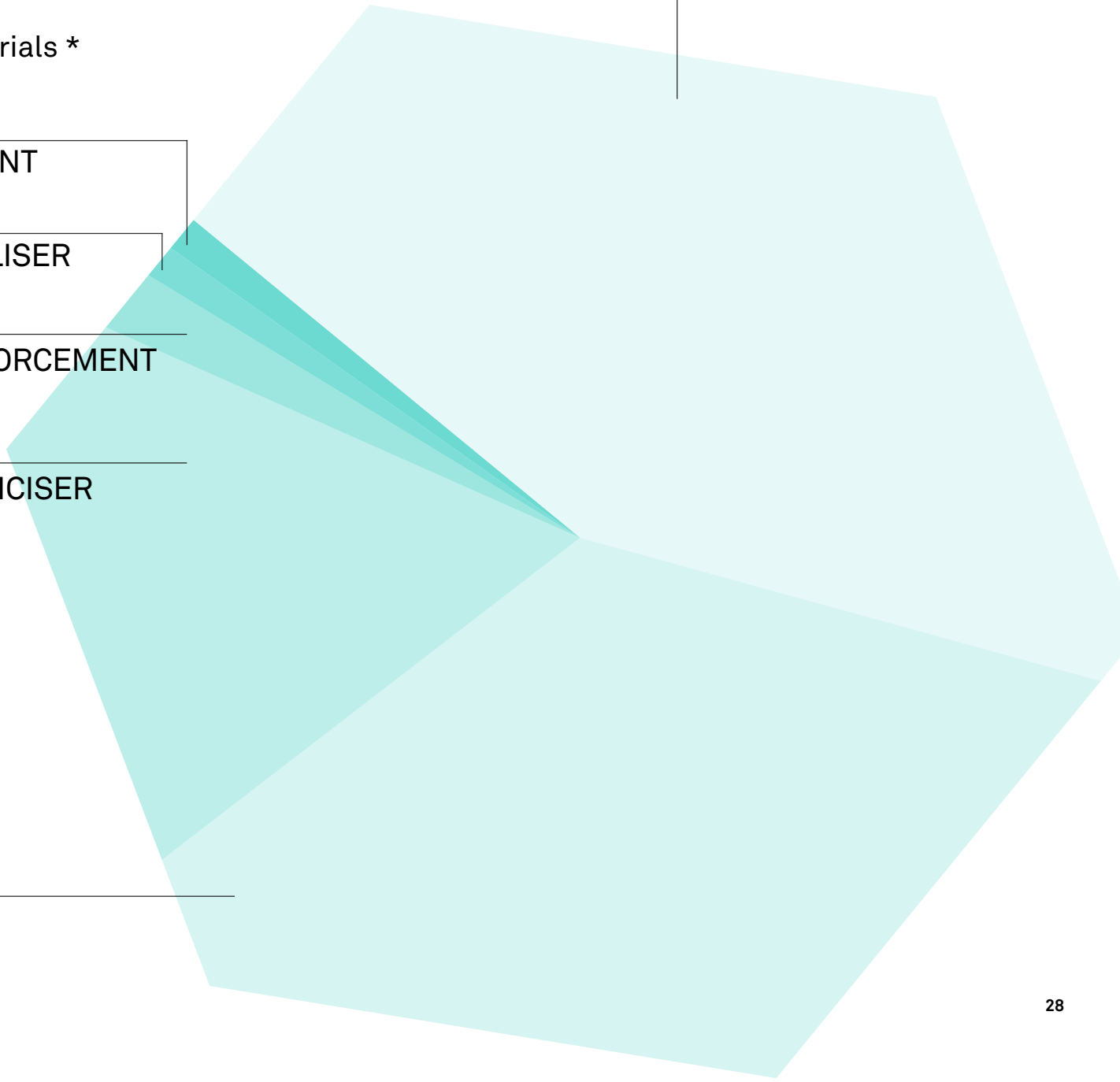
Our raw materials

Our floors consist of three parts. PVC plastic holds the entire floor together and creates the weave and design we are known for. Fillers are used to create the weight, stability and volume we want. And last but not least, various additives are added to give our floors the right properties and look.

* An average figure for rolls and tiles

Fig. 14

Our raw materials *



PVC

Our PVC raw material is produced within the EU. Production has third-party environmental certification according to PVC best practice standard.

The standard assesses energy efficiency, mercury-free processes, and good working environment. 80% of the PVC is produced using renewable electricity.

All PVC granulate, PVC foils and PVC thread we use are manufactured in Sweden and 100% free from phthalates and heavy metals.

PVC is the polymer with the lowest carbon footprint as 57% of the PVC raw material is derived from salt.

In 2022, 27% of all PVC used in our floors was recycled.

CHALK

Chalk is the floor's largest raw material and makes up about 40% of the content of a floor. Chalk is a natural mineral that is mined in Germany and then ground down to the size of grains we require.

Chalk has almost zero climate footprint, is non-toxic and is available in large quantities in the earth's crust.

Our suppliers

Our large purchases include chalk, PVC blends and threads and foil for the weave. Together, these goods make up 96% of our purchases of virgin raw materials.

We want to keep our material suppliers close by. No less than 77% of all purchased material comes from Sweden. Only 2% of our material is purchased from suppliers outside the EU.

It is also a requirement that the PVC raw material that our Tier 2 suppliers deliver is eco-labelled and controlled by a third party.

90% of our suppliers have their own system for quality and their own environmental policy.

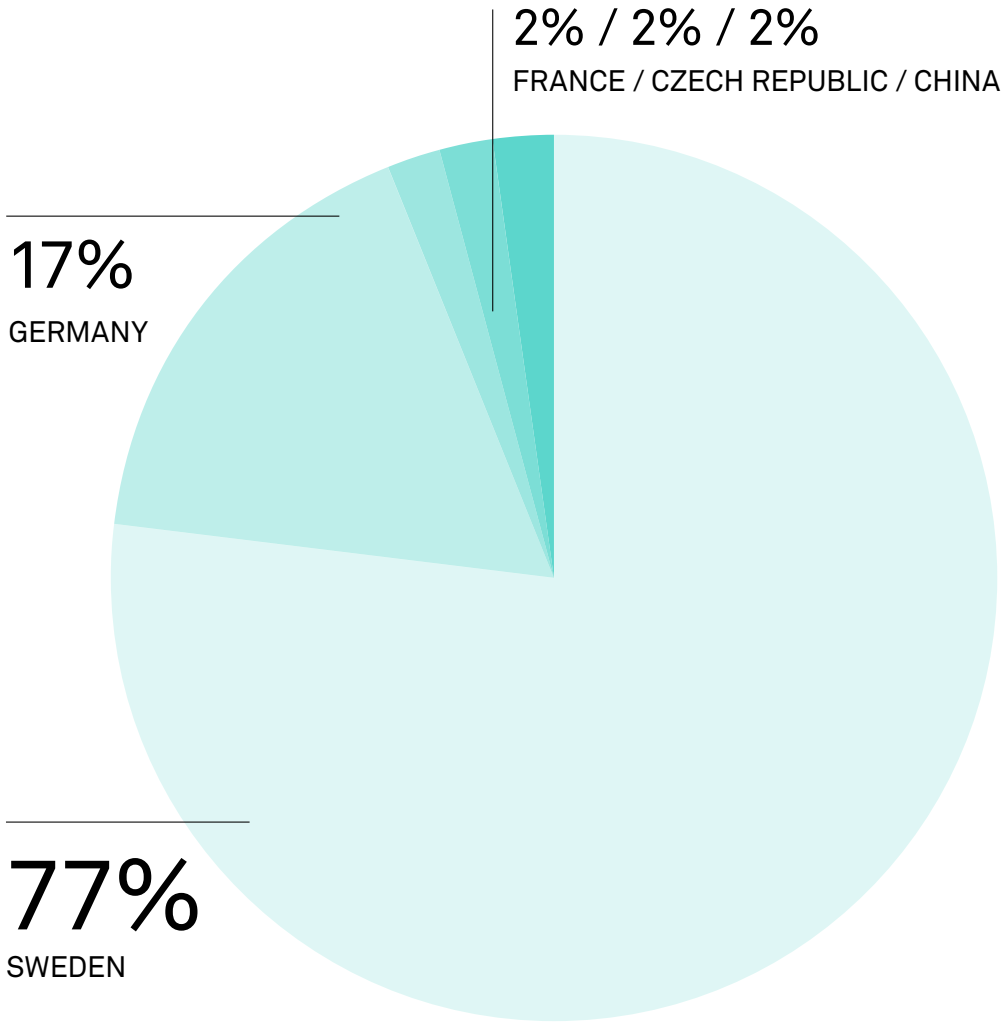
Fig. 15

Our suppliers' sustainability work

Sustainability area	Raw material	Packaging	Transport
Provides climate data	60%	60%	100%
Has a sustainability report	50%	30%	70%
Has an environmental policy	100%	100%	100%
Has a social policy and/or code of conduct	90%	90%	80%
Are ISO 9001 and/or 14001 certified	90%	90%	90%

Fig. 16

Purchasing of raw materials by country 2022



Social sustainability

We are a Swedish company. Our floors are made in the Swedish city of Ulricehamn and our head office is also located there. For us, it is important to respect the laws that regulate the working environment, working conditions and labour laws. A large proportion of our employees are union members, and all employees are covered by collective agreements. A 40-hour week counts as full-time employment for everyone. We have a personnel handbook that describes the long list of commitments the company has made to all employees.

Working environment

Creating a safe and healthy working environment is extremely important to us and is always a high priority – whether it's our office, showroom or production environments. To ensure this, a safety committee carries out continuous and systematic checks. The safety committee is made up of representatives from the employer's side as well as a safety officer and fire protection officer from the unions.

To ensure a good working environment, we carry out regular safety inspections throughout the year. At our production facility in Ulricehamn, we have an evaluation plan for each production department. The results from each completed safety inspection are documented in our service and maintenance system. All production departments must have carried out and documented a safety inspection by the end of the year.

When it comes to offices and showrooms, the work environment is evaluated annually through risk assessments in the form of meetings with staff from all departments. Work to ensure a healthy working environment for businesses and premises located away from the main site of the company's headquarters has developed throughout the year with improved procedures regarding security and fire.

Safety inspections are carried out to prevent unsafe behaviour and accidents. If an accident should occur, an incident report is made. Everything is documented in the company's service and maintenance system to ensure that action is taken, followed up and completed. During safety inspector committee meetings, all incidents are presented along with an action plan to prevent similar incidents occurring again in the future. There were only a few incidents reported in 2022. All incidents were handled and reported according to the routines described above.

Equality

At Bolon, we have had a good balance between women and men for a long time. Both in terms of total employees as well as in management positions and on the board. In 2022, 41% of our employees were women. 67% of our management team are women, and our board consists of 80% women.

From Bolon's gender equality policy: Men and women must be treated on equal terms. The same conditions apply for all jobs carried out at the company and men and women are treated equally regarding both internal and external recruitment – as well as in staff development and setting salaries. All employees have the right to be treated with respect and with regard to everyone's legitimate demands for privacy – regardless of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age. Discrimination in any form is not accepted at Bolon.

To ensure a good balance between men and women continues, we have established a gender equality plan.

All employees, regardless of role or position within the company, have private health insurance through their employment which he/she can use when needed.

Business ethics

We value good business ethics and have formulated a policy that includes a plan of action to counter corruption and bribery.

We carry out risk analyses and take a preventative approach to fighting corruption. For us, this is not just a way to minimize risks and unethical elements in the workplace. We also see it as part of our social responsibility.

Fig. 17

Equality

	Percentage of female board members	Percentage of female managers	Percentage of female employees
2018	67%	57%	47%
2019	67%	67%	47%
2020	80%	70%	47%
2021	80%	50%	42%
2022	80%	67%	41%

Certification and regulations

Today, we operate in more than 50 markets. In these markets, there is a wide range of voluntary product certifications that bring credibility and meet customers' expectations and requirements regarding our floors. These certifications cover indoor environments, materials and durability.

We take great care to ensure that we live up to all rules and legislation that apply to our business and our products in every market that we operate in. Today, we are a global player and operate on five continents. Our products always comply with all rules in every market. Technical specifications have been developed for each product and safety data sheets are available for all materials. This information is updated as our products change.

Our products and processes meet the relevant criteria for even the toughest certifications. These certifications, performed by a third party, are a way for us to be transparent and clearly show that our products and processes maintain high environmental standards.

Our products meet the material requirements for various building certificates such as LEED, BREAM and WELL.

We have received the Swedish BASTA declaration for chemicals. And when it comes to emissions during use, we have been awarded the international Floorscore certification.

We have also made an environmental declaration (EPD) for all collections. An EPD is performed by a third party, which is a life cycle analysis based on ISO standards. It shows resource consumption and the environmental impact during a product's entire life cycle. Our latest EPDs were performed in October 2021.

Fig. 18

List of certifications and declarations

CERTIFICATION / DECLARATION	REGION / COUNTRY	DECLARATION	ENVIRONMENTAL PERFORMANCE	AIR QUALITY / HEALTH	COMMENTS
BASTA	Sweden	●	●		Strict requirements regarding chemical content.
Bre Global	International		●		Ranking of product in different levels. Bolon products are ranked between A+ and A. Part of the international BREEAM label for buildings.
Byggvaru-bedömningen	Sweden	●	●		Ranking in different levels, our products are ranked as accepted. Requirements for chemical content and certain life cycle criteria.
DGNB- navigator	Germany/ International	●			Based on ISO standard. Provides reference to more durable materials.
Floor score	International			●	Strict requirements for low emissions. Gives points in LEED, BREAM, WELL.
EcoProduct	Norway		●		Ranking in different levels based on data in EPD.
Byggvarudekla-ration - eBVD	Sweden	●			Industry-wide database used by, e.g. Byggvarubedömning and Sundahus.
EPD	International	●			EPD Environmental product declaration. Based on ISO standards.
FDES (EVEA)	France		●	●	Lifecycle analysis including health carried out according to French standards
French VOC	France / International			●	Mandatory French emissions certificate. Awards rankings in different levels.
Best practice PVC	Australia / International		●		Ecolabelling of the production of PVC raw material.
Green Tag	Australia / International		●		Assessment based on life cycle, rankings in different levels.

CERTIFICATION / DECLARATION	REGION / COUNTRY	DECLARATION	ENVIRONMENTAL PERFORMANCE	AIR QUALITY / HEALTH	COMMENTS
Green Tag - PHD	Australia / International	●		●	Focus on chemicals and health.
Kretslopps-märkning	Sweden	●			Declaration of chemicals in the floor as well as care instructions and information about environmentally safe handling after use.
M1	Finland / International			●	Tough requirements for low emissions in end products.
NAAF	Norway			●	Tough membership certificate from the Norwegian Asthma and Allergy Association.
SundaHus	Sweden		●		Ranking of different material used in buildings.

Appendix

PAGE	FIGURE		REFERENCE
11	1	Climate footprint of entire value chain for our floors	EPD, ISO 14025 and EN 15804: 2012 + A2:2019 from 2021. Product average.
13	2	Climate footprint of our floors in kg CO_2 eq. per square metre	EDP according to ISO 14025 and EN 15804: 2012 + A2:2019 (Rolls S-P-03839, Tile S-P-03985 and Acoustic tiles S-P-03986)
14	3	Total $C0_2$ emissions divided into raw materials and delivery	LCA data from EDP. A1-A3 is raw material used in production. A4-D is all impact after production.
15	4	Climate index vs turnover index	Production data. life cycle data and economic turnover
18	5	Use of recycled material in tonnes per year	Production and purchase data
18	6	Proportion of recycled material	Production and purchase data
19	7	Circular index vs turnover index	Production and purchase data
20	8	Our recycling figures 2022	Production and purchase data. Calculated according to ISO 14021
21	9	Amount of recycled material in our floors 2018 – 2022	Production and purchase data
23	10	Our additives	Declaration of content. Available for all collections.
24	11	Emissions certifications	Current certifications are available at bolon.com
26	12	Factory emissions	Air quality is measured every 3 years 2021. (Emissions are measured by FID measurement.)
27	13	Production-related waste	Production data and statistics/invoices from external waste management
28	14	Our raw materials	Declaration of content. Available for all collections.

Appendix, additional info

PAGE	FIGURE		REFERENCE
30	15	Our suppliers' sustainability work	From latest routine checks
30	16	Purchasing of raw materials by country 2022	Purchasing data
33	17	Equality	Annual report 2022
35	18	List of certifications and declarations	Current certifications are available at Bolon.com
40	19	Factory flows of materials and energy from 2022	Declaration of content. Available for all collections.

Fig. 2

Climate footprint for our floors in kg CO_2 per square meter (compared with previous EPD).

Product stage (A1 - A3) [kg CO_2 - Eq.]	Rolls 3000 g/m^2	Tiles 4000 g/m^2	Acoustic tiles
2016	5,74	8,25	8,5
2021	5,18	6,19	5,47

Appendix, additional info

Fig. 3

The climate footprint throughout the entire value chain for our floors (excerpt from EPD).

Modules declared	**A1 - A3**	**X**	**A4**	**A5**	**B2**	**C2**	**C4**	**D**
2021	Raw materials	Production	Transport to customer	Installation	Maintenance	After use		
Rolls	5,18	0	0,57	1,08	0,35	0,1	2,79	-2,12
Tiles	6,19	0	0,77	0,89	0,35	0,14	4,15	-2,39
Acoustic tiles	5,47	0	0,67	1,11	0,35	0,12	3,7	-2,63

Appendix, additional info

Fig. 19

Factory flows of materials and energy from 2022

	Unit	2018	2019	2020	2021	2022
Total floor production						
Floor produced	**m^2**	1 465 000	1 300 000	1 020 000	1 090 000	1 100 000
Waste						
Landfill	**tonne**	15	11	3	1	4
Energy recovery		401	575	338	420	521
Material recycling		41	33	36	24	21
Emissions into the air*						
Emissions into air	**kg hydro-carbon**	273	x	x	166	x
Water consumption						
Factory humidification	**m^3**	1853	795	1707	928	1067
Material use						
Virgin raw material	**tonne**	5100	4200	3500	3300	3250
Purchased return raw material pre-consumer		174	112	268	607	493
Purchased return raw material post-consumer		0	0	12	41	67
Circular raw material pre-consumer		586	623	384	331	569
Circular raw material post- consumer		0	0	5	0	0

Appendix, additional info

	Unit	2018	2019	2020	2021	2022
Packaging material**						
Plastic (virgin PE)	**tonne**	19	13	14	7	15
Corrugated cardboard		120	105	81	93	96
Energy consumption						
Factory and HQ ***	**MWh**	5010	5000	4800	4750	4520

* Emissions are calculated through FID measurement every 3 years

** does not include wooden pallets and packaging details

*** Head office energy use is included in the result

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