

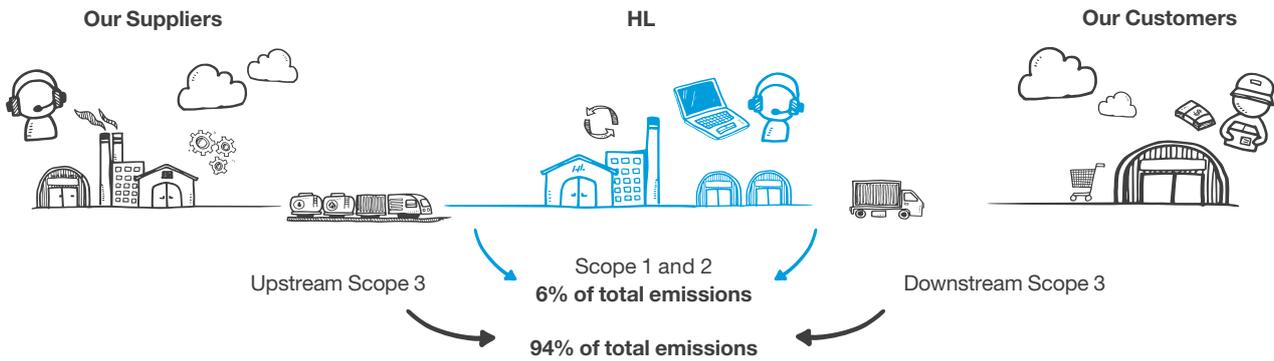


Corporate Responsibility Report Highlights 2023

We aim to be the leader in innovative and sustainable solutions in our industry – which means not just reducing the environmental footprint of our own operations, but also supporting our customers on their journey to more sustainable stores. During 2023, we took several steps towards fully integrating sustainability into our daily operations and culture.

Our Emission Reductions

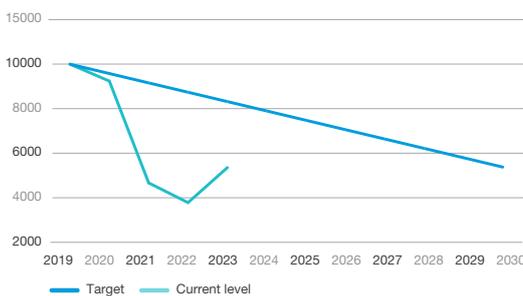
We continue to put in the work to reach the emission reduction targets we have set for our carbon footprint, approved by the Science Based Targets initiative. Closing 2023, we are on track to deliver on our targets, but much work remains until 2030.



Targets Scope 1 and 2

Even though our emissions in 2023 increased, we are still tracking ahead of our targets. The increase in 2023 is due to the acquisition of three companies during the year combined with an increase of production volumes in our factory in Harlow which still operates on regular energy. With the installation of solar panels earlier this year, part of the impact of the Harlow factory will be mitigated as of 2024.

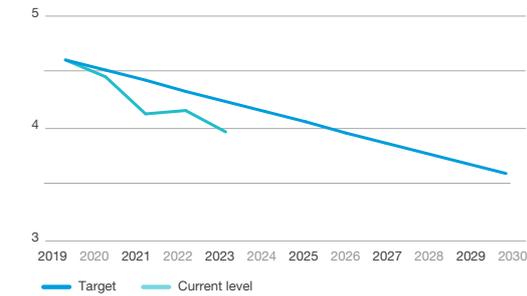
Scope 1 and 2 emissions, tCO₂e



Target Scope 3

Scope 3 emissions accounted for 94% of HL's total emissions, with raw material being the largest single contributor with 76% of total emissions. To address this, the Gliwice, Suzhou, and Sundsvall factories all increased the amount of recycled material sources in 2023. In total, we increased the use of externally sourced recycled material with 22%.

Scope 3 emissions per tonnes of purchased material, tCO₂e



Note: Emissions from companies acquired in 2023 have been added to HL's total emissions for the same year.

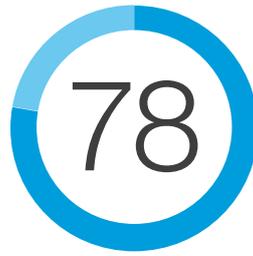


Create more sustainable stores with packaging-free merchandising

We continue our work in reducing waste and creating sustainable stores through packaging-free merchandising, earning recognition as a **Top Supplier Retail 2023 at the reta awards.**

Update of Code of Conduct for Suppliers

The Code of Conduct for Suppliers was updated to include further human rights and environmental aspects. This new version will be going live in 2024.



Improving employees' score for diversity

Employee diversity scores improved, with a **78-point score** in the statement 'Regardless of background, everyone at HL Display has an equal opportunity to succeed', exceeding the global benchmark.

Moving towards a more circular economy with our customers

Expansion of our Circular Offer **saved 13 tonnes of plastic** in partnership with customers like dm and Megamark.



95% of our suppliers have been engaged at various stages of our supplier management system.

Highlights from our Four Focus Areas

We have identified four focus areas for our sustainability work, where we are able to make a difference. Here are results from our prioritized topics during 2023:



Helping customers to reduce waste

- ↖ Sales of the HL Sustainable Choice offer declined by 1 point
- ↗ The Circular Offer was expanded into two additional markets



Creating the best workplace

- ↖ Reduced Lost Time Injury Frequency Rate at 4.9 (-49% vs 2022)
- ↗ **According to the HL engagement survey:** Overall engagement index of 70, up one point from 2022
- ↖ Score of 78 for "Regardless of background, everyone at HL Display has an equal opportunity to succeed". This is 4 points above the global benchmark



Driving continuous improvement in operations

- ↖ CO₂ emissions in-line with the reduction plan to deliver on targets approved by SBTi
- ↗ Usage of recycled material increased by 7.1%



Ensuring responsibility throughout the supply chain

- ↖ Suppliers accounting for 95% of total spend covered in supplier self-assessment
- ↗ 85% of all suppliers have signed our Code of Conduct for Suppliers
- ↖ Eleven on-site audits conducted

↖ We (over-)delivered on our target

→ Good result with room for improvement

↗ We have missed our target