

# LINDÉNGRUPPEN

Annual and Sustainability Report 2024



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Welcome to Lindéngruppen's Annual and Sustainability Report. This report aims to offer our stakeholders key insights into our journey towards fulfilling our purpose: Empowering our companies to prosper and lead the transformation to a sustainable world.

### Holistic value creation

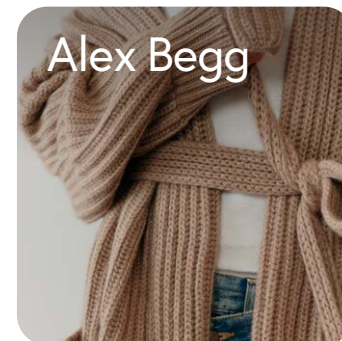
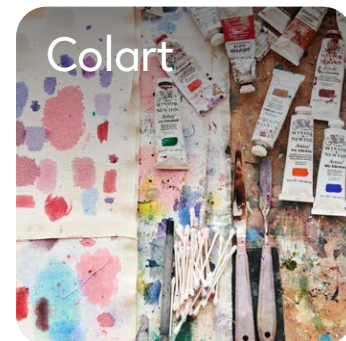
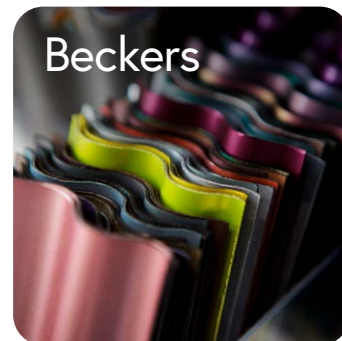
The theme of this year's report is 'Driving holistic value creation through active ownership'. As owners, we encourage a broader approach to value creation. This means optimising value across the entire ecosystem and not just focusing on our own benefits. Discover more about the economic, environmental and social contributions of our companies on pages 13–21. Throughout the report, case stories provide additional concrete examples of our commitment to generating positive impact across our ecosystem.

### Visual theme

The photographs in this report – including the cover image – are from an exhibition by Joakim Sandqvist, the 2024 Beckers Art Award recipient, held at the Färgfabriken art gallery. Learn more about Joakim Sandqvist and the exhibition on page 129.

Our sustainability statements meet the requirements of the Swedish Annual Accounts Act and are inspired by the European Sustainability Reporting Standards (pages 1–45 and 89–127). Our Statutory Annual Report consists of the Board of Director's Report, Financial Reports, notes and Five-year summary (pages 35–85).

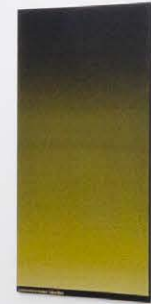
The full report is published in English on [www.lindengruppen.com](http://www.lindengruppen.com)





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## Owner's perspective

# A year of progress

*Our companies made substantial progress in their respective businesses and in integrating a broader and more holistic perspective on value creation. Despite geopolitical turbulence and economic uncertainty in 2024, Lindéngruppen reached a number of significant milestones.*

Beckers brought their sustainability and business goals together into a single, integrated strategy and introduced a new vision – **to raise the standard of care for our world**. This vision embodies a commitment to redefining excellence in industrial coatings by integrating sustainability, innovation, and social responsibility into every aspect of the business. I am immensely proud of Beckers, who are leading the industry towards a more sustainable future and setting new benchmarks for what it means to be a responsible and forward-thinking company.

Positive impact was also created by Colart in launching the world's first bio-based acrylic colours, Alex Begg in achieving B-Corp certification, and Höganäs is taking the first step towards fossil-free sponge iron through a biochar investment, which will contribute to decarbonising their production by 2030.

A strategic milestone was the partial acquisition of cReal, a company producing nutritious, oat-based food ingredients. I have known one of the founders for most of my life and have followed the company closely since my husband and I first invested in 2018. I am delighted that cReal is now part of Lindéngruppen. With innovative technology, a fully sustainable business model, and the potential to transform their industry, cReal is a great fit for our Group.

Globally we are witnessing a shift in priorities – where the focus on sustainability is becoming weaker, both politically and in the business world. Yet, the challenges we face – from climate change to social equity – are not going away, and the need for transformation remains urgent and clear. I am convinced that companies with owners and leaders who have the courage to remain committed to their path are successful in the long term. While it is essential to stay attuned and responsive to global developments, our actions must be firmly anchored in our core values and purpose. Business can and always should be a force for good.

This year also marked a special transition. Urban Jansson stepped down from the board after 18 years as a non-executive director and advisor to the Group. Urban was the first board member I brought in after becoming Chair and CEO of AB Wilh. Becker in 2006. He has supported and challenged us over the years with a unique mix of wisdom, integrity, and compassion. Working alongside Urban has been a true privilege.

In our increasingly complex world, collaboration is not just beneficial – it is essential. Our progress is built on the collective efforts of our dedicated people, valued customers, trusted suppliers, and committed partners. Thank you – without you, our ongoing journey to create meaningful, long-term impact would not be possible.

April 2025

Jenny Lindén Urnes



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Word from the CEO

# Building from a position of strength

*Our Group achieved strong results despite market headwinds, delivered on long term commitments, and moves into 2025 with a strong balance sheet and plenty of opportunities to grow.*

We expected 2024 to be a year of recession or slow economic recovery. In these tough market conditions, most of our companies managed to gain market share in priority segments and geographies.

Our financial results were solid. Net sales were on the same level as the previous year, while margins improved by focusing on operational efficiencies and pricing discipline. We saw less volatile raw material and energy costs than in 2023, which allowed for better planning and price stability. Both net income (+92 per cent vs. previous year) as well as operating cash-flow were very strong. In terms of True Value Creation, the Group delivered SEK 727 million in 2024, an improvement by 100 per cent compared to previous year.

As part of our 2030 strategy, we acquired a substantial stake in cReal Foods AB in the autumn of 2024. cReal is an innovation-led company operating in the fast-growing segment of climate smart food ingredients. The company is well positioned to offer sustainable solutions for their customers, and we are looking forward to an exciting journey together! I am proud to say that every company in the Group has stayed true to their long-term commitments. In a world of increasing polarisation, we see

companies delaying their climate ambitions and transition to sustainable products. We are convinced that Lindénggruppen's companies must stay ahead of the curve and focus on opportunities. For instance, while the electrification of the automotive industry is progressing slower than anticipated, by at least 2–3 years, it also opens a window of opportunity for Höganäs to adapt their offering and increase their application range of electric car components. This year, Beckers opened their FutureLab in Liverpool, a global centre of excellence to develop sustainable solutions for coil coating with partners. This means true innovation and growing more sustainably together with some of the world's largest customers. We have and will continue to invest significant resources into innovation and the transition towards net zero and beyond.

Already a few months into 2025, we see continued unpredictability and unusual volatility. Tariffs and geopolitical tensions will most likely impact the Group negatively, albeit mostly through indirect effects. Our manufacturing and sales presence in Asia, EU and the Americas remains balanced, and our supply chains are more resilient now than a couple of years ago. We foresee sizeable investments into both services and production in selected markets to exceed our 2030 ambitions. Thanks to the dedication of our teams, our strong customer relationships and innovation pipeline we are well positioned to grow and continue building for the future.

Our balance sheet remains strong with 1.1x Net Debt / EBITDA and we move into a complex environment with optimism and confidence. Thank you to all the teams for a solid 2024!

We stay the course.

April 2025

Fabio Pedrazzi



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# The year at a glance

**Strong financial development despite macroeconomic uncertainty**

Macroeconomic uncertainty remained a concern in 2024, though it was less pronounced than in 2023. The global recovery was steady but slow, characterised by low growth, stabilising inflation and decreasing interest rates. The numerous elections held in 2024 contributed to a complex and uncertain macroeconomic environment.

Despite these uncertainties, Lindéngruppen had a financially strong 2024 with aggregated net sales in line with last year and operating profit significantly above. Our companies' market leading positions combined with our continued transformational investments are the foundation for our current strong financial performance and for our long-term success.

**Industry's net zero shift**

During the year Lindéngruppen and our companies continued the journey towards our 2030 sustainability targets. CO<sub>2</sub> emissions decreased by 5 per cent compared to last year. In Höganäs a significant investment decision was made to convert the sponge iron production to utilise biochar, marking a major step in transforming Höganäs towards more sustainable production and reducing carbon emissions. Waste decreased by 5 per cent.

The industry's transition to net zero has faced challenges in 2024, with economic pressures and technological barriers slowing progress. Lindéngruppen and its companies recognise

these challenges too but remain committed to leading the transformation in their respective sectors and progressing towards our 2030 sustainability targets. This commitment presents opportunities for market leadership, enhancing operational efficiency, boosting customer loyalty and attracting talent.

**Empowering our people**

The health and safety of our employees is a cornerstone of Lindéngruppen's business. The TRI rate decreased to 6.4 in 2024 with major highlight in Höganäs where the entire organisation has worked intensely to establish group-wide safety standards and a 52 per cent reduction in number of recordable injuries was achieved. The gender balance continued to improve, however at a slow pace, now at 30 per cent women.

**AI and digitalisation**

AI and new technologies have continued to evolve rapidly, bringing significant changes across various industries. These advances are driving efficiency, innovation and competitiveness and impacting customer demands, consumer preferences, R&D, production and supply chain efficiency.

As innovation leaders, our companies continue to invest in R&D to proactively approach technological development to gain a competitive edge in operational efficiency and customer solutions. In 2024, Beckers inaugurated FutureLab in Liverpool which is at the forefront of driving sustainability innovation in the coil coatings industry.

**KPIs**

<b>Economic</b>	Aggregated net sales	<b>20.8</b> (21.3) SEK billion
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	Operating profit	<b>714</b> (479) SEK million
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<b>Environment</b>	Reduced CO <sub>2</sub> emissions* compared to previous year	<b>5%</b>
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\* CO<sub>2</sub> emissions = Scope 1 and 2 market-based

	Decrease in total waste compared to previous year	<b>5%</b>
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<b>Social</b>	Total Recordable Incident rate (TRIR)	<b>6.4</b> (9.4)
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	Women co-workers	<b>30%</b> (28%)
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All numbers on this page except operating profit include 100 per cent of Höganäs, which is 50 per cent owned.



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# Key events in 2024

## Strengthened operating profit

Strong margin development, well managed operating expenses and closing of an insurance claim related to 2023 fire incident in India at Beckers improved operating profit to SEK 714 million, a growth versus last year by 49 per cent.

## Investment in cReal Food

Lindéngruppen acquired a substantial stake in food tech company cReal, becoming its largest shareholder. cReal's cost-effective solutions address real industry challenges, making it a valuable addition to the Group. Read more about cReal on page 11.

## Inauguration of Beckers' FutureLab

Beckers inaugurated its FutureLab in Liverpool, UK. This state-of-the-art facility significantly increases both the capacity and capability of Beckers' long-term development department, thereby boosting the company's ability to develop more sustainable coatings. Read more on page 25.

## Alex Begg received SFA and RWS certification

Alex Begg received certifications for Sustainable Fibre Alliance (SFA) and the Responsible Wool Standard (RWS) processing, reflecting its extensive efforts and engagement with its entire supply chain. Read more on page 31.

## Colart launched digital flagship stores

Colart launched digital flagship stores for Liquitex, Conté à Paris and Winsor & Newton to strengthen consumer relations and expand the direct-to-consumer business, which remains a top priority for the company.

## Beckers committed to science based targets

Beckers committed to establishing climate targets in line with the Science Based Targets initiative (SBTi). Beckers submitted both near-term reduction and net-zero science-based targets, thereby solidifying and enhancing its sustainability goals.

## Höganäs implemented new organisation

Höganäs successfully implemented a new, decentralised organisation, structured into five divisions, each with full profit responsibility. This showed positive effects already in 2024.

## Colart unveiled bio-based paints

Colart launched the world's first bio-based, professional-grade fine art paint under the Liquitex brand. This represented a significant milestone in reducing reliance on petroleum-derived materials and promoting eco-friendly product innovation. Read more on page 28.

## Höganäs first to introduce product-specific carbon footprint

Höganäs became the first metal powder producer to provide a product-specific carbon footprint (PCF). This supports customers in achieving their emission-reduction goals and contributes to Höganäs' long-term objective of reaching net-zero emissions by 2037.

## Alex Begg attained B Corp™ Certification

Alex Begg became a Certified B Corporation, demonstrating its commitment to high standards of verified social and environmental performance, public transparency and legal accountability, all while balancing profit and purpose. Read more on page 31.

## Lindéngruppen enables Centre for Aesthetics and Business Creativity

Lindéngruppen deepened a long-term engagement and partnership with Lund University and LUSEM with a donation for the creation of a unique research centre and a dedicated professorship in aesthetics and business creativity. Read more on page 19.

## New leadership appointments

In June, Ellinor Berglund joined Lindéngruppen as CFO, bringing extensive experience from industrial companies and strategic financial expertise. Meanwhile, Alex Begg's Board appointed Bruno Guillon, a former Board member, as CEO. He assumed the position in March.



Colart unveils bio-based paints



Beckers' FutureLab



Höganäs first to introduce product-specific carbon footprint



Ellinor Berglund new CFO of Lindéngruppen



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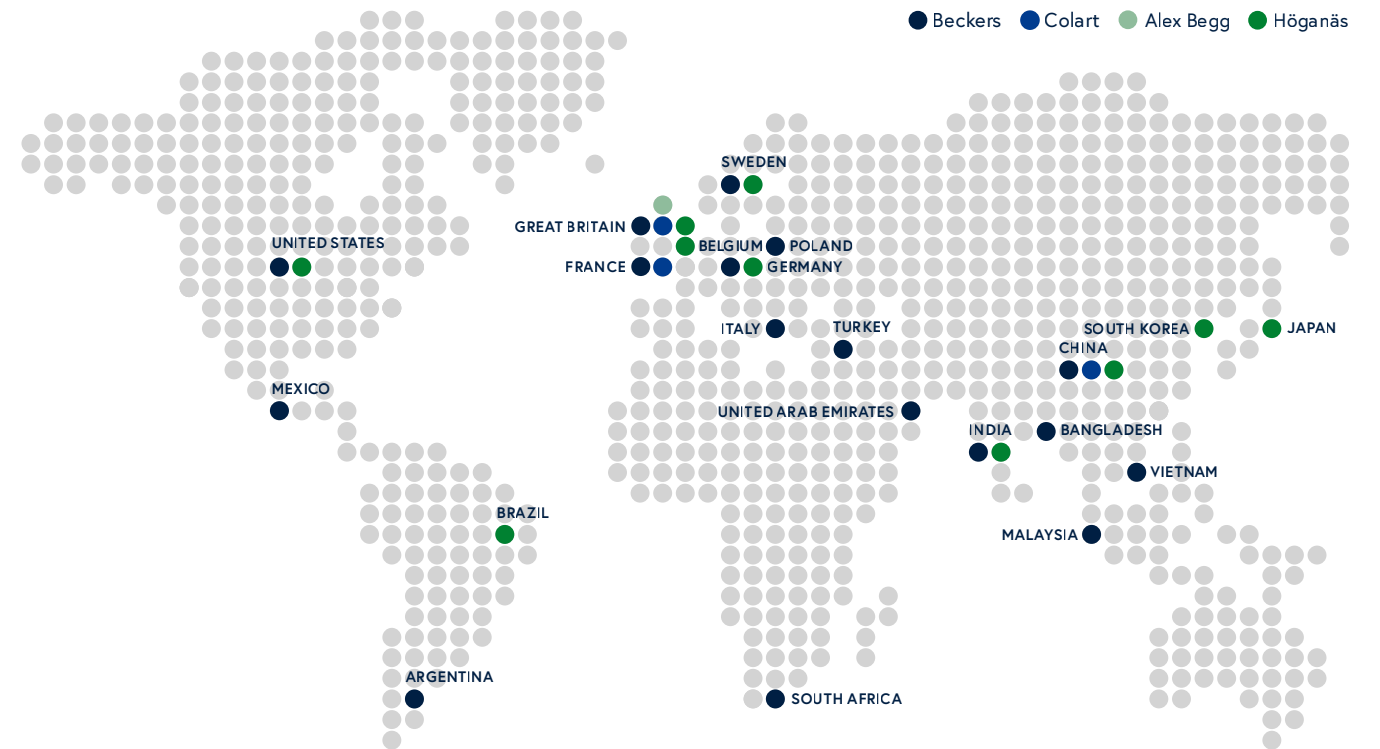
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# Global presence

## Our purpose

# We empower our companies to prosper and lead the transformation to a sustainable world

## Countries with production sites



Aggregated net sales

20.8 SEK billion

Countries where our products are sold

111

Countries with production sites

21

Co-workers

5,096

All numbers on this page include 100 per cent of Höganäs, which is 50 per cent owned.



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# Our companies

Lindénggruppen's core industrial businesses include three wholly owned and one part owned company, all holding leading market positions in their respective niches.

## Beckers

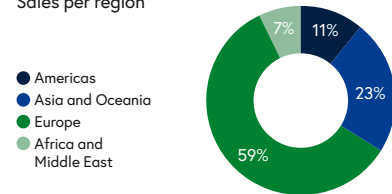
A global leader in coil coatings and industrial paints

Lindénggruppen's ownership: 100%

Turnover **7,098**  
SEK million 2024

Employees **1,700**

Sales per region



[Read more about Beckers](#)

## Colart

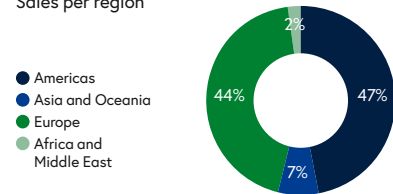
A global leader in premium artist materials

Lindénggruppen's ownership: 100%

Turnover **1,610**  
SEK million 2024

Employees **913**

Sales per region



[Read more about Colart](#)

## Alex Begg

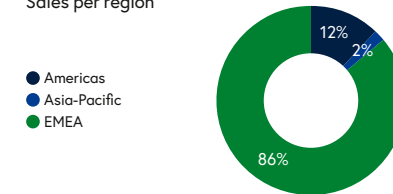
A specialised manufacturer of luxury textiles

Lindénggruppen's ownership: 100%

Turnover **226**  
SEK million 2024

Employees **203**

Sales per region



[Read more about Alex Begg](#)

## Höganäs

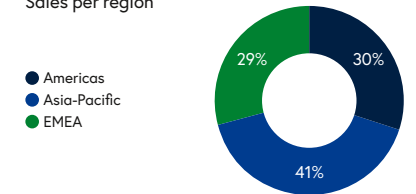
The world's leading manufacturer of metal powders

Lindénggruppen's ownership: 50%

Turnover **11,826**  
SEK million 2024

Employees **2,265**

Sales per region



[Read more about Höganäs](#)



# Our value chain and impact

Our value chain spans from raw material extraction to end-of-life recycling. We are committed to reducing any negative impact from activities in our value chain while enhancing positive impacts relating to our business and ways of operating.



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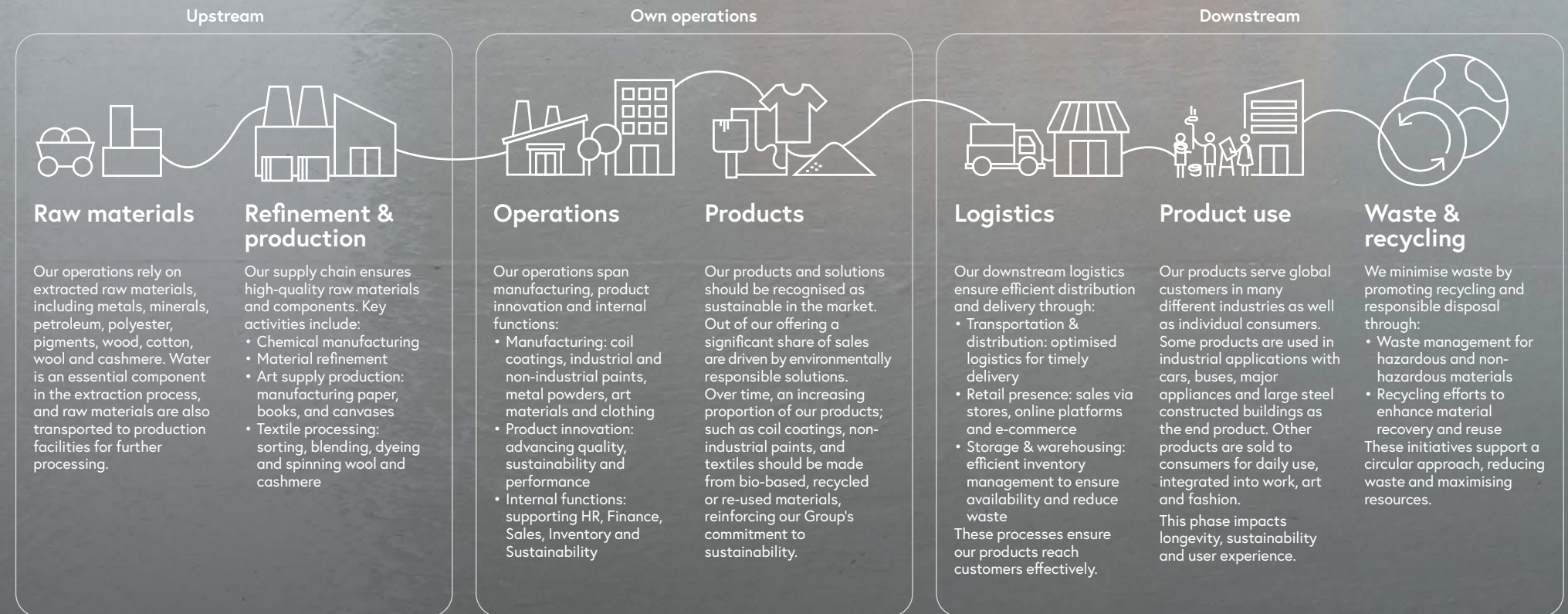
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**CASE**

# New acquisition paves the way for scalable plant-based foods

cReal, which Lindégruppen became the largest shareholder of in October, is ready to revolutionise the food industry with innovative plant-based ingredients.

With Lindégruppen's investment, cReal is now able to ramp up its production of oat-based ingredients for a wide variety of foods. A new production facility in Bjuv, Sweden, is under construction and will begin supplying the food industry with the more sustainable plant-based ingredients in the spring of 2025.

"cReal aims to take plant-based foods mainstream by creating ingredients that taste great and are affordable, while also being more sustainable and nutritious than conventional ingredients," says Christian Hjortholm, CEO of cReal. "We can play a meaningful role in the many different foods that use conventional milk powder today."

**Ingredients that are good for you and the planet**

cReal has developed an innovative processing technology that helps to preserve nutrients. This enables cReal to produce healthy oat proteins and insoluble probiotic fibres that are good for your gut while the active beta glucan can help lower cholesterol.

Compared with conventional milk powder, the production of cReal ingredients generates 78 per cent less greenhouse gases. Additionally, no waste is produced as it fully utilises the entire oat kernel.

"As our ingredients can help big food companies become more sustainable across many different food categories, we will have significant growth opportunities once we ramp up production during 2025," explains Christian Hjortholm. "We will start with ice cream, before going into yoghurts and chocolate. In time, we imagine delivering functional solutions for better health as well."

**The newest member of the Lindégruppen community**

"We look forward to benefiting from a larger resource base as well as a wealth of experience and expertise across different industries as part of the Lindégruppen community," concludes Christian Hjortholm. "Together with Lindégruppen's sustainability and value creation ambitions for its companies, these factors will really strengthen our commitment to have a positive role in the world."



**Christian Hjortholm**  
CEO of cReal





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# Creating long-term and sustainable value

Lindégruppen is a second-generation family business, focusing on the sustainable and long-term development of industrial companies. As an active owner, we empower our companies to prosper and lead the transformation to a sustainable world.

At Lindégruppen, we expect our companies to lead their respective markets and industries. This means having financial strength, excellent business practices, superior product quality, and high level of innovation that characterise market leaders. Aiming for market leadership is crucial because it enables us to lead industries forward and, in doing so, drive real transformation.

Sustainable growth is a prerequisite for investing in innovation and transformation. This requires finding a balance that establishes financially strong companies in the present that generates funds to reinvest in developing more sustainable, innovative alternatives for the future. Our companies' financial targets reflect this commitment, aiming to maintain growth and profit levels that support the Group's strategic 2030 targets while investing to maintain market leadership.

### The key elements of our active ownership

As active owners, we empower our businesses to reimagine value creation with a broader perspective, as demonstrated by our Value Creation Model. We believe that the role of business is not solely to generate profit, but to act as a force for good within a broader ecosystem.

As active owners, we have a clear vision for our company's development. We are committed to the long term and employ decentralised leadership, believing that companies have the highest chances of prospering when purpose-driven individuals, working in high-performing teams, take ownership to deliver on a vision.

### Long-term perspective

Our long-term ownership perspective allows our businesses to plan and invest with a long-term view and to be supported throughout economic cycles. The long-term commitment extends beyond financial investment. It is also reflected in the commitment and accountability that come with carrying the legacy of the Group and the owner family forward.

### Holistic approach to value creation

Our businesses are expected to innovate to advance their positions as market leaders. Sustainable growth requires us to rethink value creation. As owners, we encourage a broader approach, optimising value across the entire ecosystem and not just focusing on our own benefits. We are confident that this will lead to differentiation, improved decision-making and ultimately, strengthened market leadership.

### Decentralised governance model

We operate a decentralised governance model, with independent non-executive directors as well as owner representatives on our company boards. Lindégruppen provides an owner's directive to give guidance and clarity on our expectations for each business to the company boards. Our boards are encouraged to lead with courage and strategic insight, challenging the status quo to unlock the full potential of our businesses.

### Strategic partnerships

Transitioning to sustainable business practices requires collaboration with external partners and customers, leveraging new knowledge and capabilities that span across countries and sectors. As an active owner we want to facilitate these conversations and collaborations. Bringing the full potential of our global network to our business leaders – be it on specific regulatory or technology topics, business development opportunities or general experience exchanges – is at the core of our approach.



Photo from the Lindégruppen Finance and Sustainability Days in October 2024.



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# Our view on value creation

Lindéngruppen is committed to making a positive impact and creating shared, sustained societal value through our companies. Our Value Creation Model allows us to measure our economic, environmental and social impact, thereby quantifying our true value creation.



By accounting for the major costs and benefits generated by our businesses, we ensure that sustainability performance is presented in the same way as financial performance. This approach guarantees that sustainability receives the necessary attention, resources and investment.

The model covers 12 areas which we have identified as having the most significant impact on our overall value creation. Six of these areas are scientifically monetisable which means that we add or subtract externally validated science-based economic, environmental and social costs and benefits to our financial earnings.

### Promoting holistic value creation

The Value Creation Model is a crucial tool for promoting holistic value creation within the Group. It is increasingly used by our companies and integrated into their strategies and operations. Group company targets are aligned with it, and it is factored into investment decisions.

During 2024, a cross-company taskforce was set up to develop the model with the aim of further embedding it in the ways of working across the Group companies to enable and empower them to create ownership and engagement. As a result of the taskforce's work,

a roadmap with actions to be executed during 2025/26 was developed together with a number of methodology improvements, including ESRS alignment and equity-based inclusion of Högånäs. 2024 is the first time we report according to the new methodology. We have recalculated the figures for 2023 to make the result comparable between the years. Our methodology paper, available on [lindengruppen.com](http://lindengruppen.com), describes the new method and how it differs from the previous version.

### Benefits of the model

By including economic, environmental and social considerations when measuring value, we can:

- Drive transformation and contribute to a sustainable world
- Make more informed and responsible business decisions and optimise resource use
- Create more meaningful stakeholder dialogue
- Better understand the risks and opportunities of our business
- Promote accountability and transparency
- Inspire others by demonstrating leadership in value creation



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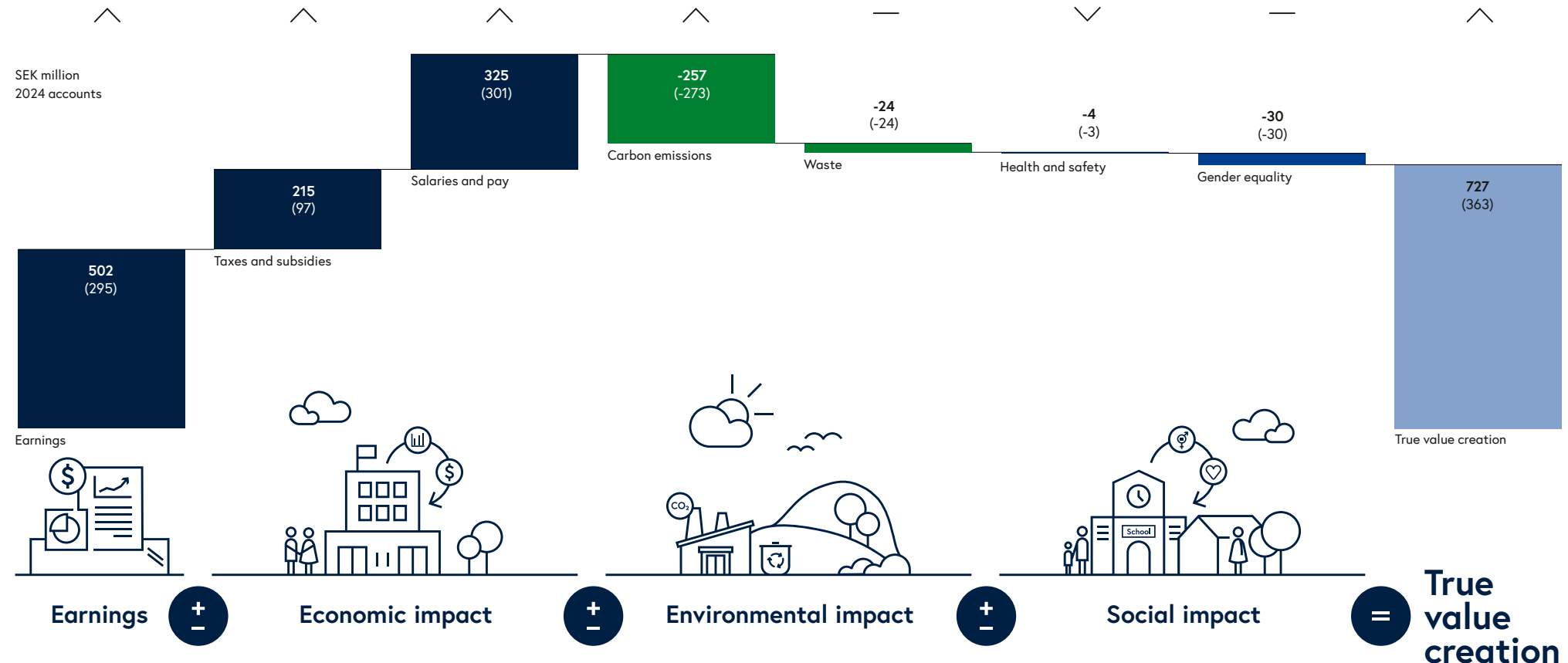
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## Value creation in 2024

True value creation was 727 (363) mSEK in 2024, an increase of 100 per cent compared to 2023. The substantial improvement is driven by higher earnings. 2024 is the first time we report according to the new methodology and we have recalculated the figures for 2023 to make the result between the two years comparable.



**Economic impact**  
Earnings in 2024 were 502 (295) mSEK, an improvement of 70 per cent compared to 2023. Economic value amounted to 1 042 mSEK including taxes paid minus subsidies received 215 (97) mSEK and salaries and pay 325 (301) mSEK. The major increase is driven by higher earnings at Höganäs and Beckers.

**Environmental impact**  
Environmental costs were 281 mSEK where CO<sub>2</sub> emissions amounted to 257 (273) mSEK. Decreased cost for CO<sub>2</sub> positively impacted the result and was primarily achieved by reduced CO<sub>2</sub> emissions in Beckers and Höganäs. Improvement was partly off-set by higher cost for CO<sub>2</sub> emission. Höganäs accounts for 95 per cent of the Groups' total CO<sub>2</sub> impact.

**Social impact**  
Social costs were 34 (33) mSEK where health and safety is 1 mSEK higher compared to 2023. Höganäs' substantial improvement in health and safety was offset by Beckers' higher impact compared to 2023. Gender equality was improved in the Group but not enough to decrease societal costs which remain stable at 30 mSEK.

True value creation increased to 727 (363) mSEK, which is 100 per cent higher than in 2023.



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# Economic value creation

Lindégruppen creates economic value by nurturing a caring and performance-oriented culture that ensures profitability. We are committed to paying fair salaries to our employees and contributing our share of taxes to governments.



## Our 2030 targets

**Progress 2024**

The Group's operating profit grew with 49 per cent compared to 2023, reaching an operating profit margin of 8.0 per cent. Group-wide collaboration continued to ensure compliance with the tax policy and global anti-base erosion rules (Pillar II). Group companies also continued to work with WageIndicator to ensure all employees are paid living wage or above.

	2025 Milestones	Progress 2024	2030 targets
<b>Operating profit</b>	Operating profit margin at 5.2 per cent	↗	Operating profit margin above 9 per cent
<b>Salaries and pay</b>	Living wage levels to be set for all markets and Group companies' benchmark to be assessed	↗	All wages are higher than the applicable living wage
<b>Taxes and subsidies</b>	Taxes and subsidies are paid at the right time, in the right amount and in the right country	↗	Taxes and subsidies are paid at the right time, in the right amount and in the right country

→ = 2024 progress towards the milestone      ↗ = Improved      → = Stable      ↘ = Declined

**SDG Targets**

- 8.2** Diversify, innovate and upgrade for economic productivity
- 8.4** Improve resource efficiency in consumption and production
- 9.4** Upgrade all industries and infrastructures for sustainability
- 9.5** Enhance research and upgrade industrial technologies
- 12.6** Encourage companies to adopt sustainable practices and sustainability reporting
- 16.5** Substantially reduce corruption and bribery



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# Environmental value creation

Our companies are committed to reducing their negative environmental impact and enhancing their positive impact through the development of sustainable product offerings, thereby supporting their customers' sustainable transition. In line with our 2030 Group targets, all companies are working towards becoming climate neutral and circular.



## Our 2030 targets

### Progress 2024

Progress has been made on all environmental targets. Beckers and Colart decided to commit to SBTi for their CO<sub>2</sub> targets. Renewable sources in total energy consumption has increased to 62 (55) per cent. Non-recycled waste has decreased to 21 (25) per cent. Sustainable sales represented 42 (-) per cent of total sales (excluding Höganäs which does not report, 18 per cent including Höganäs). Sustainable materials continue to increase but with great variations between companies, led by Höganäs with 56 per cent and Alex Begg with 90 per cent recycled materials.

	2025 Milestones	Progress 2024	2030 targets
<b>Carbon emissions</b>	Reduce CO <sub>2</sub> emissions in Scope 1 by 30 per cent compared to 2019 Scope 2: 100 per cent fossil-free electricity	↗	Zero CO <sub>2</sub> emissions in Scope 1 and 2 and more than 50 per cent CO <sub>2</sub> intensity reduction in Scope 3 compared to 2019
<b>Waste</b>	Map waste streams to find potential improvements and set reduction targets	↗	Zero waste and more than 95 per cent of materials recycled or reused
<b>Sustainable customer offering</b>	Define sustainable customer offering per company 20 per cent of sustainable sales to come from the sustainable customer offering	↗	50 per cent of sustainable sales to come from the sustainable customer offering
<b>Sustainable materials</b>	20 per cent of used materials to be bio-based, recycled and/or reused	↗	50 per cent of used materials to be bio-based, recycled and/or reused

→ = 2024 progress towards the milestone

↗ = Improved    → = Stable    ↘ = Declined

### SDG Targets

- 7.3 Double the improvement in energy efficiency
- 12.2 Sustainable management and use of natural resources
- 12.4 Responsible management of chemicals and waste
- 12.5 Substantially reduce waste generation



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# Social value creation

Our companies prioritise health and safety, gender equality, employee engagement and community involvement. These commitments position them as preferred employers and ensure long-term success.



## Our 2030 targets

**Progress 2024**

Health and safety improved substantially in Höganäs with TRI rate at 7 (15). Gender equality continues to improve at a slow pace in Beckers and Höganäs. A leadership programme is under development and Colart has piloted and rolled out a first version. Employee engagement decreased to 1 (7) in 2024, likely as a result of restructuring programmes in Colart 8 (16) and Alex Begg -10 (8). Local partnerships were established at all except four sites. For detailed information about our partnerships, please refer to pages 20–21. Children's rights were integrated in materiality assessment and reporting.

	2025 Milestones	Progress 2024	2030 targets
<b>Health and safety</b>	Safety audit by third party resulting in action plan and 50 per cent TRI reduction compared to 2019	↗	Zero accident vision implemented > 90 per cent TRI reduction
<b>Gender equality</b>	Less than 60 per cent of co-workers in Tier 0–2 are of the majority gender	↗	Less than 60 per cent of co-workers are of the majority gender
<b>Education and training</b>	Develop leadership and sustainability programme with BTH inspired by the IDGs	→	All co-workers have participated in the leadership and sustainability programme
<b>Employee engagement</b>	eNPS > 20 Retention above peers	↘	eNPS > 20 and outperforms the eNPS of peers Retention above peers
<b>Community involvement</b>	Establish partnerships in locations with > 20 FTEs and set impact targets	↗	Impact targets achieved
<b>Children's rights</b>	Children's rights due diligence for 70 per cent of spend	→	Annual board assessment of the company, taking children's perspective into account

→ = 2024 progress towards the milestone

↗ = Improved    → = Stable    ↘ = Declined

**SDG Targets**

- 5.1 End discrimination against women and girls
- 5.5 Ensure full participation in leadership and decision-making
- 8.8 Protect labour rights and promote safe working environments



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**CASE**

# Lindéngruppen enables unique research centre at Lund University

Lindéngruppen made a donation in 2024 that helped create a new research centre and a dedicated professorship in aesthetics and business creativity.

The new Centre for Aesthetics and Business Creativity (ABC) and the Ulf G. Lindén Professorship at Lund University School of Economics and Management (LUSEM) are part of a long-term engagement and partnership that Lindéngruppen has with Lund University.

"Art can inspire and challenge. Art awakens emotions and can, with practice, enable important non-cognitive skills like curiosity, courage, creativity, empathy and resilience," says Jenny Lindén Urnes, Owner and Chair of Lindéngruppen. "These are essential skills for changemakers and for driving transformation towards a sustainable world."

"The establishment of the ABC Centre at Lund University is exciting for us and for the research field," explains Daniel Hjorth, the Lindén Professor of Aesthetics and Business Creativity and the founder of the ABC Centre. "The professorship is a central part of this new effort and pursuit of research and education in an area considered to be of strategic importance for future education and business practice where Sweden thereby can build novel innovative strengths."

**About the founder of Lindéngruppen Ulf G. Lindén**

Ulf G. Lindén had a long commitment to research and higher education and played a crucial role in the establishment of the Lund University School of Economics and Management. He was also the first chair of its advisory board and the initiator of Stiftelsen Partnerskap (the partnership foundation), which serves to strengthen ties between LUSEM and the business community.

Lindéngruppen has had a deep and fruitful cooperation with LUSEM ever since and Jenny Lindén Urnes now serves on a number of advisory councils to the university.

**About the Centre for Aesthetics and Business Creativity**

The ABC is an interdisciplinary platform that supports and advances humanities- and arts-oriented business administration research and education. The centre seeks to intensify a conversation between aesthetics and economy, to be added to the ongoing relationships to technology and sustainability.



Lina Lanterno, Andreas Inghammar and Daniel Hjorth at the inauguration of the ABC Centre. Photo: Kennet Ruona



Read more about the research centre at Lund University



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# Partnerships – key to positive impact

Working in long-term partnerships with key stakeholders is a strategic way for Lindéngruppen to scale ideas, solve complex challenges and create positive impact. Our unique approach extends beyond sponsorship, as partnerships are deeply and holistically integrated into our organisation.

## Lindéngruppen supports and collaborates with organisations that operate in four areas

### Promoting children and young people

- *Global Child Forum* – an independent platform that brings businesses and regional and global stakeholders together to create dialogue and spur action for social change around children's rights
- *Motivationslyftet* – works with schools to strengthen young people's motivation and self-leadership. A five-step method has been developed to support teachers and strengthen core values in schools

### Contributing to integration

- *Tillväxt Helsingborg* – tackles segregation and social exclusion among young adults by helping them to find work with local businesses in the southern Swedish city of Helsingborg
- *HIF Sustainability* – Helsingborg's IF football club works to promote health, inclusion, employment, collaboration, and the environment and climate

### Promoting art and culture

- *Färgfabriken* – a foundation and exhibition space for contemporary art and architecture
- *Beckers Art Award* – established in 1987 and presented annually to a young Swedish artist
- *KKAM Höganäs (Ceramics, Art, Studio and Museum)* – an art gallery and ceramics centre

### Research on sustainability and business

- *Blekinge Institute of Technology* – carries out ground-breaking research in the field of strategic sustainable development
- *Lund University School of Economics and Management* – partnership to strengthen the collaboration between the university and the business community
- *The Centre for Aesthetics and Business Creativity (ABC)* – an interdisciplinary platform, lab and playground that, while making aesthetics more central, also reimagines its role in research, education and practice in the field of business
- *AB Wilh. Beckers Jubileumsfond (Jubilee Fund)* – finances PhD studies for chemists specialising in materials technology for surface treatment
- *Svensk Kolinlagring* – a platform for researchers, farmers and companies with the objective to promote carbon sequestration and regenerative practices in Swedish agriculture
- *Inner Development Goals* – an initiative developing the capabilities, qualities and skills needed to achieve the 17 Sustainable Development Goals (SDGs)
- *A Sustainable Tomorrow (AST)* – aims to create a more sustainable future and open up new business opportunities by enabling collaborations that benefit individuals, businesses and society



Photo: Global Child Forum

In 2024, Lindéngruppen AB contributed SEK 15 million – 11 per cent of our total costs

# SEK 15 million



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## Group company partnerships

**Beckers**

Through strategic partnerships with universities, Beckers extends its capabilities and fundamental knowledge on raw materials, coatings performance and curing procedures. In 2024, Beckers expanded its academic partnerships with three new PhD studentships at Swansea University and Imperial College in London. These projects advance the company's knowledge in areas critical to sustainable innovation.

As a member of the Renewable Carbon Initiative (RCI), Beckers continued participating in industry-wide discussions aimed at transitioning to fossil-free operations.

In addition, Beckers remained a dedicated participant in the UN Global Compact and the Global Child Forum's Business Sounding Board, reaffirming the company's commitment to responsible and impactful business practices. Beckers' engagement with industry associations—including the European Coil Coating Association, the European Council of the Paint, Printing Ink, and Artists' Colours Industry, and the National Coil Coatings Association—continued to provide the company with valuable insights that support Beckers' sustainable growth and innovation.

**Colart**

Colart brand Winsor & Newton continued its collaboration with the arts and mental health charity Hospital Rooms, providing product donations and artist support for its Digital Art School programme.

In 2024, the brand also partnered with Paul Smith's Foundation and launched a new art prize in painting and drawing. Winning artists received materials from Winsor & Newton to make a new piece of work that responded to the theme Finding Inspiration Everywhere. The works were then exhibited for sale in a Paul Smith store.

Colart brand Lefranc Bourgeois organised a major painting competition in prestigious art and design schools in France and Italy, to celebrate the launch of its new Huile Fine range. The brand also partnered with the artist Sifat who created a fresco at a nursery school in Paris.

Colart brand Liquitex continued offering artists an eight-week residency programme in East Orange, New Jersey. This initiative provides artists with the unique opportunity to work in a private studio space stocked with Liquitex Professional products.

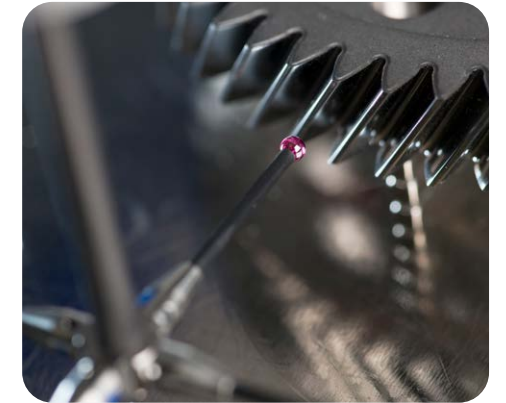
In addition, Colart attended the Global Child Forum 2024 event in Stockholm. Through action labs, the company explored ways to integrate children's rights into its business practices.

**Alex Begg**

Alex Begg is a member of the Sustainable Fibre Alliance (SFA) and contribute towards the work of the organisation.

Alex Begg has obtained collaborative funding for the development of a 'Circular Textiles Demonstrator' project in the UK. The initiative involves 22 partners, encompassing retailers, charities, academic institutions and textile suppliers. The objective is to significantly reduce end-user waste through the development of circular products.

Alex Begg is also collaborating with several other companies in a UK Fashion and Textile Association-led initiative to spearhead the development of innovative sustainable materials. A primary aim of this trial is to evaluate the technical performance of recycled wool, assess its market viability and analyse the associated processes.

**Höganäs**

Höganäs collaborates with the Swedish iron and steel producers' association, Jernkontoret, concerning topics such as regulations, educational standards and research collaborations. In Sweden, Höganäs runs projects with research institutes such as RISE and SWERIM that address sustainability issues. Höganäs also collaborates with Vinnova (the Swedish Agency for Innovation Systems) which mission is to strengthen Sweden's innovative capacity to contribute to sustainable growth.

European research institutes that Höganäs collaborates with include VTT and Fraunhofer. Höganäs also works on sustainability related projects together with the KTH Royal Institute of Technology in Stockholm, Chalmers University of Technology in Gothenburg and Uppsala, Luleå, Stockholm and Lund universities.





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# Meet Christophe Sabas, CEO of Beckers

## How would you summarise 2024?

It has been an exciting and dynamic year – a year with key developments and measured growth for Beckers Group. We have made significant progress in integrating sustainability into our core business operations while maintaining financial stability despite external pressures. A key milestone was the launch of our Green Lights Strategy: we brought our sustainability and business goals together in one single, integrated strategy and introduced an updated vision, purpose and promise for Beckers. By refining our vision – to raise the standard of care for our world – and aligning our statements with what we are already striving for in business, we have ensured greater clarity and relevance. At its core, this update highlights the need to think differently in order to create a positive impact.

In line with our Green Lights goals, a significant accomplishment was the global reorganisation of Beckers into three major regions: Asia and the Middle East, Europe and Africa, and the Americas. This strategic move has been crucial, as it has created consistent regions, reinvigorated our teams and opened up opportunities for business development and expansion.

## How have your markets developed?

We have experienced a slight increase in market activities in 2024. As a market leader in coil coatings, we are heavily dependent on the construction industry, which continues to be affected by high interest rates. Although interest rates are beginning to decline, there is typically a delay of 6–12 months before the

effects become more apparent. We have not seen significant geographical differences, with soft markets in Europe and the US and low growth in China. The exception is India, where growth has been exceptionally strong.

In the medium to long term, we see attractive prospects for coil coating. This technology offers numerous sustainable advantages compared to other methods, making it an appealing option for the construction industry as it seeks more sustainable solutions. We also see growth opportunities in the Industrial Coatings segment, especially in ACE (agriculture, construction and earth-moving equipment).

## What are your strategic priorities going forward?

Our strategic priorities, both now and in the future, focus on advancing our Green Lights Strategy to capitalise on global market opportunities and drive progress towards a more sustainable industry. We remain committed to leading in innovation and sustainability, particularly in Europe, where we are the market leader. A key milestone in this journey was the inauguration of our global centre for sustainable innovation, FutureLab, in 2024. Here, we are spearheading the development of the next generation of innovative and more sustainable products and services, such as UV/EB coatings and circular economy models.

The Beckers Sustainability Index is a key differentiator that enables us to strategically develop our product portfolio towards more sustainable solutions. This third-party verified



index provides a sustainability measure for every product we sell – something highly valued by our customers. It serves as a collaborative tool for enhancing our customers' sustainability performance. Another major business driver – and a key factor in how we operate – is our commitment to the Science-based targets initiative. With this, Beckers has become the first coil coatings company to commit to net-zero emissions by 2050 in the entire value chain.

## What are the relevant growth opportunities?

Having sustainability as a driver creates significant long-term opportunities. We are working on coatings based on bio-resins, which significantly reduces our fossil dependency and therefore attract strong market interest. We are committed to maintaining our leading position in coil coatings while also continuing to expand in industrial coatings, particularly in the ACE sectors.

Looking ahead, Beckers Group sees several promising growth opportunities that align with our sustainability goals and market trends.



**Christophe Sabas**  
CEO of Beckers

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# Beckers

Beckers is the number one supplier of coil coatings and a leading supplier of industrial paints worldwide. The company is a true pioneer in providing unique, high-performance coating solutions that improve customer competitiveness while protecting people and planet.

With expertise based on its 160-year history, Beckers today is a global company with 1,700 employees in 19 countries. It provides products and custom-made solutions to customers in around 60 countries around the world. Most of its products are liquid paints processed for coil coating, an industrial process in which rolled steel and aluminium strips are continuously coated. Within industrial paints, Beckers delivers specially manufactured coatings for consumer products, metal parts and plastic components.

Beckers' corporate head office is in Berlin, Germany.

## Highlights in 2024

- Grand opening of FutureLab in Liverpool, UK, Beckers' new centre for sustainable innovation
- The new Green Lights Strategy was launched, integrating business and sustainability. This was accompanied by an updated vision, purpose and promise for Beckers:
  - a. Vision: We raise the standard of care for our world
  - b. Purpose: Make coatings a force for good at every touchpoint
  - c. Promise: Pioneering performance for positive impact

- A new regional organisation was implemented, reflecting Beckers' commitment to operational excellence and realising its growth potential globally
- The proportion of Beckers' products sold that qualify for the Beckers Sustainability Index (BSI) Achiever category, which represents the pinnacle of sustainability performance, rose to 50 per cent. This indicates that more customers are switching to Achiever products
- Beckers committed to establishing climate targets in line with the Science Based Targets initiative (SBTi), thereby solidifying and enhancing its sustainability goals

## Holistic value creation at Beckers

Beckers' Green Lights Strategy fully integrates the company's business and sustainability goals. Its four pillars – People with Impact, Products with Impact, Operations with Impact and Business with Impact – connect all aspects of the business to measurable business and sustainability objectives, as well as actionable key performance indicators directly related to Beckers' sustainability and business success.

The core elements of the strategy focus on enhancing the company's global reach in coil coatings and expanding into selected segments within Industrial Coatings, such as agriculture, construction and earth-moving equipment.

For Beckers, sustainability is more than just a value statement; it is a core driver of business development, innovation and customer offerings. Beckers' commitment to sustainability includes enhancing the product range with more sustainable options through continuous R&D investments, exemplified by the new FutureLab, and through strategic partnerships with suppliers and customers. All Beckers' sites have long-term plans to minimise CO<sub>2</sub> emissions in Scope 1 and 2. These plans encompass continuous improvement and investments to reduce energy and water consumption, minimise waste generation and reduce air emissions.

By aligning Beckers' business model with sustainable practices, the company aims to create long-term value for its stakeholders and contribute positively to society and the environment.



# Beckers

Turnover

# 7,098

SEK million 2024

Growth

# 1%

growth in turnover compared to 2023





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# Innovating more sustainable coil coatings at Beckers' new FutureLab

The Beckers FutureLab in Liverpool, UK, is at the forefront of driving sustainable innovation in the coil coatings industry.

FutureLab, which was inaugurated in September, is home to state-of-the-art facilities to develop and test sustainable raw materials and processes. Alongside the ultraviolet/electron beam (UV/EB) development team at Beckers France, it is the global leading centre for the longer-term development of coating systems that can significantly reduce volatile organic compounds (VOC) and greenhouse gas emissions, while also enhancing efficiency in the industry.

"FutureLab will enable us to develop the next-generation sustainable coating solutions to be used by our teams and customers around the world," says Gavin Bown, Chief Technology Officer at Beckers. "Our focus areas are UV/EB-cured coil coatings, more sustainable raw materials and more sustainable coil coating processes. We are also measuring sustainable impact through the development and deployment of capabilities and tools such as the Beckers Sustainability Index (BSI), life-cycle assessment (LCA) and carbon footprint calculation tools."

### Enabling sustainable innovation

"Since the opening, we have already hosted a number of customer visits at FutureLab and

there is considerable interest among our customers and partners," continues Gavin Bown. "More sustainable raw materials, such as renewable carbon solvents, are of particular interest and one of our customers plans to commercialise a new type of renewable carbon resin developed by the FutureLab team."

FutureLab is equipped with cutting-edge equipment that will be key for enabling sustainable innovation and cutting-edge research, such as a UV curing unit, an EB oven, hot-melt extrusion and a slot-die coatings applicator. The centre is also home to a host of sustainable features, including an active carbon filtration system on a VOC exhaust chimney and heat pumps to provide energy-efficient heating.

Collaboration is essential for driving sustainable innovation. The FutureLab team conducts joint research with Imperial College in London on polyester-based coatings using molecular modelling and machine-learning. The team is also working with Liverpool University on the use of big data and AI to simulate weather exposure and predict the performance of coatings for specific customer appliances.



**Gavin Bown**  
Chief Technology  
Officer at Beckers

FutureLab has a young, diverse and gender-balanced team of 17 experts, representing multiple nationalities. Beckers hopes to expand the FutureLab team in the coming years to provide further enhanced capabilities and expertise.





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# Meet Romain Guinier, CEO of Colart

## How would you summarise 2024?

It has been a relatively stable year, marked by our successful market share gains despite challenging conditions. It has also been a transformative period with the rollout of our new strategic plan, Perform 2030. This plan has been enthusiastically endorsed by our team and effectively implemented throughout the year.

We completed the repositioning of our iconic brands (Winsor & Newton, Liquitex, and Lefranc Bourgeois), establishing new creative territories for each brand to become even more inspirational and desirable, further enhancing our presence in key categories such as wet paints and mediums. Additionally, we launched our first digital flagship stores for Liquitex, Conté à Paris and Winsor & Newton, positioning us well to steadily grow our direct-to-consumer business, which remains a top priority for the company.

## How have your markets developed?

The market has remained challenging, with declining purchasing power and geopolitical uncertainty making consumers more price sensitive. This shift has contributed to the continuous growth in private labels, particularly in the US and UK.

In response, we are continuously refining our consumer-first approach. Key initiatives this year included activating new go-to-market drivers, revising our promotion strategy and launching an extensive series of new product sets. As industry

frontrunners, our portfolio of top brands plays a crucial role in countering private label growth by introducing new, creative products that encourage consumers to mix their purchases between private labels and our brands.

Our superior quality sets us apart. For the discerning artist who demands exceptional pigment quality, versatile product applications and a wide variety of colour ranges, our decades of expertise provide an unmatched advantage.

## What are your strategic priorities going forward?

We are committed to the five strategic pillars of the Perform 2030 strategy: Leveraging our brands, Thinking Consumer-First, Excelling in Operations, Becoming Agile, and Creating Impact. Our top priority is to make sustainability a foundation for growth. This approach enables us to adopt a long-term perspective, setting sustainable innovation goals that align with our vision. It serves as an excellent complement to our short-term financial value creation objectives.

A highlight this year was the introduction of Liquitex bio-based acrylics, a significant innovation with special appeal to new-generation artists. This product delivers the same superior quality as professional acrylics but in a far more sustainable way. As a manufacturing company, we are also making significant investments and progress in decarbonising our entire production.



## What are the relevant growth opportunities?

We are actively pursuing several growth areas. One key focus is geographical expansion, including the rollout of our American brand Liquitex in Europe and Asia, our French brand Lefranc Bourgeois in the US, and our British brand Winsor & Newton in Japan. These initiatives present attractive opportunities for growth.

In the acrylics market, we see substantial potential for expansion. While we are already a strong player, achieving up to 30–40 per cent market share in certain painting categories in some markets, there is room for growth in many others. By adopting a global category approach across our brands, we aim to increase our market share and strengthen our position.

We are also enthusiastic about our direct-to-consumer initiatives through our digital flagship stores. These initiatives will enhance our already robust online presence via our retailers' websites.



Romain Guinier  
CEO of Colart

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# Colart

Colart is a leading global supplier of art materials and home to many of the world's most recognised and revered art material brands.

Colart is dedicated to promoting sustainability in the art materials industry through insight-led innovation and a strong commitment to change. Its brands cater to the creative needs of all artists, from hobbyists to established professionals. Many of the brands hold a significant market share and are highly preferred by their target audiences. Colart employs over 900 people across 11 countries. Its products are sold in more than 100 countries worldwide.

**Highlights in 2024**

- Profitability was maintained despite challenging market conditions and declining sales
- Digital flagship stores launched for Liquitex, Conté à Paris and Winsor & Newton
- Liquitex launched the world's first bio-based, professional-grade fine art paint
- Further sustainability initiatives were implemented, including the Board's approval of the Creating Impact Sustainability Roadmap and the establishment of criteria for a sustainable product index
- Leadership Development 2.0, a reflective learning journey, was introduced to all Colart's leaders, focusing on encouraging ownership and responsibility in driving the company towards a sustainable future
- Partnership created with Paul Smith's Foundation for the joint Winsor & Newton and Paul Smith Foundation Art Prize

**Holistic value creation at Colart**

At Colart, people, planet and profit are equally fundamental to the company's vision of being a leading house of sustainable creative brands. Firmly grounded in the belief that sustainable financial success underpins the ability to fulfil its pledge to be a strong force for good, Colart aims to drive sustainable change, focusing on social responsibility and environmental protection, with measurable progress year on year. This transformative journey attracts and retains motivated employees, especially the younger generation, who seek to work for a company with a clear purpose.

Part of the company's strategy focuses on operational excellence to increase efficiency and reduce product costs, thereby enhancing competitiveness. Another crucial aspect is decarbonising manufacturing. Substantial investments have been made to decarbonise Scope 1 and 2 emissions, with significant progress achieved in 2024. By engaging with its key vendors, Colart actively seeks to address Scope 3 emissions.

Employee well-being is prioritised through a company-wide employee assistance programme that includes general support, wellness initiatives and mental health support.

Colart aims to be a leader in bringing sustainable art materials to the market, as evidenced by the introduction of the world's first bio-based, professional-grade fine art paint. In 2024, Colart created a new Innovation and Development department to drive long-term sustainable innovation. Further investments will be made in this function in 2025 to reinforce the company's innovation leadership.



Turnover **1,610**  
SEK million 2024

Growth **-2%**  
growth in turnover compared to 2023





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# Colart's art materials can be a force for good

Sustainable art materials not only reduce environmental impact – they can also be a positive force in society by promoting individual well-being and mental health.

In 2024, Colart approved its new Sustainability Roadmap, and started developing a new sustainable product innovation pipeline that will be rolled out in 2025.

"We are working to fully embed sustainability into our entire business and enhance sustainable innovation in our product development," explains Sara Brennan, Chief Sustainability and Innovation Officer at Colart. "This is where our innovation pipeline comes in – it is about ensuring we have the right governance and investment in place to drive the development of more sustainable products."

### Introducing the world's first bio-based pro-grade fine art paint

Colart's new bio-based heavy acrylic paints represented a significant step forward. The 40 colour Liquitex range contains an average of 50 per cent bio-based resin and avoids the use of components or pigments derived from animals.

"This innovation has undergone rigorous scientific testing to ensure it provides the same high level of performance as conventional acrylic paints made from petroleum products," says Sara Brennan. "With our lifecycle analysis also confirming that our bio-based heavy acrylic paints have a lower carbon footprint

than standard products, we plan to incorporate more bio-based ingredients into our products as more become available."

The range is packaged in Colart's first 100 per cent recycled paint pot, made from recycled PET (polyethylene terephthalate). The pots, which are made from post-industrial waste, are designed to be easy for artists to clean out – for reuse or recycling.

### Art as a force for good

"We believe art can play a positive role in society by improving individual well-being and mental health through mindfulness, emotional processing and stress relief," says Sara Brennan. "This belief has been central to our journey, helping us become the first fine art materials company to achieve B Corp™ certification and guiding our work with community investments."

All Colart brands engage in community investments. For example, Winsor & Newton donates art materials to the charity Hospital Rooms to create quality art pieces that improve the well-being of patients. Colart also organises web-based art sessions for employees to boost their well-being.

"I think it is about democratising art to benefit more people," states Sara Brennan. "By reaching



more people through our products, we can play a vital role in enhancing societal well-being."

Colart is demonstrating that innovation, sustainability and community go hand in hand – not only driving positive change in the art materials industry, but also in society and for the planet.



**Sara Brennan**  
Chief Sustainability and Innovation Officer at Colart



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# Meet Bruno Guillon, CEO of Alex Begg

## How would you summarise 2024?

This year has been financially challenging, but it has at the same time presented positive progress in several important areas of the business. We continued to face soft demand in a significant portion of our business that supplies products to leading luxury brands, which took a heavy toll on our sales and earnings. Meanwhile, our own brand Begg x Co, performed well. Online sales as well as sales in our own store have grown by double digit numbers in both cases.

We are also making positive progress on our important sustainability efforts. Highlights include certifications for Sustainable Fibre Alliance (SFA) and the Responsible Wool Standard (RWS). Our commitment to leading sustainable transformation in our industry is further evidenced by our B Corp certification this year. We have used the down time in production to work on becoming more efficient in the factories, which should put us in a good position once the order book recovers – we have a resilient and motivated team.

## How have your markets developed?

The current macroeconomic environment is impacting the luxury segment globally, particularly in key markets such as China. Lower demand for our customers' products, combined with high inventory levels going into the year, has seriously affected their order placements with us during the year. While this presents short-term

challenges, we remain confident in the mid- and long-term growth prospects.

We are well-positioned in the luxury segment and expect to benefit when the market shows signs of improvement, which we anticipate in the second half of 2025.

## What are your strategic priorities going forward?

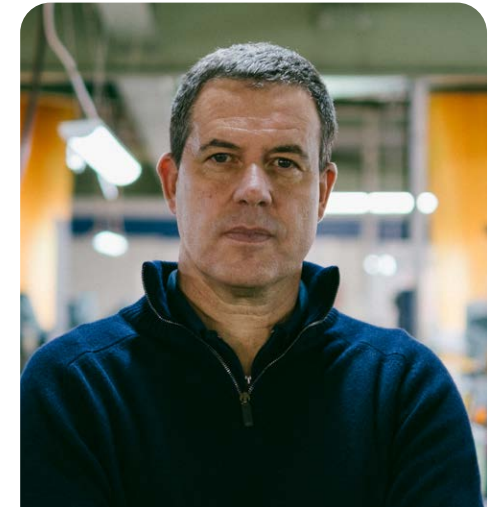
This year has been about strengthening the business for the future. We enhanced our design department, giving us a stronger creative edge. This is crucial for both our work with leading luxury brands in the bespoke business and for our own brand. We have actively advanced the Begg x Co brand this year, which will reduce our dependence on the bespoke business. We hired a new designer and presented the first collection from this designer at Paris Fashion Week in January 2025. We also established a new distribution setup that is better aligned with our brand position in our main markets the UK, the US and Japan.

Transitioning to sustainable practices is essential to our strategy. Besides what has already been mentioned, we are actively pursuing the use of recycled materials in production. With these advancements, we are now able to use recycled cashmere in our production and are integrating it into some products in our Begg x Co collection.



## What are the relevant growth opportunities?

We see significant opportunities for Begg x Co. Although we are still a small player, the large size of the luxury textile market means that if we continue to develop the brand successfully, it offers an attractive growth potential. Our significant progress in sustainability and related certifications is critical as we continue to build our business with leading luxury brands. We are committed to maintaining our leadership position as a key partner to them. Additionally, we are successfully targeting further brands to add to our client list.



**Bruno Guillon**  
CEO of Alex Begg

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# Alex Begg

Alex Begg is a specialised manufacturer of luxury textiles, including cashmere wraps, scarves, throws and knitwear. The textiles woven and knitted by Alex Begg are sold under the names of some of the world's most prestigious luxury brands, as well as its own Begg x Co brand.

With over 150 years of experience, Alex Begg is synonymous with quality, care and attention to detail. The company employs over 200 people and has its headquarters in Ayr, Scotland, with manufacturing sites in Ayr and Hawick, Scotland. The house label, Begg x Co, also has a retail store in London's Burlington Arcade.

### Highlights in 2024

- Alex Begg attained B Corp certification, reinforcing its long-term commitment to social and environmental responsibility
- Alex Begg received certifications for Sustainable Fibre Alliance (SFA) and the Responsible Wool Standard (RWS), further emphasising its focus on sustainable practices
- Alex Begg was a zero production waste company, meaning that it sent no waste to landfill. One hundred per cent of textile offcuts were upcycled in partnership with another company. Other waste was recycled, and general waste was sent for incineration through waste-to-energy
- The design department was reorganised to secure a customer proposition with a strong creative edge. A new Creative Director for Begg x Co was appointed to assist in the continued growth of the brand
- Bruno Guillon became CEO in March 2024

### Holistic value creation at Alex Begg

Alex Begg is committed to long-term sustainable growth, with sustainability as a key competitive driver. This year's significant progress, including B Corp certification and certifications for Sustainable Fibre Alliance (SFA) and the Responsible Wool Standard (RWS), positions Alex Begg well to further strengthen its partnerships with key customers who increasingly value a partner that reinforces their own sustainability efforts. This position is further enhanced by the added focus on creativity, which is already well recognised and a competitive advantage. This focus will also be instrumental in the continued growth of the house brand, Begg x Co.

The company's innovation pipeline has delivered several products that exemplify its commitment to sustainability. Within circular textiles, the company has designed and crafted two products utilising recycled material from its own processes, which will be included in the AW25 collection for Begg x Co.

By continuously improving manufacturing processes, Alex Begg seeks cost advantages from production efficiencies, which also enhance energy and water efficiency.

Health and safety are prioritised, with all compliance and broader health and safety communications conducted proactively. Alex Begg actively promotes multi-skilling across its production teams to enhance competence development. In 2024, the number of employees with more than one skill reached a high of 52 per cent.

The company encourages change through collaboration. By working closely with suppliers and customers, Alex Begg drives innovation and creates solutions that benefit both its value chain and society.

## ALEX BEGG GROUP

Turnover

226  
SEK million 2024

Growth

-21%  
growth in turnover  
compared to 2023





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CASE

# Alex Begg invests in sustainability certification and product lifespan

Alex Begg is committed to sustainability throughout the lifecycle of products, integrating certifications across its value chain and enhancing product durability and end-of-life recyclability.

**Towards full sustainability certification**

In 2024, the Alex Begg mills were certified by the Sustainable Fibre Alliance (SFA) and Responsible Wool Standard (RWS). These standards define best practice for responsible production.

"After previously meeting customer demands for certified fibre and more of our spinners becoming certified, the certification of our mills means that our entire chain is now SFA and RWS certified," says Emily White, Chief Innovation Officer at Alex Begg. "We look forward to launching our first SFA certified Begg x Co products in 2025, which will be among the first on the market."

**Optimising product lifespan**

Creating a soft luxurious scarf that lasts for a long time is a complicated business. It requires finding a good balance between fibre and yarn specifications, weave structure and finishing methods.

"We have been trialling different combinations of these variables with new yarns and fabric structures to see how they affect the longevity of our products over time in third-party tests,"

explains Emily White. "We have already made some interesting findings and have adjusted our processes to enhance product longevity. We plan to conduct long-term wear trials with different users to make further improvements."

**Sustainable end-of-life journeys**

"Our products use a stitcher thread at their edges to hold them together, and for certain items this is a polyester thread, which limits their recyclability," says Emily White. "So, we are exploring a biodegradable alternative that either allows our products to be recycled as single composition products at their end-of-life or be composted."

First stage trials were completed during the year and biodegradable stitcher threads will be introduced into new products in 2025.

**B Corp™ certification for more sustainable business**

In 2024, Alex Begg became a Certified B Corporation™ (B Corp). The B Corp certification is awarded to businesses that meet high standards of social and environmental performance, public transparency and legal accountability to balance profit and purpose.



"Our B Corp certification demonstrates our long-term commitment to deliver sustainable growth for the company," says Bruno Guillon, CEO of Alex Begg Group. "Our ethical value creation concept is the foundation of our culture and a key driver for the environmental, economic and community impact that we are aiming to optimise."



**Emily White**  
Chief Innovation Officer at Alex Begg



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# Meet Henrik Ager, CEO of Höganäs

## How would you summarise 2024?

It has been a positive year. Despite relatively unchanged sales, we have increased our profitability, which is very encouraging. This success is supported by the reorganisation of Höganäs into five divisions with clear profit responsibilities and the strategic discontinuation of unprofitable operations.

A major highlight of the year was the significant reduction of the accident rate within our production facilities. The entire organisation has worked intensely to establish group-wide safety standards. By prioritising this area, we achieved a 52 per cent reduction of the accident rate.

In 2024, we also made a significant investment decision to start converting our sponge iron production from coal based to biochar. This marks a major step in transforming Höganäs towards more sustainable production and reducing carbon emissions.

## How have your markets developed?

We have significant exposure to the manufacturing industry, particularly the automotive, aerospace and general engineering sectors, all of which have been impacted by a slow-moving global economy. The electrification of the automotive industry is progressing slower than anticipated, with an estimated delay of 24–36 months. This delay provides us with valuable time to adapt our products and capitalise on opportunities to supply materials for more electric car components. While the

development and adoption of electric cars are rapidly advancing in China, they are slowing in Europe and North America. For us to be truly successful in the electric car market, establishing a strong presence in China is essential.

## What are your strategic priorities going forward?

With approximately half of our sales derived from components used in combustion engines, our foremost priority is to expand the use of metal powder in electric vehicles. While this presents a significant challenge, we are making substantial progress in this area. We are well-positioned to succeed due to the economic and environmental advantages of our metal powder manufacturing process.

Our sustainable transition is a top priority, encompassing both our commercial offerings and internal operations. We are committed to developing sustainable products and will introduce a dedicated name to unify all of these offerings. In our operations, we have fully transitioned to fossil-free energy and are increasing the use of biogas in production. In addition to our investment in biochar, which involves establishing entirely new supply chains, we are also increasing the use of iron scrap instead of virgin materials in parts of our production. We are excited about the significant progress we are making in these areas.



## What are the relevant growth opportunities?

One of our strategic pillars is identifying growth engines across all our divisions. We see significant opportunities in iron-based lithium batteries, both for energy storage systems in the electricity grid and for electric vehicles. Additionally, there are promising prospects in metal powder coating to comply with new EU legislation and in additive manufacturing, a rapidly growing field, particularly for industrial gas turbines and aerospace. Ceramic powders also offer opportunities for applications in fuel cells. Thanks to the dedication and expertise of our talented team at Höganäs, we are well-positioned to realise these and further growth opportunities.



Henrik Ager  
CEO of Höganäs

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# Höganäs

Höganäs AB is a global leader in advanced metal and ceramic powders, with a yearly capacity of 500,000 tonnes. The company's vision is to drive positive change through material innovation, with the ambition of becoming the globally preferred partner for sustainable powder materials.

Höganäs collaborates with customers to innovate solutions for automotive components, electric motors, brazing, surface coating, welding and additive manufacturing. Its products are used in a wide variety of applications, including gearboxes, electric engines, refrigerators and heating equipment. The company operates 15 production centres globally, employing approximately 2,300 people and serving customers across 75 countries.

**Highlights in 2024**

- EBIT increased significantly by 48 per cent, driven by internal improvements and the discontinuation of unprofitable operations
- New, decentralised organisation implemented, structured into five divisions, each with full profit responsibility
- Awarded the Environmental Strategy Prize for 2024 by the Swedish national magazine Miljö & Utveckling
- Launch of a new bonded mix solution, Starmix® Nova, offering high apparent density and excellent filling performance without using metal stearates
- Höganäs became the first metal powder producer to introduce product-specific carbon footprints (PCF), supported by complete lifecycle assessment models

- Launched Go4Great, a health initiative helping Höganäs' employees prioritise their body, mind and relationships. It unites global wellness efforts to nurture balance, energy and happiness

**Holistic value creation at Höganäs**

As a global leader in advanced ceramic and metal powders, Höganäs is navigating significant market trends. The rising demand for electric vehicles and advancements in 3D printing highlight a shift towards more sustainable and advanced manufacturing practices. Höganäs' commitment to high-performance, sustainable metal powder solutions aligns with these global shifts, reinforcing the company's ambition to drive the industry forward. Through material innovation, Höganäs develops cutting-edge solutions that enable sustainable advancements across various manufacturing technologies. These innovations empower key industries such as automotive, energy, aerospace, construction and processing.

Workplace safety is a high priority and was a key focus area for 2024, resulting in a significant decrease in the accident rate. Safety initiatives included the establishment of group-wide safety standards and implementation of the Life-Saving Rules programme.

Höganäs has a goal to achieve net zero in its own operations (Scope 1 and 2) by 2030. The company actively collaborates with suppliers to identify new opportunities to reduce CO<sub>2</sub> emissions and costs, ensuring long-term competitiveness. All sites and central support functions work together to develop these plans. An example from 2024 was the decision to invest in biochar capability for sponge iron production. The company is also making progress in transitioning to green energy by investing in solar power in India and increasing the use of biogas in Sweden.

## Höganäs

Turnover **11,826**  
SEK million 2024

Growth **-4%**  
growth in turnover compared to 2023





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## CASE

# Höganäs iron powder enables high-efficiency electric motors

The exceptional properties of Somaloy® iron powder enable the development of next-generation electric motors – to pave the way for a more sustainable future.

Somaloy iron powder forms the foundation of a value chain that enables the manufacture of components that are essential for creating energy-efficient electric motors.

"As more than 40 per cent of global electricity is consumed by electric motors, the widespread development and adoption of more efficient motors can potentially have a huge positive impact on reducing global energy use," explains Nils Bornemann, Division President for the Electro Magnetic Materials Division at Höganäs. "In this sense, our Somaloy powder is the first step of a long value chain that enables greater electric motor efficiency and power density."

In addition, the production of Somaloy powder generates up to three times less CO<sub>2</sub>e than the production of the competing electrical steel sheets used in electric motors. This means that besides enabling the development of more efficient products, Somaloy powder also offers customers a low-carbon raw material.

### Industry-leading collaboration

Höganäs is involved in several innovative R&D partnerships, such as the EU-funded Maxima project together with Stellantis aimed at

driving energy efficiency in electrical machines and drive trains. Other partnerships include the Höganäs joint venture ZeBeyond that works to embedding sustainability into Early-Stage R&D through software solutions, and collaborates with the Advanced Propulsion Centre in the UK and Jaguar Land Rover, which is developing a cutting-edge toolkit for electric drive units. "As a supplier of innovative metal powders, collaboration with leading industry players is essential," says Nils. "Together, we can pave the way for the development of more energy-efficient solutions for a more sustainable society."

Mercedes-Benz is currently adapting SMC-based motor technology in their newest high-performance AMG model in winter testing in Sweden.

### What is Somaloy?

Somaloy® is Höganäs' trademark for Soft Magnetic Composites (SMC) powders with unique 3D flux properties. Somaloy materials are used in various industries to manufacture high-performance components for energy-efficient electric motors.



**Nils Bornemann**  
Division President  
Electro Magnetic  
Materials Höganäs

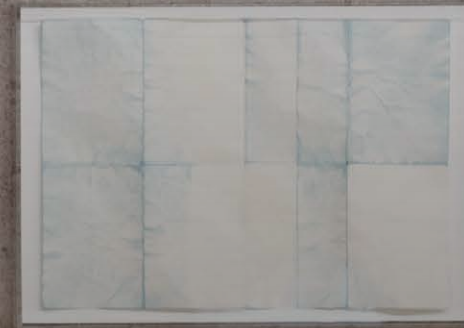




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# Board of Directors' Report



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# Board of Directors' Report

The Board of Directors and CEO of Lindéngruppen AB, company registration number 556205-4956, hereby present the Annual Report and consolidated financial statements for the financial year 2024, covering pages 35–85. The sustainability statements meet the requirements of the Swedish Annual Accounts Act and are inspired by the European Sustainability Reporting Standards. The sustainability statements are found on pages 1–45 and 89–127.

## Business performance

### Parent company

Lindéngruppen is a second-generation family business focused on the sustainable, long-term development of industrial companies. See also note 39 Information about the Parent company.

### Companies

#### Beckers

Beckers is a global market leader in coil coatings and a leading supplier of industrial paints. The company provides unique, high-quality coating solutions to customers across various industries, including automotive, construction and consumer goods.

#### Colart

Colart is a leading global supplier of art materials, with many of the most recognised brands in the industry. Colart's products are used by artists around the world.

#### Alex Begg

Alex Begg is a specialised manufacturer of luxury textiles such as cashmere wraps, scarves, throws and knitwear. The textiles woven and knitted by Alex Begg are sold under the names of some of the world's most prestigious luxury brands as well as under its own Begg x Co brand.

#### Höganäs

Höganäs AB is a global leader in advanced metal and ceramic powders. Höganäs collaborates with customers to innovate solutions for automotive components, electric motors, brazing, surface coating, welding and additive manufacturing. Lindéngruppen owns 50 per cent of Höganäs. Höganäs is accounted for using the equity method. See note 1 Accounting policies.

#### cReal

cReal is a business-to-business supplier of tasty, nutritious and sustainable oat-based food ingredients. The company has its headquarters in Höganäs, Sweden. Lindéngruppen owns 43 per cent of cReal. cReal is accounted for using the equity method. See note 1 Accounting policies.

#### Pilskytten Lantbruk

Pilskytten Lantbruk cultivates arable land and conducts experimental cultivation for carbon storage and regenerative agriculture. The farm is located outside of Helsingborg, Sweden.

#### Christinelund Dressage

Christinelund Dressage trains, develops and sells dressage horses. The facility is located outside of Helsingborg, Sweden.

## Significant events

### Lindéngruppen

- Lindéngruppen acquired a substantial stake and became the largest shareholder in the food tech company cReal. The initial shares were acquired as per 1 October, 2024

### Beckers

- Grand opening of FutureLab during the fall; Beckers' centre for sustainable innovation for coil coatings. A new accelerator for sustainable innovation at Beckers
- Beckers became the first company in the coil coatings industry to commit to net-zero emissions by 2050 as part of its broader strategy to reduce emissions across its entire value chain. The company has pledged to set Science Based Targets (SBTi) to support this goal
- Beckers launched its restated purpose and vision to support the ambitious goals of its strategy with the vision of raising the standard of care for our world
- A strategic reorganisation of Beckers regional structure and leadership was launched to support the company's strategy and global growth ambitions. Eric Fouissac was appointed President of Asia & Middle East, Pia Götzte as President of Europe & Africa, and Jared Ireland as Senior Vice President

of the Americas. The new structure aims to capitalise on business development opportunities, particularly in sustainability and market share growth. Beckers also created the position of Chief Sustainability Officer on the Executive Committee

- The percentage of Beckers' products that meet the criteria for the BSI Achiever category – the category for best sustainability performance – reached 50 per cent

### Colart

- Digital flagship stores for Liquitex and Winsor & Newton were launched during the year
- "Leadership Development 2.0", a reflective learning journey, was introduced to all Colart's leaders with a focus on encouraging ownership and responsibility in driving the company towards a sustainable future
- Good progress on the internal sustainability roadmap, for example defining criteria for a Sustainable Product Index
- A partnership with the Paul Smith Foundation was initiated for the joint Winsor & Newton and Paul Smith Foundation Art Prize

### Alex Begg

- Bruno Guillon was appointed new CEO in March



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- Alex Begg attained a B Corp certification in May, reinforcing its long-term commitment to social and environmental responsibility
- The company received certifications for Sustainable Fibre Alliance (SFA) and the Responsible Wool Standard (RWS) in November, further emphasising its focus on sustainable practices
- Alex Begg was a zero production waste company, meaning that no waste went to landfill. 100 per cent of textile offcuts were upcycled in partnership with several organisations
- The design department has been reorganised to secure a customer proposition with a strong creative edge. A new Creative Director for Begg x Co has also been appointed to assist in the continued growth of the brand

*Höganäs*

- Implementation of a new organisation, structured into five divisions, each with full profit & loss responsibility
- Launch of a new bonded mix solution, Starmix® Nova, offering high apparent density and excellent filling performance without using metal stearates
- Höganäs was awarded the Environmental Strategy Prize for 2024 by Swedish national magazine Miljö & Utveckling
- Höganäs became the first metal powder producer to introduce product-specific carbon footprints (PCF), supported by complete life cycle assessment models.

**Sales and earnings**

The Group's sales were SEK 9.0 (9.0) billion. The year started off well with sales growth across several of the companies, however by the middle of the year the growing market challenges in Europe, North America and Asia

caught up with both Beckers and Colart. Alex Begg experienced a decline in net sales as a weaker luxury goods market put pressure on volume. Own brand Begg x Co withstood the market downturn better, but was also affected, with lower volumes as a result. The Swedish share of the Group's sales was 3 (3) per cent.

Operating profit increased to SEK 714 (479) million. Despite weak net sales growth, contribution margins have developed strongly driven mainly by lower raw material cost. In addition, earnings have been positively impacted by prudent cost spend in general as well as a one time effect in Beckers from insurance compensation related to last year's fire accident in India. Favourable raw material prices were also the key driver for a strong profit share coming from Höganäs. Return on capital employed was 7 (5) per cent.

Net financial items were positively affected by the stronger USD, EUR and GBP. The effective tax rate was 20 (27) per cent. The lower tax rate is due to a positive effect of tax related to previous years as well as the strong profit share from Höganäs, which includes tax.

Net sales per Group company (SEK million)

	2024	2023	Change at actual exchange rates	Change at constant exchange rates
Beckers	7,098	7,037	1%	3%
Colart	1,610	1,643	-2%	-2%
Alex Begg	226	287	-21%	-23%
Other	31	42	-26%	-26%
<b>Lindéngruppen</b>	<b>8,965</b>	<b>9,009</b>	<b>0%</b>	<b>1%</b>
Höganäs	11,826	12,334	-4%	-

**Financial position**

The Group's financial position remained strong with a net debt to EBITDA ratio of 1.1 (1.0). The EBITDA had a positive impact, while the interest-bearing net debt (interest-bearing liabilities, including provisions for pensions, less cash and cash equivalents and interest-bearing receivables) increased to SEK 1,136 (787) million, which was partly due to the investment in cReal Food of SEK 248 million.

Cash flow from operating activities was SEK 521 (582) million. The lower cash flow was due to a large reduction in working capital last year. The total cash flow was SEK -252 (203) million. Total cashflow was impacted by higher investments and the acquisition of cReal. The Group's cash and cash equivalents, including unutilised credit facilities, amounted to SEK 1,954 (2,109) million at the end of the year. The lower liquidity, including unutilised credit facilities, was due to the negative total cash flow with unchanged credit facilities. The interest coverage ratio was affected by the higher profit and amounted to 5.6 (4.0).

The Group extended the financing agreement that secures its long-term financing by one year, i.e. until March 2027. According to the agreement it can be extended for another year, i.e. until March 2028. This option was exercised after the balance sheet date.

**Investments**

The Group's investments in property, plant and equipment, and intangible assets amounted to SEK 324 (226) million. The increase is related to Beckers, for example FutureLab, the new centre for sustainable innovation in the UK, and sprinkler fire protection and retention systems.

**Sustainability**

The Group's environmental permits are mainly related to manufacturing processes where the environment is affected by air emissions. All subsidiaries have the required permits, and internal ambition is above requirements in most cases.

In Sweden, the Group has one operation that is subject to a permit related to air emissions. Most of the Group's facilities are certified to the quality standard ISO 9001 and the environmental management system ISO 14001. More information about sustainability governance and performance can be found in the sustainability statements on pages 1–45 and 89–127.

**Personnel**

Information about personnel can be found in the sustainability report on pages 1–45 and 89–127.

**Subsequent events**

On 2 April 2025 US President Donald Trump declared his order to impose tariffs on exports to the US. As Colart has its production in France and China with a large proportion of sales in the US, Colart is directly affected by these tariffs. The extent of the impact depends on how quickly mitigating actions, e.g. price adjustments, can be introduced.

**Proposed appropriation of profits**

The Board of Directors proposes that available profits be carried forward. See also note 40 Appropriation of the company's profit or loss.



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## Governance

### Board of Directors and Executive Management

Lindéngruppen's Board of Directors and Executive Management have extensive experience and expertise in areas and sectors that are important for operating, managing and developing the business. They also have the relevant experience to identify and follow up the Group's material sustainability matters, impact, risks and opportunities.

### Governance model

Lindéngruppen operates a decentralised governance model which enables the companies to act fast and efficiently drive operations forward. Each year, Lindéngruppen issues an internal corporate governance document – The Lindéngruppen Way – which clarifies the division of responsibility and authority within the Group. As set out in The Lindéngruppen Way, the Management and Boards of the companies are responsible for developing strategies and measurable targets and integrating them into business plans. In addition, each company and its management have overall responsibility for their organisation's ability to drive long-term sustainable businesses, protect assets and achieve financial targets.

Our companies are expected to conduct their business to the highest possible standards and in line with Lindéngruppen's values. By doing so, our companies also promote high standards globally among their suppliers, customers and other partners throughout their value chain. All our companies work in line with the Lindéngruppen Code of Conduct. Our companies have supplier codes of conduct that they expect their business partners to follow.

Breaches of the Lindéngruppen or companies codes of conduct are reported at Board and Management meetings to decide how to deal with individual cases. We are politically neutral, but we encourage employees to get involved locally. We also encourage our companies to get involved in industry organisations.

### Purpose-driven business

Lindéngruppen's purpose is to empower our companies to prosper and lead the transition to a sustainable world. Our values, authenticity, curiosity and long-term view guide our business.

Our business model is based on long-term use of capital, a decentralised governance model and values-based leadership. The aim is to strengthen the companies in the Group in their efforts to drive sustainability in their own industries and to deliver economic, environmental and social value to all significant stakeholders.

The Boards and Management teams in the Group use Lindéngruppen's purpose as a starting point when developing their strategies and integrating measurable goals into their business plans. This includes our Value Creation Model and our strategic 2030 targets.

Lindéngruppen's Boards are composed primarily of owners, owner representatives and external members and, where applicable, representatives from the companies' Management and employees.

### Accountability and alignment

Lindéngruppen's Boards and Management teams have clear mandates that are aligned with legislation as well as the Group's purpose and strategic direction.

We also have strategic partnerships with external organisations and academic institutions to strengthen and support our companies.

### Opportunities

- Our strong corporate governance system based on our purpose and values makes us more resilient than our competitors
- As a family-owned company, we make long-term decisions that are purpose driven
- Our stable ownership and strong values make us an attractive employer
- We are agile and have fast decision-making processes

### Challenges

- To build corporate cultures with strong values and high standards in global organisations with local presence in different markets and cultures
- To implement and realise our business ethics guidelines throughout the value chain – including partners and end users
- To implement and realise our governance principles in complex markets with the high risks of corruption, and labour and human rights violations



# Executive Management



## Joacim Björk

CLO  
 Born 1974

LL.M (Master of Laws), MBA

Co-opted Board Secretary of Lindéngruppen AB, Board member of Färgfabriken Foundation and Tillväxt Helsingborg.

**Previous positions:**  
 Junior Judge District Court of Stockholm, Lawyer at Linklaters law firm, Board member of Adial Pharmaceuticals, LLC.

## Jenny Johansson

CCSO  
 Born 1976

BA studies in European Administration and Politics

**Previous positions:**  
 Global Head of Public and Environmental Affairs Scania CV AB, European Affairs Consultant, Kreab Brussels.

## Fabio Pedrazzi

CEO  
 Born 1979

MSc Chemical Engineering and Industrial Management, MSc Business Administration and Economics

Chair of Becker Industrial Coatings Holding AB. Board member of Lindéngruppen, Colart Group Holdings Ltd and Alex Begg Group Ltd.

**Previous positions:**  
 EVP Lindéngruppen AB, CEO Spaljisten AB, Global Head of Industry Hilti AG, Marketing Director Hilti Sweden, Associate Partner McKinsey & Company.

## Ellinor Berglund

CFO  
 Born 1980

MSc in Finance, International Economics and Trade, Jönköping International business School

**Previous positions:**  
 Senior Vice President Group Controlling & Finance Development, Vice President Group Internal Audit and EMEA Sector Controller at Electrolux Group, Head of Business Area Finance at DeLaval Group.

## Martin Nilsson

Head of Business Development  
 Born 1984

MSc in Corporate Finance, Bachelor in Financial Economics

**Previous positions:**  
 Corporate Development Manager Lindéngruppen, Senior Manager PwC Deals Advisory, Financial Advisory Deloitte.

## Lars Gunnar Schultz\*

Senior Advisor  
 Born 1959

MBA

Board member of Christinelund Dressage and Pilskytten.

**Previous positions:**  
 CFO Lindéngruppen, Board member of Colart International Holdings Ltd and Alex Begg Group Ltd. CFO Axstores AB, CEO Twilft AB, CEO Tiger of Sweden AB, CFO Elekta AB.



\*Lars Gunnar Schultz left the Executive Management team on 31 December 2024.

# Board of Directors



## Mikael Olsson

Board member  
Born 1957  
Appointed 2014  
Nationality: Swedish

Board member of Ikano SA.

### Previous positions:

Board member of Royal Schiphol Group (2015–2023), Tesco plc (2014–2021), Board member of Volvo Car AB (2013–2018), Vice Chair of Volvo Car AB (2015–2018), Member of Nomination Committee Volvo Cars (2018–2020), Board member of Global Child Forum (2015–2016), President & CEO IKEA Group (2009–2013), Member of IKEA Group Executive Management (1995–2013) and various other positions at IKEA since 1979.

## Fabio Pedrazzi

CEO  
Born 1979  
Appointed 2024  
MSc Chemical Engineering and Industrial Management,  
MSc Business Administration and Economics  
Nationality: Swedish, Italian

Chair of Becker Industrial Coatings Holding AB. Board member of Lindéngruppen, Colart Group Holdings Ltd and Alex Begg Group Ltd.

### Previous positions:

EVP Lindéngruppen AB, CEO Spaljisten AB, Global Head of Industry Hilti AG, Marketing Director Hilti Sweden, Associate Partner McKinsey & Company.

## Charlotte Strömberg

Board member  
Born 1959  
Appointed 2020  
MBA  
Nationality: Swedish

Vice Chair of Sofina S.A. Board member of Höganäs AB, Clas Ohlson AB and Ersta Diakoni. Member of The Swedish Securities Council, Co-founder DHS Ventures, angel investor and independent member of Nasdaq Stockholm's Listing Committee.

### Previous positions:

Chair of Castellum AB, Board member of Kinnevik AB, Skanska, GANT, 4th AP Fund, Rezidor, Swedbank, Intrum, Boomerang, Ratos, Bonnier Holding and Karolinska Institute, CEO JLL Nordics, Head of Carnegie Investment Banking, Senior Advisor Alfred Berg, ABN AMRO.

## Urban Jansson\*

Board member  
Born 1945  
Appointed 2011  
Certified banking economist  
Nationality: Swedish

Chair of EAB Group AB and Terrenus.

### Previous positions:

Chair of Rezidor Hotel Group, Vice Chair of SEB, Board member of SAS, Clas Ohlson, Scandic Hotels, HMS Networks, Höganäs AB and AB Wilh. Becker. CEO Ratos AB, senior positions within SEB and Incentive Group.

## Jenny Lindén Urnes

Owner and Chair  
Born 1971  
Appointed 2008  
BA (Philosophy)  
Nationality: Swedish

Chair of Färgfabriken Foundation. Board member of Becker Industrial Coatings Holding AB, Colart International Holdings Ltd, Alex Begg Group Ltd, Tillväxt Helsingborg, Helsingborgs IF and Museum of Artistic Process and Public Art, Lund University.

### Previous positions:

CEO Lindéngruppen AB, Chair and CEO AB Wilh. Becker.

## Erik Urnes

Vice Chair  
Born 1971  
Appointed 2009  
BEng (Mechanical Engineering), MBA  
Nationality: Norwegian

Board member of Höganäs AB, Bintel AB, MindPark Group AB and LU Holding.

### Previous positions:

Chair of Becker Industrial Coatings Holding AB, Colart International Holdings Ltd, Bintel AB and MindPark Group AB. CEO Lindéngruppen AB, senior positions at Lindéngruppen companies, Invest Manager Reuters Greenhouse Fund and Strategy Consultant Bain & Company.

\* Urban Jansson left the board on 17 December 2024.



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## Investments, research and development

### Beckers

Beckers' CapEx strategy is focused on supporting each site with an industrial plan to achieve Beckers' 2030 goals, prioritising health and safety, sustainability and operational efficiency.

With 40 per cent of CapEx budget over the next five years, Beckers continue to invest in strategic projects to drive growth and enhance efficiency through new technologies across its facilities. Key projects during the year included the launch of FutureLab, Beckers' new centre for sustainable innovation for coil coatings in Liverpool, UK and fully completing the renovation of the R&D laboratories in Montbrison, France. To further support innovation, Beckers invested in UV/EB equipment in the UK, France, Sweden, the US and China to support manufacturing of the first generation of UV/EB paints for coil coating.

During the year, Beckers continued its comprehensive programme to equip all sites with full sprinkler protection and retention systems. The company will continue to invest in safety, working conditions and security across its various sites, representing approximately 20 per cent of Beckers' total investments over the next two years.

Sustainability remains a top priority, with approximately 10 per cent of CapEx dedicated to investments aimed at reducing volatile organic compounds (VOC) emissions, minimising waste, and generating electricity through solar panels. Additionally, Beckers is committed to improving operational efficiency through machine upgrades, automation and digitalisation of production processes, allocating approximately 30 per cent of CapEx.

### Colart

In 2024, Colart restructured its R&D function into two distinct areas: one focused on manufacturing and quality, and a newly established Innovation and Development (I&D) department dedicated to driving a longer-term focus on innovation, particularly in the realm of sustainable solutions. Efforts to redefine the company's innovation pipeline were initiated during the year, with further investments planned for 2025 to support this new function. Additionally, the company invested in developing a product platform to enhance its existing New Product Development (NPD) process, which will see continued refinement in the coming year.

Over the past year, Colart made investments in sustainability by installing solar panels at its Kidderminster Distribution Centre. The company also invested in a global health and safety management live tracking software to further advance its commitment to achieving zero accidents. In addition, Colart invested in leadership development as part of its ongoing commitment to enhancing the workforce through training and continuous improvement programmes.

Colart also conducted decarbonisation studies at its Le Mans facility in 2024 to better understand its options for reducing carbon emissions and to support its long-term low-carbon journey.

### Alex Begg

Over the past year, Alex Begg developed several new products by combining its expertise with that of third parties.

One of the key collaborative R&D initiatives was the Circular Textiles Demonstrator project

in the UK, aimed at addressing industry challenges that no single organisation could solve alone. This project aims to transform the overall system, with the long-term goal of significantly reducing textile waste in landfills and increasing the use of non-virgin materials through more circular products.

During the year, Alex Begg also enhanced its R&D application process to qualify for tax relief on eligible projects. In response to updated His Majesty's Revenue & Customs (HMRC) guidelines, the Design and Finance departments collaborated with a third-party R&D partner to develop comprehensive documentation and guidelines for assessing potential projects, using a structured hypothesis and methodology approach.

### Höganäs

Investment levels increased in 2024 compared to the previous year, primarily driven by the relocation of the China plant, which represented the largest single investment. Other significant investments during the year included furnace upgrades in Sweden to enhance safety and energy efficiency, expanded atomisation capacity in Germany and the replacement of various aging equipment reaching the end of its lifecycle.

Höganäs' R&D functions employ approximately 130 engineers and technicians, primarily based in Sweden. The company's development centre has access to customer processes from around the world, enabling the optimisation of new materials and products, customer-specific investigations, pilot-scale manufacturing, as well as internal and external training.

R&D activities are conducted within the company's divisions, with focus on both product and process development to support operational needs. Development activities are organised into pre-studies and projects, following the Höganäs Project Model. Project teams, assembled based on project goals, often include members from various departments who collaborate to achieve successful project outcomes. R&D projects may also involve partnerships with external organisations such as universities, consultants and other companies when required.

During the year, Höganäs' R&D activities strongly supported the company's electrification and sustainability agendas, aligning with the overarching 2030 strategy. Key projects included the development of Somaloy 7P, focused on creating powder products for electric vehicles, and alternative sponge iron projects aimed at achieving climate-neutral sponge iron powder solutions.



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## Risk management

Risk assessment at Lindéngruppen is a continuous process in which internal and external risks the Group is exposed to are identified and analysed. The Boards and Management teams of the companies regularly monitor compliance with policies and guidelines and the adequacy of financial reporting. The significant risks and uncertainties faced by the Group are described below.

### Business-related risks

#### **Strong exposure in declining product segment**

Höganäs supplies the traditional automotive industry. With the transition to electric operations, demand for vehicles with combustion engines is expected to decline in the coming decades. This may result in decreased sales and revenue for Höganäs if alternative markets are not found. It is uncertain how soon the transition in the automotive industry will occur.

- From a long-term perspective, Höganäs develops products with higher added value and a focus on areas of the future
- As the proportion of electric vehicles increases, new opportunities open up for Höganäs' technical innovations

#### **AI disruption risks**

Increased use of AI may create disruption risks, but the consequences of these are still unknown. On the product side, the substitution risk for our manufacturing companies is low, but on the cost, customer service and production side, late adaptation may lead to a loss of competitiveness relative to competitors.

- Companies are encouraged to stay informed and take proactive measures and steps on the AI front to both be able to take advantage of

potential disruption and at the same time not lose ground to the competition

#### **Margin erosion risk**

More aggressive competition may force Beckers and Colart, in particular, to reduce prices in a way that, in a downward market trend, could erode the companies' margins.

- The companies work continuously on R&D, customer service and with other measures to remain competitive, gain market shares and protect margins

#### **Energy shortage and price hikes**

Höganäs in particular is impacted by increased price volatility and supply difficulties, with inflating costs and a high degree of uncertainty throughout the entire supply chain.

- Höganäs works across the board of available countermeasures, such as energy savings and potential diversification, hedging, operational efficiency, cost savings and price increases as well as secure financing

#### **Sustainable products**

Lindéngruppen's businesses mainly consist of traditional industrial manufacturing companies. Failure to meet the growing demand for sustainable products risks leading to reduced sales and lower revenue.

- All companies work to define and develop their own offerings of sustainable products and solutions

#### **Cyber and information security risk**

Security incidents, cyber-attacks, hacking or data leakage might lead to production halts at major factories, such as Beckers in France or Höganäs AB in Sweden, with major consequences.

- A cyber security policy has been developed as a framework to manage IT-related risks
- Disaster and recovery plans are in place to mitigate consequences of an actual event
- Employees are regularly made aware of these risks and participate in cyber security awareness training

#### **Geopolitical risks**

As a global group, all operations are affected by Russia's war against Ukraine and the uncertainty this entails – especially in Europe. Tensions in Asia might also affect the business, especially Höganäs AB. There is an increased likelihood of higher tariffs after the US election and generally more challenging supply chains for all companies.

- All companies have taken measures to mitigate the effect of the discontinuation of operations and sales in Russia and Ukraine
- All companies continuously monitor and analyse the geopolitical situation, for example the impact of higher tariffs and the business situation in Asia, in order to be prepared to take appropriate measures and limit risk exposure if necessary

#### **Sustainability-related risks**

Lindéngruppen conducts industrial operations that through energy-intensive processes, use of chemicals and complex supply chains affect the environment. The precautionary principle is always considered when making decisions with an environmental impact. The manufacturing industry is an industry with high workplace injuries and fatalities. Lindéngruppen, operating 43 factories globally, has a large proportion of employees working in production.

Some suppliers are located in medium to high-risk regions in terms of labour laws, human

rights, forced labour and the environment – including China, Mexico, Brazil and Malaysia.

#### **Climate change**

Energy usage in offices and manufacturing sites is continuously improving but still remains high during production. Our companies also have global upstream supply chains which could be vulnerable to climate change.

- To mitigate risk, all companies increase use of renewable energy and work to reduce the climate and environmental impact of our products. In addition, all our companies are required to identify, report and analyse the climate and environmental impacts in Scope 1,2 and 3. Our goal for 2030 is to have zero CO<sub>2</sub> emissions in Scope 1 and 2 and to reduce carbon intensity in Scope 3 by more than 50 per cent compared to 2019. All companies also implement environmental management systems and set science-based targets

#### **Health and safety**

Industrial manufacturing has a high impact on occupational health, safety and wellbeing. This can directly impact a company's productivity and reputation. It can also affect the employees and their families through healthcare costs, lower income and quality of life.

- We continuously advance standards and work to meet the goal of zero accidents. All our activities are conducted with respect for co-workers' health, safety and privacy. With leadership and work practices we create a culture where every person takes appropriate action to prevent workplace accidents and illnesses, and where we promote psychological and physical health and well-being for all our people



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**Financial-related risks**

The financial policy and instructions for financial risk management are part of the internal governance document, The Lindéngruppen Way. The Group's financial risk level is generally considered to be low, particularly in view of the strong financial position (equity/assets ratio).

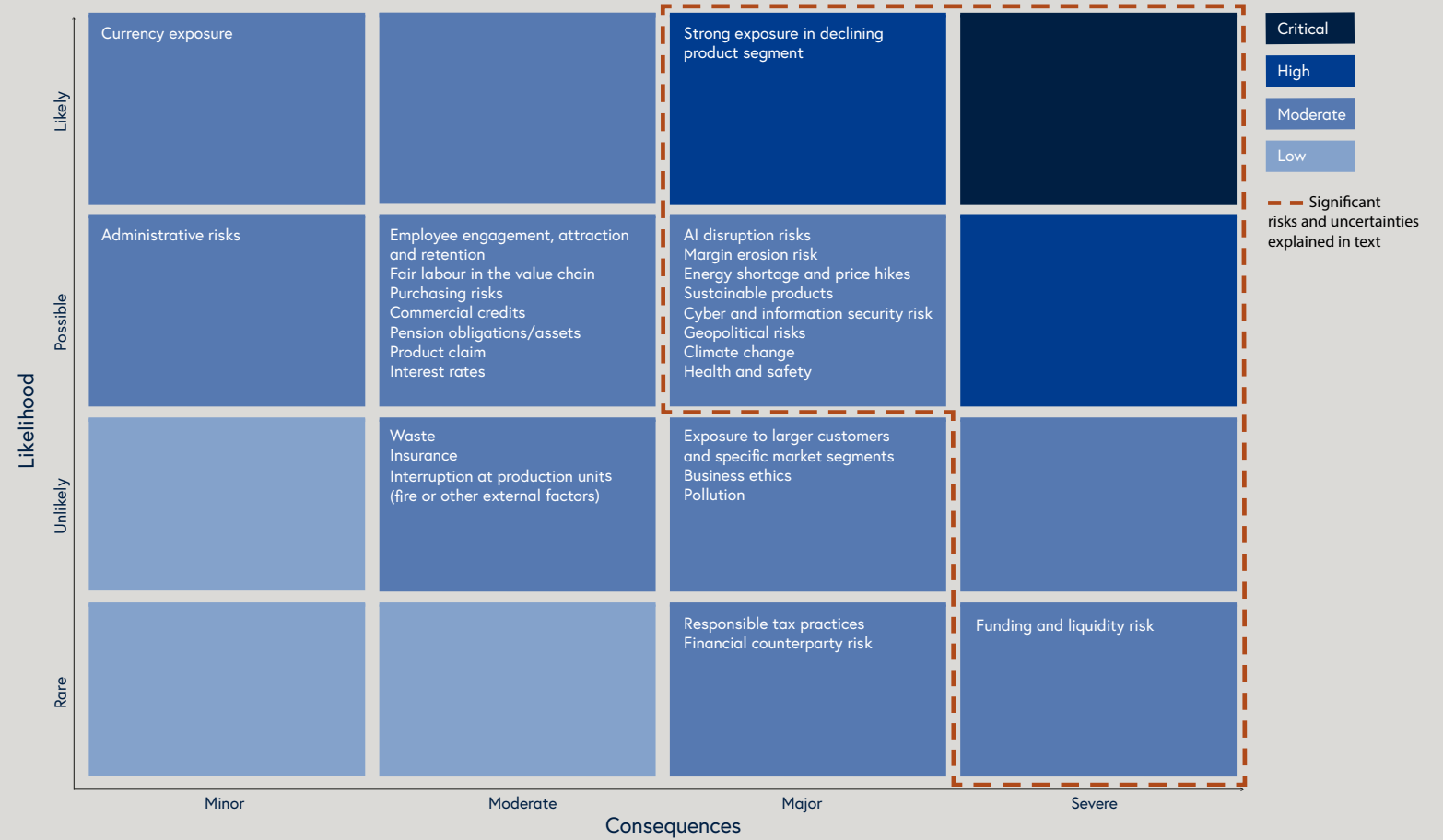
**Funding and liquidity risk**

Funding and liquidity risk is the risk of the Group no longer being able to discharge its contractual obligations through access to funding at reasonable market prices.

- The maturities of the main financing arrangements are long term
- Outstanding credit facilities are renegotiated well in advance
- Liquidity forecasts are prepared in order to monitor and predict liquidity development in the short term. For liquidity development in the longer term, budgets and forecasts are prepared

See also note 29 Financial risk management and financial instruments.

**Lindéngruppen's risk analysis 2024**



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## Outlook

Our companies, the industries they operate in and the global economy faced uncertainty and major challenges in 2024. We are confident that our companies are all well positioned to overcome the challenges and to succeed in the long term. Our confidence is based on our strong people culture, and the fact that we have leading positions in attractive markets and are a sustainability frontrunner.

### Market outlook for 2025 and beyond

#### *Beckers*

The past few years have underscored the need for resilience and adaptability, demonstrating how unexpected global challenges can emerge. In this context, Beckers remains firmly committed to its 2030 Goals. The focus is on innovating and investing in sustainable solutions that enhance both the environmental profile of its coatings and the sustainability of its customers' operations.

Looking ahead, Beckers plans significant investments over the next five to ten years to modernise facilities, aiming for better efficiency, safety and employee well-being.

It is Beckers' belief that, with the company's strong focus on coil coatings, it is well positioned for growth and to meet the demand for more sustainable coatings.

#### *Colart*

The market for art materials continued to challenge Colart in 2024, particularly as the prevalence of private labels and cost sensitive consumers remained a trend. Colart's short-term focus is on stabilising its core business and developing a sustainability roadmap to protect its long-term investments while leveraging existing brands. By maintaining a portfolio of high-quality branded products, Colart aims to clearly differentiate itself in the market. Innovation remains a key strategy to attract new consumers. In the long term, the company plans to expand into mass-market channels and continue investing in e-commerce to enable direct relationships with its consumers.

#### *Alex Begg*

With many challenges and uncertainties surrounding the textile industry, the luxury market that Alex Begg acts in, shows promise in the mid to long term, with projected annual organic growth of 4 per cent over the next decade. Considering the size of the global luxury market, the company remains under-distributed, presenting ample opportunities for the Begg x Co brand, especially within its strategic markets.

A focus on sustainable growth strengthens partnerships, while trends like quiet luxury and craftsmanship are expected to drive significant expansion. The skilled team, along with new talent, will further enhance Alex Begg's distinctive and creative offerings.

#### *Höganäs*

The demand for metal powder is expected to remain stable in most sectors in 2025. The energy situation in Europe has improved, but remains a potential challenge, should disruptions to the supply occur. The automotive output is stable. There is a slowdown in electric vehicle growth, but growth for vehicles with combustion engines remains flat. The longer-term trend with the transition to electric vehicles continues. With the increasing share of electric cars, the vehicle manufacturers' focus will shift to emissions embedded in the car. Most vehicle manufacturers have Scope 3 commitments towards a 2045–2050 timeframe, with initial focus on large emission sources resulting in the need for suppliers to deliver and adapt. This opens opportunities for Höganäs.



Photo from Lindéngruppen Finance and Sustainability Days in October 2024.



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# Five-year summary

	2020	2021	2022	2023	2024
Net sales, SEK million	7,592	8,311	9,178	9,009	8,965
Operating profit, SEK million	431	762	406	479	714
Finance income and expenses, SEK million	5	-29	-65	-93	-39
Profit before tax, SEK million	436	733	341	386	675
Profit for the year (after tax), SEK million	346	615	255	280	537
Gross margin, %	30.6	27.1	23.6	27.4	27.0
Profit margin, %	5.7	8.8	3.7	4.3	7.5
Total assets, SEK million	10,333	11,433	11,922	11,958	12,760
Equity, SEK million	6,493	7,497	8,160	8,150	8,707
Capital employed, SEK million	8,177	8,405	9,153	9,582	9,912
Net interest-bearing liabilities, SEK million	598	794	977	787	1,136
Return on capital employed, %	5.0	9.0	4.0	5.2	7.3
Net debt to EBITDA, ratio	0.9	0.8	1.3	1.0	1.1
Equity/assets ratio, %	63	66	68	68	68
Interest coverage ratio, times	9.0	17.8	6.3	4.0	5.6
Investments, SEK million	144	231	194	226	324
Cash flow from operating activities, SEK million	520	12	42	582	521
Average number of employees	2,847	2,878	2,982	2,812	2,724

## Definitions

### Gross margin

Gross profit divided by net sales.

### Profit margin

Profit before tax divided by net sales.

### Capital employed

Average total assets less non-interest-bearing liabilities and deferred tax liabilities.

### Interest-bearing net debt

Interest-bearing liabilities (including lease liabilities) and pension provisions less cash and cash equivalents and interest-bearing receivables.

### Return on capital employed

Profit before tax plus net interest income/expense, exchange differences on interest-bearing items and changes in the value of hedges of interest-bearing items divided by average capital employed.

### Equity/assets ratio

Equity divided by total assets.

### Interest coverage ratio

Profit before tax plus interest expenses, exchange differences on interest-bearing items and changes in the value of hedges of interest-bearing items divided by interest expenses.

### Investments

Investments in property, plant and equipment, intangible assets and investment properties.





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# Financial statements



Unless otherwise stated,  
all figures are in SEK million.

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## Consolidated income statement

	Note	2024	2023
Net sales	2	8,965	9,009
Cost of sales	1	-6,543	-6,712
<b>Gross profit</b>		<b>2,422</b>	<b>2,297</b>
Other operating income	3	127	167
Selling costs	1	-880	-904
Administrative expenses	1	-1,170	-1,039
Research and development expenses	1	-35	-32
Other operating expenses	4	-60	-198
Share of profit/loss of associates and joint ventures	14	310	188
<b>Operating profit/loss</b>	5, 6, 7, 26	<b>714</b>	<b>479</b>
Finance income		100	69
Finance costs		-139	-162
<b>Net financial items</b>	8	<b>-39</b>	<b>-93</b>
<b>Profit before tax</b>		<b>675</b>	<b>386</b>
Tax	10	-138	-106
<b>Profit for the year</b>		<b>537</b>	<b>280</b>
<b>Profit for the year attributable to:</b>			
Owners of the Parent		502	295
Non-controlling interests		35	-15
		<b>537</b>	<b>280</b>

## Consolidated statement of comprehensive income

	Note	2024	2023
<b>Profit for the year</b>		<b>537</b>	<b>280</b>
<b>Other comprehensive income</b>			
<i>Items that have been or may be reclassified to profit/loss</i>			
Translation differences, foreign operations		113	-69
Gain/loss on net investment hedge		-23	3
Tax attributable to items that may be reclassified to profit/loss		4	2
Share of OCI of associates and joint ventures		61	-109
		<b>155</b>	<b>-173</b>
<i>Items that may not be reclassified to profit/loss</i>			
Revaluations of defined-benefit pension plans	25	-83	-62
Tax attributable to items that may not be reclassified to profit/loss	10	19	16
Share of OCI of associates and joint ventures		35	-15
		<b>-29</b>	<b>-61</b>
<b>Other comprehensive income</b>		<b>126</b>	<b>-234</b>
<b>Comprehensive income for the year</b>		<b>663</b>	<b>46</b>
<b>Comprehensive income for the year attributable to:</b>			
Owners of the Parent		623	67
Non-controlling interests		40	-21
<b>Comprehensive income for the year</b>		<b>663</b>	<b>46</b>



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## Consolidated statement of financial position

	Note	31 December	
		2024	2023
<b>Assets</b>	31, 32		
Intangible assets	11	588	579
Property, plant and equipment	12	1,744	1,539
Right-of-use assets	30	357	316
Investment property	13	91	87
Investments in associates and joint ventures	14	5,553	4,949
Financial investments	16	24	23
Non-current receivables	18	32	27
Deferred tax assets	10	205	207
<b>Total non-current assets</b>		<b>8,594</b>	<b>7,727</b>
Inventories	19	1,635	1,492
Biological assets		1	1
Tax receivables		98	92
Trade receivables	20	1,736	1,749
Prepayments and accrued income	21	102	101
Other receivables	18	196	168
Short-term investments		5	–
Cash and cash equivalents	22	393	628
<b>Total current assets</b>		<b>4,166</b>	<b>4,231</b>
<b>Total assets</b>		<b>12,760</b>	<b>11,958</b>

	Note	31 December	
		2024	2023
<b>Equity</b>			
Share capital		25	25
Reserves		760	610
Retained earnings including profit for the year		7,787	7,414
<b>Equity attributable to owners of the Parent</b>		<b>8,572</b>	<b>8,049</b>
Non-controlling interests		135	101
<b>Total equity</b>	<b>23</b>	<b>8,707</b>	<b>8,150</b>
<b>Liabilities</b>			
Non-current interest-bearing liabilities	24	960	908
Non-current lease liabilities		245	236
Other non-current liabilities	27	29	29
Provisions for pensions	25	154	113
Other provisions	26	114	106
Deferred tax liabilities	10	111	83
<b>Total non-current liabilities</b>		<b>1,613</b>	<b>1,475</b>
Current interest-bearing liabilities	24	85	95
Current lease liabilities		99	71
Trade payables		1,092	1,028
Tax liabilities		52	72
Other liabilities	27	231	202
Accruals and deferred income	28	727	702
Provisions	26	154	163
<b>Total current liabilities</b>		<b>2,440</b>	<b>2,333</b>
<b>Total liabilities</b>		<b>4,053</b>	<b>3,808</b>
<b>Total equity and liabilities</b>		<b>12,760</b>	<b>11,958</b>



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## Consolidated statement of changes in equity

	Equity attributable to owners of the Parent				Non-controlling interests	Total equity
	Share capital	Translation reserve	Retained earnings, incl. profit for the year	Total		
<b>Opening equity, 1 Jan 2023</b>	25	777	7,230	8,032	128	8,160
<b>Comprehensive income for the year</b>						
Profit/loss for the year	–	–	295	295	–15	280
Other comprehensive income for the year	–	–167	–61	–228	–6	–234
<b>Comprehensive income for the year</b>	–	–167	234	67	–21	46
Dividends	–	–	–50	–50	–6	–56
<b>Closing equity, 31 Dec 2023</b>	25	610	7,414	8,049	101	8,150
<b>Opening equity, 1 Jan 2024</b>	25	610	7,414	8,049	101	8,150
<b>Comprehensive income for the year</b>						
Profit/loss for the year	–	–	502	502	35	537
Other comprehensive income for the year	–	150	–29	121	5	126
<b>Comprehensive income for the year</b>	–	150	473	623	40	663
Dividends	–	–	–100	–100	–6	–106
<b>Closing equity, 31 Dec 2024</b>	25	760	7,787	8,572	135	8,707



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## Consolidated statement of cash flow

	Note	2024	2023
<b>Operating activities</b>			
Operating profit/loss		714	479
Adjustment for non-cash items	36	-62	135
Dividend received		50	0
Interest received		44	51
Interest paid		-130	-126
Income taxes paid		-114	-70
<b>Cash flow from operating activities before changes in working capital</b>		<b>502</b>	<b>469</b>
<b>Cash flow from changes in working capital</b>			
Changes in inventories		-68	143
Changes in operating receivables		71	-129
Changes in operating liabilities		16	99
<b>Cash flow from operating activities</b>		<b>521</b>	<b>582</b>
<b>Investing activities</b>			
Acquisition of property, plant and equipment	12	-322	-215
Disposal of property, plant and equipment		2	4
Acquisition of other intangible assets	11	-2	-11
Acquisition of associated companies		-248	-
Acquisition of other securities		-	-1
Disposal of other securities		-	4
Change in financial receivables		-4	1
<b>Cash flow from investing activities</b>		<b>-574</b>	<b>-218</b>

	Note	2024	2023
<b>Financing activities</b>			
New borrowings	36	49	925
Repayment of borrowings	36	-62	-960
Repayment of lease liabilities	36	-80	-70
Dividends paid to parent company shareholders		-100	-50
Dividends paid to non-controlling interests		-6	-6
<b>Cash flow from financing activities</b>		<b>-199</b>	<b>-161</b>
<b>Cash flow for the year</b>		<b>-252</b>	<b>203</b>
Cash & cash equivalents at beginning of year		628	441
Exchange differences		17	-16
<b>Cash &amp; cash equivalents at end of year</b>		<b>393</b>	<b>628</b>



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	Note	2024	2023
Net sales	2	24	24
<b>Gross profit</b>		<b>24</b>	<b>24</b>
Other operating income		0	0
Administrative expenses		-133	-118
<b>Operating profit/loss</b>	5, 6	<b>-109</b>	<b>-94</b>
Profit/loss from investments in Group companies	8	150	-
Profit/loss from investments in associated companies and joint ventures	8	50	-
Profit/loss from investments in other partly-owned companies	8	1	1
Other interest and similar income	8	40	39
Interest and similar expenses		-1	0
<b>Profit/loss after financial items</b>		<b>131</b>	<b>-54</b>
Appropriations	9	92	84
<b>Profit before tax</b>		<b>223</b>	<b>30</b>
Tax	10	-3	-6
<b>Profit/loss for the year</b>		<b>220</b>	<b>24</b>

**Profit/loss for the year and other comprehensive income, Parent Company**

	Note	2024	2023
Profit/loss for the year		220	24
Other comprehensive income		-	-
<b>Comprehensive income for the year</b>		<b>220</b>	<b>24</b>



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## Balance sheet, Parent Company

	Note	31 December	
		2024	2023
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	11	0	0
Property, plant and equipment	12, 13	134	138
		<b>2,158</b>	<b>2,161</b>
<b>Financial assets</b>			
Investments in Group companies	34	2,345	2,345
Investments in associates and jointly controlled entities	15	3,732	3,484
Interests in other companies	17	22	21
Receivables from Group companies		392	442
Other non-current receivables	18	10	10
Deferred tax asset	10	6	6
<b>Financial assets</b>		<b>6,507</b>	<b>6,308</b>
<b>Total non-current assets</b>		<b>6,641</b>	<b>6,446</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade receivables		1	0
Receivables from Group companies		355	321
Current tax receivables		2	4
Other receivables		1	2
Prepayments and accrued income		3	3
<b>Current receivables</b>		<b>362</b>	<b>330</b>
Cash and bank balances		1	70
<b>Total current assets</b>		<b>363</b>	<b>400</b>
<b>Total assets</b>		<b>7,004</b>	<b>6,846</b>

	Note	31 December	
		2024	2023
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		25	25
Revaluation reserve		541	541
Statutory reserve		5	5
<b>Unrestricted equity</b>			
Retained earnings		6,008	6,084
Profit/loss for the year		220	24
<b>Total equity</b>	23	<b>6,799</b>	<b>6,679</b>
<b>Untaxed reserves</b>			
	35	<b>3</b>	<b>2</b>
<b>Provisions</b>			
Other provisions	26	16	17
<b>Total provisions</b>		<b>16</b>	<b>17</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables		6	2
Liabilities to Group companies		105	74
Other liabilities	27	3	6
Accruals and deferred income	28	72	66
<b>Total current liabilities</b>		<b>186</b>	<b>148</b>
<b>Total equity and liabilities</b>		<b>7,004</b>	<b>6,846</b>



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## Statement of changes in equity, Parent Company

	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Revaluation reserve	Retained earnings	Profit/loss for the year	
Opening equity, 1 Jan 2023	25	5	541	5,883	251	6,705
Appropriation of profits	–	–	–	251	–251	0
Dividend	–	–	–	–50	–	–50
Comprehensive income for the year	–	–	–	–	24	24
<b>Closing equity, 31 Dec 2023</b>	<b>25</b>	<b>5</b>	<b>541</b>	<b>6,084</b>	<b>24</b>	<b>6,679</b>
Opening equity, 1 Jan 2024	25	5	541	6,084	24	6,679
Appropriation of profits	–	–	–	24	–24	0
Dividend	–	–	–	–100	–	–100
Comprehensive income for the year	–	–	–	–	220	220
<b>Closing equity, 31 Dec 2024</b>	<b>25</b>	<b>5</b>	<b>541</b>	<b>6,008</b>	<b>220</b>	<b>6,799</b>

## Cash flow statement, Parent Company

	Note	31 December	
		2024	2023
<b>Operating activities</b>			
Operating profit/loss		–109	–94
Adjustment for non-cash items	36	4	3
Dividends received		200	1
Interest received		40	39
Interest paid		–1	0
Income taxes paid		–1	0
<b>Cash flow from operating activities before changes in working capital</b>		<b>133</b>	<b>–51</b>
<b>Cash flow from changes in working capital</b>			
Increase (-)/decrease (+) in operating receivables		117	63
Increase (+)/decrease (-) in operating liabilities		–33	–29
<b>Cash flow from operating activities</b>		<b>217</b>	<b>–17</b>
<b>Investing activities</b>			
Acquisition of property, plant and equipment	12	–1	–3
Capital contribution to subsidiary		–	–15
Acquisition of associated company		–248	–
Acquisition of financial assets		–	–1
Disposal of financial assets		–	3
Change in financial receivables		0	1
<b>Cash flow from investing activities</b>		<b>–249</b>	<b>–15</b>
<b>Financing activities</b>			
Change in intra-Group transactions		63	63
Dividend paid		–100	–50
<b>Cash flow from financing activities</b>		<b>–37</b>	<b>13</b>
<b>Cash flow for the year</b>		<b>–69</b>	<b>–19</b>
Cash & cash equivalents at beginning of year		70	89
<b>Cash &amp; cash equivalents at end of year</b>		<b>1</b>	<b>70</b>



## Note 1 Accounting policies

### GROUP

#### Statement of compliance

The consolidated financial statements have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary Rules for Groups, IFRS Accounting Standards and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. The Parent Company applies the same accounting policies as the Group, except in the cases described below in the section entitled "The Parent Company's accounting policies".

The Board has authorised the Parent Company's financial statements and the consolidated financial statements for issue on 9 April 2025. The consolidated statements of income, comprehensive income and financial position, and the Parent Company's income statement and balance sheet will be presented for adoption at the annual general meeting on 24 April 2025. The accounting policies described in this note have been applied in preparing the annual report as at 31 December 2024 and the comparative information as at 31 December 2023.

The accounting policies described below have been applied consistently to all periods presented in the Group's financial statements. The Group's accounting policies have also been applied consistently by the Group companies.

#### Functional currency and presentation currency

The Parent Company's functional currency is the Swedish krona, which is also the presentation currency for the Parent Company and the Group. This means that the financial statements are presented in Swedish krona. Unless otherwise stated, all figures are in SEK million.

#### Changed accounting policies due to new or amended IFRSs

The IASB did not issue any new reporting standards, but issued several amended standards that were adopted by the EU and came into force on 1 January 2024. The amendments that are material to the consolidated financial statements are described below.

#### IAS 1 Presentation of Financial Statements

The amendment concerns classification of liabilities as current or non-current in the statement of financial position when the liabilities are conditional on covenants. IASB has clarified that covenants that an entity must comply with at the reporting date

do not affect whether the liability is classified as current or non-current. This does not in itself imply a change compared to previous requirements in IAS 1 and the amendment has not changed how Lindéngruppen classifies its outstanding liabilities that are conditional on covenants. However, IASB has extended the disclosure requirements for conditions and the existence of covenants, see note 29.

No other amendments to IFRS or IFRIC interpretations that became effective during 2024 have had a material impact on the Group's financial statements.

#### New IFRS Accounting Standards not yet effective

A number of new and amended standards are effective for annual periods beginning on or after 1 January 2025 and have not been applied in the preparation of this financial report. Apart from the two standards below, none of the IFRS Accounting Standards or IFRIC interpretations that have not yet come into force are expected to have a material effect on the Group's financial statements.

#### IFRS 18 Presentation and Disclosure in Financial Statements

IASB has issued a new standard for the presentation of financial statements. The standard will be effective from 1 January 2027, which means that the Group's first financial report under IFRS 18 will be the Annual Report for 2027. The comparative year for 2026 will then be restated in accordance with IFRS 18. However, the standard has not yet been adopted by the EU.

IFRS 18 primarily modifies three key areas: the structure of the income statement, the introduction of disclosures on management-defined performance measures (MPMs), and guidance on when items should be aggregated or disclosed separately in the financial statements or notes. IFRS 18 classifies the income statement into three categories: operating, investing and financing activities. It also requires certain new totals to be presented. Furthermore, it requires that performance measures that meet the definition of MPM are to be disclosed in a single note to the Annual Report.

During 2025 Lindéngruppen will perform a more thorough analysis of the effects of IFRS 18 on the Group's financial statements. However, some effects are already evident, such as the fact that under IFRS 18, "share of profit from associates and joint ventures" will be recognised in the investing activities instead of being

presented in operating activities in accordance with the Group's current accounting policies. Furthermore, according to IFRS 18, interest paid must be reported in financing activities in the statement of cash flows, while interest received must be reported in investment activities in the same statement. According to the Group's current accounting principles, both paid and received interest is included in the cash flow from operating activities.

#### IFRS 9 Financial instruments

The IASB has also made amendments to IFRS 9 concerning when financial liabilities (e.g. trade payables) must be derecognised when they are settled with an electronic transfer. The amendments clarify that a financial liability as a general principle may only be derecognised on the settlement date, i.e. when the payment has reached the recipient. However, an exception to the general rule has been introduced, which enables a liabilities to be derecognised earlier than on the settlement date, provided that certain conditions are met. The choice to apply the exception is made individually for each electronic payment system. The changes will be effective from 1 January 2026, but have not yet been adopted by the EU.

In 2025, Lindéngruppen will conduct an analysis of the payment systems within the Group to determine to what extent the changes to IFRS 9 affect when the Group derecognise trade payables and other financial liabilities.

#### Basis of consolidation, business combinations

Subsidiaries are accounted for using the acquisition method. The method means that acquisition of a subsidiary is treated as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis determines the acquisition-date fair value of the identifiable assets acquired and liabilities assumed and any non-controlling interest. Transaction costs, except for transaction costs attributable to the issue of equity instruments or debt instruments, are recognised directly in the income statement.

#### Joint ventures

In an accounting context, a joint venture is a company over which the Group has joint control, through a contractual arrangement with one or more parties. In the consolidated accounts, investments in joint ventures are accounted for using the equity method. The Group's share of joint ventures' profit/loss, adjusted for depreciation,



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impairment and reversals of acquired surplus or deficit value is reported on the line item "Share of profit/loss of associates and joint ventures". These shares of profit, less dividends received from joint ventures, represent the main change to the carrying amount of investments in joint ventures. The Group's share of other comprehensive income of joint ventures is reported on a separate line in consolidated other comprehensive income.

**Associates**

In 2024, Lindéngruppen acquired 43.4% of the equity and voting rights in cReal Food AB. This meant that the group gained a significant, but not a controlling, influence over the company. The holding is therefore reported as an investment in an associate according to the equity method, see description above regarding joint ventures. The equity method is applied from the time when the significant influence is obtained until the time when the significant influence ceases.

**Foreign currency**

**Foreign currency transactions**

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities recognised at historical cost are translated using the exchange rate prevailing at the date of the transaction.

**Financial statements of foreign entities**

Assets and liabilities of foreign entities, including goodwill and other fair value adjustments, are translated from the foreign entity's functional currency to the Group's presentation currency, Swedish krona, using the exchange rate prevailing at the reporting date. Income and expenses in the income statements of foreign entities are translated to Swedish krona using average exchange rates. This average is an approximation of the cumulative effect of the exchange rates at each transaction date.

**Hyperinflation**

According to IAS 29, Turkey is classified as a hyperinflation country since 30 June 2022, and the Group's operations in Turkey are therefore reported in the Group's financial reports after revaluation for hyperinflation. The non-monetary items in the balance sheet have been revalued by applying a general price

index. The index that the Group has used for revaluation of the financial statements is the consumer price index published by the Turkish Statistical Institute (TSI). The level of the consumer price index was 2684.55 as of 31 December 2024 compared to 1859.38 as of 31 December 2023 (the average for the year was 2271.97). The items in the financial statements that have been revalued are based on historical acquisition values. The revaluation of the non-monetary balance sheet items and profit items at the subsidiary level is part of the net monetary profit or loss that is reported in the income statement as part of financial income and expenses.

**Revenue**

**Sale of goods**

The Group generates revenues mainly from the sale of industrial paints, coil coatings, art materials, textile products and horses. Revenue is recognised based on the amount stated in the contract with the customer, i.e. net of VAT, discounts and returns. The warranties associated with these products cannot be purchased separately and are intended to ensure that the products sold comply with the agreed specifications. Such warranties are therefore reported in accordance with IAS 37. Revenue is recognised when control of a product or service is transferred to the customer, which happens when the product has been delivered and accepted by the customer. Recognised revenue is adjusted for expected returns, which are calculated based on historical data.

**Rental income**

Rental income from investment properties is recognised on a straight-line basis in profit or loss based on the terms of the lease. The total cost of benefits provided is recognised as a reduction of rental income over the lease period.

**Royalty**

The Group receives a royalty income for licensing the trademark "Beckers" for use by third parties in the sale of paint for the consumer market. The royalty is sales-based and is calculated as a percentage of completed sales. The Group therefore recognises the income from the royalty as sales are made by third parties.

**Government grants**

During 2023, the Group received Covid-19 support mainly in the United States. Support received has been recognised as "Other operating income".

**Insurance compensation**

In 2023, a fire broke out in a factory in India. The claim was reported to the insurance company, but as the Group had not received final notification of compensation from the insurance company as of 31 December 2023, no claim for insurance compensation was recognised during the comparative year. Lindéngruppen received compensation for the damaged property from the insurance company in 2024. The compensation has been recognised under Other operating income. As of 31 December 2024, the claim is still not fully settled. The Group has not received a final notice of compensation from the insurance company and therefore did not recognise any receivable for the insurance claim as of 31 December 2024.

**Leases**

When a contract is entered into, the Group assesses whether the contract is, or contains, a lease. For types of leases in the Group, see note 30.

On the commencement date (the date on which the asset is available for use by the Group), a right-of-use asset and a lease liability are recognised. On the commencement date, the right-of-use asset is measured at cost, which includes the amount of the initial measurement of the lease liability adjusted for any payments made on or before the commencement date, plus initial direct costs, plus an estimate of the costs of dismantling the asset and restoration of the site.

The Group reports right-of-use assets as a separate item ("Right-of-use assets") in the statement of financial position.

The lease liability is initially measured at the present value of lease payments not paid at the commencement date. Lease payments are discounted at the interest rate implicit in the lease if that rate can be readily determined. If it cannot be readily determined, the Group's incremental borrowing rate is used. The interest rate implicit in the lease is normally used.

Short-term (up to 1 year) and low-value leases are not included in the lease liability, but are recognised as an expense on a straight-line basis over the lease term. The Group defines low-value leases as leases of IT equipment, office machinery, coffee machines, furniture and other right-of-use assets with a value (when new) of less than 5 kUSD.



The Group recognises current and non-current lease liabilities as separate items in the statement of financial position.

**Finance income and costs**

Finance income consists of interest income on funds invested, dividend income, gains on disposal of financial assets, gains on remeasurement of financial assets at fair value through profit or loss, and gains on hedging instruments recognised in profit or loss.

Finance costs consist of interest expenses on loans, leases, the effect of reversing the present value calculation of provisions, revaluation losses on changes in the value of financial assets at fair value through profit or loss, impairment of financial assets, and losses on hedging instruments recognised in profit or loss. Exchange gains and losses are reported in operating profit/loss on a net basis if they are attributable to operating items and in net financial items if they are attributable to financial items. Changes in the fair value of currency derivatives are reported in operating profit/loss if they are attributable to operating items, and in net financial items if they are attributable to financial items.

**Taxes**

Income tax consists of current tax and deferred tax. Income taxes are recognised in the income statement, unless the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is recognised in other comprehensive income or in equity. Deferred tax is accounted for using the balance-sheet liability method. A deferred tax liability is recognised for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases.

**Financial instruments**

Financial instruments are recognised under assets in the statement of financial position (balance sheet) including cash and cash equivalents, loan receivables, trade receivables, financial investments and derivatives. Liabilities include trade payables, loans and derivatives.

**Holdings of unlisted mutual funds**

The Group's holdings of units in unlisted mutual funds are measured at fair value through profit or loss (net financial items) as the units in the fund do not constitute equity instruments (from the fund's perspective), nor do they have cash flows that are solely made up of payments of principal and interest.

**Derivative instruments**

All derivatives are measured at fair value through profit or loss. Hedge accounting is not applied. Changes in the fair value of derivatives are recognised as income or expense in operating profit or loss or in net financial items based on the purpose for which the derivative instrument was acquired.

**Other financial assets**

Financial assets other than those described above are measured at amortised cost.

**Financial liabilities**

Financial liabilities are classified either at amortised cost or at fair value through profit or loss. Liabilities that are measured at fair value consist solely of derivatives with a negative fair value. All other liabilities are measured at amortised cost.

**Hedging of net investments**

Lindéngruppen has identified liabilities in foreign currency as hedges of the Group's net investments in foreign operations. The revaluation of the hedging instruments is recognised in other comprehensive income and accumulated in the translation reserve in equity.

**Cash and cash equivalents**

Cash and cash equivalents consist of cash and immediately available balances with banks and similar institutions.

**Property, plant and equipment**

Items of property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses. Accounting policies for impairment are described below. The gain or loss arising from the disposal of an item of property, plant and equipment is the difference between the selling price and the asset's carrying amount less direct costs to sell. Gains and losses are reported under other operating income/expense.

**Depreciation**

Depreciation is applied on a straight-line basis over the useful life of the asset. Land is not depreciated. Leased assets are also depreciated over their estimated useful lives or, if shorter, over the agreed lease term. The Group applies component depreciation, which means depreciation is based on the estimated useful lives of components. Estimated useful lives are as follows:

- Plant and machinery 5–10 years
- Equipment, tools and fixtures & fittings 3–10 years

Owner-occupied properties comprise a number of components with different useful lives. The main category is land and buildings. Land is not depreciated, as it has an indefinite useful life. Buildings consist of a number of components with different useful lives. The following main groups of components have been identified, and form the basis of depreciation of buildings:

- Foundations and frame 50–60 years
- Roofs, windows, doors, internal walls etc. 30 years
- Technical installations 20 years
- Internal surfaces, machinery etc. 10 years

Depreciation methods, residual values and useful lives are reviewed at each year-end.

**Intangible assets**

**Goodwill**

Goodwill is carried at cost less accumulated impairment. Goodwill is allocated to cash-generating units and is tested for impairment at least annually. Goodwill on the acquisition of a joint venture is included in the carrying amount of investments in joint ventures.

**Research and development**

Expenditure related to research activities aimed at gaining new scientific or technical knowledge is recognised as an expense as incurred and included in the income statement under Research and development expenses. Research activities are focused on developing new finished products, evaluating alternative raw materials, improving production processes and identifying opportunities to adopt new technologies and more sustainable processes.

Management has made the assessment that expenditure attributable to the product development that takes place within the Group is essentially related to the research phase of development. For this reason, development expenditure has not been capitalised as intangible assets in 2024 or 2023.

In 2024, the Group made a change to its accounting policy for research and development expenses in order to better reflect the nature of research and development expenses. The new definition of research and development expenses is narrower than before and means that only research activities are recognised as research and development expenses. In accordance with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the financial statements of previous years have been restated, see the table below.



	2024		2023	
		As restated	Reclassified	As previously stated
Cost of sales	-6,543	-6,712	-173	-6,539
Selling costs	-880	-904	5	-909
Administrative expenses	-1,170	-1,039	-2	-1,037
Research and development expenses	-35	-32	170	-202

**Other intangible assets**

Other intangible assets acquired by the Group consist of patents and trademarks and are recognised at cost less accumulated amortisation and impairment losses. Costs for implementation are recognised as part of the acquisition cost for software licenses for on-prem systems. Costs for cloud computing arrangements and related implementation costs are recognised in the income statement as incurred.

**Amortisation**

Amortisation is recognised in profit/loss for the year on a straight-line basis over the intangible asset's useful life unless it has an indefinite useful life. Useful lives are reviewed at least annually. The estimated useful lives are:

- Patents and trademarks 10–20 years
- Software licenses 3–10 years

**Investment property**

Investment properties are recognised at fair value based on market valuations. Every three years, these valuations are carried out by independent external valuers with relevant professional qualifications and experience in this area and in the category of the properties being valued. In the other years, an internal assessment of the market value is made. Market value refers to the most probable price in the case of a normal sale on the open market. Both realised and unrealised fair value changes are recognised in net profit or loss.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is measured using the first-in, first-out (FIFO) principle, and includes costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work in progress includes a reasonable proportion of indirect costs based on

normal operating capacity. The Group's holdings of horses are recognised as inventories as they are held for sale in the ordinary course of business.

The net realisable value is the estimated selling price in the ordinary course of business less costs of completion and estimated costs necessary to make the sale.

**Impairment**

**Impairment of property, plant and equipment, intangible assets, right-of-use assets and investments in associates and joint ventures.**

If there is an indication of impairment, the asset's recoverable amount is calculated (see below). For goodwill, other intangible assets with indefinite useful lives and intangible assets not yet ready for use, the recoverable amount is also calculated annually.

**Impairment of financial assets**

The loss allowance for trade receivables is measured at an amount corresponding to the full lifetime loss risk for the receivable. For other receivables, the loss allowance is measured at an amount equal to 12 months' expected credit losses, provided there has not been a significant increase in credit risk since initial recognition.

Beckers allocates a credit risk rating to each exposure based on external credit ratings. Based on the credit risk rating and a factor related to loss given default, an expected credit loss for each customer is calculated. Colart and Alex Begg apply a loss provision matrix based on an age analysis of outstanding trade receivables, with an adjustment for forward-looking factors.

The Group defines a default as a situation where it is considered unlikely that the counterparty will meet its obligations due to indicators such as financial difficulties and missed payments. The Group writes off a receivable when it considers that no opportunities for further cash flows exist.

**Employee benefits**

**Short-term employee benefits**

Short-term employee benefits are calculated without discounting and are recognised as an expense when the related services are rendered. A provision for the expected cost of bonus payments is recognised when the Group has a legal or constructive obligation to make such payments as a result of employees having provided the services in question and when the amount can be measured reliably.

**Defined-contribution pension plans**

Defined-contribution pension plans are plans under which the Company's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

The Company's obligations under defined-contribution plans are recognised as an expense in the income statement as they are earned, i.e. when employees have rendered services to the Company during a period.

**Defined-benefit pension plans**

Defined-benefit plans are post-employment benefit plans other than defined-contribution plans. The Group has significant defined-benefit plans in Sweden, Germany, Italy, France and the UK.

The Group's net defined-benefit obligation is calculated separately for each plan by estimating the future benefit that employees have earned in return for their service in the current and prior periods. This benefit is discounted to the present value.

Net interest expense/income on the defined-benefit liability or asset is recognised in the income statement under net financial items. Other components are reported in operating profit/loss.

**Other long-term benefits**

The Group's net liability for other long-term employee benefits apart from pensions is the total of future benefits due to employees for services rendered in the current period and prior periods.

**Termination benefits**

An expense for employee termination benefits is recognised at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those benefits to the employee; or
- when the entity recognises costs for a restructuring. Benefits expected to be settled after 12 months are recognised at their present value. Benefits that are not expected to be fully settled within 12 months are reported under long-term benefits.

**Provisions**

**Warranties**

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of possible outcomes in relation to the probabilities associated with the outcomes. A warranty provision is also made for specific warranty cases as they arise.



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### **Restructuring**

A restructuring provision is recognised when a detailed and formal restructuring plan is in place, and the restructuring has either begun or been publicly announced. No provision is recognised for future operating expenses.

### **Remediation of contaminated soil**

The Group has a number of different places in Sweden where paint was historically manufactured and where Lindéngruppen has a commitment to remediate contaminated land. In addition, the Group has a remediation commitment in France where the Group has sold operations but retained responsibility for the restoration of contaminated land. In accordance with Lindéngruppen's sustainability principles and applicable legal requirements, a provision for the restoration of contaminated land is recognised when the land has been exposed to pollution.

## **THE PARENT COMPANY**

### **The Parent Company's accounting policies**

The Parent Company's annual financial statements are prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Swedish Corporate Reporting Board's issued statements concerning listed companies are also applied. RFR 2 requires the Parent Company, as a legal entity, to prepare its annual financial statements in compliance with all IFRS and IFRIC interpretations adopted by the EU to the extent possible within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and taking into account the relationship between tax expense (income) and accounting profit. The recommendation specifies exemptions from and additions to IFRS.

### **Differences between the Group's and the Parent Company's accounting policies**

Differences between the Group's and the Parent Company's accounting policies are described below. The accounting policies described below have been applied consistently to all periods presented in the Parent Company's financial statements.

### **Amended accounting policies**

The Swedish Financial Reporting Board has decided that a number of amendments to IFRS standards will also apply to legal entities. These changes do not have any effect on the Parent Company's financial statements.

### **Future changes to accounting policies**

No future changes that have been decided are expected to have any effect on the Parent Company's financial statements.

### **Classification and presentation**

For the Parent Company, an income statement and a statement of comprehensive income and other comprehensive income are presented, which is consistent with the Group.

The Parent Company's "balance sheet" and "cash flow statement" correspond to the Group's "statement of financial position" and "statement of cash flows".

The Parent Company's income statement and balance sheet are presented in accordance with the format described in the Annual Accounts Act, while the statement of comprehensive income and OCI, the statement of changes in equity and the cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences between the consolidated financial statements and the Parent Company's income statement and balance sheet relate mainly to finance income, finance costs, non-current assets and equity, and the reporting of provisions as a separate balance sheet heading.

### **Subsidiaries, joint ventures and associates**

Investments in subsidiaries, joint ventures and associates are recognised in the Parent Company using the cost method. This means that transaction costs are included in the carrying amount of investments in subsidiaries, associates and joint ventures. In the consolidated accounts, transaction costs attributable to subsidiaries are recognised directly in profit or loss as incurred.

### **Property, plant and equipment**

Like the Group, the Parent Company recognises property, plant and equipment at cost less accumulated depreciation and impairment losses, although the Parent Company also reports appreciation in value.

### **Leased assets**

Lease payments are recognised as an expense on a straight-line basis over the lease term and right-of-use assets and lease liabilities are not therefore recognised in the balance sheet.

### **Investment property**

Investment property is accounted for according to the Group's principles for property, plant and equipment, but without the option of applying the fair value model. The cost method is applied instead, with depreciation over the estimated useful life of the buildings. In accordance with the exemption rules for investment property in RFR 2, buildings are accounted for as a single depreciation unit with no breakdown into components.

### **Taxes**

In the Parent Company's balance sheet, untaxed reserves are reported without being divided into equity and deferred tax liability, unlike in the consolidated accounts. Similarly, in the Parent Company's income statement, there is no allocation of part of the appropriations to deferred tax expense.

### **Group contributions**

Group contributions are recognised as an appropriation.

## **Note 2 Distribution of net sales**

### **Revenue streams**

The Group generates revenue primarily from the sale of industrial paints, coil coatings, artists' materials, textile products and horses. Other sources of income consist of rental income from owned investment properties.

### **Performance obligations**

Performance obligations regarding sales of goods are satisfied on delivery to the customer. Standard warranties and payment terms are provided. The Group's obligations regarding returns are marginal and are mainly related to online sales of artists' materials and textile products directly to consumers. Revenue is essentially recognised at a point in time.

### **Contract balances**

Information on receivables from contracts with customers is presented in note 20 Trade receivables. There are no contract assets. Accrued bonuses to customers are shown in note 28 Accruals and deferred income. Accrued income is shown in note 21 Prepayments and accrued income. Outstanding performance obligations have an expected maturity of less than one year.



**GROUP**

Distribution of revenue from contracts with customers		
	2024	2023
Industrial paints and coil coatings	7,098	7,037
Artists' materials	1,610	1,643
Textile products	226	287
Other product sales	26	38
	<b>8,960</b>	<b>9,005</b>
<b>Revenue streams</b>		
	2024	2023
<b>Net sales:</b>		
Revenue from contracts with customers	8,960	9,005
Rental income from investment property	5	4
	<b>8,965</b>	<b>9,009</b>

**Net sales by geographical market**

	2024	2023
Sweden	225	237
Rest of Nordic region	316	321
Belgium	383	355
France	1,035	1,037
Italy	321	381
Spain	667	623
UK	773	795
Germany	262	246
Rest of Europe	983	941
North America	1,286	1,234
India	349	286
China	721	836
Rest of Asia	1,148	1,174
Other	496	543
	<b>8,965</b>	<b>9,009</b>

**PARENT COMPANY**

Net sales		
	2024	2023
Management service charges to subsidiaries	22	23
Rental income from property rentals	2	1
	<b>24</b>	<b>24</b>

**Note 3 Other operating income**

**GROUP**

	2024	2023
Insurance compensation from fire in India	58	–
Exchange gain on operating assets/liabilities	31	66
Government grants	15	41
Change in fair value of investment property	1	5
Gain on sale of non-current assets	–	1
Change in fair value of currency derivatives	–	10
Other	22	44
	<b>127</b>	<b>167</b>

**Note 4 Other operating expenses**

**GROUP**

	2024	2023
Exchange losses on operating assets/liabilities	–30	–105
Costs related to the fire in India	–	–72
Depreciation/amortisation and impairment that cannot be allocated by function	–1	–1
Change in fair value of investment property	–	–5
Loss on sale of non-current assets	–3	–1
Change in fair value of currency derivatives	–5	–
Other	–21	–14
	<b>–60</b>	<b>–198</b>

**Note 5 Employees and personnel expenses**

**GROUP**

Average number of employees				
	2024		2023	
	Number	Male	Number	Male
France	674	67%	681	66%
UK	561	48%	607	48%
China	300	62%	351	60%
USA	191	59%	191	59%
Sweden	159	62%	153	65%
Germany	146	71%	155	69%
India	111	91%	103	96%
Poland	101	62%	92	65%
Italy	92	74%	100	77%
Malaysia	92	64%	93	72%
Vietnam	74	54%	72	57%
Other	223	73%	214	76%
	<b>2,724</b>	<b>63%</b>	<b>2,812</b>	<b>63%</b>

**Employee benefits expenses**

	2024	2023
Salaries and other benefits	1,553	1,508
Pension costs, defined-contribution plans	60	52
Pension costs, defined-benefit plans	7	6
Other post-employment benefits	6	4
Social security contributions	362	363
	<b>1,988</b>	<b>1,933</b>

**Gender distribution in executive management**

	2024		2023	
	Male	Female	Male	Female
Boards	69%	31%	74%	26%
Other senior executives	67%	33%	76%	24%

'Boards' includes boards of all Group companies in accordance with note 34. 'Other senior executives' includes the management teams of the Parent Company, Beckers and Colart, and the CEO of Alex Begg.



Salaries and employee benefits for Board and CEO and other employees		
	2024	2023
Board and CEO	158	136
Other employees	1,395	1,372
	<b>1,553</b>	<b>1,508</b>
Of which bonuses and similar to the Board and CEO	35	30
Of which salaries and other benefits to senior executives other than the Board and CEO	88	70

'Board and CEO' includes boards and CEOs of all Group companies in accordance with note 34. Senior executives other than the Board and the CEO consist of the management teams (excl. CEO) of the Parent Company, Beckers and Colart – a total of 19 (16) individuals.

In the event of termination of employment by the Company, the CEO and other senior executives are entitled to severance pay corresponding to 6–18 months of salary, including pension benefits.

**PARENT COMPANY**

	2024		2023	
	Number	Male	Number	Male
Sweden	14	50%	13	55%

Salaries, employee benefits and social security contributions		
	2024	2023
Salaries and other benefits	56	47
Other post-employment benefits	–	0
Social security contributions	28	25
	<b>84</b>	<b>72</b>
Of which pension costs	9	7
Of which pension costs to Board and CEO	3	2

Gender distribution in executive management				
	2024		2023	
	Male	Female	Male	Female
Board	60%	40%	67%	33%
CEO and other senior executives	60%	40%	80%	20%

Salaries and employee benefits for Board and CEO and other employees		
	2024	2023
Board and CEO	22	19
Other employees	34	28
	<b>56</b>	<b>47</b>
Of which bonuses and similar to the Board and CEO	7	6
Of which salaries and other benefits to senior executives other than the Board and CEO	21	21

In the event of termination of employment by the Company, the CEO and other senior executives are entitled to severance pay corresponding to 6–12 months of salary, including pension benefits.

**Note 6 Auditors' fees**

Audit services comprise the statutory audit of the annual and consolidated accounts, accounting records and administration of the Board of Directors and CEO, and any auditing and other examination performed in accordance with agreements or contracts. This also includes other procedures required to be carried out by the Company's auditors, as well as advice or other assistance arising from observations made during the audit or while performing such other procedures. At the 2018 AGM, Deloitte AB was elected as the Parent Company's auditor. Deloitte is also the auditor for most of the subsidiaries.

**GROUP**

	2024	2023
<b>Deloitte:</b>		
Audit services	16	14
Other services	3	1
	<b>19</b>	<b>15</b>
<b>Other auditors:</b>		
Audit services	1	1
Other services	0	1
	<b>1</b>	<b>2</b>
	<b>20</b>	<b>17</b>

**PARENT COMPANY**

	2024	2023
<b>Deloitte:</b>		
Audit services	1	1
Other services	1	0
	<b>2</b>	<b>1</b>

**Note 7 Operating expenses by nature of expense**

	2024	2023
Cost of materials	-4,938	-5,132
Personnel expenses	-1,988	-1,933
Other external costs	-1,402	-1,331
Depreciations	-311	-301
Impairments (incl. reversals of impairments)	10	9
Other operating expenses	-59	-197
	<b>-8,688</b>	<b>-8,885</b>



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## Note 8 Net financial items

GROUP		
	2024	2023
<b>Finance income</b>		
Interest income from bank deposits	38	43
Interest income, defined-benefit plans	6	8
Other interest income	1	1
Financial assets at fair value through profit or loss	1	1
Gain on net monetary position	12	16
Change in value of currency derivatives	2	0
Net foreign exchange changes	40	–
	<b>100</b>	<b>69</b>
<b>Finance costs</b>		
Interest expenses, credit institutions	–105	–109
Interest expenses, defined-benefit plans	–10	–9
Interest expenses, leases	–15	–13
Interest expenses, other	–9	–6
Change in value of currency derivatives	–	–3
Net foreign exchange changes	–	–22
	<b>–139</b>	<b>–162</b>
<b>Net financial items</b>	<b>–39</b>	<b>–93</b>
<b>Of which changes in value estimated using valuation techniques:</b>		
Currency derivatives	2	–3

## PARENT COMPANY

Profit/loss from investments in Group companies		
	2024	2023
Dividend	150	–
	<b>150</b>	<b>–</b>
<b>Profit/loss from investments in associated companies and joint ventures</b>		
	2024	2023
Dividend	50	–
	<b>50</b>	<b>–</b>
<b>Profit/loss from investments in other partly-owned companies</b>		
	2024	2023
Financial assets measured at fair value	1	1
	<b>1</b>	<b>1</b>
<b>Interest and similar income</b>		
	2024	2023
Interest income, Group companies	35	38
Interest income, other	5	1
	<b>40</b>	<b>39</b>

## Note 9 Appropriations

	2024	2023
Group contributions received	150	122
Group contributions paid	–57	–39
Accelerated depreciation	–1	1
	<b>92</b>	<b>84</b>

## Note 10 Tax

GROUP		
Tax expense recognised		
	2024	2023
<b>Current tax expense (-)/tax income (+)</b>		
Tax expense for the period	–95	–80
Adjustment of tax relating to prior years	7	–26
	<b>–88</b>	<b>–106</b>
<b>Deferred tax expense (-)/tax income (+)</b>		
Deferred tax on temporary differences	–37	–11
Deferred tax resulting from changes in tax rates	–4	3
Deferred tax income in tax loss carryforward capitalised during year	1	8
Deferred tax expense resulting from utilisation of previously capitalised tax value of loss carryforwards	–14	–7
Deferred tax on revaluation of the carrying amount of deferred tax assets	–1	12
Adjustment of tax relating to prior years	5	–2
Other	–	–3
	<b>–50</b>	<b>0</b>
<b>Total tax expense recognised, Group</b>	<b>–138</b>	<b>–106</b>



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#### Reconciliation of effective tax

	2024		2023	
Profit before tax		675		386
Tax according to Parent's applicable tax rate	20.6%	-139	20.6%	-80
Effect of different tax rates for foreign subsidiaries	1.3%	-9	-0.8%	3
Non-deductible expenses	1.5%	-10	2.3%	-9
Non-taxable income	-2.2%	15	-2.1%	8
Profit/loss from investments in associates and joint ventures	-8.1%	55	-10.1%	39
Increase in temporary differences for which no deferred tax was capitalised	0.0%	0	0.8%	-3
Increase in loss carryforwards for which no deferred tax was capitalised	7.9%	-53	11.1%	-43
Utilisation of previously uncapitalised deferred tax on temporary differences and loss carryforwards	-	6	-3.4%	13
Revaluation of deferred tax on temporary differences and deferred tax	1.0%	-7	0.3%	-1
Tax attributable to prior years	-1.8%	12	7.3%	-28
Effect of changes in tax rates and/or tax rules	0.6%	-4	-0.8%	3
Tax deducted at source on dividends from subsidiaries	1.5%	-10	2.8%	-11
Other	-1.8%	6	-0.7%	3
<b>Recognised effective tax</b>	<b>20.4%</b>	<b>-138</b>	<b>27.5%</b>	<b>-106</b>

#### Tax attributable to other comprehensive income

	2024	2023
Deferred tax attributable to actuarial gains and losses on pension liabilities	19	16
Deferred tax attributable to hedging of net investments in subsidiaries	4	2
	<b>23</b>	<b>18</b>

#### Recognised deferred tax assets and liabilities

	2024			2023		
	Deferred tax assets	Deferred tax liabilities	Net	Deferred tax assets	Deferred tax liabilities	Net
Property, plant and equipment	100	46	54	108	36	72
Intangible assets	8	42	-34	2	27	-25
Leases	90	86	4	84	80	4
Investment property	-	9	-9	-	6	-6
Inventory	29	-	29	33	-	33
Trade receivables	21	0	21	17	0	17
Provisions for pensions	35	35	0	26	35	-9
Other provisions	47	1	46	43	3	40
Accruals	68	8	60	61	9	52
Uncapitalised deferred temporary tax assets on above	-103	-	-103	-76	-	-76
Tax loss carryforwards	26	-	26	22	-	22
	<b>321</b>	<b>227</b>	<b>94</b>	<b>320</b>	<b>196</b>	<b>124</b>
Offsetting	-116	-116	0	-113	-113	0
	<b>205</b>	<b>111</b>	<b>94</b>	<b>207</b>	<b>83</b>	<b>124</b>

#### Unrecognised deferred tax assets

	2024	2023
Deductible temporary differences	103	76
Tax losses	557	463
	<b>660</b>	<b>539</b>

The unrecognised deferred tax assets relate primarily to tax losses in the UK, the US, Canada and China. As it is uncertain whether the Group will be able to use them against future profits, they have not been recognised in the consolidated statement of financial position. SEK 1 million of the tax losses expire in the fifth year from the reporting date, and SEK 82 million expire after five years from the reporting date.



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**Changes in deferred tax on temporary differences and loss carryforwards**

	2024					
	Balance, 1 January	Reclassification	Recognised in profit/loss for the year	Recognised in OCI	Exchange differences in OCI	Balance, 31 December
Property, plant and equipment	72	–	–20	–	2	54
Intangible assets	–25	–	–6	–	–3	–34
Leases	4	–	0	–	0	4
Investment property	–6	–	–3	–	0	–9
Inventory	33	–	–6	–	2	29
Trade receivables	17	–	3	–	1	21
Provisions for pensions	–9	–	–3	14	–2	0
Other provisions	40	–	4	–	2	46
Accruals and other items	52	–	–2	5	5	60
Uncapitalised deferred temporary tax assets on above	–76	–	–20	–	–7	–103
Tax loss carryforwards	22	–	3	–	1	26
	<b>124</b>	<b>–</b>	<b>–50</b>	<b>19</b>	<b>1</b>	<b>94</b>

**Global minimum tax – Pillar II**

The Group is subject to the OECD Pillar II Model Rules. The Pillar II legislation has been adopted in Sweden and entered into force on 1 January 2024. The Group applies the exception that allows entities not to recognise or disclose information about deferred tax assets and liabilities related to the OECD Pillar II income taxes (amendments to IAS 12 issued in May 2023). Under the legislation, the Group is liable to pay top-up tax for the difference between the effective tax rate calculated under the GloBE rules for each jurisdiction and the minimum tax rate of 15 per cent. The Group did not incur any top-up tax expense during the year.

**PARENT COMPANY**

**Tax expense recognised**

	2024	2023
<b>Current tax expense (-)/tax income (+)</b>		
Tax expense/tax income for the period	–3	–2
Adjustment of tax relating to prior years	0	0
	<b>–3</b>	<b>–2</b>
<b>Deferred tax expense (-)/tax income (+)</b>		
Deferred tax on temporary differences	0	–3
Adjustment of tax relating to prior years	–	–1
	<b>0</b>	<b>–4</b>
	<b>–3</b>	<b>–6</b>

**Reconciliation of effective tax**

	2024		2023	
<b>Profit/loss before tax</b>		<b>223</b>		<b>30</b>
Tax according to Parent's applicable tax rate	20.6%	–46	20.6%	–6
Dividends, non-taxable	–18.4%	41	–	–
Capital gains	0.0%	0	0.0%	0
Other non-taxable income	0.0%	0	–3.3%	1
Other non-deductible expenses	0.9%	–2	10.0%	–3
Negative net interest transferred from group companies	–1.8%	4	–10.0%	3
Tax attributable to prior years	0.0%	0	2.7%	–1
	<b>1.3%</b>	<b>–3</b>	<b>20.0%</b>	<b>–6</b>

**Recognised deferred tax assets and liabilities**

	Deferred tax assets		Deferred tax liabilities		Net	
	2024	2023	2024	2023	2024	2023
Pensions	6	6	–	–	6	6
	<b>6</b>	<b>6</b>	<b>–</b>	<b>–</b>	<b>6</b>	<b>6</b>

**Changes in deferred tax on temporary differences and loss carryforwards**

	2024			2023		
	Balance, 1 January	Recognised in profit/loss for the year	Balance, 31 December	Balance, 1 January	Recognised in profit/loss for the year	Balance, 31 December
Pensions	6	0	6	4	2	6
Tax loss carryforwards	–	–	–	6	–6	0
	<b>6</b>	<b>0</b>	<b>6</b>	<b>10</b>	<b>–4</b>	<b>6</b>



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## Note 11 Intangible assets

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#### Reconciliation of opening and closing balances

	Other technology/ contract-based assets	Trademarks	Goodwill	Current investments	Total
<b>Accumulated cost</b>					
Opening balance, 1 Jan 2023	377	104	543	6	1,030
Internal development	8	–	–	3	11
Disposals	–11	–	–	–	–11
Reclassification	4	–	–	–3	1
Exchange differences for the year	1	–3	7	–1	4
<b>Closing balance, 31 Dec 2023</b>	<b>379</b>	<b>101</b>	<b>550</b>	<b>5</b>	<b>1,035</b>
<b>Accumulated amortisation and impairment</b>					
Opening balance, 1 Jan 2023	–277	–	–157	–	–434
Amortisation for the year	–31	–	–	–	–31
Impairment for the year	–	–	0	–	0
Disposals	11	–	–	–	11
Exchange differences for the year	–1	–	–1	–	–2
<b>Closing balance, 31 Dec 2023</b>	<b>–298</b>	<b>–</b>	<b>–158</b>	<b>–</b>	<b>–456</b>
<b>Carrying amounts</b>					
1 Jan 2023	100	104	386	6	596
31 Dec 2023	81	101	392	5	579

Other technology and contract-based assets are mainly related to IT-based ERP systems. All intangible assets, apart from goodwill and trademarks, are amortised.

	Other technology/ contract-based assets	Trademarks	Goodwill	Current investments	Total
<b>Accumulated cost</b>					
Opening balance, 1 Jan 2024	379	101	550	5	1,035
Internal development	2	–	–	–	2
Disposals	0	–	–	–	0
Reclassification	2	–	–	–2	0
Exchange differences for the year	16	9	44	–1	68
<b>Closing balance, 31 Dec 2024</b>	<b>399</b>	<b>110</b>	<b>594</b>	<b>2</b>	<b>1,105</b>
<b>Accumulated amortisation and impairment</b>					
Opening balance, 1 Jan 2024	–298	–	–158	–	–456
Amortisation for the year	–36	–	–	–	–36
Exchange differences for the year	–14	–	–11	–	–25
<b>Closing balance, 31 Dec 2024</b>	<b>–348</b>	<b>–</b>	<b>–169</b>	<b>–</b>	<b>–517</b>
<b>Carrying amounts</b>					
1 Jan 2024	81	101	392	5	579
31 Dec 2024	51	110	425	2	588



**Amortisation is reported on the following lines in the income statement**

	2024	2023
Cost of sales	-1	-1
Selling costs	0	-1
Administrative expenses	-35	-29
Research and development expenses	0	0
	<b>-36</b>	<b>-31</b>

**Impairment testing for assets with an indefinite useful life**  
**Goodwill**

Consolidated goodwill consists of the strategic business value arising from the acquisition of businesses and assets. The carrying amount is exclusively attributable to Colart.

The recoverable amount of the cash-generating unit is based on its value in use. A post-tax discount rate of 8.3 (9.1) per cent has been used to calculate the value in use. The lower discount rate is due to a lower market risk premium. The assumptions used for the discount rate are based on current market data and external public statistical surveys. The estimates used for the value-in-use calculation are based on management's cash flow projections for a period of five years. Cash flows for the subsequent years are extrapolated using an assumed annual rate of 2 per cent. The growth is based on a combination of historical growth, expected market development and optimisation of sales channels. The operating margin is expected to increase as a result of economies of scale from higher volumes. The assumptions are consistent with historical experience and external information sources.

The recoverable amount exceeds the carrying amount by 14 (6) percent, which is a margin that means that reasonably possible changes in key assumptions could result in the recoverable amount being lower than the carrying amount.

**Trademarks**

Trademarks classified as having an indefinite useful life are attributable to acquisitions within Colart. The assessment that the trademarks have an indefinite useful life is based on their strong establishment and the Group's intention to retain and further develop them. The trademarks are considered to have material economic significance as they signal quality, tradition and innovation. It is therefore considered that these trademarks affect pricing and competitiveness of the products.

The assessment is that cash flows attributable to trademarks cannot be distinguished from other cash flows. Impairment testing for both goodwill and trademarks is therefore conducted jointly by calculating the recoverable amount for the cash-generating units to which goodwill and trademarks are allocated.

**PARENT COMPANY**

	Intangible assets acquired	
	Other technology/ contract-based assets	Total
<b>Accumulated cost</b>		
Opening balance, 1 Jan 2023	4	4
Closing balance, 31 Dec 2023	4	4
<b>Accumulated amortisation and impairment</b>		
Opening balance, 1 Jan 2023	-4	-4
Closing balance, 31 Dec 2023	-4	-4
<b>Carrying amounts</b>		
1 Jan 2023	0	0
31 Dec 2023	0	0
<b>Accumulated cost</b>		
Opening balance, 1 Jan 2024	4	4
Closing balance, 31 Dec 2024	4	4
<b>Accumulated amortisation and impairment</b>		
Opening balance, 1 Jan 2024	-4	-4
Closing balance, 31 Dec 2024	-4	-4
<b>Carrying amounts</b>		
1 Jan 2024	0	0
31 Dec 2024	0	0



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## Note 12 Property, plant and equipment

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#### Reconciliation of opening and closing balances

	Land and buildings	Plant and machinery	Equipment, fixtures and fittings	Construction in progress	Total
<b>Accumulated cost</b>					
Opening balance, 1 Jan 2023	1,983	1,714	537	95	4,329
Other investments	41	80	24	70	215
Disposals	-6	-55	-33	0	-94
Reclassifications	12	66	-11	-68	-1
Exchange differences for the year	-18	-14	-14	-3	-49
<b>Closing balance, 31 Dec 2023</b>	<b>2,012</b>	<b>1,791</b>	<b>503</b>	<b>94</b>	<b>4,400</b>
<b>Accumulated depreciation and impairment</b>					
Opening balance, 1 Jan 2023	-1,118	-1,315	-369	-	-2,802
Disposals	6	52	32	-	90
Reversal of impairment for the year	10	-	-	-	10
Impairment for the year	-	-1	-	-	-1
Depreciation for the year	-69	-86	-36	-	-191
Lease purchase option execution	2	-23	21	-	0
Exchange differences for the year	12	12	9	-	33
<b>Closing balance, 31 Dec 2023</b>	<b>-1,157</b>	<b>-1,361</b>	<b>-343</b>	<b>0</b>	<b>-2,861</b>
<b>Carrying amounts</b>					
1 Jan 2023	865	399	168	95	1,527
31 Dec 2023	855	430	160	94	1,539

#### Depreciation is reported on the following lines in the income statement

	2024	2023
Cost of sales	-163	-166
Selling costs	-4	-4
Administrative expenses	-20	-20
Research and development expenses	-2	-1
Other	0	0
	<b>-189</b>	<b>-191</b>

	Land and buildings	Plant and machinery	Equipment, fixtures and fittings	Construction in progress	Total
<b>Accumulated cost</b>					
Opening balance, 1 Jan 2024	2,012	1,791	503	94	4,400
Other investments	58	65	27	172	322
Disposals	-17	-98	-13	0	-128
Reclassifications	42	35	15	-92	0
Exchange differences for the year	67	75	22	6	170
<b>Closing balance, 31 Dec 2024</b>	<b>2,162</b>	<b>1,868</b>	<b>554</b>	<b>180</b>	<b>4,764</b>
<b>Accumulated depreciation and impairment</b>					
Opening balance, 1 Jan 2024	-1,157	-1,361	-343	-	-2,861
Disposals	16	94	13	-	123
Reversal of impairment for the year	10	-	-	-	10
Depreciation for the year	-66	-89	-34	-	-189
Exchange differences for the year	-35	-52	-16	-	-103
<b>Closing balance, 31 Dec 2024</b>	<b>-1,232</b>	<b>-1,408</b>	<b>-380</b>	<b>-</b>	<b>-3,020</b>
<b>Carrying amounts</b>					
1 Jan 2024	855	430	160	94	1,539
31 Dec 2024	930	460	174	180	1,744

#### Impairment is reported on the following lines in the income statement

	2024	2023
Cost of sales (impairment reversal)	10	10
Cost of sales	0	-1
	<b>10</b>	<b>9</b>



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**Reconciliation of opening and closing balances**

	Land and buildings	Equipment, fixtures & fittings	Construction in progress	Total
<b>Accumulated cost</b>				
Opening balance, 1 Jan 2023	165	27	–	192
Investments for the year	–	2	1	3
<b>Closing balance, 31 Dec 2023</b>	<b>165</b>	<b>29</b>	<b>1</b>	<b>195</b>
<b>Accumulated depreciation</b>				
Opening balance, 1 Jan 2023	–39	–14	0	–53
Depreciation for the year	–4	–	–	–4
<b>Closing balance, 31 Dec 2023</b>	<b>–43</b>	<b>–14</b>	<b>0</b>	<b>–57</b>
<b>Carrying amounts</b>				
1 Jan 2023	126	13	0	139
31 Dec 2023	122	15	1	138

	Land and buildings	Equipment, fixtures & fittings	Construction in progress	Total
<b>Accumulated cost</b>				
Opening balance, 1 Jan 2024	165	29	1	195
Investments for the year	0	1	0	1
<b>Closing balance, 31 Dec 2024</b>	<b>165</b>	<b>30</b>	<b>1</b>	<b>196</b>
<b>Accumulated depreciation</b>				
Opening balance, 1 Jan 2024	–43	–14	–	–57
Depreciation for the year	–4	–1	–	–5
<b>Closing balance, 31 Dec 2024</b>	<b>–47</b>	<b>–15</b>	<b>–</b>	<b>–62</b>
<b>Carrying amounts</b>				
1 Jan 2024	122	15	1	138
31 Jan 2024	118	15	1	134

**Note 13** Investment property

**GROUP**

Investment properties are recognised using the fair value method. Realised and unrealised fair value changes are recognised in other operating income.

**Leases**

Investment properties consist of a number of rental properties leased to external tenants. Leases are normally established with an initial rental period of three to five years. Prior to expiry of the lease term, rent levels and other contractual terms are renegotiated with the tenant, unless the lease has been terminated.

**Fair value measurement**

The fair value of investment properties is based on market valuations. Every three years, these valuations are carried out by independent external valuers with relevant professional qualifications and experience in this area and in the category of properties being valued. In the other years, an internal assessment of the market value is made. Market value refers to the most probable price in the case of a normal sale on the open market.

**Valuation techniques**

The market value assessment is conducted using a combination of two methods – the location method and the return method. An overall assessment of the market value is made based on the results of these two methods.

**The location method**

With the location method, the valuation object is compared to properties with similar characteristics that have been sold. Changes in value between the acquisition date and the valuation date are taken into account. The purchase prices are compared directly and standardised in relation to one or more value-bearing characteristics.

**The return method**

With the return method, the cash flows and the residual value that the property holding is expected to generate are calculated at the present value using a discount rate based on the return that may be derived from the location method. The actual value factors that are available, such as rents, operating and maintenance costs, are used to the extent that they can be

considered to reflect market level. When actual data on the valuation object's cash flows is not available or does not reflect the market's expectations, the estimate is based instead on the values that would be considered normal for the relevant valuation object with regard to the current market situation and market projections.

The return method is based on a present value calculation of future actual cash flows in the form of net operating income, which is gradually adjusted to market conditions over ten years and the present value of the estimated residual value at the end of year ten.

**Fair value hierarchy and observable inputs**

The fair value measurement of investment property has been categorised as level 3 in the fair value hierarchy, as unobservable inputs used in the valuation have a significant impact on the assessed value.



**Reconciliation of opening and closing balances**

	Sweden	UK	Total
	Office, restaurant, exhibition	Office, warehouse, production	
<b>2023</b>			
Fair value at beginning of year	57	30	87
Changes in fair value through profit or loss, realised	-5	5	0
Exchange differences	-	0	0
<b>Fair value at end of year</b>	<b>52</b>	<b>35</b>	<b>87</b>
<b>2024</b>			
Fair value at beginning of year	52	35	87
Changes in fair value through profit or loss, unrealised	1	0	1
Exchange differences	-	3	3
<b>Fair value at end of year</b>	<b>53</b>	<b>38</b>	<b>91</b>

**Effects on profit/loss for the period other than changes in value**

	2024	2023
Rental income	5	4
Direct expenses* for investment property generating rental income	-3	-3
	2	1

\* Operating & maintenance costs and property tax.

**PARENT COMPANY**

Investment property is accounted for using the cost method.

**Reconciliation of opening and closing balances**

	2024	2023
<b>Accumulated cost</b>		
At beginning of year	56	56
<b>Closing balance, 31 December</b>	<b>56</b>	<b>56</b>
<b>Accumulated depreciation</b>		
At beginning of year	-16	-16
Scheduled depreciation for the year	-3	-
<b>Closing balance, 31 December</b>	<b>-19</b>	<b>-16</b>
<b>Carrying amount at end of year</b>	<b>37</b>	<b>40</b>

**Fair value of investment property**

	2024	2023
At beginning of year	52	57
Change in fair value for the year	1	-5
<b>At end of year</b>	<b>53</b>	<b>52</b>

**The effect of investment property on profit/loss for the period**

	2024	2023
Rental income	2	1
Direct expenses* for investment property generating rental income during the period	-3	-3
	-1	-2

\* Operating & maintenance costs and property tax.

**Note 14** Investments in joint ventures

**Joint ventures**

The Group has a holding (50 per cent) in Höganäs Holding AB, Sweden, which is the world's leading manufacturer of iron and metal powders, and a holding (50 per cent) in Bonny Colart Company Ltd, Japan, which sells artists' materials in Japan.

**Associates**

In 2024, Lindéngruppen acquired 43.4 per cent of the shares in the food tech company cReal Food AB, Sweden, thereby becoming the largest shareholder. cReal is a business-to-business provider of nutritious and sustainable oat-based food ingredients. Operations are conducted in Höganäs and Bjuv.

**GROUP**

**Investments in joint ventures and associated companies**

	2024	2023
<b>Höganäs</b>		
Carrying amount at beginning of year	4,949	4,885
Share of joint venture's profit/loss after tax	316	188
Share of OCI of joint venture	96	-124
Dividend	-50	-
	5,311	4,949
<b>cReal Food</b>		
Carrying amount at beginning of year	-	-
Investment	248	-
Share of joint venture's profit/loss after tax	-5	-
	243	-
<b>Bonny Colart</b>		
Carrying amount at beginning of year	0	0
Share of joint venture's profit/loss after tax	-1	0
	-1	0
<b>Total</b>		
Carrying amount at beginning of year	4,949	4,885
Investment	248	-
Share of joint ventures' profit/loss after tax	310	188
Share of OCI of joint ventures	96	-124
Dividend	-50	-
	5,553	4,949



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The following is summarised financial information for Höganäs Holding Group and cReal Food. Bonny Colart is not material to the Group.

**Income statement, condensed**

	Höganäs		cReal Food	
	2024	2023	2024	2023
Net sales	11,826	12,334	–	–
Operating profit/loss*	1,059	716	–8	–
Interest income	25	99	1	–
Interest expenses	–140	–237	0	–
Other financial items	–18	12	0	–
Tax	–293	–213	–	–
Profit/loss for the year	633	377	–7	–
Other comprehensive income	191	–248	–	–
<b>Comprehensive income for the year</b>	<b>824</b>	<b>129</b>	<b>–7</b>	<b>–</b>
* of which depreciation and amortisation	–555	–683	–2	–

**Balance sheet, condensed**

	Höganäs		cReal Food	
	2024	2023	2024	2023
Goodwill	6,222	6,198	0	–
Other intangible assets	1,472	1,465	201	–
Property, plant and equipment	4,139	3,882	212	–
Financial assets	514	484	6	–
Other current assets	5,554	5,368	3	–
Cash and bank balances	987	600	122	–
<b>Total assets</b>	<b>18,888</b>	<b>17,997</b>	<b>544</b>	<b>–</b>
Non-current interest-bearing liabilities	2,653	2,774	22	–
Provisions for pensions	305	314	0	–
Other non-current provisions	46	52	41	–
Other non-current liabilities	1,414	947	4	–
Current interest-bearing liabilities	177	179	0	–
Accounts payable	1,081	1,121	14	–
Current provisions	35	2	0	–
<b>Other current liabilities</b>	<b>780</b>	<b>935</b>	<b>22</b>	<b>–</b>
<b>Total liabilities</b>	<b>6,491</b>	<b>6,324</b>	<b>103</b>	<b>–</b>
<b>Net Assets (100%)</b>	<b>12,397</b>	<b>11,673</b>	<b>441</b>	<b>–</b>

**Balance sheet, condensed**

	Höganäs		cReal Food	
	2024	2023	2024	2023
Percentage of ownership	50.0%	50.0%	43.4%	–
Group's share of net assets	6,198	5,836	191	–
Internal profit sale of shares	–887	–887	–	–
Goodwill	–	–	52	–
<b>Investments in associates and joint ventures</b>	<b>5,311</b>	<b>4,949</b>	<b>243</b>	<b>–</b>

**Note 15** Parent Company's investments in associates and jointly controlled entities

**Specification of Parent Company's direct holdings of shares in associated companies and joint ventures**

Company	Reg. no.	Registered	2024			2023		
			Number of shares	Share of votes and capital	Carrying amount	Number of shares	Share of votes and capital	Carrying amount
<b>Joint venture</b>								
Höganäs Holding AB	556915-6655	Höganäs	10,000,000	50.0%	3,484	10,000,000	50.0%	3,484
<b>Associated company</b>								
cReal Food AB	556837-1206	Höganäs	53,667	43.4%	248	–	–	–
					<b>3,732</b>			<b>3,484</b>

**Reconciliation of opening and closing balances**

	2024	2023
Accumulated cost		
At beginning of year	3,484	3,484
Purchases	248	–
<b>At end of year</b>	<b>3,732</b>	<b>3,484</b>
<b>Carrying amount at end of year</b>	<b>3,732</b>	<b>3,484</b>



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**Note 16** Financial investments

GROUP		
	2024	2023
<i>Measured at fair value through profit or loss:</i>		
Share in unlisted UCITS fund	23	22
Shares and participating interests	1	1
	<b>24</b>	<b>23</b>

**Note 17** Interests in other companies

**PARENT COMPANY**

Interests in other companies relate to unlisted shares.

Reconciliation of opening and closing balances		
	2024	2023
At beginning of year	21	23
Purchases	–	1
Disposals	–	–3
Dividends received	–	–1
Changes in value	1	1
<b>Closing balance, 31 December</b>	<b>22</b>	<b>21</b>

**Note 18** Non-current and current receivables

GROUP		
Non-current receivables that are non-current assets		
	2024	2023
Endowment insurance	6	7
Deposits	14	9
Other receivables	12	11
	<b>32</b>	<b>27</b>

Other receivables that are current assets		
	2024	2023
VAT receivables	130	111
Other taxes (not VAT and income tax)	21	21
Advances from suppliers	9	11
Tax accounts	7	4
Interest-bearing receivables	1	0
Derivatives held for financial hedging	–	5
Insurance receivables	0	0
Other receivables	19	16
	<b>187</b>	<b>168</b>

**PARENT COMPANY**

Non-current receivables that are non-current assets		
	2024	2023
Endowment insurance	6	6
Other receivables	4	4
	<b>10</b>	<b>10</b>

Reconciliation of opening and closing balances of non-current receivables		
	2024	2023
<i>Accumulated cost</i>		
At beginning of year	10	11
Settled	–1	–1
<b>Closing balance, 31 December</b>	<b>9</b>	<b>10</b>
<i>Accumulated revaluations</i>		
At beginning of year	1	1
Revaluations for the year	0	0
<b>Closing balance, 31 December</b>	<b>1</b>	<b>1</b>
<i>Accumulated impairment</i>		
At beginning of year	–1	–1
Impairment for the year	1	0
<b>Closing balance, 31 December</b>	<b>0</b>	<b>–1</b>
<b>Carrying amount at end of year</b>	<b>10</b>	<b>10</b>

**Note 19** Inventories

GROUP		
Inventories by category		
	2024	2023
Raw materials and consumables	618	538
Products in progress	355	336
Finished goods and merchandise	662	618
	<b>1,635</b>	<b>1,492</b>

Impairment of inventories		
	2024	2023
Opening balance	206	251
Reversal of previous impairment utilised during the year	–25	–57
Write-off of previously recognised impairment not utilised	–48	–61
Impairment for the year	62	76
Exchange differences for the year	11	–3
<b>Closing balance</b>	<b>206</b>	<b>206</b>

Impairment for the year and write-offs of previously recognised impairment not utilised are reported in the income statement under Cost of sales.



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**Note 20** Trade receivables

**GROUP**

The Group's credit risk exposure is mainly affected by each customer's individual characteristics, but also by sector-related and country-specific factors. Information on the concentration of revenue is shown in note 2 Distribution of net sales. The Group has established a credit policy with overall guidelines on how credit to customers is granted and monitored. Each new customer credit arrangement is assessed and approved according to the authorisation rules. All customers have a fixed credit limit which is evaluated annually or when special events occur. There are established routines for regular monitoring of credit risk, collection procedures and invoicing of default interest. The aim of the credit policy is to optimise tied-up capital, credit risk and revenue.

The Group's credit exposure varies from Group company to Group company. Beckers has sales to a smaller number of customers than Colart and Alex Begg, but its average sales per customer is considerably higher. Colart and Alex Begg have sales to a number of larger customers, but also to a large number of smaller customers. The methods for assessing expected credit losses therefore also differ.

Beckers conducts annual categorisations of customers based on external credit ratings. Based on this credit risk rating and a factor related to loss given default, a percentage is calculated that reflects the expected credit loss on trade receivables for which no specific allowance has been made. Colart and Alex Begg apply a loss provision matrix to calculate expected losses on trade receivables. The expected credit losses on trade receivables are estimated on the basis of historical information about previous credit losses, current circumstances and forecasts of future financial conditions, and the time value of the money if applicable. If specific events have occurred or other internal or external information is known, a specific assessment of credit losses is made.

**Trade receivables and allowance for expected losses**

	2024				2023			
	Beckers	Colart	Other	Total	Beckers	Colart	Other	Total
<b>Colart and Other:</b>								
Not overdue	–	333	47	380	–	304	28	332
Past due 1–30 days	–	23	4	27	–	10	9	19
Past due 31–90 days	–	3	1	4	–	4	7	11
Past due >90 days	–	12	9	21	–	6	12	18
		371	61	432	–	324	56	380
Loss allowances	–	–13	–1	–14	–	–5	–1	–6
<b>Carrying amount</b>	<b>–</b>	<b>358</b>	<b>60</b>	<b>418</b>	<b>–</b>	<b>319</b>	<b>55</b>	<b>374</b>
<b>Beckers:</b>								
Trade receivables, gross	1,399	–	–	1,399	1,440	–	–	1,440
General loss allowance as below	–18	–	–	–18	–14	–	–	–14
Specific reserves	–63	–	–	–63	–51	–	–	–51
<b>Carrying amount</b>	<b>1,318</b>	<b>–</b>	<b>–</b>	<b>1,318</b>	<b>1,375</b>	<b>–</b>	<b>–</b>	<b>1,375</b>
<i>Trade receivables, gross</i>	1,399	–	–	–	1,440	–	–	–
<i>Secured by bank guarantee, insurance or similar</i>	–79	–	–	–	–123	–	–	–
<i>Specific risk</i>	–63	–	–	–	–51	–	–	–
<i>Exposed to risk</i>	1,257	–	–	–	1,266	–	–	–
<i>Percentage for calculation of general loss allowance based on credit rating</i>	–1.4%	–	–	–	–1.1%	–	–	–
<i>General loss allowance</i>	–18	–	–	–	–14	–	–	–
<b>Total:</b>								
Trade receivables	1,399	371	61	1,831	1,440	324	56	1,820
Loss allowances	–81	–13	–1	–95	–65	–5	–1	–71
<b>Carrying amount</b>	<b>1,318</b>	<b>358</b>	<b>60</b>	<b>1,736</b>	<b>1,375</b>	<b>319</b>	<b>55</b>	<b>1,749</b>



**Note 21** Prepayments and accrued income

GROUP		
	2024	2023
Prepaid merchandiser costs	29	27
Prepaid insurance premiums	29	24
Prepaid IT costs	18	17
Other prepayments	22	24
Accrued income	4	9
	<b>102</b>	<b>101</b>

**Note 22** Cash & cash equivalents

GROUP		
	2024	2023
Cash and bank balances	393	628
	<b>393</b>	<b>628</b>

**Note 23** Equity

GROUP		
Specification of the equity item 'reserves'		
	2024	2023
<b>Translation reserve</b>		
Opening balance	610	777
Translation differences for the year	89	-58
Proportion of net change in reserves for associates and joint ventures	61	-109
<b>Closing balance</b>	<b>760</b>	<b>610</b>

**Reserves**

**Translation reserve**

The translation reserve comprises all exchange differences arising from translation of the financial statements of foreign operations and the effective portion of exchange differences arising from the remeasurement of liabilities designated as hedging instruments of a net investment in a foreign operation.

**Retained earnings including profit for the year**

Retained earnings including profit/loss for the year includes accumulated net profits of the Parent Company and its subsidiaries. Previous transfers to the statutory reserve, apart from transferred share premium reserves, are included in this equity item.

**Capital management**

The Group strives to maintain a strong financial position, thereby helping to retain the confidence of lenders and other stakeholders, and providing a basis for the continued development of business operations. The Group defines managed capital as total recognised equity.

**PARENT COMPANY**

Number of shares		
	2024	2023
Issued number of shares, 1 January	250,000	250,000
Issued number of shares, 31 December	250,000	250,000

**Share capital by class**

Class	Votes at AGM	Par value	2024	2023
A shares	10 votes per share	100 kr	2	2
B shares	1 vote per share	100 kr	23	23
			<b>25</b>	<b>25</b>

Holders of ordinary shares are entitled to a dividend that is determined retrospectively and the shareholding entitles the holder to voting rights at the AGM as described above. All shares are fully paid-up.

**Restricted reserves**

Restricted reserves may not be reduced by distribution of dividends.

**Revaluation reserve**

If the value of a tangible or financial asset is written up, the revaluation amount is transferred to a revaluation reserve.

**Statutory reserve**

The purpose of the statutory reserve is to save a proportion of the net profit, rather than using it to cover losses carried forward. The reserve also includes amounts transferred to the share premium reserve before 1 January 2006.

**Unrestricted equity**

Retained earnings and net income together constitute unrestricted equity, i.e. the amount that is available for distribution to shareholders.

**Retained earnings**

Retained earnings comprise the previous year's retained earnings and profit/loss less dividend distributions during the year.

Dividend		
	2024	2023
<b>Proposed dividend at AGM the following year</b>		
Total (SEK million)	-	100
Per share (SEK)	-	400
<b>Dividend recognised in the financial year</b>		
Total (SEK million)	100	50
Per share (SEK)	400	200



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## Note 24 Interest-bearing liabilities

### GROUP

In early 2023, the Group entered into a financing agreement which includes a credit facility in EUR, GBP, SEK and USD corresponding to EUR 180 million when the agreement was signed. The facility has a maturity of three years with an option to extend for 1+1 year. As of the reporting date, it has been extended by one year, i.e. to 2027. After the reporting date, it was extended one last time until 2028. The credit facility is conditional on a financial covenant based on the ratio between net debt and EBITDA. Both net debt and EBITDA are adjusted for lease effects. The Group fulfils this covenant by a good margin. There are also a number of other smaller loans in the Group with different maturities.

Available credit facilities amounted to SEK 2,606 (2,490) million at the reporting date, SEK 1,045 (1,003) million of which had been utilised.

See notes 29 and 30 regarding lease liabilities. See note 32 for pledged assets.

#### Non-current liabilities

	2024	2023
Loans	937	882
Overdraft facilities	23	26
	<b>960</b>	<b>908</b>

#### Current liabilities

	2024	2023
Loans	71	84
Overdraft facilities	14	11
	<b>85</b>	<b>95</b>

#### Interest-bearing liabilities

	Currency	Nom. interest	2024		2023			
			Maturity	Nominal value in local currency	Carrying amount	Maturity	Nominal value in local currency	Carrying amount
Loan	USD	Variable	2027	39	428	2026	39	391
Loan	EUR	Variable	2027	36	411	2026	36	396
Loan	GBP	Variable	2027	4	49	2026	4	45
Loan	SEK	Variable	2027	45	45	2026	45	45
Loans, other	–	Variable	2025	–	67	2024	–	87
Loans, other	–	Fixed	2025-2028	–	8	2027	–	2
Overdraft facility	–	Variable	2025-2027	–	35	2024-2025	–	37
Overdraft facility	–	Fixed	2025	–	2	2023	–	–
					<b>1,045</b>			<b>1,003</b>



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## Note 25 Pensions

### GROUP

#### Defined-benefit pension plans

The Group has defined-benefit plans in Sweden, the UK, France, Germany, Italy, the US and India. The majority relate to the pension obligation in Sweden and the UK. In Sweden, there is a PRI liability where pension benefits are earned, while no further benefits are earned in the UK. In 2013, the pension plan in the UK and Colart International Holdings Ltd made a joint investment in a Pension Funding Partnership (PFP) in the form of a Scottish Limited Partnership (SLP). The SLP used the investment to acquire the Winsor & Newton trademark from Colart. The SLP licenses the right to use the trademark to Colart on payment of a royalty based on the trademark's sales. The SLP pays interest to the pension plan annually up to and including 2033. If there is a deficit in the pension plan in 2033, this will be paid by the SLP (max. GBP 25 million).

#### Virgin Media case

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit pension plans were invalid if they were not accompanied by the correct actuarial confirmation. Whilst the Court of Appeal upheld this ruling in July 2024, there remains material uncertainty in relation to the legal position itself and, in particular, the application of the ruling. The Group has discussed the ruling with the Trustees and its potential implications for the UK Pension Fund.

The Trustees have considered this matter with their legal adviser. Whilst the Trustees have not conducted any detailed investigations at this point, we note their position that there is also the possibility of Government intervention through legislation/clarification. The Trustees are monitoring developments as further government guidance and/or case law emerges and the Group will maintain a dialogue on this matter.

Net obligation		
	2024	2023
Present value of unfunded obligation	225	188
Present value of fully or partly funded obligation	1,689	1,711
<b>Total present value of defined-benefit obligation</b>	<b>1,914</b>	<b>1,899</b>
Fair value of plan assets	-1,760	-1,786
<b>Present value of net obligation</b>	<b>154</b>	<b>113</b>
<i>The net amount is reported in the following balance sheet items</i>		
Provisions for pensions	154	113
	<b>154</b>	<b>113</b>
<b>Changes in the present value of the defined-benefit obligation</b>		
	2024	2023
Defined-benefit obligation, 1 January	1,899	1,922
Current service cost	7	7
Past service cost	0	-1
Interest expense	92	94
Actuarial gains and losses on changed demographic assumptions	1	-36
Actuarial gains and losses on changed financial assumptions	-91	12
Experience adjustments	-12	12
Benefits paid	-121	-135
Exchange differences	139	24
<b>Defined-benefit obligation, 31 December</b>	<b>1,914</b>	<b>1,899</b>
<b>Changes in fair value of plan assets</b>		
	2024	2023
Fair value of plan assets, 1 January	1,786	1,837
Interest income recognised in income statement	88	93
Employer contributions	24	26
Return on plan assets, excluding interest income	-177	-75
Benefits paid	-108	-123
Exchange differences	147	28
<b>Fair value of plan assets, 31 December</b>	<b>1,760</b>	<b>1,786</b>

Distribution of plan assets				
	2024		2023	
Debt-matching assets	751	44%	776	43%
Hedge funds	285	16%	548	31%
Interest-bearing securities	237	13%	54	3%
Insurance policies	210	12%	215	12%
Equity instruments	77	4%	58	3%
Cash and cash equivalents	61	3%	22	1%
Non-cash assets	39	2%	95	6%
Other assets	100	6%	18	1%
	<b>1,760</b>	<b>100%</b>	<b>1,786</b>	<b>100%</b>

Cost recognised in income statement		
	2024	2023
Current service cost	7	7
Past service cost	0	-1
Interest expense on obligation	92	94
Interest income on plan assets	-88	-93
	<b>11</b>	<b>7</b>
<i>Costs are reported on the following lines in the income statement:</i>		
Cost of sales	2	2
Selling costs	1	0
Administrative expenses	3	3
Research and development	1	1
Finance income (-)	-6	-8
Finance costs	10	9
	<b>11</b>	<b>7</b>
Actual return on plan assets	-89	18



Net cost recognised in OCI		
	2024	2023
<b>Revaluations</b>		
Actuarial gains (-) and losses (+)	-102	-12
Difference between actual return and return at the discount rate for plan assets	177	75
Payroll tax	8	-1
	<b>83</b>	<b>62</b>

Assumptions for significant defined-benefit plans				
	2024		2023	
	Sweden	UK	Sweden	UK
Discount rate, 31 December	3.0%	5.6%	4.3%	4.8%
Future salary increases	2.3%	3.4%	2.2%	3.4%
Future increase in pensions	1.8%	2.8%	1.7%	2.7%
<b>Life expectancy at age 65 – retired members</b>				
Male	22	21	22	21
Female	24	24	24	23

Life expectancy assumptions are based on published statistics and mortality.

Sensitivity analysis					
	Change	2024			
		Sweden		UK	
		Increase	Reduction	Increase	Reduction
Discount rate	0.5%	-12	14	-87	80
Future salary increases	0.5%	2	-1	-	-
Future increase in pensions	0.5%	12	-11	60	-58
Life expectancy	1 year	7	-7	60	-57

The table above presents possible changes in actuarial assumptions at the reporting date, with other assumptions unchanged, and how these would affect the defined-benefit obligation.

**Defined-contribution pension plans**

The Group has defined-contribution pension plans for employees in Sweden, which are fully paid for by the companies. Defined-contribution plans in other countries are partly paid for by the subsidiaries and partly covered by contributions from employees.

Costs of defined-contribution plans		
	2024	2023
Pension costs, defined-contribution plans	60	52

**PARENT COMPANY**

The Parent Company has defined-contribution pension plans, which are fully paid for by the Company.

Costs of defined-contribution plans		
	2024	2023
Pension costs, defined-contribution plans	9	7

**Note 26 Provisions**

**GROUP**

Provisions that are non-current liabilities		
	2024	2023
Personnel-related	43	37
Environment	50	50
Warranties and claims	7	8
Restructuring	0	1
Other	14	10
	<b>114</b>	<b>106</b>

Provisions that are current liabilities		
	2024	2023
Warranties and claims	103	108
Environment	27	26
Personnel-related	9	9
Restructuring	1	9
Other	14	11
	<b>154</b>	<b>163</b>

**Reconciliation of opening and closing amounts**

	2024	2023
<b>Warranties and claims</b>		
Carrying amount at start of period	116	116
Provisions recognised during the period	14	26
Amounts utilised during the period	-11	-12
Unused amounts reversed during the period	-15	-12
Exchange differences for the year	6	-2
	<b>110</b>	<b>116</b>

<b>Environment</b>		
	2024	2023
Carrying amount at start of period	76	83
Provisions recognised during the period	-	2
Amounts utilised during the period	0	0
Unused amounts reversed during the period	-	-9
Exchange differences for the year	1	0
	<b>77</b>	<b>76</b>

<b>Personnel-related</b>		
	2024	2023
Carrying amount at start of period	46	53
Provisions recognised during the period	18	11
Amounts utilised during the period	-12	-9
Unused amounts reversed during the period	-1	-8
Exchange differences for the year	1	-1
	<b>52</b>	<b>46</b>

<b>Restructuring</b>		
	2024	2023
Carrying amount at start of period	10	29
Provisions recognised during the period	1	6
Amounts utilised during the period	-6	-24
Unused amounts reversed during the period	-4	-1
Exchange differences for the year	0	0
	<b>1</b>	<b>10</b>

<b>Other</b>		
	2024	2023
Carrying amount at start of period	21	22
Provisions recognised during the period	11	2
Amounts utilised during the period	-2	-1
Unused amounts reversed during the period	-3	-1
Exchange differences for the year	1	-1
	<b>28</b>	<b>21</b>

<b>Total</b>		
	2024	2023
Carrying amount at start of period	269	303
Provisions recognised during the period	44	47
Amounts utilised during the period	-31	-46
Unused amounts reversed during the period	-23	-31
Exchange differences for the year	9	-4
	<b>268</b>	<b>269</b>



**PARENT COMPANY**

Other provisions	2024	2023
Personnel-related	16	17
	<b>16</b>	<b>17</b>

**Note 27** Other liabilities

**GROUP**

Other non-current liabilities	2024	2023
Government grant obligation	18	20
Other liabilities	11	9
	<b>29</b>	<b>29</b>

**Other current liabilities**

	2024	2023
VAT liabilities	82	67
Personnel-related liabilities	105	95
Tax, not income tax	37	34
Derivatives held for financial hedging	0	2
Other liabilities	7	4
	<b>231</b>	<b>202</b>

**PARENT COMPANY**

Other current liabilities	2024	2023
VAT liabilities	0	4
Other liabilities	3	2
	<b>3</b>	<b>6</b>

**Note 28** Accruals and deferred income

**GROUP**

	2024	2023
Accrued personnel expenses	290	272
Accrued bonuses and customer discounts	116	98
Accrued holiday pay	85	79
Goods and services received, not invoiced	78	85
Accrued audit, consulting fees etc.	37	32
Accrued pension premiums	19	28
Accrued interest expenses	4	6
Other accruals	88	93
Deferred income	10	9
	<b>727</b>	<b>702</b>

**PARENT COMPANY**

	2024	2023
Accrued personnel expenses	56	54
Accrued holiday pay	5	4
Accrued pension premiums incl. payroll tax	2	1
Other accruals	9	7
	<b>72</b>	<b>66</b>

**Note 29** Financial risk management and financial instruments

**Financial policy and financial risk management**

The financial policy and instructions for financial risk management have been produced by the Group's finance function at Lindéngruppen AB. The financial policy is part of The Lindéngruppen Way, a comprehensive document that clarifies the division of responsibility and working methods in the Group. Based on The Lindéngruppen Way, the Group companies have in turn developed their own policies for financial risk management. Policies for the Group companies are more detailed and customised to their specific business conditions.

The Group's financial risks are mainly managed by the Group companies and their subsidiaries. However, financing is, as far as possible, received through AB Wilh. Becker, in order to obtain the best possible terms. Cash management, netting of internal group payments and currency trading are decentralised to the Group companies as they are best placed to optimise liquidity management.

The Board has identified the following risks as the most significant for the Group:

- Liquidity and funding risk
- Interest-rate risk
- Currency risk
- Credit risk

**Liquidity and funding risk**

Liquidity and funding risk is that the Group will not have access to the funding to discharge its contractual obligations, or that such funding can only be arranged at a significantly increased cost. Liquidity risk management involves forecasting the Group's future liquidity needs and ensuring access to long-term credit facilities that are sufficient for the Group's funding needs.

See note 24 for a list of credit facilities and note 32 for pledged assets.

The following table shows the maturity structure of the Group's financial liabilities, including derivative liabilities. The due date for the principal amount and interest payment is shown for each period. Future interest payments for liabilities with variable interest rates are estimated based on the variable spot rate prevailing at the reporting date.



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**Contractual payments of principal and interest**

	2024						2023					
	Total	Jan–Jun	Jul–Dec	2026	2027–2029	After 2029	Total	Jan–Jun	Jul–Dec	2025	2026–2028	After 2028
		2025	2025					2024	2024			
<b>Interest-bearing liabilities</b>												
Non-current interest-bearing loans	940	–	–	–	940	–	884	–	–	1	883	–
Current interest-bearing loans	73	69	4	–	–	–	86	24	62	–	–	–
Non-current lease liabilities (incl. interest)	281	–	–	87	136	58	283	–	–	72	126	85
Current lease liabilities (incl. interest)	102	59	43	–	–	–	74	38	36	–	–	–
Overdraft facilities	37	9	2	26	–	–	37	11	–	26	–	–
	1,433	137	49	113	1,076	58	1,364	73	98	99	1,009	85
<b>Interest (excl. leases)</b>	122	29	27	53	13	–	138	33	31	60	14	–
<b>Non-interest-bearing liabilities</b>												
Trade payables	1,092	1,092	–	–	–	–	1,028	1,028	–	–	–	–
Other current liabilities	0	0	–	–	–	–	2	2	1	–	–	–
Of which currency derivatives	0	0	–	–	–	–	3	2	1	–	–	–
Accrued interest	4	4	–	–	–	–	6	6	–	–	–	–
	1,096	1,096	0	–	–	–	1,036	1,036	1	–	–	–
	2,651	1,262	76	166	1,089	58	2,538	1,142	130	159	1,023	85

**Interest-rate risk**

Interest-rate risk is the risk that a change in market interest rates will have an adverse effect on earnings. 99 (100) percent of the credit facilities utilised as of the reporting date were at variable rates (see note 24). The Group may use interest rate swaps and interest rate caps to manage interest-rate risk. In view of the Group's relatively low level of interest-bearing debt, variable interest-rate risk has not been hedged. A simultaneous increase of 100 basis points for all relevant market interest rates would increase the Group's annual interest expenses by SEK 10 (10) million. The calculation is based on the amount of interest-bearing debt at the reporting date.

Interest rate risk associated with lease liabilities is low as the payments for large leases are not adjusted in the event of changes in interest rates. However, new and remeasured leases are affected by the interest rate implicit in the lease or the incremental borrowing rate.

**Currency risk**

Exposure to currency risk can be divided into transaction exposure and translation exposure.

**Transaction exposure**

Transaction exposure is the risk of an adverse effect on the Group's earnings due to changes in exchange rates that affect the value of a foreign currency commercial transaction relative to the functional currency of the Group entity conducting the transaction. The Group's transaction exposure is primarily managed through price adjustment and then through natural hedges, i.e. matching of inflows and outflows in the same currency. The remaining exposure may be hedged through forward currency contracts if justified from a commercial and administrative perspective. The individual Group companies are responsible for transaction exposure based on the principles set out above.

The Group does not apply hedge accounting for transaction exposure. All changes in the fair value of forward currency contracts are therefore recognised directly in the income statement for the period in which they arise. Net gains (+) and net losses (-) on forward currency contracts during the financial year were SEK -3 (+7) million.

The table below shows currency hedges at the reporting date.

Currency hedges		2024-12-31		2023-12-31	
		Nominal amount, SEK millions	Forward rate	Nominal amount, SEK millions	Forward rate
Currency purchased	Currency sold				
SEK	GBP	258	13.85	306	12.68
GBP	SEK	224	13.83	29	12.74
EUR	SEK	297	11.50	115	11.10
SEK	EUR	48	11.43	142	11.52
USD	SEK	14	11.01	–	–
SEK	USD	–	–	38	10.02
USD	CNY	–	–	5	7.14
		841		635	

**Translation exposure**

The Group has hedged about one-third of the net investments (equity) related to the subsidiaries of Colart that have USD or EUR as their functional currency. This has been done through loans.



Internal loans or receivables not used to hedge net investments are matched with internal or external loans in the same currency or are hedged through forward currency contracts to minimise currency effects on translation to Swedish kronor. On the reporting date, all long-term lending from AB Wilh. Becker to Group companies was hedged through loans or forward cover.

Bank deposits in foreign currency are minimised or matched against payments in the near future or instalments.

**Sensitivity analysis for currency risk**

The Group has exposure to currency risk mainly in the following currencies (relative to SEK): EUR, GBP, USD and CNY. The table below shows the effects on the income statement and equity of an increase of 10 per cent in the value of these currencies against SEK. The sensitivity analysis includes effects of the translation of the balance sheets and income statements of foreign subsidiaries, and gains and losses on financial assets and liabilities in foreign currencies at the reporting date (taking into account currency hedges), but not the effects of the forecast transaction exposure. The sensitivity analysis assumes that all other variables remain unchanged.

Sensitivity analysis for currency risk

Currency	Change SEK	Effect on equity		Effect on earnings	
		2024	2023	2024	2023
GBP	+10%	+79	+30	-9	+6
EUR	+10%	+49	+40	+23	+15
CNY	+10%	+25	+27	-3	-5
USD	+10%	+8	+5	+16	+14

**Credit risk**

**Commercial credit risk**

Commercial credit risk is the risk of losses if any of the Group's customers become insolvent and unable to discharge their commitments. Credit risk is managed locally at each business unit through internal procedures and controls for the evaluation of credit ratings. See also note 20 Trade receivables.

**Financial credit risk**

The Group's exposure to financial credit risk consists primarily of bank deposits. Financial credit risk is the risk of losses if a contractual counterparty of the Group becomes insolvent and an investment and/or unrealised gain therefore cannot be repaid.

According to the Group's financial policy, financial counterparties must have a minimum credit rating of A- (S&P) or the equivalent. 99 (100) percent of bank deposits were with banks that fulfil the policy.

The credit risk in derivatives amounted to SEK 0 (5) million on the reporting date and corresponds to the positive market value of derivatives. For other financial assets, the credit risk is assumed to be equal to the carrying amounts.

For derivative transactions, the Group has entered into an ISDA agreement that allows netting of derivative assets and liabilities in the event of default by any of the parties. The table below shows how the Group's derivative assets would have been netted against derivative liabilities if the conditions for set-off under ISDA agreements had been met by the reporting date.

Net amount after netting under ISDA agreements

	2024-12-31		2023-12-31	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
Amount recognised	0	0	5	2
Netting under ISDA	0	0	0	0
	0	0	5	2

**Fair value of financial assets and liabilities**

As the fixed rate loans represent a marginal part of the loan portfolio and the maturities are short, the difference between fair value and carrying amount is not material. Interest rate changes for loans with variable interest rates do not have any significant effect on the fair value of the liabilities. There has also been no change in credit margins during the period which, according to the Company's assessment, would significantly affect the fair value. All trade receivables and payables are short-term in nature, which means that their carrying amounts are also considered reasonable approximations of their fair value.

The carrying amounts of financial assets and financial liabilities are considered to be reasonable estimates of the fair value of each class of financial assets and financial liabilities.

Carrying amount of financial assets by measurement category

	Financial assets at fair value through profit or loss		Financial assets at amortised cost	
	2024	2023	2024	2023
<b>Financial assets measured at fair value</b>				
Other securities held as non-current assets	24	23	-	-
Other current receivables	-	5	-	-
<i>Of which currency derivatives</i>	-	5	-	-
<b>Financial assets not measured at fair value</b>				
Other non-current receivables	-	-	32	27
Other current receivables	-	-	1	0
Trade receivables	-	-	1,736	1,749
Accrued income	-	-	4	9
Cash and bank balances	-	-	393	628
<b>Total financial assets</b>	<b>24</b>	<b>28</b>	<b>2,166</b>	<b>2,413</b>

Carrying amount of financial liabilities by measurement category

	Financial assets at fair value through profit or loss		Financial assets at amortised cost	
	2024	2023	2024	2023
<b>Financial liabilities measured at fair value</b>				
Other current liabilities	0	2	-	-
<i>Of which currency derivatives</i>	0	2	-	-
<b>Financial liabilities not measured at fair value</b>				
Non-current liabilities to credit institutions	-	-	960	908
Current liabilities to credit institutions	-	-	85	95
Trade payables	-	-	1,092	1,028
Accrued expenses	-	-	4	6
<b>Total financial liabilities</b>	<b>0</b>	<b>2</b>	<b>2,141</b>	<b>2,037</b>

Items measured at fair value consist of units in unlisted UCITS funds and derivative instruments. The fair value of units in UCITS funds is based on the valuation guidelines of Invest Europe.



The table below shows levels in the measurement hierarchy for the items that are measured at fair value in the balance sheet. For derivative instruments, the fair value is based on the counterparty's valuation. The table shows the measurement hierarchy level for the items that are measured at fair value in the statement of financial position.

	Level 2		Level 3	
	2024	2023	2024	2023
Derivative instruments	0	5	–	–
UCITS funds	–	–	23	22
Shares in economic associations	–	–	1	1
	0	5	24	23

	Items in level 3			Total
	Unlisted UCITS funds	Unlisted shares	Shares in economic associations	
Opening balance, 1 Jan 2023	21	2	1	24
Acquisitions	1	–	–	1
Distribution/disposal	–1	–2	–	–3
Change in fair value	1	0	–	1
<b>Closing balance, 31 Dec 2023</b>	<b>22</b>	<b>0</b>	<b>1</b>	<b>23</b>
Opening balance, 1 Jan 2024	22	–	1	23
Change in fair value	1	–	–	1
<b>Closing balance, 31 Dec 2024</b>	<b>23</b>	<b>–</b>	<b>1</b>	<b>24</b>

### Note 30 Leases

#### GROUP

The Group leases land and buildings for offices, factories, warehouses, and agricultural and dressage operations. The lease terms for offices, factories and warehouses are 3–10 years and for agricultural and dressage operations 5–60 years. In many cases, the contracts contain an option to extend the lease term after the scheduled end date. Some contracts include variable payments linked to an index or rate. The Group also leases cars and trucks, and to a lesser extent machinery and production equipment. The lease terms for these assets are 3–5 years.

As of the reporting date, the Group has not entered into any leases that have not commenced.

Due dates for lease liabilities are shown in note 29. Cash outflows related to leases are shown in note 36. Income attributable to leases consists of rental income from investment properties where the Group is lessor. See note 13.

#### Right-of-use assets, reconciliation of opening and closing balances

	Land and buildings	Plant, machinery, equipment, fixtures and fittings	Total
<b>Accumulated cost</b>			
Opening balance, 1 Jan 2023	416	105	521
New contracts	33	35	68
Revaluations	3	1	4
Terminated contracts	0	–22	–22
Exchange differences for the year	–19	–2	–21
<b>Closing balance, 31 Dec 2023</b>	<b>433</b>	<b>117</b>	<b>550</b>
<b>Accumulated depreciation and impairment</b>			
Opening balance, 1 Jan 2023	–139	–45	–184
Depreciation for the year	–53	–26	–79
Terminated contracts	0	19	19
Exchange differences for the year	9	1	10
<b>Closing balance, 31 Dec 2023</b>	<b>–183</b>	<b>–51</b>	<b>–234</b>
<b>Carrying amounts</b>			
1 Jan 2023	277	60	337
31 Dec 2023	250	66	316



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**Right-of-use assets, reconciliation of opening and closing balances**

	Land and buildings	Plant, machinery, equipment, fixtures and fittings	Total
<b>Accumulated cost</b>			
Opening balance, 1 Jan 2024	433	117	550
New contracts	85	35	120
Revaluations	-7	0	-7
Terminated contracts	-60	-23	-83
Exchange differences for the year	22	5	27
<b>Closing balance, 31 Dec 2024</b>	<b>473</b>	<b>134</b>	<b>607</b>
<b>Accumulated depreciation and impairment</b>			
Opening balance, 1 Jan 2024	-183	-51	-234
Depreciation for the year	-54	-32	-86
Terminated contracts	59	22	81
Exchange differences for the year	-9	-2	-11
<b>Closing balance, 1 Jan 2024</b>	<b>-187</b>	<b>-63</b>	<b>-250</b>
<b>Carrying amounts</b>			
1 Jan 2024	250	66	316
31 Dec 2024	286	71	357

**Costs related to leases**

	2024	2023
Depreciation of right-of-use assets	86	79
Costs related to short-term leases	16	17
Interest on lease liabilities	15	13
Costs related to low-value leases (excl. low-value leases with a short lease term)	4	3
Variable lease payments not included in lease liability measurement	2	2
	<b>123</b>	<b>114</b>

**PARENT COMPANY**

**Leases where the Company is lessee, maturities**

	2024	2023
Within one year	1	0
Between one and five years	0	1
	<b>1</b>	<b>1</b>

**Expenses recognised for operating leases**

	2024	2023
Lease payments	0	0

**Note 31** Investment commitments

**GROUP**

	2024	2023
Intangible assets	27	-
Fixed tangible assets	1	23
UCITS fund	2	2
	<b>30</b>	<b>25</b>

**PARENT COMPANY**

	2024	2023
UCITS fund	2	2
	<b>2</b>	<b>2</b>

**Note 32** Pledged assets, contingent liabilities and contingent assets

**GROUP**

**Contingent liabilities**

	2024	2023
Guarantee commitment, FPG/PRI	3	3
Guarantees, other	-	2
	<b>3</b>	<b>5</b>

See note 25 on uncertainty regarding the impact of the Virgin Media case on the defined benefit pension plan in the UK.

The Group does not have any pledged assets. The Group does not have any contingent assets.

**PARENT COMPANY**

The Parent Company does not have any pledged assets, contingent liabilities or contingent assets.



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### Note 33 Related parties

The Group's related parties are the Parent Company's shareholders, Board members and Group management (including close family members of these three groups), the joint venture companies Höganäs Holding AB, Sweden, and Colart Bonny Ltd, Japan, and the associate cReal Food AB, Sweden. The Parent Company's related parties are also its subsidiaries.

#### cReal Food AB

On 1 October 2024, Lindéngruppen AB acquired shares in cReal Food AB from the Parent Company's Chair Jenny Lindén Urnes and from Erik Urnes AB, of which the Parent Company's Vice Chair Erik Urnes is CEO and a Board member. A total of 28,274 shares were acquired from Jenny Lindén Urnes at a purchase price of SEK 113,096,000 (SEK 4,000 per share). A total of 2,373 shares were acquired from Erik Urnes AB at a purchase price of SEK 9,492,000 (SEK 4,000 per share). The purchase price was realised on market terms based on business valuations performed by two external independent business valuers. On 14 October 2024, Lindéngruppen AB subscribed for 19,298 shares in cReal Food at a subscription price of SEK 5,700 (total amount SEK 109,998,600) in a private placement. Other shareholders who are not related parties of Lindéngruppen also participated in the share issue.

#### Other transactions

The subsidiaries Pilskytten Lantbruk AB and Christinelund Dressage AB lease land from the Parent Company's Board Chair Jenny Lindén Urnes. Lindéngruppen AB provides support to the Färgfabriken foundation, where Jenny Lindén Urnes is Board Chair. The Parent Company's management service charges for services provided to subsidiaries are shown in note 2. Information on remuneration of Board members and senior executives can be found in note 5 Employees and personnel expenses. Dividends, interest expenses and interest income from subsidiaries are shown in note 8 Net financial items. Information on dividends to the Company's shareholders can be found in note 23 Equity. Group contributions received and provided are presented in note 9 Appropriations. Receivables from and liabilities to subsidiaries are disclosed in the Parent Company's balance sheet. Other transactions are not material. The transactions are priced at market terms.

### Note 34 Group companies

#### GROUP

##### Holdings in subsidiaries

Subsidiary	Registered office	Ownership, %	
		2024	2023
Christinelund Dressage AB	Höganäs, Sweden	100	100
Pilskytten Lantbruk AB	Höganäs, Sweden	100	100
Christinelund Ekologisk Lantgård AB	Höganäs, Sweden	100	100
Kungshamaren AB	Höganäs, Sweden	100	100
Dedron AB	Höganäs, Sweden	100	100
AB Wilh. Becker	Höganäs, Sweden	100	100
Christineborg Holding AB	Höganäs, Sweden	100	100
Soab AB	Höganäs, Sweden	100	100
Beckers UK Ltd	Haverhill, UK	100	100
Alex Begg Group Ltd	Ayr, UK	100	100
Alex Begg Inc.	Putnam, NY, USA	100	100
Moorbrook Holdings Ltd	Ayr, UK	100	100
Yorklyde Ltd	London, UK	100	100
Becker Industrial Coatings Holding AB	Stockholm, Sweden	100	100
Wilh. Becker Holding GmbH	Berlin, Germany	100	100
Becker Industrie SAS	Montbrison, France	100	100
Becker Industrial Coatings Italia S.R.L.	Milan, Italy	100	100
Becker Farby Przemyslowe Sp. z o.o.	Tarnów, Poland	100	100
Becker Holdings Ltd	Liverpool, UK	100	100
Becker Industrial Coatings Ltd	Liverpool, UK	100	100
Goodlass Wall & Co Ltd	Soham, UK	100	100
Becker Industrial Coatings AB	Sigtuna, Sweden	100	100
Beckers Coating Boya San. Ve Tic. Ltd. Sti.	Gebze, Turkey	100	100
Becker Industrielack GmbH	Dormagen, Germany	100	100
Becker Industrial Coatings (Pty) Ltd	Vereeniging, South Africa	100	100
Beckers Argentina Ltd	Buenos Aires, Argentina	100	100
Becker Industrial Coatings Inc	Toronto, Canada	100	100
Beckers Industrial Coatings Mexico S.A. de C.V.	Monterrey, Mexico	100	100

##### Holdings in subsidiaries

Holdings in subsidiaries	Registered office	Ownership, %	
		2024	2023
Becker Specialty Corporation USA	Elk Grove Village, IL, USA	100	100
Berger Becker Bangladesh Ltd	Dhaka, Bangladesh	51	51
Becker Ind Coatings LLC (RAK)	Ras al Khaimah, United Arab Emirates	100	100
Berger Becker Coatings (Pvt) Limited	New Delhi, India	51	51
Becker Industrial Coatings (Shanghai) Ltd	Shanghai, China	100	100
Becker Industrial Coatings (Guangzhou) Ltd	Guangzhou, China	100	100
Becker High Performance Coatings (Tianjin) Ltd	Tianjin, China	100	100
Becker Industrial Coatings (HK) Ltd	Hong Kong, China	100	100
Becker Industrial Coatings (China) Ltd	Hong Kong, China	100	100
Becker Industrial Coatings (M) Sdn. Bhd.	Selangor, Malaysia	100	100
Beckers Group Services Asia PTE. LTD.	Singapore, Singapore	100	-
Becker Industrial Coatings (Vietnam) Co Ltd	Thuan An District, Vietnam	100	100
Colart Group Holdings Ltd	London, UK	100	100
Colart International Holdings Ltd	London, UK	100	100
Colart UK Ltd	London, UK	100	100
Crown Artist Brush Ltd	London, UK	100	100
Snazaroo Holdings Ltd	London, UK	100	100
Winsor & Newton Ltd	London, UK	100	100
E Arts Ltd	London, UK	100	100
Colart Pension Trustees Ltd	London, UK	100	100
WNRGP Ltd	London, UK	100	100
Colart Scotland LP	Aberdeen, UK	100	100
Colart PFP (LP) Limited	Aberdeen, UK	100	100
Colart PFP (GP) Limited	Aberdeen, UK	100	100
Colart Le Mans S.A.S.	Le Mans, France	100	100
Colart Creative International S.A.S.	Le Mans, France	100	100



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**Holdings in subsidiaries**

Holdings in subsidiaries	Registered office	Ownership, %	
		2024	2023
Colart Europe S.A.S.	Le Mans, France	100	100
Colart France S.A.S.	Le Mans, France	100	100
Colart Camlin Canvas Pvt Ltd	Tarapur, India	81	81
Colart Italiana SpA	Milan, Italy	100	100
Colart Tianjin Art Material Co Ltd	Tianjin, China	90	90
Colart Benelux b.v.	Rotterdam, Netherlands	100	100
Colart Sp. z o.o.	Warsaw, Poland	100	100
Colart Iberica SA	Zaragoza, Spain	100	100
Colart Sweden AB	Stockholm, Sweden	100	100
Colart Northern Europe GmbH	Maintal, Germany	100	100
Colart Americas Inc	Piscataway, NJ, USA	100	100

**Interests in partnerships**

The Group has interests in a partnership, Colart Scotland LP, which is fully consolidated in Lindéngruppen. The Group has applied the exception in rule 7 of the Partnerships (Accounts) Regulations 2008 and has therefore not submitted the accounts for the partnership to the registration authority (Companies House). Separate accounting documents are not required for this partnership and have not been registered with Companies House in the UK.

**PARENT COMPANY**

**Reconciliation of opening and closing balances**

	2024	2023
<b>Accumulated cost</b>		
At beginning of year	2,021	2,006
Shareholder contributions	–	15
Disposals	–	–
<b>Closing balance, 31 December</b>	<b>2,021</b>	<b>2,021</b>
<b>Accumulated revaluations</b>		
At beginning of year	541	541
<b>Closing balance, 31 December</b>	<b>541</b>	<b>541</b>
<b>Accumulated impairment</b>		
At beginning of year	–217	–217
<b>Closing balance, 31 December</b>	<b>–217</b>	<b>–217</b>
<b>Carrying amount, 31 December</b>	<b>2,345</b>	<b>2,345</b>

**Parent Company's direct holdings of shares in subsidiaries**

Subsidiaries	Reg. no.	Registered office	Number of shares	Shares %	Carrying amount	
					2024	2023
AB Wilh. Becker	556221-9104	Höganäs, Sverige	500,000	100	2,237	2,237
Christinelund Dressage AB	556339-2397	Höganäs, Sverige	300,000	100	78	78
Kungshammaren AB	556001-8268	Höganäs, Sverige	80,000	100	10	10
Dedron AB	556030-7067	Höganäs, Sverige	40,000	100	5	5
Pilskytten Lantbruk AB	556217-5025	Höganäs, Sverige	10,000	100	15	15
					<b>2,345</b>	<b>2,345</b>



**Note 35** Untaxed reserves

**PARENT COMPANY**

	2024	2023
Accumulated accelerated depreciation	3	2

**Note 36** Cash flow statement specifications

**GROUP**

**Adjustments for non-cash items**

	2024	2023
Depreciation	311	301
Investments in associates and joint ventures	-310	-188
Exchange differences	-24	98
Provisions and other items	-36	-57
Changes in value of financial instruments	5	-10
Impairment and reversal of impairment	-10	-9
Changes in value of investment property	-1	0
Gain/loss on disposal of property, plant & equipment	3	0
	-62	135

**Cash outflows related to leases**

	2024	2023
Ongoing lease payments recognised under lease liabilities	-95	-82
Short-term leases	-16	-17
Low-value leases	-4	-3
Variable lease payments not included in lease liability measurement	-2	-2
	-117	-104

**Reconciliation of liabilities attributable to financing activities**

	At beginning of year	Cash flows	Non-cash movements			At end of year
			Accruals	Change in lease liability	Exchange differences	
<b>2023</b>						
Bank loans	427	540	-7	-	4	964
Overdraft facilities	608	-571	-	-	0	37
Lease liabilities	311	-70	-	71	-5	307
Other liabilities	32	-4	-	-	1	29
	<b>1,378</b>	<b>-105</b>	<b>-7</b>	<b>71</b>	<b>0</b>	<b>1,337</b>
<b>2024</b>						
Bank loans	964	-11	1	-	54	1,008
Overdraft facilities	37	0	-	-	0	37
Lease liabilities	307	-80	-	101	16	344
Other liabilities	29	-2	-	-	2	29
	<b>1,337</b>	<b>-93</b>	<b>1</b>	<b>101</b>	<b>72</b>	<b>1,418</b>

**PARENT COMPANY**

**Adjustments for non-cash items**

	2024	2023
Depreciation	5	4
Provisions and other items	-1	-1
Exchange differences	0	-
	<b>4</b>	<b>3</b>

**Non-cash transactions**

	2024	2023
Group contributions received, offset against liability or recognised as asset	150	122
Group contributions paid, recognised as liability or offset against receivable	-57	-39

**Note 37** Events after the reporting period

On 2 April 2025 US President Donald Trump declared his order to impose tariffs on exports to the US. As Colart has its production in France and China with a large proportion of sales in the US, Colart is directly affected by these tariffs. The extent of the impact depends on how quickly mitigating actions, e.g. price adjustments, can be introduced.

**Note 38** Significant accounting estimates

Certain accounting estimates and assumptions at the reporting date are of particular significance when measuring assets and liabilities in the balance sheet. Here follows a description of the areas where there would be a risk of significant changes in value during the subsequent year if the assumptions or estimates needed to be changed.

**Deferred tax assets**

When assessing the value of recognised deferred tax assets, assumptions are made about the extent to which temporary differences and loss carryforwards may be utilised against future profits. See also note 10.

**Impairment testing of goodwill and trademarks with indefinite useful lives**

The carrying amounts of goodwill and trademarks with indefinite useful lives are tested for impairment at least annually. Impairment testing involves calculating the recoverable amount of the cash-generating unit or group of cash-generating units to which the carrying amounts are allocated. This requires a number of assumptions concerning future conditions and parameter estimates. These are described in note 11.

**Impairment testing of property, plant and equipment**

The value of property, plant and equipment is tested if there is an indication of impairment. The testing includes an assessment of the value in use or the fair value. This requires a number of assumptions concerning future conditions and parameter estimates. Changes in the conditions for assumptions and estimates could affect the value of the assets.



**Leases**

To determine lease liabilities and the value of right-of-use assets, assumptions are made about factors such as lease term, discount rate, residual value guarantees and purchase options. The parameter that has the greatest effect on value is the lease term. When determining the lease term, all available information that creates an economic incentive to exercise an option to extend or terminate the lease is considered.

As a general rule, extension options for leases of office premises, vehicles and other equipment are not included in the lease liability as the Group can replace the assets without significant costs or business interruptions. Based on the Group's planning horizon, extension options for storage and production premises that are after 5–7 years are not normally included in the lease liability. However, a derogation from the main rules is made in the event of other factors, such as significant improvements to the leased asset.

**Investment property**

Investment property is recognised at fair value, which is determined by management based on the property's market value. Significant judgements have therefore been made with regard to discount rate and yield, which are based on the valuers' experience-based assessments of market yields for comparable properties. Estimates of cash flow for operating, maintenance and administrative expenses are based on actual costs as well as experience from comparable properties. Future investments are assessed on the basis of actual needs that exist. See also note 13.

**Investments in joint ventures**

The Group's shares in Höganäs Holding AB are accounted for using the equity method. Goodwill and trademarks that are not amortised represent a significant proportion of the Höganäs Holding Group's assets. Impairment testing for the Höganäs Holding Group showed that the recoverable amount exceeded

the carrying amount by SEK 2,901 million (1,074). To support the impairment testing, an overall sensitivity analysis was performed on variables used in the model. In the analyses, a change of one percentage point in the gross margin, discount rate and growth assumption was taken into account. All sensitivity analyses show a margin for impairment. Impairment of Höganäs Holding AB has an effect on the Group's investments in joint ventures in proportion to its ownership interest (50 per cent). See note 14 for the Höganäs Holding Group's income statement and balance sheet.

**Pensions**

The costs and value of pension obligations for defined-benefit pension plans are based on actuarial calculations derived from assumptions on discount rates, expected return on plan assets, future salary increases, inflation and demographic conditions. These are described in note 25.

**Note 39** Information about the Parent Company

Lindéngruppen AB is a Swedish-registered limited liability company domiciled in Höganäs. The postal address of the Head Office is Bruksgården, 263 83 Höganäs. The 2024 consolidated financial statements comprise the Parent Company and its subsidiaries, which together form the Group. The Group also includes ownership interests in associates and joint ventures.

**Note 40** Appropriation of the Company's profit or loss

**PARENT COMPANY**

**Unrestricted equity in the Parent Company**

Retained earnings	6,008,325,059
Profit/loss for the year	220,176,964
<b>Total (SEK)</b>	<b>6,228,502,023</b>

**The Board proposes that the available profits and unrestricted funds be distributed as follows:**

Retained earnings	6,228,502,023
<b>Total (SEK)</b>	<b>6,228,502,023</b>

The Board and CEO confirm that the consolidated annual financial statements have been prepared in accordance with international financial reporting standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's financial performance and position. The Parent Company's annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and provide a true and fair view of the Company's financial performance and position. The Board of Directors' Report for the Group and the Parent Company provides a fair overview of the development of the Group's and the Parent Company's operations, financial position and performance and describes material risks and uncertainties faced by the Parent Company and Group companies.





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Höganäs 9 April, 2025

Jenny Lindén Urnes  
Chair

Erik Urnes  
Vice Chair

Mikael Olsson  
Board member

Charlotte Strömberg  
Board member

Fabio Pedrazzi  
CEO and Board member

Our Audit Report was submitted on 10 April, 2025  
Deloitte AB

Richard Peters  
Authorised Public Accountant  
Auditor in charge

Maria Ekelund  
Authorised Public Accountant

*Signatures on original*



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# Auditor's report

To the general meeting of the shareholders of Lindéngruppen AB,  
corporate identity number 556205-4956

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Lindéngruppen AB for the financial year 2024-01-01 – 2024-12-31. The annual accounts and consolidated accounts of the company are included on pages 35–85 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

### Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and

have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

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

This document also contains other information than the annual accounts and consolidated accounts, and is found on pages 1–34 and 86–130. The Board of Directors and the Managing Director are responsible for this other information.

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

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

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

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

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the

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

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

### Auditor's responsibility

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



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists

related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

## Report on other legal and regulatory requirements

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Lindéngruppen AB for the financial year 2024-01-01 – 2024-12-31 and the proposed appropriations of the company's profit or loss.

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

### Basis for opinions

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

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



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

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

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

### Auditor's responsibility

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

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

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

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

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with a starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Höganäs 10 April, 2025  
Deloitte AB

*Signatures on original*

Richard Peters  
Authorised Public Accountant  
Auditor in charge

Maria Ekelund  
Authorised Public Accountant





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# General disclosures

## Basis for preparation

### General basis for preparation of sustainability statements

Lindéngruppen AB, reg. no. 556205-4956, has previously reported in accordance with the GRI Standards 2021. This year's report has been prepared with the ambition of aligning more closely with the reporting requirements of the European Sustainability Reporting Standards (ESRS). Consequently, the structure of the sustainability statements and reported disclosures is inspired by the ESRS for the period from 1 January to 31 December 2024.

The sustainability statements 2024, approved by Lindéngruppen's Board of Directors, fulfils the requirements of a Statutory Sustainability Report for the Group in the Annual Accounts Act and are found on pages 1–45 and 89–127. The sustainability statements have not been externally assured by an independent third party. The auditor's statement on the Statutory Sustainability Report is found on page 128. The sustainability statements summarise how Lindéngruppen integrates relevant environmental, social and governance related priorities into its business and throughout the Group companies and their value chains. The Value Creation Model encompasses the Group's sustainability strategy and provides the theme, structure and focus of our sustainability activities. The sustainability statements address the identified sustainability matters, impacts, risks and opportunities relevant to the Parent Company and its industrial businesses. The scope of these statements differs from that of the Group financial statements, as Pilskytten Lantbruk AB, Christinelund Dressage AB and cReal are excluded. cReal was acquired in Q4 2024 and is still in a scale up phase. It is therefore not included in the

sustainability statements. However, it is included in the financial statements as of the day of acquisition.

Where relevant, this report also highlights how the Group's priorities reflect our commitment to three sustainable business principles:

- The Ten Principles of the UN Global Compact for labour and human rights, the environment and anti-corruption
- The UN Guiding Principles on Business and Human Rights
- The Children's Rights and Business Principles developed by UNICEF, the UN Global Compact and Save the Children

In 2024, Lindéngruppen wholly owned three main businesses: Beckers, Colart and Alex Begg, and had a 50 per cent share in Höganäs AB. The sustainability statements cover the three fully owned entities and, where relevant, Höganäs AB and Lindéngruppen's head office in Höganäs, Sweden.

### Disclosures in relation to specific circumstances

Unless otherwise stated, the sustainability statements 2024 relate to the calendar year 2024. Figures from previous years are included as comparatives in tables or in parentheses.

With regards to Höganäs the following applies: In the Group financial statements and in the Value Creation Model, Höganäs is accounted for using the equity method. In our sustainability statements, we have incorporated Höganäs in all qualitative disclosures and several quantitative metrics.

Each quantitative measure clearly specifies whether Höganäs is included to ensure transparency and consistency. For further information regarding Höganäs, see their Annual and Sustainability Report on their website.

- For reporting purposes, the following time horizons are used:
- Short-term: up to 12 months
  - Medium-term: above 12 months to five years
  - Long-term: above five to ten years

Changes in the preparation and the presentation of sustainability information are described together with the relevant metrics. When changes occur, we explain the changes and why the adjusted replaced metrics provide more useful information.



Lindéngruppen's Communication on Progress (CoP) 2024 with the UN Global Compact will be published on the UNGC website.



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## Governance

### The role of the administrative, management and supervisory bodies

#### The composition and diversity of the Board of Directors and the Executive Management team

Lindéngruppen's Board of Directors has five members: two women and three men, with a ratio of 40 per cent female to male members. Four members are Swedish citizens, one is a Norwegian citizen. Two of the members are independent of Lindéngruppen and the Group companies. Lindéngruppen's CEO is a member of the Board. The Chair of the Board is Lindéngruppen's owner. The Chair of the Board does not hold any position in Lindéngruppen or in any of the Group companies, apart from Board assignments. The Vice Chair of the Board is related to the owner.

Lindéngruppen's owner family, led by the Chair of the Board, is responsible for the selection of Board members. As part of this process, the Chair ensures that any potential conflicts of interest are identified and appropriately managed and that the Board has the capabilities to oversee sustainability matters.

The Chair of the Board is responsible for ensuring that the Board operates effectively and fulfils its obligations. The Board of each Group company is evaluated annually following a defined process led by its respective Chair. The outcomes of Lindéngruppen's and the Group companies' sustainability efforts are among the parameters included in the evaluation.

The Board updates its collective knowledge, skills and experience regarding sustainable development on an ongoing basis. Lindéngruppen has at least one meeting per year with a special focus on sustainable development together with invited external sustainability expertise.

The Executive Management team has five members: two women and three men, with a ratio of 40 per cent female to male members. The Board and the Executive Management team possess extensive experience and expertise in relevant areas and industries, as well as sustainability matters, their impacts, risks and opportunities, that are crucial for driving, managing and developing the business.

#### The responsibilities of the Board of Directors and the Executive Management team

The Board of Directors has a joint responsibility for decision-making and in overseeing the management of Lindéngruppen's and its Group companies' sustainability related impacts, risks and opportunities.

The CEO has the overall operational responsibility for the Group's sustainability performance and progress. Coordination of sustainability activities is delegated to the Chief Communication and Sustainability Officer.

Lindéngruppen's Executive Management team, together with key people from the Group companies, coordinate and drive the Group's sustainability activities, operations and progress. The Group companies' Boards and Leadership teams are responsible for developing and implementing each of the Group companies' sustainability strategies and are in control of material sustainability related impacts, risks and opportunities.

Sustainability performance is measured and reviewed quarterly at both company level and Group level. Any non-compliance with legal requirements or the Code of Conduct, as well as significant deviations from the established strategy, are promptly reported to the Board.

Lindéngruppen operates a decentralised governance model which enables the Group companies to act fast and efficiently drive operations forward. Each year, Lindéngruppen issues an internal corporate governance document – The Lindéngruppen Way – which clarifies the division of responsibility and authority within the Group. As set out in The Lindéngruppen Way, the Management and Boards of the Group companies are responsible for developing strategies and measurable targets, balancing short- and long-term priorities and integrating them into business plans. In addition, each Group company and its management have overall responsibility for their organisation's ability to drive long-term sustainable businesses, protect assets and achieve financial targets.

Lindéngruppen's sustainability commitments and sustainability strategy are based on the Ten Principles of the UN Global

Compact, the UN Sustainable Development Goals, the Group's material sustainability matters, its Value Creation Model and strategic Group targets for 2030.

#### The Lindéngruppen Way

In the internal governance document, The Lindéngruppen Way, we encourage our businesses to define a high level of ambition and to cooperate extensively with other companies and organisations. The Lindéngruppen Way encompasses our principles for corporate governance, along with our Code of Conduct and other relevant Group-wide policies.

We make exceptions to the decentralised governance model around sustainability where we expect Group companies to work within the twelve identified areas included in the Value Creation Model. In this way, we ensure results in areas such as health and safety, children's rights, business ethics, climate and environment. We ensure that risks are managed and that best practices are shared within the Group.

The financial policy and instructions on financial risk management are part of the internal governance document, The Lindéngruppen Way. The Group CEO is the issuer of The Lindéngruppen Way.

#### The Code of Conduct

Lindéngruppen's Code of Conduct guides the Group and the Group companies on how to live by the Group's values and purpose. It guides us on how to resolve potentially difficult situations and helps us communicate and seek guidance on issues that could compromise our values and our business.

The Code of Conduct states that we promote, support and act in areas of human rights, labour standards, the environment and anti-corruption, as expressed in the Ten Principles of the UN Global Compact, the UN Universal Declaration of Human Rights, the International Labour Organization (ILO) Core Conventions, the UN Guiding Principles on Business and Human Rights, the UN Convention on the Rights of the Child and the ten Children's Rights and Business Principles.



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We adhere to high standards of ethics and business morals in all our operations and relations. We conduct our business in an environmentally and socially responsible manner and behave appropriately towards all our stakeholders – our customers, suppliers, co-workers, shareholders, governments, non-governmental organisations (NGOs), children and the communities in which we operate, as well as other parties that interact with Lindénggruppen. The Code of Conduct is an overall document to which our policies and internal procedures are linked.

The Code of Conduct applies to all co-workers, management and directors of the Group. It is to be adopted and followed by all Group companies. It is reviewed annually and approved by the Board of Directors.

Co-workers are encouraged and expected to report all incidents of non-compliance or suspected non-compliance with the Code of Conduct. Co-workers can use the confidential whistleblowing telephone numbers or e-mails. These can be used to bring concerns and issues to the attention of Lindénggruppen's management or Lindénggruppen's Board of Directors, who will in turn make every effort to maintain the anonymity and confidentiality of those reporting.

**Sustainability guidelines**

Lindénggruppen and the Group companies are expected to align operations with the Group's Sustainability Guidelines. These guidelines are developed by the Executive Management team and approved by the Board.

The aim of the guidelines is to empower the Group companies to prosper and lead the transformation to a sustainable world. To do so we work to establish sustainable business models in all our companies with the goal of becoming net positive, meaning that we should put more back into society, the environment and the global economy than we take out.

**Sustainability related policies**

Name	Content	Sustainability matters	Scope	Connection to external initiatives	Stakeholder interest and engagement
<b>The Lindénggruppen Way</b>	<ul style="list-style-type: none"> <li>• The purpose of The Lindénggruppen Way is to clarify the division of responsibilities and provide guidelines for how work is conducted within Lindénggruppen</li> </ul>	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Pollution</li> <li>• Water and marine resources</li> <li>• Resource use and circular economy</li> <li>• Corporate culture</li> <li>• Working conditions</li> <li>• Equal treatment and opportunities for all</li> <li>• Other work-related rights</li> <li>• Affected communities</li> <li>• Workers in the value chain</li> </ul>	<ul style="list-style-type: none"> <li>• All co-workers and Group companies are expected to follow the guidelines in The Lindénggruppen Way</li> </ul>	–	<ul style="list-style-type: none"> <li>• Group companies</li> <li>• Co-workers</li> <li>• Owner</li> <li>• Customers</li> <li>• Suppliers</li> <li>• Local communities</li> </ul>
<b>Sustainability Guidelines</b>	–	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Pollution</li> <li>• Water and marine resources</li> <li>• Resource use and circular economy</li> </ul>	<ul style="list-style-type: none"> <li>• Group companies</li> </ul>	–	<ul style="list-style-type: none"> <li>• Owner</li> <li>• Co-workers</li> <li>• Customers</li> <li>• Suppliers</li> <li>• Children</li> </ul>
<b>Partnership guidelines</b>	<ul style="list-style-type: none"> <li>• The 2030 target to establish a partnership linked to children or sustainability in all locations where we are present with more than twenty full-time employees and that each of these partnerships shall have an impact target</li> </ul>	<ul style="list-style-type: none"> <li>• Consumers and end-users</li> <li>• Affected communities</li> </ul>	<ul style="list-style-type: none"> <li>• Group companies</li> </ul>	–	<ul style="list-style-type: none"> <li>• Local communities</li> <li>• Children</li> </ul>
<b>Code of Conduct</b>	–	<ul style="list-style-type: none"> <li>• Corporate culture</li> <li>• Working conditions</li> <li>• Equal treatment and opportunities for all</li> <li>• Other work-related rights</li> </ul>	–	–	<ul style="list-style-type: none"> <li>• Group companies</li> <li>• Subsidiaries</li> <li>• Co-workers</li> </ul>
<b>Tax policy</b>	<ul style="list-style-type: none"> <li>• Covers all levies paid to the respective countries' tax authorities and applies to all Group companies, subsidiaries and employees of Lindénggruppen. Lindénggruppen's CEO has ultimate responsibility for the Lindénggruppen tax position worldwide</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate culture</li> <li>• Affected communities</li> </ul>	<ul style="list-style-type: none"> <li>• Group companies and the CFO</li> </ul>	–	<ul style="list-style-type: none"> <li>• Group companies</li> <li>• Subsidiaries</li> <li>• Co-workers</li> </ul>
<b>Competition and sanctions compliance</b>	<ul style="list-style-type: none"> <li>• Overview of information about situations that require specific attention to avoid violation of competition law</li> </ul>	<ul style="list-style-type: none"> <li>• Affected communities</li> <li>• Own workforce</li> <li>• Workers in the value chain</li> </ul>	–	–	–
<b>Local policies within our Group Companies</b>	–	–	–	–	–



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### Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board of Directors has a joint responsibility for decision-making and in overseeing the management of Lindéngruppen's and its Group companies' impacts on people and the environment.

The sustainability progress and performance for Lindéngruppen and its Group companies are reported to the Board of Directors by the CEO and the Chief Communication and Sustainability Officer on a quarterly basis, or immediately if any material non-compliance or critical concern is reported. The Annual Report and the Sustainability Report is approved on an annual basis. The double materiality assessment, the Value Creation Model, and the strategic Group targets for 2030 have been approved by the Board of Directors. All members of the Board have taken an active role in the process of developing the Value Creation Model. They have also been involved in the development of the double materiality assessment.

These activities are vital in the process of identifying and managing Lindéngruppen's material impact and how it should be governed.

The link between the outcomes of the double materiality assessment and the Value Creation Model is robust and continuously strengthened as both the assessment and the model are refined over time. The Value Creation Model serves as

a vital tool for guiding all major business decisions within the Group, ensuring that strategic choices are aligned with long-term objectives and contribute to sustainable growth and holistic value creation.

During 2024, the focus has been on the following sustainability matters, impacts, risks and opportunities:

- Developing and concluding a Group-wide double materiality assessment
- Implementing a sustainability reporting tool
- Developing climate transition plans in two of the Group companies

### Integration of sustainability-related performance in incentive schemes

The remuneration of Executive Management and the Group companies' management teams includes variable components linked to the achievement of specific targets. One third of the targets are sustainability related. In a few cases there is also a direct connection to established emissions targets. Board members are remunerated with fixed amounts that vary between Group companies.

Lindéngruppen is a family-owned company and, as such, does not report according to the Swedish Corporate Governance Code. No remuneration report is published.

### Risk management and internal controls over sustainability reporting

Risk assessment at Lindéngruppen is a continuous process in which internal and external risks to which the Group is exposed are identified and analysed. The Boards and management teams of the Group companies regularly monitor compliance with policies and guidelines as well as the adequacy of financial and sustainability reporting.

In 2024, we continued our work towards the ambition of achieving sustainability reporting of the same quality as our financial reporting. We held meetings and discussions with our Group company Chief Financial Officers (CFOs) and Sustainability Directors to broaden the scope, improve our reporting and add company specific KPIs. We continue our work to prepare for the implementation of the Corporate Sustainability Reporting Directive (CSRD) and its related European Sustainability Reporting Standards (ESRS).

We have implemented sustainability reporting software to support us in adhering to the reporting requirements in the ESRS. This system has been used for the sustainability reporting for 2024. We will continue to prioritise improving the quality of our data and refining how we analyse the outcomes of our sustainability performance. Simultaneously, we are enhancing our framework for identifying risks and establishing controls over sustainability reporting.



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## Strategy

### Strategy, business model and value chain

#### Parent Company

Lindéngruppen is a second-generation family-owned business dedicated to owning industrial companies and empowering their sustainable, long-term growth.

See net sales per Group company on page 37 and note 2 "Distribution of net sales" and note 39 "Information about the Parent company". See note 5 for average number of co-workers by geographical area.

#### Group companies

Read about our Group companies' businesses, products and services as well as markets:

- Beckers
- Colart
- Alex Begg
- Höganäs

#### Sustainability strategy

Lindéngruppen's sustainability strategy and its 2030 targets are integrated into the Value Creation Model, intended to support our companies to maximise their economic, environmental and social benefits and minimise their negative impacts.

The broader Value Creation Model covers twelve areas, six of which can be monetised, while the other six are non-monetised. Ten of the twelve areas are identified as material for us through our materiality assessment. As a Group we will pursue these areas and govern, measure and follow up according to our Value Creation Model. Focus, pace and priorities are decided by each Group company based on their own specific company insights and industry knowledge. Each management team sets the priorities considered most relevant to their business and regularly reports and discusses progress to their Board of Directors. Based on these reports, each of the company's Board of Directors sets or adjusts their own strategies.

Group company budgets are increasingly aligned with the Value Creation Model and it is also factored into all investment decisions.

The outcome of our double materiality assessment serves as the foundation for the ongoing development of our Value Creation Model.

#### Strategic targets

	2025 Milestones	Progress 2024	2030 targets
<b>Economic value creation</b>			
Operating profit	Operating profit margin at 5.2%	↗	Operating profit margin above 9%
Salaries and pay	Living wage levels to be set for all markets and Group companies benchmark to be assessed	↗	All wages are higher than the applicable living wage
Taxes and subsidies	Taxes and subsidies are paid at the right time, in the right amount and in the right country	→	Taxes and subsidies are paid at the right time, in the right amount and in the right country
<b>Environmental value creation</b>			
Carbon emissions	Reduce CO <sub>2</sub> emissions in Scope 1 by 30% compared to 2019 Scope 2: 100% fossil-free electricity	↗	Zero CO <sub>2</sub> emissions in Scope 1 and 2 and more than 50% CO <sub>2</sub> intensity reduction in Scope 3 compared to 2019
Waste	Map waste streams to find potential improvements and set reduction targets	↗	Zero waste and more than 95% of materials recycled or reused
Sustainable customer offering	Define sustainable customer offering per company, 20% of sustainable sales to come from the sustainable customer offering	↗	50% of sustainable sales to come from the sustainable customer offering
Sustainable materials	20% of used materials to be bio-based, recycled and/or reused	↗	50% of used materials to be bio-based, recycled and/or reused
<b>Social value creation</b>			
Health and safety	Safety audit by third party resulting in action plan and 50% TRI reduction compared to 2019	↗	Zero accident vision implemented > 90% TRI reduction
Gender equality	Less than 60% of co-workers in Tier 0–2 are of the majority gender	↗	Less than 60% of co-workers are of the majority gender
Education and training	Develop leadership and sustainability programme with BTH inspired by the IDGs	→	All co-workers have participated in the leadership and sustainability programme
Employee engagement	eNPS > 20 Retention above peers	↘	eNPS > 20 and outperforms the eNPS of peers Retention above peers
Community involvement	Establish partnerships in locations with > 20 FTEs and set impact targets	↗	Impact targets achieved
Children's rights	Children's rights due diligence for 70% of spend	→	Annual board assessment of the company, taking children's perspective into account

→ = 2024 progress towards the milestone

↗ = Improved

→ = Stable

↘ = Declined



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**The Value Creation Model**

The Value Creation Model also illustrates the inputs, outputs and outcomes in terms of the current expected benefits in monetised terms for Lindéngruppen, its owners, co-workers, customers and communities where it operates.

	Economic impact			Environmental impact		Social impact		Total value creation
	Earnings	Taxes and subsidies	Salaries and pay	Carbon emissions	Waste	Health and safety	Gender equality	
Value, mSEK	502	215	325	-257	-24	-4	-30	727
Change, %	↗ 70%	↗ 122%	↗ 8%	↗ 6%	→ 0%	↘ -33%	→ 0%	↗ 100%

**A stakeholder-driven business model**

The Value Creation Model is based on our business model, which drives value across four priority areas, enabling our companies to actively contribute to sustainable development.

Lindéngruppen's business model is designed to create long-term value and impact for our key stakeholder groups. It empowers our companies to deliver sustainable solutions to their customers and end users, as well as generate value for our people and society at large.

**Sustainable investments**

Lindéngruppen is responsible for the Group's long-term financing. We allocate capital for our companies' larger investments in, for example, manufacturing processes as well as market and product development. We can also allocate capital for acquisitions. All investment decisions consider financial, environmental, social and governance criteria and assess potential long-term value and possible negative impacts.

**Governance**

Lindéngruppen works through a decentralised governance model that promotes fast decision-making and reflects our view that the best business decisions are made close to customers and the market. We prepare and establish the prerequisites for top-tier strategy development and board work, both within

Lindéngruppen and in our companies. Our Boards and management teams have clear mandates, aligned with our purpose and values and the strategic direction of the Group.

**Competence**

Our influence as owners is exercised through the Boards and senior management of each company. Ensuring that we attract and retain the best possible people to these positions is our top priority. They in turn are responsible for nurturing customer-centric organisations with an ability to embrace change. We actively empower individuals and nurture competence, particularly through our strategic partnerships, which bring novel insights and perspectives, as well as hands-on, topic-specific expertise.

**Innovating for a regenerative future**

Being an active owner means that we lead our companies by building knowledge and giving mandates and inspiration to drive change based on clear values and direction. We promote transformation through innovation that creates value for customers and society at large, while simultaneously reducing negative impact. Our ownership allows businesses to plan for the long-term and to be supported throughout economic cycles. Full company control enables the ability to prioritise products and solutions with significant positive impact.



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**Value chain**

Lindéngruppen has ownership in different industries, resulting in a complex value chain with varying challenges. The material impact along the value chain is found in the Group companies, described in the table below.

Upstream		Own operations		Downstream		
Raw materials	Refinement and production	Operations	Products	Logistics	Product use	Waste and recycling
Our operations rely on extracted raw materials, including metals, minerals, petroleum, polyester, pigments, wood, cotton, wool and cashmere. Water is an essential component in the extraction process, and raw materials are also transported to production facilities for further processing.	Our supply chain ensures high-quality raw materials and components. Key activities include: <ul style="list-style-type: none"> <li>• Chemical manufacturing</li> <li>• Material refinement</li> <li>• Art supply production: manufacturing of paper, books and canvases</li> <li>• Textile processing: sorting, blending, dyeing and spinning wool and cashmere</li> </ul>	Our operations span manufacturing, product innovation and internal functions: <ul style="list-style-type: none"> <li>• Manufacturing: coil coatings, industrial and non-industrial paints, metal powders, art materials and clothing</li> <li>• Product innovation: advancing quality, sustainability and performance</li> <li>• Internal functions: supporting HR, Finance, Sales, Inventory and Sustainability</li> </ul>	Our products and solutions should be recognised as sustainable in the market. Out of our offering, a significant share of sales are driven by environmentally responsible solutions. Over time, an increasing proportion of our products; such as coil coatings, non-industrial paints and textiles should be made from bio-based, recycled or re-used materials, reinforcing our Group's commitment to sustainability.	Our downstream logistics ensure efficient distribution and delivery through: <ul style="list-style-type: none"> <li>• Transportation and distribution: optimised logistics for timely delivery</li> <li>• Retail presence: sales via stores, online platforms, and e-commerce</li> <li>• Storage and warehousing: efficient inventory management to ensure availability and reduce waste</li> </ul> <p>These processes ensure our products reach customers effectively.</p>	Our products serve global customers in many different industries as well as individual consumers. Some products are used in industrial applications with cars, buses, major appliances and large steel constructed buildings as the end product. Other products are sold to consumers for daily use, integrated into work, art and fashion. <p>This phase impacts longevity, sustainability and user experience.</p>	We minimise waste by promoting recycling and responsible disposal through: <ul style="list-style-type: none"> <li>• Waste management for hazardous and non-hazardous materials</li> <li>• Recycling efforts to enhance material recovery and reuse</li> </ul> <p>These initiatives support a circular approach, reducing waste and maximising resources.</p>





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### Interests and views of stakeholders

We engage with stakeholders and society at large to better understand their specific challenges and our role in addressing them. We conduct ongoing stakeholder dialogues at Group level and encourage our Group companies to carry out regular dialogues regarding their own operations.

#### Stakeholder engagement and dialogue

Dialogue helps us create value by staying ahead of challenges that impact our operations and stakeholders – as well as identifying potential opportunities.

As part of reviewing the Group's material sustainability matters, systematic stakeholder dialogues were conducted during 2024. The aim of the dialogues was to better understand the importance of different sustainability matters and how they impact different stakeholder groups. The table below provides a breakdown of our most important stakeholder groups and the types of dialogue we have with them.

The Board of Directors and the Executive Management team consider stakeholder engagement and opinions based on Lindéngruppen's double materiality assessments, the Group companies' double materiality assessments and interactions that the Board of Directors and Executive Management have with different stakeholder groups in their own capacity.

### Interaction with key stakeholders

	Our people	Our customers	Our businesses	Our suppliers	Our owner	Children	Society and local communities	Planet
<b>Key collaboration topics</b>	Ongoing performance and development talks tailored to each individual's priorities and needs.	Continuous dialogue with our customers to understand their needs and priorities.	Board meetings and continuous dialogue with our CEOs and senior management. Also through Lindéngruppen's annual Leadership Summit.	Continuous dialogue with our suppliers to ensure quality and access to sustainable solutions.	Board meetings and ongoing dialogue and collaboration to ensure delivery towards purpose and values.	We have a long-term partnership with the Global Child Forum (GCF), working to promote children's rights.	Our commitments focus on art, sustainability, integration and children.	Through our Value Creation Model, we secure continuous dialogue in our boards and with our leadership teams regarding how to mitigate impact and create positive impact on the planet.



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### Material impacts, risks and opportunities and their interaction with our strategy and business model

The double materiality assessment conducted in 2024 across the entire Group, excluding Höganäs as they are partly owned, identified the following material sustainability matters, including impacts, risks and opportunities. For a more detailed description of each material sustainability matter, see reporting under each respective ESRS topic.

### Material environmental matters

Environmental matters	Materiality characteristics		
	Value chain	Impact	Financial effect
<b>Climate change</b>			
Climate change adaptation	Beckers, Alex Begg		Negative Risk
Scope 1, 2 and 3 GHG emissions	Beckers, Colart, Alex Begg		Negative Risk Opportunity (Alex Begg)
Energy	Beckers, Colart, Alex Begg		Negative
<b>Pollution</b>			
Air pollution	Beckers, Colart		Negative
Water pollution	Beckers, Colart, Alex Begg		Negative Risk (Alex Begg)
Soil pollution	Beckers, Colart		Negative Risk (Beckers)
Substances of concern and very high concern	Beckers, Colart		Negative
Microplastics	Beckers		Negative
<b>Water and marine resources</b>			
Water consumption	Colart, Alex Begg		Negative
Water withdrawals	Beckers, Colart, Alex Begg		Negative
Water discharges	Beckers, Colart		Negative
<b>Resource use and circular economy</b>			
Resource inflows, including resource use	Beckers, Colart, Alex Begg		Positive and negative Opportunity (Beckers and Alex Begg)
Resource outflows related to products and services	Beckers, Colart, Alex Begg		Positive and negative
Waste	Beckers, Colart, Alex Begg		Negative

Upstream   Own operations   Downstream





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**Material social matters**

Social matters		Materiality characteristics		
		Value chain	Impact	Financial effect
<b>Own workforce</b>				
Working conditions	Beckers, Colart, Alex Begg		Positive and negative	Risk (Beckers) Opportunity (Alex Begg)
Equal treatment and opportunities for all	Beckers, Colart, Alex Begg		Positive and negative	
<b>Workers in the value chain</b>				
Working conditions	Beckers, Colart, Alex Begg		Negative	
Other work-related rights	Beckers, Colart, Alex Begg		Negative	Risk (Alex Begg)

**Material governance matters**

Governance matters		Materiality characteristics		
		Value chain	Impact	Financial effect
Corporate culture	Beckers, Colart, Alex Begg		Positive	
Protection of whistleblowers	Beckers, Colart, Alex Begg		Positive and negative	
Animal welfare	Alex Begg		Negative	
Corruption and bribery	Beckers, Colart, Alex Begg		Positive	

Upstream   Own operations   Downstream





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## Impact, risk and opportunity management

### Description of the processes to identify and assess material impacts, risks and opportunities

During 2024, Lindéngruppen conducted its first double materiality assessment on a Group level in accordance with the requirements in the ESRS. The following four-step process was used as part of the assessment:

#### Identifying potentially material sustainability matters

The process began with a desktop analysis using internal and external sources, followed by targeted interviews with key internal stakeholders. A list of relevant sustainability matters was then created, each described in terms of its impacts, risks and opportunities along the value chain.

#### Assessing impacts, risks and opportunities

As a next step, each sustainability matter and its related impacts, risks and opportunities were assessed based on predefined scores for impact and financial materiality. This was followed by workshops with internal experts and representatives from Group companies to review and refine the initial assessments. Finally, the outcome, in the form of a list with material sustainability matters, was signed off by the respective management teams.

#### Validating impacts, risks and opportunities

Thirdly, validation dialogues were conducted on the finalised list of material sustainability matters at a consolidated Group level, involving external stakeholders and senior internal stakeholders, including members of the Executive Management team or their representatives.

#### Determination of the material sustainability matters

Based on the results of the assessments and validation dialogues, appropriate thresholds were identified and used to determine which sustainability matters were material at both Group level and across individual Group companies.

#### Outcome

The results of the double materiality assessment define the Group's material sustainability matters and establish the list of disclosure requirements that the Group will report on in the annual sustainability reporting starting from the financial year 2025.



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# Environmental disclosures

## Climate change

To mitigate the impact of climate change, a robust and enduring decrease in carbon dioxide (CO<sub>2</sub>) emissions and other greenhouse gases (GHG) is imperative. We support our companies' efforts to reduce their negative climate-related impact and boost their positive impact through the development of sustainable product offerings, which in turn aid our customers' sustainable transition. As part of our 2030 Group targets, all our companies work towards becoming climate neutral.

### Material sustainability matters

Climate change		Materiality characteristics		
		Value chain	Impact	Financial effect
Climate change adaptation	Beckers, Alex Begg		Negative	Risk
Scope 1, 2 and 3 GHG emissions	Beckers, Colart, Alex Begg		Negative	Risk Opportunity (Alex Begg)
Energy	Beckers, Colart, Alex Begg		Negative	

Upstream   Own operations   Downstream

## Governance

Read Integration of sustainability-related performance in incentive schemes to understand how remuneration is connected to established emissions targets.



**Approved goals:**  
• Höganäs



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## Strategy

### Transition plan for climate change mitigation

The industry's transition to net zero is accelerating and impacting value chains globally. Suppliers and customers are increasingly committing to net-zero emissions targets to aid climate action. This wider transition to net zero presents business opportunities to Lindéngruppen and our companies who are leading the transformation in their respective sectors. These opportunities include enhancing operational efficiency, boosting customer loyalty and attracting talent. Transitioning to a more environmentally sustainable, climate-neutral economy, is not expected to have any negative effects on our workforce.

As part of the 2030 Group targets, all our companies work towards becoming climate neutral. As a Group, we are working on the development of our consolidated transition plan for climate change mitigation. Our aim is to develop and make available a comprehensive Group-wide transition plan.

#### Beckers

All Beckers' sites are guided by a long-term industrial plan aimed at minimising CO<sub>2</sub> emissions in Scope 1 and 2. This strategy involves ongoing improvements and targeted investments to reduce energy consumption, including online monitoring systems, solar panels and optimised heating, cooling and ventilation controls. Beckers committed to SBTi in 2024.

#### Colart

Colart is committed to decarbonising the art materials industry. During 2024, the Colart Board endorsed the Sustainability Roadmap, which will support the company's advance towards its climate-related goals. The Sustainability Roadmap has a clear path towards the 2030 net-zero emissions target.

#### Alex Begg

Alex Begg is committed to making a significant difference for its supply chain partners, customers and co-workers. Sustainability is a key competitive driver for Alex Begg and a major factor in its success in acquiring new customers in 2024.

#### Höganäs

The low-carbon transition is driving both Höganäs' short and long-term strategies, as it is intrinsically linked to major trends within the company's target industries, such as electrification. Höganäs had its SBTi targets verified in 2023, and aims to be net zero across its value chain by 2040.

### Material impacts, risks and opportunities and their interaction with our strategy and business model

#### Climate change adaption

Both Beckers' and Alex Begg's production sites are potentially vulnerable to physical climate impacts, necessitating climate adaptation measures. Climate change also drives shifts in customer demands, requiring businesses to adapt their strategies accordingly.

Beckers and Alex Begg operate within a global upstream supply chain, which may be exposed to climate-related risks. For Beckers, rising temperatures, extreme weather events and operations in water-stressed regions could affect production capacity and increase raw material costs. For Alex Begg, potential impacts include colder winters in Mongolia or wildfires in Australia and New Zealand, which could disrupt animal populations and lead to higher raw material prices.

#### Climate mitigation

Lindéngruppen's Group companies – Beckers, Colart and Alex Begg – report on Scope 1, 2 and 3 greenhouse gas emissions. Challenges persist in further decreasing emissions across all three scopes. Significant costs are associated with emission reduction efforts, particularly in Scope 3 for Beckers. Market and customer expectations directed towards our companies are currently limited, however, owner, co-workers and societal expectations are driving ambitious target setting.

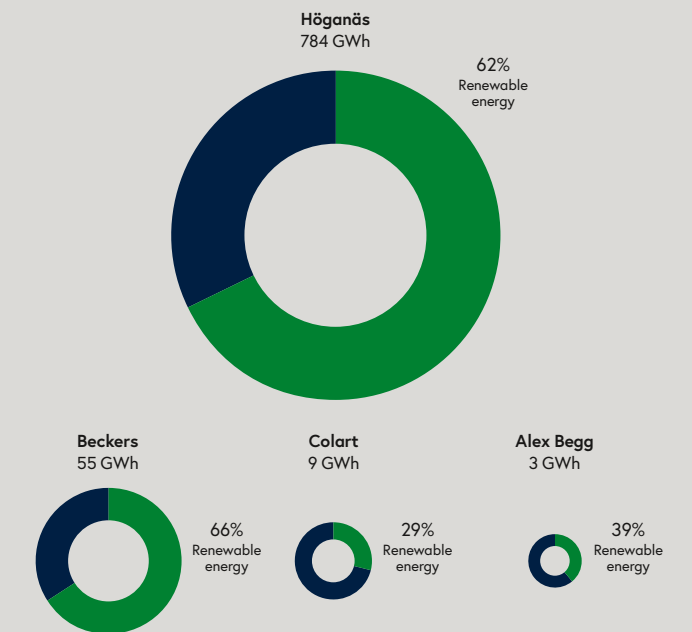
For Alex Begg, improved Scope 3 reporting in 2024 – including employee commuting, waste and water emissions, and business travel – enhanced transparency and accountability. Colart's primary Scope 1 initiatives have centred on energy efficiency enhancements.

#### Energy

Energy usage in offices and manufacturing has improved for both Beckers and Alex Begg, however energy consumption during production remains significant. Both companies are actively working to reduce energy usage and increase the use of renewable energy through investments in solar power and enhanced energy efficiency in their buildings. Five of Beckers' sites are certified to the ISO 50001 Energy Management System standard.

Colart's manufacturing sites also require substantial energy for production, as well as for cooling and cleaning processes.

For more information on climate-related impacts, risks and opportunities and their interaction with our strategy and business model, read more on pages 104–106.



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## Impact, risk and opportunity management

### Description of the processes to identify and assess material climate-related impacts, risks and opportunities

We have assessed our Group companies' operations to increase transparency and disclosures on how climate-related risks and opportunities could affect Lindénggruppen financially in the long term.

The companies have conducted their first analyses of operations based on two possible future climate scenarios: the Paris Agreement is achieved and Business as usual. However, as our companies operate in different industries it is difficult to analyse the Group's overall climate-related risks and opportunities on an aggregate level.

#### The Paris Agreement is achieved

Lindénggruppen is well placed to contribute and operate in a market where temperature rise limitation has been achieved. Customers' ambitious climate targets will increase demand for the products we are working to develop through planned investments in new technologies and equipment. By accelerating the transition to a climate-neutral economy, we make ourselves more attractive to current and future co-workers. Increased requirements for zero emissions in the value chain will also enable the transition to a sustainable product offering.

#### Business as usual

In a world that fails to limit temperature increases, Lindénggruppen's business will be affected by both the resulting climate change and the economic and political consequences. Climate change means that production and other activities will be exposed to more extreme weather and rising sea levels and, for example, changes to the pastureland that is essential for the sustainable supply of the raw material cashmere to a business like Alex Begg. Economic and political consequences relate to political decisions and regulations becoming more severe and unpredictable. Of course, we will also face the economic and social costs of major climate change that affect society.

### Scenario: the Paris Agreement is achieved

A scenario where the global temperature increase has been limited to 1.5–2°C (RCP 2.6).

- Greenhouse gas emissions are halved by 2050
- 1.5–2°C temperature increase
- Renewable energy technologies are dominant
- Low-energy intensity
- Major transformations of society, infrastructure and buildings have taken place
- Global joint initiatives have succeeded
- Regulations and taxes have been introduced regarding greenhouse gas emissions
- Demands from customers and investors have changed

#### Climate-related risks

- Lack of investments in new technology designed to accelerate the transformation
- Electrification is hampered by a lack of green electricity, or by insufficient electricity
- Prohibition of certain raw materials, chemicals and pigments
- Heavy reliance on bio-based process materials that are not perceived as sustainable (third-party certification requirements)
- Heavy reliance on fossil fuel-based processes and/or raw materials
- Bio-based materials do not work due to technical limitations or lack of availability
- Products cannot be replicated with more climate-friendly materials (recycled materials or materials with a low-climate impact)
- Political and other decisions lead to price increases for raw materials, transport and energy

#### Climate-related opportunities

- Changing customer requirements and increased demands for sustainability make us more attractive as a business partner
- A stronger brand, the opportunity to assume the role of sustainability leader in our market
- Increased demand for innovative products and solutions and opportunities for collaborations throughout the value chain
- Greater demand for products and packaging with a low-climate impact
- Solar energy production and increased use of renewable energy
- Increased demand for innovation and new technology
- Reduced energy needs due to more efficient use of resources
- Increased use of recycled materials and residual waste

#### Financial consequences

##### Costs

- Increased investment in the transition to a climate-neutral economy (volatile organic compounds (VOCs), renewable energy etc.)
- Increased costs of climate adaptation (equipment and raw materials)
- Increased volatility in commodity prices, particularly fossil fuel-based raw materials

##### Revenue

- Increased demand for climate-friendly solutions and products
- Increased demand for products based on natural materials
- New business models and innovations contribute new revenue



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Impact, risk and opportunity management, cont.

### Scenario: Business as usual

A scenario where the goals of the Paris Agreement have not been met and greenhouse gas emissions continue to increase at the current rate (RCP 8.5).

- Greenhouse gas emissions continue to increase at the same rate as today
- 2–4°C temperature increase
- Rising sea levels
- Increased frequency of extreme weather
- Increased frequency of forest fires and floods
- Unchanged demands from customers and investors
- High-energy use and continued high dependence on fossil fuel-based energy
- Global initiatives and partnerships fail
- Increased numbers of refugees

#### Climate-related risks

- Increased competition from low-cost competitors who do not have sustainable products/services
- Negative effect on the supply chain, such as shutdowns (raw materials), disruptions due to extreme weather events and rising sea levels, followed by the impact on costs and availability
- Major investments needed and increased responsibility to ensure co-workers' safety, ability to get to work and general health
- Need for changes in and around factories to manage the consequences of extreme weather conditions (rising sea levels, hazardous materials, pollution etc.) and to maintain good relationships with local communities
- Electricity and energy shortages, driven by increased electrification and energy needs

#### Climate-related opportunities

- Competitors fail and/or offer acquisition opportunities
- Climate-neutral products make us a more attractive business partner
- The requirement to adapt to changing climate conditions increases the need for specific products (e.g. coatings/products that help with heat protection by reflecting sunlight, and water harvesting or desalination)
- Greater demand for products with a low-climate impact

#### Financial consequences

##### Costs

- Forced to exit certain markets and phase out certain types of products
- Reduced demand for seasonal products due to global warming
- Dramatically increased costs for climate adaptation (facilities, products and services)
- Volatile or increased energy costs
- Increased prices of raw materials
- Increased operating expenses
- Dramatically increased insurance costs

##### Revenue

- Increased demand and value for climate-neutral products

For information on the overall process to identify and assess material climate-related impacts, risks and opportunities, read more on pages 99–101.

### Policies related to climate change mitigation and adaptation

In our strategic Group targets for 2030, we have made a clear commitment to becoming climate positive and ensuring that our products and solutions are perceived as sustainable by the market. Our Sustainability Guidelines mandate that Lindéngruppen and the Group companies adopt a science-based approach to sustainability, guided by The Four Principles for a Sustainable Society. This includes ensuring that we do not systematically increase substances extracted from the Earth's crust, such as fossil-fuels.

In the Group Code of Conduct it is clearly stated that Lindéngruppen and its Group companies shall reduce its consolidated climate-related footprint. To achieve climate responsibility, Group companies are committed to minimising the climate-related footprint of their products and operations. They are also expected to promote products, services and practices that enable others across the value chain to reduce their climate-related impact. In addition, all companies are expected to establish climate-related policies tailored to their specific circumstances.

For more information on the Code of Conduct and the Sustainability Guidelines see pages 92–93. Lindéngruppen's strategic Group targets for 2030 are found on page 95.

### Actions and resources in relation to climate change policies

As part of the efforts to develop Lindéngruppen's Group-wide transition plan and achieve the 2030 climate-related targets, each Group company is working on its own transition plan and driving its own initiatives with the support of clear roadmaps and action plans.



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Impact, risk and opportunity management, cont.

### Beckers

In 2024, Beckers reached a significant milestone by committing to the Science-Based Targets initiative (SBTi), setting both near-term emission reduction goals and a net-zero target. As the first coil coatings company to commit to net-zero emissions by 2050, Beckers is leading the way in climate action. The company has developed an initial transition plan and is actively implementing it.

Beckers is accelerating its shift to renewable energy with the goal of achieving over 70 per cent renewable energy use by 2030, with notable progress in 2024. Sites in Shanghai and Guangzhou, China and Nagpur, India began purchasing Renewable Energy Certificates (RECs), which has raised overall renewable energy usage to 66 (58) per cent in 2024. Additionally, the Liverpool site transitioned entirely to Renewable Gas Certified biogas for heating in Q4, while the Montbrison site, a significant emitter, began covering 50 per cent of its heating needs with Renewable Gas Certified biogas from Q2 2024.

Beckers reassessed its climate strategy and broadened its annual carbon footprint calculations to include all relevant Scope 3 categories. This assessment forms the basis for Beckers' Emission Reduction Roadmap. A major milestone in 2024 was the commitment to the Science-Based Targets initiative (SBTi), with both near-term reduction and net-zero science based targets submitted in 2024.

### Colart

Colart continued to successfully drive decarbonisation of its facilities in Scope 1 and Scope 2, achieving a reduction of approximately 10 per cent in 2024. The company also undertook a comprehensive study of its Scope 3 carbon data in 2024, which included the identification of opportunities to decarbonise

emissions from product transportation. Progress is advancing rapidly, with more production facilities and distribution centres transitioning to green energy. In 2025, Colart plans to adopt a formal framework for its low carbon transition.

In 2024, Colart reached a key milestone on its 2030 roadmap by establishing criteria for its Sustainable Product Index. Building on three years of development, the company also launched the world's first bio-based, professional-grade fine art paint, driving eco-friendly product innovation and setting a new standard in sustainability for the industry.

### Alex Begg

Alex Begg is committed to achieving carbon neutrality in scope 1+2 by 2030, with key actions including sourcing electricity through the UK's Renewable Energy Guarantees of Origin (REGO) scheme. In 2024, the company launched an initiative to establish baseline and reduction targets for carbon emissions with completion targeted for 2025. Alex Begg continued to expand its measurement of Scope 3 emissions.

Sustainability assessments are integrated into all new pre-studies and projects for product and process development, as well as investment projects. Efforts are also underway to enhance fibre certification and conduct trials with innovative recycled yarns, driving sustainable progress across operations.

### Höganäs

Höganäs has validated its SBTi targets to reach net-zero emissions for Scope 1, 2 and 3 upstream emissions by 2040. The company's Climate Roadmap sets more ambitious goals, aiming for net zero in Scope 1 and 2 by 2030 and in Scope 3 upstream emissions by 2037. So far, progress has been in line with the

plans, with significant reductions in Scope 1 and 2 emissions. Improvements have also been made in Scope 3, particularly in methodology, tracking capability and increased awareness.

Results in lowered emissions from direct materials are already evident and are expected to increase in the coming years. Höganäs provides product-specific carbon footprint (PCF) for all base powders, backed by Life Cycle Assessment (LCA) models, ensuring transparency and continuous improvement in sustainability.

Progress has also been made in Scope 3, particularly in methodology, tracking capabilities and awareness. Emission reductions from direct materials, such as virgin metallic raw materials, are already evident, supported by increased use of secondary raw materials.

In 2024, a decision was made to invest in equipment to replace 20 per cent of fossil coal with biochar in the sponge iron production process.

Looking forward, Höganäs is embedding sustainability into every aspect of its business, ensuring that proactive measures continue to drive progress and shape the company's culture and strategic planning.



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## Metrics and targets

### Targets related to climate change mitigation and adaptation

Lindénguppen has set strategic Group targets for 2030 related to climate change, with clear milestones to be achieved by 2025. Over time, these goals will be refined and adjusted to meet additional scientific requirements.

	2025 Milestones	2030 targets
Carbon emissions	Reduce CO <sub>2</sub> emissions in Scope 1 by 30% compared to 2019 Scope 2: 100% fossil fuel-free electricity	Zero CO <sub>2</sub> emissions in Scope 1 and 2 and more than 50% CO <sub>2</sub> intensity reduction in Scope 3 compared to 2019

### Energy consumption and mix

#### Beckers

Increased use in both renewable electricity and renewable fuels. China, India and Mexico started to buy RECs, and France and the UK began using biogas during 2024. No significant change in total energy use with 5 per cent increase in electricity consumption (produced volume up by 4 per cent), 2 per cent decrease in gas usage (natural gas and biogas) and 14 per cent decrease in district heating consumption.

#### Colart

Colart's manufacturing sites require energy for the production, cooling and cleaning of products. All sites in the UK and France have 100 per cent green electricity contracts. Solar panels are installed and running at the site in Kidderminster, UK.

#### Alex Begg

Overall energy consumption has gone down. The energy mix is based on 45 per cent green electricity and electricity was down with 18 per cent at Ayr site compared to previous year which resulted in a lower share of renewable energy (39 per cent compared to 43 per cent 2023). Alex Begg works actively with reducing energy usage and using/producing renewable energy through investments in solar and improved energy efficiency in buildings.

#### Höganäs

Total energy usage was at the same level despite higher production volumes. The total electricity usage has decreased mainly due to energy efficiency efforts. Own production of renewable electricity increased by 37 per cent (incl. sold). The total energy usage from fuels has on the other hand increased, mainly because of slightly higher production volumes and changes in product mix. Höganäs buys renewable electricity certificates to cover all its consumption of nuclear energy. 2023 corrections: reporting error of purchased renewable electricity from one site (previously 167 700 MWh, now 159 700 MWh). Reporting error of purchased nuclear electricity from two sites (previously 228 000 MWh, now 240 400 MWh).

#### Lindénguppen HQ

District heating with 100 per cent renewable energy.

### Energy consumption and mix, Lindénguppen

	2024	2023	2022
Fuel consumption from coal and coal products (MWh)	887	n/a	n/a
Fuel consumption from crude oil and petroleum products (MWh)	0	n/a	n/a
Fuel consumption from natural gas (MWh)	17,398	n/a	n/a
Fuel consumption from other fossil sources (MWh)	621	n/a	n/a
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	7,428	n/a	n/a
<b>Total fossil energy consumption (MWh)</b>	<b>322,234</b>	<b>376,623</b>	<b>750,219</b>
Share of fossil sources in total energy consumption (%)	38	45	82
Consumption from nuclear sources (MWh)	240,400	235,800	n/a
Share of consumption from nuclear sources in total energy consumption (%)	28	28	n/a
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	83,755	27,332	1,710
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	197,056	199,838	158,274
Consumption of self-generated non-fuel renewable energy (MWh)	6,715	3,177	4,369
<b>Total renewable energy consumption (MWh)</b>	<b>527,925</b>	<b>466,147</b>	<b>164,353</b>
Share of renewable sources in total energy consumption (%)	62	55	18
<b>Total energy consumption (MWh)</b>	<b>850,159</b>	<b>842,770</b>	<b>914,572</b>

*Beckers, Colart and Alex Begg started reporting more detailed fuel consumption in 2024, therefore n/a is indicated for previous years.*



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Metrics and targets, cont.

### Gross Scopes 1, 2, 3 and total GHG emissions

**Beckers**

In 2024, Beckers adjusted its boundary condition for scope 1 emissions by excluding CO<sub>2</sub>e from VOC emissions and including VOC incineration, aligning with the GHG protocol and SBTi. In 2023, raw materials and packaging from scope 3, part of category 3.1, were incorporated into the climate reporting. In 2024, categories 3.10, 3.12 and part of 3.2 were further added to enable a more comprehensive climate evaluation.

**Colart**

Work is currently ongoing to align emissions factors in Sphera with previously used emission factors. 2023 Scope 1 has been amended due to a reporting error.

**Alex Begg**

The company annually avoids around 260 tonnes of carbon dioxide by sourcing 100 per cent of its electricity from renewable and completely fossil fuel-free sources. The 2023 data has been revised to reflect updated calculation methodology, and work is currently ongoing to align emissions factors in Sphera with previously used emissions factors.

**Höganäs**

Scope 2 close to zero in 2023 and 2024 due to 100 per cent fossil-free electricity. The remaining emissions stem from heating, steam and cooling.

2023 corrections:

- Change of raw material led to missing 2 500 tonnes of anthracite (7 880 t CO<sub>2</sub>)
- Halmstad biogas was missing due to calculation error in previous reporting system
- TK-slag in Höganäs was taken from landfill mining and not to external recipient
- Wrongly reported nitrogen 32 000 t in one site for scope 3
- Reporting error for electricity from two sites affects fuel and energy related activities in scope 3

### Gross scope 1, 2 and 3 emissions, Lindéngruppen

	Retrospective			Milestones and target years	
	2023	2024	% N / N-1	2025	2030
Gross scope 1 GHG emissions (tCO <sub>2</sub> eq)	221,081	211,380	-4	Reduce CO <sub>2</sub> emissions in scope 1 by 30% compared to 2019	Zero CO <sub>2</sub> emissions in scope 1 and 2
Gross location-based scope 2 GHG emissions (tCO <sub>2</sub> eq)	105,079	107,647	2		
Gross market-based scope 2 GHG emissions (tCO <sub>2</sub> eq)	8,717	6,484	-26	Scope 2: 100% fossil-free electricity	Zero CO <sub>2</sub> emissions in scope 1 and 2
Total Gross indirect (scope 3) GHG emissions (tCO <sub>2</sub> eq)	895,259	1,665,635	86		More than 50% CO <sub>2</sub> intensity reduction in Scope 3 compared to 2019
<b>Total GHG emissions</b>					
Total GHG emissions (location-based) (tCO <sub>2</sub> eq)	1,221,419	1,984,662	62		
Total GHG emissions (market based) (tCO <sub>2</sub> eq)	1,125,057	1,883,499	67		

**Lindengruppen HQ**

Share of scope 3 increased due to more commuting as well as significantly more business travel compared to both 2023 and earlier years.





















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## Pollution

Our companies are engaged in industries with challenges regarding pollution. Lindéngruppen works together with and supports Group companies to mitigate pollution, reduce emissions of substances of concern, and identify and reduce microplastics in raw materials.

### Material sustainability matters

Pollution		Materiality characteristics		
		Value chain	Impact	Financial effect
Air pollution	Beckers, Colart	  	Negative	
Water pollution	Beckers, Colart, Alex Begg	  	Negative	Risk (Alex Begg)
Soil pollution	Beckers, Colart	  	Negative	Risk (Beckers)
Substances of concern and very high concern	Beckers, Colart	  	Negative	
Microplastics	Beckers	  	Negative	

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#### Air pollution

Beckers impacts air pollution across the value chain through production, transportation and fire incidents. Key emissions include volatile organic compounds (VOCs), nitrogen oxides (Nox), sulphur oxides (Sox) and PM10 (particles with a diameter of 10 micrometres or less), with both short- and long-term effects.

Colart's upstream value chain significantly contributes to air pollution, primarily from the use of materials from the oil and gas industry. The main air pollutants include fine and coarse particulate matter (PM2.5 and PM10), VOCs, NOx, sulphur dioxide (SO<sub>2</sub>) and carbon monoxide (CO).

#### Water pollution

Beckers' and Colart's upstream value chains include the chemical industry, in which water pollution occurs throughout, from raw

material extraction to product use and disposal. The oil and gas sector, a key part of Beckers' and Colart's supply chains, contributes to water pollution through nitrates, phosphates, heavy metals and chemicals.

Alex Begg's operations and upstream value chain impact water and marine resources, as the textile industry contributes significantly to water pollution during dyeing and production. Key parts of Alex Begg's supply chain include processing plants in Mongolia and China where raw cashmere fibres are chemically cleaned.

#### Soil pollution

Colart's upstream value chain contributes to soil pollution, particularly through the mining of key minerals like cobalt. This activity can contaminate soil, harm crops and cause long-term soil infertility.

#### Substances of concern and substances of very high concern

As part of the chemical industry, upstream operators in Beckers' value chain make significant use of hazardous substances, including substances of very high concern. The release of such chemicals in large quantities can harm human health and the environment. Beckers' impact spans the entire value chain, with compliance to laws and regulations requiring substantial time and resource investments.

#### Microplastics

To reduce microplastics in its products, Beckers monitors their presence and has evaluated its raw material portfolio to categorise and quantify microplastic content. On average, added microplastics account for five to seven per cent of liquid paint products.



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## Impact, risk and opportunity management

Read IRO-1 (page 99) Description of the processes to identify and assess material pollution-related impacts, risks and opportunities for details on the process of identifying and assessing pollution-related impacts, risks and opportunities across our entire value chain and our Group companies' operations.

### Policies related to pollution

Lindéngruppen has developed the Sustainability Guidelines as part of the internal governance document, The Lindéngruppen Way. These guidelines are founded on principles such as minimising the use of heavy metals and minerals and reducing the release of harmful substances, including plastics, into the environment.

Lindéngruppen does not have a policy regarding pollution on a Group level, however, Group companies have themselves developed governing policies and documents which prescribe pollution reduction targets as well as management of substances of concern and microplastics. Group companies are also required to have appropriate environmental management systems in place to manage pollution-related impacts.

### Actions and resources related to pollution

#### Beckers

As part of Beckers' plan to reduce emissions, key actions include minimising air emissions such as CO<sub>2</sub>, VOCs and dust. Improvements focus on better operational procedures, including closed circuits, vessel covers, aspiration systems and technologies like VOC abatement systems, carbon filters, biodigesters and dust collectors. A Green Belt project aimed at reducing VOC emissions was launched at Beckers France during 2024, with plans to replicate the approach across all sites. In 2024, these measures achieved stable VOC emissions despite an increase in production volume.

#### Alex Begg

Alex Begg actively collaborates with suppliers to ensure adherence to the industry chemical compliance standards laid down by the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation.

#### Colart

To minimise negative impacts across its value chain, Colart is phasing out substances of very high concern. In 2023, Colart launched the Long-term Product Safety Roadmap, prioritising actions that address products with the most severe chemicals and the highest sales volumes.

#### Höganäs

Höganäs' activities contribute to environmental impacts throughout its value chain. The impact to air, soil and water is considered limited in its own operations but could be significant across the value chain due to the use of raw materials coming from extractive industries.

#### Land use

Lindéngruppen has historical paint manufacturing sites in Sweden where it is committed to remediating contaminated land when appropriate. Additionally, in France, Beckers retains responsibility for restoring contaminated land at a site where operations were sold. In line with Lindéngruppen's sustainability principles and legal requirements, provisions for land restoration are recognised when pollution has occurred.

## Metrics and targets

### Targets related to pollution

Lindéngruppen does not have a strategic Group 2030 target related to pollution. In most cases, the companies within the Group have set their own pollution-related targets.

### Air, water and soil pollution

#### Beckers

Air emissions has been lower in general in 2024 due to increased share of renewable electricity. VOC emissions remained at the same level despite an increase in production volume.

#### Colart

Air emissions remain stable within normal variations.

#### Alex Begg

Change in calculation method was made for air emissions in 2024 for better accuracy. The 2023 data has been revised to reflect updated calculation methodology.

#### Höganäs

Air emissions remain stable within normal variations.

### Pollutants emitted, Lindéngruppen

Pollutant	Emissions to air		
	2024	2023	2022
NO <sub>x</sub> , kg	127,712	147,077	164,940
SO <sub>x</sub> , kg	53,104	63,300	82,489
Particulate matter (PM10), kg	45,762	49,719	41,156
Volatile organic compounds (VOC), kg	373,158	372,810	442,286















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## Water and marine resources

Water and marine resources are a priority for Lindéngruppen, with a focus on water efficiency. Many Group companies depend on water-intensive processes, such as dyeing, washing and livestock consumption, in industries facing significant water challenges. Lindéngruppen actively supports its companies in reducing water use and withdrawals.

### Material sustainability matters

Water and marine resources		Materiality characteristics		
		Value chain	Impact	Financial effect
Water consumption	Colart, Alex Begg	  	Negative	
Water withdrawals	Beckers, Colart, Alex Begg	  	Negative	
Water discharges	Beckers, Colart	  	Negative	

 Upstream  Own operations  Downstream

#### Water consumption

Water is used in Colart's products, especially the different paint offerings, leading to it being defined as a negative impact in its own operations. Colart consumed 11 000 cubic meters of water in 2024, out of which 10 600 cubic meters were consumed in water-stressed areas. Colart recently conducted a water study to identify possibilities to reduce the water-usage.

There is significant water consumption in Alex Begg's upstream supply chain as the livestock sector is a contributor to increasing water use and water depletion. Water scarcity and potential regulatory changes pose a risk for Alex Begg.

#### Water withdrawals

Beckers has a negative impact connected to water withdrawals primarily in the upstream value chain, including through direct material suppliers and raw material extraction. Within Beckers' own operations, water use stems from activities such as cooling, cleaning, sanitation, showers and food preparation. Notably, 10 out of 25 sites are in water-stressed areas.

In the oil and gas industry, which is part of Colart's upstream value chain, water is considered highly material, as processes often deplete local water reserves by withdrawing significant volumes. Colart reported a total water withdrawal of 52 300 cubic meters in 2024.

Raw cashmere fibres require chemical cleaning in processing plants in Mongolia and China, consuming large volumes of water. Alex Begg's own operations also involve water-intensive processes, though its sites are in low water-stress areas.

#### Water discharges

Negative impact through water discharges is found in Beckers' upstream value chain. Beckers monitors and prevents groundwater contamination and controls wastewater discharges. Beckers' production sites are mostly located in industrial areas where wastewater is collected and cleaned to prevent contamination.

## Impact, risk and opportunity management

Read IRO-1 (99–100) Description of the processes to identify and assess material pollution-related impacts, risks and opportunities for details on the process to identify and assess water and marine resources-related impacts, risks and opportunities.

### Policies related to water and marine resources

Lindéngruppen has developed the Sustainability Guidelines as part of the internal governance document, The Lindéngruppen Way. These guidelines are based on principles aimed at minimising environmental degradation, such as preventing groundwater depletion.

Lindéngruppen does not have a policy regarding water on a Group level, however, Group companies have themselves developed several governing policies and documents which explain management and set targets regarding water resources.

### Actions and resources related to water and marine resources

#### Beckers

Beckers' strategic plan includes monitoring water consumption and preparing investments to reduce water use in the cooling process.

#### Alex Begg

Water efficiency is a prioritised focus area where Alex Begg has made recent progress, implementing a shorter washing cycle for sample textiles that conserves water. Used to soften the fibres, washing is a crucial step in textile processing.

#### Höganäs

The Stony Creek facility in the US, which accounts for the largest share of water consumption in Höganäs' operations, has implemented more precise water flow measurements.





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## Metrics and targets

### Targets related to water and marine resources

Lindéngruppen does not have a strategic Group 2030 target related to water. Beckers has set its own water-related target.

- Beckers' target for 2030 is to reduce water withdrawal by 50 per cent and to reduce water intensity per employee for sites located in water-stressed areas by 50 per cent

### Water consumption

#### Beckers

Increase in water consumption (including total water consumption in water-stressed areas) mainly due to the civil work of resin project and the Fire Prevention Program Manager (FPPM) project at the Nagpur site. Additionally, consumption increased due to sprinkler system work at some sites. The decrease in total water withdrawal was mainly due to cooling water turned off in Sweden and a broken underground water pipe in Shanghai in 2023.

#### Colart

Total water consumption in water-stressed areas has increased. Colart has water-stress areas in three zones (US, France and China), which has gone from medium classification to high.

#### Alex Begg

New submeters provides more reliable data. The submeters measure water use for steam or usage in production. The 2023 data have been revised to reflect updated calculation methodology.

#### Höganäs

Höganäs had a decrease in water withdrawal that is explained by the closure of the plant in Buch, Switzerland and by a decreased production volume at the site in Stony Creek, USA.















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## Resource use and circular economy

Focused on making a positive impact, Lindéngruppen is driving innovation toward regenerative and circular solutions to reduce waste and environmental impact from its industrial companies. By doing so, Lindéngruppen creates benefits for customers, contributes to a more sustainable future and strengthens competitiveness in the market.

### Material sustainability matters

Resource use and circular economy		Materiality characteristics		
		Value chain	Impact	Financial effect
Resource inflows, including resource use	Beckers, Colart, Alex Begg	  	Positive and negative	Opportunity (Beckers and Alex Begg)
Resource outflows related to products and services	Beckers, Colart, Alex Begg	  	Positive and negative	
Waste	Beckers, Colart, Alex Begg	  	Negative	

 Upstream  Own operations  Downstream

#### Resource inflows, including resource use

Beckers' use of ultraviolet/electron beam (UV/EB) technology reduces material volumes, offering potential financial benefits in its upstream value chain and operations. However, substituting raw materials remains a challenge due to long transition lead times and the need for customer alignment with new formulations.

Colart is focused on increasing recycled materials in products and packaging, particularly by reducing virgin plastic use, to mitigate its upstream and operational impacts.

For Alex Begg, sourcing certified materials presents significant financial opportunities, driven by requests from its three largest customers. However, dependency on commodity prices poses a financial risk.

#### Resource outflows related to products and services

Beckers' coil coatings extend the life of products like steel and aluminium with minimal maintenance while allowing full recyclability without quality loss.

Colart's durable paints and reusable brushes are designed to minimise environmental impact, with a focus on reducing harm across its own operations and the value chain.

Alex Begg creates premium, repairable products from natural fibres, designed for long-term use. The company collaborates on UK textile recycling initiatives to reduce waste, enhance circularity and explore design for recyclability to meet sustainability expectations.

#### Waste

Beckers' operations generate both hazardous and non-hazardous waste, including chemical by-products, with impacts across the value chain. Waste management varies locally; for example, in South Africa, landfill disposal is mandatory.

Colart produced 547 tonnes of hazardous waste for incineration in 2024, alongside 442 tonnes of non-hazardous waste sent for recycling, recovery or reuse, and 125 tonnes to landfill. Colart prioritises waste reduction throughout operations and optimises stock management to minimise impacts.

While Alex Begg endeavors to reduce waste as much as possible, the production processes for weaving and knitting nevertheless result in some textile waste. In 2024, 100 per cent of offcuts were upcycled through partnerships, with no textile waste sent to landfill. All waste streams are managed through recycling or waste-to-energy programmes, supporting resource efficiency as a cost-saving and competitive opportunity.



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## Impact, risk and opportunity management

Read IRO-1 (page 99) Description of the processes to identify and assess material impacts, risks and opportunities for details on the process to identify and assess impacts, risks and opportunities related to resource use and circular economy.

### Policies related to resource use and circular economy

Lindéngruppen does not have a policy regarding resource use and circular economy on a Group level. However, Group companies have themselves developed several governing policies and documents which prescribe policies and targets related to resource use and circular economy.

### Actions and resources related to resource use and circular economy

#### Beckers

Sustainability leadership creates opportunities for Beckers, such as UV/EB products with notable benefits and bio-based products supported by life-cycle assessments (LCAs) for efficiency gains. While recycled PET resins are used sparingly, Beckers advances recycling techniques and supplier education. In some markets, Beckers is also working with customers to reuse surplus paints.

Beckers' strategy reduces emissions and waste through solvent distillation, waterborne cleaning machines and landfill-reducing incineration. In Sweden, the Green Belt project addresses paint waste streams, while collaborations work to develop sustainable aromatic monomers from waste feedstocks.

#### Colart

By reducing unnecessary packaging, minimising use of plastics (with a goal to reduce 50 per cent of the plastic in its workstream by 2025) and developing bio-based alternatives to the traditional acrylic paints, Colart aims to minimise its impact on the environment. A long-term goal is that all plastic packaging should be 100 per cent reusable or widely recyclable and should include at least 50 per cent post-consumer recycled content. Colart is already using recyclable packaging to enable better possibilities for end-of-life recycling.

#### Alex Begg

Alex Begg is a zero production waste company. In partnership with luxury mattress manufacturer Harrison Spinks, among others, the company upcycles 100 per cent of textile offcuts. Other waste is either recycled or sent to energy incineration. No textile waste goes to landfill. Natural fibres used in production as well as wood pallets and cardboard boxes are bio-based.

#### Höganäs

The proportion of recycled secondary materials, which is materials such as scrap metals and refined metals from scrap, in use at Höganäs is already more than 50 per cent. Höganäs continues to increase the usage of scrap metals which is beneficial from both an environmental and resource-efficient perspective. It also contributes to reducing Höganäs' Scope 3 emissions. Höganäs aims to achieve a 95 per cent usage rate by 2026 for residuals such as slags and other process-related sidestreams. In 2024, 82 per cent (78) of process residuals were diverted from disposal, with the remaining 18 per cent (22) sent to landfill.

## Metrics and targets

### Targets related to resource use and circular economy

Lindéngruppen has set strategic Group targets for 2030 related to resource use and circular economy, with clear milestones to be achieved by 2025. Over time, these goals will be refined and adjusted to meet additional scientific requirements.

	2025 Milestones	2030 targets
Waste	Map waste streams to find potential improvements and reduction targets	Zero waste = more than 95% material recycling or reuse
Sustainable customer offering	Define sustainable customer offerings per company, 20% of sustainable sales to come from the sustainable customer offerings	50% sustainable sales to come from sustainable customer offerings
Sustainable materials	20% of used materials to be bio-based, recycled and/or reused	50% of used materials to be bio-based, recycled and/or reused

Beckers targets, by 2030, zero waste to landfill, <35 kg/ton waste efficiency and a 70 per cent reduction in incinerated waste without heat recovery, achieved through solvent reuse, product repurposing and circular packaging materials.

### Resource inflows

#### Beckers

Beckers' main material inflows include polyester resins, titanium dioxide and fossil fuel-based solvents. Less than one per cent of materials are bio-based or recycled.

#### Colart

Colart sources biological raw materials such as linseed oil and pigments. Products are divided between acrylics, watercolours and oil-based paint. Acrylic paint is the main contributor to the use of non-renewable and non-bio-based materials.



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Metrics and targets, cont.

**Alex Begg**

Alex Begg's major inflow materials are bio-based yarns. The company is moving towards only sourcing certified yarn. In partnership with recycled yarn specialists, Alex Begg has been able to produce a yarn that is made from 100 per cent recycled cashmere.

**Höganäs**

In 2024, the percentage of biological material was less than 1 per cent. The majority of the materials are metallic, with most being secondary raw materials.

Resource outflows

**Beckers**

**Waste** – Beckers continued to implement measures at its sites to avoid waste, including implementing closed loops and finding ways to produce paint from paint waste. When waste is unavoidable, the company focuses on reducing, repurposing and finding incinerators that can recover the energy generated. This approach has enabled them to maintain the absolute reduction plan for incinerated waste without heat recovery (-20 per cent compared to 2023).

**Sustainable materials and customer offering** – Beckers increased sales of BSI Achiever products to 50 per cent, demonstrating Beckers' commitment to bringing sustainable products to the market. The Beckers Sustainability Index (BSI) measures product sustainability, from both material and functional perspectives, with the Achiever class representing the pinnacle of sustainability performance. While the use of recycled and biobased materials is currently low, Beckers' FutureLab and global R&D teams are actively developing options through internal development and collaborations with suppliers and start-ups.

**Waste directed to disposal, Lindéngruppen**

	2024	2023	2022
<b>Hazardous waste (t)</b>			
Incineration	3,143	3,318	3,627
Landfill	1,901	2,079	798
Other disposal operations	200	n/a	n/a
<b>Non-hazardous waste (t)</b>			
Incineration	510	1,011	1,096
Landfill	21,507	28,305	35,134
Other disposal operations	0	n/a	n/a
<b>Total amount of non-recycled waste</b>	<b>27,261</b>	<b>34,713</b>	<b>40,655</b>
Non recycled waste (%)	21	25	28

**Colart**

**Waste** – Colart continued to focus on waste reduction in 2024 resulting in a 41 per cent reduction of waste to landfill and driven by the Piscataway site that had a larger one-off disposal in 2023.

**Sustainable materials and customer offering** – Colart initiated the development of a sustainable product index, set to launch in 2025, to help customers make sustainable choices. In 2024, sales of sustainable products accounted for 8 per cent of total sales. Colart continued to invest in sustainable product innovation, with a major highlight of 2024 being the launch of the world's first bio-based, professional-grade fine art paint, under the Liquitex brand.

**Alex Begg**

**Waste** – Alex Begg is a zero production waste company, meaning that no textile waste goes to landfill. In partnership with luxury mattress manufacturer Harrison Spinks and other smaller organisations, the company upcycles 100 per cent of textile offcuts. Other waste is either recycled or sent to energy incineration. The 2023 data has been revised to reflect updated calculation methodology.

**Sustainable materials and customer offering** – Alex Begg received certifications for Sustainable Fibre Alliance (SFA) and the Responsible Wool Standard (RWS) processing in 2024,

reflecting its supply chain engagement. In the realm of circular textiles, the company has designed and crafted two products using recycled materials from its own processes, which will be included in the AW25 collection for Begg x Co. Alex Begg also established a definition for a sustainable customer offering: products containing 100 per cent RWS or SFA certified fibre, or products made with a minimum of 30 per cent recycled yarn. The share of sustainable sales is now 35 per cent.

**Höganäs**

**Waste** – Höganäs is particularly focused on production process residuals, aiming to achieve a 95 per cent usage rate by 2026 for residuals such as slags and other process-related sidestreams. In 2024, 82 per cent (78) of process residuals were diverted from disposal, with the remaining 18 per cent (22) sent to landfill.

**Sustainable materials and customer offering** – Höganäs is actively collaborating across all divisions to bring selected product candidates to market where sustainability benefits have been identified and quantified. Following evaluation of the trial period, next steps will be determined. Currently, Höganäs utilises over 50 per cent recycled direct materials in production, including scrap metals and refined metals from scrap. Efforts to further increase the scrap rate are ongoing, as this not only enhances environmental and resource efficiency but also contributes to reducing Scope 3 emissions.



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# Social disclosures

## Own workforce

Our companies prioritise working conditions, health and safety, equal treatment, diversity and community engagement, nurturing a supportive workplace culture that positions them as employers of choice and drives long-term success.

### Material sustainability matters

Own workforce		Materiality characteristics		
		Value chain	Impact	Financial effect
<b>Working conditions</b>				
Secure employment	Alex Begg		Negative	
Working time	Colart, Alex Begg		Positive	
Adequate wages	Beckers, Colart, Alex Begg		Positive	Opportunity (Alex Begg)
Work-life balance	Beckers, Colart, Alex Begg		Positive and negative	
Health and safety	Beckers, Colart, Alex Begg		Positive and negative	Risk (Beckers)
<b>Equal treatment</b>				
Gender equality and equal pay for work of equal value	Beckers, Colart, Alex Begg		Positive and negative	
Training and skills development	Beckers, Colart, Alex Begg		Positive	
Measures against violence and harassment in the workplace	Beckers, Colart		Negative	
Diversity	Beckers, Colart, Alex Begg		Negative	

Upstream Own operations Downstream

## Strategy

### Interests and views of stakeholders

Lindéngruppen and its Group companies are committed to nurturing an inclusive and transparent environment that places the workforce's interests and perspectives at the forefront.

To achieve this, Lindéngruppen has established structured processes and mechanisms to engage effectively with co-workers at all levels. Similarly, the Group companies have implemented tailored processes to align with their specific workforce needs. These initiatives ensure that co-workers' voices are actively considered in decision-making, supporting progress toward the strategic Group 2030 targets.

Read more about the interests and views of stakeholders on page 98.

### Material impacts, risks and opportunities and their interaction with our strategy and business model

#### Working conditions

For Lindéngruppen, working conditions are a material sustainability matter, consisting of the topics: secure employment, working time, adequate wages, work-life balance, and health and safety.



#### Cerified companies:

- Colart
- Alex Begg



## Strategy, cont.

**Beckers**

Beckers' commitment to meeting or exceeding living wage standards has a positive impact on its own operations. However, salary discrepancies below leadership level and lack of global coordination pose risks. Annual employee surveys provide insights into well-being and working conditions. Family-related leave is available based on local practices, but work-life balance may have negative impacts on its own operations.

Beckers' use of hazardous materials has potential significant negative impacts on occupational health, safety and well-being in its own operations. Fire safety remains a key risk, with improper equipment use and inadequate training potentially causing financial risks such as fines, property loss or downtime.

**Colart**

The employee satisfaction survey indicates that the majority of co-workers are proud to work for Colart, reflecting a positive impact on its own operations. Colart currently complies with legislative living wage requirements in the UK. In 2024, 12 moderate workplace accidents occurred at Colart's production sites. Colart's main health and safety risks in its own operations are related to accidents with machinery and chemicals.

**Alex Begg**

Alex Begg treats temporary co-workers equal to full-time co-workers, with high satisfaction levels and a regular transition to full-time roles, reducing training costs. Annualised hour contracts, with fewer working days off-season, benefit co-workers. As a Living Wage Employer, Alex Begg has a positive impact on its own operations which enhances retention, brand image and competitiveness. Also, employee benefits positively impact its own operations through staff retention and brand image.

**Höganäs**

All Höganäs' sites provide family-related leave in accordance with social policy and collective bargaining agreements, ensuring alignment with the national regulatory requirements of the countries in which they operate.

**Equal treatment and opportunities for all**

For Lindéngruppen, equal treatment and opportunities for all is a material sustainability matter, consisting of these topics: gender equality and equal pay, training and skills development, measurements against violence and harassment in the workplace, and diversity.

**Beckers**

Beckers nurtures inclusivity and equal opportunities through its anti-discrimination and harassment policy, positively impacting its own operations. While no global gender pay gap has been identified, country-level gaps may exist. Internal training promotes leadership development, creating potential positive impacts. Incidents of workplace violence and harassment reported via the whistleblower system highlight negative impacts on its own operations. Limited female representation in industrial manufacturing contributes to diversity challenges in its own operations, leading to a potential negative impact.

**Colart**

Despite a commitment to gender equality and equal pay, Colart continues to experience a gender pay gap, although improvements are being made each year.

**Alex Begg**

Alex Begg works proactively with gender equality and equal pay for work of equal value in its own operations. Training and skills development is a financial opportunity to attract and retain staff. Unequal treatment of co-workers or a lack of diversity in the organisation could lead to poor working conditions and a damaged brand image and reputation, resulting in a potential negative impact regarding diversity.

**Höganäs**

Höganäs ensures fair treatment, equal pay and compliance with national labor laws across all operations. Höganäs supports freedom of association and collective bargaining, protected by law in all its operating countries. Where no union is present, Höganäs negotiates with elected employee representatives or encourages direct communication between employees and management.

## Impact, risk and opportunity management

### Policies related to own workforce

The overarching commitment to and expectation on the workforce are defined in The Lindéngruppen Way and the Group Code of Conduct. Group companies are expected to act in accordance with these guidelines and to develop and refine work-related policies and guidelines that address the specific needs of each company. Key areas covered by these company specific policies include, among others: working conditions and equal treatment and opportunities.

Key prerequisites on how leadership is practised across all Group companies are set out in The Lindéngruppen Way. The Code of Conduct clarifies, among other things, that:

- We believe in freedom of association
- We have fair working terms and conditions
- We commit to health and safety
- We promote diversity, inclusion and equal opportunities
- We believe in continuous learning and development

**Health and safety**

In 2024, Beckers focused on enhancing mental health understanding as well as its safety culture to ensure that everyone has the right skills, competences and awareness. The safety programme includes the themes people and culture, as well as equipment and facilities to lay the foundation for operating safe assets and processes, and compliance to provide a consistent and systematic approach to identifying, mitigating and preventing hazards and risks. Mental health support at the company now includes professional counselling and manager training.

Colart achieved an 25 per cent accident reduction in 2024, showing its strong resolve to reach its zero-accident target. In 2024, Höganäs focused on safety culture and routine revisions, following an increase in accidents during the year. Life Saving Rules, a key initiative expected to reduce accidents, was launched globally.

Several policies at Alex Begg were reviewed in 2024 and updated to eliminate gendered language and champion inclusion and equality. A menopause policy was developed to nurture a positive well-being culture in the workplace and will be rolled out in 2025.



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Impact, risk and opportunity management, cont.

### Processes for engaging with own workers and workers' representatives about impacts

Lindéngruppen, with a decentralised governance structure, encourages its Group companies to work systematically on developing all co-workers. The foundation for this is to collaborate with co-workers to transform the industries where Group companies are active.

The processes for engaging with co-workers and their representatives vary across companies, but key practices include:

- **Regular dialogue:** Meetings, town halls and focus groups provide opportunities for co-workers to share views on workplace conditions and policies
- **Feedback mechanisms:** Tools like surveys and suggestion boxes capture opinions to identify and address concerns
- **Worker representation:** Collaboration with representatives, such as trade unions, ensures workers' voices influence strategic decisions
- **Training and awareness:** Sessions and campaigns inform co-workers about rights, policies and sustainability objectives, enabling active participation
- **Monitoring and reporting:** Engagement activities and outcomes are tracked and reported, ensuring accountability and transparency

### Processes to remediate negative impacts and channels for own workers to raise concerns

Lindéngruppen and each Group company have a whistleblower system in place for co-workers to report possible non-compliance related to the Group Code of Conduct or a subsidiary's code, or any other illegal behaviour.

In addition, co-workers are also expected to report deviations to their immediate manager, HR representative or worker representative. Information about available reporting channels can be found in multiple channels including The Lindéngruppen Way and Group company intranets. All reporting is anonymous, and those who report in good faith will not face any retaliation.

Investigations are carried out impartially and promptly with independent resources, involving relevant stakeholders where necessary. Where negative impacts are identified, immediate corrective actions are taken. These may include policy revisions, disciplinary actions or workplace adjustments. Co-workers affected by the issue are consulted to co-develop remediation solutions, ensuring their needs are addressed effectively.

### Taking action on material impacts on own workforce, approaches to mitigating material risks and pursuing material opportunities related to own workforce and effectiveness of those actions

#### Working conditions *Beckers*

Beckers ensures that salaries, including overtime and benefits, meet or exceed local legal and industry minimums, promoting decent living standards. A global grading exercise supports equity studies and provides benchmark data. Maternity and paternity leave usage is tracked by gender per country. Beckers aims to ensure that by 2030 all wages meet or exceed living wage standards and positively impact children and youth. Beckers advances health and safety standards to achieve zero accidents through fire prevention systems, regular breathing tests for hazardous chemical exposure and mental health initiatives like Mental Health First Aiders that nurture team spirit and community engagement.

Beckers is committed to ensuring the health and safety of everyone associated with the company. There has been a negative trend in number of accidents during the year and measures have been taken to create a safety culture mindset. The SHIELD initiative, Safety and Health Initiative to Establish Loss Decrease, was launched in 2024 and builds on the three main safety programme pillars from 2023 – People and Culture, Equipment and Facilities, and Process and Compliance. The SHIELD initiative is essential as it provides a structured approach to identifying, assessing and addressing workplace hazards, ultimately protecting employees and nurturing a robust safety culture. The total recordable injuries rate was 5.0 (2.0).

#### *Colart*

No casualties or accidents above moderate have ever occurred at any of Colart's sites. The KPI for a working environment where the team feels safe received a score slightly above 8.5 in the employee engagement survey in 2024. All co-workers are subject to health reviews.

Colart continued to invest in mitigating health and safety risks, including the use of personal protective equipment (PPE). A health and safety conference was held during the year to promote cross-functional and cross-regional shared learning. A new training programme was also introduced at the Le Mans site, the company's largest, with support from Beckers. Additionally, a new reporting tool was implemented across all sites, enabling real-time monitoring of safety results. A significant highlight in 2024 was the Kidderminster site in the UK celebrating over 1,000 accident-free days. Colart's total recordable injuries rate was 8.7 (11.9).

#### *Alex Begg*

Alex Begg operates annualised hours, with shorter weeks early in the year ramping up for peak production in summer. Monthly engagement sessions improve cross-departmental duties and communication. Salaries, including overtime and benefits, meet or exceed local and industry minimums as part of the company's Living Wage Employer commitment. Eligible co-workers receive up to 52 weeks of leave for childbirth, adoption or surrogacy, with additional paid time off for antenatal and adoption appointments.

Alex Begg continued to prioritise health and safety within the business, ensuring that all compliance and broader health and safety communications were conducted proactively. A safe and healthy working environment is ensured through personal protective equipment (PPE), safety walks, guards and noise monitoring. Health and safety incidents remained low and at a minimal risk level. The total recordable injuries rate was 3.0 (4.9).

#### *Höganäs*

Höganäs successfully achieved a significant reduction in the total recordable injuries rate to 7.0 (15.0) following an intensive year of focused improvements. Safety remained a top priority, supported by the establishment of Group-wide safety standards and the



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## Impact, risk and opportunity management, cont.

appointment of a new Global Vice President of Health and Safety. Additional initiatives included conducting safety weeks and safety walks, as well as implementing the Life Saving Rules programme.

**Equal treatment and opportunities for all****Beckers**

Beckers saw continued progress from diversity initiatives in 2024, with the proportion of female employees rising to 28 (26) per cent, resulting in a gender balance of 28/72 per cent. This achievement is the result of ongoing efforts to retain female employees. Additionally, a programme has been implemented that not only focuses on numbers but also on the mindset and cultural changes needed to make a meaningful difference.

Beckers tracks wages globally to ensure fairness and monitors data for equal pay. Beckers aims to raise female co-workers to over 31 per cent, female executives to >40 per cent and female new hires to >40 per cent by 2030.

Beckers introduced The Climate Fresk to enhance sustainability knowledge within the sales teams. This programme, addressing the interconnected factors of climate change, was successfully rolled out to over 400 employees globally. Additionally, the Leadership Journey programme now includes a module on team collaboration. Various initiatives have been conducted to maintain the feedback culture.

**Colart**

Colart actively nurtures a workplace where diversity and inclusion are fundamental. This is supported by diversity training and initiatives to enhance leadership diversity, while development and code of conduct training contribute to positive skills growth. Colart rolled out the Leadership Development 2.0: A Reflective Learning Journey programme to all its leaders, focusing on empowering ownership for steering the company towards sustainability. A rollout across the business is planned to establish a shared understanding of sustainability and ensure alignment in ways of working.

In France, Colart achieved a score of 93/100 on the Professional Equality Index. Efforts to promote gender equality include strengthening DEI councils and publishing diversity pay reports.

A flat organisational structure fosters lateral growth programs, offering flexible roles tailored to co-workers interests. The gender balance stands at 54/46 (f/m) per cent overall and 31/69 (f/m) per cent in tier 0–2. In 2024, zero incidents of harassment were reported.

**Alex Begg**

Alex Begg currently maintains a gender balance of 63/37 per cent in favour of women. The handcrafted nature of the work is the primary reason for the larger number of female employees supporting the production of products. This gender split is evidenced across both sites at the same level.

2024 was a year of consolidation of learnings from 2023 and supporting line managers and team leaders to put their learnings into practice. Internal training was delivered by the People & Culture team to remind employees of the key areas of leadership training in 2023. The development of apprentices across the Group with key leadership development opportunities through the local Chamber of Commerce and other funding arms was also a success.

Alex Begg conducted a simple analysis of its gender pay gap as part of its B Corporation certification. Alex Begg promotes diversity and equality and that all co-workers must be treated equally, have equal opportunities and refuse discrimination of any kind. Apprenticeship programmes, and a mentorship programme aimed at strengthening co-workers and developing wider business knowledge, are offered. Alex Begg trains co-workers in human rights and anti-corruption procedures.

**Höganäs**

Höganäs maintains a strong commitment to an inclusive culture. The company has developed and rolled out a diversity and inclusion strategy, supported by the e-learning module A Sustainable Workplace for Everyone and unconscious bias training. In 2024, the proportion of female employees increased to 18 (17) per cent overall, resulting in a gender balance of 18/82 per cent.

Höganäs undertook several educational initiatives in 2024, encompassing diverse areas such as sustainability training, leadership development, growth mindset and unconscious bias

training. Nearly 80 per cent of all Höganäs employees have completed the e-learning course, A Sustainable Workplace.

An inclusive communication guide aligned with diversity and inclusion was implemented and work began on developing a diversity and inclusion roadmap for 2030. The global career development programme, Grow With Höganäs, was launched to showcase career opportunities, benefiting both Höganäs and its co-workers.



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## Metrics and targets

### Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

Lindéngruppen has set strategic Group targets for 2030 related to its own workers, with clear milestones to be achieved by 2025. In the coming years, the 2030 targets will be further adapted and aligned with those topics that are material with regards to own workers.

	2025 Milestones	2030 targets
Health and safety	Safety audit by third party resulting in action plan and 50% TRI reduction compared to 2019	<ul style="list-style-type: none"> <li>• Zero-accident vision implemented</li> <li>• &gt; 90% TRI reduction</li> </ul>
Gender equality	Less than 60% of co-workers in Tier 02 are of the majority gender	<ul style="list-style-type: none"> <li>• Less than 60% of co-workers are of the majority gender</li> </ul>
Education and training	Develop leadership and sustainability programme with BTH inspired by the IDGs	<ul style="list-style-type: none"> <li>• All co-workers have participated in the leadership and sustainability programme</li> </ul>
Employee engagement	eNPS > 20 Retention above peers	<ul style="list-style-type: none"> <li>• eNPS &gt;20 and outperforms the eNPS of peers</li> <li>• Retention above peers</li> </ul>

### Characteristics of the businesses' co-workers

Employees are primarily employed permanently and full-time. Part-time is usually voluntary and connected to parental leave.

#### Information on employees by contract type and gender, Lindéngruppen

Number of employees by contract type and gender (headcount)	2024				2023				2022			
	Female	Male	Other*	Total	Female	Male	Other*	Total	Female	Male	Other*	Total
Employees	1,504	3,591	1	5,096	1,448	3,650	n/a	5,098	1,517	3,814	n/a	5,331
Permanent employees	1,393	3,487	1	4,881	798	1,600	n/a	2,398	n/a	n/a	n/a	n/a
Temporary employees	110	110	0	220	56	74	n/a	130	n/a	n/a	n/a	n/a

\* Gender as specified by the employees themselves.

Note: Total number of employees = Headcount per year-end. Employment contracts have just started to be followed up at Group level.

### Collective bargaining coverage and social dialogue

We support the right to collective bargaining among our employees. We are working on developing and ensuring reporting that meets the data points requested by ESRS.



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Metrics and targets, cont.

Diversity metrics

**Gender distribution at top management (tier 0–2) and boards**

	2024					2023					2022				
	Beckers	Colart	Alex Begg	Höganäs	LGR HQ	Beckers	Colart	Alex Begg	Höganäs	LGR HQ	Beckers	Colart	Alex Begg	Höganäs	LGR HQ
Gender distribution top management, (tier 0–2) headcount, female/male	21/49	8/18	17/21	n/a	6/5	15/46	7/20	7/6	17/43	5/6	16/45	7/20	5/8	20/50	5/6
Gender distribution top management, (tier 0–2) %, female/male	30%/70%	31%/69%	45%/55%	n/a	55%/45%	25%/75%	26%/74%	54%/46%	28%/72%	45%/55%	26%/74%	26%/74%	38%/62%	29%/71%	45%/55%
Gender distribution boards, headcount, female/male	4/4	2/3	2/4	3/9	2/4	4/4	3/5	2/4	3/7	2/4	4/3	2/4	2/4	3/8	2/4
Gender distribution boards, %, female/male	50%/50%	40%/60%	33%/67%	25%/75%	33%/67%	50%/50%	38%/62%	33%/67%	30%/70%	33%/67%	57%/43%	33%/67%	33%/67%	27%/73%	33%/67%

Adequate wages

Lindéngruppen has set a 2030 target to ensure that all employees are paid wages at living wage or above.

Group companies are expected to meet the target on an individual basis and use the WageIndicator Living Wage database to apply objective and actual living wage levels for the countries/regions where we operate.

Training and skills development metrics

The introduction of the Beckers Academy established a framework for all Beckers' learning initiatives, backed by an efficient, experiential learning management system for competency and soft skills development. Practical learning modules cover conflict management, coaching and team efficiency, while governance training addresses the Code of Conduct, fraud, diversity, competition law and data privacy.

Colart successfully launched core training in empowering people for people managers and the Leadership Development 2.0 programme which was co-developed with the Blekinge Institute

of Technology – a programme delivered by internal trainers and designed to develop the impact of leadership throughout Colart in a deeper more influential way.

Alex Begg revamped its induction process to include an informative programme that equips new co-workers with the necessary tools for success. Various programmes were initiated for managers, leadership members and remote team members to enhance growth mindsets and sustainability awareness. For 2025, the focus will be on multi-skilling production co-workers to diversify their skill sets.

An e-learning programme was launched to empower co-workers to contribute to Höganäs' sustainability efforts.

**Competence development**

	2024				2023				2022			
	Beckers	Colart	Alex Begg	Höganäs	Beckers	Colart	Alex Begg	Höganäs	Beckers	Colart	Alex Begg	Höganäs
The percentage of employees that participated in regular performance and career development reviews	97	n/a	100	n/a	97	99	100	67	98	89	100	66
The average number of training hours per employee, female/male	22/18	10/11	26/17	16/25	15/14	14/13	14/18	16/23	17/15	9/9	10/22	18/22



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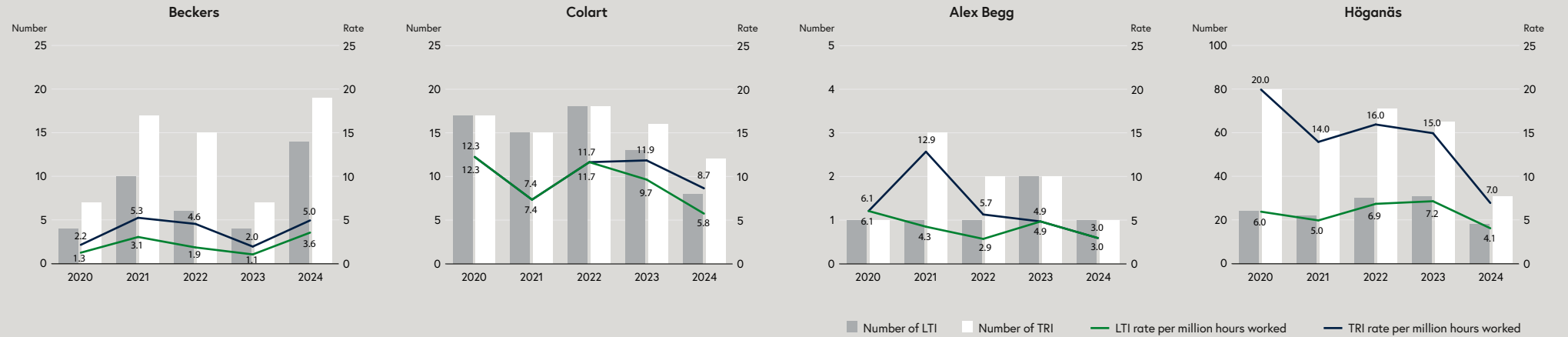
Metrics and targets, cont.

Health and safety metrics

Health and safety metrics

Employees	2024					2023					2022				
	Beckers	Colart	Alex Begg	Höganäs	LGR HQ	Beckers	Colart	Alex Begg	Höganäs	LGR HQ	Beckers	Colart	Alex Begg	Höganäs	LGR HQ
Number of fatalities as result of work-related injuries and work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers on companies' sites	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of cases of recordable work-related accidents	19	12	1	31	0	7	16	2	65	0	15	18	2	71	0
Rate of recordable work-related accidents	5.0	8.7	3.0	7.0	0.0	2.0	11.9	4.9	15.0	0.0	4.6	11.7	5.7	16.0	0.0
Number of cases of recordable work-related ill health	0	0	0	12	0	0	0	0	3	0	0	0	2	18	0

Lost Time Injuries (LTI) and Total Recordable Injuries (TRI)





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## Metrics and targets, cont.

**Beckers**

Negative trend in health and safety where the TRI and LTI rates have increased significantly. In 2024, there were 14 Lost Time Injuries across all sites (including non-employees). Back injuries from manual handling tasks were the most frequent, followed by slips and falls. TRI and LTI rates are calculated using the accidents of Beckers' employees (excluding non-employees), due to not having collected the actual working hours of non-employees.

**Colart**

Reduction in accidents driven by behaviour change and incentives (short term) for leadership. This work will continue in 2025.

**Alex Begg**

Only one accident in 2024.

**Höganäs**

LTI and TRI rates significantly reduced with safety being top priority during 2024. A new standard for reporting injuries and illnesses was introduced in 2024. The calculation methods and parameters are continuously being developed and, for 2025, entrepreneurs and contractors will also be included in the reporting of injuries. Höganäs has updated historical data in line with the new calculation methods and the 2024 result includes both employees and non-employees.

**Work-life balance metrics**

We work to ensure work-life balance among our employees. We are working on developing and ensuring reporting that meets the data points requested by ESRS.

**Compensation metrics (pay gap and total compensation)**

We support fair compensation among our employees. We are working on developing and ensuring reporting that meets the data points requested by ESRS.

**Incidents, complaints and severe human rights impacts****Incidents reported**

	2024					2023					2022				
	Beckers	Colart	Alex Begg	Höganäs	LGR HQ	Beckers	Colart	Alex Begg	Höganäs	LGR HQ	Beckers	Colart	Alex Begg	Höganäs	LGR HQ
The total number of incidents of discrimination, including harassment, reported in the reporting period	3	0	0	1	0	4	2	0	1	0	1	1	0	0	0

**Beckers**

One case alleged aggressive communication, unsupportive and potentially discriminatory treatment by a manager towards colleagues. The second case alleged discrimination in the denial of a request to change working hours. The third case concerned alleged improper handling of a reference request by a former Beckers employee seeking new employment.

**Höganäs**

Discrimination in any form, be it based on sexual orientation, gender expression or anything else, is prohibited and co-workers are encouraged to report it. In 2024, one case of discrimination was reported, that is currently processed. No other incidents related to corruption or human rights were reported.



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# Governance disclosures

## Business conduct

Lindéngruppen is a purpose-driven business. We empower our companies to prosper and lead the transformation to a sustainable world. Our values: authenticity, curiosity and long-term view, guide our business and culture.

### Material sustainability matters

Business conduct		Materiality characteristics		
		Value chain	Impact	Financial effect
Corporate culture	Beckers, Colart, Alex Begg		Positive	
Protection of whistleblowers	Beckers, Colart, Alex Begg		Positive and negative	
Animal welfare	Alex Begg		Negative	
Corruption and bribery	Beckers, Colart, Alex Begg		Positive	

Upstream
 Own operations
 Downstream

### Corporate culture

Lindéngruppens values guide the Group in everything we do and means that we stand up for our beliefs and respect the integrity of others. We have the courage and curiosity to create space for innovation and ideas that stretch our view of what is possible and we take a long-term perspective in everything we do, and work with a children's rights perspective to ensure true long-term decision-making. It guides us in resolving potentially difficult situations and helps us understand and evaluate issues that could compromise our development.

Lindéngruppen's tax policy reflects and supports our business. It is our objective to always pay the right tax in the right country at the right time.

Beckers strives to nurture a culture of high ethical standards, ecological responsibility and safety, encouraging co-workers to prioritise well-being, energy efficiency and environmental impact across all markets and the value chain.

Colart's strong corporate culture earned it the B Corporation accreditation in 2023, highlighting its commitment to workplace dialogue, feedback and impactful actions. Colart is a pioneer in achieving this accreditation collectively for all its brands.

Alex Begg's Code of Conduct outlines expectations for employees, emphasising human rights, zero tolerance for corruption and discrimination, and alignment with the UN Global Compact principles. An annual corporate culture survey generates the eNPS score, reported to Lindéngruppen, highlighting the link between a strong culture, productivity, retention and cost savings.

Alex Begg, similarly to Colart, earned B Corporation accreditation in 2024, highlighting its commitment to workplace dialogue, feedback and impactful actions.

### Protection of whistleblowers

Beckers encourages stakeholders to report any incidents of non-compliance or suspected non-compliance with the Code of Conduct. Beckers has several established whistleblowing channels to protect the anonymity of those reporting and with the possibility to report verbally or in writing, including via mail, online web portal or phone, in every country.

Colart offers an anonymous whistleblower portal, EthicsPoint, for employees and external parties to report concerns confidentially to management or the Board.

Alex Begg's whistleblowing policy ensures concerns are independently reviewed and thoroughly investigated. It also encourages co-workers to anonymously report malpractice or corruption without fear of reprisal.



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**Animal welfare**

Alex Begg's animal welfare policy spans the entire supply chain, ensuring proper animal care. Breaches to the animal welfare policy could harm reputation, reduce demand and impact staff retention.

**Corruption and bribery**

Beckers operates in high-risk markets for corruption and human rights violations, including China, Africa and the Middle East. To strengthen compliance, Beckers enforces zero tolerance through its Code of Conduct, annual risk assessments and anti-corruption due diligence for agents and distributors.

Colart's Code of Conduct outlines its approach to addressing and preventing corruption and bribery. Employees are required to report any uncertainties or suspicions to their line manager, HR or anonymously through Colart's whistleblower portal, EthicsPoint.

Alex Begg has zero tolerance for corruption and complies with antitrust and fair competition laws. Employees can confidentially report concerns via a secure service, with cases handled anonymously by an independent solicitor and forwarded to Lindéngruppen's Chief Legal Officer.

**The role of the administrative, supervisory and management bodies**

Read pages 39–40 and 92 for details on the skills and knowledge in business conduct that the Board and Executive Management team possess and utilise. The Chair of the Board evaluates that the Board operates effectively and has access to the appropriate skills and expertise to oversee material sustainability matters, impacts, risks and opportunities.

**Impact, risk and opportunity management**

Read pages 39–40 and 92 for details on the expertise of the Board and the Executive management team in relation to business conducts matters.

**Corporate culture and business conduct policies**

The Lindéngruppen Code of Conduct clarifies what we expect from our co-workers and sets out, among other things, our approach to human rights and our zero tolerance for corruption and discrimination. The Code is central to our relationships with suppliers, customers, partners and society. It also clarifies the right to trade union membership and collective agreements.

All Group company Codes of Conduct comply with the Lindéngruppen Code of Conduct. New co-workers are expected to sign the Code of Conduct for the company they work for. Beckers, Höganäs and Colart have Code of Conduct e-learning training. Alex Begg has annual team meetings to make sure all co-workers understand the company's Code of Conduct.

The Code of Conduct and other internal guidelines, such as the competition and sanctions compliance, are aligned with the requirements on anti-corruption or anti-bribery, consistent with local regulations and the United Nations Convention against Corruption.

**Taxes**

Lindéngruppen and all the companies in the Group are committed to paying the right amount of taxes, at the right time, in the right country. Our tax policy states that all taxes and charges should be paid according to local laws and regulations in the countries where we operate. We do not enter into non-commercial schemes or structures with the purpose of reducing tax at the expense of operational efficiency and clarity. As a good corporate citizen Lindéngruppen sees tax as an important part of its social responsibility. The effective tax rate was 20 (27) per cent. The lower tax rate is due to a positive effect of tax related to previous years as well as the strong profit share from Höganäs, which is not taxable for Lindéngruppen.

**Concerns with the Code or breaches of the Code**

Lindéngruppen supports open and fair discussions of issues and concerns. Co-workers are encouraged and expected to report all incidents of non-compliance or suspected non-compliance with the Code of Conduct, policies and legislation. In cases of suspected non-compliance, questions or concerns, co-workers should contact their manager or HR. Reporting can also be made to the Management or Board of the respective company. Lindéngruppen and its Group companies maintain the anonymity and confidentiality of those reporting.

All reports are confidential. Independent parties will thoroughly and promptly investigate them. Material non-compliances are reported to the respective Board and the Lindéngruppen Board of Directors.

**Whistleblowing**

Lindéngruppen and each Group company have a whistleblower system in place for co-workers to report possible non-compliance related to the Group Code of Conduct or a Group company's Code, or any other illegal behaviour. Retaliation or other negative consequences for persons reporting on possible non-compliances are not allowed.

**Management of relationships with suppliers**

All companies within the Group have conducted extensive mapping of their respective value chains. The analysis enable a deeper understanding of the sustainability matters that are material in each company's supply chain. The Group Code of Conduct and each company's respective Code clarify our expectations of suppliers. We uphold integrity, honesty and ethical behaviours and expect the same from our partners. Our commitment to human and children's rights, labour rights, environmental protection and anti-corruption extends across our operations and supply chain.

We uphold human and children's rights and environmental standards, striving for transparency regarding risks across our value chain and sphere of influence, including beyond our direct suppliers. We prioritise working with subcontractors and



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## Impact, risk and opportunity management, cont.

suppliers who adhere to international human rights and environmental standards, conduct due diligence before engagement, monitor their performance and act promptly if ethical concerns arise.

## Prevention and detection of corruption and bribery

Our co-workers are responsible for addressing any breaches of the Code, including instances of corruption or bribery. Established reporting channels are in place, supported by whistleblower systems. Co-workers are also informed of their option to contact the Executive Management team or the Chair of the Board of Directors in cases of significant non-compliance.

Reports of non-compliance are promptly investigated by independent parties, which may be internal or external. Findings are communicated to the relevant management team and, where applicable, to the respective company Board and the Group Board of Directors. Anti-corruption and anti-bribery training is provided across all Group companies, including Lindéngruppen HQ, with a specific focus on management teams and roles exposed to external stakeholders.

### Beckers

Beckers is obligated to zero tolerance for bribery and corruption. Accordingly, no one may – directly or indirectly – demand, accept, offer or give any kind of bribe, kickback, unethical or unlawful benefit to employees, other representatives or associates of the Beckers Group, its companies or any third party. To ensure its

zero tolerance, Beckers' legal department assesses the risk annually. This annual process has been in place since 2019 and in 2024 the process was reviewed by Beckers' legal department. As a result of this review, changes will be made to the process and the 2024 risk assessment will be conducted in 2025. As part of Beckers' annual Internal Control Self-Assessment process each site makes a declaration on their process for reporting any offer or receipt of a bribe. This topic is also discussed during the Internal Audit Reviews (conducted on a three-year basis) where the aim is to confirm how it is ensured that all employees, but in particular functions which are exposed to potential bribes, understand what a bribe is and how it has to be reported. Another active step to managing corruption risks associated with engaging third parties is Beckers' Anti-Corruption Due Diligence Procedure for agents and distributors.

### Colart

All co-workers are trained on the human rights and anti-corruption procedures outlined in the Code of Conduct.

### Alex Begg

All co-workers are trained on the human rights and anti-corruption procedures outlined in the Code of Conduct.

### Höganäs

Changes in the HR-system affects the outcome on anti-corruption training, making it incomplete for 2024. This will be finalised in 2025 with the launch of a new e-learning programme.

In 2024, 34 per cent of employees in at-risk functions completed anti-corruption training.





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## Metrics and targets

### Confirmed incidents of corruption or bribery

In 2024, neither Lindéngruppen nor any of the Group companies were convicted of violating anti-corruption or anti-bribery laws. No company was fined in relation to these matters. As a result, no measures were taken to address actual breaches.

Zero cases of non-compliance were reported through the Parent company's whistleblower system. A total of 22 (28) cases were reported through the Group companies' whistleblower systems. All reported cases have been investigated and relevant actions have been taken, where necessary.

#### Beckers

One case alleging corruption was reported for Beckers in 2024. An employee was offered to onboard new supplier in exchange for a personal benefit. The offer was immediately declined.

#### Colart

Two cases were reported through Colart's whistleblowing channel during the year, both concerning allegation of bribery raised in China. Matters are under investigation.

#### Alex Begg

Zero cases of corruption or bribery were reported during 2024.

#### Höganäs

Zero cases of corruption or bribery were reported during 2024.





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# Auditor's statement

## Auditor's statement on the statutory sustainability report

To the annual general meeting of Lindéngruppen AB, corporate registration number 556205-4956.

## Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability report for the year 2024 (on pages 1–45 and 89–127) and that it has been prepared in accordance with the Annual Accounts Act according to the previous version applied before 1 July 2024.

## The scope of the audit

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

## Opinion

A statutory sustainability report has been prepared.

Höganäs, 10 April 2025  
Deloitte AB

*Signatures on original*

Richard Peters  
Authorised Public Accountant  
Auditor in charge

Maria Ekelund  
Authorised Public Accountant





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## Visual theme

# Beckers Art Award 2024

The photos in this year's Annual and Sustainability Report are from the exhibition of Joakim Sandqvist, the 2024 Becker Art Award recipient, held at Färgfabriken, Stockholm.

Joakim Sandqvist was awarded the Beckers Art Award for his artwork, which intelligently bears witness to the complexity of meaning-making shifts – from the jeans pocket to outer space and back again. In his practice, he highlights the fragility in translations between different symbols and techniques, turning the artistic process into both an expression and a commentary on the meaningful aspects of the world. His works carry intricate stories and poetry in the transition between the old and the new – and the new and the old.

Commenting on receiving the Becker Art Award, Joakim Sandqvist said: "Exhibiting in Färgfabriken's main hall is a fantastic opportunity to display several of my larger-scale projects together, which will be very interesting.

The grant money allows me to invest in future artistic projects, something I am looking forward to."

Images from the exhibition are featured throughout this report. Read more about the exhibition on the Färgfabriken website [www.fargfabriken.se](http://www.fargfabriken.se).

### About Färgfabriken

Färgfabriken is a foundation and exhibition space for contemporary art and architecture, located in Beckers' former paint factory in Stockholm, Sweden. The Färgfabriken Foundation was established in 1995 by Alcro-Beckers AB, Colart Sweden AB, and SAR (the Swedish Architects' Association). Lindéngruppen owns the building and is the main partner of the Färgfabriken Foundation, with Jenny Lindén Urnes as its Chair.

### Photos in the report

- Joakim Sandqvist, Untitled (Cotton fields) (2023). Photo: Joakim Sandqvist (page 1)
- Joakim Sandqvist, Untitled, Västra hamnen Malmö, Gradient installation Obra. Photo: Joakim Sandqvist (page 3)
- Joakim Sandqvist, Installation view, Beckers Art Award 2024, Färgfabriken. Photo: Joakim Sandqvist (pages 10 and 22)
- Joakim Sandqvist, Installation view with Gradient Grey-Blue (2024), Beckers Art Award 2024, Färgfabriken. Photo: Johan Österholm (page 12)
- Joakim Sandqvist, Pocket Paintings (2013–2015), Beckers Art Award 2024, Färgfabriken. Photo: Joakim Sandqvist (page 35)
- Joakim Sandqvist, Installation view with Façade Test (Red Shade) (2024), Beckers Art Award 2024, Färgfabriken. Photo: Johan Österholm (page 46)
- Joakim Sandqvist, Installation view, Untitled (Cotton fields) (2023), Beckers Art Award 2024, Färgfabriken. Photo: Johan Österholm (page 89)
- Portrait of Joakim Sandqvist. Photo: Carl-Oskar Jonsson (page 129)



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