Bygma Gruppen A/S | Transformervej 12 | 2860 Søborg | CVR-nr.: 22 06 95 19



Bygma Gruppen A/S Annual report 2024

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As a major Danish family-owned company, Bygma embraces both the responsibility and the commitment to contribute positively to the society we belong to. We adopt a long-term perspective in everything we do, investing thoughtfully in our employees, our business, and our customers.

Overview

Bygma is Danish-owned and among the leading suppliers of building materials in the Nordic and Central European countries.

Sales are primarily made to the professional segment.

Bygma takes social responsibility and contributed DKK 144 million in corporate tax in 2024.

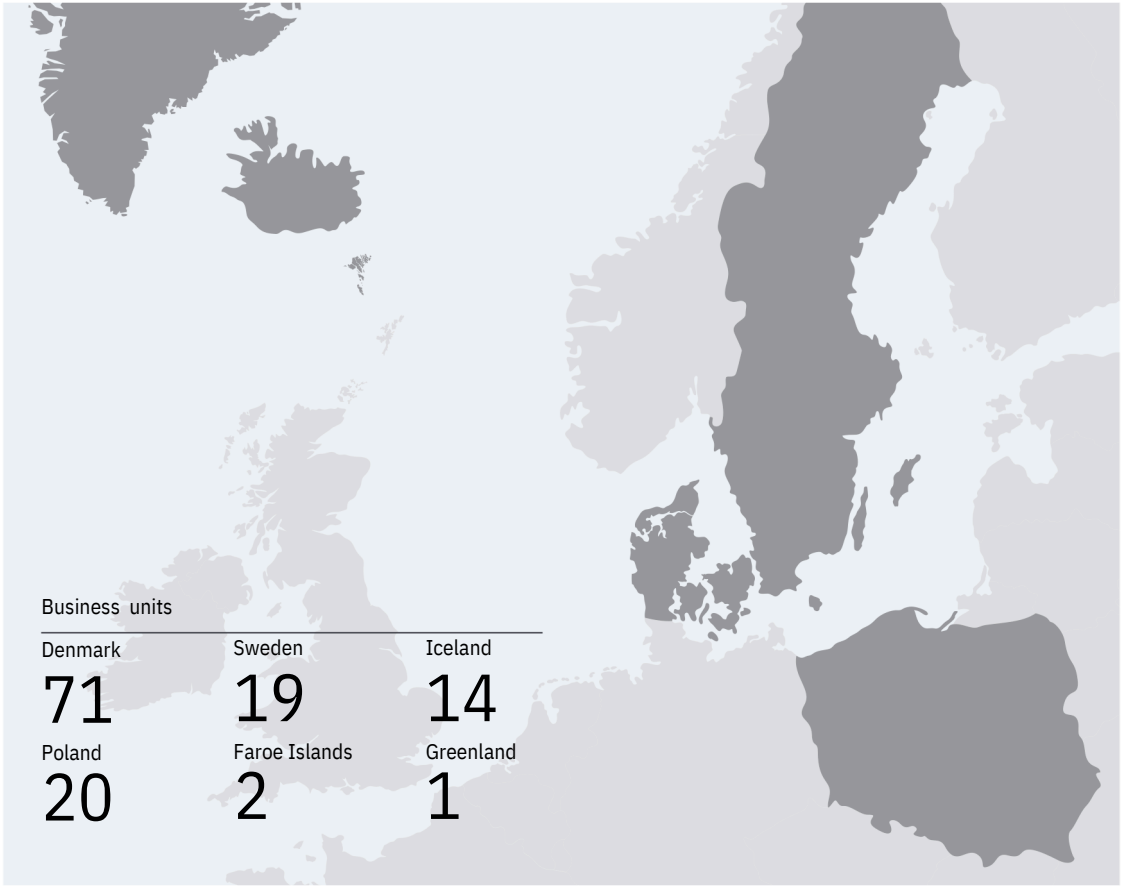
Revenue
10.7 bDKK

Profit before tax
625 mDKK

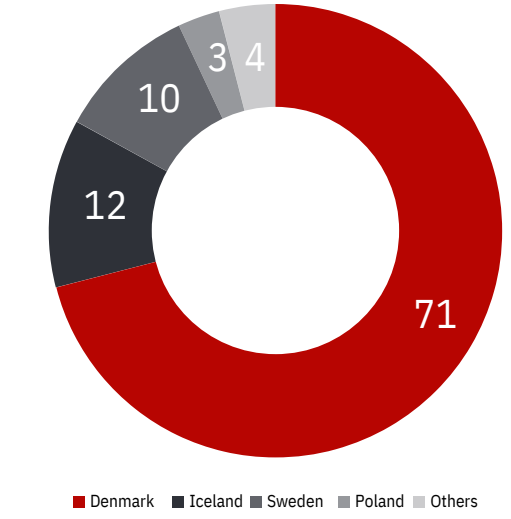
Investments
395 mDKK

Equity ratio
72.9 %

Corporate tax
144 mDKK



Revenue distribution
(percent)



Employees
+3.000

Suppliers
+6.000

Customers
+200.000

HIGHLIGHTS

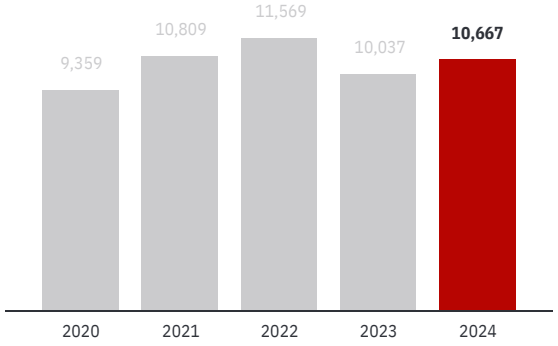
Financial highlights

Revenue

(mDKK)

10,667

After a challenging year in 2023 marked by high inflation, rising interest rates, and a decline in house construction, revenue in 2024 increased by 6% to DKK 10.7 billion. Of this growth, 3% was organic, mainly driven by increased activity and market share gains in Denmark, while the remaining 3% stemmed from the acquisition of AB Bechcicki in Poland.

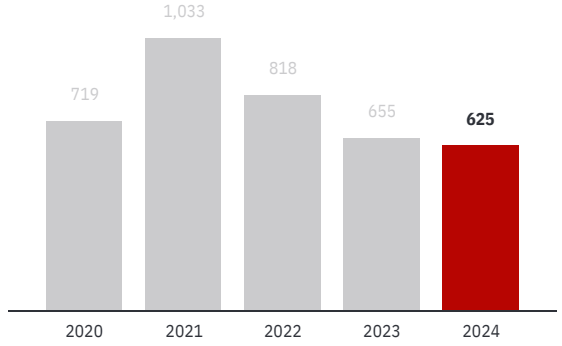


Earnings before tax

(mDKK)

625

Earnings before tax of DKK 625 million represented a decline compared to recent years but are still considered reasonable given the challenging market conditions. The gross margin amounted to 21.4% of net revenue, remaining at the same level as in 2023. However, wage inflation, depreciation related to new investments, and rising interest rates contributed to the slight decrease in earnings.

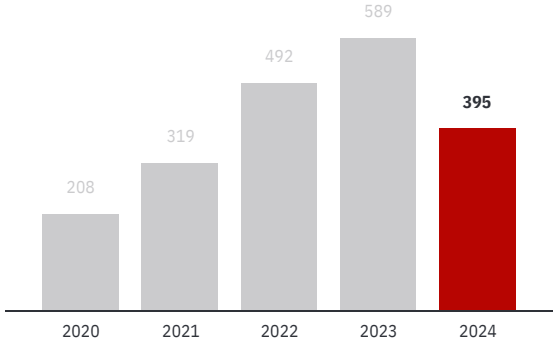


Investments

(mDKK)

395

In 2024, investments in tangible fixed assets and business acquisitions totaled DKK 395 million. The majority was directed towards the Danish market, including investment in the DGNB Gold-certified construction center in Esbjerg, expansion of the headquarters in Søborg, and the establishment of Bygma Lindø. The acquisition of 20 Polish stores also contributed to maintaining the high level of investment.

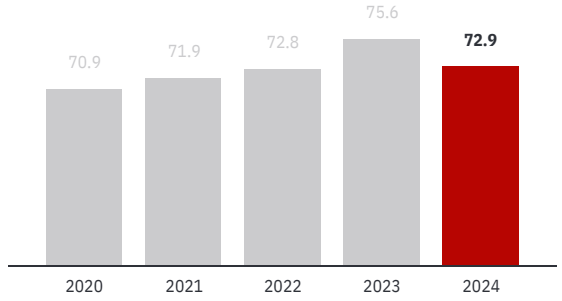


Equity ratio

(percent)

72.9

With a continued strong equity ratio of 72.9% in 2024, a solid foundation was established to both withstand economic downturns and capitalize on growth opportunities in the Nordic and Central European markets.



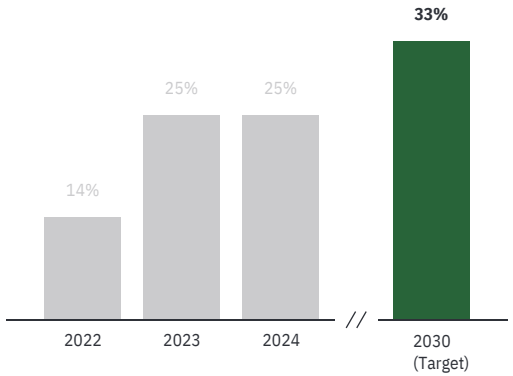
HIGHLIGHTS

ESG highlights

Women in top management

25 %

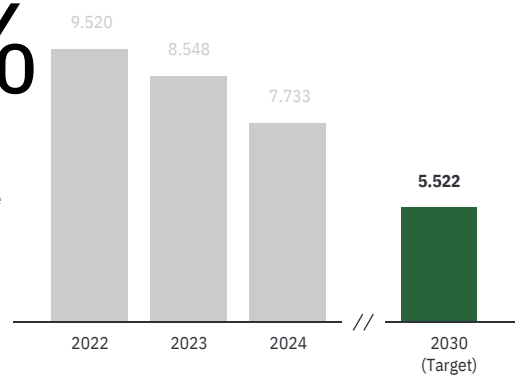
In 2024, women made up 25% of the company's top management. Despite a general industry challenge in attracting women, efforts to increase gender diversity at Bygma continue, with a target of reaching 33% female representation in top management by 2030.



Scope 1 + 2 emissions

-19 %

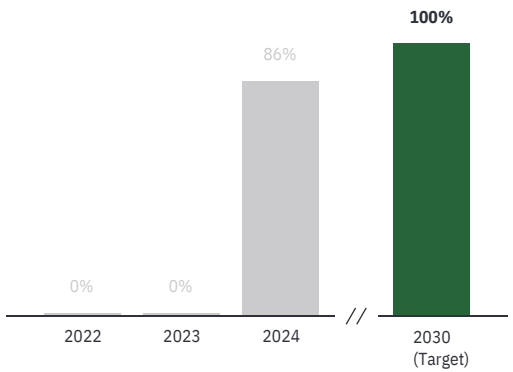
Since the base year 2022, we have succeeded in reducing Scope 1 and 2 emissions by 19%, primarily due to the switch from natural gas to district heating at our branches. The target for 2030 is a 42% reduction, driven by the transition from diesel-powered trucks to electric trucks.



Take back-orders

86 %

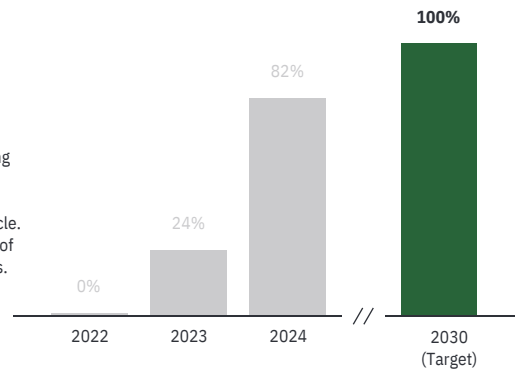
In 2024, we expanded our take-back programs so that 86% of all products delivered to construction sites are now covered by a scheme that ensures responsible reuse and handling.



EPD data

82 %

EPD data is used to document a building product's environmental impact, resource consumption, and waste generation throughout its entire life cycle. In 2024, EPD data was added for 82% of the products requiring LCA calculations. The target is 100% by 2030.



2030 supplier targets

Code of Conductt

100 %

of our contracted suppliers must have signed and actively comply with our Supplier Code of Conduct, which includes clear requirements regarding human rights, health and safety, and environmental responsibility. Currently, there is insufficient data to accurately specify an overall percentage for the entire group.

Progress (estimated)

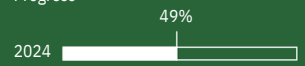


Scope 3

67 %

of our total Scope 3 emissions must be covered by reduction targets set by our suppliers. This ensures a significant reduction in our suppliers' climate impact, supporting our overall ambition for a sustainable value chain. We are already more than halfway toward this goal and continue to work to reach it by 2030.

Progress





FOREWORD FROM THE GROUP CEO

A challenging start to the year ended with revenue growth and solid earnings

With the acquisition of 20 stores in the Polish market, 2024 became the year when Bygma expanded from solely owning Scandinavian operations to becoming a Nordic and Central European group. Revenue increased by 6% to DKK 10.7 billion, of which organic growth accounted for 3%, contributing to a solid profit after tax of DKK 481 million.

Despite a challenging start to 2024, performance improved in the second half of the year, supported by lower interest rates and increased construction activity. The positive development was driven primarily by the Danish market, which accounted for 71% of the Group's revenue. Although new construction remained subdued, the renovation sector helped sustain residential investments. The new construction centers in Copenhagen, Thisted, and Svendborg launched successfully and contributed to increased market shares in Denmark; however, they had a negative EBIT impact of DKK 33 million in 2024. The Faroe Islands were affected by strikes, and Iceland was unable to maintain last year's strong performance, partly due to high interest rates and a difficult business environment. Conversely, falling interest rates in Sweden boosted both revenue and earnings in the latter half of the year, enabling the business to finish 2024 on par with 2023. The acquisition of AB Bechcicki in Poland was completed in September and therefore had a limited effect on the year's results. The integration phase was further complicated by a cyberattack shortly after the acquisition, which caused significant damage to software and hardware systems. However, the attack was quickly contained and secured to the same standard as Bygma Group's other companies.

Continued significant investments in the Danish market

Bygma's investments remained at a high level in 2024, although not quite reaching the record level of 2023. Total investments amounted to DKK 395 million, with a significant portion directed towards the Danish market. This included the opening of the DGNB Gold-certified building center in Esbjerg, expansion of the headquarters in Søborg, and the establishment of Bygma Lindø. Bygma Gruppen now has 71 business units in Denmark, of which 3 have been constructed according to DGNB Gold certification standards.

Strategic entry into a new major market

Investment in new markets located close to Scandinavia has been a key element of the One Step Ahead strategy. With the acquisition of AB Bechcicki, Poland's third-largest distributor of building materials, we have established a strong presence in an exciting new market. At the same time, our private label brand SOLID has got off to a strong start since its launch in 2024 and is also benefiting from the collaboration with our new Polish colleagues. Sales of SOLID products are expected to double in 2025.

The One Step Ahead strategy is effective

The One Step Ahead strategy 2022–2025 has strengthened Bygma as a workplace, introduced numerous take-back programs that benefit the environment, and digitalized how customers access ESG data at both project and corporate levels. In 2025, a new strategic plan will be initiated, building upon the current strategy and setting ambitious ESG goals in the areas of environmental sustainability, climate, social responsibility, responsible governance, and diversity.

In 2025, continued revenue growth and stable earnings are expected

With declining interest rates in 2023 and 2024, market activity in Scandinavia is expected to increase slightly, with new construction anticipated to have passed its lowest point. In Denmark and Sweden, the positive revenue development from 2024 is therefore expected to continue. Iceland will continue to be affected by high interest rates in 2025, and the weak German economy is expected to have some negative impact on construction activity in Poland, while falling European interest rates will have a positive effect. Overall, Bygma Gruppen expects continued solid revenue growth and stable earnings in 2025.

Milestones in 2024

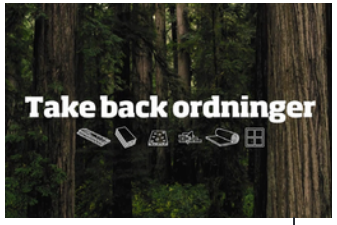


January
Bygma opened a new professional and logistics center in Thisted, covering 9,600 m². This is the Group's second center to achieve DGNB Gold certification. The certification serves to encourage customers to choose responsible and certified building solutions.



February
The Bygma Talent Scholarship, which rewards extraordinary effort, was awarded for the first time in 2024. Twenty-four students from six business schools each received 12,000 kroner. The scholarship highlights the Group's commitment to social responsibility and supports young people on their path toward a career in the trade industry.

April
As part of its strategy for sustainable growth, the Group established several strategic partnerships focused on optimising waste streams. This enabled us to offer customers **take-back schemes** that make it easy and valuable to sort and return waste for recycling.



June
In June, the private **label brand SOLID** was launched. It is the Group's own product line aimed at professional craftsmen who demand reliable materials for everyday construction tasks. SOLID products combine high quality with full documentation at market-competitive prices.



August
Bygma Group acquired AB Bechcicki, Poland's third-largest building materials distributor, with 20 stores in the country's largest cities and over 400 employees.

With the acquisition of Polish AB Bechcicki, Bygma Group is **expanding beyond the Nordic borders.**





September
Bygma A/S was nominated for the EY Sustainability Award in the Value Chain category, which recognizes companies that take responsibility for achieving significant ESG goals through active ownership of their value chain. Additionally, Bygma A/S won the **Partnership Award for the REBOOT Event** – Sustainable Bottom Line, for the establishment of take-back programs.

December
Michael Madsen was appointed as the new CEO of Bygma A/S, effective from January 2025. He will also join the Group executive management team. Klaus Hadsbjerg, who has led Bygma A/S for the past two decades, will continue in a director role within Bygma Gruppen, responsible for the Group's foreign subsidiaries, Húsasmiðjan in Iceland and AB Bechcicki in Poland.



November
In November, the **new professional center Bygma Lindø opened at Odense Harbor**, becoming Bygma's eighth store on Funen. With Bygma Lindø, the group is even closer to its customers and better able to meet their everyday needs.



2024 → 2025

Business model

Since its founding, the Group has expanded through a combination of organic growth and acquisitions. Today, this makes Bygma the largest Danish-owned supplier of timber and building materials in Denmark, serving the professional and semi-professional market.

In 2024, the Bygma Group strengthens its position with the acquisition of the Polish company AB Bechcicki. This acquisition marks our entry into the Polish market, which is strategically important for the Group's long-term growth. With its strong market position and experienced team, AB Bechcicki is a valuable addition to our Group, supporting our ambitious development plans. Together, the geographical diversification and broad product portfolio ensure strong value creation, backed by a dedicated team of employees across markets.

The Group currently employs just over 3,000 people across more than 120 business units in Northern and Central Europe.

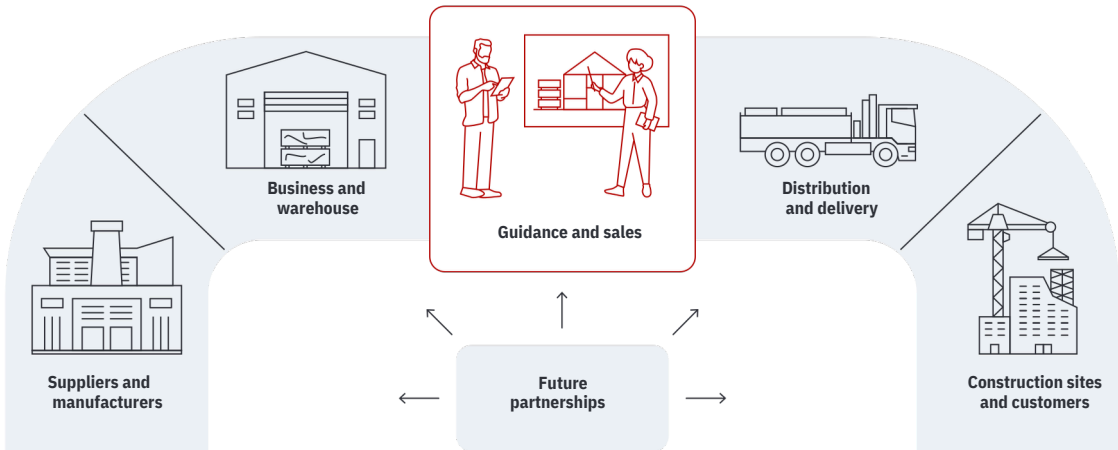
In addition to timber trading, the group operates agency businesses and trading companies that supply both timber retailers and industrial customers with building materials. Our goal is to be the obvious choice for professional craftsmen and semi-professional customers - including when it comes to construction advice. Excellent service is therefore a natural part of our DNA.

Revenue was previously primarily tied to a linear business model, but as the market evolves and the need for circularity increases, we continuously seek new partnerships that create value for both parties. Over time, this will lead to a gradual transition from a linear to a more circular business model.

Companies are expected to take responsibility for their raw material processing and integrate circular processes - not only from an economic standpoint but also concerning production and waste management. With this perspective, we are working on new circular collaborations that can strengthen our existing business model.

Revenue was traditionally based on a linear business model, but with the market's evolution and the increasing demand for circularity, we are actively pursuing new partnerships that generate mutual value. This approach will gradually drive a transition from a linear to a more circular business model over time.

Because the future of building starts today



Certified wood
We support responsible forest management by exclusively selling FSC®- or PEFC-certified timber.

The green choice
We aim to promote the use of more environmentally friendly products and materials by highlighting those bearing the Green Choice label.

Qualified guidance
We are committed to reducing energy consumption and CO_2 emissions in construction by providing expert advice.

Own buildings
We aim to promote responsible development in construction by encouraging certified building practices through our own certifications.

Strategy

Bygma's ambition is to be among the leading suppliers of building materials and logistics solutions in the Nordic region and surrounding countries.

We aim to serve our customers in the best possible way by increasing geographic coverage across all existing markets and offering top-quality guidance in sustainable construction.

We will ensure profitable growth by investing in digitalisation and process optimisation while simultaneously creating the best working conditions for our employees.

One Step Ahead

Sustainable growth

Communication and education

Strategic partnerships

Reduction of climate impact

Digitalisation

Automation of manual processes

Quality assurance of product data

Creating a more data-driven Bygma

Best place to work

Retain and train employees

Increased focus on recruitment

Employer branding, internally and externally

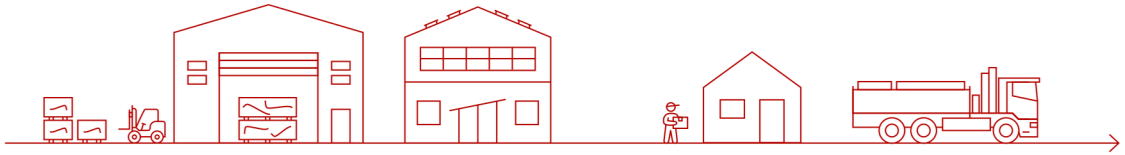
Ensure profitable growth	Increase revenue and earnings through synergies and efficiency measures
Focus on existing markets	Expand geographic coverage in Denmark, Sweden, Iceland, and Poland
Expand into new markets	Invest in the Nordics and surrounding countries

Value chain

UPSTREAM

OWN OPERATIONS

DOWNSTREAM





Suppliers and manufacturers
The Group collaborates with suppliers and manufacturers who provide certified and responsible products. This supports a focus on quality, traceability, and sustainable solutions in the construction industry.

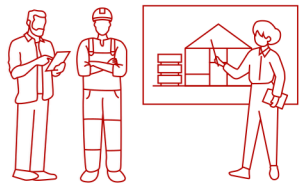


Processing of raw materials
The Group sources FSC- and PEFC-certified timber to ensure responsible forest management. This reduces the environmental footprint and guarantees that the raw materials come from sustainably managed forests.

Business and warehouse
With over 3,000 employees across Northern and Central Europe, the Group operates an efficient logistics and warehousing structure. Operational processes are optimised to reduce waste and ensure a stable supply chain.

Distribution and delivery
Bygma delivers goods directly to customers through an optimised logistics network.

Guidance and sales are at the core of our value creation, strongly supported by our employees and the unique Bygma culture.



Guidance and sales
The Group's sales and guidance teams advice craftsmen, carpenters, bricklayers, and other professionals in selecting materials and solutions that meet both technical and sustainability requirements.



Employees and culture
The Group builds its business on skilled and competent employees who operate based on a strong set of values. A focus on responsibility, quality, and customer satisfaction is central to the Group's culture and business development.



Construction sites and customers
The Group's digital solution, ProffDok, simplifies documentation in the construction industry. It ensures that quality, sustainability, certifications, and environmental product declarations (EPDs) are easily accessible to customers.



End of life
The Group supports a longer lifespan or building materials by advising customers on the selection of durable products. Through these solutions, the Group contributes to increased recycling and reduced waste.

Circular economy

Take back-orders
The Group has established take-back schemes that enable customers to return selected building materials. These materials are either recycled or redistributed, helping to elevate construction waste within the waste hierarchy.

Risk management

As a leading Nordic and Central European company in timber and building materials, Bygma Group faces several key risks that are not expected to diminish in the coming years.

The acquisition of AB Bechcicki in Poland, followed by a cyberattack, was a visible demonstration of the increased risks and caused significant damage to software and hardware systems. However, the attack was quickly addressed and secured to the same standard as the Group's other companies. The executive management takes these risks very seriously and has therefore invested in enhanced cybersecurity in recent years, in response to the rising number of hacker attacks targeting Denmark and other markets.

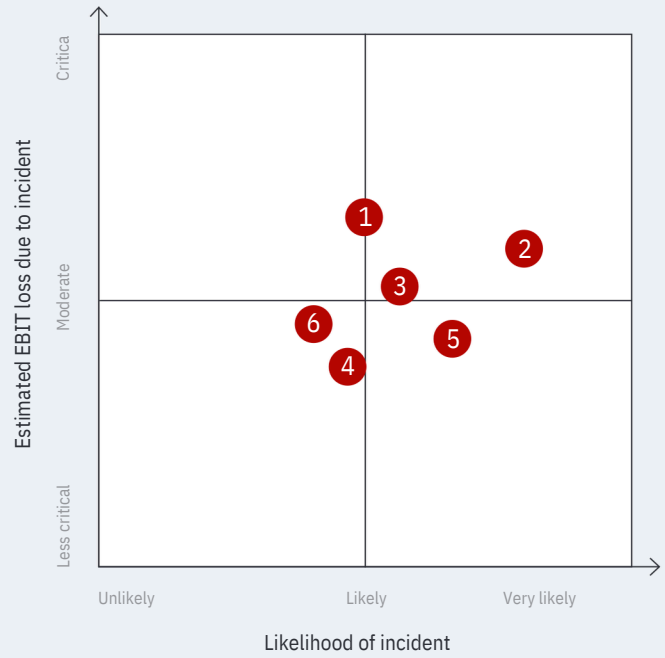
There is also strong awareness of the industry's economic fluctuations, and therefore we work closely and continuously with our suppliers to monitor and respond swiftly to fluctuating product prices and declining demand.

There are big opportunities in providing climate data to customers, but the lack of technology and data foundations for delivering this information also poses a major risk.

In total, six primary categories of risks have been identified, including the loss of key employees, and challenges related to the integration and realisation of synergies following acquisitions. These risks are considered important to monitor continuously. The different types of risks are summarised in the overview and described in more detail on the following page.

CSRD and other compliance-related requirements have been steadily increasing in recent years, but are not yet considered significant enough to be included in the overview of key risks. Nevertheless, these risks are assessed, monitored, and managed separately through CSRD reporting.

Overview of main risks



1. Economic downturn, fluctuating product prices and supply disruptions
2. Cyberattacks, server outages, and errors in configuring shared IT systems
3. Increased climate requirements and insufficient EPD data to customers
4. Loss of key employees
5. Acquisitions and integration risks
6. Other operational and financial risks

Risk	Risk description	Risk mitigation
1 Economic downturn, fluctuating product prices, and supply disruptions	The industry is generally highly influenced by economic cycles and macroeconomic conditions. In particular, interest rate developments have a significant impact on demand. Additionally, the war in Ukraine and recent disruptions to supply chains have caused considerable fluctuations in commodity prices. Poor timing in large purchases, bidding processes, or potential delivery failures can greatly affect profitability.	In collaboration with suppliers, IT, and top management, the purchasing department has developed processes and systems to monitor market developments and price changes for specific product groups, enabling quick responses to benefit customers. The risk of delivery failures has been reduced by using multiple suppliers and maintaining close relationships with key timber suppliers.
2 Cyberattacks, server outages, and errors in configuring shared IT systems	Bygma operates a wide range of IT systems to manage distribution, bidding, procurement, credit management, and inventory control. Disruptions caused by hacker attacks or errors in the implementation of shared IT platforms can have significant business consequences.	The IT department has been allocated significant resources to ensure that business-critical systems can be updated and replaced. Additionally, contingency plans have been developed in case of attacks on the IT infrastructure, and cybersecurity is continuously tested by both internal and external experts.
3 Increased climate requirements and insufficient EPD data to customers	Increased demands for climate-friendly construction and customers' requirements for sustainability documentation are already major competitive factors in the industry, and failure to provide such documentation can result in loss of market share.	Bygma's sustainability team has held numerous informational meetings with internal sales staff and customers to increase awareness of the ProffDok platform for documentation in the construction industry. Additionally, in collaboration with Byggebasen, a system is being developed to collect the necessary Environmental Product Declarations (EPDs) from suppliers when customers need to document the building lifecycle (LCA).
4 Loss of key employees	There is intense competition for key employees in the construction industry, where low unemployment and high staff turnover have long been challenges. The loss of knowledge and strong customer relationships represents a significant competitive risk.	"Best Place to Work" is a cornerstone of Bygma's strategy, focused on creating an attractive work life and designing the conditions that enable employees to thrive. Training programs and planning for internal promotions are key elements in retaining key employees and building the strongest possible team.
5 Acquisitions and integration risks	Acquisitions and investments in the Nordic region and neighboring countries are a key part of the group's strategy. Failure to realise synergies, implement necessary restructuring measures, or properly integrate businesses in new markets are significant risks that, if mismanaged, can have a major negative impact on the bottom line.	Previous acquisitions in Iceland, Sweden, and especially Denmark have been successfully integrated. The experience gained from these processes is applied to future acquisitions, including the acquisition of AB Bechcicki in Poland. The focus is on realising synergies - often through increased purchasing volumes - understanding the market, and ensuring strong collaboration with well-established local management.
6 Other operational and financial risks	Obsolete inventory, credit risk related to customers, currency exposure in connection with purchases, and potential underinsurance of assets are all areas that can lead to significant losses in daily operations.	The Group's asset insurance coverage is assessed annually in collaboration with an external broker. Customer credit risk is primarily managed in cooperation with credit insurance companies, which has resulted in limited losses. Regarding currency policy, purchases of foreign goods in USD are hedged.

Financial key figures

The company's performance over the past five years is reflected in the following key financial figures and ratios

mio. DKK	2024	2023	2022	2021	2020
Income statement					
Revenue	10,667	10,037	11,569	10,809	9,359
Earnings before interests and tax (EBIT)	530	538	871	981	702
Net financials	95	116	-53	52	17
Profit for the year	**481**	**507**	**637**	**806**	**561**
Balance sheet					
Total assets	7,618	6,795	6,511	6,016	5,019
Investment in tangible fixed assets	297	589	492	319	208
Equity	5,554	5,135	4,742	4,324	3,561
Number of employees	3,052	2,628	2,691	2,610	2,475
Financial ratios					
Operating margin	5.0 %	5.4 %	7.5 %	9.1 %	7.5 %
Return on assets	7.4 %	8.1 %	13.9 %	17.8 %	14.9 %
Equity ratio	72.9 %	75.6 %	72.8 %	71.9 %	70.9 %



Management review

Company's core activities

The Bygma Group was founded in 1952 and has since expanded through organic growth and acquisitions, built on strong business acumen, credibility, and the ability to innovate. Today, the Bygma Group is the largest Danish-owned supplier to the construction industry, with activities spanning sales and distribution of timber and building materials for both large and small construction projects. The primary target markets are professional and semi-professional customers. This family-owned group operates more than 120 business units across Denmark, Iceland, Sweden, Poland, the Faroe Islands, and Greenland. In addition to timber retail stores, the Bygma Group runs agency businesses and trading companies that supply both the timber stores and industrial customers with over 95% certified timber and other building materials.

Operational and financial developments

The company has focused its efforts on the professional and semi-professional segments. After a challenging start to 2024, performance improved during the second half of the year, supported by lower interest rates and increased construction activity.

Income statement

Revenue increased by 6% to DKK 10.7 billion, with organic growth accounting for 3%, contributing to a satisfactory net profit of DKK 481 million. The positive development was primarily driven by the Danish market, which represented 71% of the Group's revenue. Despite new construction activity remaining subdued, the renovation market helped sustain housing investments. The new building centers in Copenhagen, Thisted, and Svendborg got off to a strong start and contributed to increased market shares in Denmark. The Faroe Islands were affected by strikes, and Iceland was unable to maintain the same high level as the previous year, partly due to high interest rates and a challenging business environment. Conversely, falling interest rates in Sweden helped boost both revenue and earnings in the second half of the year, allowing the year to close within expectations.

Despite increased competition, pricing pressure, and the acquisition of AB Bechcicki, the gross profit margin was maintained at 21.4%, which is on par with 2023. Without including AB Bechcicki in the 2024 financial statements, the gross profit margin would have been 22%. Staff costs increased by 7%, of which 2% is attributable to the acquisition of AB Bechcicki. Earnings before tax ended at DKK 625 million, compared to DKK 655 million in 2023, with long-term investments in AB Bechcicki and the new branches in Denmark negatively impacting 2024's earnings before tax by DKK 35 million. A satisfactory return on securities contributed to lifting the profit for the year to DKK 481 million, compared to DKK 507 million in 2023, which is within the expected decline of 0–15% compared to last year

Balance sheet and liquidity

The total balance sheet increased from DKK 6,795 million in 2023 to DKK 7,618 million in 2024. Continued investments in DGNB Gold-certified branches in Denmark and the acquisition of AB Bechcicki contributed to raising non-current assets from DKK 2,867 million in 2023 to DKK 3,095 million in 2024. Working capital increased by DKK 150 million, primarily due to entry into the Polish market, the establishment of Bygma Esbjerg Nord, and generally higher market activity towards the end of 2024.

The company's equity amounted to DKK 5,554 million at the end of the financial year, corresponding to an equity ratio of 72.9%.

There is no material uncertainty related to the company's recognition and measurement. The annual financial statements are not affected by any matters of an unusual nature.

Material events after the reporting date

No events have occurred after the end of the financial year that are expected to have a material impact on the company's financial position.

Expected development of the company, including key assumptions and uncertainties

There remains significant macroeconomic uncertainty; however, with more stable interest rates and inflation in 2024, market activity in Scandinavia is expected to increase slightly, with new construction in particular believed to have bottomed out and is now on the rise. Consequently, the positive revenue trend from 2024 is expected to continue in Denmark and Sweden. Iceland is anticipated to continue experiencing high interest rates in 2025, while the weak German economy is expected to have a slight negative impact on construction activity in Poland. Conversely, falling European interest rates are expected to have a positive effect. Overall, Bygma Group anticipates continued solid revenue growth and stable earnings in 2025.

Revenue is therefore expected to increase by 7-10% in 2025, of which organic growth is anticipated to account for 2-5%, with the full-year effect of the acquisition of AB Bechcicki making up the remainder. EBITDA for 2025 is expected to improve by 0-10% compared to 2024, while intense competition, higher depreciation related to certified buildings, and an expected lower return on securities will put downward pressure on the bottom line. Consequently, earnings before tax for the 2025 financial year are expected to be in line with the 2024 level.

Uncertain factors affecting the company's expected development

The company is influenced by changes in economic cycles and market conditions, which are typical for trading businesses in the timber and building materials industry.

Statement on the company's data ethics policy

Policies concerning corporate conduct, including data ethics, are described on page 67. The company emphasises that only a limited amount of data is collected and processed, that new technologies are not used as part of the company's core activities, and that neither the company itself nor external suppliers carry out specific data analyses, evaluations, or segmentations.

Sustainability reporting



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INTRODUCTION

Sustainability in Bygma

The Corporate Sustainability Reporting Directive (CSRD) is an EU regulation that mandates stricter requirements for companies' sustainability reporting, focusing on environmental, social, and governance (ESG) aspects. Its aim is to ensure greater transparency and comparability of companies' ESG data. At the end of February 2025, the European Commission published the EU Omnibus proposal, which suggests a postponement and simplification of the reporting requirements. Bygma Group is closely monitoring these developments. If the EU Omnibus is adopted, CSRD will apply to Bygma starting from the financial year 2027.

Although CSRD is not yet a legal requirement for Bygma, we have chosen to be a leader in the industry by voluntarily implementing the reporting already in 2024. This decision is a natural step in our strategic sustainability efforts, where we consistently aim to stay ahead—whether in responsible sourcing, energy efficiency, or CO_2 emission reduction. By aligning early with CSRD requirements, we strengthen our business model, create transparency for our stakeholders, and ensure that we remain a step ahead in the green transition.

To ensure an effective implementation of CSRD, the Group has involved key functions across the organisation - including HR, marketing, IT, finance, procurement, and operations - to enhance the quality of ESG data and establish a strong reporting process. In 2024, the first consolidated sustainability report will be integrated into the annual report, marking an important milestone for Bygma. This report builds on the experiences from the 2023 ESG report and has been developed with a more structured approach to CSRD reporting, where processes for data collection, analysis, and verification have been standardised.

The double materiality analysis (hereafter DMA) is a fundamental part of Bygma's reporting framework. It identifies the most significant impacts, risks, and opportunities (hereafter IROs) relevant to Bygma and its value chain. This process evaluates both Bygma's impacts on the environment and people, as well as the sustainability-related risks and opportunities that may influence the business.

Bygma uses the DMA to prioritise efforts where they create the most impact - for example, in responsible sourcing of building materials, reducing CO_2 emissions across the value chain, and optimising energy efficiency at its own sites. The insights gained from CSRD preparations strengthen Bygma's strategic decision-making and ensure that the Group continues to work purposefully toward a more sustainable construction industry.



Material topics

As part of our work to integrate sustainability into the annual report, we have followed a structured process to identify and prioritise the material and mandatory topics to be included in our ESG reporting. This prioritisation ensures that we comply with applicable legislation while focusing on the areas where we can make the greatest impact.

Climate change

Focus on climate and sustainability, including greenhouse gas emissions, energy consumption, transition plans, and the EU taxonomy. These topics are essential to our efforts to reduce our climate impact and contribute to a more sustainable future.

Own workforce

Focus on employee satisfaction, communication channels, secure employment, diversity, health, and safety.

Business conduct

Covers key areas such as corporate culture, responsible tax practices, whistleblower protection, and anti-corruption. These elements support our ambition to be a transparent and responsible company.

GENERAL	ENVIRONMENT	SOCIAL	GOVERNANCE
ESRS 1 ✓ **General requirements**	ESRS E1 ✓ **Climate change** – Climate change mitigation – Transition plan – Energy consumption and mix – Greenhouse gas emissions – EU-taxonomy	ESRS S1 ✓ **Own workforce** – Secure employment – Adequate wages – Health and safety – Equal treatment and equal opportunities – Actions against violence and harassment in the workplace	ESRS G1 ✓ **Business conduct** – Corporate culture – Responsible tax practices – Protection of whistleblowers – Management of supplier relationships – Corruption and bribery
ESRS 2 ✓ **General disclosures**	ESRS E2 ✗ **Pollution**	ESRS S2 ✗ **Workers in the value chain**	
	ESRS E3 ✗ **Water and marine resources**	ESRS S3 ✗ **Affected communities**	
	ESRS E4 ✗ **Biodiversity and ecosystems**	ESRS S4 ✗ **Consumers and end-users**	
	ESRS E5 ✗ **Resource use and circular economy**		

✓ Material topic
✗ Not material topic

IRO-2

Overview of ESRS disclosure requirements

Content of the sustainability report

The table of contents shows all disclosure requirements from ESRS 2 as well as the three topic-specific standards that are material to Bygma and have formed the basis for preparing our sustainability reporting. The table of contents can be used to navigate directly to information about a specific disclosure requirement in the sustainability report.

Our goal has been to integrate sustainability reporting as effectively as possible with other sections of the annual report. Therefore, we have used the option of incorporation by reference and have chosen to include the GOV standards (GOV-1, GOV-2, GOV-3, and GOV-4) from the cross-cutting standard ESRS 2 in the Governance section.

For the first reporting year, we have chosen to apply all available phased-in options.

○ Under materiality threshold

● Phased-in option used

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BP-1 / BP-2

Basis for preparation

This year, the group is voluntarily including the sustainability report as part of the management report in the consolidated annual report, in accordance with CSRD and the European Sustainability Reporting Standards (ESRS) requirements.

All data points included in the sections on environment (E), social matters (S), and business conduct (G) have been assessed as material in accordance with the group's double materiality assessment (DMA).

A detailed overview of the ESRS disclosure requirements included in the report can be found on page 18.

Reporting scope

The sustainability report covers Bygma Group and all its subsidiaries and is prepared on the same consolidated basis as the group's financial statements for 2024. AB Bechcicki, which became part of the group in September 2024, is included in the reporting from 01.09.2024 to 31.12.2024. For further information on the group's climate accounting and the specific handling of AB Bechcicki's climate data, please refer to page 38. A list of subsidiaries can be found on page 88.

Other reporting standards

The sustainability report constitutes the group's statutory statement on corporate social responsibility in accordance with Section 99a of the Danish Financial Statements Act.

Time horizons

The sustainability report uses the time horizons set out in ESRS 1, section 6.4. The short term covers up to 12 months, the medium term extends from the end of the short-term period up to five years, while the long term covers periods longer than five years.

Value chain

The sustainability report covers the entire Bygma value chain and includes both upstream and downstream value chains. See more on page 25.

Option to omit information

The group has not made use of the option to omit information related to intellectual property rights, know-how, or innovation outcomes. Bygma does not have any turnover from coal, oil, gas, chemical production, controversial weapons, or the cultivation and production of tobacco.

Measurement basis

The accounting principles have been applied consistently in the financial year as well as for comparative figures. All data for greenhouse gas emissions (GHG scope 1-3) are reported in accordance with the Greenhouse Gas Protocol (hereafter the GHG Protocol).

he data points are prepared in accordance with the described accounting policies in the relevant sections, where the definitions and methods used are described and form the basis of the report.

Uncertainties and estimates

The preparation of ESG reporting involves certain uncertainties, particularly for data points with measurement uncertainty. Relevant uncertainty factors, as well as any use of assumptions or estimates, are described under the accounting policies for the respective area, including the EU taxonomy (page 40) and greenhouse gas emissions (page 38). The group's upstream and downstream value chains have been mapped through the double materiality analysis and are included in the scope 3 inventory, including supplier emissions. The calculation combines activity- and expenditure-based data, with the proportion of activity-based data gradually increasing to improve accuracy. Currently, the calculation is largely based on expenditure-based data.

Adaptation

The base year and comparative figures have been adjusted in accordance with the group's adjustment policy. The policy covers all ESG data points and provides guidance on recalculation in cases of data or calculation errors, updated calculation methods, or changes in emission factor sources.

According to the policy, the base year for greenhouse gas emissions (GHG) must also be recalculated in the event of significant structural changes occurring mid-year. Bygma's acquisition of a majority stake in AB Bechcicki in Poland in September means that the base year 2022 must be recalculated. Since we have not yet had access to the necessary data from the acquired company, the recalculation will be carried out next year when the data becomes available. Furthermore, no comparative figures for greenhouse gas emissions (GHG scope 1-3) are included this year.

Changes in preparation

In the 2024 reporting period, we have adjusted the structure of our sustainability reporting to comply with CSRD. The changes include integrating a sustainability report into the group's annual report, updating the preliminary double materiality analysis from 2023, and incorporating new information in accordance with the ESRS requirements. See more on page 27.

Internal controls and external review

The reporting processes are documented for each unit, and data collection is defined in the group's ESG accounting manual. The finance function, which is responsible for the reporting, continuously monitors risks and uncertainties associated with the reported data points. To ensure consistency and quality in data handling, reporting processes and controls are described in an internal guideline for the ESG report.

Bygma works systematically with risk management within ESG reporting, with particular focus on significant deviations and data quality. Key challenges include manual data entries and discrepancies in local data definitions compared to group standards. To mitigate these risks, specialised employees have been appointed who continuously monitor developments, perform control tasks, and conduct spot checks of documentation.

An annual action plan is developed to strengthen reporting processes and controls, based on both internal and external assessments of data quality.

The results of risk assessments and internal controls are reported to the ESG steering group, and auditors' remarks are shared with the executive management alongside the results of the group's audit. Additionally, ongoing dialogue is maintained with those responsible for each data point to ensure proactive management of risks and any additional control needs.

In 2024, the reporting function was further strengthened through new hires within ESG analysis and controlling.

The Board of Directors holds the overall responsibility for risk management and control, just as it does for financial reporting.

The sustainability report is subject to a limited assurance statement performed by the Group's external auditor, EY, a state-authorised public accounting firm.

SBM-1

Strategic ESG focus areas

Sustainability is integrated into Bygma's strategy and business model and serves as a strategic driver of our long-term development. We aim to be a trusted partner in the green transition of the construction industry by delivering responsible solutions, ensuring resilient supply chains, and creating value for customers, employees, and society.

We have three strategic ESG priorities – **climate impact, social responsibility,** and **responsible supply chains** – each supported by specific initiatives and targets. These priorities reflect our most material sustainability risks and opportunities.

E Environment

Bygma reduces its climate impact through concrete initiatives that support the green transition in the construction industry.

- CO_2 reductions in own operations and the value chain in line with the goals of the Paris Agreement
- Improving energy efficiency at own locations and optimising transport
- Responsible sourcing with a focus on certified and sustainable building materials

Read more

29 Climate change
40 EU-taxonomy

S Social

Bygma creates an attractive workplace with a strong focus on well-being, safety, and professional development. We actively contribute to shaping the future of the industry through strong communities and partnerships

- A safe working environment with fewer workplace accidents and better health
- Continuous skills and talent development for employees
- Greater diversity and inclusion in the construction industry
- Investment in the professionals of the future through education and internship programs

Read more

45 Own workforce

G Governance

Bygma creates transparency, accountability, and strong supply chains. This forms the foundation for a resilient and sustainable business.

- Enhanced due diligence and responsible supplier requirements
- Robust management systems and clear guidelines for business ethics
- Close collaboration with suppliers and partners on sustainable solutions

Read more

57 Business conduct

SBM-1

Responsible value creation through sustainability

Bygma is the largest Danish-owned supplier of building materials with a product portfolio primarily consisting of timber products, construction materials, and related building items. The customers mainly comprise professional craftsmen, contractors, and industrial clients, but also private customers seeking quality materials for construction projects.

Bygma has a strong market position in Denmark, Sweden, Poland, Iceland, the Faroe Islands, and Greenland, which are our key markets. With 127 business units and a strong local presence, we ensure the reliable delivery of building materials and tailored solutions that meet both national and regional needs.

Because the future of building starts today

Resources

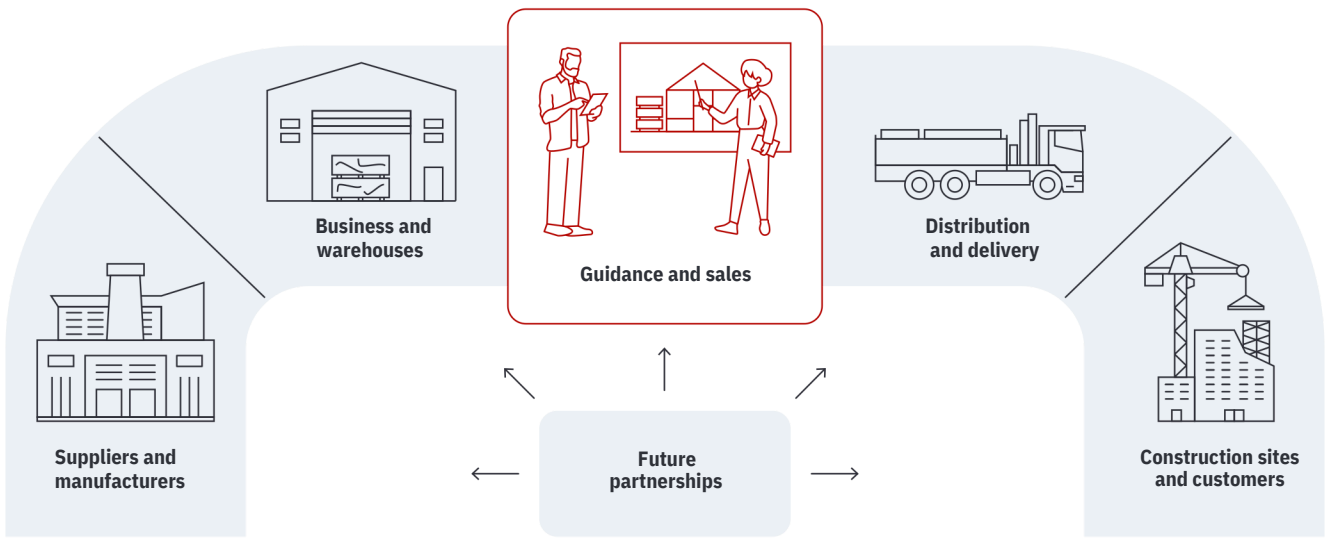
Our employees and culture
Competent and committed employees driven by responsibility, quality, and professional expertise.

Partnerships and market position
Strong relationships with suppliers, customers, and partners ensure stable supply chains and promote circular solutions in the industry.

Natural resources and materials
Responsible procurement and use of building materials with a focus on quality, durability, and certifications such as FSC and PEFC.

Data and digitalisation
Digital solutions and data usage ensure documentation, optimise processes, and help customers comply with legal requirements.

Knowledge and innovation
Professional expertise, market insight, and technological development drive sustainable solutions and optimise the business.



Value creation

Customers
Effective and responsible solutions, including data, documentation, and certified materials, that support our customers' construction projects.

Employees
An attractive workplace that prioritises well-being, engagement, and professional growth. Ongoing skills development and a supportive work environment give our employees the best opportunities to thrive. See page 52 for the number of employees by geographic area (ESRS 2 SBM-1, paragraph 40(a)(iii)).

Communites
Responsible construction for the future, where sustainable solutions are advanced, jobs are created, and the industry is strengthened through strategic partnerships.

Environment
Reducing our climate footprint through operational optimisation, promotion of circular solutions, and responsible resource use throughout the value chain.

Owners
Long-term sustainable growth, innovation, and a responsible business model that ensures stable earnings and a strong market position.

SBM-2

Stakeholder views and interests

Our engagement with stakeholders reflects our commitment to prioritising ESG aspects and focusing our efforts on areas of greatest significance and impact for both internal and external stakeholders. We engage continuously with our stakeholders, both internally and externally, and strive to understand their perspectives, concerns, and expectations. These interactions contribute to our sustainability efforts, projects, and processes, enabling us to align with the interests and views expressed by stakeholders.

The insights gained through stakeholder dialogue contribute to our due diligence processes and double materiality assessment, helping us prioritize resources, time, and energy on areas that create the most valuable change for the climate and deliver the greatest value to our stakeholders and Bygma. As part of this effort, we have entered into strategic partnerships as part of our strategy to help customers minimise CO_2 emissions and earn points in certified projects. We also guide our customers on responsible construction requirements, including the choice of products and materials. We plan further initiatives to strengthen alignment with stakeholder interests, including expanding our take-back schemes and offering improved documentation for construction projects via our documentation platform ProffDok.

Stakeholders' views and interests regarding our sustainability-related impacts, risks, and opportunities are continuously discussed internally in relevant departments and business units. The Board of Directors and top management are regularly informed, as part of the annual DMA process, to ensure timely action and continuous development of our strategy and business model.

Key stakeholders groups	Structure	Objective	Results
Employees	• Surveys • Workplace assessments • Education and development • Internal communication channels • Working groups	• Employee perspectives • Contribute to a healthy working environment	• Internal policy updates • Improvements, action plans and target setting • Communication from management • Identification of risks and impacts
Customers	• Guidance and support to customers • Communication about projects	• Providing sustainable solutions with focus on CO_2 reductions • Build stronger customer relationships • Enabling customers to achieve their targets	• Product/service improvements • Adaption of marketing strategies • Take back-schemes
Suppliers and business partners	• Contract negotiation • Industry collaborations • Supplier audits and on-site assessments • Questionnaires	• Compliance with our Code of Conduct • Promoting responsible sourcing of raw materials • Protection human and labour rights of work • Ensuring a respectful working environment	• Supplier Code of Conduct • Dialogues about requirements and expectations • Take back-schemes
Owners	• Periodic meetings • Communication channels	• Strengthen leadership and accountability • Align strategic goals	• Aligning business model and strategy • Value creation • Risk management and improvement plans • Target setting and action plans • The Bygma Foundation
Communities and industry organisations	• Partnerships for community benefits • Partnerships with NGOs • Guidance from sustainability experts • Workshops and knowledge sharing	• Building trust and community support • Ensuring community benefits • Addressing community concerns • Improve sustainability practices • Prevent and mitigate negative impacts	• Local sponsorships • Partnerships

SBM-3

Double materiality assessment

To gain a deeper understanding of our most significant impacts on people and the environment (impact materiality), as well as the business risks and opportunities related to sustainability (financial materiality), the Group conducted a double materiality assessment in 2024. The assessment enables us to allocate resources, time, and energy to the most significant areas and prioritise sustainability issues that are most important to both our organization and our stakeholders.

The DMA is Bygma's strategic approach to assessing sustainability-related impacts, risks, and opportunities. In 2024, Bygma conducted the assessment to identify significant impacts on people and the environment (impact materiality) as well as business risks and opportunities related to sustainability (financial materiality).

The double materiality assessment provides a foundation for strategic decision-making and supports a resilient business approach that aligns with the expectations and requirements of employees, customers, regulators, and other stakeholders.

As part of the DMA process, all activities and ESRS topics have been screened. The results show that three out of ten ESRS topics are above Bygma's materiality threshold, while the remaining topics are below the threshold.

The materiality threshold is set at an average score above 3 on a scale from 0 to 5, and the analysis identified E1 (Climate Change), S1 (Own Workforce), and G1 (Business Conduct) as the most significant topics for Bygma.

The analysis resulted in a final list of 12 material impacts related to sustainability topics. According to our assessment methodology, only actual impacts (which were also analysed in relation to financial risks and opportunities) were considered material for this reporting period. No risks or opportunities related to our financial position, financial performance, or cash flows were assessed as material this year.

Strategy and resilience

Bygma's material environmental impacts, which are actual and negative, primarily relate to the environmental burden caused by its operations and business model, particularly regarding CO_2 emissions and the use of fossil energy.

The IROs are closely linked to Bygma's core activities and focused on its own operations. They relate to the group's ability to deliver building materials, solutions, and logistics services, and impact or are impacted by employees and customers.

The Board of Directors and management ensure that impacts, risks, and opportunities are actively integrated into strategic decisions and business activities to strengthen Bygma's resilience regarding ESG matters. The group's structured ESG approach ensures that processes and initiatives are adapted to new requirements, regulations, and customer expectations.

Bygma is assessed to have a high level of resilience within the time horizons used in the double materiality analysis. This is due to initiatives that both enhance opportunities and mitigate impacts and risks being integrated into the company's management structures. The resilience is based on qualitative input from internal experts and an overall evaluation of the mitigating measures in place across all IROs identified through the DMA process.

The material IROs identified in the analysis have not led to changes in Bygma's strategy or business model. They have been acknowledged and assessed but have not required strategic adjustments, nor are such changes expected during the 2025-2030 strategy period. This is because mitigating measures are already integrated into Bygma's operational processes. Bygma continuously monitors sustainability-related risks and opportunities to maintain a resilient strategy and business operations.

Many of the opportunities identified in the analysis related to the green transition and energy-efficient solutions are already integrated into Bygma's strategy. At the same time, risks and negative impacts are managed through targeted initiatives in both our own operations and the value chain, including due diligence assessments, stricter requirements, and systematic monitoring of suppliers.

As a distributor, suppliers and the products we purchase are covered under the topics E1 and G1. Bygma prioritises responsible procurement, respect for labor and human rights throughout the value chain, and actively works to minimise its environmental impact through sustainable purchasing principles and energy efficiency. These IROs are continuously managed within our operations as an integral part of the business model, where Bygma can take direct action—particularly in areas such as business ethics, workforce conditions, and climate.

Actual financial effects

Bygma assesses that the identified risks and opportunities do not have a material impact on the group's financial position. However, climate change may affect the value of certain assets, which is addressed through accounting evaluations. As part of Bygma's investment plans, funds are allocated to climate-related initiatives, including electrification of the transport fleet and energy efficiency improvements in operations.

Double materiality analysis results

ESRS	IRO	Positive / Negative	Own operations / Value chain	Actual / potential	Time horizons	Bygma's approach
E1 Environment	CO_2 emissions from purchased goods	−	Value chain (upstream)	Actual	Medium	Page 33
	CO_2 emissions from operations	−	Own operations / value chain (downstream)	Actual	Short	Page 33
	Use of fossil energy	−	Own operations / value chain (upstream and downstream)	Actual	Short	Page 33
	CO_2 emissions from transportation	−	Value chain (upstream and downstream)	Actual	Short	Page 33
	CO_2 emissions from company cars	−	Own operations / value chain (downstream)	Actual	Short	Page 33
S1 Social	Secure employment	+	Own operations	Actual	Short	Page 49
	Physical working environment	−	Own operations	Actual	Short	Page 51
	Gender diversity	−	Own operations	Actual	Short	Page 50
G1 Governance	Healthy corporate culture	+	Own operations	Actual	Short/ Medium	Page 59
	Responsible and transparent tax	+	Own operations	Actual	Short	Page 63
	Effective supplier management	+	Own operations / value chain (upstream)	Actual	Short	Page 61
	Protection of whistleblowers	+	Own operations / value chain (upstream and downstream)	Actual	Short/ Medium	Page 60

ESRS E1 | Climate change

Climate change significantly impacts Bygma and its value chain, making it a central priority in the group's strategy. The biggest climate-related challenges arise from CO_2 emissions linked to purchased goods, transportation, and energy consumption at Bygma's facilities.

While the transition to a low-emission economy presents great opportunities, it also brings challenges. Bygma depends on its suppliers' climate efforts and the market's availability of sustainable materials. At the same time, reducing transportation emissions must be balanced with maintaining efficient logistics. Additionally, green investments can increase costs in an industry where price is a key factor.

Despite these challenges, Bygma is committed to driving change through strategic partnerships, innovation, and investments in sustainable solutions that reduce the climate footprint and promote a more responsible construction industry.

ESRS S1 | Own workforce

Bygma's policies and processes have a direct impact on employees and the value chain. People employed in our upstream and downstream value chains are covered by human rights initiatives, including risk assessments and policies for responsible working conditions that ensure health, safety, and the prevention of child labor and forced labor.

The identified social impacts are primarily actual and negative, arisingfrom industry challenges such as high employee turnover, workplace accidents, and a lack of diversity and inclusion. Bygma has implemented mitigating measures, including stricter policies, to address these challenges.

As a distributor in the construction industry, Bygma also creates positive social impacts. The group invests in education and skills development and actively contributes to nurturing the next generation of professionals through internship programs and internal development initiatives.

ESRS G1 | Business conduct

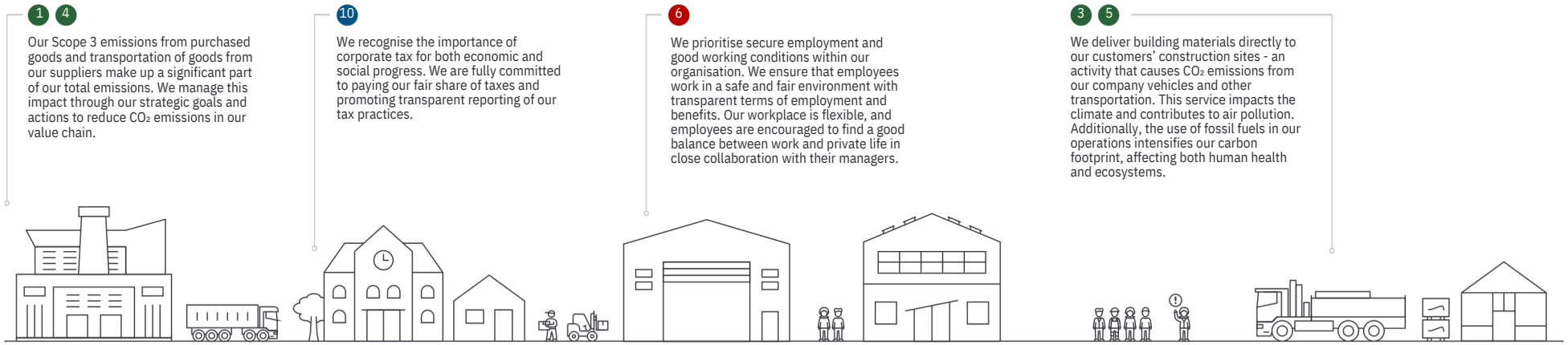
Bygma is committed to honest and responsible business practices, where transparency and integrity are core values. The group promotes a corporate culture in which employees can safely report concerns through Bygma's whistleblower scheme, and it places high demands on suppliers to ensure compliance with laws and ethical standards.

s part of this commitment, Bygma advises customers and collaborates with suppliers to promote a more sustainable and responsible construction sector. These efforts contribute to a strengthened reputation, responsible market development, and long-term value creation - factors that support the group's growth and financial performance.

Bygma also prioritises responsible tax practices and actively contributes to society.

Impacts in the value chain

Our material impacts arise both from our own activities and from our value chain. All material impacts are actual impacts.



1 4
Our Scope 3 emissions from purchased goods and transportation of goods from our suppliers make up a significant part of our total emissions. We manage this impact through our strategic goals and actions to reduce CO_2 emissions in our value chain.

10
We recognise the importance of corporate tax for both economic and social progress. We are fully committed to paying our fair share of taxes and promoting transparent reporting of our tax practices.

6
We prioritise secure employment and good working conditions within our organisation. We ensure that employees work in a safe and fair environment with transparent terms of employment and benefits. Our workplace is flexible, and employees are encouraged to find a good balance between work and private life in close collaboration with their managers.

3 5
We deliver building materials directly to our customers' construction sites - an activity that causes CO_2 emissions from our company vehicles and other transportation. This service impacts the climate and contributes to air pollution. Additionally, the use of fossil fuels in our operations intensifies our carbon footprint, affecting both human health and ecosystems.

11
We are committed to continuously improving our relationships with suppliers and business partners. By ensuring that our suppliers comply with our Code of Conduct, we maintain productive, ethical, and legally compliant relationships. Our ambition is to achieve no environmental impact across our entire supply chain, which is why close collaboration with our suppliers is essential.

7
Our warehouse workers and drivers perform physically demanding work. This increases the risk of work-related accidents for our employees.

8
Women are currently underrepresented in our group. This is a general challenge in the industry. At Bygma, we actively work to change this trend and promote a more balanced representation

2
Emissions from our own operations mainly come from district heating and electricity consumption at our warehouses, stores, and offices, including the use of energy from fossil fuels, which contribute to greenhouse gas emissions. We address this challenge through strategic goals and initiatives aimed at reducing CO_2 emissions in our operations.

9 12
We promote a healthy corporate culture that supports transparency and integrity. We ensure that our employees feel safe to raise concerns through our whistleblower and grievance policy, which protect individuals from retaliation.

UPSTREAM — OWN OPERATIONS — DOWNSTREAM

E1 Environment

Negative impacts

1 CO_2 emissions from purchased goods
2 CO_2 emissions from operations
3 Use of fossil energy
4 CO_2 emissions from transportation
5 CO_2 emissions from company cars

S1 Social

Positive impacts

6 Secure employment

Negative impacts

7 Physical working environment
8 Gender diversity

G1 Governance

Positive impacts

9 Healthy corporate culture
10 Responsible and transparent tax payments
11 Effective supplier management
12 Protection of whistleblowers

IRO-1 | METHOD AND PROCESS

Double materiality assessment methodology

The methodology of our double materiality assessment (DMA) followed the requirements of the European Sustainability Reporting Standards (ESRS 1 and 2).

The section below outlines how material impacts, risks, and opportunities are identified and assessed. The analysis identifies key impacts, risks, and opportunities (IROs) that are critical to the business

Scope
The double materiality assessment encompasses the entire Group, including all business units, operations, and geographical areas in which Bygma operates. The ten ESRS topics have been analysed, and relevant documentation has been prepared in alignment with Bygma's strategy and business model.

For our own operations, we identified and assessed how our activities impact people and the environment, as well as the related risks and opportunities. For our value chain, we focused on both upstream and downstream activities - from the sourcing of raw materials to the end of product life. The assessments were conducted through interviews with internal stakeholders and desktop research. The analyses were reviewed and approved by management. The analysis considers both positive and negative impacts, as well as actual and potential impacts related to sustainability matters and financial risks and opportunities.

As part of the DMA process, all activities, ESRS topics, and company-specific matters were screened. ESRS S3 (Affected communities) and ESRS S4 (Consumers and end-users) were excluded and therefore not scored, as Bygma operates as a local distributor to professional customers. This reflects Bygma's business model.

Stakeholder engagement
The double materiality assessment was carried out through individual and group interviews. The interviews were conducted with internal employees who have deep knowledge of market dynamics, customers, employees, suppliers, products, and relevant regulatory matters.

For each topic, we engaged with subject-matter experts from within the Group and mapped potentially affected stakeholders across value chain activities. Bygma's primary suppliers and product groups were reviewed to identify specific risks and opportunities.

External stakeholders have not been directly involved this year to assess how they are impacted by Bygma's activities or to validate the results. However, we gather knowledge on sustainability and ESG from the Confederation of Danish Industry, NGOs, research institutions, and other external sources.

Scoring
Impact materiality
In accordance with the ESRS requirements, impacts are assessed based on four parameters:

- Scope
- Scale
- Irremediability
- Likelihood (only for potential impacts)

Financial materiality
The materiality of risks and opportunities was assessed based on a combination of the likelihood of occurrence and the potential magnitude of the financial effects.

The potential financial impact is assessed based on EBITDA, CAPEX, and OPEX, with financial impact and likelihood weighted equally in the scoring model. The model is adapted to Bygma's risk management framework.

Thresholds
Each impact, risk and opportunity (IRO) was assessed on a scale from 0 to 5, where 0 represents no impact and 5 the highest impact. An accumulated score was calculated for each IRO for impact and financial impact respectively.

The materiality thresholds was set at 'significant', meaning that IROs scored with a total score above 3.0 and their associated ESRS topic, were deemed material.

Time horizons
The double materiality assessment follows ESRS 1 and applies the following time horizons:

- **Short term:** Impacts are expected to occur within approximately 1 year.
- **Medium term:** Impacts are expected to occur within a period of 1 to 5 years.
- **Long term:** Impacts are expected to occur after 5 years or more.

Risk management and governance
Bygma is working systematically to integrate insights from the double materiality assessment into its risk management processes. ESG-related risks are assessed alongside other business risks (see page 11) and form part of the Group's overall risk profile.

In 2024, processes were established to manage impacts, risks, and opportunities. However, specific control mechanisms are not yet in place. Strengthening and streamlining risk management procedures to ensure a more integrated and holistic approach will be a key priority in 2025. ESG matters are being implemented into existing business processes to support both strategic business development and regulatory compliance.

Bygma's ESG steering group is responsible for the ongoing assessment of materiality and ensures the structured implementation of workstreams that support the Group's strategic objectives and CSRD requirements.

The executive management receives regular updates from the ESG steering group, while the Board of Directors is provided with an annual status report on implementation and receives progress and target updates three times a year.

Double materiality assessment process

Bygma has developed a structured process for conducting the double materiality assessment (DMA), focusing on both impact materiality and financial materiality. The analysis evaluates Bygma's impact on the environment and society, as well as sustainability-related risks that may affect the Group's operations and financial performance.

All data are processed in Bygma's DMA tool, where they are quantified and supplemented with qualitative assessments. The analysis has been carried out by an internal working group consisting of ESG specialists and relevant subject-matter experts to ensure a consistent and systematic approach. The assessment method, scoring, and data processing follow the ESRS 2 requirements to ensure transparency and a strong basis for decision-making.

The working group followed a four-step process in which each IRO (impact, risk, and opportunity) was identified, assessed, and scored in a structured manner.

1. **Mapping and identification**
2. **Engagement of stakeholders**
3. **Materiality assessment and calibration**
4. **Management Review and conclusion**

1. Mapping and identification
The working group mapped relevant sustainability topics based on ESRS subtopics and specific aspects relevant to Bygma's activities and value chain. The assessment covered sector-related issues, employees (excluding non-employees), own operations, upstream and downstream value chains, as well as geographical areas of operation.

As part of the analysis, no specific activities, business relationships, or geographical areas were identified that could pose an increased risk of negative impacts. Additionally, internal data such as interviews, market analyses, reports, and previous assessments were included.

As preparation for the workshops and the value chain analysis, a thorough desktop research was conducted, forming the basis for a structured assessment of material impacts, risks, and opportunities.

IRO-1 | METHOD AND PROCESS

2. Engagement of stakeholders
Based on the initial mapping, relevant stakeholders were identified to validate and enhance the assessment of Bygma's sustainability-related impacts, risks, and opportunities. The stakeholder analysis included both those directly affected by Bygma's activities and those who rely on the information provided in the annual report.

The ten ESRS-standards were assessed in collaboration with internal experts, who have in-depth knowledge of the Group's daily operations. These experts helped define and evaluate the material IROs across Bygma's business areas. Additionally, perspectives from external stakeholders were incorporated through market analyses that reflect industry expectations and trends.

3. Materiality assessment and calibration
We conducted interactive materiality assessment workshops for each ESRS topic. The working group reviewed and adjusted the pre-defined impacts as necessary and then included internal representative from HR, Finance, Procurement and health and safety representatives to get their input.

All inputs from the workshops were entered into Bygma's DMA tool to consolidate scores and calculate the degree of materiality.

The results and the accompanying justifications were documented, discussed, and evaluated by management and the working group. Selected workshop participants were involved to validate the assessment.

4. Management review and conclusion
The consolidated results were presented and discussed with the executive management and the working group. The scoring and the established materiality threshold formed the basis for the final list of material impacts.

The executive management contributed with input and validation of the double materiality assessment to ensure strong alignment with the Group's strategy.

Going forward, the double materiality assessment will be updated annually, while a full review will be conducted every three years as an integrated part of Bygma's strategic process.

Conclusions on non-material topics

In 2024, Bygma assessed pollution, water and marine resources, biodiversity, resource use and circular economy, as well as workers in the value chain as part of the double materiality assessment (DMA). Through internal dialogues and industry insights, we analyzed our business model, operations, and value chain for dependencies, risks, and opportunities.

E2 – Pollution
We have assessed our potential impact on air, water, and soil pollution related to our activities and value chain. Bygma does not have production activities, and our operations primarily consist of distribution facilities. Our assessment shows that our activities comply with all relevant European and local environmental regulations, and therefore our environmental impact is limited and not material. Furthermore, we have not identified any significant incidents or controversies regarding pollution within our industry that are relevant to our operations. On this basis, we do not consider pollution to be a material topic. No consultations have been conducted with external stakeholders, including affected communities.

E3 – Water and marine resources
Bygma's activities are characterised by low water consumption, mainly related to general sanitary use and cleaning. We have no processes that require large amounts of water, and our branches are generally not located in areas with water scarcity. Therefore, we do not consider water resources to be a material topic for Bygma.

E4 – Biodiversity and ecosystems
We have conducted a thorough assessment of our direct and indirect impacts on biodiversity, as well as our dependence on ecosystems and ecosystem services. This assessment was carried out through internal analyses, dialogue with local operations managers, and a review of relevant legislation and industry standards. Our evaluation criteria include geographic location, types of activities, risk assessments, and stakeholder consultations.

Bygma's direct activities are limited to warehousing and distribution, and these do not take place in or near protected or biodiversity-sensitive areas. Therefore, we have not identified any direct negative impacts on natural habitats, ecosystems, or protected species. Consequently, we have also determined that it is not necessary to implement biodiversity mitigation measures in accordance with EU directives such as the Birds or Habitats Directives, or carry out environmental impact assessments (EIAs).

Indirectly, our impact and dependency are related to the procurement of wood-based products. Here, we ensure responsible forest management by exclusively using certified products (FSC and PEFC). This practice significantly minimizes the risk of indirect impacts on biodiversity throughout the value chain.

The assessment also considered potential transition, physical, and systemic risks related to biodiversity, but we have not identified any material risks or opportunities that could negatively impact the company's operations, finances, or reputation.

Furthermore, we have not identified any significant dependencies on ecosystem services at risk of disruption. Stakeholders and affected communities have not been directly involved, as our screening showed that our activities neither currently nor potentially have a negative impact on biodiversity or ecosystem services in the areas where we operate. Additionally, biodiversity has not been highlighted by our stakeholders as a material topic.

Based on the above, we conclude that biodiversity is not a material topic for Bygma. However, we will continuously monitor the area and revise our assessments if there are changes in our operations or external environment.

E5 – Resource use and circular economy
Bygma focuses on responsible resource use and waste reduction through efficient inventory management, logistics optimization, and sustainable packaging practices. We have conducted a thorough screening of our assets, activities, and value chain to identify actual and potential impacts, risks, and opportunities related to resource inputs, resource outputs, and waste. This process is based on internal analyses, data collection, and evaluation of waste volumes, recycling rates, as well as an assessment of logistics processes and packaging use.

In the screening, we assumed that our primary activities - warehousing, distribution, and trading - have a relatively low environmental impact compared to manufacturing companies. Additionally, data on our Scope 3 waste emissions, which account for less than 1% of the total Scope 3 emissions, were used as an indicator of efficient resource use.

Due to our low environmental footprint and the absence of identified material risks or negative impacts related to resource use and waste, we have assessed that external consultations with local communities or stakeholders have not been necessary.

Based on this process, we have not identified any significant negative impacts, risks, or opportunities within the circular economy and waste management that require further materiality assessment.

Although pollution, biodiversity, and resource consumption do not exceed the threshold for material topics according to our assessment methodology, Bygma acknowledges their broader environmental importance. By practicing responsible resource management and sustainable procurement, we contribute indirectly to biodiversity protection. Therefore, biodiversity and resource use are included in our overall environmental efforts where relevant to reduce environmental impact.



ESRS E1 Environment

29 Climate change
40 EU-taxonomy

Sustainable solutions

Through energy efficiency, green transport, and responsible procurement, Bygma contributes to reducing the environmental and climate footprint of the construction industry. As one of the leading building materials distributors in the Nordics, we have a responsibility to drive the sustainable transition in collaboration with customers and suppliers. Investments in CO_2-reducing solutions such as electric trucks, optimized logistics processes, and sustainable materials support this effort.

This chapter presents our efforts to address climate change, reduce environmental impact, and promote a more sustainable construction industry.

ESRS E1 | ENVIRONMENT

Climate change

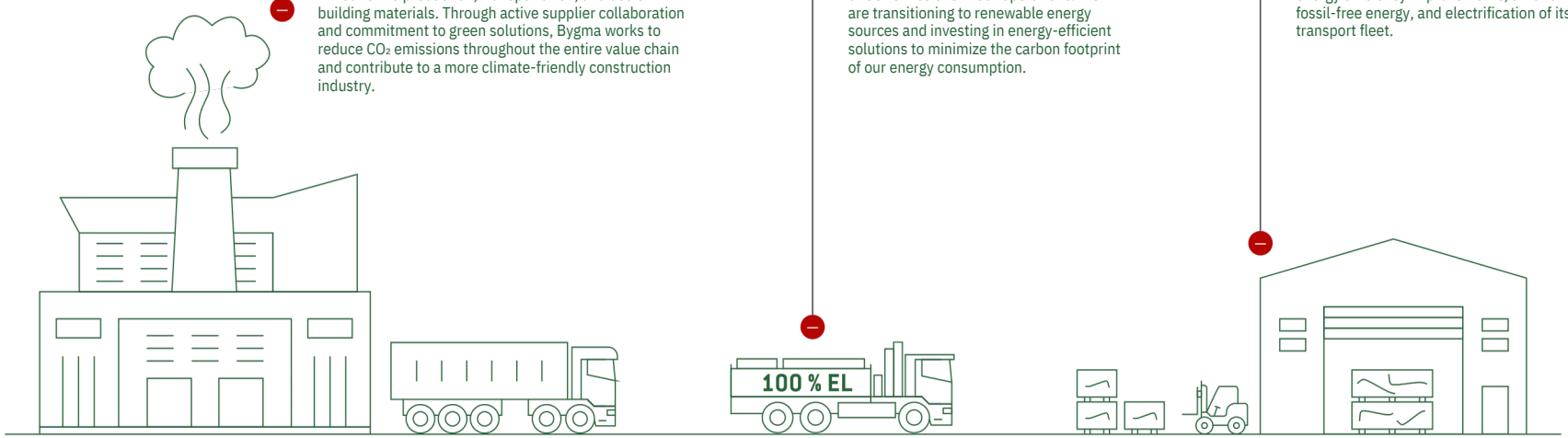
As climate change increasingly demands urgent action, Bygma's corporate responsibility becomes even more critical. It is essential that Bygma sets ambitious goals and supports the national climate targets. Bygma is committed to protecting natural resources and reducing its overall environmental footprint, covering both its own operations and the value chain.

Bygma is taking internal actions to reduce CO_2 emissions and environmental impact. In addition, the Group places strong emphasis on forming strategic partnerships to develop solutions that support the entire construction industry in addressing climate change.

CO_2-emissions from value chain
Bygma's total climate footprint primarily originates from the value chain, where the majority of CO_2 emissions are linked to the production, transportation, and use of building materials. Through active supplier collaboration and commitment to green solutions, Bygma works to reduce CO_2 emissions throughout the entire value chain and contribute to a more climate-friendly construction industry.

Use of fossil energy
Bygma is working to reduce the use of fossil energy, which is a significant source of CO_2 emissions in our operations. We are transitioning to renewable energy sources and investing in energy-efficient solutions to minimize the carbon footprint of our energy consumption.

CO_2-emissions from own operations
Bygma is actively working to reduce CO_2 emissions from its own operations through energy efficiency improvements, a transition to fossil-free energy, and electrification of its transport fleet.



2030 targets

Scope 1+2 emissions reductions

-42 %

Bygma has set a target to reduce CO_2 emissions from its own operations by 42% by 2030, compared to the baseline year of 2022. Emissions in 2022 were 9,520 tons of CO_2, and the goal is to reduce this to 5,522 tons by 2030. Current emissions have been lowered to 7,733 tons of CO_2, demonstrating that we are well on track to achieve this goal.

Supplier target

67 %

Our goal is for 67% of Scope 3 emissions by 2030 to be covered by concrete reduction targets set by our suppliers.

In 2024, 49% of the emissions are already covered by such targets. We expect this to contribute to an overall 25% reduction in Scope 3 emissions compared to 2024.

E1 SBM-3 / E1 IRO-1

Resilience to climate risks

Through the double materiality assessment, it has been determined that the Group's most material topics are its own employees, energy, and climate change mitigation.

Bygma has conducted a comprehensive analysis of climate-related risks within energy consumption and climate change, with particular focus on physical climate risks and transition risks.

In accordance with the materiality assessment (DMA), the analysis covers short-, medium-, and long-term time horizons and evaluates how climate change could potentially impact the Group's business model, operations, and value chain. Transition risks are assessed as the primary climate-related risks, while no significant physical climate risks have been identified in relation to the Group's business model, locations, or activities.

Bygma's strategy and business model are considered resilient to climate change and support the long-term transition plan. This is ensured through continuous adaptation to market and regulatory changes, as well as a targeted effort to reduce CO_2 emissions in line with the Science Based Targets initiative (SBTi). This approach, inspired by the SBTi, aligns with the goals of the Paris Agreement and ensures that emission reductions are science-based and integrated into the business strategy.

As an extension of the DMA process, Bygma has mapped and assessed climate-related impacts, risks, and opportunities.

The resilience analysis was conducted in 2024 as part of the strategic assessment of climate risks and opportunities. It is based on data from internal surveys, environmental tools, and input from relevant stakeholders.

Bygma has not conducted a formal climate scenario analysis in accordance with ESRS 2 IRO-1. However, the Group acknowledges the significance of climate risks in the value chain but considers such an analysis unnecessary at this point in time. This is due to the complexity of the supply chain and the existing assessments of climate risks.

Bygma has categorised climate risks across different time horizons to ensure a targeted approach to risk management. In the short term (0–1 year), the focus is primarily on operational measures to ensure compliance and documentation. In the medium term (1–5 years), market changes and technological requirements may affect product demand, requiring strategic adaptation. In the long term (5+ years), climate-neutral transformation will be crucial for Bygma's market position and growth opportunities.

The primary risks are related to energy consumption in the upstream supply chain and the energy supply for Bygma's own operations. These risks reflect the material negative impacts identified through the DMA.

Physical risks

Bygma has not identified any significant climate-related hazards. This assessment is based on a mapping of the Group's locations in relation to climate risk zones, which indicates low risk exposure. Bygma also considers that the Group's geographical presence and collaboration with Europe-based suppliers further reduce the risk of physical climate risks. No formal analysis of the supply chain has been conducted, and the assessment is therefore based on a general review of the supplier portfolio.

Transition risks

A number of transition risks have been identified that could potentially impact the Group's business model, operations, and market position.

The table below provides an overview of the identified transition risks, their potential consequences, as well as the strategic opportunities and preventive measures Bygma has implemented to address them.

The identified transition risks may affect Bygma's market conditions and regulatory landscape, but are not considered to pose a material risk to the Group's business model, financial stability, or reputation. Bygma has proactively integrated risk management into its strategy to minimise negative impacts while also seizing new business opportunities in the green transition.

The Group has a high resilience to the mentioned climate risks, primarily due to significant operational flexibility and the ability to easily change suppliers, which strengthens the Group's capacity to adapt to changes in the market and legislation. Additionally, ongoing investments are made in energy efficiency and sustainable solutions, supporting the green transition and reducing climate risks in the long term.

Overall, the Group's risk profile is assessed as strong, with low exposure to physical climate risks and manageable transition risks. This, combined with strategic sustainability initiatives, ensures the Group's ability to maintain and strengthen its market position in line with the green transition.

Transition risk	Description	Consequence	Opportunity	Preventive measures
Regulation	Stricter legislation on documentation and product certification	Increased administrative requirements and potentially higher costs	Increased demand for sustainable products	Focus on compliance and proactive adaptation to new regulations
Market changes	Increased demand for alternative and low-emission building materials	Potential loss of market share for non-sustainable products	Opportunity to strengthen the position as a sustainable supplier	Expansion of sustainable product categories
Technology	Higher costs of implementing green technologies	Increased investments in new solutions	Differentiation through innovative and climate-friendly solutions	Ongoing evaluation of technological developments
Reputation	Risk of negative impact if Bygma fails to adapt quickly enough to climate regulations	Loss of customer trust and competitiveness	Strengthened brand through responsible initiatives	Active communication and reporting of sustainability initiatives

E1-1

Transition plan

Bygma is committed to driving the transition to a more sustainable economy. The Group continuously works to adjust its strategy in order to achieve the established greenhouse gas reduction targets. This involves adaptations in its own operations, collaboration across the value chain, and meeting the increasing demands from customers and society.

The transition plan outlines the specific initiatives designed to support Bygma's 2030 targets for reducing Scope 1 and 2 emissions, as well as ensuring that 67% of our Scope 3 emissions are covered by suppliers' emission reduction targets. It is expected that this will contribute to an overall reduction in our Scope 3 emissions.

The targets are inspired by the SBTi, ensuring that emission-reducing activities are aligned with the goals of the Paris Agreement, of which Bygma is a part. The targets and the transition plan are anchored in the Group's ESG steering group led by the CFO. The Executive Management receives regular updates from the ESG steering group, while the Board of Directors is updated annually on the implementation of the transition plan and its progress. The plan is approved by the Executive Management.

To achieve the established greenhouse gas reductions, the Group continuously adapts its strategy to reflect the necessary transitions in its own operations, collaboration across the value chain, and the increasing demands from customers and society. As part of the overall strategy, Bygma's strategic focus area, Sustainable growth, concentrates on both short- and long-term initiatives that reduce negative environmental impact. Furthermore, the necessary resources and budgets are identified and allocated to support the CO_2 reduction targets, including measures such as replacing fossil fuels, improving energy efficiency, implementing digital solutions, and forming strategic partnerships aimed at reducing resource consumption.

As part of this effort, Bygma has planned CapEx investments to enable the implementation of selected climate initiatives. These investments are outlined in the Group's transition plan and include, among other things, the electrification of the vehicle fleet and equipment, optimisation of energy consumption, and the transition to renewable energy.

Transition plan for own operations (scope 1 og 2)

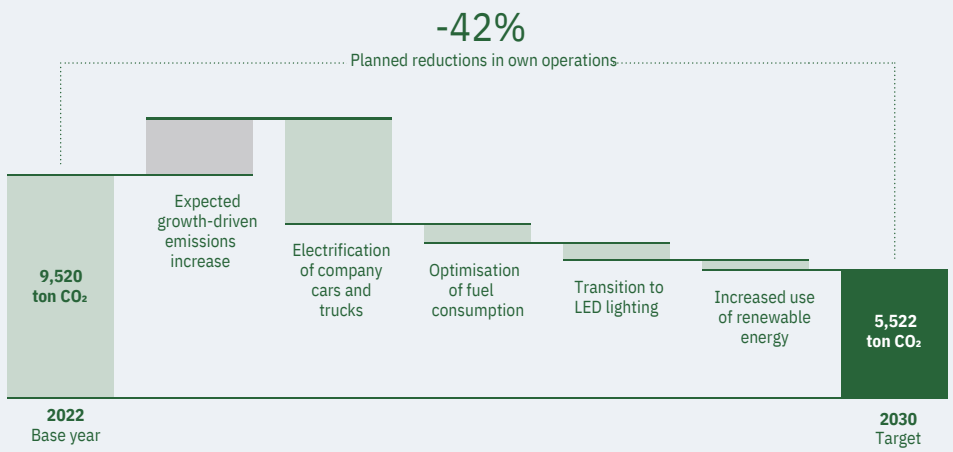
The Group is committed to reducing CO_2 emissions from its own operations through targeted initiatives that support the transition to energy-efficient and fossil-free operations. The primary sources of Scope 1 and 2 emissions stem from building operations, transportation and distribution of goods, and company vehicles. Efforts to reduce these emissions focus on the electrification of transport, energy efficiency improvements, and increased use of renewable energy.

To decrease reliance on fossil fuels, the Group is working on electrifying its fleet of company cars and replacing diesel-powered trucks. Fuel efficiency is also being improved through route planning and energy-efficient fleet operations.

Energy consumption is being reduced by implementing efficiency measures across buildings and facilities. This includes a systematic transition to LED lighting and greater use of renewable energy.

As part of the transition to reduce environmental impact, promote a circular economy, and address climate change, Bygma has launched and planned a series of initiatives that are expected to collectively reduce scope 1 and 2 emissions by 42% by 2030. These efforts are inspired by the Science Based Targets initiative (SBTi).

Transition plan for scope 1 og 2



Transition plan for value chain (scope 3)

Bygma's transition plan for reducing emissions across its value chain is built on supplier reduction targets, innovation, strategic partnerships, and the increased use of materials with a lower climate footprint.

The majority of Bygma's climate impact comes from Scope 3 emissions, primarily linked to purchased goods. For Scope 3, Bygma has set a target that at least 67% of these emissions should be covered by supplier reduction targets by 2030. These efforts are expected to reduce Scope 3 emissions by 25% within the same timeframe.

The transition plan focuses on two key areas: internal initiatives and the anticipated positive impacts of developments across the value chain. To address the issue of resource waste in the construction industry, Bygma is prioritising strong and scalable partnerships across the value chain. The goal is to increase the share of recycled building materials and reduce waste volumes. When selecting partners, emphasis is placed on documentation and traceability to ensure that solutions are simple, valuable, scalable and beneficial to the environment.

Bygma expects its suppliers to contribute to the reduction of Scope 3 emissions by setting and implementing emission reduction targets. Through close collaboration and clear requirements for suppliers, the value chain is steered toward a lower climate footprint, making sustainable solutions an integrated part of the business model.

E1-3 / E1-4

Targets and actions related to climate change

Bygma is committed to reducing greenhouse gas emissions from both its own operations and its value chain. The targets for emissions from its own operations and value chain have been established based on the overarching ambition to contribute to the climate goals of the Paris Agreement. These targets are inspired by the Science-Based Targets initiative (SBTi), ensuring that emission-reduction activities align with the goal of limiting global warming to 1.5°C.

The targets for Scope 1 and 2 cover the entire group. Progress towards these targets is continuously monitored, and all subsidiaries of Bygma report their status biannually.

Methodology and assumptions for reduction targets

When setting reduction targets for greenhouse gas emissions, a number of key factors have been considered to ensure that the targets are both realistic and ambitious. It is recognized that Bygma is expected to develop and grow, which may impact overall emissions. Therefore, the targets are designed with a focus on reducing emissions relative to business activities, ensuring responsible and sustainable development even during periods of growth. Stakeholders have not been directly involved in setting the targets, but the targets are based on scientific principles and current industry practices. Bygma will continuously evaluate the possibility of increasing dialogue and stakeholder involvement in future target-setting processes to ensure broader support and understanding of the company's climate goals.

Climate scenarios have not been taken into account, as it is assessed that the group's current scenario and transition plan are aligned with the Paris Agreement.

Due to the absence of a sector-specific methodology that fully addresses the industry, Bygma adopts a general approach to greenhouse gas reduction. This approach ensures that the targets both reflect Bygma's ambitions and comply with the relevant industry standards.

Base year for reduction targets

For Scope 1 and 2, Bygma has set 2022 as the base year, based on available data that is representative of the group's activities and environmental impacts. The year 2022 was chosen because it represents a normal operating year for Bygma without extraordinary deviations that could significantly affect energy consumption and emissions. The data have been assessed against trends from previous years to ensure they are not influenced by external factors such as temperature fluctuations or unusual operational changes. Should significant changes in operations or external conditions affect comparability, Bygma will reconsider the choice of base year.

For Scope 3, 2024 has been designated as the base year, as this is the first year Bygma has collected a sufficiently complete and high-quality data set to accurately quantify Scope 3 emissions covering the entire value chain. Selecting 2024 thus provides a more accurate and consistent baseline for tracking the company's indirect emissions.

Going forward, Bygma will continue to use 2022 as the base year for Scope 1 and 2 and 2024 for Scope 3, unless there are significant changes in targets or operations. From 2030 onwards, Bygma will update the base year every five years to ensure that targets and progress reflect the latest data, strategies, and legal requirements.



In Iceland, we participated in the development of recycled building materials in collaboration with Lendager Architects. The collaboration resulted in a new residential complex using recycled materials from Húsasmiðjan. The building's CO_2 emissions were 53% lower than the reference value, saving 200 tCO_2e.

Scope 1 and 2

Bygma has set the following initiatives to reduce its Scope 1 emissions:

- Phasing out fossil fuels for heating by replacing natural gas and oil with renewable alternatives such as heat pumps and district heating.
- Electrification of the company vehicle fleet, aiming for 75% electric company cars by 2030. .
- Replacement of 30 diesel-powered trucks with electric trucks.

The phase-out of fossil fuels and the reduction of fuel consumption for company cars and trucks is expected to reduce Scope 1 emissions by 51% by 2030, corresponding to a reduction of 3,998 tons of CO_2. The main driver behind this reduction is the transition to electric trucks, as they currently account for over half of the Scope 1 emissions.

The following initiatives have been set for Scope 2:

- Transition to renewable electricity by either purchasing green energy or producing it in-house via solar panels.
- Improving energy efficiency through the implementation of energy-saving LED lighting across all branches.

Today, 76% of Bygma's Danish locations have LED lighting, while only 5 units currently have solar panels. In 2025, Bygma will collect data and monitor progress at the group level to ensure advancement toward the goal.

It is not expected that total scope 2 emissions will decrease significantly, as the consumption of district heating is simultaneously expected to increase due to the phase-out of fossil fuels under scope 1. Reductions within scope 2 as a result of a growing share of renewable electricity, as well as the implementation of LED lighting, are therefore expected to be offset by the increased consumption of district heating.

The total reduction in scope 2 emissions can therefore be quantified as approximately 0 tons CO_2e. The largest reduction in the company's total emissions is therefore expected to occur within scope 1.

Scope 3

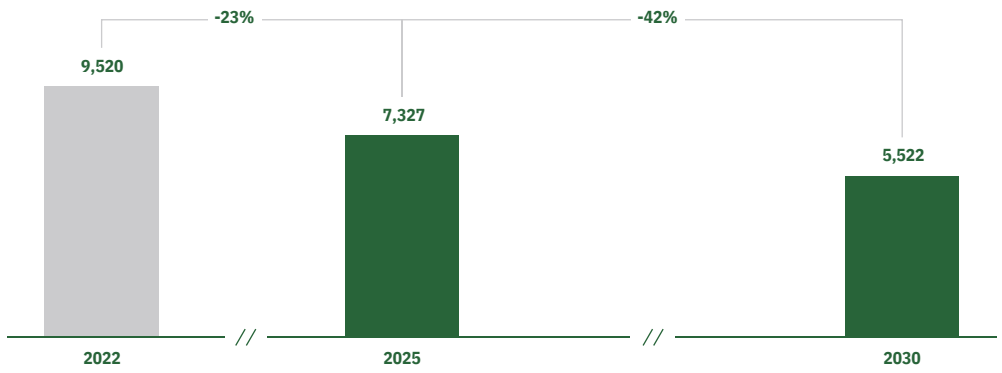
Bygma has initiated the following measures to reduce scope 3 emissions:

- Collaboration and engagement with suppliers, where Bygma sets clear requirements for suppliers to establish and implement their own emissions reduction targets.

Bygma has set a target that at least 67% of its scope 3 emissions will be covered by supplier targets by 2030. As suppliers reduce their own emissions, this is expected to result in an overall reduction of 25% of Bygma's scope 3 emissions compared to the baseline year 2024, corresponding to a reduction of 168,791 tons of CO_2.

In 2024, 49% of Scope 3 emissions were already covered by supplier targets, and Bygma continues to work closely with suppliers to ensure further reductions.

Reduction targets for Scope 1 and 2 emissions (location-based)

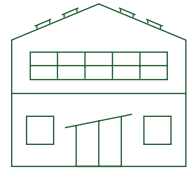


Actions to achieve our reduction targets

Company cars
75%
of all company cars should be electric vehicles by 2030.

Electric trucks
30
electric trucks by 2030 by replacing 5 diesel trucks annually.

LED-lighting
100%
of the lighting in Bygma's facilities should use LED lighting by 2030.



Scope 3 emissions covered by suppliers' reduction targets



Actions benefitting the construction industry

Through responsible procurement, innovative solutions, and knowledge sharing, Bygma contributes to the green transition in the construction industry.

In addition to reducing its own emissions, Bygma actively helps to lower the climate footprint of the construction industry through solutions that promote a circular economy and sustainable material consumption.

To support this development, a number of initiatives have been launched.

Responsible construction

Bygma takes the lead in the green transition, demonstrating that sustainable construction is not just an option but a necessity. The Group prioritises sustainable building and constructs all new buildings in Denmark according to the DGNB Gold certification. This confirms that responsible construction can be combined with high quality, functionality, and economy.

In practice, sustainable solutions are integrated through the latest requirements for circular economy, energy efficiency, and indoor climate. The certification also ensures that customers receive qualified guidance on material choices and building solutions.

Through close collaboration across the group and specialist expertise within its subsidiaries, Bygma develops flexible, future-proof solutions that make it easier for customers to make responsible choices. To maintain high professional standards, Bygma invests in continuous employee training on certified construction and climate requirements. Sustainability consultants are regularly updated on DGNB standards and provide advice on materials, resource optimization, and climate-friendly building technologies.

Take back-schemes – circularity

The group has established regenerative partnerships across the value chain and implemented take-back schemes that ensure surplus materials from construction sites are reused as raw materials in new building products.

To simplify and systematise the handling of material waste, Bygma facilitates these take-back schemes and enters into strategic collaborations focusing on materials with the largest climate footprint.

The goal is to make circular material management a standard practice in the construction industry. Therefore, the group's sales teams proactively inform professional customers about return options, optimising resource use, reducing waste, and contributing to a more sustainable and efficient construction process.

Learn more about our take-back schemes here: bygma.dk/proff/takeback_ordning

Documentation platform

To meet increasing documentation requirements in the construction industry, Bygma offers ProffDok: a digital platform that consolidates CO_2 data, ESG information, and EPDs (Environmental Product Declarations) for LCA calculations.

The platform provides a clear and structured overview of the climate impact of projects and materials, enabling early, data-driven material decisions - especially for load-bearing structures with high CO_2 emissions.

Bygma collaborates with suppliers to increase the share of products with product-specific EPDs and continuously develops solutions that simplify compliance with future sustainability requirements.

As part of the platform's development, advisor access has been introduced, enabling customers to share relevant documentation directly with consultants. This ensures smoother access to essential information throughout the construction process.

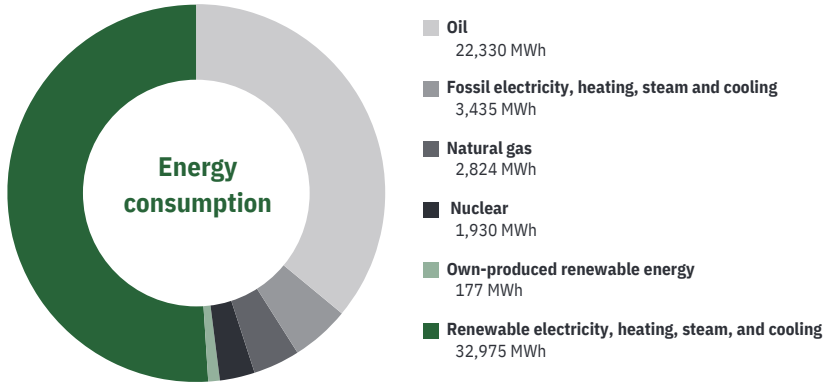
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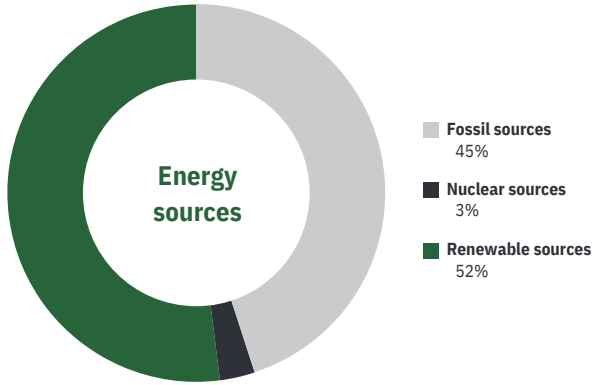
Energy consumption and mix

Bygma's energy consumption mainly consists of electricity for facility operations and heating via district heating and heat pumps. Natural gas is used in 26 branches, accounting for about 6% of the heating energy consumption, while oil is only used in four recently acquired branches in Poland, representing 1% of the heating consumption. As part of the strategy to reduce dependence on fossil fuels, oil for heating has been largely phased out. Additionally, there is a gradual transition away from oil as a fuel for the vehicle fleet through investments in electric trucks and the use of biogas.

The Group's energy consumption consists of various energy sources, with renewable energy accounting for 52% of the total consumption. This share highlights a targeted effort to promote sustainable solutions and reduce dependence on fossil fuels. Fossil energy sources make up 45%, indicating there is still potential for further reductions through energy efficiency improvements, conversion to more sustainable alternatives, and continued optimisation of energy use. Nuclear sources account for 3%, reflecting the Nordic energy cooperation, where nuclear power is part of the overall energy supply. However, the Group has no direct energy consumption from nuclear power, only the indirect consumption reflected in the national energy mix.

Since 2022, Bygma's total energy consumption has been reduced by 15.6%, while energy intensity has improved by 8.4%, from 6.52 to 5.97 MWh per million DKK. This development reflects a strategic effort to increase energy efficiency through optimised energy management, sustainable energy sources, and targeted efficiency measures that support a more resource-efficient and climate-friendly operation.





	Unit	2024	2022
Total energy consumption	MWh	63,671	75,401
Energy intensity	MWh / mDKK[1]	5.97	6.52

[1]The revenue used in the calculation can be found in the income statement of the annual report.

Accounting policies

Energy consumption
Fossil sources
Energy consumption from fossil sources includes fuel use from Bygma's vehicle fleet as well as natural gas, district heating, oil, and electricity used for heating and operating the Group's facilities. Consumption is calculated based on meter readings, invoices, and supplier data. Conversion from liters and cubic meters to megawatt-hours is based on DEFRA factors from 2024.

Nuclear sources
The Group's energy consumption is based on the Nordic electricity market mix, which includes nuclear power. The Group has no direct energy consumption from nuclear power.

Renewable sources
Energy consumption from renewable sources includes district heating and electricity used for heating and operating the Group's facilities.

Purchased electricity, heating, steam, and cooling
The energy consumption from purchased electricity and district heating is calculated based on a supplier-specific energy mix, where available. In other cases, the national energy mix is used.

Share of renewable sources
The share of renewable energy is calculated as the percentage ratio between energy consumption from renewable sources and total energy consumption.

Energy intensity
Energy intensity covers the total energy consumption in Bygma's activities and is calculated as energy consumption in MWh relative to revenue in mDKK.

Greenhouse gas emissions

Scope 1 + 2
In 2024, Bygma reduced CO_2 emissions to a record low level of 7,733 tons CO_2e, representing a 19% decrease from the baseline of 9,520 tons CO_2e in 2022. This significant reduction is the result of strategic investments and targeted initiatives that improve Bygma's environmental footprint across the group's facilities and vehicle fleet.

As part of this effort, extensive energy renovations have been carried out in the group's buildings, with energy efficiency continuously optimised. A major milestone has been the transition from oil and natural gas heating to district heating and heat pumps, which has substantially lowered CO_2 emissions. Another key initiative is the extensive switch to energy-efficient LED lighting. The group is already well advanced in modernising all lighting installations and expects to complete this transition by 2030.

Scope 3
Bygma's Scope 3 emissions account for 98.9% of the total emissions, making reductions in the value chain crucial for combating climate change. In 2024, absolute Scope 3 emissions reached 675,166 tons CO_2e.

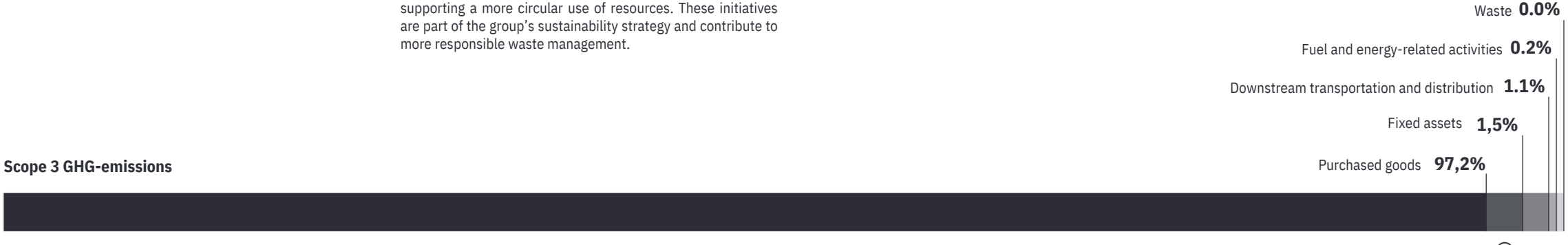
To improve data quality, the group is working to replace estimates and industry averages with direct data from logistics providers. At the same time, reporting on purchased goods is being optimized by shifting from expense-based data to unit-specific data, supported by increased availability of EPD data within the industry.

Within waste management, the group has achieved a more accurate overview of waste sorting and flows, enabling ongoing optimisation of sorting processes. This is expected to increase the recycling rate in the coming years.

As part of efforts to reduce plastic use, the amount of recycled plastic used in packaging has been increased wherever possible. Additionally, plastic labels are now produced from the same material as the products, simplifying sorting and supporting a more circular use of resources. These initiatives are part of the group's sustainability strategy and contribute to more responsible waste management.



Scope 3 GHG-emissions



E1-6

Greenhouse gas emissions	Unit	2024	2022	Milestones and target 2025	2030	Annual %-target / base year
Scope 1	tCO_2e	6,118	7,372	-	-	-
Covered by the EU Emissions Trading System (ETS)	%	-	-	-	-	-
Scope 2						
Location-based	tCO_2e	1,615	2,147	-	-	-
Market-based	tCO_2e	5,725	819	-	-	-
Total scope 1+2 (location-based)	tCO_2e	7,733	9,520	7,327	5,522	5 %
Total scope 1+2 (market-based)[1]	tCO_2e	11,844	8,191	-	-	-
Scope 3						
Category 1 – Purchased goods and services	tCO_2e	655,953	-	-	-	-
Category 2 – Capital goods	tCO_2e	9,796	-	-	-	-
Category 2 – Fuel- and energy-related activities	tCO_2e	1,685	-	-	-	-
Category 5 – Waste	tCO_2e	183	-	-	-	-
Category 7 – Employee commuting[4]	tCO_2e	-	-	-	-	-
Category 9 – Downstream transportation and distribution	tCO_2e	7,548	-	-	-	-
Category 11 – Use of sold products[4]	tCO_2e	-	-	-	-	-
Category 12 – End-of-life treatment of sold products[4]	tCO_2e	-	-	-	-	-
Total Scope 3	tCO_2e	675,166	-	-	-	-
Total GHG emissions (location-based)	tCO_2e	682,899	9,520	-	-	-
Total GHG emissions (market-based)	tCO_2e	687,010	8,191	-	-	-
Scope 1- og scope 2-intensity (location-based)	tCO_2e / mDKK	0.72	0.82	-	-	-
Scope 1- og scope 2-intensity (market-based)	tCO_2e / mDKK	1.11	0.71	-	-	-
Scope 3-intensity	tCO_2e / mDKK	63.29	-	-	-	-
Emissions intensity (location-based)[2]	tCO_2e / mDKK	64.02	-	-	-	-
Emissions intensity (market-based)[2]	tCO_2e / mDKK	64.40	-	-	-	-
Biogenic emissions[3]	tCO_2e	0.02	-	-	-	-

[1] The emissions reflect a change in the calculation method rather than an actual increase, as electricity with Guarantees of Origin (GOs) was purchased in the baseline year, which is not the case in 2024.
[2] The revenue used in the calculation is found in the income statement of the annual report.
[3] Biogenic emissions originate from Bygma's trucks, which use biogas as fuel and are therefore classified as Scope 1 emissions.
[4] No data is currently available.

Share of scope 1 + 2 and scope 3



98.9 %

of our total GHG emissions originate from the value chain

Accounting policies

Scope 1 and 2
Direct emissions (Scope 1) originate from the combustion of purchased fuels at Bygma's locations, including natural gas and oil for heating, as well as from the Group's owned or leased vehicle fleet. Additionally, Scope 1 includes fugitive emissions from the use of refrigerants in facilities.

Indirect emissions (Scope 2) include emissions from purchased electricity and district heating used for operating and heating the Group's facilities, as well as from electric or hybrid vehicles owned or leased by Bygma.

Emissions from the Group's vehicle fleet are primarily calculated using the fuel-based method in accordance with the GHG Protocol. Consumption data is based on invoices and reports provided by suppliers, including leasing companies and fuel card providers.

If consumption data is not available, emissions are estimated using the distance-based method, based on driving data and standardized emission factors. Where neither consumption nor driving data is available, expenditure-based data is used as the basis for the estimate.

Total emissions are calculated by multiplying energy consumption by the relevant emission factor. The emission factors are determined based on internationally recognized sources.

For emissions from fuel and transport, as well as relevant conversion factors, DEFRA factors are used. Emissions from electricity in Denmark, the Faroe Islands, and Iceland are calculated using national emission factors, while EEA factors are applied for the rest of the Group.

When calculating market-based indirect emissions, supplier-specific factors are used where available. If these are not available, the location-based emission factor is applied.

Accounting policies

Scope 1 and 2
Direct emissions (Scope 1) come from the use of purchased fuels at the Group's locations, including natural gas and oil for heating, as well as from the Group's owned or leased vehicle fleet. Additionally, Scope 1 includes fugitive emissions from the use of refrigerants in facilities.

Indirect emissions (Scope 2) include emissions from purchased electricity and district heating used for operating and heating the Group's facilities, as well as from electric or hybrid vehicles owned or leased by Bygma.

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Total emissions are calculated by multiplying energy consumption by the relevant emission factor. The emission factors are determined based on internationally recognized sources.

For emissions from fuel and transport, as well as relevant conversion factors, DEFRA factors are used. Emissions from electricity in Denmark, the Faroe Islands, and Iceland are calculated using national emission factors, while EEA factors are applied for the rest of the Group.

When calculating market-based indirect emissions, supplier-specific factors are used where available. If these are not available, the location-based emission factor is applied.

Scope 3
Indirect emissions under Scope 3 include those emissions that the Group neither owns nor directly controls. Emissions are reported in accordance with the GHG Protocol.

Activity data is used when available and of sufficient quality. If such data is not available or deemed inadequate, industry-average data or estimates are applied. Where neither high-quality activity data nor industry averages are accessible, spend-based data is used as a proxy.

Emission factors from DEFRA Table 13 and USEEIO are used to calculate emissions based on expenditure, unless otherwise specified. To ensure the emission factors reflect current monetary values, they are adjusted for inflation and converted to the relevant currency using the average exchange rate.

Reported categories
Category 1 - Purchased goods and services
Emissions associated with the Group's procurement of goods are calculated by multiplying the direct cost of a specific category by a corresponding spend-based emission factor from USEEIO. Freight costs are included in purchased goods, and as such, Category 4 is captured within this category, as it is currently not possible to separate the costs. If freight costs are listed separately, the related emissions are added to this category to ensure consistency and completeness. In such cases, a spend-based method is applied, using the direct cost multiplied by the relevant spend-based emission factor from DEFRA Table 13.

Category 2 - Capital goods
Emissions associated with Bygma's additions to tangible fixed assets are calculated by multiplying the capitalized cost for a specific category by a corresponding spend-based emission factor from DEFRA Table 13.

Category 3 - Fuel- and energy-related activities
Includes emissions from fuel and energy-related activities not included in Scope 1 and Scope 2, such as upstream emissions from the production of purchased fuels and electricity. Scope 1 fuel consumption is multiplied by the appropriate DEFRA emission factor. Scope 2 electricity consumption is multiplied by a transmission loss factor, which is derived by multiplying the electricity emission factor by the country-specific loss rate from the EEA. The loss rate for heating is estimated based on DEFRA data.

Category 5 - Waste generated in operations
Covers emissions from the disposal and treatment of waste generated by Bygma. These emissions arise from third-party waste handling processes, including landfill, incineration, or recycling. The total waste volume is multiplied by the relevant emission factor from DEFRA.

Category 9 - Downstream transportation and distribution
Emissions from downstream transportation and distribution of sold products, materials, and goods are primarily calculated by multiplying activity data (e.g., kilometers traveled) by the relevant activity-based emission factor from DEFRA. If activity data is unavailable, a spend-based method is used, multiplying the direct cost of a specific category by the corresponding spend-based emission factor from DEFRA Table 13.

Unreported categories
Freight costs are included in purchased goods (Category 1) and are therefore excluded here to avoid double-counting.

Category 6 - Business travel
This category is not considered material, as business travel accounts for a minimal share of the Group's total emissions. Bygma primarily operates nationally and uses digital meetings to reduce the need for travel.

Category 7 - Employee commuting
Data on employee commuting is not yet available, but the Group is working to collect the necessary information. As part of this effort, a survey will be distributed to employees in the autumn of 2025 to gather data that will enable the assessment and reporting of future emissions.

Category 8 - Upstream leased assets
Bygma does not have any leased assets that fall outside of its operational control. Emissions from fuel consumption are already included in Scope 1 and 2.

Category 10 - Processing of sold products
This category is not considered material, as Bygma is a distributor and does not manufacture its own products requiring further processing.

Category 11 - Use of sold products
The Group does not yet have a method to accurately quantify emissions from the use of sold products, as these emissions depend on how customers use the products. To improve the data foundation, the Group collaborates with suppliers and applies Life Cycle Assessment (LCA) calculations to selected products.

Category 12 - End-of-life treatment of sold products
The Group has not yet established a method for quantifying emissions related to the end-of-life treatment of products. Because product lifespans and waste management practices vary, data collection is challenging. The Group is working to improve its data basis through supplier collaboration and LCA calculations.

Category 13 – Downstream leased assets
The Group does not have any material downstream leased assets.

Category 14 - Franchises
Bygma operates exclusively through its own entities and has no franchise agreements.

Category 15 - Investments
Bygma does not have any significant external investments, as capital is primarily allocated to operational activities.

Emission intensity
Emission intensity covers the total CO_2 emissions from the Group's activities and is calculated as the emissions in tons of CO_2e relative to revenue in million DKK (mDKK).

Outside of scope 1, 2 and 3
Biogenic emissions are separated from the total greenhouse gas emissions in Scope 1, 2, and 3 and reported separately. These biogenic emissions come from the Group's trucks that use biogas as fuel, which falls under Scope 1. Fuel consumption is multiplied by the relevant emission factor from DEFRA.

Adaptation
Bygma's baseline emissions are revised every five years starting from the baseline year 2022 for Scope 1+2, and from the baseline year 2024 for Scope 3, unless significant structural or methodological changes require an earlier recalculation. Due to acquisitions in 2024, changes in Bygma's portfolio composition have affected both the scope and type of emissions in the Group's activities. Since the necessary data is not yet available, the recalculation is postponed until next year, after which relevant historical emission figures will be updated and reported.

Significant accounting estimates
The calculation of greenhouse gas emissions largely relies on generic secondary emission factors and estimated data. The Group continues to engage suppliers to obtain actual data and primary emission factors to improve the accuracy of the reported emissions.

In 2024, 98.6% of total emissions are calculated using spend-based emission calculations. This is because Category 1 – Purchased Goods and Services – accounts for over 96% of the Group's total Scope 3 emissions and is calculated using spend-based emission calculations. Overall, 99.72% of Scope 3 greenhouse gas emissions are calculated using spend-based methods, while only a minimal share (0.28%) is based on primary data.

E1-2

Policies related to the environment

Bygma has a comprehensive environmental policy that serves as an umbrella for policies related to climate and environmental matters. The environmental policy is integrated into the employee handbook and communicated via the intranet, digital displays at locations, and internal communication channels. Employees can find detailed information in the employee handbook.

These policies support the group's ambitions to reduce its climate footprint, with a focus on CO_2 reduction from transportation, waste, energy, and resource consumption.

Key stakeholders are engaged through dialogue with customers, suppliers, and partners to ensure effective implementation of the environmental policy. The overall responsibility for implementation at the group level lies with executive management, while day-to-day administration is handled by the sustainability department.

Policy	Objective	Scope	Related IRO
Environment	• Reduction of CO_2 emissions through transport optimisation • Investment in tracking systems to reduce fuel consumption • Gradual replacement of diesel trucks with environmentally friendly alternatives • Testing of alternative delivery methods, e.g., bicycle couriers in Copenhagen • Minimising transport for meetings by prioritising online meetings and carpooling • Use of the company's electric car for external meetings from headquarters • Balancing environmental considerations with practical and cost-effective solutions	Group level	• Use of fossil energy • CO_2-emissions from own operations
Waste	• Reduction of waste volumes and increased recycling to lower CO_2 emissions • Collaboration with nationwide waste handlers to ensure consistent and high-quality data • Monitoring of waste data to optimise sorting and recycling processes • Support for the UN's Sustainable Development Goal 12 through prevention, sorting, recycling, and reuse • Promotion of responsible waste management across the entire group	Group level	• CO_2-emissions from own operations
Energy	• Reduction of CO_2 emissions through energy optimisation • Collection of energy data to identify effective areas of action • Transition from natural gas and oil to environmentally friendly district heating • Replacement of lighting with LED to reduce energy consumption • Continuous monitoring of energy use to minimise excess consumption • Ongoing efforts to ensure responsible energy management and reduce environmental impact	Group level	• Use of fossil energy • CO_2-emissions from value chain
Resources	• Strengthening the use of existing resources and ensuring a responsible material life cycle • Focus on strategic projects such as testing, research, and partnerships • Development of scalable solutions with the greatest possible impact • Compliance with national and international legislation, including upcoming requirements • Increased supplier engagement and responsible sourcing • Prioritisation of initiatives that reduce resource consumption in construction	Group level	• CO_2-emissions from value chain

EU-taxonomy

The EU Taxonomy is a regulatory classification system that sets out a list of a number of criteria for determining whether an economic activity is sustainable within one of the six environmental goals: climate change mitigation (CCM), climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), circular economy (CE), pollution control (PPC) and healthy ecosystems and biodiversity (BIO).

For Bygma, the taxonomy provides the opportunity to assess and report which of our economic business activities have the potential to be considered sustainable, i.e. covered by the taxonomy, as well as to what extent the qualified activities meet the EU's sustainability requirements in accordance with the taxonomy. For each relevant business activity, we disclose how much of the Group's revenue, operating expenses (OpEx) and capital expenditure (CapEx) can be considered qualified and compliant, respectively.

Assessment of technical screening criteria

The technical screening criteria clarify the conditions under which an economic activity can qualify as contributing substantially to one or more of environmental objectives.

At the same time, it assesses whether the economic activity in question significantly harms some of the other environmental objectives and complies with the criteria of the minimum social safeguards. An activity must contribute significantly to one environmental objective, and must not cause significant harm (DNSH) to the remaining five environmental objectives, as well as meet the requirements for the minimum social safeguards.

The process of assessing compliance with the criteria referred to in Article 3 of Regulation (EU) 2020/852 has been carried out in a three-step process to arrive at taxonomy reporting.

1. The first step is to define and map all of Bygma's economic activities during the reporting period that are covered by the EU taxonomy across the entire group.

2. For each of the identified economic activities, systematic screenings shall be carried out to assess whether they are qualified and comply with the substantial contribution criteria.

3. Finally, revenues, CapEx (intakes) and OpEx (repair and maintenance) are allocated according to the overall assessment of whether an economic activity is qualified or not.

Eligible activities

In accordance with the accounting policies of the EU Taxonomy, the following activities have been identified that are within scope for the Group:

6.5 Transport by motorcycles, passenger cars and light commercial vehicles
6.6 Carriage of goods by lorries
7.1 Construction of new buildings
7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (car parks attached to buildings)
7.7 Acquisition and ownership of buildings

Aligned activities

Our eligible activities do not meet all the technical criteria required to be classified as aligned under the EU Taxonomy. This means that the activities do not contribute significantly to the achievement of one of the six environmental objectives, nor do they meet the requirement of not harming the other environmental objectives (DNSH).

Results

Based on the current interpretation of the qualifying economic activities, it has been concluded that the sale and distribution of building materials are not included in the list of qualified sectors. Therefore, the Group's economic activities are not yet included in the assessment, which means that Bygma has 0% qualified turnover. However, it is estimated that 82% of the CapEx expenditure and 47% of the OpEx expenditure are qualified according to the EU taxonomy

The minimum social guarantees require a due diligence process in the areas of human rights, labour rights, corruption, taxation and fair competition. Bygma's responsibility to respect human rights and prevent corruption is enforced at Group level and implemented in all business units. We have established due diligence processes to ensure compliance with the minimum guarantees, and a mapping of where in our sustainability statements we disclose information about this process can be found on page 65.

Accounting policies

The accounting policies used to identify relevant turnover, CapEx and OpEx are based on the methodologies for the identification and calculation of KPIs for non-financial undertakings, as set out in Annex I to the EU Commission Delegated Regulation (EU) 2021/2178. To ensure that each item is only included once in the KPIs, we have extracted data directly from the consolidation system, where the output is based on unique account numbers and transaction codes. We have cross-checked this against finance.

Turnover
The total turnover for the covered activities has been determined based on the same accounting principles as used in the financial section of the consolidated financial statements. The turnover KPI is defined as taxonomy-eligible turnover divided by total turnover. The turnover can be reconciled with note 2 in the Annual Report.

CapEx
Total CapEx consists of additions of tangible and intangible assets. Additions resulting from business acquisitions are also included. Goodwill is not included in CapEx. The CapEx KPI is defined as taxonomy-eligible CapEx divided by total CapEx.

CapEx investments can be reconciled with notes 10 and 11 in the Annual Report.

OpEx
Total OpEx consists of direct non-capitalized expenses related to research and development, construction renovation, short-term leasing, maintenance and repairs, as well as other direct costs related to the daily operation of tangible assets. Depreciation and impairments are not included in OpEx. The OpEx KPI is defined as taxonomy-eligible OpEx divided by total OpEx, as defined in the Commission Delegated Regulation (EU) 2021/2178.

The group does not carry out any activities related to nuclear energy or fossil gas and therefore has no qualifying activities to report in Table 1 of Annex III to the Commission Delegated Regulation (EU) 2022/1214.

ESRS E1 | EU-TAXONOMY

Turnover

Financial year 2024

				Substantial Contribution Criteria						DNSH criteria ('Does no significant harm')									
Economic activities (1)	Code (2)	Absolute Turnover (3)	Proportion of Turn-over, year 2024 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and eco-systems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13)	Pollution (8)	Circular Economy (9)	Biodiversity and eco-systems (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) Turnover year 2023 (18)	Enabling activity (19)	Transitional activity (20)
A. TAXONOMY ELIGIBLE ACTIVITIES		mDKK	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Turnover of environmentally sustainable activities (taxonomy aligned) (A.1)		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	-
Enabling activities		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	E	-
Transitional activities		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	T
		mDKK	%	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy aligned activities)																			
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy aligned activities) (A.2)		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	-
A. Total turnover (A.1+A.2)		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	-
B. TAXONOMY NON ELIGIBLE ACTIVITIES		mDKK	%																
Turnover of Taxonomy-non eligible activities		10,667	100 %																
Total (A+B)		10,667	100 %																

Y = Taxonomy-compliant and taxonomy qualified within the environmental objective in question

N/EL = Not qualified within the environmental objective in question

N = Taxonomy-qualified but not taxonomy-compliant within the environmental objective in question

EL = Qualified within the environmental objective in question

ESRS E1 | EU-TAXONOMY

CapEX

Financial year 2024

				Substantial Contribution Criteria						DNSH criteria ('Does no significant harm')									
Economic activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEX, year 2024 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and eco-systems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13)	Pollution (8)	Circular Economy (9)	Biodiversity and eco-systems (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) CapEX year 2023 (18)	Enabling activity (19)	Transitional activity (20)
A. TAXONOMY ELIGIBLE ACTIVITIES		mDKK	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
CapEx of environmentally sustainable activities (taxonomy aligned) (A.1)		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	-
Enabling activities		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	E	-
Transitional activities		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	T
		mDKK	%	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy aligned activities)																			
Transport by motorcycles, passenger cars and light vehicles	6.5	0	0 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0 %		
Carriage of goods by lorries	6.6	0	0 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0 %		
Construction of new buildings	7.1	158.9	46 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								62 %		
Installation, maintenance and repair of electric vehicle charging stations in buildings (car parks attached to buildings)	7.4	6.8	2 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								2 %		
Acquisition and ownership of buildings	7.7	84.6	25 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								20 %		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy aligned activities) (A.2)		250.3	73 %	73 %	-	-	-	-	-	-	-	-	-	-	-	-	85 %	-	-
A. Total CapEx (A.1+A.2)		250.3	73 %	73 %	-	-	-	-	-	-	-	-	-	-	-	-	85 %	-	-
B. TAXONOMY NON ELIGIBLE ACTIVITIES		mDKK	%																
CapEx of Taxonomy-non eligible activities		93.3	27 %																
Total (A+B)		343.6	100 %																

Y = Taxonomy-compliant and taxonomy qualified within the environmental objective in question

N/EL = Not qualified within the environmental objective in question

N = Taxonomy-qualified but not taxonomy-compliant within the environmental objective in question

EL = Qualified within the environmental objective in question

ESRS E1 | EU-TAXONOMY

OpEX

Financial year 2024

				Substantial Contribution Criteria						DNSH criteria ('Does no significant harm')									
Economic activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEX, year 2024 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and eco-systems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13)	Pollution (8)	Circular Economy (9)	Biodiversity and eco-systems (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) OpEX year 2023 (18)	Enabling activity (19)	Transitional activity (20)
A. TAXONOMY ELIGIBLE ACTIVITIES		mDKK	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
OpEx of environmentally sustainable activities (taxonomy aligned) (A.1)		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	-
Enabling activities		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	E	-
Transitional activities		0	0 %	-	-	-	-	-	-	-	-	-	-	-	-	-	0 %	-	T
		mDKK	%	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy aligned activities)																			
Transport by motorcycles, passenger cars and light vehicles	6.5	15.3	6 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								9 %		
Carriage of goods by lorries	6.6	13.1	5 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								9 %		
Construction of new buildings	7.1	0	0 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0 %		
Installation, maintenance and repair of electric vehicle charging stations in buildings (car parks attached to buildings)	7.4	0	0 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								0 %		
Acquisition and ownership of buildings	7.7	113.9	44 %	**EL**	EL	N/EL	N/EL	N/EL	N/EL								28 %		
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy aligned activities) (A.2)		142.3	55 %	55 %	-	-	-	-	-	-	-	-	-	-	-	-	46 %	-	-
A. Total OpEx (A.1+A.2)		142.3	55 %	55 %	-	-	-	-	-	-	-	-	-	-	-	-	46 %	-	-
B. TAXONOMY NON ELIGIBLE ACTIVITIES		mDKK	%																
OpEx of Taxonomy-non eligible activities		117.8	45 %																
Total (A+B)		260.1	100 %																

Y = Taxonomy-compliant and taxonomy qualified within the environmental objective in question

N/EL = Not qualified within the environmental objective in question

N = Taxonomy-qualified but not taxonomy-compliant within the environmental objective in question

EL = Qualified within the environmental objective in question



ESRS S1 Social

45 Own workforce

The Bygma Group strives for a more balanced gender distribution

We have signed the Confederation of Danish Industry's Gender Diversity Pledge, which is a joint effort among Danish companies to work towards a more balanced gender distribution in the workplace.

By joining this pledge, we gain valuable inspiration and practical tools, while also committing ourselves to driving the necessary change.

ESRS S1 | SOCIAL

Own workforce

The key to our success

At Bygma, we recognise that our employees are the key to our success, and we strive to create a work environment where everyone has the opportunity to thrive and grow. Regardless of age, gender, or geographic location, we offer our employees equal opportunities for growth and development. We have a direct impact on our employees through our established company culture, work practices, policies, and employee benefits.

Bygma's workforce is spread across locations in Denmark, Iceland, Sweden, the Faroe Islands, and Poland, and both our own workforce and consultants can be affected by our activities. Employee well-being, as well as a safe and healthy working environment, are crucial for Bygma to achieve its strategic goals and deliver on its targets.

Secure employment
We have a positive impact on our employees through stable and secure employment. We offer long-term career opportunities and safe working conditions that enable employees to grow both professionally and personally. A stable workplace not only provides predictability but also fosters strong commitment and loyalty among our employees.



Physical working environment
Workplace safety is a top priority for us, and we are committed to reducing workplace accidents to zero. The industry we operate in has inherent risks of accidents, but based on our assessment, we do not face significant risks related to our working environment, as our employment practices emphasise a healthy and safe workplace.



Gender diversity
We face a challenge with gender diversity, as women are currently underrepresented in our workforce. We acknowledge this as a structural challenge within the industry. At the same time, we assess that we do not face significant risks related to the composition of our workforce, as our hiring practices emphasise diversity.



2030 targets

Gender diversity

33 %

We aim for a gender distribution where at least 33% of all employees and top management are women.

Employee turnover

15 %

Our goal is to keep the employee turnover rate at a maximum of 15%.

Work-related accidents

ZERO

Our goal is to have zero work-related accidents per one million working hours each year.

S1-1

A healthy and stable workforce

Bygma's policies regarding our own workforce help ensure a healthy and safe working environment that supports strong employee engagement. We are committed to creating a workplace where all employees thrive and have the resources they need to do their jobs safely and effectively. Our goal is to be known as a workplace with an excellent working environment, where safety and well-being go hand in hand with good business practice and growth. We strive to be a role model in occupational health and safety management and aim to inspire other companies.

Employees' working conditions are safeguarded through comprehensive legislation. This includes support in cases of illness, work-related injuries, parental leave, and pension, which ensures security and good working conditions for all employees.

Bygma has a clear expectation that all applicable laws, regulations, and standards related to the working environment are followed, and we aim to be a leader in this area. At the same time, we recognise that workplace requirements, particularly in the Nordic region, are becoming more demanding, which makes it essential to stay aligned with evolving expectations. We therefore continuously evaluate our efforts and work to improve our processes and policies to achieve and maintain high standards, ensuring that we remain an attractive workplace. In 2025, we are working to integrate and implement the same occupational health and safety standards in our operations in Poland to ensure a consistently high level of workplace safety across the entire Group.

Respect for human rights and workers' rights is prioritised in all aspects of our operations. Bygma primarily operates within the European market, where human rights legislation is well regulated. The majority of our direct suppliers conduct their business in the same countries as we do.

We require our suppliers to comply with national laws as well as internationally recognised standards and conventions.

- For details on how we ensure human rights are respected throughout our value chain, please refer to section G1 on supplier management on page 60.
- For more information about our social policies, please see page 55.

"Our goal is to be known as a workplace with an excellent working environment, where safety and well-being go hand in hand with good business practice and growth."



S1-2

Our focus on ensuring high employee satisfaction

We aim to ensure high employee satisfaction by fostering a healthy corporate culture where all employees feel safe to voice their concerns, engage in open dialogue, and raise important topics with both colleagues and their immediate manager.

Our workplace assessment (APV) surveys provide valuable feedback and are one of the most important tools for ensuring that Bygma remains a good and safe workplace. This includes both physical and psychosocial factors. The APV allows us to implement necessary improvements and create a safe and healthy working environment. Overall, the Bygma Group achieved strong results in the 2024 psychosocial APV. And with a response rate of 79%, we have a reliable and representative result. In general, we see very low percentages in the questions related to harassment – these are excellent and desirable results that we are very proud of. The Group's HR Director ensures that the APV survey is carried out.

As a follow-up to the survey – and despite the very positive results – we encouraged anyone who may feel harassed or who witnesses inappropriate behavior to take immediate action and address it without delay.

To support employee engagement and promote open communication, Bygma focuses on creating space for dialogue – especially for employees in vulnerable groups. Through follow-ups and ongoing conversations with management, Bygma ensures that relevant needs are met and that the necessary frameworks and support measures are available.

Furthermore, all employees have access to the easily accessible internal Mit Bygma app, where they can find information about ways to share their opinions and experiences. The Mit Bygma app also enables employees to communicate directly with the group management, supporting an open and inclusive dialogue

Our focus on ensuring high employee satisfaction also involves promoting well-being and engagement in our workplace. Through surveys that focus on job satisfaction, leadership, collaboration, working conditions, job content, as well as learning and development, we collect feedback from employees about their experiences and receive suggestions for improvements.

In Iceland, monthly employee surveys are conducted to assess well-being and satisfaction. These surveys cover areas such as communication, engagement, working conditions, health and well-being, recognition, relationships with colleagues and managers, career development, and alignment with company values. Employees are also encouraged to provide feedback, submit suggestions, and propose improvements. In 2024, the response rate was 82%, and employee satisfaction was above the benchmark for comparable companies in Iceland.

At Bygma AB in Sweden, annual employee surveys are conducted. In 2024, employee satisfaction was above the benchmark for comparable companies in Sweden, with a high satisfaction rate of 91%.

S1-3

Secure channels to raise concerns

Access to safe and secure communication channels is essential to promote fairness, justice, and the protection of individuals and local communities. These channels allow employees and other stakeholders to seek support and find solutions if they experience violations of their rights. This helps to create a more fair and inclusive workplace.

If any employee feels they have experienced an instance of bullying, discrimination, or harassment, they are encouraged to seek support. Employees can make an official report to their HR contact or Bygma's whistleblower hotline.

"Access to safe and secure communication channels is essential to promote fairness, justice, and the protection of individuals and local communities."

We are dedicated to ensuring that our employees not only have access to these communication channels but also have the knowledge, confidence, and psychological safety to utilise them when necessary. Bygma has the responsibility to take all reported cases seriously and handle them appropriately in accordance with the guidelines outlined in our employee handbook.

We take steps to ensure that our employees are aware of and reminded about the available communication channels. This is done through a range of initiatives, where we actively inform employees via digital notice boards, the company magazine, periodic information meetings with top management, and our communication app. In this way, we promote openness, the sharing of relevant information, and the development of a strong and well-informed work culture.

For more information on our whistleblower hotline, and how we protect whistleblowers against retaliation, see page 59 and our grievance policy on page 67.



S1-4

Initiatives that strengthen our employees and working environment

In 2024, we set clear targets for 2030 related to employee turnover, diversity, and workplace accidents across the entire group. These goals reflect our commitment to strengthen employee retention and development, promote a more diverse workplace, and improve health and safety across our business areas.

To reach our goals, we will launch a new strategic initiative in 2025 that builds on our existing efforts and ensures an even stronger focus going forward. At the same time, we will allocate additional resources to support this development and drive meaningful change. In the following section, we share our key focus areas, initiatives, and results from 2024. We present stories from both Denmark and our subsidiaries that highlight how we are already working purposefully toward our ambitions.

→ Focus on collegaues

Bygma is dedicated to ensuring a safe and healthy working environment, as well as fair employment and working conditions for all employees. Employee well-being and safety are essential to achieving our ambitions. We aim to create a workplace where employees not only thrive but also have opportunities for continuous development, supported by a culture of open and honest communication across the organisation.

We continuously work to ensure attractive working conditions for our employees. This includes increased flexibility, expanded employee benefits, and clear alignment of expectations regarding tasks and priorities. In addition, we prioritise improvements to our facilities to create a work environment that supports both productivity and well-being.

✓New training initiatives for employees

At Bygma, we prioritise development and training at all levels. Our training initiatives play a key role in retaining motivated employees and making Bygma an attractive place to work.

Bygma has launched several new training programmes, including internal leadership and sales courses that strengthen employees' skills and support their career growth. Among these initiatives is the Sales Leadership Programme, which enrolled 30 new leaders – an important step in developing the next generation of leaders.



✓In Iceland, Bygma was awarded as a 'Top-tier workplace'

In Iceland, Bygma has been recognised as 'Workplace of the Year' for 2024 by Moodup for meeting key criteria in employee engagement. These criteria include monthly measurement of employee satisfaction, active follow-up on feedback, and achieving high satisfaction levels compared to other workplaces in Iceland.

By meeting these criteria, Bygma has clearly demonstrated that management listens to employees, values their input, and actively works to increase and maintain high employee satisfaction. This recognition confirms that Bygma prioritizes employee well-being and fosters an outstanding work environment.

✓Launch of the Bygma Talent Scholarship - an important investment in future talent

At the beginning of 2024, we launched the Bygma Talent Scholarship to recognise and support young talents with ambitions in trade. The scholarship is part of Bygma's strategic focus on employer branding and talent development. In close collaboration with selected vocational schools, the goal is to motivate young people about to start their careers and reward the most skilled, engaged, and talented students within B2B trade.

✓Bygma has been certified as 'Great Place to Work' in Sweden

In Sweden, Bygma AB was certified during the spring in *Great Place to Work Sweden*. The certification means that Bygma is a workplace where employees experience a high degree of credibility, respect, fairness and is a workplace that prioritises well-being and development.



Click here to watch the video where Poul Nyrup Rasmussen presented the Bygma Talent Scholarship to this year's talents.

→ Diversity

At the Bygma Group we strive to treat each other with dignity and respect and acknowledge diversity as a strength. We have a zero-tolerance policy for discrimination and harassment and do not discriminate against people based on ethnic background, race, gender, disability, sexual orientation, religion, political orientation or social status. Diversity is a key focus area within our "Best Place to Work" strategy. We define diversity primarily as demographic diversity, with an emphasis on gender and age.The "Best Place to Work" strategy also includes initiatives that provide our employees with opportunities for further education and career development within the company. These efforts play a vital role in retaining motivated and engaged employees and ensuring that Bygma remains an attractive workplace.

We aim to be a company with employees and managers of all ages – from young talents to experienced seniors. Bygma already consists of a diverse mix of professionals – from trainees, salespeople, warehouse workers, and drivers to creative marketing coordinators, HR specialists, data analysts, and procurement experts. We welcome employees across all age groups, from their 20s to their 70s, and this wide age range contributes to our dynamic workplace.

✓ We have set targets for gender diversity

In 2024, we set clear 2030 targets for gender diversity across all employees, top management, and the Board of Directors.. We aim to attract more women as well as more young people under 30. This will help us broaden our talent pool and ensure a more diverse range of skills and perspectives. We believe that diversity makes us smarter as a company and that our differences enable us to create the best solutions, the best work environment, and the best results.

We operate in a male-dominated sector, and like many other companies in the industry, we have not managed to get enough women to apply for roles with us. Consequently, women are underrepresented at Bygma today, with only 22.2% of employees being women. At the top level, female representation on the Group's Board of Directors stands at 33%.

At the same time, our industry faces challenges attracting younger employees, which is why the group of employees under 30 years old is the smallest when looking at age distribution. Employees under 30 make up only 20.7% of the workforce. The challenge is that the younger generation often perceives our sector as traditional and less dynamic, without being aware of the many exciting opportunities it offers.

→ Read more about our targets on pages 51 and 64.

// The Gender Diversity Pledge is based on 16 principles, that guide companies in their efforts to achieve greater gender equality."



✓ The Gender Diversity Pledge

To demonstrate our commitment and ensure our goals lead to action, we have signed the Confederation of Danish Industry's 'The Gender Diversity Pledge,' which commits us to improving gender diversity in our workplace. By joining this pledge, we gain valuable inspiration and practical tools while committing ourselves to driving the necessary changes.

We recognise the value of diversity and believe that collaboration among people with different backgrounds and perspectives creates the greatest value - for our customers, employees, and the communities we are a part of. To support this focus, we will develop a clear policy on demographic diversity and continuously work on initiatives that promote diversity in areas such as gender and age.

We are aware that we are on a journey of development in diversity and therefore share experiences with other large organisations to learn from best practices. At the same time, we ensure that our initiatives are tailored to the countries in which we operate through action plans that support our ambition for a more diverse workplace.

✓ Strong focus on students and talent development

At Bygma, we invest in the workforce of the future through one of the country's leading commercial education programs and a strong commitment to attracting and developing young talent. Our two-year commercial sales education combines practical training and school attendance, providing students with in-depth knowledge of B2B sales, communication, marketing, procurement, and sustainability. During their time at school, students become part of a dedicated Bygma team at Business College Syd, where a strong sense of community and professional growth are emphasised.

To provide students with an international perspective, we offer internships in either Stockholm or Reykjavik. Our training program has been very successful, with up to 70% of students being hired after completing their education.

Bygma actively works to increase its visibility among young people. We participate in the country's largest career fairs with a dedicated team. Through partnerships with schools and our Bygma Talent Scholarship, we establish early connections with the next generations and ensure they become aware of the opportunities at Bygma. These initiatives help us maintain our position as an attractive workplace for young talent and contribute to strengthening the future workforce of the industry.





70%

of the students were offered the opportunity to continue their careers with us.

→ Health and safety

Bygma is dedicated to ensuring a safe and healthy work environment as well as good employment and working conditions for all employees. The well-being and safety of our employees are essential for us to achieve our ambitions. We strive to create a workplace where employees not only thrive but also have opportunities for continuous development, supported by a culture of open and honest communication across the organisation.

We are committed to providing safe working conditions for all employees and actively work to identify, prevent, and manage potential hazards and risks. Our approach is based on responsible and ethical business practices that place employee well-being as a central priority.

The Bygma Group maintains internal policies that meet the highest safety standards and has implemented a robust health and safety management system in all the countries where we operate. This system ensures that our employees can work under conditions that protect their health and safety. Our Health and Safety Manager leads daily safety efforts in close collaboration with top management and employee safety representatives. This structure guarantees cross-functional cooperation with a focus on identifying workplace risks and implementing necessary measures to minimise them. We are working systematically towards creating a workplace free from accidents. We have a structured approach to identifying, evaluating, and managing potential risks and hazards through regular safety meetings, routine inspections, and the implementation of preventive measures, such as the use of personal protective equipment. We have clear guidelines for reporting workplace accidents and thoroughly analyse their causes to prevent recurrences.

We conduct annual workplace risk assessments to measure potential risks and ensure a safe working environment. These assessments help us identify any hazards and implement necessary preventive measures to protect our employees' health and safety. Results from our latest assessment shows that we have a good working environment – with very few violations. We are proud of the results of recent years but at the same time, we are aware that there are areas where we can and must do even better to maintain and advance job satisfaction, commitment and safety.

"We are committed to providing safe working conditions for all employees and actively work to identify, prevent, and manage potential hazards and risks."

S1-5

Targets regarding our own workforce

At Bygma, we are committed to creating a diverse, inclusive, and safe workplace across the entire Group. In 2024, we have set targets for gender diversity, employee retention, and workplace accidents. The baseline year for gender diversity is 2023, while the baseline year for employee retention and workplace accidents is 2024.

We actively involve our employees in setting company goals by gathering their feedback and insights through surveys, regular meetings, and open discussions. By including employees in this way, we ensure that our targets reflect the needs and perspectives of the people they affect.

Gender diversity – employees

Every 3rd employee you meet should be a woman

We are committed to increasing gender diversity across our entire workforce. Our goal is to have at least 33% women among all employees by 2030 to ensure a more balanced and inclusive workplace. In 2024, women make up 22.2% of our total workforce, which is an increase from 20.7% at the end of 2023.

We acknowledge that there is still progress to be made toward our desired development. Therefore, in 2025, we will implement additional initiatives to advance this progress and ensure a more balanced gender distribution throughout the organisation.

Gender diversity – top management

Minimum 33% women in Bygma's top management

Gender diversity in leadership is important to bring a wide range of perspectives into Bygma and to ensure a more representative leadership structure. By the end of 2024, women make up 25% of the executive management team, corresponding to two women and six men. Our goal is to achieve a gender distribution where at least 33% of the top management are women.

1 out of 3



women among all employees
– and in top management

Employee turnover

We want to retain our skilled employees

Employee turnover reflects the fluctuation within our workforce. Our goal is to maintain an employee turnover of no more than 15%, recognising that a certain level of turnover is necessary for maintaining competitiveness and fostering innovation. The Bygma Group operates in an industry with traditionally high employee turnover, and there is strong demand for qualified employees like ours. Nevertheless, we are working towards achieving a stable turnover rate. Compared to our goal of a 15% turnover rate, the rate is 21.4% in 2024.

Work-related accidents

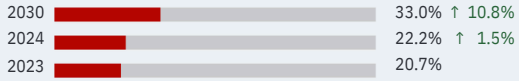
We aim to be an accident-free workplace

Our goal is to maintain a safe and secure work environment by actively monitoring safety performance across all levels of operations. We have clear guidelines for reporting workplace accidents and are focused on our target of zero accidents per one million working hours each year. In 2024, the 'Lost time accident frequency' (LTAF) was 9.1 per one million working hours.

Progress towards our goals

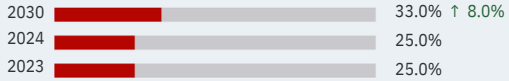
Gender diversity - employees

percent, women



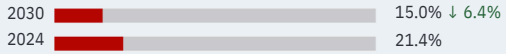
Gender diversity – top management

percent, women



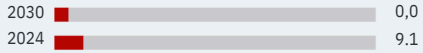
Employee turnover

percent



Work-related accidents

per 1 million working hours



S1-6

Characteristics of employees

A growing workforce

Bygma continues growing, and by the end of 2024, the Group employed 3,407 people – a significant 15% increase compared to the previous year. This growth can be attributed to the Bygma Group's strategic expansion beyond the Nordic borders through its acquisition of Polish company AB Bechcicki.

Bygma is seeing a positive development in the share of women in the workforce, with the number of female employees increasing from 613 to 753 as a result of the acquisition of AB Bechcicki. In addition, the Group has, for the first time, registered employees under the category "other." Although the Group has made progress, increasing the proportion of women remains a challenge in an industry that has historically been characterised by gender imbalance.

The composition of the Group's workforce also reflects its geographic expansion. While Bygma continues to have a strong foundation in Denmark, growth is evident in Sweden and Iceland, and Poland has now become part of the Group's workforce with 413 employees. This international growth brings new skills, markets, and perspectives to the Group.

With its growth, Bygma has maintained a stable and engaged workforce, with 85% of employees on permanent contracts. At the same time, the Group employs a flexible share of temporary staff to support operations during periods of increased activity. Alongside this growth, the Group has experienced a natural employee turnover rate of 21.4%. While this is within the normal range for the industry, the Group recognises room for improvement and is actively working to reduce the turnover rate to 15% by 2030.

With a strong foundation of engaged employees, a growing international presence, and a constant focus on development, Bygma is well positioned to take the next steps toward an even stronger position in the industry.

Number of employees by gender	2024	2023
Men	2,650	2,348
Women	753	613
Others	4	–
Total	**3,407**	**2,961**

Number of employees by countries	2024	2023
Denmark	2,063	2,058
Sweden	344	335
Iceland	587	568
Poland	413	0
Total	**3,407**	**2,961**

Number of employees by contract types	Men	Women	Others	Total
Number of employees	2,650	753	4	3,407
Number of permanent employees	2,294	595	2	2,891
Number of temporary employees	305	141	2	448
Number of non-guaranteed hours employees	51	17	0	68

Employee turnover	2024
Number of employees who left the undertaking	727
Turnover (%)	21.4

Accounting policies

Number of employees by gender
Actual headcount of own employees as of 31/12/24, split by gender. Gender categories include man, woman, and other. The total headcount refers to the number of people employed, with each individual counted as 1.0. This includes all employees: permanent, temporary, and non-guaranteed hours employees.

Number of employees by countries
Actual headcount of own employees as of 31/12/24, split by countries. The total headcount refers to the number of people employed, with each individual counted as 1.0. This includes all employees: permanent, temporary, and non-guaranteed hours employees.

As employee numbers are shown by country where employees make up at least 10% of the total workforce, employees in the Faroe Islands are included in the figures for Denmark.

Number of employees by contract types
Number of employees as of 31/12/24, split by contract type and gender. Permanent employees are employed on a continuous full-time or part-time basis with no fixed end date, including fixed and hourly-paid employees. Temporary employees have a fixed-term contract or are employed for a temporary period. Non-guaranteed hours employees are employed without a guarantee of a minimum or fixed number of working hours.

Employee turnover
The turnover rate is calculated by dividing the number of terminations during the reporting period by the average number of employees (headcount) over the same period, expressed as a percentage.

The average number of employees is calculated as the average of headcounts at the beginning of the year (01.01) and the end of the year (31.12). This includes permanent, temporary, and non-guaranteed hours employees.

S1-9

Diversity metrics

A strong and skilled workforce

Bygma is committed to increasing diversity across the organisation. In 2024, women made up 22.2% of our workforce, an increase from 20.7% the year before. While we are seeing positive development in the right direction, there is still a clear need to attract more women to the industry.

At the management level, the Group has maintained a 25% share of women in top management. We are working in a structured way to ensure more balanced representation and to foster an inclusive environment where talent and competencies are the focus – regardless of gender.

Experience and stability characterize our workforce, with nearly 50% having been employed for over 4 years, and 25% having been part of Bygma for more than 10 years.

Bygma has a balanced age distribution, with 44% of employees between the ages of 30 and 50, and 35% over the age of 50, ensuring a solid base of experience. While employees under 30 currently make up around 21% of the workforce, there is a clear need to increase this share. The Group is therefore working actively to attract more young talent. Students play a key role in this effort, and targeted initiatives are in place to draw more young people into the industry. By investing in students, the Group ensures a strong talent pool that both drives innovation and passes on professional expertise to future generations.

Bygma combines stability, expertise, and fresh perspectives to create a strong and dynamic workplace.

Gender diversity - employees	2024	2023
Share of men (%)	77.8	79.3
Share of women (%)	22.2	20.7

Gender diversity - top management	2024	2023
Number of members	8	8
Number of men	6	6
Number of women	2	2
Share of women in top management (%)	25.0	25.0

For information about our actions and targets, see pages 49 and 51.

Distribution of employees by age groups

Age group	< 30 years	30–50 years	> 50 years
Share of employees (%)	20.7	44.5	34.8

Distribution of employees by seniority

Years of employment	< 1 year	1–3 years	4–10 years	11–25 years	> 25 years
Share of employees (%)	17.8	29.2	28.3	19.9	4.8

Accounting policies

Gender diversity – employees
Gender diversity of all employees refers to the proportion of men and women, expressed as a percentage of the total actual headcount, as of 31/12/24. This includes all employees: permanent, temporary, and non-guaranteed hours employees. The gender category 'other' is included in share of women for gender diversity of all employees due to compliance with GDPR guidelines and protection of individuals.

Gender diversity – top management
The number of members of the executive management team (EMT) as of 31/12/24, split by gender. The gender distribution is expressed as the proportion of women in top management and is calculated by measuring the proportion of women in the EMT as of 31/12/24. EMT includes employees with the following titles: CEO (Bygma Gruppen A/S), CEO (Bygma A/S), HR Director, Climate and Sustainability Director, Marketing Director, IT Director, CFO and Procurement Director.

Age groups – employees
The distribution of employees categorised into age groups is reported as a percentage of the total headcount of employees as of 31/12/24. This includes permanent, temporary, and non-guaranteed hours employees.

Seniority – employees
The distribution of employees categorised into years of employment is reported as a percentage of the total headcount of employees as of 31/12/24. This includes permanent, temporary, and non-guaranteed hours employees.

S1-14

Health and safety metrics

Accidents	2024
Employees covered by health and safety management system (%)	100
Number of work-related accidents	44
Lost time accident frequency (LTAF)	9.1
Number of fatalities	0

For more information on how we are actively working to create a workplace free from accidents, please see page 50.

S1-16

Gender pay gap

Bygma practices equal pay for equal work and is actively working to improve data and analyses to better understand where pay gaps exist and what the underlying causes are. The unadjusted gender pay gap in 2024 is 19.8%, without taking into account job type, organisational level, or country.

The difference is mainly due to the gender distribution within the organisation, where more men hold leadership positions with higher salaries, as well as industry factors, where men have traditionally chosen vocational and technical educations, thereby making up the majority of Bygma's talent pool.

In 2025, the Group is preparing for the implementation of the EU Pay Transparency Directive and is continuously working to identify, monitor, and reduce pay gaps within the organisation. After implementation, the adjusted pay gap is expected to be below 5%.

S1-17

Incidents, complaints and severe human rights impacts

Human rights incidents and discrimination	2024
Number of severe human rights incidents	0
Number of incidents of discrimination and harassment	0
Number of other work-related incidents	4
Fines, sanctions or compensation from the mentioned incidents (DKK)	0

In 2024, the Group received no reports of serious human rights violations, either within its own operations or in the value chain. As a result, no fines, sanctions, or compensation were imposed for human rights breaches during the reporting period. The Group looks forward to continuing its commitment to human rights and maintaining a record of zero incidents of human rights violations.

During the reporting year, four complaints were submitted through the channels available for employees to raise concerns. None of the complaints involved discrimination or harassment, while all four concerned other issues. After investigating all valid complaints, none resulted in significant fines or compensation.

For more information about access to channels to raise concerns, see page 47.

Accounting policies

Work-related accidents
A lost time accident frequency (LTAF) refers to a workplace accident suffered by an employee during work activities that leads to the loss of more than one working day or shift during the reporting period. The LTAF is calculated by dividing the total number of work-related accidents by the total number of recordable hours worked. This includes hours worked by permanent, temporary, and non-guaranteed hours employees - as well as non-employees. The result is then multiplied by 1,000,000 hours worked to standardize the rate. Our health and safety management system covers all our employees, including permanent, temporary, and non-guaranteed hours employees.

Fatalities
Number of fatalities among Bygma Group own employees and non-employees on and off site due to work-related accidents during the reporting period.

Gender pay gap
The gender pay gap is calculated based on the gross hourly wage of all employees, including all taxable wage components and pension contributions. The average gross hourly wage of male employees is subtracted from the average gross hourly wage of female employees. The result is then divided by the average gross hourly wage of male employees and multiplied by 100 to determine the pay gap percentage. The gender category 'other' is included in the female proportion of gender diversity to comply with GDPR guidelines and protect individuals' identities.

Human rights incidents
The total number of severe human rights incidents during the reporting period is based on data collected through all available grievance mechanisms, including our whistleblower hotline. This includes all violations of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises

Incidents of discrimination and harassment
The total number of cases of discrimination and harassment during the reporting period is based on data collected through all available grievance mechanisms, including our whistleblower hotline and reports made to immediate managers, the HR department, or a member of top management. Offensive actions involve bullying, sexual harassment, and other forms of workplace misconduct, such as hurtful comments, physical assault or threats, unwelcome teasing, slander, and exclusion from social or professional communities.

Other work-related incidents
The total number of other work-related incidents during the reporting period is based on data collected through all available grievance mechanisms, including our whistleblower hotline. This excludes incidents categorized as "discrimination" or "harassment" as already reported separately.

S1-1

Policies regarding own workforce

At Bygma, we have a comprehensive set of policies, standards, and processes that apply to all our employees and ensure that actual and potential challenges are managed in a structured and consistent way. These policies focus on areas where the Group's most significant impacts have been identified and support us in achieving our goals and ambitions within social sustainability.

Our policies are communicated regularly to employees through the intranet, news screens located in canteens across all locations, and the Group's internal communication app. Employees can also access detailed information about our policies in the employee handbook. Overall responsibility for implementation at Group level lies with executive management, while day-to-day administration is handled by HR.

Bygma's diversity policy places particular focus on supporting female employees, as they are currently underrepresented. The Group is actively working through its policies to change this and promote more balanced representation. Our newest operations in Poland are not yet covered by this policy, but in 2025 we are working to integrate and implement diversity policies in Poland as well

Policy	Objective	Scope	Related IRO	Internationally recognised standards
Human rights	• Uphold high standards for human rights throughout our value chain • Ensure fair working conditions in accordance with international standards and conventions • Prohibit forced labour, human trafficking, and child labour • Employees must be at least 15 years old	Group level	• Secure employment	• The UN Guiding Principles on Business and Human Rights • ILO Declaration on Fundamental Principles and Rights at Work • OECD Guidelines for Multinational Enterprises
Work-life balance	• Ensure healthy working conditions and a good work-life balance for all employees • Promote well-being, engagement, and productivity through benefits such as holiday advances, care days, and a senior scheme	Group level	• Physical working environment	• Ethical Trading Initiative (ETI) Base Code
Diversity	• Strengthen an inclusive workplace by promoting diversity, where differences in gender and age contribute to new perspectives, innovation, and growth • Increase the proportion of women and attract more young people under 30 • Broaden the talent pool and secure a strong group of future leaders	SE, DK, IS	• Gender diversity	• The UN Global Compact's ten principles
Anti-bullying and harassment	• Ensure a safe and healthy working environment • Prohibit any form of abusive behaviour, including bullying and sexual harassment • Prohibit all forms of discrimination based on ethnic background, race, gender, disability, sexual orientation, religion, political orientation or social status • Handle all reports thoroughly and fairly, based on the person's experience of the violation • Employment-related consequences in documented cases	Group level	• Secure employment • Gender diversity	• ILO Declaration on Fundamental Principles and Rights at Work



ESRS G1 Governance

57 Business conduct
62 Company tax
63 Corporate governance

The Bygma Group is the largest Danish-owned supplier to the construction industry

Bygma actively takes responsibility for the impact we have on the people involved in our business. As the largest Danish-owned materials supplier to the construction industry, a workplace, and a business partner with suppliers in multiple countries, we always strive to treat customers, employees, and other stakeholders with respect and consideration. Credibility and integrity are fundamental to the group. We have a clear expectation that applicable laws and regulations are followed in the countries where we operate.

ESRS G1 | GOVERNANCE

Business conduct

Six decades of Danish family history built on a solid foundation

At Bygma, we recognize the importance of responsible business conduct, and we continuously work to ensure that our operations are based on accountability and responsibility.

Our commitment to responsible business conduct is an integral part of our strategy and is essential for building long-term relationships with our stakeholders. At Bygma, we firmly believe that a responsible and transparent business foundation is key to our continued success.

Healthy corporate culture

We are dedicated to fostering a healthy and responsible corporate culture where values such as openness, respect, and integrity are at the core. Our corporate culture is the foundation of our success and ensures a working environment where employees, customers, and partners can thrive and grow.

Protection of whistleblowers

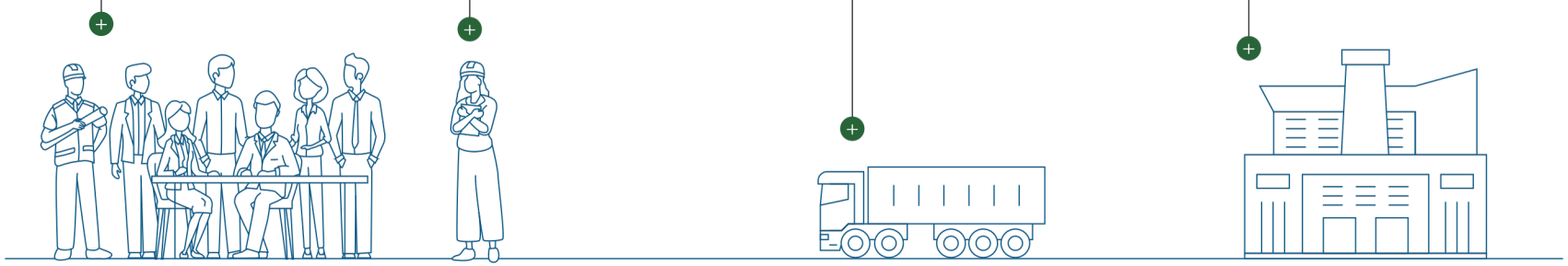
We have established secure and confidential channels where employees can safely report inappropriate conduct. All reported incidents are taken seriously and are handled in accordance with our grievance policy. This approach supports our commitment to upholding ethical behavior and accountability in all aspects of our business.

Effective supplier management

We work closely with our suppliers to ensure they maintain high standards for workplace safety, ethics, and environmental focus. Through regular assessments and close monitoring of our suppliers' practices, we ensure that our products are delivered under responsible conditions. This helps protect both the environment and human rights, supporting Bygma's ambition to be a responsible player in the market.

Responsible and transparent tax payments

We believe that responsibility also means conducting transparent tax practices. Bygma actively works to comply with all applicable tax laws and has a clear policy on how we manage our tax obligations in an honest and transparent manner. This transparency supports both our business integrity and our long-term relationships with stakeholders.vores langsigtede relationer til interessenter.



Highlights

0

Confirmed incidents of corruption or bribery in 2024.

2 mDKK

Was donated to Denmarksindsamlingen.

144 mDKK

Total tax costs

2030 target

50%

We aim for a gender distribution where 50% of the Board of Directors are women.

G1-1

Responsible business conduct and corporate culture

Bygma's values

With a strong DNA and solid roots, we have a history we are proud of. Our activities are built on six values that guide and lead us in our daily work. These values set the framework for what we can expect from our leaders and colleagues, as well as what Bygma expects from us as employees. We strive not only for growth and profitability but also focus on employee engagement and responsible business practices.

Credibility is crucial to our success. For us, it means being reliable, competent, and consistent in our delivery. It is this credibility that ensures we build and maintain our customers' trust – encouraging them to choose to do business with us again. Honesty and transparency are core elements of our operations and the value we create for our stakeholders. Responsible business conduct, to us, is not just about complying with legal requirements but is deeply rooted in Bygma's values. These values promote openness and reinforce our commitment to conducting business ethically.

We know that our employees are the key to our success. Each employee is unique and plays a vital role in both our customers' experience and our employee morale. That's why the concept of "BygMakker" is a central part of our Service & Quality approach. BygMakker represents our internal identity, symbolising the close collaboration and community that shape our daily work. It also emphasises that each of our employees contributes uniquely to our culture and shared achievements.

Being a BygMakker means how we carry ourselves in all aspects of our work. This applies when we meet customers, perform our tasks, and interact with each other - even when we're off the clock. The BygMakker concept commits us to delivering service and creating quality every single day, both internally and externally.

Being a good BygMakker is a shared responsibility that everyone at Bygma lives by. It's the foundation of our teamwork, service, and success.

"Bygma Group is built on six shared values – and it is our ambition that these values are reflected in everything we do, in relation to our customers, our employees, our partners, and the world around us."



Employee Code of Conduct

Through our Code of Conduct, we commit to promoting a healthy corporate culture built on high integrity, clear guidance on expected behavior for all employees, and a safe environment for reporting potential violations. Our Code of Conduct serves as the foundation for our policies and outlines responsible business practices that apply across all areas of our operations, influencing decisions at every level of the Group.

We raise awareness of our corporate culture through our onboarding process, which includes training and familiarising new employees with our Code of Conduct. All employees, including executive management, are required to participate in an e-learning course on business conduct as part of their onboarding. The training covers a broad range of topics and provides a solid understanding of our policy on good business practices, including anti-corruption and ethical guidelines.

We have internal controls, ethical guidelines, policies, and practices in place to prevent and minimise the risk of corruption and bribery across all areas of our business. At the same time, we primarily operate in countries with low corruption risk and have no business areas or functions traditionally considered particularly vulnerable. Based on these factors, we assess that no specific functions within our organisation are at significant risk of corruption or bribery. Our Code of Conduct and other management-related policies cover critical areas such as anti-bribery, whistleblower protection, data ethics, and payment practices. These policies form the foundation of our responsible business practices and ensure that we operate with high integrity and transparency throughout the Group.

For more information about our business conduct policies, see page 67.

Reporting violations and protection of whistleblowers

We take violations of our Code of Conduct and applicable laws seriously. If employees believe that our Code of Conduct has been breached, we encourage them to report it. Generally, we urge employees to contact their immediate manager, the HR department, or a member of top management if they suspect or experience any violations or inappropriate behavior.

Our employees can also use our whistleblower hotline in similar cases.

Our whistleblower system provides a high level of protection for those who report serious violations of the law, misconduct, and/or other serious matters. All reports undergo a preliminary review conducted by an independent third party, who decides which relevant parties the case should be reported to for further investigation. Bygma does not tolerate harassment, acts of revenge, or other forms of sanctions against individuals who report in good faith or who assist the company in connection with the investigation of a case. Anyone who reports matters in good faith is protected against any form of retaliation, including but not limited to pay cuts, demotion, and dismissal. All reported cases are taken seriously, and outcomes are decided fairly, considering the needs of all parties involved.



G1-2

Management of suppliers

Supplier Code of Conduct

Our Code of Conduct for Suppliers and Business Partners is a core element of our corporate strategy and is integral to agreements with all suppliers and business partners. We ensure a strong commitment to our Code of Conduct by incorporating it into contracts across all countries where we operate, with both parties signing at the start of cooperation.

To become a supplier to Bygma, companies must sign and comply with our Supplier Code of Conduct (SCoC). This policy sets requirements for legal compliance, respect for human rights, labor standards, occupational health and safety, environmental responsibility, and anti-corruption. By signing the SCoC, suppliers commit to fully implementing these principles and requirements in their operations. As part of this commitment, suppliers must grant Bygma and our representatives access to their production sites, facilities, employees, and relevant documentation to verify compliance with the ethical standards. Furthermore, we encourage our suppliers to register their products and supporting documentation through the industry's product portal.

The Group has long-term relationships with its suppliers and primarily works with suppliers in low-risk countries, which minimizes the need to include social and environmental criteria in the selection process. Our approach ensures that we collaborate with partners who already operate responsibly and in accordance with our Supplier Code of Conduct (SCoC).

For more information about our Supplier Code of Conduct and Payment Policy, please see page 67.

Supplier screenings

To ensure compliance with our Supplier Code of Conduct, we conduct ongoing supplier audits. We also monitor compliance with the standards outlined in our Human Rights Policy through regular supplier visits and follow-up actions. By actively engaging with employees and suppliers, we collect information to identify and remediate potential negative impacts on the human rights of individuals, workers, and local communities.

Every year, we conduct internal audits of our FSC and PEFC systems. At headquarters, these take place about two months before the external audit, which is held in May. In 2024, we carried out five physical audits and follow-ups, helping to ensure responsible practices and identify opportunities for improvement.

The following points are audited as a minimum:

- Sample checks of incoming and outgoing delivery notes and invoices since the last internal/external audit.
- Verification of correct PEFC and FSC information (CoC Code and Material Category) according to the supplier and product group list.
- Interviews with employees involved in the company's traceability system to ensure necessary knowledge of the system.

At Bygma AB in Sweden, we conduct an annual digital supplier evaluation with a focus on environmental aspects. In 2024, we sent a questionnaire to 123 of our contract suppliers. The evaluation was distributed across all supplier categories, and we received 85 responses. The questions covered environmental goals, working conditions, and transportation.

At Húsasmiðjan in Iceland, an audit for FSC and PEFC certifications was conducted, during which a DNV auditor visited Iceland to assess compliance with sustainable forestry and chain of custody standards.



Payment terms

Fair payment terms, transparent agreements, and good payment practices promote trust and strengthen our business relationships. Timely payment is essential to ensure stability and growth, especially among small and medium-sized enterprises (SMEs). Our payment terms are established in accordance with industry practices and are detailed in our Payment Policy. We continuously monitor our payment practices to ensure they comply with contractual and legal requirements. Our standard payment terms reflect the diverse needs of our suppliers, and we maintain a continuous focus on ensuring liquidity. In 2024, we had no cases of delayed payments nor any legal disputes in this area.

G1-3

Anti-bribery and anti-corruption

We do not accept any form of bribery or corruption and therefore expect the highest level of integrity and propriety in all business activities, in accordance with legislation and the highest ethical standards. This means that we neither offer nor accept gifts or benefits that could influence business agreements with suppliers, business partners, or other stakeholders.

We hold our employees to the same standards regarding anti-bribery and anti-corruption as we do our external partners through our Employee Code of Conduct. It is mandatory for new employees to undergo training on these topics as part of the onboarding process. To further enhance awareness and implementation, a new anti-corruption training program will be launched during 2025. In the coming year, we will explore the possibility of developing a learning module for all employees aimed at preventing and avoiding inappropriate and unacceptable incidents.

In our daily operations, rules and procedures are systematically structured to prevent any form of unethical or irregular transactions. This is primarily ensured through overall authorization and annual audits conducted by our auditors. We assess that no specific functions within our organisation are at particular risk of corruption or bribery.

Expenses related to customer relationships are monitored monthly through an authorization hierarchy. If expenses do not comply with internal rules, policies, or legislation, deviations are handled on a scale ranging from a written warning to police reports with a view to legal action. The efforts are reported to management, who continuously assess and adjust procedures to ensure compliance and transparency. We do not have a separate investigative unit, but any violations are handled in accordance with our internal procedures.

Bygma AB's board and management have previously decided to follow and implement the "Code to Prevent Corruption in Business," developed by the Swedish Anti-Corruption Institute as a supplement to the Swedish Penal Code. Together with a statement from the company's management, the code is accessible to all employees via the internal platform for rules and policies. More specifically, all managers in the company confirm in their individual employment contracts that they will comply with this code as well as all other policies. Since the code has been updated with a specific requirement that companies must carry out regular risk assessments related to corruption risks, this process is now implemented as part of Bygma AB's ISO-certified management system.

G1-4

Incidents of bribery and corruption

Incidents of corruption or bribery [1]	2024	2023
Corruption and bribery	0	0
Fines for corruption or bribery (DKK)	0	0

1 Incident of bribery and corruption involving one of the group's entities has been found guilty of violating the law by a court, including any imposed fines, which are shown in DKK.

In 2024, we had no registered cases of corruption or bribery. There were also no convictions for violations of anti-corruption or anti-bribery laws, and consequently, no fines were imposed related to such violations. The group looks forward to continuing its commitment to combating corruption and maintaining zero incidents of corruption.

0

Confirmed incidents of bribery and corruption

ESRS G1 | GOVERNANCE

Company tax

Bygma is among the 100 companies paying the highest corporate tax in Denmark.

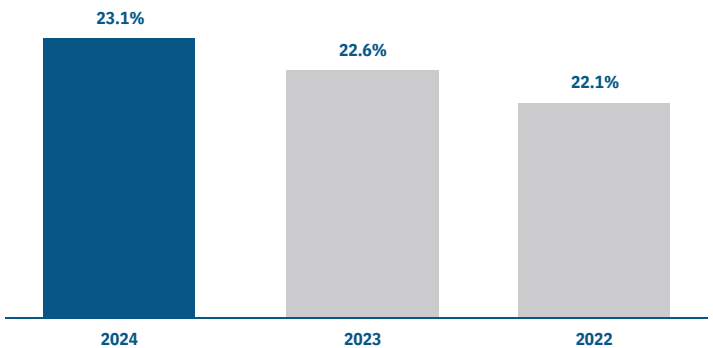
Bygma has once again made a substantial contribution to Danish society through corporate tax payments. With an effective tax rate of 23.1% in 2024, we are among the top 100 companies paying the highest amount of corporate tax in Denmark.

Our tax payments reflect the stable economic development we have experienced in recent years. In 2023, the effective tax rate was 22.6%, while in 2022 it was 22.1%.

The slight variation is primarily due to fluctuations in taxable income, which depend on the distribution of profits across countries with different tax rates and the extent of non-deductible expenses. Overall, however, these figures reflect a well-managed business where tax payments are a natural part of our corporate social responsibility.

As one of Denmark's largest suppliers of building materials, we are aware of our role in society. We not only build on strong values within our organization - we also actively contribute to the community through tax payments that help finance welfare and infrastructure. This commitment underlines our long-term strategy of growth with responsibility. We believe that a healthy business and a strong society go hand in hand, and we are proud to be part of the economic backbone that ensures progress in Denmark.

Effective tax rate



The effective tax rate for the entire group, including foreign subsidiaries, is calculated as the ratio of the tax expense for the year to the earnings before tax.



Skatteministeriet

30. januar 2025
J.nr. 2024 - 8779

Skatteministeriet
Nicolai Eigtveds Gade 28
DK 1402 – København K

Telefon +45 33 92 33 92
Mail skm@skm.dk

www.skm.dk

Kære Peter H. Christiansen

Skattestyrelsen har netop offentliggjort de åbne skattelister over selskabsskattebetalingen i Danmark for indkomståret 2023. Det fremgår af listerne, at BYGMA GRUPPEN A/S var blandt de 100 største selskabsskatteydere i 2023.

Samtidig viser skattelisterne, at de danske selskaber tilsammen har betalt knap 102 mia. kr. i 2023.

På vegne af regeringen vil jeg gerne takke dig og dine medarbejdere for jeres indsats og for jeres bidrag til finansieringen af vores velfærdssamfund.

Indbetalinger til selskabsskatten er i 2023 steget sammenlignet med 2022. Her var flere danske virksomheder økonomisk udfordret af blandt andet krig i Europa, høj inflation og stigende energipriser. Der tegner sig derfor et billede af, at virksomhederne nu er kommet stærkt ud på den anden side.

Vi lever i et skattefinansieret velfærdssamfund, som i høj grad er afhængig af de danske virksomheders bidrag. Det fremgår også tydeligt, når vi ser på resultatet fra 2023. Året er nemlig karakteriseret ved, at der trådte et nyt samfundsbidrag for finansielle selskaber i kraft. Samfundsbidraget har sikret finansieringen af Arne-pensionen og dermed givet mennesker med et langt og fysisk hårdt arbejdsliv mulighed for en værdig tilbagetrækning fra arbejdsmarkedet. Det resultat glæder mig som skatteminister.

Det glæder mig derudover at se, at der generelt er fremgang i driften og i resultaterne på bundlinjen hos de danske virksomheder, som fortsat står stærkt på trods af en række svære år. Resultaterne trækker store linjer ind i dansk økonomi, og for det vil jeg gerne sige jer tak.

Med venlig hilsen

Rasmus Stoklund
Skatteminister

ESRS 2 | GOVERNANCE

Corporate governance

GOV-2

ESG-governance structure

Bygma is a family-owned company with a relatively flat organizational structure. We operate in Northern and Central Europe, covering Denmark (Bygma A/S), Sweden (Bygma AB), the Faroe Islands (Bygma Balslev), Iceland (Húsasmiðjan), Poland (Bechcicki), and Greenland (Bygma Greenland). In addition, the Group includes the Danish subsidiaries Scandinova, Hjalmar Wennerth, Wennerth Wood Trading, and Profile. We conduct our activities in a financially, environmentally, and socially responsible manner. To ensure this goal, sustainability is integrated into our strategy and core business, and ESG is anchored and continuously discussed in relevant governance bodies across the Group.

ESG-steering group

At the operational level, decisions are anchored in the ESG steering group, which meets quarterly to make key decisions regarding strategic direction, ambition level, targets, and ESG reporting. The ESG steering group consists of the CEO, the CFO, the Climate and Sustainability Director, and the ESG team.

ESG-strategy team

Led by the Climate and Sustainability Director along with the sustainability team, the Strategy Team provides guidance on ESG strategy and delivers input to the steering group concerning core sustainable business priorities.

ESG-reporting team

ESG reporting is managed by the Finance Department under the leadership of the Group CFO. The team provides guidance on ESG reporting and ensures the implementation of new regulatory standards in close collaboration with the steering group.

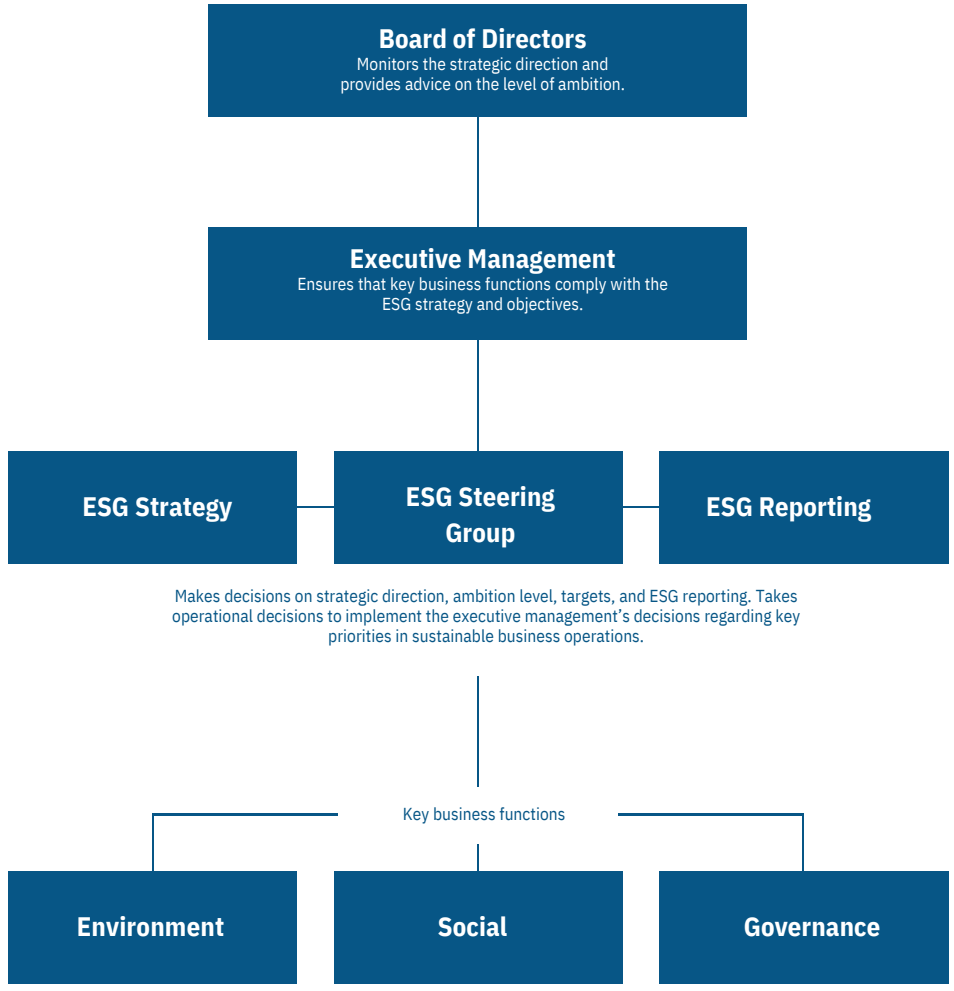
Management responsibility

The ESG steering group continually provides valuable input to the executive management team, which holds overall responsibility for managing and monitoring ESG impacts, risks, and opportunities. The executive Management Team also ensures that all departments comply with the ESG strategy and targets.

The Role of the Board

The Board of Directors holds the overall responsibility to advise on ESG matters, including the strategic direction and ambition level set by the executive management team. Additionally, the Board approves ESG reporting and evaluates progress on the ESG strategy.

Our ESG governance structure brings together diverse competencies and expertise across the organization to support and inform the executive management team, which ultimately reports to the Board of Directors. This approach ensures that ESG is an integral part of Bygma Group's overall business strategy and forms the foundation of how we conduct our business.



GOV-1

Management responsibility

Board of Directors

The Board of Directors, together with the top management, holds the overall responsibility for the strategic leadership of Bygma. The Board sets the Group's strategy and makes decisions on major investments, capital structure, key policies, control and audit matters, risk management, and significant operational matters.

Sustainability is an integral part of the Board's decision-making processes. The Board monitors progress on our sustainability strategy and ensures that our sustainability targets are met. Updates on sustainability goals and progress are presented three times a year at board meetings to ensure continuous insight and prioritisation.

Board of Directors	2024	2023
Number of non-executive board members	6	6
Number of men	4	4
Number of women	2	2
Share of women on BoD (%)	33.3	33.3
Independent board members (%)	83.3	83.3
Number of board meetings	3	3
Attendance at board meetings (%)	100.0	100.0

The Board continuously evaluates the necessary competences for its composition. The board members bring a broad range of educational backgrounds and experiences that qualify them to oversee sustainability-related matters. Additionally, the Board always has access to internal expertise that further supports their work.

Top management

Bygma's top management consists of eight members who are responsible for the day-to-day management. The leadership team brings extensive knowledge and experience from all business units and possesses expertise covering the Group's significant impacts and strategic priorities.

Our flat organisational structure ensures effective and direct communication across employee levels. This structure allows employees to report directly to the leadership team and have easy access to them. This supports management's close connection to daily operations and ensures a clear overview of the Group's activities and results.

No members of the Board of Directors or top management have held equivalent positions in public administration for two years prior to their appointment.

For information about the diversity of the top management, see page 53, where definitions are provided.

Gender diversity – Board of Directors

The current board consists of six members, of which four are men and two are women. This corresponds to a female representation of 33.3% at the end of 2024. The target for 2030 is 50%. All members are non-executive, with five being independent board members and one dependent board member. There are no employee representatives on the board.

We work purposefully and systematically to achieve a more balanced gender distribution across the organisation to ensure equal representation and strengthen the company's diversity.



50%

of Bygma's Board of Directors should be women.

Accounting policies

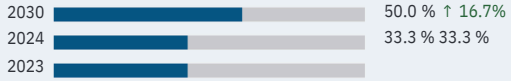
Board of Directors
Number of executive and non-executive members of the Board of Directors as of 31/12/24, split by gender. The gender diversity rate is expressed as the proportion of women on the Board and is calculated by dividing the number of Board seats held by women by the total number of Board members as of 31/12/24. This includes all members of the Board elected at the general meeting.

The number of independent Board members is calculated by dividing the number of independent Board members by the total number of Board members as of 31/12/24. This includes all members of the Board elected at the general meeting. Independence is defined in accordance with the Danish Recommendations on Corporate Governance.

Attendance at board meetings
Attendance at board meetings is measured as a participation rate, calculated by dividing the number of board meetings each individual member has attended by the total number of board meetings held.

Progress towards our goals

Gender diversity – Board of Directors
percent, women



GOV-3

Incentive schemes and remuneration policies

The Bygma Group does not currently have incentive schemes or remuneration policies linked to sustainability matters for members of management or the board. Fixed salaries for management members and for board members are determined based on individual experience, contributions, and roles within the Bygma Group.

The group's approach to sustainability is embedded in daily operations and the business strategy, and is not supported by individual incentive structures.

It is continuously assessed how sustainability can best be integrated into the organization, including in governance and management processes.

GOV-4

Statement on sustainability due diligence

We have established procedures for the various aspects of the due diligence process. The table provides a mapping of where in our sustainability reporting we share information about our due diligence process, including how we apply the key aspects and steps of the process.

Core elements of sustainability due diligence		Section in the sustainability report	Page
a)	Embedding sustainability due diligence in governance, strategy, and business model	General Governance	20-21 58-61
b)	Engaging with affected stakeholders in all key steps of the sustainability due diligence	General Social Governance	22 46-47 58-60
c)	Identifying and assessing adverse impacts	General Environmental Social	23-27 29 45
d)	Taking actions to address those adverse impacts	Environmental Social	32-33 48-50
e)	Tracking the effectiveness of these efforts and communicating	Environmental Social	35-37 52-54

Board of Directors



Søren Skou (SSK)
Year of birth: 1964
Chairman, independent

Recent position(s)
1983-2022: A.P.Møller – Mærsk, including the last 7 years as CEO of the A.P. Møller - Mærsk Group

Experience
SSK currently serves as a professional board member and holds several chairmanships in major Danish and international companies. He had a 40-year career at A.P. Møller – Mærsk, where he led a significant transformation of the company. By the end of 2022, SSK left a company that was substantially better positioned to meet future challenges in global transport and logistics. He brings extensive strategic and international leadership experience to the board, along with specialised expertise in logistics, digitalisation, and the green transition.

Education
MBA, IMD Business School, Lausanne, CH / **HD(A),** CBS, København

Board positions
Lundbeckfond Invest A/S (chairman, 2024) / Lundbeckfonden (vice chairman, 2024) / Danish Crown (chairman, 2024) / Bygma Gruppen A/S (formand, 2023) / Bygma A/S (chairman, 2023) / Fonden Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (chairman, 2020) / CW Obel A/S (chairman, 2023) / Skyborn Renewables GmbH (chairman, 2024) / VTG GmbH (chairman, 2024) / HES Intl. BV (chairman, 2023) / Controlant hf (chairman, 2024) / Nokia OY (vice chairman, 2019)



Christina Bruun Geertsen (CBG)
Year of birth: 1971
Independent

Recent position(s)
2023-: Managing Partner, Kromann Reumert, member of the Executive Management
2007-2022: Partner, Kromann Reumert

Experience
CBG currently leads the daily management of Kromann Reumert and plays a key role in setting the firm's strategic direction. Over the years, CBG has made significant contributions to establishing KR as a leading law firm in Denmark. CBG has a strong background in areas including mergers and acquisitions (M&A) and stock exchange and capital markets law.

Education
Attorney authorisation / **Master of Laws** (LL.M), King's College, London, UK / **Cand.Jur.** Aarhus University

Board positions
Bygma Gruppen A/S (member 2024, chairman 2020-2023) / Bygma A/S (member 2024, chairman 2020-2023) / Brancheforeningen for Aktive Ejere i Danmark (member, 2023) / Kromann Reumert int. (member, 2023) / KR 649 A/S (member, 2023)



Svend Pedersen (SP)
Year of birth: 1956
Independent

Recent position(s)
2024-: Member of the executive management team at HHM A/S
2004-2024: Owner and CEO of HHM A/S

Experience
In the autumn of 2024, SP initiated a generational transition at HHM A/S; the process is expected to be fully completed by 2026. Back in 2004, SP took over HHM and has since been the driving force behind the company's growth and development. Under SP's leadership, HHM has grown from a regionally based contracting company to one of the most respected players in the construction and civil engineering sector in Denmark.

Education
M.Sc. in Engineering, DTU / **B.Sc** in Finance, CBS

Board positions
RN Holding A/S (chairman, 2018) / U/NORD S/I (member, 2019) / HHM Holding A/S (member, 2021) / Rammelisten Snedkeri ApS (chairman, 2023) / Biri Drive-in Center A/S (chairman, 2013) / ADV Ejendomsadm. ApS (member, 2006) / HHM A/S (member, 2004) / Bygma A/S (member, 2003) / Bygma Gruppen (member, 1999)



Michael A.B. Christiansen (MC)
Year of birth: 1964
Independent

Recent position(s)
2019-: Partner, PriceShape Aps
2011-2018: CEO, IDdesign A/S

Experience
MC is a co-owner of PriceShape and has been instrumental in shaping the company's strategic development since its inception. In 2024, MC led a successful, structured process to find an investor to support PriceShape's further international growth. Prior to this, MC played a central role in the management of IDdesign A/S, which operated the furniture chains ILVA and IDEmøbler. Under MC's leadership, significant efforts were made to modernize the company's e-commerce platform with the aim of creating a more future-proof business model.

Education
Diploma in Business Administration, CBS

Board positions
Dagrofa ApS (vice chairman, 2018) / KFI Erhvervsdriv. Fond (vice chairman, 2014) / Bygma A/S (member, 2011) / Bygma Gruppen (member, 2011) / Golfexperten (chairman, 2019)



Henriette H. Christiansen (HHC)
Year of birth: 1993
Not independent

Recent position(s)
2018-: Team lead (2023) in corporate analysis, credit at Nykredit

Experience
HHC works with accounting management and analysis. Experience in operational management and continuous improvement efforts.

Education
Cand. Merc. Finansiering og Regnskab, CBS

Board positions
Bygma Gruppen A/S (member, 2019) / Bygma A/S (member, 2019)



Carsten Bennike (CB)
Year of birth: 1964
Independent

Recent position(s)
2011-2014: Division director, Chr. Hansen A/S, member of the executive management team

Experience
CB currently serves as a professional board member and advisor. Prior to this, CB held roles including Division Director and member of the Executive Management in Chr. Hansen A/S, as well as Supply Chain and Production Director and member of the Executive Management in Hempel A/S. At Chr. Hansen A/S, CB was responsible for developing and transforming the natural colorants division into a global leader in natural solutions. With a focus on governance, risk management, strategy and business development, operations, and sustainability, CB has built unique expertise that is highly sought after by organisations with complex structures.

Education
Bestyrelsesuddannelser, INSEAD, CBS samt KU / **Executive MBA,** London Business School / **Cand. Merc. Int.,** CBS

Board positions
Plus Pack AS (member, 2022) / Bygma Gruppen A/S (member, 2018) / Bygma A/S (member, 2018) / Toms A/S (vice chairman, 2014) / Gerda og Victor B. Strand Holding A/S (vice chairman, 2023)

G1-1

Policies regarding business conduct

At Bygma, we have a comprehensive set of policies, standards, and processes that apply to all our employees. These policies ensure that actual and potential, material impacts are addressed in a structured and consistent manner. They focus on the areas where our most significant impacts have been identified and help us achieve our goals and ambitions. In developing our policies, we also take into account input from key stakeholders, including employees, suppliers, and business partners, to ensure our approach meets stakeholder expectations.

The Employee Code of Conduct was incorporated into the employee handbook in Denmark in 2019 and is communicated via the intranet and news screens located in canteens. A corresponding Code of Conduct is included in the employee handbooks of our subsidiaries. We ensure ongoing communication of our policies to employees through our intranet, news screens in canteens at all locations, and our communication app. Overall responsibility for implementation at group level lies with the top management, while the day-to-day administration is handled by the relevant departments, depending on the policy.

Our latest activities in Poland are not yet covered by the Employee Code of Conduct, and our Supplier Code of Conduct (SCoC) has not yet been implemented in Iceland and Poland. In 2025, we are working to integrate and implement these policies and codes of conduct across all our subsidiaries.

Policy	Objective	Scope	Related IRO	Internationally recognised standards
Employee Code of Conduct	• Ensure an inclusive and discrimination-free work environment • Prevent corruption and bribery • Promote a respectful and inclusive workplace culture	DK, SE, IS	• Healthy corporate culture	• The UN Global Compact 10 principles • The UN Guiding Principles on Business and Human Rights • The UN Guiding Principles on Business and Human Rights • OECD Guidelines for Multinational Enterprises
Supplier Code of Conduct (SCoC)	• Minimise risks to people and protect the company's integrity • Ensure that suppliers maintain ethically responsible working conditions • Define clear consequences for breaches of the Code of Conduct	DK, SE	• Effective supplier management	• The UN Global Compact 10 principles • The UN Guiding Principles on Business and Human Rights • ILO Declaration on Fundamental Principles and Rights at Work • OECD Guidelines for Multinational Enterprises
Data Ethics Policy	• Ensure the protection and proper handling of personal data in compliance with applicable legislation • Implement technical and organisational security measures to safeguard personal data	Group level	• Protection of whistleblowers	• General Data Protection Regulation (GDPR)
Anti-Bribery Policy	• Establish a zero-tolerance policy towards bribery and corruption in all business relationships • Ensure effective enforcement and implementation of systems to combat bribery and corruption	Group level	• Protection of whistleblowers	• The UN Global Compact 10 principles • OECD Guidelines for Multinational Enterprises
Payment Policy	• Establish principles for timely and consistent payment to suppliers, especially SMEs • Ensure standard payment terms, invoicing requirements, and procedures for all supplier payments • Prevent late payments through clear deadlines and efficient approval processes	Group level	• Effective supplier management	
Grievance policy	• Promote ethical business practices and transparency in accordance with the UN Global Compact • Ensure that employees can report concerns without fear of retaliation	Group level	• Healthy corporate culture • Protection of whistleblowers	• The UN Global Compact 10 principles • EU Whistleblower Protection Directive • General Data Protection Regulation (GDPR)

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Income statement

1 January – 31 December 2024

mDKK	Note	2024	2023
Revenue	2	10,667	10,037
Cost of goods sold		-7,830	-7,370
Other income	3	15	19
Other external expenses		-569	-527
Gross profit		**2,283**	**2,159**
Staff costs	4	-1,573	-1,468
Earnings before interest, tax, depreciation and amortization (EBITDA)		**710**	**691**
Depreciation and amortization of non-current assets	5	-179	-153
Other expenses		-1	0
Earnings before interests and tax (EBIT)		**530**	**538**
Financial income	6	137	163
Financial espenses	7	-42	-46
Earnings before tax		**625**	**655**
Income tax	8	-144	-148
Profit for the year		**481**	**507**
Profit distribution	9		

Balance sheet

mDKK	Note	2024	2023
Assets			
Acquired intangible rights		17	11
Goodwill		87	34
Intangible assets	10	**104**	**45**
Land and buildings		2,605	2,424
Plant and equipment		176	179
Leasehold improvements		5	1
Assets under construction		189	204
Tangible assets	11	**2,975**	**2,808**
Other securities and equity investments		15	13
Financial assets	12	**15**	**13**
Total non-current assets		**3,094**	**2,866**
Trading goods		1,698	1,490
Inventory		**1,698**	**1,490**
Trade receivables		1,128	886
Other receivables		241	254
Prepayments	13	26	15
Receivables		**1,395**	**1,155**
Securities		1,207	1,110
Securities		**1,207**	**1,110**
Cash and cash equivalents		**224**	**174**
Total current assets		**4,524**	**3,929**
Total assets		**7,618**	**6,795**

mDKK	Note	2024	2023
Equity and liabilities			
Share capital		50	50
Currency translation		-57	-64
Hedge reserves		3	4
Retained earnings		5,508	5,095
Proposed dividend		50	50
Total equity	**15**	**5,554**	**5,135**
Deferred tax		112	109
Provisions		1	0
Total provisions	**16**	**113**	**109**
Mortgage debts		343	133
Bank borrowings		42	26
Lease liabilities		5	0
Other liabilities		37	0
Total non-current liabilities	**17**	**427**	**159**
Shor term part of non-current liabilities	17	24	27
Bank borrowings		125	210
Trade payables		963	764
Tax payables		46	53
Other liabilities		366	338
Total current liabilities		**1,524**	**1,392**
Total liabilities		**1,951**	**1,551**
Total equity and liabilities		**7,618**	**6,795**

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Statement of changes in equity

	2023					
mDKK	Share capital	Currency translation	Hedge reserves	Retained earnings	Proposed dividend	Total
Equity at 1 January	50	-71	6	4,632	125	4,742
Currency translation	0	6	0	0	0	6
Paid dividend	0	0	0	0	-125	-125
Dividend own shares	0	0	0	6	0	6
Adjustment of hedging at fair value	0	0	-2	0	0	-2
Other equity changes	0	1	0	0	0	1
Profit for the year	0	0	0	457	50	507
Equity 31 December	**50**	**-64**	**4**	5,095	**50**	**5,135**

	2024						
mDKK	Share capital	Currency translation	Hedge reserves	Retained earnings	Proposed dividend	Non-controlling interests	Total
Equity 1 January	50	-64	4	5,095	50	0	5,135
Net effect of acquisitions	0	0	0	0	0	14	14
Paid dividend	0	0	0	0	-50	0	-50
Dividend own shares	0	0	0	3	0	0	3
Adjustment of hedging at fair value	0	0	-1	0	0	0	-1
Other equity changes	0	7	0	-27	0	-8	-28
Profit for the year	0	0	0	437	50	-6	481
Equity 31 December	**50**	**-57**	**3**	**5,508**	**50**	**0**	**5,554**

Cash flow statement

mDKK	Note	2024	2023
Profit for the year		481	507
Adjustments	2	221	178
Changes in working capital	5	-150	76
Cash flow from operating activities before financial items	2	**552**	**761**
Interests etc. received	6	67	80
Interests etc. paid		-36	-46
Cash flow from operating activities before tax		**583**	**795**
Income tax paid		-152	-193
Cash flow from operating activities		**431**	**602**
Purchase of intangible assets		-5	-6
Purchase of tangible assets		-297	-589
Purchase of financial assets		0	-10
Sale of tangible assets		9	9
Sale of financial assets		3	2
Acquisitions of companies		-98	0
Sale of securities		159	88
Purchase of securities		-190	-256
Cash flow from investing activities		**-419**	**-762**
Proceeds from loans		87	90
Repayment of leasing liabilities		-2	0
Paid dividend		-47	-119
Cash flow from financing activities		**38**	**-29**
Cash flow for the year		**50**	**-189**
Cash and cash equivalents 1 January		174	363
Cash and cash equivalents 31 December		**224**	**174**

Accounting policies

The cash flow statement shows the Group's cash flows divided into operating, investing, and financing activities for the year, the year's change in cash and cash equivalents, and the Group's cash and cash equivalents at the beginning and end of the year. A separate cash flow statement has not been prepared for the parent company, as the parent company's cash flows are included in the Group's cash flow statement in accordance with Section 86 of the Danish Financial Statements Act.

Cash flows from operating activities
Cash flows from operating activities are presented using the indirect method and are calculated as the profit for the year adjusted for non-cash operating items, changes in working capital, paid financial expenses, and paid corporate taxes.

Cash flows from investing activities
Cash flows from investing activities include payments related to the purchase and sale of fixed assets, securities classified as investing activities, and payments related to the acquisition and disposal of businesses and operations.

Cash flows from financing activities
Cash flows from financing activities include payments of dividends to shareholders, capital increases and decreases, as well as proceeds from loans and repayments of interest-bearing debt.

Cash and cash equivalents
Cash and cash equivalents comprise liquid funds.

Note 1 Accounting policies

The annual report of Bygma Gruppen A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act for large enterprises in reporting class C.

The accounting policies applied are unchanged from last year.

The annual report for 2024 is presented in DKK million.

Consolidated financial statements
The consolidated financial statements include the parent company, Bygma Gruppen A/S, and subsidiaries over which Bygma Gruppen A/S has controlling influence. Controlling influence is generally assumed when the parent company directly or indirectly holds more than half of the ownership interest. Control may also arise through agreements, bylaws, or when the parent company otherwise has, or effectively exercises, decisive influence over the subsidiary.

The existence and effect of potential rights that are currently exercisable or convertible are considered when assessing whether controlling influence exists.

The consolidated financial statements are prepared using the same accounting policies as those applied by the parent company. The consolidated financial statements are presented by combining the financial statements of the parent company and the consolidated subsidiaries, merging items with similar content. Intra-group income, expenses, gains, losses, equity interests, dividends, and balances are eliminated. Equity investments in consolidated subsidiaries are offset against the proportional share of the subsidiaries' carrying amount of net assets.

Newly acquired and sold subsidiaries are included in the consolidated income statement for the period during which control is held. Comparative figures are not adjusted for newly acquired or divested companies.

Acquisition of subsidiaries is accounted for using the acquisition method. The purchase price is determined as the present value of the agreed consideration, plus directly attributable costs. Contingent payments are recognized at the amount expected to be paid. Subsequent adjustments to contingent consideration are recognized in equity. Identifiable assets and liabilities of the acquired companies are recognized at fair value at the acquisition date. The tax effect of revaluations of assets and liabilities is taken into account. Any remaining difference between the cost price and the Group's share of the fair value of identifiable assets and liabilities is recognized as goodwill or negative goodwill. Expenses incurred in connection with the business acquisition are recognized in the income statement in the year they are incurred.

Non-controlling interests
At initial recognition, non-controlling interests are measured at the fair value of their ownership share. Goodwill related to the non-controlling interests' portion of the acquired entity is not recognized.

Combined call and put options on minority interest purchase
The put option related to the purchase of minority interests is initially recognized at fair value. Subsequent changes in the fair value of the put option are recorded directly in equity. When purchase agreements include both call and put options, the minority interest is considered fully acquired for accounting purposes.

Cost of goods sold
Cost of goods sold includes expenses incurred to achieve the year's revenue. This includes direct costs of trading goods as well as changes in inventory levels of trading goods.

Other external expenses
Other external expenses include costs related to the company's main operations incurred during the year, such as expenses for distribution, sales, advertising, administration, premises, losses on receivables, and payments on operating lease contracts, etc.

Leasing contracts
Leases relating to tangible assets, where the group assumes all significant risks and rewards associated with ownership (finance leases), are recognized on the balance sheet as assets. Upon initial recognition, the assets are measured at cost, which corresponds to the lower of the fair value of the leased asset and the present value of future lease payments. The present value is calculated using the internal interest rate of the lease agreement or, alternatively, the company's incremental borrowing rate as the discount factor. Finance-leased assets are subsequently treated as the company's other fixed assets.

The capitalized residual lease liability is recognized on the balance sheet as a debt obligation, and the interest portion of the lease payment is recognized in the income statement over the lease term.

All other lease agreements are classified as operating leases. Payments related to operating leases and other rental agreements are recognized in the income statement on a straight-line basis over the lease term.

The Group's or parent company's total obligations related to operating leases and rental agreements are disclosed under contingent liabilities.

Inventories
Inventories are measured at cost based on the weighted average cost principle or at net realisable value if this is lower.

Inventories are measured at cost, which includes the purchase price plus delivery costs and other costs directly related to the purchase.

Receivables
Receivables from sales, etc., are measured at amortized cost, which essentially corresponds to the nominal receivable amount or a lower net realisable value based on an individual assessment of each receivable.

Impairment is provided for losses where there is an objective indication that a receivable or a portfolio of receivables is impaired. If there is an objective indication that an individual receivable is impaired, impairment is provided at the individual level.

Cash and cash equivalents
Cash and cash equivalents include liquid funds.

The company participates in a cash-pool agreement with Danish group companies. Balances covered by the cash-pool agreement are presented under receivables from affiliated companies

Securities
Securities, comprising both listed and unlisted securities, are measured at fair value on the balance sheet date.

Liabilities
Financial liabilities are recognized at the time of borrowing at the proceeds received, less any transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost based on the effective interest rate.

Other liabilities, which include payables to suppliers, affiliated companies, and other debt, are measured at amortised cost, which usually corresponds to nominal value.

Translation of foreign currency
Transactions in foreign currency are converted to Danish kroner at the exchange rate on the transaction date. Receivables, liabilities, and other monetary assets and liabilities in foreign currency are converted to Danish kroner at the exchange rates on the balance sheet date. Realized and unrealized foreign exchange gains and losses are recognized in the income statement.

Foreign affiliated companies
Independent foreign companies are translated according to the following principles:

- The balance sheet is translated at the exchange rate on the balance sheet date.
- The income statement is translated at the average exchange rate for the year.

The exchange rate difference arising from the translation of equity at the beginning of the financial year to the exchange rate on the balance sheet date, as well as from the translation of the income statement at the average exchange rate to the exchange rate on the balance sheet date, is recognized directly in equity.
Exchange rate adjustments of balances with independent foreign entities, which are considered to be an addition to or a deduction from the total investment in the independent entity, are recognized directly in equity.

Explanation of key figures

Operating margin	$\frac{\text{Earnings before interests and tax (EBIT)} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Earnings before interests and tax (EBIT)} \times 100}{\text{Average total assets}}$
Equity ratio	$\frac{\text{Equity at year-end} \times 100}{\text{Total assets at year-end}}$

Note 2 Revenue

mDKK

	2024	2023
Revenue	10,667	10,037
Total	**10,667**	**10,037**
Denmark	7,586	7,203
Iceland	1,301	1,363
Sweden	1,079	1,088
Poland	316	0
Other countries	385	383
Total	**10,667**	**10,037**

Note 3 Other income

mDKK	2024	2023
Profit on sale of non-current assets	7	6
Other income	8	13
Total	**15**	**19**

Note 4 Staff costs

mDKK

	2024	2023
Salaries and wages	1,355	1,263
Pensions	131	120
Other expenses for social security	52	49
Other staff costs	35	36
Total	**1,573**	**1,468**
Compensation for the Executive Management and Board:		
Executive Management	21	20
Board	2	1
Total	**23**	**21**
Average number of fulltime employees	3,052	2,628

Note 5 Amortization of non-current assets

mDKK	2024	2023
Amortization of intangible assets	11	11
Amortization of tangible assets	168	142
Total	**179**	**153**

Accounting policies

Revenue
Revenue from the sale of goods and finished products is recognised in the income statement when delivery has taken place and the risk has transferred to the buyer, provided that the revenue can be reliably measured and is expected to be received.
As interpretative guidance for revenue recognition, the company has chosen to apply IAS 11/IAS 18.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and duties. All types of discounts granted are deducted from revenue.

Segment information
Segment information is provided for revenue by geographical markets. No segment information is provided by business area, as the main area accounts for more than 95% of total activity.

Other income
Other income includes items of a secondary nature relative to the company's core activities, including gains on the sale of intangible and tangible assets, rental income, negative goodwill, and wage reimbursements.

Staff costs
Staff costs include salaries and wages, holiday pay, pensions, and other personnel-related expenses for the Group's employees.

Amortization of non-current assets
Depreciation and amortisation include the year's depreciation and impairment of intangible and tangible fixed assets.

Note 6 Financial income

mDKK

	2024	2023
Interests and other financial income	137	163
Total	**137**	**163**

Note 7 Financial expenses

mDKK	2024	2023
Interests and other financial expenses	42	46
Total	**42**	**46**

Note 8 Taxation

mDKK

	2024	2023
Current tax	143	135
Deferred tax	1	12
Adjustment of current tax regarding previous years	0	1
Total	**144**	**148**

Note 9 Profit distribution

mDKK	2024	2023
Proposed dividend	50	50
Retained earnings	437	457
Non-controlling interests	-6	0
Total	**481**	**507**

Accounting policies

Finanscial income
Financial income is recognised in the income statement with amounts relating to the financial year. Financial income includes interest income, realised and unrealised gains on securities and foreign currency transactions, amortisation of financial liabilities, and interest credit under the advance tax payment scheme.

Financial expenses
Financial expenses are recognised in the income statement for amounts relating to to the financial year. Financial expenses include interest expenses, financial expenses related to finance leases, realised and unrealised losses on securities, debt, and foreign currency transactions, amortisation of financial assets, and interest charges under the advance tax payment scheme.

Taxation
Tax on the profit for the year includes current tax on the expected taxable income for the year and adjustments to deferred tax. The tax expense is recognised in the income statement with the portion attributable to the year's profit and in equity with the portion attributable to transactions recognised directly in equity.

The parent company and the Danish subsidiaries are jointly taxed. The Danish corporate tax is allocated among the profit-making and loss-making Danish companies in proportion to their taxable income (full allocation). The company serves as the administrative company for the joint taxation group and is responsible for settling taxes and related matters with the Danish tax authorities.

Bygma Gruppen A/S, as the administrative company, is jointly and severally liable for the corporate taxes of its subsidiaries towards the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the calculated tax on the year's taxable income, adjusted for tax on taxable income from previous years and for prepaid tax installments.

Note 10 Intangible assets

	2024			2023		
mDKK	Acquired intangible rights	Goodwill	Total	Acquired intangible rights	Goodwill	Total
Cost at 1 January	86	255	341	78	254	332
Foreign exchange adjustments	2	-3	-1	0	1	1
Acquisition of entities	5	61	66	0	0	0
Additions during the year	5	0	5	6	0	6
Disposals during the year	-1	0	-1	0	0	0
Transfers	0	0	0	2	0	2
Costs at 31 December	**97**	**313**	**410**	**86**	**255**	**341**
Amortization and depreciation at 1 January	75	221	296	72	212	284
Foreign exchange adjustments	1	-2	-1	0	1	1
Amortization for the year	4	7	11	3	8	11
Amortization and depreciation at 31 December	**80**	**226**	**306**	**75**	**221**	**296**
Carrying amount at 31 December	**17**	**87**	**104**	**11**	**34**	**45**

Accounting policies

Intangible assets
Goodwill, including group goodwill, is measured at cost less accumulated amortization and impairment losses.

Other intangible rights include software licenses, the development of business systems, and other acquired intangible rights. Other intangible rights are measured at cost less accumulated amortization and impairment losses.

Goodwill is amortized over its estimated useful life, determined based on an assessment of factors including the nature of the acquired business, its earnings capacity, and market position.

Investments in subsidiaries are considered to be of strategic importance to the Group. Taking into account the Group's earnings expectations, the useful economic life of goodwill has been determined to be 10 years.

The estimated useful life of goodwill is 10 years, with a residual value of DKK 0. Other intangible rights are amortized over 3–5 years, also with a residual value of DKK 0.

Note 11 Tangible assets

mDKK	2024 Land and buildings	Plant and equipment	Leasehold improvements	Assets under construction	Total	2023 Land and buildings	Plant and equipment	Leasehold improvements	Assets under construction	Total
Cost at 1 January	3,570	674	11	204	4,459	2,814	596	11	450	3,871
Foreign exchange adjustments	2	3	-1	0	4	3	2	0	0	5
Acquisition of entities	22	15	0	0	37	26	0	0	0	26
Additions during the year	84	49	5	159	297	117	101	0	371	589
Disposals during the year	-1	-33	-1	0	-35	-7	-25	0	0	-32
Transfers	174	0	0	-174	0	617	0	0	-617	0
Cost at 31 December	**3,851**	**708**	**14**	**189**	**4,762**	**3,570**	**674**	**11**	**204**	**4,459**
Amortization and depre. at 1 January	1,146	495	10	0	1,651	1,064	462	10	0	1,536
Foreign exchange adjustments	-4	5	-1	0	0	1	1	0	0	2
Amortizations for the year	104	64	0	0	168	86	56	0	0	142
Amortization reversed on disposals during the year	0	-32	0	0	-32	-5	-24	0	0	-29
Amortization and depreciation at 31 December	**1,246**	**532**	**9**	**0**	**1,787**	**1,146**	**495**	**10**	**0**	**1,651**
Carrying amount at 31 December	**2,605**	**176**	**5**	**189**	**2,975**	**2,424**	**179**	**1**	**204**	**2,808**
Carrying amount of leased assets	0	10	0	0	10	0	0	0	0	0

Accounting policies

Tangible assets
Tangible assets include land and buildings, including leasehold improvements, as well as other installations, operating equipment, and fixtures. Tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciation period and residual value are determined at the time of acquisition and are reviewed annually. If the residual value exceeds the asset's carrying amount, depreciation ceases. Any changes to the depreciation period or residual value are accounted for prospectively as a change in accounting estimates.

The depreciation basis is the cost price less the expected residual value after the end of the useful life. Land is not depreciated.

The cost price includes the purchase price and costs directly attributable to the acquisition until the asset is ready for use. For self-constructed assets, the cost price includes direct and indirect costs of materials, components, subcontractors, and labor.

The cost price of a composite asset is allocated to its individual components, which are depreciated separately if the useful lives of the components differ.

Depreciation is carried out on a straight-line basis based on the following assessment of the assets' expected useful lives and residual values:

	Useful life	Residual value
Buildings (average)	33 years	0 %
Other plant, machinery, and equipment	3-5 years	0 %
Leasehold improvements	10 years	0 %

Buildings are broken down into components, which are depreciated over 10 to 70 years.

New acquisitions with an estimated useful life of less than one year are fully expensed in the year of acquisition.

Intangible and tangible assets are impaired to the extent that their carrying amount exceeds the higher of their value in use or net selling price. This assessment is performed on individual assets, or if that is not possible, on the smallest group of assets for which a recoverable amount can be determined collectively.

Note 12 Financial assets

mDKK	2024 Other securities and equity investments	2024 Total	2023 Other securities and equity investments	2023 Total
Cost at 1 January	17	17	32	32
Foreign exchange adjustments	1	1	0	0
Additions during the year	4	4	10	10
Disposals during the year	0	0	-25	-25
Cost at 31 December	**22**	**22**	**17**	**17**
Value adjustments at 1 January	4	4	1	1
Value adjustments during the year	3	3	3	3
Value adjustments at 31 December	**7**	**7**	**4**	**4**
Carrying amount at 31 December	**15**	**15**	**13**	**13**

Note 13 Prepayments

Prepaid expenses consist of prepaid costs relating to rent, insurance premiums, subscriptions and interest.

Note 14 Information on fair value

mDKK	2024	2023
Derivative financial instruments		
Changes recognized in the fair value reserve under equity	-1	-3
Fair value of assets or liability, measures at fair value, year end.	3	5

Derivative financial instruments have fair value level 2.

Values are presented before tax.

mDKK	2024	2023
Securities		
Changes in fair value recognized in the income statement	66	79
Fair value of assets or liability, measures at fair value, year end.	1,207	1,110

Listed securities are recognized at fair value level 1. Unlisted securities of DKK 67 million are recognized at fair value level 3 (the year's change in fair value is DKK 5 million).

Calculated based on valuation from investment bank.

Values are presented before tax.

mDKK	2024	2023
Put/call option		
Changes recognized in the fair value reserve under equity	-35	0
Fair value of assets or liability, measures at fair value, year end.	-35	0

Put/call option are recognized at fair value level 3.

Values are presented before tax.

Accounting policies

Financial assets
Other securities and equity investments are measured at fair value. The fair value is determined based on an estimated market value at the balance sheet date. The item "Other securities and equity investments" also includes equity interests, which are measured at net asset value.

Prepayments
Prepayments, recognized under current assets, include expenses incurred relating to the following financial year.

Fair value
The fair value measurement is based on the principal market. If a principal market does not exist, the most advantageous market is used, which is the market that maximizes the price of the asset or liability, less transaction and/or transportation costs.

All assets and liabilities measured at fair value, or for which fair value is disclosed, are categorized according to the fair value hierarchy, which is described below:

Level 1: Value determined based on the fair value of comparable assets/liabilities in an active market..
Level 2: Value determined using recognized valuation methods based on observable market data.
Level 3: Value determined using recognized valuation methods, with reasonable estimates made based on unobservable market data.

Note 15 Equity

DKK	Face value
The share capital is specified as follows:	
18,000 A shares of DKK 100	1,800.000
482,000 B shares of DKK 100	48,200,000
Total	**50,000,000**

Conditional share program
An agreement was reached in 2023 regarding a conditional share program, where Bygma Gruppen will transfer shares in the period 2026-2030. The allocation limit is 3,655 shares, which will be allocated over 5 years.

Note 16 Deferred tax

mDKK	2024	2023
Deferred tax 1 January	109	97
Deferred tax recognized in the income statement	1	12
Deferred tax recognized in equity	1	0
Provision for deferred tax in connection with foreign exchange rate adjustments of foreign companies	1	0
Deferred tax 31 December	**112**	**109**
Intangible assets	4	1
Tangible assets	109	107
Financial assets	1	0
Trade receivables	-1	1
Debt	-1	0
Deferred tax 31 December	**112**	**109**

Note 17 Non-current liabilities

mDKK	Debt 1 January 2024	Debt 31 December 2024	Payments next year	Debt after 5 years
Mortgage debt	151	358	16	276
Bank borrowings	30	46	4	3
Lease liabilities	0	10	4	0
Other liabilities	5	37	0	20
Total	**186**	**451**	**24**	**299**

The put/call option has been entered into as part of the agreement to acquire AB Bechcicki. The earn-out falls due 50% in 2027 and 50% in 2030, respectively.

Note 18 Subsequent events

No events have occurred after the end of the financial year that could significantly affect the Group's financial position.

Accounting policies

Equity
Currency translation
The reserve for currency translation adjustments includes the share of exchange differences arising from the translation of financial statements of entities with a functional currency other than Danish kroner, exchange adjustments related to assets and liabilities that are part of the company's net investments in such entities, and exchange adjustments related to hedging transactions that hedge the company's net investments in such entities. The reserve is released upon disposal of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in associates in the parent company's financial statements are subject to the restriction in the reserve for net revaluation under the equity method, currency translation adjustments are instead included in this equity reserve.

Reserve for hedging transactions
The reserve for hedging transactions includes the accumulated net change after tax in the fair value of hedging transactions that qualify for cash flow hedge accounting, where the hedged transaction has not yet been realized. The reserve is released when the hedged transaction is realized, when the hedged cash flows are no longer expected to occur, or when the hedging relationship is no longer effective.The reserve does not represent a legal restriction under company law and may therefore be a negative amount.

Dividend
Proposed dividends are presented as a separate item under equity. Dividends are recognized as a liability at the time they are approved at the general meeting.

Own capital shares
Own capital shares are recognized at no value.

Provisions for deferred tax
Provisions for deferred tax and deferred tax assets are calculated using the balance sheet liability method on all temporary differences between the carrying amounts and tax bases of assets and liabilities, except for temporary differences arising at the time of acquisition that neither affect profit nor taxable income, as well as temporary differences on tax-deductible goodwill.

Deferred tax is measured based on the tax laws and tax rates that, according to legislation at the balance sheet date, are expected to apply when the deferred tax is realized as current tax. Changes in deferred tax resulting from changes in tax rates are recognized in the income statement, except for items that are recorded directly in equity.

Note 19 Rental and leasing obligations

mDKK	2024	2023
Lease obligation from operating lease		
Total future rental and lease payments:		
Within 1 year	151	125
Between 1 and 5 years	430	363
After 5 years	630	429
Total	**1,211**	**917**
Of which constitutes:		
Denmark	140	147
Iceland	920	739
Sweden	24	31
Poland	127	0

Note 20 Contingent liabilities

As an administration company, the company is jointly taxed with other Danish subsidiaries. The company is jointly and severally liable with other jointly taxed companies in the group for payment of corporate taxes and withholding taxes in the joint taxation area.

Note 21 Pledges and collateral

Denmark
As security for mortgage debt, DKK 358 million (2023: DKK 151 million), a pledge has been provided on land and buildings, the carrying amount of which as of 31 December 2024 is DKK 793 million (2023: DKK 749 million).

Sweden
As security for bank debt, DKK 2 million (2023: DKK 2 million), a pledge has been provided on land and buildings whose carrying amount as of 31 December 2024 is DKK 69 million (2023: DKK 9 million), as well as a corporate pledge of DKK 52 million (2023: DKK 52 million).

Iceland
As security for bank debt, DKK 25 million (2023: DKK 28 million), a pledge has been given on inventories and trade receivables, the carrying amount of which as of 31 December 2024 is DKK 346 million (2023: DKK 351 million).

Faroe Island
A bank guarantee of DKK 5 million has been provided as security for customs credit (2023: DKK 5 million).

The company is jointly and severally liable with Danish group companies as a guarantor for commitments in a cash pool agreement with the company's main bank. The agreement is administered by Bygma Gruppen A/S.

Note 22 Financial instruments

Interest rate risks
The Group hedges interest rate risks using interest rate swaps, whereby variable interest payments are converted into fixed interest payments.

Accounting policies

Financial instruments
Derivative financial instruments are initially recognized on the balance sheet at cost and subsequently measured at fair value. Positive fair values of derivatives are recorded under other receivables, while negative fair values are recognized under other liabilities.

Changes in the fair value of derivative financial instruments that are classified as, and qualify for, fair value hedges of a recognized asset or liability are recognized in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments entered into and qualifying for the hedging of expected future cash flows are recognized in equity until the hedged transaction is realized.If the future transaction results in the recognition of an asset or liability, the accumulated fair value changes are transferred from equity to the cost of the asset or liability. If the future transaction results in income or expense, the accumulated fair value changes are transferred from equity to the income statement together with the hedged item.

Changes in the fair value of derivative financial instruments that do not meet the criteria for hedge accounting are recognized in the income statement.

Purchase and sale options related to the acquisition and disposal of businesses are treated as derivative financial instruments. Changes in the fair value of purchase and sale options are recognized in equity under other movements in equity.

Note 23 Related parties

Controlling influence
No one with controlling influence.

Other related parties
Remuneration to the Executive Board and Board of Directors is stated in Note 4 Staff costs.

Transactions
There have been no transactions with related parties during the financial year that were not on normal market terms.

Note 24 Fee to statutory auditors

mDKK	2024	2023
EY Godkendt Revisionspartnerselskab:		
Audit fee	2	2
Other services	1	0
Total	**3**	**2**

Note 25 Cash flow – adjustments and reversals

mDKK	2024	2023
Financial income	-137	-163
Financial expenses	42	46
Profit from sale of tangible assets	-7	-6
Depreciation and amortisation	179	153
Income tax	144	148
Total	**221**	**178**

Note 26 Cash flow – changes in working capital

mDKK	2024	2023
Changes in inventory	-74	95
Changes in trade receivables	-55	89
Changes in trade payables	-58	-72
Other changes in working capital	37	-36
Total	**-150**	**76**

Income statement

1 January – 31 December 2024

mDKK	Note	2024	2023
Revenue	2	108	109
Cost of goods sold		-2	-2
Other income	3	11	14
Other external expenses		-52	-42
Gross profit		**65**	**79**
Staff costs	4	-96	-80
Earnings before interests, tax, depreciation and amortization (EBITDA)		**-31**	**-1**
Depreciation and amortization of non-current assets	5	-2	-2
Other expenses		-1	0
Earnings before interests and tax (EBIT)		**-34**	**-3**
Share in profit of subsidiaries		398	393
Financial income	6	181	179
Financial expenses	7	-33	-29
Earnings before tax		**512**	**540**
Income tax	8	-25	-33
Profit for the year		**487**	**507**
Profit distribution	9		

Balance sheet

mDKK	Note	2024	2023
Assets			
Acquired intangible rights		6	6
Intangible assets	10	**6**	**6**
Land and buildings		9	9
Tangible assets	11	**9**	**9**
Investment in subsidiaries	12	3,570	3,261
Receivables from subsidiaries	13	158	165
Financial assets		**3,728**	**3,426**
Total non-current assets		**3,743**	**3,441**
Receivables from subsidiaries		200	162
Other receivables		588	533
Prepayments	14	9	9
Receivables		**797**	**704**
Securities		1,207	1,110
Securities		**1,207**	**1,110**
Cash and cash equivalents		**1**	**2**
Total current assets		**2,005**	**1,816**
Total assets		**5,748**	**5,257**

mDKK	Note	2024	2023
Equity and liabilities			
Share capital		50	50
Reserve for net revaluation according to the equity method		2,947	2,754
Currency translation		9	1
Retained earnings		2,498	2,280
Proposed dividend		50	50
Total equity	**16**	**5,554**	**5,135**
Deferred tax		1	1
Total provisions	**17**	**1**	**1**
Other liabilities		35	0
Total non-current liabilities	**18**	**35**	**0**
Short term part of non-current liabilities	18	0	5
Trade payables		6	3
Debt to subsidiaries		93	57
Tax payables		25	33
Other liabilities		34	23
Total current liabilities		**158**	**121**
Total liabilities		**193**	**121**
Total equity and liabilities		**5,748**	**5,257**

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Statement of changes in equity

	2023					
mDKK	Share capital	Reserve for net revaluation according to the equity method	Currency translation	Retained earnings	Proposed dividend	Total
Equity 1 January	50	2,741	0	1,826	125	4,742
Paid dividend	0	0	0	0	-125	-125
Dividend own shares	0	0	0	6	0	6
Currency translations	0	6	0	0	0	6
Adjustment of hedging at fair value	0	-2	0	0	0	-2
Other equity changes	0	0	1	0	0	1
Profit for the year	0	9	0	448	50	507
Equity 31 December	**50**	**2,754**	**1**	**2,280**	**50**	**5,135**

	2024					
mDKK	Share capital	Reserve for net revaluation according to the equity method	Currency translation	Retained earnings	Proposed dividend	Total
Equity 1 January	50	2,754	1	2,280	50	5,135
Paid dividend	0	0	0	0	-50	-50
Dividend own shares	0	0	0	3	0	3
Adjustment of hedging at fair value	0	-1	0	0	0	-1
Other equity changes	0	8	8	-36	0	-20
Profit for the year	0	186	0	251	50	487
Equity 31 December	**50**	**2,947**	**9**	**2,498**	**50**	**5,554**

Note 1 Accounting policies

Please refer to the consolidated financial statements for a description of the accounting policies applied that are not covered in the following.

Income from equity investments in affiliated companies
This refers to the proportional share of the profit from subsidiaries, after eliminating internal profits or losses and deducting amortisation and impairment of goodwill.

Investments in affiliated companies
Investments in affiliated companies are measured using the equity method.

At initial recognition, these investments are measured at cost, including transaction costs. The cost is allocated in accordance with the acquisition method, as described in the accounting policies for the consolidated financial statements.

The carrying amount is adjusted for the Group's share of post-tax profit, calculated according to the Group's accounting principles, less or plus unrealized intra-group gains or losses.

Identified excess values and any goodwill in relation to the underlying company's net asset value are amortised in accordance with the accounting policies in the consolidated financial statements. Negative goodwill is recognised in the income statement.

Received dividends are deducted from the carrying amount.

Equity investments in affiliated companies measured at equity value are subject to impairment testing if there are indications of impairment.

Net revaluations of investments in affiliated companies exceeding cost are transferred under equity to the reserve for net revaluation according to the equity method.

Financial fixed assets
Financial fixed assets are measured at amortised cost..

Write-downs are made to account for losses where there is objective evidence that an asset is impaired.

Equity
Reserve for net revaluation according to the equity method
The reserve for net revaluation according to the equity method includes the net revaluation of investments in subsidiaries and associates in excess of cost.

Note 2 Revenue

mDKK

	2024	2023
Revenue	108	109
Total	**108**	**109**
Denmark	104	105
Iceland	2	2
Sweden	1	1
Other countries	1	1
Total	**108**	**109**

Note 3 Other income

mDKK	2024	2023
Other income	11	14
Total	**11**	**14**

Note 4 Staff costs

mDKK

	2024	2023
Salaries and wages	86	71
Pensions	6	5
Other expenses for social security	1	1
Other staff costs	3	3
Total	**96**	**80**
Compensation for the Executive Management and Board:		
Executive Management	10	10
Board	1	1
Total	**11**	**11**
Average number of fulltime employees	91	82

Note 5 Amortization of non-current assets

mDKK	2024	2023
Amortization of intangible assets	2	2
Total	**2**	**2**

Note 6 Financial income

miDKK

	2024	2023
Interests income from subsidiaries	12	6
Interests and other financial income	169	173
Total	**181**	**179**

Note 7 Financial expenses

mDKK	2024	2023
Interest expenses to subsidiaries	1	1
Interests and other financial expenses	32	28
Total	**33**	**29**

Note 8 Taxation

mDKK

	2024	2023
Current tax	25	33
Total	**25**	**33**

Note 9 Profit distribution

mDKK	2024	2023
Proposed dividend	50	50
Reserve for net revaluation according to the equity method	186	9
Retained earnings	251	448
Total	**487**	**507**

Note 10 Intangible assets

	2024		2023	
mDKK	Acquired intangible rights	Total	Acquired intangible rights	Total
Cost at 1 January	51	51	47	47
Additions during the year	3	3	4	4
Disposals during the year	-1	-1	0	0
Cost at 31 December	**53**	**53**	**51**	**51**
Amortization and depreciation at 1 January	45	45	43	43
Amortization for the year	2	2	2	2
Amortization and depreciation at 31 December	**47**	**47**	**45**	**45**
Carrying amount at 31 December	**6**	**6**	**6**	**6**

Note 11 Tangible assets

	2024			2023		
mDKK	Land and buildings	Fixture and fittings, tools and equipment	Total	Land and buildings	Fixture and fittings, tools and equipment	Total
Cost at 1 January	10	3	13	10	3	13
Cost at 31 December	**10**	**3**	**13**	**10**	**3**	**13**
Amortization and depreciation at 1 January	1	3	4	1	3	4
Amortization and depreciation at 31 December	**1**	**3**	**4**	**1**	**3**	**4**
Carrying amount at 31 December	**9**	**0**	**9**	**9**	**0**	**9**

Note 12 Investment in subsidiaries

mDKK

	2024	2023
Cost at 1 January	507	477
Additions during the year	121	30
Disposals during the year	-5	0
Cost at 31 December	**623**	**507**
Value adjustments at 1 January	2,754	2,741
Disposals during the year	-1	0
Currency translation	0	6
Share in profit for the year	398	393
Dividend received	-212	-384
Other equity adjustments, net	8	-2
Value adjustments at 31 December	**2,947**	**2,754**
Carrying amount at 31 December	**3,570**	**3,261**

Name	Registered office	Ownership
Investments in subsidiaries are specified as follow:		
Bygma A/S	Søborg	100%
Scandinova A/S	Søborg	100%
A/S Hjalmar Wennerth	Søborg	100%
Wennerth Wood Trading ApS	Søborg	100%
BGM Data ApS	Søborg	100%
Bygma Gruppen Ejendomme A/S	Søborg	100%
Bygma Sourcing A/S	Søborg	100%
Profile A/S	Rødekro	100%
Bygma Sverige AB	Sweden	100%
— Bygma AB *	Sweden	100%
— Bibbolo Fastighetförvaltning KB *	Sweden	100%
— Byggvaruhuset Forslunds Glasmästeri KB *	Sweden	100%
— Integrated Property Solutions Sweden AB *	Sweden	100%
Bygma Island ehf.	Iceland	100%
— Husasmidjan ehf *	Iceland	100%
Bygma Polen sp. z o.o.	Poland	100%
— AB Bechcicki sp. z o.o. *	Poland	70%
P/F Bygma Balslev	Faroe Island	100%
Bygma Grønland ApS	Greenland	100%
Bygma Handels GmbH	Germany	100%

* Companies indirectly owned by Bygma Gruppen A/S.

Note 13 Financial assets

mDKK	Receivables from subsidiaries	Total	2023
Cost at 1 January	165	165	160
Currency translation	7	7	0
Additions during the year	10	10	5
Disposals during the year	-24	-24	0
Cost at 31 December	**158**	**158**	**165**
Value adjustments at 1 Januar	0	0	0
Value adjustments at 31 December	**0**	**0**	**0**
Carrying amount at 31 December	**158**	**158**	**165**
Of the total receivables from subsidiaries, the following amounts are due for payment more than 1 year after the end of the financial year.		158	164

Note 14 Prepayments

Prepaid expenses consist of prepaid costs relating to rent, insurance premiums, subscriptions and interest.

Note 15 Information on fair value

mDKK	2024	2023
Securities		
Changes in fair value recognized in the income statement	66	79
Fair value of assets or liability, measures at fair value, year end.	1,207	1,110

Listed securities are recognized at fair value level 1. Unlisted securities of DKK 67 million are recognized at fair value level 3 (the year's change in fair value is DKK 5 million).

Calculated based on valuation from investment bank.

Values are presented before tax.

mDKK	2024	2023
Put/call option		
Changes recognized in the fair value reserve under equity	-35	0
Fair value of assets or liability, measures at fair value, year end.	-35	0

Put/call option are recognized at fair value level 3. Values are presented before tax.

Note 16 Equity

DKK

	Face value
The share capital is specified as follows:	
18.000 A shares of DKK 100	1,800,000
482.000 B shares of DKK 100	48,200,000
Total	**50,000,000**

Note 17 Deferred tax

mDKK	2024	2023
Deferred tax at 1 January	1	1
Deferred tax at 31 December	**1**	**1**
Intangible assets	1	1
Deferred tax at 31 December	**1**	**1**

Note 18 Non-current assets

mDKK	Debt 1 January 2024	Debt 31 December 2024	Payments next year	Debt after 5 years
Other liabilities	5	35	0	17
Total	**5**	**35**	**0**	**17**

The put/call option has been entered into as part of the agreement to acquire AB Bechcicki. The earn-out falls due 50% in 2027 and 50% in 2030, respectively.

Note 19 Subsequent events

No events have occurred after the end of the financial year that could significantly affect the Group's financial position.

Note 20 Rental and leasing obligations

mDKK

	2024	2023
Lease obligation from operating lease		
Total future rental and lease payments:		
Within 1 year	2	2
Between 1 and 5 years	1	1
Total	**3**	**3**

Note 21 Contingent liabilities

As an administration company, the company is jointly taxed with other Danish subsidiaries. The company is jointly and severally liable with other jointly taxed companies in the group for payment of corporate taxes and withholding taxes in the joint taxation area.

Note 22 Pledges and collateral

The company is jointly and severally liable with Danish group companies as a guarantor for commitments in a cash pool agreement with the company's main bank. The agreement is administered by Bygma Gruppen A/S.

Note 23 Related parties

Controlling influence
No one with controlling influence.

Other related parties
Remuneration to the Executive Board and Board of Directors is stated in Note 4 Staff costs.

Transactions
There have been no transactions with related parties during the financial year that were not on normal market terms.

Note 24 Fee to statutory auditors

Auditor's fees are not disclosed for Bygma Gruppen A/S with reference to Section 96(3) of the Danish Financial Statements Act, as the information is provided for the group as a whole in the consolidated financial statements of Bygma Gruppen A/S.



Other disclosures

Appendix

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94 Company information

IRO-2

Datapoints that derive from other EU legislation

The table includes all data points that derive from other EU legislation listed in Appendix B of the ESRS 2 standard. It shows where each data point can be found in the annual report. This also includes data points assessed as not material - in those cases, we state “Not material.”

Disclosure requirement	Datapoint	SFDR reference	Pillar reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page
ESRS 2 GOV-1	21 (d)	●	○	●	○	Governance	64
ESRS 2 GOV-1	21 (e)	○	○	●	○	Governance	64
ESRS 2 GOV-4	30	●	○	○	○	Governance	65
ESRS 2 SBM-1	40 (d) i	●	●	●	○	Not material	-
ESRS 2 SBM-1	40 (d) ii	●	○	●	○	Not material	-
ESRS 2 SBM-1	40 (d) iii	●	○	●	○	Not material	-
ESRS 2 SBM-1	40 (d) iv	○	○	●	○	Not material	-
ESRS E1-1	14	○	○	○	●	Environment	31
ESRS E1-1	16 (g)	○	●	●	○	Not material	-
ESRS E1-4	34	●	●	●	○	Environment	32-33
ESRS E1-5	38	●	○	○	○	Environment	35
ESRS E1-5	37	●	○	○	○	Environment	35
ESRS E1-5	40-43	●	○	○	○	Not material	-
ESRS E1-6	44	●	●	●	○	Environment	37
ESRS E1-7	53-55	●	●	●	○	Not material	-
ESRS E1-9	56	○	○	○	●	Phase-in	-
ESRS E1-9	66	○	○	●	○	Phase-in	-
ESRS E1-9	66 (a)	○	●	○	○	Phase-in	-
ESRS E1-9	66 (c)	○	●	○	○	Phase-in	-
ESRS E1-9	67 (c)	○	○	●	○	Phase-in	-
ESRS E1-9	69	●	○	○	○	Phase-in	-
ESRS E2-4	28	●	○	○	○	Not material	-
ESRS E3-1	9	●	○	○	○	Not material	-
ESRS E3-1	13	●	○	○	○	Not material	-
ESRS E3-4	14	●	○	○	○	Not material	-
ESRS E3-4	28 (c)	●	○	○	○	Not material	-
ESRS E3-4	29	●	○	○	○	Not material	-
ESRS 2 SBM-3 E4	16 (a) i	●	○	○	○	Not material	-
ESRS 2 SBM-3 E4	16 (b)	●	○	○	○	Not material	-
ESRS 2 SBM-3 E4	16 (c)	●	○	○	○	Not material	-
ESRS E4-2	24 (b)	●	○	○	○	Not material	-
ESRS E4-2	24 (c)	●	○	○	○	Not material	-
ESRS E4-2	24 (d)	●	○	○	○	Not material	-
ESRS E5-5	37 (d)	●	○	○	○	Not material	-
ESRS E5-5	39	●	○	○	○	Phase-in	-
ESRS 2 SBM-3 S1	14 (f)	●	○	○	○	Phase-in	-
ESRS 2- SBM3 - S1	14 (g)	●	○	○	○	Social	55
ESRS S1-1	20	●	○	○	○	Social	55
ESRS S1-1	21	○	○	●	○	Social	55
ESRS S1-1	22	●	○	○	○	Social	55
ESRS S1-1	23	●	○	○	○	Social	47
ESRS S1-3	32 (c)	●	○	○	○	Social	54
ESRS S1-14	88 (b), 88(c)	●	○	●	○	Phase-in	-
ESRS S1-14	88 (e)	●	○	○	○	Social	54
ESRS S1-16	97 (a)	●	○	●	○	Not reported	-
ESRS S1-16	97 (b)	●	○	○	○	Social	54
ESRS S1-17	103 (a)	●	○	○	○	Social	54
ESRS S1-17	104 (a)	●	○	●	○	Not material	-
ESRS 2 SBM-3 S2	11 (b)	●	○	○	○	Not material	-
ESRS S2-1	17	●	○	○	○	Not material	-
ESRS S2-1	18	●	○	○	○	Not material	-
ESRS S2-1	19	●	○	●	○	Not material	-
ESRS S2-1	19	○	○	●	○	Not material	-

Disclosure requirement	Datapoint	SFDR reference	Pillar reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page
ESRS S2-4	36	●	○	○	○	Not material	-
ESRS S3-1	16	●	○	○	○	Not material	-
ESRS S3-4	17	●	○	○	○	Not material	-
ESRS S4-1	36	●	○	○	○	Not material	-
ESRS S4-1	16	●	○	○	○	Not material	-
ESRS S4-1	17	●	○	○	○	Not material	-
ESRS S4-4	35	●	○	○	○	Not material	-
ESRS G1-1	10 (b)	●	○	○	○	Not material	-
ESRS G1-1	10 (d)	●	○	○	○	Not material	-
ESRS G1-4	24 (a)	●	○	●	○	Governance	61
ESRS G1-4	24 (b)	●	○	○	○	Not material	-

Company information

Company	Bygma Gruppen A/S Transformervej 12 2860 Søborg CVR nr.: 22 06 95 19 +45 4454 1700 info@bygma.dk www.bygma.dk Accounting period: 1 January – 31 December 2024 Registered office: Gladsaxe
Board of Directors	Søren Skou, chairman Christina Bruun Geertsen Svend Pedersen Michael Christiansen Henriette Hellerung Christiansen Carsten Bennike
Management	Peter Hellerung Christiansen Klaus Hadsbjerg Michael Breinholt Madsen
Audit	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg
Financial institution	Danske Bank Sydbank
General meeting	The annual general meeting will be held on April 10, 2025, at the company's registered address



BYGMA GRUPPEN A/S

Annual report 2024
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