Húsasmiðjan ehf.
Sustainability Statement

2025

Húsasmiðjan ehf.
Reg. 5512110290

Content

Statement by the board of directors and CEO 3
Assessment Statement 4
Statement 5
  Environmental 5
  Social 8
  Governance 11
Organizational and Operational Boundaries 12
Definitions 13
Notes 15

Statement by the board of directors and CEO

Húsasmiðjan has a history spanning over half a century in Iceland being founded in 1956 and is today one of the country's largest companies. Húsasmiðjan provides comprehensive services in the building materials market. Its operations extend throughout the country with fourteen stores, seven of which also include Blómaval branches. In addition, the company also runs four branches of Ískraft B2B retail outlets selling electronic goods. Húsasmiðjan's sustainability statement for the year 2025 reflects the ESG guidelines issued by Nasdaq Iceland and Nasdaq Nordic in 2019. These guidelines are based on recommendations made in 2015 by the United Nations, the Sustainable Stock Exchange Initiative, and the World Federation of Exchange. Reference is also made to the GRI Standard (Global Reporting Initiative, GRI100-400) and the Ten Reporting Principles of the UN Global Compact. Húsasmiðjan uses the Klappir Sustainability Platform to ensure the traceability, transparency, and efficiency in data collection and processing and dissemination of environmental information. The board and CEO hereby confirm the company‘s sustainability statement for the period from January 1, 2025, to December 31, 2025.

Reykjavík, 12. June 2026

The Sustainability Statement for Húsasmiðjan is electronically signed by the board and the CEO.

Assessment Statement

Klappir Green Solutions hf. (Klappir) has assisted Húsasmiðjan, with its sustainability statement. The sustainability statement contains information on environment, social and governance of Húsamsiðjan.

Responsibility of the board of directors and CEO for the sustainability statement
The board of directors and CEO are responsible for reporting non-financial information, including information on environmental, social and governance matters, in accordance with Article 66 d of Act no. 3/2006 (Icelandic companies).

Confirmation by Klappir
We have planned and conducted our work in accordance with the principles of the Greenhouse Gas Protocol standards: Relevance, Accuracy, Completeness, Consistency and Transparency. By signing below, I hereby confirm that the data provided by Húsasmiðjan and its suppliers for the company's sustainability statement has been reviewed and assessed by Klappir's sustainability specialists. Information relating to social and governance matters was not reviewed by Klappir. Klappir is not responsible and bears no liability for any investment decisions made by any party based on the information presented in this statement.

Klappir Green Solutions hf.

Þorsteinn Svanur Jónsson, CEO

The Sustainability Statement of Húsasmiðjan is electronically signed by Klappir Green Solution hf.

Statement

Environmental

Proportional climate change mitigation and adaptation targets	Notes	Unit	2025	2024	2023	2022
Total GHG emissions reduction target	1	%	4.0%	4.0%	4.0%	

ESRS 2 MDR-T, E1-4 paragraph 34 (a, b), AR 23 - AR 24, AR 27 - AR 29, AR 31

Energy consumption and mix	Notes	Unit	2025	2024	2023	2022
Fossil energy consumption						
Fuel consumption from crude oil and petroleum products		MWh	1,023	1,022	1,139	1,127
Fuel consumption from other fossil sources		MWh	0	0	0	
Consumption of electricity, heat, and steam, and cooling from fossil sources		MWh	3,289	3,412	4,023	64
Total fossil energy consumption		MWh	4,312	4,434	5,163	1,191
Nuclear energy consumption						
Total nuclear energy consumption		MWh	843	875	521	15
Renewable energy consumption						
Consumption of electricity, heat, and steam, and cooling from renewable sources		MWh	12,347	14,806	13,261	22,401
Total renewable energy consumption		MWh	12,347	14,806	13,261	22,401
Total energy consumption						
Total energy consumption		MWh	17,503	20,115	18,945	23,607
Fossil fuel		%	24.6%	22.0%	27.2%	5.0%
Renewables		%	70.5%	73.5%	70.0%	94.9%
Nuclear		%	4.8%	4.3%	2.8%	0.1%
Unknown		%	0.0%	0.2%	0.0%	0.0%

ESRS E1-5 paragraph 37 (a, b, c1 (i-iii)), 38 (a - e), AR 32 - AR 35 | VSME 29

Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)	Notes	Unit	2025	2024	2023	2022
Total energy consumption per net revenue		MWh/ISK m				

ESRS E1-5 paragraph 40, AR 36 | VSME 31

Greenhouse Gas Emissions	Notes	Unit	2025	2024	2023	2022
Scope 1		tCO_2e	262.2	260.3	287.0	283.9
Scope 2 (location-based)		tCO_2e	145.9	147.9	164.4	206.0
Scope 2 (market-based)		tCO_2e	2,716.6	2,808.7	164.4	206.0
Total Scope 1 and 2 (location based)		tCO_2e	408.1	408.3	451.4	489.9
Total Scope 1 and 2 (market-based)		tCO_2e	2,978.8	3,069.0	451.4	489.9
Scope 3		tCO_2e	11,336.5	11,069.1	278.3	725.0
Total Scope 1, 2 & 3 emissions (location-based)		tCO_2e	11,744.5	11,477.4	729.7	1,214.9
Total Scope 1, 2 & 3 emissions (market-based)		tCO_2e	14,315.3	14,138.1	729.7	1,214.9

ESRS E1-6, paragraph 44, 48 (a, b), 49 (a, b), 52 (a, b), 51, AR 39, AR 43 - AR 45, AR 47 | VSME 30 (a,b)

Scope 1 - Details	Notes	Unit	2025	2024	2023	2022
Total Scope 1 emissions		tCO_2e	262.2	260.3	287.0	283.9

ESRS E1-6, AR 52 | VSME 30 (a)

Scope 2 - Details	Notes	Unit	2025	2024	2023	2022
Electricity		tCO_2e	35.5	40.9	48.3	50.0
Heating		tCO_2e	110.4	107.0	116.1	156.1
Total Scope 2 emissions		tCO_2e	145.9	147.9	164.4	206.0

ESRS E1-6, AR 52 | VSME 30 (b)

Scope 3 - Upstream emissions	Notes	Unit	2025	2024	2023	2022
Category 1: Purchased goods and services						
Total emissions	2	tCO_2e	7,546.9	7,683.9	0.0	0.0
Category 3: Fuel- and energy-related activities						
Purchased fuels		tCO_2e	64.0	63.7	70.0	68.9
Purchased electricity		tCO_2e	0.3	0.2	0.2	0.2
Transmission and distribution (T&D) losses	3	tCO_2e	0.7	50.9	50.9	57.0
Total emissions		tCO_2e	65.0	114.8	121.0	126.2
Category 4: Upstream transportation and distribution						
Total emissions		tCO_2e	3,371.8	2,894.6	0.0	0.0
Marine transportation		tCO_2e	2,977.6	2,538.5	0.0	0.0
Road transportation		tCO_2e	394.2	356.1	0.0	0.0
Category 5: Waste generated in operations						
Total emissions		tCO_2e	107.8	104.6	149.7	391.8
Transport, disposal and treatment of waste		tCO_2e	107.8	104.6	149.7	391.8
Category 6: Business travel						
Air travel		tCO_2e	7.9	26.8	7.6	207.0
Road travel		tCO_2e	8.00	5.03	0.00	0.00
Total emissions		tCO_2e	15.9	34.9	7.6	207.0
Category 7: Employee commute						
Bus commute		tCO_2e	1.4	1.9	0.0	0.0
Car commute		tCO_2e	226.9	234.4	0.0	0.0
Total commuting emissions		tCO_2e	229.1	236.3	0.0	0.0

ESRS E1-6, AR 52

Scope 3 calculations methodology	Notes	Unit	2025	2024	2023	2022
Percentage of GHG Scope 3 calculated using primary data		%	100%	100%	100%	100%

ESRS E1-6, AR 46 (g)

Carbon intensity	Notes	Unit	2025	2024	2023	2022
Total GHG emissions (location-based) per net revenue		tCO_2e/ISK m	458	442	27	0
Total GHG emissions (market-based) per net revenue		tCO_2e/ISK m	559	545	27	0

ESRS E1-6, paragraph 53, AR 53 | VSME 31

Net revenue used to calculate carbon intensity	Notes	Unit	2025	2024	2023	2022
Net revenue used to calculate GHG intensity		ISK m	26	26	27	2,733

ESRS E1-6, AR 55

Water consumption	Notes	Unit	2025	2024	2023	2022
Total water withdrawal		m^3	221,315	262,593	249,559	334,355

ESRS E3-4, paragraph 28 (a - c), AR 28 | VSME 35, 36

Water intensity	Notes	Unit	2025	2024	2023	2022
Total water consumption per new revenue		m^3/ISK m	8,638	10,123	9,378	122

ESRS E3-4, paragraph 29

Resource outflow - waste	Notes	Unit	2025	2024	2023	2022
Recovered waste						
Waste prepared for reuse		kg	0	0	0	0
Non-hazardous waste prepared for reuse		kg	0	0	0	0
Hazardous waste prepared for reuse		kg	0	0	0	0
Waste recycled		kg	349,239	262,767	265,503	398,477
Non-hazardous waste recycled		kg	345,374	258,419	262,942	395,248
Hazardous waste recycled		kg	3,865	4,348	2,561	3,229
Waste diverted to other recovery operations		kg	359,934	356,566	443,283	113,130
Non-hazardous waste diverted to other recovery operations		kg	359,165	356,091	442,841	113,130
Hazardous waste diverted to other recovery operations		kg	769	475	442	0
Recovered waste		kg	709,173	619,333	710,597	511,623
Disposed waste						
Waste incinerated		kg	6,126	6,342	9,057	4,228
Non-hazardous waste incinerated		kg	3,308	500	27	1,131
Hazardous waste incinerated		kg	2,818	5,842	9,030	3,097
Waste landfilled		kg	199,539	203,054	316,677	595,035
Non-hazardous waste landfilled		kg	196,292	203,054	311,780	591,984
Hazardous waste landfilled		kg	3,247	0	4,897	3,051
Waste directed to other disposal operations		kg	420	0	2,064	646
Non-hazardous waste directed to other disposal operations		kg	0	0	0	60
Hazardous waste directed to other disposal operations		kg	420	0	2,064	586
Disposed waste		kg	206,085	209,966	327,798	599,909
Waste recycling						
Total amount of non-recycled waste		kg	566,019	566,532	772,892	713,055
Percentage of non-recycled waste		%	62%	68%	74%	64%
Hazardous waste						
Total amount of hazardous waste		kg	11,119	10,665	19,025	9,975
Total amount of radioactive waste		kg				

ESRS E5-5, paragraph 37 (a - c), 39, AR 31 - AR 32 | VSME 38 (a,b)

Social

Characteristics of employees	Notes	Unit	2025	2024	2023	2022
Total number of employees, by gender						
Male		Headcount	387	402	387	
Female		Headcount	166	181	157	
Other		Headcount	4	4	2	
Total		Headcount	557	587	546	
Number of permanent employees, by gender						
Male		Headcount	277	281	268	
Female		Headcount	94	103	91	
Other		Headcount	2	2	0	
Total		Headcount	373	386	359	
Number of non-guaranteed hours employees, by gender						
Male		Headcount	110	121	116	
Female		Headcount	72	78	61	
Other		Headcount	2	0	2	
Total		Headcount	184	201	179	
Employee turnover						
Total number of employees who left the organization		Headcount	145	194	63	
Total employee turnover rate		%	26.0%	33.0%	17.5%	

ESRS S1-6, paragraph 50 (b) | VSME 39 (a,b), 40

Collective bargaining coverage and social dialogue	Notes	Unit	2025	2024	2023	2022
The percentage of total employees covered by collective bargaining aggreements		%	100.0%	100.0%	100.0%	
The global percentage of employees covered by workers' representatives		%	0.0%	0.0%	0.0%	

ESRS S1-8, paragraph 60 (a), AR 66 | VSME 42 (c)

Diversity metrics	Notes	Unit	2025	2024	2023	2022
Top management gender diversity						
Male		Headcount	19	19	19	
Female		Headcount	7	7	7	
Other		Headcount	0	0	0	
Male		%	73.0%	73.0%	73.0%	
Female		%	27.0%	27.0%	27.0%	
Other		%	0.0%	0.0%	0.0%	
Employee age distribution						
<30 years old		%	43.1%	45.6%	43.4%	
30-50 years old		%	29.3%	28.0%	26.7%	
>50 years old		%	27.6%	26.3%	29.8%	

ESRS S1-9, paragraph 66 (a, b)

Adequate wages	Notes	Unit	2025	2024	2023	2022
Percentage of employees paid below the applicable adequate wage benchmark		%	0.0%	0.0%	0.0%	
Percentage of non-employees paid below adequate wage		%	0.0%	0.0%	0.0%	

ESRS S1-10, paragraph 70, 71 | VSME 42 (a)

Persons with disabilities	Notes	Unit	2025	2024	2023	2022
The percentage of persons with disabilities amongst its employees						
Male		%	1.1%	0.6%	2.0%	
Female		%	0.0%	0.1%	0.6%	
Other		%	0.0%	0.0%	0.0%	
Total		%	1.1%	0.8%	1.6%	

ESRS S1-12, paragraph 80

Health and safety metrics	Notes	Unit	2025	2024	2023	2022
The percentage of workforce covered by health and safety management system		%	100.0%	100.0%	100.0%	
Health and safety incidents						
Fatalities as a result of work-related -injuries and -ill health		Count	0	0	0	
Fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites		Count	0	0	0	
Number of recordable work related accidents		Count	8	14	7	
Rate of recordable work related accidents		x/1.000.000	10.7	18.5	0.0	
The number of cases of recordable work-related ill health		Count	0	0	0	
The number of days lost to work-related injuries and fatalities from work-related accidents		Count	175	103	346	

ESRS S1-14, paragraph 88 (a - e), AR 80, AR 82, AR 89 - AR 91, AR 95 | VSME 41 (a,b)

Work-life balance metrics	Notes	Unit	2025	2024	2023	2022
The percentage of employees entitled to take family-related leave		%	100.0%	100.0%	100.0%	
The percentage of entitled employees that took family-related leave						
Total		%	3.8%	3.5%	2.4%	
Male		%	2.3%	2.1%	1.5%	
Female		%	1.5%	1.3%	0.9%	
Other		%	0.0%	0.0%	0.0%	

ESRS S1-15, paragraph 93 (a, b), AR 96 - AR 97

Remuneration metrics (pay gap and total renumeration)	Notes	Unit	2025	2024	2023	2022
The gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees		%	0.4%	0.2%	0.2%	

ESRS S1-16, paragraph 97 (a, b), AR 98 - AR 101 | VSME 42 (b)

Incidents, complaints and severe human rights impacts	Notes	Unit	2025	2024	2023	2022
Work-related incidents of discrimination						
Total number of incidents of discrimination, including harassment		Count	0	0	1	
The number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms) and, where applicable, to the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of the ESRS Own workforce topical Standard, excluding those already reported as incidents of discrimination, including harassment		Count	0	0	0	
Total amount of fines, penalties and compensation for damages as a result of incidents and complaints related to discrimination, including harassment		ISK m	0.0	0.0	0.0	
Cases of severe human rights incidents						
The number of severe human rights incidents connected to the undertaking's workforce		Count	0	0	0	
The total amount of fines, penalties and compensation for damages related to severe human rights incidents		ISK m	0.0	0.0	0.0	
Number of severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises		Count	0	0	0	

ESRS S1-17, paragraph 193 (a - c), AR 103 - AR 106

Governance

Incidents of corruption or bribery	Notes	Unit	2025	2024	2023	2022
Number of convictions for violation of anti-corruption and anti- bribery laws		Count	0	0	0	
Amount of fines for violation of anti-corruption and anti-bribery laws		ISK m	0	0	0	
Number of confirmed incidents of corruption or bribery		Count	0	0	0	
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents		Count	0	0	0	
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery		Count	0	0	0	

ESRS 2 G1-4, paragraph 24 (a), 25 (a - c) | VSME 43

Political influence and lobbying activities	Notes	Unit	2025	2024	2023	2022
Financial political contributions made		ISK m	0	0	0	
Amount of internal and external lobbying expenses		ISK m	0	0	0	
Amount paid for membership to lobbying associations		ISK m	0	0	0	
In-kind political contributions made		ISK m	0	0	0	

ESRS 2 G1-5, paragraph 29 (b (i)), AR 9, AR 12 (a, b)

Payment practices	Notes	Unit	2025	2024	2023	2022
Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated		Count	30			
Percentage of payments aligned with standard payment terms		%	100%			
Number of outstanding legal proceedings for late payments		Count	0			

ESRS 2 G1-6, paragraph 33 (a - c)

Organizational and Operational Boundaries

Organizational boundaries The “Operational Control” methodology has been chosen in order to define the organizational scope of {company}’s emission accounting. According to the "Operational Control" methodology, companies should account for 100 percent of greenhouse gas emissions from operations under their control. They should not account for greenhouse gas emissions from operations that it has no control over, even though it has a vested interest in their operations. The following companies are covered in the statement:

1. Húsasmiðjan ehf.
2. Blómaval ehf.
3. Ískraft ehf.

Operational boundaries

Scope 1
Mobile fuel consumption - Fully included
Stationary fuel combustion - Fully included
Fugitive emissions - Not applicable
Industrial processes - Not applicable
Scope 2
Electricity - Fully included
Heating - Fully included
Cooling - Not applicable
Steam - Not applicable
Scope 3
Category 1: Purchased goods and services - Partially included
Category 2: Capital goods - Not included
Category 3: Fuel and energy related activities - Fully included
Category 4: Upstream transportation and distribution - Fully included
Category 5: Waste from operations - Partially included
Category 6: Business travel - Fully included
Category 7: Employee commute Fully included
Category 8: Upstream leased assets - Not applicable
Category 9: Downstream transportation and distribution - Not applicable
Category 10: Processing of sold products - Not applicable
Category 11: Use of sold products - Not included
Category 12: End-of-life treatment of sold products - Not applicable
Category 13: Downstream leased assets - Not applicable
Category 14: Franchises - Not applicable
Category 15: Investments - Not applicable

Definitions

Carbon credits
A carbon credit is a convertible and transferable instrument representing GHG emissions that have been reduced, avoided or removed through projects that are verified according to recognised quality standards. Carbon credits can be issued from projects within (sometimes referred to as insets) or outside the undertaking's value chain (sometimes referred to as offsets).

Non-verified offsetting projects
Non-verified offsetting projects are defined as offsetting projects that do not generate carbon credits in accordance with the definition above.

Emission intensity
Emission intensity figures are based on combined Scope 1, Scope 2 and Scope 3. Emission intensity is calculated by dividing GHG emissions by a selected operational parameter unit, and is reported as tCO_2e per unit (such as tCO_2e per revenue unit). Emission intensity indicators are used to measure and compare the company's emissions relative to its operational scale.

Direct and indirect energy consumption
Total energy consumption includes all energy consumed by the company including combustion of fuels by the company (direct energy) and energy consumed through electricity and heating (indirect energy). The energy consumption is reported in kilowatt hours (kWh).

Energy intensity
Energy intensity is calculated by dividing the total energy consumption by a selected operational parameter unit, and is reported as kWh per unit (such as kWh per full-time equivalent employee (FTEe)). Energy intensity indicators are used to measure the efficiency of energy usage and compare the company's energy consumption relative to its operational scale.

Waste intensity
Waste intensity is calculated by dividing the total amount of waste generated by a selected operational parameter unit, and is reported as kg per unit (such as kg per full-time equivalent employee (FTEe)).

Scope 2 (location-based)
Emissions in scope 2 (location-based) are indirect emissions from generation of consumed energy, where emissions from energy consumption is estimated based on the average emissions from generation onto the energy network.

Scope 2 (market-based)
Market-based scope 2 emissions reflect the emissions from the electricity that a company is purchasing (often spelled out in contracts or instruments) which may be different from the electricity that is generated locally.

Fugitive emissions
Emissions resulting from intentional or unintentional releases, e.g., equipment leaks from joints, seals, packing, and gaskets; methane emissions from coal mines and venting; hydrofluorocarbon (HFC) emissions during the use of refrigeration and air conditioning equipment; and methane leakages from gas transport.

Purchased goods and services
Extraction, production, and transportation of goods and services purchased or acquired by the reporting company in the reporting year, not otherwise included in Categories 2 - 8

Capital goods

Extraction, production, and transportation of capital goods purchased or acquired by the reporting company in the reporting year.

Fuel- and energy related activities
Includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in scope 1 or scope 2.

Upstream transportation and distribution
Transportation and distribution of products purchased in the reporting year, between a company. Third party transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics and third-party transportation and distribution between a company's own facilities.

Waste generated in operations
Emissions from third-party disposal and treatment of waste in the reporting year.

Business travel
Emissions from the transportation of employees for business related activities in the reporting year.

Employee commuting
Emissions from the transportation of employees between their homes and their worksites.

Upstream leased assets
Operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2 – reported by lessee.

Downstream transportation and distribution
Transportation and distribution of products sold by the reporting company in the reporting year between the reporting company's operations and the end consumer (if not paid for by the reporting company), including retail and storage (in vehicles and facilities not owned or controlled by the reporting company).

Processing of sold products
Processing of intermediate products sold in the reporting year by downstream companies (e.g., manufacturers)

Use of sold products
End use of goods and services sold by the reporting company in the reporting year.

End-of-life treatment of sold products
Waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life.

Downstream leased assets
Operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in scope 1 and scope 2 – reported by lessor.

Franchises
Operation of franchises in the reporting year, not included in scope 1 and scope 2 – reported by franchisor.

Investments
Operation of investments (including equity and debt investments and project finance) in the reporting year, not included in scope 1 or scope 2.

Energy management system
Energy management systems such as ISO 50001.

Notes

[1] Húsasmiðjan has a set target of 40% reduction in emissions by 2030 based on 2019.

[2] Production of construction materials, steel, wood and gypsum. Steel is accounted for with emission factors based on environmental product declarations of the most common steel types acquired, whereas wood and gypsum use database emission factors

[3] In 2025 a change in methodology occurred where T&D losses for electricity are only accounted for with a lower emission factor compared to earlier years.