



Stockholm, 21 February 2023

HL Display's targets to decrease greenhouse gas emissions approved by Science Based Targets initiative

HL takes the next step in reducing the company's environmental impact and supporting customers on their journey to more sustainable stores.

HL Display today announced their targets for the reduction of greenhouse gas emissions have been approved by the Science Based Targets initiative. The Science Based Targets initiative independently assesses if corporate reduction targets are in-line with what is required to keep the rise of global warming below 1.5°C, according to the latest climate science according to the IPCC (Intergovernmental Panel on Climate Change). Following the commitment to the initiative in 2020, HL Display has defined a roadmap on how the reduction of emissions across its value chain will be achieved.

"Tackling climate change is one of the biggest challenges globally and it is important to HL to take responsibility and make sure we do our part in reducing emissions of greenhouse gases," says Björn Borgman, CEO of HL Display. "We aim to be the leader in innovative and sustainable solutions in our industry which means not just reducing the environmental footprint of our own operations, but also supporting our customers on their journey to more sustainable stores. I am glad HL joins all of our customers who have committed to and set their science-based targets already."

Understanding HL's climate footprint to take actions

The foundation of HL's now approved reduction targets by the Science Based Targets initiative is an in-depth study of the company's climate footprint in 2018. This study was conducted in collaboration with IVL (Swedish Environmental Research Institute) and in accordance with the GHG Protocol. According to the study, 91% of greenhouse gas emissions in HL's value chain occur outside of the company's own operations, emanating mostly from raw materials used in production processes, but also from transport of goods and the use of sold products. The remaining 9% of total greenhouse gas emissions are caused by HL's operations and mostly driven by energy usage in HL's factories.

Since 2019, HL has partnered with ZeroMission to facilitate data collection, set targets for the reduction of greenhouse gas emissions in-line with the principles of the Science Based Targets initiative and define a roadmap of how to reach these targets by 2030. The targets that have been approved by the Science Based Targets initiative call for a reduction of 46% of scope 1 and scope 2 emissions. For scope 3 emissions, the targets require a reduction of 22% per ton purchased material, coming from purchased goods and services as well as up- and downstream transportation. The base year for all targets is 2019.

"The approval of our emission reduction targets by the Science Based Targets initiative is an important milestone for us in our efforts to transform our company to a more sustainable one," says Jonas Marking, Sustainability Manager at HL Display. "While there is a lot of work to be done, I'm happy to say we are making good progress towards our targets for 2030. For example, our factory in Gliwice, Poland switched to renewable energy in 2021, lowering our scope 1 and 2 emissions significantly."

In order to reach the reduction targets for greenhouse gas emissions by 2030, HL will address several areas: to reduce scope 1 and 2 emissions, the company is focusing on becoming more energy efficient and using purchased or self-generated fossil-free energy. Scope 3 emissions will be targeted by working with HL's supplier base to decrease the carbon footprint of materials used in production as

well as replacing virgin fossil-based with recycled or bio-based materials wherever possible and reducing the usage of fossil fuels for transport.

Helping customers to reduce their environmental footprint

While reducing greenhouse emissions of HL's operations is a priority for the company, helping their customers to reduce their environmental footprint is of great importance as well. Therefore, HL launched HL Sustainable Choice in 2018, a growing range of merchandising solutions of renewable or recycled materials to support customers on their journey to a more sustainable store. Furthermore, the company is offering solutions for packaging-free merchandising, allowing stores and shoppers to reduce unnecessary packaging as well as solutions that help to reduce food waste in the fresh produce category, one of the main drivers of food waste in grocery retail.

"We help our customers to create a better shopping experience," says Björn Borgman. "It is our responsibility to make sure it is also a more sustainable one."

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About Science Based Targets initiative

The Science Based Targets initiative champions science-based target setting as a powerful way of boosting companies' competitive advantage in the transition to the low-carbon economy. Targets are considered to be science based, if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement. The initiative is a collaboration between CDP, World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC). To date, more than 4,000 companies have committed to reduce their greenhouse gases in-line with the Science Based Targets initiative.

About HL

HL is a global leader in in-store merchandising and communication solutions, helping customers to create a better shopping experience around the world. Founded in 1954, HL today is present in more than 70 countries and solutions can be found in 330,000 stores, supporting customers to grow sales, inspire shoppers, drive automation, and reduce waste. The three customer segments are retail food, branded good suppliers and non-food retail.

The HL Display Group has its headquarters in Stockholm, Sweden and sales offices in 23 countries covering 39 markets as well as distribution partners covering the remaining markets globally. The five production facilities are located in Sweden, Poland, the UK and China and handle a variety of industrial processes, including plastics and metal fabrication, printing and assembly.

The company has 1,100 employees and net sales of 1,900 MSEK. HL is a wholly owned subsidiary of the listed Swedish Business Group Ratos.