AXKID Group

Sustainability Report 2025

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Contents

Words from the CEO

At Axkid, we believe that growth and responsibility must go hand in hand. As we continue to expand, we are equally focused on strengthening how we manage and reduce our impact – with a clear ambition to build a more sustainable business over time.

We are pioneers in safety, and that mindset extends beyond our products. It shapes how we approach sustainability: with curiosity, accountability, and a commitment to continuous improvement. We do not see this as a fixed destination, but as an ongoing process where better data, better decisions, and better outcomes are closely connected.

Over the past year, we have taken important steps to strengthen the structure and transparency of our sustainability work. As the business has grown, so has our overall footprint. At the same time, we have seen early signs of progress, including improvements in emissions intensity, reflecting ongoing efforts to enhance product design and operational efficiency.

A significant share of our impact sits across our value chain. This is where our focus lies. By improving data quality and deepening our understanding of product-level impact, we are building a stronger foundation for decision-making. This allows us to prioritise actions, allocate resources more effectively, and drive measurable progress over time.

We continue to evolve our product offering with a long-term perspective. Designing for durability, resource efficiency, and circularity is not only the right approach from a sustainability standpoint – it is also fundamental to delivering lasting value to our customers. Our ambition is clear: to create products that support safe journeys throughout childhood, while reducing the need for replacement and minimising environmental impact.

We also recognise that our responsibility extends beyond our own operations. Together with our suppliers, we are working to strengthen standards, improve transparency, and ensure responsible practices throughout our supply chain. Progress is evident, but so is the need for continued focus – particularly in areas such as working conditions, data reliability, and follow-up.

Sustainability is integrated into our governance and risk management. As regulatory expectations evolve and climate-related risks become increasingly relevant, we are taking a proactive approach to ensure that our business remains resilient, compliant, and well positioned for the future.

Looking ahead, our focus is on execution. We will continue to improve data quality, expand our product-level insights, and further integrate sustainability into our decision-making processes. Step by step, we are building the capabilities needed to meet rising expectations – from customers, partners, and the market.

We remain committed to our purpose: to enable safe journeys for the next generation. And to do so in a way that creates long-term value – for society and for our customers.

Sincerely,

Daniel Johansson
CEO, Axkid

About this report

STATEMENT OF USE

This report is structured using the GRI standard. Axkid has reported the information cited in this GRI content index for the period 2025-01-01 to 2025-12-31 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021 No sector specific standards have been regarded as relevant for this report.

Reporting period for financial reporting: 2025-01-01 to 2025-12-31

The report will be issued on a yearly basis.
Publication date: 2025-05-22

List of reported disclosures:
A list of reported disclosures and reference to location of the information can be found in Annex 1 of this report.

Entities within the Axkid group included in sustainability reporting: can be seen in the table below:

Company/Subsidiary	Country of operations	Registration date	In scope of report
Axkid AB	Sweden/HQ	2009-01-01	Yes
Axkid UK Ltd	UK	2014-01-01	Yes
Axkid GmbH	Germany	2016-01-01	Yes
Axkid SaS	France	2018-01-01	Yes
Axkid (Jiangsu) Safety Seat Co., Ltd.	China	2018-01-01	Yes
Arctic Safe	Spain	2025-10-01	Yes, from operational date
Axkid Poland	Poland	2025-10-01	Yes, from operational date
Axkid Inc	USA & Canada	2025-10-01	No, due to no sales or major activities in 2025

External assurance.
This report is not externally assured, which means the data disclosed may be lacking in accuracy and consistency with the GRI standard, however the board members have reviewed the report and signed off on its content and the GHG calculations have been reviewed by Greenstep OY.

Restatements of information
GHG calculations have been recalculated with the help of external company, following the GHG protocol standards for Scope 1, 2 and 3 for both 2024 and 2025. The figures for earlier years are not changed but, in some cases, left out of comparisons due to differences in calculation methods. See Limitations and Transparency Summary for details. Our base year of 2024 is thus recalculated.

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Limitations and transparency summary

Purpose of this page
This page summarises the main methodological limitations, data-quality constraints and restatements in this report. The aim is to support transparent interpretation of results and clarify where improvements are planned.

Evidence types used in the report:

- Audited or externally verified
- Documented internal data
- Self-reported (unverified)
- Estimated or modelled data

Reporting scope and assurance
The report is prepared with reference to the GRI standard and covers the 2025 reporting year. The organisational boundary is based on operational control, as described in the report. The report is not externally assured. Greenstep OY has reviewed the GHG calculations. Figures for 2024 have been recalculated under the updated GHG methodology.

Restatements
The 2024 (base year) GHG inventory has been recalculated using updated methods. Earlier years are not shown because they are not methodologically comparable.

Methodology and data-quality overview
The GHG inventory follows the GHG Protocol Corporate Standard and Scope 3 Standard. Detailed methods, emission-factor sources and uncertainty assessments are included in the 2025 and 2024 GHG Inventory Reports on axkid.com. Emissions are calculated using activity-based data where available, and estimates or secondary datasets when primary data is missing.

How to interpret results

- Treat EPD-based results as the highest-quality data.
- Interpret supplier-reported figures as directional indicators only.
- View employee-survey results as sentiment data.
- Interpret health-and-safety figures with current reporting gaps in mind.

Planned improvements for 2026

- Repeat supplier audits and monitor corrective-action plans.
- Adopt spend-based business-travel calculations.
- Standardise health-and-safety reporting.
- Improve supplier-environmental data quality and evidence requirements.
- Update and expand EPDs.
- Assess options for renewable-energy certificates.
- Finalise policy updates and strengthen governance documentation.

Topic-specific limitations
As seen in table.

Topic	What we report / data source	Evidence status	Key limitations	How we mitigate / next steps
Scope 1 & 2 boundaries	Operational control; invoices, meter readings; market- and location-based Scope 2	Documented internal	Some sites rely on landlord systems.	Continue landlord engagement. Pursue site-specific improvements and documentation
Rooftop solar (Taicang)	On-site generation recorded in 2025	Documented internal	No RECs/GO certificates held cannot claim zero-carbon in market-based Scope 2 (also not Scope 1)	Report solar power as avoided emissions. Explore future certificate options
Product footprints (EPDs)	Evnironmental Product Declaration (EPD) based (“cradle-to-grave”); internal Bill of Material (BOM) based estimates where missing	Externally verified (EPDs) & Estimated	No updated EPDs that show changes from original EPDs. Not all products covered	Update EPDs in next cycle; disclose coverage and use estimates transparently
Scope 3.1 Purchased goods & services	EPD data where available; otherwise representative datasets and mass-based methods	Mixed (EPD verified / Estimated)	Partial EPD coverage; method changes vs prior year	Maintain category-level uncertainty notes. Continue expanding EPD coverage
Scope 3.4 Upstream transport	Distance/mode data, carrier info, spend-based if gaps.	Mixed (Documented / Estimated)	Transitional year (warehouse network changes); air-freight share up; data gaps by payer	Conservative assumptions; improve logistics data capture as network stabilises
Scope 3.6 Business travel	Agency reports + self-report; standard factors	Mixed (Documented / Self-reported)	Incomplete self-reporting; one-off events affect comparability	Switch to spend-based method from 2026 for consistency
Scope 3.7 Commuting	Employee survey (modes, distances, frequency) extrapolated to all staff	Self-reported (unverified) & Estimated	Response bias and standardised assumptions (work/vacation days)	Note uncertainty; retain conservative assumptions; improve survey coverage
Scope 3.5 Waste	Office waste estimated per-employee; prototypes discarded	Estimated	Limited metered data; prototype disposal varies with R&D cycles	Use conservative estimation; improve site-level waste tracking where feasible
Supplier environmental data (energy, water, transport)	Annual supplier survey	Self-reported (unverified)	Incomplete documentation; water attribution to Axkid via spend/turnover; transport claims inconsistent	Use conservative modelling (e.g., 100% diesel for upstream road) until higher-quality evidence is available; request evidence in follow-ups
Supplier social data / audits	BSCI audits (~80% of spend) + survey + dialogue	Audited (BSCI) & Self-reported	Recurring working hours non-conformities; social insurance gaps; procedural weaknesses; limited lower-tier visibility	CAPs required and monitored; repeat audits in 2026; improve documentation quality and coverage
Health & safety	Site-manager reports; hours worked; incident logs	Documented internal	Near-miss/hazard tracking not fully standardised across sites	Standardise H&S recording and investigations; maintain disclosure of gaps; 2025 incidents summarised transparently
Workforce/engagement surveys	Employee sentiment and NPS	Self-reported (unverified)	Small sample size; possible response bias; limited statistical reliability	Present as directional indicators; add response rates and denominators
DEI metrics	Gender distribution; pay-gap monitoring	Documented internal (small dataset)	Small n; some sites <5 employees (privacy exclusions); figures indicative, not precise	Expand dataset; clarify privacy exclusions; continue annual monitoring
Climate compensation	Customer-optional contributions; external credits	Documented internal	Not counted as emission reductions; supplementary to internal actions	Continue separate disclosure; no impact on GHG totals or intensity
Regulatory framing	EU/US/China landscape summary	Documented internal	Company may be outside near-term CSRD scope after threshold changes; indirect expectations persist via customers	Continue monitoring regulations and stakeholder interests.

2025 progress report

Our progress report shows development over our most important KPI:s spanning over key areas. The values, calculation methods and uncertainties can be found throughout this report. This summary is new for 2025.

Purpose

471 033
Children riding safely in an extended rear facing seat (based on sales over last 10 years)
↗ Up 11% from 2024

47
Markets served by Axkid with the safest rear facing solutions
↗ Up 1 from 2024

2,6%
Extended rear-facing car seats as share of total car seats sales (Europe, all brands)
↗ Up from 2,3% in 2023

Planet

34,1
Total emissions intensity, tCO_2e /MSEK
↘ Down 1% from 2024

9370,4
Total Absolute Emissions, tCO_2e (location based)
↗ Up 20% from 2024

19,3%
Renewable energy in supply chain (self reports, unverified data)
↗ Up 0,5% from 2024

People

59
Number of Employees
↗ Up 28% from 2024

2%
Employee Turnover Rate
↘ Down from 11% in 2024

86%
Net promoter score
↘ Down from 89% in 2024

Profit

278 378
Net sales, kSEK
↗ Up 22% from 2024

13%
Operating margin
→ Flat compared to last year

0,4%
Share of turnover from circular business models
→ Up from 0,36% in 2024

Reflections from the CSO

In 2025, we moved from building the basics of our sustainability work to making it more consistent and easier to repeat year to year. One encouraging sign was receiving an award for our 2024 sustainability report. For me, that recognition mainly confirmed that a transparency-first approach matters: being clear about what we know, what we estimate, and what we still cannot measure well. During the year we also published Environmental Product Declarations (EPDs) for major product platforms. This gives us a stable starting point for tracking product impacts over time when designs and materials change. We also completed greenhouse gas calculations for 2024 and 2025 with support from external consultants, fully aligned with the Greenhouse Gas Protocol. That work strengthened our carbon accounting and reduced the risk of inconsistent methods between years.

At the same time, 2025 made it clear where our footprint is shaped by factors we do not fully control. One of the biggest is the energy transition in our supply chain. We can influence it through expectations and dialogue, but we cannot decide the pace. The direction appears positive, but the practical challenge is collecting data that is detailed and reliable enough to reflect these changes in future EPD updates and in our Scope 3 reporting. Logistics was another area where the numbers moved in the wrong direction. Upstream transport emissions increased strongly in 2025 and grew much faster than the business. The main reasons were changes in our distribution set-up, including new warehouses in Europe that temporarily increased transport volumes and internal redistribution, and a higher share of air freight. This also highlighted a structural limitation in annual reporting: when we measure once per year, it can be hard to link the outcome back to individual operational decisions made throughout the year.

In our own operations, we reached full utilisation of rooftop solar at our Taicang site, with 165.9 MWh generated in 2025. It is frustrating that we cannot count this as zero-carbon electricity in market-based Scope 2 because we do not hold the required certificates and agreements. Instead, we disclose it separately as avoided emissions. We also tested a customer option for climate compensation in selected markets. During 2025, this resulted in the purchase of 10 tonnes of CO_2e credits in the Paskaia reforestation project in Honduras (Plan Vivo). This does not reduce our reported emissions, but it was a practical way to involve customers in climate action without overstating the effect.

Compared with our 2024 report, the 2025 report includes more product-level information through published EPDs, more detailed logistics explanations, and a clearer description of where estimates and self-reported inputs still limit accuracy. We also added the “Axkid in numbers” page to better describe our wider impact. Some of these figures are estimates and are not yet auditable, but they still help put our purpose into context. For example, our estimate suggests that close to 500,000 children travel in an extended rear-facing car seat. Seeing a clearer picture of community impact has been motivating, even while recognising the limits of the underlying data.

The biggest obstacle remains data collection. Much of our work is still Excel-based, and a lot of time goes into gathering, cleaning, and reconciling inputs – especially for transport and supplier data. This reduces efficiency and makes it harder to improve auditability and precision. In short, 2025 brought real progress in method, structure, and transparency, while also making the remaining gaps more visible: supply chain energy data, transport decisions that drive emissions intensity, and the need for more reliable systems to support reporting that is both efficient and credible.

Progress on each of our strategic pillars

Environment
Axkid’s environmental work in 2025 focused on improving the quality of Scope 1–3 data, expanding the use of on-site renewable electricity, and developing material- and energy-efficiency measures across the value chain. The Taicang assembly plant rooftop solar panels where operational for the full year, although this cannot be reported as zero-carbon under GHG accounting rules. Environmental Product Declarations(EPDs) provided clearer insights into emission drivers and informed ongoing improvement work. Key challenges remain, including inconsistencies in supplier data, integration of newly established subsidiaries, and balancing product-level technical improvements with operational constraints. Progress on absolute emission reductions continues to depend on the pace of energy transitions among suppliers and availability of data to include this in future EPDs.

Circularity
Circularity work in 2025 centred on extending product lifetimes and continuing development of Axkid Care and Reborn. Rental, repair and second-hand models progressed, but volumes remain small and dependent on future system development. Several constraints continue to limit progress, including infrastructure gaps for recycling, and the need for deeper redesign in some areas to achieve higher recovery rates. Ensuring consistency across markets and suppliers remains an additional challenge.

Product
Product-related emissions were addressed through design updates such as reduced material use, increased recycled content and adjustments to component choices. EPDs confirmed alignment with current methodological standards and provided more detailed guidance for future improvements. Safety, durability and quality work continued, supported by internal testing and independent safety assessments. Constraints include maintaining improvement momentum while managing cost, supplier capability and the practical limits of incremental changes. Some future reductions are expected to require concept-level redesign rather than component-level adjustments.

Social
Social work during 2025 focused on supplier audits, follow-up on working-condition issues and increasing transparency in social reporting. Health and safety development included CPR training and installation of safety equipment. One serious workplace injury at the China site highlighted the need for further standardisation of safety routines across locations. Communication and organisational culture remained priorities as we expanded internationally. Key challenges include uneven social-data quality, differing maturity levels across sites and the need for more consistent reporting structures and management practices.

Governance
Governance efforts in 2025 focused on strengthening Axkid’s sustainability-management structure, clarifying roles and improving alignment with board-level expectations. The CSO supported policy development, target setting and KPI management, with added internal resources such as the sustainability hub improving access to guidance and tools. Stakeholder engagement, particularly with suppliers, became more structured through clearer processes for dialogue and reporting. Challenges remain in harmonising data collection across new subsidiaries, improving audit coverage and ensuring that governance systems develop in line with Axkid’s continued growth and a more complex regulatory environment.

Our most celebrated achievements during 2025

ESG transparency award
Axkid received an Excellence Rating in the ESG Transparency Award. The recognition reflects improvements made to the structure of our emissions accounting and the clarity of our sustainability reporting. Data collection is still partly manual, and the award highlights ongoing progress rather than completed work. We will continue developing the systems and procedures needed for more consistent, evidence-based reporting.

Home - ESG Transparency Award

Axkid up launch
Axkid Up, our first fully in-house developed and produced forward-facing model, was introduced during the year. The seat achieved high scores in ADAC's 2025 testing. The model includes design elements intended to support correct use in everyday conditions, such as belt-path clarity and stability features. These elements are based on internal testing and user-feedback scenarios.

Axkid Up™ – A new era in forward-facing safety – Axkid Sweden

Child safety report
Axkid published the 2025 Child Safety Report, which summarises common risk situations in child car travel and provides updated guidance for caregivers. The report aims to make safety information more accessible and supports our long-term focus on evidence-based communication about rear-facing travel.

Child Safety Report 2025 | Axkid

EPDs on webiste
Axkid completed product-level emissions calculations for major models and published the results as Environmental Product Declarations on our website. Making this data publicly available improves transparency and provides a consistent basis for comparing product impacts. The results also support internal decision-making by clarifying where material or design changes may reduce emissions. This work will continue as we update and expand EPD coverage in future reporting cycles.

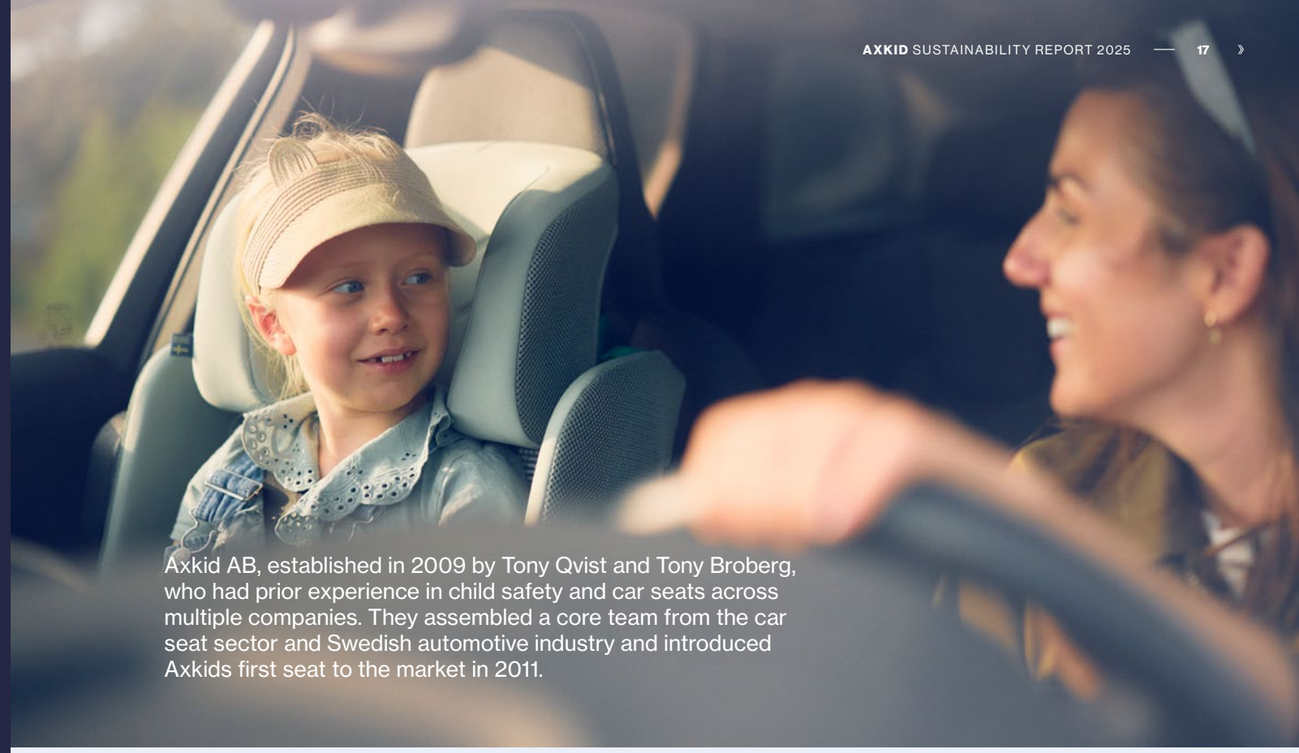
How Axkid calculates product carbon footprints

This is Axkid

We’re proud to be pioneers of extended rear-facing car seats and advocates for children’s traffic safety. Our mission is to set new standards for children’s safety in traffic while also working towards a better, more sustainable world.

Recognising that the youngest explorers deserve the best protection and comfort, we draw on our Swedish heritage in safety, innovation, and design to create some of the safest car seats available. Our commitment to pioneering children’s traffic safety goes beyond production. We’re dedicated to sharing our knowledge and educating others about children’s safety in traffic.

Guided by our core values of knowledge, innovation, and dedication, we’re committed to continuous improvement, both in ourselves and our products. We do this to bring adventures to children and peace of mind to parents.



Axkid AB, established in 2009 by Tony Qvist and Tony Broberg, who had prior experience in child safety and car seats across multiple companies. They assembled a core team from the car seat sector and Swedish automotive industry and introduced Axkids first seat to the market in 2011.

Axkid’s company objectives

Vision

To set new global safety standard for children on the move.

Mission

We bring safety and peace of mind to families in their everyday lives.

Promise

Pioneering safe adventures.

Milestones in the history of Axkid

2009 Axonkids is founded by Tony Qvist and Tony Broberg

2010 First car seat launched outside of Sweden

2011 The company is introduced to the stock market

2012 Launched in over 10 markets outside Nordics

2013 First car seat is introduced on the Swedish market

2014 Minikid is launched on all markets

2015 New visual identity. Changed name from Axonkids to Axkid

2016 Launch of the Axkid Modukid Modular System

2017 The revolutionary Axkid ONE is launched!

2018 Launches of new versions of our Minikid platform. First platform to 36 kg

2019 First edition of the Axkid Safety Conference

2020 Introduced direct sales through Axkid.com

2021 New ownership: SEB private equity

2022 Launched our rental model Axkid Care

2023 Launch of our latest platform for our oldest adventurers Axkid Up. Aquisition of Påhoj.

2024

2025

Axkid Core Values

The mindset and guiding principles that shape our actions and culture

Knowledge

Knowledge guides how we work and make decisions. We use available data, testing results and documented experience to inform product development and internal processes. Sharing information within the organisation supports consistent decision-making and helps ensure that safety and sustainability considerations are applied across teams.

Innovation

Innovation at Axkid is focused on improving product performance, safety, usability and environmental impact through iterative development. The work includes testing new materials, refining design features and exploring alternative solutions when evidence indicates potential benefits. Innovation is treated as a practical method for addressing identified needs rather than pursuing novelty for its own sake.

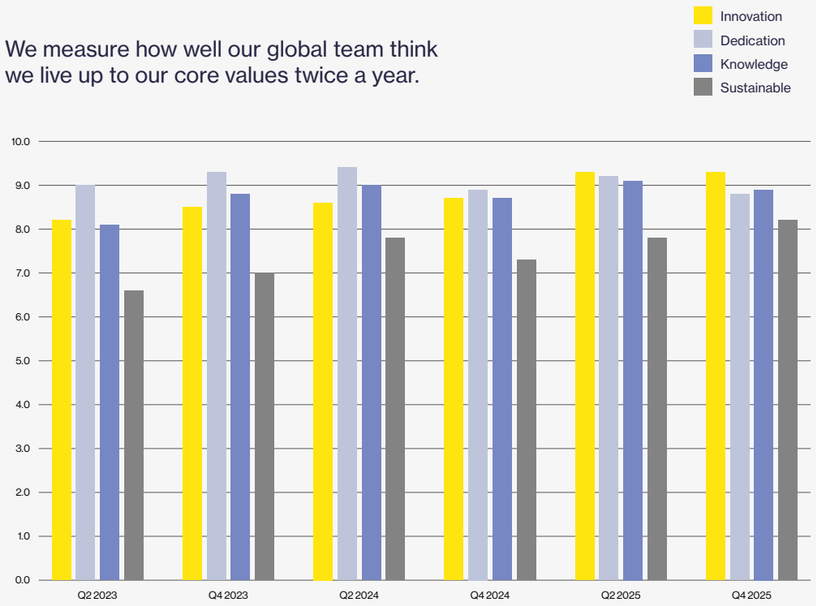
Dedication

Dedication reflects the approach we take to day-to-day work. Teams are expected to collaborate, follow established processes and contribute to continuous improvement. This includes maintaining product quality, supporting colleagues and responding to operational or safety-related issues as they arise.

Sustainability

Sustainability influences how Axkid evaluates impacts and manages decisions across the value chain. We prioritise understanding our environmental and social impacts, communicating them transparently and integrating this knowledge into product development, sourcing and operations. The long-term objective is to reduce negative impacts while increasing our positive impacts, spreading the safest solution for child mobility.

We measure how well our global team think we live up to our core values twice a year.



Our core values form the acronym ‘KIDS’ and this is an integral part of our company identity

Axkid product assortment 2025

Minikid 4 Max

Minikid 4 Max is a belt-installed, extended rear-facing car seat for children from around 6 months up to 7 years (61–125 cm, up to 36 kg). It is Plus Test approved and certified to UN R129. The seat offers a compact design with adjustable legroom and multiple headrest positions, making it suitable for long rear-facing use in a wide range of vehicles.

Approved age:	0-7 Years
Approved weight:	Up to 36 kg
Approved length:	61-125 cm
Regulation:	UN-ECE R129
Plus test approved:	Yes
ADAC safety score	Not tested***
CO2 footprint:	70,5 kgCo2e*
Recycled content	–
Product lifetime:	10 years
Product weight:	10,9 kg

Minikid 4 Pro

Minikid 4 Pro is a belt-installed, extended rear-facing car seat designed for children from around 6 months to 7 years (61–125 cm, up to 36 kg). It is Plus Test approved and UN R129 certified. The seat has a slim profile, integrated belt locking, and adjustable legroom, making it suitable for families needing a flexible fit in both small and large cars.

Approved age:	0-7 Years
Approved weight:	Up to 36 kg
Approved length:	61-125 cm
Regulation:	UN-ECE R129
Plus test approved:	Yes
ADAC safety score	Not tested***
CO2 footprint:	61,5 kgCo2e*
Recycled content	18,3%*
Product lifetime:	10 Years
Product weight:	9,5 kg

Minikid Core

Minikid Core is a belt-installed, extended rear-facing car seat approved from newborn up to around 7 years (40–125 cm, up to 28 kg). It is Plus Test approved and certified to UN R129. The seat installs without tether straps and uses a support leg and anti-rebound bar, offering a compact and simple solution for frequent car-to-car use.

Approved age:	0-7 Years
Approved weight:	Up to 28 kg
Approved length:	40-125 cm
Regulation:	UN-ECE R129
Plus test approved:	Yes
ADAC safety score	Not tested
CO2 footprint:	73,7 kgCo2e**
Recycled content	–
Product lifetime:	10 Years
Product weight:	12 kg

Axkid One 3/3+

Axkid One 3 is a rear-facing ISOFIX car seat approved for children up to around 7 years (61–125 cm, up to 23 kg). It is Plus Test approved and certified to UN R129. The seat features a rigid frame, adjustable legroom after installation, and a fixed ISOFIX setup, designed for quick installation and long rear-facing use.

Approved age:	0-7 Years
Approved weight:	0-23 kg
Approved length:	40/61-125 cm
Regulation:	UN-ECE R129
Plus test approved:	Yes
ADAC safety score	Not tested****
CO2 footprint:	97,8 kgCo2e*
Recycled content	30,90%
Product lifetime:	15 Years
Product weight:	10,0 kg

Spinkid 2

Spinkid 2 is a rear-facing ISOFIX car seat for children from newborn to about 4 years (40–105 cm, up to 18 kg). It is Plus Test approved and UN R129 certified. The seat rotates 180° to support easier access, and includes adjustable recline, headrest, and infant inlay for use across early growth stages.

Approved age:	0-4 Years
Approved weight:	0-18 kg
Approved length:	40-105 cm
Regulation:	UN-ECE R129
Plus test approved:	Yes
ADAC safety score	Not tested
CO2 footprint:	100 kgCo2e*
Recycled content	22,90%
Product lifetime:	10 Years
Product weight:	15,1 kg

Axkid Up

Axkid Up is a high-back booster seat for children approximately 4–12 years old (100–150 cm, up to 50 kg). It is certified to UN R129 and features a height-adjustable seat base to support correct belt positioning. A steel frame and support leg provide added stability, making it distinct from conventional booster seat designs.

Approved age:	4-12 Years
Approved weight:	Up to 50 kg
Approved length:	100-150 cm
Regulation:	UN-ECE R129
Plus test approved:	Not applicable
ADAC safety score	1,9 (good)
CO2 footprint:	60,5 kgCo2e*
Recycled content	37,40%
Product lifetime:	15 Years
Product weight:	9,5 kg

** Cradle to Gate value. See EPD for details. ** No EPD developed. Value is estimated through the methods described in this report.*

Nextkid

Nextkid is a high-back booster seat for children approximately 4–12 years old (100–150 cm). It is certified to UN R129 and can be installed with ISOFIX and the vehicle seat belt. Adjustable headrest and side wings help maintain correct belt positioning as the child grows, making it a practical option for long-term booster use.

Approved age:	4-12 Years
Approved weight:	Not applicable
Approved length:	100-150 cm
Regulation:	UN-ECE R129
Plus test approved:	Not applicable
ADAC safety score	Not tested
CO2 footprint:	47,4 kgCo2e**
Recycled content	–
Product lifetime:	10 Years
Product weight:	7,5 kg

Boostkid

Boostkid is a forward-facing high-back booster seat for children from about 4 to 12 years (100–150 cm). It is UN R129 certified and can be installed with ISOFIX or the vehicle seat belt. The seat has an adjustable headrest, side wings, and a lightweight design, making it easy to move between vehicles while maintaining correct belt positioning.

Approved age:	4-12 Years
Approved weight:	Not applicable
Approved length:	100-150 cm
Regulation:	UN-ECE R129
Plus test approved:	Not applicable
ADAC safety score	Not tested
CO2 footprint:	40,6 kgCo2e**
Recycled content	–
Product lifetime:	10 Years
Product weight:	4,85 kg

Mate 2 / Mate 2 Isofix

Mate 2 ISOFIX is a booster cushion designed for children between 135 and 150 cm. It is UN R129 certified and uses the vehicle's three-point seat belt, with optional ISOFIX arms for added stability. The design helps position the seat belt correctly across the child's pelvis and shoulder during the final stage before seat-belt-only travel.

Approved age:	7-12 Years
Approved weight:	15-36 kg
Approved length:	135-150 cm
Regulation:	UN-ECE R129
Plus test approved:	Not applicable
ADAC safety score	Not tested
CO2 footprint:	18,4 kgCo2e**
Recycled content	–
Product lifetime:	10 Years
Product weight:	3,5

Minikid 2

Minikid 2 is a belt-installed, rear-facing car seat designed for children from infancy up to around 6–7 years (up to 25 kg). It is Plus Test approved and certified under earlier regulations. The seat offers multiple recline positions, adjustable headrest, and compact dimensions, and has been widely used as a long-term rear-facing solution.

Approved age:	0-7 Years
Approved weight:	Up to 36 kg
Approved length:	61-125 cm
Regulation:	UN-ECE R129
Plus test approved:	Yes
ADAC safety score	Not tested
CO2 footprint:	72,7 kgCo2e**
Recycled content	–
Product lifetime:	10 Years
Product weight:	11,4 kg

Axkid Gokid

GoKid is a rear-facing infant car seat suitable from newborn up to around 15 months (40–87 cm, up to 13 kg). It is certified to UN R129 and can be installed using an ISOFIX base (sold separately) or the vehicle seat belt. The seat is compatible with selected stroller systems and includes a protective canopy.

Approved age:	0-1 Years
Approved weight:	0-13 kg
Approved length:	40-87 cm
Regulation:	UN-ECE R129
Plus test approved:	Not applicable?
ADAC safety score	Not tested
CO2 footprint:	63,2 kgCo2e**
Recycled content	–
Product lifetime:	10 Years
Product weight:	4,2 kg (Base 4,8 kg)

Påhoj

Påhoj is a combined child bike seat and stroller designed for children from about 9 months up to 4 years (maximum 22 kg or 110 cm). It converts between bike seat and stroller without tools and is safety tested and approved for both uses, supporting short everyday trips in urban environments.

Approved age:	9 months - 4 years
Approved weight:	Up to 22 kg
Approved length:	Up to 110 cm
Regulation:	EN14344 + EN1888
Plus test approved:	Not applicable
ADAC safety score	Not applicable
CO2 footprint:	44,5 kgCo2e**
Recycled content	–
Product lifetime:	Not tested
Product weight:	6,75 kg

**** Minikid 3 is tested wiht a safety score of 1,5 (very good). This is the same platform, but values cannot be directly translated to other products.*
***** Axkid One, generation 1, was tested with a safety score of 1,6 (good)*

Our approach to sustainability

Axkid places a strong emphasis on sustainability. The company's mission includes both improving child safety and contributing to environmental and social responsibility. The focus extends beyond financial performance to include measurable impacts on child safety and sustainability.

What Sustainability Means to Axkid
Axkid defines sustainability as the integration of child safety, environmental responsibility, and social equity. The primary objective is to ensure safe mobility for children, supported by providing accurate safety information to consumers and stakeholders. Sustainability at Axkid includes reducing greenhouse gas emissions, limiting hazardous chemicals in products and operations, and maintaining fair and safe working conditions throughout the supply chain. We manages these aspects through a structured strategy that addresses environmental, social, and governance (ESG) priorities and aims for balanced progress.

Management Structure
The Chief Sustainability Officer (CSO) is responsible for overseeing Axkid's sustainability strategy. The CSO develops policies, initiates new projects, and ensures alignment with board directives. The CSO's input informs decisions on key performance indicators and targets. The CSO collaborates with various departments and coordinates sustainability-related projects. Axkid maintains a sustainability hub on its intranet, providing resources for training and reporting.

Objectives, challenges and approach
Axkid's sustainability targets are guided by the Paris Agreement, which aims for a 50% reduction in CO2 emissions by 2030 and a 90% reduction by 2050 from a baseline year. Axkid's annual growth rate (20–30%) and reliance on material suppliers and renewable energy transitions present challenges in achieving absolute reductions. Axkid measures product-level emissions and seeks to maintain lower CO2 emissions per product compared to comparable products and older platforms. Axkid collaborates with supply chain partners to advance emissions reductions and monitors progress through emissions intensity metrics.

Our guiding principles

Axkid's guiding principles focus on protecting children during travel and increasing awareness of rear facing safety. Safe journeys and rear facing use are core to the company's work. Products are tested extensively, beyond regulatory requirements, and designed to perform in real life crash situations. Safety is intended to be inclusive, with products designed for children with different needs and physical conditions. Axkid also shares safety guidance with families and other stakeholders to support informed choices and improve child mobility safety.

Product testing and certifications
Axkid's approach to product testing emphasizes real-world scenarios. Standardized market tests are simplified for repeatability and comparability. Axkid conducts additional tests based on practical experience and safety research to inform design decisions. Axkid relies on independent safety testing to validate child car seat performance. In the EU, ADAC and partners conduct tests that assess crash safety, handling, ergonomics, and chemical content. The Swedish Plus Test, which measures neck forces during frontal impacts and is only applicable to rear-facing seats, certifies all Axkid rear-facing models. This test is widely regarded as a benchmark for rear-facing child seat safety.

Transparency
Axkid prioritizes transparency and continuous improvement in sustainability reporting. Axkid publishes information on progress and challenges to provide an accurate account of its activities.

UN Global Compact
Axkid aligns its operations with the UN Global Compact, adopting policies based on ten principles covering human rights, labor, environment, and anti-corruption. The company implements responsible business practices across its value chain, supporting human rights, labor standards, environmental protection, and anti-corruption measures.

Planetary boundaries
Axkid applies the planetary boundaries framework to guide environmental decision-making and internal training. This approach identifies nine ecological limits and informs actions to reduce emissions, manage chemicals responsibly, and use resources within safe environmental thresholds.

UN Sustainable Development Goals
Axkid has evaluated the UN Sustainable Development Goals (SDGs) to identify areas of impact. The primary contribution is to SDG 3, which focuses on child safety during vehicle travel. The company also influences other sustainability topics, detailed in subsequent sections. In the current analysis, SDG 13 (climate action) has been added to reflect Axkid's efforts in emissions reductions.

UN Sustainable Development Goals

SDG	Target	How is this relevant to Axkid?	How can Axkid achieve effect in this topic?
	**Target 3.6:** Halve the number of global deaths and injuries from road traffic accidents	This target aligns with our mission of providing safety and peace of mind to families in their everyday lives all over the world. Here we have a clear contribution, and we should aim to provide our products to as many people as possible.	Promote rear facing safety
			Keep growing to reach more children
			Be available to a wider audience
	**Target 12.2:** Sustainable resource management	We use raw material from virgin sources in production of our parts. Scrapping parts or raw material is equal to generating CO2 emissions without any benefit to anyone. Parts that are not possible to recycle gets put in landfill or burnt, ending the cycle of reuse.	A circular business model is key to resource mgmt. Change to recycled materials.
			Make sure all materials can be recycled
	Target 12.5: Reduce waste		Reduce waste in supply chain
	**Target 6.3:** Water use reduction	A lot of water is used in dyeing the textiles in our products. Materials used can release harmful chemicals to the water cycle.	Use less water intense methods for dyeing
	Target 6.4: Water contamination reduction		Use only REACH compliant materials
	**Target 7.2:** Increase of renewable energy use	A lot of energy is used throughout the supply chain when producing our parts and products. Aluminum is especially energy intense. We can affect our suppliers and our own sites to use renewable energy and to use less energy.	Change to less energy intense processes, like textile dyeing, surface treatment of metals.
			Replace virgin aluminum
	Target 7.3: Reduction of energy use		Switch to renewable energy
	**Target 8.4:** Reduce material footprint	Our parts and products are produced and sold at different places around the world with different levels of labor protection and rights. Through our code of conduct we can strive for common labor rights and an equal and safe workplace in our own sites as well as our supply chain.	Signed code of conduct for all Axkid employees
	Target 8.7: Eradicate forced labor		Signed code of conduct for all Axkid suppliers
	Target 8.8: Protect labor rights		Regular audits on internal- and supplier sites. Regular audits on internal- and supplier sites.
	**Target 5.1:** End gender discrimination	Businesses that are more equal tend to perform better. Axkid can globally strive for gender equality, ending discrimination and equal opportunities in all sites affiliated with Axkid.	Integrate gender equality in the code of conduct
	Target 5.5: Ensure women's equal opportunities for leadership		Create and follow up on gender equality targets
	**Target 13.1** Strengthen resilience and adaptive capacity	Climate change affects all aspects of economic, ecologic and human activity. We need to adapt to the changing climate to keep our business models relevant and we need to contribute to keeping the effects of climate change at a minimum by reducing our own emissions.	Mitigation of climate change risks
	Target 13.2 Integrate climate change measures into strategies		Limit greenhouse gas emissions

Objectives overview

Our sustainability objectives are shaped by a small number of external and internal drivers. For climate and environmental impacts, the main reference point is alignment with the goals of the Paris Agreement and established climate science. For social and governance topics, our objectives are guided by international norms on human rights, labour standards, product safety, and responsible business conduct, together with regulatory requirements in the markets where we operate. Our purpose as a child safety company also plays a central role, influencing how we prioritise long-term safety, durability, and trust in our products and operations.

Environmental impact objectives
Environmental objectives focus on reducing the climate and resource impacts of our products and operations across the value chain. We work with a combination of absolute and intensity-based measures to track progress while the business grows. Emissions intensity, measured as tonnes of CO_2e per million SEK of turnover, is used to understand how climate impact per unit of business develops over time. This has helped show improvements at product level, even as total emissions increase with higher volumes. At the same time, we recognise that intensity metrics do not replace the need for absolute reductions. Our objectives therefore also address energy use in our own operations, emissions from suppliers and logistics, and circular design choices such as longer product lifetimes and improved recyclability. These objectives are described in more detail in the “Our environmental impacts” section, where targets, methods, and limitations are explained.

Social impact objectives
Social objectives cover both people and product responsibility. In the supply chain, the focus is on improving working conditions, identifying and addressing risks, and following up on findings from audits and supplier assessments. Within our own operations, objectives relate to health and safety, competence development, and fair employment practices. Product-related objectives focus on safety, chemical management, and compliance across the full product life cycle, from material selection to end of use. Compared with the 2024 report, the 2025 objectives are more clearly linked to specific risk areas identified through audits and assessments, while acknowledging that much of the data is still based on self-reporting and periodic reviews. Further detail on these goals and how they are monitored is provided in the “Our social impacts” section.

Governance objectives
Governance objectives aim to ensure that sustainability is managed in a structured and accountable way. This includes clear roles and responsibilities, integration of sustainability into risk management and decision-making, and transparent reporting of both progress and shortcomings. In 2025, governance objectives became more explicit in how sustainability initiatives are overseen, followed up, and reported, building on the structures described in the 2024 report. The intention is not to add complexity, but to make expectations clearer and reduce the risk of inconsistent application across the organisation.

Implementation
Across all areas, environmental, social, and governance objectives are closely linked. Decisions on product design affect climate impact, chemical safety, and long-term use. Supply chain choices influence emissions, working conditions, and business resilience. Governance structures determine how well these connections are understood and acted on in practice. These objectives are therefore implemented through a set of sustainability initiatives that translate high-level goals into concrete plans, KPIs, and follow-up routines. The initiatives carry most of the operational detail, while the objectives provide a shared direction and a framework for balancing progress, limitations, and trade-offs from year to year.

Sustainability strategy development

Process for defining our strategy
Our sustainability strategy is built through a structured process that starts with our value chain and is updated on a regular basis. The process shown in the adjacent figure describes how we move from identifying impacts to defining priorities and actions.

We begin by mapping our activities across the value chain and identifying potential impacts on people, the environment, and society. This work is based on internal reviews, data analysis, and dialogue with key stakeholders, including employees, suppliers, customers, and external experts. The outcome is used as input to our materiality assessment.

The materiality assessment combines an evaluation of the severity of our impacts with the relevance of each topic to stakeholders. Topics are scored and visualised in a materiality matrix, which is reviewed and updated when new information becomes available or when our business changes. The matrix is used to identify the topics where we need to focus most effort and resources.

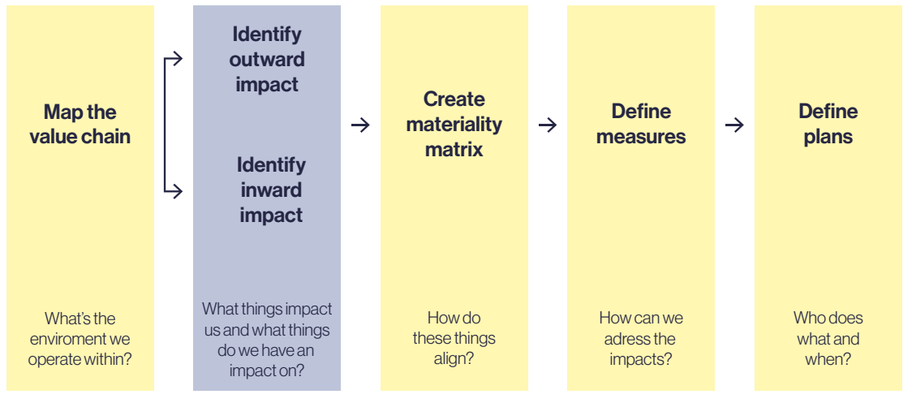
For the topics assessed as most material, we define sustainability initiatives that translate priorities into concrete actions. Each initiative represents a structured plan with a defined scope, responsible function, and one or more KPIs where data is available. We aim to quantify performance to enable follow-up over time, but not all topics currently have measurable KPIs. In these cases, the focus is on establishing processes, data collection methods, or pilot activities before setting targets.

Compared with the 2024 report, the overall process remains the same, but in 2025 we have clarified the link between material topics, initiatives, and KPIs. One additional initiative has been introduced to better capture the impact of sales and product mix on emissions intensity, and several existing initiatives have been refined to reduce overlap and improve accountability.

A remaining challenge is that not all ongoing sustainability-related activities are yet fully integrated into this framework, which can limit comparability and completeness.

The sustainability initiatives shown in the figure represent the practical implementation of this strategy and form the basis for planning, follow-up, and reporting across the organisation.

Process for defining our strategy



Materiality
Axkid's materiality analysis identifies the topics most relevant to its sustainability strategy. The materiality process draws on a broad review of the value chain, operating environment, and stakeholder expectations. Axkid maintains ongoing engagement with stakeholders across the value chain and integrates their feedback into periodic updates of the materiality matrix.

In 2024, input was collected through stakeholder engagement activities, supplier visits, consumer surveys, and discussions with financial institutions. These sources confirmed the relevance of existing material topics and provided additional context, but did not lead to changes in priorities.

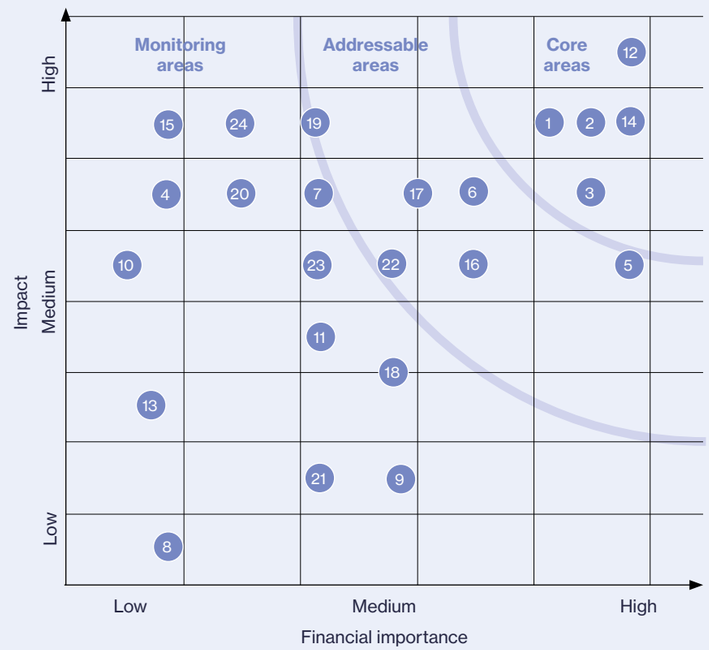
In 2025, the focus shifted to acquiring more supply chain data. Updated information from suppliers regarding renewable energy use, environmental practices, and working conditions reinforced the established material topics. Feedback from consumers and distributors highlighted the continued importance of product safety, working conditions, circularity, and responsible materials.

Axkid uses a scoring approach to assess the significance of impacts, considering severity, likelihood, stakeholder expectations, and business relevance. New information received in 2025 supported the selection of current topics as most significant for stakeholders and business resilience.

Changes from last report
No new material topics were added or removed. Minor updates improved understanding but did not affect priorities. This stability provides a consistent basis for the 2025 sustainability report and enables continued responsiveness to changes in the operating environment.

Stakeholder engagement approach
Axkid's stakeholder engagement is based on regular communication and collaboration across key groups. In the past year, supplier engagement has been a primary focus. Axkid sets clear sustainability requirements and holds ongoing discussions with suppliers to monitor progress and address challenges. Axkid also engages with peers in related industries through joint meetings and research projects to exchange practical information and identify shared solutions. Customer input is gathered through open dialogue, and feedback is incorporated into sustainability planning. Supplier engagement remains the top priority, as it has the most direct impact on sustainability outcomes. Additional information on engagement processes and governance can be found in the "Our governance practices" chapter.

Axkid double materiality matrix



1 Spreading Rear Facing Safety information
2 Adapting to a changing climate
3 Lowering CO_2 emissions
4 Corporate culture
5 Energy use
6 Transparency in reporting
7 Health and safety (internal)
8 Microplastics
9 Influence regulations
10 Minimize air pollution
11 Minimize water pollution
12 Providing safe journeys for children
13 Protection of whistle-blowers
14 Circularity
15 Transparent and compliant communication
16 Ensuring Chemical Safety
17 Supplier relationships
18 Training and skills development (external)
19 Training and skills development (internal)
20 Waste
21 Water consumption
22 Working conditions (external)
23 Working conditions (internal)
24 Work-life balance (internal)

Strategic framework

Axkid's sustainability strategy is guided by its materiality matrix, clear objectives, and stakeholder engagement framework, and is implemented through dedicated Sustainability Initiatives. This framework provides a structured approach to priorities, metrics, and implementation methods.

Commercial impact
Sustainability initiatives contribute to Axkid's business growth by addressing requirements and interests of customers, regulators, and partners. Axkid uses product-level impact data, supplier assessments, and lifecycle analysis to improve relevance for key customer segments. Current consumer expectations include transparency regarding materials, durability, and climate impact. Axkid publishes Environmental Product Declarations (EPDs) and conducts lifecycle analyses (LCAs), providing verified and estimated information to support product comparisons.

These activities also enhance Axkid's preparedness for regulatory changes. Increasing requirements for chemicals, product passports, packaging, and supply chain due diligence necessitate structured data and documented processes. Improvements in Scope 1–3 emissions accounting, supplier audits, and material traceability support long-term compliance and facilitate adaptation to evolving market expectations.

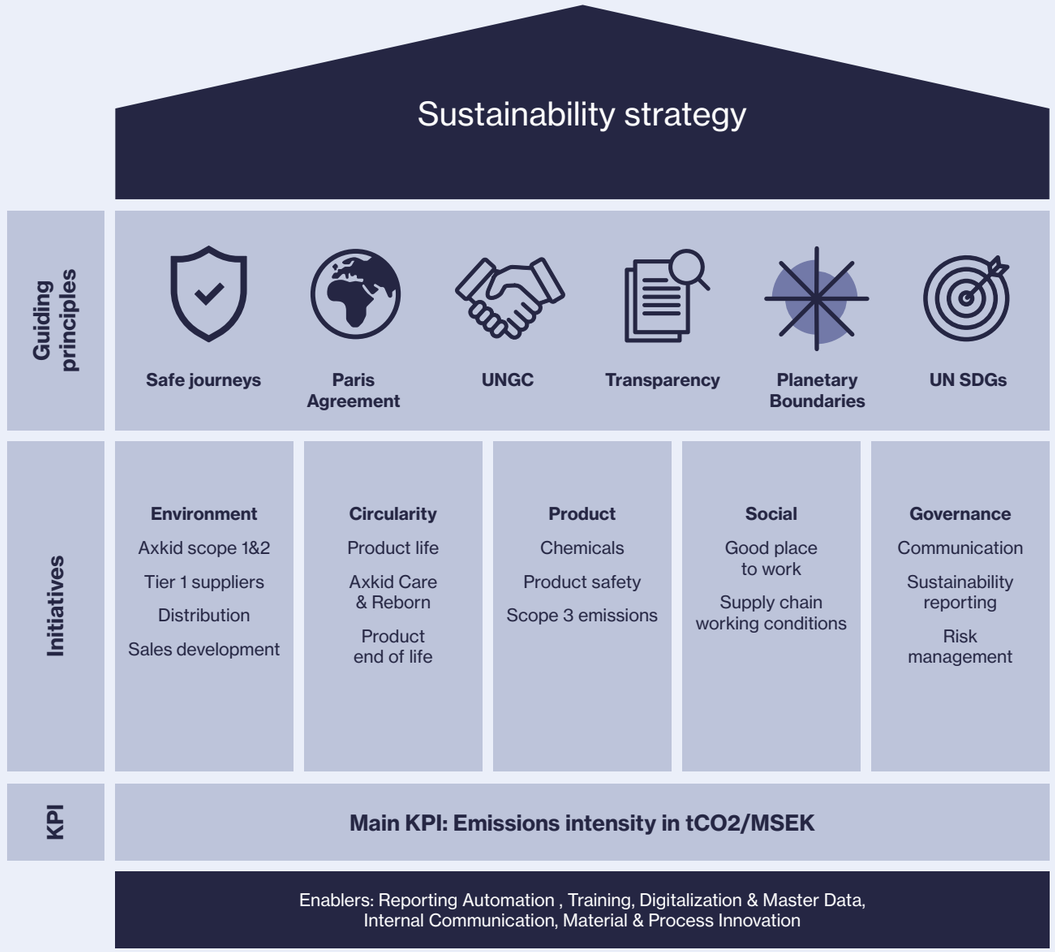
Sustainability efforts improve operational predictability. Mapping climate-related risks, monitoring transport emissions, and evaluating material choices inform decision-making and efficiency measures. These actions help mitigate sensitivity to disruptions in transport or raw material supply and support consistent reliability for retail and distribution partners.

Initiatives focused on lifetime extension and alternative business models create additional commercial opportunities. Care services increase product utilization and address demand for longer-lasting and reused products. Design and material improvements aimed at reducing impact also contribute to durability, supporting Axkid's reputation for safety and quality.

Overall, sustainability measures support business resilience by improving data quality, process clarity, supply chain robustness, and communication. These factors strengthen stakeholder confidence and position Axkid to meet rising expectations in the market.

Key changes from the 2024 report
The sustainability strategy remains consistent with previous years, however one initiative has been added. The main update is a revised visual representation.

Enablers
Several company-wide enablers support implementation of sustainability initiatives. Led by the sustainability department, these include reporting automation, staff training, digitalization and master data management, internal communication, and material and process innovation.



Initiatives overview

Axkid's sustainability strategy is implemented through 14 initiatives. One new initiative was introduced since last year to formalize sales efforts that target products contributing to emissions intensity KPIs. Each initiative is directly aligned with the Core and Addressable topics identified in the materiality matrix, supporting the company's sustainability objectives. The number of initiatives reflects a deliberate approach to avoid improving one area at the expense of another. Work is divided into distinct areas, allowing for clear definition and assignment of responsibilities to promote accountability.

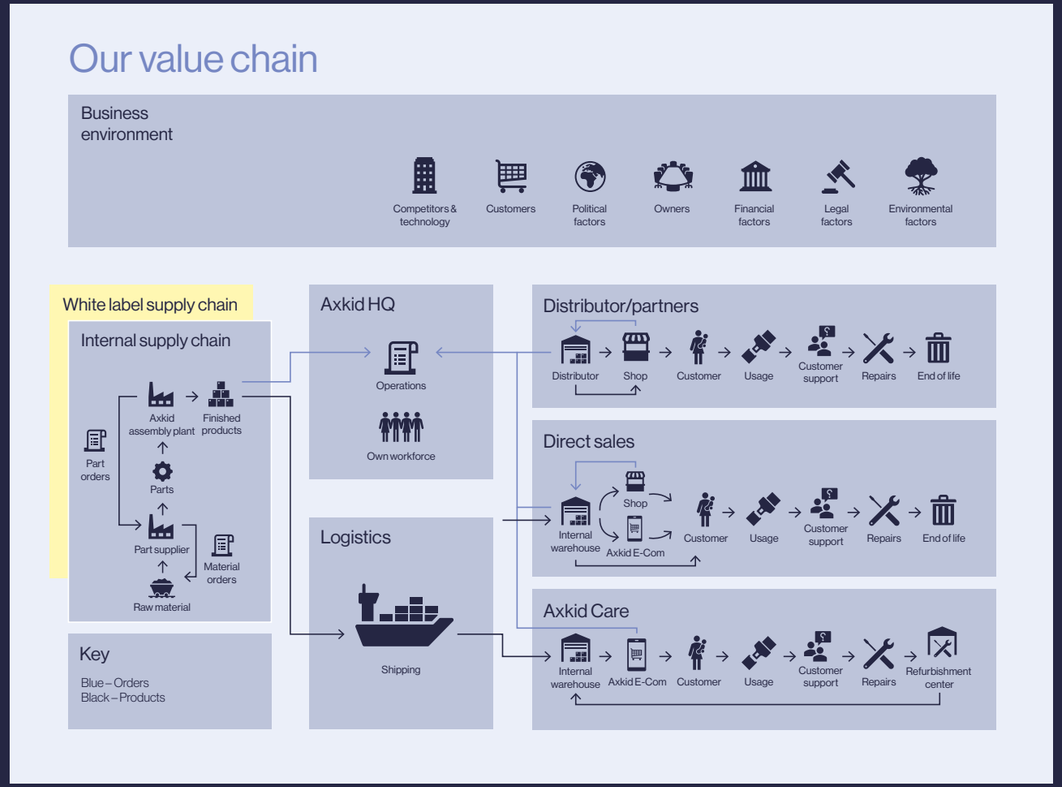
While initiatives are managed separately, they are designed to avoid overlapping or conflicting objectives. Responsibility for each is clearly assigned. A challenge remains in effectively capturing all ongoing sustainability actions and integrating them into a measurable framework. Each initiative has a dedicated team, a defined strategy, and one or more KPIs to track progress toward overall goals.

	Social		Product		Circularity		Governance			Environment			
Initiative Name	**#10 Good Place to Work**	**#11 Supply Chain Working Conditions**	**#1 Scope 3 Product Emissions**	**#5 Chemicals**	**#4 Product Life**	**#7 Axkid Care & Reborn**	**#9 Communication**	**#12 Sustainability Reporting**	**#13 Risk Management**	**#3 Axkid Scope 1 & 2**	**#2 Tier-1 Supplier emissions**	**#6 Distribution**	**#14 Sales Development**
Purpose / Scope	Strengthen culture, diversity, health & safety, and employee well-being.	Ensure documented safe and fair working conditions in the supply chain.	Reduce life-cycle emissions from materials and processes	Systematic chemical-safety management across materials and products	Extend product lifetime; design for recycling.	Expand rental and second-hand models	Communicate our sustainability work without greenwashing.	Ensure accurate, transparent sustainability data for decision-making and ratings.	Manage climate and business risks (physical and transition).	Decarbonize Axkid-controlled sites	Reduce supply-chain emissions intensity	Optimize transport distances and modes	Increase share of low-intensity products sold
KPI	Employee net Promoter score (e-NPS)	Audit scores	4% annual reduction vs. 2024 baseline	Zero chemical non-compliances	15-year average lifetime	% of turnover	To be developed	External ratings; GRI fulfillment.	Implement mitigation plan; integrate risk scans into governance.	Net-zero 2030	5% reduction by 2028; renewable share increases.	Share of renewable energy in transports	83% →90% →95% turnover milestones
Responsibility	HR/Finance	Quality	R&D and Operations	Sustainability and Operations	R&D	Operations	Commercial	Sustainability	Management team	Site Managers	Operations	Operations	Commercial
2025 Highlights	Handbook updates initiated; policy updates	Approximately 80% supplier spend audited; key deviations identified.	-1% reduction implemented; packaging reductions. (unverified)	Updated procedures; risk-based testing; excellent results in external tests.	Key products durability-tested; lifetime integrated in development.	Care growing in absolute numbers; Reborn pre-study started; Care systems updated.	Sustainability blog posts; internal training; communication approach defined.	Award recognition; EPDs completed; Improved GHG methodology	Climate-risk and foresight analyses completed; mitigation plan drafted.	EV transition; green electricity; China site solar power covers annual energy use.	Supplier training; high supplier reporting rate; sustainability criteria in sourcing.	New warehouses shorten routes; direct container flows planned.	Targets set (see above); embedded into budget.
Short-term actions	Finalize policies; strengthen workplace health and safety routines.	Repeat audits; raise average audit scores; close deviations.	Implement remaining reduction cases (-10%); ensure new products meet intensity goals; Start pre-studies for 2027 projects.	Ensure new products reach best-in-class chemical safety; use chemical safety as USP.	Complete lifetime testing; strengthen integration into new platforms.	Launch Reborn; expand Care into additional markets.	Blog posts for deeper information; Increased SoMe messaging; define com strategy	Further develop GHG methodology; Streamline and automate data collection.	Update analyses; add short-term business risk assessment.	Apply energy policy at new sites; New heating solutions in UK.	Expand metrics; increase renewable energy share; support supplier improvements.	Complete logistics transition; eliminate air shipments.	Ensure new launches meet intensity goals; regular commercial follow-up.
Long term goals	Be an attractive employer	All jobs in Axkids supply chain shall be safe and attractive	Net zero emissions 2050	No harmful substances in products	Avg. product life 15 years by 2028 for in-house products	10% of turnover from circular models by 2028	Integrate sustainability into communication	Correct, transparent, compliant, timely information to stakeholders	Understand and mitigate risks that hinder our purpose	Net Zero Scope 1 & 2 emissions 2030	Net zero emissions 2050. Risk due to low control.	Net zero emissions 2050	Product mix shall contribute to climate goals

Our value chain

Introduction to the value chain
In 2023, Axkid conducted a value chain mapping to clarify the flow of goods and services. The mapped value chain covers in-house production, white label supply chains, logistics, distribution partners, direct sales, and downstream activities including refurbishment, repairs, and end-of-life management. The structure of this overview remains consistent with its original version.

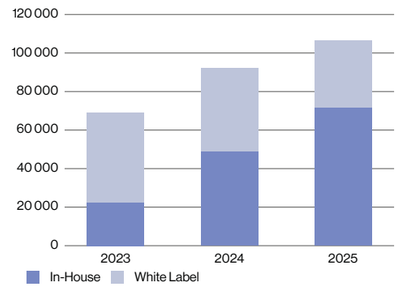
Key changes
The value chain has been updated to reflect new market entries and supplier changes. The United States and Canada will be added as operational markets in 2026, which introduces additional legal requirements and approvals, increasing complexity. Two new sales entities have been established in the European Union – Poland and Spain. These additions do not affect the validity of the value chain overview. One new white label supplier and six new part suppliers have been included, while three previous suppliers have been replaced. Between 2024 and 2025, the value chain's overall structure remained consistent, though geographic reach and operational capacity expanded. Notable developments include restructuring logistics in Sweden, and updating operational routines. These changes are intended to enhance regional presence and operational efficiency.



Supply flows

Axkid maintains two primary supply chain flows. The first flow involves in-house production, where suppliers deliver components to the Taicang facility for assembly. The second flow covers white label products, which are manufactured externally by a partner according to Axkid's specifications. Both in-house and white label products are distributed through the same channels. In recent years, the proportion of in-house production has increased. This change allows for more direct oversight of quality, sustainability, and long-term process improvements. However, managing two distinct supply flows requires ongoing coordination and poses challenges in maintaining consistent standards and transparency across the entire supply chain.

Share of products per supplier type



Supplier management

Axkid sources components from 39 principal suppliers for assembly at its Taicang facility. These suppliers represent various commodity groups and are mainly located in Jiangsu Province or adjacent regions. Proximity helps minimize transport distances and supports efficient production logistics.

Supplier network and value chain
Since the start of factory operations in 2019, Axkid has established its supplier network to supply core components for in-house production. The quality team monitors supplier performance, and all new suppliers must complete a structured qualification process based on ISO 9001 quality standards. Changes in suppliers or new components are subject to testing as required by ECE R129 regulations.

Environmental impact management
Axkid manages environmental impacts in its upstream supply chain through supplier assessments and data collection, rather than direct oversight of supplier operations. Suppliers participate in a sustainability survey that evaluates environmental practices and identifies risk areas. This process provides insight into supply chain environmental performance. Because Axkid does not control supplier operations and energy use, the approach centers on transparency, documentation, and ongoing evaluation. Limitations include the lack of direct influence over supplier activities.

Quality and safety management
The quality team in China conducts regular audits and continuous monitoring of suppliers. Incoming components are inspected to confirm compliance with Axkid specifications, and suppliers receive feedback to address inconsistencies. Any supplier-related changes affecting product safety are tested in accordance with R129 requirements.

Working conditions assessments
Suppliers undergo BSCI-based audits focused on working conditions and participate in Axkid's sustainability survey. Results from both environmental and social assessments are documented and presented in subsequent sections of the report.

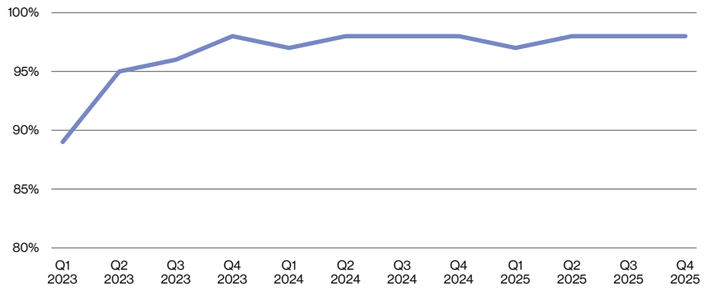
In-house production and assembly

Company name: Axkid (Jiangsu) Safety Seat Co. Ltd
Location: 619 Long Jiang Road, Fuqiao Town, Taicang City, Jiangsu Province, China

Axkid (Jiangsu) Safety Seat Co. Ltd was established in 2019 for the assembly of car seat components designed by Axkid. The facility began production with the Axkid One model in 2020. It holds ISO 9001 certification and is approved as a supplier of child car seats to automotive companies.

Management of impacts and quality
Axkid manages its primary impacts by monitoring product quality, energy use and social and environmental impacts related to the value chain. Direct environmental emissions from assembly operations are limited. Quality performance is measured daily using a First Time Right yield, which tracks the proportion of products passing final inspection without requiring rework. Safety and quality are assessed continuously, including regular crash testing. External authorities conduct biannual audits of product safety and factory quality.

First time right yield



White label supply chain

Axkid engages four external white label manufacturers to produce specific products according to Axkid's specifications. These suppliers modify their standard designs to meet Axkid's safety requirements. However, Axkid has limited direct oversight of their supplier base and material selection compared to in-house production. Management of this supply chain centers on setting requirements, collecting reports, conducting audits, and ongoing follow-up, rather than direct involvement in production or sourcing activities.

White label products supplement Axkid's in-house portfolio, enabling a broader product range without internal development of each model. Axkid defines product and safety standards, while manufacturing processes and upstream sourcing remain under supplier control. Since 2023, all white label suppliers are required to report sustainability data consistent with other part suppliers. They participate in Axkid's internal sustainability surveys and are included in BSCI-based working conditions audits. Assessment results are presented in later chapters. At the end of 2025, a fifth white label supplier was added, responsible for the Minikid Core product launched late 2025. This new supplier has not yet undergone an audit for working conditions.

Environmental impact management
Environmental impacts in the white label supply chain are managed through supplier reporting and assessment processes. Axkid establishes environmental and safety requirements during product development and uses supplier-provided data to evaluate performance. Due to limited control over upstream supply chains, the management approach relies on transparency, documented follow-up, and structured evaluation. Results are detailed in the Environmental Impacts chapter.

Social impact management
Social impacts are addressed primarily through third-party BSCI audits, which evaluate working conditions and verify compliance with ethical labor practices. Since 2023, all white label suppliers are subject to these audits, required to report sustainability data, and participate in Axkid's internal surveys. This process supports transparency and continuous improvement of social standards throughout the supply chain. Results are presented in the "Our Social Impacts" chapter.

Quality and safety management
Product quality is maintained through Axkid's design specifications and mandatory audits for R129 approvals, conducted twice annually. Claims and complaints are handled jointly with suppliers to uphold safety and performance standards.

Axkid sites and facilities

Axkid's operational footprint consists of a limited number of offices, one production facility, and several subsidiaries, some of which operate without dedicated physical locations. Axkid AB, based in Sweden, serves as the company's headquarters. This site is located in a rented office and houses central functions including product development, finance, commercial, sustainability, and operations.

In the United Kingdom, Axkid UK Ltd operates from a rented office, supporting sales and customer service for the local market. Subsidiaries in Germany, France, Poland, and North America do not maintain dedicated office space. These entities conduct all activities remotely, with a primary focus on local market development, sales, and customer engagement. In Spain, Axkid operates a rented office and warehouse that supports distribution activities in Southern Europe. This is the only location where warehousing is managed in-house; all other warehousing is handled by external partners.

Production is carried out in China at a rented factory facility. This arrangement provides manufacturing capacity while limiting direct ownership or control of the production site.

Axkid's sites and facilities reflect a lean physical structure, with centralized core functions and distributed, remotely-managed subsidiaries. This approach maintains a global commercial presence while limiting the company's direct operational footprint.

Logistics and warehousing

Shipping and warehousing are integral components of Axkid's value chain. Products are transported from the assembly facility in China to regional warehouses, where they are stored and distributed to customers and partners. These logistics activities directly affect delivery performance, operational efficiency, and contribute to the company's environmental footprint.

Most products are shipped by sea from China. Subsequent distribution occurs domestically or across borders by truck or courier. These transport stages account for a relatively large portion of Axkid's value chain emissions. While logistics partners manage daily transport operations, Axkid works on planning, routing, and consolidation to improve efficiency. We face limitations in controlling transport emissions due to reliance on external providers.

Axkid primarily utilizes external warehouse partners, with Spain as the only market where warehousing is managed in-house. In early 2025, Axkid changed third-party logistics providers in Sweden and moved warehouse operations from Gothenburg to Borås. The transition was completed and became fully operational in March 2025. These changes reflect ongoing adjustments to optimize warehousing arrangements.

In 2025, Axkid expanded its warehousing footprint by establishing new subsidiaries. The Polish subsidiary began operations in October, partnering with a third-party logistics provider to serve central Europe and shorten transport distances. The Spanish subsidiary also started in October, managing warehousing in-house to improve service for southern European markets. In North America, Axkid Inc. was established, and agreements with third-party logistics providers in the United States and Canada were signed. Warehouses were set up, but no inbound or outbound flows occurred during 2025; operations are scheduled to begin in 2026.

Operational Improvements in 2025

- Standardized routines for inbound checks and warehouse handling
- Enhanced tracking of delivery performance and handling accuracy
- Improved data collection for emissions related to warehousing and transport
- Updated packaging routines to reduce waste and increase pallet efficiency
- Strengthened coordination between operations and commercial planning

Challenges and Limitations
Axkid's logistics operations face challenges related to transport emissions, dependence on external warehouse and logistics partners, and operational transitions such as provider changes and subsidiary expansions. The company's ability to influence these factors is limited by its reliance on third-party providers and the complexities of global distribution.

Axkid care and circular flows

Axkid Care is a circular rental program currently implemented in Sweden and, through partners in Germany and Spain. These partners are not included in our data as they are external. Under this program, products are returned after use, inspected, refurbished, and made available for additional rental cycles. Axkid has operated this model for several years and is engaged in ongoing projects to further develop related processes.

Returned rental seats undergo a structured intake process with certified partners. Each product is assessed using detailed checklists to verify compliance with safety and quality standards.

Axkid continues to develop and expand the Care program by improving logistics, enhancing system support, and evaluating opportunities in additional markets. These activities are intended to support product longevity, decrease the demand for new materials, and reduce emissions intensity compared to conventional linear sales models. Limitations include operational challenges related to scaling and the need for ongoing process improvements.

Customer support is integrated into the rental model. Users receive clear installation instructions and have access to online resources and customer service for assistance.

Sales and downstream distribution

Axkid reaches customers through several sales channels that serve different market needs These include direct online sales, e-commerce platforms, mass-market retailers, social sellers, specialized retailers, and brand partnerships.

Customer types

- Our Direct-to-Consumer channel provides the full Axkid assortment through our online store, ensuring broad accessibility.
- E-commerce platforms support high-volume sales through promotions and strong visibility in mature markets.
- Mass-market retailers focus on products such as booster and swivel seats and use price-driven strategies to reach larger consumer groups.
- Social sellers, who are active on forums and social media, primarily promote extended rear-facing seats to informed customers.
- Specialized retailers, many with long-term partnerships, focus on extended rear-facing safety and offer detailed guidance to families.
- We also work with automotive brands and other companies that purchase Axkid-branded products.
- Additional partners include organizations and insurance companies that use Axkid seats in rental or safety-promotion programs.

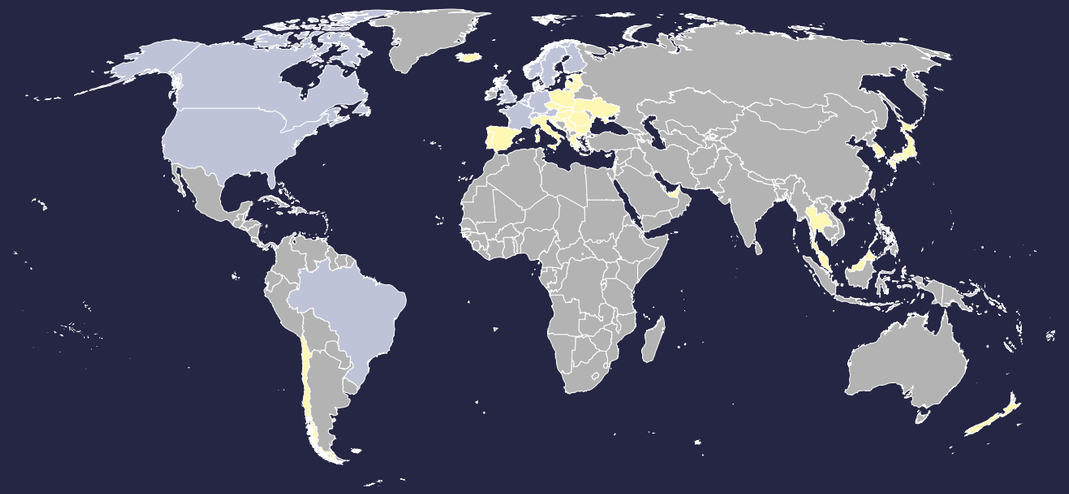
Marketing and partnerships
Marketing approaches differ by channel. Influencer collaborations help spread accurate information about rear-facing safety. Influencers receive seats for review or demonstration, and Axkid ensures transparency in these partnerships.

Distributor markets
In distributor markets, warehousing, marketing, sales, and delivery are managed by third-party distributors. This setup enables Axkid to operate in markets where local knowledge is essential.

Downstream responsibilities and limitations
Once products are delivered to distributors, they take responsibility for customer service, returns, and compliance with local laws. End-of-life management is more challenging because Axkid does not handle products directly in these markets. We work with distributors to encourage responsible disposal and recycling practices.

Distributors are expected to follow Axkid's Supplier Code of Conduct, which outlines requirements for ethical behavior, environmental responsibility, and social compliance throughout downstream distribution.

Active markets



Country	Market type
Bulgaria	Distributor
Czech Republic	Distributor
Chile	Distributor
Croatia	Distributor
Cyprus	Distributor
Greece	Distributor
Hungary	Distributor
Iceland	Distributor
Japan	Distributor
Malaysia	Distributor
Romania	Distributor
Serbia	Distributor
Slovakia	Distributor
Slovenia	Distributor
South Korea	Distributor
United Arab Emirates	Distributor
Ukraine	Distributor
Austria	Direct Operated Market
Denmark	Direct Operated Market
Belgium	E-com
Israel	E-com
Latvia	E-com
Luxembourg	E-com
Malta	E-com

Country	Market type
Monaco	E-com
Netherlands	E-com
Qatar	E-com
Brazil	Own
Canada	Own
Estonia	Own
Finland	Own
France	Own
Germany	Own
Italy	Own
Lithuania	Own
Northern Ireland	Own
Norway	Own
New Zealand	Own
Poland	Own
Portugal	Own
Scotland	Own
Spain	Own
Sweden	Own
Switzerland	Own
United Kingdom	Own
United States	Own
Wales	Own

Repairs and end-of-life

Downstream activities, including product use, returns, repairs, and disposal, affect product longevity and material consumption. While these stages occur outside direct company operations, they have measurable impacts on environmental outcomes and user experience. Axkid collaborates with partners, customers, and refurbishing stores to address these stages of the value chain.

Usage phase and customer interaction
Clear installation instructions and accessible support are provided during product use. Installation, maintenance, and handling practices directly influence both durability and safety. Customer feedback is systematically collected and used to inform product updates and resolve recurring issues.

Return flows and repair paths
Returned products follow two main routes. Uncollected parcels are sent back to Axkid's warehouse, inspected, and resold after repackaging to prevent unnecessary waste. Products returned under the 365-day policy are consolidated and forwarded to partner stores for inspection and refurbishment, then resold as pre-owned units. This process supports affordability and reduces the need for new materials. Complete return data from distributors is not yet available, and traceability in downstream processes remains an area for improvement.

Product life extension and repair
All returned seats are evaluated for repair before further action. Common procedures include replacing worn textiles, repairing non-structural parts, cleaning, reconditioning, and salvaging usable components. These steps help extend service life and decrease material use. Returned, unused seats are examined, refurbished if necessary, and sold at a discount. Spare parts are available for all products, with simple replacements provided directly to consumers and more complex repairs managed through service centers.

End-of-life handling
Products that cannot be repaired or reused are dismantled. Materials such as plastics, metals, and textiles are separated and directed to appropriate waste streams where feasible. Details about environmental impacts and waste management are included in the Environmental Impacts section. Axkid complies with Extended Producer Responsibility (EPR) requirements in relevant markets, including reporting and meeting national recycling obligations.

Management approach and continuous improvement
We manage impacts through return and reuse, partnerships, durability upgrades, logistics, and system support. Repair and return data help enhance product design and promote circular use. While we don't yet measure these impacts systematically, improving measurement and tracking is a future priority.

Value chain: connection to material topics

The value chain is directly linked to Axkid's material topics identified in the 2025 materiality analysis. Upstream supplier activities affect emissions, material selection, chemical use, and working conditions. In-house assembly influences product quality, worker health and safety, and energy use. Logistics affect emissions. Downstream functions relate to customer safety, circularity, and responsible end-of-life management. These connections inform initiatives, KPIs, and long-term sustainability targets across the company.

Our environmental impact

Scope
Axkid's environmental impact reporting addresses all relevant activities throughout the value chain. The 2025 report introduces an updated structure aligned with the GHG Protocol, including revised categories and calculation methods. Details are documented in the 2025 GHG inventory report, avalaible on axkid.com

Management approach
Sustainability initiatives guide Axkid's climate and environmental activities. The Board determines climate ambitions, long-term goals, and expectations for progress. The management team develops strategies and company-wide plans based on these ambitions. The Chief Sustainability Officer (CSO) is responsible for operational implementation, including setting initiative-specific targets, providing methodological guidance, and advising on decision factors for environmental topics. The CSO supports teams in applying consistent methodologies and prioritizing resources for maximum impact. This governance structure ensures clear responsibility and accountability, aligning environmental management with GRI requirements.

Objectives
Axkid's climate objectives are set to align with the Paris Agreement, as confirmed by the Board. The company faces challenges in maintaining this alignment due to strong business growth, which causes emissions, particularly in Scope 3, to increase faster than reduction efforts. Axkid's stated goal is to achieve Scope 1 and Scope 2 neutrality by 2030. Each sustainability initiative has specific targets to reduce emissions, improve material efficiency, and enhance environmental performance. These initiatives guide the company's strategic direction during a period of expansion.

Changes from 2024
In 2025, Axkid recalculated greenhouse gas emissions with external agency support. The updated accounting method now complies with the GHG Protocol standard but has not yet been audited. The recalculation identified missing emission categories and outdated emission factors, especially for manufacturing and surface treatment. As required by the GHG protocol, the 2024 base year was recalculated and restated. These changes improve reporting accuracy but highlight ongoing methodological limitations. Updated categories and restated values are presented throughout this chapter.

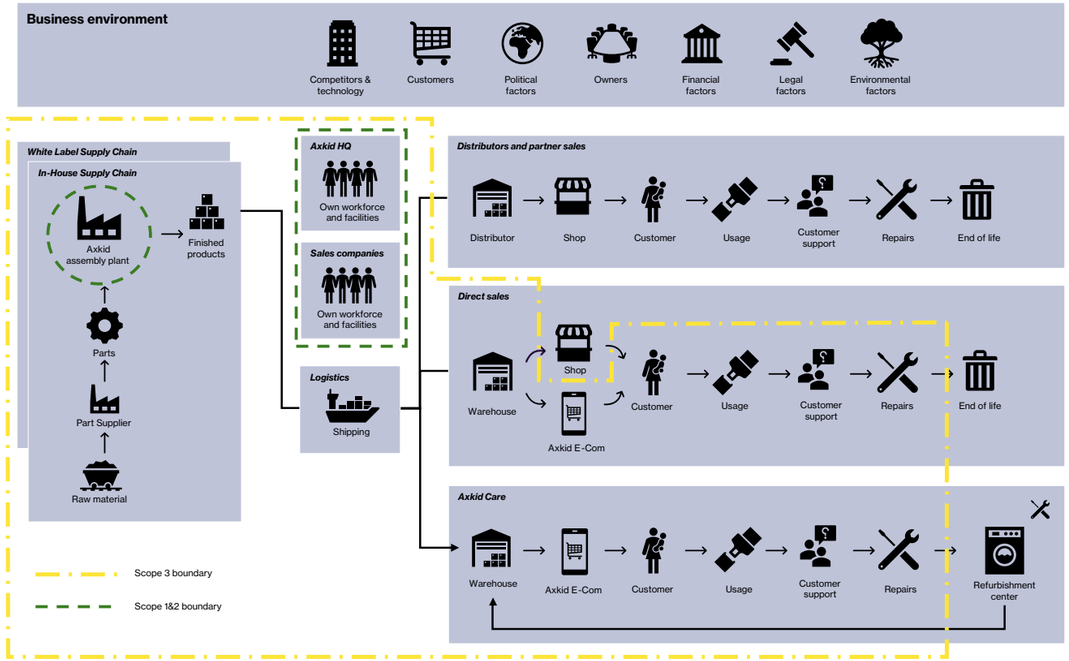
The complete GHG inventory reports for 2025 and 2024 are available on Axkid.com.

Operational boundaries and consolidation approach

Axkid determines its greenhouse gas emissions boundary using the operational control approach. This method requires Axkid to report emissions from all operations where the company has full authority to set and enforce operating policies. The boundary includes Axkid AB and all subsidiaries under the company's operational control.

Activities outside Axkid's operational control – such as third-party logistics, external production partners, and downstream entities – are excluded from Scope 1 and Scope 2 reporting. Instead, emissions from these sources are included in the appropriate Scope 3 categories. This approach ensures comprehensive coverage of significant value chain emissions in the total greenhouse gas inventory.

The accompanying illustration identifies which value chain segments fall within Axkid's operational boundary and specifies areas relevant for Scope 1 and Scope 2 reporting. All pertinent activities within this boundary are incorporated into Axkid's emissions inventory. Further details regarding operational boundaries and the consolidation approach are provided in the GHG inventory reports for 2025 and 2024, available at Axkid.com.



Methodology, reliability and data quality

Axkid's greenhouse gas inventory is prepared in accordance with the GHG Protocol Corporate Standard and the Corporate Value Chain (Scope 3) Standard. This section provides a short summary of the approach; all methodological details, calculation procedures, emission-factor sources, and uncertainty assessments are documented in Axkid's GHG Inventory Report on axkid.com.

Emissions are calculated using the operational-control approach, covering all legal entities listed in this report. Scope 1, Scope 2 and all relevant Scope 3 categories are included. Activity-based data is used whenever available – such as fuel use, electricity consumption, logistics data, business-travel records, waste volumes, and product footprints from Environmental Product Declarations (EPDs). When primary data is unavailable, secondary data or estimates are applied following the hierarchy recommended by the GHG Protocol. This includes supplier-specific information, country electricity mixes, and spend-based factors only where no better data exists.

Emission factors are sourced from recognised public datasets, including DEFRA, AIB, Energimyndigheten, Carbon Footprint Ltd, IDEMAT, and Axkid's own EPDs. Market-based electricity calculations use contract-specific factors when available; if not, the applicable residual mix is used. Certain categories, such as waste treatment and commuting, require reasonable assumptions. These assumptions, together with all category-level methodological notes and uncertainty evaluations, are described in the GHG Inventory Report.

Data quality varies across scopes and categories. Scope 1 and Scope 2 rely primarily on metered or directly measured data and therefore have comparatively high accuracy. Some Scope 3 categories, such as purchased goods and services, rely on secondary datasets where supplier-specific data is limited. Others, such as business travel and transportation, are supported by agency and logistics data. Identified uncertainties are not material to the overall result but are disclosed for transparency in line with GRI requirements. Comprehensive uncertainty descriptions are provided in the GHG Inventory Report.

The methodology used in 2025 is consistent with the recalculated 2024 base year. Earlier data is not shown because earlier inventories were prepared using different methods and are therefore not comparable. The base year will be recalculated only if future structural or methodological changes meet the defined significance threshold.

For full methodological information – including assumptions, emission-factor references, boundary considerations, and detailed uncertainty assessments – please refer to the GHG Inventory Reports for 2025 and 2024, available on axkid.com.

	In Scope
Scope 1	X
Scope 2	X
Scope 3 Upstream	X
Category 1: Purchased goods and services	X
Category 2: Capital goods	X
Category 3: Fuel- and energy-related activities	X
Category 4: Transportation and distribution	X
Category 5: Waste generated in operations	X
Category 6: Business travel	X
Category 7: Employee commuting	X
Category 8: Upstream leased assets	-
Scope 3 Downstream	X
Category 9: Transportation and distribution	X
Category 12: End-of-life of sold products	X
Category 10: Processing of sold products	-
Category 11: Use of sold products	-
Category 13: Downstream leased assets	-
Category 14: Franchises	-
Category 15: Investments	-

Total absolute greenhouse gas emissions (Scopes 1, 2 and 3)

Axkid's total greenhouse gas emissions for 2025 include Scope 1, Scope 2 using the location based method, and relevant categories within Scope 3. Calculations follow the updated methodology described previously.

Historical figures, (2023 and earlier) are not included here. They remain available in previous sustainability reports but are not comparable due to changes in methodology.

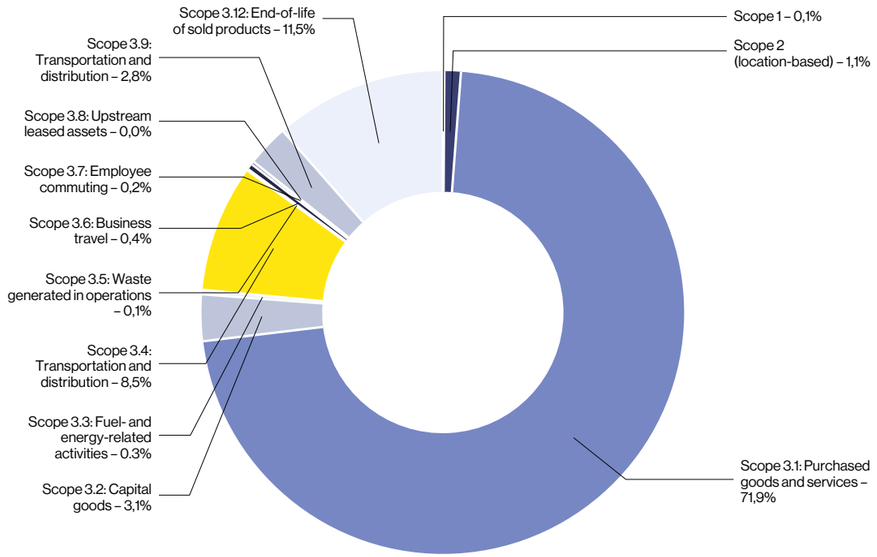
The main sources of emissions are product materials, manufacturing, logistics, and end-of-life treatment. These categories represent the largest share of the company's footprint and are difficult to reduce in the short term.

Year-on-Year GHG Emissions Development
Axkid's absolute greenhouse gas emissions increased in 2025, consistent with higher sales volumes. In 2025, financial growth was 22%, while total emissions increased by 20%. This difference indicates that efficiency and emission reduction initiatives have had an effect, although modest, resulting in lower emissions per unit of financial growth.

The upstream Scope 3 emissions rose by 21%, with the major increases in transportation and capital goods, whereas the downstream emissions rose by 17%, resulting in an average increase of 20%. More details on this in following sections. The total emissions intensity decreased by 1,4%.

In 2025, actions were taken to reduce emissions through product updates. These changes require long development and safety testing cycles, so they have not yet affected reported results. Effects are expected from 2026 as projects progress.

2025 total CO2e emissions (tCO2e)



Category	(tCO2e) 2024 (restated)	(tCO2e) 2025	Change
Scope 1	29,29	11,6	-60%
Scope 2 (market-based)	81,30	106,4	31%
Scope 2 (location-based)	76,40	100,8	32%
Scope 3 upstream	6627,96	8024,1	21%
Category 1: Purchased goods and services	5836,70	6822,3	17%
Category 2: Capital goods	143,46	297,5	107%
Category 3: Fuel- and energy-related activities	21,99	28,0	28%
Category 4: Transportation and distribution	500,01	808,9	62%
Category 5: Waste generated in operations	3,87	5,1	31%
Category 6: Business travel	105,63	42,1	-60%
Category 7: Employee commuting	16,28	20,1	23%
Category 8: Upstream leased assets	0,00	0,0	0%
Scope 3 downstream	1159,90	1356,6	17%
Category 9: Transportation and distribution	247,54	268,5	8%
Category 10: Processing of sold products	0,00	0,0	0%
Category 11: Use of sold products	0,00	0,0	0%
Category 12: End-of-life of sold products	912,36	1088,1	19%
Category 13: Downstream leased assets	0,00	0,0	0%
Category 14: Franchises	0,00	0,0	0%
Category 15: Investments	0,00	0,0	0%
Total (Scope 1 + Scope 2 market-based + Scope 3)	7898,49	9498,7	20,3%
Total (Scope 1 + Scope 2 location-based + Scope 3)	7893,52	9493,1	20,3%

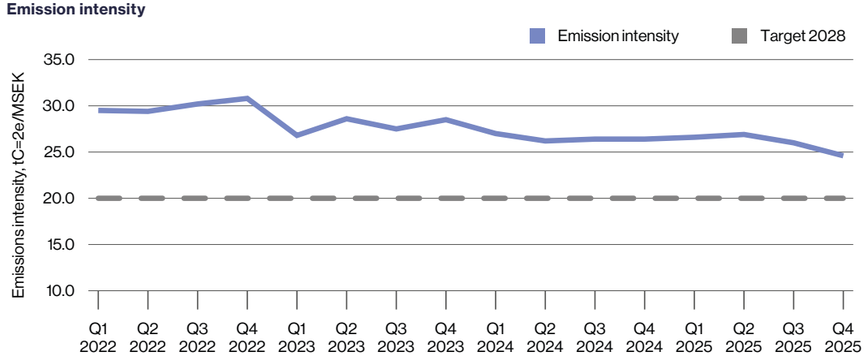
Emissions intensity trend

Axkid monitors emissions intensity to assess how greenhouse gas emissions relate to business activity. The key performance indicator (KPI) is calculated using cradle-to-gate product emissions, as reported in Environmental Product Declarations (EPDs). This approach covers the most significant emission sources in the value chain and provides a representative measure of climate impact. However, the KPI does not include all emission categories; approximately 25% of total emissions are outside the cradle-to-gate scope. As a result, the KPI differs from the total emissions intensity figure, though both metrics display similar trends due to shared influencing factors, such as product mix and emissions associated with raw materials and manufacturing processes.

The methodology enables ongoing, automated updates through Power BI, reducing manual calculation and lengthy data collection periods. Compared to the 2024 report, the 2025 reporting cycle provides clearer boundaries for the KPI and explains the rationale for using a live indicator.

In 2025 the KPI decreased by 1,7% whereas the total emission intensity decreased by 1,4%. This reflects factual changes in product composition and product mix. The downward trend is consistent with previous reporting, and the current mid-term target remains at 20 tCO_2e per million SEK by 2028.

Emission intensity



Product emissions

Product-related life cycle emissions account for over 90 percent of Axkid's total greenhouse gas footprint. These emissions are calculated using Environmental Product Declarations (EPDs), which follow internationally recognized Product Category Rules. EPDs cover the entire product life cycle, including material sourcing, manufacturing, transport, use, and end-of-life processes.

Axkid began using EPDs as the basis for its product emissions calculations in 2025. No new or updated EPDs have been produced since the initial implementation, so there is no methodologically consistent year-to-year data available for this reporting period. Previous internal calculation methods are not directly comparable and are excluded from trend analysis; as a result, values from prior years are not presented. For products without EPDs, emissions are estimated using part weights from bills of materials and average emission factors derived from the LCA calculations.

Several measures are underway to reduce future emissions. Updated EPDs reflecting these developments are expected in future reports.

The following table summarizes life cycle assessment (LCA) results from product EPDs. Reference links to EPDs are available on axkid.com.

	A1-A3	A4-A5	B1-B7	C1-C4	Cradle to Grave	D
	Manufacturing and Packaging, Cradle to Gate	Transport and Installation	Product Use and Maintenance	Product End Of Life	Total (A + C)	Reuse, Recovery, Recycling
Axkid UP	60,5	4,8	0,0	7,0	72,3	-4,8
Axkid One 3 (average)	97,8	5,5	0,0	5,8	109,1	-16,2
MK4 Max	70,5	6,1	0,0	12,3	89,0	-1,1
MK4 Pro	61,5	5,5	0,0	12,2	79,2	-0,9
Spinkid 2	100,0	7,6	0,0	15,9	123,5	-13,9

Transition plan

Our transition plan describes how we work to reduce emissions across our operations, energy use, and full value chain. The plan follows the GHG Protocol definitions for Scope 1, Scope 2, and Scope 3.

The plan describes how we manage each major source of emissions. It also explains where our ability to influence is limited, including rented buildings, district heating systems, and parts of transportation.

Reduction targets are set for areas where we have influence, covering both near term actions and longer term goals. Detailed activities are described in the sustainability initiatives.

"Emission intensity" refers to emissions per turnover in MSEK.

We do not plan to use carbon credits for our near-term targets and will report them transparently if they become part of our long-term approach.

Climate change may affect supply chains, material choices, and customer expectations. These developments create both risks and potential opportunities. As we adjust our operations, we aim to make changes that are fair to employees and responsible toward suppliers. Technologies, regulations, and market conditions are expected to change considerably over time, and we will update the plan as new solutions and practical measures become available.

Scope	Description	Action	Target
Scope 1: Our internal direct emissions (0,12%)	Company vehicles	Continue replacing diesel/petrol vehicles with fully electric vehicles.	Transition completed by 2028
	Facility heating	Install modern, efficient heating systems to remove reliance on HVO.	Upgraded systems in place by 2030
	Air-conditioning systems	Emissions depend on building infrastructure; we will monitor what we can.	Not applicable at this stage
Scope 2: Our indirect, power related emissions (1,1%)	Electricity for all sites	Buy renewable electricity where possible and encourage facility owners to invest in on-site solar.	Market-based net-zero electricity by 2030
	District heating and cooling	These emissions depend on the building owner's energy choices.	Not applicable at this stage
Scope 3: Our value chain emissions. We focus on the topics above 1% of the total emissions, accounting for 98% of emissions.	Purchased goods (73%)	Increase recycled materials, redesign products over time to lower emissions, and improve material efficiency.	Emission intensity down 30% to 2028 from 2024. Peak emissions in 2030. Net zero in 2050
	End-of-Life (12%)	Improve product recyclability and support industry systems such as EPR.	EPR-aligned system in place by 2035
	Downstream transports (8%)	Improve logistics efficiency and shift to lower-carbon transport options when available.	Net zero in 2040
	Upstream transports (3%)	Work with suppliers to improve transport efficiency and adopt renewable transport options as markets grow.	Net zero in 2040
	Capital goods (3%)	Emissions tied to tooling and equipment; more data and options needed before setting targets.	Not applicable at this stage

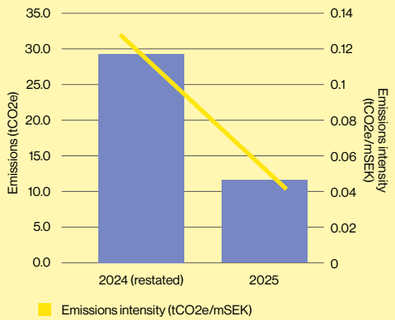
Scope 1

Direct emissions
Scope 1 covers Axkid's direct emissions from activities under our operational control, including fuel use in the remaining company vehicles, heating, and any potential refrigerant losses. Data is based on fuel purchases, kilometre logs, and service records, and calculated using standard emission factors. When the precise biofuel blend is not known, an average blend is applied. Remaining uncertainties in the underlying data are limited and do not affect the overall interpretation.

Values for 2024 have been restated to align with the updated methodology used throughout this report.

Scope 1 emissions decreased by 60% in 2025. One contributing factor is that none of our air-conditioning systems required refrigerant refills, unlike in 2024 when refill of refrigerants due to leakage accounted for a significant share of emissions. Heating continues to rely on HVO in one site, which replaced conventional heating oil in 2024 and remains our only direct fuel use for facilities. Emissions also decreased as the last two leased diesel vehicles were replaced with electric cars during the year, with only minor residual emissions from limited use early in 2025.

Scope 1 emissions development



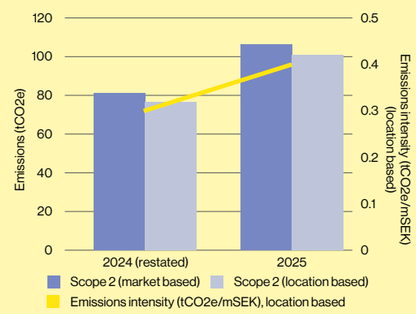
Scope 2

Energy-related indirect emissions
Scope 2 covers emissions from purchased electricity used across Axkid's operations. Emissions are calculated using both market-based and location-based methods in line with the GHG Protocol. Data comes from electricity invoices, combined with the relevant emission factors for each site.

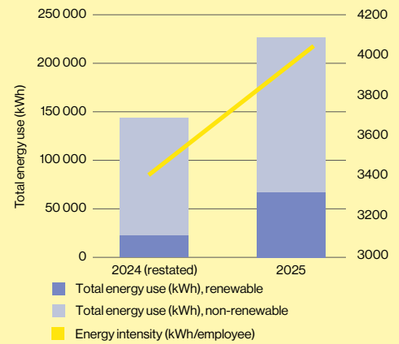
In 2025, Scope 2 emissions increased primarily due to electricity consumption at the Taicang facility. Although rooftop solar panels were installed by the property owner and are dedicated to Axkid's operations, the company does not possess the renewable energy certificates mandated by GRI accounting rules to use this energy in our calculations. See the avoided emission section for more details.

All 2024 values have been recalculated to reflect the updated methodology applied throughout this report.

Scope 2 emissions development



Direct electricity use, development



Scope 3.1 Purchased goods and services

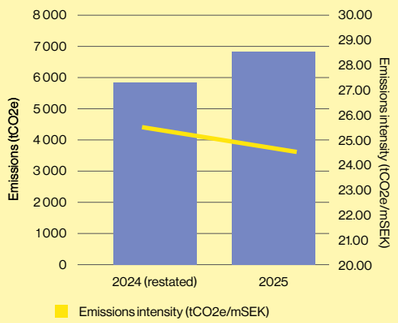
Scope 3 Category 1 includes emissions from all materials, components, and services acquired by Axkid. This category represents approximately 75% of the company's total carbon footprint. Emissions are calculated using Environmental Product Declarations (EPDs) when available. In cases where these are unavailable, representative datasets and mass-based calculations are applied. Packaging, accessories, and services follow the same methodology. Figures for 2024 have been restated to reflect improved calculation methods.

In 2025, Scope 3.1 emissions increased by 17%. This growth is less than Axkid's business expansion, which was around 22%. The slower rate of emissions growth compared to turnover suggests that material and design changes are beginning to influence overall emissions intensity.

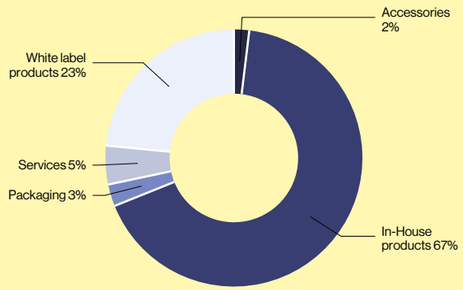
Charts included in this section display total emissions and emissions per unit of turnover for both 2024 and 2025. The 2025 emissions breakdown is as follows: in-house products accounted for 4579 tCO_2, white-label products for 1603 tCO_2, services for 332 tCO_2, packaging for 189 tCO_2, and accessories for 131 tCO_2. These proportions are similar to 2024.

Some data gaps persist. For example, EPDs are not available for certain products, which limits full alignment with detailed GRI requirements for this category. Axkid is working to improve data coverage and availability.

Scope 3.1 Purchased goods and services



Scope 3.1 emissions distribution



Scope 3.2 Capital goods

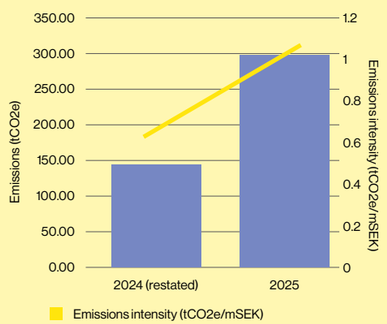
Scope 3 Category 2 covers the emissions from Axkid's capital goods, such as tools and equipment used in production.

These emissions are linked to long-term investments rather than day-to-day operations, which means they fluctuate depending on how many new projects we launch in a given year.

In 2025, emissions in this category increased compared with 2024, and the emissions intensity followed the same pattern. This reflects a year with a higher number of new tools purchased for plastic injection moulding, EPP molding, metal stamping and other production needs. Because these purchases happen in large, irregular batches, the emissions are not proportional to production volume and will continue to vary between years.

Calculations are based on financial spending records, which carry a higher level of uncertainty. As with other categories, figures for 2024 have been restated to reflect the updated methodology introduced in this reporting cycle.

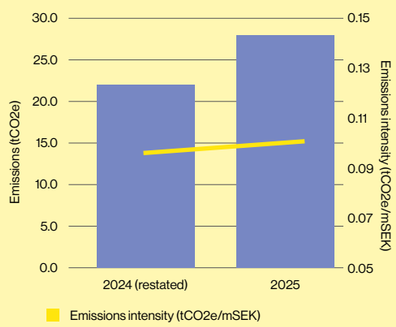
Scope 3.2 Capital goods



Scope 3.3 Fuel- and energy-related activities (not included in scope 1 or 2)

This category covers upstream emissions linked to the fuels and electricity Axkid purchases, including extraction, production and transport. Calculations are based on Scope 1 and Scope 2 activity data and apply standard lifecycle emission factors. Distribution losses from district heating systems and electricity grids are also included. Data uncertainty is mainly related to assumed loss rates and average energy mix assumptions. Values are restated for 2024. These emissions increase in 2025 due to higher electricity use.

Scope 3.3 Fuel



Scope 3.4 Upstream transportation and distribution

Scope 3 Category 4 covers emissions from transporting materials and components from suppliers to Axkid's production facilities, from the production facilities to warehouses, and between warehouses. It also covers other internal transports and warehousing emissions. This category includes all relevant transport modes: sea, road, rail, and air.

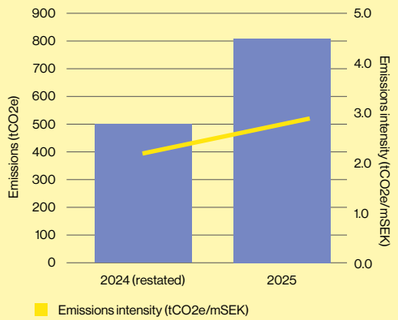
Emissions are calculated using a combination of distance-based data, shipment weights, and carrier information. When detailed data is unavailable, spend-based estimates are applied. Emission factors are selected according to transport mode. Figures for 2024 have been restated to reflect the updated reporting methodology.

In 2025, emissions in Scope 3.4 increased by over 60%, a much higher rate than that of Axkid's overall business growth of 22%. Key factors include new warehouses in Europe, internal redistribution of goods and increased proportion of air freight due to large samples shipments and new market launch preparations.

The long term goal is to increase the use of renewable energy in transport and reduce transport distances and emissions.

However, 2025 is a transition year in which emissions increase before planned improvements take effect. Planned changes to the distribution network and better coordination of freight flows are expected to support reductions. Improving data quality and completeness is also needed to strengthen future reporting.

Scope 3.4 Upstream transportation and distribution



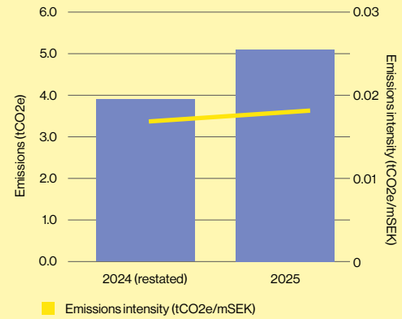
Scope 3.5 Waste generated in operations

Scope 3 Category 5 covers waste from Axkid's operations, mainly office waste and discarded prototypes from safety testing.

Detailed data on office waste is not available. Volumes are therefore estimated using employee numbers and standard waste factors, which may overstate actual waste and related emissions. Waste is not reported in kilograms or tonnes.

Waste volumes at the China factory have decreased, as suppliers now collect cardboard, plastics, and packaging. Emissions vary from year to year due to the number of prototypes from development projects. Waste remains a small share of Axkid's total emissions.

Scope 3.5 Waste generated in operations



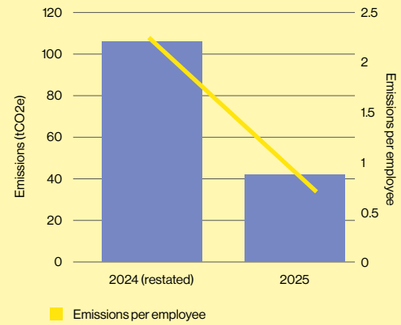
Scope 3.6 Business travel

Scope 3 Category 6 covers emissions from business travel booked through Axkid's travel agencies, compensated employee car travel, and travel linked to major company events. Emissions are calculated using travel agency reports, travel distance records, and standard emission factors. The methodology was updated for 2024, and those values have been restated. Data quality remains a challenge, as much of the information is manually self-reported and may be incomplete or inaccurate.

Business travel emissions in 2025 were over 50% lower than in 2024. This drop was mainly due to the absence of a major 2024 event in Gothenburg, which contributed to over 30% of 2024 emissions, and involved significant air travel. Further reductions came from increased use of electric vehicles (lowering car travel emissions by ~10%) and fewer flights (reducing emissions by ~20%).

To improve data reliability, Axkid plans to adopt a spend-based calculation for 2026, expected to yield higher and more conservative emission values and better comparability over time. Since business travel is a small share of total emissions, this approach is seen as reasonable. Charts show current estimates for 2024 and 2025, but figures should be interpreted with data limitations in mind.

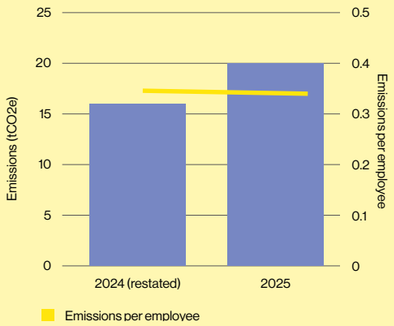
Scope 3.6 Business travel



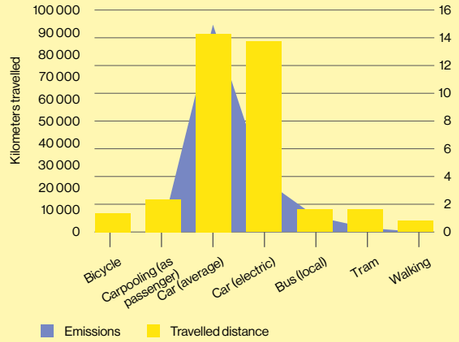
Scope 3.7 Employee commuting

Employee commuting emissions are based on an employee survey regarding transport modes, distances and commuting frequency. Standard assumptions for workdays and vacation days are used. Country-specific emission factors are not applied, but the overall impact of this simplification is considered small. Values for 2024 are restated. Emissions grow proportionally with the number of employees.

Scope 3.7 Employee commuting



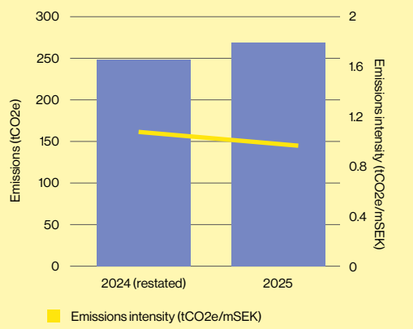
Transport modes and emissions



Scope 3.9 Downstream transportation and distribution

This category includes emissions from transporting Axkid products from warehouses to retailers and end customers. Data is based on actual sales records, shipment weights, transport distances and freight modes. Calculations use distance and weight based methods combined with logistics data. Some uncertainty arises from cases where the payer of downstream transport is unclear. Restated values apply for 2024 and 2025. There is a slight decrease in intensity which shows that our downstream transport efficiency is maintained.

Scope 3.9 Downstream transportation and distribution



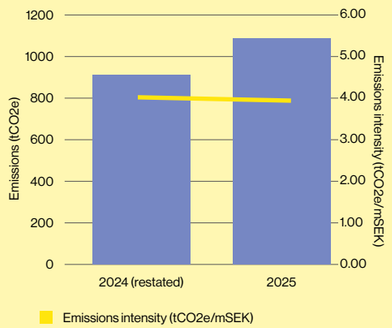
Scope 3.12 End-of-life treatment of sold products

Scope 3 Category 12 covers emissions from the treatment of Axkid products and packaging at the end of their use. Calculations are based on product and packaging weights and end of life assumptions from Axkid's EPDs, reflecting typical European waste treatment. When no EPD data is available, material based factors are used. Values for 2024 and 2025 are restated. A slight decrease in intensity reflects changes in the product mix. In general, emissions in this category follow sales volumes until recycling rates increase.

This category has high uncertainty. Products are handled through municipal recycling systems, which vary between countries. Axkid does not control how products are treated after use. The current model assumes that most metal is recycled and that plastics are incinerated, but actual outcomes may differ.

Improving accuracy would require changes beyond the current system, such as product take back schemes or industry wide recycling solutions similar to extended producer responsibility systems. These are not yet in place, but represent a potential direction for future development.

Scope 3.12 End-of-life treatment of sold products



Climate compensation linked to customer contributions

In 2025, Axkid added an optional climate compensation feature to select e-commerce sites, letting customers offset estimated greenhouse gas emissions from their product's life cycle. This service is offered only in countries where tax and accounting rules permit contributions to be treated as a service. Funds go to certified carbon removal projects.

Customers are informed that this feature does not make products climate neutral but supports projects that remove or store equivalent amounts of CO_2e. In 2025, Axkid purchased 10 tonnes of CO_2e credits – reflecting emissions offset via customer contributions – from the Plan Vivo-certified Paskaia reforestation project in La Mosquitia, Honduras.

This project, managed by local Indigenous communities, restores degraded rainforest by planting native trees, encouraging natural regeneration, and developing agroforestry. By 2022, about 400 hectares were protected and reforested. The project aims to boost carbon sequestration, biodiversity, local food security, and incomes, contributing to climate mitigation and aligning with UN Sustainable Development Goals.

Axkid excludes climate compensation from its greenhouse gas accounting and clarifies that these actions do not reduce reported emissions.

In 2025, customers bought 95 compensation packages totaling 9.5 tonnes of CO_2e.

Link: Paskaia | Plan Vivo-Certified Carbon Credits from Community-Led Reforestation in Honduras

Avoided emissions

In 2025, rooftop solar panels at our assembly site in Taicang, China generated 331,966 kWh of electricity. The system is owned and operated by a third party and is connected to the national grid. Axkid rents one of two buildings with the same floor area, so we report 50% of the generation as our share: 165,983 kWh.

We report the climate benefit from this solar electricity separately from our Scope 2 greenhouse gas inventory. The reason is that we only have a contract stating that we are entitled to use the electricity generated at the site. We do not receive or retire any energy attribute certificates (such as I-RECs) for this generation. Without certificates, we cannot make an exclusive renewable electricity claim in Scope 2 reporting. Because the system is grid-connected and the certificates are not held and retired by Axkid, the solar generation cannot be used to reduce our Scope 2 emissions totals under market-based accounting. Reporting it separately is a way to be transparent about the on-site solar generation while avoiding double counting or overstating reductions in our GHG inventory.

To provide additional context, we estimate a potential grid-displacement effect by calculating the emissions that would have occurred if the same amount of electricity had been supplied by the grid instead. This is a contextual estimate and not a formal Scope 2 emissions metric. We use our share of generated electricity (331,966 kWh ÷ 2) and apply the China residual mix emission factor from the DEFRA database (0.663 kg CO_2e/kWh), which is used for consistency with our Scope 2 reporting assumptions in the absence of supplier-specific data or qualifying certificates. This gives: 331,966 kWh ÷ 2 × 0.663 ÷ 1,000 = 110.05 tCO_2e (rounded).

This estimate has clear limits. It depends on the emission factor used and assumes that a 50/50 split reflects our share of the site's potential benefit.

Compared with the 2024 report, we now report the measured solar generation for the year (in kWh), the basis for the allocation, and the calculation behind the contextual estimate. In 2024, we described the solar installation as an operational improvement expected to be fully operational in early 2025; in 2025, we can report the actual generated electricity and clarify the accounting limitation linked to the lack of certificates.

Water & pollution

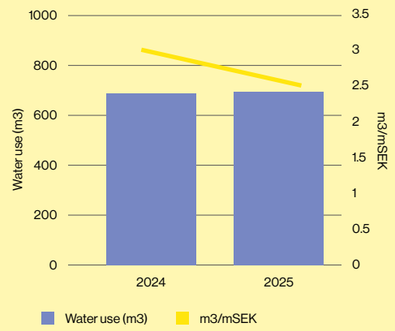
Axkid's operations consist of assembly and office functions, with no manufacturing activities. Water use is relatively small and sourced exclusively from municipal systems. All water is discharged through municipal networks; there are no process water, effluent, or discharges that present environmental risks.

None of Axkid's sites are located in water-stressed or ecologically sensitive areas. The supply chain is primarily based in industrial zones, and no significant water-related risks have been identified.

Water use data is generally accurate and based on invoices. For the Swedish site, readings were unavailable; water use has been estimated using employee numbers and historical consumption.

Axkid's internal operations do not involve manufacturing processes and therefore do not produce combustion gases or industrial wastewater. As a result, direct pollution risks from operational activities are minimal and can be considered negligible based on current evidence.

Internal water use and intensity



Materials & circularity

Material calculations are based on product-level material data multiplied by the number of units sold. Because a single seat can contain more than 150 individual material types, materials are grouped into broader categories to ensure consistency and avoid unnecessary detail. Material use increased by 13% in 2025 in line with higher sales.

For some products, weights are partly estimated due to limited initial data. The updated method used this year remains comparable with previous reports, although certain cut-offs, such as excluding labels and small consumables, continue to apply. These simplifications introduce uncertainty, but they do not affect the overall trend.

Recycled-content calculations are based on supplier information and LCA datasets and should be interpreted as indicative rather than exact. Progress made in 2024, including the rollout of recycled textiles across all products, continued in 2025. Early indications show that the share of recycled materials increased by about 1%, although the complexity of the product range means not all fractions can be fully captured in the current method.

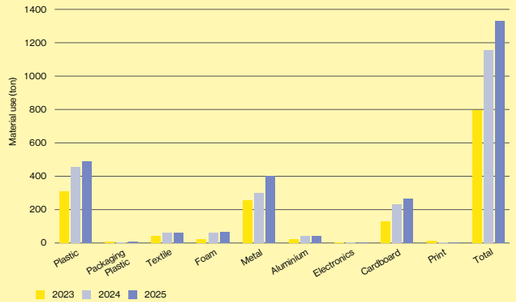
Circular design remains at an early stage. The Care rental model represents only a small share of total volumes and is therefore not yet reported separately in emissions accounting. Seats used within Care are included in total product volumes, and a standalone emissions calculation for the model will be developed once volumes grow. Rental is now available for all products on the Swedish site.

The 2025 report provides clearer descriptions of calculation methods than in previous years, including how estimates are applied, how recycled content is derived, and how small fractions are treated. It also reflects improved supplier data, the full rollout of recycled textiles, and updated restatements for aluminium. These changes strengthen transparency, address known uncertainties, and offer a clearer view of how circular initiatives influence Axkid's material footprint.

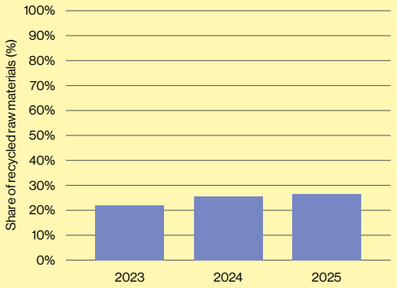
Care turnover

	2025	2024	2023
Care % of turnover	0,37%	0,36%	0,29%

Material use



Recycled content



Supply chain environmental impacts

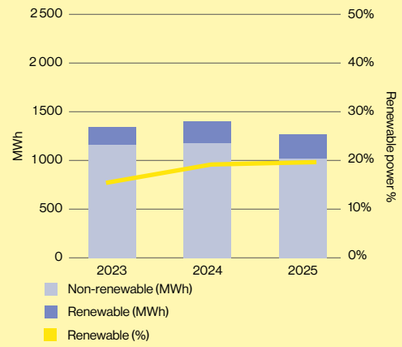
Axkid reviews its tier-1 suppliers annually to track environmental performance and emerging risks. After three survey cycles, we see trends that help us prioritise follow-ups, but the dataset remains self-reported (unverified) and uneven in quality. We therefore present the figures transparently and use them mainly to guide questions and requests for evidence rather than as inputs to the GHG inventory. Unless stated otherwise, all supplier metrics below are self-reported (unverified). We do not include this data in our footprint calculations to avoid overstating performance, instead general emission factors are used and emissions are calculated through verified EPDs or mass based calculations as described in previous chapters.

Management approach and limitations
Our approach combines an annual supplier survey, targeted follow-ups, and conservative modelling where data quality is weak. All new tier-1 suppliers must meet Axkid's environmental onboarding criteria; however, tracking of new-supplier screenings is not yet complete, so we cannot report a reliable 2025 figure. We will disclose this datapoint once the tracking system is fully implemented. Overall, 2025 shows improving transparency among suppliers, while also confirming the need for stronger verification, clearer reporting requirements, and more structured evidence to reach full GRI alignment.

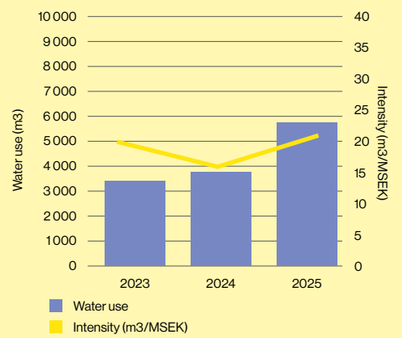
Energy
Supplier energy reporting shows high uncertainty. Several suppliers disclose total energy use and renewable-energy shares, but many entries lack supporting documents. We treat these responses as indicative and use them to identify where to request evidence. Approximately one-fifth of suppliers state plans to install or expand on-site solar panels; these statements are self-reported and will require follow-up before they can be reflected in performance assessments.

Transport
Transport-related reporting is inconsistent across suppliers. We collect average road distance to the Taicang assembly site and ask about renewable-energy use in freight, but methods and evidence vary. To keep Scope 3 results comparable

Supply chain energy use



Supply chain water use



year-to-year, we therefore do not use these supplier transport claims in the inventory and instead apply a conservative 100%-diesel assumption for upstream road transport. This approach prioritises consistency until higher-quality evidence is available. (Average reported distance: 198.1 km; average “renewable energy in transport”: 25% — both self-reported, unverified.)

Water and pollution
Most suppliers state they operate within permit requirements and report low emissions, but we generally lack permit IDs or monitoring records to verify performance. Water data are collected from suppliers through surveys and are largely self-declared and unverified. Axkid’s share of reported water use is estimated based on its proportion of each supplier’s turnover. In 2025, reported water use increased sharply in absolute terms due to one supplier with high water consumption. This supplier provided additional verified supporting data for its total water use; however, allocating a share to Axkid using spend or turnover introduces uncertainty. The resulting intensity metric indicates that the current data collection and allocation method is unreliable. Axkid does not yet run a dedicated water-reduction programme for suppliers; we will continue monitoring and evidence requests to clarify trends.

Governance signals in the supply chain
In 2025 we added governance-related questions to understand suppliers’ internal structures. Based on self-declared responses: 41% publish sustainability information; 31% calculate GHG emissions; 31% report undergoing sustainability-related audits; 47% have environmental or sustainability policies; 75% have anti-corruption policies and training; 72% provide a whistleblowing mechanism; 66% assign ESG responsibility; and 59% assess climate risks.

These indicators help target engagement but are not used as verified evidence. We do not integrate supplier GHG reports into Axkid’s inventory; for comparability we rely on consistent emission factors rather than mixing methodologies. An increase in disclosure may be partly linked to evolving requirements in China (e.g., CSDS).

Biodiversity

Axkid’s activities have a limited direct connection to biodiversity, but we report basic information to build understanding of our potential impacts. Our total rented area is 4,841.17 m² and our total facility ground area is 9,843.75 m², with most space connected to our assembly plant in Taicang, China. None of our sites are located in or near nature reserves or other sensitive areas, and we do not control land in biodiversity-sensitive zones.

Across our regions, the picture is similar. In France, Germany, Poland, Spain, the UK and Sweden, our sites are located in urban or industrial areas with no proximity to protected environments, and no parts of these facilities fall within sensitive biodiversity zones. The same applies to our plant in China, which uses the largest share of our operational floor area but is also situated outside sensitive ecosystems. None of the sites reported land use that affects protected or high-value natural areas, and no mitigation or restoration actions were required during 2025.

The only change from 2024 is the addition of new or expanded rented spaces in some regions, but these do not alter our biodiversity footprint because all locations remain outside sensitive areas. Our focus for 2026 is to improve the consistency of land-use data collection and expand our understanding of potential upstream and downstream biodiversity pressures.

Related initiatives, 1-8

Initiative 1: Scope 3 material emissions
This initiative targets materials and processes responsible for about 40% of Axkid’s emissions. The goal is to reduce average emissions per product by 4% annually from the 2024 baseline. In 2025, design and material changes – like reduced packaging, removing electronics from One 3, and phasing out PTFE in internal parts – are expected to cut product emissions by around 1%, pending verification in 2026 EPDs. A further 4% reduction was deferred to 2026, with total improvements expected to reach 6%. All changes are studied and tested to ensure durability and safety.

Initiative 2: Tier 1 suppliers
This initiative addresses about 30% of emissions by targeting supplier-controlled processes. The goal is a 5% reduction in supply chain emissions intensity by 2028. In 2025, Axkid expanded supplier portal capability, introduced VSME reporting training, achieved a 95% survey response rate, and added sustainability criteria to supplier selection. In 2026, Axkid will leverage supply chain overhaul – changing suppliers where matched with quality and cost – to deliver reductions, refine evaluations, and improve data quality.

Initiative 3: Axkid Scope 1 & 2
Although Scope 1–2 are a small part of the footprint, the 2030 target is net zero. In 2025, Axkid phased out non-EV vehicles, purchased green electricity, switched the UK office to HVO heating, and China plant’s rooftop solar generated more electricity than was consumed. In 2026, Axkid will align new sites with energy and EV policies and pursue solutions in the UK to reduce oil heating.

Initiative 4: Product lifetime
The goal is to extend average product lifetime to 15 years by 2026. In 2025, One 3 was verified for a 15-year lifetime, Up platform passed durability testing; Minikid testing is ongoing. Lifetime requirements are now part of product development so new products meet the 15-year target. In 2026, Axkid plans to finalize another platform test and formalize procedures for transparent communication.

Initiative 5: Chemicals
The aim is to strengthen chemical management earlier using clear specifications, risk-based material classes, and defined test methods. In 2025, Axkid updated technical regulations, introduced new lab methods, and implemented structured risk assessments. Up textiles passed strict internal requirements and achieved the highest ADAC chemical safety score. In 2026, Axkid will apply procedures to more products and target new platforms for leading chemical safety, continuing supplier collaboration.

Initiative 6: Distribution
This initiative aims to reduce emissions and costs by improving transport efficiency. Targets include increasing the share of renewable energy in transport and reducing air shipments.

In 2025, Axkid established new warehouses in Poland and Spain to improve supply flows. In 2026, the focus is on realizing network benefits, adjusting supply setups for selected markets, and reducing air shipments where possible.

Initiative 7: Axkid Care and Reborn
The objective is to increase product use and generate revenue from rental and second hand models, supporting lower lifecycle emissions.

In 2025, Care entered its third year in Sweden. New system support was developed and a pre study for Reborn was started. In 2026, Axkid plans to launch Reborn in Sweden and expand Care to additional markets, with a target of 10 percent of revenue from circular models by 2028.

Initiative 8: Product end-of-life
The goal is to improve collection, disassembly, and recycling so that 100% of seats returned through Axkid’s take-back system are fully recycled by 2030. In 2025 this initiative is complex due to reliance on industry collaboration and regulation to achieve measurable impact.

Our social impacts

Scope
Axkid's social impact work focuses on parts of the value chain where we can meaningfully influence working conditions, wellbeing, and safety. The scope covers our own workforce and workers at factories producing Axkid products, where our policies and follow-up have the most direct effect.

Internally, this includes workplace health and safety, employee satisfaction, equality and non-discrimination, work–life balance, and organisational culture. As we grow, roles and ways of working change, making it important to monitor employee wellbeing and internal communication. Employee surveys and ongoing dialogue remain our main information sources. These inputs are primarily qualitative and self-reported, which is disclosed as part of our commitment to transparency.

In the supply chain, the focus is on labour practices, working hours, social protections, and health and safety. Insights are mainly drawn from BSCI audits, supplier surveys, and dialogue. As Axkid does not have operational control over supplier facilities, supplier data should generally be understood as self-reported (unverified) unless supported by formal audit results. This limits how the data is used: it informs follow-up actions rather than serving as confirmed evidence of performance.

Our material social topics – working conditions, health and safety, equality and non-discrimination, and community and stakeholder engagement – are defined using the same boundary-setting principles as our environmental and governance work, ensuring consistency across the report.

Objective
Our long-term objective is to ensure that everyone contributing to Axkid products – employees and supplier workers – has conditions that support dignity, wellbeing, and safety.

Internally, this includes strengthening fairness and inclusion and addressing identified gaps.

Employee surveys and dialogue show strong engagement with Axkid's purpose and values, but these signals are self-reported and should be interpreted within that limitation. More concrete challenges remain: managing workload during rapid growth, improving information flow across teams, and supporting work–life balance.

In the supply chain, recurring challenges include consistent adherence to labour standards, working-hour issues identified in audits, and supporting suppliers with less developed systems for managing social topics. These issues require continued monitoring and, where needed, formal improvement requests. Climate-related physical risks, such as heat affecting factory conditions, are expected to increase in relevance and will be integrated more systematically into future assessments

Management approach
Responsibility for social topics is shared across relevant functions and supported by Axkid's global policies. Each function manages the social issues linked to its role, such as health and safety, purchasing, or quality, while central sustainability coordination supports alignment across initiatives. Marketing and communication are not part of operational social-impact management but support the communication of expectations and procedures. Responsible business conduct, ethics, and integrity are addressed in the governance section of this report.

Workforce information is collected annually through surveys covering both employees and non-employees. The surveys include commuting, travel, training, wellbeing indicators, and other aspects of social performance. Data is primarily self-reported, which is clearly stated to ensure transparency about evidence levels. No methodological changes or restatements were made in 2025, although additional data points were added to expand reporting scope. As with other social indicators, data quality varies by topic and limitations are acknowledged where relevant.

GRI topic	Covered in report	Where / how it is covered	If omitted: explanation
GRI 401 – Employment	Yes	Workforce size, contracts, turnover, and general employment conditions are covered under People and Culture and General Disclosures.	–
GRI 402 – Labor/management relations	Partially	Employee dialogue and internal communication structures are described at a high level. Formal notice periods for operational changes are not systematically reported.	Data collection has not been structured to report formal notice periods across all entities.
GRI 403 – Occupational health and safety	Partially	Health and safety management is covered for own operations. Detailed injury rates and standardized KPIs are limited.	Comprehensive, comparable OHS metrics across all sites are still under development.
GRI 404 – Training and education	Yes	Employee training, competence development, and internal knowledge-sharing are described, mainly qualitatively.	–
GRI 405 – Diversity and equal opportunity	Yes	Gender composition, pay gap analysis, and diversity indicators are reported, with transparency about data limitations.	–
GRI 406 – Non-discrimination	Yes (process-based)	Policies and expectations are described. No confirmed incidents were reported during the period.	–
GRI 407 – Freedom of association and collective bargaining	Partially	Addressed through supplier requirements and code of conduct. Limited site-specific reporting.	Supplier-level data is mainly qualitative and based on audits rather than systematic KPIs.
GRI 408 – Child labor	Yes (risk-based)	Covered through supplier assessments, audits, and contractual requirements.	–
GRI 409 – Forced or compulsory labor	Yes (risk-based)	Addressed through supply-chain due diligence and social audits.	–
GRI 410 – Security practices	No	–	Axkid does not use dedicated security personnel in operations where human-rights training would be applicable. Topic assessed as not material.
GRI 413 – Local communities	Limited	Community engagement is described mainly through product safety, research collaborations, and specific projects.	No systematic assessment of local community impacts has been conducted across all sites.
GRI 414 – Supplier social assessment	Yes	Supplier audits, working-condition assessments, and follow-up actions are covered, including limitations.	–
Care % of turnover	0,37%	0,36%	0,29%

Workforce demographics

Workforce size and structure
Axkid's workforce increased from 46 to 59 employees in 2025. The number of non-employees grew to 41. Age distribution remained stable. Charts here show workforce size and makeup over time.

Employee turnover was 2%, the lowest level recorded. Although retention is high, the small workforce means data should be viewed cautiously.

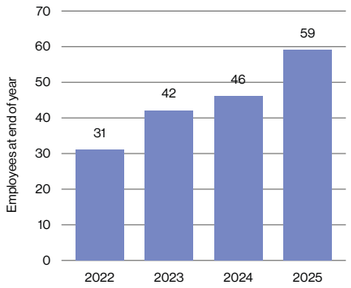
Workforce sentiment and survey results
Employee - surveys from 2022–2025 highlight strengths in managerial support, empowerment, and customer focus. As data is self-reported, it offers directional insight into workplace conditions.

The sense of belonging within Axkid's global team remains positive, though it fluctuates, likely due to organizational growth and more dispersed working. Excitement about work, managerial support and empowerment scores have stayed consistently high.

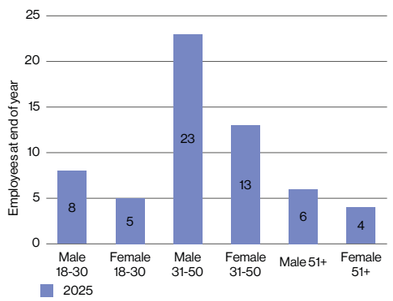
Employee willingness to recommend Axkid as an employer has stayed high, maintaining a stable Net Promoter Score. Since survey responses are anonymous and self-reported, results indicate employee sentiment but have limitations.

Overall, the data shows positive engagement during organizational change. Adjacent charts illustrate these trends.

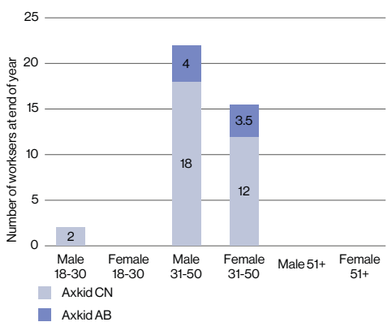
Number of employees



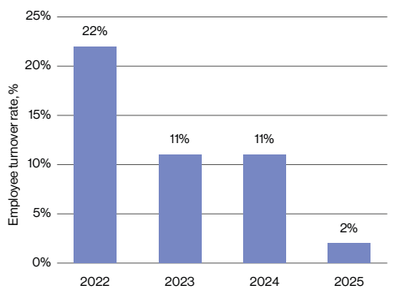
Employees age gender



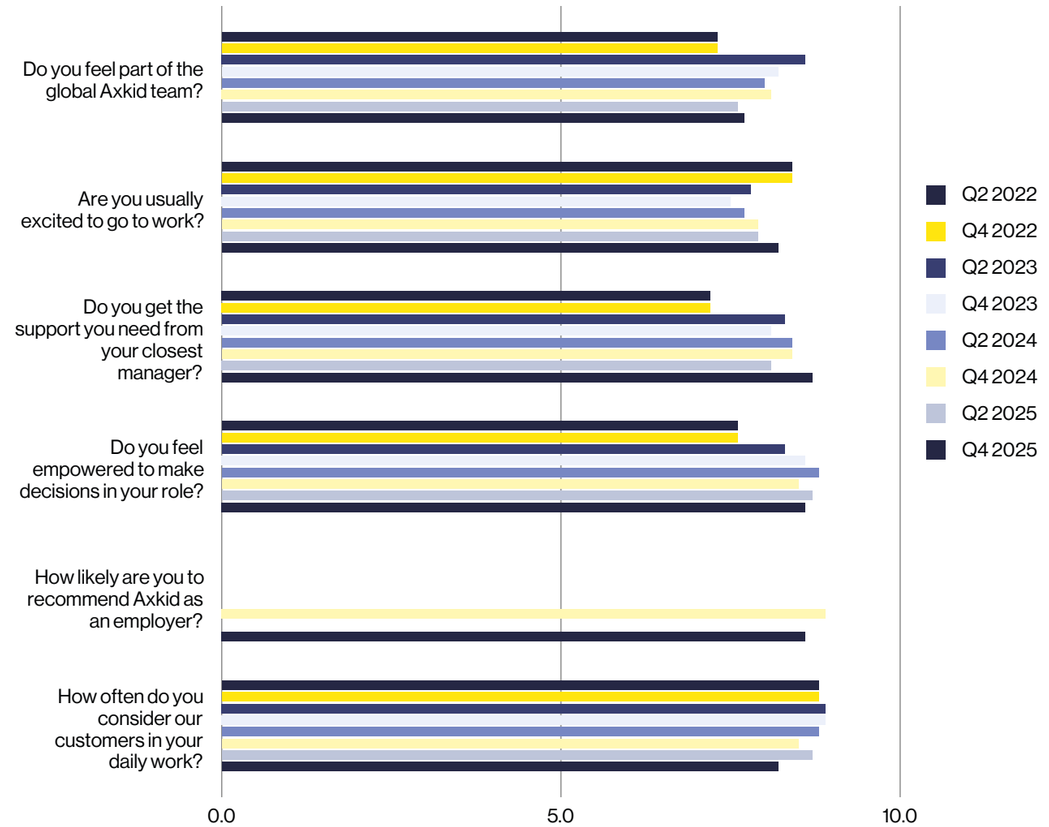
Workers who are not employees age gender



Employee turnover rate



Employee surveys



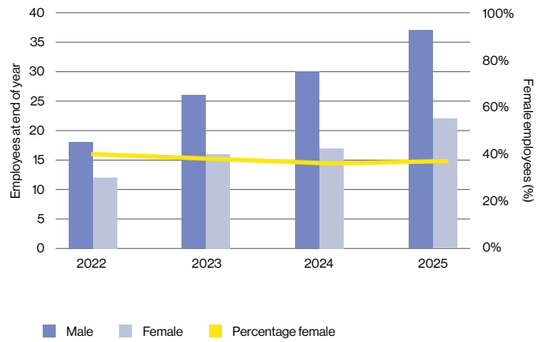
Diversity, equity and inclusion (DEI)

Axkid addresses diversity, equity, and inclusion by supporting a fair and cohesive working environment within an international organization. As the workforce grows and becomes more geographically dispersed, effective communication across countries and time zones remains a key operational requirement. The gender composition in 2025 was approximately 60% men and 40% women, consistent with 2024 data across the group. Currently, diversity data is limited to gender. Data on other diversity dimensions are not collected at this stage, but collection will be considered when the employee population becomes statistically significant. The absence of a central HR department restricts the ability to implement structured diversity, equity, and inclusion initiatives and comprehensive data collection in this area. All data referenced in this section are collected through surveys to site managers. The accompanying chart illustrates changes in these values over time.

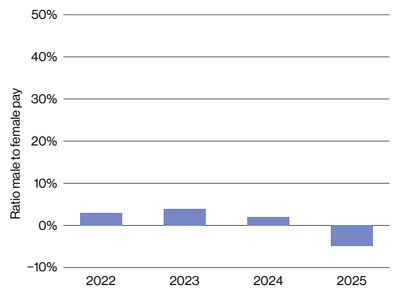
Gender-pay-gap monitoring indicates a continued narrowing of the gap, with a calculated difference of –5% in 2025 compared with 2% in 2024. However, the dataset remains small and several sites have fewer than five employees and are excluded from the data for privacy reasons, which limits statistical reliability. Differences in roles, seniority, and country context can create large shifts between years. For these reasons, the figures should be viewed as indicative, not precise, and Axkid will need a larger and more consistent dataset to fully meet GRI comparability requirements. The chart accompanying this section illustrates the year-to-year trend.

Non-discrimination is reflected in Axkid's Code of Conduct and internal policies, and efforts from previous years – such as bilingual communication support and digital engagement – continue to be used to strengthen inclusion. No discrimination cases were reported to the whistle-blowing channel in 2025. We will need a more structured approach to reporting mechanisms and case handling to meet GRI disclosure expectations. This work will be developed as part of future policy updates.

Employee turnover rate



Gender pay gap



Occupational health and safety

Axkid's approach to health, safety and well-being continues to evolve as operations expand across multiple countries. Each site is expected to maintain a safe working environment, though the level of formal structure differs. China and Sweden apply documented procedures and regular walk-throughs led by safety officers, while smaller sites rely on the Code of Conduct and guidance in the employee handbook. Swedish offices were not externally audited in 2025, but practical preparedness was strengthened through the installation of a defibrillator and company-wide CPR training. At the China facility, a BSCI audit was conducted during 2025, as described earlier in the report. Other sites did not undergo external audits, meaning Axkid does not yet have full group-wide audit coverage.

Work-related injuries and health outcomes are reported by site managers and linked to internal data on worked hours. In 2025, one serious workplace injury occurred at the China site when an employee was injured while cleaning a machine. Axkid has supported the employee with medical care and rehabilitation, with the intention of enabling a safe return to work without long-term limitations. No other serious incidents were recorded. The accompanying charts show low incident rates overall, but they also reflect differences in local reporting routines. To meet GRI requirements for completeness and comparability, Axkid will need more standardised processes for recording hazards, near-misses, incidents and corrective actions.

Formal health-and-safety systems remain in place in China and Sweden, while other sites do not yet operate a full management-system structure. These locations meet internal requirements but are not fully aligned with GRI 403 expectations for systematic risk assessment, worker participation, incident investigation procedures, and continuous improvement. Strengthening this foundation across all sites will be a key focus going forward. A summary of the current system structures is shown below:

Health & Safety Management system

Topic	Axkid China	Axkid AB (Sweden)
Management system	ISO 9001-based safety procedures	Internally developed system based on industry standards
Legal requirements	Labour Law of the PRC	Swedish labour legislation
Coverage	All employees and temporary workers	All employees and consultants
Competence & training	Defined in HR and H&S programmes	Safety representative ensures first-aid training every three years; managers require knowledge of workplace risks
Incident investigation	Work health & safety management programme	Internal form-based process through the intranet
Hazard reporting	Direct manager/site GM or Speak Up portal	Intranet form or Speak Up portal
Occupational health services	Part of H&S management programme	Quarterly meetings between safety representative and CEO, including risk assessments and incident reviews

Work-related ill health		
The number of fatalities as a result of work-related injury	Employees	0
	Non-employees	0
The number of high-consequence work-related injuries (excluding fatalities)	Employees	0
	Non-employees	0
The number of recordable work-related injuries	Employees	1
	Non-employees	0
The main types of work-related injury	Employees	Injury on machinery
	Non-employees	0
The number of hours worked (total in company)	Employees	91344
	Non-employees	68508
High-consequence risks or hazards: which hazards have caused injuries		No structured approach in place yet.
High-consequence risks or hazards: actions taken to eliminate these hazards		No structured approach in place yet.
If any workers have been excluded from this disclosure and why		No
Contextual information such as standards, methods, and assumptions.		Following H&S system as described below

Supply chain social responsibility

Axkid's supply-chain social-responsibility work in 2025 focused on improving transparency, strengthening the quality of information received from suppliers, and expanding structured follow-up. Because most data from suppliers is self-reported unless supported by audit results, it is used primarily to guide dialogue and identify where verification or corrective action is needed. Axkid aims to build a supply chain that is reliable, fair, and aligned with recognised labour-rights standards, while acknowledging that levels of influence differ between assembly-plant suppliers and white-label partners. We collect data through suveys from suppliers representing 95% of total spend and audit suppliers that represent 80% of total spend.

100% of Axkid's suppliers have signed the Supplier Code of Conduct, which sets expectations on labour rights, working conditions, and business ethics. Signature alone does not confirm compliance, and verification continues to rely on audits, surveys, and targeted follow-up.

Supplier engagement
In 2025 Axkid expanded expectations on suppliers, updated its data-collection processes, and strengthened follow-up procedures. This year's work builds on activities initiated in 2024, such as Supplier Day and supplier-site visits, which created a foundation for more systematic communication.

Axkid launched the updated Supplier Sustainability Survey 2025, which now focuses primarily on environmental and governance data. Social topics are assessed through BSCI audits, as survey-based social information has shown low comparability. Survey responses remain self-reported and unaudited, and although evidence is submitted to some extent, it is neither consistent across all suppliers or audited and is therefore treated as indicative.

During 2025, Axkid completed BSCI audits covering approximately 80% of spend from major suppliers. The audits identified recurring issues common in the region, including excessive working hours, gaps in social-insurance coverage, and procedural weaknesses in social-management systems. All audited suppliers were required to submit corrective-action plans, and Axkid will monitor implementation during 2026. These results help prioritise follow-up but do not provide full visibility into lower-tier suppliers. The Supplier Portal continued to develop as Axkid's primary communication platform, now including updated guidance and an introduction to the V-SME voluntary sustainability-reporting standard. This proved to be less relevant now because of the development and launch of the CSDS standard in China. A welcome development from our side that will make data collection easier in the future.

Dialogue on materials, emissions and long-term expectations increased throughout the year. Overall, improvements in audits, follow-up, and communication tools have strengthened Axkid's ability to monitor social risks, while also highlighting areas where evidence remains limited.

Audit scoring principles
BSCI audits assess compliance across 13 social performance areas. The rating are determined by the lowest score in any assessed area, not an average score.

A = Full compliance with BSCI requirements
B = Largely compliant
C = Compliance in many areas, but with gaps in procedures or documentation
D = Insufficient performance. Corrective actions and follow-up audits are mandatory.
E = Unacceptable performance. Critical non-compliance with core labour standards. Immediate action is required.

Supply chain audits

Axkid assembly plant
A full BSCI re-audit was conducted in 2025, resulting in an overall C rating. The audit confirmed high scores in several core labour-rights areas, including no child labour, no forced or bonded labour, non-discrimination, ethical business behaviour, freedom of association, and protection of young workers. These results indicate a solid baseline in essential rights-related topics. The audit also identified clear improvement needs in Social Management Systems, Fair Remuneration, Occupational Health and Safety, and Decent Working Hours. These non-conformities remain prevalent across many BSCI audits. Many of these findings relate to documentation gaps or procedural inconsistencies, while others, such as extended working hours, reflect structural norms in the local labour market. Wage reviews conducted by Axkid showed that salaries meet or exceed both the local minimum wage and commonly referenced living-wage benchmarks, although these reviews are internal and not independently verified.

Axkid addressed several deviations during 2025, including updated safety routines (e.g., fire-safety clearance, PPE practices) and targeted training for relevant teams. Each remaining deviation has a corrective-action plan integrated into the plant's management system, with follow-up continuing into 2026.

Axkid Assembly plant audit results

PA1	Social Management System and Cascade Effect	C
PA2	Workers Involvement and Protection	A
PA3	The rights of Freedom of Association and Collective Bargaining	A
PA4	No Discrimination	A
PA5	Fair Remuneration	C
PA6	Decent Working Hours	A
PA7	Occupational Health and Safety	C
PA8	No Child Labour	A
PA9	Special protection for young workers	A
PA10	No Precarious Employment	C
PA11	No Bonded Labour	A
PA12	Protection of the Environment	B
PA13	Ethical Business Behaviour	A

Tier 1 suppliers to the Axkid assembly plant
For suppliers delivering components to the Taicang assembly plant.

A key milestone was completing BSCI audits for major suppliers, representing ~80% of spend. Audit results showed high ratings in critical labour-rights topics: no child labour, no forced labour, non-discrimination, ethical behaviour, and protection of young workers received A-level or otherwise high ratings.

However, recurring deviations were also identified, particularly in working hours (D ratings on 75% of suppliers), social-insurance coverage, and Social Management Systems. Scores in Fair Remuneration, Occupational Health and Safety, and Freedom of Association were commonly C-level, indicating procedural or documentation gaps. These findings are consistent with regional labour-market structures, where extended overtime and varied insurance arrangements are common. Axkid has limited influence over these broader conditions but continues to encourage incremental improvement through dialogue and clearer expectations.

All suppliers with deviations were required to submit corrective-action plans. Axkid will monitor progress throughout 2026, focusing on documentation quality, safety routines, and alignment with BSCI requirements.

White label supply chain
Progress among Axkid's four white-label suppliers, Welldon, Cappi Tiger and, Kidsland, remained steady in 2025. Social-performance data is based on recent BSCI audits. As stated earlier, one new White Label supplier is added during 2025, Saferide Kids. This supplier has yet to be audited.

Audit results show high ratings in core labour-rights topics such as no forced labour, no child labour, ethical business behaviour, non-discrimination, and freedom of association. These outcomes indicate that fundamental risks are well managed at these facilities.

As with other suppliers in China, recurring deviations appeared in working hours and social-insurance coverage. These issues are recurring and driven largely by regional labour-market practices and system structures, making rapid change difficult. Axkid continues to raise expectations and maintain dialogue, but the company's ability to influence these broader structural conditions is limited.

Deviations identified during audits were consistent with established structural norms. For each deviation noted, suppliers were required to submit corrective action plans. Axkid will continue to monitor the progress of these actions, review updated audit results, and maintain ongoing communication with the suppliers.

Tier 1 suppliers audit results (average scores)

PA1	Social Management System and Cascade Effect	C
PA2	Workers Involvement and Protection	B
PA3	The rights of Freedom of Association and Collective Bargaining	C
PA4	No Discrimination	A
PA5	Fair Remuneration	C
PA6	Decent Working Hours	D
PA7	Occupational Health and Safety	C
PA8	No Child Labour	A
PA9	Special protection for young workers	A
PA10	No Precarious Employment	A
PA11	No Bonded Labour	A
PA12	Protection of the Environment	B
PA13	Ethical Business Behaviour	A

White Label suppliers audit results (average scores)

PA1	Social Management System and Cascade Effect	B
PA2	Workers Involvement and Protection	B
PA3	The rights of Freedom of Association and Collective Bargaining	A
PA4	No Discrimination	A
PA5	Fair Remuneration	A
PA6	Decent Working Hours	D
PA7	Occupational Health and Safety	A
PA8	No Child Labour	A
PA9	Special protection for young workers	A
PA10	No Precarious Employment	A
PA11	No Bonded Labour	A
PA12	Protection of the Environment	A
PA13	Ethical Business Behaviour	A

Community impact and social value

Axkids community-impact activities focus on sharing evidence-based child-safety knowledge and supporting safe mobility for children in different contexts. This work is linked to Axkids material topics on child safety, product impacts, inclusivity and stakeholder engagement. Activities center on providing accurate information, supporting research and collaborating with partners and experts. The reach and consistency of these activities vary across markets, and available data differs by program and region.

Sweden's long-standing "Zero Vision" initiative, which aims to eliminate fatalities and serious injuries in road traffic, forms an important part of the background to Axkids approach. Rear-facing travel is a well-established part of Swedish child-safety practice, informed by national agencies and safety research. Axkid seeks to communicate the principles behind this approach internationally by sharing accessible guidance and highlighting evidence-based recommendations.

Objective
The overarching aim of these activities is to support environments where children travel rear-facing for as long as possible, with a minimum duration aligned with Swedish safety recommendations. Research referenced on Axkids website consistently shows that extended rear-facing travel reduces the risk of serious injuries in collisions.

Engagement Channels and Target Audiences

Forum / Channel	Target group	Goal	Reach
Internal training	Employees	Ensure internal understanding of rear-facing safety principles	All employees receive introductory onboarding. Sales and marketing teams receive additional training that is specific to their roles.
End-customer communication	End customers	Provide accurate information on safe alternatives	Total followers across all markets where we manage the accounts are: Instagram: 97,050 followers (based on in-platform account statistics) Facebook: 101,350 followers (based on in-platform account statistics) These figures provide a basic indication of our potential reach. A more complete assessment would require a detailed analysis of engagement, audience composition, and other variables. For the purpose of giving a summarized view of our reach, we report these follower numbers.
Store safety training	Store staff	Support staff in explaining best-practice safety	We do not currently track the total number of store demonstrations or safety education sessions performed each year. Our global retail network consists of approximately 850 stores, and we know that our teams have visited most of these stores at least once, with some stores visited multiple times. However, because these visits have not been systematically recorded, we cannot provide a verified annual figure for 2025. The information above reflects our best available understanding, but it should not be interpreted as a quantified performance metric.
National events	Distributors, store owners, media, influencers	Share safety knowledge with national-level stakeholders	2025 activities: UK ~60 attendees Spain ~150 attendees Sweden ~100 attendees
Global events	B2B executives, media, influencers	Communicate evidence-based safety principles to decision-makers	2024 event had ~200 participants 2025: No conference was held. 2026: event planned

Axkid uses such evidence to guide its communication to caregivers, retailers and partners, while recognizing that awareness and regulations vary across markets.

Education and awareness
Axkid provides safety information to caregivers, retailers and partners through product guides, instructions, online resources and safety communication. Topics include installation principles, rear-facing recommendations and the difference between legal minimum standards and best-practice guidance. Retailers use Axkids training materials and fit-checking resources, and safety communication is shared through digital channels. Engagement levels differ by region and channel, and Axkid does not currently measure the impact of these activities in a uniform way. In some markets, Axkid also communicates safety guidance through media channels directed at policymakers and public audiences.

Partnerships and societal engagement
Axkid collaborates with retailers, NGOs, research organizations and safety specialists to share knowledge and contribute to broader discussions on child mobility safety. Activities include training, workshops, participation in safety campaigns and exchanges with technical experts. These collaborations help ensure that communication aligns with current research and regulatory developments. The level of engagement varies across markets and depends on the capacity of partners and local conditions. To support consistent messaging, Axkid provides internal training so that employees can communicate evidence-based safety information. A simplified overview of key channels and intended audiences is presented below.

Research and knowledge-sharing
Axkid contributes to research projects focused on improving understanding of safe child mobility. This includes collaboration with external institutes and participation in development initiatives where scientific evidence informs design decisions. Findings are integrated into product development and communication when validated and relevant. The availability of research data depends on partner organizations, and several projects remain ongoing.

Inclusive mobility and specialized safety needs
Axkid provides access to specialized child-restraint solutions through partnerships with specialized producers. These products help accommodate the needs of children who require additional postural support or medical adjustments. Suitability and configuration depend on individual needs, and Axkid collaborates with partners who provide product to the market, in line with Axkids belief that all children have the right to the same high level of safety during transport.

Ambulance-transport research
Axkid participates in a project with VTI and PICTA to explore how infants and young children can be transported safely in emergency vehicles. The project, funded through a government grant, focuses on understanding real-world conditions and safety challenges in ambulance environments, including considerations for staff safety. It is expected to conclude in mid-2026, and results will inform potential future research. A parallel internal project at Axkid explores the development of a transport solution intended for future commercialization. Both streams remain in development and have not yet produced final products.

Work related to premature infants
Axkid participates in exploratory work examining safe transport and positioning of premature infants. This includes considerations related to airway alignment, pressure distribution and clinical vulnerabilities. The work depends on collaboration with clinical and research partners, and findings are integrated into Axkids broader understanding of inclusive safety when supported by evidence.

Internships and trainee programs
Axkid offers 1–5 internships or thesis placements per year, primarily at the head office in Sweden. These provide students with practical experience in areas such as engineering and marketing. The scope of placements varies by year depending on organizational capacity.

Limitations in community-impact reporting
Community-impact activities differ significantly across markets, making it difficult to report outcomes consistently. Axkid does not measure the reach or effect of each activity systematically,

and the indirect influence of safety communication on public attitudes or behaviour cannot be determined. Data availability depends on partner organizations, and some information is based on qualitative observations rather than measurable results. Inclusive-mobility initiatives rely on external technical partners whose documentation varies, and ongoing research, including the ATHOS project, is not yet complete. All outcomes reported here represent the best available information and should be interpreted with these limitations in mind.

Connecting purpose, activities and outcomes
Across education, partnerships, research and inclusive-mobility initiatives, Axkid aims to support safe child travel by improving access to reliable information and specialized seating solutions. Outcomes differ by region and depend on partner engagement, market conditions and data availability.

The outcomes of our work to influence markets towards rear facing travel for children under age 6-7, as we measure them, are detailed here and summarized in the table below.

In 2025, an estimated 471 033 children were travelling in Axkid extended rear-facing seats. This figure is based on cumulative sales of relevant models over an assumed 10-year usage period, which is a common industry reference for child-seat lifetime.

Industry intelligence data also indicates that extended rear-facing seats accounted for 2.6% of all child seats sold in Europe in 2024, up from 2.3% in 2023. While this figure includes all brands, Axkid views the category trend as an indicator of broader awareness of rear-facing safety. The extent to which Axkids activities influence this trend cannot be determined.

ERF data

Datapoint	2023	2024	2025	Source
Sold Axkid ERF seats	372 388	424 005	471 033	ERP system
Sold Axkid ERF seats (growth from prev year)	11%	14%	11%	ERP system
Share of ERF segment in Europe	2,3%	2,6%	No data available at the time of publishing.	Business report

Related initiatives, 9-11

Initiative 9: Communication
This initiative ensures that Axkid communicates sustainability information accurately and in line with regulatory expectations. The focus is on establishing clear processes that avoid unsupported claims and ensure transparency. In 2025 Axkid launched its sustainability-communication strategy, began publishing external interviews, started the sustainability blog, and introduced a sustainability landing page. These steps form the basis for more consistent communication. In 2026 Axkid will expand sustainability content across channels, publish monthly blog posts, update product pages with EPD-based carbon-footprint data, and continue seeking verified opportunities for external communication.

Initiative 10: Great place to work
This initiative aims to strengthen Axkid's foundation as a fair, safe and attractive employer by improving structures that support well-being, equality and working conditions.

In 2025 Axkid began updating the employee handbook and initiated a structured plan for policy development. In 2026 the priority is to finalise updated policies and continue improving health-and-safety routines to create a more consistent and supportive working environment across sites.

Initiative 11: Supply chain working conditions
The purpose of this initiative is to verify labour conditions among Tier 1 suppliers through structured assessments and follow-up, reducing social risk and improving transparency. In 2025 Axkid completed BSCI audits covering suppliers representing ~80% of supply-chain spend, establishing a clearer view of working conditions. Results highlighted both strong performance in core labour-rights areas and recurring deviations in working hours, social-insurance coverage, and documentation. In 2026 Axkid will repeat audits and monitor corrective-action plans, focusing on improving documentation quality and follow-up to strengthen long-term supplier compliance.

The Circular Car project
Axkid has participated in the Circular Car research project, funded by Vinnova under the FFI programme and coordinated by RISE, since 2023, contributing to a multi-stakeholder effort to explore pathways toward a more circular automotive value chain. The project covers market analysis, technology, policy, business models, pilot activities and evaluation. Participation provides Axkid with insight into circularity trends and practices relevant to future product development. The collaboration runs until November 2026. Axkid contributes an in-kind investment of SEK 150,000 and gains access to knowledge and networks that support long-term ambitions to integrate circular principles into its products and operations.

Our governance practices

Scope
Our governance practices define how Axkid is directed, managed and held accountable. They cover the structures, policies and processes that guide our decisions and shape how we work across all parts of the business. This includes how we identify and manage risks, comply with laws and standards, ensure ethical behaviour, protect data and privacy, and maintain transparent reporting. Governance also includes how we engage with stakeholders, set expectations for our suppliers, uphold strong internal controls, and monitor performance across environmental, social and economic areas. Taken together, these practices form the foundation that allows Axkid to operate responsibly, safeguard trust and support long-term resilience.

Objectives
Our objectives are to ensure that governance at Axkid is practical, transparent and grounded in responsibilities that everyone can understand. We aim to maintain clear oversight of risks and opportunities, strengthen accountability throughout the organisation, and ensure that our policies are applied consistently in everyday work. We work to align our conduct with recognised standards for ethical behaviour, anti-corruption, fair competition and tax transparency, while also protecting the rights and personal data of employees, customers and partners. Another objective is to continuously improve the quality and reliability of our sustainability data, so that our reporting remains accurate and useful for decision-making. Ultimately, our governance work is designed to help Axkid make well-founded decisions, act responsibly in a fast-changing regulatory landscape and build trust with the people who rely on us.

Reporting Boundary
All subsidiaries with operational activity in 2025 are included in the sustainability reporting. The same material topics, governance processes and reporting principles apply across the Axkid Group. There are no additional entities outside the adjacent table that fall within the reporting boundary.

Company/Subsidiary	Country of registration	Operational date	Axkid ownership	Notes
Axkid AB	Sweden/HQ	2009-10-15	100%	-
Axkid UK Ltd	UK	2018-07-06	100%	-
Axkid GmbH	Germany	2019-04-01	100%	-
Axkid SaS	France	2018-01-01	100%	-
Axkid (Jiangsu) Safety Seat Co., Ltd.	China	2018-05-07	100%	Fully owned since 2021
Arctic Safe S.L.	Spain	2025-07-02	60%	Minority partner involved
Axkid Poland Sp. z o.o.	Poland	2025-10-03	60%	Minority partner involved
Axkid Inc	Canada	2025-10-01	100%	Not included in 2025 reporting

Organisational details

Axkid AB is a Swedish limited company headquartered in Mölndal, Sweden. The company prepares consolidated financial statements and consolidated sustainability reporting. All entities under Axkid's control are included in the reporting unless specifically stated otherwise.

Key changes since 2024 report
Axkid has experienced several developments in its group structure in 2024–2025, including the establishment of new sales companies in Poland and the US/Canada, the creation of a Spanish sales subsidiary through a partnership with a former distributor, and the acquisition of the bankruptcy estate of the Swedish company Påhoj. The acquired assets and operations from Påhoj have been fully integrated into the Axkid Group.

Legal Information

Legal name:	Axkid AB
Registered address:	Göteborgsvägen 94, 431 37 Mölndal, Sweden
Organisation number:	556791-1887
VAT number:	SE556791188701
D-U-N-S Number:	350017330

Ownership Structure
Axkid AB is owned to 100% by Caution Ax BidCo AB, (Org. No. 559286- 5405).

BidCo is owned to 92% by Caution Ax Holdco (Org. No. 559286-5397) and to 8% by other minority shareholders.

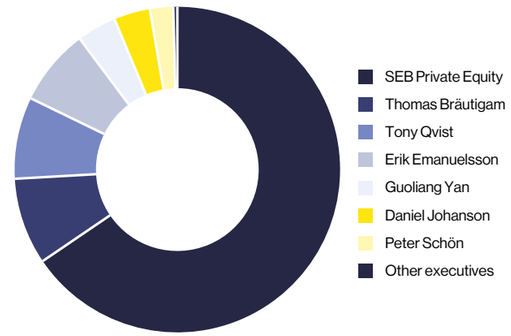
Holdco ownership is distributed according to the adjacent chart. The majority owner of Holdco is Seb Private Equity Opportunity Fund Iii Sca, based in Luxembourg, which in turn is owned by Skandinaviska Enskilda Banken AB, a publicly traded company based in Sweden

Axkid AB is the parent company of all operational subsidiaries. The group structure allows the company to manage production, sales and distribution across several key markets.

Subsidiary inclusion in reporting
All subsidiaries listed in the adjacent table are included in both the consolidated financial statements and the 2025 sustainability report.

Axkid Inc is excluded, as it had no sales activity during the reporting year. Other new subsidiaries are included from the date they began operations.

Ownership



Governance structure and composition

Board of directors

Axkid's highest governance body is the Board of Directors, appointed by shareholders at the Annual General Meeting in accordance with the Swedish Companies Act. The Board appoints the Chairperson and the CEO. Axkid does not currently have worker-elected or union-appointed board members. The Board consists of non-executive members alongside the CEO and includes representatives with industry and private-equity backgrounds. The charts adjacent to this section provide demographic information for the Board and are updated annually.

The management team

Daily operations are led by the management team, which includes the CEO and senior managers from Operations, R&D, Commercial, Finance, Compliance, and Sustainability. The team is responsible for executing strategy, coordinating activities across departments, and addressing operational risks. The management team meets regularly to review progress and align on priorities. Demographic data for the management team is presented in the charts next to this section.

Thomas Bräutigam
Chairman of the board

Erik Emanuelsson
Board member

Karin Wallström Nordén
Board member

Daniel Johansson
CEO

Anton Wall
Vice President / Commercial Director

Sofia Karlsson
CFO

Peter Schön
Board member

Magnus Ramström
Board member
SEB Private Equity

Maria Bilkenroth
Board member
SEB Private Equity

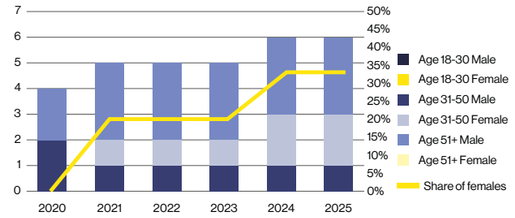
Daniel Lundgren
Safety and compliance manager

Stephanie Franksson
R&D Manager

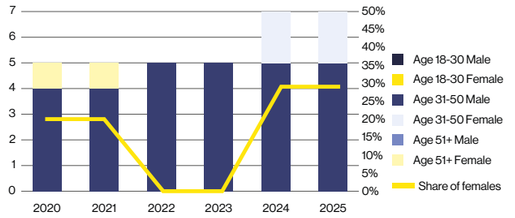
Dennis Baecklund
COO

Johan Andersson
CSO

Board composition



Management team



Role of the board in sustainability oversight

The Board integrates sustainability into Axkid's long-term direction and has decided to align the company's climate ambition with the Paris Agreement. The Board receives updates from the CEO on sustainability strategy, progress against key indicators, and major environmental and social risks. The CSO is responsible for developing sustainability policies, coordinating initiatives, and providing analyses to support Board decisions. Sustainability information included in this report is internally validated and approved by the Board as part of the yearly reporting cycle.

Delegation of responsibility for managing impacts

Responsibility for managing environmental and social impacts is delegated to the CSO, department heads and site managers. Sustainability initiatives are embedded across functions. A Sustainability Hub provides internal guidance, training and reporting tools to support these responsibilities.

Embedding sustainability in the organisation

Axkid embeds its policy commitments through training, internal communication and defined departmental responsibilities. Sustainability priorities are based on the company's materiality analysis and delivered through 14 initiatives covering climate, circularity, supply-chain working conditions, communication and risk management. These initiatives provide a structured approach for integrating sustainability into day-to-day operations and long-term planning.

Sectors of activity

Axkid is active in the development, assembly, and sale of child restraint systems, refurbishing and rental models (Axkid Care), and research into mobility safety. The activities and their NACE/ISIC codes are described in detail in the table below.

Sectors in which Axkid is active.

Area	Description	NACE/ISIC activity	NACE/ISIC code
Axkid Care	Child car seat rental	Renting of personal household goods	Nace 77.29, ISIC 7729
Sales of child car seats (main activity)	We sell Child car seats and accessories to customers around the world	Motor vehicle parts & accessories trade	Nace 45.32, ISIC 4530
In-house manufacturing	Our assembly plant in China. We buy parts made to our specifications and assemle them to world class child car seats. We also buy car seats from external producers, made to our specifications and requirements.	Manufacture Of Parts And Accessories For Motor Vehicles	Nace 29.32, ISIC 2930
Research and development	Our internal R&D department develops new products and maintains existing products to provide the safest car seats on the market.	R&D in natural sciences & engineering	Nace 72.19, ISIC 7210
Warehousing and storage	Our in-house warehousing. Most of our warehousing is done externally but some subsidiaries have their own internal warehouse.	Operation of storage and warehouse facilities	NACE 52.10, ISIC 5210

Stakeholders in the business environment

Axkid engages with stakeholders whose expectations influence our decisions and whose perspectives inform how we manage our environmental, social and product-related impacts. Engagement covers customers, suppliers, owners and investors, employees, regulators, safety and standards bodies, research partners, and actors in the local communities where we operate. These groups contribute insights that shape our work on child safety, regulatory compliance, supply-chain due diligence and environmental reporting.

Engagement takes place through established channels such as customer support interactions, supplier audits, sustainability surveys, product-testing collaboration, regulatory reviews, research participation, internal communication, and dialogue with owners and investors. The frequency and depth of engagement vary by stakeholder group and topic. Input received through these channels informs Axkid's priorities, including product development, supplier requirements, working-condition follow-up and communication practices. Data quality and engagement levels differ across markets and supplier contexts, which influences how stakeholder feedback can be interpreted and applied.

The table below summarises Axkid's key stakeholder groups, their expectations, the forms of engagement, and examples of outcomes or contributions. Axkid communicates with stakeholders to provide factual information about child safety, environmental and social impacts, and the basis for decisions described in this report. The purpose of communication is to ensure stakeholders receive accurate information, understand the limitations of the underlying data, and are able to provide input that helps improve Axkid's sustainability work.

Stakeholder communication
Axkid communicates regularly with stakeholders. Customers receive safety information, guidance on correct use and updates on sustainability topics through customer service, newsletters, website content and social media. Suppliers are engaged through ongoing meetings, audits and follow-up discussions related to product development and working-condition issues. Owners and investors receive structured updates through board processes and financial reporting. Employee communication is carried out through internal channels, meetings and training. Axkid also interacts with relevant authorities and external organisations when required. The frequency and depth of communication vary by topic and stakeholder group.

Stakeholders

Stakeholder group	Expectation on Axkid	Dialogue form	Created values
Owners / Investors	Transparent sustainability performance, clear governance, long-term value creation, strong risk management, and ethical conduct.	General meetings, board and leadership meetings, ongoing sustainability and financial updates, reporting dialogues.	More credible and transparent reporting through externally verified GHG calculations and improved Scope 1–3 data quality, supported by the ESG Transparency Award for 2024.
Employees (existing & potential)	Safe, inclusive, supportive workplace; career development; work-life balance; clear and updated HR policies.	Employee surveys, team meetings, performance reviews, policy updates, internal communication channels.	Clearer processes and improved structure through strengthened sustainability governance and supplier oversight activities, supporting a more predictable and responsible working environment.
Customers (shops, distributors, retailers)	Reliable deliveries, product availability, strong customer support, flexibility, fair terms, access to sustainability information, and access to the safest seats on the market.	Ongoing commercial meetings, customer support channels, procurement processes, joint planning, training and product information exchanges.	Enhanced transparency through published EPDs for major products and externally verified emissions data, combined with updated safety reporting and communication.
End-users (parents, caregivers, children)	Safe travel; highest level of crash performance; chemical safety; durability; modern design; easy-to-use features; trustworthy information.	Customer service interactions, product instructions, safety communication, online channels, social media, testing programmes, educational content.	Strengthened assurance of child safety through external testing going beyond regulation (e.g., Plus-Test), improved safety communication, and the launch of Axkid's safety report.
Suppliers (Primary focus in 2025)	Clear requirements on working conditions, human rights, chemical safety, sustainability reporting, emissions transparency, predictable planning, long-term cooperation.	Supplier audits (BSCI/ RBA), sustainability surveys, training, sourcing meetings, follow-ups, commercial communication.	Improved data quality and transparency through 95% supplier sustainability reporting, strengthened supplier maturity through audits of all major suppliers, and launched supplier training materials
Regulators / Public Authorities	Compliance with safety rules, chemical regulations, circularity requirements, and reporting obligations; transparent documentation.	Certification processes, compliance documentation, participation in regulatory consultations, monitoring of requirements.	Better regulatory readiness through more accurate and externally verified emissions data, comprehensive EPDs, and structured monitoring of regulatory changes.
Local Communities	Responsible operations, environmental care, ethical conduct, credible local presence, social contribution.	Informal interactions, site-level communication, participation in relevant community activities.	Transparent reporting and responsible operational practices that support trust and accountability toward local communities.
Safety Testing & Standards Organisations	Adherence to evolving safety, crash-test and regulatory standards; participation in technical discussions; contribution to research and standard development.	Participation in technical standardisation working groups, membership in research networks, product testing collaboration with crash test labs, information exchanges, reviews of regulatory and safety requirements.	Independently verified test results that can be communicated to consumers, strengthening trust in the safety of Axkid products. Continuous development of product safety through insights from research collaborations and participation in regulatory and standard-setting processes. Contribution to advancing safety standards and ensuring compliance with external testing going beyond regulation.

Communication principles and claims
Axkid's communication on sustainability follows a factual, evidence-based approach. Claims about performance, impacts or improvements are made only when supported by verifiable information. Where data is limited, self-reported or uncertain, this is stated clearly. This approach aligns with regulatory expectations on environmental communication and with the company's internal requirements to avoid overstated or misleading claims.

Link to material topics
Communication activities are closely tied to Axkid's material topics, including child safety, product impacts, working conditions and transparency. A key focus is sharing research-based information on rear-facing travel and correct product use to support child safety. Environmental communication addresses emissions data, definitions, boundaries and limitations. Social communication focuses on supplier audits, identified challenges and follow-up actions where documented evidence is available.

Social media
Social media is used primarily to share educational content about child safety and to explain sustainability topics in a clear and accessible way. Internal guidelines describe four content types – educational, engaging, relatable and product-focused – which guide the structure of posts. Sustainability-related communication follows the same evidence requirements as the rest of the report. Posts are limited to information that can be substantiated, and complex topics may be simplified for accessibility, which is acknowledged as a limitation. Reach and engagement vary across markets, which influences how widely messages are received.

Blog posts and interviews
Axkid participates in interviews and publishes blog posts to provide more detailed explanations of its sustainability work. Topics during the year included emissions accounting, supplier engagement, working-condition follow-up and child-safety research. These channels support deeper communication but depend on the availability and quality of underlying data. Blog posts and interviews are reviewed internally to ensure accuracy and consistency with Axkid's communication principles.

Link: Sustainability – Axkid

Use of stakeholder feedback
Feedback is gathered through supplier meetings, customer interactions, employee surveys and industry collaborations. This input is used to refine supplier requirements, inform product-development decisions and identify areas where communication needs to be improved. Limitations include uneven data quality, different levels of engagement in various markets and reliance on self-reported information in some areas. These factors influence how feedback can be interpreted and integrated.

Whistleblower mechanism (Speak Up)
Axkid maintains an anonymous Speak Up mechanism for reporting concerns related to misconduct, including financial irregularities, harassment, discrimination, or safety issues. Reports can be submitted through the online portal, via email, or by post. The CSO currently manages incoming reports, and Axkid intends to transition to an external impartial handler to strengthen independence and transparency.

Link: Speak up | Axkid

Membership associations
Axkid participates in technical and research-oriented organisations, including:

- SIS TK242 (Swedish Institute for Standards working group on child safety in cars)
- ISO/TC 22/SC 36/WG 2 (child restraint system standardisation)
- SAFER (traffic safety research collaboration among industry, academia, and authorities)

These memberships support knowledge sharing, regulatory development, and product safety innovation.

Policies

Axkid operates under several policies that define ethical And responsible business conduct:

Environmental policy
The environmental policy guides employees in supporting axkid's environmental objectives and integrating sustainability into daily decision-making. It reflects principles of environmental stewardship, regulatory compliance and continuous improvement. The policy governs how teams work to reduce environmental impacts, conserve resources and contribute effectively to axkid's long-term sustainability ambitions.

Code of conduct
The code of conduct outlines axkid's expectations for ethical and responsible behaviour. It reflects principles of human rights, equal treatment, anti-corruption, environmental responsibility and professionalism. It governs how employees act in internal and external situations, ensuring that integrity, respect and responsible conduct guide all decisions and interactions across the company.

Supplier code of conduct
The supplier code of conduct defines the standards axkid requires from its suppliers, including human rights, labour conditions, environmental performance and ethical business conduct. It reflects international norms for responsible supply chains and governs how suppliers must operate, including participation in due-diligence processes and adherence to axkid's expectations throughout the value chain.

Responsible sourcing policy
The responsible sourcing policy sets environmental, social and ethical criteria for the procurement of goods and materials. It reflects axkid's commitment to responsible supply-chain management and governs how suppliers are assessed, selected and monitored to ensure alignment with axkid's sustainability priorities and compliance with applicable regulations.

Anti-corruption and anti-bribery policy
The anti-corruption and anti-bribery policy establishes a strict zero-tolerance approach to corruption, extortion and bribery. It reflects international principles of ethical business conduct and governs how employees and partners must avoid offering, giving, requesting or accepting any improper advantage. The policy safeguards fairness and integrity in all business relationships.

External privacy policy
The external privacy policy describes how axkid collects, processes and protects personal data belonging to customers, suppliers, job candidates and website visitors. It reflects data-protection principles such as lawfulness, fairness and transparency and governs axkid's responsibilities for handling external personal data securely, respectfully and in compliance with applicable legislation.

Internal privacy policy
The internal privacy policy governs how axkid processes the personal data of employees and consultants. It reflects principles of responsible data management and ensures that personal information is collected and used only for legitimate employment-related purposes. The policy governs how data is stored, accessed, protected and handled throughout the employee lifecycle. Sets expectations for environmental and social criteria in tier 1 and tier 2 suppliers.

Risk management

Risk management responsibilities lie with the management team, supported by the CSO and department heads. Initiative 13 focuses on integrating structured and proactive risk management across environmental, social, and governance matters. Identified risk areas include climate adaptation, regulatory compliance, supply chain labour risks, data quality, and cost/emission trade-offs. In 2025 a Foresight analysis was performed.

Legal and regulatory environment

Axkid operates in a regulatory landscape that is changing quickly across all major markets. New rules in the EU, United States and China increasingly focus on product sustainability, packaging, transparency, due diligence, climate reporting and green claims. During 2025, Axkid focused on mapping upcoming packaging, Extended Producer Responsibility (EPR), PFAS and recyclability requirements, reviewing product-level sustainability data needs, strengthening internal processes for environmental claims, preparing routines for future emissions and supply-chain due diligence requests, and monitoring China's expanding emissions and pollution-control regulations for the Taicang facility. The text below summarises the most relevant regulatory changes and their expected implications.

European Union:
The European Union's regulatory landscape shifted significantly in 2025 as the Omnibus packages altered both the timing and scope of key sustainability rules. For Axkid, the most important change is the delay and narrowing of the Corporate Sustainability Reporting Directive (CSRD).

The revised thresholds now limit CSRD to companies with more than 1,000 employees and EUR 450 million in turnover, removing most mid-sized companies from scope. Axkid therefore no longer expects mandatory CSRD reporting in the near term, a substantial change from earlier assumptions that preparation would be required by 2027. Although Axkid is outside the formal scope, the directive will continue to influence expectations from larger customers that still must report and may request selected sustainability data, even if the Omnibus reforms now limit how much information they can demand from smaller suppliers.

The Corporate Sustainability Due Diligence Directive has undergone similar changes, with thresholds raised high enough that Axkid is no longer directly affected. However, due-diligence expectations will continue indirectly through customer audits and sector initiatives.

From 2026, several frameworks directly affect Axkid's packaging, product sustainability data and supply-chain due diligence. The Packaging and Packaging Waste Regulation introduces mandatory recyclability, design-for-recycling, material restrictions including PFAS, harmonised labelling and expanded EPR obligations. The Empowering Consumers for the Green Transition Directive limits environmental claims unless they are evidence-based. The Ecodesign for Sustainable Products Regulation establishes the Digital Product Passport, gradually requiring standardised sustainability data at product level. The Corporate Sustainability Due Diligence Directive requires large companies to assess human-rights and environmental risks, influencing Axkid through customer expectations. Waste Shipment and Deforestation Regulations affect handling of materials, waste streams and certain commodities, although not appliable to Axkid at this stage.

United States:
The US regulatory landscape is driven mainly by state-level rules. Several states introduce PFAS restrictions and packaging-related obligations from 2026, including EPR systems. California climate disclosure laws and SEC climate rules require emissions and climate-risk reporting for large companies, indirectly impacting Axkid through partner requirements. Greenwashing enforcement is increasing through litigation and regulatory actions, requiring careful review of environmental claims.

China:
China's legal environment is shaped by the 14th and upcoming 15th Five-Year Plans. The national emissions trading system requires measurement, verification and reporting of factory emissions. Dual-carbon controls (2026–2030) increase expectations for energy efficiency, pollution control and future product-level carbon tracking. Environmental audits and green-design priorities affect Axkid's Taicang operations and suppliers. The introduction of sustainability reporting standards as the CSDS have started to give effects in our supply chain.

Legal environment summary

Region	Key Regulatory Changes	Main Areas Affected	Implications for Axkid
EU	PPWR (2026): recyclable packaging, material restrictions, harmonized labels	Packaging, chemical content, environmental claims, supplier oversight, traceability	Packaging redesign; PFAS-free materials; increased EPR fees; verified sustainability claims; stronger supplier documentation; preparation for digital product data.
	Anti-greenwashing rules (ECGT, 2026)		
	Digital Product Passport rollout (from 2025/26)		
	Expanding EPR fees and reporting		
	Supply-chain due diligence (CSDDD)		
United States	State PFAS restrictions and reporting duties (from 2026)	Packaging materials, emissions data for partners, marketing, compliance across individual states	Adjust packaging materials; support U.S. partners' emissions reporting; ensure litigation-resistant claims; register and report under relevant EPR systems.
	Packaging EPR rollout		
	California climate disclosure laws; SEC climate rules		
	Rising greenwashing litigation		
China	Expansion of national emissions trading scheme	Factory emissions, energy use, pollution control, product carbon data	Increased emissions monitoring and verification; upgrades to energy systems; environmental audits for suppliers; preparation for lifecycle carbon-footprint reporting.
	Dual-carbon controls under the 15th FYP		
	Strengthened pollution-control laws		
	Emerging product-carbon-footprint tracking		

EU taxonomy summary

During 2025 Axkid screened its economic activities against the EU Taxonomy Delegated Acts. Axkid's current activities (rental and sale of child car seats, assembly/manufacturing, and general R&D) are not listed Taxonomy activities.

Accordingly, Axkid reports 0% eligible and 0% aligned Turnover and CapEx, and treats OpEx as immaterial under the 2025 EU reporting simplifications; we therefore disclose only total OpEx and a non-materiality explanation.

Minimum Safeguards (OECD/UNGP) are in place (Codes of Conduct, anti-corruption, whistleblowing, and supplier due diligence).

Axkid will reassess eligibility if future R&D is directly linked to a taxonomy-listed mitigation or adaptation activity.

Climate risk and resilience

Climate change presents growing risks to Axkid's operations, supply chain, and long-term business resilience. This chapter summarises Axkid's climate-related physical and transition risks, their potential business implications, and the actions taken to strengthen resilience.

Methodology and scope

Two global warming scenarios, Net Zero 2050 (1.5°C) and Current Policies (~3°C), form the basis for the risk evaluation. Physical risks related to temperature, water, and wind, and transition risks caused by policy, market, technology, and reputation developments, were assessed across Axkid's value chain, with particular focus on the factory in China and the European warehouse locations. Axkid has not yet estimated the financial value of potential climate-related impacts due to insufficient historical data; however, qualitative implications are described below.

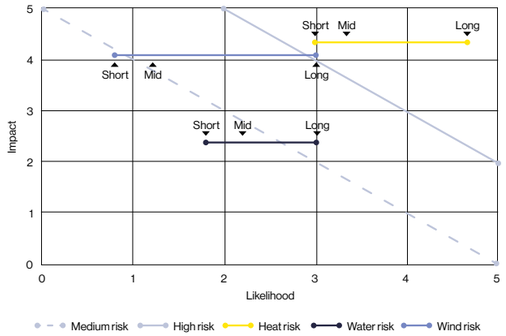
Physical climate risks

Axkid faces risks from extreme heat, flooding, changing precipitation patterns, and wind-related hazards. These risks affect manufacturing, warehousing, logistics, and supplier networks.

A high-level comparison of physical risks across Axkid's key markets illustrates variations in exposure, especially regarding heat, water, and wind hazards. The development of risks show that heat is already a high risk area that will continue to increase over the coming years. and wind risks, related to hurricanes etc, are moving to a higher risk over time.

Country	Water-related risks	Heat-related risks	Wind-related risks
All countries	–	Changing temperature	–
China	Flood; Changing precipitation patterns; Drought; Sea level rise	Heat stress; Heat waves	Cyclones, hurricanes, typhoons, tornadoes
Spain	Drought	Heat stress; Heat waves	–
United Kingdom	Flood; Changing precipitation patterns; Drought	Heat stress	–
France	Drought; Changing precipitation patterns; Rainfall patterns	Heat waves	–
Sweden	Flood; Changing precipitation patterns; Heavy precipitation	–	–
Poland	Changing precipitation patterns; Drought	–	–

Risk overview



Short-Term (0–1 year):

In the short term, acute flooding in Jiangsu, Zhejiang, and Sweden may disrupt production and damage inventory. Heat stress and heat waves in China and Spain pose challenges for working hours and employee health.

Medium-Term (1–5 years);

Over the medium term, rising temperatures increase fire risk in Europe and China. Shifting rainfall patterns in Europe are expected to contribute to more frequent flooding.

Long-Term (5+ years);

In the long term, chronic heat intensifies fire risk, heat stress, productivity loss, and the risk of operational shutdowns. Europe is projected to experience significantly more extreme rainfall days and higher winter precipitation.

Transition risks

Transition risks arise from regulatory developments, evolving customer expectations, and constraints in raw material supply. Increased costs of raw and sustainable materials will particularly affect suppliers in China. Stricter sustainability regulations in both the EU and China may lead to higher compliance costs and operational complexity. The growing prominence of second-hand markets and sharing systems may influence Axkid's revenue models, while limitations in recycled material properties could create challenges in product development.

Opportunities from transition

Opportunities emerge from advances in bio-based plastics and recyclates, which support lower product emissions. Further opportunities include the use of life cycle assessments to strengthen competitiveness and meet customer expectations, as well as the development of circular business models – such as refurbishment and take-back systems – that enhance supply security and margin stability.

Business implications (qualitative)

Although economic impact data is not available, several implications can be anticipated. Operational costs may increase due to higher cooling needs, expanding flood protection requirements, and rising insurance premiums. Supply chain disruptions may become more frequent, increasing lead times and input costs. Product costs could rise due to raw material scarcity and compliance pressures, and sales may be negatively affected by logistics delays or the expansion of second-hand markets.

Adaptation and resilience measures

The climate risk and rescilience analysis outlines a comprehensive set of adaptation actions that Axkid can use to enhance resilience.

Heat and Temperature-Related Adaptation

To address heat-related risks, Axkid plans to increase air-conditioning capacity at the factory to manage warmer summers and introduce flexible work arrangements alongside heat-health plans such as hydration routines and cooling zones. We will map climate risks across suppliers and integrate climate-related criteria into supplier evaluations, while also developing contingency plans for temporary shutdowns and operational disruptions.

Flood and Precipitation Adaptation:

Flood adaptation measures include the installation of flood-defence systems, improved facility drainage, and the elevation of critical machinery and inventory to minimise damage. Regular risk mapping and systematic cost estimation for flood mitigation will further support resilience.

Climate risk, geographical, table

Risk	Adaptation solution	Implement-ation cost	Risk materiality
Heat stress affects own productivity and suppliers' ability to deliver components	Increase in air condition capacities in factory	Medium	High
	Ensure flexible work arrangements		
	Create heat health plans for staff (hydration, cooling zones)		
	Continue dialogue with workers on working conditions		
	Mapping of suppliers and climate risks to create adaptation plan in the supply chain		
	Develop contingency plans for factory shutdowns and supplier disruptions.		
Fire risk due to increased temperatures	Increase preparedness for fires	Medium	High
	Create business continuity plan		
	Mapping of suppliers and climate risks to create adaptation plan in the supply chain		
Flood risk due to changing precipitation patterns	Map risks of flooding and analyse the damage it could do on Axkid's assets. Estimate cost to reduce the risk of flooding.	Medium	High
	Flood protection measure for warehouses (e.g., raised storage, water, barriers)		
	Diversify use of warehouses to minimize risk		
Increased cost of materials	Secure access to materials through long-term agreements with suppliers	Low	Medium
Growth of second-hand market can result in revenue loss	Keep a long-term perspective when setting up the Care and Reborn models.	Low	Medium/ High
Limited availability of sustainable materials in China, competitive disadvantage in material access	Decrease supply chain vulnerability through systematic and regular risk mapping in the supply chain	Low	Medium
	Build a strong supplier base and set long term plans with suppliers to secure capacity		

Wind and Typhoon Adaptation:
To manage wind-related risks, Axkid will carry out building safety checks to ensure storm resilience and review insurance coverage to secure adequate protection.

Drought Adaptation:
For drought-related risks, Axkid aims to diversify its supplier base to reduce reliance on regions particularly exposed to water scarcity.

Transition-Risk Adaptation:
To reduce exposure to transition risks, Axkid will secure long-term agreements for raw materials to limit volatility, monitor EU and Chinese regulatory developments, automate greenhouse gas reporting processes, and strengthen supplier capacity and resilience through coordinated long-term planning.

Summary
Axkid demonstrates strong short-term resilience but must expand adaptation and supplier-level climate-risk mapping to address medium- and long-term challenges. The most significant needs relate to improving heat adaptation, preparing for extreme rainfall, and integrating regulatory developments into strategic planning.

Together, the physical and transition-risk actions outlined in this chapter will support long-term operational continuity and strengthen Axkid's sustainable growth path. These findings feed into Initiative 13 (Risk Management), ensuring that climate-related risks are integrated into Axkid's overall risk governance.

Anti-corruption and ethical business conduct

Axkid is committed to conducting business with integrity, transparency, and full compliance with applicable laws. Our approach is guided by our Code of Conduct, Supplier Code of Conduct, and the newly updated anti-corruption, gifts and hospitality, and fair-competition policies introduced in 2025. These policies strengthen our expectations on ethical behaviour, responsible business practices, and zero tolerance for corruption or anti-competitive conduct across our operations and supply chain.

To ensure accountability, Axkid conducts supplier assessments that review ethical business conduct, labour conditions, and compliance with our requirements. The updates to our internal policies during 2025 further clarified requirements for both employees and business partners.

While our ambition is to provide regular training for all employees, no group-wide training was conducted in 2025 beyond onboarding sessions. This reflects a deliberate prioritisation of resources toward the development and launch of Axkid's expanded sustainability programme, including significant work in chemical safety, supply-chain transparency, and setting up the foundational processes needed for long-term compliance. These efforts were essential in strengthening the overall governance structure and ensuring that our sustainability ambitions progress effectively.

With the updated policies now in place, company-wide training is planned for 2026, ensuring that all employees are fully aligned with the enhanced requirements and best practices in ethical business conduct. Axkid had no reported incidents of corruption, anti-competitive behaviour, or breaches of our ethical business policies during the reporting year.

Related initiatives, 12–13

Initiative 12: Sustainability reporting
The purpose of this initiative is to ensure that Axkid collects, verifies, and communicates high-quality sustainability data that can be confidently used in external reporting, stakeholder communication, and rating platforms. The overarching goal is to secure reliable and externally validated emission and social sustainability data that strengthens transparency and supports Axkid's long-term sustainability credibility.

In 2025, Axkid made significant progress by joining the EcoVadis platform, completing externally verified greenhouse gas calculations including a restatement of the 2024 base year, and finalising third-party-verified LCAs for all in-house products. This strengthened foundation in verified data contributed to the company receiving the ESG Transparency Award for its 2024 sustainability report.

In 2026, the focus will shift toward further strengthening reporting practices to enable even broader communication of verified information. Axkid will continue working with external experts and advance its EPD and LCA analyses to generate robust, validated data for both product updates and new product developments.

Initiative 13: Risk management
This initiative aims to strengthen Axkid's ability to understand and manage the risks that arise from a changing climate and business environment. The goal is to build a structured approach that reduces climate-related risks while ensuring that responsibility for mitigation measures is clearly transferred to the relevant departments. At the same time, the initiative seeks to deepen the company's understanding of its most significant long-term and short-term business risks.

During 2025, Axkid completed a comprehensive foresight analysis exploring the most uncertain long-term developments affecting the company. In parallel, a detailed climate-risk assessment was finalised, leading to the development of a structured mitigation plan outlining actions across the organisation.

In 2026, Axkid will continue refining this work by monitoring and updating the risk analyses as needed and expanding the scope to include short-term general risk assessments. The insights from this initiative will be integrated into ongoing improvement efforts and other related strategic processes, ensuring that risk management becomes an active and continuous part of Axkid's operational development.

Financial data

In the finance section, we address several topics from the GRI standard that we have identified as most pertinent at this time.

Direct economic value generated and distributed
Axkid AB, headquartered in Göteborg, develops, manufactures, and sells car seats for the international market. The company operates with a focus on safety and innovation, ensuring that children travel rear-facing in cars when they are young. In 2023, Axkid generated significant revenue from its operations, contributing to the overall economic value. The company's products are sold worldwide, and it complies with all applicable trade laws, including sanctions, export control laws, and customs.

Axkid AB distributes economic value through various channels, including employee wages, operating costs, payments to providers of capital, and taxes. The company pays corporate taxes, duties, payroll taxes, and VAT in the countries where it operates. Axkid maintains professional and transparent relationships with tax authorities, ensuring compliance with local laws and regulations. The company also contributes to society by creating jobs and paying direct and indirect taxes in production countries.

Retained economic value:
Axkid AB retains economic value by reinvesting in its business operations, research and development, and strategic initiatives. The company aims to maintain a sustainable tax rate and mitigate tax risks in a timely and cost-efficient manner. Axkids finance department oversees tax matters and ensures compliance with local documentation retention requirements.

Additional contributions:
Axkid AB contributes to the economic development of the countries where it operates by creating jobs and supporting industrial development. The company's employees at local representative offices pay income tax and social security payments. Axkid also pays VAT on products and services purchased by its representative offices. The company is committed to operating within the spirit of all tax laws and carrying out tax planning commercially, not aggressively.

Multi-year overview, Axkid Group (SEK thousand)

Year	2025	2024	2023	2022	2021
Net sales	278 378	228 592	171 632	150 615	140 243
Operating margin	13,0	13,0	7,5	-5	2,0
Balance sheet total	231 968	175 275	143 097	129 273	119 460
Solvency ratio	52	50	45	44	46

Approach to tax
Axkid follows the OECD Transfer Pricing guidelines, ensuring that profits are allocated and taxed where value is created. Our finance department adheres to local laws and regulations in the countries where we operate, aiming for a fair distribution of tax payments corresponding to the activities performed in each country. We are committed to operating within the spirit of all tax laws, not just the letter. Axkids tax policy aims at a sustainable tax rate for the group as a whole and the individual countries as such.

Tax governance:
While Axkid does not have a specific role responsible for managing tax questions, our finance department oversees tax matters. We ensure compliance with local documentation retention requirements and maintain transparent relationships with tax authorities. Our tax policy is reviewed periodically to align with our business objectives and regulatory requirements. The global tax function at Axkid has sole responsibility for initiating and documenting policies and guidelines for specific tax matters in the group.

Stakeholder engagement:
Axkid strives for professional and transparent relationships with tax authorities, providing relevant information without delay to accurately establish tax liabilities. We document our communications with tax authorities and log them in a secure system to ensure accountability and transparency. Axkid adheres to local rules and regulations on documentation retention requirements.

Transfer pricing:
Our transfer pricing model aligns with international guidelines, and we prepare transfer pricing documentation to meet local requirements. We ensure that our tax strategy limits distortions arising from differences in tax legislation worldwide. Axkids transfer pricing model is in line with the International Transfer Pricing Guidelines.

Statement from the Board of Directors on Sustainability Report Assurance

As the Board of Directors of Axkid, we are dedicated to ensuring the precision, transparency, and integrity of our sustainability reporting. This report is prepared in reference to the Global Reporting Initiative (GRI) Standards, focusing on the segments most pertinent to our organization at this time.

Our Research and Development, operations, and sustainability teams have rigorously worked to ensure the comprehensiveness and accuracy of the information presented, reflecting our unwavering commitment to sustainable practices.

Although the report has not undergone external assurance, internal reviews have been conducted to validate the accuracy and completeness of the data provided. This content has been through our board's thorough review and approval, aligning with our strategic objectives and sustainability goals.

Understanding the importance of transparency and accountability in sustainability reporting, we are committed to the continuous enhancement of our reporting practices, ensuring the reliability of information shared with our stakeholders.

Furthermore, we pledge to engage with our stakeholders actively, integrating their expectations and feedback into our sustainability initiatives.

By endorsing this report, we affirm our dedication to upholding the highest standards of corporate governance and sustainability.

We believe this report accurately depicts our efforts to generate long-term value for our stakeholders, minimize environmental impact, and promote social responsibility.

Thomas Bräutigam, *Chairman*

Thomas Bräutigam

Erik Robert Emanuelsson

Erik Emanuelsson

Peter Schön

Peter Schön

Magnus Ramström

Magnus Ramström

Maria Bilkenroth

Maria Bilkenroth

Karin Wallström Nordén

Karin Wallström Nordén

Appendix 1: GRI

Axkid has reported the information cited in this GRI content index for the period 2023 with reference to the GRI Standards. GRI 1 used: GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	84-85
	2-2 Entities included in the organization's sustainability reporting	6-7, 84-88
	2-3 Reporting period, frequency and contact point	6-7
	2-4 Restatements of information	6-7, 8-9, 44-45
	2-5 External assurance	6-7
	2-6 Activities, value chain and other business relationships	34-43
	2-7 Employees	70-71
	2-8 Workers who are not employees	70-71
	2-9 Governance structure and composition	86-87
	2-10 Nomination and selection of the highest governance body	86-87
	2-11 Chair of the highest governance body	86-87
	2-12 Role of the highest governance body in overseeing the management of impacts	86-87, 44-45
	2-13 Delegation of responsibility for managing impacts	86-87
	2-14 Role of the highest governance body in sustainability reporting	100-101
	2-15 Conflicts of interest	
	2-16 Communication of critical concerns	90-91
	2-17 Collective knowledge of the highest governance body	86-87
	2-18 Evaluation of the performance of the highest governance body	
	2-19 Remuneration policies	
	2-20 Process to determine remuneration	
	2-21 Annual total compensation ratio	
	2-22 Statement on sustainable development strategy	4-5, 12-13
	2-23 Policy commitments	90-91
	2-24 Embedding policy commitments	86-87, 90-91
	2-25 Processes to remediate negative impacts	76-79
	2-26 Mechanisms for seeking advice and raising concerns	90-91
	2-27 Compliance with laws and regulations	92-93
	2-28 Membership associations	90
	2-29 Approach to stakeholder engagement	88-89
	2-30 Collective bargaining agreements	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	28-29
	3-2 List of material topics	28-29
	3-3 Management of material topics	24-33, 68-69
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	98-99
	201-2 Financial implications and other risks and opportunities due to climate change	94-96
	201-3 Defined benefit plan obligations and other retirement plans	
	201-4 Financial assistance received from government	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	78-79
	202-2 Proportion of senior management hired from the local community	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	
	203-2 Significant indirect economic impacts	

GRI STANDARD	DISCLOSURE	LOCATION
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	34-41, 76
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	96
	205-2 Communication and training about anti-corruption policies and procedures	96
	205-3 Confirmed incidents of corruption and actions taken	96
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	
GRI 207: Tax 2019	207-1 Approach to tax	98-99
	207-2 Tax governance, control, and risk management	98-99
	207-3 Stakeholder engagement and management of concerns related to tax	98-99
	207-4 Country-by-country reporting	98-99
GRI 301: Materials 2016	301-1 Materials used by weight or volume	64-65
	301-2 Recycled input materials used	64-65
	301-3 Reclaimed products and their packaging materials	40-43
GRI 302: Energy 2016	302-1 Energy consumption within the organization	54-55, 62-63
	302-2 Energy consumption outside of the organization	56-59, 64-65
	302-3 Energy intensity	54-55, 63
	302-4 Reduction of energy consumption	52-53
	302-5 Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	63, 65
	303-2 Management of water discharge-related impacts	
	303-3 Water withdrawal	
	303-4 Water discharge	
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GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	66
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