

A CATALYST FOR CHANGE IN THE NICOTINE INDUSTRY

HAYPP GROUP

Sustainability Report 2025

Contents

Intro	3	Environmental Information	29	Governance Information	46
About Haypp Group's Sustainability Report	3	2.1 EU Taxonomy	30	4 Business Conduct	47
Highlights 2025	4	2.2 Climate Change	30	4.1 Strategy, Policies and Processes	47
Milestones	5	2.2.1 Strategy, Policies and Processes	30	4.2 Targets, Outcomes and Measures	49
Strengthening Consumer Protection in a Fragmented Market	8	2.2.2 Climate Change Mitigation	31	Haypp Group Entity Specific	50
A scorecard for sustainability	9	2.2.3 Energy Consumption and Efficiency	31	Our Contribution	51
General information	15	2.3 Resource Use and Circular Economy	32	5.1.1 Strategy, Policies and Processes	51
1.1 Sustainability Governance	16	2.3.1 Strategy, Policies and Processes	32	5.1.2 Targets, Outcomes and Measures	52
1.2 Impact, Risk and Opportunity Management	17	2.3.2 Targets, Outcomes and Measures	33	Swedish Statutory Sustainability Report	53
1.3 Market Position, Strategy, Business Model(s) and Value Chain	19	Environmental Minimum Disclosure Requirements	35	Signatures from the Board of Directors	54
1.3.1 Business Model	19	Social Information	36	Auditor's report	54
1.3.1.1 Strategic Areas in relation to ESRS Topics	21	3.1 Own Workforce	37		
1.3.2 Products and Markets	22	3.1.1 Strategy, Policies and Processes	37		
1.3.3 Business Model and Value Chain	22	3.1.2 Targets, Outcomes and Measures	39		
1.3.4 Stakeholders	24	3.2 Workers in the Value Chain	42		
1.4 Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model	25	3.2.1 Strategy, Policies and Processes	42		
1.5 Haypp Group's Double Materiality Assessment	27	3.2.2 Targets, Outcomes and Measures	43		
1.6 Minimum Disclosure Requirements	28	3.3 Consumers and End-users	44		
		3.3.1 Strategy, Policies and Processes	44		
		3.3.2 Targets, Outcomes and Measures	45		

INTRO

About Haypp Group's Sustainability Report

Highlights 2025

Milestones

Strengthening Consumer Protection

A scorecard for sustainability

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

About Haypp Group's Sustainability Report

This report applies to Haypp Group AB (publ) (hereafter referred to as Haypp Group), domiciled in Sweden, with corporate identity number 559075-6796 and its subsidiaries¹.

The Board of Directors of Haypp Group is responsible for this sustainability report and comments related to the sustainability report can be sent to:

sustainability@hayppgroup.com

Performance measures

(AMOUNTS IN MSEK)	2021	2022	2023	2024	2025
Net sales	2 266.8	2 598.8	3 165.7	3 679.8	3 848.9
Gross profit	248.7	328.5	402.6	552.7	713.5
Adjusted EBIT	41.5	58.5	78.2	134.5	150.7
Profit/loss for the period	-27.6	20.1	5	45.0	42.5

¹ Haypp Group AB is the parent company in a group with the wholly owned companies Snusbolaget Norden AB (556801-3683), Haypp Sverige AB (559505-9964), Nicokick AB (559505-9972), Northerner Scandinavia AB (556559-1699), Snusvaruhuset Sweden AB (559396-0957) and Snusbolaget Europa AB (559466-7122) and all based in Sweden. Further, Haypp Group AB is the parent company of the wholly owned companies Snushjem.no AS with its registered office in Norway, Haypp GmbH registered in Germany, Haypp Ltd registered in the United Kingdom and Haypp MEA Holding Ltd registered in Saudi Arabia. Northerner Scandinavia AB in turn owns Northerner Scandinavia Inc registered in the United States of America.

INTRO

About Haypp Group's Sustainability Report

Highlights 2025

Milestones

Strengthening Consumer Protection

A scorecard for sustainability

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Highlights 2025

In 2025, Haypp Group continued to advance its strategic priorities, inspiring more individuals to transition from smoking to safer alternatives. This year, we completed the migration of all European sales sites to a unified technical platform, significantly improving operational efficiency and scalability. We also enhanced our age verification protocols, further reinforcing our commitment to a risk-reduced, responsible nicotine marketplace.

Our Contribution

421 987
Lives actively impacted

8 002 166
years which will be lived

Cumulative benefits for consumers as of 31 December 2025 by choosing a significantly less harmful alternative for their nicotine enjoyment.



Research, Insights & Investments

+3.4 million SEK invested in product testing - NicoLeaks
Over 3.4 million SEK was invested in product testing and marketing our standard of nicotine during 2025. Results shared openly on www.NicoLeaks.com

11 million SEK invested in initiatives to increase knowledge
Over 11 million SEK has been invested in 2025 to spread knowledge to enable consumers to make informed choices about indulgence products.

Customer experience

NPS score of 73
Achieved a customer NPS score of 73 during 2025 placing Haypp among the high performers in the e-commerce sector.

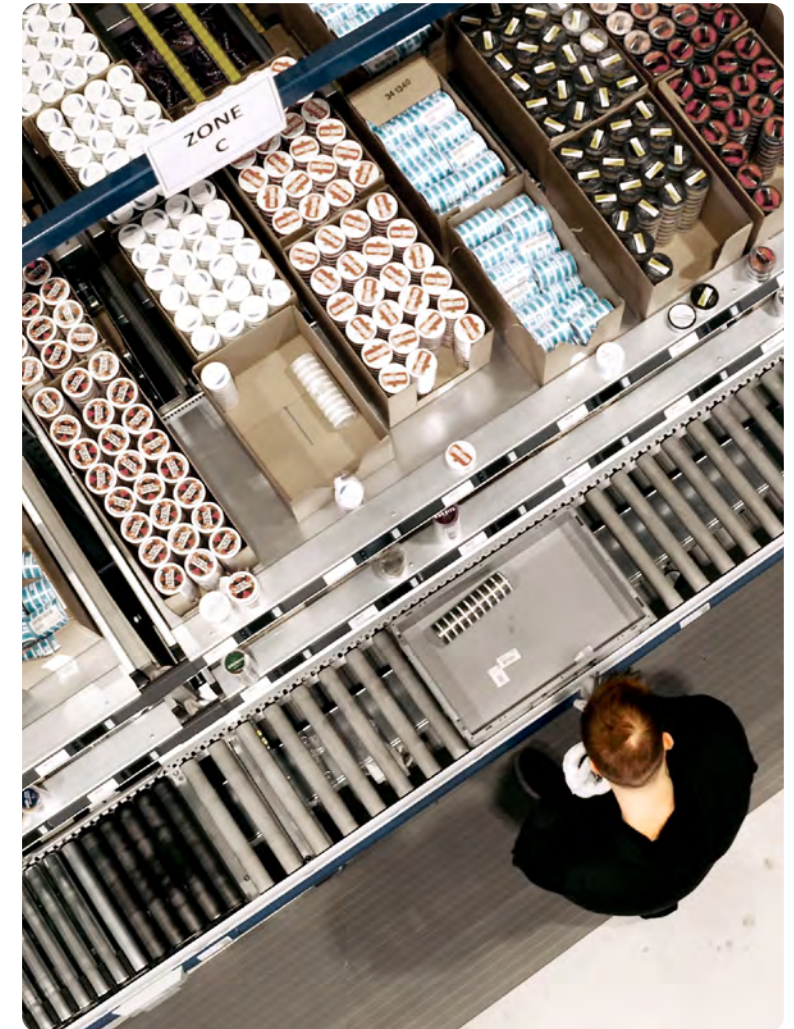
Engaged & stable organisation

Employee turnover 11%
Held employee turnover rate close to 10% during 2025, reflecting a healthy and resilient organisation.

Operational efficiency
The process of migrating all European sales sites to the same technical platform has been finalized during the year. This has strengthened efficiency, agility, and the company's ability to scale up.

Governance & responsibility
During 2025, we placed an even greater emphasis on improving the age verification protocols, thereby reinforcing our commitment to fostering a safer environment for nicotine consumption.

Environmental progress & data transparency
Increased the share of fossil free deliveries.



INTRO

About Haypp Group's Sustainability Report
Highlights 2025

Milestones

Strengthening Consumer Protection
A scorecard for sustainability

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Milestones



2017

Established Haypp Group's higher purpose – to inspire smoke-free enjoyment.

All smoking products, including cigars, cigarillos, and pipe tobacco, were delisted by the end of the year.

2018

Expanded into Norway, Switzerland, the U.S., and Europe.

Developed and implemented product and marketing policies.

Partnered with Klarna in Sweden and Norway to launch a 100% age verification system, ensuring all purchases processed by Klarna are only made by legal-age customers.

2019

Expanded insights platforms to better understand consumers, driving market growth and product development.

Strengthened product and nicotine regulations.

Moved Swedish warehouse operations from 3PL to in-house, improving control over logistics and packaging.

Invested in new packaging machines to reduce package size and filler materials.

2020

Refined ambitions and strategies, strengthening sustainability and communication functions.

Engaged in stakeholder dialogues with employees, suppliers, and customers.

Joined Hållbar E-handel as an active member.

Launched the Supplier Code in Q2.

Initiated category-wide product testing for nicotine pouches in Q3.

Introduced an external certification program for sustainability in e-commerce.

Developed the Code of Conduct, fully implemented in 2021.

Expanded Insights 2.0 to support business partners.

INTRO

About Haypp Group's Sustainability Report
Highlights 2025

Milestones

Strengthening Consumer Protection
A scorecard for sustainability

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC



2021

Mandatory signing of the Supplier Code for business partners delivering oral nicotine products as of January 1.

Established a sustainability structure, integrating it into Haypp Group's Sustainable Business Model with five strategic areas.

Invested in Haypp Labs 3.0 to expand insights and data sharing with authorities, media, and the public.

Became the world's largest provider of research within the nicotine pouch category.

Opened an in-house warehouse in Norway, transitioning from a 3PL solution in November–December.

Invested in new packaging machines to reduce package size and filler materials.

2022

Opened a new warehouse in Texas, U.S., to enhance distribution and reduce long-distance shipping across the southern states. This, combined with two 3PL facilities, optimizes delivery to consumers.

Improved UK distribution by moving operations to a 3PL warehouse, also increasing capacity for the Swedish domestic market.

Participated in seminars on sustainability, harm reduction, and public health to inspire other e-commerce actors and inform decision-makers about the benefits of harm reduction in the tobacco and nicotine field.

Became a member of the technical committee of the Swedish Institute for Standards for oral nicotine products at the end of 2021.

2023

Introduced vapes, first launched in the UK, followed by Sweden and Germany.

Expanded our Swedish warehouse with a fully automated storage system and opened new logistics facilities in the UK and Germany, improving efficiency and customer convenience.

Initiated preparations for compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and strengthened internal compliance systems.

Upgraded our business system and integration platform and began migrating all sales platforms to a unified technical infrastructure to improve scalability and operational efficiency.

Implemented improved age verification in Germany and introduced new internal systems for employee health monitoring and performance evaluation aligned with company values.

INTRO

About Haypp Group's Sustainability Report
Highlights 2025

Milestones

Strengthening Consumer Protection
A scorecard for sustainability

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC



2024

Expanded and centralized our logistics operations to our warehouse in Texas, closing down our 3PL warehouses in the U.S. A new automation system was installed, which significantly improved efficiency, reduced packaging waste, and minimized plastic use. The upgrade enables us to ship smaller parcels, lower transportation costs, and enhance sustainability.

In Sweden, we increased the share of fossil-free transportation from 53% to 77%.

Introduced a new product in the risk-reduced nicotine category in the form of HTP in the UK.

The process of migrating all various sales sites to the same technical platform has continued, and all Norwegian sites were fully migrated during the year. This will strengthen efficiency, agility, and the company's ability to scale up once completed.

2025

The migration of all European sales sites to a unified technical platform was successfully completed during the year. This strategic initiative has significantly enhanced operational efficiency, increased organisational agility, and improved the company's capacity for scalable growth.

Updated our Code of Conduct with 100% completion of internal training.

Implemented new tools enabling measurement and analysis of business travel emissions and detailed downstream transportation data.

Allocated additional resources towards knowledge-building, external insight initiatives, and comprehensive product testing, thereby further establishing Haypp's position as an industry leader within safety and information.

Completed the first full year of automated operations in our U.S. warehouse, improving efficiency and reducing material usage.

INTRO

About Haypp Group's Sustainability Report

Highlights 2025

Milestones

Strengthening Consumer Protection

A scorecard for sustainability

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Strengthening Consumer Protection in a Fragmented Market

2025 unfolded in a nicotine landscape defined by fragmented regulation, inconsistent enforcement and the continued rise of unregulated cross border online sales — conditions that undermine consumer protection and weaken trust in the category.

As the leading global e-commerce player in oral nicotine, Haypp Group continues to raise the bar for responsible conduct in a market where standards are not evenly upheld. Our operational model is built to protect consumers: every one of our more than 104.2 million cans sold, 1.1 million customers and 4.9 million orders underwent strict age verification, supported by extensive data capabilities that ensure full traceability of customers, orders and shipment destinations. This commitment to transparency and accountability remains unmatched in our sector.

In 2025, we strengthened this foundation further. We invested 3.4 MSEK in

independent product testing, openly publishing all findings through NicoLeaks.com, and dedicated 11 MSEK to research and knowledge building initiatives that help consumers make informed choices. We also reinforced our age verification protocols, deepening our ability to ensure that nicotine products remain accessible only to adults.

At the regulatory level, we continued to advocate for harmonised rules and decisive action against cross border online sales, championing a fairer and safer market where responsible actors can operate on equal terms. These efforts not only protect youth and support public health objectives but also strengthen the long term integrity of the category.

Through these actions, we are consistently getting stronger where it matters most: consumer protection, transparency, responsible commerce and leadership in an evolving and unevenly regulated market.



INTRO

- About Haypp Group's Sustainability Report
- Highlights 2025
- Milestones
- Strengthening Consumer Protection
- A scorecard for sustainability**

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

A Scorecard for Sustainability

To ensure ongoing evaluation and tracking of progress in the strategic sustainability areas within its business model, Haypp Group uses a Sustainability Scorecard. This scorecard outlines the key indicators selected to assess advancement and guides actions designed to realise the organisation's overarching purpose.

Its primary aim is to inspire various initiatives and projects throughout the company, all contributing to the central mission of encouraging a shift from smoking to less harmful oral nicotine products.

PURPOSE	STRATEGIC AREA	GOALS	METRICS	MEASURE
INSPIRING SMOKE-FREE ENJOYMENT TO MILLIONS	 Our Contribution	Grow customer base of harm-reduced products	# of purchasing customers of harm-reduced products	Absolute number
			# of Market	Absolute number
		Decrease tobacco deaths	# of actively impacted lives	Absolute number
		Increased life expectancy	# of years saved by switching	Absolute number
		More quitters	# of quitters of smoking tobacco	Absolute number
	 Insights for all	A force for knowledge	# participants in discussions through forums	Absolute number
			# of external using our data	Absolut number reach
		Enlightening people for public awareness & understanding	Resources allocated for initiatives to increase knowledge	SEK (NOK, \$, €, CHF, £)
			# of visits to editorial material, facts and reports	Absolute numbers
	 Sustainable innovation for growth & development	Sustainable Value Chain	Suppliers screened	% of suppliers
			Carriers carbon footprint	CO2 ton equ. for transport of order
		Quality assurance & Product development	Relevant portfolio tested & according to standard	Share of active portfolio
	 Best place to work	Great employer	Employee satisfaction	% of employee satisfaction
			Benchmark against others	Benchmark score
		Employee development	Coaching culture	% of employees received training for role or development
			Leadership index	Index of leadership values % of employees received valuable feedback
		Employee retention	Regrettable losses	# of employees leaving as regrettable losses
	 Business Ethics	Code of Conduct	Staff turnover	% of employee turnover
		Employee Code	% of employees	
Supplier Code; contract or equ.		% of suppliers		
	Delivering on the customer promise	Customer satisfaction	% of customers satisfaction	
	Catalyst for change	Driving development and change according to partners	Score by partners	

INTRO

- About Haypp Group's Sustainability Report
- Highlights 2025
- Milestones
- Strengthening Consumer Protection
- A scorecard for sustainability**

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

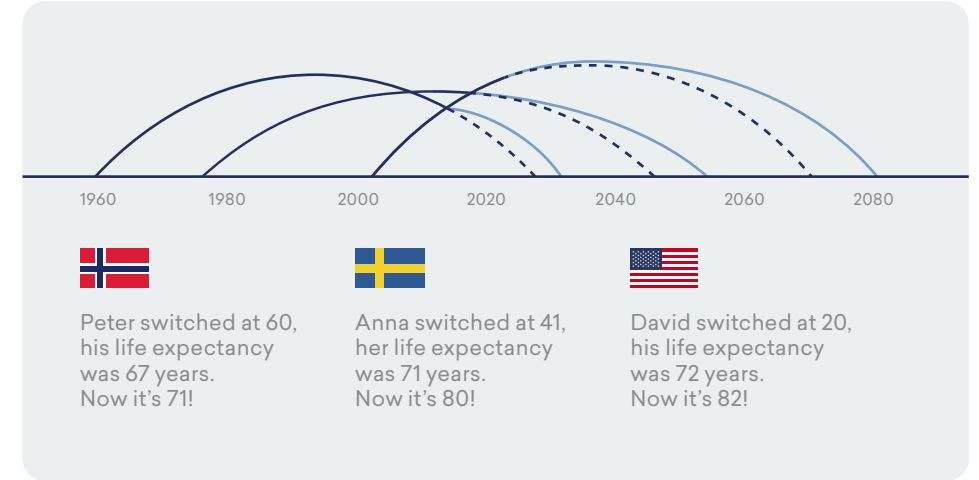
GOVERNANCE

ENTITY SPECIFIC

Our Contribution

Consumer health stands as a central concern for everyone in the industry. At Haypp, our actions are driven by a commitment to improved consumer health, saving lives, extending lifespans, and reducing tobacco use alongside the harmful consequences of smoking.

For us, prioritising consumer health involves upholding and enforcing age limits, ensuring transparency in product information, and providing clear labelling so consumers can make well-informed decisions. We appeal to adult consumers in search of risk-reduced alternatives to highly damaging habits and supply a diverse range of nicotine products. This approach is not only ethically correct but also makes sound business sense. Furthermore, we provide nicotine-free options for customers aiming to reduce their nicotine intake or wishing to quit entirely.



Our contribution indicators included in the scorecard;

GROW CUSTOMERS OF HARM-REDUCED PRODUCTS

Users of alternative nicotine have decided to use significantly less harmful nicotine than traditional tobacco products. A sizeable proportion of these users previously would use products resulting in severe health-related issues or even death. An additional share of consumers would statistically enter a lifelong harmful habit of smoking, but now instead can be considered inoculated. The recruitment of new smokers is thereby hindered. The relevant KPI is calculated based on the annual count of customers purchasing harm-reduced products from Haypp Group.

DECREASE TOBACCO DEATHS

Decreasing the number of deaths due to tobacco is entirely in line with our higher purpose. The number of lives saved by offering risk-reduced nicotine products to our customers who would otherwise use more harmful products. The hidden statistics do not include all those who have quit nicotine completely. The KPI for this area represents the cumulative number of lives saved, as estimated by Haypp Group since 2012, based on our customer data and established health risk models.

INCREASED LIFE EXPECTANCY

Individuals who convert to risk-reduced nicotine alternatives will prolong their life expectancy. Our customers will have a quantifiably longer life the earlier they decide to convert. Meaning the health benefit is higher – more years – the younger you are when quitting. The statistics show the accumulated number of years saved that Haypp Group has contributed to since 2012.

MORE QUITTERS

The number of customers who have quit by switching to our products. They have prevailed in the battle against smoking and harmful tobacco use. The KPI is determined by aggregating the total number of tobacco quitters assisted by Haypp Group since 2012, using validated tracking and reporting mechanisms.

GOALS	METRICS	2022	2023	2024	2025
Grow customer base of harm reduced products	# of purchasing customers of harm-reduced products	792 000	953 346	1 146 126	1 088 383
	# of Market	8	7	7	7
Decrease tobacco deaths	# of actively impacted lives	227 363	290 072	360 420	421 987
Increased life expectancy	# of years saved by switching	3 200 000	5 490 887	6 778 040	8 002 166
More quitters	# of quitters of smoking tobacco	512 463	654 561	814 361	953 768

**In 2025, we have updated our methodology for reporting # of actively impacted lives and # of quitters of smoking tobacco.*

INTRO

- About Haypp Group's Sustainability Report
- Highlights 2025
- Milestones
- Strengthening Consumer Protection
- A scorecard for sustainability**

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Insights for All

To help save millions of lives each year, we strive to become a global source of vital information and insights. Our commitment lies in minimising risk and deepening understanding of how deaths related to tobacco can be prevented. Sharing this knowledge is crucial for supporting worldwide health initiatives and fostering growth alongside our partners.

These insights enable Haypp Group to actively contribute to market development, product innovation, consumer research, and regulatory discussions—allowing us to advance both our business and the overall category.

Through rigorous data collection and analysis, Haypp Group has established itself as the leading provider of research and insights within the oral nicotine sector. We disseminate these findings to business partners and the broader community, including authorities and researchers, ensuring that commercial and public health-related decisions are informed by factual, evidence-based information.

Insights indicators included in the scorecard:

A FORCE FOR KNOWLEDGE

We gain insights and provide researchers with quantitative data while providing forums to share and discuss alternative nicotine products and especially the oral nicotine category – its developments, challenges, and opportunities.

The data we have is shared with external stakeholders, including suppliers and industry participants, but also researchers and other external parties.

ENLIGHTENING PEOPLE FOR PUBLIC AWARENESS & UNDERSTANDING

Insights from our consumers' data, and research from others, need to be shared widely. Within the general public, the consumers using harmful tobacco products are especially important to reach. When understanding the relative risks of nicotine products, consumers can make their own decision and choose a risk-reduced enjoyment and hopefully inspire others. We highlight others' initiatives as well as take our own actions through different editorial and corporate channels, focusing on current tobacco users to encourage them to quit.

Furthermore, Haypp Group also drives different industry initiatives where one of the strategic ones is the laboratory testing of all nicotine-containing non-tobacco pouches,

called nicotine pouches or all-whites. Even though we are an e-commerce retailer, not a manufacturer or product owner, we allocate substantial resources in the advocacy category, making the results public and ensuring availability for not only the industry but also authorities, decision-makers, and consumers.

GOALS	METRICS	2022	2023	2024	2025
A force for knowledge	# participants in discussions through forums	16 126	550	17 742	3 395
	# of external using our data	27	25	111	1 097
Enlightening people for public awareness & understanding	Resources allocated for initiatives to increase knowledge	+1 650 000 SEK <i>Accumulated since 2020: +4 650 000 SEK</i>	+6 467 687 SEK <i>Accumulated since 2020: +11 117 687 SEK</i>	+7 500 000 SEK <i>Accumulated since 2020: +18 617 687 SEK</i>	+11 000 000 SEK <i>Accumulated since 2020: +29 617 687 SEK</i>
	# of visits to editorial material, facts and reports	2 251 167	5 010 054	4 768 897	2 194 216

We always represent our customers in public conversations. Our aim is to provide stellar service and information about our products and their impact on health, our environment and society at large.

- INTRO
 - About Haypp Group's Sustainability Report
 - Highlights 2025
 - Milestones
 - Strengthening Consumer Protection
 - A scorecard for sustainability**

- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC

Sustainable Innovation for Growth and Development

We are continually seeking innovative approaches to deliver a more consumer-focused and sustainable range, prioritising smoke-free and tobacco-free products with balanced nicotine levels. Our mission to support smokers in switching to tobacco-free nicotine pouches reinforces our belief that expanding our global presence directly contributes to a more risk-reduced nicotine consumption.

Our full portfolio is expected to uphold the highest standards. Every product and service we bring to market must meet, and often surpass, our own rigorous criteria for quality and sustainability. In certain instances, we establish new industry benchmarks. As frontrunners in consumer insights within our sector, we are well placed to shape and drive product development from both the customer and market standpoint.

Sustainable innovation indicators in the scorecard

A MORE SUSTAINABLE SUPPLY CHAIN

As new suppliers enter the market and engage with Haypp Group, they are screened based on the Business Partner Code of Conduct.

Carriers and last-mile transporters are requested to share their data regarding deliveries they perform for Haypp Group's customers, focusing on climate emissions. Historically, it has been challenging to obtain this data, but for 2025, we have managed to map a significant portion of our climate emissions through our transportation providers.

The data is not entirely comprehensive, but a large majority of our transports from warehouse to customers are included. During 2025, we implemented new tools to measure and analyse business travel emissions and downstream transportation data, strengthening the accuracy and reliability of reporting going forward.

PRODUCTS FOLLOWING STANDARD

The oral nicotine category has grown rapidly. Regulations are beginning to come into place, however, there is still a lack of guidelines and procedures, including product content and ingredients. In order for consumers and authorities to have an independent and reliable source of information to inform decision making, aside from manufacturer data, standards and testing have a critical role to play.

The information gap for consumers decreases with standards in place against which products can be measured. Of Haypp Group's portfolio of active nicotine pouches, 81% of the products launched in 2025 had been tested and complied with applied product standards.

Read more about our testing and see the results at [NicoLeaks.com](https://nicoleaks.com).

USE OF PRODUCT PACKAGING

In Haypp Group's operation, cardboard is the main material used as the outer packaging for the goods consumer orders. The amount of used material increases as more customers place orders, while a focus on efficiency hopefully decreases the amount of material used per order. At the U.S. Texas warehouse, a full year of automated operations increased efficiency and helped decrease packaging material used per order.

GOALS	METRICS	2022	2023	2024	2025
Sustainable Value Chain	Suppliers screened	100%	100%	100%	100%
	Carriers carbon footprint	n/a	227.5 tCO2e	208.9 tCO2e	1,452.7 tCO2e
Quality assurance & Product development	Relevant portfolio tested & according to standard	85%	85%	100%	81%

**The increase during 2025 is primarily due to improved data coverage, as a larger share of carriers have provided emissions data compared to previous years.*

As one of the global leaders in consumer insights within our field, we can take part in leading the development of sustainable products and services.

INTRO

- About Haypp Group's Sustainability Report
- Highlights 2025
- Milestones
- Strengthening Consumer Protection
- A scorecard for sustainability**

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Best Place to Work

We recognise that Haypp Group thrives when our employees reach new heights in their personal and professional development. By championing equality, diversity and inclusion, everyone involved in Haypp Group's operations and growth can truly achieve remarkable results.

Understanding and embracing Haypp Group's long-term ambitions to save lives remains central to our initiatives and values. This commitment generates value not only for our employees and customers, but also for the company and society as a whole. Fostering engagement among colleagues is vital for building a strong organisational culture, enabling us to meet the ambitious targets we have set. Research highlights that factors such as leadership, meaningful work, opportunities for personal development, and team spirit are instrumental in driving engagement. We routinely assess these elements across various teams and throughout the company, allowing us to monitor employee sentiment and respond proactively.

Best place to work indicators in the scorecard:

BEING A GREAT EMPLOYEE - FOLLOWING EMPLOYEE SATISFACTION

We make a constant effort to listen to all our employees' opinions and voices. We try to take into consideration how it is to be employed by Haypp Group. With our temperature measuring, we get an overall value which is possible to benchmark with others organisations.

EMPLOYEE DEVELOPMENT BY COACHING AND LEADERSHIP

Throughout the year, we have consistently invested in our culture to promote collaboration, innovation, inclusivity, and execution. The model we have established is a winning concept for creating high levels of both well-being and ensuring a high degree of accountability among our employees. It is the delicate balance between the two that needs to be achieved to encourage people to step out of their comfort zone and learn new things.

We always encourage our employees to seek new knowledge and ways to enhance their skills. This way, we can ensure that individuals have a good opportunity for meaningful and long-term development at Haypp Group.

JOINERS AND LEAVERS

In 2025, we have continued to maintain a high pace of hiring competence to strengthen our business. We have a history of rapid growth, and now the focus is on consolidating existing resources by boosting efficiency. We are building a stable infrastructure as a foundation and refining our ways of working while promoting high performance. Continued low employee turnover reflects a stable and engaged organisation.

GOALS	METRICS	2022	2023	2024	2025
Great employer	Employee satisfaction	81%	80%	80%	80%
	Ranking against benchmark	76%	76%	76%	78%
Employee development	Coaching culture	81%	81%	81%	79%
	Leadership index	84%	84%	84%	81%
Employee retention	Regrettable losses	3	9	9	4
	Staff turnover	33.7% joining 26.8% leaving	12.96%	12.96%	10.53%

For 2022 and 2023, employee satisfaction has been measured continuously and methodically compared to previously with a onetime employee survey.

We give our employees the right conditions to reach the next level.

INTRO

- About Haypp Group's Sustainability Report
- Highlights 2025
- Milestones
- Strengthening Consumer Protection
- A scorecard for sustainability**

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Business Ethics

To consistently meet the expectations of our current and future customers, we are committed to upholding the highest ethical standards. Robust policies are implemented to prevent corruption, bribery, and extortion. Ethical conduct forms the foundation of our business practices, and we recognise the need to set rigorous standards for ourselves and our suppliers to achieve market leadership.

Our Code of Conduct serves as a comprehensive guide, ensuring appropriate behaviour and providing direction in various circumstances that may arise. To reinforce this approach, we prioritise enabling all employees and business partners to feel confident in reporting and sharing their experiences. We offer a whistleblowing system for staff, as well as a process for escalating any unlawful or questionable market actions or practices, whether they concern our organisation or others in the marketplace.

Maintaining strong ethical standards is essential for preserving consumer trust. This trust is critical for acquiring valuable insights and knowledge, empowering us to fulfil our vision as a modernising and transformative presence in the industry.

Business ethics indicators Haypp Group track include

CODE OF CONDUCT

As we grow, both in business and the number of employees, the need to have clear guidelines on how we operate is paramount. The Code is not only a declaration of how we act and the standards we commit to, but it's also a tool for compliance and gaining experience.

The Code was first rolled out in 2021, which all employees and full-time consultants have to review and complete an e-training on. With many new employees joining the company, this has made it especially hard to cover 100% of the target group, and for 2025 the result is 100%.

SUPPLIER CODE

In each of the negotiations we have with suppliers of goods, we include references

to our Business Partner Code of Conduct, which the supplier signs or present a similar declaration from their side.

We have updated our measurement method since 2023, and the 90% figure reported for 2025 covers the percentage of goods suppliers who have signed our own Supplier Code of Conduct.

For the future, there is an initiative to implement similar agreements with suppliers of transport and delivery services, which are utilised in the delivery of orders to our customers.

CUSTOMER PROMISE AND SATISFACTION

When customers are asked, the most important aspect for the customer of Haypp

Group is that the promise given at the purchase is met. This means that the right product is delivered in the right way and at the right time. Customers are asked for their opinion, which results in a customer satisfaction score. For 2025 the customer satisfaction score was 73.0 out of 100.

BEING A CATALYST FOR CHANGE

We take pride in driving the transformation of the nicotine industry as well as being part of the change from traditional brick-and-mortar retail to e-commerce.

GOALS	METRICS	2022	2023	2024	2025
Code of Conduct	Employee Code	84%	93%	80%	100%
	Supplier Code	100%	77%	80%	90%
Delivering on the customer promise	Customer satisfaction*	4.3 / 5.0 NPS score 74.4	NPS score 70.7	NPS score 67.0	NPS score 73.0
Catalyst for change	Driving development and change according to partners	3.2 / 5.0	3.93 / 5.0	3.85 / 5.0	3.95 / 5.0

*We have updated our measurement method since 2023.

In order to continuously deliver successfully to our current and future customers, we must hold ourselves to the highest ethical standards.

INTRO

GENERAL INFORMATION

- Sustainability Governance
- Impact, Risk and Opportunity Management
- Market Position, Strategy, Business Model(s) and Value Chain
- Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model
- Haypp Group's Double Materiality Assessment
- Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

General Information

Reporting Areas

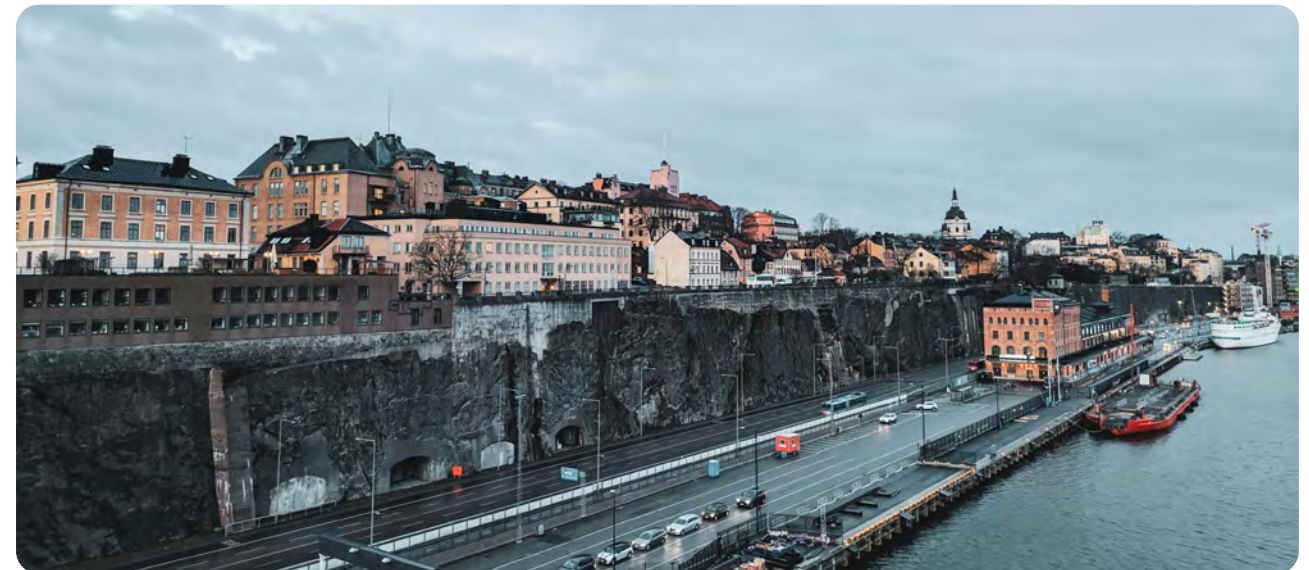
STANDARD	CONTENT
ESRS 2	General disclosures
E1 ESRS E1	Climate change
E5 ESRS E5	Resource use and circular economy
S1 ESRS S1	Own workforce
S2 ESRS S2	Workers in the value chain
S4 ESRS S4	Consumers and end-users
G1 ESRS G1	Business conduct
X1 ESRS X1 ENTITY SPECIFIC	Our contribution

General basis for preparation of the sustainability statements

Our sustainability statement has been structured to align with the latest sustainability reporting standards and is inspired by European Sustainability Reporting Standards (ESRS).

We continuously monitor the development of new legislation and reporting standards that may affect our operations and future reporting.

The sustainability statement covers our operations and upstream and downstream value chains. The value chain can be found on page 23.



INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

1.1

Sustainability Governance

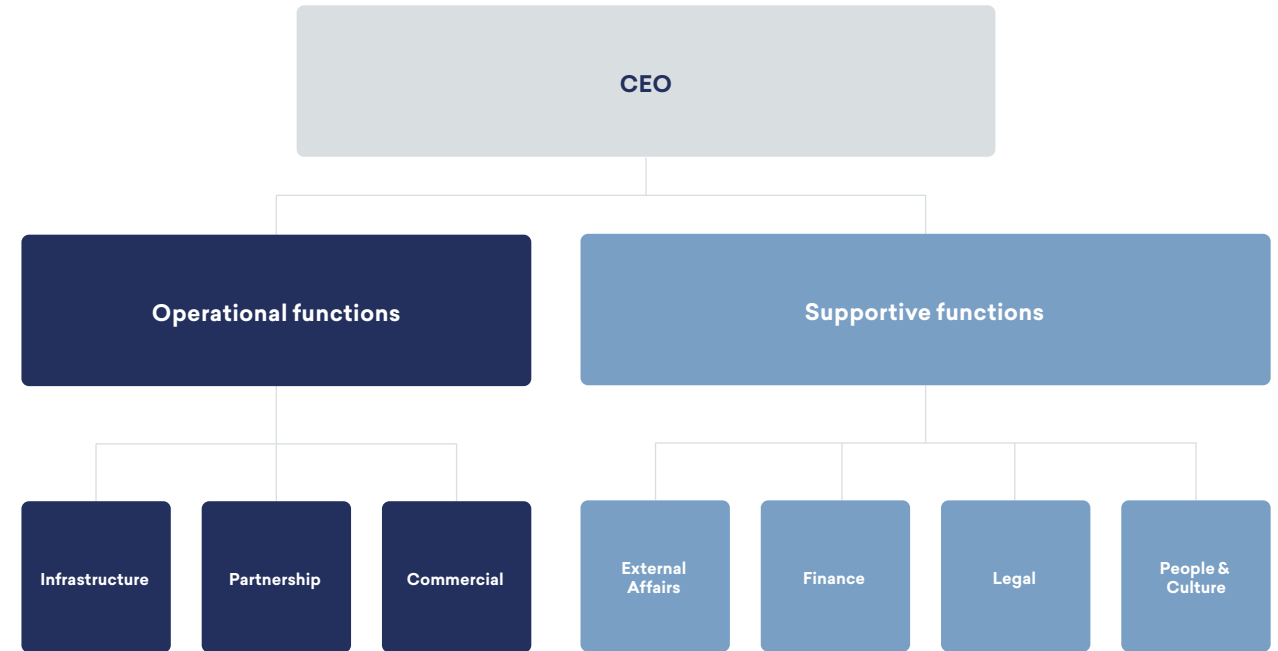
The role of the administrative, supervisory and management bodies

THE BOARD OF DIRECTORS

The Board of Directors comprises six non-executive members, with no current representation of employees or other workers. The Board consists of 83% men and 17% women. They have collected experience across retail, marketing, media, finance, company scaling and tobacco industry-specific knowledge. Their collective expertise spreads over the Nordic region, the UK, the US and other European markets.

THE MANAGEMENT TEAM

The Board of Directors appointed Gavin O'Dowd as the CEO of Haypp Group, who leads the Executive Management Team of four members. The Executive Management Team consists of 100% men. A majority of the members of the Executive Management Team have significant professional experience in companies within the same industry that have actively tackled sustainability issues, especially in terms of compliance and governance.



FUNCTIONAL STRUCTURE

The illustration shows Haypp Group's functional structure, which includes operational and supportive functions. Within each function, activities are performed by several different teams. This is especially true for operational functions, where specific division structures exist based on the type of activity and geographical market. This functional structure ensures efficient reporting of impacts, risks and opportunities related to sustainability matters.

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Impact, Risk and Opportunity Management

Haypp Group conducts a risk assessment each year to identify significant hazards. This assessment evaluates risks based on their probability, potential impact, interconnections with other hazards, preventative measures and monitoring strategies. The findings are presented to the Management Team, which reports them to the Board of Directors. The Management Team and Board of Directors oversee the impact, risk and opportunity management.

Based on the annual risk assessment results, strategies are developed to address new or evolving risks. This structured process ensures that appropriate actions

are taken to prevent, reduce and counteract undesirable risks while safeguarding the organisation's resilience.

The Board of Directors is ultimately responsible for sustainability performance, setting Haypp Group's strategy by applying the identified impacts, risks and opportunities, as advised by the Management Team. The Board of Directors is tasked with monitoring the risk management process and is continuously informed about existing and newly identified risks and measures taken to mitigate these risks. After the yearly risk evaluation, each function is responsible

for managing the risks associated with their plans, both centrally and by individual employees, to create a mitigation plan.

The Management Team is responsible for ensuring sufficient resources and expertise to supervise and progress Haypp Group's sustainability work. The Board of Directors collective competences in sustainability matters is upheld through regular briefings on current sustainability matters in board meetings, as well as their collective experience across various business sectors in addressing sustainability-related challenges in practice. Ongoing formal training to meet governance requirements

will be assessed going forward. Several Management Team members have significant professional experience from companies within the same industry that have actively tackled sustainability issues, especially in compliance and governance. These skills are helpful when managing impacts, risks and opportunities related to material topics.

In 2024, Haypp Group initiated a plan for an annual sustainability cycle. This initiative establishes timelines for administrative, management and supervisory bodies to set and review the year's targets, policies and strategies. Strategic discussions regarding sustainability have continued throughout 2025 within both the Management Team and Board of Directors forums.



Lars-Johan Jarnheimer, chairman of the Board of Directors



Gavin O'Dowd, CEO

Management in numbers

BOARD DIVERSITY	2024		2025	
	HEAD COUNT	PERCENTAGE	HEAD COUNT	PERCENTAGE
Male	4	66.7%	5	83.3%
Female	2	33.3%	1	16.7%
Total board members	6	-	6	-

GENDER DIVERSITY RATIO	2024	2025
Board's gender diversity ratio	0.5	0.2

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

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

Haypp Group has established processes for informing management and supervisor bodies of the risk assessment. However, a structured framework to assess sustainability has not been implemented yet.

Integration of sustainability-related performance in incentive schemes

Haypp Group has several incentive schemes across the organisation; currently not related to sustainability matters.



1.2

Risk Management and Internal Control Systems

Statement on sustainability due diligence

Haypp Group does not currently have a formalised due diligence process specifically focused on sustainability issues, apart from efforts such as the double materiality assessment, where negative impacts are identified and assessed.

Risk management and internal controls over sustainability reporting

Risk management and internal controls for sustainability reporting are core elements to align with the latest standards. We will continue to assess process development as Haypp Group has not implemented risk management or internal control processes tailored to sustainability reporting, including aspects related to the double materiality assessment.

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

1.3

Market Position, Strategy, Business Model(s) and Value Chain

1.3.1

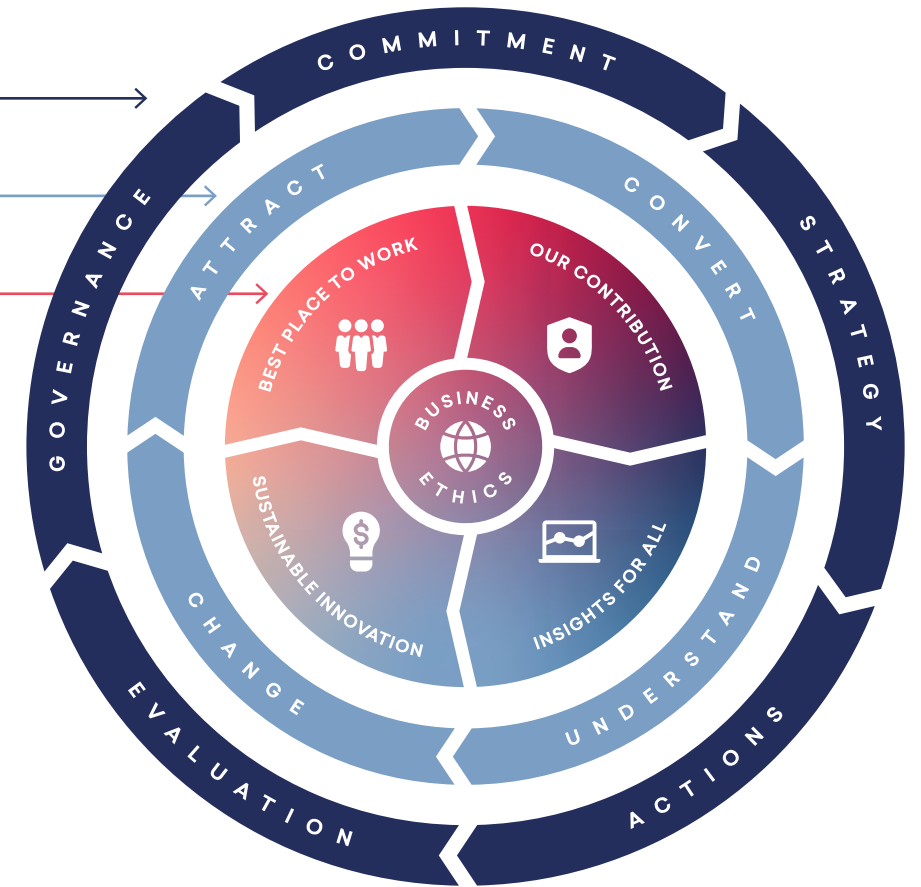
A Sustainable Business Model

Haypp Group's business model focuses on our strategic areas of sustainability, commercialisation and the process and structure we follow on a corporate and operational level. The foundation of the business model rests on five strategic areas for sustainability that align with our vision and higher purpose and help us drive the business on both an operational and more strategic level.

THE COMPANY PROCESS

THE BUSINESS CONCEPT

THE STRATEGIC AREAS



INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

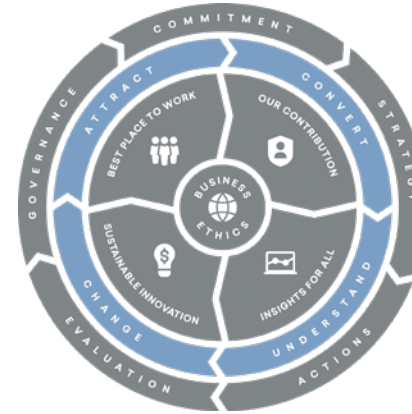
GOVERNANCE

ENTITY SPECIFIC



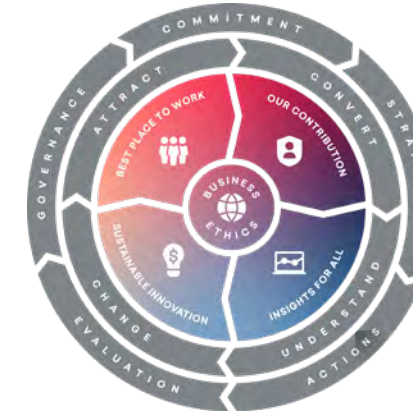
The company process – it all starts with a commitment

This begins with Haypp Group's commitment to the higher purpose of "inspiring smoke-free enjoyment " and the company process gives a stable framework to develop strategically and operationally. Haypp Group is strongly committed to making people worldwide quit smoking by offering alternative nicotine products. It is this vision and higher purpose that guides the company's leadership in making decisions on strategies for the future. Based on these decisions and available research, corporate and operational plans are made with concrete actions for the different teams in the organisation to implement and manage. We operate within two evolving industries at the same time: the transformation of the nicotine industry and the advancing e-commerce sector. Therefore, continuous evaluations must be undertaken to see what should be reevaluated and improved.



The business concept – the consumer is the focus

The inner circle of the sustainable business model illustrates the consumer-oriented aspects of our business process. It deals with how we attract consumers today and how we can improve processes, services and products to meet consumer needs better and drive commercial excellence. Our model starts with managing the consumer experience, reaching a broad consumer base and advocating for risk-reduced, non-smoking alternatives. We then assist in finding our consumers the most appropriate solution. Our concept enables us to gain a more comprehensive understanding of the consumer innovatively. We constantly utilise this knowledge to evolve and improve our customers' journeys. Our insights drive the industry to create great quality products, provide superb offers and produce responsibly and sustainably. The business concept is solid and scalable. It is a proven success that has resulted in increased customer growth across a broader range of consumer profiles. Compared to the rest of the industry, it has also increased sales of premium products and tobacco-free nicotine pouches.



The strategic areas – to drive change

At the core of the business model, we have several strategic areas organising our sustainability efforts. These areas have been chosen carefully based on a previous materiality assessment and dialogues with our stakeholders. The five areas are also the base for our scorecard, a tool to drive change throughout the different departments, functions and the organisation as a whole.

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements


ENVIRONMENTAL


SOCIAL


GOVERNANCE


ENTITY SPECIFIC


Five strategic areas

- 

Our contribution, how we can help people convert from smoking and other tobacco products, into less harmful alternatives among oral nicotine products. Our contribution leads to more years and lives lived.
- 

Insights for all, working with the data we, as an e-commerce business, have access to help develop products, increase convenience, meet consumer needs, form relevant market policies and create new alternatives.
- 

Best place to work, aspiring to be the best employer for all within Haypp Group.
- 

Sustainable innovation, utilising the data, can contribute to sustainable growth and development together with business partners, suppliers, regulators and consumers.
- 

Business ethics, at the core of sustainability and business. Our ethics shall always guide our decisions as we must apply a high level of ethics in e-commerce and the oral nicotine sector.

Business model impact on sustainability matters

Our contribution, how we can help people convert from smoking and other tobacco products into less harmful alternatives among oral nicotine products. Our contribution leads to more years and lives lived.

Haypp Group has a wide range of products within its product portfolio. We have

a well-defined strategy for navigating regulatory compliance across product development, marketing and expansion. Regulatory requirements for permissible products vary between markets; therefore, our development strategy always aligns with these national regulations.

1.3.1.1

Strategic Areas in relation to ESRS Topics

Haypp Group's strategic focus areas, Our contribution, Insights for all, Sustainable innovation, Best place to work and Business ethics, have been integrated in our sustainability reporting inspired by ESRS. Our strategic focus areas will be addressed under the material ESRS-topics, as detailed in the table below.

Strategic areas and ESRS topics

PURPOSE	STRATEGIC AREA	ESRS TOPICS	
Inspiring smoke-free Enjoyment to Millions	Our contribution	S4 Consumers and end-users ES Our contribution	
	Insights for all	S4 Consumers and end-users	
	Sustainable innovation for growth & product development	E1 Climate change E5 Resource use & circular economy	
	Best place to work	S1 Own workforce	
	Business ethics		E2 Pollution S2 Workers in the value chain
			G1 Business conduct

- INTRO
- GENERAL INFORMATION
 - Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

1.3.2

Products and Markets

Haypp Group is a consumer-driven e-commerce group focusing on risk-reduced nicotine products, customer insights and marketing. In recent years, Haypp Group has expanded its number of e-commerce platforms mainly through acquisitions, currently running eleven platforms. We operate in seven markets: Sweden, Norway, the United Kingdom, Germany, Austria, Switzerland and the United States.

As of December 31, Haypp Group employs 273 people across five countries.

COUNTRY	NO. OF EMPLOYEES	COUNTRY	NO. OF EMPLOYEES
Sweden	218	Norway	10
United Kingdom	8	Germany	5
United States	32	Number of employees per region	

Total revenue	3 894 831 636 SEK
----------------------	--------------------------

Haypp Group does not generate revenue from fossil fuels, chemical production, controversial weapons, or tobacco cultivation and production.

1.3.2.1

Sustainability Goals for Targeted Groups

We aim to reduce tobacco-related deaths globally, inspiring smoke-free enjoyment. We achieve this by supporting the development of quality products, providing the best and most attractive products and brands whilst maintaining strict control. We must ensure that only people of legal age can purchase our products and influence industry actors to be responsible through an active dialogue. Furthermore, we must offer our customers the most sustainable products where the impact on future generations' health should not be overlooked.

SUSTAINABILITY GOALS FOR TARGETED GROUPS	
Tobacco consumers	Underaged consumers
Convert tobacco smokers to our less harmful alternatives	Maintain robust age verification to prevent sales to underaged consumers.

1.3.3

Business Model and Value Chain

Our value chain includes everything from raw material sourcing and production, processing and manufacturing at suppliers to distribution and transportation to our facilities and finally post purchase, through our e-commerce, additional transportation is necessary for the products to reach the customer.

Upstream

The value chain begins with the harvesting of tobacco leaves, which are processed to extract nicotine for use in nicotine pouches or e-juices for vaping products. Tobacco leaves are also directly utilised in producing Swedish-style Snus, a tobacco-containing product. However, some of our products are produced on synthetic nicotine, which is laboratory-produced and does not rely on tobacco leaves as a source.

Our primary suppliers include manufacturers of nicotine pouches. We also collaborate with suppliers of IT-hardware, software and services related to warehouse operations and office management.

Own operation

Haypp Group collaborates with various brand owners, from large international companies to smaller start-ups, to produce and develop nicotine pouches and related products. As an industry leader, Haypp Group drives progress toward risk-reduced alternatives by creating consumer awareness and influencing product suppliers.

Downstream

As an online retailer, Haypp Group relies on downstream suppliers for transport and delivery services. Once customers make purchases through our e-commerce platform, additional transportation is required to deliver products to their final destination. Then, after enjoying the product, the consumer finally disposes of both the packaging and the product itself.

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

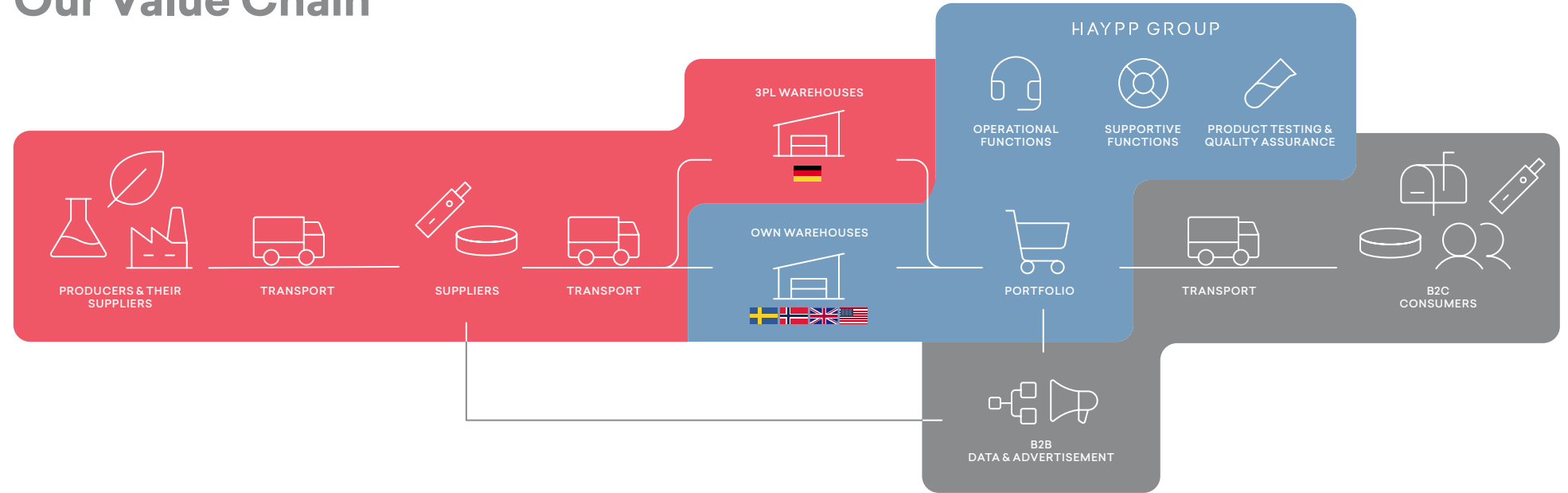
ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Our Value Chain



Upstream

PRODUCERS & THEIR SUPPLIERS

Nicotine producers - harvest
 Nicotine producers - synthetic
 Other supplier production

SUPPLIERS

Service providers
 Product suppliers
 Brand owners

3PL WAREHOUSE

Germany

TRANSPORT

Own operation

HAYPP GROUP

Operational functions
 Supportive functions
 Product testing & Quality assurance

OWN WAREHOUSES

Sweden, Norway, UK, USA

PORTFOLIO

HAYPP

Downstream

B2B

Sale of consumer data insights, banners and marketing spots

B2C

Sale of nicotine and tobacco products

TRANSPORT

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

1.3.4

Stakeholders

Interests and views of stakeholders

Haypp Groups' key stakeholders are customers, employees, owners and Board of Directors and business partners. But other external stakeholders also include public authorities, media, academics and non-governmental organisations (NGOs), including associations we are members of.

Their insights play a key role in shaping our strategies, identifying material topics and driving improvements. Through collaboration, we work to reduce environmental impacts and refine our processes. These dialogues not only validate our sustainability strategy and material analysis but also provide valuable perspectives that influence our long-term development.

An example of this could be to understand business partners' perspectives on product development or governmental representatives to understand legal requirements better.

Extended stakeholders are key to understanding Haypp Group's expectations for its sustainability approach. These insights are reported to management and the Board of Directors to ensure effective integration into our business strategy and plan going forward. Haypp Group has often considered stakeholder input when alternating business strategies, including expansion to new geographies and product portfolio development.

Stakeholders and topics of engagement

STAKEHOLDER	INTERACTION AND DIALOGUE OPPORTUNITIES	STAKEHOLDERS' ESSENTIAL QUESTIONS
Customers	Web site, order confirmation, customer service, mail about delivery, newsletter, social media, reviews online, editorial sites and opinion pieces in external media, surveys and polls	Ethical business conduct, sustainable product development, consumer information, consumer health, transport, packaging, climate action
Employees	Conversations in daily activities, weekly town hall meetings emails, employee survey, development and coaching conversations, management meetings, department meetings, company gatherings, staff handbook	Climate impact, safe workplace, environmentally friendly transport, sustainable range, contribute to a healthy lifestyle, sustainable suppliers, reduce packaging / plastic, consumer health, working environment, consumer information
Owner/Board of Directors	Annual report, annual general meeting (AGM), Board meetings and presentations, participation in daily activities, workshops, strategy discussion	Healthy finances, well-functioning organisation, climate impact, environmentally friendly operations, safe workplace, reduce packaging / plastic in operations
Business partners	Emails, meetings, telephone, contact persons, contract negotiations, study visits in logistics, market activity collaborations, insight gathering activities	Business ethics, wide and sustainable product range, alternative packaging material, profitable business agreements, brand and product development
Public authorities	Emails, meetings, telephone, contact persons, licenses, supervision, regulations and consultations	Climate impact, compliance, addiction, protection of youth
Media, academics, NGO & other	Cooperation agreement, memberships, data base, emails, meetings, telephone, editorial and opinion pieces, research project, thesis	Climate impact, Our contribution, addiction, community voice

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

1.4

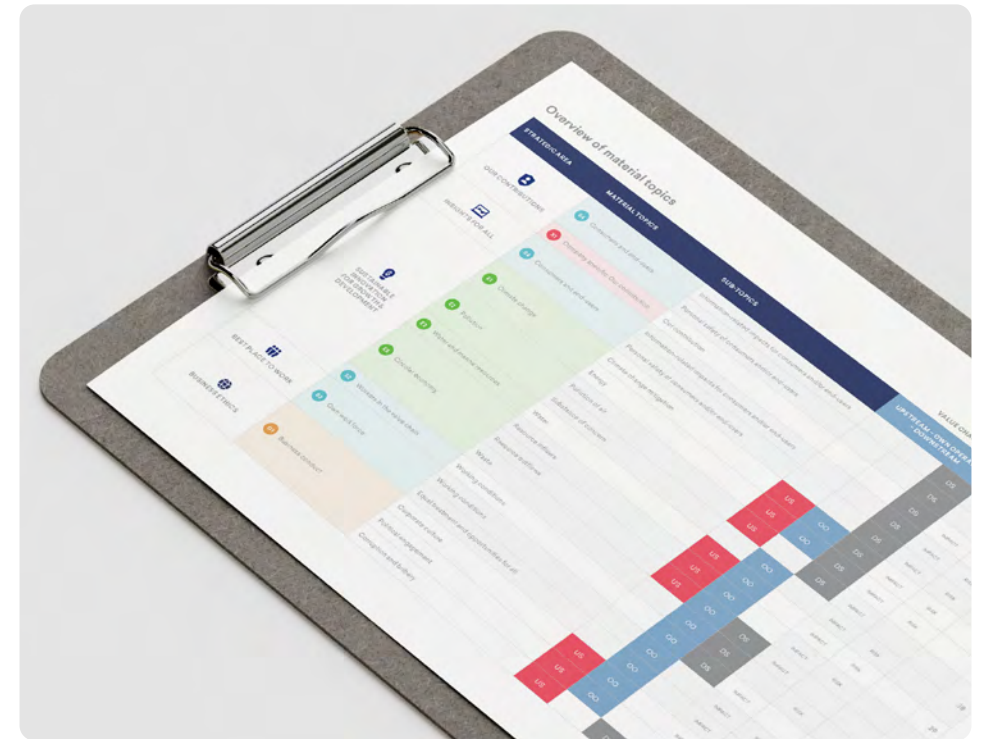
Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Material impacts, risks and opportunities and their interaction with strategy and business model

In 2024, Haypp Group conducted its first double materiality assessment to approach alignment with the CSRD. The double materiality assessment evaluated each topic from an impact and financial perspective, identifying potential impacts, risks and opportunities that could influence our business operations and value chain.

The process highlighted areas we previously did not integrate into our sustainability strategy, revealing gaps in processes related to policies, targets and actions. Going forward, we will review the insights gained from the double materiality assessment for reporting purposes and evaluate our business processes.

A more detailed description of each material topic can be found under each topic specific chapter in this report. The topics of Affected communities and Biodiversity and ecosystems were assessed as not material.



INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy, Business Model(s) and Value Chain

Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Haypp Group's Double Materiality Assessment

Minimum Disclosure Requirements


ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Overview of material topics

STRATEGIC AREA	MATERIAL TOPICS	SUB-TOPICS	VALUE CHAIN			IMPACT - RISK - OPPORTUNITY			PAGE
			UPSTREAM	OWN OPERATION	DOWNSTREAM	IMPACT	RISK	OPPORTUNITY	
 OUR CONTRIBUTION	 Consumers and end-users	Information-related impacts for consumers and/or end-users			DS	IMPACT	RISK	OPPORTUNITY	42
		Personal safety of consumers and/or end-users			DS		RISK	OPPORTUNITY	
	 Company specific: Our contribution	Our contribution			DS	IMPACT		OPPORTUNITY	51
 INSIGHTS FOR ALL	 Consumers and end-users	Information-related impacts for consumers and/or end-users			DS	IMPACT	RISK	OPPORTUNITY	44
		Personal safety of consumers and/or end-users			DS	IMPACT	RISK	OPPORTUNITY	
 SUSTAINABLE INNOVATION FOR GROWTH & DEVELOPMENT	 Climate change	Climate change mitigation	US	OO	DS	IMPACT	RISK		30
		Energy	US	OO	DS	IMPACT	RISK		
	 Circular economy	Resource inflows	US	OO		IMPACT	RISK		32
		Resource outflows	US	OO	DS	IMPACT			
		Waste		OO	DS		RISK		
 BEST PLACE TO WORK	 Own workforce	Working conditions		OO		IMPACT	RISK	OPPORTUNITY	37
		Equal treatment and opportunities for all		OO		IMPACT	RISK	OPPORTUNITY	
 BUSINESS ETHICS	 Business conduct	Corporate culture	US	OO		IMPACT	RISK		47
		Political engagement	US	OO		IMPACT	RISK	OPPORTUNITY	
		Corruption and bribery	US		DS		RISK		

INTRO

GENERAL INFORMATION

Sustainability Governance

Impact, Risk and Opportunity Management

Market Position, Strategy,
Business Model(s) and Value ChainMaterial Impacts, Risks and
Opportunities and their Interaction
with Strategy and Business Model**Haypp Group's Double Materiality Assessment**

Minimum Disclosure Requirements

ENVIRONMENTAL

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

1.5

Haypp Group's Double Materiality Assessment

Description of the processes to identify and assess material impacts, risks and opportunities

The double materiality assessment conducted in 2024 was aligned with the European Sustainability Reporting Standards (ESRS). This enabled us to identify, assess, prioritise and monitor actual and potential impacts, risks and opportunities. Going forward, this process will be conducted regularly to ensure ongoing evaluation and refinement of our material impacts.

As part of the assessment, we mapped our business units, sites and key organisational stakeholders to visualise the entire value chain, including activities within our operations and upstream and downstream activities.

STAKEHOLDER ENGAGEMENT AND SCREENING

The screening was conducted through evaluating potential material sustainability topics and subtopics, resulting in a selection of relevant internal and external stakeholders for the double materiality assessment.

We engaged stakeholders through structured dialogues to deepen our understanding of what impacts, risks and opportunities our business activities are exposed to across the value chain. These dialogues provided valuable insights into the material impacts of our operations and business relationships.

IMPACT ASSESSMENT PROCESS

The impact assessment was conducted through the following structured steps.

1. Identification of actual and potential impacts.

We identified actual and potential positive and negative impacts. These impacts are linked to our activities and business relationships across the value chain. The identification process incorporated diverse internal and external sources, including industry and country reports and feedback from internal stakeholders.

2. Assessment of significance.

The significance of each identified impact was evaluated based on the following:

- Actual or potential impact
- Severity: Assessed by scale, scope and irremediability for negative impacts and scale and scope for positive impacts
- Time horizon and likelihood

The impact assessment resulted in material topics relevant to Haypp Group's operations and value chain.

FINANCIAL MATERIALITY ASSESSMENT

We also conducted a financial materiality assessment to evaluate whether sustainability topics could have or are likely to have material economic effects. The purpose was to identify short, medium and long-term risks and opportunities that may not yet be reflected in traditional financial statements but could influence key decision-makers and stakeholders.

This assessment involved evaluating the risks and opportunities that could affect company development, financial position, financial performance, cash flows, access to financing, or cost of capital. Materiality was assessed by combining the likelihood of occurrence with the potential magnitude of financial effects.

Considering financial effects across different time horizons:

- Short-term: within the reporting year.
- Medium-term: one to five years.
- Long-term: beyond five years.
- Limitations and qualitative evaluation

We have used a combination of qualitative assessment and company specific financial thresholds to quantify the magnitude of financial effect for all risks and opportunities. Some financial risks and opportunities cannot be evaluated quantitatively; instead, they are assessed qualitatively based on available expertise and insights.

RESULTS

The result from the double materiality assessment has been approved by Management Team and the Board of Directors.

- INTRO
- GENERAL INFORMATION
 - Sustainability Governance
 - Impact, Risk and Opportunity Management
 - Market Position, Strategy, Business Model(s) and Value Chain
 - Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model
 - Haypp Group's Double Materiality Assessment
 - Minimum Disclosure Requirements**
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC

1.6

Minimum Disclosure Requirements

Policies adopted to manage material sustainability matters

During 2025, Haypp Group updated several policies to align with our business practices.

Actions and resources in relation to material sustainability matters

Haypp Group has not developed or finalised actions and resource allocations concerning material sustainability matters but remains committed to refining and pursuing our targets. Previously established actions will continue to serve as reference points for addressing relevant topics.

Tracking effectiveness of policies and actions through targets

Haypp Group has not developed or finalised targets related to material sustainability. Nevertheless, Haypp Group has set its own goals, including Our contribution, Insights for all, Sustainable innovation, Best place to work and Business ethics. Haypp Group will evaluate how future development can align our current targets with our material sustainability matters.

POLICIES, CONTENT AND MATERIAL TOPICS

POLICIES	CONTENT AND PURPOSE	MATERIAL TOPICS
Code of Conduct	Our commitment Our people & workplace Our business Our assets	S1 S2 S4 G1
Business Partner Code of Conduct	Product compliance Bribery and corruption Fair competition and anti-trust Anti-money laundering and terrorist financing Taxes Human rights and working environment Environmental sustainability	E1 S2 G1
Marketing and Product Standard for Nicotine Containing Consumer Products	Sale of products Product labelling Product Marketing Governance	S4 G1

INTRO

GENERAL INFORMATION

ENVIRONMENTAL

EU Taxonomy

Climate Change

Resource Use and Circular Economy

Environmental Minimum Disclosure
Requirements

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Environmental Information

Haypp Group's primary environmental impact on our operation arises from product production, transportation and end-of-life stages. This chapter outlines Haypp Group's material topics related to environmental sustainability. Our strategic focus area is Sustainable innovation for growth and development, driving our efforts in climate change, pollution, water and circular resource management.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
 - EU Taxonomy**
 - Climate Change
 - Resource Use and Circular Economy
 - Environmental Minimum Disclosure Requirements
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC

2.1

EU Taxonomy

Haypp Group has not reported on the EU taxonomy for the financial year 2025. We will monitor ongoing developments in the regulatory environment and standards related to sustainability reporting. Should circumstances or requirements change, we will review our approach and consider taking appropriate action as necessary.

2.2

Climate Change

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Material climate-related impacts, risks and opportunities were assessed based on an evaluation of the organisation's business units, sites and key organisational stakeholders, with respective activities along the value chain. Haypp Group has an impact on climate change through each part of the value chain. Therefore, to ensure a representative materiality assessment, assumptions are based on stakeholder dialogues and industry research.

2.2.1

Strategy, Policies and Process

Material impacts, risks and opportunities and their interaction with strategy and business model

Haypp Group has not performed a resilience analysis. Instead, climate-related risks are evaluated using identified general risks and standardised scenarios rather than individual scenario assessments. The material topics are disclosed below:



CLIMATE CHANGE MITIGATION

Climate change mitigation will impact all parts of the value chain. Upstream, the impact relates to shifting tobacco production, which has a severe environmental impact, to synthetic nicotine and the impact that Haypp Group could have on encouraging the usage of virgin packaging. Meanwhile, the operations and downstream value chain centre around renewable energy alternatives, recycling efforts and zero-emission transportation.



ENERGY

Energy is required in all value chain stages, from producing products for office and warehouse facilities to consumers buying our products in online stores.

E1	VALUE CHAIN			IRO			TIME HORIZON	
SUBJECT	UPSTREAM – OWN OPERATION – DOWNSTREAM			IMPACT – RISK – OPPORTUNITY			IMPACT	FINANCIAL
Climate change mitigation	US	OO	DS	IMPACT	RISK		Short to long-term	Medium to long-term
Energy	US	OO	DS	IMPACT	RISK		Short to long-term	Short to long-term

Double materiality assessment of climate change

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
 - EU Taxonomy
 - Climate Change**
 - Resource Use and Circular Economy
 - Environmental Minimum Disclosure Requirements
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC

2.2.2

Climate Change Mitigation

For the 2025 reporting period, our greenhouse gas (GHG) emissions disclosures are confined to downstream transportation activities. This strategic decision is grounded in materiality, as downstream transportation represents a significant portion of our overall emissions profile and can be quantified with a high degree of accuracy and reasonable effort. Scope 1 emissions are not applicable, as no fuel was consumed for stationary or mobile combustion, and no refrigerant leakage occurred. Scope 2 emissions estimation would require disproportionate resources relative to its material impact, and has therefore not been included.

Emissions from downstream transportation are calculated utilising data supplied by our logistics partners. In instances where carrier-specific data is unavailable, those shipments are omitted from our reporting, consistent with our commitment to disclose only figures that meet stringent accuracy standards.

In 2025, we initiated the deployment of a new analytical platform for downstream transportation, enabling detailed, order-level analysis—including measurement of shipping distances—which enhances the precision and granularity of our GHG emissions reporting.

All other Scope 3 categories—including upstream transportation, business travel, capital goods, employee commuting, and cloud services—are excluded from this year’s disclosures. At present, these categories cannot be calculated with sufficient accuracy through reasonable means. In accordance with our reporting methodology, we refrain from presenting data where certainty is not assured. This approach maintains the integrity, transparency, and relevance of our sustainability reporting, ensuring focus on the most material emission sources within our value chain.

	2024	2025
Downstream transportation*	208.9	1452.7

* Reason for increase is that we have significantly higher coverage 2025 (more data included in basis for calculation).

2.2.3

Energy Consumption and Efficiency

ENERGY CONSUMPTION AND MIX	2024	2025
Fuel consumption from coal and coal products (MWh)	0.0	0.0
Fuel consumption from crude oil and petroleum products (MWh)	0.0	0.0
Fuel consumption from natural gas (MWh)	0.0	0.0
Fuel consumption from other fossil sources (MWh)	0.0	0.0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	137.4	195.5
Total fossil energy consumption (MWh)	137.4	195.5
Share of fossil sources in total energy consumption (%)	28.5%	13.4%
Consumption from nuclear sources (MWh)	0.0	0.0
Total renewable energy consumption (MWh)	344.70	1 260.5
Total energy consumption (MWh)	482.1	1 456.0

* Reason for increase is that we have significantly higher coverage 2025 (more data included in basis for calculation).

NOTES

Electricity consumption excludes warehouse in Germany as the property owners were unable to provide the required data.

Consumption of district heating excludes data from United Kingdom, United States and Germany due to lack of data availability.

Consumption of district cooling is only included for the office in Sweden, due to lack of data availability for all other locations.

The significant change in figures is primarily due to an expanded scope, with more locations included in the 2025 calculation compared to 2024.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
 - EU Taxonomy
 - Climate Change
 - Resource Use and Circular Economy**
 - Environmental Minimum Disclosure Requirements
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC

2.3

Resource Use and Circular Economy

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

We mapped our business units, sites and key organisational stakeholders to assess resource use and circular economy, including activities within our operations and upstream and downstream activities. The methodology consisted of stakeholder dialogues and industry research to better understand impacts, risks and opportunities related to resource use and circular economy. Haypp Group's product portfolio heavily depends on upstream production, packaging and downstream end-of-life treatment, the main conclusions related to resource use and circular economy are based on industry research and organisational expertise. Assumptions related to material usage are based on organisational data and industry research.

2.3.1

Strategy, Policies and Processes

Material impacts, risks and opportunities and their interaction with strategy and business model

- ↙
RESOURCE INFLOWS
 Haypp Groups' suppliers depend on inflows such as harvested tobacco and synthetic nicotine. In the operations, they need electrical office supplies and warehouse interiors. Nevertheless, we have a minimal impact on resource inflow from finished goods. There are financial risks in the inherent problem of climate change's impact on the production of essential materials, as it can lead to scarcity of products.

- ↗
RESOURCE OUTFLOWS
 Resource outflow occurs in the value chain's upstream, operations and downstream parts—all aspects impact product usage, recyclability and waste management. We need to adopt to packaging requirements, which may increase packaging prices and squeeze margins.

- 🗑️
WASTE
 Waste management in its operations and downstream relates to, for example, the end-of-life treatment of e-waste and the recycling of nicotine containers. We have limited control over how consumers recycle our products. However, increased pressure from the EU, such as the extended producer responsibility (EPR), transfers the costs to us, leading to reduced margins and potential loss of price-sensitive customers.

SUBJECT	VALUE CHAIN			IRO			TIME HORIZON	
	UPSTREAM - OWN OPERATION - DOWNSTREAM			IMPACT - RISK - OPPORTUNITY			IMPACT	FINANCIAL
Resource inflows	US	OO		IMPACT	RISK		Short-medium-term	-
Resource outflows	US	OO	DS	IMPACT			Short-medium-term	-
Waste		OO	DS		RISK		Short-medium-term	-

Double materiality assessment of resource use and circular economy

INTRO

GENERAL INFORMATION

ENVIRONMENTAL

EU Taxonomy

Climate Change

Resource Use and Circular Economy

Environmental Minimum Disclosure Requirements

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

2.3.2**Targets, Outcomes and Measures****Resource inflows**

The main streams of resource inflows consist of the products purchased by Haypp Group and sold to customers, includes nicotine pouches, vapes and heated tobacco products. The secondary stream is the packaging materials for the products.

RESOURCE INFLOWS	2024	2025
Total weight of technical materials used (tonnes)	1 937.3	2 018.2
Total weight of biological materials used (tonnes)	1 664.9	1 451.4
Total weight of products and materials (tonnes)	3 602.1	3 469.5
BIOLOGICAL MATERIALS AND SOURCING		
Total weight of sustainably sourced biological materials (tonnes)	256.0	258.7
Percentage of sustainably sourced biological materials (%)	15.4%	17.8%
REUSED OR RECYCLED INPUT MATERIALS		
Total weight of reused and recycled materials and components (tonnes)	280.7	299.7
Percentage of secondary reused or recycled components (%)	7.8%	8.6%

NOTES

To avoid double-counting, all resource inflows have been considered as materials.

Data reported under inflow of materials includes products such as nicotine products, including the plastic containers, vape products, heated tobacco products, and packaging material for sold products.

Material from sustainable sources refers to packaging material and is FSC-certified.

INTRO

GENERAL INFORMATION

ENVIRONMENTAL

EU Taxonomy

Climate Change

Resource Use and Circular Economy

Environmental Minimum Disclosure Requirements

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Resource outflows

Haypp Group does not have own production processes. We purchase products (nicotine pouches, vapes and heated tobacco products) and provide them to our customers.

The durability of products purchased and sold by Haypp Group are in line with the industry average. The reparability applies to a very small share of our product portfolio, as the vast majority (approximately 97%) are consumable and/or one-time use goods. The remaining 3% consist of battery devices within the vape/heated tobacco category and are not recommended to be repaired, nor come with spare parts.

RESOURCE OUTFLOW	2024	2025
PRODUCTS AND MATERIALS		
Share of recyclable content in product (%)	58%	58%
Share of recyclable content in product packaging (%)	100%	100%
WASTE AMOUNTS		
Total waste generated (tonnes)	241.9	210.7
WASTE TYPES		
Hazardous waste (tonnes)	0.3	0.1
Non hazardous waste (tonnes)	241.6	210.5
Radioactive waste (tonnes)	0.0	0.0
WASTE RECYCLING		
Non-recycled waste (tonnes)	95.0	48.4
Non-recycled waste (%)	39%	23%
Recycled waste (tonnes)	146.9	162.2

WASTE TREATMENT TYPES	2024		2025	
WASTE DIVERTED FROM DISPOSAL	HAZARDOUS WASTE	NON-HAZARDOUS WASTE	HAZARDOUS WASTE	NON-HAZARDOUS WASTE
Total	0.3	146.6	0.1	162.2
Reuse	0.0	0.0	0.0	0.0
Recycling	0.3	146.6	0.1	162.2
Other recovery	0.0	0.0	0.0	0.0
WASTE DIVERTED TO DISPOSAL				
Total	0.0	95.0	0.0	48.4
Incineration	0.0	95.0	0.0	48.4
Landfilling	0.0	0.0	0.0	0.0
Other disposal	0.0	0.0	0.0	0.0

NOTES

Nicotine pouches and nicotine products consist of a recyclable plastic can (approximately 58% of the weight) and non-recyclable consumable content (approximately 42%). The product packaging is made of plastic wrapping and/or cardboard material and 100% recyclable.

INTRO

GENERAL INFORMATION

ENVIRONMENTAL

EU Taxonomy

Climate Change

Resource Use and Circular Economy

Environmental Minimum Disclosure Requirements

SOCIAL

GOVERNANCE

ENTITY SPECIFIC

Environmental Minimum Disclosure Requirements

In 2024 Haypp Group started to align our sustainability report with the CSRD requirements. We will review the insights from the double materiality assessment to further evaluate business processes. The process highlighted gaps in the implementation of the sustainability strategy and business processes related to CSRD minimum disclosure requirements. While environmental topics are highly important to Haypp Group, we currently lack policies, actions and targets related to our material environmental topics.

Policies adopted to manage material sustainability matters

Haypp Group recognises the importance of climate change, pollution mitigation, sustainable water management, resource use and a circular economy. Through our Business Partner Code of Conduct, we encourage business partners to work towards preventing, reducing and addressing environmental impacts within their operations. However, we have not yet established policies addressing our management of our material environmental topics. We will continue to evaluate possible policy implementations to ensure alignment with our sustainability goals.

Actions and resources in relation to material sustainability matters

Haypp Group has a few formalised actions for climate change, pollution and water. However, we will continue to evaluate our material topics' impact and explore ways to better understand and address this area.

Resource use and circular economy

CENTRALISATION OF THE WAREHOUSE IN TEXAS

In December 2024, we established a new automated warehouse and centralised our operations in the United States. This facility has been developed to supersede previous third-party logistics (3PL) arrangements, with the objective of enhancing overall operational efficiency. We have now implemented the same operational model utilised in Sweden and Norway, incorporating advanced automation systems that reduce material consumption. This approach has enabled us to optimise transportation and logistics processes, resulting in a significant improvement in operational efficiency throughout 2025.

Aligned with our core strategy of Sustainable innovation for growth and product development the automation systems also facilitate a gradual shift from plastic packaging to corrugated cardboard, reducing environmental impact. Haypp Group continues to evaluate its business operations to improve resource use and switch to more sustainable packaging materials.

Pollution

INCREASED SHARE OF DELIVERIES IN SWEDEN WITH FOSSIL-FREE TRANSPORTATION

Haypp Group has actively chosen to expand its use of fossil-free logistic providers. Additionally, many suppliers are making the transition to 100% fossil-free operations, further accelerating this shift.

Tracking effectiveness of policies and actions through targets

Haypp Group does not have specific targets addressing climate change, pollution, water, resource use and circular economy. We continue to evaluate the impact of our material topics and explore ways to better understand and address these.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL**
 - Own Workforce
 - Workers in the Value Chain
 - Consumers and End-users
- GOVERNANCE
- ENTITY SPECIFIC



Social Information

Haypp Group has a social impact on our employees, workers in the value chain and our consumers, which is evident at every stage of its operations. Haypp Group creates social impact in our strategic areas Best place to work, Business ethics, Insights for all and Our contribution. To align with ESRS, we included Own workforce, Workers in the value chain and Consumers and end-users.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce**
 - Workers in the Value Chain
 - Consumers and End-users
- GOVERNANCE
- ENTITY SPECIFIC

3.1

Own Workforce

Our organisation is flat and prestige-less, meaning everyone should feel seen, heard and valued. We build genuine relationships that contribute to a positive, caring atmosphere. To ensure that our corporate culture reflects our ambitions, we must listen to and consider employees' opinions.

We have consistently invested in our culture throughout the year to promote collaboration, innovation, and inclusivity. We always encourage our employees to seek new knowledge and ways to enhance their skills. This ensures that individuals have an opportunity for meaningful and long-term development at Haypp Group.

3.1.1

Strategy, Policies and Processes

Material impacts, risks and opportunities and their interaction with strategy and business model

S1	VALUE CHAIN			IRO			TIME HORIZON	
	SUBJECT	UPSTREAM - OWN OPERATION - DOWNSTREAM		IMPACT - RISK - OPPORTUNITY			IMPACT	FINANCIAL
Working conditions		OO		IMPACT	RISK	OPPORTUNITY	Medium-long-term	Medium-long-term
Equal treatment and opportunities for all		OO		IMPACT	RISK	OPPORTUNITY	Medium-long-term	-

Double materiality assessment of own workplace



WORKING CONDITIONS

Haypp Group shapes our employees' working conditions to ensure a safe, healthy and supportive working environment. Good working conditions can increase motivation and productivity, ultimately improving financial performance. It is essential for us to ensure a high level of employee well-being and productivity. Our Code of Conduct and employee handbook are designed to mitigate risks by promoting adequate behaviours. Non-compliance with health and safety standards could lead to a financial risk.

Forced labour or child labour, by their very nature, are not part of Haypp Group's operations.



EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

The Code of Conduct establishes clear guidelines for promoting gender equality and inclusion. Prioritising these values can strengthen an environment where employees feel included, respected and proud to work for Haypp Group, which can also improve our financial performance. On the contrary, a failure to prioritise diversity and inclusion could harm our reputation as an organisation and employer.

INTRO

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

Own Workforce

Workers in the Value Chain

Consumers and End-users

GOVERNANCE

ENTITY SPECIFIC

Policies related to own workforce**CODE OF CONDUCT**

Haypp Groups' Code of Conduct is set to manage impacts, risks and opportunities for our employees, covering topics such as Business ethics and management of external relationships. We follow applicable laws and regulations to protect employees in the workplace, following all internationally recognised human rights and labour rights acts.

The Code of Conduct outlines our commitment to diversity, equality and a safe and inclusive working environment. The objective is to ensure employees feel safe and supported while cultivating a culture where everyone enjoys equal opportunities. The Code of Conduct sets clear expectations and Business ethics to prevent discriminatory practices and promote a safe and respectful work environment. We also want to ensure a safe physical working environment; therefore, it also includes the goal of having zero work-related illnesses, injuries and fatalities. The Code of Conduct training ensures all employees understand how to apply the essence in our daily work. In 2025, the completion rate for the Code of Conduct e-training was 100%.

OCCUPATIONAL HEALTH AND SAFETY POLICY

Haypp Group's Occupational Health and Safety Policy defines our measurements to systematically approach our work environment and minimise any risks related to health, safety, discrimination and harassment. The Occupational Health and Safety Policy defines Haypp Group's complaint procedures so that employees feel secure reporting any case of discrimination or harassment.

Processes for engaging with own workforce and workers' representatives about impacts

At Haypp Group, we actively involve our employees in driving organisational performance. Managers are encouraged to share results and performance updates with their teams monthly to boost improvement. Furthermore, smaller teams hold weekly meetings to ensure consistent communication and alignment.

We believe that transparency and communication are signs of a healthy organisation. By listening to our employees and equipping leaders with relevant insights, we empower them to lead their teams to tangible and measurable results.

We conduct employee performance reviews twice a year to support employee development. These reviews provide an opportunity to set goals and encourage personal growth.

Processes to remediate negative impacts and channels for own workforce to raise concerns**WHISTLEBLOWING CHANNEL**

We maintain a whistleblowing channel for employees and other stakeholders to report unlawful or questionable market practices, unethical behaviour, or misconduct, regardless of whether it involves our organisation or external market actors.

The whistleblower function is hosted by an independent third party to ensure confidentiality and impartiality. Once a case is reported, it will be handled by the general counsel and the Chief People & Culture Officer, who will handle it anonymously and discreetly. Our Code of Conduct and Occupational Health and Safety Policy outline information on individual protection and the secure reporting channel.

CASES OF DISCRIMINATION OR HARASSMENT

According to our Code of Conduct and our Occupational Health and Safety Policy, employees who believe they have been subjected to discrimination or harassment or have witnessed such behaviour should report it immediately to their manager, Head of Compliance and/or People & Culture Function, or if they prefer, anonymously through the whistleblower function. Each complaint will be thoroughly investigated, and measures will be implemented to prevent such events from reoccurring. Haypp Group ensures that employees engaging in discrimination or harassment face disciplinary actions.

INTRO

GENERAL INFORMATION

ENVIRONMENTAL

SOCIAL

Own Workforce

Workers in the Value Chain

Consumers and End-users

GOVERNANCE

ENTITY SPECIFIC

3.1.2

Targets, Outcomes and Measures

Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

Haypp Group recognises the critical role our employees play in the success of our operations. While specific quantitative targets have not yet been established, we will evaluate our approach to transform our active employee management into actionable targets.

Characteristics of the undertaking's employees

HEADCOUNT BY GENDER	2024	2025
GENDER	NUMBER OF EMPLOYEES (HEADCOUNT)	NUMBER OF EMPLOYEES (HEADCOUNT)
Male	130	143
Female	102	130
Total employees	232	273

EMPLOYEES BY CONTRACT TYPE, BROKEN DOWN BY GENDER (HEADCOUNT)

	2024			2025		
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Number of employees	102	130	232	130	143	273
Number of permanent employees	93	125	218	127	140	267
Number of temporary employees	1	1	2	3	3	6
Number of non-guaranteed hours employees	8	4	12	0	0	0

EMPLOYEES BY COUNTRY, BROKEN DOWN BY GENDER (HEADCOUNT)

	2024			2025		
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Sweden	82	101	183	109	109	218
Norway	10	12	22	2	8	10
United States	6	10	16	12	20	32
United Kingdom	3	6	9	4	4	8
Germany	1	1	2	3	2	5

EMPLOYEE TURNOVER

	2024	2025
Employees who have left the organisation	22	29
Employee turnover	10.53%	11.49%

NOTES

Employee characteristics are reported in headcount (HC) as of the end of the reporting period.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce**
 - Workers in the Value Chain
 - Consumers and End-users
- GOVERNANCE
- ENTITY SPECIFIC

Collective bargaining coverage and social dialogue

NUMBER OF EMPLOYEES WITHIN AND OUTSIDE EEA	2024	2025
Total number of employees within EEA	216	233
Total number of employees outside EEA	16	40
Total employees	232	273
COLLECTIVE BARGAINING AGREEMENT COVERAGE		
Coverage of employees within EEA	0	0
Coverage of employees outside EEA	0	0
Total number of employees covered	0	0
WORKER'S REPRESENTATIVE COUNCILS		
Total number of employees within EEA covered by workers' representatives	0	0
Percentage of employees within EEA covered by workers' representatives	0%	0%

NOTES

Data is reported in headcount (HC) as of the end of the reporting period.

Diversity metrics

GENDER DISTRIBUTION OF TOP MANAGEMENT	2024		2025	
	HEADCOUNT	%	HEADCOUNT	%
Male	4	100.0%	4	100.0%
Female	0	0.0%	0	0.0%
Total (in top management)	4		4	

NOTES

Data is reported in headcount (HC). The top management consists of our Executive Management Team. For data on gender composition in our workforce, please refer to section Employee characteristics.

Adequate wages and Social protection

We take great pride in offering market salaries, applying market indications and performance as the foundation for yearly salary reviews. Therefore, all employees earn adequate wages. Employees have protection against income loss due to disability, invalidity and retirement. All European employees are entitled to parental leave and compensation for caring for relatives.

Training and skills development metrics

Performance reviews are conducted on a semi-annual basis. However, comprehensive data on employee participation is not currently available, and as a result it is not possible to accurately measure overall participation rates. Consequently, the percentage of employee involvement in performance and career development reviews has been excluded from this year's sustainability reporting.

Health and safety metrics

EMPLOYEES	2024	2025
Health and management system coverage	0%	0%
Number of work-related accidents	0.0	1
Accident rate	0.0	0.4%
Number of work-related ill health cases	0.0	0.0
Number of days lost to work-related injuries, work-related ill health and fatalities	0.0	20
Number of fatalities as result of work-related injuries and work-related ill health	0.0	0.0
OTHER WORKERS ON UNDERTAKING'S SITES		
Number of fatalities as result of work-related injuries and work-related ill health	0.0	0.0

NOTES

We currently do not have a health and safety management system in place.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce**
 - Workers in the Value Chain
 - Consumers and End-users
- GOVERNANCE
- ENTITY SPECIFIC

Remuneration metrics

REMUNERATION METRIC	2024	2025
Gender pay gap	23.9%	22.8%

NOTES

To calculate the gender pay gap, gross hourly salaries are converted from national currencies to SEK. The calculation is based on the average salary across all male and female employees, irrespective of seniority, level of responsibility, or role type. It should be noted that when salaries are compared on a like-for-like basis—taking into account equal seniority, complexity, and role requirements—the gender pay gap is substantially lower than the aggregate average reflected in this report.

Incidents, complaints and severe human rights impacts

DISCRIMINATION AND HARRASSMENT INCIDENTS	2024	2025
Number of Incidents of discrimination, including harrasment	0	0
Number of complaints filed through own workforce grievance mechanisms not included above	0	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0	0
SEVERE HUMAN RIGHTS INCIDENTS		
Number of severe human rights issues and incidents connected to own workforce	0	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0	0
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	0

Taking action on material impacts on own workforce and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions

At Haypp Group, we prioritise health and employee well-being, recognising their essential role in growing a sustainable corporate culture. We, therefore, monitor employee health through initiatives like our “Taking the Pulse” program, which provides us with detailed and up-to-date insights into the organisation’s health. This process is supported by a continuous dialogue with employees, helping us mitigate potential risks while strengthening the work environment.

Haypp Group also continues to focus on employee development. Training and development opportunities are given to employees based on personal development plans to best cater to their aspirations. There are several mandatory trainings, such as the Code of Conduct. In addition, we offer a variety of voluntary trainings that we highly encourage employees to partake to support their ongoing professional development. During 2025, we continued our focus on training our next leaders within the organisation. This allows for organisational growth opportunities for employees and ensures that the organisation has competent and qualified leaders.

Our work to grow an inclusive and developing corporate culture and our competitive benefits are clearly shown in our retention and recruitment rates. During the year, we have retained a high percentage of our staff while recruiting new talents.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce
 - Workers in the Value Chain**
 - Consumers and End-users
- GOVERNANCE
- ENTITY SPECIFIC

3.2

Workers in the Value Chain

We actively ensure that all business partners sign our Business Partner Code of Conduct, or commits to an equivalent standard, to continue our work and provide safe and fair working conditions along the value chain. For Haypp Group, we must hold our business partners to the highest standard to ensure good working conditions for the workers in our value chain. In our updated Business Partner Code of Conduct, business partners must guarantee Haypp Group that they do not violate or contribute to a violation of human rights or labour rights.

3.2.1

Strategy, Policies and Processes

Material impacts, risks and opportunities and their interaction with strategy and business model

Haypp Group depends on both upstream and downstream value chain workers, who may be exposed to negative impacts. Negative impacts can range from poor working conditions to unequal treatment. As Haypp Group depends on sourcing and producing nicotine products, there is a risk of forced labour in the supply chain. While Haypp Group has a Business Partner Code of Conduct to ensure compliance with Human Rights Standards, a risk remains. Nevertheless, the Business Partner Code of Conduct aims to promote and provide fair and just working conditions for workers in the value chain.



WORKING CONDITIONS

We depend on workers in the upstream value chain to assemble nicotine products, electrical components and many other functions. Haypp Group must ensure that our business partners follow the Business Partner Code of Conduct requirements for fair working conditions. There is an opportunity to positively influence our direct business partners by promoting decent working conditions for workers in the value chain. In the downstream value chain, specifically in distribution, we have a better insight into the health and safety risks as these business partners are closer to our core operations.

Policies related to value chain workers

The Business Partner Code of Conduct includes our requirements on human rights and working conditions for workers in our value chain. We require that all our business partners comply with fundamental human rights.

Including:

- Ensure equality and no discrimination
- Protect health and safety
- Respect freedom of association
- Fair wages and benefits
- No child labour
- No modern slavery or exploitation of labour
- Fair working hours

S2		VALUE CHAIN			IRO		TIME HORIZON	
SUBJECT		UPSTREAM - OWN OPERATION - DOWNSTREAM		IMPACT - RISK - OPPORTUNITY		IMPACT		FINANCIAL
Working conditions		US	DS	IMPACT		Short to medium-term	-	

Double materiality assessment of workers in the value chain

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce
 - Workers in the Value Chain**
 - Consumers and End-users
- GOVERNANCE
- ENTITY SPECIFIC

3.2.2

Targets, Outcomes and Measures

Actions and targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

At Haypp Group, we have established a target of 100% of our business partners signing our Business Partner Code of Conduct or committing to an equivalent standard. To monitor progress toward this goal, we conducted an outreach initiative in the fall of 2024 to identify business partners who had not signed the code. [JW1.1] Throughout 2025, these efforts have been sustained, encompassing mapping of the completion status and the development of a structured plan to achieve full implementation of the Code of Conduct across business partners. This approach ensures ongoing alignment with our sustainability commitments and facilitates continuous improvement in ethical business practices.



- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce
 - Workers in the Value Chain
 - Consumers and End-users**
- GOVERNANCE
- ENTITY SPECIFIC

3.3

Consumers and End-users

Consumer health is a core part of Haypp Group’s business strategy, with our ambitions to increase life length, save lives and reduce tobacco use and the harmful effects of smoking. To achieve this, we ensure correct age restrictions, communicate transparent product information and provide correct labelling for consumers to make informed choices. We aim to attract consumers seeking less harmful products, including tobacco and nicotine-free alternatives.

Our business's aims to improve individuals' quality of life, resulting in improved public health.

3.3.1

Strategy, Policies and Processes

Material impacts, risks and opportunities and their interaction with strategy and business model



INFORMATION-RELATED IMPACTS FOR CONSUMERS AND/OR END-USERS

Accurate labelling in compliance with the Food Act, Tobacco Act, industry standards and other regulatory requirements is essential to prevent harm to consumers. Robust data management and security practices can enhance public trust and attract more consumers, strengthening the organisation’s market position.

A part of our revenue is derived from consumer data sales, which involves managing significant volumes of personal information. Any data breach, improper handling of information, or non-compliance with GDPR could result in severe financial consequences, including customer and investor loss, reputational damage and regulatory fines.



PERSONAL SAFETY OF CONSUMERS AND/OR END-USERS

Although smoke-free nicotine products are a less harmful alternative to traditional tobacco products, they are not without risks. Consumers may face health issues such as heart complications, oral irritation, gum recession and tooth decay. Moreover, products like vapes and e-cigarettes carry risks of lung disease and asthma, emphasising the potential health impacts on consumers.

Regulations governing the composition and sales of nicotine products significantly affect the market expansion. Market restrictions, product content limitations and the illicit trade of non-compliant products pose substantial financial risks. To mitigate these challenges, it is critical for the organisation to navigate the regulated nicotine market, ensuring full compliance with legal and industry requirements.

S4	VALUE CHAIN			IRO			TIME HORIZON	
	SUBJECT	UPSTREAM – OWN OPERATION – DOWNSTREAM		IMPACT – RISK – OPPORTUNITY			IMPACT	FINANCIAL
Information-related impacts for consumers and/or end-users			DS	IMPACT	RISK	OPPORTUNITY	Short to medium-term	Short to long-term
Personal safety of consumers and/or end-users			DS	IMPACT	RISK		Medium to long-term	Medium to long-term

Double materiality assessment of consumers and end users

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
 - Own Workforce
 - Workers in the Value Chain
 - Consumers and End-users**
- GOVERNANCE
- ENTITY SPECIFIC

Policies related to consumers and end-users

Haypp Group has integrated consumers and end-users' considerations into the Code of Conduct, as our employees must be aware of the importance of customer relationships. The Code of Conduct focuses on Customers in focus, High-quality offerings to customers and Age restrictions.

CUSTOMERS IN FOCUS

We define customer satisfaction, trust and goodwill as the core of our success. Our Code of Conduct recognises that customers' needs, preferences and inquiries about our products and services are vital for our business development. Therefore, it is essential for us to incorporate customers' input into our business development.

HIGH-QUALITY OFFERING TO CUSTOMERS

We show our customer commitment by supporting the development of quality products while maintaining strict control. We must ensure sustainable product offerings that do not overlook the impact on consumers' health.

AGE RESTRICTIONS

Fundamentally, it is essential for Haypp Group that we ensure compliance with age restrictions when purchasing our products. The Code of Conduct also ensures that all employees are responsible for not directing any marketing, advertisement or promotion to minors, nor do we interact with them. We also want to go beyond compliance and engage in public debate to ensure that other industry actors act responsibly.

Haypp Group also has a Marketing and Products Standard for Nicotine Containing Consumer Products, which all business partners must comply with. The standard aims to ensure that consumers and end-users receive accurate and sufficient information regarding the product they consume. The standard covers four topics:

- **Sales of products**
Ensuring that all nicotine-containing consumer products shall only be sold to adults of legal age in each jurisdiction. Thus, no marketing advertising or promotion of nicotine products shall be directed to persons under the legal age limit.
- **Product labelling**
The packaging must inform the consumer of the risks connected with the use of the product and applied content information.
- **Product**
The products must comply with relevant laws, including but not limited to, food legislation, tobacco or nicotine legislation, industry regulation and rules and recommendations from authorities.
- **Marketing**
The products should be advertised and promoted according to applicable laws and regulations.

Processes for engaging with consumers and end-users about impacts

Haypp Group has implemented engagement channels in which we communicate with our customers. Each year, Haypp Group conducts a customer survey, which we summarise in the Nicotine Pouch Report, which is published each year. The insight team at Haypp Group is responsible for the report. It highlights input from our customers and gives an overview of which clients used our products instead of tobacco.

We are also engaging our customers through other communication pathways such as newsletters and blog updates.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

In case of a negative impact on customers, there is a customer service channel where they can raise their concerns in addition to our whistleblowing channel. Each case will be assessed individually to ensure sufficient remedy for the negative impact caused by Haypp Groups' products or services. The channel can be reached either via phone or email on weekdays.

3.3.2

Targets, Outcomes and Measures

Targets and actions related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities related to consumers and end-users

Haypp Group's core business model focuses on contributing to an improved health impact on consumers. We have therefore created our entity-specific material topic, 'Our contribution', in which we outline key targets and actions aimed at addressing consumers. Please refer to the material topic Our contribution for more details.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE**
 - Business Conduct
- ENTITY SPECIFIC

Governance Information

Our strategic focus on Business ethics is driving our efforts in business conduct. Corporate governance ensures that Haypp Group is managed sustainably, responsibly and efficiently. Governance supports Haypp Group's long-term strategies and objectives and forms the foundation for continued profitable and sustainable growth. The aim is to increase shareholder value while maintaining confidence among shareholders and other key stakeholders through a high level of ethics in e-commerce and the nicotine sector.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
 - Business Conduct**
- ENTITY SPECIFIC

4

Business Conduct

The role of the administrative, management and supervisory bodies

CORPORATE STRUCTURE AND GOVERNANCE

The highest governing body for Haypp Group is the annual general meeting (AGM), in which the shareholders exercise their decision-making powers. At the AGM, the Board of Directors are elected after a proposal by the Nomination Committee, whose task is to propose an appropriate composition and mix, including age, gender, education and professional background. The elected members should manifest diversity regarding versatility and breadth of competencies, experiences and backgrounds. During 2025, the Board of Directors consisted of six members and the chairman of the Board of Directors of Haypp Group was Lars-Johan Jarnheimer.

The Board of Directors appointed Gavin O'Dowd as the CEO of Haypp Group, who in turn leads the four-member Executive Management Team. The corporate governance structure is set up with different functional and department managers who report to the CEO and handle daily operations together, including decision-making concerning economic, environmental and social fields. The Board of Directors continuously oversees the work of the Management Team.

The Board of Directors has the oversight responsibility for sustainability at Haypp Group. They determine the strategy for Haypp Group and identify the various risks based on recommendations from the Management Team. The Board of Directors is tasked with monitoring the risk management process and is continuously informed about existing and newly identified risks, including measures taken to mitigate these risks. All functions are responsible for managing the risks associated with their plans, both centrally and by individual employees.

The Management Team has developed Haypp Group's sustainability strategy and decided to implement it in accordance with the business strategy. Many Management Team members have significant professional experience in companies within the same industry that have actively tackled sustainability issues, especially in compliance and governance.

4.1

Strategy, Policies and Processes

Material impacts, risks and opportunities and their interaction with strategy and business model



CORPORATE CULTURE

Our Business Partner Code of Conduct enforces high standards for ethical conduct across our supply chain, addressing safe production, compliance, human rights, environmental responsibility and bribery and corruption expectations. This reduces upstream social and environmental risks, although supplier non-compliance remains a relevant concern. Internally, our main risks are centred on the license to sell, age verification and marketing restriction, as non-compliance could significantly harm the organisation and our stakeholders. We aim for a thriving corporate culture, as it strengthens performance and motivation, increased retention rates and a high talent attraction. Thus, we are actively working to avoid risks associated with a poor corporate culture.



POLITICAL ENGAGEMENT

The nicotine industry is highly affected by regulatory changes, including packaging restrictions and nicotine content limits, making proactive political engagement essential. We collaborate with different organisations and stakeholders to share our expertise. Our contribution to research institutes and participation in health and nicotine seminars and conferences create industry awareness and help us attract investors.



CORRUPTION AND BRIBERY

While corruption vulnerabilities are present at an industry level, Haypp Group has assessed all its operations for risks related to corruption and did not identify any significant issues. Haypp Group does have management systems, policies and mandatory trainings in place to manage these risks.

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
 - Business Conduct**
- ENTITY SPECIFIC

G1	VALUE CHAIN			IRO			TIME HORIZON	
	SUBJECT	UPSTREAM - OWN OPERATION - DOWNSTREAM		IMPACT - RISK - OPPORTUNITY			IMPACT	FINANCIAL
Corporate culture	US	OO		IMPACT	RISK	OPPORTUNITY	Short to medium-term	Medium to long-term
Political engagement	US	OO		IMPACT	RISK	OPPORTUNITY	Short to medium-term	Medium to long-term
Corruption and bribery	US		DS		RISK		-	Short to medium-term

Double materiality assessment of business conduct

Corporate culture and business conduct policies

CODE OF CONDUCT

We must uphold the highest ethical standards to deliver consistently and successfully to our current and future customers. Haypp Group's Code of Conduct and Business Partner Code of Conduct, were implemented throughout 2021. For us, it is essential to keep reevaluating and updating our policies to our current standards. Therefore In 2025, we updated our Code of Conduct and Business Partner Code of Conduct. Our codes are not only a declaration of how we act and the standards we commit to but also tools for managing material impacts, risks and opportunities. The Code of Conduct is a part of developing and promoting our business conduct and corporate culture and we continuously invest in our culture to encourage collaboration, innovation, inclusivity and execution. Aiming to create a winning concept for high levels of well-being and ensure high accountability among our employees.

To support this, we must ensure that all employees, business partners, workers in the value chain and external stakeholders are comfortable enough to report and share their experiences. Haypp Group commits to investigating business conduct incidents promptly, independently and objectively. To ensure this, our whistleblower function is hosted by an independent third party, which handles all reports securely and confidentially. The whistleblower function can be used to escalate unlawful or questionable market actions and practices, regardless of whether it is our own or other actors' market activities.

The updated Code of Conduct includes our commitment and integrates customer and sustainability ambitions. It sets clear guidelines for our people and workplace to ensure a safe and inclusive workplace where diversity and equality are recognised as strengths. It also incorporates zero-tolerance for bribery

and corruption, communication practices and compliance. The Code of Conduct integrates organisational business practices and guidelines, establishing clear employee rules. All employees and full-time consultants must review and complete a mandatory e-training on the Code of Conduct.

OCCUPATIONAL HEALTH AND SAFETY POLICY

Haypp Group's Occupational Health and Safety Policy defines our approach to minimise any risks related to health, safety, discrimination and harassment. It also defines roles and responsibilities, setting expectations and responsibilities for the CEO, managers, the People & Culture Function and employees. Through defined areas of responsibility, Haypp Group can ensure a structured and systematic management of our work environment.

BUSINESS PARTNER CODE OF CONDUCT

Our Business Partner Code of Conduct is fundamental to working with sustainable principles with our contracted business partners, manufacturers and distributors of nicotine products. All Haypp Group's product suppliers must fulfil the Business Partner Code of Conduct requirements. To ensure compliance with our contract, we reserve the right to conduct inspections and audits of the partner's compliance with the Business Partner Code of Conduct and the underlying contract. The code content is included in the table below.

MARKETING AND PRODUCT STANDARD FOR NICOTINE CONTAINING CONSUMER PRODUCTS

The Marketing and Product Standard regulates nicotine-containing consumer products that do not contain tobacco. All Haypp Group's business partners must comply with the standard. In the event of

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
 - Business Conduct**
- ENTITY SPECIFIC

non-compliance with the standard, Haypp Group reserves the right to terminate any business agreement with the business partner. More detailed information on the standard can be found under Consumers and end-users.

BUSINESS PARTNER CODE OF CONDUCT

Product compliance
Bribery and corruption
Fair competition and anti-trust
Anti-money laundering and terrorist financing
Taxes and other fees
Human rights and working environment
Environmental sustainability

PRODUCT AND MARKETING STANDARD

Sales of products
Product labelling
Product
Marketing
Governance

Prevention and detection of corruption and bribery

Haypp Group has provided the Board of Directors, Management Team, all employees and business partners with comprehensive information on our anti-corruption and anti-bribery policies and procedures. In the Code of Conduct training, employees learn about detecting and preventing corruption and bribery through company policies. All employees are actively asked to sign and abide by the code. Employees are also urged to report any suspicions of corruption and bribery to senior management or through our whistleblowing channel.

Individuals with a higher risk of being exposed to situations where corruption could be present have received direct training.

4.2 Targets, Outcomes and Measures

Action plans and resources to manage its material impacts, risks and opportunities related to corruption and bribery

UPDATED POLICIES

To maintain resilient business management, we updated several key policies to ensure that our organisation and business partners are held to the same high standards. These policies were approved by the Board of Directors. We continue to invest in internal training programs, ensuring that all employees, including the Management Team, receive corruption and bribery prevention training.

Political influence and

lobbying activities

The Head of Legal and External Affairs oversees political influence and lobbying activities. However, currently, Haypp Group does not engage in any lobbying activities and has not made any financial contributions to political causes. Haypp Group has not appointed any members of the Management Team or Board of Directors, who held comparable position in the public administration in the two years preceding such appointment. Haypp Group is not registered in EU Transparency register nor any equivalent register.

INCIDENTS OF CORRUPTION OR BRIBERY	2024	2025
VIOLATIONS OF ANTI-CORRUPTION AND ANTI-BRIBERY LAWS		
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Amount of fines for violating anti-corruption and anti-bribery laws (EUR)	0	0
INCIDENTS OF CORRUPTION OR BRIBERY		
Number of confirmed incidents of corruption or bribery	0	0
Number of confirmed incidents where workers were dismissed or disciplined	0	0
Number of confirmed incidents where business partner contracts were terminated or not renewed	0	0

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC**
 - Our Contribution

Haypp Group Entity Specific

OUR CONTRIBUTION

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC
 - Our Contribution**

Our contribution

At Haypp Group, consumer health is at the core of everything we do. Our ambition is to promote better health outcomes by reducing tobacco use, minimising harmful effects of smoking.

We are committed to responsible business practices, which means respecting and enforcing age restrictions, ensuring transparency in product information and providing clear labelling so that consumer can make informed choices. Our focus is on offering adult consumers less harmful alternatives to traditional tobacco products, along with nicotine-free options for those looking to reduce or quit nicotine use entirely. Not only is it the right thing to do, but it also makes good business sense.

Policies adopted to manage material sustainability matters

Haypp Groups' strong ambitions to continue to improve public health through harm-reducing products is integrated in our Code of Conduct in which we focus on consumers, age restrictions and high-quality offerings. More details on this policy can be found under Consumers and end-users.

5.1.1

Strategy, Policies and Processes

Material impacts, risks and opportunities and their interaction with strategy and business model



OUR CONTRIBUTION

For Haypp Group, health contribution, is a core element of our purpose and business model, which can be seen in our ambition to only offer products that are significantly less harmful products than cigarettes. We play a role in reducing tobacco-related deaths by offering nicotine products as alternatives to traditional tobacco products. To support customers seeking to reduce or stop their nicotine consumption, Haypp Group also offers Nicotine-free alternatives.

Haypp Group's strategy depends on an accurate, evidence-based assessment that nicotine products contribute to reducing tobacco-related deaths, increasing life expectancy and supporting customers to quit altogether. Changes in the scientific consensus could significantly impact Haypp Group's operations, including sales, reputation and potential financial consequences such as regulatory fines.

X1	VALUE CHAIN			IRO			TIME HORIZON	
SUBJECT	UPSTREAM - OWN OPERATION - DOWNSTREAM			IMPACT - RISK - OPPORTUNITY			IMPACT	FINANCIAL
Our contribution			DS	IMPACT	RISK	OPPORTUNITY	Short to medium-term	Short to medium-term

Double materiality assessment of Our contribution

- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC
 - Our Contribution**

5.1.2

Targets, Outcomes and Measures

Actions and resources in relation to material sustainability matters

For Haypp Group, working with Our contribution means enforcing age restrictions, ensuring transparent product information communication and correct labelling so that consumers can make informed decisions.

To contribute to this, we aim to be a worldwide source of essential health-related information and insights. We achieve our goals by building insights and providing researchers with quantitative data to develop the knowledge of harm-reduced alternatives.

In 2025, we continued our progression towards risk-reduced alternatives of nicotine pouches, this is illustrated in our key figures:

- 1 097 external organisation used Haypp Group data
- 3 395 participants in discussions through forums
- 11 000 000 SEK allocated for initiatives to increase knowledge

KNOWLEDGE SHARING ON HARM REDUCTION AND SUSTAINABILITY

A part of our continuous work, we actively participate in externally organised seminars and media events to discuss our sustainability efforts and harm reduction efforts, which aim to improve public health. The purpose of our engagement is to spread knowledge and enhance public awareness of harm-reducing products as a substitute for tobacco products.

Description of metrics used to evaluate performance and effectiveness, in relation to material impact, risk and opportunity

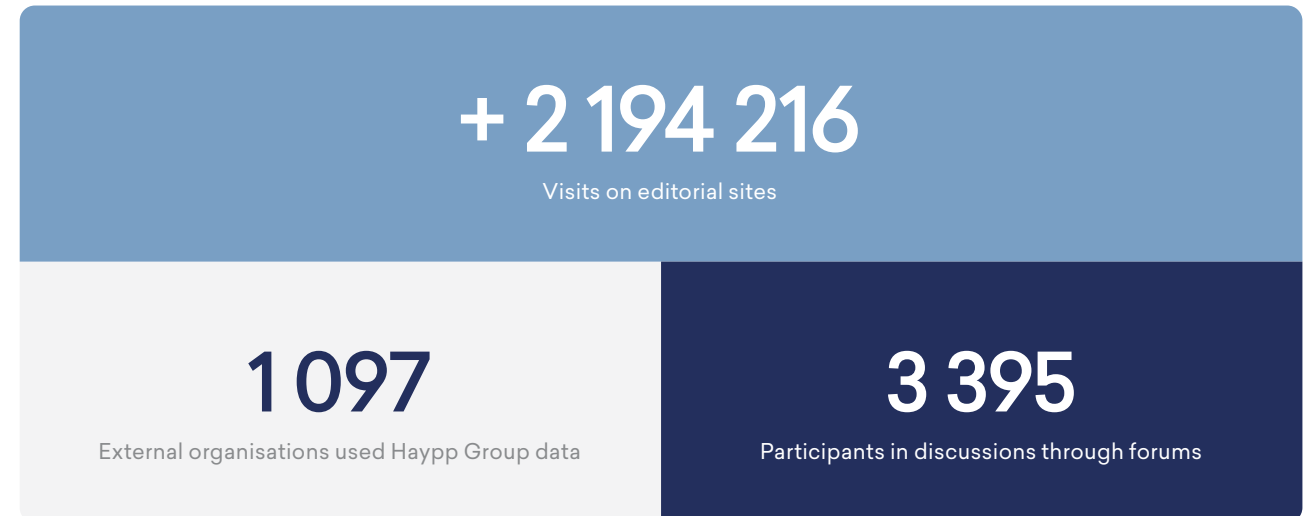
Since 2021, Haypp Group has tracked Our contribution indicators across four categories: Growing customer bases of harm-reduced products, Increasing life expectancy, Decreasing tobacco deaths and Increasing quitters.

GOALS	METRICS	2022	2023	2024	2025
Grow customer base of harm-reduced products	# of purchasing customers of harm-reduced products	792 000	953 346	1 146 126	1 088 383
	# of Market	8	7	7	7
Decrease global tobacco deaths	# of actively impacted lives	227 363	290 072	360 420	421 987
Increased life expectancy	# of years saved by switching	3 200 000	5 490 887	6 778 040	8 002 166
More quitters	# of quitters of smoking tobacco	512 463	654 561	814 361	953 768

**In 2025, we have updated our methodology for reporting # of actively impacted lives and # of quitters of smoking tobacco.*

NOTES

Number of years saved by switching and number of consumers quitting smoking tobacco is based on our latest macro surveys run in Sweden and US that suggest that around 52% of our consumers quit smoking through nicotine pouches.



- INTRO
- GENERAL INFORMATION
- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE
- ENTITY SPECIFIC

Swedish Statutory Sustainability Report

	ENVIRONMENT	SOCIAL CONDITIONS AND STAFF	HUMAN RIGHTS	ANTI-CORRUPTION
POLICY	<p>Haypp Group has the ambition to drive change in the industry where sustainability is at the core of our business model. In 2020, Haypp Group kick-started its broader sustainability focus, a workstream that continued during 2025, including the sustainability policies and procedures. The work is continuous as further areas and initiatives arise, and we learn more.</p> <p>Please refer to the "Code of Conduct" and "Business Partner Code of Conduct".</p>	<p>Haypp Group's Code of Conduct and Personnel policy ensure positive social conditions in terms of the working environment and our responsibility as an employer. Haypp Group also has a Business Partner Code of Conduct to ensure the ILO conventions are respected.</p> <p>Please refer to the "Code of Conduct" and "Business Partner Code of Conduct".</p>	<p>Haypp Group's Code of Conduct as well as its Business Partner Code of Conduct, contain requirements to respect human rights. The Business Partner Code of Conduct was updated and implemented during 2025. 90% percent of our product suppliers have signed our Business Partner Code of Conduct, and the remaining have been able to present an equivalent Code of Conduct, which we have then utilized instead.</p> <p>Please refer to the "Code of Conduct" and "Business Partner Code of Conduct".</p>	<p>Haypp Group has zero tolerance towards corruption, bribes, inappropriate gifts or other personal benefits. This statement is communicated in the Code of Conduct. Training related to anti-corruption is given to all employees at boarding and through mandatory e-learning, which was implemented in 2021 and strengthened in 2025. Individuals at higher risk through their specific roles are given additional guidance.</p> <p>Please refer to the "Code of Conduct" and "Business Partner Code of Conduct".</p>
RESULT OF POLICY	<p>It is continuous work to decrease the environmental impact. Haypp Group works with its stakeholders to achieve this goal and strives to always improve and be better.</p> <p>In 2023, work was initiated to comply with the new EU legislation, Corporate Sustainability Reporting Directive (CSRD). In 2024, Haypp Group conducted its first double materiality assessment as part of our efforts to align with the CSRD. This assessment evaluated key topics from both an impact and financial perspective, helping us identify relevant risks and opportunities for our business. In 2025, we reviewed and reflected on the insights gained through this process. Looking ahead, we intend to revisit the analysis and consider its findings as appropriate to support our ongoing sustainability work.</p> <p>Please refer to "Materiality analysis".</p>	<p>Haypp Group wants to be a great place to work for its employees and a trusted and valued partner in its relations with suppliers and other business partners.</p> <p>In 2023, work was initiated to comply with the new EU legislation, Corporate Sustainability Reporting Directive (CSRD). In 2024, Haypp Group conducted its first double materiality assessment as part of our efforts to align with the CSRD. This assessment evaluated key topics from both an impact and financial perspective, helping us identify relevant risks and opportunities for our business. In 2025, we reviewed and reflected on the insights gained through this process. Looking ahead, we intend to revisit the analysis and consider its findings as appropriate to support our ongoing sustainability work.</p> <p>Please refer to "Materiality analysis".</p>	<p>In 2025, Haypp Group continued to deepen the dialogue with the suppliers related to the Code of Conduct, Business Partner Code of Conduct, our and their sustainability work and due diligence in order to gain more control of the supply chain and related risks. Suppliers are asked to share assessments of how they validate that human rights are upheld.</p> <p>In 2023, work was initiated to comply with the new EU legislation, Corporate Sustainability Reporting Directive (CSRD). In 2024, Haypp Group conducted its first double materiality assessment as part of our efforts to align with the CSRD. This assessment evaluated key topics from both an impact and financial perspective, helping us identify relevant risks and opportunities for our business. In 2025, we reviewed and reflected on the insights gained through this process. Looking ahead, we intend to revisit the analysis and consider its findings as appropriate to support our ongoing sustainability work.</p> <p>Please refer to "Materiality analysis".</p>	<p>Our Code of Conduct guides our work relating to anti-corruption and bribery.</p> <p>In 2023, work was initiated to comply with the new EU legislation, Corporate Sustainability Reporting Directive (CSRD). In 2024, Haypp Group conducted its first double materiality assessment as part of our efforts to align with the CSRD. This assessment evaluated key topics from both an impact and financial perspective, helping us identify relevant risks and opportunities for our business. In 2025, we reviewed and reflected on the insights gained through this process. Looking ahead, we intend to revisit the analysis and consider its findings as appropriate to support our ongoing sustainability work.</p> <p>Please refer to "Materiality analysis".</p>
PERFORMANCE INDICATOR	<p>Please refer to "Data & results", "Scorecard", and "Sustainable innovation for growth and development".</p>	<p>Please refer to "Data & results", "Scorecard", and "The best place to work".</p>	<p>Please refer to "Data & results", "Scorecard", and "Business ethics".</p>	<p>Please refer to "Data & results", "Scorecard", and "Business ethics".</p>

Signatures from the Board of Directors

Stockholm, date as stated by electronic signatures

Lars-Johan Jarnheimer
Chairman

Adam Schatz
Board member

Helena Juhlin Pink
Board member

Deepak Mishra
Board member

Linus Liljegren
Board member

Patrik Rees
Board member

Gavin O'Dowd
CEO

Auditor's report



Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Till Bolagsstämman i Haypp Group AB (publ), org.nr 559075-6796

Uppdrag och ansvarsfördelning

Det är styrelsen som har ansvaret för hållbarhetsrapporten för år 2025 och för att den är upprättad i enlighet med årsredovisningslagen i enlighet med den äldre lydelsen som gällde före den 1 juli 2024.

Granskningens inriktning och omfattning

Vår granskning har skett enligt FARs rekommendation RevR 12 *Revisorns yttrande om den lagstadgade hållbarhetsrapporten*. Detta innebär att vår granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

Uttalande

En hållbarhetsrapport har upprättats.

Stockholm den dag som framgår av vår elektroniska signatur
 Öhrlings PricewaterhouseCoopers AB

Magnus Lagerberg
 Auktoriserad revisor

HAYPP GROUP