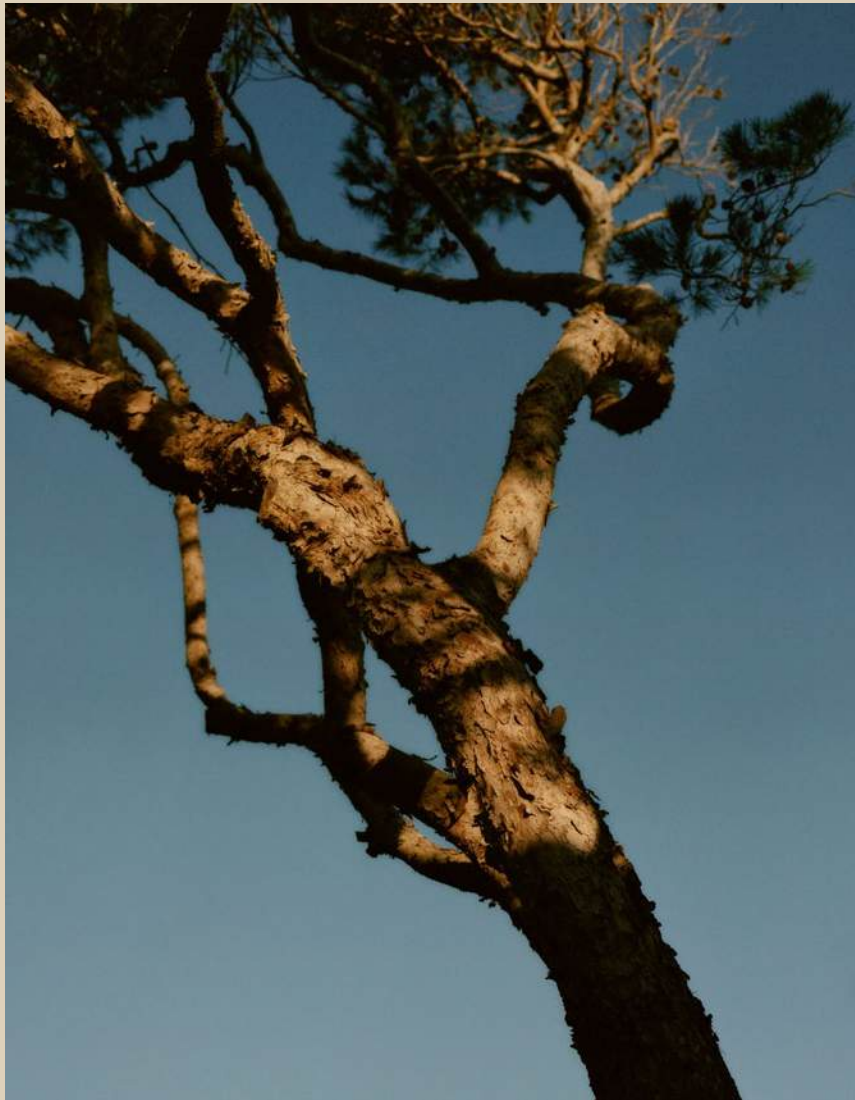


A Better Tomorrow

Responsibility Report 2024



FERM
LIVING

Responsibility Ambition

We work for a better tomorrow so you can feel good about your choices today.

Contents

- 04 CEO Statement
- 07 About Us
- 08 Design Philosophy
- 10 Responsibility Strategy
- 15 People
- 16 Changemakers
- 20 2024 Actions Realised
- 24 The UN Global Compact Principles and Sustainable Development Goals
- 26 UN Sustainable Development Goals
- 30 Environment and Climate
- 33 Our Global Supply Chain
- 35 Production
- 38 A Responsible Supplier
- 38 Conscious Consumption
- 42 Quality
- 44 Certifications and Testing
- 46 Packaging
- 48 Logistics
- 50 A Better Tomorrow

CEO Statement

At Ferm Living, we embrace life’s contrasts and believe in empowering people to make informed choices that contribute to a more sustainable future. As a design company, we see it as our responsibility to lead by example to inspire positive change and help shape a better world.

Sustainability has been at the heart of our business for many years, guiding how we design and develop our products. Our comprehensive responsibility strategy, built around nine key commitments for 2030, ensures that we prioritise sustainability at every step and continually push ourselves to do better.

We recognise that our actions have an impact – not only on our team, partners, suppliers and customers but also on the planet and society as a whole. The global challenges of recent years have made it clearer than ever that we all have a role to play in using the Earth’s resources wisely and working towards a more responsible future.

In 2024, we reached an important milestone by gaining full visibility of our CO₂ emissions across our entire product range.

This allows us to focus our reduction efforts where they will have the greatest impact. We also obtained Global Recycled Standard (GRS) certification, which is already being applied to some of our recycled material products. Certification supports sustainable growth, enhances transparency and reinforces our commitment to quality and ethical responsibility.

Sustainability is not just a goal – it’s part of how we work every day. Across our organisation, we are constantly looking for ways to make better choices that benefit both people and the planet. As proud, long standing participants in the UN Global Compact (UNGC), this report is our annual update on our progress and a reflection of our continued commitment to responsible business practices.

We know that the journey towards greater sustainability never truly ends. It is a continuous process of learning, adapting and acting. As the world evolves, so do our ambitions – driven by the lessons we learn and our shared vision for a brighter future.

Peter M. Vedel,
CEO, Ferm Living

“We recognise that our actions have an impact – not only on our team, partners, suppliers and customers but also on the planet and society as a whole. The global challenges of recent years have made it clearer than ever that we all have a role to play in using the Earth’s resources wisely and working towards a more responsible future.”

Peter M. Vedel, CEO, Ferm Living



About Us

Founded in 2006, Ferm Living is a Danish design brand rooted in authentic design and responsible thinking. Our mission is to create thoughtfully designed pieces that enhance everyday life while supporting a more sustainable future.

We believe good design goes beyond aesthetics – it should inspire change. By offering products that balance quality, functionality and responsibility, we empower consumers to make more conscious choices for their homes.

Guided by our nine 2030 Commitments, we take a holistic approach to sustainability, focusing on Our Planet, Our Society and Our Community. From material sourcing and production to social responsibility and circular design, we are committed to integrating sustainability into every aspect of our business.

Core Story

Life is full of contrasts. As we navigate expectations and dreams in search of meaning and comfort, we long for a balanced life with room to be ourselves. A place where we can realise the true value of things and feel at home. Driven by a love for authentic design and a commitment to responsible choices, we design products and calm environments that help you balance life's contrasts.

From our home in Copenhagen, we collaborate closely with skilled partners around the world, fusing our Scandinavian mindset with global skills and traditions. Our collections are defined by soft

forms, rich textures and curious details, allowing you to create composed atmospheres with a touch of the unexpected. From materials and processes to production and delivery, we challenge ourselves to help shape a sustainable future, making it easier for you to make responsible choices. We create collections of furniture, accessories and lighting, so you can create space to feel comfortably you.

Design Philosophy

We are dedicated to designing for longevity, creating high-quality, functional products that are crafted responsibly with enduring aesthetic appeal. Our ambition is to inspire individuals to embrace a more mindful and sustainable lifestyle. This means advocating for conscious consumption, prioritising quality over quantity and encouraging prolonged product use.

The design phase is pivotal in shaping a product's environmental and social footprint. To guide the decision-making of our in-house design team, we adhere to a set of "Responsibility Criteria" that ensure new products align with our commitment to sustainability. These benchmarks include quality in design, function and materials for longevity, disassembly, certifications, climate screening, commitment to human rights and fair labour practices, as well as social responsibility. By adopting a cradle-to-grave approach, we evaluate the entire life cycle of our products, promoting circularity and reducing resource consumption.

By embedding these principles into our design process, we ensure compliance, mitigate climate impact and uphold social responsibility. Designing for longevity remains our cornerstone in reducing resource consumption and CO₂ emissions. Sustainability plays a key role and to ensure progress, our Sustainability Manager is fully integrated in all areas of the company and collaborates closely with the design and product teams, to monitor progress and identify opportunities for more responsible solutions.



2030 Commitments

"Looking to the actions, initiatives and values that shape our company, we have defined nine 2030 Commitments under three pillars that encompass planet, society and community and which enable us to adopt a comprehensive approach to responsibility."

Responsibility Strategy

Our responsibility ambition is to work for a better tomorrow so you can feel good about your choices today. Working towards this, our 2030 Commitments extend across all aspects of our business. From material choices and design processes to production methods, delivery logistics and shaping our organisational culture, our dedication to the longevity of function and aesthetics guides our endeavours. On a daily basis, each department is actively engaged in initiatives, projects and actions aimed at advancing progress, accountability and integrity across all facets of our operations.

As participants in the UN Global Compact, we report our progress on their platform annually. We advocate for better ways, fostering lasting relations based on mutual value creation, transparent communication and considerate behaviour. We believe in empowering everyone to explore opportunities for responsible business practices and better living. While we acknowledge that the ongoing journey will present challenges, we aim to contribute to the sustainability dialogue, leveraging insights for collective growth and progressing towards a better tomorrow.

Responsibility Ambition

We work for a better tomorrow so you can feel good about your choices today.

2030 Commitments

Our responsibility ambition drives us to create a better tomorrow, ensuring you can feel good about the choices you make today. We have set nine 2030 Commitments under three pillars – providing a holistic approach to responsibility.

Our Planet

- Create full transparency on all products
- Obtain third-party certifications on all products
- Work towards CO₂e neutrality

Our Society

- Build value on all bottom lines: people, planet, profit and purpose
- Inspire customers to make responsible choices
- Give back to local communities in support of better homes

Our Community

- Maintain a strong culture with clear values
- Nurture long-lasting relations built on trust and respect
- Empower individuals to learn and grow together

Strategic Focus Areas

Guided by our brand purpose, our business operates within a framework where we inspire individuals to create balanced, personal and comfortable homes with responsibly made products. Our strategic focus areas outline key projects and initiatives, evolving over time to align with our 2030 Commitments and shaping our roadmap for 2025 and beyond.

Business in Balance

Striking an optimal balance between cultivating a thriving business and having a sustainable mindset, has consistently held significant importance for Ferm Living. Responsible choices may challenge economic considerations, yet we prioritise integrity and accountability. By expanding our focus to include non-financial metrics, we work with a broader perspective on responsibility, towards environmental and social progress.

Empowering Relations

We foster a supportive community of colleagues and partners, valuing diversity, respect and collaboration. Our supplier relationships are built on mutual value creation, transparent communication and considerate behaviour to foster lasting relations and shared sustainability goals, empowering individuals to grow and drive positive change.

Responsible Living

We help individuals create spaces that reflect a responsible mindset through thoughtfully designed products. A sustainable mindset is embedded in every aspect of our business – we continually enhance our processes, from material selection and design processes to production methods and delivery logistics to make it easier for our customers to make responsible choices.

Inspiring Change

Sustainability is a continuous journey, and we are committed to progress. Communication plays a vital role for levelling insights, as it helps build trust, educate stakeholders, and drive meaningful change. By being transparent about the way we work with our responsibility strategy, we aim to inspire consumer confidence in responsible choices and encourage collective action towards a better tomorrow.

→ Shared company action plan for 2025



Ferm Living in Figures, End 2024

Ferm Living	2023	2024
Number of employees*	76	86
Female employees	81%	68%
Female employees in leading or managerial roles	38%	68%
Women on the board	40%	40%
Staff turnover	22%	16%
Retention rate	78%	84%
Absenteeism rate	3%	2.8%

*Full time employees

People

As a collective of colleagues and partners, our shared commitment is evident in the passion we bring to our work. Guided by enthusiasm, helpfulness and respect, we celebrate our diversity, uplifting one another and fostering an inclusive environment where each individual can thrive.

- As participants in the UN Global Compact, we uphold its principles and values in our conduct and interactions.
- Human rights are universal and must be upheld for everyone, regardless of age, gender, race or beliefs. Ferm Living strongly condemns any violations of internationally declared human rights and is committed to treating all individuals with dignity and respect. We expect the same commitment from our partners, ensuring that human rights are protected and upheld across our value chain.
- Our recruitment practices prioritise talent and disregard biases related to ethnicity, age, gender, religion, sexual preference, disability or social identity.
- A respected and well-supported workforce is the foundation of a successful, long-term business. We prioritise professional, positive and motivating leadership, fostering a workplace culture that values employee well-being, engagement and long-term growth.
- Our passionate working environment is enhanced through greater empowerment and flexibility, promoting a healthy work-life balance and advocating for general well-being.
- While we are driven by entrepreneurship and high ambitions, we never compromise our values by solely chasing the lowest manufacturing price. Our relationships with partners and suppliers are built on mutual respect and lasting connections.
- We recognise our responsibility not only to our employees but also to our partners, ensuring shared values of diversity, integrity and ethical conduct. Transparency and accountability are central to our culture and our Whistleblower scheme enables us to identify and address concerns proactively, reinforcing our commitment to responsible business practices.

Health and Safety

Our efforts in documenting workplace accidents have yielded positive results, as no incidents have been recorded in the past years. Nevertheless, we maintain a proactive approach to safety through the operation of a Working Environment Committee.

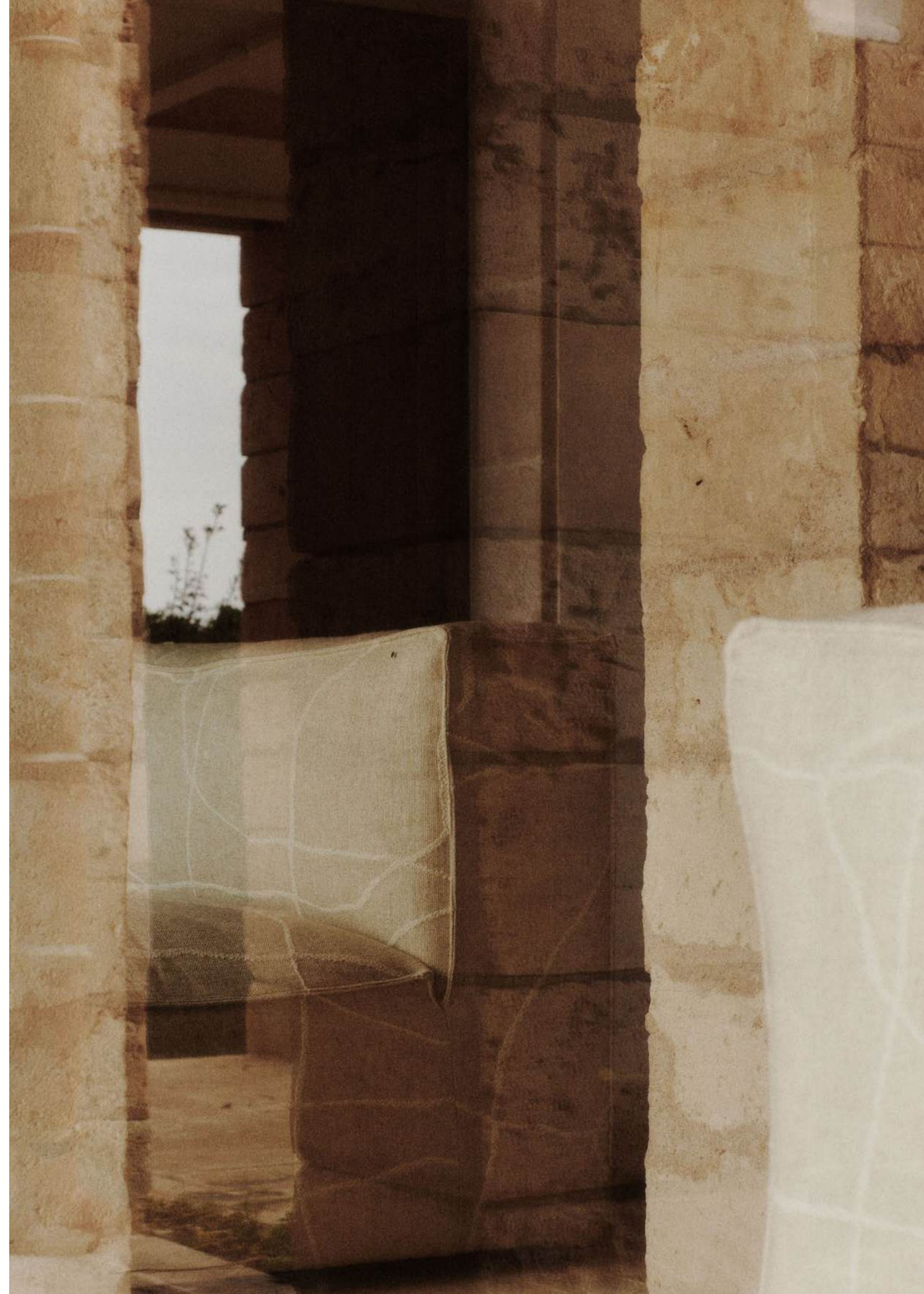
Ferm Living is committed to leveraging the insights from internal company surveys, addressing concerns at both individual department and leadership team levels. In October 2024, we conducted a comprehensive Team Engagement Culture Survey and will hold bi-annual surveys in 2025 to further enhance and improve employee/departmental satisfaction, collaboration and development.

We foster an open and trustworthy corporate culture where individuals can report legal violations, ethical breaches or serious concerns securely and confidentially through our Whistleblower system. We expect our partners to implement independent grievance mechanisms, ensuring employees, subcontractors and third parties can report misconduct anonymously, free from retaliation, intimidation or harassment.

Concerns related to Ferm Living should be reported [here](#)
Read our Code of Conduct [here](#)

Changemakers

Internal engagement is crucial for achieving our goals. Each department works on projects within our strategic focus areas. To meet our ambitious targets, everyone must take ownership, leveraging their talents and knowledge to propel Ferm Living forward. With a representative in each department and operating company-wide, Changemakers track and drive progress guided by a detailed action plan and foster collective ownership of our responsibility journey. These internal sustainability ambassadors help to ensure our continuous improvement through tangible actions. In 2025, multiple departments across the company will be even more involved.





Progress is Key

Ferm Living strives to contribute to a better tomorrow and aims to inspire change by empowering consumers to make responsible choices. Our commitment to sustainability extends to both environmental and social spheres, with a steadfast goal to communicate our advancements and enhance transparency. We acknowledge that this pursuit has no definitive endpoint and our objectives will evolve in response to the dynamic world we operate in.

Actions Realised 2024

We are dedicated to shaping a more sustainable future by designing responsibly and empowering consumers to make responsible choices. Our commitment extends across both environmental and social dimensions, with a strong focus on transparency and continuous improvement.

Sustainability is not a fixed destination but an ongoing journey which evolves alongside the world around us. We recognise the need to adapt and refine our approach, ensuring that responsibility remains at the core of our business. This mindset is embedded in our daily operations and our collaborations with customers, partners and the wider community.

In 2024, we proudly reached several key milestones on our responsibility journey. Highlights include:

Conscious Consumption

In 2024, we reached a significant milestone by gaining full visibility of our CO₂ emissions across our entire product range. This achievement enables us to focus our reduction efforts where they will have the greatest impact, ensuring that our sustainability strategy is both targeted and effective.

A key part of this work is our hotspot analysis, a methodical approach to identifying the most meaningful areas of impact within our operations and supply chain. By pinpointing these hotspots, including emissions, energy consumption, waste generation and social responsibility, we can prioritise actions for 2025 that drive meaningful change.

Responsibility in Design

Responsibility is embedded from the very first stages of design development, ensuring that every decision – from materials to production methods – aligns with our commitment to sustainability. By integrating our “Responsible Criteria” early in the creative process, we create designs that are not only aesthetically enduring but also thoughtfully made with long-term impact in mind.

Ahead of upcoming EU legislation, we have replaced the “RESPONSIBLE” tag with “CERTIFIED.” The tag guarantees that the product meets verified environmental or social criteria across our entire supply chain, giving the consumer greater transparency and credibility in their choices. Certifications support our sustainable growth, enhance transparency and demonstrate our commitment to quality and ethics.

The CERTIFIED tag ensures products meet strict FSC™, GOTS, GRS, or OSC 100/Organic Blended standards, promoting sustainability and transparency.

In 2024, we aimed for 36% RESPONSIBLE products and reached 35.4%. With the switch to CERTIFIED, this dropped to 28% as materials like recycled aluminium, glass, and PET yarn now require recognised certification. Our 2025 goal is to raise this to 29%.

We have achieved Global Recycled Standard (GRS) certification, which is already being implemented across selected recycled material products.

As longstanding participants in the UN Global Compact (UNGC), we remain committed to responsible business practices, recognising that sustainability is a continuous journey of learning, adaptation and progress shaped by a shared vision for a more sustainable future.

A Responsible Supply Chain

We remain committed to upholding high standards in our supply chain through transparency, accountability, and strong partnerships. Our “Responsible Suppliers” framework provides clear expectations and guidelines for ethical and sustainable business practices, ensuring that our suppliers align with our values. We aim for 65% of our suppliers to be classified as such by the end of 2025, building on our 58% achievement in 2024.

We also prioritise strategic partnerships with suppliers who share our commitment to responsible sourcing. By working closely with trusted partners, we ensure that our materials, production methods and labour practices contribute to a more ethical and sustainable supply chain.

To strengthen oversight, we use Qarma, a digital tool that streamlines audits, quality control and compliance monitoring. This allows us to track supplier performance in real time and take proactive steps to address potential risks and further enhancing our due diligence processes. By integrating data-driven insights and deeper supply chain transparency, we can identify areas for improvement and drive long-term change.

A Sustainable Agenda

Integrating sustainability into design is essential for shaping the future. Sustainability is a global effort, and communication plays a vital role for levelling insights, as it helps build trust, educate stakeholders, and drive meaningful change. By sharing how we work with our responsibility strategy, we provide insight and transparency to promote a meaningful dialogue on sustainable practices. Aiming to inspire consumer confidence in responsible choices and encourage collective action towards a better tomorrow.

As part of our commitment, we engage in initiatives like the Circular Furniture Network (CFN), collaborating with like-minded brands to share knowledge, address challenges and promote circular thinking in the Danish furniture and interior design industry. These partnerships strengthen responsible development and drive sustainable progress.

We believe achieving our ambitious goals requires collective ownership. Every team member plays a role in advancing Ferm Living's impact – not just on our business but on our partners, suppliers, customers and the planet.



The UN Global Compact Principles and Sustainable Development Goals

Our dedication to ethical and responsible business practices is outlined in our Code of Conduct, which aligns with the UN Global Compact's Ten Principles. All suppliers are required to adhere to Ferm Living’s Code of Conduct, which outlines our commitment to promoting responsible business practices.

Human Rights	
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	
Principle 2 Make sure that they are not complicit in human rights abuses.	
We uphold international human rights, embracing diversity and treating all individuals equally, irrespective of race, age, religion, sexual orientation or social background. We vehemently oppose all forms of racism and physical or emotional abuse. Our commitment extends to responsibly sourcing and producing products, safeguarding workers' rights and ensuring safe, healthy working environments. Human rights violations are unequivocally unacceptable and will not be tolerated.	
Throughout our supply chain, we cultivate lasting relationships grounded in mutual value creation, respectful behaviour and transparent communication. We enforce good working standards among our suppliers through our Code of Conduct, accredited certifications and our internal auditing scheme “Responsible Suppliers.” Our commitment to sustainability spans both environmental and social aspects and we are dedicated to sharing our progress and increasing transparency.	
Labour	
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	
Principle 4 The elimination of all forms of forced and compulsory labour.	
Principle 5 The effective abolition of child labour.	
Principle 6 The elimination of discrimination in respect of employment and occupation.	We unequivocally prohibit the use of forced and child labour in any form. Throughout 2024, we have not identified any instances of human rights violations within our company or among our suppliers. We remain committed to monitoring labour conditions along our supply chain to ensure compliance and ethical practices.
Upholding social responsibility, we engage with Amfori for Business Social Compliance Initiative (BSCI) audits. Through our Code of Conduct, initiatives and certifications such as BSCI, FSC™, GOTS and GRS, we actively champion the rights of workers in our supply chain, aligning with the labour principles of the UN Global Compact and adhering to our “Responsible Suppliers” framework.	
Our relationships with partners are built on mutual value creation, transparent communication, trust and considerate behaviour, all in pursuit of responsible business practices and improved living standards.	

Environment	
Principle 7 Businesses should support a precautionary approach to environmental challenges.	
Principle 8 Undertake initiatives to promote greater environmental responsibility.	
Principle 9 Encourage the development and diffusion of environmentally friendly technologies.	
Our environmental policy revolves around three key 2030 Commitments:	
→ To achieve complete transparency for all products.	
→ To attain third-party certifications for all products whenever possible.	
→ To strive towards achieving CO ₂ e neutrality.	
Dedicated to minimising our environmental impact and promoting circular practices in responsible production processes, we encourage transparency and traceability, while certifications and testing ensure the safety and fairness of working conditions in our supply chain, as well as the responsible production and high quality of our products.	
We use a Climate Screening Tool to measure the CO ₂ e footprint of our products. This is based on the EU’s method for calculating a product’s environmental footprint (PEF). In 2024, we reached an important milestone by gaining full visibility of our CO ₂ emissions across our entire product range.	
Anti-corruption	
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	
Ferm Living categorically condemns any form of corruption, including extortion and bribery. Any business proposals that imply corrupt practices are immediately rejected and we remain unwavering in our dedication to legal compliance and operating with the highest standards of integrity.	
While we acknowledge the potential risks in our global supplier relationships, we uphold a strict zero-tolerance policy toward corruption within our company. Partners are required to immediately inform Ferm Living in writing if they become aware of any corruption. Such activities may lead to the immediate termination of the business relationship, reporting to relevant authorities and organisations, and potential legal actions.	
We foster a culture of openness and trust, where all individuals can confidently report legal violations or concerns through our Whistleblower scheme. Our partners are required to implement independent grievance systems, enabling employees, subcontractors and third parties to report misconduct anonymously, free from retaliation or harassment.	
Concerns related to Ferm Living should be reported here	
To date, there is no record of any corruption breaches within the company or among suppliers, and no Whistleblower incidents have been reported.	
Read our Code of Conduct here	



UN Sustainable Development Goals

The 17 United Nations Sustainable Development Goals (SDGs) serve as a roadmap for creating a better and more sustainable future for everyone. The SDGs address global challenges such as poverty, inequality, climate change, environmental degradation and the pursuit of peace and justice. For us, investing in sustainable and responsible practices is not just an ethical principle, but also a sound business approach.

We actively support the UN's SDGs, utilising them to shape the integration of sustainable policies into our business strategy and cultural mindset. Collaborating with partners and suppliers, our commitment is particularly focused on Goals 8, 12, 13 and 17, recognising these as areas where our business can have the most significant positive impact on both people and planet.

Goal 8

Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

We actively promote inclusive and sustainable economic growth, aiming for widespread employment and decent work opportunities for all. In our perspective, decent work encompasses productive employment that offers fair income, workplace security, favourable working conditions, social protection for families and enhanced prospects for personal development and social integration. Upholding high standards in human rights and fair wages is integral to our commitment, demonstrated through our Code of Conduct, as well as initiatives and certifications such as BSCI, FSC™ and GOTS. These measures affirm our proactive role in ensuring the rights of workers in our supply chain are upheld.

Goal 12

Responsible Consumption and Production

Ensure sustainable consumption and production patterns.

We promote sustainable consumption and production by achieving more with less, decoupling economic growth from environmental harm, and advocating for resource efficiency and sustainable lifestyles. We are committed to using services and products that meet essential needs and enhance quality of life while minimising resource consumption, toxic materials and harmful emissions throughout their lifecycle — ensuring a sustainable future for generations to come.

In close collaboration with suppliers, we enhance all phases of our supply chain, ensuring transparency through quality testing and certifications. In the early design phase, guided by our “Responsibility Criteria,” we make sustainable choices by selecting responsible materials, designing for disassembly and embracing a cradle-to-grave approach. This ensures ease of recycling for customers, promoting product longevity and promoting a circular mindset. Furthermore, we hold an annual outlet sale and surplus items are donated to NGOs like the Red Cross, our primary charity partner.

Goal 13

Climate Action

Take urgent action to combat climate change and its impacts.

Climate change poses an indisputable threat to civilisation, with visible and potentially catastrophic effects. Urgent action through education, innovation and commitment to climate goals can avert

disaster. Making necessary changes not only safeguards the planet but also presents significant opportunities to modernise infrastructure, generate new jobs and promote global prosperity.

To support these goals, we continuously assess and quantify our business impact by measuring the CO₂e footprint of our products using Målbar's Climate Screening Tool . By collaborating with key suppliers, we evaluate the climate impact of our products from raw material sourcing to warehouse arrival. In 2024, we achieved a significant milestone through our partnership with Målbar, gaining full visibility of CO₂ emissions across our entire product range. This transparency allows us to set future reduction targets and take decisive steps toward lowering our emissions.

Our commitment extends to minimising environmental impact, promoting circular practices and designing for longevity to reduce resource consumption and CO₂ emissions. In the early product design phase, we apply Responsibility Criteria, including longevity, materials, disassembly design and certifications like FSC™, OCS, GOTS and GRS, focusing on environmental considerations. Furthermore, the EU's sustainability commitment has resulted in new regulations, such as the Carbon Border Adjustment Mechanism (CBAM).


In 2024, we achieved Global Recycled Standard (GRS) certification, which is already being implemented across selected recycled material products. The Global Recycled Standard (GRS) is a certification that ensures products contain independently verified recycled materials throughout the entire supply chain, from raw materials to the final product. Companies certified under GRS must also meet strict social, environmental and chemical requirements at every stage. Additionally, GRS aims to reduce the harmful impact of production on people and the environment, ensure more climate-friendly processing methods, and encourage higher recycled content in products. Certification supports sustainable growth, enhances transparency and reinforces our commitment to quality and ethical responsibility.

Goal 17

Partnerships for the Goals

Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.

This goal aims to strengthen global partnerships for sustainable development by engaging governments, civil society, the private sector, the United Nations and other actors in implementing the remaining sixteen SDGs. We maintain a longstanding partnership with the Red Cross. We prioritise long-term partnerships with specialists in various fields to continually learn, progress and improve our responsible practices, advancing toward greater sustainability for a better tomorrow.



We use a climate screening tool to measure the CO₂e footprint of our products. This is based on the EU's method for calculating a product's environmental footprint (PEF). A CO₂e footprint refers to the total amount of CO₂e that is produced throughout a product's lifetime. Some of the most impactful CO₂ emission drivers behind our products are the use of materials, production processes, packaging and transport.

We work to reduce our environmental impact

Our environmental policy revolves around three key 2030 Commitments:

- To achieve complete transparency for all products.
- To attain third-party certifications for all products whenever possible.
- To work towards achieving CO₂e neutrality.

Committed to minimising environmental impact and promoting circular practices in our production processes, we encourage transparency and traceability, while certifications and testing ensure the safety and fairness of working conditions in our supply chain, as well as the responsible production and high quality of our products.

To enhance environmental awareness, we share product climate footprints in professional projects. We use software calculators to optimise container space, minimising transport environmental impact and costs. Our focus on sustainability extends to packaging too, promoting recyclability and circularity while also using lower-impact, FSC-certified cardboard.

We optimise material use to reduce production waste while maintaining high quality and durability. Whenever possible, we choose materials with a low environmental footprint, incorporating recycled or certified sustainable options to limit reliance on virgin resources. Additionally, we actively seek opportunities to repurpose leftover materials into by-products, supporting circularity and reducing overall waste.

In 2024, we achieved a significant milestone, through our partnership with Målbar, gaining full visibility of CO₂ emissions across our entire product range. This is an important step toward sustainability and the transparency enables us to set future reduction targets and drive meaningful climate action.

To measure the CO₂e footprint of our products, we use Målbar's Climate Screening Tool, which is based on the EU's Product Environmental Footprint (PEF) methodology. The CO₂e footprint represents the total amount of carbon dioxide equivalent emitted throughout a product's lifecycle. Key emission drivers include material selection, production processes, packaging and transportation.

Over the past year, we have successfully onboarded the majority of our key suppliers to this climate screening tool, enabling a more data-driven approach to sustainability. Throughout 2025, we will strategically use the insights gained to further reduce our environmental footprint. This includes working closely with our suppliers to implement key recommendations from the onboarding process, such as increasing the use of green energy in production and adopting more sustainable practices. By furthering collaboration and encouraging lower-impact solutions, we aim to drive meaningful progress toward a more sustainable supply chain.

Prolonging a product's lifespan is essential for sustainability and demonstrates our responsibility for our impact on the world. In 2024, our website became CO₂ neutral, compensating for emissions through certification. We provide care guides for products, support customers with spare parts, and emphasise the use of recycled materials to reduce reliance on virgin resources.





The Vuelo Cushion features flowing linework and contrasting cotton thread embroidery, evoking a spirit of fluidity and movement.

Our Global Supply Chain

We collaborate closely with skilled partners around the world, producing our collections in different regions based on crafting expertise. For us, sustainability is about both social and environmental responsibility.



Country	Products
Bosnia / Herzegovina	Furniture
Bulgaria	Furniture
China	Furniture, Lighting, Ceramics, Glass, Mirror, Metal, Wooden accessories, Paper pulp, Braided rattan, Scented candles
Croatia	Furniture
Denmark	Furniture, Recycled plastic, Paper objects
India	Furniture, Textiles, Rugs, Marble accessories, Metal
Indonesia	Furniture, Braided rattan
Italy	Furniture, Marble products, Marble furniture, Glass table tops
Latvia	Furniture
Lithuania	Furniture, Metal, Textiles
Namibia	Lighting
Poland	Furniture, Wooden accessories, Candles, Wallpaper
Portugal	Marble, Textiles
Sweden	Furniture, Wallpaper
Turkey	Furniture, Textiles
Vietnam	Furniture
Upholstery Textiles	China, Egypt, India, Italy, Lithuania, Norway, Pakistan, Spain, Turkey, United Kingdom

Production

We collaborate closely with skilled partners around the world, producing our collections in different regions based on crafting expertise. For us, sustainability is about both social and environmental responsibility.

Our products are produced across the globe, with a commitment to ethical practices outlined in our Code of Conduct. We are committed to a responsible and transparent supply chain and expect our partners to actively engage their supply networks to enhance traceability and accountability. This includes identifying and tracking the origin, distribution and use of products, parts and materials. Upon request, partners must provide relevant documentation, which may be subject to verification by a third-party auditor.

Upholding social responsibility, we engage with Amfori for BSCI audits. We prioritise sustainable and responsible partnerships worldwide, aiming for a 62 % threshold of our internal “Responsible Suppliers” framework. To be classified as such, our suppliers must adhere to initiatives and certifications like BSCI, SA 8000, FSC™, GOTS or GRS, reflecting their dedication to aligning with our mission of promoting responsible practices and ensuring stringent criteria for human rights and fair working conditions are met.

Our environmental commitment extends to minimising impact and promoting circular practices in production. With full visibility of CO₂ emissions across our entire product range, we are now equipped to set targeted reduction goals for the future.

Responsible sourcing of raw materials is imperative and long-lasting relationships in our supply chain are based on mutual value creation, respect and transparency. Through sharing stories

of suppliers and production, we invite everyone into the journey of our products and our responsible practices.

Compliance

We are committed to ensuring all our products comply with relevant laws, standards and regulations on safety, quality and environmental impact. We continuously strive to meet product compliance requirements in the markets where we operate, adhering to applicable EU directives and national regulations. By continuously improving our compliance strategies, we reaffirm our dedication to delivering high-quality, safe and environmentally responsible products and improving our suppliers’ and product due diligence.

The Corporate Sustainability Reporting Directive (CSRD) — a European Union regulatory framework — requires us to disclose detailed information on our environmental, social and governance impacts. Our “Responsible Criteria” guide us in creating durable, trustworthy and ethically produced products that minimise environmental impact, promote circularity and support conscious consumer choices while ensuring compliance with evolving sustainability regulations.

Safety and Quality

Our products meet the necessary safety standards, including CE marking, fire safety requirements, environmental regulations and proper labelling of materials. By maintaining rigorous compliance measures, we ensure our products exceed industry standards for safety and sustainability.





Behind the production of the distinctive Ripple series. Each glass is mouth blown by skilled glassblowers.

Responsible Waste Management

We comply with all waste management requirements, including responsible disposal and recycling in accordance with the Waste Electrical and Electronic Equipment (WEEE) Directive for electrical products and the Packaging Directive. To strengthen our commitment, we have implemented a due diligence system to audit and ensure our suppliers adhere to ethical and environmental standards in line with UN Global Compact principles.

Supplier Accountability

To reinforce our sustainability and compliance initiatives, we have updated supplier contracts, our Code of Conduct and our compliance requirements. Throughout 2025, we will place greater emphasis on due diligence, supplier certification, product safety and chemical restrictions. Our goal is to enhance both internal and external due diligence to ensure transparency and accountability, aligning with customer expectations and legal obligations.

Material Selection and Chemical Restriction

We comply with the latest international safety and environmental standards, including updated regulations on chemicals, reporting requirements and transparency. Our due diligence efforts prioritise material selection and chemical restrictions, with a focus on eliminating intentionally added per-

and polyfluoroalkyl substances (PFAS) in response to growing concerns from our B2B customers.

Certifications

Certifications support our commitment to sustainable growth and transparency.

In 2024, we obtained the Global Recycled Standard (GRS) certification. Expanding our product range under GRS promotes the use of more recycled materials and a circular mindset.

Our “CERTIFIED” tag indicates a product is certified by one of the following: FSC™, GOTS, GRS or OSC 100/Organic Blended. The tag guarantees that a product meets verified environmental or social standards throughout our entire supply chain, providing greater transparency and credibility in purchasing decisions.

Risk Management

We will continue strengthening due diligence by gaining deeper insights into how we identify, assess and manage risks related to our products, production methods and supplier countries. Our risk management approach covers key areas such as human rights, labour practices and environmental impact, reinforcing our commitment to responsible business practices and global sustainability goals.

A Responsible Supplier

As part of our ongoing commitment to sustainability and responsible sourcing, our newest wood supplier is a family-owned enterprise with over 30 years of experience in crafting high-quality furniture, components and upholstery frames. Their expertise, combined with a skilled team of 114 employees and advanced manufacturing technology, ensures exceptional product quality.

The supplier prioritises responsibly sourced raw materials, holding FSC™ and PEFC certifications to guarantee traceability and environmental integrity. Their production process incorporates energy-efficient machinery, while solar panels currently supply approximately 40% of their energy needs, with plans for further expansion.

The company holds the following certifications

FSC™	✓
PEFC	✓
ISO 9001	✓
ISO 14001	✓



Conscious Consumption

We are conscientious about the impact of our business and actively measure the CO2e footprint of our products and materials.

Dedicated to responsibly sourcing materials, we strive to incorporate responsible materials throughout our product range. In our commitment to sustainability, we use a Climate Screening Tool to assess the CO2e footprint of both our products and raw materials. This effort aims to build a comprehensive library encompassing existing and innovative materials and will yield valuable data and insights, empowering us to make informed decisions in the early stages of a product's life.

The “RESPONSIBLE” tag has changed to “CERTIFIED”

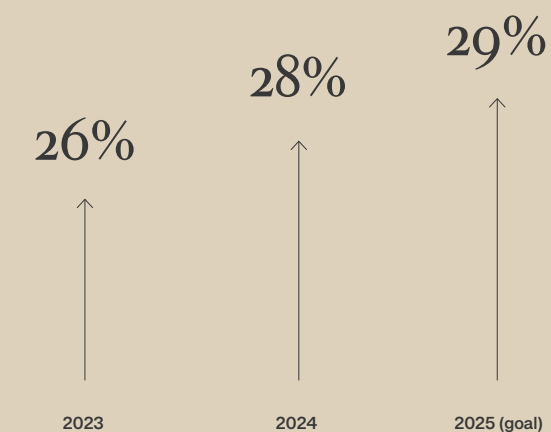
To stay ahead of upcoming legislation, we have replaced the RESPONSIBLE tag with CERTIFIED. The CERTIFIED tag guarantees that the product meets verified environmental or social criteria across our entire supply chain, giving the consumer greater transparency and credibility in their choices.

The CERTIFIED tag denotes the product is either FSC™, GOTS, GRS or OSC 100/Organic Blended certified, with each link in the supply chain meeting strict requirements. Certifications support our sustainable growth and transparency. Choosing CERTIFIED is a more responsible choice for people and planet.

In 2024, our goal was to have 36% RESPONSIBLE products in our collection and we achieved 35.4 %. Since switching to CERTIFIED tag products, this number has decreased to 28.4% as certain materials previously under the RESPONSIBLE tag, including recycled aluminium, some recycled glass and PET yarn, now only qualify if they are certified under recognised schemes such as GRS. Our goal for 2025 is to increase the number of certified products in our collection to 29%.

We strive to make sustainable choices from the initial design phase, ensuring many products use certified materials and as many as possible are single-material designs for easier recycling. While we aim for growth, we acknowledge the percentage may vary each year due to design collection factors, resulting in the removal of some certified products should demand diminish.

The percentage of CERTIFIED products in our collection increased from 26% in 2023 to 28% in 2024. We are committed to increasing further in 2025.



“The decisions we make early on have a significant impact on our materials and production choices. We are committed to continuously adopting more certified materials and keeping a sustainable mindset in our future designs.”

Jannie Søgaard, Chief Brand & Product Officer

Quality

We work for a better tomorrow and guide our customers towards responsible choices.

Our commitment to longevity is the cornerstone of reducing resource consumption and CO₂ emissions. To achieve this, we design durable products in timeless qualities and aesthetics that can be passed through generations. In the design phase of new products, we employ strict “Responsibility Criteria” and all our products undergo comprehensive quality control measures, including supplier inspections and routine visits to manufacturing locations for additional checks, as well as risk assessment and rigorous testing in accredited laboratories for compliance with national and international regulations and standards.

Our products meet the necessary safety standards, including CE marking, fire safety requirements, environmental regulations and proper labelling of materials. By maintaining rigorous compliance measures, we ensure our products exceed industry standards for safety and sustainability.

In 2024, our production-related claim rate was 0.9 % and we are working to maintain this level through quality and supplier due diligence.



Shell Pots are set out for quality control. We rigorously check all our products to maintain high standards.

Certifications and Testing

As we are deeply committed to environmental and social responsibility in all aspects of our business, we work with certifications and testing to ensure safe and fair working conditions in our supply chain and the responsible production of high-quality products.

Our products undergo risk assessment and rigorous testing in accredited laboratories, and we comply with applicable national and international regulations and standards such as REACH for environmental and health requirements.

We have created an internal framework entitled 'Responsible Suppliers'. To be classified a responsible supplier, ours must adhere to initiatives and certifications like BSCI, SA 8000, FSC™, GOTS or GRS, reflecting their dedication to aligning with our mission of promoting responsible practices and ensuring stringent criteria for human rights and fair working conditions are met.


CERTIFIED What does our 'CERTIFIED' tag mean?
The "CERTIFIED" tag guarantees that the product meets verified environmental or social criteria across our entire supply chain, giving you greater transparency and credibility in your choices. When you see the 'CERTIFIED' tag, it means the product is either FSC™-, GOTS-, GRS - or OSC 100-/ Organic blended-certified. This guarantees higher transparency and credibility, as each link in the supply chain must meet certification requirements.

Certifications support our sustainable growth and transparency, and by choosing 'CERTIFIED', you're making a more responsible choice for both people and the planet.


Our current initiatives and certifications:


 **GRS, the Global Recycled Standard**
An internationally recognised certification, GRS verifies products are made with recycled materials, ensuring compliance with strict environmental, social and chemical standards across the supply chain. It promotes transparency and responsible practices, confirming that recycled content is traceable and ethically sourced - from the initial recycling phase to the final product.


 **GOTS, the Global Organic Textile Standard**
Recognised as the world's leading processing standard for textiles made from organic fibres. It defines high-level environmental and social criteria along the entire organic textiles supply chain.

 **OCS, the Organic Content Standard**
Products certified to the OCS contain organically grown content/ material that has been independently verified at each stage of the supply chain, from source to final product.

 **FSC™, The Forest Stewardship Council™**
An international, non-profit certification scheme for wood and paper. In FSC forestry, animals and plant life are protected and no more wood is felled than the forest can reproduce, either through natural regeneration or replanting. At the same time, the FSC ensures that workers' rights throughout the certified supply chain are respected. Look for our FSC™ certified products on our website.

 **NORDIC SWAN ECOLABEL**
A Nordic Swan Ecolabel candle is a candle meeting specific criteria for environmental performance as well as health aspects, quality and safety.

 **BSCI, the Business Social Compliance Initiative**
An industry-driven initiative by Amfori, which aims to monitor and assess workplace standards across global supply chains. An Amfori BSCI audit helps us to ensure that suppliers treat their workers legally and ethically.

 **UN Global Compact**
We are engaged participants in the UN Global Compact and our Code of Conduct aligns with their Ten Principles. This code establishes the ethical framework for our business and is endorsed by all our partners and suppliers. Its principles aim to safeguard the health and safety of workers during production, fostering an ethical and equitable partnership for all stakeholders.

We are working to bring more products under certification schemes and integrate certified materials and circular practices into future designs.

Crafted from mouth-blown, 100% GRS-certified recycled glass, the Muro Vase draws inspiration from the texture and structure of bricks.

Packaging

Packaging is one of the biggest contributors to CO₂ emissions in our products, alongside material usage, energy-intensive production processes and transportation. Prioritising sustainability in our packaging solutions is therefore essential to significantly reduce the overall environmental impact of our products.

Underpinning our dedication to a sustainable mindset and more circular processes, all our gift boxes and product packaging is FSC™-certified cardboard, printed with environmentally friendly black soy-based ink. Our hang tags carry FSC certification and our tote bags are crafted from GOTS-certified organic cotton and designed for repeated use. The use of Styrofoam to protect products in transit is kept to a minimum and we actively explore sustainable alternatives. In 2020, around 10 % of our products utilised Styrofoam for packaging. By the end of 2024, this figure was reduced to 1.8 % and our goal for 2025 is to maintain this level. Collaborating with our packaging suppliers, we are actively exploring alternative, more sustainable methods and are closely monitoring developments in this area.

In our commitment to eco-friendly practices, the majority of packaging used for product protection during shipping comprises natural-based materials such as cardboard, paper pulp and craft paper. Smaller items and textiles are packaged in recyclable plastic and textile bags, promoting circular consumption and reducing production waste. Some furniture pieces require more extensive packaging, such as hard boxes, to protect them during transportation. This form of packaging has

a significant impact on our overall CO₂e footprint. In the future, we will look into lower impact alternatives in close cooperation with our suppliers.

We are dedicated to working with partners who prioritise the use of recycled and recyclable plastics over conventional plastics. Our partners are expected to take proactive measures in minimising plastic waste across their operations. This includes optimising manufacturing processes to reduce excess plastic, reusing scrap materials and adopting closed-loop systems to enhance recycling efforts. Additionally, all packaging materials, such as cardboard, hard wooden boxes and paper, must be FSC-certified. All packaging must also fully comply with EU Directive 94/62/EC on packaging and packaging waste.

Extended Producer Responsibility

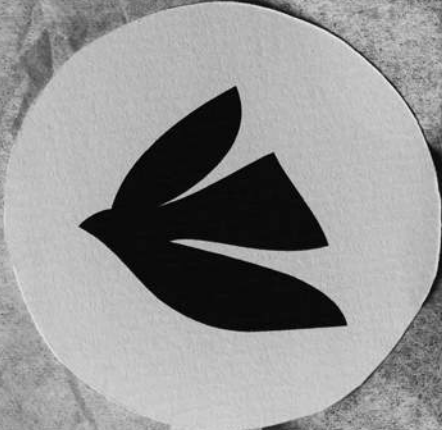
In step with the ongoing European Union initiative to minimise waste, we actively engage with both European and national regulations regarding producer responsibility for packaging. This involves registering, reporting and assuming financial responsibility in the required countries. Our packaging labelling is continually updated to align with current and legally specified requirements.



Logistics

Our transport operations exclusively rely on external forwarders. European freight is transported chiefly via road, and products originating from Asia are shipped by sea.

2024	Percentage of transport types by volume (m3)
Air	0.7%
Sea	60.7%
Road	38.6%



Transportation is one of the biggest CO₂ emission drivers in our products, alongside material usage, energy-intensive production processes and packaging. As standard practice, we prioritise alternatives to air transport; however, there are specific instances where high-priority shipments necessitate air transportation. For 2025, we aim to maintain our air transport rate at under 1 %. Our road transportation rates have experienced a gradual and consistent rise, attributed to increased production in Europe compared to Asia.

Our ongoing efforts are focused on optimising our logistic procedures to achieve maximum efficiency and space utilisation.

We use software calculators to measure container space, ensuring that both environmental impact and transport costs are minimised to the fullest extent possible.

In spring 2024, we partnered with a new warehouse facility in Denmark that aligns with both our logistical needs and sustainability goals. This innovative facility is designed with a strong commitment to sustainability and features key elements such as green energy generated through a rooftop solar system, a sustainability certification that guarantees the building meets rigorous eco-friendly standards and a comprehensive approach to sustainability in its daily operations.

A Better Tomorrow

At Ferm Living, we believe good design goes beyond form and function which carries a responsibility. We take a holistic and proactive approach to sustainability across every part of our business, guided by our nine 2030 Commitments under the pillars – Our Planet, Our Society and Our Community.

Transparency is key to our progress and we are dedicated to sharing our journey openly. As the world evolves, so do our goals, continuously pushing us towards a more responsible future. But true change is a collective effort. By fostering partnerships, driving conversations and inspiring action, we contribute to a global movement for a better tomorrow.

We value your feedback. If you have any questions or comments relating to this report, please contact:

Kristine Juul Pedersen
Sustainability Manager
Kristine@fermliving.com



Space to feel comfortably you