



balma

Sustainability Report 2025

Discover the choices behind responsible design.

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Design That Cares for Tomorrow

Dear Readers,
we are pleased to present the latest Balma ESG report – a document we regard not as a formality, but as a tool for responsible company management.

For us, 2025 was a year in which we consistently delivered on our previously adopted environmental, social and corporate governance commitments.

As an office furniture manufacturer, we have a direct impact on how the material supply chain is structured, how we design our production processes and how we treat the people we work with every day. We take a broad view of this responsibility, also considering the region in which we operate and our business partners.

In the environmental area, over the past year we focused on advancing circular-economy practices, monitoring our carbon footprint and the ISO 14001 audit.

In the social area, our priorities remained occupational safety and

the development of our team's competencies, as well as designing and manufacturing ergonomic furniture tailored to the needs of all users, including neurodiverse people.

In the corporate governance area, we focused on transparency and business ethics, preparing the organisation for evolving EU requirements, as well as the audit of the Integrated Management System.

Balma's ESG Report presents both our progress and the areas that require further work. For 2026, we have set ourselves a number of further ambitious projects.

I would like to thank the Balma team for their commitment to these activities, and you – our partners and customers – for the trust that obliges us to continue this work.

I invite you to read the report

Michał Balcerkiewicz
CEO Balma



About the Report

This document is Balma’s third Sustainability Report, providing a reliable summary of our activities, challenges and achievements in 2025. It was prepared in accordance with the CSRD Directive, using selected indicators from the European Sustainability Reporting Standards (ESRS).

Our approach to sustainability is based on a holistic vision of the organisation. In the report, we organise our existing initiatives into the key areas of corporate social responsibility set out in ISO 26000: organisational governance, human rights, labour practices, environmental protection, fair

operating practices, and community involvement and development.

The reporting process was preceded by a double materiality assessment involving our management team. Identifying key stakeholders and areas of impact enabled us to precisely define and implement the priorities arising from the ESG Strategy for 2024–2026.

At the core of our strategy is the active implementation of six United Nations Sustainable Development Goals (Goals 4, 8, 9, 12, 13 and 17), which are aligned with Balma’s long-term business strategy.

Creators of Work Environments

For more than four decades, we have been passionately designing and manufacturing office furniture, responding precisely to the evolution of work environments. We do not merely supply furnishings – we deliver comprehensive spatial strategies that support efficiency, support focus and create essential spaces for rest and recovery.

At our factory in Tarnowo Podgórne, traditional Polish craftsmanship meets industrial innovation. Our design process is guided by the Human-Centered Design philosophy. We understand that in the modern office, where the boundaries between work and the warmth of home are becoming increasingly blurred, people must always remain at the centre. We are a partner to architects, investors and HR teams, helping them create places where people simply want to be.



Our Sustainability Journey

1978

The beginning of craftsmanship: Ryszard Balcerkiewicz starts the business. The foundation of thoroughness and quality that continues to define Balma today.

1995

A new era of production: Launch of the modern factory in Tarnowo Podgórne – a step towards process optimisation.

1999

Quality standards: Implementation and certification of the ISO 9001 Quality Management System. Proof of structured and controlled processes.

2014

Think Pro philosophy: Rebranding and implementation of the Think Pro strategy, placing people, their wellbeing and efficiency at the centre.

2023

A step towards the environment: Implementation and certification of the ISO 14001 Environmental Management System and the Integrated Management System.

2024

Full transparency: Publication of the first Sustainability Report (ESG) for 2023. Adoption of the long-term ESG Strategy for 2024–2026.

2025

Sustainable engineering: Calculation of the cradle-to-gate carbon footprint for the entire company and key product groups.

Balma in Numbers: 2025 Perspective

Sustainability is more than numbers to us. It is tangible proof of how conscious design and advanced engineering shape modern work environments (workplaces), while supporting human wellbeing and the health of the planet

Scale and experience	Sustainable production	Quality and design	Culture and wellbeing
40+ Years of experience in shaping workplace strategy.	100% Of the energy we use comes from renewable sources (certified green energy and our own photovoltaic installation).	0.46% A consistently low complaint rate.	161 employees working under employment contracts, contributing to the success of the Balma brand.
26 Countries in which Balma furniture supports team efficiency.	5,545.65 tonnes Total CO₂ emissions (Scopes 1, 2 and 3). We achieve optimal results through carbon footprint management.	Must Have 2025 Titles awarded to the Litt armchair and Anker side table, confirming market recognition for our design.	11.7 years Average length of service in our team – proof of stability and a supportive organisational culture.
13,000 m² The area of our factory in Tarnowo Podgórne, where craftsmanship meets Industry 4.0.	86,651 Pieces of ergonomically designed furniture manufactured.		15 Vocational school students who gained practical knowledge under the supervision of our master craftsmen, continuing the tradition of carpentry.

Our Values

Our DNA is based on three pillars that define our approach to design, interpersonal relationships and the future of the planet.

Thoroughness

Thoroughness is our internal compass. It is an uncompromising approach to quality, visible in the surgical precision of details, engineering behind every detail and material selection. This applies both to our excellent knowledge of design methodologies and to our care for integrated management systems (ISO 9001, ISO 14001). Our furniture is an investment in durability for years to come.

Commitment and Care

Design has a mission. The spaces we co-create build a sense of safety, help reduce stress and support users' wellbeing. Care is reflected in the ergonomics of our furniture, the refined technology of our systems and our respect for the natural

environment, including by making the most of every square centimetre of raw material, striving to minimise waste and reduce CO₂ emissions. However, caring for wellbeing starts with ourselves – with our employees and the local community.

Innovation and Inclusion

Design without barriers. We believe in design that looks to the future. We understand innovation as creating flexible, modular environments that adapt seamlessly to change. For us, inclusion means designing with neurodiversity and accessibility in mind, creating spaces open to everyone. Our design draws on tradition, while continuously seeking intelligent solutions based on the circular economy.



Power of Impact: Stakeholders

Actively considering the expectations of our environment is not only a guideline arising from ISO 26000, but above all a foundation of responsible development and our *Think Pro philosophy*. We believe that innovation is born through dialogue. Based on an in-depth study conducted among our management team, we assessed the strength of mutual relationships and impact, organising our ecosystem into two overarching groups.

Key Stakeholders – highest level of influence

These are partners who directly determine the quality of our products, the innovativeness of our processes and Balma’s market competitiveness.

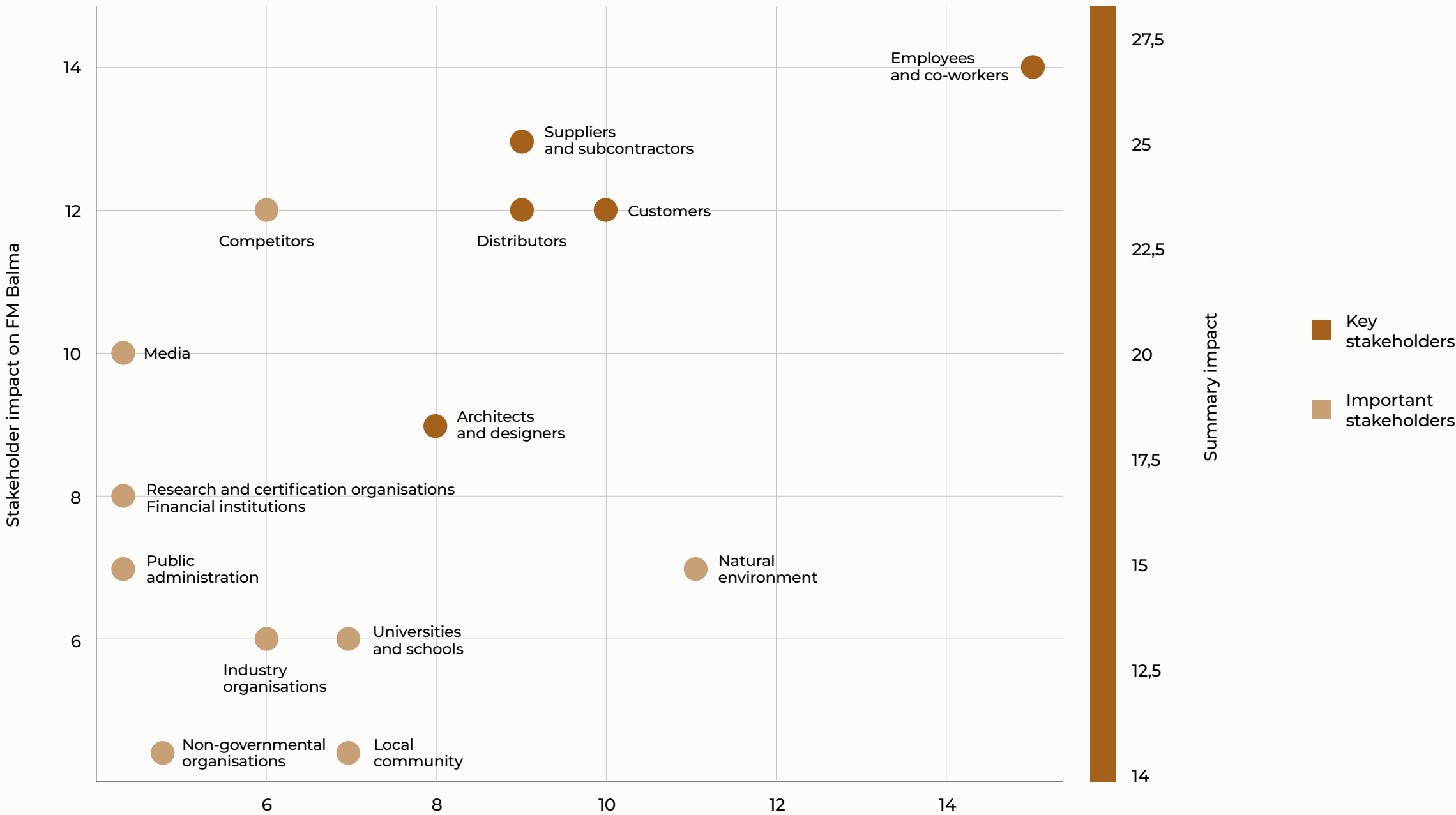
- **Employees and co-workers:** The foundation of our craftsmanship and organisational culture.
- **Customers and investors:** Users for whom we design supportive work environments every day.
- **Architects and designers:** Our strategic partners in creating spatial concepts (*workplace strategy*).
- **Distributors:** Brand ambassadors building our market relationships in 26 countries.
- **Suppliers and subcontractors:** Rigorously selected material suppliers as well as our installation and service teams.

Important Stakeholders – significant impact

These are groups with whom we build long-term trust, ensure transparency and jointly pursue social and environmental goals. They include, among others:

- The natural environment and the local community.
- Universities and vocational schools (knowledge transfer and innovation).

- Research and certification organisations (e.g. acoustic laboratories, ISO auditors).
- Financial institutions, public administration and non-governmental organisations (NGOs).
- Media and industry organisations.
- Competitors.



ESG Strategy

At Balma, we consistently pursue sustainability initiatives across all areas of our operations. Our ESG Strategy for 2024–2026 was developed on the basis of open dialogue with stakeholders, analysis of market trends and identification of key environmental, social and governance challenges. Sustainability is an integral part of our organisational culture – we believe that this approach supports long-term development and brings benefits both to the organisation and its surroundings.

Our strategy is based on 6 key pillars that define the main directions of our activities:

I. Education – industry guidance and vocational education

- Practical vocational training and work placements for secondary school students.
- Visits by students from local primary, vocational and higher education institutions, combined with factory tours.
- Academic cooperation (including with the University of the Arts Poznań and Poznań University of Life Sciences).

II. Involvement in the life of the local community

- Cooperation with the Tarnowo Podgórne Municipality Office and the Tarnowo Podgórne Entrepreneurs' Association.
- Cooperation with first- and second-level vocational schools from neighbouring districts (including the Technical Schools Complex in Tarnowo Podgórne and the



Construction and Woodworking Schools Complex in Poznań) as well as local universities.

- Support for NGOs

III. Wellbeing – health and safety, development, comfort

- Professional development and skills training employees' professional qualifications.
- Development of employee benefits.
- Implementation of solutions to improve work comfort and ergonomics.
- Employee improvement-suggestion programme and team integration.
- Development of employee volunteering.
- Meetings with inspiring people.

IV. Sustainable management

- Preparation and consistent enforcement of the Code of Conduct for employees.
- Preparation and implementation of the Code of Conduct for suppliers.
- Implementation of updated ESG regulations and policies.

V. Innovation and design

- Continuous automation of production processes.
- Sustainable furniture design and production with particular attention to detail.
- Inclusive design that takes neurodiversity and different user needs into account.

VI. Environmental protection

- Implementation of environmentally friendly technological changes.
- Monitoring the carbon footprint (Scopes 1, 2 and 3) and planned decarbonisation.
- Development of our own photovoltaic installation.
- Environmental education.
- Responsible management of rainwater and process water.
- Minimising raw material consumption and responsible waste management in accordance with the 4R principle (Refuse, Reduce, Reuse, Recycle).
- Operating in accordance with the Integrated Management System Policy (ISO 9001 and ISO 14001).



Our Goals | Global Responsibility (SDGs)

We do not operate in a vacuum. Balma’s ESG Strategy for 2024–2026 is fully aligned with the 2030 Agenda, adopted by all 193 UN Member States. The Sustainable Development Goals (SDGs) provide a global action plan for building a future in which the needs of present generations are met responsibly, with respect for the environment and care for the wellbeing of future generations. Of the 17 SDGs, we have selected 6 that are particularly relevant to our operations and industry challenges:

[GOAL 4 (4.1, 4.3, 4.4) Quality Education]
Education – this is where it all begins. At Balma, we know that high-quality education is the foundation for improving people’s lives and achieving sustainable development. Providing access to education creates opportunities to find innovative solutions to the challenges of the modern world. We actively support access to high-quality vocational and technical education for young talent.

4 DOBRA JAKOŚĆ EDUKACJI

[GOAL 8: (8.3, 8.5, 8.6, 8.8) Decent Work and Economic Growth]
Balma for employees and the local community. Sustainable economic growth requires the creation of high-quality jobs that stimulate the economy without harming the environment, while ensuring fair, safe and decent conditions for every employee.

8 WZROST GOSPODARCZY I GODNA PRACA

[GOAL 9: (9.4) Industry, Innovation and Infrastructure] *Balma for innovation.* Technological progress is key to achieving environmental goals such as reducing carbon dioxide emissions. Investment in advanced technologies and sustainable industrial development through clean and environmentally friendly production processes is a priority for us.

9 INNOWACYJNOŚĆ, PRZEMYSŁ, INFRASTRUKTURA

[GOAL 12: (12.2, 12.5) Responsible Consumption and Production] *Balma for sustainable production and consumption.* Sustainable production promotes the efficient use of energy and natural resources. Its aim is to reduce economic and environmental costs through prevention, reduction, recycling and reuse of materials at every stage of the furniture life cycle.

12 ODPOWIEDZIALNA KONSUMPCJA I PRODUKCJA

[GOAL 13: (13.3) Climate Action] *Balma for the natural environment.* The effects of climate change require decisive action and support for a low-carbon economy. Coordinated action, increased education and greater organisational awareness of climate-change mitigation are essential.

13 DZIAŁANIA W DZIEDZINIE KLIMATU

[GOAL 17: (17.16) Partnerships for the Goals] *Balma for partnerships for sustainable development.* Implementing the global Agenda requires close partnerships based on shared principles and values. Strengthening cooperation – from local authorities and academia to international certification bodies – is essential for implementing innovation and sharing reliable knowledge across the industry.

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Sustainable Production and Scale of Operations

For us, sustainable production is the sum of thousands of everyday decisions – from planning board cutting layouts, cutting and bending sheet metal, to final packaging. Responsibility for the natural environment is an integral part of our operating strategy, motivating us to implement innovative solutions that support long-term development.

Our efforts were recognised – we were among the companies featured in the prestigious report ‘Responsible Business in Poland. Good Practices 2024’, published in 2025 by the Responsible Business Forum. Among other initiatives, our activities supporting UN Sustainable Development Goal 12, concerning the installation of solutions that enhance environmental responsibility, were recognised.

The scale of our production requires responsibility. In 2025:

We produced
86 651
finished products.

We used
112 000 m²
of board, an area comparable to 16 football pitches

Materials and substances used in production processes in 2025

Type	Weight	Unit
Wood	1 428.52	tonnes
Pallets	89.62	tonnes
Metal	382.53	tonnes
Adhesive	4.60	tonnes
Solvent	6.30	tonnes
Cardboard	79.88	tonnes
Lacquer	10.40	tonnes
Powder coatings	6.41	tonnes
Film	3.86	tonnes
Packaging	2.82	tonnes
Total	2 014.95	tonnes

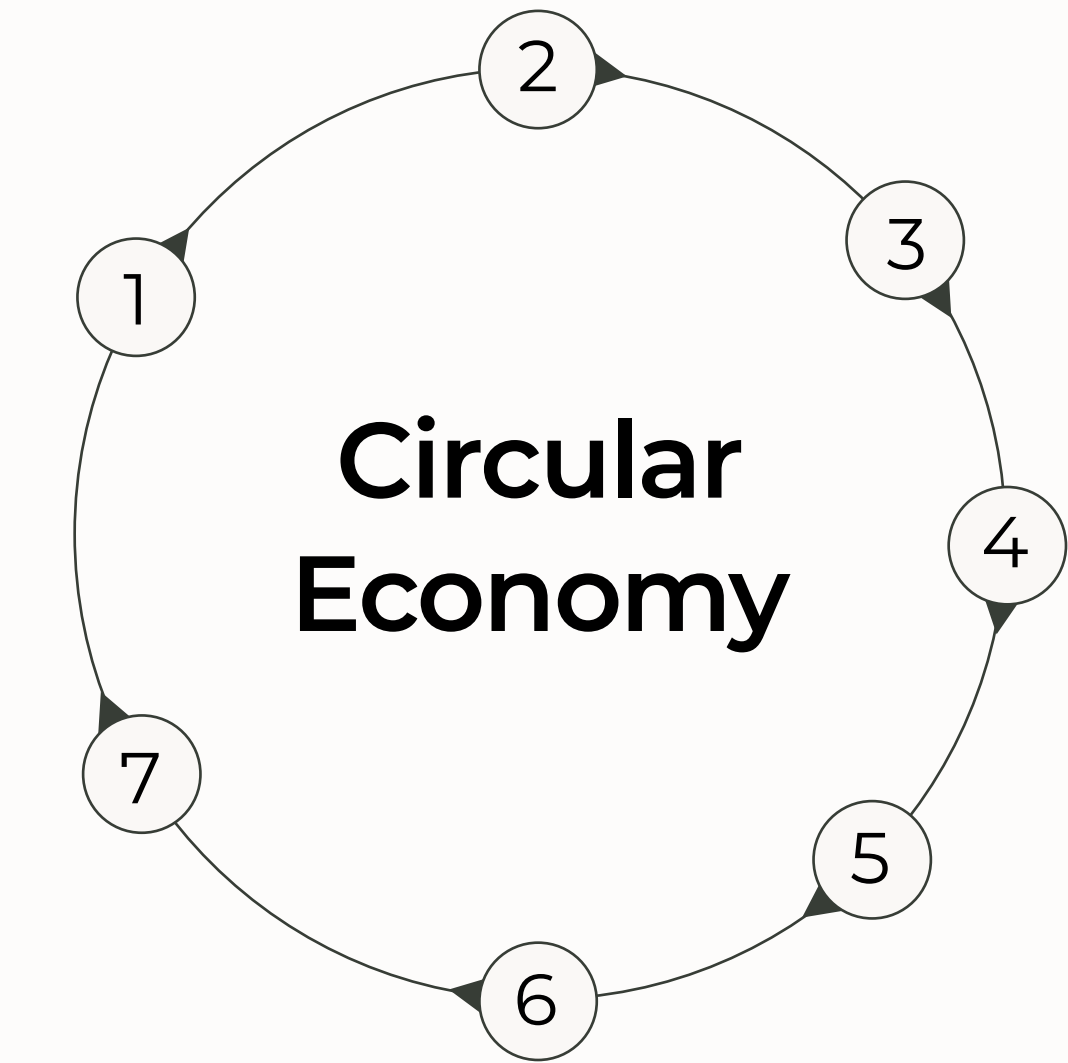
Circular DNA

Our production process is a closed loop in which the end of one stage becomes the beginning of the next. We believe that true innovation means designing with the entire product life cycle in mind – from sourcing certified raw materials, through responsible production, to many years of furniture use and readiness for recycling. We base our Sustainable Value Cycle on seven pillars:

1. Conscious design and modularity: Our environmental awareness begins with design. In line with the Think Pro philosophy, we create furniture with timeless design, distinguished by practical form and versatility. Many of our collections enable modular reconfiguration in response to changing user needs.

7. We turn waste into energy: in this area, we cooperate with a market leader in responsible waste management. We ensure that our waste is carefully sorted and then sent for recycling. In this way, production residues such as wood, fabrics and rubber gain a second life and are used by the cement and energy industries as a safe, sustainable source of energy.

2. Responsible supply chain: We select certified partners who share our values. We use furniture boards that meet the highest environmental standards, while the steel used in our frames is largely made from recycled material – up to 90%.



6. Second life and recycling (Circularity): We close the loop. 93.5% of the cardboard used for packaging comes from recycled material, and offcuts are processed into packaging fillers. We use strapping machines with straps made from 100% recovered materials. For internal logistics, we use pallets manufactured by us from post-production residues.

3. Green engineering: At our factory in Tarnowo Podgórne, we optimise board and sheet-metal cutting layouts. 100% of our electricity comes from renewable sources (Axpo guarantees of origin and our own photovoltaic installation). A modern paint shop with an on-site wastewater pre-treatment system enables us to neutralise post-production waste and reduce VOC emissions.

4. Made-to-order furniture (on demand): We manufacture all furniture to specific orders. We do not produce for stock or fill warehouses with finished products. We listen to our customers’ needs and deliver exactly the solutions they require.

5. Longevity: Our furniture undergoes rigorous testing (PCA-accredited laboratory). We focus on the highest workmanship quality and durability. We maintain a complaint rate of 0.46%, demonstrating that we deliver quality designed to stand the test of time.

Energy, Water and Emissions

At Balma, we focus on environmental responsibility by investing in technologies that reduce our carbon footprint. The Integrated Management System (ISO 14001, ISO 9001) ensures that our management and environmental processes are subject to continuous monitoring. In the past year, we recorded **0 formal complaints** concerning environmental impact.

Energy mix and water

Total electricity consumption in 2025 amounted to **951,674 kWh**, **100%** of which came from renewable sources:

- **Own photovoltaic installation: 5,084 kWh** of green electricity generated without the use of fuel, thanks to panels installed on the roof of our production hall.
- **Renewable energy supplier:** The remaining electricity is purchased from renewable sources and confirmed by guarantees of origin (Axpö).
- **Energy-efficient lighting:** In recent years, including 2025, we installed more than **3,500 LED light sources in total**, representing approximately 90% of all lighting sources in the company.
- **Water consumption:** Total operational water consumption amounted to **1,913 m³**.

E1	E1-5		Energy consumption and energy mix	
E1	E1-5	37	Total energy consumption related to own operations	1 270 722 kWh
E1	E1-5	37 a	Total energy consumption from fossil sources	319 048 kWh
E1	E1-5	37 b	Total energy consumption from nuclear sources	0
E1	E1-5	37 c	Total energy consumption from renewable sources	951 674 kWh
E1	E1-5	37 c iii	Consumption of self-generated renewable energy without fuel use	5 084 kWh
E1	E1-5	38 a	Consumption of fuels from coal and coal products	0
E1	E1-5	38 b	Consumption of fuels from crude oil and petroleum products	0
E1	E1-5	38 c	Consumption of natural gas fuel	319 048 kWh
E1	E1-5	38 d	Consumption of fuels from other fossil sources	0
E1	E1-5	38 e	Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources	0
E1	E1-5	39	Renewable energy production	5 084 kWh
E2-4			Pollution of air, water and soil	
E2-4	26		The undertaking discloses pollutants it emits as a result of its own operations, as well as microplastics that it generates or uses	0
E3	E3-4	28 a	Total water consumption	1913 m³

Optimisation and Raw Materials

In our production processes (using, among other materials, 1 428,52 t of wood and 382,53 t of metal), we focus on responsible supplier selection and uncompromising optimisation. **All furniture is manufactured to specific orders in an ‘on demand’ model.** We do not produce for stock or fill warehouses with finished products. By optimising raw-material use already at the planning stage and combining this with advanced technologies for precision cutting of boards, sheet metal and profiles, we minimise the generation of post-production waste as far as possible.

Own wastewater pre-treatment plant
The use of a closed-loop system in the painting process, combined with our pre-treatment system, enables us to significantly reduce the volume of wastewater generated, which may contain total phosphorus, ammonium and nitrate nitrogen, and petroleum hydrocarbons. The results achieved are well below the permissible limits.

- **Certified raw materials:** We work exclusively with market leaders, including Kronospan, Egger and Woodeco.
- **Recycled steel:** Depending on the supplier, the steel used in our processes contains up to 90% recycled material and is fully recyclable.
- **Modernised paint line:** We replaced conventional phosphating technology with an innovative and environmentally friendly zirconium-based process.
- **TRUMPF press brake:** This advanced machine has increased efficiency and precision while simultaneously optimising sheet-metal and energy consumption.

- Industrial wastewater test results:**
- Total phosphorus: 0.420 ±19% mg/l (Limit: <= 10)
 - Ammonium nitrogen: 0.83 ±29% mg/l (Limit: <= 100)
 - Nitrate nitrogen: <0.10 (0.10 ±20%) mg/l (Limit: <= 10)
 - Petroleum hydrocarbons: 0.13 ±41% **mg/l** (Limit: <= 15)

Waste and Packaging

We apply the 4R principles (Refuse, Reduce, Reuse, Recycle) to close our production loop. In 2025, the total amount of waste generated fell by **20,9%** to **145,33** tonnes (from 183,8 t generated in 2024).

Through our ongoing **cooperation with Stena Recycling**, we give waste a second life. Together, we ensure that paper, cardboard, plastics and packaging waste are carefully sorted according to the highest standards so that they can be sent directly for reprocessing.

In 2025, alternative fuel was produced from our production residues:

- **6,33 t** from plastics,
- **2,57 t** from coating powders,
- **0,68 t** from insulation materials,
- **0,04 t** from contaminated filter materials.

Additionally, as part of energy recovery, we burned approximately 880 m³ of biomass, which we used to heat our buildings.

Responsible packaging:

- **93,5%** of the cardboard we use to package finished products comes from recycled material.
- All cardboard waste generated during production is converted into environmentally friendly package fillers using a dedicated machine.
- We minimise the use of adhesive tape thanks to four strapping machines that secure loads with straps made from **100% recovered materials**.
- For internal logistics, we use **reusable pallets** made from post-production residues.

Amount of production waste sent for recycling in 2025:

Iron particles and dust:

60,54 t

Paper and cardboard:

31,86 t

Plastic waste:

6,33 t

Aqueous sludges (from painting processes):

5,94 t

Waste coating powders:

2,57 t

Waste paints and lacquers:

2,27 t

Plastic packaging:

1,05 t

Fly ash from peat and chemically untreated wood:

0,87 t

Organisational Carbon Footprint

In the face of growing climate challenges, effectively limiting global warming has become a global priority, in line with the Paris Agreement (the international climate treaty adopted in 2015) and the pursuit of climate neutrality. Aware of this responsibility, we treat greenhouse gas emissions management as one of the fundamental pillars of our business strategy.

Our model is based on rigorous data monitoring and the implementation of environmentally responsible solutions at every stage of our operations – from powering the factory with 100% green electricity, through the innovative use of advanced environmental protection equipment (such as dust collectors and VOC afterburners), to supply-chain optimisation and minimisation of packaging waste. This integrated, holistic approach enables us to continuously reduce our environmental impact year after year.

A comprehensive Scope 1, 2 and 3 emissions assessment, conducted in cooperation with the Malon Group Training and Consulting Centre, resulted in total GHG emissions of 5 545,65 t CO₂ in 2025.
Emissions per employee: 46 tonnes (this ratio typically ranges between 35 and 80 tonnes in manufacturing companies).

Emissions breakdown (CO₂e):

Scope 1 (direct):

1 284,81 t

Stationary combustion: 1,142.02 t
| Mobile combustion: 90,52 t |
Process emissions: 52,26 t

Scope 2 (energy indirect):

0 t

(thanks to 100% renewable electricity)

Scope 3 (value chain):

4 260,85 t

Upstream (1 198,65 t): including purchased goods and services (781,38 t), waste (187,48 t), transport (157,5 t), and employee commuting (72,29 t).

Downstream (3 062,20 t): including transport and distribution (874,53 t), use of products (443,39 t), processing (564,83 t), and end-of-life treatment of products (1 179,44 t).



Results by scope (tCO ₂ e)		2025
Scope 1	Direct greenhouse gas emissions	1 284,81
Scope 2	Indirect energy-related emissions	
Scope 3	Other indirect greenhouse gas emissions	4 260,85
	Scope 3 upstream	1 198,65
	Scope 3 downstream	3 062,20
	Total	5 545,65
CAT 3	Indirect transport-related emissions	1 194,85
CAT 4	Indirect emissions related to the use of goods by the organisation	1 975,66
CAT 5	Indirect emissions related to the use of the organisation's products	2 187,67
CAT 6	Other indirect emissions	

Results by scope [ISO 14064-1:2018] (tCO ₂ e)			2025
Scope 1			
1-1	Direct emissions from stationary combustion	CAT 4	1 142,02
1-2	Direct emissions from mobile combustion	CAT 3	90,52
1-3	Direct process emissions	CAT 4	52,26
Scope 2			
2-1	Indirect emissions from purchased electricity	CAT 4	-
2-2	Indirect emissions from other purchased forms of energy	CAT 4	-
Scope 3 Upstream			
3-1	Purchased goods and services	CAT 4	781,38
3-2	Capital goods	CAT 4	-
3-3	Fuel-related activities	CAT 4	-
3-4	Transport and distribution (upstream)	CAT 3	157,50
3-5	Waste generated in operations	CAT 6	187,48
3-6	Business travel	CAT 3	-
3-7	Employee commuting	CAT 3	72,29
3-8	Leased assets (upstream)	CAT 4	-
Scope 3 Downstream			
3-9	Transport and distribution (downstream)	CAT 3	874,53
3-10	Processing of sold products	CAT 5	564,83
3-11	Use of sold products	CAT 5	443,39
3-12	End-of-life treatment of products	CAT 5	1 179,44
3-13	Leased assets (downstream)	CAT 6	-
3-14	Franchises	CAT 6	-
3-15	Investments	CAT 6	-

Product Carbon Footprint

The cradle-to-gate carbon footprint assessment (from raw material to the factory gate) reveals the considerable potential of wood as a carbon store. These data allow us to understand much better which design and technological solutions genuinely contribute to reducing greenhouse gas emissions. They provide hard evidence that responsible design has an objective impact. It is at the concept stage – through decisions on modularity, the use of the soft-tech principle, and the appropriate selection of materials and certified raw materials – that we define the future impact of a piece of furniture on the planet. Including material recovery credits in these assessments ultimately demonstrates that designing consciously for longevity helps reduce a product’s emissions intensity.

- Average emissions intensity by product group (CO₂e/kg of product):**
- Acoustic booths and electric height-adjustable desks (Sit&stand) record the highest values (**3,41** and an average of **2,73** respectively) due to their significant metal content and advanced mechanisms.
 - Tables: **0,82** (values ranging from 0,25 to 2,10).
 - Standard desks: **0,69**.
 - Cabinets, shelving units and reception desks: negative values (e.g. **-0,21** for cabinets and shelving units and **-0,36** for reception desks), resulting from the methodology used to allocate credits for the recovery of natural materials.

Analysis of selected collections – Cradle to Gate

Negative emissions balance – furniture as CO₂ stores

By maximising the share of certified natural wood and high-quality wood-based boards, selected Balma collections act as genuine carbon stores. They achieve a negative cradle-to-gate carbon footprint, meaning that more CO₂ was absorbed during raw-material sourcing and product creation than was emitted during production.

-122,4 kg CO₂e

Stepps – modular shelving system (R3-A-0115 Stepps)

-17,8 kg CO₂e

Ostin – executive desks (O3-02 Ostin desk (200 cm))

-24,9 kg CO₂e

Podium – modular seating (Z2-02 Podium)

Desks

Desks are an important part of our offer. The analysis shows considerable variation in results depending on the materials used. Models based on wood achieve excellent results, while those using heavier frames generate higher emissions.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Multibase	P5-302 P4	39,3
	P5-102 Mixt	53,0
Minimus	D2-502 NK	27,9
	D2-503 NK	24,0
Ostin	O3-02	-17,8

Electric height-adjustable desks

Sit&stand desks have a higher carbon footprint than conventional models due to their metal frames and motors. We nevertheless regard this as an investment in ergonomics and the long-term health of users.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Sit&stand	C4-01	113,7
	C5-02	261,2
	P4-024	260,2
	S4-01	103,2
	O3-02	-17,8

Tables

The main factors determining emissions in this category are the physical dimensions of the models and the proportion and type of raw materials used. Optimisation at the design stage keeps the results for most tables at a balanced level.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Gravos	V2-02	93,9
	V2-04	69,0
Minimus	D2-002 NO	41,4
	D2-007 NO	38,9
	D2-102 ND	37,8
	D2-203 NK	22,8
	D2-303 NO	13,7
	D2-403 ND	15,1
	H2-01	56,6
	H2-09	82,8
Picnix	UN-90	60,7

Reception desks

The reception area defines the first brand experience in a workplace. Achieving a negative emissions balance in this category is a direct result of our circular strategy and responsible design. This result is attributable to the adopted assessment methodology, which takes into account environmental credits for optimal material recovery.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Furonto	F2-01	-62,6
Tresta	T3-001	-34,14

Cabinets and shelving units

Storage systems are a category with a highly favourable environmental balance. Modules based entirely on wood most often achieve very good results, making them an important element of a green office.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
K2	K2-01	11,4
Stepps	R3-A-0101	-20,9
	R3-A-0111	2,5
	R3-A-0115	-122,4
	R3-A-0120	-54,1
Qore	Q7-022	-60,23
	Q7-118	-78,65
	Q7-216	-98,23
	Q7-419	-20,08

Seating

The seating category includes both compact solutions (poufs and stools) and advanced soft-seating systems (sofas, armchairs and modular benches) intended for agile and chillout zones. Thoughtful material selection enables very favourable and even negative emissions results.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Pung	UN-73	18,0
Podium	Z2-02	-24,9
Litt	L1-001	82,8
Huga	H4-001	35,5
Ram	R4-001	60,6
Hej	H3-001	81,9

Acoustic booths

The high proportion of dense insulation materials, glass and aluminium naturally increases emissions indicators. We treat this as a research direction for testing lighter acoustic-insulation variants.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Bbox	W3-001	1165,4
	W3-002	1995,2

Complementary furniture

An intelligent office is built on details. Mobile supporting accessories for workshops or cloakroom organisation are smaller elements, but they are also covered by emissions monitoring.

Collection	Symbol	Cradle to gate [kg CO ₂ e]
Unu	UN-056	63,7
Visi	UN-94	74,0

Society

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Employees and Employment

At Balma, we believe that the quality of our products is determined by the people who make them. We are proud that our team is a close-knit, multigenerational community of experts and craftspeople. We treat employment as a long-term partnership, which is reflected in our employment stability indicators.

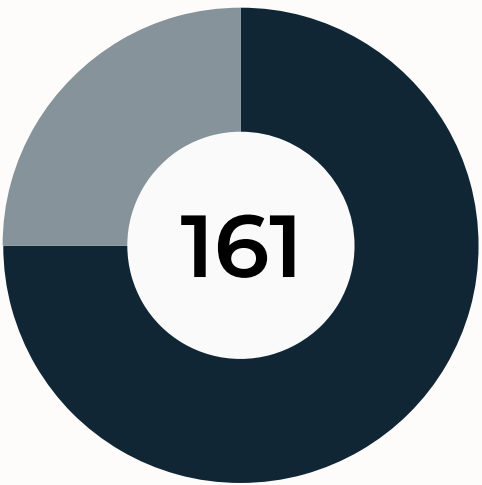
Our team structure (data as at 31 December 2025)

The total number of employees working under employment contracts was **161** (41 women and 120 men). Importantly for us, as many as **94%** of our team come from the local community (Greater Poland Voivodeship), making a tangible contribution to the development of our region.

Average length of service: an impressive **11,75 years** (**9,6 years** for administrative employees and **13,2 years** for production employees). From a business perspective, this high loyalty rate is a guarantee of master craftsmanship and the conscientiousness embedded in our company culture. A stable, experienced team enables us to implement engineering assumptions with precision and create furniture whose quality successfully stands the test of time.

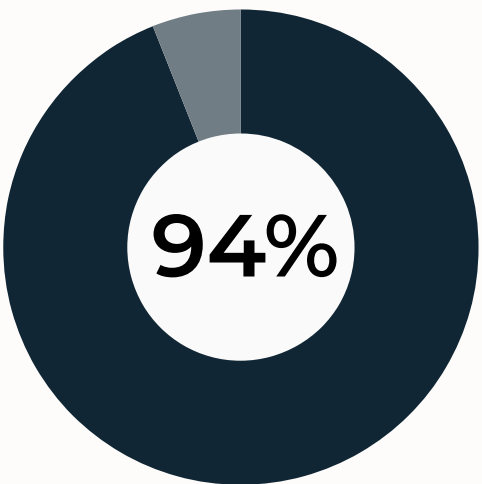
The total number of employees working under employment contracts

- Men
- Women

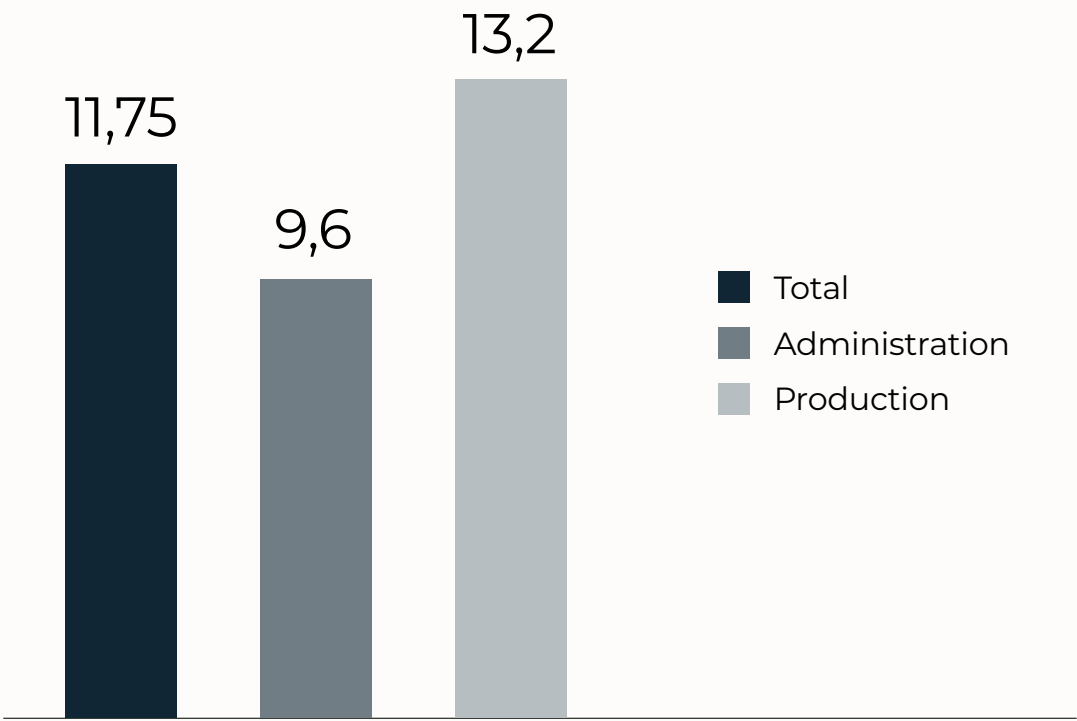


Employees from the local community

- Greater Poland Voivodeship
- Other regions



Average length of service



Employee turnover rate: 13,71% in the past year (28 people left the company, five of whom retired).

Form of employment: 99,4% of employees have full-time employment contracts (only 0,6% work part-time). We also cooperate with five self-employed people.

Diversity and Inclusion: We understand and embrace diversity. Regardless of age, background or gender, every person is equal. We are proud to report that in 2025 we recorded **0 cases** of discrimination and **0 complaints** related to human rights.

Among senior management, women account for 3 of the 7 people. We also employ three people with disabilities (1.7% of all employees).

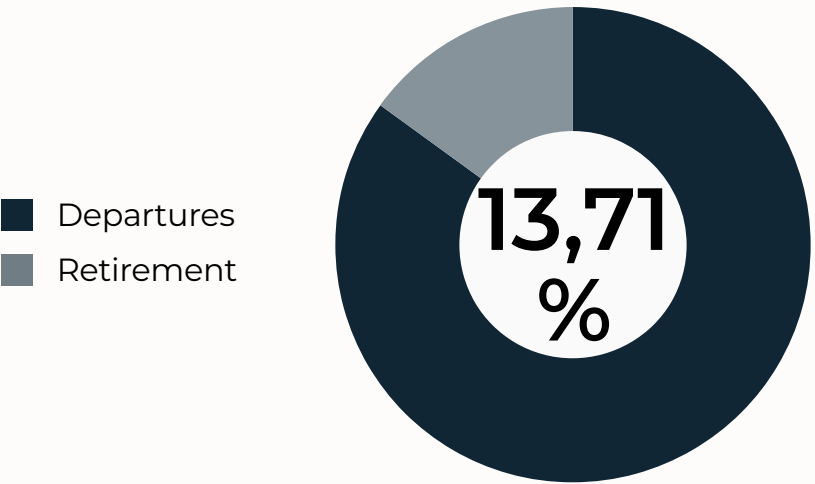
Breakdown of employees by gender and age structure

Age	Total	Women	Men
20 and under	7	0	7
21-25	10	0	10
26-30	8	6	2
31-35	12	5	7
36-40	23	5	18
41-45	25	8	17
46-50	32	10	22
51-55	20	4	16
56-60	18	3	15
61 and over	6	0	6
Total	161	41	120

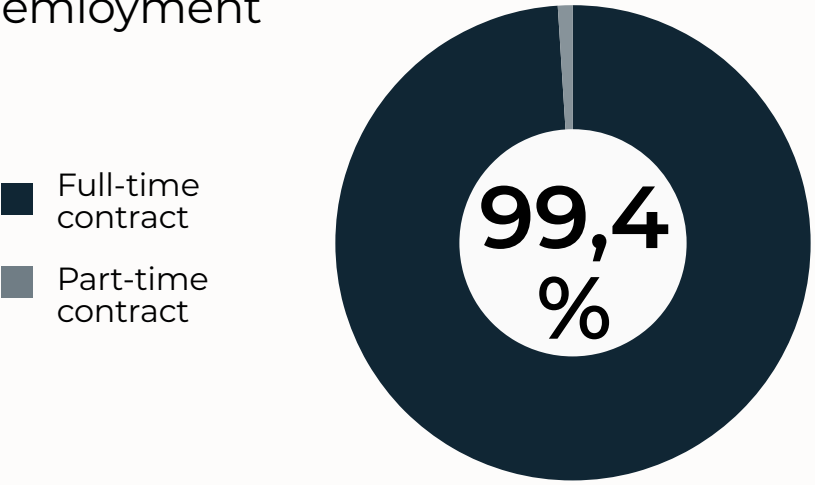
Plus 15 vocational-school students under the age of 20.

- In 2025 we recorded 0 cases of discrimination
- In 2025 we recorded 0 complaints related to human rights.

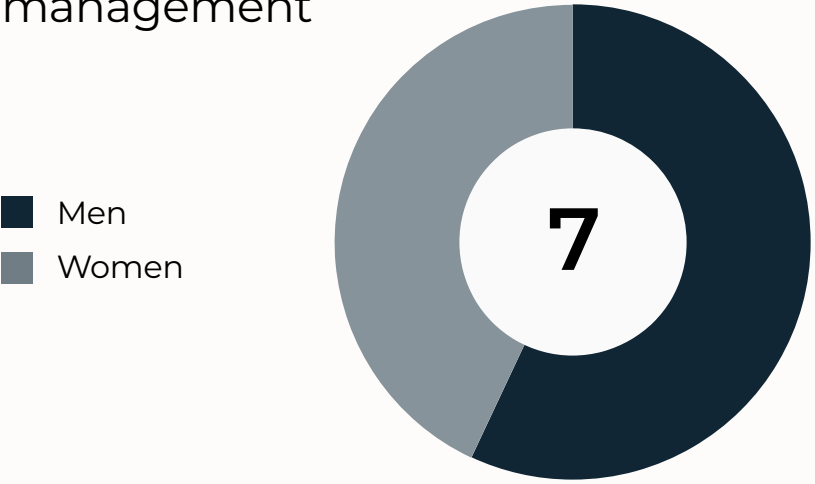
Turnover rate



Form of employment



Senior management



Other indicators whose value in 2025 was zero:

- number of complaints submitted through channels by members of the company's own workforce to raise concerns
- number of complaints submitted to OECD National Contact Points for Multinational Enterprises
- amount of material fines, penalties and compensation for damages arising

from violations relating to social factors and human rights

- number of severe human-rights issues and incidents connected with the company's own workforce

- number of severe human-rights issues and incidents connected with the company's own workforce that constitute cases of non-compliance with the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises
- amount of significant fines, penalties and compensation relating to severe human-rights issues and incidents connected with the company's own workforce
- number of severe human-rights cases in which the company played a role in providing remedy to affected people



Wellbeing and Occupational Health & Safety

When designing modern offices, we advise on workplace strategy and wellbeing every day. We believe, however, that the Human-Centered Design philosophy must begin with ourselves – in our own factory. The physical and mental safety of our team is an absolute foundation of Think Pro. 100% of our own workforce is covered by an occupational health and safety management system verified through external audits, in accordance with the principles of the Integrated Management System based on ISO 9001 and ISO 14001.

balma

Accidents and prevention

In 2025, we recorded just **1** workplace accident (**0** fatal accidents and **0** accidents while commuting to or from work). The number of days lost due to accidents was only **19**. We also recorded no occupational diseases. In addition, we focus on prevention through training: **30%** of the workforce completed fire-safety training and training on hazards and risks associated with their jobs, while **20%** of production employees completed training on handling hazardous chemical preparations.

Safety

To protect employees, people present on the factory premises and residents of the Tarnowo Podgórne municipality, Balma provides access to an automated external defibrillator (AED). The device is located in an easily accessible place, enabling a rapid response in situations involving a threat to health or life. This initiative forms part of Balma’s occupational health and safety activities and is consistent with our broader strategy of building a safe and responsible working environment.

S1	S1-14	Occupational health and safety metrics		Response
S1	S1-14	88 a	Percentage of people in the own workforce covered by an occupational health and safety management system based on legal requirements and/or recognised standards or guidelines	100%
S1	S1-14	88 b	Number of fatalities among own employees as a result of work-related injuries and work-related ill health	0
S1	S1-14	88 b	Number of fatalities as a result of work-related injuries and work-related ill health among other workers working on the undertaking’s sites	0
S1	S1-14	88 c	Number of recordable work-related accidents involving own employees	1
S1	S1-14	88 d	Number of recordable cases of work-related ill health among employees	0
S1	S1-14	88 e	Number of days lost due to work-related injuries or fatalities as a result of workplace accidents, work-related ill health or fatalities due to ill health of own employees	19
S1	S1-14	90	Percentage of own workforce covered by an occupational health and safety management system based on legal requirements and/or recognised standards or guidelines that has been internally audited and/or audited or certified by an external party	100%

Health, dialogue and satisfaction

At the turn of 2025/2026, we conducted an employee satisfaction survey (with participation from 64% of administrative staff and 20% of production staff). The results provided valuable information supporting the Management Board and those responsible for individual ESG areas in making decisions related to the organisation's sustainable development. The team identified product quality, atmosphere, colleagues and stability as our greatest strengths.

We actively support dialogue through the **Employee Council**, the new digital **Employee Portal** and the physical **Employee Matters Box**.

In response to the needs of our workforce, we continue the extended medical package programme provided by the LUX MED Group. We regard this investment in health as an integral part of our human-centred ecosystem, directly reflected in a low sickness absence rate of 5,85%.

Team integration

We place great importance on creating a workplace where employees feel comfortable and can develop. We regularly organise events that help employees get to know one another better and strengthen relationships. These activities also improve communication, increase team motivation and support employees' mental and physical health. Every year, we celebrate Christmas together by organising a company Christmas gathering. It is a special moment that helps build relationships in a warm, festive atmosphere.

'Podzielnia' shelf

Our 'Podzielnia' sharing shelf is available in the company canteen. We give books, records and games a second life. The rule is simple: every employee can bring something to share and take something they currently need, thereby promoting a Zero Waste culture.



Knowledge Transfer

Education is one of the six main pillars of our ESG strategy. Our factory is a place where masterful Polish craftsmanship is passed on to future generations, while our employees continuously develop their qualifications.

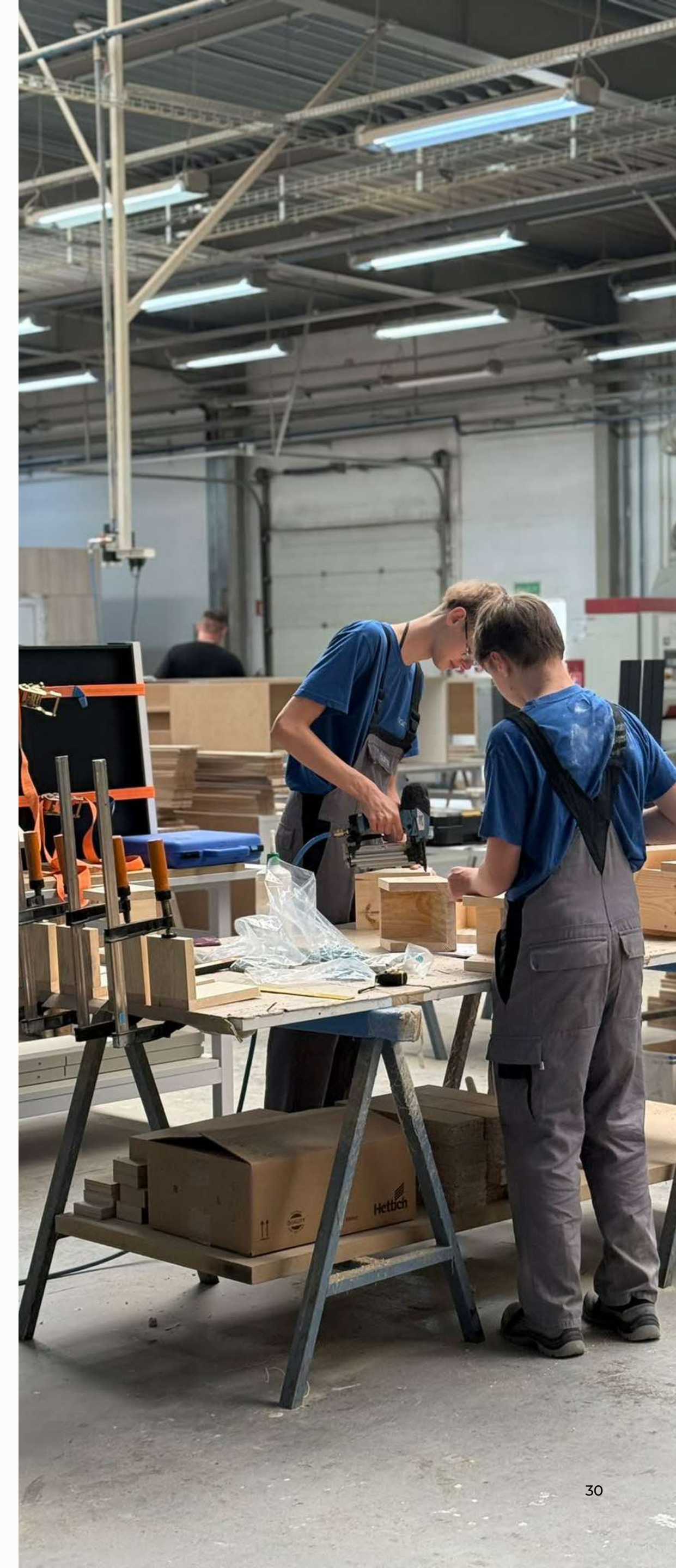
Internal education and environmental awareness

In 2025, we organised **15 training** courses to improve our employees' qualifications. They covered, among other topics, environmental aspects, occupational health and safety, welding qualifications, powder-coating line management, preparation for professional examinations, financial and accounting matters, as well as internal-audit issues.

In addition, as part of developing our team and increasing environmental awareness, an 11-person Balma delegation visited a facility operated by our business partner **Stena Recycling**. The visit to the sorting facility in Czerwone, which handles waste for us such as metal scrap, waste paper, plastics and hazardous waste, increased our awareness of how important our everyday work at the factory is when it comes to correctly sorting production waste.

Vocational school and the 'Zawodowiec' project

In 2025, **15 students** from the Technical School Complex in Tarnowo Podgórne and other vocational schools completed practical carpentry training with us. We cooperate with career advisers from local primary schools because we know how important it is to support young people's education from an early stage. In this way, we promote training in the carpentry profession. We are extremely proud that **100% of our apprentices** successfully passed their state examination. In addition, in 2025 we took part in the end-of-school-year ceremony for the first graduates of the Technical School Complex in Tarnowo Podgórne. It was an excellent opportunity to strengthen our cooperation with the local school.



‘Development of Knowledge and Skills’ project (restoration and craftsmanship)

Together with our sister company Noti, the Technical School Complex in Tarnowo Podgórne, the Construction and Woodworking School Complex in Poznań and the Tarnowo Podgórne Entrepreneurs’ Association, we carried out a unique project focused on furniture restoration. The initiative was launched by **Balma founder Ryszard Balcerkiewicz**, who not only proposed the project but accompanied the students throughout, sharing his many years of craftsmanship experience. The project was financed by the Municipal Office from funds allocated to education and concluded with an inspiring visit to the Copernicus Science Centre in Warsaw.

Universities and factory visits

We cooperate with the academic community. In 2025, students of the 11th edition of the postgraduate programme ‘ESG Manager. Sustainable Development in Business’ at Civitas University in Warsaw prepared an ESG strategy proposal for us. Students of the University of the Arts Poznań, in turn, designed dedicated complementary accessories for Balma furniture, taking sustainable-design principles into account.

In addition, a total of **67 people** took part in training sessions and factory tours in 2025: 46 pupils from the Primary School in Lusowo and 21 students from the University of the Arts Poznań (from the Contemporary Techniques in Interior Architecture Studio and the Department of Design).

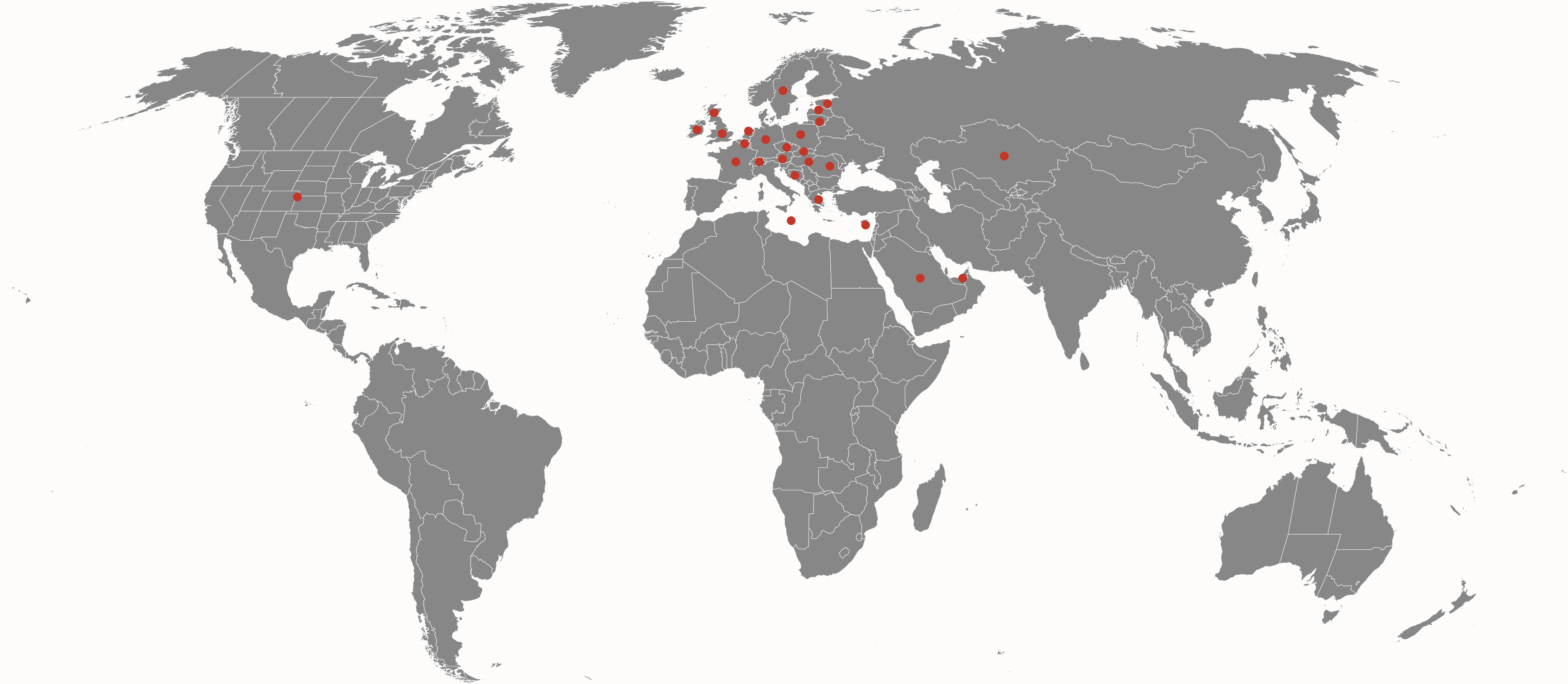


Consumer Issues

Balma is more than furniture – we provide comprehensive support for architects, investors and distributors. Producing nearly **86,6 thousand pieces of furniture** in 2025 and delivering them to **26 countries** worldwide is evidence of the market’s

trust in us. We build that trust through transparent procedures and innovative tools. In 2025, Balma furniture was sold in the following countries: England, Austria, Saudi Arabia, Belgium, Croatia, Cyprus, the Czech Republic, Estonia,

France, Greece, the Netherlands, Ireland, Kazakhstan, Lithuania, Latvia, Malta, Germany, Poland, Romania, Slovakia, the United States, Scotland, Switzerland, Sweden, Hungary and the United Arab Emirates.



Opening of the Gdańsk Showroom

To be even closer to our customers, in 2025 we opened a new showroom in Gdańsk. The space was designed to present our solutions in a natural, everyday work context. Its carefully considered arrangement shows how Balma collections create flexible zones – from focus and collaboration to relaxation. The colour palette, acoustics and lighting create a place for inspiration and knowledge exchange for architects and investors.

Digital tools and materials for designers

- **Materials and sample sets:** Our extensive technological capabilities enable us to manufacture furniture using a variety of technologies, materials and colour variants. We offer a broad selection of finishes and an extensive colour palette, providing considerable design flexibility. For our customers and architects, we prepare carefully selected material and fabric sample sets.

- **B2B Panel:** We continuously develop our dedicated online tool for distributors. In 2025, we introduced improvements for fast quotations of non-standard furniture and project-history management. An integral function of the B2B Panel is also an **optimised complaint submission** system, enabling fast and transparent handling of every service request.
- **3D tools and pCon:** We provide our partners with an extensive library of 3D models, textures and configurable data in pCon.planner (OFML database), available to designers and significantly reducing space-planning time.

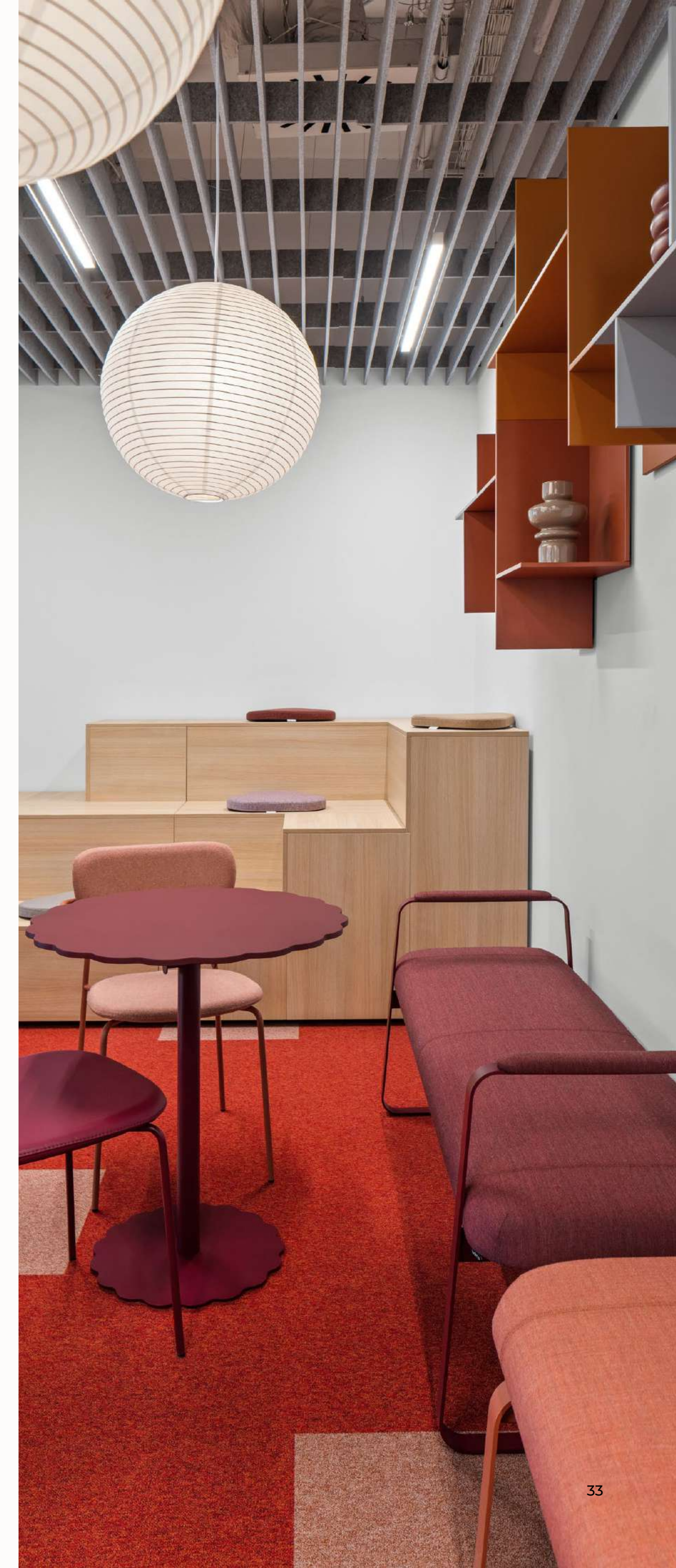
Quality and complaint indicators

Every comment submitted through our panel is a valuable source of knowledge, enabling us to continuously optimise production. In 2025, we recorded the following indicators:

- We reviewed a total of **533 complaints**, of which **400** were accepted as justified. This represents **75%** of all submitted complaints, a result comparable with the previous year.
- When analysing the number of justified complaints in relation to the volume of finished products manufactured, we recorded an excellent rate of just **0,46%**, maintained at the previous year's level.

Non-standard production and direct support

Our modern machinery enables us to manufacture made-to-measure furniture and implement non-standard concepts in a wide range of finishes. We provide expert support at every stage – from concept to installation.



Design with a Mission

We continuously develop our portfolio, but every new addition to our offer must provide practical evidence of the implementation of our ESG strategy. We design with intent – from the conscious selection of materials and development of forms, through an extended product life cycle, to supporting users' physical and mental wellbeing. In 2025, the following collections were among those added to our offer:

Litt

design: Maja Ganszyniec Studio

Wellbeing and ergonomics

It brings a unique sculptural expression to the space, inspired by the folds of a sheet of paper. From a sustainable-design perspective, its multidimensional ergonomics are key. The semi-circular, embracing sides of the backrest not only support posture but also provide a psychological sense of safety and comfort.

Cascara

design: Maja Ganszyniec Studio

Biophilic Design and relationships

A collection inspired by nature – the distinctive leg, inspired by the form of a husk surrounding a coffee bean, gives the tables an organic character. Introducing elements that reference nature can help reduce stress in the workplace. Cascara tables are designed as natural hubs for interaction, building social capital and facilitating informal communication within teams.

Ram

design: Piotr Kuchciński

Distinctive industrial design

A combination of raw elegance and the engineered durability of metal. The most important ESG aspect of this collection is its construction. The upholstered seat was designed as a replaceable, fitted element. This directly supports the circular economy by facilitating future servicing, cleaning or replacement of the upholstery itself, thereby extending the overall product life cycle.

Huga

design: Maja Ganszyniec Studio

Dynamics built into the form

Bar stools and stools created for dynamic, flexible agile environments. Maja Ganszyniec Studio designed the metal frame to form discreet side handles. This solution intuitively supports users when sitting down and standing up, providing stability and a sense of safety for people with different levels of physical ability.



Hej

design: Maja Ganszyniec Studio

Modularity and flexible configuration

A bench collection inspired by the idea of an informal welcome, naturally encouraging people to stop, exchange ideas and take a moment to rest. Designed with flexibility, refined proportions and visual lightness in mind. Its full modularity enables precise adaptation of layouts to changing office needs, optimising resource use and extending the system’s useful life. Additional screens in the collection also actively support mental wellbeing. By creating quiet micro-zones, they improve acoustic comfort and reduce visual overstimulation in open spaces, providing employees with essential privacy and a place to recover.

Plus in a new form

design: Piotr Kuchciński

Balance of space and mind

A considered transformation of classic solutions. The refined construction of Plus sofas and armchairs places strong emphasis on acoustic properties, now one of the key factors affecting mental wellbeing in open-plan offices. New elements, such as screens connecting sofas, enable quiet recovery zones to be created for employees. For us, however, the design process is not only about launches. In line with our philosophy of commitment, we continuously listen to our customers and work on improving and optimising our existing furniture systems. The aim is to ensure that they respond precisely to the challenges of contemporary offices and their users.



**Verified quality:
Testing and certificates**

In line with our fair operating practices, each of the products listed above represents an investment supported by hard data. In 2025, we subjected our new products to tests at the Furniture Testing Laboratory, which holds PCA accreditation. As a result, **Hej benches, Ram chairs, Litt armchairs and Plus sofas** obtained certificates of conformity with key strength standards, including PN-EN 16139:2013-07 and PN-EN 1022:2004. Cascara **tables were certified** in accordance with PN-EN 15372:2016-12, while the Qore system, introduced to the offer in January 2026, holds certificates confirming compliance with safety

standards for storage furniture including PN-EN 14073-2:2006 and PN-EN 16121:2014-05. These certificates, valid until 2029, complement the certificates held by our proven collections (Minimus, Multibase, K2, G4).

We also pay close attention to material safety and hygiene. In 2025, we held a **Hygiene Certificate** issued by the National Institute of Public Health PZH for, among other products, K2 pedestals, G4 desks and C8 cabinets, confirming that the materials we use – laminated particleboard, powder coatings and fittings – meet stringent hygiene requirements for user health.

Awards: Must Have 2025

In 2025, the prestigious Must Have award, organised as part of Łódź Design Festival, was presented to two of our products created in cooperation with Maja Ganszyniec Studio: the Litt armchair and the Anker side table. The titles were awarded by an independent Council of Experts. For us, this is evidence that innovative solutions, carefully designed forms and functionality in the office are recognised by top-level specialists.



Selected Projects

The best evidence of the effectiveness of our Think Pro philosophy is not certificates stored in drawers, but the spaces where thousands of people work every day. The contemporary office is no longer merely a row of desks – it has become an ecosystem that must respond flexibly to the needs of neurodiverse teams while simultaneously reducing its environmental impact.

CMT Advisory (Poznań)

Balance between focus and team dynamics

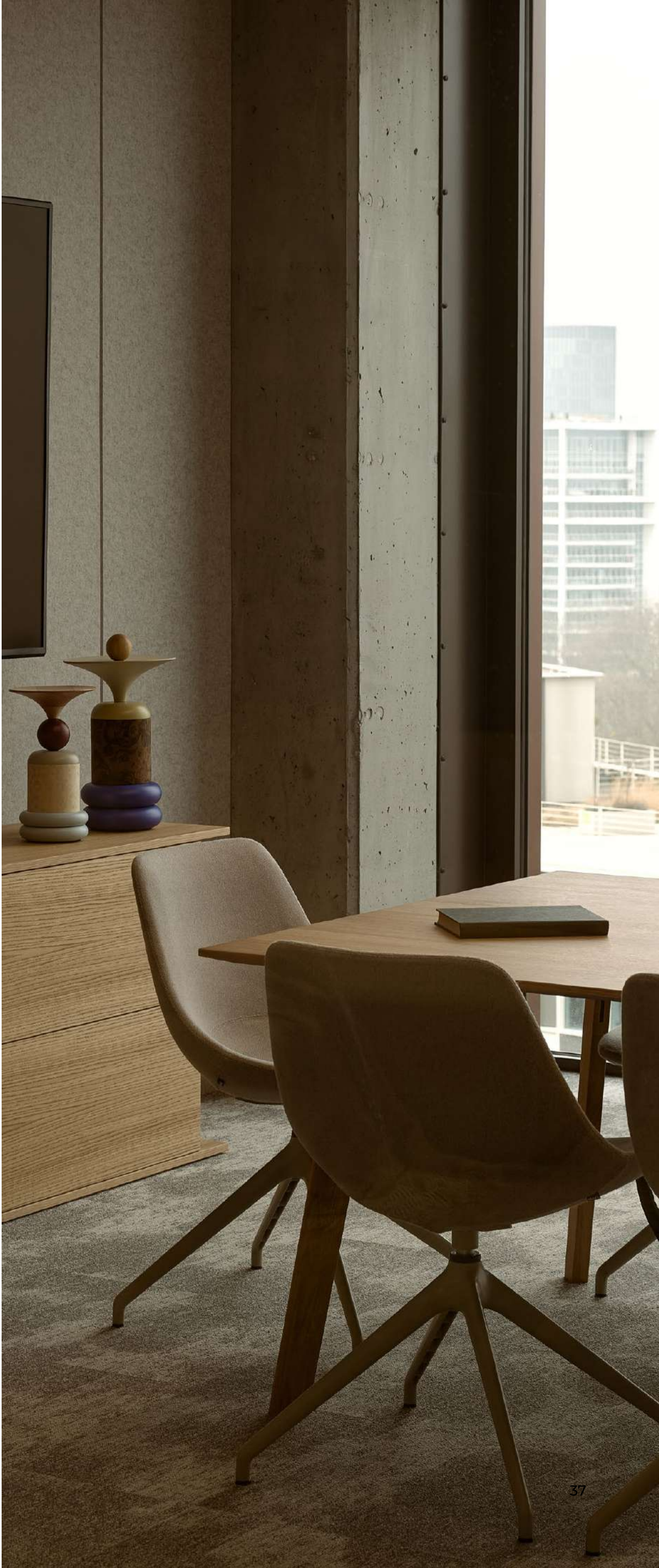
Project: 3XA ARCHITECTS | Collections: Minimus, Multibase, Sit&stand, J_system, Tivi, Etum, Mixt, K2, Simplic, Stepps

- **Challenge:** To create a modern, minimalist headquarters for a consulting company specialising in financial, transaction and strategic advisory services. The space had to reflect the dynamism and professionalism of the business while providing employees with an intimate atmosphere that supports deep focus, collaboration and recovery.
- **Balma solution:** Implementation of a zoned workplace layout. Ergonomic Minimus and Multibase desks were used to support team communication, while electrically height-adjustable Sit&stand

desks were introduced for work requiring focus. The whole space was organised with modular Stepps shelving units and J_system cabinets, while Etum acoustic screens were used to divide zones. Tivi, Mixt, K2 and Simplic systems were also used.

- **Environmental impact / wellbeing:**

- Health: Introducing Sit&stand workstations supports dynamic sitting, significantly reducing the risk of musculoskeletal disorders among employees performing analytical work.
- Acoustics and overstimulation: Using Stepps shelving together with Etum screens as natural buffers between zones reduced noise and visually organised the open-plan space, resulting in improved concentration and lower stress levels in the open office.



Modern headquarters of the Embassy of the Republic of Poland in Berlin

Diplomatic elegance and exceptional longevity

Project: JEMS Architekci | Collections: Multibase, Etum, Simplic, Sit&stand

- **Challenge:** To furnish 120 workstations across an impressive 10,000 m² in a prestigious, monumental diplomatic building on the famous Unter den Linden boulevard. The challenge was to retain the building's official, institutional character while avoiding a 'museum-like coldness', with an emphasis on contemporary ergonomics and aesthetics.
- **Balma solution:** A focus on Polish design and a light colour palette – white and natural oak contrasted with wenge and stainless steel. Minimalist Multibase, Sit&stand S4 and Simplic desk systems were implemented in the work areas. Our standard product range was complemented by bespoke solutions, including custom built-in cabinetry

for guest rooms and unique stainless-steel side tables designed to complement the building's rigorous architectural language: we created dedicated built-in cabinet units for guest rooms and unique stainless-steel side tables that perfectly correspond with the rigorous Berlin architectural vision.

- **Environmental impact / wellbeing:**
 - Investment in longevity: The use of noble, timeless materials such as stainless steel and oak, combined with solutions designed to withstand the passage of time, minimises the need for future refurbishment and replacement, significantly reducing the long-term carbon footprint of the entire diplomatic facility.
 - Workplace ergonomics: The Sit&stand system and Etum acoustic screens provide embassy employees with a level of comfort rarely found in institutional interiors and enable quiet work in full concentration, supporting wellbeing in a high-responsibility environment.



Sustainability in the Industry

Aware of the importance of knowledge exchange, we actively participate in the dialogue about the future of work environments. In 2025, we took part in key industry events:

Accessibility Forum (Poznań)

During the third edition of the event devoted to universal design, we participated as a partner in discussions on creating inclusive offices. Together with experts, we analysed how ergonomics and conscious space planning support user comfort regardless of individual needs.

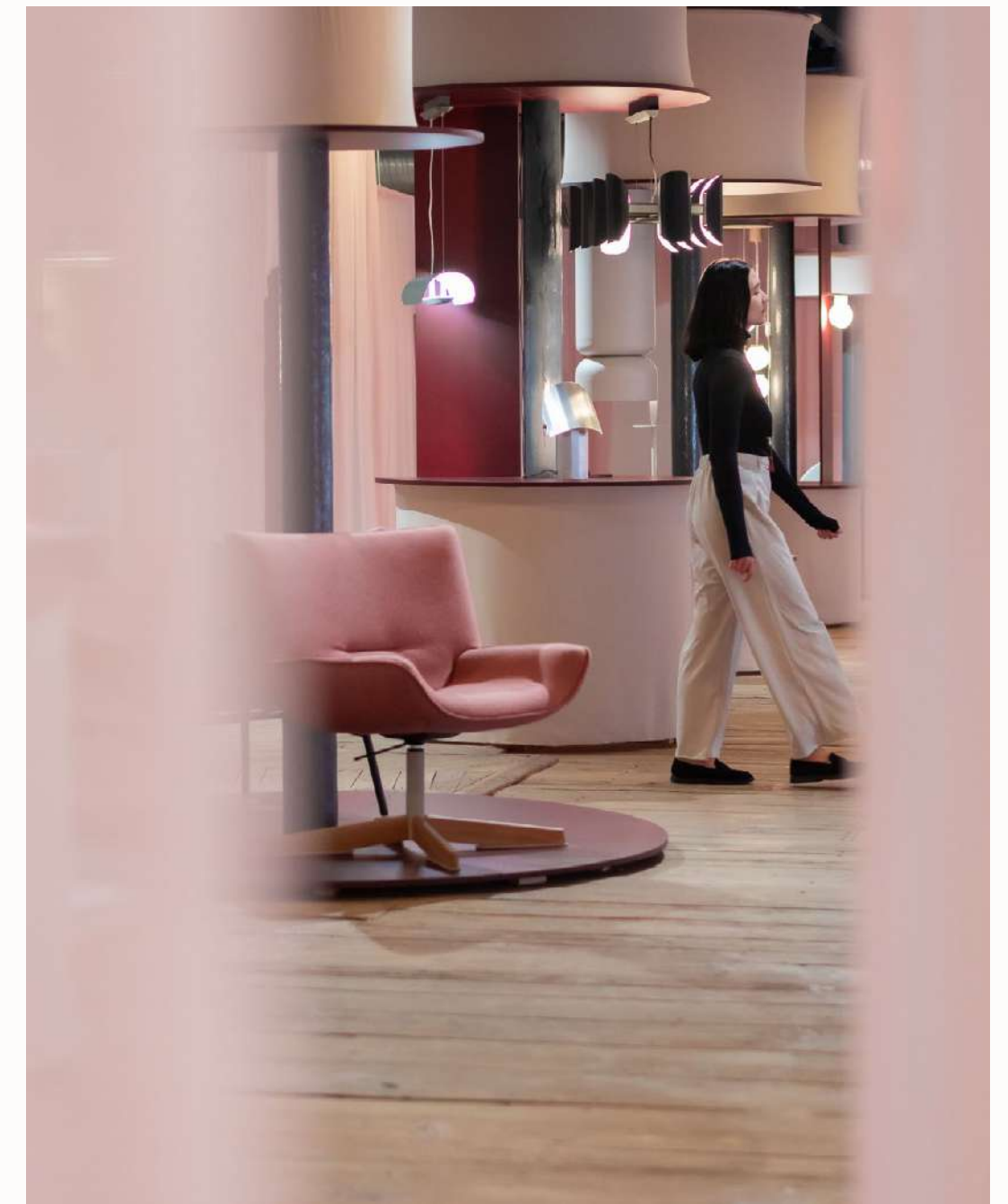
'Responsible Business in Poland 2024' Report (RBF)

We were among the distinguished companies included in Poland's largest review of ESG initiatives. Three of our practices were recognised: employee wellbeing (Goal 3), cooperation with the academic community (Goal 8) and environmentally responsible installations (Goal 12).



Łódź Design Festival

The exhibition accompanying the Must Have 2025 awards provided an excellent setting for presenting the award-winning Litt armchair and Anker side table to a broad audience interested in Polish design.



Meeting with Maja Ganszyniec

We organised an inspiring meeting with the designer at our Wrocław showroom. It provided a space for discussion about challenges, a sustainable approach and the passion for creating solutions in the spirit of Think Pro.



3DPoznań 2025

An event dedicated to modern technologies, including AI and 3D in design, where we exchanged experience on the impact of technology on real-time rendering and new workflow models.



East Design Days in Białystok

Under the theme 'Tradition?!', we took part in the 50th anniversary celebrations of the Faculty of Architecture at Białystok University of Technology. Maja Ganszyniec's lecture 'The Art of Contemporary Design' opened a valuable discussion on responsible practices in architecture.



Trends in BPO (Business Process Outsourcing) and SSC (Shared Services Center Łódź)

As a member of the Pro Progressio association, we were a partner of the conference. Litt armchairs were used by panellists on stage, and the event provided an excellent platform for building sustainable business relationships with the BSS sector.

Balma Locally

For us, responsible business development also means staying close to the local community and nature. In 2025, we successfully carried out several highly engaging initiatives:

Nest Boxes for Konstantynowo Forest District

In cooperation with the Forest District, we carried out a project to create 50 wooden type-B nest boxes for species such as the great tit, pygmy owl, sparrow and nuthatch. The structures were precisely made by 15 students from the Technical School Complex under the supervision of our master carpenters, providing birds with new nesting places for the spring.



Great Orchestra of Christmas Charity (33rd Final)

We supported the Great Orchestra of Christmas Charity in its campaign for the diagnosis and treatment of gastrointestinal diseases in children. We donated our unique Fiori coffee table, designed by Maja Ganszyniec Studio, for auction. In addition, as part of restoration workshops, **our apprentices restored 14 historic chairs** from the Fameg factory, which were also donated to the charity auctions.



Bieg Lwa 2025 and Relaxation Zone

Once again, our team represented Balma on the routes of the Bieg Lwa sporting event in Tarnowo Podgórne. A record #teamBalma group of 29 participants took part in the races. Alongside the running, together with our sister company Noti, we created a special relaxation zone filled with deckchairs, good design and creative workshops for children. Participants and guests could slow down for a moment, meet and catch their breath between starts and cheering along the route.



Organisational Governance

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Architecture of Trust

At Balma, we ensure that our everyday operational decisions are based not on intuition, but on clearly defined, measurable standards. Aware of the requirements of the global B2B market, where we work with the most demanding investors, we have built our business around an Integrated Management System.

In 2025, we successfully maintained and continuously improved our key standards:

ISO 9001:2015 (Quality Management):

A certification we have held continuously since 1999. It provides an objective assurance of the consistency of our production processes, the quality of our craftsmanship and our commitment to innovation.

ISO 14001:2015 (Environmental Management):

An implemented and maintained system that enables us to precisely control the environmental impact of our factory, pursue decarbonisation and effectively manage the life cycle of our furniture.

Continuous oversight by independent external auditors in 2025 once again confirmed the effectiveness of the solutions we have implemented, their continuous improvement and the complete absence of non-conformities.



ESG Policy Framework

We believe that responsible businesses set clear standards and communicate them openly. In line with CSRD requirements, we have established a coherent framework of policies and procedures that serves as an ethical compass for our employees and business partners around the world.

During the past year, our activities were governed by the following legal and operational pillars:

- **Balma Code of Conduct and Supplier and Partner Code of Conduct:** Documents ensuring full transparency throughout the supply chain. We require our partners – suppliers of boards, steel, fabrics and services – to demonstrate uncompromising respect for the environment and the highest legal standards.
- **Human Rights Policy and Anti-Mobbing and Anti-Discrimination Policy:** The foundation of our organisational culture, based on respect, equality and inclusion.
- **Anti-Corruption Policy and Whistleblower Protection Policy:** Mechanisms designed to safeguard operational integrity and provide a sense of security when reporting potential irregularities.

- **Sustainability (ESG) Policy:** A document integrating our environmental and social ambitions with our business strategy for 2024-2026.
- **Employee regulations (including discounted furniture purchases and employee referrals):** Internal procedures that transparently regulate additional benefits for our workforce, supporting employee engagement and recognising the loyalty of our team.

To ensure full transparency, all internal regulations are made available to our workforce through the intuitive digital **Employee Portal** and on balma.pl.



Human Capital

We design furniture according to the Human-Centered Design strategy, always placing people at the centre. We apply the same uncompromising principle within our organisation. Our activities are aligned with the fundamental principles of international documents and standards, including:

the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the Charter of Fundamental Rights of the European Union, the Ten Principles of the United Nations Global Compact, the standards of the International Labour Organization and the UN Guiding Principles on Business and Human Rights.

We respect the natural environment and take every possible action to protect its resources for future generations. We respect every person's right to privacy. We understand and embrace diversity. For us, every person, regardless of age, background, sexual orientation or other characteristics, is equal and deserves respect.

Employee Council and effective dialogue

At Balma, we know that innovation often begins on the production floor. Our team is represented by a democratically elected Employee Council, which provides a platform for transparent, regular meetings with the Management Board. We actively listen to the voice of our workforce. At the turn of 2024/2025, we therefore introduced an **Employee Matters Box** in the company canteen. Alongside the digital Employee Portal, this direct and simple tool ensures that everyone's suggestions, improvement ideas (process-improvement suggestions) and concerns can be discussed with the Management Board.



Zero Compromises

The reliability of the Balma brand is not only reflected in the physical durability of our desks and shelving units – it also means reliability in legal and financial relationships. As a manufacturer present in 26 countries, we represent a reliable and ethical business partner.

For 2025, we report that:

- **0 cases of corruption:** We recorded no cases of corruption or bribery. No proceedings were brought against us on this basis, and no employee was held liable for incidents involving corruption or bribery.
- **Partnership stability:** We did not terminate or refuse to renew any agreement with our business partners due to incidents involving corruption or bribery.

Payment ethics and transparency in 2025:

We demonstrate respect for suppliers and subcontractors through transparent and fair payment practices. Balma's standard payment terms are **14 days**, and in the past year **90%** of our payments were made within that period. The average invoice payment time was **20 days**.

We also report incidents with full transparency. In 2025, **one legal proceeding** concerning late payment was pending against us. It resulted from a complaint following damage to finished products by a transport company. The matter was ultimately clarified and fully closed, confirming our effectiveness in managing difficult operational situations.



ESRS Index

ENVIRONMENT					
ESRS Require-ment	Paragraph	AR	Disclosure Content	ISO 26000 Area	Response / Location
E1-5			Energy consumption and energy mix	Environment	
E1-5	37		Total energy consumption associated with own operations	Environment	951,674 kWh, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E1-5	37 a		Total energy consumption from fossil sources	Environment	0 kWh
E1-5	37 b		Total energy consumption from nuclear sources	Environment	0 kWh
E1-5	37 c		Total energy consumption from renewable sources	Environment	951,674 kWh, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E1-5	37 c ii		Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	Environment	946,590 kWh, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E1-5	37 c iii		Consumption of self-generated renewable energy without the use of fuel	Environment	5,084 kWh, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E1-5	38 a		Consumption of fuels from coal and coal products	Environment	0 kWh
E1-5	38 b		Consumption of fuels from crude oil and petroleum products	Environment	0 kWh
E1-5	38 c		Consumption of natural gas fuel	Environment	319,048 kWh, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E1-5	38 d		Consumption of fuel from other fossil sources	Environment	0 kWh
E1-5	38 e		Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	Environment	0 kWh
E1-5	39		Renewable energy production	Environment	5,084 kWh, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E1-6			Gross Scope 1, 2, and 3 greenhouse gas emissions and total greenhouse gas emissions	Environment	p. 19–23 - CO ₂
E1-6	48 a	AR 43	Scope 1 – Gross greenhouse gas emissions	Environment	1,284.81 t, "Carbon Footprint of the Organization", Balma 2025 Sustainability Report, p. 19–23
E1-6	49 b + 52 b	AR 45, AR 47	Scope 2 (market-based) – Gross greenhouse gas emissions	Environment	0 t, "Carbon Footprint of the Organization", Balma 2025 Sustainability Report, p. 19–23
E1-6	51	AR 46	Scope 3 – Gross greenhouse gas emissions	Environment	4,260.85 t, "Carbon Footprint of the Organization", Balma 2025 Sustainability Report, p. 19–23
E1-6	44+52	AR 47	Total greenhouse gas emissions	Environment	5,545.65 t, "Carbon Footprint of the Organization", Balma 2025 Sustainability Report, p. 19–23

E1-6	44+52 a	AR 47	Total greenhouse gas emissions (location-based)	Environment	
E1-6	44+52 b	AR 47	Total greenhouse gas emissions (market-based)	Environment	5,545.65 t
E1-6	AR 39 b		Disclosure of the methodology, significant assumptions, and emission factors used to calculate or measure greenhouse gas emissions	Environment	Calculations based on GHG Protocol guidelines, KOBiZE indicators
E2-4	26		The entity discloses the pollutants it emits as a result of its operations, as well as the microplastics it produces or uses	Environment	Innovative zirconium plating process, in-house wastewater pretreatment plant, "Optimization and Raw Materials", Balma 2025 Sustainability Report, p. 17
E3-4			Water consumption	Environment	
E3-4	28 a		Total water consumption	Environment	1,913 m³, "Energy, water, and emissions", Balma Sustainability Report 2025, p. 16
E5-3	24 c		Disclosure of the relationship of the goal to minimizing the use of primary raw materials	Environment	18% optimization of board consumption, recycled steel, "Optimization and raw materials", Balma Sustainability Report 2025, p. 18
E5-5			Resources drained	Environment	
E5-5	37		Total amount of waste generated from own operations	Environment	145.33 tonnes, "Waste and packaging", Balma Sustainability Report 2025, p. 18

SOCIAL ISSUES

ESRS Require-ment	Paragraph	AR	Disclosure Content	ISO 26000 Area	Response / Location
S1-1	20		Description of relevant human rights policy commitments regarding the workforce	Human rights	Human Rights Policy, Code of Conduct, "ESG Principles," Balma Sustainability Report 2025, p. 44–45
S1-1	20 a		Disclosure of the general approach to respecting human rights, including labour rights, regarding the workforce	Human rights	Based on the Universal Declaration of Human Rights, "Human Capital," Balma Sustainability Report 2025, p. 44–45
S1-1	20 b		Disclosure of the general approach regarding engagement with the workforce	Work-related practices	Democratically elected Works Council, "Human Capital," Balma Sustainability Report 2025, p. 44–45
S1-1	21	AR 12	Disclosure of whether and how policies align with relevant internationally recognised instruments	Human rights	Compliance with, among others, OECD guidelines, EU Charter of Fundamental Rights, and ILO standards, "Human Capital," Balma Sustainability Report 2025, p. 44–45
S1-1	23		Implementation of a workplace accident prevention policy or management system	Work-related practices	100% of the workforce covered by the ISO/OHS system, "Well-being and OHS," Balma Sustainability Report 2025, p. 44–45

S1-1	24 a		Existence of specific policies aimed at eliminating discrimination (including harassment), promoting equal opportunities, and fostering diversity and inclusion	Work-related practices	Anti-mobbing and anti-discrimination policy, "ESG Principles," Balma Sustainability Report 2025, p. 44–45
S1-1	24 b	AR 15-AR 16	Policies specifically cover the following grounds of discrimination: racial and ethnic origin, skin colour, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national or social origin, and other forms of discrimination covered by Union and national law	Work-related practices	Origin, nationality, religion, race, gender, age, sexual orientation; Anti-mobbing and anti-discrimination policy, p. 44–45
S1-3	32 b	AR 28	Disclosure of any special channels the entity has set aside for its own employee resources to enable them to raise concerns or needs directly with the entity and to resolve reported issues, including whether these channels have been established by the entity itself or are third-party mechanisms	Work-related practices	Employee mailbox, Employee Portal, Employee Council, "Human Capital", Balma Sustainability Report 2025, p. 45
S1-3	32 c		There are mechanisms in place to address grievances or grievances relating to labor matters	Work-related practices	Submissions made directly to the Management Board, "Human Capital", Balma Sustainability Report 2025, p. 45
S1-4	38 c	AR 42	A description of additional initiatives or activities whose main goal is to have a positive impact on your own employee resources	Work-related practices	Medical packages, "Podzielnia" (sharing shelf), annual Christmas Eve gathering, "Well-being and OHS", Balma Sustainability Report 2025, p. 29
S1-4	38 d	AR 38-AR 39	A description of how to track and evaluate the effectiveness of activities and initiatives in achieving results for your own employee resources	Work-related practices	Satisfaction survey – 64% participation among admin staff and 20% among production staff, "Well-being and OHS", Balma Sustainability Report 2025, p. 29
S1-4	40 b		A description of what activities are planned or are underway to take advantage of the entity's material opportunities with respect to its own labor resources	Work-related practices	p. 10–11
S1-5	47 a		Disclosure of whether and how own employee resources or employee representatives were directly involved in setting the goals	Work-related practices	Employee Council, submission of rationalization proposals, "Human Capital", Balma Sustainability Report 2025, p. 29
S1-14	88 a		Percentage of people in own employee resources covered by an occupational health and safety management system based on legal requirements and (or) recognized standards or guidelines	Work-related practices	100%, "Well-being and OHS", Balma Sustainability Report 2025, p. 28
S1-14	88 b		The number of fatalities among your own workers due to work-related injuries and ill health	Work-related practices	0, "Well-being and OHS", Balma Sustainability Report 2025, p. 28
S1-14	88 b		The number of fatalities resulting from work-related injuries and ill health of other employees working on the company's premises	Work-related practices	0, "Well-being and OHS", Balma Sustainability Report 2025, p. 28

SI-14	88 c		Number of recorded accidents at work of own employees	Work-related practices	1, "Well-being and OHS", Balma Sustainability Report 2025, p. 28
SI-14	88 d		Number of recorded cases of work-related ill health of workers	Work-related practices	0 (no occupational diseases), "Well-being and OHS", Balma Sustainability Report 2025, p. 28
SI-14	88 e		Number of days lost due to work-related injuries and deaths due to work-related accidents, work-related ill health and fatalities due to ill health of own workers	Work-related practices	19 days, "Well-being and OHS", Balma Sustainability Report 2025, p. 28
SI-14	90		Percentage of the workforce covered by an occupational health and safety management system based on legal requirements and/or recognized standards or guidelines, which has undergone an internal audit and/or an external audit or certification	Work-related practices	100%, "Well-being and OHS", Balma Sustainability Report 2025, p. 28
SI-6	50 a		Characteristics of the enterprise's workforce – number of employees by gender [table]	Work-related practices	Women: 41, Men: 120, "Employees and employment", Balma Sustainability Report 2025, p. 25
SI-6	50 a	AR 57	Number of employees (headcount)	Work-related practices	161 people, "Employees and employment", Balma Sustainability Report 2025, p. 25
SI-6	50 a	AR 57	Average number of employees (headcount)	Work-related practices	161 people, p. 25
SI-6	50 b		Characteristics of the enterprise's workforce – information on employees by type of contract and gender [table]	Work-related practices	99.4% full-time, 0.6% part-time, "Employees and employment", Balma Sustainability Report 2025, p. 26
SI-6	51	AR 59	Characteristics of the enterprise's workforce – information on employees by region [table] – by municipality	Work-related practices	94% from the region Wielkopolskie (region), "Employees and Employment", Balma Sustainability Report 2025, p. 25
SI-6	50 c		Total number of employees who left the entity during the reporting period	Work-related practices	28 people, "Employees and Employment", Balma Sustainability Report 2025, p. 26
SI-6	50 c		Employee turnover rate	Work-related practices	13.71%, "Employees and Employment", Balma Sustainability Report 2025, p. 26
SI-9	66 a		Number of employees (headcount) at the top management level	Work-related practices	7 people, "Employees and Employment", Balma Sustainability Report 2025, p. 26
SI-9	66 a		Percentage of employees at the top management level	Work-related practices	3 women out of 7 people, "Employees and Employment", Balma Sustainability Report 2025, p. 26
SI-9	66 b		Number of employees (headcount) aged under 30	Work-related practices	25 people, "Employees and Employment", Balma Sustainability Report 2025, p. 26
SI-9	66 b		Percentage of employees aged under 30	Work-related practices	15.5%, p. 26
SI-9	66 b		Number of employees (headcount) aged 30 to 50	Work-related practices	92 people, "Employees and Employment", Balma Sustainability Report 2025, p. 26

S1-9	66 b		Percentage of employees aged 30 to 50	Work-related practices	57.1%, p. 26
S1-9	66 b		Number of employees (headcount) aged over 50	Work-related practices	44 people, "Employees and Employment", Balma Sustainability Report 2025, p. 26
S1-9	66 b		Percentage of employees aged over 50	Work-related practices	27.4%, p. 26
S1-9	AR 71		Disclosure of the organization's own definition of senior management	Work-related practices	Top management is defined as the Management Board and Department Directors, p. 26
S1-12	79		Percentage of employees with disabilities among the organization's own workforce, subject to legal data collection constraints	Human rights	3 individuals (including 1 woman and 2 men), representing 1.7% of the total workforce, p. 26
S1-12	80		Percentage of employees with disabilities within the organization's own workforce, broken down by gender	Human rights	1.7% (3 individuals), "Employees and Employment," Balma Sustainability Report 2025, p. 26
SBM-3	9 c		Description of actions resulting in positive impacts and the types of communities positively affected or potentially positively affected	Social engagement	Support for NGOs and WOŚP, industry workshops for schools, "Knowledge Transfer / Balma Locally," Balma Sustainability Report 2025, p. 30–31
S3-1	16 a		Disclosure of the general approach to respecting human rights	Human rights	In accordance with the Human Rights Policy, "ESG Principles," Balma Sustainability Report 2025, p. 44–45
S3-1	16 b		Disclosure of the general approach to engagement with affected communities	Social engagement	Educational partnerships, internships, support for initiatives and NGOs, "Balma Locally," Balma Sustainability Report 2025, p. 30–31; 39–40
S3-4	32 c	AR 37	Description of additional initiatives or processes primarily aimed at generating positive impacts on affected communities	Social engagement	Nesting boxes installed in cooperation with the Forest District, "Balma Locally," Balma Sustainability Report 2025, p. 41
S3-4	AR 25 b	AR 37	Disclosure of initiatives aimed at contributing to additional significant positive impacts	Social engagement	Balma Locally, Design with a Mission, Market Projects, Industry Sustainability, Balma Sustainability Report 2025, p. 32–41
S3-4	AR 25 d		Disclosure of continuous improvement objectives	Social engagement	The goal for the coming years is to maintain and expand knowledge transfer, including through collaboration with universities in Poznań and local vocational schools, p. 10
SBM-3	10 a		Description of the types of consumers and end-users subject to significant impacts	Consumer issues	Architects, distributors, and users from 26 countries, "Consumer issues," Balma Sustainability Report 2025, p. 9, 32
SBM-3	10 a i-v		Types of consumers and end-users significantly impacted by the organization's own activities or through its value chain	Consumer issues	Office workers (furniture users), diplomatic and financial sectors (indicated in case studies), p. 9, 32

SBM-3	10 c		Description of actions resulting in positive impacts and the types of consumers and end-users positively affected or potentially positively affected	Consumer issues	Health-oriented design, ergonomics, and certifications, "Design with a Mission," Balma Sustainability Report 2025, p. 34–37
S4-1	16 a		Disclosure of the general approach to respecting the human rights of consumers and end-users	Consumer issues	Compliance with OHS standards and PZH certifications, "Design with a Mission," Balma Sustainability Report 2025, p. 44–46
S4-1	16 b		Disclosure of the general approach to engagement with consumers and/or end-users	Consumer issues	3D models, dedicated B2B panel, showroom network, "Consumer issues," Balma Sustainability Report 2025, p. 32–33
S4-3	25 d	AR 24	Disclosure of information on how reported issues are tracked and resolved, and how the effectiveness of channels is ensured	Consumer issues	Optimized complaint submission module in the B2B panel, "Consumer issues," Balma Sustainability Report 2025, p. 33
S4-4	31 c	AR 36	Description of additional initiatives or processes primarily aimed at ensuring positive impacts on consumers and end-users	Consumer issues	Planned implementation of EPDs (2026), furniture supporting neurodiversity, "Design with a Mission," Balma Sustainability Report 2025, p. 34–36

ORGANIZATIONAL GOVERNANCE

ESRS Require-ment	Paragraph	AR	Disclosure Content	ISO 26000 Area	Response / Location
G1-3	18 a	AR 5-AR 6	Information on procedures in place to prevent, detect, and respond to allegations or instances of corruption or bribery	Fair operating practices	Anti-corruption policy and Code of Conduct implemented, "ESG Principles," Balma Sustainability Report 2025, p. 46
G1-3	20		Information on how policies are communicated to relevant parties (regarding the prevention and detection of corruption or bribery)	Fair operating practices	Accessible via the Employee Portal and balma.pl, "ESG Principles," Balma Sustainability Report 2025, p. 46
G1-4	24 a		Number of convictions for violations of anti-corruption and anti-bribery laws	Fair operating practices	0, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-4	24 a		Amount of financial penalties for violations of anti-corruption and anti-bribery laws	Fair operating practices	0, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-4	25 a		Number of confirmed cases of corruption or bribery	Fair operating practices	0, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-4	25 b		Number of confirmed cases where employees were dismissed or disciplined due to incidents involving corruption or bribery	Fair operating practices	0, "Zero Compromise," Balma Sustainability Report 2025, p. 46

G1-4	25 c		Number of confirmed incidents involving the termination or non-renewal of contracts with business partners due to violations related to corruption or bribery	Fair operating practices	0, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-6	33 a		Average number of days taken to pay invoices, calculated from the start of the contractual or statutory payment period	Fair operating practices	20 days, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-6	33 b	AR 16-AR 17	Description of standard payment terms (in days) by major supplier category	Fair operating practices	Standard terms are 14 days, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-6	33 b		Percentage of payments made in accordance with standard payment terms	Fair operating practices	90%, "Zero Compromise," Balma Sustainability Report 2025, p. 46
G1-6	33 c		Number of ongoing legal proceedings regarding payment delays	Fair operating practices	1 proceeding (resolved and closed), "Zero Compromise," Balma Sustainability Report 2025, p. 46