



ABSORTECH

Communication on Progress 2019-2020

WE SUPPORT





ABSORTECH

We protect your products from moisture

Statement by the CEO expressing continued support

Falkenberg, 9th of October 2019

Dear Stakeholders,

I am pleased to confirm that Absortech International AB reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this second annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholder using our primary channels of communication.

Kind regards,

Rikard Kanmert
CEO

Human rights principles

Principle 1 Absortech support and respect the protection of international proclaimed human rights

Principle 2 Absortech makes sure that we are not complicit in human rights abuses assessment, policy and goals

As global company, we are committed to respecting human rights and this thereby includes the principles set forth in the International Bill of Human. We are therefore cautious not to infringe the rights of individuals and communities through our business activities and relationships. As human rights go beyond our own business activities we put forward high standards for our suppliers.

Previous activities:

In 2018, the Absortech executive management group approved different guideline to ensure that human rights are respected in our own operations and in our global supply chain. We have visited our European supplier to do site-check that they comply with our supplier code of conduct.

Activities 2019

Absortech Group is in the process of apply for the multicert version of ISO 9001 and ISO 14001. During the following months (starting 16 October 2019), all our activities, processes and quality systems elements will be documented and certified. Human rights principles will be considered in every step, to make sure they are respected in our own operations and in our global supply chain.

Next steps:

Along with the process of having ISO certification of our management system, manufacturing process and service, we will:

- Update human right policy based on the UN Global Compact
- Update supplier code of conduct

Labour principles

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| Principle 1 | Absortech uphold the freedom of association and the effective recognition of the right to collective bargaining |
| Principle 2 | Absortech eliminate all forms of forced and compulsory labour |
| Principle 3 | Absortech effective abolition of child labour |
| Principle 4 | Absortech eliminate discrimination in respect of employment and occupation assessment, policy and goals |

As global company, we are committed to respecting labour rights and this thereby includes the principles set forth in the Core Labour Conventions of the ILO. We are therefore cautious not to infringe the rights of individuals and communities through our business activities and relationships. As human rights go beyond our own business activities we put forward high standards for our suppliers in several aspects of labour rights such as, working conditions and non-discrimination policies.

Activities 2019

Absortech Group is in the process of apply for the multicert version of ISO 9001 and ISO 14001. During the following months (starting 16 October 2019), all our activities, processes and quality systems elements will be documented and certified. Labour principles will be considered in every step, to make sure they are respected in our own operations and in our global supply chain.

Currently, new processes have been put into place. All companies, before becoming our suppliers, are checked exhaustively before being approved by the CEO. The purpose of this deep check is to ensure they don't infringe the rights of individuals and communities and respect labour rights.

Next steps:

Along with the process of having ISO certification of our management system, manufacturing process and service, we will:

- Update labour policy based on the UN Global Compact
- Update supplier code of conduct
- Update employee code of conduct

Environmental principles

Principle 1	Absortech support a precautionary approach to environmental challenges
Principle 2	Absortech undertakes initiatives to promote greater environment responsibility
Principle 3	Absortech encourage the development and diffusion of the environmentally friendly technologies assessment, policy and goals

At Absortech we are aware that our sustainability efforts go beyond our own activities and take a responsible approach throughout the entire supply chain. Absortech wish to design and develop products useful to society and act responsibly to all our stakeholders. Absortech take special responsibility to limit the company's impact on climate and environment, achieve high resource efficiency, provide safe and healthy work conditions and build a resilient framework for sustainable sourcing throughout the value chain.

Activities 2019

Absortech Group is in the process of apply for the multicert version of ISO 9001 and ISO 14001. During the following months (starting 16 October 2019), all our activities, processes and quality systems elements will be documented and certified. Environmental principles will be considered and captured at the documentation for ISO 14001, that specifies requirements for an effective environmental management system.

Besides, Absortech is continuously on research of new materials or improvement to the existing ones (decrease of the amount of PE) to decrease the environmental impact of our manufacturing process.

Next steps

In 2019, the new policies, the codes of conduct, and supplier site-check will be rolled out in the global organization and continue to innovate in our production line to promote greater environment

- Become ISO 14001 certified
- Updated environmental policy based on the UN Global Compact
- Decrease the usage of PE in our AbsorGel® product range
- Updated supplier code of conduct

Anti-Corruption principles

Principle 1

Absortech work against corruption in all its forms, including extortion and bribery

Absortech applies a zero-tolerance approach to corruption. The company is committed to conducting business in accordance with the highest ethical standards and prohibits all forms of bribery and corruption as a part of building a strong brand. We are part of the societies where we operate, opportunities and challenges in the local communities are our challenges and opportunities. Our investments, credits, payments and supply chains also have a global impact. This entails both local and global responsibilities on our part. Our commitment is to always operate with transparency, trust and integrity. The Anti-Corruption policy guides our employees in their everyday work. The policy is enforced by management to ensure that bribery does not occur, and this includes guidelines for receipt of gifts and entertainment and to avoid facilitation payment. Absortech shall in a transparent manner communicate the results and ambitions of the work against corruption. All Absortech holdings are audited by professional external auditors who reports to the groups head auditor and the CFO of Absortech. These audits are used as one of the methods to verify that no corruption has taken place.

Activities 2019

Absortech Group is in the process of apply for the multicert version of ISO 9001 and ISO 14001. During the following months (starting 16 October 2019), all our activities, processes and quality systems elements will be documented and certified. Anti-corruption principles will be considered in every step, to make sure they are respected in our own operations and in our global supply chain.

Besides, in 2019 Absortech has improved the ERP system, which is now used globally, to have full transparency through the whole organization.

Our organization members are trained to operate with transparency, trust and integrity, and to stop any attempt of bribery that they might notice or heard within the activities and responsibilities of their job.

Next steps:

- Continuous training for the anti-corruption policy in the global organization.