



Progress report UN Global Compact

Ahlsell is a signatory to the voluntary initiative United Nations Global Compact. By endorsing the UN Global Compact we undertake to follow the ten principles for human rights, labour rights, the environment and anti-corruption. In this implementation, the Ahlsell's Code of Conduct is an important tool, which is determined each year at a board meeting. It describes how we should act and the requirements we have on ourselves and our suppliers. The Code of Conduct is published on our website, and is based on the UN Global Compact, the UN's Universal Declaration of Human Rights and related UN conventions, the ILO's core conventions and the OECD's Guidelines for Multinational Enterprises.

Ahlsell has been a distributor within technical installation for more than 140 years. Today, we are proud to be the Nordic market leader within our industry. We did not achieve this position by being just good enough, we always have focused on improvements to offer our customers an even better value proposition. For us, sustainability is to safeguard that we will continue to exist for our customers, suppliers, employees and owners also in the future. We have a vision to be the industry leader within sustainability and to take a clear economic, social and environmental responsibility

Already in 2008, we took the first steps towards a more environmentally focused approach in our business. Since then, our ambitions on sustainability has continuously increased significantly. Today it is a central part in our strategy and we see sustainability as an important element for value creation.

Our products enable construction and maintenance of school's, hospitals and housing. We help to ensure that millions of northerners receive water, fibre and power. We support installers and industries in their mission to build a sustainable society. To make sure that our core business is given the opportunity to continue, we will adopt two longterm goals to accelerate the change towards a sustainable society. We will reduce our climate impact with 50% until 2030 and be fossil free 2045. We will also make sure that we have zero high risks in the supply chain 2025. This will be carried out using governance, our competence, leadership and digitalisation.

We address our main challenges within four focus areas; Responsible Sourcing, Innovation & Collaboration, Tackle Climate change and Health & Safety. The focus areas cover the entire Group and are broken down into subgoals, internally and externally, Group-wide and local. I believe that what gets measured, also gets done.

I'm proud to represent Ahlsell and our achievements. Together with competent and committed employees and engaged investors we have created a longterm vision of a sustainable business.

October 20, 2020



Johan Nilsson
CEO, Ahlsell AB

Link to Ahlsell Sustainability Report 2019

Area	Principle	Definition	Management systems	Page/section	Highlights
Human rights	1	Businesses should support and respect the protection of internationally proclaimed human rights; and...	<ul style="list-style-type: none"> • Code of conduct and values p 4, 8, 12, 16, 17, 19, 26, 27 • Strategy and guidelines p 12, 16, 17 • Responsible supply chain p 12, 17, 26 • Risk management p 16, 17, 26, 27 	<ul style="list-style-type: none"> • One Ahlsell • Sustainability in everything we do • Management, risk management and internal control • Sustainability goals • Sustainable employeeship • Responsible sourcing • Director's report 	In 2019, 99% of our employees were covered by collective agreements, and LO and TCO were represented on our Board.
	2	...make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • Safe and sustainable workplace p 20, 21 • Diversity and equality p 20, 22 		
Labour	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> • Responsible supply chain p 8, 12, 14, 15, 17, 26 • Code of Conduct and values p 4, 5, 11, 12, 16, 17, 21, 26 • Employee commitment and engagement p 14, 20, 21, 22 	<ul style="list-style-type: none"> • Ongoing stakeholder dialogues • One Ahlsell • Unique presence in the Nordic countries • Sustainability in everything we do • Management, risk management and internal control • Sustainable employeeship • Director's report 	About sixty percent of all proposals for "continuous improvement" have been implemented since 2013.
	4	...the elimination of all forms of forced and compulsory labour	<ul style="list-style-type: none"> • Risk management p 16, 17 		
	5	...the effective abolition of child labour; and	<ul style="list-style-type: none"> • Diversity and equality p 20, 23 		
	6	...the elimination of discrimination in respect of employment and occupation			
Environment	7	Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> • Responsible supply chain p 10, 12, 25, 26, 27 • Environmentally-assessed products and services p 12, 18, 19, 25, 26, 27, 30, 31 	<ul style="list-style-type: none"> • Sustainability in everything we do • We make it easier being professional 	During 2019, fifteen sustainable innovations were launched, including a green collection of work wear.
	8	...undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> • Code of conduct and sustainable business p 4, 5, 12, 16, 17, 24, 25, 26 • Strategy and guidelines p 12, 14, 16, 17 	<ul style="list-style-type: none"> • Unique presence in the Nordic countries • Ongoing stakeholder dialogues • Management, risk management and internal control 	
	9	...encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Environmental targets and results for climate protection p 12, 17, 31 • Environmental management p 16, 17, 24, 25 	<ul style="list-style-type: none"> • Sustainability goals • Environmental impact • Responsible sourcing • A sustainable foundation • Director's report 	
Anti-corruption	10	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • Code of conduct and ethical business p 4, 5, 8, 12, 17, 19, 26 • Risk management p 12, 16 	<ul style="list-style-type: none"> • Sustainability in everything we do • One Ahlsell • Management, risk management and internal control • Sustainability goals • Responsible sourcing • Director's report 	Ethical conduct and good business practices are vital for our development. We ensure that we convince our business partners with purely professional arguments.