

Sustainability

A sustainable and ethical business operation is the foundation of sustainable success. To achieve this, NOTE works on issues affecting the environment, social conditions, human resources, human rights, anti corruption and bribery. This work evolves in consultation with NOTE's stakeholders, and with the aid of applicable legislation, standards and other regulations.

NOTE's links to UN Global Sustainable Development Goals



UN Global Compact, Principle 1, page 17.



UN Global Compact, Principle 1, page 17.



UN Global Compact, Principle 7–9, page 18–19.
Environmental policy and working methods, page 15.



Social conditions and human resources, page 16.
UN Global Compact, Principle 1, page 17.



Social conditions and human resources, page 16.
UN Global Compact, Principle 1–6 and 10, page 17–19.
Share data and owners, page 26–27.



UN Global Compact, Principle 7–9, page 18–19.
Environmental policy and working methods, page 15.



UN Global Compact, Principle 1, page 17.



UN Global Compact, Principle 6, page 18.
Human resources, page 20–23.



UN Global Compact, Principle 7–9, page 18–19.
Environmental policy and working methods, page 15.



Social conditions and human resources, page 16.
UN Global Compact, Principle 6, page 18.
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Environmental policy and working methods, page 15.
UN Global Compact, Principle 7–9, page 18–19.



UN Global Compact, Principle 1–10, page 17–19.
Human resources, page 20–23.
Customer satisfaction survey, page 12.

Timeline of NOTE's sustainability work



Global Goals for Sustainable Development

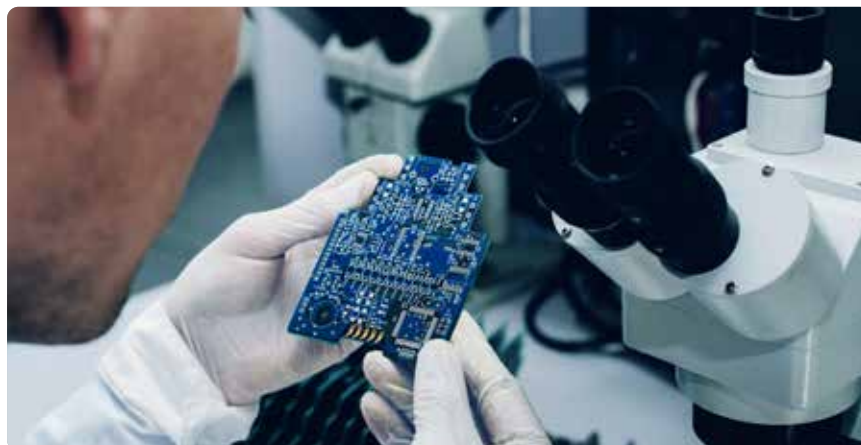
NOTE has been a member of the UN Global Compact since 2011, and supports its ten principles on human rights, labour law, the environment and anti corruption. Each year, NOTE evaluates which of the UN's 17 Sustainable Development Goals NOTE can contribute to through its operations. The links between these goals and NOTE's activities, targets and strategies are reviewed in the pages stated in the contents to the left.

NOTE and sustainability

NOTE contributes to sustainable development through its operations, and achieves this through responsible business, transparency and good business ethics, but also by NOTE developing and implementing environmentally adapted production processes. NOTE has developed policies, methodologies and initiatives over the years, and sustainability work involves all group companies, covering everything from appropriate conduct towards the company's stakeholders and helping customers choose components and technologies with good environmental and quality performance, to locating manufacture close to final markets, and limiting the environmental impact of transportation as far as possible.

In tandem with improving its impact on the environment and wider society, NOTE endeavours to conduct itself responsibly on those markets where it is active.

Sustainability issues are included in yearly customer satisfaction surveys, to identify segments that customers consider important to focus on.



NOTE's sustainability objective

The objective is to contribute to, and improve, the societies where NOTE operates, by developing sustainable initiatives in its business. The group's shared values and policies are intended to lead, influence and direct its activities. NOTE complies with international standards and directives in the sustainability segment.

Environmental policy and working methods

NOTE endeavours to achieve long-term, sustainable development by manufacturing with the minimum possible environmental impact. NOTE endeavours to comply with, or exceed, applicable environmental legislation, and pursues continuous improvement in the environmental segment.

International ISO guidelines, under the ISO 14000 family of standards, are a stable foundation for NOTE's environmental work.

All the group's manufacturing units hold ISO 14001 environmental

certification and are audited by internal and external resources. The group's sourcing company was also certified according to the ISO standard in the year. NOTE was one of the earliest companies in its sector to receive ISO 14000 environmental certification, back in 1997.

Despite differences in environmental legislation between countries, NOTE has the ambition of all its plants following a consistent line of environmental work. Its manufacturing units exchange best practice, best-in-class actions and proposals for improvement on a variety of forums.

Manufacturing units sort the waste from consumables at source and monitor energy consumption continuously. Improvement projects are conducted to reduce waste, energy consumption and CO₂ emissions.

NOTE also applies environmental consideration in other parts of its business, through channels including discussions with its customers on sourcing materials and production setups.

2013

Estonian plant ISO 14001 certified.

Estonian and Chinese plants implement OHSAS 18001.

Human Rights and Anti Corruption policies produced.

2014

Estonian plant receives Silver Sustainable Business Index Award from the Responsible Business Forum for the fifth consecutive year.

2015

Finnish plant OHSAS 18001 certified.

2017

Equality policy produced.

Norrköping, Sweden plant nominated for Samhall's Visa vägen ('Showing the Way') award.

2018

GDPR Privacy policy produced.

2020

Windsor and Components ISO 14001 certified.

Norrköping, Sweden ISO 45001 certified.

On the transportation side, NOTE is coordinating freight agreements to optimise its transportation, and thus limit CO2 emissions. Corrugated board and combustible waste are compacted to minimise the amount of waste transports, which affect the environment.

Chemicals are handled in accordance with designated procedures and legislation.

NOTE holds many of its meetings virtually, which helps reduce travel. Executing functions within ERP systems minimises the usage of paper, with electrical or hybrid vehicles prioritised as company vehicles.

NOTE environmentally audits its strategic suppliers, and maintains continuous dialogue with suppliers on other environmental issues such as consolidating transports, manufacturing methodologies and quality performance. It uses environmentally certified electrical power contracts in those plants where they are available on the market. In those cases where other alternatives are used, those with the most environmentally friendly range are selected.

Social conditions and human resources

2020 presented a lot of new challenges. The pandemic resulted in NOTE adapting to a new reality—life with social distancing and changed working conditions, but also the opportunity to think in new ways. Protecting NOTE's business and its employees is fundamental to NOTE. Demonstrating commitment, empathy and consideration have gained extra importance, even if often at a distance.

Countries have taken different actions in their efforts to combat the virus, which have also impacted NOTE's working environment in various ways. For example, plants have reorganised their operations to different extent to satisfy local social distancing standards. Using remote working, our office staff have been able to help limit the amount of physical contact. IT functions have

operated through remote working, virtual meetings, and visits have been arranged flexibly and safely.

NOTE always endeavours to be an employer offering everyone the same opportunities to work and develop. The group's collective skills are built on diversity, which brings dynamism and differing perspectives to work.

NOTE is opposed to all forms of discrimination. One tool for working on this and other issues is its whistleblower function, which had one reported case requiring investigation and follow-up action in the year. NOTE's Privacy policy regulates the use of personal data, and has been produced in accordance with the EU GDPR (General Data Protection Regulation). Internal training programmes were conducted to further enhance IT security, and are an important tool for minimising IT risks and creating awareness among staff.

All NOTE employees are entitled to collective bargaining agreements, and to form and join trade unions. Collective bargaining agreements are in place at most NOTE plants. Four NOTE plants also use ISO 45001 (OHSAS 18001) to guide their efforts. This far-reaching, global and verifiable occupational health and safety standard involves external auditing and certification. NOTE's goal is that all plants will be ISO 45001 certified by 2022.

16 work-related incidents were reported in 2020, as well as two injuries at work, causing a total of 30 days' sickness absence.

NOTE conducts an annual employee satisfaction survey, and in 2020, the response frequency was 75% (80% in 2019).

Respect for human rights and anti corruption

NOTE respects human rights and its conduct prevents them from being infringed. In addition to responsibility for its own operations, this also implies a responsibility for respecting human rights in business relations with the company's

stakeholders. NOTE's Human Rights policy states principles and attitudes applying to labour law and equality, for example.

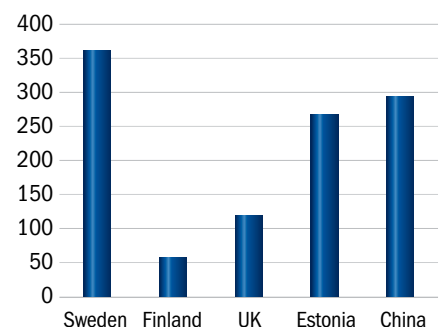
NOTE's Code of Conduct formalises how the company expects suppliers to conduct themselves on issues concerning human rights, labour law, child labour, corruption and the environment. This is conveyed through the supply chain and monitored in supplier audits.

NOTE's Anti Corruption policy includes principles stating the group's standpoint on corruption. The policy also reviews segregation of duties, how internal controls are conducted, and stipulates a whistleblower procedure.

Within the auspices of its internal controls, NOTE has a documented process for evaluating risk and compliance with policies. In 2021, NOTE intends to keep encouraging positive social progress in the locations where it has a presence.

Full versions of NOTE's Code of Conduct, and its Human Rights, Equality and Anti Corruption policies are available at www.note-ems.com. For information on NOTE's business model and risk management, see the operational review on pages 8 and 13.

Average number of employees by country



Average number of employees

1,101

UN Global Compact

Since 2011, NOTE has been a member of the Global Compact, formed on the request of the UN's then General Secretary Kofi Annan at the World Economic Forum in Davos in 1999. Its aim is to frame international principles on human rights, labour law issues, the environment and corruption against businesses.

The Global Compact's ten principles

The Global Compact has compiled ten principles affecting human rights, labour law, the environment and anti corruption. Member companies have undertaken to comply with these principles.

Each year, NOTE reports its COP (Communication on Progress) to the UN. This is a framework that defines how sustainability work is conducted within the group, and towards external stakeholders. The COP reviews its actions, approach and goals. NOTE has been at the Participant level since 2019. Each year, NOTE makes a sales-based donation to the UN Global Compact.

NOTE's Code of Conduct is based on the Global Compact's ten principles and the full version is available on its website. A summary of our plants' executed and forward-looking work on Global Compact principles follows.

Communication of Progress



APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006. NOTE endeavours to develop business with companies that have the corresponding ethical rules on accountability. NOTE should provide information, and adopt a clear standpoint, on human rights.

RESULT 2020

Work on ensuring compliance with the Code of Conduct is continuous.

In the year, NOTE encouraged existing and new customers and suppliers to join, or support, the UN Global Compact by communicating the significance of these issues at meetings and in audits.

NOTE signed agreements with another six strategic or contracted suppliers (three in 2019), who accepted NOTE's Code of Conduct or have their own, equivalent code.

NOTE conducted follow-up audits on 14 suppliers (24 in 2019) that had previously accepted NOTE's Code of Conduct and the ten principles of the UN Global Compact. The form used for supplier audits included questions on human rights. NOTE published a newsletter in the year to provide information on sustainability. This included material on NOTE's Code of Conduct and Human Rights policy. Targeted information was published internally, along with presentation material updated with information on the Global Compact's ten principles.

The share of sourcing from strategic and contracted suppliers is approximately 54% (56% in 2019).

Instead of Christmas gifts for customers and suppliers, as in previous years, NOTE decided to make a corresponding donation to organisations that help promote a better world. This year, NOTE made a donation to the UNHCR.

GOALS 2021

Keep influencing suppliers to accept NOTE's Code of Conduct and encourage customers and suppliers to join the UN Global Compact or support its ten principles. Continuously follow up on NOTE's Code of Conduct and the ten principles of the UN Global Compact in supplier audits. All strategic suppliers to be compliant with NOTE's sustainability standards and accept NOTE's Code of Conduct or have their own, equivalent code.

Increase the share of sourcing from strategic and contracted suppliers by two percentage points.

PRINCIPLE 2: BUSINESSES SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

APPROACH

NOTE has been applying its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006. NOTE's Human Rights policy has been implemented in all plants' business systems. NOTE's whistleblower function has been implemented at all NOTE companies.

RESULT 2020

Work on ensuring compliance with the Code of Conduct internally. Internal audits were conducted to ensure compliance with relevant policies, laws and ordinances.

In the year, NOTE's customers demanded for materials analysis, and continued its work on reducing the usage of conflict minerals by helping customers select materials, to avoid this type of material. NOTE published a newsletter in the year to provide information on sustainability. This included material on NOTE's Code of Conduct and Human Rights policy. Targeted information was published internally, along with presentation material updated with information on the Global Compact's ten principles.

One whistleblower case caused an internal investigation and follow-up actions.

GOALS 2021

Continue to promote human rights internally and towards the company's stakeholders by informing and developing monitoring methods.



APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006.

All NOTE employees are entitled to collective bargaining and to form, and join, trade unions. Collective bargaining agreements are in place at most NOTE plants. NOTE's Human Rights policy states the group's internal standpoints on this principle.

Four plants also use OHSAS 18001/ISO 45001 as guidance for their work. This is a far-reaching, global and verifiable standard in occupational health and safety, with external auditing and certification.

RESULT 2020

Work on ensuring compliance with the Code of Conduct is continuous.

In the year, NOTE encouraged existing and new customers and suppliers to join, or support, the UN Global Compact by communicating the importance of these issues.

A fourth plant affiliated to the ISO 45001 health & safety standard (previously OHSAS 18001) and was certified in 2020.

NOTE signed agreements with another six strategic or contracted suppliers (three in 2019), who accepted NOTE's Code of Conduct or have their own, equivalent code.

NOTE conducted follow-up audits on 14 suppliers (24 in 2019) that had previously accepted NOTE's Code of Conduct and the ten principles of the UN Global Compact. The results of these audits indicate that suppliers are complying with applicable laws and regulations.

The share of sourcing from strategic and contracted suppliers is approximately 54% (56% in 2019).

In the year, NOTE continued its work on reducing the usage of conflict minerals by assisting its customers in material selection so that components containing minerals from regions in conflict can be eliminated in product design and start-up projects.

GOALS 2021

Influence suppliers to accept NOTE's Code of Conduct and encourage customers and suppliers to join the UN Global Compact or support its ten principles. At least one further plant to be certified according to the

ISO 45001 health & safety standard. The goal for the group is for all manufacturing plants to be ISO 45001 certified by 2022 at the latest.

Continue to conduct monitoring of NOTE's Code of Conduct and the UN Global Compact's ten principles in supplier audits.

Increase the share of sourcing from strategic and contracted suppliers by two percentage points.

**PRINCIPLE 4: BUSINESSES SHOULD UPHOLD
THE ELIMINATION OF ALL FORMS OF FORCED
AND COMPULSORY LABOUR**

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006. As part of its business principles, NOTE and its customers' and suppliers' employees should enter employment and contracts of their own free will.

Four plants also use OHSAS 18001/ISO 45001 as guidance for their work. This is a far-reaching, global and verifiable standard in occupational health and safety, with external auditing and certification.

NOTE's Human Rights policy stipulates that employment with the company should always be voluntary. Additionally, work should always be conducted without compulsion or harassment, either physical or psychological.

RESULT 2020 AND GOALS 2021

See principle 3.

**PRINCIPLE 5: BUSINESSES SHOULD UPHOLD THE
EFFECTIVE PROHIBITION OF CHILD LABOUR**

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006. NOTE complies with relevant laws and ordinances on child labour. NOTE does not employ children and does not collaborate with companies that use children as part of their workforce.

Four plants also use OHSAS 18001/ISO 45001 as guidance for their work. This is a far-reaching, global and verifiable standard in occupational health and safety, with external auditing and certification.

The group's standpoints on this principle are stated in NOTE's Human Rights policy.

RESULT 2020 AND GOALS 2021

See principle 3.

**PRINCIPLE 6: BUSINESSES SHOULD UPHOLD
THE ELIMINATION OF DISCRIMINATION IN RESPECT
OF EMPLOYMENT AND OCCUPATION**

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006.

NOTE believes in a workplace where all employees have equal opportunities to work and progress. NOTE sees and benefits from all employees' specific competence and developmental opportunities, regardless of sex, ethnicity, sexual orientation, disability, age and social background.

NOTE's Equality policy states the company's principles governing equal opportunities and diversity, which are encouraged in all parts of its business. The company endeavours to achieve equal opportunities in terms of employment and working conditions, as well as developmental opportunities. The company pursues diversity on recruitment. Its working climate should feature respect and tolerance. If any instances

of harassment or bullying are reported, the group will take action immediately. The company's Diversity policy states how new Board members are to be appointed from a diversity perspective.

Four plants also use OHSAS 18001/ISO 45001 as guidance for their work. This is a far-reaching, global and verifiable standard in occupational health and safety, with external auditing and certification.

RESULT 2020

NOTE conducted a group-wide employee satisfaction survey in the year, whose results are fed back into NOTE's forward planning and development work.

In 2020, one whistleblower case caused an internal investigation and follow-up actions.

Work on ensuring compliance with NOTE's Code of Conduct is continuous.

In the year, NOTE encouraged existing and new customers and suppliers to join, or support, the UN Global Compact by communicating the significance of these issues in meetings and audits.

NOTE signed agreements with another six strategic or contracted suppliers (three in 2019), who accepted NOTE's Code of Conduct or have their own, equivalent code.

Follow-up audits were conducted on 14 suppliers (24 in 2019) that had previously accepted NOTE's Code of Conduct and the ten principles of the UN Global Compact. The results of these audits indicate that suppliers are complying with applicable laws and regulations.

The share of sourcing from strategic and contracted suppliers is approximately 54% (56% in 2019).

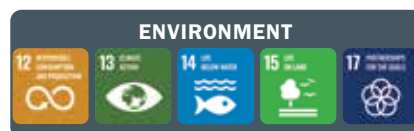
GOALS 2021

Conduct a group-wide employee satisfaction survey and use its results in business processes.

Influence suppliers to accept NOTE's Code of Conduct and encourage customers and suppliers to join the UN Global Compact or support its ten principles.

Continue the work of following up on NOTE's Code of Conduct and the ten principles of the UN Global Compact in supplier audits.

Increase the share of sourcing from strategic and contracted suppliers by two percentage points.



**PRINCIPLE 7: BUSINESSES SHOULD SUPPORT
A PRECAUTIONARY APPROACH TO
ENVIRONMENTAL CHALLENGES**

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006.

NOTE's manufacturing units hold ISO 14001 environmental certification and undergo internal and external audits.

NOTE's plants run improvement projects in the environmental segment and measure a series of environmental factors such as electronic scrap, energy consumption and transport. All plants have environmental targets, which are monitored regularly.

NOTE is endeavouring to increase the share of sourcing from strategic and other contracted suppliers. NOTE has a good understanding of these suppliers' environmental work and can help them to develop and improve in the environmental segment.

RESULT 2020

Work on ensuring compliance with NOTE's Code of Conduct is continuous.

More selective soldering machines have been installed, reducing tin slag, and enabling a more environmentally friendly process than previously. Recycling of slag from the wave soldering process has improved, and is conducted locally at some plants through oxide pressing before being sent away for further recycling.

NOTE's plants work on the basis of individual targets and circumstances in the environmental segment. Many initiatives are ongoing, which include plant lighting being wholly or partly replaced with LED equivalents to save energy. Timers have been installed at some plants to ensure lighting is not used unnecessarily, and that machinery is shut down. Electric hybrids are used as company vehicles, and vehicle charging points have been installed at some plants to facilitate charging. Ridesharing and commuting by cycle or public transport are also encouraged. Employees are encouraged to minimise paper consumption, and to switch off lighting and equipment after use.

The NOTE group's newest plant, in Windsor, UK gained ISO 14001 certification in the year. The group's sourcing company has also been certified according to ISO 14001.

NOTE's complete REACH-EU Regulation policy, stipulating how NOTE works to comply with this EU regulation for handling chemicals, is available at its website.

NOTE encouraged existing and new customers and suppliers to join, or support, the UN Global Compact by communicating the significance of these issues.

NOTE signed agreements with another six strategic or contracted suppliers (three in 2019), who accepted NOTE's Code of Conduct or have their own, equivalent code. Follow-up audits were conducted on 14 suppliers (24 in 2019) that had previously accepted NOTE's Code of Conduct and the ten principles of the UN Global Compact. The results of these audits demonstrate that suppliers are complying with relevant laws and ordinances.

The share of purchasing from strategic and contracted suppliers is approximately 54% (56% in 2019).

GOALS 2021

Continue progress towards still more environmentally friendly production and set requirements for more environmental transportation. Continue to reduce waste volumes.

Invest in environmentally friendly technology such as solar cells for vehicle charging points, work to promote biological diversity and reduce water consumption.

Implement environmentally friendly electricity sourced from solar, wind power, hydropower and biogas at more plants where possible.

Influence suppliers to accept NOTE's Code of Conduct and encourage customers and suppliers to join the UN Global Compact or support its ten principles.

Continuously follow up on NOTE's Code of Conduct and the ten principles of the UN Global Compact in supplier audits.

Increase the share of sourcing from strategic and contracted suppliers by two percentage points.

**PRINCIPLE 8: UNDERTAKE INITIATIVES TO PROMOTE
GREATER ENVIRONMENTAL RESPONSIBILITY**

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006. NOTE's plants hold ISO 14001 environmental certification and undergo internal and external audits.

NOTE works actively on developing guidelines and methodologies designed to minimise the group's negative environmental impact. Employees are encouraged to participate in this process.

NOTE is endeavouring to increase the share of sourcing from strategic and other contracted suppliers. NOTE has

a good understanding of these suppliers' environmental work and can help them to develop and improve in the environmental segment.

RESULT 2020 AND GOALS 2021

See principle 7.

PRINCIPLE 9: ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGY

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006. NOTE's plants hold ISO 14001 environmental certification and undergo internal and external audits.

NOTE takes a positive view of developing environmental technology and actively supports new manufacturing methods and components that are more environmentally friendly. NOTE conducts environmental risk assessments when introducing new equipment, technology and logistics solutions. Experience is shared between the group's plants.

An environmental perspective is considered jointly with customers when tailoring product manufacture. A database for identifying RoHS, Reach and conflict minerals in components is being used.

NOTE is endeavouring to increase the share of sourcing from strategic and other contracted suppliers. NOTE has a good understanding of these suppliers' environmental work, and can help them to develop and improve in the environmental segment.

RESULT 2020 AND GOALS 2021

See principle 7.

ANTI CORRUPTION



PRINCIPLE 10: BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

APPROACH

NOTE has been using its Code of Conduct, which supports the ten principles of the UN Global Compact, since 2006.

NOTE has an Anti Corruption policy and Whistleblower policy and procedure implemented in all plants' ERP systems.

NOTE encourages employees to resolutely counter all

forms of corruption, extortion and bribery.

Simultaneously, NOTE expects the corresponding attitudes from its customers and suppliers. NOTE does not accept any gifts, whether to customers or from suppliers, other than items of low value.

NOTE's Purchasing policy prohibits bribery and corruption, with sourcing managed according to ethical rules.

NOTE has group-wide and local authorisation procedures expedient for its business.

RESULT 2020

Work on ensuring compliance with NOTE's Code of Conduct is active and continuous.

One case of suspected corruption was reported via the whistleblower procedure and preventive measures were taken.

In the year, NOTE encouraged existing and new customers and suppliers to affiliate to or support the UN Global Compact by communicating the importance of these issues.

NOTE signed agreements with another six strategic or contracted suppliers (three in 2019), who accepted NOTE's Code of Conduct or have their own, equivalent code.

NOTE conducted follow-up audits on 14 suppliers (24 in 2019) that had previously accepted NOTE's Code of Conduct and the ten principles of the UN Global Compact. The results of these audits demonstrate that suppliers are complying with relevant anti corruption laws and ordinances.

The share of purchasing from strategic and contracted suppliers was approximately 54% (56% in 2019).

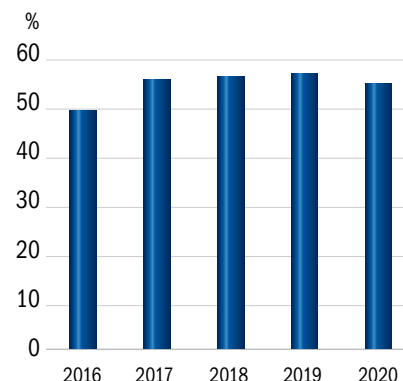
GOALS 2021

Influence suppliers to accept NOTE's Code of Conduct and encourage customers and suppliers to join the UN Global Compact or support its ten principles.

Continuously follow up on NOTE's Code of Conduct and the ten principles of the UN Global Compact in supplier audits.

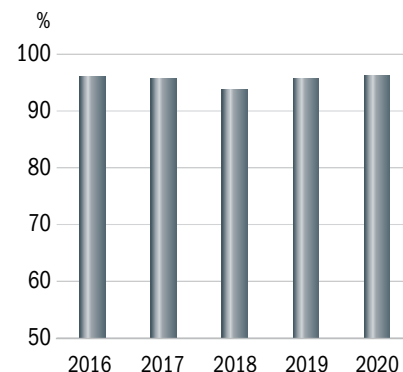
Increase the share of sourcing from strategic and contracted suppliers by two percentage points.

SHARE OF SOURCING FROM STRATEGIC SUPPLIERS*



* THE OPERATIONS OF SEVERAL PLANTS ALTERED IN THE WAKE OF THE PANDEMIC 2020. THIS IMPACTED OUR STRATEGIC SOURCING IN 2020.

WORK ATTENDANCE GROUP



The world around us is changing, and so are we. The UN Global Compact and its ten principles are a good foundation for our sustainability work and guide us in our evolution as a sustainable company. Our Communication on Progress reviews what NOTE is doing to help create a better world.

Johannes Lind-Widestam, CEO and President

Human resources

NOTE's employees are the key to our successes. Their commitment, inventiveness and desire to help customers creates the strength of NOTE's global business.

Because NOTE is a global organisation, developing the interaction between plants is important. NOTE has plants in Sweden, Finland, the UK, Estonia and China. Collaboration is through channels including a number of functional forums, in segments including quality, sourcing, accounting and sales. NOTE also works continuously on harmonising its working methods and monitoring tools, as well as clarifying guidelines. NOTE's improvement and development processes involve many of its employees group wide. NOTE continuously monitors business-related key performance indicators such as ongoing central and local improvement projects.

The workforce was upsized and downsized in the year to cope with demand fluctuations and to implement rationalisation. The average number of employees was 1,101 in 2020. Staff turnover was 14.7% in the group overall, of which 7.7% was in the European plants.

Achieving the goal of being the best collaborative partner in the sector, with leading delivery precision and quality for a competitive overall cost, demands a lot from everyone involved. Meet some of NOTE's employees in the next section.

Training

To assure quality and competence in the electronics assembly process, several NOTE plants maintain long-term collaborations with external partners in soldering and electronics assembly training. Usually, these programmes involve practical work and the certification of qualified electronic assemblers.

NOTE enables university and college students to write their dissertations and serve internships.

Employee satisfaction survey

As in previous years, an employee satisfaction survey was sent to the group's staff, who responded.

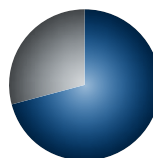
It is important that every employee feels that they can deliver value-added to customers, and that everyone understands how to get there, and why.

Their responses have helped plan defined activities and timelines for execution. The outcomes are also used for NOTE's future planning and development work.

For more information on our staff, please refer to page 43 of our formal annual accounts.

Division between blue collar and white collar workers

29%
white collar

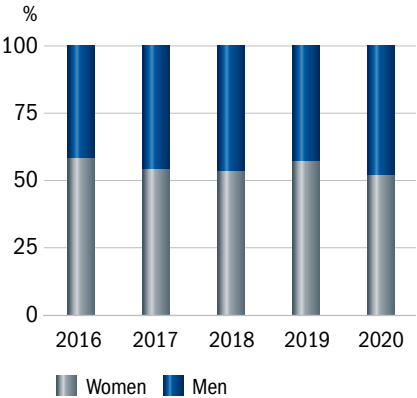


71%
blue collar

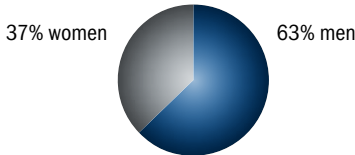
During the year, NOTE and its staff were impacted by the pandemic in various ways. We needed to review our working methods and procedures to reduce the risk of spreading infection. That's why as CEO, I'm delighted that my colleagues took on the challenge this presented, which demonstrates that they are the strength of this global business.

Johannes Lind-Widestam, CEO and President

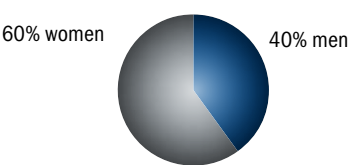
Gender division group



Gender division managers



Gender division Board of Directors in NOTE AB



Risto Retsnik

Warehouse Manager, Pärnu, Estland

Risto Retsnik is one of the ambassadors for sustainability within NOTE Group. He has participated in several sustainability projects at NOTE's plant in Pärnu.

"My new idea is still developing. It's about trying to create a greener mindset amongst us. We would be able to save trees by changing our current operation cards a bit, that would also give more control of the internal process and manual data entry", says Risto.

Altogether, NOTE Group use about 261,000 pieces of paper per year just to print operation cards. By changing and implementing new operation cards, 25 trees per year could be saved.

Risto has worked at NOTE for 2 years. His work assignments include daily warehouse tasks management such as planning intake, storage of goods, kitting and making sure finished products leave the plant on time. Risto is also work environment officer, workers representative, first aid practitioner and one of Pärnu's internal process auditors.

Part of Risto's daily tasks is to find better ways of working and improve warehouse processes. These ongoing challenges are the parts that Risto enjoys most about his job.



Heather Rolfe

QA and Technical Director, Windsor, UK

Heather Rolfe is the QA and Technical Director at NOTE's plant in Windsor. She was in charge when the plant recently gained their ISO 14001 certification. This process contains many different steps.

For example, current environmental laws and other environmental demands needed to be identified, a project plan was established, and internal environmental audits were performed.

In order to meet the requirements that are demanded of an environmentally certified company, some changes needed to be done. For example, the company's environmental aspects were identified and how they should be handled. The plant's recycling process was further improved.

"Working with the ISO 14001 standard and our new EMS system has been an enjoyable experience for the team here at NOTE Windsor. The framework that our EMS provides enables us to expand upon and work on a wider range of environmental aspects. Adopting and complying with the new processes and procedures has been especially important for Windsor," Heather says.





Niklas Andreasson

Quality Manager, Norrtälje, Sweden

NOTE's plant in Norrtälje received its ISO 45001 certification in 2020. The certification is for health & safety, and required a lot of effort from everyone involved. Niklas Andreasson played a key role in the process. His duties included investigating what needed to be done, informing and training colleagues, as well as coordinating the work.

The decision to aim for certification was taken about a year ago. The process has several stages, including creating new procedures in our management system, and scheduling audits. The auditor ensures that the company is complying with the ISO standard during audits.

Two minor instances of non-compliance were identified. After formulating and presenting an approved action-plan, the Norrtälje plant received its certification.

The process was generally positive, although some sections were challenging. *"The Covid-19 pandemic meant that the final process was more difficult than expected. Some parts, such as our internal audits, don't work as well remotely. Because our teams were unable to meet, we couldn't run checks, exercises and training as effectively as we wanted to,"* explains Niklas.

Apart from improving employee safety, reducing workplace risks and creating better, safer working conditions, certification means that the plant must ensure that subcontractors satisfy our standards. This means that production that is unsafe or unhealthy cannot just be outsourced to an uncertified party. Selecting a certified partner makes this standard much easier to satisfy.

Niklas has learnt some key lessons from this project.

"Checking and ensuring compliance with health & safety rules is an extensive task, requiring the review of a lot of documentation, and involves a lot of considerations," he concludes.

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My new idea is still developing.
It's about trying to create a greener
mindset amongst us.

Risto Retsnik, NOTE Pärnu

