Communication on Progress

2021–2022

COMMUNICATION ON PROGRESS

UN GLOBAL COMPACT

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

CEO Statement

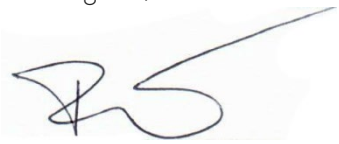
Falkenberg, 16th of September 2021

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 fourth 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 sharing this information with our stakeholders using our primary channels of communication.

Kind regards,



Rikard Kanmert
CEO

ABSORTECH INTERNATIONAL AB | TRYCKERIVÄGEN 4, SE-311 44 FALKENBERG, SWEDEN | PHONE: +46 346 420 70 | INFO@ABSORTECH.COM

Human rights principles

Principle 1: Absortech supports and respects the protection of international proclaimed human rights.

Principle 2: Absortech makes sure that we are not complicit in human rights abuses assessment.

As a global company, we are committed to respecting human rights and this thereby includes the principles set forth in the International Bill of Human Rights. Absortech Group expects all within the organization, our suppliers, and other partners to respect internationally proclaimed human rights for all employees. This includes, but is not limited to, full and part-time employees, consultants, contractors, trainees, temporary workers, migrant workers, senior management, and board of directors within the organization as well as at outsourced processes. All employees shall have the right to start and to terminate their employment freely.

Activities 2021

Absortech Group has implemented a new Code of Conduct in 2021 which includes topics on Human Rights, Child Labour and Young workers, Modern slavery, and Discrimination.

Absortech Group has continued auditing the suppliers, evaluating their efforts in quality, environment, and social responsibility, and ensuring the human rights principles are considered in their corporate policies and in their operations. The respect and compliance of Human Rights principals in every level is now an indispensable requirement in the selection of a supplier.

Next steps:

- **Internal training within Absortech Code of Conduct for all employees.**
- **Finalized and follow up audits of our suppliers and sub-suppliers with regards to Absortech Code of Conduct.**

ABSORTECH INTERNATIONAL AB | TRYCKERIVÄGEN 4, SE-311 44 FALKENBERG, SWEDEN | PHONE: +46 346 420 70 | INFO@ABSORTECH.COM

Labour principles

Principle 3: Absortech upholds the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Absortech eliminates all forms of forced and compulsory labour.

Principle 5: Absortech effective abolition of child labour.

Principle 6: Absortech eliminates discrimination in respect of employment and occupation assessment, policy, and goals.

As a global company, we are committed to respecting human rights and this includes the principles set forth in the International Bill of Human Rights. Absortech Group expects all within the organization and our suppliers and other partners to respect internationally proclaimed human rights for all employees. This includes, but is not limited to, full and part-time employees, consultants, contractors, trainees, temporary workers, migrant workers, senior management, and board of directors within the organization as well as at outsourced processes. All employees shall have the right to enter and to terminate their employment freely.

Activities 2021

Absortech Group has implemented a new Code of Conduct in 2021 which includes topics on Human Rights, Child Labour and Young workers, Modern slavery, and Discrimination.

Absortech has implemented new processes; All companies, before becoming our suppliers, are checked exhaustively before being approved by the COO.

Next steps:

- **Internal training within Absortech Code of Conduct for all employees.**
- **Finalized and follow up audits of our suppliers and sub-suppliers with regards to Absortech Code of Conduct.**
- **Go beyond the compliance of the four principles and implement processes to improve the work environment and involve the employees in the right development of the company.**

ABSORTECH INTERNATIONAL AB | TRYCKERIVÄGEN 4, SE-311 44 FALKENBERG, SWEDEN | PHONE: +46 346 420 70 | INFO@ABSORTECH.COM

Environmental principles

Principle 7: Absortech supports a precautionary approach to environmental challenges.

Principle 8: Absortech undertakes initiatives to promote greater environment responsibility.

Principle 9: Absortech encourages the development and diffusion of the environmentally friendly technologies assessment, policy, and goals.

Absortech Group, our suppliers and other partners manage operations responsibly in relation to environmental risks and impact. We strive to constantly reduce the environmental impact of our products and processes through their entire lifecycle. Environmental impact is identified, measured, and analysed so that improvements can be set to have the most effect.

Activities 2021

Absortech Group is certified according to SS-EN ISO 14001 and has within our Management System evaluated our environmental aspects and taken actions upon these. Actions taken include:

- **Minimizing CO2-footprint on Absortech products, AbsorRange ®**
- **Introduced a net-zero CO2 footprint product, the Absorpole ®**
- **Introduced a "Return-to-Reuse" program for part of the AbsorRange®**
- **Energy saving installations in productions**
- **Increased recycling of waste from production**

Next steps:

- **Continue to innovate in our products to reduce their environmental impact which includes more products within AbsorRange® to be net-zero CO2 footprint from "cradle to gate".**
- **Passing the Absortech's environmental standards to suppliers, subcontractors, and partners to influence them to reduce their environmental impact and comply with UN Global Compact Environmental principles.**
- **Include in our promotions the environmental responsibility and offer our customers a possibility to reduce their environmental impact in the moisture damage prevention solutions.**

ABSORTECH INTERNATIONAL AB | TRYCKERIVÄGEN 4, SE-311 44 FALKENBERG, SWEDEN | PHONE: +46 346 420 70 | INFO@ABSORTECH.COM

Anti-Corruption principles

Principle 10: Absortech works 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.

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 2021

Absortech Group has implemented a new Code of Conduct in 2021 which includes points on Business ethics and anticorruption.

Continuous training among our organization members to operate with transparency, trust, and integrity and to stop any attempt of bribery that they might be noticed or heard within the activities and responsibilities of their job.

Next steps:

- **Continuous training among our organization members to work against extortion, bribery, and all other forms of corruption.**

ABSORTECH INTERNATIONAL AB | TRYCKERIVÄGEN 4, SE-311 44 FALKENBERG, SWEDEN | PHONE: +46 346 420 70 | INFO@ABSORTECH.COM