

UN GLOBAL COMPACT

STATEMENT OF CONTINUED SUPPORT

2022-03-25

To our stakeholders,

I am pleased to confirm that Svevik Industri 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 annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Peter Laveson

CEO

COMMUNICATION ON PROGRESS REPORT

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, which constitutes a framework that defines how sustainability work is conducted within Svevik Industri AB and its subsidiaries, and towards external stakeholders. The COP reviews our approach, results and objectives. A summary of our execution and forward-looking work on Global Compact principles follows.

Human Rights

Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. Svevik Industri AB, and its subsidiaries, strive to develop business relationships with companies that have corresponding responsible ethical rules.

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Results 2021

Svevik Industri AB, with its subsidiaries within the Svevik Group, joined the UN Global Compact in 2021. Within this framework, Svevik Industri AB in 2021 developed a group-wide code of conduct. The work was done in consultation with all subsidiaries in the Group. Some subsidiaries chose to implement the Group-wide code of conduct in the subsidiary, while other subsidiaries chose to adjust and adapt their already existing local code of conduct, in accordance with the Group's decentralized governance model.

Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

In addition, the companies within the Svevik Group during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles, by emphasizing the importance of these issues in communication. Svevik Industri AB has also described the UN Global Compact in interactions with intended acquisition objects.

In 2021, group companies have chosen to support aid organizations that strengthen women's rights. The two organizations that have received support are Unizon and From One to Another. The organization Unizon works for the fight against men's violence against women, and for increased equality, and the association From One To Another supports girls and women in Kenya with education and women's centers.

Objectives 2022

Continue monitoring compliance with the Group's / Group companies' code of conduct. Continue to inform and encourage both existing and new partners to support the UN Global Compact's 10 principles.

Principle 2 – Businesses should make sure that they are not complicit in human rights abuses

Approach

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Results 2021

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Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

Objectives 2022

The same as Principle 1.

Labour

Principle 3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. Svevik Industri AB, and its subsidiaries, strive to develop business relationships with companies that have corresponding responsible ethical rules.

The Svevik Group's Code of Conduct clarifies, among other things, that all Svevik Group employees have the right to form and join trade unions, and that all subsidiaries have a work environment policy in place.

One of the subsidiaries (Alf Ericson in Göteborg Elektriska AB) is certified according to ISO 45001 as a guideline in its work. It is a comprehensive, global and verifiable standard in the field of work environment, where review and certification is performed by an outside party.

Results 2021

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Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

In addition, the companies within the Svevik Group have during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles by emphasizing the importance of these issues in communication. Svevik Industri AB has also described the UN Global Compact in interactions with intended acquisition objects.

Objectives 2022

The same as Principle 1.

Principle 4 - the elimination of all forms of forced and compulsory labour

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. Svevik Industri AB, and its subsidiaries, strive to develop business relationships

with companies that have corresponding responsible ethical rules. The Svevik Group's Code of Conduct clarifies, among other things, that all Svevik Group employees have the right to form and join trade unions, and that all subsidiaries have a work environment policy in place.

One of the subsidiaries (Alf Ericson in Göteborg Elektriska AB) is certified according to ISO 45001 as a guideline in its work. It is a comprehensive, global and verifiable standard in the field of work environment, where review and certification is performed by an outside party.

Results 2021

Svevik Industri AB, with its subsidiaries within the Svevik Group, joined the UN Global Compact in 2021. Within this framework, Svevik Industri AB in 2021 developed a group-wide code of conduct. The work was done in consultation with all subsidiaries in the Group. Some subsidiaries chose to implement the Group-wide code of conduct in the subsidiary, while others chose to adjust and adapt their already existing local code of conduct, in accordance with the Group's decentralized governance model.

Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

In addition, the companies within the Svevik Group have during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles by emphasizing the importance of these issues in communication. Svevik Industri AB has also described its membership in the UN Global Compact in interactions with intended acquisition objects.

Objectives 2022

The same as Principle 1.

Principle 5 - the effective abolition of child labour

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. Svevik Industri AB, and its subsidiaries, strive to develop business relationships with companies that have corresponding responsible ethical rules. All subsidiaries within the Svevik Group comply with current laws and regulations regarding child labor. Companies within the Svevik Group do not employ children and do not cooperate with companies that use children as part of their workforce. All subsidiaries have a work environment policy in place.

Results 2021

Svevik Industri AB, with its subsidiaries within the Svevik Group, joined the UN Global Compact in 2021. Within this framework, Svevik Industri AB in 2021 developed a group-wide code of conduct. The work was done in consultation with all subsidiaries in the Group. Some subsidiaries chose to implement the Group-wide code of conduct in the subsidiary, while others chose to adjust and adapt the existing local code of conduct, in accordance with the Group's decentralized governance model.

Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and

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encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

In addition, the companies within the Svevik Group have during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles by emphasizing the importance of these issues in communication. Svevik Industri AB has also described its membership in the UN Global Compact in interactions with intended acquisition objects.

Objectives 2022

The same as Principle 1.

Principle 6 - the elimination of discrimination in respect of employment and occupation

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. Within the Svevik Group, we believe in a workplace where all employees have equal opportunities to work and develop. The subsidiaries see and benefit from the employees' specific skills and development opportunities regardless of gender, ethnicity, sexual orientation, disability, age and social background. The Group's code of conduct describes principles for equality and diversity, which is encouraged in all parts of the business.

The Group strives for equality in terms of both employment and working conditions as well as development opportunities. When recruiting, diversity is sought. The work climate must be characterized by respect and tolerance. If cases of harassment or bullying are reported, the subsidiary or parent company management must take action.

All companies within the Svevik Group have their respective defined corporate values.

Results 2021

Svevik Industri AB, with its subsidiaries within the Svevik Group, joined the UN Global Compact in 2021. Within this framework, Svevik Industri AB in 2021 developed a group-wide code of conduct. The work was done in consultation with all subsidiaries in the Group. Some subsidiaries chose to implement the Group-wide code of conduct in the subsidiary, while others chose to adjust and adapt the existing local code of conduct, in accordance with the Group's decentralized governance model.

Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

In addition, the companies within the Svevik Group have during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles by emphasizing the importance of these issues in communication. Svevik Industri AB has also described its membership in the UN Global Compact in interactions with intended acquisition objects.

Objectives 2022

Continue follow-up of the Group's / Group companies' code of conduct. Continue to inform and encourage both existing and new partners to support the UN Global Compact's 10 principles.

Carry out an employee survey in the Group companies and use the results in the business's continuous improvement work.

Environment

Principle 7 - Businesses should support a precautionary approach to environmental challenges

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. One subsidiary (Alf Ericson in Göteborg Elektriska AB) is certified according to ISO 14001 and undergoes both internal and external audits. Other companies have an established environmental policy. The Svevik Group strives to develop guidelines and methods with the aim of minimizing the Group's negative environmental impact. Employees are encouraged to participate in this development.

Results 2021

Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

At all Group companies, the issue of improvement work in the environmental area has been raised on the operational agenda further and alternative metrics for the future have been evaluated. The Group companies work on the basis of their respective conditions in the environmental area, on the basis of their respective environmental policy or ISO certification. Since 2021, all operating subsidiaries have a designated Environmental Manager.

In addition, the companies within the Svevik Group have during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles by emphasizing the importance of these issues in communication. Svevik Industri AB has also described its membership in the UN Global Compact in interactions with intended acquisition objects.

Objectives 2022

Continue follow-up of the Group's / Group companies' code of conduct. Continue to inform and encourage both existing and new partners to support the UN Global Compact's 10 principles.

Strengthen the subsidiaries' environmental managers in their respective roles and responsibilities, and engage more employees in the continuous improvement work in the environmental area in the form of investigating opportunities for increased waste sorting, reduced environmental impact from transport and consideration of environmental impact in connection with purchasing.

Principle 8 - undertake initiatives to promote greater environmental responsibility

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. One subsidiary (Alf Ericson in Göteborg Elektriska AB) is certified according to ISO 14001 and undergoes both internal and external audits. Other companies have an established

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environmental policy. The Svevik Group strives to develop guidelines and methods with the aim of minimizing the Group's negative environmental impact. Employees are encouraged to participate in this development.

Results 2021

An active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

At the companies, the issue of improvement work in the environmental area has been raised on the operational agenda further and alternative metrics for the future have been evaluated. The Group companies work on the basis of their respective conditions in the environmental area, on the basis of their respective environmental policy or ISO certification. Since 2021, all operating subsidiaries have a designated Environmental Manager.

One subsidiary (Formmax AB) has increased its waste sorting to more fractions (13) to reduce the proportion of combustible waste.

Another subsidiary (Vägjobb i Sverige AB) has followed up the company's revenues and fuel consumption during the period 1 January - 30 November 2021 and compared with the corresponding period 2020. The comparison shows an increased revenue per liter of fuel consumed by 8 percent, which shows that the company's increased environmental awareness in the planning of its services.

In addition, the companies within the Svevik Group have during the year informed and encouraged customers and suppliers to support the UN Global Compact's 10 principles by emphasizing the importance of these issues in communication. Svevik Industri AB has also described its membership in the UN Global Compact in interactions with intended acquisition objects.

Objectives 2022

The same as Principle 7.

Principle 9 - encourage the development and diffusion of environmentally friendly technologies

Approach

The Svevik Group's code of conduct, which supports the UN Global Compact's ten principles, has been used since 2021. One subsidiary (Alf Ericson in Göteborg Elektriska AB) is certified according to ISO 14001 and undergoes both internal and external audits. Other companies have an established environmental policy. The Svevik Group strives to develop guidelines and methods with the aim of minimizing the Group's negative environmental impact. Employees are encouraged to participate in this development.

Results 2021

The Svevik Group has a positive view of the development of environmental technology and new manufacturing methods and components that are more environmentally friendly. Environmental assessments are made to the best of our ability when introducing new equipment, technology and logistics solutions.

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One of the Group companies (Alf Ericson in Göteborg Elektriska AB) has in 2021 established a special Technology department that largely works with technical solutions that contribute to a reduced climate footprint, e.g. installation of solar cells and charging stations for electric cars. In addition, this department is constantly looking for exciting new partnerships regarding climate-smart technology.

During the year, one Group company (Formmax AB) acquired an electric truck due to environmental aspects being taken into account in a new way in the investment documentation.

During the year, all Group companies also reviewed their car policy, and introduced opportunities for, or mandatory requirements for, electric cars. One Group company (Alf Erikson i Göteborg Elektriska AB) monitors CO2 emissions / km driven by the company's car fleet, and as a consequence of two acquired electric cars, the company now notes a level of 106 CO2 / km, which is lower than the target (120 CO2 / km).

Objectives 2022

The same as Principle 7.

Anti-Corruption

Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery

Approach

The Svevik Group's code of conduct, which supports the ten principles of the UN Global Compact, has been used since 2021.

Employees are urged to strongly oppose all forms of corruption, extortion and bribery. At the same time, a corresponding approach is expected from both customers and suppliers. The Svevik Group does not accept gifts, either to customers or from suppliers, other than items of lower value. The Code of Conduct stipulates, among other things, that bribes are prohibited and that purchases must be handled in accordance with ethical rules.

All subsidiaries have group-wide and local certification routines appropriate for the business.

Results 2021

Active work to ensure compliance with the code of conduct has been ongoing since the implementation. The ambition is to develop and maintain corporate cultures that stimulate and encourage openness and dialogue in the subsidiaries, but it has also been decided to implement a whistle-blower function to capture deviations from the code of conduct and other policies.

In the audit of the annual accounts for 2021, the Group has also decided to include more internal control aspects in the scope than previous, in order to identify a number of areas for future improvement.

Objectives 2022

Continue follow-up of the Group's / Group companies code of conduct, and implement potential improvements to the Group companies' internal control with the aim of strengthening internal processes in the area. Continue to inform and encourage both existing and new partners to support the UN Global Compact's 10 principles.