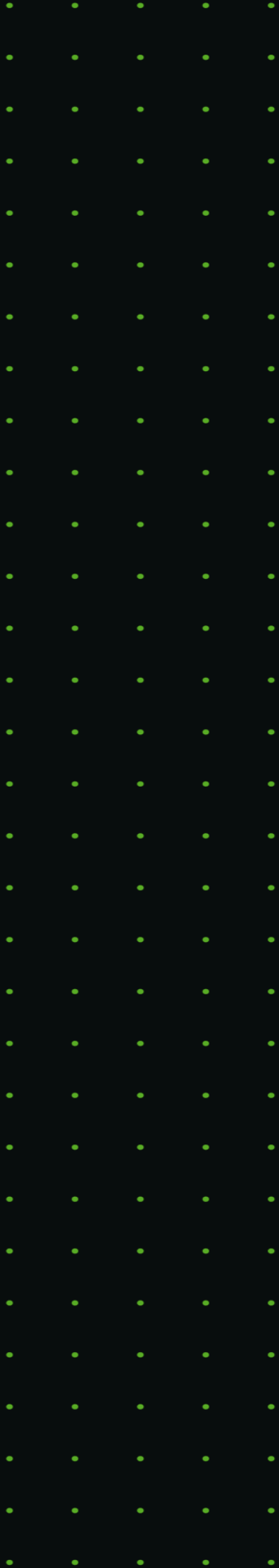


Communication of progress 2021

UN Global Compact



1. Introduction to Piab
2. A word from the CEO
3. Sustainable Development Goals
4. Human Rights
5. Labor
6. Health, Safety and Environment
7. Anti-Corruption

1. Introduction to Piab

Piab globally offers a broad range of mainly vacuum-based components and products for applications in gripping, lifting and moving of various kind of Material.

Our customers are OEM's, Integrators and End-users, mainly in the FMCG¹, Logistics/Warehousing, Automotive, Electronics, Food, Pharma and Chemical market segments.

We Innovate, Develop, Design, Source, Assemble, Market, Sell and Distribute our products, and we go to market through our own sales force, 3rd party distributors and e-Commerce.

Piab is a global company with sales of ~1.7 BSEK, 700 employees and headquarters outside Stockholm in Sweden.

We operate with three product divisions, and one geographical division and are present in more than 100 countries, with more than 200 direct salespeople. We have 25 sales offices in 16 countries and 700+ distributors spread over all over the world.

- Vacuum Automation is our largest division representing 50% of our business and has 350 employees
- Lifting Automation is our second largest division representing 27% of our business and has 200 employees
- Vacuum Conveying is our third division representing 13% of our business and has 80 employees.
- China is our fourth division representing 11% of our business and has 200 employees

We have four regional Assembly & Distribution Centers, based in Germany (EU), USA (Americas), Singapore (Asia-Pacific) and China, as well as three Manufacturing facilities in Sweden, Italy and USA.

¹ Fast Moving Consumer Goods

2. A word from the CEO

The foundation of our business is the ability to build and maintain mutually beneficial long-term relationships with our stakeholders, to develop sustainable and innovative automation solutions and to attract motivated and talented people.

We aim to guard this foundation by being committed to conducting our business in a legally, ethically, socially, and environmentally responsible manner. As a member of the UN Global Compact, we submit this annual progress report that describes our efforts to implement the ten principles of the UN Global Compact. In this annual Communication on Progress, we describe our actions to continually integrate the principles into our business strategy, our culture, and our daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Our Common Value Base, which includes our Core Purpose, Mission, Vision, Core Values, and our Credo, help us define our short- and long-term goals and give guidance on how we should act to reach them. It describes who we are, what we aim for and how to behave when performing our tasks. What we do is important, and how we do it is just as important. Every action we take, shapes the character of Piab and ultimately differentiates and strengthens us in the marketplace.

For Piab, it is all about evolving automation. That's what we are passionate about and strive for every day at work. It's our core purpose. Evolving automation means to relentlessly focus on how automation can be improved from a functionality, safety, and sustainability point of view. Our mission - evolving automation through progressive gripping, lifting and moving solutions - provides direction. Our vision - an automated world where no resources are wasted, and no humans are injured - tells us what to aim for, and our core values - Commit, Explore and Lead - how to act on our way to the vision.

COMMIT – means to take responsibility, to do what we say that we should do, to keep our promises and to be true to our values. With COMMIT as a core value, we build trust among our stakeholders.

EXPLORE - means to be curious, to dare, to be open to new things, to show entrepreneurship, to innovate, to try new ways. With EXPLORE as a core value, we evolve ourselves, our offer, and our business.

LEAD - means to have a sense of urgency, to be in the forefront, to act as a role model and show the way, to focus on the right things, to have the courage to make decisions and to act. With LEAD as a core value, we move our business in line with our strategies and in the direction of our targets.

Our Credo, the latin word for “believe”, summarizes it all.

We believe in an automated world where no resources are wasted, and no humans are injured, by evolving automation through progressive gripping, lifting, and moving solutions.

In this quest we are curious explorers. We lead and find opportunities in the unknown. We focus our energy on where we can make a difference. We do what we say. We are evolving ourselves, evolving our customers, and evolving automation. Together, we are evolving the world.

Clas Gunneberg - CEO

3. Sustainable Development Goals

While we unconditionally support all the 17 SDG's, we are aware that Piab's business and our actions only have a direct impact on some of them. To compensate for this, we do our utmost to indirectly have an impact on the rest, e.g., through various kind of memberships, sponsorships and donations



- Goal 1. End poverty in all its forms everywhere
- Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- Goal 3. Ensure healthy lives and promote well-being for all at all ages
- Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 5. Achieve gender equality and empower all women and girls
- Goal 6. Ensure availability and sustainable management of water and sanitation for all
- Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all
- Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 10. Reduce inequality within and among countries
- Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable
- Goal 12. Ensure sustainable consumption and production patterns
- Goal 13. Take urgent action to combat climate change and its impacts
- Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

4. Human Rights

We support and respect the protection of internationally proclaimed human rights (www.ohchr.org) and we ensure that company activities are not complicit in human rights abuses, for example, in our relationships with our suppliers. In practice this means that:

- We comply with applicable legal requirements relating to human rights.
- We identify, prevent, and address actual or potential human rights infringements.

We condemn discrimination in hiring and employment. No existing or potential employee should be discriminated against because of, for example, race, color, gender, sexual orientation, marital status, pregnancy, parental status, religion, political views, nationality, ethnic background, social origin, social status, disability, age or union membership. We disapprove psychological, physical or sexual abuse and verbal harassment or abuse. Integrity, privacy and freedom of expression are guaranteed.

In 2021, we have defined our four Key Focus Areas for our work with sustainability. We believe that these are all closely connected to protecting the overall Human Rights. They are:

1. Innovation for inclusive and sustainable industrialization

We believe that our ways of working, as well as our products and solutions, can help all industries to evolve in an inclusive and sustainable way as they enable the elimination of heavy and dangerous manual work, they improve processes to reduce or eliminate waste, and they are energy efficient.

- Our innovation process contains tools and checkpoints to ensure that our products and solutions support the UN Sustainable Development Goal (SDG) No 9 and are not in conflict with any other SDG.
- We develop products and solutions that will enable anyone to work safely in the targeted industry no matter gender, or physical pre-requisites
- We develop products and solutions that support Safety, Well-being & Organizational stability, Diversity, Inclusion & Talent, as well as Climate & Resource Efficiency in the targeted industry

UNGC principles

1. Businesses should support and respect the protection of internationally proclaimed human rights, and
2. Make sure that they are not complicit in human rights abuses.

4. Human Rights

2. Climate & Resource efficiency

We believe that Piab can contribute to combatting climate change and increase resource efficiency, by developing new innovative products and solutions, as well as running a CO2-neutral business.

- We develop energy-efficient products and solutions that enable an increased level of automation
- We design for and aim at using carbon-neutral and/or recycled/recyclable material in our products
- We commit to buying fossil-free energy in all our sites and operations (if accessible in the local market)
- We commit to reducing our CO2-footprint from our transports every year

3. Safety, Well-being and Organizational stability

We believe that employees who are healthy, feeling safe at work no matter the job and the position, and who have a feeling of well-being, deliver superior performance, promote Piab as an attractive employer to the outside community, and stay with Piab.

- Our work environment is safe no matter the location, the job and the position
- We support our employee's well-being by offering a good work-life balance and the basic means for a healthy life
- We influence our suppliers to have the same ambitions as ourselves
- We provide products and solutions that evolve safety and well-being of the users

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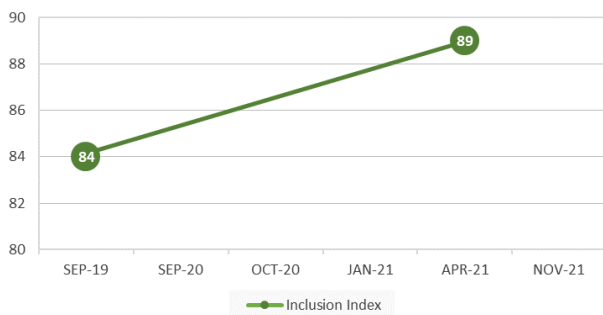
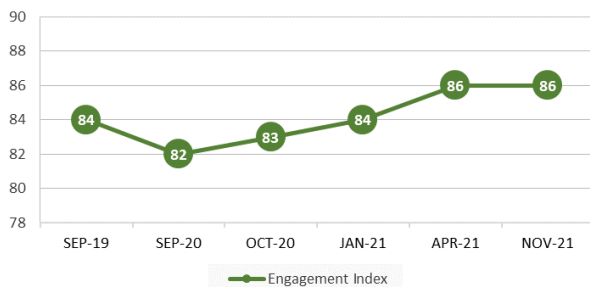
4. Human Rights

4. Diversity, Inclusion & Talent

We believe that building a successful and sustainable Piab requires employees with different backgrounds, experiences and perspectives. Diverse teams characterized by inclusion stimulate innovation, drive better decision-making, attract top talent and improve performance.

- We promote and aim for diversity across all dimensions
- We support activities to increase diversity in our industry
- We promote internal career development
- All our employees should feel included, listened to and valued

In 2021, we have also conducted several employee surveys in which we measure their level of engagement, feeling of diversity & inclusion, as well as their safety & well-being. The outcome has been very good with no indications of bad conditions in any of our subsidiaries.



UNGC principles

1. Businesses should support and respect the protection of internationally proclaimed human rights, and
2. Make sure that they are not complicit in human rights abuses.

5. Labor

We are committed to providing fair compensation and working conditions for all our employees. Working hours shall be set according to the domestic laws in force or industrial standards, but never more than 48 hours. All employees are informed and have the right to know the basic terms and conditions of their employment.

- We respect the right of employees to establish or join trade unions and representative organizations of their own choosing in line with applicable local legislation.
- We will not use any form of forced or compulsory labor.
- We do not tolerate child labour (<15 years old) and any form of exploitation of children and adolescents (<18 years old). The corresponding laws must be followed.
- Domestic and international regulations to ensure occupational health and safety in the workplace are to be followed. By supporting risk analyses, training programs and other precautionary measures, we ensure that our employees can perform their work in a safe and healthy manner.

In 2021, we acquired a company in China in which the compliance with Chinese labor laws was low. After we became owners, we immediately ensured that all labor laws were followed, and we started implementing the Piab Group policies based on high ethics towards, and good conditions for, our global work force.



UNGC principles

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4. the elimination of all forms of forced and compulsory labor,

5. the effective abolition of child labor, and

6. the elimination of discrimination in respect of employment and occupation.

6. Environment

We recognize that environmental responsibility is a precondition for the survival and prosperity of all living beings. Consequently, environmental responsibility for us means that our products are designed, produced and distributed with environmental consideration.

We promote sustainability across all aspects of the business, fulfil the requirements and standards for environmental protection and act in an environmentally conscious way in all locations in which we operate. In this context, we strive for environmentally compatible processes and a considerate use of our planet's resources.

We actively work to optimize our products from a material usage perspective and from a functionality perspective, aiming at minimizing negative environmental aspect from the used material, as well as minimizing the energy consumption in their fields of application. We also aim to make them fully recyclable.

All materials used in our products must be in accordance with the latest REACH and RoHS directive and should not contain any conflict material as per the EU regulation on conflict materials and the US Dodd-Frank Act.

We also aim to comply with General Product Safety Directives in markets where we operate. We follow all relevant EU directives (CE) regarding safety, and we aim to comply with other directives in other markets.

We operate our business and provide products in a way that minimizes environmental impact. The overall aim is to minimize environmental impact that relates to our activities, products and services. We therefore support a precautionary and careful approach to environmental challenges.

In 2021, we have defined environmentally related KPI's and also started the cumbersome work to map our scope 3-emissions.

Focus area	KPI
Innovation for inclusive and sustainable industrialization	Share of purchased material that is sustainable or recycled
	Improvement of energy-consumption in usage, including substitution effects
Climate and Resource Efficiency	Scope 1 CO2-emissions
	Scope 2 CO2-emissions
	Scope 3 CO2-emissions



UNGC principles

7. Businesses should support a precautionary approach to environmental challenges

8. Undertake initiatives to promote greater environmental responsibility, and

9. Encourage the development and diffusion of environmentally friendly technologies.

7. Anti-Corruption

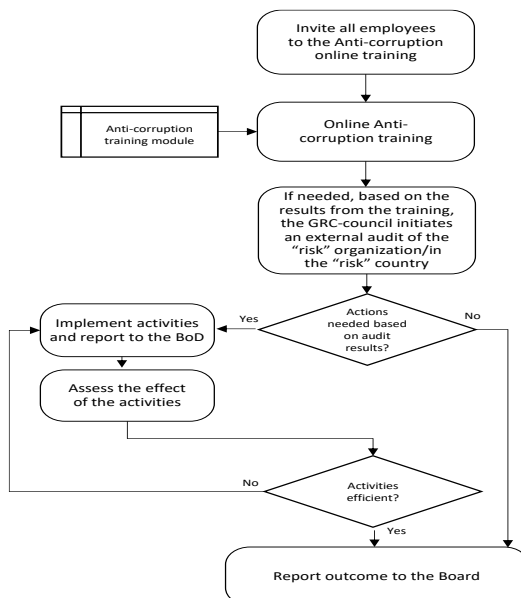
We are committed to working against corruption in all its forms, including extortion and bribery. No such illegal activity is tolerated either in action or as negligence by any of our employees, suppliers, and business partners. We use suitable means to promote transparency, trading with integrity, responsible leadership and company accountability. We comply with the applicable criminal law on corruption.

Neither Piab employees, nor anyone acting on our behalf, may solicit, give or receive, directly or indirectly, gifts, gratuities, special allowances or a benefit which could influence the judgement of the recipient or is deemed unreasonable in the context. However, we also recognize and accept that occasional modest – and in the context of business – reasonable, gifts or hospitality can make a valuable contribution to our business relationships.

All employees and other stakeholders who suspect any kind of corruption can report the matter through the Piab whistleblowing service. The whistleblowing service is an external service for reporting suspected breaches of our values and Code of Conduct where reporting parties may remain anonymous.

In 2021, we have had no reports of corruption or other compliance matters, neither through our whistle-blowing service, nor by direct reports.

During the year we have implemented our Anti-corruption directive , as well as a well-defined conformity procedure in the entire organization, and we have established an on-line training for all employees to take during 2022.



UNGC principles

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

