

AVTECH SWEDEN AB (publ)

UN Global Compact
Communication On Progress (COP)
July 2020 – July 2021





Statement by the CEO:

"This year has been a challenging year for the aviation sector. We have worked hard to ensure the actions we have taken over this period will enable the company to emerge competitively and sustainably from the COVID-19 pandemic. I am pleased to confirm that AVTECH Sweden AB reaffirms its support of the Ten Principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. We are especially proud to continue providing environmentally friendly technologies that result in important reductions of our customers CO2 emissions. 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 share this information with our stakeholders using our primary channels of communication."

David Rytter, CEO, AVTECH Sweden AB (publ)

Human Rights Principles:

We recognize that human rights should be considered fundamental and universal which is why we respect the human rights as stated in the United Nations' Universal Declaration of Human Rights and the principles of the International Labour Organisation. We avoid being complicit in human rights abuses of any kind. We do not use forced or compulsory labor and nor do we employ child labor. Avtech expects our customers and suppliers to respect all internationally recognized human rights and strive to adhere to these principles.

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

Principle 2: make sure that they are not complicit in human rights abuses.

Assessment, Policy and Goals:

- We have a policy supporting the Universal Declaration of Human Rights for our own companies, for our suppliers, and companies with whom we partner in projects.

Implementation:

- We have implemented a formal written policy supporting the Universal Declaration of Human Rights for both our own companies and for our suppliers.
- We have also evaluated companies with whom we partner in projects to ensure their support and compliance to these principles.

Measurement of outcomes:

- Internal company policy has been formalized.
- Company policy to be placed on our website.
- Suppliers: We have evaluated each of our major suppliers, and as they are presently European Union based, we are confident that they follow these two important principles.



- Partners in projects: We have evaluated each of our partners in projects to ensure support to these principles.

Labour Principles:

AVTECH encourages diversity and expects our customers and suppliers to treat every employee with respect and dignity. All forms of discrimination based on bias or prejudice are prohibited, such as discrimination based on sex, persons with transgender identity or expression, certain ethnicity, religion, or other belief, political or philosophical belief, pregnancy, parenthood, disability, sexual orientation,

or age.

Every employee with the same qualifications, experience and performance receives equal pay for equivalent work in comparison with others who perform the same work under similar working conditions.

AVTECH undertakes to ensure that child labour does not occur in the business and that forced labor may not be applied and employees are free to terminate their employment after an agreed period of notice, in accordance with national law or agreement.

Wages for normal working hours, overtime work and other overtime pay shall at least amount to the higher of the minimum amounts prescribed by law or as such compensation as common applications in the supplier's industry. Unlawful, unauthorized, or disciplinary salary deductions are not allowed.

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

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

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

Assessment Policy and Goals:

- We have a policy supporting the Labour Principles for our own companies, for oursuppliers, and companies with whom we partner in projects.

Implementation:

- We have implemented a formal written policy supporting the Labour Principles for bothour own companies and for our suppliers.
- We have also evaluated companies with whom we partner in projects to ensure support and compliance to these principles.
- We actively promote a diverse labour force in terms of sex, nationalities, age and religions.

Measurement of outcomes:

- Internal company policy has been formalized.



- Company policy to be placed on our website.
- Suppliers: We have evaluated each of our major suppliers, and as they are presently European Union based, we are confident that they follow these four important principles.
- Partners in projects: We have evaluated each of our partners in projects to ensure support to these principles.
- Diverse labour force: We continue to actively look for qualified individuals of all groups as to achieve a dynamic and effective blend of age, experience, qualifications, gender, and ethnicity.
- A. As engineering in the field of Aviation is dominated by males AVTECHs goal is to increase the staff with female professionals with an urge to work in our field.
- B. Due to the global outlook of our business, it has been a natural part of our recruitment process to achieve a highly multicultural representation of our workforce.
- C. Age: Presently we have 56 % of our staff above the age of 30, 22% above the age of 40 and 22% below the age of 30.

Environmental Principles:

AVTECHs overall ambition, within environmental responsibility, is to protect the environment by actively trying to reduce our own and our customers' environmental impact, as well as reducing resource utilization. We are committed to operating in an environmentally responsible manner, from the provision of products and services to selection of suppliers and other business activities.

The company complies with all applicable environmental laws and regulations as well as self-directed commitments to sustainable practices and environmental protection.

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: undertake initiatives to promote a greater environmental responsibility;

Principle 9: encourage the development and diffusion of environmentally, friendly technologies.

Assessment Policy and Goals:

- We have a policy supporting the Environmental Principles for our own companies, for our suppliers, and companies with whom we partner in projects.

Implementation:

- We have implemented a formal written policy supporting the Environmental Principles for both our own companies and for our suppliers.



- We have also evaluated companies with whom we partner in projects to ensure their support and compliance to these principles.

Measurement of outcomes:

- Internal company policy has been formalized.
- Company policy to be placed on our website.
- Our core business is improving the environment within Air Traffic Management. We do this with providing both products and consultancy services that lessen the environmental impact of air operations; I 00% of our products and services achieve this goal.
- We take an active role in limiting the environmental impact that all our own business operations create. We have an active recycling program for paper, plastics, glass, and metals. We have a program for the replacement of all items with energy saving ones when available.
- Partners in projects: We have evaluated each of our partners in projects to ensure their support to these principles.
- Business Travel: We continually strive to reduce our impacts, including the environmental impacts associated with work-related travel. We recognize that travels, has a direct impact on the environment. We are committed to reduce unnecessary business travel and encourage the use of sustainable forms of transport across our organization

Anti-Corruption Principles:

AVTECH will not attempt to influence the judgement or behavior of a person in a position of trust by paying a bribe or kickback. This applies to persons in government and in private business.

The company does not permit facilitation (or "grease") payments to government officials or private business in order to secure or speed up routine actions.

Employees are to:

- Select third parties carefully and monitor them continuously to ensure they comply with the company's anti-bribery policies
- Keep accurate books and records at all times and monitor that funds are not being used for bribery or facilitation payments
- Refuse any offer or request for an unlawful payment and report the incident to the company's CEO

Principle IO: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessmentt, Policy and Goals:

- We have a policy supporting the Anti -Corruption Principles for our own companies, for our suppliers, and companies with whom we partner in projects.

We are pleased to be part of the United Nations Global Compact and we will continue to



support and incorporate the ten principles of UN Global Compact in our daily operation.

Most sincerely, David Rytter, CEO