HULTAFORS GROUP

Sustainability Report 2020

Hello,

I am pleased to present Hultafors Group's first sustainability report. In 2020, Covid-19 put our global supply chain to the test and strained our employees and partners to the limit, yet we managed to stay true to our promise: delivering certified high-quality products for professionals worldwide in a timely manner. That is what we do. The reasons for publishing this report are clear. We want to honour those who design, develop, craft, transport, store, sell, promote and use our products. Especially those who use, re-use and recycle them, even though the infrastructure might not be ready for full-scale recycling yet. What's most important is to try to lengthen the lifespan of a product and, once fully used, recycle it in the right manner.

In the following pages we have some good examples and stories to share. How and why our products are made. Where, and by whom. Raw material sources and ideas on how to reduce our impact on the environment. What to do with the products when they no longer serve their purpose. We have included the perspectives of developers, factory managers and sustainability coordinators, among others – adding their expertise to this report, as well as insights from our finance, group quality and HR departments, in an effort to present a complete picture of the People, Planet and Profit.

With this report, we wish to give you more information about our brands and products and how we develop and produce them with sustainability in mind. From the vast variety of products, you will find many that will last for a lifetime, and then some. You will also find special products developed for special needs, with limited lifespans but manufactured with full circularity in mind. <u>READ MORE</u>

Vaccinations are ongoing and the world starts to open up again. We hope that we can retain some lessons learned and good habits developed in 2020. Avoid unnecessary travel. Produce more with fewer resources. Use products longer, and recycle. Do it yourself or go local – both for raw material and workforce. Value the environment and recognise the delicate balance we live in together with nature.

Henrik Tuomas

HENRIK TUOMAS GROUP SUSTAINABILITY MANAGER



Message from the CEO

I am very proud of being the CEO of Hultafors Group. When I joined the company, in January 2021, I knew that I was going to be part of a fantastic journey.

Hultafors Group is a wonderful company that has combined a long history deeply rooted in the Swedish industrial heritage with the ability to evolve into a leader in the industry in Europe with the objective to becoming a global powerhouse.

2020 was a challenging year for our employees, suppliers and customers alike. During the Covid-19 pandemic, we focused on keeping our employees and our partners safe, while at the same time delivering on our promises in terms of orders from suppliers and deliveries to customers. Hultafors Group employees have demonstrated the highest level of commitment and resilience, even when circumstances in Europe and North America made prolonged lockdowns necessary. We were able to maintain our high level of customer service and reach our goals despite these significant challenges.

Our emphasis on creating and nurturing long-lasting relationships with suppliers and customers has helped us minimise the effects of the pandemic on our and our partners' business. And through company-wide team efforts, we managed to accelerate the digitalization of our ways of working and normalize virtual interactions between colleagues and with customers in order to help the business thrive. All of this proves that it is the people at Hultafors Group who make the difference and ensure that our 130-year legacy will extend far into the future.

The pandemic highlighted the urgency of working towards a sustainable future. We want to do our part and take an active role in the fight against climate change, which is why we work proactively to reduce our environmental footprint. We have set goals and we monitor our progress on a quarterly basis. Our tradition and heritage of making long-lasting products is an important component in our effort to minimise negative impact to the environment.

We are committed to the sustainable development of our business. By growing the company and by having responsible policies, we aspire to have a positive impact on all stakeholders connected to our business. We see growing sustainability awareness among our partners and a desire to know more about the manufacturing of products and whether the companies involved in production have a forward-looking sustainability agenda.

From 2020, Hultafors Group has worked on supply chain transparency and inclusion to identify improvement points as well as eliminate risks that could affect delivering quality products in time to our partners. It is extremely important that our products as well as our actions can be trusted. That's why, as a company and a community, we strive hard to foster a work environment where sustainability is a core topic. Going forward our goal is to increase the level of transparency in all actions taken by the company as a whole and to communicate about progress towards our sustainability goals in an open, effective and comprehensive manner.

MARTIN KNOBLOCH CEO at HULTAFORS GROUP





About Hultafors Group

Hultafors Group is one of Europe's largest companies to supply workwear, footwear, head protection, hand tools, tool carriers and ladders for professional users.

The products are developed, manufactured and marketed as their own brands, and are available through leading distributors in about 40 markets, with an emphasis on Europe and North America. Our portfolio of recognized brands includes Snickers Workwear, Hultafors, Solid Gear, EMMA Safety Footwear, Toe Guard, Hellberg Safety, Wibe Ladders, CLC, Johnson Level & Tool, Kuny's and EripioWear.

In 2021, Hultafors Group expanded through the acquisition of Fristads, Kansas and Leijona. Hultafors Group has over 1600 employees and a turnover of MEUR 470 in 2020.

The focus of Hultafors Group for more than 130 years has been to create a better day for professional users.

We develop innovative and sustainable workwear, tools and protection equipment in order to provide professional users the best functionality, safety, protection and efficiency. We achieve this by trying out new ideas, respecting each other and, above all, by listening to and involving professionals in the entire product development process.

Our team is made up of proud and experienced specialists who work side by side with new talents. With passion for forward-thinking solutions, always looking for new knowledge and insights, we find new ways to positively impact and improve work and life for the users of our products.



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OUR BRANDS

Snickers Workwear _____ Eripio Wear _____ Emma Safety Footwear _____ Solid Gear _____ Toe Guard _____ CLC & Kunys _____ Hultafors _____ Johnson Tools _____ Hellberg Safety _____ Wibe Ladders _____

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ISO Standards for Quality & Environment

All production Hultafors Group sites and Business Units in Europe are as of today certified, and our goal is to certify the U.S. production sites by the end of 2025.

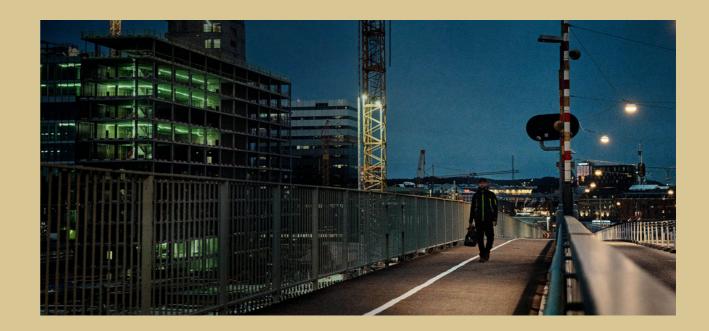
Hultafors Group is certified according to ISO9001:2015 and ISO14001:2015. In 1995 the Hultafors site was the first site to be certified according to ISO9001 and in 2000 our first site to be certified according to ISO14001 was the Wibe Ladders production site in Nässjö.

ISO9001 and ISO14001 are international standards which are based on a number of management principles including a strong customer focus, involvement and a clear leadership from top management, process approach and continues improvements. The standards require a holistic approach when actions are planned and conducted. The results must also be evaluated and followed up.

ISO14001 is a framework to make sure the organization includes all important elements needed to protect the environment and to react on changed environmental conditions in balance with socio-economic needs. And ISO9001 is focusing quality and sets up a framework for how the organization continually shall be able provide products that meet the customer and regulatory requirements.

For us both standards are closely related and integrated into The Way We Work – our Management System.





Policies & Code of Conduct

A policy is a brief document at a general level on specific, strategically important areas. It is a guide for decisions and governance. A policy contains Hultafors Group's basic approach and focus. At Hultafors Group we have a number of mandatory policies. These policies and the Code of Conduct apply to all employees, regardless of which country we live and work in.

Hultafors Group Code of Conduct

The Hultafors Group Code of Conduct is the foundation for our sustainability work and our operations. It sets forth the minimum requirements and clearly defines standards for fair, safe and healthy working conditions and environmental responsibility. Doing things the right way – ethically, with integrity, and in full compliance with the law – is fundamental. Our Code of Conduct applies to the whole supply chain of every Hultafors Group product <u>DOWNLOAD PDF</u>

Quality Policy

Quality is key for Hultafors Group, and the Quality Policy describes how we strive for the best possible quality in all our operations. DOWNLOAD PDF

stainability Policy

stainability is a natural part of what we offer and how act. The Sustainability Policy describes our sustainaity approach within three focus areas: People, Planet d Profit. <u>DOWNLOAD PDF</u>

Work Environment Policy

suring a sustainable working environment is a priority Hultafors Group. Our aim is to help people grow, and ensure that all employees have the prerequisites to fil assignments and objectives. No employee should t injured at work, and all employees should have a od and healthy work environment. <u>DOWNLOAD PDF</u> "Hultafors Group has been an appreciated member in the Swedish Chemicals Group for a long time, takes an active role at our meetings and provides valuable information to the network."

MIKAEL LARSSON - PROJECT LEADER OF THE SWEDISH CHEMICALS GROUP AT RISE

The Swedish chemicals group

Hultafors Group is a long-time member of the Swedish Chemicals Group, a network run and coordinated by **RISE** in collaboration with experts from universities and governmental bodies.

Membership in the Swedish Chemicals Group provides us updated information about chemical regulations as well as specialist support and peer contacts in the field. The Swedish Chemicals Group publishes twice a year a chemical guide, which is the basis of the Restricted Substance List (RSL) that we share with our suppliers - guidelines that are imperative for them to follow and respect. In

addition to support in many forms, the Swedish Chemicals Group arranges meetings and seminars covering various topics related to chemicals in products and processes. Part of the membership fee can be also used for material testing and development by the Research Institute of Sweden (RISE).

Worldfavor

Worldfavor is a global network that connects organisations across the world allowing them to access, share and gain insights from sustainability and compliance data. The Worldfavor sustainability platform leverages the latest technology to fuel sustainable action internally and through far-reaching value chains.

Hultafors Group started working with Worldfavor in early 2020. We use the platform to collect sustainability related data from our own thirty-two sites, and report that data to our owner, Latour Investments.

The sustainable supply chain module is used to engage with Hultafors Group suppliers, for example requesting they sign our Code of Conduct and Restricted Substance List. We also use the supply chain module for risk evalFor each business unit, and across all of our brands, we have designated colleagues who work especially with sustainability and who ensure our suppliers understand the importance and value of sustainability data collection, working with them to track progress via the Worldfavor tool. READ MORE

" At Worldfavor, our vision is to become the de-facto platform for accessing and sharing sustainability data and making informed decisions. Over 20,000 companies around the world are using our platform to collect and aggregate data and support their sustainability efforts. It's an honor for us to serve Hultafors group, a company that truly is at the forefront when it comes to their sustainability commitment.

We are currently offering our Sustainability Management and Sourcing solution to Hultafors, supporting Hultafors in their mission and high ambitions. We share the same conviction as Hultafors Group – that achieving a sustainable future requires a consistent, methodically and long-term approach."

SIRI HENRIKSSON - MARKETING DIRECTOR AT WORLDFAVOR

uation in the areas of business ethics, anti-corruption, environment, and health & safety.

Sustainable Development Goals

The UN's Sustainable Development Goals (SDGs) are the world's shared plan to end extreme poverty, reduce inequality, and protect the planet by 2030. 17 goals are built with targets and indicators that help us to ensure we are on right path.

Hultafors Group supports the UN sustainable development goals and has focused on three goals to begin with, based on stakeholder discussions and the opportunities to make an impact.



SDG 7

Ensure access to affordable, reliable, sustainable and modern energy for all.

Target 7.2

By 2030, increase substantially the share of renewable energy in the global energy mix.

Indicator 7.2.1

Renewable energy share in the total final energy consumption. In 2020 Hultafors Group's renewable energy share in our own operations was 35%. We have a target of 100% renewable energy before year 2030.

SDG 8

Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

Target 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors.

Indicator 8.2.1 Annual growth rate of real GDP per employed person.

SDG 12 Ensure sustainable consumption and production patterns.

Target 12.

By 2030, achieve the sustainable management and efficient use of natural resources

Indicator 12.2.1

Material footprint, material footprint per capita, and material footprint per GDP.

Target 12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Indcator 12.5.1

National recycling rate, tons of material recycled.

Target 12.6

Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

Indicator 12.6.1

Number of companies publishing sustainability reports.

Target 12.8

By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Indicator 12.8.1

Extent to which (i) global citizenship education and (ii) education for sustainable development (including climate change education) are mainstreamed in (a) national education policies; (b) curricula; (c) teacher education; and (d) student assessment.

Targets

KPI's, or "Key performance indicators", are followed and reported quarterly, including energy use and emissions of our own thirty-two sites, of which eight are production facilities.

Our current initiative is to focus on reducing energy use and emissions, to meet our goals and responsibilities, and be the sustainable company we want to be. Group-wide commitment to science-based targets is the next step.

We plan to halve our emissions on this decade.

During the latter half of 2020, we began mapping out the full value chain of our products, with the help of a tool called Worldfavor. We have worked on supply chain transparency and inclusion to identify improvement points, as well as address any risks that could negatively impact on-time delivery of our products to our partners.

CO₂ emissions

Hultafors Group has been tracking energy use and emissions in our own sites since 2017. In 2020, Investment AB Latour, our owner, set yearly targets of a 5% reduction of both energy consumption and CO₂ emissions, including fuel consumption, kilometres travelled and emissions related to company vehicles. The various national lockdowns instituted in 2020 in most of the sixteen countries where we have sales companies have obviously lowered the number of kilometres driven for customer visits. It became evident that sales visits can be handled online in situations involving discussions with existing partners and product familiar to both parties. A bigger challenge was presenting a new collection to new partners, without samples and dialogue in person. However, thanks to the combined efforts of our Sales, IT and Group Marketing teams, we met the challenge of presenting the new products while gaining the trust of new customers.

100% of distributors and agents have signed our Code of Conduct; next step is to improve in business ethics is to anchor our values with our representatives globally. Reaching zero in work-related accidents. We have

We endorse gender equality, diversity, inclusion and non-discrimination. We measure development of gender equality on managerial positions, in management team and in Board of Directors. Diversity, inclusion and non-discrimination are built in our values and Code of Conduct, we expect everyone within our reach to share our commitment to promoting these values.

Other targets are:

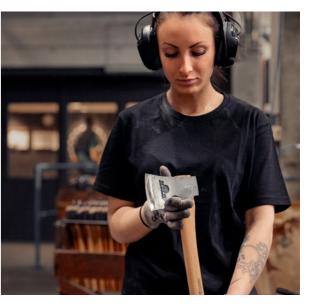
Reduction of emissions in transport and business

travel: by 2030 we should have halved our emissions in these areas, by streamlining our transport and choosing partners who can offer green fleet. In business travel we see that there is no going back to pre-covid normal; pursuing increasingly effective meetings online, and increasing mental and physical health by reducing extensive travel should be the new normal.

> We monitor closely work related incidents and accidents in our production. We also follow the wellbeing of our employees with Winningtemp surveys on weekly basis.

100% renewable energy in our own operations: we have a vision of reaching 100% renewable energy sources for our own operations by 2030. This will require both investments as well as choosing the energy suppliers who can guarantee the origin of energy source.

our own production facilities, and we work proactively to improve working conditions and the safety of our employees. Accidents and incidents are reported, followed closely, and, when necessary, corrected.



Hultafors Group in numbers

6 markets with our own sales team

counties operating in

960 total full time employees

females in board of directors

2/10

females in management teams

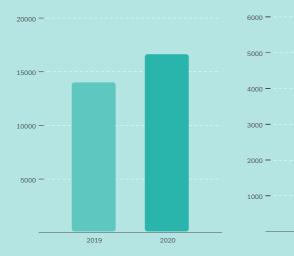
46/147 female managers

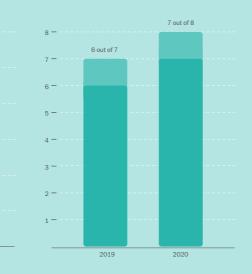
ENERGY CONSUMPTION (Mwh)



2019

2020





QUALITY & ENVIRONMENTALLY CERTIFIED PRODUCTION FACILITIES

Greenhouse gas (GHG) protocol & scopes

GHG Protocol establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions. ghgprotocol.org

DIRECT SCOPE 1

INDIRECT SCOPE 2

COMPANY VEHICLES (Tkm) SCOPE 1

2019

2020

8000 -

7000 -

6000 -

5000 -

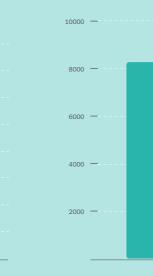
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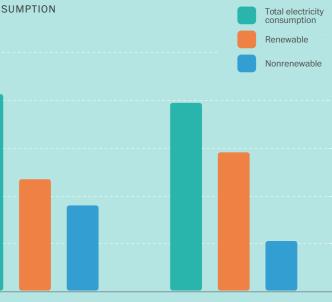
ELECTRICITY CONSUMPTION SCOPE 1 & 2



WAREHOUSE

FACTORY OFFICE

SUPPLEMENTAL SCOPE 3



2019

2020

Trust & respect are the foundations of success

Hultafors Group's company culture is based on trust, respect for diversity and equality. We believe that it is the people, not the company that enables success.

Ensuring that our employees are healthy and involved is a priority for us. Our aim is that no employee should get injured at work and that all employees should have a good and healthy work environment.

We constantly work to reduce the risk for accidents on the job and strive to promote good physical and mental health. We involve everyone in these efforts, asking for input and cooperation as we continuously work together to improve and perfect our work environment. A basic principle at Hultafors Group is that a sound working environment is one in which nobody feels discriminated against. We encourage an atmosphere characterised by openness and understanding. For us it is important that everyone's opinion is heard and that all colleagues are seen. That is why we put a lot of effort into working with informal dialogue and communication. Understanding and respecting differences is necessary for our development.

Because we want to hire and retain the best people, it is important to truly be an attractive employer. Our history and heritage as a company attests to the fact that this value has always been at our core. We do not take the issues of a positive, healthy and safe work environment for granted. Again, it is the individuals at Hultafors Group who make the difference and help us meet our potential in all areas.

Employee engagement

In order to monitor potential discrimination incidents, we have started implementing Winningtemp as our employee engagement system, which is now active in 80% of the organisation. Winningtemp offers the possibility to report discriminatory behaviours anonymously, and Managers or HR Managers can engage directly with the anonymous

employees who send comments through the system, in order to address and resolve any issue quickly and effectively. Through the same tool, we remain attuned to the well-being of our employees, with a weekly survey sent out by the system containing 4-5 questions related to leadership, autonomy, job satisfaction, meaningfulness, work situations, participation, personal development, team spirit and commitment. We also measure stress and employee engagement through the same channel. Based on the survey responses, the HR department can easily engage in dialogue with specific managers, groups and employees to gain a better understanding of any given situation and work to improve any problem areas. Moreover, each week the system automatically sends reports to each Manager with insights and comments based on the results. Managers are expected to actively engage with the system and discuss the results with their team(s) at least once a month. The HR department supports the Managers and the employees with workshops on the benefits of using the system as well as best practice examples.

Community engagement

In Sweden, Hultafors Group has, for the past two years, partnered with MittLiv, a social enterprise that aims at improving inclusion and diversity in the labour market. MittLiv Chans is a mentorship programme for individuals with a foreign background who struggle to find their way into the Swedish job market, and aims to provide guidance, contacts, and access to job networks. Hultafors Group has supplied several mentors to the programme, which is free for those being mentored, and is financed by businesses and organisations who understand the value and benefits of increased diversity in the workplace.

A partner to rely on through the Covid-19 crisis

Over the years, Hultafors Group has developed strong and long-lasting relations with our suppliers. The Covid-19 outbreak has not changed our ambition to be a trusted and respectful partner.

We have daily contact with suppliers to make sure we're up to date with the business situation and the well-being of our partners. When travel restrictions limited the ability to travel, we've turned to communication via our online platforms to maintain transparency throughout the supply chain. In several cases, challenges posed by the Covid-19 outbreak brought us even closer to our suppliers – although face-to-face meetings were impossible.

Working closely together with suppliers in different parts of the world, it once again became obvious that every single link in the supply chain is valuable and impacts the entire process. A safety shoe, for example, requires about 300 operations to finalise. Needless to say, this means a lot of steps (and people) are involved and must be taken into account!

Despite the challenging situation, Hultafors Group has decided not to cancel processed orders, but instead to remain in constant dialogue with suppliers so that employees in our production could continue their work. We focus on cost avoidance initiatives and reduced safety stock to balance out supply in a healthier manner. We are reliant on our suppliers to stay strong throughout the crisis. We continue to work, as usual, closely monitoring our product flow, and inform the customers of any delays that might have an impact on them. In retrospect, taking the decision to keep the orders and supporting the supply chain while the entire world was closing down, was bold. What's more, it proves our deep knowledge of the business and, understanding of the whole value chain.

When we act, as customers and suppliers, we must bear our weight and be prepared to pitch in during hard times. By supporting suppliers when their orders were cut by other customers, we showed that our forecasting was done right and that we cherish our long-term partnerships with suppliers. At the same time, we showed our customers that we could deliver, despite the pandemic throwing obstacles along the way. Hultafors Group is highly motivated to keep on delivering a high service level and quality to the end-user. Many thanks to everyone that is working hard to make sure that Hultafors Group continues to excel now and in the future.

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Transportation of goods on a normal year is already challenging, and during the Covid-19 pandemic it became even more complex. A lot of extra work was done behind the scenes.

Transport

The professionalism of our employees and partners working within supply chain made things look smooth but a lot of extra work was done behind the scenes.

Lead-times got longer and containers were scarce. Shipping prices went up to 4 or 5 times compared to pre-pandemic prices. As we want to avoid air freight, we opted for sea freight and occasionally even train freight from China to Poland, our distribution centre (DC). Airplanes emit 500 grams of CO₂ per metric ton of freight per km of transportation, while transport ships emit only 10 to 40 grams of CO_2 per kilometre, therefore sea freight is the right choice for the environment.

During 2020 we moved 4587577 items in 354 containers from our supplier factories to our DC in Poland. From warehouse to our customers, 5689770 pcs different locations with contract transport fleet. For GHG reporting of scope 3, all our transportation will be measured in kilometers and CO₂ emissions. By 2030 we aim to reduce transport emissions by 50% both up- and downstream.

500 containers in 6 million pieces out, 2-4 trucks daily

Hultafors Group is a global company offering a wide portfolio of brands and products. The complexity of dealing with the supply chain of multiple brands and hundreds of products is a challenge we are well aware of. From 2020

we have worked on supply chain transparency and inclusion to identify improvement points as well as clear risks that could affect delivering quality products in time to our trusted partners.

In the early stages of the Covid-19 pandemic, we were aware of the difficulties our value chain partners were experiencing. Numerous customers were cutting their orders, postponing or totally shutting down business relations with their Asian partners. Hultafors Group wanted to show support to our partners by keeping the promised order volumes and accepting the reality of postponed shipping dates. In this way, we reinforced the trust we have with our partners both up- and downstream in the value chain.

The same goes for our material suppliers to our own factories: we wanted to keep the supply flow running during difficult times and be ready to produce once lockdown measures were lifted. Our

customers were expecting us to deliver products as construction, renovation and other activities related to our products did not stop during the pandemic and personal protective equipment (PPE) as well as tools were strongly needed.



Stakeholder Analysis

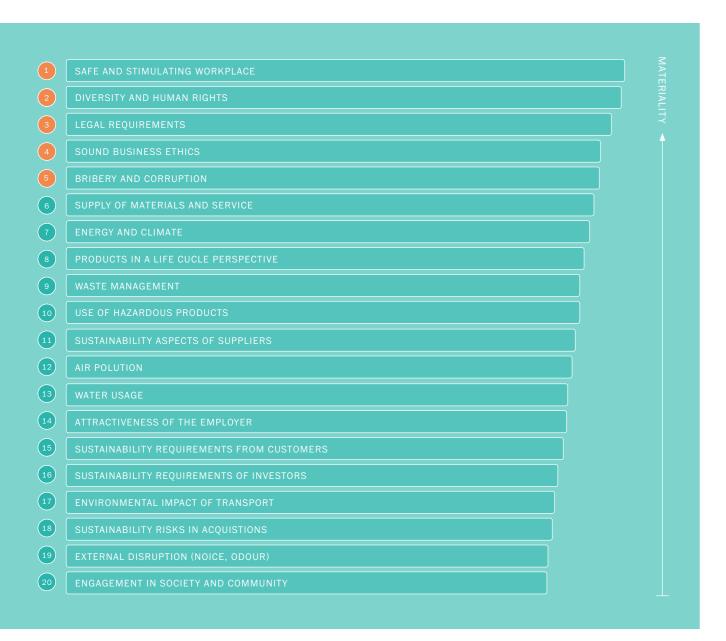
The stakeholder analysis provides insight into the subject areas that are significant to the company's various stakeholders and forms the basis of the strategy and operations. 44 stakeholders: customers, suppliers, owners, employees/managers, advisors. We will continue to ask our stakeholders about their views to track trends.

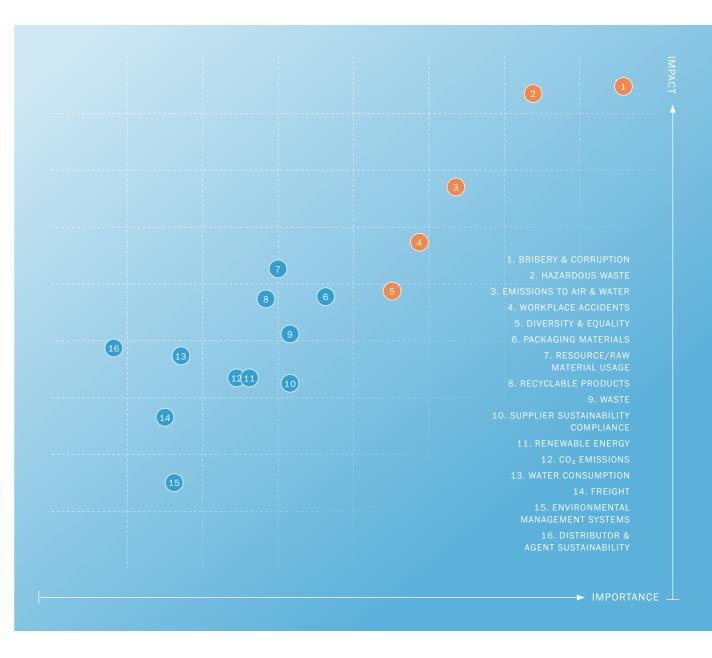
Top 5 most significant aspects and their importance to our stakeholders:

- 1. Safe and stimulating workplace
- 2. Diversity and human rights
- 3. Legal requirements
- 4. Sound business ethics
- 5. Bribery and corruption

Materiality Analysis

A materiality analysis is a method to identify and prioritise the issues that are most important to an organisation and its stakeholders.

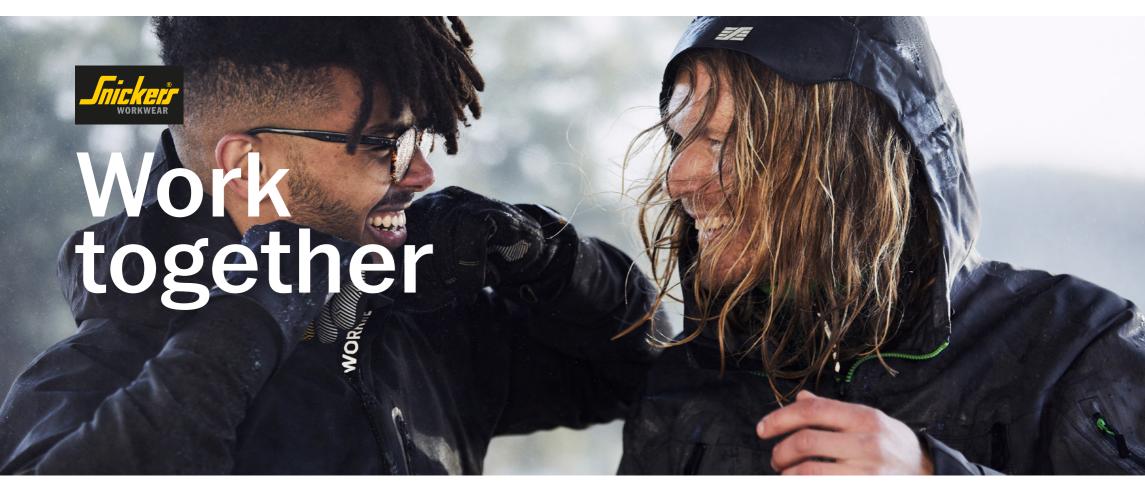




57 stakeholders: customers, suppliers, owners, employees/managers, advisors. We will continue to ask our stakeholders about their views to track trends and to focus our sustainability communication targeting these aspects.

Top 5 most important aspects and their impact on our business:

- 1. Bribery and corruption
- 2. Hazardous waste
- 3. Emissions to air and water
- 4. Workplace accidents
- 5. Diversity and equality



Snickers Workwear offers innovative, technical workwear with uncompromising safety that work together with today's craftsmen and women wanting the most durable and style-conscious solutions available. We lead the industry in style and design by emphasizing safety, functionality, longevity and comfort - inspiring demanding professionals to a smarter and safer work life.

Our Responsibility

Sustainability is a core value at Snickers Workwear. In these paragraphs, we outline a condensed version of how we integrate sustainability within our business strategy and briefly discuss our achievements. We have mapped our priorities into three interconnected areas: Our Production, Our Products and Our Impact.



OUR PRODUCTION

Our commitment is to work in close collaboration with responsible production facilities and meet explicit social and environmental targets and goals.

Compliance at heart

Snickers Workwear follows the standardized way of working with the Hultafors Group corporate compliance documents and sustainable sourcing via Worldfavor sustainability platform. Just as important as the signature of our compliance documents is the follow-up process to ensure our protocols are followed. Close collaboration and long partnerships create a strong foundation for continuous improvement in our supply chain.

Code of Conduct compliance is achieved through frequent on-site supplier visits by our local Operations Teams and by third-party audits of suppliers. In these audits, workplace conditions are assessed at the

facility where our products or materials are manufactured. The reports provide in-depth analysis which is used as a foundation for dialogue aimed at objective improvement.

Apart from making use of chemical certifications, we also conduct chemical spot checks on raw materials going into our products. We use an accredited worldwide laboratory partner to perform our chemical testing to achieve the highest standard on reliability and compliance.



OUR PRODUCTS

We are committed to sourcing the highest quality, most hard-wearing products with as little environmental impact as possible.

Sustainable product development philosophy

Our design and product development philosophy brings end-user perspective and functionality into the process right from the start. In this way, we ensure the products we develop are exactly what is needed. Innovations emerge from our continuous striving to meet end-user

needs, and each new technique and solution is thoroughly tested to be functional and durable over time.

A product is exactly as durable as its weakest link. Snickers Workwear places high demands on all materials and trims that go into a product during the development phase. Great effort is spent on physical testing of both materials and constructions aimed at optimizing product durability. The life-length of a product is crucial for its climate impact. This bedrock understanding drives Snickers Workwear's uncompromising insistence on quality and durability-ultimately the best investment for the environment.

Design & Innovation

Design and innovation extend beyond looks and function. They're the key to staying relevant and challenging ourselves to incorporate new techniques and materials. Making sustainability a central factor in the equation takes even deeper understanding and knowledge. Our holistic approach means caring for the earth's resources, looking into every detail, never compromising on function or fit, while securing the longevity of our products.

Laboratory testing

To ensure conformity to given requirements and our additional high standards, we test all materials going into every product. Testing is done both at the development stage and the production stage for several different physical performance variables. All tests performed are done in accordance with international standards.

Fibre uptake

Defining our fibre uptake is necessary for understanding our overall impact. This measure also gives information that helps us locate opportunities for substitution to more sustainable fibre alternatives.

"We are committed to sourcing 70% of our fibres as preferred fibre by 2030, reaching the 40% milestone already in 2023"

KAJSA NYMAN ANDERSSON SOURCING MANAGER, SNICKERS WORKWEAR The materials for our products are chosen from a functionality and durability perspective. In order to reduce our impact on the planet, we are looking to replace our most frequently used conventional fibres with preferred fibres. The guiding principle is to ensure that garments made from preferred fibres are comparable when it comes to durability and comfort, because otherwise we would lose sight of our key sustainability standpoint: hard-wearing products with a long product lifetime. We implement this substitution principle across our product range because it will lead us faster to our overarching goal of a reduced overall climate footprint.

Cotton

Cotton accounts for a large part of Snickers Workwear's total use of textile fibres. Cotton is a natural fibre; it is also biodegradable and renewable. However, it is linked to several negative environmental impacts. Cotton is an intensive crop to farm in terms of extensive water consumption and chemical use, all clear reasons to source our cotton in a more responsible way.

Snickers Workwear joined Better Cotton Initiative (BCI) in 2019. BCI's mission is to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future. These goals are pursued by training cotton farmers in line with the following guidelines and principles: minimising the harmful impact of crop protection practices; water stewardship; caring for soil health; enhancing biodiversity; preserving the quality of the fibre; and promoting decent working conditions. Better Cotton is grown in 23 countries by 2.4 million licensed farmers and 23% of the global cotton is farmed as Better Cotton *.

"We are committed to sourcing 80% of our cotton as more sustainable cotton by 2023. In other words, cotton sourced through the Better Cotton Initiative. organic cotton or recycled cotton"

Our first year of Better Cotton sourcing has been a great success: During 2020 we grew from 0% to an impressive 38% of our total cotton uptake sourced as Better Cotton. This sourcing resulted in the following impact at field level*:

- An estimated ~ 167 million litres of water were saved - equivalent to 66,7 Olympic-size swimming pools of water.
- An estimated ~ 77 thousand EUR of additional farmer profitability was generated **.

Definitions

PREFERRED FIBRE

Preferred fibres are fibres that have more sustainable properties in comparison to conventional options. In addition, we also incorporate materials which are produced with processes with a documented lower environmental impact.

(We use the definition of preferred fibres from the global non-profit organisation Textile Exchange.)

SOLUTION DYF

Solution dye or dope dye is a more sustainable dying process that reduces water and energy consumption significantly compared to traditional piece dyeing.

Furthermore, this process also reguires fewer chemicals and produces less CO₂ emissions. It gives us fabrics with excellent, long-lasting colour performance.

OEKO-TEX 100

STANDARD 100 by OEKO-TEX® is one of the world's best-known labels for textiles tested for harmful substances. It stands for customer confidence and high product safety.



BETTER COTTON

is sourced via a system of mass balance and is not physically traceable to end products. For more details: www.bettercotton.org/massbalance

* Data provided by: Better Cotton Initiative (BCI).

** BCI Farmers experience profit increases for a variety of reasons, most commonly due to increased yields and/or optimised use of inputs (such as irrigation water,



STICA

STICA's purpose is to support the apparel and textile industries and their stakeholders in the Nordic region to, at least, reduce greenhouse gases in line with 1.5°C warming pathway, as outlined by the United Nations Framework on Climate Change and the Paris Agreement



for Climate Action



Preferred Fibre substitution progress

Our preferred fibres and preferred processes include recycled and biobased fibres, preferred cottons and solution-dyed raw materials, to mention a few.

What is imperative to understand is that the overall objective must always be to do this substitution without compromising the product life length. This is why we don't make a commitment of 100% preferred fibres. We work with durable materials, some which are very difficult to substitute without reducing product life length, which would be counterproductive to our goals.

When substituting the raw material with preferred fibres, we only address a small part of a product's climate impact; therefore this is not the one-stop solution to becoming a responsible brand. Even so, it is still important to pursue this commitment as any improvement is still a step towards fulfilling our environmental responsibilities.

We increased our share of preferred fibres by 11% in 2020, an increase mainly driven by sourcing preferred cotton. Furthermore, in 2020 we substituted the composition of our paddings to achieve a higher percentage of recycled content; the largest impact from this substitution will be seen in future reporting. This is a good example of how we substitute our fibre uptake with a more preferred fibre base across our product portfolio, and not on single product level only.



OUR IMPACT

Our commitment is to be as environmentally responsible as possible across our entire value chain.

In order to achieve this commitment and understand our reduction potentials, actual data for both our direct emissions and those generated in our value chain at the production level is needed.

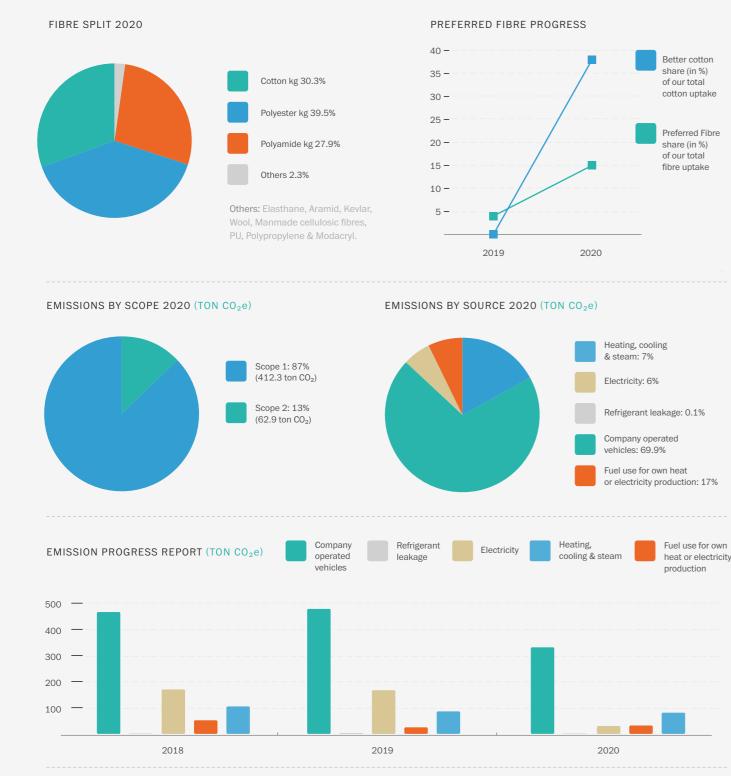
Swedish Textile Initiative for Climate Action

At Snickers Workwear we believe that by working together the industry can achieve more and work faster than any individual brand or company. Therefore, our membership in the Swedish Textile Initiative for Climate Action (STICA) is an integral part of our commitment to improving our environmental impact.

In 2019, with the support of STICA, Snickers Workwear mapped our Scope 1 & 2 emissions in accordance to the Green House Gas-protocol for the first time. (GHG-protocol) (See also page 9). Even though, prior to this, we measured emission data points in our organisation, it was not previously done in the standardised way indicated by the GHG-protocol.

Since 2018 (base year), we have reduced Scope 1 & 2 emissions for Snickers Workwear by 40%. The decrease





LCA - CRADLE TO GRAVE



is partly due to the effects from Covid-19, with electricity use and mileage both seeing reductions due to lockdowns.

Going forward, we see great potential to reduce our emissions through greater energy efficiency, further optimising of our office space, increased use of renewable energy and also by addressing the emissions from our car fleet via replacement of fossil fuels with HVO diesel and/or electric cars.

Research states that the major part of our industry's climate impact takes place in our value chain, which corresponds to GHG-protocol Scope 3. In 2021, our focus is on collecting Scope 3 data and setting a time-bound target and roadmap for value chain impact reduction. This is a complex and comprehensive task that lies ahead of us, but a vital aspect of our mission and our commitment to comprehensive, measurable improvement in regard to Our Impact.

Life Cycle Assessment (LCA) – Product Level Insights

In order to draw correct and relevant product-level insights and investigate possible emission reductions from our target numbers for preferred fibres, we decided to have a Life Cycle Assessment (LCA) made on one of our core products. We visited the relevant producers and raw material suppliers on-site together with two LCA specialists from RISE (Research Institute of Sweden) to collect necessary data. The report outlines important facts on how shares of emissions are distributed between different process stages in our value chain. The report further outlines just how important the life length of the product is, and that the savings from working with preferred fibres will be far from sufficient to reach our future goal of CO2 reductions in our Scope 3. It is obvious when studying the collected data that we will have to achieve the biggest reduction within our value chain. To achieve our goals, the strong supplier partnerships we have will prove invaluable.



"Snickers Workwear commits to 50% reduction of GHG emissions in scope 1 and 2 by 2030, and we are currently assessing our impact and commitments for scope 3."

MARIA SCHARTAU - SNICKERS WORKWEAR

Eripio Wear

Eripio Wear is a small and growing Swedish apparel brand specializing in highly professional clothes for people working in challenging conditions and exposed to harmful elements, such as medical personnel, search and rescue professionals, and so on.

The year 2020 was a success for EripioWear. We grew our market and thus protected more people in their daily work. On the product side, we managed to replace more of our fibres with preferred and sustainable fibres, such as recycled polyester and the natural fibre lyocell that goes by the commercial name Tencel. This way it is possible to deliver highly specialized, high-quality tailored products with short lead times. To improve service for our customers, we have arranged for easy repair possibilities and have also created a take-back system and recycling for used products.



Towards a positive footprint

EMMA Safety Footwear makes safe and sustainable safety footwear. Applying to the SCC principles: Safety, Comfort, Circularity, we always aim for safe foot protection and working conditions as well as safety for the environment.

Since being part of the first Dutch social enterprise in 1931, EMMA Safety Footwear has concerned itself with all people, and especially for people requiring some additional support. Ninety years ago, we offered employment to injured mineworkers. Today, we are an inclusive employer. EMMA has nearly one-hundred employees with disabilities or who otherwise face unusual challenges on the labour market - and we do as much as we can and work hard to take care of all the people working in our supply chain. That is why EMMA became a member of the Dutch Agreement on Sustainable Textiles-the only shoe manufacturer. In this multi-stakeholder initiative, we are committed to continuously improving the working

conditions and environmental practices for every worker involved. Every year, we are audited, as we need to reach an annual level of improvement of at least 20%.

With so many colleagues with a social heart, it was only a natural step to work towards a better environment as well. In 2015, EMMA started its work towards a circular economy. In the past years, we mainly focused on analysing all the materials we use and on substituting the most hazardous materials, such as PVC. Since 2020, we have material passports available for all products, all materials are tested on material health and recyclability and we have organsed reverse logistics. In 2020, EMMA Safety

Footwear joined Hultafors Group. Now we are part of this strong family of safety and protection brands and we are able to join forces with the other sustainability warriors in the Group and to extend our work into the global playing field.

Circular Footwear Alliance: Let's Work on a Circular Future

Making our materials recyclable was a first important step. The next milestone is a recycling system for the used safety footwear. Therefore, in 2020, EMMA partnered up with one of its competitors in the Dutch



market, Allshoes Safety Footwear. Together with the consultancy firm FBBasic, EMMA has established an alliance for the reverse logistics and the recycling of used footwear: Circular Footwear Alliance (CFA, www.cfalliance.eu). Full boxes of used footwear are collected by CFA and taken to a sorting center. There the shoes will be sorted and dismantled. The goal is to collect 2 million work and safety shoes per year. Setting up the integral CFA recycling process is a challenge and therefore not in full swing yet. The collection and presorting process functions very well. Significant steps are also being taken in the field of dismantling and the production of mono materials. In the past year, a great focus lies on the sorting of the used materials towards pure material streams. In 2021, the CFA program will be rolled out in several countries in Europe. It is unusual that two competitors in the safety shoe market work together. But the common goal of making a substantial contribution to a cleaner world unites us. CFA strives to have the entire safety shoe market participate in the structural collection of used safety footwear.



High quality leather can withstand the harsh working conditions while remaining comfortable and safe.

Because we want to recycle our used footwear, EMMA strives to use mono materials as much as possible when designing new shoes. This makes the recycling process easier. Other areas of focus in the past year were increasing the recycled content in our materials and using more durable and environmentally friendly materials. For example, we have done tests with chrome-free leather and a recycled lining of a mono material (used PET bottles). In 2020, EMMA also launched sustainable working socks, which are partly made from recycled fishing nets. Moreover, we have started a Lifecycle Assessment (LCA), in cooperation with the University of Maastricht, to evaluate the environmental impact of our circular shoes.

Increased recycling

What is also quite unique is that in 2020 we recycled 28.674 kilograms of polyurethane, residue of our production process of soles in our own factory in The Netherlands, into insulation materials. Moreover, our upper supplier in Brazil, whose tannery is Gold-Rated by the Leather Working Group, has recycled 1.963,44 tons of leather waste into fertilizer. Although 2020 has not been a very representative year due to COVID-19, we have reduced our energy consumption by 10%, while 30% of the energy we used came from renewable energy sources. Also in 2020, we finalized the construction of a solar panel area of 28,000 m2 at our brand new ISO 14001 certified factory site, through which we generated 636013 KwH of solar energy, 305378 KwH of which we used for our own production. Finally, we are delighted to announce that we have now started to produce safety shoes for Toe Guard in our own production facility in The Netherlands. We are stronger together!

🖈 SOLID Gear

Sustainable performance

Solid Gear was founded on the idea that safety shoes don't have to be bricks with laces. For early adopters and fast thinkers, we make footwear packed with premium materials and innovative tech. We're never stop looking for for new ways to make working people feel faster and last longer. Where others get stuck, we get ideas.

Sustainable Performance

In 2020, the Solid Gear development team, working from different angles, has implemented several sustainable initiatives. These include designing overall systems and product-specific solutions, as well as defining more clear targets to guarantee that we work smart and in a dedicated manner. A deeply considered design philosophy with sustainability at its core will ensure the development of responsible products, and help bring the Solid Gear brand into the future with "Sustainable Performance" as its motto.

Our customers wear our shoes from home to work and back. So these footwear products must be safe, comforta-

ble and ergonomic for use almost around the clock, at least five days a week, and in various terrains and weather conditions.

The 2021 collection contains several great expressions of our environmental initiatives. In the Haze Tellus and Saturn and Evolution products, ocean waste and algae have been put to new and better use. The footbed for all footwear in the Athletic concept is made from the same source.

These new shoes were developed and produced by our long-term partners in Vietnam and Cambodia. We regularly visit their facilities, with both quality and social audits in mind.

We know the producers of the raw materials too, and we have chosen Bloom and Milspeed as our suppliers for new products; we work closely with them to gain deeper insight into the environmental impact of raw materials and, therefore, into the impact of our products. Normal midsole material is purely plastic and fossil-oil based, whereas algae-based Bloom foam can be mixed to midsole as much as 8%. We are both reducing the use of raw-oil as well as the quantity of harmful algae from water reserves. Lifecycle assessment of Bloom algae-based foam clearly indicates that the replacement of raw oil-based EVA (midsole material) with Bloom foam is—with no cost to the safety of our customers—helping to mitigate one of the most difficult problems affecting the shoe industry overall.

Milspeed as a brand and partner is also making progress on their end with ocean-harvested ghost nets – i.e., the polluting plastic nets cut loose by fishermen – which are now being turned back into raw material and products that our industry can use.

> Milspeeds Milguard Ocean® is ocean harvested plastic waste that we use for shoe heel counter to stabilise and support the foot.

TOE GUARD

Toe Guard safety footwear line is based on durability and comfort. Rugged materials together with a simplified structure are key to long lasting products that serve our customers in harsh conditions. Toe Guard styles stay in the collection for many years, thus making the manufacturing easier than introducing new styles every season. Quality and productivity stay high with repeating orders, and many customers appreciate the ease of reordering the same products they already know and recognise as trustworthy. In respect to Toe Guard, we have a long-term partnership with a particular Chinese supplier whose main focus is safety footwear. After years of experience working together, we are confident that this partner will deliver high quality products. They also have an excellent partner for raw material sourcing as well as great insight and experience when it comes to certifying the products.







Thinking outside the toolbox

For 39 years, CLC Work Gear, based in the U.S., has been making rugged, innovative work gear aimed at meeting the needs of contractors, technicians and craftsmen.

CLC prides itself on quality, durability and innovation. Designs are based on real work situations. CLC strives to be one step ahead-to develop new features you didn't know you needed until you can't do without them.

Our motto is "think outside the toolbox." That means listening, finding out how our customers work and exactly what they need, and then creating products that deliver in every way.

The products are made for the most heavy-duty work environments out there. It's all in the details, from the design and patented features to choosing the right fabric, the perfect stitching, the layering of materials, and the reinforcing of specific features.

Ergonomics -The right tools in the right place

Having the right tools in the right place when you need them the most is one of the most important features for doing your job efficiently, safely and comfortably.

Kuny's is largely selling the same products as CLC, with main market in Canada. Kuny's and CLC share the same supply chain.



CLC produces a wide range of toolholders and tool carriers that allows you to keep tools as close as possible to you and ready when you need them. The tools will be in the right place and right position whenever you reach out. Reaching blindly for your tools is a thing of the past.

Kunv's



Going back to basics.

When choosing a Hultafors tool, you are getting a tool that delivers the best possible functionality, precision and quality.

We offer a wide selection of hand tools for all types of professional craftsmanship. Since 1883, our products have been developed in cooperation with professional users, aiming to making the workday as smooth and efficient as possible. For example, professional users are involved in testing the products until everyone is happy with the results. For us, it is the only way of making sure that our products live up to our promise - tools to rely on.

Hultafors products are designed with sustainability in mind. We strive to develop ergonomically designed, long-lasting products in durable materials. This way we can maximize the life span of our products and at the same time minimize our environmental impact.

Axes -a sustainable Offer

Hultafors existing offer to our customers and end-users is not just premium products with a very long life span.

It is also including spare parts to extend the life span for several generations. Within the axe assortment we are offering spare handles to all models since the handle is made out of wood and is the most fragile component of the complete product.

When it comes to our Premium range we actually offer the customer a life time warranty (legally determined to 50 years) to further highlight that if you handle your product correctly, it will last for several generations. It is not unusual that we get requests for spare handles from customers who own an old product that have not been in production for decades.

Hultafors is also offering information on how to take care of your product and keep it sharp. On our websites we are providing customers with knowledge on how to sharpen, store and use your axe.

Axe Production Replacing the oil furnaces in Hults Bruk

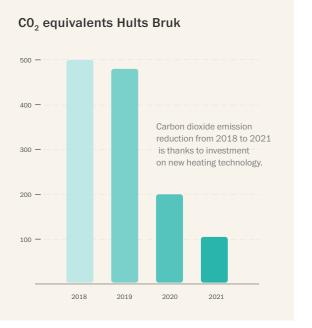
We produce our premium axes in our factory in Hults Bruk outside Norrköping (Sweden).

The Hults Bruk story begins in 1697, hand forging steel and iron with water driven hammers and heating the steel with coal made from the nearby woods. Since the industrialization of axe production in the late 1800s and beginning of 1900s, the heating of the blanks before forging has been made with fossil fuels.

> "The committed work to renew our production method and reduce emissions beyond our group targets at our Hultsbruk site has been our main task for last 5 years." PER PERSSON - HULTAFORS

In Sweden, the government launched a governmental program called "Klimatklivet" in 2015 with the ambition to speed up investments to reduce greenhouse gas emissions by subsidizing investments that help reducing companies' greenhouse emissions. Our investment in replacing our oil furnaces was partially funded by "Klimatklivet".

The change from oil furnaces to electric heating was completed in April 2020 and has reduced our CO₂ emissions from the Hults Bruk factory by 80% (or 400 tons per year), taking us a long way towards our goal of eliminating the use of fossil fuels in our factories.



Hults Bruk created a large portion of the fossil fuel energy and CO₂ emissions from Hultafors Tools factories. To reduce our environmental footprint, we wanted nature to power our forge again. As we cannot produce power directly from our surroundings as we did at the end of the 17th century, we decided in 2018 to replace the oil furnaces with electrical induction heating powered with electricity sourced from Swedish wind and waterpower.



At Johnson Level & Tool , we took the global pandemic to heart, not only to ensure we keep our business healthy, but more importantly to safeguard the employees that keep this business running daily. Retention, engagement, flexible scheduling and giving back to the community were all important aspects to keep the business moving forward.

As a team we have faced serious challenges due to the Covid-19 pandemic. While we have dealt with difficult losses as well as challenges to our way of life, as we entered the battle in mid-March 2020, as a leadership team, we focused on three goals in particular:

- 1. Top priority: Keep our employees safe and healthy.
- 2. Serve our loyal customers with strong fill rates to meet their demand as essential businesses.
- 3. Maintain a healthy business where all associates can prosper for years to come.

To ensure our goals were met, and to ensure the continuity of essential functions, strong communication was key. Daily early morning 7 a.m. meetings of the leadership team were scheduled to ensure real time critical planning was taking place. The following important topics are discussed during the meetings:

- Attendance & scheduling challenges
- Rapidly evolving legal and policy changes
- Customer forecasting and requirements

The Playbook

For further guidance, the playbook was developed for

leaders and support staff of Johnson Level & Tool. It was not intended for broad employee distribution, although key messages for employees were developed by referencing the contents of the playbook. The following resources were consulted in the development of the playbook: Center for Disease Control (CDC), U.S. Department of Health Services, Society for Human Resources Management (SHRM), applicable country governmental resources, Greater Milwaukee Safety, and best practices from peer Manufacturing Companies and Industry Colleagues.

The Johnson Level & Tool Leadership also had to be creative with schedules to support employees needing to stay at home with kids forced to do schoolwork remotely etc. This work took quite a bit of creativity and time not only for the employees, but also for leaders to ensure coverage was in place for our essential business units.

Miles for Hope

To help give back to the community in a safe manner, we supported and participated in *the Miles for Hope Challenge*. City of Hope is a charity that provides incredible support for cancer patients, as well as financing research



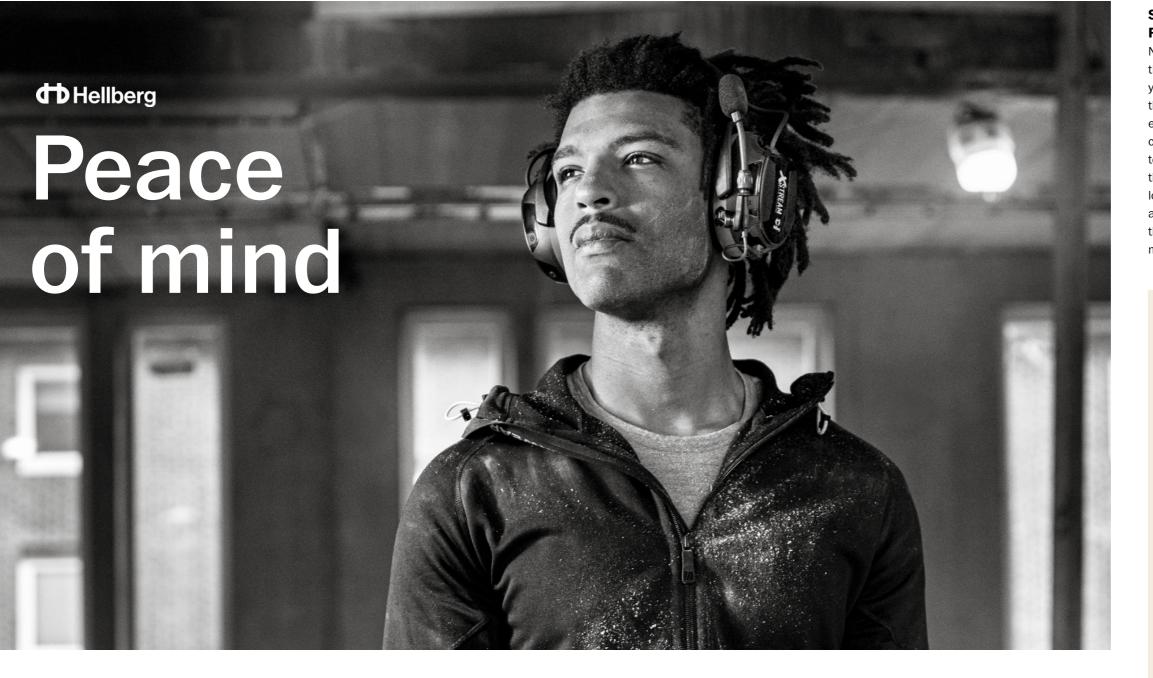
on diabetes and other diseases. Lowe's and the whole North American Hardware Industry have supported this group for years. This year's event was a "miles challenge" (running cycling or walking), replacing the golf outing of previous years, the change being necessitated by Covid. This turned out to be a fun team-building exercise. Several CLC and Johnson team members contributed dollars and cranked out some miles. Our Lowe's Director of Merchandising, Kyle Guenther, brought visibility to our efforts via *STRAVA* and sent text messages reporting on the efforts by the HGNA Team. The Hultafors Group AB team including Jens Eriksson and Henrik Tuomas also participated in the challenge and helped us reach our goal.

Virtual success!

We received a huge thank for our personal commitment to City of Hope and all our efforts to make the Lowe's Miles for Hope Event so special. Our partnership helped raise more than \$1.5 million, this year's virtual event was the most successful yet for the Hardware and Homebuilding Industry and City of Hope, a wonderful testament to Lowe's influence in the industry. As an Hultafors Group North America/Hultafors Group AB Team we were able to be part of the top fundraising team! As part of the Tools Division, we raised \$344,000.

As a whole, the Hultafors Group North America team has been able to manage through this trying time. We know that the coming months hold promise for a lessened threat from this pandemic with more and more vaccinations, but to be clear, we are not out of the woods yet. We need to continue working confidently but with caution. We are confident though as a strong team and with the support of HGAB we will be able to continue our success and ensure we are hitting the goals we set in the beginning of this pandemic. Stronger, with high engagement, and ensure we are giving back to the communities we are in.





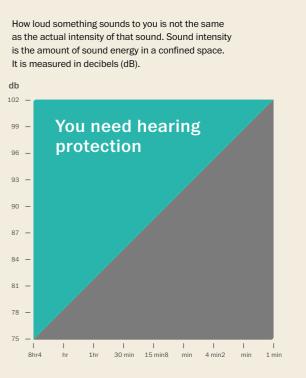
Designed and Developed in Sweden We know all about hearing safety, and we are dedicated to product design and technology that maintains that safety. Design matters because good protection doesn't mean much if it is not comfortable on your head or if it stops you from hearing or seeing what you need to hear and see. It must feel perfect, because protective equipment is useless if it is not used. That's why our most important feature is your usage. All Hellberg products are user-friendly, so you can enjoy peace of mind amid all the disturbance and noise at the worksite while also getting the peace of mind generated from hard work, during the workday and beyond.

Hellberg Safety makes protective equipment for your head, face and hearing. Work can be risky business and test the limits of human abilities, body and senses. At Hellberg, we offer well-considered protective equipment for work. In everything we do, we aim to instil confidence and trust in our users – on and off work. Giving them Peace of Mind. We make products for workers committed to professional excellence and personal wellbeing.

Problems like not being able to hear what others are saying or feeling limited in your social life can cause depression and stress, which in turn can lead to high blood pressure and other maladies. Hellberg is here to prevent such problems and help you to enjoy life to the fullest by our focus on protecting and preserving your hearing.

Solving Work-related Problems: Hearing Loss

Noise-induced hearing loss is an accumulated disease that increases at every over-exposure. The damage to your hearing from loud noise is done slowly, usually over the course of many years. This makes it difficult to discover at an early stage. When you are exposed to noise, the cells in your ear swell and become stiff. This can cause a temporary hearing disorder. If the exposure continues, the cells will eventually die, causing permanent hearing loss. Long-term noise exposure can also cause tinnitus and hyperacusis – sensitivity to certain sounds. Although the damage is physical, hearing loss can affect your mental health.



The effect of noise on hearing depends on how loud it is (sound intensity) and how long it lasts (duration). Avoiding noisy situations is the best prevention. If you can't avoid the noise, use adequate hearing protection. **READ MORE**

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Nordic Craftmanship

Wibe Ladders is the leading Nordic manufacturer of tradesmen's ladders, trestle steps and scaffolding for professional users. For more than 90 years we have led the development of reliable ladders that meet the very highest market standards.

Everything we do is based on quality and safety, from product development and production to delivery, and our work on enhancing ladder safety in the workplace. So you can rely on us to put safety first in each and every step.

Wibe Ladders is part of Hultafors Group, which offers a wide range of premium products for professionals who need to be one step ahead. This backing gives us the power we need to expand our horizons and go towards our next goal: to be the leading brand when it comes to Safety in Every Step.

Made in Sweden

The majority of the products we sell are manufactured

in our own factory in Nässjö (Sweden). Here we have full control of the production methods, the quality of materials and the working conditions of our employees. We are constantly working to improve production and make the factory more sustainable by reducing, for example, the number of chemicals used in the site, as well as limiting scrap material and energy consumption. In 2020, among other things, we replaced the lighting in 33% of our warehouses with LED lights in order to improve the lightning and working conditions and, at the same time, reduce electricity consumption.

Bulky package

Our factory in Nässjö is also an optimal location from a logistics perspective, as it is located in the center of our

main market: Sweden. Ladders are bulky products, and shipping ladders requires a lot of transport space. For 2021, we have signed a contract with a new shipping forwarder, and that will allow us to start transporting our products by train to the northern parts of Sweden. The train cargo terminal is located just a few kilometres from the Wibe Ladders factory, and from there products can be transported by train to Umeå and Luleå in the northern part of Sweden, at which point it will be distributed by truck to the local customers. In this way, we will be able to reduce carbon emissions from transport, but also serve our customers with a shorter lead time.

Recycled and recyclable rawmaterial

Most of our ladder products are made of aluminium profiles. Aluminium is a light, strong, long-lasting and corrosion-free material. Ladders made of aluminium will last for many years if well-taken care of. Aluminium is easy to recycle and can be used an infinite number of times. The demand for the material, however, is greater than the supply of recycled aluminium. Moreover, producing virgin aluminium, i.e. new aluminium from baux-

"When you buy a ladder from Wibe Ladders, there's one thing you can be sure of: every fitting, every material and every solution has been examined down to the finest detail, and has been meticulously designed to guarantee your safety. The solutions we offer are safe on every level."

ROBERT AGERSKOG COMMERCIAL MANAGER - WIBE LADDERS

ite, is a process that requires a lot of electricity. In order to minimise our impact on the environment, 95% of the aluminium we use is produced by smelters located in Norway and Sweden, which use electricity from hydropower, or from smelters in Iceland, which use electricity from geothermal energy. Producing the material this way typically generates carbon emissions of 4 kg CO₂ per kg aluminium, which is a quarter of the global average, or 10% of the carbon emissions generated from producing aluminium with fossil energy in China.

Automatized production with ABB-robots to enhance productivity, efficiency and manufacturing flexibility





HULTAFORS GROUP

Hope you enjoyed the Hultafors Group Sustainability report. Further reading can be founds <u>HERE</u>. For questions contact: <u>SUSTAINABILITY@HULTAFORSGROUP.COM</u>

HULTAFORSGROUP.COM