

Sustainability report 2023 AB Maskinarbeten





AB Maskinarbeten

About the sustainability report

AB Maskinarbeten is subject to legal requirements on sustainability reports in the Annual Accounts Act. This sustainability report has been prepared in accordance with the requirements of the Annual Accounts Act's sixth chapter.

The work of identifying AB Maskinarbeten's essential sustainability issues and sustainability risks has been carried out by the organization's management and selected key employees. This sustainability report summarizes important events and activities during the business year 2023 within AB Maskinarbeten and is part of the annual report for 2023.

For questions about the sustainability report, you are welcome to contact Eddie Johansson or Henric Hjelm.

eddie Johansson, CEO
eddie.johansson@maskinarbeten.se

henric Hjelm, Sustainability Coordinator
henric.hjelm@maskinarbeten.se

Tel växel +46 472 300

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Om AB Maskinarbeten

AB Maskinarbeten i Alvesta is a genuine Småland family business with all that it implies of close cooperation between owners and employees. Here there are short, fast decision-making paths and an ambition to cherish both history and the future.

Since 1952, our goal has been to be a valuable partner to our customers. This has led to us growing with and for our customers.

For us, customer focus has been a natural part of everyday life. Listening to needs and living up to our customers' expectations has created a successful long history. Throughout our development, we have invested in the latest production technology and set competence development of our employees as an important step for the future.

Therefore, today we can offer our customers a competitive production unit in sheet metal and machining that employs approx. 150 people in approx. 25,000 square meters of modern and functional premises.



2. our core values

In our core values, we base ourselves on 3 cornerstones, commitment, participation and well-being, and for us this means the following:

Commitment

- The customer in focus, both internal and external customers
- Have an understanding of the product and process to increase value for the customer
- Share your expertise to increase understanding and knowledge in the organization
- Open dialogue between each other to understand the whole

Participation

- Actively participate in the daily work to create added value for myself and colleagues
- Take responsibility for influencing the development of work content/methods
- Actively contribute to continuous improvements in both quality, work environment and productivity

Comfort

- Enjoy and have fun at work - respect for each other
- Contributes to a positive work environment
- Order and order for everyone's well-being

3. Vision

AB Maskinarbeten is a total supplier and has most of the process steps within its own operations from laser cutting, edge pressing, processing, both manual welding and robotic welding to surface treatment and assembly.

AB Maskinarbeten wants to continue to be a leading and strategic subcontractor to today's modern industries. We shall be a natural partner for existing and new customers, where our expertise and machine park shall create the conditions to produce their details from the best possible cost and quality point of view.

We must be early participants in our customers' development projects, for our customers' expansion and further development where good profitability in our process steps creates opportunities for development.

We must remain financially independent where decisions on investments and strategic path choices are made by the company.

Our environmental work and product development shall contribute to developing the company in a sustainable way by;

- Have healthy energy consumption
- Reduce our waste of materials, energy and unused capacity
- Reduce our carbon dioxide emissions by continuously working with different types of energy efficiency projects
- We must be a safe, inclusive and attractive employer where we develop together with our customers and the world around us. Our employees must feel commitment, participation and thrive so they can develop and grow within AB Maskinarbeten.

4. Sustainability Management

Our business concept has been just as strong and clear since the business was started:

"To manufacture quality products, through advanced welding, sheet metal and machining in modern machines with the least possible impact on the environment"

One of our absolute strengths is that the products are basically manufactured under one roof. From incoming raw materials, parts and components to finished products. Some of our finished products are trial run and function tested within our own premises. AB Maskinarbeten is a company with strong local roots, long employment relationships and thus a large knowledge and structural capital. Through this strategy, we have good control over pretty much the entire production process and can ensure that it takes place according to established quality and environmental requirements as well as good working and employment conditions.

When it comes to the purchase of raw materials, parts and competencies, we choose suppliers with high quality in both products and in their production, and that they have a sustainability mindset including good working conditions. We work with long-term supplier relationships and visit our most important suppliers regularly to see with our own eyes how the conditions are at each supplier.

The company's management is responsible for managing the sustainability work. This refers to own production as well as the choice of suppliers based on a sustainability approach. With the vision and business idea's philosophy as a basis, we have several policies linked to the work environment, environment, quality and ethics/anti-corruption. We have an open climate in order to detect any irregularities in the organization or in the relationship with suppliers and other stakeholders.

The preventive work environment work is carried out within the framework of our systematic work environment work. Development projects aimed at further improvements of the working environment, the external environment are decided by the management after consultation with the organization. One example is that in 2023, investments were made in a new laser machine and new press brakes with automation to be able to produce smaller batch sizes. In 2023, stage 2 of the solar cell plant was also completed. Which gives us the opportunity to produce 1500kWh of self-produced solar energy. The work environment work is planned, carried out, followed up and improved continuously and includes a large number of activities that are carried out regularly.

During the year, work has been started to analyze and develop an action plan on how the new rules and legal requirements for sustainability reporting according to CSRD will affect AB Maskinarbet's sustainability reporting when the new rules come into force for the financial year 2025. The work is about mapping how the work should be made in order to be put into operation by 1 January 2025.



5. Anti-Corruption

We must conduct our business fully in accordance with applicable legislation and rules that promote free trade and competition.

AB Maskinarbeten must, through their actions, show honesty and integrity in the interaction between employees, our stakeholders and the world around us.

It is not permitted to give or receive payments, gifts or other compensation that can affect, or be perceived to affect, the objectivity of business decisions.

AB Maskinarbet's employees may not perform work or conduct business activities that compete with the business.

Employees who find themselves in a situation where there is a risk of a conflict of interest with AB Maskinarbet's anti-corruption policy must immediately report it to their management for handling this conflict of interest.



6. Våra viktigaste hållbarhetsfrågor

In the work to identify our most important sustainability issues, we have started from the Global Goals in the UN Development Program (UNDP). After analyzing these, AB Maskinarbeten has concluded that the following UN global goals are the most relevant and the ones we can influence and contribute to.

Mål nr	FN:s Globala mål	Relevans
3	Good health and well-being	Internt, health care for our employees
7	Sustainability energy for all	Internally, increase the share of renewable energy by 50% self-produced electricity in 3 years, (solar cell plant and wind power).
8	Decent working conditons	Internally, at the supplier
12	Sustainability production	Intern, suppliers

FN:s Globala mål



7. Sustainability Production

The impact on the environment occurs during the production of the customer's products, transport to the customer and when the customer further refines delivered products, either in their own production or at their end customers.

In connection with production, the environmental impact mainly consists of resource consumption in the form of raw materials and energy, emissions to air of solvents, welding gases and emissions of small amounts of oil and metals to water. Our customers can also demand that we do an LCA analysis at product level and we also have an obligation to report to our customers what their products contain.

We are certified according to ISO 14001, which means that we have laid the foundation for constantly improving our environmental work within our processes. We monitor environmental performance in production through, among other things, energy use, raw material consumption and emissions to water and air. The follow-up results in various improvement projects that aim to further increase environmental performance.

In 2022, AB Maskinarbeten signed the Paris Agreement to begin mapping the Carbon Footprint with Scope 1 & Scope 2. Scope 1 involves mapping how much CO₂ originates from its own production and its own transport. Scope 2 is about mapping and producing data on the CO₂ footprint from the purchased amount of energy that is used. This work has continued and intensified in 2023 to meet the increasing legal requirements that will come into force. Work will continue in 2024 moving forward with Scope 3.

They have also continued to follow up on the investigation into the company's compressed air plant that was carried out in 2022 in order to continue the work towards finding and remedial leaks and fixing these to reduce their energy consumption even more.

8. Employees

Employees

Other important sustainability issues in connection with production are employment and working conditions. By making basically all of our products in our own production facility, we can ensure good conditions for the employees. When it comes to the purchase of parts and other components, we deliberately select suppliers with good working, employment and environmental conditions.

We conduct structured development interviews with all employees where you discuss personal development, how you get along with your coworkers, what you think of the work environment at your workplace, all to create as safe, pleasant and healthy a workplace as possible.

During 2022, AB Maskinarbeten made an active targeted effort to increase the awareness of its employees to think about reducing the use of electricity in their workplace, by turning off the lights, turning off their machines, looking for leaks in the compressed air system.

MAB has continued to work on this during the year and the ambition is for it to become a natural part of communication within the company.

working environment

Our overall goal for the internal work environment is to have as little absenteeism as possible, to create a safe, secure and pleasant workplace. Therefore, there is an investigation and introduction of preventive measures for all accidents and incidents that occur within the business. When layout changes are implemented, we include the work environment for the individual from the start, such as lifting tables, extraction, lighting and other factors that can affect the work environment.

The basis for our work environment work is our own ambition and endeavor to live up to the customer requirements, law and authority requirements that are placed on us, and we want and develop further all the time.

During 2023, AB Maskinarbeten has also continued to install a large number of charging points so that the employees will be able to charge their electric cars during working hours

9. Socialt engagemang

AB Maskinarbetens social commitment in the larger perspective includes that we respect the rights of all people, that we do not accept child labor in any form, forced labor or other involuntary work.

Any form of discrimination based on race, religion, political opinion, gender, age, etc. must not occur.

On the local level, we have a close collaboration with schools that annually have interns in our production for a 3-year period 3 days a week. This is to strengthen our reputation in the local business community.

AB Maskinarbeten also has local sponsorship for a number of sports associations in the local area.

Then, within our organization, we have a number of people who are part-time firefighters within the Rescue Service, which is also very important for such a small town as Alvesta, to create security for the municipality's residents.

We carry out structured development talks with all employees where you discuss personal development, how you get along with your colleagues, what you think of the work environment at your workplace, all to create as safe, pleasant and healthy a workplace as possible.

The year 2023 has continued to be reflected by the war in Ukraine, where AB Maskinarbeten has contributed by helping the country with wood stoves and energy plants so that the vulnerable will have a better life also in 2023. This is administered and managed by Väderstad, which has direct contact with Ukraine through its local sales company.

10. Risks and consequences

In order to be successful in the long term, constant development and adaptation to the challenges faced by the environment is required. In order to manage this, AB Maskinarbeten has identified and evaluated a number of risks. This identification and valuation has been carried out by appropriate competences within the own organisation. The risks have been identified based on a broad and large perspective that included both the environment, social conditions for its staff, respect for human rights and countering corruption

Environmental risks	Assessment and management
Climate changes that affect our own production as well as our suppliers and customers	Little internal risk. The big risk lies with the customers, who may have to make drastic changes in their planning. AB Maskinarbeten has the option of choosing different suppliers if someone cannot deliver
Carbon dioxide emissions from own operations	Risk internally, by continuously working with energy efficiency and developing the use of renewable energy sources, this risk is gradually reduced
Business risks	
Weak krone rate	Small risk. Affects profitability to some extent. Development is monitored and changes are managed
Access to materials from suppliers	Big risk. Affects profitability and that you are forced to buy raw materials from lesser-known suppliers
Social & financial risks	
Risk of bad behavior through, for example, giving and taking bribes and corruption	Small risk. Policy against corruption exists. Good ethics & morals are well established within the company
Risk of bad working conditions with new suppliers that are added	Small risk. New suppliers that have not been checked and visited
Personella risker	
Risk of poor working conditions at suppliers	Little risk, mostly uses well-established suppliers within Sweden's borders

11. Key figures

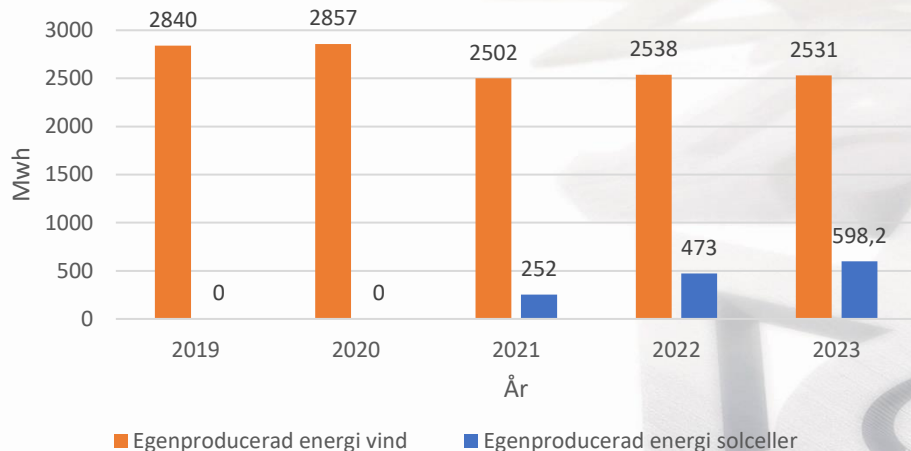
As part of the management of our sustainability work, we monitor the development of our sustainability performance through a number of key figures. The tables below present some of the key figures we monitor and which become input to our continued development of sustainability performance

UN Global Goals		Key figures		Comment			
3		Sick leave short-term absence		For these key figures, follow-up takes place regularly within the safety committee where representatives of the company management, safety representatives, production and personnel are represented. Follow-up is documented in a separate			
3		Sick leave long-term absence					
3, 8		Number of occupational injuries					
3, 8		Number of offers					
UN global Goals	Key figure	Year 2023	Year 2022	Year 2021	Year 2020	Year 2019	Unit
12	Recycling waste (combustible, cardboard, paper)	40,2	48,5	44	50,3	46,4	ton
12	Recycling scrap & metal (iron, aluminium, stainless steel, metals)	330.1	328,2	334,6	326,7	321,6	ton
12	Energy use (electricity)	3729	4176	4622	4754	4880	MWh
12	Energy use (district heating)	573	702	270	167	191	MWh
12	Water consumption	2279	2155	2470	2202	3102	m3
12	VOC emissions (total)	8344	7040	6419	7027	7354	kg
12	Self-produced energy wind power	2531	2538	2538	2857	2840	MWh
12	Self-produced energy solar cells (commissioning June 2021)	598,2	473	217	-	-	MWh

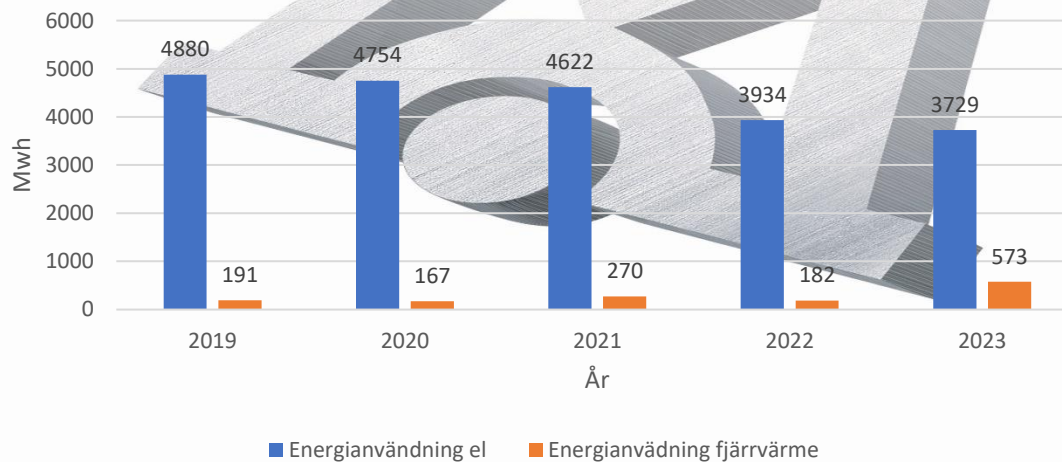


11. Key figures

Self-produced energy wind and solarcells power



Energy use (Electricity)





AB Maskinarbeten

AB Maskinarbeten has taken great steps to make its operations more sustainable and we are proud of that. BUT we can and want to do more to be even better.

We are convinced that sustainability will receive even greater focus in the future and then we want to be well prepared to introduce new challenges

We will continue to make investments and improvements in our business and we will at the same time influence our customers and suppliers in this improvement work.

We think long-term about AB Maskinarbeten



**AB Maskinarbeten
Alvesta**