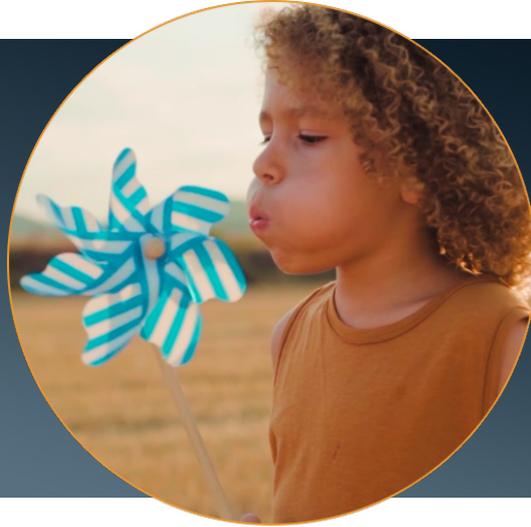


Group ESG Policy



Introduction

As a family-owned group of companies with a long-term perspective, we prioritize maintaining a positive reputation within our employee community, customer and supplier base, and wider society. Sustainability is a crucial driver for our actions and the implementation of this Environmental, Social and Governance (ESG) Policy formalizes many of our pre-existing ESG activities and standardizes them within the business community. Additionally, this policy aims to convert ad-hoc, organic activities into systematic ones with comprehensive coverage to address any relevant gaps in our ESG efforts.

We define the individual components of ESG in the following way:

Environmental: This component looks at how we impact the natural world. This includes things like carbon emissions, energy consumption, water usage, and waste production. It also includes the resources we use and the impact they have on the planet.

Social: This component focuses on the relationships and reputation we have with people and institutions within our company and the wider community. This includes things like working conditions, labor relations, diversity and inclusion, and our role in the communities where we operate.

Governance: This component refers to the internal systems and practices we have in place to make effective decisions that balance profitability and sustainability. This includes protecting our reputation and core values.

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There is a growing expectation that businesses should take a leading role in ESG topics, rather than leaving these issues to regulators and lawmakers. Sustainability has become a critical issue, and businesses are expected to act for the greater good, or risk being left behind. Customers, employees, and other stakeholders are also increasingly considering a company's ESG performance when deciding whether to work with them.

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1. ESG and Corporate Strategy

At Moovimenta Group, we believe that environmental, social, and governance (ESG) issues are integral to our corporate strategy and are not treated as an afterthought. Our group policy requires that ESG strategies be incorporated into the business strategies of all our divisions. Our group strategy identifies sustainability as a key issue facing society and includes investing in our employees as one of its six strategic pillars, recognizing that the growth and continuity of our business depend on cultivating the next generation of industry experts and innovators. Our core values include upholding the highest ethical standards, respecting diversity, and striving for sustainability in all areas.

Moovimenta believes that ESG activities are most effective when they also create economic value, as this ensures their internal viability and sustainability. We also believe that ESG activities can bring growth opportunities, supply chain efficiency improvements, innovation, and employee engagement, among other benefits. Our long-term perspective further supports the value of ESG efforts.

At Moovimenta Group, sustainability encompasses all three elements of environmental, social, and governance (ESG) and is given equal attention by our divisions and their subsidiaries. While it may be necessary to prioritize focus on specific areas that require the most attention, it is important to maintain a high level of performance across all three elements.

2. Scope and Responsibilities

All activities of all Divisions and subsidiaries of the Moovimenta Group are within the scope of this ESG Policy.

The Group Leadership Team is responsible for devising and maintaining ESG policies, with input and approval from relevant parties.

To optimize resource allocation and provide dedicated resources for each element, Moovimenta's organizational structure for ESG separates the environmental, social, and governance elements. These elements are integrated in our ESG reporting framework.

Overall responsibility for the three elements of ESG Policy, and monitoring of its implementation is as follows:

- Environmental → Group Sustainability Ambassador.
- Social → Group Head of Human Resources.
- Governance → Group Chief Financial Officer.

The Group CEO is responsible for receiving reports on the environmental, social, and governance elements from the relevant parties and presenting updates on ESG at least once a year to the group board of directors. The group Management Team defines the ESG policy, which is then validated by the group board of directors. Divisional CEOs are responsible for implementing the policy within their divisions.

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3. Contextual Statements and Alignment with the United Nations SDGs

The United Nations has created and published **17 Sustainability Development Goals ('SDGs')**.

Aligning ourselves with the UN Goals allows us to:

- Connect our actions to the societies in which we operate and improves our ability to collaborate using a common language
- Use the UN Goals as a shorthand for communication to improve internal and external communication
- Provide useful resources, frameworks, and processes to support our internal ESG activities

The United Nations also published it's **UN Global Compact Ten Principles** (the 'UN 10 Principles'). These form a set of 'minimum standards' which form a foundation upon which the SDGs can then be pursued. The UN 10 principles cover 4 areas: Human Rights; Labour; Environment and Anti-Corruption.

 <p>HUMAN RIGHTS</p>	<ol style="list-style-type: none"> 1. Business should support and respect the protection of internationally proclaimed human rights, and 2. Make sure that they are not complicit in human rights abuses.
 <p>LABOUR</p>	<ol style="list-style-type: none"> 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. 4. The elimination of all forms of forced and compulsory labour; 5. The effective abolition of child labour; and 6. The elimination of discrimination in respect of employment and occupation.
 <p>ENVIRONMENT</p>	<ol style="list-style-type: none"> 7. Businesses should support a precautionary approach to environmental challenges; 8. Undertake initiatives to promote greater environmental responsibility; and 9. Encourage the development and diffusion of environmentally friendly technologies
 <p>ANTI-CORRUPTION</p>	<ol style="list-style-type: none"> 10. Businesses should work against corruption in all its forms, including extortion and bribery.

Moovimenta fully adopts all 10 UN principles and integrates them into our core values to ensure that we prioritize responsible business practices and avoid causing harm. These principles serve as the minimum standards for our actions before we pursue further opportunities to address the challenges

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outlined in the 17 Sustainable Development Goals (SDGs).

To align our efforts with the most impactful areas, the Group has adopted five of the 17 United Nations Sustainability Goals and tailored the second-tier straplines to our specific circumstances. Divisions are allowed to add additional goals that are particularly relevant to their specific business circumstances, as long as appropriate focus is maintained.

<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Our commitment to pursue growth whilst nourishing people safeguarding our planet</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>Our commitment to focus upon innovation activities in the field of sustainable solutions</p>
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>Our commitment to improve resource usage in our own and our customers' processes</p>	<p>13 CLIMATE ACTION</p> 	<p>Our commitment to reduce carbon emissions in our own and our customers' processes</p>
<p>17 PARTNERSHIPS FOR THE GOALS</p> 	<p>Our commitment to engage in partnerships across the value chain in achieving the goals</p>		

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4. Environmental Policy Statements

We recognize that environmental and economic considerations are not mutually exclusive and can both contribute to the success of our business.

- Environmentally sustainable solutions for customers can add value to our P&L through increased revenue and growth
- Reducing our resource consumption can lead to efficiency and productivity gains
- Safeguarding the environment is crucial for the medium and long-term viability of our business.

In our efforts to consider the environmental impacts of our value chain, both upstream and downstream activities, we are committed to conducting life cycle assessments of our products. It is important to consider the entire lifecycle of a product, as reducing materials used in manufacturing may not necessarily lead to an overall reduction in environmental impact if the product requires more energy during use by the customer.

We believe that we can have a positive impact on the environmental sustainability of our customers' processes, including reducing energy and water consumption and minimizing wasted materials. To achieve this, we take a holistic view that encompasses both our own processes and those of our customers. This includes evaluating the raw materials we use and the methods by which they are produced, as well as the suppliers of these materials.

We are committed to measuring and reducing our own resource usage and carbon emissions in accordance with the GHG Protocol. Our reporting will focus on Scopes I and II, with a goal of eventually incorporating elements of Scope III. We will report on our progress in areas such as water consumption, waste disposal, pollution prevention, and responsible sourcing through the Group Environmental Sustainability Metric (GESM), which is based on CO₂ emissions and energy consumption. All divisions of the company will be required to report this metric.

It is the goal of the Group to become Net-Zero in terms of Scopes I and II by 2030, as defined by the Science Based Targets Initiative. Targets for Scope III will be established in the future. To reach this target, we will implement the following strategies:

- Implementing energy-saving measures, which will be given the highest priority.
- Gradually transitioning to renewable energy sources, whether through third-party suppliers or in-house generation (e.g., solar panels).
- Offsetting any remaining CO₂ emissions by supporting climate protection projects in other locations.

Determining and providing Product Carbon Footprints (PCFs) for all of our component products at the point of dispatch to the customer.

All of our divisions adopt life cycle assessments for our products, including evaluations of the carbon footprint of our products in key customer applications. While we recognize that we serve a diverse range of customers with a variety of applications, it is not possible to conduct assessments for all of

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these at once. Therefore, we have implemented a prioritized program based on our core value of continuous improvement and our strategic pillar of focusing on critical applications.

Each division also offers end-of-life solutions for our products, ensuring that the environmental impact of disposing of our products at the end of their economic life is managed by our divisions rather than the customer.

We produce an annual environmental sustainability report that includes defined metrics based on our policy document and commentary on trends and initiatives. This report is consolidated into a broader ESG report.

Our managerial bonus schemes also include a component tied to year-on-year improvement in our environmental performance in regards to ESG.

Our divisional purchasing policies also include an environmental sustainability assessment of suppliers through supplier audits. We strive to select and work with suppliers based, in part, on their own Product Carbon Footprints and applied sustainability standards.

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5. Social Policy Statements

We strive to balance the social needs of our stakeholders, including employees, customers, local communities, and shareholders, with our own economic goals in an equitable manner. We are motivated by our shared core values and vision, and are committed to providing challenging and fulfilling job content, as well as a safe and friendly work environment that is conducive to work-life balance.

We believe that addressing the needs of society and achieving our economic goals are not mutually exclusive. In fact, our economic desires are best served when we engage positively with our employees and local communities and create a positive workplace culture. Motivated employees are more likely to stay with the company, be more innovative, and act as brand ambassadors to our customers.

We will produce an Annual Social Impact report with metrics and commentary on trends and initiatives. We also recognize that our corporate responsibility extends to both the internal communities within our company, including our employees, and to external societies in the locations where we operate.

Our Internal communities (i.e. employees)

Our Group Compensation Philosophy outlines our commitment to providing fair remuneration and rewards to employees. We prioritize secure employment for our colleagues, and do not use zero hours contracts or temporary employment contracts for roles that are intended to be permanent.

We encourage global mobility within our organization, and offer support to employees who are interested in relocating, either temporarily or permanently, through our divisional relocation policies. All job openings are advertised on our internal intranet, which is visible to all employees worldwide.

We value inclusion and diversity of ideas and experiences because these broaden our expertise and fuel our innovation. As such:

- It is our policy to have a diverse selection of first round interview candidates, including individuals from different nationalities, creeds, religions, genders, ages, and physical abilities.
-
- We also include an assessment of the diverse experiences and ideas that candidates bring in our overall scoring of candidates during the recruitment process.
-
- It is our policy to select the best candidate for any role
- We measure and monitor the diversity of our managerial teams and board of directors.

All divisions conduct employee surveys at least once a year, and the results of these surveys are summarized and shared with employees. These surveys are always anonymized.

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We also conduct exit interviews with all employees who leave the company.

We believe that fulfilling and challenging job content is essential for employee morale and retention. Therefore, all employees have annual appraisals and personal development plans (PDPs) that align with our core values of continuous improvement, collaboration, and the highest ethical standards.

We also recognize the importance of fostering collaboration by helping employees build relationships and connections through diverse interactions and experiences. To this end, we aim to provide all employees with some access to cross-functional and/or cross-divisional teams.

Each division and affiliate company will participate in Great Place to Work award schemes. These schemes serve as a learning and improvement tool, and we ultimately aim to achieve accreditations and win awards as "best in class."

We are committed to health and safety and have health and safety policies in place in all divisions. Our founders' initial innovations in belting products were driven by a focus on workplace safety, and we support local initiatives to increase employee well-being, including offerings related to nutrition, fitness, and sports.

Societies local to our operations

We are committed to making a positive impact on the local communities where we operate and where our employees and their families live.

- We identify and support volunteering opportunities in their community and make a proportion of total employee time available for such activities.
- We make donations to local charities through a systematic proposal process by employees with then local Board of Directors' approval.
- We explore opportunities for providing education or employment to disadvantaged individuals in local communities

We also believe in paying all taxes due in the countries where we operate. We recognize that these taxes help fund environmental and societal sustainability programs at the government level.

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6. Governance Policy Statements

Governance refers to the way we direct and control our activities to meet the desires of ourselves and our shareholders, and encompasses how we lead, manage, and conduct our business. It has an internal perspective, as it defines how we make decisions, set authority levels and accountability structures, establish policies, and promote our core values.

Compliance, on the other hand, has an external perspective, as it involves following regulations, rules, laws, and other demands from external authorities that provide the general guidelines for doing business.

While governance and compliance often overlap, governance includes how we act when pursuing our strategic goals, which may not be specifically covered by compliance requirements.

We have a Governance Model which is applied to all Divisions, tailored for their specific size and circumstances (maturity, complexity, etc). Our Governance Model is designed to ensure:

- a) The mitigation of risks to our reputation
- b) The mitigation of risks to our business continuity
- c) The realization of our economic, strategic aims for profitable growth

Note from Asif: I have left the text below in blue as is, because I think this is legal language and I don't want to tamper with it. If you'd like me to rework it, I can do so.

The Key elements of our Governance Model are summarized in the following Policy statements:

- **Board of Directors ('BoD')** for key* companies within our Divisions include both Group personnel and external Non-Executive Directors alongside Divisional/Affiliate Company management. This ensures a good balance of resources: those with full time engagement in the business [close knowledge]; Group roles [full time oversight roles] and external members [external experiences, high independence]. *Key companies include the highest consolidation layer of each Division and any other AC considered material to Group level results.
- **There is a consistency across BoD agendas**, with standing items that include ESG topics.
- **Policies are established and set by Group functions**, in collaboration with Divisions via the Group Leadership Team. **Implementation of policies is the responsibility of Divisional management.** Boards of Directors are responsible for monitoring the implementation and effectiveness of policies.
- **Our Core Values form a part of our Governance.** In the increasingly volatile, uncertain, complex and ambiguous (VUCA) environment in which we operate, our rules-based policies cannot cover for all situations that arise in day-to-day business. Contrastingly, our Core Values can guide employees' decision making in almost all choices they must make. **Our Board of Directors place a focus upon monitoring the alignment of individuals, teams and Divisions with our Core Values.**
- **The Board of Directors for each Division establishes levels of decision-making authority levels for the management within the Division.**

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We have a **Group Code of Conduct** which covers aspects of ethical business behaviors, anti-bribery, anti-corruption, etc. and our whistleblower policies (i.e. 'Speak Up') where **employees can raise concerns and issues outside of their direct line reporting.**

a) Mitigating Reputational Risk

"It takes 20 years to build a reputation and 5 minutes to ruin it"

We believe that a strong, positive reputation is essential to business success, and our shareholders value the reputation we have built over the eight decades since the Group's foundation. We proactively manage and protect the good reputation of our Group.

To this end, we systematically monitor social media and press for potential reputational risks and immediately communicate significant adverse media items, along with mitigation plans, to the Group CEO.

Maintaining the quality of our products and services is central to our reputation with customers, and quality is one of our core values. Our divisions and affiliate companies monitor and report on key metrics for the quality of our products and services.

Senior personnel also make scheduled, regular, and frequent visits to customers to check on our reputation and establish relationships. These customers are chosen based on relevance, recent service levels, or significant changes in sales.

We do not engage in political lobbying or make donations to political parties.

Our Divisions conduct supplier audits to assess environmental, social, and governance (ESG) risks including reputational risks, for critical and / or materially relevant suppliers. This helps ensure that our company is not associated with negative reputations.

b) Mitigating Business Continuity Risks

The Group takes a long-term perspective in conducting its business activities and has implemented business continuity planning that addresses physical risks associated with climate change (such as flooding, drought, and fire), supply chain resilience, including product obsolescence and availability, and cyber security risks.

We prioritize financial stability through maintaining a strong balance sheet, which enables us to weather market and macroeconomic cycles. We are cautious about high levels of debt and conservative in our dividend distributions.

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The quality of financial management and reporting is critical for business continuity. All affiliate companies undergo annual financial audits conducted by independent, professionally qualified audit firms. It is our policy that all audit firms report on the quality of financial controls to Group Finance and the relevant board of directors (and/or shareholders).

We also have a policy for operating in conflict zones and areas of political unrest, which prioritizes the protection of our employees and their families above all else and aims to maintain neutral political stances wherever possible.

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7. Reporting Framework

We prioritize upholding the highest ethical standards and being honest in our ESG reporting. We believe in leading by example and avoiding superficial or misleading PR practices such as greenwashing.

Our Core Value Highest Ethical Standards guides us towards being transparent and straightforward in our communication, presenting factual information without any spin.

Our Core Value Continuous Improvement allows us to accept that we may not be perfect today but are committed to making progress and becoming better in the future. To this end, we utilize trendlines and action plans in our ESG reporting efforts.

We believe in being open and transparent about our key performance metrics for environmental, social, and governance (ESG) issues. We share this information with our employees, board of directors, and shareholders in a systematic and controlled manner, ensuring that it is timely, relevant, accurate, and complete.

While we are currently a privately owned group with minimal requirements for publishing financial or ESG information, we anticipate sharing this information with our external stakeholders, such as customers, suppliers, and local communities, in a controlled and confidential manner in the future.

Appendix II contains the metrics for reporting derived from these policy statements.

An Annual ESG Report will be compiled as a consolidation of the three separate reports:

- Annual Environmental Sustainability Report
- Annual Social Impact Report
- Annual Governance Report

8. Effective date

This ESG Policy is effective as of 1 October, 2022.

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