

BRUKS SIWERTELL GROUP  
**SUSTAINABILITY REPORT**  
2023



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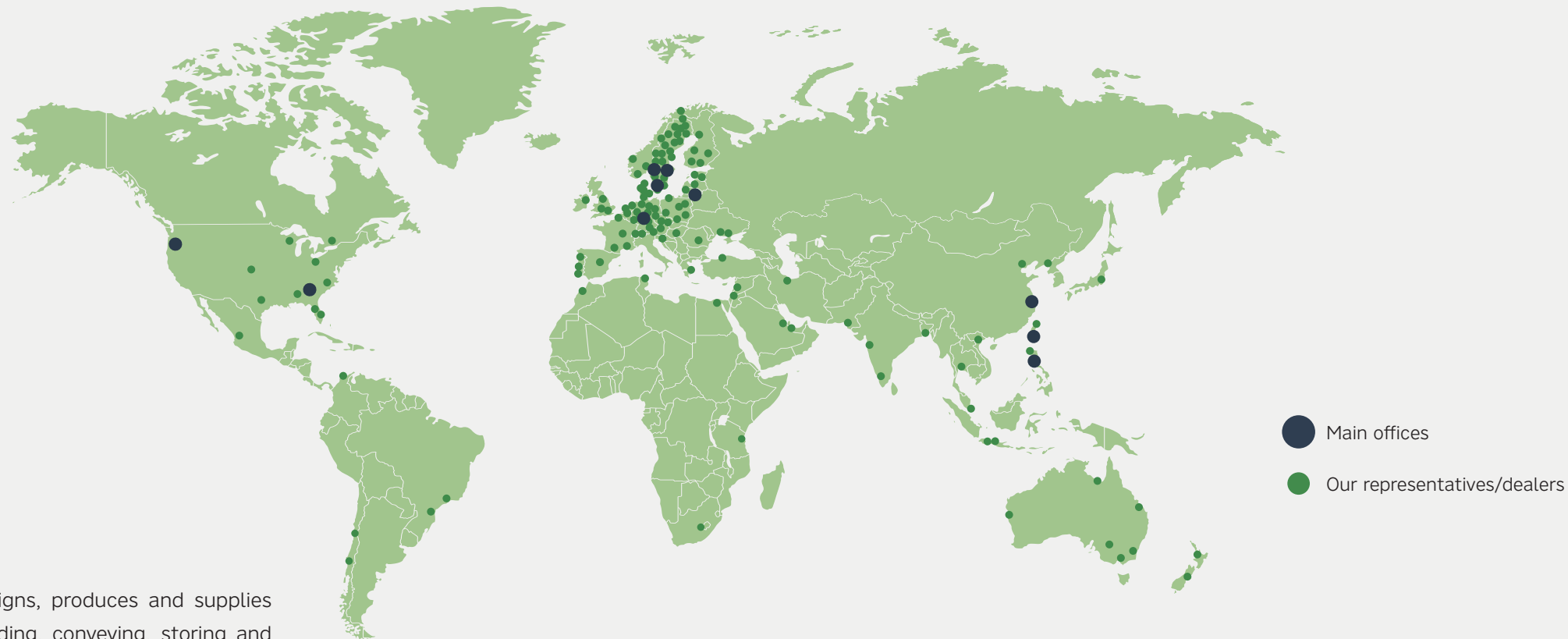


# BRUKS SIWERTELL GROUP





# A GLOBAL BUSINESS WITH A BROAD SPAN OF TECHNOLOGIES



Bruks Siwertell Group develops, designs, produces and supplies systems for ship loading, ship unloading, conveying, storing and reclaiming dry bulk materials, alongside equipment for bale processing, shredding, chipping, composting, screening, milling and grinding, and recycling and processing wood and agricultural waste for the biofuel, bioenergy, panelboard, sawmill, pulp and paper and forestry industries. Our solutions and services offer market-leading technology for the global dry bulk handling, wood processing, and forestry industries.

With thousands of installations worldwide, our machines handle raw materials from forests, fields, quarries and mines, maintaining critical supply lines for manufacturers, mills, power plants and ports. Through our commitment to understanding customer needs and industry knowledge, all our solutions are designed to meet the highest demands for sustainability, efficiency, reliability, and performance.

Bruks Siwertell Group is headquartered in Stockholm, Sweden, and its production facilities and offices, some of which have been in operation for more than 125 years, are located in Sweden, Germany, Lithuania, the USA, China, the Philippines, and Taiwan. The Group has about 500 personnel and collaborates with hundreds of partners, representatives and dealers all over the world.



## OUR BRANDS

Bruks Siwertell Group consists of a collection of strong, market-leading product brands within the bulk handling, wood processing and forestry technology industries. Each has a long legacy of pioneering innovations and customer-driven developments. Thousands of operators across the world use equipment that carry our product brands.



# GLOBAL AND LOCAL GOVERNANCE

Our owners, JCE Invest AB and Cargotec Sweden AB, formulate a shared view of the company’s vision and direction via owner directives. Based on these, Bruks Siwertell Group’s Board of Directors decides upon the Group’s goals and strategies, and our CEO and management team develop and manage the business’ goals accordingly. The development of the business in relation to the goals is monitored on an ongoing basis. Sustainability is an agenda item for each board and Group management meeting.

To ensure that local conditions are taken into account in the best way possible, operational activities are conducted in a decentralized manner through divisions that have a high degree of autonomy. Each division consists of legal entities with a local management team, which drives the regional work towards common Group goals.

While a decentralized working strategy is characteristic of Bruks Siwertell, collaborations and the exchange of expertise within the Group is encouraged. It promotes innovation, strengthens our position in relation to suppliers, and reduces

the workload per unit. This work is conducted through councils in priority areas where local functional managers are represented. During 2023, there were councils for Sustainability, Supply Management, Information Technology (IT), Service, Human Resources (HR), Digitalization and Marketing & Communications.


“ Our governance model allows leaders to significantly impact how they run their divisions, enabling them to deliver a great experience for both our personnel and our customers.

Peter Jonsson, CEO, Bruks Siwertell Group





# CLEAR AGENDAS DRIVE POSITIVE CHANGE



The scope of this report is from a Group-wide perspective. We have focused attention on sustainability since establishing the Group in 2018. This work was intensified in 2022, and throughout 2023 we deepened our analysis and calculations. It has been an eventful and intense 24 months, with global circumstances still presenting both challenges and opportunities.

We are also responding to a new European Union (EU) directive, the Corporate Sustainability Reporting Directive (CSRD), which came into force in January 2024 for listed companies and January 2025 for unlisted. It modernizes and strengthens the rules concerning the social and environmental information that companies have to report. We welcome these guidelines, and hope that they bring clarity to the global reporting of sustainability agendas.

We asked our CEO, Peter Jonsson, to highlight his top three progress points over the past twelve months:

## Deepening our climate calculations

One of the most significant tasks undertaken during 2023 has been to assess our scope 3 climate calculations to set the base level of the Group's carbon emissions. These are important for obtaining evidential data about the true impact of our business operations, and enable us to better target reductions. A critical part of this process has been to work even more closely with our suppliers. As a result, we have introduced new supplier Codes of Conduct.

Our suppliers are essential to our business, and guiding them through the scope 3 data collection process has been an important part of this work; some suppliers are significantly more sustainability literate than others.

Our information requests for climate calculations have been generally well-received. We are working to have these highlighted in early discussions with suppliers, and looking to have our requirements for scope 3 information included in supplier contracts.

## Broadening our technological scope

An important development for the Group in 2023 was our strategic acquisition of West Salem Machinery (WSM). We are getting to know our new WSM colleagues and are excited about what we can offer through our strengthened capabilities, particularly in the renewable energy and biofuel sectors.

We already had a comprehensive wood-processing portfolio, well-suited to supporting these industries, but they are growing, along with their sustainability ambitions. This includes the aviation industry looking to decarbonize with sustainable aviation fuels (SAFs). In September 2023, the European Union (EU) Council passed a law mandating that SAF should make up 34 percent of all aircraft fuel supplied at EU airports by 2040, and 70 percent by 2050; we are on hand, and now very well-placed to support these developments.

## Waste-reduction, on target for zero

I am immensely proud of all Bruks Siwertell Group personnel for their positive approach to waste reduction. We have seen Group-wide efforts to instigate robust training programs in waste reduction, sorting and recycling. The majority of our business units are working with specialist contracts and creating key performance indicators (KPIs) so that progress can be measured and initiatives assessed for their effectiveness.





# OUR COMPANY VALUES

Our core values strongly define the way we do business, our working culture and intentions. Based on these values, we conduct our business with customers, who each express their own unique requests and needs. To be able to successfully meet new challenges in an environment that is constantly changing, it is important that all the cogs in the system work; everything from good relationships with personnel, customers and partners, and ongoing product development.



## IMPACT

We strive to make a positive impact in all that we do. In line with our sustainability goals, this includes using our expertise and technology to accelerate positive global change, and ensure that our customers, personnel and owners benefit from putting their trust in us.

## COMMITMENT

We deliver quality, in our products, solutions and services, and through the collaborations that we engage in. We keep the promises that we make, and our customers should always feel secure in our enduring accountability.

## TEAMWORK

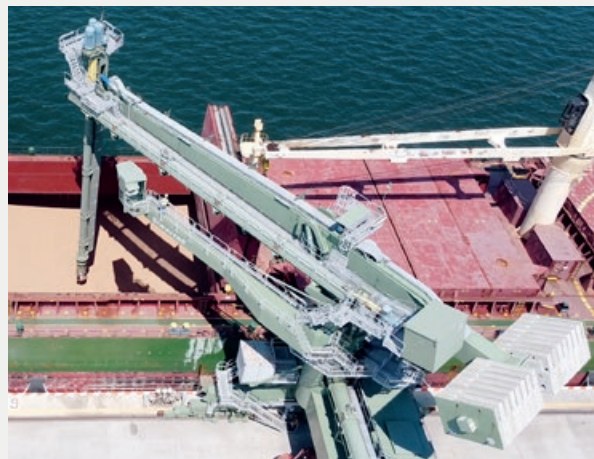
Through cooperation together with customers and partners, as well as each other within the company, we achieve the best results. Communication is key to understanding and meeting customer needs, and building a successful team. We are committed to transparency and open dialogues at every stage of each project.



# SUSTAINABLE SOLUTIONS FOR CUSTOMERS

Our vision is to develop, design, manufacture and deliver products and services that meet customer needs and are optimized in terms of sustainability, efficiency, reliability and performance. Our research and development focus is steered towards people, products and processes, and development will be driven by new digital solutions and a commitment to social, environmental and economic sustainability.

Profitable growth will be built-up through strategically and continuously developing a product portfolio based on customer needs, and an established service business, which is crucial for any product's long-term reliability and service life.



## BULK HANDLING

Our dry bulk handling equipment is used worldwide and is central to the global trade in bulk cargoes, especially in energy production, construction, manufacturing and agriculture. Our fully enclosed equipment handles virtually all dry bulk materials such as grain, fertilizer, sulfur, cement, wood chips, biomass pellets, and coal. Worldwide environmental protection regulations are met through eliminating spillage and minimizing dust emissions.

All our machines are robust and reliable, delivering decades of service life in a range of different climates, from tropical heat to Arctic cold.



## WOOD PROCESSING

Wood is the largest material that Bruks Siwertell handles and for more than a century, we have developed technology for handling and processing it. We offer complete system solutions for the wood-processing market, from the field and forest to the sawmill and onto the pulp, pellet, bioenergy and biofuel industries.

Our product portfolio covers chippers, milling and grinding machinery, truck-receiving systems, conveyors and storage solutions. Equipment for other applications includes industrial composting machinery, recycling green and organic waste, bale processing solutions, and waste wood handling.



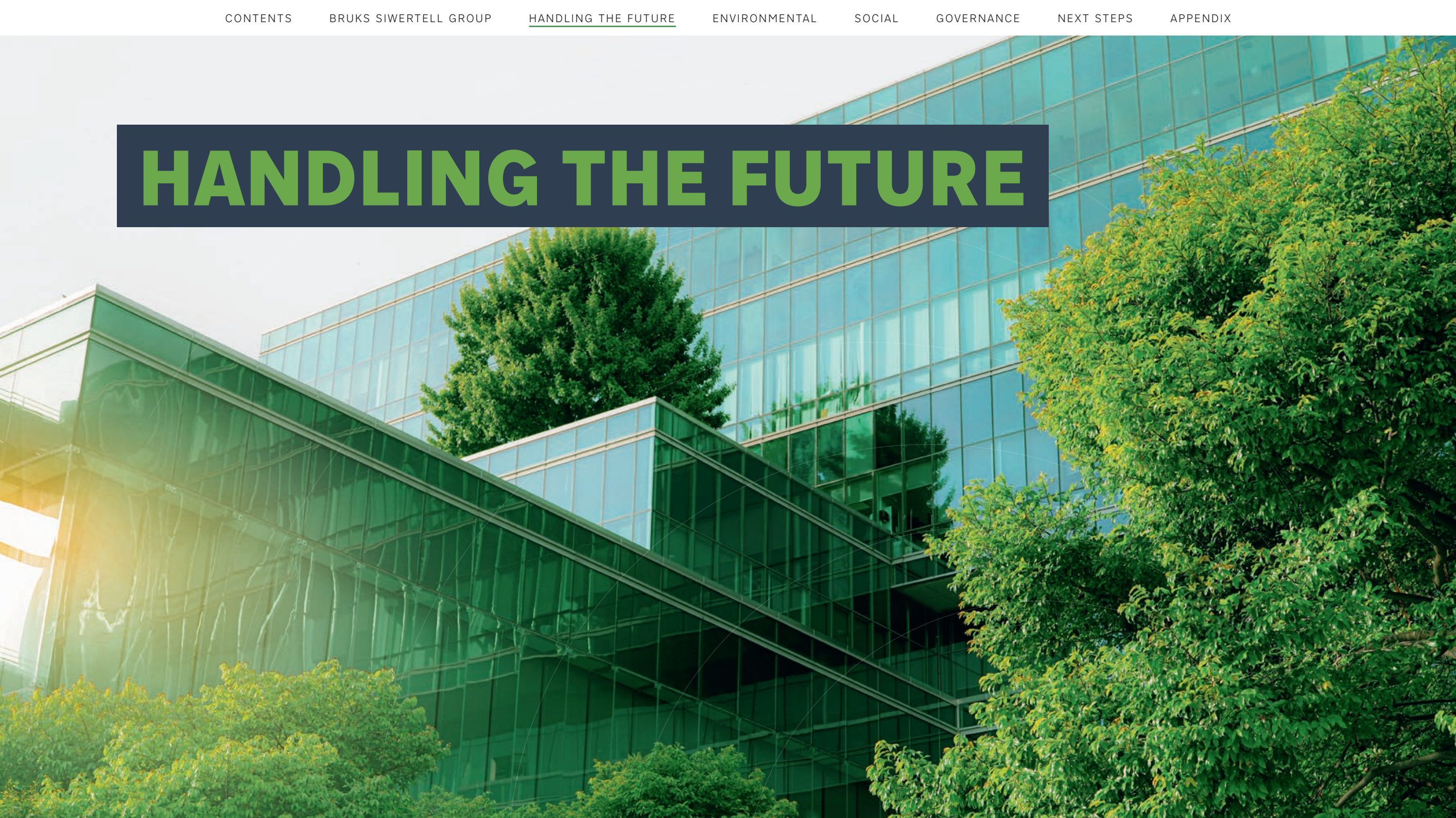
## FORESTRY TECHNOLOGY

The global forest industry consists of large and small forest owners, both private and state actors. All stakeholders have a great responsibility to manage the forest, both in terms of its ability to sequester carbon, and as a supplier of one of the world's most widely used raw materials. We work together with forest owners who practice sustainable forestry.

With our durable equipment, which delivers long, reliable service lives, forest owners can operate in an efficient, sustainable and profitable way.



# HANDLING THE FUTURE





# SUSTAINABLE DEVELOPMENT GOALS AND UN GLOBAL COMPACT

**Bruks Siwertell Group wants to establish the sustainability standard for the industries that we serve, and through ambitious targets, make a positive impact on surrounding ecosystems.**

Bruks Siwertell Group's sustainability ambition for 2030

The United Nation's Sustainable Development Goals (SDGs) are a universal attempt to achieve a sustainable future and promote equality, human rights, and justice for all by 2030. The SDGs are a collection of 17 interlinked goals designed to guide reflection and action on the most critical challenges, and opportunities facing humanity and the natural world.

To move from awareness to action, the UN Global Compact (see Appendix 1) offers participants an extensive toolbox including platforms, hubs and resources, that help businesses take action to

achieve the SDGs. At Bruks Siwertell Group, our sustainability agenda is linked to these 17 SDGs, and a recent analysis shows that we currently contribute to nine of them.

The Group's basic responsibility to individuals and the planet is maintained through strategic sustainability work and by supporting and integrating the UN's Global Compact principles into the Group's policies and processes. Maintaining a business culture that has integrity and good ethics is a top priority.



“

**We work locally with different sustainability initiatives, each of which contributes towards one of our 2030 Group sustainability goals.**

**I am thrilled to be part of this journey and to see the result of our collective efforts. This, of course, does not end in 2030, once we reach our first goals, we will set new ones.**

Kevin Köbeler, Head of Work Preparation,  
Bruks Klöckner, Germany







## THE SUSTAINABILITY JOURNEY SO FAR

Sustainability, and all that it encompasses, has been a long-held focus for Bruks Siwertell. Over the years since the Group was formed in 2018, our work has led to improvements through more extensive policies, strengthened routines and the follow-up of key performance indicators. Our main policy documents and guidelines for the business govern how we conduct a sustainable and respectful way of working. These include:

- » Anti-corruption policy
- » Code of Conduct for personnel
- » Code of Conduct for sales representatives
- » Code of Conduct for suppliers and partners
- » Communications policy
- » Drug and alcohol policy
- » Environment, Health, Safety and Quality (EHSQ) policy
- » Equality policy
- » EU General Data Protection Regulation (GDPR) policy
- » Sustainability policy
- » Whistleblowing policy
- » Work environment policy

However, our ambitions are higher. To meet our raised expectations and those of our owners and customers, in 2022 the company took a clear and strategic approach to integrate sustainability into its business strategy and business development plans.

For the past two years, we have engaged in an intensive and ambitious goal-focused journey. We have taken a strategic approach, completing any immediately impactful tasks. This includes setting out the most important milestones for the next few years and our goals for 2030.

Our sustainability journey began with a comprehensive materiality analysis across several sectors, including stakeholder dialogues, risk analysis and the analysis of external factors that impact our business including political, economic, social, technological, legal, and environmental.

Materiality analysis has been carried out in all office units, and at regional levels based on local infrastructure and legislation, which vary geographically and are dependent on each business



► area. Analysis covered several areas, such as the impact of global changes on the Group and climate risks. The results have been consolidated and assimilated at Group level, where Group-wide issues have been prioritized. All parts of the materiality analysis have been designed to be educational, increasing our knowledge of how we both impact and are impacted by the outside world.

## Regulatory advances: sustainability reporting

A new European Union (EU) directive, the Corporate Sustainability Reporting Directive (CSRD), came into force at the beginning of 2024. It is designed to modernize and strengthen the rules around the social and environmental information that companies have to divulge, and also requires more companies to regularly publish sustainability reports.

The new rules set out in the CSRD ensure that investors and other stakeholders have access to comprehensive information, enabling them to assess a company's impact on people and the environment, and for investors to assess the financial risks and opportunities arising from climate change and other sustainability issues.

The new directive requires assurance on the sustainability information that companies provide and the origins of its digital information. It also looks to standardize the available information, bringing greater clarity and transparency to sustainability reporting.

To meet and comply with the new requirements of the CSRD and prepare for the reporting year, an updated GAP analysis was conducted, and an updated materiality analysis is being carried out in 2024. The updated materiality analysis will consider all aspects of the CSRD, including sub-areas and targets, and evaluate the current focus areas and targets. New targets will be added if necessary.

Within the materiality assessment is stakeholder, industry, and updated risk analyses, with double materiality included. This ensures that the Group simultaneously reports on matters that are both financially influencing and material that is impacted by the market, people and the environment.

During 2024, updated focus areas and targets will be communicated and broken down across the different sites.



**CSRD is designed to modernize and strengthen the rules around sustainability reporting – we welcome this.**

Peter Jonsson, CEO, Bruks Siwertell Group





# OUR VALUE CHAIN

## INNOVATION AND DEVELOPMENT



Understanding customer needs and market knowledge drives our development projects. They aim to find complementary solutions to existing systems or create innovations based on new trends and market demands. Product development also takes place continuously during projects where customers require specific solutions that are adapted to their operational requirements.

## SALES TO CUSTOMERS



Sales are made with the help of our own sales force and through representatives, partners, and dealers. Sales lead times are dependent on the equipment and the requirements of the customer.

## CONSTRUCTION

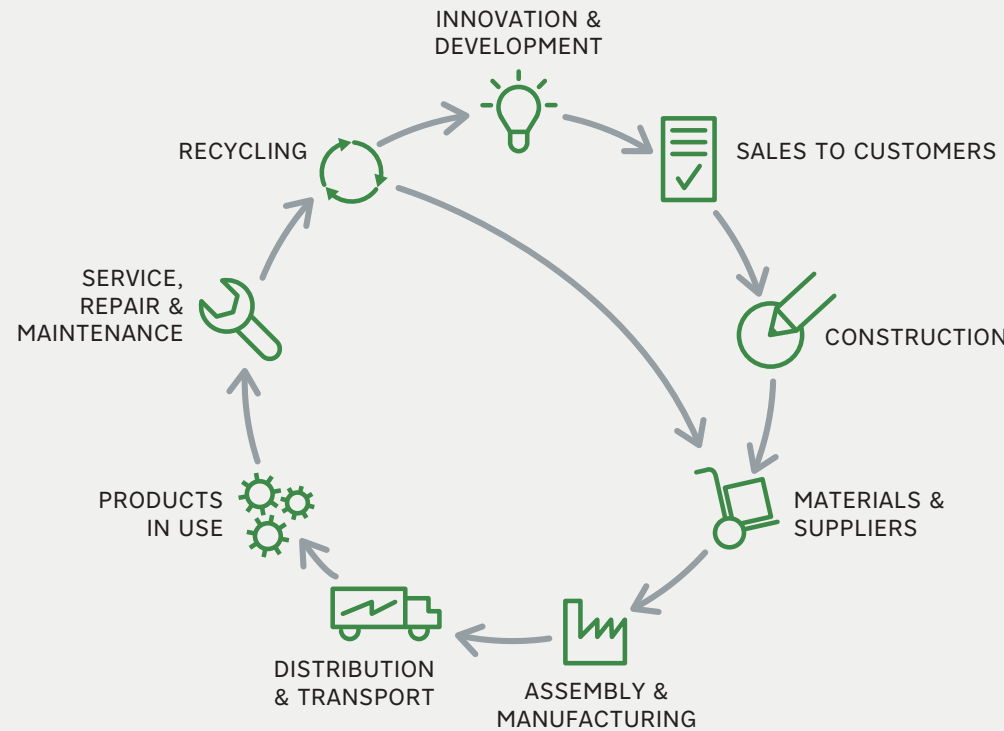


Our experienced engineers and designers develop and prepare technical equipment and installation drawings. With their detailed and wider expertise of the Group's solutions, they know what equipment can be integrated into a complete solution for a customized system. These can comprise project-based, tailor-made or standardized products.

## MATERIALS AND SUPPLIERS



Relationships with suppliers are set within the Group's Codes of Conduct framework. All suppliers have the Group's guidelines for good business practices to refer to, which enables long-term relationships and successful collaborations. This includes suppliers of materials in the form of steel structures, components, equipment and also services, such as contractors who assemble and configure delivered products and offer aftersales support. The majority of our products can be manufactured by completely or partly recycled materials. To be able to reduce emissions, shipping costs and delivery times, our ambition is to find suppliers as close as possible to our customers.



## RECYCLING



Equipment and products that have reached the end of their service lives are important to Bruks Siwertell. Those products that predominantly consist of steel structures can be recycled to a large extent. By recycling the steel, natural resources are saved while carbon dioxide emissions are reduced. This part of the value chain can be further developed, and it is our intention to see recycled steel being included as a material in new products.

## SERVICE, REPAIR AND MAINTENANCE



Our machines and original manufacturer spare parts are designed to be durable, easy to maintain and repairable to ensure a long service life. After delivery, continuing peak operational performance and service longevity is offered thanks to a global service team. This team of experts provides knowledge, support, maintenance and spare parts to ensure reliability throughout the lifetime of the installation, which can extend over several decades.

## ASSEMBLY AND MANUFACTURING



The assembly or manufacturing of our machines and systems takes place either in our factories, at subcontractor facilities, or directly on site with the customer, depending on the size of the project. We strive to have the supplier and assembly as close to the customer as possible to reduce the impact of transport. We do this for both practical and environmental reasons.

## DISTRIBUTION AND TRANSPORT



Transport, both in the form of deliveries to the factory and the distribution of products and systems to the customer, is mainly carried out by truck freight. In specific circumstances, container vessels or breakbulk vessels are used because of the size of the equipment, and when ship unloaders are delivered fully assembled, this is carried out via heavy-lift vessels.

## PRODUCTS IN USE



Our products are used, for example, in port operations, forestry settings, sawmills, power plants and pulp and paper industries. These are challenging environments with high demands on efficiency and reliability. Ship loading and unloading needs to be carried out quickly and smoothly to prevent disruptions to critical infrastructure and global logistics chains. Similarly, a forest owner in a remote location must be able to rely on our equipment. We attach great importance to machine and system solutions that ensure operator safety and a good working environment.



# GOALS AND LOCAL OWNERSHIP

Our sustainability team was established in 2021 and is led by the company’s Chief Strategy Officer who supports the units’ local initiatives and runs and coordinates Group-wide activities such as training, climate calculations and the mapping of significant sustainability issues. The exchange of knowledge between the participants in the sustainability team drives the Group’s entire sustainability work.

Each company within Bruks Siwertell Group has formulated an individual action plan to ensure its feasibility, establishment and a sense of ownership.

We value an individual’s knowledge and shared commitment to sustainability issues. Investments in education and collaboration are therefore carried out as an important and natural part of our sustainability journey. Our ambition is that long-term plans can be further developed and gradually raised along the way, in line with increasing knowledge and new lessons learned.

Bruks Siwertell Group’s sustainability goals are assessed from an environmental, social, and governance (ESG) perspective, with each initiative falling into one or more of these categories.



ENVIRONMENTAL



SOCIAL



GOVERNANCE

# MILESTONES AND ACHIEVEMENTS IN 2023

- ✓ Launched sustainability commitment logo ‘Handling the Future’
- ✓ Conducted CSRD gap analysis
- ✓ Invested in risk analysis system
- ✓ Implementation of Group and local action plans
- ✓ Integration of new business unit into sustainability work



- ✓ Carried out scope 1, 2, and 3 climate calculations for the entire value chain
- ✓ Implemented extensive waste sorting, handling and recycling initiatives
- ✓ Conducted waste-sorting training at all Swedish sites



- ✓ Conducted health challenge for all personnel
- ✓ Conducted regular (three a year) employee surveys
- ✓ Conducted education sessions on health, nutrition and exercise for all personnel
- ✓ Conducted sustainability training for all personnel



- ✓ Conducted anti-corruption training for all new personnel
- ✓ Introduced sustainability elements in supplier Codes of Conduct contracts and agreements
- ✓ Applied the ISO 14001 management system at FTG Cranes, Bäckefors, Sweden





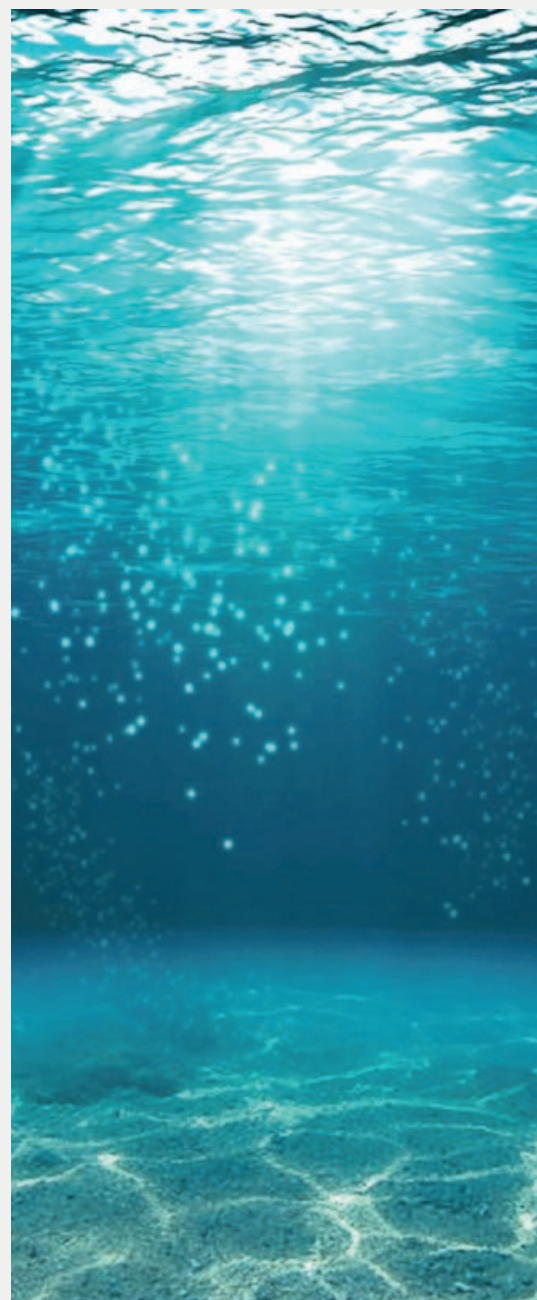
# OUR SUSTAINABILITY YEAR

	2022	2023	Change
Net sales (MSEK)	2,077.6	2,372.2	14%
Earnings before interest, taxes and amortization (EBITA) (MSEK)	223.9	275.9	23%
EBITA-margin (%)	10.8%	11.6%	0.8%***
Average number of employees (FTE)	375	425	13%
CO <sub>2</sub> emissions (tons CO <sub>2</sub> e)*	922	860	-7%
Share of renewable energy sources (%)	24%	28%	4%***
Anti-corruption training (%)**	94%	96%	2%***
Whistleblowing cases (number)	0	0	-
Employee satisfaction eNPS (scale -100 to 100)	25	21	-4
Employee gender division (%)	80% (m) 20% (w)	81% (m) 19% (w)	1%*** -1%***
Management gender division (%)	62% (m) 38% (w)	62% (m) 38% (w)	- -

\* Carbon dioxide equivalent; emissions assessed according to GHG Protocol scopes 1 and 2

\*\* Percentage of employees who completed the training

\*\*\* Percentage-units



# MATERIALITY ANALYSIS

To map our business, and our role in a macro-perspective, in 2022 we carried out a number of activities that together constitute the materiality analysis that forms the basis for our priority areas. The activities include both analysis of external factors, stakeholders' needs and expectations and our business risks from an environmental, social, and governance (ESG) perspective.

## Stakeholder dialogues

We continue to have ongoing dialogues with stakeholders to gain insight into which issues are most important to them and their needs and expectations of Bruks Siwertell. These dialogues will be developed and built on in the future by including more external stakeholders, such as customers and suppliers.

## Business intelligence

To take into account the external factors that affect our business in the trend analysis, we have used the political, economic, social, technological, legal, and environmental (PESTLE) model.

The model is based on external factors such as political instability, conflicts and wars, the

economy and inflation, interest rates, demography and the labor market. Furthermore, technical developments, changes in regulations and legislation, environmental and climate change and how they, in turn, can be expected to impact the business in different ways, are covered.

Analyses of an ever-changing world are ongoing. Through external analyses, we follow technical developments in all business areas from a customer and competitor perspective. We also follow upcoming changes in the ESG area, with, for example, new legal requirements and other aspects relevant to our business.

## Risk analysis

An important part of creating a long-term, value-creating business is to understand and manage business risks. During the year, each unit carried out a new risk analysis under the leadership of the company's Director of sustainability. The material risks are a collection of the results of each unit up to Group level. The Group's joint action plan is then based on this collective view to identify activities to be carried out to reduce risk exposure.



# RESULTS

## Essential focus areas

We have identified our most significant and prioritized sustainability issues. The results form the basis of the Group’s sustainability focus areas, updated key figures, and targets that cover the entire value chain, applicable from 2022 onwards. Within each focus area, a measurable target has been generated, and previous targets have been revised.

Sustainability goals cover the following areas: environment, climate, health and safety, personnel, customer and supplier work and business ethics.

“ At this stage in our sustainability journey with suppliers, their attitude towards scope 3 information requests is the most important factor.

Jens Lindell-Frantz, Purchasing Director, Bruks Siwertell



## OUTCOMES OF RISK ANALYSIS 2023

RISK	DESCRIPTION	MEASURE
<b>Value chain: commodities</b>	Uncertainties and lack of documentation as to the origin of raw materials, and conditions regarding the environment and human rights in the value chain.	Develop a supply chain follow-up and due diligence procedures.
<b>Transport: road transport and maritime transport</b>	Risk of climate-impacting greenhouse gas emissions from transportation.	Develop a supply chain follow-up and due diligence procedures. Promote electrification of transportation.
<b>Corruption</b>	Manufacturing and selling in a variety of countries as well as the use of agents in buying and selling. Risk of unethical behavior, distortion of competition and damage to the brand.	Implement Code of Conduct and due diligence procedures as well as conduct anti-corruption training for all personnel.
<b>Dependence on handling fossil fuels</b>	Handling fossil fuels, such as coal, is an important part of port operations. Decarbonization means a change in business segment for Bruks Siwertell.	Global and diversified operations with customers in various industries provide a good spread of risks.
<b>Inequality and discrimination</b>	If Bruks Siwertell were to be considered an unequal or intolerant workplace, it would damage its reputation and brand. This would have a negative impact on new recruitment and skills supply.	Compliance with equality and gender equality policies. Management awareness sessions on inclusion and diversity.
<b>Geopolitical risks</b>	Geopolitics affects where and how business can be conducted. Conflicts and risks.	Roll out business and value chain geographically to spread the risk and minimize the impact of future events that occur in a particular location.
<b>IT risks</b>	Cyber security, protection of critical systems, and digital personal and business information.	Real-time monitoring of networks and devices, crisis management, predefined emergency processes, awareness and Cyber security training.



# HANDLING THE FUTURE

A dedicated line of communication, which includes our sustainability commitment logo, represents our ambitions. For us, 'handling the future' means that we will do what we can, and what it takes now, to drive a more sustainable world from a social, environmental and governance perspective, preserving it for future generations.

Handling is a key word in our business. Our equipment handles material transfers in ports, forests and industrial settings and facilities and

is part of our sustainability messaging as well. It has been embraced within the Group and is widely visible, reminding us all that, through our 2030 targets and our sustainability efforts in general, the future is in our hands.

This journey is not one we want to do, or can do, alone; we hope that as many of our customers, suppliers, business partners and other stakeholders as possible join us in making sure that, together, we handle the future.



# OUR 2030 AMBITIONS

The outcome of our materiality analysis has resulted in challenging but clear focus areas and ambitions for 2030: Bruks Siwertell Group wants to set the sustainability standard for the industries that we serve and with ambitious targets, make a positive impact on surrounding ecosystems.

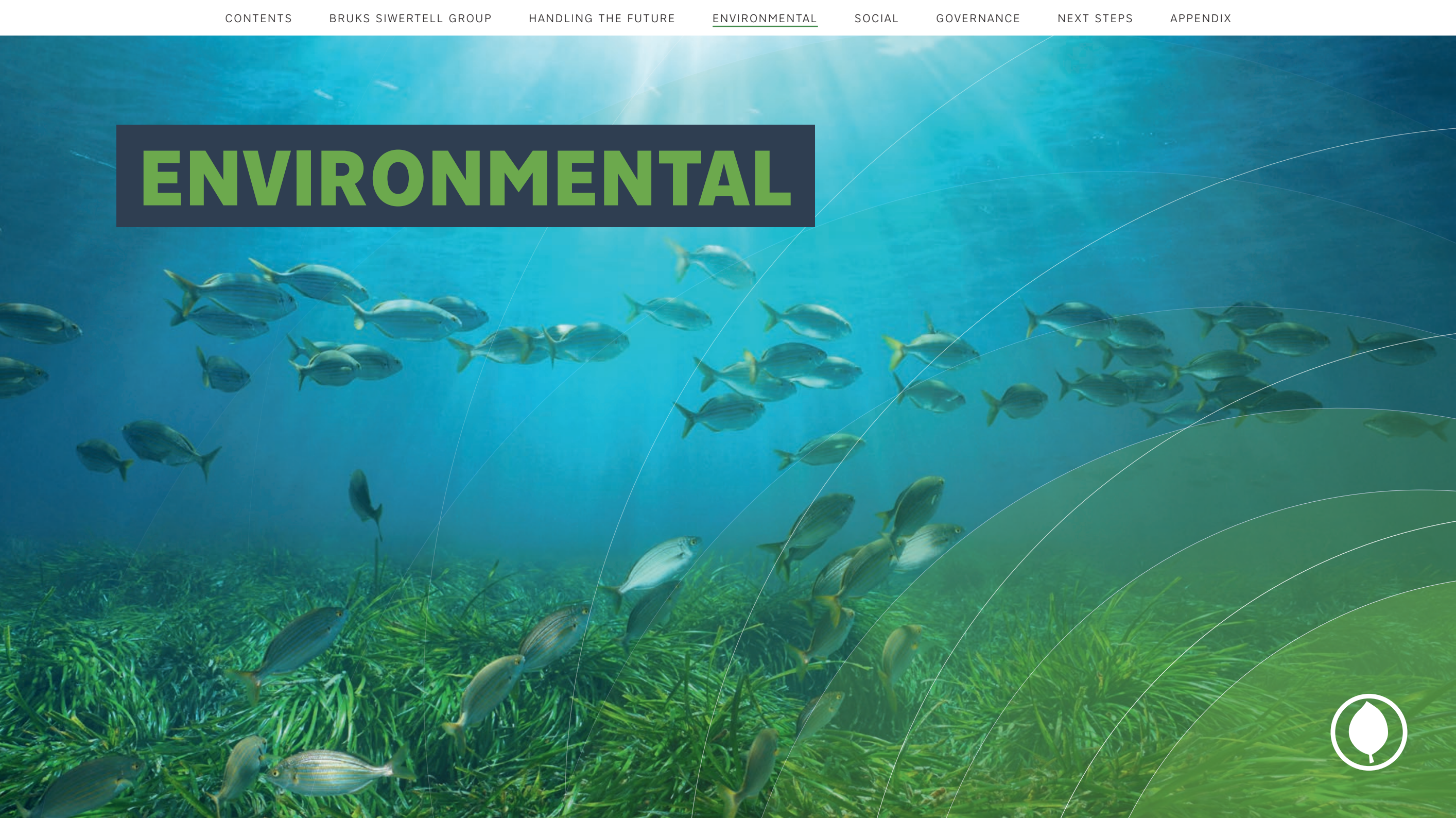
	<p><b>FOCUS AREAS</b></p> <ul style="list-style-type: none"> <li>» Product development</li> <li>» Reduce and limit CO<sub>2</sub> and greenhouse gas emissions</li> <li>» Reduce energy use</li> <li>» Reduce waste</li> </ul>	<p><b>MEASURABLE GOALS</b></p> <ul style="list-style-type: none"> <li>» 90% circularity of products</li> <li>» 50% reduction in CO<sub>2</sub> emissions</li> <li>» 100% renewable energy</li> <li>» Zero waste in our office units</li> </ul>	<p><b>ENVIRONMENTAL</b> </p>
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	<p><b>FOCUS AREAS</b></p> <ul style="list-style-type: none"> <li>» Health and safety</li> <li>» Employee satisfaction</li> <li>» Diversity and inclusion</li> </ul>	<p><b>MEASURABLE GOALS</b></p> <ul style="list-style-type: none"> <li>» Zero workplace accidents</li> <li>» 30 eNPS score</li> <li>» 30% female managers</li> </ul>	<p><b>SOCIAL</b> </p>
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	<p><b>FOCUS AREAS</b></p> <ul style="list-style-type: none"> <li>» Anti-corruption</li> <li>» Supply chain management</li> <li>» Management systems</li> </ul>	<p><b>MEASURABLE GOALS</b></p> <ul style="list-style-type: none"> <li>» 100% compliance with Codes of Conduct for both suppliers and customers</li> <li>» 100% of work processes updated and improved</li> </ul>	<p><b>GOVERNANCE</b> </p>
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# ENVIRONMENTAL





# FOCUS AREAS

## ENVIRONMENTAL

PRODUCT  
DEVELOPMENT

REDUCE  
CLIMATE IMPACT

REDUCE  
ENERGY CONSUMPTION

REDUCE WASTE



We strive to reduce the environmental impact of products throughout their entire lifecycle, in development, design, manufacturing, and use, through to recycling.

### **IBJ Environment Protection Award**

We are committed to reducing air and water pollution. Enclosed conveying lines eliminate cargo spillage and minimize dust emissions in ship unloading and loading operations. In 2023, the environmental credentials of our port dry bulk handling technology were recognized, along with our Group-wide sustainability efforts, by winning the annual *International Bulk Journal* (IBJ) Environment Protection Award (cargo handling). It is the third time that Bruks Siwertell has won this particular *IBJ* award, which is presented to organizations that have contributed to reducing emissions in ports or at sea.

Upon its announcement, *IBJ* highlighted the following reasons for nominating Bruks Siwertell: “Bruks Siwertell already delivers ship unloaders, loaders and conveyors that possess the key elements for environmental protection, and the Group has now developed a robust, measurable, and accountable sustainability strategy, road-mapping its goals and ambitions.” ►



## ► Embracing a circular approach

A sustainable approach requires businesses and societies to move away from a linear economy, where raw materials are taken from the Earth, made into goods and put back as landfill. Moving to a circular economy bends that straight line. It requires all stakeholders to consider their raw material use, the longevity of products, the elimination of waste and pollution, and the ability to recycle materials back into the value chain. We are scrutinizing this within our own business model.

Our equipment has to meet the needs of our customers' operations, but it goes beyond that. We offer ship loading, unloading and conveying systems that eliminate material waste and minimize dust emissions, and our wood-processing technology is already central in renewable energy industries, maximizing yields and making the most of wood and agricultural waste.

We deliver equipment with long service lives and a commitment to service support that can see systems modernized, repaired, and upgraded decades after delivery. We have dedicated research and development programs looking to extend the wear lives of components. Design philosophies

central to all our products are ease of maintenance, minimal energy consumption, minimal material use and reliable, long-term operation. We are minimizing the distances that our products travel, and, where possible, look for local solutions and workforces. Our equipment helps stakeholders in their journey to circularity.

## Reduction of dust emissions

Minimizing the spread of dust has long been central to our product development. Dust occurs naturally when handling bulk materials.

A dry bulk commodity is either intrinsically dusty, like powdery cargoes, or dust can be generated from material degradation, which produces small particles called fines. The more carefully material is handled, the lower the percentage of fines in a load. It is therefore important that equipment is designed to minimize material degradation and prevent delicate cargoes from disintegrating. The benefits of this are many: material losses are minimized, as well as the need for cleaning a plant and its machinery; air quality and the working environment are improved for personnel; risks of heat generation and fire are prevented in a dust-free environment; and the marine environments around port facilities are protected.

“ The benefits of enclosed conveying are many: spillage and material losses are minimized, as well as the need for cleaning, resulting in a safer working environment with less pollution to nearby surroundings.

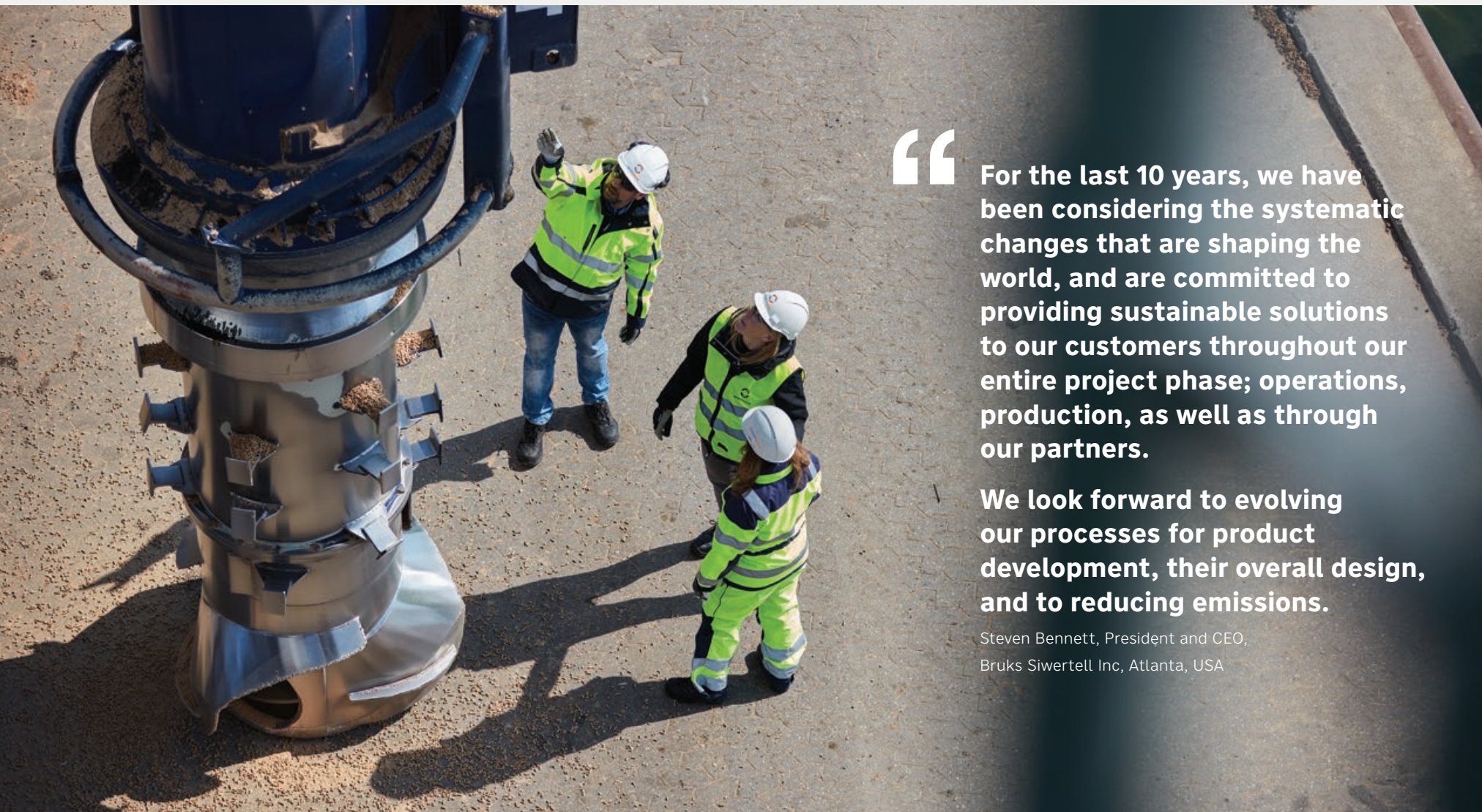
Jonas Andersson, Technical Director, Bruks Siwertell





# PRODUCT DEVELOPMENT

## Meeting the needs of customers and environmental protection



**For the last 10 years, we have been considering the systematic changes that are shaping the world, and are committed to providing sustainable solutions to our customers throughout our entire project phase; operations, production, as well as through our partners.**

**We look forward to evolving our processes for product development, their overall design, and to reducing emissions.**

Steven Bennett, President and CEO,  
Bruks Siwertell Inc, Atlanta, USA

Whether in the project phase, through ongoing cooperation with a customer, or as a development project within one of the company's divisions, we continuously develop our products and services to better meet customer needs and increase environmental protection. As projects and products are often tailored to specific customer requirements, product design and material content occur naturally. By challenging conventional ideas about design, and trying out new construction solutions, there are opportunities to find alternative methods and materials that reduce both weight and material consumption.

Climate calculations can be a powerful tool for optimizing environmental performance in design changes. Bruks Siwertell uses the Greenhouse Gas (GHG) Protocol framework (see Appendix 2) for its climate calculations (scopes 1, 2 and 3), with scope 1 and 2 calculations predominantly carried out between 2019 and 2022, and scope 3 calculations conducted in 2023.

Our 2023 scope 3 calculations focused on the largest suppliers of purchased materials. The results will influence the direction of product development and research into component longevity, along with investigations into the use of recycled steel in product production.





# REDUCE CLIMATE IMPACT

## A systematic approach to ambitions

The Greenhouse Gas (GHG) Protocol (see Appendix 2) establishes a global standardized framework to measure and manage GHG emissions, including direct GHG emissions (scope 1) and indirect emissions (scope 2 and 3).

Bruks Siwertell has set a target of reducing its total value chain GHG emissions by 50% by

2030, compared to a base-level established in 2022, signaling our climate ambitions and the prioritization of climate-efficient solutions.

Initially, parts of the Group's carbon footprint were reported according to the guidelines in GHG Protocol scopes 1 and 2. These emissions decreased between 2019 and 2022 as a result

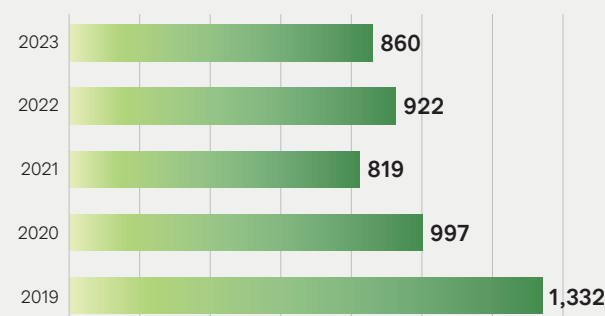
of ongoing initiatives to replace fossil fuels with renewable alternatives, energy efficiency improvements, and from outsourcing some production activities.

Our focus in 2023 was to broaden this work and conduct scope 3 calculations (see Appendix 3). Up to 95% of goods purchased in 2022 were included in scope 3 calculations, depending on the availability of data. In 2022, calculations of scope 3 CO<sub>2</sub> emissions totalled 539.3 kton.

Scope 1 and 2 calculations were also reviewed and updated in 2023. This was carried out to ensure consistency in the system boundary throughout the year, and include emissions from forklift trucks and welding gas. Furthermore, emissions from business travel using privately-owned cars were reallocated from scope 1 to scope 3 in line with GHG Protocol guidelines.

In general, data quality for activities and emissions related to the value chain is expected to improve over the upcoming years, especially with regard to quantity data, resulting in an improved level of detail for scope 3 calculations and an increased system boundary. Recalculations of the base year will therefore be conducted if changes in the organizational boundaries and operations occur. For example, if errors exceed a 5% threshold, or if emissions of exclusions in the inventory changes significantly. ►

### GHG EMISSIONS (TONS CO<sub>2</sub>e) - TOTAL SCOPE 1 AND 2 \*



\* Carbon dioxide equivalent; emissions assessed according to GHG Protocol scopes 1 and 2.

Source: BSG Worldfavor 2023

# 50%

Our target to  
reduce greenhouse  
gas emissions  
by 2030





► Bruks Siwertell Group's climate calculations in 2023 included the following categories and activities:

### Scope 1

- *Stationary combustion*: combustion of wood pellets and oil for heat production at all sites
- *Mobile combustion*: all travel with leased and owned cars, as well as the use of forklift trucks
- *Fugitive emissions*: use of welding gas

### Scope 2

- *Energy*: electricity use at all sites and offices as well as charging company owned and leased electric cars
- *Heating and cooling*: the use of district heating at offices and sites

### Scope 3

- *Purchased goods and services*: including purchased materials and components for 80 to 95% of total purchase volumes
- *Capital goods*: purchases of capital goods such as computers and equipment
- *Fuel and energy-related activities (upstream emissions)*: all energy included in scope 1 and scope 2
- *Upstream transportation and distribution*: includes all transport of purchased goods to Group and customer sites

- *Operational waste*: waste generated within the business that is disposed of by third parties, and includes transport to recycling facilities and emissions from incineration and landfill
- *Business travel*: including train, taxi, flights and hotel nights, as well as travels with privately owned cars
- *Employee commuting*: commuting for employees by car and public transportation
- *Downstream transport and distribution*: transport of sold products from sites to customer sites
- *End-of-Life treatment of sold products*: transport of used products to recycling facilities
- *Use of products*: use of sold products at customer sites. As these calculations are dependent on the lifetime assessment of a sold product, results from this category remain uncertain and incomplete. Calculations from our business unit in Hirtscheid, Germany are currently excluded, but are planned for completion in 2024.

The total emissions for scope 1, 2 and 3 during 2022 was 539.8 kilotons CO<sub>2</sub>e. Calculations show that the largest contributions to emissions are

reported in the 'purchased goods and services' and 'use of sold products' categories. These amount to 33 kilotons CO<sub>2</sub>e and 503 kilotons CO<sub>2</sub>e respectively, with latter category responsible for more than 90% of Bruks Siwertell Group's total recorded emissions.

Some scope 3 calculation exclusions have been made either due to a lack of reliable data or relevance, or because they are already included in scope 1 and 2 calculations. These include elements such as office supplies, IT equipment, emissions from the use of leased cars and equipment, and the use of sold products.

### Scope 3 results: overview

Results have shown that the extraction and production of purchased materials, mainly steel, machine elements and electronic components, generate the largest emissions in Bruks Siwertell Group's value chain. Therefore, these have been identified as requiring the most intensive action for reducing climate impact.

One of our main focuses for 2024 is to review the opportunity to reduce climate emissions through increasing the use of recycled steel in product production and reviewing product design and construction from a lifecycle perspective.

### A shared journey with suppliers

The reduction of climate emissions involves a continuous dialogue with our suppliers, allowing us to reduce our value chain emissions together. Integral to this has been the introduction of new supplier Codes of Conduct and the collection of information from suppliers to support our scope 3 climate calculations.

Suppliers are generally aware of sustainability issues; however, the degree of that awareness and their preparedness for sustainability work varied significantly. Some smaller companies have been able to readily provide comprehensive and detailed data, while some larger companies struggled to present this information. At this stage in our sustainability journey with suppliers, their attitude towards scope 3 information requests is the most important factor.

Going forward, early discussions with suppliers should include our requirements for scope 3 information and these should be highlighted in supplier contracts. This will embed our sustainability work more solidly within the company and externally. Supplier assessments around supplier Codes of Conduct are the next step.



## Making a positive impact

We serve numerous industries across the dry bulk handling, wood processing, and forestry sectors. Within each of these, multiple material types are handled and processed for a variety of customers. Our ambition is to make a positive impact and to support customers to do the same.

Diversification is part of our business strategy, and over the past four years we have broadened our range of material segments. Wood is still the material that we handle and process the most of. It is our biggest market segment and where we benefit from the greatest levels of vertical integration.

Across the Group, we have a huge knowledge base, cross-sector expertise and technology, which was expanded even further with the acquisition of the North American engineering and manufacturing company, West Salem Machinery (WSM) in 2023. This strategic move positions the Group to better serve the renewable energy industry, and relatively new biofuel sectors such as the sustainable aviation fuel (SAF) market.

A significant proportion of global biomass comes from wood and wood-based products including

logs, wood chips, waste wood residues, bark and hogged fuel, and sawdust. Much is also derived from agricultural waste, such as corn stalks and husks, and palm kernel shells. Our agricultural waste and wood-processing and handling technology supports every part of the biomass logistics chain, from waste residues to the final pellet, making it an integral component in many biofuel and bioenergy installations.

With the acquisition of WSM, we can also add technology that can make a positive environmental impact in industrial mulching and composting, converting green and food waste, and mixed organics into high-quality feedstock for composting and anaerobic digestion. Along with bale-processing systems and waste wood recycling from the construction and demolition industry.

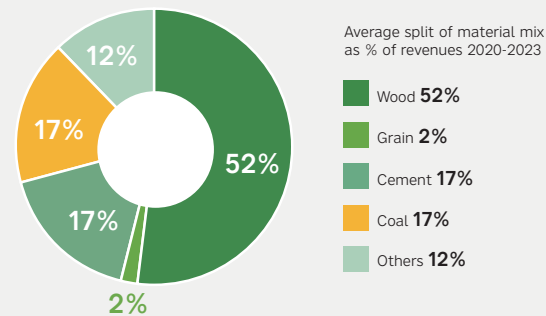
We recognize that some of the industries that we serve, and some of the materials that our equipment handles, carry higher environmental loads than others, such as coal. Despite its known impact on the environment, coal is still a major dry bulk cargo, traded all over the world for use in industrial processes such as steelmaking and power plants. Bruks Siwertell Group believes that, through our equipment, services

and technological capabilities, we can help our customers decrease their environmental impact when handling coal.

For example, our technology handles coal in a way that absolutely minimizes the environmental impact of its ship to shore link. For this, we mean using enclosed systems that minimize dust and eliminate spillage into the surrounding environment. Spillage on the levels encountered through using open handling systems, such as grab cranes, can lose up to 2% of a shipment; we believe that waste on this scale is unacceptable.

We have also enabled operators to switch from handling coal to renewable biomass pellets for energy production. Our specially designed ship unloaders and loaders are able to handle multiple materials, efficiently and safely supporting coal-fired power plants with co-firing – burning coal and biomass – through to their complete transition to only burning biomass. They also ensure that sensitive materials, such as biomass pellets, are handled with minimal material degradation.

### MATERIAL MIX 2020-2023





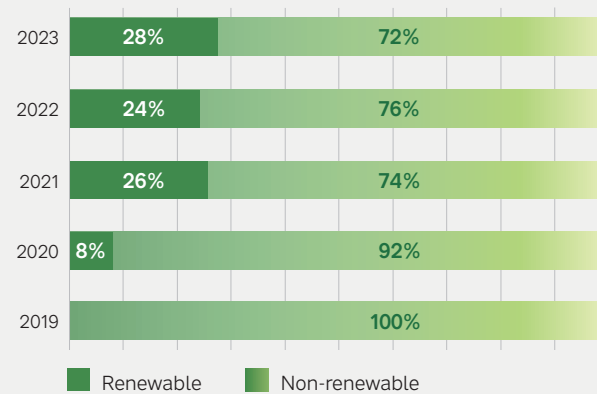
# REDUCE ENERGY CONSUMPTION

## Advocating the use of renewable sources

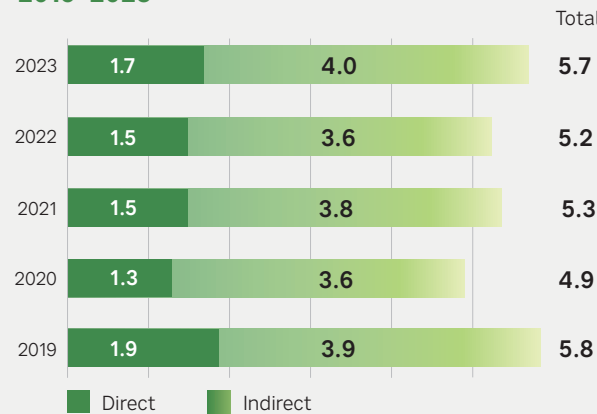
Bruks Siwertell’s operations involve the consumption of energy in production, in offices and transportation. It is important that operations are conducted in an energy-efficient way, but also that the energy source is evaluated with regard to its environmental impact. In 2023, the Group’s business unit in Atlanta, USA, renewed its contract to purchase solar-power-generated electricity, making it the third unit within Bruks Siwertell Group to make the switch to 100% renewable energy.

Work is underway to review electricity consumption by installing energy-efficient lighting and appliances in all offices and advocating renewable energy sources where possible. These measures have resulted in a reduction in the Group’s electricity consumption. The Group has also continued the phasing out of heating oil, in favor of certified renewable electricity. Despite the increase in our business activities during 2023 our total energy consumption, measured in MWh, has reduced by 8% since 2021.

### SHARE RENEWABLE ENERGY SOURCE



### TOTAL ENERGY CONSUMPTION AT SITE, MWh 2019-2023



Source: BSG Worldfavor 2023





## CASE

## Renewable energy switches have started



By 2030, Bruks Siwertell Group is aiming to reduce its carbon emissions by 50 percent, in comparison to levels recorded in 2019, and switch to 100 percent renewable electricity. Leading the charge, Bruks Klöckner GmbH, a Bruks Siwertell company, has now switched to a green energy supplier, making it 100 percent powered by renewable sources.

In spring 2023, Bruks Klöckner changed its energy provider to Germany-based, LichtBlick SE. It is now supplying the company and its production facilities with energy that is not derived from nuclear, coal, or oil-fired power plants, making the company 100 percent powered from renewable sources.

LichtBlick SE specializes in the supply of environment-friendly and climate neutral energy. By sourcing energy from LichtBlick, Bruks Klöckner is reducing its CO<sub>2</sub> emissions by 122.50 metric tons per year.







# ZERO

Our target for waste  
in our office units

## REDUCE WASTE

### Implementation of circular initiatives

Reducing the amount of waste, managing waste correctly and seeking circular solutions are important strategies in reducing the overall environmental impact of Bruks Siwertell Group's business and are therefore priority sustainability areas.

Over the past twelve months, office units across the Group have stepped-up initiatives to reduce waste and position the company to meet its zero-office waste target by 2030. Evident in all of them is that, going forward, continuing education programs for personnel are key, along with good collaborations with specialist waste contractors, and the establishment of key performance indicators (KPIs) so that progress is measurable and effective.

#### Global waste-reduction initiatives

The global nature of the company and its diverse range of production facilities and offices meant that a de-centralized, local approach has been necessary, essentially addressing site-specific waste reduction strategies. Highlights include:

##### WEST SALEM MACHINERY, SALEM, OREGON, USA

- ▶ implementation of a recycling program for desk top printer cartridges
- ▶ reduced printing
- ▶ planning a fully digitalized office system, including digital notebooks, by the end of 2024
- ▶ recycling scheme for plastic bottles and aluminum cans
- ▶ implementation of new preventative maintenance software, Limble
- ▶ introduction of a new battery-operated maintenance vehicle, replacing a fossil-fuel version

- ▶ replacing one of its forklift trucks for manufacturing operations with an all-electric version
- ▶ more tightly planned manufacturing paint quantities and purchased per job
- ▶ sending structural steels, excess paint and saw cutting coolant to recycling facilities
- ▶ separating and recycling all carbide smoke filters
- ▶ setting up KPIs to determine its waste reduction progress

#### **ATLANTA, GEORGIA, USA**

- ▶ work to eliminate the use of plastic water bottles; previously, personnel used around 4,800 individual plastic water bottles
- ▶ refining the office's recycling program
- ▶ installing new signage to remind personnel to sort their waste has also been installed
- ▶ implementation of an enterprise resource planning (ERP) system, to reduce the paper copies of invoices and other documentation

#### **ARBRAÅ, SWEDEN**

- ▶ training personnel about recycling
- ▶ distribution of a handbook on how to best recycle
- ▶ introduction of more bins to separate waste in the offices and production facilities
- ▶ updated guidance around waste
- ▶ started food waste sorting
- ▶ working with a third-party specialist waste partner
- ▶ setting up KPIs to determine its waste reduction progress

#### **BÄCKEFORS, SWEDEN**

- ▶ training personnel about recycling
- ▶ introduced three new recycling stations in the workshop; shrink plastics are now recycled in separate containers, and hazardous waste is sorted separately
- ▶ updated guidance around waste
- ▶ trialing different strategies, such as new packaging material that can more easily be separated into cardboard and plastics waste
- ▶ trialing Bokashi method of composting 100% of its organic food waste

- ▶ working with a third-party specialist waste partner
- ▶ setting up KPIs to determine its waste reduction progress

#### **BJUV, SWEDEN**

- ▶ looking for solutions to manage food waste
- ▶ working with a third-party specialist waste partner

#### **VILNIUS, LITHUANIA**

- ▶ training personnel about recycling and waste sorting and reduction, reducing the number of sorted waste containers from three to two
- ▶ updated guidance around waste
- ▶ working with a third-party specialist waste partner

#### **HIRTSCHIED, GERMANY**

- ▶ implementation of an enterprise resource planning (ERP) system, Monitor G5, to digitalize documentation and reduce the paper copies, which has also reduced the number of printers and toner cartridge use
- ▶ ongoing waste sorting and recycling schemes
- ▶ reusing packaging material where appropriate





## CASE



## Waste and renewable energy initiatives enhance sustainability drives

Bruks Siwertell Group's Americas division is continuing with its efforts towards the Group's defined 2030 sustainability goals, and undertook several new initiatives in 2023.

The first to highlight is the use of plastic water bottles. Previously, personnel used around ten cases of water bottles a month, equivalent to around 400 plastic bottles of water consumed. These have been removed, filling stations have been installed and all personnel received a gift of a reusable bottle.

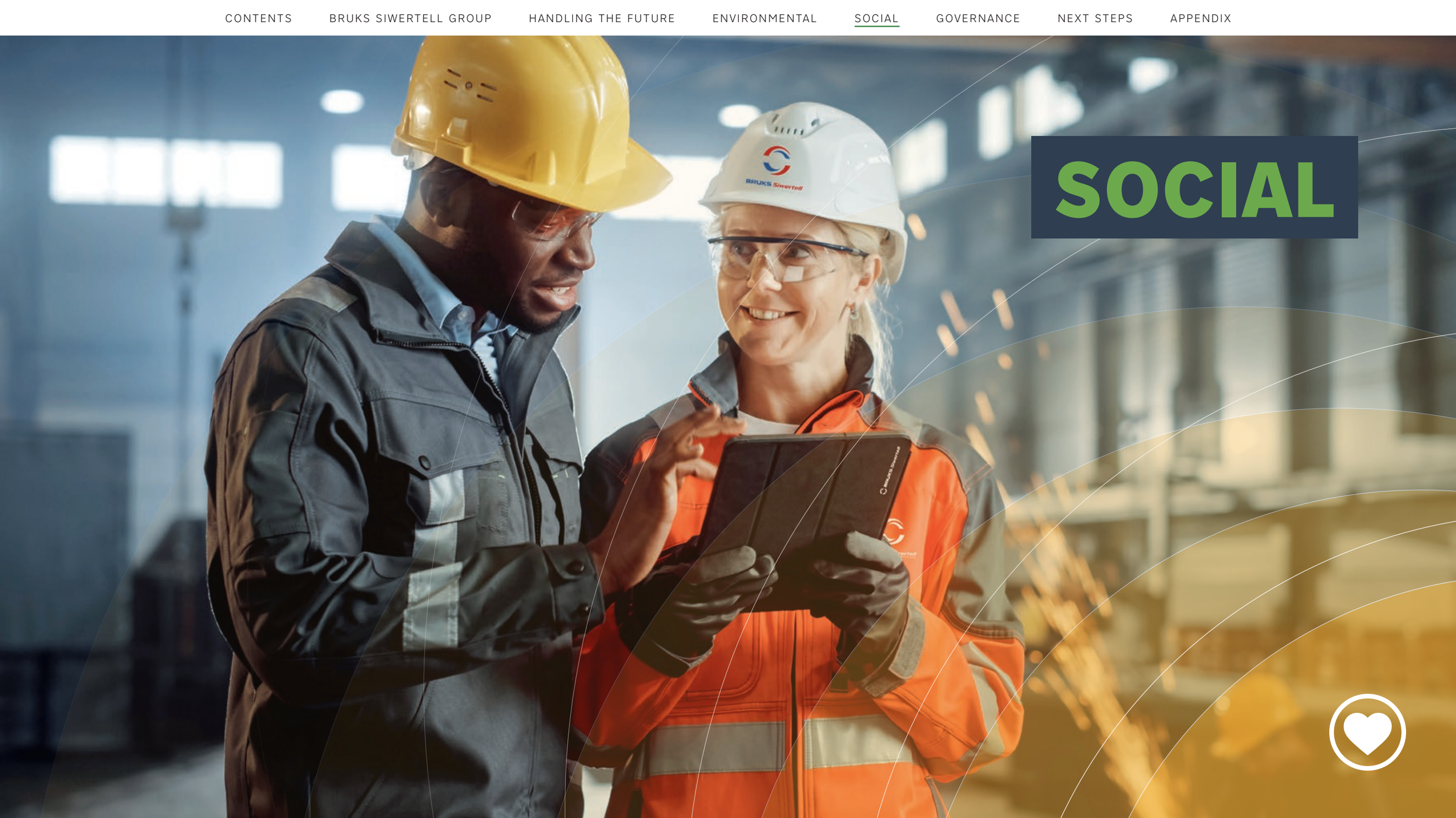
A second initiative that is currently running is the refinement of the office's recycling program

and new signage, reminding people to sort their waste. All refuse bins have been replaced with versions that have compartments for separating landfill from recyclable elements such as paper, plastic and aluminum. Since their installation there has been a significant reduction in overall waste levels, with a much higher proportion of recyclable waste.

Renewable energy initiatives are also well underway with investing in renewable energy supply, and further energy-saving measures, including replacing all lighting with low-energy use LED versions, which will again reduce carbon emissions and generate cost savings.







# SOCIAL





# FOCUS AREAS

## SOCIAL

HEALTH  
AND SAFETY

EMPLOYEE  
SATISFACTION

DIVERSITY  
AND INCLUSION

“ We have seen an increase in reporting after the implementation of a digital reporting system, which facilitates an easy and efficient way for us to report incidents.

Jonas Fack, President, Bruks Siwertell AB



Bruks Siwertell aims to ensure that its personnel have a safe and secure work environment and that our products and services are safe to use, protecting nearby operators; everyone should come home safe and fulfilled at the end of the working day. Safety and security are top priorities and we have several routines to encourage reporting and enable a risk-preventive approach. The challenging, physically demanding, often heavy work environments associated with our installations require clear safety guidelines.

We want to offer an attractive workplace that protects the health and well-being of our personnel. We strive for a fair working environment with an open and transparent atmosphere, where development and growth are adapted to each individual. Bruks Siwertell is committed to promoting equal opportunities, irrespective of background, race, gender identity and expression, religion or sexuality and works to create an inclusive, diverse workplace.



# HEALTH AND SAFETY

## A clear priority

Bruks Siwertell will offer a safe workplace for all personnel. Our personnel are encouraged to maintain a healthy and safe working environment by following local regulations as well as internal policies related to safety and the work environment.

Workplaces must be equipped with safety equipment, and for all activities involving health and safety risks, there must be procedures that describe what, how, when, and by whom it should be done. Accidents, incidents and risk observations should and will be reported and analyzed, and result in an appropriate action. Bruks Siwertell has a target of zero workplace accidents. As part of our safety work, we conduct risk analyses to identify potential risks in situations regarding fire, machine stoppages and power outages and for these situations we have established evacuation and action plans to minimize the risk to personnel.

Our equipment is predominantly used in the heavy-industry environment, such as ports, large

industrial facilities and in forestry management, which presents a number of risks to personnel. Bruks Siwertell focuses on delivering machines and system solutions that ensure good personal protection and a safe working environment. To minimize risks in the delivery and equipment installation process at a customer's site, a detailed risk analysis, and planning and division of labor takes place between the customer, Bruks Siwertell and other contractors on site.

During 2023, numerous health and safety training programs have been undertaken at all levels of the company. For example, all managers in Bruks Siwertell Group received information on and participated in training for use of the HR tool, Sympa, which has been implemented to make it easier to focus on and understand personnel data.

Sympa enables managers to access relevant data, along with being able to cooperate over personal development plans and training, recruitment and dismissal.

Anti-corruption training is now mandatory; sessions are regularly conducted to ensure that everyone completes the training.

In 2022, we implemented a whistleblowing system, 2secure. Three incidents have been reported so far, none of which have been classified as corruption or bribery incidents. ►

# ZERO

Our target for  
the number of  
workplace accidents





## ▶ System for following-up incidents

As part of Bruks Siwertell’s commitment to personnel health and safety, transparent reporting of incidents and accidents is encouraged, as well as risk-conscious and safe behavior to prevent injuries in the workplace. Incident reports are available at all office units in the Group. Currently the majority of these forms are paper-based and handled manually. The Group is investigating the extension of a pilot

project that uses a digital service, accessible via mobile app or computer, to report incidents. Increased reporting enables successful preventive work. The rise in the total number of workplace incidents and accidents is directly attributed to the Group encouraging personnel to report them and making it easier to do so. There have been no serious accidents resulting in long-term sick leave. Numerous mitigating measures have been taken, including training sessions to improve safety.

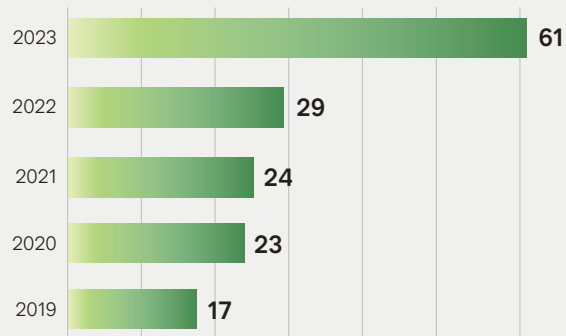
## A good working environment

The physical, mental and social work environments are all equally important. We value good leadership and responsiveness in the handling of all issues relating to these. As far as practicable, Bruks Siwertell adapts work environments to personnel needs and strives for them to experience a sense of influence over their work situation. Emphasis is placed on clarity regarding information about work tasks, expectations of work performed, responsibilities and authorities. Work environment training has been held for all managers in Bjuv, Sweden.

We have routines for managing the risk of illness, bullying and harassment, and zero tolerance for discrimination, victimization, harassment and abuse in all forms. Any suspicion of a breach of compliance in these matters should be reported to the immediate manager, human resources or by using the whistleblowing function, which is available on our intranet and external website.

Sick leave is monitored on an ongoing basis for all companies within the Group. In general, sick leave is low. In both 2020 and 2021, the Covid-19 pandemic naturally impacted these figures, leading to a slight increase in long-term sick leave. During parts of 2022, Covid-19 continued to impact these rates, albeit to a lesser extent.

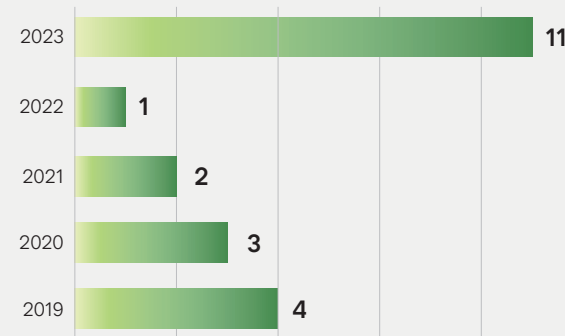
### TOTAL NUMBER OF WORKPLACE INCIDENTS \*



\* near misses, causing no, or less than one day of sick leave

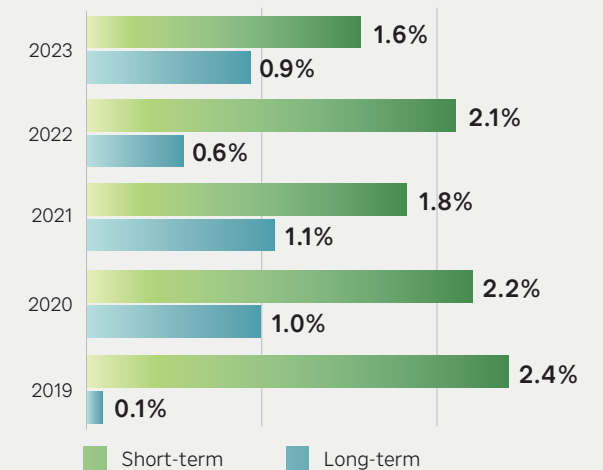
Source: BSG Worldfavor 2023

### TOTAL NUMBER OF ACCIDENTS \*



\* leading to one day sick leave or more

### SHORT- AND LONG-TERM SICK LEAVE



Source: BSG Worldfavor 2023



# EMPLOYEE SATISFACTION

## Focus on personnel engagement

To maintain its position as a market leader and achieve long-term success, Bruks Siwertell is dependent on talented, knowledgeable and committed personnel. It is important that all individuals know and understand the Group's corporate strategy and how it relates to the work that they do. It is communicated via annual presentations of Group-wide strategic directions and goals, so personnel have a shared understanding of how they contribute to the targeted achievements.

Another key to increasing personnel engagement in their duties at work, is the opportunity for personal growth through skills development. The Group therefore provides personnel with continuous skills development. Training is offered in each office unit, but there are also Group-wide training programs. One example is leadership training in situational leadership. This is conducted annually. With the development of digital tools, and their increasing significance in the workplace, communication is carried out using digital tools. In 2023, all personnel with an email address were required to participate

in Microsoft Office 365 (O365) training in digital maturity, Outlook, Teams and OneNote. Its purpose was to achieve consistent levels of digital literacy across the entire Group. We have also conducted Group management sessions on inclusion and diversity, which will be extended to all leaders throughout the organization in 2024..

### Employee surveys

In 2022, Bruks Siwertell introduced a system for Group-wide employee satisfaction surveys. The results are recorded as an employee Net Promoter Score (eNPS), which is scaled from -100 to 100. The survey is published quarterly and completed digitally. Nine factors are evaluated and compiled into a total index, and every second

survey, the eNPS is also evaluated, including the extent to which personnel would recommend their employer to others.

The eNPS value is one of Bruks Siwertell's new key figures and formulated as an ambitious goal of achieving at least 30 by 2030. We started conducting employee surveys in 2022, and the eNPS score was then 25, demonstrating a positive result with many content personnel within the company. The eNPS score for 2023 was 21.

In 2023, the focus has been on evaluating future results, following trends and overall developments at different levels within the Group, divisions and office units, and then putting



in place appropriate measures. For example, we have worked intensively with our company values to define what they mean for each unit or team, and how they can be applied in all that we do both externally and internally.

**“ The eNPS score gives us an indication of how satisfied our personnel are with us as an employer. If we see a lower score, we follow this up with further separate questions directed to the relevant team and find out what improvements may be needed. I think this tool is a great start to measure how well we are doing, and enables us to continuously make progress.**

Katarina Åkesson, HR Director, Bruks Siwertell Group





## CASE

## Happy, healthy people create happy, sustainable companies

Our first voluntary health challenge, carried out on the Challengize app, has resulted in an 8.2% increase in physical activity as well as immeasurable fun. The initiative was designed to address both Bruks Siwertell's target to increase personnel satisfaction levels, recorded using eNPS value, and contribute to the United Nation's (UN) Sustainable Development Goal 3, 'good health and well-being' (SDG 3).

"We believe that happy, healthy people create happy, sustainable companies. This initiative is designed to help increase healthy habits amongst our personnel and the motivation for them to continue; contributing directly to SDG 3," says Anna Halling, Chief Strategy Officer, Bruks Siwertell. "The health challenge was both social and digital. It inspired individuals and the establishment of teams to challenge and motivate each other, encouraging activities and movement. It was also fun, with an element of competition as well. Points were awarded for

achievements and the winning team was able to nominate a charity of its choice."

The results were positive, with 149 people choosing to participate in this first round, and 19 teams formed to compete against each other. Through decisions to cycle instead of driving, participants contributed to a 590kg reduction in CO<sub>2</sub> emissions, which is equivalent to flying 0.3 times around the globe. In terms of distance, they managed to clock-up 18,594km, equivalent to climbing Mount Everest 2,102 times or traveling almost halfway around the world. Results also revealed an increase in sleep quality, reduction in stress levels, and an increase in overall wellbeing.

The winning team of the BSG Health Challenge 2023, called 'Fit don't quit', is based in our Forest Technology Group (FTG) unit in Bäckefors, Sweden. It's nominated charity organization was UNICEF, which gratefully received a donation of EUR 2,200 (SEK 25,000).



“**Doing a little bit of exercise, even if it is just five minutes of dancing or leg lifts, is more than doing nothing at all, and this is what makes all the difference in the end.**”

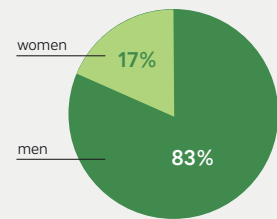
Anna Halling, Chief Strategy Officer, Bruks Siwertell



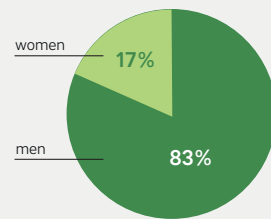
# DIVERSITY AND INCLUSION

## A natural part of daily operations

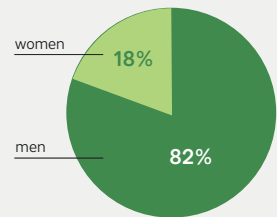
### GENDER BALANCE IN PERSONNEL



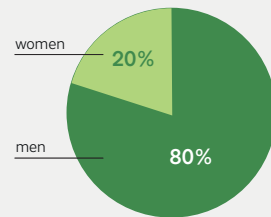
2019 365 employees



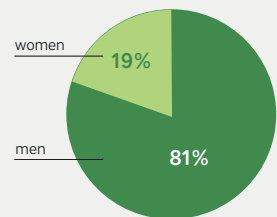
2020 372 employees



2021 367 employees

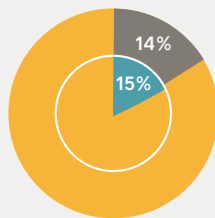


2022 375 employees

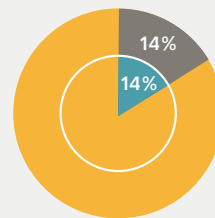


2023 425 employees

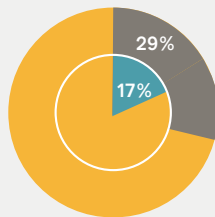
### GENDER BALANCE IN MANAGEMENT



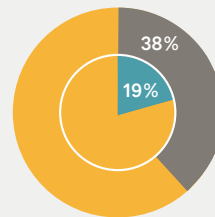
2019



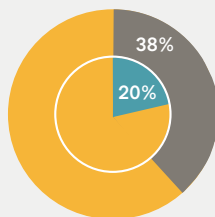
2020



2021



2022



2023

■ Proportion of women in executive management team  
■ Proportion of women in managerial position

### Equality

A workplace that values gender equality and diversity is attractive to both customers and personnel. Bruks Siwertell's overall goal is that our gender equality work should be a natural part of daily operations, at all facilities and levels within the company. All personnel have and will be guaranteed equal value and the same opportunities within the company regardless of age, gender or gender expression, disability, ethnicity, religion or sexual orientation. This should be reflected in our daily operations and in recruitment.

The equal opportunities of all personnel are regulated in our Group-wide equality policy. Information about this policy is available to all personnel. One of our sustainability goals is for women to hold at least 30% of management roles within the company.

# 30%

Our target for the number of women in management roles

### Diversity

In our recruitment processes, we encourage applications from all people irrespective of background, race, gender, religion, or sexuality. When recruiting, the successful candidate is selected on the basis of their competence and attitude.

In 2023, we carried out a diversity and inclusion workshop for the Group's management team, and in 2024, all leaders within the organization will receive training on the same topic. The primary focus was educating all managers on what diversity and inclusion means both in theory and in practice, and how to act as an inclusive leader.

Inclusiveness training helps participants understand more about historical inequities related to ethnicity, race, gender, and backgrounds, and how culture can affect the workplace environment. They also help organizations become more open to greater participation of marginalized individuals at all levels of the company.

In 2024, the workshops will continue for all managers within the entire Group. Our aim is to train everyone to know the meaning of, and to be, inclusive leaders.



Source: BSG Worldfavor 2023



# FEMALE FORESTRY-OWNER NETWORK VISIT SUPPORTS INDUSTRY DIALOGUES

In April last year, our Forest Technology Group (FTG) unit in Bäckefors, had the pleasure of hosting the female forestry-owner network, Qvinnor i skogs- och tränäring (Qvist), which means women in forestry and wood industry. Qvist also translates into branch in Swedish. The group comprises around 45 members, predominantly located across southern Sweden.

It meets on a monthly basis and provides its members with a forum for discussions and the exchange of experiences outside, but within, the otherwise male-dominated forestry industry.

Twenty of its members, a special interest group within the network, came to our Bäckefors unit to see the original forestry equipment brand,

Mowi, in production. Mowi offers a unique crane movement pattern that can pass high above the load and reach far down slopes at speed.

FTG personnel showed the Qvist network group the plant and assembly operations, and presented the historical development of Mowi products, as well as the company's growth over time. Other

brands such as Moheda, which is produced in Sweden and Källefall, which originated in Sweden, and is produced at our FTG unit in Lithuania, were also introduced.

“We are really pleased that the Qvist network contacted us, and that they chose to visit our unit in Bäckefors. It is important to us that we are a company that keeps open dialogues with society, our customers, and our suppliers, and to support all active groups within the forestry industry,” Andreas Ljungberg, President, Forest Technology Group, Bäckefors, Sweden.

Following this, the Qvist network discussed current main events and issues within the industry and the opportunities and challenges that lie ahead. For FTG, it was not only an honor to host this event, but also a great opportunity to have face-to-face discussions with an important customer group.



**“ We are really pleased that the Qvist network contacted us, and that they chose to visit our unit in Bäckefors. It is important to us that we are a company that keeps open dialogues with society, our customers, and our suppliers, and to support all active groups within the forestry industry.**

Andreas Ljungberg, President, Forest Technology Group, Bäckefors, Sweden



## CASE

## Personnel training embeds group-wide sustainability ambitions

Bruks Siwertell Group has a number of sustainability targets, and personnel satisfaction is high on the agenda. In 2022, a system for Group-wide employee satisfaction surveys was introduced. The results are recorded as an employee Net Promoter Score (eNPS), which is scaled from -100 to 100.

The eNPS value is one of Bruks Siwertell's new key figures and by 2030, the target is to raise this score from an initial measurement of 25, in 2022, to 30. As part of this strategy, widespread personnel training programs have been introduced to boost the Group's sustainability ambitions and to highlight areas where improvements can be made.


"If we are to reach our ambitions, all personnel need to have a basic understanding of sustainability and what it entails," says Anna Halling, Chief Strategy Officer, Bruks Siwertell. "My hope is that, through these training programs, which indirectly connect to all our sustainability targets, awareness amongst personnel will improve, and we can build on a process where each individual person can think about what they can do differently within their role."



### Solution and results

Throughout the Group, three-hour interactive on-site compulsory training sessions, combining a mixture of theory and discussions, have been carried out. They included popular climate tests, and fun competitions around climate knowledge, including measuring an individual's climate footprint.

The sessions provided a platform for sharing knowledge about sustainability and what it means within the company as well. The results are that all personnel who undertook the training now have a base level of climate knowledge and what, why, and how sustainability targets are being used within the company.

"Our hope is that the training will permeate the Group," notes Halling. "The sessions ensured that participants left with fresh perspectives. Over the course of three hours, we delved deep into the realm of sustainability, transcending the conventional notions of merely environmental concerns." 



## CASE

► Feedback from participants in the Bjuv, Sweden, training sessions provided interesting insight. “Three interesting hours that broadened my thinking about sustainability, when previously I mostly associated it with the environment and climate,” says Anneli Ållemark, Administrator Internal Services, Bruks Siwertell.

“This is a sentiment echoed across many participants who attended the training,” explains Halling. “Our sessions go beyond the ‘green’ and highlight the multifaceted involvement of sustainability work. They also illuminate how our actions can impact not just the environment but also social, economic, and ethical dimensions.”

As an example, Richard Heu, Key Account Manager, Bruks Siwertell, honestly expressed: “This training gave me more understanding of what sustainability actually is and the complexity it entails. To survive as a company, you really have to take sustainability seriously to still be successful in 2030.”

“This forward-looking perspective highlights the necessity for businesses to integrate sustainability into their core strategies,” continues Halling.

## Small things make a difference

Similar feedback was received from other Swedish business sites in Bäckefors and Arbrå.

“The increase in CO<sub>2</sub> over the centuries, demonstrated from ice samples from Antarctica, was really an eye-opener I think,” says Mikael Leek, Quality and Facility Manager, Bruks Siwertell, from Arbrå. “You cannot turn a blind eye to it. Take home messages from the training also taught me that all efforts are important, even the small, simple things that you can do, make a difference. Also, receiving suggestions in the test that we did, via smartphones, was very concrete and good!”

In Bäckefors, Fredrik Schmidt, Sales and Marketing Assistant, Bruks Siwertell, reflected on the training: “Calculating our own personal climate footprint was an eye-opener for many of us, who perhaps thought we were better at sustainability than we are.”

From the Atlanta, US, office, Taylor Polacheck, Design Engineer, Bruks Siwertell, notes: “Our sustainability training was interesting and impactful. Looking at sustainability not only from

a business standpoint, but also from a personal and community perspective, broke the concept down into small achievable tasks that we can incorporate into daily activities. The various activities throughout the day made the information digestible, and I feel that the information we learned will positively influence us as an office and as a community moving forward.”

“In the ever-changing landscape of business, sustainability is not a mere trend; it is a prerequisite for long-term success and relevance. Furthermore, the complexity of sustainability often goes unnoticed, but is a vital aspect to grasp for progress and is not solely about planting trees or reducing waste; it is a holistic approach, encompassing ethical sourcing, fair labor practices, and responsible supply chains,” Halling says.

“As we look to the future, these insights remind us of the importance of continuing our sustainability journey. Sustainability is not just a one-time event, but a continuous commitment to creating a better world. I hope that through these programs, we can carry forward knowledge and inspiration into our daily work, championing

sustainable practices that extend beyond our organization to positively impact society and our planet,” concludes Halling.

All new personnel will continue to receive sustainability training, along with the completion of training for one remaining business unit with the Group in 2024. Some of the upcoming training sessions will also be recorded, for individuals who may have been absent on the actual training day.

## Monitoring and assessing sustainability milestones and achievements

Bruks Siwertell Group’s sustainability goals are assessed from an environmental, social, and governance (ESG) perspective, with each initiative falling into one or more of these categories. This is to clarify how different initiatives impact our overall sustainability work, and how their results can be used to maximum effect. It also contributes to our commitment to transparency. All aspects of our sustainability work are designed to be educational, so that we increase our knowledge and adjust our ambitions accordingly.





# GOVERNANCE





## FOCUS AREAS

### GOVERNANCE

#### ANTI-CORRUPTION

#### SUPPLY CHAIN MANAGEMENT

#### MANAGEMENT SYSTEMS

Owners' directives and policy documents form the foundation of the Group's governance and compliance strategies. They also govern its decentralized organization. In line with this, Bruks Siwertell's sustainability work is conducted at the local divisional level, but is held and coordinated through our global sustainability councils, which collaborate with other specialized councils.

Bruks Siwertell is a global group with inter-actions between customers, suppliers and business partners around the world. Within the different divisions, representatives or dealers are used to reach out to different markets. Due to its global representation, the Group sometimes operates in countries with an increased risk of corruption. The Group adheres to the principles of the UN Global Compact. The principles are found in the Group's policies and agreements, and are integrated into working methods and processes to create a good business culture and business responsibility, which is a key to the Group's long-term success.



# 94%

Number of employees who  
conducted anti-corruption  
training in 2023

## ANTI-CORRUPTION

### Zero tolerance

Bruks Siwertell has zero tolerance towards corruption. The work is based on international and local regulations in countries where operations occur, and is supplemented with the Group's Code of Conduct and anti-corruption policies as a means of preventing any violations. The anti-corruption policy is available to all personnel on the company's intranet and must be signed by each person. The policy serves primarily as educational material for situations where bribery tends to occur and includes methods to avoid corruption. The anti-corruption policy provides compliance requirements to prevent improper

payments and to ensure accurate reporting of permitted payments under all applicable anti-bribery laws.

Group policies permeate daily work and apply to all personnel within the Group as well as agents with whom Bruks Siwertell cooperates. To further increase the importance of this work, Group-wide anti-corruption training is being conducted. In 2023, 100% of managers and 94% of all personnel completed this training. All new personnel receive anti-corruption training as well.

## CASE

## ISO 14001 implementation strategy enhances environmental impact management

Bäckefors, Sweden, business unit FTG Cranes, has completed its implementation of the International Organization for Standardization (ISO) 14001 standard. This is part of Bruks Siwertell Group's 2030 target to update and improve 100 percent of work processes.

ISO 14001 implementation and certification is designed to offer assurance for personnel, customers and stakeholders, that a company's environmental impact is being effectively measured and improved.

Bäckefors started the ISO 14001 implementation process at the beginning of 2023 and continued throughout the year, merging other related ISO system standards. The purchasing, sales, development and production departments have



all had their processes updated to ISO 1400, boosting their environmental assessment and risk analysis capabilities.

It will be possible to measure the introduction of this new standard at the end of 2024. However, its implementation automatically changed the way the business unit work.

“Our sustainability targets are included in this ISO standard, which means that, going forward, we should all function and think from a deeper environmental perspective, regardless of whether we work in purchasing, design, production or sales,” says Ulf Godtman, Aftersales and Quality Manager, FTG Cranes.

“We were inspired by visiting other local companies that had already introduced these new standards,” adds Godtman. “Our hope is to pass on this inspiration and support the adoption of this standard more widely.”







# MANAGEMENT SYSTEMS

## Improved processes and clear steps

By controlling operations based on the structure of management systems, systematic and continuous improvement work is created within all of the Group's office units. The management systems consist of the Group's vision, the values of the business, policies and goals, processes and established routines and methods of follow-up.

Systematic improvement work is based on activities such as risk analysis, internal control

functions and management of non-compliances and follow-up of incidents. Examples of tools for this are incident follow-up systems, whistleblowing functions, and internal and external audits. External follow-up, including contract follow-up and the follow-up of requirements in the supplier Code of Conduct, will continue to be developed and strengthened. In 2023, a significant part of the Group's purchasing council's work was assessing supplier Codes of Conduct.

**“ We are continuously improving and making our process more effective. A lean business approach offers us the opportunity to do this in a more structured and efficient way. Our experience of this in Bjuv will be shared across the Group.**

Anna Halling, Chief Strategy Officer, Bruks Siwertell Group



## CASE

## Lean business approach benefits customers and personnel

Bruks Siwertell Group's Bjuv, Sweden, business unit is working towards updating and improving 100 percent of its work processes, shortening lead times, and inspiring other units with best practice strategies.

Part of updating and improving processes starts with an understanding of current inefficiencies and engineering bottlenecks. Aside from standardized systems such as Siwertell road-mobile and port-mobile unloaders, Siwertell technology is tailored for every application, which can result in long lead times. Customers are looking for shorter delivery schedules, and the company is looking to meet these through improving efficiencies, increasing production capacity, and better margins.

"No company is perfectly efficient," says Jonas Fack, Managing Director and President of Bruks Siwertell AB. "A lean approach passes efficiency savings onto customers, ensures consistency and improvements in build qualities and creates a working environment that benefits personnel. Increasing the productivity of the team really

boosts morale, and offers customers and stakeholders much greater project transparency."

Twenty-four plan, do, check, act (PDCA) initiatives have been completed in 2023 as well as system analysis program (SAP) development implementation and work on modularization and standardization strategies.

"All personnel have been involved, from engineering to sales, in the lean process and that is because every person has a role to play in the future sustainability of our company and in meeting our sustainability targets," explains Fack.

Improvements have been systematic and wide ranging, from visible, functional aspects such as better lighting, air-conditioning and safety signage, through to the automation of some processes, making it easier to access information and follow up progress through complex quotation progression.

"It is part of our DNA to search for improvements," he continues. "We know areas that we need to address further, not just processes, but in collaborations and

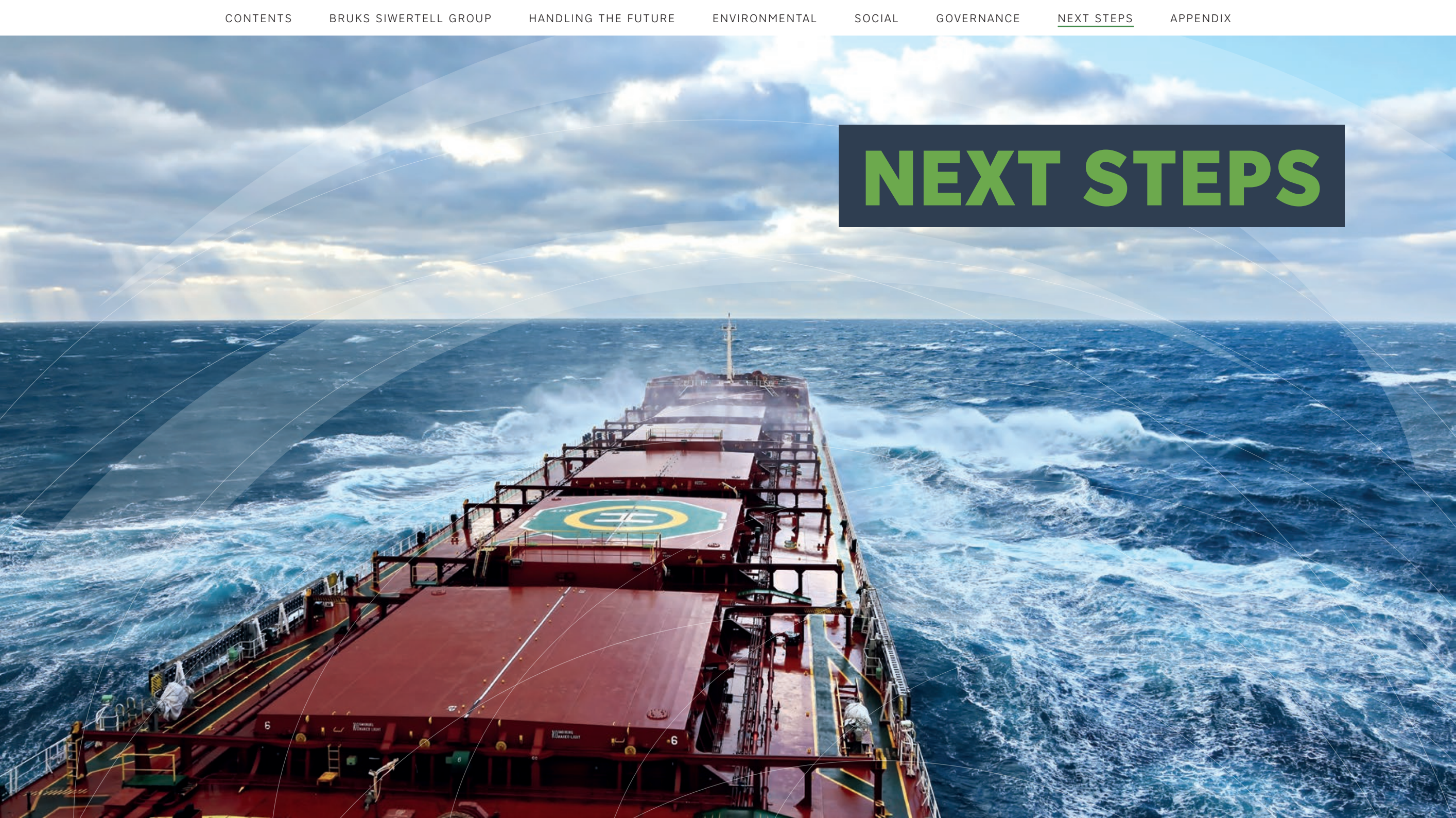


ways of working. This is a continuous development, part of which will be knowledge transfer, sharing our experiences and best practice from Bjuv more widely with other units in the Group. We hope to inspire all sites to work in a leaner way."





# NEXT STEPS





# CONTINUING OUR SUSTAINABILITY JOURNEY IN 2024

Over the coming years, our sustainability journey is full of exciting and focused work. By identifying and outlining actionable targets for each of our focus areas, they become a tangible resource with clear and measurable results. This year will see the implementation of our new sustainability strategy continue and includes a committed approach within three main categories: environmental, social and governance.



**We are still at the beginning of our sustainability journey and are humble to the challenges ahead. In 2023, on-site training sessions with personnel led to valuable discussions and insightful new perspectives.**

**Our personnel and leaders are key success factors in this journey to become a truly sustainable company.**

Anna Halling, Chief Strategy Officer, Bruks Siwertell Group



## ENVIRONMENTAL

### Reduce waste

Reduce the amount of waste, manage waste correctly, and seek circular solutions. Enlist contractors that offer the ability to measure, follow-up and develop waste management

### Map Group-wide climate impact

Carry out climate calculations throughout all business areas within the Group, enabling focused measures in the most significant sectors

### Lifecycle product development

Optimize product development based on a product's entire lifecycle including material selection, repairability and recyclability. Products will become more easily assembled and dismantled, and mining for new raw materials will be reduced.

### Emissions in the value chain

The total emissions for scope 1, 2 and 3 during 2022 was 539.8 kilotons CO<sub>2</sub>e. The emissions reported in the 'use of sold products' category accounted for 503 kilotons, equivalent to more than 90% of Bruks Siwertell Group's total emissions.



## SOCIAL

### Health challenge

Six-week voluntary health challenge will be held to help personnel engage with increased daily exercise

### Diversity & Inclusion training

Online and in person training events will be conducted for all leaders

### Drug & alcohol awareness

Sessions will be held to raise awareness around drug and alcohol use to coincide with the introduction of a new drug and alcohol policy

### Creating social spaces

Reconfiguring our Arbrå, Sweden, site to create more inviting, sociable shared spaces, which reflect flexible working and facilitate collaborations



## GOVERNANCE

### Updated materiality analysis

To ensure CSRD compliance, materiality analysis, including double materiality, as well as focus areas and targets, will be updated

### Sustainability reporting tool

Implementation of a system to support the collection and analysis of supplier assessments and scope 1, 2, and 3 calculations

### Continuing follow-up of Codes of Conduct compliance

Within the sustainable supply chains framework, new Codes of Conduct for suppliers will be implemented and compliance will be followed-up and evaluated

### Continuing management system certification

The Group will work towards certifying management systems, wherever possible and logical, within all business units, developing processes and working methods to achieve progress and improvements



## APPENDIX

### 1. THE UN GLOBAL COMPACT

The UN Global compact has ten principles:

#### HUMAN RIGHTS

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

#### WORKING CONDITIONS

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- 4 the elimination of all forms of forced and compulsory labor
- 5 the effective abolition of child labor
- 6 the elimination of discrimination in respect of employment and occupation

#### ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges
- 8 undertake initiatives to promote greater environmental responsibility
- 9 encourage the development and diffusion of environmentally friendly technologies

#### CORRUPTION

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

### 2. THE GREENHOUSE GAS (GHG) PROTOCOL

The Greenhouse Gas (GHG) Protocol establishes a global standardized framework to measure and manage GHG emissions. Direct GHG emissions occur from sources that are owned or controlled by the reporting company and indirect GHG emissions are those that are a consequence of the activities of the reporting company, but occur at sources owned or controlled by another company, such as suppliers.

The GHG Protocol categorizes these direct and indirect emissions into three broad scopes:

**Scope 1:** all direct GHG emissions

**Scope 2:** indirect GHG emissions from consumption of purchased electricity, heat or steam

**Scope 3:** other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting company, electricity-related activities not covered in scope 2, and outsourced activities, such as waste disposal.

### 3. SCOPE 3 CALCULATION PARAMETERS

Scope 3 calculation data was obtained from suppliers, shipping companies, construction drawings, waste management companies and travel agencies. In cases where quantity data was not available, spend data was instead used. Supplier-specific emissions data was sourced from shipping companies and travel agencies as well as a small portion of the suppliers. Generic emissions data was sourced from databases such as the eco-database, Ecoinvent, and the UK's Department for Environment, Food and Rural Affairs (Defra).

For data gaps, some justified assumptions and simplifications were made with regard to transport distances, conversions from spend-based data to material weights, material compositions for mixed material components of simpler structures, material composition of metal alloys, and allocation of expenses linked to business trips. Emission factors were generally only available for raw materials; therefore, a 10% addition was included to cover the emissions and material losses during supplier processing.

**Photos:** Bruks Siwertell Group, Shutterstock

**Layout & Illustrations:** Metamorf Design Group AB

**Auditors:** Deloitte AB

This Sustainability Report relates to the financial year 2023. The report covers the parent company Bruks Siwertell Group AB, and all its legal entities which are being consolidated in the financial statement of Bruks Siwertell Group AB for the same period.

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