



SUSTAINABILITY
REPORT 2020

Cipbës

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ABOUT THIS REPORT

Cibes Holding AB issues its first sustainability report for 2020. It covers all entities included in our consolidated financial statements and reflects our performance in the period from January 1, 2020, to December 31, 2020. Operations at Cibes Holding AB is performed in Cibes Lift Group. The report has been prepared in accordance with the GRI Standards, core option. It is not externally audited. If you have questions on the report, you are welcome to contact Lars Kronberg, Sustainability Director at Cibes Lift Group, sustainability@cibesliftgroup.com

Published on 19 April 2021

THE YEAR IN BRIEF

Cibēs 2020 **CIBES HOLDING AB**
Owned by Nalka Invest AB

TURNOVER
1.4 BSEK
(1.3 BSEK 2019)

CAGR
20%
(2015-2020)

GÄVLE SWEDEN
Headquarters &
Product Unit



↑ ↓
5,322
sold elevators
(2019 5,333)

887
employees
(2019 661)

JIAXING CHINA
Product Unit



MARKETS & SALES OFFICES

- Austria
- Belgium
- China
- Finland
- France
- Germany
- Hong Kong
- India
- Indonesia
- Norway
- Philippines
- Spain
- Sweden
- Thailand
- The Netherlands
- The UK
- The US
- United Arab Emirates
- Vietnam

We offer space saving platform lifts that provide flexible solutions for a global market.

OUR BRANDS



SIGNIFICANT CHANGES TO THE ORGANIZATION AND ITS SUPPLY CHAIN

During 2020, Cibes Lift Group expanded with a new production unit in Jiaxing, China and sales offices in Florida, USA, Mumbai and Bangalore, India. The company also acquired the remaining shares in Austrian GS-Aufzüge Cibes GmbH and now owns 100%. RH Tekniikka OY in Finland and Titan Elevators Ltd, UK were also acquired during the year.

WORDS FROM OUR CEO

The focus on sustainability matters is increasing in all parts of society. I really welcome this. The world needs to change in order to secure a solid economic, social and environmental development for future generations.

A sustainable development for all was the essence and purpose of the Paris Climate Agreement and the adoption of the UN Sustainable Development Goals in 2015. While the facts are on the table and most people agree to the undisputable need for change, the question is still if we are changing fast enough? I believe all change is a challenge, whether it is about changing your own diet or habits for a healthier life or to improve a business to grow and to stay competitive.

From this perspective I think the same approach and principles apply to all kinds of change. At Cibes, we are therefore integrating our sustainability work into the way we do business and the way we drive change in all parts of the company. We call it the Cibes Way.

To drive change, you need a vision, a strategy, the necessary skills and maybe most importantly the ambition and determination to achieve your objectives. Our work on sustainability is no exception from these principles and I prefer to see the challenges we have ahead of us as opportunities and something that will create value for all stakeholders – customer, employees, partners, owners, society and our planet. That is why Cibes elevates sustainability.

Our sustainability strategy encompasses five prioritized areas:

- Safety
- Business
- Planet
- People
- Ethics

All five are integrated into our daily work and the way we do business and in our strategy engine, Cibes Way. Our culture is guided by strong values:

- Personal
- Professional
- Progressive

Guided by these values, we have succeeded very well in developing our business over the years.

I am sure these values will allow us to provide our best contributions to the UN Sustainability Development Goals.

Per Lidström,
CEO Cibes Lift Group



COVID-19 LED TO NEW WAYS OF WORKING

The pandemic immediately affected Cibes Lift Group with its subsequent lockdowns, closed borders, travel- and meeting restrictions. We have, however, been fast in adopting to new ways of working and managed to navigate through the pandemic in a good way.

Thanks to good relations with our suppliers and skilled employees in purchasing and goods handling, who have really walked the extra mile in finding alternative suppliers and alternative routes when required, we managed to reach our

delivery precision target of >97%. Delays during the second half of the year are mainly related to the lack of containers for boat traffic.

Many of our employees have either fully or occasionally worked from home during the pandemic. Thanks to the fact that we've worked actively with digital tools for many years, this transition has worked better than expected and we've managed to maintain good service and relations to customers, partners and each other throughout Cibes Lift Group.

New challenges create new ways of working. Our sales staff has managed to reach out to new customers digitally and we've found new ways of interviewing potential employees, hiring and onboarding new employees, selling products,

buying companies and conducting board meetings. Sick leave numbers have been slightly higher than usual on the worker side, but considerably lower on the white-collar side during 2020, probably as an effect of the increased work from home.

The pandemic has proven that all employees do not need to be on site at all times, but can work from home, which has a positive effect on our CO₂ footprint. Personal meetings are however required to some extent, not the least for the more creative professions such as R&D.

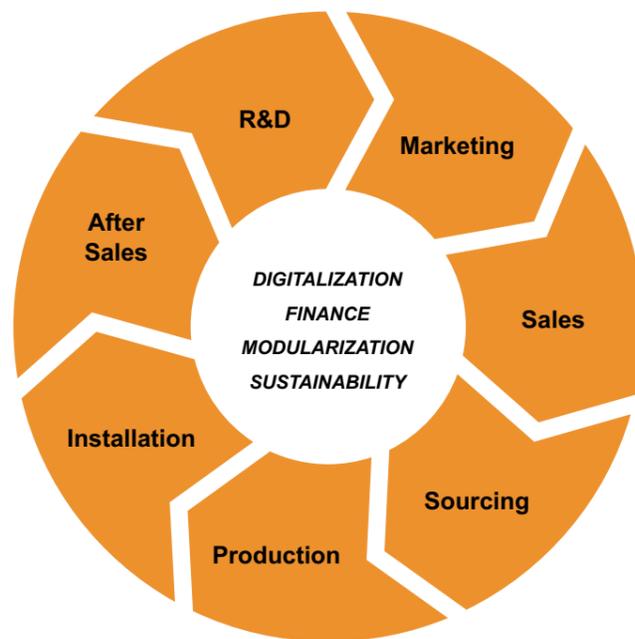
CIBES WAY: OUR STRATEGY ENGINE

Cibes Way is our engine for sustainable and profitable growth through continuous improvement. It is based on principles, best practice and methods that can be used and shared throughout the organization.

Sustainability at Cibes Lift Group is built on five pillars as an integral part of the strategy:

- Safety
- Business
- Planet
- People
- Ethics

The Cibes Way



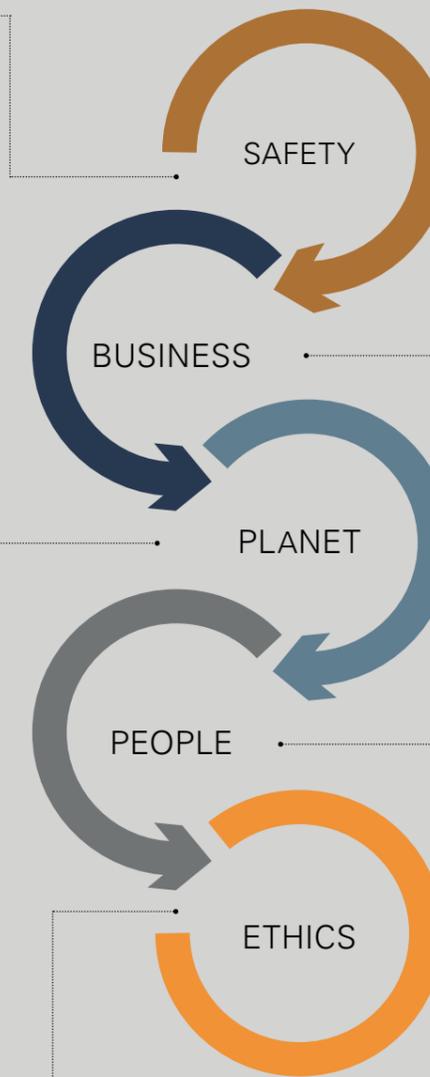
Each of the five pillars comprises a number of components, specific for that area. The components are described by attributes, characterizing the level of operational excellence. This is a decentralized way of encouraging continuous improvements through best practice and learning from each other.

SAFETY – zero harm to people

Health and safety for our employees, customers and partners are our top priorities and a prerequisite for our business. A genuine safety culture is therefore integrated in everything we do, our products, our services and our behaviors and attitudes. We are committed to a systematic safety approach to achieve our safety vision: zero harm to people.

PLANET – responsible for a higher purpose

Our planet is facing some serious threats and there is no doubt that we are heading towards a global environmental crisis if we are not turning the trend of global warming. At first glance this might appear as a challenge too big to influence for a company like Cibes. It is true that a single person or company can't change this alone, but we are convinced that together, companies and people around the world can. With this approach, no one can sit on the sideline and do nothing. We are committed to do whatever we can to mobilize our organization and do our part - we take responsibility for a higher purpose.



BUSINESS – sustainable business advantage

We see no contradiction between being profitable and being sustainable. By focusing on a sustainable business model and being a leading player in our niche, our sustainability work provides us with a business advantage. By being innovative, we can create a competitive edge in the marketplace, strengthen our brand, retain and develop our employees and attract the right talents for the future. We look for win-win solutions and a circular approach to our business.

PEOPLE – make the difference

Not utilizing the potential in people is considered waste and not in line with our definition of a sustainable business. We want to develop individuals and teams to their full potential by offering development opportunities, trainings and also by building diverse and including teams where everyone is respected and listened to. Our employees are our most valuable resource; they make the whole difference.

ETHICS – values matter

High ethical values are the essence of a sustainable business. Reputation built over decades can be ruined in minutes. To further strengthen our already strong culture, we work actively with our corporate Code of Conduct throughout the organization as well as with our business partners. It is our playbook that guides us in acting ethically. We have zero tolerance to harassments and any kind of bribery or corruption, discrimination and victimization. We are also committed to secure full financial compliance and to always offer fair employee wages. In addition, we contribute to society through social engagement and by doing the little extra for a greater good. A sustainable business requires high ethical standards and values – that's why they matter.

OUR RESPONSIBILITY

Cibes Lift Group aims at being the undisputable market leader in Space Saving Vertical Lifts niche by offering more than lifts alone; we provide freedom and joy to people by bringing them together and we make it happen by offering highly customized lift solutions tailored to our customer's needs. To succeed, we now have two production sites, one in Gävle, Sweden and one in Jiaxing, China, along with sales offices around the globe.

Cibes Lift Group relies on a global network of suppliers for components, services and transports. An assessment of our value chain confirms that rather few direct suppliers account for a very large portion of the total purchasing spend. For this sustainability report, we have limited our scope to our direct suppliers upstream, all the way to the installation phase at our customers, as you can see in the image.

By fostering an open and continuous communication culture, we aim at driving our sustainability work forward together with our stakeholders throughout our value chain. The first stakeholder analysis was a key milestone in this work, where both customers, suppliers, employees and our owner were invited to share information, expectations, trends and collaboration opportunities with us.

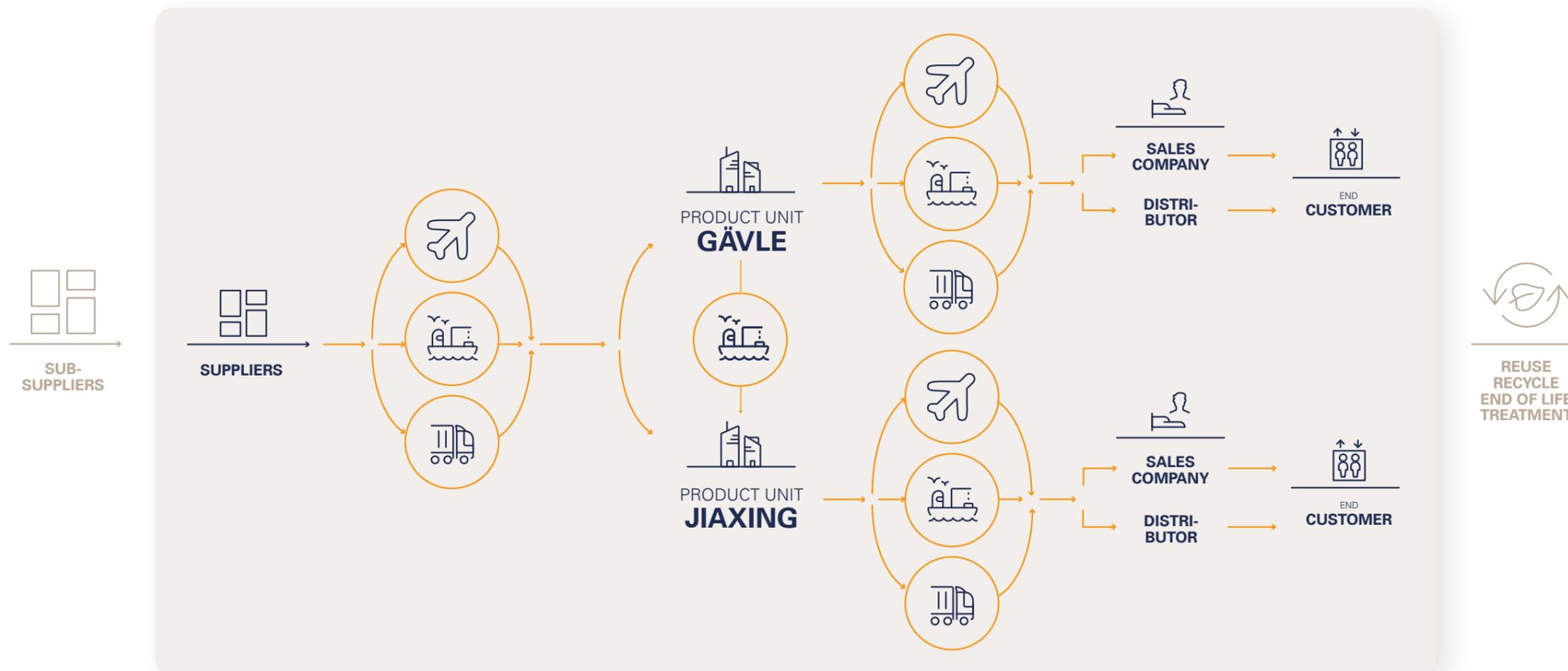
RESPONSIBILITY IN THE SUPPLY CHAIN

Cibes Lift Group has a supplier code of conduct that is used to systematically evaluate new suppliers and ensure compliance at our existing. The code covers ethics, human right and environmental attention, not only when it comes to adhere to rules and regulations, but also to develop and support environmentally friendly techniques in their products, processes, design and material selection.

19 out of 505 direct suppliers have signed the code of conduct, covering 72.5% of total spend. The target is to have 90% of direct suppliers (by volume) signed by 31 December 2021.



VALUE CHAIN 2020



NEXT STEP UPSTREAM

The next step is to involve our suppliers' suppliers. Our commitment is to ensure that human rights, safety, ethics and environmental care are managed throughout the whole value chain, beyond the scope of our direct suppliers. To succeed, we will upgrade our supplier code of conduct and plan for a continuous audit process to ensure that our suppliers comply with the code.

NEXT STEP DOWNSTREAM

Next step is to explore how we can contribute to a circular value chain all the way from the design phase to end-of-life management. We will evaluate how we can replace used components in installed lifts, repair them and thereby extend their life span, as well as taking back elevators that are replaced or in other ways obsolete.

SUSTAINABILITY HIGHLIGHTS 2020



Raising the bar

During 2020, Cibes Lift Group has embarked on an ambitious sustainability journey with the determination to lead the transition in our niche, but also to open up for new ways of working, new ideas and new collaborations in a larger context.



Looking beyond

Our own production has a limited impact on the climate, but we will do what it takes to minimize our CO₂ footprint. We aim at taking responsibility for the emissions we create up- and downstream as well, which is where our greatest impact lie, and hence, it's critical to bring our suppliers and partners on this journey.

Closing the loop

Circularity is far more than recycling; it's an economic system with minimized waste and a wise use of resources. The ambition is to make the transition from a linear way of working to a circular, with curiosity, determination and an open mind to new ways of working and new collaborations.



STAKEHOLDER ENGAGEMENT

Do what you do best but **include me** in every decision.



OUR PLANET

We will not work with you unless you **meet our sustainability criteria**.



CUSTOMERS

Minimum waste is an absolute requirement in our procurements.

It's basic – you need to **work with sustainability** to be able to run a company in the future. Companies that work with sustainability are simply **valued higher**.

The possibility to **disassemble** and **recycle** is incredibly important, even better if the lifts are **re-used**.

Overall **CO₂ reduction** is the most important impact we are concerned with.



SUPLIERS

We ask for **clear requirements**.



EMPLOYEES

Safety, wellbeing and ethics are our top three priorities



OWNERS

We have a continuous dialogue with our stakeholders to understand needs, requirements and to reduce obstacles. By end of 2020, we made a structured approach to discuss sustainability issues with our owner, employees, selected customers and suppliers about their expectations on Cibes Lift Group when it comes to sustainability. This opened up honest and creative discussions on new collaborations and ideas going forward and laid the foundation for our materiality analysis.

The stakeholder dialogue was performed during a four-month period, covering topics around the three aspects of sustainability: economic, environmental and social.

For the first dialogue, we started out with three markets for 2020: Sweden, Germany and Great Britain. The three markets were selected thanks to the relative maturity when it comes to sustainability combined with the importance of these markets. Our sales force selected customers in three categories: architects, builders

and elevator builders to get a wide-ranging view of expectations. Interviews were held and reported digitally. Additional markets will be covered going forward.

The logistics department selected suppliers from two categories: transport and material supply. Interviews were held and reported digitally. The suppliers perceived the discussions and the enhanced focus on sustainability very positively.

A survey was sent out to **all employees**, with a response rate of 31%. The low number can be explained by the low awareness of the enhanced sustainability focus in the organization at the time.

Finally, **our owner**, Nalka Invest AB, participated in a discussion around the same topics.

The planet was also taken into account from a planetary boundary aspect, focusing on climate change as this is the area where Cibes Lift Group can contribute by reduced carbon dioxide emissions.

MATERIALITY

– WHAT MATTERS MOST

With input from the value chain assessment and stakeholder dialogues, we finalized our first materiality analysis in February 2021. The results prove that employee safety and wellbeing, along with ethics are highest on the agenda, but that circularity and carbon footprint are important matters to all stakeholders; not the least from the company itself.

The top priorities are summarized in the matrix below. It is important to stress that all topics in this matrix are important and that we have constant focus on them. The circle illustrates the areas where we will put extra effort during 2021.

- | | |
|------------------------------------|-------------------------------------|
| 1. Safety | 6. Product life |
| 2. Employee wellbeing | 7. CO ₂ footprint |
| 3. Ethics | 8. Waste handling |
| 4. Circularity | 9. Emissions to air, water and land |
| 5. Clear requirements on suppliers | 10. Competence development |
| | 11. Diversity |



1. SAFETY

Our target is zero harm to people, which means that we continue our efforts to further improve health and safety in all our operations. It has been proven equally important for all stakeholders. During 2020, we had no major injuries, but 19 Lost Time Injuries (LTIs), that resulted in one or more days absence from work. The majority were cut and crush injuries.

Managing Director in each country is ultimately responsible for issues concerning work environment and safety. They report progress to the Cibes Management Team. In order to mitigate risk for similar incidents in the future and to reduce the number, all injuries are carefully investigated, rectified and followed up. This responsibility includes ensuring that our employees have the right competence, pre-conditions, tools and safety equipment.

KPI: LTIFR (Lost Time Injury Frequency Rate)



2. EMPLOYEE WELLBEING

The survey also measures eNPS (employee Net Promoter Score) which gives an indicator on our internal employer brand.

One part covers Organizational and social work environment (OSI). It is based on questions such as if you get enough recovery time between shifts, if you have a reasonable stress level at work, if the department is free from discrimination and conflicts. This part provides a valuable input on employee wellbeing.

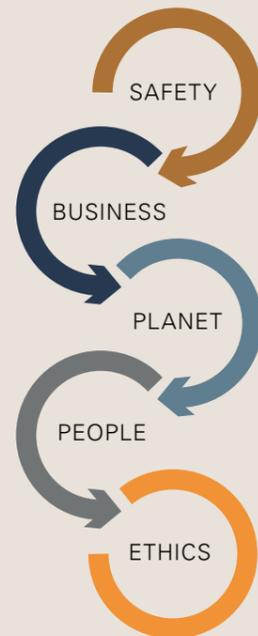
The result from this survey is a valuable tool for management in our continuous improvement work. Our result in 2018 was 10, to be compared with a benchmark in the Production Industry of 9.

Managers locally are responsible for the employee dialogues. The Human Resource Department at Cibes Lift Group is responsible for the global survey and reports results and follow-up activities to the Cibes Management Team.

KPI: % of performed employee dialogues
OSI-score in the employee survey

Employee wellbeing is a prerequisite for productivity and retaining talent. The stakeholder analysis proves that health and safety for our employees are of utmost importance for the existence of our company. To ensure employee wellbeing, we conduct yearly dialogues between employees and managers to ensure that each employee develops and thrives at Cibes Lift Group. These dialogues result in a personal development plan.

Cibes Lift Group also performs a bi-yearly survey to measure our employees' perceptions of leadership, engagement, team efficiency and the psychosocial work environment. The first survey was conducted in 2018, with a response rate of 91 %. Due to the extraordinary Covid-19 situation during 2020, the survey was postponed until 2021.





Source: Stena Recycling

4. CIRCULARITY

Increased focus on circularity in all its aspects is a prerequisite to reach the Paris Agreement and SDGs. Working wisely with circularity will result in improved resource efficiency and significant cost-saving opportunities as well as new, more sustainable business opportunities.

In 2020, Cibes Lift Group decided to investigate the opportunities of circular economy and defining our objectives. The ambition is to minimize both resources used and the creation of waste, pollution and emissions, while conducting business profitably. A glance at new business models will therefore be part of the work as well as finding ways of developing products that are easy to disassemble, repair and reuse, using quality materials that are safe from both social and environmental aspects and continuously optimize resource efficiency in the value chain.

evaluate new suppliers and ensure compliance at our existing.

- KPI: Number of employees trained in the employee code of conduct
- Internal awareness of our Anti-bribery and Corruption policy
- Number of supplier audits conducted

3. ETHICS

Cibes Lift Group's culture is guided by strong values of personal engagement, a progressive mindset and professional attitudes. Guided by these values, we strive to conduct business ethically around the world. Our code of conduct was updated in 2020 and all employees will be trained in it during 2021.

While the Group supports with training material, Managing Directors and Managers locally are responsible for training their teams in the code and policies. Number of trainings conducted will be followed up by the Group Human Resources department during 2021.

We also rely on a global network of suppliers and it is of utmost importance that they comply with local rules and regulations, as well as to our standards for ethics and human rights. Our supplier code of conduct is used to systematically



5. CLEAR REQUIREMENTS ON SUPPLIERS

As a start, we sent a complete Cibes A5000 platform lift to Stena Recycling, our major partner for recycling, to set a baseline (read more on page 24–25). We have also started to map waste flows in order to set a baseline for continuous improvements.

During 2021, we will investigate how to integrate circularity into our business model going forward, all the way from the design phase to end of life management.

The Director of Sustainability is responsible for recyclability and will drive the initiative to assess opportunities of circular economy and defining our objectives during 2021. Waste handling in operations has a shared responsibility between the Operations Managers in the two production units in Gävle, Sweden and Jiaxing, China, reporting waste handling to the Director of Sustainability.

- KPI: % of recyclability
- Amount of waste.

19 of our direct suppliers have signed our supplier code of conduct, which accounts for 72.5% of our spend. The dialogues proved that our suppliers require clear guidelines on sustainability and the code was updated with environmental sustainability during 2020. It now covers ethics, human right and environmental attention, not only when it comes to adhering to rules and regulations, but also to develop and support environmentally friendly techniques in their products, processes, design and material selection.

It will be implemented globally and also cover selected indirect suppliers during 2021.

The Managing Director in each country is responsible for the implementation and adherence to Cibes Lift Group Supplier Code of Conduct. The sites in Gävle, Sweden and Jiaxing, China, account for the majority of purchasing, and the purchasing departments in these two sites will be critical to ensure a smooth implementation.

- KPI: Number of supplier code of conduct signed.
- KPI: Number of compliance audits performed.

6. PRODUCT LIFE



Product life is high on the agenda for our customers and critical for Cibes Lift Group. It's one of our unique selling points and we will never compromise on quality. There are continuous activities ongoing to ensure excellence in this area.

7. CO₂ FOOTPRINT

Cibes Lift Group presents greenhouse gas (GHG) emissions for 2020 according to the GHG Protocol, scope 1 (direct emissions from buildings & operations and owned/ leased vehicles) and scope 2 (indirect purchased electricity and heating for production units, warehouses, offices, and showrooms). We use the operational approach for consolidating GHG-emissions and do not use carbon offsetting. We will aim at reducing CO₂ emissions in scope 1 and 2, and map relevant emissions in scope 3 (indirect emissions from the value chain)

EMISSION FACTORS ARE SELECTED ON THE FOLLOWING PRINCIPLES:

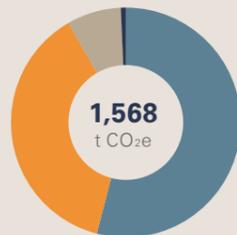
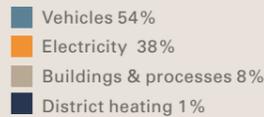
- As recent as possible
- As specific as possible

SCOPE 1

1. Specific emission factors from suppliers
2. Generic emission factors

SCOPE 2

1. Specific emission factors from suppliers
2. Published generic emission factors for the region
3. Published generic emission factors for the country average



Energy consumption and greenhouse gas (GHG) emissions

	MWh	tCO ₂ e
Direct emissions (Scope 1)	2020	2020
Buildings & processes		
Natural gas	267	120
Subtotal	267	120

Vehicles*	tCO ₂ e
Diesel	799
Biodiesel	-
Petrol/gasoline	48
Hybrid/petrol	1,23
Electrical	0,03
Subtotal	848

Indirect emissions (Scope 2)	tCO ₂ e
Electricity	1 585 589
District heating	1 125 11
Subtotal	2 710 600
Total	2 977 1 568

* Approximately 50% of the vehicle fuel consumption is estimated and the numbers presented are probably higher than the actual consumption.
Missing: electricity and heating for Germany (office size 471 m²) and a small warehouse (105 m²).

ASSESSMENT OF VALUE CHAIN EMISSIONS, GHG SCOPE 3

For 2020 we have initiated a mapping of the most important areas in order to get an understanding of where our major impact occurs and create a base for future prioritization and activities. The two most significant contributors to our carbon footprint are purchased material and transports.

GREENHOUSE GAS EMISSIONS

One gram CO₂e per SEK turnover



RELATIVE TO HEADCOUNT: 1,768 kg CO₂e /employee



RELATIVE TO DELIVERED LIFTS: 295 kg CO₂e /lift

PURCHASED MATERIAL

Steel, aluminum and glass account for the largest volumes. Of these, steel and aluminum are the greatest sources of carbon dioxide emissions. From a greenhouse gas perspective, recycling will always be more advantageous than primary production thanks to the high energy savings. Hence, we've focused our screening on how much of the purchased metals that are recycled. This work will continue during 2021.

Findings and challenges:

- Steel for our shaft panels: 20 % recycled, which is maximum for the grade we use.
- Steel and metals for assembled parts: difficult to get good quality data from some suppliers.
- Aluminum: large climate impact and difficult to recycle. High-quality data has been proven difficult to receive from some suppliers.
- A closer dialogue with our suppliers going forward is required to obtain comprehensive data on carbon footprint from purchased materials.

TRANSPORTS (air, ship, truck and car)

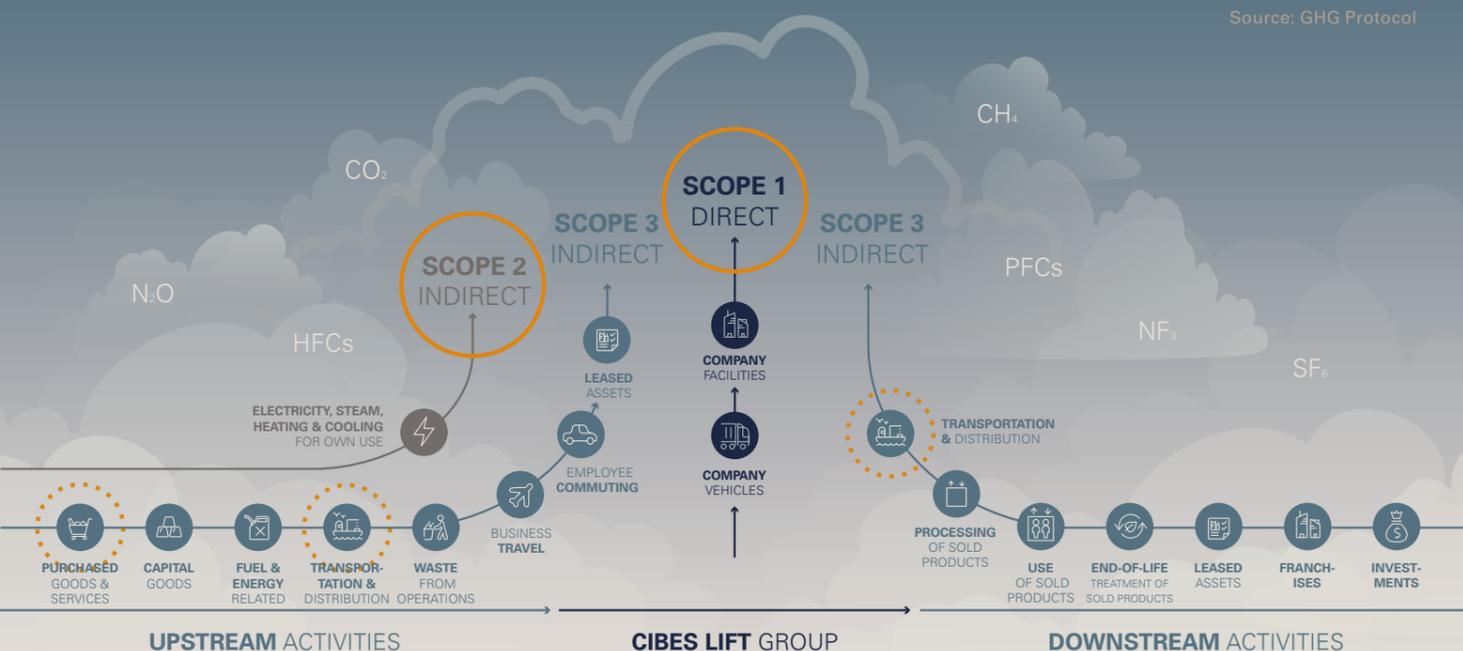
- We have conducted a screening of our logistic flow (both up- and downstream) and collected CO₂-reports from freight suppliers where possible.

Findings and challenges:

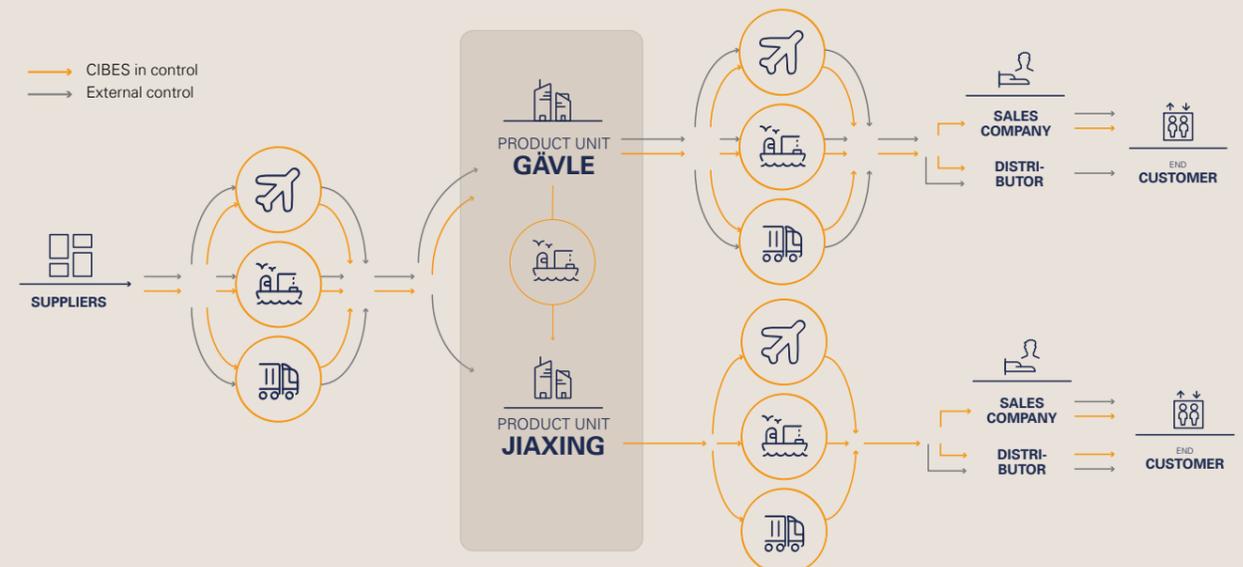
- Complex logistic flow: large number of freight suppliers globally.
- Level of control differs: Some of the transports are outside Cibes Lift Group's control, where customers or distributors choose their own transports.
- Available CO₂ reports cover 25 % of outgoing lifts by road.
- A closer dialogue with our suppliers and customers going forward is required to obtain comprehensive data on carbon footprint from transports.

KPI: CO₂ emissions in scope 1 and 2. CO₂ emissions in selected scope 3 areas.

Source: GHG Protocol



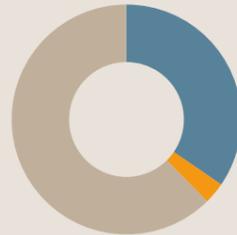
LOGISTICS CONTROL



8. WASTE HANDLING

The total waste volume added up to 295 tons from our two production sites, of which 290 (99%) derives from the site in Gävle, Sweden, as the Jiaying site opened in August 2020 and was not fully operating during the year.

Recycled 35%
Landfill 3%
Incinerated 62%



During 2020, we made a screening of our waste flows for our two production units in Gävle, Sweden and Jiaying, China, to set the base for reduction activities and to optimize handling.



Wood accounts for the majority of our waste, followed by metal scrap, paper, aluminum and plastic. Hazardous waste accounted for 0.2 % of the total waste generated, of which 46% was recycled, 39% incinerated and 14% was used as landfill.

0.21 GRAMS OF WASTE PER SEK TURNOVER

In 2020, approximately 62% of our total volume of waste was incinerated for energy recovery, while 35% was recycled and 3% was used as landfill.

KPI: Amount of waste

Aiming higher

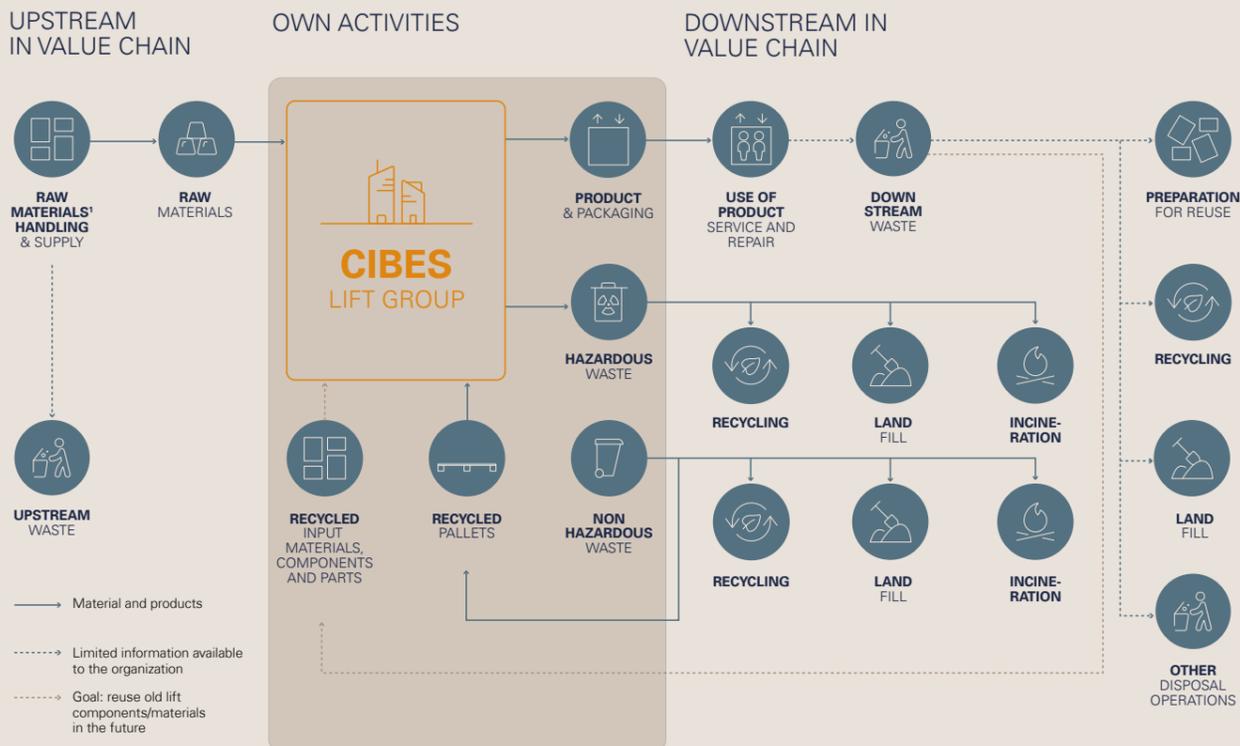
With the baseline in place, Cibes Lift Group can now begin the work to reduce the amount of waste and aim for a position higher up in the waste hierarchy. As prevented waste and internal reuse is difficult to measure, the target is to reduce the total amount of waste.

In 2020, the largest portion was incinerated for energy production. Wood accounts for 98% of this portion. This fraction will hence be in focus for 2021.

WASTE HIERARCHY



WASTE FLOW



9. EMISSIONS TO AIR, WATER AND LAND

While emissions to air, water and land ranked high for our stakeholders, Cibes Lift Group has no other emissions than CO₂, why this topic has a lower internal ranking. We have a continuous attention and reporting on hazardous waste, which is covered in the material topic Waste handling.

10. COMPETENCE DEVELOPMENT

Our employees and distributors are trained to install our lifts in a safe and correct way. The training is performed by technical experts at the Training Center at our site in Gävle, as well as in other parts of the world. To ensure that all employees have the right competence for their position and that they feel safe, we perform internal training, job rotation and external training. Training needs are followed up in the yearly performance dialogues.

In 2020, Cibes Lift Group launched an internal leadership program, Cibes Global Management Training, with the goal to develop excellent leaders that support their teams and individual employees to perform at their best and grow their potential. Through this program, we increase our leaders' competence and give them the tools they need to practice a value-based and efficient leadership with focus on creating high performance teams.

We also launched the **Cibes Way** during 2020 to foster a culture of continuous improvements, collective learning and inspiration, by sharing best practice from different parts of the organization.

KPI: % of employee dialogues performed

11. DIVERSITY

- Equal opportunities
- Sexual discrimination
- Race discrimination
- Disability discrimination
- Racial and sexual harassment
- Age discrimination
- Bullying

Each employee is responsible for understanding the policies, act in accordance with them and speak up if they are not followed. Each manager is responsible for training.

Gender balance by 31 December 2020 (2019)

	MEN	WOMEN
Our employees	66 % (69 %)	34 % (31 %)
Management team	89 % (100%)	11 % (0 %)
Board of Directors:	100% (100%)	0% (0%)

We are working on increasing the balance in the succession planning for leading positions and continue to foster an inclusive work culture.

Collective bargaining agreements

All Cibes Lift Group employees have the right to join a trade union and to bargain collectively in accordance with local laws and regulations. Local rules and regulations also protect the right to fair terms and conditions, including contractual working time, overtime, time to rest, and holidays. Employees, whether covered by collective bargaining agreements or not, are competitively and fairly compensated for their work.

KPI: % of women in workforce

We strive to attract and retain a diverse workforce and to ensure that everyone has equal opportunities regardless of gender, ethnicity, religious belief, nationality, age, marital status, civil partnership, disability, sexual orientation or gender re-assignment, as stated in the Cibes Code of Conduct. Locally, there are separate policies available in addition, for areas such as:



MANAGEMENT APPROACH TO MATERIAL TOPICS

Cibes Executive Management Team is responsible to monitor risks and opportunities for all material topics. Targets, initiatives and KPIs are divided in the following areas:

- SAFETY
- BUSINESS
- PLANET
- PEOPLE
- ETHICS

The Director of Sustainability is Cibes Executive Management Team's extended arm and drives the initiatives together with an internal cross-functional team.

Our code of conduct for employees and for suppliers are the overall governing documents for the sustainability work. The codes cover principles for human rights, working conditions, environment and anti-corruption. During the year, both codes were updated to include environmental sustainability in a clearer way.

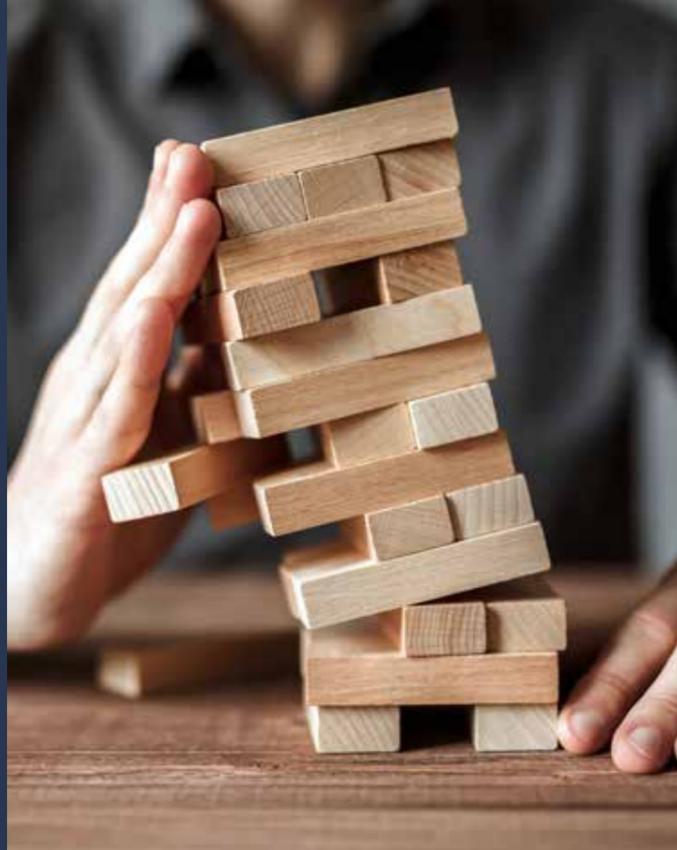
Evaluation of the management approach

The Board of Directors governs Cibes Holding AB on a high level and the CEO reports to the Board on major issues. Cibes Lift Group continuously reports sustainability progress to the Board.



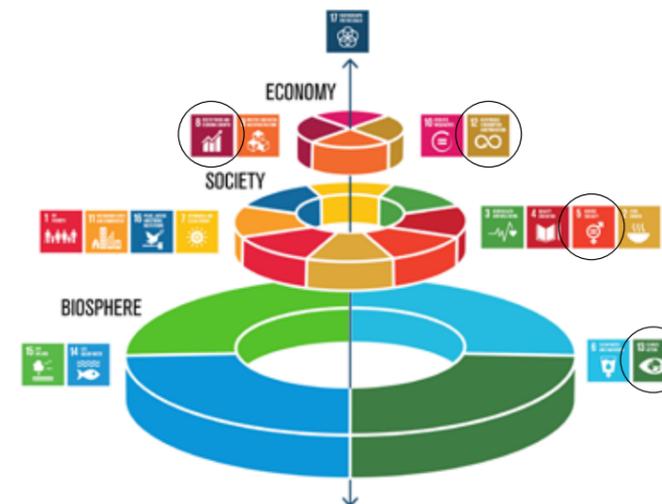
RISK MANAGEMENT

Cibes Lift Group is a fast growing company both organically and through mergers and acquisitions. In order to ensure sustainable and profitable growth with sustained ethical standards and continuous strong brand adherence, a firm risk management approach is vital. During 2020, Cibes Lift Group has prepared for a launch of a global Enterprise Risk Management software to ensure a systematic approach to management of present and future risks, including identifying preventive and post corrective actions. A pilot was conducted during 2020 and it will be implemented globally by 31 December 2021.



UN SUSTAINABLE DEVELOPMENT GOALS

Cibes Lift Group strongly supports the 2030 Agenda for Sustainable Development (SDG) as well as the Paris Climate Agreement. Most countries in the world are aiming for progress in line with the SDGs, and it's critical that companies are contributing as much as they can. Hence, we are determined to contribute where possible.



Source: Stockholm Resilience Center

The following goals are those where Cibes Lift Group has the greatest opportunities to contribute:

GOAL 5: GENDER EQUALITY:

- 5.1 End all forms of discrimination against all women and girls everywhere.
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.



GOAL 8: DECENT WORK AND ECONOMIC GROWTH

- 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labor-intensive sectors
- 8.4 Improve global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead
- 8.5 Achieve full and productive employment and decent work for all, including young people and persons with disabilities, and equal pay for work of equal value.
- 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

- 12.2 Achieve sustainable management and efficient use of natural resources.
- 12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
- 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 12.6 Adopt sustainable practices and integrate sustainability information into the reporting cycle.



GOAL 13: CLIMATE ACTION

- 13.2 Integrate climate change measures into national policies, strategies and planning.



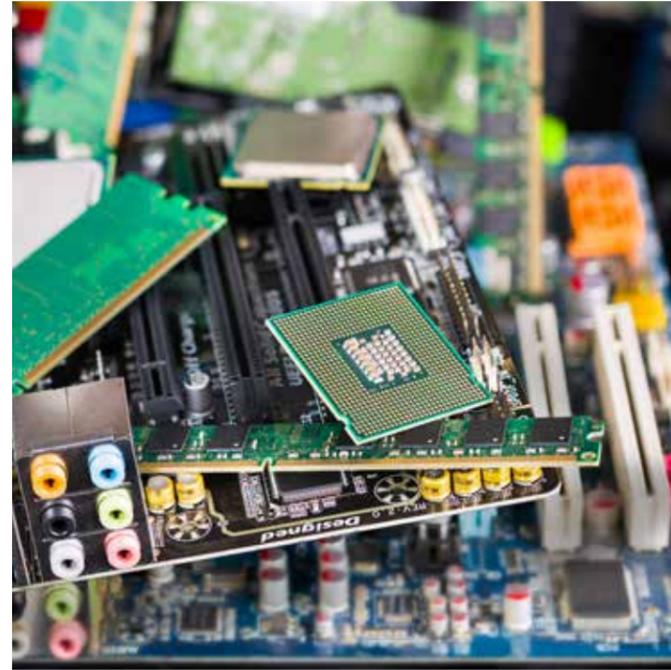
CASE: SETTING A BASE FOR RECYCLING

In our efforts to finding ways to make a shift into a more circular business, we started out by evaluating the level of recyclability in our lifts.

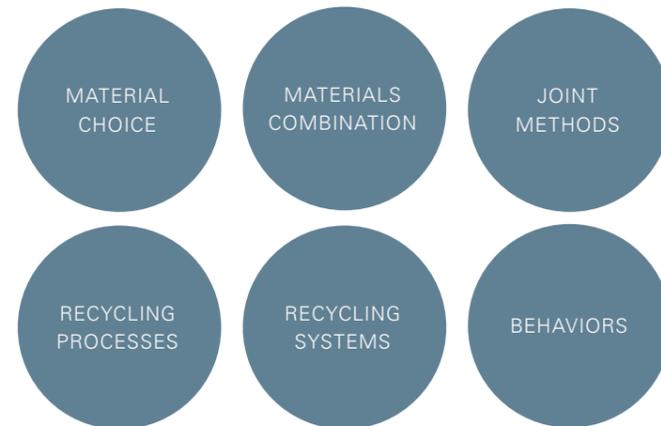
Hence, we sent a complete Cibes platform lift plus alternative doors with frames: a safety door and an aluminum door, to our recycling partner, Stena Recycling in Sweden.

With utmost accuracy, Liv Andersson, Circular Design Specialist, received the lift and disassembled it into atoms, evaluated level of recyclability, how easily it was to tear apart, weighed every part and wrote a report. The report covers both the theoretical recyclability of each component and its included materials, and the actual recyclability, based on how the product would be handled in the recycling system today.

It's important to recall that recyclability is only one piece of the circular puzzle. This case study does not consider the climate impact of the materials. Nevertheless, it has provided valuable awareness and has initiated an important discussion on improvement areas.



The actual recyclability depends on six parameters, of which material choice is only one.



COMBINATION OF MATERIALS AND JOINT METHODS

The cleaner the material from the start, the cleaner fraction in the end. An obstacle for the aluminum to be recycled in a proper way is when it is attached together with steel components by screws or pop rivets. As one example the crossbars in steel are attached to the guides in aluminum by pop rivets. During the shedding there is a risk of aluminum around the rivets will follow the magnets of the iron stream as they will not fall apart properly. This problem occurs on several places in the lift.

Labels are usually made of a mix of paper and plastic or in fabric and are attached to the product with adhesives. The only way to achieve a high recycling rate for the labels themselves are to design them in the same material as the component to which they are attached. An even more important aspect with labels is that if they are attached to a plastic component, they make it difficult, if not impossible, to identify the plastic material beneath them since they might alter the density and hide the material surface. If attached to a metal part, they will burn in the process and they will not contaminate the metal.

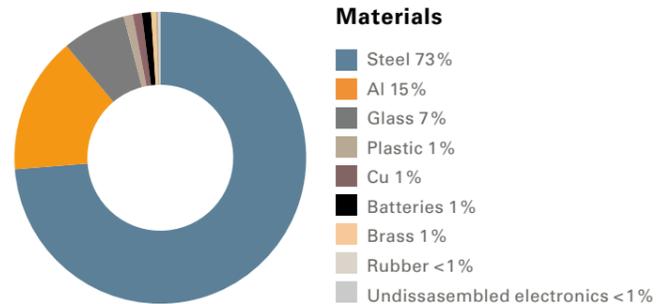
RECYCLING PROCESSES AND SYSTEMS

Glass is recyclable and some municipal recycling centres offer glass collection. However, if the glass components are sorted together with the mixed metal waste stream it will not be material recycled since glass cannot be separated in a mechanical recycling process. It therefore needs to be taken out manually before the mechanical recycling process begins. The economic incentives for manual steps regarding glass is however very low.

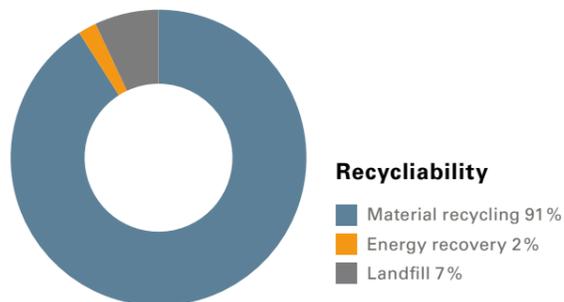
Furthermore, **the mineral wool** is not possible to separate from the steel door. The only way to recycle mineral wool is to send it back to the manufacturer who uses it in production of new wool. When capsulated inside the steel door the mineral wool enters the fragmentation facility. Here it will end up in a fraction called fines. Some could possibly be energy recovered but what is left becomes so-called construction material. Construction materials are used for covering landfills and replaced rocks and other materials used for this purpose.

BEHAVIORS

Recyclability is a good start, but how do we ensure that used lifts are recycled? Regardless of how recyclable our lifts are in theory; the level of recyclability depends completely on how the parts are handled when the lift has reached its end of life, if the parts are carefully sorted or end up as mixed scrap.



The lift weight is 600 kilograms, and the diagram shows the included materials in percentage by weight.



Theoretical recyclability of 91%

The numbers in the graph above are theoretical and assume that 100% of the product goes through the process. The plastics, elastomers, glass and mineral wool are not recycled in today's process. The high score of material recycling is related to the high content of steel and aluminum which are highly recyclable materials.

SUMMARY

PARAMETER	PRODUCT EVALUATION	COMMENTS
Material choice	●	The metals are recyclable, but many plastics and rubbers are not. Mineral wool is only recyclable at its manufacturer.
Material combination	●	No obvious materials combinations are hindering the recycling. But the less material types the better, for example aluminum or steel.
Joint methods	●	In a mechanical process most of the materials will separate well from each other, but glass and mineral wool will not be material recycled. If the door was designed for manual disassembly and the mineral wool was not glued the chance for recycling would increase.
Recycling processes	●	The product will be recycled in the mechanical recycling process for mixed metal waste, electronic waste and hazardous waste.
Recycling systems	●	There is a well-established system in place to treat and recycle this product after its usage, but no given step where the electronic modules are taken out from the platform.
Behaviors	●	Today there is no guarantee that the electronic waste as well as the batteries are disposed of in the best way which could hinder the recovery of precious metals.

Evaluation of the study and suggestions.

Source and photography: Stena Recycling, Stena Nordic Recycling Center (SNRC).

CASE: A FRACTION OF WOOD

When diving into Cibes Lift Group's waste, one fraction stands out from the rest: wood from pallets. It's a myriad of sizes, weights and quality.

While the standard 1200 x 800-millimeter EUR-pallets are recycled, most of the pallets come in different sizes, tailored for their job and thereby fall outside the recycling program. For some of the special pallets, Cibes Lift Group has a recycling program signed with its suppliers, but not for all.

"We ship out approximately 100 lifts a week from Gävle, which means that there is a lot of material coming in", Anne-Lie Lindquist, Plant Controller at Cibes Lift AB in Gävle says. "Most of the packing material goes directly to waste".

All wood waste sent out of Gävle is incinerated. Some of it is sent to a supplier nearby, who uses the non-recyclable pallets for heating of their facility. The majority is taken care of by the main recycling agency.

Some deliveries arrive to Cibes Lift Group's facility on pallets larger than standard, to be able to fit more components.

"At first sight, this might seem like a good idea," Lindquist says, "but the deliveries become extremely heavy, we need to repack them, and the pallets are non-recyclable, so it's both a work environment issue and a matter of waste, time and cost".

Waste sent out of Gävle per year (kg)	290,411
Wood waste sent out of Gävle per year (kg)	139,850

Minimizing waste is a material topic both for Cibes Lift Group and for the stakeholders. As one of the customers declared: "We are challenging our suppliers when they are not re-using or recycling their packaging when they deliver products to us. They should bring the waste with them when they leave."

REDUCING WASTE

One ambition for 2021 is to minimize the wood waste. A first start is to start the discussion with the suppliers:

- What can we do together to optimize transports and reduce waste?
- Can we design more win-win recycling programs?
- Can we get pallets from our suppliers that are designed for reuse?
- Is it possible to optimize the material use in terms of larger quantities and fewer orders, yet with standard pallet sizes?



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	Strategy		
	102-14 Statement from senior decision-maker	4	
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CO₂ FOOTPRINT AND CIRCULARITY

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	305-4 GHG emissions intensity	17	
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WASTE

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	403-2 Hazard identification, risk assessment, and incident investigation	Risk management system to be implemented in 2021	
	403-3 Occupational health services	-	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Decentralized approach	
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	414-2 Negative social impacts in the supply chain and actions taken	-



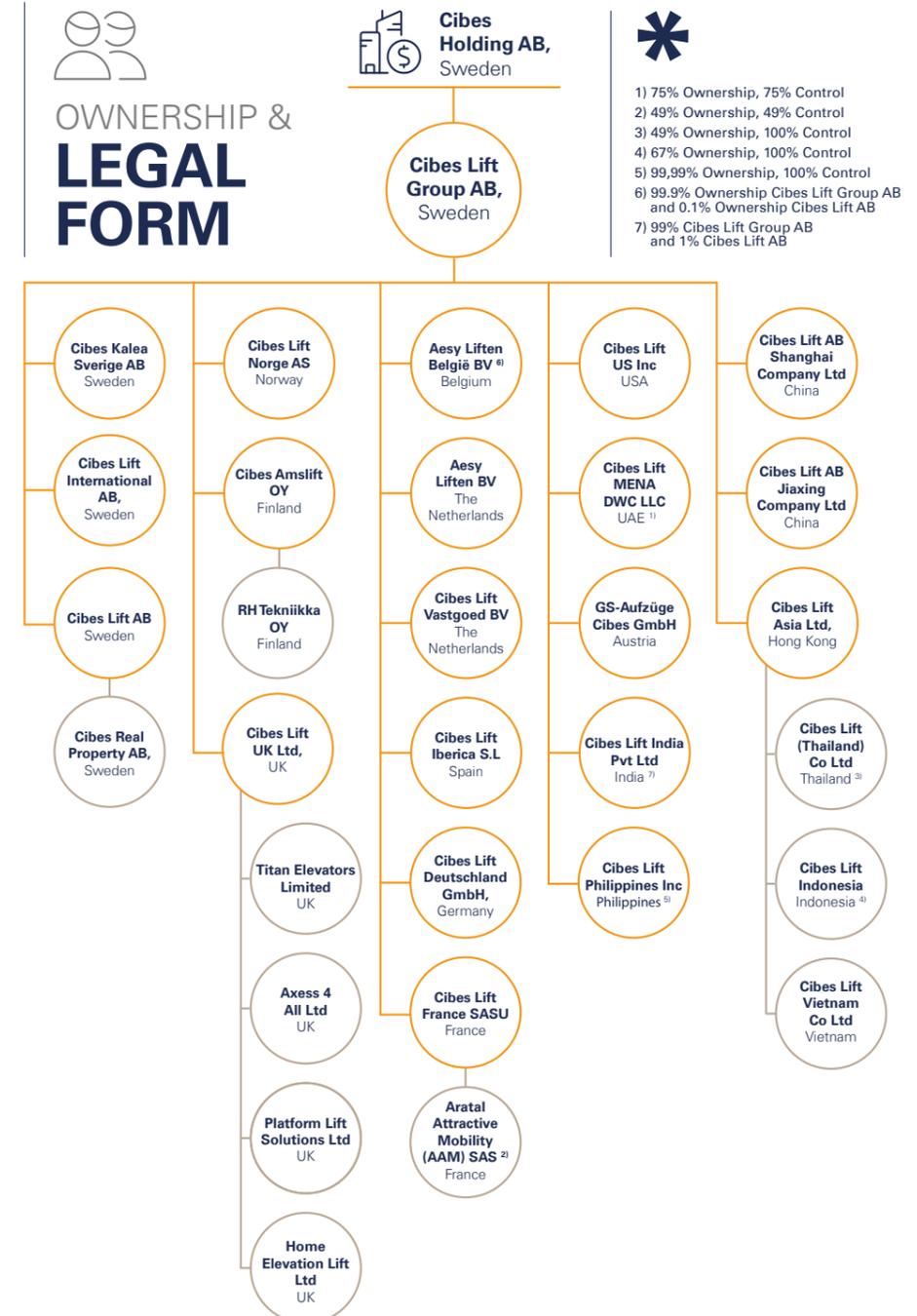
GOVERNANCE STRUCTURE

Cibes Holding is governed by the Swedish Companies Act. Its highest governance body is hence the Annual General Meeting, which is the instance where the company's Board of Directors is elected. Our current Board consists of five members. The board has the overall responsibility for the company's organization and management. It establishes strategies and goals and decides on, among other things, major investments, acquisitions and divestments of operations.

The Chairman of the Board leads the work of the board and continuously monitors the company's operations in dialogue with the CEO and ensures that other board members are well informed to ensure efficient progress. The chairman leads the evaluation of the board's and the CEO's work and represents the company in ownership matters.

Cibes Holding's President and CEO is responsible for and handles the day-to-day management of the Group together with the Cibes Executive Management Team, comprising of CEO, CFO, Vice President Business Support, Sustainability Director, two Product Unit Directors, Sales Director, Marketing & After Sales Director, Product Management & Modularization Director and two Sales Area Vice Presidents.

The operations at Cibes Holding are decentralized. The global units have delegated responsibility to operate and develop their respective businesses through set goals and strategies, followed up in bi-monthly business reviews. The global units are governed by subsidiary board of directors.





Cibes

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