
SUSTAINABILITY BROCHURE 2023



Cibės Lift Group

CIBES IN BRIEF

We offer lift solutions that connect people to improve their comfort and enjoyment.

Founded in 1947, Cibes is one of the world's most innovative manufacturers of space-efficient lifts designed for quick and easy installation with a wide range of lift solutions. Thanks to the wide range of products and a flexible design concept, our lift solutions can be tailored to the requirements of public, commercial, and private environments. We provide sales, installation, and maintenance services through a global network of subsidiaries and partners. The group has its headquarters in Gävle, Sweden, and its production facilities are located in Sweden, Poland, China, and the US. In 2023, the group had more than 1,600 employees and net sales of SEK 3.6 billion.





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This brochure is a summary of Cibes' sustainability work in 2023. Cibes' sustainability report is developed in accordance with GRI, Foundation 2021. For further information, please see our annual report 2023.

THE CIBES WAY AND OUR FIVE PILLARS OF SUSTAINABILITY

The sustainability efforts of The Cibes Way are based on five pillars, each consisting of a number of components specific to that area. Each component is then described by way of so-called attributes, which indicate how well we are performing. There are regular self-assessments, where each unit maps its performance according to a defined progress ladder. We use The Cibes Way Show & Tell Meetings to gather our subsidiaries together to share their good examples as well as to inspire, speak to, and learn from each other. Read more about The Cibes Way in the annual report.

SAFETY – No one should get hurt in the workplace

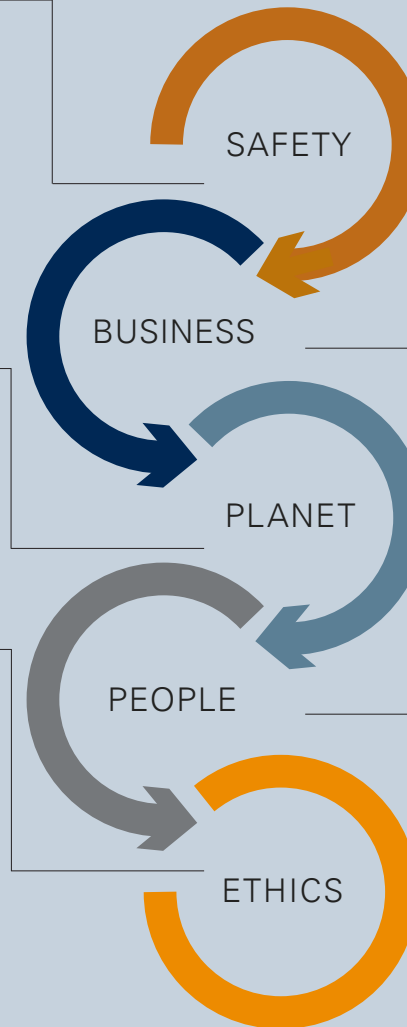
The health and safety of our employees, customers, and partners is our highest priority and a prerequisite for our activities. We therefore work on an ongoing basis to create a genuine safety culture in everything we do: our products, our services, and our behaviors and attitudes. We've established a systematic safety strategy to achieve the goal of no one being injured in the workplace.

PLANET – We take responsibility for a higher purpose

Our planet is facing serious threats and there's no doubt that we're headed for a global environmental crisis if we do not drastically reduce global warming. We're determined to mobilize our organization and do what we can. We take responsibility for a higher purpose.

ETHICS – Values are important

A high level of ethics is at the heart of a sustainable company. You can build your brand over decades and then destroy it in minutes if you don't act ethically in all situations. We work actively with the code of conduct throughout the organization and together with our partners to further strengthen our already strong culture. It guides us to act ethically. We have zero tolerance for harassment, discrimination, bullying, or any form of bribery or corruption. We ensure fair contracts with customers and suppliers, and ensure that our employees are always paid fairly. We also make a contribution to society by way of societal engagement. For a company to be sustainable it must have high ethical standards and values, which is why they're so important.



BUSINESS – Sustainable business benefits

With the help of a sustainable business model and a leading position in the market, our sustainability efforts are a competitive advantage. With innovation, we can create benefits in the market, strengthen our brand, retain and train our employees, and attract the right talent for the future. We actively look for solutions that will benefit both the planet and business. Circular business models will play a key role in this in the future.

PEOPLE – The people make all the difference

Not utilizing people's potential is wasteful and not in line with our definition of sustainable business. We want to help individuals and teams evolve to reach their full potential by offering development opportunities and training and by building inclusive teams where everyone is respected and listened to. Our employees are our most valuable resource – they make all the difference.

SUSTAINABLE DEVELOPMENT – CIBES' SUSTAINABILITY

Focus on safety

Safety is a fundamental element of how we conduct our business. Our commitment to maintaining a safe work environment is reflected in our continued focus on implementing safety measures and conducting thorough incident analyses. The results of these show that the most significant risks occur during the installation phase, in particular due to falls and heavy lifting. Although the number of LTI accidents increased from 20 in 2022 to 30 in 2023, the introduction of an incident reporting app helped to improve risk awareness. The implementation of the ISO 45001 health and safety standard in one of our UK operations also helped to improve safety significantly.

We have standardized our incident categorization process into two main types: those caused by negligence and those that are unforeseeable. This classification helps us to more effectively identify specific areas for safety improvements. Our focus remains on managing common types of accidents, such as slips and injuries related to heavy lifting, with the aim of reducing both the lost time injury frequency rate (LTIFR) and the total recordable incident frequency rate (TRIFR). Our work includes comprehensive safety initiatives and the active involvement of our employees in these processes.

Our code of conduct

As Cibes continues to grow, ensuring the safety and well-being of our employees in all parts of the business has become even more important. In addition to safety, ethical principles are a fundamental pillar of our business. We follow a strict code of conduct and in 2023 we substantially stepped up employee training in the code of conduct. This resulted in the percentage of employees who completed the training program increasing from 40 percent in 2022 to 73 percent in 2023. Externally, we maintain strong relationships with our suppliers, who have in turn committed to complying with our code of conduct. This reflects our commitment to maintaining

good principles in business ethics, human rights, and environmental sustainability.

Greenhouse gas emissions

We strive to report on our greenhouse gas emissions in a transparent manner that is in line with the guidelines from the Greenhouse Gas Protocol (GHG), with an emphasis on identifying and addressing the largest sources of emissions within our value chain. Through various initiatives, such as the installation of solar panels, transition to fossil-free vehicles and increased recycling, we are working actively to reduce our environmental impact.

In 2023, we completed a comprehensive analysis of our climate impact, which led to a review of our emissions targets. This analysis led us to adapt our reporting practices in line with the new EU directive, the Corporate Sustainability Reporting Directive (CSRD). We are working to gradually expand and improve our reporting with the aim of achieving full regulatory compliance by 2025.

Our strategy embraces the principles of circularity and emphasizes the importance of product longevity and efficient waste management. We are prioritizing the use

of recycled materials and take responsibility for managing waste at the end of a product's useful life, supporting the transition to a circular economy. In 2023, we made significant progress in this area through the purchase of recycled steel in Sweden and improved reporting practices in China and the US. We also implemented an ISO 9001 certified quality management system for our Swedish manufacturing operations, which further strengthens the operational efficiency of the business.

In terms of waste management, we saw a reduction in total waste generated during the year, from 757 metric tons in 2022 to 745 metric tons in 2023. This is down to more efficient product packaging and increased internal recycling efforts, particularly in relation to wooden pallets in our US operations.

Our commitment going forward

In summary, we stand by our commitment to safety, ethical practices, environmental responsibility, and circular economy principles. We strive to be innovative and to improve on an ongoing basis to address current challenges and to future-proof the business.

KEY FIGURES

73%

of employees have been trained in our code of conduct, an increase of 33 percent

236 MWh

renewable energy from solar cells at our production unit in Gävle, Sweden

12%

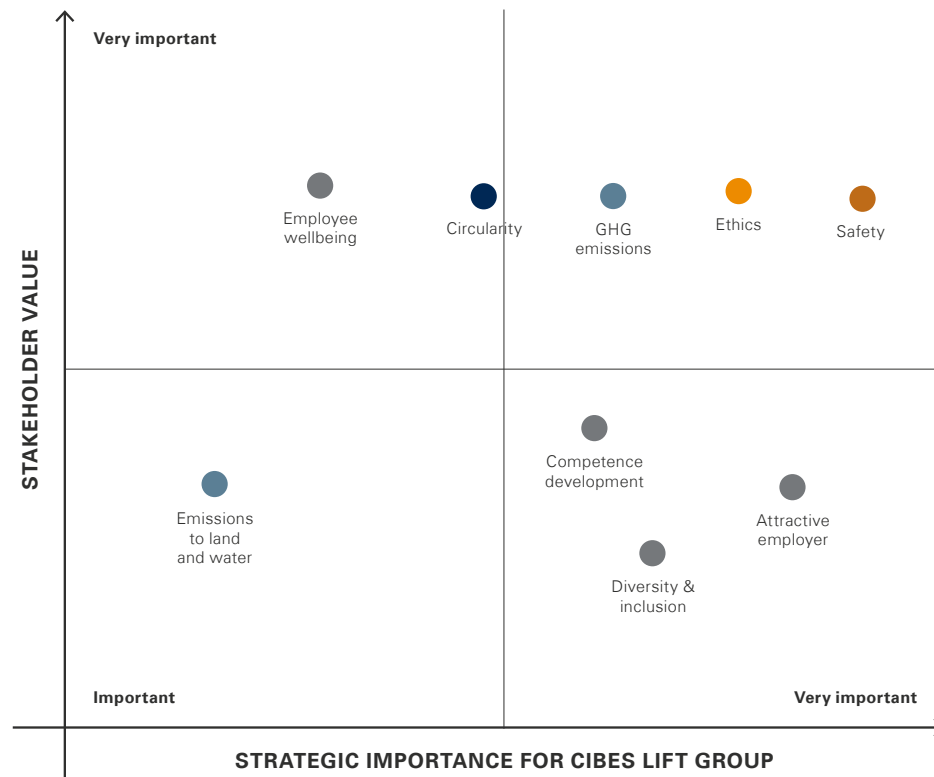
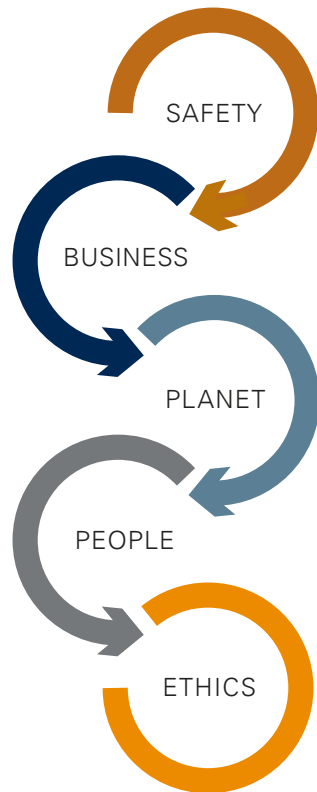
increase in the proportion of recycled waste

MATERIALITY ANALYSIS

Cibes evaluates which issues are most material for the company and its stakeholders on an ongoing basis. In 2024, we plan to carry out a double materiality analysis to systematically include financial impact in the analysis. The materiality analysis for 2023 is based on the analysis carried out in 2022, updated with new knowledge.

Our primary stakeholders are our customers, employees, investors, suppliers, the communities in which we operate and, not least, the planet. We are responsive to our stakeholders' changing needs and priorities, while strengthening our business.

Our material areas remain the same and are presented in the matrix below. Each area is described in more detail on pages 15 to 34 and is linked to key figures, goals, governance, and development.



MATERIAL AREAS

1. Safety
2. Ethics
3. Greenhouse gas emissions
4. Circularity
5. Health and well-being
6. Attractive employer
7. Diversity and inclusion
8. Competence development
9. Emissions to land and water*

* When prioritizing material topics, the threshold for reporting was set after competence development because the business's emissions to land and water are non-existent.

OUR PROCESS FOR MATERIALITY ANALYSIS

The revised materiality analysis was carried out in four steps, in accordance with GRI 3: Material Topics 2021.

1. Sustainability context

- a. Compile facts from internal cross-functional group, based on internal and external trends, customer behavior, risks, technical and economic factors, uncertainties and political climate.

2. Identify actual and potential impact

- a. Review and update our actual and potential impact on the value chain.
- b. Review financial impact (actual and potential) on the company's business with respect to sustainability risks and opportunities.

3. Assess the significance of the impact







- a. Have structured stakeholder dialogue with selected stakeholders to assess their priorities and expectations.
- b. The sustainability team makes an initial assessment of the effects.

4. Prioritize the most significant reporting issues

- a. The management team validates the assessment and weighs the issues identified against the strategy, prioritizes the most significant issues, and determines the threshold for the most material topics.
- b. The board approves the issues and the prioritization.





STAKEHOLDER INVOLVEMENT

We collaborate with many stakeholders – internally, externally, locally and globally – on a daily basis. This dialogue is part of our way of working and helps us to understand and act on expectations, concerns, and market trends as well as to evaluate opportunities for collaboration and strategic partnerships on an ongoing basis. The form of the dialogue varies by location, stakeholder group, and topic according to the table below. In addition to ongoing dialogue, we engage in structured stakeholder dialogue with our primary owner and selected customers and suppliers every two years to ensure that our sustainability work matches up with our stakeholders' expectations. As the planet is counted as one of our most important stakeholders, planetary boundaries have also been included in the analysis.

	DEFINITION	FORM OF DIALOGUE	MATERIAL TOPICS
 Customers	Direct customers, distributors	Sales meetings, trade fairs	Product lifespan, safety, waste management, emissions to land, air and water, skills development, diversity
 Coworkers	Current and potential	Day-to-day dialogue, employee survey, annual employee appraisals	Health, safety and well-being, ethics, core values, skills development, waste management, energy-efficient products, and zero tolerance for harassment
 Owners	Nalka Invest	Board meetings	Balance between the number of women/men, diversity, safety, employee well-being, skills development, emissions to land, air and water, privacy, anti-corruption, ethics, responsible business
 Suppliers	Direct suppliers	Procurement discussions, audits	Clear requirements from us on how they are expected to work with the environment, safety, employee well-being, CO2 footprint, waste management, transport, gender distribution
 The Planet	Environmental perspective	Research, science	Emissions to land, air and water, circularity, waste management, energy efficiency
 Community	Local community	Varies by country, ongoing dialogue	Jobs, responsible employer

AGENDA 2030

The UN's 17 sustainable development goals represent the biggest commitment signed by countries around the world. As a fast-growing, global company, we have a considerable responsibility to help achieve them. In the diagram below, we outline the four goals where we can both reduce our negative impact and make a positive contribution and link these to our key areas.

GOAL	IMPACT	SUB-GOAL	MATERIAL TOPIC	GOALS FOR 2025	PAGE REFERENCE
Achieve gender equality and the empowerment of all women and girls. 	The industry is traditionally male-dominated and we're striving to even out that imbalance by recruiting more women – particularly in management roles – and by promoting health and well-being in our workplaces.	5.1 Eradicate discrimination against women and girls. 5.5 Ensure full participation in leadership and decision-making.	Safety Health and well-being Diversity and inclusion	Employee survey results better than benchmark (no employee survey has been carried out in 2023, the next survey is planned for 2024). 25 percent of managers (department managers and managing directors) should be women. This goal was achieved in 2022.	14-15, 17, 32
Efforts towards lasting, inclusive, and sustainable economic growth and full and productive employment with decent working conditions for all. 	Cibes operates in a global market and has an important role to counter various challenges, such as insecure employment conditions, gender pay gaps, and occupational ill health. Other challenges include labor shortages in certain sectors and a low proportion of young people and people with disabilities in employment.	8.2 Promote economic productivity through diversification, technological innovation, and upgrading. 8.4 Improve resource efficiency in consumption and production. 8.5 Full employment and decent working conditions with equal pay for all. 8.8 Protect workers' rights and promote a safe and secure work environment for all.	Safety Health and well-being Ethics Attractive employer Skills development	LTIFR below 2.0. Safety training: six hours per year, per employee. At least 2% of net sales spent on research and development. ISO 9001 at our production units.	18-19, 29-31, 33
Ensure sustainable consumption and production patterns. 	Responsible resource management is a prerequisite for mitigating climate change and can be achieved only through circularity in design, material management, and business models. We're convinced that a focus on circularity will improve resource efficiency and reduce costs, as well as give rise to new and more sustainable business opportunities.	12.2 Sustainable management and use of natural resources. 12.4 Responsible handling of chemicals and waste. 12.5 Significantly reduce waste generation. 12.6 Encourage companies to adopt sustainable practices and sustainability reporting.	Circularity Ethics Emissions to land and water	Recycling program for products. Design for circularity: at least 12 hours training per engineer, per year. Code of conduct for employees: Everyone fully trained. Code of conduct for suppliers, service providers, and distributors/resellers: 90% of the total number. Supplier assessment: 90% of the cost. ISO 14001 at our production units.	18-29
Take immediate action to combat climate change and its consequences. 	The industry plays a key role in combating climate change and reaching the 1.5-degree target of the Paris Agreement. We're determined to do what we can to achieve this, not only in our own production but throughout the value chain.	13.2 Integrate measures into policy and planning to mitigate climate change.	Greenhouse gas emissions	The goals for greenhouse gas emissions are currently under review.	22-24



SUSTAINABILITY HIGHLIGHTS FOR 2023



Improved training in our code of conduct

Our code of conduct serves as a comprehensive guide in several areas including human rights, working conditions, business ethics, accounting, information, financial reporting, personal responsibility, and whistleblowing. In 2023, we stepped up employee training in the code of conduct, which resulted in the percentage of employees who have completed training in our code of conduct increasing from 40 percent to 73 percent.

Improvements in CSRD compliance

Compliance with the Corporate Sustainability Reporting Directive (CSRD) is of the utmost importance to our sustainability work. It aligns us with the expectations of various target groups, strengthens our resilience to risks, and underlines our commitment to transparency and a sustainable future. For us, CSRD is not just about checking off the compliance checklist – it is a tool for integrating sustainability into our business model.



Carbon footprint mapping

In 2023, we carried out a thorough analysis of our total carbon footprint. This analysis has given us valuable insights into our emissions in general and what would be required for a possible commitment under the Science Based Targets initiative (SBTi). We are continuing to develop our goals for greenhouse gas emissions and base our mapping and analysis on the SBTi methodology.





The power of the sun

In 2023, we reached a milestone in our quest for a more sustainable future by installing solar panels at our headquarters in Gävle, Sweden. This marks a significant step forward in our transition to green electricity in line with our wider commitment to support the global transition to a sustainable and low-carbon economy.

Implementation of ISO 9001 in Gävle, Sweden

In 2023, the production unit in Gävle, Sweden was certified in accordance with ISO 9001. The standard gives us a systematic approach to managing our processes, paves the way for collaboration, improves efficiency, reduces errors, and increases productivity. ISO 9001 is a global standard for quality management systems that increases customer satisfaction and ensures continuous process improvement. You can read more about this on page 29.



Campaign with a focus on sustainability

During the year, Cibes Kalea Sweden carried out the “Hisspitch - Framtiden” campaign (which translates as “Elevator pitch - The future”). The initiative promotes sustainability by emphasizing the benefits of using lifts to improve accessibility in multi-dwelling and multi-level buildings. The campaign also showcases expert advice on how the use of lifts can be a central component in a more sustainable living environment and contribute to a reduction in the use of more energy-demanding alternatives, thus promoting more energy-efficient and sustainable urban development.





OUR EMPLOYEES

GRI 2-7 and GRI 401-1

NUMBER OF EMPLOYEES WHO LEFT AND EMPLOYEE TURNOVER IN 2023

	MEN		WOMEN		TOTAL	
	EMPLOYMENT ENDED	TURNOVER	EMPLOYMENT ENDED	TURNOVER	EMPLOYMENT ENDED	TURNOVER
Younger than 30	107	37%	55	47%	161	40%
up to 49	197	30%	63	20%	260	27%
Older than 50	35	18%	11	22%	46	26%
Total	339	30%	129	27%	468	30%

GRI 401-1 a (breakdown by age and gender)
GRI 401-1 b (breakdown by age and gender)

In 2023, we had employee turnover of 30 percent (calculated on the basis of the total number of employees who left the company in 2023 divided by the average number of employees in 2023, calculated as full-time equivalents (FTE) **GRI 2-7 c**. This underlines the importance of maintaining skills and continuity in the business. The table above includes unilateral termination on the part of the employee and on the part of the company. Employee turnover also includes internal recruitment, which we do not currently follow up on a global level.

EMPLOYEES, BREAKDOWN BY FUNCTION

	2023		2022	
	NUMBER OF	%	NUMBER OF	%
Production	208	13	223	15
Installation	363	22	339	22
Sales	391	24	363	24
Marketing	42	3	46	3
Service	265	16	241	16
Administration	198	12	178	12
R&D	58	4	46	3
Operations	110	7	95	6
Total	1,635	100	1,531	100

GEOGRAPHIC DISTRIBUTION OF EMPLOYEES

	2023		2022	
	NUMBER OF	%	NUMBER OF	%
Americas	212	13	193	13
Asia, the Middle East and Oceania	625	38	551	36
Europe and Africa	798	49	787	51
Total	1,635	100	1,531	100

The overall number of employees increased from 1,531 to 1,635, which corresponds to a 7-percent increase compared to the previous year. This growth was particularly pronounced in the Asia region, indicating potential opportunities and market demand in these areas.

BOARD, BREAKDOWN BY GENDER

	2023		2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%	Number	%
Women	2	29	2	29	1	17	0	0	0	0
Men	5	71	5	71	5	83	5	100	5	100

EXECUTIVE MANAGEMENT, BREAKDOWN BY GENDER

	2023		2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%	Number	%
Women	1	11	1	11	1	13	1	11	0	0
Men	8	89	8	89	7	88	7	89	6	100

MANAGERS, BREAKDOWN BY GENDER

	2023		2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%	Number	%
Women	65	34	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Men	125	66	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

GRI 2-7 d 2022 figures are set as N/A due to reporting differences (data quality) for 2022. We are aware of the challenges we have encountered in verifying these figures, and we are committed to improving our processes to ensure they are accurate in the future.

TOTAL NUMBER OF EMPLOYEES, BREAKDOWN BY GENDER

	2023		2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%	Number	%
Women	480	29	473	31	398	33	305	34	205	33
Men	1,155	71	1,058	69	792	67	582	66	456	67

Adjustments

- The breakdown of employees by gender for 2021 has been adjusted due to misreporting.



CHANGES IN THE REGULATORY ENVIRONMENT

Regulations are changing within the framework of the European Green Deal, which has an impact on efforts to manage climate change and promote sustainable methods within the EU and beyond.

At Cibes, we're adapting to comply with new directives and regulations, with a focus on the following three key areas:

- Corporate Sustainability Reporting Directive (CSRD)
- Carbon Border Adjustment Mechanism (CBAM)
- Corporate Sustainability Due Diligence Directive (CSDDD)

Corporate Sustainability Reporting Directive (CSRD)

The European Sustainability Reporting Standards (ESRS) will standardize reporting for large EU companies and thus ensure transparency, credibility, and comparability. Cibes has been reporting in accordance with the Global Reporting Initiative (GRI) for three years, and we are working to adapt to the new directive by 2025 at the latest. A gap analysis was carried out in 2023 to identify necessary adjustments. In 2024, Cibes is planning to conduct a double-materiality assessment to address both financial and non-financial aspects of sustainability.

Carbon Border Adjustment Mechanism (CBAM)

CBAM was implemented in the fourth quarter of 2023 and imposed duties on imports from countries with carbon pricing that differs from the EU's.

As a global manufacturer and exporter, Cibes is preparing for changes in the cost structure of imported materials and components. CBAM requires European companies to assess their carbon footprint and potentially invest in cleaner technologies and adapt their business strategies to meet the requirements. Companies outside the EU will also need to reduce carbon dioxide emissions to remain competitive in the European market.

Corporate Sustainability Due Diligence Directive (CSDDD)

Cibes is preparing for the CSDDD, which is expected to enter into force in 2026. This directive will require additional responsibility throughout the supply chain in respect of the environment and human rights.

Other directives

Cibes is adapting to other directives and regulations, such as the EU's Green Claims Directive, which focuses on the accuracy of environmental claims, and the Ecodesign for Sustainable Product Regulation, which emphasizes innovation in environmentally friendly product design and the need for accurate data.

These regulatory changes are part of the dynamic environment in which Cibes operates. The company is determined to adhere to these new standards and continue its sustainability work.



CSR

In 2023, Cibes has introduced new group-wide CSR guidelines that highlight Cibes' commitment to ethical, social, and environmental responsibility. The focus of these guidelines is on actions that go beyond the statutory obligations and seek to positively influence and increase the well-being of the communities where Cibes operates. The initiatives must be consistent with the company's values and long-term strategies as well as be:

- **People-centered:** A focus on well-being, development, diversity, and inclusion.
- **Focused on local communities:** Improvement of training, the environment, infrastructure, and livelihood opportunities in the local community.
- **Engaging:** Actively engage employees, stakeholders, and communities.

In addition, CSR initiatives must be focused on social and economic issues and deliver lasting results. Cibes avoids short-term solutions and focuses on projects with lasting benefits that can be implemented within the framework of our available resources. Each unit has a mandate to allocate a portion of the company's budget to CSR projects. In addition to financial contributions, the guidelines promote employee engagement through voluntary work and expertise, reinforcing our commitment to creating stronger connections with the communities in which we operate. This comprehensive approach underlines our commitment to a sustainable and effective CSR strategy in 2023 and beyond.



SAFETY

GRI 403-1a Safety is one of our five pillars of sustainability and is ranked highly in the materiality analysis, both for stakeholders and for Cibes.

GRI 403-1a +b The biggest safety risk for our employees occurs during the installation phase. The majority of accidents reported are in this category, while others occur in the production phase.

Although this is by no means unique to Cibes, we're convinced that no one should be injured at their workplace. Examples of risks in the installation phase that are included in the figures are heavy lifting and tripping/slipping.

GRI 403-2a+b We have implemented an app for incident reporting in order to draw attention to risks and learn from previous incidents. There is a checklist with 28 points to go through before the day's work begins, as well as a risk assessment that installers must carry out before installation work begins.

	2023	2022	2021	2020
Fatal accidents	0	0	0	0
Accident resulting in absence (LTI)	30	20	21	19
Number of instances of medical treatment	26	31	30	N/A
Lost time injury frequency rate (LTIFR)	10	8	12	12
Total recordable incident frequency rate (TRIFR)	18	17	30	N/A

LTI (accidents resulting in absence):

Number of instances of absence of at least one shift/day. Including temporary forms of employment.

Number of instances of medical treatment:

Number of instances of medical treatment (i.e., when a person is taken to hospital/a doctor or similar) that did not result in absence. Including temporary forms of employment.

LTIFR (lost time injury frequency rate):

LTI per million working hours.

TRIFR (total recordable incident frequency rate):

LTI+ instances of medical treatment per million working hours.

Our LTI accidents increased from 20 in 2022 to 30 in 2023, leading to an LTIFR of 10, which is an increase of 2 compared to 2022. The reason for the increase can be explained by the following:

1. The company is growing – more installations and a higher level of production lead to more injuries in absolute terms.
2. A decrease in instances of medical treatment – 26 in 2023 compared to 31 in 2022 – suggests that some of the situations/accidents that were categorized as requiring medical treatment (a less serious injury with less than a day's absence) in 2022 may have resulted in more severe injuries in 2023 and transitioned to LTIs.
3. Improved reporting – better reporting leads to a clearer picture of the true LTIs and results in an increase in the number reported injuries.

Reporting of incidents GRI 403-2a+b

In order to get reliable, high-quality data, everyone must report in the same way. **GRI 403-2 d** The procedure is that each country reports the total number of occupational safety incidents. The incidents are categorized by type (fatality, LTI, injury requiring medical treatment, and safety risk). In the event of death, LTI, or injury requiring medical treatment, the date of the event and the date the event is reported are both documented. Information about any retroactive changes to reported information and why this change was made is also reported. From 2023, we also collect information on the cause of the accident, which is then categorized as "due to negligence" or "unintentional":

- Accidents due to negligence: Accidents caused by safety procedures not being followed and/or personal protective equipment not being used.
- Unintentional accidents: Accidents that occurred despite safety procedures being followed and personal protective equipment being used.

Accidents categorized as "due to negligence" deserve extra attention because they provide us with a valuable opportunity for improvement. Accidents that occurred because safety procedures were not followed or where the recommended personal protective equipment was lacking. Accidents categorized as "unintentional" are those that occur in the organization even though safety procedures are followed. In these cases, it may not be clear what action could have prevented them.



The strategic decision to categorize the organization's accidents as "due to negligence" or "unintentional" serves several purposes, including having the opportunity to analyze and improve on the understanding of accidents within the organization. This categorization facilitates the systematic investigation of accident frequency and identification of areas with increased risk within the organization. The definitions provide the organization with valuable insights into its operational vulnerabilities and form the basis for measures to improve the work environment within the organization.

CAUSE OF ACCIDENT	Accident resulting in absence (LTI)		LTIFR		Medical treatment		TRIFR		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%
Negligence	16	53	5	50	15	58	9	50	31	55
Unintentional	14	47	5	50	11	42	9	50	25	45
Total	30	100	10	100	26	100	18	100	56	100

As a result of the categorization, we can now see that 53 percent of our LTIs and 58 percent of our instances of medical treatment have been caused by negligence. This means that through improved safety work we could have reduced our LTIFR from 10 to 5 and TRIFR from 18 to 9.

LTIFR and TRIFR have been calculated based on 3,090,160 working hours in 2023.

Risk areas

By categorizing each accident, we are now able to identify our foremost risk areas in the organization and grade them from highest to lowest, based on frequency.

CATEGORIZED TYPE OF ACCIDENT	Number of accidents	% of total
Slipped/tripped	14	25
Heavy lifting	12	21
Cut injury	10	18
Bodily injury or body part trapped	7	13
Eye injury	6	11
Overexertion	2	4
Car accident	2	4
Burn	1	2
Allergy	1	2
Electric shock	1	2
Total	56	100

Management strategy GRI 3-3 (of GRI 403)

The subsidiaries are responsible for conducting safety training for all employees, with the aim of ensuring that they have the right skills, conditions, tools, and safety equipment to perform their work safely. The managing director in each country is ultimately responsible for matters relating to the work environment and safety. The local managing director report developments to Cibes' executive management each month, develop action plans to avoid risks, and communicate with the parties concerned.

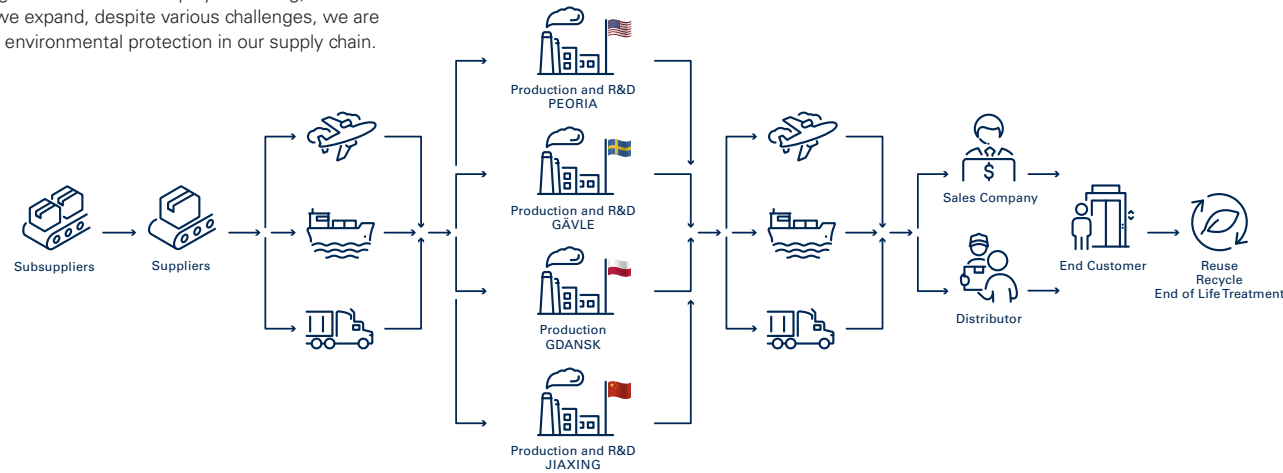
TARGETS FOR 2025

LTIFR (Lost Time Injury Frequency Rate): under 2.0
Safety training: Six hours per year, per employee



ETHICS AND RESPONSIBILITY IN OUR VALUE CHAIN

Cibes places considerable emphasis on good conduct and employee training, and it sets strict requirements for its suppliers. As we expand, despite various challenges, we are continuing to prioritize human rights and environmental protection in our supply chain.



Code of conduct for employees

Cibes' internal code of conduct forms the basis for all activities in the company and applies to all employees, without exception. An eLearning program has been translated into 18 languages (compared to 12 in 2022) and contains all parts of our code of conduct. The eLearning program was launched for the entire group in 2021 and is available to all employees. This training is mandatory for new employees and can also take place in the form of classroom-based training. The focus for 2024 is on collecting data on the number of employees who completed training in our code of conduct before the eLearning program was launched.

INTERNAL CODE OF CONDUCT	2023	2022	2021
Employees trained in the code (%)	73	40	N/A

By raising awareness of the importance of the code of conduct, more employees were trained in it, leading to an increase in the training rate from 40 percent in 2022 to 73 percent at the end of 2023.

CODE OF CONDUCT FOR SUPPLIERS

GRI 308-1, GRI 308-2, and GRI 414-1

Our code of conduct for partners and suppliers is a central part of the dialogue in the supply chain. The new EU proposal on mandatory due diligence regarding human rights and the environment clarifies the issue of responsibility in the supply chain, and much work remains to

be done in terms of compliance further down the supply chain. Today, all key partners and suppliers sign our external code of conduct, which includes principles on business ethics, human rights, labor standards, environmental requirements, and health and safety standards. Goals for 2025 include expanding this work to include suppliers' subcontractors.

CODE OF CONDUCT FOR SUPPLIERS	2023	2022	2021
Signed (% of purchases) China	100	90	90
Signed (% of purchases) Sweden	91	199	86
Signed (% of purchases) US	85	53	N/A
Number (% of suppliers) China	100	56	N/A
Number (% of suppliers) Sweden	58	93	N/A
Number (% of suppliers) US	85	35	N/A
Audited (number) China	7	6	N/A
Audited (number) Sweden	10	1	N/A
Audited (number) US	0	0	N/A

In general, we have seen an improvement in the percentage of signed codes of conduct from our main suppliers, whereby at least 80 percent of the purchase value in each production unit is covered by purchases from suppliers who have signed the code of conduct. We have seen a reduction in the percentage of suppliers who have signed the code of conduct for the Swedish production unit. This is due to a significant increase in the number of suppliers as a consequence of increased diversification, which has resulted in lower risk in the value chain. We will focus on getting the production units to increase the number of suppliers who have signed our code of conduct in 2024.

From 2024, we will also require our sales units to sign a code of conduct with their suppliers. The code of conduct has therefore been translated and made available in 14 languages.

Strategic suppliers are audited on an ongoing basis according to a standardized model once they are qualified. In 2023, we saw an improvement in the number of supplier audits, particularly in Sweden, where the top ten suppliers have been audited, compared to one in 2022. On-site audits have been conducted for seven of China's key suppliers, while the focus in the US has continued to be on getting suppliers to sign the code of conduct.

MANAGEMENT STRATEGY

GRI 3-3 (for GRI 205), GRI 3-3 (for GRI 308), and GRI 3-3 (for GRI 414)

All employees are responsible for reading and understanding the policies, acting in accordance with them, and reporting non-compliance. Digital training, which is mandatory for all new employees, helps them fulfill this responsibility. Each manager is responsible for training their employees and ensuring that the workplace is characterized by trust and participation.

The managing director in each country is responsible for the implementation of and compliance with the code of conduct for suppliers. The procurement department is responsible for ensuring that the relevant suppliers and partners sign the code and conduct audits of it. **GRI 2-27** Cibes' executive management has overall responsibility for compliance with laws, standards, and principles within the group and reports to the board on an ongoing basis.

WHISTLEB CAMPAIGN

GRI 2-26

In 2023, Cibes made significant progress in promoting transparency and accountability through a comprehensive whistle-blowing awareness campaign. We understand the importance of maintaining ethical standards and implemented this initiative using global communication channels such as news articles and Yammer posts on our intranet. The goal was to inform our employees about the WhistleB whistleblowing channel and encourage them to report unethical behavior, illegal activities, security risks, and policy violations, without fear of reprisal. During the year, further steps were taken to raise awareness, with managers playing an important role in promoting these principles within their groups and local organizations. By providing customizable information materials, such as posters and PowerPoint presentations, it became easier to share information and help promote a culture of openness and accountability.

Fair employment conditions (GRI 2-30)

All employees are entitled to statutory holidays, sick leave, and parental leave. Each employee must be provided with written documentation, including basic conditions of employment. Salaries and conditions must be competitive and fair and comply with applicable laws, collective agreements, or industry standards. Furthermore, all employees must have the same opportunities regardless of their gender, ethnic affiliation, religion or other belief, nationality, age, marital status, partnership status, disability, or sexual orientation.



GREENHOUSE GAS EMISSIONS

GRI 302 (1-5) and GRI 305 (1-5)

In today's rapidly changing environment, accurate greenhouse gas (GHG) reporting is paramount for manufacturing companies striving to uphold their sustainability commitments. As regulatory pressure increases and stakeholder expectations rise, the clear and comprehensive reporting of greenhouse gas emissions is becoming not only a corporate responsibility but also a strategic necessity.

As part of this work, we have measured our emissions according to the GHG protocol (Greenhouse Gas Protocol), with an emphasis on Scope 1 and Scope 2 emissions. In 2022, we also began work on measuring our largest Scope 3 emission sources through the collection of primary data.

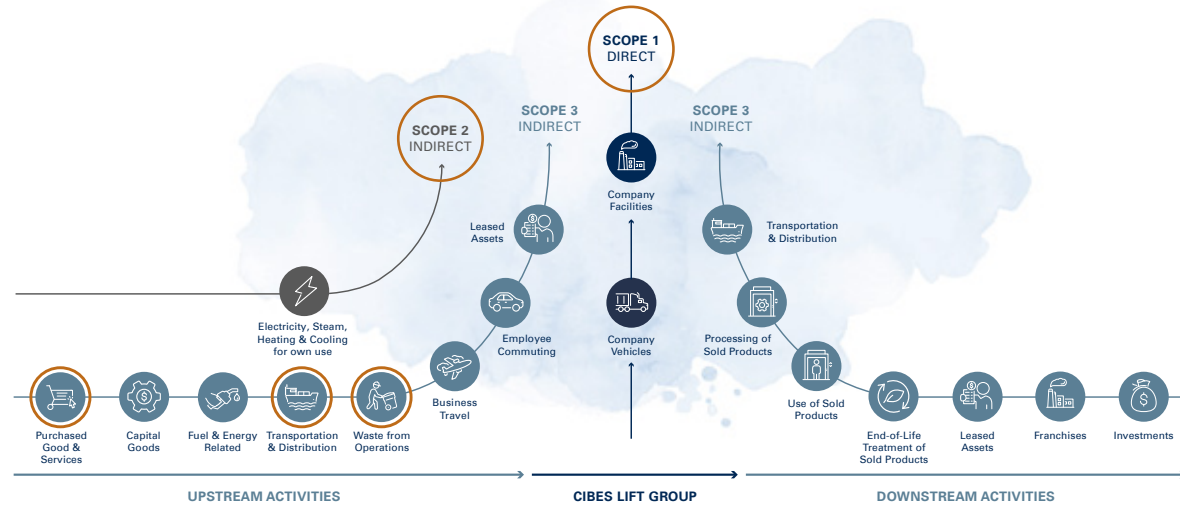
Scope 1 and Scope 2

The majority of Scope 1 and Scope 2 emissions come from electricity consumption, vehicle use, and stationary combustion. Based on the guidelines in The Cibes Way, we are identifying opportunities to reduce the energy consumption of our buildings and activities. Examples of this are the initiative to install solar panels at our factory in Gävle, Sweden, setting a preference for renewable energy from our electricity suppliers, and switching to fossil-free vehicles when both purchasing and leasing.

Scope 3

In order to get an overall picture of our emissions and focus on our greatest impact, we have chosen to focus on four main Scope 3 emissions categories: upstream transportation and distribution, purchased goods and services, waste generated in operations, and fuel and energy-related activities that are not included in Scope 1 and Scope 2, which are assessed using the "well-to-wheel" method, which covers all phases of the fuel's life cycle, from extraction to use.

For materials, we measure the emissions from the production of the lift's key components, which are steel, aluminum, glass, cables, and powder coating. Although we receive extensive data from our suppliers, we are making sure that the data quality for our Scope 3 emissions is constantly improving. In addition, in 2024 we are planning to evaluate our full Scope 3 emissions for the year 2023 based on secondary data.



Goal

In response to our commitment to sustainable practices, we conducted a comprehensive analysis of our climate impact and are reviewing our targets for reducing greenhouse gas (GHG) emissions. This revaluation is based on our mapping of our carbon footprint, which was carried out in accordance with the SBTi (Science Based Targets initiative) methodology. Our goal is to improve the credibility and efficiency of our efforts to reduce greenhouse gas emissions. Our goals are

not only ambitious but also science-based, reflecting our commitment to combating climate change and contributing to a more sustainable future.

Our emission factors are selected based on the following principles:

- As new 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 national emission factors

Scope 3

1. Specific data from suppliers (environmental product declarations based on life cycle assessments)
2. Published generic data representing an average value for the industry
3. Published general data (e.g., financial data or proxy data)

Management strategy

Cibes uses the operational method to consolidate greenhouse gas emissions and refrains from using offsetting measures. We do not participate in the Emissions Trading System (ETS).

Reporting is done quarterly by coordinators at our global production facilities and offices in accordance with standardized guidelines. As of December 2023, reporting has been consolidated by the head of sustainability. Companies acquired in 2023 will begin reporting in 2024.

GRI 305-4

GRAMS CO ₂ e/SEK	2023	2022	2021
Scope 1	0.57	0.44	0.53
Scope 2 (location/market-based)	0.42–0.45	0.51–0.52	0.33 / N/A
Scope 3 (partial reporting)*	15.11	13.65	N/A
Total (location/market-based)	16.10–16.14	14.60–14.61	0.86 / N/A

* For Scope 3, we only collect primary data for the following categories: 3.1 Purchased goods and services, 3.3 Fuel and energy-related activities that are not included in Scope 1 and Scope 2, 3.4 Upstream transportation and distribution, 3.5 Waste generated in operations. 3.1, 3.4, and 3.5 are reported only by production units.

Due to strong growth and regular company acquisitions, we have decided to report our CO₂e emissions in relation to net sales.

GREENHOUSE GAS EMISSIONS METRIC TONS CO₂e

	2023	2022	2021
Scope 1 GRI 305-1	2,065	1,258	1,018
Scope 2 (location/market-based) GRI 305-2	1,497/1,629	1,445/1,468	629/N/A
Scope 3 (partial reporting)* GRI 305-3	54,455	38,590	N/A
Total CO₂e (location/market-based)	58,018/58,150	41,293/41,316	1,647/N/A

Adjustments:

- Scope 2 emissions for 2021 have been adjusted from 625 to 629 metric tons of CO₂e. 4 metric tons were mistakenly omitted in the 2021 report.
- For 2022 we made an adjustment in scope 3, we added the Category 3.3 - "Energy and Fuel Related Activities not Included in Scope 2," which increased our scope 3 by 371 metric tons of CO₂e for the year 2022. In addition, 231 metric tons of Scope 3 emissions for 2022 have been moved to Scope 2, as they were related to electricity which was purchased by our production unit in Jiaxing, China.

During the year, our Scope 1 emissions increased by approximately 50 percent. This is mainly due to units that only started reporting their Scope 1 emissions in 2023, resulting in more than 100 vehicles being added to our 2023 report from three units (Heisplan, Apex Lifts, Titan Lifts). Additionally, due to business growth and improved reporting, emissions from stationary combustion for our US production unit have more than doubled to 512 metric tons in 2023 compared to 2022.

The increase in Scope 2 emissions can be explained by organic growth, which was partially offset by the solar panels installed at our Swedish factory, which produced 236 MWh.

The increase in Scope 3* emissions is mainly attributable to the introduction of the new product line in China, which uses more aluminum compared to the older products, which mainly used steel.

The increase in aluminum, especially from China, with its higher emissions factor, has contributed to the overall increase in emissions in the "purchased material" category.

Energy and fuel-related activities not included in Scope 1 and 2 (emissions related to transport using electricity and fuel) have also increased due to both improved reporting procedures and expanded business activities, leading to higher energy consumption in transport activities.

In contrast, the reduction in emissions from upstream transport can be attributed to strategic changes implemented in certain regions. In Sweden, for example, efforts to optimize freight logistics, including reducing the number of shipments and improving quality control to minimize the need for additional shipments, resulted in a reduction in emissions within this category. Furthermore, the reorganization of international sales and shipping, where local subsidiaries take over management, has contributed to shorter delivery times and thus reduced emissions. The reduction in waste is a positive result of improved recycling efforts, particularly in wood recycling for the Bella product line. This indicates a shift to more sustainable methods of waste management, which have successfully reduced emissions associated with waste from production activities.

GRI 302-2

SCOPE 3 (PARTIAL REPORTING) METRIC TONS PER CATEGORY	2023	2022
3.1 Purchased goods and services	52,862	36,952
3.3 Fuel and energy-related activities that are not included in Scope 1 and Scope 2	508	371
3.4 Upstream transportation and distribution	1,012	1,094
3.5 Waste generated in operations	73	173

Adjustments:

- Upstream transportation and distribution for 2022 has been adjusted by 231 metric tons as a result of misreported electricity consumption, which was moved to Scope 2.

GRI 305-1, GRI 305-5

SCOPE 1 PER CATEGORY (METRIC TONS)	2023	2022	2021
Vehicles	1,545	1,009	954
Stationary combustion	520	250	65

GRI 305-2, GRI 305-5

SCOPE 2 PER CATEGORY – LOCATION-BASED (METRIC TONS)	2023	2022	2021
Electricity	1,477	1,428	598

GRI 305-5

SCOPE 2 PER CATEGORY – MARKET-BASED (METRIC TONS)	2023	2022	2021
Electricity	1,609	1,451	N/A
District heating	20	17	N/A

GRI 303-5

WATER CONSUMPTION (M ³)	2023	2022
Total water consumption (m ³)	14,334	11,174

Location-based calculations

Emissions are calculated based on the average emission intensity for electricity grids within a certain geographical area where energy consumption takes place.

Market-based calculations

Emissions are calculated based on the electricity mix that companies have deliberately chosen to purchase through direct agreements with suppliers or energy attribute

certificates such as Renewable Energy Certificates (RECs). Purchasing decisions have an impact on efforts to reduce emissions and on the introduction of renewable energy sources.

The large difference between location-based and market-based Scope 2 emissions is a result of the update of the emission factors used in the 2023 report.

Market-based emission factors have increased in some of our most important markets, leading to higher CO₂e emissions for this reporting method.

Analysis of climate reporting

We are committed to implementing science-based measures to significantly reduce our carbon footprint. The goal is for us to reduce our Scopes 1, 2, and 3 carbon emissions and review and adapt the goals we have set previously. The base year for these goals is 2022.

The majority of Cibes' emissions come from Scope 3 activities, particularly purchased goods and services. The company is planning to reduce these emissions by working closely with the R&D department and the purchasing department. The focus will be on finding innovative solutions to reduce material consumption and increase the use of recycled steel and aluminum in our products. As Cibes pursues these ambitious sustainability goals, we are adapting to global climate standards and governance in respect of responsible business practices. Our commitment to exceed industry benchmarks and collaborate with other departments on this issue underlines our strategic approach to reducing emissions and contributing to a sustainable future.

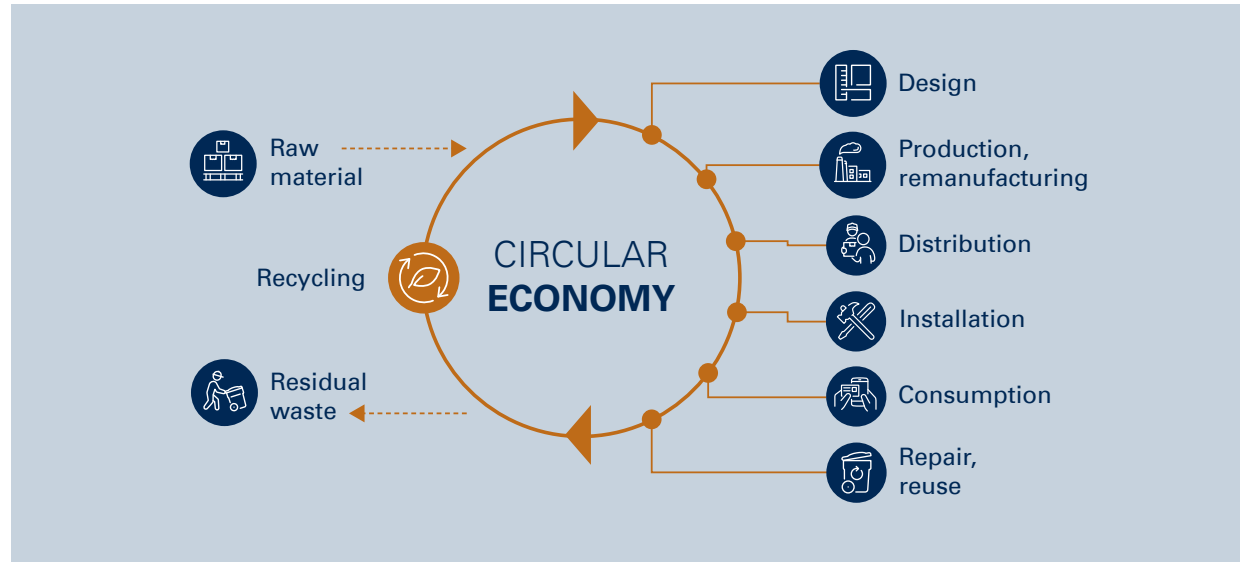
Management strategy (GRI 3-3 for GRI 305)

Cibes uses the operational method to consolidate greenhouse gas emissions and refrains from using offsetting measures. Reporting is carried out in accordance with common guidelines by our global network of coordinators located at our production facilities and offices. Reporting has taken place annually up to and including December 2022 and is coordinated by Cibes' head of sustainability. As of 2023, reporting is taking place quarterly to ensure closer monitoring. The results are reported in the annual sustainability report.



CIRCULARITY

We're convinced that circularity is not only crucial for promoting responsible resource management but also for creating new business opportunities. Our materiality analysis compiled in the fall of 2022 showed that product longevity and waste management are essential components of our circularity strategy. The decision was based on two fundamental principles – prioritizing the longevity and timeless appearance of our lifts to ensure long-term use and taking responsibility for the disposal of non-recyclable waste. In the same way that we strive to maximize the use of recycled materials in our products, the responsible management of waste at the end of a product's life cycle is essential in our efforts related to circularity.



PURCHASED GOODS AND SERVICES (METRIC TONS)	SWEDEN			CHINA			US		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Steel	3,299	3,885	3,540	1,041	787	1,178	1,556	629	N/A
<i>Recycled steel (metric tons)</i>	1,064	791	1,947	175	N/A	N/A	287	N/A	N/A
<i>Recycled steel %</i>	32	20	55	17	N/A	N/A	18	N/A	N/A
Aluminum	687	1,069	540	1,599	925	978	7	2	N/A
<i>Recycled aluminum (metric tons)</i>	117	182	0	363	N/A	N/A	0	N/A	N/A
<i>Recycled aluminum %</i>	17	17	0	23	N/A	N/A	0	N/A	N/A
Glass	633	826	140	2,056	1,713	1,785	0.4	N/A	N/A
<i>Recycled glass (metric tons)</i>	85	79	7	341	N/A	N/A	0	N/A	N/A
<i>Recycled glass %</i>	13	10	5	17	N/A	N/A	0	N/A	N/A
Cables	53	53	75	250	0	20	21	3	N/A
Powder coating	50	N/A	N/A	130	80	120	22	14	N/A

The US company, Bella Elevator, was acquired in April 2022, which means that figures for the first four months of the year are missing. The quantity of purchased material increased in Sweden compared to 2021. Most significant is the increase in the amount of aluminum and glass purchased. The figures show that the proportion of recycled steel in Gävle has fallen. This is due to a change in the calculation method by the supplier. However, the proportion of recycled material in purchased aluminum and glass has risen, thanks to the increased availability of recycled material. The quantity of purchased material in China has fallen, which can be explained by the fact that they used up their stocks.

Adjustments:

- Steel purchased in 2022 has been adjusted to 629 metric tons. This was previously 625 metric tons, due to rounded conversion from tons to metric tons.
- Recycling for our production unit in China was reported as 0 in 2022 for each of the materials. This was due to data being unavailable. Our suppliers in China cannot always provide us with the recycling rate of the materials, which is partly also the case in 2023, where we rely on estimates.
- Recycled aluminum for Sweden in 2022 was adjusted from 0.31% to 17% due to the recycling rate being misreported/underestimated.
- The purchase of powder coating for our Swedish factory in 2022 was changed from 0, as reported in the 2022 annual report, to “not available.” This is because the powder coating supplier did not provide us with some data on recycled material for 2022.

During 2023, major changes occurred in the purchase of materials for our production units in Sweden, China, and the US. In Sweden, the purchase volume of steel, aluminum, and glass decreased due to lower levels of production in the Swedish production unit compared to 2022. The Chinese production unit, on the other hand, experienced growth in material purchases, particularly aluminum, due to the new product line. Material purchases also increased in the US, in part due to increased production but also due to improved data quality and reporting.

We have seen a positive trend in our purchasing efforts regarding the use of more recycled steel in our Swedish production unit, which increased to 32%, while recycled aluminum remained at 17%. We're also buying more recycled glass in Sweden compared to last year. We will continue these efforts and make sure that we continue to increase the percentage of recycled materials purchased and improve our reporting to provide a better overview of our recycling efforts.

There is no data available for the US for 2021 as our production unit was acquired and began reporting in 2022.



Circularity as part of product development

After the launch of the first phase of the new project in China, the project expanded into Europe in 2023 with the launch of the Cibes Cloud Plus and Kalea Luna models. The development of the products was guided by modular principles, which are considered essential for achieving circularity. Within Cibes, the research and development departments have actively promoted knowledge and awareness to gradually introduce a circular way of working.

Life cycle assessments (LCA) and environmental product declarations (EPD) are useful tools in our work to improve the degree of circularity. The LCA estimated that the lifespan of our most common lifts is 25 years but that trends and new owners with different tastes may mean that our lifts will be replaced several years before they reach the end of their useful life. For us, offering repair and renovation services is a matter of course, but we want to go even further and eventually take lifts back and restore them.

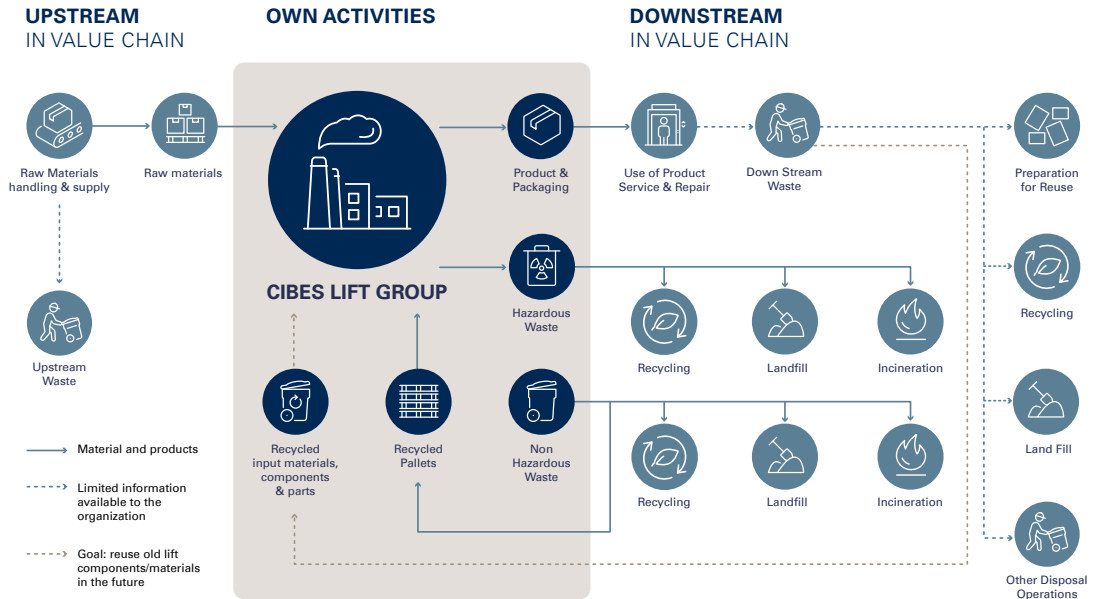
Management strategy (GRI 3-3 for GRI 301 and GRI 306)

We strive to design products that facilitate circularity. This is achieved by way of modular products, as well as through collaboration between several research and development departments to develop new products.

Responsibility for waste management in the business is shared between the business managers in the three production facilities in Gävle, Sweden; Jiaxing, China; and Peoria, US. They report on development to the sustainability manager. The sustainability manager coordinates initiatives throughout the organization and follows up on progress. Developments are reported to Cibes' executive management twice a year.

TARGETS FOR 2025

- Design for circularity: at least 12 hours of training per engineer per year
- Development of product recycling program



WASTE, BREAKDOWN BY MATERIAL	2023		2022		2021	
	METRIC TONS	%	METRIC TONS	%	METRIC TONS	%
Metal waste	293	39	312	41	60	20
Wood and glass	284	38	401	53	175	59
Aluminum	96	13	12	2	29	10
Paper	64	9	29	4	30	10
Plastic	4	1	3	0	5	2
Hazardous waste	3	0	1	0	0	0
Total	745	100	757	100	299	100
GRI 306-5						
Total hazardous waste	3	0.4	0.6	0.1	0.3	0.1
Total non-hazardous waste	742	99.6	757	99.9	299	100.0

In 2023, we observed a reduction in total waste from 745 metric tons compared to 757 metric tons in 2022. This reduction can be explained by several factors. Firstly, part of the old stock was scrapped in 2022, resulting in less waste generation in 2023. In addition, improvements in packaging efficiency, such as the transition from wood to paperboard, and the internal initiative to recycle/reuse wood pallets in our US production unit help to reduce wood waste, which decreased from 401 metric tons in 2022 to 284 metric tons in 2023.

Metal waste (steel) also decreased from 312 metric tons in 2022 to 293 metric tons in 2023. The decrease is mainly due to the increase in production of our new product series in China, which uses more aluminum than steel. Consequently, the demand for steel decreased, resulting in a smaller amount of metal waste, while the amount of aluminum waste increased.

Taken together, these trends demonstrate good progress in reducing waste and improving efficiency within our operations, reflecting our commitment to sustainable practices and resource optimization.

GRI 306-5

HAZARDOUS WASTE	2023		2022		2021	
	METRIC TONS	%	METRIC TONS	%	METRIC TONS	%
Recycled	2.4	77	0.1	25	0.1	30
Not recycled	0.7	23	0.4	75	0.2	70
<i>Incineration</i>	0.6	20	0.4	75	0.1	30
<i>Sent to landfill</i>	0	3	0	0	0	10
<i>Other*</i>	0	0	0	0	0.1	29
Total	3.1	100	0.6	100	0.3	100

GRI 306-5

NON-HAZARDOUS WASTE	2023		2022		2021	
	METRIC TONS	%	METRIC TONS	%	METRIC TONS	%
Recycled	451	61	375	49	137	46
Not recycled	291	39	382	51	162	54
<i>Incineration</i>	219	30	187	25	147	49
<i>Sent to landfill</i>	72	10	195	26	15	5
<i>Other*</i>	0	0	0	0	0	0
Total	742	100	757	100	299	100.0

* No information available on how the waste was disposed of

We have made significant progress in our work with material recycling. In 2023, we achieved a recycling rate of 77% for hazardous waste and increased the recycling of non-hazardous waste by 11%. A key contributor to this success was the recycling initiative implemented by our production unit in the US, which resulted in 83 metric tons of wooden pallets being recycled.

In addition to recycling, we have also improved our waste management methods, which reduces the amount of waste sent to landfill. Instead of sending waste to landfill, incineration is used, which is a less environmentally hazardous alternative for waste management. This progress underlines our commitment to sustainable practices and to minimizing our environmental impact.

Ongoing changes

Our production unit located in Peoria, Illinois, USA, has reached important milestones in wood recycling and energy efficiency. Over the course of seven months, 83 metric tons of wooden pallets were recycled through internal reuse and strategic collaboration with recycling companies. Since a large proportion of waste in the US is sent to landfill, in 2023 our focus has been on creating a process for the reuse of wooden pallets and increasing the amount of recycling in relation to incineration and landfill. Often used in shipping and logistics, these pallets have great potential for reuse and can significantly reduce the demand for new wood resources. Through this initiative, our US operations have reduced their waste by 10 percent in relation to the group's total waste, the ambition being to continue this development in 2024.

In addition to increasing wood recycling, the Peoria production unit implemented a new strategy to reduce costs and save energy by equipping the facility with Energy Star® rated LED lighting. The new LED lights are expected to use up to 80 percent less energy compared to traditional light bulbs and have a significantly longer lifespan. Not only is the reduced energy consumption good for the environment, it also significantly lowers operating costs.

Creating a positive cultural change in waste management is a key goal for our team at the Peoria production unit. One method used to promote engagement among employees is the monthly newsletter, which serves as a platform for sharing the team's collective efforts to promote more sustainable practices.

The production unit in Peoria has only just begun its journey toward reduced emissions, but commitment and common goals have laid the foundation for this journey to continue to evolve going forward.

IMPLEMENTATION OF ISO 9001 AND PLAN FOR ISO 14001 IN GÄVLE, SWEDEN

In December 2023, the production unit in Gävle, Sweden was certified in accordance with ISO 9001, which demonstrates our commitment to improving operational efficiency. The certification came with no noted deviations and only minor suggestions for improvement, which is an excellent result.

ISO 9001 is a globally recognized standard for quality management systems (QMS) that aims to improve customer satisfaction and ensures continuous process improvement. We are aware of the importance of adapting to established international practice and strive to exceed stakeholder expectations.

A fundamental aspect of ISO 9001 is the focus on continuous improvement. This is reflected in our organizational culture, which fosters a work environment characterized by innovation and excellence. The standard provides a systematic approach to process management, cooperation, improved efficiency, error reduction, and improved productivity.

The ISO 9001 certification is an important step toward delivering continuous improvement, and we look forward to the positive impact this will have on our organization and the satisfaction of our stakeholders. The production unit in Gävle, Sweden is also preparing to be certified in accordance with ISO 14001 in 2024. While the focus of ISO 9001 is on customer satisfaction and regulatory compliance through quality management, the focus of ISO 14001 is on minimizing environmental impact and improving environmental performance.



HEALTH AND WELL-BEING

GRI 403-3, GRI 403-6, and GRI 403-10

Health and well-being have always been important to Cibes. It has therefore been one of the highest priority material topics since the first materiality analysis in 2020. As the company has grown, we have implemented a group-wide HR policy that clearly states that promoting the health and well-being of our employees is fundamental to our operations around the world.

Through Cibes' global leadership program, we are supporting and enhancing the development of our managers' ability to foster happy teams and individuals who perform well. An important aspect of our leadership program is training our managers in methods to improve employee health and well-being.

Assessment of satisfaction and development needs GRI 403-4

We previously carried out a thorough employee survey every two years, with the aim of measuring employee commitment and well-being. These surveys were a valuable tool for capturing employee feedback. In order to streamline the process and act on more of an ongoing basis, the decision was made to invest in a new tool in 2023 to facilitate a more systematic way of working based on feedback from employees.

The tool will help the organization's managers to identify what improves commitment and well-being and to identify areas for improvement. By working systematically with feedback and insights from employees, we will be able to act on more current and relevant feedback than before, as the surveys will take place more frequently. The tool will be implemented in early 2024, and the first survey is planned to be launched at the end of the first quarter.

The annual employee appraisal between manager and employee promotes the development of every employee in the organization. The purpose of the employee appraisal is to have a joint dialogue about the employee's development opportunities and to evaluate the overall work environment. Based on these appraisals, a personal development plan is formulated which is then followed up on twice a year. Our strategic framework, The Cibes Way, supports our managers throughout the process.

Safety first

Every workplace must prioritize safety and create a safe work environment where all employees are treated with respect. Every single employee should feel that their views are respected, which promotes a work environment that values different opinions, backgrounds, and experiences. In addition, it is important to maintain a healthy balance between work and personal life in order for employees to be able to navigate different phases of life. The possibility of working remotely and flexible working hours are effective tools for achieving this balance between work and personal life.

Health care systems GRI 403-8

Occupational healthcare varies from country to country, depending on needs and local legislation. In Sweden, all employees are offered occupational health care. Monitoring sick leave statistics helps us to catch early signs of poor health. When an employee has been absent on more than three occasions in six months, their line manager must organize a follow-up conversation aimed at reconciling the employee's well-being, work situation, workload, and satisfaction.

These reconciliations take place in addition to the employee appraisals, where questions about the organizational and social work environment are followed up on.

Aspirations

In connection with the implementation of the new tool for employee appraisals, Cibes has set new goals and performance indicators for commitment and well-being. Our goal for 2024 is to implement a tool that gives us valuable insights from an employee perspective. The implementation of the new tool gives us the opportunity to more frequently capture data on the health, well-being, and commitment of our employees.

Implementation goals:

- Response rate: more than 75%
- Commitment of managers (using the platform to access results and record actions taken)

Performance indicators:

- Increased employee commitment
- Increased quality of feedback
- Increased activity in respect of improvement measures

Management strategy (GRI 3-3 for GRI 403-3)

The HR policy is owned by VP Corporate Development. Local managers are responsible for compliance, including ensuring that all employees have an annual employee appraisal with their line manager. The reporting method and frequency will be determined in 2024.

Memberships

Our subsidiaries around the world participate in local and regional associations such as chambers of commerce. One organization in which we have a significant role is EPSA, a non-profit organization with representation in ten countries. The purpose of the organization is to make life easier for the elderly and for people with reduced mobility. The organization undertakes to harmonize the European regulations for products offered to this target group to assist users as well as planners and architects. <http://www.epsa.eu.com/>.



TARGETS FOR 2025

The results from the employee survey must be better than the benchmark.

ATTRACTIVE EMPLOYER

As the company grows, it is becoming increasingly important to retain and attract employees. This area is closely linked to several other material topics, such as diversity and inclusion, health and well-being, safety, and skills development. We have, however, decided to report this separately, as our employer brand is critical to our future success.

We are experiencing a continued lack of qualified labor, not least when it comes to technicians. In order to continue to be an attractive employer for our technicians, we offer continuous skills development together with challenging and rewarding tasks, such as product innovation, digitization, and a focus on the user's experience of our lifts. An example of our work to attract technicians is Cibes UK's engagement with local colleges to connect with students. Another approach for attracting technicians is through social media campaigns.

In 2023, a new leadership program for employees, Lead to Win, was launched in Cibes Academy, which is our internal training and development platform. The program is designed as an introductory program for managers, leaders, and other employees with leadership potential. The goal is to create an understanding of the importance of leadership as a means of improving motivation, performance, and corporate culture. The program aims to establish a common corporate culture by training and supporting our managers in a tailored leadership program based on the organization's needs and the latest research. Lead to Win must give employees training opportunities at a local level and in their local language.

In 2023, we completed two Lead to Win programs for the production unit in Gävle, Sweden as part of the implementation of "LEAN" in production. During the year, the facility in Gävle also implemented a corporate culture program for the production team.

At the end of employment, all units conduct an appraisal with the employee, with the aim of collecting valuable feedback on the employee's experiences during their employment. The appraisals are an important tool for ensuring not only that an employee's employment ends positively, but also that we, as employers, are made aware of possible areas for improvement. They also serve as a tool to foster a culture of ongoing improvement and employee-centered decision-making.

In addition to retaining employees, we need to expand our team as the company grows.

Recruitment takes time and resources, and we strive to ensure a smooth and welcoming introduction for new employees.

Objectives

Cibes' ability to attract and retain the best employees is critical for ensuring the success of the company. Cibes' culture is therefore characterized by ongoing improvement, collective learning, and collaboration. We will also include the closing appraisals in The Cibes Way to visualize established practice in the closing phase.

NUMBER OF EMPLOYEES WHO LEFT AND EMPLOYEE TURNOVER IN 2023

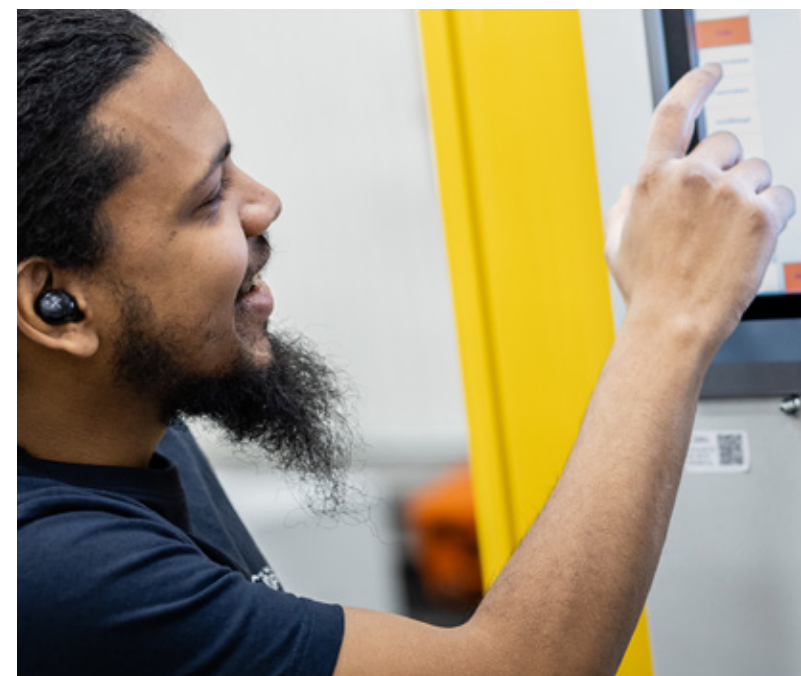
	MEN		WOMEN		TOTAL	
	EMPLOYMENT ENDED	TURNOVER	EMPLOYMENT ENDED	TURNOVER	EMPLOYMENT ENDED	TURNOVER
Younger than 30	107	37%	55	47%	162	40%
30 to 49	197	30%	63	20%	260	27%
Older than 50	35	18%	11	22%	46	26%
Total	339	30%	129	27%	468	30%

GRI 401-1

The goals for 2024 are to have lower staff turnover than in 2023 and to differentiate between staff turnover due to voluntary resignation, dismissal, retirement, or death in service and staff turnover due to internal recruitment and mobility in our reporting.

Management strategy (GRI 3-3 for GRI 401)

The CEO in each country is responsible for retaining and attracting employees. The Cibes Way expects annual development appraisals to be conducted for all employees along with communication of and the provision of access to our core values. Staff turnover is reported annually in our sustainability report.



DIVERSITY & INCLUSION

Cibes strives to attract and retain the best employees regardless of their gender, origin, age, or background. As we operate worldwide, we have a variety of nationalities in our teams, including the management team. The lift industry is historically male-dominated, so one of our focus areas is to attract and retain female managers and employees.

Cibes' strategy is based on two different approaches:

- **Retain:** Ensuring a workplace that is characterized by inclusion, where all employees are treated fairly and professionally, with respect for each person's unique talent, background, and perspective, and a permissive work environment based on trust and participation, where we appreciate and benefit from everyone's differences.
- **Attract:** In order to effectively reach and engage more talented women who may not have previously considered our organization, we strive to identify and attract potential female candidates. We achieve this by being present at career fairs and participating in networks where we think we can reach out to women.

Cibes has adopted four principles to ensure inclusion. The principles are described in the HR policy:

- Our workplaces must be free from discrimination, harassment, and abuse. No employee should be subjected to unfair treatment.
- All employees must have equal rights and opportunities in terms of working conditions and development opportunities.
- We strive for the most gender-equal distribution possible within all types of duties, including in managerial positions.
- Salaries and remuneration must be determined according to objective principles and there must be no discriminatory salary differences.

Cibes works actively to achieve a balance between work and personal life in all phases of working life. In addition to this being an obvious ambition, it has also proven to be successful, especially for female employees.

Our Swedish companies conduct an annual salary survey to ensure that there are no unreasonable or discriminatory salary differences or employment conditions between women and men.

To ensure that annual salary developments are based on the individual's performance, information on each employee's performance assessment is included as a parameter in the salary survey. The aggregated Equal Pay Index for 2023 for our Swedish units was 102.6,* which shows that women's salaries at Cibes are slightly higher than men's on an aggregated level.

You can read more about how we monitor employees' experiences of their well-being at our workplaces under "Health and well-being".

GRI 405-1

EMPLOYEES	Men	Women
2019	69%	31%
2020	66%	34%
2021	67%	33%
2022	69%	31%
2023	71%	29%

MANAGEMENT TEAM	Men	Women
2019	100%	0%
2020	87%	13%
2021	78%	22%
2022	89%	11%
2023	89%	11%

GRI 405-1

DEPARTMENT MANAGERS AND CEOS	Men	Women
2019	N/A	N/A
2020	N/A	N/A
2021	N/A	N/A
2022	71%	29%
2023	66%	34%

BOARD	Men	Women
2019	100%	0%
2020	100%	0%
2021	83%	17%
2022	71%	29%
2023	71%	29%

Management strategy (GRI 3-3 for GRI 405)

All employees must be treated fairly. No discrimination, harassment, or abuse of any kind is tolerated. Training in our code of conduct improves employees' awareness and encourages them to report wrongdoing through our whistleblower channels (read more in the "Ethics" section). The HR policy further clarifies the principles that apply in the workplace. Each manager is responsible for training and for ensuring that the workplace is characterized by trust and participation. The CEO in each country is responsible for the implementation of and compliance with the code of conduct.

TARGETS FOR 2025

At least 25 percent of managers (department managers and managing directors) should be women.

SKILLS DEVELOPMENT

GRI 404 (1-3)

Cibes' ability to attract and retain the best employees is critical for ensuring the success of the company. Cibes' culture is therefore characterized by ongoing improvement, collective learning, and collaboration, which is strengthened by way of external training.

This approach contributes to continued development in current roles and prepares us for future challenges, which is essential in the ever-changing world in which we operate.

Skills development is a top priority in our materiality analysis, as our employees' knowledge and expertise contribute to a high level of trust among our customers and strengthen our brand. Consequently, it is important that we offer our employees clear career paths and invest in initiatives that enhance their skills.

GRI 404-2

Annual employee appraisals are mandatory at all Cibes units. The appraisals follow a structured process where manager and employee together discuss development opportunities and training needs to ensure that the employee has the right skills for their position, both today and going forward. The appraisal must result in a documented development plan for the employee.

Examples of global training opportunities through Cibes Academy:

- **eLearning:** Until 2020, Cibes focused on traditional classroom-based training which is now supplemented with digital training. Digital training courses offer employees a flexible training environment where they have the opportunity to complete the training at their own pace. In addition to the flexibility, more employees now undergo training and they have the opportunity to easily repeat any training if necessary. Classroom-based training is still a natural part of Cibes because meeting face to face and learning from each other are truly valuable aspects of our training culture.
- **Cibes Global Management Training** is an internal leadership program based on our core values and leadership model. The purpose of the program is to further train our managers so that they are as well positioned as possible to foster teams that perform well and in which each employee's potential and abilities are harnessed. The leadership program also gives our managers tools to exercise effective and value-based leadership. They also get access to a strong network of other leaders within the group with whom they can share their experiences.

- **Job-specific training,** for example training in lift installation: Both employees and distributors are trained to install our lifts safely and correctly. The training is led by technical experts, both at our training centers around the world and via eLearning.

Group policies

HR policy and code of conduct

GOALS GRI 404-1	2023	2022
Average number of training hours per employee, per year	9	7

Adjustments:

- The number of training hours per employee for 2022 was adjusted to 7, compared to 11 in the 2022 annual report, which was misreported for 2022.

We saw an increase in the number of training hours per employee during the year. Training hours reported in the table above include external training, either in a classroom or in a digital environment. With the aim of retaining and developing employees within the group.

During 2023, four eLearning courses were launched at group level. In connection with the launch of the "Lead to Win" leadership program during the first quarter of 2023, we published the training courses "Giving effective feedback" and "Goal setting." During the year, two training courses were published with the aim of conveying knowledge and awareness of our group-wide policies in respect of whistleblowing and anti-bribery and corruption.

Management strategy (GRI 3-3 for GRI 403)

All managers must conduct annual employee appraisals with their employees. The process is part of The Cibes Way and is followed up on as part of the self-evaluation. All managers are also offered the opportunity to participate in the leadership training program. The CEO in each country has ultimate responsibility for ensuring that all employees complete their mandatory training.

TARGETS FOR 2025

Average number of training hours per employee, per year: 12 hours

MANAGEMENT OF SUSTAINABILITY ISSUES

GRI 2-12 The board has ultimate responsibility for the company's sustainability work. **GRI 2-13** The CEO takes care of the day-to-day management of the company in accordance with the board's guidelines, which also include the area of sustainability. The sustainability manager reports to the Director Product Management & Sustainability and is thus the management team's extended arm in sustainability matters. The head of sustainability pursues efforts with the help of a cross-functional group that works together on sustainability issues throughout the organization. **GRI 2-25** Each month, the head of sustainability reports any developments to the Director Product Management & Modularization, who reports further to the management team on an ongoing basis. The cross-functional group identifies, evaluates, and manages the company's material topics on an ongoing basis. Goals, initiatives, and key figures are categorized according to the five sustainability pillars of The Cibes Way: safety, business, planet, people, and ethics. The work is continually monitored by Cibes' management team, which approves the material topics, goals, initiatives, and key figures, and which reports these onward to the board.

Policies and codes GRI 2-23

Our codes of conduct for employees and for suppliers are the overall guiding documents for sustainability work in combination with our sustainability policy, which was adopted during the year. The codes contain principles for human rights, working conditions, the environment, and anti-corruption, and compliance with them is mandatory for all employees and suppliers. The code of conduct for suppliers can be found at cibesliftgroup.com/se/uppforandekod-leverantorer, and the code for employees can be found at cibesliftgroup.com/se/uppforandekod-anstallda. **GRI 2-24** For the internal code, there is also a compulsory eLearning course on the company's LMS platforms (Learning Management Systems) in Europe, the US, and Asia. In addition to the company's codes of conduct, there are around 20 policies, all of which are easily available to our employees. A number of these are aimed at all employees, such as the sustainability policy, the anti-bribery and corruption (ABC) policy, and the whistle-blowing policy.

The company's board has approved all group-wide policies. Existing policies were revised in 2023 and several of them are new. In 2023, employee policies have been integrated into the onboarding process for new hires.

Evaluation of the management's approach

GRI 2-18 The board governs Cibes on an overall level and the CEO reports to the board on a monthly basis in order to provide the opportunity to follow up on the work and require measures to be implemented, if necessary. **GRI 2-16** No critical problems arose during the year, and consequently the board did not require the implementation of any measures for sustainability work. **GRI 2-14** Furthermore, the board validates and approves the organization's choice of material topics, thresholds, and management of sustainability issues on an annual basis.

GRI 2-18 The board safeguards its overall skills development in the area of sustainability through operational sustainability work in other companies that they represent.

BOARD IN 2023, BREAKDOWN BY NATIONALITY AND GENDER			
	Men	Women	Total
Sweden	4	2	6
Germany	1	0	1
Total	5	2	7

The board of Cibes consists of seven members, of whom five are men and two are women. The attendance rate at Cibes' board meetings in 2023 was 88 percent.





CAFETERIA

CAFETERIA
A-1

AUDITOR'S OPINION REGARDING THE STATUTORY SUSTAINABILITY REPORT

To the general meeting of the shareholders of Cibes Holding AB 559113-9638

Assignment and division of responsibilities

It is the board of directors that is responsible for the sustainability report for 2023 on pages 100 to 124 and for its preparation in accordance with the Swedish Annual Accounts Act.

Focus and scope of the audit

Our audit has been conducted in accordance with FAR's recommendation RevR 12 Auditor's opinion on the statutory sustainability report. That standard requires that our audit of the sustainability report have a different focus and a much smaller scope than the focus and scope of an audit carried out in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this audit provides us with a satisfactory basis for our opinions.

Opinion

A sustainability report has been prepared.

Uppsala, on the date stated in our electronic signature

Ernst & Young AB

Oskar Wall
Authorized Public Accountant

Cibes Lift Group

Cibes Holding AB
Utmarksvägen 13
SE-802 91 Gävle, Sweden
www.cibesliftgroup.com