



# Sustainability report 2022

Roxtec International AB







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## The Roxtec International sustainability report

This is the fiscal year 2022 sustainability report of Roxtec International AB, a Swedish limited liability company with registration number 556370-8063. This is the company's fifth sustainability report. The content and structure have been slightly changed from previous years to enable focus on materiality analysis and related risk analysis.

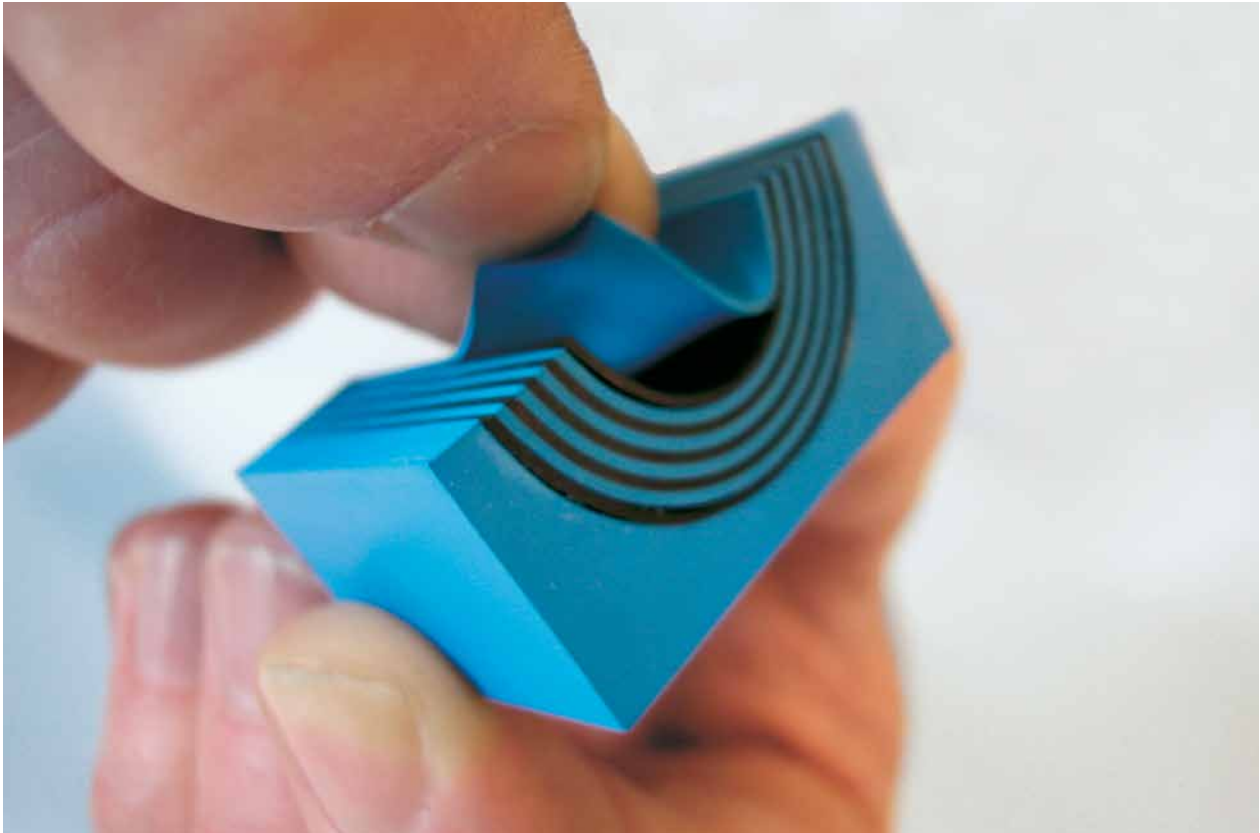
Roxtec International AB is the head office in a global group of companies, Roxtec Group. It is a subsidiary of the parent company Roxtec AB.

This report has been prepared in accordance with requirements for sustainability reporting in the Swedish

Annual Accounts Act (ÅRL), chapter 6, 10 §. When preparing the report, guidance was also taken from the Global Reporting Initiative's (GRI) Standards for sustainability reporting, but the guidelines have not been fully applied. For the calculation of greenhouse gas emissions, the principles of the GHG (Greenhouse Gas) Protocol have been applied.

In April 2023, the Board of Directors signed the annual accounts of Roxtec International AB and thereby also approved this sustainability report.

On the following pages, Roxtec International AB is referred to as "Roxtec" if nothing else is stated.



# Roxtec – a growth company within sealing technology

Roxtec is the world leader in modular-based cable and pipe transits. Our flexible sealing system is used to protect life and assets in demanding industries and challenging projects all over the world. Roxtec has since the start in 1990 been a growth company and we continue to see great opportunities worldwide.

Sales growth, profitability and investments are the foundation of our development efforts and ensures a long-term and sustainable development. Our broad geographical and industrial coverage enables us to have a reliable built-in structure for managing slowdowns in specific countries or industries.

#### **A global company with a local presence**

Roxtec International has 301 employees (846 in total in the Roxtec Group). There are 28 subsidiaries in the group, and we supply to customers in more than 80 markets.

Our customers are mainly found within the following industries:

- Marine
- Oil and gas offshore
- Power
- Process industries
- Infrastructure
- Manufacturing industry

The Roxtec Group has its centralized production and distribution facilities at the Roxtec headquarters in Karlskrona, Sweden, but also offices, production facilities and distribution centers strategically located around the world (see map).

Most materials come from a limited number of long-term suppliers whom we continuously assess on different set parameters. Most procurements are done through suppliers manufacturing in northern Europe, mainly in Sweden.

Our close cooperation with the suppliers contributes to smarter and safer production processes. This has improved product quality, supply, and work environment, and reduced our environmental footprint and energy use.

### **Innovative solutions**

Our goal is to make the world a safer place. Therefore, we offer a long-term partnership for safe operations. Owners, design engineers, and installers rely on us throughout the lifecycle of their investments.

We have extensive resources for research and development, such as material development, fire, and test laboratories, and work together with customers and suppliers to improve solutions. We often tailor seals for specific challenges. The close cooperation with customers creates excellent opportunities for continuous development – and for entering new industries and markets.



● Roxtec Group offices ● Roxtec Group production facilities.

### Protecting against multiple risks

Our cable and pipe penetration seals are used in a variety of structures and equipment on land, at sea and underground. They protect against fire, smoke, gas, water, dust, sand, pests, vibration, noise, electromagnetic interference, and the risk of explosion. They can also withstand potentially explosive environments, corrosion and temperature changes and offer solutions for bonding and grounding. The seals are certified by many international authorities and tested to international and national standards.

### Smart and efficient system

The base of the sealing system is simple and ingenious. The frame is attached to the structure. Cables and pipes are routed through the frame, and then adaptable sealing modules are placed around the cables and pipes before the system is sealed with a compression unit. The system simplifies planning, design, installation, and logistics. It provides built-in spare capacity for upgrades and contributes to competitiveness and sustainability also in the long run as the products have a very long lifetime. Besides this, we offer smart online tools and additional services.

### Stable profitability and growth

The sales of Roxtec International developed well during 2022, reaching 1 652 MSEK (2 433 MSEK in total for the Roxtec Group). Our four regions, Americas, Asia, Northern Europe and Southern Europe & Middle East/Africa, and our three business areas Marine & Offshore, Infrastructure & Industry and Power & Process Industries reported good sales growth (in total +20%) compared to the previous year. The group showed a continued good profitability during the year.

### Roxtec Core Values

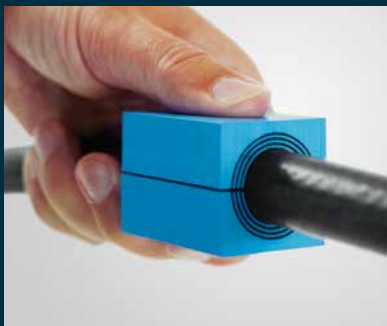
Set around 30 years ago, our core values are still the guideline for our business. They encourage us to focus on the customer experience and remind us about everyone's importance for the total picture:

1. **Market Creators.** Better to "own" a market than a factory.
2. **Satisfaction.** Make each customer feel special.
3. **Trust.** Face the customer openly.
4. **Globally local.** The world is our market.
5. **Flexible.** Fast and flexible.
6. **Profitable.** Save money for the customer.
7. **Simplicity.** Simplicity is our motto.

## Roxtec Multidiameter™



Roxtec Multidiameter™ is an invention for flexibility based on removable layers.



It makes the mechanical system adaptable to cables and pipes of different sizes.



A few components provide a strong and reliable barrier ensuring operational performance.



# Letter from the CEO

Our passion is innovative sealing solutions, and our goal is to make our world a safer place. This line, taken from our company presentation, says a lot about our company. We are targeting the difficult task to efficiently seal around cables and pipes in a variety of multiple demand applications. The common denominator is that the consequences in case of leakage are severe.

Leakage could jeopardize the safety of a large vessel, cause explosions in a hydrogen industry or make a fire spread throughout a train. Our core purpose, providing innovative and flexible cable and pipe sealing solutions, is all about avoiding leakage. From the two statements follow the things we do every day, our strategy, our priorities, and our culture. Our business strategy is very much about finding the applications where the sealing makes a difference. It means it is worth spending the extra efforts and we formulate this in our mission **"Protecting life and assets"**.

The first prioritized area is our product offer. The Roxtec portfolio needs to develop when the world is changing. We see large investments going into sustainable generation and transmission of power, into efficient transportation of people and goods using trains and into advanced buildings for laboratories, hospitals, and the semiconductor industry. These are all areas where leakage or failure must be avoided, and they are obviously a target for our product development. Clever product

development also means designs using less material, weight reduction and easier installation. In our production, we generate significant amounts of waste. I am truly happy to communicate that we during last year not only identified a method to reuse the rubber grinding waste but also completed the implementation of this method. It means that we no longer deposit any rubber grinding waste. However, we have more to do, and we have now set a target that 100% of our waste from production of our solutions shall be recycled.

2022 was in many ways a fantastic year for Roxtec. We reached a global all-time high sales record and made large investments in hirings of new employees. Our growth was, however, negatively impacted by our decision to terminate our business in Russia. Looking forward, we can expect a turbulent year due to inflation, war in Europe and an unstable energy situation.

We have however decided to continue our growth journey and are planning for record-high investments, a record-high number of recruitments, and aim for a new all-time high in terms of revenue. We are also planning for further cooperation with our customers, for example around recycling of waste. Long term, we aim to do our part in the strive to make our world a safer place.

Magnus Holmberg, CEO, Roxtec

# Sustainability strategy, long-term goals and governance



Prior to preparing the sustainability report for 2022, the management of the company carried out an extensive analysis. The aim was to find out which aspects of sustainable business are of greatest importance to Roxtec, and where in relation to sustainability the company has the greatest impact, both for impact materiality and financial materiality, that is double materiality. This was done by analyzing information from several external and internal sources, such as PwC's assignment tool, interviews, desktop research and workshops.

## Material sustainability areas and long-term sustainability goals

This materiality analysis was based on both risks and opportunities relating to sustainable business. The overarching areas that came out of the materiality analysis were "Environment", "Social conditions and personnel related matters", and "Anti-corruption".

In respect to "Environment", the following areas were identified:

- Greenhouse gas emissions
- Resource use and circular economy
- Pollution

The management team will during 2023 set new long-term sustainability goals relating to "Environment". In respect to "Social conditions and personnel related matters", the following areas relating to Roxtec have been identified:

- Occupational health and safety
- Diversity, inclusion, and equal treatment
- Competence supply and competence development
- Customer health and safety
- Community engagements
- Working conditions and human rights

In respect to "Anti-corruption", the following areas were identified:

- Governance, risk management and internal control
- Bribery and corruption
- Anti-competitive behavior

The identified areas, risks and opportunities and related goals are described on the following pages.



## Governance

It is the board of the parent company Roxtec AB that has the overall responsibility for the management of Roxtec International AB which also includes sustainability. The CEO, Chief Executive Officer, is appointed by the board of Roxtec AB and manages the company's operations according to the board's guidelines and instructions.

The CEO is, together with the management team, responsible for ensuring that all relevant aspects of sustainability are being addressed by the company. The CEO works directly or indirectly to initiate and establish policy documents, strategies and objectives related to sustainability, which in turn drive and support the integration of sustainability in business, processes, and operations.

From an ESG (Environment, Social and Governance) conceptual framework perspective and in the daily

work, the CEO is also responsible for matters related to the area "Environment". The EVP HR, Executive Vice President Human Resources, is responsible for matters related to the area "Social" and the CFO, Chief Financial Officer, is responsible for matters related to the area "Governance".

In addition, an operational group, the Roxtec Corporate Governance Committee, has been appointed by the management team to ensure coordination of activities relating primarily to governance, such as anti-corruption work and the whistleblowing function. The committee consists of representatives from the HR, Finance, Legal and IT departments.

The management team has adopted a series of policies and guidelines related to sustainability (see picture). These steering documents are reviewed and updated on a regular basis.





Our sustainability-related policies are communicated through physical or digital trainings and through other general information channels. The audience of the trainings varies depending on the target group of each policy.

All employees should undergo training in [Roxtec Code of Conduct](#). By the end of 2022, 84% of all employees had completed the training. Being a growing company, we have several coworkers in our onboarding process in which our code of conduct training is one part to be performed.

Follow-up on compliance with policies is made through external and internal audits and through general business reviews. Policies, guidelines, and

other steering documents are maintained and available to employees through the company's intranet and digital management system. The Roxtec Code of Conduct is also available on the company's public website [roxtec.com](https://www.roxtec.com).

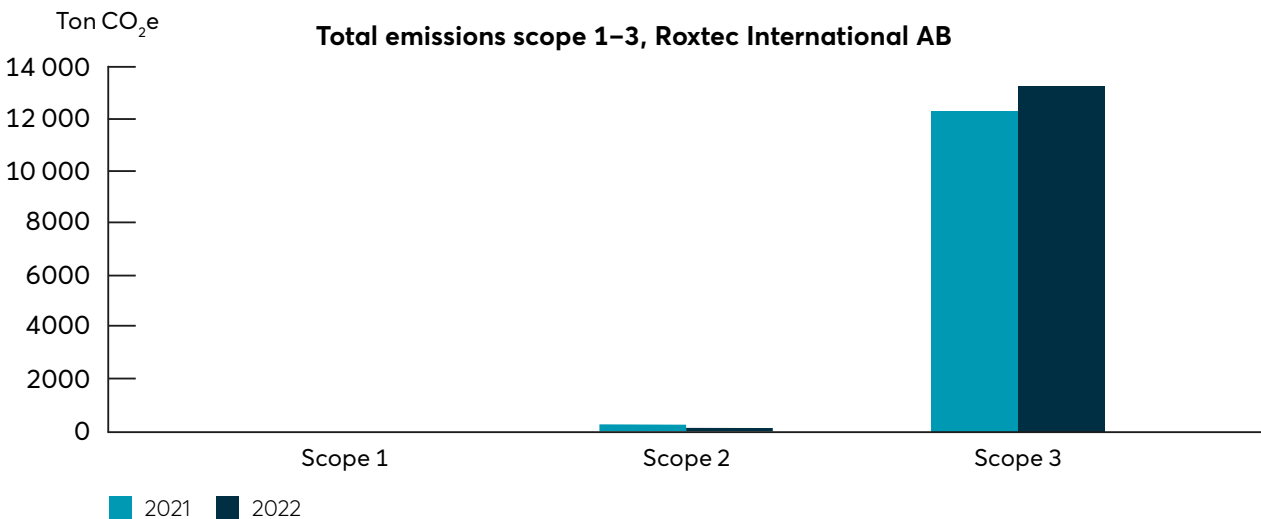


# Environment

We are focusing on minimizing our environmental impact and by providing our safety solutions, we help customers all over the world prevent fire, flooding, and explosions. We also strive to minimize our greenhouse gas emissions, improve resource use in line with a circular economy, and reduce pollution from our own operations as well as in our supply chain as these areas are identified as material impact areas for Roxtec. In this important work, we are focusing on United Nations' sustainability development goals number 12 and 13, aiming at "Responsible consumption and production" and "Climate action".

## Greenhouse gas emissions

Roxtec is dependent on transportation by air, sea, and road to deliver goods to customers. Purchased steel and aluminum are used in the production of sealing systems, also contributing to high levels of greenhouse gas emissions in the supply chain (scope 3). Our mapping of greenhouse gas emissions shows that our largest impacts, linked to our business, occur in scope 3, see below graph. For the calculation of emissions, the principles of the GHG Protocol have been applied with 2021 as baseline. Scope 1 and 2, 100% included, and 9 out of 15 categories in scope 3.



The increase of emissions is a result of more business travel and employee commuting after the pandemic as well as of an overall increase in sales and transportation and air freights due to supply issues.

Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Greenhouse gas emissions – climate impact and adaptation	CO <sub>2</sub> emissions	Climate change and risk of legal regulations	Code of conduct Environmental policy	Environment and related actions are incorporated in our ordinary processes for product development, design, manufacturing, test and logistics. These are a part of our management system, Roxtec Navigator	The group shall reduce its carbon dioxide climate footprint by using renewable energy and fuels no later than 2030	CO <sub>2</sub> emission reduction based on insetting fuel: 81 tons  Greenhouse gas emission intensity: 8.88 tons of CO <sub>2</sub> eq/sales million net revenue

Due to the threat of climate change, there is a consensus that global greenhouse gas emissions need to be drastically reduced through the end of this century. There is a very high probability that we will see political initiatives and regulations that in various ways force companies to reduce their use of fossil fuels. In Sweden, where we have most of our operations, it is probably within the transportation sector that the phasing out of petrol and diesel-powered transport will take place at a relatively fast pace, depending on the technical development of alternative fuels. We must follow the development, keep track of our goals, and take relevant measures in time to contribute to the total reduction of emissions. During 2022, Roxtec implemented a yearly survey and gathering of sustainability data.

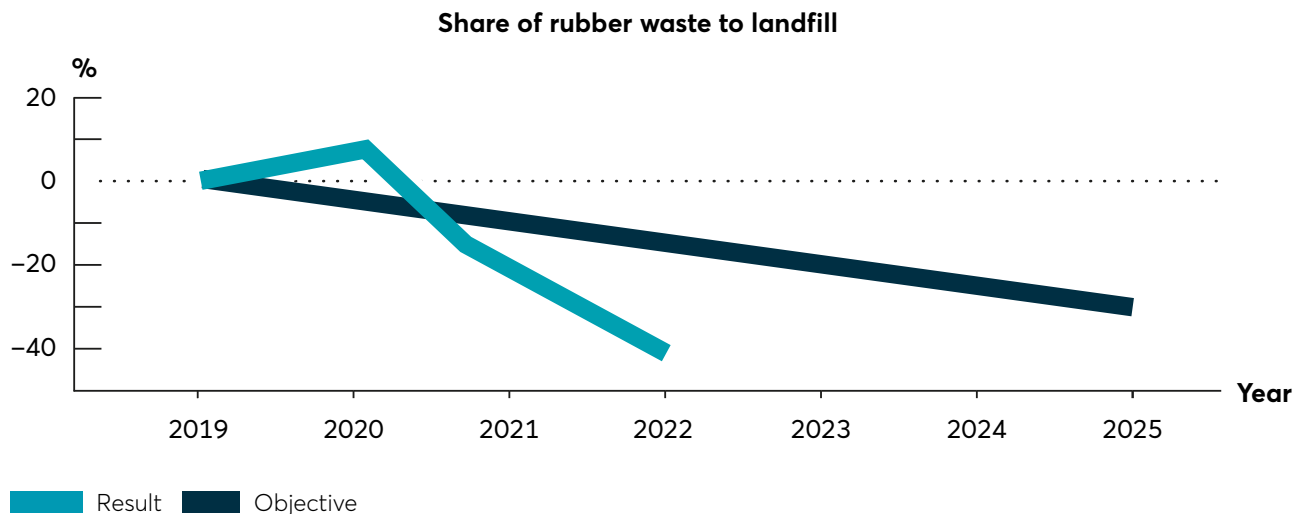
### Sustainable marine fuels

Roxtec has continued to support green sea transportation by insetting in sustainable marine fuels produced from cooking oils and forest residues enabling 90% reduction of CO<sub>2</sub> emissions compared with conventional fuels. During the year, this has lowered the CO<sub>2</sub> emissions with 81 tons for our transportation of goods to our distribution centers in China and Singapore. For full greenhouse gas measurements, see graph on page 11.

### Resource use and circular economy

The Roxtec sealing system contains several different rubber products. These products are hard to reuse or recycle and therefore the use of rubber as raw material is one of our significant environmental aspects. We see a risk of new legal requirements obliging us to secure reuse or recycling of rubber waste, but we also feel that it is a natural step in our sustainability work to recycle and reuse.

Therefore, we have started a cooperation with a selected partner, Ecorub, and have signed a 5-year agreement to secure the future use of our rubber grinding waste. Besides continuing to improve our production process to minimize waste and use less virgin materials, we are investigating how to reuse other rubber residuals from our ordinary manufacturing and thereby further reduce our waste.



Our objective is to reduce rubber waste ending up as landfill by 30% from the project start (baseline 0) in 2019 to 2025.



Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Resource use and circular economy	Waste	Legal requirement on how to handle waste	Code of conduct Environmental policy	Environment and actions related to environment are incorporated in our ordinary processes for product development, design, manufacturing, test, and logistics. These processes are a part of our management system, Roxtec Navigator	Roxtec shall have sustainable supply chains, operations, and products in a circular economy no later than 2030	Rubber to landfill has decreased with 42% compared to 2019  Material utilization for rubber has increased with +2.1% compared to 2020  Total amount of waste (kg) per sales million has decreased with 23% in relation to 2020

## Pollution

Pollution to air from our manufacturing and fire laboratory is appointed as a significant environmental aspect and included in our environment permit. We perform periodical tests of the emissions and secure that we minimize the pollution and keep our obligations in the environment permit.

Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Pollution	Pollution from manufacturing	Exceeding environment permit with the result that we are polluting the environment	Code of conduct Environmental policy	Control program  Environment permit  Maintenance program  Investment initiatives	Fulfilment of environment permit	Result from environment control program fulfils the permit  Environment report accepted by the authorities



# Social sustainability

For Roxtec, it is important to ensure wellbeing and be a part of the development of society, where human rights are at the core. Roxtec is engaged in a wide range of topics related to social sustainability with the following focus areas:

- Occupational health & safety
- Diversity, inclusion, and equal treatment
- Competence development
- Customer health & safety
- Community engagement
- Working conditions and human rights

## **Occupational health and safety**

Roxtec shall be a safe and secure workplace for all employees. Working systematically for a better

work environment is important for our company to constantly improve and minimize risk as well as to mitigate incidents and accidents. Participation in the systematic health and safety work is crucial for a successful work environment management.

Therefore, employees, managers, and safety representatives at Roxtec work together with different activities such as risk analysis, safety inspection, and analysis of incidents to constantly improve and create a safer work environment. Other activities, such as third-party audits, secure that we fulfill national work environmental legislation and contribute to the systematic work.



The main work environmental risks at Roxel are:

- Fire in our premises
- Covid-19
- Injuries in workshops
- Forklift-related activities
- Business travel

### Incidents and accidents

We continued to stay on low levels of incidents and accidents during 2022. We will continue our work to maintain the systematic work within the organization and to enable continuous improvement.

Year	Injuries	LTIFR	TRIR
2019	2	3.3	3.7
2020	4	6.8	3
2021	1	0	0.3
2022	1	1.39	2.8

LTIFR = Lost Time Injury Frequency Rate TRIR = Total Recordable Incident Rate

### Sick leave

Roxel is working in a preventive way to eliminate illness. We cooperate actively with external expertise in case of sick leave regarding rehabilitation measures, and work with internal supporting processes in a proactive manner. The sick leave statistics are calculated through the formula: sick leave time/available working time = sick leave in %.



Sustainability area	Roxel material impact area	Risk	Policy	Governance	Goal/targets	Result
Social conditions/ personnel	Occupational health and safety	A part of 2022: Covid-19  Business travel  Injuries at workshops	Code of conduct  Business ethics  Labor and environmental principles  Global health and safety policy	National legislation and compliant to ISO 45001  Group policy for management of suppliers on compliance with code of conduct	70% of subsidy for wellness should be used No accidents where coworker affects LTIFR (Lost Time Injury Frequency Rate)	Number of incidents and accidents, LTIFR  Sick leave in percentage, see table with LTIFR above

### Diversity, inclusion, and equal treatment

Equal opportunities for all employees are important for Roxtec. We work with this systematically to meet the requirements from coworkers as well as external interested parties. The concept of equal treatment means, in short, that all people have the same value and are to be treated with respect and dignity regardless of gender, transgender identity or expression, ethnic belonging, religion or other belief, disability, sexual orientation or age.

Roxtec shall be a well-functioning workplace where we all have the same good opportunities to succeed and do our very best. No one within the organization is to undergo victimization, harassment, bullying, social exclusion, or sexual harassment.

### Equal treatment survey

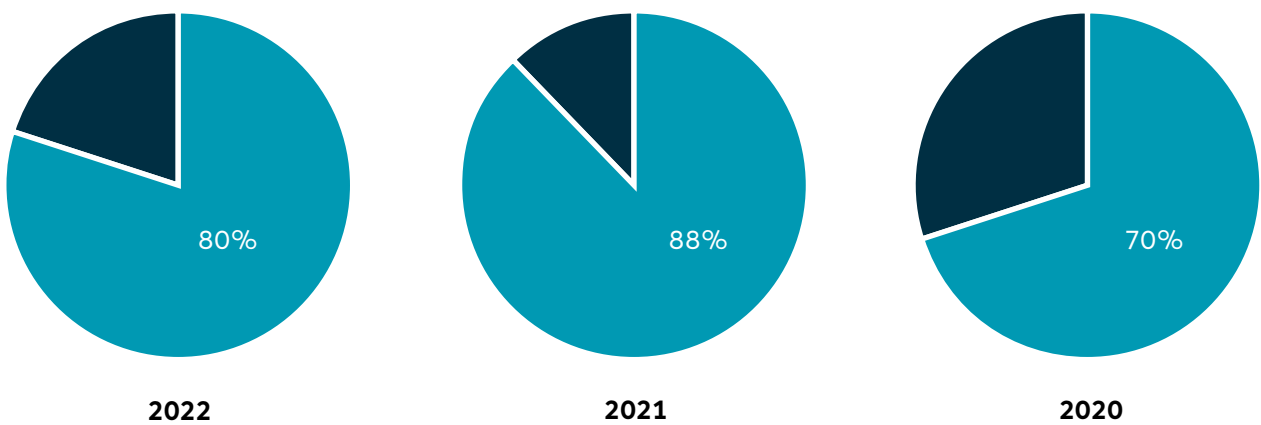
Our latest equal treatment survey took place in the autumn of 2022. It resulted in the following activities:

- Continue our workshops during 2022/2023 focusing on equal treatment from a general perspective reflecting the result of the survey vs. the year before when jargon was in focus.
- Continue our work with diversity in our recruitment process
- Equal treatment is part of the introduction program for all new coworkers
- A new survey will take place during the second half of 2023

### Employee survey

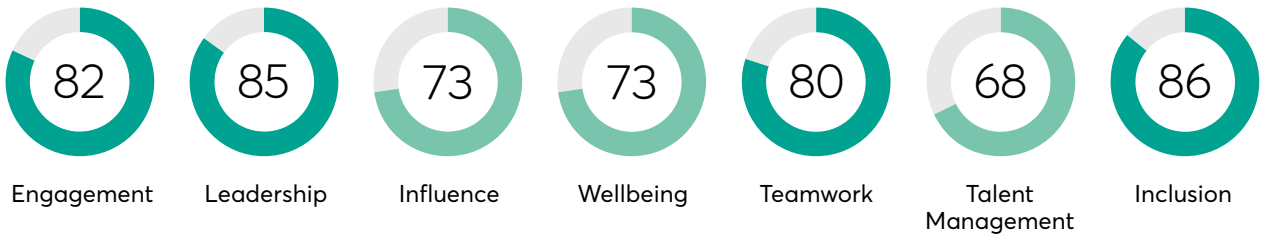
We aim to perform an employee survey yearly. The survey is one of several tools to measure the wellbeing of our organization and our coworkers. The result generates several activities enabling the organization to secure this.

**Response rate Roxtec Employee survey**



## Indexes

Each index is an average value for questions in certain categories. The values use a scale from 0 (lowest) to 100 (highest). The color coding shows how good the result is. Dark green is very good, green is good and yellow is OK, but with a need for monitoring the development. Red is bad – with a lot of possibilities for improvement. A new model is being used for the employee survey and a yearly comparison will be presented the coming year.



### Employee Net Promoter Score

Employee Net Promoter Score (eNPS) is a method for measuring employee loyalty. The question was: “How likely are you to recommend Roxtec as a place to work?” A score above 0 is good, around 20 is great and around 50 is amazing. Imagine having employees that are dedicated and loyal to your organization.

Roxtec result for 2022:



Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Social conditions/ personnel	Diversity, inclusion, and equal treatment	Negative impact on employer branding Legal disputes Impact from customer Roxtec loses competencies	Code of conduct Business ethics Labor and environmental principles Policy for equal treatment 2022	Policy for equal treatment National legislation	There is a zero tolerance for non-compliance and thereby the goal is that zero incidents occur within the Roxtec Group	Employee survey, see page 16 Result analysis: – Survey on equal treatment, see page 16 – Incidents reported, see page 15



### **Competence supply and competence development**

The competencies of our employees must be in line with our business. By creating possibilities for continuous development, we pave the way for both successful recruitment and increased learning. We work with internal as well as external training programs and continuously strive to develop the competence development work. We use functionality in our LMS, [Learning Management System](#), to create a catalogue with a selection of courses and integrate functionality in our LMS with the HR system to enable better conditions for sustainable learning. A global organization must make education available for all employees. We use new technology and have produced a range of e-learning for internal as well as external use as a part of creating a qualitative, efficient, and flexible learning.

Leadership is key for a company that wants to be successful and grow. Therefore, leadership is a focus area for us. We have further developed the Roxtec leadership programs, which create conditions for managers to act in accordance with our core values

and our culture. One of the leadership programs, [Empowering leaders](#), was launched in November 2022. Two more programs will be launched in 2023.

### **Education and skills development**

We find it extremely important to invest in practical and theoretical education. We have a global introduction program that is conducted regularly, a two-step training program for salespeople, a program for sales managers and an educational program for managers. The trainings are crucial for the development of our company culture. They give deeper knowledge and an opportunity for employees to meet colleagues from all over the world.

[Basic Training](#), for example, is an introduction for new employees while [Product & Applications Training](#) is an introduction for inside and field salespeople as well as for customer service and support. Our programs for salespeople have been developed and digitalized with e-learning modules and an improved administrative support, and our program for sales managers and managers of subsidiaries is entirely conducted online.



### Sustainability training

One of Roxtec's three general sustainability goals includes increasing competence within sustainability. We have during 2022 launched a global internal training for key persons within management, product development, purchasing, and production.

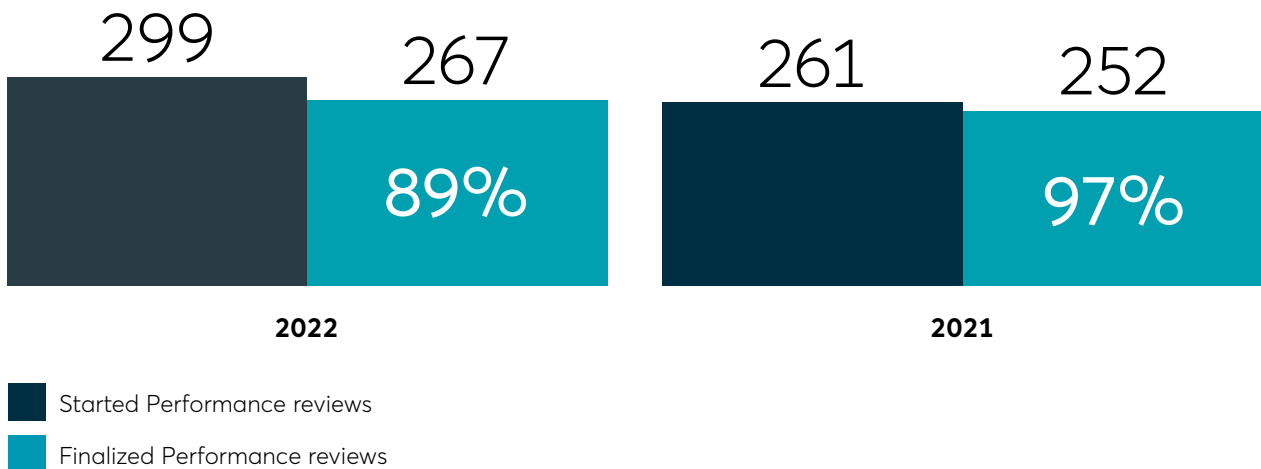
The training provides extended insight into how the socioecological system view for a sustainable society is affected by and has an impact on the business model. Besides formal education, Roxtec creates opportunities for employees to learn from each other in the daily work. This transfer of knowledge is valuable for the continued development of the company.

### Talent management

Performance review is the first part of the Roxtec Talent management process. Through a dialogue, we secure a continued development for each employee, looking at objectives and career opportunities and setting up individual action plans to enable people to grow with the company and meet future challenges. Talent review is the second part. In follow-up meetings with managers/management and HR, we discuss the continued development.

The aim is in line with the Roxtec vision for its employees: "All our employees shall have the possibility to develop their competences so that they can use their full potential". In this transparent process, we can make use of statistics and make analyses in an easy and efficient way. These discussions allow us to create a succession plan to ensure further growth.

Statistics for Performance reviews 2021 and 2022



Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Social conditions/ personnel	Competence supply and development	Losing key employees and competencies  Negative impact on employer branding	Performance review  Talent review	Talent management process and succession plan	Goals 2023: All employees should have done sustainability training (e-learning) 2023  New leadership training should be launched 2023  Continuous development program up and running Q2 2023	Sustainability training launched in December 2022  All employees have a development plan  Performance review meetings held, see table on page 19

### Customer health and safety

By supplying products that are tested and approved towards several different threats and risks, we help customers protect life and assets. There are examples on when fire onboard vessels and water ingress have been mitigated using Roxtec systems. Our cable and pipe seals help improving health and safety aspects within many areas (read about certified protection on page 21), and it is vital for us to continue to provide high-quality solutions.

Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Social conditions/ personnel	Customer health and safety	Business impact  Damage on brand	Design guidelines	Product development regulations  Standards/testing  Third-party certification	Roxtec products should support customer from a health and safety perspective	Test results, see picture on page 21

# Certified protection

The Roxtec system provides protection against:

## Fire

Secure certified fire protection.  
Prevent smoke from spreading.

## Gas

Guarantee full sealing against air and gas pressure.

## Water

Avoid water ingress.  
Prevent humidity, flooding, and corrosion.

## Pressure

Protect against catastrophic pressure and constant pressure.

## Electricity related danger

Protect against EMI, EMP and the effects of lightning strikes.

## Particles

Take control of dirt, dust, chemicals, and fumigants.

## Pests

Prevent snakes, insects, and other rodents.

## Blast load

Protect against vibration, shockwaves, and the risk of explosion.

### Community engagement

Since our goal is to make the world a safer place, we have a clear strategy also for CSR, Corporate Social Responsibility. We are determined to fight poverty by encouraging entrepreneurship. We are, for example, partnering with the non-profit organization Hand in Hand to fight poverty in rural India.

### Sponsoring villages in India

We have been engaged in collaboration projects in Kurumbapatty (2015-2017) and Bhilai (2018-2020) and are currently supporting a project in Mogra Kalan in the Jodhpur district of Rajasthan.

As sponsor of Hand in Hand's Village Uplift Program, which provides help today, and self-help abilities for tomorrow, we support improvements in mainly five focus areas:

- Child labor elimination and school for dropouts
- Self-Help Groups and microfinance for women
- Internet access and grass-root level democracy
- Health education and free medical examination
- Environmental solutions for waste and resources

### Positive impact from the Roxtec sponsorship

The fast progress in Mogra Kalan is encouraging. During the first six months of the program, 40 new companies and 40 new jobs were created as well as 15 new Self-Help Groups involving 150 women. Dozens of project participants had got access to microloans for family-based enterprises.

One objective is to help villagers develop opportunities for sustainable income. Among the activities are the formation of Self-Help Groups for women empowerment and trainings in skill development, business development and trade. In addition, mass awareness programs give a better knowledge of health and sanitation and a better understanding of social and civil rights.

The child labor elimination program provides help for educationally weaker children and brings children who are engaged in child labor back into education.

Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Social conditions	Community engagement	Effects on employer branding	Community engagement policy (to be developed)	CSR policy	Create a new policy during 2023	Engagement in projects: Hand in Hand, Missing People, etc.



## Working conditions and human rights

The Roxtec Code of Conduct applies to all employees within the Roxtec Group and training in the code of conduct is part of the onboarding process for all new employees. The code of conduct is, together with our other policy documents, based on national legislation, international human rights, and conventions within ILO (International Labour Organization). Compliance with the code of conduct is ensured in the contracts with our suppliers.

We evaluate a large part of our contracted partners regarding human rights so that they meet our ethics, labor rights and environmental principles. Our partners, such as distributors and suppliers, have signed a clause in their respective agreements in which they promise to act in accordance with Roxtec principles, which consist of a resumé of the Roxtec Code of Conduct and accompany the agreements as an appendix.

The one who violates the guidelines, also violates the agreement, which gives us the right to finalize it without delay. We are developing the process with routine evaluations of existing suppliers worldwide

to control their compliance with the guidelines based on the code of conduct. We are developing the evaluation as we have seen a risk for us not getting satisfactory insight into all contracted partners.

Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Human rights	Working conditions/ human rights	Effects on brand and employer branding  Loss of business	Code of conduct  Business ethics  Labor and environmental principles	Evaluation of partners  Sourcing instruction  Group policy for management of suppliers on compliance with code of conduct  Supplier self-assessment  ILO and national legislation	There is a zero tolerance towards activities violating human rights within Roxtec Group as well as within supplier organizations  Create a human rights policy  Goal 2023: Launch a human rights policy during 2023	Whistleblower statistics – reported incidents/ actual incidents identified , see page 25



# Anti-corruption

Roxtec operates on a global market in many different countries and in many different types of industries which all in all expose the company to various red-flag environments in relation to corruption. With a strong market brand and with a mission of protecting life and assets, anti-corruption is of strategic importance. The company, our employees and our suppliers are all expected to hold a high degree of business ethics. There are many risks related to making mistakes within corruption, including negative impact on the brand, negative impact on customer relations and general negative public exposure. Roxtec has zero tolerance for bribery and corruption. This is clearly stated in the Roxtec Code of Conduct and the company's Business Ethics Guidelines. The goal is that the company shall have zero corruption-related cases.

## **Code of conduct training**

The Roxtec Code of Conduct has been communicated to all employees. All employees shall also undergo training in the code as part of their onboarding program and then every fifth year during their employment. By the end of 2022, 84% of all employees had completed the training. Being a growing company, we have several coworkers in our onboarding process in which our code of conduct training is one part to be performed.

Suppliers are also expected to follow the Roxtec Code of Conduct and the Business Ethics Guidelines. These guidelines, and a confirmation that the supplier shall comply with the guidelines, shall always be part of all major supplier agreements. If a supplier is directly or indirectly violating the code of conduct, Roxtec will terminate the cooperation. Roxtec is currently making internal compliance audits or compliance due diligence of suppliers on an ad-hoc basis. The goal is to set up a structured supplier due diligence process during 2023.

### Whistleblowing system

Roxtec has a strong and solid whistleblowing system which includes defined processes in accordance with the latest European Union legislation. The system allows employees and other external stakeholders to anonymously report suspicions of corrupt behavior through the external web site or other channels. No whistleblower cases of corruption or other misbehavior have been reported and investigated at Roxtec during the years 2019, 2020, 2021 and 2022.

The Roxtec Corporate Governance Committee ensures coordination of activities related primarily to governance of anti-corruption prevention work and whistleblower cases.

Sustainability area	Roxtec material impact area	Risk	Policy	Governance	Goal/targets	Result
Anti-corruption	Bribery and corruption	Negative impact of the brand, customer relations and negative public exposure	Code of conduct Business ethics Labor and environmental principles	Whistleblowing function Internal and external audits Regular processes	Zero tolerance towards any type of corruption	Number of incidents reported Number of actual incidents identified and how these have been handled See page 24-25



# Facts and figures

## **Founded**

By Mikael Blomqvist in Sweden in 1990

## **Headquarters**

Karlskrona, Sweden

## **Ownership**

Privately owned by Mellby Gård Holding AB

## **CEO**

Magnus Holmberg

## **Chairman of the Board**

Hans Stråberg

## **Sales fiscal year 2022**

1 652 MSEK (2 433 MSEK in total for the Roxtec Group)

## **Inventions**

Multidiameter™ and the Roxtec sealing system

## **Registered product certificates**

More than 250

## **Registered tests and approvals**

More than 500

## **Local presence worldwide**

Customers in more than 80 markets

## **Number of subsidiaries**

28 in the Roxtec Group

## **Certifications**

SS-EN ISO 14001:2015 and SS-EN ISO 9001:2015

## **Registration number**

556370-8063

## **VAT number**

SE556370806301

## **Average number of employees, fiscal year 2022**

301 (846 in total in the Roxtec Group)



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# Protecting life and assets