



CORPORATE SOCIAL RESPONSIBILITY

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Beijer Alma's view on corporate social responsibility (CSR) is based on the UN Global Compact and other international agreements and guidelines. To clarify these values for our employees, suppliers and customers, we have introduced a Code of Conduct that describes how we take responsibility for the impact that our operations and products have on both the environment and society.

Far-reaching responsibility – the cornerstone of our efforts to achieve profitable growth

BEIJER ALMA'S MOST IMPORTANT BUSINESS OBJECTIVE IS PROFITABLE GROWTH. This is how we ensure the long-term success of the Group. To be able to grow and develop, we must take a responsible approach to business. This entails that we accept a clear responsibility for people and the environment – for example, by limiting our environmental impact. At the same time, our employees must feel that our workplaces are safe and conducive to personal growth, since this benefits not only the employees themselves, but the Group as a whole. We must also establish a relationship of trust with our customers, suppliers and other stakeholders, who are also part of our business.


We have established a Code of Conduct to serve as a guide. Since we always strive to make continuous improvements, the Code of Conduct has been revised. The Code is now linked to the UN Global Compact, which means that we – as a participant in the Compact – follow the UN's Ten Principles, which relate to the environment and CSR. We have also introduced a "whistleblower function", which can be used by employees if they discover any improprieties that they find difficult to handle within their own organization.

We are becoming an increasingly international group. As such, we are facing growing demands with respect to CSR. The information in this brochure should make it easier for all of us to assume this responsibility. After all, it is through our daily actions that we can make a difference and show that sustainability is about more than simply talking the talk. On this note, I would also like to emphasize the importance of a sound corporate culture, where openness, tolerance and access to information are natural characteristics that help to drive our sustainability efforts.




Bertil Persson
President and CEO of Beijer Alma

“OUR CORPORATE CULTURE IS BASED ON decentralized working practices, with great significance attached to the role of the individual. By focusing on the individual, Lesjöfors also emphasizes the importance of CSR. This includes everything from working conditions and our external environmental impact to business ethics, areas for which we assume responsibility and show consideration – for both current and future generations.


Kjell-Arne Lindbäck, President of Lesjöfors



“OUR CUSTOMERS, EMPLOYEES AND OWNERS expect Habia Cable to assume clear responsibility, take a proactive approach to environmental issues and comply with business ethics and social guidelines. Since we conduct sales in some 50 markets, we must also be able to demonstrate that we apply the same responsible approach in all areas in which we operate.


Carl Modigh, President of Habia Cable



“OUR BROAD PRODUCT OFFERING and strong technical expertise contribute to increased productivity, which reduces our customers' environmental impact. To ensure that we have the best offering in the market, we work closely with our leading suppliers to set high standards for product quality and environmental impact. Our positive work environment and high business ethics also contribute to employee and customer satisfaction. In this way, CSR strengthens Beijer Tech's competitiveness.


Staffan Andersson, President of Beijer Tech



Corporate social responsibility

Beijer Alma's ultimate objective is to create added value for its customers, shareholders, business partners and employees. This involves contributing different forms of financial benefits, such as improved profitability and competitiveness for customers, attractive returns for shareholders and market-based salaries and conditions for employees. We must create added value without compromising our aspirations concerning quality and sustainable development. Accordingly, environmental responsibility, social responsibility and a high level of business ethics are natural elements of our daily operations and of the Group's long-term strategy.

Our view on CSR is based on the UN Global Compact and other international agreements. The standard for social responsibility (ISO 26000) also provided guidance in the formulation of our Code of Conduct. The Code describes how we take responsibility for the impact that our operations and products have on both society and the environment.

PEOPLE AND SOCIETY, THE ENVIRONMENT AND ETHICS

The Code of Conduct focuses on three areas: *people and society*, *the environment* and *ethics*. It also summarizes the Group's approach with respect to suppliers, quality and product liability, and thus outlines our efforts to create a sustainable value chain.

The Code describes our approach to each area and the contributions that all employees must make in order to fulfill this vision. While the Code itself provides support, we are only able to truly clarify our aims and make a difference when it is applied in our daily operations. This is thus a responsibility that we must assume together.

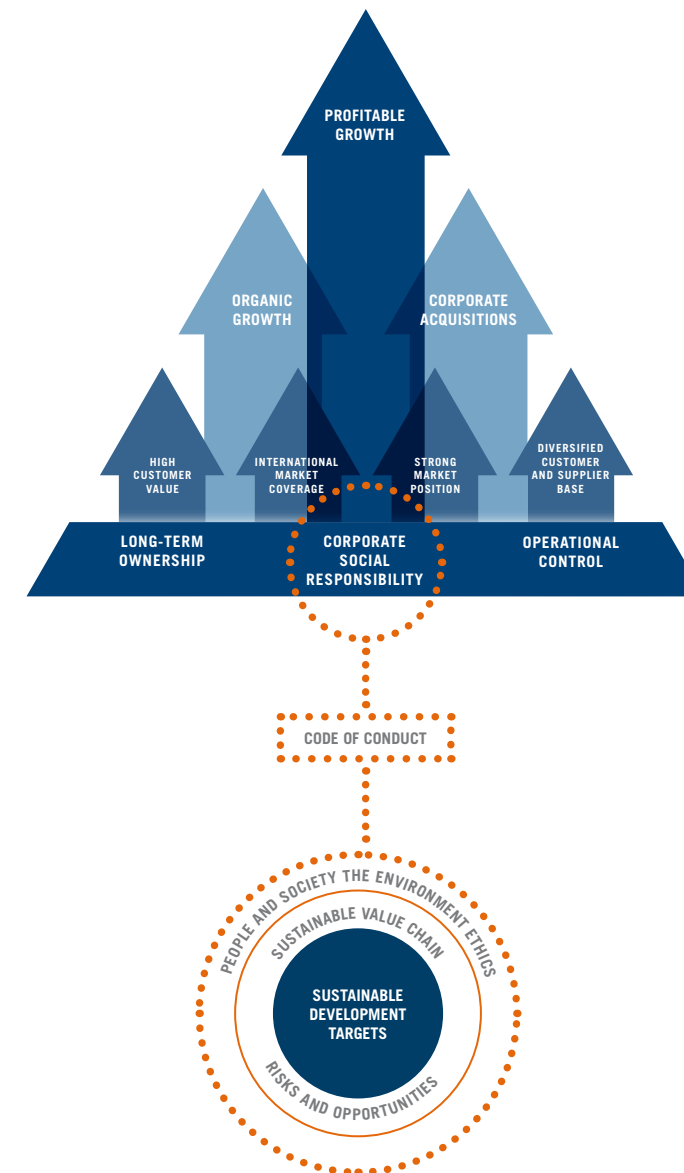
Through our Code of Conduct:

- We comply with legislation, the UN Global Compact, the UN Convention on the Rights of the Child and other international agreements and guidelines.
- We take the financial expectations of our stakeholders into consideration, and create customer and shareholder value.
- CSR is integrated throughout the Group and is practiced in relation to employees, customers, suppliers, owners and other stakeholders.
- We contribute to sustainable development, including health and social welfare.

APPLIES TO EVERYONE

Alongside our corporate governance regulations and the Group's other guidelines, the Code serves as a framework for us. It applies to all Beijer Alma employees, managers and Board members, regardless of where they are in the world. We expect our suppliers to familiarize themselves with the Code of Conduct and apply similar guidelines in their own operations.

BEIJER ALMA'S STRATEGY FOR PROFITABLE GROWTH



When it comes to our CSR strategy, the Code of Conduct plays a defining role in how we look at issues pertaining to people and society, the environment and ethics. Based on this approach, we identify risks and opportunities, establish sustainable development targets and address all parts of the value chain in a consistent manner. This is how we create profitable and sustainable growth for Beijer Alma.



RESPECT FOR HUMAN RIGHTS

- We treat all employees fairly and with dignity and respect.
- We do not distinguish between our employees on the basis of religion, gender, age, disability, sexual orientation, nationality, political opinion, social background or ethnic origin.
- We support and promote diversity.
- We do not tolerate harassment, threats or discrimination.
- We respect all employees' right to freedom of association.
- We do not permit child labor, illegal labor or forced labor.

HEALTHY WORK ENVIRONMENT

- Our operations are to be conducted so that environmental and work environment legislation is followed with an ample margin.
- We have a vision of zero tolerance when it comes to workplace accidents and do not compromise on workplace health and safety.
- We take a preventive and systematic approach in order to create a healthy, safe work environment.
- We offer our employees opportunities to develop their professional knowledge and skills.

CLEAR SOCIAL COMMITMENT

- When possible, we become involved in the communities in which Beijer Alma operates. We also endeavor to recruit and develop local employees and managers.
- We prioritize support and sponsorship of organizations that share our values and benefit the communities in which we operate.
- We participate in collaborations and projects with schools, universities, research institutes and industrial networks.
- We take a neutral stance on political issues. The name of the company and Beijer Alma's financial resources are not to be used in political contexts.

The Ten Principles of the UN Global Compact help us to direct focus to areas that are important to us and our stakeholders, such as reducing our environmental impact, safe workplaces, respect for human rights and sound business principles.

ENVIRONMENT



PREVENTIVE ENVIRONMENTAL ACTIVITIES

- Our operations are to be conducted so that environmental legislation is followed with an ample margin.
- We are to have suitable long-term planning in place for new legislation and identify requirements and requests from customers and other stakeholders well in advance.
- We take a preventive approach and focus on long-term objectives to reduce our impact on the environment. We use the prudence principle to guide this work.
- We endeavor to reduce our emissions of climate-impacting gases. We assess how climate change affects our operations by performing regular analyses.
- We use water, energy, materials and other natural resources efficiently, economically and with a focus on sustainable development.
- We take environmental and health aspects into consideration when procuring raw materials, chemical products, packaging and distribution services.
- We remain well prepared in the event of an emergency by systematically identifying and assessing risks with respect to accidents, fires and uncontrolled emissions to the environment.
- We provide open, regular and factual information about our sustainability efforts.
- We take a systematic approach to environmental issues. Certified environmental management systems in accordance with ISO 14001 are to be in place at all relevant units.

By employing a systematic and targeted approach to environmental issues, we generate both business and environmental benefits.





SOUND BUSINESS ETHICS

- We impose demands on honesty and honorability throughout our operations and expect the same of our business partners.
- Bribes are prohibited. All forms of compensation to agents, suppliers and partners must only be for actual goods or services.
- Gifts and other benefits may comprise an element of conventional hospitality but may not exceed local customs and must be completely in line with local legislation.
- All Group units and employees must observe and comply with competition laws.
- All employees are to avoid conflicts of interest between private financial matters and the company's business activities.
- All business transactions conducted in a Group company must be clearly visible in the company's accounts, which must be managed in accordance with the Group's regulations and in line with international accounting standards.
- We have a whistleblower system in place to ensure that our employees are able to report major improprieties without a risk of reprisal.

RESPONSIBILITY TO SHAREHOLDERS

- We protect shareholders' investments and strive to secure competitive returns. Our corporate governance is to provide the preconditions for active and responsible ownership, a well-balanced delegation of responsibilities between General Shareholder Meetings, the Board, the CEO and the auditors, as well as openness and transparency toward all stakeholders. The relationship between Beijer Alma and its shareholders is based on the following principles:
- The return on shareholders' invested money is always taken into consideration when making decisions on guiding strategies and various courses of action.
- We keep shareholders well informed of the Group's operations, earnings, risks and strategies. Such information is provided in accordance with the regulations for the stock exchanges on which the Beijer Alma share is listed.
- Information that is important to our stakeholders is to be provided as quickly as circumstances allow.

WELL THOUGHT-OUT COMMUNICATION

- Our communications should be straightforward and honest, and comply with the prevailing legislation, regulations and norms. We are to communicate openly and correctly within the framework of appropriate business confidentiality.
- We maintain close relationships with our stakeholders, with communication based on regular contact, clarity and a high ethical standard.
- We respect the right of our employees to speak freely about circumstances that concern them personally. With respect to issues regarding Beijer Alma's operations, only representatives of the management team in question are permitted to speak on behalf of Beijer Alma. Accordingly, all inquiries about Beijer Alma's operations should be referred to local management, the management team for the subsidiary in question or Group management. All external information that could affect the share price is to be presented by the CEO or CFO.

To help us attract and retain employees, we aim to show that the environment, CSR and sound business ethics are part of Beijer Alma's fundamental values. Simply put, we aim to be a good company to work for and with.

Sustainable value chain

SUPPLIERS

- We collaborate with suppliers who agree to comply with our Code of Conduct and quality requirements. We expect that they, in turn, will apply the same values and requirements to their own suppliers.
- We want our suppliers to strive toward ensuring that their operations, products and services have no negative impact on the environment, people's health and society.
- We encourage our suppliers to introduce certified management systems for quality, the environment and work environment.
- We regularly follow up our suppliers' performance in terms of sustainable development. If they do not fulfill our requirements, improvement measures must be implemented or the collaboration is terminated.

RIGHT QUALITY, PRODUCT SAFETY AND ENVIRONMENTAL ADAPTATION

- We aim to always meet our customers' requirements, needs and expectations by delivering services and products with the right quality.
- Our products are to meet agreed, statutory norms and health standards concerning use.
- Information on how our products are to be used must always be correct and clear in terms of, for example, safe and environmentally friendly installation, maintenance, storage and, ultimately, disposal.
- We take into consideration all aspects regarding the quality and safety of our products and offer products and solutions that contribute to reducing our environmental impact.
- We take a systematic approach. Certified quality management systems in accordance with ISO 9001 – and/or industry-specific certification systems – are to be in place at all relevant units.

To ensure that our sustainable development activities are successful, we work together with and impose demands on our suppliers. We also meet our customers' demands with respect to the quality of our products and services.

Corporate social responsibility in daily activities

POLICIES PROVIDE GUIDANCE

- The Code of Conduct captures Beijer Alma's fundamental values. The Group companies are to prepare their own detailed policies for such areas as the environment, work environment, quality and communications. Such guidelines are to be formulated within the framework of the companies' management systems. The ambition level should match that of the Group's Code of Conduct.

ORGANIZATION AND RESPONSIBILITIES

- The CEO assumes ultimate responsibility for the application of CSR. The Group is also to hold training courses, distribute information and perform follow-ups to ensure a good understanding of the Code of Conduct. In daily business activities, responsibility for the application of the Code is delegated to the presidents of the Group companies. The Code is to be included in the companies' internal training programs. Managers are to act as role models when it comes to applying these guidelines.

CONTINUOUS IMPROVEMENTS

- The Code of Conduct is largely based on the goal of making continuous improvements. Systematic activities enable us to reduce our environmental impact, improve our work environment and implement other improvement measures. Preventive measures and the application of the prudence principle are important to us.

ZERO TOLERANCE

- In certain areas of the Code, we apply a zero-tolerance policy for deviations – for example, compliance with legislation, respect for human rights and issues regarding bribes, corruption and competition laws.

MANAGEMENT SYSTEMS

- Environmental (ISO 14001) and quality (ISO 9001) management systems are to be in place at all production units and in other operations that may require certified management systems. The management systems at units with a small number of employees do not need to be externally certified. In the future, we will introduce a management system for health and safety.

FOLLOW-UP AND REPORTING

- We regularly follow up our companies' work on sustainable development and CSR. Follow-ups take the form of annual questionnaires, feedback and formal audits. The Group's performance is presented in the Sustainability Report, Annual Report and on the company's website. The Sustainability Report is prepared in accordance with international

guidelines and meets the requirements of the UN Global Compact with respect to regular reporting of the Group's measures and performance.

OPERATIONAL CONTROL

- Efficient operational control, long-term ownership and CSR are the tools used to pave the way for value creation. Such value creation is based on the delivery of products and services that have a high level of customer value, meaning that they improve, enhance the efficiency of, strengthen, generate savings for or otherwise develop the customer's operations. When our companies deliver such customer value, they can improve the margins on their products and services, which increases profitability and, ultimately, the value of the companies and the Group. Greater value is thus generated for Beijer Alma's shareholders.

Efficient governance is based on responsibility, openness, ethical behavior, respect for our stakeholders' operations and on the prevailing legislation. Our decision-making tools are based on the following:

- The efficient use of financial resources, natural resources and human resources.
- Striving to maintain a corporate culture in which environmental and social responsibility are applied and encouraged.
- Balancing our long-term strategy with the requirements and views of society and stakeholders.
- Communicating with our stakeholders regarding sustainable development and listening to their points of view.

Analyzing and presenting CSR performance is part of our effort to continuously improve. It creates value for us, our customers and other stakeholders.

Whistleblower system

Beijer Alma's whistleblower system gives all employees the opportunity to report major improprieties without a risk of harassment or reprisal:

- Major improprieties include unethical or illegal behavior, fraud and serious breaches of the Code of Conduct, such as bribery or discrimination against an employee.
- The whistleblower system is not to be used to report general dissatisfaction or issues that could be resolved by contacting the people involved directly. False accusations will not be tolerated and could result in disciplinary action.
- People who witness or suspect that a major impropriety has taken place – and who feel that they cannot report the incident to management or the relevant manager – can send an e-mail to whistleblowing@beijeralma.se. The same applies if a complaint has been reported, but not had the desired effect.
- E-mails are then dealt with by a recipient who can freely act on the information provided and ensure that an investigation is initiated.

A whistleblower system allows major improprieties to be reported. The information provided enables the report to be investigated and appropriate actions to be taken.



Glossary

Climate change: The Code of Conduct refers to climate change caused by emissions of greenhouse gases from Beijer Alma's use of energy. This includes the heating of buildings, transportation and purchased electricity.

Code of Conduct: A code of conduct comprises voluntary guidelines for how a company or an organization is to conduct its operations in an ethically, socially and environmentally sound manner. Beijer Alma's Code of Conduct is based on such documents as the core conventions on labor standards of the International Labor Organization (UN labor rights body), the UN declaration of human rights, the UN Convention on the Rights of the Child, and the Ten Principles of the UN Global Compact. We also gained inspiration from the ISO 26000 standard on social responsibility.

Environmental management system: An environmental management system is used to realize an organization's environmental policy and to manage environmental aspects. The aim is to reduce the organization's environmental impact through continuous improvements. Beijer Alma applies ISO 14001 – an international standard for environmental management systems.

Prudence principle: The prudence principle means that in situations where we suspect the existence of environmental and health risks but do not possess sufficient knowledge of these risks, we do not postpone or refrain from making decisions on suitable protective measures.

Quality management system: ISO 9001 is based on a number of fundamental principles and is used by millions of organizations worldwide. The standard recommends that organizations base their operations on the needs of their customers and review their internal work practices to reduce costs. An organization may be certified once all requirements are met. Many companies in the Beijer Alma are certified in accordance with ISO 9001.

Sustainable development: Sustainable development can be seen as a balance between finances, social factors and the environment. Sustainable development is about satisfying current needs without jeopardizing the ability of future generations to satisfy their needs.

UN Global Compact: The Global Compact initiative was launched in connection with the World Economic Forum held in Davos, Switzerland, in 1999. The aim of the Global Compact is to encourage companies to take an active responsibility for ten internationally recognized principles in four areas: human rights, labor rights, the environment and anti-corruption. Beijer Alma joined the Global Compact in 2015.

Whistleblower system: A whistleblower system allows employees to report – or “blow the whistle” on – incidents in the Group. The system is to be used when serious improprieties are discovered and employees do not feel it is possible to report the incident through their own organization.

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