



Sustainability targets and outcomes 2019

Sustainable development and production are natural elements of Nederman’s business activities. Although the greatest environmental impact stems from our customers when they use our air filtration solutions during extended operations, it is essential that we can show tangible progress in our own business.

The internal collection of data is mandatory for all production units and is primarily carried out through quarterly reports and reviews. An important part of this work is also to explain openly Nederman’s results within the central sustainability areas.

In 2019, we revised our sustainability strategy and expanded the targets and key figures.

Targets and outcomes 2019

Area	Focus	Outcome 2019	Targets and KPIs
Climate and Energy	Consumption of electricity	<p>The accumulated result in 2019 still shows a positive trend.</p> <p>The cumulative reduction 2014 - 2019 was 22%, already in line with the target for 2020.</p>	The target is to reduce the consumption of electricity in production by 20%, in relation to turnover (kWh/thousand SEK), compared with 2013.
	Total energy consumption	<p>The accumulated reduction between 2014 and 2019 was just over 20 %. In other words, already in line with the target.</p> <p>The installation of a solar cell system on one of the production units (an</p>	More efficient energy use, enabling consumption to decline by 20 % by 2020, compared with the average for 2013. The Group-wide performance measure is kWh/net sales, and the production units work with locally adapted

		application has been filed for yet another) is one example of an activity intended to further enhance efficiency.	<p>targets and performance measures.</p> <p>All production units must present an activity plan for reducing energy consumption.</p>
	Carbon dioxide emissions	The reduction of carbon dioxide emissions from air transports showed a continued positive trend. The accumulated reduction between 2014 and 2019 was 16,8 %.	Emissions of the climate-affecting gas carbon dioxide are to decline by 20 % by 2020, compared with the average for 2014. This target refers to carbon dioxide emissions from goods transports by air.
	Climate impact in accordance with Science Based Targets initiative	<p>Carbon dioxide emissions from manufacturing units show a positive trend, which is followed by a reduction in energy consumption.</p> <p>Scope 1: 2019, total greenhouse gas emissions from fuel combustion in manufacturing, 810 tonnes (571)</p>	Nederman aims to reduce the Group's Scope 1 and 2 climate impact by 20 % by 2020 and by a total of 50 % by 2022.
		<p>Scope 2: 2019, total greenhouse gas emissions from purchased electricity in manufacturing, 5 023 tonnes (5 054)</p>	
Resource efficiency	Quality failure costs	<p>In 2019, the value was 0,35% (compared with 0,39 in 2018). The negative trend since 2016 has been broken.</p> <p>This also has a negative impact on the other sustainability targets such as consumption of electricity, among other things, because of the re-working and carbon dioxide emissions from air</p>	The targets is to do things correctly from the start in order to use resources effectively. Cost related to quality problems in production, in relation to turnover, compared with 2013 should be <0,3% by 2020.

		freight to resolve errors internally between units and delayed delivery times. For the above reasons, the resource efficiency target is under additional focus for improvement.	
	Waste recycling	The outcome for 2019 shows a continued negative trend. The degree of recycling amounted to 92,1 % (93,7), compared with the target of 94,5. The total amount of waste in relation to net sales increased, partly because previously stored waste was discarded at a few units during the year.	The amount of waste is to continuously decline in relation to net sales. The share of recycled waste is to increase by 95 % by 2020, compared with the average for 2013.
Health and safety	Accidents	From an industrial perspective, our accident frequency rate is low. In 2019, there were 38 accidents, that led to at least one day's absence, none of which had a fatal outcome or resulted in lifelong injuries.	The number of workplace accidents is to be minimized and we have a "zero vision" in this area. All units are to have functioning systems for reporting and addressing accidents and incidents.
	Sick leave	For 2019, sick leave averaged 2,0%, which is clearly better than the target. Statistics pertaining to absence due to illness indicate a positive trend since 2017, even when taking acquisitions into account. At the end of 2019, the rate of absence due to illness averaged 1,6 % - well below our target.	The target for absence due to illness is set at <2,5 %.
	Gender diversity	The share of women in the organisation as a	Nederman strives to achieve a balanced mix of

		whole is 20 % (20). In a technical sector like the one in which we operate, it is a challenge to realise the target of increasing the share of women.	ages, ethnicities and genders within the Group. The target is to increase the share of women at all levels in the Group.
Product development	New products	All launches in 2019 are deemed to have achieved the target of a reduced environmental impact.	Environmental impact is to be assessed and minimized for 100 % of all new products according to the Group's product strategy plan.
Regulatory compliance	Anti-corruption and anti-fraud, as well as discrimination, human rights, child labor and forced labor	Zero cases (0) have been reported in 2019 of material violations of laws and permits that have led to legal consequences or fines. For more specific information on outcomes in the area of compliance, see the separate table, "Outcome in 2019 in the area of Compliance".	Nederman has zero tolerance for bribery, corruption, cartel or other criminal behavior, the occurrence of child labor or forced labor and discrimination.
	Customers	A large portion of Nederman's customers have detailed requirements concerning sustainable development. During the year, assessments and audits were carried out at sales companies, among other places. None of these assessments and audits have prevented the customers from doing business with Nederman.	Customer requirements and social responsibility are to be satisfied by a healthy margin.
	Suppliers	Nederman met the defined target level in 2019. Refer to table below to read about how supplier audits strengthen the review activities.	The target is only to work with suppliers that comply with the relevant parts of Nederman's Code of Conduct, 100% in 2020.

		<p>At the end of 2019, the share of suppliers that have ascribed to Nederman's Code of Conduct for Suppliers was 93 % (compared with 86 % in 2018). Suppliers' compliance with this requirement is checked through audits and other measures. Some 56 (50) supplier audits were carried out in 2019.</p> <p>During the year, Nederman's Code of Conduct has been evaluated and strengthened.</p>	
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The Clean Air Company

Our promise - contributing to a sustainable future

Clean air is a cornerstone of sustainable production. Our customers want to boost profitability by making their operations as efficient as possible. They want to meet high environmental standards and keep employees safe from fumes and dust. Nederman can help them on all counts. That's how we create value.

The Clean Air Company - Vision 2025

Nederman celebrated its 75th anniversary in 2019. From the very beginning, the business idea was clean air. Today, the environment and sustainability are more relevant than ever and the demands are increasing to contribute actively to more efficient production and reduced emissions in industry. The next generation of solutions for clean industrial airflows is under development. Nederman is at the forefront of this development.