

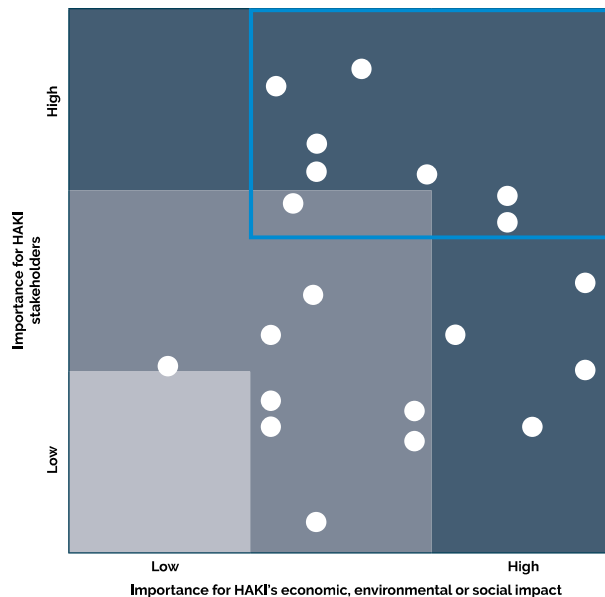
# HAKI SAFETY'S STRATEGY FOR SUSTAINABLE DEVELOPMENT

**Sustainable workplaces, referring to safe workplaces, are at the heart of all of HAKI Safety's activities, and the Group's safety solutions are the result of decades of experience and knowledge.**

The Group contributes to the circular economy by designing its products for long life and easy recycling. New products are also compatible with older ones to minimise waste. By using efficient production methods, such as robotic welding, HAKI Safety saves energy, reduces waste and ensures a safe working environment.

The safety aspect applies not only to the products and solutions that the Group offers its customers, but also to the internal culture of HAKI Safety. Moreover, the Group strives to be a model of ethics and equality in its industry.

## STAKEHOLDERS



## Materiality analysis

A materiality analysis was conducted in 2019 for the former Midway Holdings' largest holding, HAKI. The analysis helped to identify the HAKI's key sustainability issues, and how these relate to the UN Sustainable Development Goals.

The safety products and solutions companies acquired since 2019 have successively aligned with the sustainability commitments and associated activities, operational targets and metrics that were subsequently identified. Together with HAKI, they accounted for 85 percent of the Group's sales in 2023.

The materiality analysis was based on the following areas:

- Environmental impact
- Economic impact
- Social impact

Climate emissions, waste, and hazardous waste management were considered essential in relation to the environment. Sustainable procurement became the economic impact activity considered most essential and an area for the group to prioritise. Most material areas were categorised under social impact: corruption and bribery, decent working conditions, equality, health & safety, and human rights.

All areas are described in the following pages, some of which are presented with quantifiable outcomes.

## Three sustainability commitments

Through its three sustainability commitments, HAKI Safety will be:

- a partner that takes environmental responsibility by playing an active role in the sustainable development of the industry



- a leader in safety that takes social responsibility by striving to provide safe and healthy working environments



- a responsible Group that, through its governance, is a model of ethical business practices and gender equality in its industry



Based on these commitments, several concrete activities, operational objectives and measurement points have been identified.

A double materiality analysis will be conducted in 2024 and a new sustainability strategy with associated targets will be presented during the year.

HAKI Safety's portfolio companies were not included in the 2019 materiality analysis. A separate double materiality analysis will be conducted in 2024 for the remaining portfolio company within the Group.

**Overall responsibility**

The Board of Directors has ultimate responsibility for the Group's sustainability work. From 2024, it will be regularly involved in the Group's development in a number of key areas. The ambition is to introduce sustainability reporting in the Group's quarterly reports in 2025.

**Governance and operational responsibilities**

The organisation and governance of HAKI Safety's sustainability work will be strengthened and clarified in 2024 with the introduction of an internal Sustainability Steering Group headed by the Sustainability responsible and consisting of employees with responsibilities from the three different focus areas: Environmental Responsibility, Social Responsibility and Governance. The Sustainability responsible is part of the Group Management Team, which meets monthly.

**ORGANISATION**



The main policy documents related to the Group's sustainability management are:

- Group Code of Conduct
- Supplier Code of Conduct
- Sustainability Policy
- Whistleblower Policy
- Business Continuity Policy
- Financial Policy (tax related)

**Climate-related risks**

Climate change affects society at large and will become increasingly important for business operations in the future. HAKI Safety has a responsibility to minimise its climate impact through production and other business activities. Some of this work may lead to changes in products, services and supply chains. At present, HAKI Safety does not believe that these factors constitute any significant uncertainty regarding estimates, assessments and presentations in this Annual Report.

**Management of sustainability risks**

A key aspect of HAKI Safety's risk management is about identifying and mitigating risks. The work also includes assessing potential environmental and occupational health and safety risks. Each identified risk is assessed in terms of severity and likelihood. The measures that are then implemented focus on eliminating the hazard and reducing the likelihood of each significant risk. Read more about the Group's risks on pages 23–24.

In connection with enhanced governance of HAKI Safety's sustainability work in 2024, a renewed review will also be made of the more specific sustainability risks at the Group level.

**EU taxonomy**

The EU taxonomy is a legislative classification system for economic activities, intended to influence societal investment in an environmentally sustainable direction.

Several of the Group's products and solutions contribute to the circular economic and reduced climate impact, while making a positive contribution to the Group's revenue. However, HAKI Safety's main economic activities are not covered by the taxonomy. For this reason, no accounting is done according to the taxonomy's disclosure requirements.

**Corporate Sustainability Reporting Directive (CSRD)**

The Corporate Sustainability Reporting Directive (CSRD) applies to HAKI Safety from financial year 2025. The first reporting under the Directive will therefore take place in the annual report for 2025, which is set for publication in March 2026.

**External review**

The auditor has performed a limited assurance of HAKI Safety's sustainability report. The auditor's statement together with an index of disclosures in relation to the Annual Accounts Act can be found on page 70.

## FOCUS AREA – ENVIRONMENTAL RESPONSIBILITY: A PARTNER WHO TAKES AN ACTIVE ROLE IN INDUSTRY DEVELOPMENT



12 Responsible consumption and production

Target 12.2 Sustainable use of resources

Target 12.5 Waste management

Target 12.6 Sustainable practices

**HAKI Safety's ambition is to play an active role in the development of the industry by reducing its environmental impact and thus becoming an attractive partner for its customers. The Group is striving to reduce emissions and increase recycling through continuous innovation and optimisation of products, services and working methods. The work also focuses on efficient waste management and sustainable procurement.**

The Group contributes to the circular economy by designing its products for long life and easy recycling. New products are also compatible with older ones to minimise waste. By using efficient production methods, such as robotic welding, HAKI Safety saves energy, reduces waste and ensures a safe working environment.

### Raw materials and chemicals

The Group's primary raw materials are steel and aluminium. HAKI uses chemicals as a natural part of its operations in Sibbhult, Sweden, with the aim of gradually reducing their use. An inventory conducted in 2022 resulted in use of a number of chemicals being eliminated, while an external consultant conducted a risk analysis of chemical management. When new chemicals are acquired, a screening process is now undertaken based on usage and management, thereby reducing the health and safety risks and the risk to the environment as a whole.

### Energy and climate

The production unit in Sibbhult, Sweden, is the facility with the greatest environmental impact of the Group. The facility is environmentally certified to ISO 14001, which provides a clear framework for reducing the facility's environmental impact and ensuring that statutory requirements are met. The ambition is for other operations within the Group to also achieve ISO 14001 certification. Most of the Group's operations are already ISO 9001 certified, which provides a framework for continuous improvement in the form of a quality management system.

The majority of the Group's energy consumption, as well as its direct climate impact, comes from purchased ecolabelled electricity and district heating.

Energy consumption within the Group decreased by 35 percent during the year, mainly driven by lower production levels. On a general level, the Group is actively engaged in cutting its energy consumption, and is implementing several energy-saving measures.

Direct emissions, Scope 1, are reported for 2023 for all operations, including the Industrial Services business area. During the year, direct emissions increased because acquired companies were included on a full-year basis, unlike in 2022 when they were only included for a few months. Similarly, the Group's indirect emissions from e.g. purchased energy and heating, Scope 2, have increased. However, the underlying trend shows positive developments in some areas, such as transport.

HAKI climate offsets its Scope 1 and Scope 2 emissions. For 2023, an investment was made via an external actor in a solar energy project in India, which has a proven climate benefit according to the UN.

### 2023 outcome in the area of environmental responsibility

	2023	2022	2021	2020
Energy consumption, kWh				
The Group	2,578,707	3,995,377	3,782,762	3,606,279
Safe Access Solutions	1,859,977	2,473,412	2,342,889	2,085,279
Industrial Services	718,730	1,521,965	1,439,873	1,521,000
Direct emissions – Scope 1, tonnes CO <sub>2</sub> e				
Safe Access Solutions	607	377	303	268
Industrial Services	556			
51				
Indirect emissions – Scope 2, tonnes CO <sub>2</sub> e				
The Group	44	44.4	41.4	63.4
Safe Access Solutions	43	43	40	62
Industrial Services	2	1.4	1.4	1.4

## FOCUS AREA – SOCIAL RESPONSIBILITY FOCUS: A LEADER IN SAFETY

HAKI Safety's business concept is to offer a wide range of safety products and solutions that create safe working conditions at temporary workplaces. This includes system scaffold, work zone safety, and digital and technical solutions that help customers achieve safety and efficiency in their various environments.

The safety aspect includes HAKI Safety's internal culture, where a healthy lifestyle is also promoted among all employees.

### Working environment – health & safety

The number of reported occupational accidents increased during the year, mainly due to improved and stricter incident reporting. As even minor incidents are now given attention, the total number of occupational accidents has increased. This also means that the Group receives more detailed information about risks in the working environments, which will contribute to prevention.

However, the number of occupational accidents resulting in absences of more than eight hours decreased to four during the year. Two of these accidents involved crushing injuries, which led to a review and improvement of procedures to prevent recurrence.

In 2023, accident reporting began to be categorised in a new and clearer way. In addition to observations and/or near misses, incidents are reported in four different categories, ranging from minor injury to permanent injury. The new categories are accompanied by clear divisions of responsibility and action plans to speed up response and prevent recurrence.

### Human rights

Human rights relate to fundamental rights defined by conventions and declarations, including child labour, forced labour, freedom of association, discrimination/diversity, gender equality and the right to collective bargaining. These areas are addressed in the Group's Code of Conduct.

None of the Group's operations are considered to have a significant risk of human rights violations. HAKI Safety has signed statements on the management of issues relating to forced labour, child labour and trafficking/modern slavery, in accordance with the UK Modern Slavery Act and the Norwegian Transparency Act (Åpenhetsloven).

All of the Group's 30 largest suppliers have certified that they comply with the UN conventions on human rights.

### Freedom of association

Employees covered by collective agreements remained at 51 percent in 2023 and concern employees in HAKI AB. This group is mainly employees working in Sweden and part of the Safe Access Solutions business area.

### Diversity & inclusion

HAKI Safety endeavours to achieve a balanced mix in terms of factors such as ethnicity, age and gender, taking into consideration the type of operation being pursued. Diversity and inclusion are generally considered important elements in situations such as recruitment, training, evaluation, salary setting and succession planning. Both the Board of Directors and Group Management comprise 40 percent women.

### Performance reviews & skills development

The proportion of the Group's employees who underwent performance reviews during the year was 100 percent. From 2023, the employees of the most recently acquired companies are also included in the Group's procedures for these reviews.

The Group prioritises giving employees the opportunity to develop their skills. During the year, investments in training were made in an amount corresponding to SEK 2,554 per employee. The amount is lower than the previous year due to cost savings efforts in the Group in 2023.

In order to promote a healthy lifestyle among all employees, all employees in the Group have access to a wellness allowance.



3. Good health and well-being  
Target 3.4 Healthy workplace

8. Decent working conditions and economic growth  
Target 8.8 Safe working environments

### 2023 outcome in the area of social responsibility

	2023	2022	2021	2020
Number of occupational accidents	18	14	7	7
Number of occupational accidents leading to absence (8 hours or more)	4	5	1	2
Employees covered by collective agreements, %	51	51	51	60
Employees who have undergone regular performance reviews, %	100	78	100	78
Annual investment in training per employee, SEK	2,554	3,319	3,324	3,168

## FOCUS AREA – GOVERNANCE: A RESPONSIBLE GROUP

HAKI Safety strives to be a model of ethics and equality in its industry, and also strives to promote this in its value chain.

The Group promotes the values of fair competition and is actively engaged in combating all forms of bribery and corruption within its own organisation and value chain.

### Regulatory compliance

Based on the Group's Code of Conduct, HAKI Safety works both internally and throughout the value chain to promote exemplary business behaviour based on compliance with laws, regulations and international agreements. Together with the whistleblower policy, it constitutes an important cornerstone of the organisation's compliance.

The Group's whistleblower policy states that every employee has the right to report suspected violations of laws or regulations without any repercussions. During the year, a total of 0 cases (0) were reported via the whistleblower system and other channels, related to alleged harassment, security breaches, unfairness or conflicts of interest.

### Supplier evaluation and follow-up

The Group's goal is for all strategically important suppliers to have signed the Group's Code of Conduct, which addresses issues related to human rights, health and safety, environmental management and social responsibility. The number of strategically important suppliers totalled about 30 in 2023, with 38 percent of suppliers documented as having signed the Code. The relatively low proportion is explained by a change in the supplier base, as new acquisitions have been made, as well as a reassessment of the functioning of the entire

supply chain, which during the year did not show in the results in these evaluations.

### Active role in the public debate

HAKI Safety is a member of several interest groups, including the European Union of Scaffolding Companies (UEG), the British National Access and Scaffolding Confederation (NASC) and the Norwegian Samarbeid for sikkerhet (SFS). The Group is active in the public debate on safety at temporary workplaces. The focus in recent years has been to highlight the importance of planning and foresight in order to improve safety in an industry characterised by time pressure and short lead times.

### 2023 outcome in the area of governance

	2023	2022	2021	2020
Number of corruption-related incidents reported	0	0	0	0
Whistleblower cases	0	0	0	0
Number of GDPR-related incidents	2 <sup>1</sup>	0	1	2

<sup>1</sup> Of which one case was reported to the Swedish Authority for Privacy Protection.



5. Gender equality  
Target 5.5 Equal participation and representation

10. Reduced inequalities  
Target 10.3 Equal opportunities

16. Peace, justice and strong institutions  
Target 16.5 Eliminate corruption and bribery