



Sustainability Report 2024



Sustainability Report

For the financial year 2024

Koncentra AB, with its registered office in Stockholm, Sweden, is an international industrial group that manufactures, markets and sells highly technological components and systems for selected industrial sectors. Through high technical expertise and close customer relations, the aim to be an effective and long-term partner to both customers and suppliers. Koncentra has approximately 1,100 employees across Sweden, Finland, Estonia, Germany, France, the Czech Republic, the United States and China.

Acquisitions form a key part of Koncentra's strategy and the companies we acquire are well-managed and profitable businesses with clearly defined markets. The companies are led by motivated and entrepreneurial management teams that are committed to continuing their leadership after the acquisition.

Koncentra's decentralised business model imply that each subsidiary operates under its own brand with an independent management team. Through board representation, Koncentra provides strategic guidance and supports each subsidiary on their development and growth journeys.

Sustainability agenda

We take a long-term business perspective and are committed to integrating sustainability into operations through guidance, support and follow-up. It is in the Group companies that we have identified our greatest impacts, risks and opportunities linked to sustainability issues. The Group's sustainability work is based on a shared structure, with concrete actions carried out locally in line with our decentralised business model. Koncentra's sustainability agenda is structured around three pillars:

- Climate Impact – to reduce our impact on the climate and support customers in reaching their low-carbon targets with our sustainable offerings.
- Our People – to ensure a safe and healthy work environment for all employees.
- Responsible Business Practice – to ensure sound business conduct structures to grow the businesses and enhance performance even further.

Progress in these areas is driven by our group of companies who know their people, their markets and their customers best.

Environment

Koncentra aims to reduce its environmental and climate impact by:

- reducing emissions and improving energy efficiency in production.
- phasing out the use of fossil fuels and transitioning to zero-carbon energy sources where possible.
- adopting circular economy practices by reducing, reusing and recycling materials.



- complying with environmental laws and regulations and working long-term towards climate neutrality.

Each subsidiary is responsible for establishing action plans and follow up their environmental and climate performance.

Social conditions and employees

The Group works actively to uphold safe, fair and equitable working conditions for our employees by:

- striving for safe work environment with zero workplace accidents.
- ensuring fair wages in line with applicable laws and industry standards.
- fostering diversity and supporting continuous learning and professional development.

Human rights

Koncentra is committed to respecting human rights and maintaining zero tolerance for discrimination and forced labour, child labour or any form of modern slavery. At Koncentra:

- employees have the right to organise and engage in collective bargaining.
- human rights must be safeguarded throughout the entire value chain.
- we raise awareness of elevated risks in countries with weaker legal systems.

Anti-corruption and business ethics

We conduct business in an ethical manner, upholding the highest standards of integrity and fairness and maintain a zero-tolerance policy towards all forms of corruption. Koncentra's Code of Conduct defines the expected behaviour of all parties involved in our business, and is based on the UN Global Compact, the UN Universal Declaration of Human Rights and the ILO Core Conventions, as well as the OECD Guidelines for Multinational Enterprises. This means for example:

- we must not offer, give, request or accept improper benefits to influence any business decisions.
- we comply with all applicable laws, including trade sanctions, export control and data privacy regulations.
- we value integrity in business relationships and expect suppliers and partners to act in line with Koncentra's Code of Conduct.

Whistleblower system

During 2025, Koncentra will implement a whistleblower channel where employees and business partners can report suspected misconduct anonymously. Reports made in good faith will be protected against retaliation.

Governance

The Group is governed through a set of group-wide policies and guidelines, including the Code of Conduct and the Sustainability Policy. All subsidiaries are ISO 9001 and ISO 14001 certified.



The Board of Directors regularly monitors the Group's sustainability performance and adopts relevant policies and overall sustainability goals. The CEO of Koncentra has the ultimate responsibility for monitoring the Group's overall sustainability work, ensuring that sustainability work is effectively coordinated. The Managing Director of each group company is responsible for integrating and driving sustainability initiatives within their company in line with the Group's strategy.

Risks and risk control

Risks related to sustainable development and impact on people and the environment are found in a number of different areas, ranging from operational business risks to regulatory compliance risks. The primary climate-related risks for the Group arise in relation to greenhouse gas emissions from operational activities, energy consumption and transports. Risks related to human rights in the supply chain and cybersecurity have also gained increased external attention in recent years due to evolving legal requirements.

Most of the operational risk management is handled within the subsidiaries' management systems. Each subsidiary is responsible for identifying and managing risks and developing local action plans.

Regulatory changes

The regulatory landscape for sustainability is undergoing rapid evolution, driven by growing environmental, social and economic imperatives. Our focus in 2024 was preparing the Koncentra group for upcoming EU reporting requirements under the Corporate Sustainability Reporting Directive (CSRD). We performed our first Double Materiality Assessment (DMA) for the Koncentra group, in accordance with the EU guidance. The DMA is a central part of Koncentra's sustainability strategy and guides us in identifying and prioritising the environmental, social, and governance issues that are most material to our business and our stakeholders. We have also initiated work to identify and close the gaps for reporting under the ESRs.

This Sustainability Report cover Koncentra AB, company registration number 556428-6002, and its subsidiaries.