

Permobil + Global Compact 2021

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Permobil's commitment to the ten principles of the UN Global Compact on human rights, labor, environment and anti-corruption remains undiminished.

In 2021, Permobil's commitment to sustainability remained undiminished despite the pandemic. We continued to develop our future strategy and sustainability KPIs and targets. Seven prioritized areas (KPIs) were agreed upon by company's Group Management based on each areas' importance to stakeholders and Permobil. This was further endorsed through the adoption of a company policy on sustainability in May 2021.

The seven prioritized areas (KPIs) are:

1. Environmental impact: Reducing Scope 1 and Scope 2 CO₂ emissions
2. Diversity and inclusion
3. Safe and respectful workplace
4. Product and service quality and safety
5. Quality of life for users
6. Business ethics
7. Responsible sourcing - Supplier Code of Conduct

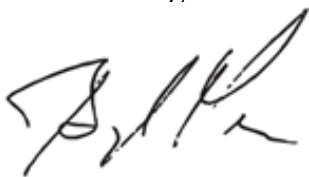
During 2021, Permobil has been defining its KPIs, which included a decision to reducing Scope 1 and 2 CO₂ emissions by 70 per cent by 2030; zero lost time workplace accidents and the continuing rollout of the Supplier Code of Conduct to embed the sustainability values with supply partners.

Two of Permobil's innovative KPIs are specifically related to our business: one will focus on the quality of life of our users, while the other addresses employee diversity from the lens of individuals using Permobil products.

In this fifth annual Communication on Progress, we describe our actions in relation to the Global Compact and its principles into our work.

We support public accountability and transparency, and therefore support this information being openly available and shared with our stakeholders and partners.

Yours sincerely,



Bengt Thorsson
CEO Permobil AB
Stockholm, January 25, 2022

Introduction

In 2021, the time was right to define new core values, building on our previous ones that had become embedded into our DNA. The new values reflect who we are today and what we will continue to do – Innovating for Individuals.

Our core values are:

User first

Our main focus will always be on the users of our products and services – bringing independence to them by providing the best solutions for their needs. We create solutions for individuals – and all the different lives and needs and preferences they come with. We aim to provide a user experience that can't be matched elsewhere.

Leading

As an industry leader, we always put innovation at the forefront. This means providing technically advanced solutions with the highest quality in each market segment. It also means driving innovation forward by working with insights based on clinical data – we call it evidence-based innovation. We always strive for excellence and we get things done.

Passionate

We may be a large group but if there's one thing we all share, it's the dedication to meet our users' needs and improve their quality of life. Because we know our products and services make a big difference. As a group, we are all part of a friendly and co-operative culture where we care about each other. We feel proud about our company and the work we do.

Trusted

It's crucial that our users are confident that our products are functional, durable and reliable. But trust goes further than our users – our customers and partners also need to be assured that we care for them, share knowledge and keep our promises. We uphold the highest standards of business ethics and integrity.

These core values are codified in the broader policy document, Permobil's Code of Conduct first approved in 2016 and then revised and reaffirmed by the Board most recently in June 2021.

New staff members are given a copy of the Code of Conduct and asked to sign receipt of it.

The easily accessible Code of Conduct covers these areas:

- Core values
- Employees
- Customers/ Users
- Products and Confidentiality
- Business ethics
- Society and Environment.

All Permobil's corporate policies – including on anti-corruption, whistleblowing, health and safety and trade compliance – were reviewed and adopted again in 2021.

Permobil has introduced a Suppliers' Code of Conduct which also supports and promotes important sustainability questions with our supply partners. A breach in the code of conduct may constitute a breach of contract and therefore be grounds for terminating the contract. All new contracts signed with direct and indirect material suppliers include the Supplier's Code of Conduct or at a minimum some of the mandatory clauses. The most strategic and critical of our direct material suppliers have signed our Supplier's Code of Conduct. In total, 89% of our spend with suppliers is covered by the Supplier's Code of Conduct.

Permobil's sustainability focus areas and targets



NB Scope 1 & 2 CO₂ emissions use 2018 as baseline. Scope 3 uses 2019 baseline.

Human Rights

Permobil's Code of Conduct states that we will not tolerate any form of forced or involuntary labor. Child labor is prohibited, in accordance with the ILO framework for minimum age for admission to work.

The Suppliers Code of Conduct ensures compliance with our standards, inter alia, in relation to human rights.

Labor

Permobil is committed to its employees, viewing them as their single most important resource. The Permobil Code of Conduct clearly states that "We intentionally foster equality and inclusion of people from all geographies and cultures, regardless of sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, age or disability."

As part of the sustainability strategy and focusing on a safe and respectful workplace, we want to increase the inclusiveness of our workforce; increasing accessibility and removing physical and social barriers to ensure our staff is as diverse as possible. This is to set the standard and lead the way for others.

The Code of Conduct also includes our respect for freedom of association of our employees.

Permobil ensures compliance with all health and safety regulations in accordance with local standards and laws.

As a manufacturing company an important area with regards to our employees is workplace incidents and injuries. Central reporting of incidents continues to improve with information about accidents and incidents from all Permobil production sites now being collected centrally. Operational teams reported 18 lost time accidents for 2021, this is equivalent to 1.06 accidents per 200 000 hours worked (OSHA's Total Case Incident Rate). Slightly higher than the rate of 0.63 in 2020 but lower than 2019's 1.68.

Permobil's staff are 37% female and 63% male, for those whom we hold data. In executive management, 40% are female and four different nationalities are represented.

To report any known or suspected improper conduct or incident in relation to Permobil, employees have several channels available to them. An external whistle blower reporting service is in place that provides an opportunity to communicate suspected deviations from our Code of Conduct via a secure, external and anonymous service. All new staff are made fully aware of the policy and procedure.

Anti-Bribery and Corruption

The Code of Conduct has a section on business ethics and Permobil has a specific Anti-Bribery and Corruption Policy. The Policy provides guidance to employees regarding anti-bribery laws around the world and Permobil's procedure against making improper payments or inducements. In 2020, 91% of Permobil staff completed workshops and online training modules specifically about anti-bribery and corruption in support of continuous implementation of the policy. More than 90% of all staff completed the annual Code of Conduct training module in 2021.

Permobil complies with the Code of Business Conduct, issued by the Swedish Anti-Corruption Institute.

The Supplier's Code of Conduct also includes requirements on our suppliers in relation to anti-corruption, as well as human rights, environment and quality.

To report any known or suspected improper conduct or incident, including relating to unethical business practices, employees have several channels including an external whistle blower service. These are outlined in our Whistleblower Procedure.

Environment

In 2021, Permobil made the ambitious commitment to reduce CO₂ emissions by 70 per cent compared to the 2018 baseline, for Scopes 1 and 2, and reducing Scope 3 by least 20%, 2019 baseline, by 2030.

In November 2017, Permobil begun a retrospective assessment of its environmental impact and CO₂ emissions for 2016 and 2015. For those two years, extrapolated data has yielded a CO₂ emissions measure. Since then, reporting improved with the use of actual data supplemented with estimates based on Permobil site information, where actual data was not available. Permobil measures Scope 1 and 2 emissions according to the Greenhouse Gas Protocol.

Permobil's CO₂e emissions

	2015	2016	2017	2018	2019	2020	2021
Total CO₂e emissions, tonnes	7525	7814	9261	10252	10628	9195	8545
Staff (as FTEs) at year-end	1300	1350	1600	1560	1620	1555	1675
CO₂e per FTE	5.8	5.8	5.8	6.6	6.6	5.9	5,1

Green certificates in the US became effective from November 1, 2021 helping to reduce the emissions from the production site in Belleville and an absolute reduction.

The Code of Conduct for Permobil's suppliers also asks that they make a commitment to protecting the environment.

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