



Sustainability report 2023



Suzuki
Garphyttan

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01. CEO Comments

Navigating towards sustainability

As we look back on the past year, it's clear that sustainability has been a key focus for Suzuki Garphyttan. Our dedication to environmental, social, and economic sustainability not only guides us as a responsible supplier but also reflects our commitment to being an employer of choice.

Throughout the year, we have strengthened our internal capabilities to drive sustainability efforts in an even better way. Together we have set ambitious goals and aligned our efforts with the evolving expectations from authorities, society and our customers, who increasingly prioritize sustainability.

In this sustainability report, we will give you a deeper insight into our ongoing accomplishments aimed at achieving our set sustainability objectives. Hopefully, it can provide insights into our journey but also some inspiration to take steps forward towards a more resilient future.

Looking ahead, we will continue to deliver innovative wire solutions and be strong and profitable - in line with our sustainability efforts. We are dedicated to grow and to expand our product portfolio, investing in our employees' development, and reducing our climate impact to ensure value for our customers and stakeholders.



Ad Raatgeep, CEO Suzuki Garphyttan
Garphyttan, May 2024

02. Suzuki Garphyttan sustainability reporting 2023

Suzuki Garphyttan is a global leader in making high-performance steel wire products. Operating globally, our production facilities are located worldwide. We are continuing our journey forward - rethinking and approaching things in new ways. All to continue being a stable, future-proof partner to the automotive industry, and at the same time grow through innovative solutions and exciting partnerships in a variety of new areas.

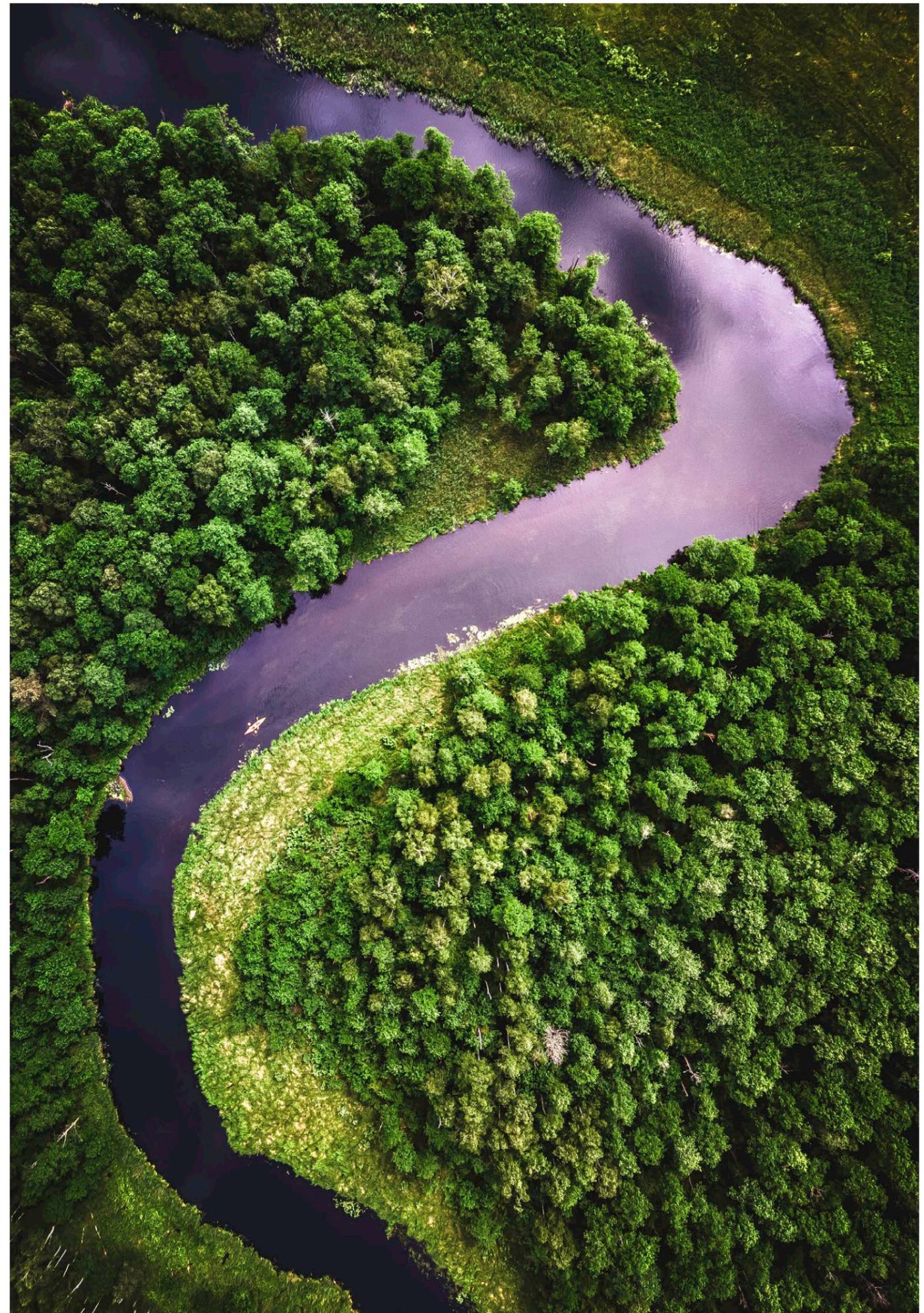
Suzuki Garphyttan's sustainability report is part of the annual report and is made in accordance with the legal requirements of the Annual Accounts Act's sixth chapter. The sustainability report covers all our production sites and operations.

Big opportunities to influence

Our sustainability work is based on our own strategic and operational sustainability goals, as well as the 2030 Agenda - the UN's global goals for sustainable development. Through the sustainability report, we want to show that we as a company as well as every employee have big opportunities to influence our direct and indirect surroundings.

By analysing our operations and their impacts, we have identified key sustainability challenges that are most crucial to our business. These challenges guide the establishment of our sustainability goals and serve as the focus for our ongoing efforts to drive positive change.

The Key Performance Indicators (KPIs) that are reported refer to the entire business or are examples of initiatives, improvements, or similar for defined parts of the operations.



Our direction: vision, mission, values

Our vision, mission, and values each play a significant role in bringing everyone together serving as the cornerstones of Suzuki Garphyttan and our company culture. They are also important in our interaction with different stakeholders and other parts of society.

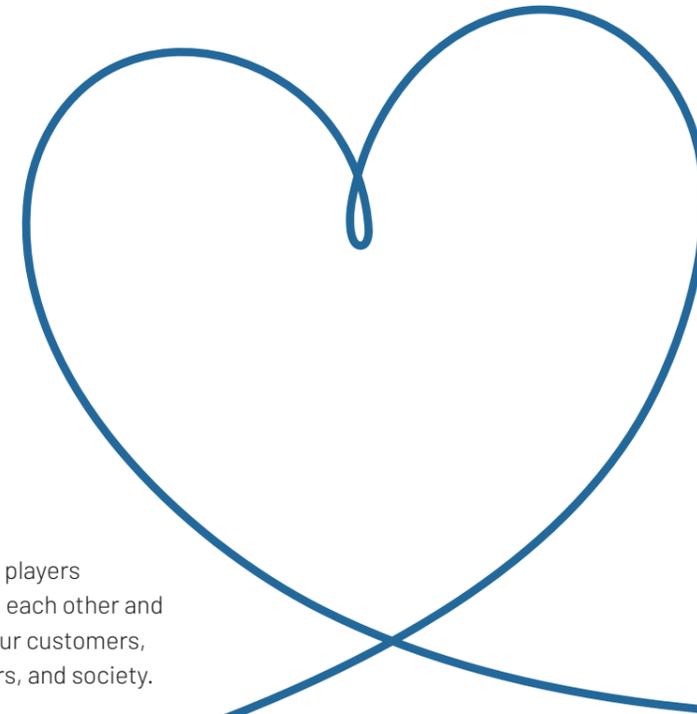
The corporate culture is of great importance. It affects especially how our employees feel about their work, how they can grow in their position and contribute to the overall development of Suzuki Garphyttan. The employees are the core of this company – and the culture we create together is key to a more successful future.

Our vision: Together for a better tomorrow

This is our vision, a clear statement of the driving force behind our actions. It's about creating conditions for a brighter future together. What we do today determines what our company, our employees, and our world will look like tomorrow. We aim to continue being a strong and reliable partner for many years to come.

Our values:

Care, Dare and Share are the basis of everything we do.



Care

We are all team players who care about each other and the company, our customers, our stakeholders, and society.

Share

We work together and share knowledge and ideas, plans and possibilities, success, and failure. And we all share the vision – Together for a better tomorrow.

Dare

We dare to think new and innovative, dare to be honest, brave and to take responsibility.

Our mission:

Our mission states what we do, how we do it, and for whom, to reach the vision.



We take responsibility for all our actions and decisions, always considering safe environments first.



We create innovative win-win solutions with our partners, and we grow in a profitable and sustainable way.



We generate value for all our stakeholders through reliable wire products and services.

Code of Conduct

Suzuki Garphyttan's code of conduct follows our vision and outlines the rules of behaviour that guide our actions. The code of conduct serves to protect us by defining what is acceptable and what is not. It also sets out the requirements and expectations for our suppliers, contract distributors, and agents.

The code of conduct states that:

Suzuki Garphyttan's contact with business partners is characterized by impartiality and follows good business practice. We guarantee their privacy regarding trade secrets and other confidential, business-related data that we obtain.

Bribery and any other form of unethical business practices are prohibited. All payments of commission must be verified and matched to a specific service provided to Suzuki Garphyttan. All business transactions must be reported accurately and completely in accordance with Suzuki Garphyttan's accounting policies and local laws and are subject to audits.

Suzuki Garphyttan reduces the environmental impact by using a precautionary risk-based environmental management system. We optimize material, energy, and water use and we strive to contribute positively to our local communities by building long-term relationships with relevant stakeholders in the societies where we act.

Suzuki Garphyttan respects legislation and regulations regardless of site location. We will also respect international labour standards such as those outlined in the UN Declaration of Human Rights and the core conventions of the International Labour Organization (ILO).

Suzuki Garphyttan's employee behaviour standards in the workplace shall be based on mutual respect and trust. Our



employment terms also follow union agreements, national laws and relevant International Labour Organization (ILO) conventions.

Suzuki Garphyttan stands for free enterprise operations and competition. We will not participate in cartels or other unauthorized collaborations.

In addition to the code of conduct, there is also a work environment policy, discrimination policy, whistle blower policy, quality policy, sustainability policy and environmental policy that is the basis for how we act and operate.



03. United towards our goals

The world around us is changing, and so are we. Traditionally our production has been focused on conventional automotive products, often related to the internal combustion engine. Today, we work to contribute value to several markets in constant evolution.

The automotive segment will always be important to us, but we are developing our offer to continue to be a world-leading wire supplier. Our products are finding their way into new markets, and the Suzuki Garphyttan brand is growing increasingly well-known. Now our innovative solutions are also making a difference in segments such as medical and fintech, bed and seating, tooling, energy and aerospace, food and agriculture.

Our common global business plan keeps us on track toward our shared goals. It helps us work better together, ensure a synchronized process globally, and involve all employees. It's created with a five-year perspective and is handled one year at a time following the same structure every year with predefined activities. This ensures that everyone knows what needs to be done and when.

Our goals towards 2028:

- Maintaining our leading position in the automotive industry.
- Broaden our product portfolio to new segments.
- Grow in new areas.
- Increase our profit.

Our Way of Working

With common systems and methods, we as a global company get the best conditions to reach our goals. We have a global management system, a shared business system, our own concept Way of working and Best practice from which we learn and develop together. We conduct yearly on-site audits to follow up on site performance and work methods, ensuring sustainable improvement efforts.

Way of working is our approach to stay customer-focused and continuously standardize and improve. This helps us achieve world-class operations and enables sustainable profitability. By creating higher quality and showing reliable delivery capabilities we get satisfied customers. We can all perform better through good teamwork, and standardized working methods in a safe working environment.

Everyone's engagement

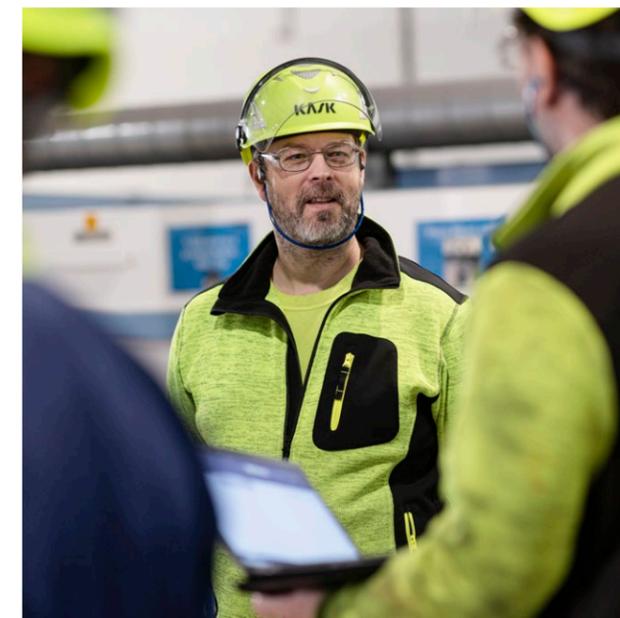
To reach world-class, everyone must contribute and strive for continuous improvement. Our Way of working enables more employees to develop their skills and take advantage of all the knowledge available in our team. This requires understanding and commitment from everyone.

Continuous improvement

Way of working provides us with tools and methods that enable us to measure, analyse, and improve our processes in a structured manner. To achieve continuous improvement, we must all evaluate our way of working.

Quality is prioritized

We continuously improve our way of working as part of the service we provide to our customers. In cooperation with our customers, we seek long-term solutions through development and technical innovation. Suzuki Garphyttan is certified according to IATF 16949, which is a standard for quality management systems for suppliers to the automotive industry.



Best practice

By working with best practice, we can improve our processes and increase the level of standardization at Suzuki Garphyttan, regardless of production site or nation. By working together and learning from each other, we establish new methods to improve safety, productivity, quality, and the environment. This way, we can reach our goals while also making our products and team spirit stronger.

Well-functioning work methods globally

Our global management system, covering our key strategic, core, and support processes, along with our working practices, ensures that we all work effectively towards our goals through shared methods and standards.

The work of implementing a new business system will ensure shared knowledge and smooth operations across all our sites. The overall goal is to standardize, modernize and streamline our processes. With the new system we can get one single interface to our customers and suppliers and provide better service.

04. Working for a better tomorrow

“There’s a lot happening in our organization – and it’s crucial that it does”

At Suzuki Garphyttan, sustainability efforts are an integrated part of the company’s business strategy and daily operations. In 2023, this focus became even clearer as Suzuki Garphyttan took a step further by appointing a new role: a global sustainability manager with a global perspective and responsibility. Welcome, Edwin Grönkvist!



Edwin Grönkvist
Global Sustainability Manager

“For us, it’s important to prioritize sustainability issues. As a steel industry company, we have opportunities to make an impact,” states Edwin Grönkvist, who has been working as Global Sustainability Manager at Suzuki Garphyttan since April 2023.

Edwin’s global sustainability responsibilities include defining and managing both growing legislation and customer requirements. It also includes coordination and governance so that Suzuki Garphyttan achieves its set goals.

“We have good collaboration internally and we focus on all three sustainability aspects: environmental, financial, and social sustainability,” explains Edwin.

Diverse conditions – unified goals

For a global company, sustainability work poses special challenges. For example, Suzuki Garphyttan’s factories have different conditions depending on their location in the world.

Despite the differences, we have set common global goals together, Edwin says, while we also have site-specific goals that take into account local variations.

Suzuki Garphyttan aims to reduce its greenhouse gas emissions by 50 percent from 2020 to 2030, eliminate hazardous substances from production, improve recycling, and reduce water usage.



Regarding social sustainability, we have goals related to a good working environment and a safe workplace, Edwin shares. For economic sustainability, we aim for 50 percent of our turnover to come from areas other than the conventional automotive industry.

New standard offers many advantages

In 2023, Edwin focused on mapping out legal requirements and assessing how well the company meets them. Here, Edwin sees a strength in his background as a sustainability consultant:

“We have started with a line at Site Suzhou in China, and it will also be rolled out at our other sites in the future.”

“I have experience working with industrial companies in various sectors and have a good grasp of the requirements set and EU legislation. This includes the upcoming CSRD (Corporate Sustainability Reporting Directive), a standardized and comprehensive sustainability reporting for companies within the EU.”

“There has been, and is, a lot of work with CSRD,” says Edwin, who welcomes a clear standard for the issues we should work on. In the long run, it offers great advantages for our customers who more easily will be able to access relevant information.

New hardening technology for export

A new hardening technology that helps Suzuki Garphyttan phase out environmentally hazardous substances from production, while also enabling a more energy-efficient process, is an example of ongoing initiative.

“We have started implemented a line at the site in Suzhou China, and it will also be rolled out at our other sites in the future.”

Several initiatives are ongoing throughout Suzuki Garphyttan. For example, oil boilers are being replaced with fossil-free energy sources in Sweden, an energy efficiency program is being implemented in the USA factory, waste management is being improved in Mexico, and the site in Leeds, England, has a project aimed at extending the life of the oil used in production.

Towards a better tomorrow

“In 2024, we will continue to standardize, develop, and implement processes that exclude environmentally hazardous substances, and we keep replacing fossil fuels. We will also review our value chain and gain control over emission levels both upstream and downstream in our operations. A lot is really happening in our organization, and it needs to”, Edwin concludes.

For Suzuki Garphyttan, the direction is clear: we aim to be the sustainability benchmark in the steel wire industry and seriously contribute to a better tomorrow.

05. Sustainability risks

Sustainability risks are of growing importance and can affect us in many ways. These risks can include everything from environmental impact and resource utilization to workforce issues and supply chain vulnerability.

For example, climate change, access to important natural resources, violations of human rights, and conflicts can lead to greater risk exposure. The impact can be either direct, for example in the form of workplace accidents, or indirect, for example via subcontractors or other stakeholders.

Managing our sustainability risks is an integral part of our risk management process. To manage risks within Suzuki Garphyttan, risk analyses are carried out at different levels of the business.

On a global level, risks and how these are handled are assessed and, if necessary, revised annually at the global management review.

The risks are sorted based on which stakeholders are affected by them and then evaluated according to the measures taken to reduce each risk.

The respective action is followed up and a process owner is also specified for the actions to be carried out. In production, risk analyses are carried out for each project or at each production stage.

The risk analyses are updated when necessary or when there has been a change that can affect the risks.

By working to meet the requirements of the new EU legislation Corporate Sustainability Reporting Directive (CSRD), we are in the process of doing a materiality analysis to assess both the impact that we as a company can have on people or the environment, but also how changes in the environment or the world might affect our company.

Environment

The events assessed to have the most immediate consequences for the environment are fires in production facilities or explosions in parts of our plants that contain explosive substances. There is also a risk of major releases of process chemicals or fuels at storage locations for these.

Climate change can affect the sites through extreme weather situations such as heat waves, torrential rain, or



strong winds. Extreme rainfall could cause uncontrolled flooding which can result in water pollution. The risk of these events varies between the different sites and the risks are assessed and managed locally so that any measures can be adapted to local conditions.

Such events as described above could lead to risks for employees and the public as well as large costs for repairs and/or clean-up. It could also lead to, for example, longer power outages or other disruptions that contribute to loss of production or that entire operations cannot continue for periods.

In the future, there may be tougher legislation or other external demands on the business regarding, for example, emissions, energy consumption, or the like that may affect the business by steering investments or the direction of the company. Tougher demands can be risks or opportunities depending on how well-functioning our environmental work is.

The steel industry accounts for a significant part of greenhouse gas emissions globally. To reduce our impact and risks connected to it, we strive to phase out fossil

fuels in our operations, use energy and materials in an efficient way, and in other ways reduce the emissions connected to our business and our products.

Social

Our production involves a lot of manual work and work with different types of machines. This entails risks that our employees need to be aware of. We have work instructions and routines, showing how the work is carried out in a safe manner, which must be followed.

We work with systematic follow-up to detect deviations and improve the working environment at our sites. There are also several local and global forums internally focusing on health and safety discussions and improvements in our work environment.

To prevent the risk of bad business ethics, corruption, discrimination, or violations of human rights, we have governing documents that all employees have access to. These specify how employees should act in situations where they represent Suzuki Garphyttan and which guidelines we have.

Managing our sustainability risks is an integral part of our risk management process.

Economic

Climate change can, for example, lead to a reduced supply of, or higher prices for critical raw materials or energy for us or actors upstream in the value chain. It can also lead to stops or delays in the supply chain. Extreme weather and the like can also affect specific sites or suppliers and cause their production to be stopped, delayed, or reduced in capacity.

Other changes in the world situation can affect global free trade. For example, the upcoming climate tariffs in the EU's Carbon Border Adjustment Mechanism (CBAM) can affect companies that operate in several markets or have international connections. The impact this sort of things will have depends on what is happening in the world around us and what decisions are made at the national or intergovernmental level. There are also sustainability risks linked to our suppliers or other actors in the value chain that are outside our control. These risks need to be carefully monitored so that disruptions in the supply chain do not affect our operations more than necessary.

We are implementing gradual changes so that our products can be used in other industries and/or applications. It may result in the emergence of new competitors or customers, both potentially requiring changes in our operations. There may also be more, or other types of requirements linked to new products or production methods, for example, requirements for hygiene, which substances can be used in production, or requirements for other classifications, markings, or similar quality assurance depending on how the products will be used.

For example, the ISO/TS 16949 standard regarding quality management systems applies to suppliers to the automotive industry. It is not used in other industries, where there may be requirements for an ISO 9001 certification instead.

To be agile in handling changes in demand, we drive the development of products in industries other than automotive.

06. Sustainability strategy

Sustainability is an important driving force for us as we strive for a better tomorrow. That includes finding new applications for our steel products.

Our environmental targets are high on the agenda. They are also in line with the goals in our business plan. We structure our sustainability work according to all three parts of sustainability: environment, social, and financial. We consider all of them equally important for achieving optimal results.

We work intensively to reduce the emissions from our production to both water and air, to develop our business, and further strengthen our position in the steel industry.

We also care about giving every employee the best possible chance to develop, grow, and to love their job.

We are focusing on reducing CO₂ emissions, eliminate waste that goes to landfill, increase recycling of waste and remove non-environmentally friendly elements from

our production. An important part to do this is to develop our facilities to reduce our energy consumption, for example by switching to green power and installing solar panels. In addition, we are moving to more sustainable production methods and trying to use our raw materials more efficiently.

Integrate sustainability

Our strategy is to, over time, integrate sustainability in every part of the company, starting with the areas where we have the greatest impact. There is ongoing development within the steel industry to produce steel with lesser environmental impact. Some production methods are generally difficult for spring steel wire, but we aim to offer our customers the option to choose products with less environmental impact depending on what is possible for the specific quality and applications. We will establish sustainability criteria in key business processes and evaluate it together with other important criteria, to achieve our present and future goals.



We support the UN Sustainable Development Goals. The goals are an integral part of our ongoing sustainability efforts. We have decided to focus on the following goals.





07. Sustainability goals

We have defined goals and activities in all three areas of sustainability: environment, social and economic.

Goals regarding environmental sustainability

- In 2020, our CO₂ emissions were 1 300 kg per ton of wire produced*. By 2030 our goal is to reduce this to 650 kg/ton wire produced*, a 50% reduction from our base year 2020.
- Working on the elimination of certain non-environmentally friendly elements. The non-environmentally friendly elements in this case are hardening oil, heating oil, zinc-phosphate, lead, and xylene. The goal also includes replacing pickling with other processes.
- Zero waste to landfill in 2025.
- Not exceed 1.1 liters of water usage/kg of wire produced.

Goals regarding social sustainability

- To map employee satisfaction, gender equality, and other important factors to have a good working environment and be an attractive workplace.
- No accidents in 2025 and a 50% reduction each year.

Goals regarding economical sustainability

- 50% of the turnover should come from conventional products for the automotive industry and 50% from new areas in 2028.

Scope 1-3 Emissions

SCOPE 1

Direct emissions from owned or controlled sources.

SCOPE 2

Indirect emissions from purchased energy.

SCOPE 3

Other indirect emissions, including upstream and downstream activities.

Purpose

Helps organizations assess and manage greenhouse gas emissions comprehensively.

Importance

Identifies emission hotspots and guides reduction strategies.

*Based on emissions in **scope 1 and 2** according to GHG Protocol and also scrap of wire rod in the manufacturing process.

08. Minimizing our environmental impact

We are committed to minimizing our environmental footprint through continuous process development. This includes optimizing our resource utilization and adopting cleaner, more sustainable technologies in production. We view these efforts as crucial investments in our company's future, ensuring we lead by example.

At Suzuki Garphyttan, we are constantly evaluating and conducting activities and investments to decrease our energy consumption and to phase out fossil fuels. All sites are certified by ISO 14001, which means we follow international standards for environmental management and have integrated environmental systems throughout our entire business.

All sites meet requirements

Suzuki Garphyttan prioritizes environmental responsibility, ensuring that all sites meet or exceed legal requirements. Each site sets its own environmental goals in line with the company's objectives and adapts them to local conditions. Environmental factors are carefully considered in product development and manufacturing processes.

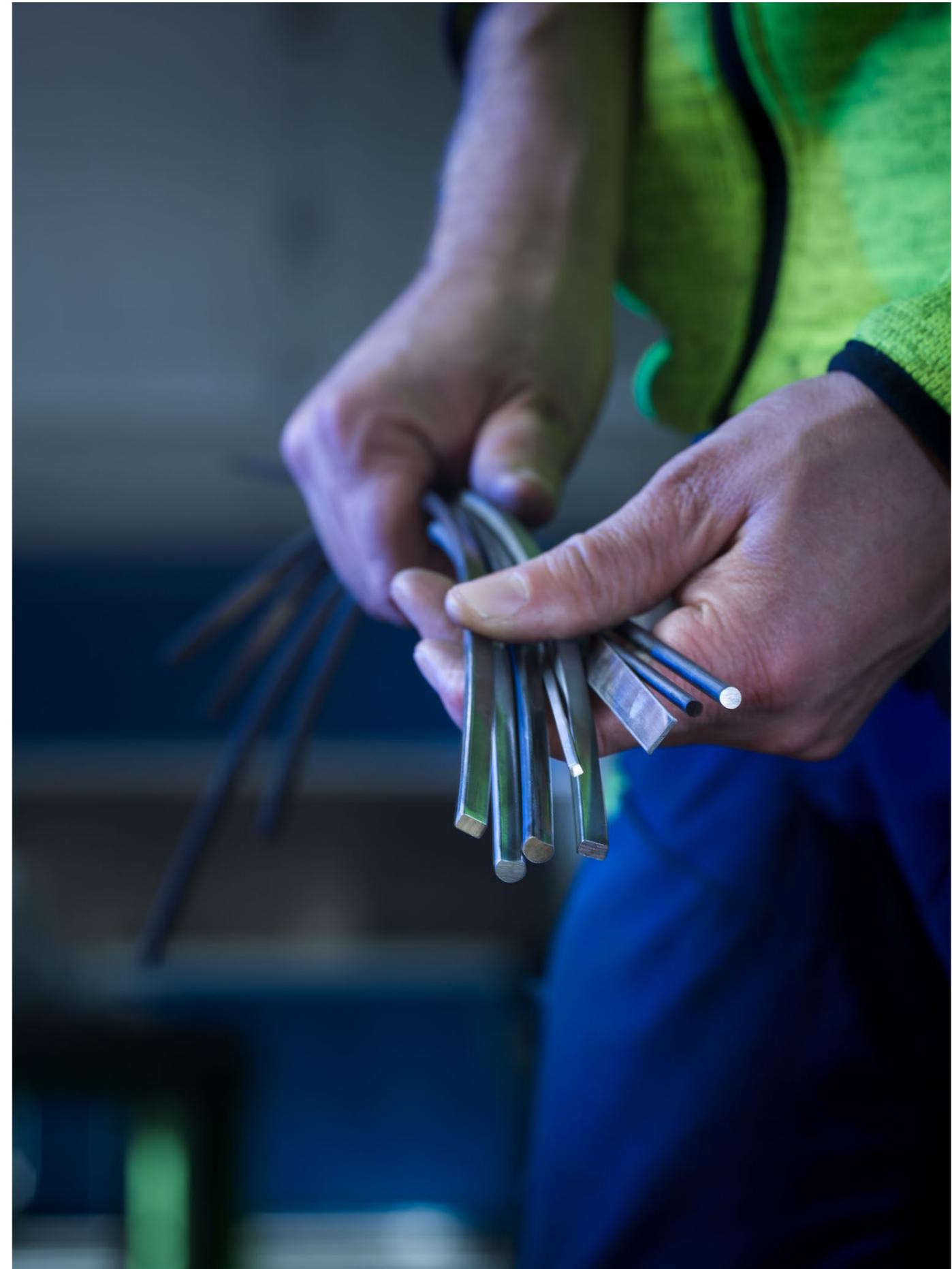
Environmental factors are also carefully thought about when making products and manufacturing processes. To improve and evaluate our compliance with ISO 14001, we measure the levels of various substances in our emissions to ensure they are well below the legal requirements. To reach our environmental objectives, we recycle the steel waste from our production back into the steel supply chain. We also have recycling stations where we can sort out the material waste from our production.

Providing knowledge

In addition to this, we provide our employees the resources and knowledge they need to work according to our environmental policy, within their position of work.

Sustainable development is about looking at the whole picture. For us, it's about how we can reduce environmental impacts when producing with steel which can be recycled time and time again. But it's also about reviewing other parts of the value chain and collaborating with suppliers, customers, and other stakeholders regarding challenges that affect all of us.

Sustainable development is about looking at the whole picture. For us, it's about how we can reduce environmental impacts when producing with steel which can be recycled time and time again.



Energy and carbon footprint

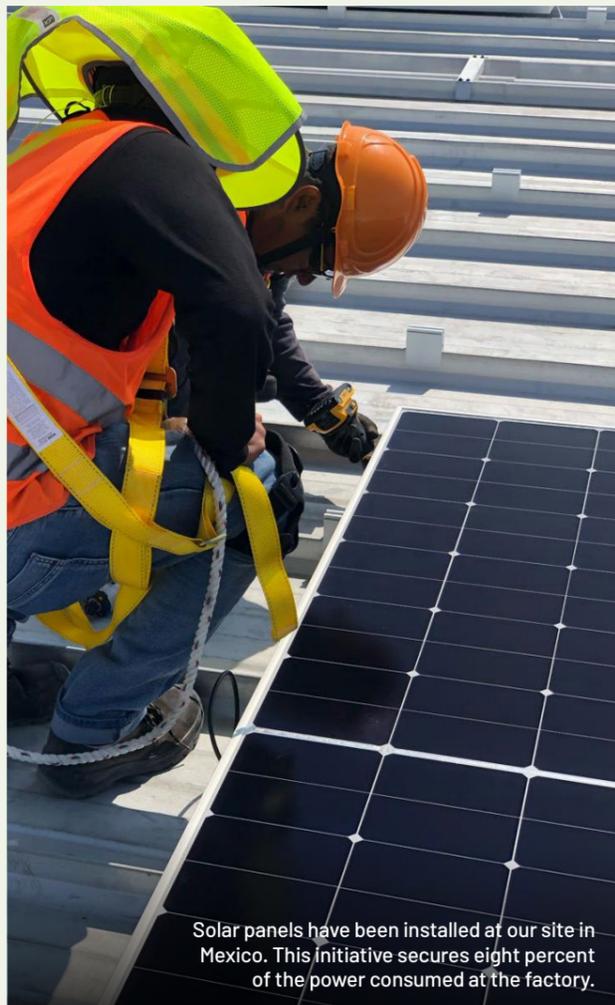
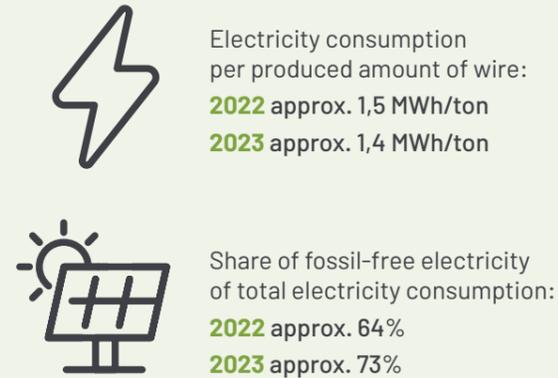
High-quality wire production requires a substantial amount of energy. We recognize that responsibly sourcing of energy has the potential to greatly reduce our environmental impact. Therefore, we are committed to minimizing our use of fossil fuels across all our production sites.

We work with energy efficiency and transition to electricity that comes from fossil-free production at all sites, based on the local conditions. Energy sourcing options for our sites vary based on their location and other factors, so each site is on a journey of their own to reach their respective targets.

At Suzuki Garphyttan, climate action means that we are aware of our carbon footprint and are working to minimize it. The sites work locally with their processes so that our global footprint can be reduced. The most important factor in reducing our carbon footprint has been increasing our use of fossil-free energy. We have switched to fossil-free electricity at several facilities and installed solar panels at our sites in Suzhou, China and San Jose Iturbide, Mexico.

4% 8%

The total electricity generation will account for approximately 4 % in Suzhou and 8 % in San Jose Iturbide of the total electricity consumption of the plants. According to the local grid emission factors of 570 respective 435 kg CO₂ /MWh, these actions have reduced the annual CO₂ emissions by approximately 952 tons in 2023.



New energy program in South Bend

A new energy efficiency program has been introduced at our site in South Bend, USA. The objective is to reduce CO₂ but also provide opportunities to reduce wasted energy. Strategic Energy Management (SEM) program is a year-long program focused on identifying and implementing no-cost and low-cost operational, maintenance, and behavioral changes to reduce electricity and natural gas consumption. Another benefit of the program is reduced stress on our equipment.

Calculation of CO₂ emissions

We have made changes in the calculation of our carbon footprint from last year. The new factor is intended to be more accurate regarding emissions from scrap of wire rod in the manufacturing process. Previously, it was a fixed factor for all our sites of 3,657 tons CO₂ per ton wire. Now, the factor is 2,7 tons CO₂ per ton wire, plus each site's specific emissions in scope 1 and 2.

We have also included quenching oil and assumed that all that is consumed is incinerated. However, not everything consumed is incinerated as a proportion evaporates and forms volatile organic compounds (VOCs) instead of greenhouse gases (GHGs). Since we don't know the exact ratio, for now, we are assuming that everything is incinerated to avoid underestimating our emissions.

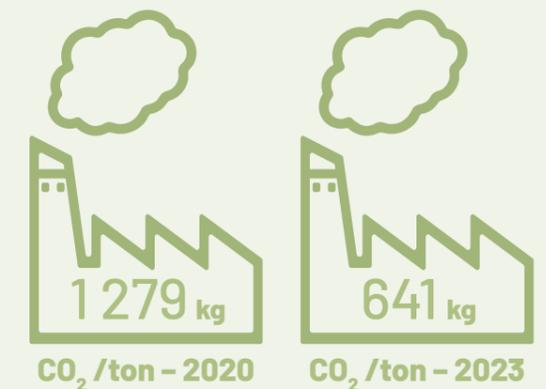
The base year goal, and emissions during 2023 calculated with the old factor are shown in parentheses. Quenching oil is included in both versions. In 2020, our CO₂ emissions were 1 279 (1 304) kg per ton of wire produced*. By 2030 our goal is to reduce this to 640 (650) kg/ton wire produced*, a 50 % reduction from our base year 2020. At the end of 2023, our calculations showed that our carbon footprint had been reduced by about 50 (45) % to 641 (723) kg CO₂ per ton wire produced* compared with 2020.

Although we are ahead of our goal, there is still much to improve. We will restate the goal, so it follows the commonly used distribution of emissions according to scope 1-3, to cover all emissions connected to our operations and our products.

* Based on emissions in scopes 1 and 2 according to GHG Protocol and also scrap of wire rod in the manufacturing process.



Emissions of CO₂ per quantity wire produced *



Chemicals and waste

We are aware that parts of our production can be hazardous for the environment and the people who work here. Therefore, we have set goals regarding harmful chemicals, our waste disposal, and the recycling done on sites. While our products are of the same quality on all our production sites, the processes on each site are at different stages in becoming more non-hazardous.



Better yield from the material
Delivered quantity/purchased quantity

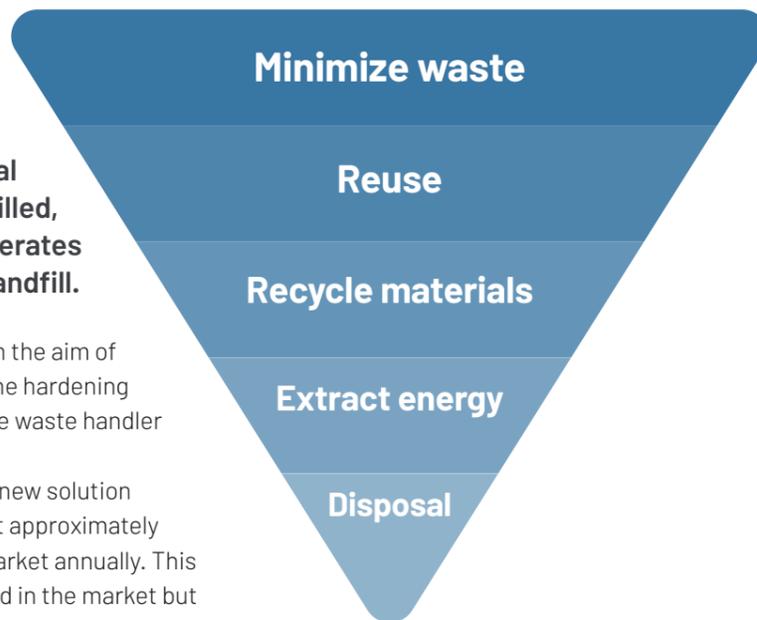


Lead waste as a resource

A new way to recycle lead waste from the hardening processes has been introduced in Garphyttan. The waste is treated and is then a resource that can be used as a substitute for virgin material rather than the waste having to be landfilled, as is the alternative. The waste now generates income for us instead of ending up in a landfill.

A project has been ongoing for the past years with the aim of recycling lead from the waste generated during the hardening processes. In 2023, we received approval from the waste handler that material recycling was possible.

The recycling rate of the lead waste using the new solution averages higher than 80 percent. This means that approximately 50 tons of lead can now be reintroduced to the market annually. This not only decreases the demand for new, virgin lead in the market but also reduces the amount of lead waste sent to landfills.



E-learning about waste

In 2023, a new program was implemented to work smarter with waste from our production. The training was mandatory for all employees stationed in Sweden. The purpose was to increase environmental awareness and understanding of how waste in our production can be used as a resource. Insight was gained into the consequences if waste sorting is not done correctly, both regarding the environmental and economic impact and also on the work environment for waste handlers and waste recipients.



A new chemical management system

A chemical management system has been implemented in our production. Its aim is to simplify the handling of the company's chemicals, ensure compliance with regulations, and minimize risks associated with chemical management. The system enables the company to use a unified system for all sites and in each country's respective language. Each site can customize its structure and designate individuals for tasks like risk analysis. The system also gives a clear overview of our chemical products and how to handle them safely. So far, chemicals from all our production sites, except South Bend, have been entered into the system, going forward their chemicals will also be entered into the system.



80% of our chemicals in the new chemical system have undergone risk assessment.

Water

Water is an indispensable part of our processes, but we are also aware that it is a resource that is becoming more precious by the day. This is why we are trying to save and recycle water in any way we can. All our sites have different approaches and systems for water sourcing and recycling, and each site work hard on their areas that need improvement.

Our site in Garphyttan is covered by Best Available Technique (BAT) conclusions where, among other things, water consumption, measurement frequency, and emission levels to water are regulated. These apply in addition to the emission levels regulated in the permit for the operation.

The BAT conclusions also specify various techniques that can be used to not exceed the emission levels specified. We have reported the current status of the water management regarding those conclusions that apply to us and the requirements that we need to meet in 2026 at the latest.

Facts about BAT conclusions

Best Available Technique (BAT) conclusions are EU legislation regarding general industry-specific requirements that are acceptable within the industry. There are two types of BAT conclusions, with or without associated emission levels.

09. Investing in employees and the community

We take the health, safety and happiness of our employees at Suzuki Garphyttan very seriously. We therefore work tirelessly on building and maintaining a safe, inclusive, and diverse workplace that benefits both our company and the individual employee.

We believe in the power of people and are convinced that the key to continued development and success is our employees – both those who already work here and those we need to attract to expand our expertise.

A safe workplace

A safe and sound work environment is an important strategic issue for Suzuki Garphyttan. All our employees should be able to work in an environment that fosters good health. In 2023, the trend of decreasing workplace accidents continued, alongside a rise in preventing risk reporting, indicating progress in safety. We still have work to do before achieving an entirely accident-free workplace, but we are seeing clear improvements. Not only in the form of improved numbers but also in terms of higher risk awareness among our employees. Over the past few years, we have witnessed numerous indications of improvement in our safety culture, with people caring for and looking after each other to a greater extent than before.

Accident-free workplace

Creating an accident-free workplace starts with shaping the culture and fostering a safety-oriented mindset. This means ensuring that everyone is aware of potential risks and enhancing their overall understanding of safety hazards. By doing so, we create an environment where risks can be identified early, leading to the implementation of preventive measures to avoid accidents. The preventive reporting of risks gives us the necessary information to work with in our quest for zero accidents. If accidents or crises would occur, we are well-prepared thanks to recurrent education and training.

Since 2018, we have used a strict definition for accidents to enhance our organizational mindset and encourage more reporting. Now, we are ready to align with the industry standard to define safety deviations, including accidents and near misses. This enhances comparability within the industry while maintaining our strong focus on safety as the top priority.

As part of the safety work, Suzuki Garphyttan maintains a well-developed cooperation between our main safety officer and our local safety representatives. We are striving to find the right balance of raising awareness, changing behaviours, and using technical solutions to create a safety culture that reflects our values. We want everyone to be actively involved, with leaders guiding the way and employees taking ownership where understanding human behaviours is just as important as solving technical problems.

We ensure that our company follows the law by maintaining a well-organized work environment and conducting regular internal and ISO certificate audits.

Reported risks (preventive actions):

Preventive actions have increased by 91% since 2021

848	1231	1623
2021	2022	2023

Safety week for a safer workplace

Four times a year, we hold a Safety Week to target areas of improvement and raise awareness. Introduced in 2022, it's now a quarterly event, addressing various safety topics from wire handling to workplace stress.



Diversity and gender equality

Suzuki Garphyttan strives to be a workplace that supports diversity and gender equality. We stand up for the rights and responsibilities of every individual and want to be a supportive place of work where all employees respect one another. We are conscious of both physical and mental well-being. Any form of discrimination, harassment, sexual harassment, violation, victimization, or bullying is unacceptable.

Discrimination

No employee at Suzuki Garphyttan shall be disadvantaged or discriminated against based on their gender, gender identity or expression, ethnical background, religious or other beliefs, disability, sexual orientation and/or age.

Harassments

Harassments and sexual harassment are offenses taken very seriously by Suzuki Garphyttan. It includes any behaviour that in any way undermines the dignity of another person.

Gender equality

All our employees should, regardless of gender, have the same rights, responsibilities, and opportunities such as influence, salary and work environment within their position of work.

Diversity

Suzuki Garphyttan strives to have a diverse workforce made up of a range of ethnic and cultural backgrounds. We believe that diversity contributes to a broader understanding, which promotes a more innovative and sustainable business model.

Promoting inclusion: survey and workshops

A survey on discrimination was distributed throughout the entire organization during the spring of 2023. The survey was followed up by workshops with all employees focusing on safety, diversity, and inclusion. Within the company, there is now a solid foundation for continuing to work on these issues. We are pleased with the results and will continue to work on the parts that needs to be improved.

Engagement has been high during the data collection phase. Response rates for the discrimination survey are as follows:

75% Garphyttan	89% Dusseldorf	72% San José Iturbide
84% South Bend	74% Leeds	71% Suzhou

Education

At Suzuki Garphyttan we want to pave the way for future generations. We strongly believe that an investment in our community and the people within it will promote development and further enable a sustainable future.

We are engaged in the education of both children and young adults. Here are some examples of initiatives Suzuki Garphyttan supports.

- The Swedish initiative Tekniksprånget**
 Suzuki Garphyttan participates in the Swedish initiative Tekniksprånget (The Technological leap). This program offers a valuable opportunity for high school students to engage in real-world projects within the wire industry through an internship and collaborate with our experienced team of professionals.
- Safety in the community and in traffic**
 We sponsor the traffic calendar, which is an educational project that teaches children road and traffic safety. The project provides support to schools for integrating road and traffic safety into different subjects.

- Environmental training for children**
 By supporting a nature and environmental training project for children we help to secure knowledge and a sustainable way of life for the next generation.
- Work experience collaborations**
 Suzuki Garphyttan give students of different ages an opportunity to get hands on-experience and an opportunity to work with us. We offer students summer internships and the possibility to carry out their degree projects at our different workplaces around the world.
- Focus on children's health and well being**
 To support children's engagement and opportunity to practice sports, we endorse local sport associations for children. We collect plastic bottles and donate the money to children and youth organizations.

Enhancing workplace culture together

At site Garphyttan in Sweden, a local leadership program was conducted in 2023. This is a complement to our global leadership program, which was introduced in 2022. The focus was on learning about and working with issues such as diversity, inclusion, and psychosocial work environment. In the next step, workshops on the same theme were conducted with all employees. Additionally, all managers and safety representatives in Garphyttan underwent training in organizational and social work environment during the year.



Attracting workforce for the future

I GE, stands for "Introduce a Girl to Engineering". They organize a special IGE-day, an event where various industrial companies participate to encourage more girls to explore opportunities within the engineering profession. This day, we had a visit from 17 girls aged 13 to 19 in Sweden. They got to meet some of our employees and learned more about working as an engineer in the steel industry. We are also a part of Teknikcollage (a collaboration

organization between schools and the business sector to promote increased interest in technology) together with the municipality and other companies. The purpose is to strengthen the industry's position and to attract more young people to consider working in the industry in the future. Therefore, we have visited several secondary schools to inform about the opportunities within the industry for the future.



We are proud to announce a new collaboration with Tegelbruket in Örebro, Sweden. Tegelbruket serves as an essential meeting place for youths aged between 16 and 25, focusing on supporting their integration into the job market. Our partnership aims to provide youths with opportunities for job training, internships, and employment with us at Suzuki Garphyttan.

Wiring up employee skills in our academy

To support our employee's growth and the company's transformation, we are introducing The Suzuki Garphyttan Academy. This initiative will facilitate ongoing employee development, ensuring that we remain competitive in the ever-evolving business landscape. The Suzuki Garphyttan Academy will include many initiatives starting with investing in leadership and project management development, with plans for an employee program in 2024.

4.7%

The company's goal for sickness absence in 2023 was to be lower than 5.5%. The outcome landed at 4.7%.

10. Driving growth through innovation

The world around us is changing, and so are we, adapting to the market of today and of tomorrow. Traditionally our production has been focused on conventional automotive products, often related to the internal combustion engine. The automotive segment will always be important to us, but to continue to be a world-leading wire supplier we are developing our offer and finding our ways into new markets.

Thanks to our production facilities in Sweden, the US, Mexico, China and the UK we can quickly and smoothly meet local needs. We can continue to offer our customers high quality, flexibility and service levels, with short lead times and the possibility of rapid deliveries for new projects. The local production reduces the transport needs which in turn reduces both costs and environmental impact.

Our business partners are highly valued

Suzuki Garphyttan is a professional long-term partner, driven by a responsible mindset regarding everything we do. Our business partners are of fundamental importance to us, and we must meet their priorities and their expectations of our business.

We meet different business partners every day. To develop and build long-term and strong customer and supplier relationships, it is important that we collaborate and listen to the different expectations that they have. Our business partners all have different functions in society and set different demands on our organization. One demand most of our business partners have in common is resource efficiency and reduced environmental impact.

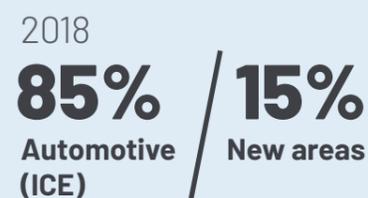
Laws and environmental authorities are seen as business partners to secure and help us keep up with each country's environmental goals.

Cooperation

Cooperating with business partners generates more business opportunities; it also gives us better pre-requisites to coordinate, increase our efficiency and ensure that our business relations are reliable.

Suzuki Garphyttan is a member of several collaboration organizations such as the Swedish steel producers' association Jernkontoret. Through these organizations, we can support different environmental efficiency research projects as well as other projects within our industry.

Distribution of turnover between conventional products for the automotive industry and new areas



Continuously renewed range of high-quality product

Suzuki Garphyttan is committed to expanding its market presence and delivering the world's finest wire products to a broader spectrum of customer segments. By conducting thorough market evaluations, we are continually enhancing our product portfolio to meet the evolving needs of our customers, thereby enriching our range of offerings.

It is crucial to continue the journey of diversifying the customer base, in line with the established goal. Historically, we have predominantly supplied products to the automotive industry. With each passing year, we are making greater strides into other markets. During 2023, several significant steps were taken to expand the product range. Let's take a closer look at a few examples.

Our expertise in cold-drawn steel wire, commonly known as piano wire or music wire, is deeply ingrained in our company's DNA. Based on the mentioned market evaluation, we have taken steps to complement the offerings within this product segment.

In response to stringent requirements for cleanliness and surface appearance, we are introducing bright drawn stainless steel wire, which minimizes residual on the wire surface, ensuring impeccable quality for various applications.

Furthermore, progress has been made in spheroidized wire, with a particular focus on serving the textile industry. We have commenced serial deliveries and explored novel applications, resulting in successful trials.

Ability to customize our machinery

Our commitment to innovation extends to shaped wire production across all our production regions. Noteworthy advancements, particularly in China, include series deliveries and expanded capabilities for spool and paper core delivery. We have also elevated surface quality standards and provide extensive training to our production teams, underscoring our dedication to localizing our full product range in each region.

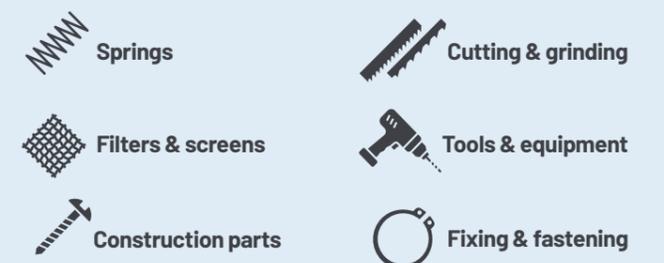
Robin Olsson, Head of R&D, talks about the company's ability to adapt to customers' demands and preferences to continue towards the goal of broadening our product portfolio.

"At Suzuki Garphyttan, we design world-unique machines. When we build our own machines, we can add special features that meet the demands and expectations in entirely different ways, meaning we can offer something no one else can", Robin concludes.

We have the capability to tailor production according to the customers' requirements.

A complete supplier of wire

Suzuki Garphyttan offers a broad selection of wire types, tailor-made for different uses. They have one thing in common: the high quality needed in customers' applications.



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Together for a
better tomorrow

Suzuki Garphyttan is a world-leading
supplier of advanced wire products
and is part of Nippon Steel Corporation