

”If you stop getting better,
you stop being good”

*- Hugo Jönsson,
the founder of Polykemi*

SUSTAINABILITY REPORT
2020

polykemi 

BRINGS OUT THE BEST IN PLASTICS

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pwc

Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Till bolagsstämman i Polykemi AB, org.nr 556114-3461

Uppdrag och ansvarsfördelning

Det är styrelsen som har ansvaret för hållbarhetsrapporten för år 2020 och för att den är upprättad i enlighet med årsredovisningslagen.

Granskningens inriktning och omfattning

Vår granskning har skett enligt FARs rekommendation RevR 12 *Revisorns yttrande om den lagstadgade hållbarhetsrapporten*. Detta innebär att vår granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

Uttalande

En hållbarhetsrapport har upprättats.

Ystad den dag som framgår av min elektroniska underskrift
Öhrlings PricewaterhouseCoopers AB

Ann Rickard Nilsson
Auktoriserad revisor



CEO speaks

A DIFFERENT YEAR – THE NEW NORMAL

In a moment of reflection, it strikes me that what I, and certainly many with me, have wished for the past year is that life would return to normal but that it will probably not be achieved. . . Not now and maybe not in the future for what was normal a year ago may not be normal tomorrow.

It has been a very different year. When we entered the second quarter, order volumes decreased so dramatically that we had no choice but to temporarily close some of our production lines. Our strategy was and still is as always to avoid reducing our staff. We rather want us to continue together to

find the best possible solutions for simplifications and streamlining our daily work while the sales department is working hard to find the projects that are still out there with our customers.

At the end of the second quarter, we could see some glimmers of light in our order intake, but the uncertainty was high at this time. When we started production in early August, after the summer leave, we were able to start more production lines and slowly but surely increased order intake during the third quarter. During the end of the fourth quarter, order intake increased further, which meant that we had to hire about ten new operators for our production to cope with the increased order intake.

At the beginning of the year, our factory in China also had a reduced order intake due to the Covid-19 effects of closed businesses and communities. As in Sweden, order intake recovered well during the second half of the year.

The trend of increased demand for high-quality recycled plastic compounds from our customers and end users continues. It is not only the car industry that wants to see an increased use of recycled plastic, but we can see this in almost all customer segments. Our market position as a global supplier of recycled plastic compounds is absolutely a very important key factor for us to continue to be able to grow and develop as a company.

We also see that our customers requests more sustainability data in the form of LCA (Life Cycle assessment) and CO₂ data in order to be able to make the right choice of material from a sustainability perspective. Therefore, during the year we produced an LCA report with CO₂ data on many of our raw materials. This allows us to present sustainability data (CO₂) for different compositions of our plastic compounds for our customers.

Our subsidiary Rondo Plast celebrated 40 years this year and it is a different journey that this company has made. From being a side business where people did not want to associate recycled plastic with virgin plastic raw material because customers and end users considered that recycled plastic was equal to plastic waste, to now being a supplier of high-quality recycled materials. Unfortunately we have

not been able to have a celebration this year but we hope that we can take this to next year (2021).

Another thing that has changed during the year is our way of meeting and working. Like all other companies, we have had to cancel almost all physical customer meetings, including internal meetings, and instead switched to digital meetings. The development of digital meetings has progressed very fast because they were forced to use this new technology and I think most people think that it works well and that this is something that will remain even after this pandemic.

Polykemi Group with it's different companies will continue to invest a lot of resources in developing our opportunity to meet tomorrow's needs and demands regarding plastic materials from our customers. With the investments we are now making in both Sweden, China and the USA, we will strengthen our market position as a global supplier of sustainable materials that are fully or partly based on recycled plastic materials.

Polykemi Group does not have a separate sustainability organization, but sustainability issues are managed as an integrated part of other operational issues. All employees at Polykemi have a collective responsibility for how we act in relation to our customers, suppliers, employees and other stakeholders. Sustainability work is an important component in meeting our customers and stakeholders expectations and our own goals of continued profitable and sustainable growth.

With a fundamentally positive attitude towards the future and our ability to adjust and do the right thing, I dare say that we have still not reached the top of what is possible. We have much more improvements and development left to experience.



Ola Hugoson
CEO for Polykemi AB

IMPORTANT EVENTS DURING THE YEAR



RONDO PLAST 40 YEARS

Rondo Plast was formed as a separate company for plastic recycling and the opening took place in May 1980. There was a connection to the parent company Polykemi, but it was not emphasized in our marketing because there was a great deal of skepticism among our customers and end users to use recycled materials.

Therefore, they also wanted to separate the two operations Polykemi (virgin plastic raw material) and Rondo Plast (recycled plastic raw material). During the first half of the 1980s, Rondo Plast emerged as an accepted and serious supplier of recycled plastics, primarily to the Scandinavian market.



During Rondo Plast's first year, materials were mainly manufactured for example for clothes-racks, flower pots and drainage pipes and other simpler end products. As the interest in using recycled

materials in the automotive industry has increased, Rondo Plast has developed into a global player in high-quality recycled materials. For more than ten years, Rondo Plast has been involved in a large number of projects where materials have been produced for advanced products the automotive industry, among many others.



Rondo Plast was formed in 1980, here at our first premises.

An important factor when it comes to recycled materials is to have control over the incoming raw material source. The raw material is classified in our own laboratory and then put together in a suitable recipe, so that we meet the various mechanical and aesthetic requirements that our customers have.



In 2010, we moved to new premises up on "Backen", just a stone's throw from Polykemi's head office and production.



POLYKEMI PARTICIPATES IN THE FIGHT AGAINST THE CORONAVIRUS

During the year, Polykemi has participated in the fight against the Coronavirus by being able to quickly convert our production into materials for products needed in health care.

One of the materials are, among other things, used for the housings for portable ventilators used in ambulances and rescue helicopters, products which unfortunately is really needed this year. During 2020, the demands have increased dramatically, which has led to orders and deliveries having more than tripled.

After some urgent meetings between our customer and the end customer, Polykemi suddenly received an order for 80 ton PC/ASA in April, resulting in major challenges for both Polykemi purchasing and production departments. The challenge with this order is mainly that some components in the materials, especially the non-halogen flame retardants, has a very long delivery time. After some special actions Polykemi has delivered close to 100 ton of compounds so far this year.

Another example of materials that has increased during this year is the development with our longtime customer Liljas Plast AB in Hillerstorp Sweden, which among other things produces parts for respirators and face masks.



POLYKEMI GROUP SALES WEBINAR 2020

Already in early spring, we began to realize the difficulty of maintaining our longterm tradition of inviting staff from our subsidiaries and agents to Ystad for the 2020 sales seminar in September.

We decided not to let the pandemic break our tradition, so we equipped a "broadcast studio" with Polykemi Group props to provide as professional a setting as possible. Regarding the program, we decided to have short information blocks with frequent breaks to maintain focus throughout the day.



When the day finally came, we started the Skype meeting and during the day we had almost 60 colleagues connected, ranging from internal colleagues to our Chinese colleagues at our office in Chongqing, China. We were very pleased with how the outcome turned out and it was above all important that we could keep our seminar tradition going.





Life Cycle Assessment

Of Polymers, reinforcements, pigments and additives

By Polykemi

Title: Life Cycle Assessment of Polymers, pigments and additives by Polykemi
Date: 18/12/2020
Report number: 778
Ordered by: Polykemi AB
Issued by: Annie Johansson at Miljögiraff



LCA ANALYSIS OF PLASTIC COMPOUNDS POLYKEMI

We see that our customers demand more sustainability data in the form of LCA (Life Cycle Assessment) and CO₂ data in order to be able to make the right choice of material from a sustainability perspective.

Therefore, during the year we produced an LCA report with CO₂ data on our raw materials, which means that we can present sustainability data for different compositions of our plastic compounds to our customers.

The entire project work with the LCA report has been done together with a Swedish environmental consulting company (Miljögiraffen) and all work with follows the ISO 14044 standard.

We will also have access to an IT tool based on a recipe model where we can choose different percentages of raw materials (new, recycled, even bio-based) and also reinforcements, additives and pigments in order to obtain the CO₂ footprint for just one of our specific materials. This tool enables us to present and compare different recipe compositions for our customers.



HISTORIC DEAL HAS POSITIVE EFFECTS FOR SCANFILL AB AND YSTAD

Our subsidiary Scanfill has acquired the assets of JiHå Plast AB, a family-owned company based in Karlskoga, central Sweden. This is an historic acquisition for Scanfill AB and the Polykemi Group because this is the first time within the Polykemi Group history that we acquire a company to integrate into the business

The deal is expected to have several positive effects, even for the region. Three machines for foil production will be located in Ystad during the autumn 2020, which will lead to Scanfill AB increasing the number of employees at the factory in Ystad.

In addition, Scanfill AB will take over a large number of national and international customers. This makes us one of the few producers that can produce virtually all packaging plastics available on the market. It makes us an extremely competitive supplier in the entire European market.



When installing one of the new machines at Scanfill.



DECISION TO BUILD ANOTHER FACTORY IN CHINA (CHONGQING)

China's center for many car manufacturers (Mercedes, Volvo, Ford, Geely and many other Chinese car brands) today is Chongqing and Chengdu. Polykemi has had a sales office in Chongqing for many years.

We have had a steady increase in volume growth in the Chongqing region and it has now reached a volume level that allows us to take the step with another factory in China. We will buy land to be able to build a factory in Chongqing ourselves and we plan to have the factory up and running in late 2021 or early 2022.

EXPANSION OF THE FACTORY IN CHINA (KUNSHAN)

During the year, we completed and inaugurated the third phase of the expansion at our factory in China, which includes three buildings of approximately 7,000 sq.m. The investment in refining and compounding recycled materials is progressing in the China factory, and we also see great potential for strong growth in the future.



Aerial view of office and production in Kunshan, China.

OUR SUSTAINABILITY WORK

The Polykemi Group this year publishes its tenth sustainability report. Our first three sustainability reports, 2011 - 2013 were written in accordance with GRI (Global Reporting Initiative) version G3.1. From the 2014 to the 2016 report, our sustainability reports have been published according to the version of GRI G4 (base level Core).

This year's sustainability report is prepared according to the new GRI Standards Core, which is described at <https://www.globalreporting.org/standards/>.

The report describes the Polykemi Group's work with sustainability issues and encompasses the 2020 calendar year unless otherwise indicated in the text. In accordance with GRI Standards, we have focused the report on the areas that have been identified as being most important in dialogues with interested parties and in materiality analyses. Just like last year, we have done another division of our substantial areas, whose aim shall be to clarify our most important sustainability areas (see Figure 6 on page 19).

This sustainability report encompasses the Group's European operation at the Polykemi, Rondo Plast and Scanfill companies, as well as our Chinese company, Polykemi Compounds Ltd. Accounting principles are the same for all companies throughout the entire group.

Some substantial changes, such as ownership, structure, company size etc., have not taken place during the accounting period. Neither has the Polykemi Group made any changes in business direction or in the products in 2020.

The Polykemi Group has no separate sustainability organisation, but rather the sustainability issues are governed as an integrated part of other community business issues. The overall strategic focus is established at the Group level and is governed by the Group's policies, for example, work environment policy, environmental policy and our values (more info in Framework & Management of sustainability aspects, Figure 10 on page 23).

ENVIRONMENT AND CSR WORK ENVIRONMENTAL WORK IN SWEDEN

Polykemi, Rondo, Polykemi Inc.(USA) and Scanfill are environmentally certified according to ISO 14000 (all companies are certified according to the new standard, ISO 14001:2015). Overall, the certification governs our entire environmental work, and we conduct a number of projects in order continually to improve and to reduce our impact on the environment. Each year, Polykemi compiles an environmental report, where all goals, improvements and results within the field of environment are presented.

ENVIRONMENTAL WORK IN CHINA (POLYKEMI COMPOUNDS LTD)

The environmental work in China continues, and we have been certified since 2014 in accordance with the environmental standard ISO 14001. The ISO 14001 environmental management system forms the basis for our systematic continued work in developing goals, action plans and improvements within the field of environment for Chinese operation.

LAWS AND GUIDELINES WITHIN ENVIRONMENT AND CHEMICALS

Polykemi engages an external consultant (Ramboll) in order to evaluate and ensure legal requirements and compliance. Furthermore, we are connected with the Notisum law monitoring system in Sweden, and with Envitool in China, both of which ensure that we always have access to the current legislation in the country in question. During the past year (2020), Polykemi Group has not committed any violations of environmental legislation or local directives.

Polykemi always works based on the definition of the precautionary principle. Practically, this means that we always take measures when there is a risk of damage to the environment or human health, which is described in our environmental management routines.



TRANSFORMING OUR
WORLD:
THE 2030 AGENDA FOR
SUSTAINABLE
DEVELOPMENT



ADDITIVES

The EU's chemical ordinance, REACH, came into force on 1 June 2007. REACH contains among other things rules for registration of substances, prohibitions or other restrictions of substances, requirements for permits for particularly dangerous substances and rules for informing customers. A company that manufacture, import or sell goods or chemical products in EU/EES are obliged to follow these rules. The REACH regulation also contains rules for users of chemical products. All substances are covered by REACH and so consequently, most companies within the EU are affected by the regulation. In order to fulfil the requirements of the regulation are all companies affected forced to identify and handle the risks connected to the substances that you manufacture, import or sell within the EU. Everyone who uses chemicals in our line of business must comply with these regulations.

All chemicals handled by Polykemi Group must be in accordance to the demands on MSDS, and that can contain information on 16 different areas. All MSDS is on our management system for chemical handling, Eco Online, and is accessible for all employees. Polykemi have also introduced the same system to China.

OUR VALUE CHAIN

In our sustainability work, we work to reduce the impact on our own operations. We are also dependent on other actors to increase the sustainability of the value chain. We exert influence both backwards and forwards in our value chain. How Polykemi Group

works with our value chain is presented in Figure 1 on page 10. We have illustrated our impact and our influence as well as what important issues and what approach we have for the different parts of the value chain.

UN GLOBAL SUSTAINABILITY GOALS

The 17 global sustainability goals (see picture above) are indicative of the countries' commitment to establishing a clear plan for the work that is necessary up to 2030, in order for the development to be sustainable in the long term. The rapidly growing awareness that it's necessary to transition against a more sustainable resource utilization will place entirely new demands on the industry.

During the year we have involved ourselves in activities connected to the 17 global sustainability goals. We have locally participated in a network arranged by the local business unit in Ystad Municipality and "Tillväxt Syd", referred to as "a smorgasbord for new businesses". The goal with the network is to create a basis for a sustainable industry by displaying areas where you can find competitiveness, economic gain, new business, competence provision and working in line with UN global sustainability goals.

New for this year in this sustainability report is that we have chosen to link the GRI indicators to the global goals, see GRI index page 44-47. These goals can also be linked to existing activities and goals within the Polykemi Group.

OUR VALUE CHAIN	RAW MATERIAL	PROCESSING (1:STEP) OUR SUPPLIERS	COMPOUNDING OUR BUSINESS	INJECTION MOLDING OUR CUSTOMERS	MANUFACTURE OF COMPOSITE PRODUCT	CONSUMER
Impact/influence Polykemi Group	Limited influence	Influence	Control	Influence	Limited influence	Limited influence
Polykemi, Scanfill	Crude oil	Manufacture of plastics such as PP, PE, ABS, PC etc.	Manufacture of custom plastic materials (granules)	Manufacturing (injection molding) of details	Composition of various components (different materials)	Use of the end product
	Mineral extraction	Processing of the minerals talc, chalk and fibreglass	Used as reinforcements in plastic compounds			
	Elements	Manufacture of additives, pigments, etc.	Used to add specific properties and color the plastic			
Important issues (Polykemi, Scanfill)	• Access to raw materials • Service conditions • Impact on nature, emissions etc.	• Product quality • Transports • Service conditions • Energi & resursanvändning	• Efficient use of resources • Profitability • Product quality • Service conditions • Expertise & values • Community involvement	• Product range • Transport • Resource-efficient production • Customer satisfaction • Service	• Product range • Resource-efficient production • Sustainable and recyclable products	• Sustainable and recyclable products. • Reduce plastic into nature and water (microplastics)
	Supplier selection Selection of raw materials Cooperation with our suppliers	Supplier selection Selection of raw materials Cooperation with our suppliers	• Environment & quality management system (ISO 9001 and ISO 14001) • Product development • Responsible market behavior (values) • Systematic handling with work environment • Cooperation & community involvement	• Product development • Marketing • Technology training together with customers • Customer Interaction	• Product development • Marketing • Technology training together with end customers • Customer collaboration (end customers)	• Product development • Marketing • Contributing to information about plastics
Rondo Plast	Recycled material	Processing of recycled material (sorting, grinding, mixing etc.)	Manufacture of custom plastic materials (granules)			

Figure 1

POLYKEMI GROUP

KEY FIGURES



BRINGS OUT THE BEST IN PLASTICS

	2020	2019
Turnover (mSEK)	895	1 100
Result (mSEK)	77,9	76
Equity ratio (%)	57	57
Employees*	216	209

(*All employees are employed by Polykemi, but with different placements.)

POLYKEMI COMPOUNDS LTD (KUNCHAN, CHINA)

	2020	2019
Turnover (mSEK)	154	160
Result (mSEK)	30	25
Equity ratio (%)	87	88
Employees	72	75

POLYKEMI INC.

	2020	2019
Turnover (mSEK)	62	55
Result (mSEK)	5,4	4
Equity ratio (%)	46	50



BRINGS OUT THE BEST IN PLASTIC RECYCLING

	2020	2019
Turnover (mSEK)	134	177
Result (mSEK)	4,5	6
Equity ratio (%)	82	78



BRINGS OUT THE BEST IN PACKAGING

	2020	2019
Turnover (mSEK)	41	48
Result (mSEK)	3,8	4
Equity ratio (%)	91	92

SUBSIDIARIES

Denmark, Germany and Czechia

	2020	2019
Employees	11	11

ABOUT POLYKEMI GROUP

POLYKEMI BACKGROUND

Ever since the company was founded in the spring of 1968, the basic concept has been the same: to manufacture customised plastic compounds and to strive to do it better than anyone else in the world. From the very beginning, Scandinavia was chosen as the principal market, and even today Scandinavia continues to be an important market, even though we currently work in most European countries and around the world.

Our strength lies in continually being one step ahead and in being able to offer customised product ranges with solutions so unique and creative that no one else can compare with us on like terms. This involves inter alia our documented skill in colour adaptation, multiple fortifiers and fibres in a large quantity of various polymers, and our express ambition to co-operate closely with our customers where security, close personal contacts, a high level of skill and problem-solving abilities are our guiding principles.

Polykemi is an innovative knowledge-based company that satisfies the market's demand for absolutely world-class end products.

FAMILY-OWNED COMPANY

Polykemi is a family-owned company with 299 employees. The main office is located on Bronsgatan 8, Ystad, Sweden, and houses all of the company's main functions, such as sales, technical customer support, purchasing, administrative support functions, as well as research and development.

The Polykemi Group also includes the parent company, Polykemi AB, as well as the wholly-owned subsidiaries of Rondo Plast AB, Scanfill AB, an independent subsidiary Polykemi Compounds in Kunshan, China, which is engaged in sales, purchasing and production. In addition, there are also our own subsidiaries and sales offices in Denmark, Germany, the Czech Republic and the United States. The companies that make up the Polykemi Group are further presented in Figure 2 on page 15.

BOARD AND MANAGEMENT

It is the responsibility of the board and management to ensure that the work within the fields of environment, work environment, monitoring of ethical guidelines, social responsibility and sustainable economic development complies with the regulations, strategies and goals established.

This responsibility also involves presenting the sustainability report in accordance with GRI in connection with the annual financial statement. The members of the board are presented in Figure 3 on page 15. In 2019, the Board of Directors consisted of 100% men. There has also been a union representative present at the board meetings.

With regard to issues within the field of sustainability, these are repeatedly addressed at the management meetings. A review of the company administration, in which sustainability work is included, is held four times per year and serves as a tool in reinforcing communication between owners, the board and employees. The governance of our sustainability work is presented in Figure 4 on page 15.

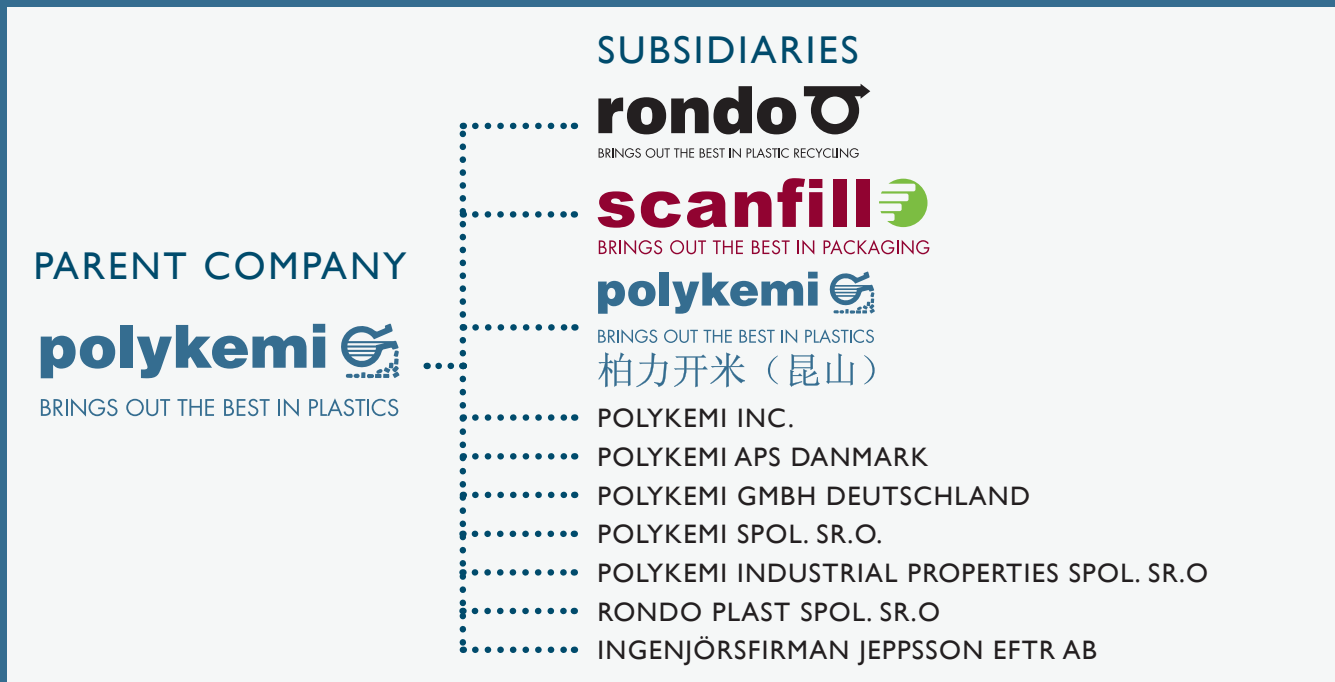


Figure 2

THE BOARD CONSISTS OF

INTERNAL

Ola Hugoson f 1957
 Lars Hugosson f 1962
 Magnus Lindahl f 1968
 Mattias Persson f 1968

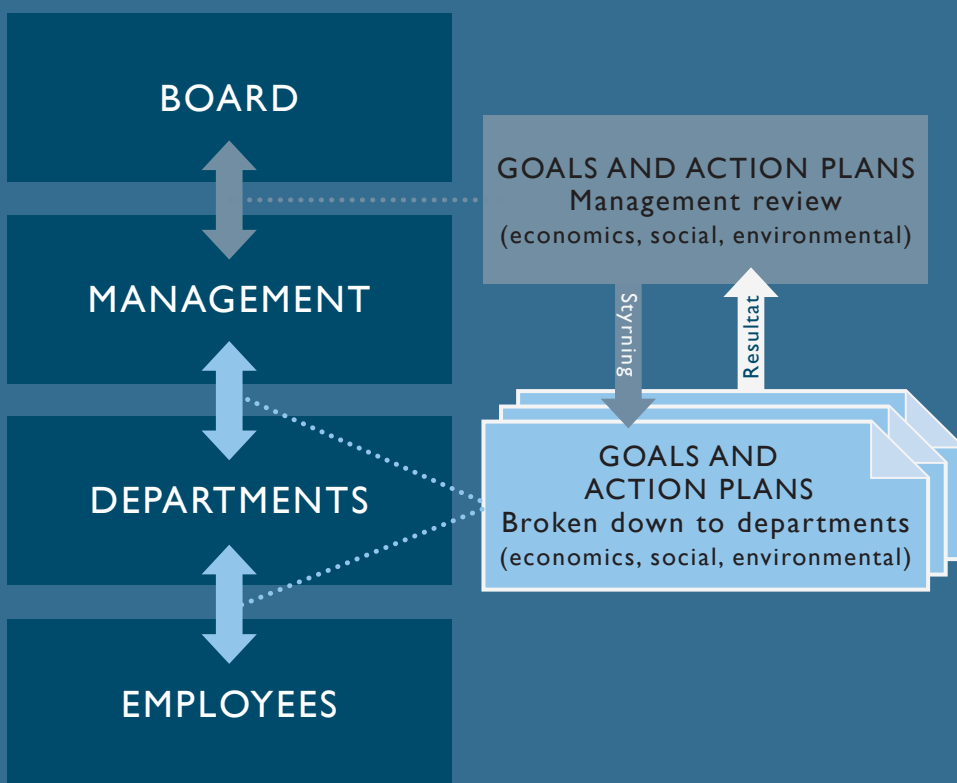
Stefan Andersson f 1957
 Peter Åkesson f 1969
 Nermin Sazic f 1972
 (Employee representative)

EXTERNAL

Magnus Bolmstrand f 1946
 (external chairman of the board)
 Torbjörn Wistrand f 1948

Figure 3

MANAGEMENT OF SUSTAINABILITY WORK



The CEO of Polykemi has overall responsibility for managing the daily business. The company's CEO, who is also a board member and owner, reports directly to the Board of Polykemi, which also determines the company's strategies in the field of sustainability. Sustainability issues are reported and followed up in management through action plans of environment, economics, HR and communication. The various action plans are subsequently implemented in the organization by department managers.

Figure 4



- Polykemi Sweden and subsidiaries
- Agents
- Other markets

MARKET OVERVIEW

POLYKEMI AB

Polykemi AB produces and sells customised plastic compounds to customers in more than 25 different countries all over the world. In spite of us encountering many different cultural differences in our day-to-day work, the way of doing business is very similar. The market for plastic use in Europe and in other parts the world is subject to constant growth, and those involved in this market know each other rather well.

As an independent compound producer, we purchase our plastic raw material, fillers, additives and colour pigments directly from the world's major manufacturers. We manufacture and then deliver plastic compounds according to the wishes and demands of our customers, so that they in turn can injection-mould and deliver parts to the end consumer. The most common industrial segments are within the automotive industry, household appliances, construction, electronics, household, medicine and more.

We are always trying to develop and improve what we do, as well as to live up to our ambition "Polykemi - a World Class Compounder".

RONDO PLAST AB

Rondo Plast works with recycling, upgrading and refining recycled plastic raw materials or plastic items.

Rondo Plast offers customers a complete standard programme of compounds based on recycled plastic, in addition to this, there is an opportunity to customise recycled plastic material solutions according to the customer's wishes.

In addition to the strong domestic market in Sweden, customers are mainly located in northern Europe.

Environmental awareness, as well as what we consider to be the obvious desire to recycle plastic, has been with us ever since 1980 when Rondo Plast was founded. In recent years, the use of recycled plastic injection moulded plastic items has increased substantially around the world, which fact pleases us. The trend is clear that the use of recycled plastic will increase in the future.

SCANFILL AB

Scanfill was founded in 2008 and is a unique producer of environmentally-customised plastic compounds the packaging industry around the world.

By using a packaging material from Scanfill, instead of traditional plastic material, the impact on our natural surroundings and on the environment is substantially reduced. The reason for this is that plastic compounds from Scanfill consists of more than 50% chalk, a non-oil-based commodity. This means that the consumption of fresh water and emissions of greenhouse gases during the manufacturing of the plastic is cut in half as compared with traditional plastic materials used in the packaging industry.

Scanfill and its material has garnered a great amount of attention around the world, and we see a bright future for these materials.

POLYKEMI COMPOUNDS (KUNSHAN) CO.

Our independent subsidiary was founded in 2005 and today it is a successful and reputed compounder for high-quality and customised plastic compounds for customers in Asia.

We see the same trend in China as we see in Europe, that the interest from our customers to use recycled plastic is constantly increasing. Therefore, during the year we have invested in equipment (mill, mixing system and metal check) to upgrade recycled plastic raw material as well as quality control via XRF and DSC. We have also strengthened the purchasing department to be able to increase activity to find the right sources for recycled plastic.

The investment in refining and compounding materials is progressing in the China factory and we also see great potential for strong growth in the future.

A decision has also been made to build another factory in Chongqing, which is China's center for many car manufacturers. We have had a steady

increase in volume growth in the Chongqing region and it has now reached a volume level that allows us to take the step with another factory in China.

The general need for customised plastic compounds continues to increase in Asia, and we feel that we have a very good opportunity to continue to develop and grow organically as this progresses.

POLYKEMI INC.

We have had an American-registered sales company since 2013, Polykemi Inc. There is since a few years back an established cooperation between two American companies that can produce material locally in the US for Polykemi. During the recent year, Polykemi have started with several projects in the US and a large part of these material are based on recycled materials. Our assessment is that business will continue to develop further on the American market during the coming years.

The American partners in Evansville, Indiana, US, is certified on accordance to the quality standard for ISO 9001 but is still not certified in accordance to environmental standard ISO 14001.

During the year we have visited the companies and conducted audits on site to ensure the quality of the product, but also to see and understand how they work with sustainability. All audits completed have rendered in an approved result with only minor deviations which has been adjusted.

As we are expanding and growing our business on the American market is it our ambition to collect more data regarding sustainability further more.

POLYKEMI GROUP

Different companies, we sometimes have different ways of handling different markets, but that which is common is that we will continue to work in the professional, service-minded, flexible and innovative manner that we do today and will continue to be successful in the future. We think our slogan of "whatever stops getting better, stops being good" succinctly summarises this message.

STAKEHOLDER ANALYSIS

At Polykemi, we strive for long-term relations and good cooperation with our stakeholders. This applies to groups and organisations that are affected or influenced by the company's operation. The priorities of our stakeholders shall be the guiding principles for how we conduct business.

Polykemi regularly cooperates with our stakeholders through a number of various forums, for example customer meetings, customer surveys, networking and dialogues with various official agencies. Our local attachments in Sweden (Ystad), and various sales offices in Europe and in China (Kunshan and Chungking) afford us a continual dialogue with stakeholders even at the local level.

COMMUNICATION WITH STAKEHOLDERS

Polykemi is not only run by a board, shareholders and management, but is also run by the insights we get by listening to our stakeholders. We need to know and to understand what our customers, co-workers, suppliers and the outside world in general expects of a company like Polykemi Every day, we meet our stakeholders in various contexts.

Understanding the expectations of our operation is a requirement for being able to be successful in the long-term and to contribute to sustainable development. That is why our ambition is always to hold a dialogue with our key stakeholders.

In Figure 5 on page 19, there is a summary with examples of more formalised dialogues held on a regular basis with our key stakeholders. In addition to these continual dialogues, we have held

focused dialogues with stakeholders with regard to sustainability.

We have also undertaken a weighing of our various stakeholders and we have employed an assessment model based on influence and interests.

SUSTAINABILITY - MATERIALITY

Based on the Polykemi Group's long-term success and experience from dialogues held with stakeholders in previous years, as well as the GRI Standards, work began with the new framework for identifying the most important sustainability aspects. This work resulted in an initial prioritisation, which was presented in the 2014 annual financial statement, in which we had 15 sustainability areas.

Polykemi's materiality analysis is based on the results from the stakeholder dialogue that was conducted in 2020. For most of our stakeholders, sustainability is mostly about a entirety and having a high minimum level in all areas.

During the end of the year (2020), we carried out a new stakeholder analysis that will form the basis for sustainability work for 2021 - 2022. The results of the latest stakeholder analysis from 2020 will be discussed in various forums like the board, management group and various working groups.

In 2017, we developed a framework in which we categorized our main aspects into four sustainability areas for Polykemi Group. The purpose and goal of the framework was to provide a clearer overview and connection between GRI and our business.

KEY STAKEHOLDERS	DIALOGUE SESSIONS	PRIORITISED AREAS
Customer	Customer visits of salesman/ technician Market research	Anti-corruption Social commitment Customer relationships
Owner	Annual meeting	Anti-corruption Recycled raw materials/techniques Waste/spill
Board	Board meeting	Anti-corruption Recycled raw materials/techniques Waste/spill
Co-worker	Performance reviews Department meeting Shift meetings	Anti-corruption Customer relationships Social commitment
Supplier	Supplier visits Procurement process/ contract	Recycled materials Supplier relationships Social commitment
Local community	Municipality Contacts Association Contacts	Social commitment Expertise Recycled raw materials/techniques
Authorities	Authority visits	Social commitment Expertise Recycled raw materials/techniques

Figure 5

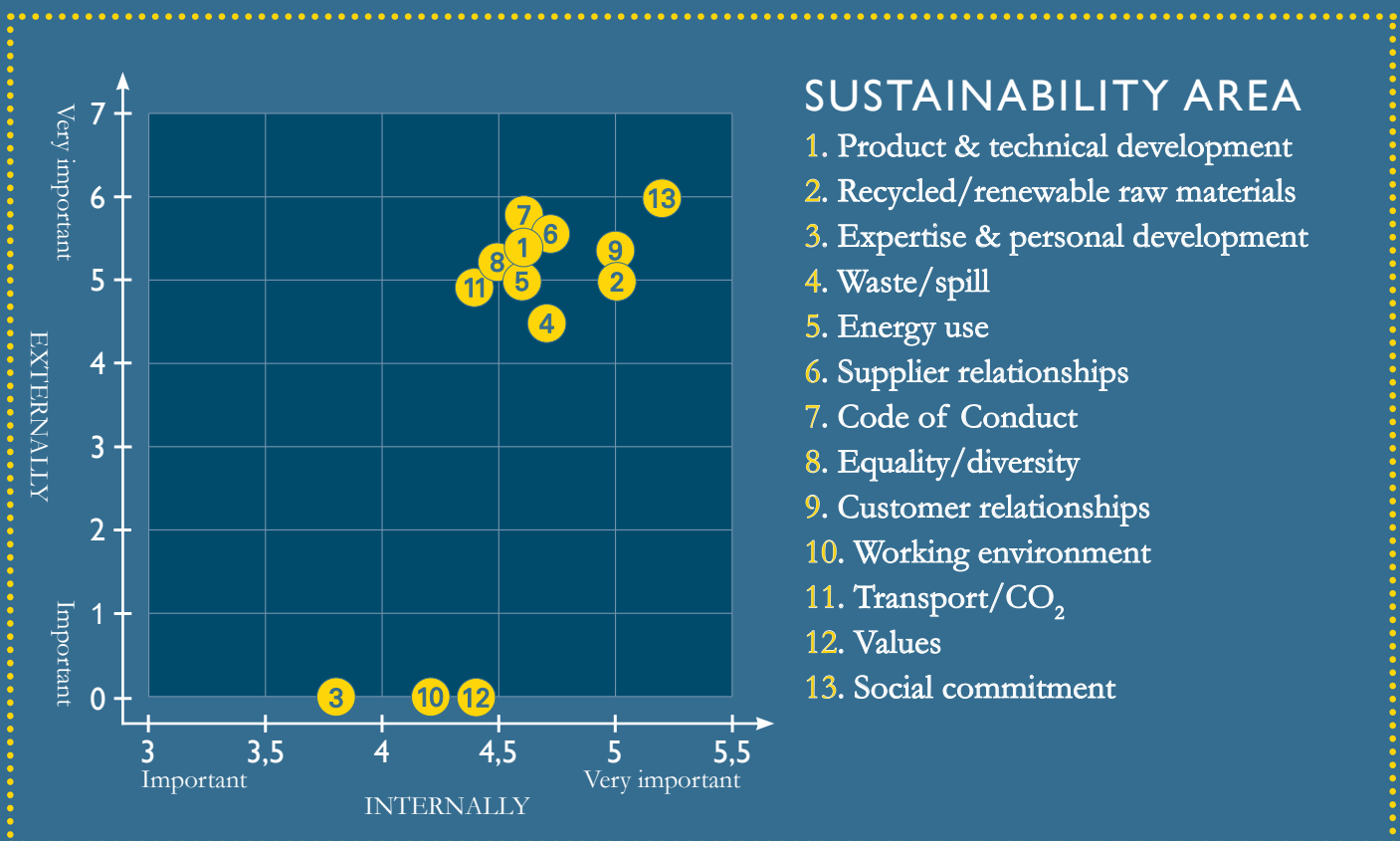


Figure 6

SUSTAINABILITY COMPARISON - HIGHEST RANKED

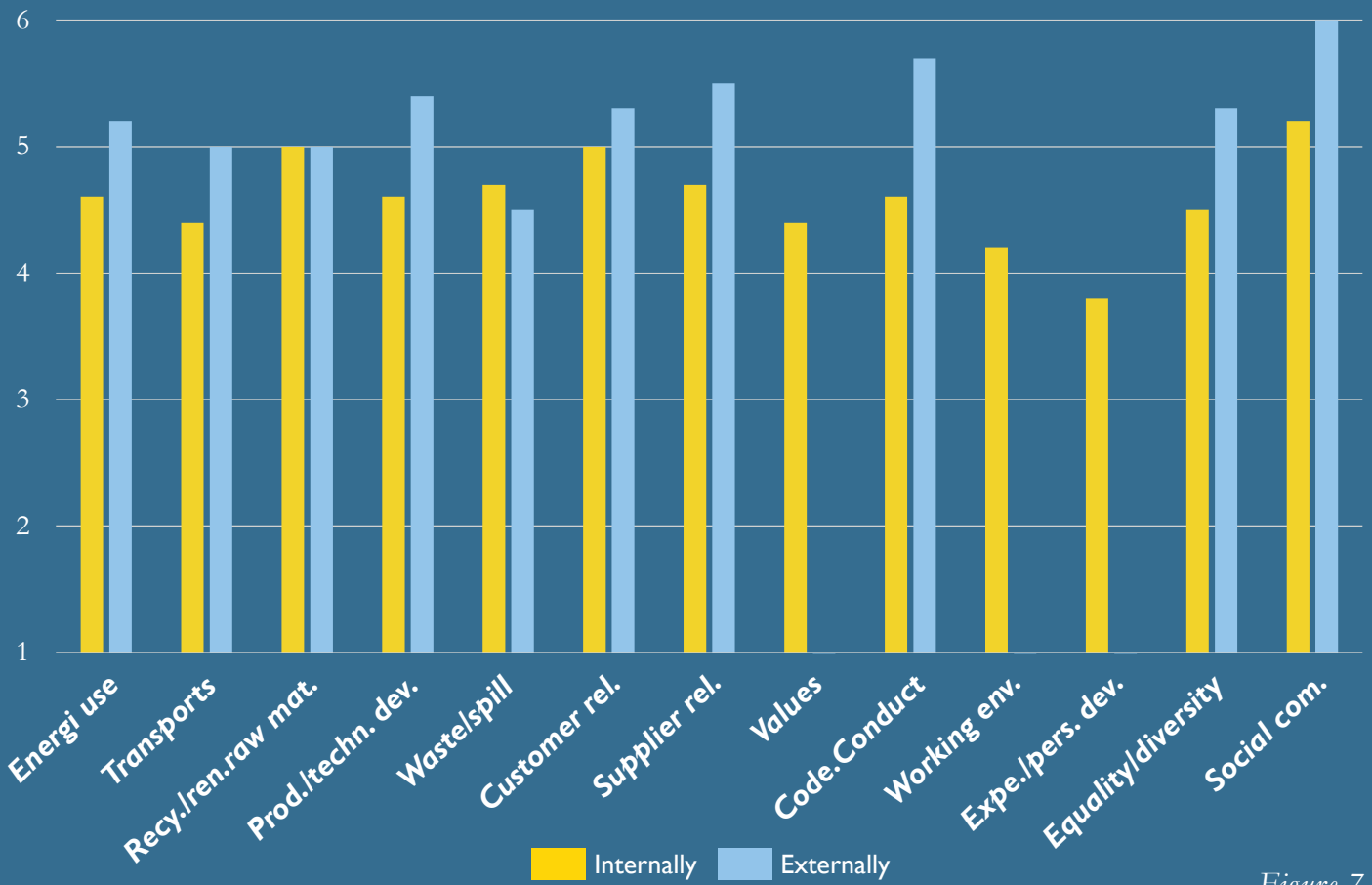


Figure 7

RISK COMPARISON

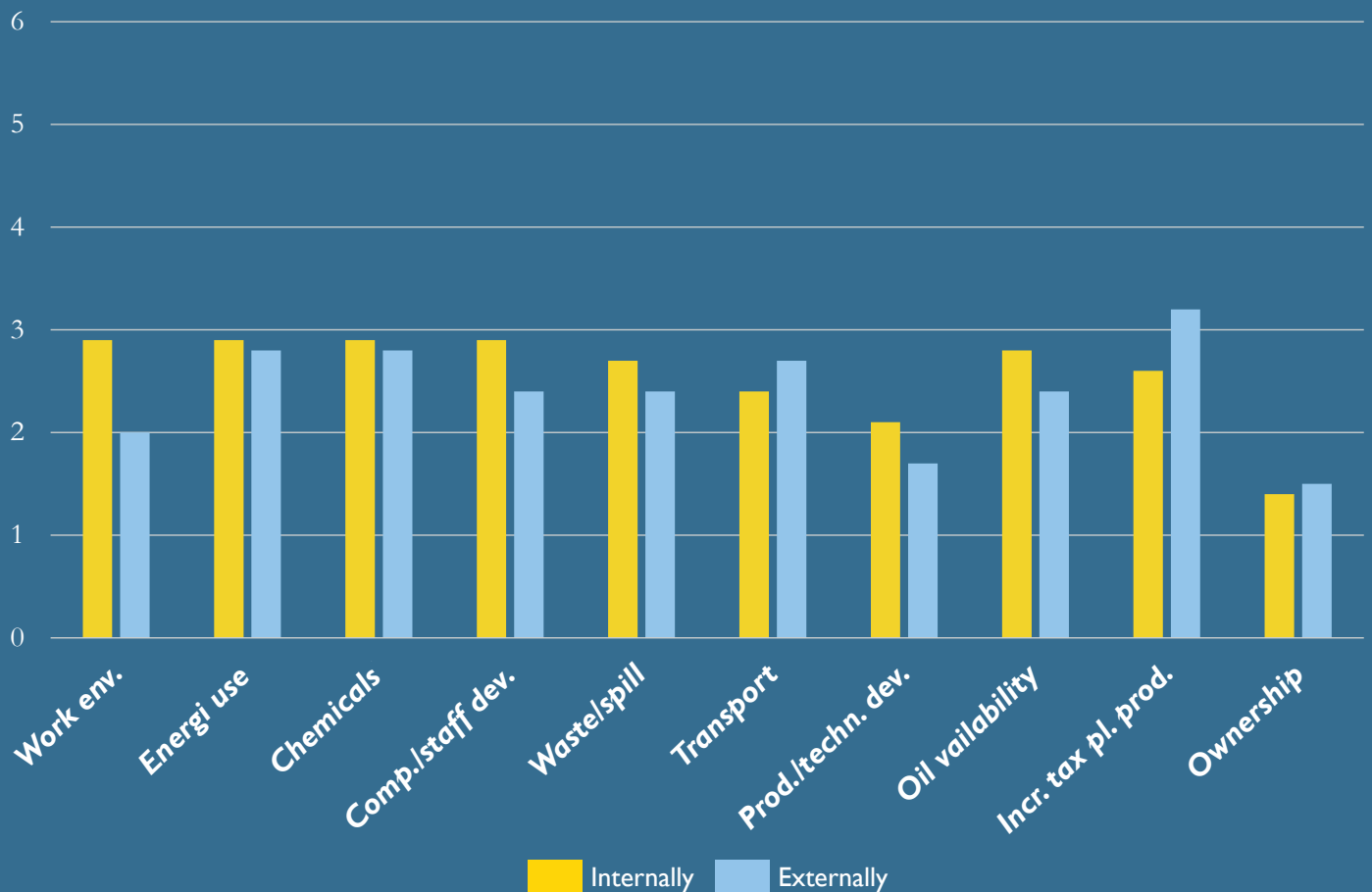


Figure 8

This work resulted in the following 4 main aspects:

- **OWN PRODUCT – SUSTAINABLE PLASTIC**
- **ATTRACTIVE EMPLOYER**
- **RESPONSIBLE BUSINESS**
- **COMMUNITY INVOLVEMENT**

PRIORITISED AREAS

The stakeholder analysis, which was carried out at the end of 2020, was conducted with telephone interviews and includes a total of 46 stakeholders distributed as follows:

- 16 employees
- 5 owners/board
- 15 customers
- 8 suppliers
- 2 government contacts

The questions from the stakeholder analysis cover the areas in Figure 6 on page 19. The questions are valuation questions that are answered with 1 = very bad to 6 = very good and supplemented open questions. The employees and owners/board have answered all questions while other stakeholders have answered selected questions.

Compared to the last stakeholder analysis conducted in 2018, the perception from external stakeholders has improved for own product, responsible business, attractive employer and social engagement, which remain at the highest level.

Internal stakeholder views have improved for attractive employer. It's unchanged for own product and responsible business, and decreased slightly for social engagement.

Based on the description of the most prominent areas, a very positive picture is given, both externally and internally. Internally, we are perceived as a family-owned company with short decision-making paths, commitment and a long-term view in terms of personnel and investments. It is felt that all employees are well looked after and cared for.

Externally, we are perceived as innovative, flexible and constantly developing. Other things that are highlighted externally are that we develop products that have high product quality, are customer-focused and have a high level of technical expertise and support.

Essential or highest ranked for employees is recycled plastic/renewable raw materials, for owners/management it is social engagement, for customers and suppliers it is the Code of Conduct, for government it is social engagement that is top ranked. Internally and externally, social commitment is the highest ranked. An interesting comparison is between customers and suppliers as they have the same ranking; Code of Conduct, product and technical development, customer and supplier relationship, see figure 7 on page 20.

RISK ASSESSMENT

All stakeholders have responded to the risk questions and rated the areas from 1 = very low risk to 6 = very high risk. The risk assessment we carry out as part of the stakeholder analysis covers the following areas:

- Work environment
- Energy use
- Chemicals
- Competence/staff development
- Waste/spill
- Transport
- Product/technical development
- Oil availability
- Increased tax on plastic products
- Ownership

Ownership is assessed as the lowest risk by both internal and external stakeholders. The biggest difference in assessment is in chemicals and product/technical development where external stakeholders indicate a higher risk than internal stakeholders. Our external stakeholders indicate the highest risk for increased taxes on plastic products. The results of the risk assessment are presented in figure 8 on page 20.

WHAT WE DO WITH THE RESULT

By means of actively examining and gauging what our stakeholders feel and think about us, we get the basic information needed to improve and to develop our operation and its governing tools, such as the ISO 14001 and ISO 9001 environmental and quality control systems. With the help of such information, we can initiate and carry out measures whose aims are constantly to improve and develop our business operation.

SUSTAINABILITY ASPECTS/AREAS

The result of dialogues with stakeholders, in connection with our sustainability work, has resulted in a framework consisting of four areas. Within these four areas, we have prioritised a series of aspects.

On the following pages, we describe more specifically how we control and monitor our four prioritised areas.



OWN PRODUCT – SUSTAINABLE PLASTIC

The business operation within our various companies in the Polykemi Group is based on plastic, and that is our very core operation. Many people take it for granted that we as a company must take a great amount of responsibility for our core operation, and we now do this by addressing it as its own area.

Prioritised aspects within the area are:

- Energy use
- Transports (CO₂ impact)
- Recycled/renewable raw materials (LCA - CO₂ impact)
- Product development
- Production/technical development
- Waste/spill



ATTRACTIVE EMPLOYER

In order for a company to develop, we need skilled co-workers and furthermore we need to attract and recruit new ones. Generating confidence, a sense of well-being and pride among Polykemi co-workers makes them good ambassadors.

Prioritised aspects within the area are:

- Working environment
- Expertise/personal development
- Equality/diversity



RESPONSIBLE BUSINESS

Responsible business is about confidence and can be associated with our values.

Prioritised aspects within the area are:

- Financial results
- Customer and suppliers relationships
- Values, anti-corruption







COMMUNITY INVOLVEMENT

Polykemi's owners and management have always had a big heart in being a local company that can act both locally and globally.

Prioritised aspects within the area are:

- Social commitment, sponsoring of associations etc.
- Local investments

FRAMEWORK & MANAGEMENT OF SUSTAINABILITY ASPECTS

COMPARTMENT	PRIORITIZED ASPECTS	LIMITATIONS	GOVERNING	INDICATOR	RESULTS 2020*	GOALS 2021*
 OWN PRODUCT SUSTAINABLE PLASTIC	Energy use	Polykemi Suppliers	Environmental policy Environmental action program 2018 - 2020	302-1 Energy consumption within the organization 305-2 Energy indirect GHG emissions - Scope 2	0,426 MWh/produced ton	0,405 MWh/produced ton
	Transports	Polykemi Suppliers Community	Environmental policy Environmental action program 2018 - 2020	305-3 Other indirect GHG emissions - Scope 3	Reduction of CO ₂ by 12% up to 2020. (base year 2015)	Reduction of CO ₂ by 40% up to 2030. (base year 2020)
	Recycled/renewable raw materials Production/technical development	Suppliers Polykemi Customers	Environmental policy Environmental action program 2018 - 2020	301-1 Materials used by weight or volume 301-2 Recycled input materials used	Share of recycled material > 23 % Biomaterials > 10 tons/year	Share of recycled material > 25% Biomaterials > 200 ton/year
	Waste/spill	Polykemi Suppliers	Environmental policy Environmental action program 2018 - 2020	306-2 Waste by type and disposal method	Production waste < 2,29 %	Production waste < 2,3%
 RESPONSIBLE BUSINESS	Financial results	Owners - Polykemi	Board, Owners, management	201-1 Direct economic value generated and distributed	Profit > 7,9 %	Profit > 7,5%
	Customer and suppliers relationships	Polykemi Customers Suppliers	PRPP Policy (Supplier's approval)	414-1 New suppliers that were screened using social criteria 417-3 Incidents of non-compliance concerning marketing communications	96% approved suppliers 0 st	> 90% approved suppliers 0 st
	Values, anti-corruption	Polykemi Suppliers Customers	Code of Conduct FN Global Compact	205-2 Communication and training about anti-corruption policies and procedures 102-16 Values, principles, standards, and norms of behavior	100% implementation of training in the Code of Conduct	100% implementation of training in the Code of Conduct
	Local investments	Polykemi Suppliers Society	Purchasing Policy Code of Conduct	204-1 Proportion of purchases by local suppliers	40% of local purchases (office material, other consumption goods)	>30% of local purchases (office material, other consumption goods)
 ATTRACTIVE EMPLOYER	Working environment	Co-workers	Work environmental policy Code of Conduct Personnel vision	403-1 Occupational health and safety management system 403-2 Sick leave, injuries and accidents	Sick leave 4,7 %	Sick leave < 4,6%
	Expertise/personal development	Polykemi	Performance reviews Competence Tool	404-1 Average hours of training per year per employee	100% completed goals and development talks	100% completed goals and development talks
	Equality/diversity	Polykemi	Equality Policy	405-1 Diversity of governance bodies and employees	Target number missing	Target number missing
 COMMUNITY INVOLVEMENT	Social commitment	Polykemi	Sponsorship	Share of sponsorship initiatives with CSR link	Target number missing	Target number missing

Some of our sustainability aspects can have an impact even outside our legal framework with for example our customers and suppliers.

* Results and goals refer mainly to Sweden, some results for China are reported in other ways in the report.

Figure 10

OUR OWN PRODUCT – SUSTAINABLE PLASTIC



The main product that we purchase, refine (compound) and sell is plastic. When it comes to our own product (plastic), it is important to point out that the material is not hazardous to the environment, either on its own or in compounds. The reason why it is considered to be an important area is that our main operation is completely based on plastic and that in our environmental management system, we assessed our product to be a considerable environmental aspect based on the fact that plastic polymers are derived from crude oil, which is a finite resource that cannot be reproduced.

To our own product – sustainable plastic – we have associated the following prioritised aspects:

- Energy use
- Transports (CO₂ impact)
- Recycled/renewable raw materials (LCA - CO₂ impact)
- Product development
- Production/technical development
- Waste/spill

RECYCLED PLASTIC RAW MATERIALS

The increased focus on the global environmental situation has in many ways changed the perspectives of producers and consumers. This along with a substantially increased competitive situation has changed the view on raw materials. The modified view has entailed, for example, a substantially increased interest in recycled plastic raw materials. It has also entailed a change with regard to the requirements on recycled plastic raw materials.

Today, recycled plastic raw materials are used more and more often in highly qualified applications, which places more stringent demands than ever on recycled plastic raw materials. For more demanding applications, having a major environmental benefit

and an attractive level pricing is not enough. Superior technical know-how is crucial in ensuring that the commodity has the sufficient, necessary and essential product quality.

With environment, expertise, quality and history, Rondo has a unique advantage and more than 40 years of experience in upgrading and refining recycled plastic raw materials. Our parent company, Polykemi AB, for more than 40 years has, in many regards generated world-leading skills within the field of technical compounding.

The company's goal is to increase the proportion of recycled plastic raw material in our production. Our goal (2021) is for us to use at least 25% of recycled material in our production.

RENEWABLE MATERIALS

Polykemi's subsidiary, Scanfill, launched a bio-based packaging material in 2015 which is made of 100% oil-free material. The material consists half of non-oil-based polymers (polyethylene from sugar cane) and the other half is made of a mineral with a relatively low impact on the environment.

The material is now commercially available and is being sold to a number of clients; we are working constantly to make deals with other customers who are interested in bio-based materials.

There will be a bio-based PP on the market next year and since PP is our largest material group, we believe that the interest from our customers will increase in using bio-based PP. It can also, just as in the case of recycled plastic, be mixed in different % units of Bio PP with oil-based PP in order to both achieve a better sustainable product that can meet the customer's requirements.



Figure 11

SPIRALEKONOMI

We have a concept that we call Spiral Economy (see Figure 11) where we create valuable raw materials from waste materials. By creating cooperations between different industries and reusing our resources, we see opportunities for a sustainable future.

The plastic that once was a juice bottle, dairy packaging or toothpaste tube is not waste. It is a valuable raw material that can be used in a completely new way.

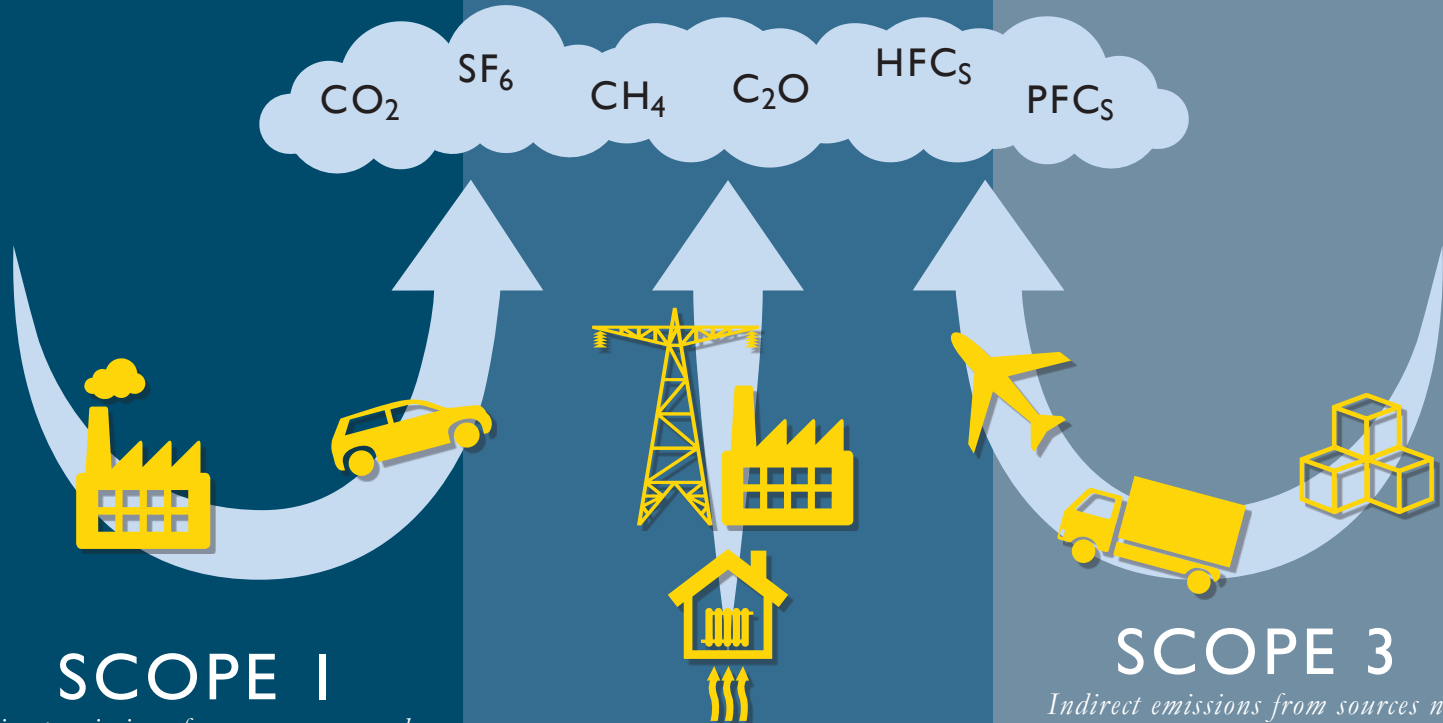
Plastic packaging can be recycled up to seven times before it will lose those mechanical properties needed for it to be used in a product; at which point it is better to convert it into energy.

Recycled plastic reduces carbon dioxide emissions by at least 70-90 % when compared to new oil based plastics.

A major advantage of distributing recycled plastic to different segments or industries, through the spiral economy concept, is that the demand for recycled material will be much higher.

The demand gets higher when compared with materials that must stay in the same sector to maintain a closed cycle where restrictions can easily be found through legislation or demand.

Do you see plastic waste as a danger to the climate? Please don't! It is a valuable raw material that helps us create a sustainable future. A shampoo bottle can become part of a car, or a toothpaste tube can become a part of a designer chair.



SCOPE 1

Indirect emissions from sources owned or controlled by the organization.

ENERGY USE IN THE ORGANIZATION	2020	2019
Direct energy use: Gasol Sweden (ton)	0,43	0,28
CO ₂ Gasol Sweden (ton)	1,4	0,9

Figure 12

COMPANY CARS	2020	2019
Total CO ₂ (ton) Sweden	22,7	56,7
Number of cars Sweden Fossil fuel	28 st	30 st
Number of cars Sweden, El/electric hybrid	16 st	6 st
Total CO ₂ (ton) China	29,9	40
Number of cars China Fossil fuel	5 st	5 st
Number of cars China, El/electric hybrid	0 st	0 st

Figure 13

SCOPE 2

Direct emissions that come from electricity generation, heat or steam purchased by the organization.

ELECTRICITY CONSUMPTION	2020	2019
Total energy use Sweden (MWh)	19 903	21 952
Total CO ₂ emissions Sweden (ton)	498	548
Energy use per ton produced Sweden (MWh)	0,42	0,41
CO ₂ emissions per ton produced Sweden	0,01	0,01
Total energy use China (MWh)	4 031	3 812
Total CO ₂ emissions China (ton)	2 870	2 714
Energy use per ton produced China (MWh)	0,42	0,49
CO ₂ emissions per ton produced China	0,38	0,38
District heating Sweden (MWh)	349	505

Figure 14

SCOPE 3

Indirect emissions from sources not owned or directly controlled by the organization but related to it.

CO ₂ EMISSIONS DURING TRANSPORT	2020	2019
Inbound raw material (ton)	4 920	5 940
Deliveries (ton)	2 609	2 655
Internal transport Sweden	2 ton	2 ton

Figure 15

FLIGHTS (TON)	2020	2019
Total CO ₂ emission	13,9	59,2
CO ₂ emission Europe	10,5	26,1
CO ₂ emission Asia/USA	3,4	23

Figure 16

MATERIAL USE	2020	2019
Total material use Sweden (ton)	50 859	52 955
CO ₂ emissions Sweden (ton)	61 317	62 783
Recycled material Sweden (ton)	10 810	12 762
CO ₂ emission Recycled material Sweden (ton)	4 000	4 721
Recycled material Sweden (%)	23%	24,1%
Total material use China (ton)	6 043	5 344
CO ₂ emissions China (ton)	8 980	8 880
Recycled material China (ton)	430	460
CO ₂ emissions Recycled material China (ton)	159	169
Recycled material China (%)	7,7%	9,4%

Figure 17

PRODUCTION & TECHNICAL PRODUCT DEVELOPMENT

Our product development department is driven by an immense curiosity with an attitude that nothing is impossible. With a well-equipped development department and other staff members with a passion for the job, Polykemi can face even the most demanding of challenges. Polykemi constitutes a flexible alternative to the major players on the market. See Figure 27 on page 31 for more information on Polykemi's compounding process.

Without the inertia found in major organisations, the development department can quickly start a project for a customer, no matter whether it pertains to white goods, household appliances, vehicles or some other end product. In dialogue with the customer, we offer creative and unique solutions that are not restricted to a static product range.

LABORATORY – COLOUR ADAPTATION FOR PLASTIC

Polykemi feels that one of the fundamental pillars behind giving our customers high-quality compounds is that we have a well-developed laboratory. At present, the laboratory can conduct around 50 different tests in order to ensure that the compound for the customer has the desired properties.

The work of the laboratory is conducted by well-trained workers with specialist knowledge in the fields of polymers, additives and pigments, and have at their disposal access to a large selection of speciality instruments for testing or inspecting plastic raw materials.

One of the absolute strengths is that we can adapt the colour of all of our compounds as our customers wish. The laboratory is covered by a matching department whose task is to contribute with specialist expertise within the field of pigment – nuance – tolerance development. The matching department serves customers by producing desired colour samples in various compounds in our formulations.

ENERGY CONSUMPTION

In order to reduce emissions of CO₂, it is important that we as a company both work at reducing energy consumption and in choosing energy

from sustainable sources. We only use electricity and district heating as energy sources to feed our premises and our other business operations. The lion's share of our energy consumption is found in supplying our extruder lines with electricity.

The electricity that we purchase in comes 100% from renewable energy sources such as solar energy and wave energy. The company has a cross-functional energy group with representatives from environment and quality, maintenance (electricity) and production (the same organizational model is also available in our factory in China). The energy group works to execute the goals/action plans put forth to reduce the company's energy consumption.

In 2017, we joined an energy efficiency network operated by the County Council in Scania. The purpose of the network is to strengthen the competitiveness of companies and their trademarks by increasing skills in energy-efficiency measures. During the network meetings, the companies receive qualified advice from an energy expert, as well as an opportunity to exchange experiences with other companies in the network. More information is available at <https://kfsk.se/energikontoretskane/natverk/natverk-for-energieffektivisering-i-sma-och-medelstora-foretag/natverk-skane-2/>.

The network and its various corporate meetings will continue until 2021, when a compilation and evaluation will be made by these energy networks that exist throughout the country.

Even if Polykemi, as a company, is not subject to the new legal requirements to perform an energy audit, Polykemi's management decided that we would implement a complete energy audit of our entire Swedish operation. A certified consultancy firm has performed an energy audit during 2017. The completed energy audit will form the basis for various energy efficiency measures/investments for 2018 - 2022, as presented in Figure 18-19 on page 29. Based on the legal requirement to carry out energy surveys every 4 years, we will plan for a new energy survey for 2021.

We have a number of projects within the company with the ambition to lower and optimize our usage of our electricity. One of the most interesting projects we have initiated during the year is that

we use process data from existing system and coordinates this data with the aim of lowering our energy consumption. By measuring the consumption online (Siemens Desigo System) and both control and measure the extruders SME (Specific Mechanical Energy, see Figure 20 on page 29), we can optimize the electricity consumption and add the right amount of energy needed to melt the plastics during the compounding process.

HEAT ENERGY IN OUR PROCESS WATER

The production makes use of a cooling system in the form of a cooling tower for the recycling of process water, which entails both a smaller quantity of water being consumed and that the water is recirculated in our pools and that the heat is used to heat up premises and offices.

In 2021, we will launch a new cooling water system for Polykemi in Sweden (Ystad), where we will use cooling water from the bedrock as a refrigerant (via a heat exchanger) for our process water. The water that is taken up from the bedrock will be pumped directly back into the ground, so there is no consumption of the water but this is only used as a refrigerant in the heat exchanger.

TRANSPORTS

A considerable environmental aspect for Polykemi is our transports. Transport of various kinds have a major impact on CO₂ emissions in the world. Today, we make considerable use of truck transports for delivery of the company's raw materials and finished materials.

In order to reduce the impact on the environment, our transport and logistics department works to optimise transportation to our customers. This is done by means of a consolidated shipment of materials, as well as warehousing at the subsidiary in the Czech Republic and concession warehouses at a number of customer locations.

In 2020, the company did a follow-up on the CO₂ emissions of our transports with respect to the transportation of the company's raw materials and finished materials. As a requirement for 2020, our expeditors shall apply European standard EN16258 (c- emissions calculation) in order to calculate their CO₂ emissions.

Transportations in China is done both with trucks and by boat (via river); however, in the current situation we have no information to report with regard to CO₂ emissions for Chinese transports.

We also report the CO₂ emissions concerning our business trips. This is presented in Figure 13 and 16 in page 26.

WASTE AND REFUSE

The largest fraction of waste occurring in our production consists of plastic lumps. We take care of these ourselves and sort them out according to material in order then to be able to grind these clumps in their own shredders into smaller plastic particles/bits. The ground material then becomes a new input plastic commodity that we can use again in our production.

At the end of 2018, we invested in a new mill in the China factory and this now enables us to handle our own waste of plastic lumps here as well as we do in Sweden. In China we also have a collection system of hazardous waste and there is a certified and approved company that takes care of this waste. All the other refuse (including hazardous waste) is processed by our contractor, Stena Metall. Follow-up on our waste fractions is presented in Figure 23-24 on page 30.

PROJECT FOR REDUCING PLASTIC WASTE IN OUR SEAS

Sometimes we can read in the media that plastic is one of the greatest environmental threats. The seas are littered with discarded plastic containers, fish die of microscopic plastic particles and what are known as ghost nets float around in large islands killing fish. As a company within the plastic industry, we find it is important that we take our responsibility with regard to this plastic waste found in our oceans.

Even if Polykemi is not causing this plastic waste to occur in its own business operation, we want to reinforce our will and ambition to take part in an international effort to reduce the amount of plastic waste. That is why we have joined Operation Clean Sweep during the year (<https://opcleansweep.org/>), it is a global body dedicated to the reduction of plastic waste in our seas.

ENERGY EFFICIENCY AREA – PROCESS/EXTRUDERS – COOLING/HEATING CONTROL

MEASURES	SAVINGS (KWH/YEAR)	INVESTMENT (SEK)	REPAYMENT	PLANED IMPLEMENTATION (YEAR)
Management SME (Specific Mechanical Energy)	Maximum 4 000 Mwh	200 000	1 year	Ready during 2020. Savings around 2% of the total.
Management SME Part 2, three more extruders.	Maximum 4 000 MWh.	200 000	1 year	Started during 2020.
Use the cooling water's energy more efficiently.	14.400 kWh per production day.	Investigated. Proposals are worked out.	-----	Starts 2021.
Target, energy management for each department and each extruder.	About 5 % of the total energy use. Maximum 1 000 MWh.	The work is started.	-----	2022
Ventilation improvements extruders in "Väster". Heat recovery from extract air fans.	Calculations are ongoing.	Maximum 100 000 per extruder.	5 year	2022

Figure 18

ENERGY EFFICIENCY AREA – PROCESS / LIFE CYCLE PERSPECTIVE

AREA/PLACE	SAVINGS (KWH/YEAR)	INVESTMENT (SEK)	REPAYMENT	PLANED IMPLEMENTATION (YEAR)
LCA Material Exchange PP about 25 CO ₂ e/kg PA about 100 CO ₂ e/kg	Every kg of PP replaced instead of PA gives 40% savings in energy consumption.	400 000	2 years	The tool for calculations will start in 2021.

Figure 19

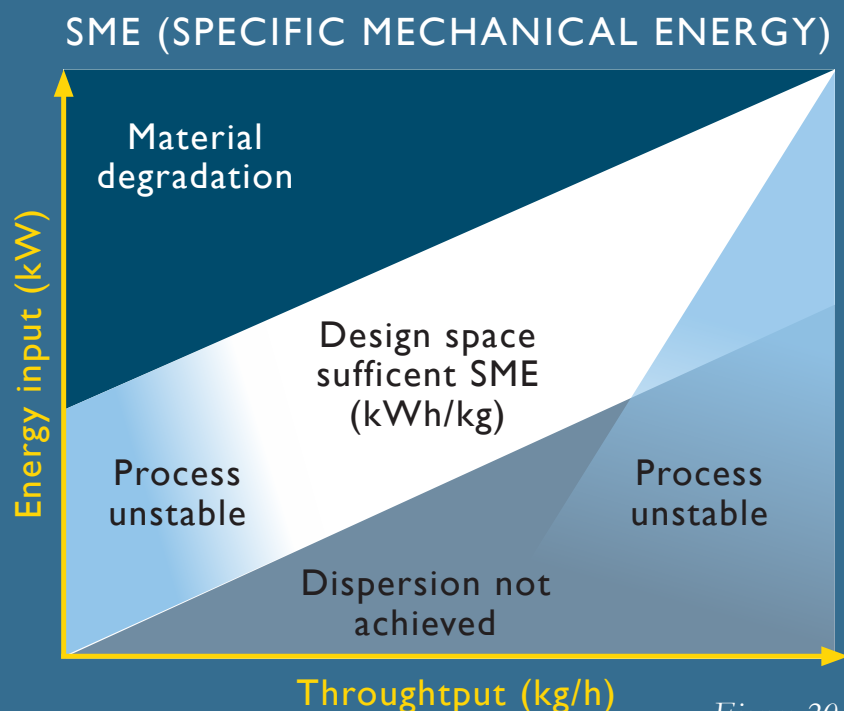


Figure 20

TOTAL WASTE WEIGHT	2020	2019
Burnable waste Sweden (ton)	697	1 023
Burnable waste China (ton)	35,8	31
RECYCLED TYPES SWEDEN		
Cardboard (ton)	193	252
Plastic package (ton)	111	145
Metal (ton)	45	77
Electronics (ton)	1,2	1,9

Figure 21

USED PACKAGING MATERIAL	2020	2019
Plastic material Sweden (ton)	111	114
Plastic material China (ton)	39	42
Cardboard/paper Sweden (ton)	403	432
Cardboard/paper China (ton)	32	17
Metal Sweden (ton)	13	0
Pallet China (ton)	252	232

Figure 22

HAZARDOUS WASTE CHINA (by selection)	2020	2019
Waste oils (ton)	1,9	3,7
Oil products fixed (ton)	0,2	1,2
Packaging plastic waste (ton)	31,9	22
Dust waste (ton)	3,9	9,1
Avfall, aktivt kol (ton)	6,7	13

Figure 23

HAZARDOUS WASTE SWEDEN (by selection)	2020	2019
Waste oils (ton)	1,8	2,4
Oil products fixed (ton)	0,26	0,39
From oil separator (ton)	22	36
Paint waste (ton)	0,5	1,2

Figure 24

COMPLAINED MATERIAL*	2020	2019
Sweden (ton)	92	148
Sweden (%)	0,25	0,38
China (ton)	12,4	34,6
China (%)	0,21	0,64

Figure 25

WATER USE	2020	2019
Polykemi (m ³) <i>Municipal water</i>	33 120	35 550
Rondo and Scanfill (m ³) <i>Municipal water</i>	16 171	20 408
Herrestad (m ³)	248 552	259 839
China (drinking water, m ³)	266	158
Total water use (m ³)	298 109	315 955
Recirculation (m ³)	7 595 33 times	11 340 23 times
Recirculation (%)	55	55

Figure 26

Collection data is done using either internal computer systems or by means of external data collection.

POLYKEMI'S COMPOUNDING PROCESS

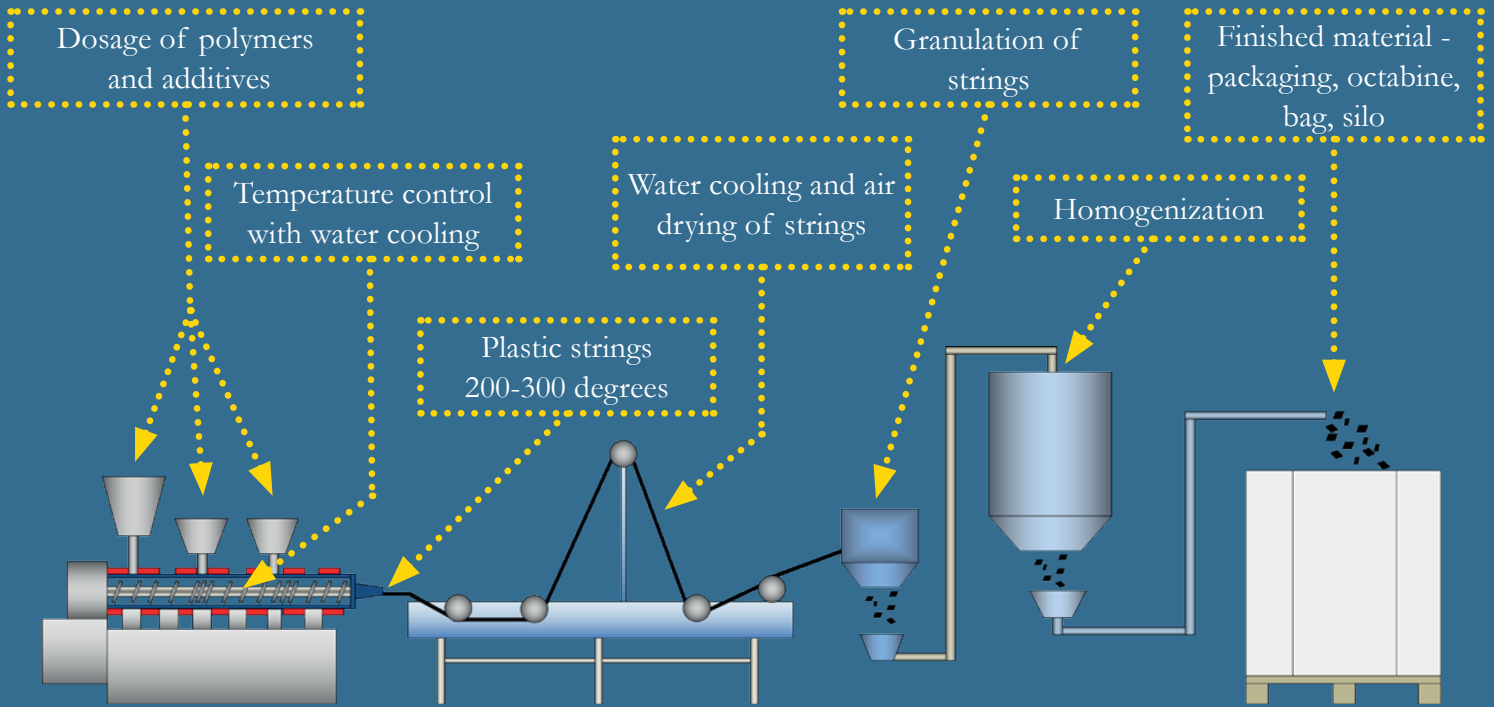


Figure 27

SUPPLIER CHAIN FOR RAW MATERIAL

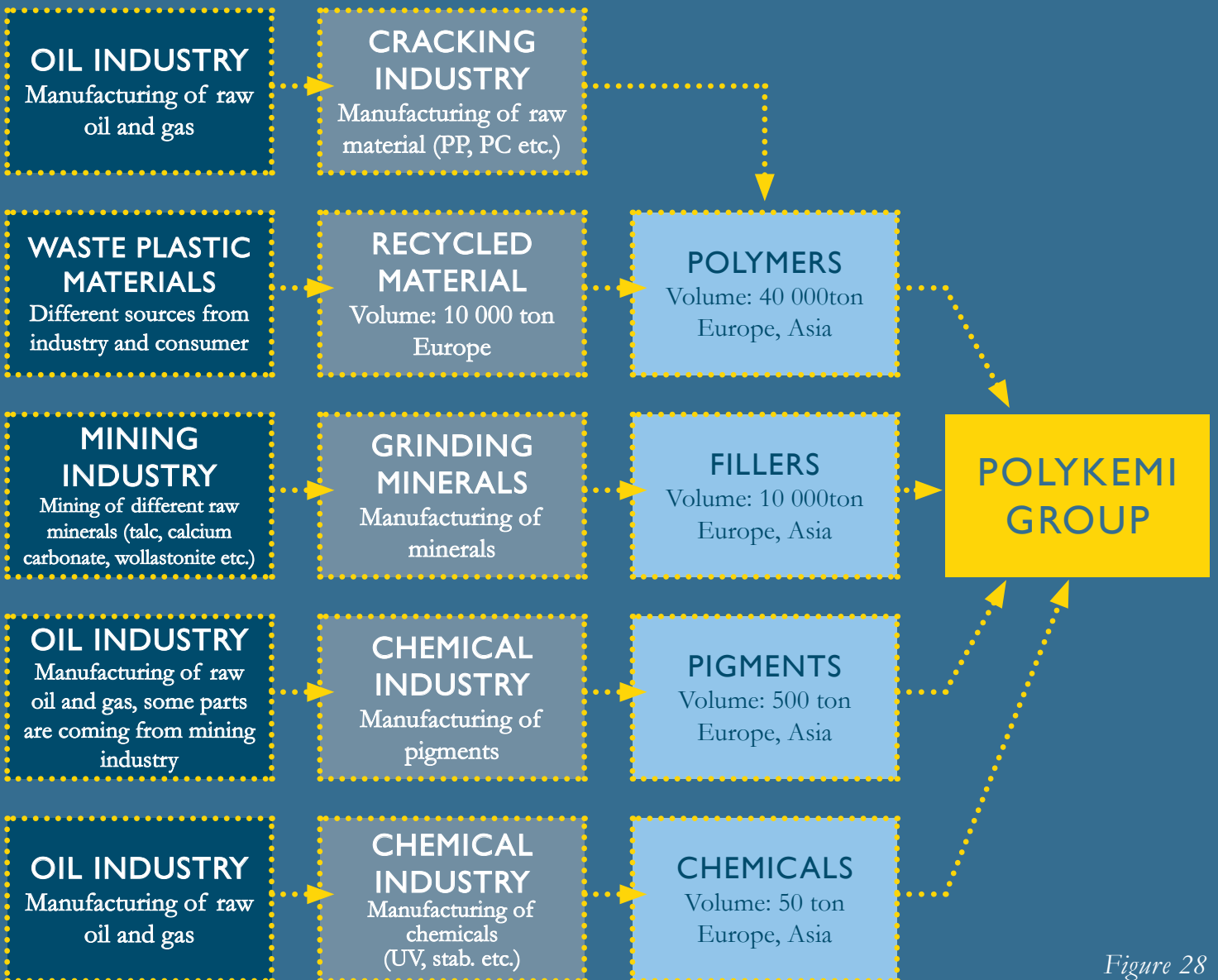


Figure 28





RESPONSIBLE BUSINESS

FINANCIAL RESULTS

For us, it goes without saying that our trademark should stand for sound values, and our financial responsibility is a prerequisite in order for us to be able to take responsibility for our part of the development of the community.

Polykemi's overall goals and strategies set out that the company is to have a business concept for growth and be regarded as a "World Class Compounder" by our customers. Our sustainability work must be integrated with the economic goals that the Board of Directors has established for the business operation, as both aspects affect each other – everything is connected.

Polykemi's financial goals are to be able to demonstrate:

- Turn-over
- Profit
- Equity ratio

Achieving economic goals also has other aspects regarding the opportunities to contribute to sustainable development. A solid economic basis is a requirement in order to be able to be a stable business partner for suppliers and customers. Economic success is also a vital factor in order to be able to be an attractive employer. This gives us the possibility for our co-workers to improve, which in turn gives us the possibility to attract the right staff. We must attain our economic goals in order to be able to invest in an a sustainable working procedure; at the same time, we need to work toward sustainability in order to be able to attain our economic goals in the long run.

With regard to the new tax standard, GRI 207: Tax 2019, we will in 2021 produce data to be able to report according to this new standard to the next sustainability report for 2021.

CUSTOMER RELATIONS

Polykemi strives toward long-term customer relations based on credibility and attentiveness. We see clear connections between satisfied customers and profitability – both for Polykemi and for the customer. Regularly visiting our customers serves as a good tool for us in better understanding our customers' conditions, development, needs and wishes, as well as following up on our own performance. We feel that it is also important as much as possible to invite customers to visit Polykemi. Each year, the respective agent and subsidiary prepares a market report.

We also conduct customer surveys to find out what our customers think about us. The positive opinions about us or that we are very flexible and that we hold personal dialogue with the customer. We also have a technical customer support that helps us out at our customers' locations with regard to fine-tuning new materials, injection moulding or other projects.

Some customers find that our pricing is too high compared to the competition. Some customers question our wide product range and feel that we should focus on a smaller number of materials in order to develop these materials better as time goes on.

With the help of the reports, we can investigate and initiate improvements in general for Polykemi, Rondo or Scanfill as a whole, for a specific market or a specific customer. The report is submitted to the Managing Director, and together with the salesman in charge and the subsidiary or agent, a decision is made concerning any improvements or measures.

SUPPLIER RELATIONS

Polykemi has a supplier standard where we make demands of our suppliers' performance with regard to quality, product safety, environment, chemicals, codes of conduct and human rights. The supplier standard is produced in order to mirror the 10 principles set out in the UN Global Compact.

Those responsible for implementing the supplier standard are those working in the purchasing department. Follow-up is conducted using supplier assessments, questionnaires, site visits and even audits in certain cases.

All major global raw materials suppliers and more than 90% of the total supplier base in 2020 were approved suppliers according to the aforementioned standard. In 2020, 95% of the new suppliers also signed on to our supplier standard. No essential major changes have been made in our supply chain/organisation in 2020.

We will continue the work involved in constantly improving and monitoring the performance of our suppliers. More information about our supply chain can be found in Figure 28 on page 31, and more information about our entire value chain is found in Figure 1 on page 12.

LOCAL SUPPLIERS

Polykemi has an express focus in various manners on supporting local suppliers and dealers. We know the importance of having those in a small town help each other in those situations where one can. We do this because local suppliers know that we can strengthen the vibrant business and industrial town that Ystad is. That is why Polykemi chooses to deal with suppliers from Ystad in those situations where the conditions are essentially equal.

However, this does not apply to production raw materials, but to products and services that support the production, as well as certain marketing products and that which is needed at our offices and for our administration. Of these purchases, 35% correspond to purchases from local suppliers.

VALUES, ANTICORRUPTION

Since 2012, Polykemi has had a Code of Conduct (see Figure 29 page 35), that applies to all co-workers within the Polykemi group. It is produced

by the management, and along with the Board of Directors they are responsible for implementing this among all employees. This is followed up during an management review. The Code of Conduct is also addressed in the introduction programme for all new employees.

WORKSHOP IN SUSTAINABLE BUSINESS DEVELOPMENT

On a number of different occasions, we have conducted education and workshops with regard to CSR work associated with sustainable business development, as well as our Code of Conduct. The education have been conducted both in Sweden and China and with different groups and departments.

That these workshops, the various concepts are clarified and then our core values associated with the company's sustainability work are discussed. Discussions are held with regard to how the individual employee can contribute to improving the sustainability work as time goes on. There was a particular focus on implementing the company's Code of Conduct, where all participants had an opportunity to discuss the various parts of the Code of Conduct based on their own work situations. The workshop will also address situations concerning bribery and corruption, as discussed in the groups.

The result of the employee discussions was that Polykemi's sustainability work needs to extend over the entire value chain, both backward in the supply chain and forward toward customers and consumers. The result also showed that a high level of ethics and non-corruption are important principles behind how we are to conduct our operation.

GLOBAL COMPACT

Global Compact (GC) was presented at the UN "Millennium Summit" in 2000. The GC provides a guideline and a tool for companies and organisations in the exercise of their operations to be able positively to influence the area of human rights, working conditions, environment and corruption. Polykemi has not signed onto the Global Compact, but it stands behind the 10 principles and has incorporated them into the code of conduct, as well as into our policy (see Figure 30, page 35). Neither is Polykemi connected to any political organisation.

CODE OF CONDUCT

Our Code of Conduct is the basis for all company actions, Polykemi companies and employers should in all circumstances act on the Code.

COLLEAGUES

Polykemi respects and supports the UN Convention on Human Rights and encourages its businesses and employees to promote compliance with the Convention.

All of the company's work should be conducted in a safe and healthy working environment to be maintained in accordance with applicable laws and regulations. Child labor or work, carried out by force or threat of force, is not accepted by the company according to ILO Convention C138 and C182. All employees should be treated with respect and dignity. No employee should be subjected to physical, sexual, psychological or verbal abuse.

All employees should be treated equally. No job applicant or employee should be subjected to discrimination or harassment based on gender, race, religion, lifestyle, background or origin.

All employees should have working hours that are paid for consistently with applicable law, regulations and collective agreements.

Freedom of association and right to collective bargaining and agreements shall be respected throughout the company, in accordance with applicable law, regulations and ILO Convention.

ENVIRONMENT

Polykemi has been certified according to the environmental standard ISO 14000 since 1998, meaning that we are committed to work for a positive development in the environmental field and actively minimizing or, where necessary, completely removing the risks to the environment from our operations. The company will follow its environmental policy and operate in compliance with all applicable environmental laws and regulations.

Chemicals and other materials that are considered hazardous to people or the environment should be handled, moved, stored, reused and disposed of

safely. Hazardous substances should be minimized or replaced by less hazardous alternative substances. Waste and all types of emissions to air, water and soil shall be minimized and monitored.

Use of natural resources should be continuously reduced through systematic improvement and more efficient production processes.

BUSINESS PRINCIPLES

Polykemi must maintain high standard of business ethics, to respect local laws and not take advantage of actual or incorporated corruption, bribery, fraud or extortion.

Polykemi shall not enter into transactions in which gifts, payments or other benefits can be awarded to affect any party.

UN GLOBAL COMPACT

The ten guiding principles of the Global Compact member companies and organizations:

HUMAN RIGHTS

1. Support and respect for the protection of international human rights within their sphere of influence.
2. Not being involved in human rights violations.

WORKING CONDITIONS

- 3 Uphold the freedom of association and right to collective bargaining.
4. Eliminate all forms of forced labor
5. Abolition of child labor.
6. Do not discriminate in employment and occupation.

ENVIRONMENT

7. Support a precautionary approach to the environmental challenges.
8. Take initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.

CORRUPTION

10. Work against all forms of corruption, including extortion and bribery.

Figure 29

Figure 30



ATTRACTIVE EMPLOYER



Polykemi's co-workers, within all levels and areas, form the driving force that allows us to reach our set goals. The company's responsibility therefore involves creating the very best opportunities for co-workers to succeed in their tasks. We do this fundamentally by means of creating secure employment, clear divisions of responsibilities and decisions, good information and opportunities to make a difference and to develop within the company.

PERSONNEL VISION

The company's work on issues involving organisation, teamwork, leadership, issues concerning conditions, working environment and education, is governed by our personnel vision.

The vision consists of five points (see Figure 31 on page 39) that clarify that we want to be considered an attractive employer, both by our employees and by the outside world, as well as by those seeking employment from us. The vision is developed in dialogue with all co-workers, where everyone during a number of seminars has had the opportunity to acquaint himself with and offer viewpoints on the content within that vision. The changes and the measures we implement shall always resonate with the staff vision.

EDUCATION

The opportunities for education and personal development are very important parts. For Polykemi, education does not only involve classroom instruction, but rather above all it is about the opportunity to learn more on the job, via colleagues, and the opportunities to try new tasks. Education and development are planned at our goal and performance reviews, which are held each year between the employees and their immediate supervisors. All employees (100%) during the past year have undertaken a goal and performance review. Education hours distributed among our co-workers are presented in Figure 32 on page 39.

EXPERTISE/PERSONAL DEVELOPMENT

In 2019-2020, we continued with the implementation of an IT system called Confidence Tool in Sweden. It's an IT tool that affords us better monitoring/verification of all of our employees' skills both in terms of the current situation and from a development perspective. Here on in, this tool will be able to support and develop the following processes:

- Introduction and education of new employees
- Goal and performance review
- Skills assessment/development
- Educations

SIGNIFICANCE OF LEADERSHIP

In order to achieve a responsibility and participation among the co-workers that the company finds necessary in order to achieve good results, positive leadership is required. Managers and supervisors within the company are those co-workers that can generate a good basis to allow all of our co-workers to feel that they have an opportunity to reach both personal goals and common goals.

During 2019 we have continued with our successful concept of a "Training Day" for senior operators. We know that we need to develop our leadership and the competence of our leaders and employees in our production.

Another initiative during 2019 is a leadership program for team leaders. Our ambition is to also include senior operators in the future. To reach the ambition we have in the future, we see it as great important to further train, challenge and support all staff with an leading position at Polykemi.

What is the goal with the leadership training program?

The leadership training program aim to contribute to a sustainable workplace with common goals and a shared vision about the future. We would like for the training to create an open dialogue, engage in

commitment, participation and fun. We believe that if we can achieve this we will also get better results.

What is the agenda of the program?

Polykemi is supported by an external company to help with the leadership training programme, and the ambition is to have the programme running from autumn 2019 until the end of 2020. The training programme is built around three different themes; “Lead myself” “Lead others” and “How to communicate when being a leader”.

- **Lead myself:** Development of a good leadership at Polykemi. We create a consensus on how the leadership at Polykemi should be and what company values to lead from. Polykemi also works with how to develop self-leadership and awareness on how your own behaviour affects others. In order to lead others you need to be able to lead yourself.
- **Lead others:** Development of cooperation on work groups and organisations. We create understanding for how groups works and what prerequisites there needs to be in order to create efficient groups and good cooperation's. We also work with how you as a leader can work active with creating a good cooperation within your own group and between groups.
- **How to communicate when being a leader:** Development of a leaders ability to communicate and give feedback. We work with methods that enables us to delegate, involve and provide continues feedback to co-workers. We also work with handling attentions and difficult situations in the everyday life.

Sustainable development

Another focus is to translate theories and knowledge into practice. This is conducted through hands-on training and using case-stories from everyday situations to train on. A lot of good framework is already existing in the organization, for example the long-term work with Going for Gold, the view of leadership and employeeship, the internal work philosophy, the staff vision and the values. The idea is that everything we do should be taken advantage of and connected to each other. We try to support each other into finding an efficient and good way forward.

How do we know that it works?

After completing the programme, a follow-up event is being held with the groups where we follow up on how the learning has worked, a sort of guarantee to make sure that they have had use for the training. An evaluation of the programme is also conducted, where we link goals and expectations to achieved results.

As an example, the results from the stakeholder analysis in 2020 showed that the comparison between manager and employee is largely the same perception of how we work with competence and leadership (3.9 and 4.0, respectively).

WORK ENVIRONMENT

We are always working actively to improve our work environment, and this pertains both to the physical and to the psychosocial working environment. What follows are a few things that we have undertaken during the year in order to improve and to ensure a good working environment.

- New target figures for the working environment is followed-up by the management group four times/year. Examples of what we measure:
 - Internal air quality, number of particles in the air and VOC measurement.
 - Reduction of numbers of human lifts (kg/h).
 - Satisfaction with the working environment is measured with an index based in an poll.
- We will build up a management system in accordance with ISO 45 000 and in connection with this work - various selective measures are made where we can see that we have improvements to do.
- Continued refurbishment of the ventilation system for some lines with improved ventilation technology and an optimised process solution. This provides a better air quality for the indoor air.

In a step to further improve both lifting and air for the operators, we will next year (2021) invest in a new automated robot for handling 25kg sacks, the purpose is to significantly reduce lifting with this equipment. We will also make an investment program for improved air quality in our production facilities where different types of air filters will be installed on the extruder ventilation.

Work environment issues have overall been the focus this year at our factory in Kunshan, China. Production safety controls have been carried out by the Chinese authorities, among other things. All audits have had very good results.

SICK LEAVE AND OCCUPATIONAL INJURIES

Polykemi works to prevent the need for sick leave and occupational injuries. This is done in close cooperation with the occupational health services, physiotherapists and preventive healthcare consultants.

Training is conducted on an ongoing basis during working hours to those co-workers that have incipient problems with their backs, necks and shoulders. Sick leave is quickly addressed in a discussion between employees and their immediate supervisors in order to plan for what support or activities a co-worker needs in order not to end up spending a protracted amount of time on sick leave. See Figure 37-38 on page 41 for more information about sick leave.

Sport and fitness exercise have in many ways been an important issue for Polykemi. Since 2006, the company's exercise and strength training facility in our premises, named Byggeriet, has been available for all employees at Polykemi Group.

SAFETY COMMITTEES

The safety committee is responsible for the overall work concerning the work environment at the company; it is they that produce the goals and action plans for the various activities that are to be implemented. We have safety committees both in Sweden and in China they consist of: Technical manager, work environment technician, production manager, staff manager, department manager and safety representatives from various departments. In total there are 12 (4.7% of the labour force) people working on the safety committees.

LAWS AND GUIDELINES

Polykemi naturally abides by all contracts and by all labour legislation. Work environment issues are addressed, and they satisfy EU legislation. In this field, there are also several other governing policy documents:

PERSONNEL VISION

1. Professionalism

- Focus on customers. We are there for the customers and must satisfy their needs.
- Targeting. See your role in the big picture, we are working towards common goals.
- Cost consciousness. Do your work as if you owned the business.

2. Responsibility

- Take responsibility for your workplace, tasks and yourself.
- Dare to try new ways, but learn from mistakes. Delegate as much as possible.
- Keep your promises. A seemingly small mistake can have major consequences later.

3. Respect

- Have respect for your colleagues. Accept that others sometimes do better.
- Follow the decision. Then you can demonstrate respect for the wholeness and strategy.
- Listen to others. Assume that all people mean well and want to develop Polykemi.

4. Interactivity

- Be friendly towards customers, insiders and suppliers.
- See the general picture. Think about the needs and wishes the surrounding people have.
- Be involved and influence others. Your thoughts are important. Make your voice heard.

5. Honesty

- Be clear, direct and honest. You will receive the same in return.
- Dare to speak up. Say it openly and constructively.
- Give both praise and criticism. Both are essential for success.
- Allow to reconsider. Those who are listening and want to improve can also reassess.

Figure 31

EDUCATED HOURS IN AVERAGE	2020
Women	7 h
Men	12 h
White collar workers	15 h
Blue collar workers	7 h
All employees	11 h
All employees in total	3 165 h

Figure 32

- **Personnel vision**
- **Work environment policy**
- **Equality and diversity**
 - Equal-opportunities policy
 - Policy against harassment
- **Code of conduct: Rules of behaviour**
- **Global Compact**

All co-workers within the Polykemi Group (except in China) are covered by collective agreements, both collective agreement employees and salaried personnel. This means that the companies base all issues concerning conditions and negotiations on the guidelines set out in the collective agreement. For more important changes in the operation, no period of notice is stated in the collective agreement; however, the company initiates discussions with the relevant union and provides notice of any changes in accordance with the Employment (Co-determination in the Workplace) Act. All co-workers have been trained with regard to the various policy documents. All the employees receive a welcome binder with complete documentation and a course concerning policy issues.

In China, there is a professional central organisation, ACFTU, which in turn has ten subordinate trade associations. No other unions are allowed in China. ACFTU can sign collective agreements, but it only does this with major multinational companies.

No fines, sanctions or other legal measures have been taken against us with regard to anti-competitive activities, violations or breaches of laws or directives having to do with the provision of products or services, fraud, discrimination at the workplace or anything similar. No incidents have occurred with regard to corruption. We have not violated any provision regarding the labelling of products, nor the social or economic fields or within marketing communication.

EQUALITY AND DIVERSITY

Crucial to our striving to attain a positive diversity with a great degree of openness is our policy document for equal opportunities, as well as our policy against harassment.

EQUAL-OPPORTUNITIES POLICY

We believe in a business operation based on

openness and diversity. This creates a positive working climate and greater opportunities for the company to achieve successes within various fields.

There shall be no obstacle against working in our work environment on the basis of sex. Neither shall there be any discrimination on the basis of sex, age, creed, sexual proclivity or ethnic and national background. We reject all forms of discrimination. We do this through active work in our everyday operation, where the corporate administration, supervisors and co-workers together take responsibility for noticing and for dealing with discriminatory behaviour. In 2019, no cases of discrimination reported.

POLICY AGAINST HARASSMENT

Co-workers within Polykemi AB shall have a safe working environment where everyone is treated with respect. One of the company's values is respect, which is about treating other people in the way one wishes to be treated, and on all occasions showing respect for one's co-workers. This entails not needing to be subjected to any type of workplace bullying.

Polykemi AB does not tolerate any employee subjecting his work colleagues to bullying, sexual harassment or harassment on the basis of sex. This means that someone having bullied another person at work may be subjected to disciplinary measures within the framework of the legal system.

The Managing Director is responsible for the policy. Every person in a supervisory capacity is responsible for the implementation of the policy and for carrying out measures according to the action plan, with the support of the human resources manager.

ORGANISATION AND EMPLOYEES

On 1 January 2020, number of employees amounted to 299 co-workers within the entire Group. See Figure 33-36 on page 41 for more information.

Polykemi constantly conducts payroll surveys prior to the annual payroll review to ensure that salaries are in phase with responsibilities and authorisations. We apply individual pay structures, and within the proximate future, we will introduce a model to facilitate the work of evaluating performance in relation to the requirements of the position.

ORGANIZATION AND EMPLOYEES POLYKEMI GROUP

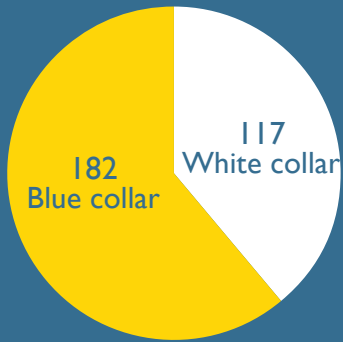


Figure 33

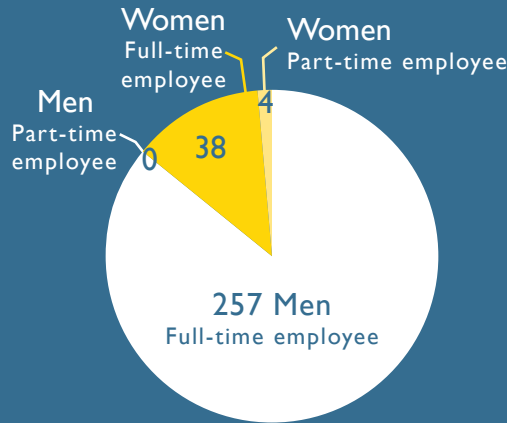


Figure 34

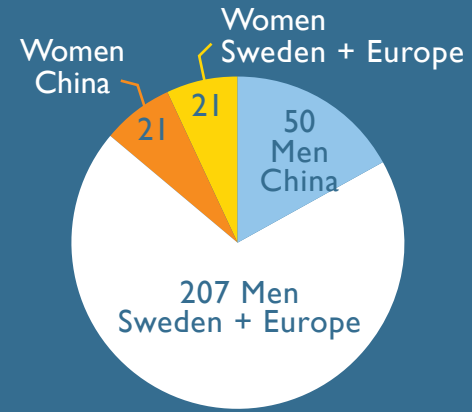


Figure 35

Total number of employees = 100 %

AGE AND GENDER DISTRIBUTION 2020

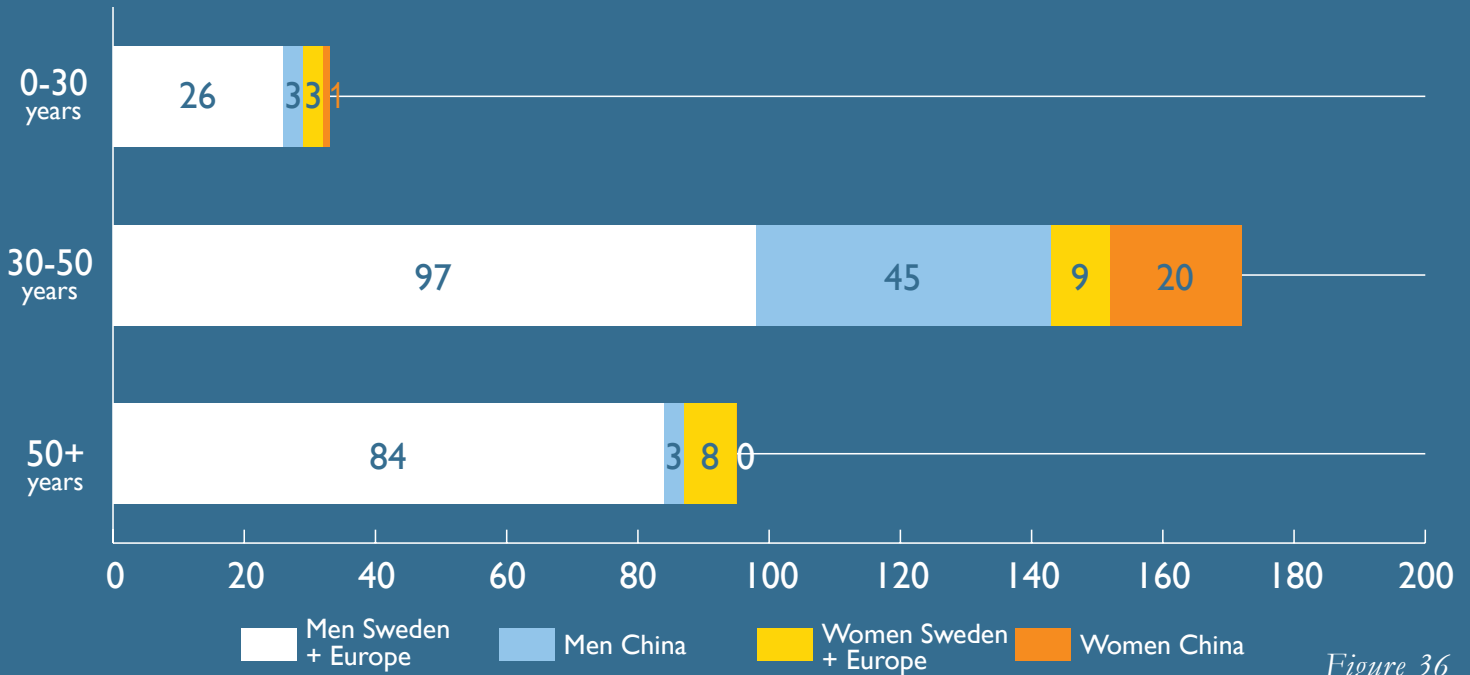


Figure 36

SICK LEAVE ACTIVITIES SWEDEN 2020

Sick leave, short-term	2,4 %
Sick leave, long-term	2,3 %
Sick leave, total	4,7 %
Workplace accidents with sick leave (number/100 pers)	4 st
Injury rehabilitation	0 st

Figure 37

SICK LEAVE ACTIVITIES CHINA 2020

Sick leave, short-term	0,06%
Sick leave, long-term	0 %
Sick leave, total	0,06 %
Workplace accidents with sick leave (number/100 pers)	0 st
Injury rehabilitation	0 st

Figure 38

Data collection is done via personnel data systems.



COMMUNITY INVOLVEMENT

GLOBAL AND LOCAL

CSR and sustainability are very much about how a company, through its activities, can affect social conditions in the community at large, and even on the international level. Our company has an opportunity to influence the situation both in and around our community, and partly also to influence all our stakeholders in any way, both on the local and global scale.

COMMUNITY

Polykemi Group plays an active role in a public debate in Ystad. Through various forums, we discussed the most important entrepreneurial and social issues with other business owners and municipal and parliamentary representatives. For Polykemi it is important to participate in the debate in order both to influence and to create an open dialog with our key stakeholders - in the municipality. We also cooperate with a school where we can offer internships, and we can help to inform the students about different career options. There will be school classes in the form of field trips in order to be able to see our work progress.

AMBIENT ENVIRONMENT

By ambient environment we refer to companies or individuals living or staying close to our operations. Because our manufacturing activities are ongoing around the clock, it is primarily three things that can be affected by us: transportation by trucks, noise and plastic smell. To minimize the damage to our environment, we have a single access road to Polykemi for trucks. As noise and plastic smell are concerned, there are various controlling programs (internal procedures), which ensure that we are acting within the given rules and restrictions.

INVOLVEMENT IN THE LOCAL COMMUNITY, SWEDEN

A commitment to the community is one of the driving forces for Polykemi and its owner. We have a large voluntary involvement in the local clubs and culture. Examples of such involvement and financial donations in sport:

- YIF Handball
- Öja FF
- Österlens FF
- Österlens Equestrian Club
- Swedish Parasports Federation
- The Summer Theatre in Ystad
- The Swedish Childhood Cancer Fund
- The Cancer Rehab Fund
- The FTS Foundation - Securw Every Child




INVOLVEMENT IN THE LOCAL COMMUNITY, CHINA

At our factory in Kunshan, China, we are engaged in the local community. In China, there is a Hukou system for preventing uncontrolled migration to cities among other things. In Hukou, you are entitled to social benefits, but only in the area you are registered in, which is usually your local community. This, in its turn, means that migrant workers' children do not have the right to education in the area where their parents work and live. As a solution to this problem, there are, therefore, private schools for such children. In addition, one of the problems is that the fees are high and the education cycle is often not at the same level as at the state schools. Since February 2012, we have been involved in Xinkunskolan project to arrange a nearby private school for migrants' children. As a part of this project, we sponsor student's education and help with teaching English in the absence of English teacher at school. Our staff conducts English classes twice a week in the sixth grade.













































GRI-INDEX






PERFORMANCE IN SUSTAINABILITY



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GRI 102-4	Location of operations		16-17
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GRI 201-1	Rondo	 8.1 + 8.2 + 9.1 + 9.4 + 9.5	13
GRI 201-1	Polykemi Kunshan	 8.1 + 8.2 + 9.1 + 9.4 + 9.5	13
GRI 201-1	Scanfill	 8.1 + 8.2 + 9.1 + 9.4 + 9.5	13
GRI 201-1	Subsidiary - Denmark, Germany, Czechia	 8.1 + 8.2 + 9.1 + 9.4 + 9.5	13
GRI 201-1	Polykemi Inc	 8.1 + 8.2 + 9.1 + 9.4 + 9.5	13
GRI 204-1	% from local suppliers	 8.3	34
GRI 205-2	Communication and training about anti-corruption policies and procedures (<i>Code of conduct</i>)	 16.5	34-35
GRI 205-3	Confirmed incidents of corruption and actions taken (<i>None</i>)	 16.5	40
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices (<i>None</i>)	 16.3	40
GRI 207-1	Taxes - The approach to working with taxes **	 10.4	33
GRI 207-4	Taxes - Country by country reporting **	 10.4	33

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GRI 301-1	Materials used by weight or volume	  8.4 + 12.2	26, 30-31
GRI 301-2	Recycled input materials used (%)	  8.4 + 12.2 + 12.5	26, 30
GRI 301-1	Total materials used by weight or volume	  8.4 + 12.2	30
GRI 301-3	Complained material	  8.4 + 12.2 + 12.5	30
GRI 302-1	Energy consumption within the organization*	    7.2 + 7.3 + 8.4 + 12.2 + 13.1	26-29
GRI 302-3	Energy intensity	    7.3 + 8.4 + 12.2 + 13.1	26-28
GRI 302-4	Reduction of energy consumption	    7.3 + 8.4 + 12.2 + 13.1	27-29
GRI 303-1	Interactions with water as a shared resource	  6A + 6B + 6.3 + 6.4 + 12.4	30
GRI 303-3	Water withdrawal	 6.3	30
GRI 305-1	Direct GHG emissions - Scope 1*	     3.9 + 12.4 + 13.1 + 14.3 + 15.2	26, 28
GRI 305-2	Energy indirect GHG emissions - Scope 2*	     3.9 + 12.4 + 13.1 + 14.3 + 15.2	26-29
GRI 305-3	Other indirect GHG emissions - Scope 3. (Upstream & downstream categories)*	     3.9 + 12.4 + 13.1 + 14.3 + 15.2	26-28
GRI 305-4	GHG emissions intensity*	   13.1 + 14.3 + 15.2	26

GRI 305-5	Reduction of GHG emissions*	 13.1 + 14.3 + 15.2	26-28
GRI 305-7	NO, SO and other significant air emissions*	 3.9 + 13.1 + 14.3 + 15.2	26
GRI 306-2	Waste by type and disposal method	 3.9 + 6.3 + 12.4 + 12.5	30
GRI 306-2	Hazardous waste*	 3.9 + 6.3 + 12.4 + 12.5	30
GRI 307-1	Non-compliance with environmental laws and regulations	 16.3	10
GRI 308-1	New suppliers that were screened using environmental criteria		34

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GRI 403-2	Sick leave		41
GRI 403-2	Injuries and accidents		41
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GRI 406-1	Incidents of discrimination and corrective actions taken		40
GRI 413-1	Operations with local community engagement, impact assessments, and development programs*		42
GRI 414-1	% of suppliers screened for social factors	 5.2	34
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling (<i>None</i>)		40
GRI 417-3	Incidents of non-compliance concerning marketing communications (<i>None</i>)		40
GRI 419-1	Non-compliance with laws and regulations in the social and economic area (<i>No incidents</i>)		40

*Other information is missing/not available.

**Information is missing in whole or in part but is collected for next year's sustainability report.



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