



PRONECT

SUSTAINABILITY REPORT



2022



CONTENTS

1. INTRODUCTION	3
2. BUSINESS PLATFORM	4
3. OUR COMPANIES	5
4. OUR LOCATIONS	6
5. SUSTAINABILITY GOVERNANCE	7
6. MATERIALITY ANALYSIS	9
7. ENVIRONMENTAL SUSTAINABILITY	10
Electronics	11
Travel	12
8. SOCIAL SUSTAINABILITY & HUMAN RIGHTS	13
Diversity and equality	14
Health and safety	15
Employees	16
Society	16
9. FINANCIAL AND ETHICAL SUSTAINABILITY	17
Financial sustainability	17
Ethical sustainability	18
Anti-corruption	18
10. RISKS AND RISK MITIGATIONS	19
Subsidiaries covered by this report	20

Sustainability Report for Pronect for the financial year 2022, prepared in accordance with Chapter 6 Section 12 of the ÅRL.

1. INTRODUCTION

PRONECT

Pronect is a group of independent companies employing over 340 people. By connecting technologies and skillsets we add new value beyond today. Pronect is part of Liljedahl Group with headquarter in Värnamo, Sweden. We are present in seven countries in the Nordics and Baltics serving over 7,000 industry customers. This report is prepared in accordance with the requirements set forth in the Swedish Annual Accounts Act. Furthermore, the report covers the whole group if nothing else is stated.

Pronect currently consist of three subgroups in the IT-sector and tool/machinery-sector, Ravema, Din Maskin and PLM Group. By operating in these sectors, we are faced with various challenges and possibilities. Important areas for us to work with within sustainability are energy- and resource efficiency, effective and sustainable production tools, reducing negative climate impact as well as reducing CO₂ emissions along the entire value chain. Another aspect we must consider is how to attract and retain skilled and talented employees, as this is something our entire sector is challenged by.

Our business relies on good and long-term relations with our suppliers as well as our customers, and we see the importance of collaborating with various actors in the societies in which we operate. Since Pronect as a group are operating within the IT-sector and machinery-sector (B2B), our responsibility extends further than our own operations.



However, we have only just begun developing our sustainability efforts on a strategic level, which results in this report mainly focusing on our internal impact.

In 2023, we are curious to start investigating how we can add value to a larger extent in all parts of our value chain. It is our ambition to measure our negative impacts with the ambition to lower these, while increasing our positive impact. By doing so, our goal is to implement sustainability from a broader perspective.

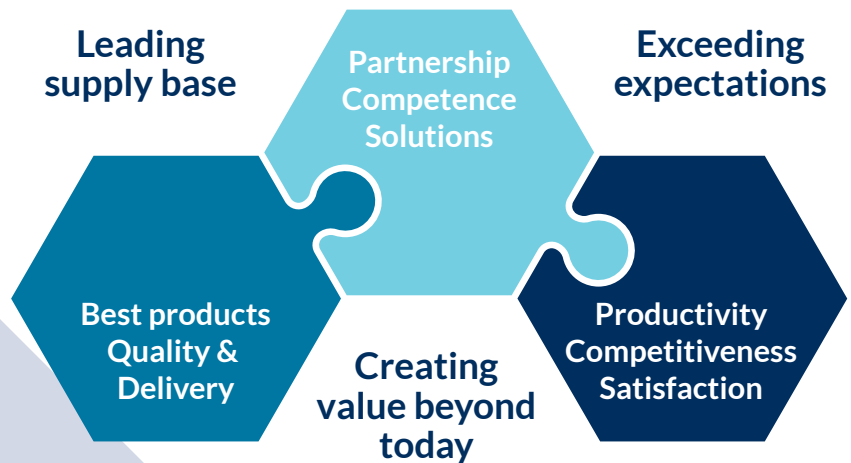


“By continuously developing and strengthening our sustainability work, we generate value for our customers, employees and other stakeholders.

Contributing to the development of a more sustainable society is an important part of our long-term strategy and will generate more business opportunities for our companies.”

Jörgen Fredsson
CEO Pronect

2. BUSINESS PLATFORM



CORE VALUES

OUR GUIDING STARS



Look for what's next

Smooth the path for others

In it for the long run

Our subsidiaries operate independently and focus on their core business. Together with expertise and experience from Pronect, each company focuses on developing their business, profit, and growth. Meanwhile, the Pronect platform is driven by our common Business Platform and aligns with clear strategies.

The Pronect business concept centers on creating value for our customers. Through our employees and their professional mastery, we systematically support customers' interactions in ways that meet or exceed their expectations. Our companies work with a leading supplier base – together we offer the latest technology with the best quality and delivery.

We continuously develop and attract skilled employees and work proactively to find new, optimal solutions for our customers. In our decentralized structure, we build a strong business-oriented culture driven by responsibility and the freedom to take action.

3. OUR COMPANIES



Ravema is the leading partner to Nordic industrial companies. We offer complete solutions for machine tools, automation, industrial tools, metrology, service, and aftermarket. We help companies through the whole process with turn-key solutions – from order to delivery and installation.

Ravema is located in Sweden, Norway, and Finland with its headquarter in Värnamo, Sweden. We have technical demo centers in Sweden and Norway where we showcase the latest technology from our partners and suppliers.

Our experience and competence are accumulated from more than 5000 successful machine implementations in Nordic countries. Our competence platform is built with a long-term mind within the entire organization and we have created a front edge competence for our product portfolio since we represent market-leading suppliers like Mazak and Hoffman Group.

For more information on Ravema, visit www.ravema.se



Din Maskin delivers punching and bending machines, laser cutting machines, press brakes, and metal forming and stamping lines. We have the widest range of equipment for sheet metal production on the market. Effective sheet metal production is a lot more than just cold steel. It is about relations, communications, and knowledge transfer.

Din Maskin has a strong and skilled organization with the right approach and focus when it comes to customer care. Our employees can in an easy and understandable way deliver the knowledge you need to operate your equipment as effectively as possible. This is the foundation of “the human resource”, not just thinking about the technical possibilities and steel, but also about personal relationships.

Din Maskin operates in Sweden and Norway and headquartered are in Värnamo, Sweden.

For more information on Din Maskin, visit www.dinmaskin.se



PLM Group is your partner to accelerate innovation. With passion, knowledge, and experience we empower people and businesses to innovate. We provide you with tools and competencies to create, manufacture and market your product innovations.

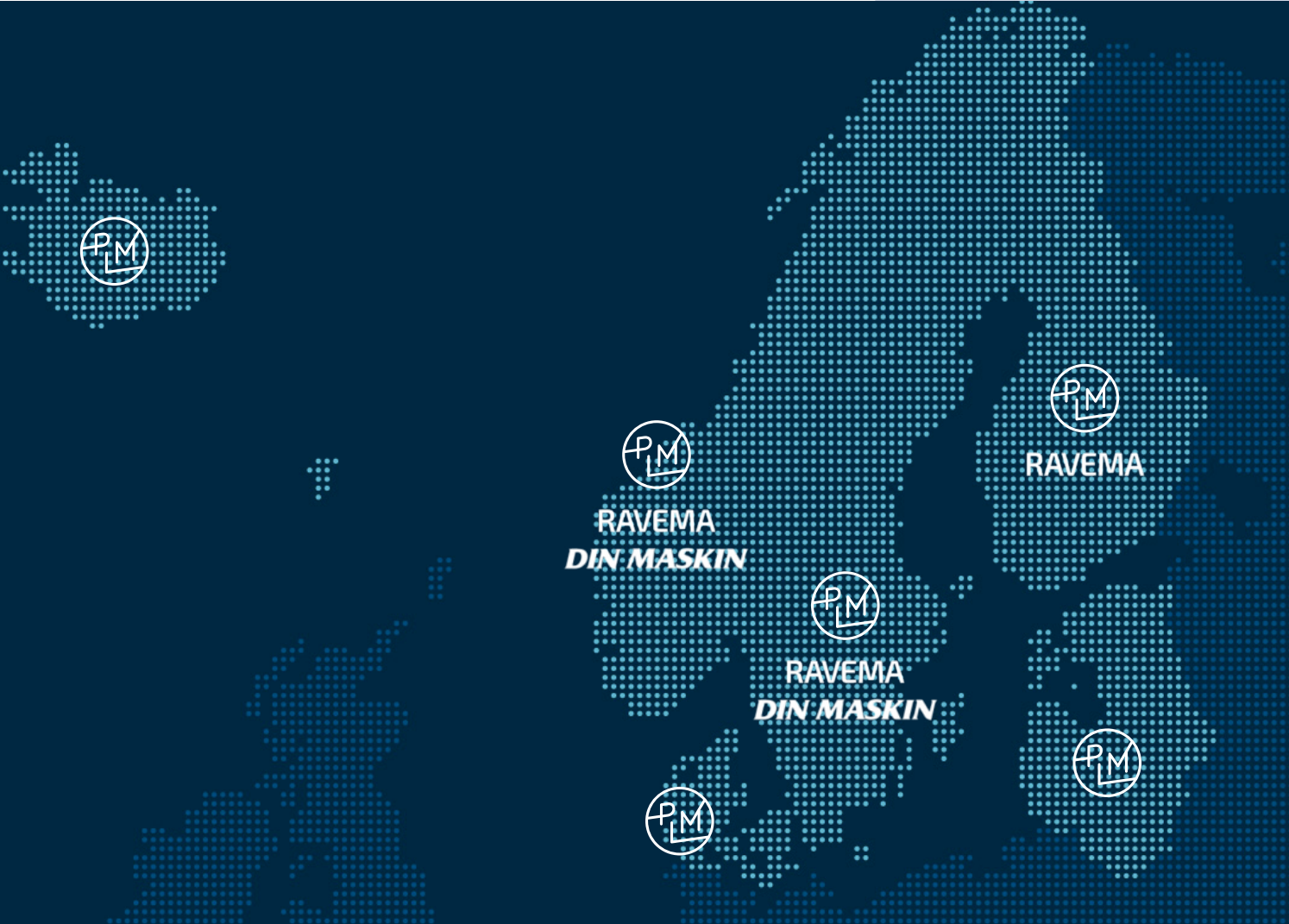
We are the largest Dassault Systèmes SOLIDWORKS partner in the Nordics and Baltics. We work with industry-leading 3D Printers from HP, Markforged and 3D Systemes to create best-in-class additive manufacturing solutions from prototyping to end-user parts for our customers.

With our local organizations in Sweden, Denmark, Norway, Finland, Estonia, and Latvia, we serve over 6,000 business customers in several industries.

For more information on PLM Group, visit www.plmgroup.eu

4. OUR LOCATIONS

We operate in seven Nordic and Baltic countries serving over 7,000 industry customers.



5. SUSTAINABILITY GOVERNANCE

Pronect is a decentralized organization with delegated responsibilities where each subgroup is largely autonomous. While Pronect are active owners in supporting business development, they do not control the subgroups in detail. To ensure that the companies in the group follow the sustainability policies and that we monitor the result continuously the operational sustainability work is a natural part of the Management Meeting and part of the steering model for the group. See an illustrative overview of the process on the righthand side of this page.

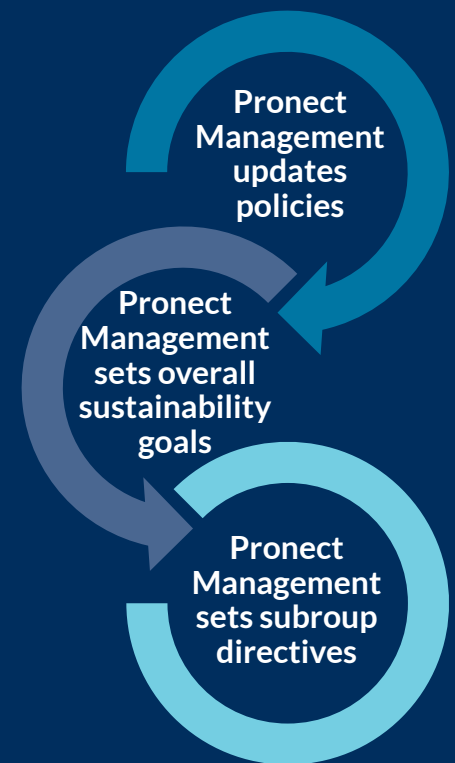
The Pronect code of conduct for employees is the foundation of the sustainability work within the group. Along with our core values, it communicates to seasoned and new employees:

- what is expected
- how we do business
- how we act in our daily work
- how we interact with stakeholders outside the group

The code includes basic human rights such as: fair working conditions, gender equality, and diversity, but also anti-corruption and environmental responsibility. It applies to all subsidiaries and employees.

Employees are encouraged to report any breaches of the policy, to either a trusted manager within the organization or through the whistleblower function. During 2022, a new tool for

TOP DOWN



BOTTOM UP



whistle-blowing has been implemented within Pronect. All employees have received information about the new tool and how to report via a link to a trusted external service provider. Reporting is anonymous. The link for whistle-blowing is also available on the external webpages for the subunits to allow external parties such as suppliers or customers to report any experienced irregularities.

A new whistle-blowing policy will be communicated during 2023 and all employee handbooks will be updated to include the updated information on whistle-blowing.

Issues that come to the attention of a manager or the whistleblowing function will be investigated by an external party. Based on the outcome of the investigation, we take the necessary actions.

Our sustainability work covers:

- Environmental sustainability ([page 11](#))
- Social sustainability and human rights ([page 14](#))
- Financial and ethical sustainability (where anti-corruption is one part – [page 19](#))

To help with implementation and compliance, some policies are supported by hands-on guidebooks for the respective subgroup, such as an employee handbook.

Pronect policies guiding sustainability work:

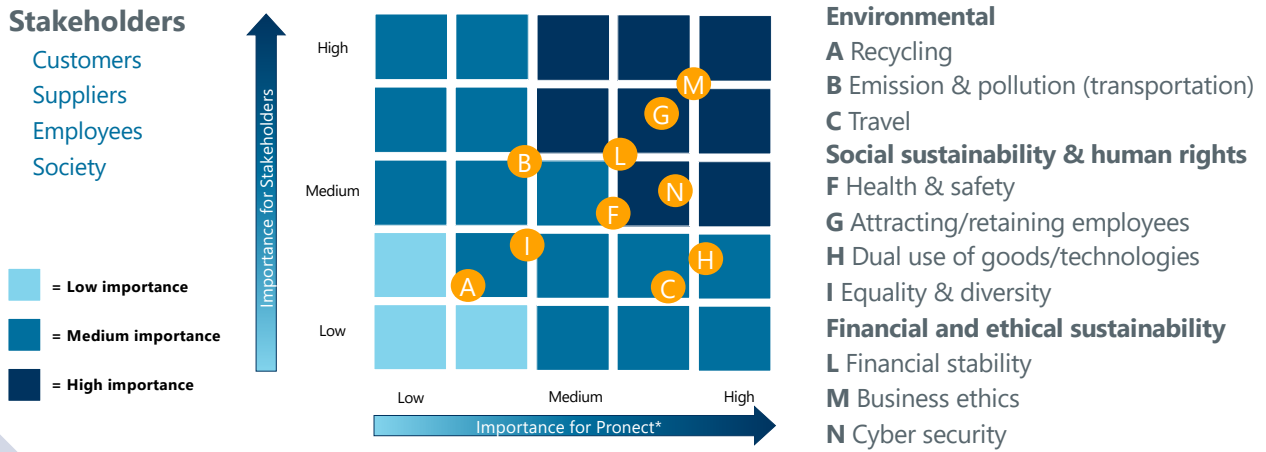
- Core values
- Code of conduct
- ISO 9001
- Collective agreements
- Environmental policy
- Vehicle policy
- Gender equality plan
- Work environment policy
- Employee handbooks
- Drug & alcohol policy
- Information policy
- IT & mobile phone policy



6. MATERIALITY ANALYSIS

The materiality analysis is done once per year by Pronect management and the subsidiaries management teams. The analysis starts with reviewing last years analysis and adjusting for comments recieved both from internal and external stakeholders. These comments are normally coming from the managment teams yearly review or from interviews with selected stakeholders. The review for 2022 has not resulted in any major changes in the materiality analysis compared to 2021.

Importance for Pronect – Relevant areas for Pronect and areas Pronect can influence



*Importance for Pronect – Only relevant Areas for Pronect included and areas where Pronect can influence, no low importance included

Our business model relies on our competence. Securing highly skilled employees is of utmost importance to Pronect and our stakeholders. Therefore, we closely track employee reviews and employees have the opportunity to participate in Pronect Business School.

Our business ethics are another cornerstone to secure long-term relations with our stakeholders. Our Code of Conduct empowers employees to handle ethical dilemmas they may encounter while at work.

Financial stability is vital to securing long-term relationships with our customers and suppliers – in good times or bad.

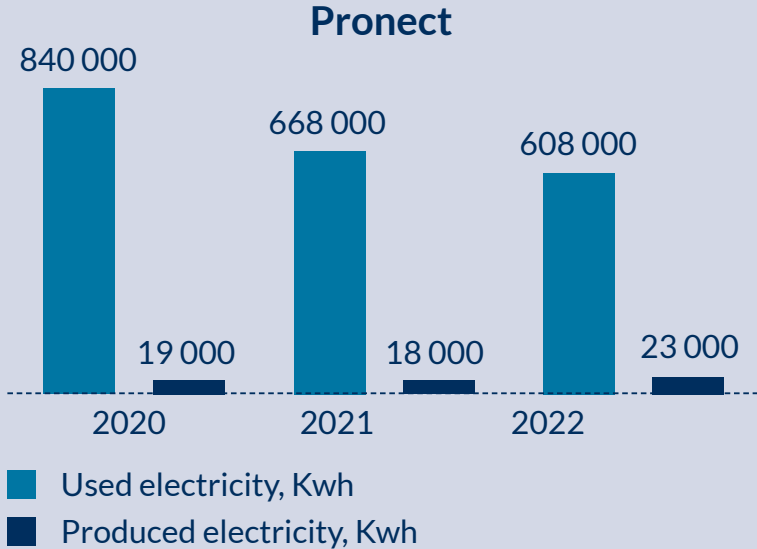
We also prioritize cyber security to protect ourselves and our stakeholders from any digital attacks. This also ensures that our core business information doesn't fall into the wrong hands.

All these areas are proactively tracked, handled, and controlled through our internal policies and procedures.

7. ENVIRONMENTAL SUSTAINABILITY

The Pronect subgroups each have several suppliers around the world and, generally, our suppliers are global multinational groups. Because we sell products that are produced by our suppliers, we have created a system to account for the environmental impacts of their production processes. Starting in 2021, we screen our main suppliers based on their published sustainability reports. For the previous year, not only have all of our main suppliers published their audited sustainability reports on their websites, they all maintain the same standards we have internally set for ourselves in our Code of Conduct.

In our materiality analysis, we have identified the potential main impacts Pronect has on the environment, which is the use of office electronics and transportation (including travel). Pronect strives to reduce the environmental impact from company



travel, goods transportation, energy consumption, and waste management to protect people and nature. Besides the Pronect employee code of conduct, the subsidiaries have travel policies as well as IT- & mobile phone policies to support everyday sustainability work within these areas.

None of the Pronect subsidiaries require any environmental permits or notifications to conduct business.

Electronics

In the digital world of today, all companies depend on electrical equipment to perform their everyday work. Life cycle management of IT equipment for our employees is an important part of the sustainability work within Pronect. We systematically collect unused equipment and distribute among new and existing employees according to their needs. We also keep insurances to cover repairs and encourage a longer life for our IT equipment. During Covid-19, we have been able to keep the increase of the IT equipment to a minimum while still providing flexibility and efficiency for our employees working from home. Production of IT equipment require water, energy and minerals. Pronect use HP and Logitech as main brands of IT equipment. HP and Logitech are companies who work to reduce their carbon footprints, their water footprint and certify that their supply chain is validated against RMI Conflict Minerals Reporting.

In 2021, Pronect chose to become member of ATEA 100% which is an initiative to increase reuse and recycling of electronics. Furthermore, Pronect collaborates with Telia in order to collect used IT-equipment.

Travel

The business world has been reevaluating many old beliefs about the need to travel since COVID-19 began. At Pronect, we have always been spread out over several geographical locations, which taught us to take advantage of digital meeting tools early on. During the restrictions following COVID-19, we continued to develop digital channels even further ensuring we can keep travel at a minimum even after restrictions are lifted. We have updated our travel policy to leverage digital tools before choosing to travel.

A large portion of our sales equate to large investments for our customers, which require long relationships built on trust. This type of relationship often requires personal meetings and travel to customer sites – for sales, technical solutions, installations, and service. Visits to customer sites are in general done in company vehicles.

We aim to reduce our carbon footprint every time an existing vehicle is replaced and we have started the transition towards electrical cars.

We also focus on reducing the distances traveled through more efficient planning, digital inspections before service calls, and increasing digital support via video calls. When possible, we have smaller machines sent for service to our service locations and then shipped back to customers at remote locations.

% of electrical cars within Pronect

2020	0%
2021	2%
2022	5%

8. SOCIAL SUSTAINABILITY & HUMAN RIGHTS

Pronect subsidiaries operate in highly technological sectors where competition for skilled talent is high. With clear company values and strong leadership, Pronect subsidiaries strive to become the most attractive employers in their respective sectors and active organizations in their communities.

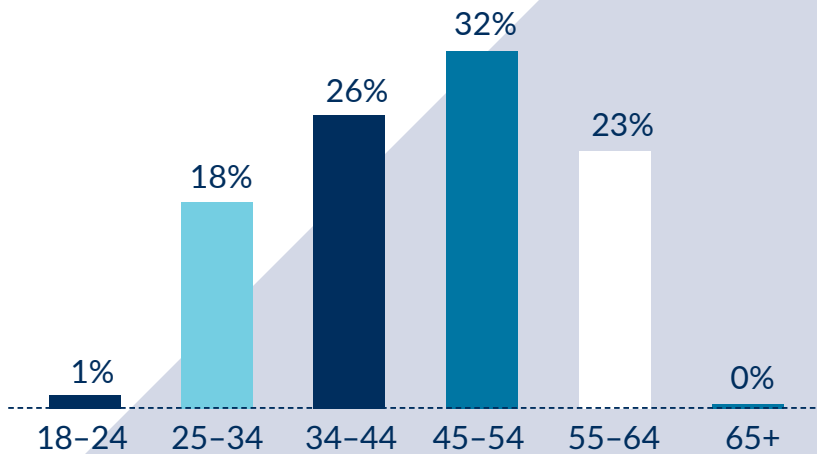
Pronect works based on the value that the daily commitment of our employees is what makes the difference for our customers. Our employees are the foundation for the success of the Group. They drive our competitiveness in the segments and markets where we operate. All the subsidiaries within Pronect have their own means of engaging employees and contributing to their local communities, but common for all subgroups is providing a working environment where all employees can grow.



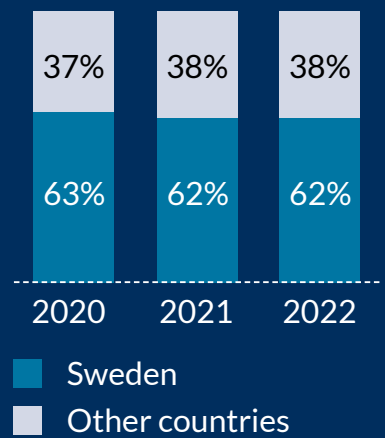
Diversity and equality

Diversity and equality concerns all business functions – from recruiting and education to communication and marketing. A mix of employees with different knowledge and experience will contribute with value-adding new ideas and competence. A challenge we face is the fact that technological industries are historically dominated by male employees, which is currently reflected in Pronect subgroups with men making up almost 80% of employees.

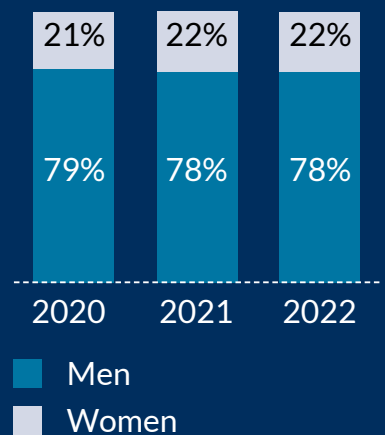
Employees per age interval Pronect



Number of employees

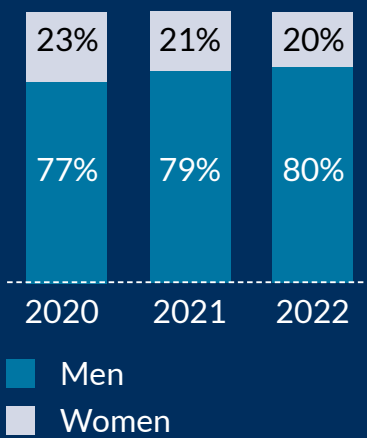


Employees by gender

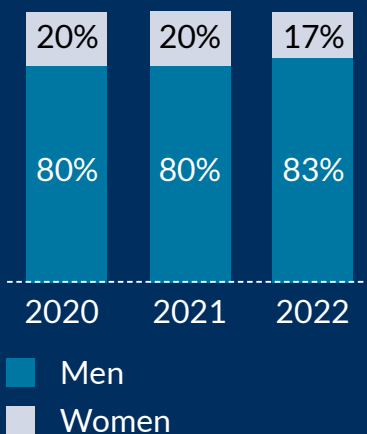


The competitiveness for skilled personnel is high in all areas where we recruit and we strive to offer the best conditions for our employees, both in the work environment and also by offering benefits which contributes to work-life balance and promoting health. Pronect is an inclusive organization where our common Code of Conduct prohibits any kind of discrimination, regardless of gender, sexual orientation, religion, country of origin, or any other reason. Besides our core values and the Code of Conduct, our work is also guided by a gender equality plan and our work environment policy.

Women in leading positions



Women in Pronect AB board

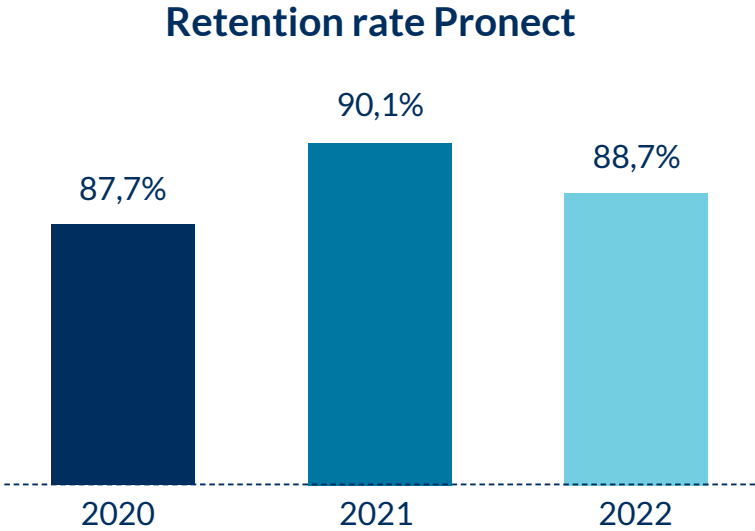


Health & Safety

All subgroups within Pronect conducts systematic health and safety procedures every year according to a predetermined protocol. These procedures identify and mitigate risks of negative effects from the working environment. Each local leader has the responsibility to ensure safe and healthy working conditions for their group according to the local legislation of each country. Fire safety is the responsibility of each office manager. Pronect has collective agreements in several countries and cooperates with staff councils in all of our companies. Pronect follows the employment laws and regulations in all countries. Representatives of the staff are involved in the preventative work concerning health and safety. In many locations, Pronect offers employees activities to encourage a healthy lifestyle.

We have a vision of zero working related accidents and illnesses. All accidents and incidents must be reported to Group HR in order to keep track of the effectiveness of the preventive processes.

Number of accidents	
2020	0
2021	0
2022	3



Competence & Training

The employees of Pronect Group is our most valued resource. Employees are encouraged to share new ideas and combine the autonomy to plan their work with the responsibility to contribute to the mission.

Pronect offers attractive workplaces where upskilling contributes to both the individual and the company.

As the competition for skilled employees increases, Pronect offers attractive workplaces where upskilling contributes to both the individual and the company. Employees are encouraged to share new ideas and combine the autonomy to plan their work with the responsibility to contribute to the mission.

During 2022, 22 managers within all of Pronect have taken part in Pronect Business School with focus on how to best support our employees, how to be a good manager and how to stimulate a creative environment where both the employees and ideas coming from employees are taken well care of.

As a foundation for all communication with employees, every employee is offered at least one review every year. Each subgroup conducts employee surveys either once per year or every other year while some also measure employee satisfaction as Employee Net Promoter Score (eNPS).

Society

Our business operates on all levels – international, national, and local – but it is in the areas where our employees are located that we can contribute most to the local community. For example, at our main site in Värnamo, we contribute to the education of teens between the ages of 16 and 19. We provide machinery for the industrial program at the local school and welcome students to our site for them to learn about the industry and see how to operate and perform service on machines in real life. We believe that this is a good way to co-exist with the societies where we exist. By supporting the school, we and other local industrial businesses contribute to growing the talent pool in the local region. We operate in knowledge intense businesses where continuous learning is the basis for our development. With skilled talent available, the region attracts new companies which helps us attract more individuals into the field – all in a positive reinforcing circle.

9. FINANCIAL AND ETHICAL SUSTAINABILITY

Financial sustainability

Pronect has the ambition to grow responsibly, both organically and through acquisitions. Profitable growth is the foundation for continued positive financial results benefiting our employees and our owners. Meanwhile, our suppliers and customers benefit as we create room for investments and increase focus on sustainability. Positive financial results allow us to invest in employees through training and upskilling courses, which in turn helps us attract and retain talent. Positive financial results lead to societal contribution through increased taxes and the opportunity for us to sponsor and support local initiatives.



Ethical sustainability

Pronect is a responsible party in all societies where we operate by ensuring ethical business practices and healthy competition. Our most basic function is ensuring compliance with all legal requirements set up by each country where we operate. In countries where our business is too small to encompass the competence in-house, we enlist the help of trusted partners, such as renowned audit firms.

Anti-corruption

The foundation for ethical business practices with both customers and suppliers is our zero tolerance for corruption. An important part of the anti-corruption work within our subsidiaries is related to processes for sales, purchase, and financial reporting along with authorization policies where the grandfather principle applies to all larger decisions. All internal system accesses are



KPIs

Corruption Perceptions Index 2022

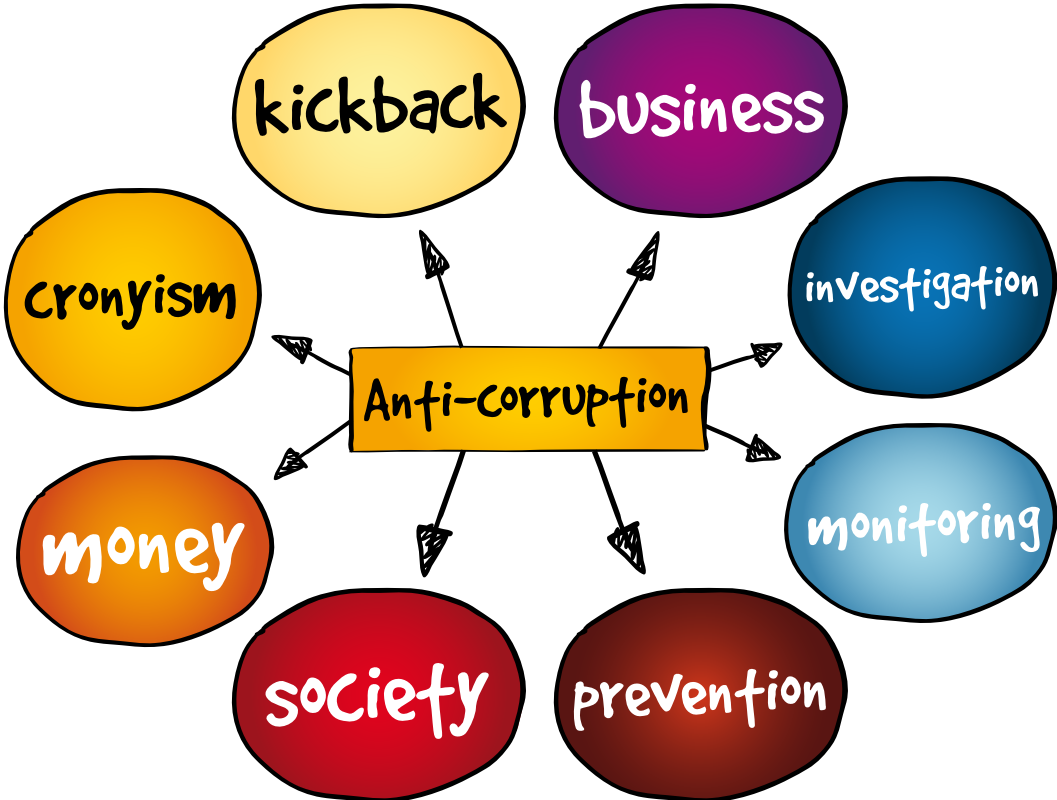
Country	CPI score	Rank
Denmark	90	1
Finland	87	2
Norway	84	4
Sweden	83	5
Germany	79	9
Estonia	71	14
Iceland	74	14
Belgium	73	18
United Kingdom	73	18
United States of America	69	24
Latvia	59	39

The corruption perceptions index ranks 180 countries. The table above shows the countries where Pronect has its majority of sales and purchases. The Nordic countries where we have local offices are at the top of the list for low perception of corruption – Denmark, Finland, Sweden, and Norway rank between 1st and 5th. The Baltic countries, Estonia and Latvia, are ranked 14th and 36th, respectively.

reviewed yearly, as are approval processes and routines for ensuring correct processing of sales and purchases in our business. The standing points of Pronect are described in our Code of Conduct for employees. We evaluate our ethical business risks based on Transparency International's Corruption Perceptions Index (CPI) which can be found at www.transparency.org.

We have concluded that more than 99% of our turnover and more than 99% of our purchases come from countries with low corruption risk. Even though we have estimated the risk of corruption to be low, we continue to improve our existing preventive processes and activities and focus our measures where they are most efficient.

Based on our risk assessments, we conduct specific deeper reviews to counteract corruption. Examples are reviews of certain transactions in certain areas with specified follow-up questions. We have also implemented a new whistleblowing tool in 2022. It is available for all employees as well as external parties and allows the reporting person to stay completely anonymous.



10. RISKS AND RISK MITIGATIONS

The operating business consists mainly of trading and distribution. Pronect and its subsidiaries have an ongoing risk assessment process during the year where Pronect management and the management groups in the subsidiaries are involved. Sustainability risks are a part of the overall risk assessment. The findings in the risk assessment are included in the business plans and are presented to the Pronect board of directors once per year. During the autumn of 2022 we have conducted a sustainability workshop together with external consultants. The workshop focused on risk and materiality analysis. A plan for handling the findings will be made during 2023.



Subsidiaries covered by this report

PRONECT

Pronect AB
Margretelundsvägen 1
331 34 Värnamo, Sweden



RAVEMA AB
Margretelundsvägen 1
331 34 Värnamo
Sweden
+46 370 488 00
info@ravema.se

RAVEMA OY
PL 1000
33201 Tampere
Finland
+358 20 794 0000
info@ravema.fi

RAVEMA AS
Ilebergveien 3
3011 Drammen
Norway
info@ravema.no



Din Maskin i Värnamo AB
Silkesvägen 22
331 53 Värnamo
Sweden
+46 370 69 34 00
info@dinmaskin.se

Din Maskin AS
Ilebergsveien 3
3011 Drammen
Norway
+47 48 00 22 00
post@dinmaskin.no



PLM Group ApS
Brogrenen 10
2635 Ishøj
Denmark
+45 70 22 22 80
info@plmgroup.dk

PLM Group Danmark A/S
Brogrenen 10
2635 Ishøj
Denmark
+45 70 22 22 80
info@plmgroup.dk

PLM Group Sverige AB
Margretelundsvägen 1
331 34 Värnamo
Sweden
+46 370 69 09 50
customersuccess@
plmgroup.se

PLM Group Norge AS
Torvet 6
2000 Lilleström
Norway
+47 63 94 20 20
info@plmgroup.no

PLM Group Suomi Oy
Puutarhakatu 53
20100 Turku
Finland
+358 207 809 560,
info@plmgroup.fi

PLM Group Eesti OÜ
Sõpruse pst 157
13418 Tallinn
Eesti
+372 6139 813
info@plmgroup.ee

PLM Group Latvija
Bauskas iela 58a
LV-1004 Riga
Latvija
+371 284 587 52
info@plmgroup.lv