

SUSTAINABILITY REPORT 2022

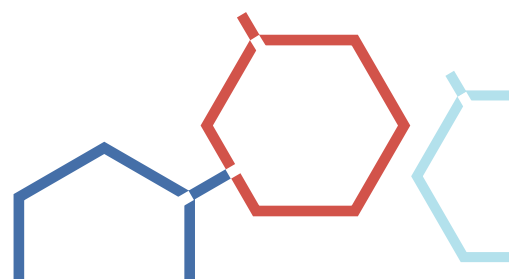


The DNA of a wireless world

ALLGON[™]

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The story of Allgon

In 1947 Swedish engineer Torbjörn and his wife Veronica stood at the very beginning of wireless communication. Their 'all-angle' antenna breathes life into Allgon: a brand that produces radio and car antennas. Allgon's range and reach grows bigger and bigger, producing antennas for mobile networks, phones, cars, and even the Swedish military department.

Allgon is all around. With every step, the antenna and the company seem to move out of sight, turning into an invisible force, radio waves alike. But just because you cannot see it does not mean it is not there. Allgon is alive and kicking, reinventing the wireless heritage, and committed to enabling customers through innovative wireless solutions, industrial remote-control technology, and services that contribute to a safer and more efficient work environment. A trustworthy breeding ground for brands that advance the market. Allgon is the source and on us, you can build, endlessly. Allgon: the DNA of a wireless world.



Introduction- A global player in industrial radio control

The Allgon Group, with its subsidiaries Åkerströms and TeleRadio, has the important mission of creating a safe and user-friendly working environment for industrial customers. We achieve this through our unique industrial radio control solutions, which streamline both production and logistics, as well as enabling a safer working environment for end customers. We remain committed to becoming a global market leader in industrial radio control for whom sustainability is a natural part of business.

To achieve this vision of becoming a global market leader, a collaboration has been launched between Allgon's two subsidiaries, Åkerströms and Tele Radio, which shaped 2022. The collaboration paves the way for Group-wide ISO certifications, common processes, and structured working methods. The collaboration will develop further in 2023.

The purpose of this Sustainability Report is to describe the sustainability developments over the past year. The Sustainability Report covers the calendar and financial year 2022 and is published together with the Annual Report in accordance with Swedish Annual Accounts Act chapter 6. The 2022 Sustainability Report is based on the priority areas for action and related measures announced in 2021, together with the other relevant and interesting happenings in the sustainability field. The report is available on allgon.se and covers the Allgon Group and all its subsidiaries.

Sustainability Governance

Sustainability management

Sustainability is a priority within the Group and is embedded at the highest level. Sustainability issues are a focus for the Board of Directors and are included in strategic decisions. Ultimate responsible for the Group's strategic work on sustainability lies with Allgon's Group management and Board of Directors. The Group's Sustainability Manager, who reports to the Chief Financial Officer (CFO), a member of Allgon's Group management, is operationally responsible for producing the report.

Sustainability is seen as part of the business and is managed within each subsidiary with the help of requirements and guidance given by Allgon as the parent company. As a minimum, subsidiaries must comply with Allgon's sustainability guidelines and requirements. Relevant and mandatory sustainability data must be collected and shared with Allgon. Each subsidiary monitors and secures compliance with policies. In 2022, an Environmental specialist & Product compliance role has been appointed and recruited at Tele-Radio to further support the sustainability managers at both Tele-Radio and Allgon.

In addition to the formal sustainability roles and responsibilities, a decision to initiate cross-functional collaboration with so-called Environmental, Social and Governance (ESG) focus groups has been taken. Relevant

representatives from Allgon's subsidiaries will be invited to the focus groups to further be involved in the group's sustainability work. The management team will continually be informed and involved in the current direction of the dialogues held within the focus groups. It is of the utmost importance that the management team drives forward the prioritisation of the sustainability work and that requirements are addressed by the subsidiaries.

Through the ESG focus groups the management team will take a greater place in the ongoing sustainability work and gain deeper insight into the subsidiary's challenges and opportunities from a sustainability perspective. The ESG focus groups will broaden the scope for discussion and collaboration with sustainability across the entire group. The ambition is to launch the ESG focus groups during 2023.



The roll of our owners

The Allgon group is fully owned by Bure Equity, a long-term owner who drives sustainability issues at board level. Bure provides Allgon and its portfolio companies with a framework and a handbook for sustainable development in the company. Allgon is continuously evaluated according to this framework to ensure progress regarding sustainability. The framework is based on three areas: governance, strategy, and communication.

In 2022, sustainability data has been collected by Bure, with the aim of creating governance, key figures, and follow-up. Sustainability data has been collected within the following areas: energy consumption, greenhouse gas emissions, customer integrity, corruption incidents, diversity and anti-corruption education and communication.

Regarding data reporting of greenhouse gas emissions, 25 out of 25 Allgon subsidiaries participated in the 2022 data collection, this

compared to 2021 where 12 out of 23 Allgon subsidiaries participated. We believe that the positive development comes from targeted internal communication regarding greenhouse gas emissions and guidance from the parent company in where and how relevant activity data can be collected for the purpose of calculating greenhouse gas emissions. More detailed information regarding greenhouse gas emissions can be found under section “C- Climate impact and adaptation, shifting the companies’ activity towards a more sustainable position”.



Strategy

In 2022, an ESG and sustainability strategy was presented and adopted by the Board and the Group management. The strategy's message is that Allgon should breathe sustainability, and that not working on sustainability is seen as a business risk.

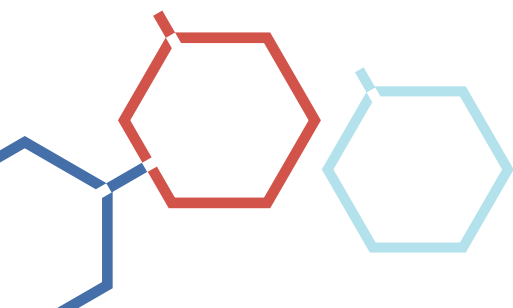
Allgon should breathe Sustainability.

Placing Allgon at the forefront regarding sustainability within the radio remote control market. Being the sustainable alternative among competitors, both now and in the future.

Why? We believe that our customers and stakeholders want Allgon to conduct sustainable business for the survival of mankind. We also believe that there are market shares to win if we can niche ourselves as the sustainable alternative. It is also seen as a business risk to not work with sustainability.

An ESG agenda has been developed within the framework of the strategy. Its purpose is to define Allgon's biggest contribution to the sustainable transition, that our customers are a part of. A workshop was organised to define this contribution, led by Allgon's ESG and Sustainability Manager together with the Group management. The outcome of the workshop was that a climate-positive business with no direct or indirect greenhouse gas emissions would be by far the biggest contribution to the sustainable transition considering the ongoing climate crisis. This is a vision and a pursuit, to plot a direction for the reduction of greenhouse gas emissions from the business, both directly where Allgon has operational control, and indirectly where Allgon can work can with setting requirements instead. In example, Allgon can directly control the usage of renewable green energy sources within the company and indirectly require from suppliers that renewable green energy sources must be used.

The ESG agenda developed consists of the following: Emission mitigation, Engagement and Policies & Governance documents. There is still work to be done on setting short- and long-term objectives in each area. Emission mitigation is aimed at working on the negative environmental impact of the business itself and reducing it. Greenhouse gas emissions are central to these efforts. Engagement is focused on creating engagement, competence, and motivation regarding sustainability throughout the Group. This is not restricted to creating engagement internally within the Group, but also creating engagement with the issue of sustainability in external partners, such as suppliers and customers. Policies & Governance documents is aimed at ensuring that sustainability is reflected in the relevant governance documents and policies produced by the parent company. Over the longer-term introducing processes to make sure that they are followed.



Defining sustainability aspects is crucial for sustainability management, for developing an effective strategy and laying the foundations of Allgon's sustainability work.

In last year's Sustainability Report we stated that, in 2022, we would identify in more detail specific aspects of sustainability and sustainability-related risks in the value chain. Regarding environmental risks the work has come relatively far, although, there is still work to be done regarding other relevant areas (in example, human rights and corruption). This work is scheduled to continue in 2023. The analysis of sustainability aspects in the value chain will form the foundation for further work in identified areas of risk and is expected to be presented as part of the 2023 Sustainability Report.



Human Rights

Allgon's value chain is subject to strong human rights governance. Internationally recognised human rights must always be respected. Allgon takes responsibility for preventing any direct or indirect human rights violations. If a violation occurs, Allgon must address the issue immediately and ensure that it does not happen again. The Allgon Group depends on its suppliers and subcontractors from different parts of the world. Subcontracting is considered to pose the greatest risk of exposure to human rights violations.

Allgon has developed a new and upgraded robust group common Supplier Code of Conduct over the year, previously this has been handled within the respective subsidiaries. This to further highlight Allgon's human rights stance. Further on a human rights due diligence process must be developed.

Furthermore, we can mention that based on the Code of Conduct for suppliers that has been developed, Allgon is entitled to require that the supplier and/or subcontractor undertakes corrective measures within a reasonable time frame. If a breach of non-correctable nature occurs, it is seen as a breach of all agreements between Allgon and the supplier, which allows Allgon to cease cooperation with the supplier and/or subcontractor in question. A process that makes it possible for the supplier and/or subcontractor to change its operations so that it does not violate human rights is Allgon's primary ambition before cooperation is ceased. Allgon wants to make the sustainable transition possible for our suppliers and subcontractors as well.



Social factors

The Group's approach to social factors, such as employee satisfaction, employee health and the Group's contribution to the local community, is handled within each respective subsidiary.

Currently, each subsidiary has a Human Resources (HR) Manager that works with social factors, continually monitoring and developing relevant areas such as the systematic work environment focus within the Group. The aim is to enable interaction on social factors to benefit both employees and the local community within which Allgon operates. The situation of course varies depending on geographical location, due to different laws and local cultures and opportunities for influence and development in this area.

If we do not work with social factors and social sustainability, we may become a less attractive employer in the future. It is important for today's and tomorrow's employees that employers take accountability in aspects larger than economic profit- the coming generations want a bigger holistic purpose to work towards. This can for example be regarding working towards an inclusive workplace in terms of diversity, equality and supporting local communities and other initiatives that promote a wellbeing society. To profile and prove that you actively work with social sustainability is very necessary to attract new employees.

A consequence that can come from not succeeding with employer branding is the development of a unsustainable employee turnover. The risk of unsustainable employee turnover is that important and necessary competence within the organisation can be lost, and the specific individual can be exposed to a high workload. Allgon operates in a niche industry where competence in the field of industrial radio remote control is important for our continued success. Caring

for our employees both on a psychological and physical level is extremely important. In addition, Allgon must continually focus on becoming an appealing employer to secure the requirement of talents to attract the necessary competence.

Regarding the physical work environment, we have not identified any major risks other than what is mentioned below in the section "A-Ensure the health and safety of employees, so that all employees have a healthier working environment". It is furthermore important to keep on securing that workplace safety is on the agenda.

Promoting employee wellness and health is important to Allgon. In example Tele-Radio will be sponsoring various exercise races to support and encourage sustainable workforce. Other social factors, such as sponsorship, are also handled locally by each subsidiary.

The subsidiary Åkerströms, for instance, has a sponsorship policy that describes the type of association or initiative that the company wishes to support. This includes ethical and environmental requirements that potential recipients must meet to be an eligible candidate for sponsorship. Starting from 2022, Åkerströms employees are also entitled to apply for a grant if they are involved with an association. This money then goes to the relevant association, as an incentive for employees to get involved with local associations.

Allgon's subsidiaries also donate money to various charities on a regular basis, two examples being WWF and the Children's Cancer Foundation.

Anti-corruption

Allgon has zero tolerance for any form of corruption. The management is committed to maintaining the highest standards of professional and ethical conduct. Corruption includes, but is not limited to, bribery, fraud, nepotism, and abuse of a position of trust. Allgon is a global player with a complex value chain consisting of many different actors. The biggest risk that can come from a corruption case is a loss of confidence and trust in Allgon as a business. A breach of trust would mean lost reputation and affect Allgon's operations negatively in several different ways, for example loss of customers, employees, and investors. In the larger perspective there is the risk of not contributing to fighting corruption, which is part of the global goals that Allgon has undertaken to contribute to.

It is extremely important to Allgon that the whole business is run with the greatest possible sense of responsibility, openness, and honesty. This is set out in our Code of Conduct, which all new employees are informed of and sign when they are hired. Allgon therefore has a whistle-blowing system in place whereby everyone is encouraged to report irregularities in line with the company's Code of Conduct, policies, and guidelines. The whistle-blowing system includes an external portal for all employees of Allgon companies to submit reports (regardless of their employment status). The system can also be used by customers, suppliers, and other stakeholders. Allgon seeks to create a business environment in which whistle-blowers feel safe to report irregularities. No breaches were reported in 2022. The whistle-blowing system refers to all forms of irregularities and is not restricted to just corruption cases.

Environment

Our planet is facing serious threats and there is no doubt that we are heading towards a global climate crisis. The risks of not proactively working to minimize climate impact are many. On a global scale, the goal is to meet the Paris Agreement and limit the rise of global temperature to 1.5 degrees.

Climate change brings a whole new set of risks to the table, we see both physical and transitional risks. For example, properties and facilities can be destroyed by natural disasters, and climate goals, technological progress or political decisions can create pressure on businesses to adjust and transition to more sustainable operations. Thus, climate related risks lead to financial risk, and therefore it is important for companies to understand and manage consequences from these risks.

Transitional risks include, but are not limited to, negative effects that may affect the organisation because of climate change and ability to adapt to these. Climate change requires structural changes that place new

and higher demands on strategies, business models, revenue streams and management of the whole organization. The climate crisis and extreme weather also contribute to amplifying many already existing conflict-driving factors such as poverty, injustice, and the struggle for natural resources. Unrest in society at large will affect Allgon as an organization.

As already mentioned, defining sustainability aspects and risks in the value chain is crucial for sustainability management. The Allgon Group is dependent on suppliers and subcontractors from various parts of the world, and it is in the value chain that the greatest effects from climate change are found. These effects may involve strong variations in price and uncertain availability of raw materials, goods, and services. It may also affect transportation costs as the transportation sector undergoes its transition. This can all be summarized to that there is a risk that the value chain will not be as reliable and resilient in the future.

Our Prioritized Areas of Action

In 2015, world leaders agreed on 17 impact areas and goals for social, economic, and environmental sustainability within the framework of Agenda 2030. The sustainable development goals (SDGs) balance the three dimensions of sustainable development; the economic, the social and the environmental. For more information regarding the UN: s SDGs visit, sdgs.un.org/goals.

Based on the stakeholder dialogue conducted in 2021, our prioritized areas of actions can be derived to at least seven of the UN: s main SDGs. For more information regarding the seven SDGs and how Allgon's sustainability work relates to them, see Allgon's sustainability report for 2021. The SDGs, the groups impact assessment together with the newly developed ESG agenda form the basis in our sustainability work. It shows how we can create long-term values, as well as responding to and meeting

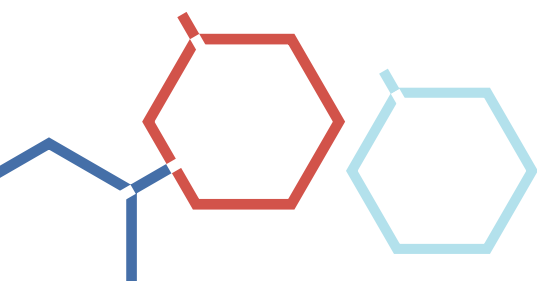
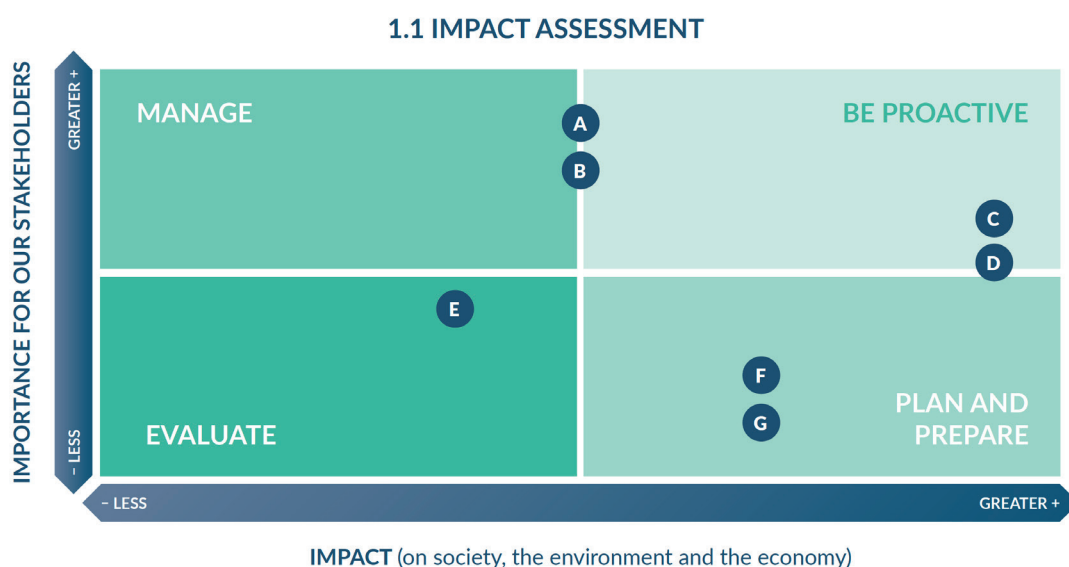
upcoming expectations on the group from a sustainability perspective.

The developed ESG agenda is also reflected in the latest impact assessment which shows two areas for active processing C: Climate impact and adaptation - shifting companies' activity towards a more sustainable position, and D: Increased control in the value chain - choosing or developing partnerships with subcontractors to pursue sustainable development, were considered to have the greatest impact on society, the environment, and the economy. Thus, reflecting emission mitigation and working with engagement in the value chain to achieve a sustainable transition within different levels that indirectly contributes to the Groups negative climate impact.



Below follows a review of the prioritized areas of actions together with the impact assessment that was conducted during 2021 by Allgon's sustainability group. Further in 2023, deeper stakeholder dialogues will be conducted to sustain new activities and initiatives that can contribute to relevant areas.

- A- Ensure the health and safety of employees, so that all employees have a healthier working environment.
- B- Promote better working conditions, improving working conditions for employees.
- C- Climate impact and adaptation, shifting the companies' activity towards a more sustainable position.
- D- Increased control in the value chain, choosing or developing partnerships with subcontractors to pursue sustainable development.
- E- Harness renewable energy, increasing the Group's use of renewable energy.
- F- Community engagement and social responsibility, for greater participation in society on a local level.
- G- Raw materials for sustainable transition, reducing the Group's dependence on non-sustainable materials.



Reporting based on the SDGs

Allgon has continued its contribution to the realization of Agenda 2030 through the 7 identified UN SDGs that have a strong correlation to our business. In the section “Implemented activities and Results” a connection is also made to Agenda 2030. This is a summary of which 7 SDGs that Allgon believes we directly can contribute to.



3 Good Health and Well-Being, For Allgon, this means developing a sustainable workplace that promotes psychosocial health and a good workplace climate.

7 Affordable and Clean Energy, Access to sustainable energy is essential if we are to tackle the many challenges we face today, nun the less the electrification of society and the phasing out of fossil fuels. This is key for Allgon.

8 Decent Work and Economic Growth, For Allgon this is about ensuring a good working environment with fair working conditions, and running a business that generates strong economic growth.

10 Reduced Inequalities, All employees shall have the same rights, opportunities and obligations irrespective of gender identity, ethnicity, religion or other belief, sexual orientation or disability.

12 Sustainable Consumption and Production, Allgon shall continue to have a life cycle perspective in product development with circularity as a keystone.

13 Climate Action, For Allgon this is about securing a future for our upcoming generations.

16 Peace, Justice and Strong Institutions, Allgon does not support any kind of warfare. We support peace, justice and strong institutions and contribute to this aim wherever possible.

Implemented activities and Results

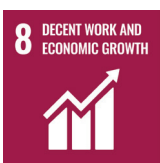
During the financial year 2022, the subsidiaries worked on the different areas for action identified in line with the results of the stakeholder dialogue and the impact assessment produced in 2021. Below is a report of the work carried out in each area for action in 2022, based on the measures presented within each area for action in the 2021 Sustainability Report.

Note that several activities presented in 2021 were set at a level that made it difficult for the subsidiaries to fully realise and enable their implementation. This means that some KPIs presented in the Sustainability Report for 2021 are used internally to monitor progress in the various areas and will therefore not be reported in this year's edition of the Sustainability Report. Also note that the newly implemented more progressive KPIs presented have been developed and worked on during 2022 and therefore have no historical outcome to present regarding 2021. Where we believe that there is sufficient historical data to identify trends and conclusions, short- and long-term goals have been set.

Below follows an account of the activities and outcomes from action areas A to G.

A Ensure the safety and health of employees

- so that all employees have a healthier working environment



8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.8: Protect labour rights and promote safe working environments

Ensuring the safety and health of employees, so that all employees have a healthier working environment, is strongly linked to SDG 8. In 2022, the actions in this area included putting workplace safety on the agenda and training employees involved in high voltage work in electrical safety.

Allgon identified a need for skills development in the electrical safety field. Training was provided where this was needed and was made routine. At the subsidiary Åkerströms, which includes an extensive service and after-sales department in its value proposition, there is a risk of contact with high voltages. This is because staff work on site for industrial customers, among others, and install radio control systems for various uses. The staff concerned attended a full-day course on electrical safety in 2022. The training will

continue to be provided to new staff and will be repeated at regular intervals for existing staff.

At the other Allgon subsidiaries, this is managed separately where necessary and in line with local regulatory requirements. Skills requirements regarding electrical safety risks should be assessed from a risk perspective.

Workplace safety is high on the agenda within Allgon's subsidiaries. A proactive approach is taken to eliminating risks in the workplace before an incident or accident occurs. Subsidiaries again comply with local and regulatory workplace safety and employee health requirements.

The following definition was used in 2022 for incident and accident reporting.

Incident: An identified potential risk in the working environment that could have resulted in an accident. This could be that something happens that could cause harm, but no one gets hurt or sick from the incident. It could also be that something happens and causes personal injury

or illness, but the individual can continue to work (such as cuts etc. that can be managed with first aid). If the same situation as above causes actual injuries, they count as accidents.

Accident: Something happens that results in the individual being unable to return to their work. This implies a minimum of one day's sick leave.

The number of incidents and accidents for 2022 are presented from a group perspective and contain the number of incidents and accidents within the subsidiaries.



Key figures

Allgon	Result 2021	Result 2022	Goal 2023	Long-term Goal
Number of incidents	12	13	Present the share of incidents that are followed up and resolved.	100% of incidents must be followed up and resolved.
Number of accidents	0	0	The aim is to not have any accidents in the workplace.	



B Promote better working

- improving working conditions for employees



3: Ensure healthy lives and promote well-being for all at all ages

3.4: Promote mental health and well-being



10: Reduce inequality within and among countries

10.3: Ensure equal opportunities and reduce inequalities of outcome

Promoting and improving working conditions for employees are directly linked to SDGs 3 and 10. Employee satisfaction is very relevant to this work. To find out what Allgon needs to work on, feedback is required from employees about what should be further developed to meet their needs. The action point in 2022 was to define a shared index that can be used in the subsidiaries' annual

employee surveys. The aim is to monitor trends and compare ourselves with other companies in terms of employee satisfaction.

During the year, employee surveys were conducted at local level in each subsidiary. A Net Promoter Score (NPS) question was included in all the employee surveys. An NPS question is one that measures the likelihood of an employee being willing to recommend their organisation as a place to work. This is a common question and a way for organisations to measure employee health.

The key figure is known as the employee NPS (eNPS), which will continue to be used to report on employee satisfaction. This allows Allgon

to compare its eNPS with other companies' figures. A good level for NPS is between 0 and 20, above 20 is seen as a high score. Allgon is a tech industry, where 12,4 is an average value for eNPS.

Gender distribution is one of many components regarding Allgon's work with diversity. Our guiding principle is to reflect society in terms of ethnic background, age, religion, disabilities, sexual orientation, gender, and other aspects. Allgon always hires based on suitability and qualifications for the job. In recruitment processes for key positions, and especially for leadership roles, it is preferred that the

underrepresented gender in the workgroup is included in the final selection process. Since 2019, Allgon has a Equal Opportunity Policy, to see the policy, visit Allgon.se.

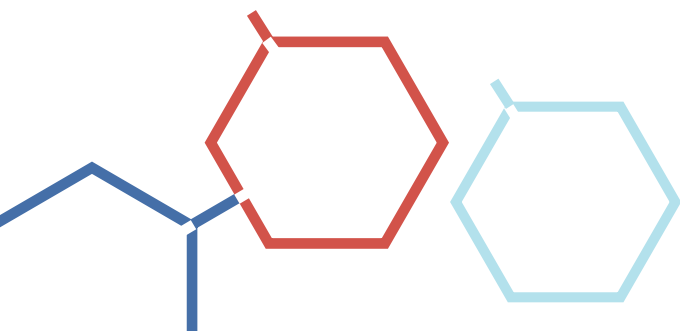
Gender distribution is relatively easy to document and follow up on, hence it is used as a KPI. Gender distribution is reported from a group perspective within different employee categories.



Key figures

- ESI (Employee Satisfaction Index), eNPS

	Result 2022	Comments	Goal 2023	Long-term Goal
Tele-Radio	17	The result reflects Tele-Radio HQ.	eNPS over the tech industry average.	Implement and disclose a group common eNPS result.
Åkerströms	21	The result comes from pulse surveys and not an annual survey.		



- Gender distribution by employee category for Allgon AB

Gender Percentage Distribution, Men and Women				
Employee category	Result 2021	Result	Goal 2023	Long-term Goal
Board of directors	67/33	67/33	60/40	The long-term goals is that the gender diversity should reflect a 50/50 ratio.
Group management	67/33	100/0	80/20	
Managers	97/3	84/16	80/20	
Employees	62/38	63/37	60/40	

The figures in the table are presented according to the percentage of men/percentage of women



Climate impact and adaptation

- shifting companies' activity towards a more sustainable position



13: Take urgent action to combat climate change and its impacts

As climate change becomes more evident each year, there is no doubt that the world is facing a climate crisis that threatens to throw the Earth's ecosystems out of balance. The responsibility that businesses have has become clearer in recent years, and it is now essential that individuals, regions, and companies work to reduce their negative climate impact if the world is to reach the Paris Agreement's targets. Adapting business operations to reduce greenhouse gas emissions is something that should be at the top of everyone's agenda, and these actions directly contribute to SDG 13.

During the year, Allgon's subsidiaries worked on the measures announced in the previous annual report, including the phasing out of traditional

light bulbs and their replacing with LEDs, to reduce our energy consumption. They also worked on the enormous task of mapping, identifying, and measuring carbon dioxide equivalent emissions in line with the Greenhouse Gas Protocol (<https://ghgprotocol.org/>). The aim of this operation is to establish a baseline for Allgon's emissions, and to then set targets for emission reductions on a scientific basis.

There are two ways to calculate greenhouse gas emissions: using activity data or spend data. Activity data is preferable as calculations are based on actual activity within the business, whereas spend data are based on financial figures and flat rates. Energy consumption is an example of this. If the business consumes X number of kWh in a year, the emissions are calculated according to the energy source and the number of kWh consumed. The calculation using spend data, however, would be based on

the X number of SEK spent on the purchase of electricity. When emission reduction targets then need to be set, it becomes very difficult to reduce emissions if an emission source is calculated based on spend data, as the only way to reduce emissions is to spend less money.

Allgon has urged its subsidiaries to look for relevant activity data to make their calculations. Where activity data was not available, calculations were made using spend data. Due to varying exchange rates and inflation, the calculations of emissions based on spend data are most accurate when the year of the emission factor is the same as the year the money was spent. As far as possible, we have chosen emission factors with relevant years and adjusted for inflation and exchange rates. Even though the spend data has a lower quality than the activity data, it can show areas where we have a big impact and can set goals based on this perspective. The baseline presented is therefore not comprehensive for scope 3 emissions. The emission sources that are not reported in the GHG emissions are the following GHG Protocol emission sources: scope 3- use of sold products and scope 3- end-of-life treatment of sold products. These emission sources will be included in the areas for development in 2023.

Another emission source that will be subject to development in 2023 is the emission source regarding purchased goods and services. The emission source is presented within scope 3, but the quality of the data is weak. Rough estimates have been made to calculate emissions from purchased goods and services, we acknowledge that the full climate impact is most likely not considered. This is largely due to our suppliers and production sites in Asia. Allgon's many different suppliers have a widespread among them in terms of degree of maturity in delivering relevant data. We assume that the emission source for purchased goods and services will increase significantly in 2023 as we gain better control over the data and gradually eliminate weaknesses.

We acknowledge that it is a big challenge to mitigate emissions, considering that we are a manufacturing group operating in a global market in which air freight is the most efficient shipping method. Many of Allgon's subsidiaries are actively working to reduce air transport. Tele Radio, for example, aims to reduce air transport from production sites by 2% annually, a target taken from the ISO 14001 environmental audit.

Allgon's greenhouse gas emissions are reported below in accordance with the GHG Protocol.



Key figures

- Greenhouse Gas emissions, CO2e presented in tonnes

	Results 2022 (ton CO2e)	Long-term Goal
Scope 1	207,12	Mitigation targets in alignment with science based targets to minimize global warming.
Scope 2	161,97	
Scope 3	60593	

D Increased control in the value chain

- choosing or developing partnerships with subcontractors to pursue sustainable development



10: Reduce inequality within and among countries

10.2: Promote universal social, economic and political inclusion



10.3: Ensure equal opportunities and reduce inequalities of outcome

12: Ensure sustainable consumption and production patterns



12.2: Sustainable management and use of natural resources

12.6: Encourage companies to adopt sustainable practices and sustainability reporting

16: Promote peaceful and inclusive societies for sustainable development

16.5: Substantially reduce corruption and bribery in all their forms

We can contribute to the achievement of SDGs 10,12 and 16 by increasing control in the value chain from a sustainability perspective. In 2022, the work in this area included defining and implementing a Supplier Code of Conduct. To gain greater control in the value chain, we worked on defining a new updated group common Supplier Code of Conduct. The Code of Conduct contains guidelines on regulatory compliance, human rights, employee rights, ethics, workplace safety,

environmental factors, and the reporting of breaches. The Code of Conduct is based on the existing Code of Conduct available on Allgon's website, and the 10 principles enshrined in the UN Global Compact. To see the full Supplier Code of Conduct, please visit allgon.se.

The Group's COO, who is a member of Allgon's management team, is responsible for the current Supplier Code of Conduct. Operational responsibility for ensuring that the Code of Conduct is signed by suppliers lies with each subsidiary's procurement manager and/or supply chain manager. The process of sending out the Code of Conduct to suppliers has begun. The Code of Conduct will first be signed by suppliers who deliver goods directly to the subsidiaries' headquarters. We then plan to sign up more suppliers and subcontractors.

The Supplier Code of Conduct will be incorporated in the supplier monitoring process. Further updating of the process for auditing and verifying compliance with the Code of Conduct is planned.

During 2022, the group has had a subsidiary in Russia that was liquidated, the formal liquidation remains, Allgon does not support warfare of any kind, we support peace and justice, and contribute where possible.



E Harness renewable energy

- increasing the Group's use of renewable energy



7: Ensure access to affordable, reliable, sustainable and modern energy for all

7.2: Increase the global percentage of renewable energy

Using renewable energy sources is a key activity for reducing emissions, particularly scope 2 emissions, but also those in scope 3 (in accordance with the GHG Protocol), emitted by Allgon's suppliers. We contribute directly to SDG 7 in this regard. The situation again differs internationally.

The subsidiaries have explored how they might switch to renewable energy, and particularly renewable electricity. Where there were no local markets offering this, the subsidiaries were encouraged to explore options for installing solar panels on the buildings where they operate,

by investing in the buildings themselves and/or making demands on property owners and landlords.

In 2022, no investments have been made to set up solar panels. This can be a substantial investment and requires long-term planning. Therefore, we cannot yet see the results of this activity. Worth mentioning is that one subsidiary already has solar panels on the property that cover part of the electricity consumption. During 2022 investments in charging docks for electrical vehicles have been implemented at two subsidiaries.

Below is a breakdown of the group's total electricity consumption, and the percentage of which is renewable.

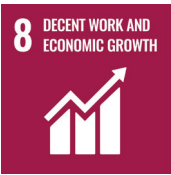


Key figures

- Percentage electricity consumption that is renewable during 2022.

	Result 2022	Goal 2023	Long-term Goal
Total MWh electricity consumption	833,7	Non applicable.	100% of consumed electricity is from renewable sources.
Percentage of which renewable	68%	70%	

Community engagement and social responsibility - for greater participation in society at the local level



8: *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*



8.6: *Promote youth employment, education and training*

8.C: *Develop a global youth employment strategy*

10: *Reduce inequality within and among countries*

10.2: *Promote social, economic and political inclusion*

10.3: *Ensure equal opportunities and reduce inequalities of outcome*

Allgon wishes to contribute to long-term social sustainability by engaging with the local community where the companies operate, and so contributing to SDGs 8 and 10. We do this mainly by sharing our knowledge and through collaboration. In practice, this includes sponsoring initiatives and collaborations with various education institutions. Allgon sees a great opportunity in offering internships to attract skills and knowledge to the company as well as to enhance Allgon as an employer brand. It is also a good way to see

if the individual in question would thrive in the workplace culture and work well with the team. Through these collaborations, the subsidiaries currently offer internships, degree projects and similar activities to local schools, universities, and other institutions wherever possible.

To ensure that internships are rewarding for students, an internship monitoring survey has been developed by the parent company and rolled out at Tele Radio's headquarters, and at Åkerströms, as pilots for the other subsidiaries. The survey applies to post-secondary students that are at the workplace for a limited period during their studies. This can, for example, cover thesis projects, LIA periods, internships, and summer jobs. NPS, or iNPS, which stands for internship Net Promoter Score, is also used for monitoring internships. This is the same NPS standard format referenced to earlier regarding employee satisfaction. The internship survey includes questions relating to the students' experiences before, during and after their internships.

See the table below for iNPS values regarding 2022.

Key figures

- Internship monitoring index - iNPS

	Utfall 2022	Comments	Long-term Goal
iNPS	75	During 2022 4 students answered the survey, which can contribute to an uneven result.	Implement the internship survey and present the number of internships from a Group perspective.
Number of internships	14	The result reflects Tele-Radio HQ and Åkerströms.	

Raw materials for sustainable transition

- reducing the Group's dependence on non-sustainable materials

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



12: Ensure sustainable consumption and production patterns

12.2 Sustainable management and use of natural resources

Switching to more sustainable raw materials and reducing the Group's dependence on non-sustainable materials contributes to SDG 12. Raw materials are based in the choice of material for Allgon, we can consider choosing materials with lower climate impact to contribute to a sustainable consumption of raw materials. Regarding the choice of materials for a sustainable transition, there is a challenge regarding packaging and one regarding the products.

When it comes to packaging, the Group has managed to achieve 80% recycled material in its current packaging. As the market is undergoing a sustainable transition, some of the products contained in Allgon's packaging materials cannot be replaced as there are none that meet the quality requirements. We will keep monitoring the market for products with a higher recycled content to continue making progress in this area. The aim is to find packaging materials that ensure that products reach their recipients in good condition, rather than using packaging materials that do not meet quality requirements, meaning that more new products are produced and

transported because of products not arriving in good condition.

Regarding raw materials for products, it has not been possible to identify a percentage of materials in the products that might potentially be substituted. A targeted study of the plastic used in product casings was carried out instead. A study was completed looking at the technical requirements for the plastic used in product casings and based on the results, looking at the alternative plastics that might replace the plastic currently used from an environmental perspective. The results of the study showed that seven alternative plastics could replace the plastic currently used.

Also note that an updated set of sustainability-based requirements is being developed to ensure compliance with sustainability and regulatory requirements in future new product development and the updating and maintenance of existing products. The requirements have been developed from a life cycle perspective. During 2022, we have also worked on improving the group-wide process regarding regulatory restrictions for chemicals in products. For example, various component management tools have been evaluated.



Concluding words from the CEO

"I am very pleased with what we have accomplished together over the past year! The Allgon Group has continued to expand within the global market for industrial radio controls. At the same time, we have also updated our sustainability strategy, and I am ready to continue driving the implementation of our ESG agenda.

For Allgon, it is important that we focus on sustainability both strategically and operationally. We are aware that changes will be required to meet tomorrow's markets and regulations.

All employees within Allgon have an important role to play in ensuring a sustainable future for our organization and for society as a whole. I want to particularly highlight our subsidiary's commitment to this important work.

This year's sustainability reporting is evidence that we are on the right track, especially considering that our organization is international with a variety of sustainability data from country to country.

We will take all sustainability dimensions into account when making decisions and ensure that sustainability permeates all aspects of our organization. We are ready for the coming year and to take further steps in building Allgon together with Åkerströms and Tele-Radio"

- Ola Samelius, CEO Allgon

