



# SUSTAINABILITY GUIDE

REDUSE – REUSE – RECYCLE  
a Framework on our Path to  
Climate Neutrality



*Your Sustainable choice*



Made in Sweden

ETP SUSTAINABILITY GUIDE



etp.se

**“Our ambitious goal has been set  
- Climate-neutrality by 2025!”**

**Niclas Rosberg**  
President ETP Transmission AB



# Content

## Background

ETP Transmissions' ambitious goal  
Climate action is at an all-time high  
Your Guide to Our Sustainability  
We are setting climate action high on the agenda

The Greenhouse Gas (GHG) Protocol  
Our climate road map

## Actions

People, Environment and Products & Customers  
GLOBAL SUSTAINABLE DEVELOPMENT GOALS  
Environmental policy  
Raw materials

Energy monitoring  
Solar paneling  
Logistics & Freight  
Employee & Commuting  
Certifications & Policies  
Conclusions





*Niclas Rosberg  
President  
ETP Transmission AB*

## ETP Transmissions' ambitious goal: Climate-neutrality 2025

**ETP Transmission AB, which specializes in hydraulic clamping and centering products, has set up an aggressive sustainability goal. The company aims to be climate neutral within in just over two years. By shifting their focus to a life-cycle mindset and several other well-thought-out measures Niclas Rosberg, the CEO of ETP Transmission AB, is convinced that the goal will be accomplished.**

The life cycle mentality has become an essential part of everything ETP Transmission AB does – from how they manage people issues to their energy consumption and manufacturing of products. By monitoring their processes ETP ensures that they are working towards the overall company goals in a sustainable way.

- As a company that sells 95 percent of exports, it's difficult to get away from carbon emissions completely. Still, we will be carbon offsetting all our emissions to become carbon neutral by 2025, Niclas Rosberg expresses and concludes:
- Our environmental work has really accelerated in recent years, which feels great and, above all, important. It's now in the backbone of our employees and it enables each individual to make active environmentally friendly choices. We look forward to continuing to work towards our goal and taking responsibility for the sake of the climate.



# Climate action is at an all-time high...

**Public awareness of and investor interest in companies committed to net-zero emissions is sky rocketing**

The urgency for climate action to mitigate global warming is at an all-time high, with a rapidly closing window to make the decisive changes required to avoid the worst impacts of climate change.

## ... however Climate actions are not matching Climate ambitions

**Commitments vary widely in their quality and scope**

The rapid acceleration in corporate climate efforts has come with a high degree of uncertainty and a lack of clarity around which goals and actions are the most effective.



# Your Guide to Our Sustainability

Many organizations are looking for a smart approach to selecting the best set of goals, activities, and reporting efforts to meet their current capacity and their ambition level.

We've developed this guide to:

- Help you navigate the varying degrees of climate action goals and tactics we approach
- Assess where we stand today on the spectrum of decarbonization frameworks
- Understand what it will take to put our company on the path to reaching net-zero emissions

# We are setting climate action high on the agenda

Climate change has come to the fore as a paramount threat to sustainable development in society. Stakeholders' expectations towards businesses to take immediate action to reduce their Corporate Carbon Footprints (CCF) are rapidly increasing, regardless of the organisations' sizes. The pressure to step up climate action is also increasing due to stricter legal requirements from the EU and national governments.

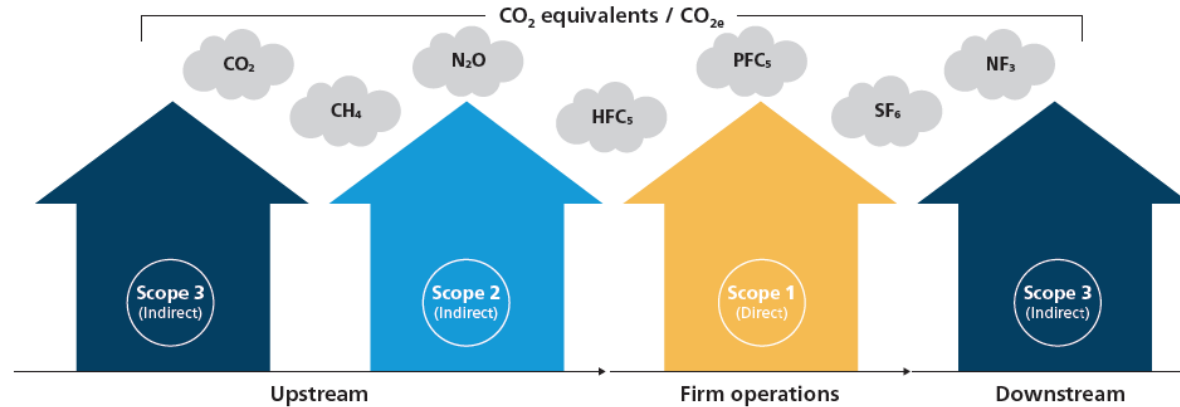
The United Nations Intergovernmental Panel on Climate Change (IPCC) has stated in their latest report (2022) that immediate and deep Greenhouse Gas (GHG) emissions reductions across all sectors are needed in order for us to limit global warming to 1.5° C. If we fail, and global warming increases beyond 1.5° C, it will have significant impacts on humankind and all creatures living on our planet.



# The Greenhouse Gas (GHG) Protocol

ETP Transmission AB is measuring our Corporate Carbon Footprints (CCF) according to the Greenhouse Gas (GHG) Protocol. The GHG Protocol's Corporate Accounting and Reporting Standard is the globally most applied standard to report on climate-related emissions.

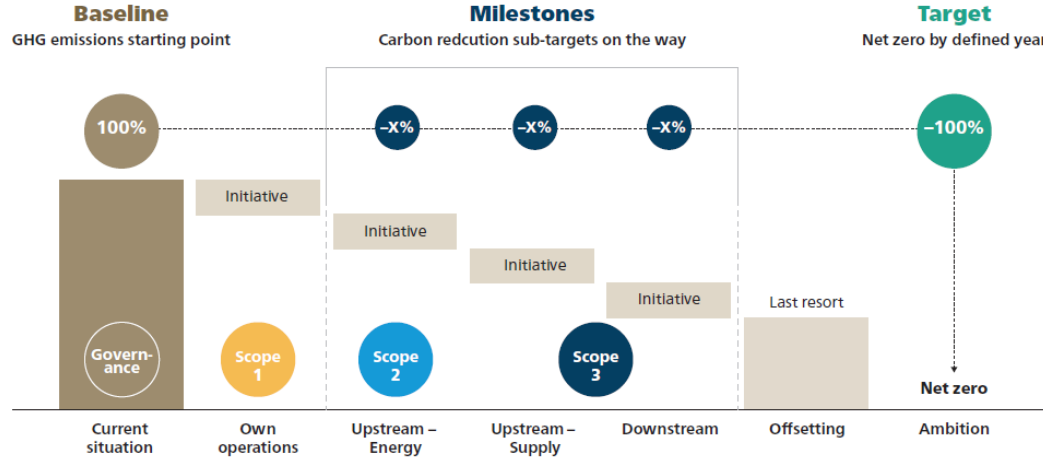
The standard categorises GHG emissions into three broad scopes: Scope 1 covers the so-called "direct" GHG emissions, Scopes 2 and 3 cover "indirect" GHG emissions.



Ever since 2019, ETP together with all companies within the Indutrade Group are annually reporting on their Scope 1 and Scope 2 GHG emissions by submitting data. From 2022 we in addition also report annually on parts of Scope 3 in order to improve the completeness and transparency related to GHG emissions, and to strengthen the overall credibility of our climate efforts.

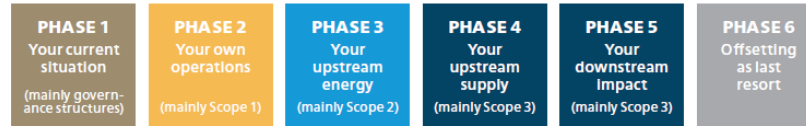


# Our climate road map



To implement strategic climate action in a systematic way, you must define your own climate roadmap, which is your "strategic path" to reducing your GHG emissions.

Each of the six phases of the climate roadmap, shown in the illustration, is supported by examples of GHG emission reduction initiatives provided in this guide.



On the following pages, we will describe some examples of our Sustainability efforts in further detail!

# People, Environment and Products & Customers

Our strategic framework for sustainable development is based on three focus areas: People, Environment and Products & customers. With the overall goal of being climate neutral by 2025. In order to achieve the overall goal, we have identified essential questions with associated sub-goals.

## People

Committed and competent employees are the key to building long-term sustainable companies. By focusing on continuous leadership and skills development, inclusive and productive workgroups and workplaces where the employees thrive, as well as always prioritizing health and security, we enable long-term growth for our operation.

## Goals

- Employee engagement
- Leadership and competence development
- Diversity and inclusion
- Health and Safety

## Environment

Reducing carbon dioxide emissions is essential to contribute to environmental sustainability. The transition to an economy with low carbon dioxide emissions includes many different efforts. ETP has been working hard to identify and measure our carbon footprint for scope 1 and 2. We have also started to include scope 3, i.e. emissions upstream and downstream in our value chain.

This includes data collection from suppliers and customers to understand their extent and to be able to include this in objectives and strategies in the future..

## Goals

- Reduced CO2 emissions (scope 1 and 2)
- Share of renewable energy
- Energy efficiency
- Resource efficiency
- Measure and set goals for scope 3

## Products & Customers

Through continuous product and process innovation we ensure our company a strong market position. Sustainability is becoming more and more central to both customers and society in large and our company's focus is to stimulate development and sales of products with sustainable added value.

## Goals

- Customer satisfaction
- Sustainable innovation
- Products with low climate footprint



# GLOBAL SUSTAINABLE DEVELOPMENT GOALS

The global sustainable development goals to which we particularly contribute to through our work within:

## People

<p><b>TARGET 3-4</b></p> <p>REDUCE MORTALITY FROM NON-COMMUNICABLE DISEASES AND PROMOTE MENTAL HEALTH</p>	<p><b>TARGET 4-3</b></p> <p>EQUAL ACCESS TO AFFORDABLE TECHNICAL, VOCATIONAL AND HIGHER EDUCATION</p>	<p><b>TARGET 4-7</b></p> <p>EDUCATION FOR SUSTAINABLE DEVELOPMENT AND GLOBAL CITIZENSHIP</p>	<p><b>TARGET 5-1</b></p> <p>END DISCRIMINATION AGAINST WOMEN AND GIRLS</p>	<p><b>TARGET 5-5</b></p> <p>ENSURE FULL PARTICIPATION IN LEADERSHIP AND DECISION-MAKING</p>	<p><b>TARGET 8-5</b></p> <p>FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY</p>	<p><b>TARGET 8-8</b></p> <p>PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS</p>
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## Environment

<p><b>TARGET 7-2</b></p> <p>INCREASE GLOBAL PERCENTAGE OF RENEWABLE ENERGY</p>	<p><b>TARGET 12-2</b></p> <p>SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES</p>	<p><b>TARGET 13-3</b></p> <p>BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE</p>
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## Products & Customers

<p><b>TARGET 8-4</b></p> <p>IMPROVE RESOURCE EFFICIENCY IN CONSUMPTION AND PRODUCTION</p>	<p><b>TARGET 9-1</b></p> <p>DEVELOP SUSTAINABLE, RESILIENT AND INCLUSIVE INFRASTRUCTURES</p>	<p><b>TARGET 9-4</b></p> <p>UPGRADE ALL INDUSTRIES AND INFRASTRUCTURES FOR SUSTAINABILITY</p>
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1 NO POVERTY



8 DECENT WORK & ECONOMIC GROWTH



2 ZERO HUNGER



7 AFFORDABLE AND CLEAN ENERGY



4 QUALITY EDUCATION



3 GOOD HEALTH & WELL-BEING



6 CLEAN WATER & SANITATION



5 GENDER EQUALITY



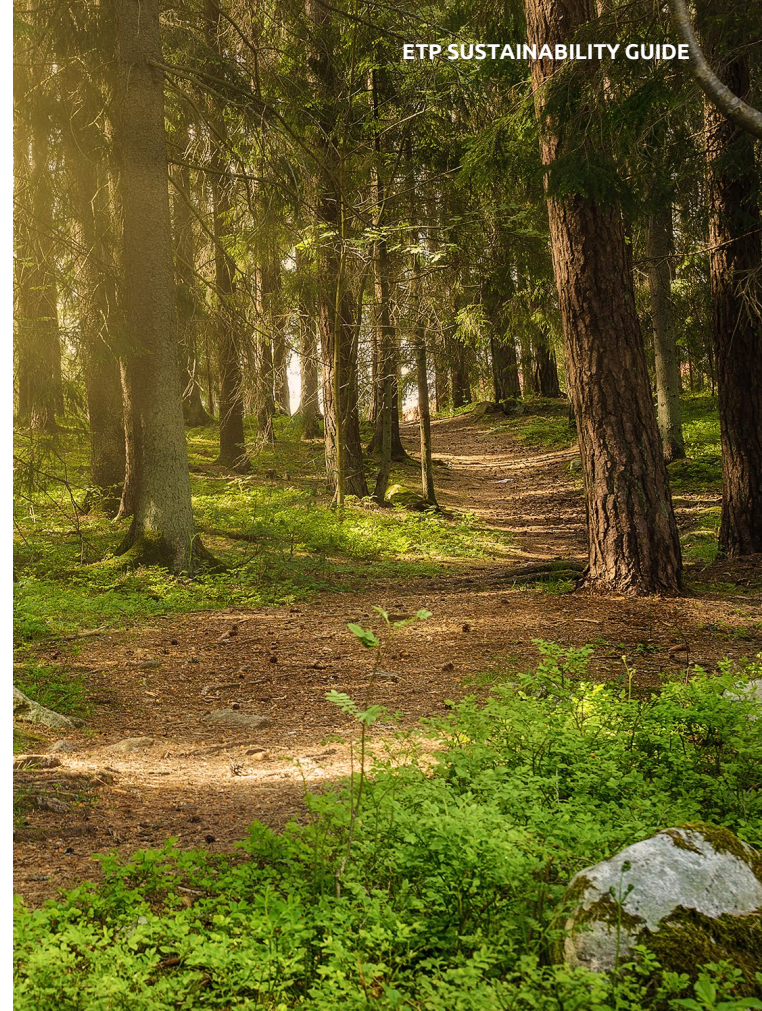
# Environmental policy

We work with continuous improvements to continuously and long-term develop our management system and our operations in order to improve our environmental performance and thereby protect the environment from pollution.

We consider the life cycle perspective in everything we do, and our goal is that our production should take place with as little environmental impact as possible.

We achieve this by:

- Work for resource-efficient manufacturing
- Act to reduce waste and emissions to air, land and water
- Work to use environmentally friendly materials and methods
- Constantly monitor and seek to improve our environmental performance
- Comply with laws, requirements and regulations affecting the business.



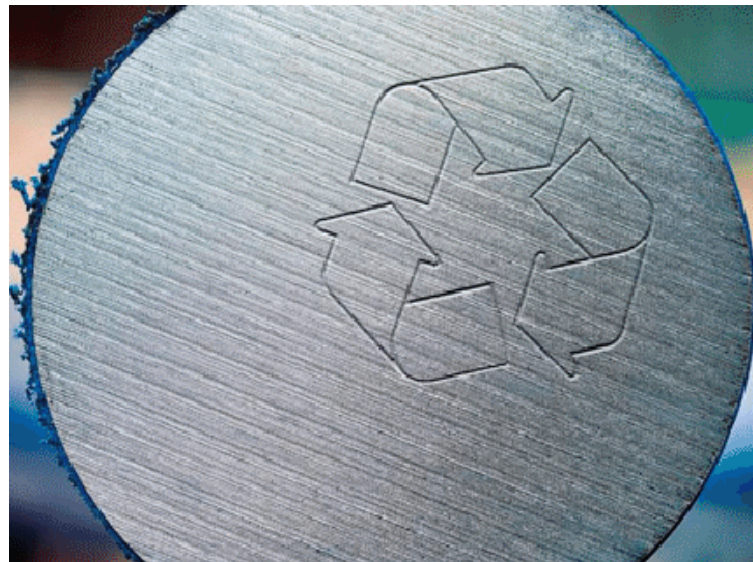
# Raw materials

**Our main steel supplier OVAKO produces steel from 100% carbon neutral operations!**

OVAKO produces steel from 100% carbon neutral operations. Our main steel supplier OVAKO, a global leader in long products specialty steel, has recently published it´s sustainability report for the Financial Year of 2021. The report shows that Ovako leads the development towards a sustainable society and is closing the loop with recycled steel from carbon neutral operations.

On average the steel products today consist of more than **97 percent recycled steel** and from this year 2022 all steel is produced from **100 percent carbon neutral operations!**

The Sustainability Report shows that our main steel supplier continues to be at the forefront of the transition towards a sustainable society. Ours and theirs ambition for the future is jointly clear, to continue the journey towards products with zero carbon emissions!





# Energy monitoring

## ETP – getting a grip on energy consumption

The high electricity prices have made energy efficiency the hottest topic of conversation right now and everyone wants to catch the energy thieves who sneak in as uninvited guests through the ventilation, compressors, and other equipment. ETP works actively to identify these culprits and with the help of a smart and innovative energy management system (Energy Intelligence) we have succeeded.

ETP Transmission AB did its first energy mapping already in 2014. Understanding and measuring energy consumption is of great help for increased profitability and wider sustainability. Currently, we only buy green energy, which has helped our company to reduce its carbon footprint.

Another aid that has shown great results in that reduction is the implementation of DAZOQ ENERGY INTELLIGENCE (EI) system, a cloud-based Energy management system that helps industries visualize, track, and find possible energy savings in real time. The wireless sensors offered by the service collect data for electricity and water consumption. The data is sent to the cloud service where the user can log in and receive real-time information on consumption, power, energy

related KPIs as well as reports and alarms in case of deviations. With the clear visualization of all data, everyone in the company can take part in the energy consumption.

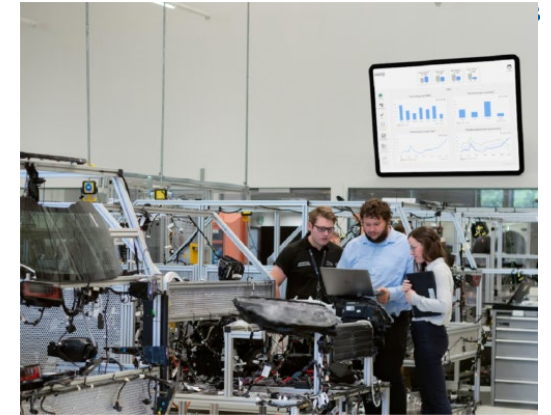
We feel enormously proud that our hard work with an increased focus on sustainability is paying off. But it is of course also something that DAZOQ must take part in, because without the measurement we would not have been able to achieve the same results. It is a security to have something to lean on and we now know where the biggest culprits are and can implement activities to see quick results.

- We have just launched a new intranet where we show all the reports and important figures that the system delivers. It has had a positive effect of showing all

employees what our energy consumption looks like because together we have had the opportunity to establish routines around our processes.

Involving the whole team in these matters has been important to me as increasing focus on sustainability has been a driving force for a long time, says Niclas Rosberg, CEO of ETP Transmission AB.

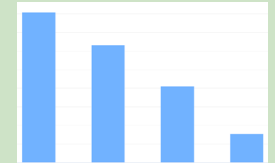
ETP has had DAZOQ's solution since 2021 and has as well recently launched temperature and humidity sensors. This has created a completely new opportunity to proactively ensure a high quality of our high precision products produced.



## Did you know?

*In 2023 our target for total energy consumption is:*

***1.0 kWh per working hour!***





## Solar paneling

### Did you know?

*In 2023 we plan for a major investment and installation of solar panels which will cover more than a 1/3 of our annual energy consumption!*



# Logistics & Freight

We always deliver climate compensated - now in cooperation with DB SCHENKER, DHL and UPS. The new agreements are aligned with ETP's increased focus on sustainability and overall goal to decrease the company's carbon footprints.

With our standard world-wide delivery service, we offer our customer the possibility to counter the imbalance of carbon dioxide emissions as generated by the transport of your package through carbon dioxide equalization.

This means that for every tonne of CO<sub>2</sub> as one packages produce during transport, saved a corresponding amount of CO<sub>2</sub> through one verified emission reduction project elsewhere in the world. Such projects involve primarily replanting of forest in deforested areas, destruction of landfill gas, sewage treatment and methane destruction.

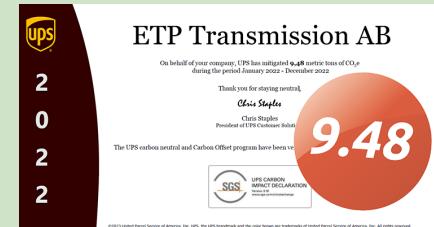
– It's important to do what you can. Our new shipping agreements will not only have a positive effect on our world, but also allow our customers to order from us with a clear conscience, says Niclas Rosberg, CEO of ETP Transmission.

As a company, you have to be responsible for everything, not only the production but also the extension of your business. **Since we're a global company that ships worldwide it's even more important to offer high quality shipping agreements**, which we are very excited to do together with global leading logistics companies.



## Did you know?

*In 2022 we were able to offset 9.48 metric tons of CO<sub>2</sub> on our customers behalf. Representing a total of 1 409 shipments.*





## Employee & Commuting

- Electric/Hybrid company car policy
- Charging posts for visitors & employees
- Subsidised electric bicycles for employees



# Certifications & Policies

## Quality Policy

By quality we mean to always keep what we promise. It is the responsibility of both management and all employees to ensure that high quality is achieved in every process.

Our products must meet customers' needs, requirements and expectations. Always with the goal of being better than competitors. We must regularly measure quality in order to constantly improve our products and our way of working. All employees must feel safe, involved and responsible in their workplace.

## Work environment policy

The product must take place in a work environment that is good for our staff with the opportunity for collaboration.

### Our aim is to:

- The work shall not involve any work environment risks and the activity shall comply with applicable laws and requirements.
- The work climate must be pleasant, and an honest and open attitude must prevail in the workplace, the employees must have opportunity to influence in one's own work situation.
- Each employee has a personal responsibility for health and the environment, which includes following the routines established by work environment reasons.
- In the event of major changes in the business, work environment and environmental issues shall be discussed, risks and consequences shall be assessed in collaboration with the employees.

## Anti-Bribery & Conflict Mineral policies

ETP Transmission AB has a strict policy regarding bribery or other means that may violate Anti-Bribery laws in any country where ETP Transmission may conduct business, including subcontractors to ETP Transmission AB.

We have a zero tolerance for bribery. We can also confirm that our products (or production processes) do not contain 3T&G (tantalum, tin, wolfram, gold) which violates the European directives regarding conflict minerals.



## Did you know?

*In 2023 we aim to be certified according to ISO 45 001*

*– the international standard for health and safety at work !*





*Thomas Nyman  
Sales Director*

## Conclusions

*” To meet up to high levels of customer satisfaction, which involves unique measures in your company to meet a world of accelerating digital transformation and increasing pressure on environmental requirements.”*

*” Continuous innovation and development of products and solutions that makes customers’ operations more efficient and lowers the environmental impact, are key to strengthening competitiveness even further.”*



# THANKS!



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