



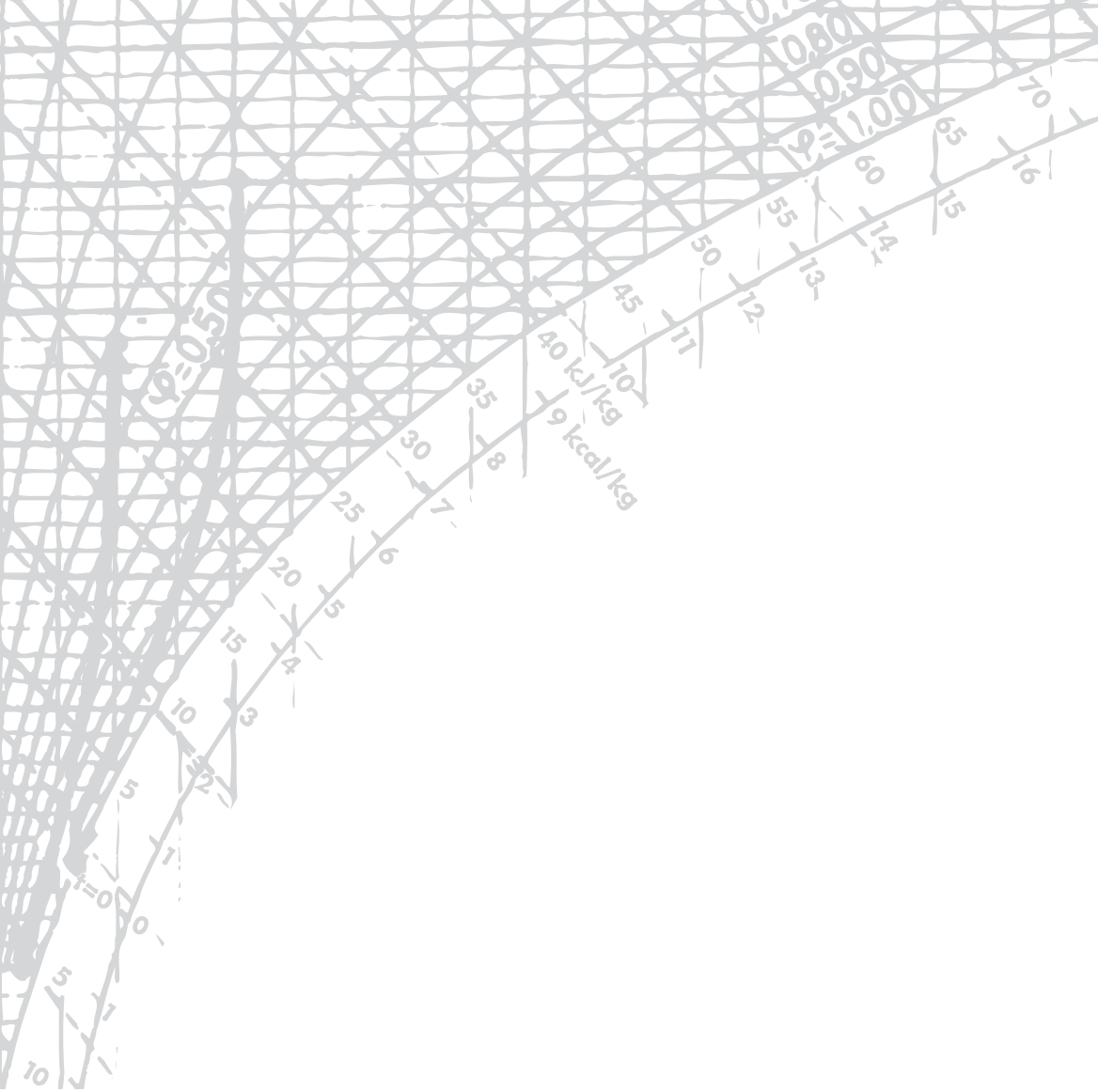
2023

SUSTAINABILITY REPORT

For a
sustainable
future.

Contents

1	Sustainability at IV Produkt	5
2	Environment	11
3	People	21



About **IV Produkt**

Since 1969 we have been working towards a sustainable future. We develop and manufacture air handling units that save energy and create good indoor climates for thousands of schools, workplaces, hospitals, block of flats and other buildings around Europe.

With headquarters, production and owners in Växjö, Sweden, the business is characterised by long-term visions and short decision paths.

Our long experience has given us invaluable insights that, in combination with innovative thinking and proven methods, drive development forward. With us, you will be met by dedicated employees who are happy to share their knowledge with you. We are continuing to grow and we have big plans for the future!

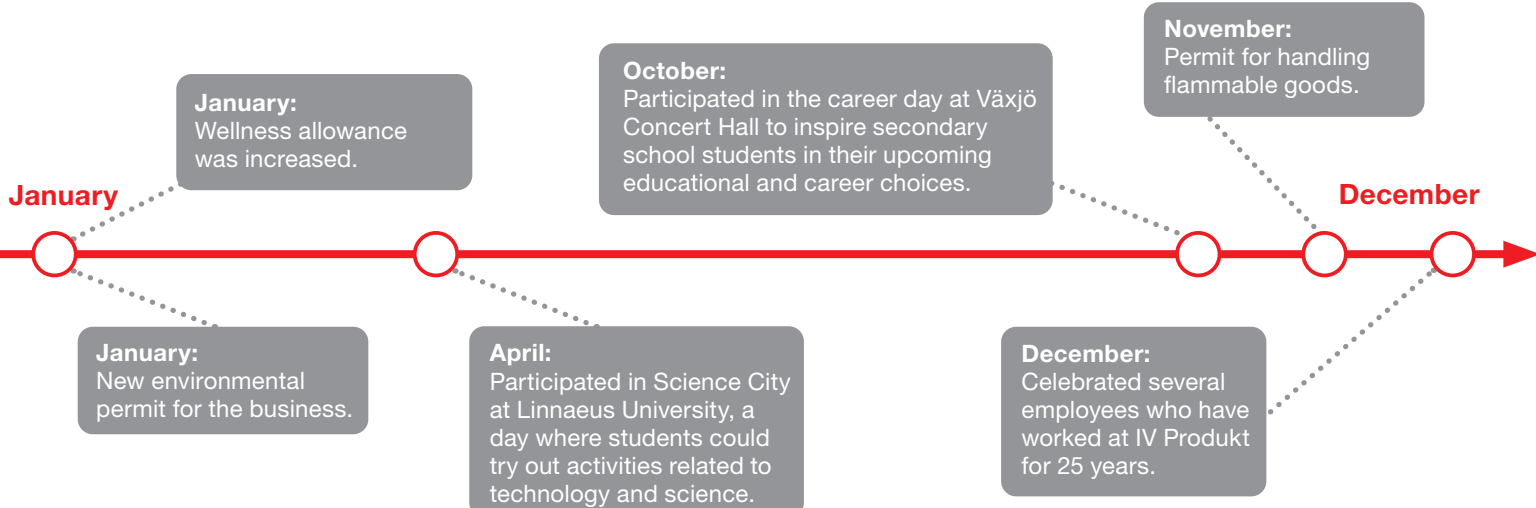


Summary of our

2023

- Climate calculation, scope 1 & 2
- All sorting at source has been sent for material recycling or energy recovery
- Hired several new employees
- Strengthened the organisation with an experienced environmental and quality manager
- Machine investments for greater efficiency

Significant events for IV Produkt



1

SUSTAINABILITY AT IV PRODUKT

The ventilation industry can contribute to global sustainable development through energy savings and reduced environmental impact.



What we create

IV Produkt is a privately-owned company based in Växjö in the Swedish county of Småland that develops and manufactures innovative solutions for air handling. We have been doing this since 1969.

We are market leaders in the development and production of air handling units. This position was achieved by having the highest rate of development in our industry.

Save energy

Over the past year, the need for energy efficiency has increased even more and this features in several conversations with our stakeholders. At IV Produkt we have extensive experience in

energy efficiency and a strong focus on life cycle cost (LCC). At the same time, it contributes to a better indoor climate and better health for people. The ventilation industry can contribute to global sustainable development through **energy savings** and **reduced environmental impact**.

Optimised life cycle cost

The air handling units shall provide our customers with the lowest overall cost of purchasing, operation, service and recycling. We do this by optimising the life cycle cost of our products, which contributes to reduced operating costs and increased property value.



Our business concept

IV Produkt develops, manufactures and sells environmentally-friendly and energy-efficient air handling units.

The way we are

We are determined to make a difference. This is evident in both the **Business Concept** and in **The way we are**, which forms the basis for how we work and act.

innovative

We dare to think in new ways and always strive to improve our products and processes. By finding our own unique solutions we lead instead of following the evolution.

trustworthy

You can rely on us. Whether you are a customer, colleague or supplier, IV Produkt always stands for reliability.

long-term

IV Produkt is unlike any other company. Since the owners are in the midst of the business it is characterised by long-term decisions. This ensures that we are successful not only today but also a strong player for the future.

caring

At IV Produkt we care about each other and our environment. Thanks to our products, we contribute to a more sustainable world by saving the earth's resources.

value-adding

At IV Produkt we create value. Through sustainable and energy-efficient products, we create high-value solutions that make a difference to our customers and our community.

dedicated

At IV Produkt we set high standards for ourselves and want to exceed expectations in everything we do. We value responsibility and by sharing knowledge, we grow together.

How we **work**

Long-term partnerships with customers and suppliers are important to us. It provides the opportunity to sharpen the requirements when developing new products and manufacturing methods. With a wide range and long combined experience, we can find solutions that meet the needs of the market.

The owner's strong presence in the daily operations provides short decision paths, always with the company's best interests in focus.

Our air handling units are tested and certified by Eurovent Certification, which provides an additional sense of security for our customers. Our business system is certified according to **ISO standards 9001 and 14001**, which are an obvious part of quality and environmental work.

Spreading knowledge

Since we always strive to be the best in the plant room, major investments have been made in IV Produkt Innovation Center and IV Produkt Competence Center where we share experiences and share competence.

Employee value

People are the most important resource at IV Produkt. We create value through our employees' "way of thinking" and their common desire to develop the business. It is therefore

of great importance that our employees have the absolute best conditions to be able to perform their work in a committed and safe manner. The company is in a strong growth phase and being an employer that attracts and retains good skills is a matter of course. Active efforts are being made to secure the position as an attractive employer.

Well-considered choices

- The investments have been carried out with the environment in mind, both in the choice of building materials and installations.
- The premises are heated with district heating produced from residual products from the forest that would otherwise have been wasted.
- At IV Produkt all electronic equipment is powered by climate-smart electricity.
- Other areas where we can control our environmental impact include our efforts to maximise the utilisation rate of raw materials, minimise the number of chemicals and have a well-developed source sorting system.





THE GLOBAL GOALS

For Sustainable Development

To achieve the 17 global goals for sustainable development – Agenda 2030 – we must take greater responsibility for the world we leave for future generations. It will require both commitment and major future investments. The ventilation industry and IV Produkt can contribute to achieving the following five goals, for example:

3. Good health and well-being

Indoor climate is of great importance for our health.

7. Affordable and clean energy

Energy-efficient ventilation with the best recycling methods provides major savings, which means that climate-smart energy lasts longer.

9. Sustainable industry, innovation and infrastructure

Our business has been environmentally certified to ISO 14001 since 1997. For more than 20 years, we have worked tirelessly to improve our use of energy and raw materials. At the same time, we have significantly reduced the amount of residual waste and the environmental impact of our transportation.

12. Sustainable consumption and production

Our products undergo continuous development in terms of energy efficiency. The solutions provide both simplified production and lower energy use. This contributes to a more sustainable society and a better indoor climate, which improves health and well-being.

13. Climate action

By improving energy efficiency and thinking long-term, we can reduce global emissions.



Code of Conduct

All representative activities and actions shall serve a clear business purpose and be transparently reviewed. The Code of Conduct states that we clearly distance ourselves from actions that may be perceived as aimed at unduly influencing a business decision.

Business ethics and anti-corruption

The fact that IV Produkt is a reliable company is a crucial factor for us to be able to continue selling our products. We have therefore chosen to take this issue into account at all stages of the business including by taking a clear distance from harmful interactions.

Regarding issues related to business ethics and anti-corruption, there are of course risks as we have staff both in Sweden and in the rest of Europe. To minimise the risks, there are guidelines for how we should be and act towards each other, including a code of conduct in which we have taken a stand.

Procedures and follow-up

We have internal procedures for how external representation should be handled and reported. In addition, gifts or activities of a representative nature must always be approved by the immediate manager, and arranged by the CEO.

We monitor and ensure appropriate representation in our business relationships. Deviations from

the Code of Conduct and procedures are reported to the immediate manager or management team. Since the introduction of the Code of Conduct we have not had any reported cases of nonconformities. It is with the help of our procedures, Code of Conduct and, not least, the way we are that we ensure our reliability.

Although we have not received any reports of deviations, it is important to be forward-looking. We continuously review how working methods and procedures can be adapted based on society's conditions.

Whistleblowing policy

IV Produkt strives to have an open business climate, high business ethics and healthy employees. Our employees, customers and suppliers are our most important sources of insight into any shortcomings and they have the opportunity to anonymously report via our **whistleblowing policy**. No such notifications were received in 2023.

2

ENVIRONMENT



Summary of the environmental policy

- Actively work on environmental issues
- Reduce environmental disturbances
- Regularly review and improve
- Make decisions with the environment and health in mind
- Fast handling of environmental matters
- Minimise the impact of products throughout their life cycle

Environmental policy for sustainable development

IV Produkt has had an environmental policy for several years. It serves as a guide in the improvement work of the business.

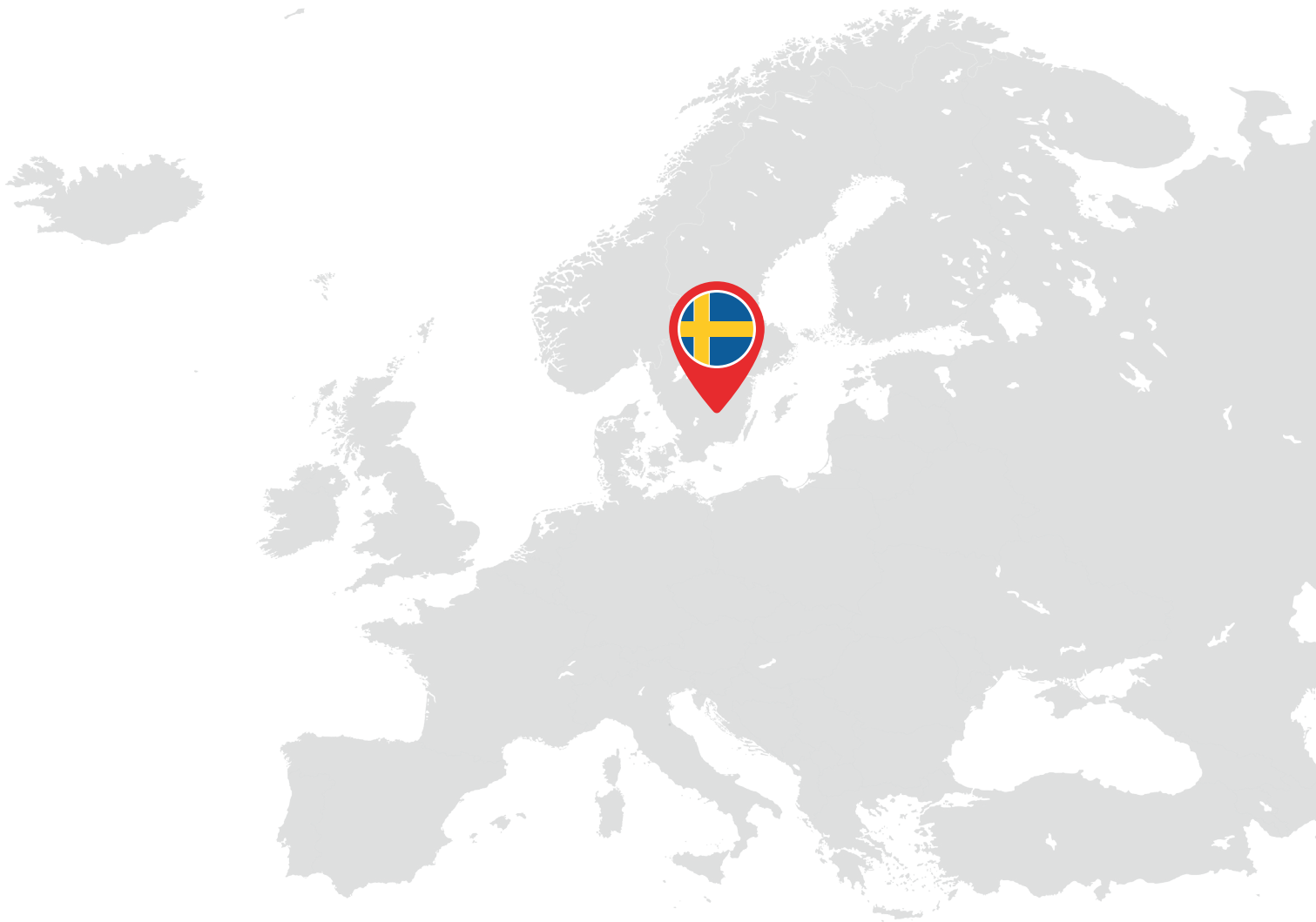
IV Produkt shall, in all their operations, strive for a good development of the indoor and outdoor environment so that the environmental and health burden is minimised. In doing so, great emphasis will be placed on material selection and production methods. The products manufactured must actively contribute to sustainable ecological development. In order to establish and follow up overall and detailed environmental objectives, IV Produkt shall:

- **Actively work on environmental issues** in all business activities. Through the information discourse and training of employees, the individual's responsibility for the environment will be developed. Suggestions for improvement shall be encouraged.
- **Work to reduce environmental disturbances** from operations and products, including by increasing the utilisation rate of raw materials and energy and reducing the amount of waste.
- **Create a better environment** and health conditions than stated in current legislation, government rules, permits and conditions.

This shall be done by regularly reviewing the activities from the point of view of environmental protection. The results of these reviews shall, where possible, be measured and form the basis for improvements in processes, products, material selection, organisation and procedures.

- **Prior to decisions on investments**, new construction and renovations or other changes in operations, discuss and consider environmental and health issues, risks and consequences.
- **Quickly handle all environmental matters.** All stakeholders must be well informed about the environmental impact of the business. The company shall promote an open dialogue and maintain knowledge regarding environmental protection easily accessible.
- **Strive to ensure that the goods the company produces** are constantly developed so that the impact on the environment and health is minimised throughout the life cycle.

In order to live up to this policy, the company must have good knowledge of the nature and extent of the risks associated with the business and the measures that may be needed.



Our **environmental work**

IV Produkt has chosen to concentrate its environmental work based on two aspects.

Internal impact

Includes environmental impact through our operations. The internal environmental work is developed every year and we are constantly taking steps forward to reduce the ecological impact. Here we focus on the environmental impact from upstream and from the factory itself. It is important to lead by example and show the way for how we can make a big difference with relatively small means. What is also important is the individual's understanding and knowledge of their impact on the entirety and how they themselves can make progress.

External impact

Covers environmental product liability in the long run, i.e. how the finished products affect the environment throughout the life cycle.

Climate impact

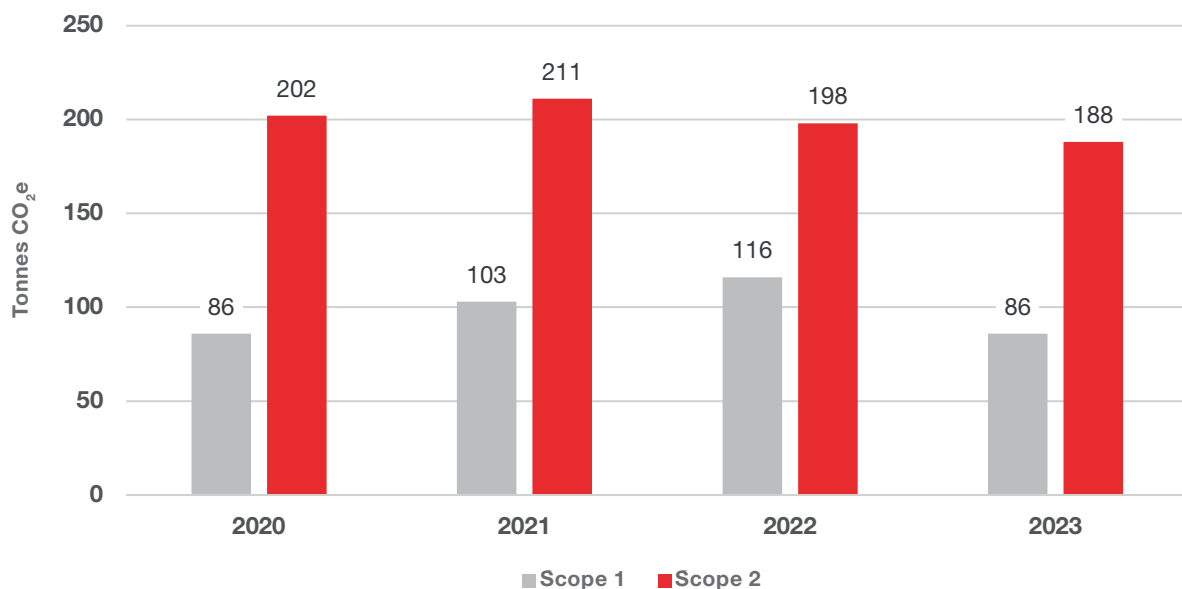
To further strengthen our environmental work, a project was initiated in 2021/2022 to determine our climate impact and look at the opportunities to become climate neutral.

This has been achieved through calculations of Carbon Footprint according to the ISO 14044 standard for life cycle assessments and the GHG protocol's accounting principles with three different Scopes, which for IV Produkt are:

- **Scope 1** – Direct emissions of fuels for self-owned vehicles, 86 tonnes CO₂e (116 tonnes in 2022)
- **Scope 2** – Consumption of purchased energy, 186 tonnes CO₂e (198 tonnes in 2022)
- **Scope 3** – Emissions from purchased goods, production emissions in Scope 1 and 2, transport to and from IV Produkt, waste, business travel and emissions during use of sold products

We are working on action plans to reduce emissions from Scope 1 and 2 and to map emissions from Scope 3.

In 2023, Scope 1 decreased by 25% and Scope 2 by 6%, despite an increase in revenue of 25%.

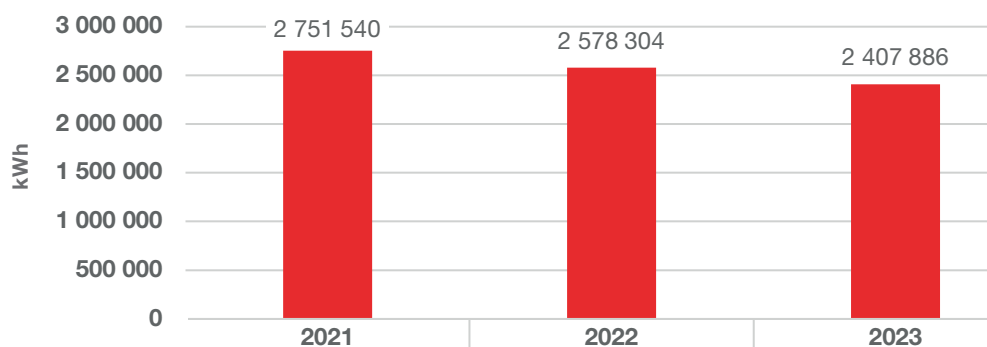


Energy use

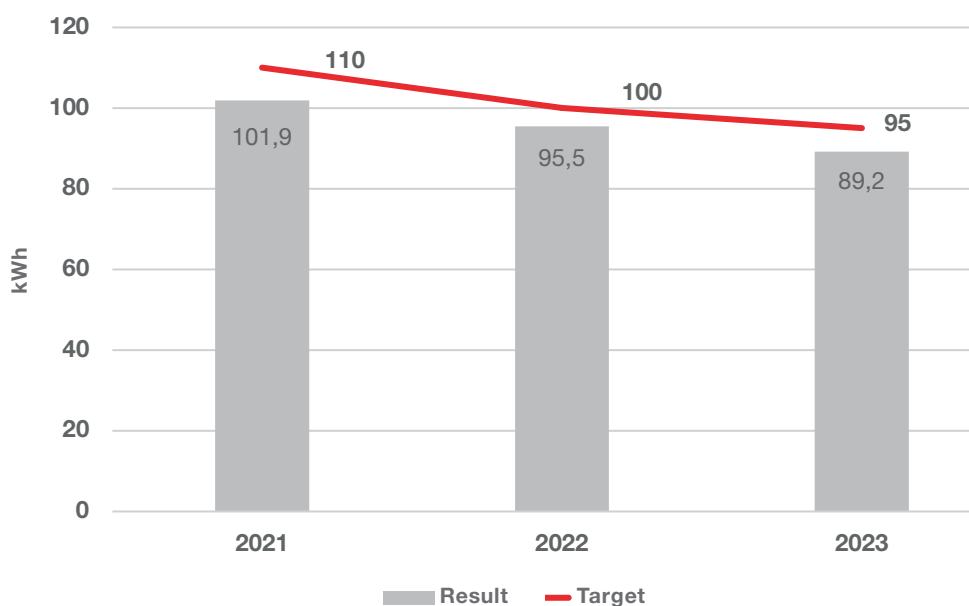
A lot is happening at IV Produkt. It is therefore especially important to monitor our annual energy use and find ways to reduce consumption.

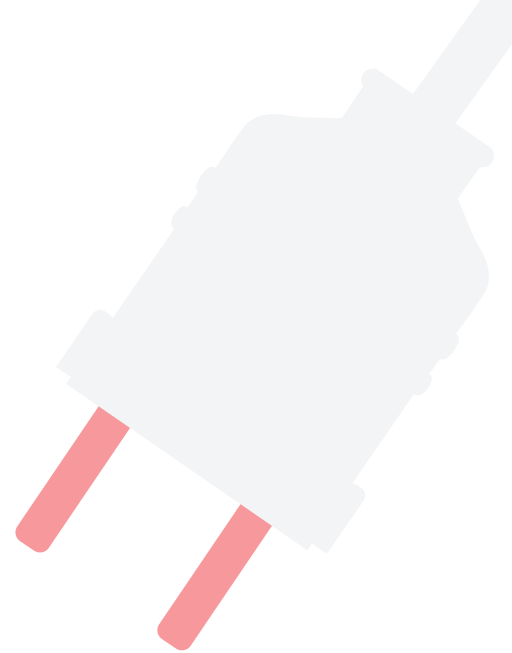
In 2023, we continued our focus on reducing our operational electricity consumption. We were able to reduce electricity consumption by 7%. The purpose of our energy audits is to continue to reduce our use of energy sources.

Energy use, Sjöddevägen 7 kWh

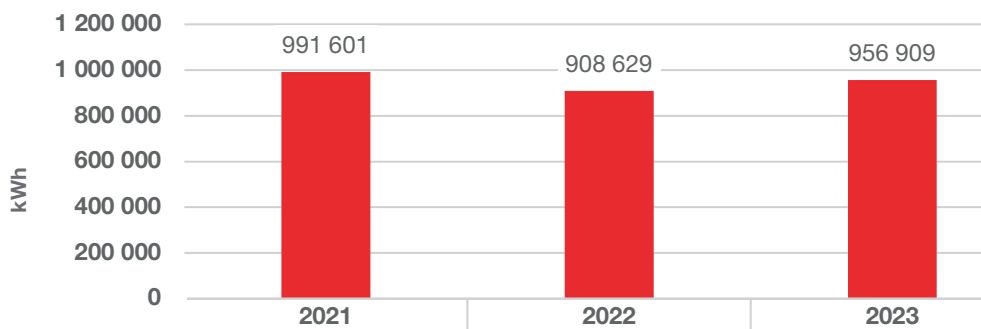


Electricity consumption/floor area m²

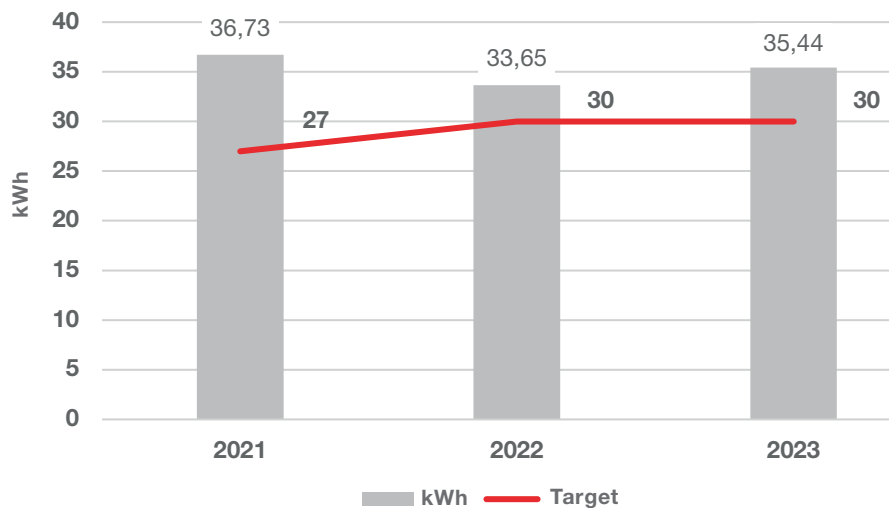




District heating use Sjöddevägen 7 kWh



District heating use/floor area m²

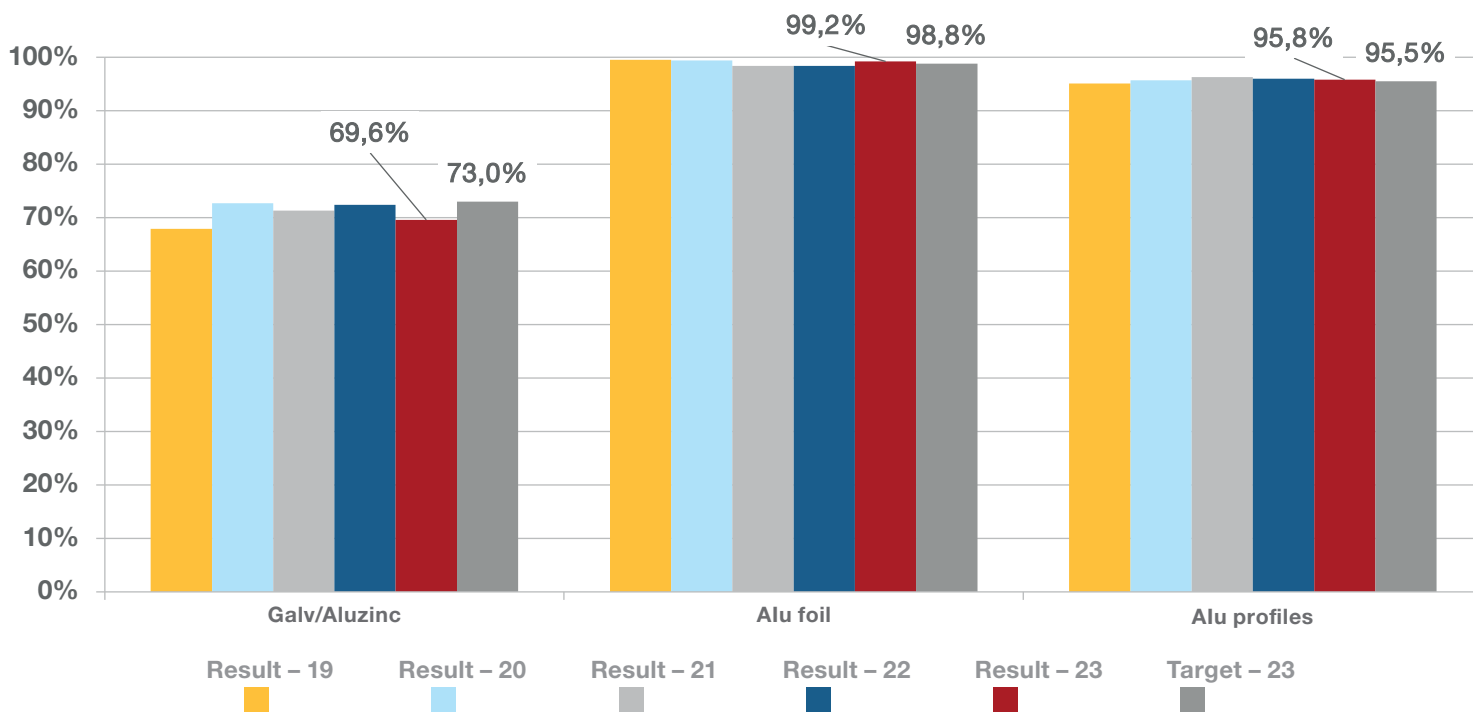


Utilisation of raw materials

Optimal use of the raw materials purchased not only provides environmental savings but also financial gain.

The graph below shows the development of three important material types for the business: galvanised Aluzinc sheet metal, aluminium foil and aluminium profiles. The goal is to maintain a positive outcome for all types of materials.

Utilisation rate



Handling of chemicals

Minimising the use of chemicals and handling them correctly is important at IV Produkt, which introduced ISO 14001 in 1997.

Since then, we choose the most environmentally and health-friendly option and try to find substitution products for chemicals. The number of environmentally harmful chemicals that can be replaced by other less hazardous substances

has consequently decreased.

All chemicals to be used are carefully reviewed in an internal chemicals inspection and undergo risk analyses. To facilitate management and control, a digital system is used.

When working with chemicals, the environmental impact should be taken into account, but of course also health aspects for those who handle them. Therefore, information and communication with those affected is crucial for good and safe handling.



Risk management procedures

The areas we have assessed as most risky are fire, chemical emissions and the production of heat pumps and cooling pumps.

– In 2023, IV Produkt obtained a permit for handling flammable goods, which is conducive to effective control and understanding, and provides certainty for future requirements.

– A ‘Manager of Flammable Goods’ has been appointed within the organisation to support the business in the area.

– In-house fire-safety inspections are conducted regularly.

– Systematic fire protection work is ongoing.

– Training in preventive fire protection work and extinguishing takes place annually.

– There are also procedures for handling chemical emissions, ranging from the obligation to report to how we internally handle this, and there is also equipment to use if necessary.

– Risks in the production of heat and cooling pumps are managed through continuous training and established procedures for how to minimise leaks and mishaps.

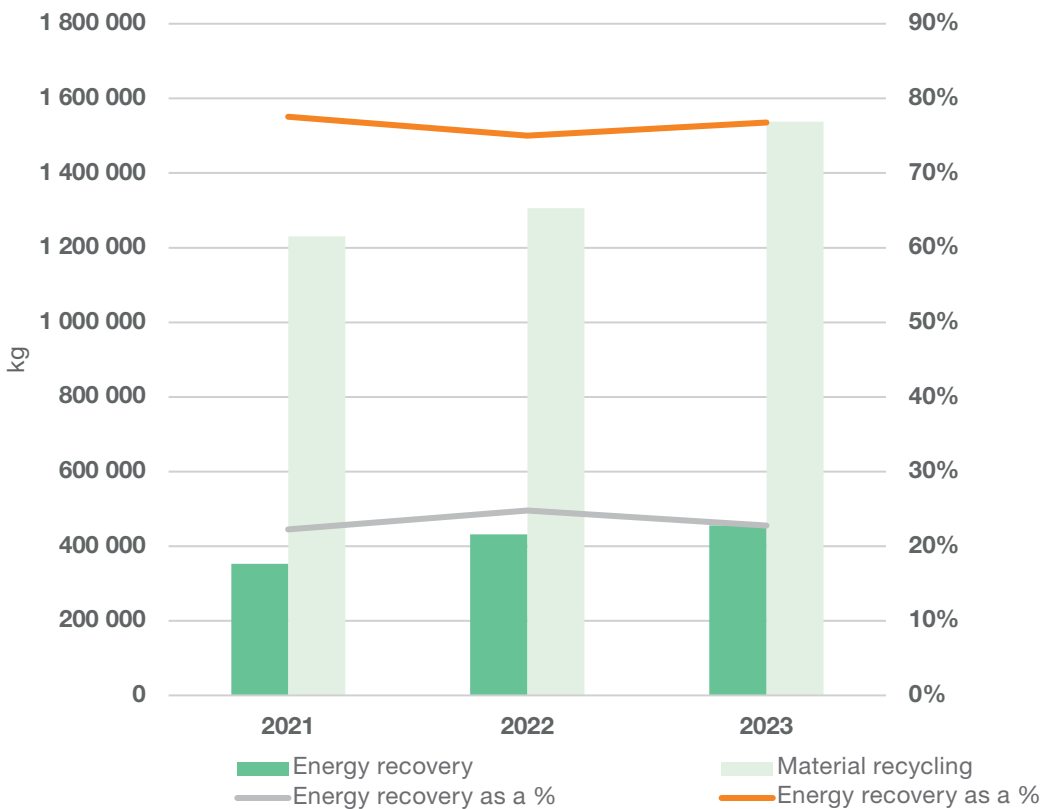
– In the event of incidents, there are procedures for handling these.

Sorting at source

IV Produkt has for many years had a well-developed system for source sorting. This has led to a reduction in the total amount of residual waste sent to landfill, from 0.49% to 0.18% in the period 2012–2022. In 2023, all waste was sent for material recycling or energy recovery, and none to landfill.

At the same time, in collaboration with suppliers, we have developed a variety of reusable packaging materials and started return systems for different types of packaging. Through better waste management, IV Produkt has made a CO₂e emission saving of 5% compared to 2022.

Waste hierarchy





Legal requirements and certification

IV Produkt works to achieve and exceed the requirements of the **Swedish National Board of Housing, Building and Planning's building regulations**.

According to the statutory requirements, our products **are CE marked**. This provides basic safety for users and installers in terms of health and safety.

The products have been Eurovent certified for many years which means that an independent international industry association checks and verifies that the technical data and performance we report are correct. This means that customers and other stakeholders can feel confident in the products' promised function and quality.

3

PEOPLE



Strategic collaboration with schools at different levels is important to the company and the continued development of the industry.



Our **community involvement**

IV Produkt has a high level of community involvement, which permeates the entire company. We value broad-based collaboration and wide-ranging involvement.

We actively collaborate in various ways with Epic – Innovation & Technology Center. Epic is an educational association run and owned by the largest technology companies in the Växjö region. Together, we hope to increase interest in a professional career in the technology industry.

Furthermore, we work closely with other industry-specific networks to help one another with issues such as the long-term work with **skills supply**.

Secondary school interns

A strategic partnership with schools at different levels is important to the company and the continued development of the industry. Today, IV Produkt has well-established collaboration with the municipality's secondary schools, and we welcome a **number of interns** yearly from various programmes. During the autumn of 2023,

we also received students from Växjö Praktiska trade school.

Career fair for young people

Our participation in relevant **trade fairs** is another aspect of our work with skills supply and for providing information about IV Produkt as a company and employer. The goal is to reach out to different target groups.

In autumn 2023, we participated in **Career Day** in Växjö Concert Hall. This is a new careers fair for young people, and the aim is to inspire them to make conscious choices regarding their careers and studies. This can help meet the demand for the skill-sets relevant to businesses. At the fair, we wanted to inspire visitors to feel that the future lies in the industry.

Internships at different ages

IV Produkt also thinks it is important to give young people the opportunity to take part in a work experience programme during years 8 and 9.

Those who have graduated from a science or technology programme can apply to do an

internship with us via **Tekniksprånget**. This is an internship for those considering a job in engineering.

Stimulating children's curiosity

Hopefully, children will discover at an early age the possibilities that exist in working life. We hope to get children interested in technology and, especially, industry. Therefore, a new project with **Ulriksberg School** was started during the year. The project is called **SKAL (school-working life)**. Our involvement as a company is to undertake regular school visits with a focus on arousing curiosity about technology among pupils in grades 2 and 5. We hope this project will continue for many years to come.

Helping others

The company works actively with the 'Parketten' day centre run by Växjö Municipality. Parketten's activities are geared towards **adults with mental illness**. The participants help us with many different tasks to assist our production staff in their work. Receiving help and helping others is a win-win concept for Parketten's participants and for IV Produkt.





Individual visits

Offering study visits, training courses and customer visits is a natural part of the business. In 2023, our head office in Växjö received several hundred visitors and gave them a tour of our fantastic production environment.



Our people

Our employees are our most important resource. In order for us to remain at the forefront of development and innovation, it is crucial that our staff have the right skill-sets and for them to thrive at IV Produkt.

We have identified three important factors to focus on: **well-being**, **commitment**, and **work-life balance**. These factors are continuously followed up through performance appraisals as well as through other appraisals, if necessary. Documentation of the appraisals is entered into our HR system.

Internal recruitment

To maintain commitment in a growing company, we try to create a workplace in which employees want to grow. They participate in **training courses**, both externally and internally. We promote **internal recruitment pathways**, which is an important inspiration for employees who envision growing with us.

Regular **employee appraisals** are a good opportunity for employees to develop and follow up on an individual **action plan** together with their line manager.

A foundation for everyone

Promoting and actively working with our **core values** (see page 7; *Our Way of Working*) is very important both for long-standing employees of the company as well as for new employees. All new employees receive a thorough induction into our



organisation – with a strong emphasis on our values. Giving everyone the same foundation is vital to our continued success.

Self-care

IV Produkt wants its employees to feel good. We therefore work actively with self-care and other preventive measures to reduce sick leave. It is of great importance to prevent and remedy any ill health at an early stage. Regular exercise is a major contributor to good health.

Conversations about health

To uncover any ill health, **health conversations** are arranged with the line manager and/or HR when an employee has five short-term absences or an extended absence of 28 days or more during a 12-month period. The aim is to implement the necessary measures at an early stage.

Occupational healthcare services are an important partner in work adaptation and rehabilitation.

A safe workplace

IV Produkt takes a proactive approach to activities that ensure a healthy work environment. For this reason, regular **safety rounds** and **risk analyses** are carried out. We also work closely and actively with occupational healthcare services.

Many employees work in production and have a physically demanding job. In recent years, we have expanded our work with injury prevention. This includes **training courses in ergonomics** where occupational healthcare services direct initiatives based on the specific needs of the different work groups.

Preventing accidents

It is important to work early and systematically with incidents and occupational injuries. To further improve this work, we have introduced a **deviation system** to facilitate internal handling and to identify risk factors and reduce the incidence of occupational injuries. We hope, too, that the new way of reporting will highlight potential for

improvements much earlier and then enable discussion of these in various collaborative groups, such as the working group directly involved and the safety committee, as well as in other operational contexts. To detect risks and prevent serious accidents, staff are encouraged to report incidents and risk observations.

Good working posture

For office staff, the focus is on the social and organisational work environment, and this, too, involves occupational healthcare services. During their induction, all new employees receive a briefing with an **ergonomist** at their workplace to ensure they maintain a good working posture and use the correct aids to minimise the risk of work-related musculoskeletal injuries.

Training and awareness are needed for long-term safety and work environment management. Therefore, training is continuously carried out for our managers and safety representatives.



Respectful treatment

An obvious element in our values is that all employees should be treated with respect and consideration. This is a prerequisite for their **job satisfaction and sense of commitment**. Therefore, discrimination, harassment or victimisation are not tolerated in any form.

Our aim is to call attention to these as early as possible. Among other things, we address **the issue in employee appraisals and include it** as part of our safety rounds. The results of this are

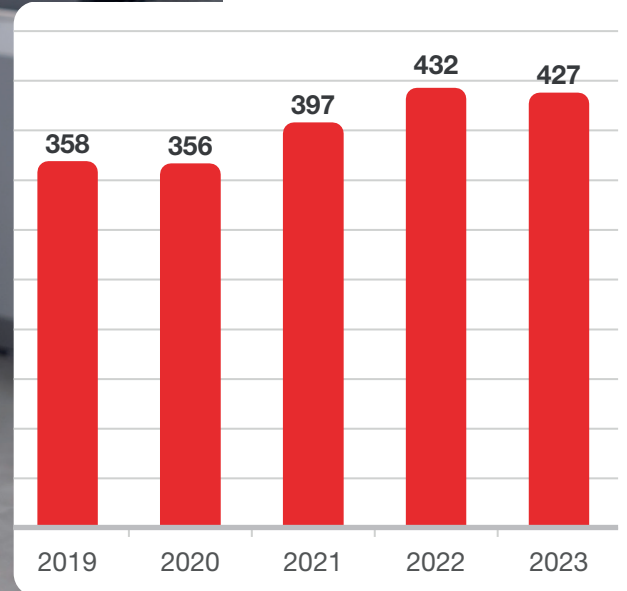
compiled annually and measures are implemented continually. We train our managers with regard to their obligations to prevent and address this.

All staff must be familiar with our procedures and must know what to do in the event of discrimination, harassment or victimisation. Trade union site representatives, health and safety representatives and union representatives on the safety committee are also invited to participate in this training.

Key figures in human resources



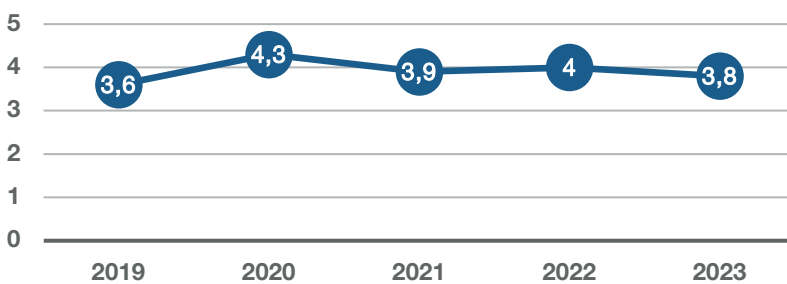
Employees



The gender distribution is 381 men (89%) and 46 women (11%).

Calculating key figures enables us to see development and change over time and gain a basic understanding of well-being among employees as well as how the company is performing.

Sick leave in %



98.99

employment rate in %

11

average length of employment in years

42

average age of employees

2

employee turnover in %

IV Produkt's footprint

Major steps have been taken to make the business more sustainable and we are proud of that, but we want to do more. We are convinced that sustainable development will be in focus for a long time to come. This means that we will continue to make major investments and improvements to our products and processes in the future to save the Earth's resources.

We are thinking on the long-term here at IV Produkt.



You are welcome
to contact us

Sjöddevägen 7
SE-352 46 Växjö, Sweden
Switchboard: +46 (0)470 75 88 00
info@ivprodukt.se
www.ivprodukt.com



Air handling with focus on LCC