

# ESG Policy

» REV. 01 CURRENT AS OF MARCH 2025

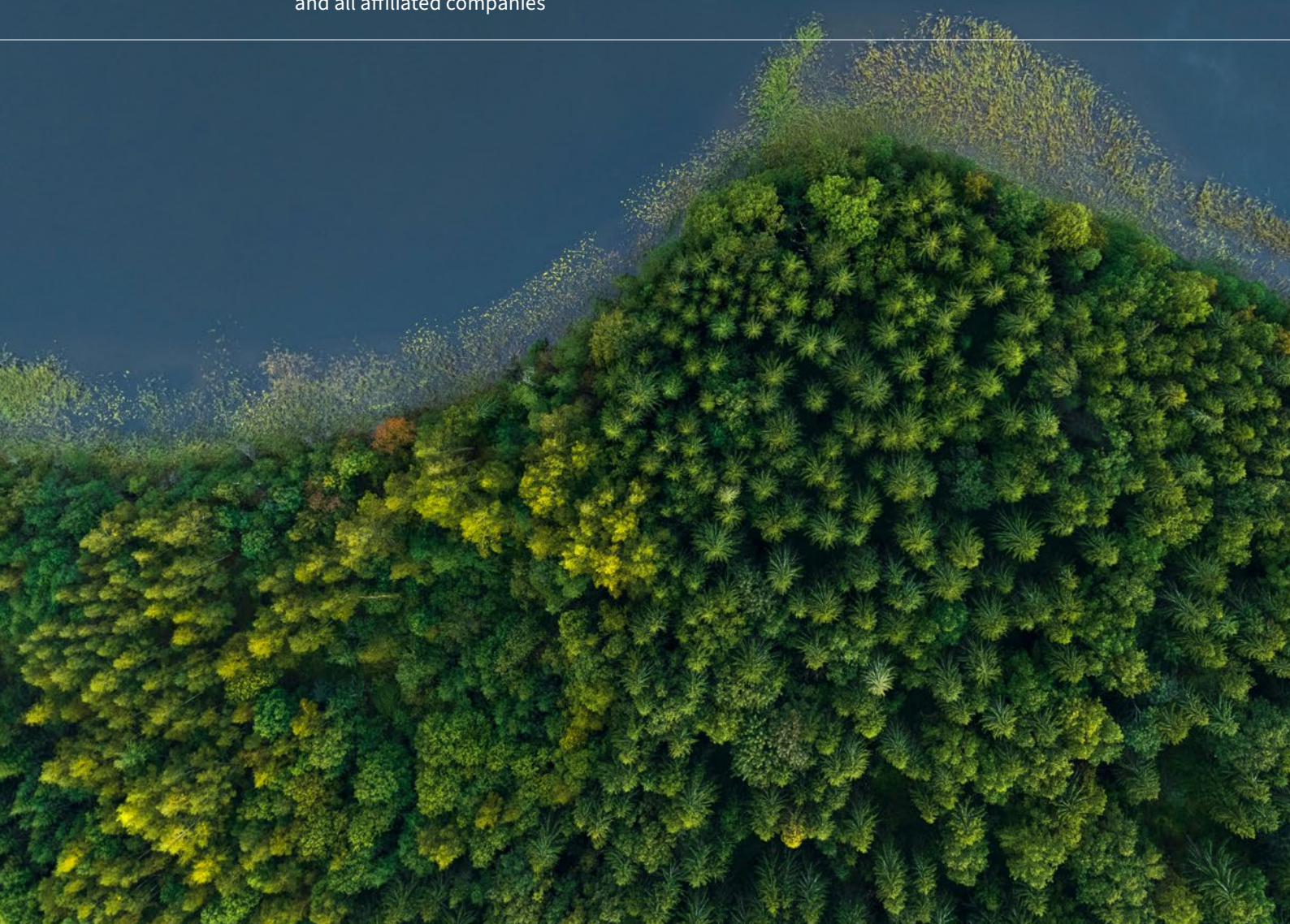
**Released by:** Management Board  
Chief Executive Officer  
Chief Transformation Officer  
Chief Human Resources Officer

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**Governed by:** ESG Manager

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**Applicable for:** All employees of FläktGroup,  
FläktGroup Holding GmbH,  
and all affiliated companies



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# 1. Scope and Purpose

FläktGroup has implemented this ESG Policy ("Policy") with an objective to:

- implement ESG actions within the company;
- monitor the ESG actions and improvements internally;
- communicate ESG initiatives internally and externally.

This Policy applies to all employees of FläktGroup, FläktGroup Holding GmbH and affiliated companies. Principles and commitments are also extended to external advisors, contractors and suppliers through Supplier Code of Conduct. This Policy can be complemented with local environmental, social and governance policies. All the subsidiaries, affiliates and our Business Partners should seek to comply with this Policy and possible local policy. In case of conflicts between the Group Policy and local policy, the Group Policy overrules, unless specifically approved by the Management Board (CEO, CFO) and ESG Manager. This policy replaces any former ESG policies published within the Group.

This Policy builds on and complements the FläktGroup Policies outlined underneath, which in turn build on international frameworks and principles, most importantly OECD's guidelines for multinational enterprises, UN Guiding Principles

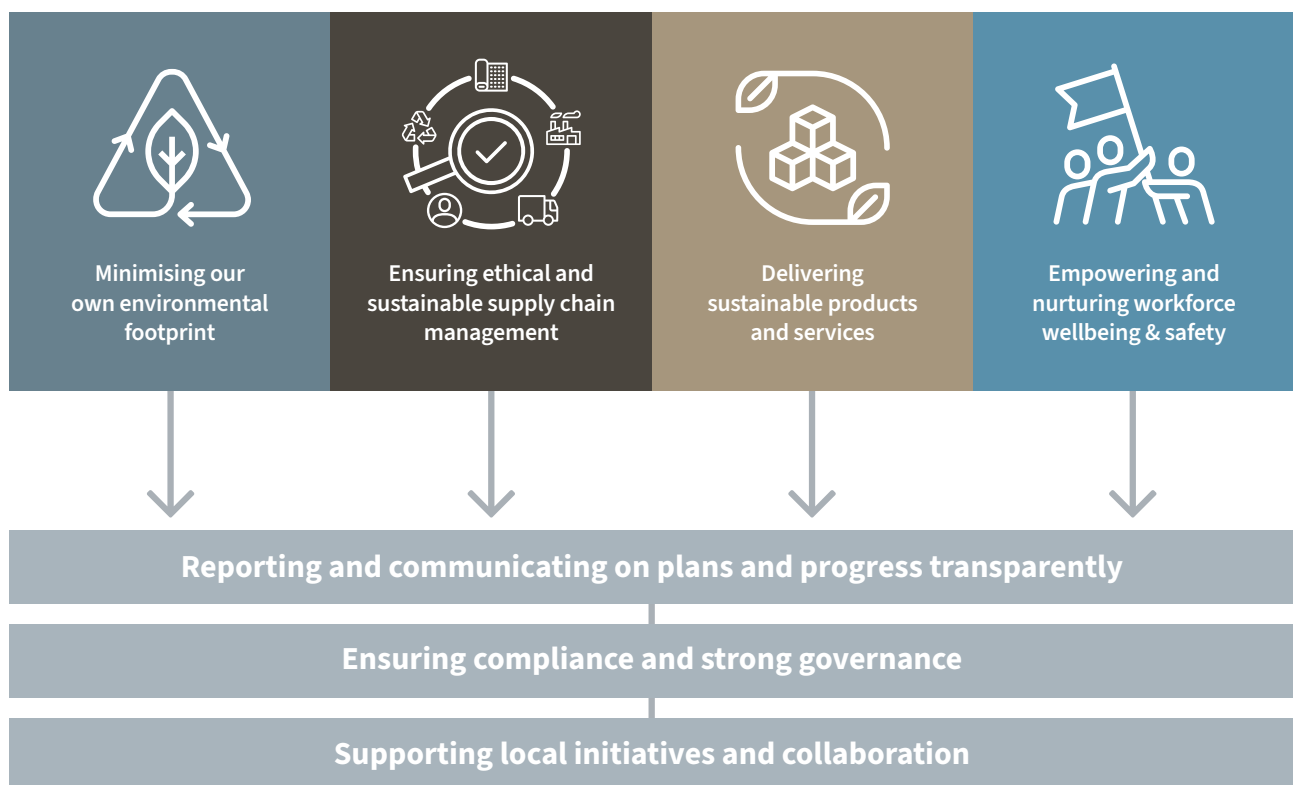
on Business and Human Rights, the International Bill of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work.

- Group Code of Conduct
- Supplier Code of Conduct
- FläktGroup Integrated Management System (IMS) Policy
- Learning and Development Policy
- Cyber Security Policy

FläktGroup is also committed to the Ten Principles of the UN Global Compact.

FläktGroup designs, manufactures, and delivers air treatment technologies, with our greatest environmental and societal impact stemming from energy-efficient solutions that enhance health and safety by ensuring clean indoor air. Therefore, FläktGroup's purpose is simple: we care for your air while protecting the environment.

Our ambition is to be the industry leader in sustainability. FläktGroup has conducted double materiality assessment to identify its most important impacts, risks and opportunities and it strives to mitigate the identified risks and grasp on the opportunities as well as constantly improve in all material ESG topics. The work is structured around four focus areas and cross-cutting topic areas presented underneath.





## 2. Our Commitments

### 2.1 Guiding Principles

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- **Sustainability Integration:** FläktGroup will integrate sustainability principles into all aspects of its business operations, from product design and manufacturing to supply chain management and customer engagement.
- **Compliance:** FläktGroup will comply with all applicable environmental laws, regulations and other requirements related to our business operations. We will monitor changes in environmental regulations and adapt our practices accordingly to ensure ongoing compliance.
- **Continuous Improvement and Innovation:** FläktGroup is committed to a culture of continuous improvement in environmental performance, including setting and achieving ambitious sustainability goals. FläktGroup will actively seek innovative solutions to reduce our environmental impact, increase resource efficiency, and promote sustainability throughout our value chain.
- **Training:** FläktGroup will provide training and resources to our employees to raise awareness and promote responsible behaviour.
- **Transparency:** FläktGroup will transparently communicate our ESG policies, objectives, and performance to our stakeholders.

### 2.2 Environment

#### 2.2.1 Climate Change

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- FläktGroup respects the relationship with the natural environment and its ecosystems. We acknowledge the adverse impacts that human activity can impose and take actions to prevent degradation of those natural systems. We recognise the importance of environmental responsibility and are dedicated to minimising our impact on the environment.
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- FläktGroup will work to reduce our and our client's consumption of energy and other natural resources through innovative, energy efficient technologies.
- FläktGroup conducts life cycle assessments of its products, which are published as Environmental Product Declarations (EPDs). Furthermore, we strive to minimise the environmental impact of our solutions by incorporating circular economy principles at every stage of the product life cycle and service offering.

### **2.2.2 Circular Economy**

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- FläktGroup will implement waste reduction, recycling and reuse initiatives to minimise the amount of waste sent to landfills, incineration or other.
- Proper disposal and handling of hazardous materials will be a priority to ensure the safety of our employees and the environment.
- FläktGroup will continuously assess and implement circular economy practises in our solutions.

### **2.2.3 Pollution and Substances of Concern**

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- FläktGroup monitors air pollution on our sites and commit to protect the local environments.
- FläktGroup tracks and avoids the usage of substances of concern where possible and ensure compliance with environmental regulations for hazardous materials such as REACH and RoHS.

### **2.2.4 Biodiversity**

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- FläktGroup will consider the impact of our operations on local ecosystems and biodiversity and take measures to protect and preserve them.

### **2.2.5 Water**

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- FläktGroup will responsibly manage water resources, reduce water consumption, and prevent water pollution in our operations.



## 2.3 Social

### 2.3.1 Human Rights

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- FläktGroup categorically prohibits any form of child labor, forced labor, or inhumane and degrading treatment in the workplace. Our commitment extends to fostering a work environment that prioritises health, safety, and overall well-being. Additionally, we respect workers' rights, including freedom of association, collective representation, and fair compensation.
- FläktGroup exercises due diligence across both our own operations and our value chain. This includes identifying and mitigating actual and potential human rights risks and providing remedies in the event of any breaches.

### 2.3.2 Employee Health & Safety and Wellbeing

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- FläktGroup commits to creating an accident-free and incident-free workspace and preventing occupational illnesses, both physical and mental.
- FläktGroup strives towards 0 LTIs and constantly monitor and improve our systems and performance.
- FläktGroup recognises the importance to foster wellbeing of employees by promoting a culture of open communication, providing training for our management, monitoring working hours and overtime, ensuring risk assessments are in place and facilitating requests for flexible working.

### 2.3.3 End-User Health and Safety

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- FläktGroup ensures compliance with applicable product certifications, including those related to safety of the product use.
- FläktGroup constantly tracks claims and quality deviations and works towards our ambitious targets by improving and upgrading existing processes.

### 2.3.4 Diversity, Equity and Inclusion

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FläktGroup recognises the importance of demonstrating how the diversity of our workforce can help FläktGroup better understand and satisfy the needs of the diverse communities we serve and commits to:

- Building an inclusive climate of equal and quality treatment for all employees that is directly connected to the company's strength and competitiveness.
- Implementing measures to prevent harassment and safeguarding employees' right to a safe and respectful workplace.
- Understanding that a diverse employee base brings diversity of ideas, innovation and product solutions.
- Applying the value of a diverse workforce by developing the skills necessary to enable leaders at all levels of our company to succeed.

## 2.4 Governance

### 2.4.1 Ethics, Anti-Bribery, Anti-Corruption

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FläktGroup commits to the highest standards of business integrity in regard to ethics, anti-bribery and anti-corruption. Our commitments and

actions on governance related matters are covered in detail in the Code of Conduct.

### 2.4.2 Sustainable Sourcing

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FläktGroup promotes responsible procurement and sourcing practices in all our countries of operation.

FläktGroup conducts due diligence on our suppliers, identifying those with higher risk and following

up through questionnaires. When deemed necessary, we engage directly with the supplier and reserve the right to discontinue the business relationship if any violations of our policies are identified.



### 3. Implementation and Responsibilities

This policy is implemented through topic specific responsibilities, processes, training and communication. ESG targets are approved by the Group Executive Team, the Management Board, and the Board of Directors. The consequences for violating this policy will vary depending on the type of violation and will be dealt with on a case-by-case basis.



A handwritten signature in black ink, likely belonging to Trevor Young.

Trevor Young,  
CEO FläktGroup

A handwritten signature in blue ink, likely belonging to Lauri Jaakkola.

Lauri Jaakkola  
Chief Transformation Officer

A handwritten signature in black ink, likely belonging to Terri L. Black.

Terri Black  
CHRO