Lund April 16th, 2021

In Sigma Connectivity we believe that sustainability is a corner stone in having a successful company that is attractive to all our stakeholders, society, and community and must be part of everyone’s daily work.

In this “Sustainability Report 2020”, we describe how we work with improving our sustainability, from our values to concrete actions, within the Sigma Connectivity group.

Björn Lundqvist
CEO, Sigma Connectivity AB
Introduction
This sustainability report comprises all companies within the Sigma Connectivity group even though the regulations only apply to Sigma Connectivity AB.

Our company values
Our company culture is based on our values; engage, create and deliver. We believe that diversity, teamwork, and passion drive innovation – and that this naturally creates a creative, inclusive, fast paced environment which is constantly growing. At Sigma Connectivity you will never work alone.

You Will Never Work Alone
We engage with customers in a respectful and proactive way.
We create solutions through innovation and engineering craftsmanship.
We deliver true results through knowledge, dedication and structure.
Our values stand for how we relate to each other, to customers and to our business.

Environmental Vision 2030
Sigma Connectivity will be climate neutral in our operations by 2030. To achieve this, we will focus on renewable energy, minimize consumption & maximize recycling. We will put all our strength into this ambitious goal to realize our environmental vision within the upcoming 10 years.

Never work alone, only together we can achieve this ambitious vision, Sigma Connectivity together with our customers.

We have started working on the following areas:
Customer Assignment: together with our customers we will push towards an environmentally friendly future, by making the right choices prior to and during product development.
Supply Chain: minimize our environmental impact by choosing the best and most environmentally friendly supplies.
Local Footprint: minimizing emissions from cooling/heating facilities, change to renewable energy sources and changing how we travel to work by increasing our usage of electrical vehicles, public transportation and, best of all, walking or travel by bike.
Business model

Sigma’s vision is “Expect a better tomorrow” and the vision is included and relevant in the day-to-day business where our goal is to contribute for a better tomorrow for our customers improving their business. The business model is related to our employees and their competence but also to our partners. Sigma Connectivity is a technology driven design house that executes projects in-house but also offers on-site connectivity experts on customer’s site. We offer knowledge as a service as we develop accessible and useful solutions with connectivity, solutions that improve life and business for our customers and end-customers. Smart, connected technologies are unleashing a new era of opportunity and competition which includes sustainability aspects such as energy consumption, waste and working environment conditions. Our complete in-house capability to innovate, create and develop connected solutions and devices makes us unique. We collaborate with clients from multifaceted industries and provide customized teams with all competences needed to help our customers bring connected solutions to market. Our services are ranging from hardware development to production technology and front-end development to back-end integration. The business model is based on billable hours where we charge for hours worked or for value/results accomplished with the service. All areas of sustainability control related to our business are important and relevant to us - we design and develop for everyone, and hence diversity in terms of nationality, gender and age is important for our ability to bring forth the knowledge and services we offer.

Our strategic goals are to:

- build a long-term sustainable company with profitable growth
- build a company that is attractive for employees, partners and customers as well as owners
- build a company that acts according to our values Engage, Create and Deliver in the spirit of “Never work alone”
- be a global company with an international diversified customer base

Environmental Aspects

Environmental aspects are those parts of Sigma Connectivity’s activities/business, products or services that can have an impact on the environment. The environmental aspects are the basis for Sigma Connectivity’s work with environmental impact and objectives.

Sigma Connectivity’s environmental work is certified according to ISO 14001:2015. This means that it is reviewed and audited regularly by a third-party certification body.
Sigma Connectivity does not conduct business that entails a notification obligation according to The Swedish Environmental Code.

Responsibilities within the group

The CEO is overall responsible for the Environmental Aspects in Sigma Connectivity.

The Quality Manager is responsible for ensuring that environmental aspects are identified on a continuous basis.

All employees are responsible for notifying the Quality Manager about any environmental improvement and/or incidents through SCMS Improvement & Incident Log.

The environmental aspects are continuously updated because of changes in business activities, or as a consequence of other changed preconditions, such as changes in legislation or similar.

Any changes required in the Management System as a result of new, or significant aspects no longer present, are implemented by the Quality Manager.

Environmental Policy for Projects

All projects shall consider their environmental impact within, at least, the following areas:

- The project shall consider the environment impact of the materials selected for the product.
- The project shall seek to minimize the environmental impact of travel, for example through use of telephone conferences, carpooling and selection of more environmentally friendly forms of travel such as trains when possible.
- The project shall seek to minimize the number of prototypes needed during the product development. Prototypes are generally waste at the end of the project execution, and measures should therefore be taken to minimize need through efficient planning and sharing of prototypes between team members whenever possible.

Waste at Sigma Connectivity

We utilize recycling where possible and for specific areas for waste disposal, such as batteries and other hazardous materials, we use specialized suppliers for waste handling and disposal to ensure it is done in an environmentally friendly way.
Chemical Handling and Control

Procedures for chemical handling and control are available according to regulations in printed copy at the place where the chemicals are stored and handled.

Our Travel policies

Our Travel Policy states that before booking a trip, the factors of time, money and environmental impact shall always be weighed against each other. The most environmentally friendly way to travel should always be chosen.

Our Company car policy is focusing and promoting the use of environmentally friendly cars. One objective of Sigma Connectivity’s Company Car Policy is to reduce the environmental impact attributable to car transport within Sigma Connectivity’s operations, and thus only cars with CO₂ emissions of <70 g/km (WLTP) may be chosen.

Sigma Connectivity and “Personalcyklar” have signed an agreement that gives our employees in Sweden the opportunity to order a bicycle that is paid for through gross salary deductions. Sigma Connectivity also owns several bicycles that can be borrowed for travels within the city.

Considering the business Sigma Connectivity operate the main impact on the environment is through travel and the use of IT equipment to replace travel – that’s why we have set the following goals which are a part of SCMS and included in our Governance Model:

- Travel vs Video conferencing – strive to replace travel with video conferencing for internal as well as external meetings.
- Local environment impact by travel to/from work – strive to decrease CO₂ emissions related to work commuting by encourage bicycling, e-vehicles and public transportations.

Considering 2020 has been a year deeply affected by the global pandemic we realized that the outcome for 2020 may not be fair in comparison and hence measures will start as from 2021.

Our Code of Conduct

We cultivate an engaging multicultural environment where employees can share experience and improve their skills and responsibilities.

Sigma Connectivity is a member of Almega Employers’ organization and has collective agreement with the unions active on our market. Two local unions are present in our
company cooperating with us in this area. We consider this as a solid ground for minimizing the risk of employment and/or work environment malpractice.

Our business and our staff in Sweden have strong traditions and regulations in the labour principles area. Risks are assessed to be low in general in Sweden. The business of Sigma Connectivity requires highly skilled personnel and management competencies, which make the risks for our business even lower. For our company, the most relevant of labour principles are gender and ethnic aspects together with quality of working life such as workload and stress.

New employees as well as existing employees are part of a training program that provides them with all necessary training including our Values, Code of Conduct, Policy against victimization, Work Environment Policy and Quality Policy.

**Legal Compliance**

Sigma Connectivity abides by all relevant laws and regulations, business, labour and environment, in the countries where it has its bases of operation. Added to this also comes the controls and principles in our certified way of working according to the standards ISO9001 and ISO14001. Application of the previously mentioned with an adherence to our customers’ requests and requirements Sigma Connectivity always applies the most stringent requirement.

![Image](image-url)

**Ethics**

Sigma Connectivity complies with all laws and regulations concerning corruption, bribery, prohibited business practises and extortion in the countries where it has its bases of
operation. We utilize a strict policy when it comes to financials and the approvals thereof to protect our organization from the risk of illegal financial activity.

**Labour**

Sigma Connectivity complies with all laws and regulations concerning labour and employment in the respective countries where it has its bases of operations. This includes, but not limited to, minimum wage, maximum hours of work, days of rest, compensation, freedom of association, right to organize and collective bargaining.

Sigma Connectivity also expects and requires our partners and suppliers to adhere to the sentiments expressed in this document concerning labour and labour rights. The Terms & Conditions signed by all contracted partners stipulate compliance with Sigma internal instructions including an onboarding training session covering our Code of Conduct.

**Child, Compulsory or Forced Labour**

Sigma Connectivity neither accepts nor supports the use of child\(^1\), compulsory\(^2\) or forced labour.

**Respect and Dignity**

Our values are summed up in the phrase “You’ll never work alone” meaning that we shall treat each other with respect and support each other in our work. This to create an environment where we all help and take care of each other as colleagues and human beings.

Therefore, we have zero tolerance for any kind of insulting or abusive behaviour as this is a serious threat to our employees, their wellbeing and career development. For this purpose, we have documented policies regarding discrimination, harassment and victimization related to gender identity, ethnicity, religion, disability, sexual identity, expression and age in whatever form it may take.

---

\(^1\) by child labour Sigma Connectivity means employees under the age of 15 years old. For work that by its nature requires someone over the age of 18, child labour means someone that is under the age of 18 years old.

\(^2\) regarding Compulsory or Forced labour Sigma Connectivity expects its partners and suppliers to voluntarily comply with our stance on this subject.
Diversity & Inclusion

We have a Diversity & Inclusion vision, that states the following: We strive to be a modern employer that keeps and attracts talent across the globe by being innovative—and being innovative means being diverse and inclusive.

Diversity and Inclusion is vital to us from several aspects, some of them being that:

- **We innovative** solutions with and for our Customers. With diversity and inclusion being foundations in creating an innovative environment, we are very much dependent on having a mix of people for various context and experiences in order to find new innovative solutions.

- We are in a **global context** with Customers and Partners from all over the world and it is therefore important for our organization to resemble that. It is of value in our Customer relations as well as our Partner relations.

- We strongly believe that the overall **work environment**, where people can develop and grow are best accomplished by a mix of individuals.

- We design and **develop for everyone**, so everyone must be represented.

Our 2020 figures are illustrated below. Our employees ranging in the age from 23 to 69 years, and we have over 30 nationalities represented in the organization. The gender distribution is male dominated with 86% male and 14% female employees. We are operating in a male-dominated industry but see the gender balance as an important factor to achieve a creative and inspiring working environment and make us...
more competitive. As from 2021 we are engaging in a Diversity and Inclusion initiative, involving our employees, with the focus to further enhance and address our Diversity and Inclusion.

Health & Safety

Sigma Connectivity follows its Work environment policy for a safe and healthy work environment. The company board has delegated the responsibility for the systematic environment work to the CEO who in turn has distributed the work to relevant managers within the organization.

In the Work Environment Policy, we take into consideration all the environmental aspects we have identified as well as the legal and regulatory requirements on our work environment. Both the environmental aspects and the regulatory requirements are continuously monitored and reviewed annually.

In our employee survey that takes place at minimum once a year, measurements are made in the areas of teamwork, work environment, stress and health, life balance,
Culture and values, Development opportunities, leadership, skills, motivation, communication, roles and responsibilities, victimization due to gender, gender crossing identity or expression, sexual orientation, ethnicity, nationality, religion or other faith/philosophy, social standing and background, role, knowledge, and age. These measurements show that our employees are safe and satisfied with our work environment and our working conditions. Below metrics show the aggregated outcome and objectives for the areas “Wellbeing”, “Engagement” and overall “Net Promoting Score” from the 2020 survey.

<table>
<thead>
<tr>
<th>Employee Survey Summary</th>
<th>2020</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Survey – Response Rate (%)</td>
<td>89</td>
<td>&gt; 75</td>
</tr>
<tr>
<td>Employee Survey – eNPS</td>
<td>21</td>
<td>&gt; 0</td>
</tr>
<tr>
<td>Employee Survey - Engagement</td>
<td>7.7</td>
<td>≥ 7</td>
</tr>
<tr>
<td>Employee Survey - Wellbeing</td>
<td>7.3</td>
<td>≥ 7</td>
</tr>
</tbody>
</table>

Other parameters and forums we use to monitor the wellbeing of the company and our employees are: Personnel Turnover, Overtime, Sick leave, work related injuries and incidents, Safety inspections, Performance reviews, Exit interviews with HR, team meetings and F2F, Incident & Improvement Log, Risk assessments of organisational changes, Rehabilitation, Yearly summary of our work environment, Customer Satisfaction, Training Compliance etc. Several parameters are monitored on a monthly basis together with the union representatives, the Safety representatives and the Safety Committee.

<table>
<thead>
<tr>
<th>Work Environment – Key indicators</th>
<th>2020</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Turnover (%)</td>
<td>9.9%</td>
<td>8-12%</td>
</tr>
<tr>
<td>Average Sick Leave % (All / Normalized)</td>
<td>1,4/1,3</td>
<td>&lt; 2%</td>
</tr>
<tr>
<td>Overtime (exceeding monthly norm)</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Overtime extensions approved</td>
<td>2</td>
<td>NA</td>
</tr>
<tr>
<td>Safety Inspections (% done)</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Incidents (Injuries/sick leave) / Rehabilitation/adjustment of work</td>
<td>8/8</td>
<td>NA</td>
</tr>
<tr>
<td>Risk Assessments – organisational changes</td>
<td>100% (7/7)</td>
<td>100%</td>
</tr>
</tbody>
</table>
First Aid
First Aid (S-ABCDE = Security, free Airway, Breathing, Circulation, Disability, Exposure, Environment)
A list of people at Sigma Connectivity who are first aid trained by Räddningstjänsten Syd can be found on the Intranet. Approximately 20 people are trained yearly, the group of people are selected to be of different business units and seated in different areas of the properties.

Safety Committee
The safety committee is responsible for overall management and monitoring of the systematic work environment work and consists of representatives who are considered important for the Safety Committee to be representative of the entire organization (Security & Safety Manager, Safety representatives, HR Manager, Quality Manager, Line Manager, Project Manager, Engineers etc). The Safety Committee have meetings bi-weekly with the following standing agenda:

First meeting of the month:
- Status, follow up on latest safety inspections
- Personell turnover
- Status, follow up of our Work Environment Policy
- Status, follow up of the organizational and psychosocial work environment
- AoB

Second meeting of the month: Review of the Improvement & Incident Log
(Overtime and Sick leave figures are monitored in separate forums)

A presentation of our CSR initiatives
In addition to the core business, Sigma is engaged in several projects aimed at creating positive development in society – both in Sweden and in developing countries. It’s through drive and involvement real change can be achieved. Together everyone at Sigma can make a big difference.

Education initiatives
Sigma Connectivity regularly takes part in activities that contribute to a sustainable future, by supporting innovation and development through education. We do that in cooperation with universities by driving innovation, participating in master thesis. We
open doors for students who want to learn about entrepreneurship or a specific industry, or simply want to acquire a competitive skill in a certain area.

*Star for life*
Star for Life is a unique program aimed at preventing the spread of HIV and AIDS among young people in southern Africa. The vision is to inspire school children to believe in their own futures and their dreams and support them in their efforts to live a life without AIDS. Star for Life was founded in 2005 and now involves more than 100 000 young people and their families in South Africa and Namibia.

Sigma Connectivity is promoting Star for Life in different charity events, such as running competitions, and make fund raising via PET recycling and by arranging bazar summer parties for employees with families. In the context of Star for life Sigma Connectivity also sponsor 100 000 SEK per annum to the Delanga School in South Africa.

*FC Rosengård*
FC Rosengård is one of the most competitive women’s football teams in all of Europe. FC Rosengård is reigning Swedish Champions and renowned for their focus on social development and helping young people realize their dreams.

FC Rosengård is active in two large social development projects, Boost, aimed at helping young people raise their level of competence and competitiveness on the labor market.
and Football for Life, strengthening the self-esteem and awareness of young women at hundreds of schools in South Africa.

In 2011-2014, 723 participants have achieved their goal of employment or full-time education through Boost by FC Rosengård.

**Emerging cooking situation**

More people die from smoky cooking than from malaria. Swedish-Zambian Emerging Cooking Solutions has developed a system with pellets for use in clean burning cook stoves. The pellets come from biomass waste and therefore are renewable and sustainable. The system contributes to stop deforestation, save time, and improve health and household economy for the users.

**Uppstart Malmö**

Uppstart Malmö is partly a foundation that supports entrepreneurs in creating new job opportunities, and partly it is a source of investment capital from a group of experienced entrepreneurs in Malmö. Many partners support the cause with their own personal experience as well. Among the investors are Danir, the parent company of Sigma. Chairman of the board of Uppstart Malmö is Dan Olofsson the founder of Sigma.

**Anti-corruption principles**

Businesses should work against corruption in all its forms, including extortion and bribery. Our business and our staff in Sweden have strong traditions and regulations in the anti-corruption area. Risks are assessed to be low in general in Sweden (Transparency International).

Our management system contains a Table of Authority which stipulates the limit for approval of business quotations, investments as well as expenses.

Our internal Supplier Quality process stated that only suppliers that adequately fulfill our Code of Conduct shall be used.

External audits take place every year, when auditors meet employees and interviews are performed. Several quality and information security themes according to the standards are covered. No deviations were found within the area of economic processes or corruption risks in 2015 - 2020.

No corruption incidents have been found during 2020.

Our Code of Conduct addresses the norm for how employees at, and representatives of Sigma Connectivity shall act regarding ethical matters. Each subsidiary is responsible for ensuring that their employees follow this policy.