

# Sustainability work that generates value

For Christian Berner, active sustainability work is important and the company takes a holistic view, centred around good business ethics, the environment, human rights and the company's future. In addition to creating economic value for the company's stakeholders, Christian Berner also wants to contribute value creation through consideration for the environment and social responsibility.

Christian Berner Tech Trade's subsidiary Christian Berner AB in Sweden has come the farthest in the work on sustainability issues as the Group's largest company. This report therefore primarily pertains to the operations in Christian Berner AB. The Group's other subsidiaries in the markets of Denmark, Finland and Norway have begun the work on these issues, partly by implementing the components that have been successful in Sweden and partly by identifying issues that are specific to the respective companies in the different markets.

## Management of sustainability issues

Christian Berner's code of conduct is the overriding steering document in the company's sustainability work. There are supporting documents for this in the form of policies, manuals and instructions. Christian Berner has among other things prepared policies for health and safety, quality and environment, as well as governance and control. In 2017, internal work continued regarding the company's policies and guidelines regarding risk and stakeholders, among others.

Christian Berner complies with the international conventions UN Global Compact, ILO and the OECD guidelines for multinational enterprises. Christian Berner AB is certified according to ISO 9001 and 14001 and the company prepared a certification to the new standards during 2017. The Group's other subsidiaries work based on the management system idea, but are not certified.

Ultimate responsibility for Christian Berner's sustainability work rests with the company's CEO. At Christian Berner AB, a further development of the sustainability work is ensured by the HR manager as well as quality and environmental managers. The operational work on the sustainability issues is distributed in the organisation. In 2017, human resources were strengthened in terms of quality, environment and health and safety. For the Group's subsidiaries in other countries, the duties are delegated in the organisation with the president of the respective company bearing the overall responsibility.

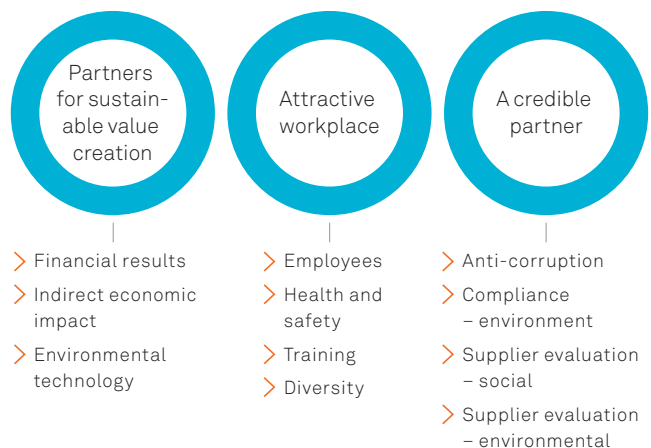
## Framework for the sustainability work

Christian Berner's business model is described on pages 8-10 in this annual report. The company's primary stakeholders are comprised of employees, customers, suppliers and partners, owners and investors. In 2017, Christian Berner AB began a stakeholder analysis that lists the most important issues for the respective stakeholder in the relationship with the company. In addition to this, it states what statutory requirements exist and how the company shall follow up each issue.

Based on Christian Berner's primary stakeholders, the company also conducted a materiality analysis in 2017. The analysis identifies Christian Berner's most important issues for sustainable business. These issues have been grouped in three overall areas, which form the framework for Christian Berner's sustainability work.

Based on this framework and the significant issues, Christian Berner began the follow-up of the Group's sustainability work. The company has worked with several of the significant issues for a long time, but has not had defined measurements for each issue. Since the materiality analysis was done in 2017, structures for data collection for indicators in the areas of human rights, the environment, social conditions and staff, as well as

## Framework for Christian Berner's sustainability work





## Solution for cleaner sea water

The UN Ballast Water Management Convention from 2017 means that commercial vessels must clean their ballast water from organisms. The Danish shipping company NORDEN has chosen Christian Berner to both supply facilities for cleaning ballast water in eight new builds and as a strategic partner to install the facilities in the existing fleet with up to 40 vessels.

NORDEN chose the facility in part for its high quality and because it meets all technical requirements as well as strict U.S. requirements.

corruption were also not in place in the company, which is why there are few measurements to present for 2017.

The work to set up these structures, and also define which results indicators should be followed up has begun and will continue in 2018.

The fact that this is Christian Berner's first sustainability report, and as mentioned above, that the materiality analysis was done in the current year, also means that the risks linked to the significant issues have not yet been identified. This work will also continue in the future, with the establishment of structures for analysis and handling of the most important risks.

In 2018, Christian Berner will accordingly focus on continuing the work on the stakeholder dialogue, identifying more results indicators for follow-up, and beginning an analysis of risks associated with the most important issues identified in the materiality analysis.

### Business partners for sustainable value creation

Christian Berner will be the leading business partner for technical solutions. Thousands of products, employees with extensive technical expertise, long experience and a high level of specialist knowledge help to create economic value for stakeholders.

### Financial results

Continuous development towards a stronger Christian Berner creates value for all of the company's stakeholders. In recent years, the company successfully improved its EBITA margin.

Value is created for the company's shareholders through, among other things, the good development of the share price, as well as a dividend that gives a good direct return and dividend growth. In 2017, the dividend was 60.7 per cent of profit.

### Indirect economic impact

Christian Berner creates value for both customers and suppliers by structuring and streamlining the value chain, which reduces transaction costs.

Through qualified needs analysis, consulting, service and development, the company enhances the competitiveness of its customers and simplifies their daily lives. It's own manufacturing and further processing of products increases the added value for the customers.

### Environmental technology

Christian Berner supports its customers with environmentally sound solutions through qualified needs analysis, consulting, service and development. The company also helps customers in their choice of resource-efficient solutions and products.

Many of Christian Berner's products and services help to reduce the environmental impact of the customers, for example by reducing the amount of chemicals and shipments, as well as environmentally damaging materials. Examples include vibration-damping materials that improve the environment for residents and areas around rail lines or water treatment without chemicals.

### Attractive workplace

The shortage of technical and engineering expertise increases competition for employees. To attract, retain and develop employees, it is of central importance for Christian Berner to be an attractive employer.

### Employees

Christian Berner's code of conduct is a guideline for how employees must act in a professional and ethical manner in their day-to-day work. The employees are expected to work and act in accordance with the company's values with the watchwords professionalism, development, ethics and morals.

The company's recruitment process ensures that recruitment takes place in a professional manner where selection is based on qualifications and suitability for the job. Christian Berner's induction procedures for new employees are to ensure that they feel welcome and understand their role within the company.

### Health and safety

Christian Berner conducts systematic work regarding the work environment and fire safety in order to identify, prevent and mitigate potential negative impact from a health and environment perspective. The main risks and the most common injuries occur in processing and production. These involve the assembly of pump boards and the cutting and processing of vibration-damping materials and plastic materials. All employees are informed of the risks that may exist and how to avoid them. Safety instructions and procedures are prepared to the extent necessary for each workplace.

Managers at Christian Berner are responsible for ensuring the well-being of their employees and working with health and safety issues in accordance with national legislation and together with the employees or their representatives. To investigate and monitor the health and safety efforts, regular employee discussions, employee surveys, health and safety inspections and health checks are done. Procedures have been drawn up for monitoring absence. Accidents and incidents are always followed up. In 2017, there were no serious accidents or incidents.

In 2017, Christian Berner AB focused on health issues. The activities done included a step-counting competition, exercise sessions and walking or running during working hours.

### Training

Continuing professional development will contribute to Christian Berner’s goals and strategies, both in the short term and the long term, and will help to develop the business and its employees to equip them to meet future demands and needs. In 2017, Christian Berner AB’s employees completed around 800 hours of training in such areas as eco-driving and safe driving, as well as transport of dangerous goods for warehouse staff and business sales representatives. Courses were also held regarding risk assessment of chemicals from a health and safety perspective, fire safety and new ISO standards.

In addition to this, management training was provided to all managers and the management group participated in a course at Nasdaq prior to the company’s listing change. Prior to the new General Data Protection Regulation (GDPR) entering into effect in 2018, a course was begun for the management group and other employees and will be intensified in the future.

### Diversity

Christian Berner works on the basic principle that all people have equal worth and that there should be fair relationships between individuals and groups. Nobody should be discriminated against or subjected to offensive treatment. The company strives for diversity in terms of sex, ethnicity and social background.

Guidelines and procedures for action in the event of harassment, offensive treatment or discrimination are documented and communicated. Christian Berner’s equality work is documented in the equality plan, which applies to the subsidiary in Sweden, while local legislation applies to subsidiaries in other countries.

### A credible business partner

Christian Berner promotes socially and environmentally sustainable development with an environmental awareness throughout the transaction chain, from supplier to customer.

### Anti-corruption

Technology trading companies such as Christian Berner have extensive business relationships with various parties. To ensure that there are no dependencies between the company and suppliers, Christian Berner has a TRACE certificate that is updated every year, for example. Christian Berner tolerates no form of fraud, bribery or similar illegal activity. The company’s code of conduct specifies guidelines for entertainment and gifts, which must be characterised by openness and moderation and must always have a natural connection to the business relationship.

### Compliance – environment

Christian Berner works preventively to reduce the company’s environmental impact in terms of transports, business travel, energy and waste. This is followed up and the staff are trained in environmental issues. Targets have been formulated based on completed environmental aspect assessments, where activities, operations, products or services that may affect the environment are identified. Christian Berner works actively to achieve the targets, and the environmental aspect assessment is updated every year.

Based on a Group perspective, risk analyses are done of the entire business. Procedures for actions are in place in the event of environmental incidents. None of the Group’s companies are involved in any environmental disputes. Christian Berner works to reduce pollution through constant improvements.

Christian Berner AB operates activities that are subject to reporting obligations under the Swedish Environmental Code. A chemicals management system is used to do risk assessments from a health and safety perspective, and to the furthest possible extent replace dangerous chemicals with less dangerous alternatives. Among other things, more environmentally and health hazardous glue was replaced with a water-soluble glue in 2017.

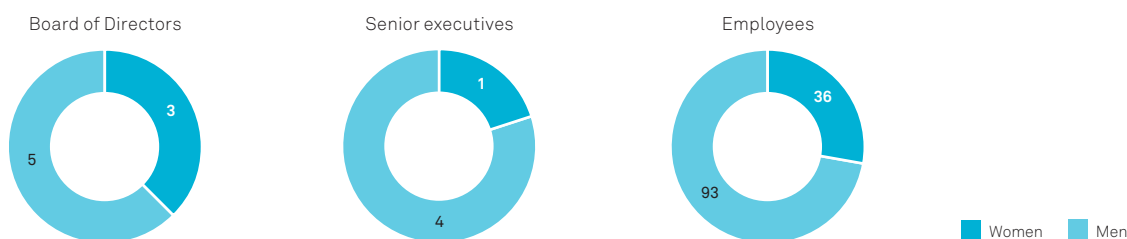
### Supplier evaluation – social

Christian Berner has around 150 suppliers all over the world, but the company aims primarily to use suppliers from Europe and the USA with products characterised by the best quality. Christian Berner represents suppliers that share the company’s basic ethical views and requires suppliers to have a policy for health and safety.

### Supplier evaluation – environmental

Christian Berner represents suppliers that share the company’s basic views of environmental issues and conduct active environmental work. Good management of natural resources and focus on preventing and reducing negative environmental impact governs the selection of suppliers, products and business partners.

## Gender distribution 2017, number of women/men



# Auditor statement on the statutory sustainability report

To the General Meeting of shareholders of Christian Berner Tech Trade AB (publ), corp. ID no. 556026-3666

## Assignment and division of responsibilities

It is the Board of Directors that is responsible for the sustainability report for the year 2017 on pages 12-14 and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

## Review's focus and scope

Our review has been conducted in accordance with FAR's recommendation RevR 12 Auditor's statement on the statutory sustainability report. This means that our review of the sustainability report has another focus and is substantially more limited in scope than an audit conducted in accordance with the International Standards on Auditing and generally accepted auditing practice in Sweden. We consider that this review provides us adequate grounds for our opinion.

## Opinions

A sustainability report has been prepared.

Mölnlycke, 23 March 2018  
Öhrlings PricewaterhouseCoopers AB

Michael Bengtsson  
Authorised Public Accountant