

CALDARO 
2023/2024
Sustainability Report



Sustainability in a rapidly changing world

New for this year's report is that we have changed the reporting period from April 2023 to March 2024 to be aligned with our fiscal year. 2023/2024 has been a test in many ways as it clearly becomes more critical every day to work together as a society to create a better future and a sustainable world. Global industry, particularly manufacturing heavy machinery for construction, mining and forestry, has been affected by war and the global economy throughout the year. Supply chain disruptions, rising costs and inflation, and economic uncertainty make it more difficult for all businesses to navigate.

Meanwhile, the global focus on sustainability and environmental protection continues to impact the heavy machinery industry. The trend towards increased sustainability reporting and transparency has become increasingly evident in the heavy machinery manufacturing industry, reflecting a broader shift towards more environmentally responsible business practices. Last year, this trend manifested itself in several essential steps in the industry. Companies in the heavy machinery sector started using more rigorous and standardised reporting frameworks for their sustainability efforts, which is positive.

The trend of electric vehicles and machines continues, which means that our share of sales contributing to sustainable development is increasing. We have also contributed to the development of a new electric hydrofoil boat and several battery-powered machines.

All our company cars are now electric or plug-in hybrid cars, so our set goal has been fulfilled this year. Supplies from Japan are shipped bi-weekly instead of every week, as historically, to halve the number of shipments, reducing our CO2 footprint. We continue to move forward and become more sustainable. We are happy to see more of our business partners joining Eco-vadis.

We keep on working with the UN Global Compact goals. We renew our commitment to support the UN Global Compact.



Claudio Talamo, CEO of Caldaro





Table of Contents

Sustainability in a rapidly changing world.....	2
About Caldaro	4
Contributing to UN Global Compact.....	5
Our philosophy.....	6
Our working environment	7
Working at Caldaro	8
When we travel	9
Air Transports from Asia 2023	10
When we exhibit at expos	11
We are part of Addtech’s vision goals for sustainable development	12
Our Ecovadis rating.....	13
Our production.....	14
Our products.....	15
Our certificates and policies	16
Our Customers.....	17
Our Recycling.....	18
Our transformation towards sustainability.....	19
Looking forward.....	20

About Caldaro

Caldaro is a leading OEM supplier of customer adapted control components to major industrial customers: joysticks, pedals, sensors, and marine levers.



HQ in Stockholm



Close to 50/50 ♀♂



300 000 products per year



2 production sites in Sweden



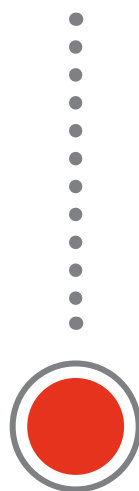
Customers in >40 countries



Contributing to UN Global Compact

Caldaro has committed to focusing on the following five sustainability goals of the UN Global Compact

5 GENDER EQUALITY



Goal 5: Gender equality. Caldaro has a nearly even gender distribution. Employee's salaries are not affected by gender.

8 DECENT WORK AND ECONOMIC GROWTH



Goal 8: Decent working conditions and economic growth. With the best possible working conditions, we create the best products that satisfy customers.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Goal 9: Sustainable industry, innovations, and infrastructure. Many of our sub-components are made close to Caldaro's factories. It saves time, money, and the environment.

11 SUSTAINABLE CITIES AND COMMUNITIES



Goal 11: Sustainable cities and communities. All our products feature electronic controls, enabling electrification of the customers' machines, which leads to greatly reduced emissions.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Goal 12: Responsible consumption and production. Our headquarters' premises are environmentally certified according to the international BREEAM In-Use.

Our philosophy

In our company philosophy, it is evident that the whole process — from the extraction of raw materials to a finished product fitted in a machine — is a context that involves individuals, workplaces, local communities, nations, and ultimately our entire planet.

One cannot talk about growth without, at the same time, thinking about sustainability in both a biological and social sense.

Sustainability concerns our entire existence. It is a vast and complicated matter, and for an individual or for a company, the task might feel overwhelming. Nevertheless, the decision lies in what each one of us does every day. We can all contribute with what we have the ability to influence.

For Caldaro, this means that we ensure that our production and products comply with international directives, regulations, and certification requirements. We are transparent with our engagement for sustainability and quality, so our customers can trust us.

Our mission is to be part of creating a better driving environment for machine operators. We save operators from bad joysticks and simultaneously make the world a better place.





Our working environment

Since 2010, Caldaro's head office has been on Kungsholmen in Stockholm. We chose the building because it was one of Sweden's few environmentally certified properties. Our property has been assessed by the international certification BREEAM In-Use and rated Very Good.

This certification addresses issues such as personal health, energy use, and waste management and ensures that our entire business starts from a sustainable foundation.

We track all of our waste and recycle everything that can be recycled. The lighting is 100% LED, and we use 100% renewable energy.

Our office heating system has become more energy efficient with new radiators.



Working at Caldaro

Our people are problem solvers, innovators, and always ready to listen to a customer. Our employees tend to stay at Caldaro for many years, which make us very proud. It's generally an inspiring, creative, and fun workplace.

With the best possible working conditions, we create the best possible products, which give us satisfied customers. This is a fundamental principle for Caldaro's business.

By creating a good company culture, being explicit in terms of organisation and leadership, and setting clear goals, we give ourselves the best chance to succeed in a tough industry.

We offer all employees a wellness allowance and time to work out during working hours, something we believe is behind the fact that we have a low staff turnover rate, and very low sickness absence.

We have an even gender distribution and 33 per cent women in leading positions.



When we travel

It's important for us to meet the customer in person and show our products. We want to ensure that our product customisation is correct and meets the customer's needs. Which means we need to travel.

We plan our travel routes carefully to limit car-

bon dioxide emissions. We measure all emissions, and in 2023 we introduced a new environmental goal for CO₂/Turnover.

Here are some examples of what we do.



100% of our cars are plug-in hybrid electric cars.

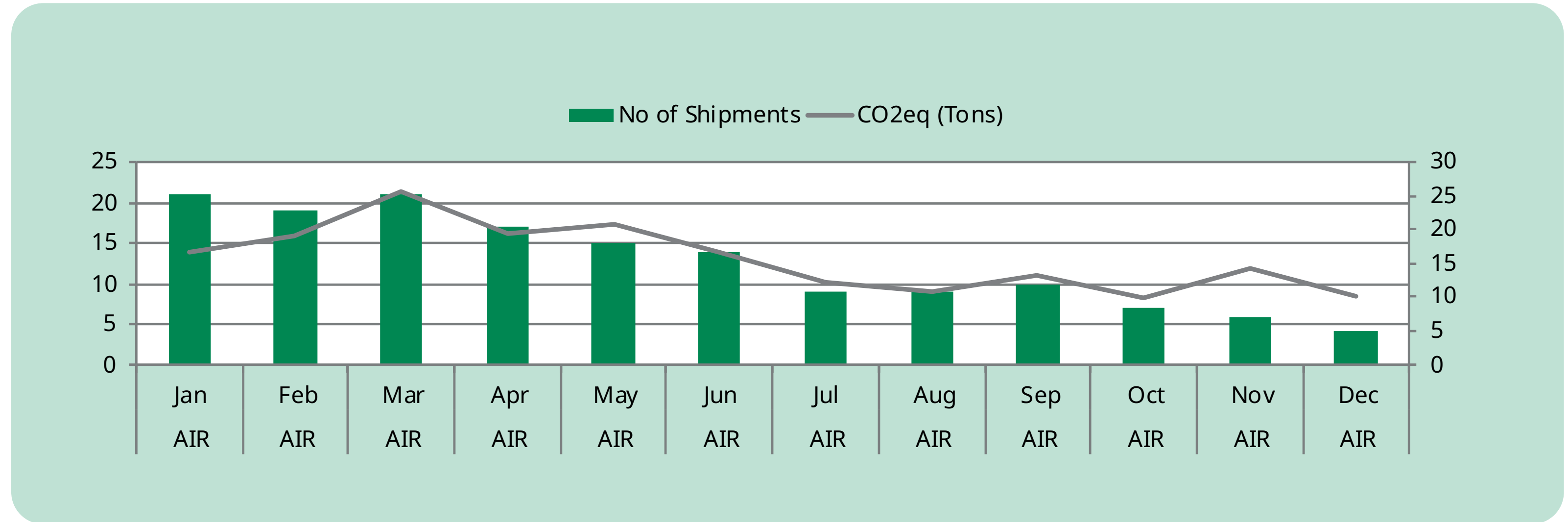


We still need to go by airplane for international travels.



We choose to travel by train when possible.

Air Transports from Asia 2023



Our commitment to reducing our environmental impact is reflected in our 2023 air transport data, which includes all shipments to customers in Asia. As the graph shows, we've successfully decreased the number of shipments, resulting in a significant reduction in CO2 emissions from about 20 tons to 10 tons – a 50% decrease.

Two key decisions drove this improvement:

Optimised Shipping Frequency: For many years, we sent shipments to a customer in Japan every week. In 2023, we decided to switch to bi-weekly shipments. This simple yet effective change cut our shipment frequency in half without compromising service quality.

Direct Delivery from Subcontractors: We previously delivered parts to Sakae in Japan, which were made in Japan but shipped

to Sweden first. Recognising the inefficiency, we decided in 2023 to have the Japanese subcontractor deliver directly to Sakae. This change eliminated unnecessary transport, reducing both time and emissions.

These adjustments highlight the importance of regularly reviewing logistics routines. The results are excellent, with no negative impact on our customers. In fact, customer feedback has been positive, reinforcing that these changes were beneficial.

By continually evaluating and improving our processes, we aim to achieve even greater sustainability milestones in the future. We can't stress enough the importance of such reviews. Reflecting on these changes, we wonder why we didn't implement them earlier.



When we exhibit at expos

Anyone who has been part of exhibiting at an expo is familiar with the enormous waste of materials used. It's prevalent that the furniture, floor and prints are used on just one occasion and then thrown away.

We felt that we couldn't continue doing that, so we changed our expo behaviour in an effort to care more for natural resources.

We bought high-quality furniture that we can use at many exhibitions. When we are not using them at exhibitions, we have them placed in our lobby where every visitor can see our products.

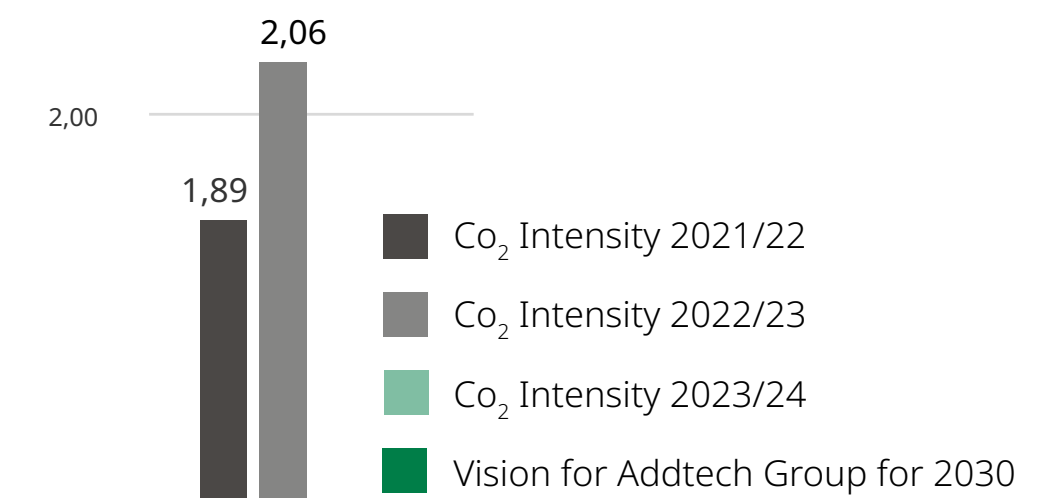
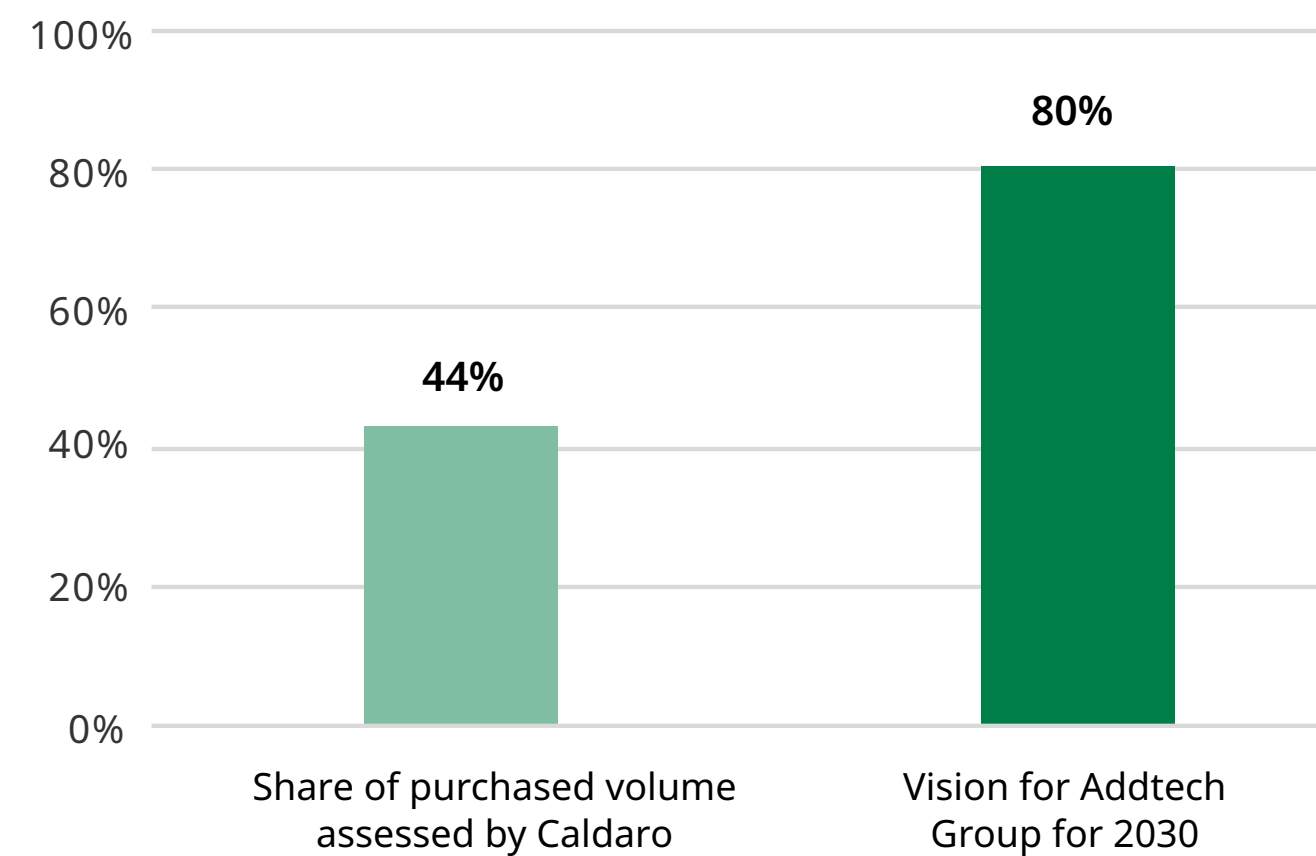
We are using a sustainable oak floor that we will reuse during many exhibitions, and we have a brass plate on it where we add a place and a year for every time we use it.



We are part of Addtech's vision goals for sustainable development

Addtech is a publicly listed Swedish technical solutions group. The business comprises about 140 independent companies that sell high-tech products and solutions to customers, primarily in the manufacturing and infrastructure sectors, in around 20 countries. Caldaro is one of these companies.

Share of Sales Contributing to Sustainable Development



CO₂ Intensity CO₂ tonnes (excl purchased raw material)/Net Sales in MSEK

Our Ecovadis rating

We are proud to be among the top 1 per cent of Ecovadis-rated companies worldwide.

They rate our performance in Environment, Labor & Human Rights, Ethics, and Sustainable procurement. Ecovadis require evidence supporting the reported data making the rating trustworthy.

Looking forward, we encourage all our business partners to sign up for Ecovadis and become active in creating a sustainable chain of value.

PLATINUM

Top 1%

ecovadis

Sustainability Rating

SEP 2024

Our production

We work with two main production sites in Sweden, so it's easy for us to visit them and fully engage in the production process. Short distances mean shorter travel and shorter transport.

Our production partners are socially engaged companies creating meaningful jobs for people with disabilities, which for them is a chance for personal development, and increased quality of life.

Small-scale production in a network of production sites promotes personal relations and flexibility. It allows us to quickly scale up or down the production capacity.



Our production sites in the north of Sweden:
Överkalix, Kalix, Arvidsjaur, and Luleå.

Caldaro's HQ in Stockholm

Our production site in the south of Sweden: Kalmar.

Our products

Durable, ergonomic and innovative

Creating durable products implies being responsible for the use of natural resources. Ergonomic design cares for human operators.

We use innovative technologies, and our products are often part of the ongoing electrification of industrial machines.

They are part of making the working environment cleaner. The end-user is always in focus!

Many of our products have over-moulded electronics to make them better protected!

We test the products in lifetime tests to ensure the best endurance and quality.

100 per cent traceable, tested and stored data. Every product has a unique ID.

All of these products are locally produced in Sweden, with trusted, long-term partners.

Brilliant ideas and designs have been rendered in several IP rights!



Industrial joysticks: Ergonomic, high-precision, heavy duty, premium joysticks.



Sensors: Many types of reliable sensors and the patented pulley sensor.



Industrial pedals: Ergonomic, high-precision, heavy duty premium pedals.



Marine levers: Ergonomic, sophisticated, high-precision levers for demanding boats and ships.

Our certificates and policies



ISO 9001 is a management system standard for quality management.



ISO 14001 is a management system standard for environmental management.



Restriction of Hazardous Substances (RoHS): EU rules.



Registration, Evaluation, Authorisation and Restriction of Chemicals, an EU regulation.



Caldaro Conflict Minerals Policy Statement

Caldaro is committed to the ethical sourcing of minerals used in our products.



Caldaro Code of Conduct

Addtech's Code of Conduct which summarises how we all should act in order to run our business in an ethically, socially and environmentally sound way.



Our Customers

You can find our customers in more than 40 countries all over the world. Our typical customer is a leading OEM within their niche. They have high demands and expectations of quality. Often they want customised products and, many times, exclusively designed products.

We like to create long-term business relationships with our customers. Then we can become creative and work together to customise our products and develop new ideas. Customer satisfaction is high, and we continuously work to increase it further.

Our hopes of influencing the development towards higher sustainability do not end with delivering our products to customers. By cultivating good cooperation with them, we create relationships based on long-term and mutual responsibility.

Customers testify that thanks to our product's functionality and design, they have less downtime and lower sick leave with their operators, which gives companies the tools for good sustainability work.

Every electrified machine, where our electric controls replace hydraulic controls, enables a more efficient machine. An onboard computer will interpret the joystick movement and translate it into a perfect machine operation the first time, resulting in lower emissions.

We are thankful that we have demanding customers who continuously force us to perform better.



Our Recycling

We recycle as much as possible and track all of our waste.

Paper
Cardboard
Metal
Plastics
Chemicals
Electric waste

Zero waste!



Our transformation towards sustainability



2020

The first plug-in hybrid electric car.

2021

Due to the pandemic, we almost didn't travel at all.

2022

Committed to Addtech's vision goals. Rated by Ecovadis. Reusable expo furniture on tour.

2023

Created more sustainability goals. 80% plug-in hybrid electric cars.

2024

65% of purchased volume assessed to our Code of Conduct

LOOKING FORWARD



What can we do better?

- » Ensure that each supplier is assessed based on our Supplier Code of Conduct.
- » Encourage all of our business partners to get an Ecovadis rating.
- » Reduce our climate impact by decreasing our CO₂ turnover.