



2024

SUSTAINABILITY REPORT

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Focused on innovations that create sustainable value

Sustainability is central to the technological advancement and continuous innovation that has defined Concentric for many years, and it will continue to carry our business strongly into the future. Sustainability underscores our commitment to engineering positive impacts and creating real value for our customers and the world. It is central to all that we do. It drives our people to harness the best of their knowledge and expertise to create the most far-reaching, responsible solutions for customers.

True to Concentric's ethos, Technology, Innovation and Sustainability, we work closely and proactively with our customers to help them reduce their emissions and preserve our planet's natural resources. This driving force has never been more relevant than it is today, and we focus on those areas where we can make the biggest impact.

Concentric values its ability to adapt efficiently to current and emerging industry needs.

Moving forward, we remain committed to develop and produce sustainable products and solutions and contribute to the sustainable development of our customers, partners and communities in which we serve.

The majority of Concentric's facilities are ISO14001 (environmental management) certified, and some achieved ISO45001 (health and safety management) status.

The group's environmental programmes are characterised by continuous improvement, technical development and resource efficiency.

Concentric has adopted a social human rights policy based on the UN's Universal Declaration of Human Rights, the UN Global Compact initiative, the International Labour Organisation's (ILO) basic principles on labour law and the OECD guidelines for multinational companies.

This report represents the period January 1st to December 31st, 2024.

Letter from the CEO

Sustainability is a journey, and we remain steadfast in our commitment to integrating it into every aspect of our business. Whether focused on our products, people, or operational practices, sustainability is a fundamental part of our innovation strategy and day-to-day operations.

I am pleased to share an update on our sustainability efforts over the past year, highlighting key initiatives and progress in this vital and ever-evolving area of our business. Since 2022, Concentric has focused on three key areas: Our People, Our Planet, and Innovative Products and Partnerships. This is based on the philosophy of our Board of Directors and Group Management, which is that Concentric's principal contribution to a sustainable world takes place through empowering our people, ethical growth that is kind to the planet, and delivering innovative products whilst cultivating partnerships that enable our customers to reduce their environmental impact. In this report, we share some of these stories with you, with many of these efforts driven by our employees and our cross functional Sustainability Committee, which is shaping our culture of sustainability.

During 2024, Concentric faced a weaker trading environment in its end markets, as well as some significant milestones. Notably, these included:

• **Acquisition of Concentric by A.P. Møller Holding:**

This year marked a significant transition as Concentric delisted from the stock exchange and became part of A.P. Møller Holding, an organization dedicated to investing in businesses with a positive impact on society.

- **Acquisition of G.O. Engineering:** Our recent acquisition of G.O. Engineering, a company specializing in high-quality electronics design and manufacturing, has strengthened our electronics manufacturing capabilities and introduced a state-of-the-art sustainable facility in Bühl, Germany, further advancing our commitment to innovation, sustainability and an expanded footprint for our customers.

Our Vision and Mission

Concentric remains committed to its vision and mission which are our driving forces.

• **Our Vision**

Concentric's vision is to deliver sustainable growth for every application in the markets we serve.

“ Since 2022, Concentric has focused on three key areas: Our People, Our Planet, and Innovative Products and Partnerships.



• Our Mission

Concentric's purpose is to design, develop, manufacture, and sell high quality, customer-focused solutions for hydraulic, engine, and thermal management applications within its global end markets.

Looking ahead

Sustainability is a journey, and we remain steadfast in our commitment to integrating it into every aspect of our business. Whether focused on our products, people, or operational practices, sustainability is a fundamental part of our innovation strategy and day-to-day operations. During 2024, we have expanded into new sectors and achieved strategic wins with our evolving product portfolio. The growing shift of our customers towards electrification continues to present opportunities for Concentric to play a pivotal role in their sustainability roadmaps, whilst continued demand for our mechanical products drives us to innovate more sustainable products and solutions in these markets too. During 2025, Concentric will work with our expanded footprint and our new colleagues in G.O. Engineering, together with our Board and AP Møller Holdings, to support the low carbon transition.

We will strive to achieve greater improvements in sustainable product design to improve our facilities through investment to drive safe, sustainable and efficient workplaces. Additionally, in 2025, we plan to better understand our emissions footprint whilst

“ The growing shift of our customers towards electrification continues to present opportunities for Concentric to play a pivotal role in their sustainability roadmaps, whilst continued demand for our mechanical products drives us to innovate more sustainable products and solutions in these markets.

maintaining focus on circular design to address global challenges including climate change, biodiversity loss, waste and pollution and energy recovery.

As we continue to strengthen our approach, we look forward to collaborating with our stakeholders to drive meaningful impact and move towards a carbon-neutral future.

Thank you for taking this journey with us.

Martin Kunz
President and CEO

Our business

Concentric focuses on its core ethos of Technology, Innovation and Sustainability to be a global leader across all our primary end-markets, providing solutions in which Concentric can add value to our customer's products.

Over the past 100 years, Concentric has engineered high-quality, robust engine products, encompassing lubricant, coolant and mechanical fuel transfer pumps for major OEMs and Tier 1 diesel engine manufacturers. Our growing electric products, include Concentric & EMP branded coolant and oil pumps, and EMP branded mini-hybrid cooling systems, fans and thermal management solutions. Our state-of-the-art hydraulic products, include gear pumps, power packs, Allied branded transmission pumps, internal gear pumps and an ever-growing range of Electro Hydraulic Steering pumps.

The addition of G.O. Engineering's product portfolio and competency in hardware and software design combined with PCBA manufacturing supports our product portfolio.

Our on- and off-highway end-markets, include the construction, agriculture, truck & bus, and industrial application. Our typical customers are the major OEMs in these markets, and regional distributors.

Our strengths

Concentric's strengths include our global presence, from where our 1224 employees support our customers locally. Our well-established brands, boast over 100

years' experience in our strategic markets, where we deliver a wide range of hydraulic gear products, valve, motor, power packs, and thermal management solutions.

Our services

We work in partnership with our customers to design, develop, manufacture and sell, high quality, customer-focused solutions. Our business model is to supply technology and innovation throughout our customers' product life cycle, not just at the evaluation and design phase. As such we work in close partnership with our customers to supply industry leading solutions.

Value added service we offer to our customers, include:

- Automated machining & robotics
- Automated high volume assembly consumer products
- Full cooling & auxiliary systems
- In-house engineering & development
- Patented software & hardware
- Electric cooling components
- Full-service project lifecycle
- Analysis & prototyping
- Software & design integration
- Hardware design
- Design & development testing
- Validation testing

Our values

Social and Human rights

- Fair employment conditions
- No form of child or forced labour
- Freedom of association and the right to organize
- Women's rights
- Rights of minorities, indigenous peoples and communities.

Health and safety

- Health and safety of our employees and suppliers throughout the supply chain.

Business Ethics

- Anti-corruption and Anti-bribery
- Conflict of Interests, competition and anti-trust law
- Product quality, export control and international sanctions
- Accurate books and records
- Whistle blowing and grievance system.

Environment

- Water and waste management
- Energy conservation and hazardous material
- Air and soil quality
- Protection and conservation of biodiversity
- Responsible land use practices and prevention of deforestation
- Animal protection
- Conflict minerals.

Suppliers must adopt adequate internal policies covering their obligations to Concentric's standards. Concentric monitors adherence, including requesting relevant information and documentation from suppliers and conducting audits.

“ In 2024, 100% of Concentric's material suppliers were screened against our environmental and human rights requirements.

Our history

The history of the Concentric began in 1920, with a three-man partnership who founded Concentric Manufacturing Company Limited, on January 4, 1922, in Aston, UK.

Over the next century, Concentric has made great strides in developing state-of-the-art products to major OEMs, as the business acquired Licos Truck Tec in Germany in 2013, Allied Enterprises in the US in 2020, EMP during 2021, and its latest acquisition, G.O. Engineering, in Germany.

2024 marked a significant transition for our business as Concentric delisted from the Swedish Nasdaq stock exchange and became part of A.P. Møller Holding.

2024 Highlights

G.O. Engineering, Buhl, Germany

The acquisition of G.O. Engineering supports several strategic pillars of Concentric's growth strategy. G.O. Engineering brings electronic design, development and manufacturing capabilities to Concentric, strengthening its integrated business model, which is key to accelerate electrification and develop new business for

electric products in both established and new markets. G.O. Engineering's state of the art facility includes many sustainable features and employee-driven initiatives such as heat recovery, groundwater heating/cooling system and charging stations for electric vehicles.



G.O. Engineering's state of the art facility in Buhl, Germany

Global Footprint



North America



North America

Escanaba, Michigan, USA
Manufacturing, R&D, Sales

Greenfield, Indiana, USA
Manufacturing, Sales

Muncie, Indiana, USA
Manufacturing, Sales

Rockford, Illinois, USA
Manufacturing, R&D, Sales

Europe



Europe

Birmingham, UK
Manufacturing, R&D, Sales,
Group functions

Bühl, Germany
Manufacturing, R&D, Sales

Hof, Germany
Manufacturing, R&D, Sales

Landskrona, Sweden
Alfdex, JV with Alfa Laval

Markdorf, Germany
Manufacturing, R&D, Sales

Monza, Italy
Administration office

Redditch, UK
Headquarters

Stockholm, Sweden
Registered office

Strasbourg, France
Sales office

Asia



Asia

Kunshan, China
Alfdex, JV with Alfa Laval

Pune, India
Manufacturing, R&D, Sales

Suzhou, China
Manufacturing, Sales



Global Footprint

Concentric's global manufacturing presence includes factories in Sweden, Germany, UK, North America, India and China, backed by central support and development functions from its headquarters in Redditch, UK. Our far-reaching global footprint enables the group to sell locally to our global customers.

Global perspective, Local presence

We maintain a global perspective with a local presence. In partnership with our stakeholders, this enables shorter lead times, local adaptations, economies of scale, faster innovation and a reduced impact on the planet.

2024 Highlights

Concentric's Global and Local approach

Concentric's Hydraulics division, recently obtained a sizable order for the production of 3,000 hydraulic units, from a UK based construction vehicle and equipment manufacturer. These hydraulic components are generally produced from our Rockford plant in the U.S.

To better support the customer and to minimize the environmental impact of shipping such a large quantity of heavy components, production was moved to our Hof facility, in Germany.

This strategic move lowered the distance traveled for each component from 6,115 kms (3,800 miles) to just 1,448 kms (900 miles). Each product's shipping distance was 4,667 kms (2,900 miles) shorter, saving approximately 14 million kms (8.7 million miles) in travel. The 14 million kilometers in savings were far exceeded by optimizing the source of raw materials locally, thereby supporting our customers to achieve their sustainability efforts and minimizing the environmental impact caused by sea or air freight.

Stakeholders

Concentric has a wide network of stakeholders across its value chain comprising of customers, suppliers, employees, financial institutions, shareholders, the State and communities.

Concentric aims to maintain an open dialogue with all of its stakeholders whilst delivering societal and monetary value through its engagements as shown below.

Stakeholder	Activities	Societal Value
Customers	Sales of engine and hydraulic products	More sustainable products
Suppliers	Procurement of goods and services as well as depreciation, amortisation	Long lasting partnerships
Employees	Wages, social expenses and skills development	Great place to work
Financial Institutions	Interest	Financial stability
The State	Taxes	Taxes paid

A number of mechanisms are currently used by Concentric to engage its stakeholders, all of which help to define which topics should be considered the most material for the business on an ongoing basis:

- Stakeholder assessment
- Customer feedback and surveys
- Customer accreditation programmes
- Customer factory tours
- Industry accreditation programmes

- Supplier days
- Employee surveys & two-way communication meetings
- Investor perception studies
- Customer technology roadshows
- Pulse surveys
- Sustainability committee

Vision

Concentric's vision is to deliver sustainable growth for every application in the markets they serve.

Mission

Concentric's purpose is to design, develop, manufacture and sell high quality, customer-focused solutions for engine and hydraulic applications within its global end-markets.

The following sustainability aspects are regarded as the some of the most material topics for Concentric's stakeholders.

Stakeholder group	How we work	Primary areas	Examples of identified aspects for stakeholders	Link to Concentric's material sustainability aspects
Customers	<ul style="list-style-type: none"> • Customer surveys • Customer accreditation programmes • Technology roadshows 	<ul style="list-style-type: none"> • Overall customer satisfaction • Product quality • On time fulfilment of orders & continuity of supply • Technology & innovation 	<ul style="list-style-type: none"> • Customer service & relationship • PPM & warranty claims record • Delivery (OTIF%) • Product development to support changes in emissions legislation 	<ul style="list-style-type: none"> • Low carbon transition • Sustainable product design • Resource efficiency • Supplier management • Responsible sourcing • Cyber security and Privacy
Suppliers	<ul style="list-style-type: none"> • Regular supplier days & workshops • Factory inspections & on-site supplier audits • Code of conduct for suppliers 	<ul style="list-style-type: none"> • Product quality & warranty claims record • On time fulfilment of orders & continuity of supply • Technology & innovation • Environmental programme • Health & Safety 	<ul style="list-style-type: none"> • PPM & warranty claims record • Delivery (OTIF%) • Product Development • Waste Management • Human Rights • Anti-corruption • Risk Management • Co-operation 	<ul style="list-style-type: none"> • Supplier management • Responsible sourcing • Ethics & value creation • Resource efficiency • Sustainable product design • Cyber security and Privacy
Employees	<ul style="list-style-type: none"> • Annual employee surveys • Personal development discussions • Training & education • Code of conduct 	<ul style="list-style-type: none"> • Recruitment & employer branding • Ethics & values • Skills development • Succession planning • Health & safety • Remuneration 	<ul style="list-style-type: none"> • Company culture • Environmental compliance • Skills development • Equal opportunity • Health & Safety • Reward & benefits 	<ul style="list-style-type: none"> • Employee Health & Safety • Employee Value Proposition • Ethics & value creation • Equality & diversity
Shareholders, analysts & financial institutions	<ul style="list-style-type: none"> • Regular perceptions studies • Investor roadshows & seminars • One-to-one meetings in person/by telephone • Analysts presentation & capital markets days 	<ul style="list-style-type: none"> • Corporate update 	<ul style="list-style-type: none"> • Value drivers • Product development • Debt servicing capabilities • Sustainability • Human rights • Anti-corruption • Risk management • Operating leverage 	<ul style="list-style-type: none"> • Responsible sourcing • Low carbon transition • Employee Health & safety • Ethics & value creation • Supplier Management • Resource efficiency • Cyber security and Privacy
The state & local community	<ul style="list-style-type: none"> • Ongoing dialogue with emissions legislators • Participation in government initiatives, e.g. US SuperTruck • Ongoing dialogues with local community representation 	<ul style="list-style-type: none"> • Product development • Energy efficiency & climate impact • Involvement in the local community • Environmental programme 	<ul style="list-style-type: none"> • Long-term financial strength of employer • Social sustainability • Climate & energy • Environmental compliance • Domestic supply chain • Waste Management • Human Rights 	<ul style="list-style-type: none"> • Responsible sourcing • Low carbon transition • Supplier management • Equality & diversity • Resource efficiency • Ethics & value creation • Human Rights

Sustainability Governance

During the past two years Concentric has strengthened its sustainability governance model, operationalised its Sustainability Committee, commenced reporting of valuable business metrics as well as increased engagement of its employees around sustainability.

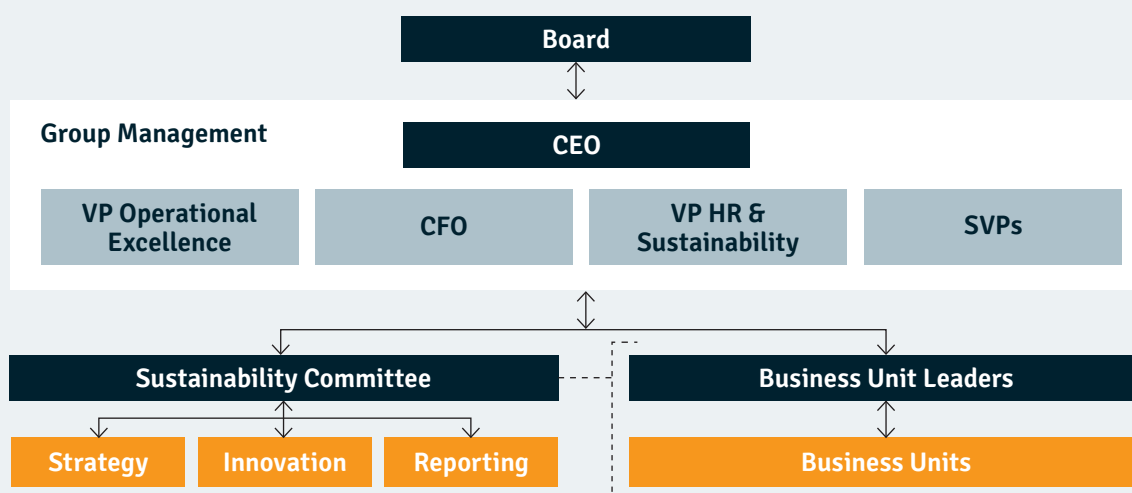
The Board of Directors has ultimate oversight of sustainability, setting policy and direction. The Board have established several principles which underpin all business activities outlined across recently updated policy documents including the revised and updated Code of Conduct, Code of Conduct for Suppliers, Information Policy, Insider Policy, Social Human Rights Policy, Environmental Policy, Anti-Bribery & Corruption Policy, Anti-Harassment, Sexual Harassment and Retaliation Policy, Business Ethics Policy, Work Environment & Health and Safety Policy, and Whistleblowing Policy. These documents are regularly reviewed to ensure that Concentric complies with legislation and market expectations on the topic of sustainability. Based on stakeholder feedback, in 2024 Concentric also decided to strengthen its governance approach in the areas of supplier management and cyber security.

Concentric's CEO and Group Management oversee the sustainability approach. Group Management are responsible for delivery of the sustainability strategy in

line with policies set out by the Board. Group Management define Concentric's approach to sustainability including its strategy and, track progress towards plans and goals. The CEO and SVPs are responsible for strategic implications of sustainability for the business. The CFO is responsible for sustainability reporting. The Vice President of Human Resources & Sustainability is responsible for the sustainability strategy and to ensure intersectional oversight across business functions supported by the Sustainability Committee.

The Sustainability Committee supplements the traditional chain of command to facilitate robust bottom-up and top-down collaboration and dialogues about the company's material ESG topics. Committee members have site responsibilities as well as responsibilities for specific areas of expertise which align to CSRD reporting guidelines. The committee focuses on the business's priority sustainability areas and includes a diverse mix of employees.

Since 2023, the company incorporated an ESG metric into its incentive plans for senior leaders, to motivate and encourage employees to consider sustainability as a core business imperative which is both visible and rewarded.



Sustainability Roadmap

Building on a solid foundation of innovative products, ISO and other internationally recognised accreditations at many sites, and an engaged and diverse global workforce, Concentric commits to continue taking action to ensure the business is set up for ESG success. Acting upon outcomes of the Double Materiality Survey conducted last year, and implementing EU regulatory changes, its focus is on defining and communicating a clear ESG strategy, informed by holistic stakeholder insights and underpinned with the right metrics, targets and a robust approach to managing risks. Investment in technology for innovation and production of quality products is also key.

Following on from last year Concentric continued to strengthen its approach include increasing its impact across the value chain, namely, supporting the climate transition and contributing to the low carbon economy as a point of differentiation, shifting more towards the circular economy through product design and sourcing activities, and elevating supplier management practices further by setting clearer standards around topics

such as human rights and environmental standards. Throughout 2024, Concentric leveraged best practices from the Business Excellence programme to support its sustainability activities and culture.

“ Concentric commits to leveraging its Business Excellence programme to share best practices across sites and foster a culture of innovation and continuous improvement with regard to sustainability.



2024 Progress update against sustainability goals

Material aspects of sustainability	Social contribution	Long-term goal	Operational goal	Results	
				2024	2023
Ethics & value creation	General Long-term financially strong and ethically correct for all our end-markets where we are present as an engine and hydraulic component supplier	Concentric achieves long-term financial growth in an ethical manner that contributes to the improved welfare of society	No. of ethical breaches based on Concentric's values	0	0
			No. of insider trading violations investigated by Finansinspektionen ¹⁾	0	0
			No. of acts of fraudulent behaviour identified	0	1
	UN's sustainable development goals: No.8: Promote sustainable economic growth				
Responsible suppliers	General Ensure the application of labour law, human rights, anti-corruption and environmental responsibility in the supply chains for both on- and off-highway vehicles	Concentric promotes social responsibility in its operations and value chain	Procedure Concentric evaluates and approves all material suppliers from a sustainability perspective, including environmental and human rights criteria	100%	100%
	UN's sustainable development goals: No.8: Promote sustainable economic growth				
Equality & diversity	General A workplace that offers diversity and equal opportunity	Concentric is an equal opportunities organisation that has an even gender distribution amongst its salaried employees and managers	Increase the number of female salaried employees and managers to 33% by 2025	26.5%	26%
			Increase the number of female wage earners to 22% by 2025	18.8%	16%
	UN's sustainable development goals: No.5: Achieve equal opportunity		No. of human rights claims brought against Concentric	0	0

1) Sweden's financial supervisory authority.

People

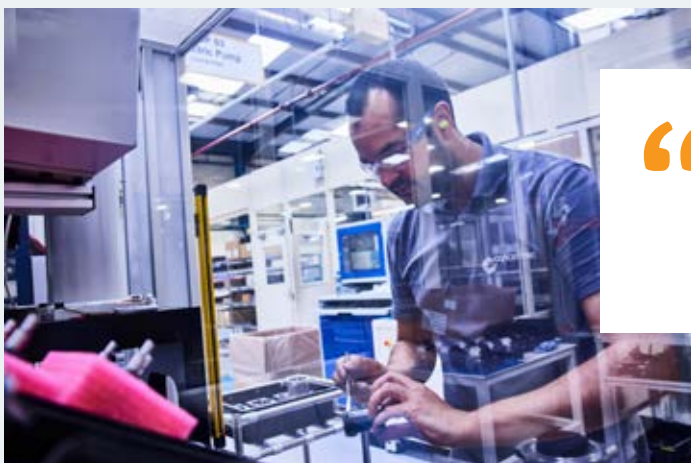
Concentric strongly believes that its people can make a meaningful difference in the world. They are given opportunities to feedback their ideas and suggest improvements to their work, in both structured and informal ways. Concentric's Core Values of Customer focused, Achievement through our people, and Business excellence in all that we do describe the way colleagues work together across all areas of the company's operations to achieve challenging goals.

Concentric commits to improving diversity and inclusion - this includes continuing to increase the number of apprenticeships and internships, collaborating with both local schools and technology colleges as well as strengthening our talent management approach across the group with improved succession planning and mentoring programs.

We offer hybrid working conditions to office staff and the health and wellness of our staff is celebrated across many of our facilities in the form of health check-ups, posture and mental health presentations and yoga classes. Equal pay, and life & health insurance benefits are just some of the key value-add incentives offered to our employees. Employees are rewarded for bringing new, talented employees into the group through our referral scheme. Long service awards are celebrated across many of our global facilities.

Concentric's structured talent & succession planning approach gives employees access to training, development and mentoring. As we navigate a complex business environment, cross-functional project teams are created to use the best talents of the group in a collaborative and developmental way to solve real business challenges.

Concentric sites are encouraged to contribute to CSR activities that are relevant to their local communities and interests. Each year, employees within our company's two EMP Plants based in Escanaba are involved in a schools competition called 'First Robotics'. This programme involves employees mentoring and educating children from the local community who compete in robotic games and is designed to promote and encourage development within the STEM sector. Our employees in Rockford also support the Rockford Robotics initiative. These programs are designed to encourage interest and mentoring in STEM activities and careers.



“ It's not just about the products we sell or the profits we make, it is also about the impact we leave on society.



2024 Highlights

Company wide Health & Safety

In 2024 Concentric continued on its journey to embrace a safer work culture by measuring and analysing leading indicators for safety as well as building on a flexible work scheme with wellbeing initiatives for employees. Each large site has a health and safety committee which is a diverse mix of managers and employees who meet regularly to discuss ideas on how to improve safety. The committee is involved in safety observations as well as communication, consultation and providing input into safety training plans.

Critical to the organisation is the health and safety of Concentric's workforce, with specific sites having received International Standardisation Organisation (ISO) 45001 certifications regarding management systems of occupational health and safety.

Concentric's approach to safety is one of continuous

improvement as we aim to achieve our vision of Zero Harm – providing a workplace free from harm for all employees and all our other stakeholders, too.

Concentric reduced the number of lost time injuries, recordable injuries, total workdays lost due to injury and above all, improved its LTIFR from 8.31 in 2023 to 6.87 in 2024. LTIFR is a measure of the frequency with which the company is having lost time injuries.

$$\text{LTIFR} = (\text{Number of lost time injuries in the reporting period}) \times 1,000,000 / (\text{Total hours worked in the reporting period})$$

Concentric will continue to understand and assess the causes of its most severe and most frequent injuries in order to improve the workplace for its employees and achieve its goal of zero harm.

Rockford, Illinois creates safety task force

Following a number of lost time incidents in 2023 due to hands/ fingers, a cross functional team was selected to help improve hand safety in Rockford. The team works with employees on the shop floor to improve awareness of hand hazards and to share best practices across cells.

The hand safety team meets once per week, cell by cell, throughout the building to look for potential pinch points, hazards and ergonomic concerns.

The program complements other improvements at site to help build an improved safety culture at all levels, including better communication and a more diverse safety committee. The site has vastly improved its safety record in 2024 and for the full year recorded zero lost time injuries involving hands. This initiative will be rolled out across other Concentric sites in 2025.

Hof, Germany supports local youth development

As part of the Concentric Employee Value Proposition, staff undergo valuable, professional and on-the-job mentorship. Some plants are invested in apprentice- & internship opportunities, and on-site training.

In 2024 at our site in Hof, Germany, our employees attended several career days at the Hof university to

connect with future talents, offer insights into our current projects and exciting discussions about future technologies, and career opportunities with Concentric. The enthusiasm and interest of the students was overwhelming and reinforces our commitment to innovation and talent development.

2024 Highlights

Pune, India supports local hospital

Our facility in Pune, India recently expanded its CSR programme supporting Ruby Hall, the largest hospital group in Western Maharashtra.

Ruby Hall Clinic Hospital in Pune provides accessible healthcare by operating 24 peripheral hospital centers across the state of Maharashtra, ensuring that quality medical care is available to residents of Pune and its neighboring regions.

Concentric was thanked for its support with the unveiling of a plaque at the Gastroenterology and GI Endoscopy department. The clinic has previously acknowledged that organizations like Concentric play a critical role in enhancing healthcare accessibility so they can continue to invest in state-of-the-art equipment and offer advanced treatments to patients.

EMP Plant 1, Escanaba wins award

Concentric's EMP business in Escanaba was awarded last year with the prestigious title of 'Veteran Business of the Year' by Upper Peninsula Michigan Works for its dedication to providing veterans with work opportunities. The Award is an important recognition for EMP, which recognizes businesses in the Upper Peninsula who are dedicated to helping veterans reach their professional goals.

EMP has been helping veterans find jobs for years and plans to continue this rewarding activity. Approximately 10% of the site's employees are veterans.

'Whilst the award is greatly appreciated, the true reward is the privilege of working and connecting with veterans every day' says Chad Leiter, Plant Director EMP.

Concentric addressing online security

In recent years, Concentric rolled out its Cyber Security readiness program, assessed using the 'NIST Cybersecurity Framework'. The program consists of the following elements:

- Identify: Understand business context, resources, and risks
- Protect: Implement safeguards to ensure critical infrastructure services
- Detect: Develop activities to identify cybersecurity events
- Respond: Take action regarding a detected cybersecurity incident
- Recover: Maintain plans for resilience and restore capabilities after an incident

- Implementation Tiers: These tiers help organizations understand their current cybersecurity posture and guide them in improving
- Profiles: Customized alignments of the framework core to the business requirements, risk tolerance, and resources of the organization.

During the past year, Concentric has added additional measures on top of these, to further enhance its level of cyber security. Concentric is committed to continue to roll-out additional training and to make further enhancements to its cyber security improvement program in 2025 and beyond.

Planet

At Concentric, environmental activities are integrated in all our operations and are the subject of continuous improvement through the Business Excellence programme. The Business Excellence programme underpins the Group's approach to sustainability across all its activities. Whilst the focus of the company is to develop world class technology and innovative solutions to meet the sustainability needs of its customers, Concentric also pursues improvements with regards to its own environmental footprint.

Concentric's products and processes are designed in such a way that energy, natural resources and raw materials are used efficiently, and that waste and residual products are minimised, in line with Concentric's Environmental Policy. Many of Concentric's sites have been certified in accordance with ISO accreditations and comply with ISO 14001 environmental management systems. Our sites consistently work to improve environmental impact, reduce emissions and to engage employee ideas via continuous improvement activities and suggestion schemes.

Environmental screening is a key component of Concentric's supplier selection and validation process to ensure adherence to human rights, environmental and other standards. Specific environmental criteria have been in place since 2016 to ensure the business procures from ethical and sustainable suppliers. Concentric expect its suppliers to commit to reducing the environmental impact of their own operations through utilising an environmental resource management and adopting environmental management systems such as ISO 14001.

In addition to providing reliable and quality components, Concentric's products offer customers various environmental benefits, including energy efficiency improvements and associated reductions in GHG emissions. Concentric's variable flow water pumps can provide fuel savings of at least 2% on standard drive cycles as well as reductions of up to 15% in carbon monoxide, hydrocarbon, carbon dioxide, diesel particulate and nitrogen oxide emissions.



Concentric commits to leveraging its Business Excellence programme to share best practices across sites and foster a culture of innovation and continuous improvement with regard to sustainability

2024 Highlights

Birmingham, UK

With dedicated employee driven cross functional teams, Concentric Birmingham have been successfully working on several sustainability initiatives across the facility as part of their sustainability commitment and support of environmental legislation.

With rising energy costs one of the site's employee teams working on this specific project became even more critical to support business performance during 2024. The cross functional task force harnessed

employee ideas to accelerate the project, eventually rolling out e-stop vs idle states for machines which significantly reduced energy usage at the plant, increased employee ownership of energy reduction and resulted in 13% reduction in electricity usage.

The site has also initiated supplier returnable packaging which will remove approx. 50,000 single use plastics bags.

Advanced Products, Escanaba, US

With Sustainability being a high priority at our Advanced Products facility in Escanaba, Michigan, US, important projects have been implemented across three key areas, energy efficiency, water usage and land management.

Flourescent lighting has been replaced with energy-efficient LED lights in key areas, these LED upgrades have been extended from the shop floor to office spaces, reducing energy consumption and carbon footprint.

In an effort to reduce water usage across the site, touch-free faucets have been installed, improving hygiene whilst reducing water wastage. Additionally water filling stations have been created to encourage reusable water bottles, reducing plastic waste.

Across the site areas of turf grass have been converted to native grassland, with the potential to save over 70,000 gallons of water and \$2,050 in costs over five years, with the added benefit of improved carbon sequestration with the potential to sequester 51.4 kg CO₂e, and reduce CO₂ emissions by 913 kg over that time.

Circular products and packaging, Escanaba, US

Our Advanced Products site in Escanaba is embracing the circular economy with a variety of initiatives, moving away from soldering as a joining option to mechanical connections on some product lines, increasing reparability so parts can be broken down more easily to allow access for repairs when required and increase the lifetime of our products.

At the same time, the plant is driving a major push to utilise recycled packaging where appropriate, including repurposing waste cardboard into perforated pack-

aging material and using returnable dunnage to reduce the reliance on single-use plastic bubble wrap.

These initiatives are complimented by the plants efforts throughout 2024 to train 110 on site technicians and maintenance staff across 12 locations to improve troubleshooting and diagnosis of potential faults on equipment. Reducing the need for unnecessary replacement products, swaps and returns, and supporting the customer to have as little downtime as possible when problems arise.

Innovative Products and Partnerships

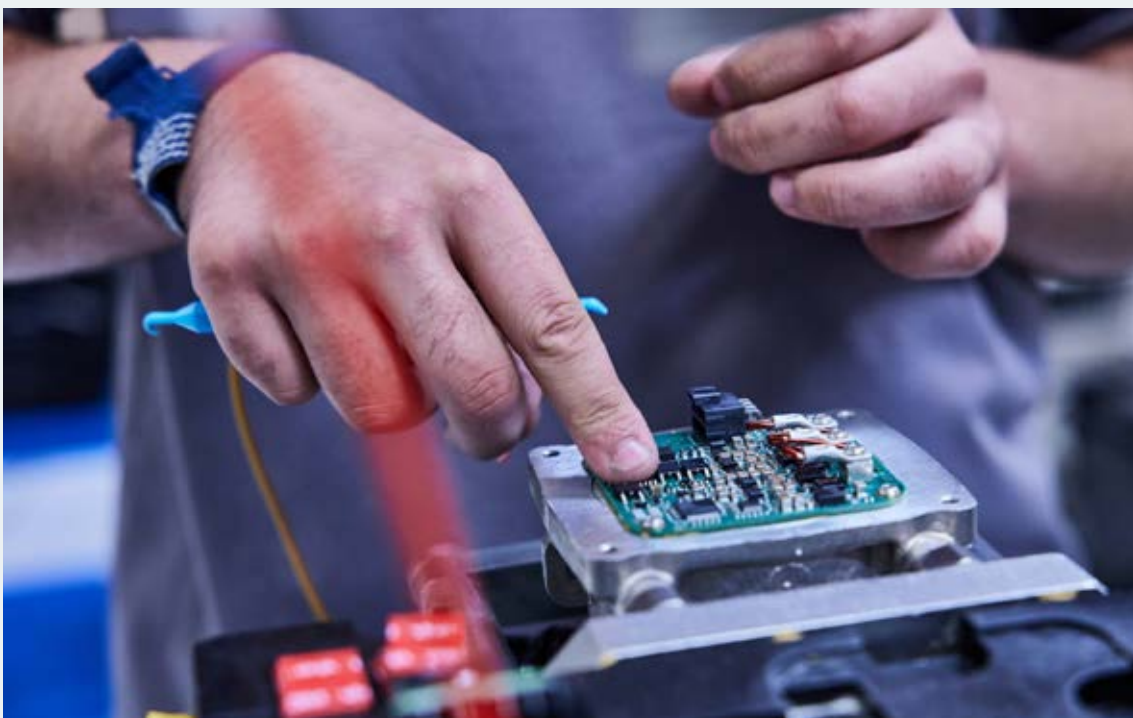
In 2024, Concentric identified opportunities to strengthen its approach by shifting more towards the circular economy through product design and sourcing activities, and elevating supplier management practices further by setting clearer standards around topics such as human rights and environmental standards.

Product engineering is not just about producing cutting-edge technology, it is about the critical responsibility that we, as engineers and manufacturers, bear towards the environment. Sustainable product engineering has become imperative. It is the responsibility of our engineers to design sustainable products, to meet the performance standards of the UN's 2030 Sustainable Development Goals (SDGs). From the sourcing of materials and components, to assembling of products, delivery, their use, its energy consumption, environmental footprint, and end-of-life, must be considered.

Our suppliers are a vital part of our wider value chain and are therefore a key component of our commitment to quality and ways of working. Concentric recently

updated its Supplier Code of Conduct, with increased sustainability expectation and accountabilities, which all suppliers throughout our supply chain must comply with. Our Supplier Code of Conduct is the foundation of the work we do in the interaction with our partners. It defines our Values in Action – what we stand for and how we conduct ourselves with our customers, suppliers, and one another. While we conduct business within the framework of applicable laws and regulations, we also recognize we must set clear expectations, beyond the law, for ourselves and our business partners.

Concentric plans to continue to improve its supplier management practices through the following activities: Localisation and optimisation strategies to ensure that products are sourced and created as close to the market as possible to reduce cost and environmental impact; Continue to embed stronger supplier management processes and expectations; and by leveraging its Business Excellence programme to share best practices across sites with regard to supplier management and governance.



2024 Highlights

Concentric and the circular economy

With a focus on electrification, manufacturing of electric water and oil pumps, high-voltage fans and thermal management systems for reduced carbon emissions and energy efficiency Concentric AB helps to support the decarbonisation journeys of our customers. Additionally the production of our high-voltage fans and cooling pumps eliminate the need for inefficient and expensive DC-DC convertors on a fuel cell or battery-electric application and EMP has identified and tested a new fan blade technology that reduces noise and improves energy efficiency.

Concentric's EMP brand is a leading producer of Mini-Hybrid® electric fan thermal management systems. The features and benefits of these systems are what made the EMP 12V Mini-Hybrid® system the obvious choice for a major Agriculture equipment OEM application. The bespoke 8-fan system is one of the largest EMP-branded fan systems ever made, standing at 56 inches tall (1.4m), and over 400 lbs, with no heat exchangers.

Most hydraulic or clutch-based mechanical fans in similar applications consume 30+ mechanical horsepower from the engine. Even factoring in a 70% alternator efficiency, the EMP fan system consumes less than 7 mechanical horsepower from the engine.

This translates directly to fuel savings and more power to the wheels by reducing parasitic engine load from the cooling fan. Furthermore, the EMP variable-speed reversible fans solve the problem in the field where heat exchangers would frequently get plugged with hay chaff, requiring manual cleanout and downtime. The variable-speed fans prevent clogging by only running as hard as needed for engine cooling. The fan reverse feature is effective at backflushing hay chaff out of the radiators for self-cleaning, at the click of a button.

EMP, Escanaba, Michigan, US

Concentric's EMP brand recently received a prestigious Gold Supplier Performance Award. A large OEM Customer recently conducted a comprehensive Production Readiness Review (PRR), and upon its findings, awarded EMP the prestigious Supplier Performance Award of gold for the 6th consecutive year. This accolade recognizes EMP's exceptional performance in delivery, qual-

ity, and cost efficiency, alongside their outstanding support in engineering, service, and the aftermarket. It also recognises the company's collaboration with our suppliers, enabling Concentric to keep its promise to achieving delivery promise and reaching or exceeding expectations for OEM customers.

Hof, Germany

After receiving the news of a potential supplier bankruptcy last year, Concentric created a truly cross functional team to secure business continuity of its products for customers with an alternate sourcing strategy introduced and the matter resolved without downtime. Some products were sourced from an alternative sup-

plier in China, some parts were built internally at our facility in Hof. Moving forward, to ensure supplier financial security, additional controls have now been put in place with suppliers before any new award is granted.

Sustainability reporting – GRI

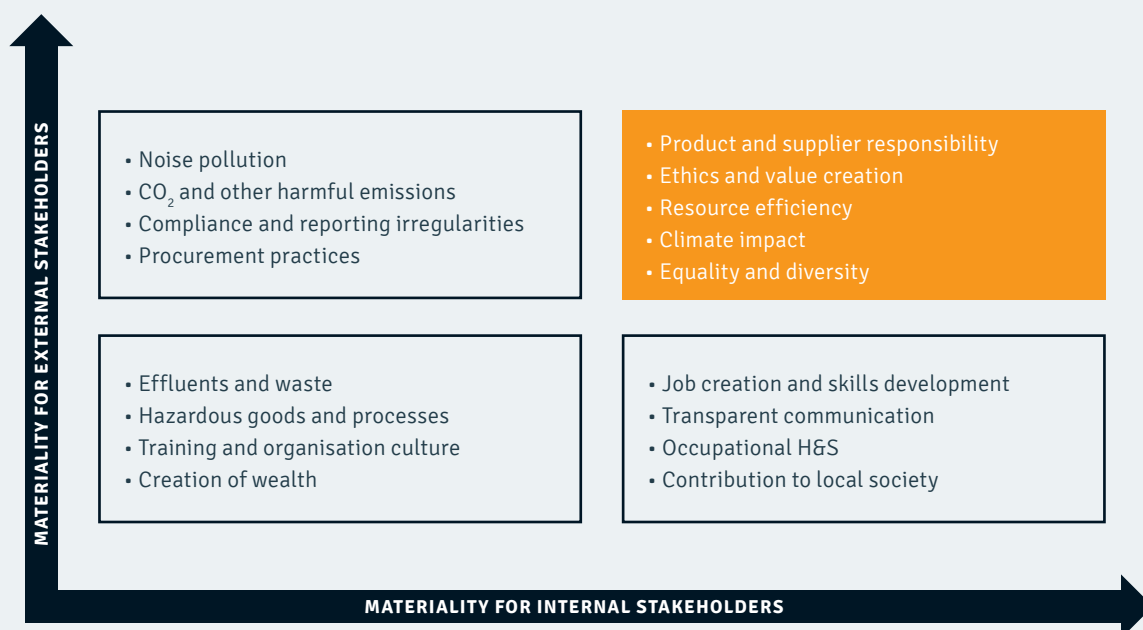
Concentric describes its work with sustainability, and reports on fulfilment of financial, environment and social goals and indicators, in the Sustainability Report. This report has been produced with reference to the GRI Standards. The aim is to measure, report and take responsibility for what we have achieved in our work toward sustainability with respect to both our internal and our external stakeholders.

Scope of the report

The Sustainability Report refers to the 2024 financial year and encompasses the operations of the entire Group, including subsidiaries. Concentric's ambition is to provide a comprehensive account of its sustainability work and clearly present both negative and positive developments. The sustainability work draws on the policies and guidelines governing the manner in which the business is conducted based on the commitments made, for example, to the Global Compact. The materiality assessment performed in 2023 helped Concentric to determine the issues that are the most important to the business and its stakeholders and which should therefore be prioritised in its Sustainability Report. The 2024 GRI Index page references can be found on pages 26–28 of this report.

Materiality analysis

Materiality analysis is a method used to identify the topics which should be considered as priority areas of focus for an organisation. The materiality analysis involved capturing numerous stakeholder insights from within and outside of the organisation. This included in-depth interviews with key staff members, survey responses from identified stakeholders, internal investigations and standards, de facto-standards and legislative requirement in the area of sustainability. The information was evaluated based upon the opportunities and risks of different aspects related to Concentric's operations - for long-term value creation both within the Group and the wider society. The results of this evaluation identified a number of themes which have helped inform Concentric's approach to sustainability thus far and what should be reported on.



Concentric's management approach to sustainability

Material aspects of sustainability	Key risks and why material	Governance	Follow-up through GRI indicator aspects for stakeholders
Ethics and Value Creation (DMA Economic Performance & Procurement Practices)	<ul style="list-style-type: none"> • Reputational loss • Legal cost of breaches • Reduced shareholder value <p>Concentric's long-term profitability is fundamental to value creation.</p>	<ul style="list-style-type: none"> • Ethical guidelines • Code of Conduct • Reporting of violations based upon Concentric's values and policies • Whistle-blowing policy • Financial targets • Monthly business reviews • Risk management process 	204-1 Proportion of spending on local suppliers
Product Responsibility, Climate Impact (DMA Product and Service Labelling and Emissions) and Resource Efficiency (DMA Materials and Energy)	<ul style="list-style-type: none"> • Long-term viability of organisation • Impact on society • Legal cost of breaches • Reduced shareholder value <p>Concentric develops innovative engine and hydraulic pumps which increase efficiency and reduce emissions, thereby reducing the impact on the climate of Trucks and Off-highway mobile equipment is strategically important to the business.</p>	<ul style="list-style-type: none"> • Environmental policy • ISO/TS 16949 Quality Control Systems • Customer surveys • Product design tollgate process • FMEA • Durability and performance testing • Emissions legislation testing both for On- and Off-highway vehicles • ISO 14001 Environmental Management System • Continuous improvement and Lean manufacturing methodologies driven by the Business Excellence programme 	301-2 Recycled input materials used 302-3 Energy intensity
Responsible Suppliers (DMA Supplier Environmental and Human Rights Assessment)	<ul style="list-style-type: none"> • Reputational loss • Impact on society • Continuity of supply <p>It is strategically important that the large quantities of materials purchased for Concentric's pumps are manufactured under responsible conditions.</p>	<ul style="list-style-type: none"> • Social policy • Code of Conduct for suppliers ISO/TS 16949 Quality Control Systems • ISO 14001 Environmental Management System • Supplier selection and assessment procedures • Supplier days/visits and on-site audits 	308-1 New suppliers that were screened using environmental criteria 414-1 New suppliers that were screened using environmental criteria
Work Environment (DMA Occupational Health and Safety)	<ul style="list-style-type: none"> • Safety of employees • Legal cost of breaches • Reduced shareholder value from lower productivity <p>The work environment within Concentric's manufacturing operations is exposed to many different risks for accidents and other work-related injuries.</p>	<ul style="list-style-type: none"> • Accident and injury statistics • Clock card records • Skills matrices • Training and development plans • Preventative healthcare and Employee Wellness programmes • 6S methodology • OHSAS 18001 • Internal and external audits 	403-9 Work related injuries
Diversity and Equal Opportunity (DMA Diversity and Equal Opportunity)	<ul style="list-style-type: none"> • Reputational loss (employer brand) • Lack of innovation • Unfair treatment of employees <p>Legal costs from breaches in human rights.</p> <p>We believe that a long-term employment policy should offer a workplace that is both characterised by, and protects equality and diversity.</p>	<ul style="list-style-type: none"> • Code of Conduct • Employee handbook • Recruitment procedures • Equality targets • Nomination committee 	2-7 Employees 405-1 Diversity of governance bodies and employees

Facts and key performance indicators for sustainability

GRI reference	Stakeholder	Key performance indicator	2024			2023		
Ethics & value creation			Engines	Hydraulics	Group	Engines	Hydraulics	Group
Procurement practices, 204-1	Suppliers	Proportion of expenditure with local suppliers ¹⁾	33%	83%	47%	33%	83%	47%

Responsible suppliers

New suppliers that were screened using environmental criteria, 308-1	Suppliers	Percentage of new suppliers that were screened using environmental criteria	100%	100%	100%	100%	100%	100%
New suppliers that were screened using social criteria, 414-1	Suppliers	Percentage of new suppliers that were screened using human rights criteria	100%	100%	100%	100%	100%	100%

Work environment			Women	Men	Total	Women	Men	Total
Work-related injuries, 403-9	Employees	Work-related injuries that caused at least one day of absence expressed as the number of incidents relative to the total days worked for all employees			14/ 183,729 days			45/ 197,604 days
Lost days, 403-9	Employees	Total number of absence days due to work-related injuries as a percentage of the total days worked for all employees			0.06%			0.18%
Absenteeism, 403-9	Employees	Total number of all absence days as a percentage of total days worked for all employees	1.0%	3.7%	4.7%	1.2%	3.7%	4.8%
Work-related fatalities, 403-9	Employees	Total number	0	0	0	0	0	0

1) Definition of local supplier based upon ability to deliver from the supplier's manufacturing premises to Concentric's facility using road transportation only.

Facts and key performance indicators for sustainability

GRI reference	Stakeholder	Key performance indicator	2024			2023		
Diversity & equal opportunity			Women	Men	Total	Women	Men	Total
Age and gender distribution, 2-7 and 405-1	Colleagues ¹⁾	>= age 25	8	60	68	11	75	86
		age 26–35	36	184	220	36	190	226
		age 36–45	41	193	234	52	210	262
		age 46–55	83	203	286	62	202	264
		>= age 56	69	206	275	58	223	281
		Total number	237	846	1,083	219	900	1,119
	Managers	>= age 25	—	1	1	—	7	7
		age 26–35	1	11	12	—	7	7
		age 36–45	2	17	19	3	13	16
		age 46–55	6	23	29	3	23	26
		>= age 56	4	9	13	2	9	11
		Total number	13	61	74	8	52	60
	Executives	age 36–45	1	2	3	1	2	3
		age 46–55	—	2	2	—	2	2
		>= age 56	—	1	1	—	3	3
		Total number	1	5	6	1	7	8
	Board of Directors	age 46–55	2	2	4	2	2	4
		>= age 56	1	2	3	1	2	3
		Total number	3	4	7	3	4	7

1) Age and gender distribution excludes any part-time/temporary workers employed through agencies.

GRI reference	Stakeholder	Key performance indicator			
2024 headcount by contract type			Men	Women	Total
Total workforce by employment type, contract and gender, 2-7 ²⁾	Temp/perm	Permanent	912	251	1,163
		Temporary	42	19	61
		Total	954	270	1,224
			Permanent	Temporary	Total
	Region	China	16	—	16
		Germany	284	7	291
		India	148	44	192
		Sweden	3	—	3
		UK	152	2	154
USA		557	8	565	
Other		3	—	3	
Total		1,163	61	1,224	
			Men	Women	Total
Employment type	Full time	938	247	1,185	
	Part time	16	23	39	
	Total	954	270	1,224	

2) Calculated as actual head count at year end.

GRI reference	Stakeholder	Key performance indicator	2024	2023
Product responsibility, climate impacts and resource efficiency				
Recycled input materials used, 301-2	Society	Percentage of recycled material by weight used within grey iron and aluminium	50%	46%
Energy intensity, 302-3	Society	Group consumption of gas and electricity	10.93 kWh/kSEK Sales	9.88 kWh/kSEK Sales

Concentric use diesel in generators as a backup power solution but the actual diesel usage in the year was negligible.

2024 GRI Index

Concentric has reported the information cited in this GRI Content Index for the period 1st January 2024 to 31st December 2024 with reference to the GRI Standards.

The intention is for the GRI Index to be used as a cross-reference list to find where in the annual report the information is located. In some cases supplementary

or complete answers to a question are provided in the comment field of the index table. The information in the Sustainability Report has not been reviewed by a third party. Other calculations of indicators and key performance indicators have not been reviewed by an external party.

GRI-referenced

GRI code	Description/indicator	Reference	Page	Comments/omission	External assurance
Organisational profile					
2-1	Name of the organisation	CEO Letter	4-5		
2-1	Location of organisation's headquarters	Global Footprint	8-9		
2-1	Countries where the organisation operates	Global Footprint	8-9		
2-1	Nature of ownership and legal form	Our Business	6-7		
2-6	Primary brands, products, and/or services	Our Business	6-7		
2-6	Markets served	Our Business	6-7		
2-6	Scale of the reporting organisation	Our Business	6-7		
2-6	Organisation's supply chain	Innovative Products and Partnerships	20-21		
2-6	Significant changes during the reporting period regarding size, structure, ownership or supply chain	CEO Letter	4-5		
2-7	Total workforce by employment type, employment contract and gender	Concentric employees by country (FTEs) Facts and key performance indicators for sustainability	25		
3-3	Description of how the Company addresses the precautionary principle	Sustainability Report	6-21		

GRI code	Description/indicator	Reference	Page	Comments/omission	External assurance
Strategy and analysis					
2-22	Statement from the CEO	CEO Letter	4-5		
Ethics & integrity					
2-23	Policy commitments	Values People	6 15-17		
Governance					
2-9	Corporate Governance	Sustainability Report	6-14		
Stakeholder engagement					
2-29	Identifying and selecting stakeholders	Stakeholders	10-11		
2-30	Percentage of employees covered by collective bargaining agreements	41% of employees in the group are covered by collective agreements			
2-29	Approaches to stakeholder engagement	Stakeholders	10-11		
Identified material aspects and boundaries					
2-2	Operational structure, units, business areas, subsidiaries and joint ventures	Sustainability Report	6-14		
3-1	Process to determine material topics	Sustainability Report Scope of the GRI report		A high level description of how material topics have been determined is included in the Sustainability Report.	
3-2	List of material topics	Concentric's group-wide aspects and targets in sustainability			
3-3	Disclosure on management approach	Concentric's management approach to sustainability		As for 3-1, a high level description of how material topics have been determined, as well as reference to indicators and progress towards targets, is included in the Sustainability Report. The upcoming double materiality assessment will inform Concentric's ESG strategy going forwards and enable Concentric to better define, and report on, indicators, targets and lessons learned.	

GRI code	Description/indicator	Reference	Page	Comments/omissions	External assurance
Report profile					
2-3	Reporting period, frequency and contact point	Scope of the GRI Report			
2-5	Policy and current practice for external assurance	2024 GRI index			
Economic performance indicators					
204-1	Procurement practices	Facts and key performance indicators for sustainability	24		
Society					
205-1	Number and percentage of operations assessed for risks related to corruption	100% of the group's operations were assessed and no significant risks related to corruption were identified			
206-1	Number of pending/completed legal actions brought for anti-competitive behaviour, anti-trust and/or monopoly practices	None			
Environmental performance indicators					
301-2	Recycled input materials used	Facts and key performance indicators for sustainability	25		
302-1	Energy consumption within organisation	Facts and key performance indicators for sustainability	25		
308-1	Percentage of new suppliers that were screened using environmental criteria	Facts and key performance indicators for sustainability	24		
Employment conditions and work conditions					
403-9	Rates of injuries, lost days, absenteeism, and number of work related fatalities	Facts and key performance indicators for sustainability	24	We do not report by gender as the information is not available	
405-1	Composition of governance bodies and breakdown of other employee types according to gender and age group	Facts and key performance indicators for sustainability	25		
Supplier human rights					
414-1	Percentage of new suppliers that were screened using human rights criteria	Facts and key performance indicators for sustainability	24		
Product responsibility					
416-2	Number of incidence of non-compliance with regulations concerning the health and safety impacts of products provided to customers during their life cycle	None			

Global Compact

Although Concentric has not signed the UN's Global Compact, the social and environmental policies adopted by Concentric are based upon the founding ten principles,

thereby clearly demonstrating the group's position on issues related to human rights, labour law, accountability for the environment and anti-corruption.

Ten principles of the UN's Global Compact

Human rights	Reference	Page
1. Support and respect the protection of internationally proclaimed human rights in the spheres the Company can influence	Sustainability Report	6-14
2. Make sure that the Company is not complicit in human rights abuses	Sustainability Report	6-14
Labour law		
3. Uphold freedom of association and the effective recognition of the right to collective bargaining	Sustainability Report	6-17
4. Elimination of all forms of forced and compulsory labour	Sustainability Report	6-17
5. Effective abolition of child labour	Sustainability Report	6-17
6. Elimination of discrimination in respect of employment and occupation	Sustainability Report	6-17
Environment		
7. Support a precautionary approach to environmental challenges	Sustainability Report	18-21
8. Undertake initiatives to promote greater environmental responsibility	Sustainability Report	18-21
9. Encourage the development and diffusion of environmentally friendly technologies	Sustainability Report	18-21
Anti-corruption		
10. Work against corruption in all its forms, including extortion and bribery	Sustainability Report	6-14

