

Sustainability Policy

1 Background and purpose

Senzime's guiding principle is to contribute to sustainable development actively and responsibly by conducting business in a way that upholds Senzime values, shows respect for people, society, and the environment/natural resources.

By making decisions that are fair, while balancing claims from different stakeholders, Senzime shall contribute to sustainable development and assume its responsibility for common economic, social, and environmental aspects. Senzime stakeholders in responsible business positions include customers, owners, employees, partners, suppliers, the environment, and society (including civil society and the public sector) as well as other stakeholders involved in the business.

Sustainability work should have a clear connection to the business and value-creating processes within Senzime. This policy outlines the principles for the company's environmental work and ensures they are communicated to all employees and relevant stakeholders (customers, investors, authorities).

2 Guidelines

2.1 Key principles

Senzime has defined the following key principles, based on the ISO 26000:2010 social responsibility standard and the UN Global Compact initiative (<https://www.unglobalcompact.org>), in the field of sustainability:

- Responsibility
- Transparency
- Business ethics
- Respect for stakeholders
- Respect for the rule of law
- Respect for international standards of conduct
- Respect for human rights

The most relevant UN sustainable development goals (SDGs) for Senzime are:

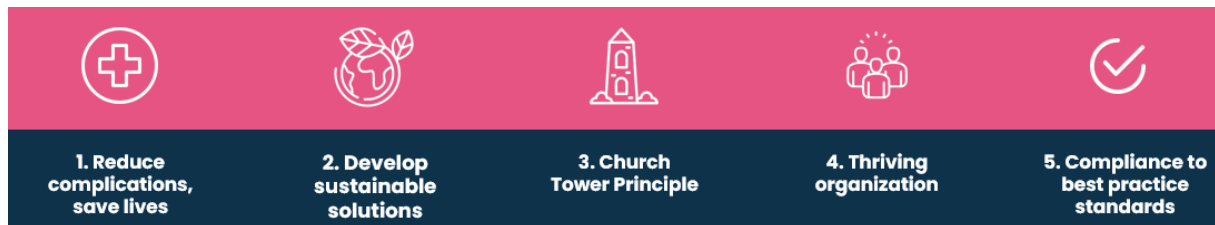


2.2 Sustainability strategy

The strategic direction of Senzime's sustainability work shall be determined by the Board of Directors based on the management's strategic planning and business planning processes. Management prepares policies for sustainability, codes of conduct including ethics policy, sustainability reporting and other documentation and plans and implements follow-ups of sustainability work. The strategy shall be based on materiality analyses, current situation analyses, stakeholder maps and stakeholder dialogues. The sustainability report shall be made annually, in connection with the annual report.

2.2.1 Material topics

The sustainability strategy is focused on the following five pillars to target the most material topics as defined by the double materiality assessment:



2.2.2 Working method and Climate adaptation plan

Sustainability objectives are developed to focus on the most critical targets. Those are defined in SPEC0450 Sustainability Objectives and Plan [REF 3] and are followed up and updated annually.

Senzime works with continuous improvement which means that we build sustainable solutions and methods to work more and more sustainable. As an example, the product development process includes sustainability requirements for each product being developed. Another example is that the supplier evaluation process includes evaluation of sustainability requirements for the supplier and for the component. This continuous work is described in SOP0035 Sustainability Procedure.

Climate adaptation planning and environmental improvements are included in the overall sustainability work.

3 Responsibilities

Senzime's managers are responsible for ensuring that all employees within Senzime are familiar with the Sustainability Policy, but it is the individual's responsibility to comply with it. All employees have a duty to work together to create and maintain a sustainable business environment. Head of QA/RA is responsible for keeping this document up to date.

3.1 Financial responsibility

For Senzime, it is a fundamental principle to conduct responsible business with a healthy and balanced economy. Senzime avoids financial decisions that pose risks to the long-term survival of Senzime.

Senzime values honesty, transparency, and high ethics in all business relationships. Employees keep promises and see both customers and suppliers as important partners to be treated with respect. Senzime actively opposes all forms of bribery and corruption that can affect business relations.

In the market, Senzime operates for healthy, honest, and open competition and observes good marketing practices. Senzime's information to the market should always be clear, transparent, and never deliberately misleading.

3.2 Environmental liability and policy

Senzime shall proactively seek to reduce environmental and health risks from its operations and the products and services it provides.

Everyone within Senzime takes joint responsibility for the environment and environmental work is an important part of our business. Operations shall be in accordance with laws and other compliance obligations and Senzime shall in a risk-based approach continually work to improve the Environmental management system (EMS) through:

- Recycling
- Inclusion of environmental aspects and life cycle approach in product development
- Consideration of transport for products and persons
- Prevent and mitigate pollution (by sorting waste)
- Monitoring and improvement of current manufacturing and transport systems
- Clear and regular information internally and externally about the EMS to move further with our sustainability thinking.

The above actions contribute to protecting the environment and (prevent Senzime's negative impact) through reduced greenhouse gas emissions and the prevention of pollution.

The actions taken to protect the environment shall be pursued by using the best and most sustainable friendly technology available that is financially justified.

3.3 Social responsibility

Senzime should be a good social actor. Senzime shall respect human rights, distance itself from corruption and bribery, and from money laundering. Senzime shall also strive to create good health and well-being regardless of whether it is for its employees, customers, owners, or other stakeholders. Senzime shall be active in social issues and promote social belonging for children and youth to contribute to a healthier and safer society. Senzime shall not make direct or indirect contributions to political parties or political organizations. Summarized in Code of conduct and Ethics.

3.4 Legislative responsibility

Senzime shall comply with applicable laws and international conventions in the markets in which it operates. Senzime shall comply with environmental legislation, agreements, safety requirements and other binding requirements and regulations.

3.5 Supplier responsibility

Senzime will influence suppliers to promote sustainable development. Common sustainability goals shall be formulated with suppliers. The supplier shall formulate environmental requirements that shall apply to its own activities as well as to the procurement of goods and services. Suppliers shall commit to Senzime's Partner Code of Conduct.

3.6 Employer responsibility

Within the framework of employer responsibility, Senzime shall ensure a good organizational and social working environment and a safe and secure workplace. In addition, processes should be created where employees' ideas and initiative are stimulated. Senzime shall work towards a good work-life balance for Senzime's employees. Clear and well-communicated guidelines and policies on gender equality and diversity shall be in place. Senzime shall support and encourage employee community engagement. The focus shall be placed on the promotion of the health and well-being of employees. Senzime shall allocate resources for employees' further development and competence building.

3.7 Customer and Quality responsibility

The customer relationship and customer needs should always be our priority. A high degree of transparency, dialogue and clarity should characterize Senzime's relationships with customers. Complaint handling and customer support should be efficient, thorough, and handled with care. Continuous improvement of quality work is a focus area that should be prioritized.

3.8 Follow-up and reporting

Senzime's management personnel shall review the work based on the policy annually in connection with the annual report and through internal control. The work includes developing a systematic approach to follow-up. Management and the Board of Directors shall report annually on responsible business in a separate report for external use and/or in Senzime's annual report.

Follow up on this and related policies is described in SOP0035 Sustainability Procedure.

3.9 Contact

An employee who has questions or concerns about this policy should primarily contact Head of QA/RA/S, their immediate manager or CEO. Whistleblowing is made available for any parties by e-mailing to: hotline@senzime.com.