



Sustainability Report 2023



About this report

- This report covers SWIDA Innovative s.r.o.'s operations including activities occurring at all of our facilities, owned and leased, over which we have operational control unless otherwise noted.
- The scope of health and safety reporting includes facilities and operations over which SWIDA Innovative s.r.o. has management control and offices.
- Also acknowledged in this report are SWIDA Innovative s.r.o.'s sustainability activities and performances for the calendar year.
- Throughout the report, some historic data and information have been included to provide context and to illustrate performance trends. The Global Reporting Initiative (GRI) Index at the end of this report makes reference to the GRI Core standards fulfilled by SWIDA Innovative s.r.o.
- SWIDA Innovative s.r.o. calculates greenhouse gas emissions (scope 1), indirect greenhouse gas emissions (scope 2), energy consumption and production, waste generation and water consumption from our company-owned sites and other indirect gas emissions (scope 3).

Dear readers,

When we look back on the year 2023, sustainability might not be the first thought that comes to our minds. Despite this, I am convinced that the past year has made the importance of creating and incorporating a culture of even clearer.

A recent crisis (pandemic) requires politics, the economy and society, to rethink the structures they live by, to adapt them and ultimately to make them so agile that future crisis situations can be better responded to or even be avoided. And that is precisely what sustainable action is in its truest sense: the responsible, forward-looking use of our resources and know how. In economics, this aspect is often called resilience.

For us at SWIDA Innovative s.r.o., resilience is an important part of creating economic sustainability for employees, customers and business partners. In 2023, this approach has proven successful in many ways: With a solid IT infrastructure enabling global web-based interactions and solid contingency management we were able to provide safe workplaces and remote working options while at all times maintaining our customer promise and safeguarding the wellbeing of our workforce. Agile processes and well-established networks have given us the flexibility to deliver goods whenever and wherever needed.

In line with our renewable energy strategy, we continuously reduce our CO2 footprint in our offices while exploring the use of alternative energies together with manufacturer s, suppliers and customers. Expanding our sustainable solutions offering in all areas of our service offering is part of our ambitious target of carbon neutrality for our suppliers and customers by 2050.

When it comes to social sustainability, it is our primary goal to create a sustainable and resilient organization for the future. With our Diversity and Inclusion policy, set into we underline the organization's commitment to build a culture where everyone feels they belong and has equitable opportunities. SWIDA Innovative s.r.o. is fully committed to the UN Global Compact and the UN Sustain-able Development Goals underlining the ten principles of Human Rights, Labour, Environment and Anti-Corruption. This Sustainability Report (Communication on Progress, COP) outlines the integration of our actions in our business strategy, operations and behaviors. This information is publicly available.

Sustainability is the foundation to everything we do as an organization. During the year 2023, for all its challenges, we were able to prove that. We take comfort in the achievements made and look to create more value for all our stake holders.

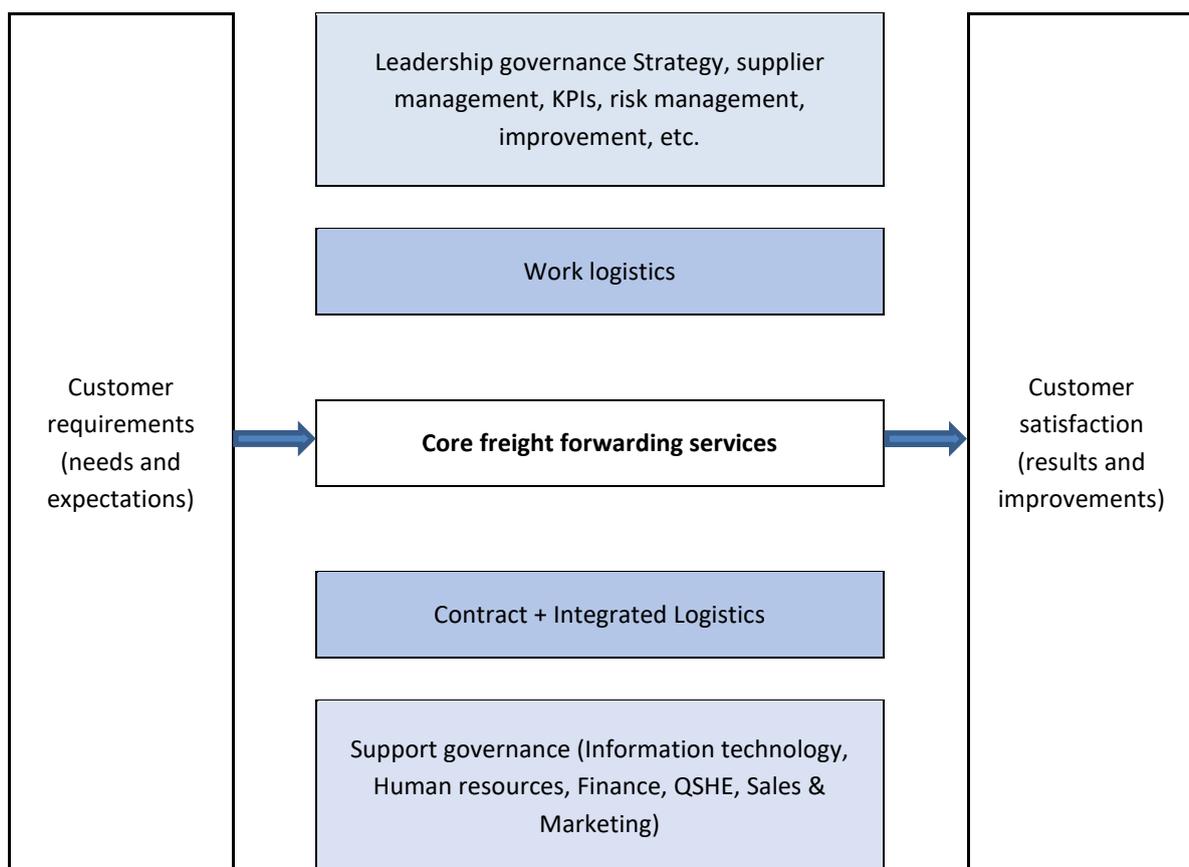
As SWIDA Innovative s.r.o., we recognize our place in the world, but we are aware we do not act alone. We are part of a global ecosystem. We do our part and encourage our peers, partners and stakeholders to do the same. Therefore, sustainability is both a collaborative endeavour and a task for each of us individually.

Join in, and together, let us create a sustainable future for all of us.

Driving a sustainable business

Our business

SWIDA Innovative s.r.o. strives on a daily basis to connect people and goods through innovative and sustainable business solutions. Through the integrated management approach, we are adding value to our external and internal customers: contributing to their success in managing risks and increasing efficiency. The diagram below presents the SWIDA Innovative s.r.o. Business Unit and Functional Unit Process map, supported by integrated management system.



Embracing sustainability GRI 102–14

SWIDA Innovative s.r.o. program embraces the elements of environmental, social and governance topics.

These can be summarised with the following commitments:

- Implement global standards and frameworks
- Keep the highest levels of ethics and compliance practices
- Minimise the impact of our services on the environment
- Ensure the health and safety of our employees
- Give back to local communities

SWIDA Innovative s.r.o. commits to the 14 Sustainable Development Goals (SDGs).

The ambition to meet the goals of the SGD's paired with the responsible business practices defined in this report are governed by the organization's structure, monitored by the top management and implemented and executed by the Management.

These areas are important to our processes and services; we can make a change with improvements and the influence of SGDs and UNGC principles.

Mitigating risks GRI 102–30



Achieving our strategic and operational objectives involves managing potential and crucial risks. SWIDA Innovative s.r.o. integrated risk management system addresses these risks and opportunities with our strategic objectives and therefore protect the organization from future uncertainties. This is in addition to increasing the probability of success in achieving our corporate goals and improving decision making across the organization. It is also an important element in driving a risk aware culture across the organization.

More about SWIDA Innovative s.r.o.'s risk management can be found in the company integrated management system documentation.

Ensuring compliance GRI 103

Compliance Governance and Management System GRI 103, GRI 102-18

Our business activity is based on high ethical and legal standards. By considering integrity a key element in our business behavior, we are able to foster a sense of trust with our stakeholders, and meet our responsibility of being a reliable and successful business partner. SWIDA Innovative s.r.o.'s Ethics & Compliance Program is designed to ensure that we comply with both legal and regulatory requirements as well as with our internal standards in addition to other rules of professional conducts.

Our Ethics & Compliance Program is an integrated element in our business environment, that provides guidance to all our employees and our business partners throughout the entire Group, independent of function, geography or business area.

Our Ethics & Compliance Program supports us to protect SWIDA Innovative s.r.o. from negative consequences such as sanctions or reputational damages.

Compliance measures are continuously developed and implemented under consideration of the principles: prevent, detect and act.

The program and its implementation throughout the organization is monitored on an ongoing basis. This will ensure that design, implementation and related processes are aligned with SWIDA Innovative s.r.o.'s operations in all regions and industries.

A number of compliances related key performance indicators have been established to monitor the implementation progress across the entire SWIDA Innovative s.r.o., and to identify any remediation needs or required amendments to the program in order to continuously improve its effectiveness and application. It is also identified as a very important and high material topic in the materiality matrix in this report.

Governance supports progress GRI 205–2

The SWIDA Innovative s.r.o. Code of Conduct determines the minimum general and ethical principles that our employees must apply consistently and continuously in all their business activities. As a result, SWIDA Innovative s.r.o. can show that it is a reliable business partners, stakeholders and the whole company from adverse effects as a result of its operations.

Every SWIDA Innovative s.r.o. employee is required to read, understand and comply with the principles, and be fully aware of the meaning and significance of the Code of Conduct and its complementary guidelines.

SWIDA Innovative s.r.o. employees are also required to promote these principles to everyone in their sphere of influence.

Internal policies and guidelines complement the Code of Conduct to address specific topics and provide guidance to our employees on standards and procedures that

are specific to particular risk fields such as antitrust, anti-bribery and anti-corruption, conflict of interest, of gifts and entertainment.

For years, we have been running a dedicated Code of Conduct training program to ensure that all employees know what is expected from them. It is built as a combination of live and online trainings and forms the first layer of our mandatory Compliance curriculum.

Progress and completion are monitored at top management level to ensure a continuous participation rate exceeding 95 per cent across all employees and 99 per cent of top and senior managers. Respective monitoring is performed by the Human Resources function for following up on progress, where it is lower than expected. Furthermore, employees with personal company email accounts are required to annually confirm that they have read and understood the SWIDA Innovative s.r.o. Code of Conduct.

SIX (SVVK) requirements

In alignment with the newly defined SIX/SVVK requirements, SWIDA Innovative s.r.o. is regularly reviewing its portfolio with regard to business critical activities that may jeopardize the aspects of good business practices, the ESG as well as the CSR relevant topics.

Creating ethics and compliance awareness

On demand Compliance trainings complement the company driven mandatory baseline Code of Conduct training as well as dedicated anticorruption and antitrust education. This third layer of our Compliance curriculum allows for greater flexibility in topics and extended functional and geographic reach across the Group. Despite the title, such training is risk based and delivered upon request; in response to a need being identified or specific issues; or accessed on a voluntary basis (eg as individual self- education).



To ensure we are continuously applying ethical principles, our employees must complete mandatory training on the Code of Conduct, anti-bribery, anti-corruption and antitrust. To further equip our employees, a variety of additional on-demand training can be done, covering specific situations which may not have been covered in the other training. Through such training, employees are taught about situations they may encounter in the course of their day-to-day business activity. On-demand training can be delivered in various ways, including live sessions and online training.

We are constantly monitoring our employee's training needs and requests for effectively allocating meaningful training resources. To achieve the best training experience, we have introduced a broad portfolio of training types, including but not limited to online trainings, and live or web training sessions delivered by qualified personnel. All participation in training is recorded into our learning management system and allow our employees to constantly develop their training records.



Fostering sustainability in the industry

Sustainability is much more than simply environmental protection. One of our core ambitions in the Net Zero Carbon program is to focus on the best solutions for reducing the carbon footprint, to lead the change to renewable energy and to contribute with our community to positively impact the global climate.

Carbon emissions reduction goals GRI 305-4

In the area of carbon dioxide (CO₂) emissions, SWIDA Innovative s.r.o. has set target that this part of our 2030 environmental strategy is to reduce absolute carbon emissions by 10 percent during 2024 – 2026.

In 2023 SWIDA Innovative s.r.o. monitored GHG emissions first time. The business units are currently in the process how to establish carbon reduction goals until 2030 based on the Science Based Targets initiative (SBTi). (SGD 13)

Climate change reduction GRI 305-1, GRI 305-2

Greenhouse Gas (GHG) emission reduction have been a priority for a long time at SWIDA Innovative s.r.o. Although the science of global climate change is revolving, SWIDA Innovative s.r.o. has taken voluntary, responsible action to reduce and control its carbon footprint. In addition to managing direct emissions from our operations, SWIDA Innovative s.r.o. has a track record of improving energy efficiency at its facilities and offers a wide range of innovative products to support customers to improve energy efficiency and reduce the company's carbon footprint. This includes setting corporate GHG emission reduction goals and policies, which complement the effort of the company 2030 environmental reduction plans.

SWIDA Innovative s.r.o. understands that the impacts and reduction efforts associated with GHG emissions require a long-term commitment as the effects of both cannot be realized in only one year. Therefore, implementing reduction initiatives has been a key priority for SWIDA Innovative s.r.o. The company's GHG Management Strategy includes a rigorous

accounting system to generate an annual inventory of worldwide emissions.

The total GHG inventory will encompass the company's diversity and complexity. Their inventory will include all properties and sites within SWIDA Innovative s.r.o.'s operational control.

This includes both Scope 1 (direct) and Scope 2 (indirect) emissions as categorized by the GHG Protocol.

Based on the GHG Protocol corporate Value Chain (Scope 3) Accounting and Reporting Standard, SWIDA Innovative s.r.o. now has a verified process to account and report Scope 3 emissions inventory.

These emissions are calculated following industry standards and validated against the Science Based Targets initiative.



Net Zero Carbon program by 2030

We enable our customers to achieve their environmental targets by using our sustainable and innovative supply chain solutions that both reduce and offset the carbon footprint of shipments. Our solutions range from carbon free transportation to environmentally sustainable biofuels.

SWIDA Innovative s.r.o. is actively addressing a reduction of CO₂ in logistics worldwide. With its Net Zero Carbon program, SWIDA Innovative s.r.o. provides environmentally friendly and sustainable supply chain solutions, enabling likeminded customers to fully neutralise the CO₂'emissions of their supply chains. To support these efforts and beyond, SWIDA Innovative s.r.o. provides customers with solutions for complete CO₂ neutralisation of their supply chain including sustainable service, transparent carbon emissions reports, CO₂ route planning and offsetting of remaining emissions via certified carbon credits from investments in nature-based projects.

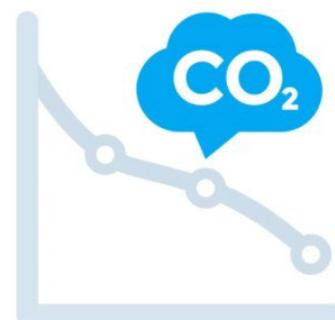
Performance review

SWIDA Innovative s.r.o. continued to improve its performance on environmental activities. Annual sustainability targets support us to track progress. We plan ahead, with objectives set for the period up to 2030, ensuring that we have clear medium to long term goals.

Environmental targets for 2030

Use innovation & new technologies as enablers of sustainability efficiency,
100 percent of energy used will come from renewable sources,
zero waste to be sent to landfill,
reduce water consumption by 10 percent,
achieve net zero carbon emissions across business.

The overall topic of greenhouse gas emissions is identified as very important on the materiality matrix, influencing stakeholder assessments and decisions. See also the materiality matrix in this report.



Caring for water consumption and waste reduction

Water and conservation GRI 303-1, GRI 303-2, GRI 303-4

Reducing water consumption and improving water quality are important elements of SWIDA Innovative s.r.o.'s environmental program. As a result, we continue to actively manage and work towards reducing our corporate water footprint.

SWIDA Innovative s.r.o.'s water management provides a global framework including both general and specific elements for water management within the company. The standard requires SWIDA Innovative s.r.o. operations to manage their water resources by

understanding water consumption, complying with regulatory requirements, reusing water where possible, and reporting water usage. Water resources include water intake, effluent water discharge.

All SWIDA Innovative s.r.o. sites currently track and report water usage. Water observation efforts are achieved through reuse and improvements to our buildings and operating processes. The majority of our water intensive operations are located in Europe in areas that are not subject to water stress or water scarcity. However, they also contribute significantly to our conservation efforts. (SGG 6)

Setting water performance goals and evaluating progress

Waste and recycling

Waste Management is an important component of SWIDA Innovative s.r.o.'s Environmental Program. SWIDA Innovative s.r.o. Waste Management Standards apply to all locations. In addition, they fulfil legal expectations and provide the framework that is required to manage all types of waste from the time when it is produced until it is reused, recycled, treated or disposed of. This standard sets a baseline for several core waste program elements and encourages waste minimalization and recycling whenever possible.

Ensuring water compliance

The SWIDA Innovative s.r.o. Waste management program requires each location to assign an Environment manager who is responsible for ensuring that personnel receive appropriate waste management training. Compliance with all regulated waste requirements is evaluated by way of the internal quality audit tool.

Setting waste goals and evaluating progress

SWIDA Innovative s.r.o. has been setting total waste reduction goals since 2020. Using 2020 as a base year, the organization set a 2030 target to decrease total waste to landfill by 50 percent. Total waste is tracked and reported by disposal types; waste to landfill, waste recycled and waste recovered. (SGD 15) The overall topic of waste and recycling is identified as a material topic and significant in terms of economic, environmental and social impacts.

Recycling, reuse, treatment and disposal GRI 306-2, RI 306-3

All waste recycling, reuse, treatment, and disposal practices are required to comply with applicable regulations and the SWIDA Innovative s.r.o. environmental policy, which also includes establishing profiles of waste streams, content identification and labelling.



Exploring renewable energies and energy efficiency

Energy efficiency GRI 302-1

At SWIDA Innovative s.r.o., energy management is comprehensive and extends beyond energy efficiency efforts in buildings. It is a team effort guided by the environmental policy. Energy management responsibilities are coordinated by the energy team. The team involves personnel from QSHE and Facility Management. It provides cross functional contributions, ensuring that:

- energy efficient technology is in use,
- opportunities are identified in the design process,
- renewable energy opportunities are realized and financed, and,
- data is tracked routinely and consistently by facilities.

Evaluating energy performance progress GRI 305-, GRI 305-5

SWIDA Innovative s.r.o. collects and analyses data on energy consumption and energy efficiency project metrics to:

- track progress toward energy and carbon emissions goals,
- identify opportunities for improvement,
- benchmark against past performance,
- identify best practices that can be applied across global operations.

All operating locations report energy consumptions monthly. Data are analysed quarterly at each facility, business and functional unit, and at the organizational level. Every 12 months, the data is reported to SWIDA Innovative s.r.o. Management.

Implementing the LED (SGDs 7,9,12)

SWIDA Innovative s.r.o. continues to implement the LED roadmap in its facilities and offices. The main focus is to upgrade the existing lighting systems in our facilities. Implementing the LED roadmap requires different approaches, depending on whether the facilities are owned or leased.

Investing in renewable energy

SWIDA Innovative s.r.o. intends invest and install onsite renewable energy at its own operations.

Measuring sustainability progress

In this section, we report on 10 subjects representing our sustainability progress in 2023. We also cover our approach of assessing materiality, stakeholder engagement and logue.

Assessing stakeholder engagement (Materiality matrix)

Materiality GRI 103-1

SWIDA Innovative s.r.o.'s materiality assessment is based on a permanent dialogue with stakeholders and we reassess our material issues every two years. The process of identifying material issues:

Inputs: Identify economic, social and environmental topics with the top management with their experience of importance of the topics.

Assessment: Evaluate which topics are material to JUME and our stakeholders. Participating stakeholders are from: top and senior management of JUME, customers, suppliers and NGOs.

Agreement: Final set of material topics agreed based on analysis of relevance and potential impact and mitigating measures.

Reporting: Sustainability Report

The 2023 materiality review contains the list of the material topics, scoring and definitions stayed the same. The material topics are divided in the clusters:

Governance Environment Management Supply chain Employees

The assessment was used to help prioritize our resources and investments in the context of the changing business environment and importance to external stakeholders.

We identify five clusters for 22 material issues, see matrix on the following page.

Responsibility: After analyzing the issues, the main focus topics in alleviating the potential negative impact SWIDA Innovative s.r.o. could have on people or the environment are: occupational safety and health; efficient use of resources; fair treatment of workers; diversity and equal opportunities; business preparedness, resilience and disaster response.

Risk: For the risk for our business reputation and financial risk we identified the following issues: Greenhouse gas emissions, management of dangerous goods, ethics and governance, sustainable supply chain, customer relations and satisfaction. The difference between internal and external opinions is not significant. The main four material aspects are: customer relations and satisfaction, fair treatment of workers, occupational safety and health, data privacy and security.

These material aspects are one of the same importance to SWIDA Innovative s.r.o. internal and external stakeholders. (GRI 102-47; GRI 103-1)

Internal engagement for materiality assessment

We engaged with senior and top-level SWIDA Innovative s.r.o. executives and employees from all parts of the business in an internal survey to hear opinions on which issues are important for SWIDA Innovative s.r.o.'s business.

External engagement for materiality assessment

We engaged SWIDA Innovative s.r.o.'s external stakeholder groups, such as Customers, NGOs in an external survey to provide us with opinions of what issues are important in their relationship with SWIDA Innovative s.r.o.

Materiality matrix 2019



- | | | | | |
|--|---|--|---|---|
| <p>Management</p> <ul style="list-style-type: none"> 1 Public policy engagement 2 Terrorism and political unrest 3 Business preparedness, resiliency and disaster response 4 Data privacy and security 8 Responsible communication | <p>Supply Chain</p> <ul style="list-style-type: none"> 6 Customer relations and satisfaction 7 Product and service innovation 8 Supplier diversity/engagement 9 Sustainable supply chain | <p>Employees</p> <ul style="list-style-type: none"> 11 Fair treatment of workers 11 Employee development 12 Occupational health and safety 13 Labor standards 14 Diversity and equal opportunities 15 Corporate citizenship | <p>Environment</p> <ul style="list-style-type: none"> 10 Waste management and recycling 11 Management of dangerous goods 12 Greenhouse gas emissions 13 Efficient use of resources 20 Biodiversity and ecosystems | <p>Governance</p> <ul style="list-style-type: none"> 21 Ethics and governance 22 Transparency, disclosure, reporting |
|--|---|--|---|---|

Stakeholder engagement and dialogue GRI 102-12, GRI 102-13, GRI 102-40

SWIDA Innovative s.r.o. seeks and maintains strong relationships with all stakeholders. In order to bolster stakeholder communication and identify issues requiring attention, SWIDA Innovative s.r.o. established a sustainability program. Our sustainability program provides an effective framework to target, analyze and address areas in need for improvement. For more details about our industry partners, please see our Sustainability Report.

Company value

At SWIDA Innovative Ltd., we believe that success is not just about achieving business goals, but also about how we achieve them. Our company values are the foundation of everything we do and are crucial for building a strong, sustainable, and ethical company. These values guide us in our daily decisions and interactions, ensuring that every step we take aligns with our principles.

In the following section, you will find detailed explanations of our core values: PROACTIVITY, PARTNERSHIP, and DEVELOPMENT. These values are not just words on paper, but a living part of our corporate culture that drives us forward and helps us grow together.

PROACTIVITY

In work tasks

People who have active roles in the workplace and are proactive in their work tasks perform statistically better, are more motivated, and feel a sense of achievement.

PARTNERSHIP

In communication

Communication is very important in any relationship. Partnership communication manifests itself both between us in the office and in the online space, as well as in our relationships with our clients and suppliers. We don't seek out problems, but when they arise, we confront them and work together to find the best solution.

In behaviour

At work, we cultivate equal relationships and behave as equal partners towards each other, which helps create a pleasant working environment. We don't exalt ourselves over others or demean anyone. We discuss things openly, give feedback to each other, listen to constructive criticism, and accept the other party's point of view.

DEVELOPMENT

Qualifications and skills

By continuously learning in our field and improving our interpersonal skills, we demonstrate that we want to grow, both personally and professionally. We are willing to step out of our comfort zone because only then will we take a true step towards fulfilling our potential.



Relationship with shareholders GRI 102-42, GRI 102-43

SWIDA Innovative s.r.o. aims to provide its shareholders with transparent and consistent written and verbal information about the organization operating and financial performance in support of the investment decision making process. Access to the senior management team is integral to this effort and is provided through the quarterly financial reporting process. In addition, the management team is receptive and responsive to inbound requests for publicly disclosed information related to the organization. Our Annual General meeting (AGM) underpins engagement with shareholders as a venue to vote on matters of mutual interest in accordance with statutory requirements.

The ongoing ambition in continuous improvement of the organization ability to support the investment decision making processes of current and potential SWIDA Innovative s.r.o. shareholders with varying investment goals and time horizons.

In doing so, the goal is that market participants are informed and able to arrive at the fairest valuation of SWIDA Innovative s.r.o. equality at any given time.

Communication with employees GRI 102-42

SWIDA Innovative s.r.o. holds meetings on a quarterly basis where management keep employees up to date on important company information; employees have an opportunity to both ask questions and to give their feedback.

Communication with customers and suppliers GRI 102-42

The company has established a communication channel with its suppliers ensuring common goals defined in the Supplier's Code of Conduct.



Customer Experience Gathering 2023

This was a year of continued customer feedback gathering; based on our culture and discipline of response, review and continuous improvement.

During the early stages of the Covid-19 pandemic wave, we primarily focused on approaching our customers directly using digital tools, with a strong focus on supporting their business during these difficult times.

We have a vast set of initiatives in place, including dedicated customer interviews. We have a strong focus to improve our customer and employee experience hand-in-hand, spanning across all our business and functional units. All our activities around customer and employee experience gathering continue to be aimed at SWIDA Innovative s.r.o. becoming the best place to work for and the best company to do business with.

Overall, we have asked, verbally or in writing, most of our customers. A lot of customer feedback we received has been similar in the past few years - the pain points rank in the same three categories:

Customer service
Response behavior
Active communication

Our action will be now to analyse the feedback provided by all respondents. Reference is also made to the customer relations and satisfaction mentioned in the materiality matrix in this report that is identified as very important for stakeholders and considered as highly significant for SWIDA Innovative s.r.o.



Customer Experience Gathering 2023

Why

SWIDA Innovative s.r.o. is committed to maintaining a high standard of business ethics, as outlined in our Code of Conduct. An essential part of that commitment is the requirement and the expectation that all business is conducted with integrity, in compliance with the law and without bribery, corruption, or anticompetitive action as a means to obtain or retain business.

Aim

SWIDA Innovative s.r.o. will not engage with any form of bribery and corruption and will not tolerate its employees or third parties in their relationship with the company involved in bribery. SWIDA Innovative s.r.o. does not distinguish between public officials and private persons so far as bribery and corruption is concerned. Bribery and corruption are simply not tolerated. The prohibition also applies to any contributions or payments made through consultants, suppliers, or their third parties of intermediaries. SWIDA Innovative s.r.o. is strongly convinced that the best economic results are achieved in an environment of free competition. The main goal of antitrust laws plainly is to prevent and sanction unreasonable restraints on competition. Because of this, it is in SWIDA Innovative s.r.o.'s utmost interest to ensure compliance with such laws. Therefore, employees will under no circumstances engage in any activities which have a negative impact on free trade and competition.

Our employees shall comply at all times with all applicable laws in every country in which we do business. They have the duty to inform themselves about the national and international laws relating to their business activities. Activities that would violate local or international criminal law may under no circumstances be carried out.

Target

Since 2021, SWIDA Innovative s.r.o. employees have been educated in annual waves of dedicated anti-bribery, anti-corruption and antitrust trainings. This training is delivered to target audiences who are selected based on risk, including for example regional or country management teams and other functions such as sales. This training forms the second layer of our mandatory Compliance curriculum.

Progress

In 2023, we continued to deliver dedicated anti-bribery, anti-corruption and antitrust training to a target audience selected based on risk. Due to the pandemic new ways of delivering the training were explored.

Confidential reporting and allegation management

Why

SWIDA Innovative s.r.o. employees are encouraged to raise concerns over potential issues they may observe. Giving employees the ability to speak up can be established through managers of functions such as HR or Compliance. Employees can also speak up via the SWIDA Innovative s.r.o. Confidential Report Line. Reports made are assessed by SWIDA Innovative s.r.o.'s Independent Allegation Management Committee. Where necessary, professional and independent investigations are initiated to resolve concerns raised and remediation can be applied effectively. These procedures not only comply with laws and regulations, but will also help detect and resolve issues proactively that otherwise may result in an effect on the group, its stakeholders or its customers. Reporting any issues will help SWIDA Innovative s.r.o. to solve them effectively and prevent reoccurrence. All whistleblowers and their identity are protected from any retaliatory measures.

Aim

Effective operation of a confidential reporting line along with an allegation management process including but is not limited to availability, independence, professionalism and confidentiality. Accordingly, our Confidential Reporting Line, operated by an external service provider, is accessible 24/7. Employees reporting concerns in good faith should not fear retaliation and will be under the protection of SWIDA Innovative s.r.o. and local laws where applicable. However, knowingly providing false or misleading information may lead to disciplinary action.

The Independent Allegation Management Committee oversees handling and follow-up reported allegations, thus ensuring consistent professional standards and procedures for enabling thorough independent investigations where needed. Cases with material impact on the Group are disclosed in annual audit reports and media releases, respectively.

Target

Employees who become aware of issues or practices that may violate our Code of Conduct or laws are encouraged to report their concerns to managers or any person of trust. In addition, employees can make use of our confidential reporting line to report in a safe, confidential, and, if desired, anonymous manner.

Progress 2021

In 2021, no allegations were reported to the attention of the Independent Allegation Management Committee. For all cases, the committee instigated needed actions for investigation and remediation as needed. (SDGs 16.6, 16.7)

Safeguarding data via information security GRI418-1

Why

High data protection standards are integral to our brand. Compliance with data protection and privacy laws is an essential part of our company's way of conducting business in a trustworthy manner. Equally, our customers and business partners consider data privacy to be critical to our business success. Data privacy and security is identified on the materiality matrix as a crucial topic for stakeholders. See the materiality matrix in this report.

Aim

Our Privacy Policy sets out the minimum global standards for the company. These standards provide the basis for our employees to handle personal data appropriately throughout the company, while at the same time strengthening our reputation as a reliable partner for our customers and a trustworthy employer.

According to our internal procedure for classification of informations, very high priority of protection is aimed for our know how informations, which are considered as one of the most important.

Target

Our data protection management system that ensures company compliance with regulatory requirements. In addition, a global network of data privacy experts ensures that knowledge and information on relevant data privacy aspects are shared. Data protection is a major consideration from the very beginning in the development of new products and services.

Appropriate technical and organizational measures and the principles of data protection by design and data protection by default are important parts of the development process.



Progress 2023

The ongoing digitalization in all areas and the new way of working through the Covid-19 situation have dominated the year 2023 in data protection. SWIDA Innovative s.r.o. provides an important contribution to the international transport of goods, often essential for life. The security of personal information is very important topic and many countries around the world have strengthened data protection with restrictive laws.

SWIDA Innovative s.r.o. is subject to strict requirements, especially for international data transfer, and take the requirements very seriously.

The established data breach management process has proven to be helpful to discover and stop data breaches, as well as to ensure similar violations do not happen again. Remediation activities always include a risk analysis on potential similar situations and the learnings are implemented in process changes accordingly.

Evaluation of high risk third parties

Why

Suppliers perform a significant portion of the business activities delivered to our customers. Our supplier and vendor database must agree to the principles of becoming a registered supplier by accepting our Code of Conduct. Without a signed agreement, no business can be executed. Other business relevant information about the applicant is required, such as licences, permits, applied standards, insurance and tax information.

To ensure such services are conducted in line with our ethical principles and according to applicable laws and regulation, we apply an integrity due diligence process on high-risk suppliers. This ensures that collaboration with that collaboration with these suppliers will not result in adverse effects for our customers or the Group and its stakeholders.

Aim

SWIDA Innovative s.r.o. regularly assesses the risk exposure of existing or potential suppliers following procedures that address compliance risks and other concerns related to engaging respective suppliers. Among other things, we are focusing on suppliers who interact with government officials on behalf of our business, such as customs brokerage. We establish reasonable and effective safeguards to mitigate any such exposure. Integrity Due Diligence (IDD) is applied when onboarding suppliers assessed as high risk and continuously updated throughout the duration of the business relationship.

Target

Effective completion of Integrity Due Diligence within predefined timelines. Red flags identified in the course of the due diligence needs to be comprehensively and effectively mitigated for allowing the business relationship to begin or continue following the approval decision over a supplier. When criteria such as timelines or mitigated to allow the business relationship to begin or continue following the approval decision over a supplier. Continuous monitoring ensures the procedures are consistently and effectively performed and, where not, needed escalation and remediation to be applied.

Progress 2023

Integrity Due Diligence has evolved into a continued and robust safeguard when interacting with suppliers assessed as high risk while not limited to services requiring interaction with government officials, such as for customs brokerages.

Preserving security GRI 418-1

Why

Securing international supply chains, entrusted customer assets and our employees are the responsibility of the SWIDA Innovative s.r.o. security organization. This applies only to SWIDA Innovative s.r.o. employees, but also to the people who work with us on our premises, our business partners and customers.

Aim

SWIDA Innovative s.r.o. implemented a strict zero tolerance security policy. As a consequence, any security incident (theft, intrusion, etc.) or attempted security breach must be reported.

Target

SWIDA Innovative s.r.o. continuously analyses available security incident intelligence data for emerging crime trends and tactics to develop suitable risk mitigation measures to protect customer assets.

As a consequence of these modifications introduced in, for example, upgraded warehouse security, a large number of armed hijackings, targeting road transports were successfully repelled.

Progress 2023

Due to Covid-19 confinement measures, commercial loss values remained at zero level.

Proper handling of goods

Why

Company is making important efforts for proper handling of goods including handling with counterfeit parts.

Aim

The measures for continuous improvement within company are focused to avoid any handling with counterfeited parts. As company does not operate directly in the production, existing risks of handling with such parts are very low.

In case of any such situation, company immediately will inform responsible parties and start investigation process.

Why

SWIDA Innovative s.r.o. is making important efforts to expand its dangerous goods capabilities and further improving the safety of all operations, including hazardous materials.

Aim

The measures for continuous improvement of dangerous goods management within SWIDA, s.r.o. is not limited to transport activities. For SWIDA Innovative s.r.o. the safe handling and storage of hazardous substances is equally important and is often subject to complex national and local legislation.

Target

The focus has been concentrated on the storage and road transport of dangerous goods in countries where international reference standards, such as the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), are not implemented.

Progress 2023

No major incident involving hazardous goods was reported.

Why

Workplace conditions directly influencing employees and keeping them safe is our primary responsibility as an organization. This applies not only to SWIDA Innovative s.r.o. employees, but also to the people who work with us on our premises, our business partners, customers and the communities in which we operate. We continuously evaluate the status of our work environment while fostering its continuous improvement. Despite the aim to prevent any harm, SWIDA Innovative s.r.o. has incurred accidents. Occupational health and safety are also addressed in the materiality matrix in this report.

H&S certified management system solves complex agenda including: work and safety protection, fire protection, waste management, work with chemical/biological material, incidents, emergency planning etc. coming from existing law and best practices on the market.

Aim

SWIDA Innovative s.r.o. aims at achieving the highest level of health and safety for all parties involved in all our operations.

Target

The journey to NO HARM continued in 2023. The "Get Home Safe" campaign was extended. To manage the Covid-19 pandemic, training and awareness sessions were provided for all locations, Business Continuity Plans were revised, tested and put in place in whole company.

Due to the learning from reporting unsafe situations, our safety performance reached an all-time low and the Lost time injury frequency (LTIF) continues to trend down wards.

2023

For 2023 the SWIDA Innovative s.r.o.'s seven safety anchors have been launched. They have been introduced to increase safety awareness and with that make our workplaces safer.

Next steps in our journey to NO HARM

Review and reissue of NO HARM level 1 and 2 training to recognize hazards at the work place, launch of NO HARM level 3 training for management with a focus on behavioral safety, introduction of the Safety Anchors to highlight and raise awareness of major safety and health hazards.

Progress 2023

With the HSE (Health, Safety and environment) reports we can learn and take preventive measures based on reported unsafe acts, unsafe conditions and positive observations.

In 2023 the tool was further rolled out globally and resulted in some reported situations. Analyses of these situations have resulted in a significant reduction of incidents with a consequence, as well as smoother operations. They also helped to define our SWIDA Innovative s.r.o. Safety Anchors.

In the course of 2023, the HSE records will be used for reporting of all Safety and health related incidents, thus providing global KPIs.

Although rare, incidents do happen. It is important that these are reported effectively and thoroughly to allow a full investigation with actions assigned to avoid future incidents.

The tool facilitates a detailed and effective incident investigation with Risk Assessment and corrective Action/Preventative Action planning. This will help to bring us further in our journey to NO HARM.

Fatalities in 2023

Company did not evidence any fatality during this year.

Information on fines and court cases in 2023

Company did not record any fines during this year. Refer also to the performance data overview at the end of this report.

Why

SWIDA Innovative s.r.o. is firmly committed to value all human rights. Respecting and promoting human rights forms part of our mission to deliver progress to society.

Human rights are moral principles that are inalienable. They are fundamental rights that every person is entitled to, regardless of their age, gender, ethnicity, sexual orientation or any other status. SWIDA Innovative s.r.o. opposes all violations and limitations of human rights and dignity.

Aim

SWIDA Innovative s.r.o. is a company of integrity whose employees apply appropriate values and principles in their business activities.

SWIDA Innovative s.r.o. Code of Conduct confirms our commitment to human rights and fair working conditions.

As a company of integrity, SWIDA Innovative s.r.o. is committed to fair working conditions and working hours in full compliance with all international and local labour rights. We strive to provide a fair and equitable work environment for every employee, with all business activities delivered according to the commonly accepted principles of Human Rights and Dignity.

We promote the development of a culture that fully supports and respects human rights. In addition, SWIDA Innovative s.r.o. released its first Diversity and Inclusion Policy where human rights aspects are touched upon.

Target

All business activities to be delivered according to the commonly accepted principles of human rights and dignity.

The SWIDA Innovative s.r.o. Code of Conduct describes our approach to human rights.

The target for every year is to outline the company's expectations regarding ethical behavior and business principles; provide clear and consistent guidance to our employees; and reinforce the need for employees to seek advice. It includes the topics of employee practices, safeguarding people and assets, and business ethics.

Progress 2023

Adherence to the Code of Conduct is mandatory for all leaders and is an integral part of their annual targets and performance review. Any misconduct leads to severe consequences such as the loss of the entire bonus entitlement and, depending on the severity of the misconduct, disciplinary action up to the termination of employment.

Our clear goal is to be 100 percent compliant, therefore, we have several measures and processes in place to reinforce adherence to the code of conduct.

Our Code of Conduct is a mandatory and integral part of the induction program for all new employees, ongoing training to increase awareness and knowledge about requirements towards the right behaviors, annual confirmation process for Code of Conduct is monitored.

Why

SWIDA Innovative s.r.o. is committed to providing fair working conditions to every employee. These employee rights are embedded at every level of our organizational structure. This is also identified on the materiality matrix in this report as a material topic under fair treatment of workers.

Aim

As a company of integrity, SWIDA Innovative s.r.o. is committed to fair working conditions in full compliance with all international and local labor rights. We strive to provide a fair and equitable work environment for every employee, with all business activities delivered according to the commonly accepted principles of Human Rights and Dignity.

Target

SWIDA Innovative s.r.o. committed to further invest in employee relations by providing annual employee surveys; asking for employee's feedback; and aiming to become an event better place for people to work and a better company for customers to do business with.

Progress 2023

In 2023, we conducted a comprehensive employee survey which also included our employees' feedback on to what extent SWIDA Innovative s.r.o. tolerates behaviour that discriminates against people on the basis of personal background or characteristics. This is a newly introduced measurement which will be acted upon, monitored and reassessed.

More information can be found under the section "Communicating with employees".

Human and labour rights in this report:

Many aspects of SWIDA Innovative s.r.o. business are affected by human rights topics. On the following pages of this report, you can find our work on human rights and employee relations:

Code of Conduct

Employment must never be illegal and unfair. SWIDA Innovative s.r.o. does not tolerate harassment and discrimination.

Net Zero Carbon program

The right to live healthier and to provide a safer future for our new generations to come.

Fostering health and safety

The right to have the highest standards of safety and health and to feel safe in the working environment.

Liabile Procurement

Human rights principles and standards related to equal treatment, child and youth labour, forced labour, working hours, compensation, privacy, rest and leisure.

Employee relations

Human rights principles and standards related to labour, for example freedom of association and collective bargaining, equal treatment.

Diversity and inclusion

The right to freedom from discrimination and the right to family life.

Assimilating diversity and inclusion

Why

At SWIDA Innovative s.r.o., we believe that we as a company have the responsibility to create a space where everyone feels welcome and important - where those who look, live, love, communicate, think, and lead differently are not merely tolerated; they are sought, appreciated and valued. This was also identified as a material topic in the materiality matrix in this report.

Aim

We are committed to delivering progress to society and drive our future - inclusively.

Target

In 2023 we further embarked on our diversity and inclusion journey that is called Balance + Belonging. While we started with raising awareness, we further enhanced our commitment with the introduction of our first Diversity and Inclusion policy and a strong commitment of the SWIDA Innovative s.r.o. Management Board towards this topic. Anchoring diversity and inclusion as a fundamental value forms a solid foundation to empower our employees even more. We believe that with the creation of a truly diverse and inclusive workforce, we can achieve our goal of delivering customer excellence.

Progress 2023

We are progressing a diverse workforce and work environment, where all voices are welcome and growth is supported for all, which will contribute to making SWIDA Innovative s.r.o. the best company to work for. It is our aim that Balance+Belonging is understood, practised, and promoted by all managers and Human Resources, to make all regions confident to drive diversity and inclusion programs and to create a common practice for all our employees.

Executing responsible tax management

Why

SWIDA Innovative s.r.o.'s business activities generate a substantial amount and variety of taxes such as corporate income tax, stamp duties or withholding taxes. SWIDA Innovative s.r.o. collects and pays value-added and other indirect taxes as well as employee taxes. These taxes paid form a significant part of the economic contribution to the country in which SWIDA Innovative s.r.o. operates. The taxes SWIDA Innovative s.r.o. pays are an important part of our contribution to economy and help the development of the country. SWIDA Innovative s.r.o. believes that responsible tax behavior is an essential element of its sustainability strategy.

Aim

SWIDA Innovative s.r.o. commits to be a responsible citizen. The company tax mandate includes the obligations to:

Responsibly manage the company tax affairs and protect share holder value in line with the company Code of Conduct,

Maintain a robust tax control environment and tax risk framework that considers current tax law regulations and practice.

Provide adequate tax advice service and business critical communication to the company Audit Committee, company Management Board, Business Units, and other important stakeholders.

SWIDA Innovative s.r.o.'s Code of Conduct includes our approach to tax and sets the expectation for everyone in the organization.

Target

To adhere to tax principles:

- **Compliance:** SWIDA Innovative s.r.o. acts in strict accordance with the applicable tax laws and complies with international standards, namely OECD standards. In case the letter of the law is not clear or does not provide an answer, the organization complies with the spirit of the law. SWIDA Innovative s.r.o. fully respects government's right to determine its tax rate and tax collection mechanism.
- **Substance, transparency and arm's length principle:** SWIDA Innovative s.r.o. may engage in efficiently structuring tax, which is to be understood as following the commercial reality from operating its business models. For purposes of taxation of profits, SWIDA Innovative s.r.o. attributes taxable results only where substance and value are commercially created through its business activity. SWIDA Innovative s.r.o. understands substance as economically owning an asset and actively executing decisions of taking on and management of risks associated to this taxable result.
- **SWIDA Innovative s.r.o. is transparent in its approach to tax.** All transactions must have a commercial and business reason and SWIDA Innovative s.r.o. adheres to the OECD's arm's length principle.
- **Responsibility:** SWIDA Innovative s.r.o. financial and economical responsibility is based on strict economical and financial evidence. All financial and economical transactions are transparently evidenced and protected in our ERP system and shared with responsible interested parties.

Progress/continued in 2023

SWIDA Innovative s.r.o. manages tax risks in accordance with its Internal Control System similar to operational risks across the company.

In addition to its company's tax oversight role, it provides advice to the company and its business activities on tax related issues, undertakes or assists with tax filings, manages relationships with tax authorities and assists in various forms of tax reporting. Internal controls and escalation procedures are put in place to identify, quantify and manage key tax risks. Where appropriate, SWIDA Innovative s.r.o. engages proactively with tax authorities to disclose and resolve issues, risks and potentially uncertain tax positions. The subjective nature of many tax rules however means that it may be difficult to mitigate known tax risks. Whenever SWIDA Innovative s.r.o.'s approach is consistent with the principles set out in the tax strategy and where the range of possible outcomes is in accordance with the company's risk appetite, an element of tax risk may arise. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs.