To our stakeholders:

I am pleased to confirm that Permobil AB reaffirms its support to the ten principles of the UN Global Compact on human rights, labour, environment and anti-corruption.

In this our first annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into everything we do: our business strategy, operations and culture and future plans in this regard also.

We support public accountability and transparency, and therefore support this information being openly available and shared with our stakeholders and partners.

Yours sincerely,

Jon Sintorn
CEO Permobil AB
Stockholm, December 22, 2017
Introduction

Permobil has four core values that underpin everything we do, and we believe these core values also align directly with many of the UN Global Compact's ten principles.

1. We take care of our Users, the Users take care of us
   • *Permobil shall contribute to society by developing products promoting good health and enhancing the quality of life of its users.*
   • Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

2. We are in constant motion
   • *Permobil shall grow and provide good jobs, a respectful workplace, that offers equal opportunities and promotes diversity.*
   • Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
   • Principle 6: the elimination of discrimination in respect of employment and occupation.

3. We don’t cheat to win, do the right thing
   • *Permobil is a trusted partner and corporate citizen that upholds good corporate governance and has zero tolerance for unethical behavior and corrupt practices.*
   • Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
   • Principle 2: make sure that they are not complicit in human rights abuses.
   • Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

4. We are all in it together
   • *Permobil shall minimize its environmental impact through efficient use of resources, reduced emissions and use of chemicals and hazardous materials.*
   • Principle 7: Businesses should support a precautionary approach to environmental challenges;
   • Principle 8: undertake initiatives to promote greater environmental responsibility;
   • Principle 9: encourage the development and diffusion of environmentally friendly technologies.
These core values are codified in the broader policy document, Permobil’s Code of Conduct approved by the board in 2016. Staff are requested to participate in an interactive workshop on the Permobil.

Core Values and are asked to take an e-learning module on the Code of Conduct. A survey of how many employees have completed the workshop will take place in 2018. Furthermore, their feedback and best practices shared during the workshop has been collated and the Core Values will be elaborated upon in 2018.

New staff members are given a copy of the Code of Conduct and asked to sign receipt of it.

The easily accessible Code of Conduct covers these areas:

- Core values
- Employees
- Customers/ Users
- Products and Confidentiality
- Business ethics
- Society and Environment

**Human Rights**

Permobil’s Code of Conduct states that we will not tolerate any form of forced or involuntary labour. Child labour is prohibited, in accordance with the ILO framework for minimum age for admission to work.

Human rights in the supply chain was identified in a risk analysis mapping with stakeholders as a focus area for Permobil. Therefore, we are developing a new Suppliers Code of Conduct to ensure compliance with our standards, inter alia, in relation to human rights.

**Labour**

Permobil is committed to its employees, viewing them as their single most important resource. The Permobil Code of Conduct clearly states that “We intentionally foster equality and inclusion of people from all geographies and cultures, regardless of sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, age or disability.”

The Code of Conduct also includes our respect for freedom of association of our employees.

Permobil ensures compliance with all health and safety regulations in accordance with local standards and laws.
As a manufacturing company an important area with regards to our employees is workplace incidents and injuries. Operation teams report the following comparable data: 45 accidents and incidents for January to November 2017 for 1,339,214 working hours. This is the most up to date data available and covers operations in manufacturing sites.

Permobil is working towards harmonising data reporting in this area in 2018.

Permobil's staff are made up of 27% female and 83% male. In executive management, 29% are female and three different nationalities are represented.

A staff survey was conducted in June 2016 by McKinsey & Co and followed their Organisational Health Index model. In response to the survey, we now have a defined Permobil Leadership model, set-up leadership and talent management programs and a performance management process.

To report any known or suspected improper conduct or incident in relation to Permobil, employees have several channels including a secure email address and an external lawyer. This is all outlined in our Whistleblower Procedure. All new staff are made fully aware of the policy and procedure.

**Anti corruption**

The Code of Conduct has a specific section on business ethics and one of our core values is *Do the right thing*.

Corruption and bribery were identified in a risk analysis mapping with stakeholders as a focus area for Permobil. Therefore, Permobil has a specific Anti-Corruption Policy. The Policy provides guidance to employees with regard to anti-bribery laws around the world and the Permobil’s procedure against making improper payments or inducements. Continuous implementation of the policy is supported through workshops and educational training.

Permobil complies with the Code of Business Conduct, issued by the Swedish Anti-Corruption Institute.

A new Supplier’s Code of Conduct for Permobil is in preparation and aims to be in implemented in 2018 to ensure compliance with our standards, inter alia, in relation to human rights, anti-corruption, environment and quality.

To report any known or suspected improper conduct or incident, including relating to unethical business practices, employees have several channels including a secure email address and an external lawyer. This is outlined in our Whistleblower Procedure.
Environment

The Permobil Code of Conduct contains the commitment that we should work in an ecologically sustainable way.


Contact person

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