



## FLÄKT WOODS CORPORATE RESPONSIBILITY POLICY

The Company's Vision drives the Corporate Responsibility Policy as follows:

**Fläkt Woods creates value and customer satisfaction by developing efficient solutions – in terms of energy, the economy and the environment - with integrated, innovative and industrialised product designs. We care about the impact of our products, services and activities, both on the environment and on the communities within which we operate. Our Corporate Social Responsibility Policy includes challenging social and environmental objectives, but we recognise that these cannot be achieved if we do not first ensure the commercial viability of the business through effective financial control and a focus on value creation.**

**Our Corporate Responsibility Policy has a primary focus on seven key areas:**

### **1) Overall Governance and Ethics.**

Fläkt Woods is dedicated to producing superior results by applying the very highest work ethics and we take pride in the many daily examples of the integrity of our people. This holds true in everything we do, whether the question is related to the production of financial accounts, interaction with a customer or a supplier, dealing with employees or any other activity where the integrity of our people is evident. At Fläkt Woods we have a zero tolerance policy for ethical misconduct and continuously work to strengthen governance activities and internal controls.

### **2) Our Environment.**

Fläkt Woods is a renowned world leader in heat recovery systems for HVAC applications and is dedicated to develop and produce energy efficient solutions for air climate and air movement with a full life cycle perspective. By the end of 2008 our energy recovery products worldwide had already saved the planet over 230 Billion kw of energy, which translates to more than 45 Million tonnes of CO<sub>2</sub>, providing our customers with savings of over \$9 Billion.

We constantly improve our product portfolio and strive to develop environmental improvements. Specific recent examples of truly innovative Energy Efficient initiatives include: Patented Eco-net System improving exhaust heat recovery efficiency in Air Handling Units, Intelligent Fans with sensors and controls to adjust airflow according to room occupancy, and Chilled Beams with improved air diffusion and lower energy consumption. In the US, our patented Energy Recovery Unit "Exclu-sieve" provides the most efficient solution to the standard # 62 of ASHRAE.

This focus on the Environment extends to our own internal operations, with all major plants working on energy saving and other environmental initiatives. As an example, our Colchester factory was one of the first Fan manufacturing companies worldwide to start measuring and reducing its "Carbon Footprint".

### **3) Our Customers & Suppliers.**

We work in close partnership with Customers and Suppliers to constantly improve the technical performance of our products, utilising lower input than previously required in order to reduce environmental impact. In Fläkt Woods we believe that establishing and nurturing mutually beneficial relationships with our Customers and Suppliers creates a competitive advantage and is a Critical Success Factor in our business.

Fläkt Woods rewards responsible purchasing and is considering environmental issues in all purchasing decisions. We encourage environmental responsibility of our suppliers and examine "green" opportunities within supply chain, both "upstream" and "downstream".

In addition, being part of an international group, Fläkt Woods actively looks to work with diverse suppliers. Our process is transparent in the selection of suppliers and avoids any complicity in human or

employment rights abuses. This drive for diversity extends to our own organisation, where we monitor and seek to maintain the ethnic balance of our workforce.

#### **4) Our Employees.**

Our Health and Safety performance is of prime concern to the Group. Stringent Environmental and Health & Safety operating practices have resulted in decreased use of hazardous substances, reduced waste and emissions, improved energy and water conservation, and greater re-use and re-cycling of material. The prevention of accidents and injuries is seen as a responsibility shared by everyone. In every operation, our people lead this effort, extending their care and concern to communities where they work and live.

To constantly improve our Health and Safety record, guidelines and instructions have been developed in the following areas: Specific work environment goals, risk-assessment, education, training and competence building, protection rules, waste and waste-water management, and stringent process control. As a minimum, Fläkt Woods always strives to meet or exceed the latest ISO standards.

Fläkt Woods aims to provide a challenging, stimulating work environment with the objective to unleash the very best in every individual to produce outstanding results to the benefit of all stakeholders. Fläkt Woods is a meritocracy where excellent performance is rewarded. Fläkt Woods aims to attract the finest people while retaining current talent by giving people the opportunity to contribute in a meaningful way with corresponding personal and financial growth as a natural part of their development. We encourage people to lead their work with passion and courage, implementing strategic sound actions.

#### **5) Our Local Communities.**

Fläkt Woods seeks to create stronger, healthier and more active local communities. We do this in many ways and here are a few examples:

- Contribution to United Way in the USA
- Company and employees donating excess equipment, clothing and money to local orphanages
- Donations to American Cancer Society
- Community safety net
- Donations to the Swedish Asthma and Allergy Foundation
- A vibrant Apprenticeship Scheme providing local employment
- Open days with local schools
- Work Experience in the form of internships or trainee-programmes for local young people

#### **6) Our Investors.**

By having a clearly defined Corporate Responsibility Policy, we also take care of the long term interest of our investors. At Fläkt Woods we believe that the return on capital employed is significantly higher in a Company that takes a caring proactive approach towards all stakeholders.

#### **7) All Other Stakeholders.**

We at Fläkt Woods recognise that there are many stakeholders affected by the activities of our business. Whilst preserving the financial stability of our business, we will always strive to help those other stakeholders, seeking to add value where we can, with the goal of always doing more than merely meeting our legal obligations.

Didier Forget  
Chief Executive Officer