



GNOSJÖ
AUTOMAT
SVARVNING

Sustainability Report 2022



Our employees' sustainability work is hugely important to the company. Here, Alice Färnemyhr and Omar Donoso discuss one of our social media posts – another important aspect of our sustainability work.

Environment 14

Cleaning with lighter oil	16
Shutting down machines	16
System One	17
Energy Commission	18

Finances 20

Debate article for Ebba Busch	22
Speakers forum	23
Traceability	24
Automation SKF	24
Used or new machines?	25
Property automation	26
On the hunt for compressed air	27

Social 28

David and Jennifer	30
Leadership development	32
Madde's team spirit	34

Sustainability in numbers 36

Environmental data	36
Employee numbers	38

We’re prepared for CSRD

On 1 January 2024, the EU’s new sustainability reporting requirements, CSRD, will begin to apply to listed companies with more than 500 employees. One year later, in 2025, these requirements will be extended to large unlisted companies, and then in 2026 to small and medium-sized listed companies.

Some SMEs might brush it off and say it doesn’t apply to them. But CSRD absolutely does, albeit indirectly. The companies directly affected by the legislation not only have stricter requirements for their own figures, but they must also report the figures from the rest of the value chain. That’s where we come in as subcontractors.

At Gnosjö Automatsvarvning, we welcome the tougher requirements. Sustainability is now becoming something that will affect more companies and everyone in leading positions. Sustainability will no longer be a matter for just a sustainability manager and a few consultants. Instead it will become a task for the entire company, all the way from the management down through the whole workforce.

And that’s fine by us. Here, everyone is committed to the issue of sustainability. On page 16 you can read about how our employees figured out ways to save huge amounts of energy with our machines, and on page 27 you can learn how our maintenance mechanic Nicklas Lundh is hunting down leaking compressed air. Our employees are exceptionally dedicated and have an extraordinary ability to take initiative. Or as hydro machine operator David Nuan says in an interview on page 31: “Once you know how everything’s connected, it’s much easier to take your own initiative. You want to save. It almost feels like Gnosjö Automatsvarvning is my company too.”

“Once you know how everything’s connected, it’s much easier to take your own initiative. You want to save. It almost feels like Gnosjö Automatsvarvning is my company too.”

After all, that’s what sustainability is all about – personal responsibility and understanding how the small details affect the value chain as a whole. Value chains can be incredibly long, and so determining where responsibility lies becomes trickier the further away something is from your own operations. This

is something that we try to shed light on through a system described on pages 12 and 13.

We just hope that the Swedish government, like the EU, makes its sustainability requirements clearer and that we as a company are given clear and more long-term rules to adhere to. This is crucial if a sustainable Swedish manufacturing industry is to be competitive on the global market. You can read about this in our debate article on pages 22 and 23.

Happy reading!



Linda Fransson CEO and owner
Anna Sandberg Purchasing manager and owner





TURNING FOR FUTURE

OUR VISION

Turning for Future

With the personal commitment of a family business and a high level of expertise among our employees, Gnosjö Automatsvarvning shall always seek to leverage the utmost in perfection and precision in cutting processing and strive to achieve the development of what we offer, our employees, and our clients.

GNOSJÖ AUTOMATSVARVNING AB

FOUNDED
1974

EXPORTS
More than 60%

OWNERS
The Fransson family

NUMBER OF EMPLOYEES
64

OPERATIONS
Automatic turning of complex components.

SALES
SEK 140 million (2022)

CUSTOMERS
Primarily Swedish engineering companies, approximately half of which have connections to the automotive industry.



OUR CORE VALUES

Perfection

It goes without saying that perfection is essential when working with the turning of highly complex components for customers with exacting requirements. That's why we invest in the best machines and strive for ongoing improvement in all that we do.

Yet perfection is also about having the courage to face up to problems and difficulties. No one's perfect (that would very boring) and every business can develop. So perfection also means encouraging and supporting each other in addressing the things that can be improved.

Precision

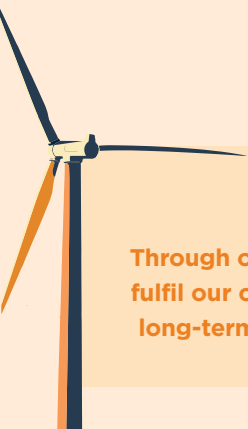
"Exactly as we wanted". When this is the response we get from a customer, we know we've succeeded and got things just right. It requires us to be precise in everything we do, promise, and say. It requires us to test new tools, follow procedures, have the right instructions, and be thorough. We must never take our foot off the gas when it comes to development.

But we do have to take a pause sometimes to give each other feedback, make sure that we're motivated, and validate each other. No one can be on top all of the time. We should also be able to say: "That's exactly as we wanted". It's then that we know that we've succeeded in creating the right atmosphere and conditions for everyone.

Personal

Perfection and precision are two important core values for us. But we must never lose sight of the personal side and what makes Gnosjö Automatsvarvning the company that it is, and the people who they are. We want everyone to perceive us as being an open and welcoming company. We want closeness and transparency between colleagues.

It's by being personal that the best and longest partnerships arise. It's about having the courage to open up, but still act professionally. Being personal also means that we respect that everyone's different and we see the individual for who they are.



OUR BUSINESS CONCEPT

Through our unique problem-solving expertise and state-of-the-art equipment, we fulfil our customers' needs for complex turned components. We want to work with long-term business relationships in which both we and our customers can evolve.

Certifications

- > SS-EN ISO 9001
- > SS-EN ISO 14001
- > IATF 16949



Material and production management system

- > Jeeves MPS

Policies

- > Whistleblower policy
- > Policy against bribery and corruption
- > Code of Conduct

You can view our certificates and download and read our policy documents on our website.

Not the obvious, but the essential

Stakeholder analysis has tended to look largely the same from company to company, regardless of their size. Stakeholders have been roughly the same when working B2B with production, even though what has been produced and sold has been of a completely different nature.

Those of us who turn precision components primarily for the automotive industry have had the same categories of stakeholders as, say, a packaging supplier to the food industry: employees, owners, the board, customers, suppliers, authorities, and possibly even various social groups at a local, regional, and national level. The communication channels have also been the same.

However, the recent debate in the business community about the government being too vague and doing too little in respect of the climate issue has redrawn the game plan. For those of us who want to pursue the issue of sustainability, authorities and society have been directed towards the government and specific ministers. They are important stakeholders considering how their actions affect what are perhaps our most pressing sustainability issues – energy and the future workforce. We believe that the sustainability issue has everything to gain from companies’ stakeholder and materiality analyses being made more specific.

In our materiality analysis, we have also tried to ensure that priority issues and communication channels are exactly that – a priority. This is not just a case of listing everything we do and all the channels that are available. It’s about determining which issues are most relevant and have the greatest impact on the company’s financial, social, and environmental performance. The fact that we comply with Swedish law and have rules of procedure for the board is not only essential, but also self-evident.



Elmia Subcontractor is an important channel for meeting our stakeholders. The staff are on site and meet customers while we meet suppliers and others in the industry. Who knows, one day one of our relevant ministers might show up, too. In the photo are Jimmy Emanuelsson, Ola Davidsson, and Fredrik Zetterström.

EMPLOYEES

Through recessions, pandemics, and other economically volatile periods, we do everything we can to avoid laying off employees. It’s better that we train them up or have them clean the factory than leave them out of work, and leave ourselves without our loyal and skilled workforce.

- PRIORITY ISSUES**
- Meaningful leisure time
 - Training and skills development
 - Stimulating workplace
 - Development and career opportunities

- CHANNELS**
- Factory and corridors
 - Lunch and break room
 - Monthly meetings
 - Performance appraisals
 - Salary appraisals based on in-house salary model
 - Screens in the factory

CUSTOMERS

We are a small subcontractor to often very large customers with very high demands in terms of quality and durability. We always endeavour to go above and beyond their demands. This is primarily because we’re driven by the conviction that quality and sustainability make us profitable in the long term. And secondly because we make ourselves indispensable as a supplier to our customers if they wish to maintain their own level of quality and sustainability.

- PRIORITY ISSUES**
- Quality and environmental requirements
 - Efficiency
 - Certifications
 - Policies

- CHANNELS**
- Trade fairs
 - Meetings
 - Deliveries
 - Website
 - Social media
 - Sustainability reporting

SUPPLIERS

As a small customer of large suppliers, we find it difficult to influence their sustainability work to any great extent. However, we clearly communicate our quality and environmental requirements and we feel that we have a good dialogue with them.

- PRIORITY ISSUES**
- Quality and environmental requirements

- CHANNELS**
- Requirements specifications
 - Trade fairs
 - Meetings

OWNERS/BOARD

Gnosjö Automatsvarvning is a second-generation family-owned company, with both the first and second generations involved in day-to-day operations. The chair of the board and one board member are external parties.

- PRIORITY ISSUES**
- Long-term sustainability that maintains profitability
 - Safeguarding the future of the Swedish manufacturing industry
 - Continued family ownership
 - Ethics, morals, and values

- CHANNELS**
- Board meetings
 - Day-to-day work
 - Owner meetings

GOVERNMENT (Minister for Energy, Business and Industry Ebba Busch; Minister for Climate and the Environment Romina Pourmokhtari; and Minister for Education Mats Persson)

For a couple of years, one of our goals has been to safeguard the future of the Swedish manufacturing industry by pursuing key issues for SMEs directly with the government and relevant ministers.

- PRIORITY ISSUES**
- Long-term energy policy
 - Clearer sustainability requirements
 - Education policy for future skills

- CHANNELS**
- Debate articles
 - Social media
 - PR
 - Departmental letters

LOCAL COMMUNITY

The Gnosjö spirit means that companies in the community help each other and work together, but it also means that as a company, you’re an important part of the community above and beyond just being an employer. Therefore, our actions both as a company and as people are of the greatest importance in our sustainability work.

- PRIORITY ISSUES**
- Skills
 - Recruitment
 - Goodwill

- CHANNELS**
- Study visits
 - Association activities
 - Schools
 - Local networks
 - Queue at the grocery store

A key stakeholder group



Alicia Jäderland
LIA intern

One of our stakeholder groups is pupils and students. For us, it's important that we can attract young people, especially women, into industry in general and of course specifically to us. That's why we are generous in accepting schools and study visits for all – from primary school classes to higher education students. We're also happy for students to do internships with us.

Hi Alicia Jäderland! What do you do at Gnosjö Automatsvarvning?* “I’m doing my LIA internship (learning on the job) here for ten weeks during my training for the Production Planner, Change & Sustainability programme at Campus Ljungby.”

Why do you want to be a production planner with a focus on sustainability? “I’m interested in how change, sustainability, and production are connected. I’ve truly witnessed that here.”

Are you enjoying it? “Very much. Everyone’s lovely. You can tell that people enjoy working here. They don’t seem driven by money, but by development. It’s exciting and maybe not that common.”

Name three measures that Gnosjö Automatsvarvning is implementing regarding sustainability that impress you. “The reuse of cutting oil to become underfloor heating in the premises and the fact that employees are offered massages and sessions with behaviour specialists. Perhaps most impressive is that more than 90 percent of the total electricity consumption comes from self-produced electricity in the form of wind, water, and solar power.”

What have you done during your internship? “I’ve done things like work on this sustainability report, where I compiled the data. I have also reviewed and updated various policies based on Ecovadis.”

* Alicia Jäderland completed a ten-week internship with us in the spring of 2023.

In connection with the production of this sustainability report, Alicia started an hourly job with us focusing on sustainability issues.



Employees who enjoy their work, a good demographic spread, and good health and attendance are important parameters for us. More HR data can be found on page 38.

Beyond traditional sustainability

We don't claim to have a holistic philosophical perspective on sustainability. However, holism can be applied in our sustainability work, in the sense of understanding that the whole is greater than the sum of the parts and that it is therefore not possible to pick out individual parts without seeing them in a wider context. Although this holistic approach is one that we value, we're far from achieving it in our work.

The system below is an attempt to shed light on the consequences of our operations and their impact outside of the traditional scope of sustainability, as well as on what we're doing to offset our impact. The main reason why we created the system is not to report on our sustainability work, but to force us to look beyond our day-to-day work. We believe this is necessary if we're to overcome our common climate challenges.



A scrubber using recycled water from the washing process of turned components.

	GROUND	AIR	ELECTRICITY	MATERIALS	CUTTING OIL	PROCESS WATER	HYGIENE WATER	WASHING CHEMICALS	OTHER CHEMICALS	PACKAGING MATERIALS	CONSUMABLES
WHAT QUANTITY	6,500 m³		2,773,059 kWh	1,229,069 kg	16,000 L	62 m³	660 m³	3,000 kg	5,075 kg	Wood 62 tonnes Cardboard 1.1 tonnes	7,680 kg
WHAT	The area taken up by our facility.	The air we take in and which is “contaminated” by oil (oil mist).	The electricity we consume to run our business.	Raw materials in the form of steel, brass, and other metals that we buy in and process into end products.	Oil to run our lathes.	The water used in the washing facilities for our turned components.	The water used for showers, toilets, hand basins, etc.	The water and chemicals we use for washing our turned components.	Various lubricating oils. Leakage of cutting oils.	Materials for packing and shipping materials and sending finished components to customers.	Tools, fluorescent tubes, and other items used to maintain machines and premises.
MOST IMPACT	Biodiversity.	Biodiversity.*	Biodiversity, indigenous peoples.	Land impact through mining, toxins, and intervention in nature. Climate.	Non-renewable natural resource. 1 to 2% is lost with the metal shavings and cannot be recovered.	Groundwater, lakes, and watercourses.	Groundwater, lakes, and watercourses.	Groundwater, lakes, and watercourses.	Hazardous waste. Wastewater (from hand-washing), Air (cleaning agents).	Intervention in nature, emissions from shipping.	Land impact through mining, toxins, and intervention in nature.
OFFSETTING	Solar panels and geothermal energy reduce the impact elsewhere.	Purified via an oil mist separator and recycled into cutting oil.	90% covered by our own production of solar and wind power. What we have to buy in is origin-labelled hydropower.	We recycle all scraps. We buy in recycled material (99% of what is recycled becomes new material).	We recover oil: - via centrifugation of metal shavings - from washing water - from oil mist separator	After washing the components, the water is reused 2 to 3 times for tumbling and scrubbing floors before it goes to destruction.	No offsetting	All dirty water from washing is reused for scrubbing floors in production.	No offsetting	Recycling: - 128 kg paper - 1,345 kg cardboard	Recycling: - 81 kg electrical scrap - 78 kg fluorescent tubes - 7 kg batteries Other combustibles (from lunch roometc.) sent for incineration and turned into energy.

* The units that drive the air require a large amount of electricity, which needs to be produced and has an impact on biodiversity.

Goals that make a difference to the world and to Gnosjö

UN SDGs

Like many other industries, we adhere to the UN SDGs. As a small manufacturer in the Gnosjö region, we've selected four goals as our focus as we believe it's these areas where we have the greatest opportunity to make a difference in our business. This helps to make the goals fair and allows us to use them as a driving force for our sustainability work.



Sweden's environmental goals

In the same way that it's important that we align our work with the UN's global sustainable development goals (SDGs), it's also important that we identify how we can contribute to fulfilling Sweden's own environmental goals.

Sweden's environmental goal system consists of one generation goal, 16 environmental quality goals, and a number of milestone goals. The environmental goals are benchmarks for Sweden's environmental work in respect of sustainable development and Agenda 2030. In our work, we've selected a couple of the targets where we believe our measures have the greatest impact.





Environment

We’re working hard to achieve our goal of only using self-produced renewable energy. In 2022, the proportion of purchased (renewable) electricity was 11%, down from 18% in 2021. However, we firmly believe that we’ll soon get this down to 0.



CO₂ emissions /produced sales

Goal 2022:	5 kg CO ₂ /SEK million
RESULT 2022:	2.8 kg* CO₂/SEK million
Goal 2023:	5 kg CO ₂ /SEK million
Goal 2025:	1.7 kg CO ₂ /SEK million

Water consumption /produced sales

Goal 2022:	6 m ³ /SEK million
RESULT 2022:	5 m³/SEK million
Goal 2023:	6 m ³ /SEK million
Goal 2025:	4.8 m ³ /SEK million

Energy use /produced sales

Goal 2022:	23 MWh/SEK million
RESULT 2022:	19.81 MWh/SEK million
Goal 2023:	23 MWh/SEK million
Goal 2025:	22 MWh/SEK million

Wastewater for destruction /produced sales

Goal 2022:	0.1 m ³ /SEK million
RESULT 2022:	0.1 m³/SEK million
Goal 2023:	0.1 m ³ /SEK million
Goal 2025:	0.1 m ³ /SEK million

The difference between the years is partly due to a reduced/increased share of self-produced wind power as well as the reduced/increased use of oil during the winter break. This is because we cannot then use excess heat from production to the same extent as when the machines are running at full capacity. Weather conditions and holidays mean that the amount varies from year to year.



One of our washing stations where we're now testing and evaluating the results of washing with cutting oil instead of harmful Brennsol.

Replace Brennsol with cutting oil

In the autumn of 2022, we embarked on a project where we tested out the replacement of Brennsol with cutting oil as a cleaning agent when we wash tools. The petroleum-based solvent Brennsol is flammable, harmful to health, bad for the environment, and is destroyed after use.

There are several advantages if we can replace Brennsol with cutting oil. Cutting oil is not as harmful to health and the environment. Furthermore, we can reuse the oil for our machines, which will enable us to reduce our purchase of cutting oil by around 500 litres per year. We'll also make a financial saving as we won't have to pay anything for the destruction of Brennsol.

A side effect of washing with cutting oil is that the components get a film of oil that both lubricates and prevents corrosion.

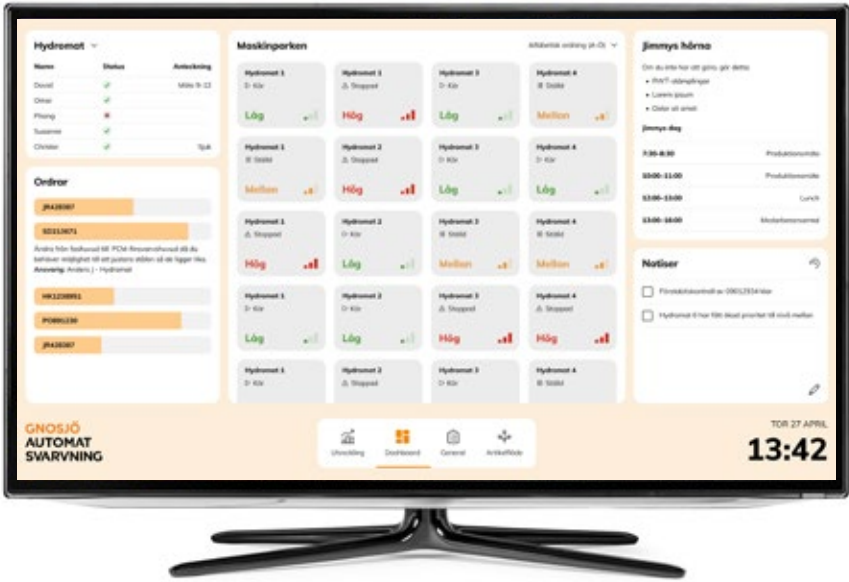
Goodbye to standby

Last autumn, all employees were asked to think about how Gnosjö Automatsvarvning's electricity consumption could be reduced. Although all lighting is already controlled by sensors, we received a proposal to switch off the machines that are in standby mode and not in use over the weekend. On the Monday after the first weekend with the machines switched off, the consumption was measured. It turned out that the consumption decreased from an average of 170 kWh per hour measured on the three previous weekends to approximately 110 kWh per hour.

A few weeks later, we were able to ascertain that weekend consumption was down to 75 kWh per hour. It really was that easy to make a saving of around SEK 750,000 per year at an average electricity price of SEK 2.5 per kWh.



Real-time information



Some of our systems

MAINTMASTER
Maintenance system for properties and machines, for example.

JEEVES ERP
Business management system for finances and accounting.

RWT
System for detailed planning and production monitoring.

MEASURLINK/STATPAK
Program for evaluating measurement results.

Production is about making flows and processes as efficient, safe, and flexible as possible. In this way, we maximise the benefit to customers while minimising the risk of spillage and wastage.

In these cases, it's important that the information needed for efficient production is made available to all concerned in real time in a way that's clear and simple.

To succeed in this, we're developing a platform for the collection and communication of data. We're calling the platform System One. Here we connect all operations systems and from there relevant information is pushed out on dashboards that are set up in strategic locations in production facilities and offices.

The information relates to everything from reminding people that tools must be changed in a lathe every 500 pieces, to the number of discards per lathe and run. Through

System One, we also hope to reduce the number of steps when calling in sick to the point that pretty much everything can be done digitally, and that those concerned are immediately informed of the absence.

When the desire to connect operations systems arose, we thought there were ready-made systems for it. But as with so much else, the solution that was best for us didn't exist. Consequently, System One is being developed from the ground up in collaboration with RISE, Toxic, and Datakraft. In this way, we get exactly the solution we want and become independent from any major system supplier.



Gnosjö municipality self-sufficient in energy

“There’s a lot of chatter about saving energy. In the Energy Commission, we’re instead trying to find solutions for increasing energy production in Gnosjö municipality. The best thing would be if the municipality became self-sufficient in electricity and energy.”

Mikael Heilmann is Innovation Manager at Gnosjö Automatsvarvning. He runs the Energy Commission together with Gnosjö’s municipal director Anna Engström, and Sandra-Stina Vesterlund from the Chamber of Commerce in Jönköping County. In a municipality with a very energy-demanding industry, it’s important to take responsibility for the energy issue yourself, in order to be able to manage the national power shortage and high electricity prices. That’s why the Energy Commission was started.

“We cannot afford not to take responsibility ourselves. With the spirit of Gnosjö as our foundation, we in the business community want to find innovative solutions together with the municipality in order to become less dependent on

national and international situations.” Discussions have been underway at a municipal energy seminar, conducted with the business community, with Jönköping University, and with the Stockholm School of Economics, among others. They have looked at everything from hydrogen storage and battery storage to jointly owned energy solutions and heat sharing between industries.

“If there’s excess energy in one facility, they could share it with their neighbours. Here in Gnosjö, the industries are close together and we’re used to working together. In fact, we’ve also discussed the possibility for an industry that has surplus heat to use that energy to heat a preschool or an apartment building, for example.”

What’s clear to the Energy Commission is that such large infrastructure solutions being discussed require both time to implement and a willingness to co-operate on the part of all parties involved.

“In my head, I already have a picture of how instead of cutting a ribbon, we symbolically cut the power line carrying incoming electricity to the municipality. I don’t think the future revolves around large-scale operation and central solutions, but rather local co-operation and hubs. Gnosjö Automatsvarvning is almost entirely self-sufficient when it comes to energy. So why couldn’t the municipality be?”



Anna Engström is municipal director of Gnosjö municipality and one of the initiators of the Energy Commission.

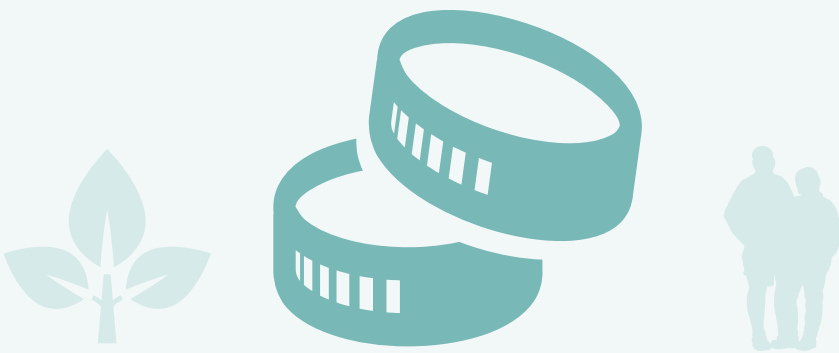
What is it? “We had an innovation meeting about energy in October 2022, where Gnosjö Automatsvarvning was one of the companies that participated. Many good ideas emerged out of the meeting. Mikael Heilmann (see adjacent article), Sandra-Stina Vesterlund from the Chamber of Commerce, and I were then assigned to work on the ideas further. It became the Energy Commission.”

What is your goal for energy as municipal director? “My vision is that if the whole of Sweden were to have a blackout, the lights will still be on in Gnosjö municipality.”

What’s the significance of industry in Gnosjö municipality? “It’s very important. It’s the heart of

Gnosjö. It’s important for keeping society going and creating jobs. It’s created the Gnosjö spirit, which we’re known for.

Many people probably think of the Gnosjö spirit when they hear the name Gnosjö.” What is the Gnosjö spirit for you? “There’s a special mentality here. We have some especially helpful companies, that we see more as colleagues than competitors, even if they were to produce almost the same products. Here you look out for each other’s best interests and help give each other work. I recently heard about a start-up that had a rough start. But the founder told us that she got support from other companies who bought from her, even though she was a bit more expensive. That’s the Gnosjö spirit.”



Finances



During 2022, we began our work in earnest towards making our factory even smarter, with more automated processes. These efforts have been made possible thanks to a good, stable economy and saved capital over the years.

Returning a profit is an obvious goal for a healthy company. And also for us, as long as the profits are reinvested in long-term sustainable solutions. We can also see that we need sufficient liquidity for riding out crises such as pandemics, recessions, and unrest in the world around us.

Profit margin

Goal 2022: ≥ 13%

RESULT 2022: 13%

Goal 2023: ≥ 13%

Goal 2025: ≥ 13%

Equity ratio

Goal 2022: ≥ 35%

RESULT 2022: 69.9%

Goal 2023: ≥ 35%

Goal 2025: ≥ 35%

Investments and returns

Good finances give scope for investments that only yield returns in the long term. Here we report on some of the projects we’ve invested in over the past 30 years.

	Investment in SEK	% of 2022's Saved/year*	Electricity consumption Payback period	
GEOTHERMAL HEATING OIL COOLER	SEK 650,000	56,000 kWh	2%	11.6 years
	SEK 200,000	108,000 kWh	4%	1 year
	Investment in SEK	% of 2022's Production/year*	Electricity consumption Payback period	
SOLAR ENERGY WIND POWER	SEK 2,790,581	325,000 kWh	12%	8.6 years
	SEK 4,080,000	2,354,000 kWh	77%	< 20 years

Allow our companies to become sustainable, Ebba Busch

Aftonbladet debate article: An important part of our work to ensure a sustainable Swedish manufacturing industry is to drive debate locally and regionally as well as nationally. On 3 November, our CEO Linda Fransson addressed the Minister for Energy, Business and Industry Ebba Busch directly with requests for, among other things, a simplified regulatory system for energy self-production. We're still waiting for a response.



DEBATE. On 25 August, 1,944 researchers and employees working in the field of research wrote a debate article in Aftonbladet with the headline “Enough now politicians – take the climate crisis seriously”. In it, our politicians were urged to listen to the warnings and advice of climate research.

Two weeks later, on 7 September, I along with 226 other Swedish companies, put my name to a debate article in the same vein, this time for the newspaper Aftonbladet.

The headline was “Politicians, stop slowing climate change”. In it we wrote:

Climate change presents enormous opportunities for Swedish companies and their employees. So why, as politicians, do you so often see this change as a necessary evil and something to keep putting off?

And we haven’t heard a thing since.

Our humble wish was and is for politicians to give companies like us a long-term plan and clear goals so that we can continue to be at the forefront and show the rest of the world that climate adaptation is possible.

A lot can be done, any many companies and industries are doing exactly that, too. They’re often going above and beyond what’s actually required by law and regulations.

Improvements and energy savings are being made for financial as well as ethical and market-related reasons.

We ourselves can state that Gnosjö Automatsvarvning’s long-term investments in self-sufficiency with self-produced electricity are

now starting to bear fruit, when looked at over a long-term perspective.

Already in 2020, we saw that 97 percent of our consumption was covered by self-produced energy from solar panels installed on the factory roof, our own wind turbine, and geothermal heating.

This has, of course, cost money over the years. But above all, a huge amount of time and human effort has gone into applying for permits and navigating legislation, regulations and bureaucracy around the production of electricity.

We now have a new government and a Tidö agreement. The agreement states that Sweden must have an ambitious climate and environmental policy and that companies must have competitive conditions.

So the question I ask myself after reading the Tidö agreement with its many good intentions is:

When will I and the 226 other Swedish companies with a

combined turnover of more than SEK 1,000 billion receive long-term incentives, regulations, a plan, and goals so that we can future-proof our businesses and boost our competitiveness by being the most sustainable business and industrial nation in the world?

I don’t need grants or tax credits to reduce our energy consumption and become more climate-smart.

What I need are clear goals, such as an electricity grid for the whole of Sweden and a simplified regulatory system for energy self-production.

Only then can I, and others in a similar position, focus on what we’re good at – sustainable production. Because I know that more industries like us want the same.

If you send me that agreement, Minister for Energy, Business and Industry Ebba Busch, I promise to sign it by return mail. Sweden’s industry must be given the conditions to be the best in the world.

Linda Fransson,
CEO and co-owner, Gnosjö Automatsvarvning



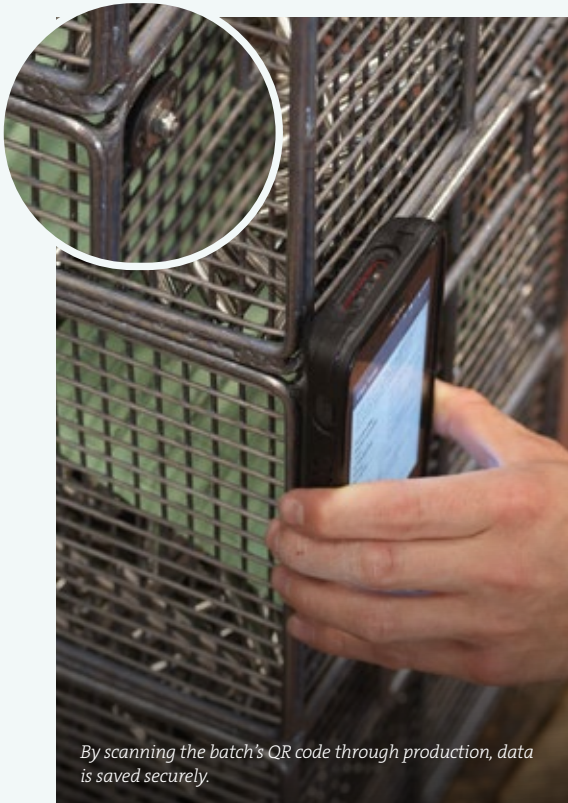
Book Linda Fransson as a speaker

CEO Linda Fransson has been available for bookings as a speaker at the Talarforum agency since the autumn of 2022. The focus of her talks is sustainability and the importance of innovation. This is how her presentation begins:

“Linda Fransson is a CEO in a male-dominated industrial world. With investments in innovation and sustainability, and faith in the power of employees, she has steered Gnosjö Automatsvarvning through financial crises and a pandemic without losing employees or damaging the numbers.

Linda lived in the factory as a child. The home’s kitchen was the factory’s canteen. At 14, she received shares in the company from her parents. Everything she has done has been connected to the family industry. Since then, the company has grown into a prosperous manufacturing industry in Sweden’s most industrially dense area. Her mission is to make Swedish industry the best in the world. And the most sustainable in the world.”

Source: talarforum.se



By scanning the batch's QR code through production, data is saved securely.

Safety and sustainability with traceability

If something goes wrong in production, it's important to know when it happened and how many turned components are involved. That's why we've spent so much time developing and implementing a customer-facing system dedicated to traceability in our production.

In the past, batches of components were accompanied by handwritten notes through production. It was a system that worked well but, naturally, had its shortcomings such as hard-to-read handwriting, misspellings, and the risk of the note simply being lost. Handwritten notes are also more difficult for suppliers and customers to process.

The digital traceability system was developed and tested in 2022. By scanning the batch's QR code through production, data is saved securely. As long as the customer doesn't break the chain and knows from which batch a possibly incorrect component is from, we know when and in which lathe it was run.

If we get this system to work together with the customer, it can save a lot of money and simplify troubleshooting in the very rare case that an error occurs that then requires action. Instead of having to recall or go through production of maybe 100,000 components, it's enough to look at just 1,500 – the current batch plus the one before and after.

Robotic automation – an investment for the future

SKF was founded on 16 February 1907. Today it's one of the world's leading players in bearings and seals, and one of the jewels in Sweden's industrial crown. Their ball bearings form part of industrial history and are known well beyond industrial circles.

Therefore, we're naturally proud to have had them as a customer since 1997 and to be able to supply precision parts for their CARB bearings. Function and appearance are very important. In a world market with fierce competition, the ball bearing not only has to function perfectly, but also live up to visual requirements. What works well must also look good. Through robotic automation, we ensure that both requirements are met on the rolls we turn.

In order for the rolls to maintain a perfect finish after turning, they're picked one by one by robots. The rolls are individually placed in compartments with the utmost care by the robot. They must not be bashed or placed together in order to minimise the risk of marks.

Robot automation is something we worked a lot on during 2022. It's of the greatest financial long-term importance for us to ensure that we can fulfil our customers' demands.



Largest hydromat park in the Nordic region following purchase of used lathes

"Following the purchase of five used hydromats last year, I'd say that with 24 hydromat lathes, we have the most in the Nordics. But the number of lathes is not a competition, rather it's an opportunity to make Swedish and European industry even more competitive."

Linda Fransson believes that the investment in hydromat lathes will pay off. With customers in the automotive industry, we saw how many large industries were affected by supply issues, expensive transport, and the closure of China's borders during the pandemic.

"With concerns growing in the world, more and more industries will want to safeguard their production by using subcontractors closer to them. Suppliers who can guarantee high quality and reliable deliveries."

Anders Jakobsson, production manager at hydromat, agrees with Linda. He also believes that the company's extensive knowledge of turning and construction is helping customers save money and become more sustainable.

"When we're involved early in the process, together with our customers' designers, we can make a big difference. With minor proposed changes, we can sometimes save material, reduce unit time, and perhaps even improve the design. So, for most industries in Europe I would say we're becoming more sustainable and delivering the right quality at the right price."

Another advantage of buying used machines, even if you don't need them at the moment, is being able to use them for parts.

"Having your own stock of spare parts or being able to completely replace a troublesome lathe without having to buy a new one, is an example of sustainability in practice and a way to prevent resource wastage. Some of the lathes we have are also no longer manufactured, which makes the need for spare parts even greater," says Anders.



Linda Fransson together with production manager Anders Jakobsson.



Property automation is about getting systems to work with each other. Industrial electrician Gustav Kjellin is responsible for our property automation.

Long-term investment in property automation

As energy prices have risen, interest in property optimisation has increased among property owners. Property automation, control and regulation systems and climate optimisation have all become much more relevant.

“Gnosjö Automatsvarvning has grown and expanded over the years. However its systems, settings, and sizing and control of things like ventilation haven’t always kept up. A ventilation system is not controlled in the same way today as it was 20 years ago.”

Gustav Kjellin, who is an industrial electrician at Gnosjö Automatsvarvning, explains the complexities of integrating different systems with each other. In 2022, work began on gathering information about the factory’s climate system, ventilation, and heating system. There was also a desire to control the energy for anything machine-related. For instance, it’s unnecessary for machines that aren’t in use to be left on.

“Both manned and unmanned lathes adhere to a certain schedule. If you pause production, the basic system of the machine must switch off once production is finished. It shouldn’t be left on unnecessarily. In this way, we also reduce the need for cooling. On the machines that aren’t running at the moment, the compressed air must also switch off automatically.”

Property automation is about getting systems to work with each other. Above all, they should not work against each other. Although the market currently offers various plug-and-play solutions for automation, Gnosjö Automatsvarvning has chosen a different path.

“That wasn’t something for us. The suppliers and systems we evaluated did not live up to our requirements in terms of functionality or service,” says Gustav.

Instead, together with industrial automation specialist IAAB, they have chosen to build their own system for property optimisation from the ground up. CEO Linda Fransson is convinced this is the right choice.

“We’ve made long-term decisions ever since we started 49 years ago. They may cost a little more initially but our investment always pays off. And neither industry nor the world at large can afford to skimp when it comes to sustainability.”



Maintenance mechanic Nicklas Lundh with his ultrasonic gun that detects leaking compressed air.



On the hunt for compressed air to save big bucks

At Gnosjö Automatsvarvning, energy thieves are shot dead, as we can see when Nicklas Lundh goes on the hunt for leaking compressed air using an ultrasonic gun.

“Although the gun comes at a cost, it’s already paid for itself. I’ve found two large leaks and several smaller ones,” says maintenance mechanic Nicklas Lundh.

Nicklas estimates that the two large leaks, one inside a lathe and one under a water separator, would have cost the company around SEK 50,000 per year with current high electricity prices. He has also found several small leaks.

“We go round the factory area by area, investigating and adjusting things. I start by locating any large leaks in one part of the factory and then move onto the small ones.

As we’ve not yet investigated the entire factory, we can’t yet say how much we’ll save in a year.” But Nicklas explains how even small leaking compressed air hoses can cost several hundred kroner a year. It’s an unnecessary waste of money and energy.

“Right now I’m ensuring that instructions and procedures are available so that more people can go on the hunt for leaks than just me alone. This is something that will become an annual process.”

Five biggest savings	
Address compressed air	Electricity savings per year
MSK 23 Water separator	SEK 26,300
MSK 20 Air cylinder in the machine for material import	SEK 24,542
MSK 30 TNX hose on air cylinder inside the machine	SEK 24,000
Pressure regulator for the washer on the hydromat side	SEK 22,630
MSK 28 Air couplings “T-coupling”	SEK 15,400



Madeleine Edvinsson warehouse manager and
Jonna Alfredsson our leadership coach.



Social



Having employees who feel good and having a sense of responsibility that extends far beyond our factory walls are a matter of course for us. Many of our employees have been with us their entire professional lives. This is something we don't take for granted and that we're exceedingly proud of.

Attendance

Goal 2022: 100%
RESULT 2022: 94.7%
Goal 2023: 100%
Goal 2025: 100%

Operational incidents

Goal 2022: 0 incidents, 0 occupational accidents
RESULT 2022: 4 incidents, 0 occupational accidents
Goal 2023: 0 incidents, 0 occupational accidents
Goal 2025: 0 incidents, 0 occupational accidents

Gender equality

Goal 2022: +/- 10% women/men
RESULT 2022: 41/59 women/men
Goal 2023: +/- 10% women/men
Goal 2025: +/- 10% women/men



Contributing to something bigger

“I could write several A4 pages about what Gnosjö Automatsvarvning has done for me. They really care about their staff. For example, if you want to develop and educate yourself, the management support you in doing so.”

Jennifer Tran is a hydromat operator and is well on her way to becoming a mechanic. As an adjuster, she adjusts and calibrates the lathe. She came to Sweden from Vietnam in 2015. She’d already worked with machines and enjoyed it, so applied for a job at Gnosjö Automatsvarvning when it was advertised and got it. She started in April 2019.

“When I started, I moved around and got to spend a week or two at different lathes. In this way, I picked up knowledge from different people bit by bit. After six months, I felt

independent enough to be able to turn on my own.”

Jennifer reflects on how well supported she was by everyone in terms of the job, the language and training, as well as personally.

“Because I commute, I’ve been able to adjust my working hours so I can pick up my kids.”

“And then you got to work in the warehouse instead of at the lathe when you were pregnant so you could avoid the high levels of noise.”

David Nuan, who reminds Jennifer about her change of job, has been at Gnosjö Automatsvarvning since October 2020. He’s also a hydromat operator. David agrees with Jennifer in what she says about her co-workers, the management, and the company itself.

“There’s room to grow. You don’t have to worry about stepping on anyone’s toes. Everyone talks to everyone and



there’s a level of responsiveness in the company that I’ve not seen anywhere else. There’s no us and them.”

When David started, he’d never stood at a lathe. But there was a clear training plan for him. Hydromat supervisor Jimmy Emanuelsson and skills developer Elvira Zahirovic made a plan for David’s first six months. David was given a mentor who trained and followed him for six months.

“I learnt one step at a time, and then we picked up new components one by one. We had a meeting every week to check how things were going. This gave both me and the company the opportunity to feel whether we were a good fit for each other. And we were!”

Both Jennifer and David believe that sustainability runs in the DNA of everyone who works in the company. For example, tools are used for as long as possible without risking the quality of production and the end product. They feel a sense of loyalty to Gnosjö Automatsvarvning and want to do everything as well and sustainably as they can. David explains how he started setting up the hydromat himself and discovered that he could disconnect the units in the lathe that were not in use at the time. It was just a matter of pulling out the cord to save electricity.

“Once you know how everything’s connected, it’s much easier to take your own initiative. You want to save. It almost feels like Gnosjö Automatsvarvning is my company too.”

Jennifer agrees and continues: “I want to become a good setter and make a contribution in the bigger picture of a technical industry. I may be making something small, but it contributes to something bigger.



Safeguarding future skills

Industrinatten is a national concept with the overall aim of changing young people’s attitudes and beliefs about working at an industrial or technology company. The concept involves industrial companies opening their doors to allow visitors to form their own idea of what it’s like to work in modern industry.

On Wednesday 12 October, we welcomed eighth graders from Gnosjö and Hillerstorp to encourage young people to work in industry through the Industrinatten project, which is something we’re passionate about. They got an insight into different parts of our business and the opportunity to try a couple of steps in our production of complex components. They also got to play our VR game where you have to change a worn tool in the machine house on a multi-spindle lathe. Having such a lathe standing nearby turning piston drums for the four-wheel drive system of several global car brands took the youngsters from virtual reality to physical reality in an instant, making it both educational and fun.

For us, our involvement in Industrinatten is one of many ways we’re future-proofing our business by way of a good supply of skills.



Name: Jonna Alfredsson, leadership coach

Training: Master’s degree in Coaching (Middlesex University, London), PA programme (Stockholm University), Political Science and Economics (Södertörn University), History of Ideas (Stockholm University)

Experience: Community manager at the MiL Institute; Coach and process manager at the Gothenburg School of Economics; Operations manager and coach at Stockholm University; Advisor at TRR.

Jonna on

The uniqueness of Gnosjö Automatsvarvning
“I’ve worked with large global companies and their managers and have been both a coach and process manager at the Gothenburg School of Economics and at Stockholm University, but Gnosjö Automatsvarvning is the first time I’ve ever come across an employer who doesn’t shy away from difficult questions at any level. They don’t crumble in the face of key issues. They have real tenacity and soul.”

True sustainability
“For me, sustainability is about making room for recovery, for both nature and humans. About letting things take time. And they get this with Gnosjö. Here, a long-term perspective isn’t 3 to 5 years, but more like 30 to 50 years. I think Gnosjö Automatsvarvning is the corporate equivalent of Greta Thunberg.”

What should business leaders do better at?
“Walk the talk and practise what you preach, without letting performance slip. Prestige and greed never make for a good leader.”

Courageous leadership

“Do you see what you did, how you handled the situation? You did exactly the right thing. You stopped, listened, and fed back. That’s really good and authentic leadership.”

Jonna Alfredsson gives a direct response when Ola Davidsson, production manager for the NC lathes, solves an issue raised by an employee who needs a quick answer. That’s just how Jonna works. As a leadership coach, or leadership trainer as she prefers to call herself, she strengthens and refines the qualities that the leaders and employees at Gnosjö Automatsvarvning already have.

“Gnosjö Automatsvarvning already has good leadership. What I do is hold up a mirror to those I coach so they can see their own greatness and allow them to reflect. Then I present them with challenges and perspectives on what they’re doing. That’s what life is all about, finding your gift and using it.”

Interviewing Jonna is like being in the eye of a storm. It’s calm and soothing, but her intensity, energy and quick leaps of thought keep you on edge. You go on an intellectual and almost spiritual journey from Björn Natthiko Lindeblad, who Jonna had the privilege of having as a wisdom teacher for many years, to Oprah Winfrey. And in between, you stop in the glade of the poet and Nobel laureate Tomas Tranströmer.

“For me, the line ‘In the middle of the forest there’s an unexpected glade that can only be found by the one who has lost his way’ from Tranströmer’s poem ‘The Glade’, is about reflection and recovery. It’s when we’re in that glade that we can feel and listen. These are two important qualities in all leadership.”

Jonna focuses on inner leadership, on knowing yourself from the inside out. As a leader, you must dare to be yourself and have the tenacity to be imperfect. Only then will you have the courage to develop both yourself and the company.

“Good leadership is about goodness. There’s strength in being kind. Kindness is an attitude you choose and it’s not about being better than others. It’s about choosing to do your best in every moment with the resources you have, and accepting that it’s okay to make mistakes. I think that characterises Linda in her role as CEO and Anna as purchasing manager.”

Jonna’s mission is not only to develop leadership in management and middle managers, but she also meets all the company’s employees, both in groups and individually.

“That’s important to me. Everyone has the capacity to grow and everyone is their own leader.”



“You have to be brave and address the things that irritate

Madeleine Edvinsson started at Gnosjö Automatsvarvning in 1990. Her first job was simple sorting work in the warehouse. Since then, the company has grown by a further 50 or so employees, 30 lathes, and 5,000 square metres. Now she’s head of that same warehouse and is responsible for a team of some 13 employees.

“I have a fantastic team. Everyone pitches in and helps each other. If, for example, 30 pallets need to be packed before the weekend and we’re running short on time, we solve the problem together,” says Madde, as everyone calls her.

For Madde, collaboration is essential for a pleasant and efficient work environment. If given the choice, she’d rather jump in and help with the work in the warehouse than sit in meetings, which she has to do more of now that she’s a warehouse manager.

“Yes, it seems that there are only more and more meetings,” Madde laughs and continues: “But as a manager I think the most important thing is to be helpful to my colleagues. If an extra hand is needed to solve something, they should be able to ask me. And since I’ve been in the warehouse for so long, I can jump in anywhere.”

In her work as a manager, she emphasises the importance of daily management, giving each other feedback, and being responsive and addressing the things that might feel a little

uncomfortable. Here, being caring and showing sensitivity are two important qualities. As is having the tenacity to put your foot down.

“I work with the day-to-day management of a small group, so that everyone knows what needs to be done. Then the whole team meets every Monday. In these meetings, I like us to look at the things that are irritating us and that don’t feel right. There are those who say a lot, while others are less comfortable. You have to be aware of that and pay attention to how people react.”

Part of Madde’s development as a manager is the coaching offered by the company. In 2022, Madde, together with two managerial colleagues, worked with leadership coach Jonna Alfredsson. This has helped Madde to develop as a manager and person.

“Jonna’s way of working suits me as she’s very open, which strengthens me as a person. She’s helped me to see my strengths and understand my value.”

Read an interview with Jonna Alfredsson on pages 32 and 33.



Staff club

“The parties end earlier now”

There are many advantages of our low staff turn-over – it’s testament to our company culture and well-being, we have lots of collective experience and knowledge, and we have long relationships with our customers. But there is perhaps a downside, which is well-summarised by Richard Berner:

“We’re only getting older, so the parties end earlier now.”

Richard is one of four who runs the Gnosjö Automatsvarvning staff club. The other three are Jimmy Emanuelsson, Victoria Eriksson, and Jens Ringborg. They explain how pretty much everyone in the company is in the club. The members pay 80 SEK a month, and the company contributes the same amount for each member.

The last time a list of the members’ ideas for activities from the suggestion box was compiled, it turned into a long list of 63 suggestions! Although not all of them can be pursued, they try to do as many as possible. Everything from summer and christmas parties to whisky tasting and a ski trip to Sälen.

“The strength of the staff club is the community and the fact that we meet outside of work in contexts other than those related to work and the company is a testament to that. This contributes to a positive working environment,” concludes Victoria.

Environmental data

Energy consumed and produced	2022	2021	2020
Energy type			
Total electricity consumption (MWh)	2,773	2,983	2,726
- of which electricity consumption for heating/cooling (MWh)	83.4	105.3	65
- of which electricity consumption for production (MWh)	2,689.6	2,877.3	2,661.4
Total electricity produced (MWh)	2,385	2,351	2,649
- of which self-produced solar power (%)	12	11	12
- of which self-produced wind power (%)	74	68	85
Energy consumed/product revenue (MWh/SEK million)	19.81	24.06	21.81
Amount of oil consumed			
Hydraulic oil/booster/cutting oil status: 408, 410, 530, 708, 600	16,000 L	16,000 L	9,960 L
Amount of oil consumed L/tonne of turned material	13 L	11.4 L	8.9 L

Resource usage			
Total amount of material purchased (kg)	1,229,069	1,397,660	1,125,232
Total amount of scrap (kg)	524,789	382,068	501,651
Purchased brass material (kg)	188,505	224,314	154,435
Scrap brass material (kg)	117,092	147,374	112,257

Consumables production			
Packaging materials			
Wooden pallets and pallet collars (tonnes)	62	74	57
Cardboard (tonnes)	1.1	5.2	5.2
Water			
Water consumption (m³)	702	842	612
Water consumption showers/toilets etc. (m³)	640	761	563
Process water (m³)	62	81	49
L water for destruction	19,474	12,305	18,491
L water total/kg material	0.571	0.602	0.544
L process water/kg material	0.050	0.058	0.044
Chemical consumption			
Amount of detergent and rust protection used (kg)	3,000	2,850	2,040
Amount of detergent and rust protection used (kg/tonne turned material)	2.4 kg/tonne	2.0 kg/tonne	1.8 kg/tonne

Waste	2022	2021	2020
Hazardous waste			
Emulsions, Tumbling water (kg)	19,474	12,305	18,491
Dirty Brennsol D 80/ Waste oil (L)	340	733	357
Filters/absorbents	916	524	1,310
Carbon (residues from laundry) (kg)	0	0	0
Batteries (kg)	7	5.5	25
Fluorescent tubes/low-energy bulbs (kg)	78	71	88
Drying cloths, mats, etc. (kg)	948 for laundry, of which 316 are hazardous waste	962 for laundry, of which 320 are hazardous waste	1,004 for laundry, of which 335 are hazardous waste
Other waste			
Paper - Mail, copies, newspapers, etc. (kg)	128	72	158
Cardboard (kg)	1,345	915	1,505
Plastic chemical cans (pcs)	49	103	104
Electronics (computer screens, printers, electrical cables, etc.) (kg)	81	104	74
Rubbish - Combustible waste (kg)	7,680	5,210	7,680
Material production			
Aluminium (kg)	1,346	536	469
Ametal/Zinc (kg)	0	0	0
Copper (kg)	1,381	745	427
Brass (kg)	117,092	147,374	112,257
Stainless steel (kg)	96,159	45,920	55,331
Steel/iron (kg)	306,976	187,434	331,640
Cable scrap (kg)	81	59	66
Mixed scrap (kg)	1,754	1,240	1,996
Oil			
Quantity of oil heat (L)	0	225	27
CO2 emissions from oil (kg)	0	598.5	191.5

Miscellaneous			
Number of EV charging points	10	10	2
Exhaust air from machines	0.9 res 3.6 mg TOC Nm³	0.9 res 3.6 mg TOC Nm³	0.9 res 3.6 mg TOC Nm³

Scope (tonne co₂)

Scope 1	Vehicles	Oil boiler	Own wind	Own solar	Total	Scope 2	Purchased electricity	Total
2022	0.1	0	0	0	0.1	2022	0	0
Scope 1 is the emissions that occur in the company's own operations (directly), for example fuel combustion and own vehicles.						Scope 2 includes emissions (indirect) from purchased electricity, steam, heating, and cooling.		
Scope 3	Materials	Transport	Hardening/ surface treatment	Waste	Business travel	Commuting	Purchased electricity	Total
2022	1,080	15.9	3.3	-541	0.4	35.7	2.8	597.1
Scope 3 is other indirect emissions. For example, from purchased materials, product use, waste management, business travel, etc. that we ourselves do not own or have control over.								

Employee numbers

Employees	2022	2021	2020
Total number of employees	64	69	66
Number of permanent employees ¹	64		
Number of fixed-term employees ¹	0		
Number of part-time employees ¹	3		
Number of full-time employees	61		
Average tenure at the company (years)	12.4	11.7	10.5
Distribution of employees (%)			
Men	59	59	57
Women	41	41	43
Under 30 years old	25		
30 to 50 years old	39		
Over 50 years old	36		
Distribution of salaried employees (%)			
Men	46	46.2	42.9
Women	54	53.8	57.1
Under 30 years old	0	0	
30 to 50 years old	46	50	50
Over 50 years old	54	50	50
Management team (%)			
Men	50	50	50
Women	50	50	50
Board (%)			
Men	50	50	50
Women	50	50	50
Number of new employees			
Men	1	1	2
Women	1	1	0
Under 30 years old	2	1	0
30 to 50 years old	0	1	2
Over 50 years old	0	0	0
Number of employees who ended their employment			
Men	2	1	1
Women	0	3	0
Under 30 years old	1	0	1
30 to 50 years old	0	3	0
Over 50 years old	1	1	0
Employees from non-Nordic countries (%)	30.8	30.8	30.8

Employees	2022	2021	2020
Health			
Sickness absence (%)	5.3	5.4	4.6
Number of employees who used massage service	32	28	34
Number of employees who used talking therapy service ²	10	8	12
Number of employees who have used well-being allowances	15	11	14

Accidents in the business	2022	2021	2020
Work environment			
Number of incidents reported	4	8	5
Number of occupational accidents (injuries) reported	0	1	3
Environment			
Number of incidents reported	1	1	1
Number of accidents reported	0	0	0
Training			
Average number of training hours per employee	16.5	33	37
Total number of training hours for the company	1,050	2,297	2,450

Note ¹ Refers to the measurement date of 31 December 2022.

Note ² In total, there are approximately 20 unique people who have used the talking therapy service in the last three years.

Broad perspective on sustainability

Reporting on sustainability can be challenging. The information must be clear and transparent, and give a fair picture of both the positive and negative impact on the environment and social sustainability. It's interesting to show how things have developed in terms of what has been done historically and what the plan is going forwards. In this way, it's possible to understand with which system sustainability work has been pursued.

A company in a long chain to the end consumer must also relate both to its suppliers' and customers' sustainability work. At the same time, the company has limited authority outside of its own operations. Gnosjö Automatsvarvning presents its sustainability work within a broad perspective, with clear stakeholders and key issues. The company describes everything from the environmental impact of material use to the local work environment with soft values. Through sustainability reporting, it becomes clear that the company values social sustainability for its employees at least as highly as finding solutions to reducing the environmental impact from production. In addition, the company actively operates in and for its local community.

Gnosjö Automatsvarvning reports on its systematic environmental work by providing examples of technical solutions that, individually and as a whole, have a huge impact. Figures for environmental development are clearly presented in the report and are also described in qualitative terms. Even the investments that are made are decided on the basis of a long-term perspective that benefits development that is both socially and environmentally sustainable.

Overall, Gnosjö Automatsvarvning demonstrates its aspiration that its contribution to the end product in a long supply chain should be more sustainably produced today than it was yesterday.



Emma Hedberg
Senior sustainability consultant, Ph.D.
Sweco Sverige AB

