GNOSJÖ
AUTOMAT
SVARVNING

Sustainability Report 2024

The Sustainability Report is published by Gnosjö Automatsvarvning AB, Lidängsvägen 1, SE-335 32 Gnosjö. Tel: +46 (0)370 33 32 50.
Email: info@svarvning.nu. Photography: Stephan Bozic, Beyond Communication, private photos, and materials from Gnosjö Automatsvarvning.
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In recent years, we have invested heavily in projects aimed at developing the people within our organisation. At the same time, we have continued to invest in machinery and production – our core business.

No green transition without small businesses

In 2024, we celebrated our 50th anniversary. We threw a great party together with employees, customers, and partners – you can read more about the celebration on pages 40–41. To mark the occasion, we also published a book about our 50 years in business. Among those we interviewed was Annie Lööf. As a native of Småland and Sweden's Minister for Enterprise from 2011 to 2014, she knows what small business in Småland is all about. She shared many wise and thought-provoking insights.

When asked how she sees entrepreneurship and small-scale industry contributing to a better climate, she replied:

"That's where it happens. Without small businesses – or businesses in general – we won't succeed with the green transition or reducing CO_2 emissions. It's within entrepreneurship that product development takes place – whether it's smart new services or products that replace fossil-based materials with renewable or fossil-free alternatives. In this transition, the Gnosjö region has a real opportunity to lead, thanks to the strong innovative spirit found here."

She also highlighted the connection between sustainability and profitability, and how demand for green products and services is only going to grow:

"This is something that hardworking entrepreneurs and small business owners already know. They've seen the profitability in it – both the financial and the moral case for a green transition, and the urgency with which it must be done."

We can only agree – and continue investing in profitable sustainability efforts. We will also keep championing the issue of competence development, which is vital for the long-term survival of Swedish industry. How can we be innovative and develop tomorrow's products without quality education for both today's and tomorrow's workforce?

You'll find reflections on this and much more in the 2024 Sustainability Report. Now we're rolling up our sleeves and getting ready for the next 50 years.

Warm regards for the future

Linda Fransson CEO and Owner
Anna Sandberg Head of Purchasing and Owner

Scan the code if you'd like to read the full interview with Annie Lööf in our anniversary book, titled "A Short Story About 50 Years of Willpower, Ingenuity, Joy – and a Whole Lot of Clever Smålanders from All Around the World."

Proof of our sustainability efforts

Receiving external recognition for our dedicated sustainability efforts motivates us to keep striving for continuous improvement.

In 2024, we moved up in the EcoVadis assessment, advancing from silver to gold.

This places us among the top five percent of the 130,000 companies assessed worldwide.

SAQ 5.0 is a commonly used tool, especially in the automotive industry, for evaluating suppliers' sustainability performance.

In 2024, we received a C78 rating – well above the industry average of C61.

p. 20

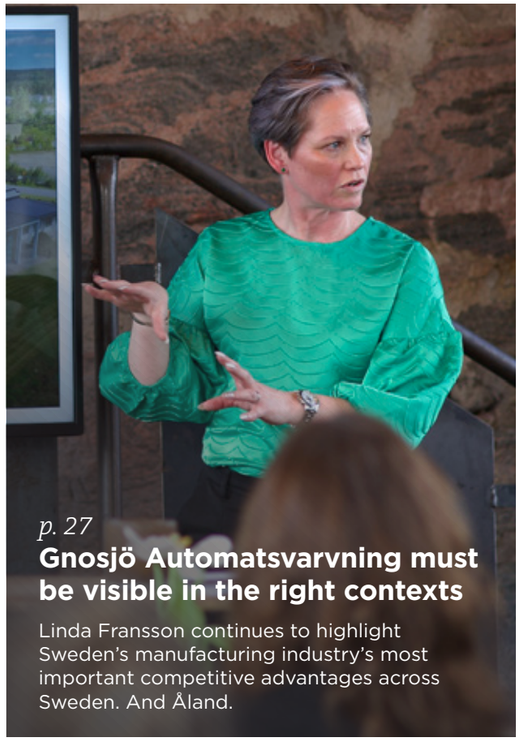
Ten to one bar

During 2024, we have improved energy efficiency and installed electricity meters on the washers. Read how we went from ten to one bar.

pp. 12–13

Suppliers rate themselves

The questionnaire where our suppliers rate their own sustainability provides us with new insights.



p. 27

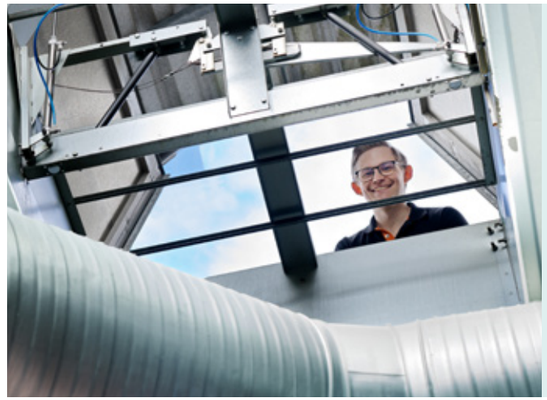
Gnosjö Automatsvarvning must be visible in the right contexts

Linda Fransson continues to highlight Sweden's manufacturing industry's most important competitive advantages across Sweden. And Åland.

p. 37

General competencies

We now know how the general competencies are meant to work at Gnosjö Automatsvarvning. But what does prioritisation competence actually mean in day-to-day work?



pp. 28-29

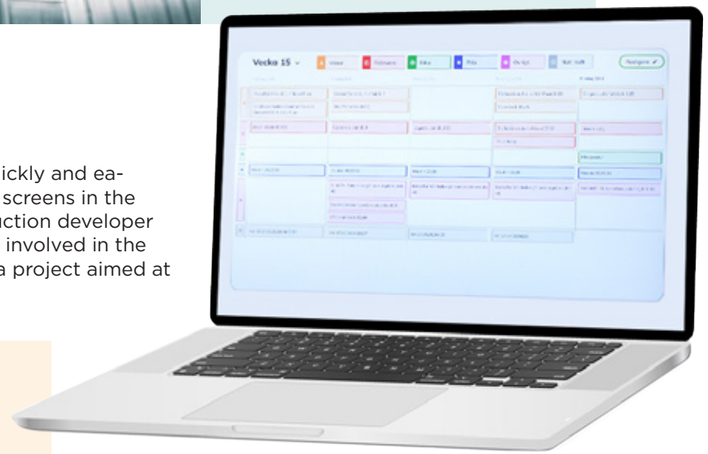
Energy optimisation that never ends

"You never know what you'll want to do in the future. We might come up with something clever, and then it's good to have the data."

p. 30

System One

"Everyone should be able to quickly and easily find what they need on the screens in the factory." Albin Sandberg, production developer at Gnosjö Automatsvarvning, is involved in the development of System One – a project aimed at replacing many other systems.



p. 39

We are now future-proofing our organisation

The project that lays the foundation for an organisation ready to handle a future of rapid technological leaps, a constantly shifting market, and a highly volatile economy.

Letting loose

We raised the roof and spirits were high as we celebrated our first 50 years.

pp. 40-41

OUR VISION

Turning for future

With the personal commitment of a family-owned business and the high level of competence among our employees, Gnosjö Automatsvarvning will never stand still. Through top-level perfection and precision in machining, we are committed to continuously developing our offering, our people, and our customers.

GNOSJÖ AUTOMATSVARVNING AB

FOUNDED
1974

OWNERS
The Fransson family

EXPORT
More than 60%

NUMBER OF EMPLOYEES
60

OPERATIONS
CNC turning of complex components

TURNOVER
SEK 131 million (2024)

CUSTOMERS
Primarily Swedish engineering companies, about half of which are connected to the automotive industry.

OUR CORE VALUES

Perfection

Naturally, when you work with precision turning of complex components for customers with extremely high standards, perfection is a given. That's why we invest in the best machines and constantly strive to help everyone get even better at what we do.

But perfection also means having the courage to address problems and challenges. No one is perfect (how boring would that be?), and every organisation has room to grow. So for us, perfection also means encouraging and supporting one another in raising things that can be improved.

Precision

"That's exactly how we want it." When a customer says that, we've succeeded. That means we've done everything exactly right. And that requires precision in everything we do, promise, and say. It means trying out new tools, following routines, using the right instructions, and paying close attention to detail. It means never stopping our development.

At the same time, we also need to pause now and then. Pause to give each other feedback, make sure we're motivated, and acknowledge one another. No one can be at their best all the time. We should also be able to say: "That's exactly how we want it." Then we'll know we've created the right feeling and the right conditions for everyone.

Personal

Perfection and precision are two of our core values. But we must never lose what makes Gnosjö Automatsvarvning truly Gnosjö Automatsvarvning – and what makes you, you: the personal touch. That open and welcoming feeling we want everyone to experience. The closeness and openness between us as colleagues.

It's by being personal that the strongest and longest-lasting partnerships are built. Daring to be yourself, while still acting professionally. Being personal also means respecting that we're all different – and seeing each individual for who they truly are.

OUR BUSINESS CONCEPT

With our unique problem-solving expertise and modern, advanced equipment, we aim to meet our customers' needs for complex turned components. We strive to build long-term business relationships that drive development – for both us and our customers.

Certifications

> SS-EN ISO 9001

> SS-EN ISO 14001

> IATF 16949

Material and production control system

>Jeeves MPS

Policies

> Whistleblower policy

> Anti-bribery and corruption policy

> Code of conduct

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

Stakeholder mapping matters

In our materiality analysis, we identify stakeholders, priority issues, and communication channels as specifically as possible. The aim is to determine which issues are most relevant and have the greatest impact on the company's economic, social, and environmental performance.

Some may raise an eyebrow at the inclusion of government agencies and the national government as stakeholders. The explanation is simple: decisions on energy, education, and environmental policy have a direct impact on our operations. That's why it's important for us to, as far as possible, reach out to influential and decision-making politicians at the national level.

Looking ahead, we may also include specific organisations in our materiality analysis – from environmental NGOs to trade unions. Anyone whose activities could significantly impact our sustainability work. Continuously mapping stakeholders will become increasingly important as sustainability grows in strategic relevance, regulatory requirements become stricter, public and industry awareness increases, and sustainability-related risks – such as climate change and resource scarcity – may affect our operations.

Elmia Subcontractor 2024 – a valuable occasion to engage with our stakeholders.

The UN climate goals make a difference – in the world, and right here in Gnosjö.

Like many other industries, we naturally align with the UN Sustainable Development Goals. As a small manufacturing company in the Gnosjö region, we want to honour these goals and use them as a driving force in our sustainability efforts. To make them meaningful and actionable, we have selected the goals where we believe we can make the greatest impact within our operations.

Below, we list our stakeholders, the key priorities we address in relation to them, and the channels through which we communicate. Another element closely linked to the materiality analysis and stakeholder mapping is the risk analysis, which can be found on page 48.

EMPLOYEES

During recessions, pandemics, and other economically volatile periods, we do everything we can to avoid laying off employees. We would rather see them engaged in training or helping to clean the factory than out of work – and ourselves without loyal, highly skilled team members.

PRIORITY ISSUES
- Strategic competence development
- Employee benefits
- Safe and pleasant work environment
- Opportunities for development and career growth
- Meaningful leisure time

CHANNELS
- Hallways and lunchrooms
- Meetings
- Development reviews
- Salary discussions based on our own wage model
- Factory floor screens

CUSTOMERS

We are a small subcontractor to often very large customers with extremely high demands on quality and sustainability – demands we always strive to exceed. Primarily because we are driven by the belief that quality and sustainability make us profitable in the long term. Secondarily because it makes us indispensable as a supplier to customers who want to maintain their own standards of quality and sustainability.

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

CHANNELS
- Trade fairs
- Meetings
- Deliveries
- Website
- Social media
- Sustainability report

SUPPLIERS

As a small customer working with large suppliers, we have limited ability to influence their sustainability work. However, we clearly communicate our quality and environmental requirements, and we feel that we have a good dialogue with them.

PRIORITY ISSUES
- Sustainable supply chains
- Certifications
- Policies
- Quality and environmental requirements

CHANNELS
- Trade fairs
- Deliveries
- Website
- Social media
- Sustainability report
- Meetings

OWNERS/BOARD OF DIRECTORS

Gnosjö Automatsvarvning is a second-generation family-owned company, with both the first and second generation involved in daily operations. The chairman of the board and one board member are external.

PRIORITY ISSUES
- Long-term sustainability with maintained profitability
- Future-proofing Swedish manufacturing
- Continued family ownership
- Ethics, morals, and values
- Securing competence

CHANNELS
- Board meetings
- Day-to-day operations
- Ownership meetings

AUTHORITIES

For the past few years, one of our goals has been to future-proof Swedish manufacturing by advocating key issues for SMEs directly to the government and relevant authorities.

PRIORITY ISSUES
- Compliance with laws and permits
- Clear and long-term sustainability requirements
- Long-term energy policy
- Industry validation and competence development

CHANNELS
- Inspections
- Surveys/questionnaires
- Social media
- PR
- Opinion pieces
- Seminars and panel debates

LOCAL COMMUNITY

The Gnosjö spirit means that local businesses support one another and collaborate – but it also means that, as a company, you are an important part of the community in more ways than just being an employer. That's why our actions, both as a business and as individuals, play a crucial role in our sustainability efforts.

PRIORITY ISSUES
- Competence
- Recruitment
- Sponsorship
- Job opportunities

CHANNELS
- Study visits
- Sponsorship activities
- Internships
- School and fair visits
- Social media
- Local networks
- The supermarket queue

Suppliers conduct self-assessments

No matter how hard you work on sustainability yourself, you're still dependent on how your suppliers approach their own sustainability efforts. That's why Gnosjö Automatsvarvning has developed a questionnaire that allows its suppliers to assess their own sustainability work and processes.

Areas covered in the questionnaire

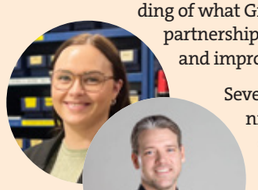
- Certificates
- Process control
- Handling/storage/packing/delivery
- Purchasing
- Skills supply
- Environment/sustainability
- Health/equality
- Energy
- Safety

The responses give Gnosjö Automatsvarvning a clear understanding of how processes look and function – or don't – at their suppliers.

"Sure, you can ask for certifications and reports – but how many people actually read all the documents? And what do they really tell you about day-to-day work and sustainability?"

"We ask our suppliers the kinds of questions we would want to receive ourselves – questions where the answers are directly useful to us," says Alicia Jäderland, Sustainability Manager at Gnosjö Automatsvarvning.

Alicia explains that the questionnaire includes questions across nine different areas, with in-depth questions for each. One of the seven questions related to process control for delivering parts to Gnosjö Automatsvarvning, for example, reads:



Alicia Jäderland och Jens Ringborg är de som tagit fram modellen med självskattning av leverantörer.

"Is there a process in place to ensure that foreign objects do not accompany our components?"

Here, the supplier is asked to rate themselves from 0 to 3, answer yes or no regarding documentation, and has the opportunity to comment on their response. The six other questions on process control cover work instructions, traceability, risks, and measurements – all with the same answer options. Each area's scores are then compiled into a total score.

"But the score isn't the most important part," Alicia notes. "Whether a supplier gives themselves a two or a three doesn't matter that much. What matters is if they score a zero. That could mean they don't have a process, documentation, or system in place – or simply that they don't find the question relevant."

The answers give Gnosjö Automatsvarvning a clear understanding of how the supplier's processes work, where there may be gaps, and what the company in turn can promise its own customers. At the same time, suppliers get a better understanding of what Gnosjö Automatsvarvning values in a partnership. From there, both parties can influence and improve each other's day-to-day operations.

Several people at Gnosjö Automatsvarvning have contributed to shaping the questions and identifying areas that are relevant and meaningful for both sides. It has been important that the questions are directly linked to operations – not too general or obvious. Around Christmas, the questionnaire was sent out to five suppliers. The feedback was positive.

"Four out of five responded almost immediately," says Jens Ringborg, who has also played a key role in developing the self-assessment. "They were positive and saw the value in the questions, which open the door to a constructive dialogue. We're now moving forward, fine-tuning the process and preparing to reach out to more suppliers."

SCORING CRITERIA

0: No process/system in place. Not a relevant question.

1: Process/system initiated but not sufficiently developed.

2: Process/system is functioning but could be improved.

3: Process/system is fully implemented.

We asked Adam Lindgren, Customer Quality Assurance, and Madeleine Lundin, Area Sales Manager, Sales Unit Scandinavia at steel manufacturer Ovako, what they thought of the questionnaire.

What do you think about the idea of assessing yourselves?

The idea of allowing companies to assess their own sustainability efforts can be highly valuable – especially as a complement to traditional audits. It gives companies the opportunity to reflect on their own progress and identify areas for improvement. At the same time, it strengthens collaboration and dialogue between departments, which is essential for sustainable development. It also helps companies become more aware of their strengths and weaknesses when it comes to sustainability.

Did answering the questions give you any ideas for your own sustainability work?

Circularity is at the core of Ovako's operations, and we've been focusing on sustainability issues for the past ten years. While answering the questions didn't generate entirely new ideas for our own sustainability work, it clearly showed that Gnosjö Automatsvarvning shares the same focus and ambitious goals in terms of sustainability. It confirmed that we are on the right path and that we share many objectives when it comes to sustainable development – something that also opens the door for potential collaborations and exchanges of experience in the future.

Is there a question you felt was missing, or perhaps a suggestion for improving the questionnaire?

It's good that the questionnaire stays at an overall level and doesn't go too much into detail, which makes it easier to manage. One possible improvement could be to add a few open-ended questions, allowing companies to describe their sustainability efforts in more detail or provide examples of specific challenges and improvements.

Adam Lindgren and Madeleine Lundin at Ovako

In our industrial washer, nearly all components go through an alkaline wash. Each part has its own washing program, with specific instructions on how it should be handled before and after washing – all to ensure that both our own and our customers' requirements are met.

Sustainability in perspective

Environment

More efficient washing and reuse of metal shavings

As in previous years, one of our most important key performance indicators is the share of self-produced electricity. In 2024, it reached 76 percent – with the clear goal of reaching 100. Achieving full energy independence is both environmentally and economically sustainable. During the year, we also enhanced the energy efficiency of our alkaline washer and made significant progress in making the reuse of metal shavings more sustainable.

Environment

We are working hard toward our goal of using only self-produced renewable energy. In 2024, the share of purchased (renewable) electricity was 24 percent. However, we remain committed to bringing that number down to zero in the near future.

Energy use

Target 2024

MWh/SEK million in sales:	23
kWh/kg turned material:	2.20

Result 2024

MWh/SEK million in sales:	21.8
kWh/kg turned material:	2.56

Target 2025

kWh/kg turned material:	2.0

Water consumption

Target 2024

m³/SEK million in sales:	6
m³/employee:	12

Result 2024

m³/SEK million in sales:	6,2
m³/employee:	13,5

Target 2025

m³/SEK million in sales:	4,8
m³/employee:	12

CO_2e

Target 2024

CO_2e/kg manufactured component:	–

Result 2024

CO_2e/kg manufactured component:	3.33
CO2e/SEK thousand in sales:	13.21

Target 2025

CO_2e/kg manufactured component:	3,5

Chemical consumption

Target 2024

kg/tonne turned material:	18

Result 2024

kg/tonne turned material:	19,4

Target 2025

kg/tonne turned material:	16

Wastewater for destruction

Target 2024

m³/SEK million in sales:	0,1
kg/tonne turned material:	24

Result 2024

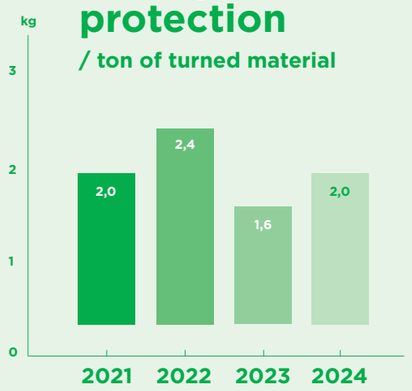
m³/SEK million in sales:	0,19
kg/tonne turned material:	20,9

Target 2025

m³/SEK million in sales:	0,1
kg/tonne turned material:	15

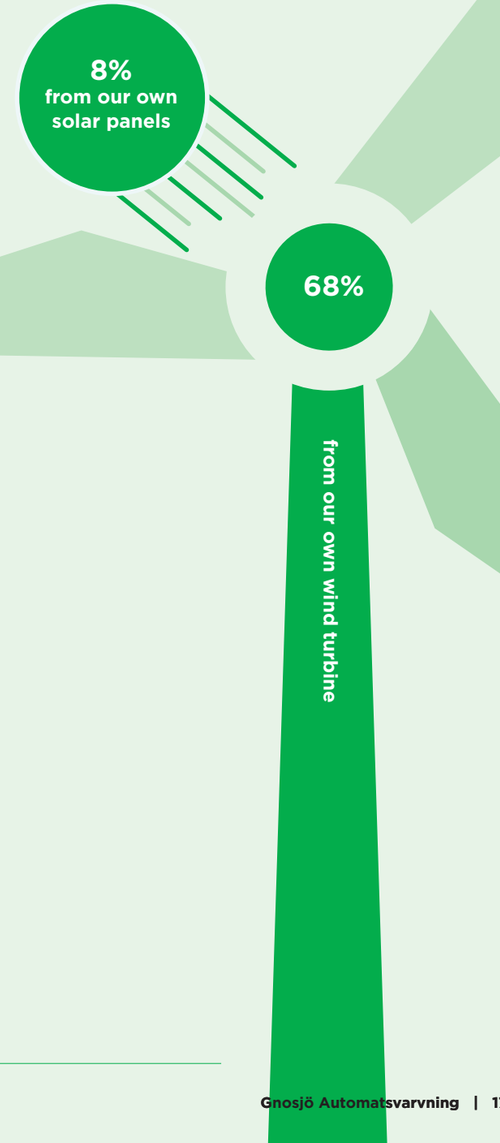
Detergent & rust protection

/ ton of turned material



10 EV charging points

Many of our employees have a long commute, and with public transport leaving something to be desired, it feels good to be able to offer no fewer than 10 charging stations for customers and staff to charge their cars.



Sustainability runs through our DNA

We published our first sustainability report in 2020, but sustainability has been important to us ever since 1974. Here's a quote from the book we released last year to mark our 50th anniversary.

"For a couple of years, the family lived upstairs from the factory, which was housed in a small brick villa. Sisters Linda and Anna were everywhere when they weren't in school. They recall how their mother Solweig and father Olle, together with the employees, would discuss how things could be done more efficiently, more cleanly, and with less waste. Back then, it was a matter of economic survival."

Solweig and Olle Fransson with daughters Linda and Anna in the background, 1986. Today, Linda is CEO and Anna is Head of Purchasing.

Beyond traditional sustainability

The main reason we developed the system below wasn't to report on our sustainability work, but to force ourselves to lift our gaze – beyond the day-to-day. We believe this is necessary to meet our shared climate challenges.

	GROUND	AIR	ELECTRICITY	MATERIALS	CUTTING OIL	PROCESS WATER	HYGIENE WATER	WASHING CHEMICALS	OTHER CHEMICALS	PACKAGING MATERIALS	CONSUMABLES
QUANTITY	6 500 m^3		2 877 886 kWh	1 125 501 kg	13 600 L	65 m^3	749 m^3	2 200 kg	5 695 kg	Wood 43 ton Cardboard 2 ton	8 240 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 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	Work environment, air quality, and 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 AND MANAGEMENT	Solar panels and geothermal heating are installed within the facility's area. This reduces environmental impact in other locations.	Purified via an oil mist separator and recycled into cutting oil.	76% covered by our own production of solar and wind power. The remainder is nuclear power and 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.	Processed in the municipal sewage system.	The chemicals are diluted in the water that comes from the washing process, which is then used for scrubbing the floor in the production facility.	Sent for recycling/destruction/waste management.	Recycling: - 50 kg paper - 1,979 kg cardboard	Recycling: - 482 kg electrical scrap - 12 kg batteries Other combustibles (from lunchroom etc.) 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.

From ten to one bar

Ensuring the precision of a component isn't always just a matter of highly accurate measurement. Unwanted particles can still escape detection. That's why components need to be washed. In 2024, we made our washing process more energy efficient.

Nearly all components from our production go through an alkaline wash, where the majority of oil and metal shavings are removed through various cleaning stages. To reduce energy consumption, we tested lowering the spray pressure from ten to one bar in certain parts of the process – without compromising the result.

"In fact, the results have actually improved slightly, as it turns out that oil is easier to separate at lower pressure," says Emil Claesson, wash technician.

We also reduced the temperature in all five washing tanks by 3 to 10 degrees and improved their insulation to help retain heat for as long as possible.

"For long-term evaluation of the energy optimisation, we've also installed electricity meters on the washers to compare and monitor power consumption," adds Patrik Hessne, wash technician.

Pictured: Emil Claesson and Patrik Hessne manage the washing processes at Gnosjö Automatsvarvning.

Shorter transport routes and more efficient reuse

Reviewing transport is a key part of effective sustainability work. And it's not just true for industry – reducing your transport needs cuts both carbon emissions and costs. If you can also improve the reuse of residual materials, the results are even better.

In 2023, Gnosjö Automatsvarvning joined the HANS project. Jens Ringborg, responsible for cleanliness and washing, explains:

"At the core, we want to reuse the residual product – metal shavings, which are generated during our turning processes – as efficiently as possible. Together with RISE and several other Swedish industries and foundries, we've been working to develop concepts for circular material flows, where the shavings are optimally reused and transport distances are minimised."

For Gnosjö Automatsvarvning, one key focus is reducing transport. Instead of sending the shavings first to a recycling company, they are now sent directly to the foundry for reuse.

"RISE conducted a test melt in a lab environment, which went well. We've also received the green light from our foundry partner, Laholm Ståhl. They tested melting the shavings with positive results."

The impact of shorter transport routes on carbon emissions and costs has not yet been calculated.

RISE on the HANS project

The foundry industry has long-standing experience in producing products from scrap and internal return materials. Today, return material comes from gating systems, rejected parts, worn-out own products, scrap, and certain machining shavings. However, materials such as slag, spent grinding media, contaminated shavings, filter dust, and mill scale are currently not reused.

The aim of the HANS project is to explore, evaluate, and develop new refining methods—both practically and theoretically—to transform these residual materials into usable return materials. Another key goal is to carry out the refining as close to the foundry as possible to reduce unnecessary transport of residual materials.

Lower impact, higher cost

"We are essentially carbon neutral in scopes 1 and 2. Not 100 percent, but our emissions are minimal. Like for many others, scope 3 is the real challenge for us."

Jens Ringborg works with sustainability and cleanliness at Gnosjö Automatsvarvning. The most challenging part of scope 3 lies upstream, in material sourcing. Materials with a lower footprint often come with a higher price tag.

"We would love to use the best and most sustainable materials, but for our customers, it's naturally a matter of cost. When Swedish steel has a lower environmental impact but steel from another country is cheaper, we can recommend the Swedish option—but we can't make that decision for the customer."

Jens also sees a need for stricter regulations and clearer, more unified standards on emissions.

"We would welcome political decisions that make it easier for us to contribute to reaching net zero greenhouse gas emissions by 2045, as outlined in Sweden's Climate Act. From our side, we're doing everything we can."

During the year, more screens have been installed throughout the premises to ensure that information important to daily operations is easily accessible to everyone.

Sustainability in perspective:

FINANCES

Reduced costs are good for sustainability

Benjamin Franklin, inventor of the lightning rod and one of the founding fathers of the United States, is said to have remarked: ”Beware of little expenses. A small leak will sink a great ship.” That applies to both the environment and the economy. That’s why, over the past year, we’ve continued working toward zero machine errors, developed smarter systems for greater efficiency, improved our energy optimisation, and laid the groundwork for battery storage.

Finances

Turning a profit is naturally a key objective for any healthy business – including ours – as long as those profits are reinvested in long-term sustainable solutions. We also believe it's important to maintain sufficient liquidity to weather crises and uncertainty in the world around us.

Profit margin

Target 2024	≥ 13 %
Result 2024	≥ 8 %
Target 2025	≥ 13 %

Equity ratio

Target 2024	≥ 35 %
Result 2024	≥ 79,5 %
Target 2025	≥ 35 %

Investments and returns

A healthy financial position provides the space and confidence to make investments that pay off in the long term. Here, we present some of the projects we've invested in over the years.

	Start year	Investment (SEK)	Savings/ production per year	% of electricity consumption in 2024**	Payback time
GEOTHERMAL HEATING	(2001)	650 000	56 000 kWh	1%	11.6 years
OIL COOLING	(1996)	200 000 kr	108 000 kWh	2%	1 year
SOLAR ENERGY	(2017/2019)	2 790 581	325 000 kWh	8%	8.6 years
WIND POWER	(2010)	4 080 000	2 354 000 kWh	68%	< 20 years

* Based on 1 SEK/kWh

** Based on average electricity consumption since the start year

The Confederation of Swedish Enterprise's report on taxation

The Confederation of Swedish Enterprise runs an initiative called Välfärdsskaparna – "The Welfare Creators." Here, they calculate the contribution a company's taxes make to public welfare – including employer contributions, income tax, and a standardised estimate of corporate tax. While not an exact science, the numbers still offer valuable perspective.

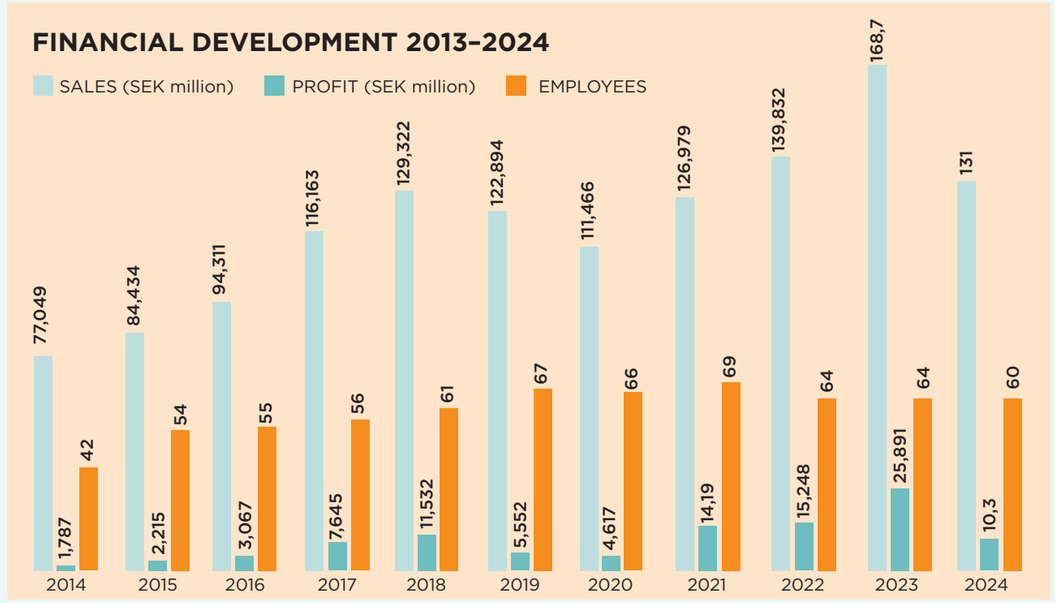
Read the calculation from the Confederation of Swedish Enterprise here

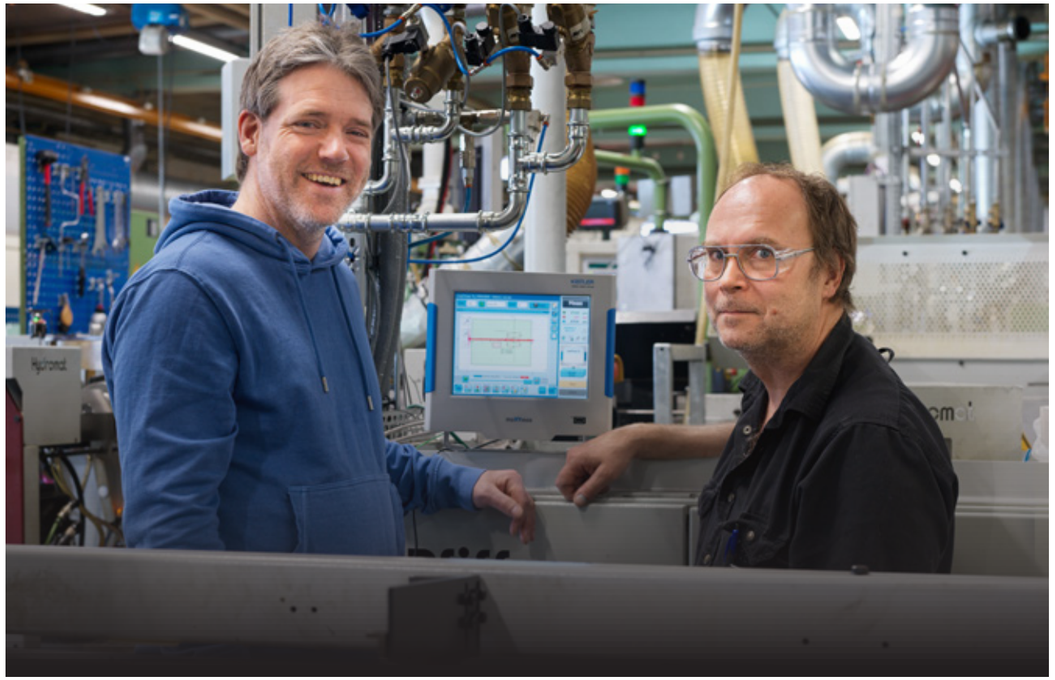
22 261 304

Tax revenue in SEK converted into public welfare in the form of:

131	or 46	or 36
Preschool places	**Home care assistant nurses**	**Police officers**

Due to the unavailability of 2024 data, figures from 2023 are reported instead.





Our goal: zero defects

As our customers move from manual to automated assembly, the demands on our delivered components increase – there can be no deviations in tolerances. In automated production, a single faulty part can cause the entire line to stop. Naturally, our goal is always zero defects.

In the WEAR-FRAME project – a collaboration with Chalmers University of Technology aimed at developing models and simulation tools to improve machining processes and tool wear – we came into contact with the Swiss company Kistler. Kistler is a leader in dynamic measurement technology in fields such as automotive development, industrial automation, medical technology, and aerospace. Through them, we found a solution for measuring parts before they leave the Hydromat.

> *”If a part is faulty, the machine stops immediately.*

”Using magnetism, we can now detect whether a chip has caused a part to end up with the wrong length. If a defect is detected, the machine stops immediately so the operator can remove the faulty part,” says Christer Weidman, team leader in the Hydromat department.

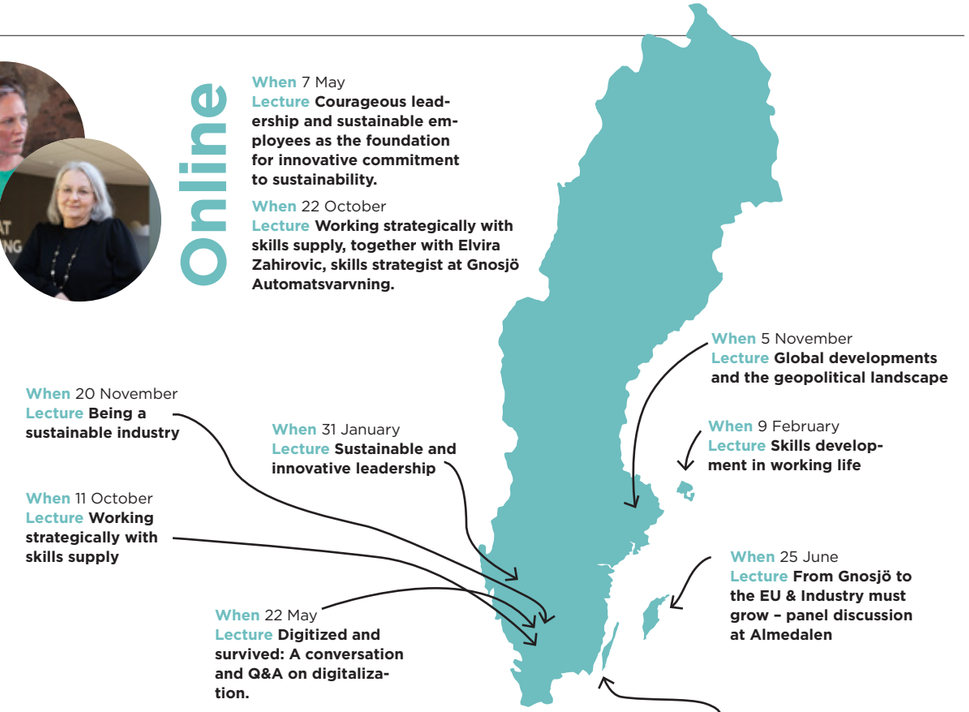
All of the approximately 5,000 parts that pass through the lathe each day are now measured before being sent to the customer. The installation and fine-tuning of the measurement system went relatively smoothly.

”You never really know how it will go. It’s not just plug and play. New technology always has to be adapted to the specific conditions and the machine. This time, it went very well, and our employees have shown great patience during the setup process,” Christer adds.

Online

When 7 May
Lecture **Courageous leadership and sustainable employees as the foundation for innovative commitment to sustainability.**

When 22 October
Lecture **Working strategically with skills supply, together with Elvira Zahirovic, skills strategist at Gnosjö Automatsvarvning.**



Gnosjö Automatsvarvning should be visible in the right contexts

”I receive a lot of requests to give talks and participate in panel discussions. It’s of course a great honour, but I have to be mindful of my time. First and foremost, I’m the CEO of Gnosjö Automatsvarvning.”

Going through Linda’s calendar, you’ll find almost one talk or panel debate per month. And that’s after turning down quite a few. How did it end up this way?

”I think it comes down to two things: first, it’s quite rare to see two sisters leading a company in the manufacturing industry. And second, we took an unconventional approach to sustainability early on.”

Linda explains that there are several driving forces behind her speaking engagements. Naturally, she wants Gnosjö Automatsvarvning to be visible in the right contexts for potential customers. But she also wants to demonstrate that there is a competitive manufacturing industry in Sweden.

”We can compete with quality, competence, sustainability, and proximity. If large-scale Swedish industry is to survive, there must be a strong and viable SME sector to support it as subcontractors.”

Recently, Linda has noticed growing interest in her perspective on the skills challenge facing Swedish industry. It’s not just that Sweden’s industrial sector is short about 300,000 workers, or that it’s difficult to get young people to apply to technical programs in upper secondary school. There’s also a lack of long-term solutions in the Swedish education system when it comes to fast, flexible training for existing employees. Short courses lasting from one day to a week could significantly boost skills. Large industrial companies have the capacity to run that kind of training internally—and many already do. But for smaller companies, it’s much more difficult.

”I discussed the skills issue at Almedalen 2024, in a debate hosted by Industriarbetsgivarna (the Swedish Association of Industrial Employers), where participants included Marie Nilsson, President of IF Metall, as well as Members of Parliament from both the Moderate and Social Democratic parties. This is an issue we will continue to engage in—it’s crucial for the future of our company and of Swedish industry as a whole,” Linda Fransson concludes.

Read more about the skills issue on pages 36–37.

Scan the QR code to watch our TikTok video where Gustav talks about our property automation.

Note: the video is in Swedish.

An energy optimisation journey with no finish line

Work on Gnosjö Automatsvarvning's property automation – which focuses heavily on data collection from climate control, ventilation, and heating systems – made significant progress in 2024. But it's a process that's never truly finished.

"No, it never really gets finished. What started as a project has become an ongoing process of continuous change. The idea of energy optimisation is that there's always room to improve a little more. Plus, the external conditions are constantly changing."

Gustav Kjellin, industrial electrician at Gnosjö Automatsvarvning, began gathering data back in 2022. In 2023, he installed about a kilometre of network cable to get computers, measurement points, and programs to communicate with each other and the system's main computer. Last year, they started to reap real benefits from this work.

"We collect the data, which is logged in a database. Then it's visualised so that we get easy-to-read, comparable bar charts and graphs. The main purpose is to compare different time periods based on the improvements we've made and continue to make. Now, we can compare measurement points over time to see if we're working as efficiently as possible or if any curve behaves strangely."

Gustav explains that they save all data even if it's not immediately useful.

"You never know what you'll want to do in the future. We might come up with something clever, and then it's good to have the data. But right now, we're focusing on making the system as stable as possible. There are always little bugs to fix, and it's easier to take the next step with a solid foundation."

They also collect and use weather data — wind speed, rain, snow, and temperature — measured by a weather station. This data controls, for example, how fire and ventilation flaps open and close to regulate temperature and create a good indoor climate. The weather station has been fine-tuned over the year. It's now able to distinguish between rain and snow. When it rains, roof windows can stay open since they're protected by canopies above, but snow can blow under these covers.

"Still, not everything can be fully automated. Indoor temperature might suggest opening windows, but if we know it's going to get really cold a few hours later, it's better to keep it a bit warmer for a while. Letting heat out only to produce heat again shortly after isn't sustainable," Gustav concludes.

New switchgear

In 2024, a new switchgear was installed. The old one had reached its maximum capacity and posed a risk of causing production downtime. The new switchgear ensures increased production and more connections.

No more yellow sticky notes

”System One is designed to make important information easily accessible. Everyone should be able to quickly find what they need on screens throughout the factory, both for daily operations and long-term strategies.”

Albin Sandberg, production developer at Gnosjö Automatsvarvning, together with Ola Davidsson, CNC production manager, are responsible for the System One project. The name reflects its goal: to replace several existing systems. The project is well underway.

”We’re working on several fronts. We’re in the middle of transferring data from an Access database that, in reality, only one of our colleagues fully understands. What can be archived, what should be transferred, and how should the material be structured to meet future needs? These are some of the questions we’re tackling,” Albin explains.

Another aspect of System One is to make information critical to daily production and warehouse work readily available in a user-friendly way. For example, scrap rates, machine utilization, machine errors, and real-time production data will be visualised clearly.

”The idea is to make collaboration within and between departments as efficient as possible. For example, the warehouse should quickly learn about scrap rates from production and be able to plan accordingly. By monitoring machine utilization and faults, individual operators can also have a significant impact,” says Ola.

”Yes, tracking scrap rates gives a clear picture of what we want from System One. It creates effective collaboration across departments and increases motivation by showing how each person contributes to our strategic goals on scrap reduction. We’re also building a very useful knowledge database. Plus, it’s great that everyone knows how production is performing overall,” adds Albin.

System One also includes simple but important features such as assigning daily kitchen duties, booking the company truck (see page 31), and a weekly schedule linked to the attendance board, enabling HR managers to set and easily adjust weekly plans.

”When we finish System One, there won’t be any need for notes on yellow sticky pads or whiteboards anymore,” Ola laughs.

Future-proofing for reliable and sustainable power

Since we produce almost all of our own electricity, there are many practical and strategic reasons for building a larger battery storage system – for which we have now received planning permission.

The battery storage will enable us to optimise our energy use, reduce costs, increase security, minimise the risk of production stoppages, and meet future environmental requirements. It will contribute to sustainability by managing fluctuations in our own electricity production.

We will also be able to help balance the electricity grid and support Svenska Kraftnät in handling fluctuations in production and demand.

Now we hope everything falls into place so that construction can begin – more on this in next year’s sustainability report.

> *”The battery storage will contribute to sustainability by managing fluctuations in our own electricity production.*

A sustainable veteran

This is a 2008 Citroën Jumper. Now 17 years old, it has clocked over 173,000 kilometres at the time of writing. Mostly short trips here in Småland, often on bumpy gravel roads.

The vehicle was purchased to be on hand for urgent freight transport to and from suppliers. It is still used for that purpose, even though shuttle services have become more common. However, it remains the go-to when time is of the essence.

In recent years, it’s increasingly been borrowed by our employees—for ferrying children, hauling home flea market finds, or carrying large loads to the recycling centre.

With skilled mechanics among our staff and careful handling behind the wheel, we hope our trusty old workhorse will keep rolling for many miles to come. It has become a symbol of how we think and act sustainably—serving many purposes, avoiding unnecessary waste of resources, and representing long-term investment.

Sweat and laughter in a wonderful mix among the crew who train together every Monday.

Sustainability from different perspectives

SOCIAL

Clear roles, high competence, and a festive anniversary

It may sound like a cliché, but promoting continuous skills development and an inclusive work environment requires putting people at the centre. That's exactly what we've done—both on an individual and group level—throughout the year. Our skills strategist, Elvira Zahirovic, has, for example, worked on how our core competencies should contribute to the company's development.

Social

For us, it's only natural that our employees thrive and that our sense of responsibility extends far beyond our own factory walls. Many of our employees have spent their entire careers with us. This is not something we take for granted, but it makes us immensely proud.

Incidents

Target 2024:	0 incidents, 0 occupational accidents
Result 2024	**7 incidents, 3 occupational accident**
Target 2025	0 incidents, 0 occupational accidents

Attendance

Target 2024	100%
Result 2024	**97%**
Target 2025	100%

Gender equality

Target 2024	+/- 10% women/men
Result 2024	**+/- 10 % women/men**
Target 2025	+/- 10% women/men

Talking therapy

20 employees have used talking therapy in the last three years

20

Massage

28 employees used massage services in 2023

Competence development

43,1

Training hours per employee (on average).

1 **a year, we provide:**
- **Fire safety training**
- **– Machine-specific fire training**
- **– CPR and defibrillator (AED) training**

Attendance rate

97%

Women in leadership positions

White-collar employees

53 %

Management team

43 %

+/– 10

Gender distribution

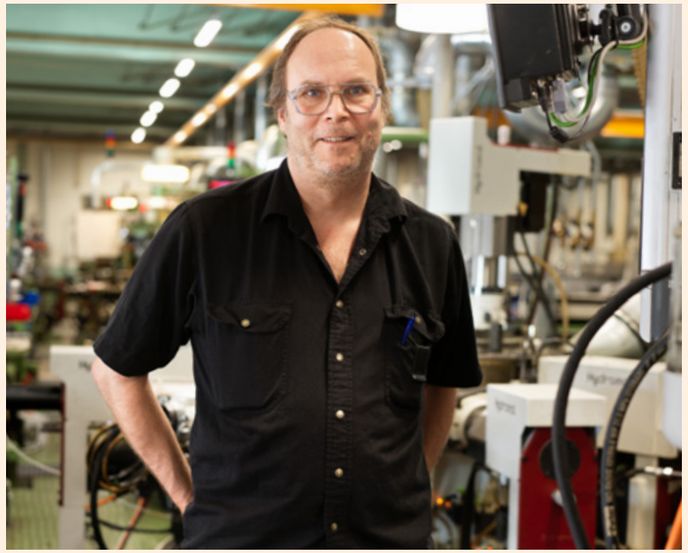
In 2024, we achieved our gender equality goal.

An In-House Competence Strategist

Since December 2019, we have had an in-house competence strategist. Her work focuses on further training, planning, and organizing efforts to retain and secure the right skills within the company.

Competence development is important in most workplaces. The focus is usually on job-specific skills and traditional training efforts. At Gnosjö Automatsvarvning, we've taken it a step further. Here, developing general competencies is considered just as important — the kind of skills that form the foundation for professional co-workership and leadership, in ways that best suit both the individual and the purpose.

"Professional development goes beyond job-specific skills.



People-centered team leadership

Christer Weidman, machine operator and setter, has worked at Gnosjö Automatsvarvning for 11 years. Over the past year, he has made the transition to team leader through individual coaching. With the help of two coaches, each with a different focus, he has built skills and gained tools that have prepared him for his new role.

What is your role as team leader? "I'm the team leader for 15 colleagues on the Hydromat section of our production. I organise the team and make sure everything runs as smoothly as possible so we can deliver according to plan. If there are questions we can't solve within the team, it's my job to find the answers. Together with Jimmy Emanuelsson, our production technician and HR contact, I coordinate the daily operations on the shop floor."

How has the coaching process been? "Really good! I started working with my coach a year ago and I've developed in many ways. Coaching is very individual — it's based on you and what you need to grow. For me, it's been about understanding how my own behaviour affects the group. Coaching is especially valuable in that context. A lot of it may seem obvious, but getting confirmation of your thoughts is powerful."

Have you noticed any changes in yourself? "Yes, I think I've become better at reading and responding to my colleagues in ways that suit them. I probably come across as a bit softer — and actually kinder too. I used to be a bit more hot-headed. Now I know I need to pause and think before I react. I've also learned to better understand how others act and why, which is crucial as a team leader. And I've become more confident and take more responsibility."

Have you noticed changes in the team? "That's always hard to say, but I do think the atmosphere is really good — both in our team and across the company. Everyone seems engaged. A better mood makes work more enjoyable, and that leads to better results. I also think Gnosjö Automatsvarvning is quite unique in investing this much in competence development in so many different ways, not just for leaders. Recently, for example, we had a company-wide talk on mental health."

How do you see the future? "What I've learned is mine to keep, and I'll benefit from it whatever happens. But if I were to realise that the team leader role isn't the right fit, I wouldn't hesitate to step back. Then we'll find another solution. Here, we're given the chance to grow and try new roles and tasks. And whatever happens, the knowledge I've gained will stay with me."

Elvira Zahirovic is the Competence Strategist at Gnosjö Automatsvarvning. She was recruited five years ago after many years of experience as a vocational teacher and school principal. Today, she plays a key role in future-proofing the company — making sure the organisation has the right skills in place to meet its goals and realise its vision.

General Competence

– from Invisible to Strategic Resource

What is your role?
– In short, my job is to ensure we have a long-term plan in place so that we have the right skills to meet changing needs and requirements. Our competence supply must align with our business strategies.

What's the most challenging part?
– Predicting which roles we'll need in five years, which ones will change significantly, and which may no longer be relevant. We depend heavily on what happens in the world around us — for example, technological developments, political decisions, and other external events. This affects not only our own production and development but also how our customers' markets might evolve. We must constantly strive to become more flexible and adaptable.

What has the focus been in 2024?
– We've followed our annual plan for skills development, including initiatives around leadership development, conflict management, advanced technical drawing, and IT and data security. Since we have employees with many different native languages, we've also invested in workplace Swedish language training.

One ongoing project that has made significant progress is our work with general competences (see fact box). These are essential abilities that need to be identified and developed as systematically as job-specific skills. In this project, we've based our work on a model developed by the Swedish Public Employment Service. We've also drawn inspiration from how the Swedish Armed Forces have used the model to highlight general competences developed during basic military training. At our company, all employees have participated in shaping the model, and we've tested its functionality in real work settings. We now understand how general competences contribute to our results at Gnosjö Automatsvarvning and how to effectively develop them when needed.

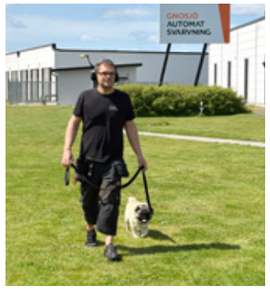
"Elvira Zahirovic has worked as a competence strategist since 2019 to ensure our long-term competence needs are met."

What Are General Competencies?

General competencies describe a person's potential to act in ways that contribute to achieving expected results. These are not tied to a specific profession but are essential for creating value in any role. The model developed by the Swedish Public Employment Service defines five main categories of general competencies, each with subcategories. It also outlines how to make general competencies visible, how they influence work performance, and how to describe different levels of proficiency.

- **Relational Competence:** The ability to collaborate, communicate, and build trust.
- **Organisational Competence:** The ability to plan, organize, and prioritize.
- **Adaptability Competence:** The ability to plan, structure, and prioritise.
- **Prioritisation Competence:** The ability to manage change and remain flexible.
- **Development Competence:** The ability to make decisions and focus on what matters most.

Wellness and Exercise



Physical and mental well-being are essential for enjoying your work and doing it well. At Gnosjö Automatsvarvning, we support our employees' health in many ways – from shared gym sessions every Monday, to access to massage at the workplace, and support from behavioral scientists and coaches.

Our investment in a dog enclosure a few years ago also means that employees who bring their dogs to work often get out for a refreshing walk during the day.

Hi Elias Åberg!

You're in your third year at Gislaved Upper Secondary School, studying the Electrical Program with a focus on automation, and you're doing your internship at Gnosjö Automatsvarvning.

How often are you here?
– Every Thursday throughout my third year.

What do you get to do?
– A bit of everything. On my first day, I dismantled an old electrical cabinet, and today I'm actually building one for a machine.

Are you learning anything?
– Definitely, a lot. I've really learned how to follow electrical schematics.

How do you like it? – I really enjoy it. The staff is friendly and time flies when there's work to do.

What do you want to do in the future?
– Become an electrician. Preferably here at Gnosjö Automatsvarvning.

Might seem like a small thing

You've probably heard the expression "The devil is in the details," reminding us that even small things can have a big impact. Like walking halfway across the factory only to find the restroom occupied.

That's not how we do things here. We try to fix the little things that might cause frustration. That's why we've installed an indicator light that clearly shows from a distance when the restroom is in use.

"We need a clear picture of the current situation. Without it, we can't make targeted and effective changes."

Shaping a resilient future – starting now.

Anna Sandberg, co-owner and head of purchasing, together with Alicia Jäderland, who works with sustainability, is leading a development project aimed at preparing the organization to handle a future of rapid technological shifts, economic fluctuations, and changing market conditions.

"We've conducted an in-depth review of all functions, processes, and roles to get a clear picture of our current state. One key objective is to identify gaps and improvement opportunities. We've certainly done that—but we've also recognized where our unique competencies lie. Involving team members in the mapping process has raised awareness across the company about what we need to work on going forward," says Anna Sandberg.

Clearly defined roles and responsibilities are essential for a robust and sustainable operation. It's when processes, roles, and routines are vague that risks arise and tasks fall through the cracks. "The goal of this project is to build resilience and efficiency so that we remain competitive," adds Alicia Jäderland.

Clarifying job tasks, expected outcomes, areas of responsibility, and levels of authority leads to smoother workflows, greater accountability, and easier follow-up for continuous improvement. It also makes recruitment more efficient when competence and experience requirements are clearly described for each role.

"We've taken the time to thoroughly map our current situation and identify both strengths and areas for development, in close dialogue with many colleagues. We now know where pieces are missing in our organizational structure and where our critical competencies lie. The next step is to define, document, and develop a future-ready organization," Anna Sandberg concludes.

The development project aims to clarify the organization's current state, identify and address potential gaps, and establish a new organizational structure where clearly defined functions, processes, and roles create a robust and resilient business for the future.

50 1974-2024

Still turning after 50 years

On May 23 at 6:00 PM, the party tent was up, guests dressed to the nines lined up with anticipation, the bubbly was flowing, the food was beautifully laid out, and the commemorative book had just arrived hot off the press – what could possibly go wrong? Nothing, in fact. It turned out to be a fantastic 50th anniversary celebration for the jubilant Gnosjö Automatsvarvning.

An evening filled with laughter, dancing, and memories – Gnosjö Automatsvarvning celebrated its anniversary in style.

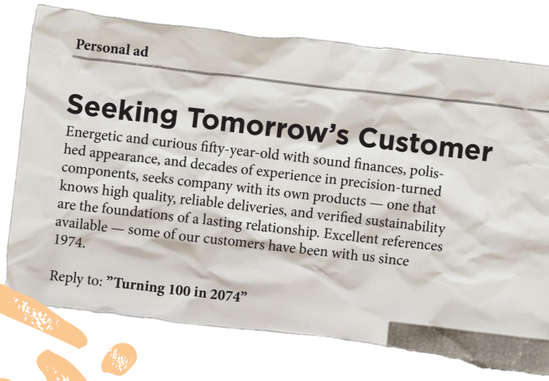
Wigs, fake beards, and a karaoke container – of course the party was a hit!

hip hip hooray!

To mark the occasion, sisters Anna and Linda had created a tribute book for their parents and the founders of Gnosjö Automatsvarvning – Solweig and Olle Fransson. A heartfelt look back at the company's journey.

There are still a few copies left of our anniversary book – email linda@svarvning.nu and tell us why you deserve one!

We're not slowing down – we'll be around for at least another 50 years!



Personal ad

Seeking Tomorrow's Customer

Energetic and curious fifty-year-old with sound finances, polished appearance, and decades of experience in precision-turned components, seeks company with its own products — one that knows high quality, reliable deliveries, and verified sustainability are the foundations of a lasting relationship. Excellent references available — some of our customers have been with us since 1974.

Reply to: **"Turning 100 in 2074"**

Employees, fellow entrepreneurs, old and new customers mingled, laughed, and danced the night away.

Farah Abadi hosted the first part of the evening with warmth and humor. Hats off to a brilliant master of ceremonies!

SUSTAINABILITY IN NUMBERS

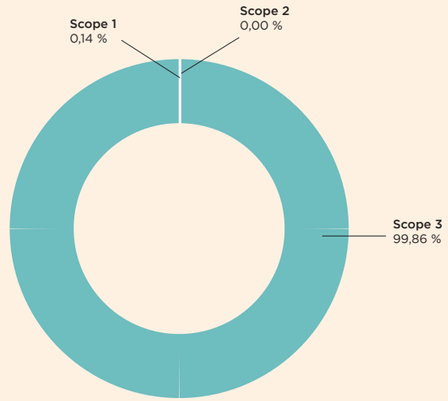
Jimmy Vu Cung, one of our industrial electricians, is inspecting the electronics in one of our custom-built Index MS40 machines.

GHG Emissions calculation

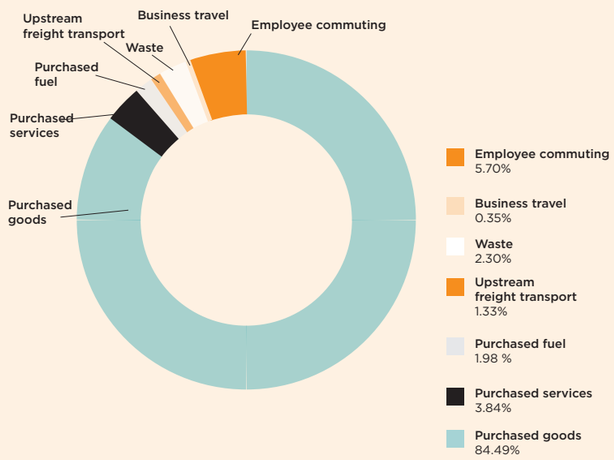
We have conducted our climate calculation in accordance with the GHG Protocol (Greenhouse Gas Protocol). The calculation covers the entire operation and includes emissions within Scope 1 (own production), Scope 2 (purchased electricity), and Scope 3 (purchased goods and services).

Scope 2024	**kg CO_2e**
Scope 1	
Own production of electricity	0
Own production of heat	1,198
Own production of cooling	0
Own production of steam	0
Own manufacturing processes	0
Airborne emissions	0
Own mobile combustion	1,195
Total Scope 1	**2,393**
Scope 2 (market-based)	
Purchased electricity	0
Purchased district heating	0
Purchased district cooling	0
Total Scope 2 (market-based)	**0**
Scope 2 (location-based)	
Purchased electricity	141,231
Purchased district heating	0
Purchased district cooling	0
Total Scope 2 (location-based)	**141,231**
Scope 3	
Purchased goods	1,471,743
Purchased services	66,927
Capital goods	0
Purchased fuel	34,535
Upstream freight transport	23,205
Waste	40,142
Business travel	6,131
Employee commuting	99 ,27
Total Scope 3	**1,741,910**

Percentage Distribution of Total Fossil Emissions
(market based)



Distribution of Fossil Emissions by Activity in Scope 3



Environmental data

Energy Consumed and Produced	2024	2023	2022
Type of Energy			
Total electricity consumption (MWh)	2 878	2 726	2 773
- of which electricity for heating/cooling (MWh)	90,1	94,9	83,4
- of which electricity for production (MWh)	2 788	2 631,4	2 689,6
Total electricity produced (MWh)	2184	2 379	2 385
- of which self-produced solar power (%)	8	12	12
- of which self-produced wind power (%)	68	75	74
Energy consumed per production turnover (MWh/MSEK)	21,8	16,23	19,81
Energy consumed per kg of machined material (kWh/kg)	2,56	2,22	2,26
Oil consumption			
Hydraulic oil/booster/cutting oil status: 408, 410, 530, 708, 600	13 600 L	14 000 L	16 000 L
Oil consumption in liters per ton of machined material	12,1	11,4	13
Raw materials for production			
Total amount of purchased material (kg)	1 125 501	1 229 829	1 229 069
Total amount of purchased material (kg)	559 413	609 685	524 789
Consumables for production			
Packaging materials			
Wooden pallets and pallet collars (tons)	43	62	62
Corrugated cardboard (tons)	2	1,9	1,1
Water			
Water consumption (m^3)	814	772	702
Water consumption for shower/toilets etc. (m^3)	749	707	640
Process water (m^3)	65	65	62
Water destruction (liters)	25 703	27 413	19 474
Water total per kg of material (liters)	0,723	0,678	0,571
Process water per kg of material (liters)	0,023	0,053	0,050
Water consumption per produced turnover (m^3/MSEK)	6,2	4,6	4,9
Water consumption per employee (m^3)	13,5	12,1	11,0
Chemical consumption			
Amount of detergent and rust protection used (kg)	2 200	2 000	3 000
Detergent and rust protection per ton of machined material (kg/ton)	2 kg/ton	1,6 kg/ton	2,4 kg/ton
Amount of chemicals used (liters/ton of machined material)	19,6	17,5	19,9

Waste	2024	2023	2022
Hazardous waste			
Emulsions, tumbling water (kg)	25 703	27 413	19 474
Contaminated Brennsol D 80 / Waste oil (liters)	498	0	340
Filters / Absorbents	868	893	916
Glycol mixtures	128		
Batteries (kg)	12	200	7
Fluorescent tubes / Low-energy bulbs (kg)	0	0	78
Cleaning cloths, mats etc. (kg)	961 kg of washing waste, of which 320 kg is hazardous waste.	89 kg of washing waste, of which 330 kg is classified as hazardous waste.	948 kg of washing waste, of which 316 kg is classified as hazardous waste.
Other waste			
Paper – mail, copies, newspapers etc. (kg)	50	35	128
Corrugated cardboard (kg)	1 979	1 650	1 345
Glass (kg)	0	0	0
Electronics (monitors, printers, electric cables etc.) (kg)	482	155	81
General waste – Combustible (kg)	8 240	8 840	7 680
Total amount of waste (hazardous and non-hazardous) (kg)	**38 250**	**39 516**	**30 365**
- of which waste (hazardous and non-hazardous) is recycled	**26 955**	**28 446**	**20 673**
Material use in production			
Aluminium (kg)	1444	1184	1 346
Ametal / Zinc (kg)	0	0	0
Copper (kg)	1612	2779	1 381
Brass (kg)	156 455	159 131	117 092
Stainless steel (kg)	96 729	79 354	96 159
Steel / Iron (kg)	301 218	366 068	306 976
Cable scrap (kg)	434	531	81
Mixed scrap (kg)	1 521	420	1 754
Oil			
Amount of heating oil (liters)	477	135	0
Fossil emissions			
Fossil emissions per kg of manufactured part (kg CO_2e)	3,33	3,65	-
Fossil emissions per thousand SEK turnover (kg CO_2e)	13,21	12,64	-
Other			
Exhaust air from machines	0,9 res 3,6 mg TOC Nm^3	0,9 res 3,6 mg TOC Nm^3	0,9 res 3,6 mg TOC Nm^3
Number of EV charging stations	10	10	10

Employee data

Employees	2024	2023	2022
Total number of employees	60	64	64
Number of permanent employees[1]	60	64	64
Number of temporary employees[1]	0	0	0
Number of part-time employees[1]	5	5	3
Number of full-time employees	55	59	61
Average years of service at the company	13,3	13,1	12,4
Employee distribution (%)			
Men	60	64	59
Women	40	36	41
Under 30 years	19	26,6	25
30–50 years	41	37,5	39
Over 50 years	40	35,9	36
White-collar employees (%)			
Men	47	47	46
Women	53	53	54
Under 30 years	13,3	13,3	0
30–50 years	33,4	33,4	46
Over 50 years	53,3	53,3	54
Management team (%)			
Men	57	57	50
Women	43	43	50
Board of directors (%)			
Men	40	40	50
Women	60	60	50
New employees			
Men	2	5	1
Women	0	1	1
Under 30 years	0	4	2
30–50 years	1	1	0
Over 50 years	1	1	0
Employees who have left			
Men	2	3	2
Women	0	1	0
Under 30 years	0	2	1
30–50 years	2	1	0
Over 50 years	0	1	1
Employees from countries outside the Nordics (%):	30,8	30,8	30,8

Employees	2024	2023	2022
Health			
Sick leave (%)	3,0	4,1	5,3
Number of employees who have used massage	28	25	32
Number of employees who have used counselling services[2]	7	9	10

Workplace accidents	2024	2023	2022
Work environment			
Number of reported incidents (near misses)	7	9	4
Number of reported workplace accidents (with injury)	3	1	0
Environment			
Number of reported environmental incidents	0	0	1
Number of reported environmental accidents	0	0	0
Competence development			
Average number of training hours per employee	43,1	31,5	16,5
Total number of training hours for the entire company	2 584	2 015	1 050

Note[1] Refers to the measurement date December 31, 2024.

Note[2] A total of approximately 20 unique employees have used the services of a counsellor over the past three years.

Policies

In recent years, we have not only ensured that our policies are in place and aligned with laws and regulations. We also make it a priority to highlight three to four policies each quarter, reviewing and emphasizing them for all employees.

Company Policies
1. Outlook policy
2. Information security policy
3. It policy
4. It/information security continuity plan
5. Code of conduct
6. Environmental policy
7. Quality policy
8. Work environment policy
9. Human rights and working conditions policy
10. Conflict minerals policy
11. Conflict of interest policy
12. Equality and diversity policy
13. Anti-bribery and corruption policy
14. Whistleblower policy
15. Procurement policy

Risk analysis

The risks we consider material from a sustainability perspective.By maintaining structured and established routines, being transparent, and fostering strong collaboration with our supply chain, we minimize the likelihood of risks arising. All areas scoring over 10 points in the overall assessment are areas we can work on and improve.

SCORING CRITERIA

Risk level and consequence
Low = 1 point
Medium = 2 points
High = 3 points

Influence
Low influence = 1 point
Medium influence = 5 points
High influence = 10 points

ENVIRONMENT

Risk Area	Description	Where is the risk	Risk Level	Consequence	Impact		Measures/Management	Influence	Total Score
Procurement of raw materials (metals)	Materials with negative environmental and climate impact.	Entire value chain	High (3)	High (3)	Biodiversity, natural resources and climate impact.		Mainly purchases recycled raw materials. Chooses based on the product selection principle. Participates in research projects for increased circularity of material chips and reduced waste. Policies and training in environment, purchasing, and conflict minerals. Attempts to have dialogue with the customer, though material is often pre-determined.	High influence (10)*	16 points
Procurement of chemicals	Chemicals with negative environmental and climate impact.	Internal + local community	High (3)	High (3)	Biodiversity, natural resources and climate impact.		Primarily purchases locally. If not possible, from suppliers within the EU and EEA. Continuously works to reduce waste and scrap. Follows laws and guidelines on chemical products. Policies and training in environment, purchasing, and conflict minerals.	High influence (10)	16 points
Procurement of other materials	Materials with negative environmental and climate impact.	Entire value chain	Medium (2)	Medium (2)	Biodiversity, natural resources and climate impact.		If not possible locally, purchases from suppliers within the EU and EEA. Continuously works to reduce waste and scrap.	High influence (10)	14 points
Procurement of energy	Purchase of energy with a negative impact on climate and biodiversity.	Entire value chain	Low (1)	Medium (2)	Climate impact and biodiversity.		Policies and training in environment and purchasing. Buys low-carbon electricity. Produces own solar and wind power.	High influence (10)	13 points
Fire in factory building	Extensive fire in facility.	Entire value chain	Low (1)	High (3)	Reduced or no production. Emissions into air and watercourses.		Systematic fire protection work. The facility is fireproofed and equipped with necessary fire safety installations. Staff undergo fire training every three years.	High influence (10)	14 points
Noise	Noise from buildings and production.	Internal + local community	Low (1)	Low (1)	People and animals.		Follows laws and guidelines on noise levels. Employees use hearing protection when noise levels are high.	High influence (10)	12 points
Transport (external)	Environmentally harmful emissions from external transport.	Entire value chain	High (3)	High (3)	Climate impact and biodiversity.		Most of our transports are handled by the customer, making it difficult for us to influence.	Low influence (1)	7 points
	Environmentally harmful emissions from internal transport.	Internal + external	High (3)	High (3)	Climate impact and biodiversity.		Most company vehicles are electric or hybrid.	High influence (10)	16 points
Natural disasters and other conflicts	Natural disasters that affect us and our value chain due to climate change. E.g., floods, fires, heavy rain, storms. High- and low-intensity conflicts such as war.	Entire value chain	Low (1)	High (3)	Reduced or no production.		Uses multiple suppliers to reduce the risk of production disruptions. Follows laws and guidelines for critical and significant materials.	Low influence (1)	5 points

We have significant influence over our purchasing. However, we find it challenging to evaluate our suppliers and products due to insufficient and non-comparable information regarding their environmental impact and emissions.

Risk analysis continuation

SCORING CRITERIA

Risk level and consequence
Low = 1 point
Medium = 2 points
High = 3 points

Influence
Low influence = 1 point
Medium influence = 5 points
High influence = 10 points

SOCIAL

Risk area	Risk Area	Location of Risk	Risk Level	Consequence	Impact		Measures / Management	Influence	Total Score
Occurrence of physical and mental ill-health, abusive treatment, and workplace accidents	Someone in our supply chain is exposed to poor physical and mental working conditions.	External	High (3)	High (3)	Affects the external company's employees and reputation. Lost business partners.		Code of Conduct Collaborate only with companies that comply with Swedish law, occupational health and safety legislation, and collective agreements.	Low influence (1)	11 points
	An employee is exposed to poor physical and mental working conditions.	Internal	Low (1)	High (3)	The company's employees and reputation. Company survival.		Work preventively through systematic occupational health and safety work. Work regularly with occupational health services and behavioral scientists. Offer counseling support during working hours through occupational health services for those who want it. Staff have undergone training in mental health and illness. Policies, with associated training, have been developed. Offer massage during working hours every third week.	High influence (10)	14 points
Child labor and forced labor	Child labor and forced labor occur in our supply chain.	Entire value chain	Low (1)	High (3)	Violates human rights as well as laws and regulations.		Collaborate only with companies that comply with Swedish law and have collective agreements. Developed Code of Conduct and policies, with associated training, for human rights, working conditions, and whistleblowing. Comply with Swedish law, occupational health and safety legislation, and collective agreements.	Low influence (1)	5 points
Occurrence of corruption and bribery	Unethical financial dealings occur in our supply chain.	Entire value chain	Low (1)	High (3)			Code of Conduct and policies for bribery and corruption.	Low influence (1)	5 points
	Our employees become involved in or exposed to unethical business practices.	Internal	Low (1)	High (3)			Code of Conduct and policy, with associated training, for bribery and corruption. Follow established approval procedures to prevent unethical business practices.	High influence (10)	14 points

Risk analysis continuation

SCORING CRITERIA

Risk level and consequence
Low = 1 point
Medium = 2 points
High = 3 points

Influence
Low influence = 1 point
Medium influence = 5 points
High influence = 10 points

ECONOMIC

Risk Area	Description	Where is the risk	Risk Level	Consequence	Impact		Measures / Management	Influence	Total Score
IT failure	IT systems fail due to cyberattack or other IT failures	Entire value chain	Low (1)	High (3)	Economic loss, e.g. ransom demands, etc.		Continuity plan in place. Close collaboration and training with local IT provider. Annual risk analysis related to our IT environment. Multiple backup systems for both internal and external servers. Spare hardware available for replacement in case of failure.	High influence (10)	14 points
Power supply failure	Power outage due to e.g. blackout, cable break	Internal	Medium (2)	Medium (2)	Downtime of machines and IT systems causes significant economic loss.		Conducted a risk analysis regarding power outages.	Low influence (1)	5 points
Competence supply*	Failure to find the right competence according to business needs	Internal	High (3)	High (3)	Company development		Continuous work with schools and industry to increase attraction to choose the manufacturing sector. Employed competence strategist working on educating staff and securing competence for the future. Advocates for training issues towards government and authorities. Marketing initiatives promoting Gnosjö Automatsvarvning as an attractive employer.	Medium influence (5)	11 points

** The competence supply issue, which could have been categorized under SOCIAL, has been placed under ECONOMIC to highlight the long-term economic perspective*

A long-term plan for a sustainable future

Reporting on sustainability can be challenging. The information must be clear and transparent, providing a fair representation of both positive and negative impacts on environmental and social sustainability. It is important to highlight progress—what has been achieved historically and what the plans are moving forward.

With its sustainability report, Gnosjö Automatsvarvning demonstrates exactly this: a focus on finding sustainability improvements within its core operations while maintaining openness about risks, opportunities, and challenges in its value chain.

What stands out more clearly in this year's report compared to previous years is the emphasis on risks and risk management. The global situation has changed significantly; the availability of raw materials and production inputs can be affected by both foreseeable and unforeseen events. Including economic risks from a sustainability perspective is necessary.

At the same time, Gnosjö Automatsvarvning shows that it has developed even more efficient manufacturing solutions and innovations for its products. Taken together, this paints a picture of a stable and reliable company with a long-term plan for a sustainable future. The company's core values—perfection, precision, and personal approach—are clearly integrated hand in hand with sustainability for people, the environment, and the economy.

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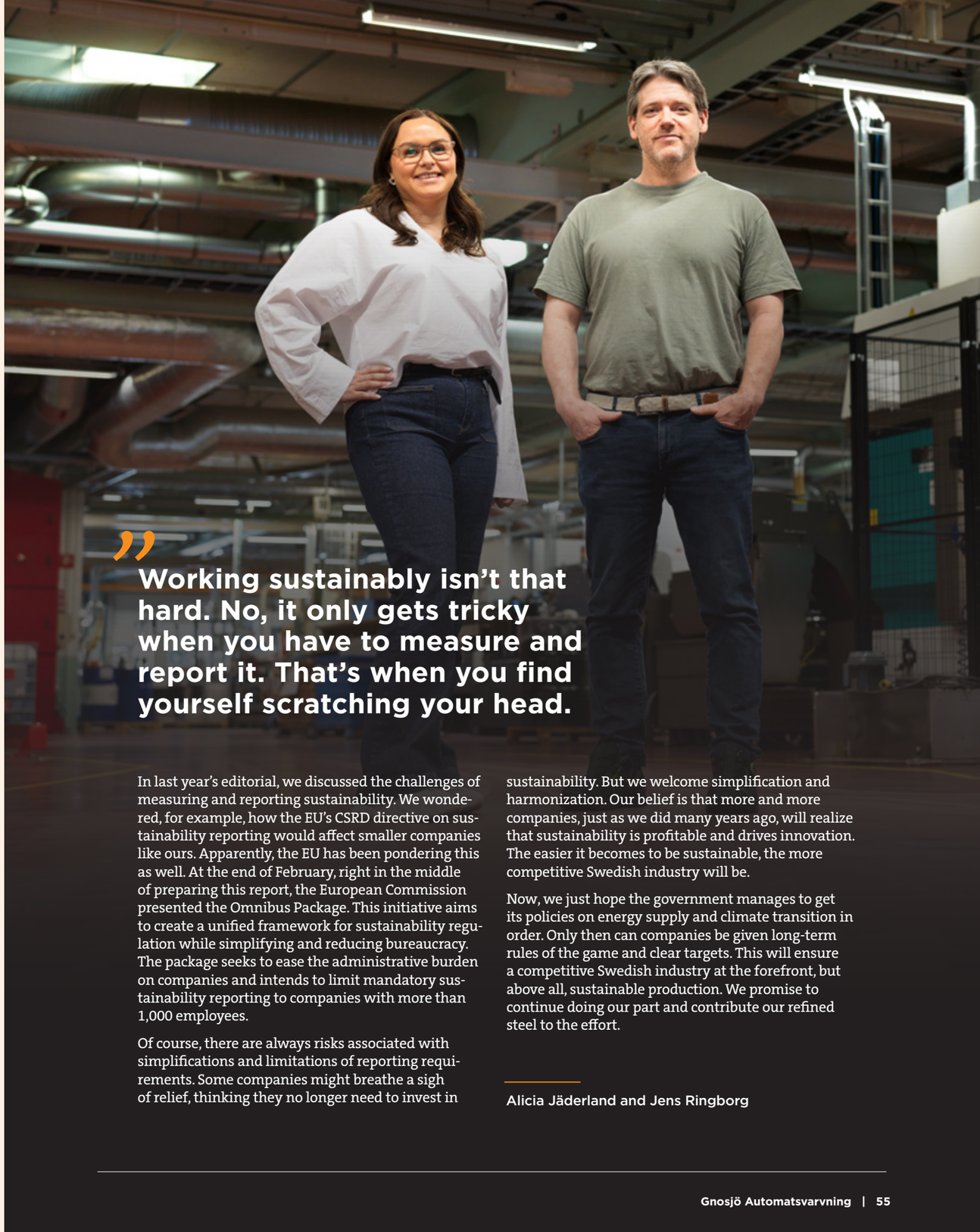

"Working sustainably isn't that hard. No, it only gets tricky when you have to measure and report it. That's when you find yourself scratching your head.

In last year's editorial, we discussed the challenges of measuring and reporting sustainability. We wondered, for example, how the EU's CSRD directive on sustainability reporting would affect smaller companies like ours. Apparently, the EU has been pondering this as well. At the end of February, right in the middle of preparing this report, the European Commission presented the Omnibus Package. This initiative aims to create a unified framework for sustainability regulation while simplifying and reducing bureaucracy. The package seeks to ease the administrative burden on companies and intends to limit mandatory sustainability reporting to companies with more than 1,000 employees.

Of course, there are always risks associated with simplifications and limitations of reporting requirements. Some companies might breathe a sigh of relief, thinking they no longer need to invest in sustainability. But we welcome simplification and harmonization. Our belief is that more and more companies, just as we did many years ago, will realize that sustainability is profitable and drives innovation. The easier it becomes to be sustainable, the more competitive Swedish industry will be.

Now, we just hope the government manages to get its policies on energy supply and climate transition in order. Only then can companies be given long-term rules of the game and clear targets. This will ensure a competitive Swedish industry at the forefront, but above all, sustainable production. We promise to continue doing our part and contribute our refined steel to the effort.

Alicia Jäderland and Jens Ringborg

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