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Heatex Sustainability Report 2025

About the report

This is Heatex Ab's third sustainability report. The report covers the financial year 2025, its impact, governance and commitments in the areas of environment, labour, human rights and corruption. The report has been prepared in accordance with the provisions of section 6 of the Swedish Annual Accounts Act.

About Heatex

Heatex is a company that develops and produces energy-saving thermodynamic products and solutions that contribute to reduced carbon dioxide emissions and a more sustainable future.

The products consist of air-to-air heat exchangers whose purpose is to maximize the heat transfer between air flows. All products are customized and developed to match the customer's technical specifications.

Manufacturers of air handling units use Heatex heat exchangers as components in HVAC systems to transfer heat or to control humidity between supply and exhaust air in ventilation. Air-to-air heat exchangers also enable reliable and energy-efficient cooling of sensitive electronics and generators.

Heatex is constantly improving its products, based on scientific calculations in thermodynamics and fifty years of practical experience in heat transfer processes.

Governance and responsibility

Heatex is a part of Madison Industries. Madison Industries acquires and develops companies across the globe that make the world safer, healthier and more sustainable.

The ongoing sustainability work within Heatex is led by the management team in accordance with current legislation and the EcoVadis sustainability platform. Since the majority of customers are active in ventilation and renewable energy, there is continuous and qualitative support for ongoing improvements in the field of energy.

1. Environment

Heatex heat exchangers recover energy in the form of heat. Recovering heat reduces energy consumption. Saving energy reduces the cost and consumption of coal, natural gas and other fossil fuels. Heatex products can also be used to cool products without supplying additional energy via e.g. compressors and refrigerants.

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Our production sites in the Czech Republic and China use chemical substances (e.g. adhesives) that can pose health risks to our staff and the environment if not handled in accordance with applicable rules and laws. Some tasks require consistent risk analysis and monitoring to ensure the safety and health of employees.

All chemicals used in production are documented and reviewed to ensure that the product is approved in accordance with the EU chemicals legislation "REACH". Every year, new declarations are required from all suppliers, at the same time suppliers are obliged to report any changes in the production process that occur in the meantime. Suppliers will also be required to send a confirmed Supplier Code of Conduct, which will have a major impact on continued cooperation.

Heatex' product development and research department is continuously working on product composition, production technology and processes to minimize the impact from a sustainability perspective. In collaboration with our suppliers, we have an ongoing dialogue on the composition, manufacturing process and origin of materials and products in order to replace them with better alternatives according to the substitution principle.

Our products are mainly made of aluminum. Alloys where recycled materials can be used are preferred if possible. Surplus materials and scrap from production are monitored and minimized. Heatex complies with all laws and regulations concerning the recycling of materials.

2. Social and personnel-related issues

Heatex employees mainly have production or office-related tasks. A good and safe working environment is a key strategic issue. The overall goal of the work environment management is a long-term efficient operation that at the same time entails good physical and mental health as well as well-being and job satisfaction for all employees, which prevents accidents from occurring. Health and safety activities are carried out in a collaborative manner where everyone has a responsibility to participate.

Heatex is based on a fundamental belief in the equal value of all human beings and the fairness of relationships between individuals and groups. No one should be discriminated against on the grounds of ethnicity, religion, physical or mental disability, age, gender, sexual orientation or any other reason.

We ensure that our employees have a good understanding of the purpose, the brand and the company's business model to contribute to the long-term development of the organization. We see a good working environment as a competitive advantage; satisfied customers start with committed employees. The risk of a less favourable working environment leads to less committed employees, which in turn can lead to dissatisfied customers.

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Within their respective departments, people with assigned responsibilities are responsible for ensuring that active work environment management is carried out and that conditions are provided to resolve work environment issues as far as possible at the level where they arise. All employees have a responsibility for health and safety, for example by complying with safety regulations and pointing out risks or deficiencies in the work environment to their line manager. It is our aim to continuously improve and prevent risks in our working environment. This is to prevent occupational injuries, reduce work-related sickness absence and to actively work on rehabilitation as early as possible.

The demands of the work must be adapted to people's physical and mental abilities. We liaise with occupational health services to ensure medical checks and ongoing health checks. Alcohol, drugs or other destructive behaviours are not accepted. Discriminatory treatment or bullying is unacceptable and not allowed.

The work environment and working conditions are adapted so that both women and men can work in all the company's workplaces. Gender equality is a natural and integral part of our work. It permeates everything from health and safety issues, training and skills development to parenting and employment.

The annual staff survey ensures frequent and continuous measurement of staff perceptions and opinions on personnel-related issues. The participation rate is around 74 %, with an eNPS of 50 which is considered very good.

Annual performance reviews are conducted to ensure that all employees are in good health and have the right competences based on their role and requirements.

Our code of conduct provides guidelines on how we as employees should behave when communicating with one another, our customers and the communities in which we operate.

In cooperation with an external certified safety specialist, we performed a risk analysis in all workplaces, on this basis we prepared a new risk assessment, preventive measures, we defined personal protective work equipment and posted all the above-mentioned information at each workplace. By introducing daily and weekly inspections of safety compliance at the workplace, daily communication of findings, sharing of results, we have achieved a reduction in detected safety observations, which leads to a reduction in the risk of injury.

Protective equipment and clear safety information are available in all places where there are work activities or chemicals that pose a risk to health. Every day, inspections are carried out by production management to ensure that the workplaces are clean, that they are ergonomically adapted to the unique situation of each worker, and that the machines are working properly and pose no risk. Developed policies on social and human resources issues are implemented and included in our management system.

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3. Respect for human rights

Heatex activities are characterized by the view that everyone has and should be ensured equal value regardless of gender, ethnic or religious affiliation, beliefs, or sexual orientation. We do not accept any form of child or forced labor. We respect our employees' right to freedom of association. We are keen to accommodate requests and to adjust based on, for example, religious or ethnic considerations. Not respecting human rights affects the morale and productivity of our employees, leading to a damaged reputation, brand and difficulties in recruiting and retaining staff.

In Sweden, we are collectively organized and comply with current legislation. Similarly, at our production facility in the Czech Republic. Heatex strongly opposes "forced labour" and does not employ individuals under the age of 16. Heatex applies good business practices in the sector internationally and nationally. Ethical standards are established and implemented in our management system.

4. Anti-corruption measures

Heatex does not allow any form of price-fixing, cartelization or abuse of market dominance and supports in all aspects of its business a fair and comprehensive competition in tendering, bidding, contracting, and purchasing. We always comply with applicable competition laws and do not see any risks within our operating areas.

Offers of entertainment and hospitality should only be accepted if they are within the bounds of good business practice. It is prohibited to request or make any kind of promises in connection with gifts. Heatex employees should avoid engaging in activities that could lead to conflicts of interest. We do not offer money or other compensation, directly or indirectly, to individuals or organizations to obtain benefits. We also do not accept to receive payment or other consideration from anyone to induce us to act in breach of our code of conduct and applicable laws.

Clear guidelines and reports on corruption are included in our management system.

Heatex has not only implemented a code of conduct in all its branches, but demands the same from its suppliers.