

Annual Report 2021

The background of the slide is an abstract image featuring horizontal motion blur lines in shades of blue, grey, and orange, suggesting speed and transformation. On the left side, there are several white-outlined hexagonal shapes of varying sizes, some of which are partially cut off by the edge of the frame.

Transforming
our business

GUNNEBO®

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This is Gunnebo

The Gunnebo Group is a global leader in security offering innovative products and services to control the flow of people, valuables and cash. Gunnebo Group is owned by Altor and Stena Adactum. Through our Business Units **Entrance Control**, **Safe Storage** and **Cash Management**, we offer solutions to customers primarily in retail, public transport, public and commercial buildings, industrial and high-risk sites and banking. We operate worldwide through our 3,800 employees, 25 country locations and 11 production facilities to serve customers in nearly 115 markets. In 2021, net sales amounted to 418 MEUR. Together we create a safer world.



Mission: To create a safer world.



Vision: To be a leading global provider of a safer future.

WORDS FROM THE CEO

A year shaped by transformation

2021 has been an intense year for Gunnebo accelerating on our transformation initiatives. Even though demand is not yet back to the same level as prior to the pandemic, we have certainly moved our business forward in many aspects.

We started the year with our new owners, Stena Adactum and Altor, contributing with their expertise, and enabling us to accelerate the implementation of our strategies. We have made substantial progress in our journey to create a more focused, profitable and innovation-oriented company.

We have carried out important and substantial investments for the future in innovation and digitalisation. Meanwhile, we are still living in a global health crisis and have adapted our business to a new reality. Our primary priority has naturally been to keep our employees safe, and throughout these past two years we have built up our organisational capability to handle uncertainty and are equipped for the future. Thanks to the fighting spirit, courage and dedication of our people, we have made substantial progress in many aspects.

Rising demand

It will be quite some time before we fully understand the full impact of the pandemic. Sales are ahead of last year's figures, with an improved order intake. We have faced multiple temporary challenges in supply chain, since material supply and logistics

continue to be unpredictable due to COVID-19. We have, however, worked around these challenges, internally and in collaboration with suppliers and partners, to minimize the consequences for our customers.

Earning the trust of our customers has resulted in significant key partnerships.

Gunnebo Safe Storage was commissioned to install our biggest ever modular vaults to date, for three facilities of a global cash management company in India.

Furthermore, **Gunnebo Entrance Control** provided the Universal Beijing theme park with a wide range of entrance control solutions. The recently opened theme park is estimated to have approximately 10 million visitors a year and represents a state of the art facility in terms of people flow management.

Crisis causes not only temporary changes but also some lasting ones that can transform society and give rise to new behaviours and needs. I would say feeling safe is a primary human



Earning the trust of our customers has resulted in significant key partnerships



WORDS FROM THE CEO



need, and this is truly where Gunnebo makes a difference in our mission to create a safer world.

Strengthening our core business

2021 was also a year in which Gunnebo underwent a major separation process with new legal entities for each of the Business Units. The creation of independent businesses is a key step in Gunnebo's growth strategy, which was already set out in 2018, when priorities were shifted from a geographical to a core business focus. Going forward in 2022, the Business Units will have their own legally and operationally independent entities, responsible for strategy and growth agendas together with profit and loss accountability throughout

their respective value chains. The whole organisation is onboard and committed to our direction enabling a more focused go-to-market approach tailored to the unique requirements of each business.

We have continued to divest smaller non-core assets, as well as preparing for the major sale of Gunnebo Cash Management to GardaWorld Corporation (March 1, 2022). At the same time we are also looking for acquisition opportunities within Safe Storage and Entrance Control. As a result, Gunnebo acquired the innovative and fast-growing Italian company HC2. This is a valuable complement for Gunnebo Entrance Control, which through HC2 enters a new customer segment within the retail industry. It is a real pleasure to welcome the HC2 organisation to Gunnebo; our combined knowledge and technologies

will strengthen our footprint in the security industry for entrance control solutions.

Creating a culture of innovation

In 2021 we have continued to foster an environment of continuous innovation. We are moving at a fast pace becoming more digital, and this year we have progressed in new product software, artificial intelligence, and internal platforms for idea-generation. Additionally, each Business Unit has its own innovation centres to enable value-creation towards selected customer segments and strategic priorities.

Gunnebo Entrance Control developed a new security gate-monitoring app for office buildings, supporting day-to-day decision-making at all levels of the organisation, which in pandemic times has proven to be highly

relevant, not only for control but also for resource planning. Also, we experienced a positive market response for the gamechanging innovation EverydaySafe – a security solution which flexibly integrates into storage units in the home and office. This product development complements our existing offering in a new customer vertical that also includes private individuals via kitchen and furniture makers.

Gunnebo Safe Storage took two daring leaps into the future towards our goal of becoming a world leader in new technologies for the storing and protection of valuables. We established a global innovation hub in Italy, and based in the University of Bari we are now building a passionate team to work on tomorrow's solutions in partnership with academia, customers and industry. Simultaneously, we invested a substantial amount in a new factory



The creation of independent businesses is a key step in Gunnebo's growth strategy

WORDS FROM THE CEO

in Milford, Ohio, in the US. The new state-of-the-art facility replaces the three existing operations that Hamilton, a Gunnebo Company, operated in the area. These investments will enable several strategic gains in the future with new innovative solutions, increased efficiency, reduced environmental impact, and a strengthened customer experience.

Securing our digital landscape

Digital transformation has been evident during our global health crisis – affecting how we work and engage with each other and our partners more efficiently. In order to accelerate this transition, we have invested significantly in our IT security and infrastructure, as well as in learning and adoption of digital tools, increasing efficiency, collaboration and security.

Attracting young talent

As an employer Gunnebo wants to be a more attractive workplace for young professionals. It is through their insights into next generation behaviours and needs that our business will evolve. Our Upskill initiative, a one-year graduate trainee programme, has been really successful, with trainees graduating from the ESCP Business School as Gunnebo employees. Onboarded in roles and projects, they are working in direct connection to key strategic initiatives.

The ripple effect

This has been an exciting year for Gunnebo, and I believe that the health crisis and its challenges have brought opportunities that have developed us as an organisation and as individuals. We are humbler, I believe, in the sense that we have become better listeners and more understanding of each other's challenges. This has resulted in constructive dialogues and more efficient collaboration.

Looking ahead, there will be more challenges to overcome. Perhaps the

most urgent one is the climate crisis. Listening to the younger generation, our future leaders and colleagues, industry is simply not doing enough.

This year we have worked with our Sustainability Approach, aligned with our owners' sustainability framework, to examine how we can make real progress in this crucial area. This has given us a strong foundation to build on, launching new and challenging targets for our Business Units to achieve in 2022 and onwards. With all our achievements made this year, I have no doubt our teams will work together to deliver yet again.

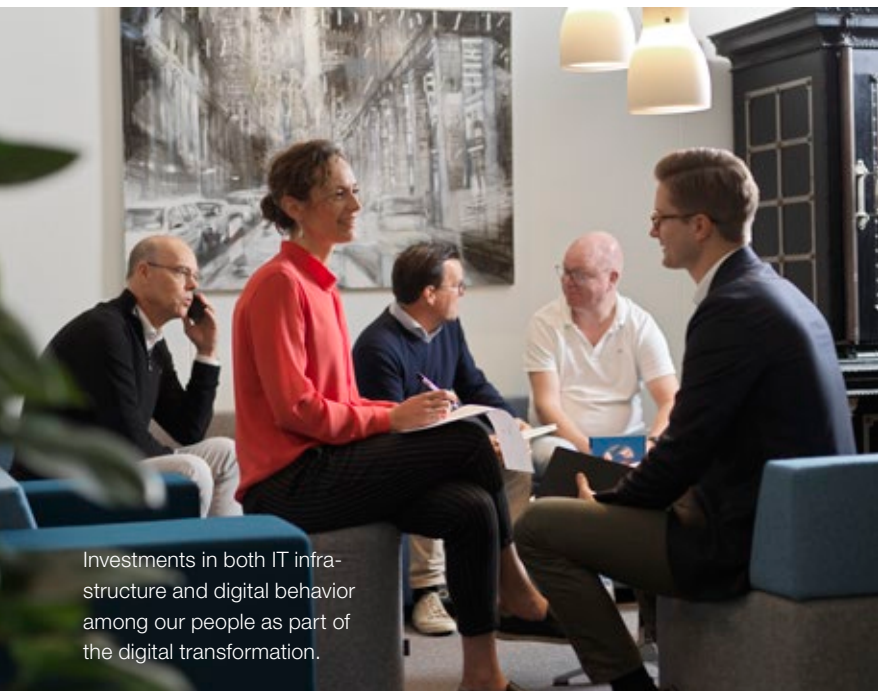
I want to thank all our people, partners and customers around the globe who have helped to solidify Gunnebo's future, creating a positive ripple effect that will be felt for years to come.

Gothenburg, March 2022

Stefan Syrén
President & CEO

“

This has resulted in constructive dialogues and more efficient collaboration



Investments in both IT infrastructure and digital behavior among our people as part of the digital transformation.

Gunnebo Global Footprint

3,800

Number of employees

115

Customer markets

11

Production sites
in 9 countries

25

Country Locations

3

Business Units



Manufacturing Units:

Benicia, USA

Production: Entrance Control

Binefar, Spain

Production: Cash Management

Cincinnati, USA

Production: Safe Storage,
Cash Management

Doetinchem, Netherlands

Production: Safe Storage

Halol, India

Production: Safe Storage,
Entrance Control

Jakarta, Indonesia

Production: Safe Storage

Kunshan, China

Production: Entrance Control

Lavis, Italy

Production: Entrance Control

Markersdorf, Germany

Production: Safe Storage

Milan, Italy

Production: Entrance Control

Zlin, Czech Republic

Production: Entrance Control

Local Offices:

EMEA

Czech Republic
Denmark
Germany
Italy
Netherlands
Norway
Poland
South Africa
Spain
Sweden
Switzerland
UAE
UK & Ireland

AMERICAS

Brazil
Canada
Mexico
USA

APAC

Australia
China
India
Indonesia
Malaysia
New Zealand
Singapore
South Korea

HQ, Gothenburg, Sweden

Global Brands:

GUNNEBO®

Chubb safes
Trusted the world over.

cominfo
security first

FOO

HAMILTON
CUSTOM MADE SECURITY

STEELAGE

sallén
for a new now

GUNNEBO 2021

2021 in brief

Q1

- Gunnebo started 2021 with new owners, Altor and Stena Adactum, with ambitious strategies to grow each part of the business. Håkan Karlsson is appointed Chairman of the Board after a long career at Volvo Group.
- Gunnebo launches an information security programme to strengthen the organisational culture and its capabilities to deal with the evolving cybercrime threat, followed by major investments in IT infrastructure and operations, as well as learning and adoption of new IT tools for employees.
- The new Upskill graduate trainee programme begins, with eight trainees joining the company in seven countries.
- Gunnebo Cash Management secures a multimillion euro deal with paytech provider Cash Logistik to deliver safe cash deposit units, software and services to over 1,000 petrol stations in Germany.

- Gunnebo Safe Storage is commissioned to install its biggest ever modular vaults to date, for three facilities of a global cash management company in India.

Q2

- Gunnebo Safe Storage establishes a global Innovation Hub in Bari, southern Italy, taking a major step towards its goal of becoming a world leader in new technologies for storing and protecting valuables.
- Gunnebo Entrance Control launches the new EntraLinq access control app, the first in a suite of apps called GunneboLinq, and announces plans to digitalise its offering.
- Gunnebo Cash Management begins a software transformation with the launch of Zen, a new modular software suite which enables retailers, banks and CIT to connect all their cash handling devices via a single platform.

- Gunnebo Entrance Control receives a significant order from Airports of Thailand for over 200 lanes of pre-security and self-boarding gates.

Q3

- Gunnebo Entrance Control appoints Sacha de La Noë as its new President. He replaces Robert Hermans, who stepped down of his own volition to pursue new challenges elsewhere.
- Entrance Control completes an impressive project for Universal Studios Beijing with over 140 Gunnebo speedgates throughout the theme park.

Q4

- Gunnebo Group acquires the innovative and fast-growing Italian entrance control company HC2, a provider of security revolving doors and booths for high security sites and a range of gates for retail applications.

- Gunnebo Entrance Control beats strong competition to secure an important framework agreement for airports worldwide in collaboration with SITA, a leading global specialist in air transport communications and information technology.

- Thanks to the success of the first graduate trainee programme, Upskill, Gunnebo launches a second programme a second programme to bring young talent into the Group.

- Hamilton Security, a Gunnebo company in the US, moves into its new state-of-the-art facility in Milford, Ohio, which replaces the three legacy entities in the area.

- Gunnebo Cash Management launches the DF4 SafeDeposit range, integrated with ZEN software, aimed at medium cash volume retailers and businesses.



Q1: Upskill graduate trainee programme.



Q2: One of Universal Studios Beijing entrance gates.



Q3: New President Gunnebo Entrance Control.



Q4: Welcoming HC2 to Gunnebo.

GUNNEBO 2021

Our History



1764 ...

The name Gunnebo comes from the village of Gunnebo in eastern Småland, a province in southern Sweden, where, in 1764, Hans Hultman opened a forge and started to produce nails and chains. This relatively limited business grew steadily until Gunnebo Bruks Nya AB was founded in 1889, which had several metalworking factories. Gunnebo Bruks Nya AB later became known as Gunnebo Industries.



1995–2005

Expansion

Gunnebo AB enters an expansive decade and acquires almost 50 companies from around the world, the majority of which specialises in security solutions.



2006–2008

Integration

Gunnebo AB begins the process of integrating the acquisitions made over the previous 12 years.



2009–2015

Footprint Extension

The overall vision, "To be the leading global provider of a safer future", is defined for the Group. The Group continues to develop its market presence in growth markets through the establishment or acquisition of Gunnebo Brazil (2011), Gunnebo Malaysia (2012), Hamilton, United States (2012), Gunnebo South Korea (2013) and Sallén, Spain (2015).



2016–2018

Harmonisation

Gunnebo develops the regional growth strategy further by shifting the Group into one operating company with global regions and processes. Standardization, lean ways of working, customer focus, good profitability and cash flow are in focus.



2018–2021

Core Business Focus

The regional growth strategy changes to a core business focus supported by a new organisational structure. The measures taken lead to a customer-centric focus built around the product offering in respective Business Units. As a result, non-core assets are divested, and core business initiatives are intensified. Entrance Control strengthens its leading position by the acquisition of Czech company Cominfo (2019) and the Italian company HC2 (2021).

1995

Gunnebo Industries is acquired by HIDEF, a venture capital company founded by the Swedish government in 1991. HIDEF changes its name to Gunnebo AB and is listed on the Stockholm Stock Exchange for the first time. The new company focuses on delivering security solutions globally.

2005

Gunnebo Industries (the engineering division of Gunnebo at the time), is split off from the rest of the organisation and listed separately on Nasdaq Stockholm.

2020

Gunnebo transfers into a privately owned company as Altor AB and Stena Adactum AB enter as new owners via a public cash offer to the shareholders. As a result, Gunnebo AB was delisted from Nasdaq Stockholm.

2021

Gunnebo creates legally and operationally independent Business Units of Entrance Control, Safe Storage and Cash Management, securing a key step in the core business growth strategy set out in 2018.

GUNNEBO 2021

Group Strategy – Building upon our leading positions in core business

The Group's strategy is to develop products and solutions to create a safer world by delivering innovative products, software and services to better control the flow of people, valuables and cash. Each Business Unit identifies and executes on its own strategy according to Gunnebo's overarching priorities and support provided in the areas of finance, IT, human resources, legal, communications and sustainability.

2021 has to a large extent been about executing on the strategic plan established in 2018, shifting the regional growth strategy into a core business focus built around the product offering in the respective Business Units: **Entrance Control, Safe Storage and Cash Management**. Major progress was made throughout the year by separating the Business Units into legally and operationally independent entities.

Each Business Unit is managed according to a common Group governance model, where each Business Unit drives both strategy and business operation. They carry full accountability for their respective value chains – from identifying customer needs to services, as well as the



Urbanisation is one market driver that increases growth in the global security market.

The Security Market

Development and growth in the global security market comes from increased need for security and protection, urbanisation, development of infrastructure, increased wealth and higher standard of living, technology driven growth and connectivity as well as compliance with legislation and regulations. To capture the market growth generated from these global trends, Gunnebo's core businesses will adapt their product offerings to the customer's specific needs and optimise the value chain through tailored go-to market models. Read more about Gunnebo's Business Model on page 10.

GUNNEBO 2021

Business Model

Gunnebo's business model identifies the underlying market drivers that form the basis for creating focused strategies by Business Unit. By delivering on these strategies, value is created for the Group's stakeholders.

1. Market Drivers

2. Strategy Execution in Business Units

3. Stakeholder Value Creation



1. Market Drivers

Market drivers provide input to the Business Unit strategies and offerings. They help clarify where value can be created and generate business opportunities. The following underlying market drivers are common denominators for Gunnebo's three Business Units and support continued long-term growth in the security industry:

Increased Security Awareness

Uncertainties connected to political disturbances, terrorism, cyber-threats have led to increased demand for security, particularly at public and commercial sites. People are also more conscious about personal safety and security, and of those close to them.

Urbanisation

A growing proportion of the global population lives in cities. Both the size and population of urban areas are increasing.

Development of Infrastructure

Urbanisation is leading to an expansion of inner-city infrastructure and greater demand for better transportation networks.

Increased Wealth and a Higher Standard of Living

Just as the global population is growing, so is the middle class, particularly in fast developing countries.

Technology-driven Growth and Connectivity

The digital transformation is beginning to create real value for customers. Previously unconnected security products are becoming intelligent and providing data which can be utilised to improve business efficiencies.

Compliance with Legislation and Regulations

As new regulations come into force to tackle security issues on a national, regional and international level, sites must improve security to ensure compliance.

GUNNEBO 2021 / BUSINESS MODEL

2. Strategy Execution in Business Units

Gunnebo's strategy is to develop solutions to create a safer world. This is done by delivery of innovative products, software and services to better control the flow of valuables, cash and people. By delivering on this strategy, value is created for the Group's stakeholders:

- Satisfied customers
- Engaged employees
- Sustainable business



Entrance Control

Mission

Provide innovative entrance control systems designed for an intuitive user experience.

Vision

Shape the future of people flow management.



Safe Storage

Mission

To protect valuables and provide peace of mind at home, at work and in transit.

Vision

Become the number one protector of valuables through industry-leading, customer centric innovation.



Cash Management

Mission

As experts in the complete payment cycle, we provide cost effective and secure solutions through innovative business models.

Vision

Lead and co-develop the future customer payment cycle, offering best in class uptime and peace of mind.

3. Stakeholder Value Creation

- Our business
- Our people
- Our Impact

Our Business

Customers

The Group's revenues represent the value that Gunnebo delivers to its customers.

Creditors

A long-term sustainable net debt/EBITDA ratio and improved profitability allow for strong, long-lasting relationships with financing partners.

Suppliers

Through building strategic supplier partnerships throughout the value chain – purchasing raw material and equipment, transport, vehicles and so on – the Group supports job creation beyond its own business.

Our People

Employees

The Group works to ensure a motivated, engaged and accountable workforce by providing personal development and opportunities to grow professionally within the organisation. This enables employees to deliver value-added offerings to the Group's customers.

Our Impact

Society

The Group is committed to creating a sustainable and ethical business which strives to minimise its impact on the environment.

The Business Units' strategies individually lay out the priorities and activities that will ensure fulfilment of the Group strategy.

Business Units according to their own go-to-market models will develop specific offerings to suit their respective customer segments. This is how Gunnebo will win in the marketplace.

GUNNEBO 2021

People and culture at Gunnebo

Gunnebo's employees are the Group's greatest asset and the key to long-term growth and success. The Group wants to be an employer that people are proud to work for. Gunnebo's employees make their own contributions to the Group's sustainable growth and development, both in their daily business lives and as members of society.

“ Improving our
employee
experience
significantly

Gunnebo is working purposefully to create a common culture, with dedicated employees who take responsibility, work together and have an inclusive approach.

Gunnebo's Performance Cornerstones are part of our culture, they are our guiding framework for performance and people development. They represent a set of core competences required to be successful within Gunnebo.

During 2021, Gunnebo updated and re-launched the Performance Cornerstones with the purpose of strengthening Gunnebo's strategic direction focusing on core business.

Your Voice Employee Survey

Employee surveys are important tools for understanding what is working well and identifying

where further efforts are needed. In November 2021, Gunnebo conducted its fourth biennial employee survey. A high number of employees, 85%, answered the survey. The results reveal that Gunnebo succeeded in improving our employee experience significantly in almost all areas since the previous survey in 2019. The overall index for employee engagement – measured in terms of sense of achievement, willingness to go the extra mile, our values and objectives, and willingness to recommend Gunnebo as an employer – was high compared to the industry benchmark and has grown steadily since the survey began in 2015. This progress has been achieved despite the impact of the global Covid pandemic and the high pace of change in the Group in the past two years.

Performance management

Gunnebo's performance management process places an emphasis on commitment and accountability around agreed individual objectives. The process ensures that each employee makes a real impact on the business. This process is fully digital, which enhances the ability to both improve the quality of the feedback, as well as focus and endurance.

Gunnebo's focus is to plan for its employees' development, so that it goes hand in hand with the Group's strategy and business goals. The aim is to give all employees opportunities to develop to their full potential, and to know what is expected of them in the short and long term. Structured personal development reviews are therefore conduct-

ed every year with all employees in the Group. The aim of these reviews is to set individual goals and formalise the assessment of personal progress.

Development of employees

Collaboration and capitalising on internal strengths and resources are prioritised areas in Gunnebo's leadership development programmes. The ACE (Action, Communication, Engagement) development programme is the leadership foundation for all within Gunnebo Group.

An exciting addition to Gunnebo's portfolio of development programmes is Upskill. Through partnership with the ESCP International Business School in London, Gunnebo offers university graduates a one-year trainee programme within

GUNNEBO 2021 / PEOPLE AND CULTURE AT GUNNEBO

Gunnebo. The purpose is to attract young talent to Gunnebo contributing with valuable insights and learnings.

In addition to Gunnebo's development programmes, Gunnebo offers a wide selection of e-courses. Our e-learning platform is an important base for employee development and performance management.

Equality & Diversity

Equality is an important element of the Group's work with diversity. Of the Group's employees, 17% are women and 14% of the Group's managers are women.

Gunnebo's aim is to ensure that women and men are treated equally and provided with the same opportunities to develop. To increase the proportion of female employees and achieve a more balanced gender distribution in the long term, the Group works, for example, to promote the inclusion of female employees in the succession planning process as well as the participation of women in leadership development programmes.

Health and Safety

It is the Group's goal and major responsibility to provide safe working conditions for its employees and people exposed to its activities, and thereby to offer healthy working environments where employees can develop and grow. Focus on this matter minimises negative impact for employees in terms of accidents in the workplace and also contributes to Gunnebo's reputation as a responsible employer.



GUNNEBO 2021 / PEOPLE AND CULTURE AT GUNNEBO

In Search of Brilliant Minds:

Upskill, Our Second Trainee Programme

Thanks to the success of our first graduate trainee programme, Upskill (2021), Gunnebo is launching a second programme to bring young talent into the Group. The programme is expanding, with 14 traineeships on offer in the UK, India, Germany, Spain, Italy and Sweden.

The Upskill graduate trainee programme provides top quality graduates with exciting opportunities to kickstart their careers with Gunnebo.

We are proud to launch the second year of an expanded Upskill, and to continue to bring new talent into our organisation with fresh skills and ideas that will both support our business and challenge each of us.

Gunnebo has been investing in leadership development via a portfolio of programmes

for many years; Upskill is an important and exciting addition.

The Upskill programme is designed to support the specific needs of the Business Units and has been coordinated at Group Level by Human Resources. Each graduate will take up a role within a Business Unit for one year.

During the internal recruitment process, Gunnebo also select mentors, or “buddies”, to supervise the new trainees. The buddies are selected from among high performers who are seeking challenges and opportunities to grow inside the company.

Both the trainees and their buddies will attend online training from the ESCP Business School in London and will work towards a diploma. Meanwhile, the trainees will learn the job and conduct a development-oriented project at work. The core idea of Upskill is thereby to combine fresh, outside ideas with internal insights.

“We are investing in this programme now because we believe in our future – and a key part of that future is bringing new talent into the organisation, not only to support and contribute to our business, but also to challenge



us,” says Stefan Syrén, President & CEO.

“As an international, culturally diverse organisation, Gunnebo is a company where graduates can really bloom. Our hope is that

the trainees will develop with us and become the future of the company while injecting us with energy and lots of new competence.”

GUNNEBO 2021

Results 2021

GROUP

Sales MEUR

418

Sales growth

8%

Adjusted EBITA

23.1

Adjusted EBITA

5.5%

ENTRANCE CONTROL

Sales MEUR

121

Sales growth

2%

Adjusted EBITA

14.2

Adjusted EBITA

11.7%

SAFE STORAGE

Sales MEUR

190

Sales growth

5%

Adjusted EBITA

9.9

Adjusted EBITA

5.2%

CASH MANAGEMENT

Sales MEUR

87

Sales growth

24%

Adjusted EBITA

5.0

Adjusted EBITA

5.8%

BUSINESS UNITS

Our Business Units/Offering

Gunnebo Group is a global provider of security solutions where the offering is focused on three core Business Units: **Gunnebo Entrance Control**, **Gunnebo Safe Storage** and **Gunnebo Cash Management**. Each Business Unit operates independently in their respective marketplace with their unique offering. Diversified in business, we are united through our culture, values and our mission of creating a safer world.

Gunnebo Entrance Control

Controlling and regulating access at key entry points



Gunnebo Safe Storage

Protecting valued items from burglary, fire and explosion



Gunnebo Cash Management

Creating an efficient and secure cash cycle



(The remaining 5% of Group Sales come from a number of local operations as part of the former non-core Business Unit Other Business.)

Gunnebo Entrance Control

Entrance Control is shaping the future of people flow management, enabling a range of market segments to control their access points through automated entrance control solutions with embedded single person detection for a safe and intuitive user experience. The Business Unit represents 29% of Group sales.

Gunnebo provides a wide range of automated entrance control gates including tripod turnstiles, speed gates, full-height turnstiles and security revolving doors to regulate and control the flow of people into, out of and around sites such as office buildings, leisure sites, critical infrastructure, retail and high-risk sites. The offering also includes solutions specifically designed for metro and railway application (ticket validation gates) and airports (passenger process automations such as automated boarding, anti-return, immigration and pre-security gates). Gunnebo also provides high-security outdoor perimeter protection solutions on a geographical basis.

Global market for pedestrian entrance control

The market for pedestrian entrance control has an estimated CAGR of around 3,5% up to 2023, in a market that has a value of

740 MEUR. Gunnebo has a share of around 14% of this market, making it the leading player globally. Geographically, the highest growth rates are expected to come from Asia, the Middle East and Americas. But it is also predicted that mature markets in Europe will continue to grow during the coming years.

In terms of customer segments, market growth is typically driven by urbanisation where airports, metro and bus rapid transport systems (BRTs) are the segments expected to see the highest increase in demand. Public and commercial buildings, in particular office and government buildings, remain the main portion of the market and are expected to see growth coming back in line with the return to the office. In the coming years, segments such as education, leisure and entertainment as well as high security are also expected to show an increase in demand.



Vision: Shape the future of people flow management.



Mission: Provide innovative entrance control systems designed for an intuitive user experience.

Net Sales

121
(MEUR)

Sales Growth

2%

ENTRANCE CONTROL

Performance 2021

Entrance Control was rather resilient in the initial stages of the pandemic thanks to the long cycle of projects, but the recovery was slower than we hoped.

Several strategic contracts were won during the year, including a major order in the Metro segment in LATAM. The Airport market, despite the massive reduction in passengers, used the opportunity to continue investments in automation of processes, leading to Gunnebo winning several projects in North America and Asia.

On a similar note, an iconic theme park in North Asia was also secured despite most parks being temporarily closed. The office building segment was the most affected, as property developers and companies held back on decisions and were hesitant to invest due to the uncertainty on the timing of the return to the office and the implementation of flexi-working.

Entrance Control reported an EBITA of MEUR 14.2 (13.4), resulting in an EBITA margin of 11.7 (11.6%).

Share of Group



Key Ratios

	2021	2020
Net Sales, MEUR	121	116
Sales Growth, %	2	-12
EBITA, MEUR	14.2	13.4
EBITA, %	11.7	11.6

Brands



Manufacturing Units

Zlin (CZ), Lavis (IT), Halol (IN),
Kunshan (CN), Milan (IT),
Benicia (US)



Sales Model and Customer Structure

Sales model

Direct: 10%

Indirect: 90%, through system integrators and distributors

Market Segments

Public and commercial buildings, stadia, high-risk sites, metro and airports

Selected customers

Amazon, Hong Kong International Airport, Empire State Building, SL Stockholm, City Bank, Ericsson Sony, Microsoft, ICA, Jaguar

Market drivers and trends

- Growth of urban populations driving inner city developments for metro and systems for bus rapid transport (BRT)
- Increased need for efficient solutions for people flow management, which has come even more to the fore during the pandemic
- Emergence of PropTech (Property Technology) and increased demand for data analytics to improve building management and efficiency
- Increased process efficiency and opening hours fueled by flexible working
- Continued internationalisation of business and access to travel for the general population offset by infrastructural growth constraints, leading to a focus on automation in airport and immigration processes
- Staff and visitors increasing universal mobility
- Growing terrorism and crime threats, actual and perceived
- Major investments in critical infrastructure such as power plants, airports and military sites

Strategic priorities

- Broad offering, from crash-rated outdoor range for high security to indoor access and flow control
- Specialised ranges for airport and metro with focus on passenger experience
- Process optimisation through automation with healthy ROI thanks to durability and reliability
- Scalable manufacturing capacity to deliver large projects with tight lead times
- Ergonomic design to simplify human machine interaction
- Customisation capacity for integration of third-party devices
- Data analytics capability for development of process optimisation tools
- Biometric-ready offering for easy integration in forthcoming identification ecosystems
- Software platform for flow management to enhance operational efficiency



CUSTOMER CASE / ENTRANCE CONTROL

Australia

Case study – NEXTDC



SOLUTION / NEXTDC data centres are classified as High Risk Critical Infrastructure and must be protected accordingly. This means that front building entrances and foyers, as well as internal entrances must be secured through various layers of physical security. Gunnebo currently has equipment installed in 9 of NEXTDC's facilities, with future growth to continue. This growth includes an additional site in progress, which will take the tally up to 10 sites fitted with a Gunnebo layered security solution.

We needed to find a solution that would work with the client's requirement for a frictionless and secure experience for their visitors with a noninvasive front entrance, all the while maintaining the highest levels of security. A variety of products were selected across numerous sites including front counters, guard houses & walls, all fitted with G2 rated ballistic and attack glass. One facility boasts an entire HVM solution as well as Entrance Control. Additionally, there are also rated doors and partitions

throughout a number of the facilities. Although we have a multitude of products through numerous locations, the key product that has been selected time and time again is Gunnebo's HiSec 9.

The HiSec 9 is a motorised security booth, boasting an elegant and transparent design, offering single person detection, anti-hostage threshold, bullet resistant safety glass and high accuracy verification through an in-built reader. The features of the HiSec 9 make it a smart choice for a facility such as these data centres.

For additional security, NEXTDC opted for a three-step verification system with biometrics, RFID and pin-code on the outside of the booths. This level of protection on top of the HiSec 9's already standard features, where the second door only opens once the first door closes and verifies that in fact there is only one person present inside the inner chamber, ensures the booths are to the highest secured standard.



CHALLENGE / A high security solution is required where privacy and security of data are the primary motivational factors for Data Centre operators. Recently recognised as Critical Infrastructure, protecting cloud-based data stored in these facilities is crucial for businesses and residents all over the globe. This level of security requires additional layers to be included, with products such as single person airlocks and the integration of additional products such as fingerprint biometrics.



These solutions have allowed for a multitude of sites to be secured to the highest industry standard

IN BRIEF

NEXTDC

are an Australian based independent data centre operator, with multiple facilities in all major Australian cities. NEXTDC pride themselves on enabling business transformation through innovative data centre solutions, infrastructure management software and a range of connectivity services.



With Data Centres now more important than ever, the industry is often under scrutiny for their environmental footprint. The highest criticism we see Data Centre operators faced with is the amount of energy used to keep systems operational at all times. With this in mind, Gunnebo had to ensure that we aligned with NEXTDC's values of achieving zero-net emissions, providing a solution that wouldn't leave a giant environmental footprint.

CUSTOMER CASE / ENTRANCE CONTROL

Beijing, China

Turning security into a valuable management tool

Amusement park operators are constantly working to find safer, more modernised, easier, and more efficient ways to manage their premises. Operators can be aided by a variety of advanced security technologies to regulate people flow and safety.

The recently opened theme park Universal Beijing features several new attractions along with Universal Studios, the best Universal rides, shows and attractions from around the world. Around 10 million tourists are estimated to visit the park per year, making up an average of approximately 28,000 visitors a day.

It is the first major resort park widely using biometric authentication technology integrated within its speed gates onsite – making it a pioneer in the leisure park industry and a truly state of the art facility for people flow management.

The inbuilt technology increases people safety

In total, there are 143 customized Gunnebo access points fulfilling specific needs, from front to back throughout the theme park. The inbuilt technology increases people safety by deterring intruders, preventing criminal activity entering the park, and working as a management tool for decision making and resource planning. All of which ultimately enhances visitor experience.

“Congratulations on this tremendous accomplishment. It is a great example of teamwork, collaboration,



The Universal Studios theme park in Beijing opened in September 2021, becoming the fifth Universal-branded theme park in the world.

co-operation and overcoming obstacles through focus and perseverance”, says Tom Mehrmann, General Manager of Universal Beijing.

Valuable data supporting the daily operation

With so many people visiting parks each day, operators are faced with the need to make day-to-day operations more manageable, efficient and cost-effective. Issues facing operators such as ticket fraud, crowd control and customer experience improvement can be addressed through customised entrance control systems. While these

products are traditionally for security purposes, they also improve operations management by providing real world data.

“Security technologies can offer valuable data such as customer behaviour and their spending habits. With increased business intelligence, operators can strive to enhance the visitor experience, and at the same time the data can be used as a management decision tool for operations and staffing”, says Davis Zhang, China Vice President, Gunnebo Entrance Control.

IN BRIEF

Customised entrance gates

for multiple touchpoints throughout Universal Beijing in a deal worth €1.5m.

- 62 Customized SpeedStile FL Speed Gates
- 18 Customised TM Podiums
- 45 Customised Express Columns
- 4 full height turnstiles and 14 tripod turnstiles.



“ Congratulations on this tremendous accomplishment

Gunnebo Safe Storage

Gunnebo Safe Storage is a globally recognised provider of safe storage solutions. The company's mission is to protect valuable items from burglary, fire and explosion and provide our customers with peace of mind at home, in transit and at work. 45% of the Group's sales come from the Business Unit.

Gunnebo offers a wide range of both certified and ungraded safe storage products that can be applied to a multitude of differing security needs and environments. Product diversity is as extensive as the expertise and experience applied to every individual project that each solution requires. The range covers modular strong rooms and vault doors, mechanical and automated safe deposit lockers, the associated high-security electronic locks and locking systems that accompany them, as well as safes and filing cabinets. Gunnebo's range also includes high security server cabinets that protect sensitive IT equipment.

More than half of all products are sold worldwide in the direct business under the Gunnebo brand, as well as via Hamilton in the U.S. and via Steelage in India. Safes and cabinets are sold world-wide through the renowned Chubb Safes brand, primarily via distribution partners.

Safe Storage is also a pioneer of new technology and strives to be the number one protector of valuables through industry-leading, customer-centric innovation.

The company prides itself on the high level of certification achieved for its products,

and the seriousness with which the issues posed by certification around the world are addressed.

Global market for Safe Storage

Total market value for safes and vaults is estimated to be around 3.4 BEUR, and the annual CAGR market growth to be 4.5% until 2023, according to Technavio market research.

Performance 2021

Gunnebo Safe Storage increased sales by 5% vs. 2020 and doubled profitability. 2021 was a challenging year, mainly due to the Covid-19 pandemic impacting all our key markets, and also due to increased input costs for steel, energy and transportation that impacted mainly the five production sites.

We maintained a strong focus on employee safety and supported local operations impacted by the global pandemic. We increased focus on our customers and protected the margins partly through price increases and partly through continued efficiency improvements, both in sales and in manufacturing operations.



A strong order intake in 2021 was adding 15% to the total order backlog.

Key initiatives

New Factory in the USA

A new factory for Hamilton Security in Ohio, USA, was completed and became operational as of year end 2021. The \$21 million facility brings 200 employees at Hamilton, a Gunnebo company, together under one roof for production, R&D, sales, marketing and head office functions.

Previously operations and sales offices were spread across three facilities in the Cincinnati area. These were built in the 1970s and not designed for high-tech manufacturing.

There has also been investment in cutting edge technology, such as a new powder paint line to improve quality and speed. Other benefits include improved energy efficiency and lower impact on the environment. The facility has been designed to encourage

customers to visit, with a demo centre and an elevated viewing platform offering a bird's eye view of the factory floor.

Global Innovation Hub

Gunnebo Safe Storage in 2021 launched a dedicated global Innovation Hub based at the Università degli Studi di Bari Aldo Moro in Bari, southern Italy. Now fully operational, the Hub marks a major investment in innovation, digitalisation and product development.

Gunnebo decided to invest in Bari because there is excellent infrastructure for innovation and a vibrant technology community. The Hub brings together a growing team of innovation specialists who have the focus and drive to push the boundaries of valuables protection and support our customers to develop their businesses and solutions.

Their work is focused on five main areas: innovative locking systems, remote access and connectivity, authentication technology,



Vision: Become the number one protector of valuables through industry-leading, customer-centric innovation.



Mission: To protect valuables and provide peace of mind at home, at work and in transit.

Net Sales

190
(MEUR)

Sales Growth

5%

SAFE STORAGE

IoT cloud platform and new materials. Throughout these innovation projects there is an overall focus on sustainability in terms of improving the product lifecycle.

A More Compact SafeStore Auto

Demand for safe deposit lockers is increasing rapidly, but the space required for such installations comes at a premium, particularly in city centres. Suppliers of these services are faced with accommodating thousands of safe deposit boxes in the most commercially valuable locations.

A new double-row solution for Gunnebo's SafeStore Auto Maxi has been specifically designed by Gunnebo engineers in Markersdorf, Germany, to optimise the use of small spaces. Not only does it

enable a smaller strong room design, it also offers a weight load reduction, achieving both without reducing the number of lockers.

The double-row solution enables a newly designed robot to collect two boxes at a time, instead of just one, reducing the size of the strong room by almost a quarter and its weight by 10%. This also brings down the overall cost of the installation and cuts the carbon footprint.

By developing this dependable, widely utilised and proven technology, Gunnebo Safe Storage has been able to improve system performance while maintaining the exceptional security, integrity and reliability for which the SafeStore Auto is renowned.



Share of Group



Key Ratios

	2021	2020
Net Sales, MEUR	190	184
Sales Growth, %	5	-19
EBITA, MEUR	9.9	5.1
EBITA, %	5.2	2.8

Brands

GUNNEBO **Chubb**safes
HAMILTON **STEELAGE**

Manufacturing Units

Doetinchem (NL), Markersdorf (DE),
Halol (IN), Jakarta (ID), Cincinnati (US)



Market drivers and trends

- A shift in the type of assets individuals and businesses want to protect - from cash to gold, watches, vaccines, etc.
- An increasing demand for safe deposit lockers and vaults, particularly outside of the banking sector, due to the closing of bank branches.
- As IT-security is increasingly growing in importance, it is influencing how burglaries are committed and driving the need for physical protection of hardware.
- On a global scale, there is a greater level of insecurity and unrest caused by terrorism, war and the legacy of the recent pandemic, which in turn creates greater security concerns.

Strategic priorities

- Support banks in their change process, as well as targeting new customer segments through innovative offerings.
- Capture growth within new corporate structure through full end-to-end responsibility, to enable agility, speed and transparency.
- A clarified go-to-market model, growing our market presence organically and through M&As, to acquire scale, distribution & technology.
- Utilising our Innovation Hub and their framework for innovation, which is driven by an understanding of the "job to be done", in both existing and new segments.



Sales Model and Customer Structure

Sales model

Direct: Complex projects such as installations of automated safe deposit lockers including strong rooms; ATM safes and service rooms; ATM safes and service rooms; ATM safes and service rooms

Indirect: Safes and cabinets

Market Segments

Banks, cash handling, high-end retail, residential, private safe deposit operators, high-risk sites, pharma industry

Selected customers

NCR (global), Trisor (DE), NHS Wales (UK), i24-INGOT (AG), Rico Credit Bank (GE), Stadt-Sparkasse Solingen (DE)

CUSTOMER CASE / SAFE STORAGE

Argentina

Rising demand for safe deposit locker solutions

Providing safe deposit lockers as a service by private, non-financial entities is becoming more and more popular as a viable and sometimes preferable alternative to services offered by banks.

The situation is particularly acute in Argentina where cautious citizens have been wary about using banks since the 2001–02 financial crisis.

The government froze and devalued about \$40 billion in bank secured savings accounts during this period, hence investors, companies and ordinary savers alike have now chosen to utilise private provisions because these remained untouched.

Juan Piantoni, CEO of Ingot, has been one of the first providers of this kind of service in Argentina. Not only due to the pandemic, Piantoni recognised the need to modernise safe deposit lockers, providing contactless facilities and looked at technological

advancements to deliver a securer, more accessible, higher quality, rejuvenated service model and customer experience. Piantoni established the company just 4 months after the pandemic struck and opened the first branch in Buenos Aires city. Already now operating in three locations, the plan is to implement a further three regionalised facilities, that are currently under development, with more to follow.

Partnering with Gunnebo, Piantoni recognised the need to engage a highly experienced, reputable company who could provide him with the necessary security and robotised technology he required to be



“The plan is to implement a further three regionalised facilities, with more to follow

able to offer high-end 24/7 service. Ingot's installations ensure maximum security. Customers enter via a high security turnstile, a metal detector and several armoured doors, before identifying themselves through facial recognition. Biometric, card and pin number input are all also stages in the process before access to the safe deposit locker is allowed.

Ingot advised that they are planning to open an average of three branches per year, most of them under the automated format. Gunnebo's Safe-Store Auto system was a prerequisite for all existing sites and will be Ingot's solution of choice for the next facilities going forward.

IN BRIEF

i24 – INGOT

One of the first private safe deposit locker suppliers in Argentina



“In Argentina, safe deposit boxes of financial institutions historically have occupancy rates of over 90% and most of the banks work with a waiting list. We have come to solve this problem and to offer the possibility of safeguarding the savings of the thousands of Argentines who have their money under the mattress,” said Juan Piantoni, CEO of Ingot.

Gunnebo Cash Management

Gunnebo Cash Management provides smart cash handling solutions, software and services which optimise the cash cycle and reduce the cost of handling notes and coins across the cash ecosystem. The Business Unit represents 21% of Group sales.

Gunnebo Cash Management's portfolio consists of solutions for cash deposit, dispensing and recycling of notes and coins, envelope and coin roll systems, closed cash management, application and monitoring software, and services.

With this portfolio, Gunnebo Cash Management is seen as a provider with a comprehensive offering of front and back-office cash automation solutions for retailers, banks and cash-in-transit (CIT) companies.

The Global Cash Market

In 2019, the total global market value for global cash automation was estimated to be BSEK 60, excluding services, according to RBR's Retail Cash Automation Report 2020. A CAGR of 7% was estimated until 2024 (excluding the Japanese market), while Gunnebo had around 6% of global market share, according to the report. Of

the global installed base, Gunnebo ranks number one in EMEA, and the global market size is estimated to grow from 720,000 to 870,000 units.

Although the percentage of transactions carried out using cash has been impacted in recent years, cash continues to play an important role as a method of payment. In fact, it continues to dominate in the Middle East, Africa and Latin America. And in Europe, cash use is expected to remain above average in major countries such as Germany, Italy, Spain and Poland.*

Traditionally, cash has been managed by banks globally, but in recent decades there has been a shift towards cash being managed by cash handling service providers and retailers. This has meant increased costs for bricks-and-mortar retailers, where handling cash often accounts for between 5% and 10% of total costs. CIT companies,



which provide services to facilitate the physical flow of cash between banks and retailers, are the third player in the cash ecosystem.

*Source: 2021 Global Payments Report – FIS

Performance 2021

2021 was once again a year dominated by the impact of the global pandemic. However, despite the challenges and complications which this has brought with it, Gunnebo Cash Management saw positive results during the year and delivered a strong turnaround.

Sales levels in most markets increased compared to previous years and there was increased interest from prospects and customers around planned investments.

Furthermore, the service business for customers continued to generate strong profit. This again demonstrates the Business Unit's strength as a partner to customers with key functions in society, as well as Gunnebo Cash Management's strength in having recurring revenues and robustness.

During the year, several key solutions were introduced to the market, most



Vision: To be a leading voice in shaping the future customer payment cycle.



Mission: As experts in the complete payment cycle, we provide cost-effective and secure solutions through innovative business models.

Net Sales

87
(MEUR)

Sales Growth

24%

CASH MANAGEMENT

significantly a new modular software suite offering customers hyperconnectivity across their Gunnebo cash handling devices as well as third-party products.

Cash Management's EBITA for 2021 amounted to MEUR 5.0 (–1.4), resulting in an EBITA margin of 5.8% (–1.9).

In the Spotlight

■ Driving Cash Cycle Innovation

During 2021, Gunnebo Cash Management launched a new modular software suite which connects with any cash handling device, cash service provider or third-party system.

The ZEN Suite is made up of a series of modules flexible enough for customers to build the solution they need and allows retailers, banks and CIT companies to optimise their cash ecosystem.

ZEN includes business analytics and reporting, remote monitoring and maintenance, data sharing, end-to-end cash reconciliation and device connectivity.

The introduction of this new modular software suite represents a central part of Gunnebo Cash Management's strategy to grow its software offering supported by strong services and innovative systems.

■ Introducing SmartLab

As a response to Covid restrictions and businesses' changing attitudes to travel, Gunnebo Cash Management opened SmartLab in 2021. Hosted at its innovation hub in Binefar, SmartLab is a hybrid showroom which can be used for physical or virtual demonstrations of solutions.

This has been particularly significant as a tool to showcase ZEN as customers can now see live how the software is used to remotely access a cash handling device and perform maintenance via a virtual meeting.

■ Key Product Launches

As well as the launch of the ZEN software suite, Gunnebo Cash Management has completed the introduction of several significant cash handling devices to the market during 2021.

- **SafeDeposit DF4.** A flexible, compact cash deposit device equipped with a brand-new banknote acceptor developed by Gunnebo. Designed for medium cash volume retailers, the DF4 is integrated with ZEN for advanced business reporting and remote maintenance.

- **SafeRecycling R3.** One of the most versatile cash recycling solutions on the market which can be adapted to suit the customer's cash volume and be branded in line with the customer's corporate identity.

- **SafePay CR3 S Edition.** A slim version of the POS coin recycler designed to respond to the demand for self-checkouts and payment kiosks which accept cash. Further updates to Gunnebo's closed cash management system, SafePay, have also improved its efficiency as an end-to-end retail cash handling solution.

- **SafeCoin Z1c.** A new coin roll dispenser with a touch screen that can be used for advertising. Part of the Zillion range of smart banking products with enhanced communication options to support branch transformation.

Share of Group



Key Ratios

	2021	2020
Net Sales, MEUR	87	71
Sales Growth, %	24	–20
EBITA, MEUR	5.0	–1.4
EBITA, %	5.8	–1.9

Brands



Manufacturing Units

Binefar (ES), Cincinnati (US)



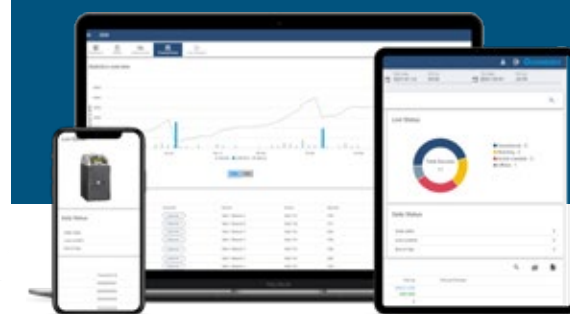
Market drivers and trends

- Digitisation of cash and optimisation of cash processes
- Continued movement of cash handling away from banks and into retailers
- Increased focus on the customer experience

Strategic priorities

- Continue to grow strong R&D and software competence

- Provide fit-for-purpose software, solutions and services to optimise the cash process
- Optimise go-to-market set up and grow the global market coverage
- Further increase business efficiency and profitability through operational improvement initiatives
- Support branch transformation and sustainability approach of customers through refurbishment services and rolling stock upgrades



Sales Model and Customer Structure

Sales model

Bank: Direct, with partners, and with CIT. **Retail:** Direct, with partners, CIT and banks.

Market Segments

Retail, bank and other businesses managing cash.

Selected customers

Manufacturing and R&D: Binefar, Spain. **R&D:** Trier, Germany; Gothenburg, Sweden.

CUSTOMER CASE / CASH MANAGEMENT

Bouwmaat, Amsterdam

“We chose security and gained efficiency”

Harko Ebbens runs five Bouwmaat franchises in the Amsterdam area. His stores deal with up to 2,500 customers a week and cash is still a common form of payment.



CHALLENGE / Having cash on site presents a security risk and Harko's franchises experienced several incidents forcing him to look at improving customer and staff safety.

In addition, dealing with large amounts of cash demands resources. Operating a four-eye principle for depositing and counting takings means occupying the time of two store employees and expecting one of them to bear the responsibility for cash handling. At each store location, as many as 30 hours a week can be spent counting, checking, depositing and changing the cash in the tills.



SOLUTION / Harko introduced a back-office solution for the recycling of notes and coins – at the largest of his Bouwmaat stores.

The old four-eyes principle was immediately replaced, significantly reducing the employee hours needed just for cash counting.

Prior to choosing the cash recycling solution, a business case was put together outlining the possible savings and initial costs.

The Retail Station was introduced in two phases. Firstly, a procedure for depositing cash and issuing new floats so that, with training from



Within one year, the cash recycling solution has already earned back in savings what it originally cost



Gunnebo, staff could work independently in the back office. Secondly, cash depositing and new cash orders were optimised.

CUSTOMER COMMENTS /

■ “Since we started using the cash recycling solution, security has been significantly improved. Now employees receive their daily float for their tills, exchange money, and close at the end of the day. Within five minutes they'll be outside

and I can focus on other activities.”

■ “We are often paid with notes which meant we used to have to order quite a lot of coins. So a back-office recycler will give you a substantial cost reduction. Within one year, the cash recycling solution has already earned back in savings what it originally cost. After six months, we ordered another machine for a second branch.”

■ “We now order less money, just as Gunnebo outlined to us as an advantage. We chose security and gained efficiency.”

IN BRIEF

Bouwmaat is a Dutch hardware wholesaler that targets small building contractors working on minor renovation, maintenance and construction projects. It opened its first store in 1986 and now consists of four franchise partners who manage 46 sites across the Netherlands. Bouwmaat stores stock a full range of building materials and tools.

THE NETHERLANDS



CUSTOMER CASE / CASH MANAGEMENT

Hilton Hotel, Zurich

Cash Handling Costs Reduced to a Minimum

Hilton has two big hotels in Switzerland – Hilton Zürich Airport and Hilton Garden Inn Davos. The Hilton Zürich Airport is situated five minutes from Zürich International Airport and 15 minutes from the city centre.



CHALLENGE / Hilton Zürich Airport was looking to optimise its cash management processes. Since 80% of payments are made by credit card, the cost of handling cash had become too large for the hotel.



SOLUTION / The Gunnebo Safe-Recycling RS6_CR5 has streamlined cash handling and simplified processes for staff. Cash is now recycled, and thanks to the optimisation of CIT pick-up routines, costs have been reduced.

The introduction of the Recycling Solution has also removed the need for a full-time cash handling position, which was crucial to securing a strong return on investment. Through automated processes, the expenses related to cash handling

have been reduced to a minimum.

One important aspect of the Gunnebo solution has been the service – which in this case has led to a high level of customer satisfaction. For this type of recycling unit, a dedicated technician is automatically assigned to installation for one week. In this way, any issues or questions can be dealt with on the spot, allowing the customer to get to know the machine and overcome any teething problems.

“Gunnebo not only delivered cost savings, but also great service”



IN BRIEF

Hilton is one of the world's largest and fastest growing hospitality companies

with 14 brands in 106 countries and over 5,300 hotels worldwide.

When Conrad Hilton opened the first hotel to bear the Hilton name in 1925, he aimed to operate the best hotel in Texas. As a result of his commitment, leadership and innovation, today Hilton is one of the most respected brands in the world.

SWITZERLAND





SUSTAINABILITY

Gunnebo Group Sustainability Approach

In a world of constant and sometimes turbulent change, a common thread runs through everything we do at Gunnebo – the pursuit of our sustainability agenda. For successful organisations to remain relevant to customers, employees and stakeholders, consistent effort on sustainability is vital.

The foundation for sustainability at Gunnebo has, since 2018, been our Sustainability Approach.

We consider sustainability to be a key success factor and strongly believe that it goes hand in hand with our ambition to become a leading provider of a safer future.

We believe that to be leading, you need to be sustainable. In this context, we define how our business is conducted in order to anchor our sustainability commitment even more firmly in the corporate culture.

Gunnebo's sustainability approach focuses on three pillars:

- **Our Business**
- **Our People**
- **Our Impact**

As an underlying layer of these focus areas, we use our own sustainability tool called Assess & Act for local sites to report on different actions. In this tool we include actions, both critical and more generic, to drive sustainability across Gunnebo Group.



Our Business

We consider sustainability to be a key success factor in becoming a leading provider of a safer future. We understand sustainability not only within the context of environmental protection, but also as a whole approach.

Gunnebo's profitability enables us to invest in innovations that drive higher levels of efficiency so more environmental benefits can be achieved. In our opinion, managing sustainability also includes how we drive our business. We are committed to:

- Achieving the Group's financial goals by driving a sustainable business
- Demonstrating clear and ethical leadership
- Establishing clear guidelines and expectations for suppliers and implement necessary controls



Governance

Commitment

Strong corporate governance is pivotal to our Sustainability Approach and we believe good governance practices serve our long-term interests.

We continuously improve our governance and aim to integrate sustainability in all parts of our business. We want sustainability to be driven across various levels in the organisation – from our Group Executive Team to the Business Units and individuals. It is a common factor spanning all employees.

Actions: What we have done

Group and BU Sustainability

Gunnebo has during the year worked to integrate sustainability in a more systematic way from Group level to Business Units.

Assess & Act

Across Gunnebo Group, more and more initiatives and ideas around sustainability are being developed. To improve coordination and impact, we use our own sustainability tool, launched in 2020, called "Assess & Act". This tool is used for auditing our progress, bringing together best

practices from across the Group and providing a framework and to-do list for managers. The tool enables the group to assess what is done, identify priorities, draw up action plans and follow up on their implementation.

During 2021, further development of the Assess & Act tool have taken place, alongside updating the Gunnebo Sustainability Approach.

ISO certifications

All group production facilities are certified for ISO 9001, ISO 14001 and ISO 45001, except for the two newest acquisitions in BU Entrance Control i.e. Cominfo and HC2. The Cominfo plant, which was acquired in 2019, already had a 9001 certification. It achieved ISO 14001 certification during 2021 and is aiming for 45001 during 2022. Our newest acquisition is certified according to 9001.

We believe it is important to continuously focus on these certifications for all production units in our company.

Code of Conduct

Gunnebo's Code of Conduct gives employees clear guidelines, defining how they should act ethically in their jobs and professionally in their

interactions with all of the Group's stakeholders. The Code of Conduct helps to ensure an understanding of Gunnebo's corporate culture and risk management related to corruption, anti-competitive practices or conflict of interest.

Channel Partner Code of Conduct

The Gunnebo Group Channel Partner Code of Conduct is for all its distributors and channel partners, setting out clear standards on ethics, business practices, labor, human rights, safety and the environment. The Group aims to engage with distributors and contracted partners around the Group's sustainability values.

Anti-Corruption

The Group applies zero tolerance to all cases of bribery and corruption. No employee of Gunnebo should accept any gift or personal favor that might reasonably be believed to have an influence on business transactions. As the Group also does business with different partners (clients, channel partners, suppliers) from countries with a high risk of corruption, it encourages them to comply with the principles of our different Codes of Conduct.

Human Rights

Gunnebo does not tolerate any form of harassment or violence in the workplace, and the use of forced labour and child labour

100%
Number of ISO 9001
certifications in our
manufacturing plants
at the end of 2021

OUR BUSINESS

is strictly prohibited in all company operations. This is important to state, as Group operations are conducted to a certain extent in high-risk countries in terms of child and forced labour.

Gunnebo's approach to human rights is stated in the Code of Conduct and stresses that all humans, whatever nationality, gender, ethnic origin, religion, language, or any other status, are all equally entitled to human rights without discrimination.



Suppliers

Commitment

Legislation and society are placing an ever-increasing demand on organisations to implement reliable systems to control their suppliers. More than ever, there is a need to determine how serious our external contractors and service providers are and to professionally assess the suitability of their arrangements.

With this in mind, we seek to establish clear guidelines to determine which suppli-

ers can work with Gunnebo, and to implement the necessary control to achieve that.

Actions: What we have done

Our operations and customers are all over the world. As such, we want to be sure that we can source products and services of a consistently high quality wherever we are.

Supplier Code of Conduct

In order to clearly define the Group's expectations, the Gunnebo Supplier Code of Conduct was released at the end of 2018 and the Group's purchasing policy was updated. This document sets out clear standards for our suppliers on ethics, business practices, labour, human rights, safety and the environment.




The Group strives to ensure that all major suppliers adhere to this Supplier Code of Conduct and uses the principles therein among the criteria for selecting new business partners. The Group's aim is to work with its major suppliers and ensure that they meet these social, ethical and environmental criteria.



We can source products and services of a consistently high quality wherever we are

Sustainability Impact Across the Value Chain

Gunnebo's sustainability impact across the value chain derives from both direct and indirect operations. Ability to manage impact starts with product development activities, followed by purchasing, manufacturing, sales, delivery and installation, service and end of use. The table summarises the Group's sustainability impact and how that impact is managed.

	Product Development 	Purchasing 	Manufacturing 
Description of impact	<p>Product development is a vital part of all Business Unit growth strategies. Sustainability concerns start at the conceptual phase. All Business Units create new products, anticipating future needs, without compromising on quality, price or sustainability. The choice of materials can impact the environment and the people who make and use the products. Therefore, it is important to consider the length of the products' full lifecycle, their energy consumption and how they are disposed of at the end of their lifecycle.</p>	<p>To build a strong supply chain, Gunnebo selectively chooses its suppliers. The Group invests in win-win relationships to assure the ultimate objective: to serve the needs of end customers and create value for the Group's stakeholders.</p> <p>It is the Group's responsibility to make sure that business is carried out in accordance with the Gunnebo Supplier Code of Conduct throughout the supply chain regarding environmental care, occupational health, human rights and anti-corruption.</p>	<p>Gunnebo mainly operates in three Business Units including 10 manufacturing units worldwide with almost 2,000 full time equivalent employees. This workforce provides the input and flexibility the Group needs to meet customers' demands. Gunnebo works continuously at all these sites to reduce the environmental footprint while optimising performance and maintaining high standards of quality and safe working conditions.</p>
Factors affecting impact	<ul style="list-style-type: none"> • Choice of materials (hazardous and non-hazardous) used in products • Length of product lifecycle • End of use, recycling and disposal • Efficiency in industrialisation 	<ul style="list-style-type: none"> • Economic, social and environmental impact on suppliers • The origin of parts and raw materials • Transportation and greenhouse gas emissions • Packaging waste 	<ul style="list-style-type: none"> • Energy consumption • Water consumption • Waste disposal and water discharge • Employment and working conditions
Tools to manage impact	<ul style="list-style-type: none"> • Proportion of different materials in products • Procedures to control the use of hazardous materials • Product certification • Industrialisation procedure 	<ul style="list-style-type: none"> • Group purchasing strategy • Supplier assessment • Supplier Code of Conduct • Local supplier policy • Development of suppliers 	<ul style="list-style-type: none"> • ISO certifications for Environment, Working Environment and Quality (ISO 14001, 45 001 and 9001) • Code of Conduct • Group sustainability targets

VALUE CHAIN (CONTINUED)

	Sales 	Delivery and Installation 	Service and End of Use 
Description of impact	<p>Gunnebo's work with sustainability is largely customer-driven. By providing high-quality security products, services and software, the Group aims to create value and build a safer future for customers around the world.</p> <p>Gunnebo has sales companies in more than 20 countries. The Group also has a channel partner network, giving it access to 100 additional markets. Local knowledge in each market combined with a global presence allows Gunnebo to deliver to businesses of all sizes, helping them to create a safer world for their customers, their employees and society as a whole.</p>	<p>In terms of logistics footprint, Gunnebo's manufacturing units are located in the Americas, Europe and Asia. In order to optimise the transportation of products, the Group builds partnerships with selected logistics companies to deliver a high standard of service while considering cost and environmental impact. Once delivered, products are installed by either Gunnebo's own employees or sub-contractors. The Group works continuously to maintain high standards of quality and safe working conditions throughout the installation process.</p>	<p>Management of the complete lifecycle is important for Gunnebo. Gunnebo's products are meant to last and the Group's competitive advantage is based on total cost of ownership. It is the Group's ambition to ensure that all clients receive good service throughout the entire lifecycle. Gunnebo offers services that are tailor-made to customer needs.</p> <p>Gunnebo can also be a preferred partner when it comes to finding a replacement for outdated materials and identifying recycling and disposal options.</p>
Factors affecting impact	<ul style="list-style-type: none"> • Financial performance of sales • Employment and working conditions • Product offering delivering sustainable solutions 	<ul style="list-style-type: none"> • Transportation and GHG emissions • Economic, social and environmental impact on transporters and sub-contractors • Employment and working conditions • Packaging waste 	<ul style="list-style-type: none"> • Economic performance in service sales • End of use, recycling and disposal • Electronic and metallic waste • Technicians' transportation and GHG emissions
Tools to manage impact	<ul style="list-style-type: none"> • Group and Business Unit sales and marketing strategy • Customer survey • Code of Conduct 	<ul style="list-style-type: none"> • Group logistics strategy • Transportation optimisation • Transporter and sub-contractor assessment • Code of Conduct 	<ul style="list-style-type: none"> • Group after-sales and service strategy • Portfolio of offering for service, replacement and disposal of products • Route-planning for technicians

Our People

Partnership is definitely a key word: sustainability only works through collaboration and when everyone pulls together. Our people are our greatest asset and the key to the Group's long-term growth and success. We want to be an employer that our people are proud to work for.

Our employees make their own contributions to sustainable development, both in their daily business lives and as members of society. We are focused on:

- Providing safe working conditions and preventing any major incidents
- Developing employees and the organisation
- Acting positively in the local community



Health & Safety Commitment

We aim to provide safe working conditions for our employees or people exposed to our activities and offer healthy working environments where employees can develop. Assess & Act helps us on a Group level to unify different actions for Health & Safety. The local sites should e.g. have an accident recording and investigation process in place and make sure that our employees have the correct PPE available. These actions, together with our ISO certification for 45001, help us to maintain a certain level and to continuously improve within the area of Health & Safety.

Actions: What we have done

Group Health & Safety Policy

The Group Health and Safety Policy applies to Gunnebo's operations everywhere and helps protect employees, visitors, locations and surrounding communities. The Group is committed

to controlling the risks associated with hazardous processes in its manufacturing facilities by developing safety management systems.

Health & Safety Management System

Over the years, we have progressively certified our plants' Health and Safety Management Systems. This year, in 2021, all our production plants are certified according to ISO 45001 except for our two newest acquisitions, Comin-fo (bought in 2019) and HC2 (bought in 2021).

80%

Proportion of manufacturing units with ISO 45001 certification at the end of 2021

Reporting & Communication

We have a Group-wide reporting system to manage the accident reporting, investigation and assessment process in a

Health & Safety comes first!

"It is Gunnebo's first and most important task as a company to ensure that our employees work in a safe and healthy environment and can come back home safe. At Gunnebo, we strongly believe that health, safety and wellbeing are critical to the success of our business.

What are we doing to constantly improve? We drive stringent reporting to better understand the causes of any incident, and to define counteractive measures to avoid repeats and improve our way of working. We have improved knowledge sharing across the Group with quarterly newsletters and site visits, and we are training our staff. All measures are driven with a clear aim to decrease or eliminate the risks in our operations."

Stefan Syrén,
President & CEO



OUR PEOPLE

unified way. This enables us to monitor our performance as a Group with the aim of reducing the frequency of accidents on a permanent basis.

In Gunnebo Group, we have an HSE Network where we have quarterly calls. The network contains H&S representatives and managers from local sites in Gunnebo.

During the HSE calls, the results from the quarter are brought up and discussed in order to improve worldwide. Incident reports are presented and we also aim to show pictures from any injury to visualise and improve the possibility to learn from the incident.

Our Group indicators for Health & Safety are:

- LTI: Lost Time Injuries
- Other recordable injuries

The number of injuries in Gunnebo Group has fallen significantly during recent years (see table). Almost all of our LTIs during 2021 were hand injuries.

Gunnebo during the pandemic

During the pandemic, Gunnebo has been busy implementing measures to keep employees, suppliers and customers safe across its organisation.

A crisis management team has been formed at Gunnebo's headquarter to adapt, demonstrate agility in responding to the Covid-19 pandemic.

Consequently, all of our operations have adopted and implemented health plans, updated to the prevailing situation throughout the pandemic.

Besides the preventive measures taken to keep our people safe, we have additionally carried out a number of digital engagement and development initiatives to all employees.

LTIs and other recordable injuries

	LTIs			Other recordable injuries		
	2021	2020	2019	2021	2020	2019
Total Group	17	20	35	24	43	79



OUR PEOPLE



Development, Training and Engagement

Gunnebo is working purposefully to create a common culture, with dedicated employees who take responsibility, work together and have an inclusive approach. An important aspect of a successful business is that the Group's >3,800 employees reflect the diversity of its customers and society as a whole.

2021 continued to be a special year due to the pandemic. Gunnebo has supported employees to work from home while at the same time continuing to engage and develop employees through a number of global digital initiatives:

- Training and exercise with Group-wide initiatives
- Launch of ADKAR framework and a tailored

Changed Management programme throughout the organisation

- Employee adaptation and learning through the global project Digital Worklife

IMPACT

IMPACT is a performance management process tailored to Gunnebo's needs. The method places emphasis on commitment and accountability around agreed individual objectives. Individual development is a two-way street – with IMPACT the employee is involved throughout the process through manager-employee dialogues and self-assessment.

IMPACT is an approach to ensure each employee makes a real impact on the business. Gunnebo's focus is to plan for its employees' development, so that this goes hand in hand with the Group's business goals.

The aim is to give all employees the opportunity to develop to their full potential, and to know what is ex-



pected of them in the short and long term. Structured personal development reviews are therefore conducted every year with all employees in the Group.

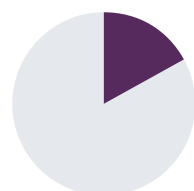
DRIVE

Drive is a cloud-based platform for all employee data, enabling transparency, consistency and accuracy in matching performance with individual development. The HR system means a standard approach in all Gunnebo companies for managing performance, skills and development through

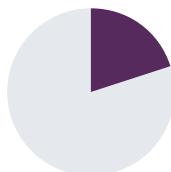
better visibility and transparency. Within DRIVE there are three main processes:

- PERFORM in which, through the IMPACT process, employee and manager jointly agree on and measure annual targets
- LEARN also includes a modern e-learning platform with course administration
- REWARD is used for salary review and bonuses

This structure has been vital in keeping an active dialogue and continue to develop Gunnebo employees while many are working from home.



17%
... of
Gunnebo
Group's
employees
are women



14%
... of the
Group's
managers
are women

33

Number of nationalities
among company managers
and members of manage-
ment teams in 2021

OUR PEOPLE



Community

Commitment

Gunnebo supports the community that we operate in. Our intention is to create a sound foundation for success both today and for tomorrow. Our employees, stakeholders and customers live by our side. We can and we will support initiatives which aim to create a better future. This will benefit our employees and their lives.

Equality

Gunnebo's employees are recruited and promoted solely based on their qualifications for the job. Equal opportunities and treatment apply for all the Group's employees irrespective of gender, marital status, ethnic or national background. Each employee shall be rewarded in a correct and fair manner in accordance with their individual performance and contribution to the success of the company.

Diversity

One of Gunnebo's strategic goals is to increase insight into and harness the benefits of the Group's diversity. For a global company, having an understanding of local market conditions,

cultural and employee needs, is pivotal to develop the business. Diversity is encouraged at all levels in the Group and Gunnebo strives to represent as many dimensions of diversity as possible and to meet customer demands in a global market. This work considers gender, origin, industry background and other indicators of diversity.

Community Initiatives

In the countries in which we operate, the respective management teams decide independently on initiatives and projects they want to support. In this report, we have put together a few stories from around the globe.

■ In **the UK**, in November 2021, our employees held a fund raiser connected to the Movember movement. This is an annual event involving the growing of moustaches during the month of November to raise awareness of men's health issues, such as prostate cancer, testicular cancer, and men's suicide.

■ In **Kunshan**, where our Chinese manufacturing units is located, employees support the Kunshan Rehabilitation Center for severely disabled children through donations and engagement activities. Gunnebo employees continued to engage in this initiative during 2021, by for example donating powdered milk (pictured right).



Our Impact

We consider environmental protection to be one of the most significant challenges facing the world's population.

As a company that operates at an international level, we recognise our responsibilities concerning the impact that our business activities have on the environment. We have formalised our commitment to environmental excellence. As stated in our Sustainability Approach, we continuously strive to improve the environmental performance of our operations, mainly by:

- Reducing the Group's energy consumption and CO2 emissions
- Optimizing use of water and raw materials
- Managing waste to reduce its impact



Energy & Climate

Commitment

We identify our energy consumption, and its effect on the climate, as having a major environmental impact. CO2 emissions and energy consumption are the areas where we focus the most to make a difference. Indeed, we can directly act to reduce our energy consumption, improve our energy efficiency and control our CO2 emissions.

Actions: What we have done

Environmental reporting

Gunnebo Group consists of many companies and this makes the reporting process complex, however we have put a lot of effort during recent years to improving our reporting. During 2021, the organisation has continued to report on the KPIs from previous years, related to our non-financial targets valid for the 2016–2020 period, including total electricity used and CO2 emissions from our manufacturing units, sales and company cars. 2021 results for CO2 emissions are:

- Direct emissions: 4,044 tCO2
- Indirect emissions: 5,982 tCO2

Energy consumption of manufacturing processes and renewable energy

Our manufacturing processes require energy at various production stages for tasks such as heating, cooling and powering the machines. All these processes use various energies that ultimately lead to production of greenhouse gas emissions. Therefore, we are progressing towards improving our energy consumption through energy-efficient planning, construction and operation of buildings or use of renewable energies. For example, all major manufacturing plants and sales units have to conduct an energy diagnosis and implement an action plan to realize savings and improve efficiency. Another example is that we also encourage our local sites to install LED lamps, light timers and turn electricity off during night time. Total electricity reported in Gunnebo Group was 11,900 MWh in 2021.

Group travel policy: controlling our CO2 emissions from travel and fleet policy

In the sales part of our business, the vast majority of the energy we consume and the greenhouse gases we emit comes from travelling, both on land and in the air. Therefore, we have a new Group travel policy to set our standards when it comes to international travel and a Group fleet policy to promote the use of carbon-efficient vehicles. Since then

we have been working on reducing the CO2 emissions of our company cars. In 2021, the Group fleet policy was updated to even further reduce our maximum allowed CO2 emission levels for company cars.



Resources Consumption

Commitment

The world's population is growing larger, living longer, and consuming more. To conserve natural resources for future generations, sustainable management of the natural environment is necessary. We continuously work to optimize our use of water and raw materials through the improvement of our processes.

Actions: What we have done

Action plans and improved efficiency

In our local sites, action plans for resource consumption have been drawn up in order to identify areas to improve in and to improve efficiency in our use of resources. Local water usage diagnoses have also been conducted and water sewage devices been installed.

OUR IMPACT

Indeed, we believe that companies that address this issue not only help the planet, but they also gain a competitive advantage in the marketplace.

Steel usage reduction in manufacturing units

The main resource used in the manufacturing of our products is steel and we have always been keen on assessing the costs and benefits of how we use and recycle this material. For five years now, we have been improving our steel usage through product design and operational efficiency.

Water recycling systems in

Safe Storage production plants

We use water as a component for the concrete we use for our safes and for the cleaning of those installations. We are committed to reducing water consumption and we are achieving that by implementing wastewater recycling systems for our concrete processes.

REACH

As a manufacturer selling, selling products in Europe, we have a legal responsibility towards the REACH European Union regulation. We have conducted a study within our manufacturing processes to control how we are using chemical mixtures. This assessment has also helped us remove the most hazardous substances from our processes.



Waste Management

Commitment

We believe that managing our waste helps reduce our environmental impact. Consequently, we strive to reduce the waste we generate. From our production units to our offices, we have been systematically separating our waste for years. As an example, local sites have been working actively to remove single-use plastics.

Actions: What we have done

Waste management in manufacturing units

Ninety percent of our manufacturing units have achieved ISO 14001 certification. We ensure that all waste materials, both hazardous and non-hazardous, are disposed of in the country of origin via qualified waste disposal companies in accordance with the relevant statutory regulations. We do not export waste to other countries. As a rule, we seek to systematically minimize our waste output and favor disposal through recycling or valorizing processes when available.

90%

Proportion of manufacturing units with ISO 14001 certification at the end of 2021



New factory in Hamilton, USA

At the end of 2021 Gunnebo Group (Hamilton) inaugurated a new factory in Milford, Ohio. One of the benefits will be improved energy efficiency. The new building is much more efficient, is constructed from insulated panels and has high

efficiency HVAC systems. We have also bought a new paint line and will have a better and more efficient paint process.

New Sustainability Targets for 2022–2024

During 2021 a materiality assessment was conducted. Aligned with our owner Altor's Sustainability framework, this work resulted in a new Sustainability Approach, including new KPIs and targets for 2022–2024.

Materiality with respect to Sustainability reporting covers topics and indicators that reflect the organisation's main economic, environmental and social impacts, or which would substantively influence the assessments and decisions of stakeholders.

The materiality assessment was conducted together with our owners, customers and Gunnebo employees, enabling us to update our corporate sustainability strategy and set relevant focus areas. The updated strategy includes many new KPIs and targets. The result is our new Sustainability Approach for 2022–24, which will serve as the basis for Gunnebo's work with sustainability going forward.

Meanwhile, reporting of non-financial indicators continued during 2021 for KPIs that had been set previously, such as fuel consumption, electricity use and waste, even though no new targets for sustainability had been set.

Gunnebo Sustainability Approach

Gunnebo's vision is to be a leading provider of a safer future by supplying solutions which protect people, valuables and assets. We strive to have the best security products that make a difference in managing cash, protecting assets or controlling the flow of people.

The Group's mission is to create **a safer world** – for its customers, business partners, employees and society as a whole. When it comes to sustainability, we are committed to:

Our Business

Business Ethics

Ensure high business ethics in everything we do



Suppliers

Strive towards a sustainable supply chain



Customer Privacy & Data Security

Ensure high security for our customers and employees



Our People

Health & Safety

Provide safe work conditions and prevent work accidents



Employee Development

Develop our employees with focus on career development reviews and trainings



Diversity & Inclusion

Offer a diverse and inclusive workspace and support local community initiatives for a diversified society



Our Impact

Climate & Energy

Strive to be a climate neutral business with focus on own operations



Resource Efficiency

Optimise use of virgin materials, water, waste and chemicals





MANAGEMENT

Board of Directors

Håkan Karlsson

Elected: Chairman of the Board 2021

Education: MSc Engineering

Main position:

Senior advisor

Professional background: Senior leadership positions within Volvo Group, Volvo Bussar, Volvo CE, Volvo Penta, EVP, Trucks Asia. Board chairman for JV Volvo Eicher

Other Board assignments: Haldex AB, TitanX AB



Bengt Maunsbach

Elected: Board member 2020

Education: M.Sc. in Economics and Business Administration from the Stockholm School of Economics and University of Chicago Booth School of Business

Main position: investments and board work

Professional background: Partner Altor Equity Partners 2004–, Principal Boston Consulting Group 1995–2004

Other board assignments: Eleda Group, Trioplast, Realia Group, Opti Group. Altor Equity Partners



Jens Browaldh

Elected: Board member 2020

Education: M.Sc. in Economics and Business Administration from the Stockholm School of Economics and The Wharton School, USA

Main position: Investment Director Altor Equity Partners AB

Professional background: Altor Equity Partners AB 2011–

Other board assignments: Board member Centralpoint, Flex IT, Ideal of Sweden, Orchid Orthopedics and RevolutionRace



Martin Svalstedt

Elected: Board member 2020 (Chairman of the Board 2008–2020)

Education: Master of Science in Business Administration

Main position:

Professional board member

Professional background: President Stena Adactum AB, CFO Capio, senior financial positions at Stora Enso and ABB

Other board assignments: Board member of Scandic Hotels Group AB (publ)



Jenny Sjödah

Elected: Board member 2021

Education: MSc Engineering Industrial Economics, MBA International Business Economics

Main position: CEO

for Westermo Network Technologies AB

Professional background: ABB

Other Board assignments: Nibe Industrier AB



Anders Wassberg

Elected: Board member 2021

Education: MSc Engineering

Main position: CEO

Stena Adactum AB

Professional background: CEO and

Chief Executive for Ballingslöv International and Gustaf Kähr AB, CEO Beijer Bygghem AB of Ballingslöv International AB, Svedbergs i Dalstorp AB and Kährs Holding AB, and boardmember of Envac AB, Gunnebo AB och Inwido AB



Anders Lindqvist

Elected: Board member 2021

Education: Mechanical Engineering and Marketing, Marine Officer

Main position: CEO, Mycronic AB

Professional background: CEO and Chief Executive Piab Group AB, koncernchef för Piab Group AB 2013–2019, Atlas Copco Division Director, CEO Atlas Copco China, CEO Atlas Copco Nordic

Other Board assignments: Norican Group, Dafo Vehicle Fire Protection AB



EMPLOYEE REPRESENTATIVE

Crister Carlsson

Elected: 2019

Education: Electric Power Engineering

Other board assignments: Sole member of Handelsbolag Terliz



Executive Management

PRESIDENT AND CEO GUNNEBO
GROUP, GUNNEBO SAFE STORAGE

Stefan Syrén

Employed: 2018

Education: MSc Chemical Engineering, Chalmers University of Technology, Gothenburg
Professional background: Procter & Gamble, Nordics and European management; Papyrus, COO; Alliance Healthcare Deutschland, CEO
Board appointments: Board member of Spakera Holding AB



GROUP CHIEF
FINANCIAL OFFICER

Åke Bengtsson

Employed: 2020

Education: Executive MBA, CBS-SIMI, Copenhagen
Professional background: CEO and CFO at Haldex, CFO at PartnerTech and CFO at Cardo Entrance Solutions
Board appointments: No current Board engagement



SVP HUMAN RESOURCES
& SUSTAINABILITY

Christian Carlsson

Employed: 2016

Education: MA in Human Resources Management from Bournemouth University
Professional background: SVP Human Resources at Papyrus, Director Global HR Operation at Damco, Head of HR Damco Nordic, Baltic and Russia, Compensation and Benefit Manager at Volvo Car Corporation
Board appointments: Deputy Board member of KC Ekonomikonsult AB



PRESIDENT,
GUNNEBO CASH MANAGEMENT

Christian Weisser

Employed: 2019

Education: Degree in industrial business management at Nixdorf Computer AG
Professional background: Senior executive positions within Diebold Nixdorf, recently as SVP and Managing Director for the region Europe, Middle East & Africa
Board appointments: Member of planfocus software GmbH Advisory Board



PRESIDENT,
GUNNEBO ENTRANCE CONTROL

Sacha de La Noë

Employed: 2021 (2005–2019)

Education: Post-graduate diploma in Business Administration, Warwick Business School, UK
Professional background: CEO for SHV Energy China, former international and regional leading positions within Gunnebo, Wilson Logistics Group, Oriflame and Alfort & Cronholm Group
Board appointments: Board member of Krisma AB



Risk Management

To identify, evaluate, manage and monitor risks is a central role in the management and control of Gunnebo's business operations. With the shift into the Business Unit structure where the Business Units have a relative independence from the parent company and each other, the Group has increased its focus on risk management during the year.

Risk Management and Monitoring

Risk management at Gunnebo aims to identify, evaluate and manage risks and thereby mitigate or monitor potential negative effects. The management teams in Gunnebo's Business Units are ultimately responsible for identifying, assessing and managing risks in their area of responsibility. They are supported by resources within central Group functions and bound by Group-wide policies, principles and guidelines. The Group's risk management is monitored by the Group Executive Team, with the Group CEO reporting significant risk development to the Board. The Board of Gunnebo has the overall responsibility for the Group's risk management and for deciding the Group's strategic direction.

Most Significant Risks

The Group's business is diversified, which gives Gunnebo an underlying risk spread. Gunnebo has chosen to group these risks into the following three areas:

Risks related to the industry and our operations

Industry risks are strongly connected to Gunnebo's external dependencies such as demand and market conditions and industrial, technological and regulatory changes. Operational risks include product development, supply and manufacturing, as well as the risk that products, software, services and deliveries do not meet the required standards. Furthermore, there are risks related to IT, customer credit risks and counterparty risks.

Legal risks

Legal risks relate to Gunnebo being a global operation that is subject to laws, regulations and rules pertaining to, for example, the environment, health and safety, trade restrictions, anti-competition regulations and currency regulations.

Financial risks

Financial activities are carried out in accordance with the finance policy established by the Board, which regulates how financial risks are to be managed. The main financial risks that the Group is exposed to are financing risk, interest rate risk, liquidity risk, currency risk and credit risk.



The Group's
business is
diversified, which
gives Gunnebo an
underlying risk spread

Crisis Management

Gunnebo strives to have a flexible structure of crisis management that is capable of responding to any type of crisis quickly, decisively and in a coordinated manner. Therefore each local market and production sites has a crisis management team, supported by an extended Group crisis management team if and when needed. The crisis management team at Group level has the responsibility to ensure that relevant employees have the necessary knowledge and capabilities to handle incidents. In the event of a major incident which can be considered to impact the Group as a whole, the Group's crisis management team, including the Board of Directors, is informed and assesses how to handle the situation.

A hand holding a red marker points towards a glass wall covered with numerous colorful sticky notes in shades of pink, orange, yellow, and blue. The background is a blurred office interior with large windows.

FINANCIAL REPORTS

Consolidated Income Statements

MEUR	2021
Net sales	418.4
Costs of goods sold	-314.0
Gross profit	104.4
Research and development expenses	-8.7
Selling expenses	-49.3
Administrative expenses	-55.9
Other operating income	2.1
Other operating expenses	-0.3
Operating profit/loss	-7.7
Financial income and expenses, net	-20.5
Profit/loss before taxes	-28.2
Income taxes	-12.9
Net profit/loss	-41.1
Attributable to:	
Shareholders of the Parent Company	-41.1

Consolidated Statements of Comprehensive Income

MEUR	2021
Net profit/loss	-41.1
Other comprehensive income	
Items that will not be reclassified to the income statement	
Remeasurements (actuarial gains and losses)	0.6
Income taxes attributable to the entry above	0.1
Subtotal	0.7
Items that may be reclassified to the income statement	
Translation differences on foreign operations	16.8
Subtotal	16.8
Other comprehensive income	17.4
Total comprehensive income	-23.7
Total comprehensive income attributable to:	
Shareholders of the Parent Company	-23.7

Consolidated Balance Sheets

MEUR	31 december 2021
ASSETS	
Non-current assets	
Goodwill	293.7
Other intangible assets	33.2
Right of use assets	16.5
Property, plant and equipment	39.6
Deferred tax assets	17.3
Other long-term assets	3.3
Total non-current assets	403.8
Current assets	
Inventories	74.6
Total customer receivables	71.8
Current tax receivables	8.6
Other short-term assets	15.4
Cash and cash equivalents	38.9
Total current assets	209.2
TOTAL ASSETS	613.0

MEUR	31 december 2021
EQUITY AND LIABILITIES	
Equity attributable to shareholders of Parent Company	157.3
Total equity	157.3
Non-current liabilities	
Long-term financial liabilities	220.1
Provisions for post-employment benefits	38.6
Long-term portion of lease liabilities	10.1
Deferred tax liabilities	6.8
Total non-current liabilities	275.5
Current liabilities	
Accounts payable	49.7
Current tax liabilities	9.3
Short-term provisions	4.3
Short-term financial liabilities	36.6
Short-term portion of lease liabilities	7.1
Other short-term liabilities	73.1
Total current liabilities	180.1
TOTAL EQUITY AND LIABILITIES	613.0

Consolidated Statements of Cash Flow

MEUR	2021
OPERATING ACTIVITIES	
Operating profit/loss	-7.7
Adjustment for non-cash items:	
Depreciation	3.6
Amortisation and impairments	7.0
Depreciation right of use assets	9.6
Other non-cash items	-3.5
Post-employment benefit payments	-3.5
Income taxes paid	-7.7
Interest and other financial items	-11.9
Changes in working capital:	
Inventories	-10.7
Total customer receivables	-3.7
Accounts payable	13.1
Other operating assets and liabilities, net	11.1
Net cash flow from operating activities	-4.3
INVESTING ACTIVITIES	
Capital expenditure for intangible assets	-2.1
Capital expenditure for property, plant and equipment	-18.4
Sale of property, plant and equipment	0.3
Acquisition of operations	-11.1
Divestment of operations	1.3
Net cash flow from investing activities	-30.1
Net cash flow after investments, before financing	-34.4

MEUR	2021
FINANCING ACTIVITIES	
Proceeds from loans	28.3
Repayments of loans	-2.8
Change in short-term loans	16.3
Amortization of lease liabilities	-9.6
Other financing items	3.1
Net cash flow from financing activities	35.3
Net cash flow	0.9
Cash and cash equivalents at the beginning of the year	36.0
Net cash flow	0.9
Translation differences	2.1
Cash and cash equivalents at the end of the year	38.9

Consolidated Statements of Cash Flow

CHANGE IN LIABILITIES FROM FINANCING ACTIVITIES AND NET DEBT

MEUR	Closing balance 2021	Cash changes	Non-cash changes	Translation differences	Opening balance 2021
Long-term loans, including short-term portion	239.9	25.3	10.3	0.8	203.5
Finance lease liability, including short-term portion	17.2	-9.5	8.2	1.0	17.5
Short-term loans	16.8	16.1	0.7	—	—
Other short-term financial assets (-)/liabilities (+)	—	3.0	-4.2	—	1.2
Total liabilities from financing activities	273.9	35.0	15.0	1.8	222.2
Cash and cash equivalents	-38.9	-0.9	—	-2.1	-36.0
Net debt	235.0	34.1	15.0	-0.3	186.2
Post-employment benefits, net	38.6	-3.5	1.1	1.9	39.2
Net debt including post-employment benefits	273.6	30.6	16.0	1.6	225.4

Consolidated Statements of Changes in Equity

MEUR	Equity attributable to the shareholders of the Parent Company				
	Share capital	Other contributed capital	Translation reserves	Retained earnings	Total equity
Opening balance 1 January 2021	0.0	259.1	-40.4	-37.9	180.8
Net profit/loss	—	—	—	-40.8	-40.8
Other comprehensive income					
Translation differences	—	—	16.6	—	16.6
Actuarial gains and losses	—	—	—	0.6	0.6
Income taxes	—	—	—	0.1	0.1
Subtotal	—	—	16.6	0.7	17.3
Transactions with shareholders					
Dividends	—	—	—	—	—
Subtotal	—	—	—	—	—
Closing balance 31 December 2021	0.0	259.1	-23.8	-78.0	157.3

Annual Report 2021

Gunnebo Group is a global leader in security that offers innovative products and services to control the flow of people, valuables and cash. Gunnebo Group is owned by Altor and Stena Adactum. Through our Business Units **Entrance Control**, **Safe Storage** and **Cash Management**, we offer solutions to customers primarily in retail, public transport, public and commercial buildings, industrial and high-risk sites and banking. We operate worldwide through our 3,800 employees, 25 country locations and 11 production facilities to serve customers in nearly 115 markets. In 2021, net sales amounted to 418,4 MEUR. Together we create a safer world.

