



Annual Review 2023

# Delivering a safer world

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**GUNNEBO®**

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## This is Gunnebo

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** and **Safe Storage**, 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 24 country locations and 12 production facilities with more than 3,500 employees to serve customers in more than 100 markets. In 2023, net sales amounted to 400.6 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



## United by Vision and Purpose in Building a Safer World

The past year was one of uncertainties, where external factors such as climate change, wars, inflation and increasing interest rates formed a dark cloud and kept us all on our toes. But we were rewarded for a very active year with improved profits in many of our markets.

Instability and unrest in the world is a concern but also an opportunity, because we are helping to build a safer world. Schools, office buildings, stadiums, airports, public transport systems are strengthening their security. More people want to protect their valuable assets, from cash to precious metals, pharmaceuticals and even weapons.

Gunnebo provides products and services that meet these needs. This puts us in a strong position to navigate a new period of economic and political turmoil, and to fulfil our obligations to our stakeholders, customers, and society.

We emerged from the Covid pandemic a stronger and more agile business, sharply focused on our customers and their needs. Our strategic ambition is to grow our current

business as well as to enter new customer verticals, through focused investment, people development and selective M&A. In 2023 we continued to strengthen key enablers to meet these goals.

### A new leadership

Our Group Executive Team was expanded and refreshed in 2023. John Afzelius joined us as CFO with a background in both listed and private companies, with extensive experience running and developing financial functions at a range of businesses serving international markets. John has continued to drive our focus on cash flow, developed our common Group business processes and worked closely with our owners with regards to our financing arrangements to ensure we have stable and

**WORDS FROM THE CEO**

attractive financing in place.

Howard Lang joined us from Johnson Controls as President of Entrance Control. Howard has brought a renewed commercial emphasis, continuing to drive strategy execution with a focus on growth through new markets, innovation, and new product launches.

Fredrik Fors joined the GET as General Counsel and SVP Sustainability to ensure high compliance standards in a fast-changing regulatory environment, thereby supporting the Group in the execution of our commercial strategies and our focused actions on sustainability. Having legal, compliance and sustainability on the GET emphasizes the

importance of these areas and their link to Gunnebo's long-term success.

Magdalena Patrzek-Suchocka joined us from Volvo Group, bringing extensive experience along the whole value chain co-leading major business transformation at executive level. She leads in our priority areas of health & safety, employee experience and care, talent development and progress on diversity and inclusion. She contributes a global perspective on people and talent development, helping to drive our leadership competence journey forward.

**Investment and innovation**

2023 was a year of major investments in

our manufacturing footprint, health & safety, innovation, product development and M&A.

The project to expand our factory in Halol, India, by 40% to meet a surge in demand achieved an important milestone in June, with the completion of the main steel and concrete foundations before the monsoon. This major investment in Gunnebo India will make Halol our flagship factory as we expect business in India to continue to grow. Ramp-up of production in the new parts of the factory is due to start in spring 2024.

Expansion of our production facility in Markersdorf, Germany, progressed through legal and planning stages, and the year ended with a search for the right construction partner.

We made upgrades to our Jakarta plant in Indonesia, which has delivered excellent results, while the new factory in Milford, Ohio, saw significant investment in health & safety – part of a company-wide programme of continuous improvement in this high priority area, as well as production efficiency.

**Gunnebo Entrance Control** made great strides in 2023 to confirm its leading position in product innovation. The R&D team has worked hard on bringing value engineering to our products, reducing costs while improving customer values. In office buildings and turnstiles, we launched excellent new products with a modern aesthetic and connected digital features.

In October, members of the Board visited our Lavis factory in Italy, where they saw how investment in our Lean manufacturing principles have increased efficiency and made Lavis a

benchmark for manufacturing in the Group.

Entrance Control made a major investment in talent acquisition to streamline and simplify global recruitment efforts. It also expanded its marketing team, reflecting its commitment to drive growth, enhance brand visibility and deliver innovative marketing strategies.

The improvements in Gunnebo Entrance Control were rewarded with some fantastic project wins. These included one of the most technologically advanced automatic border control projects in the world.

In October, **Gunnebo Safe Storage** took a major step towards establishing a stand-alone high security locks business with the acquisition of Tecnosicurezza, a leading provider of high security locking solutions and electronic security systems for the banking, retail, and commercial sectors. Tecnosicurezza is based in Verona,



**The improvements in Gunnebo Entrance Control were rewarded with some fantastic project wins**

## WORDS FROM THE CEO

northern Italy, and has subsidiaries in the USA and Spain. Gunnebo's strategic ambition is to build a standalone locks business focused on innovative locking solutions for our defined customer segments enabled by a value creating digital platform.

Innovation and manufacturing efficiency continued to be clear priorities also for Gunnebo Safe Storage, with the Innovation Hub in Bari, Italy, expanding both physically and in terms of its role within the business. The EverydaySafe shows that the new generation of safes are accessible, aesthetically beautiful, and very secure, and the new generation of this safe enhances customer value by expanding its features. It was also thrilling to see our progress with new materials, how we can replace concrete and steel with more environmentally friendly materials that also deliver better customer value. New features for Safe-

Store Auto, which is the future in protecting valuables at scale, are giving us a competitive edge in an exciting and growing segment, as many banks move into automation of their services.

These investments demonstrate that we have a clear vision for the long-term future of this company. We are investing heavily because we believe that our products, services, and solutions will see growing demand through our drive for customer and market understanding, innovation, and delivery efficiency.

### People development

Gunnebo's graduate trainee scheme Upskill entered its third year with an even larger intake than the first two years. The programme has been a tremendous success for the company and exceeded expectations. I am extremely impressed with the level and quality of trainees' work. Gunnebo is already implementing several projects started by Upskill trainees because of their potential for the business. Most graduates from the scheme have already secured permanent employment at Gunnebo.

What sets Upskill apart from similar programmes is its focus on personal development, it is not just about learning new skills but learning how to grow as individuals. Its emphasis on emotional intelligence, self-awareness and self-reflection allowed trainees and their "buddies", or mentors, to develop not only our professional skills but also to grow personally.

We are investing in Upskill because we believe in our future, and a key part of building that future is bringing talented people with new ideas



into the organisation, to challenge us and help us develop – new skills, new competences, new directions. As an international, culturally diverse company, we allow people to take a lot of responsibility to drive action. Gunnebo is a company where graduates can really blossom.

2023 was the year in which Gunnebo launched a second, expanded Women in Leadership programme, this time inviting all women employees to take part. The programme began in 2022, linked to our sustainability agenda, and initially involved women managers with direct reports. I am proud we took the decision to continue this programme and drive it forward, to enable a better future for

all the women at Gunnebo. Building an excellent company means creating a healthy, equal work environment that values each employee.

Women in Leadership is just one of many steps towards creating a truly diverse company. Research has shown that diverse teams perform better by encouraging innovation, boosting employer branding, retaining talent, and understanding customers better. Through regular masterclasses, inspirational speakers and professional coaching sessions, Women in Leadership focuses on personal development, helping women to grow and develop professionally within the company.

A central aspect of people development for Gunnebo is IT and information security, which



**We are investing heavily because we believe that our products, services, and solutions will see growing demand**



## WORDS FROM THE CEO

constitute a key foundation for our daily operations and customer services. A vital part of this is the “human firewall” – our employees’ ability to spot phishing and other hacker attacks. The past two years have seen an immense increase in cyber-attacks. These threats are not only evolving but also becoming more frequent and sophisticated.

Therefore in 2023 we stepped up our programme of mandatory digital security awareness training for all employees. This makes our commitment to information security awareness more than just best practice – it is a necessity. The urgency for vigilance is higher than ever.

### A sustainable Gunnebo

Gunnebo continues to invest in new resources to support our journey towards becoming a more sustainable business. We began the year with a new Code of Conduct designed to reflect the transformation in our business during recent

years, including digitalization, sustainability, and the creation of independent Business Units. The new Code mirrors Gunnebo’s approach to sustainability and is therefore structured around the three pillars of our Sustainability Approach: our business, our people, and our impact.

We are working hard to prepare Gunnebo for the EU’s Corporate Sustainability Reporting Directive, or CSRD, which from 2025 requires all large companies to disclose the impact of their activities on people and the environment. It requires that sustainability must be integrated into all our processes, from start to finish. There are also enormous potential benefits in improving our business and making sure that we are doing our part and contributing to a positive impact on people and planet. The CSRD will also help us to get closer to our own sustainability goals.

We want to make these improvements to be relevant in the market, but also because we believe this is the right path forward – we want to drive a more sustainable business model. People want to work in companies that take sustainability seriously, it is an important part of answering the question: “Why Gunnebo?”, in combination with our vision of creating a safer world. To achieve what we have set out to do, we have invested heavily in resources and during 2023 we grew the sustainability teams at Business Unit and Group level, recruiting new talent and setting the baseline for our future reporting practices.

In November, Gunnebo committed to the Science Based Targets initiative (SBTi). The initiative sets out an evidence-based route

for companies to achieve net-zero carbon emissions by 2050. At Gunnebo we strive to do better and aim to deliver earlier on this commitment by reaching net zero by 2045.

### Ready for growth

In our diverse and remarkable global organisation, we are united by a shared vision and purpose – creating a safer world. This is why we are driving sustainability targets far harder than any of our competitors. This is why we are obsessed with finding new and better security solutions. And this is why we believe in the power of innovation to win the hearts, minds, and trust of our customers.

In 2023 we demonstrated once again that we can face challenges with resilience, approach opportunities with enthusiasm, and support one another with unwavering solidarity. The global Gunnebo family continues to thrive and inspire with its spirit of cooperation and performance. We have shown that Gunnebo can cope not only with rapid change in difficult circumstances, but also emerge a fitter, stronger, more agile, and competitive business.

Gunnebo has a strong foundation on which to shift gears and sharpen our focus on customers and commercial activities even further, supported by cutting-edge products and an efficient manufacturing footprint and supply chain. We are attacking the full value chain in both Business Units with a high degree of enthusiasm.

The fundamental need for security is increasing across the world. We have two fantastic businesses, we have very competent teams, we have put the basics in place – so now we are well set to grow the company.

### Expected Future Developments

After several years focusing on essential changes to the business, in 2024 we are back to a high speed in execution, focusing all energy and initiatives on customer solutions generating sales growth.

Unrest in the world is a concern but also an opportunity, because it puts a lot of focus on enhanced security. This means office buildings, airports, public transport systems, high end retail, banking, high risk sites, pharma and many more of our segments are strengthening their security and Gunnebo is well placed to meet this demand. In the safe storage of valuables, we are seeing a shift in what valuables people want to protect, not simply cash but also precious metals, pharmaceuticals, luxury goods and new products such as batteries and chemicals. That is a trend we see strongly in many areas.

At the end of 2023 we secured new financing up until 2029 with a new bank consortium, which enables aggressive future development. We foresee that security will be a growing segment and a growing area of concern for many years to come. We will see very strong growth scenarios for creating a safer world. 2024 will be a year of customers and finding solutions to their efforts to create a safer world.

Stefan Syrén, President & CEO  
Gothenburg, March 2024



In 2023 we stepped up our programme of mandatory digital security awareness training for all employees

# Gunnebo Global Footprint

- Local Sales Offices
- Production Sites
- Innovation Hub (Bari, IT)
- Headquarters (Gothenburg, SE)



## Local Offices

### Europe

- Czech Republic
- Denmark
- France
- Germany
- Hungary
- Italy
- Netherlands
- Poland
- Spain
- Sweden
- Switzerland
- United Kingdom

### MEA

- South Africa
- UA Emirates
- Americas**
- Canada
- Mexico
- USA

### APAC

- Australia
- China
- India
- Indonesia
- Korea
- Malaysia
- Singapore

## Production Sites

### Safe Storage

- Cincinnati, US
- Doetinchem, NL
- Halol, IN
- Jakarta, ID
- Markersdorf, DE
- Verona, IT

### Entrance Control

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



## Global Brands

**GUNNEBO®**

**Chubb**safes

**HAMILTON**

**TECNOSICUREZZA**  
Locks & Security Systems

**STEELAGE**

**cominfo**

**ECO**

GUNNEBO 2023

# 2023 in brief

## Q1

- Gunnebo launched a new Code of Conduct rooted in sustainability and designed to reflect the transformation in our business during recent years, including digitalisation and the creation of independent Business Units.
- There were changes to the Group Executive Team, with Howard Lang joining us as President of Gunnebo Entrance Control and John Afzelius taking over as Chief Financial Officer. Howard brought a laser-sharp focus on growth after a challenging period for the business, while John looked forward to driving our cash flow and working closely with our owners and lenders to improve the Group's finances.



Howard Lang and John Afzelius.

## Q2

- An important milestone was reached in the project to extend our factory in Halol, India, to meet a major increase in demand. In extremely challenging circumstances, the main steel and concrete foundations were completed successfully before the monsoon hit.



- Gunnebo launched a second Women in Leadership programme, inviting all women employees to take part. As many as 330 women from across the world joined networking sessions in May. The programme aims to help us achieve our target of 30% of women at management level.
- Our Markersdorf factory in Germany developed a new concrete that is more than 20% cheaper and sharply reduces our emissions of a key greenhouse gas.
- Fredrik Fors joined the Group Executive Team as General Counsel & SVP Sustainability.

## Q3

- We launched our third graduate trainee programme, Upskill, where Gunnebo selects outstanding graduates to join us for a year, learn on the job and online, and challenge us with their fresh skills and perspectives.
- To mark European Sustainability Development Week, more than 320 colleagues from 22 countries joined an online meeting to discuss the UN's Agenda 2030 and what it means for our business.
- Gunnebo Safe Storage scored a major success with the launch in Athens of a project to introduce the first privately-operated automated safe deposit box business into Greece, Cyprus, and Malta.
- Magdalena Patrzek-SucHECKA joined the Group Executive Team as Chief Human Resources Officer, bringing extensive experience co-leading major business transformations at executive level and coordinating a multicultural and diverse blend of people and businesses.



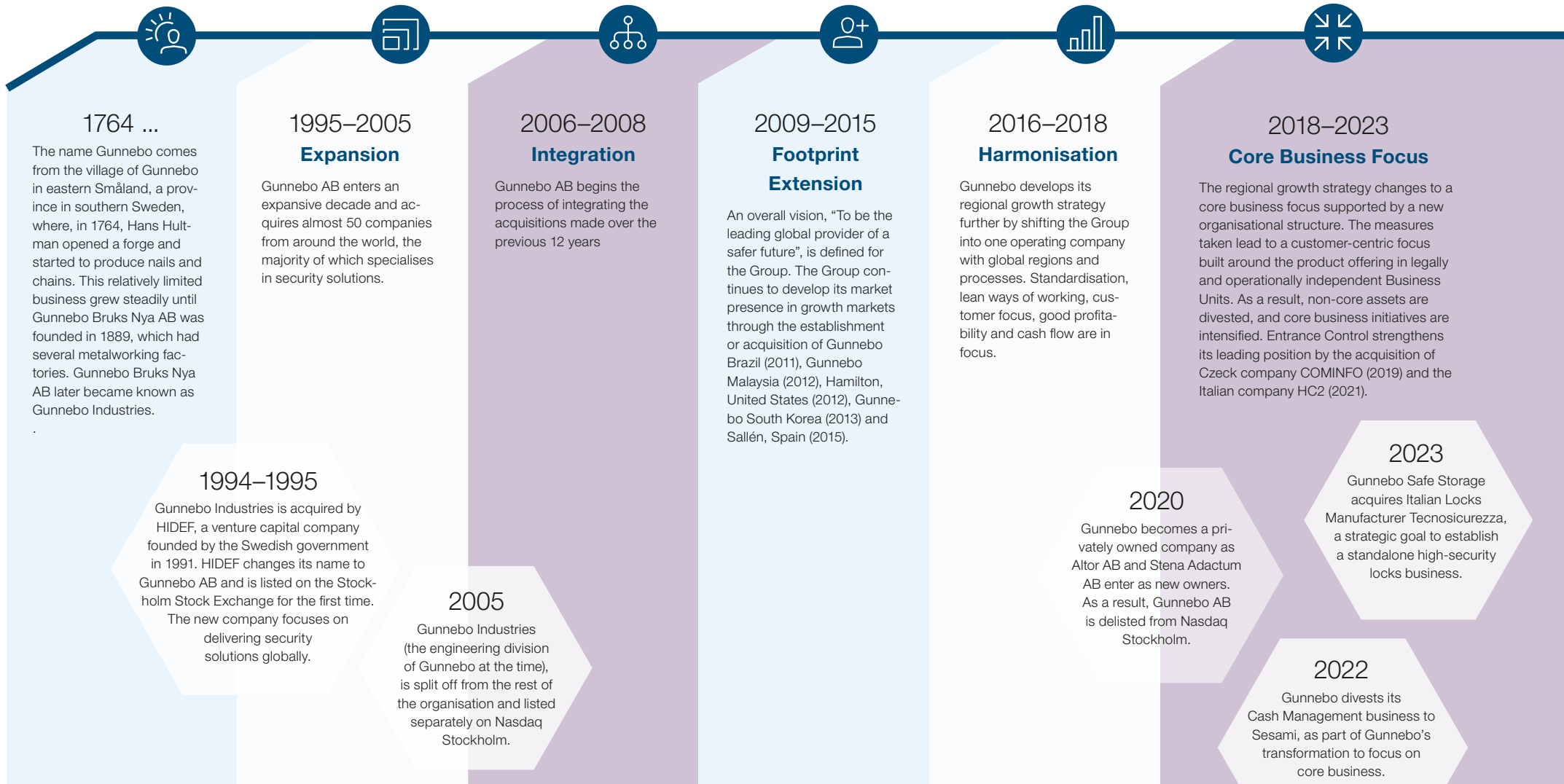
## Q4

- Gunnebo accelerated its path towards net zero carbon by committing to the Science Based Targets initiative, which sets ambitious targets for companies to reach this goal.
- Gunnebo Entrance Control revealed the newest addition to its Speed Gate range, the SpeedStile FP Glide, with a sleek new design and advanced features such as fraud detection algorithms.
- Gunnebo Safe Storage took a first step towards establishing a stand-alone high security locks business with the acquisition of Tecnosicurezza, a leading provider of high security locking solutions and electronic security systems.
- We started export of the innovative Everyday-Safe to the US. Originally aimed at high-end kitchens in the UK and Nordics, the EDS is now moving into different markets, with leads coming in from all over the world.
- Profits at Gunnebo grew by 73% in the 12 months to the end of June, thanks to sales growth, successful price increases and tight control of costs. Altor, one of Gunnebo's owners, acknowledged this achievement with an award for outstanding earnings growth.



GUNNEBO 2023

# Our History



GUNNEBO 2023

# Group Strategy

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 with support provided at Group level in the areas of finance, IT, human resources, legal, communications and sustainability.

2022 continued to be about executing on the strategic plan established in 2018, by 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. The process of separating the Business Units into legally and operationally independent entities was completed. Moreover, on March 1, Gunnebo sold Business Unit Cash Management to Sesami, a global cash ecosystem company. With separation complete, the strategic emphasis shifted towards growth through expansion in existing markets and entering new customer verticals, based on a sustainable business

### STRATEGIC PRIORITIES

				
Organic growth	Innovation	Digitalisation	Customer centricity	Mergers and Acquisitions in selected customer verticals

model in which innovation and digitalisation are key enablers. 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 full profit and loss responsibility. Additionally, the Group acquired German software developer BELA EDV-Systems GmbH. Gunnebo and BELA are

long time partners, and the acquisition equips Business Unit Safe Storage with advanced software development for Gunnebo’s automatic safe storage solutions, safe deposit lockers and high security locks.



The BELA acquisition equips the Business Unit Safe Storage with advanced software development for Gunnebo’s automatic safe storage solutions.

## 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 standards 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 11.

# 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

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 two 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.

### 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.

### 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.

## 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 people and the secure storage of valuables. 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 that enhance safety, security, and freedom of moment.

#### 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.

## 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 materials 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

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 priorities and activities that will ensure fulfilment of the Group’s strategy. The Business Units will develop specific offerings according to their own go-to-market models to suit their respective customer segments. This is how Gunnebo will win in the marketplace.



## GUNNEBO 2023

## People & Culture

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.

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 the company.

During 2021, we updated and relaunched the Performance Cornerstones with the purpose of strengthening Gunnebo's strategic direction, focusing on core business, and these were reinforced during 2022 and 2023.

### Your Voice Employee Survey

Employee surveys are important tools for understanding what is working well and identifying where further efforts are needed. Our last employee engagement survey took place in November 2021. The results revealed that Gunnebo had succeeded in improving our employee experience significantly in almost all areas since the previous survey in 2019 – despite the impact of the global Covid pandemic and the high pace of change at the company.

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 – has grown steadily since the Your Voice survey journey began in 2015. Gunnebo's employee engagement score was 80.8, compared with 77.7 for global industry.

During 2022 we worked on action plans and improvements based on the survey results. It is important employees can see that the company takes their responses seriously and puts in place improvements at different levels of the organisation. Another important project & milestone has been to design and configure a new HRIS system, to up-date and modernize the current one.

### 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



The overall index for employee engagement has grown steadily since the Your Voice survey journey began in 2015

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 each employee's development, so that it goes hand in hand with the company'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 conducted 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. During 2023 we have worked on the design and configuration of a new HRIS system, having the opportunity to improve our current Performance management tool.

### Employee development and wellbeing

Gunnebo's ongoing leadership development programmes prioritise collaboration and aim to



maximise the potential of our employees. During 2022, we created a new leadership programme for all managers in the company, called LEAD – standing for Lead, Engage, Accountability and development – and tailored to the needs of the business. LEAD an evolution of a previous leadership program (ACE) but adapted to the current moment, to support our ongoing business transformation, focus on performance-driven results and enhance profitable growth. It covers four main areas: leadership fundamentals; motivation and communication; change management; and building great teams.

GUNNEBO 2023 / PEOPLE AND CULTURE

17%  
of Gunnebo Group's  
employees are women



14%  
of the Group's  
managers are women



It will be deployed during 2023 and onwards. EXCEL is another Leadership program for Managers in Gunnebo including 7 inspirational talks on core trend business topics.

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

In 2023 we launched a third, expanded programme. In addition to these development programmes, Gunnebo offers a wide selection of online courses available through the company's HR portal. Our e-learning platform is an important foundation for employee development and performance management and is constantly updated

with new material. Gunnebo needs to develop in these particular areas due to growing demands from our customers and from society as a whole.

During 2023, Gunnebo has conducted weekly online health and wellness classes, run by professional coaches, and offering strength, yoga, and cardio training for all levels of ability. The training sessions were specially designed to help employees cope with the effects of pandemic restrictions and working from home, but we want to continue the success of this initiative to supporting the well-being of our people.

**Equality and Diversity**

Equality is an important element of the Group's work with diversity. Of the Group's employees,



**In 2023 we launched the Second Women in Leadership initiative for 350 female staff across the globe**

17% are women, while 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. The company has a commitment to achieve 30% of the under-represented gender (overwhelmingly women) at management level.

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. That is why in 2023 we launched the Second Women in Leadership initiative for 350 female staff across the globe. The initiative includes master classes with inspirational speakers, and group sessions with a professional coach. In addition, the initiative aims to create a strong network of women to collaborate with and support each other.



# People development & Employer Branding

Upskill, the Gunnebo graduate trainee scheme, entered its third year with the largest intake to date. The programme has been a tremendous success for the company and exceeded expectations.

I am extremely impressed with the level and quality of work by all trainees this year. Most graduates from the scheme have already secured permanent employment at Gunnebo. Several projects started by Upskill trainees are now being implemented because of the potential benefits to the business.

What sets Upskill apart from similar programmes is its focus on personal development. It is not just about learning new skills but learning how to grow as individuals. Upskill places an emphasis on emotional intelligence, self-awareness, and self-reflection. This helps the trainees and their 'buddies,' or mentors, to develop both their professional skills and to grow personally.

The programme also includes executive

training from a prestigious Business School in London (ESCP) on relevant business topics such as: Sustainability, digital innovation, customer mindset and Art Thinking methods.

At the end of their placement within the Upskill scheme, trainees attend a Closing Ceremony. The trainees also present the results of Gunnebo-related projects they have been working on during the year to company stakeholders.

Upskill is key to the future of Gunnebo. It attracts highly talented people with innovative ideas into the organisation. The programme provides an invaluable opportunity to uncover new paths to growth – as a business and as people. Upskill challenges us and help us develop new skills, new competences, and new directions.

As an international, culturally diverse company, we allow people to take a lot of responsibility to drive action. With Upskill, Gunnebo is a company where graduates can really blossom to become our most important asset.

Clara Colomes  
Learning & Development Manager & HRBP



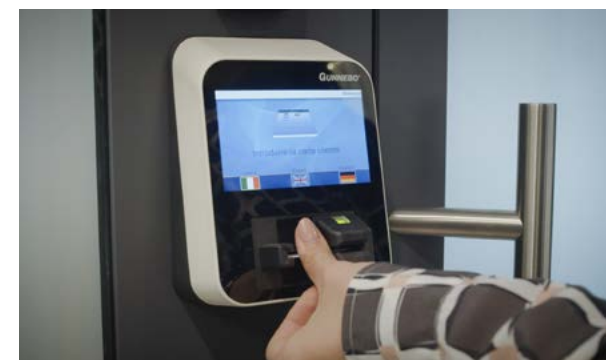
Upskill challenges us and help us develop new skills, new competences, and new directions





GUNNEBO 2023

# Results 2023



## Group

Sales (MEUR)  
**400.6**

Sales growth\*  
**3.5%**

Adjusted EBITA (MEUR)  
**37.0**

Adjusted EBITA  
**9.2%**

## Entrance Control

Sales (MEUR)  
**144.3**

Sales growth\*  
**7.7%**

Adjusted EBITA (MEUR)  
**19.1**

Adjusted EBITA  
**13.2%**

## Safe Storage

Sales (MEUR)  
**236.8**

Sales growth\*  
**1.0%**

Adjusted EBITA (MEUR)  
**21.4**

Adjusted EBITA  
**9.0%**

\*Growth in net sales at constant currencies excluding acquired and divested sales

# Business Units

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# Gunnebo Entrance Control

Gunnebo Entrance Control is at the forefront in effective, safe, and secure management of the flow of people without impacting their freedom of movement. From simple gates in retail stores through to high security ballistics grade protection in military facilities, organisations look to Gunnebo Entrance Control to deliver safety and physical security.

With attempts to access properties and restricted space becoming increasingly determined, entrance control is at the forefront of integrating myriad security and facilities platforms for stronger, more flexible access control policies.

The Entrance Control business unit,

which represents 36% of Group sales, delivers a comprehensive portfolio of automated entrance control solutions. These include turnstiles, speed gates, and security revolving doors. This rich array of solutions can regulate the flow of people at any stage within a built environment in a

wide variety of market sectors. Transportation, office buildings, leisure sites, critical infrastructure, and retail are just some of many examples where entrance control is deployed. Gunnebo Entrance Control also provides high-security outdoor perimeter protection solutions on a geographical basis.

### A global increase in demand for security and safety

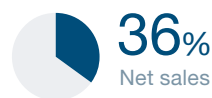
The market for pedestrian entrance control is valued at around 800MEUR and is forecast to grow by an estimated CAGR of 6.3% up to 2026. Gunnebo Entrance Control is a constant presence around the world, and with a total share of around 14.5% of the market, is acknowledged as the leading global player. Looking ahead, the strongest regional growth is expected to be in Asia, the Middle East, and Americas. In Europe, while most markets are mature, demand is expected to remain strong during the coming years.

“  
The strongest regional growth is expected to be in Asia, the Middle East, and Americas

Interest in entrance control rises where urban investment in transportation and major built projects take place. Several areas of growth are identified, such as public and commercial buildings which will see their usage evolve in a post-pandemic society. Other sectors such as education, leisure, and entertainment as well as high security are also expected to show an increase in demand.



#### Share of Group



#### Key Ratios

	2023	2022
Net Sales, MEUR	144.3	138.7
Sales Growth, %	7.7	8.3
EBITA, MEUR	19.1	11.3
EBITA, %	13.2	8.1

#### Manufacturing Units

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



**Vision:** Shape the future of people flow management.



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

#### Net Sales

**144.3**  
(MEUR)

#### Sales Growth

**7.7%**

#### Brands





## CUSTOMER CASE / ENTRANCE CONTROL

## Transports Metro Barcelona Improving flow rates and reducing fraud

Transports Metropolitans de Barcelona (TMB) is the management company responsible for the public transport infrastructure for the metropolitan area of Barcelona. With a population of over 1.62 million people, TMB provides an important service for anyone getting to and from work, shopping, seeing friends and moving around the city and ten further towns in the area.

TMB has a long-standing relationship with Gunnebo Entrance Control since 2000, when the operator specified our solutions at their Badal station, close to FC Barcelona. At their Ernest Lluch station, located in the busy Plaça Catalunya district, TMB were looking to upgrade from the traditional turnstiles in place to sliding doors.

“When we decided to change from turnstiles to sliding doors, we wanted to achieve four main goals,” said Jordi Picas, Director of Network Systems for TMB. “Number one was to improve accessibility for our customers, especially for those with reduced mobility.

The second goal was to give security, especially in fare collection to reduce fraud. The third objective was to give the station a more modern image. And the fourth was to improve the flow of people at the entrances of the station, especially in the hours when people want to use public transport.”

TMB selected the full panel gate with sliding glass panels. These provide easy access for the user, especially for people with reduced mobility. They are also effective against attempts to fraudulently access the platforms.

Of particular interest to TMB was the ability for the gates to provide vital



Jordi Picas, Director of Network Systems, TMB



**The full panel gates collect data about fares for detailed analysis by the TMB to help improve services**



flexibility to allow for changes in traffic volumes and flows with an intelligent system managed remotely. The full panel gates collect data about fares for detailed analysis by the TMB to help improve services.

For passengers, the flexibility and accommodation that the new sliding panel gates provide makes it easier for

them to enter and leave the platform concours area. For TMB, Gunnebo Entrance Control has delivered vital support in improving operational security, reducing fares fraud, and increased traffic flow performance at peak times of the day.

# Gunnebo Safe Storage

Gunnebo Safe Storage is a global provider of certified physical security solutions to safeguard your valuables, cash, private possessions, and critical business assets.

Our comprehensive range of products includes modular strong rooms, vault doors, automated and conventional safe deposit box systems, and high-security electronic locking systems. These innovative solutions are designed to protect against burglary, fire, and explosion, and are backed by industry-leading innovation and rigorous certification.

Our Physical Security products are available under the reputable Gunnebo Safe Storage brand, while our Safes and Cabinets can be found within esteemed

brands like Chubb Safes in Asia-Pacific, Europe, MEA, and Canada, Hamilton by Gunnebo in the U.S, and Steelage in India.

In 2023 Gunnebo Safe Storage increased sales by 1.0% vs the prior year and delivered an EBITA of 9% up from 7.2% the prior year. This was driven by strong performances in the APAC (+22%), Americas (+6%), and MEA (+30%). In Europe it was a challenging year with revenue down (-11%)

The safes category performed well with 15% year-on-year growth driven by



particularly strong sales of BIS-certified products in India and UL-certified products in the US. For the physical security (High Security Solutions) business there was a more modest growth of +5.5% driven by an impressive performance of grade V doors and vaults.

*“The year 2023 once again demonstrated Gunnebo’s know-how and expertise in managing complex projects and supporting*

*our customers around the world, both in our traditional markets such as banking, notably with the SafeStore Auto, but also in the luxury and pharmaceutical sectors with our vaults. This has been made possible by the development of new, innovative, and more effective solutions to meet these new challenges.”*

– Emmanuel Harir Fouch, Global Business Development Director

## Highlights from the year have included:

- Installing the flagship SafeStore Auto product into partner locations in all regions from Argentina to Greece
- Bringing Tecnosicurezza into the Gunnebo Safe Storage family to strengthen our plans to build a world-class standalone high-security locks business
- Constructing a Controlled Drugs Safe Room of a huge scale made of 1137 panels and weighing in at 749 tonnes, for long-term partner ACR
- Supplying five of our new DuoForce T2 safes with integrated Safe Deposit Boxes to the Volksbank Laichingen in Germany
- Hosting Jan Björklund, The Ambassador of Sweden to Italy, at the Innovation Hub in Bari
- Relaunching the Hamilton Security brand as Hamilton by Gunnebo, representing a closer partnership between the US and the global GSS network

### Share of Group



### Key Ratios

	2023	2022
Net Sales, MEUR	236.8	240.3
Sales Growth, %	1.0	20.0
EBITA, MEUR	21.4	17.4
EBITA, %	9.0	7.2

### Manufacturing Units

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



**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

**236.8**  
(MEUR)

### Sales Growth

**1.0%**

### Brands

- GUNNEBO**  
Safe Storage
- HAMILTON**
- Chubb Safes**
- STEELAGE**
- TECNOSICUREZZA**  
Locks & Security Systems



CUSTOMER CASE / SAFE STORAGE

# Intersec in Dubai Showcasing T2-certified Products

The year started with a bang with Gunnebo Safe Storage exhibiting at the global flagship security event Intersec in Dubai.

Announcing the launch of first-to-market T2-certified products was a big moment for the R&D, product, and manufacturing teams who worked tirelessly to hit these new standards which include new attack tests defeating carbide circular saws and thermal lances, to meet the new standard EN 1143-1:2019.

The T2 certification represents a modernization of the EN standard for

classifying safes, strong rooms and vault doors with exceptional burglary resistance when faced with the more powerful and effective attack tools available today.

Integrating this higher standard into our core product ranges has been a major success for GSS, with products available in the Chubb safes range, notably the DuoForce T2 and TriForce T2 safe products, and our new T2 Grade VI Centurion Vault Door.

*“At Gunnebo, we are one of the first in the industry to meet this new standard. It has been developed over the past five years, so it is great to finally launch the high-grade safes with T2, and provide our clients with the best protection available”* says Mark Brookes, Global Product Manager for Safes and Cabinets.

“  
We are one of the first in the industry to meet this new standard

Further to the launch orders for these class-leading products have come in thick and fast, including from several luxury retailers and a for a prestigious project at SAMA, the Saudi Central Bank.





Our Business

Our People

Our Impact

# Sustainability Approach

Our Sustainability Approach serves as the strategic foundation for all our work on sustainability in Gunnebo.

The approach includes three pillars; **Our Business** (G), **Our People** (S) and **Our Impact** (E) which are our reference to the Environment (E), Social (S) and Governance (G) perspectives of sustainability. Our Business covers our governance and how we do business; we should e.g. ensure high business ethics in everything we do. Our People refers to our employees and the ones in our value chain; that people are treated in the right way and are safe at work. Our Impact relates to the Environmental areas in Gunnebo, cover our impact on the world and what we need to focus on to develop.

In, 2021 Gunnebo conducted a materiality assessment to understand our focus areas for 2022-2024. From this, we highlighted three key

	Metrics	2022	2023	Comment	Targets to Year End 2024
<b>Our Business</b>					
<b>Business Ethics</b>	Confirmed incidents of bribery & corruption	0	0		0
<b>Customer Privacy &amp; Data security</b>	Confirmed complaints concerning breaches of customer privacy including GDPR/data privacy	0	0		0
<b>ISO 9001 (Quality certification)</b>	ISO certifications in our Production Plants	100%	100%		100%
<b>Our People</b>					
<b>Occupational Health &amp; Safety</b>	Incident of work-related <b>fatalities</b> :	0	1	This fatality occurred in our new US facility shortly after opening. Insufficient instruction and safety culture resulted in an extremely dangerous situation, culminating in a fatality. All procedures have been updated to prevent any reoccurrence and updated Safety Rules for all sites across the organisation have been implemented.	0
	Incidents of <b>high-consequence</b> work related-injuries or work-related ill health (i.e., accidents):	0	7		0
	Incidents of <b>recordable</b> work-related injuries or work-related ill health (i.e., accidents):	45	40		
<b>ISO 45001 (Occupational Health &amp; Safety certification)</b>	ISO certifications in our Production Plants	80%	80%	*100% in Safe Storage except for Tecnosicurezza (acquired in second half of 2023) 60% in Entrance Control	100%

Sustainability approach, cont.

areas for higher focus: with Customer Privacy & Data Security, Diversity & Inclusion and Climate & Energy. The focus areas shape our Sustainability Program, Assess & Act where actions within these topics are taken by our legal entities, like implementation of different policies, processes, local target settings etc.

When it comes to sustainability reporting and KPI measurement, the metrics used by Gunnebo mainly follows the reporting structure of our primary owners, Altor. For these we have set targets against a few of the metrics as seen in the table on pgs 21–22.

To prepare for the Corporate Sustainability Reporting Directive (CSRD), applicable for Gunnebo reporting year 2025, we have already conducted our first double materiality assessment (DMA) in 2023. The results of this are generally in line with our current approach and focus areas, however, all areas will be more thorough than previously. We are positive to these changes since this will guide us to also be a more transparent company.



Aligned with CSRD, we have already conducted our double materiality assessment (DMA)

	Metrics	2022	2023	Comment	Targets to Year End 2024
<b>Employee Development</b>	Regular performance and career development reviews	90%	95%		All employees should receive regular performance and career development reviews
	Annual hours training per employee in our LEARN	48 hours of training per employee	25 hours of training per employee		Average annual hours of training per employee in DRIVE, +50%
<b>Diversity &amp; Inclusion (Focus on gender diversity)</b>	Share of <b>board members</b> who identify as female	13%	0%		
	Share of <b>executive managers</b> who identify as female	0%	20%		
	Women in Management*	17%	26%	In Gunnebo our definition are Managers with direct reports from Gunnebo Executive Team and two levels down	30% of the underrepresented gender in management

Our Impact					
<b>Climate &amp; Energy</b>	Scope 1	4,720* tCO2	4,389 tCO2	*Corrected number: 6,785 reported in 2022 report	
	Scope 2 - market based emissions	7,048* tCO2	6,181 tCO2	*Corrected number: 7,309 reported in 2022 report	
	Environmental Product Declarations (EPD's)	3	4		4
<b>ISO 14001 (Environmental certification)</b>	ISO certifications in our Production Plants	80%	73%	*100% in Safe Storage except for Tecnosicurezza (acquired in second half of 2023) 60% in Entrance Control	100%

# Sustainability Wins



## Commitment to Science Based Targets initiative (SBTi) and calculation our Greenhouse Gases in our value chain (Scope 3)

### Committing to SBTi

Gunnebo takes a positive step towards reducing our impact as we sign the commitment letter for the Science Based Targets initiative (SBTi).

At Gunnebo, we recognise the urgent need to engage in climate action. We have already begun our climate emissions reduction journey, accelerated by our commitment to the SBTi. The initiative sets out ambitious science-based emissions reduction targets for companies to achieve net-zero by 2050. Gunnebo has committed to setting near term and long term company wide emissions reduction targets in line with climate science with SBTi. Further, in line with Swedish law, we aim to achieve net zero by 2045. We are currently developing our targets, which we will submit and later get validated by SBTi.

### Investigating our Scope 3 emissions

To accurately quantify Gunnebo's overall contribution to climate change, it is of high importance to track our Scope 3 GHG Emissions. For the first time ever, we have started to collect and analyse Scope 3 emissions for our planned base year (2022) and 2023. The emission collection for upstream Scope 3 has mainly been based on a spend approach, but also includes activity data. Purchased goods and services is a large part of our greenhouse gas emissions contribution in upstream Scope 3. Hence the focus going forward is to increase awareness within our business and industry and create tangible emissions reduction plans. Actions we have taken since the new approach, is to include Life Cycle Assessments (LCA's), Environmental Product Declarations (EPD's) and related innovative project as part of our product planning.



## Corporate Sustainability Reporting Directive (CSRD)

### Preparing for new sustainability directive

During 2023, Gunnebo has started to prepare for CSRD, a year in advance, to learn about the Double Materiality Assessment (DMA) process, but also to see a list of potential gaps to start working on as early as possible. In the financial year 2025, Gunnebo will be under the scope of CSRD and integrating a broader range of Sustainability information such as processes, policy's, targets, and metrics.

### Double Materiality Assessment

Looking at both the inside-out and outside-in perspectives we evaluated our impact on people and planet and assessed how socio-environmental factors influence our business. The DMA showed that the material topics were, in the bigger picture, aligned with our current sustainability approach confirming that we are focusing on the right sustainability areas. CSRD will help us going forward to make our sustainability performance more comparable to other businesses in our industry and help increase transparency.

### Gap Analysis and Action Plans

Representatives from different departments such as HSE, purchasing, legal, HR, R&D and sales took part in the CSRD preparation process through working groups. Within these groups they conducted a gap analysis of the various disclosure requirements material to Gunnebo. The results were categorised by:

- no gaps
- potential gaps
- gaps

This will be the foundation for a detailed gap analysis which will be conducted in parallel with an action plan to meet the mandatory requirements and potentially improve sustainability actions at Gunnebo.

### Additional preparations for CSRD

In addition to conducting our DMA, Gunnebo changed its Audit committee to also include Sustainability. We have also increased resources within the Sustainability field internally, both at the Group level and in the Business Units. The stakeholder dialogues have also resulted in a closer customer relationship in the sustainability area, where we have had meetings regarding how we can collaborate to reduce our climate impact and engage with general knowledge sharing.



## Sustainability Education

Increasing our Sustainability knowledge and awareness is key for Gunnebo's business. During 2023, in parallel with the stakeholder dialogues, we have also focused on education about sustainability in both business units. The focus for 2023 has been to educate and engage management in topics such as; CSRD, SBTi, Human Rights and Supply Chain Management.

### Gunnebo-Talk

For the first time in Gunnebo, we had a hybrid global talk engaging with the entire company, focusing on Sustainability incl. CSRD and SBTi etc. The G-talk was an essential contribution to the European Sustainable Development Week, an initiative to facilitate the organization of activities that promote sustainable development globally in a common platform.

### Educating business leaders

Gunnebo HR drives a Leadership Program named LEAD. In 2023, we extended to Program to also include Diversity & Inclusion. This will deliver value to Gunnebo if taken into consideration correctly and frequently. It is important to increase the knowledge globally as we continue to grow as a company and the broader leadership group has a key role to play in this regard.

### Sustainability Champions meets local management

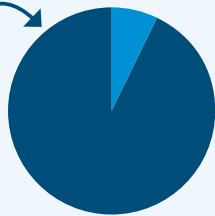
Many of our production sites in Gunnebo Safe Storage are located within the APAC region. The regional sustainability champion oversees coordinating sustainability actions and raising awareness within the region. During 2023, several educational sessions has been held by our APAC Sustainability Champion to local management in our Production Sites and Sales Units which have been much appreciated.

# Sustainability Highlights

## Our Business

93%

... of employees have received training in Code of Conduct



### Code of Conduct

• Diversity & Inclusion and an expansion of the environmental section to include circular economy are two sustainability topics included in our Code of Conduct for 2023.

### Supplier Audits

Gunnebo Safe Storage completed

**FOUR**

third-party Supplier Sustainability Assessments in three regions Americas, APAC, and Europe.



**14**

### ... Newly Appointed Sustainability Champions!

From various departments across the world, our champions drive the sustainability agenda forward to build a more resilient Gunnebo with a positive impact on people, planet, and profit.



### Cyber and Information Security certification

ISO 27001 certification for Gunnebo Entrance Control HQ in the UK achieved at the end of 2023.

## Our Impact

### Greenhouse Gas Emission reduction

Reduction of both Scope 1 and 2 from 2022 to 2023.

### Environmental Product Declaration in Entrance Control

The SpeedStile FLs BA1200 motorised swing-open gate now has a third-party verified EPD covering the solution's lifecycle over a 10-year operation.

### Safe Storage: Innovation in Material Compositions



• Markersdorf replaced calcined bauxite with basalt aggregates to reduce the carbon footprint of their high-strength concretes.



• Doetinchem changed to using CEM 3 cement, which has a lower carbon footprint, in their products.



### Bespoke Bicycle Portals

Gunnebo Entrance Control's bespoke bicycle portals combine advance technology, design, and engineering to welcome cyclist into buildings, giving easy access and a secure place for storage.

## Our People

### Diversity & Inclusion included in our Leadership Program

75% of Gunnebo Managers have completed LEAD, our Leadership Training programme, in which the importance of Diversity and inclusion was highlighted in 2023.

75%



+9%

### WOMEN IN MANAGEMENT IN GUNNEBO GROUP

Increase by 9% from 2022 to 2023.

### Women in Manufacturing

As of 2023, we now have women at all levels of Safe Storage's largest production plant in India a remarkable improvement over the recent years.

### Accessible gates

Gunnebo Entrance Control's speedgates, HiSec2 and entrance gates can be configured to provide a friendlier experience encouraging accessibility and inclusivity into spaces.



# 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:** Safety Respect AB, TitanX AB, Advisor Altor



## 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:** Partner Altor Equity Partners AB

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

**Other board assignments:** Eleda Group, Trioworld, Retta, 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, University of Pennsylvania

**Main position:** Partner Altor Equity Partners AB

**Professional background:** Altor Equity Partners AB 2011–, ABG Sundal Collier 2010–2011

**Other board assignments:** Board member Flex IT, Ideal of Sweden, Orchid Orthopedics and Totême



## 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 Kährs Holding AB, CEO Beijer Byggmateriäl AB

**Other Board assignments:** Board Chairman of Ballingslöv International AB, Svedbergs i Dalstorp AB, Envac AB and Kährs Holding AB, and Board member of Inwido AB



## Marie Samuelsson

**Elected:** Board member 2024

**Education:**

M.Sc and D.Sc in applied physics and electrical engineering

**Main position:**

CEO Ecolean Group

**Professional background:** CEO ASSA ABLOY Opening Solutions Scandinavia, Divisional Head Automotive Höganäs, VP Plant Sales & Engineering & Market Central South America Tetra Pak, Sony Ericsson and ABB Environmental Systems

**Other Board assignments:** None



## Anders Lindqvist

**Elected:** Board member 2021

**Education:**

Mechanical Engineering and Marketing, Marine Officer

**Main position:**

CEO, Mycronic AB

**Professional background:** CEO Piab Group AB 2013–2019, Atlas Copco Division Director, CEO Atlas Copco China, CEO Atlas Copco Nordic

**Other Board assignments:** Dafo Vehicle Fire Protection AB and Munters AB



## Ulrika Lindberg

**Elected:** Board member 2024

**Education:**

Bachelor of Business and Administration, Lund University

**Main position:**

Strategic advisor and Board Member

**Professional background:** EVP Global Markets & Service Marel, Leadership roles within Alfa Laval, Nederman and Tetra Pak

**Other board assignments:** None



## Thomas Wagner

**Elected:** Board Member 2022

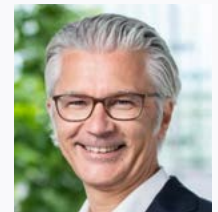
**Education:**

MBA, BA in Business Engineering

**Main position:** Board Member and Industrial Advisor

**Professional background:** CEO GETEC Group, CEO DORMA Group, Member of the Global Executive Committee OTIS Group

**Other Board assignments:** Schueller, TION Renewables



# Group Executive Team

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:** no current Board engagements outside of Gunnebo

GROUP CHIEF FINANCIAL OFFICER

## John Afzelius

**Employed:** 2023

**Education:** Graduate in engineering from the Royal Institute of Technology (KTH) and in economics from Stockholm University; Chartered Financial Analyst from the CFA Institute

**Professional background:** CFO at Nelly Group AB, Transtema Group AB, Thin Film Electronics ASA; senior positions at Orkla ASA, Catella and Nordea

**Board appointments:** no current Board engagements outside of Gunnebo

CHIEF HUMAN RESOURCES OFFICER

## Magdalena Suchecka

**Employed:** 2023

**Education:** Master of Business Administration, Wroclaw University of Economics and Business

**Professional background:** Senior Vice President for Human Resource at Volvo Buses, senior HR positions at Volvo Group for 25 years and extensive experience co-leading major business transformation at executive level

**Board appointments:** no current Board engagements

PRESIDENT GUNNEBO ENTRANCE CONTROL

## Howard Lang

**Employed:** 2023

**Education:** BEng in Civil Engineering, Leeds University, UK

**Professional background:** CCO Johnson Controls Hitachi JV Tokyo. Many years in Building Technology / Oil & Gas Industry. Hilti, Sulzer, Pentair, Johnson Controls

**Board appointments:** no current Board engagements outside of Gunnebo

GENERAL COUNSEL & SVP SUSTAINABILITY

## Fredrik Fors

**Employed:** 2017

**Education:** Master of Laws (LL.M.), Lund University

**Professional background:** Mannheim Swartling and Vinge (Lawyer); Astra Tech (General Counsel); Dentsply Sirona (Deputy General Counsel)

**Board appointments:** no current Board engagements outside of Gunnebo



# Risk Management

To identify, evaluate, manage, and monitor risks is a central role in the management and control of Gunnebo's business operations. Gunnebo's enterprise risk management program is aligned with international standards and best practices. This includes enhancing governance, proactively identifying, and mitigating risks, and fostering a culture of continuous improvement.

During 2023, Gunnebo has designed an appropriate enterprise risk management framework (ERMF) that supports Gunnebo business objectives, adds values, and is cost efficient. The ERMF is considering the two Business Unit's relative independence from the parent company and each other and is being coordinated and consolidated on a Group level. During 2024, the Group will finalize the implementation of the ERMF.

The Group, through its two Business Units, has operations in 24 countries, sales in more than 100 markets through partnerships and manufacturing operations at 12 production sites. Gunnebo has a relatively diverse customer base, acting in different market segments, niches, and geographies. As the Group's business is diversified, this gives Gunnebo an underlying risk spread.

## Risk Management and Monitoring

Risk management within the Group is an important part of management of the Group. It 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. The respective management teams are supported by resources within central group functions and bound by group-wide policies, principles, guidelines, and instructions.

The Group's risk management is monitored by the Group Executive Team, partly through the reestablished enterprise risk management framework, partly through operational review meetings and through quarterly business board meetings. In these meetings, the Business Unit management teams describe developments in their respective units as well as identified risks and mitigations. The ERMF involves self-assessment and deep dive orientations both on a Group and Business Unit level, including top risks, risk register and emerging risk to be tracked and monitored.

Further control is achieved through the inclusion of representatives of the Group Executive Team

and senior Business Unit management team members on the internal boards of directors. The Group CEO reports to the Board about the development of the Group's significant risks and the Board has the overall responsibility for the Group's risk management and for deciding the Group's strategic direction.

## Prioritized Risks

In line with its ERMF, Gunnebo has defined its prioritized risk by categories, as well as risk appetite statements. A risk category is a group of risks that share a common characteristic, cause, or effect. By classifying risks, Gunnebo can gain a better understanding of the specific types of risks faced and develop risk appetite statements based on helpful categories. Identifying the appetite for risk helps entities make informed decisions about priority areas. This simplifies the allocation of resources, the definition of management controls, and understanding of the consequences of their actions on other parts of the organization. Risk appetite is established and monitored with clear KPIs that enable mechanisms to ensure compliance.

## Insurable Risks

Gunnebo has a group-wide insurance programme to protect the Group's insurable assets and activities. The programme covers property and business interruption insurance, general and product liability, transport insurance, business travel, crime insurance, directors' and officers' liability and employment practices liability. Linked to the insurance programme is a programme for identifying and evaluating risks at the Group's manufacturing units and related financial

consequences. The programme includes both self-assessments and regular factory inspections. The results of these reviews are summarised in a points system for risk exposure at each plant, enabling management to control the risks and to assess the need for risk-reduction measures and establish priorities.

## Crisis Management

Gunnebo strives to have a flexible structure of crisis management being capable to respond to any type of crisis quickly, decisively and in a coordinated manner. The Group CEO has the overall responsibility for the crisis management within the Group. Each local market and bigger plants have a crisis management team consisting of the local General Manager/Plant Manager and an appointed deputy crisis manager. If and when a crisis occurs, there is a management process where the local crisis management group is expanded as needed.

There is also a Group Crisis Management Team – consisting of Group General Counsel (crisis manager), Chief HR Officer (deputy crisis manager) and Group CFO – which has the responsibility to secure that relevant employees at Gunnebo 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 Crisis Management Team, including the Board, is informed and assesses how to handle the event.

**Prioritized Risk Categories**

Health and Safety	Information Security	Sustainability	Competition
<p>Health and safety play an important role and includes a variety of risks. For Gunnebo it is about taking care of its employees and other stakeholders, risks related to manufacturing environment, as well as health, safety, and well-being culture in different countries. The Group mission "For a Safer world" also means that products and services delivered to customers should be safe, and that product liability risks bring a special exposure for Gunnebo.</p>	<p>Information security risks are particularly relevant for Gunnebo, as a security company. These risks affect the entire operations and all systems. This category includes cybersecurity, future risks from AI and quantum computing. Disruptions, security threats or other incidents caused by vulnerabilities could harm the Gunnebo's operations, reputation or lead to loss of data, and have a significant effect on earnings and financial position.</p>	<p>When it comes to sustainability, there are various risks that would affect Gunnebo. This risk category includes the climate, but also human rights in operations and throughout the entire value chain. Furthermore, risks linked to sustainability also includes risks regarding non-compliance with sustainability KPIs.</p>	<p>There are various competitive and market risks that could affect Gunnebo, including the speed of innovation and Gunnebo's ability to adapt on changing consumer behaviour, new business models, digitalisation, and new regulations. Furthermore, the competition and acceptance of China-made security products poses a risk of competition. The speed of innovation from existing and new market entrants could pose a risk to Gunnebo's market share.</p>
Talent	Financial, Geopolitical & Macro-economics	Compliance	
<p>Regarding person risks, the key risk is regarding attracting, retaining, develop, and engaging employees. Gunnebo is a light organisation with limited redundancy for key positions. The inability to build a strong and genuine employer branding, and to also meet the expectations from employees and other stakeholders, puts our reputation, productivity, and business performance at risk.</p>	<p>Gunnebo faces several financial challenges, including potential downturns from global events and restricted access to financing. Elevated tensions between countries could further strain the financial landscape. This also applies to situations such as pandemics or similar that affect macro-economics. Persistent inflation threatens profit margins, while weak information security could lead to higher costs, penalties, and negative publicity, affecting market share. Additionally, the liquidity positions could hinder rapid cash access when needed.</p>	<p>Gunnebo is exposed to various risks involving non-compliance with legal requirements. This involves e.g. anti-corruption laws, export control regulations, privacy laws, as well as financial and sustainability reporting requirements.</p>	

**Other identified Risk Categories**

Reputation	Operations	Other Risks & Opportunities
<p>There are direct risks to reputation, and there are risks that if materialised can impact reputation as a second order impact. The link between risks means that an issue in one area can amplify challenges in other areas, which in turn can lead to a compounded reputational threat. Proactively managing and communicating risk mitigation strategies is thus crucial for Gunnebo's ability to uphold its esteemed reputation. Reputational risks that would impact Gunnebo includes product related risks, cybersecurity breach, and corruption compliance risks.</p>	<p>These risks include major destruction in one of Gunnebo's factories, or disruptions of the supply chain. Furthermore, there is also risks related to unrest or production disruptions during restructuring and potential factory closes. Risks related to travel risk management, and duty of care obligations to personnel when travelling international present risks. Executive protection and threats to leadership because of their position within the company can present risks to the company and the individuals in these roles. Lastly, successfully securing and integrating necessary mergers and acquisitions pose a risk for Gunnebo's operations.</p>	<p>Gunnebo recognizes that a range of risks do not seamlessly align with other risk categories. This category emphasizes the importance of at all times considering new and emerging risks that may also present significant opportunities for the business.</p>



## Consolidated Income Statement

MEUR	2023	2022
Net sales	400.6	398.4
Costs of goods sold	-286.6	-302.0
<b>Gross profit</b>	<b>114.0</b>	<b>96.4</b>
Research and development expenses	-6.4	-6.3
Selling expenses	-45.9	-44.0
Administrative expenses	-33.2	-39.8
Other operating income	0.5	2.4
<b>Operating profit/loss</b>	<b>29.1</b>	<b>8.6</b>
Financial income and expenses, net	-22.1	-33.0
<b>Profit/loss before taxes</b>	<b>7.0</b>	<b>-24.5</b>
Tax on net profit	-8.1	-6.2
<b>Net profit/loss</b>	<b>-1.1</b>	<b>-30.7</b>
Net profit/loss from discontinued operations	—	-8.6
<b>Net profit/loss</b>	<b>-1.1</b>	<b>-39.2</b>
<b>Net profit/loss attributable to:</b>		
Shareholders of the Parent Company	-1.1	-39.2

## Consolidated Statement of Comprehensive Income

MEUR	2023	2022
<b>Net profit/loss</b>	<b>-1.1</b>	<b>-39.2</b>
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to the income statement</b>		
Remeasurements of net pension obligations (actuarial gains and losses)	-6.0	8.5
Income taxes attributable to the entry above	-0.4	-0.4
<b>Subtotal</b>	<b>-6.5</b>	<b>8.1</b>
<b>Items that may be reclassified to the income statement</b>		
Translation differences from translation of foreign subsidiaries	-5.3	23.0
<b>Subtotal</b>	<b>-5.3</b>	<b>23.0</b>
<b>Other comprehensive income</b>	<b>-11.8</b>	<b>31.1</b>
<b>Total comprehensive income</b>	<b>-12.9</b>	<b>-8.1</b>
<b>Total comprehensive income attributable to:</b>		
Shareholders of the Parent Company	-12.9	-8.1

## Consolidated Balance Sheet

MEUR	December 31, 2023	December 31, 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	263.9	260.7
Other intangible assets	30.6	26.1
Right of use assets	13.9	14.5
Property, plant and equipment	38.7	37.2
Deferred tax assets	13.8	13.6
Other long-term assets	2.9	2.7
<b>Total non-current assets</b>	<b>363.8</b>	<b>354.7</b>
<b>Current assets</b>		
Inventories	54.7	61.8
Total customer receivables	69.0	73.5
Contract assets	3.6	2.2
Current tax assets	10.0	8.8
Other current receivables	16.0	13.4
Cash and cash equivalents	63.2	34.1
<b>Total current assets</b>	<b>216.4</b>	<b>193.9</b>
<b>TOTAL ASSETS</b>	<b>580.2</b>	<b>548.6</b>

MEUR	December 31, 2023	December 31, 2022
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to shareholders of the Parent Company	136.4	149.3
<b>Total equity</b>	<b>136.4</b>	<b>149.3</b>
<b>Non-current liabilities</b>		
Non-current financial liabilities	261.3	213.2
Provisions for post-employment benefits	17.8	15.5
Non-current portion of lease liabilities	9.6	9.6
Deferred tax liabilities	7.9	6.4
Other non-current liabilities	—	0.3
<b>Total non-current liabilities</b>	<b>296.6</b>	<b>245.0</b>
<b>Current liabilities</b>		
Accounts payable	40.5	45.2
Current tax liabilities	10.0	9.4
Short-term provisions	3.1	3.2
Current financial liabilities	25.2	28.0
Current portion of lease liabilities	4.9	5.4
Contract liabilities	24.1	20.8
Other current liabilities	39.4	42.2
<b>Total current liabilities</b>	<b>147.2</b>	<b>154.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>580.2</b>	<b>548.6</b>

## Consolidated Statement of Cash Flow

MEUR	2023	2022 <sup>1)</sup>
<b>OPERATING ACTIVITIES</b>		
Operating profit/loss	29.1	7.5 <sup>2)</sup>
Adjustment for non-cash items:		
Depreciation	3.5	3.7
Amortisation and impairment	4.3	4.0
Depreciation of right-of-use assets	6.2	7.2
Other non-cash items	4.5	0.6
Payment of pension benefits	-6.0	-5.6
Interest received	0.9	0.7
Interest paid etc.	-17.9	-11.6
Income taxes paid	-10.0	-7.0
Changes in working capital:		
Inventories	7.8	-4.0
Accounts receivable	2.8	-20.5
Accounts payable	-4.2	3.5
Other operating assets and liabilities, net	-3.0	9.0
<b>Net cash flow from operating activities</b>	<b>17.8</b>	<b>-12.6</b>
<b>INVESTING ACTIVITIES</b>		
Capital expenditure for intangible assets	-1.0	-0.9
Capital expenditure for property, plant and equipment	-5.9	-4.4
Sale of non-current assets	0.2	0.2
Acquisition of operations less acquired cash and cash equivalents	-13.7	-0.8
Divestment of operations less divested cash and cash equivalents	0.0	33.6
<b>Net cash flow from investing activities</b>	<b>-20.4</b>	<b>27.6</b>
<b>Net cash flow after investments, before financing</b>	<b>-2.5</b>	<b>15.0</b>

<sup>1)</sup> Includes cash flow from discontinued operations.

<sup>2)</sup> Includes operating profit/loss from discontinued operations.

MEUR	2023	2022 <sup>1)</sup>
<b>FINANCING ACTIVITIES</b>		
Borrowings	204.7	0.1
Repayments of loans	-153.2	-4.5
Change in overdraft facilities	-7.0	-8.6
Repayment of lease liabilities	-6.1	-7.2
Other financing items	-6.4	0.9
<b>Net cash flow from financing activities</b>	<b>32.0</b>	<b>-19.3</b>
<b>Net cash flow</b>	<b>29.4</b>	<b>-4.3</b>
Cash and cash equivalents at the beginning of the year	34.1	38.9
Net cash flow	29.4	-4.3
Translation differences	-0.3	-0.5
<b>Cash and cash equivalents at the end of the year</b>	<b>63.2</b>	<b>34.1</b>

## Consolidated Statement of Changes in Equity

MEUR	Equity attributable to the shareholders of the Parent Company				
	Share capital	Other contributed capital	Translation reserves	Retained earnings <sup>1</sup>	Total equity
<b>Opening balance 1 January 2023</b>	<b>0</b>	<b>238.1</b>	<b>4.0</b>	<b>-92.9</b>	<b>149.2</b>
<b>Net profit/loss</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>-1.1</b>	<b>-1.1</b>
<b>Other comprehensive income</b>					
Exchange rate differences	—	-0.7	5.5	14.5	19.3
Actuarial gains and losses	—	—	—	-6.0	-6.0
Income taxes	—	—	—	-0.4	-0.4
<b>Subtotal</b>	<b>—</b>	<b>-0.7</b>	<b>5.5</b>	<b>8.0</b>	<b>12.8</b>
<b>Transactions with shareholders</b>					
Dividends	—	—	—	—	—
<b>Subtotal</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Closing balance 31 December 2023</b>	<b>0.0</b>	<b>238.8</b>	<b>-1.4</b>	<b>-100.9</b>	<b>136.3</b>
<b>Opening balance 1 January 2022</b>	<b>0</b>	<b>259.1</b>	<b>-23.8</b>	<b>-78.0</b>	<b>157.3</b>
<b>Net profit/loss</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>-39.2</b>	<b>-39.2</b>
<b>Other comprehensive income</b>					
Exchange rate differences	—	-21.0	27.8	16.2	23.0
Actuarial gains and losses	—	—	—	8.5	8.5
Income taxes	—	—	—	-0.4	-0.4
<b>Subtotal</b>	<b>—</b>	<b>-21.0</b>	<b>27.8</b>	<b>24.3</b>	<b>31.1</b>
<b>Transactions with shareholders</b>					
Dividends	—	—	—	—	—
<b>Subtotal</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Closing balance 31 December 2022</b>	<b>0</b>	<b>238.1</b>	<b>4</b>	<b>-92.9</b>	<b>149.2</b>



# Annual Review 2023

Gunnebo is a global leader in security solutions, offering innovative products and services to control the flow of people and to protect valuables from burglary, fire and explosion. Gunnebo is owned by Altor and Stena Adactum. Through our Business Units Entrance Control and Safe Storage, we offer solutions to customers primarily in public transport, public and commercial buildings, banking, high-end retail, and in industrial and high-risk sites. We operate worldwide through our 24 country locations and 10 production facilities with more than 3,500 employees to serve customers in more than 100 markets.

In 2023, net sales amounted to 400.6 MEUR. We believe that our diverse, respectful and inclusive working environment is critical to unlocking the full potential of our international workforce, driving collaboration and innovation, and understanding our customers' varied and unique needs. We represent a global community of dedicated people who are passionate about creating a safer world.