

A photograph of two workers, a man and a woman, wearing blue hard hats and high-visibility yellow safety vests. They are standing in a field with several large wind turbines in the background. The woman is pointing her right hand towards one of the turbines. The scene is bathed in the warm, golden light of a sunset or sunrise, creating a hazy atmosphere. The text 'SWEP Sustainability report 2024' is overlaid in white on the lower right portion of the image.

## SWEP Sustainability report 2024

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This report contains sustainability-related metrics, targets and statements that reflect SWEP's current expectations, assumptions, and best estimates available at the relevant time. The data underlying these and market practice in relation to such disclosures are likely to evolve over time, owing to several factors including (but are not limited to) the: (i) evolving nature and impact of climate change and related policies, regulations, standards, classification frameworks and market developments; (ii) accuracy and completeness of the data, methodologies, and assumptions underlying SWEP's metrics and targets, which may vary depending on the scope, boundary, definition, and measurement of the relevant indicators and activities, as well as the availability and quality of external sources and benchmarks; (iii) feasibility and effectiveness of SWEP's strategies, plans, and actions to achieve its metrics and targets, which may depend on various internal and external factors, such as operational performance, financial resources, innovation capabilities, organizational culture, governance, and stakeholder engagement, as well as the cooperation and alignment of SWEP's partners, suppliers, customers, regulators, and peers; and (iv) potential changes in SWEP's business environment, operations, portfolio, and priorities, which may result from factors such as market conditions, regulatory requirements, competitive pressures, technological developments, customer needs, strategic opportunities, and/or unforeseen events, and which may require SWEP to adjust, revise, or update its metrics and targets accordingly. Accordingly, no reliance should be placed on these statements. Except as required by applicable laws or regulations, SWEP undertakes no obligation to update these statements.

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## A note from our President

Since we put together a dedicated ESG team and board in 2022, we've launched many initiatives, focused on all sorts of environmental, social and governance issues. We've been planting a lot of seeds. Some have already started to show fantastic results, while others will take a bit more time to mature.

One area where we've really seen our efforts pay off in 2024 is employee safety. It's always been a priority for us, and we've approached it from several angles. We've had training sessions for everyone in the organization - including the board of directors - to talk about safety culture. At the same time, we've made practical changes. For example, the JSA Kaizen - Job Safety Analysis - events held across our sites have identified and remedied potential dangers, and they've also reminded employees that their concerns will always be listened to and addressed. The results have been outstanding. In fact, 2024 has been the safest year at SWEP on record. It's great to see the progress and how we can achieve so much when we work together.

It's the same with our environmental goals: we've identified areas for improvement, and we're making sustained investment to address them. As always, culture is important. The sustainability mindset training we did this year was about how we can apply sustainability in everything we do at work. And, of course, we're also making real changes to support this. We've made significant equipment upgrades in Suzhou, Landskrona, Košice and Tulsa to make our sites more efficient and lower their impact. On top of that, we're producing even more renewable energy on-site and we've secured agreements to use renewable fuels for freight.

I also want to highlight our relentless work on inclusion and engagement - a core focus area defining SWEP culture. The high inclusion score in the 2024 employee survey makes me proud and underlines how important our people are to our success. Thanks to our great people, we took on a challenging 2024 with great resilience.

Even when times are challenging, we will not let them stop us from doing more with our sustainability work. We've made some great investments and had a lot of successes, so I think we've shown that our commitment to a sustainable future is as strong as ever.

  
Ulrika Nordqvist, President SWEP



“ 2024 has been the safest year at SWEP on record. It's great to see the progress and how we can achieve so much when we work together.



# About SWEP

From the beginning in 1983 with three entrepreneurs in a garage to today's international company with over 1,100 employees, SWEP has undergone major changes over the past 40 years. Nevertheless, the central objective of the company has remained the same: to develop and produce resource efficient and sustainable heat transfer solutions.

Since the start SWEP has specialized in brazed plate heat exchangers. Our technology delivers heat transfer with less energy, material and space, but equally importantly it helps drive sustainable change. Our heat exchangers are used in renewable energy systems, high-efficiency cooling, energy storage and heat recovery, all of which are vital for decarbonization and sustainability.

We know that our products contribute to enabling sustainable technologies, but we recognize the importance of looking inwards too. Environmental and social sustainability is part of our company DNA, and this was formalized in 2021 with the introduction of an ESG framework.

SWEP's ESG framework ensures that aspects tied to environmental, social and corporate governance are tackled simultaneously and effectively. This report summarizes our ESG goals and achievements, it outlines the measures we have put in place to continue our sustainability journey both internally and for our customers.

## Our purpose

We believe in creating more from less. That our future rests on giving more energy than we take – from our planet and our people.

So we are here to lead the conversion to sustainable energy usage in heat transfer, constantly creating more from less energy, material and space.

## Our vision

To significantly lower energy usage in heat transfer solutions.

# About Dover



Since 1994, SWEP has been part of the Dover Corporation, a diversified global manufacturer and solutions provider with annual revenue of over 7 billion US dollars. Dover is listed on the New York Stock Exchange and is the owner of 15 operating companies divided over five segments. SWEP is part of the Climate & Sustainability Technologies segment.

Dover's vision is to apply sustainable innovation to every customer challenge, and SWEP is fully committed to supporting this. Both Dover and SWEP recognize the value of incorporating environmental and social sustainability into business matters. To that end, we participate in several Dover programs that help us meet our shared goals.

## Health and Safety

Launched in 2021, the Zero Harm program is rooted in Dover's insistence that safety is always put first – a position that SWEP fully endorses. The program helps employees recognize and avoid potentially life-threatening situations by providing training and education, identifying risks, measuring safety performance and implementing world-class processes and procedures. It is based on a series of rules that encourage individual responsibility and ensure that employees have the necessary support to improve their working environments and practices.

## Compliance training

IntegrityCounts is Dover's comprehensive compliance training program. Covering subjects as diverse as insider trading, modern slavery and data security, it is a way of both educating and protecting colleagues, as well as ensuring that the Dover Code of Conduct is upheld. Dover maintains a global hotline that can be used by any person – anonymously if they so choose – to report issues or concerns relating to our standards of business ethics and compliance. Dover also publishes a quarterly employee newsletter, IntegrityCounts, in seven languages. With discussions about policy updates, best practices and professional integrity, it keeps Dover employees informed and inspired, no matter their role or location.

## Science Based Targets

Dover has collaborated with the Science Based Targets initiative (SBTi) to set challenging climate goals. It has committed to a target of reducing direct greenhouse gas emissions from operations (Scope 1 and Scope 2) by 30% by 2030 and reducing indirect emissions (Scope 3) by 15% by 2030.



## Sustainability reporting

Dover is committed to transparency and accountability in its sustainability reporting, disclosing results that cover all 15 operating companies in accordance with multiple independent frameworks. These include the Sustainable Accounting Standards Board (SASB) reporting framework, the Global Reporting Initiative (GRI) and CDP (formerly known as the Carbon Disclosure Project). In addition, Dover has a Task Force on Climate-Related Financial Disclosures (TCFD), whose initial climate risk assessment and scenario analysis was completed in 2021.





# Continuing the sustainability journey

## Sustained focus

While macroeconomic factors led to a slight decrease in output, the company remained dedicated to environmental, social and governance initiatives.

Three areas stand out in particular. One was the sustainability mindset training delivered in spring 2024. Using a variety of tools and methods, the course helped employees to integrate sustainability in decision-making in their daily work - while providing a deeper understanding of how their roles contribute to SWEP's overall sustainability goals.

SWEP also intensified its focus on health and safety. Building on the safety culture initiatives of 2023, efforts were expanded in 2024 with comprehensive training, online activities, safety analyses, targeted follow-ups and physical improvements to work environments. These measures have made a measurable impact, with workplace accident statistics for 2024 improving significantly. This demonstrates the commitment of employees at all levels, making SWEP a safer place to work.

Finally, positive results have been observed around scrap and rebrazing. Extensive investigative work has pinpointed the reasons behind the unsatisfactory scrap rate for a certain product range in 2023 and part of 2024. The actions taken to address this have already been effective, with noticeably improved figures during the final months of 2024. This is likely to have a positive impact on energy efficiency and water use going forward.

## Global and local

In addition to these company-wide projects, local initiatives have helped keep sustainability at the forefront of people's minds. Many of these were linked to global events, including Earth Day, World Car Free Day and World Mental Health Day. Highlights included the Global Data Cleanup initiative, which encouraged SWEP employees to delete obsolete data, local area cleanups, composting demonstrations and recycling drives.

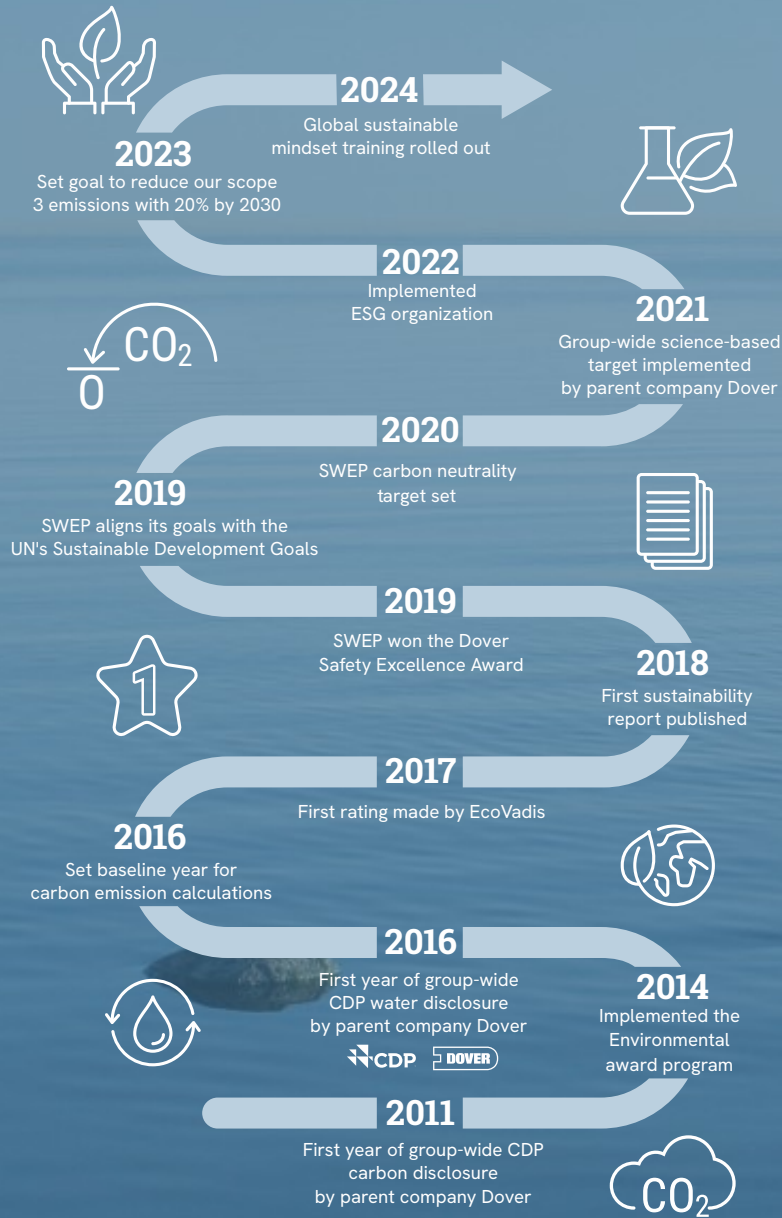
## Sustainability credentials

SWEP's efforts have received external validation from the sustainability ratings organization EcoVadis. For the second consecutive year, SWEP International AB was awarded the EcoVadis Silver Medal. The overall score was an improvement from 2023, and they now ranked in the

92nd percentile of EcoVadis respondents. The improved score was largely a result of expanded sustainability reporting, more comprehensive measurements, and stronger documentation.

## Selected sustainability goals

SWEP has identified six focus areas with specific targets and goals. Work in these areas is ongoing, and more details can be found in their respective sections.



Carbon Emissions		Resource Efficiency
Be carbon neutral in scope 1 & 2 by 2030	Reduce scope 3 emission intensity with 20% by 2030	Decrease water intensity in production with 50% by 2030
<b>Result to date 2016-2024</b> +4.8% Total increase	<b>Result to date 2023-2024</b> +3.9% Total increase	<b>Result to date 2021-2024</b> -16.8% Total decrease
<b>Result &amp; Target 2024</b> T: - 10% vs PY R: -13.8% vs PY	<b>Result &amp; Target 2024</b> T: - 4% vs PY R: +3.9% vs PY	<b>Result &amp; Target 2024*</b> T: <4 l/kg R: 4.4 l/kg
		*KPI excl. Tulsa

Inclusion and Engagement	People Health and Safety	Anti-Bribery and Anti-Corruption
85% on the Inclusion and Engagement index	Total Recordable Incident Rate below 0.76 by 2025	All employees trained annually on anti-bribery and anti-corruption
<b>Result &amp; Target 2024</b> T: N/A. R: 82 %	<b>Result &amp; Target 2024</b> T: <1.74 R: 0.60	<b>Result &amp; Target 2024</b> T: 100% R: 100%



1 NO POVERTY



By paying living wages, regularly adjusting remuneration, and offering insurance and other benefits, SWEP ensures a good quality of life for employees.



SWEP heat exchangers are used in cooling solutions around the world, in countless applications, extending food shelf-life and reducing waste.

2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



SWEP's comprehensive health and safety policies and zero harm program support the physical and mental well-being of our employees.

4 QUALITY EDUCATION



As well as providing training and development to promote lifelong learning, SWEP supports employees' education through, for example, tuition reimbursement programs.



# SUSTAINABLE DEVELOPMENT GOALS

SWEP supports the UN's Sustainable Development Goals (SDGs). Our approach embraces them as 17 connected paths towards one single goal - that of a habitable, equitable planet.

Although we contribute to some more than others, and to some more indirectly than directly, we still consider them equally important and keep them all in mind when determining our strategy as an organization.

8 DECENT WORK AND ECONOMIC GROWTH



SWEP aims to provide nothing less than the best place to work. Leadership training, employee surveys, and a focus on work-life balance support this goal.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



From its inception, SWEP has been an innovation leader. We constantly challenge efficiency, with new technologies and methods that optimize energy, material, and space in heating and cooling.

10 REDUCED INEQUALITIES



Human rights are fundamental to SWEP throughout the entire value chain. We have a zero-tolerance policy for human rights violations that applies both internally and to our suppliers and customers.



11 SUSTAINABLE CITIES AND COMMUNITIES



SWEP's district energy solutions provide efficient heating and cooling in cities and communities around the world, from large scale district heating networks to heat recovery in restaurant kitchens.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



SWEP continues to reduce scrap and resource consumption in manufacturing. We develop our products with circularity in mind and strive to extend their lifespan and recyclability.



13 CLIMATE ACTION



SWEP works to minimize its emissions intensity via energy efficiency and by using and generating renewable energy. Our goals for 2030 are to become a carbon neutral organization for scopes 1 and 2, and to reduce our scope 3 emissions by 20%.

14 LIFE BELOW WATER



SWEP's brazed plate heat exchangers for marine applications facilitate modern, sustainable systems and solutions that reduce ocean pollution.

5 EQUALITY

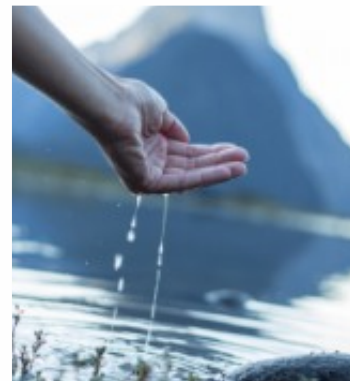


SWEP has zero tolerance for discrimination. We are committed to organizational diversity and appropriate representation, and ensure equality in recruitment and training initiatives.

6 CLEAN WATER AND SANITATION



SWEP produces brazed plate heat exchangers for tap water applications, improving access to safe, temperature-controlled water around the world. Reducing our own water use is a key part of our sustainability effort.



7 AFFORDABLE AND CLEAN ENERGY



SWEP heat exchangers are used in the energy industry for efficient heat transfer in clean energy applications including wind power, energy storage and hydrogen fuel cells.

15 LIFE ON LAND



SWEP recognizes the importance of biodiversity. By reducing our climate impact and optimizing our water use, our actions help improve conditions for biodiversity.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Ethical business practices are central to SWEP's operations. Our anti-bribery and corruption provisions include a hotline for any employee to report ethical breaches, and a strict non-retaliation policy.

17 PARTNERSHIPS FOR THE GOALS



No organization can bring about a sustainable future on their own. Collaboration with customers, suppliers and stakeholders can help our communities succeed. We are all in this together.



# Risk management and sustainability

Risk management at SWEP is about taking a thorough approach to future threats and opportunities. This has become even more important in light of the increasing complexity of global trade and ongoing environmental crises. In volatile and complex conditions, it is important to be vigilant, prepared, and agile in managing risks and opportunities.

The table to the right is an extract from SWEP’s risk management framework, outlining the mitigation efforts it makes in relation to sustainability, and specifically environmental issues, social responsibility, supply chain and governance.



Major risks	Risk mitigation
Description of risk	Description of risk mitigation
Environment	
<b>Climate change</b> Climate change can cause unforeseen weather conditions capable of affecting SWEP’s global operations, leading to disrupted supply chain, increased insurance costs and loss of production.	SWEP produces equipment that potentially can reduce energy consumption, enable renewable energy use, and potentially mitigate climate change. We actively work to mitigate the impact of our operations by improving our energy efficiency, emissions intensity and reducing waste and process scrap. If scrap occurs in the manufacturing process the material is sorted and recycled as far as possible.  All SWEP locations have developed a disaster recovery plan designed to keep our offices and facilities running without disruption.
<b>CO<sub>2</sub> emissions and carbon footprint</b> New regulations could increase demand for less carbon-intensive products and materials, increasing their cost and limiting their availability. This could affect SWEP’s value chain and increase production costs.	SWEP’s carbon footprint continues to be independently verified and certified by a third-party.  The main elements in SWEP’s total emissions are raw materials, electricity consumption and freight activities. Therefore, these are SWEP’s focus areas in reducing emissions.  SWEP has agreed to and implemented KPIs to support its carbon management journey. The target is to become a Carbon Neutral organization by 2030 (scopes 1 and 2). The scope 3 target is to reduce emission intensity by 20% by 2030.
<b>Water stress</b> Water stress happens when communities can’t fulfill their water needs. Water is vital in our operations and to our employees’ health and hygiene.	SWEP has analyzed current water stress as well as the prognosis until 2030 for all our manufacturing locations and implemented corresponding local risk mitigation plans and water intensity reduction KPIs. We have a global goal of reducing our water intensity in manufacturing by 50% by 2030.
Social Responsibility	
<b>Health and safety in the workplace</b> Risk of harm to employee’s physical and mental well-being.	Each SWEP location has an EHS-responsible person and works according to the local country’s work environment legislation. Audits are made on a regular basis to minimize risk. All incidents and accidents are recorded, and corrective actions are implemented. Best practice and lessons learned are shared between the different manufacturing locations.  Safety is a major commitment at SWEP and we continuously strive to provide the best possible working environment for our employees. The target is to operate with zero accidents.  SWEP has a Global Employee Assistance Program (EAP), which is a cost-free, and strictly confidential, professional third-party mental health support for our employees and their immediate family members. No permission from managers is needed, and support is available in every language of the countries in which we operate.
<b>Discrimination and Equal opportunities</b> Discrimination of any kind could greatly affect brand reputation, our ability to retain talents and reduce our productivity	SWEP is committed to and follows the overall policies of Dover to enforce equal opportunity and zero discrimination. The global focus of these policies ensures that SWEP complies with the equality obligations under the various anti-discrimination legislations in different countries.  The principle of equal opportunity and non-discrimination serves as the framework for all management positions in SWEP.  Decisions about recruitment, selection, promotion, training, or any other benefit are made objectively and without unlawful discrimination.  SWEP, as part of Dover, has a well-established whistleblower procedure and a non-retaliation policy, available for all employees. The service is strictly anonymous, where the law permits.
<b>Human rights</b> Risk of human rights violations tied to our organization or supply chain, such as child labor, forced labor, human trafficking.	SWEP is committed to Dover’s code of conduct. This acts as a guide to help employees make good business decisions, treat those with whom we do business with respect, and secure and do business in an ethical way. The Dover Code of Business Conduct & Ethics is a framework for making ethical decisions and is used to guide decision making in SWEP and its parent company.  As a complement to its code of conduct, Dover holds regular training courses for its operating companies to increase understanding and awareness.  SWEP prohibits human rights violations, including those related to modern slavery, such as forced labor, bonded labor, child labor, and human trafficking, health and safety, discrimination, harassment, freedom of association, and equal employment opportunity.  SWEP implements a remuneration structure that allows us to attract and retain the right people necessary for fulfilling company goals and strategies. SWEP’s policy is to offer an overall fair, market-competitive and attractive compensation package so that employees can focus on SWEP as their sole employer and enjoy a work-life balance outside of their work responsibilities
Supply Chain	
<b>Supply Chain Sustainability</b> Risk of limitations and disruption in the supply chain, impeding our operations.	To ensure sustainability in its supply chain SWEP has broadened its supplier audit program to include sustainability topics such as product circularity, carbon management, energy management, water management, inclusion & engagement, working conditions, health & safety, and human rights violations. We hold our suppliers to the same standards that we hold ourselves.  SWEP also controls its supplier base very carefully in order not to purchase material that contains any conflict minerals.
<b>Human rights</b> Risk of legal repercussions and reputational damage if our material suppliers are found to have infringed human rights principles.	To mitigate the risks of human rights violation SWEP operates according to the Dover Code of Business Conduct & Ethics and its Supplier Code of Conduct. SWEP works strictly in accordance with all relevant labor and human rights legislation and has auditing processes in place to avoid doing business with companies that do not hold themselves to the same standards.
Governance	
<b>Ethics and corruption</b> Instances of ethical violations or corruption can inflict financial penalties and damage brand reputation leading to loss of business.	SWEP will not tolerate bribery of any form with any third-party; public or private. This is regardless of whether this would be done directly by our employees or indirectly through third parties, and even if, by upholding this ethical standard, we would lose business or encounter difficulties (for example, delays in obtaining permits or licenses) as a result.  All employees are regularly trained in this subject, and information is available on SWEP’s intranet. This training, through online courses distributed by Dover (Integrity Counts), is mandatory for all employees and participation is monitored quarterly.  Dover has a well-established whistleblower procedure and a non-retaliation policy, available for all SWEP employees.  All material direct suppliers sign the Dover Supplier Code of Conduct before entering any business relationship with SWEP.
<b>Data and Cyber Security</b> Risk of legal exposure and reputational damage if personal data not protected in line with national and supranational regulations and industry best practices.  Risk of damage to competitiveness if confidential information and intellectual property are not adequately protected.	To provide awareness amongst employees Dover provides regular training on cyber security for all SWEP employees. This is done online through the Integrity Counts platform. Dover has several policies in place for its operating companies that stipulate how employees should act and behave when handling data. This also includes personal data.  SWEP protects personal data through organizational and technical measures. These include IT security tools, restrictions on access to the data, and physical security measures to help prevent unauthorized or unlawful access, disclosure, loss, destruction, or damage. We access and use personal data only for legitimate business purposes and maintain appropriate access controls and use limitations. Only individuals who need the data to accomplish a business objective should have access to personal data and only for as long as they need it to accomplish the objective.  Dover has a well-established process controlling data that is identified critical to a business. SWEP participates in the annual process of Critical Data Inventory driven and initiated by Dover.





## 2024 highlights

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On-site renewable energy  
production increased by 10%

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100% of manufacturing scrap recycled

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Reduction in total scope 1 and 2 emissions  
by 14% compared to previous year

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Reduced CO<sub>2</sub> emissions in all scope 3 categories,  
and totally 23% reduction compared to 2023

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Major facility upgrades for long-term  
efficiency improvements

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# Energy and emissions

## Energy use and efficiency

Relative to 2023, SWEP has reduced its total energy consumption. However, energy intensity - the amount of energy consumed per unit of output - has increased. Various factors contributed to these changes and point towards positive long-term trends.

The pattern of decreasing energy usage and increasing energy intensity can be partly attributed to fluctuations in output. At certain points in 2024, some SWEP sites operated below capacity, leading to sub-optimal efficiency. While base electricity consumption remained largely stable, reduced production resulted in both lower energy use and diminished energy efficiency. Issues relating to the high scrap and rebraze rates of certain product lines have also negatively impacted efficiency, as energy was used in the production of units that did not contribute to overall output.

Specific local factors also influenced. The manufacturing site in China, SWEP Suzhou, completed its move to new premises in 2024. This involved specific energy intensive activities, such as furnace verification and press line setup. While these events demanded significant energy, they are expected to drive improved efficiency in the future.

In addition to the significant equipment upgrades in Suzhou, 2024 saw more energy efficient press lines installed in SWEP Košice, Slovakia. Smart metering and energy audits initiatives have expanded in multiple sites, which is also likely to lead to further efficiency improvements.

## Renewable energy

In 2024, 67% of the energy used by SWEP came from renewable sources, representing a slight decrease from 2023. This change was driven by regional demand fluctuations, as a greater proportion of activity took place at sites with a lower share of renewable energy in their fuel mix. Despite this, SWEP retains its long-term intention to use as close to 100% renewable energy as possible, by 2030: this is a key requirement in its

strategy for achieving carbon neutrality.

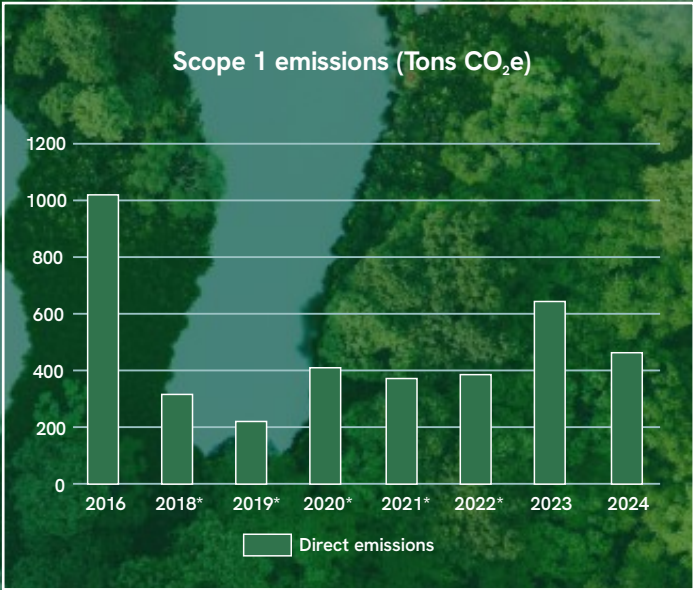
SWEP's effort to generate its own energy continued throughout the year, with total on-site production of 12 MWh in 2024, an increase of about 10%. This was achieved through solar panels at multiple locations and a heat recovery system at SWEP Landskrona, Sweden. A significant expansion of solar energy is planned across multiple sites in 2025. In Suzhou, SWEP has reached an agreement to source 15% of its energy from solar panels installed on-site and on nearby buildings. At SWEP Košice, a project to double solar power generation to 1 million kWh annually is set for completion in 2025.

## CO<sub>2</sub>e emissions

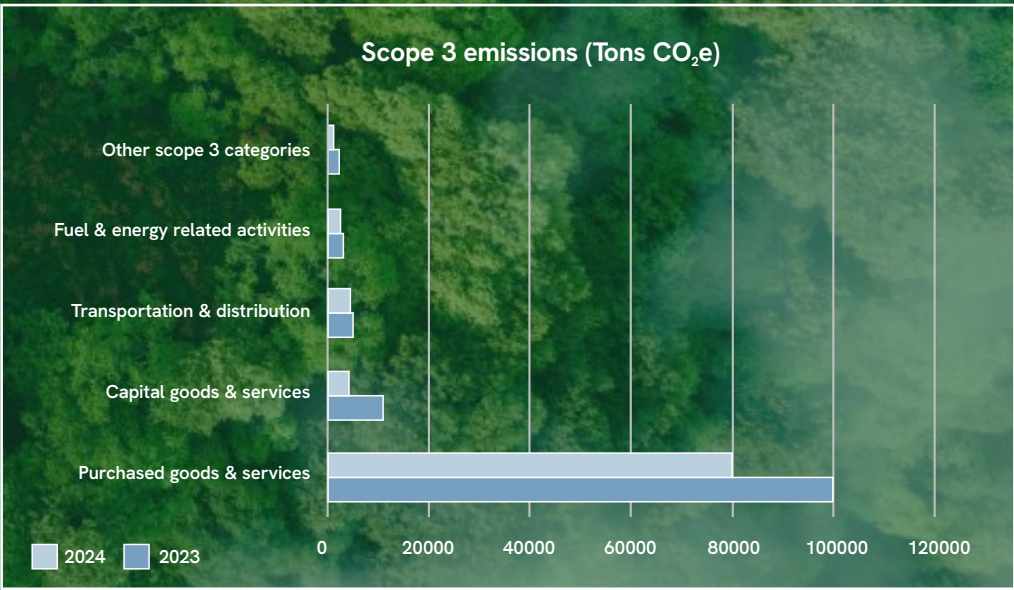
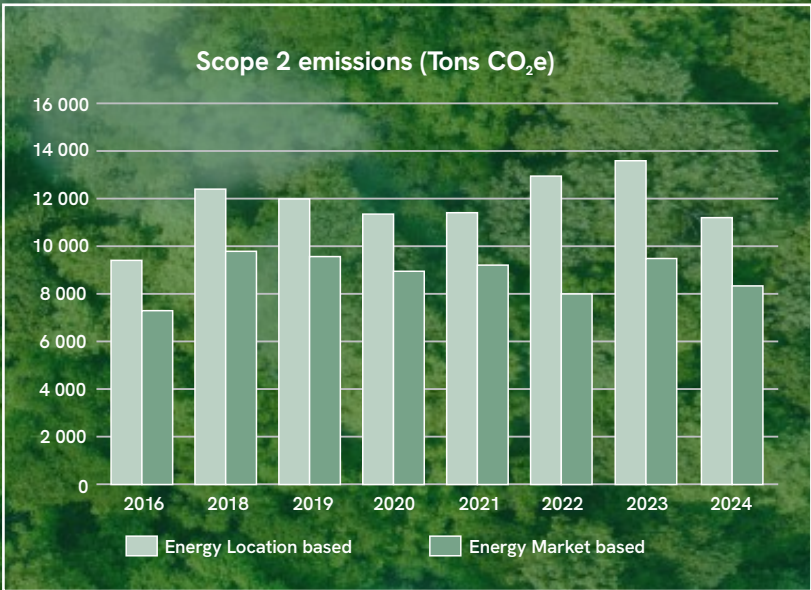
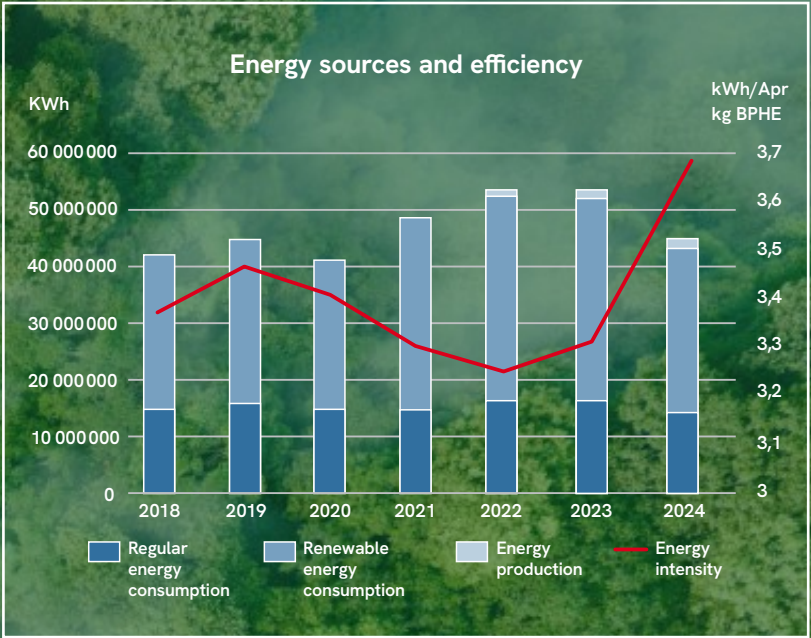
SWEP continues to work towards its CO<sub>2</sub>e emissions reductions targets: by 2030 it aims to be carbon neutral in scopes 1 and 2, and to reduce scope 3 emission intensity by 20%.

2024 saw a reduction in SWEP's CO<sub>2</sub>e emissions in all scopes, albeit in combination with a reduction in overall production output. Several projects are ongoing which are likely to have a positive impact on emissions. These include revisions to SWEP's vehicle policy which now encourages electric and low-emission vehicles (scope 1) and a number of renewable energy and energy efficiency initiatives (scope 2).

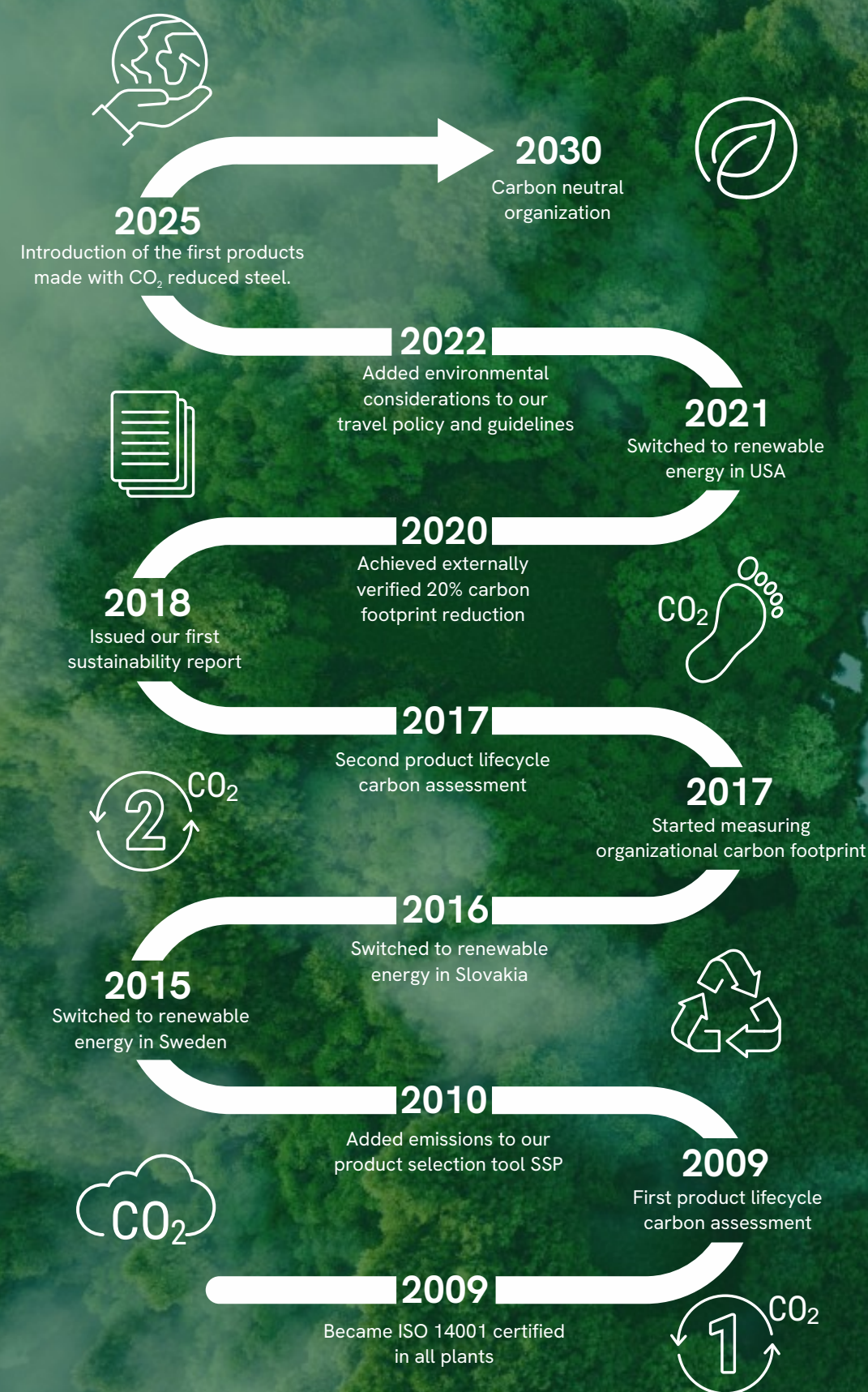
In 2023, SWEP measured its own scope 3 emissions for the first time. Its 2024 measurements showed reduced emissions in all scope 3 categories. Several scope 3 emissions projects are ongoing at SWEP, some of which have already yielded positive results.



\*these years do not contain mobile combustion data





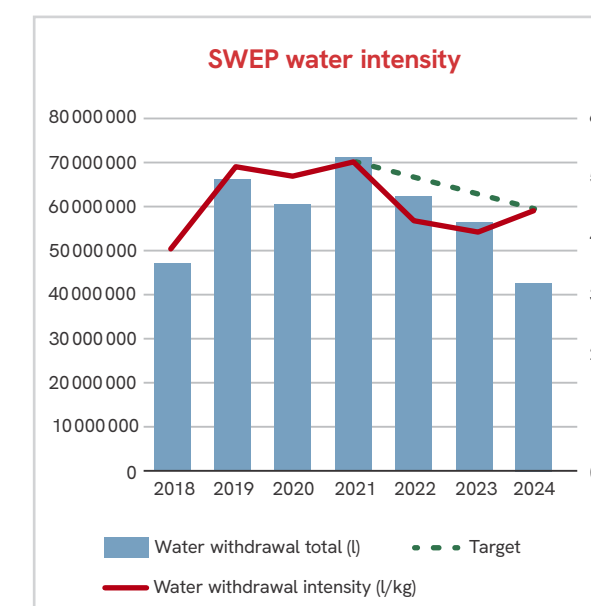


# Resource use and pollution

## Water consumption

SWEP's commitment to doing more with less has always been reflected in its responsible use of resources, including water and raw materials.

Recent years have seen an outstanding improvement in SWEP's water utilization. Water withdrawal intensity – the amount of water withdrawn relative to production output – has fallen significantly, putting the organization well ahead of schedule in terms of its long-term goal: 50% reduction in water withdrawal intensity by 2030, with 2021 as the baseline. In 2024, SWEP's total water usage fell but water intensity increased. Despite this increase, water intensity stayed on-course to reach the 2030 target.



The data does not include the manufacturing site in Tulsa, USA.

Fluctuations in output had an influence. In periods where sites ran at lower volume, their water use was less efficient. Significant local factors included an underwater leak at SWEP Kuala Lumpur, Malaysia. Low rainfall also restricted the effectiveness of that site's rainwater harvesting system. This system is currently being expanded, which will enable more cooling and washing from rainwater in both favorable and unfavorable weather conditions.

SWEP completed a move to a new site in Suzhou, China in 2024. This necessitated the filling of new water tanks: a one-off event that caused a short-term

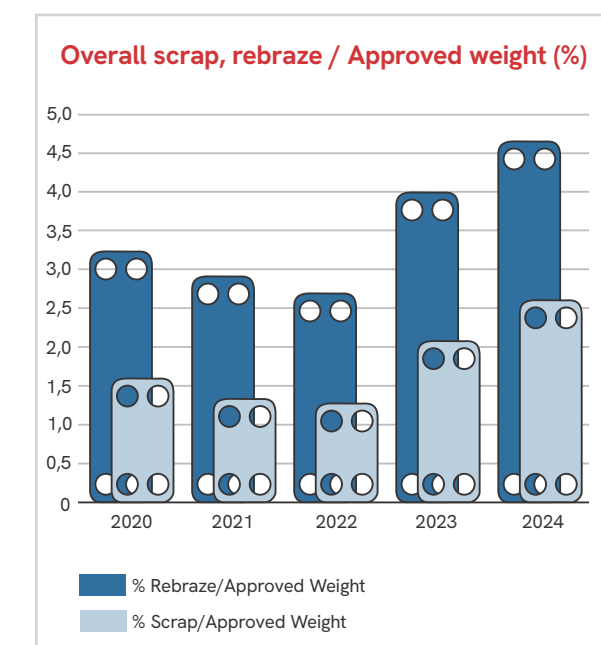
increase in water consumption. The new facilities incorporate several technological advances including a water-free cooling system, which is generally more efficient in both water and energy consumption. These advances are likely to support improvements in water withdrawal intensity in SWEP's Chinese operations in the longer term.

In Sweden, the process of replacing the cooling towers at SWEP Landskrona continued in 2024: this will lead to improved efficiency in both energy and water use going forward.

## Scrap and rebrazing

100% of SWEP's production scrap was recycled in 2024. The organization collaborates with local scrap handlers in all locations to ensure that everything is recycled, from small off-cuts of steel from plate production all the way up to large, brazed plate heat exchangers.

2024 was a year of both challenges and successes for scrap and rebrazing. The overall rate for both scrap and rebrazing increased in 2024, relative to output, which had negative implications for both energy and water withdrawal intensity. This issue was investigated thoroughly in 2024 and was found to be largely confined to one product range. Remedial measures have been put in place, resulting



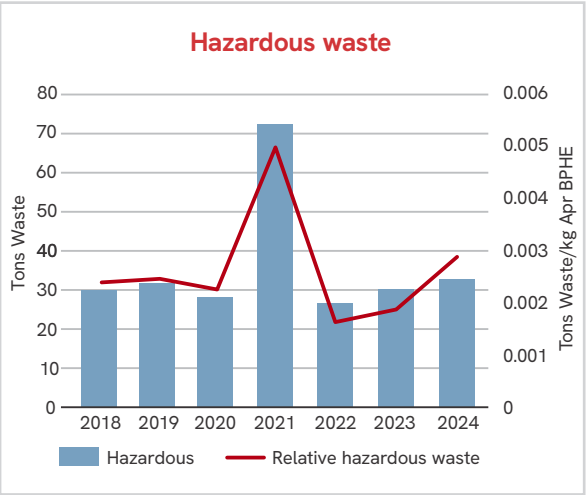


►► in improved performance and in November and December scrap rate for the range in question was the lowest in two years - a continued positive trend in Q1, 2025.

Pollution and waste

SWEP’s commitment to minimizing all forms of pollution continued in 2024. Air pollution from the manufacturing processes is negligible, and any contaminated water from manufacturing is processed as hazardous waste.

The non-hazardous waste produced by SWEP in 2024 was less than in recent years, but the amount of non-hazardous waste per unit of output increased. The relative measure was impacted by high scrap rates during first part of 2024 and not so much by the decrease of output. Hazardous waste per unit of output also increased a result of both output fluctuations and a small increase in total hazardous waste. SWEP works closely with waste management companies at all its sites to ensure that waste is handled responsibly and in compliance with local regulations.







## 2024 highlights

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The safest year at SWEP on record

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Multiple safety initiatives and courses delivered, including 24 JSA Kaizen events

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Around 90 % of SWEP employees participated in an extensive employee survey with a positive result

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1,6 % increase in non-production female leader roles and an increase of 1,4 % in our total female workforce

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Value-based leadership program delivered to 96% of SWEP's managers

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Employee health and safety

Protecting our people

Employee safety and well-being has been especially important at SWEP in 2024. The previous year, a root cause analysis was done into every incident at SWEP, globally. This identified safety improvement areas which have been actively addressed in 2024. The results have been outstanding.

2024 was the safest year at SWEP on record. The organization set an ambitious target of lowering the Total Recordable Incident Rate (TRIR) to 1,0. Remarkably, TRIR fell to 0,60; a reduction of 66% from 2023. How did SWEP do it?

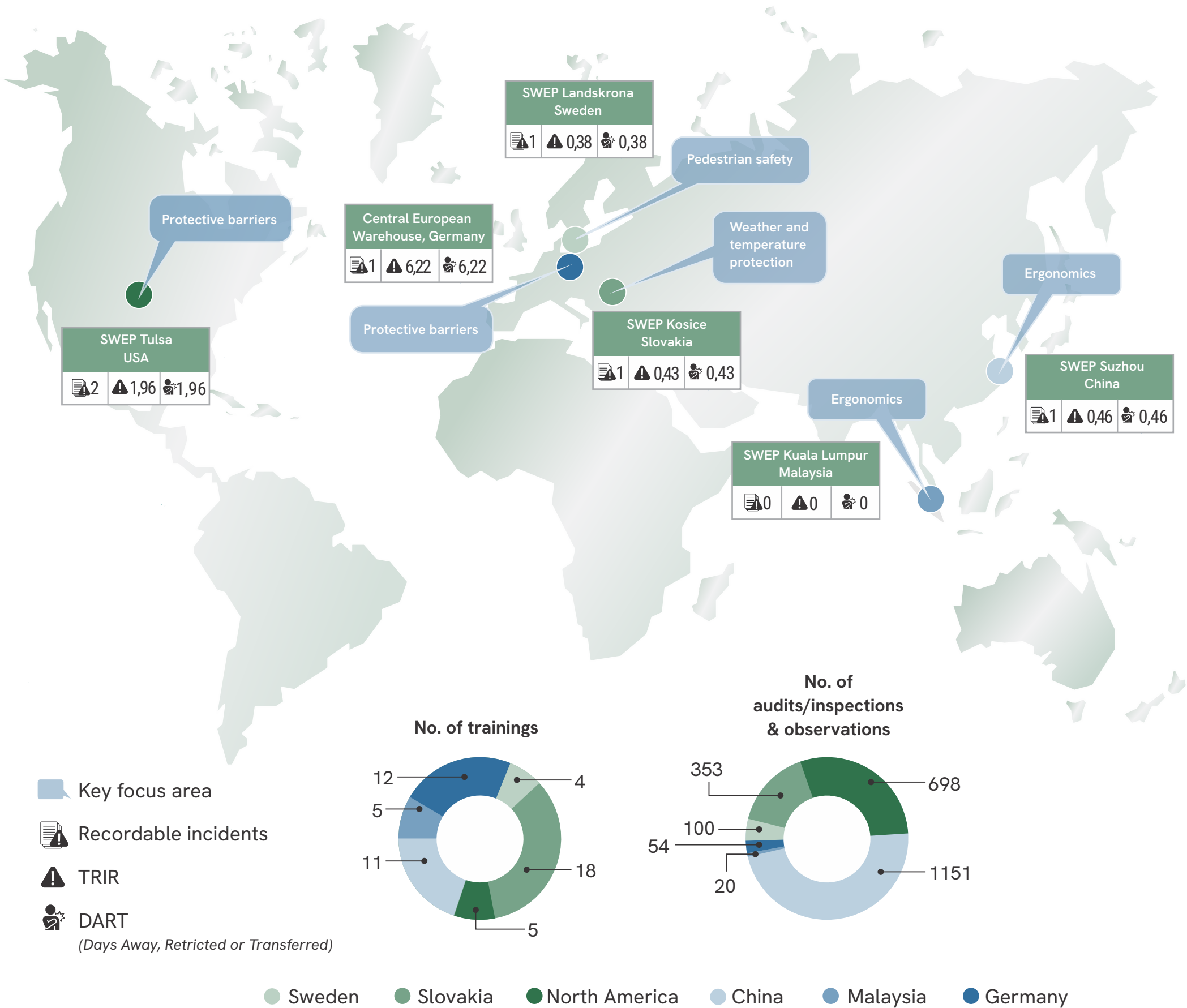
Building firm foundations

A strong safety culture is important to SWEP. In 2024, steps were taken to formalize, clarify and communicate this even further.

A new Health and Safety Policy has been introduced, outlining SWEP’s commitment to its employees and their working environments. It serves as a guiding framework for all safety efforts and initiatives and is available in all the major languages of SWEP employees. To ensure the policy is ingrained in the working culture, a new global safety onboarding procedure has been put in place. All new employees are given consistent and thorough safety training, with an increased focus on the company’s safety culture rather than just the physical safety environment.

SWEP has implemented a global standard for personal protective equipment. It is based on best practices and knowledge sharing between SWEP sites, and has raised local safety standards to a jointly agreed level. This was one of many developments communicated through SWEP’s new health and safety intranet site. Created in 2024, it provides all employees with a central source of general work safety information.

SWEP Global Manufacturing





» **Training and action**

In January risk identification training was held for all employees, which increased the level of knowledge and skills around identifying and mitigating potential hazards in the workplace.

This was immediately reinforced by the Risk Identification Challenge – a six-month initiative with over 700 participants globally, which encouraged proactive risk assessment and safety awareness across all SWEP sites.

In 2023, SWEP initiated a program of Job Safety Analysis - JSA Kaizen events - aimed at identifying and eliminating hazards in work processes. 24 such events have been held in 2024, contributing to safer work practices and a more secure working environment.

Every SWEP site has implemented a new Safe2Start program and has undertaken an ISO 45001 gap analysis.

All training and events have had demonstrable buy-in from employees: over 900 safety observations were made throughout SWEP's sites which allowed for practical action to make workplaces safer.

**Mental and physical health**

Most of the programs in 2024 were aimed at tackling employees' physical safety and wellbeing, but mental

health has not been overlooked. SWEP's Employee Assistance Program for mental health and wellness was launched in 2022 and continues to be available globally, on a 24/7 basis.

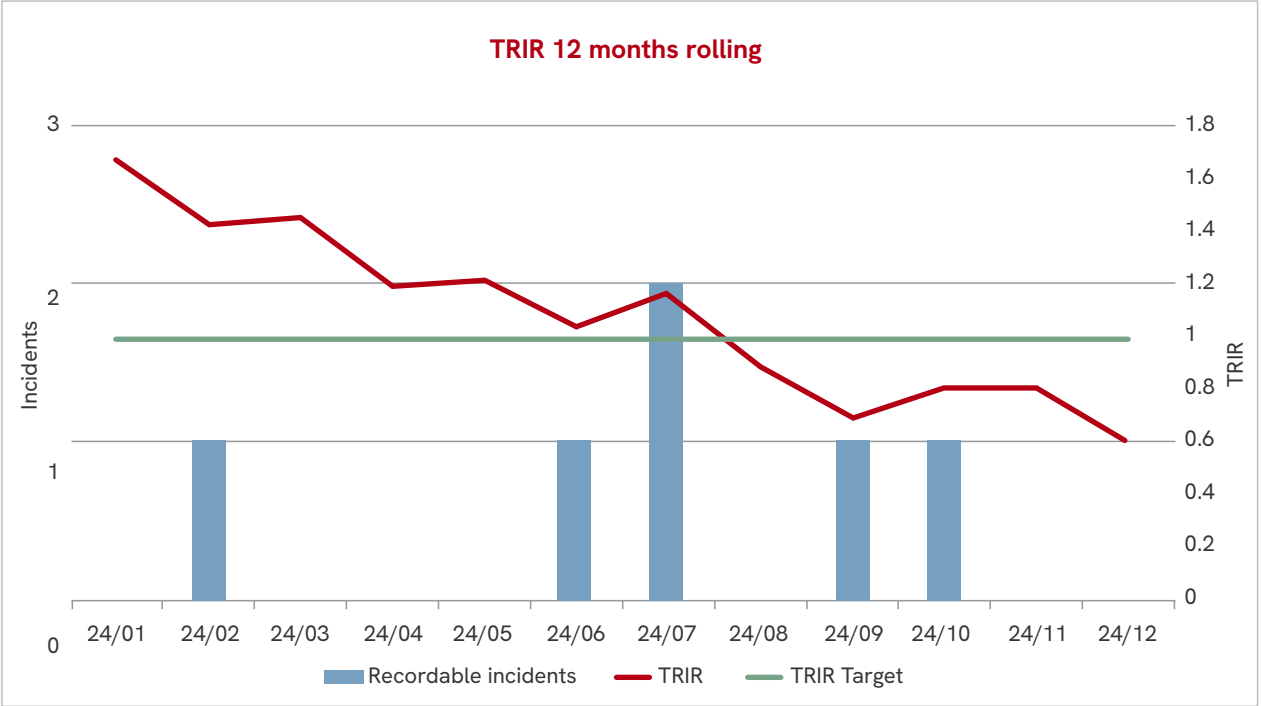
**Congratulations Malaysia!**

In Dover's annual Environmental, Health and Safety Excellence Awards, SWEP Malaysia won the most improved small site. This was won due to the site's rigorous safety processes and routines, also reflected in the excellent employee safety record. SWEP Malaysia had zero recordable incidents in 2024.

**Preparation and planning**

Throughout 2024, SWEP has done analyses and preparations to ensure maintaining successful safety results in the future. A safety awareness campaign has been organized and two new training courses are developed; an e-learning for leaders about serious injuries and fatalities, and an all-employees training on human factors in safety. These will be held from early-2025.

The ISO 45001 gap analyses done in 2024 are also significant in this regard: they have established a framework for SWEP to work towards the goal of having all sites ISO 45001 certified within the coming two years.





# Developing talent

## Training for all employees

SWEP's approach to talent development involves giving all employees tools to reach their full potential, and is based on a 70:20:10 learning framework. This recognizes that almost 70% of learning comes from doing, 20% from interaction with others, and 10% from formal training.

Here is a selection of noteworthy initiatives and developments of employee training in 2024:

- **The Global Business program**  
2024 was the first full year of SWEP's Global Business program. This program - developed in 2023 - aims to successfully on-board new employees with SWEP and help them to understand SWEP's business operation and the strategic foundation, i.e. vision, mission, strategy and company values.
- **Identifying risks in daily work**  
As part of the improvements in workplace safety in 2024, all employees were assigned safety training. The goal was to equip everyone with the knowledge and skills needed to identify, prevent, and respond effectively to potential hazards.
- **Driving safety**  
A drive safe initiative was assigned to all relevant employees to improve knowledge and awareness in traffic.
- **Know Your Customer**  
A revised digital version of SWEP's Know Your Customer training was rolled out in 2024. Covering export regulations, due diligence procedures and other risk-related subjects, the course is mandatory for all employees in sales and other customer-facing roles.
- **Sustainable mindset**  
Sustainability training was assigned to all employees to help everyone understand SWEP's sustainability ambitions and to inspire them to contribute to the organization's goals.

## Leadership development

For SWEP's values to disseminate, it is important that the organization's leadership stays knowledgeable and mindful. Management training is one way to achieve this, and here are some of the highlights of 2024:

- **Value-based leadership program**  
SWEP's value-based leadership program was finalized in 2023 and roll-out began in early-2024. 96% of SWEP's first-line managers took part in this training. It's designed to develop managers' skills, confidence and ability to engage, in the process helping them to lead themselves, lead others and lead the business.
- **Leadership on the Go**  
The Leadership on the Go program is a series of digital micro-training for all SWEP managers. Three to four courses are released every year, on various topics of relevance to SWEP leadership values. In 2024, the courses were Remote Leadership, Individual Development Planning and AI and Digital Mindset. Around 90 SWEP managers participated in each course.
- **New as a Manager**  
Finalized and introduced in 2023, this e-learning course is compulsory for all managers who are new to SWEP and for all SWEP employees who have recently moved into managerial positions.
- **Business acumen**  
To develop the company's business acumen and strategic management mindset, 40 SWEP employees took part in the Business Strategy Simulation, arranged by parent company Dover.
- **Inclusion and unconscious bias**  
SWEP is convinced that an inclusive culture is vital for continued success and innovation. To that end, it is important that managers are capable of cultivating such a culture and bringing diverse perspectives together. 100% of SWEP's managers took part in a new training course to support a professional and inclusive culture, organized by parent company Dover.

## Individual development and fair remuneration

Individual Development Plans are in place for all employees at all career stages. SWEP encourages all employees to take ownership over their professional growth, by identifying strengths and weaknesses, setting future goals, and taking proactive steps for career and personal development.

Regular salary reviews are covered as part of employees' development plans. These are done annually for all employees. In Sweden and Germany many employees are covered by collective bargaining agreements, and the salary reviews are performed in conjunction with the unions. Employees covered by these agreements receive individual salary reviews, though their frequency is contingent on the collective agreements. Annual salary mapping is done to ensure fair remuneration and reduce the risk for inequalities.





# Engagement, retention and inclusion

## Listening to employees

Measuring, monitoring and strengthening employee satisfaction is important to support SWEP's success. The organization takes a comprehensive approach by both surveying employees directly and using statistical data. SWEP has previously performed well according to these measures and this continued in 2024.

SWEP, in collaboration with its parent company Dover, regularly conducts employee surveys to gauge satisfaction and gather opinions. Typically, an extensive survey is done every second year, followed by workshops and discussions analyzing trends and agreeing points of action. A smaller survey is done in other years. An extensive survey was done in September 2024, focusing on four topics:

- 1 Employee Engagement: the extent to which employees are motivated and care about their work.
- 2 Equip Factors: the extent to which employees feel they are able to do their work correctly and well
- 3 Manager Effectiveness: the extent to which employees are satisfied with how their managers manage both people and the work
- 4 Inclusion & Engagement: the extent to which employees feel their workplace makes everyone feel equally involved and supported.

Around 90% of SWEP employees participated in the exercise, which indicates a high level of engagement. Relative to the 2022 survey, the 2024 results show that an increasing proportion of employees now feel they have engaged and supportive managers driving their teams (this figure rose from 75% to 77%). The index scores for Inclusion & Engagement and Equip Factors remained the same (82% and 71% respectively)

while the Employee Engagement score fell slightly (from 76% to 74%). All these scores are in line with or above industry benchmarks\*.

## Employee retention

In 2024, SWEP's core business slowed significantly due to macroeconomic factors and a downturn of the heat pump market, necessitating SWEP to adapt the organization to a new demand situation. Right-sizing has been challenging but has resulted in the company being better prepared for future operations and sustainable growth. The heat pump market will resume but knowing when and at which pace is challenging to predict. Quantitative evaluations have shown that SWEP continues to be an attractive employer. The company's voluntary retention rate in 2024 was 91,2%. The average length of tenure is 9,3 years for all staff (up from 8,0 years in 2023) and 12,8 years for managerial staff (up from 11,9 years).

Internal recruitment continues to be a crucial part of SWEP's business model. The internal placement rate increased to 69% which is continuing the positive trend of 2023 (64,4%). This is indicative of a culture of internal talent development and a commitment to promoting from within.

## Gender representation

The proportion of women in non-production managerial roles has continued to increase. In 2024, the proportion rose from 32,2% to 33,8%. Similarly, there was a small but significant increase in the proportion of women in the total workforce, from 26,9% in 2023 to 28,3% in 2024. At the executive level, 44% of managers are female.

\* As set by external employee research provider Workforce Science Associates (WSA) <https://workforcescience.com/>

28,3% Women in workforce

91,2% voluntary retention rate

33,8% women in non-production managerial roles





## 2024 highlights

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100% training completion on  
Dover's Code of Conduct

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Updated "Know Your Customer" training  
delivered to all customer-facing employees

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Multiple suppliers re-audited  
via detailed evaluation process

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Compliance risk assessment completed

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Continuous global independent  
whistleblowing hotline

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# Codes of conduct and ethical behavior

SWEP operates under two codes that specify and guide the way it does business: **Dover's Code of Conduct Policy** and **Dover's Global Anti-Bribery and Corruption Policy**. These Codes cover areas including conflicts of interest, data security, fair dealing, and maintaining a fair, safe and non-discriminatory workplace.

It is crucial that everyone at SWEP has a clear understanding of their working obligations and responsibilities. For that reason, all SWEP employees are given detailed training on these Codes and on other risks related to cybersecurity, bribery and corruption. This is done annually, and 100% of SWEP's employees were trained in these areas in 2024.

## An ethical value chain

SWEP aims to create products that make the world a better place and is committed to ensuring that its technologies and products are not used for unethical purposes or sold in contravention to applicable laws. To that end, two complementary software platforms are used to verify customers and ensure the observation of sanctions and blacklists while minimizing other trade compliance risks.

To support this, the organization developed a new "Know Your Customer" digital training program in 2024. This program trains all customer-facing staff to be compliant with international directives around corruption, money-laundering, and terrorism financing. SWEP has run a similar live program for several years, and it has now been thoroughly revised and updated to align with digital ways of working. The program now incorporates a quiz component, to ensure that all participants fully understand the content.

On the upstream side of the supply chain, SWEP operates an on-site auditing program for suppliers, which was revised in 2023 to add focus to ESG issues.

## Whistleblowing for employees

A well-established, independently administered whistleblowing procedure is in place at SWEP and continues to be publicized at all its sites. It is accessible in every local language in the countries where SWEP operates. The whistleblowing channel is administered by a third party to avoid any bias and to meet regulatory obligations, and every case raised through this channel is investigated. SWEP and Dover do not tolerate any form of retaliation against individuals who make reports in good faith.

## Compliance risk assessment

SWEP's global compliance team regularly carries out a detailed compliance risk assessment. It looks at all present and potential legal and regulatory issues around trade, human resources, research and development, supply chain, national and supranational laws and more. The assessment was ongoing at the close of 2024 and is scheduled to be presented early-2025.





# Environmental compliance

SWEP's heat exchangers are primarily made of stainless steel and copper. The heat exchangers are fully compliant with regulations including REACH, RoHS and TSCA. This is confirmed by supplier declarations and by testing samples in accredited third-party laboratories.

## REACH

The EU regulation REACH aims for the protection of human health and the environment, with respect to the use of hazardous chemicals. SWEP actively monitors any changes to the candidate list of substances of very high concern (SVHC) and works with suppliers as needed when new chemicals are added.

## RoHS

SWEP follows the EU directive for Restriction of Hazardous Substances (RoHS) and ensures that all products are compliant with the directive.

## TSCA

The Toxic Substances Control Act (TSCA) is a US regulation that restricts hazardous substances. As with REACH, SWEP actively monitors the list of substances and works with suppliers to ensure compliance of SWEP products to this directive.

## PFAS

PFAS are a large class of thousands of synthetic chemicals that are used throughout society. In light of the new regulations to restrict PFAS, SWEP has used 3rd party lab testing and supplier surveys to confirm that our products, accessories and packing materials are free from PFAS.

## Protecting the local environment

SWEP complies with local regulations at all manufacturing sites regarding air, water, soil and noise pollution. Some examples include:

- ensuring that any combustion engines have the necessary filters to remove harmful particles from the exhaust.
  - separating any contaminated water from operations and processing it as hazardous waste.
  - using recycling companies and scrap collectors to handle waste responsibly.
  - monitoring noise levels to ensure they stay within legal limits and making changes where necessary.
- Environmental legislation continues to develop around the world, and it is important to continually improve ways of working to comply or exceed regulatory demands.

Here, SWEP's focus goes beyond products and operations to include areas such as packaging and transportation. In recent years, SWEP has reduced the plastic content of packaging and is also investigating ways to further reduce environmental impact.

# Product quality and safety

All SWEP's manufacturing sites are ISO 9001 Quality Management System and ISO 14001 Environmental Management System certified. ISO certification demands thorough and standardized processes to ensure the quality and sustainability of operations. In addition to more frequent internal audits, SWEP's sites are every year audited independently.

Brazed plate heat exchangers are a form of pressure vessel with several relevant directives and certifications. SWEP is PED Module H and H1 and UKCA certified, and all applicable products can be marked with the European CE marking. SWEP holds several additional pressure vessel certifications, including ASME, UL and KHK, covering the majority of its products.

Certain products are also certified in accordance with local and application-based schemes.

- SWEP heat exchangers regularly used with tap water have additional requirements to ensure that all components are non-toxic and free of hazardous substances. These are certified primarily by KIWA.
- A range of products hold marine approvals, primarily from the American Bureau of Shipping, Bureau Veritas, DNVGL, Lloyds Register and ClassNK.
- Certain products are AHRI certified to ensure accurate performance.

Robust quality and environmental management systems are in place to ensure that the requirements of these certifications are met. These systems are integrated throughout the manufacturing process and testing protocols. Full material traceability and data management are built into SWEP's enterprise resource planning system.

SWEP takes a comprehensive approach to sustainable procurement and sends its engineers to suppliers' premises for on-site audits. The reverse is also true: SWEP is open and transparent about its quality performance and welcomes auditors from customers to all manufacturing sites.





# Sustainable procurement

## Procurement audits

SWEP's auditing process for material suppliers was updated in 2023 and ensures that ESG principles are given due consideration. In 2024 sustainability topics account for 15,7% of supplier evaluation scoring. All SWEP material suppliers are asked about their adherence to environmental, social and governance guidelines. Specifically, they are asked whether they have robust policies in place that cover labor practices, corruption, inclusion, pollution, and emissions, and whether these policies are properly enforced.

This approach is in keeping with the values of SWEP's parent company, Dover, which has a strict [code of conduct for suppliers](#). Dover presents clear guidelines around conflict materials, environmental protection, discrimination and many other compliance issues, which inform SWEP's own procurement and auditing policies.

No new material supply partnerships were established in 2024, so SWEP's supply chain quality engineers instead focused on examining existing relationships. Three material suppliers have been re-audited in accordance with the updated process.

## Scope 3 emissions

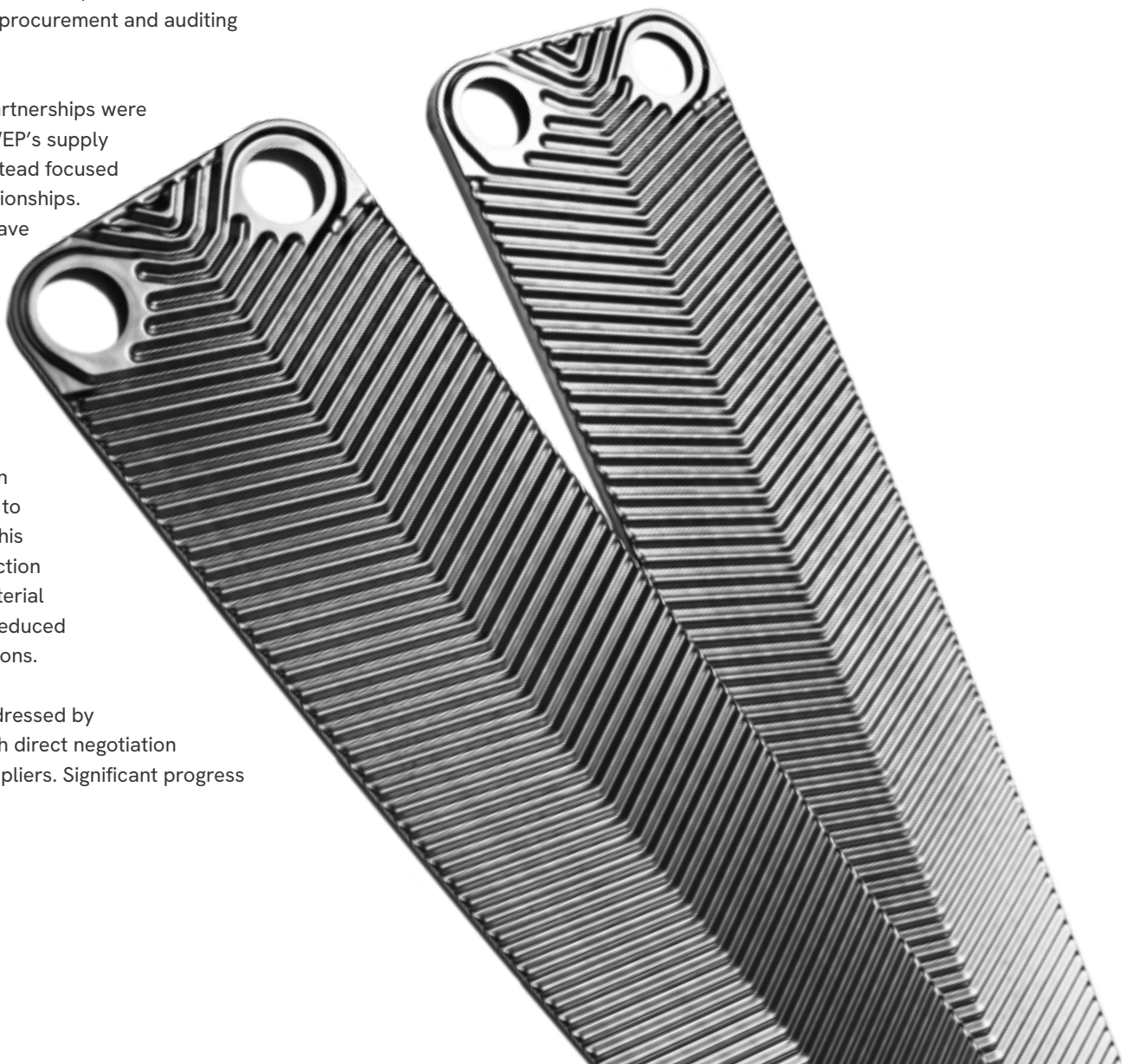
In 2023, SWEP set a target of reducing scope 3 carbon emissions by 20%, relative to output, by 2030. To meet this challenging target, three action areas were identified – material suppliers' emissions, CO<sub>2</sub> reduced steel, and transport emissions.

The first two areas are addressed by supplier audits and through direct negotiation and collaboration with suppliers. Significant progress

has been made in 2024, and discussions with suppliers have improved SWEP's understanding of their recycled content in the materials and what energy sources are used to produce those materials.

Two agreements have been reached in 2024 that support SWEP's ambitions around transport emissions.

An agreement to use sustainable aviation fuel (SAF) for express freight began in June, resulting in an initial reduction in SWEP's CO<sub>2</sub> emissions in this area. A cooperation on air and ocean freight started in Quarter 2, and purchases of biofuel have significantly reduced the well-to-wheel impact on SWEPS freight.



# Glossary

AHRI	Air Conditioning, Heating, & Refrigeration Institute
Apr	Approved (BPHE approved for sale)
ASME	American Society of Mechanical Engineers
BPHE	Brazed plate heat exchanger
CDP	Carbon Disclosure Project
CE marking	Conformité Européene marking
CO <sub>2</sub>	Carbon dioxide
CO <sub>2</sub> e	Carbon dioxide equivalent
DNVGL	Det Norske Veritas and Germanischer Lloyd
EHS	Environmental, Health & Safety
ESG	Environmental Social Governance
GRI	Global Reporting Initiative
ISO	International Organization for Standardization
JSA	Job safety Analysis
KHK	Kouatsu-gasu Hoan Kyoukai
KIWA	Inspection Institute for Water Supply Articles
KPI	Key performance indicator
PED	EU Pressure Equipment Directive
PFAS	Per- and polyfluoroalkyl substances
REACH	Registration, evaluation, authorization and restriction of chemicals
RoHS	Restriction of Hazardous Substances
SASB	Sustainable Accounting Standards Board
TCFD	Task Force on Climate-Related Financial Disclosures
TSCA	Toxic Substances Control Act
UKCA	UK Conformity Assessed
UL	Underwriters' Laboratories
UN SDG	United Nation's sustainable development goals



### **Challenge efficiency**

At SWEP, we believe our future rests on giving more energy than we take - from our planet and our people. That is why we pour our energy into leading the conversion to sustainable energy usage in heat transfer. Over four decades, the SWEP brand has become synonymous with challenging efficiency.

SWEP is a world-leading supplier of brazed plate heat exchangers and prefabricated energy transfer stations for HVAC and industrial applications. With over 1,100 dedicated employees, carefully selected business partners, global presence with production, sales and heartfelt service, we bring a level of expertise and customer intimacy that's redefining competitive edge for a more sustainable future. SWEP is part of Dover Corporation, a multi-billion-dollar, diversified global manufacturer of a wide range of proprietary products and components for industrial and commercial use.