



2019

Sustainability Report

Sustainability is considered in all that we do; how we design our services, what we offer customers, how we engage suppliers, how we assess risks and opportunities, and how we behave in the communities where we operate and towards one another.

QUANT™

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“WE CELEBRATE INDIVIDUAL INITIATIVE AND INNOVATION, WITHOUT COMPROMISING ON OUR HIGH ETHICAL STANDARDS.”



TOMAS RÖNN
CEO
QUANT AB (PUBL)

CEO's Letter

For any company operating in today's business environment, acting with sustainability in mind has become a necessity. It is important for customers that their suppliers conduct their business in a sustainable way, it is a key aspect when employees chose employers, and it is what will make our future society better.

Having recently joined Quant as CEO I'm happy to see that for us sustainability is a natural part of what we do. I have spent my first few weeks in the company meeting as many employees as possible, partly through digital tools, and I am impressed by the high ethical standards and integrity that they show. When we engage with our existing and future customers, sustainability is also at the top of the agenda. We work with them to ensure that we increase the safety of our and their staff, minimize energy consumption and reduce unnecessary waste and environmental impact.

I'm very happy to see this commitment and see the evidence of how we positively impact the operations of our customers. I've also had the opportunity to see what we do for our communities where we operate. Our employees engage on a voluntary basis to reach out and help their fellow citizens around the globe, with initiatives reaching from working with local schools to

encourage interest in natural sciences to supporting charitable organizations with voluntary work and donations to help families in need. I'm also impressed with how Quant has managed to combine the entrepreneurial spirit of a startup company, with the implementation of several key policies related to sustainability. We celebrate individual initiative and innovation, without compromising on our high ethical standards.

When it comes to sustainability, however, we can always improve further. Therefore, sustainability will continue to be a key strategic pillar for Quant. As one of my first priorities in Quant, I will work with the board of directors and the management team to update our vision and strategy, and make sure we start executing on the key actions to take us where we want to be. Here, sustainability, with safety as our main value, will play a key role in several ways. Our continued development of digital tools and other processes will secure that we can run our customers' sites in increasingly efficient ways, minimizing the use of energy and other resources. Having best in class maintenance processes will also extend the life of the equipment we maintain and minimize downtime. In short, when we help our customers realize the full potential of maintenance, we also contribute to improvements in sustainability.

Introduction to Quant

At Quant we deliver world-class industrial maintenance services to our customers, safely and professionally. We believe our customers deserve excellence in safety, service delivery, cost efficiency, plant performance and innovative solutions.

With advanced capabilities, people empowerment and collaboration, we help our customers to realize the full potential of industrial maintenance.

We believe the key to our success is motivated, trained, and empowered people. We believe that every day is an opportunity to improve.

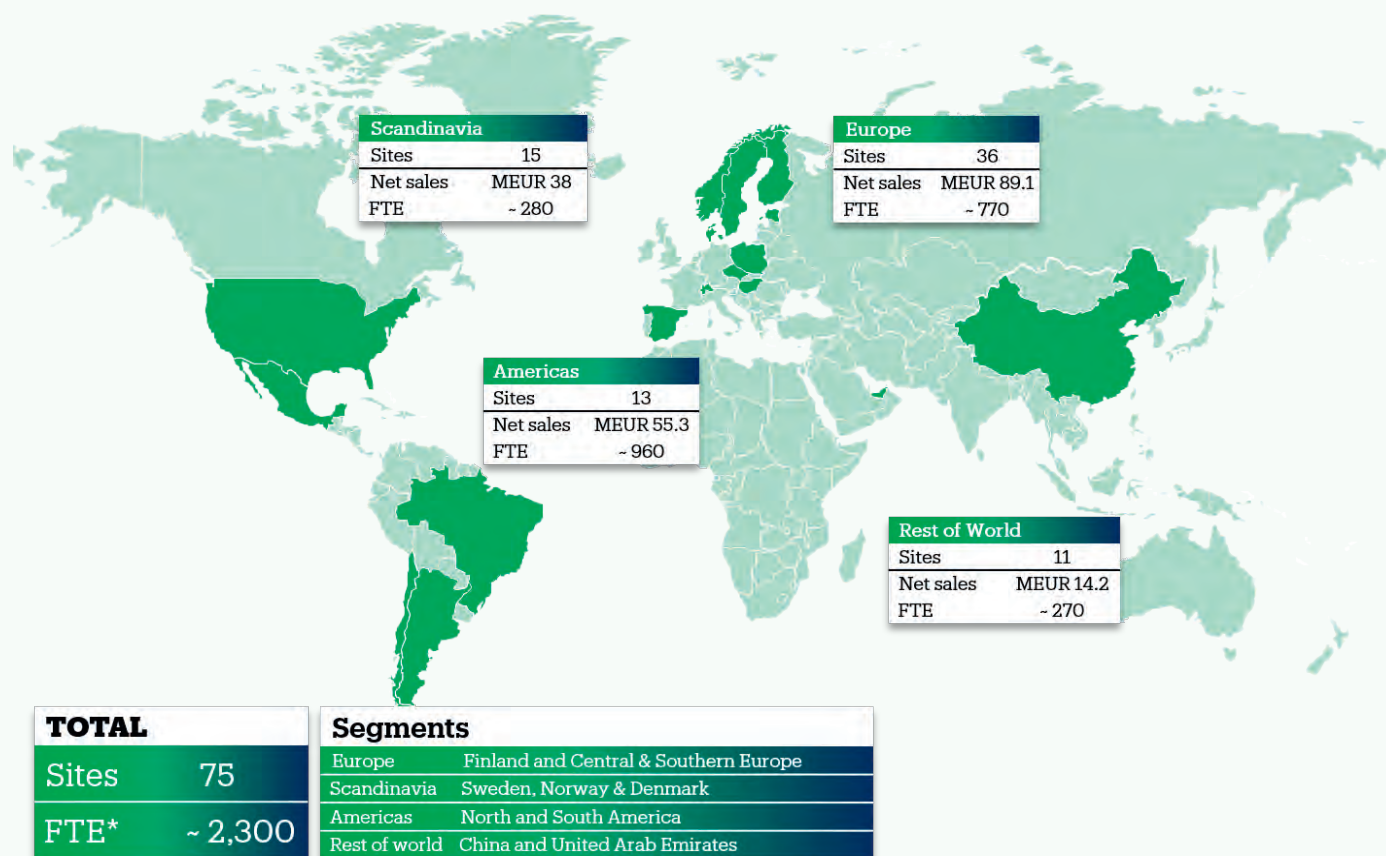
We realize the full potential of maintenance

About Quant

Quant started its journey as an independent industrial maintenance service provider in late 2014 when Nordic Capital acquired the business unit ABB Full Service from ABB.

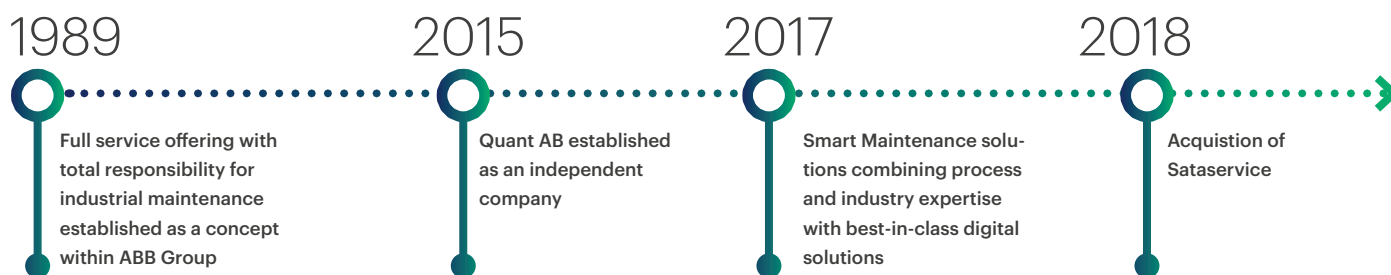
For over 30 years, Quant has been a market leader in this industry, maintaining and improving safety, production, and equipment performance, for more than 400 production sites around the world.

Quant is headquartered in Stockholm, Sweden, and continues to be the leader in the provision of professional industrial maintenance services with a global presence in close to 20 countries.



* FTE = Full time equivalent
at the end of 2019

Quant's history

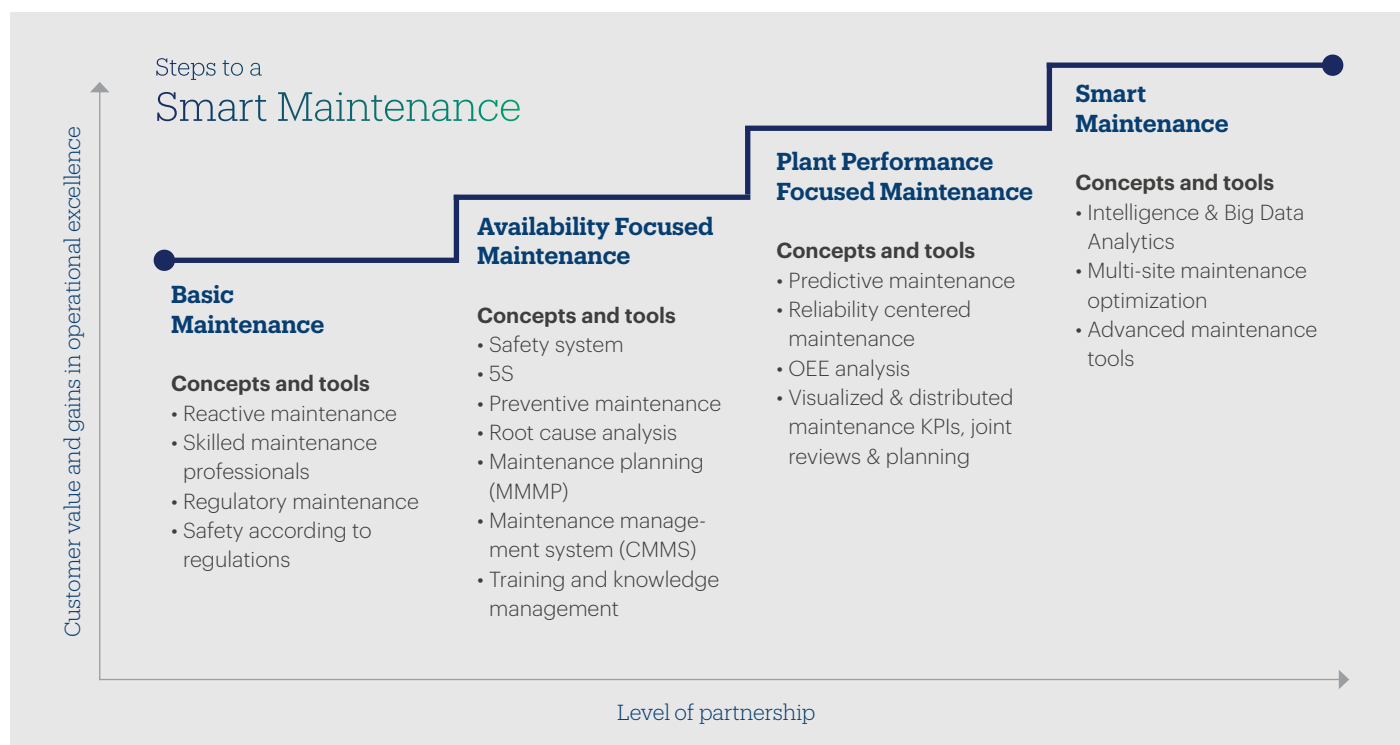


Quant today



Quant – Best in class industrial maintenance provider

Quant is the number one partner in supporting the customer journey towards Smart Maintenance. Smart Maintenance is achieved by a systematic maintenance approach with integrated digital tools to drive sustainability, plant performance, cost optimization and safety. The success is a result of strong collaboration between Quant and its customers.



Quant's Group Strategy



Key Focus Areas of our Strategy



Drive Profitable Growth

In the industrial maintenance service business, the key to be successful is to build long-term partnerships and to be a trusted service provider. At Quant, we build that trust based on our knowledge and expertise in maintenance. We also ensure that we always lead by example in key areas. Quant supports its customers on their journey towards Smart Maintenance, and profitable growth is built on a mutual benefit for our customers and Quant.



Capture Digital Potential

By leveraging the digital potential Quant can create an even more attractive service offering. We believe that digital innovation drives availability, efficiency and supports decreasing the environmental impact. By increasing the proportion of preventive and predictive maintenance compared to reactive maintenance, we can help our customers increase their production efficiency and drive their plants in a more systematic and sustainable way.



Create the Place to Be

The maintenance service business is a people business. The services provided by Quant rely on the knowledge and competence of the people within the organization. Besides delivering an outstanding maintenance service to our customers, we also want our people to develop, learn and get the opportunity to fulfil their career goals. One initiative in this area is Quant Academy, our internal knowledge sharing platform. Quant Academy enables all people within the organization to have the right training to create sustainable value for our customers.



Build Scalable Structure

Building scalable structure and leveraging the global service network is a success factor for Quant. The goal is that our people feel supported from our broad global knowledge in every situation during their workday. To reach this goal we facilitate global knowledge sharing and leverage standard operating procedures.

SUSTAINABLE DEVELOPMENT GOALS



The Sustainable Development Goals (SDGs)

are a collection of seventeen global goals set by the United Nations General Assembly.

They are considered the blueprint to achieve a better and more sustainable future for the world's inhabitants.

The SDGs are meant to address the global challenges that are putting our world at risk. These challenges are related to poverty, hunger, gender equality, good health and well-being, reduced inequalities, decent work, economic growth and responsible production, and consumption.



Sustainable Quant

Sustainability is an essential part of Quant's service offering. This means that sustainability is considered in processes, methods and policies. It is the way to conduct business.

Our approach combines years of experience, skills and knowledge of our employees with proven maintenance processes and digital tools for our customers' benefit. Each plant and factory is unique, but with a consistent implementation of maintenance processes, methods and tools, it is possible to continuously improve operational, safety, environmental and financial performance.

We have close partnerships with our customers, some spanning over 20 years. These partnerships enable us to work closely together and to make long-term plans for plant improvement and sustainable solutions. This includes building a safety culture for the site for all stakeholders and improving production efficiency through preventive maintenance and systematic elimination of breakdowns.

People are at the core of our business

Our business relies on our professional employees. We actively work to maintain and develop our employees' skills and know-how. Our learning platform Quant Academy offers a range of training sessions and programs for the employees, while graduates and trainees bring us fresh thoughts and knowledge from their schools and universities. In each of our countries we have built relationships with local educators to ensure compliance to local requirements and to update our staff with the latest industry standards.

We maintain a flat organizational structure and encourage dialogue and participation of employees in improvement of our processes and systems. This ensures that we find sustainable solutions for our customers' plants.

Reliability as a site core process contributes to sustainability

Understanding how the plant operates is key to a reliability maintenance approach. To increase the reliability of the plant's operations, we review everything from maintenance history to current maintenance operations. Based on the review a maintenance plan is developed to support the customer journey towards improved technical availability, productivity and energy efficiency.

A structured reliability maintenance approach helps our customers extend the lifetime of their plants and equipment. The planned maintenance contributes to cost and resource efficiency by implementing efficient ways of managing daily maintenance tasks, optimizing inventory management and support in planning operations for longer uptime. The reliability maintenance approach contributes with a holistic view of the factory, enabling earlier observations of leaks and optimized lubrication routines that result in reduced environmental impact.

How a company operates in relation to ethical, social, environmental and economic aspects is a very important matter. At Quant, sustainability is considered in all that we do: how we design our services, how we engage suppliers, how we assess risks and opportunities and how we interact in the communities where we operate. At Quant, we have defined a process which corresponds to some of the key areas of our sustainability approach: Occupational Health and Safety, Environment, Integrity and Business Ethics, and Quality. Our process is aligned with UN Sustainable Development Goals and the UN Principles.



Plant performance improvement through digitalization

Quant's maintenance solutions improve plant performance of existing production facilities, resulting in higher quality output and increased cost efficiency in the produced output. We strive to improve our customers' Overall Equipment Efficiency (OEE) and Technical Availability for their production equipment.

This is achieved by systematically focusing on reliability and continuous improvement of the production process, which reduces downtime, increases average production rates and improves yield and output quality. This is supported by Quant's digital product suite with a broad variety of tools that support the maintenance professionals in their daily work. Our digital offering is based on existing technologies within the industrial maintenance sector which we bring to our customers' use.

Optimizing productivity is a cornerstone in our Plant Performance Improvement process, where we combine leading practices with state-of-the-art digital tools such as quantEffect to support continuous improvements. The resulting efficiency directly impacts customers' OEE and Technical Availability, financial metrics such as Unit cost and EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) as well as balance sheet metrics such as Return on Capital Employed (ROCE) and Return on Net Assets (RONA).

Quality operations through standardized approach

Several of Quant's subsidiaries hold ISO certifications. The entire Quant group follows policies such as our Code of Conduct, Occupational Health and Safety policy, Environmental policy and Quality policy. In addition to these we maintain process descriptions and use methods of internal audit as one of our ways to ensure we have an efficient and sustainable business. Besides providing inputs for improvement at sites, the internal audit and assessment process contributes to the overall development of our operational model, organization and strategy.

Safety - Our choice

Since the start of Quant a comprehensive set of safety procedures and processes have been developed, implemented, and continuously improved. This work regarding elementary safety elements has helped to reduce the number of work-related incidents to a very good level compared to other companies in this industry. However, to move toward the ultimate target of zero incidents we are working to continuously improve our safety culture.

Out of many initiatives, two main elements drive safety culture

- Collect information about all safety events like hazards and incidents, and then analyse, share and learn from them
- Walk the talk is practiced by all employees, including, and most importantly, top management

To get a structured approach implemented to support these elements, Quant introduced the “quantShield” application in 2015. This application is based on Intelx software, adapted and implemented to perfectly reflect Quant processes. The quantShield application is easily accessible by both mobile phones and computers, and it supports the main safety pillars by providing easy to understand user interfaces, including subsequent workflows and reports. Automatic notification procedures ensure that involved people are immediately informed and can put adequate safety measures in place to avoid repeats or more severe consequences. Moreover, customers can also utilize this information source to improve plant safety.

Some elements supported through quantShield:

- Hazard/incident reporting and follow-up, related to work safety, psychological, environmental, and hygienic events
- Safety observation tours (SOTs) for managers/supervisors
- Work clearance procedures
- High risk checklists

SUCCESS STORY

ROCA SITE, ONE YEAR WITH ZERO ACCIDENTS

Quant Americas has an extensive track record and experience in various markets, operating at all times under its mantra of “safety first”, because for our company, the safety of our people and surroundings is key to successfully implementing our projects. During 2019, we achieved our first major safety milestone at the Roca site, completing one year with zero accidents in our maintenance management project operations at one of the most highly renowned ceramics factories in the Americas region. “Having a clear and defined strategy, implementing action plans, and ensuring the engagement of operating staff has been key to achieving more than a year with zero accidents reported in our operations”, said Roca Argentina’s human resources and safety manager, César González. At Roca, our training plans also stand out, as well as the monitoring initiatives that we have implemented in order to prevent accidents and educate our employees.

“In addition to its excellent safety ratings, Quant Americas stands out for the certification processes that it has undertaken in the region, as well as the integration of digital tools in its service portfolio and the support of Quant’s global team in our operations”, noted Nicolás Alvarado, Roca plant manager.

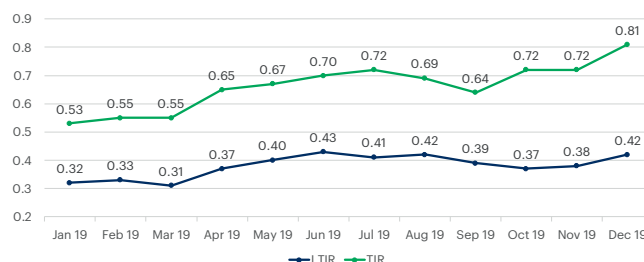
“With Quant, we have been able to put the concept of ‘strategic partners’ into practice. The control and order that is incorporated into the maintenance management system and the transition from emergency maintenance to planned maintenance make Quant a partner that constantly aims to complete its tasks in a professional manner”, added González.

At Quant Americas, we are leading the design and implementation of safe and sustainable maintenance management projects, endorsed by more than 30 years of experience around the world based on our principle of “safety first”.



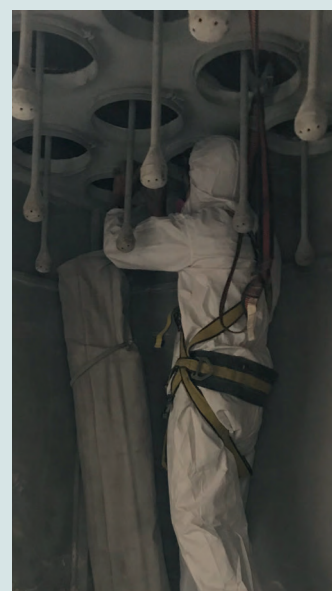
Safety information for several years is now available in the system and several safety campaigns have been triggered based on common events and/or observed hazards/risks.

Reports from quantShield are used in customer, management, and shop floor meetings to share and learn. Quant safety KPIs are continuously measured, and trends are turned into improvement programs and initiatives.



By using data from quantShield the number of safety incidents can be followed and analysed. The most important KPIs used include Lost Time Incident Rate (LTIR) and Total Incident Rate (TIR). The Quant Group targets for TIR is 0.12 and for LTIR 0.30. These ratios correspond to number of applicable incidents per 200,000 worked hours.

Over the past 12 months these KPIs have increased somewhat, due to integrating new sites, as well as the effect of discontinued business. We continue our work every day, everywhere, aimed at eliminating incidents.



Johan Hårsta

**CHIEF OPERATIONS OFFICER (COO)
HEAD OF GROUP SAFETY**

"Safety, integrity, quality, people empowerment, and stewardship of resources (ours as well as others), are key areas for Quant's maintenance operations. Based on that foundation we work hard to add value to our customers, both intangible values such as people empowerment, and tangible values such as plant performance."

"What Quant offers to its customers, in any country and any market, is more than hands-on technical maintenance services. It includes management, planning, engineering, reliability, root cause analysis, 5S, and much more, and values such as optimized cost and increased overall equipment effectiveness (OEE). But first of all comes safety – our own and the customer's."

"Fundamental human concepts and values are essential: I believe that safety, integrity, and respect for all stakeholders must be in place at every successful company, Quant included."

"In Quant, our motto is "safety is our choice", which means that operations and safety are always interlinked, and that all of us share the belief that all injuries are preventable. Moreover, our customers expect and demand a strong safety culture. Therefore, having safety as a cornerstone in the development of our operational processes is crucial."

"Our priorities going forward are to enhance our sustainability work even further, for example in terms of pro-active work (such as, Safety Observation Tours and safety trainings), as well as in terms of measuring and managing related KPIs (so as to get a better view of the values we create). Our objectives are zero harm, value generation, and people development."



" I BELIEVE THAT SAFETY, INTEGRITY, AND RESPECT FOR ALL STAKEHOLDERS MUST BE IN PLACE AT EVERY SUCCESSFUL COMPANY, QUANT INCLUDED. "



SUCCESS STORY

SAFETY AWARD IN CHINA

Stora Enso Consumer Board China gives Quant the Best Contractor Safety Team Award

On November 5, 2019, Stora Enso Consumer Board's SVP Pentti Ilmasti and Beihai's mill director Zhu Weiyan called up Quant on stage for the Best Contractor Safety Team Award with the following motivation: "Since the Quant team undertook the maintenance work of Beihai Mill in April 2015, there has been no LTA accident. And 2019 YTD, TRI is 0. The Quant team often needs to repair the equipment in a limited time to ensure normal operations, and most of the work involves high-risk operations such as hot work, confined space and heavy lifting. Under such conditions, Quant has been able to work on the premise of safety, strict implementation of safety rules and regulations. At the same time, SOT and weekly safety trainings were carried out to improve safety culture and competency."

Quant and Stora Enso both share a very strong commitment and work hard every day to instill a solid safety culture. "We are of course very proud and flattered for this safety award. That said,



we need to keep working hard with safety observation tours, risk assessments and safety training to continue building a healthy safety culture. At the end of the day, the most important thing is that everyone comes home safely.", says Quant Site Manager, Lassi Holm.



SUCCESS STORY

IMPROVING THE WORKING ENVIRONMENT IN LUDVIKA

Continuously developing our business to make it more sustainable is an important issue for Quant. At our site in Ludvika, Sweden, two parts cleaning machines were replaced during 2019, improving the working environment for all employees and reducing the impact on nature.

The site in Ludvika, Sweden, is Quant's largest site in Scandinavia. Here, ABB produces transformers and high voltage products and Quant has been responsible for the maintenance since 2006. In 2019, an important step towards a more sustainable business was taken when two parts cleaning machines were replaced on the site.

With the new machines, the use of a hazardous chemical was eliminated. Instead, the machines use a more environmentally friendly combination of heat, pressure and gentle soap solution.

"The environment in our premises has significantly improved. In addition, the new parts cleaning machines minimizes the manual handling during the cleaning process, creating a safer and healthier working environment for our employees", says Jens Langörger, Site Manager at Quant in Ludvika.

The parts are cleaned in an enclosed space, eliminating the risk of splashing. In addition, the cleaning process is more effective, reducing the amount of waste.

"Sustainability is a very important issue and it is crucial that we review every part of our business and take the necessary steps to become more sustainable, both in regards to the environment but also for our employees working in those conditions", says Jens, and summarizes:

"By continuously improving and developing our own business, we can find new ways to support our customers and help them succeed."



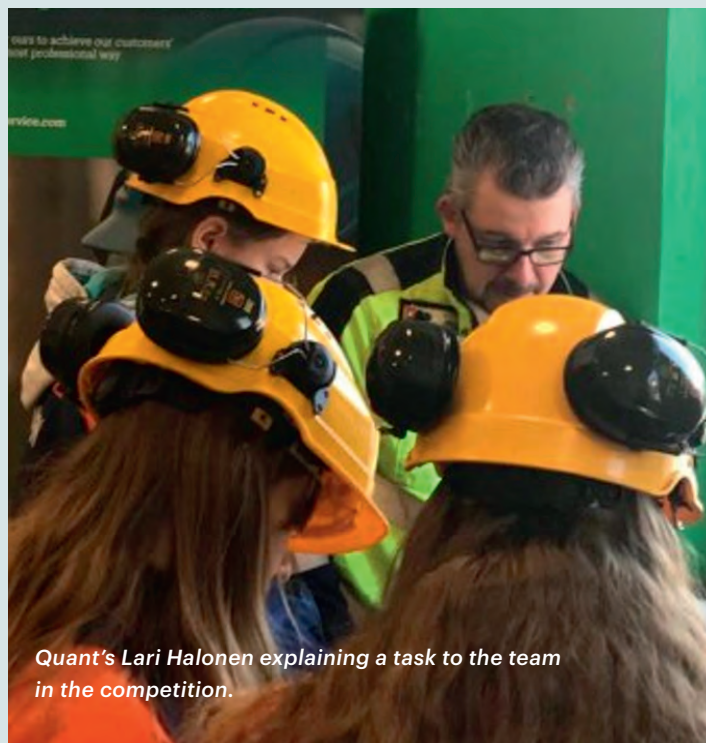
SUCCESS STORY

INTEGRATING IN THE COMMUNITIES WHERE WE WORK

Kasikisat in Harjavalta Industrial Park were arranged for the 16th time in 2019

Harjavalta Industrial Park companies have a long tradition of working together with the surrounding community. One of the interesting and popular events is the annual Kasikisat, a competitive race for 8th grade students interested in natural sciences. For the 2019 competition there were 5 teams from the neighboring communities of Eura, Kokemäki, Ulvila and Harjavalta. Each team consisted of eight members plus their teacher. The teams navigated through the Industrial Park, competing in different disciplines organized by the Industrial Park companies; Boliden Harjavalta, Nornickel Harjavalta, Quant Finland, Insta, Securitas and STEP. Naturally the safety of all participants was well taken care of as they all had their own safety guide taking them around the area. At each task point the students collected points, and in the end of an interesting day Harjavalta team 1 was announced winner with most collected points.

The idea of this event is to encourage young people to learn more about the natural sciences by showing them examples of how these skills are applied in working life. In addition to that this is also a forum for the local companies to connect with young people and let them know more about the company operations, future visions and prospects.



Quant's Lari Halonen explaining a task to the team in the competition.



SUCCESS STORY

QUANT SOLIDARITY: COMMITTED TO OUR COMMUNITY

One of the hallmarks of Quant Americas' employees is the commitment with which we carry out our tasks in each of our operations, as well as our relationship with and responsibility to the surrounding community at each of our sites.

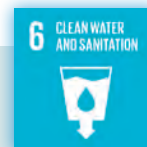
As such, in 2017 Quant Brazil launched Quant Solidarity, a project which encourages employees to join forces with a charitable institution each December in the run-up to Christmas to support those most in need. During the first year of the Quant Solidarity initiative, our four sites in Brazil supported various foundations and churches by providing non-perishable foods, cleaning supplies and voluntary work.

The following year, our sites in Chile joined the project. In 2019, having established the

new Americas region, Argentina, the United States and Mexico also formed part of Quant Solidarity.

As such, last year we implemented projects to support those in need with a high degree of participation and commitment from our employees, who contributed voluntary work, the delivery of non-perishable foods and cleaning supplies for children, adults and senior citizens.

In 2020, Quant Solidarity will continue to be implemented in different sites across the Americas region, as it is Quant Americas' most important social outreach project, in line with our company's commitment to promoting participation and involvement of all Quant employees in actions that enable us to help those in need.



Quant Academy

The purpose of Quant Academy is to educate our people and offer competence development programs. People development is a commitment to our employees as well as to our customers. The Academy supports the company values by helping us to make Quant "the place to be" and known to customers as the professional maintenance company.

Quant Academy serves as a framework for our people to connect, to learn, and to share knowledge and best practices. There is a growing selection of global and local training courses and programs available to all employees. The ultimate goal with the Academy is to empower all our passionate and proud maintenance professionals to deliver superior customer service. In 2019 we launched our revamped Site Manager training program. Two training courses took place and the program was well received by participants. Our Site Managers are among the most important people in our business and hold the key to Quant's success.

What is the Site Manager Training?

Site Manager training is a unique program to which participants are nominated by their managers as part of their career path within the company. Quant wants Site Managers to be leaders who work actively to make Quant "the place to be" and also be known and recommended by customers as THE professional maintenance company.



QUANT ACADEMY

The Academy offering consists of 4 learning paths

Induction
Program

Sales
Program

Operations Pro-
gram including
Integrity and
Safety training

Local
(Operations)
Programs

Why do we train Site Managers in Quant Academy?

The purpose of the Site Manager training program is to ensure the competence and development of our Site Managers, since they are the key people to lead Quant teams to success at sites. The Quant Site Manager role is a role of a business manager and a leader, safely delivering customer expectations by implementing the strategy and our approach at a site.

Pekka Venäläinen

REGION MANAGER
FINLAND & BALTICS

Why do you think sustainability is important for Quant?

Sustainability is a topical question and we all have a responsibility for our environment and creating a sustainable future. As a global leader in industrial maintenance, we have a big responsibility, but also a fantastic opportunity to influence the whole industry by making smart choices and providing sustainable solutions.

How can Quant as a maintenance partner support our customers to improve their sustainability profile?

Companies are under high pressure to improve their sustainability profile and by partnering with Quant, they can get help with improvements regarding maintenance. By increasing availability in our customer factories, we can help our customers to produce more in a shorter period of time, leading to lower energy consumption, less waste, less chemicals and a better working environment.

With our digital tools, we can help our customers with maintenance planning, not only increasing the performance and efficiency but also increasing the service life of the machines – important factors when working towards a more sustainable approach.

Also, maintenance is a people business, meaning that safety is a key area. At Quant, safety is an essential component of our strategy when it comes to creating an efficient and sustainable business.

What do you think are the most important business values from working with sustainability?

Customers, partners and employees all demand that a company is conscious and works actively with sustainability. It is a key factor for success and must be considered in all that you do.

The next generation of people is very conscious and considers sustainability as a key priority, meaning that companies which are not taking their responsibility may have difficulties in attracting and recruiting the younger generation.

Going forward, what are the key priorities in your region regarding sustainability?

At Quant, sustainability is a key area and going forward, one of our top priorities is to increase communication both internally and externally to further emphasize the importance of it. We must continue to have open and active discussions about sustainability at all levels within the company in order to continue to improve and develop our business.



“ WE HAVE A BIG
RESPONSIBILITY, BUT
ALSO A FANTASTIC
OPPORTUNITY ”



A successful partnership contributing to a more sustainable business

The partnership between ABB Power Grids in Sweden and Quant spans over more than 10 years, with successful maintenance development contributing to a more sustainable business. During 2019, Quant and ABB Power Grids renewed several maintenance contracts including a 5-year renewal of the contract with ABB Power Grids in Ludvika, Sweden, which is one of the largest sites.

As a global leader in the industry, sustainability is high on the agenda for ABB Power Grids. Their business is all about creating the best possible solutions to enable a stronger, smarter and greener grid, aiming to become CO2-neutral.

– It is an ambitious target, and a lot must be done until then and the support from our partners, including Quant, is very important for us to succeed, says Tobias Hansson, Senior Vice President at ABB Power Transformers in Europe and site manager for ABB Power Grids in Ludvika.

Tobias has a long experience from partnering with Quant during his years working in ABB. He thinks of the cooperation as a key factor in being able to develop their offering, both from a sustainability perspective but also in order to improve operational performance.

– As an example, we had a core cutting machine where we felt that the downtime was too high. By introducing quantEffect, Quant has helped us to become much more proactive, increasing the productivity and quality while reducing waste, says Tobias and continues:

– We have had training sessions in circular economy, where waste handling is a central issue. The way we see it, waste should not exist. Instead, it is a raw material which needs to be refined in some way. Quant has an important role in optimizing the waste handling for ABB in Ludvika by highlighting the value of the production waste and to secure that we handle it in the best possible way. Going forward, a priority for ABB Power Grids is to make our products easier to recycle and create an even more sustainable production process. Quant will be an important partner in this journey.

In the future, Tobias believes that digitalization, automation and electrification is key in order to reach their sustainability vision.

– Today's technology offers so many opportunities to find smart solutions and it will only continue to improve. Here, Quant will play an important part in supporting us to make the right decisions and investments in order to develop our business. My vision for the coming years is that ABB Power Grids and Quant together can make significant progress related to electrification and automation of both internal logistics the maintenance processes.



TOBIAS HANSSON
ABB POWER
GRIDS LUDVIKA

SUCCESS STORY



QUANT AMERICAS IMPLEMENTS SUSTAINABLE PROJECTS

In order to carry out its asset management and maintenance optimization operations safely and efficiently, in addition to minimizing environmental impacts, Quant Americas plans and implements all of its projects with the objective of achieving leadership in industrial subcontracting by developing the full potential of maintenance.

To do this, Quant Americas' team evaluates and proposes continuous improvements at each of the sites where we operate because, in our opinion, the evolution of our tasks from a reactive scenario to a proactive scenario is key to supporting our clients in ensuring safe and efficient operations.

In this way, Quant Americas has consolidated its long relationship with Dow Aratu in Brazil, where we have been operating one of our main contracts in the region's chemical industry for more than six years. "Quant has a well-defined structure and excellent ethical standards, and the company works very closely with the client, always aiming to understand their needs", said Dow Aratu's maintenance manager Adriano Torres.

Regarding Quant Americas' commitment to its operations at the Dow Aratu site, the executive noted that "last year Quant participated in the largest shutdown at the Aratu site, finalizing operations as planned without any accidents reported". As part of the evolution of Quant Americas' contract operations in the region, the incorporation of new technologies has played a leading role in the added value provided by our company. "The training of Quant Americas' team in the inspection introducing new technologies such as drones and robots reduced the exposure time of people working in confined spaces and increased the productivity of our operations", added Torres.

Without doubt, the work of our committed professionals and the incorporation of new technologies is helping us to implement projects efficiently and safely, offering our clients a partner 100% focused on sustainable operations.





SUCCESS STORY

COMMITTED TO TAKING CARE OF THE ENVIRONMENT

Quant Americas always operates with the principle of “safety first” in all of its contracts, strategically sustained by its unconditional commitment to taking care of the environment in order to support its clients in the planning and implementation of sustainable projects.

For that reason, during 2019, Quant Americas led the “Quant Americas Energy Challenge” energy efficiency plan in the Argentina, Brazil, Chile, Mexico and United States sites with the specific objective of reducing electric power usage throughout its operations. The results were positive in all Americas sites, and particularly in Quant Chile’s operations. The Ministry of Energy and the Energy Sustainability Agency awarded Quant Chile the Bronze Energy Efficiency Seal. This award highlighted the 18.9% reduction in daily energy use in one of our underground mine control and ventilation system operations from 4.28 MWh per day to 3.47 MWh. Through this project, annual electricity savings reach 295 MWh.

“This acknowledgment reaffirms our commitment to implementing sustainable and responsible operations in terms of energy use. At Quant, we are proud to promote best practices that reduce environmental impacts, maintaining our high productivity and safety standards”, said Quant Americas’ regional manager, Maximiliano Aqueveque.

The Quant Americas engineering team that implemented the project in the region is also responsible for developing and implementing digital tools at our various sites in order to continue reducing on-site energy use, as well as improving the operating performance and safety of our company and our clients.

It should be noted that the Quant Americas Energy Challenge involves developing plans to reduce energy use in our contract operations, as well as best practices in offices to raise awareness among all of us who form part of Quant Americas.



Integrity at Quant

Quant's success as a service provider depends on our reputation on the market. That means that we always need to act professionally and ethically, showing integrity. To support us in making the right decisions, Quant has an Integrity Program.

Quant's Integrity Program is governed by the following framework documents:

- Code of Conduct. The Code of Conduct sets forth Quant's core principles. It includes a letter from the CEO and a short description of Quant's stance on key issues in general areas such as anticorruption, ethics, labor standards, human rights, environment and sustainability.

- Compliance Area Specific Employee Manuals. The manuals provide employees with practical guidance designed to support Quant's efforts to comply with applicable law in each of the following compliance areas: Anti-bribery, Competition, Data Protection, and Trade Sanctions.

- Whistleblowing Policy. Quant's Whistleblowing Policy describes the process for reporting serious misconduct at the company. All reported cases have been investigated thoroughly and managed according to our policies.

Development and maintenance of Quant's Integrity Program is the responsibility of Quant's Compliance Function. The Compliance Function is led by the Chief Integrity Officer, who has regular access to the Board of Directors.

The Chief Integrity Officer is responsible for the overall oversight and implementation of the Quant Group Compliance Program and for Quant's day-to-day compliance with this program.

All employees of Quant should update themselves on the Code of Conduct regularly. Quant provides training on the Code of Conduct and the main contents of the specific compliance areas e.g. through Quant Academy. It is also possible to listen to earlier, recorded trainings on Quant's intranet.

The Group Quality Manager is responsible for conducting objective, comprehensive audits of Quant's Integrity Program on a periodic basis in light of Quant's specific areas of operations, geographic locations, and legal obligations. Regional Managers, in consultation with the Compliance Function, will be responsible for correcting any deficiencies identified.



TERESE HOLMQVIST
GENERAL COUNSEL AND
CHIEF INTEGRITY OFFICER

KPIs

Safety

Safety is a main priority for Quant, and safety related KPIs are measured and followed up regularly throughout the organization. The key safety measurements used are:

- LTIR (Lost Time Incident Ratio), calculated as Number of lost time incidents x 200,000 / Number of total hours worked, and
- TIR (Total Incident Ratio), calculated as Total number of incidents x 200,000 / Number of total hours worked

Our ultimate goal is zero incidents, and we have set ambitious targets to get there; the Quant Group targets for TIR is 0.12 and for LTIR 0.30, which is world-class.

There are still substantial improvements required to reach our targets. And although we compare quite well with our industry peers, there are constant new safety challenges that need to be addressed and overcome.

Diversity

Diversity is an important area for Quant, and we strive to always provide equal opportunities to everyone, irrespective of gender, age, religious belief, sexual orientation and ethnic or national origin.

One indication of diversity is gender distribution. Operating in a traditionally male industrial setting, the gender distribution in Quant is unbalanced. Driving change in this area requires continuous work and attention. Over the past few years, the overall portion of women in our workforce has increased slightly, but further effort is required.

It is important to lead by example, and among our senior executives, we have a more equal distribution. Another focus area for us at Quant is to also improve the gender diversity at the level below the executive management. Here we work proactively to increase the proportion of female site managers, one of the key positions in the company.

Environmental impact

At Quant we strive to reduce the environmental impact of our operations at customer sites. ISO certifications are one way by which we ensure implementation of global best practices in the aspects of Quality, Safety, Environment and Asset Management.

We have chosen a strategy whereby we certify individual countries, and the number of countries that are certified is a KPI that shows how well we are managing to implement some of the key processes related to environmental impact as well as quality and safety. The table shows the progress we have done during the past three years.

Integrity

Operating ethically and with integrity is one of the core values at Quant. We work hard to ensure all of our employees are well informed about our Code of Conduct and our whistleblower policy. One of the KPIs we measure is the number of integrity issues reported through our whistleblower function annually.

Although our ambition is to have no breaches of our Code of Conduct, we do not have specific target for number of reported integrity issues. We strongly encourage reporting of all incidents, and thus do not want to risk that incidents are not reported in order to reach a target.



Several factors have negatively impacted Quant's safety KPIs recently, including a major company acquisition, startup of several new sites, as well as an effect from discontinued business. Some actions taken include safety pledge, hand injury campaign, rollout of quantShield Mobile, and safety leadership training.

Safety	2019	2018	2017
TIR	0,81	0,51	0,54
LTIR	0,42	0,31	0,23

Gender distribution

	2019	2018	2017
Total number of FTE			
Number of men (FTE)	2377	2721	2589
Number of women (FTE)	185	161	154
Total number of FTE	2562	2882	2743
of which women (%)	7%	6%	6%

Gender distribution in the Board of Directors and in Group management

	2019	2018	2017
Board of Directors	0 %	0%	0%
Other senior executives	40%	40%	20%

ISO Certifications - number of countries certified

	2019	2018	2017
ISO 9001 Quality management	11	11	11
ISO 14001 Environmental management	7	8	8
ISO 45001/OHSAS 18001 Occupational health and safety	11	11	11
ISO 55001 Asset management	3	1	1

	2019	2018
Reported integrity issues		
Number of reported issues through whistleblower function	11	11

Sustainability related risks

Quant has an annual Enterprise Risk Management cycle, where Quant's management team identifies and rates the key operational risks for the group. The risks are defined and rated for impact and likelihood. For each of the top risks, existing mitigating factors are identified and actions and controls are defined. The risk catalogue is reviewed by the Finance and Audit Committee of Quant, and the Board of Directors is informed.

Of the top risks identified in 2019, three are directly related to Quant's sustainability work:

- Safety and environment
- Recruiting, developing and retaining people
- Compliance

There are also risks related to other areas of sustainability, such as Human rights and environmental impact, but these are deemed to be of lower probability and/or with a lower impact on the Quant Group.

Safety and environment

Since Quant's services mainly are performed by personnel, there is a risk that injuries and damages may occur due to negligence or other lack of performance of the service. Quant does its utmost to minimize the occurrence of these types of risk through, inter alia, risk analysis, training, certification, follow-up of performance of service, and through careful contract management with clear liability limits.

Recruiting, developing and retaining people

The group operates in a relatively specialized business, and the potential departures of key persons and the ability to attract qualified personnel is crucial for the group's success.

Failure in driving the diversity agenda in Quant can further increase the risk of not being able to attract and retain the most qualified workforce, and can also impact the motivation and engagement of employees.

Compliance

Being present in multiple countries across the world, with a small headquarters function responsible for ensuring compliance to all relevant regulations, there is a risk that Quant is not fully compliant in all jurisdictions for all applicable regulations, including full adherence to Quant's Code of Conduct. To minimize this risk, training in the Code of Conduct is performed regularly, and as part of the Induction training for all new Quant employees. The internal control function of Quant is also continuously improved, with the aim to further minimize these types of risks.

Mikael Norin
Chairman of the Board

Per Hallius
Board member

Olof Faxander
Board member

Casper Lerche
Board member

Henrik Sandréus
Board member

Jörgen Bergqvist
Board member

Tomas Rönn
CEO

Stockholm, April 29, 2020

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Quant AB (publ), corporate identity number 556975- 5654

Scope and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2019 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit review

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm, April 29, 2020

Öhrlings PricewaterhouseCoopers AB

Nicklas Kullberg
Authorised Public Accountant



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The product is
produced at an
ISO certified
printing
center.