

Our Year In Brief 2023



Suzuki
Garphyttan

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01. Comments from our CEO

Suzuki Garphyttan shows resilience in 2023

Despite challenges in the European market, including a necessary reduction of the workforce in Sweden, Suzuki Garphyttan remains resilient. Record-high volumes in China and a steady market in North America provide a good foundation for recovery.

As we transition into a new five-year phase, the commitment to create a great workplace, pioneering wire solutions, and driving growth and profitability remains unwavering. We are diversifying, expanding and investing in our people, sustainability and productivity, ensuring our strong foundation and position, maximizing value for our stakeholders.

Even though 2023 didn't quite hit the highs we wanted, it was still a good year with the third-highest production volume ever. Closing the year a little bit over 69 000 metric tonnes, we maintain a cautiously optimistic outlook for 2024.



Ad Raatgeep
President and CEO

02. Highlights 2023

2,7
Billion SEK in revenue

69 000
Metric tonnes of wire produced

118
Years of experience



New for 2023 **Bright!**

Bright is the new black! Highly requested from our customers, we can now offer bright drawn stainless steel wire.



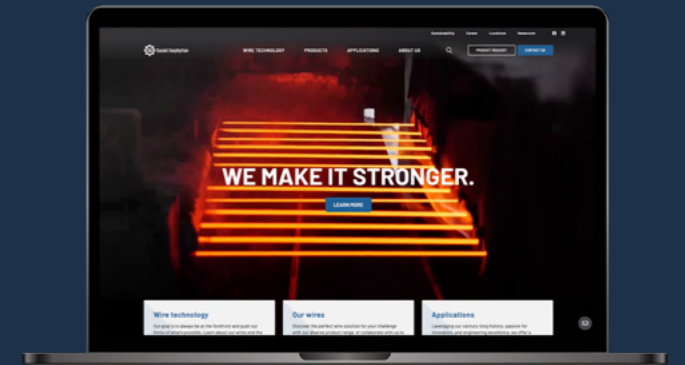
50 years A history of successful sales

In March, we celebrated 50 years since opening our sales office in Germany, at the center of Europe's automotive industry. Thanks to all who've joined us on this journey so far!



New website More accessible product catalog

In 2023, we launched a new website with lots of improvements. Now products and offerings are more easily accessible.



92% of our customers see us as their future partner

In the annual customer survey, 75 customers submitted answers on a wide range of customer satisfaction topics. We greatly appreciate this invaluable input.

 **21%**

With a 21 percent reduction in accidents and a 32 percent increase in preventive risk reports, our commitment to safety is stronger than ever. Together, we're proactively addressing concerns to ensure a safer environment for all.



Breaking records

Thanks to the exceptional dedication of our hardworking employees and a strong market, our business in Suzhou, China did a fantastic result in 2023, reaching all-time-high figures.

03. Growth and diversification

Creating value for our stakeholders

2023 at Suzuki Garphyttan has been marked by a drive towards new challenges and seizing opportunities for growth. Our commitment is rooted in understanding our customers' needs and diversifying our offerings. By entering into new markets, we maintain a proactive approach so we can anticipate customer demands and ensure that we offer the right solutions.

Shifting into higher gear for innovation and development



Robin Olsson
Head of R&D (CTO)

Suzuki Garphyttan aims to expand its business and offer the world's best wire to a broader range of customer segments. Continued investment in development and innovation is crucial for achieving this ambition over time.



"At Suzuki Garphyttan, we design world-unique machines, meaning the company can offer something no one else can."

Focusing on finding solutions that meet the needs of new customer segments has been one of Suzuki Garphyttan's driving forces in recent years. The global R&D department, located in Garphyttan, just outside Örebro, Sweden, is central to the company's development efforts. Systematic work and an open mind are guiding the company into new, unexplored industries and product segments.

The expansion of the offering aims to build a stronger business based on the company's central market position.

"We have a solid foundation in the knowledge gained from many years of collaboration with the automotive industry," Robin Olsson, CTO and Head of the R&D department, explains. "It's about adding new knowledge and new products. Having joined the work this year, it's clear to me that progress is rapid."

In 2023, new products in these segments were tested, and several set to hit the market in 2024. Robin continues,

"Right now, we're focusing on bright stainless wire, textile wire, Duplex, and cold-drawn wire. These are not new in themselves, but we believe we can

capture market shares here because we have better technical expertise, better support, better products, and are actively working to reduce our climate impact."

New technology through collaboration

With experience from different roles within Suzuki Garphyttan and other industries, Robin Olsson has a clear vision of what is most important for succeeding in the continued ambition to create products and lead product development.

"At Suzuki Garphyttan, we design world-unique machines, Robin continues. When we build our own machines, we can add special features that meet the demands and expectations in entirely different ways, meaning we can offer something no one else can," Robin concludes.

Collaboration and the ability to support each other both within and outside of Suzuki Garphyttan are key factors, he explains. The ambition is to continuously listen to customers, production sites, and the steel industry.

The revival of cold drawn wire

2023 has been an eventful year for Suzuki Garphyttan. One central component has been the introduction of a range of cold drawn wire, also referred to as piano wire or music wire, inspired by a proactive shift in market focus. Cold drawn wire is extensively used for a wide range of spring and forming applications.



David Thureborn
Program Manager Automotive

David Thureborn, Program Manager Automotive, reflects on this initiative:

“Our strategy to grow in volume and revenue, coupled with reducing dependency on components for combustion engines, led us to cold-drawn spring wire.”

This decision, rooted in an extensive mapping of new automotive products back in 2020, aligns with the increasing demand for electric vehicles, ensuring Suzuki Garphyttan’s continued relevance in an evolving industry.

Development journey - from concept stage to product launch

The project group around the new cold drawn grades are all positive about the collective effort and will keep working during 2024 to expand capabilities further in this segment.

The journey from concept to product launch for the cold-drawn wire has been thorough and strategic. David explains:

“We initiated a more targeted approach in 2022, involving mapping strategic customers and business opportunities, studying the manufacturing process, and more.”

The global coordination and collaboration across Suzuki Garphyttan’s various sites, including significant contributions from the teams in Suzhou and Garphyttan, have been crucial. This global effort, taking approximately nine months from project start to the first series delivery for Garphyttan, is a testament to the team’s determination and competence.

The tech behind piano wire and the market response

The cold-drawn spring wire, made from unalloyed carbon steel with a carbon content between 0.5 – 0.8 percent, is a high-strength material offered round as a standard, with rectangular and other shapes also available.



The global coordination and collaboration across Suzuki Garphyttan’s various sites have been crucial.

“The positive market response, particularly the significant proportion of springs within tolerance measures compared to established competitors in initial deliveries, underscores the product’s relevance.”

“The spring hardness is achieved through the drawing process. The more the diameter is reduced, the higher the hardness and strength. This process ensures high tensile strength and toughness, critical for the wire’s diverse applications in everything from vibration dampers in machinery to springs in beds and furniture. The positive market response, especially the large number of springs meeting tolerance measures in our initial deliveries compared to our competitors, shows that our product is successful”, David Thureborn explains.

Innovation and tradition

With the initial success, future plans for the product line are already in motion, focusing on expanding the range of dimensions and exploring further innovations. Reflecting on the project’s challenges and rewards. “The most fulfilling part has been working together to achieve a goal. Without the determination of several teams, we would not have completed the project on time”, says David.

He also sheds light on the historical aspect of cold-drawn wire at Suzuki Garphyttan, tracing back to 1906 and into the 1980’s, which adds a layer of historical significance to this initiative.

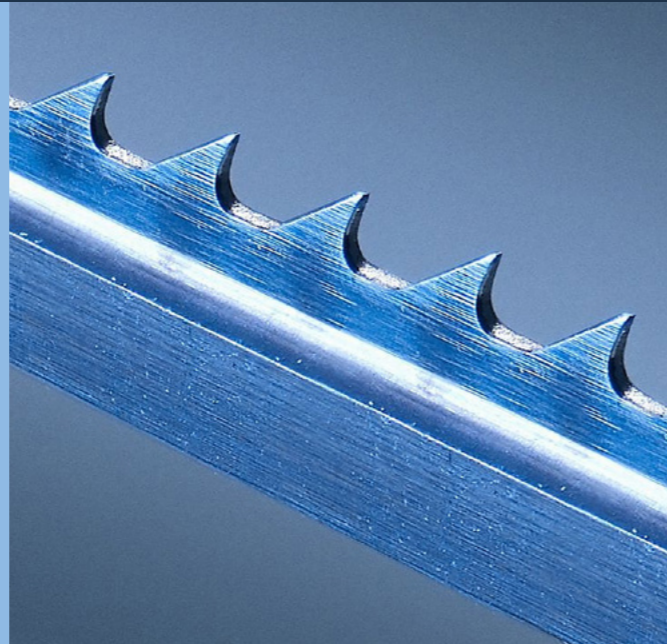
“As we step into the future with this new wire range, we do so with a strategic vision and a nod to our rich heritage. This year has indeed been a leap forward, marking a new chapter in our history”, David concludes.

PRODUCT NEWS

Spheroidized wire breakthroughs

During the year we have made significant advancements in spheroidized wire, with the textile industry as the largest customer segment. We've begun serial deliveries and explored new applications through successful trials. Our focused approach with key customers has allowed for tailored solutions and invaluable feedback.

Additionally, we've expanded our range with high-carbon content wires, offering enhanced wear resistance. Going into 2024, we are preparing to offer finer sizes.



PRODUCT NEWS

Introducing bright drawn stainless steel wire

Now we can offer bright drawn stainless steel wire, significantly reducing residual on the wire surface. This development is vital for applications with strict requirements for cleanliness and surface appearance.

The bright, fine surfaces of our wires not only improve corrosion resistance but also facilitate easier cleaning, which is important for applications like medical equipment and conveyor systems in sanitary environments.



CAPACITY

New stainless steel drawing machines - a boost for finer sizes

Suzuki Garphyttan steps into a new era with the launch of new stainless steel drawing machines. This strategic upgrade will allow us to draw finer dimensions, as well as enhance both our production capacity and operational flexibility. This investment is a testament to our long-term commitment to the stainless and high-alloy product segments.

QUENCH AND TEMPERED

Sustainable wire hardening: Suzuki Garphyttan's ongoing success

Our journey towards environmentally friendly wire hardening continues to show good results. By eliminating lead from our processes, we are not only reducing hazardous substances from the work environment but also securing cleaner wire for our customers. This is a significant assurance for our customers, prioritizing both safety and environmental responsibility. Moreover, this method of hardening improves the mechanical properties of our wires, demonstrating our dedication to innovative solutions.



CAPACITY

Global expansion of shaped wire capabilities

Suzuki Garphyttan is now offering shaped wire from every production region, with key advancements in China including series deliveries and capabilities for spool and paper core delivery. We've enhanced surface quality and trained our production teams, reflecting our commitment to localizing our full product range in each region.

This expansion serves diverse applications like retaining rings and die springs, meeting varied market needs with high-performance shaped wire.

Shaping the wire of tomorrow



Henrik Pettersson
Site Manager
Garphyttan, Sweden

"Through continuous adoption of best practices and a commitment to sustainability, we enhance both productivity and quality, achieving a win-win effect. Together, our pursuit of operational excellence paves the way for a better tomorrow."



Ola Ericsson
Program Manager Non-Automotive
Garphyttan, Sweden

"Our spring wire withstands up to a billion compression cycles without fatigue. The stringent demands from the automotive sector are in our blood. Now, we are applying our expertise to develop products within other segments."



Yohanna Greenlee
Quality Assurance Engineer
South Bend, USA

"Diversification, technological improvements, increased productivity and globalization are KEYS to our future!"



A unified pursuit of innovation and environmental responsibility

Sustainability and technological innovation are constantly shaping the future. Here the collaboration between Lesjöfors Industriefjädrar AB and Suzuki Garphyttan stands as a shining example of sustainable progress and partnership.

With over 50 companies worldwide, Lesjöfors has cemented its position as a leader in spring technology, and at the heart of its collaboration with Suzuki Garphyttan, we find a shared pursuit of innovation and environmental responsibility.

Lesjöfors manufactures springs for everything from garage doors to submarines and space rockets. The group is owned by Beijer Alma and has seven units in Sweden, three of which are part of Lesjöfors Industriefjädrar AB, where Martin Korpås serves as CEO. Martin reflects on the cooperation with Suzuki Garphyttan: "Lesjöfors has a long-standing collaboration with Suzuki Garphyttan. We use wire from Garphyttan for applications that require high quality."

He reflects on the relationship as a cornerstone of the partnership.

"The collaboration with Suzuki Garphyttan has always been characterized by mutual respect and honest dialogue."

Martin reasons about how Lesjöfors and Suzuki Garphyttan have similar goals and priorities regarding sustainability and innovation, creating opportunities

for both companies. Competence exchanges and joint development projects constantly contribute to new advances.

New technology meets traditional needs

Martin emphasizes the accelerating journey towards sustainability, from being a monitored trend to now being a concrete and central part of the business. Lesjöfors' "Ecodesign" concept exemplifies this by integrating sustainability principles into the development process to minimize negative environmental impact.



Martin Korpås
CEO, Lesjöfors
Industriefjädrar AB

"The requirements for springs are changing. For example, a spring in a shock absorber needs to be lighter today and at the same time more sustainable," Martin explains, and continues:

"As the demand for lighter materials with less environmental impact increases, the development of harder materials becomes vital. This advancement enables the production of smaller springs that still

meet performance requirements, which aligns with our commitment to sustainability. Reduced material usage is a central component of our Ecodesign concept."

Lesjöfors aims to become the world's most sustainable spring company, a journey Suzuki Garphyttan is humbled to follow and be a part of.

Read more about Lesjöfors' products and sustainability work on their website www.lesjoforsab.com.

"The collaboration with Suzuki Garphyttan has always been characterized by mutual respect and honest dialogue."



04. Sustainability

Transforming for tomorrow

Our commitment to sustainability is deeply rooted in the UN's 2030 Agenda for Sustainable Development. At Suzuki Garphyttan, we firmly believe in the significant impact that both the organization and each individual employee have on shaping our immediate and extended environment. Recognizing the unique nature of our operations and their impact, we have identified key sustainability challenges. These priorities guide our goal-setting and form the core focus of our sustainability efforts.

Together
for a better
tomorrow

“There’s a lot happening in our organization – and it’s crucial that it does”

At Suzuki Garphyttan, sustainability efforts are an integrated part of the company’s business strategy and daily operations. In 2023, this focus became even clearer as Suzuki Garphyttan took a step further by appointing a new role: a global sustainability manager with a global perspective and responsibility. Welcome, Edwin Grönkvist!



Edwin Grönkvist
Global Sustainability Manager

“For us, it’s important to prioritize sustainability issues. As a steel industry company, we have opportunities to make an impact,” states Edwin Grönkvist, who has been working as Global Sustainability Manager at Suzuki Garphyttan since April 2023.

Edwin’s global sustainability responsibilities include defining and managing both growing legislation and customer requirements. It also includes coordination and governance so that Suzuki Garphyttan achieves its set goals.

“We have good collaboration internally and we focus on all three sustainability aspects: environmental, financial, and social sustainability,” explains Edwin.

Diverse conditions – unified goals

For a global company, sustainability work poses special challenges. For example, Suzuki Garphyttan’s factories have different conditions depending on their location in the world.

Despite the differences, we have set common global goals together, Edwin says, while we also have site-specific goals that take into account local variations.

Suzuki Garphyttan aims to reduce its greenhouse gas emissions by 50 percent from 2020 to 2030, eliminate hazardous substances from production, improve recycling, and reduce water usage.



Regarding social sustainability, we have goals related to a good working environment and a safe workplace, Edwin shares. For economic sustainability, we aim for 50 percent of our turnover to come from areas other than the conventional automotive industry.

New standard offers many advantages

In 2023, Edwin focused on mapping out legal requirements and assessing how well the company meets them. Here, Edwin sees a strength in his background as a sustainability consultant:

“We have started with a line at Site Suzhou in China, and it will also be rolled out at our other sites in the future.”

“I have experience working with industrial companies in various sectors and have a good grasp of the requirements set and EU legislation. This includes the upcoming CSRD (Corporate Sustainability Reporting Directive), a standardized and comprehensive sustainability reporting for companies within the EU.”

“There has been, and is, a lot of work with CSRD,” says Edwin, who welcomes a clear standard for the issues we should work on. In the long run, it offers great advantages for our customers who more easily will be able to access relevant information.

New hardening technology for export

A new hardening technology that helps Suzuki Garphyttan phase out environmentally hazardous substances from production, while also enabling a more energy-efficient process, is an example of ongoing initiative.

“We have started implemented a line at the site in Suzhou China, and it will also be rolled out at our other sites in the future.”

Several initiatives are ongoing throughout Suzuki Garphyttan. For example, oil boilers are being replaced with fossil-free energy sources in Sweden, an energy efficiency program is being implemented in the USA factory, waste management is being improved in Mexico, and the site in Leeds, England, has a project aimed at extending the life of the oil used in production.

Towards a better tomorrow

“In 2024, we will continue to standardize, develop, and implement processes that exclude environmentally hazardous substances, and we keep replacing fossil fuels. We will also review our value chain and gain control over emission levels both upstream and downstream in our operations. A lot is really happening in our organization, and it needs to”, Edwin concludes.

For Suzuki Garphyttan, the direction is clear: we aim to be the sustainability benchmark in the steel wire industry and seriously contribute to a better tomorrow.



SUSTAINABLE DEVELOPMENT GOALS

UN GLOBAL SUSTAINABLE DEVELOPMENT GOALS

How we align our work with the goals

Suzuki Garphyttan supports UN Sustainable Development Goals, particularly focusing on goals related to health, education, gender equality, water and sanitation, clean energy, economic growth, responsible consumption, and climate action. We prioritize CO2 reduction, sustainable energy usage through solar panels, and efficient use of raw materials to fulfill our commitment to these global goals.

We align our environmental goals with our vision “Together for a better tomorrow” and employ the Triple Bottom Line approach, balancing environmental, social, and financial sustainability. Our strategy integrates sustainability across the company, prioritizing areas with the highest impact.

4 OUT OF 5 SITES NOW CERTIFIED

Improved health and safety

This year, we certified our largest production site in Garphyttan, Sweden, according to ISO 45001:2018 standards for occupational health and safety. Moving forward, our commitment is to extend this certification to our one remaining site, bringing all our production facilities in line with requirements.



ACCIDENT-FREE BY 2025

Intensifying our safety work

In 2023, the trend of decreasing workplace accidents continued, alongside a rise in preventive risk reporting, indicating progress in safety. Our commitment to safety was highlighted by conducting Safety Weeks quarterly. We started training programs focused on safety mindset and culture, aiming for a safer workplace by addressing both individual and organizational aspects. A significant improvement was achieved by closing more risk observations than in the previous year.

Suzuki Garphyttan for a sustainable tomorrow



Edwin Grönkvist
Global Sustainability Manager
Garphyttan, Sweden

“It’s crucial that we manage and prioritize sustainability issues. This includes conserving the Earth’s resources. Within the steel industry we have significant opportunities to make an impact – if we do it right.”



Thomas Wrenninge
Global Sourcing Manager
Garphyttan, Sweden

“In 2023, we’ve seen major developments in Green Steel. Several European steel suppliers obtained funding to construct Green Steel plants. The introduction of the EU’s carbon border tax ensured that European manufacturers remain competitive against non-European suppliers not investing in Green Steel.”



Ilaria Menti
Application Manager
Garphyttan, Sweden

“A great strength of our strategy lies in our triple bottom line approach, which considers environmental, social, and financial factors. We dare to take steps to address global challenges while valuing the well-being and safety of our employees.”



Teamwork drives innovation

Sam Zeggai, the global operations manager at Suzuki Garphyttan, has worked at the company for over 30 years, tirelessly targeting challenges that enhance both production processes and products.

With the world as his workplace, Sam travels between the company's various facilities to identify and solve productivity challenges and safety issues, along with local colleagues. He describes his mission as optimizing operations and contributing to the company's success by collaborating with competent colleagues worldwide.

Great success through small changes

Suzuki Garphyttan's improvement work follows a proven structure that generates significant value for the company. Through innovative methods, a high production outcome is ensured, while the processes often become safer and more efficient.

Local challenges foster global competence development

Collaboration between different facilities, knowledge and best practices are further strengthening the company's ability to meet customer needs and handle future challenges.

"Meeting challenges together is a prerequisite for development and creating a long-term sustainable result, both for us as a company and for our customers," concludes Sam.



Sam Zeggai
Global operations manager (COO)

A photograph of three workers in a factory setting. They are wearing blue work jackets with yellow accents and yellow safety helmets. The worker in the center is a woman with her arms crossed, looking towards the camera. The other two workers are men, one on the left and one on the right, both looking towards the camera. The background is a blurred industrial environment.

05. A great place to work Suzuki Garphyttan boosts **personal growth opportunities**

At Suzuki Garphyttan we are dedicated to cultivating an engaging, diverse, and inclusive workplace filled with exciting career opportunities. As we venture into fresh business domains, we're working tirelessly to fortify our global team, equipping them with new skills and enhancing the capabilities of our existing talent pool.

Because, at the end of the day, it's the expertise and dedication of our skilled workforce that drives innovation and excellence across our products and operations.

As we set sights on 2024, it is all about how we can grow, improve, and collaborate together. All is connected; a thriving workforce leads to better products and, ultimately, increased customer satisfaction.



GARPHYTTAN ACADEMY

Wiring up employee skills with Suzuki Garphyttan Academy

At Suzuki Garphyttan it is all about expanding into new business areas with a strong global organization. Now we are intensifying the efforts to equip our employees further with skills needed for success.

To support our employees' growth and the company's transformation, we're introducing The Suzuki Garphyttan Academy.

This initiative will facilitate ongoing employee development, ensuring that we remain competitive in the ever-evolving business landscape. The Suzuki Garphyttan Academy will include many initiatives starting with investing in leadership and project management development, with plans for an employee program in 2024.

NEW ONBOARDING PROGRAM

A strong start for all

A warm welcome and an effective onboarding is crucial for all members of a company. That's why we've embarked on a global onboarding journey – a project we started 2023. Our ultimate aim is to craft a seamless experience for our new team members, nurturing swift adaptation and a strong sense of belonging.

These continuous efforts are all about enhancing retention, productivity, and the overall success of our organization. By providing our employees with the essential knowledge and the resources they need, we hope they will feel a sense of belonging and valued contributors to the Suzuki Garphyttan team.



Stronger together



Ulf Pelow
Global Organizational Development
Manager, Garphyttan, Sweden

"Our priority at Suzuki Garphyttan is to create a workplace where the development of leadership skills, effective collaboration, and personal growth are at the forefront. A place where we can be safe and confident, think differently and use our differences to succeed together"



Ludvig Björkman
Way of working-coordinator
Garphyttan, Sweden

"In Garphyttan, I am always well received by all the nice and knowledgeable colleagues, which makes it fun to go to work."



Crystal Flores
Quality Manager
San José Iturbide, Mexico

"This global workplace really gives me the opportunity to learn, share and be part of many different projects. Working at Suzuki Garphyttan is challenging, inspiring and innovative."

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Together for a
better tomorrow

Suzuki Garphyttan is a world-leading
supplier of advanced wire products
and is part of Nippon Steel Corporation