
MOOVIMENTA
ENVIRONMENTAL REPORT
2023

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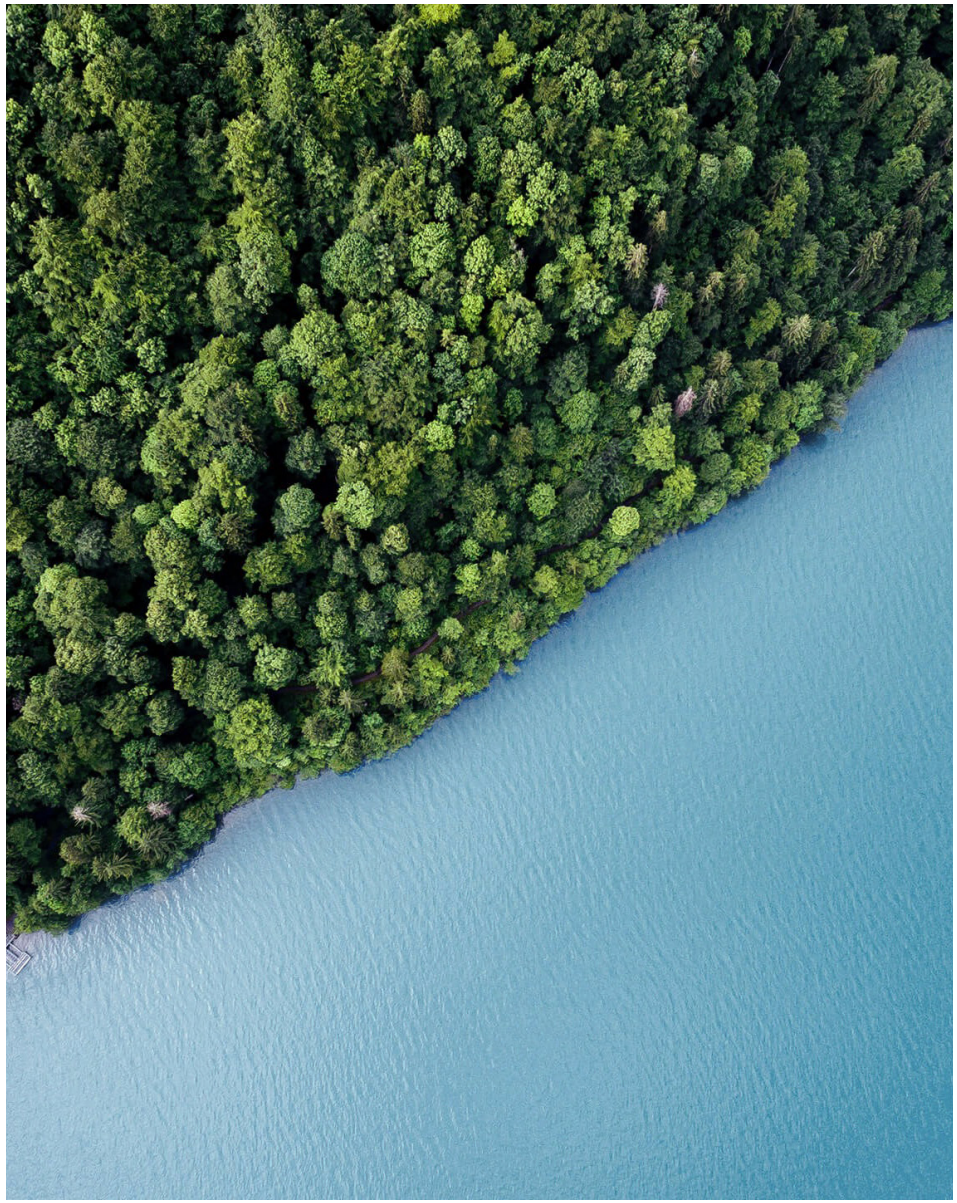


INTRODUCTION

Cultivating environmental accountability

At Moovimenta, we pledge to be transparent and open in our communication about our environmental performance, whether we are achieving progress or facing challenges. Our goal is to make our environmental report both readable and accessible, continuously improving data accuracy.

This report highlights our environmental efforts and impacts for the year 2023 (January 1st – December 31st). It covers all Moovimenta Divisions: Habasit, Rossi, NGI, and TRAPO, each operating under its own brand.

We address key environmental aspects relevant to our business, such as greenhouse gas (GHG) emissions (Scope 1 and 2), volatile organic compound (VOC) emissions, energy use, water use, and waste generation.

Your feedback and comments are welcome to help us improve.

MOOVIMENTA: A BRIEF OVERVIEW

Our mission and values

Picture a world where industries harmonize with nature, where each innovation fosters a healthier planet and a brighter future for us and generations to come. At Moovimenta, sustainability isn't just a goal; it's the guiding principle behind everything we do. Our commitment to sustainability drives us forward, from reducing carbon footprints to improving operational efficiencies.

At Moovimenta, our mission is to accelerate the transition to a sustainable, smarter, and safer industrial reality. We believe in industrial growth to benefit people without draining the planet. We are here to make our customers' equipment and processes more sustainable, smarter, and safer.

Our values

Entrepreneurship
is our passion – we foster a spirit of initiative, ownership, and commitment at all levels.

Collaboration
is our leverage – we create synergies and learning experiences through team-work and open interaction.

Quality you can trust
is our mindset – we are committed to providing outstanding customer experiences with best-in-class products and services.

Organizational pride
is the evidence of our success as an employer.

Continuous improvement
is our energy – we are continuously moving to the next level of performance.

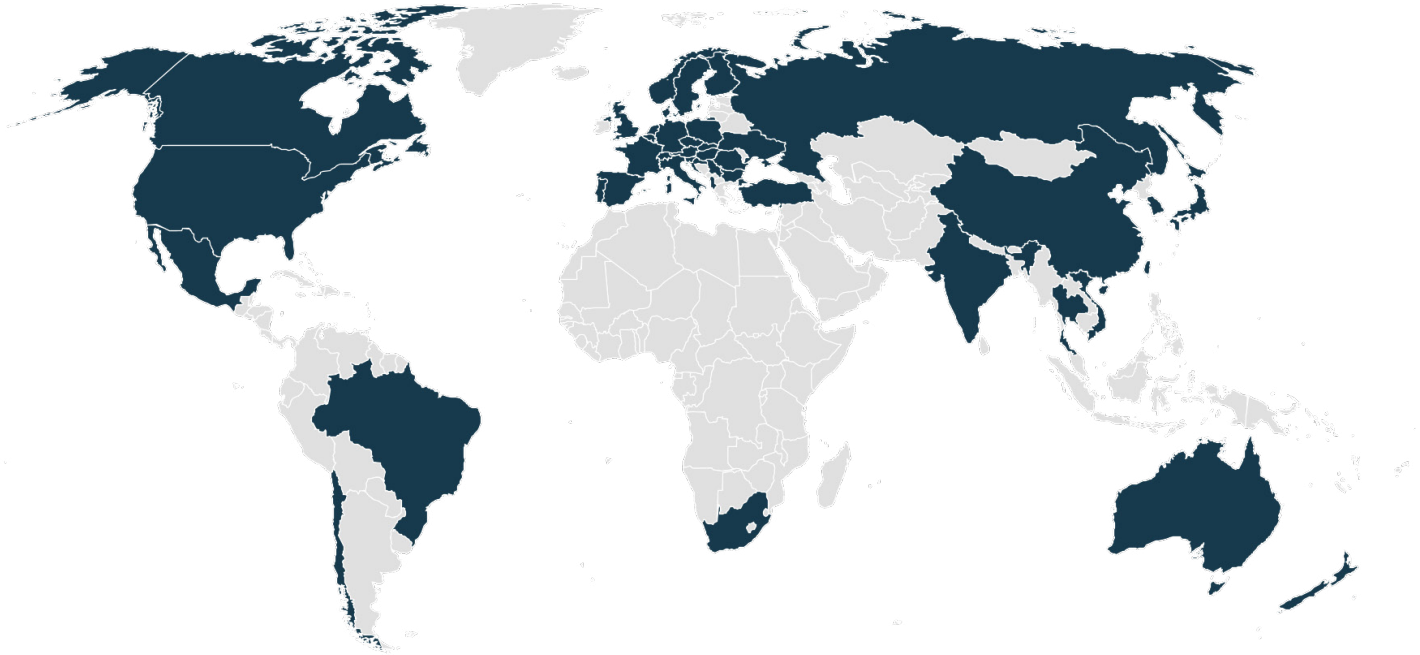
Ethical standards
is our credo – we respect diversity and strive for sustainability in all areas.

MOOVIMENTA: A BRIEF OVERVIEW

Driving industrial innovation

Moovimenta drives innovation and delivers top-quality components and services for the manufacturing industry through our four dedicated companies.

We are committed to transforming industrial processes by enhancing sustainability, intelligence, and safety. Our Corporate Accelerator serves as the hub for spearheading and coordinating innovation across the Moovimenta group. By leveraging the distinct expertise within each of our divisions, we foster collaboration that leads to significant improvements in our customers processes.



Direct presence in
90+
locations

4,900+
employees

36,000+
active clients

Interview with our group CEO

In the following interview, we have the privilege of gaining insights directly from our Group CEO, Andrea Volpi on Moovimenta's sustainability journey. Andrea shares personal reflections, strategic visions, and organizational perspectives on sustainability.

Andrea Volpi
Group CEO

Can you share a personal experience that sparked your passion for sustainability?

Unless we are blind or choose to turn our heads, the threats to our planet and civilization are strikingly evident along our daily lives. Imagine developing countries where beautiful natural landscapes are no longer covered by waste and litter. Picture children breathing polluted air, now playing outdoors and enjoying the fresh air, with a long life ahead of them. This is what inspires me and drives my passion for sustainability: a change for a better reality.

How do you envision the future of sustainability at Moovimenta, and what key steps are we taking to achieve this vision?

Individually, we are only tiny particles in the sustainability universe, but collectively, we can create significant change. I believe through innovation, we can make sustainability affordable and accessible for everyone. This is why we have put sustainability at the core of our Corporate Accelerator mission. By focusing on innovation, we can develop solutions that protect our planet and enhance our operations and products.

What are some of the most significant sustainability achievements across Moovimenta's divisions that you are particularly proud of?

I am neither proud nor satisfied with what we have achieved until now because I know our potential is far greater. Several good initiatives are ongoing but often live as additional workload that interferes with other short-term tasks. We must continue building momentum in the organization to install the sustainability perspective transversally across our business processes so that it becomes intrinsic to our way of doing business. Our greatest achievements lie ahead.

> " Everybody's life aspiration should aim to leave a better legacy to our beloved than the one we inherited from our predecessors."

How do you balance the economic, social, and environmental aspects of sustainability in Moovimenta's strategic decisions?

Sustainability is a choice based on principles and values, it implies compromising on other areas, sometimes at the expense of profit, at least in the shorter term. In this sense, the clear commitment and support of our Shareholders is a fundamental asset and pre-requisite to succeed in the longer term.

How do you foster a culture of sustainability and innovation among the leadership team and employees at Moovimenta?

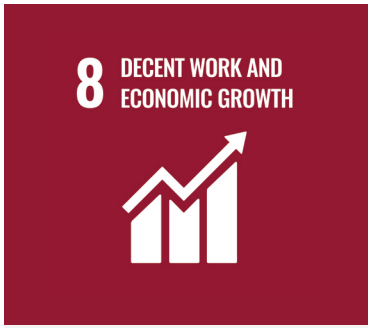
As per the other core values, I start with selecting leaders who share the willingness to drive sustainability and are able and willing to walk the talk. My role is to help and enable them to mobilize the organization towards this goal.

What message would you like to convey to Moovimenta employees, partners, and clients regarding our commitment to sustainability?

Everybody's life aspiration should aim to leave a better legacy to our beloved than the one we inherited from our predecessors. In the same way we help our children to grow healthy and happy, to set up their home, to nurture their family, we should understand that all this is influenced by the environment they will live in, an environment that we have contributed to making worse. But we are still in time to do something to improve the situation before it is too late. We do not want to be remembered as the generation that destroyed the planet. It is time to give back to them and to the planet. Together we are still in time to make a difference.

Committing to sustainable development goals

Our sustainability strategy follows the United Nations Sustainable Development Goals (SDGs) and the United Nations Global Compact (UNGC) principles. Why these goals?



Promoting inclusive economic growth

Commitment: We believe in economic growth that is sustainable, inclusive, and provides decent work opportunities for all without harming people or draining the planet.

Actions: Implement fair labor practices across the entire value chain, ensure safe working conditions for all employees, and foster employee development.

Innovating for sustainable solutions

Commitment: We commit to challenging our operations and supply chain to focus our innovation activities in the field of sustainable solutions.

Actions: Invest in innovative technologies that will improve the conditions of people without harming the planet and enhance industrial processes.

Minimizing environmental footprint through sustainable practices

Commitment: We prioritize responsible resources consumption to reduce our environmental footprint and promote sustainable and ethical production.

Actions: Optimize energy, water and raw material use, reduce waste generation, promote circularity within our production and fabrication processes and implement sustainable procurement practices.

Leading climate action and resilience

Commitment: We are committed to achieving Carbon Net Zero by 2030 and promoting climate-resilient practices in our operations and supply chain.

Actions: Reduce greenhouse gas emissions on a yearly basis, improve energy efficiency, and support renewable energy initiatives.

Building partnerships for sustainable development

Commitment: We are committed to working with our customers, suppliers, and other stakeholders to promote sustainable development.

Actions: Collaborate with stakeholders across our value chain and engage in community partnerships.

STEPS TOWARDS OUR GOALS

Introducing our supplier code of conduct

At Moovimenta, sustainability begins with our commitment to responsible sourcing. We ensure that our products meet high standards of ethics and quality while reducing our upstream environmental impact. In line with the principles of the United Nations Global Compact (UNGC), our Supplier Code of Conduct (SCC) sets clear requirements for suppliers, marking the first crucial step towards delivering sustainable solutions to our clients.

Scope: Applicable to all suppliers, both direct and indirect.

Key principles:

- Human rights
- Fair labor practices
- Environmental responsibility
- Zero tolerance for corruption

STEPS TOWARDS OUR GOALS

Enhancing environmental data quality for CSRD compliance

Data accuracy and reliability are crucial for informed decision-making. That is why we commit to improving our data collection and quality each year. By ensuring our strategies and actions are based on precise and trustworthy information, we can rethink industrial processes and make smarter decisions.

Our journey

2020
Initiated gathering key environmental data for main sites: GHG emissions (Scope 1 and 2), VOC emissions, energy use, and water use.

2021
Extended data collection to all sites with more than 5 FTEs, retroactively from 2020-2021.

2022
Initiated collecting data on combustibles for company vehicles to complete scope 1 emissions.

2024
More than 90% of our sites with company vehicles now report fuel consumption, and we aim to reach 100% in the next report.

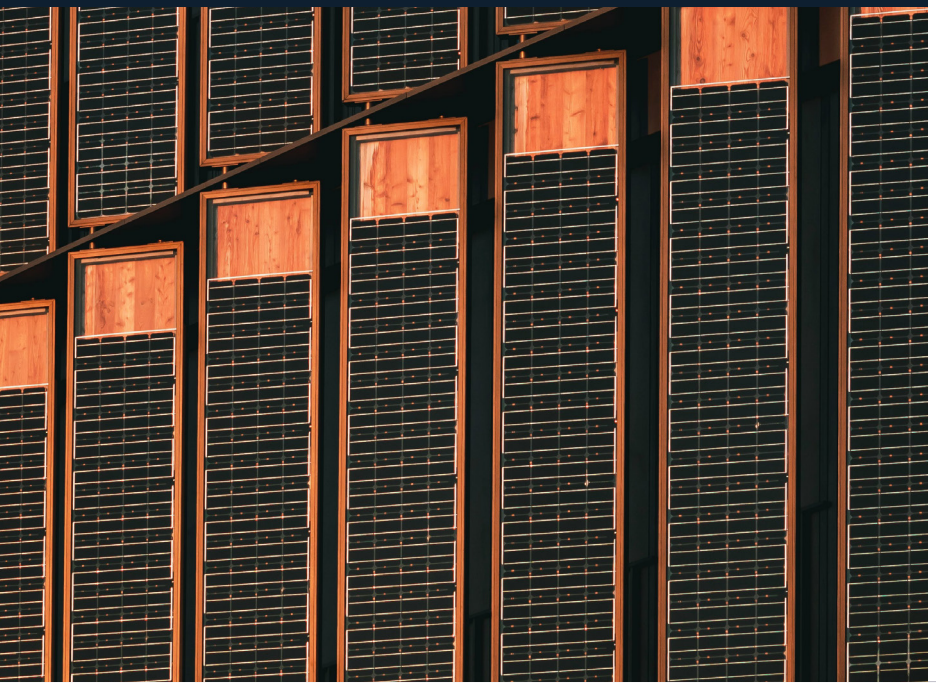
Started tracking hazardous and non-hazardous waste data and monitoring operational, canteen, and office waste separately. Began computing scope 3 emissions, aiming for full site coverage.

2026
CSRD Reporting for five entities in Moovimenta.

STEPS TOWARDS OUR GOALS

Achieving carbon net zero by 2030

Achieving carbon net zero for Scope 1 & 2 emissions by 2030 is a key target in Moovimenta's climate strategy, aligned with SDG 13: Climate Action. This ambitious target reflects our commitment to respond to the global call to address climate change and promote sustainable practices throughout our operations.



Key initiatives

1 Energy efficiency improvements and operational optimizations

Actions: Upgrading to energy-efficient equipment and systems. Implementing best practices and technologies to optimize processes.

2 Renewable energy integration

Actions: Transitioning to renewable energy sources such as solar, wind, and hydropower. Investing in solar plant installations.

3 Fleet electrification

Actions: Promoting the use of electric and hybrid company vehicles instead of fuel vehicles.

Progress and milestones

2020
Defined 2020 as the baseline year and started collecting data on an annual basis.

2021
Transitioned our main sites at Habasit, NGI, and TRAPO to renewable electricity sources. Commissioned the first solar power roof plant at Habasit.

2022
More than doubled our total renewable energy consumption compared to 2021.

2022–2023
Commissioned three more solar installations across Habasit and a small-scale solar plant at Rossi. Replaced several internal combustion engine vehicles with electric ones.

2023
Achieved a 14% reduction in carbon footprint (scope 1&2) compared to the 2020 baseline, despite the inclusion of scope 1 emissions from company vehicles starting in 2022.

2030
Goal to achieve carbon net zero for scope 1 and 2 emissions.

Moovimenta environmental impact assessment

Across all divisions, we monitor five key impact categories: energy use, greenhouse gas (GHG) emissions, volatile organic compounds (VOC) emissions, water use, and waste generation. This year, we have significantly improved the quality and comprehensiveness of our data. As a result, we updated the values previously reported for 2020 – 2022 to ensure consistency and comparability with the 2023 data.

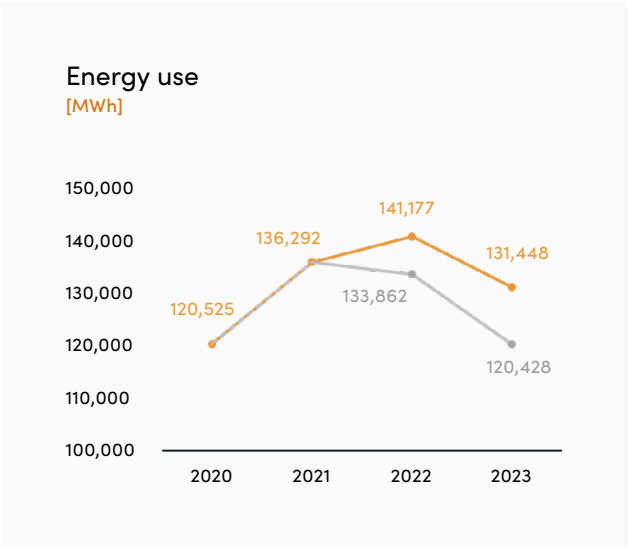
Tracking our progress in these categories allows us to evaluate our environmental footprint and take proactive measures to achieve our targets. Given the diverse operations within each division, we provide an overview of general trends in the data. More detailed explanations and insights can be found in each division's section.

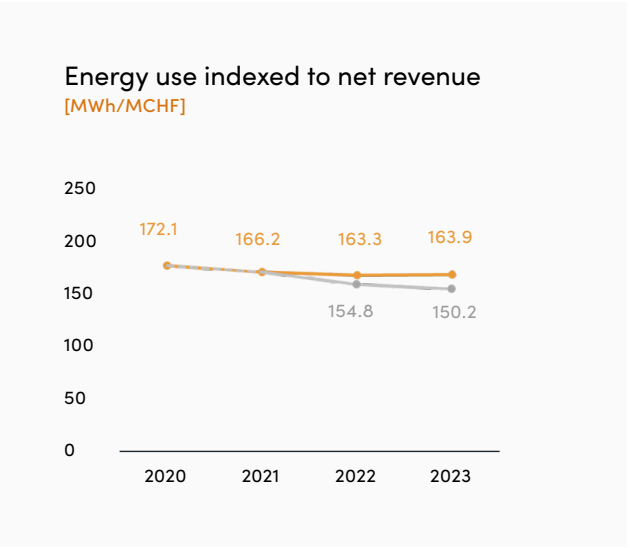
Energy use **GHG emissions** **VOC emissions** **Water use** **Waste generation**

Energy use

Our energy use includes purchased electricity, district heat, fossil fuels for heating and operational processes at our facilities, and on-site solar energy. We have also retrospectively included fossil fuels used in company vehicles for 2022 and 2023. Energy data excluding vehicles is shown in grey.

From 2020 to 2021, there was a significant increase in energy use due to production recovery following the COVID-19 pandemic. When excluding energy used in company vehicles, as shown by the grey trend line, energy use fell by 12% from 2021 to 2023. Indexed values have remained stable, indicating that our energy use is closely tied to net sales.

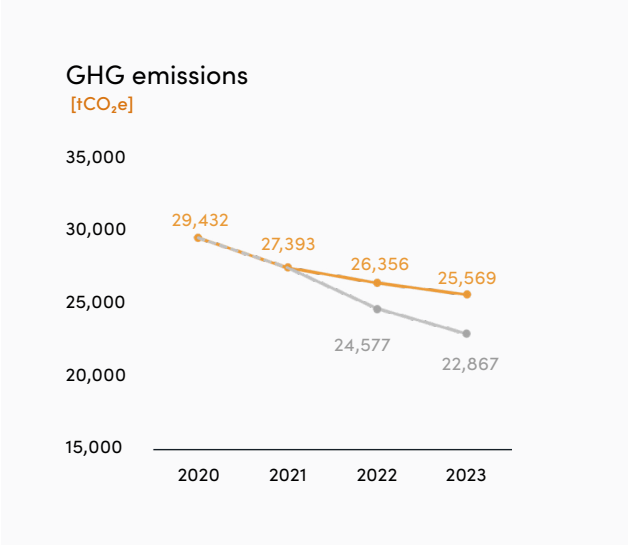


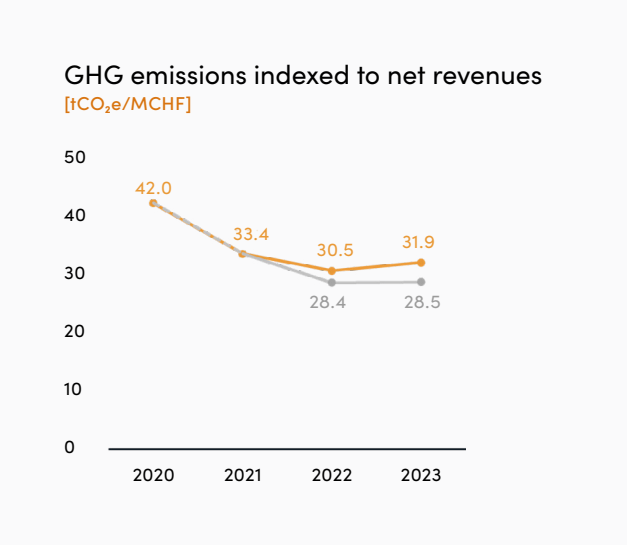


Note: The energy use values have been updated compared to the 2022 report. Explanations for the changes are provided in each division's impact assessment.

GHG emissions

Since 2020, our GHG emissions have consistently declined, even with the inclusion of mobile combustion emissions from 2022 onwards. This trend reflects reductions in energy use and our transition to renewable electricity sources, demonstrating notable progress towards our carbon net-zero target. The GHG emissions value indexed to net revenue shows a modest increase from 2022 to 2023.

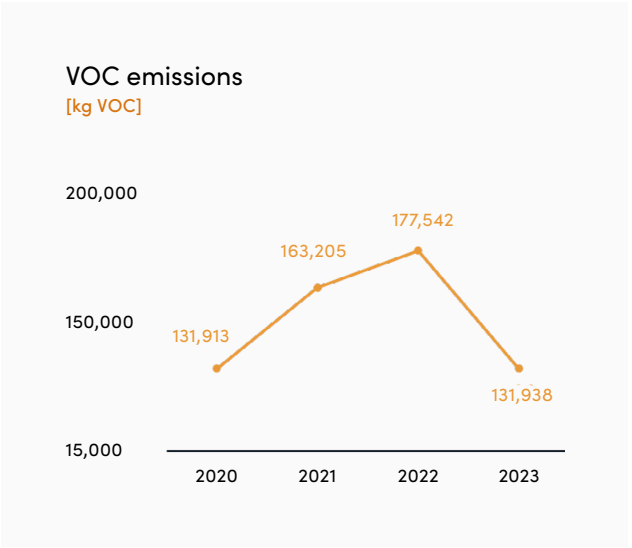


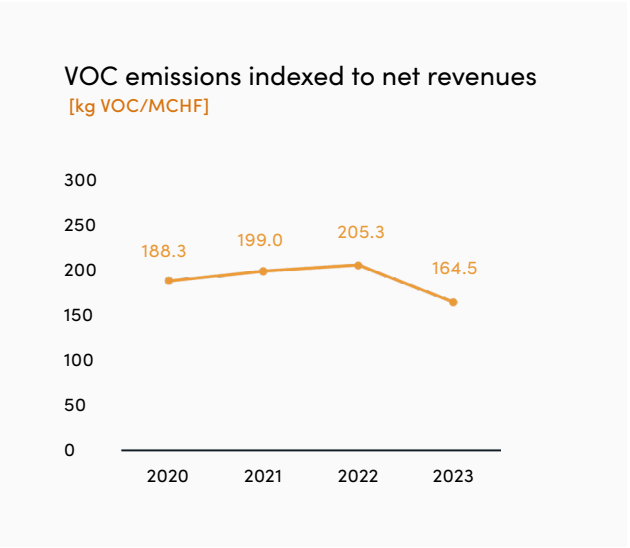


Note: The GHG emission values have been updated compared to the 2022 report. Explanations for the changes are provided in each division's impact assessment.

VOC emissions

Tracking volatile organic compound emissions involves systematic measurement or estimation based on solvent VOC content. It is crucial to monitor and reduce these emissions to enhance employee safety and safeguard the environment. From 2020 to 2022, there was a notable increase, followed by a significant decrease in 2023. This reduction in VOC emissions correlates with reduced solvent usage due to lower production volumes, solvent-saving measures, and slight product portfolio shifts.

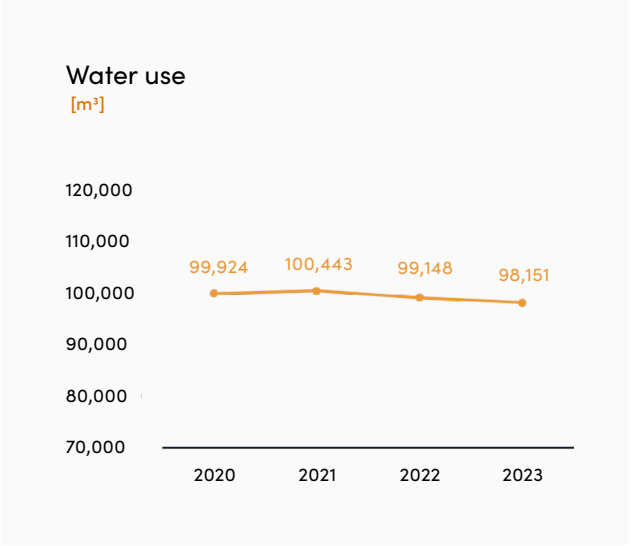


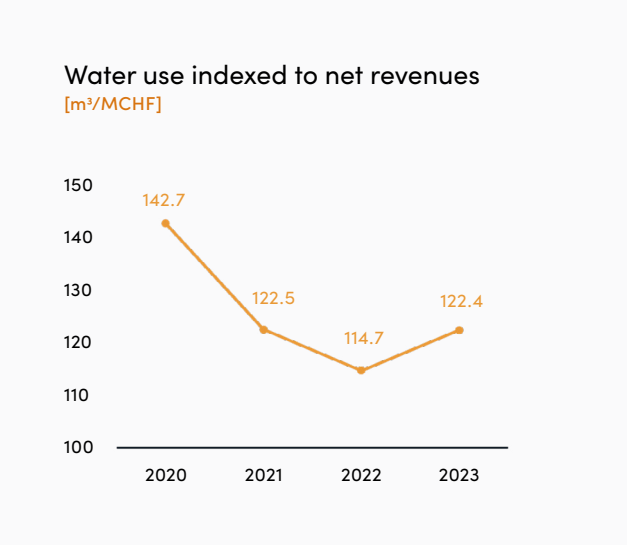


Note: The VOC emission values have been updated compared to the 2022 report. Explanations for the changes are provided in each division's impact assessment.

Water use

Our water consumption has exhibited a consistent trend from 2020 to 2023. Indexed by net revenues, there was a decrease in water consumption, followed by an increase in 2023 due to a decline in net sales. Water usage varies across divisions, typically correlating with production volume or employee attendance. Recognizing water as a finite resource necessitates responsible management, and we are committed to exploring innovative approaches to further reduce our water consumption.





Note: The water use values have been updated compared to the 2022 report. Explanations for the changes are provided in each division's impact assessment.

Waste generation and disposal

We recognize that effective waste management promotes resource efficiency and contributes to the circular economy, helping us to meet our commitment to responsible consumption and production (SDG 12).

Waste generation

From 2020 to 2022, waste generation showed an upward trend primarily driven by increased production volume. The 9% decrease in waste generation observed in 2023 corresponds to lower production volumes and waste reduction measures.

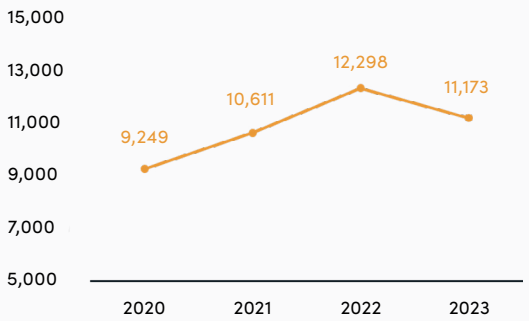
Waste disposal

When categorizing waste by disposal methods – recycling, incineration, and landfill – we find a significant portion ends up in landfills (ranging from 38% to 43%), followed closely by recycling (ranging from 36% to 42%), with a smaller percentage in incineration (ranging from 17% to 21%). Compared to 2022, we saw a 6% increase in recycled waste in 2023, along with a 4% decrease in waste sent to landfill and a 2% decrease in waste sent to incineration.

In 2023, hazardous waste accounted for only 10% of total waste generation, all managed and disposed of according to safety protocols and in compliance with local regulations.

While our waste level remains significant, we are committed to reducing it and enhancing recycling rates through sustainability initiatives and projects.

Waste generation
[t]



Waste generation indexed to net revenues
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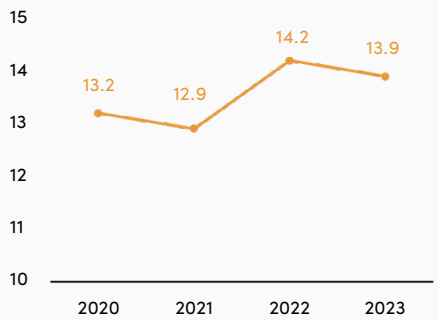
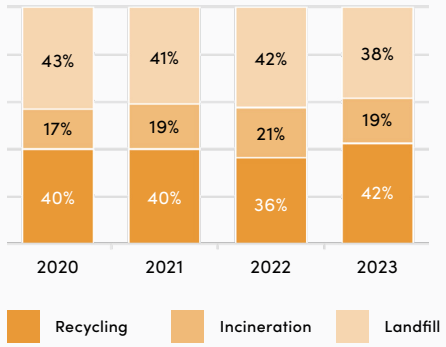
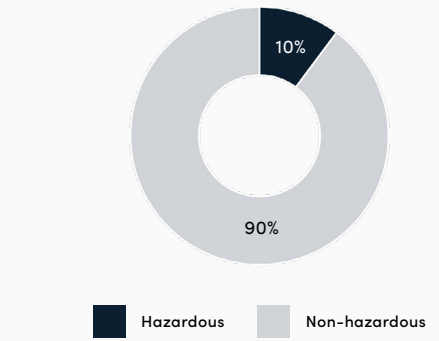


Note: The waste generation values have been updated compared to the 2022 report. Explanations for the changes are provided in each division's impact assessment.

Waste disposal
[%]



Share of hazardous & non-hazardous waste in 2023
[%]



HABASIT

Interview with Habasit CEO

In this interview with Martin Herrenbrück, CEO of Habasit, we explore his insights on sustainability and the company's strategic approach.

Martin Herrenbrück
Habasit CEO

Can you share a personal experience that ignited your passion for sustainability?

I cannot state that there was one special event that ignited my passion and more so my deep conviction for sustainability. It is really the world we live in and the place we leave behind for our children. Knowing that we all have a significant impact on our children's future health and environment is one of the biggest drivers for me to put sustainability high on the agenda in my professional but also personal life. In addition, my personal values are rooted in the belief to do good for our communities and society – this is how I have been raised and how we raise our children at home.

How does Habasit integrate sustainability into (its core values and) operations/value chain?

First and foremost, it is about living by example. I am a person true to my values and follow with all my passion the sustainability vision we at Habasit have embarked on. From a more practical point of view, we have of course a close collaboration with our Group Sustainability team and have integrated sustainability into our Habasit Strategy 2026. We have a dedicated strategic pillar "contribute to a more sustainable business" that is addressing three key areas for us regarding sustainability: sourcing / company / products & solutions. That being said, I am not fully satisfied with the progress being made over the last year and this is an area for us and Habasit to step up and do even more in the near future.

What are the key steps for Habasit to achieve its sustainability vision?

The achievement of our sustainability vision has two key parts: first, we have to take the topic very seriously and make it part of standard business processes. No matter if it is during strategic sessions, operational business reviews, or our daily business.

> "My personal values are rooted in the belief to do good for our communities and society."

Second, we have to make a difference with our initiatives with a clear focus on the sustainability footprint of our producing units and products.

On the market and in the perception of our customers, we need to continue to position ourselves by selected "lighthouse" sustainable products & solutions. Most recent case in point is the use of bio-circular material for our plastic modular belts or the replacement of rubber with thermoplastic material saving energy in a number of power transmission belts and machine tape applications.

What role do innovation and technology play in Habasit's sustainability initiatives?

These topics are absolutely critical. While we have to address some basics in our sustainability management (e.g., reduction of waste in production and fabrication, further increase in the use of renewable energy at our sites), we focus on innovative sustainable production methods and develop products & solutions that impact our materials used, production processes, and ultimately the industries we serve.

This is a key reason why our strategic initiatives for sustainability are led by our Portfolio & Technology Development (P&TD) team and why we also consider the collaboration with our Moovimenta Corporate Accelerator as so relevant for our future.

HABASIT IN BRIEF

Habasit, global expert in premium, innovative, and sustainable belting applications

For over 75 years, Habasit has focused on serving customers' needs with extensive industry knowledge and experience. We know our customers and we deliver solutions with our engineering expertise, ensuring excellent global support and service to customers in more than 70 countries.

Premium solutions

The Habasit brand is consistently recognized for its quality. It stems from our long-term orientation to generate added value for our customers. From the quality of the materials used in our products to the state-of-the-art technologies used in our processes to the quality mindset of each Habasit team member, we strive to be best-in-class.

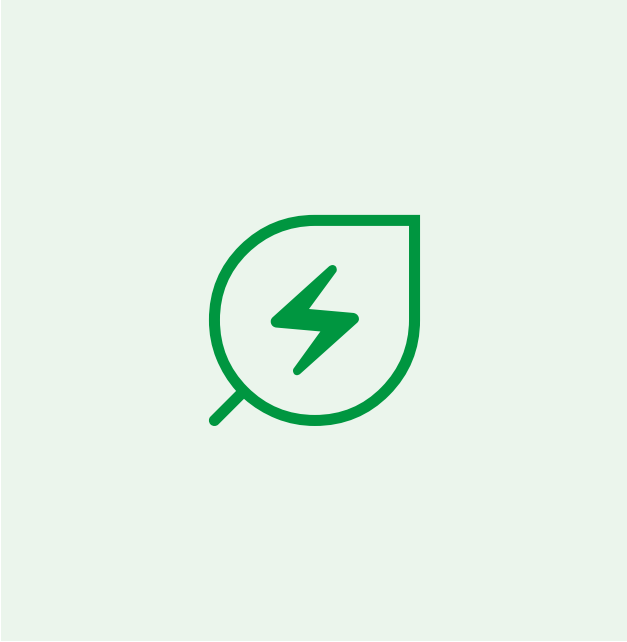
Innovating the world of belting

Through our focus on critical customer applications, we design and develop solutions that aim to solve their challenges. Our deep industry experience and application knowledge drive us to innovate belting solutions to benefit our customers' equipment and processes.

Our commitment to strive for sustainability in all industries

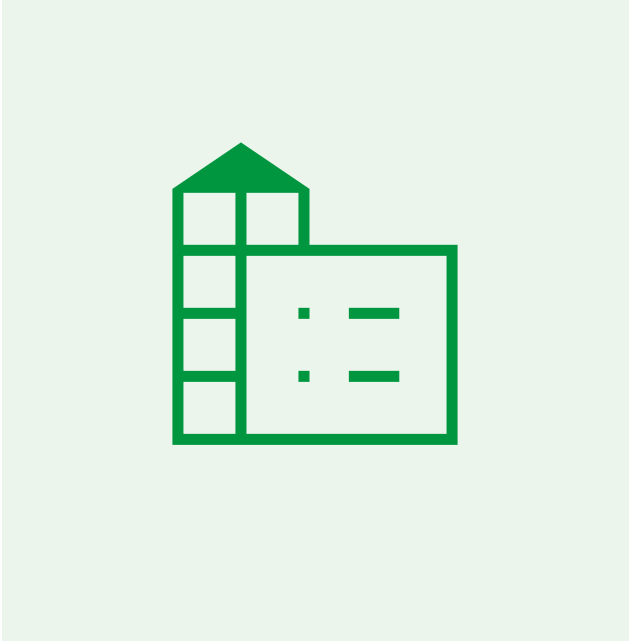
The most important objective when improving industrial energy efficiency is to reduce the environmental impact. Our mission is to foster industrial growth that benefits people without draining the planet. Therefore, we source environmentally friendly materials and improve our own operations. We support our customers' sustainability goals with belts that allow them to use less energy, water, or other precious resources.

Our environmental roadmap across the value chain



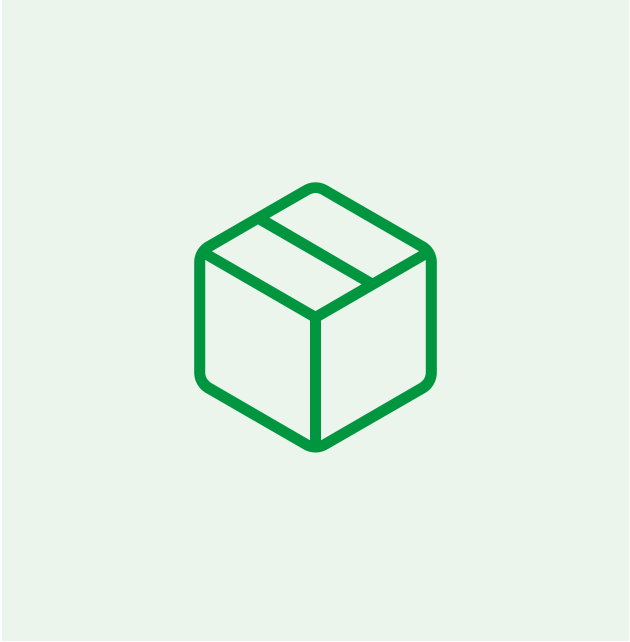
Sustainable sourcing

We collaborate with our suppliers to minimize the environmental impacts of our upstream activities and ensure compliance. We source sustainable raw materials from suppliers who adhere to social, ethical, and environmental guidelines.



Sustainable company

We are committed to minimizing our environmental impact through resource conservation and sustainable manufacturing. This includes optimizing energy use, reducing waste, improving efficiency, and achieving carbon net zero for scope 1 and 2 emissions.



Sustainable products and solutions

We responsibly manufacture our products, incorporating more sustainable, bio-based, and circular raw materials. We aim to improve resource conservation and reduce waste through the performance of our belts in customers' processes.

Designing sustainable products and solutions

Energy conservation

HabiPLAST TriboPlus®

HabiPLAST TriboPlus® is the next generation of Polyethylene guides for modular belts and chains, offering superior performance.

Key benefits include:

- **Energy efficiency:** Up to 50% lower power consumption.
- **Higher load capacity.**
- **Enhanced durability:** Minimal wear and longer lifespan.

Energy conservation

Next generation treadmill belts

Habasit has revolutionized treadmill belts with the development of next-generation Fitline® maintenance-free TPU belts.

Key benefits include:

- **Energy efficiency:** Up to 20% energy savings.
- **Reduced power and heat:** Lower amp-draw and heat generation.
- **Enhanced durability:** Better performance and longer lifespan.

Material conservation

FT-10/12E folder-gluer belt

FT-10/12E folder-gluer belt was developed in response to the rising demand for eco-friendly paper straws.

Key benefits include:

- **Innovative material:** Thermoplastic elastomer for high abrasion resistance, constant friction, and food safety compliance.
- **Extended lifespan:** Reduces waste, and replacement costs, lasting up to 5 months instead of 7–8 hours.
- **Improved efficiency:** Allows for continuous production with minimal interruptions.

Carbon reduction

Allveyor Package Handling belt with recycled PET

The Allveyor Package Handling belts now feature recycled PET yarns, offering sustainability benefits without compromising quality or performance:

Key benefits include:

- **Recycled PET yarns:** Incorporates environmentally friendly materials, reducing reliance on virgin resources.
- **Carbon footprint reduction:** Estimated to cut up to 250 tCO_2e per year.

Habasit environmental impact assessment

In 2023, we assessed energy consumption, greenhouse gas (GHG) emissions, volatile organic compound (VOC) emissions, water usage, and waste generation for all sites with five or more full-time equivalent employees (FTEs). This included 54 locations in 2023, with 55 in 2022, and 56 in both 2021 and 2020. Our data collection combines precise measurements and utility invoices, prioritizing primary data sources whenever possible.

Gaining a comprehensive understanding of our environmental footprint empowers us to develop and implement strategies to reduce our environmental impact.

Improvements in data quality and completeness have led us to update some of the values reported in the 2022 environmental report. These changes are noted throughout.

Energy use **GHG emissions** **VOC emissions** **Water use** **Waste generation**

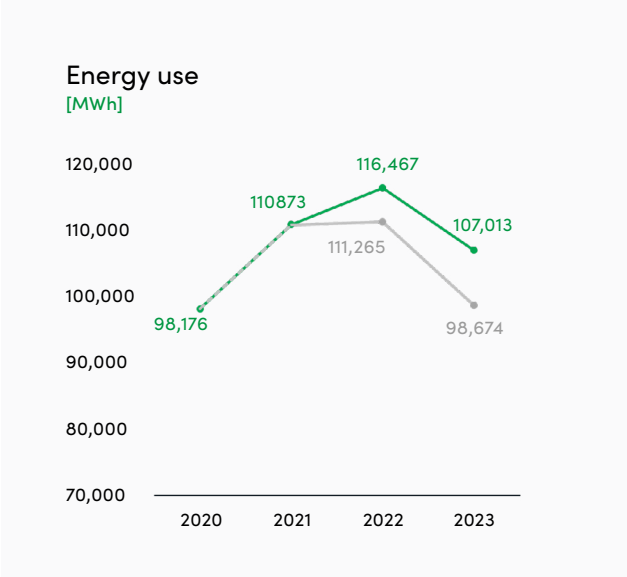
Energy use

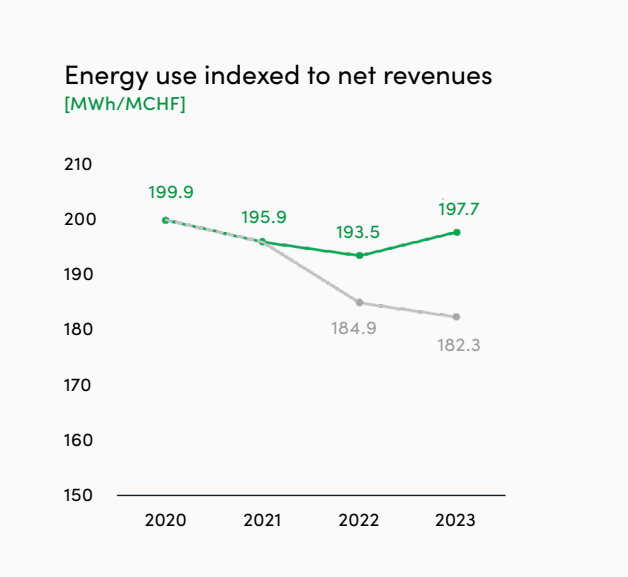
Reducing energy consumption remains the primary and central element of our carbon net zero strategy.

Our operational processes, such as injection molding, extrusion, calendaring, and vulcanization, rely on pressure and heat, primarily generated using electricity, but also derived from fossil fuel combustion. Natural gas is the main component of our fossil fuel mix, fueling both our processes and building heating. Our production sites consume the highest amount of energy, constituting 78% of the total energy use, while our fabrication sites, primarily reliant on electricity, account for the remaining 22%.

This year, we expanded the scope of energy use to include the fossil fuels used by company vehicles. In 2023, 43 out of 48 locations operating company vehicles reported fuel use. We retroactively applied this change for 2022 as well, leading to an updated value from what we previously reported. To ensure comparability of the energy use data between years, we have indicated the data without energy from vehicles in grey.

From 2020 to 2022, our energy usage increased as production levels rebounded following the exceptional circumstances due to COVID-19. In 2023, our total energy consumption decreased by 8%, and by 11% when considering the grey trend line. This is mainly driven by lower production volumes, energy-saving measures, and a warmer winter, which led to reduced heating demand. During the same period, the indexed energy value rose by 2%, while the grey trend line shows a decline.





Note: The energy use values have been updated compared to the 2022 report. The 2022 value has been updated to include fossil fuels consumed by company vehicles. The grey trend line shows energy use excluding vehicle fuel.

CASE STUDY

Energy efficiency improvements

Between 2022 and 2023, Habasit Italiana (Italy) has implemented various energy-saving measures across its Italian sites, significantly reducing energy consumption and carbon emissions.

Key developments

Cordignano

Actions: Installed LEDs, sensor lighting, and an energy-efficient compressor.
Impact: Saved 75,000 kWh, equivalent to 20 tCO_2e.

Vigliano

Actions: Installed LED lighting and replaced the boiler with a more energy-efficient model.
Impact: Saved 174,000 kWh, equivalent to 36 tCO_2e.

San Lazzaro di Savena:

Actions: Implemented LED lighting.
Impact: Saved 5,080 kWh.

Overall impact

254,080 kWh
total energy savings

56 tCO_2e
carbon emission reduction

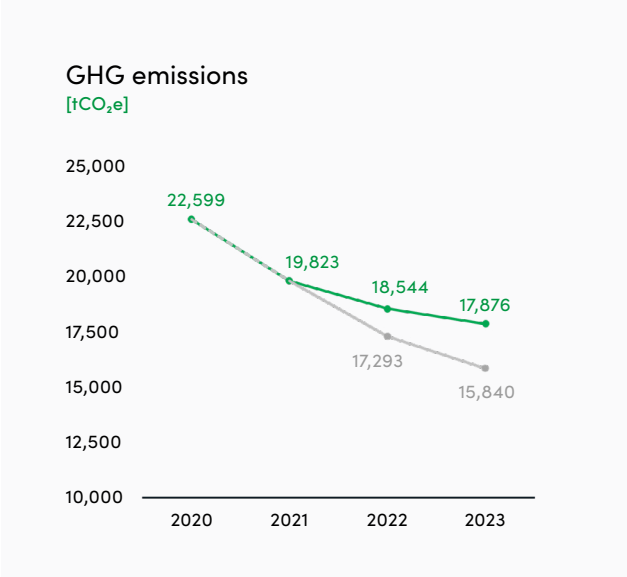
GHG emissions

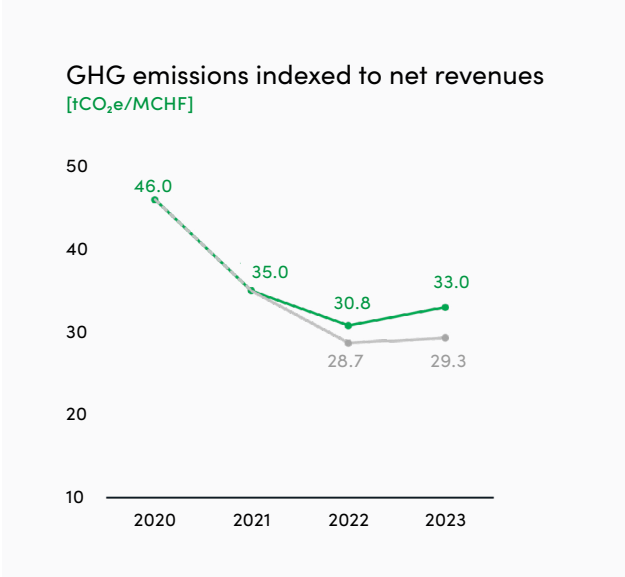
Recognizing the urgency of climate action, we are dedicated to minimizing our environmental footprint. Our commitment to achieving carbon neutrality by 2030 for both scope 1 and 2, in alignment with SBTi standards, drives our efforts to mitigate greenhouse gas emissions.

The calculation methodology for scope 2 purchased energy has been updated to align with GHG Protocol standard, now encompassing both location-based and market-based emissions. The GHG emissions displayed in the graph reflect total scope 1 and scope 2 market-based emissions. For location-based scope 2 emissions, please refer to page 64. The data in grey show the GHG emissions trend without mobile combustion emissions, which have been included in the data from 2022.

Excluding mobile combustion emissions, since 2020, we have achieved a 30% reduction in our GHG emissions. Notably, both our scope 1 (stationary combustion) and scope 2 emissions have steadily decreased, with scope 2 emissions halving, reflecting our continued investments in renewable electricity and on-site solar power. In fact, 71% of our total electricity consumption comes from renewable sources.

GHG emissions fell from 2022 to 2023, despite improved data collection efforts for scope 1 – mobile combustion, where an additional 14 sites reported fuel consumption by company vehicles for the first time.





Note: The GHG emission values have been updated compared to the 2022 report, due to the use of residual mix emissions factors for calculating market-based scope 2. The grey trend line shows the GHG emissions excluding emissions from mobile combustion.

CASE STUDY

Roof solar plants

Brislach, Switzerland

The first Habasit solar plant was inaugurated in June 2021. In 2023, it generated more than 110 MWh. The majority of the energy generated has been used in-house.

Cordignano, Italy

Launched in February 2022, the Cordignano solar plant features 228 panels and achieved a production of over 80 MWh in 2023.

More than 90% of the generated electricity was consumed internally.

Eppertshausen, Germany

In April 2023, Habasit Germany commissioned a photovoltaic (PV) system consisting of 1030 PV modules which generated more than 220 MWh, where about 80% is consumed internally.

Coimbatore, India

In July 2023, Habasit India commissioned a 955 m² photovoltaic (PV) installation which covers the entire surface on the roof of the Habasit facilities in Coimbatore.

It has generated more than 140 MWh, avoiding an estimated 113 tons of CO_2 emissions.

VOC emissions

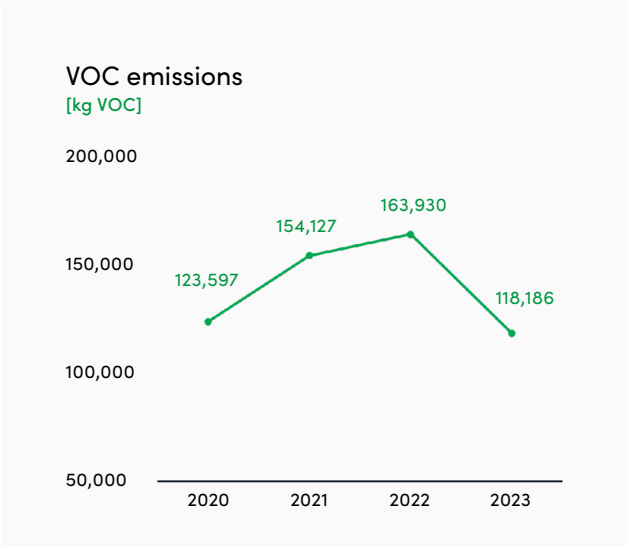
Solvents are used in our production and fabrication processes. They are primarily employed in production for coating solutions, and in fabrication for adhesives purposes.

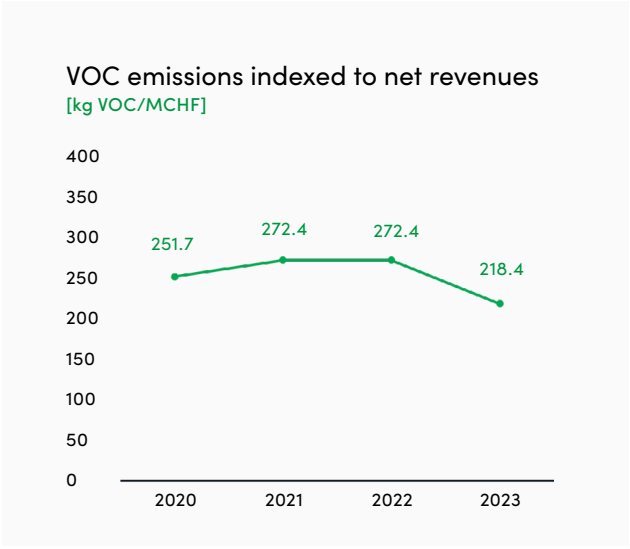
Over the past decade, we have actively worked to minimize solvent usage and VOC emissions. This year, we took a significant step towards gaining a better understanding of our data by implementing a standardized methodology for calculating VOC emissions across all sites.

As a result, our 2020–2022 VOC emissions values have been corrected and are approximately 33% lower than those reported in our 2022 Environmental Report, reflecting the improved accuracy of our new calculation methodology.

From 2022 to 2023, VOC emissions decreased by 28% proportionately to solvent use. This drop can be attributed to lower production volumes, a product mix shift, and therefore less usage of solvents.

The Top 5 facilities in terms of VOC emissions account for over 90% of the total VOC emissions. This concentration allows for a targeted approach to reducing VOC emissions.





Note: The VOC emission values have been updated to reflect a more accurate calculation methodology compared to the 2022 report.

Water use

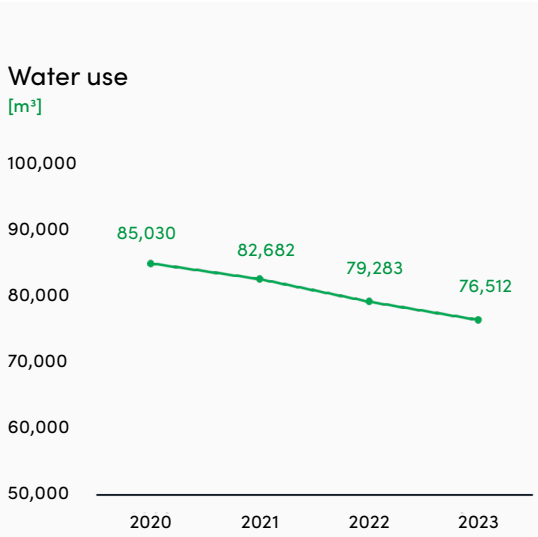
Though our operations are not typically water-intensive, we are committed to responsible management. We avoid harsh chemicals that could harm water quality and prioritize treatment processes when necessary. Our water conservation strategy involves proactive maintenance and targeted investments. In recent years, there has been a progressive upgrade of our manufacturing facilities' water-cooling systems to closed-loop systems. This transition has not only reduced water consumption but also improved overall system efficiency.

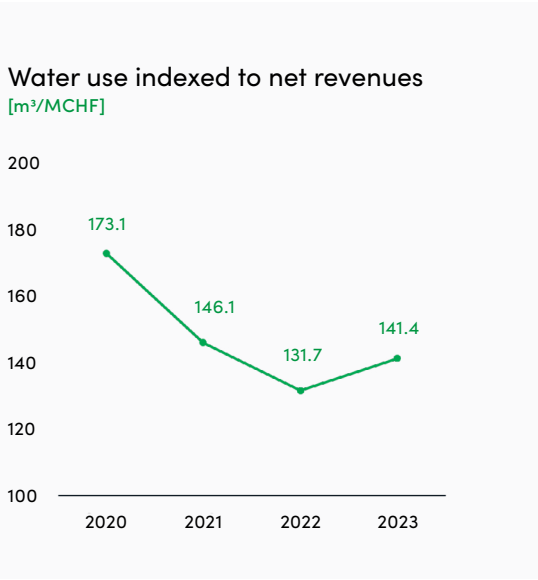
Between 2020 and 2023, we have steadily reduced our water consumption, amounting to a total reduction of 10%. This is equivalent to 8,518 m³ of water saved. To put this into perspective, this volume of water could fill over 3 Olympic-sized swimming pools.

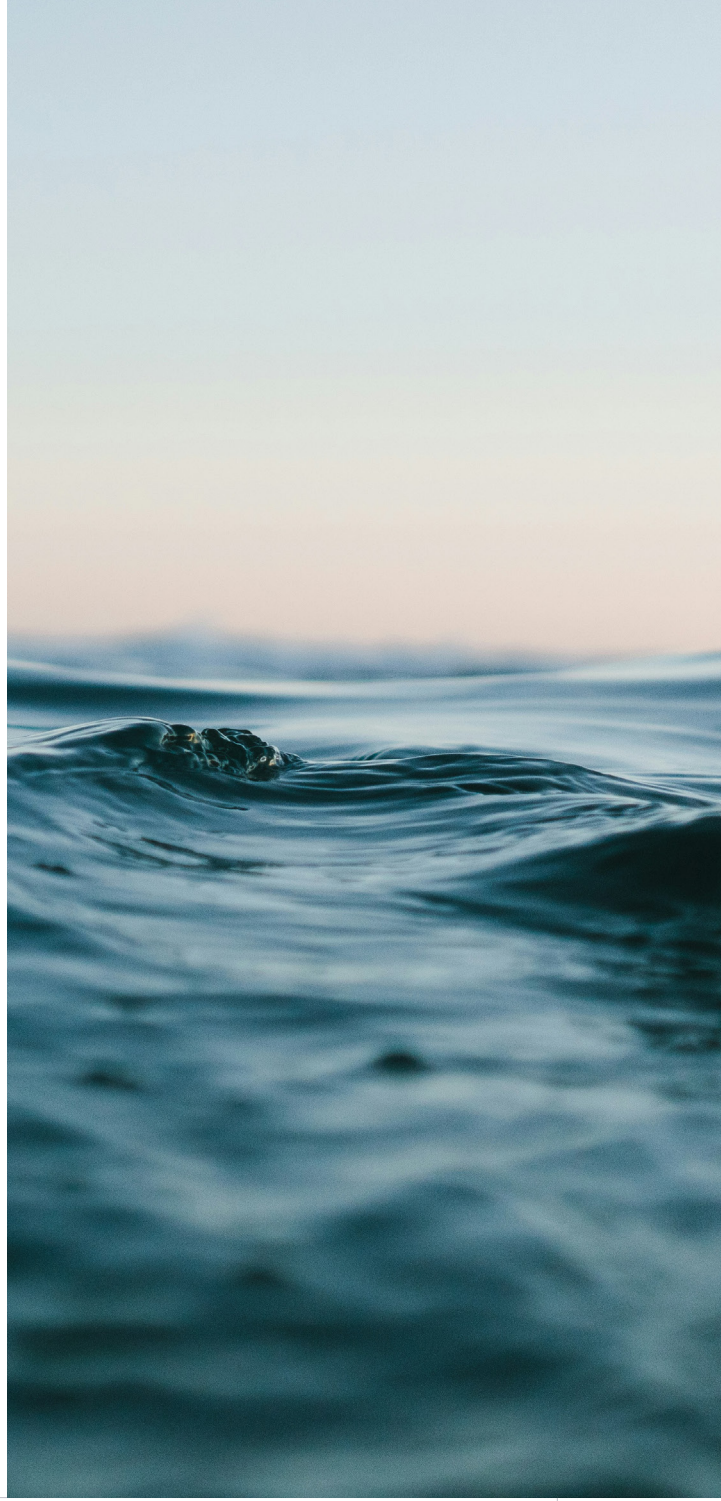
Our reduction in water use from 2022 to 2023 can be attributed to lower production volumes and the implementation of water-saving measures by a few of our sites.

While we have seen a decrease in water use overall, indexed water consumption has increased slightly, primarily due to non-production-related water usage such as sanitary facilities.

Note: The water use values have been updated compared to the 2022 report.







CASE STUDY

Water saving cooling solution

In 2023, Habasit Polska (Poland) has implemented a new cooling solution within its new building to significantly reduce water usage.

Key developments

Implementation of chiller system

Actions: Installed a chiller system that operates similarly to a refrigerator, using electricity to cool water in a closed-loop system.
Impact: Achieved a 64% reduction in freshwater usage, saving 4,000 m³ annually.

Future improvements

Potential for heat recovery: We are currently investigating the possibility of installing an additional system to retrieve and repurpose heat generated by the chiller for other uses.

Overall impact

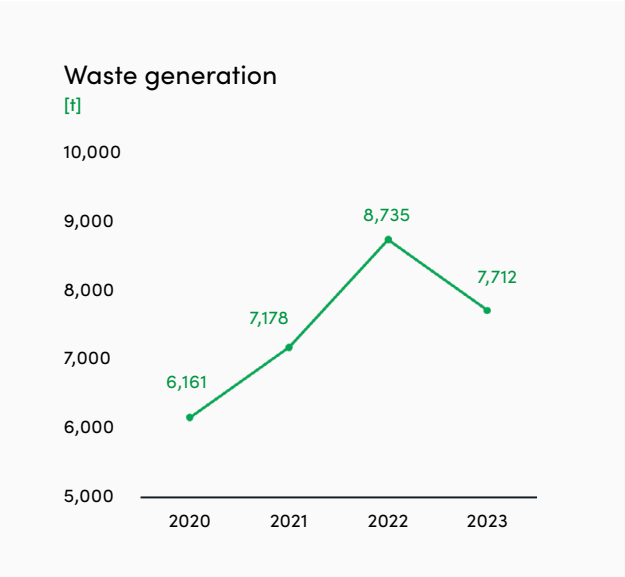
4,000 m³
total water savings

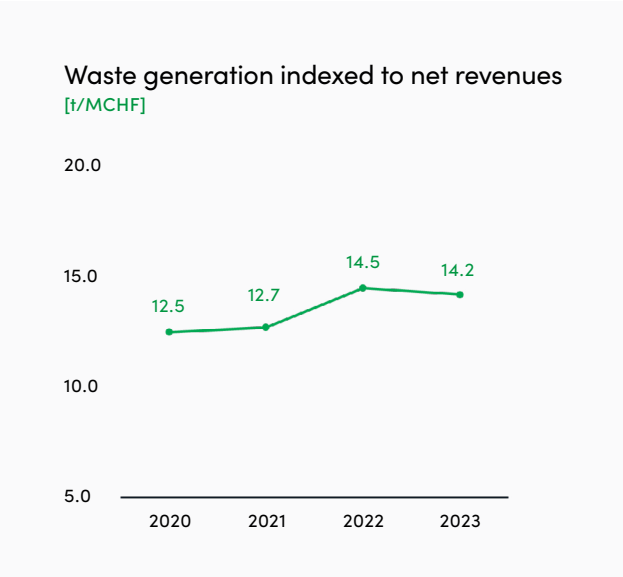
Waste generation and disposal

In 2023, we implemented a company-wide directive for all sites to adopt waste monitoring and reporting, ensuring comprehensive coverage and improved data quality. Our waste generation data encompasses operational, office, and canteen waste. While our efforts have significantly enhanced our dataset, we are still addressing a few gaps related to office waste. However, these discrepancies do not materially impact the reported values, since the main sites are included.

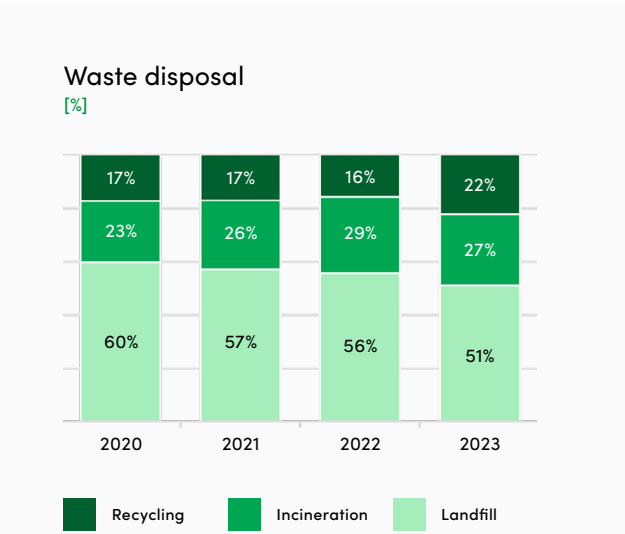
Analyzing the collected data, we noted a 12% drop in waste generation from 2022 to 2023. This decrease in waste is consistent with lower production volumes and is partly due to scrap reduction efforts at two of our production facilities. These efforts helped reduce the proportion of waste sent to landfills from 56% in 2022 to 51% in 2023.

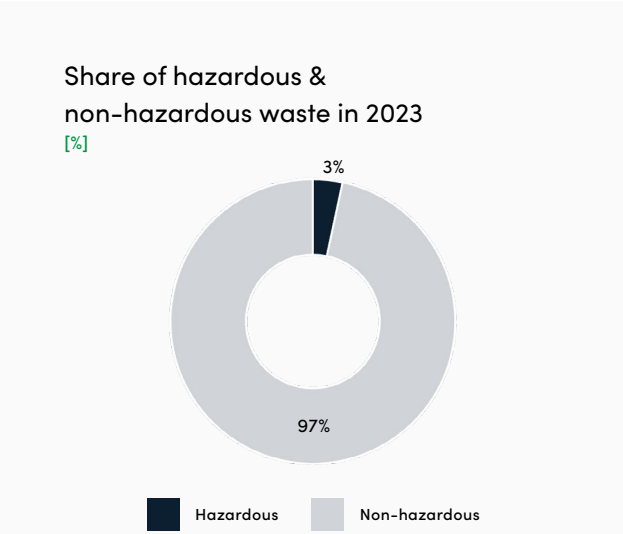
Hazardous waste constitutes only 3% of our total waste, and all 19 sites reporting hazardous waste ensure its safe disposal through continuous monitoring.





Note: The waste generation values have been updated compared to the 2022 report.






NGI

Interview with NGI CEO

In the following interview with Jan Nygaard, CEO of NGI, we had the opportunity to gain insight into his organizational perspectives on sustainability.

Jan Nygaard
NGI CEO

How does NGI integrate sustainability into its core values and operations?

At NGI, we often use the phrase "hygiene is at the heart of everything we do and everything we believe in": when it comes to our solutions, hygiene rhymes with sustainability. The hygienic solutions we design and manufacture, have a direct sustainability value: by using our solutions, our customers reduce their use of water, energy, and cleaning agents, making their operations more sustainable while reducing the risks of contamination.

In our own production facility, we constantly search for ways to reduce our impact, improving the sustainability of our operations. We use recyclable materials, prioritize the use of energy from renewable sources and progressively work to reduce waste addressed to incineration or landfill in favor of recycling - landfill waste has fallen from 17% in 2020 to 1% in 2023.

> "When people feel that they are included and a part of a community, they are also more likely to embrace new initiatives."

How do you ensure that sustainability efforts are effectively communicated and embraced by all employees?

Through constant communication: I strongly believe in the power of honest and direct communication across the organization. As the CEO, I created and keep a workplace culture where employees and managers can feel comfortable being completely open, honest, and transparent with one another. In addition to the necessary formal meetings, every day I walk through the production area and offices to talk to our employees about activities and projects. By openly sharing their challenges and ideas, they play an important role in de fining new initiatives. When people feel that they are included and a part of a community, they are also more likely to embrace new initiatives. A healthy, inclusive working environment has always been part of our culture; thus, a sustainable mindset is a natural extension of our daily and long-term operations for both management and employees.

NGI, Denmark

"NGI is a very interesting partner for us since their innovation within hygienic design allows us as a brand owner to specify hygienic EHEDG-certified levelling systems."

Hugo Durado & Sebastien Ducatteeuw
Mechanical Engineer & Project Manager, Barry Callebaut

NGI IN BRIEF

NGI, your partner in hygienic design

NGI is much more than just a supplier of stainless-steel components. We believe that delivering high quality products on time is not sufficient to be successful. We want to build collaborative relationships with our customers with the authentic intention of creating real value.

At NGI we aim to help our customers:

- Minimize the risk of cross-contamination in production environments.
- Minimize the use of water and cleaning detergents.
- Enhance their sustainability profiles and future-proof their production plants.

We invest 15% of our profits in R&D and are committed to innovating new products that are more sustainable than what the market offers today:

- New products need to have a longer lifetime. Our products are made of high-quality materials which means they have a longer lifetime than corresponding components.
- New products must be easier to clean and save valuable water resources.
- New products must be highly recyclable. 80% of our products can be recycled. We are continually working to increase this percentage.

Partner with companies in:

Food & beverage industries

Pharmaceutical industries

Our world of sustainable products and solutions

1. Bearing houses

- ✓ Fitted with ceramic bearings will extend the lifetime 4–8 times
- ✓ Reduces downtime and energy-loss
- ✓ The world's only USDA, EHEDG and 3A for high food safety
- ✓ Minimized use of water and cleaning detergents
- ✓ Lubrication-free eliminating grease in wastewater and increasing production safety

2. Castors

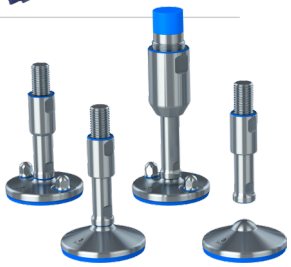
- ✓ Powerful easy-clean design minimizing the use of water and cleaning detergents
- ✓ Mechanics 100% integrated minimizing bacteria accumulation
- ✓ Minimized cross-contamination and maximized food safety

3. Synchronous drum motors

- ✓ Oil free minimizing the risk of oil leaks
- ✓ Lower energy consumption
- ✓ Higher motor efficiency and thus less power loss
- ✓ Enhanced food safety

4. Levelling feet

- ✓ Reduced cleaning time, water usage and electricity costs
- ✓ It takes 28% more resources to reach the same level of cleanliness on a fully-threaded machine foot
- ✓ Enhanced food safety with triple-certified options



PARTNERING FOR PROGRESS

NGI and Dueholm Solution's focus on energy-saving measures

Dueholm Solution – part of dht-group.dk – designs and develops innovative conveyor systems and equipment for production companies with high demands for quality and hygiene. This includes a focus on finding future-proof and sustainable solutions for their clients.

In collaboration with NGI, Dueholm Solution is currently examining the energy savings potential of using a synchronous drum motor compared to an asynchronous standard gear motor. Embracing a common goal, we are dedicated to seeking out energy-efficient alternatives to conventional conveyor systems.

Energy efficiency analysis

The comparative analysis focuses on key parameters including operating time, torque, speed, and load distribution. Preliminary findings demonstrate significant energy savings with the synchronous drum motor, highlighting its potential for reducing operational costs and environmental impact.

Results

Asynchronous gear motor
742.0 kWh

Synchronous drum motor
473.6 kWh

Up to **35%*** in energy saving

*Calculations are made taking into account efficiency, speed, torque and load. Depending on the load on the motor, savings are calculated to be between 14.29 – 34.6%. CO_2 emission is similarly reduced by up to 34.6%.

NGI environmental impact assessment

For the past four years, we have been collecting comprehensive data on energy use, greenhouse gas (GHG) emissions, volatile organic compounds (VOC) emissions, water use, and waste generation at our facilities. In 2022, we expanded the scope of our data collection to include a newly added facility in Germany.

This data, gathered through utility bills and direct measurements, helps us identify areas where we can further reduce our environmental footprint. Understanding this data is a crucial first step towards our environmental goals.

Energy use **GHG emissions** **VOC emissions** **Water use** **Waste generation**

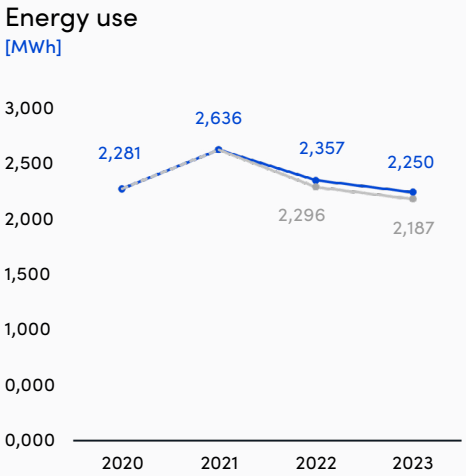
Energy use

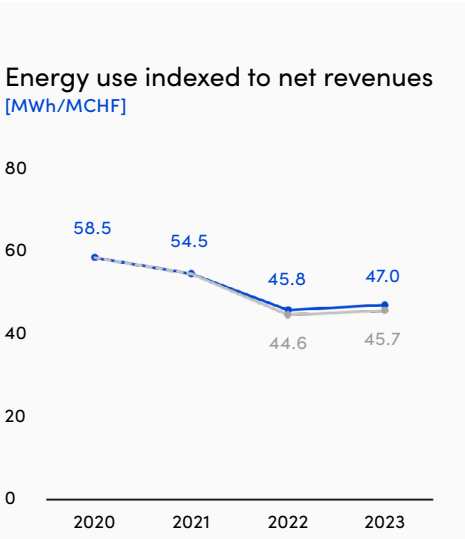
At NGI, the majority of our energy powers essential operations such as molding, extrusion, vulcanization, and metalworking. The remaining energy is used for general electricity needs in our buildings and for heating through a district heating system. This year, we broadened the scope of energy usage to incorporate the fossil fuels consumed by company vehicles. We retroactively applied this adjustment to the 2022 data, resulting in an updated value from our previous report. To ensure comparability of the energy use data between years, we have indicated the data without energy from vehicles in grey. As illustrated in the graph, a small portion of our energy is allocated to fuelling company vehicles.

Energy consumption has declined since 2021. Between 2022 and 2023, energy use fell by 5% due to lower production volumes and a warmer winter, which reduced heating demand. There was a small increase in the indexed value during this period.

Our energy conservation strategy involves consistently maintaining and upgrading our equipment to energy efficient alternatives, emphasizing resource savings in all new projects and initiatives, and awareness campaigns.

Note: The 2022 energy use value has been updated to include fossil fuels consumed by company vehicles. The grey trend line shows energy use excluding vehicle fuel.





CASE STUDY

Optimizing compressed air systems

In April 2022, NGI undertook a comprehensive review of its compressed air system to identify and reduce leaks, a common source of energy inefficiency.

Project overview

Objective: Reduce energy consumption and CO_2 emissions by addressing leaks in the compressed air system.
Timeline: Review conducted in April 2022; improvements fully integrated by June 2022.

Key achievements

Energy savings: The optimization led to a reduction in annual energy consumption by approximately 70,000 kWh.
Carbon reduction: The improvements translate to an annual saving of 9.8 tons of CO_2e.

GHG emissions

As of March 2021, our facility in Denmark has been powered by 100% renewable electricity from Danish windmills. In 2020 and 2021, our GHG emissions data included only scope 2 emissions due to our use of district heating, which eliminates scope 1 stationary combustion emissions. Starting in 2022, we expanded our reporting to include scope 1 mobile combustion emissions, along with GHG emissions from our new facility in Germany.

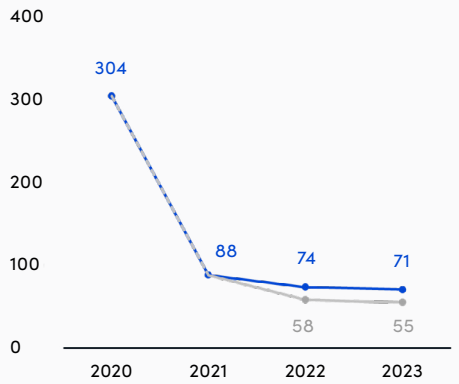
Our scope 2 calculation now adheres to GHG Protocol standards by incorporating both location-based and market-based emissions. The graph illustrates combined scope 1 and market-based scope 2 emissions. For details on location-based scope 2 emissions, please see page 64.

Between 2020 and 2021, our data shows a significant decrease of 216 tCO_2e while increasing our volume. This reduction can be attributed to the procurement of 100% renewable electricity for our site in Denmark. Since then, our carbon footprint has declined by 19%, reflecting reduced energy use, despite the inclusion of mobile combustion emissions and our new site in 2022.

Note: The grey trend line shows the GHG emissions excluding emissions from mobile combustion.

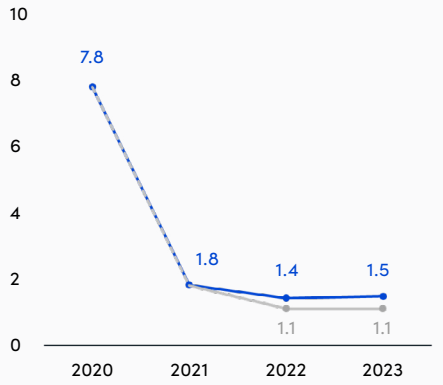
GHG emissions

[tCO_2e]



GHG emissions indexed to net revenues

[tCO_2e/MCHF]

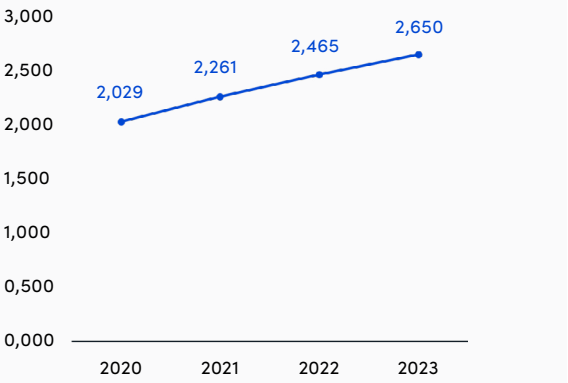


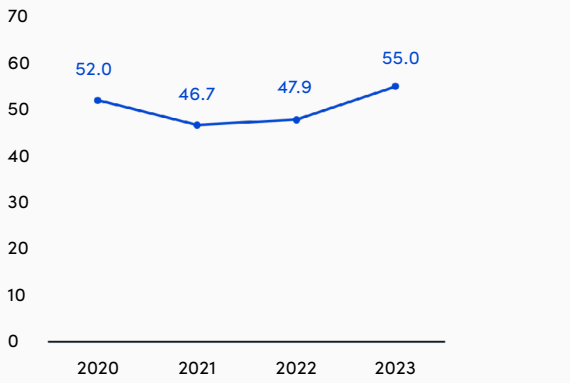
VOC emissions

In our production facilities, solvents are primarily used for cleaning and adhesive applications during the fabrication of our end products. All chemical operations within designated ATEX areas are equipped with approved extraction systems to maintain VOC emissions well within legal limits. Our ongoing commitment focuses on reducing solvent use to enhance employee safety and minimize environmental impact.

VOC emissions are calculated based on the VOC content of each solvent used, considering the solvent consumption at our facility in Denmark and, starting in 2023, our German facility. The VOC emissions from our German site are minimal and have had no significant impact on the overall trend.

Since 2020, we have observed an increase in VOC emissions, proportional to the rise in solvent quantities used. In 2023, we improved the accuracy of our VOC emissions calculations, which partly contributed to the increase in the indexed value from 2022 to 2023.



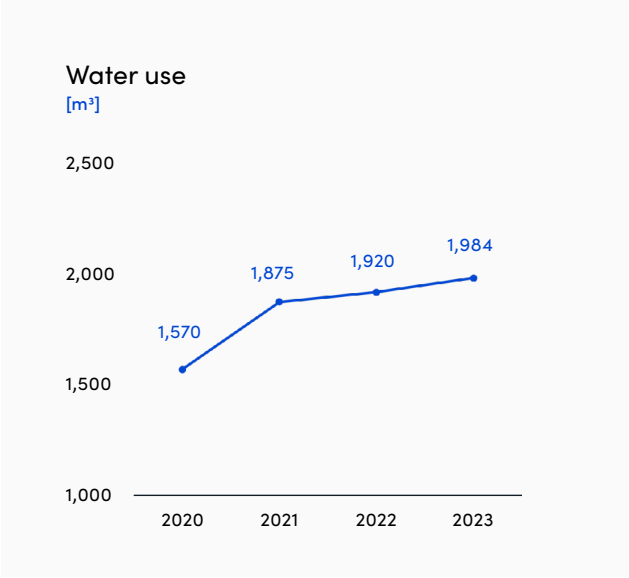


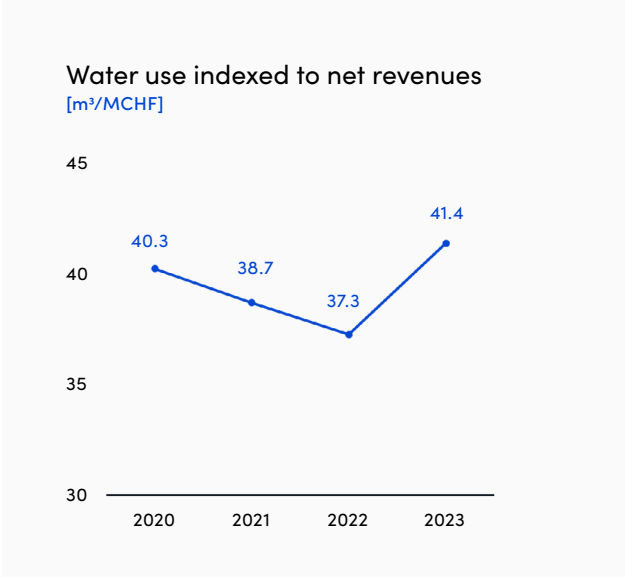
Water use

Despite our minimal operational water requirements, we have implemented a proactive strategy to manage water consumption. Over recent years, we have combined maintenance practices with strategic investments in our manufacturing facilities to ensure efficient water use.

Additionally, we prioritize using environmentally friendly alternatives to harsh chemicals to prevent water quality impacts. In cases where chemicals are necessary, we ensure proper treatment through certified partners.

Water consumption has shown an upward trend since 2020. The 19% rise between 2020 and 2021 is largely due to increased production volume and employee numbers, as well as the introduction of new production processes that utilize water. Since 2021, water consumption has increased by about 3% annually. At our site in Germany, this increase is attributed to a rise in the number of employees. The water use indexed to net revenues increased in 2023, because water use is not directly tied to net revenues.





Waste generation and disposal

We recognize the importance of effective waste management in promoting resource efficiency and contributing to the circular economy. Our waste management scope includes operational and office waste generated at our Denmark location and starting in 2023 the operational and office waste from our facility in Germany.

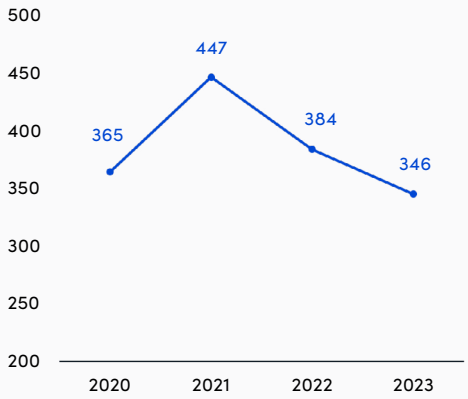
Our objective is to achieve and maintain a landfill proportion of 5% or below by 2025 while simultaneously reducing our overall waste generation.

We have made significant progress towards our waste management goals and can clearly see that our efforts are yielding positive results. Waste generation peaked in 2021 due to the removal of obsolete machinery and materials from our warehouse. As a result, total waste generated has decreased by 23% since 2021. The share of waste going to landfill has been reduced from 17% in 2020 to only 1% in 2023. Most of this reduction was achieved through recycling. To further minimize the proportion sent to landfill, in 2023 we diverted non-recyclable waste to incineration instead.

Although hazardous waste accounts for only 8% of our total, we prioritize safe disposal and aim for further reduction. Continuous improvement and innovation in waste management will be key to sustaining and exceeding our targets in the future.

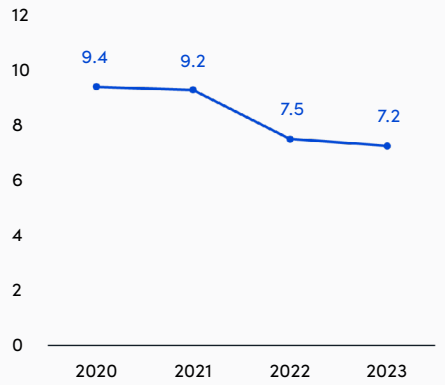
Waste generation

[t]



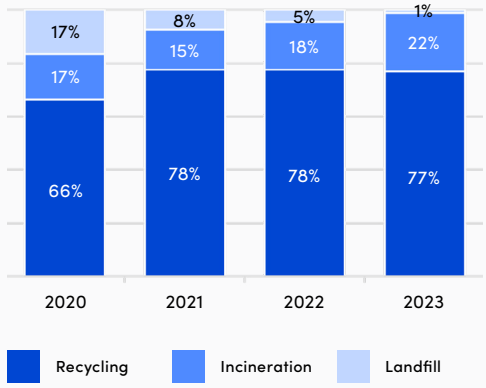
Waste generation indexed to net revenues

[t/MCHF]



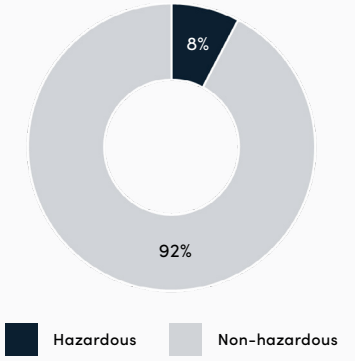
Waste disposal

[%]



Share of hazardous & non-hazardous waste in 2023

[%]



CASE STUDY

From waste to resource: Recycling waste rubber for machine feet production

As part of NGI's sustainability initiatives, we have focused on reducing our waste products. One significant waste product is the surplus vulcanized rubber generated during the molding process.

Project overview

Objective: Explore recycling options for surplus vulcanized rubber to produce new machine feet.
Annual waste: Approximately 20 tons of waste rubber, constituting about 10% of the rubber used, was sent to an incineration plant.

Potential carbon savings

31 tCO_2e / year

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Key developments

Recycling process consists of: freezing and grinding vulcanized rubber into a fine powder into the new rubber used for machine foot production.

Product specification:

- Machine feet with 50% recycled rubber content, achieving a potential of 31 tCO_2e savings per year.
- Meeting mechanical standards equivalent to original feet.
- Ongoing efforts to improve the visual appearance of recycled rubber feet.

Challenges faced:

- The technical facilities needed for carrying out this process are not available locally.
- The transportation to non-local recycling facilities will emit as many emissions as the CO_2 savings of the project.

The project holds great promise, but we have decided to pause it until we have the necessary facilities established in the local area.

ROSSI

Interview with Rossi management team

In this interview, the Rossi management team provide reflections, strategic visions, and organizational perspectives on sustainability.

How does Rossi integrate sustainability into its core values and operations/value chain?

Rossi strives to achieve economic sustainability through continuous improvement of its processes, aimed at achieving balanced and sustainable growth of the company and its supply chains. Rossi uses ethically responsible production models that respect and safeguard human rights, environmental well-being, and the welfare of the community.

"Employees are the primary source of Rossi's success."

What role do innovation and technology play in Rossi's sustainability initiatives?

Rossi is convinced that the compatibility between business development and respect for, and development of, the environment and the community is essential. The goal pursued by the Company is to grow in harmony with the local area and to limit its environmental impact, to continuously improve the efficiency of its production activities, while investing in innovative technologies to decrease consumption and perfect resources.

The environmental policy has the following main goals:

The conservation of and the use of renewable sources for sustainable development of the enterprise.

The limitation of waste production, proper waste management and a reduction of waste.

Training and awareness raising at all company levels will significantly contribute to the change needed to achieve tangible outcomes.

How do you ensure that sustainability efforts are effectively communicated and embraced by all employees?

All our sustainability initiatives are shared with employees through our corporate intranet, communiqués, and information and training activities.

Employees are the primary source of Rossi's success, so we want to ensure that all employees engage in the company's sustainable vision based on corporate responsibility.

Our Code of Ethics expresses Rossi's commitment to ethical conduct towards its employees; one of our core values is Transparency: that is, conveying clear communication in all aspects of our organization.

What message would you like to convey to Rossi's employees and partners/clients about our commitment to sustainability?

Referring to both the Group ESG Policy and the Corporate HSE Policy, the ESG strategic aims that Rossi intends to pursue are:

- Promoting a Culture based on Safety and Environmental Protection through effective, efficient, and ever-enhancing Management Systems.
- Disseminating the corporate values that put people at the center, to promote loyalty, ethics, and responsibility both towards employees and other external interested parties.
- Supporting the United Nations 2030 Agenda for Sustainable Development.

ROSSI IN BRIEF

Rossi, solutions for an evolving industry

We are a global and innovative manufacturer of durable, high-quality gearboxes and gearmotors, and reliably equip our customers for the most critical processes and applications.

Renowned for exceptional quality and robustness in heavy-duty sectors and challenging applications.

- 3 years warranty.
- Hundreds of thousands of gear-motors operating worldwide.

High fit for niche applications in future-oriented industries through a broad product portfolio.

- Thousands of applications moved by our gearmotors.

Strong and reliable relationships with OEMs, providing unique benefits through collaborative engineering and extensive expertise.

- 6,600 worldwide customers.
- 17 affiliated companies we are present where you need us.

Exceptional capability for extensive customization to address the most intricate customer requirements.

- 100% of our products are potentially customizable.
- 50% of our products are customized.

150,000+
gearmotors produced per year

7M+
gearmotors produced since 1953

OUR STEPS TOWARDS SUSTAINABILITY

Replacing plastic-based adhesive tape with kraft paper tape

Rossi Iberia (Spain) has taken a significant step towards environmental sustainability by replacing plastic-based adhesive tape with kraft paper tape.

Project overview

Objective: Reduce the use of non-recyclable plastic materials.
Solution: Replace plastic-based adhesive tape with eco-friendly kraft paper tape.

Impact

Plastic reduction: Reduced non-recyclable plastic material. By rouling out this project to all affiliated companies, we could significantly reduce the amount of plastics used annually.
Sustainability commitment: Demonstrated Rossi's strong determination to enhance the environmental impact of our packaging.

Before


After

Rossi environmental impact assessment

Since 2020, we have conducted environmental assessments to evaluate energy consumption, greenhouse gas (GHG) emissions, volatile organic compound (VOC) emissions, water use, and waste generation at our facilities. Our impact assessment covered 16 locations in 2023, 15 locations in 2022, and 13 locations in both 2021 and 2020. Data was collected through measurement and invoices.

Gaining insights into our environmental impact allows us to identify specific areas where our operations impact the environment. This understanding empowers us to develop targeted strategies and initiatives aimed at minimizing our environmental footprint.

Enhancements in data quality and completeness have prompted updates to certain values reported in the 2022 environmental report. These changes are noted throughout.

Energy use **GHG emissions** **VOC emissions** **Water use** **Waste generation**

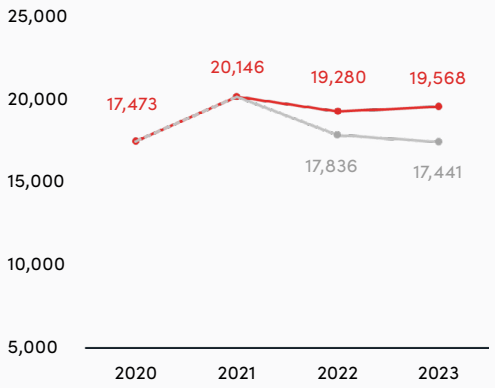
Energy use

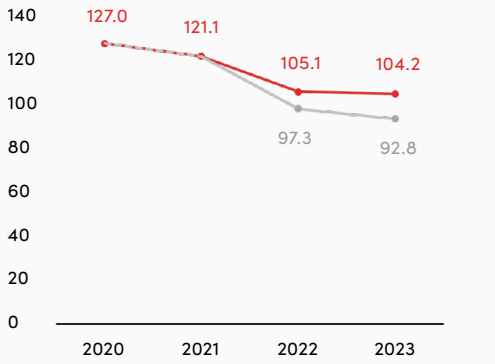
The majority of our energy consumption occurs at our production sites, where our processes and activities, particularly machine tools, are predominantly powered by electricity. Fossil fuels are primarily utilized for heating our offices and production areas. Our production sites accounted for 87% of our total energy consumption in 2023, with assembly sites and offices making up the remaining 13%.

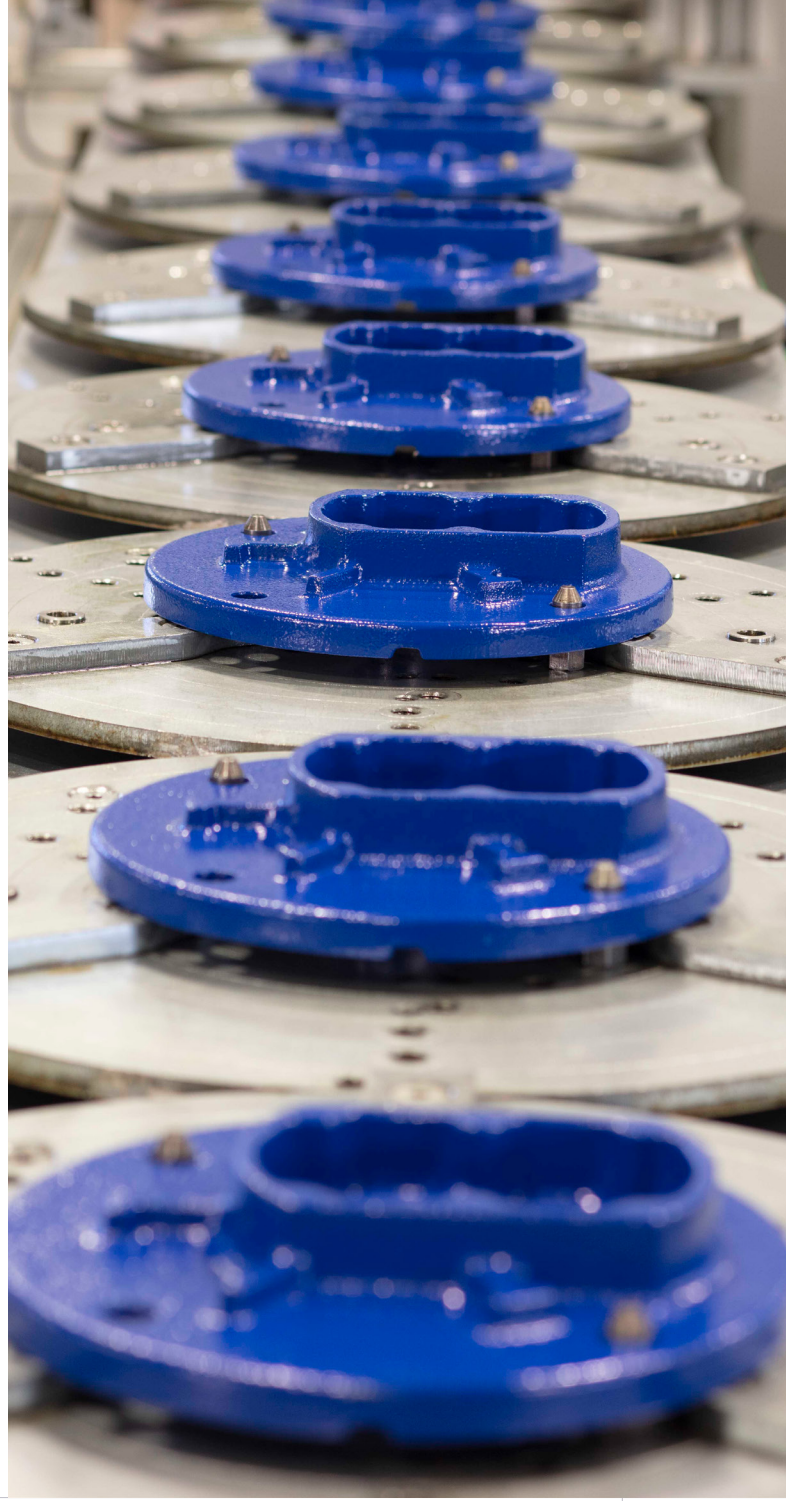
This year, we expanded the scope of energy use to include the fossil fuels used by company vehicles. We retro-actively applied this change for 2022 as well, leading to an updated value from what we previously reported. In 2023, our total energy consumption, shown by the red trend line, witnessed a modest increase of 1.5% compared to 2022. The increase is linked to improved data collection on company vehicles, as four sites started reporting fuel consumption by vehicles in 2023.

To ensure comparability of the energy use data across all four years, we have indicated the data without energy from vehicles in grey. The grey trend line shows a 13% decrease in energy consumption from 2021 to 2023. This is mainly due to lower fossil fuel usage resulting from a milder winter and controlled heating practices across our sites, which was reinforced by an awareness campaign among our colleagues.

Note: The energy use values have been updated compared to the 2022 report. The 2022 value has been updated to include fossil fuels consumed by company vehicles. The grey trend line shows energy use excluding vehicle fuel.







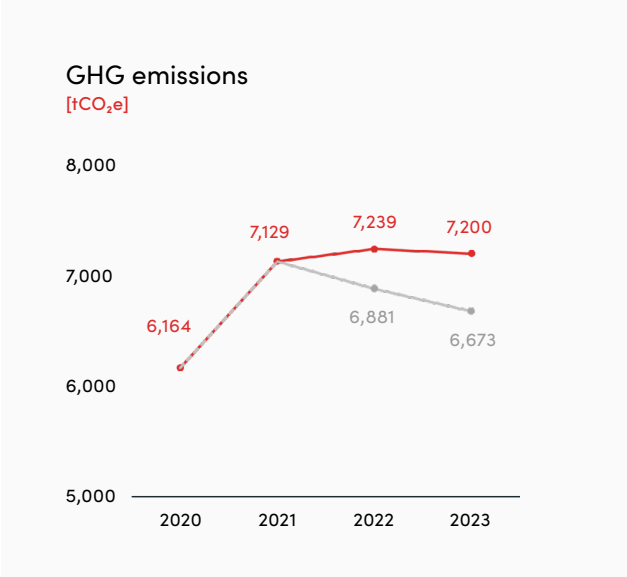
GHG emissions

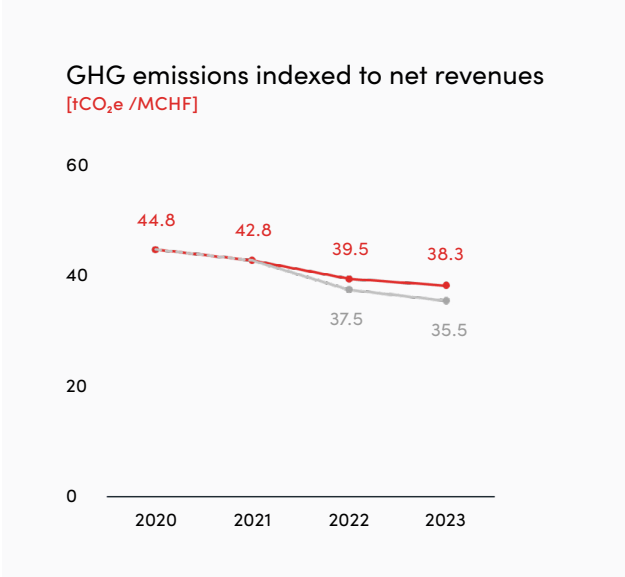
This year, we aligned our calculation of scope 2 purchased energy with the GHG Protocol Standard by including both location-based and market-based emissions. The GHG emissions shown in the graph represent the total scope 1 and scope 2 market-based emissions. By adopting the GHG Protocol Standard, we see an addition of about 2,000 tCO_2e compared to last year's report from 2020 to 2022. This is due to the use of residual mix emissions factors for our European locations instead of the region or national grid average. For location-based scope 2 emissions, please refer to page 64. The data in grey show the GHG emissions trend without mobile combustion emissions, which have only been included in the data from 2022.

Excluding mobile combustion, our GHG emissions have shown a decreasing trend since 2021. Between 2022 and 2023 the grey trend line shows a decrease in GHG emissions despite a growth in volume, due to a 5% reduction in electricity use in 2023. This reduction can be partially attributed to changes at one of our production sites where the operating hours have decreased for several machine tools.

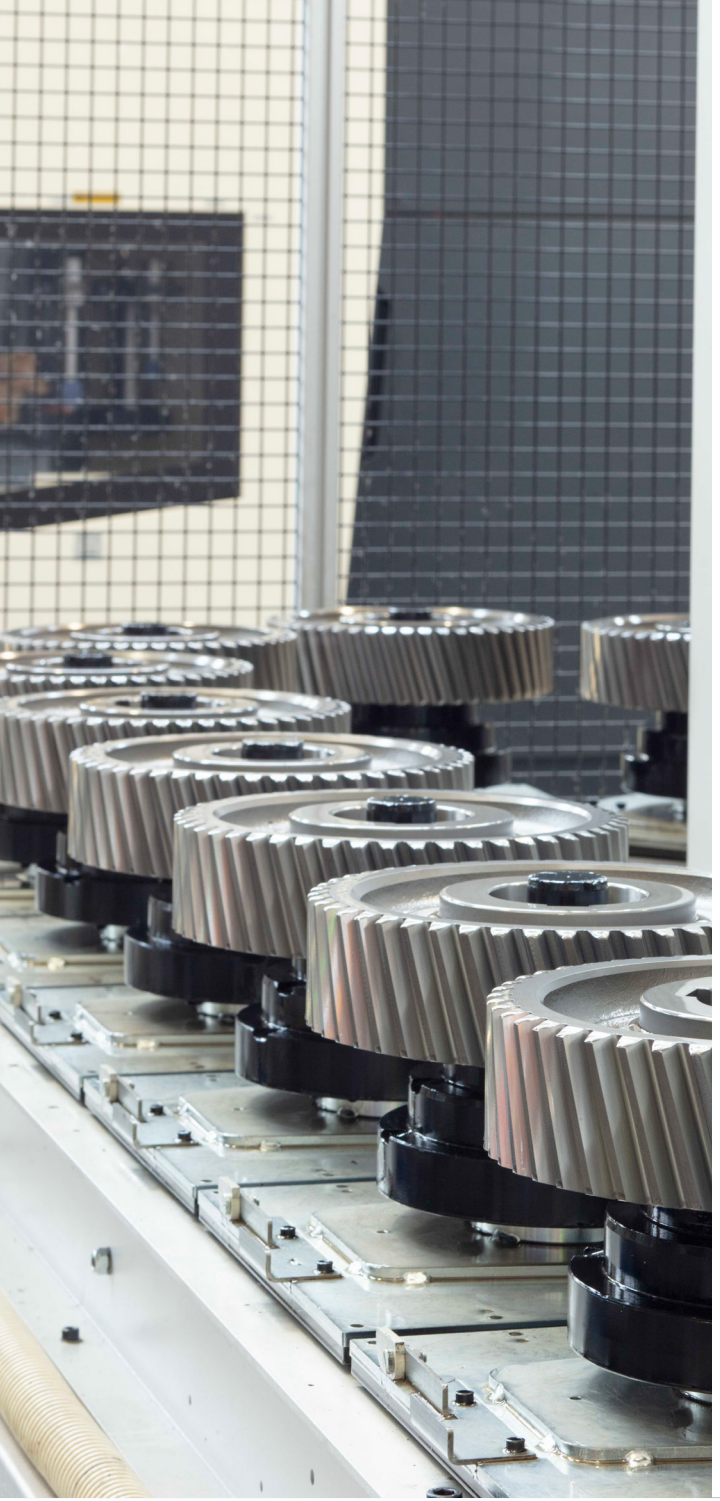
To ensure a continuous reduction in our carbon footprint, we must intensify our efforts by implementing various reduction strategies. These include switching to renewable energy sources, enhancing energy efficiency, and optimizing heating and cooling systems.

We are currently in the process of installing rooftop solar panels at one of our most energy-intensive site to further reduce our scope 2 emissions.





Note: The GHG emission values have been updated compared to the 2022 report, due to the use of residual mix emissions factors for calculating market-based scope 2. The grey trend line shows the GHG emissions excluding emissions from mobile combustion.



VOC emissions

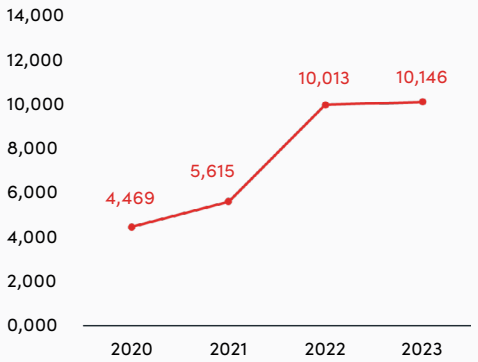
In our operational processes, solvents are used for cleaning the gearboxes and their components, and the paint spray system inside the spray booths. To minimize the impact on employee health and the environment, the use of solvents is conducted in fume hoods or under paint mist extraction systems. When necessary, appropriate PPE is provided as an additional safety measure. Solvent waste is collected in designated barrels and disposed of as hazardous waste.

This year, we made significant progress in understanding our data by implementing a standardized methodology for calculating VOC emissions across all sites. Consequently, our 2020 to 2022 VOC emissions values have been updated and are now more accurate than those reported in the 2022 Environmental Report.

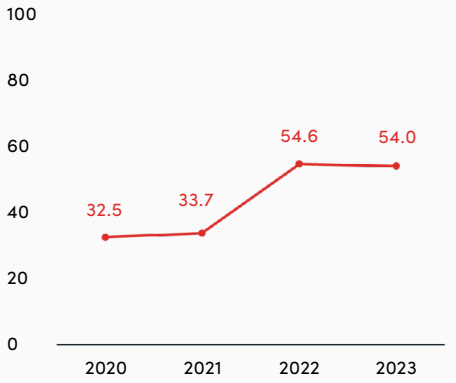
VOC emissions increased from 2020 to 2023, due to higher solvent usage. This is driven by production growth and product mix-shift. The addition of new lines of gear-boxes, and increased manufacturing of large rather than medium gearmotors, require more solvent for cleaning compared to smaller ones.

Note: The VOC emission values have been updated to reflect a more accurate calculation methodology compared to the 2022 report.

VOC emissions
[kg VOC]



VOC emissions indexed to net revenues
[kg VOC/MCHF]



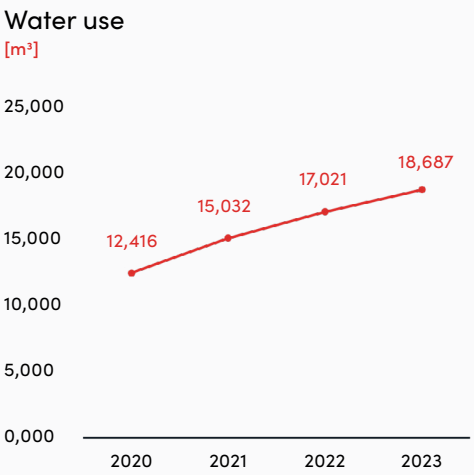
Water use

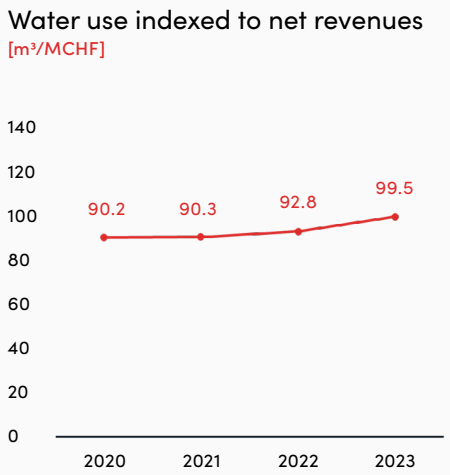
Most of our water consumption is dedicated to office and hygiene needs, as well as to evaporative coolers that keep production areas comfortable during summer. About 10% of our water usage is allocated to the production cycle. Our four largest sites accounted for over 86% of total water use in 2023.

Between 2020 and 2023, we observed a steady rise in water consumption. This increase is attributed to a higher number of employees and greater reliance on evaporative towers to cool our workplaces during the summer. In 2023 our water use was 10% higher than in 2022, due to pronounced heatwaves affecting our production sites in the summer of 2023.

With the continuous increase in temperatures due to climate change, maintaining a comfortable working environment for our employees, while reducing our water consumption is challenging.

For older buildings using evaporative towers for cooling is currently the most appropriate solution. At our newer buildings, we are installing fan coil systems to regulate temperatures, which will rely on electricity instead of water.





Note: The water use values have been updated compared to the 2022 report.

Waste generation and disposal

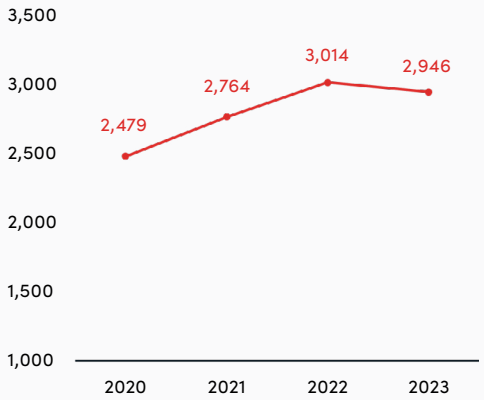
Across all covered entities, we collect operational and office waste data. Out of 14 sites required to report operational waste, 13 are submitting data. For office waste, 11 out of 16 sites are reporting, with only five small sites yet to report. We are actively ensuring that all sites will report within the upcoming reporting cycle.

For the sites currently reporting, these locations play a crucial role in our net revenues, production volume, and workforce. As such, the data collected from these sites is considered representative of the waste generated across our operations.

Our waste generation fell by 2% in 2023, despite increased production volume. This is primarily due to reduced operation of one of our machines, resulting in less waste. From 2020 onwards, we have maintained a high recycling rate. Of our total waste, hazardous waste comprises 29%, with 8 out of 16 sites reporting its presence. All sites, monitor hazardous waste, except one and all ensure its safe disposal. We are actively exploring opportunities to minimize hazardous waste and have already begun implementing circular economy initiatives to minimize non-hazardous waste across our sites.

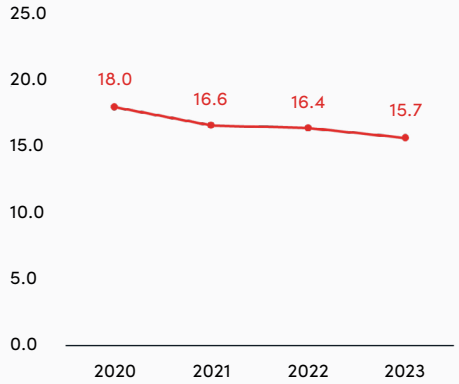
Waste generation

[t]



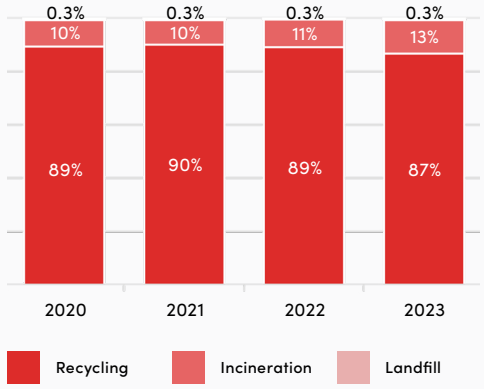
Waste generation indexed to net revenues

[t/MCHF]



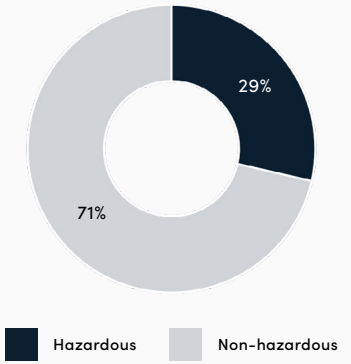
Waste disposal

[%]



Share of hazardous & non-hazardous waste in 2023

[%]



CASE STUDY

Reduce, reuse, recycle

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Reduce & Recycle

Recycling waste in production plants

In 2022, Rossi introduced a recycling initiative in our production plants to improve waste management and sustainability.

Project overview

Objective: Reduce non-recyclable mixed material packaging in production.
Solution: Implement separate waste collection for paper, cardboard, and plastic packaging.

Key achievements

Recycling initiative:

- Introduced separate waste collection for paper and cardboard (EER 150101) and plastic packaging (EER 150102) by setting up designated bins.
- Reduced non-recyclable mixed material packaging (EER 150106).

Operational changes: Trained staff on new waste separation procedures.
Waste reduction: Achieved a 74% reduction in non-recyclable mixed material packaging in the workshop.

Reduce & Reuse

Reuse of packing material in the workshop

In line with our commitment to sustainability, Rossi implemented a solution to reuse pre-shaped packing materials in our workshop, significantly reducing packaging waste.

Project overview

Objective: Develop a system for reusing pre-shaped packing materials to move components between Rossi plants.
Solution: Collected and reused pre-shaped packing materials within the workshop.

Key achievements

Waste reduction and material reuse: Decreased packing material waste and promoted circular use of materials.
Economic gain: Cost savings from reduced need for new packing materials.

CASE STUDY

Reduce, reuse, recycle

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Reduce & Reuse

Reuse of protective nets for pinions

Rossi has implemented a solution to reuse protective nets for moving pinions between plants, significantly reducing packaging waste.

Project overview

Objective: Reuse protective nets to transport pinions between Rossi plants.
Solution: Collect and reuse protective nets, using different colors for different sizes.

Key achievements

Material reuse: Promoted the circular use of protective nets.
Economic gain: Cost savings from reduced need for new protective nets.


TRAPO
Automated Intralogistics
TRAPO

Interview with TRAPO CEO

In an interview with Thomas Gutwald, TRAPO CEO, we had the opportunity to gain insights into his personal reflections, and strategic vision on sustainability.

Thomas Gutwald
TRAPO CEO

What is your personal motivation to act sustainably?

We need to take responsibility for future generations. I was lucky to be born into a peaceful and intact environment. But today we take more resources from the planet than are due to us and this is at the cost of future generations. We leave a heritage that cannot be corrected, a quite egoistic behavior.

In my leadership function, I have the chance and the motivation to make a difference about sustainability at least in my business micro cosmos and, of course, in my private life. It is about walking the talk now, rather than waiting for others to act.

What actions have been taken in the past when it comes to sustainability?

TRAPO is not only certified according to the quality management standard ISO 9001, but also to the environmental management standard ISO 14001 and energy management standard ISO 50001. These systems provide us with the structural basis for our sustainability management.

TRAPO has implemented a state-of-the-art energy tracking system. Understanding the consumption of all energy sources by department, building, and even key machines is the foundation for all internal energy-saving measures.

TRAPO has been audited by EcoVadis and got a bronze medal (Jan. 2024: 62/100). We have identified and taken measures to improve our score even more, targeting to be ranked among the top companies also with regard to sustainability. We are a partner of the Blue Competence sustainability initiative. We source electricity only from hydropower stations. We started to convert our company car fleet to electric cars and we offer e-charging stations to our employees. Light sources are converted to LED. We are committed to continuing along this path.

> "It is about walking the talk now, rather than waiting for others to act."

What makes TRAPO special in terms of social and environmental goals?

TRAPO is a midsize Division within the Moovimenta Group. Our internal operations are not specifically energy-intensive. But our Intralogistics Automation solutions are applied in a global marketplace. Our plants are built to last and while they run they consume electricity. This is our leverage to a significant impact on sustainability. We make workplaces sustainable, efficient, safe, and ergonomic.

Being part of Moovimenta, we share the same values summarized in our Code of Conduct and the ESG Policy.

How do you inspire and motivate TRAPO employees to act sustainably?

First of all, it is about setting a good example. The commitment to sustainability cannot just be an empty promise of management.

The motivation of employees cannot be enforced. Every individual needs to draw his/her own conclusions. TRAPO management will provide relevant and unbiased information on sustainability to help employees to understand the criticality of the situation. Of course, every employee is strongly requested to join in the defined sustainability targets and to act accordingly.

Automated intralogistics is the key to efficient and sustainable use of resources

TRAPO Solutions: based on 67 years of experience

At TRAPO, we have been pioneering automated intralogistics systems since 1957. Today, we are revolutionizing industry standards with our cutting-edge products and innovative automation technology.

Our products include conveyors, advanced grippers, palletizers and depalletizers, and autonomous truck-loading solutions.

All these elements are meticulously combined to create intelligent, integrated system solutions that enhance operational efficiency and ensure seamless workflow. By harmonizing advanced technology with innovative design, we deliver solutions that not only meet but exceed industry standards, providing a comprehensive approach to optimizing your production processes.

Focusing on the big picture

The most crucial aspect of any working environment is the safety of the people, as well as the protection of products and goods. TRAPO products are engineered with safety as a top priority, ensuring that your team operates in a secure and healthy environment.

We think one step ahead – in every aspect

At TRAPO, our engineers have the ambition to scrutinize, improve, and further develop products and solutions. Our research and development team maintains constant contact with leading universities and stays abreast of the latest scientific developments.

This commitment extends to our approach with our customers' individual projects. Taking a comprehensive view is always worthwhile and reveals numerous opportunities to enhance the safety, efficiency, and sustainability of their intralogistics. That's why we not only sell products but also deliver solutions to ensure efficient intralogistics.

TRAPO environmental impact assessment

At TRAPO, we collect and analyze environmental data on our energy use, greenhouse gas (GHG) emissions, volatile organic compounds (VOC) emissions, water use, and waste generation. Since 2021 our assessment has included an additional facility in Italy, enhancing our ability to monitor and manage our environmental impact comprehensively.

By gaining insights into our environmental footprint, we can pinpoint areas where our operations influence the environment. This understanding empowers us to develop targeted strategies and initiatives aimed at reducing our environmental footprint and promoting sustainability practices.

Energy use **GHG emissions** **VOC emissions** **Water use** **Waste generation**

Energy use

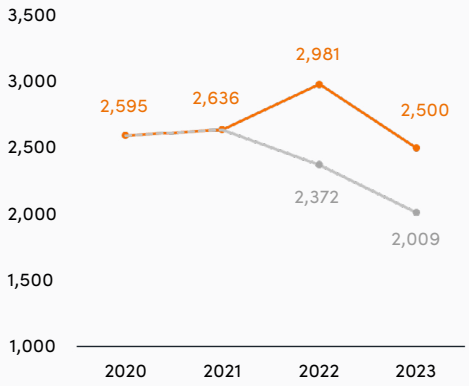
In all TRAPO locations, energy is used mainly for heating, lighting, and in offices. Unlike process-intensive industries, our production processes are not highly energy-demanding, which explains the lack of a pronounced connection between energy consumption and production volume.

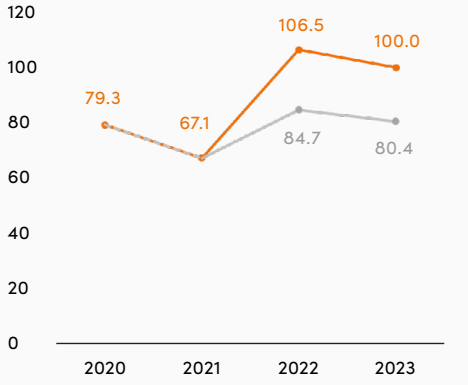
This year, we broadened the scope of energy use to include the energy consumed by company vehicles. This adjustment was retroactively applied to the 2022 data as well, resulting in an updated value compared to our previous report. To ensure comparability of the energy use data between years, we have indicated the data without energy from vehicles in grey. When looking at these values a steady decline in energy use can be observed from 2021 to 2023.

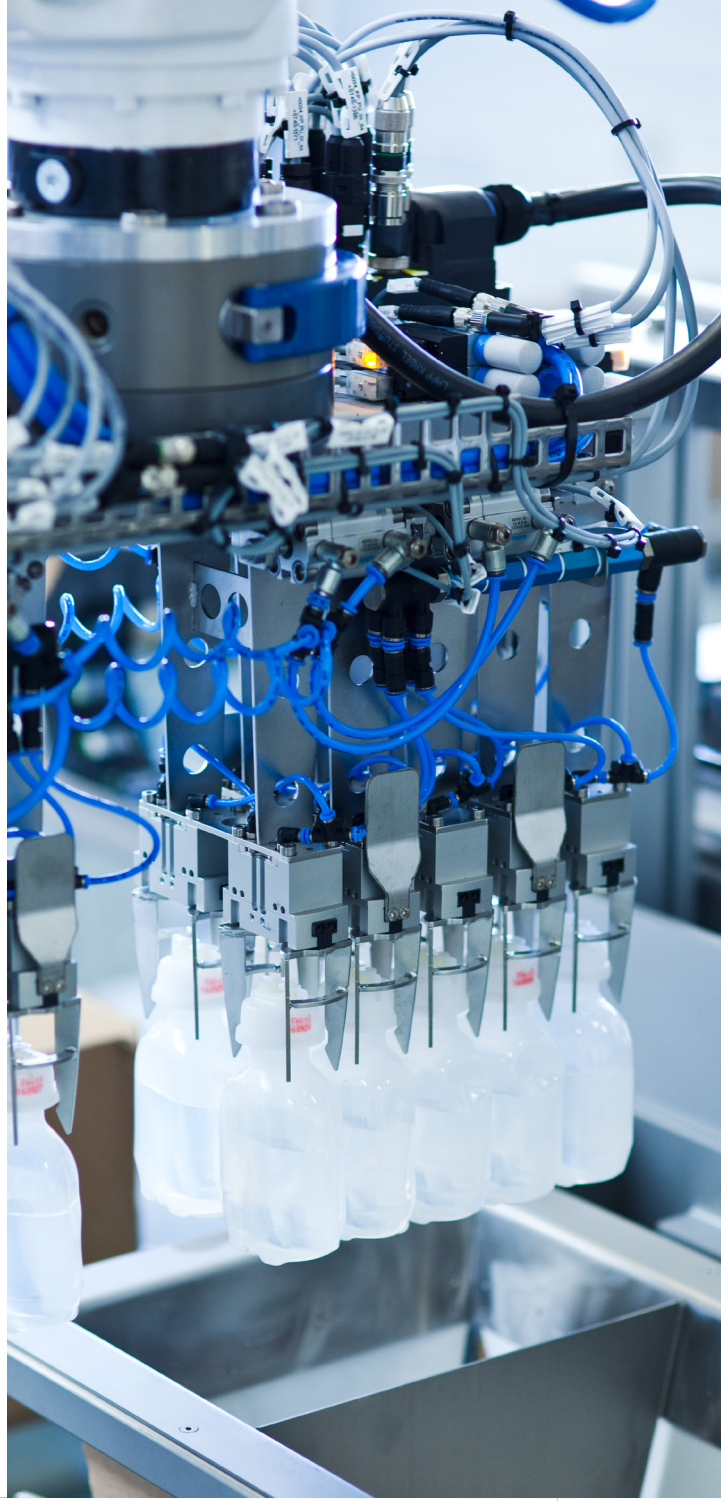
Between 2022 and 2023 total energy use, including vehicle fuel, decreased by 16%, because of a milder winter and reduction in diesel usage for company cars. The 11,000 L reduction in diesel usage translates to a 119 MWh decrease in energy use.

This is an encouraging trend, which can partly be attributed to the replacement of three vehicles in our fleet with electric vehicles.

Note: The 2022 energy use value has been updated to include fossil fuels consumed by company vehicles. The grey trend line shows energy use excluding vehicle fuel. The indexed values have been updated compared to the 2022 report.







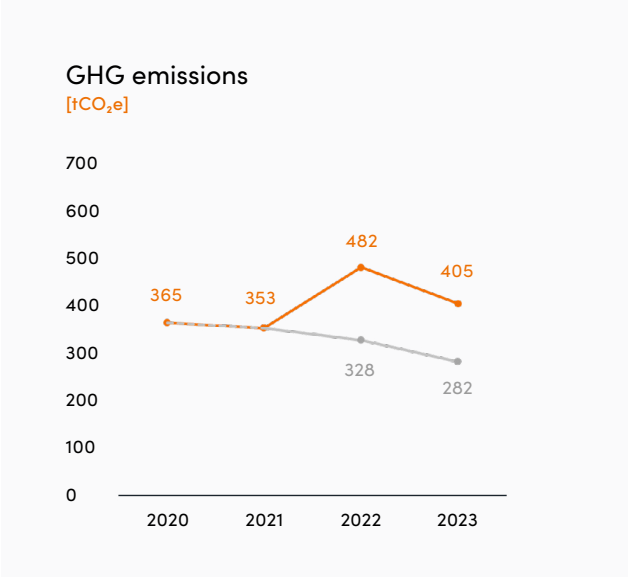
GHG emissions

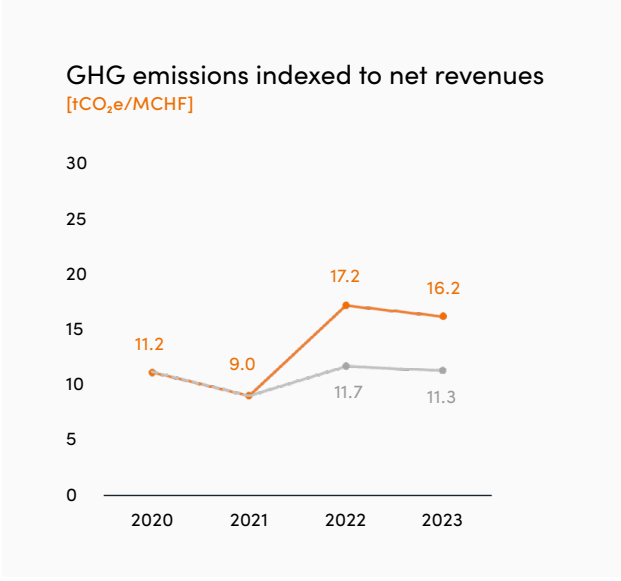
At TRAPO, the use of 100% renewable electricity reduces our scope 2 emissions to zero. Therefore, our GHG emissions come entirely from the combustion of fossil fuels for heating and company vehicles. In 2023, heating accounted for approximately 70% of our total GHG emissions, while company vehicles made up the remaining 30%.

Our scope 2 calculation now aligns with GHG Protocol standard, including both location-based and market-based emissions. The graph illustrates combined scope 1 and market-based scope 2 emissions. For details on location-based scope 2 emissions, please see page 64.

Due to the inclusion of GHG emissions from our fleet of company cars, emissions rose from 2021 to 2022. However, when excluding these emissions, as shown by the grey trend line, a steady decline can be observed.

From 2022 to 2023, GHG emissions decreased by 16%, proportional to the reduction in energy use. This decline is attributed to a milder winter and a 30 tCO_2e reduction in emissions from company cars.





Note: The grey trend line shows the GHG emissions excluding emissions from mobile combustion. The indexed values have been updated compared to the 2022 report.

CASE STUDY

Promoting electric vehicle adoption

In 2023, TRAPO advanced its sustainability initiatives by purchasing three additional electric vehicles (EVs), bringing the total to seven EVs in its fleet.

Key developments

Fleet expansion

2023 addition: Purchased three additional EVs, now totalling seven.
Employee adoption: Notable shift in employee preference towards EVs, particularly among those who rely heavily on vehicles for their roles, such as salesforce and service maintenance teams.

Internal communication and promotion

Awareness campaigns & mindset change: Shifted employee preference to sustainable transport through engagement.

Charging on renewable electricity

On-site charging: Most of the charging happens on-site, where TRAPO sources 100% renewable electricity, significantly reducing the carbon footprint compared to average country grid electricity.

Environmental impact – GHG emissions reduction

Lifecycle savings: According to Transport & Environment, EVs achieve a 63% reduction in GHG emissions over their entire lifecycle compared to diesel cars, and up to 83% if run on renewable electricity.

Use phase savings: Using Germany's grid, EVs reduce emissions by 73.3% compared to diesel cars. When run on renewable electricity, this savings increases to 96.7%.

Total savings in 2023: With the adoption of seven EVs, TRAPO has saved more than 56 tCO_2e in 2023 alone.

VOC emissions

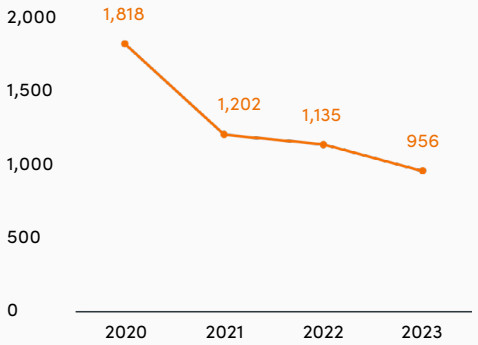
Volatile Organic Compounds pose risks to both our employees working in confined spaces and the environment due to their contribution to air pollution. To address these concerns, we remain vigilant in measuring and minimizing VOC levels throughout our operations.

The paint shop serves as the main area of solvent consumption within our facilities. Here, we continue to utilize paint-mist separators to effectively capture overspray. Regular maintenance, including the timely replacement of these filters, ensures safe disposal and responsible operations. These efforts underscore our ongoing commitment to environmental stewardship and employee safety.

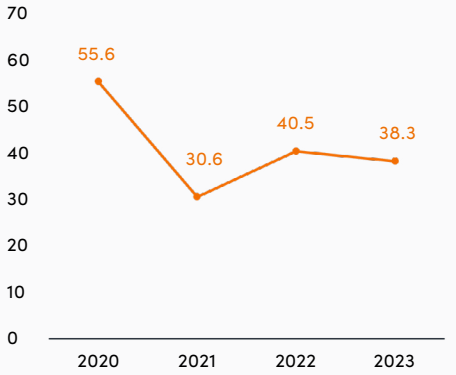
From 2022 to 2023, we achieved a 16% reduction in VOC emissions, continuing a consistent decline since 2020. This reduction is primarily due to decreased production volumes, leading to lower solvent usage. Overall, we have seen a 47% decrease in VOC emissions from 2020 to 2023. The indexed values have shown a less consistent pattern, with a 6% decrease between 2022 and 2023.

Note: The indexed values have been updated compared to the 2022 report.

VOC emissions
[kg VOC]



VOC emissions indexed to net revenues
[kg VOC/MCHF]

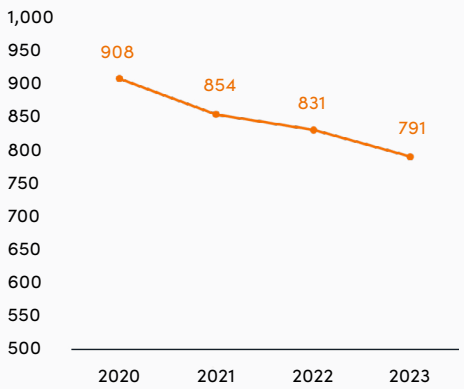


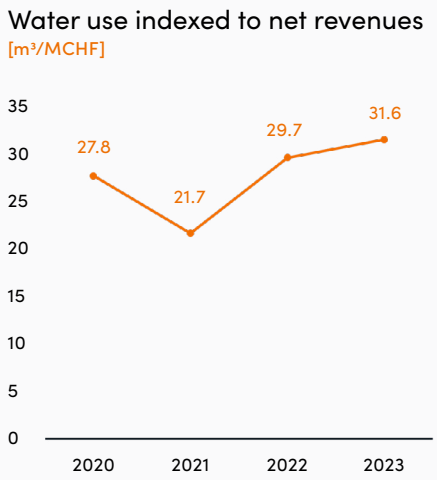
Water use

The water usage is predominantly allocated to sanitation and cleaning purposes, independent of our production volume. Thus, the volume of our production does not directly correlate with our water consumption. The absence of harsh chemicals in our operations eliminates the necessity for pre-treatment, enabling direct waste-water treatment through the city sewage system.

Since 2020, we have consistently reduced our water usage by a total of 13%. The water consumption per FTE is currently around 17.8 L per workday, which is 10% less than in 2020. This progress reflects our ongoing efforts to raise awareness and promote responsible water consumption practices among our employees.

Note: The indexed values have been updated compared to the 2022 report.





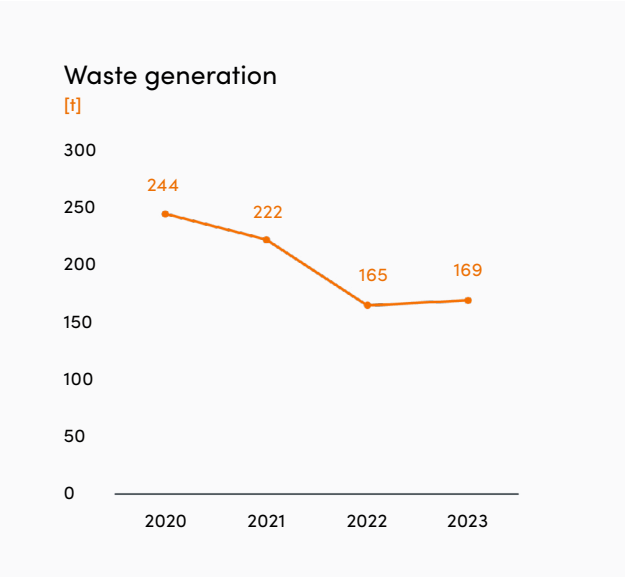
Waste generation and disposal

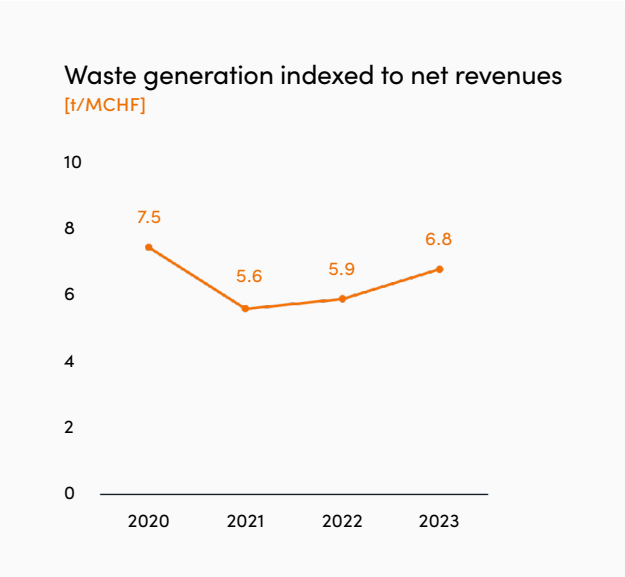
Office and operational waste streams are systematically collected and managed across all TRAPO sites. Operational waste includes significant quantities of steel chips, various packaging materials, and wood, particularly from pallets used in our operations. This structured approach ensures that these materials are appropriately handled and, where possible, recycled or reused to minimize environmental impact.

Waste generation has generally declined, with a 31% reduction between 2020 and 2023. While the proportion of waste that is recycled has remained high, it has declined due to a change in our waste composition. Operational waste generation has decreased since 2020, whereas office waste, though small, has remained constant. As a result, office waste, much of which is incinerated, now makes up a larger portion of our total waste compared to 2020.

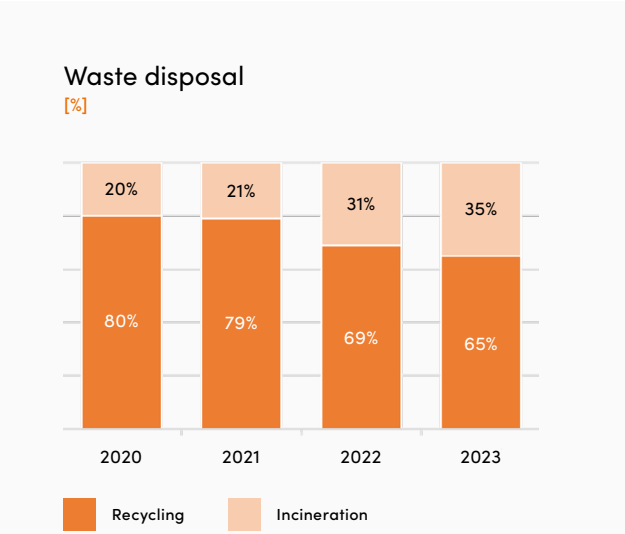
Only 10% of the total waste produced at TRAPO is hazardous, all of which is recycled.

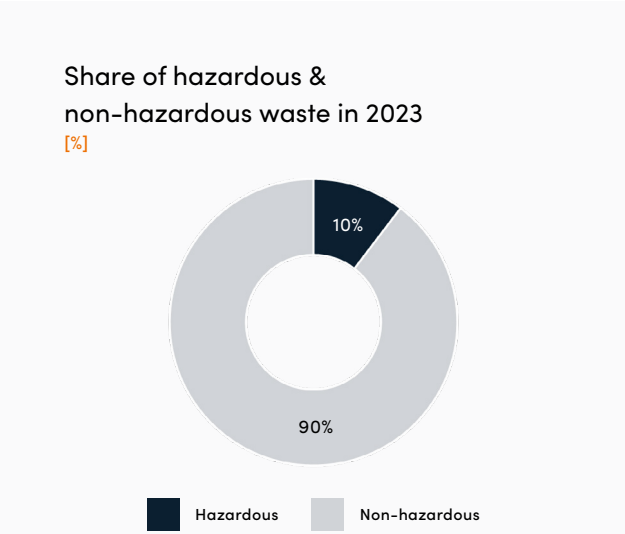
The overall amount of waste in 2023 is about 4 kg per FTE and working day, a value that we consider to be moderate. Along our path for continuous improvements, we intensify our efforts towards paperless offices, a small contribution to further reduce our waste.





Note: The indexed values have been updated compared to the 2022 report.





Data & index

		Moovimenta				Habasit				NGI				Rossi				TRAPO			
	Units	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**
Energy																					
Energy use	**MWh**	120,525	136,292	141,177	131,448	98,176	110,873	116,467	107,013	2,281	2,636	2,357	2,250	17,473	20,146	19,280	19,568	2,595	2,636	2,981	2,500
Energy use indexed by net revenues	***MWh/MCHF***	*172.1*	*166.2*	*163.3*	*163.9*	*199.9*	*195.9*	*193.5*	*197.7*	*58.5*	*54.5*	*45.8*	*47.0*	*127.0*	*121.1*	*105.1*	*104.2*	*79.3*	*67.1*	*106.5*	*100.0*
Renewable energy consumption	**MWh**	13,670	19,737	40,374	37,514	12,735	18,850	37,896	35,211	-	-	1,585	1,502	-	-	20	7	935	887	848	744
GHG emissions																					
Scope 1 (direct) – sub-total	**tCO_2e**	13,066	14,423	14,579	14,613	11,202	12,350	12,594	12,491	-	-	31	25	1,500	1,731	1,455	1,675	365	343	482	405
Stationary combustion	**tCO_2e**	13,066	14,423	12,800	11,910	11,202	12,350	11,343	10,454	-	-	15	9	1,500	1,731	1,097	1,148	365	343	328	282
Mobile combustion	**tCo_2e**	-	-	1,778	2,703	-	-	1,251	2,036	-	-	15	16	-	-	358	527	-	-	154	124
Scope 2 (indirect)																					
Location-based	**tCO_2e**	15,027	17,210	18,155	16,830	11,622	13,135	14,042	12,872	344	486	311	299	2,737	3,207	3,465	3,365	324	381	335	292
Market-based	**tCO_2e**	16,366	12,971	11,777	10,957	11,397	7,474	5,950	5,385	304	88	43	46	4,665	5,398	5,784	5,525	0	11	0	0
Carbon footprint (scope 1&2 market-based)	**tCO_2e**	29,432	27,393	26,356	25,569	22,599	19,823	18,544	17,876	304	88	74	71	6,164	7,129	7,239	7,200	365	353	482	405
Carbon footprint indexed by net revenues	***tCO_2e/MCHF***	*42.0*	*33.4*	*30.5*	*31.9*	*46.0*	*35.0*	*30.8*	*33.0*	*7.8*	*1.8*	*1.4*	*1.5*	*44.8*	*42.8*	*39.5*	*38.3*	*11.2*	*9.0*	*17.2*	*16.2*
VOC emissions																					
VOC emissions	**kgVOC**	131,913	163,205	177,542	131,938	123,597	154,127	163,930	118,186	2,029	2,261	2,465	2,650	4,469	5,615	10,013	10,146	1,818	1,202	1,135	956
VOC emissions indexed by net revenues	***kgVOC/MCHF***	*188.3*	*199.0*	*205.3*	*164.5*	*251.7*	*272.4*	*272.4*	*218.4*	*52.0*	*46.7*	*47.9*	*55*	*32.5*	*33.7*	*54.6*	*54.0*	*55.6*	*30.6*	*40.5*	*38.3*
Water																					
Water	**m^3**	99,924	100,443	99,148	98,151	85,030	82,682	79,283	76,512	1,570	1,875	1,920	1,984	12,416	15,032	17,021	18,687	908	854	831	791
Water indexed by net revenues	***m^3/MCHF***	*142.7*	*122.5*	*114.7*	*122.4*	*173.1*	*146.1*	*131.7*	*141.4*	*40.3*	*38.7*	*37.3*	*41.4*	*90.2*	*90.3*	*92.8*	*99.5*	*27.8*	*21.7*	*29.7*	*31.6*
Waste																					
Waste	**t**	9,249	10,611	12,298	11,173	6,161	7,178	8,735	7,712	365	447	384	346	2,479	2,764	3,014	2,946	244	222	165	169
Waste indexed by net revenues	***t/MCHF***	*13.2*	*12.9*	*14.2*	*13.9*	*12.5*	*12.7*	*14.5*	*14.2*	*9.4*	*9.2*	*7.5*	*7.2*	*18.0*	*16.6*	*16.4*	*15.7*	*7.5*	*5.6*	*5.9*	*6.8*

Note: Renewable energy consumption includes on-site solar generation, 100% renewable electricity purchased and ethanol fuel.

Data scope

In scope

Energy consumption, greenhouse gas (GHG) emissions, volatile organic compounds (VOC) emissions, water use, and waste generation.

Out of scope

- Sites with fewer than five full-time equivalent employees (FTEs).
- Energy use and GHG emissions (mobile combustion) from company vehicles in the 2020 and 2021 data.

Glossary

ACs	Affiliated Companies
CSRD	Corporate Sustainability Reporting Directive
ESG	Environmental, Social and Governance
FTE	Full-time equivalent
GHG	Greenhouse Gas
HSE	Health, Safety and Environment
OEM	Original Equipment Manufacturer
SBTi	Science Based Targets initiative
SDGs	Sustainable Development Goals
UN	United Nations
UNGC	United Nations Global Compact
VOC	Volatile Organic Compounds

Units

kg	Kilogram
kgVOC	Kilogram Volatile Organic Compounds
kWh	Kilowatt hour
L	Liter
m^3	Cubic meter
MCHF	Million Swiss franc
MWh	Megawatt hour
t	Metric ton
tCO_2e	Metric ton carbon dioxide equivalent