habasit

A DIVISION OF

MOOVIMENTA

ENVIRONMENTAL REPORT 2022

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This report

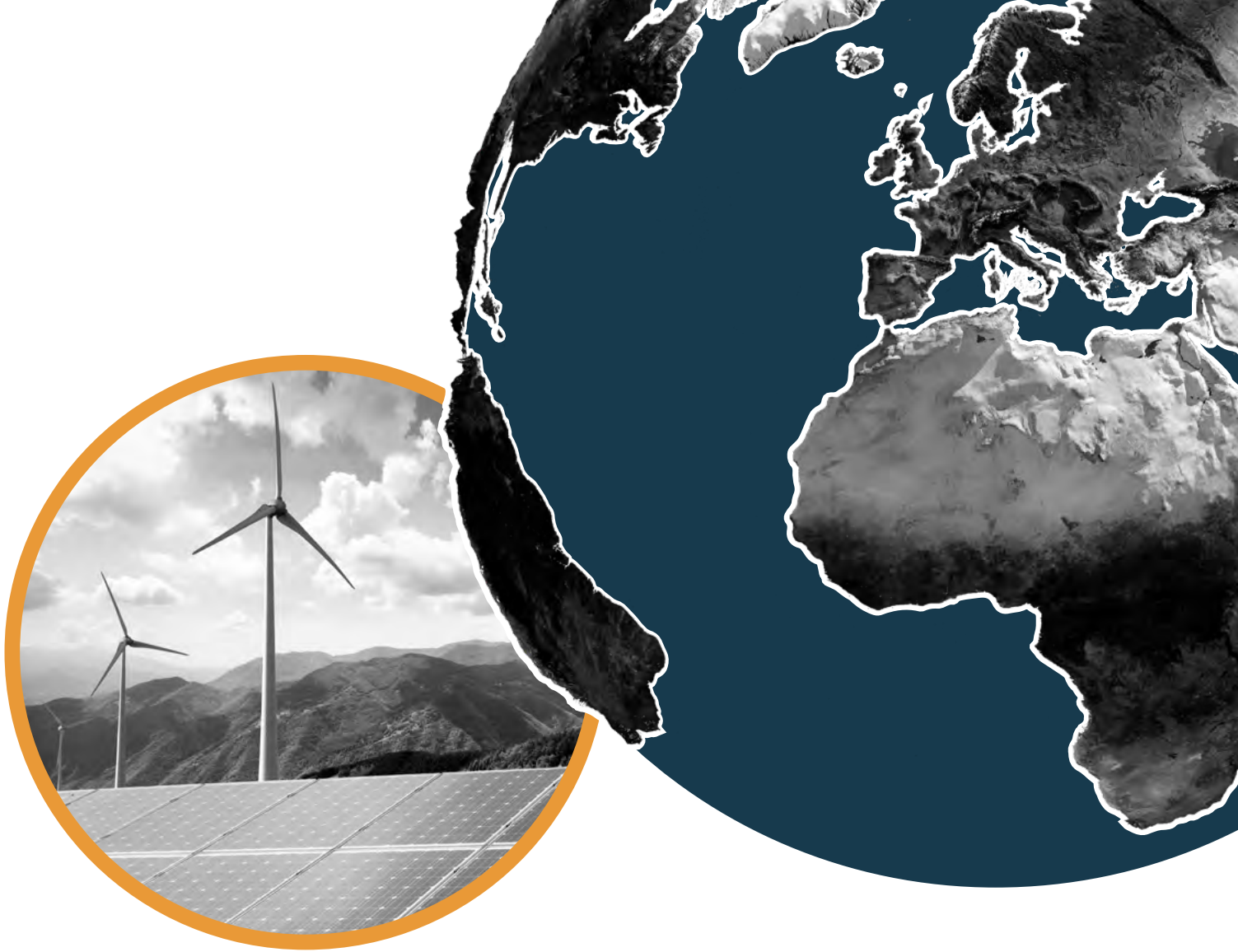
This report highlights our environmental efforts and related impacts in 2020, 2021, and 2022. This is the first environmental report published by the group.

The report includes all Moovimenta Divisions: Habasit, Rossi, NGI, and TRAPO, which all operate under their own brand.

This report addresses relevant and significant environmental aspects that are considered important 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.

We pledge to be transparent and open in our communication about our performance, both when it is improving and when it is not.

We strive to make our sustainability report readable and accessible. We are continuously working to improve data accuracy. Feedback and comments are welcomed so we can get better.



Message from our group CEO

Andrea Volpi

Group CEO

Welcome

In our environmental report, we have tried to avoid as much as possible the 'like for like' delivery of only internal resource usage. As prescribed by the EU CSRD, we state key metrics that are becoming commonplace within environmental reports, but in addition, we give insight in the background of our commitment and how ESG is deeply rooted in our Legacy, Corporate Culture, and Strategic Direction.

Our Companies have always given priority to ESG principles and best practices, always matching, and often exceeding regulatory prescriptions. In our earliest years, the focus was upon the Health and Safety of factory workers. As our product range developed, we expanded our focus to include the energy efficiency of our customers processes. We still retained a focus upon Health and Safety, adding hygienic solutions and consideration, particularly for customers in food industry segments. For many years we have promoted our high-quality products to reduce energy usage in customer plants, to reduce water used in cleaning operations, and to promote hygienic transportation of manufactured products. In the last decade is when we have turned more and more attention to other aspects of environmental sustainability.

We are convinced that the journey to a higher sustainability will be a long one and will require broad consensus, collaboration, focus, and most of all, persistence. Moovimenta AG is the strongest evidence of our commitment to ESG, by putting it at the core of our strategic framework:

"Many see industrial growth as inherently at odds with a healthy planet and people. We see a new industrial reality where these exist in harmony, empowering future generations rather than limiting them. A reality in which smart components and sub-systems enable us to manufacture more goods using less resources".

At Moovimenta we focus on innovation to improve the sustainability of our customers' processes and end products as well as the materials, energy, and resources used in our internal production facilities.

Our goal is to find a balance between the natural resources we consume, and the natural resources our customers then consume whilst using our components. Our aim is to minimize the overall environmental impact throughout the whole extended supply chain. For example: we might use more energy internally to produce a product if we can then be confident that it reduces energy consumption over its lifetime when installed at the customers' premises.

We also believe that high-quality components are inherently more environmentally sustainable because they have a longer lifespan. The reliability of our products in customers' processes helps to prevent waste in their processes, such as downtime and raw materials. We give a handful of case studies where our organization has improved the environmental sustainability of its customers' processes, and so the broader supply chain.

We give a handful of case studies where our organization has improved the environmental sustainability of its customers' processes, and so the broader supply chain.

There are challenges.

Within the industries where we compete, all players are using plastic and metal materials in highly energy-intensive processes. Our competitors and ourselves are consumers of the world's scarce resources and have grown over decades without adequate regard for recycling or re-use. Measuring the environmental impact of our activity is complex because – depending on the application – one of the greatest impacts may come from the use phase of our products: in other words, what happens to the products after they leave our factory gates. This makes for a complex picture requiring deep intelligence and not surface-level statistics. It is why we have a policy of measuring the environmental footprint of our products through all the phases of their lifetime: (a) Sourcing (b) Manufacturing (c) Transportation, (d) Use Phase, and (e) End-of-Life.

We are responding to these challenges.

Several years ago, we recognized that Sustainability, and especially Environmental Sustainability, was the defining issue of our times. Therefore, we re-drew our entire suite of strategic documents to make this issue central to all we do. Sustainability is at the heart of our corporate strategies. Our Mission became to help make our customers' processes more sustainable, smarter, and safer.

Solar plant in Brislach (Switzerland)

One group, four divisions

We are Moovimenta

4,900+
employees

36,000+
active clients

4
divisions

Direct presence
in 90+
locations

Our vision

We see a new industrial reality in harmony with people and our planet, empowering future generations. A reality in which smart components and sub-systems enable us to manufacture more goods using less resources.

Our mission

Accelerate the transition to a more sustainable, smarter and safer industrial reality.

values

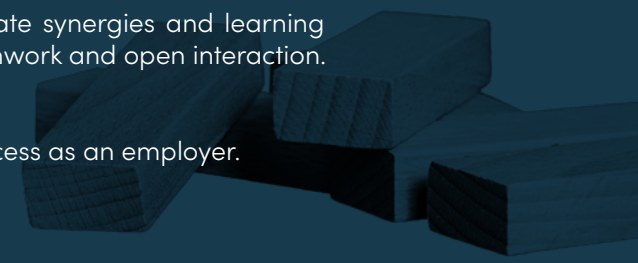
Entrepreneurship
is our passion – we foster a spirit of initiative, ownership, and commitment at all levels.

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

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

Collaboration
is our leverage – we create synergies and learning experiences through teamwork and open interaction.

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

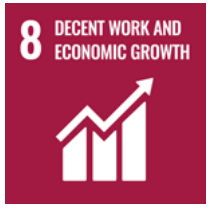


Our commitments to the UN SDGs & UNGC

At Moovimenta, we recognize the urgent need to address the environmental, social, and economic challenges facing our world today, and we believe that businesses have an important role to play in driving positive change.

Our sustainability strategy is guided by our commitment to the United Nations Sustainable Development Goals (SDGs) and the United Nations Global Compact (UNGC) principles on human rights, labor, environment, and anti-corruption.

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



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

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

We recognize the importance of responsible consumption and production in reducing our environmental footprint, and we are committed to promoting sustainable practices in our operations and supply chain.

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

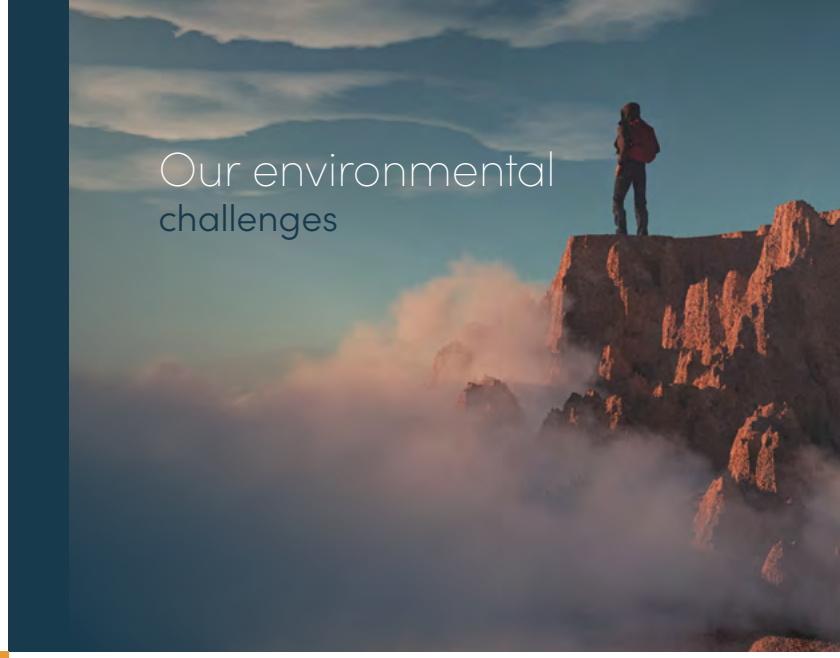
We are committed to working with our customers, suppliers, and other stakeholders to promote sustainable development.

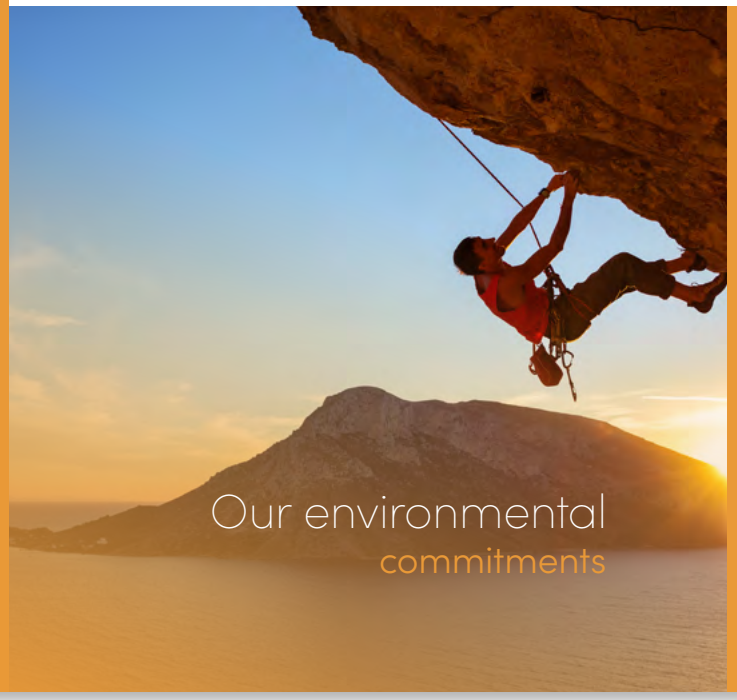
Our path to becoming an environmentally friendly business

Reduce our carbon footprint and greenhouse gas emissions to achieve **net-zero emissions by 2030**.

Minimize the environmental impact of our **operations**, and **products**.

Promote **sustainable practices** throughout our value chain.





Focus on **energy-saving measures** and progressively switch to **renewable energy sources**.

Reduce our resource consumption and **reduce waste to landfill**.

Adopt a life cycle assessment approach to evaluate our **products' carbon footprint**.

Adopt **responsible sourcing** policies and assess supplier sustainability standards.

Publish an **annual Environmental Sustainability Report** with defined metrics.

Moovimenta enviromental impact assessment

Five categories of impact are monitored across all four divisions: Energy consumption, greenhouse gas (GHG) emissions, volatile organic compounds (VOC) emissions, water use, and waste generation. Monitoring these data is crucial for understanding and assessing our current position and taking adequate actions to achieve our environmental targets. As the four divisions consist of different businesses and have distinct operations, we will comment on the general trends. Detailed explanations are provided in each division section.

Energy use

GHG Emissions

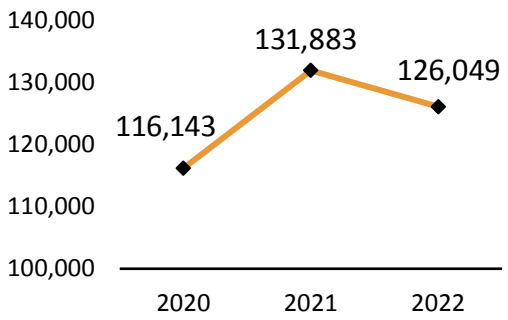
VOC Emissions

Water use

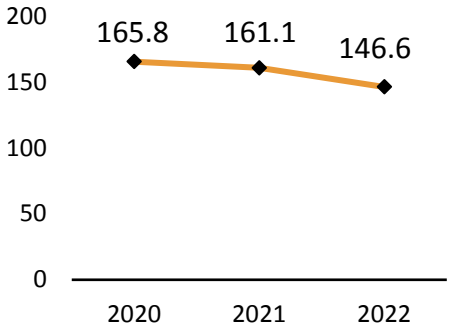
Waste generation & Disposal

Energy use

ENERGY USE
[MWh]



ENERGY USE INDEXED TO NET REVENUES
[MWh/MCHF]

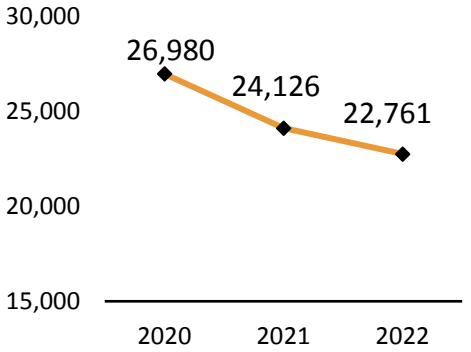


Electricity plays a more significant role in our energy consumption compared to fossil fuels, primarily comprised of Natural Gas. In 2022, there was a decrease in energy use following a peak in 2021. When considering the indexed values, a consistent downward trend in energy consumption can be observed from 2020 to 2022.

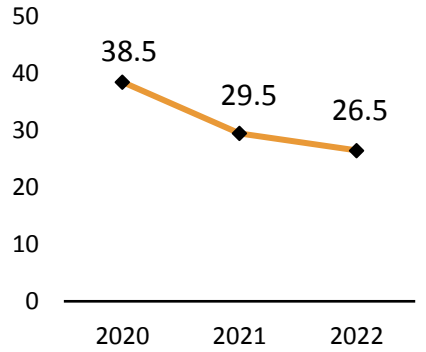
GHG Emissions

The trajectory of our GHG emissions illustrates a steady decline of 16% between 2020 and 2022. This encouraging trend can be attributed to our transition to renewable electricity sources and the reduction in energy consumption in 2022. Notably, in 2022, 57% of our electricity is sourced from renewable sources, underlining our commitment to carbon net zero by 2030.

GHG EMISSIONS
[tCO_2e]

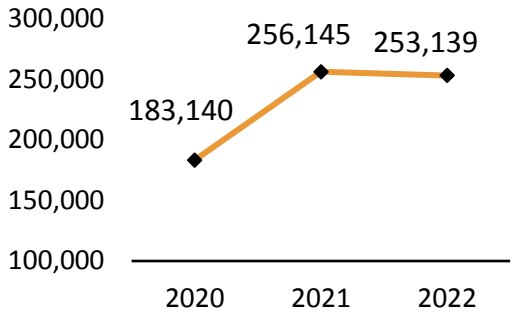


GHG EMISSIONS INDEXED TO NET REVENUES
[tCO_2e/MCHF]

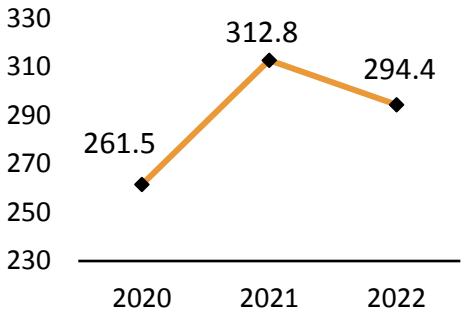


VOC Emissions

VOC EMISSIONS
[kg VOC]



VOC EMISSIONS INDEXED TO NET REVENUES
[kg VOC/MCHF]

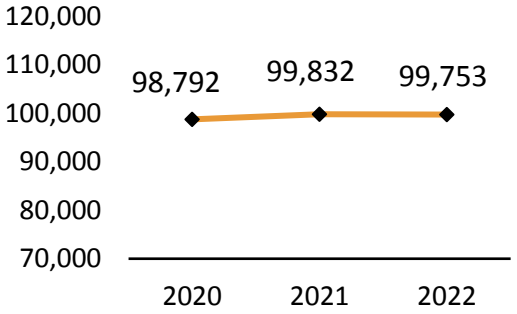


Volatile organic compound (VOC) emissions are systematically tracked, with measurement, or derived according to the VOC content present in solvents. The monitoring and reduction of these emissions is vital, it promotes the safety of our employees and the protection of our environment. In 2021, we witnessed a noticeable increase, followed by a subsequent modest decrease in 2022.

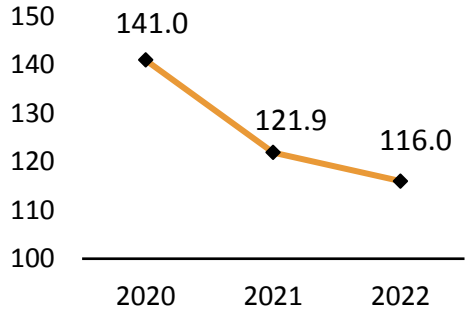
Water use

Water consumption has shown a relatively stable pattern between 2020 and 2022, while indexed by net sales, we observe a reduction of 18%. The water usage is specific to each division, often proportional to production volume or the employees' attendance. We recognize that water is a finite resource requiring responsible management, and we remain committed to reducing resource usage, including water.

WATER USE
[m^3]



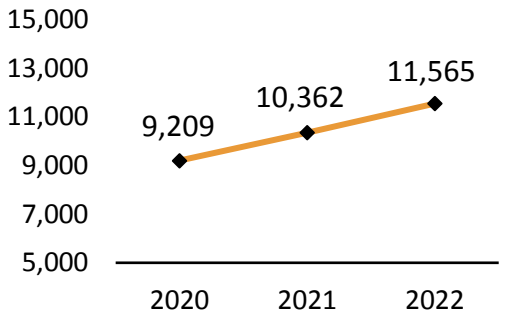
WATER USE INDEXED TO NET REVENUES
[m^3/MCHF]



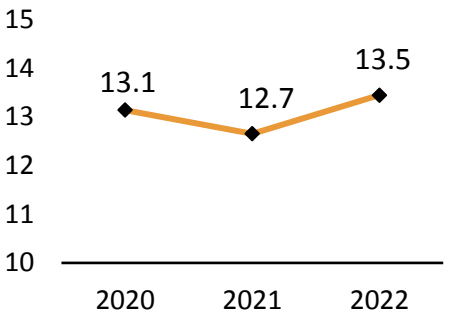
Waste generation & disposal

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).

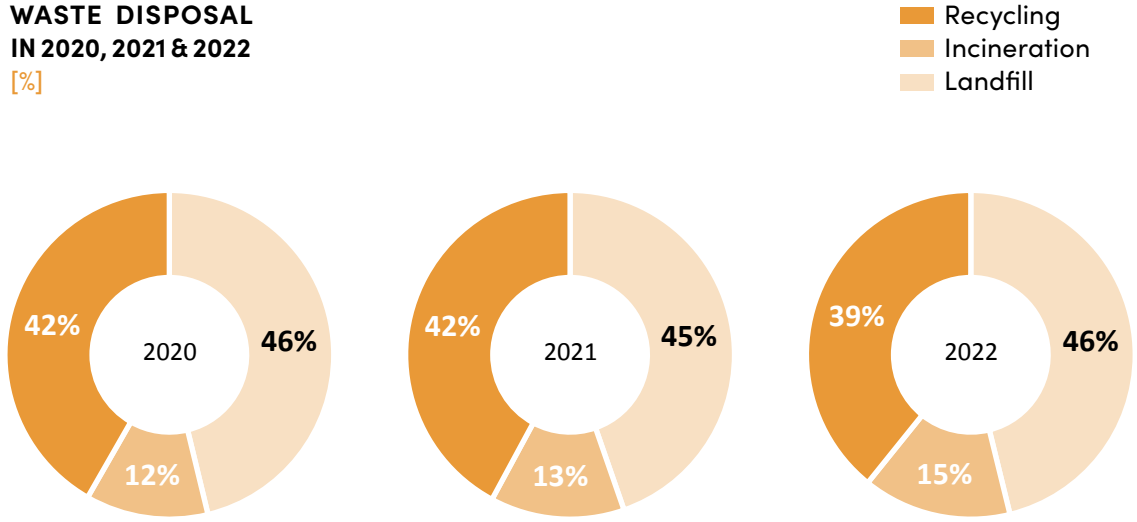
WASTE GENERATION
[t]



WASTE GENERATION INDEXED TO NET REVENUES
[t/MCHF]



WASTE DISPOSAL IN 2020, 2021 & 2022
[%]



Over the period of 2020 to 2022, we observed an upward trajectory in waste generation, primarily attributed to the growth in production volume.

Breaking down the waste according to disposal methods—recycling, incineration, and landfill—we find that a significant portion ends up in landfills (ranging from 45% to 46%), closely followed by recycling (ranging from 42% to 46%), and a smaller percentage in incineration (ranging from 12% to 15%).

While the observed increase in waste generation is not in line with our desired direction, it acts as a catalyst for intensifying our effort to reduce waste and enhance the share of recycling.

HABASIT, GLOBAL EXPERT

IN PREMIUM, INNOVATIVE AND SUSTAINABLE BELTING APPLICATIONS

Since our inception in 1946, Habasit has continually provided outstanding quality that goes beyond the reliability of our products. We know our customers rely on us to provide solutions best suited to their needs and a service they can depend on to keep their processes and business in motion. With over 30 affiliated companies and a presence in over 70 countries, we are a trustworthy partner and a global expert in our customers' belting applications.

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.

Addressing sustainability as a key challenge of our age

Starting with the design to the manufacture and the end of life, we take action to reduce the environmental impact of our products. We source and use more 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.

MESSAGE FROM HABASIT CEO

Martin Herrenbrück,
Habasit CEO

Habasit was founded over 75 years ago with the vision to make conveyors and power transmissions safer for workers and more efficient for manufacturers. For me, this means a strong base our founders instilled in the company culture, to improve the world around us in terms of social, economic, and environmental aspects.

Today, we have placed sustainability firmly at the core of our mission: we believe in industrial growth that benefits people without draining the planet. We strive to make our customers' equipment and processes more sustainable, smarter, and safer with premium conveyors and transmission belts.

Our mission represents our North Star guiding us on the path of contributing to a more sustainable business. Aware of the environmental and social impact of belting products, Habasit is undertaking a structured approach to achieve a net-zero carbon footprint by 2030. We are acting in three key areas to deliver on our mission and ambition.

In all these actions, we remain committed to quality our customers can trust, with no compromise on the performance or reliability of our products and services.

Sustainable sourcing: collaboration with suppliers to reduce the impact of our upstream activities.

Sustainable company: conservation of resources used in operations and development of more sustainable manufacturing processes.

Sustainable products and solutions: integrating sustainability into our product portfolio strategy, from design to end of life.

We know the importance of this challenging road ahead of us for the future of our planet. Incorporating sustainability into our daily work, and, as importantly, into our business strategy is critical. I firmly believe in the responsibility, but also the opportunity companies like ours have, to create a smarter, safer, and more sustainable business.

Thank you for your continued support on this journey.

OUR MAIN **INDUSTRIES**

OUR **SUSTAINABLE SOLUTIONS**

[1] compared to standard plastic modular belts
[2] compared to conventional PVC belts

Water conservation

Super HyCLEAN
Innovative hygienic belt design, minimizes hinges, rods, and debris buildup.

50% less time and water for efficient cleaning[1]

Energy conservation

E-saver belt
E-saver impregnation for energy efficiency and low noise even at high speeds.

Up to **45%** lower power consumption[2]

[3] compared to polyamide-based tapes
[4] compared to standard forming belt surface structure
[5] compared to conventional POM

Energy conservation

High-efficient spindle tapes
The textile industry has a high impact on global energy usage.

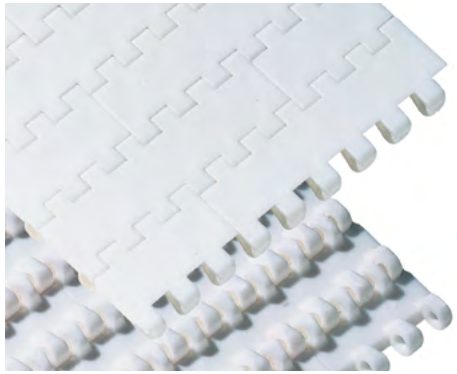
The use of Habasit Polyester spindle tapes provides 5-8% energy reduction.

5-8% energy saving[3]

Lifespan extension

Forming belt
Forming belt with a refined surface reduces glue buildup and cleaning needs.

Up to **2x** service life[4]



Ecofriendly materials

HabasitLINK belts
HabasitLINK belts made with Bio POM material, made from biogas from organic waste sources.

Belt with up to **35%** lower carbon footprint[5]

HABASIT ENVIRONMENTAL IMPACT ASSESSMENT

In the years 2020 and 2021, we conducted detailed assessments across 56 locations, followed by examinations of 55 sites in 2022. Our data analysis includes energy consumption, greenhouse gas (GHG) emissions, volatile organic compound (VOC) emissions, water usage, and waste generation. These data points have been collected through a combination of utility bills and precise measurements. We have prioritized primary data (location-based) whenever accessible; otherwise, we relied on secondary data (market-based or country-based).

By better understanding our environmental footprint, we can make informed and adequate decisions to enhance efficiency, minimize our impact, and evaluate the strength of our initiatives. This iterative process ensures continuous improvement and challenges the status quo.

ENERGY USE

GHG EMISSIONS

VOC EMISSIONS

WATER USE

WASTE GENERATION & DISPOSAL

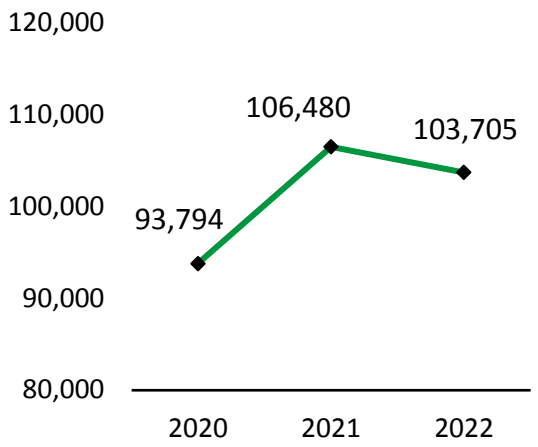
ENERGY USE & CONSERVATION

Energy usage has a direct correlation with greenhouse gas emissions, fundamentally influencing our environmental footprint. Reducing energy consumption stands as the initial and central element of our carbon net zero strategy.

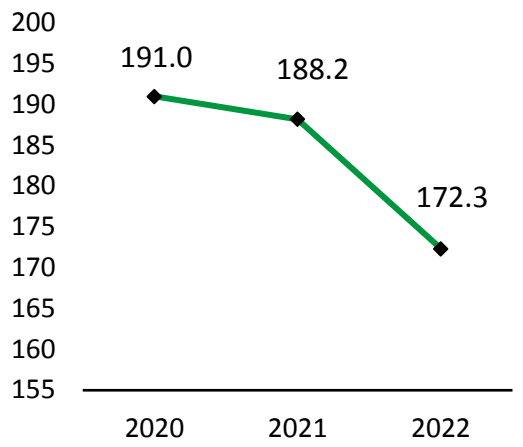
Our operational processes, such as injection molding, extrusion, calendaring, and vulcanization rely on pressure and heat (often derived from fossil fuel combustion). Natural Gas remains the major component of our fossil fuel mix, fueling both our processes and building heating.

The year 2020 witnessed exceptional circumstances due to the impact of COVID-19, leading to reduced production translated into energy use reduction. As we progressed into 2021 and production resumed, energy consumption rose to 2019 levels. In 2022, energy consumption decreased by 3%. This decrease is due to a warmer winter and temperature regulations in our offices and manufacturing facilities across all our sites.

ENERGY USE
[MWh]



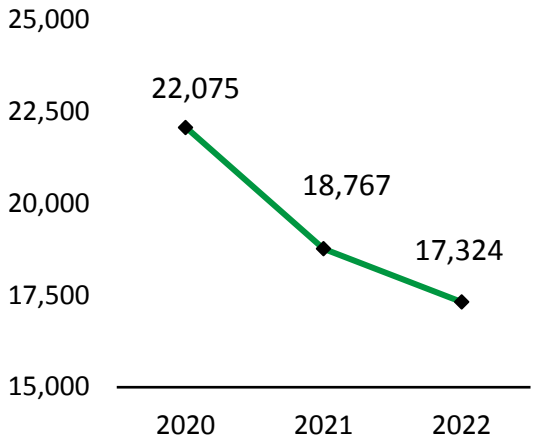
ENERGY USE INDEXED TO NET REVENUES
[MWh/MCHF]



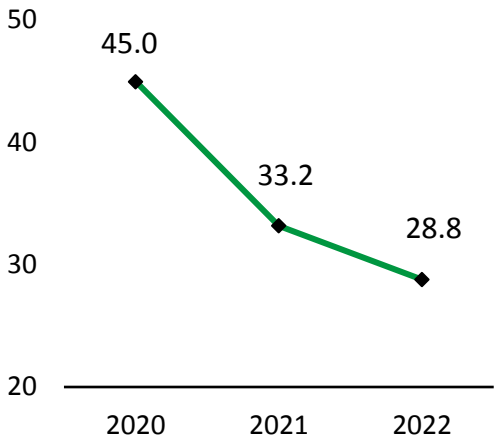
GHG EMISSIONS

The urgency to mitigate greenhouse gas (GHG) emissions has never been clearer, as articulated in the latest IPCC report. Tackling climate change is a shared responsibility for every single entity and individual. Our resolve to tackle these emissions is driven by our commitment to carbon net zero by 2030 for Scope 1 and 2, aligned with the SBTi standards. We acknowledge the imperative to transition to a low-carbon future starting by mitigating carbon emissions at our operations level and extending this effort to our entire supply chain including both upstream and downstream activities.

GHG EMISSIONS
[tCO_2e]



GHG EMISSIONS INDEXED TO NET REVENUES
[tCO_2e/MCHF]



Between 2020 and 2022, our data reflects a 22% reduction, equivalent to sparing the atmosphere 4,752 tCO_2e while experiencing an increase in volume and starting vehicle emissions accounting (part of Scope 1) in 2022.

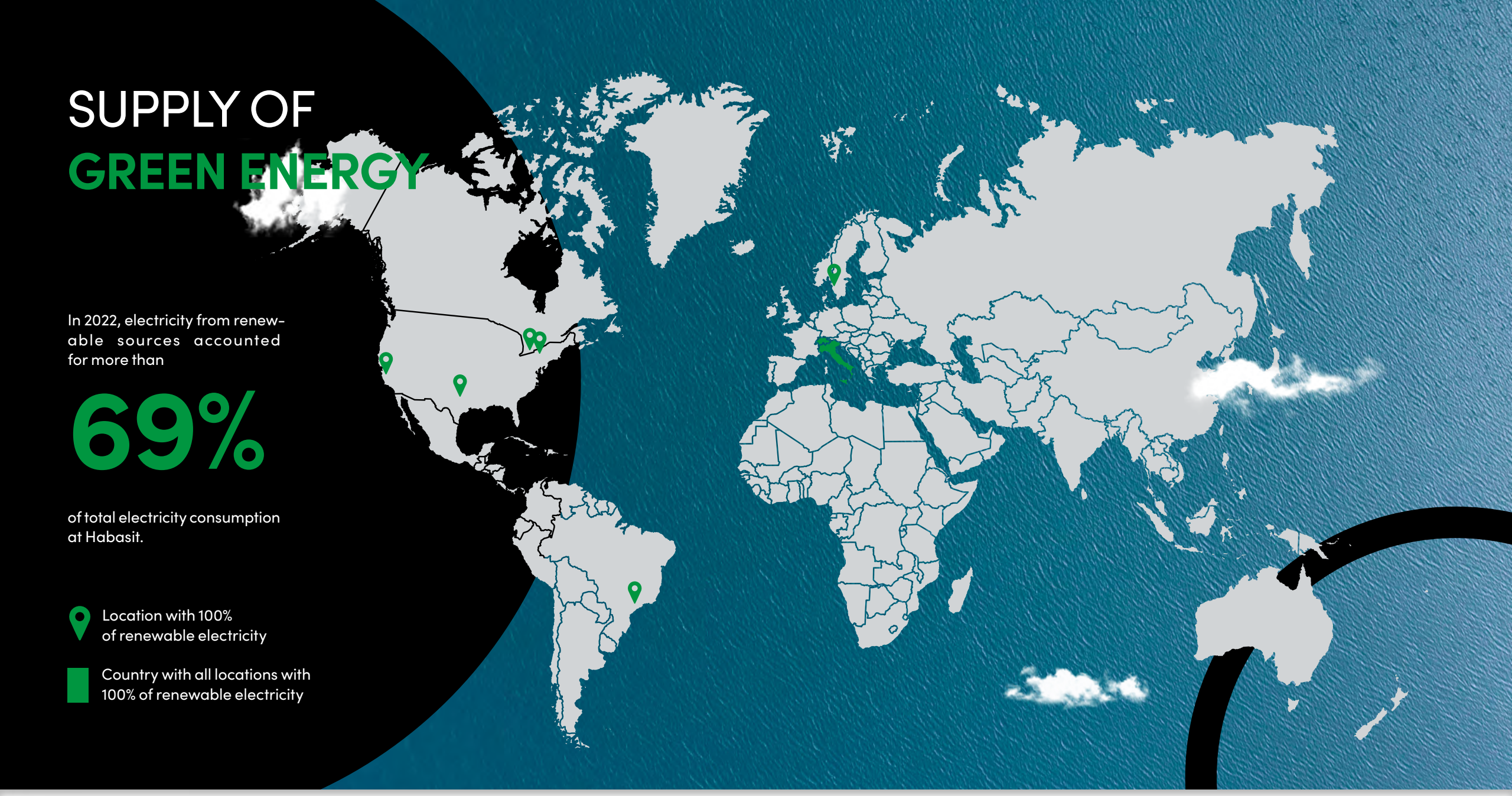
To put this into perspective, this represents planting over 850 acres of mature forests. This reduction is a direct result of consistent investment in renewable electricity and solar power plants.

SUPPLY OF GREEN ENERGY

In 2022, electricity from renewable sources accounted for more than

69%

of total electricity consumption at Habasit.



Location with 100% of renewable electricity

Country with all locations with 100% of renewable electricity

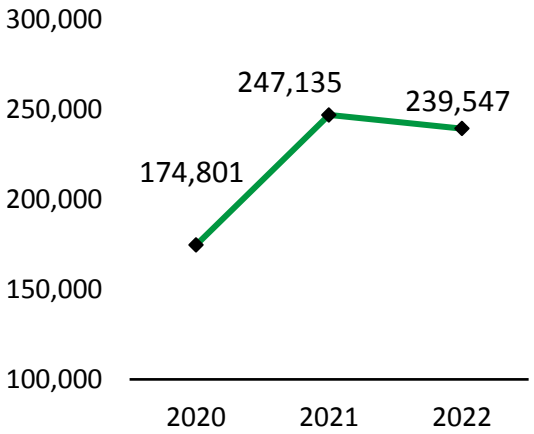
VOC EMISSIONS

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

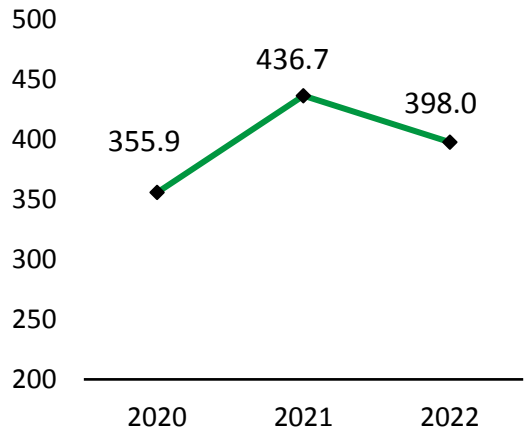
Over the past decade, we have been working on minimizing solvent usage and VOC emissions. To this end, we are targeting the shift from solvent-based adhesives to water-based adhesive systems. This has been tested and has been effectively implemented at our Swiss facility.

The exceptional circumstances of 2020, stemming from the COVID-19 pandemic, resulted in reduced production activities, consequently leading to a diminished demand for solvents. The subsequent year, 2021, saw a resurgence in operations, accompanied by a discernible rise in VOC emissions. However, a positive trend emerged in 2022 with a reduction in emissions, aligning with our ongoing commitment to process optimization and the adoption of eco-friendly alternatives.

VOC EMISSIONS
[kg VOC]



VOC EMISSIONS INDEXED TO NET REVENUES
[kg VOC/MCHF]

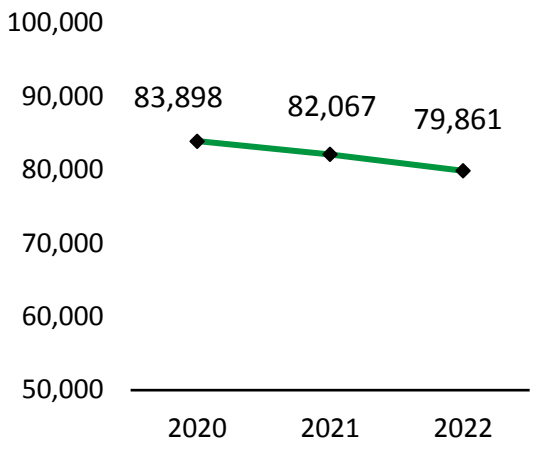


To improve data quality, we are providing a standardized methodology to derive VOC emissions across all sites.

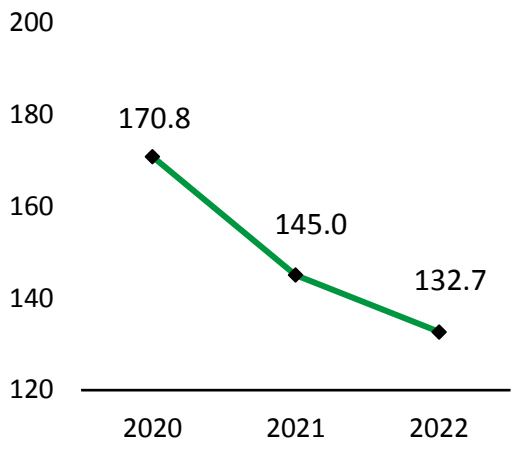
WATER USE & CONSERVATION

Water is a finite resource and invaluable asset that deserves our utmost respect and responsible management. While our business operations are not inherently water-intensive, we have embraced a mindful approach. We refrain from employing harsh chemicals within our operations that could compromise water quality. When there is the use of chemicals, a dedicated treatment process is undertaken in collaboration with specialized partners. Our water conservation strategy pivots on a dual approach: vigilant maintenance practices and strategic investments such as updating our manufacturing facilities' water-cooling systems to closed-loop systems.

WATER USE
[m³]



WATER USE INDEXED TO NET REVENUES
[m³/MCHF]



The data retrieved underscores our concerted efforts toward water conservation. Between 2020 and 2022, our dedicated strategies translated into a 5% reduction, corresponding to 4,037 m³ of water saved while experiencing growth in operations. To put this reduction into perspective, water volume could fill over 1.6 Olympic-size swimming pools. This milestone resonates beyond numbers, it reflects our proactive approach.

WASTE GENERATION & DISPOSAL

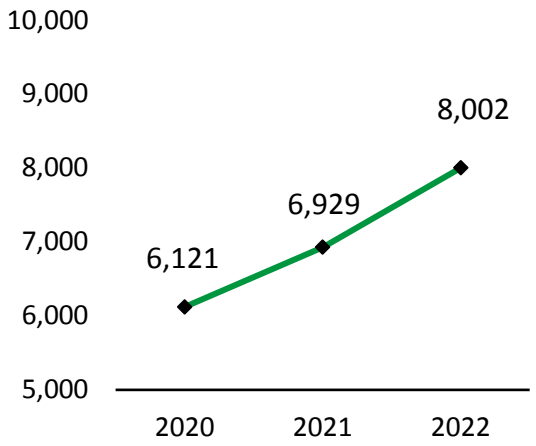
We acknowledge that efficient waste management fosters resource efficiency and contributes to the circular economy, allowing us to align with our commitment to responsible consumption and production (SDG 12).

The following data scope is operational waste and office waste, where more than 85% of our operations are actively engaged in monitoring and reporting their waste. We are aware of the gaps in our dataset, and we have initiated a company-wide directive for all sites to implement waste monitoring and tracking. This will ensure comprehensive coverage and enhance overall data accuracy.

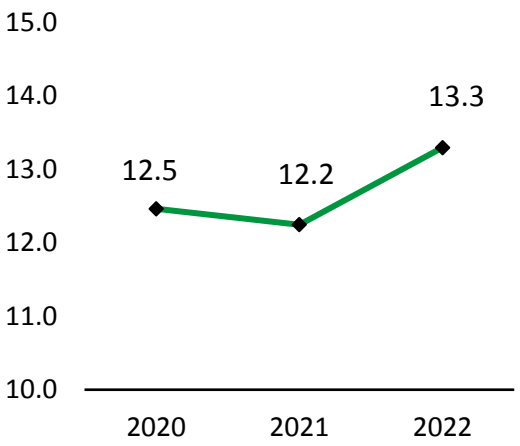
Analyzing the collected data, we note an increase in waste generation by 1,881 tons from 2020 to 2022. Over this period, waste disposal methods have remained relatively consistent, with over 60% directed to landfills, approximately 20% being recycled, and a similar percentage undergoing incineration.

While this trend doesn't reflect our desired outcome, it is urging us to intensify our efforts and take immediate measures. We are in the process of mapping a waste management strategy that aims to reduce waste generation and shift the balance away from landfill disposal.

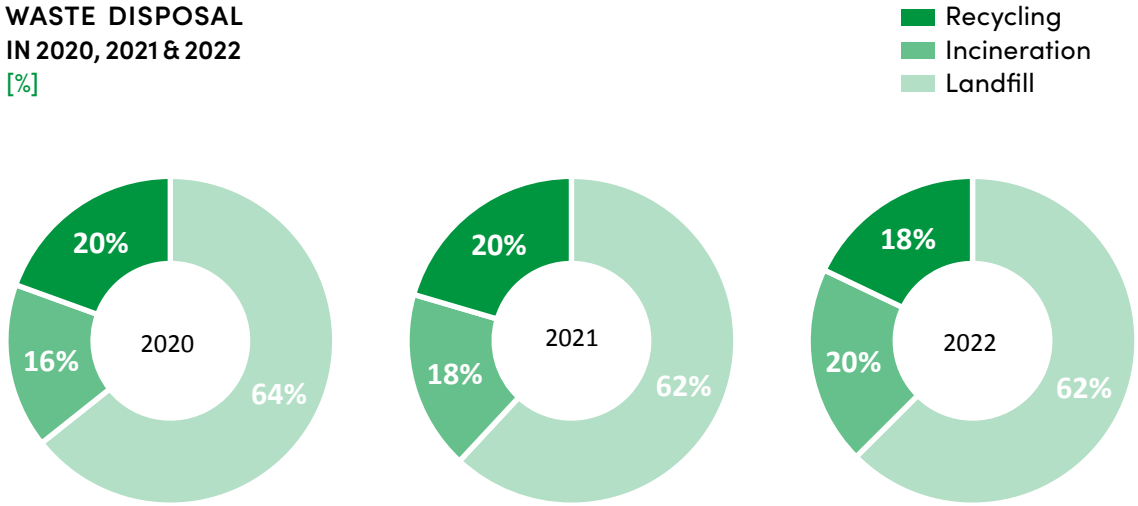
WASTE GENERATION
[t]



WASTE GENERATION INDEXED TO NET REVENUES
[t/MCHF]



WASTE DISPOSAL IN 2020, 2021 & 2022
[%]



CASE STUDY

ENERGY CONSERVATIONS PROJECTS

6+ mio m²/year of fabric (used in Habasit Fabric Belts)

100% renewable electricty since 2018

1 45 MWh
in 2022, where most of the energy generated (85%) has been used in-house

Brislach, Switzerland Weaving plant

Upgrading to high-performance air compressors
In 2019, the installation of new air compressors resulted in a reduction of 20% in electricity consumption*

-20% in electricity consumption*

Recovering heat of exhaust vapor
In 2021, a steam boiler was invested to recover the heat of exhaust vapor, leading to a reduction of more than 10% in total energy usage in 2022. As a result of this investment, a reduction of 364 tCO_2e was achieved, which is equivalent to the annual CO_2e sequestered by 18,200 trees.

- 10% energy consumption*

- 364 tCO_2e*
eq. annual sequestration of **18,200 trees**

* 2020 data compared to 2019

DATA & INDEX

UNITS		MOOVIMENTA			HABASIT		
		2020	2021	2022	2020	2021	2022
ENERGY							
Energy use	MWh	116,143	131,883	126,049	93,794	106,480	103,705
Energy use indexed by net revenues	MWh/MCHF	165.8	161.1	146.6	191	188.2	172.3
Renewable energy consumption	MWh	-	19,644	37,257	-	18,757	34,809
GHG EMISSIONS							
Scope 1 (Direct)	tCO_2e	12,308	13,616	13,746	10,444	11,543	11,808
Scope 2 (Indirect)	tCO_2e	14,672	10,510	9,015	11,631	7,224	5,517
Carbon footprint (Scope 1&2)	tCO_2e	26,980	24,126	22,761	22,075	18,767	17,324
Scope 1 (Direct) indexed by net revenues	tCO_2e/MCHF	17.6	16.6	16.0	21.3	20.4	19.6
Scope 2 (Indirect) indexed by net revenues	tCO_2e/MCHF	20.9	12.8	10.5	23.7	12.8	9.2
Carbon footprint (Scope 1&2) indexed by net revenues	tCO_2e/MCHF	38.5	29.5	26.5	45.0	33.2	28.8
VOC EMISSIONS							
VOC emissions	kgVOC	183,140	256,145	253,139	174,801	247,135	239,547
VOC emissions indexed by net revenues	kgVOC/MCHF	261.5	312.8	294.4	355.9	436.7	398.0
WATER							
Water	m^3	98,792	99,832	99,753	83,898	82,067	79,861
Water indexed by net revenues	m^3/MCHF	141.0	121.9	116.0	170.8	145.0	132.7
WASTE							
Waste	t	9,209	10,362	11,565	6,121	6,929	8,002
Waste indexed by net revenues	t/MCHF	13.2	12.7	13.5	12.5	12.2	13.3

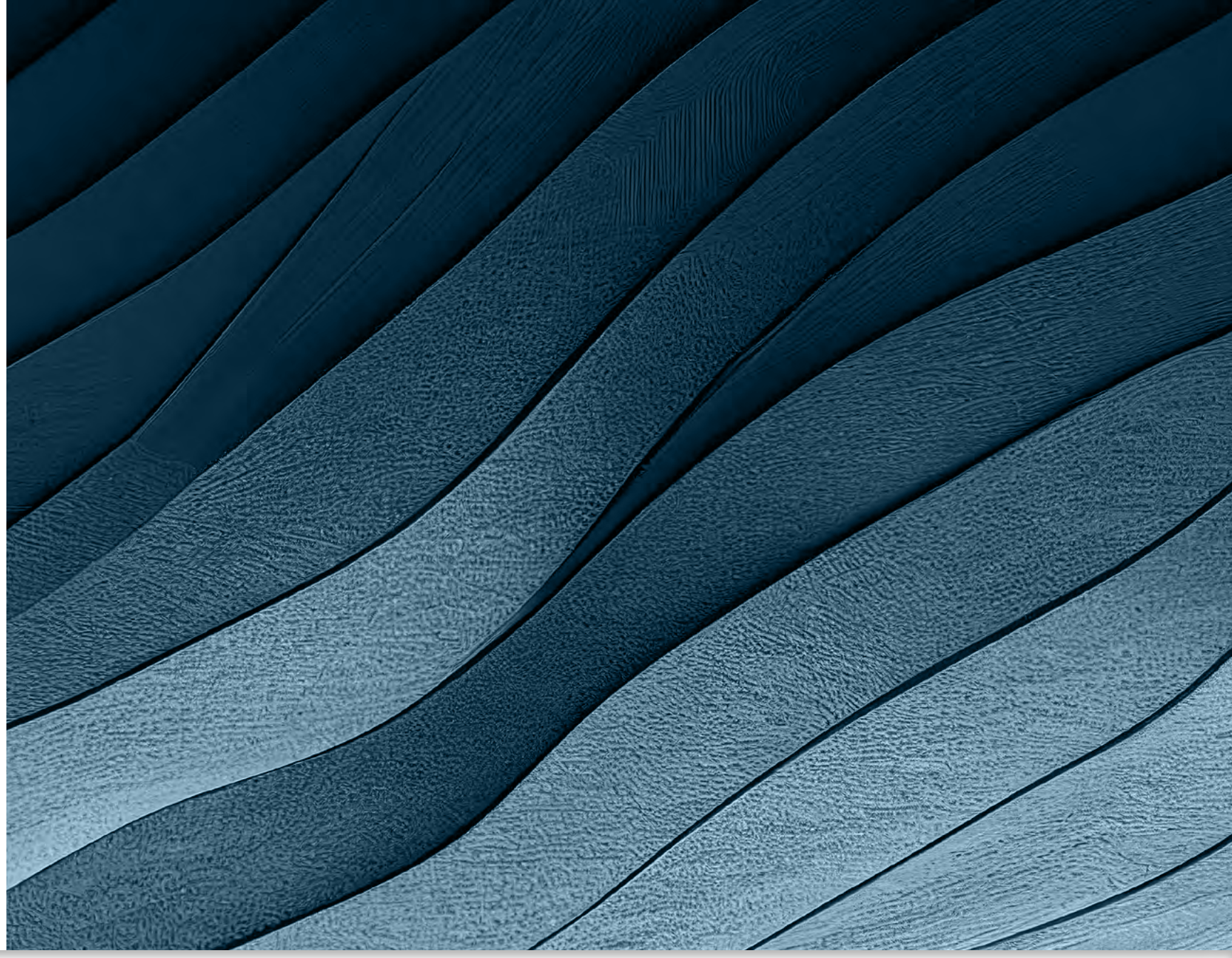
DATA SCOPE

In scope

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

Out of scope

- The sites with fewer than five employees.
- The GHG emissions from mobile combustion (company vehicles) in 2020 and 2021 data. In 2022, 64% of the sites are reporting GHG emissions for vehicles. As we move forward, we are committed to encompassing all sites.



GLOSSARY

GHG	Greenhouse Gas
IPCC	Intergovernmental Panel on Climate Change
SBTi	Science-based Target initiatives
SDGs	Sustainable Development Goal
UN	United Nations
UNGC	United Nations Global Compact
VOC	Volatile Organic Compounds

Units

m^3	Cubic meter
MCHF	Million Swiss franc
MWh	Mega Watthour
t	Metric ton
tCO_2e	Metric ton carbon dioxide equivalent