





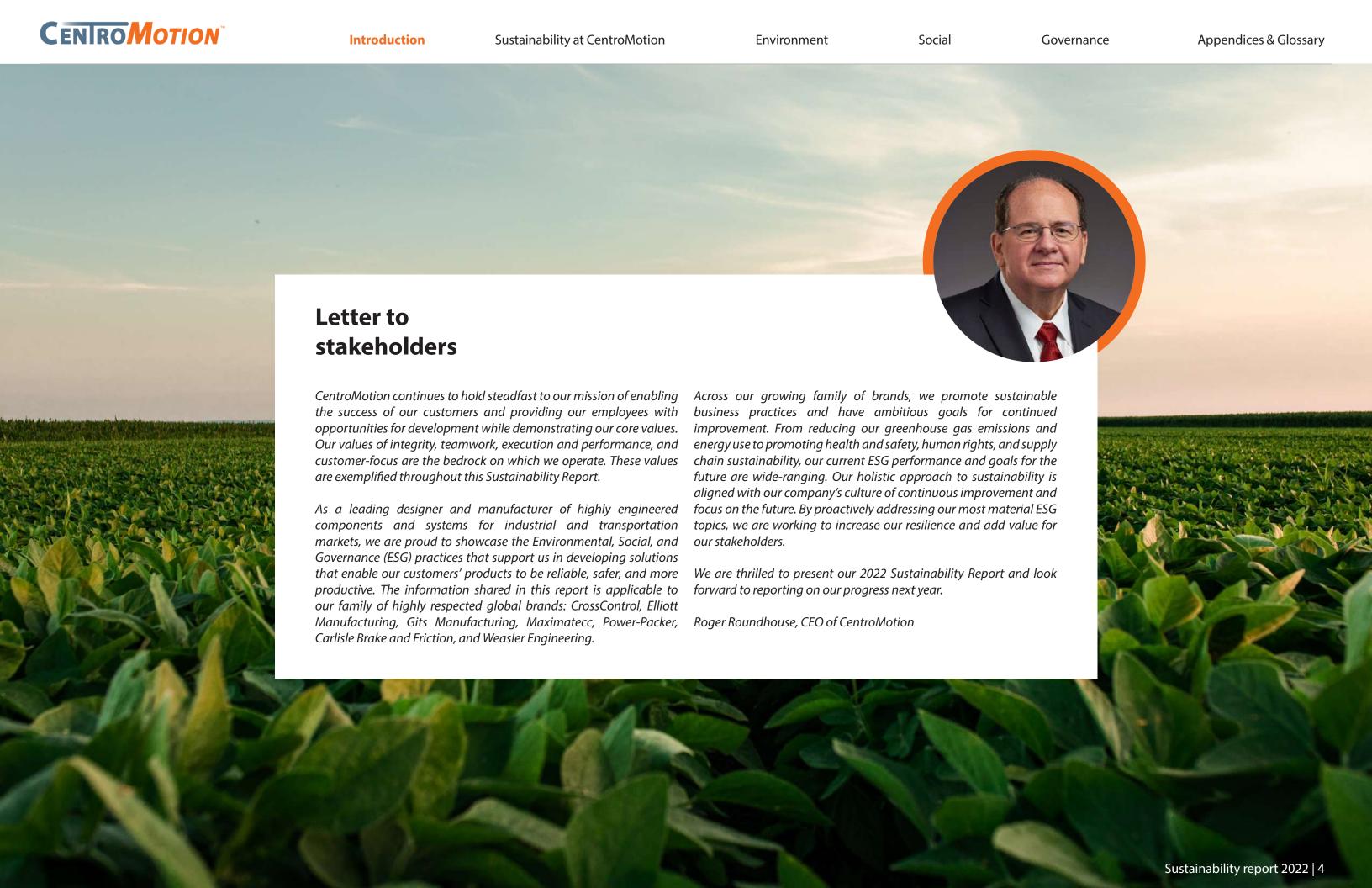
## **Contents**

**Case Studies** 

Introduction	3	Social	25
Letter to Stakeholders	4	Responsible Supply Chain	28
About this Report	5	Human and Labor Rights	29
About CentroMotion	6	Health and Safety	30
Explore our Brands	7	Case Studies	31
Vision, Values, Culture and Mission	8	Diversity, Equity and Inclusion	32
2022 Highlights	9		
Sustainability at CentroMotion	10	Governance	34
Sustainability at CentroMotion	11	Risk Management and Compliance	36
Materiality Analysis	12	Case studies	36
United Nations Sustainable Development Goals	13	Business Ethics and Anti-Corruption	36
Environment	15	Appendices & Glossary	37
Greenhouse Gas Emissions	18	Appendix A - GRI Content Index	40
Energy Efficiency	21	Appendix B - SASB Disclosure Index	44
Case Studies	22	Glossary	48
Waste and Water management	23		

2022
Sustainability Report
Environmental, Social, Governance





Sustainability at CentroMotion

**Environment** 

Social

## About this report

CentroMotion is pleased to publish our second Sustainability Report. We are proud to highlight our ESG performance in 2022, our progress from 2021, and our goals for the future. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, and in alignment with the UN Sustainable Development Goals (SDGs).

We have documented the results, progress and plans on material ESG topics for CentroMotion's business based on our 2021 materiality assessment, which can be found on page 12. The following areas have been relevant in determining our material topics:

**Automotive and manufacturing standards** 

**Customer commitments** 

**Stakeholder perspectives** 

**Competitor efforts and reports** 

**Global sustainability benchmarks** 

These material topics not only represent high-impact areas, but also reflect the values of CentroMotion's leadership and workforce.

For each material topic covered in this report, we define our management approach, applicable key performance indicators, current operations, and planned initiatives to communicate our sustainability performance. CentroMotion is committed to publishing an annual sustainability report, publicly sharing progress towards our goals, and continuously enhancing the organization's collective knowledge of ESG topics.

#### **Disclosure Statement**

CentroMotion has made a good faith effort to provide We want to highlight that this is a voluntary sustainability accurate information in this report. The information provided in this document is for informational and discussion purposes only and may not be relied on in any manner such as legal, tax, or investment advice. Statistics and metrics relating to ESG matters may reflect estimates and may be based on assumptions or evolving standards.

report. The data that is displayed has been collected with care but is not validated by an external party and is not always complete. Numerous factors may influence the validity of our data, such as estimations and assumptions, quality of source data, and changes in our business.







#### **About CentroMotion**

CentroMotion keeps the world working. Our highly engineered, application-specific systems maximize the safety, reliability, and productivity of equipment used in transportation, agriculture, construction, mining and demanding industrial environments. Our customers rely on our deep subject matter expertise in complementary technologies, long-term customer relationships, drive for innovation and continuous improvement and exceptional scale and geographic reach to achieve their goals and deliver superior equipment to end-users.

Successfully designing and delivering highly engineered products for the world's most demanding environments starts with valuing and respecting our people and providing a supportive workplace. Spanning four continents, our collaborative team of more than 3,500 people is at the center of our

progress. We strive to deliver the highest quality of service in hydraulic actuation, air flow and emission control, machine intelligence and control, power transmission and braking & friction systems. Sustainability is at the core of our business. Our global team of innovators and strategic partners are committed to attaining our ESG goals and strengthening our resilience.

CentroMotion's family of brands has a reputation for strong expertise, exceeding customer expectations and continually setting the standard in their respective industries. CentroMotion's existing portfolio of brands includes Carlisle Brake & Friction, CrossControl, Elliott Manufacturing, Gits Manufacturing, Maximatecc, Power-Packer and Weasler Engineering.







Social



## **Explore our Brands** How CentroMotion builds, moves and feeds the world.

Every day around the world crops are planted, harvested and transported to consumers. Throughout our brands and global locations, products we manufacture play a crucial role in the preparation, harvest, production and delivery of agricultural products. You may not realize it, but you probably see our products every day.

#### **Planting and Harvesting**

Farmers' days can be long and challenging, especially during planting and harvesting seasons. A global leader in manufacturing and distribution of dependable driveline systems and components for agricultural machinery, Weasler Engineering ensures that farmers' time in the field is productive. With the increasing need for efficient field work and high levels of productivity, the demand for reliable, industrial machine systems is growing. CrossControl meets this need with advanced displays and controllers that include all types of performance features, including machine setup, system diagnostics and implement control.

#### **Logistics and Food Processing**

Logistics vehicles are among the hardest working machines, helping load, transport and unload food

products, ingredients and packaging. Maximatecc gauges and engine monitoring displays play a key role in providing vehicle operators with vital information to monitor the status and health of their vehicles' engines. Rotary motion is used in machines of every imaginable size, including those in the food processing industry. Elliott Manufacturing's flexible shafts help transmit the rotary motion in a variety of food processing applications, including rotary knives and mixers, to turn farmers' harvests into our meals. As your food makes its way throughout warehouses and food processing facilities, Carlisle Brake & **Friction** products are enabling the conveyors.

#### **Transportation**

Finally, to bring your food to the store in your neighborhood, vehicles need to be properly maintained. Power-Packer's hydraulic pumps, cylinders and latches, and Gits Manufacturing's emission control products ensure vehicles throughout the supply chain meet important standards, helping to improve safety and productivity in loading and unloading cargo and deliveries.

Truly, throughout all of our global locations, our products help build, move and feed the world.





crosscontrol

maximatecc•





POWER-PACKER'

GITS MFG. CO.

Sustainability at CentroMotion





## Vision, Mission, Values and Culture

Our Vision - To design and deliver highly engineered products that safely, reliably, and productively build, move, and feed the world.

Our Mission - Ensure people and machines work smarter, safer and more productively than ever before.

**Our Values** - We elevate customer success by bringing together proven brands that have earned the trust of OEMs over decades of partnership.

As a unified group, our brands deliver significant added value in terms of global scale, innovation resources and operational excellence.

**Our Culture** - We encourage our employees to grow personally and professionally and strive for the best in their daily work and life. We champion innovation, respect, responsiveness, integrity, and collaboration. We embrace diversity, empower individuals, and foster an environment where multiple perspectives and ideas can thrive.

## 2022 Highlights

## **Environmental**



Continued to drive down greenhouse gas emissions



*Invested in electrification of our equipment* 



Installed solar panels at multiple sites



*Improved energy efficiency* 



Decreased water usage

## Social



Empowered employees to participate in volunteerism



Paid time off work to participate in community projects



Expanded safety training



92% of eligible employees completed training on antiharassment, discrimination and diversity



Zero recorded incidents or violations related to ethics, discrimination, human and labor right violations.

## Governance



Enhanced training and governance



Trained employees on sustainable procurement



Completed supplier ESG risk assessment



98% of eligible employees completed ethics training



Zero recorded incidents of bribery and corruption







In 2021, CentroMotion established and implemented a sustainability strategy that outlines ambitious goals and initiatives to improve Environmental, Social and Governance (ESG) performance. This plan has guided us and helped us achieve substantial progress. CentroMotion's Sustainability Report serves to communicate our progress, as well as showcase our future steps.

Our 2023 ESG Roadmap shows our main priorities and actions planned for this year. We aim to continue strengthening our sustainability performance through focusing on optimizing our operations, sharpening our policies and data gathering procedures. We will also further solidify our Health, Safety, Security and Environment performance through implementing ISO management systems.

One strategic priority for our operations in 2023 is to perform an energy/water/waste assessment pilot. After the initial pilot, the full roll-out will be a multi-year project. This is where we can have a significant material impact and can continue to improve year after year. This should lead to direct pathways to reduce emissions, decrease water use, and lower the amount of waste generated for each site.

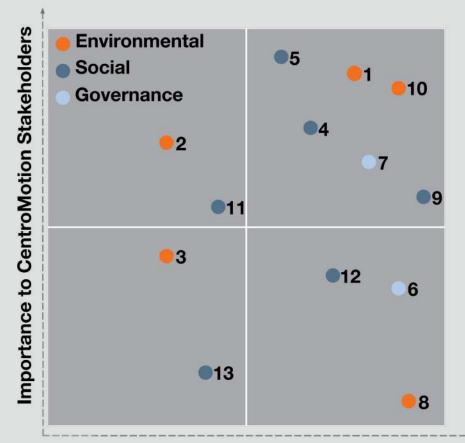
On the corporate level, we are planning to perform a corporate EcoVadis Gap Assessment. This helps us to identify and address gaps in our policies, actions, and in our data gathering and reporting. This should help us to harmonize our policies at the corporate level with our efforts at our various sites across our brands. As a result, this allows us to formulate a corporate emission reduction plan. We will start by baselining our Scope 3 emissions.

From a compliance and management perspective, CentroMotion's long-term goal is to have all facilities certified according to ISO14001 standards. This will standardize the way in which CentroMotion manages its Health, Safety, Security and Environment (HSSE) performance.

Operations	Complete Site Pilots		Expand Energy/ Water/ Waste Assessment			
Other	Update Terms & Conditions			Employee New Hire/ Exit Survey		
Data/ Policy	ESG Reporting Tools	Update Sustaina	Update Sustainability Report		on Corporate Ecovadis Gap Assessment	
HSSE	HSSE "Absolutes" and Training		ISO 14001	Gap Assessment	ISO 14001 Gap Mitigation	



**CENTROMOTION** 



Importance to CentroMotion Business

Energy Use & Efficiency
Waste Management
Environmental Management
Responsible Supply Chain
Human & Labor Rights
Business Ethics
Risk Management
Customer Satisfaction
Health & Safety
Greenhouse Gas Emissions
Diversity, Equity & Inclusion
Human Capital/Training
Stakeholder Engagement

\*Bold topics indicate most material topics





## **Materiality Analysis**

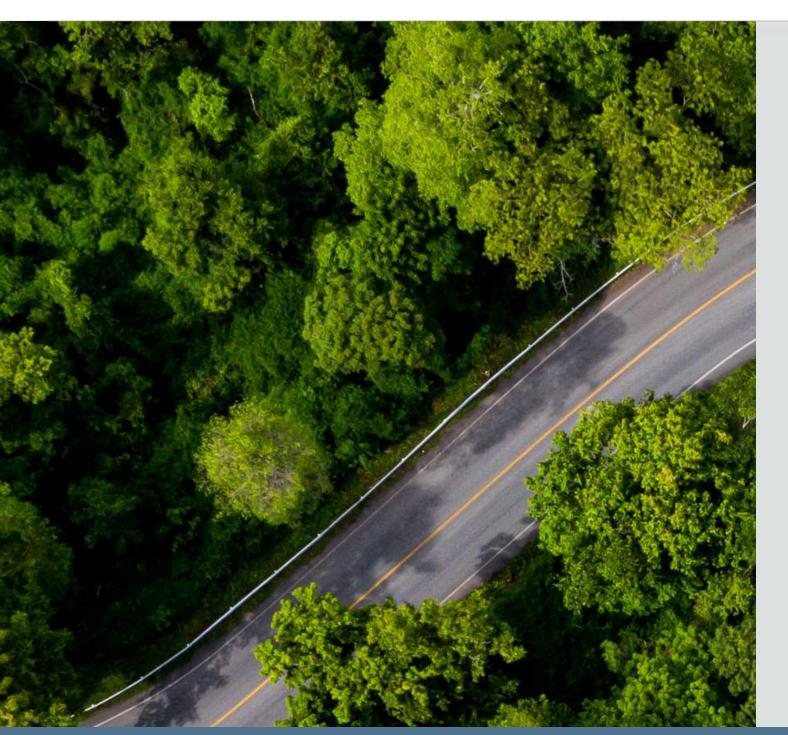
CentroMotion has conducted a Materiality Analysis to establish which sustainability topics are of highest importance to our organization and our stakeholders. This helps us to identify topics and trends on which CentroMotion has a significant impact and should serve as the focal point for CentroMotion's sustainability efforts. Having a better

understanding of the most important sustainability The results of the Materiality Analysis are depicted in topics allows for more effective resource allocation and strategic alignment. As a result, CentroMotion can start by addressing and minimizing its biggest impacts in the short term, while simultaneously strengthening the ability to create value in the long term.

the Materiality Matrix (above), with the most material topics to CentroMotion and its stakeholders shown in the top right quadrant. These material topics serve as a guide for developing CentroMotion's key focus areas, ESG goals, and general strategic priorities.

Following materiality guidelines, we draw upon knowledge gathered through employee interviews, desktop research, industry standards and trends and analysis of customer and investor requests.







As a responsible organization that operates all over the world, CentroMotion firmly believes in the importance of the United Nations 2030 Global Agenda, and we are committed to contribute to the achievement of the Sustainable Development Goals (SDGs). Our dedication to sustainability conceptually aligns with six specific SDGs that are outlined on the next page. These particular goals embody the values we embrace at CentroMotion, and we have the ability to make significant contributions to achieving these goals through our operations and business model.

Following a thorough analysis, we've identified that CentroMotion can substantially contribute to a number of specific targets. This allows us to directly

engage with the SDGs at a deeper level, and to maximize our positive impact.

Incorporating the SDGs into our sustainability strategy isn't just about aligning our actions with globally recognized goals, it's about creating a shared vision for a sustainable future that extends beyond our organization. We use the SDGs as a structure for our sustainability report to demonstrate our commitment to these goals, ensuring transparency in our efforts, and helping us to remain accountable to our stakeholders. CentroMotion strongly believes that our efforts, in line with these SDGs, will help to create a world that is more sustainable, equitable and prosperous for all.



































Social



SDG	CentroMotion Topic	Target	
7 ANFORDABLE AND CLEAN ENERGY	Energy Efficiency	<ul><li>7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix</li><li>7.3 - By 2030, double the global rate of improvement in energy efficiency</li></ul>	
8 BECENT WORK AND ECONOMIC GROWTH  8	Responsible Supply Chain Human & Labor Rights Health & Safety	8.2 - Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, and through a focus on high-value added and labor-intensive sectors  8.4 - Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the10-Year Framework of programs on Sustainable Consumption and Production, with developed countries taking the lead  8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value  8.7 - Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms	
10 REQUESTS INEQUALITIES	Diversity, Equity & Inclusion	10.2 - By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status  10.3 - Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard  10.4 - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	

SDG	CentroMotion Topic	Target		
	Responsible Supply Chain	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources		
# # DEPONERIE		12.4 - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment		
12 CONSTINETION AND PRODUCTION 12		12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse		
		12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle		
		12.7 - Promote public procurement practices that are sustainable, in accordance with national policies and priorities		
13 CLIMATE ACTION 13	Greenhouse Gas Emissions	13.2 - Integrate climate change measures into national policies, strategies, and planning		
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 16	Risk Management	16.5 - Substantially reduce corruption and bribery in all their forms 16.b - Promote and enforce non-discriminatory laws and policies for sustainable development.		



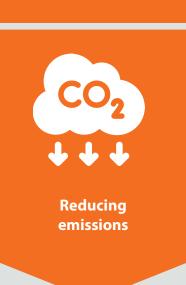




As a growing portfolio of global brands, we recognize the importance of understanding and mitigating CentroMotion's environmental impacts. To reduce our environmental impact, CentroMotion focuses on the most important topics with the largest impacts. These are greenhouse gas emissions, energy efficiency, and waste management. Our fourth goal, expanding the coverage of environmental management systems, will help us in achieving all of our strategic goals.



#### We have formulated four overarching strategic goals:



Sustainability at CentroMotion







#### This enables us to directly contribute to the SDG such as:



7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix

13.2 - Integrate climate change measures into national policies, strategies and planning



12.2 - By 2030, achieve the sustainable management and efficient use of natural resources

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse



7.3 - By 2030, double the global rate of improvement in energy efficiency



12.4 achieve the environmentally sound management of chemicals and all wastes throughout their life cycle







Goal	Results	Plan	SDG Targets
Reduce our greenhouse gas emissions	Reduced GHG Emissions	<ul> <li>Increase the share of renewable energy in our energy mix.</li> <li>Set targets for reducing scope 1 and scope 2 emissions.</li> <li>Start measuring scope 3 emissions.</li> </ul>	7.2 - by 2030, increase substantially the share of renewable energy in the global energy mix.  13.2 - Integrate climate change measures into national policies, strategies and planning.
Improve our energy efficiency	Decrease of 13.2% Primary energy usage for key production sites from 2020-2022	<ul> <li>Improve on efficient use of energy in our operations.</li> <li>Deploy an energy management system to monitor and optimize our energy performance in line with international standards.</li> </ul>	7.3 - By 2030, double the global rate of improvement in energy efficiency.
Reduce the amount of waste we produce	Increase in the amount of materials recycled.	<ul> <li>Develop a plan to reduce the amount of waste produced and diverted from the landfill, including recycling initiatives, reuse initiatives and process efficiencies.</li> <li>Work with customers to develop new, more sustainable products that reduce waste and promote recyclability.</li> </ul>	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources.  12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Expand site specific "Best Practices" to other sites	Improved alignment and standardization of processes	<ul> <li>Transition and expand the ISO 14001 Certified Environmental Management systems from select facilities to a company-wide program.</li> </ul>	12.4 - Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle.



At CentroMotion, we address our environmental impacts through our strong sustainability policy at the corporate strategic level. As a result, many of our facilities are taking actions to reduce their environmental impacts through various initiatives.

We have successfully tracked our Scope 1 and 2 greenhouse gas (GHG) emissions from internal operations, with a particular focus on energy efficiency strategies for our production facilities. In 2023, we are also starting to measure our scope 3 emissions.

Furthermore, we have made progress in improving our data tracking and quantifying energy, water, and waste performance. This allows us to identify where we can best take our next steps, and better communicate our progress.

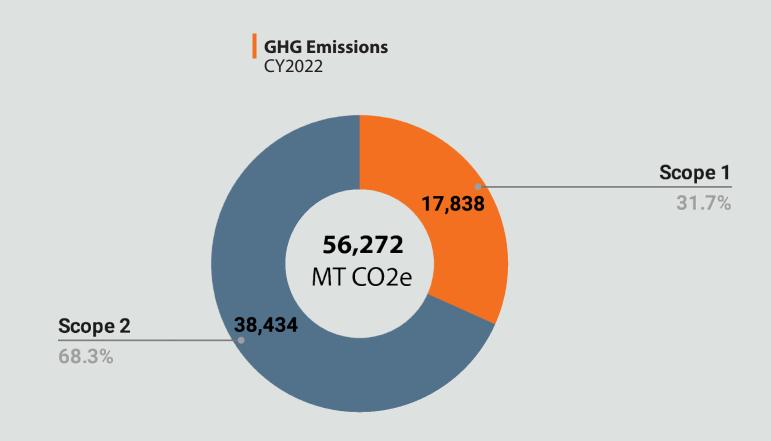
We see it as our responsibility to also pursue opportunities for improvement throughout our supply chain. Broadening our emissions tracking to include Scope 3 emissions demonstrates our commitment as a responsible and reliable supplier and enables us to partner up and down the value chain to create shared value.



Introduction Sustainability at CentroMotion **Environment** 

Social









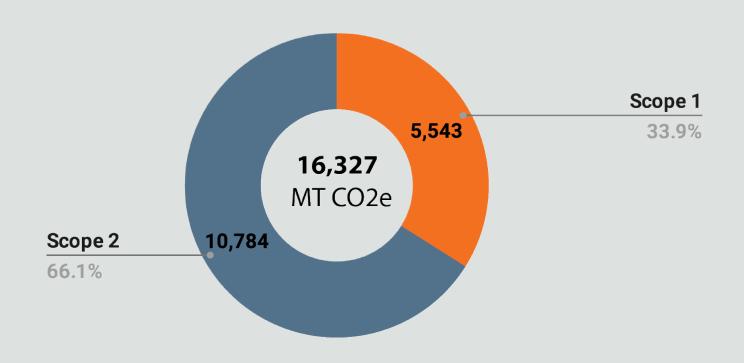


### Greenhouse **Gas Emissions**

CentroMotion recognizes the urgent need to reduce global greenhouse gas (GHG) emissions in order to contribute to global climate change mitigation efforts. We realize that major countries and businesses have made ambitious reduction targets in line with the 2015 Paris Climate Agreement. In support of these efforts, CentroMotion is committed to tracking and reducing our GHG emissions, and developing an emissions reduction strategy that is in line with global commitments. We have completed a GHG inventory for 2021 and 2022 Scope 1 & 2

emissions, which we compare against our baseline year in 2020. In absolute terms, our carbon emissions have increased over the last years. This is mostly due to our acquisition of Carlisle Brake & Friction.

Excluding the Carlisle Brake & Friction acquisition, we have achieved a slight decrease of emissions between 2020 and 2022. This is the result of many initiatives across all our sites that focus on efficiency and switching to electricity as the main energy source for production.





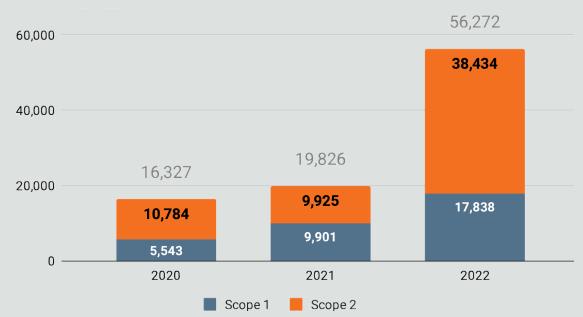
CENTRO MOTION

### **Greenhouse Gas Emissions Overview**

Greenhouse Gas Protocol: Corporate

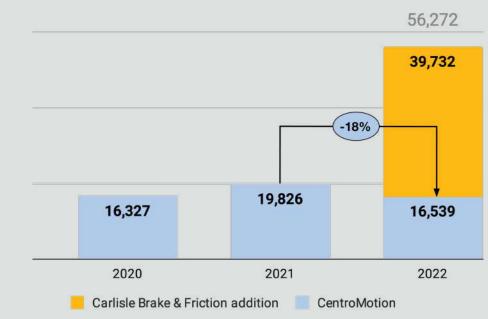


#### Scope 1 & 2 GHG Emissions CY2020-CY2022



#### Total Scope 1 & 2 GHG Emissions

Separated by Carlisle Brake & Friction addition





To reduce our Greenhouse Gas Emissions, a large portion of our impact can be realized by increasing the share of renewable energy used. We have performed assessments on the viability of increasing the share of renewable energy, and will start implementing the results company-wide. At many of our facilities, we are already purchasing renewable energy. In Oldenzaal, the Netherlands and Orzinuovi, Italy, a growing percentage of our electricity use comes from renewable sources.

Another way in which we managed to reduce our emissions is generating electricity at our sites through photovoltaic panels placed on our roofs. Several of our sites are already equipped with solar panels that provide a substantial amount of electricity.

At CentroMotion, we also reduce emissions through electrification of machinery that previously relied on fossil fuels. Whenever new investments in equipment are made, we consider cleaner and more efficient technologies. In Juarez, Mexico, we have replaced diesel-powered forklift trucks with electric forklifts (picture). This not only reduces emissions, but also improves the air quality. In Akhisar, Turkey, we have also made significant investments in new machinery and equipment which uses less energy.

Lastly, some of our locations also make efforts to partially compensate our emissions through planting trees. For example, Carlisle Brake & Friction has partnered with tree planting platform Treedom and has planted 667 trees. This will lead to a removal of 178 tonnes of CO2 from the atmosphere!

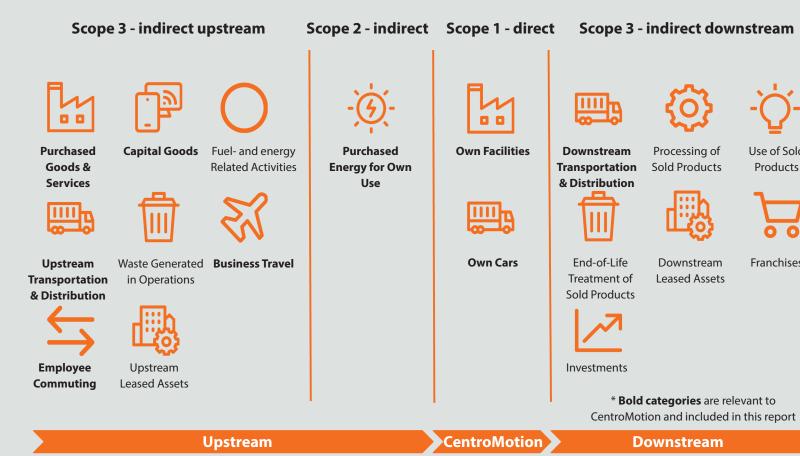
Sustainability at CentroMotion

**Environment** 

Social

Governance







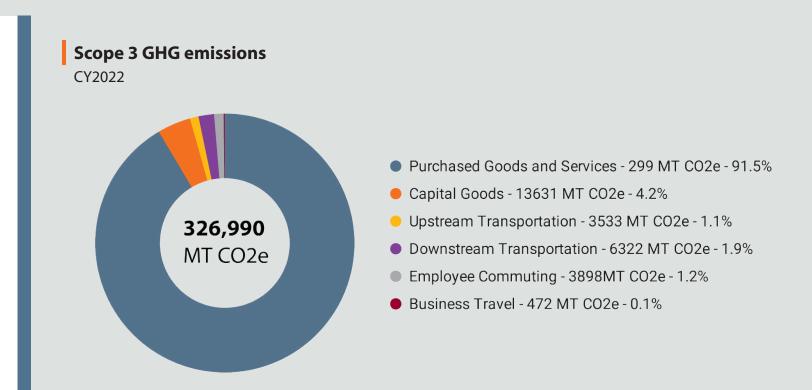
### **Scope 3 Greenhouse Gas Emissions**

In our 2022 Sustainability Report, in addition to Scopes 1 and 2 emissions, we are measuring Scope 3 emissions for the first time. We are including six of the 10 applicable Scope 3 categories in this report. We will continue to develop the data sources for Scope 3 categories and will expand our reporting in the future. We plan to engage with our key suppliers to help reduce our Scope 3 emissions impact in the future.

Scope 3 emissions refers to the third and broadest reporting category of the Greenhouse Gas Protocol.

This scope encompasses all indirect greenhouse gas (GHG) emissions from a company's activities, occurring from sources it does not own or control.

Scope 3 emissions usually make up the greatest share of a company's carbon footprint, covering emissions associated with activities up and down the value chain, like transport and distribution or the disposal of goods or services after they reach the consumer. Other examples of scope 3 activities include the production of purchased materials and the eventual use of sold products and services.



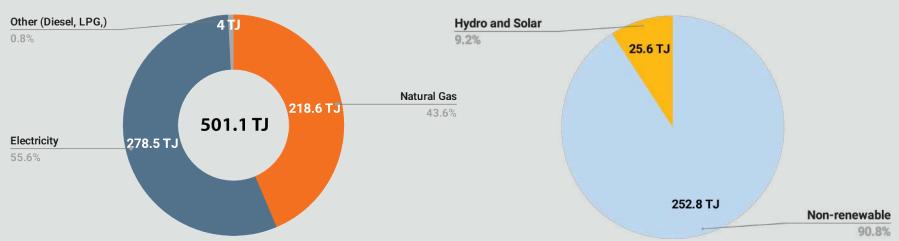
Sustainability at CentroMotion

**Environment** 

Social

## **Energy Consumption By Source** CY2022

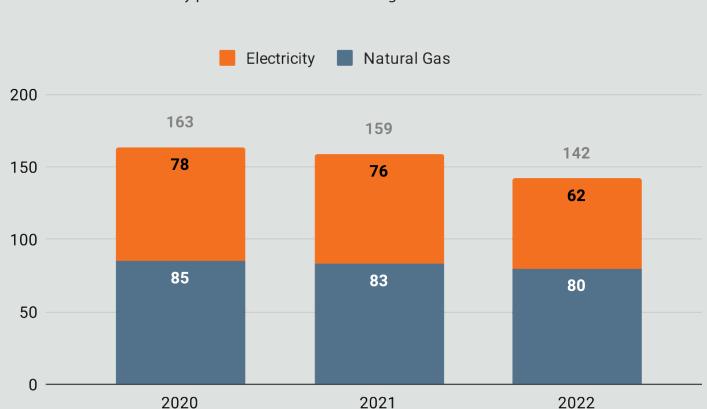
## **Electricity Consumption By Source** CY2022





#### Energy usage

Key production facilities excluding Carlisle Brake & Friction





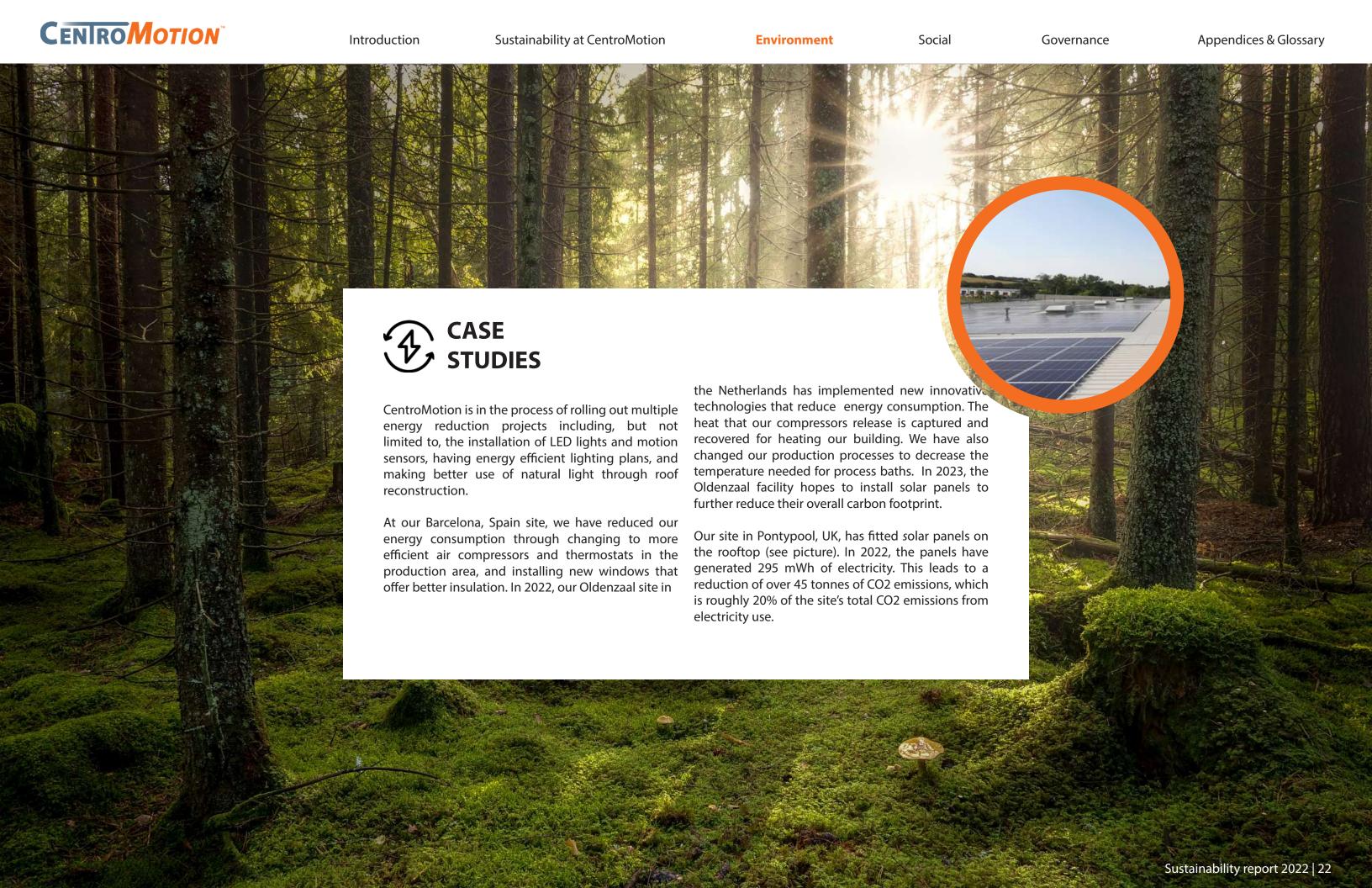
# **Energy Efficiency**

At CentroMotion, we believe that the journey to a sustainable future begins with tangible steps. Therefore, we prioritize the tracking of our energy usage as a primary measure in our energy efficiency strategy. By closely monitoring and analyzing our energy consumption patterns, we can identify areas for improvement and implement targeted solutions.

We are closely monitoring energy use at our facilities to understand baseline usage and explore opportunities for energy efficiency. This is done through analysis of our energy bills, including electricity, natural gas and any other fuels purchased. With this information, we are creating a formal strategy for reducing energy use. This year, we have

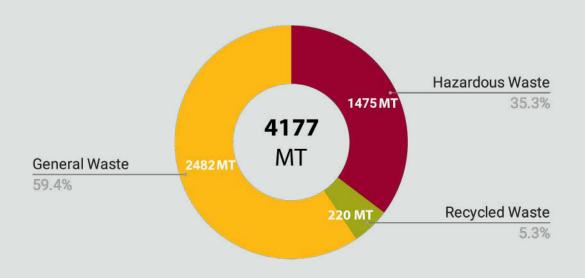
focused on implementing energy management systems, performing assessments, and optimizing our energy performance in line with international standards.

Our total energy usage has increased from 169 TJ in 2020 to 501 TJ in 2022. This is due to our acquisition of Carlisle Brake & Friction. At our key production facilities that have been under operational control since 2020, we have achieved significant energy efficiency gains over the last two years. **Our primary energy usage has decreased by 13%** over the last two years. This is the direct result of our continuous efforts to focus on energy efficiency.



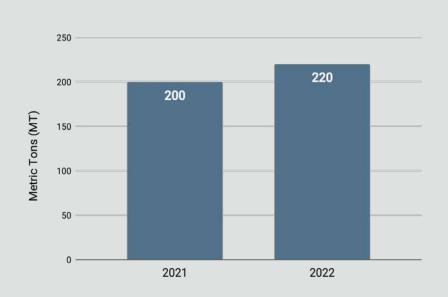
### Solid Waste in Metric Ton (MT)

CY2022



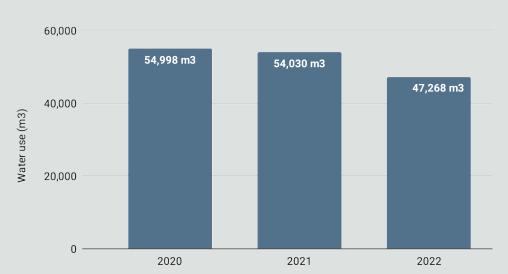
#### Amount of Waste Recycled

CY2020-CY2022



#### Water use (m3)

CY2020-CY2022: Key production facilities excluding Carlisle Brake & Friction addition



# Waste and Water Management

One of CentroMotion's strategic priorities is to decrease the amount of waste we produce. This happens primarily through optimization of processes, such as shipments and production, and through more and better recycling of the waste that is produced.

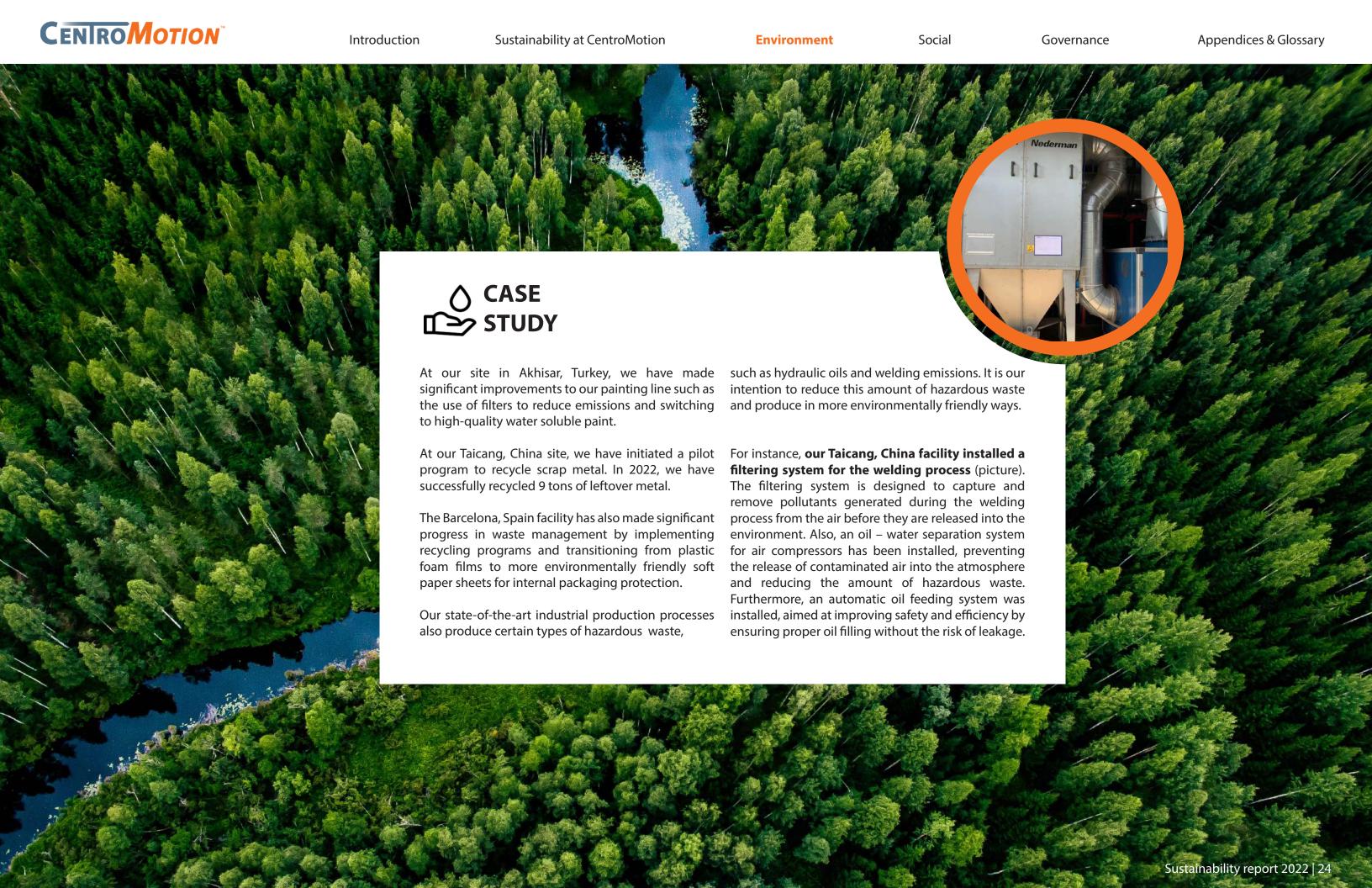
In 2021, we started to track waste recycling data. Compared to our baseline year 2021, we have realized an increase in recycled materials of over 10%. This is mostly achieved through better separation and recycling of cardboard and paper.

#### **Water Conservation**

CentroMotion recognizes water is a valuable resource and we are committed to reducing water usage and water waste. Our total water usage in 2022 was 409 megaliters.

We have achieved a 14% decline in overall water usage in our production facilities under control since 2020. There were several initiatives implemented to reduce water usage and waste, including wastewater treatment and oil-water separation systems. In the future, we plan to expand these successful initiatives across our sites globally.











At CentroMotion, our people are not just our greatest asset - they're the heart and soul of our organization. We understand the importance of investing in our people through training and professional advancement opportunities, providing strong safeguards for safe working conditions, and prioritizing diversity, equity and inclusion in our way of working. The material Social topics that CentroMotion prioritizes are Responsible Supply Chain, Health and Safety, Human and Labor rights, and Diversity, Equity and Inclusion.

Human and labor rights are of the utmost importance to CentroMotion and are prioritized through our business relationships and internal operations. To fulfil our responsibilities, we have provided training on preventing human and labor rights abuses to over 98% of the eligible workforce, resulting in no reported violations.

We engage in an ongoing dialogue with our internal and external stakeholders, including our

customers, to ensure we are meeting or exceeding expectations on the social front. These interactions generate valuable feedback for CentroMotion that allows us to identify opportunities and fulfil our social responsibility even better. At CentroMotion, we believe it's important to give back to the places where we live and work. CentroMotion encourages employees to become involved in lending their voluntary support to programs that positively impact the quality of life within our communities.

We strive to empower our employees to make a difference by letting our team members take paid time off to do volunteer work (picture). If there's a local school that needs a helping hand with painting, a food bank short of volunteers, or an environmental cleanup event, our employees have our support to get involved. The choice of where to volunteer is entirely up to each employee and what they are passionate about. Through this initiative our goal is to strengthen our communities and build relationships within the communities around us.

We also give back to local communities through donations. At our Akhisar site in Turkey, CentroMotion donates hardware, office equipment and IT equipment to local schools. This directly contributes to better learning opportunities for local youth.

Our site in Orzinuovi, Italy, also engages with its local community on various levels. We donate to local associations that help kids within the local community. We also made a charitable donation to an organization that gives humanitarian assistance to the people in Ukraine. Furthermore, we support and contribute to Enactus, an international social entrepreneurship project and network for students. Through this network, young people can create innovative and impactful solutions for social problems.



to become involved in lending their voluntary support to programs that positively impact the quality of life within the communities in which we work and live. We have implemented a policy that allows employees up to 16 hours of paid time off for this purpose. It is important for the company to not only support our communities from a financial perspective, but also through employee volunteerism efforts."

Aimee Therrian
Chief Human Resources Officer





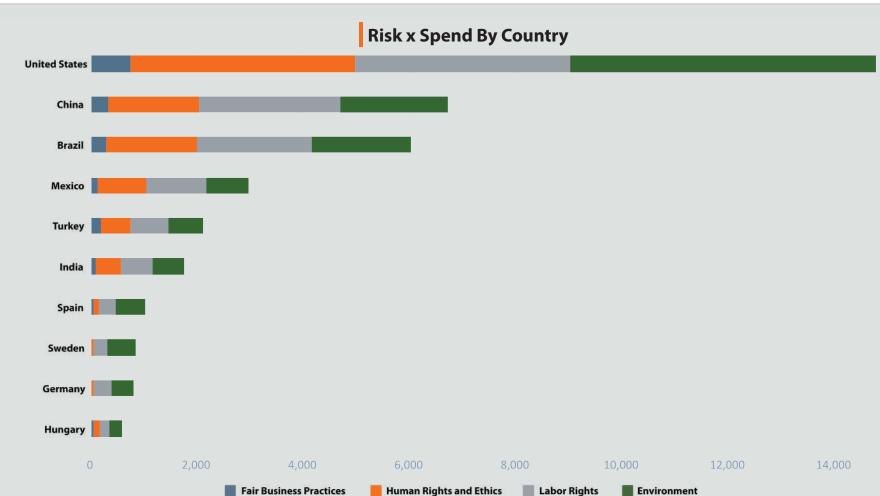




Goal	Results	Plan	SDG Targets	
Enhance employee engagement and wellbeing.	Increased job satisfaction.	<ul> <li>Administer a survey to obtain feedback from employees about their engagement, morale, and satisfaction at work.</li> <li>Explore the potential of implementing a working conditions and human rights management system aligned with an international framework, such as ISO26000.</li> </ul>	8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services	
Improve supply chain sustainability and transparency	Supply chain risk assessment completed.	<ul> <li>Formulate remediative measures based on risk assessment.</li> <li>Extend supplier ESG assessment programs .</li> </ul>	8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services	
Maintain a safe and productive workplace for all	Continuous improvement to Lost Time Incident Rate (LTIR) and Total Case Incident Rate (TCIR).  No confirmed incidents of discrimination.	<ul> <li>Expand HSSE training/ requirements, including sub-contractors working on the premises.</li> <li>Translate employee instructions or operational processes on health and safety into local languages.</li> </ul>	8.7 - Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	
Promote diversity, equity, and inclusion in the workplace	Increase in female employees and minority employees.	Improve metrics tracking for employee diversity.	8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value  10.2 - By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	

Sustainability at CentroMotion





**Social** 



### **Responsible Supply** Chain

Ensuring our supply chain promotes human and labor rights and considers environmental impacts is important to both CentroMotion and our customers. We have set out to establish a common understanding of sustainable procurement at CentroMotion's different business units. Our underlying goal is that all employees consider sustainability factors when making procurement decisions. We aim to achieve this through our sustainable procurement policy and our Supplier Code of Conduct.

CentroMotion has established a robust Supplier Code of Conduct based on internal policies and

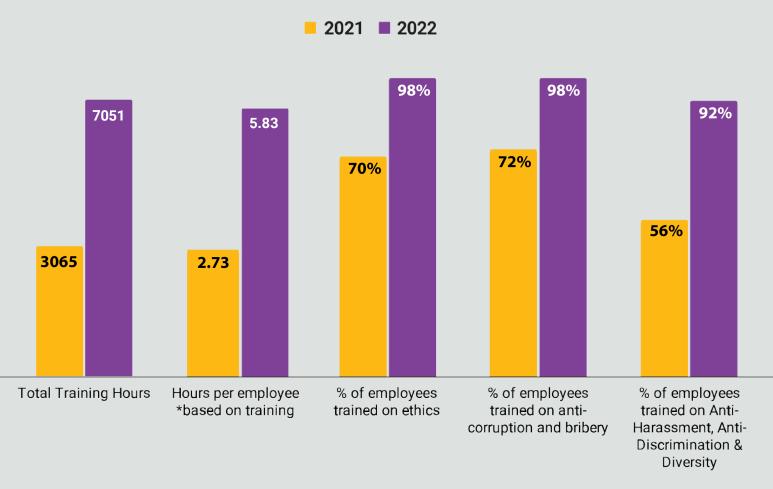
international conventions and standards. The Supplier Code of Conduct includes a grievance mechanism for third parties to submit complaints. CentroMotion has also implemented a Sustainable Procurement Policy for vetting potential vendors. For example, we demand that potential suppliers are committed to comply with all legal regulations, only use safe materials and avoid substances of very high concern and implement a responsible management of chemicals in their operations. In selecting our suppliers, we give preference to suppliers who have a proven use of renewable energy and work with materials with higher potential to recycle.

We also completed a comprehensive supplier risk assessment, launched supplier ESG self-assessment processes, and completed sustainable procurement training for the entire supply chain team. The top 100 'riskiest' suppliers were identified based on publicly available risk on country, product/industry, and country-product combination across 22 themes related to fair business practices, human rights and ethics, labor rights, health & safety, and environment.

CentroMotion has engaged with the top 100 'riskiest' suppliers to identify, evaluate and mitigate specific ESG risks in our supply chain. Based on these efforts,

our procurement strategy and sourcing decisions can be improved. Furthermore, we will leverage our position to help our suppliers and generate positive effects throughout the supply chain through webinars and training with our suppliers. This helps us to ensure responsible decision-making in our supply chain, while decreasing our risk exposure.











# Human and Labor Rights

As a global organization and diverse employer, CentroMotion recognizes the need to protect and uphold the rights of its employees, contractors, business partners and other affiliates. Our Labor and Human Rights Policy communicates our dedication to respecting working conditions and human rights, which includes complying with applicable laws on collective bargaining agreements, working hours

and applicable leave regulations. Additional policies underscore commitments towards specific aspects of labor and human rights, such as upholding zero tolerance for modern slavery, child labor and human trafficking.

CentroMotion prioritizes Human and Labor Rights through the training we provide for our employees.

Last year, we registered 1063 training hours on this topic, covering 98% of the eligible employees. As a result of this, we reported no incidents of discrimination, corruption, human rights violations, or other forms on unethical behavior in 2022. Nonetheless, we will continue to prioritize human and labor rights to ensure we maintain our good track record. Last year, we updated our reporting

process of such incidents. Any grievance related to labor and human rights can be reported anonymously via our third-party ethics hotline. Moving forward, CentroMotion plans to implement a working conditions and human rights management system that is aligned with an international framework, such as ISO 26000.

Sustainability at CentroMotion

0.8

0.6

0.4

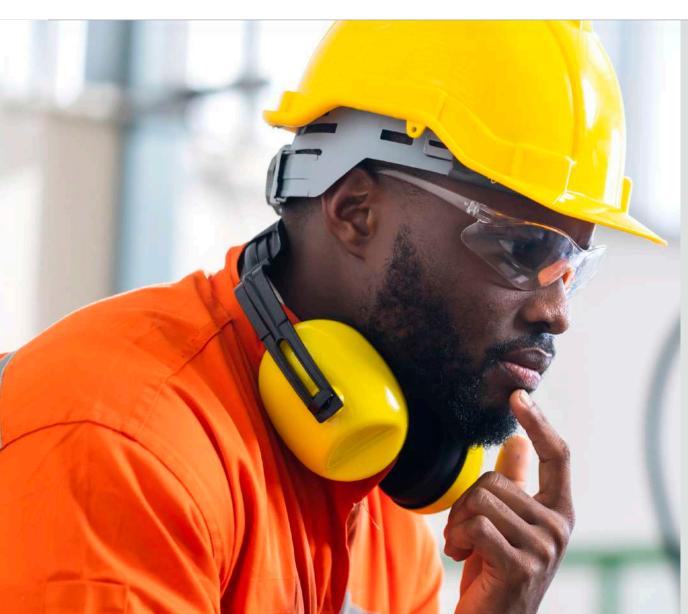
0.2

0.0

**Environment** 

**Social** 

Governance

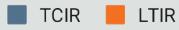


#### Health and Safety Incident Statistics

Total Case Incident Rate (TCIR) and Lost Time Incident Rate (LTIR)



Note: only the 2022 data includes the Carlisle Brake & Friction addition





At all of our facilities, we focus on continuously improving our health and safety performance. To do so, we perform ongoing risk assessments and implement many safety improvement projects. Over the last three years, most facilities have shown a decrease in the Lost Time due to Incident Rate. The overall average increase in our 2022 data can be

We care for the well-being of everyone who works for us, regardless of their formal status. We are expanding our health and safety training to everyone working on company properties, including our subcontractors. We are translating employee instructions into local languages to overcome cultural barriers and include everyone in our health explained by our Carlisle Brake & Friction acquisition. and safety efforts. Last year, each eligible employee

received an average of almost six hours of relevant Health and Safety training.

We will continue to prioritize the health and safety of our people through continuous monitoring and updating our procedures and training.

Sustainability at CentroMotion

Environment

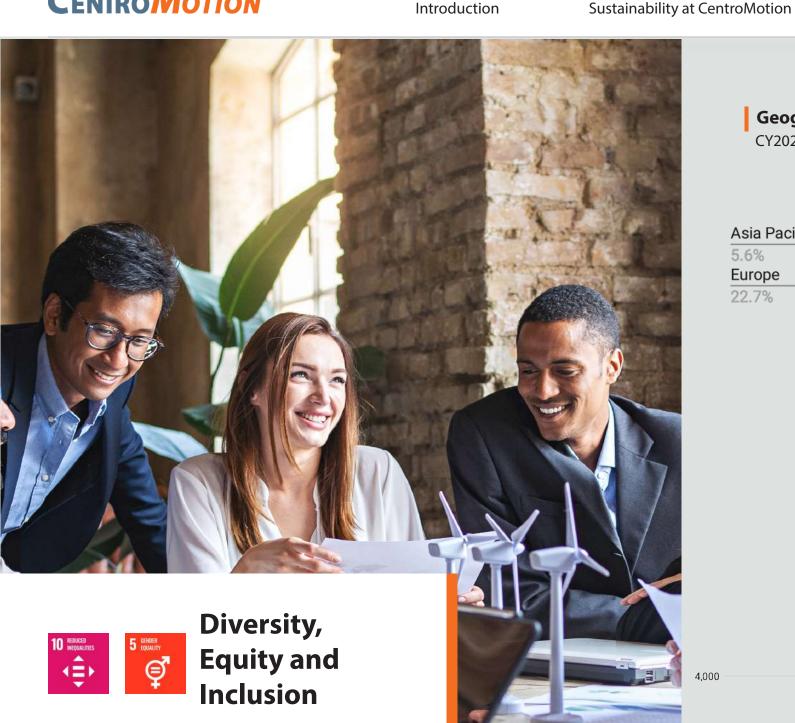
Social



"It is important for all of our employees to act with the highest integrity possible. As one of our core values; we want our employees to understand the expectations the company has around integrity and therefore implement annual training to ensure they have the skills and abilities needed to successfully perform their job, but also ask for them to act as a steward, reporting any concerns though our processes."

Aimee Therrian
Chief Human Resources Officer





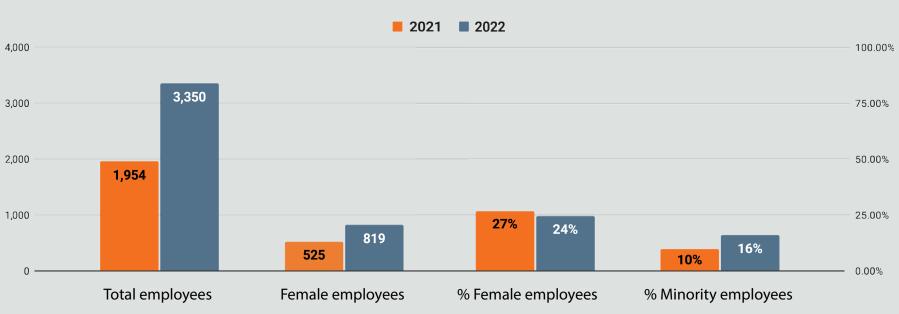
**Geographic Diversity of New Hires by Region** CY2022

Diversity of New Hires by Age Group CY2022





#### **Employees by Gender and Ethnicity**

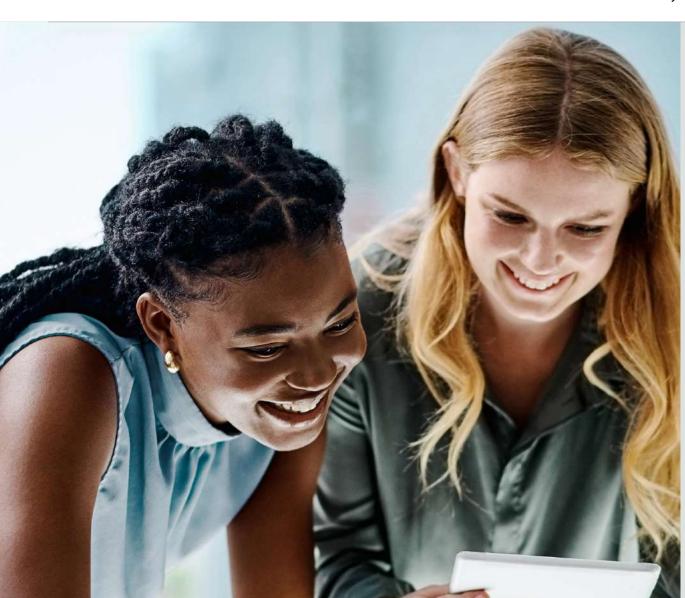


#### CentroMotion values and respects the diversity of our workforce. We provide an inclusive work environment in which all individuals are treated with respect and dignity. We have a zero-tolerance policy for discrimination, harassment and racism. All employment and advancement decisions are made in accordance with our Equal Employment Opportunity Policy and Affirmative Action Program which is overseen by our HR leadership.

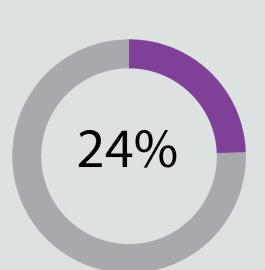
Sustainability at CentroMotion

Environment

Social

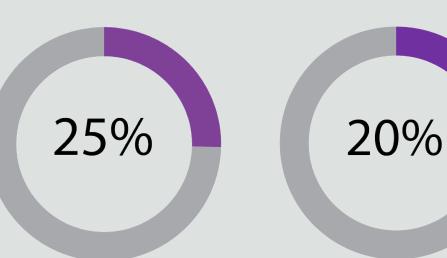






## Female New Hires CY2022

Women in Top Executive Positions
CY2022











Compared to 2021, the number of women employed increased by 56%. This is mostly due to the acquisition of Carlisle Brake & Friction. In terms of percentage, the proportion of women employed decreased slightly from 26.9% to 24.4%. This was mostly caused by the amount of women in our new hires. In 2021, women consisted 32.1% of CentroMotion's new hires, where in 2022 this number dropped to 25.4%. The percentage of women in top executive positions remained stable at 20%.



## Minority groups and vulnerable workers

CentroMotion recognizes that people from different backgrounds and experiences contribute unique and valuable perspectives. We strive to ensure that no person is marginalized and recognize that the organization is stronger through diversity. The number of workers from minority groups and/or vulnerable workers increased significantly in 2022. We will continue to prioritize and work toward a more diverse workforce that is reflective of the communities we operate in.

### **Spotlight**

Our site in Bezons, France has set up a new partnership for sorting waste called CEDRE. Through this partnership, we employ a number of disabled people to include them in our workforce. Their activities mainly include to sort out waste with the purpose of increasing its value for circular economy initiatives, and to undertake activities to preserve nature. To reward CEDRE for its efforts, EcoVadis has awarded CEDRE a silver medal for societal responsibility.







## Governance

At CentroMotion, we hold ourselves to the highest standard of governance, including business ethics, risk management and the management of our sustainability practices.

We have implemented a cross-functional sustainability committee to manage and report on our progress. One of the goals of this committee is to standardize our sustainability programs across our brands. This is happening through implementation of internationally recognized management standards, but also through streamlining of data collection and reporting.

Our <u>Worldwide Business Conduct Policy</u> ensures correct and ethical behavior, regardlesss of where we operate. This policy applies to all officers, employees, and directors of CentroMotion and our subsidiaries and business units worldwide. The overall purpose is to foster the highest principles of business ethics, integrity, and compliance with relevant legal requirements. We regularly review and update our policy to stay up to date with recent developments.



## Our goals in detail

Goal		Results	Plan	SDG Targets
+11	Reduce supply chain risks	Completed an ESG Risk Assessment and supplier self- assessment questionnaire.	• Engage with 'high-risk' suppliers to identify and mitigate risks	12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.  12.7 - Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
	Strengthen business ethics oversight	98% of eligible population received training.	<ul> <li>Undertake an assessment of corruption-related risks across company operations to identify and prioritize risk management efforts</li> </ul>	16.5 - Substantially reduce corruption and bribery in all their forms.
	Standardize sustainability programs across business units	Improvements in standardization of data gathering and reporting have been implemented.	<ul> <li>Certify 100% of our facilities according to relevant industry standards.</li> </ul>	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
<b>}</b> •))	Enhance external whistleblower procedures	Completed procedure update on ethics, discrimination and human rights violations.  Incorporated a mechanism in the whistleblower program for external parties to report information security breaches	Maintain our excellend track record	16.5 - Substantially reduce corruption and bribery in all their forms.  16. Promote and enforce non-discriminatory laws and policies for sustainable development.



# Risk Management and Compliance

Risk management provides the opportunity for

CentroMotion to focus the company's resources in the



most efficient way to address potential threats to the company. CentroMotion takes a holistic approach to risk management by assessing diverse risks, including but not limited to; health and safety operations, procurement and supply chain disruptions and environmental impacts. To help mitigate these risks, CentroMotion has launched a supplier self-assessment and completed an ESG risk assessment for targeted suppliers. Additionally, CentroMotion will perform an assessment of corruption-related risks across the company's operations and expanded the external whistleblower program to include security

In Alfta, Sweden, we have implemented various systems to ensure better risk management and compliance with relevant legislation. One of these systems is EcoOnline, which helps to track and evaluate all chemicals used in our production processes. Another system is Notisum, which we use to track and evaluate legal compliance. This ensures that we operate safely within legal boundaries and take all necessary precautions from a risk perspective.



#### **Employee Training Statistics** Based on eligible training population 2021 2022 **72%** 70% 56% 3065 2.73 Total Training Hours Hours per employee % of employees % of employees % of employees trained on ethics trained on Anti-\*based on training trained on anticorruption and bribery Harassment, Anti-Discrimination & Diversity



# **Business Ethics and Anti-corruption**

Business ethics and anti-corruption are of the highest importance to CentroMotion. Business ethics violations, such as bribery and corruption risks may arise from CentroMotion's internal operations and from its relationships with suppliers. Our employees are CentroMotion's ambassadors, and therefore we expect all employees to engage in honest, lawful and ethical conduct. In 2022, we did not have any confirmed incidents of corruption or a breach of ethical behavior.

We provide training on ethics and corruption to our employees to help them identify and prevent risks and violations. This program was initiated in 2021, where we started with training 70% of our eligible employees. Last year, 98% of our eligible employees received training on ethics. With zero recorded incidents or violations, our program can be considered a huge success. We will continue to expand our training program to cover all of the eligible population.





GRI Code	Disclosure	Location	
2-1	Organizational details	CentroMotion N19 W24200 Riverwood Drive, Suite 300. Waukesha Wisconsin 53188 For more information, please visit our website www.centromotion.com	
2-2	Entities included in the organization's sustainability reporting	CentroMotion's existing portfolio of brands includes Carlisle Brake & Friction, CrossControl, Elliott Manufacturing, Gits Manufacturing, Maximatecc, Power-Packer and Weasler Engineering. The data from these brands is included in the sustainability report.	
2-3	Reporting period, frequency and contact point	Reporting period: Fiscal 2022 Frequency: Annual Contact point: centromotion.tc@ centromotion.com	
2-4	Restatements of information	Not Available	
2-5	External assurance	CentroMotion did not conduct any external assurance	
2-6	Activities, value chain and other business relationships	This information is available on page 6-7	

GRI Code	Disclosure	Location		
2-7	Employees	This information is available on page 32		
2-8	Workers who are not employees	This information is available on page 32		
2-9	Governance structure and composition	Additional information is available on our website under Leadership section.		
2-10	Nomination and selection of the highest governance body	The highest governing body is our Executive Leadership Team, comprised of Chief Officers and Vice Presidents  Additional information is available on our website under Leadership section.		
2-11	Chair of the highest governance body	Roger Roundhouse, CEO		
2-12	Role of the highest governance body in overseeing the management of impacts	This information is available on page 35		
2-13	Delegation of responsibility for managing impacts	This information is available on page 35		



GRI Code	Disclosure	Location	
2-14	Role of the highest governance body in sustainability reporting	Our Chief Human Resources Officer is the highest governance body in sustainability reporting	
2-15	Conflicts of interest	This information is available on page 35	
2-16	Communication of critical concerns	This information is available on page 35  All reports to the whistleblower hotline will be promptly investigated, and appropriate corrective action will be taken if warranted by the investigation	
2-17	Collective knowledge of the highest governance body	Our executive committee members regularly engage with investors and the internal sustainability committee on ESG impacts and opportunities	
2-18	Evaluation of the performance of the highest governance body	Currently there is not a formal process in place to evaluate the performance of the CEO as it relates to ESG topics, but we are considering this for the future	
2-19	Remuneration policies	This information is privately held	
2-20	Process to determine remuneration	This information is privately held	

GRI Code	Disclosure	Location		
2-21	Annual total compensation ratio	This information is privately held		
2-22	Statement on sustainable development strategy	This information is available on page 12- 15		
2-23	Policy commitments	This information is available on our worldwide business conduct policy		
2-24	Embedding policy commitments	This information is available on our worldwide business conduct policy		
2-25	Processes to remediate negative impacts	This information is available on our ethics and compliance platform		
2-26	Mechanisms for seeking advice and raising concerns	This information is available on our ethics and compliance platform		
2-27	Compliance with laws and regulations	This information is available on our worldwide business conduct policy		



GRI Code	Disclosure	Location	
2-28	Membership associations	<ul> <li>Here is the list of membership associations:</li> <li>WMC – Wisconsin Manufacturers &amp; Commerce</li> <li>WCBA – Waukesha County Business Alliance MMAC – Metropolitan Association of Commerce</li> <li>FEMA – Farm Equipment Manufacturers Association</li> <li>ADMA – Agricultural Driveline Manufacturers Association NTEA – The Association for the Work Truck Industry</li> <li>ASABE – American Society of Agricultural and Biological Engineers AEM – Association of Equipment Manufacturers</li> <li>VDMA – Mechanical Engineering Industry Association</li> <li>DLG – Deutsche Landwirtschafts-Gesellschaft – German Agricultural Society</li> </ul>	
2-29	Approach to stakeholder engagement	This information is available on page 14	
2-30	Collective bargaining agreements	60% of full time employees	

GRI Code	Disclosure	Location		
3-1	Process to determine material topics	This information is available on page 14		
3-2	List of material topics	This information is available on page 14		
205-1	Operations assessed for risks related to corruption	This information is available on page 36 Additional information is available on our Supplier Code of Conduct		
205-2	Communication and training about anti-corruption policies and procedures	We provide training on ethics and corruption to our employees to help them identify and prevent risks and violations. This program was initiated in 2021, where we started with training 70% of our eligible employees. Last year, 98% of our eligible employees have received training on ethics.  This information is available on page 36		
205-3	Confirmed incidents of corruption and actions taken	We have not recorded any confirmed incidents of corruption or a breach of ethical behaviour.		
206-1	Legal actions for anti- competitive behavior, anti- trust, and monopoly practices	We have not recorded any legal actions for anti-competitive behavior, anti-trust, and monopoly practices		



GRI Code	Disclosure Location			
302-1	Energy consumption within the organization	Total energy consumption: 501.1 TJ		
302-4	Reduction of energy consumption	This information is available on page 21		
303-2	Management of water discharge-related impacts	This information is available on page 23		
303-5	Water consumption	Total water use: 47,268 m3		
305-1	Direct (Scope 1) GHG emissions	Direct (Scope 1) GHG emissions: 17837.9 tC02e This information is available on page 18		
305-2	Energy indirect (Scope 2) GHG emissions	Energy indirect (Scope 2) GHG emissions: 38434 tCO2e This information is available on page 19		
305-3	Other indirect (Scope 3) GHG emissions	Other indirect (Scope 3) GHG emissions: 326,990MT of CO2e We have started the calculation of other indirect (Scope 3) GHG emissions in 2023.		
305-5	Reduction of GHG emissions	This information is available on page 18- 20		

GRI Code	Disclosure	Location		
306-2	Management of significant waste-related impacts	This information is available on page 23		
306-3	Waste generated	Total waste generated: 4177 MT		
308-1	New suppliers that were screened using environmental criteria	This information is available on page 28		
308-2	Negative environmental impacts in the supply chain and actions taken	This information is available on page 28		
401-1	New employee hires and employee turnover	New employees hired: 842 This information is available on page 32		
403-1	Occupational health and safety management system	This information is available on page 30		
403-2	Hazard identification, risk assessment, and incident investigation	This information is available on page 30		
403-3	Occupational health services	This information is available on page 30		



**CENTROMOTION** 

## Appendix A - Global Reporting Initiative (GRI) Content Index

GRI Code	Disclosure	Location		
403-4	Worker participation, consultation, and communication on occupational health and safety	This information is available on page 30		
403-5	Worker training on occupational health and safety	This information is available on page 30		
403-6	Promotion of worker health	This information is available on page 30		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	This information is available on page 30		
403-8	Workers covered by an occupational health and safety management system	We have an internal occupational health and safety management system that covers all employees.		
403-9	Work-related injuries	This information is available on page 30		
403-10	Work-related ill health	This information is available on page 30		

GRI Code	Disclosure	Location	
404-1	Average hours of training per year per employee	Global data: Hours are only based on trainings assigned via Paylocity LMS Total hours of training for eligible population: 7050.71 Average hours/employee: 5.83  Data according to gender:  Male Total hours: 5,179.17 Percentage of total employees: 73.46% Average hours/male employee: 5.49  Female Total hours: 1,871.54 Percentage of total employees: 26.54%; Average hours/female employee: 5.75	
409-1 414-1 414-2 418-1 404-3	Percentage of employees receiving regular performance and career development reviews	This data is only reported for white-collar, professional groups that is assigned reviews in Paylocity  Mid-Year  Male: 848 Percentage of total employees: 74.32% Female: 293 Percentage of total employees: 25.68%  Annual  Male: 862 Percentage of total employees: 74.63% Female: 293 Percentage of total employees: 25.36%	

Social



GRI Code	Disclosure	Location	
405-1	Diversity of governance bodies and employees	This information is available on page 32	
406-1	Incidents of discrimination and corrective actions taken	We have no reported incidents of discrimination	
408-1	Operations and suppliers at significant risk for incidents of child labor	This information is available on page 28 Additional information is available on our Supplier Code of Conduct	



# Appendices

## Appendix B - SASB Disclosure Index

Table 1. Sustainability Disclosure Topics & Metrics

Topic	Metric	Category	Unite of measure	Code	Response
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TR-AP-130a.1	Total energy consumed: 501.1 TJ % grid electricity: 55.6% % renewable: 9.2%
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	Quantitative	Metric tons (t), Percentage (%)	TR-AP-150a.1	Total waste: 4177 MT % Hazardous waste: 35,3% % Recycled: 5,3%
Product Safety	Number of recalls issued, total units recalled	Quantitative	Number	TR-AP-250a.1	Recalls issued: 0 Total units recalled: 0
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency and/or reduce emissions	Quantitative	Reporting currency	TR-AP-410a.1	This information is not available
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	N/A	TR-AP-440a.1	This information is available on page Additional information is available on our Supplier Code of Conduct
Materials Efficiency	Percentage of products sold that are recyclable	Quantitative	Percentage (%)	TR-AP-440b.1	This information is not available
	Percentage of input materials from recycled or remanufactured content	Quantitative	Percentage (%)	TR-AP-440b.2	This information is not available
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	TR-AP-520a.1	Total monetary losses: 0



# Appendices

Appendix B - SASB Disclosure Index Table 2. Activity Metrics

Active metric	Category	Unit of measure	Code	Response
Number of parts produced	Quantitative	Number	TR-AP-000.A	This information is not available
Weight of parts produced	Quantitative	Metric tons (t)	TR-AP-000.B	This information is not available
Area of manufacturing plants	Quantitative	Square meters (m2)	TR-AP-000.C	Area of manufacturing plants: 228854 m2



## Glossary

#### **Baseline Emissions**

An inventory of emissions, typically for one year, that serve as a reference point to understand and track change in the emissions over time

#### **Carbon dioxide equivalent (CO2e)**

Carbon dioxide equivalent (CO2e) is a single unit metric that harmonizes emissions from different greenhouse gases based on their Global Warming Potential (GWP). It provides a more accurate measure than CO2 alone as it accounts for the GWPs of all gases affecting the planet's atmosphere. For example, methane has a GWP of 28 CO2e, indicating it traps 28 times more heat than CO2 over 100 years.

#### **Carbon emissions**

Carbon emissions, also referred to as greenhouse gas emissions, involve the release of carbon into the atmosphere. Human activities predominantly emit carbon dioxide, which serves as the primary greenhouse gas.

## **Carbon footprint**

A carbon footprint represents the overall quantity of carbon dioxide released into the atmosphere as a result of the actions of an individual, project, company, or a country.

### **Corporate Social Responsibility (CSR)**

A business model that helps an entity be socially accountable to itself, its shareholders, and the public

#### **Emission factors**

Emission factors (EFs) offer a reliable means of estimating the environmental impact associated with diverse materials, products, services, and processes. They play a vital role in calculating a carbon footprint.

#### **Environmental, Social, and Governance (ESG)**

ESG represents a comprehensive framework evaluating a business's sustainable and ethical conduct. These criteria guarantee that a business exhibits social responsibility and accountability, benefiting both shareholders and potential investors.

### **Global Warming Potential (GWP)**

Sustainability at CentroMotion

This index measures the relative warming effects of various gases, with CO2 as the reference baseline. It calculates the relative impact of these gases by harmonizing them as carbon dioxide equivalents, using the GWP index.

#### **GHG – Greenhouse Gases**

Greenhouse gases (GHGs) are atmospheric gases that contribute to the greenhouse effect and lead to global warming. The major gases responsible for the rise in atmospheric temperature are carbon dioxide (CO2), ozone (O3), methane (CH4), and nitrous oxide (N2O).

#### **Greenhouse Gas (GHG) Protocol**

The Greenhouse Gas Protocol (GHG Protocol) is an internationally recognized standard used for measuring and managing greenhouse gas emissions. It was established in 1990 to address the demand for a consistent framework for reporting greenhouse gas data

#### **Global Reporting Initiative (GRI)**

An international organization that helps businesses and other organizations take responsibility for their impacts with widely used standards for sustainability reporting

#### ISO 14001

The international standard that specifies requirements for an effective environmental management system (EMS)

#### **ISO 26000**

The international standard developed to help organizations effectively assess and address social responsibilities that are relevant and significant to their mission and vision; operations and processes; customers, employees, communities, and other stakeholders; and environmental impact

#### ISO 45001

The international standard that specifies requirements for an effective occupational health and safety management system

#### ISO 50001

Social

The international standard that specifies requirements for an effective energy management system (EnMS)

#### **Lost Time Incident Rate (LTIR)**

The Lost Time Incident Rate (LTIR) is a measurement used to record the average frequency of incidents that result in an employee's inability to work for at least one day within a specific timeframe.

### **Material Topics**

In sustainability reporting, a material topic is a topic that reflects a reporting organization's significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders

### **Materiality Assessment**

A materiality assessment is a process that yields valuable insights for better understanding and prioritizing sustainability issues. It involves incorporating stakeholder perspectives on the company's products or services. Nevertheless, the primary objective of a materiality assessment is to identify the social and environmental areas that hold the greatest significance and impact for the company, investors, and stakeholders.

#### **Risk Assessment**

A systematic process of evaluating the potential risks that may be involved in a projected activity or undertaking

#### **SASB - Sustainability Accounting Standards Board**

An international framework that sets standards for the disclosure of financially material sustainability information by companies to their investors

#### **Scope 1 Greenhouse Gas Emissions**

Emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles) Sustainability at CentroMotion



## Glossary

### **Scope 2 Greenhouse Gas Emissions**

Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling

#### **Scope 3 Greenhouse Gas Emissions**

Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain

#### Stakeholder

Entity or individual that can reasonably be expected to be significantly affected by the reporting organization's activities, products and services, or whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives

### **Supply Chain**

Sequence of activities or parties that provides products or services to an organization

## **Sustainable Development Goals (SDGs)**

The United Nations' (UN) 17 Sustainable Development Goals (SDGs) serve as a comprehensive roadmap for achieving sustainable global development. These goals encompass economic, ecological, and social dimensions and are a crucial component of the 2030 Agenda for Sustainable Development. The ultimate aim of this Agenda is to foster global peace and well-being through sustainable means. The SDGs are intended for everyone, including governments, civil society, the private sector, scientific communities, and every individual.

#### **Total Case Incident Rate (TCIR)**

It is measured as the number of work-related injuries per 100 full-time workers over the course of one year.

