

Environmental Strategy and Code of Practice

April 2024

**ESG Elektroniksystem-
und Logistik-GmbH**

Livry-Gargan-Straße 6
D-82256 Fürstenfeldbruck

Tel: +49 (89) 9216-0

Fax: +49 49(89)9216-26 31

E-mail: compliance@esg.de

www.esg.de

All rights reserved.

Duplication is only permitted
with our consent.

Foreword

The aim of this Environmental Guideline is to contribute to minimising the environmental impacts of our business activity and to promote sustainable business practices. We are committed to continually improving our company's environmental performance and ensuring compliance with environmental regulations.

We regard the issue of environmental compliance as an important one, and we endeavour not only to evaluate our services, processes and locations on the basis of various environmental concerns but also to enhance their environmental sustainability by minimising pollutant emissions, improving resource and energy efficiency, and reducing greenhouse gas emissions insofar as we are able to as a non-manufacturing focused company.

Best regards,



Katja Ziegler



Christoph Otten

Scope

This Environmental Code of Practice is a document that lays down the environmental strategy and measures of our group of companies. It serves as a guide for all employees and stakeholders and underlines our commitment to protecting the environment while supporting the implementation of concrete measures. It is important to us that we communicate our environmental performance in a transparent manner and engage with interest groups in an active exchange.

The requirements set out in this Code of Practice apply to all operating sites and refer to a variety of environmental aspects, including the responsible management of natural resources, such as water and energy, the minimisation of emissions and waste, the reduction of our ecological footprint, the use of environmentally friendly technologies, and compliance with environmental legislation.

Corporate Vision and Environmental Goal

We strive to be an environmentally conscious company that promotes sustainable practices and makes efficient use of resources. Our environmental goals are formulated such, as to allow us to continually monitor our progress.

Principles of Conduct:

We commit ourselves to continuously improving our environmental performance. In addition to defining our environmental goals, this also encompasses our efforts to regularly monitor and update our Environmental Guideline and incorporates employee training, the promotion of environmental awareness, and the incorporation of environmental aspects in business decisions.

1 Energy Efficiency

This refers to the use of energy-efficient equipment, the installation of lighting and heating regulation systems, and the promotion of awareness about energy-saving practices

Measures implemented:

- » Optimisation of lighting: installation of energy-efficient lighting systems such as LED lights and motion sensors, and making use of daylight. Use of automatic light controllers to avoid lights being switched on unnecessarily.
- » Energy-saving equipment: continuous monitoring of the use of energy-efficient electronic equipment.
- » Selecting low-energy modes in equipment to reduce electricity consumption during idling.
- » Room temperature and climate regulation: use of programmed thermostats to optimise room temperature and adjust the energy consumption of heating, ventilation and air-conditioning systems.

2 Water Management

ESG commits itself to implementing various measures to ensure the efficient use of water resources and to promote water conservation.

Measures implemented:

The installation of water-saving toilet flushing systems in all company buildings is obligatory.

- » Water taps with motion sensors should be used in all sanitary facilities and kitchen areas.
- » Regular monitoring and maintenance of sanitary facilities are required, to enable timely detection and repair of any leaks.
- » Regular employee awareness campaigns regarding the responsible use of water are an important way of informing employees and encouraging them to observe water conservation measures in practice.
- » Water meters in all relevant areas of the company enable regular monitoring of water consumption and in turn allow the targeted analysis and identification of further water saving potential.

3 Waste Management

ESG is actively working to avoid the generation of waste wherever possible, and in those areas where it is not possible, to dispose of it such that the various recoverable materials can be recycled.

Chemicals and hazardous materials are rarely handled at ESG. If, however, waste types with hazardous characteristics are generated, they are disposed of in coordination with the Environmental Officer

Measures implemented:

- » Reduction of paper consumption by promoting digitalisation, electronic document management and online communication.
 - » Introduction of an efficient waste management system that enables waste to be sorted correctly, recycled and disposed of, thus avoiding air pollution resulting from improper waste disposal.
 - » ESG offers reusable 'to go' containers in its canteen to reduce the use of single-use packaging.
- Employees are encouraged to use these reusable containers when taking food out of the canteen.
- » The introduction of reusable 'to go' containers has led to a considerable reduction in single-use packaging, which has in turn led to a decrease both in the quantity of waste and in the consumption of resources. Moreover, this makes the canteen a model of sustainable behaviour and promotes an awareness of environmentally friendly alternatives among the employees.

4 Procurement

ESG checks that suppliers and other business partners, particularly sales partners, enforce comparable codes of behaviour.

Measure implemented:

We commit our suppliers to our Code of Conduct for Business Partners, which, among other things, mandates behavioural principles with a focus on the environment.

5 Climate Protection and Greenhouse Gas Emissions

Our goal is the continuous reduction of greenhouse gases; this includes the development of strategies and measures for reducing greenhouse gas emissions within the company.

Measure implemented:

Promotion of renewable energies and implementation of energy saving measures; promotion of environmentally friendly mobility solutions for employees, and avoiding emissions due to business trips.

6 Environmental Management

A company environmental management system in particular is incredibly important as it enables us to identify, control and minimise our environmental impacts. It allows us to exercise our ecological responsibility and to make a sustainable contribution to protecting the environment.

Measure implemented:

Appointing an Environmental Officer and operating an environmental management system for planning, implementing, monitoring and improving the company's environmental performance.

7 Environmental Communication and Transparency

We wish to create transparency both internally vis-a-vis our employees and with respect to our stakeholders. This includes, in particular, regular reporting on the environmental performance of the ESG Group and the realisation of sustainability goals.

Measure implemented:

Sustainability reporting and communication, as well as exchanges with stakeholders.

8 Resource Efficiency

We not only want to promote the sustainable use of resources but are constantly working to optimise this.

Measures implemented:

Recycling, reuse, waste avoidance and responsible use of resources.

9 Sustainable Product Development

For the ESG Group, our customers' needs and expectations are our main priority. We conduct sustainable product development by way of a process of continual improvement that systematically takes account of our ecological and social responsibility. The first step of this approach is to conduct a critical analysis of the ecological impacts of the corporate added value chain and the entire product life cycle. Our vision is to fulfil the needs and expectations of our clients while as far as possible minimising the ecological and social impacts. With respect to product development, we pursue the long-term goal of reducing fossil CO₂ emissions to zero, particularly when it comes to the generation and distribution of electrical energy in a robust use case.

Measures implemented:

- » A sophisticated system of requirements in the management and engineering process ensures that the needs and expectations of our customers are met.
- » Formation of a team that focuses on promoting sustainable consumption by identifying potential and supporting product development.
- » The product portfolio includes a software tool that takes a holistic approach to individually creating and updating risk assessments.
- » Voluntarily taking into account standards and guidelines intended to reduce negative impacts on people and the environment over the entire product life cycle.
- » Implementation of refurbishment, obsolescence management, and comprehensive improvements in combat value, with the goal of achieving a significant increase in our products' lifetime
- » Ongoing presentations and internal communication regarding improvements in the area of sustainable product development.

Afterword

With these Environmental Guidelines, we commit ourselves to responsible and sustainable business practices. We are aware of the importance of environmental protection and strive to continually reduce our impact on the environment.

Our Environmental Guidelines represent a promise to the environment as well as to society. We are proud to be making our contribution to environmental protection and look forward to achieving our environmental targets together.