

CARBON AND RESOURCES

Our contribution to planetary net zero carbon

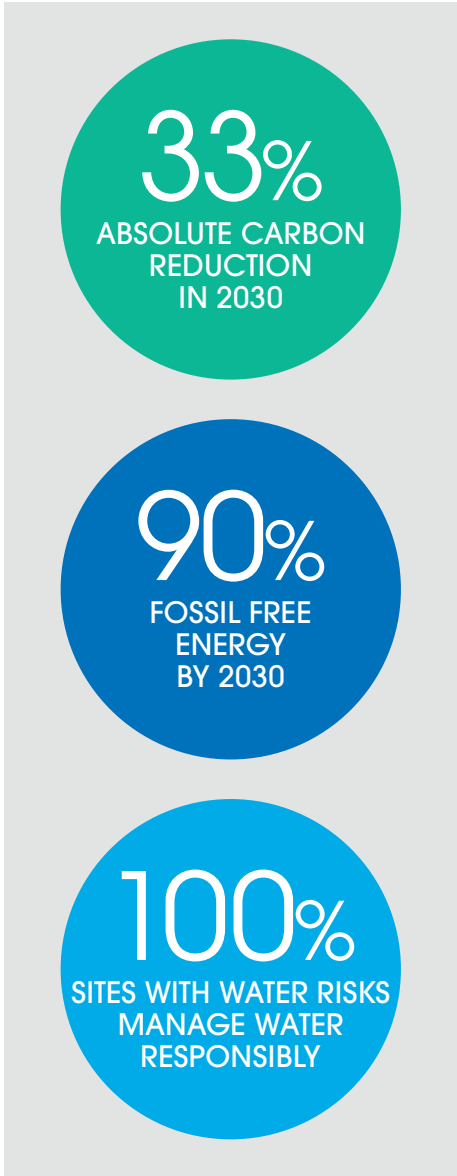


OUR ECONOMIC SYSTEM AND ENVIRONMENTAL COMMITMENTS

The current economic system heavily relies on carbon-emitting activities and the use of natural resources. This system follows a linear approach in which we extract raw materials, transform them, and then discard them as waste. This model harms the environment, contributing to climate change, resource depletion, and pollution.



TARGETS



TO ADDRESS THIS, WE'VE COMMITTED THE FOLLOWING:

1. Assessing our Business Models:

We're meticulously evaluating our business models and activities. This includes understanding our carbon emissions and resource usage, especially sensitive and carbon-intensive resources.

2. Global Roadmap supporting Net Zero:

We're ambitiously working towards planetary carbon neutrality. Our approach aligns with The Net Zero Initiative framework and its three pillars:

- Reducing the carbon emissions across our entire value chain, including suppliers.
- Assisting customers in lowering their emissions.
- Removing carbon from the atmosphere through carbon sinks.

3. Resource Consumption Roadmaps:

We're actively reducing our resource consumption by:

- Minimizing resources needed for our operations.
- Decreasing global material usage in product manufacturing.
- Shifting away from fossil-based sensitive materials to sustainable alternatives.
- Prioritizing waste reduction and recovery, working towards circularity, and preventing landfills.

4. Contributive and Regenerative Business Models:

Our goal is to evolve towards business models that contribute positively to the environment and help regenerate resources.

This transformation is already in progress.



CONTRIBUTING TO PLANETARY CARBON NEUTRALITY

OUR COMMITMENTS

To achieve a **33% absolute reduction in our overall carbon footprint** (scopes 1, 2, and 3) from 2021 to 2030, in line with the Paris Agreement and following the SBTi framework.

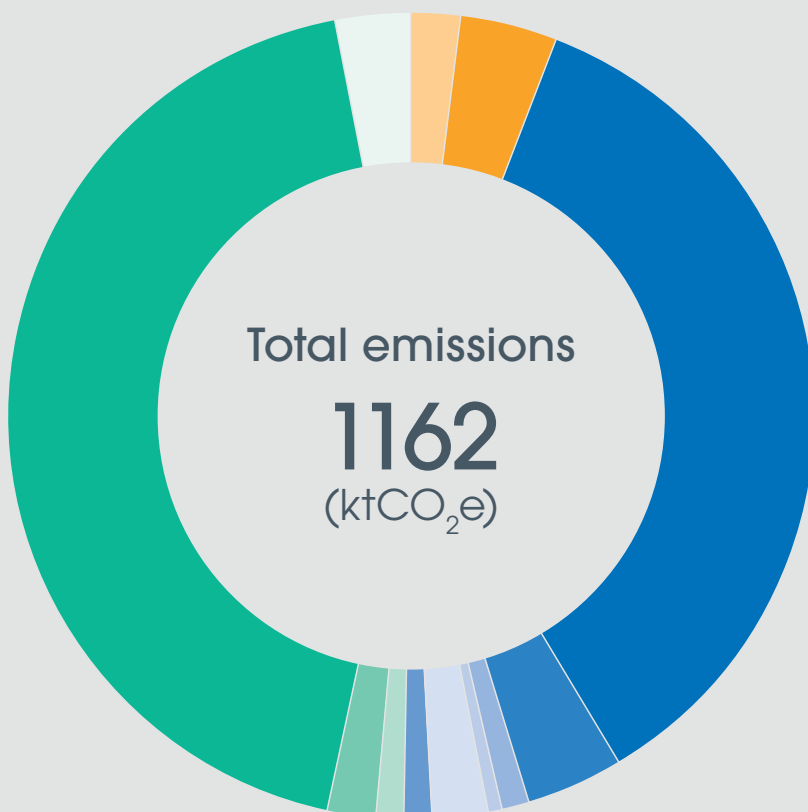
OUR ACTIONS

- **Measuring our carbon footprint**
- **Reducing our emissions**
- **Monitoring our roadmap**
- **Helping others to reduce their emissions**

MEASURING OUR CARBON FOOTPRINT

We've been measuring our carbon footprint since 2021.

Our 2022 carbon footprint shows a 5% decrease compared to 2021. This positive outcome supports our commitment to a 33% absolute reduction in emissions between 2021 and 2030, which requires a minimum linear emissions reduction of -4,3%/year.



SCOPES 1-2

- 2% Energy- gas and fuel
- 4% Energy- electricity

SCOPE 3 UPSTREAM

- 35% Purchased goods and services
- 4% Capital goods
- 1% Energy upstream
- 0.6% Upstream transportation and distribution
- 2% Waste generated in operations
- 0.2% Business travel
- 1% Employee Commuting

SCOPE 3 DOWNSTREAM

- 1% Downstream transportation and distribution
- 2% Processing of sold products
- 43% Use of sold products
- 4% End of life of solid products

THE TWO MAIN CONTRIBUTORS ARE:

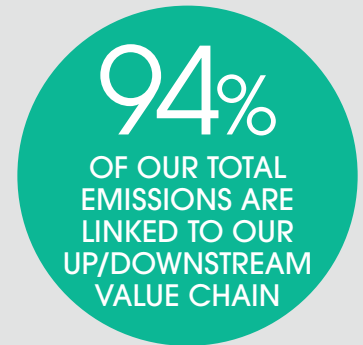
- The use of products sold. This is largely attributed to the carbon emissions of the vehicles that deploy our solutions, which account for 43% of our footprint.
- The purchased goods and services represent 35 % of our footprint. Within this 35%, 84% is associated with the materials used in the products we sell, mainly plastic and metal.

REDUCING OUR EMISSIONS

Based on our 2022 footprint, we defined our action levers and priorities for both our operations and products to reduce our emissions across the 3 scopes.



Indirect emissions linked to our upstream and downstream value chain (scope 3) account for 94% of our total emissions.



Considering our 2022 footprint, we've identified action levers to reduce emissions across the three scopes.

Our focus is on both operations and products:



A. OPERATIONS

Entities have subscribed to renewable energy contracts and are installing photovoltaic panels.

We monitor and reduce energy consumption across all entities.

B. SOLUTIONS

We offer more applications for electric vehicles, reducing emissions during usage compared to thermal engine vehicles.

Improved tracking helps quantify emission reductions from our sold products.

We develop low-carbon solutions, incorporating sustainable materials.

Our eco-design aligns with our decarbonization roadmap, supported by in-house tools like our materials database.

C. MATERIALS PURCHASING

Materials we purchase contribute to 25% of our global footprint.

Developing sustainable purchasing with our suppliers is a high priority.

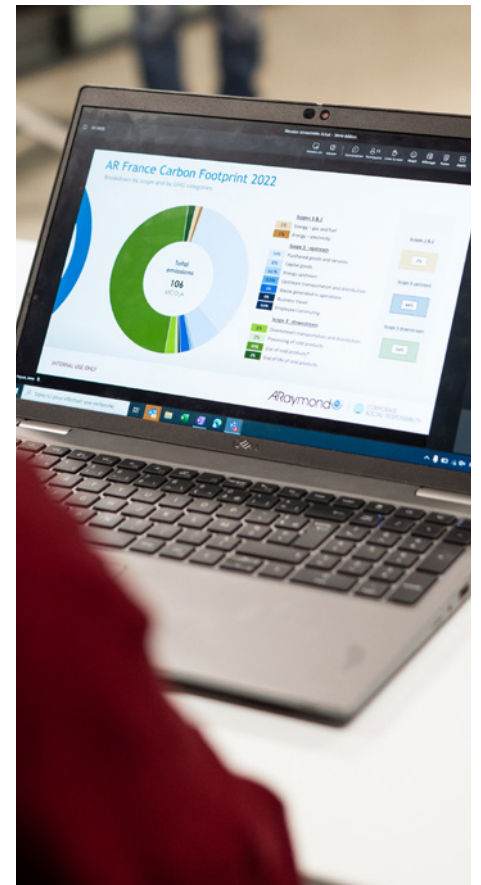
Our global purchasing network collaborates closely with our R&D, and leverages our Lifecycle Assessments and materials database, to identify critical and sustainable materials.

We organize "CSR TechDays" that focus on product information and shifting to decarbonized, sustainable materials.

MONITORING OUR ROADMAP

Actions are monitored at different organizational levels, resulting in different and complementary roadmaps. They are followed by our global team of Carbon Contributors, in a specialized software that streamlines carbon and other environmental data.

- Our roadmap covers key topics such as eco-design, energy, green IT, international flows and logistics, sustainable purchasing, employee awareness, and employee commuting.
- This global roadmap is complemented by local roadmaps, that are more detailed and are implemented and monitored by each entity.
- Both our global and local roadmaps focus on operations-related (emissions linked to the activities of our sites) and market- or product-related (products and their use) decarbonization actions.
- In operations, we address all operational, organizational, and flow strategy aspects. These include reducing energy consumption, investing in low-carbon capital goods, optimizing freight transport, packaging, logistic flows between our sites, from and to suppliers and customers, and employees' green mobility.
- For market and product strategy, we innovate in various low-carbon sectors, such as electric mobility, renewable energy and eco-efficient buildings.



HELPING OTHERS TO REDUCE THEIR EMISSIONS

We've diversified our market mix towards low-carbon sectors, contributing to our customers' emissions reduction efforts. We have products that accelerate the deployment of low-carbon technologies and improve efficiency.

HOW WE DO THAT

Our Energies team in France works on key components for hybrid photovoltaic and thermal systems (PV/T). These combine both heat and electricity generation within the same application.

We also develop quick insulating panel assembly solutions for the construction sector, accelerating thermal insulation performance in buildings and reducing energy consumption.



TESTIMONIAL

In 2021 we calculated our carbon footprint and defined a target for 2030. To achieve that we developed a roadmap and since then a key step forward has been the adoption of a platform dedicated to carbon management. This platform enhances the quality and reliability of our carbon footprint data. Our objective is to calculate the 2023 carbon footprint using it and to enable our entities worldwide to autonomously simulate potential reductions in their action plans. This common platform also allows us to manage our five key pillars, to track progress toward net-zero emissions, and to ensure compliance with GHG protocol requirements.

Anne HAYUM
 ARaymond CSR Planet Pillar
 Leader

REMOVING CARBON FROM THE ATMOSPHERE

OUR COMMITMENTS

Carbon removal is the third pillar of the Net Zero Initiative framework and our contribution to carbon neutrality. Starting in 2024, each entity of our company shall invest in a carbon removal project at a local level.

OUR ACTIONS

Carbon removal projects

REMOVAL PROJECTS

We've developed a carbon removal approach, forming partnerships with organizations like CNPF¹ and Agoterra. We have set criteria for the projects we invest in, focusing on emissions reduction, local impact, and recognized certification.

Our projects include ecosystem restoration, sustainable agriculture, and carbon capture technologies.

IN 2022

Teams from our headquarters invested in a local forestry project near Grenoble. This initiative, proposed by the French National Forest Ownership Center (CNPF), consists in replacing 4 hectares of declining Ash Groves with Poplars. The project aims to sequester 1400 tons of CO₂ over a 30-year period.

The ARaymond Energies team in France supported local sustainable agriculture by aiding farms in adopting eco-friendly practices, including soil regeneration, biodiversity development, and solar panel installation. Photovoltaic panels funded by ARaymond Energies aim to prevent 110 tons of CO₂ emissions over five years.

Target

Sequester
1400 t CO₂

Prevent
110 t CO₂

¹ Centre nationale de la propriété forestière (National Forest Ownership Center).

IN 2023	Target
<p>Six ARaymond entities across France collaborated to invest in intermediate crop planting. Their goal was to contribute to biodiversity conservation and limit soil erosion. This project aims to sequester 555 tons of CO₂ over five years.</p>	<p>Sequester 555 t CO₂</p>
<p>ARaymond France invested in an agroforestry project to sequester 170 tons of CO₂ over five years.</p>	<p>Sequester 170 t CO₂</p>
<p>ARaymond France Fluid Connection invested in a reforestation project in Puy de Dome France to remove 185 tons of CO₂ over five years.</p>	<p>Remove 185 t CO₂</p>

 Energy

PRESERVING OUR RESOURCES

OUR COMMITMENTS	OUR ACTIONS
<p>Use 90% fossil-free energy in our plants by 2030.</p> <p>To roll out a Water Stewardship Program across all sites with identified water risks.</p>	<ul style="list-style-type: none"> • 48% fossil free in 2021, 52 % fossil free in 2022 • 100% high risk sites manage water responsibly

REDUCING ENERGY CONSUMPTION

LEED-CERTIFIED BUILDINGS	Current
<p>Since 2011, all our new buildings have adhered to at least LEED silver certification standards. These emphasize reduced water usage, increased recycled materials, and efficient insulation. Five of the sixteen completed buildings, including facilities in China, India, and our Global headquarters in Grenoble, have achieved gold certification. LEED-Certified buildings can reduce energy consumption by up to 50% providing employees with a pleasant work environment, good air quality and natural light exposure.</p>	<p>Silver and Gold LEED-Certified buildings</p>

REDUCING ENERGY CONSUMPTION

SOLAR PANELS INSTALLATION

We've installed solar panels on many buildings across our sites in Brazil, France, Italy, India, China, Japan, and Germany. In Italy, **25% of total annual energy consumption²** is produced using on-site solar panels. In China, our team fully equipped a building with photovoltaic panels using the new **ARaymond Roof Mounting Kit**.

Current

Solar panels producing up to 25% annual consumption²



ENERGY CONSUMPTION OPTIMIZATION

We've invested in tools and machines to **monitor energy consumption in real-time** and optimize our usage. For instance, a new machine acquisition led to **significant energy savings** for ARaymond Fluid Connection France, and newly implemented variable **frequency drive pumps** are in use at **ARaymond India**.

Current

New and more efficient equipment

REDUCING WATER CONSUMPTION

HAMILTON FACILITY (ONTARIO, CANADA)

Our metal fastener production facility in Hamilton has implemented measures to reduce water consumption. By gradually introducing new programmable logic controllers on furnaces, they've modernized rinse tank operations, successfully reducing volume of water on these lines by up to 50%³.

Current

**Up to 50%
water reduction
in some
processes³**

HEADQUARTERS (GRENOBLE, FRANCE)

At our headquarters in Grenoble, we've installed a rainwater recovery system. This system supplies non-potable water to all networks capable of receiving it.

CURRENT

**New rainwater
recovery system**



