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

33%
ABSOLUTE CARBON REDUCTION IN 2030

90%
FOSSIL FREE ENERGY BY 2030

100%
SITES WITH WATER RISKS MANAGE WATER RESPONSIBLY

ARaymond

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.
   – Helping 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**.

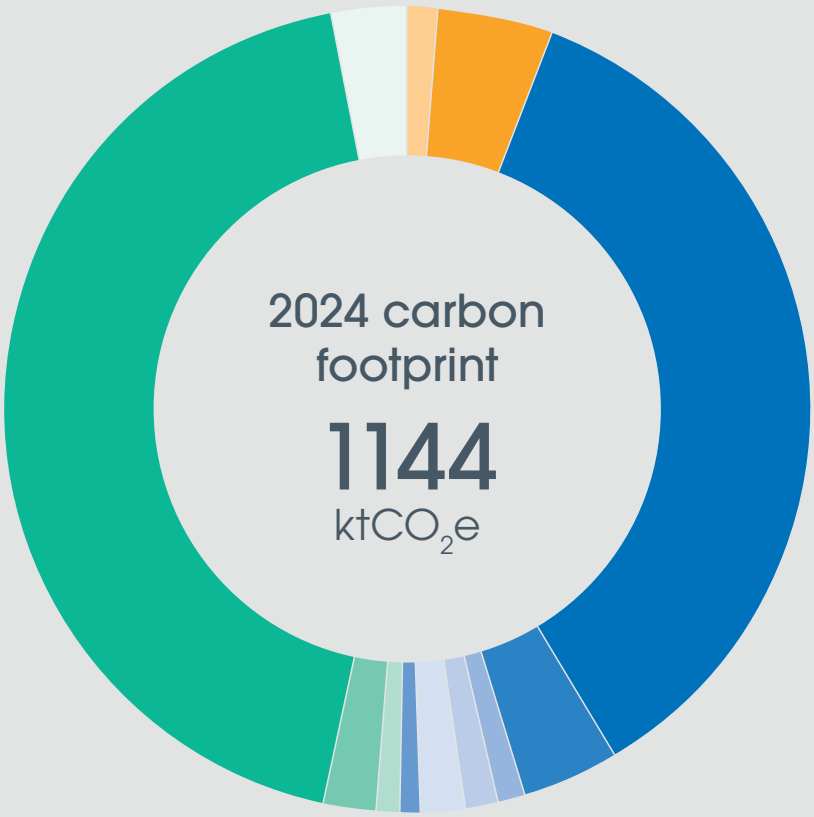
OUR ACTIONS

- **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 2024 carbon footprint shows an increase of 2,2% 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

0,9%	Energy- gas and fuel
3,6%	Energy- electricity

SCOPE 3 UPSTREAM

33,8%	Purchased goods and services
4,9%	Capital goods
1,5%	Energy upstream
2,6%	Upstream transporation and distribution
2,6%	Waste generated in operations
1,1%	Business travel
0,5%	Employee Commuting

SCOPE 3 DOWNSTREAM

0,4%	Downstream transportation and distribution
2,3%	Processing of sold products
42,2%	Use of sold products
3,4%	End of life of sold 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 42,2% of our footprint.
- The purchased goods and services represent 33,8% of our footprint. Within this 33,8%, 79% is associated with the materials used in the products we sell, mainly plastic and metal.

REDUCING OUR EMISSIONS

Based on our 2021 baseline, we defined 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 95% of our total emissions.

95%
OF OUR TOTAL EMISSIONS ARE LINKED TO OUR UP/DOWNSTREAM VALUE CHAIN

44%
COMES FROM THE USE OF VEHICLES CONTAINING OUR PRODUCTS

33,8%
COMES FROM PURCHASED GOODS AND SERVICES

We have identified action levers to reduce emissions across the three scopes.

Our focus is on both operations and products:

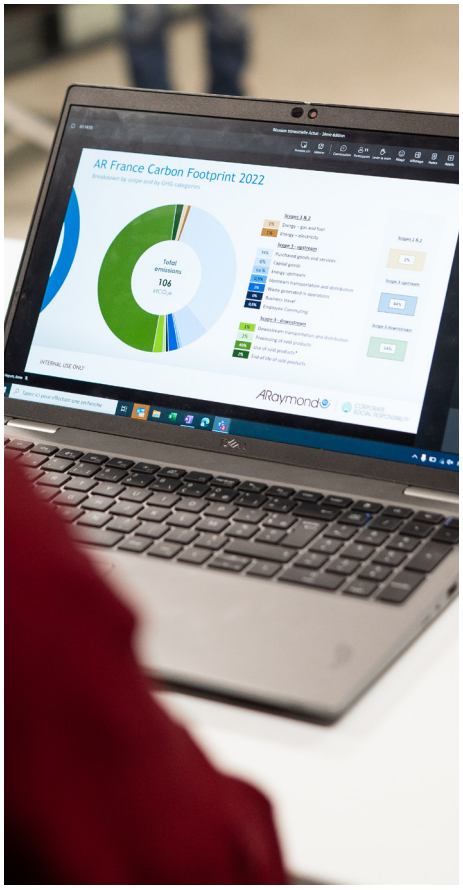
A. OPERATIONS	
Entities have subscribed to renewable energy contracts and are installing photovoltaic panels.	We monitor and reduce energy consumption across all entities.

B. SOLUTIONS	
We offer more applications for electric vehicles, reducing emissions during usage compared to thermal engine vehicles.	Improved tracking helps quantify emissions reduction from our sold products.
We develop low-carbon solutions, incorporating sustainable materials.	Our eco-design process contributes to implement our decarbonization roadmap, supported by in-house tools like our materials database.

C. MATERIALS PURCHASING	
Our purchased materials contribute to 34% of our global footprint.	Developing sustainable purchasing practises 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, reducing waste from operations 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 develops on key components for hybrid photovoltaic and thermal systems (PV/T).
These components combine both heat and electricity management in the application.

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

TESTIMONIAL

Everything started in 2021 when we calculated our first carbon footprint and set our reduction target to 2030.
Then in 2023 we have selected a carbon management platform to support our global carbon footprint process.
This platform enhances the quality and reliability of our carbon footprint data.
After training our community of Carbon Contributors, we are now able to calculate and analyse easily our carbon footprint at local and global levels. Our entities can simulate the reduction potential of their initiatives.
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	OUR ACTIONS
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.	• **Carbon removal projects**

REMOVAL PROJECTS

We've developed a carbon removal approach, building partnerships with organizations like CNPF[1] and Agoterra. We have set criteria for the projects we building in, focusing on emissions reduction, local impact, and recognized certification.
Our projects include ecosystem restoration, sustainable agriculture, and carbon capture technologies.

SINCE 2022	Total
9 entities invested together into carbon removall projects in France, Germany and Canada, all certified by Label Bas Carbone, Goldstandard and VCS standards to ensure effective removals: • 6 reforestation projects in Puy de Dôme, Beauce, Isère and Gironde (France) • One agroforestry project in Mittainvilliers-Vérigny in France • One improved forest management project in British Columbia • One improved farming project in Germany	5374 t CO_2 removed from 2026 to 2028
In region where no removal projects are available, entities are investing in local emissions avoidance projects, certified by Goldstandard and VCS standards: • Windmills installation in Morroco • Reycling of roadways, in Midwest, USA	821 t CO_2 avoided in 2024

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

PRESERVING OUR RESOURCES

OUR COMMITMENTS	OUR ACTIONS
Use 90% fossil-free energy in our plant operations by 2030.	• **38% fossil free in 2021, 60 % fossil free in 2024**

LEED-CERTIFIED BUILDINGS	Current
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.	Silver and Gold LEED-Certified buildings

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 consumption**[2] 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 consumption[2]

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

MANAGING WATER RESPONSIBLY

OUR COMMITMENTS	OUR ACTIONS
To roll out a Water Stewardship Program across all sites with identified water risks.	• **100% high risk sites manage water responsibly**

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 process[3]

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