

**AM
MEGA**

2023 SUSTAINABILITY REPORT

Communication on Progress

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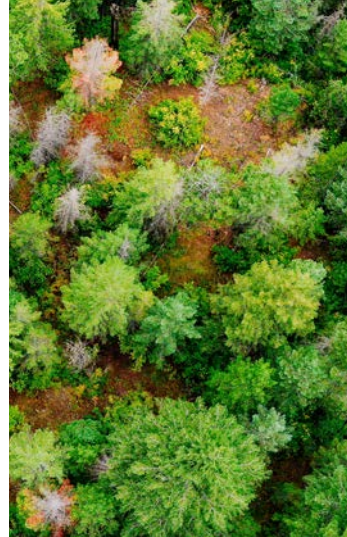


INTRODUCTION

ABOUT THIS REPORT

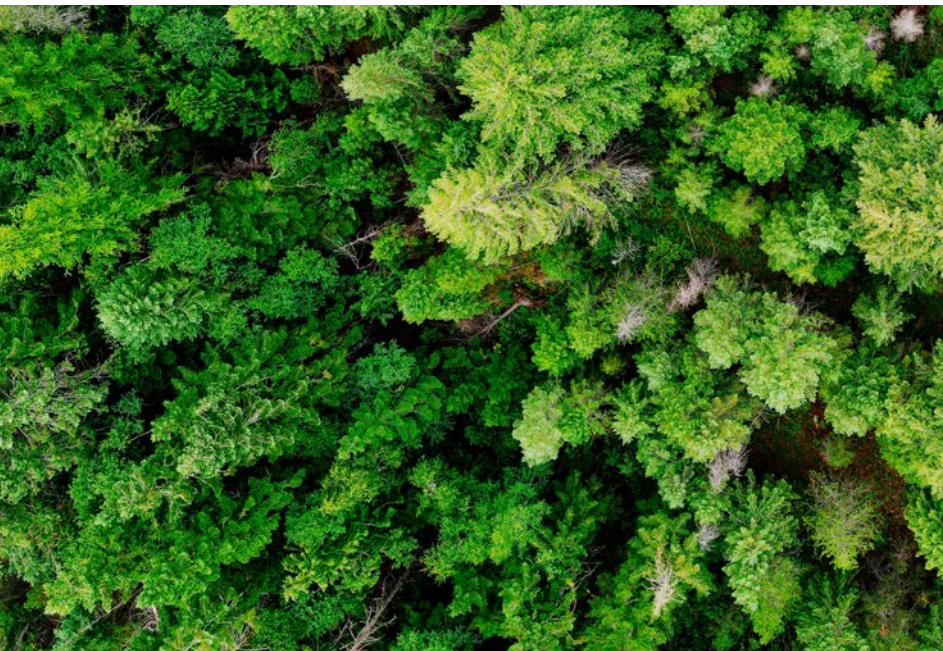
THIS ANNUAL AMMEGA REPORT IS AN ASSESSMENT OF THE PROGRESS MADE BY OUR ORGANISATION ON THE PATH TO CONTRIBUTE TO SUSTAINABLE DEVELOPMENT GOALS 2030.

This report offers an overview of the progress made by the AMMEGA Group regarding sustainability in 2022. It covers our strategy, focus areas and management approach, as well as providing an analysis of performance in these. It also provides the annual progress update, outlining how the Ten Principles of the UN Global Compact are implemented in the day-to-day operations of our company.



We want to assist our stakeholders in achieving sustainable growth. We strive to accelerate responsible production and make a significant difference in the areas and communities where we operate. We believe that publishing our non-financial data allows for a better understanding of AMMEGA value-creation process.

For any further information, please contact:
contact@AMMEGA.com



The reporting period covered is the third year of the AMMEGA Group's participation in the Global Compact, i.e., from 1 January 2022 to 31 December 2022. More comprehensive information on AMMEGA sustainable growth is published on a regular basis on our corporate website, www.AMMEGA.com, and on our product brands' internet pages www.megadynegroup.com, www.ammeraalbeltech.com and www.jasonindustrial.com.



2022





Maciej Gwózdź
Chief Executive Officer



Dear Readers,

I'm pleased to present the third edition of the AMMEGA annual Communication on Progress Report. I'm very proud that, as an organisation founded no more than five years ago, we have already achieved impressive progress in building a sustainable and responsible business and organisation.

AMMEGA mission statement, to be the local partner of choice for sustainable belting solutions around the globe is, for us, more than simply words. It describes our approach and defines each decision we make and step we take. How we operate daily proves we know what acting and growing sustainably in a dynamically changing environment entails. Regardless of the turmoil in the global economy, of COVID-19, of the ongoing war in Ukraine, and of the skyrocketing prices of gas, oil and electricity, all of which have affected the business sector, we have maintained our course, growing a responsible company and guaranteeing both stability and safety for all our stakeholders.

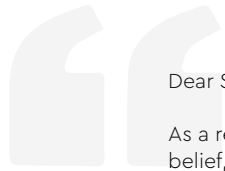
This publication is confirmation of this. The number of initiatives undertaken, the diversity of those undertakings, and the results we have achieved illustrate both the broad understanding of corporate responsibility we have at AMMEGA, and our strong commitment to it.

Since 2018, when AMMEGA became a signatory to the UNGC, we have continued to improve our integration of the Global Compact and its principles into our business strategy, organisational culture, and daily operations. Today, I can proudly confirm that AMMEGA remains as steadfast as ever in its support of the Ten Principles of the United Nations Global Compact on Human Rights, Labor, Environment and Anti-Corruption.

Having the honour of representing AMMEGA, I am committed to sharing this information and further engaging our stakeholders by informing you of our commitment to sustainability, and of our continuous progress in this field.

Yours sincerely,
Maciej Gwózdź





Dear Stakeholders,

As a responsible company, we see sustainability as our competitive advantage. Acting on this belief, we have, ever since AMMEGA was established in 2018, been improving our operations and practices in order to maintain good governance, offer fair products and services, secure our reputation as an ethical employer, and create a corporate community that motivates us to develop continually. This past year was a challenging time which, nevertheless, showed that sustainable growth investment could bring profits, even in an uncertain and demanding period. The global situation accelerated businesses' efforts to develop sustainability, and proved that it was not just a necessity or a general trend; rather, it was also an opportunity during times of economic turbulence.

The war in Ukraine has, undoubtedly, been one of the most significant events in recent history, and one that is having an impact on all our lives. The scale of the humanitarian crisis it has caused has been a stern test for organisations and their employees alike.

Our teams performed at an impressively high level of social engagement and continued to demonstrate their willingness to help people in need during our first global social initiative, during which we supported over 50 organisations in 19 countries around the globe.

Following AMMEGA well-established path of commitment to people, we also made significant steps in further developing an inclusive, safe and healthy workplace.

We continued to move forward on the environmental front. Soaring energy and electricity prices have catalysed AMMEGA accelerating investments in green and independent energy sources and spurred the formation of an Energy Conservation Tasks Force programme, whose objective will be to make the very best use of the electricity and gas that we consume.

Although 2022 brought unexpected challenges, we continued to improve our processes and operations, and to produce innovative new products. We remain dedicated to delivering product solutions that are clean, quiet, safe, reliable and efficient, in support of our customers' sustainability objectives. One of the most impressive examples of this was the development of a conveyor belt produced from fabrics made from recycled PET bottles. Our approach, and the sustainable solutions born from it, have helped our customers accelerate their own efforts in this area, and made a positive difference for their stakeholders.

We value continuous improvement and good quality data to help us make better decisions. This is why we have moved forward on environmental data collection. We have started using an innovative tool to safely and effectively collect non-financial data from our organisation. The information we obtain will help us analyse our key impact areas and find opportunities for improvement, following the principle of sustainable growth in all areas.

We're on a journey towards a sustainable future. We revise our plans as needed and always keep raising the bar. This report summarises what we have achieved so far and presents insights on further sustainable development and our ambitious goals.

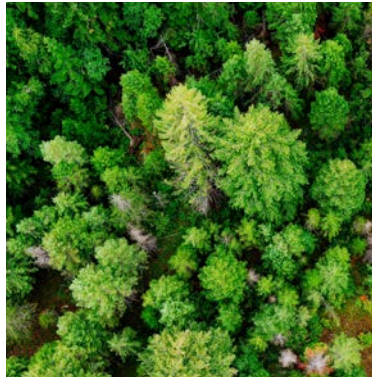
With kind regards,
Michael Wilhelmer



Michael Wilhelmer
*President Business Area Conveyor
Belting & Chief Sustainability Officer*



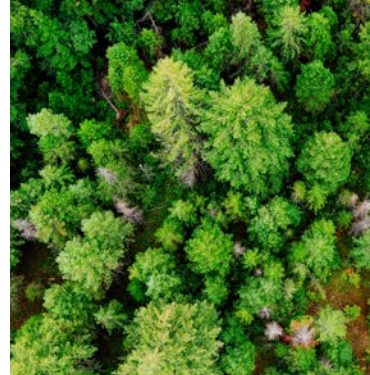
VISION



WE ASPIRE
TO BE THE LOCAL
PARTNER OF CHOICE
FOR SUSTAINABLE
BELTING SOLUTIONS
AROUND THE GLOBE

MISSION

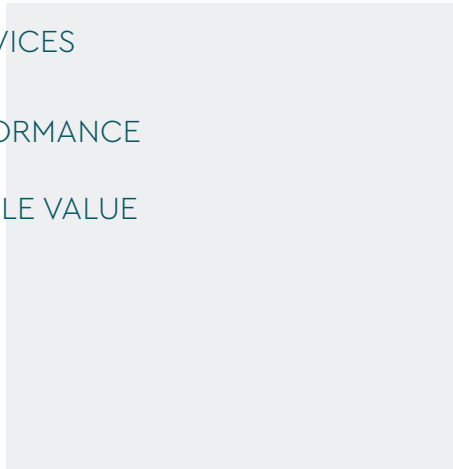
01 TO BE A GLOBAL LEADER
IN PRODUCT QUALITY AND LOCAL
SERVICE EXCELLENCE



02 TO FULLY ENABLE
THE MOST DEDICATED,
KNOWLEDGEABLE AND CREATIVE
TEAM IN THE INDUSTRY TO CONTINUE
TO DIFFERENTIATE
THROUGH INNOVATION AND SERVICES

03 TO EXCEL IN MANAGEMENT PERFORMANCE
AND OPERATIONAL EFFICIENCY
IN ORDER TO DELIVER SUSTAINABLE VALUE
TO ALL OUR STAKEHOLDERS

04 DRIVE DIGITAL AS A BUSINESS
CREATOR



VALUES

CUSTOMER CENTRICITY

We are customer-centric because we know that we succeed when our customers succeed and that customer satisfaction – which we measure – drives customer loyalty.

"Customer centricity means developing an organisational culture in which we put AMMEGA customers at forefront of every decision we make. We research customers feedback and expectations to design exceptional experiences on every part of their journey."



Joanna, Customer Experience Team

PEOPLE FOCUS

Our carefully selected people, experts in their fields, are our most valuable resource, working together as one company creating our unique advantage.

"In Human Resources People Focus is naturally our most important guiding principle. We take great pride in contributing to people-focused environment in AMMEGA, where employees are at the center of our culture. For me it means offering our employees support, empowerment, trust, recognition, appreciation, kindness and respect."



Anna, HR Manager

ENTREPRENEURSHIP

We encourage entrepreneurial thinking and empower our people to take intelligent risks and make sound decisions.

"At AMMEGA, we foster sustainable innovation by making people accountable and encouraging calculated risks to differentiate. If we celebrate success, we continuously learn from failure too."



Franck, Innovation R&D Team

AGILITY

Speed is a key driver in our industry. We aim to respond quickly towards our customers, optimising our delivery time and making fast decisions at all levels in our organisation.

"I see agility as a crucial value in my role because it allows me to be proactive in identifying and addressing potential challenges, while also being able to adapt to new and evolving situations."



Radu, Procurement Department

RESPONSIBILITY

We are part of a larger business community that we can help improve by working responsibly, by maintaining and increasing transparency, and acting ethically and with integrity as good corporate citizens at all times.

"Responsibility for me means considering the impacts on people and the environment, of every decision and project I am involved in. It means looking for opportunities to minimise negative impacts, and looking for ways to have more positive impacts."



Margherita, Marketing Department

AMMEGA MUST WIN BATTLES

THE BEST VALUE IN THE INDUSTRY
FOR CUSTOMERS (KNOWLEDGE, SERVICE, PRODUCT),
EMPLOYEES (GROWTH, FUTURE)
AND STAKEHOLDERS THROUGH:

IN THE FIERCELY COMPETITIVE LANDSCAPE OF THE MANUFACTURING INDUSTRY, ACHIEVING EXCELLENCE AND SECURING SUSTAINABLE GROWTH REQUIRES A STRATEGIC FOCUS ON KEY PRIORITIES. AS A LEADING MANUFACTURING COMPANY, WE HAVE IDENTIFIED SEVEN STRATEGIC PILLARS – AMMEGA MUST WIN BATTLES (MWB).



MWB represents a set of strategic imperatives carefully curated to address critical objectives, seize opportunities, and drive transformative change and business excellence. Each MWB is dedicated to a specific business or operational area where we continue to accelerate improvements to unlock new levels of excellence, efficiency, innovation, and our stakeholders' satisfaction.

Moreover, emphasising the collective responsibility for MWB and the active engagement of all individuals in driving our success, we highlight how cross-functional teams are engaged and can play a vital role in fostering a culture of collaboration, innovation, and shared accountability throughout our organisation. Following the MWB, AMMEGA can continue to build a strong culture of excellence that permeates every aspect of our operations. From the shop floor to the Group Executive Committee. They serve as a compass, guiding our decision-making, resource allocation, and performance measurement.

AMMEGA AT A GLANCE

6,000 EMPLOYEES 



21 

MANUFACTURING

171 

SALES AND SERVICE

OVER **190**

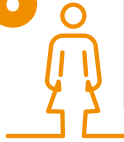
IN TOTAL

Our locations are spread over 40 countries. The Group has more than 6,000 employees, 20+ manufacturing sites and a worldwide distribution and servicing network across 150 countries. The Group's large product offering and global market presence serves clients in four main geographical areas: the Asia-Pacific region; the Americas; Europe; and the Middle East and Africa. Manufacturing sites are located in Italy, Spain, Switzerland, the Netherlands, Denmark, Poland, the Czech Republic, Turkey, Canada, USA, India and China.

AMMEGA AT A GLANCE



25%
of the Group's employees are female.



AMMEGA earned a GOLD sustainability rating for 2023 from EcoVadis.

We have over **100** employees at AMMEGA Business Service Center in Poland.



The company established an Energy Conservation Task Force.

Over **400 000 kWh** of the electricity consumed by the Group in 2022 was green energy.



Almost **10%** of our employees are over **60**

The average age for managers at AMMEGA is **47**



Over **50** social initiatives selected by employees were supported globally.



9-member Global AMMEGA Diversity and Inclusion Committee was formed.



85% response rate in the first Organisation Health Index survey was achieved.



3 days of extensive Health, Safety & ESG workshops were held for a global team.



6 exceptional social projects that received a double award



AMMcare was created to support clients.



AMMEGA Business Service Center celebrates **2** years



Lost time injury rate reduced by **13%** vs 2021



13 employees in Future Leaders Development Program round 2



AMMEGA AT A GLANCE

The AMMEGA Group was created from the acquisition of **Ammeraal Beltech**, a leader in conveying solutions, **Megadyne**, a leader in power transmission solutions, and Megadyne's own acquisition, **Jason Industrial**, a leader in industrial hoses and fluid power solutions.



50

Together, under one brand name, these market leaders offer our customers more than a century of combined industry experience and leadership as well as over

INDUSTRY APPLICATIONS

across multiple sectors such as:



FOOD



PACKAGING



AGRICULTURE



LOGISTICS



AIRPORTS



ELEVATORS



AUTOMATION
EQUIPMENT



CERAMICS
INDUSTRY



FITNESS



ENERGY



MEAT & POULTRY



WOOD



TEXTILE
INDUSTRY



MACHINE
TOOLS



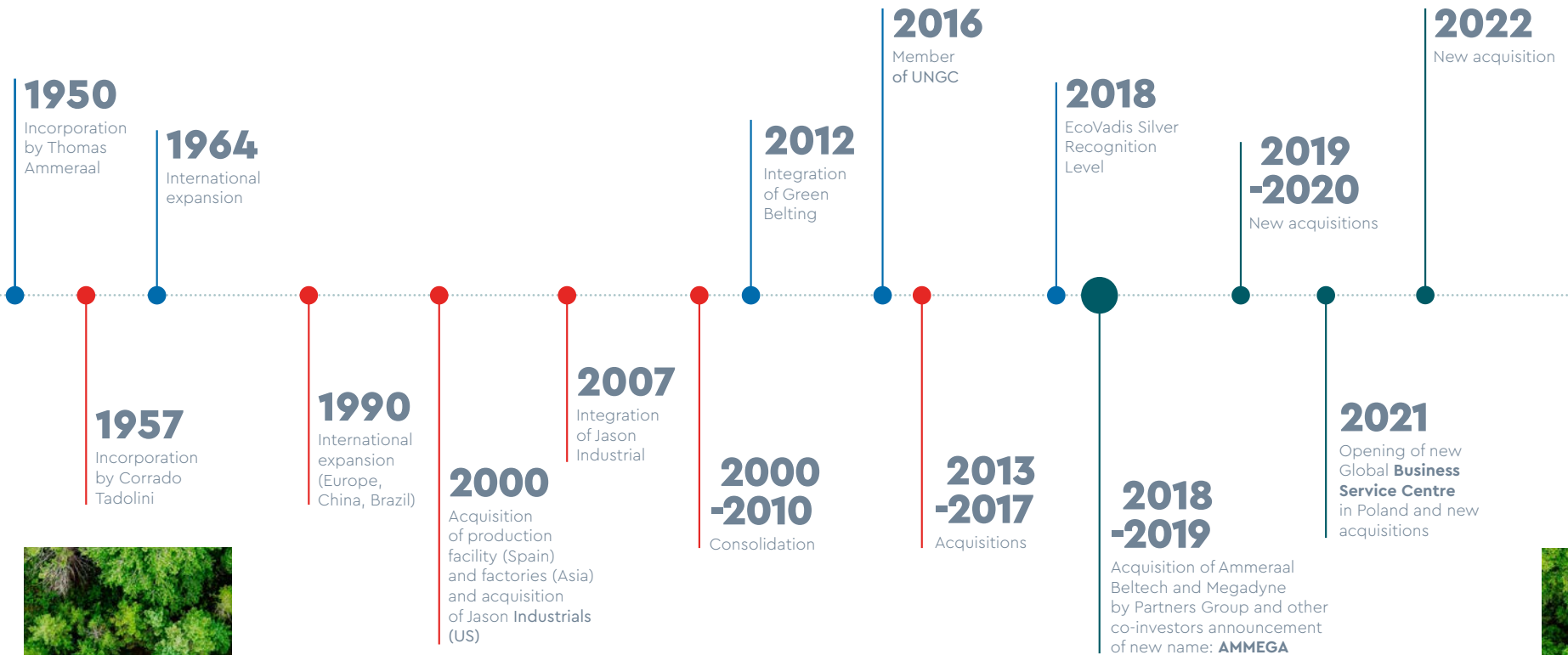
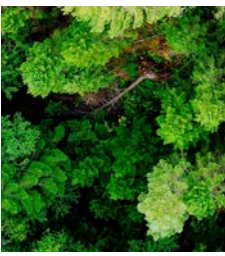
GLASS
INDUSTRY



MEDICAL
EQUIPMENT



AMMEGA AT A GLANCE



STRUCTURE AND BRANDS

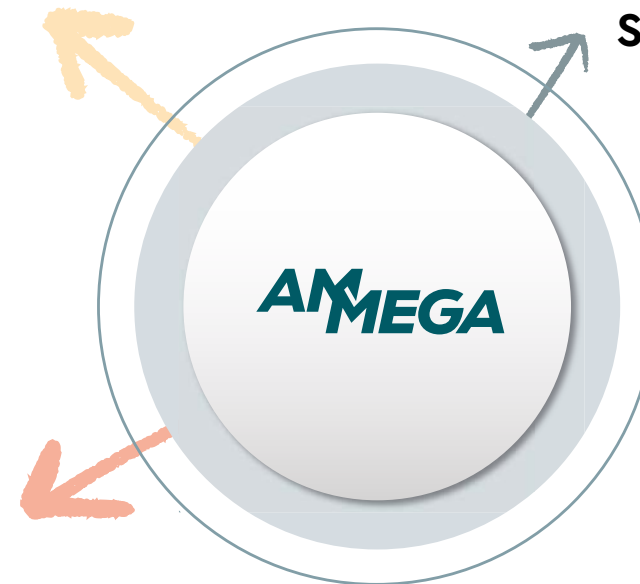
Across the business areas of conveyor belting, power transmission solutions and fluid power solutions, the AMMEGA Group offers a wide range of high-quality and innovative products such as belts (timing belts, v-belts, flat belts, multi-rib belts, special and fabricated belts), conveyor belts, chains and modular belts, hoses (industrial, hydraulic, agricultural) and related products via 12 different brands.

12
DIFFERENT BRANDS



CONVEYING SOLUTIONS

POWER TRANSMISSION SOLUTIONS



FLUID POWER SOLUTIONS

PARTNERSHIPS, INITIATIVES AND MEMBERSHIPS

AMMEGA participates in numerous initiatives and is a member of many organisations that promote and maintain accountability and excellence in its industry and beyond. Significant partnerships and memberships include:



United Nations
Global Compact Signatory



EcoVadis



European
Hygienic Engineering & Design
Group



European Federation
of Corrugated Board
Manufacturers



NIBA
- The Belting Association



The Power Transmission
Distributors Association



EMEA Power Transmission
Distributors Association



Gate
The Association
of the German airport
industry



Carbon Disclosure
Project



OUR STAKEHOLDERS

The content in this report was selected based on the results of our first materiality analysis carried out in October 2020, which allowed us to identify material aspects for AMMEGA and its stakeholders. This process is described in the "Materiality Analysis" section of this document.

In order to identify our key stakeholders (those who influence or are influenced by AMMEGA activities), we performed a comprehensive external assessment through benchmarking, research, and materiality analysis workshops in 2020.

AMMEGA senior executives participated in an interactive online survey where stakeholders were ranked according to their relevance in influencing our strategic priorities in the short, medium and long term.

The outcome of the materiality workshop identified **12 categories of stakeholders** and highlighted the Group's strong commitment towards customers and employees.



ENGAGEMENT WITH OUR STAKEHOLDERS

AMMEGA engages with its stakeholders to better assess and anticipate their needs and to address them accordingly.

MAIN ENGAGEMENT AND DIALOGUE INITIATIVES:



CUSTOMERS

- Regular proactive customer engagement providing innovative and sustainable belting solutions
- Participation in trade shows and exhibitions related to AMMEGA Focus Industries



EMPLOYEES

- Social gatherings to foster employee engagement
- Employee surveys leveraging Organizational Health Index benchmarking
- Skills and leadership development programs
- Safety Program 'Journey to Zero Harm'



INVESTORS & SHAREHOLDERS

- Institutional website
- Meetings and conference calls with institutional investors and analysts
- Contact with private shareholders



BUSINESS PARTNERS

- Institutional website
- Meetings and conference calls with institutional investors and analysts
- Contact with private shareholders



REGULATORY AUTHORITIES

- Institutional website
- Financial statements



SUPPLIERS

- E-procurement tool
- Self-assessment tool
- Collaborating on AMMEGA Policies and Code of conduct

ENGAGEMENT WITH OUR STAKEHOLDERS



CAPITAL MARKETS

- Institutional website
 - Financial statements and presentations
-



COMMUNITIES

- Community support initiatives
-



TRADE ASSOCIATIONS

- Participation in trade shows and associations related to the belting sectors
-



ACADEMIC INSTITUTIONS & UNIVERSITIES

- Engaging in joint research initiatives
 - Partnership with universities
-



NGOs

- Collaboration to develop initiatives
-



TRADE UNIONS

- Periodical meetings check collective bargaining agreements



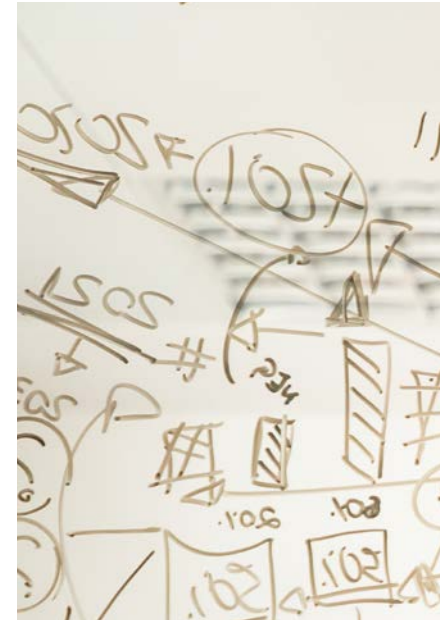
MATERIALITY ANALYSIS

Our sustainability journey has entailed the identification of economic, environmental, and social topics relevant to AMMEGA, which shape our sustainability priorities for the future. The process of identifying material topics* and prioritizing them involved the same process as identifying of our stakeholders (i.e., comprehensive external assessment, via benchmarking and research, internal assessment, and materiality analysis workshop).

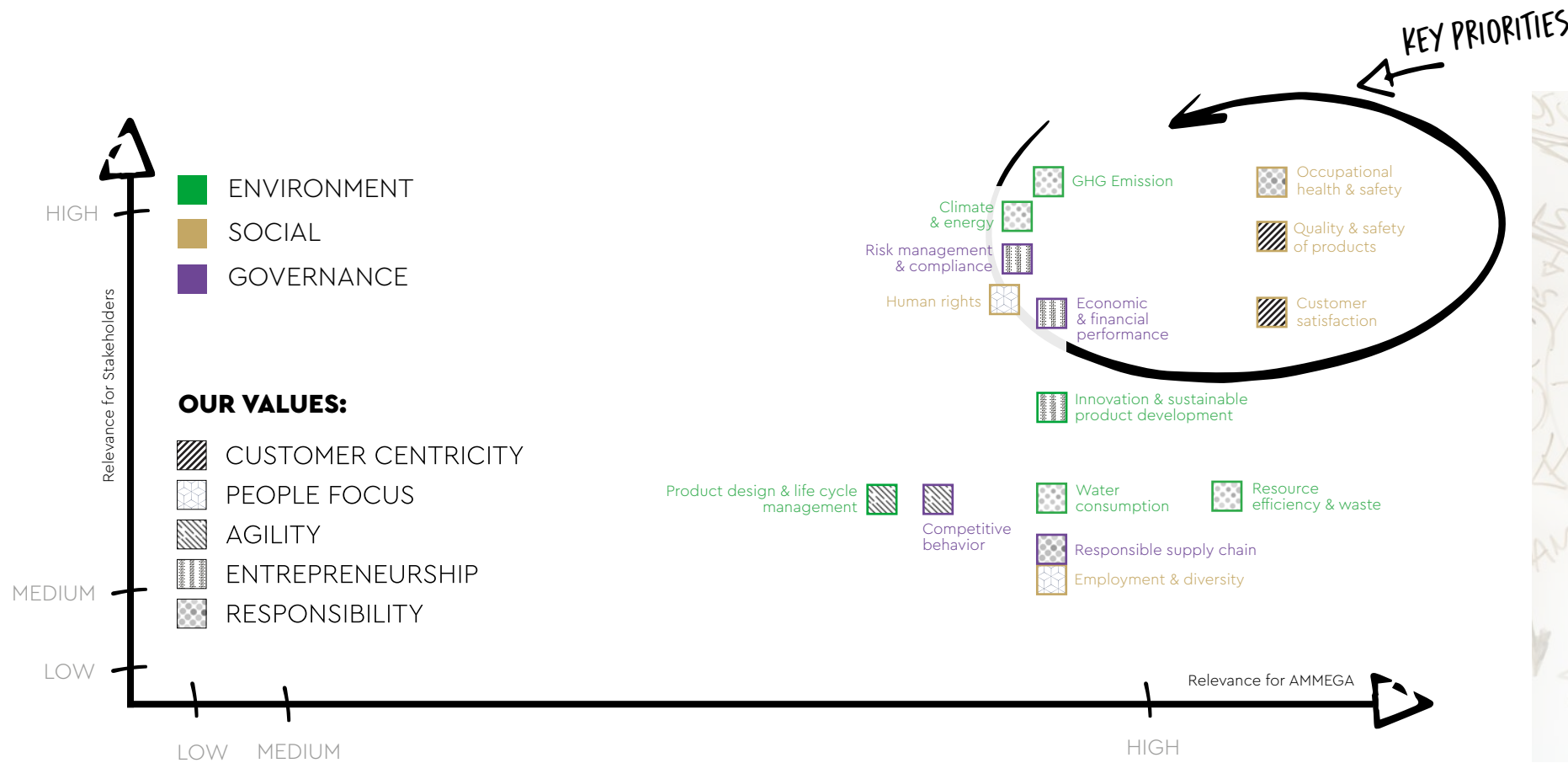
*The process of conducting the Group's first materiality analysis was carried out according to the SASB Standards.

The outcome of these activities resulted in the identification of **15 material topics**, categorized into five areas.

All the topics identified are integrated within our sustainability strategy and commitments.



AMMEGA MATERIALITY MATRIX



AMMEGA MATERIALITY MATRIX

OCCUPATIONAL HEALTH AND SAFETY

The materiality analysis indicates the significance of topics related to employee well-being, occupational health and safety, and human capital management. Health and Safety is identified as a crucial area, emphasizing AMMEGA commitment to ensuring a safe and healthy work environment for all our employees. AMMEGA proactively engages with employees to reduce accidents and injuries and promotes employee well-being.

Human capital management was identified as another important aspect for of the organization. Recognizing the value of our employees' potential, their skills, experience, and knowledge as key assets, AMMEGA strives to attract, develop, and keep top talent through effective talent management initiatives, such as training and development programs, and employee engagement initiatives. By nurturing a supportive and inclusive work culture, AMMEGA unlocks the full potential of our diverse team, driving innovation, productivity, and long-term organizational success.

QUALITY AND SAFETY OF PRODUCTS

Recognizing that quality and safety of AMMEGA products is important to our stakeholders, AMMEGA has prioritized quality control measures and implemented safety protocols throughout the manufacturing processes, ensuring that products meet the highest standards of excellence and reliability. Focusing on the quality and safety of products, AMMEGA aims to build trust and confidence among customers, providing them with the assurance that their satisfaction is at the forefront of AMMEGA operations. Furthermore, this commitment reinforces AMMEGA dedication to upholding corporate values and responsibility towards delivering products that consistently meet or exceed regulatory requirements.

CUSTOMER SATISFACTION

One of AMMEGA's core values is Customer Centricity. We believe an unrelenting focus on our customers is vital for our business success. We recognize that when our customers thrive, so do we, and we place significant importance on measuring and enhancing customer satisfaction, which fosters long-term customer loyalty. As a result, the prioritization of our customer relationships is evident in our materiality matrix. Customer satisfaction and customer relations management ranked as highly significant themes within AMMEGA and are a key element in our Values. Innovation and sustainable product development are closely intertwined with customer satisfaction and thus occupy a central position in the materiality matrix, signifying their importance to AMMEGA Vision and Values.

CLIMATE & ENERGY; GHG (GREEN HOUSE GASSES) EMISSIONS

The materiality analysis also highlighted the significance of environmental and climate-related issues, aligning with current trends and stakeholder expectations. Within the matrix, the themes of Energy consumption and Emissions are areas of high importance for stakeholders, showing their growing concern for sustainable waste and chemical management and circular economy. AMMEGA recognizes the importance of both addressing these issues and strives to implement energy-efficient measures and mitigate its environmental impact through sustainable business operations, as well as incorporating environmental benefits in our innovative product solutions, so that our customers may benefit whilst using our products. By prioritizing environmental topics and incorporating them into our sustainability strategy and product portfolio, we show our commitment to environmental stewardship and align with global best practices.

At AMMEGA, we believe that environmental goals are not only crucial for meeting stakeholder expectations but also for ensuring long-term viability of our business and a better world for future generations.

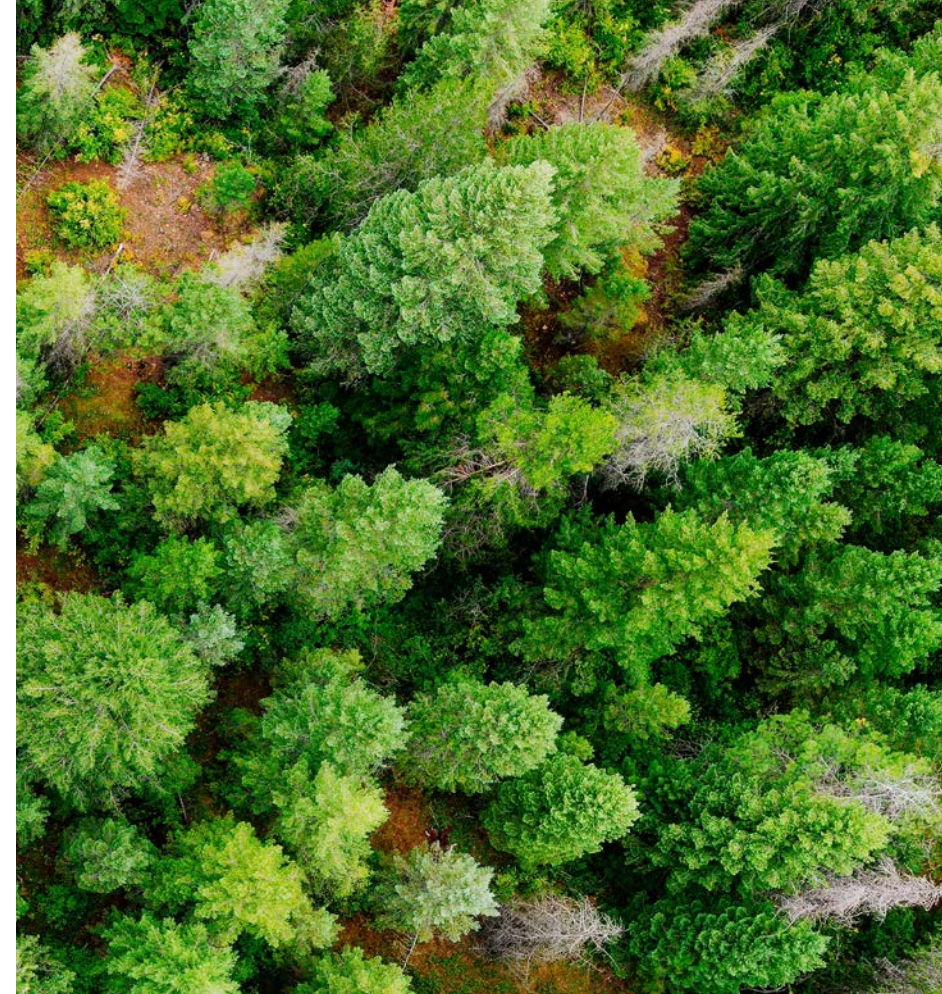
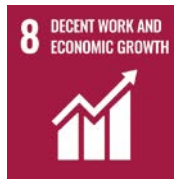


OUR CONTRIBUTION TO SDGs

AMMEGA overall vision for managing the ESG (Environmental, Social and Governance) impact that we cause or help to cause is to monitor that impact through dedicated management systems and to integrate processes and policies across the organisation.

We take our social responsibility seriously and strive to do business in a way that minimises the negative impacts and maximises the positive value-creation objectives for our external stakeholders, employees, the environment, and the society in which we operate.

As a signatory of UNGC (United Nations Global Compact), we frame our commitments, goals and targets to the relevant UN Sustainable Development Goals in order to link our priority areas to globally recognized terminology and frameworks. Among the 17 goals, AMMEGA has incorporated the objectives outlined by SDG3, SDG8, SDG9, SDG12 and SDG13, as these are most fitting to our business and the areas that we can influence.



WE ARE CONTINUING ON OUR SUSTAINABILITY JOURNEY!



OUR CONTRIBUTION TO SDGs PEOPLE FOCUS

3

AMMEGA continues to lead initiatives to encourage our stakeholders to behave in a healthy and safe way.

We promote safety at work at our sites, and work to design and develop products that help our customers create healthy and safe production set-ups.

8

AMMEGA is focused on people and on continuing to develop a healthy organisation that contributes to a healthy economy and positively impacts social progress.

As a player in the global market, we strive to increase work opportunities, build responsible workplaces, and protect our stakeholders and our natural resources.

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



OUR CONTRIBUTION TO SDGs ENTREPRENEURSHIP

9

AMMEGA continues to build inclusive and sustainable production and to foster innovation and digitalisation.

We deliver sustainable and innovative solutions and upgrade local industries in global value chains.

12

AMMEGA focuses on decreasing natural resource consumption and environmental pollution.

We improve resource efficiency, reduce waste, and make sustainability practices the norm. We work with our business partners to help them drive sustainable progress.



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



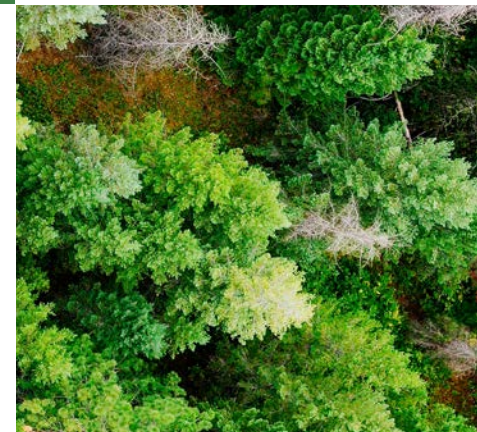
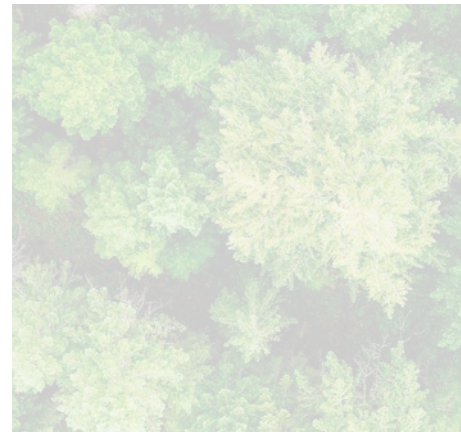
OUR CONTRIBUTION TO SDGs RESPONSIBILITY

13

**AMMEGA is concerned about the climate crisis
- one of the biggest threats to the world.**

We steer our production towards technologies with a low-carbon footprint in order to participate in reaching the global goal.

13 CLIMATE ACTION



UPDATE ON UNGC PILLARS

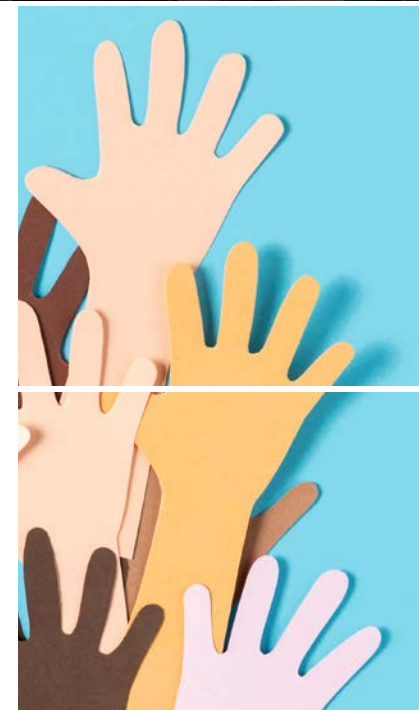


KEY PROGRESS

HUMAN RIGHTS



- 01** AMMEGA Responsible Sourcing Policy addresses how suppliers should meet Health & Safety, human rights, ethical and environmental protection standards and contribute to the sustainability of the supply chain.
- 02** We have rolled out e-procurement tools, including a supplier scorecard and a self-assessment tool to rate performance on ESG and sustainability.
- 03** We have established and implemented our Human Rights Policy, and trained all employees to ensure that they know and apply this policy and its principles in their daily work.
- 04** We introduced the AMMEGA Social Engagement Policy, which we follow in all our company social activities.
- 05** AMMEGA implemented the Global 2022 AMMEGA social engagement initiative.
- 06** The AMMEGA Diversity, Equity and Inclusion Committee was established.



KEY PROGRESS

LABOUR

01

We reduced the Lost Time Injury Frequency (LITF) rate by 13% in 2022 vs 2021.

02

AMMEGA introduced mandatory online training on Health & Safety Golden Rules and PPE Usage.

03

We brought global teams together for three days of conferences and training sessions on Health & Safety at AMMEGA.

04

We instituted a Health & Safety Week across all of AMMEGA.

05

AMMforce, a platform to support performance objectives for employees, was introduced.

06

Our OHI – the company's first Organisation Health Index survey – achieved an 85% response rate.

07

A Future Leaders programme, with 13 participants, was launched.



KEY PROGRESS

ENVIRONMENT

- 01 New software for tracking environmental performance was installed.
- 02 Internal and external audits were performed to check how CO₂ emissions are calculated and tracked.
- 03 An ECTF (Energy Consumption Task Force) was created to work on sustainable improvements regarding electricity usage in the European and MEA regions.
- 04 A range of projects was developed to improve the company's impact on the environment and reduce the carbon footprint of the AMMEGA Group.
- 05 Training and workshops were held for employees to raise their awareness of environmental issues and reduce unnecessary energy and water consumption and waste generation.



KEY PROGRESS

GOVERNANCE

01 An even stronger commitment was made to a transparent way of conducting business, following all relevant laws, regulations, internal policies and industry best practices, while also doing justice to the interests of all stakeholders: customers, employees, suppliers, shareholders, and society as a whole.

02 Mandatory training on company policies, including our Code of Conduct, anti-corruption policy, "Speak Up" policy, and conflict-of-interest policy was given to all employees and made available on an e-learning platform.



DIGITAL TRANSFORMATION IN AMMEGA

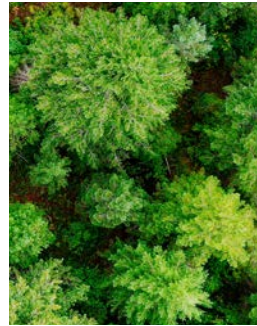
– WHY ARE WE DOING IT?



In AMMEGA we are driven by opportunities coming with innovation, as it plays a crucial role in addressing ESG initiatives and driving sustainable solutions. We value learn-it-all culture and therefore there are no problems that are too big or too complicated to solve for us. We look at digital from multiple perspectives: we have solutions for customer problems, for the problems of customers of our customers, but we also solve our own processes innovation needs.


Starting from the ordering process, we propose **My Crimp App** for Jason Industrial clients. It is a phone app that gives access to:

- up-to-date specifications to properly set up and crimp the desired hoses and fitting
- advanced searching by hose style, coupling style, hose size, and crimper
- store locator

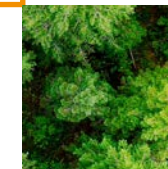


Once our client knows exactly what to order and has it configured, we offer direct shopping of standard products with the use of **3 e-commerce stores** around the globe. This B2B platform focus is on Power Transmission (Megadyne), Metal Components & Accessories (SATI) and Fluid Power (Jason Industrial).

B2B e-commerce enables our customers to make right choices based on complementary information shared on the B2B platform and/or product configurator to ensure fast delivery and minimize reordering with impact on carbon footprint.



For easy and self-driven product configuration we propose **EP Unitool App** for modular conveyor belts. As a client you are led through the configuration process from selecting the Product Group, then Conveyor Type and finally the product that can fit your selected category and multiple measure details.



DIGITAL TRANSFORMATION IN AMMEGA

– WHY ARE WE DOING IT?

But we are not stopping just at online shopping and configuration features. To be even closer to our clients we developed a way to be present at the client's production line directly. With AMMcare we offer a solution to easily identify your belt installed on the machine, that provides you the required certificates at your fingertip and lets you easily re-order your belt directly through the App- very easy and quickly. On top of this, all above tools give real opportunity for waste reduction due to returned orders.

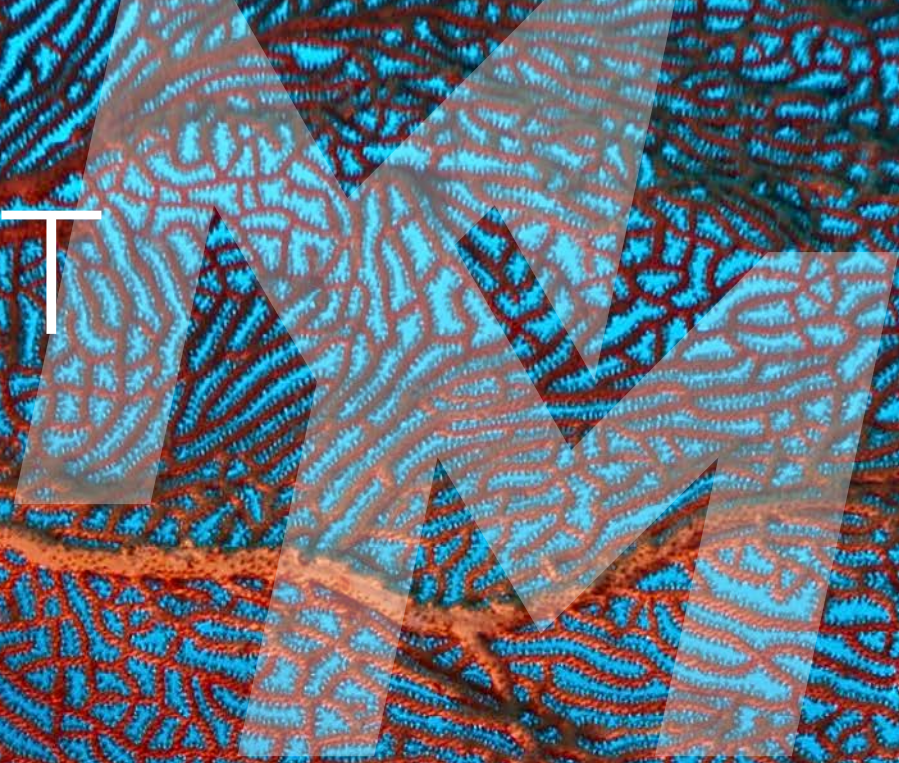
The rapid shift towards a fully digitalized world influences the way we work, learn, take part in society, and lead our everyday lives.

WE ARE PASSIONATE ABOUT EXCELLENT PROJECT MANAGEMENT THAT MAKES THINGS MOVE.

We are committed to shared values and vision and collaborate effectively to achieve a common objective – common for us and our clients.



ENVIRONMENT





ENVIRONMENT DIRECT IMPACT

Our main production sites are ISO 14001:2015 certified, and we are committed to having all of them compliant with this standard by 2025. Each site is responsible for managing its own environmental monitoring system and the on-site roles related to it, and for complying with any national and regional laws and regulations.

All AMMEGA entities are obliged to report to the Group Executive Committee on any progress, incidents, achievements and learning opportunities related to its overall performance regarding the environment.

Each site also provides environmental awareness training on a regular basis and organises in-house and refresher courses when needed. It maintains records on training course attendance and communicates any changes in the law or the regulations annually.

AMMEGA also adheres to REACH regulations, which help reduce hazardous materials within the production process.

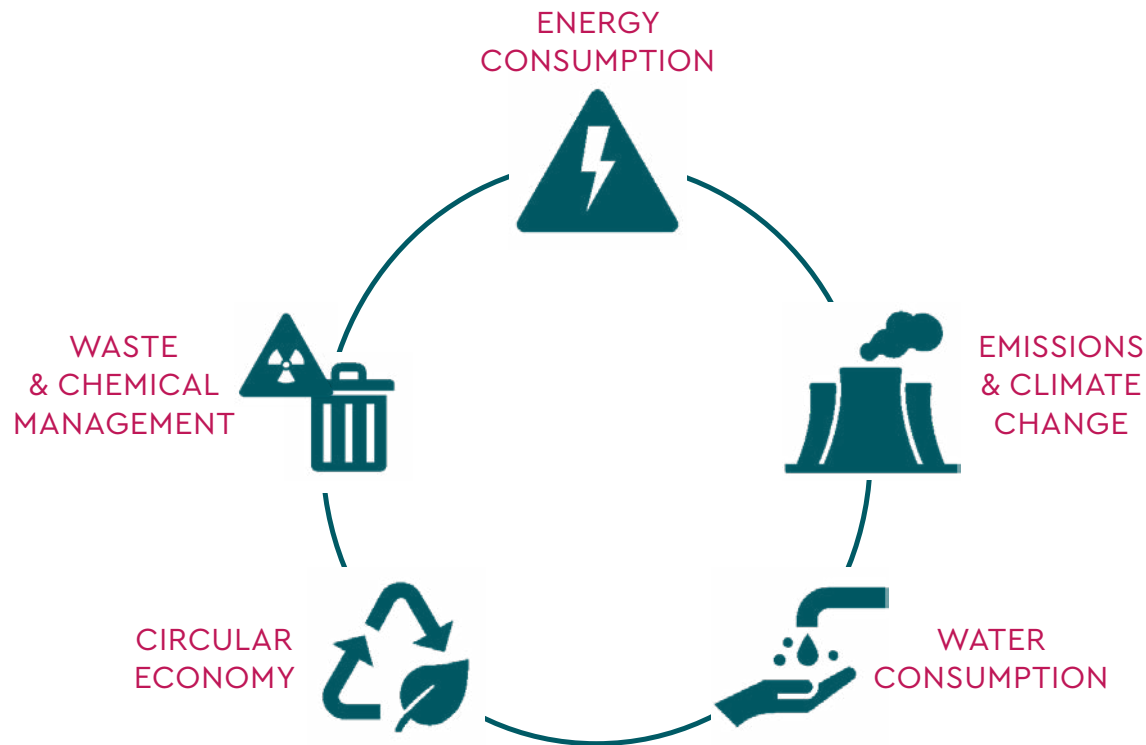
DIRECT IMPACT

OUR SUSTAINABLE OPERATIONS

AMMEGA is committed to minimising the environmental impacts of its activities, creating long-term value and reducing risk for its business, customers and stakeholders. We conduct baseline assessments of CO₂ monitoring, waste generation, and water use. We actively monitor and manage all areas of environmental concern and develop sustainable belting solutions that reduce our indirect impact on natural resources.

AMMEGA ENVIRONMENT POLICY

AMMEGA Environment Policy, established in 2020 and updated on an annual basis, outlines our commitment to protecting the environment. The policy has been distributed across our company and a dedicated e-learning tool for all coworkers is under preparation.



DIRECT IMPACT

ENERGY CONSUMPTION AND EMISSIONS

A COMMITMENT TO REDUCING ENERGY CONSUMPTION AND INCREASING ENERGY EFFICIENCY IS A KEY ASPECT OF OUR ENVIRONMENTAL STRATEGY AND ONE WITH A MAJOR IMPACT ON THE ENVIRONMENT. WE ARE DEDICATED TO REDUCING OUR ENERGY CONSUMPTION THROUGH TARGETED MEASURES, PERFORMANCE EVALUATIONS AND CLEAR OBJECTIVES.

We actively monitor the emission levels of CO₂ at all our sites, and use this data to calculate our carbon footprint. In addition, we monitor emissions of sulfur dioxide and other significant atmospheric emissions for all regions, and report on them internally. The Group also monitored all energy consumption across all sites; the sites are required to report on CO₂ emissions and energy use on a monthly basis, and will continue to do so for the foreseeable future.

All installations of new technology and all maintenance programs are carried out with energy efficiency as a priority. This includes replacing traditional light bulbs with LEDs, using energy-saving computer monitors with energy-efficient compressors, and carrying out scheduled maintenance to avoid any loss of efficiency.



DIRECT IMPACT

ENERGY CONSUMPTION AND EMISSIONS

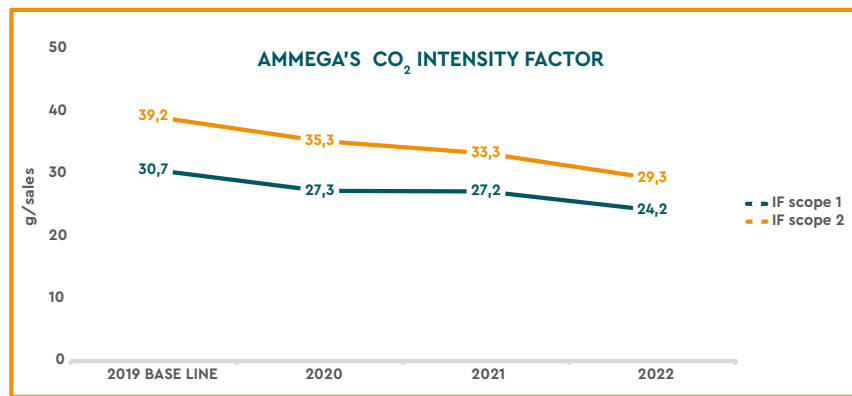
- KEY OBJECTIVES

WE ARE MONITORING OUR ANNUAL PROGRESS ON THE FOLLOWING OBJECTIVES:

- Improving the AMMEGA Environmental Policy, which is reviewed on an annual basis
- Putting in place a three-year investment plan, reducing electricity and gas consumption, in accordance with the Paris Agreement, for the most energy-intensive units across the entire Group
- Improving energy efficiency across all operations
- Reducing greenhouse gas emissions across all operations
- Reducing average energy consumption per unit of product sold across all business units
- Increasing the energy efficiency of AMMEGA belts
- Consolidating emissions data on a Group level in order to develop a Group-wide baseline



INTENSITY FACTOR REDUCTION EVOLUTION



ELECTRICITY USAGE - GROUP LEVEL

2019 – baseline	2020	2021	2022
100	97,1	106,2	102

NATURAL GAS USAGE - GROUP LEVEL

2019 – baseline	2020	2021	2022
100	99,7	116,4	99

Data expressed as an index (%) where 2019 is considered the baseline.

The value achieved in 2019 is considered to be 100%.

DIRECT IMPACT

ENERGY CONSUMPTION AND EMISSIONS

- PROGRESS IN 2022

In 2022, AMMEGA established The Energy Conservation Task Force to eliminate unnecessary electricity consumption in the EMEA regions. The aim of the team's activities is to develop working methods that will allow us to achieve successful business results with less electrical energy consumption. To achieve this, the team proposed and implemented several changes. The ECTF will continue operating in 2023 and, going forward, its solutions will be implemented across the entire AMMEGA Group.

IN 2022, ECTF ACHIEVEMENTS INCLUDED:

ESTABLISHING GOLDEN RULES - SIX PILLARS OF ENERGY SAVING

The ECTF has set out guidelines to help production facilities save energy. These guidelines are divided into 6 groups, and are evaluated at the **5 LARGEST EMEA SITES**, under the supervision and leadership of the ECTF.

REAL TIME MONITORING OF ENERGY AT A GLANCE:

how?

A Plug-and-Play IT solution which consists of:

Metering Installation:

- Main Meter
- Sub Meters
- Local Server

Covering:

- Electricity
- Heat & Steam
- Natural Gas
- Water Consumption

why?

To:

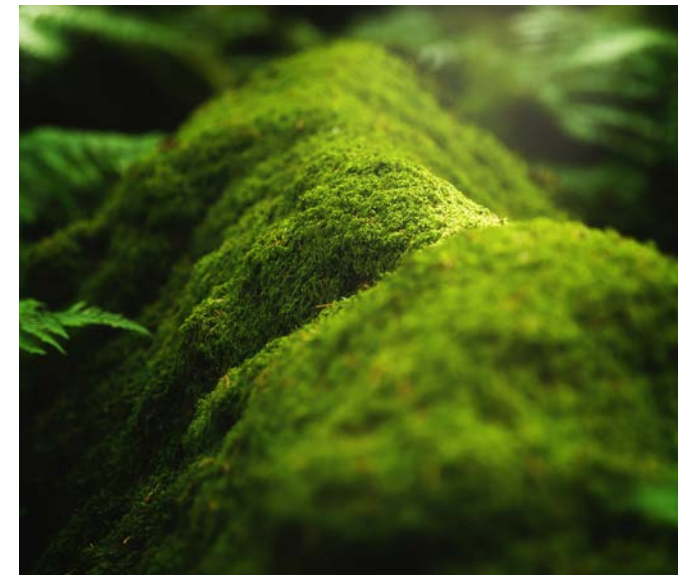
- Monitor/Alert/Report Energy usage in the plants
- Improve data quality
- Strengthen KPIS
- Facilitate fast reaction to wastages /deviations/incidents
- Enable external audit
- Establish a system for ISO50001
- Certification and CSRD reporting

GATHERING ENERGY DATA LOCALLY

In the Netherlands, the ECTF has launched a project to locally collect energy data. Other initiatives were also started in Denmark.

what?

- Real-time data
- Data validity integrity
- Data transparency
- Consumption overview
- Limited human action



DIRECT IMPACT

ENERGY CONSUMPTION AND EMISSIONS

GREEN ENERGY PRODUCED IN 2022 BY PV PANELS:

We are already taking a number of steps to reduce energy consumption in our internal processes, and we are investing in renewable energy sources as well; nonetheless, our energy transformation is a long-term process.

IN 2022, THE ROOFS OF OUR FACTORIES LOCATED IN THE NETHERLANDS, SWITZERLAND, ITALY AND POLAND PRODUCED A TOTAL OF OVER

400 MWH!

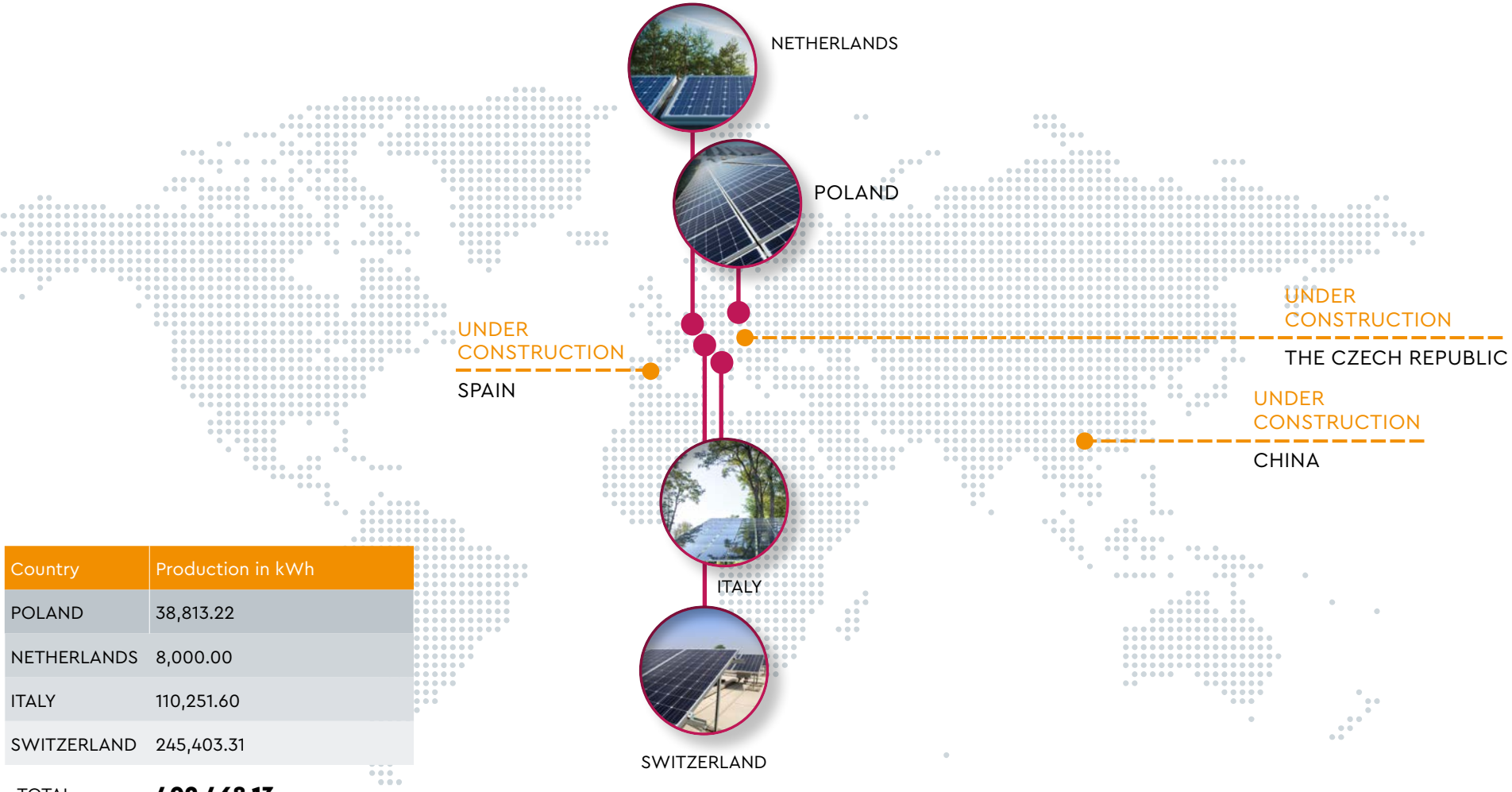


AND THIS IS JUST THE BEGINNING!

IN THE COMING YEARS, WE PLAN TO LAUNCH SOLAR ROOFS ON OUR FACTORIES IN THE CZECH REPUBLIC, SPAIN AND CHINA.

DIRECT IMPACT

ENERGY CONSUMPTION AND EMISSIONS

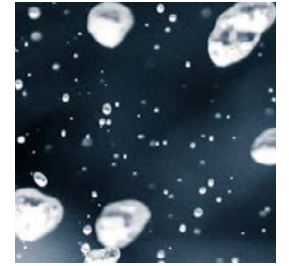


Country	Production in kWh
POLAND	38,813.22
NETHERLANDS	8,000.00
ITALY	110,251.60
SWITZERLAND	245,403.31

TOTAL **402,468.13**

DIRECT IMPACT

WATER CONSUMPTION – OUR OBJECTIVES



COMMITMENT TOWARDS RESPONSIBLE AND EFFICIENT WATER USE MANAGEMENT

We are committed to protecting the local environment by reducing water consumption across our organisations, by installing and maintaining water-saving measures to limit usage, as well as reducing wastewater discharges. Our main interactions with water include water withdrawals from the well or directly from the aqueduct, and water discharges.



WE MINIMISE OUR WATER-RELATED IMPACTS THROUGH THE FOLLOWING ACTIONS:

- Having all sites monitor their wastewater discharge
- Implementing storm water emergency procedures at all sites in order to ensure a quick and proper response
- Having all business units report their water consumption on an annual basis
- Having business units install water-saving measures.

Each production site respects all applicable laws and regulations in relation to water withdrawals. The Group's business units report on their water consumption on an annual basis. Water is an important resource for us; at each site, where required, legal authorisation is obtained for the use and discharge of water, and periodic checks on the water are made. The Group tracks the water stress from each country in which it operates and classifies the various water stress levels from low to extremely high.

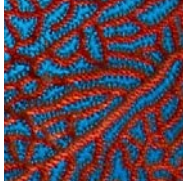
WE ARE MONITORING OUR ANNUAL PROGRESS ON THE FOLLOWING OBJECTIVES:

- Decreasing water withdrawals from the local supply on average across business units
- Consolidating water-use data on a Group level in order to inform the development.



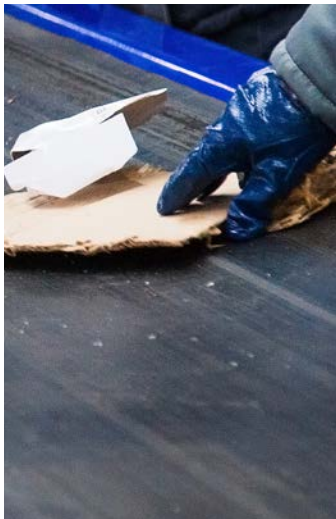
DIRECT IMPACT

WASTE MANAGEMENT – OUR OBJECTIVES



WE HAVE MADE A COMMITMENT TOWARDS REDUCING WASTE, WITH AN EMPHASIS ON HAZARDOUS WASTE

We are dedicated to fostering action on the production and treatment of waste. When creating new products, we focus on durability, safe materials and energy efficiency – always along with quality, of course –keeping our clients' best interests in mind while reducing our environmental impact.



We monitor the weight of hazardous waste, non-hazardous waste, municipal waste and other waste that we produce, and require all business units to operate waste management systems for the safe disposal of hazardous waste and to facilitate the sorting process for recycling and re-use projects. Site locations must report to the Group Executive Committee on progress, incidents, achievements and learning opportunities related to AMMEGA environmental performance related to waste management.

We are also actively phasing out hazardous chemicals in accordance with REACH, in order to reduce the use of hazardous materials in production, the generation of hazardous waste, and the potential for spills. We are further safeguarding the health and safety of our clients by providing them with up-to-date information on the materials present in our products.

DIRECT IMPACT

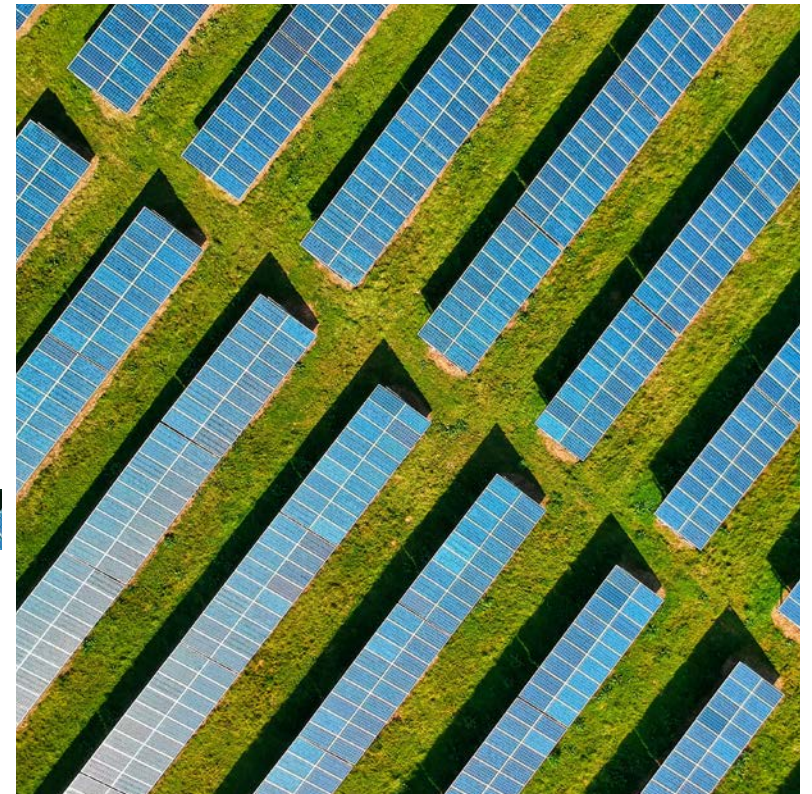
THE TRIPLE-R PRINCIPLE – REDUCE, REUSE, RECYCLE

This principle was implemented to ensure the efficient use of resources in our production processes and our products by strengthening material stewardship, particularly in the business units' selection of input materials, and by reducing production waste. It entails the following actions:

- Redesigning how material is used to facilitate the re-use of production waste and recycled materials in the production process
- Conducting research and development to optimise the efficiency of products that require less raw materials and inputs
- Streamlining operations by cutting unnecessary waste.

SPECIFICALLY, WE ARE MONITORING OUR PROGRESS ANNUALLY ON THE FOLLOWING OBJECTIVES:


- Decreasing production waste
- Decreasing hazardous waste
- Reducing the linear scrap rate
- Increasing the percentage of recycled materials used in our products.

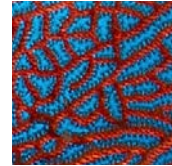
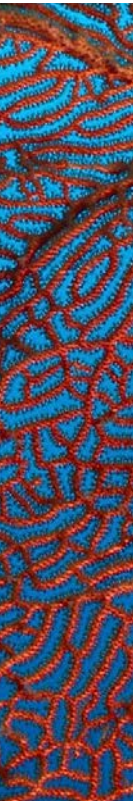
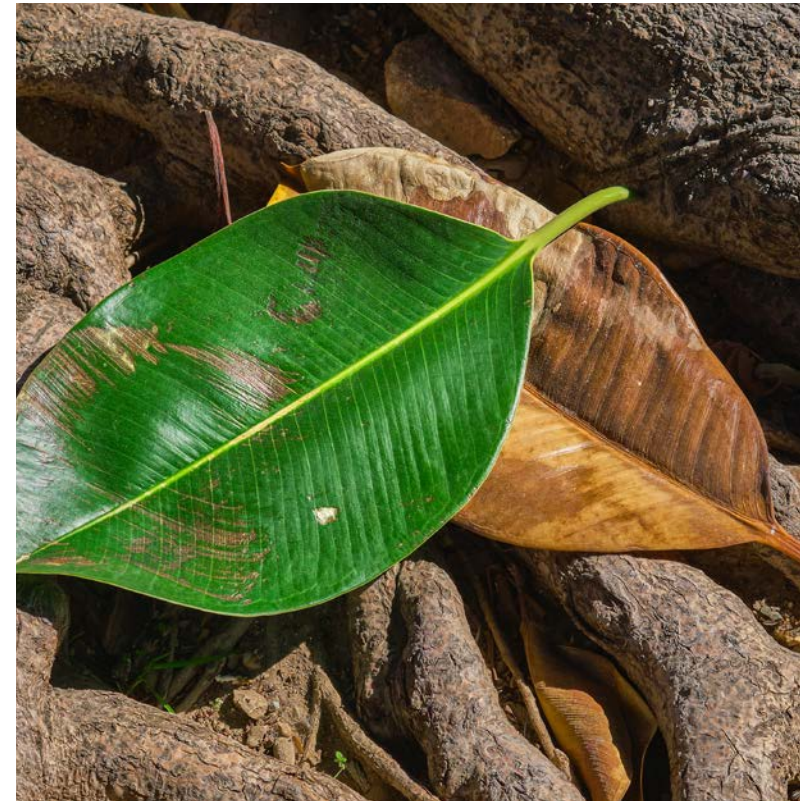


DIRECT IMPACT

RECYCLING

- We know that our planet is our most valuable asset. That is why we are using recycling technology to revolutionise the world of belting as we know it. We are pioneering the production of conveyor belts with fabrics made from PET bottles.
- The recycled fabrics incorporated in the web structure were created out of a desire to find a way to run our business more sustainably and, at the same time, to allow our customers to do the same, offering them the opportunity to run their businesses in a more sustainable way so that they, too, can support the well-being of the planet. Going forward, we aim to introduce this technology in every sector and application.
- Until now, the production of belt fabrics required the use of virgin polyester. Today, we are able to replace this with a much more environmentally friendly solution: recycled polyester. The process involves collecting PET bottles and transforming them into the fabric, which can then be woven into the belt structure. This process significantly reduces carbon dioxide emissions and requires less water and energy.
- Recycled polyester material has outstanding features and is as efficient as virgin polyester. It remains strong and stable, even under high loads and at high temperatures. Belts with recycled fabrics promote sustainability and reduce environmental impact while remaining safe during operation and without compromising the quality of performance.

[Click here to see more](#) 





ENVIRONMENT INDIRECT IMPACT

INDIRECT IMPACT

SUSTAINABLE PRODUCTS AND SOLUTIONS

As a Group, we are strong believers in the power of Research & Development as a tool to move innovation forward and deliver top-quality products to our customers. Research & Development has always been in our focus. Our continuous investment in it enables us to realise ambitious projects and to pioneer the development of environmentally friendly belting solutions. We share best practices across the R & D departments of Conveying Solutions, Power Transmission Solutions and Fluid Power Solutions. The R & D teams work in close collaboration across Italy, Spain, the Netherlands and Denmark, and they play a vital role in the AMMEGA ongoing efforts to be a market leader in sustainable technology.

We are committed to increasing sustainable purchasing from our customer base by maximising product sales that come from our more environmentally friendly product range.

ENERGY SAVINGS

We launched a specially formulated dry fabric treatment for the airport and logistics industries to help the sector face growing pressure to reduce energy consumption and emissions. Our AMMdurance technology, when applied to the underside of the Group's proven EX low-noise fabric, reduces friction between the belt and the underlying machinery, which enables reduced power usage. At the same time that it is realising energy savings, this product provides superior durability for stable, long-lasting performance.

We have also made a commitment to innovative product development with a specific focus on state-of-the-art technology; this has been expressed through parallel work that our engineers have been doing in developing new solutions, such as bringing the Internet of Things into the belting industry.

THE TITANIUM BELT

The Titanium is a new flagship High-Performance Power Transmission Belt which delivers a new level of performance for synchronous timing-belt drive applications.

This new belt design surpasses the current industries' standards with e-carbon cords, unique cross-linked elastomer construction, and a new low-friction self-lubricating tooth facing. All those features make Titanium the right choice for high-performance needs across a broad range of industries and applications, including HVAC, Material Handling & Logistics, Agriculture, Wood, Marble & Granite, Heavy Industry, Textile, Machine Tools, Oil & Gas, and Fin Fan.



INDIRECT IMPACT

SUSTAINABLE PRODUCTS AND SOLUTIONS

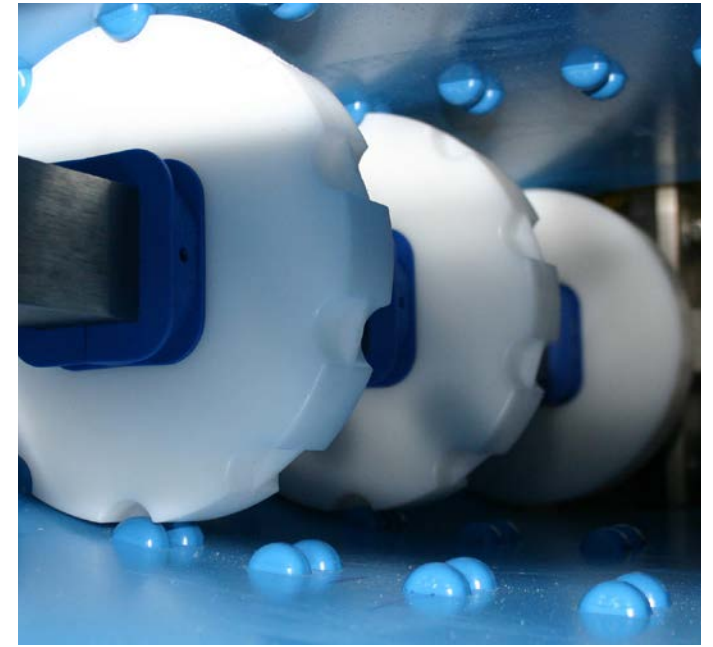
ULTRACLEAN BELT (UCB)

The UCB is setting new standards in food safety for modular belts. The hygiene-focused design features hybrid hinges which make it a prime choice for moving foods of all kinds, from meat and fish to bakery items.

It is easy to operate, maintain and clean, and meets demands for a low CO₂ footprint, lower water and cleaning chemicals consumption, as well as a reduced manpower requirement for maintenance.

The UCB is also remarkably lightweight, allowing substantial energy savings over previous models and enabling Original Equipment Manufacturers (OEMs) to design lighter conveyor systems.

While being lightweight, the UCB is nevertheless a strong belt and can transport over one ton per metre width, making it extremely efficient.



Superior
Food
Safety



Less
Detergent



Less
Water
Consumption



Faster
Cleaning



Less
Downtime



Reduced
Costs

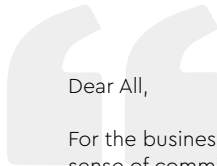


The background of the page is a close-up, top-down view of a tree trunk's cross-section, showing concentric growth rings in shades of brown and tan. Overlaid on the right side of the image is a large, semi-transparent logo consisting of the letters 'AMMEGA' in a bold, sans-serif font. The letters are white with a slight shadow, making them stand out against the wood grain.

SOCIETY



Sonja Hoeijmakers
*Chief Human Resources
Officer*



Dear All,

For the business world, 2022 was the year when both the strengths of organisations and their sense of commitment were tested like never before. Our steadfast dedication to the ambitious goals of continuing to develop AMMEGA high-performance organisation and to create a unique organisational culture enabled us not only to pass this test but to make significant progress, and our stakeholders benefited from that. Thanks to this continuous improvement and our clear mission and strategy, we were able, even after a global pandemic that lasted years, to set new objectives with confidence and reinforce our company's ongoing efforts.

Today, our company employs around 6000 people in more than 40 countries. Such organisational diversity demands a robust value system and clear rules accepted by representatives of different cultures, ethnic groups, religions and origins. Our treasured AMMEGA values are at the heart of our high-performance organisation, and one of these key values is a profound respect for people within and outside our organisation.

We work to create unique advantages, fostering a safe work environment, attractive employment conditions, and development opportunities for our teams. We are aware of the far-reaching influence that our everyday activities and decisions have on the social environment. That's why we work to preserve and support local societies and follow up on our team's recommendations to emphasise our philosophy of being a global organisation that acts locally.

Drawing on different backgrounds, nationalities and origins, we build a diverse organisation where all employees and their opinions matter and where everyone's health, safety and well-being are our deep concern. This is why our priorities will always be initiatives such as the Organisational Health Index, the AMMEGA Golden Safety Rules, the Diversity, Equity and Inclusion Committee, our development programs, and our company's social commitments.

Every year, we strive to make our organisation even better, and we're proud and glad that we can grow together with our teams and the local communities in which we operate!

With best regards,
Sonja Hoeijmakers



ONE AMMEGA TEAM



NUMBER OF EMPLOYEES IN 2022

5979



PERCENTAGE OF WOMEN AND MEN IN 2022

25%  **75%** 



AGE OF EMPLOYEES

< 20 YEARS **0,4%** 20 - 39 YEARS **37,4%**

40 - 59 YEARS **53%** > 60 YEARS **9,2%**



AVERAGE AGE OF MANAGER

47



PERCENTAGE OF FEMALE MANAGERS

24%



Data as of December 2022.

The background of the page is a close-up photograph of a tree trunk's cross-section, showing concentric growth rings in shades of brown and tan. The rings are centered on the right side of the page and expand outwards towards the left.

SOCIETY

DIRECT IMPACT

As a large multinational organisation with around 6,000 employees, we are committed to offering the highest standards of safety and wellbeing for each one of our employees.

We foster, cultivate and preserve a culture of diversity, equity and inclusion. We are an equal opportunity employer and comply with all applicable federal, state, and local fair employment practices and laws. Our people are the cornerstone of our success and our greatest asset, which is why our talent acquisition and retention strategies are focused on the development of KPIs related to talent management. Monitoring these is part of a focused action plan aimed at improving our attractiveness as an employer and our ability to implement preventive tools to reduce the loss of key resources.

Our strategic approach to human resources management focuses on quality and continuity, providing an atmosphere of integrity, cooperation, and innovation at all levels of our operation. The daily human resources operations are performed in a decentralised manner by legal entities belonging to the AMMEGA Group. They comply with all applicable local regulations related to human resources while also adapting to local cultures and working to meet the Group's HR strategy objectives.

Our commitment towards a safe workplace and ethical business practices runs deep. Our Code of Conduct provides the basis for ensuring a safe workplace, ethical business practices and the continued wellbeing and growth of our employees.

DIRECT IMPACT

AMMEGA HUMAN RESOURCES POLICIES AND PROCEDURES

AMMEGA Human Resource policies are our guidelines on how we manage our employees and what the key indicators are for further development of our high-performance organisation. The policies shape our company's culture and the way we operate – from recruitment to the way employees work and reach productivity excellence.

Our HR policies describe the rights, responsibilities and expected behaviour of an employee and an employer in their work together. These policies comply with and extend the AMMEGA Code of Conduct, the Human Rights Policy and all internal documents defining the governance of our company.

- SPEAKUP® POLICY
- ANTI-HARASSMENT POLICY
- HIRING PROCEDURE
- HSE GOLDEN RULES
- INCIDENT REPORTING GUIDELINES
- PERSONAL PROTECTIVE EQUIPMENT POLICY
- FAIR DISMISSAL POLICY
- SUCCESSION POLICY
- HUMAN RIGHTS POLICY



DIRECT IMPACT

AMMEGA DIVERSITY, EQUITY & INCLUSION COMMITTEE

AMMEGA ANNOUNCED THE ESTABLISHMENT OF ITS DIVERSITY, EQUITY & INCLUSION COMMITTEE AND WELCOMED ITS MEMBERS IN LATE 2022. THE COMMITTEE WORKS ON REGIONAL OBJECTIVES TO MEET ALL OUR EXPECTATIONS AND BUILD DEI AWARENESS AMONG REGIONAL TEAMS.

The committee comprises nine representatives from all regions: Americas, Europe and Asia, whose voluntary service supports the organisation in developing diversity, equity, and inclusion across all 40 countries in which it operates. Through sharing their experiences and bringing input from their respective regions, the committee members aim to keep the dialogue open with employees and advise global teams on fulfilling expectations and meeting the needs of a global, diverse workforce. With their valuable contributions, AMMEGA remains committed to developing diverse organisation and welcoming individuals from all backgrounds, including those with different origins, cultural backgrounds, experiences, sexual orientations, religions, races, and beliefs.

The new committee members are eager to hear from colleagues and are dedicated to ensuring that AMMEGA continues to be a diverse and inclusive organisation.

AMMEGA recognises its commitment to diversity, equity, and inclusion as an ongoing journey. At AMMEGA, we understand that diversity is not just a popular trend or a matter of ethics but an essential aspect of our DNA. We value and support building teams with a mix of contrasting perspectives and backgrounds, as we believe this leads to more creativity and openness to innovations. Our approach to diversity is enshrined in all our internal policies and regulations, which are reflected, for instance, in the AMMEGA Code of Conduct.



DIRECT IMPACT

OUR COMMITMENT TO EMPLOYEE WELLBEING

THE TOPIC OF EMPLOYEE WELLBEING IS ADDRESSED THROUGH TWO MAIN PILLARS: ENGAGEMENT ACTIVITIES, AND BENEFITS AND INCENTIVES.

We offer our regular full-time and part-time employees a comprehensive benefits programme which is managed locally. To assess employee perceptions and sentiments, we conducted an employee survey. Based on the feedback from our employees, we have set action plans to improve the organisational health of our company. The Group is compliant with local requirements regarding the consultation of works councils and trade unions regarding important issues such as organisational changes, working conditions, and Health & Safety issues.

Our Anti-Discrimination and Equal Employment Opportunity Policy sets out the principles for our diversity initiatives, the encouragement of a respectful, collaborative work environment, and the promotion of a healthy work-life balance.



We align our adherence to measures against discrimination, harassment, and child or forced labour with all relevant legal requirements and with the standards of the International Labour Organisation to promote rights at work. With regard to the hiring, retention, promotion, compensation or work assignments of employees, we are committed to acting without any discrimination based on gender, age, race, religion, trade union affiliation, personal or political beliefs, cultural ties, disability, sexual orientation, nationality, marital status, family responsibility or social or ethnic origin.

DIRECT IMPACT

OHI – ORGANISATION HEALTH INDEX

OHI is an exhaustive assessment of an organisation's effectiveness and its management's performance based on an organisation-wide survey. It is a tool that numerous public and private sector bodies have leveraged in order to benchmark their company's health, align around core areas of improvement, and improve overall organisational performance.

In 2021, AMMEGA conducted an OHI pilot study at several of its locations. In 2022, the survey was extended to the entire organisation and all the employees were invited to take part. It was conducted online and, for the convenience of all employees, AMMEGA provided access to a survey for all teams, including those people who don't use company computers.

The OHI internal communications and the survey itself were translated into nearly 20 languages to get reliable feedback from AMMEGA teams in every corner of the world.

THE STRONG ENGAGEMENT LEVEL OF OUR EMPLOYEES AND THEIR WILLINGNESS TO OFFER FEEDBACK WAS CONFIRMED WITH A HIGH RESPONSE RATE, WHICH REACHED **85%**

THE OVERALL SCORE CLEARLY INDICATED GREAT OPPORTUNITIES FOR THE FURTHER DEVELOPMENT OF OUR ORGANISATION.



DIRECT IMPACT

CAREERS AND DEVELOPMENT

The Group's hiring procedures aim to guarantee that the search and recruitment process is carried out properly throughout the company. As a Group, we help raise our employees' skills levels and capabilities through appropriate training and competence development activities because the professional development of our employees is of paramount importance to us. For this reason, AMMEGA pays special attention to helping our employees to become the best in their fields. Internal development programmes enable our experts to grow within our organisation. They are allowed to improve their skills, follow ambitious goals and make significant career moves.

Developing our employees with leadership potential ensures the success of our organisation. AMMEGA supports employees in mastering their competencies and leadership skills and creating future career opportunities based on natural strengths. AMMEGA development programs provide our teams with what they need to succeed and take on more and more ambitious responsibilities.

INVESTING IN OUR PEOPLE ALSO ANSWERS OUR CUSTOMERS'
CHANGING NEEDS.
MEETING ALL NEW CHALLENGES AND MAINTAINING OUR
OUTSTANDING MARKET POSITION REQUIRES ENGAGED MANAGERS
WILLING TO DEVELOP AND READY TO SEIZE NEW OPPORTUNITIES.



DIRECT IMPACT CAREERS AND DEVELOPMENT

AMMEGA FUTURE LEADERS

One of our global development programmes is AMMEGA Future Leaders. In January 2023, the first two-year, experience-based AMMEGA Future Leaders programme ended. The leaders, their managers and programme sponsors met in Spain to summarise and share their learnings and enjoy an inspirational celebration.

Their programme is concluded, but the development journey continues. The leaders are eager to give back to the organisation by leveraging the most important lessons they learned.

IN 2021 **10** PARTICIPANTS

IN 2022 **13** PARTICIPANTS



DIRECT IMPACT CAREERS AND DEVELOPMENT

AMMEGA LEADERSHIP ACCELERATION PROGRAMME

This program is a direct response to the need raised during 2021 OHI pilot survey. The feedback received was to have more activities related to personal and professional growth. With this ambitious initiative, we set off on an exciting journey of empowering our employees to get ready to take on more senior roles in our company.

IN 2021 **12** PARTICIPANTS



DIRECT IMPACT

CAREERS AND DEVELOPMENT

E-LEARNING CONTENT DEVELOPMENT

In 2022, AMMEGA introduced **AMMforce**, a new global human resources information system that is not only a data source; the multifunctional AMMforce platform enables effective HR process management and supports the development of employees. This integrated, all-in-one HR solution is where we keep track of goals and performances throughout the organisation. It supports the performance objectives listed in our employees' annual My AMMEGA Plan (MAP).

One of the functionalities implemented in 2022 is a learning module, where employees can find online courses dedicated to their positions and tailored to their skills and improvement areas. The module is used to conduct lessons on safety, code of conduct, security awareness, and data privacy and GDPR. The list of lessons topics is adjusted on a regular basis to meet the organisation's requirements and market demands.



DIRECT IMPACT HEALTH AND SAFETY

THE AMMEGA GROUP'S VISION WHEN IT COMES TO HEALTH AND SAFETY IS TO REACH ZERO HARM BY 2025.

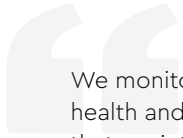
In the past year, we have made great gains towards this goal and achieved significant progress in our ambitious five-year health and safety vision and strategy. Our strategy is aligned with the principles of Goal Number Three of the UN's Sustainable Development Goals, which we use as a guide for success. We managed to reduce a number of health and safety-related risks within our operations through effective internal management systems and clear policies and guidelines.



Our Health & Safety Policy sets out all the actions put in place to improve health and safety standards within our operations. To oversee the coordination and monitoring of this policy, we have established an HSE Director who works in collaboration with the Health & Safety representatives from all of our Group companies. In addition to complying with applicable national and local health and safety laws and regulations, we have established various health and safety-related guidelines, including the Golden Rules of Safety on Fire Prevention and Response and other relevant topics.

DIRECT IMPACT

HEALTH AND SAFETY



We monitor progress by engaging with our employees worldwide and identifying any areas for improvement in safety, health and environmental and quality management. We do this by using the dedicated internal management system that we introduced, which all employees can use to record and report unsafe acts, working circumstances or near miss accidents. Our employees are crucial for the success of our zero harm vision, which is why we are committed to ensuring that 100% of our employees receive site-specific Health & Safety awareness training.



David Vint
Head of Safety



To facilitate the recording of any health and safety incidents and track progress, our Incident Reporting Guidelines describe the reporting policies, maximum response times and notification procedures for lost-time injuries, medical treatment, first aid cases, significant near misses, and damages. Through our Monthly Safety Walks and via the issuing of Corporate Guidelines, we are actively reducing workplace health and safety risks and preventing any future injuries. We have also implemented Regional Safety calls to determine progress on relevant concerns and training for all employees on the topic of health and safety risks and related matters. We provide our employees with health and safety training during working hours, designed and delivered by certified external trainers for more specialised topics and by experienced employees for routine safety trainings. This training is offered in the local language and employees are compensated for their participation in the form of their regular hourly salary for hours spent in the training. Training needs are assessed according to legal requirements and when a new process or machinery is implemented or introduced. We evaluate the effectiveness of this training by measuring the improvement of health and safety KPIs and through the observations made during the Monthly Safety Walks.

In terms of compliance, we have created a detailed Personal Protective Equipment (PPE) Policy, which made specific PPE mandatory in every AMMEGA facility, and we established site-specific guidelines in addition to any required annual training for all employees involved.

DIRECT IMPACT

HEALTH AND SAFETY

MAIN RISKS IN THE BELTING INDUSTRY

The main hazards present in belt manufacturing include exposure to chemicals and risks involving heavy machinery, forklift operations, cranes and hoists, machine guarding, manual handling and the use of hand tools. Our monitoring framework is comprised of uniform metrics and targets that are benchmarked against established Health & Safety industry standards such as the OSHA reporting standard.

IN 2022, AMMEGA REDUCED LITR
BY **13%** COMPARED TO 2021



DIRECT IMPACT

HEALTH AND SAFETY

CONTINUOUS IMPROVEMENT

HSE & ESG WORKSHOPS

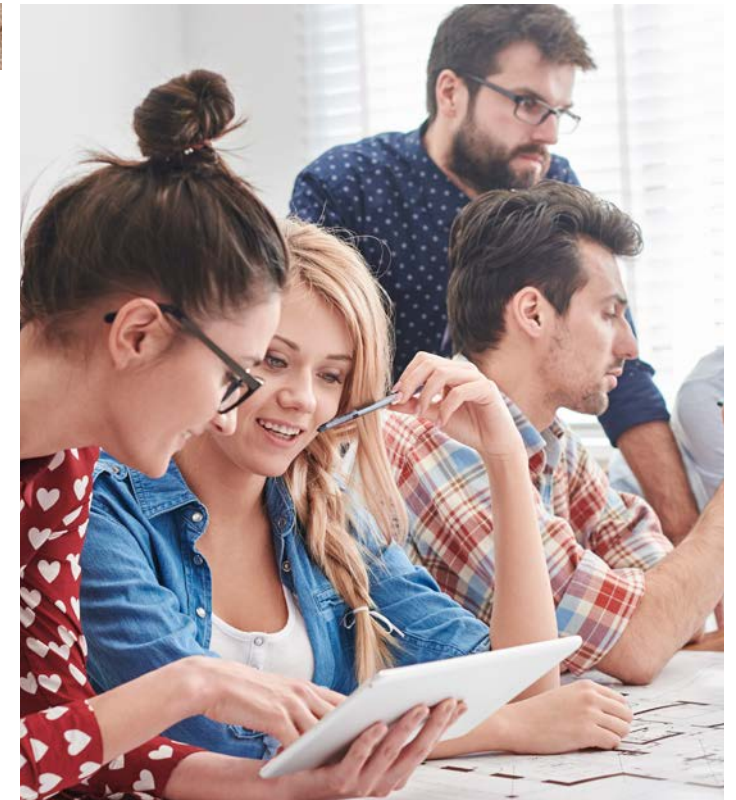
We know how important it is to identify and develop talented and qualified employees in large organisations. That is why, in 2022, we organized the first post-pandemic global meeting and development workshops for Health& Safety managers from the entire AMMEGA Group. In addition, we devoted one day to the development of knowledge and awareness of managers in the ESG area.

There is nothing more important to us than the safety of our employees. It is important to us that every day, at all locations and regardless of their position, all our employees return safe and sound to their families. Therefore, it is our duty to train and care for the development of all employees so that their work and behavior meet the highest workplace safety standards.

3 DAYS OF WORKSHOPS
KATOWICE, POLAND

30 PARTICIPANTS

- ALL REGIONS REPRESENTED
- ESG TRAINING FOR HSE MANAGERS
- JOURNEY TO ZERO HARM
- 2022 HSE DAYS IN MAY
- SAFETY FIRST



DIRECT IMPACT HEALTH AND SAFETY



2022 SAFETY WEEK

FOR THE FIRST TIME AT AMMEGA GROUP

We want to make AMMEGA the safest company in the belting sector, ensuring continuous sustainable improvement through the implementation of successful Health & Safety programmes and by proactively identifying and managing workplace hazards before they cause injury or illness.

EMPLOYEE ENGAGEMENT IS KEY TO THE SUCCESS OF THE HEALTH & SAFETY PROGRAMMES.

During the AMMEGA Safety Week, we engaged with all employees in regards to three main topics:

- MENTAL HEALTH AND WELLBEING
- SAFETY CULTURE
- RISK ASSESSMENT

Subjects covered included healthy eating and the importance of exercise, mindfulness and positive thinking in our daily life. In addition, practical first aid exercises took place in the workplace. Many sites also held practical firefighting training, where staff was shown how to use extinguishers to help prevent the spread of fire. Other areas that were explored included the AMMEGA Golden Rules, the PPE policy, manual handling guidelines, chemical safety guidelines and more. Quizzes on health and safety took place, and prizes were awarded.



The background of the page is a close-up photograph of a tree trunk's cross-section, showing concentric growth rings in shades of brown and tan. The rings are more distinct and closer together in the center, becoming more widely spaced towards the edges.

SOCIETY

INDIRECT IMPACT

As a Group, we respect and value the local communities in which we operate, and we are committed to actively contributing to them through various initiatives. Our community engagement and philanthropic efforts are centralised but determined by local teams that not only help define social needs but also encourage employees to take part in ensuring AMMEGA positive social impact.

In order to support our local teams in their social commitment, and to fully comply with our SDGs, the AMMEGA Social Commitment Policy was implemented.

INDIRECT IMPACT

SUPPORT FOR LOCAL COMMUNITIES

GLOBAL SOCIAL INITIATIVE

The most significant social action conducted in 2022 was AMMEGA first global social initiative, encouraging our teams to act locally and to support nearby communities.

Over **50** local initiatives identified by our employees received donations from AMMEGA in the last quarter of 2022. Noble initiatives, and hundreds of people in local communities worldwide, received AMMEGA support, and our teams were given the opportunity to conduct charitable actions and voluntary work in local societies.

AMMEGA global social initiative concentrated on supporting non-government organisations whose main objective was providing aid for people in need.

AMMEGA employees focused on supporting people who were in poverty or suffering from serious diseases or disabilities. They aided elderly people, single mothers, homeless people, orphans and veterans. They also bolstered initiatives working to prevent suicide, violence, sex trafficking and other unwanted acts.

Our employees identified social objectives that complied not only with our internal policies but also with issues close to their hearts and the hearts of their local communities. AMMEGA flexible approach to our social commitment is proof that we can adjust our activity to all our stakeholders' demands and expectations, as well as to the social responsibility we bear as a stakeholder in society.

SUPPORT FOR WAR REFUGEES

AMMEGA employs about 300 people of Ukrainian origin. From the beginning of the war, the extraordinary circumstances caused by the conflict affected their relatives. Thinking about our Ukrainian colleagues who work in our locations in Poland and the Czech Republic, we knew that the survival of their relatives was of paramount importance. Therefore, for those who left Ukraine to find shelter in a foreign country, AMMEGA offered aid from the AMMEGA Ukrainian relatives support fund, set up for just that purpose. In this way, AMMEGA contributed to the immediate needs of our employees and their families in these challenging times.



INDIRECT IMPACT

LOCAL INITIATIVES

AMMEGA PEOPLE FOR UKRAINE

AMMEGA employees across the company's many locations organised efforts and participated in voluntary actions to support war refugees. Our American colleagues initiated a voluntary collection activity and prepared over twenty-six tonnes of goods for Ukrainians living in Poland. A container full of humanitarian aid left New York and crossed the Atlantic on its way to the In Corpore Foundation, which distributes donations among Ukrainian refugees.

RUN FOR PURPOSE

Our teams from the AMMEGA Business Service Centre in Katowice (Poland) and the Ammeraal Beltech manufacturing site in Jihlava (Czech Republic) competed in a charity run to help local charitable organisations. Polish colleagues participated in the #PolandBusinessRun organised by Fundacja Poland Business Run on September 4th. Ten employees ran a four-kilometre relay race supporting fund-raising for people with physical disabilities after amputations. In September, twelve of our Czech Republic colleagues joined the Jihlava Half Marathon and took part in this extraordinary event in order to help a six-year-old child suffering from Spinal Muscular Atrophy.

AMMEGA BSC AND NOBEL GIFT

Close to Christmas Eve, at a time when gifts and heart-felt sentiments of affection are exchanged, the BSC team put its efforts into supporting a Polish family through an initiative linked to Szlachetna Paczka, one of the largest charitable programmes in Poland. Every year since 2001, thanks to help from volunteers and donors, thousands of families in need have received help tailored to their needs. The beneficiaries of these gifts are families that have found themselves in financial straits, frequently for reasons beyond their control. Their problems often go unnoticed by others, and they are left to deal with their difficulties on their own.

The AMMEGA Business Service team chose a family with two daughters, and the funds they raised allowed them to purchase food, warm winter clothes, furniture, toys, and a stove. All this was stored in the BSC office before it was taken to the donation collection site. AMMEGA is certain that the family in question had a fine Christmas!

ANGEL TREE

AMMEGA employees at Ammeraal Beltech Modular in Reading, Pennsylvania, in the US participate in the Salvation Army Angel Tree program each year. "Angel" tags bearing the names of children and senior citizens in need are placed on a Christmas tree; employees choose a tag and buy gifts for the person listed on it. They also help out by sorting gifts for the Salvation Army, prior to those items being distributed to needy families. In 2022, the Reading team submitted this project to the AMMEGA global social initiative, so that, in addition to what local employees bought, AMMEGA was able to purchase additional toys, senior gifts, and winter coats for the "Angels" to hand out.



INDIRECT IMPACT SPONSORING

AMMEGA – GOLD SPONSOR OF THE SWISS ROHNER BULLS BOBSLEIGH TEAM

AMMEGA is supporting the Rohner Bulls Bobteam from Zug, Switzerland. The team is now in competition mode.

WHY SPONSOR BOBSLEIGHING?

The comparison with AMMEGA seems obvious: young, ambitious, with a vision and mission to become a world leader in their field by moving with speed and agility, and based in Switzerland. The most distinguishing feature of winners is their intensity of purpose.

Innovation often comes not from a single breakthrough idea, but from a relentless focus on continuous improvement. Currently, the Rohner Bulls team is achieving excellent results in this new season.

As a company, AMMEGA strongly identifies with their ambition to become World Champions.

Just like Rohner Bulls team, we at AMMEGA strive to succeed through our expertise and drive for excellence in the industrial world. That's why we are proud to continue our sponsorship of the Rohner Bulls!



INDIRECT IMPACT

RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN

As a Group, we define our supply chain as the goods and services purchased and used in our operations, which includes both primary input materials such as fabrics, polymers, cords, chemicals, rubber materials and energy as well as industrial and professional services and logistics.

We are committed to offering safe and innovative conveyor, power transmission and fluid power solutions to our customers across a wide range of industry sectors by:

- Working with our suppliers to operate a lean supply chain
- Developing sourcing solutions to meet customer, regulatory and stakeholder needs and demands
- Creating long-term value while reducing business risks for the Group



INDIRECT IMPACT

RESPONSIBLE PRODUCTS FOR A SUSTAINABLE WORLD

DECTYL

Technological advances have made this product even more revolutionary. Now particles can be identified by X-ray and metal detectors. This innovation significantly reduces the risk of foreign body pollution.

PREMIUM PLUS RANGE

Constructed with superior quality fabrics and a brand new non-shrink treatment, these belts can help reduce plant and maintenance costs while increasing operational performance. They're characterised by non-fray performance and excellent release properties.

SOLIFLEX AND SOLIFLEX PRO

These homogeneous belts are made from a single piece of extruded polyurethane or polyester. They have no layers, fabrics or crevices, so cleaning is easier and faster. What's more, there's no risk of fraying edges occurring, and therefore no risk of food contamination. These belts are compatible with scrapers as well.

XMD TIMING BELTS

The belt and cleat fragments of all Megalinear XMD and Megaflex XMD belts can be detected by metal and X-ray detectors. Their special food-safe hygienic design features sealed edges and the use of blue as a contrasting colour.

MEGALINEAR FC

This belt combines the power and precision of synchronous conveying (balanced tracking, low running tension and low vibration) with all the criteria required for food contact. It delivers maximum reliability and exceptional operational hygiene levels.

MEGAPOWER FC

Designed for use in both dry and wet applications, the blue Megapower FC Urethane belt offers good chemical resistance and can be used in applications requiring rigorous belt cleaning.

At AMMEGA, we work to provide the right sustainable belt solutions and services for most industries and applications through our unique combination of industry experience, market expertise and engineering know-how.

We promote a culture of continuous improvement that allows us to build our sustainable value proposition, have a positive impact on the economy and social progress, and support the health and safety of our teams, our customers, and society at large.

We are focused on reducing the consumption of natural resources in order to positively impact the environment, achieving sustainable production and driving innovation to help our customers be more environmentally friendly.

By making investments, developing new technologies, working closely with our stakeholders and creating jobs, we are shaping a better future for our customers and our entire industry.

OUR APPROACH

OUR COMMITMENT TO INNOVATION AND PRODUCT DEVELOPMENT

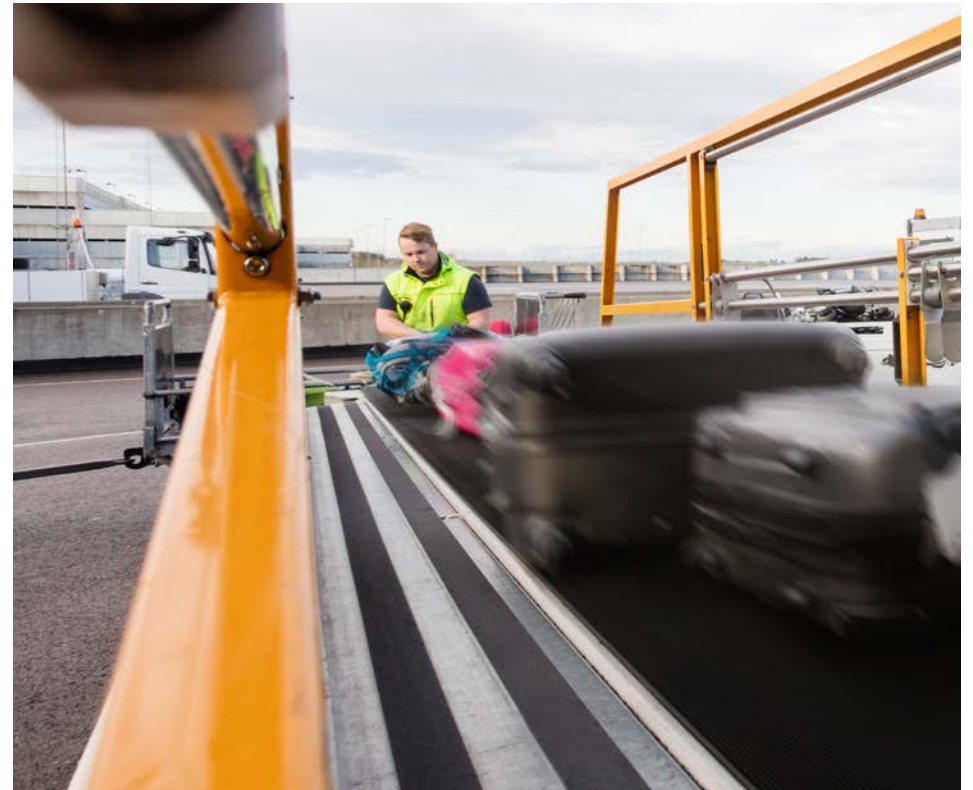
FOCUS ON AIRPORT AND LOGISTICS INDUSTRIES



We launched a specially formulated dry fabric treatment for airport and logistics industries to help the sector face growing pressure to reduce energy consumption and emissions.

The AMMdurance technology, when applied to the underside of the Group's proven EX low-noise fabric, reduces friction between the belt and the underlying machinery, which enables reduced power usage. Ultimately, this product provides superior durability combined with stable, long-lasting performance.

We have also made a commitment to innovative product development with a specific focus on state-of-the-art technology; this has also been expressed through parallel work our engineers have been doing in developing new solutions, such as bringing the Internet of things into the belting industry.



INDIRECT IMPACT

FOOD SAFETY

FOR THE AMMEGA GROUP, FOOD SAFETY AND CONSUMER HEALTH ARE OF UTMOST IMPORTANCE.

It is imperative that we support companies operating in the Food Industry by continually developing solutions that raise the bar in terms of hygiene and safety; what's more, doing so will make our line of brands the leading supplier of food systems.



The AMMEGA Group has developed a strong image as a responsible leader who genuinely cares about its customers' well-being. Top industry experts, engineers and designers are its true pride. These exceptional talents are equipped with the highest technology equipment to regularly raise the level of hygiene practices on their customers' production lines.

THE AMMEGA GROUP MEETS FOOD SAFETY STANDARDS AT THE HIGHEST LEVEL BY COMBINING THE RESOURCES OF ALL ITS BRANDS. AS A RESULT, AMMEGA SOLUTIONS COMPLY WITH A WIDE RANGE OF INTERNATIONAL GUIDELINES AND REGULATIONS, INCLUDING THOSE SET BY THE US **FDA**, **THE EUROPEAN USDA** **AND THE EHEDG**, FOR SAFE FOOD HANDLING.



GOVERNANCE



“

Dear All,

The annual publication of the Communication on Progress Report is, for us, not just the summary of our achievements and progress from last year. It is primarily an indicator that allows us to understand our role as a company on the local and global level, to know the scale of our impact and to plan further steps in order to build a meaningful long-term dialogue with our stakeholders.

In 2022, we made substantial progress in continuing this legacy, in collaboration with each stakeholder group: owners, customers, employees and the society in which we operate. We recognise that the appeal of our business and the value of our company are not based solely on our financial results and assets. The progress we make in our sustainability efforts also help define our value and establish our reliability. We build trust and a good company reputation by clearly complying with explicit rules, and by maintaining the utmost respect for everyone and everything connected to our organisation.

The development of a sustainable organisation in a transparent way demands that we follow all relevant laws, regulations and best-practice business standards. AMMEGA compliance is rooted in our values, our integrity and our reputation, all crucial company components. Everyone in every area of our organisation takes their responsibility for ethical and professional behaviour seriously. We take care of what we create and protect what we achieve. We continue to draft new internal regulations, conduct training and identify areas for further improvements in compliance. We've developed a culture where people speak up if they see any behaviour that violates laws, regulations, the AMMEGA Code of Conduct or any of our internal policies.

The evolving scope of ESG-related obligations and commitments has increased the breadth, scale and importance of compliance. We are at a point where goodwill standards protecting the economy, our society and our natural environment have perforce been changed into requirements, and there is an urgency to the changes that we must make in light of this. Consequently, AMMEGA has made governance the cornerstone of its endeavours.

We are proud of our organisation, of the benefits we offer to our stakeholders, and of the expectations that we fulfil!

With best regards,
Alessandro Gili



Alessandro Gili
*Chief Financial and Compliance
Officer*

OUR APPROACH

Our Code of Conduct elaborates on how employees and collaborators (e.g., suppliers and subcontractors) should behave as well and describes our stance on topics such as corruption and bribery, competition law, data protection, the environment, the community, health and safety and product safety, and contains our whistleblowing policy.

Our Anti-Corruption Policy touches upon the deterrence, prevention and detection of bribery and corruption and is aligned with the principles of the Code of Conduct. It is approved by the Group Executive Committee and is reviewed at least annually to ensure that it is appropriate, adequate and effective. Its purpose is twofold:

- To set out the responsibilities of the AMMEGA Group and of those working for, and with, the AMMEGA Group in observing and upholding the AMMEGA Group's position on bribery and corruption
- To provide information and guidance to those working for the AMMEGA Group on how to recognize and deal with potential or actual acts of bribery and corruption, in order to ensure that the AMMEGA Group and those working with the AMMEGA Group, comply with all applicable legal obligations.





GOVERNANCE
DIRECT IMPACT

DIRECT IMPACT

AMMEGA GROUP-WIDE POLICIES

Group-wide policies and procedures include such items as:

- ANTI-CORRUPTION
- ANTITRUST
- RISK ASSESSMENT AND DUE DILIGENCE
- CODE OF CONDUCT
- CONFLICT MINERALS
- CONFLICTS OF INTEREST
- DATA PROTECTION AND PRIVACY
- HUMAN RIGHTS
- MODERN SLAVERY
- RESPONSIBLE SOURCING
- TREASURY POLICY
- SANCTIONS



OUR APPROACH



ETHICAL AND RESPONSIBLE BUSINESS MANAGEMENT

Ethical and responsible business management is at the core of our values and business activities and is promoted and integrated within the business through various policies and frameworks, both at the Group level and in line with national legislations and country-specific topics of interest of the Group's various entities. AMMEGA has an ESG Committee, consisting of representatives from different functions that meets at a monthly cadence to implement and monitor ESG projects and tasks.



OUR CORPORATE GOVERNANCE MODEL

At AMMEGA, the effectiveness of our operations depends on the efficient management of our business through a strong governance model, supporting value creation for our stakeholders in the short term and long term.

The corporate governance model we have adopted nurtures collaboration between our members and fosters the principle of transparent management.

AMMEGA governance model includes three main bodies: the Supervisory Board, Group Executive Committee and the Operational Committee, who are responsible for the management, administration and general affairs of the Company as well as its subsidiaries, and who supervise the Group's Policies and general business.



RISK MANAGEMENT

As we focus on defining our Group-wide strategic goals, mission and vision, we also apply our values and their supporting behaviours in the AMMEGA Business Control Framework, while making use of processes already in place.

Our risk management approach involves mapping and addressing various risks such as operational risks, management risks and others.

A close-up photograph of several purple leaves, likely from a grapevine, showing detailed vein patterns. The leaves are illuminated from the side, creating a strong contrast between the bright purple and deep shadows. The text 'GOVERNANCE' and 'INDIRECT IMPACT' is overlaid in white, sans-serif font in the upper left quadrant.

GOVERNANCE
INDIRECT IMPACT

GOLD ECOVADIS EXCELLENT ASSESSMENT

In 2023, AMMEGA received a Gold award from EcoVadis. The assessment is a recognition of AMMEGA improvements in business excellence, crucial information for all our stakeholders, and confirmation that our company acts responsibly and focuses on sustainability in every aspect of its performance. We have kept our performance at a constant level, proving AMMEGA commitment to sustainability and our continued progress in this field. The received result places AMMEGA in the 98th percentile of all companies assessed by EcoVadis.

EcoVadis is a rating agency that evaluates suppliers' actions and practices regarding their corporate social responsibility. The assessment is made using a comprehensive methodology based on international standards. Companies are assessed under the environment, social activities, ethics, and supply chain.

AMMEGA joined EcoVadis in 2020, receiving a Bronze Medal. Since then, we have continued our progress, to attain continuous improvement in our ratings.



To explore the details of our environmental performance and carbon footprint and gain insights into our wider sustainability initiatives, achievements, and ongoing efforts, please request access to our Scorecard on the EcoVadis platform, where AMMEGA demonstrates our dedication to sustainability and provides comprehensive information on our sustainability practices. The platform enables a transparent evaluation of our performance, reflecting our commitment to accountability and openness.

WE MAKE
YOUR
BUSINESS
MOVE

The background of the page is a photograph of a tree, showing its trunk and a dense network of branches. The entire image is tinted with a vibrant cyan color. In the upper right quadrant, there is a semi-transparent, light-colored geometric shape composed of several overlapping triangles, creating a modern, abstract design element.

APPENDIX

UNGC PILLARS – RISKS AND MITIGATION

ESG-RELATED RISKS

HUMAN RIGHTS

RISK:

The potential to violate laws or regulations pertaining to Human Resources management and labour.

MITIGATION:

- We have implemented a Code of Conduct (which includes a whistle-blower policy and the prohibition of any form of discrimination or child labour).
- We have implemented a human rights policy.
- We require respect for human rights from our suppliers in the supply chain.



ESG-RELATED RISKS

LABOUR

RISK:

The potential for injury or health hazards at work, as well as the possibility of violating local, regional or national Health & Safety codes.

MITIGATION:

- We promote a collaborative and healthy work environment through our "People-focused" principles.
- The global health and safety director is responsible for monitoring compliance with local laws and supporting and stimulating awareness within the Group.
- We evaluate every incident and implement any corrective measures necessary.
- We have implemented a number of policies, regulations and self-protection measures as well as the possibility of remote work in connection with the COVID-19 pandemic, so that the health and the lives of our employees are protected to the best of our ability.

RISK:

The potential to violate laws or regulations pertaining to Human Resources management and labour.

MITIGATION:

- We have a structure in which the CHRO provides appropriate advice on local issues when necessary.
- Local management is subject to conditions and general principles laid down by the Group.
- We select employees and board members based on their qualifications, irrespective of race, sexuality or gender.
- Work councils are present and trade unions are consulted, according to local regulations, on important issues such as re-organisations, working conditions, Health & Safety matters. Systems and procedures are in place to ensure that the AMMEGA Group is in compliance with the requirements of the EU General Data Protection Regulation (GDPR).
- We promote the development, coaching and training of our employees through centrally and locally organised training activities.



ESG-RELATED RISKS

ENVIRONMENT

RISK:

The difficulty of keeping up with ever-increasing environmental regulations, particularly those involving raw materials used in production (e.g., REACH, an EU regulation on chemical substances).

MITIGATION:

- Making "Responsibility" one of our pillars is an indication of how committed we are to reducing our ecological footprint by using less environmentally harmful materials in the production process, and raising environmental awareness with our suppliers, customers and employees.
- The companies in the AMMEGA Group strive at all times to work within the rules of the international certification standards as set out in ISO 14001, and the Group remains compliant with REACH as well.
- We always consider the environment when making investment decisions, especially around manufacturing.
- Our Environmental Policy tackles various critical environmental topics (recycling, air and water purification, energy efficiency and minimising the use of harmful chemicals and CO₂ emissions).



ESG-RELATED RISKS

GOVERNANCE

RISK:

The potential for corruption, bribery and other unethical business practices.

MITIGATION:

- We introduced the SpeakUp® tool for our employees to report violations of law, Code of Conduct or policies and procedures without fear of retaliation.
- We provide e-learnings to all AMMEGA employees in terms of Anti-corruption and Code of Conduct.
- We introduced an internal audit department.



OUR DATA



AMMEGA commitment to sustainable growth is reinforced by accurate and reliable data analysis.

We recognise the importance of high-quality information for accelerating progress in the ESG and ensuring transparent sustainability reporting. To support this, AMMEGA partnered with Qentec, a leading provider of integrated software solutions for ESG and EHSQ management. This collaboration provides a comprehensive software solution to manage ESG activities effectively, gather necessary data, and adjust management plans.

AMMEGA carbon footprint data has been validated through Third-Party Limited Assurance since 2020. The commitment to transparency and accountability and data validation by Nexio company assures our stakeholders of accurate and reliable carbon footprint figures in compliance with recognised standards. Independent verification adds credibility to AMMEGA sustainability efforts, enhancing our stakeholder trust in our performance data.



FUTURE PLANS



PROMOTING SUSTAINABILITY

In today's rapidly evolving world, where environmental concerns and social responsibility take center stage in global discussions, it has become imperative for companies to adapt and contribute to sustainable development.

As a leading manufacturing company, we recognize our pivotal role and responsibility in shaping a better future for the next generations. Our vision, strategy and plans are strongly related to sustainable development and are preceded by a comprehensive and in-depth analysis of the impact of our business decisions and operational activities on the environment and all our stakeholders.

Our stakeholders appreciate the solid frameworks and foundations we have established in less than five years since the establishment of AMMEGA. The feedback we receive from them daily, combined with the lessons learned and experiences gained, will serve as catalysts to expedite sustainable progress, and amplify the significance of our impact on society, the economy, and natural resources.

Our approach to sustainable growth and our commitment to ethical standards and AMMEGA values ensures progress where all AMMEGA stakeholders can feel respected and engaged.



FUTURE PLANS

01

LCA ASSESSMENT AND NEW PRODUCT DEVELOPMENT

Starting in 2023 and beyond, our company is committed to conducting Life Cycle Assessments (LCAs) for products across various business lines. This strategic initiative aims to broaden awareness, enhance AMMEGA competitive advantage, and provide customers with reliable data on the environmental impact of our products. Analyzing the entire life cycle of these products, from raw material extraction to end-of-life disposal, we can make informed decisions to minimize environmental footprint and promote sustainable practices.

Through the LCA process, AMMEGA will gain valuable insights into the environmental hotspots and potential areas for improvement within our product portfolio. This knowledge will empower us to implement targeted measures that reduce our carbon emissions, optimize resource consumption, influence design of future product development, and enhance overall sustainability performance. Prioritizing LCA assessments, we ensure that our decision-making is based on scientific evidence and aligned with our commitment to environmental stewardship.

Furthermore, this initiative highlights AMMEGA dedication to transparency and accountability. Sharing LCA results with our stakeholders, including customers, partners, and regulatory bodies, we foster trust and provide them with credible information. Our aim is to enable customers to align their purchasing decisions with their own sustainability goals while also positioning our company as a trusted and responsible industry leader.

AMMEGA has exciting plans for the further development of new sustainable and environmentally friendly belting solutions. Our dedicated Research & Development team will focus on incorporating innovative materials into our product lines to reduce our ecological footprint and provide our customers with greener alternatives.



FUTURE PLANS



02

TRACKING AND CALCULATING

As part of our ongoing commitment to environmental transparency and sustainability, AMMEGA has outlined future plans to calculate and disclose Scope 3 emissions.

This comprehensive assessment will allow us to evaluate and disclose the indirect greenhouse gas emissions associated with our value chain, including activities such as purchased goods, services, transportation, and product use.

By quantifying Scope 3 emissions, we aim to take a comprehensive approach to our environmental impact and drive meaningful reductions throughout our entire value chain, focussing on where there are the greatest opportunities.

03

SBTi (SCIENCE BASED TARGETS INITIATIVE)

Collaborating with SBTi can give us access to expert knowledge and guidance in developing robust targets. This ensures that our goals align with the best emissions reduction practices.

We also will benefit from the partnership with SBTi, being updated on the latest scientific developments and industry trends, and the opportunity to adapt and improve our sustainability strategies accordingly.

AMMEGA prepares to engage with key stakeholders along the value chain to collaborate on SBTi topics.



FUTURE PLANS

04

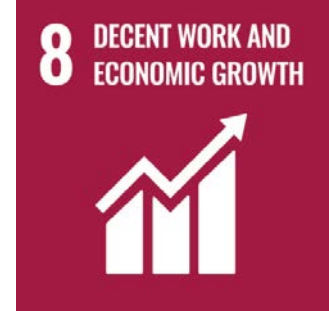
DOUBLE MATERIALITY ASSESSMENT

In 2023, as an integral part of our strategic approach, we are embarking on a comprehensive double materiality analysis, which aims to assess the environmental, social, and governance (ESG) areas that hold significance for both our business operations and our stakeholders. By undertaking this analysis, we seek to go deeper into the core risks and opportunities that shape our operations, empowering us to make informed decisions that drive sustainable added value creation.

05

REDUCTION OF LTIFR

We are dedicated to continually improving our safety performance and reducing our **Lost Time Injury Frequency Rate (LTIFR)** through ongoing initiatives and robust safety protocols. Our goal is to create a workplace where accidents and injuries are minimized, ensuring the well-being and safety of our employees.



FUTURE PLANS

06

CONTINUOUS IMPROVEMENT OF SUSTAINABILITY REPORTING

Through regular internal reporting and oversight, AMMEGA analyses its sustainability performance and impact to ensure that sustainability plans are meeting their objectives.

Additionally, we acknowledge the significance of aligning our disclosures with existing and emerging internationally recognized frameworks and standards, such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). This alignment enables us to provide consistent and comparable information that meets regulatory needs and allows for analysis by our stakeholders.



GLOSSARY

Dear Reader!

Thank you for discovering our publication's pages. This section provides you with a comprehensive glossary that includes all the links to websites, products, and other documents mentioned in the report. We understand the importance of providing easy access to relevant resources for your convenience.

We invite you to connect with AMMEGA and stay engaged through our social media channels. Following our multiple accounts, you can stay updated on the latest news and initiatives. It's an excellent opportunity to be part of the AMMEGA community and actively connect with like-minded individuals, exchange ideas, and contribute to the ongoing dialogue.

We believe in the power of collaboration and open communication, and our social media channels provide an ideal platform to foster connections and interactions. We look forward to engaging with you and building an online community together.

Feel free to explore the glossary for easy access to relevant resources, and do not forget to follow us on our social media channels for the latest updates and opportunities to connect.

Thank you for your continued support!

Editorial Team
The AMMEGA Sustainability Report, 2023.

GLOSSARY

OUR BRANDS

OUR SOCIAL RESPONSIBILITY

- RESPONSIBLE SOURCING POLICY
- HUMAN RIGHTS POLICY
- SOCIAL ENGAGEMENT
- AMMEGA DEI
- POLICIES
- SPEAK UP



OUR PRODUCTS

- AMMDURANCE
- MEGASYNC™ TITANUM
- UNI BELTS
- DECTYL
- PREMIUM PLUS
- SOLIFLEX PRO
- MEGAFLEX
- MEGALINEAR FC
- MEGAPOWER FC

OUR SOCIAL MEDIA



LINKED IN
AMMEGA
MEGADYNE
AMMERAAL BELTECH
JASON INDUSTRIAL



TWITTER
MEGADYNE
AMMERAAL BELTECH



YOUTUBE
AMMEGA
MEGADYNE
AMMERAAL BELTECH