

# ON THE ROAD TO A SUSTAINABLE TOMORROW

SUSTAINABILITY  
REPORT  
2023





WE VERIFIABLY LIVE THE  
**TERBERG SUSTAINABILITY  
CORE VALUE** THROUGH  
OUR PRODUCTS AND  
SERVICES, OPERATION,  
BUSINESS CONDUCT AND  
CONTRIBUTION TO  
LOCAL COMMUNITIES.

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# Foreword

Godfried Terberg

Chair of the Board of Directors



"WE ARE **PROUD OF THE PROGRESS** THAT WE HAVE MADE; HOWEVER, WE ALSO REALISE THAT OUR SUSTAINABILITY JOURNEY WILL NEVER REALLY END."

# We are determined to make a positive impact for today and for the generations to come

It is with confidence that I present to you Royal Terberg Group's first sustainability report. To see how our family business, since it was first founded in 1869, has continued to aim for the sustainable growth of our activities already for five generations is very inspiring. Rendering account on our performance in the area of sustainability for the year 2023, determining our ecological footprint, and reporting this are important steps. This transparency is essential in order to monitor our progress in the coming years.

To underline the importance of sustainability, with this report, we are taking the first step in our roadmap towards a fully integrated sustainability and financial report over 2025. After all, sustainability is one of the seven core values that are embedded in Terberg's DNA. In an organisation with a strong focus on local entrepreneurship, we are now working on making these results more visible. This process is not without challenges. As is the case for many of the challenges that Terberg has faced over the past 155 years, we will also overcome this challenge with a highly motivated team and deliver a good result.

## Global trends accelerating innovative and sustainable solutions

Terberg's strategy for the period 2023-2027, which we named "Moving Forward Together", is our answer to three important global trends: Electrification, Digitalisation, and Sustainability.

## Global Trends



### Electrification

Terberg contributes to reducing Greenhouse Gas emissions and to global efforts to combat climate change by developing and marketing battery-powered vehicles and assets in all its divisions.



### Digitalisation

Terberg Connect monitors vehicle information real-time. With Terberg Connect, the maintenance, route, and speed of vehicles can be managed better. Ultimately, this can extend the vehicle lifespan and result in a reduction of the ecological footprint.



### Sustainability

At Terberg, we are constantly working on improving our internal processes and operations to limit our emissions. In addition, we consider the well-being of our employees to be extremely important. Our people are the backbone of our company, therefore we are constantly optimising their work environment and working on improving their well-being.

These trends not only have an effect on market demand, they are also accelerating the development of innovative and sustainable solutions to realise the ambitions of both our customers and Terberg.

These initiatives demonstrate how Terberg is actively responding to the changing market demand and contributing to a sustainable future, both for its customers as well as for society in general.

“Terberg is actively responding to the changing market demand and contributing to a sustainable future.”

Godfried Terberg

Chair of the Board of Directors

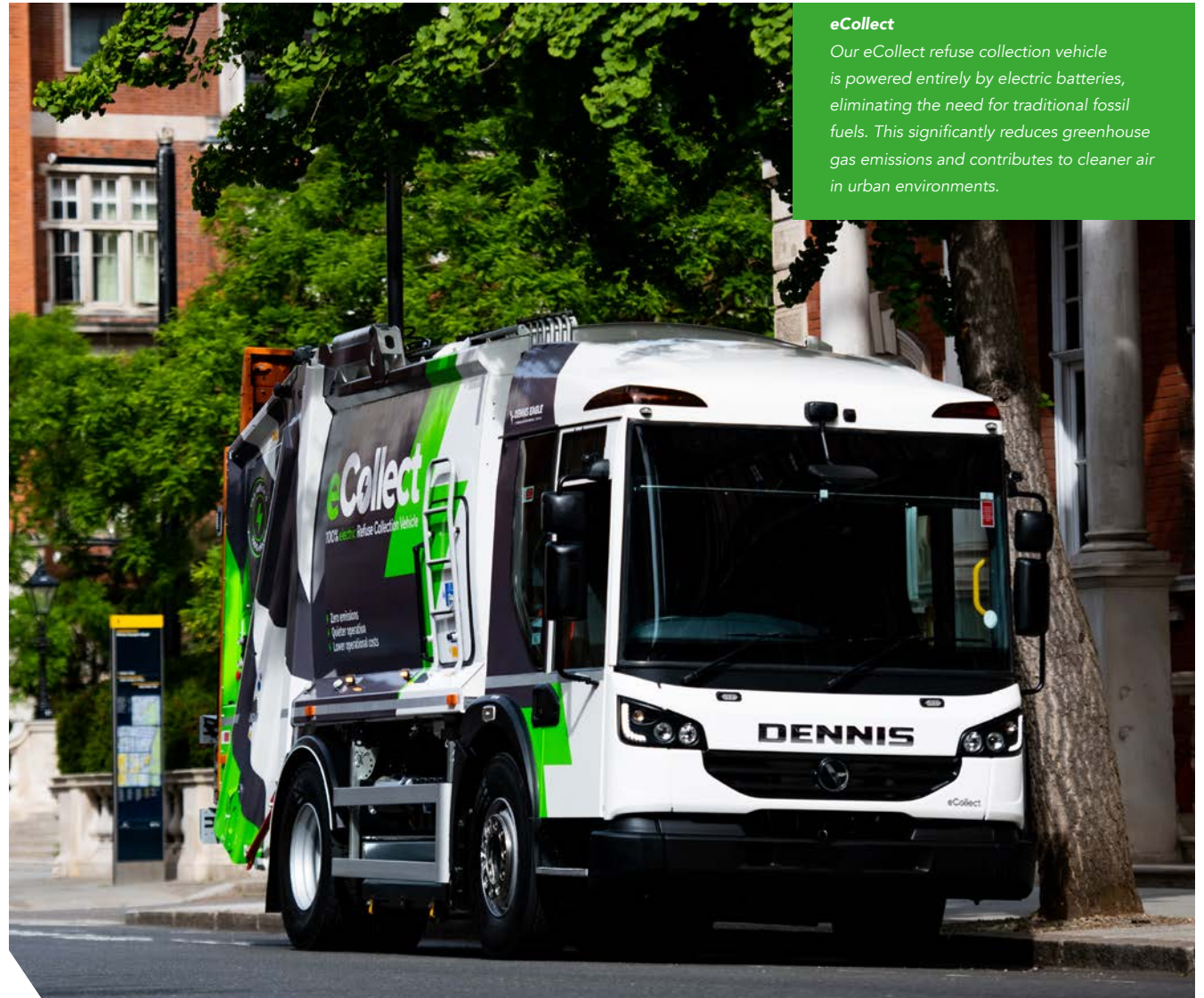
### Sustainability is a necessity

In this rapidly changing world, sustainability is no longer an option, it has become a necessity. At Terberg, we are determined to make a positive impact, not only for today, but also for the generations to come. Together, we strive for a future in which economic prosperity goes hand in hand with social justice and the conservation of the environment.

We are proud of the progress that we have made; however, we also realise that our sustainability journey will never really end. Let us continue to innovate, work together, and inspire each other, as this is the only way we can create a resilient and sustainable world for everyone.

I would like to thank all our stakeholders, customers, suppliers, and the whole team at Terberg for their constant support and involvement in our sustainability journey!

Royal Terberg Group B.V.  
Godfried Terberg, Chair of the Board of Directors



### eCollect

Our eCollect refuse collection vehicle is powered entirely by electric batteries, eliminating the need for traditional fossil fuels. This significantly reduces greenhouse gas emissions and contributes to cleaner air in urban environments.

# Mission & Vision



“OUR EMPLOYEES AND FAMILY CULTURE ARE THE DRIVING FORCES BEHIND OUR **SUCCESS.**”

# Creating value in specialist vehicle markets

MARKETS  
Logistics  
Industry  
Ports

COMPANIES  
**17**

EMPLOYEES  
**975**

DIVISION  
Terberg Special Vehicles

## Special vehicles



EMPLOYEES  
**2,133**

COMPANIES  
**18**

MARKET  
Waste management  
& recycling

DIVISION  
Terberg Environmental

## Environmental equipment



MARKETS  
Construction  
Logistics  
Industry

COMPANIES  
**2**

EMPLOYEES  
**101**

DIVISION  
Terberg Kinglifter

## Truck mounted forklifts



EMPLOYEES  
**90**

COMPANIES  
**1**

MARKETS  
Modification  
Industry

DIVISION  
Terberg Techniek

## Truck modification





## Mission

### Our mission

Terberg is a family business providing best-in-class solutions worldwide in the special vehicle market, enabling businesses and the public sector to transport goods efficiently, safely, and sustainably.

## Vision

### Where we are going to

In the coming years, there will be a growing market potential for our four divisions, while at the same time, the world that we operate in is changing rapidly. At the start of 2024, our innovation and international expansion journey has resulted in nearly 1.2 billion euros in annual revenues. We continue to move forward on this journey as we develop from a regional into a global manufacturer and service provider. We are becoming a true global player, and we are creating new horizons for all Terberg companies.

## Our core values

Our employees and family culture are the driving forces behind our success. We have formulated seven core values as guiding principles for our company.

These core values define our behavioural norms and how actions are taken and decisions are made within the company on a day-to-day basis to achieve our goals and fulfil our vision. We are proud of these values, and we live by them every day! We aim for great results, without compromise, and we strive to enrich our work environment so that we are not just a company, but a global family.



**"TERBERG IS  
A LEADING  
WORLDWIDE  
OPERATING  
INDEPENDENT  
FAMILY-RUN  
BUSINESS."**



# Profile

The foundation for Royal Terberg Group B.V. as it is today, was laid in 1869 with the establishment of a blacksmith's forge in Benschop, the Netherlands. After World War II, the company expanded rapidly under the leadership of the third and fourth generation of the Terberg family. Over the past decades, Terberg has developed into a leading player in niche markets in the automotive industry.

Terberg is a 100% family-owned business with as core values entrepreneurial spirit, customer focus, innovation, integrity, quality, flexibility, and sustainability. The continuity of the family business is an important objective. The management of the company is currently in the hands of the fourth generation of the Terberg family. Members of the fifth generation are also actively involved in the company. Terberg Group B.V. celebrated its 150th anniversary in 2019 and was awarded the designation 'Royal' by King Willem-Alexander of the Netherlands. A title that the company wears proudly since that date. In 2024 the company will celebrate its 155th anniversary.

## Core activities



**Vehicle development, manufacturing and delivery**



**Vehicle-related service and maintenance**  
Service and maintenance (remote and on-site), spare parts, refurbishment, digitalisation (Terberg Connect).



**Vehicle leasing  
and rental**



**Used equipment -  
resale or rental**



**Training and support  
for use and maintenance  
of vehicles**

### **Best-in-class solutions in the special vehicle market**

Royal Terberg Group's mission is to provide best-in-class solutions worldwide in the special vehicle market, enabling businesses and the public sector to transport goods efficiently, safely, and sustainably. Our ambition in a rapidly changing world is to be the most innovative and sustainable vehicle supplier in the markets in which we operate. We do this together with our dedicated workforce by constantly focusing on investments in sustainable production processes and product design, electrification, digitalisation, and the optimisation of our distribution network.

### **Four divisions**

The Group is divided into four divisions: Special Vehicles, Environmental Equipment, Truck Modification, and Truck Mounted Forklifts and it carries out its activities through a network of 35 operating companies. These companies are located in the Netherlands, the United Kingdom, Northern Ireland, Belgium, France, Germany, Italy, Poland, Spain, Portugal, Malaysia, Singapore, Colombia, the United States of America, and the United Arab Emirates. Our operating companies provide their products and services all over the world and are supported by an extensive global dealer network.

### **A business-to-business service provider**

The Royal Terberg Group operates in the business-to-business market – all Terberg customers are professional operators. The Group does not provide products or services to consumers. Products and services are provided to customers by both Royal Terberg Group operating companies and independent distributors. The Group operates in various market segments, of which the most important are industry, terminal services, transport & logistics, refuse collection, construction & infrastructure, automotive, defence, government and semi-government such as municipalities. At year-end 2023, Royal Terberg Group B.V.'s consolidated revenue amounted to € 1.2 billion and the group employed a workforce of over 3330 FTEs.

# Historic timeline



## From refurbished army trucks in 1949...

In 1949, Terberg starts converting trucks obtained from the American army for use in the construction industry.

1869



Johannes Bernardus Terberg sets up a blacksmith's forge in the village of Benschop in the Netherlands.

1966



Delivery of the first Terberg 6x6 dump truck, the SF1200 based on a Terberg chassis.

1973



Delivery of the first Terberg Terminal Tractor to a customer in the Port of Rotterdam.

1988



Start production of the first type of environmental equipment loading system.

2019



Terberg Group celebrates its 150th anniversary and receives a Royal Warrant from the King of the Netherlands.

2021



Dennis Eagle Inc. sets up a factory in Summerville, SC (USA) and starts producing low-entry chassis cabs for the waste and recycling industry.

**Autonomous driving**  
 Prototype drive-by-wire  
 Yard Tractor YTxx3.



“WE DELIVER AN INDUSTRIAL-GRADE SOLUTION TO **MAXIMISE** PRODUCTIVITY, EFFICIENCY AND SAFETY IN OPERATIONS.”

**...to autonomous driving**

2022 – present



**Electric driveline**  
 eCollect fully electric refuse collection vehicle.

Terberg Environmental



**Hydrogen driveline**  
 Proof of concept Hydrogen Yard Tractor YT203H2.

Terberg Special Vehicles



**Alternative fuel (LNG/LPG/HVO)**  
 Prototype LPG version of the Yard Tractor for the USA market TSV 2023.

Terberg Special Vehicles



**Cab optimisation**  
 Elite+ for low-entry, walk-through cab at eye level with other road users.

Terberg Environmental



**Vehicle data intelligence**  
 Acquisition of Terberg Connect system manufacturer.

Terberg Environmental



**Strategy**  
 New strategy 2023-2027 for Royal Terberg group: Moving Forward Together.

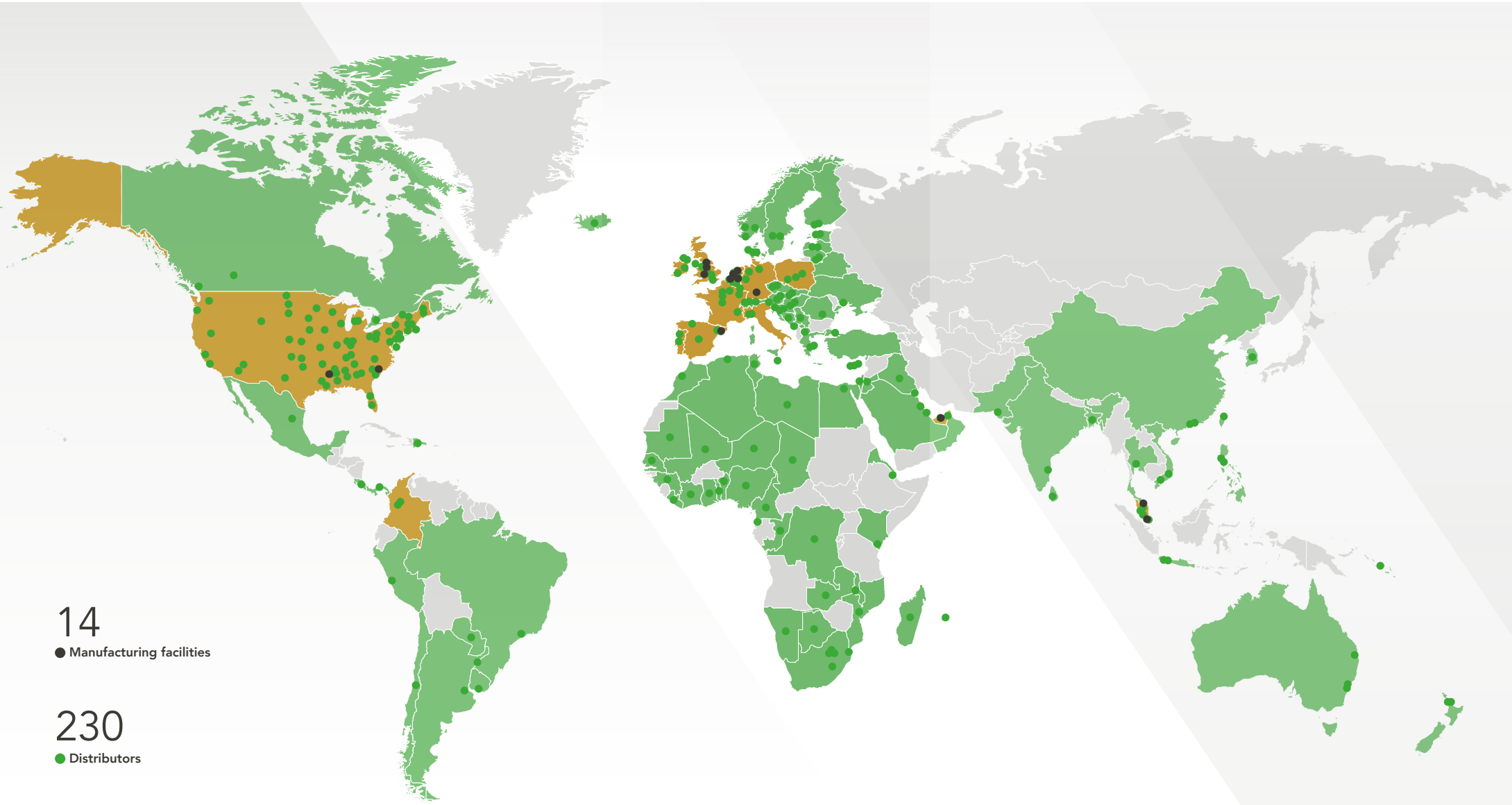
Royal Terberg Group



**New locations**  
 New locations such as the manufacturing facility TTAM in Columbus, MS (USA).

Terberg Special Vehicles

# Global presence



14  
● Manufacturing facilities

230  
● Distributors

15  
Countries with  
a Terberg company

80  
Distributor  
countries

# Stakeholder engagement

Engaging with our stakeholders is key to sustainable business success. Our approach per stakeholder is described to the right of this page.



**Customers/End-users:**

"We engage in continuous dialogue with our customers and end-users because we value understanding their needs and preferences to ensure that our products and services meet and exceed their expectations."

**Distributors:** "We engage in transparent communication and constructive collaboration with our distributors because we value building strong partnerships that facilitate efficient distribution channels and mutual growth."

**Suppliers:** "We engage in fair and ethical practices with our suppliers because we value sustainable and responsible sourcing, fostering long-term relationships based on trust and mutual benefit."

**Partners:** "We engage in strategic partnerships and alliances because we value leveraging collective expertise and resources to drive innovation, create shared value, and address global challenges collaboratively."

**Employees:** "We engage in fostering a supportive and inclusive work environment because we value the well-being, growth, and development of our employees, recognising their contributions as the backbone of our success."

**Terberg Family (Shareholders):**

"We engage in transparent communication and decision-making because we value the long-term sustainability of our company and the preservation of our family values and legacy."

**Financial institutions and insurance companies:** "We engage in transparent and sustainable partnerships because we value responsible financial practices and alignment with our strategic objectives."

**Government and regulatory bodies:** "We engage in constructive dialogue, and we comply with laws and regulations because we value being responsible corporate citizens, contributing to the development of sound policies and practices that promote environmental stewardship, social equity, and economic prosperity."

**Society & NGOs:** "We engage in constructive dialogue and collaboration with society and NGOs because we value their insights and expertise in addressing social and environmental challenges, and strive to make meaningful contributions to local communities and the planet."

# Trends

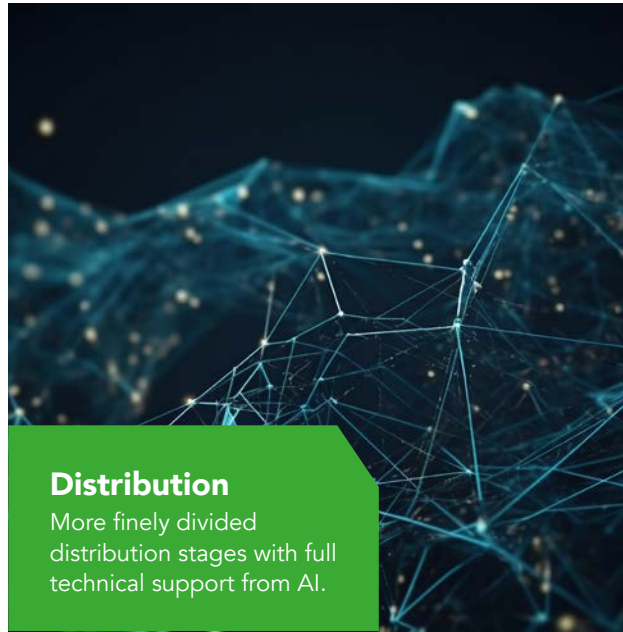
In an ever-changing world, all Terberg divisions are facing the same global challenges. Terberg aims to be constantly prepared, adapt selectively, and seize opportunities proactively. These challenges include:

- Labour market
- Financial aspects
- Leadership
- Geopolitics
- Technology
- Energy
- Distribution



## Labour market

Labour market shortages that make it a challenge to recruit and retain qualified personnel.



## Distribution

More finely divided distribution stages with full technical support from AI.

## Technology

Powerful, disruptive new global concepts, products, and players.

## Financial aspects

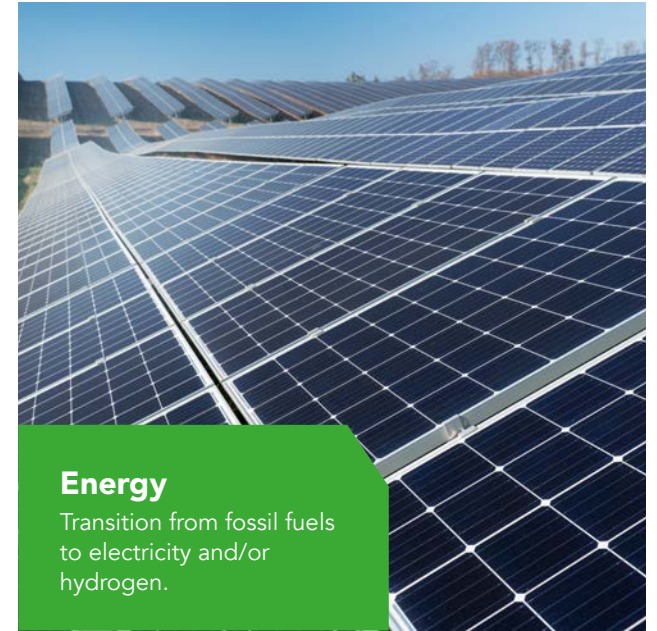
Increasing volatility in all areas.

## Leadership

Focus on the right balance between people, planet, and profit.

## Geopolitics

Instability and threats leading to increasing protectionism by states and regions.



## Energy

Transition from fossil fuels to electricity and/or hydrogen.

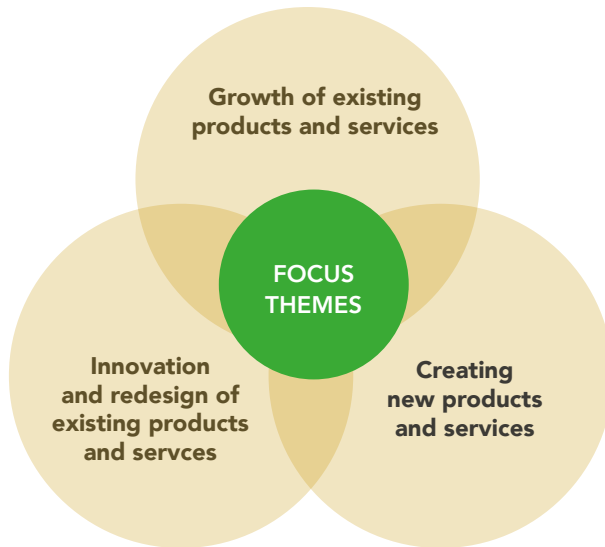


# Strategy 2023 – 2027

## Moving forward together

How do we successfully position Royal Terberg Group for the future? Our new strategy 2023 – 2027 incorporates our answers to important external trends that effect Terberg and supports us in our ambition to continue to expand our activities and maintain our profitability.

The core of our strategy is to deliver best-in class solutions and customer-specific products. We provide reliable, high-quality products with a low total cost of ownership, tailored to the demands of our customers.



**Uniformity through Collaboration**

*A fundamental principle in our strategy is reinforcing 'Uniformity through Collaboration': working together in a uniform way across the Group without compromising our entrepreneurial spirit.*

Our strategy 2023 – 2027 focuses on growth, innovation, and redesign of existing products and services, creating new products and services, and developing new business models.

Royal Terberg Group already operates worldwide and is driving this globalisation further via mergers and acquisitions as well as through organic growth such as expansion of our OEM activities in Europe, the USA, and Southeast Asia. The global expansion of our distributors network and our increased focus on services will also contribute to our growth.

An important part of our strategy is the **innovation and redesign of existing products and services**, for example, electric vehicles and hydrogen drivelines, and **the creation of new products and services**, including autonomous and remotely controlled vehicles.

In addition, we are also **expanding our rental activities and after-sales support** to contribute to more efficient and sustainable operations. These strategic choices are our answers to the global trends that have an impact on Terberg.

# Governance Structure

## Composition

Royal Terberg Group is governed by a Board of Directors with three members and a Supervisory Board with four members.

The division CEOs of our two main divisions are:

- Tim Conlon for Terberg Environmental
- Rob van Hove for Terberg Special Vehicles

These two divisions represent 95% of our total revenue.

“The core objective of the governance structure of Royal Terberg Group is to ensure the long-term sustainability and growth of the company while maintaining its values and integrity as a family-owned business.”

Godfried Terberg

Chair of the Board of Directors

## Board of Directors



### Paul J. van der Kroft

Member of the Board of Directors, appointed 2008

**FOCUS AREA**

The provision of services by the holding company, among which sustainability.

### Godfried Terberg

Chair of the Board of Directors, appointed 2003 and Chair since 2021

**FOCUS AREA**

Refuse collection systems and truck-mounted forklifts.

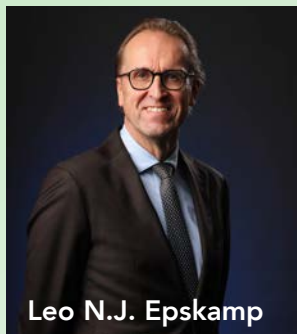
### Rob F.M. van Hove

Deputy Chair of the Board of Directors, appointed 2021

**FOCUS AREA**

Special vehicles and truck modification.

## Supervisory Board



**Leo N.J. Epskamp**

**Chair of the Supervisory Board, appointed 2019**

**PROFILE**

Partner and interim director at Custom Management. Former CFO of companies including Eriks N.V., TMG N.V., Econcern N.V., and former partner at KPMG.

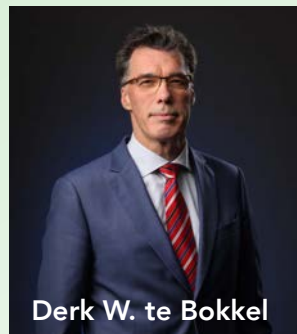


**George J.M. Terberg**

**Member of the Supervisory Board, appointed 2021**

**PROFILE**

A number of roles in the Terberg family business, e.g. former Director of Terberg Benschop B.V. Former member and chairman of the Royal Terberg Group Board of Directors.



**Derk W. te Bokkel**

**Member of the Supervisory Board, appointed 2013**

**PROFILE**

Investor, interim manager and member of the Supervisory Boards of industrial companies. Current positions: Chairman Royal IHC. Former board member, director and group director at companies such as Stork, Moba and Vanderlande.



**Aad L. Goudriaan**

**Member of the Supervisory Board, appointed 2015**

**PROFILE**

Entrepreneur and co-owner of N2-Enterprise investment. Former President & CEO Bosal Group, former President-Director DAF Trucks N.V., Vice-President PACCAR Inc.

The roles and responsibilities of the Supervisory Board and the Board of Directors are described in detail in the regulations governing these boards.

The Board of Directors appointed a Group Sustainability Manager to manage Sustainability for the Group. This manager reports directly to the Board of Directors. Various Sustainability topics fall under the responsibility of other staff functions such as human resources, procurement, legal, finance, and engineering.

### Provision of information about Sustainability

The Supervisory Board and the Board of Directors are provided with relevant information by the Group Sustainability Manager who reports to them regularly and ad hoc when required. The focus in 2023 was on setting the priorities for Sustainability for Terberg, the Sustainability roadmap, the governance regarding sustainability, the launch of specific projects like the Green House Gas accounting project and the impact of CSRD/ESRS on our organisation.

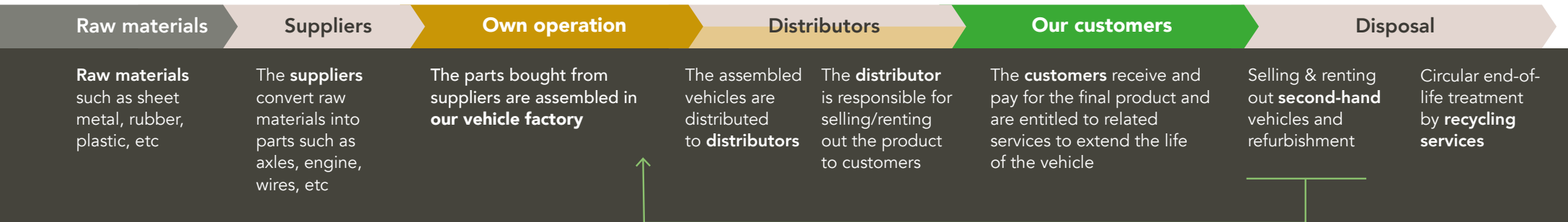
# Sustainability in the value chain

Terberg is part of the value chain. We design, engineer and produce vehicles, sell or rent them and deliver a range of after-sales services. To be able to do so, we source materials, products and services.

Further down the value chain, customers use our products and services and dispose of them end-of-life. As a company, we have responsibilities for the sustainability associated with the products and services we procure, our own operation and the use of our products and services by our customers.

We realise fully that our responsibility with respect to sustainability goes far beyond the responsibility for our own operation.

## Our value chain



# Sustainability priorities, commitments & roadmap



"OUR **SUSTAINABILITY ROADMAP** COMMENCES WITH OUR COMMITMENT TO VERIFIABLY LIVE THE TERBERG CORE VALUE SUSTAINABILITY."

# Sustainability priorities

## Sustainability – set the priorities

Sustainability is one of the core values of the Royal Terberg Group. In general, sustainability is a broad concept that concerns a wide range of environmental, social, and governance topics. To assess which topics are of material importance for Terberg, we applied the methodology of the Double Materiality Assessment as described in the CSRD/ESRS legislation. By establishing which sustainability matters are material for Terberg, we can invest our time, energy, and other resources in these matters. The Double Materiality Assessment method brings a clear focus in our sustainability agenda.

## The Double Materiality Assessment (DMA) process

Our double materiality assessment process started with an event in the spring of 2023, attended by members of the Royal Terberg Group Board of Directors and the Management Teams of all Group operating companies.

### Method and assumptions

Prior to the event, a questionnaire “Sustainability – set the priorities” was sent to all management teams and the board.

This covered the topics, sub-topics, and sub-sub-topics from AR 16 ESRS 1 and addressed the following nine sustainability topics that appeared most relevant for the Royal Terberg Group:

- Climate change.
- Resource use and circular economy.
- Water, biodiversity, and ecosystems.
- Pollution (of air, water, and soil).
- Training and skills development.
- Equal treatment and opportunities for all.
- Health and Safety.
- Business Conduct.
- Sustainability in the supply chain.

## DMA on a timeline

PHASE 1 April 2023	May 2023	June 2023	Sep - Dec 2023	PHASE 2 Jan - Mar 2024	Summer 2024	PHASE 3 Q3 - Q4 2024
<p>Desk research:</p> <ul style="list-style-type: none"> <li>• Material impacts for our type of industry based on information by SASB, IFRS industry-based guidance, S&amp;P Global, and MSCI.</li> <li>• Material Risks &amp; Opportunities related to sustainability matter (for example the Global Risk Report).</li> <li>• Sustainability reports of two Terberg companies and Industry peers.</li> </ul>	<p>Questionnaire for the management teams of all Terberg companies on the impact of Terberg on people and the environment (Impact Materiality) and the effect of sustainability matters on Terberg (Financial Materiality).</p>	<p>Break-out sessions with management teams of all Terberg companies on the outcome of the questionnaire.</p>	<p>Impact Materiality (inside out): assessing the material topics and discussing these with the Board of Directors and the Supervisory Board.</p>	<p>Financial Materiality (outside in): assessing the material topics to be discussed with the Board of Directors.</p>	<p>Gap analysis on DMA by external experts to ensure audit readiness.</p>	<p>Filling the gaps in the DMA. One of the topics under study is ESRS E2 (Pollution).</p>



This selection was based on industry-specific material sustainability topics and previously identified material topics in two Terberg companies and among competitors.

The questionnaire asked the respondents how they thought each topic would impact Terberg, and how they expected Terberg to impact the environment and people in relation to the topic. They were asked to describe the impact in words and then use a point scale to indicate if it was positive or negative, actual or potential, and to rate its severity and likelihood. Respondents could also indicate any other sustainability topics they considered relevant for Terberg. This open question was to ensure that no relevant sustainability topics would be overlooked. The response rate was 79% (it was answered by 77 out of 98 board members) and all Group companies had participated.

#### **Presentation of the questionnaire results**

The outcome of the questionnaire was presented at the spring event 2023. The outcome was discussed in breakout sessions during the day. These sessions also provided information to supplement the results.

#### **Next steps**

Terberg applies a three phases approach for the DMA. In the period April 2023 – March 2024, we executed phase one and two. Phase three will be executed in 2024. We refer to the DMA timeline on the previous page.

After these three phases, we will regularly update the DMA as part of our continuous improvement process.

### **Impacts, Risks and Opportunities**

#### **Identification of impacts on people and the environment**

The outcomes of the questionnaire and the breakout sessions were analysed. A proposal on Royal Terberg Group's key impacts on people and the environment was then submitted to the Board of Directors and the Supervisory Board. The proposal was accepted by both boards in December 2023. The material topics resulting from the Impact Materiality Assessment are presented on page 25. A detailed overview of the impacts on people and the environment will be published in our next Sustainability Report, after finalising the DMA.

#### **Identification of risks and opportunities**

The outcomes of the questionnaire and breakout sessions were analysed. This resulted in a comprehensive overview of all the risks and opportunities stemming from sustainability topics, sub-topics, and sub-sub-topics. The risks and opportunities that may have a financial impact on Royal Terberg Group (i.e. the material risks and opportunities) were identified and divided into physical risks, systemic risks, transition risks, and opportunities.

The material topics resulting from the Financial Materiality Assessment are presented on page 25. A detailed overview of the risks and opportunities will be published in our next Sustainability Report, after finalising the DMA.

“Terberg's selection process for a new facility site in the United States thoroughly considered climate variables such as temperature, rain, humidity, and extreme weather, including the risk of tornadoes and flooding, to ensure optimal resilience and operational stability.”

Theo Roosendal

Terberg Special Vehicles

### **Material topics for Royal Terberg Group**

In this section, we present the outcome of our Double Materiality Assessment. For the Impact Assessment as well as for the Financial Assessment, we provide an overview of the material topics, sub-topics, and sub-sub-topics. We also indicate on which term they will be material: short term (within one year), medium term (after one year and within five years) and long term (after five years). The material topics, sub-topics, and sub-sub-topics are discussed in the chapter *ESG: Environment* through the chapter *ESG: Governance*.

### **From Material topics to Sustainability Roadmap**

The Sustainability Roadmap comprises the topics that resulted from the Double Materiality Assessment. See the next pages for this roadmap.

# Material topics based on DMA

(Double Materiality Assessment)

ESG pillar	Topical ESRS	Material sustainability topics for Terberg – using terminology from ESRS 1 AR 16			
<b>Impact Materiality</b>		Topics	Sub-topics	Sub-sub-topics	Year
Environment	E1	Climate change*	<ul style="list-style-type: none"> <li>Climate change mitigation</li> <li>Energy</li> </ul>		●
	E5	Resource use and Circular economy*	<ul style="list-style-type: none"> <li>Resources inflows, including resource use*</li> <li>Resource outflows related to products and services*</li> <li>Waste</li> </ul>		●
Social	S1 + S2	Own workforce* + Workers in the value chain*	<ul style="list-style-type: none"> <li>Working conditions*</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety*</li> </ul>	●
			<ul style="list-style-type: none"> <li>Equal treatment and opportunities for all</li> </ul>	<ul style="list-style-type: none"> <li>Gender equality</li> <li>Diversity</li> <li>Training and skills development</li> </ul>	●
Governance	G1	Business conduct*	<ul style="list-style-type: none"> <li>Management of relationships with suppliers*</li> </ul>		●
<b>Financial Materiality</b>					
Environment	E1	Climate change*	<ul style="list-style-type: none"> <li>Climate change adaptation</li> </ul>		●●●
	E5	Resource use and Circular economy*	<ul style="list-style-type: none"> <li>Resources inflows, including resource use*</li> <li>Resource outflows related to products and services*</li> </ul>		●●
Social	S1 + S2	Own workforce* + Workers in the value chain*	<ul style="list-style-type: none"> <li>Working conditions*</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety*</li> </ul>	●
Governance	G1	Business conduct*	<ul style="list-style-type: none"> <li>Management of relationships with suppliers*</li> </ul>		●●

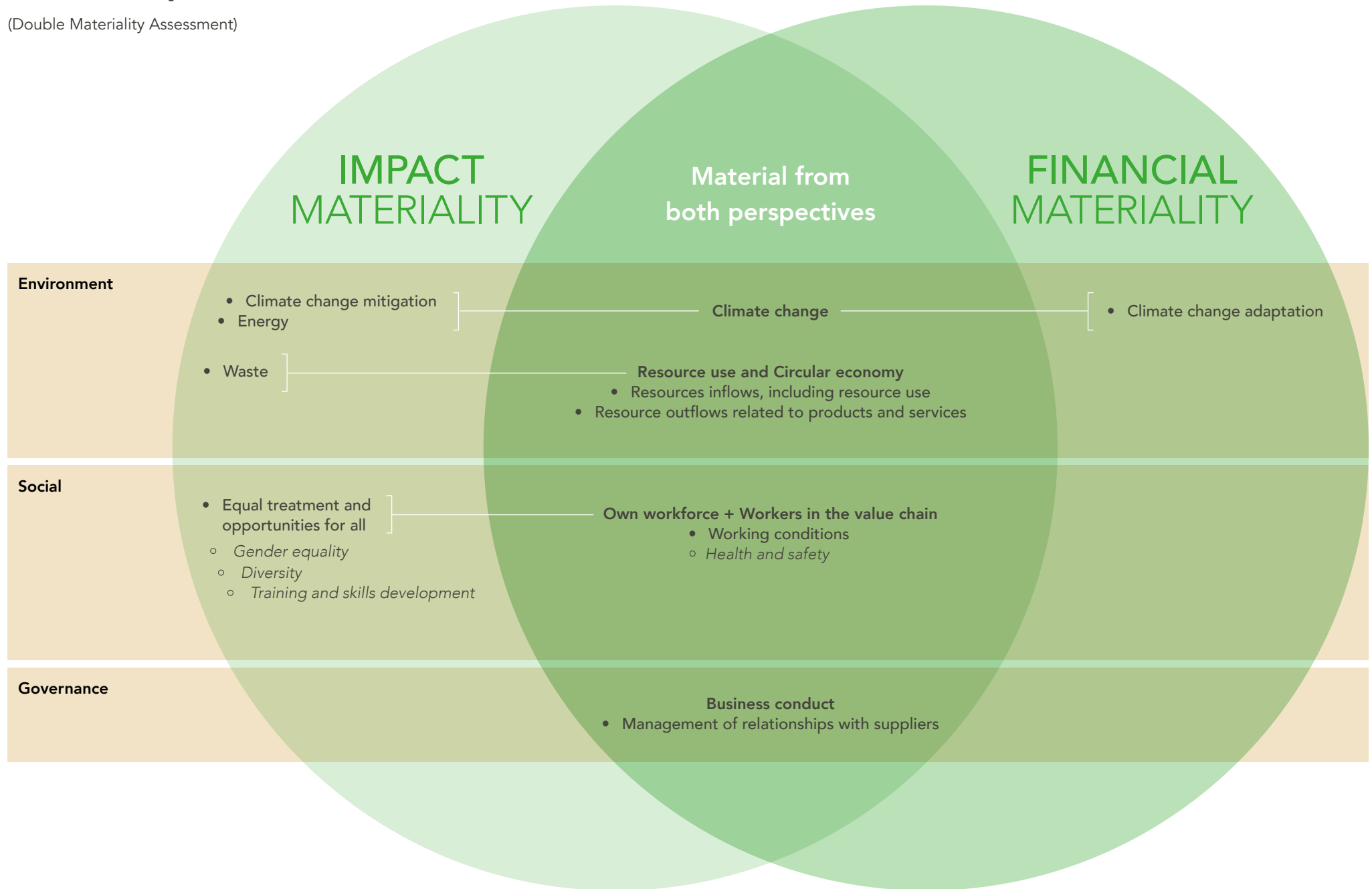
\* Means this topic results from both Materiality Assessments (Impact & Financial).

● Short term (within one year)  
 ●● Medium term (after one year and within five years)  
 ●●● Long term (after five years).



# Material topics based on DMA

(Double Materiality Assessment)



# Sustainability commitments & roadmap

The Royal Terberg Group Board of Directors and Supervisory Board adopted the Terberg Sustainability Roadmap at the end of December 2023. This roadmap commences with our commitment to verifiably live the Terberg core value Sustainability through our products and services, operation, business conduct, and contribution to local communities. In our sustainability approach, we distinguish the following four pillars and eleven commitments with respect to each pillar.

Our commitments cover the three dimensions of sustainability: **Environment, Social aspects,** and **Governance.** This includes the value chain (suppliers, own operation, and customers) and our local communities and contributes to the following five UN Sustainable Development Goals (SDGs).

## Our sustainability Roadmap

Verifiably live the Terberg Sustainability core value through our products and services, operation, business conduct and contribution to local communities. Our approach consists of 4 pillars:

### PILLAR 1



Enable our customers to transport goods safely and sustainably

- 1 Ensure user health & safety through our vehicle design and construction
- 2 Transform transportation solutions to zero emission and circular economy

### PILLAR 2



People-centred and sustainable operation

- 3 Support the development of our people
- 4 Ensure the health & safety of our people
- 5 Ensure equal treatment and opportunity for all
- 6 Reduce energy use and GHG emissions
- 7 Reduce (natural) resources use and waste
- 8 Ensure a clean environment, no pollution

### PILLAR 3



Responsible business conduct

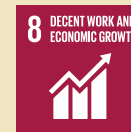
- 9 Apply our Code of Conduct in the value chain
- 10 Apply Sustainability Due Diligence in the supply chain for responsible sourcing

### PILLAR 4



Contribution to local communities

- 11 Be involved in and support the communities and regions we operate in through dedicated social impact initiatives



In our roadmap, we describe our strategic choices, targets (which are qualitative at this stage), KPIs, actions at group level, and actions at Terberg company level for each commitment. You will find a description of our commitments, strategic choices, and various actions in the next chapters. In our next Sustainability Report, we will also include quantitative KPIs and targets as we continue to build our sustainability reporting framework.

“I care deeply about people and our planet, this is what motivates me day in day out to do everything I possibly can to promote sustainable business practices within the Royal Terberg Group, aligning ESG and business goals for the sustainable future of our company.”

Jeannette Paul

Group Sustainability Manager

### Our commitments for material impacts, mapped on the value chain



4 PILLARS  
11 COMMITMENTS

*Our commitments are qualitative now. We will set quantitative targets as soon as we have reliable information on the current situation.*



# ESG Environment



## Introduction

Based on the Double Materiality Assessment in the chapter *Sustainability priorities, commitments & roadmap*, the most important environment-related topics for Terberg are:

- **Climate change**, with the subtopics Climate adaptation, Climate change mitigation and Energy.
- **Resource use** and **Circular economy**, with the subtopics Resources inflows, including resource use, Resource outflows related to products and services, and Waste.

In this chapter, we present our commitments and strategic choices for each environment-related topic as well as our performance on these topics and the actions taken in 2023. In addition, we also provide a preview of our plans for 2024.

“WE DEVELOPED  
PRODUCT-RELATED  
FEATURES THAT  
CONTRIBUTE TO  
MITIGATING CLIMATE  
CHANGE.”

# Climate change

## Our commitment

With regard to the topic climate change, Terberg is committed to:

- Transforming transportation solutions to zero emissions (product & services related - pillar 1).
- Reducing energy use and GHG emissions (own operation related - pillar 2).

## Our strategic choices

We have made the following strategic choices at present in connection with the realisation of our commitments with regard to the topic climate change:



### Strategic choices regarding the development of products and services (pillar 1):

- Further development of zero- and low-emission vehicles.
- Development and optimisation of IT products and services for energy management (for individual vehicles as well as for the entire vehicle fleet).



### Strategic choices regarding our own operation (pillar 2):

- Operate an environmental management system at each Terberg company.
- Eco-design of our products (to minimise material use and energy consumption in the assembly process, generate minimal waste, and zero pollution).
- Reduce energy use, improve e-efficiency, and use renewable energy in all our locations.

## Dennis Eagle eCollect fully electric refuse collection vehicle

Dennis Eagle's eCollect is a fully electric refuse collection vehicle designed to provide a sustainable and environmentally friendly solution for waste management. The eCollect is powered entirely by electric batteries, eliminating the need for traditional fossil fuels. This significantly reduces greenhouse gas emissions and contributes to cleaner air in urban environments.



Terberg Environmental

Our local management is responsible for the management of these environmental topics in our companies. As a group, we work on alignment on the environmental topics with a project approach. We work with project members from Terberg companies forming a topic-specific team, such as the Carbon team. Sharing information and best practices and alignment on methodologies contribute to capacity building throughout the company.

**Our performance and actions taken in 2023**

**Product-related features that contribute to mitigating climate change**

Various product-related features (see table below) contribute to reducing the Green House Gas emissions of our products in use, and therefore contribute to mitigating climate change.

**Product-related features that contribute to mitigating climate change**

PRODUCT-RELATED FEATURE	IMPACTS
Electrical & Hydrogen drivelines	Impact on GHG and particles emission
Energy efficiency improvements	Impact on energy consumption and therefore also an impact on GHG and particles emission
Engines that can run on alternative fuels HVO or LNG/LPG (as intermediate solution between diesel and electric)	Impact on GHG and particles emission
Terberg Connect – Terberg’s telematics system	Impact on vehicle downtime, efficiency and emissions along with service engineer travel

“TERBERG IS COMMITTED TO REDUCE ITS OWN ENERGY USE AND GHG EMISSIONS, AS WELL AS TO TRANSFORM ITS TRANSPORTATION SOLUTIONS TO ZERO EMISSIONS.”

**Terberg Special Vehicles  
YT203-EV fully electric  
yard tractor**

The Terberg YT203-EV is a fully electric yard tractor designed for use in industrial and logistics settings, such as ports, distribution centers, and warehouses. The YT203-EV is powered by an electric motor, eliminating the need for diesel fuel and reducing greenhouse gas emissions. It is equipped with high-capacity lithium-ion batteries that provide sufficient energy for a full day of operation.



Terberg Special Vehicles



**Our GHG Footprint**

Terberg companies have undertaken various measures to reduce GHG emissions in 2023. Where possible, companies have installed solar panels and heat pumps and have switched to renewable energy. To reduce our emissions in connection with mobility, our company car fleet consists increasingly of hybrid or electrical cars. In addition, we offer cycle schemes and a bus service to collect workers to avoid multiple car transport. To further reduce our GHG emissions, we aim for local sourcing to avoid transport, and more efficient and less transportation through truck-load optimisation and route planning.

To determine where we stand, we assessed our GHG footprint scope 1, 2 and 3 for the year 2022 in 2023. We are currently working on assessing our GHG footprint for 2023.

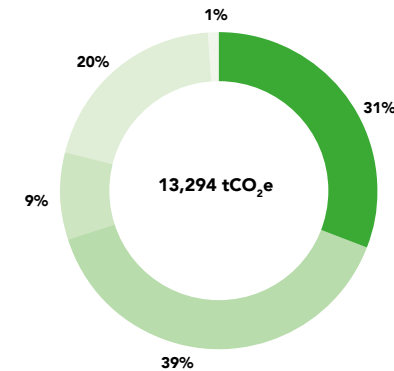
**Our Green House Gas (GHG) footprint**

The outcome for our GHG footprint assessment 2022 is presented for scope 1, 2 and 3.

**GHG footprint assessment approach**

We calculated the total GHG footprint of the Royal Terberg Group. This concerns the total amount of greenhouse gas emissions scope 1, 2 and 3 generated by our activities in 2022. Our GHG footprint calculation comprises the total scope of our company, in full alignment with our consolidated financial report, using the perspective of operational control. The methodology applied is in accordance with the Greenhouse Gas Protocol Corporate Accounting Reporting Standard. The Group Sustainability department coordinated the GHG footprint assessment process. Our Terberg Carbon Team, with representatives from all the Terberg companies, gathered the input data and the calculations were made by an environmental consultancy firm. We refer to the annex for a detailed description of the outcomes for the Group.

**Total GHG emissions  
Scope 1 & 2**



Scope 1		
Direct emissions	tCO <sub>2</sub> e	Total
Stationary combustion	4.171	
Mobile combustion	5.135	
Fugitive emissions	1.224	
<b>Total scope 1</b>		<b>10.530</b>

Scope 2		
Indirect emissions	tCO <sub>2</sub> e	Total
Electricity (market based)	2.707	
Electricity (location based)	2.906	
District heating	57	
<b>Total scope 2</b>	location-based	<b>2.964</b>
<b>Total scope 2</b>	market-based	<b>2.764</b>
<b>Total scope 1 &amp; 2</b>	market-based	<b>13.294</b>

**Scope 3**

Scope 3 emissions consist of 15 upstream and downstream categories (see figure on next page).

We calculated all 15 categories in scope 3 (except 3.8 due to unavailability of data), upstream categories 3.1 up to and including 3.7, and downstream categories 3.9 up to and including 3.15. In the graphic on next page, we express the GHG emissions for scope 3 upstream and downstream as a multiple of the scope 1 and 2 emissions.

Scope 3 GHG emissions ranked from largest to smallest contribution:

- Category 3.11 – Use of sold products.
- Category 3.1 – Purchased goods and services.
- Category 3.13 – Downstream leased assets.
- Categories 3.4 + 3.9 – Transport and distribution.

The above categories comprise 99 % of our GHG emissions in scope 3.

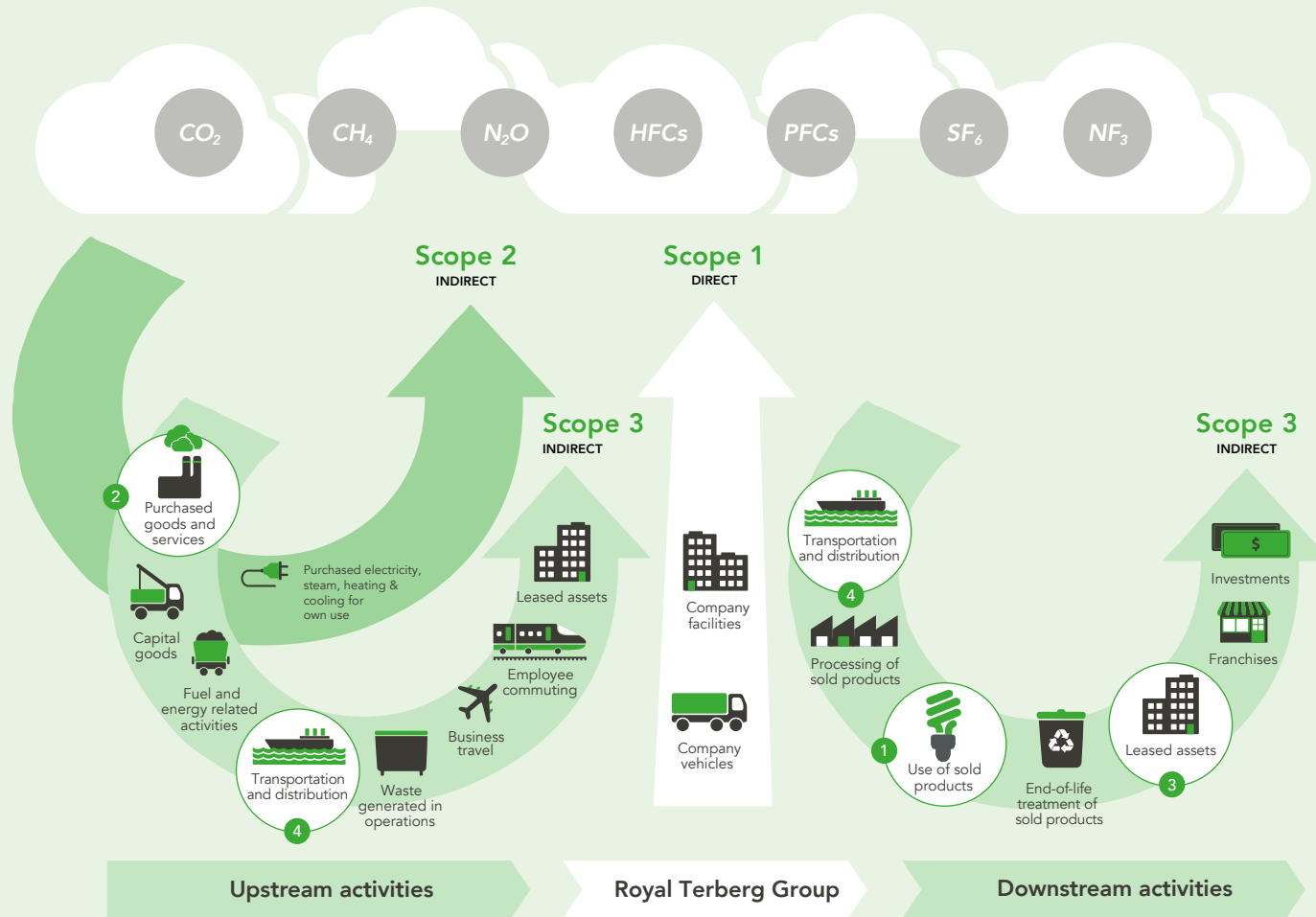
**Preview of 2024 for the topic climate change**

Besides assessing our GHG footprint over 2023, the first Terberg-wide transition plan for climate change mitigation will be drawn up in 2024. As a precursor to this, using 100% renewable energy use for electricity has already been established as a KPI in our Sustainability Roadmap.

For a detailed overview of the GHG footprint data see the Annex on page 44.



**Overview of GHG Protocol scopes and emissions across the value chain**



Source: Figure 1.1 of the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

**Scope 3**  
**266,379 tonnes CO<sub>2</sub>e**  
 This is about 20 times the emissions of scope 1 & 2

- Main contributors**
- Category 3.1: Purchased goods and services
  - Category 3.4: Upstream transport and distribution

**Scope 1 & 2**  
**Own operation**  
**13,294 tonnes CO<sub>2</sub>e**

**Scope 3**  
**2,781,206 tonnes CO<sub>2</sub>e**  
 This is about 200 times the emissions of scope 1 & 2

- Main contributors**
- Category 3.9: Downstream transport and distribution
  - Category 3.11: Use of sold products
  - Category 3.13: Downstream leased assets

## Expansion and renovation of the Low-Volume Assembly (LVA) facility in Benschop



### Sustainability and improved ergonomics

Daan de Nie, Manager Process Engineering at Terberg Special Vehicles in Benschop: "Our Low-Volume Assembly facility (LVA) in Benschop is where all tractors other than the YT and DT models are built. To accommodate growth and increase the sustainability of our LVA facility in accordance with our sustainability roadmap, we decided to build a new hall and renovate our existing assembly hall. The construction of the new building, which covers 2000m<sup>2</sup>, began in March 2023 and was completed in December 2023. We are currently renovating and upgrading the existing hall. If everything goes according to plan, we will join up the refurbished and the new building during the production stop in the summer of 2024 to create one new 4284m<sup>2</sup> LVA facility in which sustainability and improved ergonomics go hand in hand. We are aiming for an A++++ energy label."

**Gas-free energy-efficient climate control system: planet and people friendly**

Daan: "The new LVA facility will be completely gas-free. The climate control system uses heat pumps for heating and cooling the facility. We're really pleased with the new cooling system. Previously, on hot days, all we could do was open all the doors and hope for the best. With the climate control system, we should be able to offer a much more comfortable working environment for the people working in the hall. Our gas-free energy-efficient climate control system is not only planet friendly, it's also people friendly as good workplace temperature control contributes to the well-being of our workforce. When designing and refurbishing the buildings, we also took measures to reduce the amount of direct sunlight entering the building to avoid overheating of the buildings. Besides roof and wall insulation, other energy-saving features include doors that open and close quickly to reduce heat loss in the winter and keep out hot air in the summer. And of course, the buildings are equipped with LED lighting throughout."

**Fewer solar panels than planned due to a shortage of grid capacity**

Daan: "When renovating the existing building, the roof was reinforced so that we could instal solar panels on the roof of the existing as well as the new building. Unfortunately, at present, the electricity grid does not have sufficient capacity for us to be able to feed the electricity that we generate back into the grid. Therefore, we decided initially that it would not be wise to instal solar panels at this point in time. However, the heat pumps that we use turned out to consume quite a lot of energy. So, after recalculating our energy consumption, we decided to instal sufficient solar panels to cover our own electricity consumption."

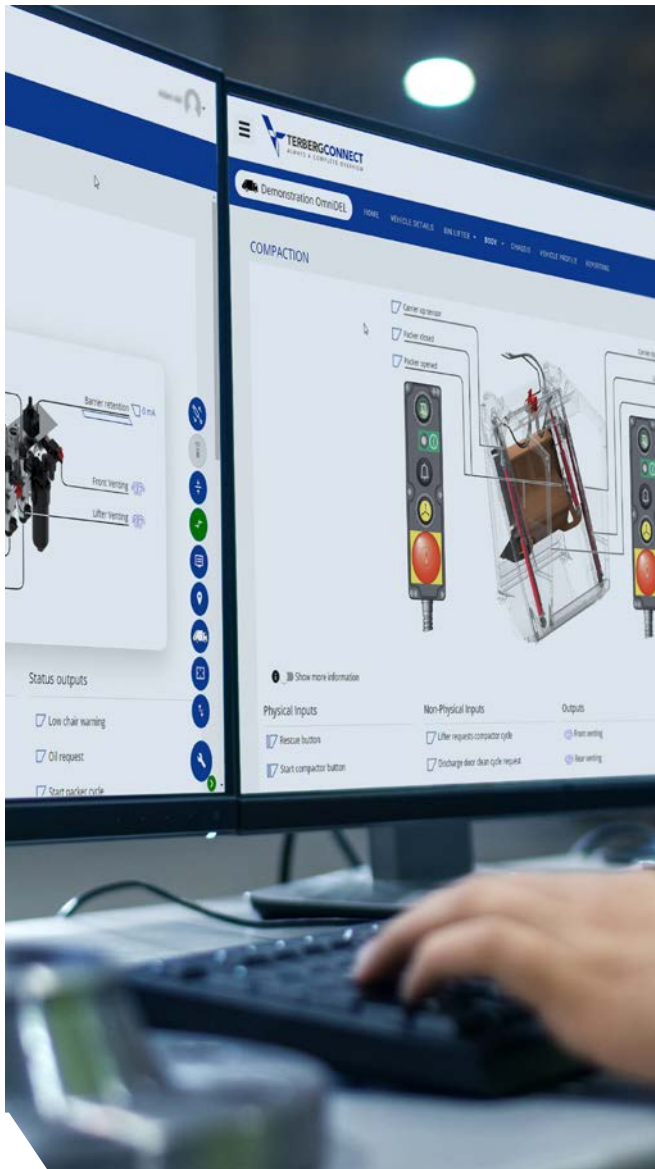
**Process engineering: optimising the production process and improving ergonomics**

Daan: "Being involved in a project like this is extremely rewarding for me as a process engineer. Renovating the old facility and building a new facility provide an excellent opportunity to optimise the production process and improve the overall ergonomics. We took advantage of this opportunity to redesign our assembly lines. In addition, to make life easier for our workers, we've installed hydraulic platform lifts, easier to use exhaust extraction systems, and other workplace improvements."

**Daan de Nie**

Manager Process Engineering  
at Terberg Benschop B.V.

"OUR GAS-FREE ENERGY-EFFICIENT CLIMATE CONTROL SYSTEM IS NOT ONLY PLANET FRIENDLY, IT'S ALSO PEOPLE FRIENDLY AS GOOD WORKPLACE TEMPERATURE CONTROL CONTRIBUTES TO THE WELL-BEING OF OUR WORKFORCE."



## Terberg Environmental division delivers advanced digitalisation with Terberg Connect

Terberg Connect is Terberg's telematics system which seamlessly communicates a wealth of data to and from Terberg vehicles. It is at the heart of the Environmental Division's digitalisation strategy to optimise Refuse Collection Vehicle (RCV) fleet management, vehicle uptime and vehicle lifespan. Terberg Automotive is responsible for the hardware and custom develops the software according to the product requirements of our manufacturing centres. Having the development fully in-house ensures that the system can be tailored to the needs of both our customers and after-sales support.

### Top 10 advantages Terberg Connect

- Real-time monitoring
- Fleet management
- Predictive maintenance
- Data analytics
- Driver behavior monitoring
- Geofencing and route optimisation
- Remote diagnostics
- Customisable alerts and reporting
- Integration with other systems
- User-friendly interface

### Using data to reduce downtime, increase efficiency and reduce emissions

Terberg Connect was initially developed for remote troubleshooting and support. It has evolved greatly since then, and now also provides our customers with detailed vehicle information such as position, speed, operational status, number of emptied bins, etc. This enables route optimisation, increased RCV fleet utilisation, and contributes to minimising our customers' environmental impact.

### NRG Riverside on the advantages of Terberg Connect

Terberg Matec UK customer NRG Riverside is the largest municipal and specialist fleet hire and management company in the UK with more than 2000 vehicles. Chris Snelson, Fleet and Asset Director for NRG, on the advantages of Terberg Connect: "Our hire fleet currently includes 182 vehicles that are Terberg Connect enabled. In 2023, this connected service helped us reduce the number of service visits by 26% compared to 2022, with a corresponding decrease in service-van mileage and CO2 emissions. Additionally, the real-time vehicle warning information enables us to proactively address issues before they lead to faults. By minimising vehicle downtime, reducing service calls and cutting carbon emissions, we can deliver cost-effective and sustainable waste management services to our customers. Terberg Connect is a great tool to have at our disposal and we look forward to having more of our fleet connected in the future."

### The advantages of Terberg Connect for after-sales support

We can remotely assist a customer's fitter, reducing customer downtime and the environmental impact of our service van fleet. Our after-sales team is now able to remotely assist with problem-solving, particularly with operator errors, thanks to Terberg Connect. Now when a service engineer travels to a vehicle, in most cases, we already know the cause of the problem meaning that the engineer arrives equipped with the necessary parts to fix the fault on the first visit.

Alternatively, we can remotely assist a customer's fitter, reducing customer downtime and the environmental impact of our service van fleet. Unlike most telematics systems, Terberg Connect is bidirectional and enables secure modifications to vehicle settings and software updates.

### Terberg Environmental continues to optimise RCV fleet management

Terberg Connect has undergone significant development since it was first launched. Product manager Robbert Verschuur: "We now have 13 in-house developers working on the software, and over 6,000 Terberg Connect units have already been installed in vehicles worldwide.

We offer an API for integration with fleet management systems, toolbox pop-ups offering detailed information, and upgraded security features. With Terberg Connect's user interface, you can keep track of important events such as low oil pressure, overweight bins, low tyre pressure, and excess vehicle weight. The system also triggers emails and text messages to keep you updated and optimise your fleet's operations, saving fuel. In addition, Terberg Connect is fully compliant with the UN regulations R155 & R156 addressing cybersecurity and software updates and GDPR requirements. We have also received FCC approval for the USA. All in all, Terberg Connect fits in perfectly with our customer-support and sustainability strategies."

"BY MINIMISING VEHICLE DOWNTIME, REDUCING SERVICE CALLS AND CUTTING CARBON EMISSIONS, WE CAN DELIVER COST-EFFECTIVE AND SUSTAINABLE WASTE MANAGEMENT SERVICES TO OUR CUSTOMERS."



**Chris Snelson**

Fleet and Asset Director for NRG Riverside, UK

# Resource use and Circular economy

## Our commitment

With regard to the topics resource use and circular economy, Terberg is committed to:

- Transform transportation solutions to circular economy (Product & service related - pillar 1).
- Reduce (natural) resources use and waste (Own operation - pillar 2).
- Apply Sustainability Due Diligence in the supply chain for responsible sourcing (Supply chain - pillar 3).

## Our strategic choices

We have made the following strategic choices at present in connection with the realisation of our commitments with regard to the topics resource use and circular economy:



### Strategic choices regarding products & services (pillar 1 & 3)

Development of circular vehicles, products, and parts through:

- Eco-design.
- Sourcing of sustainable materials.
- Lengthening the economic lifespan of our products through servicing, maintenance, and refurbishment.



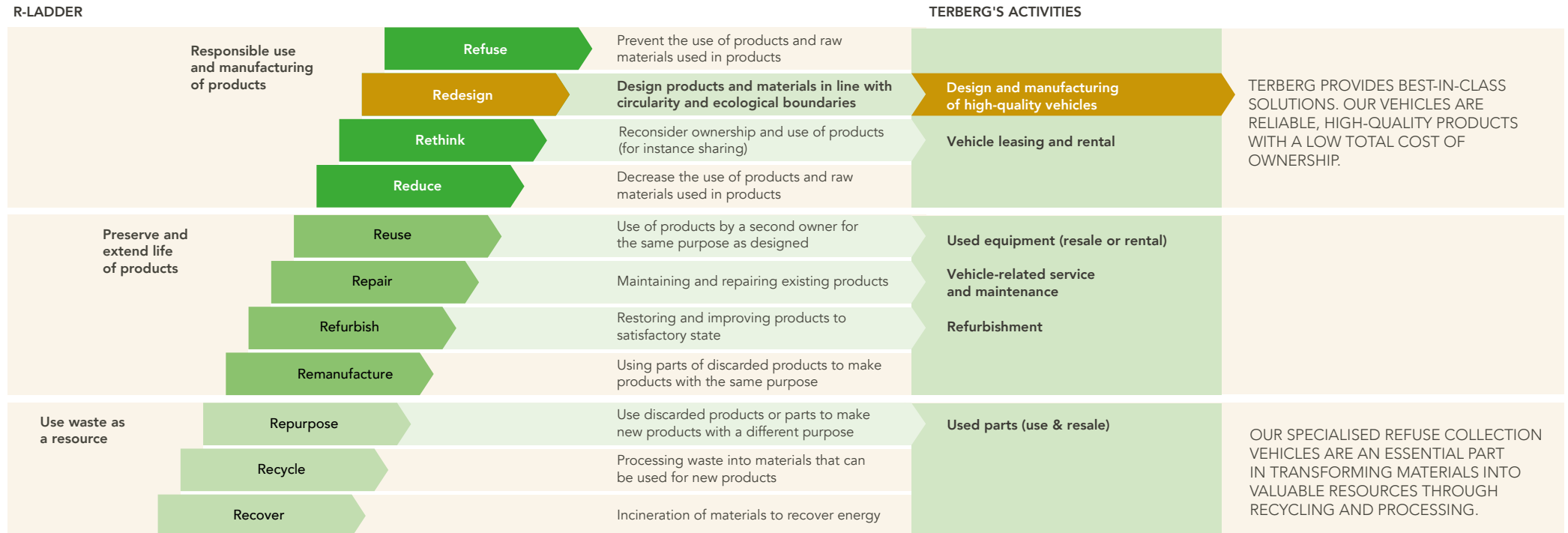
### Strategic choices regarding our own operation (pillar 2)

- Implement an environmental management system at each Terberg company.
- Eco-design of our products (to minimise material use and energy consumption in the assembly process, generate minimal waste, and zero pollution).

Our local management is responsible for the management of these environmental topics in our companies.

As a group, we work on alignment on the environmental topics with a project approach. We work with project members from Terberg companies forming a topic-specific

## Terberg activities that contribute to the circular economy, mapped on the R-ladder



team, such as the Life-Cycle Assessment team. Sharing information and best practices and alignment on methodologies contribute to capacity building throughout the company.

### Our performance and actions taken in 2023

#### *Terberg activities and the circular economy*

Terberg activities contribute in several ways to a circular economy. This ranges from our design approach, business models such as rental, to our servicing and refurbishment activities. This is illustrated in the illustration on the previous page. In this visual, Terberg activities are plotted on the R-ladder visualising the contribution of Terberg activities to the different stages of resource use and waste management in a circular economy.

#### *Environmental footprint of our products*

Terberg is committed to improving its understanding of the environmental footprint of its products with the aim to effectively reduce this footprint.

Terberg companies have already performed Life-Cycle Assessments (LCAs) for certain products that they produce such as for a specific type of container and bin lifter for Refuse Collection Vehicles (RCV). By performing these LCAs, we have gained insight into the environmental footprint of these products.

A Life-Cycle Assessment project was started in 2023 for a limited number of Terberg Vehicles to be delivered before end of 2024, as a next step in the journey of product environmental footprinting. This is being carried out by the engineering departments of our OEMs with the support of an external specialised company. Impacts will be calculated across the whole life cycle of the products.



Our versatile range of refuse collection vehicles can be customised for optimal waste management in diverse environments, making a significant contribution to a clean environment.

#### **Waste**

Waste management is a critical component of ISO 14001 (environmental management system). Within the framework of ISO 14001, organisations establish procedures and protocols for managing waste generated by their activities, aiming to minimise waste generation, maximise recycling and reuse, and ensure proper disposal of any unavoidable waste. See chapter *Environmental Management System* for information on the workforce working under ISO 14001.

A company-wide waste inventory over 2022 was carried out in 2023 as part of the GHG footprint project. We plan to carry out and publish a comprehensive waste inventory over the year 2024.

#### **Preview of 2024 for the topics resource use and circular economy**

In 2024, we will be focusing on the Life-Cycle Assessment project. In addition, a comprehensive waste inventory project will kick off in 2024. The waste project is focused on alignment and good practices sharing across the group on waste management among which waste accounting.

“WE’VE SUCCEEDED IN PROVING THAT OUR COMPANY, OUR CUSTOMERS, AND THE PLANET CAN ALL BENEFIT FROM **INCREASING THE SUSTAINABILITY** OF OUR SPECIAL VEHICLES AND THE CIRCULARITY OF OUR PRODUCTION PROCESS.”

### **Modular manufacturing: bolted chassis instead of a welded chassis**



Theo Rosendal, Operational Director Terberg Benschop: “As part of our engineering strategy, we started looking into what we could do to extend the useful life of our popular yard tractors, the YTxx3 series. Depending on where these yard tractors are used, for example ship to shore transport or distribution centres, their operational lifespan can be over 10 years. When introducing the current YTxx3 model, it was clear that the transition from diesel-powered vehicles to electric and hydrogen powered vehicles would be taking place during the period in which this specific model is in use.





We realised that we had to create a future-proof chassis design that was suitable for conventional drives (diesel) and suitable for the near future transition to electric, hydrogen, LNG or LPG powered vehicles. The solution that our R&D department came up with was a modular chassis design with a bolt-on components chassis instead of a welded chassis. This makes a smooth transition from existing diesel-powered vehicles to electric vehicles a lot easier. We designed this modular bolted chassis for our YTxx3 series in our own experienced R&D department followed by a thorough test and validation. We have been applying this design for four years now and we are very pleased with the results.

#### **Increasing the circularity of our production process**

Theo: "Besides preparing our vehicles for electrification and significantly extending the useful life of our yard tractors, our modular manufacturing process offers all sorts of additional advantages. This system has significantly increased the sustainability and circularity of our production process by facilitating the repurposing and reuse of our vehicles and the components of these vehicles. In addition, the standardisation of components has enabled us to reduce our inventories. Moreover, customisation of the vehicle to meet the customer's requirements now takes place at a later stage in the production process which has greatly increased our flexibility."

#### **We all benefit from a more sustainable business model**

Theo: "At Terberg Special Vehicles, we've succeeded in proving that our company, our customers, and the planet can all benefit from increasing the sustainability of our special vehicles and the circularity of our design and production process. Now that this new way of manufacturing our yard tractors has turned out to be such a success, we are currently looking into how we can apply this modular method in the design and production of other vehicles manufactured by Terberg."



**Theo Rosendal**

Operational Director  
Terberg Benschop B.V.

# Pollution

Whether pollution of air, water, and/or soil is a material topic for Terberg according to the CSRD/ESRS is currently being examined (see chapter *Sustainability priorities, commitments & roadmap*). Irrespective of its materiality, Terberg is committed to ensuring a clean environment. A group-wide project on pollution will kick off in 2024.

Organisations operating this management system establish and maintain procedures for identifying and assessing environmental aspects, including those related to pollution and to put pollution prevention and control in place. See next page for information on our workforce working under ISO 14001.

Pollution prevention and control are integral parts of ISO 14001 (environmental management system).

## Terberg Kerbloader® Refuse Collection Vehicle

The Terberg Kerbloader® Refuse Collection Vehicle is specifically designed for 'segregated at source' collection, allowing for the separation and collection of up to nine different waste streams. This includes the collection of electronic waste (WEEE) and hazardous substances, playing a significant role in pollution prevention.




# Environmental Management System

We aim to ensure ecological sustainability within our operations. Certification of all our local Terberg companies on ISO 14001 - an internationally recognised standard for environmental management systems (EMS) - is part of our sustainability strategy. This is one of our strategic choices as ISO 14001 is proven to be effective for ensuring environmental responsibility. By adhering to this standard, we establish a systematic approach to identifying, managing, and reducing our environmental impact. This includes initiatives to minimise waste generation, conserve resources, and mitigate pollution. In addition, ISO 14001 certification demonstrates our dedication to environmental management. Through ISO 14001 certification, we signal to our stakeholders that we take a proactive stance in preserving the environment and we operate in a manner that aligns with sustainable practices.

The operation of an Environmental Management system according to ISO 14001 is strengthened by an ISO 9001 management system for quality. ISO 9001 ensures that our processes meet the highest standards and that our products consistently meet customer requirements. This not only enhances customer satisfaction but also reduces waste and enhances resource efficiency, contributing positively to our sustainability commitment.

## *Embedded in our daily operation*

*Our ISO management systems for quality (ISO 9001) and the environment (ISO 14001) are rooted in our operating procedures and daily operation.*



**"ON 31 DECEMBER 2023, 80% OF OUR EMPLOYEES\* WORKED UNDER AN ISO 9001 CERTIFICATE AND 58% OF OUR EMPLOYEES\* WORKED UNDER AN ISO 14001 CERTIFICATE."**

\* Counted in FTEs.

# Annex

This annex contains the GHG footprint data in the format required by de CRSD/ESRS disclosure requirements E1-5 and E1-6. The data concerns the whole Royal Terberg Group and is also available for each Terberg company.

## Disclosure Requirement E1-5-Energy consumption and mix & energy consumption from fossil sources disaggregated by sources

Subsection	Requirement	Metric	Value	Unit
37.a	Total energy consumption from fossil sources	Natural Gas	20.421.551	kWh
38.a,b,c,d		Diesel	16.421.265	kWh
		Petrol	1.999.634	kWh
		LNG	680.918	kWh
		CNG	1.062.240	kWh
		Propane	35.548	kWh
		Kerosene	23.352	kWh
		LPG	423.425	kWh
38.e	Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	Purchased electricity	10.248.632	kWh
		District heating	336.111	kWh
37.c	Total energy consumption from renewable sources	Purchased Renewable Electricity	3.655.952	kWh
39	Renewable energy production	Renewable Electricity Generation	1.394.529	kWh

## Disclosure Requirement E1-6-Gross Scopes 1,2,3 and Total GHG emissions

Subsection	Requirement	Metric	Value	Unit
44.a,b,c,d	Company's GHG emissions in metric tonnes of CO <sub>2</sub> e	SCOPE 1	10.530	tCO <sub>2</sub> e
48.a,b		% covered by EU ETS	0	%
49.a,b		SCOPE 2 location-based	2.964	tCO <sub>2</sub> e
51		SCOPE 2 market-based	2.764	tCO <sub>2</sub> e
52.a,b		SCOPE 3	3.047.585	tCO <sub>2</sub> e
		Purchased Goods and Services	211.143	tCO <sub>2</sub> e
		Capital Goods	25.384	tCO <sub>2</sub> e
		Fuel and Energy-related Activities	2.654	tCO <sub>2</sub> e
		Upstream Transportation and Distribution	21.642	tCO <sub>2</sub> e
		Waste Generated in Operations	709	tCO <sub>2</sub> e
		Business Travel	2.125	tCO <sub>2</sub> e
		Employee Commuting	2.722	tCO <sub>2</sub> e
		Downstream Transportation and Distribution	7.190	tCO <sub>2</sub> e
		Processing of Sold Products	0	tCO <sub>2</sub> e
		Use of Sold Products	2.677.794	tCO <sub>2</sub> e
		End-of-Life Treatment of Sold Products	4.806	tCO <sub>2</sub> e
		Downstream Leased Assets	91.388	tCO <sub>2</sub> e
	Investments	27	tCO <sub>2</sub> e	
	<b>Total GHG emissions (location-based)</b>	<b>3.061.079</b>	<b>tCO<sub>2</sub>e</b>	
	<b>Total GHG emissions (market-based)</b>	<b>3.060.879</b>	<b>tCO<sub>2</sub>e</b>	
53	GHG Intensity based on net revenue	Net revenue (NR)	1.158.816	€ (x1000)
		Total GHG emissions (location-based)/Net revenue (€)	0.00264	tCO <sub>2</sub> e/€
		Total GHG emissions (market-based)/Net revenue (€)	0.00264	tCO <sub>2</sub> e/€

# ESG Social



## Introduction

Based on the Double Materiality Assessment in the chapter *Sustainability priorities, commitments & roadmap*, the most important social topics for Terberg are:

- **Training and Skills Development** and **Gender Equality & Diversity** (as part of the sub-topic equal treatment and opportunities for all)
- **Health and Safety** (as part of the sub-topic working conditions)

In addition, the Terberg Leadership Team added the following topic to our Sustainability Agenda: **contributing to the communities and regions we operate in** through dedicated social impact initiatives.

In this chapter, we present our commitments and strategic choices for each social topic as well as our performance on these topics and the actions taken in 2023 for our own workforce and (where relevant) for workers in the value chain. In addition, we also provide a preview of our plans for 2024.

**“WE ARE COMMITTED TO CREATING A SAFE AND HEALTHY WORK ENVIRONMENT FOR ALL EMPLOYEES.”**

# Training and Skills Development

## Gender Equality and Diversity

### Our commitment

With regard to training and skills development and gender equality and diversity, Terberg is committed to:

- Support the development of our people
- Ensure equal treatment and opportunity when it comes to gender equality and diversity



### Our strategic choices

We have made the following strategic choices at present in connection with the realisation of our commitment with regard to the topics training and skills development and gender equality and diversity:

- Talent acquisition and retention
- Development and training
- Execution of a Diversity, Equity, and Inclusion programme

### Our performance and actions taken in 2023

#### General

In 2023, three Terberg companies were awarded for their performance in this area with Investors in People (IIP) accreditation and Great Place to Work certification. As a result, over 1040 employees work under an Investors in People accreditation or a Great Place to Work certification.

#### Training and Skills development

Royal Terberg Group developed and delivered its first Global HR Strategy Roadmap placing learning and development as a main building block on the HR Roadmap. We have developed several initiatives to enable learning through apprentice programmes and courses to build further on skills in our changing environment.

The Group is committed to investing in a global learning development platform allowing training to be delivered in an online format. We believe in promoting internal talent and learning on the job in combination with formal learning opportunities.

#### Gender equality and diversity

During 2023, we incorporated a group-wide focus on Diversity, Equity & Inclusion (DE&I) in our Group HR Roadmap. Our first focus area will be creating more awareness of DE&I initiatives. In a technical company such as Royal Terberg Group, achieving a gender balance presents challenges that require an effort at all levels. A key indicator was introduced to measure the percentage of female managers down to level 3 in the organisation, with the ambition to raise the percentage of women managers at these levels from year to year. This is aimed at creating a better gender-balanced recruitment base at management levels over time. In 2023, the key indicator for Terberg's leadership was 11%.

We refer to the illustration on page 8 for the distribution of our workforce over the four Terberg divisions. The visual representation of our global presence on page 14 illustrates the geographic diversity of our activities and people, highlighting our presence and impact in various parts of the world.

#### Preview for 2024 for the topics training and skills development and gender equality and diversity

Our local management is responsible for the management of these social aspects in our companies. As a group, we are working on aligning our approach.

Terberg's Code of Conduct provides a guideline for our business internally and across the value chain based on laws, rules, and international agreements. Royal Terberg Group will initiate group-wide policies on recruitment and employment practices based on fundamental human rights. Royal Terberg Group will place more emphasis on employer branding, clearly communicating the type of employer the company is and how it wishes to be perceived, both internally and externally. This will allow Terberg to identify with a diverse and inclusive culture that gives employees the support they need to evolve and thrive within the company.

Increased diversity, equity, and inclusion has the potential to further drive Royal Terberg Group's performance and results, both at a team level and individually. Better communication with customers and problem solving are only a few examples of the advantages of diversity, equity, and inclusion. Royal Terberg Group will initiate a group-wide company policy on diversity, equity, and inclusion and will continue to build awareness and understanding with regard to diversity, equity, and inclusion topics across the organisation.

“Investing in learning and development cultivates a culture of innovation and sustainable progress within our organisation.”

Anne Marie Krijnen

Group HR Director

## Ready for a new challenge



Kayleigh, Contracts Co-ordinator at Terberg DTS UK: "I joined Terberg DTS UK as Human Resources Administrator about 18 months ago after travelling around in America for a year. I was in this role for around six months when I felt that I was ready to take on more responsibility. Certainly, also thanks to the encouragement and support of Alisdair Couper (Managing Director Terberg DTS), who is a strong believer in promoting and nurturing internal talent. When a vacancy for the position of Personal Assistant arose, I decided to apply. Alisdair saw my CV and noticed that I had a bachelor's degree in law. He called me into his office and asked me: what do you want, where do you see yourself, what are your career goals? This was the first time that anybody had ever asked me this. This really got me thinking about what I would like to achieve career-wise and what steps I should take to get there."

### When opportunity knocks

Kayleigh: "Alisdair gave me a good piece of advice: when opportunity knocks, open the door. When the position of contract coordinator came up, Alisdair suggested that this was a good opportunity to make use of my law degree, I decided to seize this opportunity and applied for the position. It was all new to me at first, but I could count on the support of Marieke Coumans, legal counsel at the Terberg head office, and Rob Paterson, legal counsel at Dennis Eagle in the UK. In addition, my colleagues in the sales department here at Terberg DTS are also very supportive. Moreover, Alisdair continues to challenge me to extend my boundaries, to come out of my comfort zone, and take advantage of learning and development opportunities. This is something I've really come to appreciate."

### Empowerment

Kayleigh: "When I started working for Terberg DTS, I really felt the family feeling within the company. Terberg has stimulated me to question what I want in a career and to believe that anything is possible. This is incredibly empowering. I feel so lucky that I was in the right place at the right time and that, at a crossroads in my life, I joined a company that is so focussed on identifying, developing, and mobilising talent. A company that believes in me and that has given me the opportunity to make full use of my abilities."



**Kayleigh Jones**

Contracts Co-ordinator  
at Terberg D.T.S. (UK) Ltd.

"TERBERG HAS  
STIMULATED  
ME TO QUESTION  
WHAT I WANT  
IN A CAREER AND  
TO BELIEVE THAT  
**ANYTHING IS  
POSSIBLE.**"



“THE HUMAN FACTOR IS KEY TO OUR SUCCESS AS A COMPANY. OUR GREAT PLACE TO WORK CERTIFICATION IS PROOF THAT WE TAKE EMPLOYEE SATISFACTION VERY SERIOUSLY. IF YOU TAKE GOOD CARE OF YOUR EMPLOYEES, YOUR EMPLOYEES WILL TAKE GOOD CARE OF YOUR CUSTOMERS.”



## A Great Place to Work

Benoit Boton, General Manager Terberg Matec France: “I’ve been with Ros Roca and Terberg Group since 2009, first as product manager, then in after sales and as sales manager, and since 2021 as general manager of Terberg Matec France. At year-end 2023, we had 62 employees. Today, 72 people work for the company in France. We only started building this bigger team since 2020. In 2020, the company’s street sweeper activities were sold and only a staff of 20 people remained. We then shifted our focus to sales and expanded our after-sales activities for Terberg Refuse Collector Vehicles (RCVs) and lifters. We don’t produce the vehicles here in France, but we are looking into the possibility of taking over some of the assembly work in order to increase flexibility and avoid extra transport costs.





Our factories are indeed nearly at full capacity and with demand still growing we must find solutions as we are responsible for our market. To do all of this, we will have to recruit more staff, and of course, make sure that we retain our existing staff. That's why it's important that we really are a great place to work."

#### **The Human Factor is our top priority**

Benoit: "As a manager, my top priority is the human factor. The human factor is key to our success as a company. Without motivated people, you have and are nothing. You must first have employee satisfaction before you can have customer satisfaction. If you take good care of your employees, your employees will take good care of your customers. This is also reflected in our Quality and CSR policy in which we laid down our four main priorities: respect for employees, customer satisfaction, the continuity of our company, and our social and environmental responsibility. We cannot be successful alone or without people involved. The challenge in the next few years will be recruiting and retaining sufficient people with the right skills and then keeping up with technical developments. As a consequence, we must invest in our team and make sure that people are happy to come and work with us."

#### **Value-based leadership**

Benoit: "I'm a strong believer in value-based leadership and, as a judo practitioner, I try to adhere to the judo moral code both in my personal life and as a manager. Values such as modesty, respect, courage, sincerity, and honour serve as an excellent guideline. These values, in combination with mutual support and technical skills, are what we aspire to as a company."

#### **Certified as a 'Great Place to Work'**

Benoit: "I think we've a very positive atmosphere within the company with motivated employees who are involved and enjoy their work, and who don't hesitate to speak up and come up with suggestions for improvements. However, I wanted to measure this feeling that I had, and I wanted an objective analysis coming straight from the people, with clear results, and sources for improvement. The Great Place to Work (GPTW) certification process was an excellent way to verify this. 85% of our employees completed the GPTW questionnaire and, overall, we scored a very satisfactory 80% and were awarded the Great Place to Work certificate in 2023. We will repeat this again in 2024 to continue to monitor employee satisfaction within our company and to see whether the improvements that we implemented based on the 2023 questionnaire have had a positive effect."



**Benoit Botton**

General Manager  
Terberg Matec France

## Portraying our people



Ellen, HR Manager Terberg Techniek and Terberg Kinglifter:  
"I joined Terberg a year ago as HR Manager. The first time I entered the building, I noticed that most of the pictures on the walls were of Terberg trucks and forklifts. Which, of course, is logical because the Terberg companies are rightfully proud of the impressive vehicles that they produce. However, it struck me that there were hardly any pictures of the people who worked hard every day to produce these vehicles. So, I decided it was time to shine the spotlight on the people who assemble these imposing vehicles. And that is exactly what I did. I organised a photoshoot and portrayed our people at work. Tough people doing tough jobs. It was a simple gesture, but it had a real positive impact. You could tell that people felt that their personal contribution was being acknowledged. That they are appreciated."

TERBERG TECHNIEK

TERBERG KINGLIFTER

"I STRONGLY BELIEVE THAT **HAPPINESS**  
IN THE WORKPLACE AND **EMPLOYEE**  
**SATISFACTION** ARE THE FOUNDATION FOR  
A SUSTAINABLE AND SUCCESSFUL COMPANY."



### Employee satisfaction is at the core of a sustainable and successful company

Ellen: "I have a great job because my job is to ensure that our employees are happy at work. Employee happiness benefits everyone. Happier employees are more motivated, do a better job, and have a stronger sense of purpose. They feel more part of a team or, in this case, part of a family as we are a family business, and they are less inclined to leave their jobs. In addition, happier people are also healthier people. Absenteeism is significantly lower when employees enjoy their work and like their workplace. I strongly believe that happiness in the workplace and employee satisfaction are the foundation for a sustainable and successful company."

### We are Team Terberg

Ellen: "Our people are not 'assets' or 'resources' to be used and discarded. All our people are part of Team Terberg and I'm there to cheer them on and to give them the attention that they deserve. It is really important that people feel seen, heard, and valued. This is also something that I aim to promote throughout the company as part of Terberg's leadership style. For me, Team Terberg also means team spirit, companionship, and cooperation between colleagues. I've started organising sports and social activities to strengthen the team feeling within the company. Fortunately, at Terberg there is already a great tradition of organising large-scale company parties for all our employees and their partners, which is very much appreciated and fosters a strong sense of belonging."

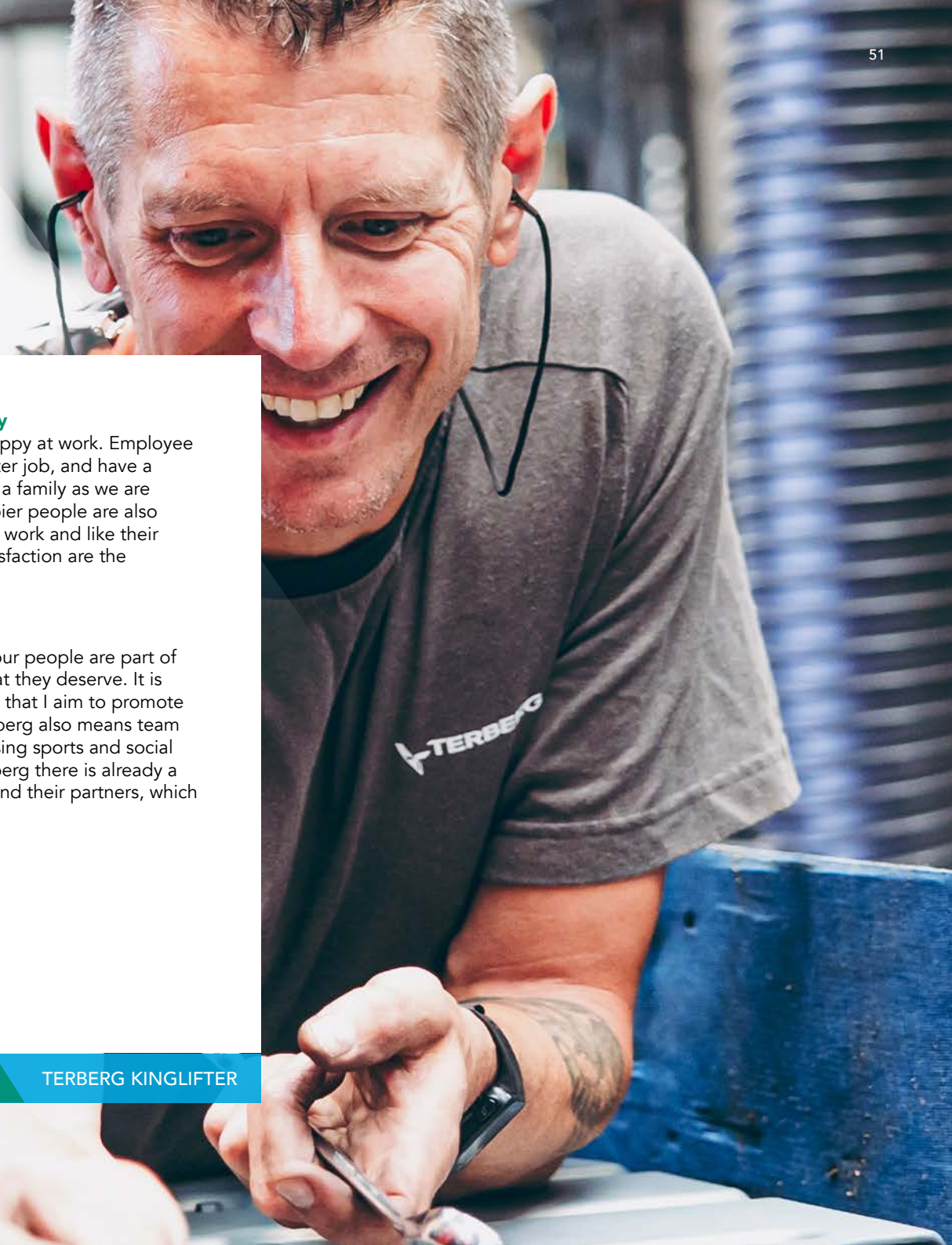


**Ellen van der Cruisen**

HR Manager Terberg  
Techniek and Terberg  
Kinglifter

TERBERG TECHNIK

TERBERG KINGLIFTER



# Health and Safety

## Our commitment

With regard to the topic Health and Safety, Terberg is committed to:

- Ensure user health and safety through our vehicle design and construction (product & services related - pillar 1).
- Ensure the health and safety of our people (own operation related - pillar 2).

## Our strategic choices

We have made the following strategic choices at present in connection with the realisation of our commitment with regard to the topic Health and Safety:



### Strategic choices regarding product and service development (pillar 1):

- Compliance with product regulations.
- Innovative design and proven operation, particularly with respect to driver comfort, safety, and ease of use (e.g., low-entry chassis, rotating driver seat, 360-view).
- Development of IT products and services for test procedures for safety, maintenance status, and driver authorisation for taking the vehicle into daily operation.



### Strategic choices regarding our own operation (pillar 2):

- Occupational Health and Safety management system for each Terberg company.

Our local management is responsible for the management of these Health and Safety topics in our companies.

## Our performance and actions taken in 2023

### Occupational Health and Safety Management system

Ensuring the occupational health and safety of our people is an essential focus area in the operation of our companies. Examples of local improvements in our companies in 2023 are the switch from solvent paint to water-based paint, more frequent health and safety training among which first aid training, and the use of a physiotherapist for preventive assessment of the work situation and treatment of employees.

Certification by our local companies on ISO 45001 (an internationally recognised standard for Occupational Health & Safety (OH&S) management) is part of our sustainability strategy. This is one of our strategic choices as ISO 45001 is proven to be effective for ensuring occupational health and safety. ISO 45001 provides a framework for organisations to proactively manage health and safety risks, prevent work-related injuries and illnesses, and promote a safe and healthy work environment for employees.

## DT-series Distribution Tractor is a low-entry cabin unit for distribution centres

The Terberg DT-series Distribution Tractors combines a low-entry design, enhanced visibility and safety, improved driver comfort, high performance, and customisation and versatility.

Terberg Special Vehicles



ISO 45001 emphasises the importance of hazard identification, risk assessment, and continual improvement in OH&S performance. ISO 45001 certification also underscores our commitment to the health and safety of our workforce. By implementing ISO 45001, our companies demonstrate their commitment to employee well-being, legal compliance, and a culture of safety.

Companies that already have a robust quality management system in place in accordance with ISO 9001 requirements can leverage this foundation to establish and integrate an occupational health and safety management system in accordance with ISO 45001.

On 31 December 2023, 80% of our FTEs worked under an ISO 9001 certificate and 30% of our FTEs worked under the protection of an Occupational Health & Safety Management System (ISO 45001). We are committed to raising this percentage as quickly as possible.

#### **Product-related features and health and safety**

Various product-related features contribute to the health and safety of road users, vehicle users, and bystanders. These concern hardware as well as software product-related features. Examples are low-entry cabins, cabin access from two sides, lowered cabins, revolving seats (such as our Ergoturn® 180° swivel chair), cabs with all around view (360-degree cameras), width-sliding cabins, single-man operating systems with full operation out of the driver's cabin and electrical power.



#### **Health and safety**

The large panoramic cab of our Elite+ chassis offers the driver excellent visibility. The slimmed-down A and B pillars aid peripheral vision, preventing traffic from disappearing from sight. Additionally, longer, unobscured windows enhance over-the-shoulder visibility at junctions.



## Protecting people and the environment



“When designing our latest refuse collection vehicles, our target was to make the safest RCVs on the road, not only safer for RCV drivers and crews, other road users, and bystanders but also safer for the environment.”

### Prevention is better than cure

Jon Sayers, Director and member of the Board at Dennis Eagle Ltd (UK): “One of the things I really like about my job is being confronted with a problem in the field of health and safety and then coming up with a good preventive solution. This can range from complicated engineering and software solutions to something simple like red striplights on the inside of cabin door so that when it’s dark other road users can see that a door is open. It’s a simple precaution but very effective.”

### Optimal safety and comfort for RCV drivers and crew

Jon: “We aim for best in class safety and comfort for RCV drivers and crew when designing our RCVs. We’ve made it easy and safe for the driver and crew to get in and out of our RCVs on both sides with just one anti-slip step to climb. Entry to the cab is the lowest in the market, at less than 45 centimetres from ground to step. Moreover, our RCVs can be specified with a five camera DVR system that affords protection the crew when they are working around the vehicle. The cameras see and record everything that happens around the vehicle in a 360° circle. This is a safety feature that also protects other road users and bystanders that are in the vicinity of the vehicle.”

Jon: "When European legislation came into force penalising rolling backwards when footboards are in use, we decided to equip our RCVs with an automatic electronic braking system. With this system, it's simply not possible to roll backwards when the footboards are down. By tackling this issue at the source, we not only improve the safety for the crew, we also eliminate the risk of our customers receiving a penalty."

### Protecting other road users and bystanders

Jon: "Besides health and safety features for RCV drivers and crew, we've built in all sorts of features to protect other road users and bystanders. We've maintained our best-in-class direct vision in our newest RCVs by adjusting the position of the outboard passenger seat and installing larger windows. The Elite+ cab puts the driver closer to eye-level with other road users, which encourages direct eye contact and helps the RCV driver understand what other pedestrians, cyclists, and drivers are intending to do. Enabling the RCV driver to see as much of the road as possible helps protect vulnerable road users and reduce accidents."

*The Direct Vision Standard (DVS), devised by Transport for London, rated Dennis Eagle's Elite Refuse Collection Vehicles higher than any other RCV. The DVS measures how much heavy goods vehicle drivers can see directly through their cab windows. This is expressed as a star rating from zero (limited) to five (good) direct vision, indicating the level of risk to vulnerable road users, such as people walking and cycling.*



**Jon Sayers**

Engineering Director and  
member of the Board at  
Dennis Eagle Ltd (UK)

Jon: "You can't count on the driver seeing everything especially when reversing. So, we've equipped our RCVs with a reverse radar assistant. An in-cab display detects both people and other significant objects at the rear of the vehicle and alerts the driver with a visible and audible warning. When the vehicle gets close to an obstacle – in the 'red zone' – the brakes are automatically applied and stop the vehicle from colliding with it. They are locked on for three seconds before being released."

Jon: "Another safety feature that is really useful in preventing accidents is our RCV turn alarm. It's a simple but very effective feature that can save lives by telling cyclists and pedestrians that the vehicle is about to make a left turn. Our turn alarm issues a spoken message loud and clear that says: "Attention, this vehicle is turning left". And it's repeated until the left indicator is cancelled. The system is also linked to the vehicle's road speed and will de-activate when the vehicle is traveling at speeds greater than 30mph."

### Protecting the environment

Jon: "We not only aim to protect people, we also want to protect the environment. To provide a more sustainable solution for refuse collection, we developed an emissions-free alternative to our popular conventional diesel-powered RCVs, our 100% electric eRCV, the eCollect. Similar to the Elite RCVs, the eCollect RCV has also been equipped with numerous safety features to protect the RCV driver and crew, other road users, and bystanders. Another advantage for the communities in which the eCollect RCV operates is that there is less noise pollution as the eCollect is significantly quieter, also helping crews working at the rear communicate."

### Our contribution to standardisation

*The Engineering Departments of Dennis Eagle, Ros Roca, and Terberg Machines are actively involved in various CEN (European Committee for Standardisation) committees and BS (British Standard) committees to contribute to the development and implementation of standards in Europe and the UK.*

# Contributing to the communities and regions we operate in

## Our commitment

Terberg has a long history of contributing to the communities and regions in which we operate through dedicated social impact initiatives. We are committed to continuing to do so in the future.



## Our strategic choices

- It is up to the individual Terberg companies to take these initiatives since this concerns their connection with the local communities and regions in which they operate.
- The Terberg Foundation is the dedicated philanthropic foundation for the social initiatives of the Terberg family. This foundation is not a company foundation.

## Our performance and actions taken in 2023

### Terberg Foundation

The Terberg family is the driving force behind the Terberg Foundation, which has been operating since 2017 solely through the voluntary and enthusiastic efforts of the Terberg family. It is a foundation with a mission: to foster greater independence of people who need it by encouraging social, financial, and community self-sufficiency. The projects span education, sports, welfare, and healthcare. The Royal Terberg Group makes an annual donation to the Foundation. The Terberg Foundation is run by the Terberg family independent from the company.

## Contributions by our companies

Our companies contribute by giving donations as well as undertaking activities in local communities. Examples of donations to good causes are financial donations to a local child cancer organisation, the local food bank, an organisation that cleans up litter, and a guide dog for the blind (with the name "Terberg"). Companies also donate goods such as LCD screens, mobile phones, and computers for schools. Cultural causes are also sponsored, such as a local theatre festival, maintenance of a windmill, and local sports clubs in a wide variety of sports.

Terberg companies often contribute by carrying out activities in local communities themselves such as teaching at local schools (for example, Dennis the dustcart and security trainings), collecting food for the food bank, fundraising to provide vital support for people suffering from cancer and helping at shelter homes for children. See this heartwarming overview of how Terberg companies contribute to the communities and regions that they operate in.

## Our Contribution to Local Communities

### TERBERG Foundation

#### 1 IJsselstein, The Netherlands

The Terberg Foundation supported 30 national and international projects in 2023. In one of them, besides financial support, Terberg family members and their partners spent a whole day working on the Abrona house in Kockengen, a home for residents who need intensive guidance and care.



#### 2 Warwick, UK

Dennis Eagle runs Dennis to the Rescue, a sustainable school programme. We take the classroom truck, kids book and presentation into schools across the country, to drive behaviour change through education.

#### 3 Tarrega, Spain

Ros Roca helped mitigate climate change by contributing to reforesting several burnt forests: Viu de Llevata forest in Catalonia and El Bruc located near the Montserrat mountains.







**4 Emstek, Germany**

Terberg HS contributed to a project day on waste on Environment Day at Emstek elementary school. A brand new side loader RCV was parked in the school parking lot and two Terberg colleagues explained how the vehicle worked and answered the school children's questions.



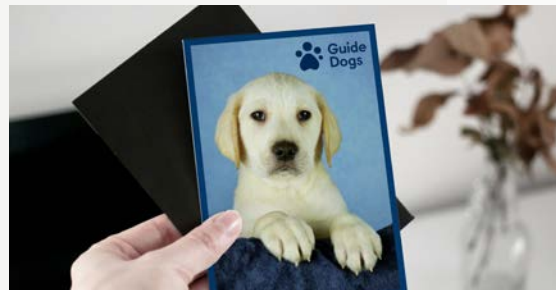
**5 Lisses, France**

Terberg Matec France and Ros Roca collected computers and mobile phones for a donation to a Tanzanian school to support the local Maasai community.



**6 Hillsborough, Ireland**

As a Christmas gift, MPM Ireland sponsored a guide dog for the blind called 'Terberg'.



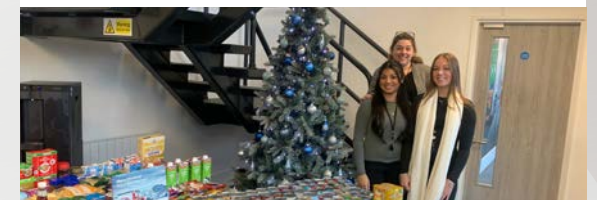
**8 Malaysia**

As part of TTM's Give-back Program for the year, the team at Terberg Tractors had the privilege of visiting a local orphanage, Rumah K.I.D.S located at Subang Jaya (Selangor, Malaysia). The visit was a reminder that small gestures can make a big difference. We contributed school uniforms and school shoes to the children to help remove barriers to education by ensuring that some of the children's schooling needs are fulfilled. The children shared stories, sang, danced, played games, and exchanged smiles with all of us. It was an experience that left lasting imprints on everybody's hearts."



**7 Warrington, UK**

Terberg Matec UK supported people in the local area with foodbank collection; 153KG of food was collected and donated to the local foodbank in Warrington. Our food donation contributed to feeding 1962 people in the Warrington Area (1175 adults / 787 children).





# ESG Governance



## Introduction

Based on the Double Materiality Assessment in the chapter *Sustainability priorities, commitments & roadmap*, the most important governance-related topic for Royal Terberg Group is **Business Conduct**. A sub-topic that was highlighted in the assessment was the management of relationships with suppliers.

In this chapter, we present our commitments, strategic choices, our performance, actions taken in 2023, and a preview of our plans for 2024.

**"INTEGRITY IS ONE OF ROYAL TERBERG GROUP'S CORE VALUES. OUR CODE OF CONDUCT SETS THE TEN MOST IMPORTANT RULES FOR GOOD CONDUCT."**

# Responsible Business Conduct

## Our commitment

With regard to the topic governance, Terberg is committed to responsible business conduct by:

- Applying our Code of Conduct in our value chain (our value chain comprises suppliers, our own operation, distributors, and customers)
- Applying sustainability due diligence in the supply chain to ensure responsible sourcing



## Our strategic choices

We have made the following strategic choices at present in connection with the realisation of our commitments regarding responsible business conduct:

- A Code of Conduct with clear expectations and demands
- A Supplier Code with clear sustainability demands with regard to environment, social and governance issues.
- Training of employees on both codes
- Verification process for the application of both codes
- Risk analyses of high-risk sustainability violations of suppliers

## Our performance and actions taken in 2023

### Code of conduct

Integrity is one of Royal Terberg Group's core values. Our Code of Conduct sets the ten most important rules for good conduct. Royal Terberg Group applies its Code of Conduct (version 2021) throughout its companies under the motto "That's how we work".

Our companies work on constant enforcement of the Code of Conduct with the aim to:

- Respect legislation and regulations
- Have regard for local customs
- Combat bribery and corruption
- Prevent antitrust and collusion
- Choose respectable business partners

Examples of ways in which our companies enforce compliance with our Code of Conduct are: discussing the 10 rules with employees when they are hired, having the Code of Conduct signed by everybody after carefully studying it and attending a training on the Code of Conduct concluded with an exam. In our purchase terms, the contractor confirms that it is familiar with the Code of Conduct of Royal Terberg Group and will behave accordingly.

### Sustainability Due Diligence in the supply chain

In the Double Materiality Assessment, the management of relationships with suppliers was identified as a material topic (see chapter *Sustainability priorities, commitments & roadmap*). This, together with an increased focus on sustainability due diligence in the value chain, led to strengthening the procurement team at group level in January 2024.

Sustainability due diligence in the supply chain is not new for our companies. Examples of ways of working within our companies are the incorporation of sustainability topics in the procurement guidelines and in the selection process for new suppliers, demanding certain certifications from suppliers, on-site visits to suppliers, and a conscious choice for local suppliers so it is easier to obtain a clear understanding of their way of working through personal contact and on-site visits. Supplier evaluation, audited under ISO 9001, is another way to enforce due diligence.

## Preview of our plans for 2024 regarding governance-related topics

Our local management is responsible for the management of these topics in our companies. As a group, we are working on alignment on governance-related topics in our companies.

Regarding applying our Code of Conduct in the value chain, the following activities are planned in 2024:

- Update the group Code of Conduct and assess a group-wide Whistleblower policy
- Compulsory online training on corruption and bribery for management, finance, sales, and purchase personnel

Sustainability due diligence in the supply chain to ensure responsible sourcing was discussed with the Terberg Execute Leadership Team in March 2024. Work is currently underway to set the group-wide strategy for sustainable procurement. The recent adoption of the Corporate Sustainability Due Diligence Directive will accelerate this process.

"A business relationship is like a love affair, everyone has to build bridges on their own side to make it a success for both parties."

Arno Ortlieb

Managing Director Terberg Spezialfahrzeuge

## The Malaysian Corporate Governance Code

Boo Wei Ching, CEO of Terberg Tractors Malaysia Sdn Bhd (TTM): "Terberg Tractors Malaysia Sdn Bhd (TTM) is an equal joint venture between Sime Darby Industrial Sdn Bhd in Malaysia and Terberg Special Vehicles Holding B.V. We employ approximately 280 people in our production process and in commercial positions and serve 46 countries in the entire Asia Pacific area. TTM builds about 700 to 800 Terberg terminal tractors a year to order. It's a great competitive advantage to have such highly reputed parent companies, one family-owned and the other stock-listed. As a joint venture, we have to comply with the rules and regulations that apply to Terberg as well as the rules and regulations that apply to Sime Darby, which is listed on the Malaysian stock exchange. This means that TTM also has to comply with the Malaysian Corporate Governance Code and other rules and regulations that apply to stock-listed companies in Malaysia.

### Code of Conduct awareness and compliance

Boo: "Consequently, we've both a Code of Conduct and a Whistleblowing channel in place. Since launching our Code of Conduct, we've conducted various awareness programmes to educate our employees on the compliance requirements, the impact of non-compliance, and the obligations to adhere to the Code of Conduct. The awareness programme is conducted through e-learning. The knowledge and understanding of the Code of Conduct are tested by means of multiple-choice questions and employees receive a certificate after completing the test successfully. In addition, our Whistleblowing channel enables our employees to report any wrongdoings that they may observe or experience without fear of retaliation."

### Ethical business practices

Boo: "To enforce ethical business practices among our distributors and suppliers, we also include a reference to our Code of Conduct in all our contracts. At present, we do not carry out any audits to assess whether our distributors or suppliers adhere to our Code of Conduct. However, we select our distributors and suppliers carefully and aim to only do business with reputable business partners."

### The best of both worlds

Boo: "For TTM, the combination of Royal Terberg and Sime Darby is actually the best of both worlds. As a joint-venture, we combine an entrepreneurial family-business spirit with the corporate reporting framework of a stock-listed company. This also means that we've a lot of steering data in place to monitor the performance of our company as well as the wellbeing of our employees. Moreover, as a family-business, we pay a lot of attention to the physical and mental safety of our people. Our Code of Conduct and our Whistleblowing channel contribute to a safe and ethical working environment."

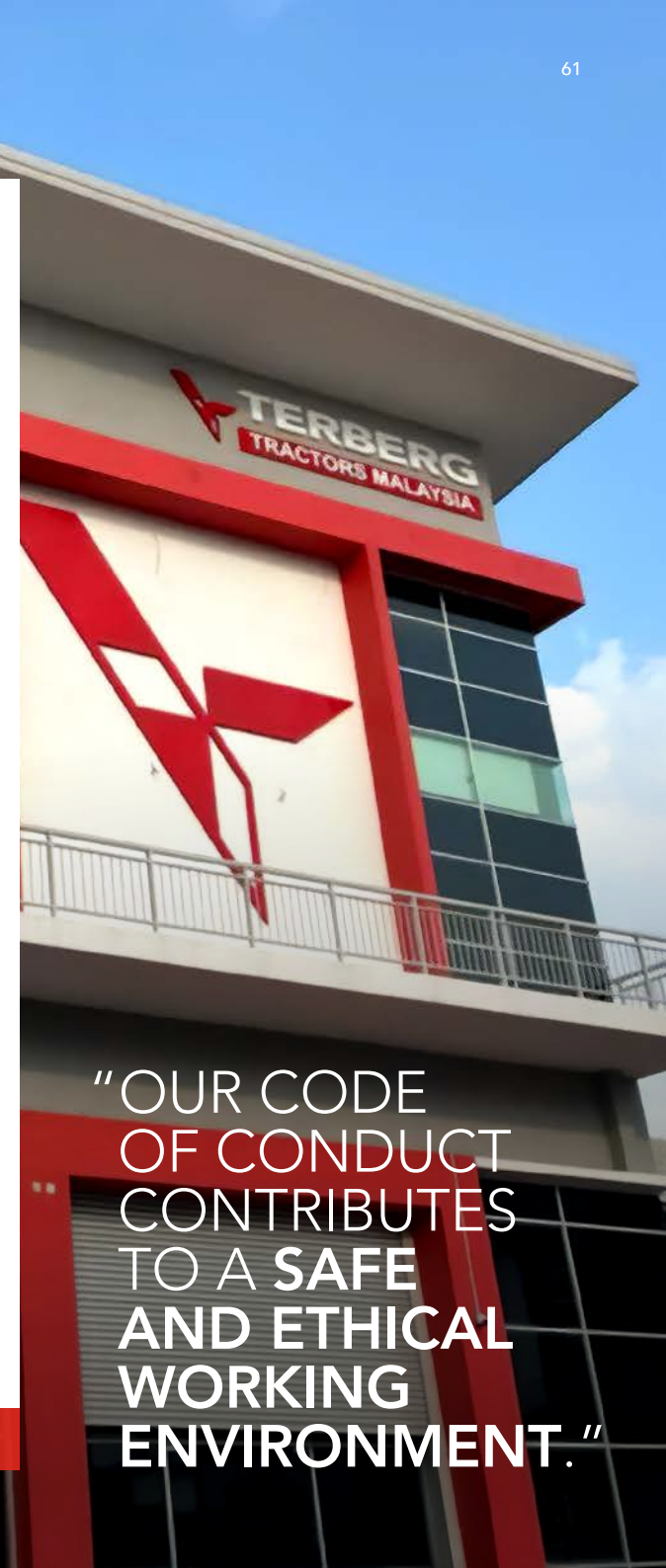


**Boo Wei Ching**

CEO of Terberg Tractors  
Malaysia Sdn Bhd (TTM)

TERBERG SPECIAL VEHICLES

"OUR CODE  
OF CONDUCT  
CONTRIBUTES  
TO A SAFE  
AND ETHICAL  
WORKING  
ENVIRONMENT."



“WE AIM TO CREATE A **SAFE ENVIRONMENT** FOR EVERYONE - EMPLOYEES, SUPPLIERS AND CUSTOMERS - TO REPORT ANY BREACHES OF OUR CODE OF CONDUCT AND COMPANY STANDARDS, OR OF THE LAW.”

## EU Whistleblowing Directive adopted in Spain in 2023



In February 2023, Spain became the 18th EU member state to adopt the EU Whistleblowing Directive. Under the new whistleblowing law in Spain, all companies with more than 50 employees are obliged to establish internal reporting channels. The internal reporting channel must allow for complaints to be made verbally or in writing. Anonymous reporting is allowed, and the whistleblowing system must contain the necessary mechanisms to enable this and protect the identity of the whistleblower.

## Ros Roca's Whistleblower Reporting Platform

### Creating a safe environment

Ramón: "With our Whistleblower Reporting Platform, we've created a safe environment for our employees to report any breaches of our code of conduct and company standards, or of the law. It is important that employees don't have to fear negative consequences from reporting any wrongdoing, unfair treatment, or harassment. That is why the internal reporting system that we have put in place guarantees the protection of the identity of the person making the report."

### Promoting ethical business practices

Ramón: "To further promote ethical business practices, suppliers and customers can also use this system to report breaches or violations. This is also important in connection with fraud prevention and bribery. We hope that our suppliers and customers will not hesitate to make use of this reporting system if they have the impression that something is not completely open and above board. We will then have to opportunity to investigate and remedy the situation if necessary."

### Secure Whistleblower Reporting platform

Ramón: "We invested in a digital Whistleblower Reporting tool for our online reporting system which was then customised to channel reports to the right person within our company or within the Terberg Group. For example, if someone lodges a complaint against their supervisor the complaint will automatically go to the level above this supervisor or to the person/department selected by the person lodging the complaint. If a complaint is lodged against me, or a member of my team, it will go straight to Terberg's Group Human Resources Director. In addition, complaints can be lodged anonymously and in writing or verbally. The system even enables you to distort your voice when submitting a verbal complaint so that you cannot be identified easily. It is also multilingual, so you can submit a complaint in Spanish and if it is then sent to a Dutch speaker, it will come out in Dutch."



**Ramón Carulla**

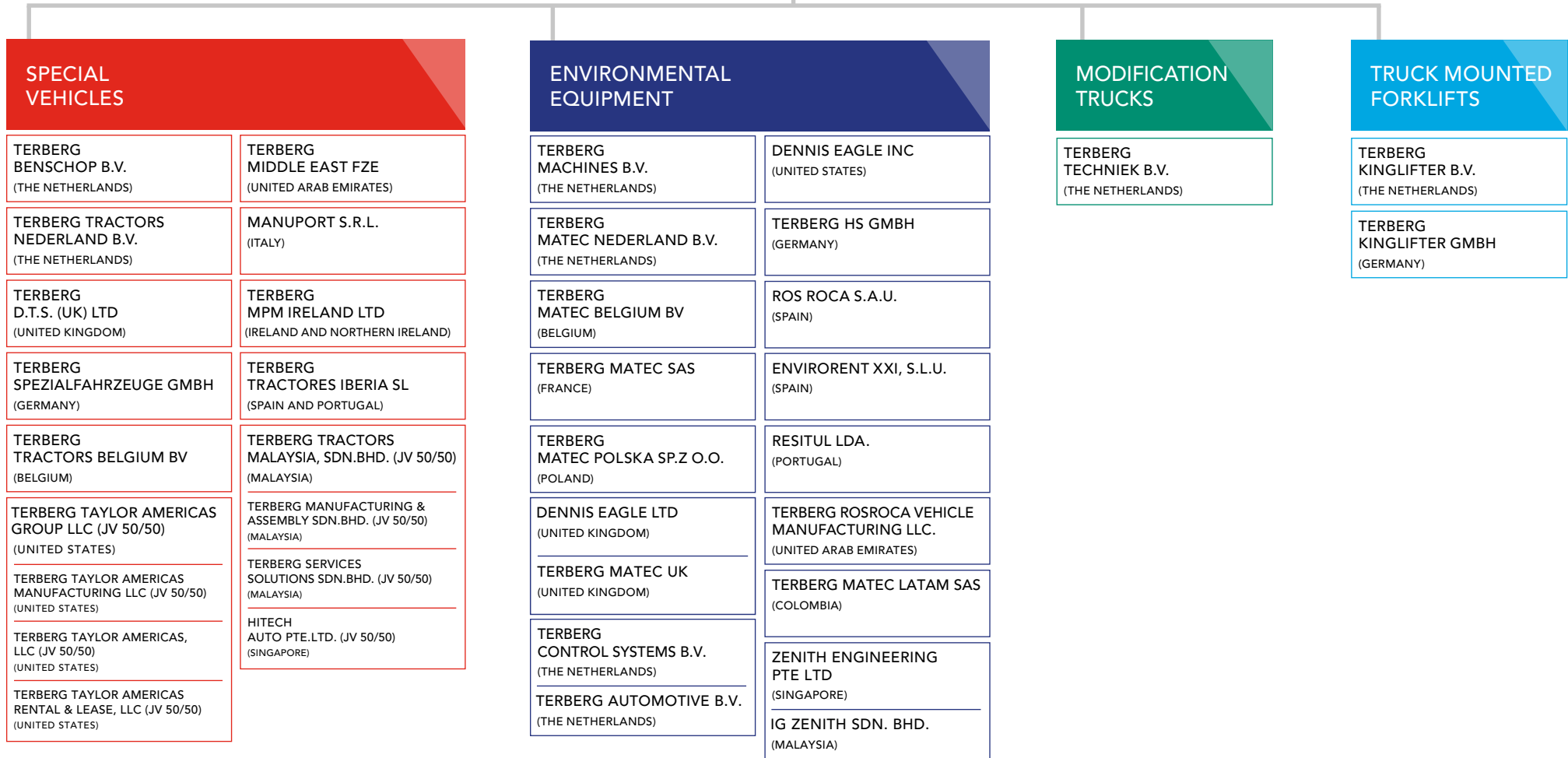
Director of People, Sustainability and Organisation at Ros Roca S.A.U.





**ROYAL TERBERG GROUP B.V.**  
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**Ros Roca**

Statement of non-financial  
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*(Spanish)*



**Dennis Eagle**

Sustainability  
Report 2023

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