



2014 Sustainability Report



Munters Corporation

China, Beijing Factory

No.12 YuHua Roud

China, Beijing

Date: 12-31-2014

“We take our Corporate Social Responsibilities seriously.”

As a global leader in energy efficient air treatment solutions, we at Munters take our Corporate Social Responsibility seriously. We understand how we impact the world we all live in.

This is why at Munters we work every day to create “Your Perfect Climate”. For our customers we provide products and solutions that reduce their energy consumption. This contributes to the reduction of the world’s emissions.

In our manufacturing we have a sustainable approach, focusing on efficient usage of natural resources, while reducing and recycling our waste. Because at Munters, one of our core values is to think “there is always a better way”.

We have made significant improvements but we pledge to always seek opportunities to improve our products as well as our manufacturing practices.

Munters will continue to be a part of creating a sustainable future for everyone.

John-Peter Leesi

CEO, Munters AB

2014 Objectives & Targets Summary

EH&S Corporate Objectives for manufacturing sites: (baseline 2013, target EOY 2015)

Corporate Objective #1

Implement or refine an *Environmental, Health, & Safety Management Program*

Target: Refine the current EH&S Program(s) and further integrate into our daily business management systems

Result: After get certificate of ISO14001&OHSAS 18001 by end of 2013,more detailed EH&S Program(s) are integrated into our daily operation actions, such as yearly risk assessment and environment effect analysis, more practical EHS actions will be done in future.

Corporate Objective #2

Drive continuous improvements through a prioritized *EH&S Facility Risk-Aspect List*

Target: To assess, select and prioritize our EH&S Risk-Aspects and drive risk reduction within each chosen aspect. Risk reduction shall be measured by the aspect scoring system.

Result: Has accomplished yearly assessment in July of 2014. .

Corporate Objective #3

Reduce **TRIR Rate** by **10%** (*e.g. outside medical treatment, lost work days, restricted duty*)

Target: Reduce our 2014 TRIR Rate from 6.99 to 6.0 by improving our injury root cause analysis process and our corrective actions effectiveness, with emphasis on injury trends.

Result: Actual 2014 TRIR Rate was 5.65, which got the 2014 target 6.0.

Corporate Objective #4

Reduce **Energy / Resource Use** by **6%** (*e.g. electricity, natural gas, propane, diesel, oil, water*)

Target: Reduce electricity use throughout our administration and manufacturing facilities through curtailment practices, more efficient machinery, and refined lighting and HVAC use.

Result: Actual 2014 natural gas use was decreased compared with 2013.

Corporate Objective #5

Reduce **Water** consumption and/or waste of processes or factory by **6%** (*reduces, reuse, recycle or capture*)

Target: Reduce municipal water use by means of capturing our HVAC condensation water and capturing rain water, for use throughout our manufacturing processes.

Result: Actual 2014 water use was increased compared with 2013.

Corporate Objective #6

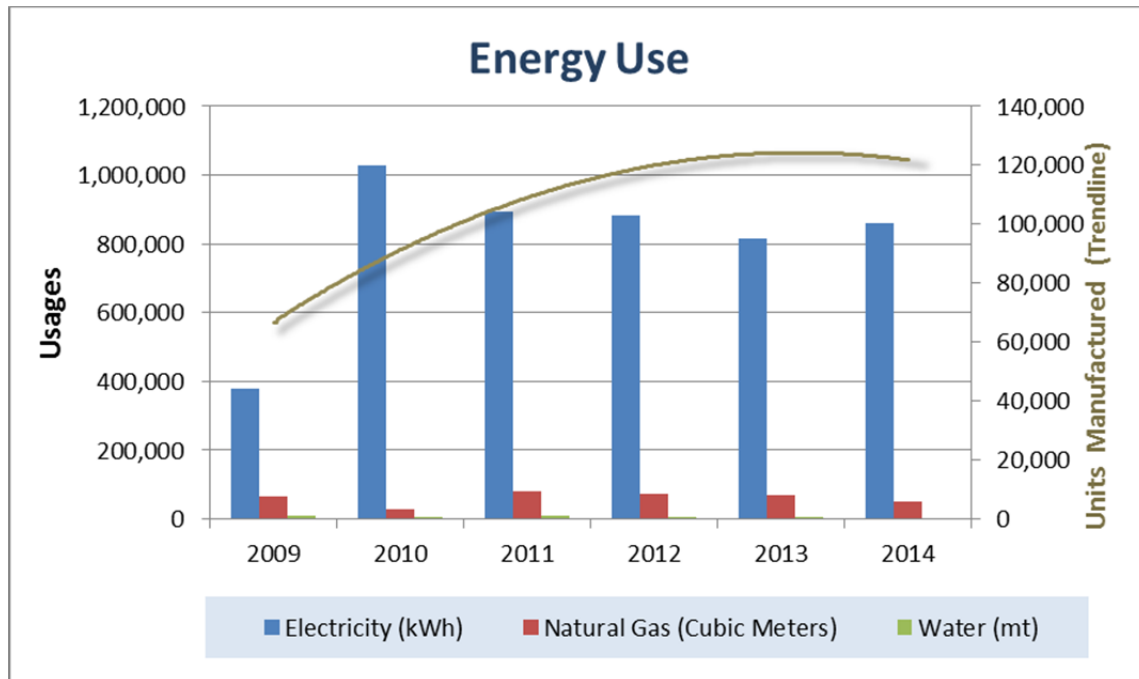
Reduce **Non-Recycled** type waste by **5%** (*non-recycled wastes, reduce, reuse or recycle*)

Target: Redirect our non-recycled wood waste to a wood recycle center. While further reducing wood waste in conjunction with our suppliers, by use of reusable containers.

Result: Actual 2014 non-recycled wood waste and metal waster were decreased compared with 2013.

Performance Data Summary

Environmental Performance Data



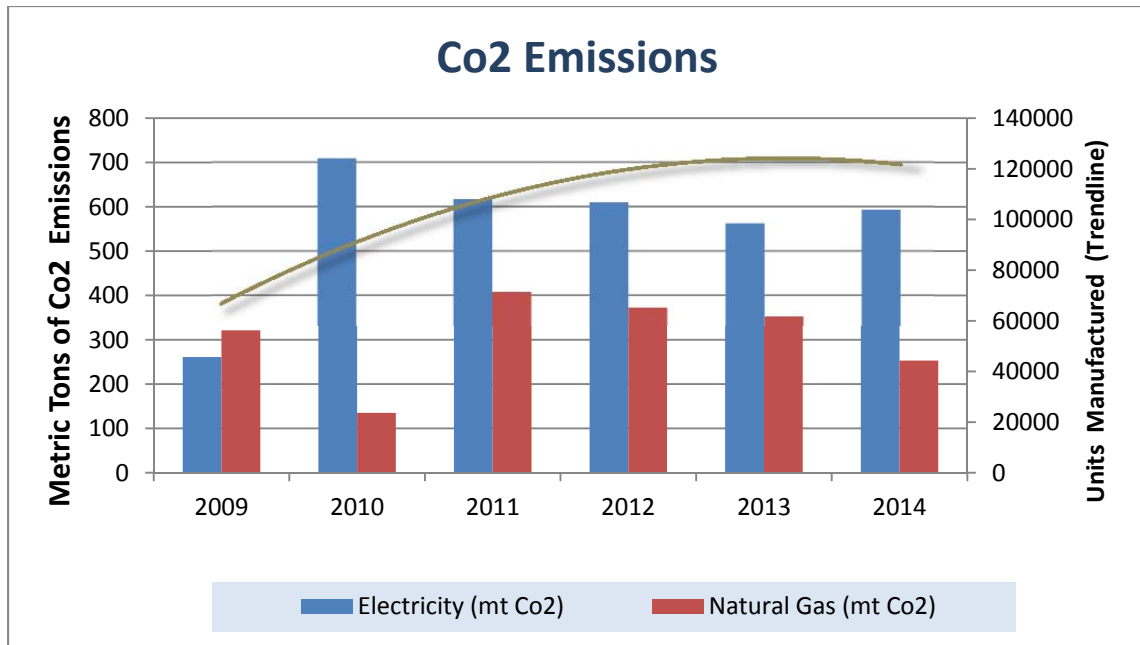
<u>Usage</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Electricity (kWh)	378,800	1,028,000	894,886	884,220	815,372	860,000
Natural Gas (therms)	64,300	27,000	81,500	74,463	70,399	50,636
Water Usage (mt)	7,774	7,452	13,434	6,895	5,167	6,120

Notes:

- Trend line represents finish goods/units manufactured

Summary:

1. The lower consumption of NG is due to lower volume of pad production 2014;



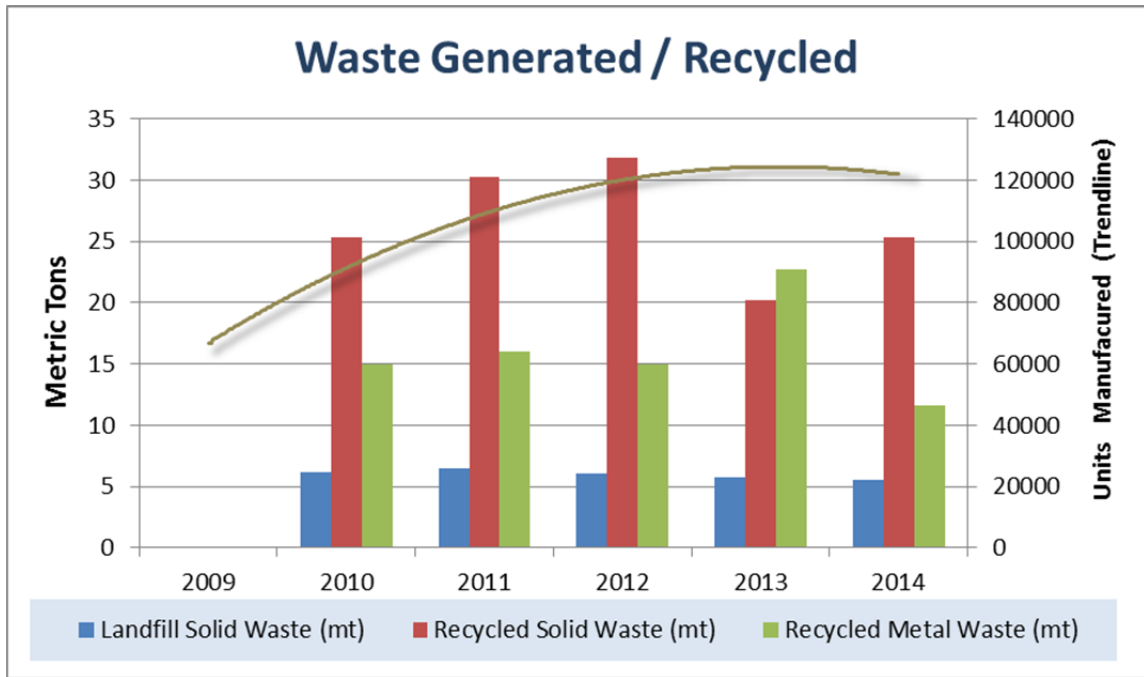
<u>CO2 Emissions</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Electricity (mt)	261	709	617	610	562	593
Natural Gas (mt)	322	135	408	372	352	253
Total CO2 Emissions (mt)	583	844	1,025	982	914	846

Notes:

- Trend line represents finish goods/units manufactured
- All emissions calculated through EPA's emission calculator (mt/co2)
<http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

Summary:

1. The lower consumption of NG leads to lower CO2 emission;



<u>Waste/Recycled</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Solid Waste to Landfill (mt)		6.2	6.5	6.1	5.8	5.5
Solid Waste Recycled (mt)		25.303	30.252	31.806	21.189	25.354
Metals Recycled (mt)		15	16	15	22.747	11.606

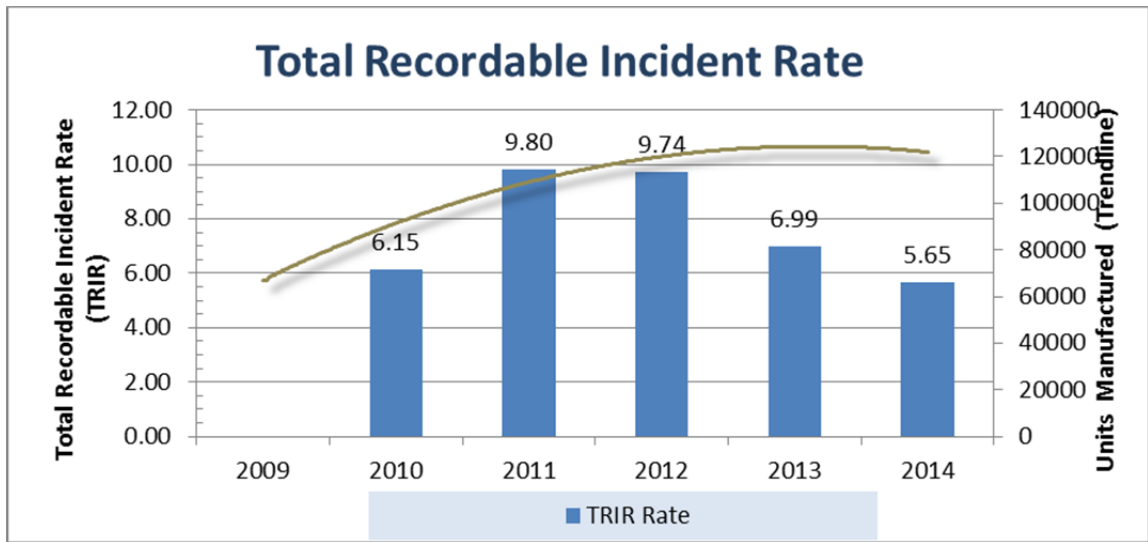
Notes:

- Trend line represents finish goods/units manufactured
- All data is raw, not normalized; therefore increases are due to throughput increases unless otherwise noted.

Summary:

1. We got some reduction for non-recycled waste by re-using of paper carton and wood pallet;
2. Metal waste was decreased a lot in 2014, which came from the result of lean saving in workshop by optimizing metal usage

Safety & Health Performance



<u>Safety Rates</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
TRIR	6.15	9.80	9.74	6.99	5.65

Notes:

- TRIR formula: (Recordable Injuries X 200,000 / Total Labor Hours)
- Trend line represents finish goods / units manufactured.

Summary:

1. The EHS development in 2014 improved risk and safety's system management, which is benefit to reduce the risk and physically hurt to workers.
2. Safety Rates are kept in a low level.