



2014 Sustainability Report



Munters Corporation

Selma, Texas Factory

16900 Jordan Rd.
Selma, Texas 78154

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: Munters Texas refined its written H&S Program while introducing new annual EH&S objectives, targets and KPI's with our employees, management and our overall culture.

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: Initial execution of the EH&S Facility Risk-Aspect List was not fully implemented. A redesign is underway for a more effective execution in 2015.

Corporate Objective #3

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

Target: Reduce our 2013 TRIR Rate from 5.0 to 4.5 by improving our injury root cause analysis process and our corrective actions effectiveness, with emphasis on injury trends.

Result: A 10% TRIR reduction was not obtained in 2014. The 2014 TRIR was 5.2. We will continue to focus on our current reduction strategies and execution throughout 2015 to reach the goal.

Corporate Objective #4

Reduce *Energy / Resource Use* (*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: Munters' Texas curtailed 790 Kwh of electricity throughout 2014 helping alleviate peak load demand for our local power company and community.

Corporate Objective #5

Reduce *Water* consumption and/or waste of processes or factory (*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: Munters Texas has design a system to now capture, filter and use the administrative building's HVAC condensation water. This captured water is now used for our administrative drinking water fountain and office plant watering.

Corporate Objective #6

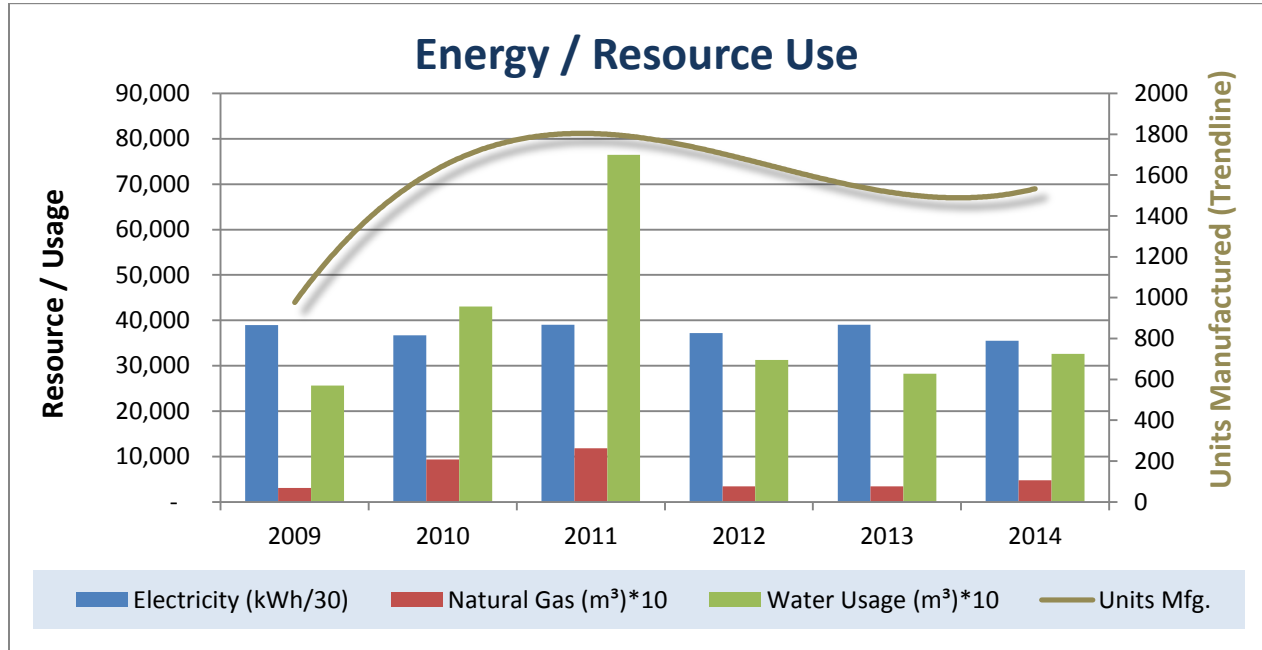
Reduce *Non-Recycled* type waste (*non-recycled wastes, reduce, reuse or recycle*)

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: Munters Texas is currently working with Environmental Waste Solutions seeking opportunity to be a 100% wood recycling facility.

Performance Data Summary

Environmental Performance Data



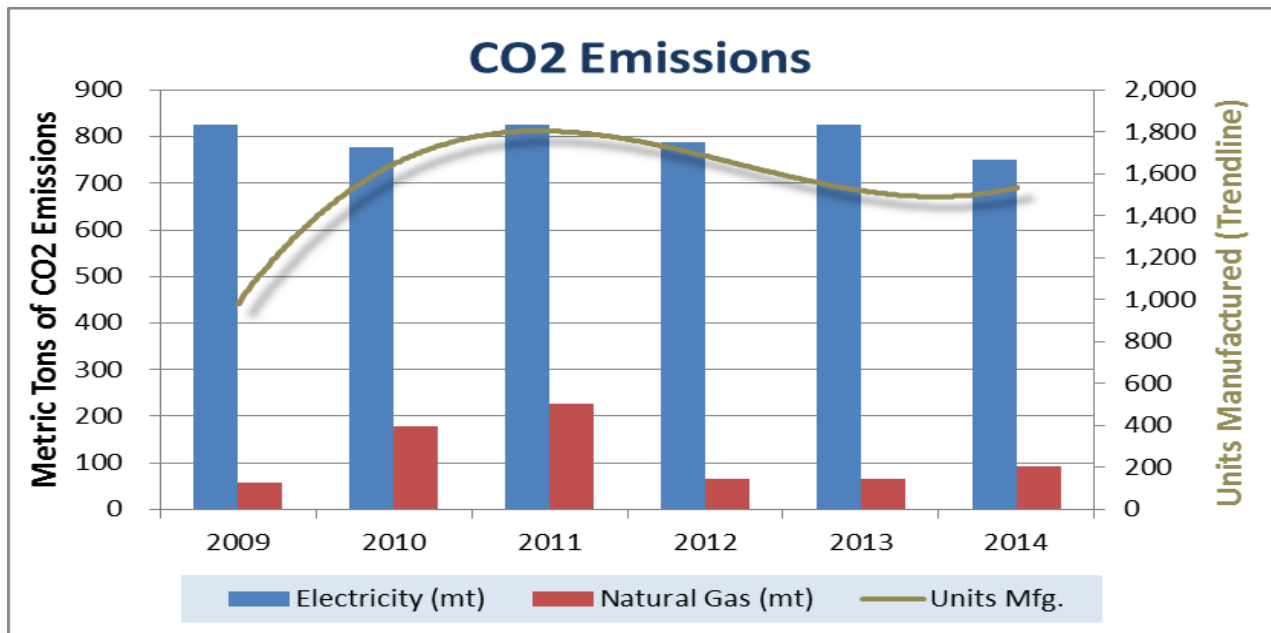
| Resource / Usage | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|----------------------|--------|--------|--------|--------|--------|--------|
| Electricity (kWh/30) | 38,950 | 36,710 | 39,040 | 37,171 | 39,040 | 35,520 |
| Natural Gas (m³)*10 | 3,065 | 9,331 | 11,802 | 3,403 | 3,402 | 4,772 |
| Water Usage (m³)*10 | 25,646 | 43,078 | 76,503 | 31,268 | 28,239 | 32,630 |
| Units Manufactured | 953 | 1,699 | 1,823 | 1,538 | 1,657 | 1,493 |

Notes:

- * Water spike in 2010-2011 due to an R&D project simulating customer water use.
- * Trend line represents finish goods / units manufactured

Summary:

In 2008 and 2009 Munters worked with Texas Manufacturing Assistance Center (TMAC) to identify and implement energy reducing techniques. This included lighting, compressed air systems, motors, belts, curtailments and other electrical efficiencies. In addition, Munters' Texas curtailed 790 Kwh of electricity throughout 2014 helping alleviate peak load demand for our local power company and community.



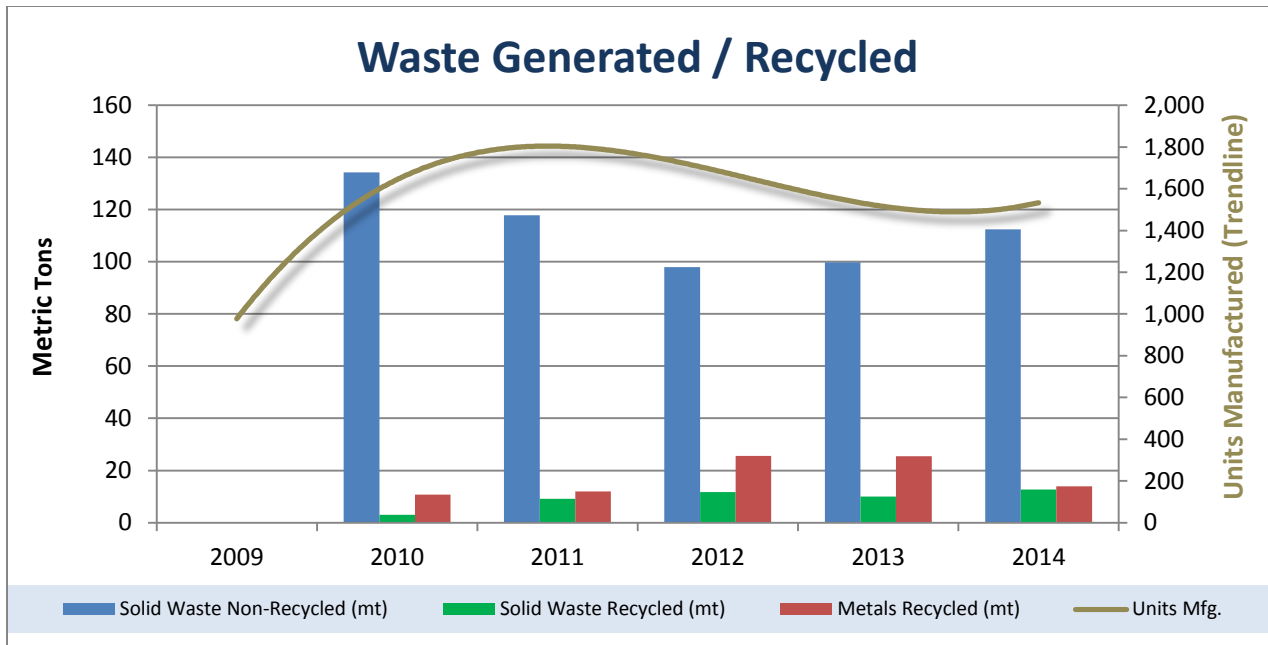
| CO2 Emissions | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------------------------|------|-------|-------|-------|-------|-------|
| Electricity (mt) | 824 | 777 | 826 | 787 | 826 | 752 |
| Natural Gas (mt) | 59 | 179 | 226 | 65 | 65 | 92 |
| Total CO2 Emissions (mt) | 883 | 956 | 1,053 | 852 | 892 | 843 |
| Units Manufactured | 953 | 1,699 | 1,823 | 1,538 | 1,657 | 1,493 |

Notes:

- * Trend line represents finish goods / units manufactured
- * All emissions calculated through EPA's emission calculators (mt/CO2)
<http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

Summary:

Our largest contributor of CO2 emissions is electricity and for this reason we focus most improvement efforts heavily towards electricity. Munters' Texas curtailed 790 Kwh of electricity throughout 2014 helping alleviate peak load demand for our local power company while contributing to the reduction of level two CO2 emissions.



| Waste Recycled | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-------------------------------|------|-------|-------|-------|-------|-------|
| Solid Waste Non-Recycled (mt) | 0 | 134 | 118 | 98 | 100 | 112 |
| Solid Waste Recycled (mt) | 0 | 3 | 9 | 12 | 10 | 13 |
| Metals Recycled (mt) | 0 | 11 | 12 | 26 | 26 | 14 |
| Units Manufactured | 953 | 1,699 | 1,823 | 1,538 | 1,657 | 1,493 |

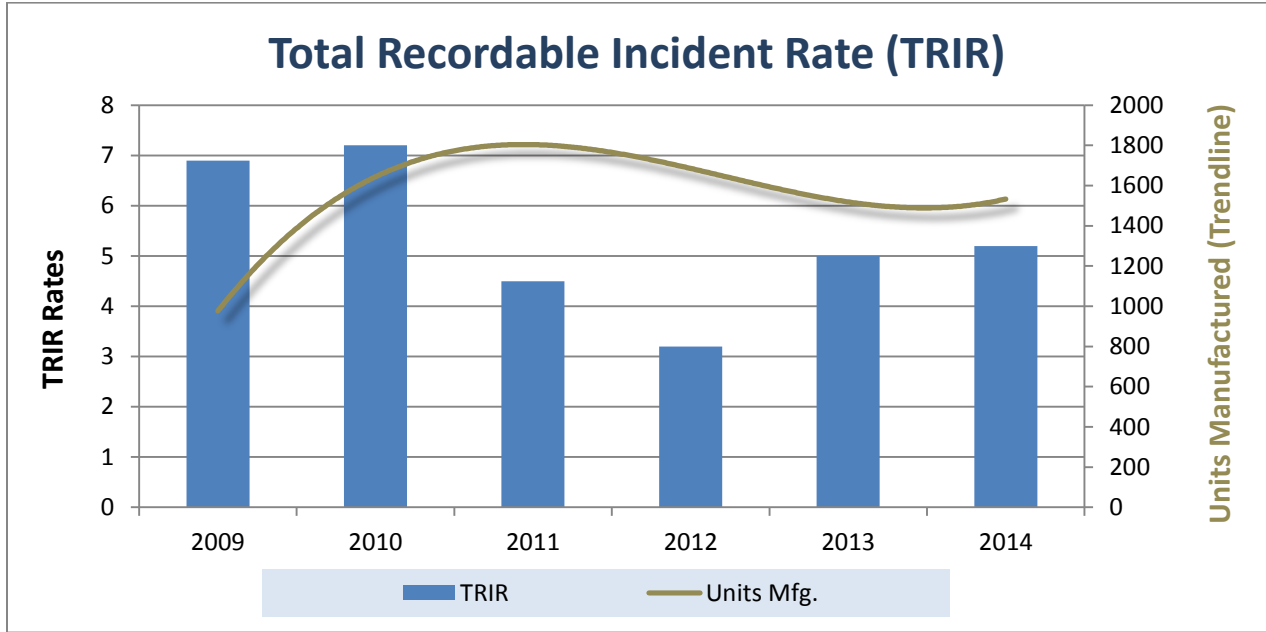
Notes:

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

Summary:

Munters Texas is currently working with an Environmental Waste Solutions company seeking opportunity to be a 100% wood recycling facility. We will continue with our strategy to find the means to redirect our non-recycled wood waste to a wood recycle center.

Safety & Health Performance



| Safety Rates | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------------------|------|------|------|------|------|------|
| TRIR | 6.9 | 7.2 | 4.5 | 3.2 | 5.0 | 5.2 |
| Units Manufactured | 953 | 1699 | 1823 | 1538 | 1657 | 1493 |

Notes:

- * Trend line represents finish goods / units manufactured
- * TRIR Industry Average (US) = 3.7 (Based on BLS 2013 TRIR CalculatorQ1 NAICS tables – 333415 /50-250)

Summary:

In 2014 we stabilized the uptrend in injury rates. This positive effect is attributed to increased effectiveness in causal analysis and corrective actions. We focused specifically within the two categories: foreign objects in eyes and hand arm lacerations. We will continue to focus heavily in these areas to further reduce the risk of injury.