

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Munters is a global leader in energy efficient and sustainable air treatment and climate solutions. Using innovative technologies, Munters creates the perfect climate for customers in a wide range of industries, the largest being the food, pharmaceutical and data center sectors. Munters has been defining the future of air treatment since 1955. Today manufacturing, sales and services are carried out in more than 30 countries. We have about 3,350 employees and an annual net sales of about SEK 7.5 billion. Munters is listed on Nasdaq Stockholm. Munters is a truly global company with 17 manufacturing plants, six assembly hubs , and 55 sales and service centers around the world.

Munters operates in two business areas:

AIRTECH

AirTech is a global leader in energy-efficient air treatment for industrial and commercial applications. We offer solutions for mission-critical processes that require exact control of moisture and temperature, with a focus on energy efficiency and sustainable climate systems. Our climate systems also provide better indoor air quality and comfort, as well as increased production capacity.

FOODTECH

FoodTech is one of the world's leading suppliers of innovative, energy-efficient climate systems for livestock farming and greenhouses, as well as software for controlling and optimizing the entire food production value chain. Our solutions increase productivity while contributing to sustainable food production, where strict requirements are placed on quality, animal health and food safety.

In Munters, sustainability is integrated in the overarching business strategy. Each strategic focus area; Innovation, Customers, People, Markets and Excellence in everything we do; have their own identified key results wanted of which some are climate related. When it comes to climate, we have a goal to reach net zero emissions from our own operations by 2030. We also have other specific climate related goals relating to resource efficiency and waste management. The area where we can make the largest positive contribution to the climate is with the products and solutions that we offer to our customers. By offering very resource and, in particular, energy efficient products we help our customers reduce their green house gas emissions. Our service offering extends the life span of our products and increases the efficiency of the equipment while in operation, contributing to reduced emissions. You can read more about our sustainability and climate related agenda in our Annual and Sustainability Report 2021 that can be found on www.Munters.com.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	Yes	1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

- Australia
- Belgium
- Brazil
- Canada
- China
- Czechia
- Denmark
- Finland
- France
- Germany
- India
- Israel
- Italy
- Japan
- Mexico
- Netherlands
- Norway
- Republic of Korea
- Singapore
- South Africa
- Spain
- Sweden
- Thailand
- Turkey
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

SEK

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	MTRS.ST

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	Munters sustainability and climate agenda is part of the Company's strategy, the strategy includes specific climate related initiatives and targets. The Board of Directors approve the Company's strategy and monitor strategy execution and goals achievement, including those related to climate and sustainability overall. The Chairman and Board of Directors also approve management incentives related to climate targets. The Company's basic approach to climate issues is described in a number of policies and governing documents. The most important documents are the Sustainability Policy, the Code of Conduct and the special Code of Conduct for suppliers; these documents are approved by the Board of Directors. Compliance with these policies is monitored each year and reported to the Board of Directors
Director on board	One Director appointed to in particular oversee the Company's sustainability and climate agenda and advise the Company management on it's climate related activities. This Director is engaged in the Company's climate related initiatives and progress in greater detail through continuous dialogue

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues Other, please specify (Setting and approving management incentives related to climate goals) 	<Not Applicable>	Our climate initiatives are on the Board of Director's agenda periodically for updates and progress. With climate related goals and activities integrated in the overarching strategy, Board oversight and review will increase in coming years.
Sporadic - as important matters arise	Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	A special session was included in one of the Board meetings in 2021 to follow up and discuss progress on climate related initiatives and in particular Scope 3 emissions, which the Board rates as a high priority

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	We currently have one Board member with studies and specific competence in climate and other environmental issues. In 2021, we invited all of the Board of Directors to take part in our newly developed e-learning on environment and climate	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other C-Suite Officer, please specify (Management team)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other C-Suite Officer, please specify (Group Vice President HR & Sustainability Sustainability)	<Not Applicable>	Other, please specify (Overarching leader and coordinator for sustainability within the Company)	<Not Applicable>	More frequently than quarterly
Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

1. CEO - reporting to the Chairman of the Board. The President and CEO bears ultimate responsibility for integrating the sustainability agenda in the strategy and for meeting the company's various goals including climate related goals. Monitoring through follow up of initiatives and strategic plans in meetings and climate related reports and KPI's.

2. Management team- all members of this team report to the CEO. Responsible for proposing sustainability and climate related targets, KPI's, priorities, coordinating and planning Group-wide sustainability efforts, monitoring established goals and regularly communicating results and outcomes to the Board of Directors and affected parts of the organization. For each of the prioritized climate related activities, an individual is assigned responsibility for the work in their area and for reporting the goals and results. Monitoring results through meetings and KPI reports.

3. Group Vice President HR & Sustainability - reporting to the CEO. Responsible for driving and coordinating sustainability and climate related agenda on behalf of the management team. Responsible for managing the Company's policies, processes and reporting related to sustainability and climate. Monitoring climate related issues through meetings and quarterly KPI reporting. Makes recommendations about corrective actions or new targets or initiatives to the management team. Meets with Board Directors on sustainability specific issues and incentive programs, including incentives based on climate related targets.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	The Company has a climate related goal in it's current annual long-term (3 year) incentive programs: the electricity used by the companies' production facilities must be min 40% and up to 60% from renewable sources by the end of the vesting period for this goal to have been met. This climate related goal has a weight of 10% of the total goal.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Environmental criteria included in purchases Supply chain engagement Other (please specify) (Amount of renewable electricity used at production facilities: min 40% and 60% for max payout)	
Management group	Monetary reward	Environmental criteria included in purchases Supply chain engagement Other (please specify) (Amount of renewable electricity used at production facilities: min 40% and 60% for max payout)	
Other, please specify (Up to 66 other key employees)	Monetary reward	Environmental criteria included in purchases Supply chain engagement Other (please specify) (Amount of renewable electricity used at production facilities: min 40% and 60% for max payout)	

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	In the strategic planning a forecast period of one year is included, we continuously follow-up both on the forecast period and the action plan tied to the strategic plan. In connection with the annual strategy process, business areas and support functions conduct a risk assessment, linked to their key objectives, including climate-related business objectives.
Medium-term	3	10	We have a strategic planning process that spans over 5 years, we continuously follow-up on the action plan tied to the strategic plan. At Munters the "actionizing of the strategy" is very important. Therefore, we have clearly defined KPIs for our 5-year ambitions (and sometimes longer time periods for these ambitions) and these are followed up on a quarterly basis by our Finance and Strategy team. We have set a climate related goal for 2030.
Long-term			

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

At Munters we define a number of risk categories, in which each individual risk is evaluated and prioritized based on the estimated likelihood, as well as the operational and financial impact. Risks are categorized into strategic, operational, regulatory and financial risks. For all risks defined, including climate risks, Munters has predefined criteria for the evaluation. For Likelihood the risk is graded from Very Low to Very High. Very high is graded for risks that are almost certain to occur. This relates to an event that can be anticipated to happen every year or more frequently. High is graded for risks that are Likely to occur and this relates to events that can be anticipated to happen once every five years. Medium is graded for risks that are possible to occur. This relates to an event that can be anticipated to occur once every ten years. Low is graded for risks that are unlikely to occur. It relates to a rare event that might occur once every 15 years. Very low is graded for risks that are very unlikely to occur. It relates to an event that might occur less than once every 15 years. Risks are then graded for financial and operational impact on a scale from 1-5. Where 5 is considered extensive impact (> 300 mSEK), 4 - major impact (100-300 mSEK), 3 - impact (50-100 mSEK), 2 - small impact on the business (20-50 mSEK) and 1 - little impact on the business (<20 mSEK).

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

RISK MANAGEMENT - Risk assessment and management are an important part of the company's strategic planning process. Risk management is also an important part of the internal control process. Management of operational risks at Munters is integrated in the strategic planning process and various business processes and controls, e.g., approval requirement for certain decisions. Several cross-process risks are coordinated centrally, such as information security, IT security, responsible business practices, and anti-corruption and bribery. Financial risk management is governed by a Group policy and carried out by Group Treasury. The Board of Directors has ultimate responsibility for the Group's risk management and approves the company's risk management policy. Group Management identifies, evaluates and manages risks within each area of responsibility. The Group Vice President and CFO is responsible for coordinating risk evaluation and compiles the documentation reported to the Audit Committee and to the Board of Directors

RISK EVALUATION PROCESS Enterprise Risk Management (ERM) is an integral part of Munters' overarching management system consisting of various policies. The purpose of ERM is to provide a comprehensive overview of the risks and uncertainties that the company is exposed to and to support value creation, ensure risk awareness and balance risks versus return. The ERM framework is designed to identify and manage existing risks in order to reach the company's strategic goals and provide methods to identify and evaluate risks. In addition, the ERM process ensures that Group Management has reached a consensus on Munters' risk tolerance in relation to the company's goals. Every business area and Group function within Munters is responsible for identifying and managing risks within their organization in accordance with the Munters risk process and current policies and guidelines. The ERM function, which reports to the Group Vice President and CFO, is responsible each year for overseeing a Group-wide risk assessment as part of the strategy process. In 2021, this process was carried out in the spring and summer. The assessments are collected from the business areas and Group functions, which identify and evaluate risks based on their probability and potential impact on operations. The most significant risks and uncertainties, and how they are managed, are regularly reported to Group Management, the Audit Committee and the Board of Directors. Identified risks are charted in a risk matrix. They are evaluated based on the potential impact on Munters, the probability they will occur and how well the risk is managed.

RISK MITIGATION- The ERM function is responsible for implementation of the ERM strategy and ERM activities at the Group level. Responsibility for the company's primary risks is delegated among members of Group Management, and each line manager is responsible for managing the risks that arise within their respective area of responsibility. Those responsible for each Group function and business area appoint one or more risk officers to implement the risk work within the unit. The Group Vice President and CFO is responsible for oversight of the ERM.

RISK CULTURE - Munters' risk culture is the attitude, the conduct and the understanding of risk that affects decision-making. For Munters to manage its risks, strong risk awareness is needed at every level of the organization and it is important to have the right resources to ensure that the requirements set forth in the framework can be met, monitored and supported in an appropriate way

ERM PROCESS - The ERM process applies to the entire Group and to all roles with responsibility for risk management activities. The focus is on getting the Group functions and business areas to clearly link their risks to strategic goals and decision-making responsibility. Risk management planning is done collaboratively by those with risk responsibility in the Group functions and business areas, together with the Enterprise Risk Management function.

RISK IDENTIFICATION - Current risks within each business area are identified through a bottom-up process. Different risk categories are used as inspiration to identify risks as they arise and ensure that the company's risk register covers all applicable risk areas.

RISK ANALYSIS - Munters' primary risks are defined as the company's most important identified risks. Responsibility for each such risk is delegated to a member of Group Management. The ERM function identifies potential risks in Munters' risk register in connection with a workshop with the various business areas and Group functions. These risks are discussed and consolidated by Group Management. The ERM function is then responsible for coordinating risks and monitoring them within the company. The impact of an identified risk is estimated from three different perspectives: financial, strategic and operational. The highest risks for each unit are presented in a risk matrix (see the example on page 54 in the Annual & Sustainability report 2021). The matrix shows the impact and probability of each risk area. The ERM function helps to identify opportunities to consolidate risks based on common characteristics.

RISK COMMUNICATION AND REPORTING - The Munters Risk Council has been established to facilitate coordination within the company and make improvements to the ERM framework and the management of actual risks. The chairman of this Council, on which Group Management participates, is responsible for ERM. The ERM function regularly coordinates the reporting of the key risks' status to the Munters Risk Council. All risks identified outside the reporting cycle, and which potentially could be significant at the Group level, are escalated to the ERM function. The ERM function reports on the status of the company's risks twice a year to the Audit Committee. These reports contain an overarching risk matrix and follow-up on management of the risks. The primary risks are continuously monitored by the ERM function with regard to the status of the mitigation plan's implementation or development. This monitoring started in autumn 2021 for the primary identified risks for 2021.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Very important, we always need to follow current regulations and how they evolve. Munters operate in an environment with many regulations and we comply with environmental laws and provisions. Not following regulations lead to other risks such as the risk of loss of reputation and costs owing to the violation of laws and regulations., An example of following evolving regulations is . reporting according to the EU taxonomy, which was a priority project in 2021 involving several functions such as the finance and research departments and product managers. Munters has performed an analysis in several steps to identify taxonomy-eligible economic activities. The analysis has classified 35% of the turnover, 37% of the operating expenditures and 49% of the capital expenditures as taxonomy eligible for the financial year 2021. Compliance with regulation is handled through our policies and guidelines which include Code of Conduct, Guidelines on Code of Conduct for suppliers, Sustainability policy, Air transport policy and Guidelines for company cars.
Emerging regulation	Relevant, always included	We keep track of emerging regulations. It is important for us to stay ahead and prepare for upcoming regulatory changes to make sure we are compliant. Political or regulatory developments in any of the countries and jurisdictions where Munters operates, including changes to fiscal, tax, environmental or other regulatory regimes could all affect Munters. Potential impacts could be meeting new environmental requirements including higher costs and capital expenditure and local ownership requirements. EU regulation on sustainable finance brings new climate related obligations on both investors and corporates, i.e. the EU Taxonomy and integration of ESG risks in investment processes. Munters provide solutions and services in an industry which is not well defined in the current version of the EU taxonomy and thus significant parts of our business do not have matching dedicated economic activities with substantial contribution criteria. Munters expect its eligible business to increase additionally as the taxonomy is expanded with further objectives and economic activities. Regulatory changes also involve market growth potential for sustainable products, where resource efficiency, low-carbon circular economy and renewability are all important sources of competitive advantage for Munters.
Technology	Relevant, always included	Technology is developing fast and in order to keep our market position and relevance we need to continuously monitor the development. An example of a risk is if our competitors are faster at developing more climate friendly solutions such as higher energy efficiency. Munters main focus is to minimize carbon emissions and increase resource efficiency by offering energy- and resource-efficient solutions that reduce customers' environmental impact. Munters' environmental impact is reduced through energy- and resource-efficient production units and services that extend the life of the products.
Legal	Relevant, always included	Following laws and regulations is an absolute must for us at all times. . We comply with local laws and regulation in all our markets to ensure we do not incur any financial penalties or risk that a production facility is shut down by authorities if we are don't comply with laws and regulations. For example, we have a target to not receive any environmental fines due to noncompliance with environmental laws and regulations. No fines were received during 2021.
Market	Relevant, always included	We need to stay informed about market trends and customer needs, and also about competition. Risks are associated with how sustainable Munters' operations are and the steps we are taking to make products and operations more sustainable. A risk that Munters will not succeed in meeting stakeholders' expectations in various areas, which could result in lost sales and lost market share. In 2021, we prioritized areas identified as important drivers for a sustainable business. An overarching plan and targets have been defined for our priority sustainability areas, which have been integrated in our long-term strategic plan. A risk that Munters does not develop new climate-friendly innovations fast enough or have a sufficiently effective innovation process. This can lead to lost market share. Investments were made in R&D in 2020 and 2021 to strengthen innovation. For example, we strengthened the research and development departments, FoodTech launched an updated strategy with focus on digital solutions and AirTech launched several new products.
Reputation	Relevant, always included	We need to be aware of what risks that could cause damage to our reputation. In order to mitigate this we have good policies in place for issues that can be damaging to our reputation. Munters has operations around the world and collaborates with a number of different stakeholders, including employees, customers, owners, distributors, suppliers, partners and people who work in environments where Munters' climate control solutions are installed. To create long-term shareholder value, we have to ensure value creation for all key stakeholders. This is why we engage close dialogue and collaborate with our key stakeholders. This gives us a better understanding of how and what we can improve in our work, which issues our stakeholders prioritize and we proactively identify concerns, global trends and market expectations. A guiding document to ensure no reputational loss is our Code of Conduct for suppliers.
Acute physical	Relevant, always included	There is a risk that Munters' operations and the overall economy will be impacted by climate change. Munters has not identified any company-specific risks related to climate change. In 2022, a new analysis and evaluation of risks for operations related to climate change will be carried out, i.e. looking at risks related to extreme weather resulting in property damage at plants or supply chain interruptions. Munters monitor developments and work continuously to reduce our own climate impact.
Chronic physical	Relevant, always included	A range of different risks are considered and the likelihood for the different time spans we are looking at. An example is if any of our production sites is located in an area with rising water level or effected by long term change of weather patterns.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	In our annual risk assessment process Munters rate risks based on likelihood and impact and climate-related risks are also rated in this process. We are impacted by climate risks and we do assess these. We also develop mitigation plans and follow-up on these regularly. As of today, we have not evaluated any of the climate related risks as substantial for Munters.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Within business area AirTech demand for our climate systems is for example driven by:

- battery manufacturers, where our products are highly efficient for dehumidifying air that is critical to production of Lithium batteries. We are benefiting from the growing global market for electric vehicles.
- in Clean Technologies we help customers clean emissions from coal power plants and ships but also our solutions support carbon capture processes. Munters' equipment is critical in the process for mass transfer and gas-liquid separation solutions.
- service is also an important growth area for us and we see the service offering increase in importance for customers. Service extends the life of the products, improves efficiency and has a positive impact on the customer's sustainability work.

Our customers are aiming to improve their energy and resource efficiency and reduce their environmental impact, which is driving demand for our solutions. The global digitization, electrification and climate change trends will continue to drive demand for our solutions.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

46

Potential financial impact figure – maximum (currency)

466

Explanation of financial impact figure

We expect these markets to grow 1-10% during the coming 6 months and Munters has a financial target of annual organic sales growth of 5%. We therefore calculate a financial impact of growth between 1-10%.

- Minimum: AT sales 2021 * 1%
- Maximum: AT sales 2021 *10 %

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

It is included in our corporate strategy

Comment

It has not been quantified

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

In the FoodTech business area, we help farmers increase productivity in their operations which is crucial in order to meet the increased demand for food to be traceable and to be able to feed the growing population around the world. By using our solutions farmers, integrators and green house owners can optimize the production. When it comes to production of livestock our products help improve animal welfare, reduce the use of antibiotics and in the end improve human health. We have completely integrated our climate solutions with digital solutions and offer sophisticated software that with the help of AI help farmers make decisions about feed, temperature, etc in order to keep the animals feeling well throughout their lives.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

20

Potential financial impact figure – maximum (currency)

202

Explanation of financial impact figure

Munters has a financial target of annual organic sales growth of 5%. We therefore calculate a financial impact of growth between 1-5%.

- Minimum: FT sales 2021 * 1%

- Maximum: FT sales 2021 * 5 %

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

It is included in our corporate strategy

Comment

It has not been quantified

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

In the Data Center Technologies business area, our solutions produce significant energy savings compared with traditional cooling. We offer a waterless thermosiphon-based system that does not consume water, providing an efficient cooling solution for new and retrofit installations where access to a suitable water supply may be limited, expensive or unreliable. Digitization and global data traffic are growing and more data centers are being built around the world. Advanced climate cooling solutions are critical to low energy consumption as well as reliability and help to reduce carbon emissions

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

34

Potential financial impact figure – maximum (currency)

70

Explanation of financial impact figure

We expect the Data Center market to grow >10% during the coming 6 months and Munters has a financial target of annual organic sales growth of 5%. We therefore calculate a financial impact of growth between 5-10%.

- Minimum: DCT sales 2021 * 5%

- Maximum: DCT sales 2021 * 10 %

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

It is included in our corporate strategy

Comment

It has not been quantified

C3. Business Strategy

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We are focusing our efforts on climate related topics at this point to collect our data then test and analyze our data so we can use it to create a comprehensive plan that can positively influence our strategy. The analysis of the data and the progress we continuously do in the area is taken into account in the yearly risk assessment as well as the formulation of the strategic plan.

We are on a journey to improve the way we work with sustainability questions and as part of this we want to continuously improve our external reporting in the coming years. We have begun the work to measure the climate impact of our entire value chain and have set a target to reach net zero emissions from our own operations by 2030. We will achieve the target by reducing direct emissions in our operations and production facilities and by contributing to the development of renewable electricity sources in our markets. We started reporting Scope 3 emissions, including emissions from landfill waste generated in factory operations and from air travel. We have initiated work to be able to measure relevant emissions from additional upstream and downstream activities in the next few years. The reason we don't plan to have a science based target / transition plan in the next two years is that we estimate that it will take at least two years to establish a complete Scope 3 footprint and only after the mapping has been completed will we start to work on a transition plan for other upstream and downstream emissions than those already being addressed . In other words, we foresee this work being more than two years into the future.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Please select	<p>We are focusing our efforts on climate related topics at this point to collect our data then test and analyze our data so we can use it to create a comprehensive plan that can positively influence our strategy. The analysis of the data and the progress we continuously do in the area is taken into account in the yearly risk assessment as well as the formulation of the strategic plan.</p> <p>We are on a journey to improve the way we work with sustainability questions and as part of this we want to continuously improve our external reporting in the coming years. We begun the work to measure the climate impact of our entire value chain and have set a target to reach net zero emissions from our operations by 2030. We will achieve the target by reducing direct emissions in our operations and production facilities and by contributing to the development of renewable electricity sources in our markets. We started reporting Scope 3 emissions, including emissions from landfill waste generated in factory operations and from air travel. We have initiated work to be able to measure relevant emissions from additional upstream and downstream activities in the next few years.</p>

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Energy efficient products and solutions result in a lower operating cost for our customers and lead to reduced waste and energy consumption, which is good for our environment. This gives us great competitive advantages. In addition, helping our customers with their own sustainability climate related agenda can create new business opportunities. Influenced and had a direct impact on our long-term strategy 2021 - 2026
Supply chain and/or value chain	Yes	We have continued to focus efforts during 2021 to evaluate the value and supply chain. This has resulted in clear analysis of where we need to increase our focus to reduce our environment footprint. This analysis has influenced and had an impact on our long-term strategy 2021 - 2026. Munters has been working for several years to regionalize its value chain and during the year Munters did an oversight of the production capacity with the aim to secure this for the coming years. Munters works actively to reduce its climate footprint in all parts of its operations and thereby affects local markets through its processes and requirements. We started reporting our measurable Scope 1, 2 and 3 emissions in accordance with the GHG protocol and continue to improve the quality of the reporting and tie GHG emissions from our manufacturing plants to our overarching climate goals. With the previous mapping done we have a good idea of how to prioritize improvements in order to have the biggest possible environmental impact.
Investment in R&D	Yes	Innovation and advance technologies create the perfect climate that our customers are demanding while promoting cleaner air, increased resource efficiency and reduced carbon emissions. We have increased investments into R&D during the last years, in order to become even more competitive by creating more energy efficient solutions, i.e. by increasing the amount of resources within R&D and strengthening our sustainability focus within product development by recruiting a global eco design manager. We have started to conduct life cycle analysis on our products.
Operations	Yes	We continued the implementation of the Munters Production System (MPS), which is based on lean principles. In 2021, we reached the target that all production units adopt MPS. We have held training of key employees on how to incorporate environmental impact in capital expenditure evaluations. In addition, during the year, a new energy and water strategy was launched aiming at decreasing our environmental impact, targets are set for consumption reduction and increase of renewable electricity usage. Munters has ISO certifications for quality, the environment and occupational health and safety for production facilities. In 2021, we set the goal that all production facilities will receive ISO 9001:2015, ISO 14001 and ISO 45001 certification. By the end of 2022, all production facilities will be ISO 9001:2015 certified for quality management. We will continue to provide employees with safety training. We started reporting our measurable Scope 1, 2 and 3 emissions in accordance with the GHG protocol and continue to improve the quality of the reporting and tie GHG emissions from our manufacturing plants to our overarching climate goals. With the previous mapping done we have a good idea of how to prioritize improvements in order to have the biggest possible environmental impact. Also, the Board of Directors have performed a sustainability e-learning.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital	Munters sets a strategic plan for a five-year period that is updated every year. This plan includes a financial plan tied to the strategy. The Strategic plan is made for the whole company and broken down to each Business Area, identifying the revenue streams, allocation and increase of resources, efficiency gains within our own operations and capital expenditures in line with the strategy. Reduction of energy and carbon emissions is a key climate related opportunity for our company, creating strong customer demand for more energy efficient products and solution in order to reduce their emissions. In addition, increased consumer demand for more climate friendly products for example electrical vehicles, fuels strong growth in certain applications, such as lithium battery manufacturing, which we have selected as one of our prioritized markets. As part of the strategy and investments for the future, Munters exchanged fossil fuel driven vehicles for new hybrid and electrical vehicles to align with our new climate friendly car policy, and we invested in expansion of R&D capacity. In regards to capital expenditure, we incorporate climate related effects such as carbon, water or waste reduction in the financial evaluation /investment process. Some of the initiatives aimed at carbon reduction are found to have financial benefits in indirect cost, one such example is reduced business air travel, which is made possible thanks to implementation of effective online meeting tools and changing our culture. By identifying and capturing such savings, they can be used to financially offset the financial impact of initiatives that may involve an increased operating expense, for example as mentioned above transitioning the leased fleet of company cars to EVs or hybrids.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

5680

Base year Scope 2 emissions covered by target (metric tons CO2e)

15332

Base year Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

21012

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

27

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

73

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

6112

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

13376

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

19488

% of target achieved relative to base year [auto-calculated]

7.25299828669332

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

Munters commits by 2030 to be carbon neutral at all of our locations (all Scope 1 and Scope 2 emissions). Munters will aggressively pursue reduction initiatives, Green Energy conversions where possible, and then, as a last resort, carbon credits to accomplish our goal. This does include company vehicles.

Plan for achieving target, and progress made to the end of the reporting year

Munters is targeting a 3% reduction in electricity and natural gas usage per year per facility. Additionally, Munters is investigating installing solar panels in all new facilities being built. Add all facilities here...

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2019

Consumption or production of selected energy carrier in base year (MWh)**% share of low-carbon or renewable energy in base year**

16.67

Target year

2030

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

53

% of target achieved relative to base year [auto-calculated]

43.5977439097564

Target status in reporting year

Underway

Is this target part of an emissions target?

This is part of the Munters Net-Zero target by 2030 initiative.

Is this target part of an overarching initiative?

Other, please specify

Please explain target coverage and identify any exclusions

Currently internal experts are working with the internal Global Sourcing area to investigate all options from our energy providers. This goal is for our production units and the desire is to have all 17 manufacturing sites on renewable energy as quickly as possible. Currently, all of our manufacturing sites except one, are using some amount of renewable energy. The percentages are between 4% and 100%. This initiative will continue.

Plan for achieving target, and progress made to the end of the reporting year

Munters has established an Energy and Water Conservation strategy that has been rolled out to all manufacturing facilities. The Corporate Sustainability Team is working directly with Sourcing and the facilities to switch to renewable electricity as quickly as possible.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Low 2

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2020

Consumption or production of selected energy carrier in base year (MWh)

% share of low-carbon or renewable energy in base year
50.4

Target year
2022

% share of low-carbon or renewable energy in target year
60

% share of low-carbon or renewable energy in reporting year
53

% of target achieved relative to base year [auto-calculated]
27.0833333333333

Target status in reporting year
Underway

Is this target part of an emissions target?
This is part of the Munters Net-Zero target by 2030 initiative.

Is this target part of an overarching initiative?
Other, please specify (Part of the Net Zero by 2030 initiative.)

Please explain target coverage and identify any exclusions

As part of Munters Long Term Incentive Program, the percentage of renewable energy consumed by the facilities has been added as a metric. 60% of the electricity consumed by facilities must be tracked and the amount must increase to 60% in order to hit the metric. We have made good progress this past year and have another facility increase their renewable usage to 100%. Based on that increase, we believe we will reach the 60% target by year end 2022.

Plan for achieving target, and progress made to the end of the reporting year

Munters continues to execute on our Net Zero by 2030 goal and continues to increase the amount of renewable electricity at a steady rate. Two additional facilities were improved significantly from the last reporting cycle, TX to 100% and MA to 50%. We are on target to improve two additional facilities to 100% in 2022.

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Low 3

Year target was set
2020

Target coverage
Company-wide

Target type: energy carrier
Other, please specify (Natural gas usage for process heating and curing. Additional use as space heating.)

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2020

Consumption or production of selected energy carrier in base year (MWh)
21288

% share of low-carbon or renewable energy in base year
20.4

Target year
2025

% share of low-carbon or renewable energy in target year

% share of low-carbon or renewable energy in reporting year
23.3

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Underway

Is this target part of an emissions target?
This is part of the Munters Net-Zero target by 2030 initiative.

Is this target part of an overarching initiative?
Other, please specify (Part of the Net Zero by 2030 goal.)

Please explain target coverage and identify any exclusions

Investigate the amount of natural gas being consumed for production and space heating. Determine emissions impact if reduced or replaced by renewable energy such as electricity from renewable sources. Natural gas usage was slightly higher in 2021 over 2020 due to increase in production overall while overall CO2 emissions were lower.

Plan for achieving target, and progress made to the end of the reporting year

Research on natural gas usage conducted in Mexico, Italy, and Chasan, China - our largest users. Natural gas is used in the block curing and process heating steps of production. Additional investigation was conducted on space heating with natural gas at other facilities. Current plans are for facility teams to optimize gas usage by installing flow meters and then investigate new electric heat for possible conversion.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Low 4

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2020

Consumption or production of selected energy carrier in base year (MWh)

31081

% share of low-carbon or renewable energy in base year

73

Target year

2025

% share of low-carbon or renewable energy in target year

% share of low-carbon or renewable energy in reporting year

67

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Is this target part of an emissions target?

This is part of the Munters Net-Zero target by 2030 initiative.

Is this target part of an overarching initiative?

Other, please specify (This contributes to the Net Zero by 2030 initiative.)

Please explain target coverage and identify any exclusions

Munters is working with LEAN initiatives under the Munters Production System to improve overall efficiency in its manufacturing and assembly operations. As efficiency improves, the energy consumed for production will be reduced. This will allow for more production for the same amount of current energy being used or an overall reduction in the amount of energy consumed. It is estimated that 10% of our overall electrical consumption can be reduced by using LEAN practices.

Plan for achieving target, and progress made to the end of the reporting year

Munters has launched LEAN in all three regions and is now starting to measure savings and waste avoidance, including energy. Actual reduction activities in Mexico, Italy, and Chasan, China are being measured in 2022.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Low 5

Year target was set

2020

Target coverage

Site/facility

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2021

Consumption or production of selected energy carrier in base year (MWh)

2087

% share of low-carbon or renewable energy in base year

7

Target year

2023

% share of low-carbon or renewable energy in target year

95

% share of low-carbon or renewable energy in reporting year

7

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

Underway

Is this target part of an emissions target?

This is part of the Munters Net-Zero target by 2030 initiative.

Is this target part of an overarching initiative?

Other, please specify (This is part of the Net Zero by 2030 initiative.)

Please explain target coverage and identify any exclusions

In order to meet production goals over the next decade, Munters will build a new DataCenter assembly factory in Daleville, VA to replace the current factory in Buena Vista, VA. The new factory will use 100% renewable electricity.

Plan for achieving target, and progress made to the end of the reporting year

Construction on two new facilities actually started in 2021, Daleville VA to replace the current factory in Buena Vista, VA and another facility in Hodonin, CZ to replace the facility in Hrusky, CZ. Both facilities will be powered 100% by renewable electricity.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Low 6

Year target was set

2022

Target coverage

Company-wide

Target type: energy carrier

All energy carriers

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2021

Consumption or production of selected energy carrier in base year (MWh)

20951

% share of low-carbon or renewable energy in base year

53.3

Target year

2030

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

53.3

% of target achieved relative to base year [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

To supplement the Net Zero by 2030 initiative at Munters, an Energy and Water Conservation strategy was completed and rolled out the facilities. This strategy includes goals for switching to renewable electricity, reduction in electricity usage, reduction in natural gas usage, and reduction in water usage. Each facility has a target of 3% reduction per year.

Is this target part of an overarching initiative?

Other, please specify (This is part of the Net Zero by 2030 initiative.)

Please explain target coverage and identify any exclusions

Currently this is for all manufacturing facilities. As we are starting to collect data on all of the other locations such as offices and warehouses, this strategy will be extended to those locations as applicable.

Plan for achieving target, and progress made to the end of the reporting year

Each manufacturing facility is required to have an Energy Manager role that will initiate projects and monitor compliance with the strategy. Each Energy Manager will report findings to the Operations Managers at each facility for roll up reporting.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Low 7

Year target was set

2020

Target coverage

Site/facility

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2020

Consumption or production of selected energy carrier in base year (MWh)

8388

% share of low-carbon or renewable energy in base year

27.6

Target year

2022

% share of low-carbon or renewable energy in target year

37.4

% share of low-carbon or renewable energy in reporting year

37.4

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Achieved

Is this target part of an emissions target?

This project was done to reduce the amount of electricity consumed in our Monterrey, MX facility, the single highest consumer within Munters. A special initiative was launched with an assigned project manager. The electrical consumption was up in 2021 but below the increase in production rate. For Q1, 2022, we have seen an approx. 25% thus far so the project was very successful. The methodology will be transferred to other facilities.

Is this target part of an overarching initiative?

Other, please specify (Part of our Net Zero by 2030 initiative.)

Please explain target coverage and identify any exclusions

Monterrey Mexico only, thus far. This project focused on the corrugators used in the process which use heat lamps for curing. Additionally, the project focused on relamping the facility.

Plan for achieving target, and progress made to the end of the reporting year

<Not Applicable>

List the actions which contributed most to achieving this target

The significant contributors to the project was to expand the width of the paper being corrugated to increase production for the same amount of electricity used. Additionally, the heat lamps were changed to a lower wattage but still retained the same amount of curing needed in the process. The facility also changed out all of the old lights to LED fixtures.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Low-carbon vehicles	Other, please specify (Reduce the average emission factor of the fleet by 30% by 2023)
---------------------	--

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

1392

Target year

2023

Figure or percentage in target year

30

Figure or percentage in reporting year

1416

% of target achieved relative to base year [auto-calculated]

-1.76211453744493

Target status in reporting year

Underway

Is this target part of an emissions target?

No but will reduce our overall carbon footprint due to the reduction in use of carbon based fuels by vehicles.

Is this target part of an overarching initiative?

Other, please specify (This is part of Munters overall Green initiative.)

Please explain target coverage and identify any exclusions

Munters currently has a large fleet of vehicles used for company sales, service, management use. Munters has changed its company car policy to state that all business units must reduce the average emission factor of their fleet by 30% by 2023.

Plan for achieving target, and progress made to the end of the reporting year

Although the metrics show an increase of 24 tons, our fleet grew from 353 vehicles in 2020 to 389 vehicles in 2021. Based on the increase of the number of vehicles, we actually see a 5.8% decrease in the amount of emissions. This project is actually on target to achieve the planned results.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Oth 2

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	Percentage of total waste generated that is recycled
------------------	--

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

49.75

Target year

2030

Figure or percentage in target year

90

Figure or percentage in reporting year

54

% of target achieved relative to base year [auto-calculated]

10.5590062111801

Target status in reporting year

Underway

Is this target part of an emissions target?

No, this target is for protecting the environment for the future.

Is this target part of an overarching initiative?

Other, please specify (This is part of Munters overall Green initiative.)

Please explain target coverage and identify any exclusions

In order to protect the environment, Munters wants to make sure that all waste or scrap material from our manufacturing facilities is not going to the landfill but is recycled or reused in some form. This includes all metals, wood, paper/cardboard, and plastics. The eventual goal to be landfill free. This year we are focusing on reduction activities and recycling activities at all facilities.

Plan for achieving target, and progress made to the end of the reporting year

All facilities are required to have a reuse/recycling plan in place to move towards a Zero landfill goal. Currently, we have 5 facilities above 90%.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Target year for achieving net zero

2030

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain target coverage and identify any exclusions

Munters has committed to a Net Zero emission rate for Scope 1 and Scope 2 by 2030.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Unsure

Planned milestones and/or near-term investments for neutralization at target year

<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

Our business area called Clean Technologies is working on carbon removal at the emission site via our new equipment. We are looking to partner with cement manufactures to capture the carbon that then can be disposed of properly.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	1	600
Implementation commenced*	7	1524
Implemented*	1	1249
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1946

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

As part of our Net Zero by 2030 initiative, each of our facilities need to utilize electricity from renewable sources. We have increased that amount to 53.3% in 2021 and are now over 60% in 2022. This project will continue until all facilities are utilizing electricity from renewable sources.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Most of our manufacturing and assembly facilities have activities that require permits from the local and/or federal governments. As these permits change and become harder to meet, additional capital is required for new equipment and updated processes to meet the new requirements.
Internal incentives/recognition programs	Munters has a Long Term Incentive Program that includes sustainability goals. In order to meet those targets, some capital investments have to be made and this insures they get approved.
Employee engagement	Through the use of the Munters Production System, Cost Out Programs, and the employee suggestion system, all employees have the ability to participate in improvement activities, which many of them are sustainability related.
Internal price on carbon	We have implemented mandatory environmental evaluation in capital expenditure requests/ proposals, using a theoretical price for carbon, which can improve the pay pack time on investments which reduces carbon emissions. The mandatory evaluation is intended to cerate a "think before you act", so that climate aspect and carbon emissions in particular are identified and evaluated before an investment or purchase is made, and to justify a higher cost / investment if the option reduces carbon emissions compared to its alternative.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Heating and cooling	Other, please specify (Efficient humidification and dehumidification products.)
---------------------	---

Description of product(s) or service(s)

Munters produces products in an environmentally sustainable manner to meet the humidification and dehumidification needs of our customers.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

35

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Energy savings due to properly operating and maintaining cooling and dehumidification equipment.)

Type of product(s) or service(s)

Other	Other, please specify (Service and normal replacement part repair)
-------	--

Description of product(s) or service(s)

Global services for all of our equipment. Regular service and maintenance enables our equipment to run at peak performance and reduce energy consumption.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

15

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in reporting year definition	Previous reports were 12 month period ending June 30, 2020 and March 31, 2021 respectively. Starting with this report, we are aligning the CDP reporting year with our financial reporting year, Jan 1-Dec 31 (2021).

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	We are adding a base year (= Jan 1-Dec 31, 2020) for Scope 3 category 5, Waste in operations, and Scope 3, category 6, Business travel

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

July 1 2019

Base year end

June 30 2020

Base year emissions (metric tons CO2e)

8037

Comment

Munters Group AB are in the process of mapping and calculating our global carbon footprint. During 2019-2020, we made a significant effort to collect and obtain data and make our first Scope 1 and 2 greenhouse gas emissions inventory covering our factory locations: we collected emissions data for Q1 and Q2 2020 (01-01-2020 to 30-06-2020) and extrapolated the numbers backwards to get an estimation of the full-year figures from 01-07-2019 to 30-06-2020, the base year. In 2020, we have continued to collect information and also have estimates for emissions from our vehicle fleet; we have added the estimated vehicle emissions to the base year data.

Scope 2 (location-based)**Base year start**

July 1 2019

Base year end

June 30 2020

Base year emissions (metric tons CO2e)

15045

Comment

Munters Group AB are still in the process of calculating and understanding our global carbon footprint. During the last year, we have made a significant effort to collect and obtain data and make our first greenhouse gas emissions inventory covering our factory locations. So far, we have collected emissions data for Q1 and Q2 2020 (01-01-2020 to 30-06-2020) and extrapolated the numbers backwards to get an estimation of the full-year figures from 01-07-2019 to 30-06-2020. For the current reporting year, numbers are based on actual data collection.

Scope 2 (market-based)**Base year start**

July 1 2019

Base year end

June 30 2020

Base year emissions (metric tons CO2e)

14687

Comment

Munters Group AB are still in the beginning of calculating and understanding our global carbon footprint. During the last year, we have made a significant effort to collect and obtain data and make our first greenhouse gas emissions inventory. So far, we have collected emissions data for Q1 and Q2 2020 (01-01-2020 to 30-06-2020) and extrapolated the numbers backwards to get an estimation of the full-year figures from 01-07-2019 to 30-06-2020. For the current reporting year, numbers are based on actual data collection.

Scope 3 category 1: Purchased goods and services**Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 2: Capital goods****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 4: Upstream transportation and distribution****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3 category 5: Waste generated in operations****Base year start**

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

1194

Comment

An average data method is used for estimating emissions from landfill waste: 300 kg of GHG / ton of waste and 10kg GHG/ ton of recycled waste. Source: GHG Technical Guidance for Scope 3 emissions. The total amount of emissions from waste is very low relative to total Scope 1, 2 and 3 emissions

Scope 3 category 6: Business travel

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

692

Comment

Only emissions from air travel are included. Emissions from other forms of business travel are deemed insignificant. (Emissions from company cars are included in Scope 1)

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Other, please specify (The GHG Protocol Emission Factors from Cross Sector Tools and the Scope 2 Guidance.)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

7527

Start date

January 1 2021

End date

December 31 2021

Comment

Scope 1 is for production facilities and company vehicles; scope 1 from non-production premises are not yet measured.

Scope 1 from factory operations increased by 6% due to growth in production volume and net sales. Company vehicle emissions increased by 2% due to a 10% increase in number of vehicles, primarily service vehicles, and because driving was not as suppressed by COVID as in 2020. However, a 12% decrease in average emission factor in the vehicle fleet vs. December 2020 was achieved in 2021. Scope 1 from non-production locations to be measured in 2022

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

7070

Start date

January 1 2020

End date

December 31 2020

Comment

COVID 19 resulted in lower production facility utilization in 2020, especially in China, where operations were shut down for extensive periods. COVID 19 also resulted in less driving for sales and other employees with company cars in 2020.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We are reporting Scope 2 emissions based on both location-based and market-based figures. The location-based figures are calculated using data from the International Energy Agency, whereas market-based emissions are calculated using (where applicable and available) supplier-specific information.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

14934

Scope 2, market-based (if applicable)

13376

Start date

January 1 2021

End date

December 31 2021

Comment

Market based emissions decreased by 13% in 2021 as a result of improved energy efficiency (in relation to production output) and due to increase in electricity from renewable sources from 50% in 2020 to 53% in 2021.

Scope 2 from non-production locations (ie. offices) not yet measured.

Past year 1

Scope 2, location-based

15126

Scope 2, market-based (if applicable)

15332

Start date

January 1 2020

End date

December 31 2020

Comment

COVID 19 resulted in lower production facility utilization in 2020, especially in China, where operations were shut down for extensive periods.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Scope 2 emissions from non-production facilities (offices)

Relevance of Scope 1 emissions from this source

No emissions excluded

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

Munters has prioritized reporting of Scope 2 emissions from production locations, which account for a much larger part of emissions than office locations. The mapping of Scope 2 for offices is currently on-going and reporting is planned by end of 2022.

C6.5

Estimated percentage of total Scope 1+2 emissions this excluded source represents

20

Explain how you estimated the percentage of emissions this excluded source represents

We have 17 production facilities using electricity for powering machinery and also fossil fuels for heating and some manufacturing processes. The office /warehouse locations not included are an estimated 30 locations, which consists mainly of office space, are much smaller and with main energy consumption relating to lighting and heating / cooling

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

A global project was started in 2021 and is on-going to identify a methodology for calculating this category of Scope 3 emissions. We have engaged in dialogue with major suppliers and found that very few are calculating their Scope 1 and 2 emissions.

Capital goods

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on estimation, this category is of low relevance and therefore not a high priority to measure compared to other categories of Scope 3 emissions

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No relevant fuel and energy related activities that are not included in Scope 1 and 2

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We have started the work to select lower emission transportation alternatives and to reduce transportation distance by working with our internal and external supply chain. A global project was started in 2021 and is on-going, to identify a methodology for calculating this category Scope 3 emissions. We have engaged in dialogue with major suppliers and found that very few are calculating their Scope 1 and 2 emissions. The aim is to be able to report some of these emissions for 2022

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1355

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The weight of landfill, recycled and reused waste generated in production facilities is reported on a quarterly basis. An average emission factor of 300kg GHG/ ton of waste is used for landfill waste and 10kg GHG/ ton for recycled waste. Weight reports are provided by suppliers of waste management services. Emissions from waste account for about 6% of all emissions generated by the production facilities. Source: GHG Technical Guidance Scope 3 emissions

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

628

Emissions calculation methodology

Supplier-specific method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

90

Please explain

We only report emissions from air travel, emissions from other type of travel is immaterial. (Company vehicles are included in Scope 1 reporting). Most travel agencies are able to provide emissions data reports based on specific flight activity. For the flights where the travel agencies are not able to provide emissions data, trips are tracked manually and emissions are calculated using the IACO (International Civic Aviation Organization) on-line calculator www.icao.int , where the specific location-to-location flights are entered and emissions data is generated.

Employee commuting

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The emissions from employee commuting are deemed not relevant and decreasing with the new hybrid work model. Also, the commuting by employees who have a company car and by service technicians is accounted for in Scope 1 emissions.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not deemed a material source of emissions

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

A global project was started in 2021 to identify a methodology for calculating these Scope 3 emissions. The aim is to be able to report some of these emissions for 2022.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

A global project was started in 2021 to identify a methodology for calculating these Scope 3 emissions.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

A global project was started in 2021 to identify a methodology for calculating these Scope 3 emissions. The aim is to be able to report some of these emissions for 2022.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We have started to do life cycle analysis and added competency and resources for this

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not deemed a material source of emissions

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not have franchises

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not have investments; all companies in the Group are operational and integrated in the reporting

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other upstream emission sources identified

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

No other upstream emission sources identified

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1 2020

End date

December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

1194

Scope 3: Business travel (metric tons CO2e)

692

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	No, but we plan to start doing so within the next two years	We have added in-house competence and started doing life cycle analysis. We have 40 employees who have volunteered to be trained and conduct life cycle analysis under central leadership.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0028445

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

20902

Metric denominator

unit total revenue

Metric denominator: Unit total

7348000000

Scope 2 figure used

Market-based

% change from previous year

11

Direction of change

Decreased

Reason for change

Intensity factor in previous year: 0.0031934. Decreased Scope 2 emissions through improved energy efficiency and increased % of electricity from renewable sources.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
US, Latin America and Caribbean (USLAC)	4430.88
Europe, Middle East and Africa (EMEA)	2414.7
Asia Pacific and Africa	681.34
Please select	

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

By activity

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Amesbury, MA USA	811.34	42.856506	-70.93352
Selma, TX USA	33.75	29.59023	-98.30516
Buena Vista, VA USA	572.56	37.734447	-79.354256
Ft Myers, FL USA	11.49	26.64084	-81.86793
Lansing, MI USA	135.96	42.73194	-84.55225
Monterrey, Mexico	2107.18	25.6828	-100.31164
Araucaria, Brazil	192.16	-25.57797	-49.39788
Beijing, China	0	39.90657	116.38765
Chasan, China	367.34	23.044928	113.752478
Jiangyin, China	9.49	31.894226	120.26759
Ambernath, India	20.51	19.186354	73.191948
Tobo, Sweden	611.03	60.257396	17.656488
Hrusky, Czech Republic	91.31	48.792724	16.974044
Pieve, Italy	573.59	45.867465	11.911048
Tel Aviv, Israel	0	32.080481	34.780527
Horstmar, Germany	572.77	52.081141	7.303443
Company vehicles globally - various countries and locations	1416		

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Fossil fuel used in production facilities (specified by business facility)	6110.92
Company vehicles	1416

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
US, Latin America and Caribbean (USLAC)	7996.92	6820.83
Eastern Europe, Middle East, and Africa (EEMEA)	2504.38	526.4
Asia Pacific and Africa	4433.01	6029.7

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Amesbury, MA USA	1273.59	665.38
Selma, TX USA	571.62	20.36
Buena Vista, VA USA	771.05	771.87
Ft Myers, FL USA	166.41	131.2
Lansing, MI USA	157.78	5.62
Monterrey, Mexico	4828.52	4997.46
Araucaria, Brazil	227.95	228.94
Beijing, China	596.67	1061.88
Chasan, China	2650.8	3563.07
Jiangyin, China	748.66	967.84
Ambernath, India	436.88	436.88
Tobo, Sweden	85.52	0
Hrusky, Czech Republic	128.03	128.03
Pieve, Italy	1571.92	144.79
Tel Aviv, Israel	250.21	250.21
Horstmar, Germany	468.7	3.37

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	2453	Decreased	11	The proportion of renewable electricity increased from 50% in 2020 to 53% in 2021 resulting in a decrease in the average emission factor from 403gCO2e/kwh in 2020 to 340g CO2e/ kwh in 2021. Applied on the total kwh used, this results in a decrease by 2453 tons CO2e. 2453/year 2020's total scope1&2 emissions of 22402 CO2e ton =11%
Other emissions reduction activities	1333	Decreased	5.9	1. Energy (electricity) efficiency improved in relation to production value from 0.96% to 0.90%. Applied 0.96% rate to estimate kwh that would have been needed without efficiency improvements for 2021 volume. There were a large number of initiatives contributing to this, including process improvements, increased first throughput, upgrade of machinery and lighting. 2. Decrease in natural gas usage in Monterrey factory due to extensive process improvement initiatives, resulting in 10.3% efficiency improvement per quantity of product produced. 3. Transitioning began in 2021 of vehicle fleet through global vehicle policy. Achieved a 11.8% decrease in average emission factor of the fleet in first 12 months. CO2 emission reduction activity calculation: decrease in average annual ton of CO2e per vehicle (0.293 ton) x number of vehicles.
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change		
Change in output	2287	Increased	10.2	Production volume and output increased in 2021 due to growth and because of COVID impacting China and India very negatively in 2020 with long shut downs. Growth in emissions from factories was 2140 tons and from vehicle fleet 147 tons; emissions from vehicle fleet increased due to growth, especially in Services, leading to higher number of vehicles. The number of vehicles increased by 10.2%. There was a slight increase in emissions from more driving vs 2020 when the impact from COVID was higher than in 2021
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions	564	Increased	2.5	Colder winter led to higher use of natural gas in the factories in US, Brazil and Sweden. Calculated based on analysis of increase in kwh and usage for the specific plants.
Unidentified		<Not Applicable >		
Other	0	No change		Summary of calculation: Ton CO2e vs. 2020 total Scope 1 and 2 Due to renewable electricity -2453 -11.0% Due to efficiency improvement -1333 -5.9% Due to weather 564 2.5% Due to volume 2287 10.2% Net change -1499 -6.7%

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Increased

C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Waste generated in operations

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO2e)

161

% change in emissions in this category

8.6

Please explain

The proportion of recycled or reused waste in operations increased from 51% to 54% but due to increase in production volume, overall amount of landfill waste increased

Business travel

Direction of change

Decreased

Primary reason for change

Other emissions reduction activities

Change in emissions in this category (metric tons CO2e)

64

% change in emissions in this category

3.4

Please explain

Air travel decreased compared to prior year: the company has set a goal to reduce air travel by 30% compared to PRE COVID level, taking advantage of existing technology to meet and collaborate virtually and to plan travel more effectively when deemed necessary to meet in person . Air travel activity in 2021 was at about 23% compared to estimate for base year 2019 (pre COVID)

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)		29157	29157
Consumption of purchased or acquired electricity	<Not Applicable>	20952	18364	39316
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	20952	47521	68473

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

22478

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Natural gas is used for heating purposes and industrial processes, however, for today we are unable to measure for direct consumption for each purpose.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

6679

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

LPG - used in vehicles and other processes, however, for today we are unable to measure for direct consumption for each purpose. Diesel - used for heating purposes in vehicles and other purposes, however, for today we are unable to measure for direct consumption for each purpose.

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

29157

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total of NG, LPG, and Diesel. All were used for heating in vehicles and other processes, however, for today we are unable to measure for direct consumption for each purpose.

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Small hydropower (<25 MW)

Country/area of low-carbon energy consumption

Sweden

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6578

Country/area of origin (generation) of the low-carbon energy or energy attribute

Sweden

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1909

Comment

We procure renewable electricity via PPA from Vattenfall and it hydro power.

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Wind

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

US-REC

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

927

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

We participate in green electricity programs for Selma, TX and Lansing, MI through their electricity providers backed by wind REC's.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Small hydropower (<25 MW)

Country/area of low-carbon energy consumption

Germany

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1125

Country/area of origin (generation) of the low-carbon energy or energy attribute

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

We procure renewable electricity via PPA from Stadtwerke Gronau GmbH and it is hydro power.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Sustainable biomass

Country/area of low-carbon energy consumption

Italy

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4826

Country/area of origin (generation) of the low-carbon energy or energy attribute

Italy

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Comment**

We procure renewable electricity via PPA from Egea and it is sustainable biomass.

C8.2g**(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.****Country/area**

United States of America

Consumption of electricity (MWh)

6983

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6983

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

India

Consumption of electricity (MWh)

608

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

608

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Brazil

Consumption of electricity (MWh)

1955

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1955

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

China

Consumption of electricity (MWh)

6417

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6417

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Germany

Consumption of electricity (MWh)

1125

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1125

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Czechia

Consumption of electricity (MWh)

256

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

256

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Mexico

Consumption of electricity (MWh)

10116

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

10116

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Italy

Consumption of electricity (MWh)

4826

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4826

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Israel

Consumption of electricity (MWh)

420

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

420

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

Country/area

Sweden

Consumption of electricity (MWh)

6578

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6578

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

C-CG8.5

(C-CG8.5) Does your organization measure the efficiency of any of its products or services?

	Measurement of product/service efficiency	Comment
Row 1	Yes	This is currently mainly for our Datacenter products and will be expanded over the coming years.

C-CG8.5a

(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Category of product or service

Heating & cooling systems

Product or service (optional)

Datacenter cooling is quantified, others products are currently not quantified but will be in the future.

% of revenue from this product or service in the reporting year

10

Efficiency figure in the reporting year

5.29

Metric numerator

megawatt hour (MWh)

Metric denominator

unit of production

Comment

The efficiency is derived from the MWh from our VA facility divided by the number of units produced. This figure improved from 7.68 by 31% due to more units being produced using less electricity.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

54.3

Metric numerator

5195279

Metric denominator (intensity metric only)

9567863

% change from previous year

3

Direction of change

Increased

Please explain

Recycling and reuse of waste materials increased in 2021 due to factory metrics put in place to track and improve.

Description

Other, please specify (Water consumption at our manufacturing facilities)

Metric value

128553

Metric numerator

cubic meters

Metric denominator (intensity metric only)

% change from previous year

53

Direction of change

Increased

Please explain

Water consumption was not being tracked correctly at one factory. Additionally, production increased approx. 25% in 2021.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Sycool product

C-CG9.6a

(C-CG9.6a) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Technology area

Energy efficient heating and cooling systems

Stage of development in the reporting year

Small scale commercial deployment

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

37200000

Comment

Munters has a Group Management level position for Innovation. Part of the Innovation charter is to develop the next generation of cost efficient, sustainable humidification/dehumidification products. Innovation is focusing on life cycle analysis for each product and what can be done to increase the reuse/recyclability of all of our products. The reported R&D investment is in SEK.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Stakeholder expectations
Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Stress test investments
Identify and seize low-carbon opportunities
Other, please specify (Long term financial impact and meeting our goal of Net zero emissions by 2030t)

GHG Scope

Scope 1
Scope 2
Scope 3

Application

Internal carbon price is included in capital expenditure requests and used to calculate an adjusted payback for capital investment decisions, for example machinery and equipment, buildings etc.

Actual price(s) used (Currency /metric ton)

500

Variance of price(s) used

We use 500 SEK/ ton for scope 2 emissions and 1000 SEK/ ton for scope 1 emissions in order to speed up reduction of fossil fuel usage. Also, replacing fossil fuel may require higher investments, so having a higher internal carbon price for these investment can help drive the business cases. We will increase the price / ton over time.

Type of internal carbon price

Shadow price

Impact & implication

1. The shadow price for saved tons of CO2e emissions can generate a better payback time / business case and helps make the financial justification for a solution with lower emissions .
2. The requirement to include the climate impact in investment requests forces the organization to identify, describe and assess the environmental impact of the proposed investment and identify and compare alternatives before a new investment is made. We want to achieve "think before we act".
3. We have held internal training for operational and financial management on internal carbon pricing, which helps create the awareness.

As an example of impact, the new investment request process recently highlighted an opportunity to abandon natural gas as a fuel source for a specific process in favor of electricity at a factory, which has 100% renewable electricity: while the internal carbon price did not make up for the more expensive electrical solution, it highlighted the opportunity for upper management, who approved the more expensive solution anyway because it is the right thing for the climate and will reduce our emissions. We expect the internal carbon pricing to have a significant impact and upper management is openly declaring that they are prepared to accept longer payback times on investments that support reducing scope1, 2 or 3 emissions.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

90

% total procurement spend (direct and indirect)

90

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

We are requesting emission reports from 90% of our travel agencies for flights booked with them. We receive reports monthly or quarterly from most of them. Being able to issue emission reports is an important criteria in the selection of travel agencies.

Impact of engagement, including measures of success

We are tracking emissions from flights and have set a goal to reduce travel by 30% post COVID, compared to the amount of flights before COVID. These reports provides us with the information needed to can track the progress towards our goal. From the engagement of collecting this data we have a broader view of total emissions and will

communicate to employees and create a longer term strategy

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

In Munters global car policy we have set a target to reduce emissions from our vehicles by at least 30% by 2023. In order to do so, we need to add models with lower carbon emissions and need information from leasing companies on available models. Carbon emissions is now an important criteria and we accept a slightly higher leasing cost for models with lower emissions.

Impact of engagement, including measures of success

We have changed our service vehicle models in some European countries to hybrids. We continue to work with leasing companies to help us monitor new vehicle models that have a lower carbon emission factor so that we may change them out from our existing fleet. We work with leasing companies that are willing and able to help us with the information request.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

Other, please specify (We are working with electrical companies and utilities to understand what renewable sources are included in our procured electricity or that can be made available to us.)

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Emissions from electricity is our largest category of emissions in Scope 1 and 2. Increasing the amount of electricity from renewable sources can have the largest and fastest impact short term. Investigating what renewable sources are available and at what green premium is an important part of electricity procurement.

Impact of engagement, including measures of success

We continue to increase the amount of electricity from renewable sources year by year. In 2021 we reached 53%, 2020 we reach 50%, up from 40% in 2019 and the target is to reach 60% in 2022. This is an effective way of reducing our Scope 2 emissions

Comment

Some utilities are struggling to provide accurate emissions data for the mix they are offering, especially if you increase the amount or renewable vs their standard offering.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (Other, please specify (Collecting information on waste from waste management companies in order to be able to estimate emissions from landfill waste and recycled materials))

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

The overall CO2e emissions from waste is not relevant but it is easy to estimate the emissions as long as we get specifications and weight from the waste collectors. We strive to reduce waste and therefore measuring it ensures we can track our progress. Our attention to this also means that the waste management company must work to recycle and reuse what is possible rather than categorize all waste as landfill waste.

Impact of engagement, including measures of success

Overall we have increased from 2020 - 51.4% to 54% in 2021.

Comment

We have five of manufacturing facilities that recycle or reuse 90% of their waste.

Type of engagement

Other, please specify (Transportation/freight companies, Freight Control Tower and TMS (Transport Management System). Developing a Distribution strategy to optimize transportation and address packaging for optimized saturation of containers etc.)

Details of engagement

Other, please specify (We work with freight forwarding and transportation companies to better understand emissions from alternative freight / transportation methods. We will be starting to monitor outbound freight CO2 emissions to understand baseline)

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Start to measure and understand CO2 emissions baseline. Start implement Distribution strategy to optimize freight.

Impact of engagement, including measures of success

During 2nd half 2022 we are starting to measure CO2 emissions from outbound transportation for 2 key sites representing 18% of freight spend. The measurement will give information based on actual shipments and be based on freight mode and distance. Based on the result of this pilot phase we aim to roll out to other sites for starting to measure CO2 emissions.

Comment

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Other, please specify (Collaboration with suppliers on implementing materials in accordance the low global warming regulations)

% of suppliers by number

1

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

EPA regulations

Impact of engagement, including measures of success

The impact for our customers is improved product environmental impact by fully transitioning to a less harmful refrigerant in our product

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation	Other, please specify (We offer service solutions to reduce energy consumption after the initial sale of our equipment)
----------------------------	---

% of customers by number

65

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

After sales customers, AirTech EMEA - Munters customer base is from a wide diversity of industries such as Food, pharmaceutical, battery production. We provide humidity control solutions where precision control is required for mission critical processes or preservation of high value assets. Additionally Munters carry out customer surveys to establish energy efficiency opportunities and propose solutions which indicate return on investment. Many customers have a constant ambition to drive down operational costs and reduce carbon footprint.

Impact of engagement, including measures of success

The impact for our customers is improved quality, increased quantity in production, retaining value and or reducing energy. Munters' environmental impact is reduced through energy- and resource-efficient production units and services that extend the life of the products

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy
-------------------------------	--

% of customers by number

55

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

New and existing customers, AirTech EMEA - customers come to Munters with a problem to solve and we provide a solution and then we inform them of the sustainability benefits related to climate we have to offer. Munters customer base is from a wide diversity of industries such as Food, pharmaceutical, battery production. We provide humidity control solutions where precision control is required for mission critical processes or preservation of high value assets. Additionally Munters carry out customer surveys to establish energy efficiency opportunities and propose solutions which indicate return on investment. Many customers have a constant ambition to drive down operational costs and reduce carbon footprint.

Impact of engagement, including measures of success

Customers impact varies due to their internal sustainability objectives. The impact for our customers is improved quality, increased quantity in production, retaining value and or reducing energy. Munters' environmental impact is reduced through energy- and resource-efficient production units and services that extend the life of the products

Type of engagement & Details of engagement

Collaboration & innovation	Other, please specify (Project Specific Designs)
----------------------------	--

% of customers by number

75

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

Munters works closely with Data Center engineers and owners to develop customer engineered cooling solutions for specific projects. Design factors include sustainability categories of footprint constraints (land usage), power consumption, serviceability, water consumption, and cost. As the industry migrates away from water based solutions, Munters developed a new water-less cooling technology.

Impact of engagement, including measures of success

Globally, Munters cooling solutions for data centers save an annual kWh of 2,847,000,000 kWh. Munters plans to incorporate new KPI's over the next 1-2 years to further measure success in this area. In DCT, we plan to have more resource efforts to analyze our products from a CDP perspective.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy
-------------------------------	--

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

Munters routinely provides information and education to Data Center Technologies (DCT) customers on energy efficient cooling solutions to include power usage calculation, efficiency, and water usage calculations. This information allows owners to better understand Total Cost of Ownership (TCO) for their cooling equipment. We demonstrate the importance of understanding power consumption as relates to cost and environmental impacts.

Impact of engagement, including measures of success

Globally, Munters cooling solutions for data centers save an annual kWh of 2,847,000,000 kWh. In DCT, we plan to have more resource efforts to analyze our products from a CDP perspective.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services
-------------------------------	---

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

The Munters Data Center Technologies (DCT) team hired an independent engineering consultant to evaluate Total Cost of Ownership (TCO) of various data center cooling solutions, focusing on energy consumption, installation cost, and maintenance cost. We then organized webinars and a panel discussion to review the results of this study in order to educate the industry on the advantages and disadvantages of these various cooling technologies.

Impact of engagement, including measures of success

To date, through our participation in various industry events, we've reached over 650 people connected to the data center industry, including owners, engineers, contractors, and suppliers. In DCT, we plan to have more resource efforts to analyze our products from a CDP perspective.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services
-------------------------------	---

% of customers by number

30

% of customer - related Scope 3 emissions as reported in C6.5

30

Please explain the rationale for selecting this group of customers and scope of engagement

FoodTech - We educate our customers by informing them of the energy efficient products we offer and solutions that are not only good for the environment and the climate, but also result in lower operating costs. We also explain our customers how to dismantle and manage product components & material at the end of their life.

Impact of engagement, including measures of success

We furnish products that reduce our customers' climate and environmental impact with a focus on our products' energy efficiency. We also provide energy simulation tools to help selecting the most energy effective solution for the entire farm as well as dedicated application team support. Our MTech business is able to work with a few food integrators to provide a full CO2 calculator for end to end food chain coverage. Munters' environmental impact is reduced through energy- and resource-efficient production units and services that extend the life of the products.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy
-------------------------------	--

% of customers by number

80

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

AirTech Americas - customers come to Munters with a problem to solve and we provide a solution then we inform them of the sustainability benefits related to climate we have to offer

Impact of engagement, including measures of success

Customers impact varies due to their internal sustainability objectives. Munters' environmental impact is reduced through energy- and resource-efficient production units and services that extend the life of the products

Type of engagement & Details of engagement

Collaboration & innovation	Other, please specify (Encourage better climate-related disclosure practices.)
----------------------------	--

% of customers by number

10

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

AirTech Americas - customers come to Munters with a problem to solve and we provide a solution and in addition we work together with them on the sustainability benefits related to climate we have to offer

Impact of engagement, including measures of success

Customers impact varies due to their internal sustainability objectives. Munters' environmental impact is reduced through energy- and resource-efficient production units and services that extend the life of the products

Type of engagement & Details of engagement

Please select

% of customers by number

10

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

AirTech: Munters works with our large customers to reduce energy consumption. These customers have numerous installations across the country and therefore have the greatest impact on the environment. The two technologies that we produce to reduce energy is evaporative cooling and desiccant dehumidification. By offering these energy saving solutions, we help our customers reduce their carbon footprint therefore protecting the environment while saving energy dollars. We also work with our customers on disposal or recycling of components from our products at their end of life.

Impact of engagement, including measures of success

Several of our customers will confirm the energy savings by monitoring and comparing like projects with and without our products. We work directly with these customers to calculate and estimate annual energy savings and water consumption as compared to alternative solutions. In turn the customer can calculate the reduction of CO2 based on the KW savings.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

During 2021, we engaged with our lenders and obtained sustainability linked financing, which means that the conditions of the loan include climate related factors impacting the interest rate paid on the loan. The two factors (KPIs) are: 1) increasing the proportion of electricity from renewable sources in our factories globally, which results in reduced scope 2 emissions and 2) growing of our service business; when our installed equipment is maintained and /or upgraded at our customer sites, energy efficiency improves and the life time of the equipment is extended, which results in lower scope 3 emissions. The loan period is 2021-2026 and we have committed to annual improvements in both of the KPIs

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

People in charged with engaging these associations are the ones aware of our sustainability objectives through meetings and presentations.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (The American Society of Heating, Refrigeration, Air-Conditioning Engineers (ASHRAE))

Is your organization's position on climate change consistent with theirs?

Unknown

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

ASHRAE, founded in 1894, is a global society advancing human well-being through sustainable technology for the built environment. The Society and its members focus on building systems, energy efficiency, indoor air quality, refrigeration and sustainability within the industry.

Munters is involved indirectly by contributing to ASHRAE Standards and Handbook Chapters for both Evaporative Cooling and Humidification Systems. These systems are power saving green alternatives to refrigeration based air conditioning for certain large industrial and commercial applications. ASHRAE Standards and/or Handbook Chapters may be referenced by municipalities or other government bodies in local regulations at their discretion.

Voting Member Involvement: ASHRAE Technical Committee (TC) Memberships in TC 5.7 Evaporative Cooling & TC 5.11 Humidification Equipment

Corresponding Member Involvement: ASHRAE Technical Committee (TC) Memberships in TC 2.5 Global Climate Change, C 2.8 Building Environmental Impacts and Sustainability & TC 3.6 Water Treatment

Examples of ASHRAE Standards include:

Standard 212-2019 -- Method of Test for Determining Energy Performance and Water-Use Efficiency of Add-On Evaporative Pre-Coolers for Unitary Air Conditioning Equipment

Standard 133-2015 -- Method of Testing Direct Evaporative Air Coolers

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary communications

Status

Complete

Attach the document

munters_annual-sustainability-report_2021.pdf

Page/Section reference

page 19, 24 & the EU taxonomy section (page 50-53)

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

Comment

Publication

In other regulatory filings

Status

Complete

Attach the document

munters_annual-sustainability-report_2021.pdf

Page/Section reference

Munters Annual and Sustainability Report - Pages 40-53

Content elements

- Governance
- Strategy
- Risks & opportunities
- Other metrics

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications	<Not Applicable>	<Not Applicable>

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
-----------------------	--

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Please select

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

Please select

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Please select

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

The European Climate Pact Submission

Please indicate your consent for CDP to showcase your disclosed environmental actions on the European Climate Pact website as pledges to the Pact.

No, we do not wish to pledge under the European Climate Pact at this stage

Please confirm below

I have read and accept the applicable Terms