

Effective 1st October 2024



MITSUBISHI LOGISNEXT EUROPE GROUP

ENVIRONMENTAL POLICY



TCM



About TCM

As part of the Mitsubishi Logisnext Europe (MLE) group, TCM Forklift stands among the world's leading forklift manufacturers. With a global legacy rooted in over 60 years of pioneering forklift design and engineering, our collective history reflects a deep commitment to innovation and excellence.

Drawing on the finest technology and innovation across the group, TCM continues to advance forklift design, engineering, manufacture and care for operators, to nurture and propel all businesses with material handling needs to their full potential.

TCM are motivated by a better tomorrow - for our colleagues, customers and communities, through partnerships, collaborations and commitment, upholding changing regulations and industry standards and building a more sustainable future for material handling businesses and our world.



Group Policies

MLE group policies are applicable across all MLE brands, including TCM Forklift, ensuring consistent standards and guidelines throughout the organisation.

Environmental Policy

This Environmental Policy outlines MLE's commitment to sustainable development and regulatory compliance, targeting Net Zero CO2 emissions by 2040 with a 40% reduction by 2030. It focuses on key areas such as climate change, pollution control, water management, and circular economy practices. MLE will use renewable energy, minimise harmful substances, and adopt water conservation strategies to reduce environmental impact. The company also promotes efficient resource use and sustainable product design, fostering a circular economy to reduce waste and strengthen customer relationships.





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MITSUBISHI LOGISNEXT EUROPE GROUP

ENVIRONMENTAL POLICY

1. PURPOSE

This Environmental Policy guides Mitsubishi Logisnext Europe in its commitment to sustainable development, regulatory compliance, and the preservation of environmental and community well-being across our global operations. Our aim is to manage and mitigate environmental impacts effectively while embracing opportunities in climate change mitigation and adaptation, air pollution control, water management, and the circular economy. By adhering to this policy, we pledge to reduce our carbon footprint, optimise energy efficiency, minimise pollution, ensure sustainable water practices, and promote circular economy principles.

The global challenge of achieving carbon-neutrality aligns with our corporate philosophy of «moving the world forward as the leading provider of innovative logistics and material handling solutions.» Environmental preservation is therefore our foremost priority. As a member of the MHI Group committed to decarbonisation, we are dedicated to leading efforts in combating climate change. Our ambitious target is to achieve carbon neutrality by 2040, driving decarbonisation, electrification, and smart technology integration across our operations, products, and services. Section 3 below details the key initiatives through which we are pursuing these objectives.

2. SCOPE

This policy applies to all activities of the Mitsubishi Logisnext Group (hereinafter referred to as “MLE”), including all its business units, regions and functions. Certain environmental commitments extend to other parts of our value chain, encompassing our suppliers, business partners and customers. Consequently, Scope 1, 2 and relevant Scope 3 emission categories are addressed. We are committed to collaborating closely with our suppliers and customers to meet our environmental goals.

Local policies may be developed to address specific local requirements, provided they align with the principles set out in this document.

3. KEY ENVIRONMENTAL TOPICS

Our Environmental Policy addresses critical areas where our operations have significant impacts and where we see opportunities for substantial improvement, in alignment with our mission to lead through innovation. We focus on climate change, aiming to both mitigate our contributions to global warming and adapt our operations to its inevitable effects. This includes enhancing our energy efficiency, increasing our use of renewable energy, and exploring innovative approaches such as carbon pricing and R&D investments to drive sustainable solutions.

We are committed to reducing air pollution from our activities and managing our water use sustainably to prevent water pollution and promote conservation. Finally, we embrace the principles of a circular economy by minimising waste generation, maximising recycling and reuse, and designing our products and packaging with sustainability in mind. By linking our innovative efforts to our environmental goals, we aim to turn environmental challenges into opportunities for sustainable growth and leadership in our industry.



3.1 Climate Action

Carbon Emission Reduction: We intend to reduce our global CO₂ emissions and also be Net Zero by 2040. As an interim target, we will reduce emissions by 40% by 2030 (relative to fiscal 2017 levels). We are taking this approach to reduce CO₂ emissions from our plants and offices in light of our Group's production-centered business operations.

We recognise that preserving the environment and maintaining harmony with the global ecosystem are among the most important management issues, and we shall continue to systematically promote environmental initiatives through our production sites and business operations, such as promote the use of renewable energy, carbon-free solutions and improve energy efficiency. To assess the effectiveness of these initiatives, we have defined specific KPI's.

We shall strictly comply with all environmental laws, regulations, and ordinances as well as all agreements and other requirements to which we are party; adopt voluntary standards; and take steps to preserve the environment.

3.2 Pollution of Air

We shall strive to prevent and control environmental pollution and promote environmental preservation activities by accurately monitoring the environmental impact of our production sites and business operations.

We are committed to protecting the environment and human health by minimising the use of concerning substances and eliminating extremely concerning substances.

We will also adopt voluntary standards and take measures to prevent accidents and respond appropriately to emergencies, preserving the environment and safeguarding people.

3.3 Water Management

Water scarcity is an increasing problem, and climate change is contributing to the emergence of risks such as severe flooding and intense droughts. We recognise that water is a shared natural resource and is vital for our operational and commercial activities.

Annually, we evaluate our locations to identify and manage potential water-related risks, using publicly available tools such as the Aqueduct Water Risk Atlas from WRI and the WWF Water Risk Filter. This thorough process assesses the vulnerability of our sites to overall water risks. MLE is continuously working to reduce water-related risks at the high-risk locations. Although MLE is not a water-intensive organisation, this practice ensures the seamless continuity of our operations and the consistent delivery of high-quality services across all our locations.

Within our scope of work, we have identified the following strategic elements for our water policy:

Water Conservation: We commit to reducing water consumption by implementing technologies and practices that minimise or eliminate water usage. Sustainability principles will guide us, including installing technologies in processes that allow for the reuse of processed or purified water. We will optimise both the quantity and quality of discharged water.

Optimising Water Supply: We will monitor consumption and analyze processes to optimise our water supply. Specific water-saving objectives will be included. Additionally, we are committed to reducing water consumption in areas at water risk, both within our own operations and throughout our upstream and downstream value chain.

Soil Protection Plans: We pledge to implement soil protection plans to prevent groundwater contamination and protect against flooding.

Product and Service Design: During the design and development of our products, one of the objectives is to reduce the environmental impacts generated by water consumption, improving the environmental performance of the products throughout their life cycle, from the extraction of raw materials to the end of its useful life.

Sustainability of Oceans and Seas: The protection of marine resources is essential to preserve biodiversity and guarantee a sustainable environment. To achieve this objective, we will apply:



- Improvement in the quality of the discharge water
- Technological innovation to minimise the carbon footprint and mitigate climate change
- Sustainable use of marine resources: reduce the consumption of minerals and oil by using recycled materials to reduce their impact during extraction on marine ecosystems.
- Restriction of plastics in the oceans. Reduce the use of plastic and promote its recycling to avoid marine pollution.

By taking these actions, we will reduce environmental impact on rivers, lakes, aquifers, and seas, preserving the habitat and biodiversity of aquatic ecosystems.

3.4 Circular Economy and Waste Management

With circular economy we aim to create a regenerative and sustainable system where resources are used efficiently, waste is minimised, virgin materials are reduced through sustainable sourcing and products are designed for longevity. As a forklift manufacturer with a distribution network, adopting circular practices can lead to cost savings, reduced environmental impact, and increased customer loyalty. Key Areas:

Circular Product Design

- Use life cycle assessments to guide design decisions.
- Explore innovative materials and production methods that align with circular principles.
- Encourage product design that prioritises durability, ease of repair, and modular components.
- Collaborate with suppliers to source materials that are recyclable or biodegradable.

Resource efficiency

- Implement lean manufacturing techniques to reduce material waste during production Product Life Extension
- Offer repair services for the products.
- Explore remanufacturing options to refurbish, and upgrade used products Closed-Loop Supply Chains
- Develop partnerships with suppliers to create closed-loop systems for materials (e.g., recycling).
- Consider take-back programs for end-of-life products

4. STRATEGIES

In acknowledging the environmental impact of our business operations, we shall adopt the following important initiatives:

- We shall manufacture eco-friendly products.
- We shall reduce, recycle, and properly dispose of all industrial waste resulting from our business operations.
- We shall become more efficient and reduce our consumption of raw materials, fuel, and energy, and we shall promote environmental preservation in our manufacturing activities.
- We shall improve the transportation efficiency of our product and parts distribution, reduce the use of packing materials, and decrease our environmental load.
- We shall implement in-house training sessions and awareness campaigns to inform all our employees and trading partners of our environmental action guidelines and shall disclose them to the public.



5. RESPONSIBILITIES

5.1 Management of MLE Group and each entity within MLE Group

The management of MLE Group and each entity within the Group are responsible for ensuring compliance with this policy. They must provide the necessary resources for its implementation and conduct regular reviews and updates to the policy as needed. This commitment from the management ensures that the policy remains effective and relevant in addressing environmental challenges.

5.2 Employees

Employees of MLE Group are expected to adhere to the guidelines and procedures outlined in this policy. They play a crucial role in its successful implementation by reporting any violations or potential violations to the designated authority. This proactive approach helps maintain the integrity of the policy and supports the organisation's environmental goals.

5.3 Stakeholders

Stakeholders play a crucial role in helping MLE achieve its environmental objectives. MLE maintains regular communication with stakeholders, addressing their concerns and understanding their impact on MLE. Stakeholders are encouraged to collaborate with MLE, offering feedback and support for continuous improvement.

This policy reflects the valuable insights from both our internal stakeholders and external partners. By adhering to MLE's environmental standards, stakeholders contribute to our broader mission of sustainability and environmental responsibility.

The stakeholder groups are identified in MLE's stakeholder engagement strategy.

6. MONITORING, COMPLIANCE, REVIEW-REVISION AND EXTERNAL REPORTING

We are committed to monitoring and evaluation of our environmental performance, ensuring accountability and transparency in all our operations. Our environmental performance is systematically measured and monitored, with results reported annually in our comprehensive Annual Sustainability Report. This report complies with the Corporate Sustainability Reporting Directive (CSRD), providing stakeholders with a clear view of our progress and initiatives.

To ensure credibility and thoroughness, the environmental topics outlined in this policy undergo annual audits conducted by external auditors. These audits validate our adherence to established environmental goals and standards, ensuring alignment with regulatory requirements and industry best practices.

This policy is a product of collaborative efforts, incorporating valuable insights from both internal teams and external stakeholders. We actively engage stakeholders using our environmental performance data to inform discussions and enhance mutual understanding. Our approach is guided by global trends, stakeholder feedback, and our strategic objectives, driving continuous improvement in our Environmental, Social, and Governance (ESG) strategies, commitments, programs, and value propositions.

As part of our commitment to transparency and accessibility, this policy is readily available to all stakeholders through the MLE website. Regular reviews and updates ensure that the policy remains responsive to evolving environmental challenges and opportunities, reinforcing our dedication to sustainable practices and long-term environmental stewardship.



7. APPENDIX

Program Structure:

