

ABL CLIMATE PROTECTION STRATEGY 2030

abl solutions

abl Climate Protection Strategy 2030

The long-term success of a company is not solely determined by its economic performance, but also by its responsible use of natural resources. As a socially conscious organization, we place great importance on environmental sustainability.

Through the optimization of our business operations, we strive to reduce emissions, conserve resources, and lessen our environmental footprint. This commitment represents our contribution to environmental and climate protection.

Our internal publication in September 2022 outlines our goal to become a climate-neutral company by 2030.

OVERVIEW of abl Climate Protection Strategy 2030

MAIN POINTS

ENERGY

- Purchase of green electricity
- Increasing energy efficiency of our offices

MOBILITY

- · Environmentally friendly travel and commuting
- Focus on alternative drives for new vehicles

PROCUREMENT

- Close cooperation with suppliers
- Sustainable purchasing strategy

LOGISTICS

Climate-friendly packaging and transport

Scopes of emissions



Vehicle Fleet and Property

The focus of Scope 1 emissions is on the vehicle fleet. abl solutions GmbH is working towards gradually expanding the company's fleet to include all-electric vehicles by 2030. The quantity of these vehicles will be incrementally raised by the end of 2030.

In tandem with the expansion of our electric vehicle fleet, it is crucial to significantly increase the available charging infrastructure and facilitate employee access to vehicle charging near their workplace. The number of charging points for electric and hybrid cars at abl has increased.

CO² Emissions along the value chain

Scope 2 emissions primarily result from upstream and downstream value chains, with purchased goods and services being the main source. Collaborating with suppliers, implementing a sustainable purchasing strategy, and adopting a Green IT portfolio are essential steps to achieve a 30% reduction in scope 2 emissions by 2030. abl is actively working to make its operational logistics and mobility more environmentally friendly.

Scope 3 emissions include business travel, transportation and distribution, and employee commuting.

Following the materiality analysis, abl has concentrated its efforts on reducing fundamental sources of CO₂ emissions in mobility, energy, purchasing, and logistics. Simultaneously, it is essential to raise awareness about climate protection. The goal is to reduce scope 1 and scope 2 emissions by 40% each, while aiming for a 30% reduction in scope 3 emissions along the value chain by 2030.



Sustainable digitization

Sustainable digitization refers to the process of utilizing **digital technologies** in a way that minimizes environmental impact, promotes social responsibility, and ensures economic viability. When measuring the sustainability of digitization efforts, organizations often use Scope 1, Scope 2, and Scope 3 emissions classifications, as defined by the Greenhouse Gas (GHG) Protocol. These scopes help to categorize and assess the different sources of emissions associated with an organization's activities.

Scope 1 Emissions

<u>Definition</u>: Direct emissions from sources that are owned or controlled by the organization.

• <u>Example in Digitization</u>: Energy consumption of data centers, emissions from company-owned vehicles used for digital infrastructure maintenance.

Scope 2 Emissions

<u>Definition</u>: Indirect emissions from the generation of purchased electricity, steam, heating, or cooling consumed by the organization.

• <u>Example in Digitization</u>: Emissions associated with electricity consumption for running servers, data centers, and other digital infrastructure.

Scope 3 Emissions

Examples in Digitization:

- Upstream: Manufacturing and transportation of digital devices, such as servers, computers, and networking equipment.
- Downstream: End-user activities, including the use and disposal of digital products, and the impact of digital services on user behavior (e.g., travel reduction due to remote work).



abl solutions GmbH Sustainable Digitization Goals and Measurements

Energy Efficiency

Measure and optimize the energy efficiency of data centers and digital infrastructure.

- Implement energy-saving technologies, such as virtualization and renewable energy sourcing ->by 2025 Meraki port schedules have played a crucial role in reducing our energy consumption. By creating custom port schedules, we can disable ports during non-business hours, effectively shutting off power to devices such as VoIP phones and access points, resulting in significant energy savings This not only helps us reduce our carbon footprint but also contributes to cost savings by optimizing energy usage across our network infrastructure. Energy savings 2020-2023 by 70% - ongoing
- The installation of presence detectors for lighting in our main office has helped us reduce electricity costs. By detecting movement, the presence detectors can automatically turn the lights on and off, depending on whether there are people in the room or not. This leads to efficient use of light and significantly reduces energy consumption. -> In 2023, we were able to reduce electricity costs by 15% ongoing

Remote Work and Travel Reduction:

- Assess the impact of digital tools on remote work and travel reduction, leading to lower Scope 3 emissions related to commuting. -> The increased use of digital technologies has enabled many professional activities to be carried out from home. The adoption of home office is facilitated by technologies such as video conferences, cloud-based collaboration tools, and secure digital communication platforms. -> Digitization through SharePoint refers to the utilization of Microsoft's SharePoint platform. By implementing SharePoint as part of our digitization strategy, we can operate more effectively overall and supports the digitization of paper-based processes. Since 2021, paper costs have decreased by 60%. By 2030, we aim to achieve a reduction of 80% in paper costs.
- Webex Collab and MS Teams have revolutionized our communication and collaboration processes, greatly reducing the need for extensive travel. With their robust video conferencing capabilities, we can now conduct virtual meetings, presentations, and training sessions from anywhere in the world, eliminating the expenses associated with airfare, accommodation, and transportation. This has not only saved us significant travel costs but has also allowed us to increase productivity and efficiency by seamlessly connecting our global teams -> Cost savings on travel since 2019 have been 60% - by 2030 ongoing



Cloud computing efficiency

- Evaluate and optimize the efficiency of cloud computing services to reduce energy consumption and associated emissions. We primarily use Meraki in cloud-controlled environments to reduce our energy consumption due to its advanced energy management features. By centralizing control and monitoring through the cloud, we can easily implement power-saving measures such as scheduled port shutdowns, intelligent power allocation, and real-time energy usage monitoring, resulting in significant energy savings and overall reduced environmental impact -> ongoing, 2/3 energy savings since 2019. By 2030, savings of up to 80% are possible.
- In addition to its energy-saving features, Cisco Meraki is also committed to sustainability. It emphasizes eco-friendly practices in its product design, manufacturing, and packaging, ensuring that its solutions have a minimal environmental footprint. By choosing Meraki for our cloud-controlled environments, we not only reduce energy consumption but also contribute to a more sustainable and environmentally conscious approach to network management.

Green Procurement:

- Implement green procurement practices by choosing digital products and services from suppliers committed to sustainability.
- Consider the environmental impact of hardware, software, and services throughout their life cycle.

E-waste Management:

 Develop and implement strategies for the responsible disposal and recycling of electronic waste generated by digital devices.-> We prioritize responsible e-waste management by partnering with a provider that offers buy-back and trade-in programs for recycling our old hardware. This ensures that our outdated equipment is properly disposed of, reducing the environmental impact and promoting the circular economy by giving our old devices a new life.

Renewable Energy Transition:

 Invest in renewable energy sources for powering digital infrastructure, such as solar, wind, or hydroelectric power.-> since 2022 (40%); Power purchase agreement with a local renewable energy provider N-ergie Nürnberg, Achieve 70% reliance on renewable energy sources for electricity consumption by 2026. This may involve collaborating with green energy providers, installing on-site renewable energy systems, or purchasing renewable energy certificates; by 2030 100%

By incorporating these measures and considering the different scopes of emissions, we can develop a comprehensive approach to sustainable digitization and contribute to the overall goal of minimizing environmental impact.

OUR strategy

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abl's Sustainability Strategy 2030 defines our specific ecological, economic and social objectives.

The core of abl solutions GmbH's Sustainability Strategy 2030 revolves around four strategic areas of focus: ethical business practices, people, environment, and digital future. Each area includes three main points with attached strategic goals. Our expert team has formulated a Sustainability Program that outlines milestones and operational actions, providing transparent insight into our progress and allowing us to adapt measures and objectives as needed.

 ETHICAL BUSINESS PRACTICES We fulfil our duty to ensure human rights are respected along our supply chain. Main Points: Supply chain sustainability Compliance Social commitment 	 ENVIRONMENTAL We operate in harmony with our environment to conserve our climate and resources into the future. Main Points: Climate and energy Sustainable logistics
 DIGITAL FUTURE We drive future-facing digitalization and contribute to our customers' success through sustainable innovation. Main Points: Sustainable in-house digitization Sustainable technologies, solutions and services Information security and data protection 	 PEOPLE We embody fairness and value our business partners and employees. Our team is motivated, highly qualified and diverse. Main Points: Employer attractiveness Diversity and equal opportunity Health and safety

Ethical Business Practices





SUPPLY CHAIN SUSTAINABILITY

We are committed to human rights and environmental standards along our supply chain. We call for transparent sourcing processes and are expanding sustainable supplier management.

Action Plan

- Implemented in 2022: Develop a systematic process to assess our direct suppliers and vendors for their ecological and social responsibility through improved supplier management and updated auditing procedures.
- By 2030: Strengthen communication and cooperation with strategic vendor partners on joint initiatives to promote environmental and social considerations throughout the supply chain.
- By 2030: Expand our network of suppliers who prioritize social and environmental standards within their supply chains.

COMPLIANCE

We act with integrity and in compliance with statutory requirements. Compliance is paramount, which is why we consistently strive to minimize risks and advance prevention.

Action Plan

- Completed in 2022: Implemented compliance training for all employees.
- Ongoing: Developing a handbook on compliance.

SOCIAL COMMITMENT

Social commitment is part of our corporate responsibility, and we actively support select social projects as a reliable partner.

Action Plan

- Ongoing: Updating donation and sponsoring guidelines, incorporating digital education programs.
- Ongoing: Encouraging and supporting employees' social engagements.

Environmental





CLIMATE AND ENERGY

We will become carbon neutral in the areas we can influence through a three-pronged approach of avoidance, reduction and compensation.

Action Plan

- Continuing: Developing a comprehensive climate protection strategy and mobility concept.
- By 2030: Gradually expanding the company fleet with all-electric vehicles and further enhancing our charging infrastructure.

SUSTAINABLE LOGISTICS

We design our logistics processes around ecological efficiency criteria, both in terms of transport and packaging. At our logistics hub, we are reducing the amount of shipping boxes used per package by 20% without changing the way products are dispatched.

Action Plan

• Continuing: Increasing the proportion of recycled plastics in plastic packaging and wrappers.

Digital Future





SUSTAINABLE IN-HOUSE DIGITIZATION

Within the scope of our IT strategy, we are pursuing the goal of making our enterprise architecture resource-saving, efficient and user-friendly.

Action Plan

- Completed in 2022: Established criteria for a sustainable enterprise architecture as the cornerstone of our IT strategy.
- Ongoing: Planning to incorporate sustainability criteria into 30% of in-house IT projects.
- By 2030: Identifying and decommissioning systems that lead to process overlaps and unacceptable redundancies as part of application and IT retirement.

SUSTAINABLE TECHNOLOGY, SOLUTIONS AND SERVICES

We play an active part in our customers' digital transformation. In order to provide our customers with the best possible support to fulfil their Corporate Digital Responsibility and achieve climate targets, we are working closely with our vendor partners to broaden our portfolio of sustainable technologies, solutions and services.

Action Plan

- Ongoing: Providing ongoing awareness training to employees regarding our portfolio of sustainable products and developing an in-house training program to become a Digital Sustainability Consultant.
- By 2030: Continuing to expand our portfolio of hardware, software, on-prem and cloud solutions, and services for customers through the addition of new, sustainable products and vendors.

INFORMATION SECURITY AND DATA PROTECTION

We ensure our data and that of our customers and partners are secure. Information security and confidentiality in accordance with statutory regulations are a top priority.

Action Plan

- Ongoing: Optimize our already high levels of information security and data protection. Keep our DIN EN ISO 27001 certification.
- By 2030: Analyze security-critical components as part of our Service Lifecycle Management.

People



EMPLOYER ATTRACTIVENESS

We are bolstering our position as one of the leading European employers in the IT industry. Our focus is on employee satisfaction, personal development, training, leadership and abl's culture of work.

Action Plan

- Ongoing: Implementing internal career paths with a focus on expert careers and leadership development
- Ongoing: Continuing to conduct local, annual employee satisfaction surveys and translating results into concrete measures.
- Continuing: Leadership initiative, including dedicated training opportunities, and attracting young people with a target group-specific approach and expanding cooperations with universities.

DIVERSITY AND EQUAL OPPORTUNITY

We promote diversity within the group and continually strive for equality among our employees, putting gender diversity in the spotlight.

Action Plan

• Ongoing: Develop a shared Gender Diversity roadmap across People Development, Human Resources and Corporate Communications and deduct concrete measures.

HEALTH AND SAFETY

We are continually optimizing our good work in the field of occupational health and safety, strategically anchoring them within the abl.

Action Plan

• Ongoing: Continue to standardize our occupational health and safety protocols and enable an exchange on health-related topics across sites.