Facts & figures

SMIT & ZOON

Facts & Figures

The below KPI's and information are used in Royal Smit & Zoon to determine the progress to long-term goals related to our Double Materiality Matrix topics.
We use our own developed protocol and monitoring instrument to collect data for this report. This instrument ensures that data from our different locations can be compared and the Board of Management and internal stakeholders can easily be updated on the status of ESG related projects. After careful analysis and review, while using our 2024 monitoring instrument, a number of 2022 and 2023 data needed to be restated. Data adjusted for 2022 and 2023 are marked with a *.

Health and Safety

Safety & Health	2022	2023	Target 2024	2024
IR (Injury Rate)[1]	0,67	0	0	0.74
LWD (Lost Work Days)[2]	4,1	0	0	17
AR (Absentee Rate)[3]	3,8%	3,3%	4.1%	2.7%

[1] *Number of injuries per 200.000 worked hours.*
[2] *Number of Lost Work Days per 200.000 worked hours.*
[3] *Percentage of sick days over worked days.*

Employee Training

(Average man-hours of training per type of training, split between male and female employees (in FTE)) [4]

Safety & Health	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Health & Safety	15,9	13,5	15,9	13,5	15,9	13,5
Information Security [5]	15	15	15	15	15	15
Employee Code of Conduct [6]	0,45	0,45	0,45	0,45	0,45	0,45
Professional and personal development skills			29,4		23.8	

[4] *These data are limited to the average man-hours of employee training on professional and personal development skills (not broken down by gender) for the Dutch Entity during work hours, in 2023 and 2024.*
[5] *2022 numbers excludes our employees in China, In 2023, the online training program on Information Security was expanded to our employees in China. The 2024 number concerns employes across all global entities.*
[6] *For 2022, this number includes the average man-hours of training on the Employee Code of Conduct for the employees and consultants (self-employed persons who are part of our Sales and Technicians workforce). in the Dutch entity. For 2023, this number includes the average man-hours of training on the Employee Code of Conduct for the employees in the Dutch, German and Chinese group entities, and for consultants, as we continued the multi-year training program on the Employee Code of Conduct for the Dutch organization and implemented the first step (creating awareness) for the German and Chinese organizations. For 2024, his number includes the average man-hours of training on the Employee Code of Conduct for the employees group-wide and consultants, as we continued and further expanded our training program.*

Water Consumption

(M3/ton of product produced)

Water consumption	2022	2023	2024
Surface water	13,6	13,8	11,3
Ground water	4,4	4,1	3,6
Tap water	0,65	0,70	0,67
Total	18,6	18,6	15,6

Surface & ground water are used for cooling and discharged into rivers in compliance with the applicable permits. Ecology based limits for these discharges are not limited in volume, but in thermal and chemical composition. Most of the tap water consumption is for use as part of the composition of products and not discharged as waste water.

Water discharge[7]

(Per ton of product produced)

Water discharges		2020*	2021	2022
Volume	m3/ton of product	0.13	0.1	0.1
Load of chemical oxygen demand (COD)	Kg/ton of product	-	3.9*	4.3

[7] *Water discharged as waste water is only a small fraction of the tap water consumption. See remarks above.*

Waste & Water reduction measures

(Kg/ton of product produced)

Waste	2022	2023	2024
Non-hazardous	6,71	3,86	24,28
Hazardous	6,37	7,51	58,28
Total	13,08	11,38	82,56

The high numbers for 2024 in the above table have two main causes. In Italy we have been decommissioning the production department of our Montorso site in Italy. As a result of the emptying and cleaning of tanks and equipment, one timely high amounts of waste and waste water have been disposed of. A second cause is the reclassification of 2 big streams of liquid waste of the Weesp site from waste water to waste in line with the reporting requirements of the Dutch authorities. Because of this, the results of many measures that we have been taking for years to reduce waste generation and reuse materials as much as possible is not reflected in the 2024 numbers. We expect that from 2025 onwards this will be clearly shown again.

Part of our waste reduction efforts result in less waste generation at our customers, which is not being reflected in the above data. Our most important waste reduction measures are:

- IBC's: Use reconditioned intermediate bulk containers (IBCs') for finished products. These are either reused IBCs from our own raw materials or intermediates or purchased reconditioned 2nd hand IBC's (all sites).
- Pallets: reuse for internal transport (all sites), repair and reuse (Italy, China), send damaged pallets to supplier for repair (NL sites).
- Drums: Sell used drums back to supplier, recycling and reusing the plastic (IT sites).
- Big bags: Internal reuse of big bags up to maximum allowed (10 times).
- Send back empty drums, pallets and IBCs to suppliers (NL sites).
- Collect powder from dust filters and reuse as raw material (all syntan processing sites NL, India, China).
- Collect and sell scrap metals (all sites).
- Reprocess off spec materials (all sites).
- Reduce off spec materials generation by continuous improvement in production (all production sites).
- Reuse of water for rinsing of process vessels in production of next batch of same product (all liquids processing sites NL, Italy, China, India).
- Recycle expired retain samples from QC labs and expired products from application labs into production (all sites).
- Collect separate waste streams from paper, cardboard, plastic (NL and IT sites).
- Separately collect disposable paper drinking cups and stimulate reuse during the day (Amersfoort site and Weesp production). In 2024 in The Netherlands we will stop using paper disposable altogether and only use glass or ceramics cups and glasses.
- Adopt the collection of leftovers consigned to the municipal waste collection and these in compound for gardens feeding (IT sites).

In 2023, after a trial period, we have reduced the thickness of the polyethylene film for syntan bags from 180 micron to 140 micron and consisting of 30-50% recycled material in the film. Tests were successful and this will contribute over the coming years to less waste and plastic use for our customers.
In January 2024, we introduced separated collection of plastic and metal (cans) in the Weesp headquarter office.

Waste water treatment

All wastewaters from our sites are being treated in external Wastewater Treatment Plants (WWTP). Our Italian and Indian sites are located in industrial tannery districts that have common WWTP's. These are specialized in treatment of wastewater from tanneries and related chemicals producers, including the wastewater from leather application labs. Our Dutch sites are connected via sewers to municipal wastewater treatment plants or transport the waste water by tank car to such facilities. In our Weesp site, we have pre-treatment facilities for water from production and from the leather application lab before discharging into the sewer or transport by tank car. A specific sour water stream from Weesp production is being transported by tank car to an external commercial biological treatment plant because the sewer and the municipal WWTP cannot handle this low pH stream. In China, we are located in a chemical industry park with a central wastewater treatment facility. At all our sites, we collect chemical waste separately for external treatment and prevent discharge into sewers.

At all our sites, in line with local regulations, rainwater is being collected and discharged separately from process wastewater. Adequate technical and procedural measures are in place to prevent overloading of WWTP with rainwater and pollution of the rainwater systems with process water or chemicals.

Raw materials

(%)

Raw materials	2022	2023	2024
Renewable	34,18	36,16	35.04
Non-renewable	65,82	63,84	64.96

Energy consumption

(in GJ)

Energy	2022*	2023*	2024
Gas (scope 1)	54.56	54.807	54.372
Fuel (diesel – scope 1)	2.248	2.465	2.182
Fuel (gasoline-scope 1)	315	348	531
LPG (scope 1)	182	163	138
Total Scope 1	59.408	59.692	61.028
Electricity non-renewable (scope 2)	7.070	7.655	7.491
Electricity renewable (scope 2)	25.067	23.450	22.245
Purchased heat (scope 2)	2.103	1.909	3804
Total scope 2	27.169	25.359	26.049
Total scope 1+2	91.544	90.797	90.763

** We have decided that, starting this year, we will report total absolute energy consumption numbers instead of intensities. This change aligns our reporting with international targeting and reporting standards, such as the Science Based target initiative (SBTi) and the Corporate Sustainability Reporting Directive (CSRD). Accordingly, the 2022 and 2023 figures have been restated to reflect this approach.*

Energy consumption reduction measures

Energy management, studies and planning

In The Netherlands, follow up was given to the energy saving exploration studies for both sites for compliance with the new Dutch laws on energy studies, energy savings and energy reporting that came into force per 1-1-2023. Also, the energy study for compliance with the European Energy Directive (EED) was updated. From these reports energy reduction plans for the coming years were identified and partly already implemented. In India we conducted a feasibility study on installing solar panels at our Ranipet site. As a result, we decided to install a total of 70kW of solar panels on the roofs of the production and laboratory buildings with installation planned for 2025. Across all sites we will continue implementing improvements in line with the below key actions of 2023.

Production process optimization
In our Amersfoort site again, we made progress in the multi-year plan for step-by-step optimization of the process parameters of the spray driers for the many different syntan powder products. This means reduction of top and bottom temperatures which results in less use of natural gas. The energy savings per kg of product in 2024 were 1.5% versus 2023.
Temperatures in bulk storage tanks were reduced to the minimums that are required for safe and reliable operations.

Replacement of process equipment by new state of the art energy efficient equipment
Modern variable frequency drives (VFD's) are essential elements in our energy optimization. In several sites, old motors with star-delta starters were replaced by modern ones with VFD. Also, some over 15 years old VFD's were replaced by new more efficient ones. Some heavy-duty motors could be equipped with a VFD.

Solar panels in India and solar street lights in China
Our subsidiary in India conducted their feasibility study on solar panels on the roofs of the production and laboratory buildings in Ranipet with a positive outcome. It was decided to install the solar panels in 2025. In Nanjing, China 23 street lights were replaced by 120W solar street lights.

Measuring and monitoring
For developing new savings initiatives, measuring and monitoring energy consumption are crucial. For the the Weesp site we need more measurements on a lower level in the grids. A plan was made to install many extra measuring devices that will be connected to the central computer system. The execution was delayed and will continue in 2025.

Packaging
(%)

Packaging	2022	2023	2024
Renewable	37,96	37,3*	43%
Non-renewable	62,04	62,7*	57%

All IBC's are manufactured with recycled plastic and re-used for 99%. Drums are up to 65% of recycled plastics. Since 2022, we are using bags with partly reused plastics (30-50%). Royal Smit & Zoon – Nera launched a project to explore a more sustainable packaging material for the Zeology tanning agent in 2024. Following a successful internal R&D program demonstrating reduced impact on a number of SHE aspects, a pilot was initiated in collaboration with a renowned tannery partner. If proven successful in 2025, the ultimate goal is to completely replace the current packaging material, even further reducing the environmental footprint of Zeology leather.

Loss of Primary Containment Incidents (LOPC)

LOPC's	2022	2023	Target 2024	2024
Category 1[8]	42	19	n.a.	12
Category 2[9]	2	3	<2	1
Category 3[10]	0	0	0	0

[8] *Category 1 is defined by: Spill of a pollutant in a smaller quantity than categories 2 and 3*

[9] *Category is defined by: Spill of:*
> 500 - < 50.000 kg nonhazardous substances
>100 - < 5.000 kg hazardous substances
>1 - < 100 kg toxic substances

[10] *Category 3 is defined by: Potential catastrophic release of highly hazardous substances Spill of more than:*
≥ 50.000 kg nonhazardous substances (i.e. vegetable or fish oil)
≥ 5.000 kg hazardous substances (ADR 1- 9, except ADR 6 or GHS word "danger" or "warning")
≥ 100 kg toxic substances (ADR 6)

Emissions

(CO2/ton of products produced for energy)

Emissions		2022*	2023*	2024
Direct Greenhouse Gas (GHG) emissions in tons CO_2 equivalent	Gas (scope 1)	3.082,7	3.096,6	3.072,0
	Fuel (diesel scope 1)	167,0	183,2	162,1
	Fuel (gasoline scope 1)	22,7	25,1	38,2
	Fuel (LPG – scope 1)	24,4	10,9	9,2
	Methane (scope 1)	0	0	0
	Nitrous Oxide (scope 1)	0	0	0
	Emission CFC's (scope 1)	0	0	281
	Total GHG Scope 1	3.296.8	3.315,7	3.281,6
	Electricity (scope 2)	527,4	571,1	558,8
	Purchased heat (scope 2)	130,9	118,9	236,9
	Scope 2	658,3	689,9	795,7
	Total scope 1 + 2	3.955,1	4.005,6	4.358,3

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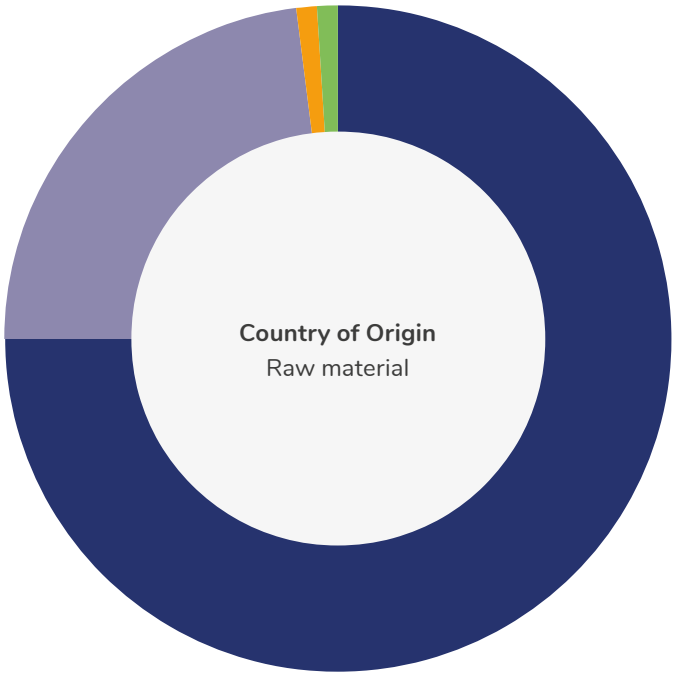
Country of Origin

Country of Origin Raw Material

Europe	75%
Asia	23%
North America	1%
South America	1%



Environmental laws and regulations

There has been one fine and no other sanctions imposed in 2024 for non-compliance with environmental laws & regulations. The fine was about a deviation in documents of ATEX equipment, which was identified during a BRZO inspection back in 2021. With a long delay, the authorities decided to in 2024 to impose a fine for this. The deviation itself was already solved long ago. We don't agree with this fine and started an appeal procedure. At the moment of writing this report, the outcome of this procedure is not yet known. So for this reason we report it as being a fine imposed in 2024.

Incidents: Health & Safety impacts of products and services

In 2024, there were no incidents of non-compliance with regulations and/or voluntary codes concerning the health & safety impact of our products and services.

Incidents: Human & Labour Rights[11]

In 2024, there were no incidents related to paying Living Wages, fair compensation, Child Labor, Forced Labor or Human Trafficking, neither inside the company-owned operations nor outside the company-owned operations, but related to our value chain upstream and/or downstream. In alignment with our target, 100% of our employees and contract-workers worldwide have been paid at least a Living Wage according to the standards of our Royal Smit & Zoon ESG Policy and benchmarked to assure they meet or exceed the legal or industry minimum standards to provide for an appropriate living standard, following the ETI base code definitions/standards.

All our entities across the globe respected the freedom of association and right to collective bargaining, according to the standards of our Royal Smit & Zoon ESG Policy and following the ETI base code definitions/standards. In 2024, there were no incidents related to Freedom of Association and/or Collective Bargaining,

neither inside the company-owned operations nor outside the company-owned operations, but related to our value chain upstream and/or downstream.

In 2024, there were three incidents related to Discrimination and/or Harassment (undesirable/inappropriate/unwanted behavior) that took place inside our company-owned operations. All incidents were reported via our designated Whistle Blower and/or Confidential Counselor, following our Whistle Blower policy and Procedure, investigated and closed. No incidents related to Discrimination and/or Harassment took place outside our company-owned operations, related to our value chain upstream and/or downstream.

Incidents: Business Ethics[11]

In 2024, there were no incidents of non-compliance with regulations and/or voluntary codes concerning Business Ethics violations (such as Corruption & Bribery), neither inside the company-owned operations and nor outside the company-owned operations, but related to our value chain upstream and/or downstream.

Incidents: Sustainable Procurement[11]

In 2024, there were no incidents related to sustainable procurement, according to the standards of our Royal Smit & Zoon Business Partner Code of Conduct, neither inside the company-owned operations and nor outside the company-owned operations, but related to our value chain upstream and/or downstream.

[11] *Royal Smit & Zoon values and promotes transparency in communication and openness in communication throughout our organizational structure. In those cases where this would not be workable, a Whistle Blower Policy and Procedure, and a local confidential Counselor are in place to provide the opportunity to report on (suspected) unlawful and inappropriate behavior. Per entity (Netherlands, China, India, Italy, Germany), Managing Directors are requested to complete and sign an annual management statement on incidents reported on Human & Labor Rights and Business Ethics.*

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