

RUBIX



Accelerating Europe's green industrial transition

Rubix 2023 ESG Report

Scope of the report

This is Rubix's third annual ESG Report. It details the Group's non-financial performance (Environmental, Social and Governance) for the year ended 31 December 2022. The report focuses on ESG topics most material to the Group, as confirmed through our materiality assessment process.

The report was approved by the Executive Board on 24 July 2023. The report covers the whole Group. Reported data is Groupwide, unless otherwise indicated.

Emissions data for Scopes 1, 2 and 3 has been calculated with support from Altruistiq, a third-party organisation which provides an emissions accounting platform for the Group. Emissions calculations in certain Scope 3 categories have been further supported by Corporate Citizenship.

The Group's Scope 1 and Scope 2 emissions data for the financial year 2022 has been independently verified by Carbon Calculated at a limited level of assurance. Verification was completed using the ISO 14046-3 verification standard. The assurance statement is published on the Group's website at the following address: <https://rubix.com/sustainability/>

UN Global Compact

Rubix is committed to upholding and respecting human rights and has been a signatory to the United Nations Global Compact (UNGC) since 2017, when our business was created. We respect the ten principles of the UNGC on human rights, labour, environment and anti-corruption and are committed to transparency and annual reporting on our implementation of the principles. This report meets our annual UNGC Communication on Progress requirements.

Basis of preparation

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. Our GRI Index has been checked by Corporate Citizenship. Corporate Citizenship confirms that in their view the Index meets the requirements of 'in accordance', as set out in the GRI Standards.



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CEO Review

Today, our purpose of 'Keeping the wheels of industry turning' means playing a bigger role than ever before in supporting customers' sustainability objectives, and developing strong partnerships that enable a green transformation of industry.

Our purpose

Our purpose and our market leading position brings great opportunity, but also great responsibility. The types of products and services we provide, and our position in the industrial value chain, mean we can - and should - effect change. Our technical value-add services and highly relevant product offering presents an unrivalled opportunity for us to do so.

Companies' business performance has never been more correlated with their sustainability performance. The drivers for progress are coming from all directions - whether employees, investors, customers or regulators, all stakeholders expect businesses to play an active role in addressing social and environmental issues.

Sustainability has always been part of our business model and it's been important to our customers for a long time. Now, it's vitally important, and it's increasingly urgent. So not only is it the right thing to do but a strong sustainability strategy - one that is tailored to customers' needs - will reap significant commercial benefits.

Our strategy

Our strategy is about meeting the needs of our customers and seizing the opportunity to maximise our impact.

Our ESG agenda has gained velocity this year. We are taking a customer-centric approach and applying our ESG agenda to boost value creation throughout the entire industrial value chain.

Our ESG strategy consists of three key areas of focus:

- › Supporting customers to achieve their ESG targets
- › Driving continuous improvement in Rubix's operations
- › Partnering with suppliers to raise standards and collaborate to grow our ESG proposition

Firstly, for customers, we want to cement our position as a trusted partner for sustainability solutions, providing a holistic offering with externally accredited services. In our own operations, we are setting new standards, policies, and targets, across a wide range of ESG topics. Among these, we are setting science-based targets in

2023, aligned to the Science Based Targets initiative (SBTi), for Scopes 1, 2 and 3. Finally, as well as engaging with key suppliers to set science-based targets, we are asking them to reduce their packaging and transportation-related emissions, and to partner more closely with us to provide ESG-related data and greater product transparency.

The Rubix Solution

The [Rubix Solution](#) articulates the impact we can have for our customers through the services we offer.

Among these is our air leakage survey, which we have provided for many years. Through these surveys we identify air leaks in compressed air systems, representing unnecessary energy use and costs. We find 45 leaks on average per site, representing around €50,000 in energy costs and 130 tonnes CO₂e associated with energy consumption that is being wasted.

Given industry's increased focus on energy efficiency, this is a service that is attracting more new and repeat customers than ever before.

However, our potential impact is much larger when looking at motor-driven systems as a whole - including motors, pumps, and fans, as well as compressors. Massive improvements in energy efficiency are needed to achieve



"Sustainability has always been part of our business model and it's been important to our customers for a long time. Now, it's vitally important, and it's increasingly urgent."

Martin Thomsen
Chief Executive Officer

net-zero targets. Motor-driven systems represent more than two-thirds of electricity consumption in industry, yet are typically only 36% efficient.

In total,
energy savings of between
20-30%
can usually be achieved
by optimising the whole
motor-driven system

Earlier this year, we published an [energy management white paper](#) highlighting the problem and offering practical solutions that reduce both cost and environmental impact for manufacturers. In total energy savings of between 20-30% can usually be achieved, by optimising the whole motor-driven system.

As an illustration of the size of this opportunity alone: if all motor-driven systems in use in European industry were optimised, Europe's total annual energy consumption could be reduced by 2%, or 1.2 million terajoules. That's more than the total amount of energy used by Switzerland every year, and 80% of Austria's annual energy consumption. It would equate to a financial saving of €60 billion. Given the scale of the opportunity, we are working more closely than ever with our suppliers to develop our offering for energy efficiency improvements in manufacturing.

Our repair services also play an important role in lowering customers' environmental impacts. Very often a part can be repaired instead of being completely replaced. Repairs are usually lower cost, faster to complete, and have a lower carbon footprint than a new part. According to a report by the International Resource Panel, emis-

sions associated with the production of remanufactured products are between 79-99% lower than for newly manufactured products. Extending the life of equipment and avoiding the need for it to be discarded and replaced by a new part also reduces the amount of waste produced.

The case study on [page 27](#) provides a great example of how our repair services helped a customer avoid over 23 tonnes of CO₂e.

On the theme of waste reduction more broadly, our VMI (vendor managed inventory) services also play a significant role. Vending machines (of which we have an installed base of over 3,350 in customers' facilities) are a key tool in helping our customers manage the use of consumables, including PPE items such as gloves and masks. Consumption of single-use items is limited by vending machines' active monitoring and recording of usage, resulting in reduced waste, as well as costs.

The case study on [page 30](#) illustrates the impact of our vending machines for one key account customer. Over a 12-month period, our vending machines enabled a 40-60% reduction in the consumption of different PPE items.

New science-based targets

I'm pleased to report that we are launching our new science-based emission reduction targets in this report, having now completed the calculation of our full Scope 3 inventory. Our targets have been developed in line with Science Based Target initiative methodologies, as part of our commitment to align with best practice ESG frameworks.

Scopes 1 & 2: for our own operations, we are targeting a 42% reduction in absolute Scope 1 and 2 emissions by 2030, compared with 2022. That will equate to a 54% reduction since 2019, our initial baseline year for carbon targets following the creation of the Group in 2018. We consider this to be an ambitious target, and we are committed to achieving it. We have a good track record, having already reduced emissions by over 20% in the past three years.

Case study:

Sustainable Manufacturing

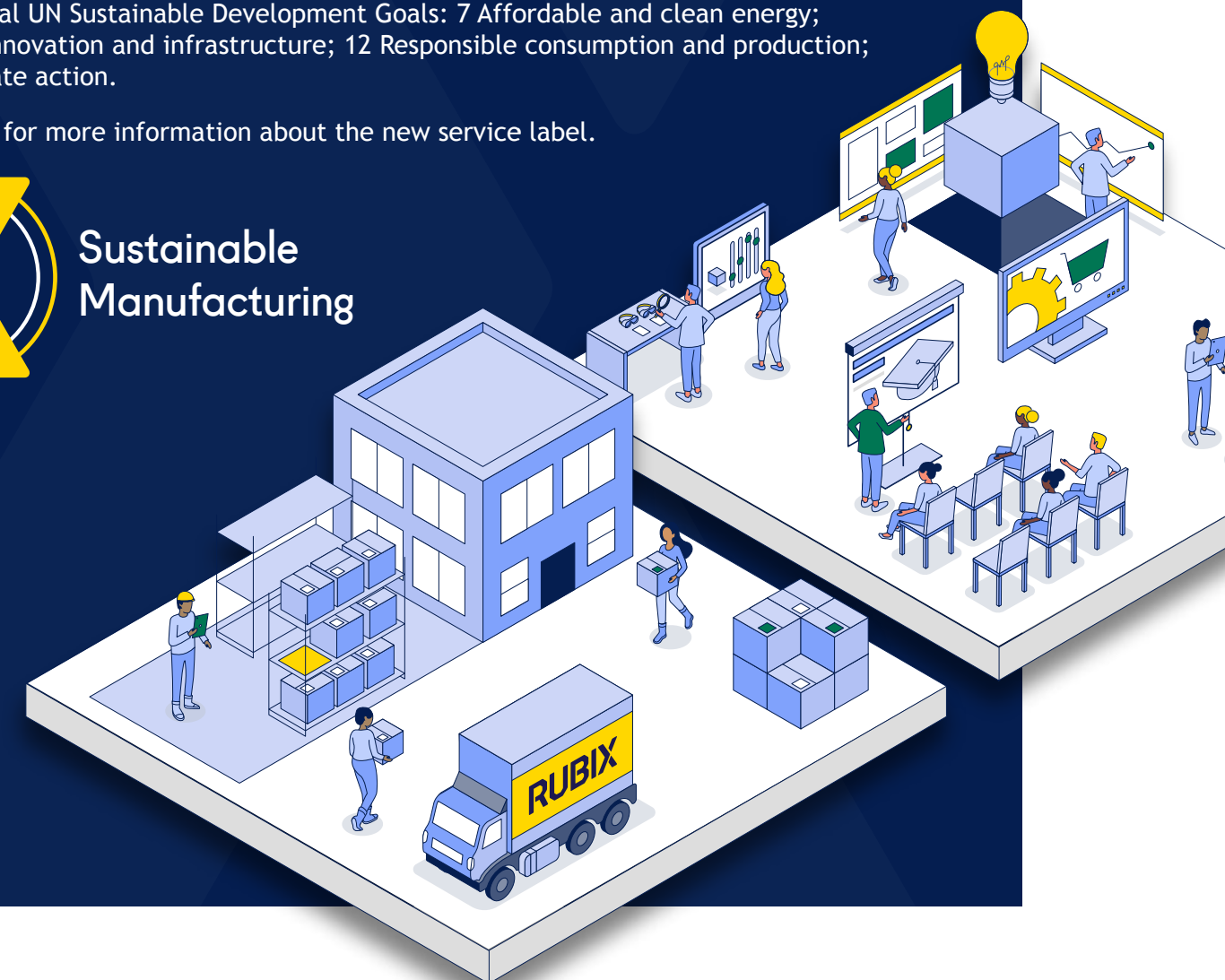
We launched our new sustainability mark at the start of 2023 for 'Sustainable Manufacturing'. The mark will make it easier for customers to identify the services that will have a positive impact on their efforts to achieve environmental objectives.

It is a tangible demonstration of Rubix's commitment to driving progress towards the environmental UN Sustainable Development Goals: 7 Affordable and clean energy; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production; and 13 Climate action.

See [page 24](#) for more information about the new service label.



Sustainable
Manufacturing



We have already reduced Scope 1 & 2 emissions by 21% since 2019, the baseline year for our previous emission reduction target

Scope 3: we have set a target that 30% of suppliers by spend, covering emissions from purchased goods & services and the use of sold products, will have science-based targets by the end of 2028. As a distributor, our ability to limit downstream emissions is heavily influenced by our upstream suppliers. This target therefore leverages our position in the industrial value chain to drive progress on the climate agenda and at the same time influence both upstream and downstream emissions associated with the products that we distribute.

These targets are being submitted to SBTi for formal validation. In the meantime, we have submitted an SBTi commitment letter to formalise our pledge to achieve ambitious emissions targets.

Our social impact

Employees increasingly expect companies to ensure they are having a positive social, environmental, and ethical impact, both within their direct operations and beyond. While our biggest opportunity to have a positive impact lies in our environment strategy, we are equally focused on driving progress for social topics too.

We are proud of our progress in driving high levels of employee engagement. We see employee engagement as a key driver of our financial success. In our most recent survey, the Group's Employee Engagement Index (EEI) score was 73%, which represented a three-point improve-

ment compared with 2021 and a five-point improvement since 2020. According to Aon, the European benchmark is 60%. We also saw a significant improvement in the employee Net Promoter Score (eNPS), which was +26, a 16-point improvement compared with 2021 and a 31-point improvement since 2020.

In early 2023, we agreed a new diversity roadmap for 2023-2024. We are aiming to increase the proportion of women in the business and at leadership levels, by increasing the number of women joining the business and supporting high potential female colleagues with leadership development programmes. We have set a target for candidate shortlists to comprise at least 50% women for roles in support functions (such as legal and HR) and at least 33% for all other roles, rising each year to be 50% for all roles by 2027.

In June 2023, we donated

6.6m

respiratory masks to Ukrainian health services

We also extend our positive impact to communities whenever possible, through support for important causes, fundraising, and volunteering. In solidarity with the Ukrainian people, in March 2022 we announced our decision to discontinue all business activities in Russia and Belarus. More recently, along with our owner Advent International, in June 2023 we donated 6.6 million respiratory masks to Ukrainian health services.

The masks will support front-line workers in the relief effort as the awful conflict in Ukraine continues. Although we don't have a business in Ukraine, we are close neighbours and some of our customers and suppliers have a presence there, and it's important to us, as a company of problem-solvers, that we find a way to support where we can.

Our commitment to the UN Global Compact

Rubix has been a signatory to the United Nations Global Compact (UNGC) since 2017 when the Group was founded, as part of our ambition to advance progress on social, environmental, and ethical issues. Our commitment to the UNGC is embedded in our Groupwide Code of Conduct & Ethics and our Supplier Code of Conduct. I am pleased to confirm that Rubix reaffirms its support of the United Nations Global Compact.

This report is designed to support our communication of actions we are taking to implement the UNGC's ten principles on human and labour rights, environment, and anti-corruption.

Looking ahead

We have good momentum in our ESG strategy. It is highly tailored to our business model, and priority areas for driving impact within our sphere of influence. We will remain focused on working with customers to accelerate their shift towards sustainable growth and circular economy solutions, enabling more efficient use of resources while keeping the wheels of industry turning.

Martin Thomsen

Group CEO, Rubix,
July 2023



Overview

Contents:

- › About Rubix
- › How ESG creates value
- › Our ESG strategy
- › Supporting the UN SDGs
- › Our progress
- › Materiality assessment
- › Task Force on Climate-related Financial Disclosures
- › Governance, policies, and reporting



About Rubix

We are the leading industrial distributor by market share and the only one with pan-European footprint, carrying all premium brands.

Rubix is Europe's largest supplier of industrial maintenance, repair and overhaul (MRO) products and services. We have more than 900 locations across 22 countries offering expertise in specifying, providing and installing an unrivalled scope of industrial parts, with a tailor-made service for all customers.

Rubix is Europe's largest supplier of industrial maintenance, repair and overhaul (MRO) products and services

We are disrupting the traditional business model of industrial distribution with our unique customer understanding, our differentiated technical expertise and our engaged, entrepreneurial workforce. Our unparalleled network puts us closer to customers all over Europe.

We have established ourselves as a trusted advisor to help customers move their businesses forward. Our customers partner with us to take advantage of our multi-specialist value proposition, our technical knowledge of the production process, our understanding of supplier products and specific market requirements, and our extensive product range.

Our business

- › €3.0bn sales in 2022
- › Leader in industrial MRO products and services distribution
- › Pan-European presence, with operations in 22 countries

Our people

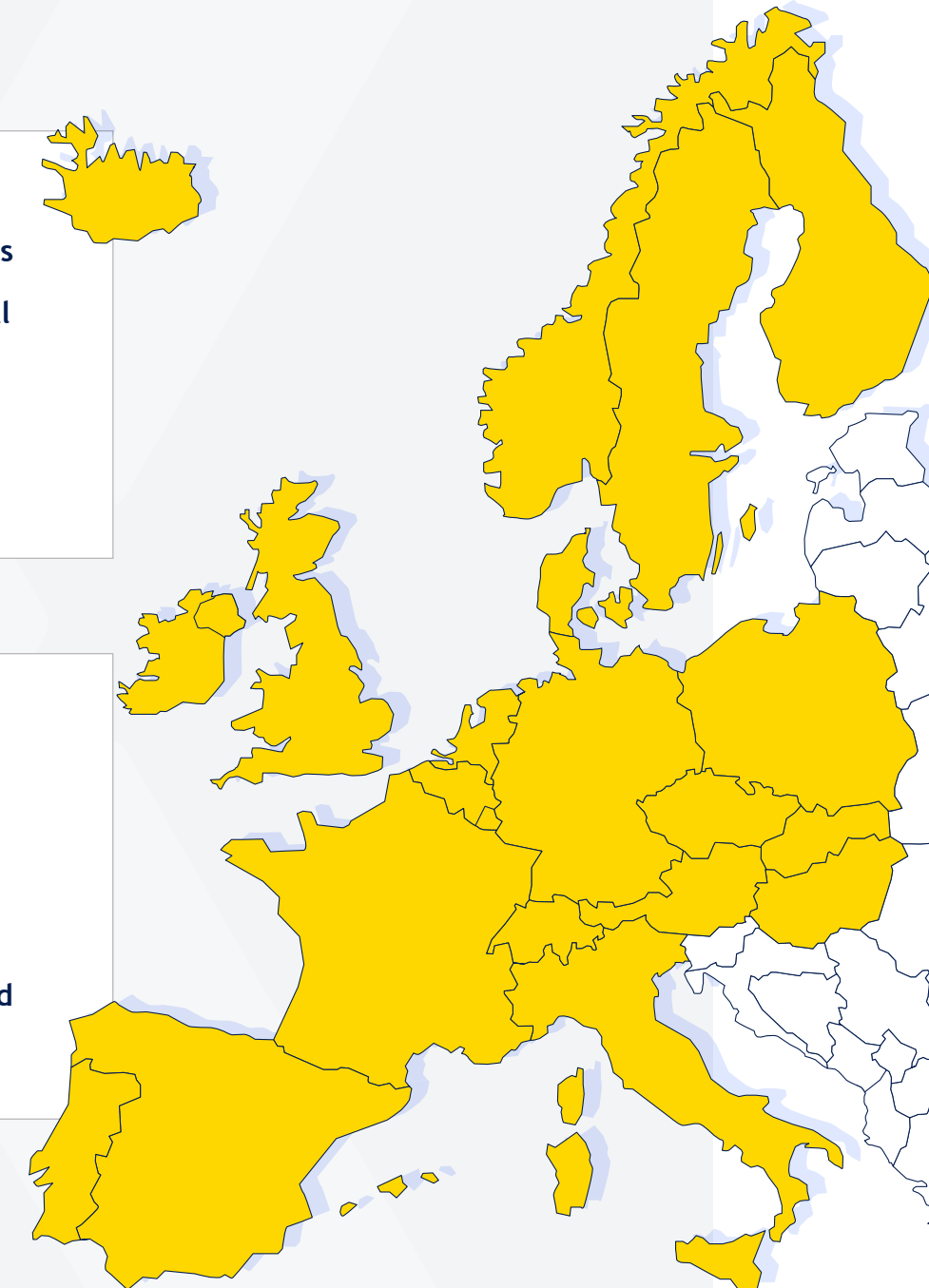
- › 9,300 employees across Europe
- › 3,500 staff with technical skills and knowledge
- › Employee engagement score of 73% (+13% above benchmark)
- › Lost Time Accident rate <1

Our operations

- › 3 European Distribution Centres
- › 414 branches and 143 technical service centres
- › 10m+ MRO products available from international and exclusive own brands

Our impact

- › 15% decrease in Scope 1 & 2 emissions intensity
- › Gold EcoVadis score
- › SBTi targets developed
- › Full Scope 3 inventory disclosed for first time in 2023



How ESG creates value

We view ESG as a win-win for our business and our stakeholders - it supports our purpose and creates long-term value for our customers, suppliers and people to ensure our collective and ongoing success.

Our purpose

Our purpose is to keep the wheels of industry turning - right across Europe.

We do this by transforming the delivery of industrial products and solutions for our customers.

Through our unique customer insight, differentiated technical expertise and engaged workforce of more than 9,000 makers and doers across more than 900 locations, we are driving industry forward every day.

Our behaviours

Our behaviours shape our day-to-day interactions and set us apart as a trusted advisor. They are:



Constantly anticipating

Our technical advisors and people on the ground enable us to get closer to our customers and use our foresight to constantly meet their evolving needs.



Disrupting to progress

Our specialists are empowered to bring tailor-made, cutting-edge solutions that move our customers' businesses forward.



Rethinking knowledge

We create a flow of knowledge by sharing technology, innovation and best practices to constantly challenge and improve what we know.

Our ESG strategy

Our ESG strategy targets our purpose of keeping the wheels of industry turning in a sustainable way that benefits our stakeholders.



With an estimated investment of \$6.7 trillion required annually to meet net zero by 2050, the transition to a green economy represents a significant opportunity for our business, and for our customers, and suppliers. By focusing on creating value for them, we can contribute to their goals whilst driving positive change across the European industrial sector.

To codify the strategy, our ESG roadmap sets out the actions we are taking to drive the transition for our customers, operations and suppliers.

Supporting the UN SDGs



We also recognise the significant role that Rubix can play in advancing the United Nation Sustainable Development Goals (SDGs), both within our organisation and across our value chain. We have targeted five goals where we can make the largest impact in alignment with our strategy and purpose.

Delivering stakeholder value

By integrating ESG across our activities we are strengthening our relationships and contributing to the ambitions of our stakeholders. In doing so, we are also cementing our position as Europe's leading industrial distribution business - and leaving a positive legacy on society.

Our strategy creates value for our:

Customers

- By increasing the availability of sustainable product and service solutions
- By combining positive ESG outcomes with efficiency gains and cost reduction

Suppliers

- By collaborating to bring new sustainable innovations to market
- By improving ESG standards and performance across the value chain

People

- By creating a safer, healthier and more engaging workplace
- By supporting personal development and ongoing career growth

Brand

- By strengthening our reputation as Europe's leading industrial distributor
- By providing solutions to meet our stakeholders' evolving needs

Society

- By contributing to the decarbonisation of industry
- By contributing to the Sustainable Development Goals

Our ESG strategy

Our ESG strategy outlines our ambition to enable Europe's green industrial transition. It supports our purpose by keeping the wheels of industry turning in a sustainable way that meets the evolving needs of our stakeholders.

By focusing on customers, operations and suppliers, the strategy targets our key audiences whilst also focusing on our broader contribution to industry and society. It is delivered through the ESG roadmap, which sets out the actions, targets and milestones we must meet to achieve our ambition.

Our commitment to the United Nations Sustainable Development Goals (UN SDGs) underpins our approach. Through our activities, we are targeting five SDGs where we can make the biggest contribution (see [page 11](#) for more).

For our Operations

Decarbonising our operations, and contributing to the ongoing health, wellbeing and development of our 9,300 people

Our roadmap:

1. Deliver a long-term strategy for net zero, by:
 - › Setting science-based targets covering our Scope 1, 2 & 3 emissions
 - › Reducing waste and energy use, minimising packaging and optimising logistics
2. Create a highly engaged workforce, by:
 - › Providing industry-leading learning and development opportunities
 - › Creating a diverse and inclusive workplace where ideas thrive
3. Operate with safety first, by:
 - › Achieving zero harm across our operations year-on-year
 - › Integrating universal health and safety tracking and reporting

[See more >](#)

For our Customers

Developing innovative green product and service solutions that help our 220,000 customers meet their ESG ambitions

Our roadmap:

1. Grow our sustainable service and product offer, by:
 - › Expanding our range of sustainable Rubix Solutions
 - › Encouraging suppliers to bring new sustainable innovations to market
2. Raise awareness of sustainable solutions, by:
 - › Promoting the Rubix Sustainable Manufacturing mark
 - › Including transparent ESG product information on labelling
3. Educate our customers on how to be more sustainable, by:
 - › Highlighting the win-win benefits of sustainable solutions
 - › Creating white papers that offer useful sustainability advice

[See more >](#)

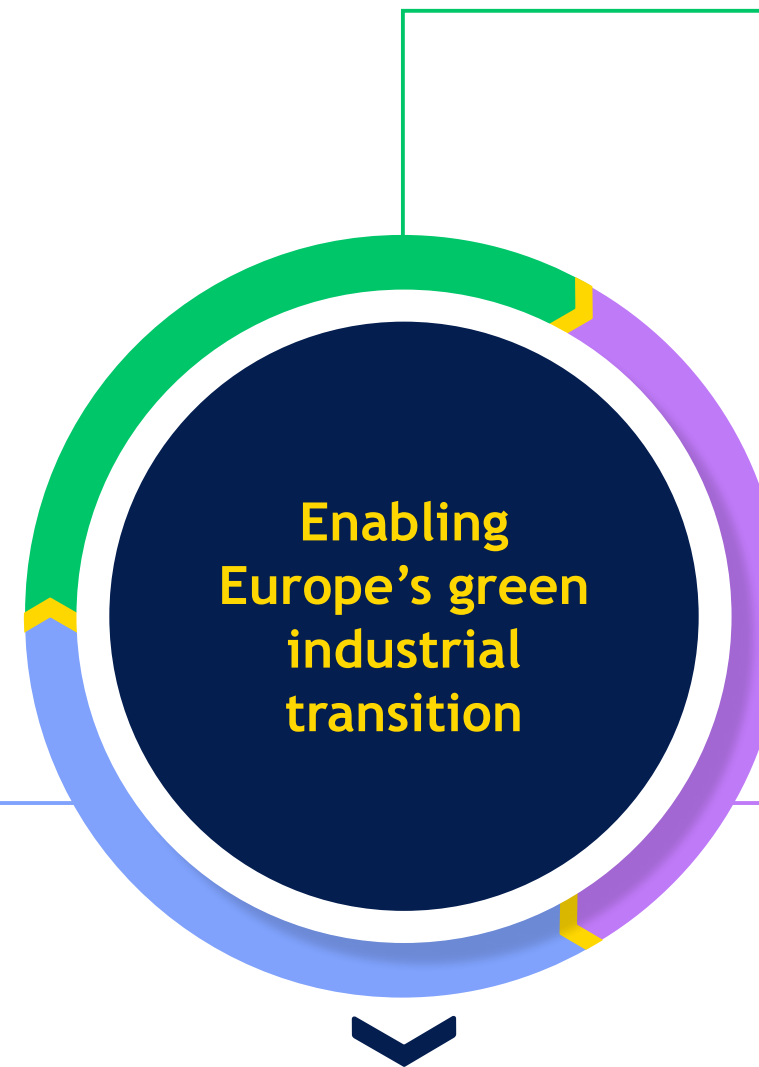
For our Suppliers

Collaborating with our thousands of suppliers to strengthen their ESG standards and bring new sustainable innovations to market

Our roadmap:

1. Strengthen ESG standards across the supply chain, by:
 - › Conducting regular supplier ESG assessments
 - › Ensuring supplier adherence to our Supplier Code of Conduct
2. Contribute towards a net-zero industrial value chain, by:
 - › Encouraging suppliers to set formal science-based targets (SBTi)
 - › Driving supplier adherence to our green policies
3. Collaborate with suppliers to increase sustainable innovation, by:
 - › Sharing ideas to bring new sustainable innovations to market
 - › Working with suppliers to improve ESG product information and labelling

[See more >](#)



Supporting the UN SDGs



Achieving our purpose of

Keeping the wheels of industry turning

Supporting the UN SDGs

We recognise the role we can play in advancing the United Nation Sustainable Development Goals (SDGs) through the actions we take as a business and the influence we have on the value chain. In line with our strategy, we have identified five SDGs and eight targets where we can make the biggest contribution.

| | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION |
|-------------------|---|---|--|--|--|
| Our impact | As Europe's largest supplier of MRO products and services, The Rubix Solution is helping accelerate energy efficiency across industrial operations. | As an employer across 22 countries, we provide productive employment that contributes to European economic growth - and that enhances diversity and representation across the sector. | Our Sustainable Manufacturing solutions help our customers build the infrastructure they need to bridge the transition to a green economy. | We continue to implement measures to reduce waste, improve efficiency and remove packaging - this includes collaborating with suppliers to align to recognised sustainability standards. | We have committed to setting long-term climate goals, and we continue to align our approach to leading guidance including TCFD. |
| Targets supported | <p>Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>Target 7.3: By 2030, double the global rate of improvement in energy efficiency</p> | <p>Target 8.4: By 2030, improve global resource efficiency in consumption and production</p> <p>Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities</p> | <p>Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable</p> | <p>Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>Target 12.6: Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> | <p>Target 13.3: Improve education, awareness and capacity on climate change mitigation, adaptation, impact reduction and early warning</p> |
| Our actions | <ul style="list-style-type: none"> Improving customer energy efficiency through Rubix Solutions (page 23) Providing energy saving guidance to customers (page 25) Enhancing our use of renewable energy, including on site production through solar panels (page 38) | <ul style="list-style-type: none"> Employing 9,300 employees in Europe, including 3,500 technical staff (page 41) Attracting and developing talent through the Rubix Academy and our apprenticeship schemes (page 44) Enhancing diversity and representation through employment across the industrial sector (page 45) | <ul style="list-style-type: none"> Introducing our Sustainable Manufacturing mark to promote sustainable services (page 24) Supporting customers with Rubix Solutions that embed sustainability in existing operations (page 30) Collaborating with suppliers to improve ESG across the value chain (page 51) | <ul style="list-style-type: none"> Reducing packaging and eliminating single-use plastics as far as possible (page 39 and 51) Upgrading facilities to close the loop on waste (page 30) Requiring key suppliers to commit to responsible consumption and production targets (page 51) | <ul style="list-style-type: none"> Setting science-based targets for our Scope 1, 2 & 3 emissions (page 35) Educating customers on the benefits of environmental solutions (page 26) Adhering to TCFD recommendations and improving our climate change risk processes (page 16) |

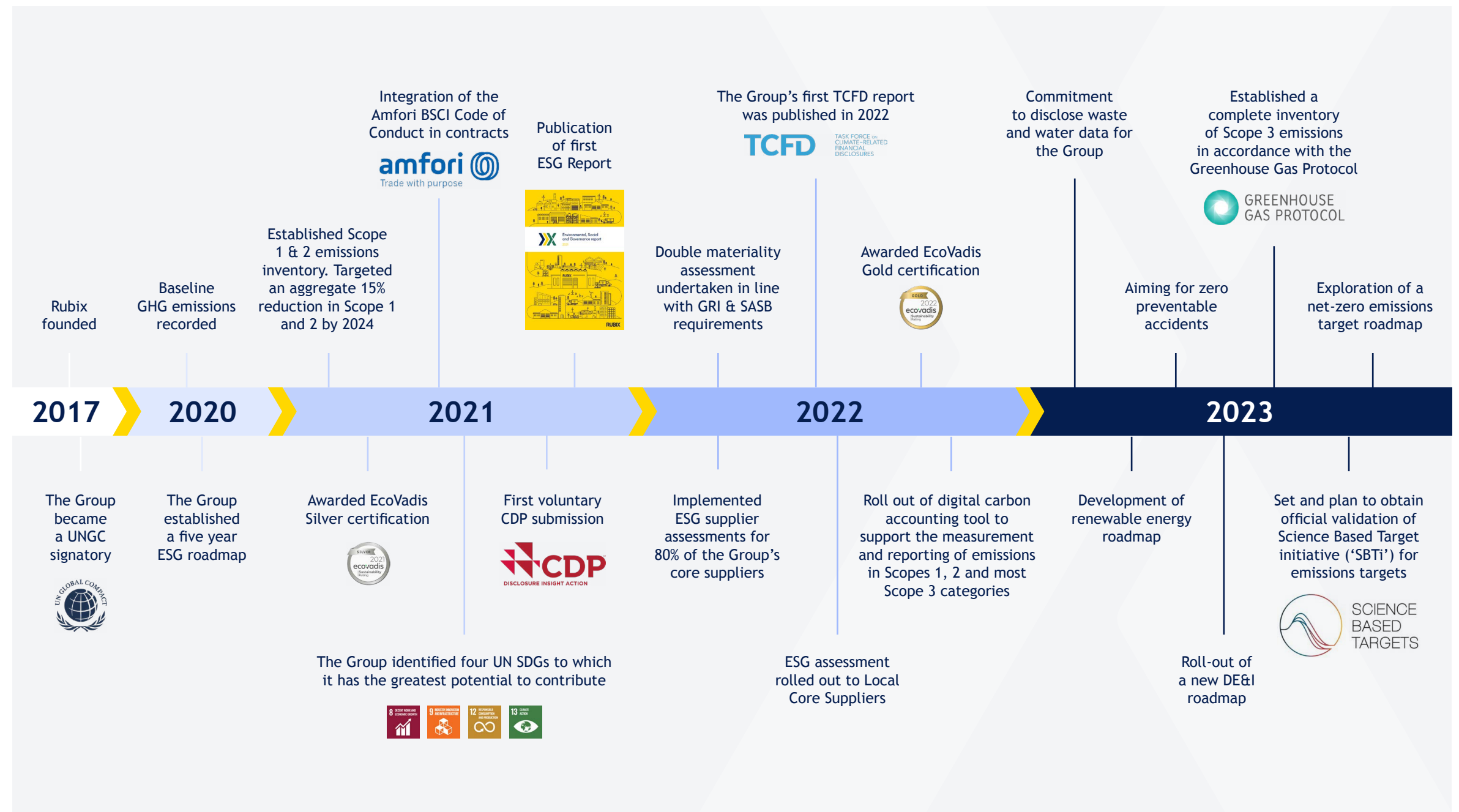
Our progress

Our five-year ESG roadmap

Rubix is committed to providing comprehensive public disclosure on its ESG performance and tracking progress using best practice ESG frameworks.

In 2020, we established a five-year plan to embed ESG initiatives into our business model and increase the transparency of our ESG actions and reporting. Formed in 2017 through the merger of UK-based Brammer and France-based IPH, during the early years of our roadmap we focused on ensuring alignment to ESG frameworks, especially as we worked to establish processes to accurately calculate and track all material aspects of our environmental performance.

Our roadmap is aligned to leading ESG frameworks relevant to our business. These include GRI (Global Reporting Initiative), CDP (previously Carbon Disclosure Project) and TCFD (Taskforce on Climate-related Financial Disclosure), as well as best practice climate-related initiatives such as the Science Based Targets initiative (SBTi). Our ESG strategy is supported by a strong and transparent governance structure, a compliance and policy framework, and the Group's Code of Conduct and Ethics for our employees and business partners. We have developed, and continue to enhance, KPIs to track our progress against our ESG targets and objectives.



2022 Performance highlights

We made strong progress in 2022 against the objectives we set for our ESG roadmap:

Reporting

- › Achieved a Gold EcoVadis rating for the first time, placing us in the top 2% of companies in our industry globally
- › Participated in the annual CDP Climate assessment, achieving a C score (in line with the Trading, Wholesale, Distribution, Rental & Leasing sector average)
- › Drove significant progress in implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), reporting against 70% of recommended disclosures on a voluntary basis, in only our second year of reporting

Customers

- › Launched our new logo for 'Sustainable Manufacturing', to signpost services that have a positive environmental impact for customers
- › Published our energy management white paper, 'Quick wins to cut energy waste', highlighting the significant opportunity for customers improve operational efficiency
- › Accredited energy reductions, and associated CO₂e savings reported for our air leakage surveys through an expert third party
- › Engaged with hundreds of customers through surveys and one-to-one meetings to discuss their sustainability challenges and provide advice on how Rubix can support

Operations

Environmental stewardship

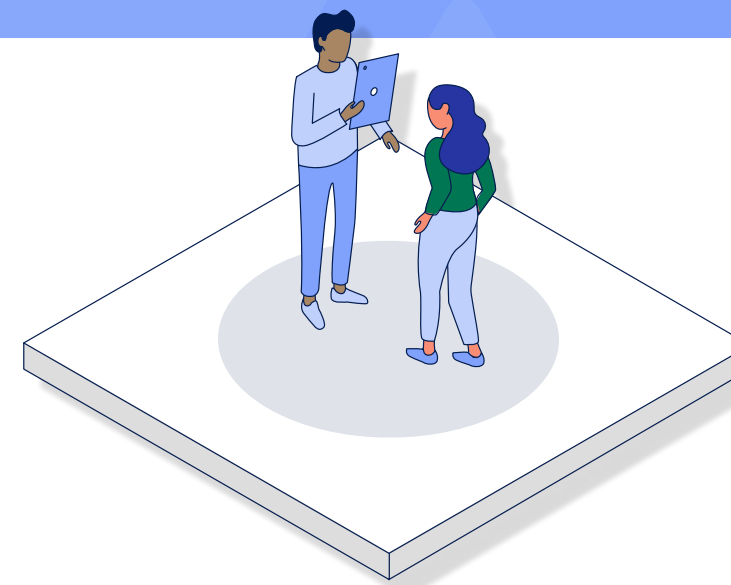
- › Reduced Scope 1 & 2 emissions intensity (tonnes CO₂e per €m) by 15%. Absolute emissions reduced by 5% year-on-year. Emissions associated with electricity consumption decreased by 22%
- › Finalised the calculation of our full Scope 3 inventory, published in this report for the first time
- › Formally committed to the SBTi and developed near-term science-based targets for Scopes 1 & 2 and Scope 3. Targets are being submitted to SBTi for validation
- › Expanded our reporting of climate-related metrics, to include % renewable electricity used, water consumption, and waste production
- › Developed two new Groupwide environment policies: a Reporting and Rebaselining Policy and a Renewable Energy Policy

Our people

- › Achieved an employee Net Promoter Score of +26, a 16-point improvement compared with 2021
- › The Group Employee Engagement Index score for 2022 was 73%, representing a three-point improvement on 2021
- › Developed and launched a new Diversity, Equity and Inclusion roadmap for 2023-24 to further increase diversity across Rubix
- › Met our target to reduce our LTA rate to below 1 during 2022 and set new continuous improvement targets for 2023 onwards
- › Invested in new health and safety training materials and a digital platform that will provide health and safety management data and support the implementation of controls

We achieved an
**employee Net Promoter
Score of +26,**

a **16-point** improvement
compared with 2021



Suppliers

- › Set new ESG standards for strategic suppliers - requiring them to:
 - commit to SBTi emission reduction targets, if not already done so;
 - reduce transportation emissions;
 - reduce packaging, increase recyclability, and eliminate single use packaging; and
 - augment ESG data about products supplied
- › Rolled out our ESG assessment process to our local core suppliers, with whom we have contracts at a country level, to supplement our process for Group core suppliers
- › Introduced a new programme of regular engagement with suppliers on ESG topics

**Reduced Scope 1 & 2
emissions intensity
(tCO₂e per €m) by 15%**

Governance

- › Refreshed ESG governance arrangements, formalising the Executive Board schedule for ESG sessions and introducing new arrangements for the Group's ESG Committee
- › Introduced climate-related incentives for executive directors, embedding achievement of annual emissions reduction targets in annual bonus targets

Materiality assessment

The Group conducted a double materiality assessment early in 2022 to confirm priority ESG topics for the business. The assessment was aligned with the recommendations of the Global Reporting Initiative (GRI) and applied the Sustainable Accounting Standards Board's (SASB) definition of double materiality (the impact of ESG issues on the business and the business' impact on key ESG issues), in line with best practice. Key stakeholder groups were engaged via surveys, interviews, and workshops to solicit feedback on ESG issues identified as being material to the Group. Stakeholders' responses were scored and mapped onto a materiality matrix to illustrate their relative importance and help guide the Group's future actions.

The materiality assessment revealed strong alignment between the internal and external impacts of the short-listed issues, underlying the critical role the Group plays across its partners' supply chains. As such, continued focus on those priority ESG topics will have significant positive knock-on effects across the industry and for the Group's trading partners.

High priority and high impact topics for both Rubix and its stakeholders were confirmed as being:

- › Customer Engagement & Experience
- › Occupational Health & Safety
- › Business Continuity
- › Business Ethics
- › Energy and Emissions
- › Sustainable Logistics and Product Distribution
- › Sustainable Packaging
- › Waste & Hazardous Materials Management
- › Recycling
- › Governance & Accountability

The assessment also revealed increased appetite among stakeholders for engagement on sustainability topics. In response, the Group is stepping up its communications with key stakeholder groups, including customers, employees, and suppliers, and engaging with them more proactively through dedicated meetings, presentations, and workshops.

During the second half of 2022 and early 2023, our engagement has primarily focused on environmental topics, to enable the Group to play its fullest role in supporting the green transformation of industry.

As an example of this, in late 2022 the Group undertook a survey among European and national key account customers to better understand their environmental priorities and challenges and related opportunities for the Group to support them. This insight has been incorporated into the next phase of the Group's ESG roadmap, and while our strategy remains the same, we are increasing our activity in the key areas where we have the greatest potential to have a positive impact: sustainability-linked products and services; energy and emissions reduction in operations, transportation and logistics; packaging reduction; and opportunities to leverage the Group's position in the industrial value chain to drive faster progress for sustainability.

Over time, the prioritisation of specific ESG topics can change, due to their potential impact on the business, the Group's success in managing them, or growing public awareness of their importance. Our materiality assessment will be refreshed regularly to ensure the Group's ESG strategy remains aligned to our evolving priority focus areas. Our formal process is also supplemented by regular and proactive engagement with key stakeholders throughout the year to allow the Group to remain alert to changes in the ESG landscape and seize new opportunities for collaboration.

Case study:

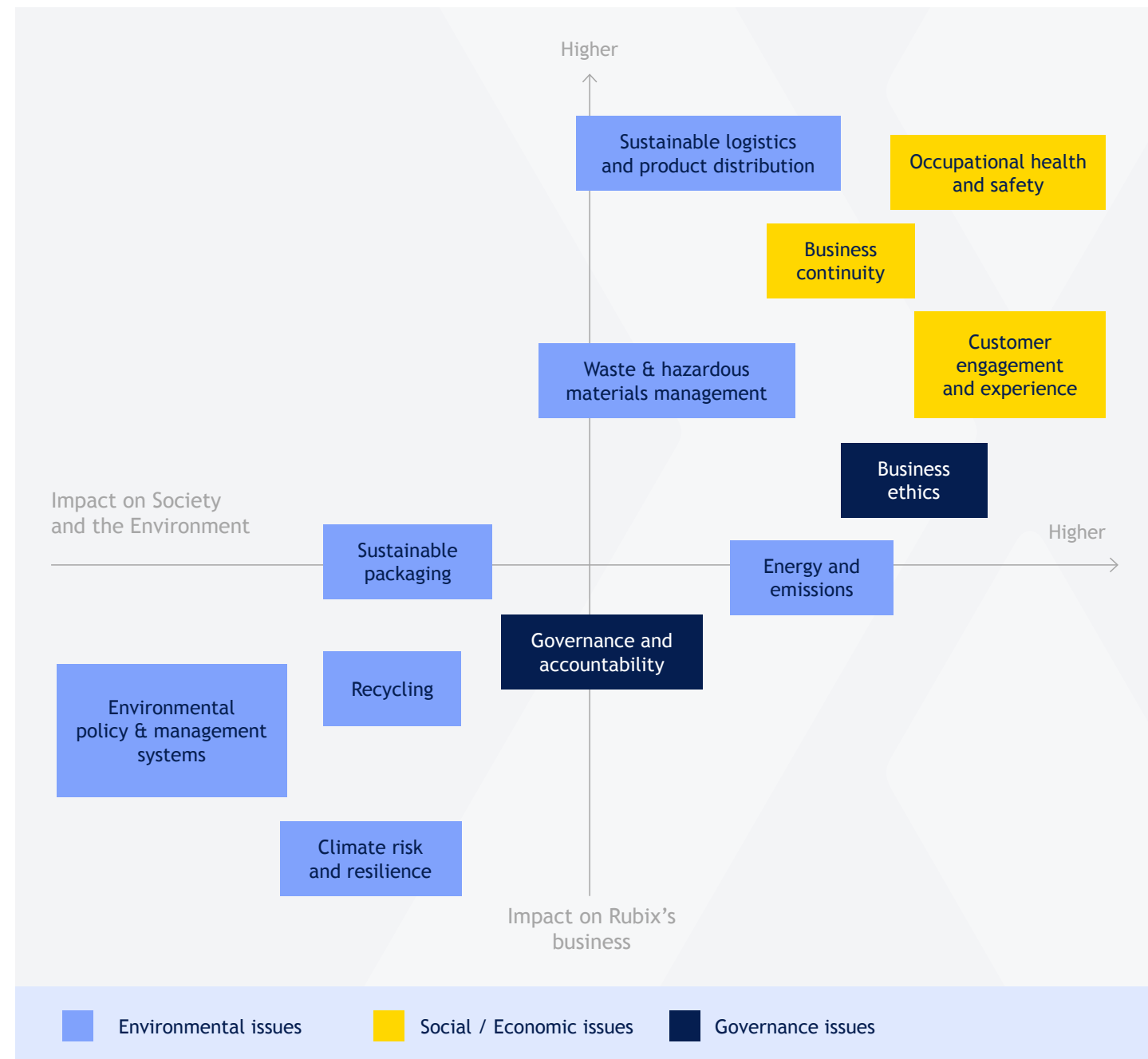
What matters to customers

Priorities for customers, as identified through our ESG-focused survey and ongoing engagement:

- › Identification of services and products that help reduce emissions and support achievement of social value targets
- › Assistance in developing a motor management policy (to manage energy consumption by motors and motor-driven systems)
- › Provision of information about greenhouse gases and other environmental and social impacts throughout the production value chain
- › Solutions and innovations for improved efficiency in production, and support in finding inefficiencies (for example through surveys to find air leaks in compressed air systems)
- › Less packaging and related waste and lower emissions in transportation
- › More proactive proposals and initiatives to improve environmental impacts



Materiality matrix



Descriptions of priority environmental topics

- › **Climate risk and resilience**
The ability to prepare for, recover from, and adapt to risks associated with climate change (including severe weather, extreme temperatures, and other damaging impacts).
- › **Energy and emissions**
The use of energy for our operations, and the greenhouse gas (GHG) emissions associated with our business. This includes: energy efficiency; energy management; renewable energy; carbon offsetting; and carbon capture & storage.
- › **Environmental policy & management systems**
Processes and practices that enable us to reduce our environmental impacts and increase our operating efficiency.
- › **Recycling**
Collecting and processing materials that would otherwise be thrown away as waste and turning them into new products.
- › **Sustainable logistics & product distribution**
The transportation of goods between vendor and purchaser with lowest possible impact on the ecological and social environment, including the whole distribution process from storage, order processing and picking, packaging, improved vehicle loading, delivery to the customer or purchaser and taking back packaging.
- › **Sustainable packaging**
The sourcing, development, and use of packaging solutions that have minimal environmental impacts.
- › **Waste & hazardous materials management**
The collection, treatment, and disposal of waste material that, when improperly handled, can cause substantial harm to human health and safety or to the environment.

Descriptions of social and governance topics

- › **Business continuity**
The planning and preparation needed to ensure our company will have the capability to perform its critical business functions during emergency events.
- › **Customer engagement and experience**
The level and quality of interaction between an external customer and our company.
- › **Occupational health and safety**
Processes and practices that deal with all aspects of health and safety in the workplace, with a strong focus on primary prevention of hazards.
- › **Business ethics**
The moral principles that act as guidelines for the way our business conducts itself and its transactions, particularly regarding potentially controversial subjects including corporate governance, insider trading, bribery, discrimination, corporate social responsibility, and fiduciary responsibilities.
- › **Governance and accountability**
The policies and procedures that help safeguard the interest of various business stakeholders, and ensure that the company remains answerable for the actions and decisions taken.

Task Force on Climate-related Financial Disclosure (TCFD)

Introduction

Rubix has continued to implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), having published our first TCFD report on a voluntary basis in March 2022.

Rubix supports the purpose of TCFD, which is to stimulate better climate-related disclosures that enable investors, lenders, and insurers to gain a clear view of which companies will thrive in a low-carbon world and the transition to it. Better information will then also enable companies' and investors' understanding of climate-related impacts to grow, empowering them to channel investments and finance towards sustainable and resilient solutions, opportunities, and business models. Rubix is proud to have officially signed its support for TCFD in May 2021.

Rubix is proud to have officially signed its support for TCFD in May 2021

The Group considers ongoing reporting against the TCFD framework as essential in supporting communications about our climate-related preparedness. Rubix also participates in the CDP Climate Change questionnaire on an annual basis as part of our commitment to align with best practice and provide transparent disclosures.

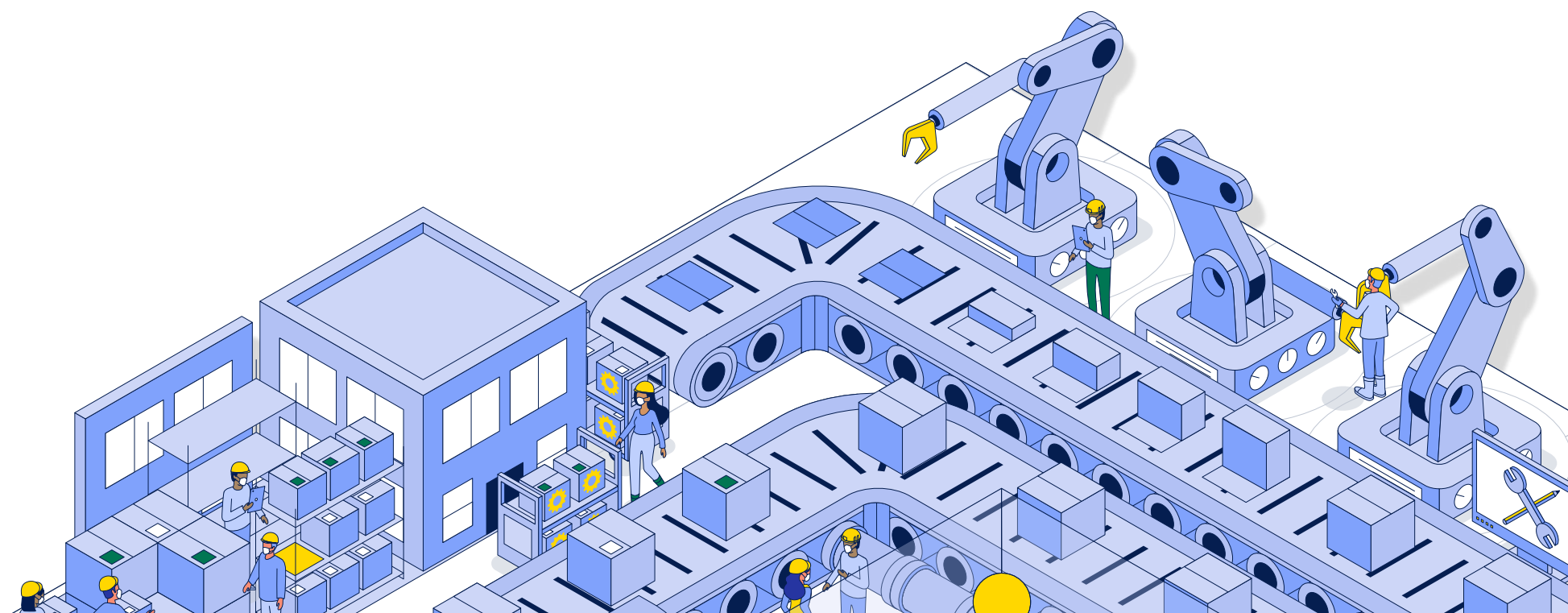
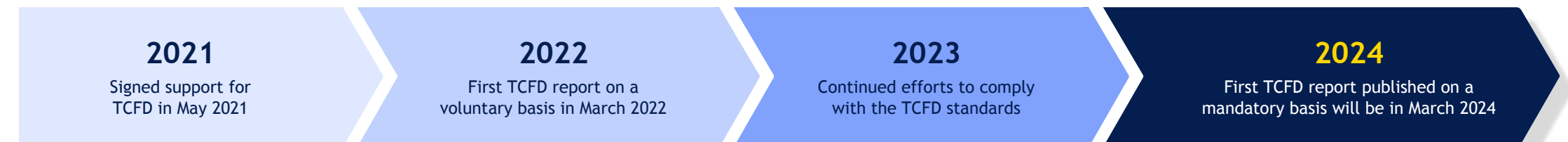
Our progress in 2022

We made significant progress during 2022 in implementing the recommendations of TCFD in each of the four thematic areas: governance, strategy, risk management, and targets and metrics. Our second annual TCFD report was published within our 2022 Annual Report and Financial Statements, in line with best practice.

The report describes activities during the year and future areas of focus to continue to strengthen our strategic approach and our communication of climate-related issues. Our disclosures were prepared to align with guidance contained within the thematic reviews published

in 2022 by the Financial Reporting Council (FRC) and Financial Conduct Authority (FCA). New UK regulation mandating climate disclosures aligned to the TCFD framework will apply to Rubix during the 2023 financial year. As such, our first TCFD report published on a mandatory basis will be in March 2024.

We have already implemented the vast majority of TCFD recommendations and are continuing to implement the remaining recommendations during 2023, as set out in the 'next steps' sections of our TCFD report.



TCFD index

The main disclosures are set out on pages 12 to 28 of our [2022 Annual Report](#), with additional disclosures being located on pages 32 to 35. The below table sign-posts where each of the recommended disclosures are located within the Annual Report.

| Recommendation | Recommended disclosures | Where to find the disclosure in the 2022 Annual Report |
|----------------------------|--|---|
| Governance | a. Describe the board's oversight of climate-related risks and opportunities. | Climate-related responsibilities of the Board (page 13) Processes for oversight of climate-related progress (page 14) |
| | b. Describe management's role in assessing and managing climate-related risks and opportunities. | Climate-related responsibilities of management (page 14-15) |
| Strategy | a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. | Climate-related opportunities (page 17) Climate-related risks & opportunities (page 18-20) Climate risk management (page 24) |
| | b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | Climate-related risks & opportunities (page 18-20) Climate change (page 68) |
| | c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | Quantitative scenario analysis: strategic resilience under different scenarios (page 20-21) |
| Risk Management | a. Describe the organization's processes for identifying and assessing climate-related risks. | Climate risk identification and assessment (page 22) |
| | b. Describe the organization's processes for managing climate-related risks. | Risk management process (page 23) Risk control processes (page 23) |
| | c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | Climate risk management (page 24) |
| Metrics and Targets | a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | Metrics Overview (page 24-25) |
| | b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. | Energy & GHG emissions performance (page 26) Energy consumption by source (page 27) Regional emissions (page 26) Scope 3 emissions reduction activity (page 28) |
| | c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. | Climate-related opportunity metrics (page 27) Climate-related targets (page 27) |

Governance, policies and reporting

ESG governance framework

ESG matters are an integral component of the Group's business model and strategy.

The Board has ultimate accountability for the oversight of the management of ESG matters and associated disclosures. ESG risks and opportunities are discussed during Board meetings where relevant, as part of the normal course of business.

The Audit Committee supports the Board in providing oversight of the Group's risk management procedures, including how ESG-related risks and opportunities are identified and managed. In respect of climate and environment-related disclosures, the Audit Committee also monitors the Group's progress in implementing TCFD recommendations, as well as reviewing and approving related disclosures made within the Annual Report.

The Executive Board has responsibility for the execution of the Group's ESG strategy, with overall responsibility sitting with the Group CEO. The Group VP - Services, a member of the Executive Board, has functional responsibility for defining and driving the Group's ESG strategy. The remit of the Executive Board includes approving ESG-related commitments and targets; overseeing the management of ESG-related initiatives, such as greenhouse gas (GHG) accounting processes; ESG-focused collaborations with customers and suppliers; and disclosures under frameworks such as TCFD and CDP. The Executive Board discusses the ESG agenda at least quarterly as part of dedicated sessions.

Key topics discussed during the year included:

- › Roll-out of our new digital platform to manage GHG emissions data
- › Insights from our ESG survey among European key account customers on environmental priorities, challenges, and expectations of suppliers

- › Competitor and peer benchmarking on ESG-related matters, and other external ESG-related developments and research
- › Progress in implementing the recommendations of TCFD, changes in the regulatory landscape, and our forward plan
- › New climate-related requirements for strategic suppliers to Rubix, including a commitment that they develop science-based targets (SBTi)
- › Plans to refresh governance arrangements for ESG to strengthen management processes
- › Approval of two new climate-related policies - an Emissions Reporting and Rebaselining Policy and a Renewable Energy Policy.

The Rubix ESG Committee

Rubix's ESG Committee supports the Executive Board in the leadership and management of the ESG strategy. We refreshed the membership of the Committee in 2023 to include cross-functional and cross-market representation. The ESG Committee is chaired by the Group VP - Services and the Group Sustainability Director. Leadership of the ESG Committee is further supported by the Group Chief Sales Officer. Other members of the Committee comprise senior leaders from the Group's largest markets, as well as the Group's Communications Director. New Terms of Reference for the ESG Committee were agreed in July 2023.

A dedicated Group-level Sustainability team and country-specific ESG leaders (at management team level) and ESG champions (at operational level) further support in the execution of the ESG strategy.

Key responsibilities of the Rubix ESG leadership team

- › **Data:** establishing, standardising, and driving ESG-related data-collection processes across the Group.

- › **Initiatives:** identifying, prioritising, and driving the adoption of ESG initiatives and improvement measures across the Group.
- › **Knowledge:** internally sharing ESG best practices and local initiatives between regions.
- › **Culture:** continuing to promote a Groupwide culture that integrates ESG into all aspects of the business.

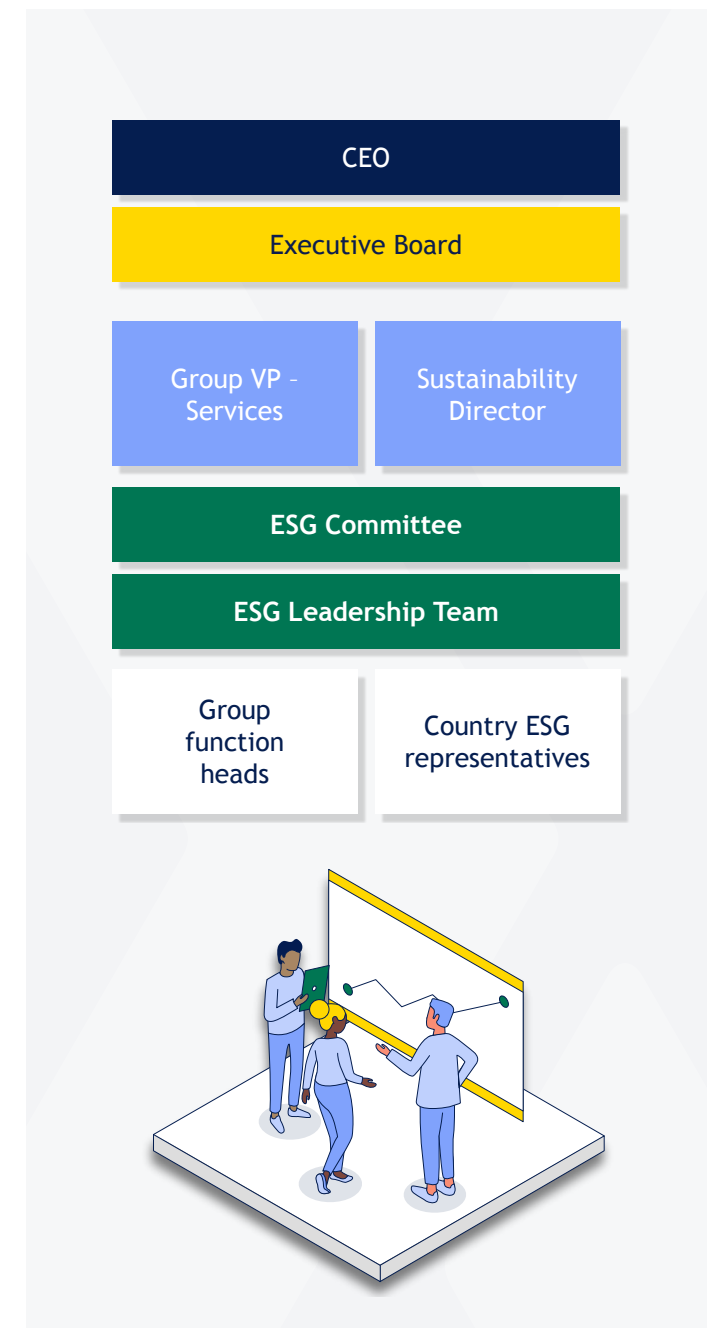
Groupwide ESG policies

We have an extensive suite of ESG policies which govern our approach and support our commitment to the UN Global Compact. Our policies set out our commitments to responsible and sustainable business practices. The key policies, which apply Groupwide, are listed below. We provide training to ensure employees understand and implement our policies. We also monitor compliance with our policies, for example through audits of higher risk suppliers.

Our key policies:

- › Group Code of Conduct and Ethics
- › Labour Practices Policy
- › Recruitment Policy
- › Paternity and Maternity Policy
- › Flexible Work Policy
- › Health and Safety Policy
- › Dignity at Work Policy
- › Modern Slavery Act Transparency Statement
- › Supplier Code of Conduct
- › Emissions Reporting and Rebaselining Policy
- › Renewable Energy Policy

Brief details of these policies are set out in the **'Additional Information'** section of this report.



Reporting and alignment with sustainability frameworks

Rubix is committed to providing comprehensive public disclosure on its ESG performance while tracking progress using best practice ESG frameworks.



EcoVadis

In 2022, the Group achieved its first 'Gold' rating in the EcoVadis assessment, ranking in the top 2% of companies in its sector globally. The Group's score has increased by 15 points over the past two years, reflecting our continued focus and commitment to driving progress for our ESG agenda.

The Group's leadership position is supported by transparent ESG reporting, aligned to best practice frameworks; target setting on environmental and social topics to drive continuous progress; efforts to nurture a highly engaged workforce and provide ESG-related training; major strides in sustainable procurement, including specification of ESG standards and a new programme of supplier assessments; and, new customer offerings that support sustainability performance and cost reductions. We will continue to participate in the assessment and apply its framework to target further performance improvements. Our 2023 result will become available in early autumn.

CDP

The Group completed its first voluntary submission to CDP in 2021, making it one of the few major private-owned industrial distribution businesses to do so.

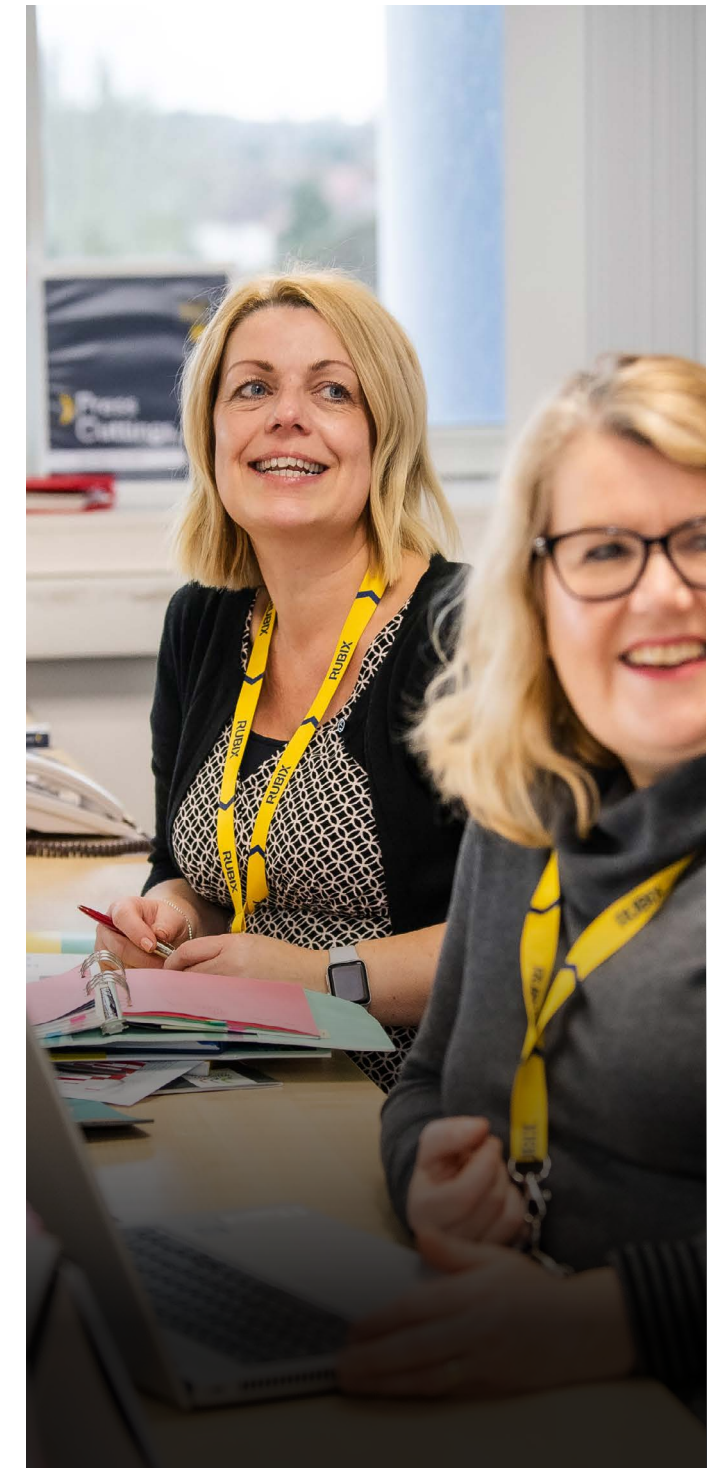
We again responded to CDP's climate questionnaire in 2022. We were pleased to achieve a score of C in the assessment, in line with the global average score, as well as the Trading, Wholesale, Distribution, Rental & Leasing sector average. The Group is targeting continuous improvement in the assessment through increased focus on its climate strategy and related disclosures, including through providing augmented Task Force on Climate Related (TCFD) aligned disclosures. We commit to responding to CDP on an annual basis.

Amfori

Rubix fully supports the values of sustainable trade as established by amfori and has integrated the Amfori BSCI Code of Conduct in our contracts.

We believe in and engage with the Amfori values of trade with social, environmental and economic benefits for everyone.

In 2022, the Group achieved its first 'Gold' rating in the EcoVadis assessment



Customers

Contents:

- › Executive summary
- › The Rubix Solution
- › Sustainable manufacturing
- › Energy management services
- › Our wider sustainable service offering



Executive summary

Our strategy

Developing innovative green product and service solutions that help our 220,000 customers meet their long-term ESG ambitions.

Our roadmap

1. Create and expand our sustainable service and product offer, by:

- › Increasing the number of Rubix Solutions that have tangible sustainability benefits
- › Broadening the range and availability of sustainable products offered via our suppliers

2. Increase industrial adoption of sustainable solutions through transparent labelling, by:

- › Promoting sustainable solutions using the Rubix Sustainable Manufacturing mark
- › Encouraging suppliers to include ESG product information on labelling

3. Promote the win-win benefits of sustainability to our customers, by:

- › Educating them on the many benefits that can be achieved from sustainable service solutions
- › Creating thought leadership and white papers that offer useful ESG advice

Key performance indicators

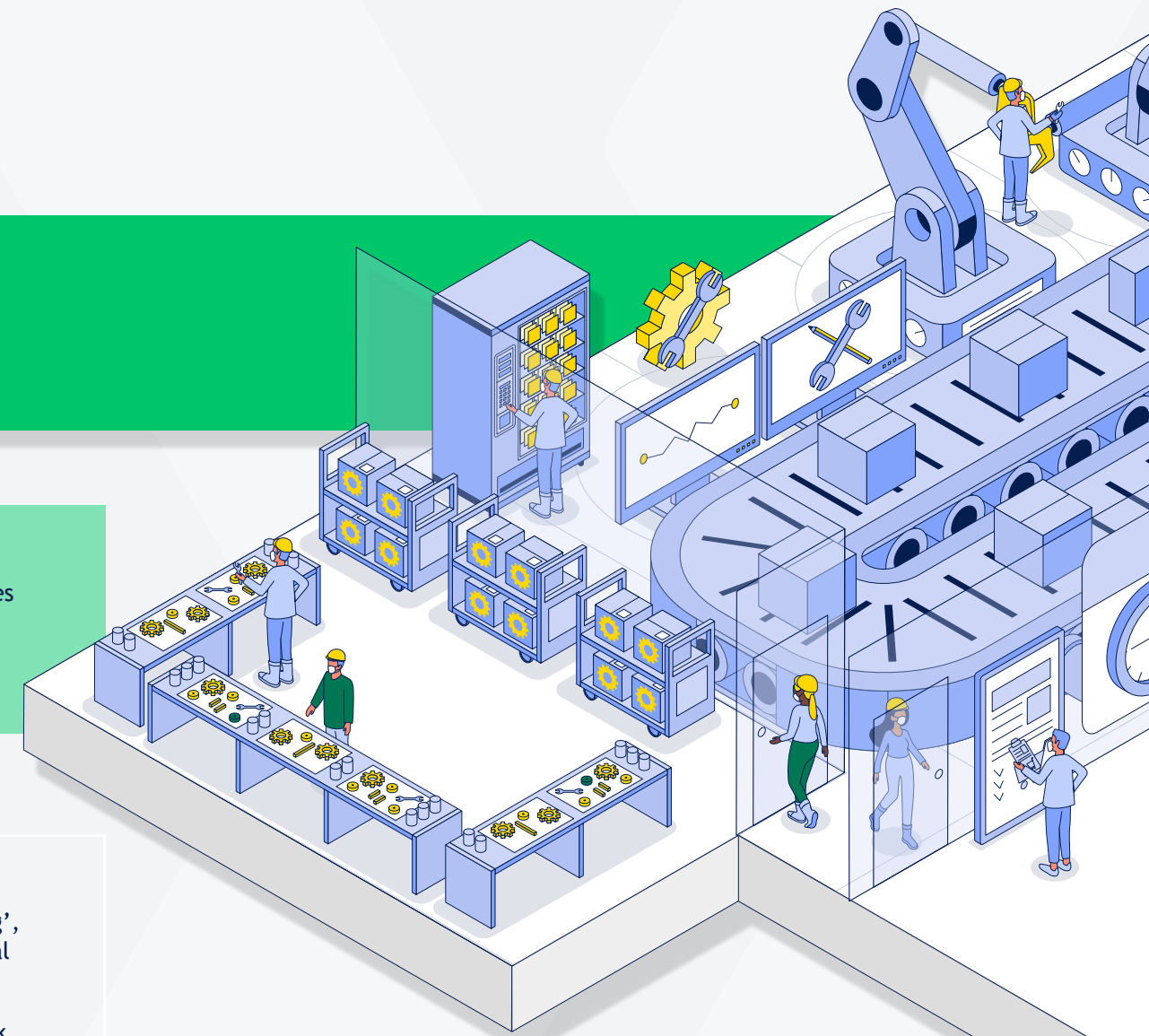
- › Growth in revenues from sustainability-related services
- › Frequency of engagement with customers on sustainability topics

Performance highlights

- › Launched our new logo for 'Sustainable Manufacturing', to signpost services that have a positive environmental impact for customers
- › Published our energy management white paper, 'Quick wins to cut energy waste', highlighting the significant opportunity for customers improve operational efficiency
- › Accredited energy reductions, and associated CO₂e savings, reported for our air leakage surveys through an expert third party
- › Engaged with hundreds of customers through surveys and one-to-one meetings to discuss their sustainability challenges and provide advice on how Rubix can support them

In this section

- › The Rubix Solution
- › Our new 'Sustainability Mark'
- › Energy management services
- › Wider sustainable service offering
- › Customer use-cases



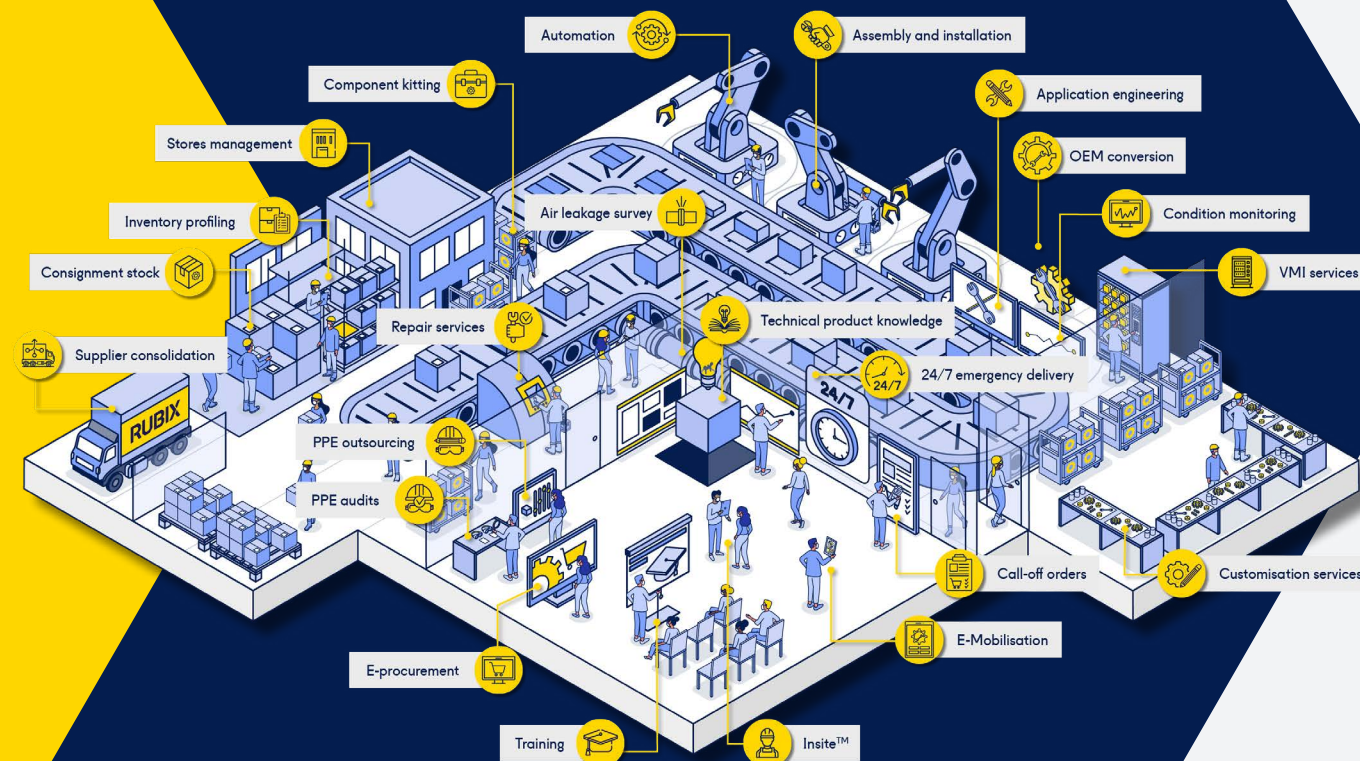
The Rubix Solution

Our multi-specialist value proposition covers a wide range of technical and value-add services that meet our customers' commercial needs. These services also play a critical role in our mutual sustainability efforts by reducing waste and maximising the efficiency of energy usage.

Customer needs...

- > Uptime
- > Easy & efficient buying
- > Cost control & efficient production
- > Sustainable manufacturing & safety
- > Optimised working capital

...serviced directly on their factory floor...



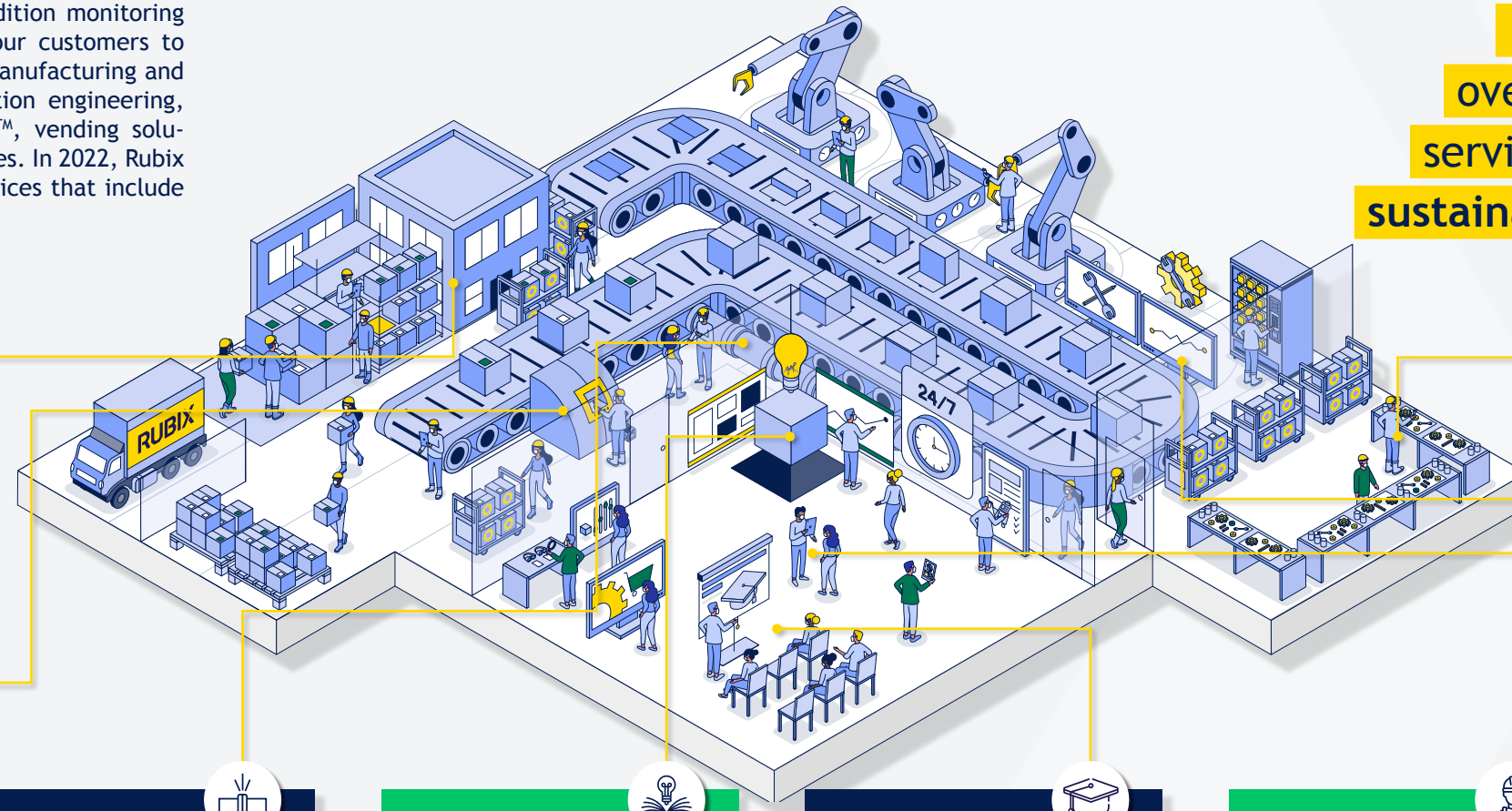
...with deep technical knowledge and solutions that Rubix offers

- > Technical knowledge & advice on product range
- > Logistics & inventory services
- > Technical services
- > Digital solutions

The Rubix Solution: spotlight on sustainability

Our technical services offer includes condition monitoring and maintenance services that support our customers to reduce the energy consumption of their manufacturing and processing plants. These include application engineering, automation, condition monitoring, Insite™, vending solutions, air leakage surveys and repair services. In 2022, Rubix generated over 28% of revenues from services that include specific sustainability-related solutions.

In 2022, Rubix generated over 28% of revenues from services that include specific sustainability-related solutions



Stores management

Customers can outsource stores management to Rubix to reduce the need to hold inventory, and reduce waste from inventory rationalisation programmes.

Repair services

Often a part can be repaired instead of being completely replaced. Repairs are usually lower cost, faster to complete, and have a lower carbon footprint than a new part.

Our repair services also reduce the amount of waste produced, by extending the life of equipment and avoiding the need for it to be discarded and replaced by a completely new part.

Air leak surveys

Air leaks are the largest source of avoidable energy waste. Through our air leak surveys and repair services, we can find and fix leaks to generate energy and cost savings.

Technical product knowledge

We can apply our extensive experience and deep product knowledge to recommend the most suitable solution to a problem & products that will reduce energy consumption.

Training

Rubix offers training in energy saving, plant safety and maintenance, as well as providing specific technical product training to support customers' on-site teams.

Insite™

A Rubix branch located within customers' manufacturing sites, working alongside customers' teams and providing technical support to enable efficient manufacturing and procurement processes.

Customisation

Our custom-made parts and solutions can help reduce customers' waste by enabling them to buy only what they need, or by providing an altogether different less-is-more solution.

Condition monitoring

Condition monitoring predicts and prevent failures, improving efficiency, and supporting safety. Assets in good condition also use resources most efficiently. Monitoring the condition of critical equipment also helps prolong its life and reduce the rate at which it needs to be replaced, reducing waste.

Sustainable manufacturing

Driving efficiency in manufacturing

We continued to develop our online condition monitoring platform during the year, having first launched it in 2021. The platform allows customers to access technical services that improve uptime and energy efficiency and reduce their facilities' greenhouse gas emissions. Customers can use a single logon to access multiple condition monitoring services via the platform that meet their requirements across all industries and geographical locations.

Our condition monitoring platform enables access to a wide range of solutions that can be tailored to the demands of customers' manufacturing and processing environments to improve energy efficiency and reduce waste. These include air leak surveys, oil analysis, vibration analysis, predictive analysis, thermography, ultrasonic analysis, and laser shaft alignment, among others, all of which enable optimal functioning and performance of machinery.

Ongoing condition monitoring is enabled via the installation of IoT sensors in customers' facilities. These send information about the performance of the assets they are tracking to our online condition monitoring platform, providing live data for customers, presented on a dashboard. Since our solutions are brand agnostic, our condition monitoring platform can also connect to existing sensors installed in customers' facilities, or any other sensors that customers may choose to install. Using insights about assets' performance, Rubix can anticipate problems before they occur; evaluate options to improve customers' operations and energy efficiency; and provide detailed recommendations to improve the performance of assets and systems. The implementation of our services is supported by local teams in 22 European countries.

Delivering verifiable impacts

At the start of 2023 the Group launched a new sustainability mark for 'Sustainable Manufacturing'. It is designed to support customers in identifying services, and eventually products, that will enable a positive environmental impact in their operations. It will be applied to services that deliver a verifiable energy and CO₂e saving for customers. See the case study opposite for more details.

Our air leakage survey is the first of our services to have been verified and accredited by a third party, and it now carries the Sustainable Manufacturing mark

Our air leakage survey is the first of our services to have been verified and accredited by a third party, and it now carries the sustainable manufacturing mark. Calculations relating to energy consumption and resulting CO₂e emissions are calculated in line with the Greenhouse Gas Protocol, using emission conversion factors provided by the IEA. This gives customers additional confidence in reported CO₂e savings and the environmental value of undertaking repairs and upgrades. We find over 40 leaks on average per survey, resulting in unnecessary energy consumption and related CO₂e emissions. By fixing these leaks, customers can lower their energy bills, as well as reduce their environmental impacts. During 2022 alone Rubix identified potential savings of c. 28,000 tonnes CO₂ for customers through air leakage audits, relating to energy that would be wasted if leaks are not repaired.

Case study:

Introducing the Rubix Sustainable Manufacturing mark

As part of our innovative suite of commercial solutions, we recognise the significant contribution environmental services can have in helping our customers meet their long-term objectives. By extending the number of services we provide, we can rapidly accelerate the European industrial sectors' transition to a low carbon economy. To support our customers on this journey, we are excited to introduce the Rubix Sustainable Manufacturing mark. Launched in January 2023, the visual stamp will make it easy for customers to identify Rubix services that lead to improved environmental performance, including solutions that help to reduce or avoid emissions, improve resource efficiency or achieve circular outcomes.

The mark will initially be featured on services that support our customers with energy management such as air leakage surveys, condition monitoring tools, as well as repair and replacement services that deliver improved ESG outcomes. In the year ahead, we will look to extend use of the mark on additional products and services that deliver sustainable manufacturing benefits, while also enhancing performance, improving efficiency and reducing costs. As well as improving the sustainability performance of our customers, we want the mark to encourage others to adopt sustainable manufacturing solutions to drive global progress towards the achievement of our targeted UN Sustainable Development Goals.



Sustainable
Manufacturing



Supporting customers to reduce energy waste

In early 2023, we published an energy management white paper, 'Quick wins to cut energy waste', illustrating opportunities to double the efficiency of motor-driven systems in manufacturing. It also identified Rubix services that support customers in seizing those opportunities by reducing energy consumption and increasing efficiency. See the case study opposite for more details.



Motor-driven systems account for more than 70% of industry's electricity consumption

Case study:

Quick wins to cut energy waste

At a challenging time when the energy crisis threatens to slow progress on global environmental and financial objectives, we are using our technical expertise to help our customers find simple ways to reduce energy waste, cut costs and build greater resiliency across their operations.

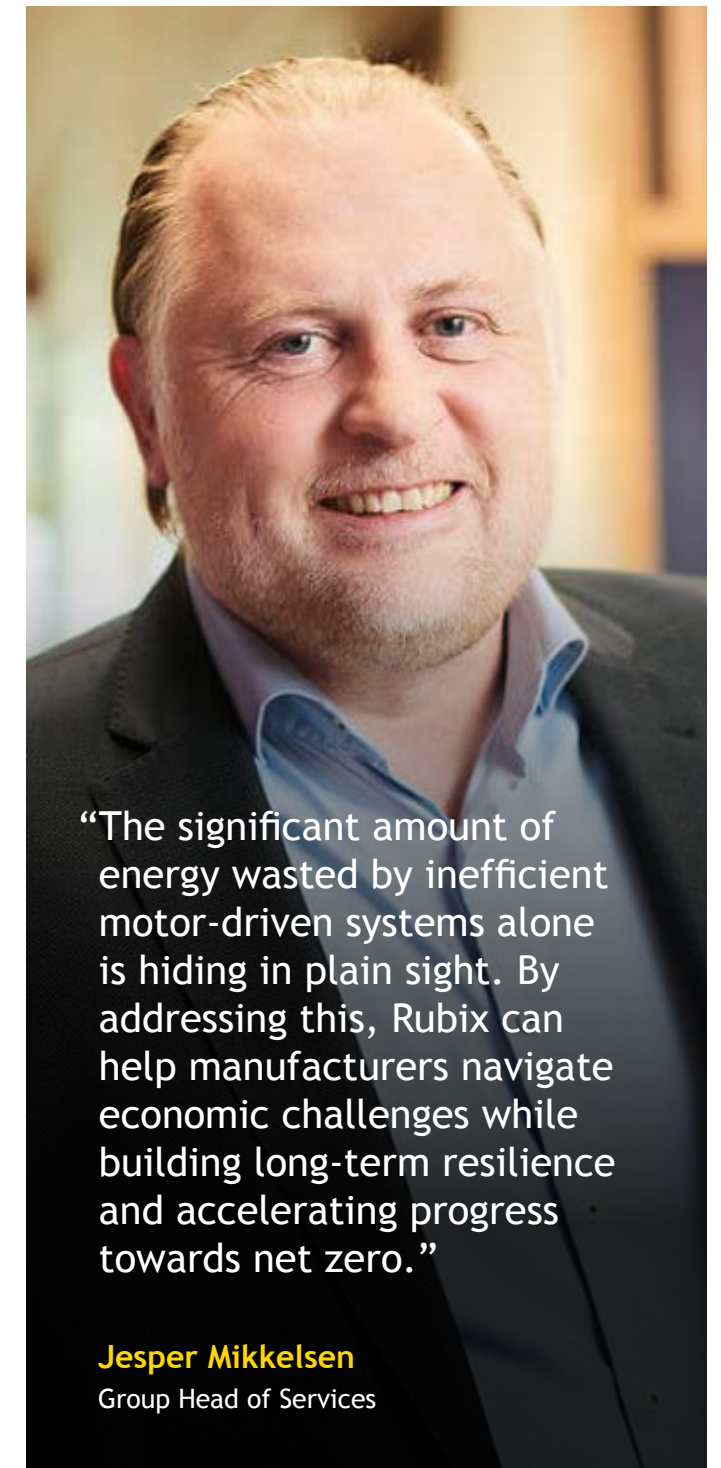
As Europe's leading distributor of industrial products and services, we know that industrial motor-driven systems - including compressors, pumps and fans - are often highly energy inefficient and in vital need of optimisation. Today, motor-driven systems account for more than 70% of total industrial electricity consumption, with over two-thirds of these meeting low energy-efficiency ratings (of IE2 or below). This has a hugely detrimental impact on the carbon footprint of the global industrial sector.

To help our customers take vital action in this area, we published a white paper in January 2023 entitled Quick wins to cut energy waste. Within it, we detail a series of useful tricks and tips on how to target each component of the motor-system to implement solutions that can achieve energy savings upward of 20-30% per system.

Tips highlighted in the report include:

- › **Retrofitting variable speed drives** to existing motors for task-based energy optimisation.
- › **Improving motor efficiency** by resizing motors, switching to an energy efficient model and / or regulating speeds.
- › **Improving mechanical equipment efficiency** by optimising gearboxes, replacing worn components, setting the right-sized gearing, and using energy-efficient industrial lubricants.
- › **Improving driving applications** by identifying and fixing leaks in compressed air systems, using intelligent pumps with variable speed controls and replacing worn pulleys that can affect v-belt efficiency.

[Read more](#) about the services we offer to help our customers to reduce their energy waste.



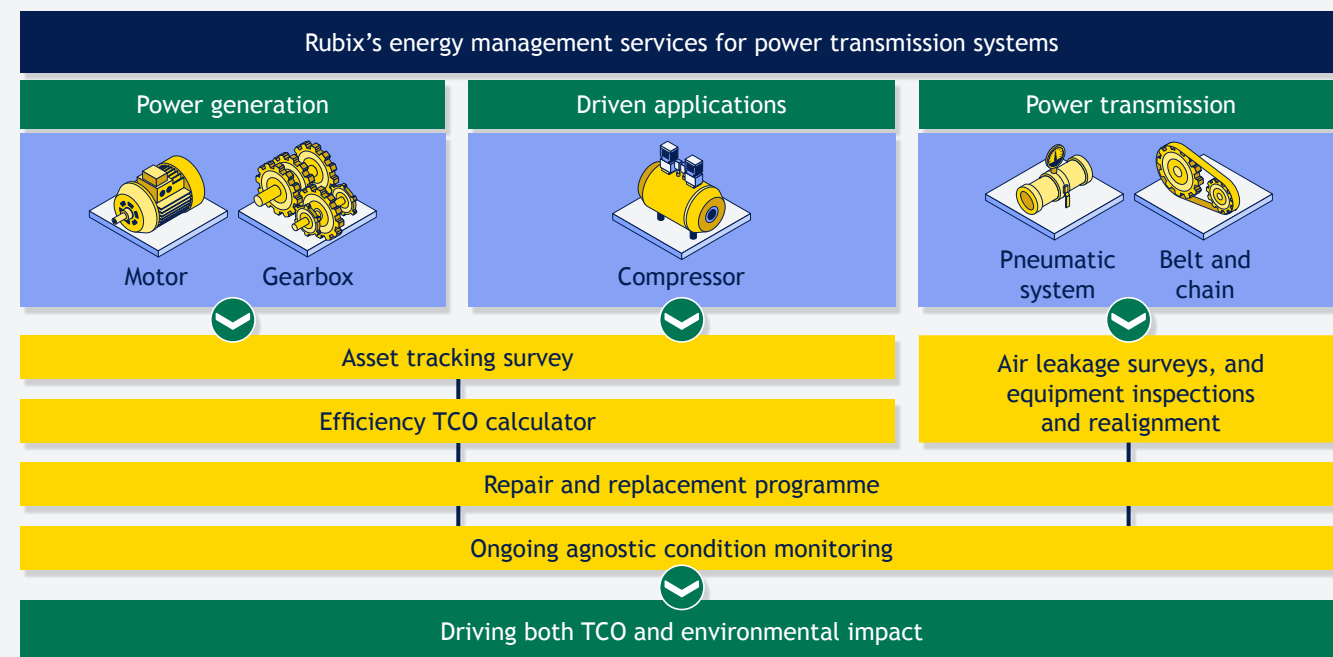
“The significant amount of energy wasted by inefficient motor-driven systems alone is hiding in plain sight. By addressing this, Rubix can help manufacturers navigate economic challenges while building long-term resilience and accelerating progress towards net zero.”

Jesper Mikkelsen
Group Head of Services

Energy management services

Rubix offers the largest range and reach of engineering services in the market, with a strong track record of optimising energy consumption in production and reducing associated costs.

Rubix provides a suite of solutions to cut energy waste. In addition to solutions for those components depicted below, we are expanding our offering to cover energy management for pumps and linear motion as well.



› Asset tracking survey

Our asset tracking surveys provide an overview of customers' critical assets and how they can be optimised to reduce energy usage. Optimising efficiency means looking at each of the components individually - motors, drives, gearboxes - as well as the system as a whole. Conducting an asset survey is a simple and effective way to establish a single, up-to-date database of assets for customers, providing an accurate picture of how their plant is running and enabling them to make informed decisions - including ways to reduce energy consumption. Rubix visits customers' sites to assess their machinery base and register their critical assets. As part of this, our engineers will identify any issues that should be fixed and assets that should be repaired or replaced to lower energy consumption. We then populate the Rubix Asset Tracker with information about customers' assets. This also serves as an effective starting point for condition monitoring and predictive maintenance programmes.

› Efficiency calculations

Our motor efficiency evaluations use a proprietary motor efficiency calculator to inform customers of the payback period for repairing motors, or for replacing them with more efficient models. Our technical experts provide recommendations based on our calculation, illustrating the reduction in energy consumption that could be achieved through an intervention, whether through repair or replacement. Rubix also provides an estimate of the potential annual savings, and the payback period for new motors. Over 70% of industrial motors in use across Europe still have an energy efficiency rating of IE2 or lower, so there is often significant scope for customers to achieve energy savings by upgrading to more efficient models of motor.

Case study:

Improving motor efficiency - a case study from Spain

Motors account for a significant proportion of total energy consumption in manufacturing businesses. Therefore, enhancing motor efficiency, either through replacement or by improving their components, can be a critically important cost and energy saving consideration for customers.

To address this, Rubix offers a motor expert service that assess current assets and provides recommendations for improving energy consumption. In 2022, our Motronic business in Spain helped a manufacturing customer replace a critical motor in one of their production lines. After inspecting the old inefficient motor, we advised the business to instal an IE3 rated motor in its place. The business agreed, and once installed, the motor is expected to reduce site electricity consumption by more than 42,000 kWh/year. This will save the business just under €10,000 per year - with a complete return on investment in just over 12 months.

› Repair and replacement programme

We apply our deep experience in running motor maintenance programmes to optimise motors and motor-driven components in customers' production processes. Rubix offers a broad range of energy-efficient products from well-known suppliers as well as our own exclusive brands. We can also support customers in undertaking a repair / replacement programme to improve motor efficiency and execute this for customers through a combination of in-house and third-party capabilities. We record details of the programme in our condition monitoring platform as part of our offering to enable continuous oversight of asset condition and energy consumption in customers' production processes. According to experts, CO₂ emissions are at least 80% lower when a product is repaired rather than replaced.

According to experts, CO₂ emissions are at least 80% lower when a product is repaired rather than replaced¹

1. Saving related to the environmental impact of production. Source: Re-defining Value - The Manufacturing Revolution. Remanufacturing, Refurbishment, Repair and Direct Reuse in the Circular Economy. A Report of the International Resource Panel, United Nations Environment Programme, 2018.

Case study:

Delivering circular solutions

In early 2023, we worked with a leading UK steel manufacturer to deliver a cost-effective and environmentally friendly solution that eliminated the need to replace a critical piece of plant equipment.

Working alongside the original manufacturer, our technical team successfully remanufactured an exceptionally large slewing ring bearing already present on site. The achievement resulted in substantial savings in terms of cost, carbon emissions and energy consumption, all while avoiding the expense and hassle of replacing the item entirely.

By project completion, the circular solution helped the customer to avoid £415,000 in new equipment purchases, while also avoiding 54,000 kWh in energy and 23.2 tonnes in carbon emissions associated with the specialised transportation of a new bearing. This represented a further £19,000 in cost savings, in addition to the environmental benefits achieved.

This successful collaboration highlights the power that **Sustainable Manufacturing solutions** can have in improving operational efficiency, reducing costs and bettering environmental outcomes for our customers and industry.



Case study:

Optimising hydraulic pump systems

We upgraded a customer's hydraulic pump system control during the year. This system is installed on a press used for the compression of thermo-plastics for the automotive industry. Having been installed in 1999, the old system was very energy intensive and included several now obsolete electrical and hydraulic components. In partnership with a supplier, Rubix replaced the main pump unit as well as the electrical cabinet controlling the pump system.

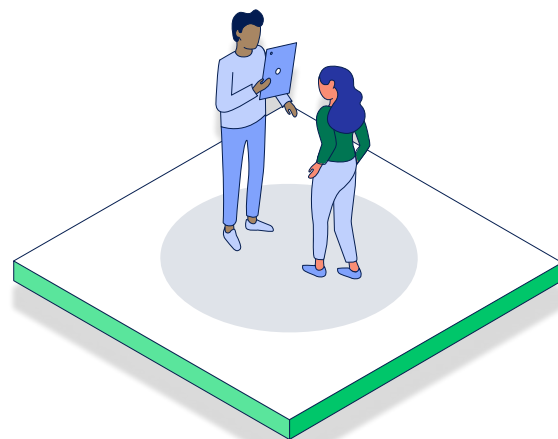
As part of the project, we implemented intelligent system controls to optimise its functioning and its energy consumption including, for example, variable speed controls for hydraulic components. The new system requires less maintenance and provides additional flexibility when compared with the old system, resulting in easier management and lower costs. Most importantly, its power consumption is also 60% lower, providing a financial gain of more than €5,000 a year as a result of reduced energy costs.

› Air leak surveys, equipment inspections and realignment

Air leaks are one of the largest sources of avoidable energy waste. For any plant using compressors, approximately 30% of the electricity bill is dedicated to running them. Of that, on average 20-40% is lost through air leaks.

Air leaks are one of the largest sources of avoidable energy waste

Rubix offers specialist air leak surveys to identify leaks in customers' compressed air systems using state-of-the-art tools. Customers receive a report detailing leaks found, energy loss, cost and CO₂e impact. Rubix will also recommend parts and actions required to fix any leaks, as well as sourcing parts and carrying out repairs for customers. We will then re-run the audit to ensure the follow-on actions have delivered the expected benefits. As part of our equipment inspections, we also identify quick and practical changes that can be made to belts and chains to improve energy efficiency, such as replacing worn pulleys which cause V-belt drives to consume more energy than necessary.



Case study:

Optimising compressed air systems

CompCare, a Rubix UK business, audited a major food company's compressed air systems at two of its large production facilities. Data loggers were installed to calculate compressed air and energy usage and quantify potential energy savings that could be achieved through system improvements.

Using a data-driven approach, CompCare recommended and implemented several changes to deliver efficiency gains, including combining two systems to create a single system; reducing system air pressure; installing an intelligent control system to better match air supply and demand; and upgrading compressor equipment to more efficient models.

Across the two sites, efficiency improvements implemented by CompCare reduced annual energy consumption by 17% and related costs by around £140,000, delivering a return on investment within 18 months.

Case study:

Improving the efficiency of steam-driven systems

Rubix supported a well-known brand in the French dairy industry to improve the efficiency of its steam system during the year. The dairy company suspected the system was losing steam, causing cost and energy inefficiencies. Rubix undertook a steam audit and analysed the system's energy consumption. As well as presenting the findings to the customer, we offered advice on fixing the system and improving its efficiency. As a result of implementing our advice to fit new steam traps to the system, to fix steam losses, we enabled around €46,000 in annual cost savings for the customer due to significantly lower gas consumption.

Rubix France has supported numerous other customers with similar technical advice and services. We helped a leading producer of French cider to optimise its steam system, again by fitting new steam traps. This realised savings of €35,000 and 3,000 tonnes CO₂ a year, also stemming from reduced consumption of natural gas.

For another customer in the dairy industry, Rubix France undertook audits and implemented subsequent advice we offered the customer to install tailor-made pipe insulation for its steam system. We also supported the customer in obtaining almost €50,000 of government funds for energy efficiency projects to help towards the cost. The project delivered an annual saving of 5,000 tonnes CO₂.

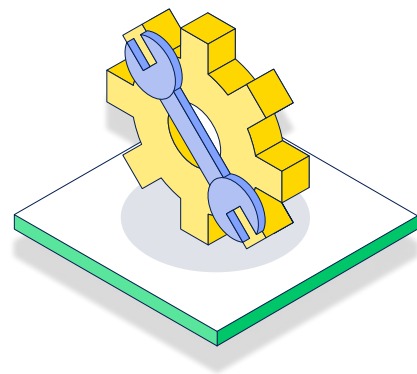


› Ongoing agnostic condition monitoring

Assets in good condition use energy most efficiently. Ongoing condition monitoring enables potential points of failure to be found before they become issues at the expense of unnecessary energy consumption.

Customers can access technical services that improve uptime and energy efficiency, while reducing facilities' greenhouse gas emissions

Our online condition monitoring platform tracks the performance of key machines (such as motors, fans, gear-boxes, and pumps), using sensors installed in customers' production facilities. This flags when machines are not running at their optimum level, enabling a predictive maintenance programme for each machine to avoid energy waste and potential failure. Our online condition monitoring platform also allows customers to access technical services that improve uptime and energy efficiency, while reducing facilities' greenhouse gas emissions.



Case study:

Ongoing monitoring for proactive management

We installed 20 sensors across six machines in a Mondelēz factory in Spain in February 2021. The sensors enable detailed monitoring and analysis of these key machines - where failure or breakdowns would cause unscheduled downtime and unplanned expenses for the plant.

This ongoing condition monitoring enables Rubix to advise on and optimise the frequency with which preventative maintenance is carried out, to keep the machines operating well and avoid costly, unplanned maintenance or repair. Since our sensors have been installed, there has not been any need for planned (or unplanned) downtime in the plant.

Over the past three years this has saved Mondelez €9,000 just on one machine, as well as improving the plant's overall efficiency. As a result, Mondelez have extended Rubix condition monitoring to an additional 30 machines, and have begun working with us on a new smart lubrication project.

Case study:

Tackling air leaks to cut carbon and costs

Compressed air systems are widely used in industry, but are prone to air leaks and inefficiencies, which can lead to significant energy losses. In fact, as much as 20-40% of the electricity consumed by these systems can be wasted. To help our customers address this challenge, Rubix offers Air Leakage Surveys that effectively identify leaks, provide a comprehensive overview of their associated costs and wasted emissions, and provide solutions to fix them. The surveys have been instrumental in delivering significant cost and energy reduction benefits for our customers. For instance, in 2023, Rubix conducted an air leak survey at the plant of a European packaging customer, which promptly pinpointed several areas for improvement. By implementing the recommended measures, the customer is set to achieve a €79,000 energy saving each year, and a 98-tonne reduction in emissions. Impressed by the results, the customer conducted a similar survey on a second plant, which led to an additional €65,000 saving and a further 102-tonne reduction in carbon emissions after replacement parts were implemented by Rubix.

In another example, Rubix's air leak survey identified and repaired over 400 leaks for a customer in the food sector. The success of the project allowed the customer to completely shut down one of their operational compressors, which had been compensating for the inefficiencies caused by the air leaks. This repair initiative is projected to save the business €130,000 in energy each year, while reducing their emissions by 160 tonnes.



Our wider sustainable service offering

As well as our technical services to support customers' sustainability objectives (see [page 23](#) for details), Rubix supports customers with inventory management to ensure the smooth running of their production lines, while at the same time minimising waste and emissions.

Insite™

These are Rubix sites on the customer's factory floor. We have 500 Insites™ in total, carrying tailored inventories and staffed with Rubix experts who can respond to production line demands in real-time. They play a critical role in reducing the frequency of deliveries to customer premises, which in turn helps to reduce GHG emissions from our third-party transport fleets.

Vending machines

Vending machines - of which we have an installed base of 3,350 in customers' facilities - are a key tool in helping our customers manage the utilisation of consumables, including PPE items such as masks, gloves and coveralls. Consumption of single-use items is reduced through our vending machines' active monitoring and recording of usage, resulting in a direct reduction in GHG emissions associated with our customers' waste.

Vending machines are a key tool in helping our customers manage the utilisation of consumables

Case study:

Utilising vending machines to reduce PPE waste

Our network of 3,000+ Rubix vending machines, installed in facilities across Europe, serve as a vital asset for our customers. The machines play an important role in helping them manage the utilisation of consumables, including personal protective equipment (PPE) such as masks, gloves, and coveralls.

By actively monitoring and recording the usage of single-use items, our vending machines directly contribute to reducing waste and cutting costs. For example, in 2022 we worked with a European rail customer to implement six banks of vending machines across four of their sites to distribute items of PPE, including plastic eye protection goggles, industrial cleaning items, batteries and cups. When monitoring the usage of these items over a 12-month period, we found an average 40-60% reduction in PPE consumption since the introduction of these vending machines.

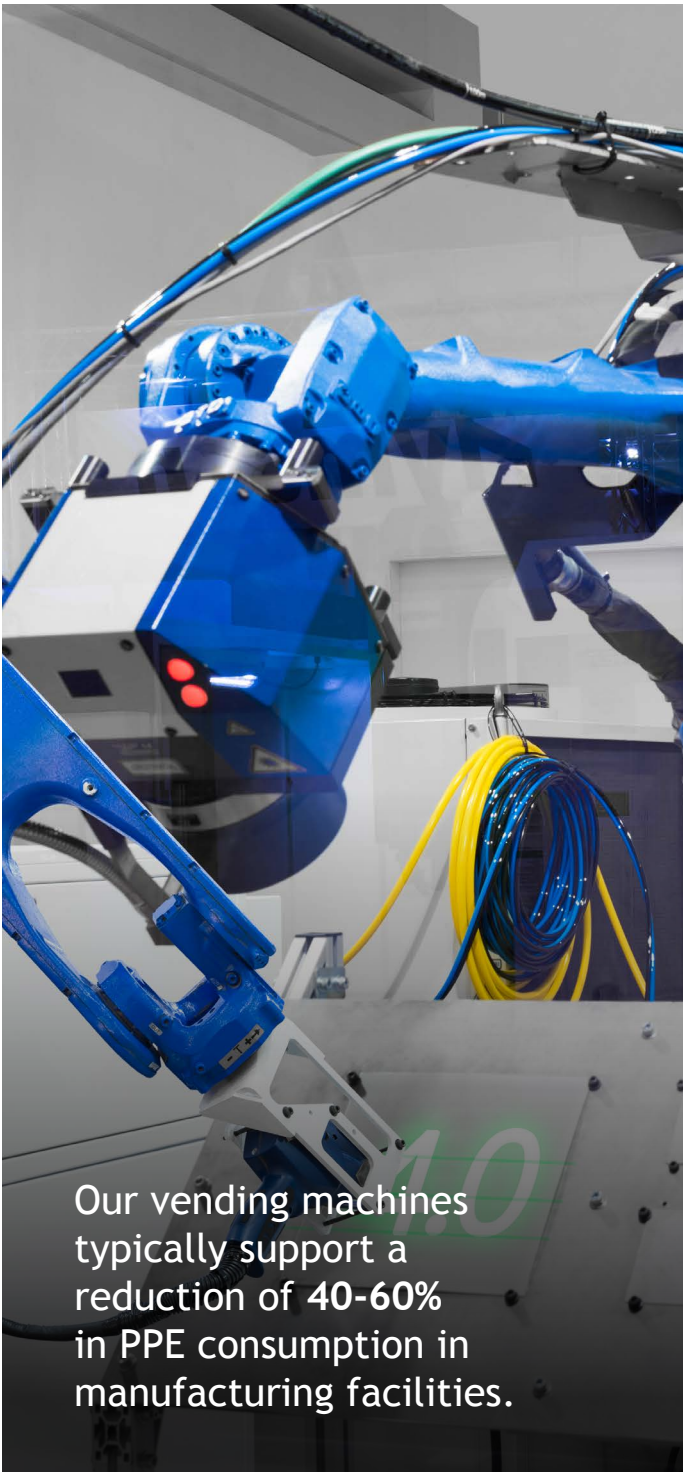
The vending machine solution prompts employees to be more mindful of their choices before selecting an item. As a result, this heightened awareness enables our customers to better manage their inventory and consume fewer resources to deliver substantial financial and environmental benefits.

Case study:

Supporting customers' automation projects

Rubix together with MCA - our linear motion robotics business based in the Netherlands - recently won a tender with JDE Jacob Douwe Egberts to supply six robots for packing and stacking coffee in their facility in the Czech Republic.

We have a track record in supplying similar solutions, having previously supported JDE with four palletising solutions and two robots at the same facility in 2020, as well as supplying robots and automation advice to some of their other locations in Europe.

Strengthening our technical service offering

Rubix offers technical expertise and practical support through Rubix-branded service entities as well as Rubix-owned companies.

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We strengthened our service offering during the year through strategic acquisitions of companies that provide engineering and energy efficiency services, such as Holding Europeo de Compresores (HEC). HEC specialises in auditing compressed air systems and implementing changes that will reduce energy consumption, through interventions such as remodelling compressor rooms to optimise compressor performance, replacing fixed speed compressors with low pressure variable speed alternatives, and reducing the number of compressors required to perform the same function.



Case study:

Supporting customers to reduce water consumption

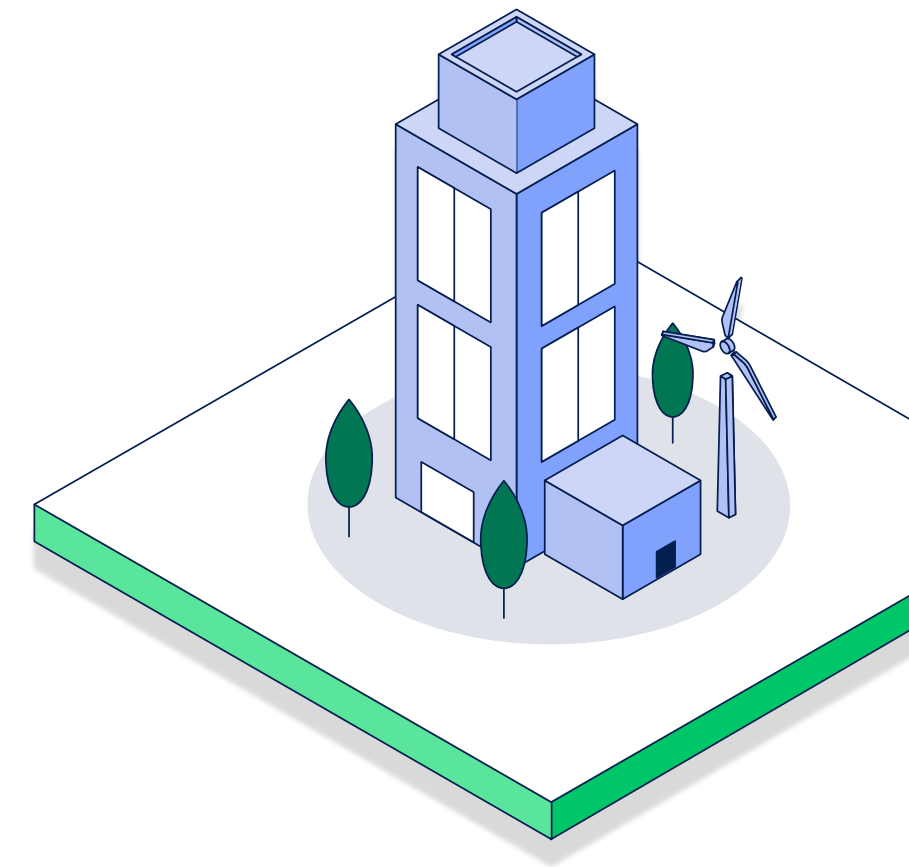
Rubix France helped a customer to significantly reduce its annual water consumption this year. The customer previously used an open-loop water circuit to cool and lubricate nine mechanical seals in one of its processing facilities. The circuit consumed three litres of water per minute, 24 hours a day. We advised the customer to replace it with a closed-loop circuit with a built-in cooling pot, to reduce water consumption.

Rubix supported with the assembly and implementation of the new circuit and helped the customer complete official documentation to obtain government funding for the project. As a result, the customer's annual water consumption is almost 8,000m³ lower annually (the equivalent of two Olympic swimming pools) alongside related cost savings. Rubix's support also meant the customer successfully obtained around €23,000 of government funding.



Our plans

- › We will continue to expand our sustainable service and product offer by increasing the number of Rubix Solutions that have demonstrable, verifiable sustainability benefits.
- › We will engage with supply chain partners to broaden the range and availability of sustainable products offered, to supplement our sustainable service offering.
- › We will also continue to engage proactively with customers on sustainability-related topics and support them in achieving their ESG goals.



Operations

Contents:

- › Executive summary
- › Environmental stewardship
- › New climate targets
- › Our people
- › Health and safety
- › Employee engagement
- › Talent management and training
- › Diversity, equity and inclusion



Executive summary

Our strategy

Decarbonising our operations, and contributing to the ongoing health, wellbeing and development of our 9,300 people.

Our roadmap

1. Deliver a long-term strategy for net zero, by:

- › Setting science-based targets covering Scope 1, 2 & 3 emissions
- › Reducing waste, cutting energy use, minimising packaging and optimising logistics

2. Create a highly engaged workforce, by:

- › Providing a high standard of learning and development opportunities through the Rubix Academy
- › Creating a diverse and inclusive workplace where the best ideas can thrive

3. Ensure a safe place to work, by:

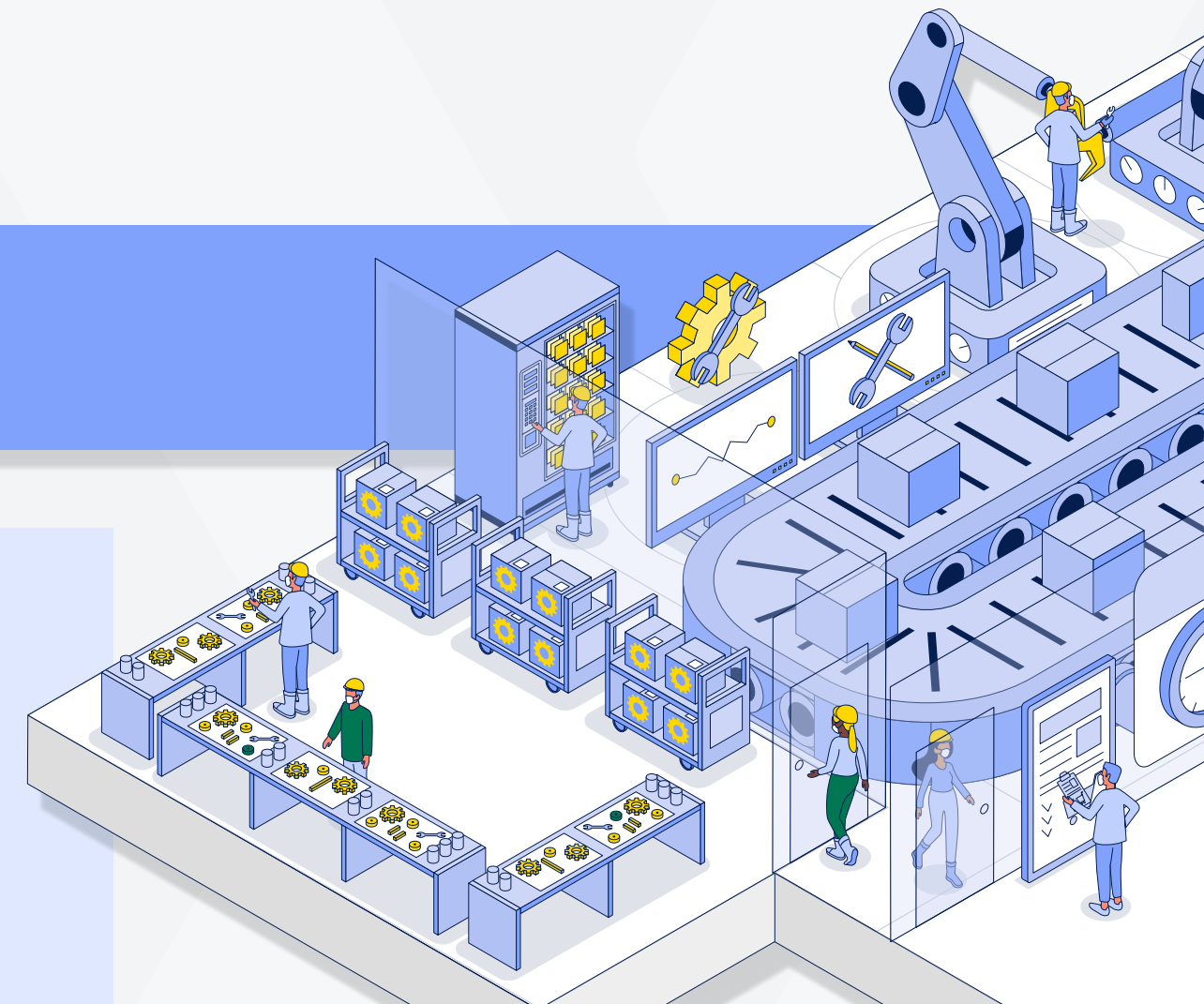
- › Targeting zero harm across our operations, including zero preventable accidents
- › Integrating health and safety tracking and reporting across all geographies

Key performance indicators

- › Year-on-year reduction in CO₂e emissions
- › Tonnes of CO₂e emissions per unit of revenue
- › Lost time accident rate (LTA)
- › Gender ratio of employees in management positions
- › Employee engagement index

In this section

- › GHG emissions performance
- › New climate targets
- › Environmental management and policies
- › Health and safety
- › Employee engagement
- › Talent management and training
- › Diversity, equity and inclusion



Environmental stewardship

Our guiding vision

Minimise our environmental impacts, work towards sustainable and circular resource use, and achieve environmentally sustainable business operations and growth.

2022 performance highlights

- › Reduced Scope 1 & 2 emissions intensity (tonnes CO₂e per €m) by 15%. Absolute emissions reduced by 5% year-on-year. Emissions associated with electricity consumption decreased by 22%
- › Finalised the calculation of our full Scope 3 inventory, published in this report for the first time
- › Developed near-term science-based targets for Scopes 1 & 2 and Scope 3. These are being submitted to SBTi for formal validation
- › Expanded our reporting of climate-related metrics, to include % renewable electricity being used, water consumption, and waste production
- › Developed two new Groupwide environment policies: a Reporting and Rebaselining Policy and a Renewable Energy Policy

Current progress

Environmental stewardship is fundamental to Rubix's multi-specialist value proposition. It is Group policy across all operations to conserve energy and natural resources by minimising waste, recycling paper and residual waste where possible, and maximising the use of renewable resources.

We made significant progress in our climate and environment agenda in 2022. We have set new targets, expanded our reporting, and introduced new policies.

We made significant progress in our climate and environment agenda in 2022

In addition, we have rolled out several new initiatives to improve our efficiency and increase our use of renewable energy, including through new solar panel installations. For the first time, we have disclosed Groupwide water and waste data in this report, to expand our suite of climate and environment related performance metrics. We have also calculated and reported our Scope 3 inventory, to enable a full understanding of all emissions under the Group's influence and identify relevant emission reduction levers.

Most significantly, in line with our published ESG roadmap, this year we have developed near-term science-based targets, in alignment with SBTi's methodology, for Scopes 1 and 2, and Scope 3.

These are being submitted to SBTi for formal verification and approval. See [page 35](#) for details.

Energy & GHG emissions performance

Our target has been to achieve an aggregate 15% reduction in Scope 1 and Scope 2 emissions by 2024, from a 2019 baseline. At the end of 2022, the Group's emissions were 21% below this baseline. Emissions reductions are driven through operational efficiency programmes and decarbonisation initiatives. Investments in emission reduction activities are influenced by commercial and financial opportunities, as well as regulatory requirements and standards. An example initiative is the roll-out of low-carbon vehicle schemes, through which the Group is increasing the use of hybrid and electric vehicles in its leased fleet.

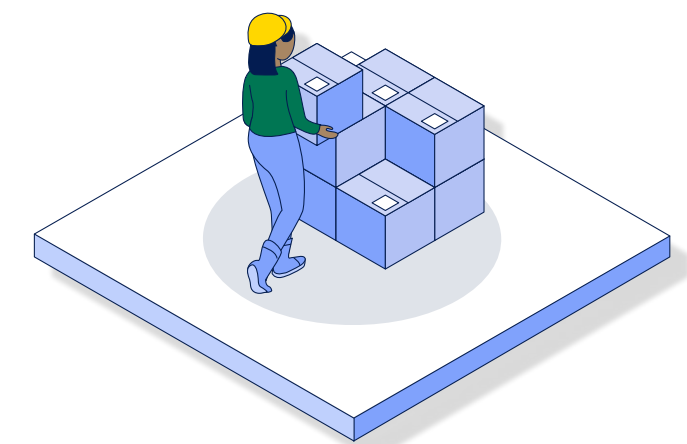
Rubix has achieved a 21% reduction in Scope 1 and 2 emissions, from a 2019 baseline

The Group continued to improve its emissions intensity this year, which reduced by 15% compared with

2021. Absolute emissions reduced by 5% year-on-year. The Group emitted 6.95 tonnes CO₂e per €m revenue in 2022, compared with 8.21 in 2021. Scope 2 emissions decreased significantly in 2022 due to reduced electricity consumption. However, business-related travel increased compared with the prior year as COVID-19 related restrictions were lifted and the business continued to grow, impacting Scope 1 emissions.

Electricity consumption reduced by 22% in 2022 due to avoidance and efficiency measures in our buildings. Currently renewable energies account for 14% of our total electricity consumption.

In line with our Renewable Energy Policy, all Rubix entities will be required to switch to 100% renewable energy (see [page 38](#) for more details).



New SBTi climate targets

At the start of 2023, the Group set a 5% emissions reduction target for the year. This is a higher annual reduction target than has been set in previous years, having been developed to support the Group's emission reduction trajectory in line with anticipated SBTi requirements. Achievement of this target has been embedded in executive directors' bonus objectives for the year.

Rubix commits to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year

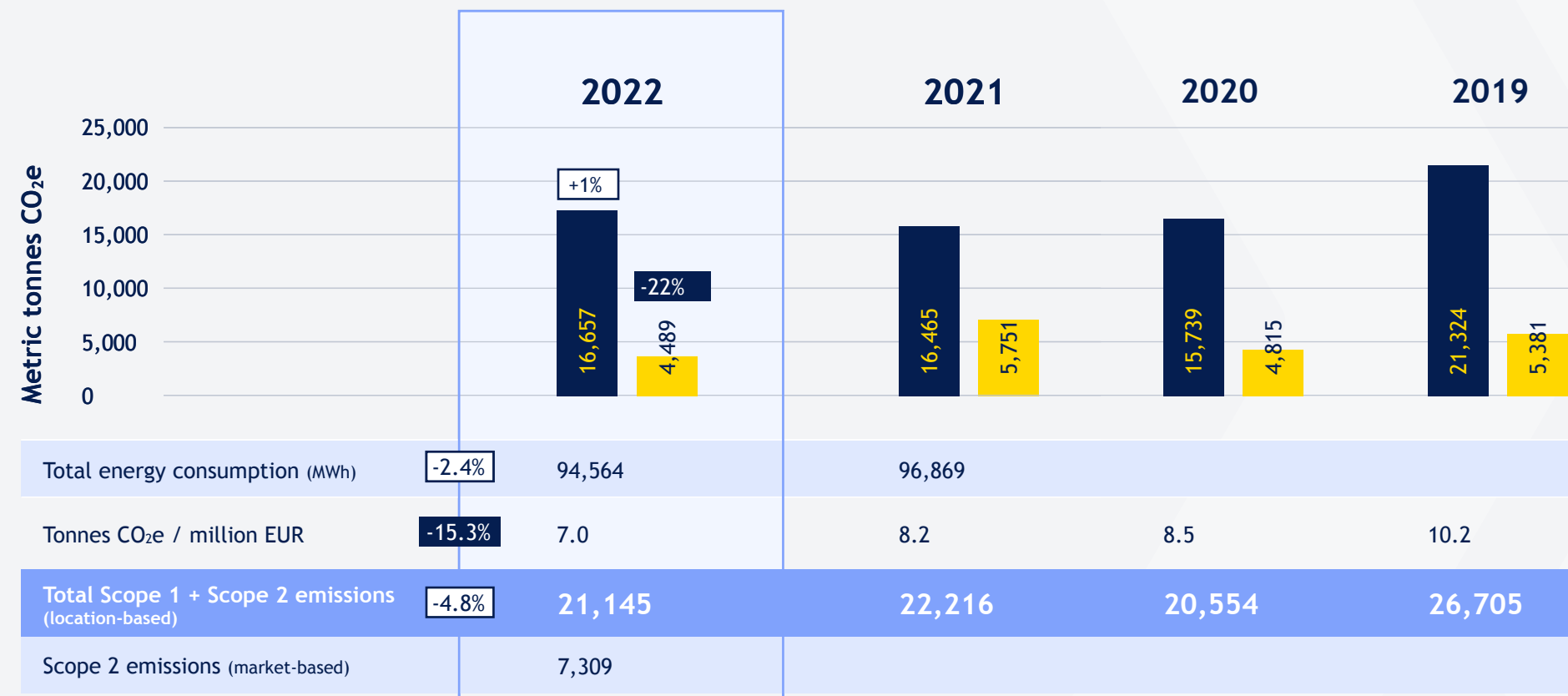
In mid-2023, the Group agreed on science-based targets in line with SBTi methodologies, for Scopes 1, 2 & 3.

- › **Scopes 1 & 2:** Rubix commits to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2022 base year. That will equate to a 54% reduction since 2019, our initial baseline year for carbon targets following the creation of the Group in 2018.
- › **Scope 3:** we have set a target that 30% of suppliers by spend, covering emissions from purchased goods & services and the use of sold products, will have science-based targets by the end of 2028. This target leverages our position in the industrial value chain to influence both upstream and downstream emissions associated with the products that we distribute.

These targets are being submitted to the SBTi for validation. Rubix has also submitted a formal commitment letter to SBTi to support the external communication of our commitment to ambitious climate action.

Rubix Group Emissions Progress: Scope 1 & 2

■ **Scope 1 emissions** (tCO₂e) ■ **Scope 2 emissions** (location-based, tCO₂e)



Independent verification: Rubix Group's Scope 1 and Scope 2 emissions data (location-based) for the financial year 2022 (1 Jan 2022 - 31 Dec 2022) presented above has been independently verified by Carbon Calculated at a limited level of assurance. The Group's GHG reporting was checked against the requirements of the GHG Protocol Corporate Standard. Verification was completed using the ISO 14046-3 verification standard. Emissions calculations exclude fugitive gas refills, as data is currently not available. Outside of scope biogenic emissions from biofuels have not been taken into account. Systems are being put in place to report on these emissions in the future. Carbon Calculated's assurance statement is published on the Group's website at the following address: <https://rubix.com/sustainability/>

Emissions by region

The Group's emissions in its regions of operation (total Scope 1 and Scope 2, location-based):

| | 2022 | 2021 |
|--------------------------|---------------|---------------|
| France | 5,629 | 5,957 |
| DACH | 5,289 | 5,228 |
| UK, Ireland & Iceland | 3,367 | 3,614 |
| Benelux | 1,893 | 1,581 |
| Italy | 1,356 | 2,000 |
| Spain | 1,510 | 1,527 |
| Central & Eastern Europe | 1,930 | 2,134 |
| Nordics | 171 | 175 |
| Total | 21,145 | 21,113 |

Scope 1 and 2 emissions by source

| | Source of emissions | Emissions tCO ₂ e | Emissions breakdown (%) |
|---------|-------------------------------|------------------------------|-------------------------|
| Scope 1 | Consumption of fuel | 16,657 | 79% |
| | Natural gas | 5,293 | 25% |
| | Gas oil | 76 | 0% |
| | Heating oil | 69 | 0% |
| | Propane gas | 3 | 0% |
| | Liquefied Petroleum Gas (LPG) | 11 | 0% |
| | Diesel | 9,100 | 43% |
| Scope 2 | Electricity | 4,428 | 21% |
| | Acquired heat | 61 | 0% |

Action to reduce Scope 1 and 2 GHG emissions

In support of our ambitious emissions reduction targets, the Group has stepped up its activity to reduce Scope 1 and 2 emissions. These emissions mainly stem from our use of electricity, gas, diesel, and petrol across the Group's facilities and offices. Emission reduction workshops have taken place with regional / country leaders in the first half of 2023 to support action planning and drive implementation of emission reduction initiatives.

Initiatives include:

- › Continued roll-out of energy efficient technologies, such as LED lighting in our warehouses;
- › Proactive engagement with landlords to encourage green investment in properties that we lease;
- › Implementation and planning for new onsite solar panel installations for renewable energy generation;
- › Accelerated conversion to electric and hybrid vehicles in our fleet of company cars;
- › Integration of ecological requirements in leases for new buildings (see case study on [page 40](#) for an example of this in our Robod business);
- › Optimisation of route planning to reduce the frequency of customer deliveries; and
- › Increasing traction from our virtual sales model which gives customers greater access to our sales teams and technical experts and reduces travel.

Case study:

Engaging our people in climate action

The Rubix France leadership team took part in a climate action workshop together with another company during the year. The workshop was facilitated by La Fresque du Climat (Climate Fresk), an organisation that promotes awareness and understanding of climate change. It used a playful approach to engage the teams from both companies in developing a deeper understanding of climate issues and to connect cause and effect. During the workshop, members of both companies were mixed to jointly reflect on climate issues and develop shared values as well as concrete actions to be taken by each of the companies. Participants collaborated to create a climate mural depicting the issues and mechanisms to act and adapt to changes. The workshop represented an additional step in our efforts to raise awareness of climate issues and ensure that Rubix continues to be a leading player in acting on industry's challenges for today and tomorrow.



Emissions calculation methodology

The Group employs the services of an independent organisation, Altruistiq, to provide a carbon accounting tool to measure our global carbon footprint. We have significantly improved the accuracy of reported data as a result of the carbon accounting tool and related services provided by Altruistiq. The tool supports the Group's tracking of energy and fuel use activities and the calculation of associated GHG emissions using appropriate emissions conversion factors, in line with the GHG Protocol Corporate Accounting and Reporting Standard. We have historically reported Scope 2 data according to the location-based methodology. In line with best practice, we have introduced dual emissions reporting in this report for the first time (location-based and market-based). Market-based emissions reporting will enable us to reflect our increased use of renewable energies over time, as part of our work to achieve our new science-based emission targets.

Rubix uses an operational control approach for reported emissions. The boundary and methodology for reported emissions have not changed since our first reporting year in 2019. In line with best practice, we have implemented a GHG Emissions Reporting and Rebaselining Policy for the Group to formalise our approach to emissions reporting. 2022 emissions data has been independently verified by Carbon Calculated. Their independent assurance statement is published on our [website](#).



Case study:

A spotlight on Rubix BNL

Our efforts to embed environmental considerations at a local level are scaling up to achieve significant reductions at Group level.

Operating across 45 locations in Belgium, the Netherlands and Luxembourg, our Rubix BNL region successfully implemented several initiatives during the year. Notably, consistent environmental standards were implemented across our sites, including the installation of LED lighting, transitioning to paperless operations, implementing effective waste management systems. The region aims to fully switch to renewable energy contracts for all sites in the Netherlands during 2024.

Additionally, a considered approach towards green logistics has been adopted in the region to contribute to our Group Scope 3 emissions reduction commitments. This includes optimising shipments, centralised purchased orders and offsetting emissions generated by our main third-party logistics provider, DHL.

Scope 3 emissions

Our Scope 3 emissions inventory enables a full understanding of all emissions under the Group's influence. We completed the calculation of our full Scope 3 inventory during the year, as part of our preparations for setting science-based emission reduction targets. Our inventory enables us to identify the most material categories to focus our emission reduction efforts. In line with

our broader climate strategy, we will focus on utilising our position in the industrial value chain to influence a reduction in both upstream and downstream emissions associated with the products that we distribute. Having now completed a materiality assessment of our Scope 3 emissions, we will at the same time continue our work to refine our calculations over time.

2022 Scope 3 emissions

| Category | 2022 emissions (tCO ₂ e) |
|---|-------------------------------------|
| 1. Purchased goods & services ¹ | 1,153,708 |
| 2. Capital goods ¹ | 2,274 |
| 3. Fuel and energy-related activities (not included in Scope 1 & 2) | 5,087 |
| 4. Upstream transportation and distribution | 12,848 |
| 5. Waste generated in operations | 1,562 |
| 6. Business travel | 504 |
| 7. Employee commuting ² | 1,952 |
| 11. Use of sold products ³ | 20,953,531 |
| 12. End-of-life treatment of products ³ | 366,752 |

This data represents all relevant Scope 3 activities to Rubix's business; the remaining categories within the GHG Protocol Corporate Value Chain (Scope 3) Reporting standard were deemed irrelevant.

1. Emissions were estimated based on mapping spend data against emissions factors from the Exiobase 3 IPCC 2021 GWP 100 v1.0
2. Emissions were estimated based on travel and working from home data, using a location based average data method and regional emissions factors.
3. Emissions are modelled based on calculations for representative products within each product category, based on those most commonly sold, taking a range of sizes and weights into account, and applying relevant country emission factors for the point of sale.

Environmental management and policies

Rubix has targeted all businesses across the Group to achieve ISO quality management, environmental, health & safety and energy management certifications. Certifications are managed in each of the Group's countries of operation, according to local needs and business relevance. The Group retains ISO 14001 (environmental management system certification) in Germany, the UK, Spain, Sweden, Denmark, Norway, Finland, some operations in France, and in the Czech Republic; and ISO 50001 (energy management certification) in Spain. In total, 44% of the Group's employees work in locations accredited to ISO 14001.

Emissions management

Our new digital carbon accounting tool, provided by Altruistiq, supports adherence to evolving best practice and our insights and management of emissions data. Once fully rolled out, the platform will enable us to:

- › Accurately measure our Scope 1 and Scope 2 emissions profile on a quarterly basis.
- › Identify key emissions trends across the group's different geographies and different operating locations (e.g. distribution centres, technical engineering centres, branches and offices).
- › Proactively analyse opportunities for reducing emissions.
- › Track and report the impact of specific reduction activities on the overall footprint.
- › Offer customers location-specific emissions information to support their Scope 3 initiatives.

Environment policies

We developed a Renewable Energy Policy during the year and are in the process of rolling it out across our regions / countries. The policy aims to support a reduction in the Group's energy consumption and associated emissions, while supporting broader climate change mitigation goals. The policy has been developed in line with best practice and guidance issued by bodies such as RE100. It will require all Rubix entities to switch to 100% renewable electricity.

In line with best practice, we also implemented a new GHG Emissions Reporting and Rebaselining Policy for the Group during the year. This formalises and supports the communication of our approach to emissions reporting. It defines our approach to reporting emissions and tracking progress, particularly in light of acquisitions, and the triggers which would result in a recalculation or restatement of our baseline year for climate targets, and any other reporting years.

We plan to strengthen our suite of environmental policies with the introduction of a new standalone Environment Policy for the Group, as well as an updated, Groupwide policy defining our approach to sustainable packaging. We aim to have these in place in 2024.



Case study:

Increasing our use of solar energy in Spain

We installed 50 solar panels on the roof of our distribution centre in Madrid, Spain, during the year. The new system generates 39,000 kWh of electricity a year, enough to support 26% of the site's requirements. As part of the investment, charging points will also be installed for employees to charge their electric vehicles. The distribution centre in Madrid is one of Rubix's largest sites in Spain. The investment was made in collaboration with the site owner and supported by local government incentives, as well as European funds.



Case study:

Embracing renewable energy in Germany

In June 2023, we implemented a new renewable electricity contract covering most of our operational sites in Germany. The contract will deliver 75% of our total annual electricity consumption in the country - or 3.3 million kWh of clean energy.

To further reduce our emissions, solar panels will be installed at our largest facility, the National Distribution Centre in Plattling. Once operational, the solar panels will produce 40% of the site's total electricity, equivalent to 800,000 kWh on an annual basis. Since the site already uses heat pumps for heating, the new green tariff, alongside these solar panels, will mean that our site in Plattling is close to carbon neutral.

For the remaining sites in Germany not covered by the tariff, we will engage with our landlords to encourage them to adopt sustainable energy solutions.

Case study:

Implementing low-energy lighting

In June 2023, we began the roll out of a significant LED lighting project for our Rubix National Distribution Centre in Wolverhampton. The initiative will replace the facility's existing lighting with safer, and more energy-efficient alternatives.

The project will involve the installation of approximately 170 new lights. These are expected to generate an annual energy saving of 160,000 kWh, resulting in a 66% reduction in electricity consumption across the site, and a total carbon reduction of 31 tonnes.

The project aligns with our ongoing strategy to upgrade and improve our facilities when acquiring a new property, relocating, or refurbishing. We have already implemented similar upgrades at our UK sites in the North East and offices in Team Valley, Gateshead, as well as in Middlesbrough - with further projects planned in the next 12 months.

New environmental metrics

As part of our work to implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we have worked to expand our range of climate-related metrics to track our performance more broadly and to control exposure to climate-related risk. As part of this process, we worked to establish baselines for the Group's water consumption and waste production during the year, collating Groupwide data for both 2021 and 2022. Establishing these baselines will enable us to develop plans to improve our performance, track progress, understand opportunities for efficiency and manage our exposure to climate-related risks - whether physical or transitional, into the future. They will also help us manage costs related to water consumption and waste production.

Waste management

We seek to minimise the amount of waste we produce across our locations. Key principles of our Group policy on waste and materials use are as follows:

- › Encouraging the reuse and recycling of old packaging across the Group and working with local partners to ensure their waste is reused or recycled.
- › Pursuing projects to maximise internal re-use of packaging materials.
- › Maintaining centralised printing and e-business initiatives to reduce paper consumption.
- › Making use of packaging innovations (such as using materials based on organic starches).

Across our operations, we are investing in new technology to reduce our impacts, such as automated packaging machines. These machines cut cardboard boxes to fit the size of the products included, so that we use as little cardboard as possible for our packaging. This also means boxes are typically smaller than they would otherwise be, meaning that more can fit into a delivery van and logistics efficiency is improved.

We worked to establish a baseline of total waste production and waste by disposal type during the year. The vast majority of waste was incinerated and 17% was sent to landfill. We will aim to increase the amount of waste that is recycled and reduce the total amount of waste generated over the coming years, while at the same time engaging across the business to continue to improve the granularity and accuracy of reported data, and minimise the use of estimated data.

2022 waste data

| Disposal type | Waste (t) |
|---------------|--------------|
| Combusted | 4,835 |
| Landfilled | 1,036 |
| Recycled | 84 |
| Total | 5,954 |

Local waste initiatives

As a decentralised organisation with operations in 22 countries across Europe, waste management and waste reduction activities vary as appropriate according to location. In this section, we highlight steps taken in our UK business to reduce the amount of waste produced, as well as the amount disposed of in landfill.

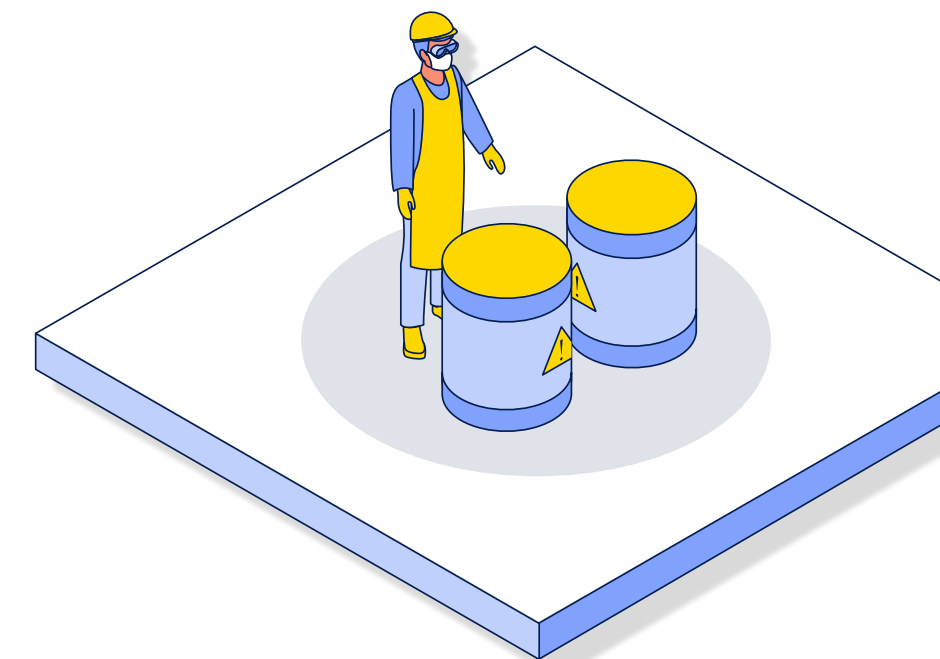
In the UK, Rubix has implemented an initiative to phase out bubble wrap, plastic jiffy filled bags, plastic tape, and plastic void air bags. These are being replaced by recycled materials, including brown void paper and brown or branded paper tape.

We use pre-stretched plastic pallet wrap to reduce the amount of packaging needed. We are seeking alternatives to plastic picking bags, which cannot currently be recycled. This includes trialling alternatives such as potato starch bags and others made from flex sugar cane. All cardboard that enters our operations is recycled through

sorting and compacting on-site, and the boxes we use are made from recycled cardboard. We have also introduced a new re-use scheme for rubber waste which means that rather than being disposed of, it is now re-used for industrial matting.

Hazardous waste

We are determined to reduce the amount of hazardous waste generated on-site. At Rubix, hazardous waste is disposed with special care by licensed and authorised contractors in accordance with the applicable legislation. Rubix does not require or store bulk (or non-bulk) hazardous substances on its premises, as these are not required for our operations.



Water consumption

As a distributor, rather than a manufacturer, Rubix is not a large consumer of water. Our water consumption is typically limited to domestic uses, such as for drinking and sanitary facilities, and cleaning. Only a small amount of water is used in our operational activities. However, as water is a scarce resource with shortages in many regions, we are determined to safeguard water resources wherever possible and work to reduce our water consumption over time. In 2022, the Group withdrew around 1.3 million m³ of water. The vast majority of water withdrawn is subsequently discharged. We will continue to report water consumption annually going forward, alongside consumption reduction activities.

Water use:

| | Total water withdrawn | Total water discharged |
|------|-----------------------------|-----------------------------|
| 2022 | 1,344,401 (m ³) | 1,271,447 (m ³) |
| 2021 | 1,344,027 (m ³) | 1,272,192 (m ³) |

Case study:

Robod opens a new sustainable facility in Poland

Robod is a Rubix-owned business and a prominent manufacturer and distributor of personal protective equipment (PPE) and protective clothing. In 2023, the business is opening a new facility near Gdańsk, Poland that incorporates several ecological building and sustainable manufacturing solutions that will have a positive impact on the environment.

The new building incorporates energy-saving measures such as LED lighting, as well as the use of rainwater to supply its sanitation facilities. It has been designed to promote eco-friendly employee behaviour with ample bike parking spaces to encourage sustainable commuting, several biodiverse green areas, and skylights throughout the building for natural lighting.

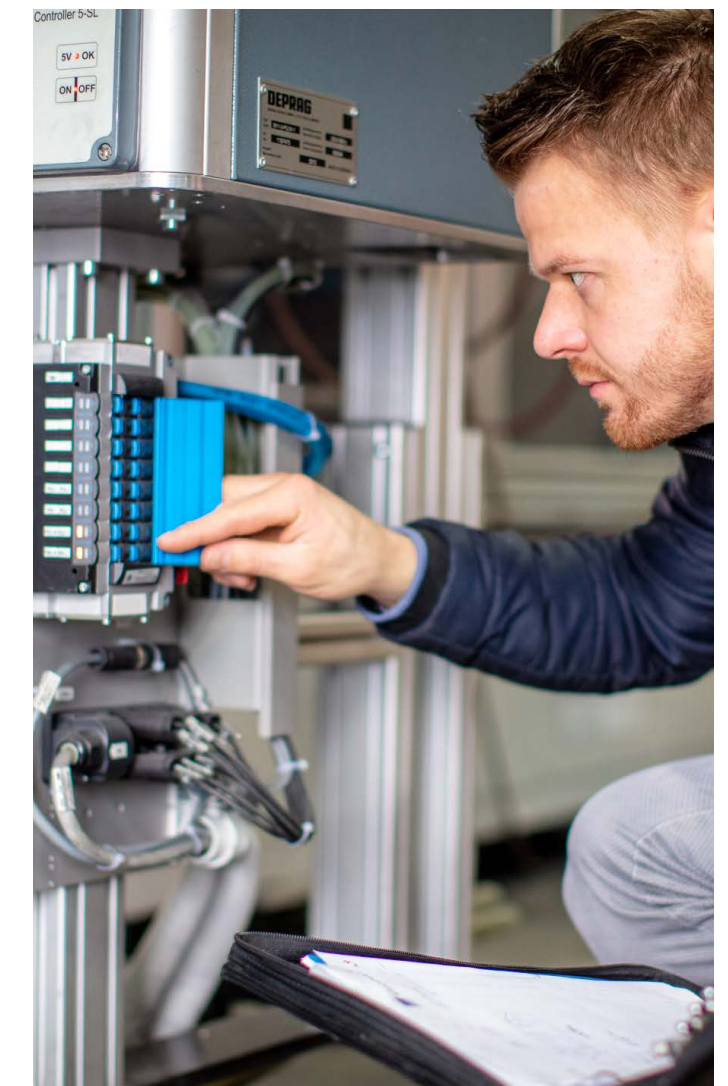
The facility also prioritises the adoption of sustainable manufacturing solutions. This includes an emphasis on the use of biodegradable materials and recycled packaging to reduce reliance on single-use plastics. The building's roof has also been prepared for future photovoltaic installation, which will generate renewable energy once installed.

Our plans

- › We are submitting our near-term science-based targets to the Science Based Targets initiative for their validation.
- › We will continue our efforts to reduce our Scope 1 and 2 emissions in line with climate science.
- › We will also continue to engage proactively with customers to support them in reducing operational emissions, and with our key suppliers - particularly in respect of encouraging their alignment to science-based targets, reducing transportation-related emissions and reducing packaging.
- › We will also continue to pursue renewable electricity sourcing and low-carbon options for our logistics operations and continue to drive sustainability efforts focused on materials, waste and recycling.
- › **We are committed to transitioning to 100% renewable electricity and will report annually on our progress.**
- › In order to push adoption of electric vehicles, charging points will be installed for employees to charge their vehicles on company premises.
- › We plan to expand our suite of environmental policies to include a standalone Environment Policy, setting out our position and management approach to key environmental topics, and drive best practice and alignment across the Group.
- › We also plan to develop a dedicated Sustainable Packaging Policy to continue to drive adoption of renewable, reusable packaging materials to reduce waste and related GHG emissions.

Long-term emissions strategy

Rubix supports the goals of the Paris Agreement and appreciates the importance of aligning the Group's long-term emissions strategy with wider global targets for net-zero greenhouse gas emissions. Having completed the development of near-term GHG emission reduction targets during the year, as the next step in our roadmap we plan to flesh out our longer-term net-zero plan and set a formal net-zero target date.



Our people

Our guiding vision

Maximising the well-being of our employees, investing in and supporting their professional development, and striving to build an inclusive and diverse organisation.

2022 performance highlights

- › Achieved an employee Net Promoter Score of +26, a 16-point improvement compared with 2021
- › The Group Employee Engagement Index score for 2022 increased to 73%, representing a three-point improvement on 2021
- › Developed and launched a new Diversity, Equity and Inclusion roadmap for 2023-24 to further increase diversity across Rubix
- › Met our target to reduce our LTA rate to below one and set new continuous improvement targets for 2023 onwards
- › Invested in new health and safety training materials and a new digital platform that will provide health and safety management data and support the implementation of controls

Our approach

As a signatory to the United Nations Global Compact (UNGC), we ensure that these defined principles underpin our company's value system and guide our behaviour. We nurture and protect our employees' well-being and safety and are dedicated to their ongoing professional development to help them thrive.

Health and Safety Policy & Management

The safety of our employees and customers remains our first priority. We are committed to complying with all enforceable legislations which govern safety at work, in order to ensure a safe and healthy workplace and working conditions. In keeping with these objectives, we pledge to provide adequate and timely health and safety training to make sure our people act in accordance with all relevant health and safety requirements.

We encourage the involvement of employees in health and safety matters and aim for continuous improvement through a formal structure incorporating a training, reporting and review process that ensures all Rubix employees are aware of methods to prevent accidents, and, that when they do occur, they dealt with in an appropriate manner.

The following measures are in place across the Group:

- › Alignment to all relevant health and safety legislation
- › Providing and maintaining safe premises and healthy working environments
- › Ensuring we effectively assess risks and apply measures to control them

- › Providing and maintaining plant and equipment that is safe and without risk to health
- › Identifying potentially hazardous substances to health and ensuring arrangements are made to control the risks they pose during handling, storage, transportation and use
- › Providing information, instruction, training and supervision ensuring everyone can carry out their work safely
- › Consulting with employees on health and safety issues
- › Investigating accidents, incidents, near misses and work-related ill health, identifying actions that can be taken to prevent recurrence
- › Implementing Health and Safety Committees across all entities to assist in fulfilling our responsibilities in relation to health and safety matters, including occupational health

Health and Safety Training

Rubix provides a wide range of health and safety training to mitigate health and safety risks in our business. This includes a mandatory safety awareness course that all employees must complete on joining Rubix. This is provided on our Rubix Academy platform, in all Rubix languages.

We have set a target for 100% of our warehouse staff to have completed our new compulsory health and safety training by the end of 2023

In addition, we have introduced a customised online training programme for our warehouse employees across Europe, with tailored training for our warehouse and logistics environments. This includes modules focused on topics such as dangerous goods awareness, working at height, manual goods handling, fire marshalling, and safe movement in the warehouses, among others. Colleagues working in our warehouses receive regular training, supplemented by annual refresher training on selected modules for key risks. We have set a target for 100% of our warehouse staff to have completed our new compulsory health and safety training by the end of 2023.

**Key performance measure:
Lost Time from Accidents**

Lost Time from Accidents (LTA) is a key Group measure that we track to ensure the effectiveness of our health and safety practices. Our LTA includes safety incidents on our own sites, as well as safety incidents at customer sites (for example, relating to customer site visits, or to employees working in our Invend or Insites on customer premises).

Health and safety is managed at a country level by national health and safety teams, with oversight from the Group health and safety team. The main health, safety and wellbeing impacts relate to hazards such as slips, trips and falls; manual handling; accidents relating to vehicle use, including through the use of forklift trucks in our warehouses. Health and safety handbooks, management processes and training procedures are in place across the Group to minimise the risk of accidents relating to these types of health and safety risks, as well as other potential health and safety impacts.

Our LTA rate shows continuous improvement in our management of health and safety risks, as a result of our consistent implementation of procedures and proactive monitoring. We met our target to reduce our LTA rate to below one during 2022. To help drive continuous progress, we have set a new target for 2023, to reduce our lost time accident rate to below 0.5. Our longer-term

goal is for zero preventable accidents causing lost time by 2025.

The Group retains ISO 45001 (previously OHSAS 18001) (occupational health and safety management system certification) in the UK, Spain, Germany, Sweden, Denmark, Norway, Finland, the Czech Republic and in some operations in France, covering over 50% of our workforce Groupwide. External EHS audits are undertaken as part of our ISO accreditations in countries where we hold them, in accordance with the re-certification process. In addition, internal audits and site visits are undertaken by the Group's Environment, Health and Safety Director. Going forward, these will be supported by new iAuditor software that we are investing in.

iAuditor is a mobile inspection app that enables checklists and audit forms to be created for site visits, and for insights and data to be recorded and shared with management real-time. This will support us in continuing to raise safety and quality standards across our organisation, replacing paper checklists with mobile-ready inspection forms that are instantly converted into professional reports that can be shared across work sites, employees, and external contractors. The dashboards that are created through the app will also enable us to track our performance more closely and ensure effective application of our processes in all locations. In addition to driving performance improvements, we will also use the app to manage mandatory health and safety controls.

Our H&S plans

- › Target achieving a lost time accident (LTA) rate of less than 0.5 for 2023
- › Continue to develop health and safety training offered via the Rubix Academy and extend course delivery across the Group's regions / countries
- › Undertake internal health and safety audits in all European and National Distribution Centres across the Group
- › Refresh and strengthen our business continuity plans for European and National Distribution Centres to ensure organisational resilience

Employee engagement

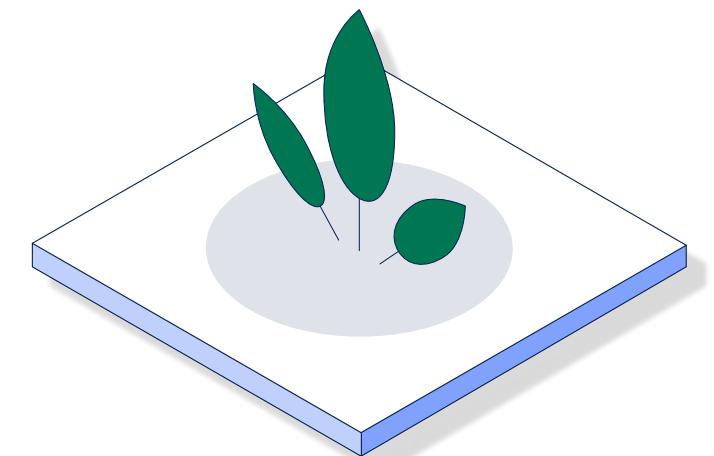
Every year, the Group conducts an employee survey that measures engagement and tracks performance against the indicators that influence it. In 2022, the employee Net Promoter Score (eNPS) was +26, a 16-point improvement compared with 2021 and a 31-point improvement since 2020. According to Deep-Insight, a European B2B customer and employee engagement specialist, the average eNPS is -10. We are pleased to see the significant improvement, and we remain focused on continuing to improve our eNPS. The Group Employee Engagement Index (EEI) score also increased in 2022, to 73%, representing a three-point improvement compared with 2021 and a five-point improvement since 2020. According to Aon, the European benchmark sits at 60%.

We also monitor employee turnover rates, both centrally and at a local level to take account of regional variations in workforce dynamics and local job markets. In 2022, the Group's voluntary turnover rate was 12%. This is broadly in line with attrition rates in the local markets and within the industry sector in which we operate.

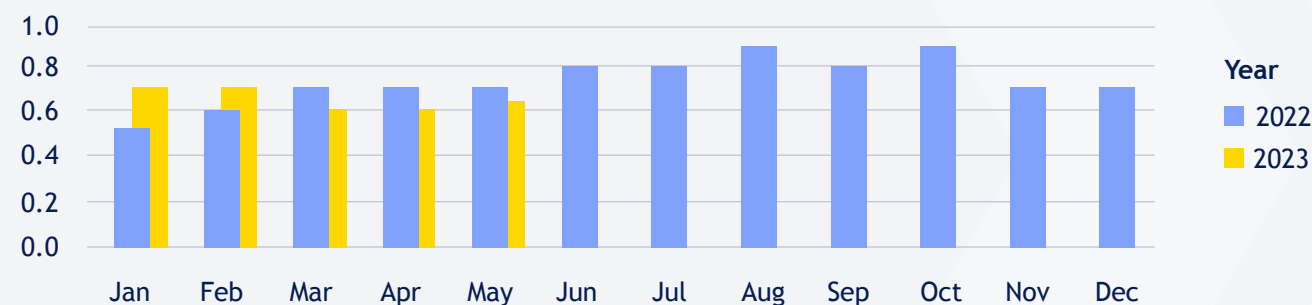
The Group Employee Engagement Index score increased in 2022, to 73%, representing a three-point improvement compared with 2021 and a five-point improvement since 2020

Internal communications

The Group follows a regular, formal internal communications programme to ensure employees are kept abreast of important topics, as well as offering channels such as Viva Engage - a social networking site - to encourage day-to-day engagement and collaboration across the Group. We use several channels to support communications, including live broadcasts hosted by our Group CEO, video messages and Team Time sessions, which are manager-led discussions about strategic initiatives. In 2023, we also introduced a new company-wide TV channel, Rubix TV, to support internal communication and engagement.



Lost Time Accident Rate



Case study:

Keeping our people informed and engaged

Our Groupwide employee broadcasts are delivered live with real-time subtitles in ten European languages. Always led by our CEO, the presentation typically covers strategy implementation, employee engagement, customer satisfaction and financial performance.

The second half of each session is given over to our colleagues for an open Q&A and any questions that we don't have time to answer are addressed in writing on Viva Engage before the end of the week.



Case study:

Donating respiratory masks to front-line workers in Ukraine

As the conflict in Ukraine continues, we are determined to support front-line health workers as part of ongoing relief efforts.

In May 2023, alongside our owner Advent International, we agreed to deliver a support package of 6.6 million respiratory masks to those in urgent need in Eastern Ukraine.

A total of 132,000 boxes were distributed, each containing 50 PPE masks to Caritas, an international aid organisation and the largest charity in Poland. They, in turn, delivered the PPE to their Ukrainian branch Caritas-Spes to distribute to local hospitals and schools where they are vitally needed.



“We often talk about Rubix as a company of problem solvers. Since we have these much-needed products, we can and must help. I'm deeply proud of how Rubix is contributing to support those in need during this ongoing conflict.”

Martin Thomsen

Group CEO

Case study:

Partnering with socially conscious suppliers in Germany

Empowering individuals and driving business success go hand-in-hand at our site in Plattling, Germany. The site actively seeks out local companies that not only contribute to our operations but that also make a positive difference in the community, particularly for vulnerable individuals. By partnering with service providers that support social causes, we enhance our business while promoting skills development and employment opportunities.

Dimetria, our long-term partner since 2012, is an inclusive local lettershop that provides a supportive workspace for people with disabilities. With a workforce of 70 individuals, comprising both disabled and non-disabled employees, Dimetria offers valuable printing and branding services that have been instrumental for Rubix. Their recent involvement in our brand transition ensured the successful update of our business cards, letters, and customer information.

Another collaboration is with Plattlinger Werkstätten, a non-profit organisation that operates a sheltered workshop for vulnerable people in the local community. Through this partnership, individuals are given paid employment opportunities under expert supervision. Our Plattling site assigns tasks such as packaging support, labelling, stock management, and preparing items for shipment. Since 2015, this workshop has expanded its reach from supporting 45 individuals to now benefiting 81 people in the local area, all year round.



Rubix Academy

Rubix Academy courses are available in eleven languages and are a powerful tool for our employees to develop their skills and knowledge. We constantly improve our range of available courses and improve their quality with the feedback we receive from employees.

Rubix provides training courses on ESG topics through the Rubix Academy

Rubix also provides training courses on ESG topics through the Rubix Academy - on topics such as cultural diversity, ethics, sustainability, information security, anti-

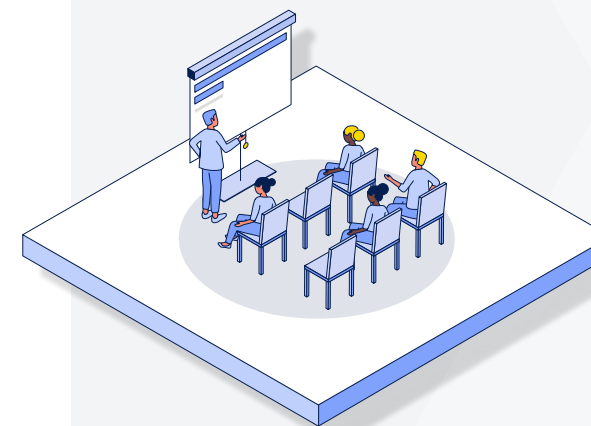
bribery and corruption, health and safety. In addition, there is regular reporting, discussion, awareness raising and competency-building at management and executive board level, as well as company-wide presentations on ESG topics. For example, the Q1 all-staff employee broadcast in March 2023 included a dedicated session on the company's ESG strategy and roadmap.

Employment practices

A formal human resources policy framework is followed throughout the Group. The framework includes a process of appraisal and development to ensure that Rubix companies get the best from their people. A particular emphasis has been placed on capability development through individual training and development programs.

Rubix Academy: completed courses

The rate of course completion corresponds with the distribution of our workforce across the regions.



| | 2022 | 2021 |
|--------------|---------------|---------------|
| France | 8,169 | 4,562 |
| DACH | 7,514 | 1,747 |
| UKII | 5,905 | 3,674 |
| Benelux | 3,180 | 1,073 |
| Italy | 2,967 | 1,428 |
| Spain | 2,893 | 2,055 |
| CEE | 2,785 | 1,693 |
| Nordics | 566 | 110 |
| Total | 33,979 | 16,702 |

The Group operates internationally, and therefore our employment practices are varied to meet local conditions and requirements. These are established based on the best practice for each market. Rubix promotes an environment in which all employees receive equal treatment regardless of their age, beliefs, ethnicity, or sexual orientation. We aim to provide fair employment opportunities for and not discriminate against people with physical or mental disabilities.

Fair pay and benefits

We believe that all colleagues should be appropriately and fairly rewarded for their contribution to our ongoing success. Our reward policies, procedures and systems are geared towards supporting fair and competitive remuneration. Whilst not an official Living Wage Foundation Employer, in the UK all of our colleagues (with the exception of our apprentices) are paid at or above the Living Wage as set out by the Living Wage Foundation.

All of our UK employees are paid at or above the Living Wage, set by the Living Wage Foundation

Rubix publishes an annual gender pay gap report for its UK business. The gender pay gap is a measure of the difference in the average pay of men and women - regardless of the type of roles performed, across the entire organisation. As disclosed in the latest gender pay gap report, for 2022/23, in the UK business the mean pay gap is 11.5%, while the median pay gap is 12%. The figures suggest that the mean pay gap is below the mean national average of 14.9%. However, we value the insights our gender pay reporting provides and recognise our responsibility and opportunity to close the gap further, including through internal promotion and succession activities, such as those that will be driven as part of our new DEI roadmap.

Labour practices policy

This covers all individuals working at all levels and grades. It promotes health and safety for our people and details our commitments to providing a safe working environment, providing training where necessary to build our employees' skill base, creating new jobs through sustainable growth, and providing opportunities to develop all of our people to their full potential. So far, we have achieved:

- › best-in-class engagement levels
- › open, merit-based recruitment opportunities.

Employee representation

The Group upholds employees' right to freedom of association and recognises the right to collective bargaining. Around 60% of our workforce is covered by collective agreements with unions and works councils, which is primarily driven by operations in France, DACH and Benelux. Where agreements are in place, they cover topics like health, holiday entitlement, working hours, paid and unpaid absence, grievances, minimum pay increase per function, local workplace changes, etc.

The UK business has employee forums, which meet on a monthly basis, to provide a valuable contribution to improving communication from the top-down and bottom-up, supporting our management teams with problem-solving and implementing new ideas and new ways of working. In Italy, around 10% of our workforce are union members and, although there is no collective agreement, Italian management attends quarterly meetings (on request from the unions and on a goodwill basis) to discuss key decisions related to employees.

Diversity, equity and inclusion

We recognise the value of a diverse workforce. Our objective is to maintain an inclusive environment where our colleagues can make the best use of their skills, free from discrimination or harassment. The Group's policy on diversity, equity and inclusion (including the prohibition of discrimination) is documented in our Code of Conduct, under 'Workplace environment'. We recruit, train, develop and reward employees based on merit, regardless of gender, ethnic origin, age, religion, sexual orientation, gender identity, disability, or any other factor unrelated to performance or experience.

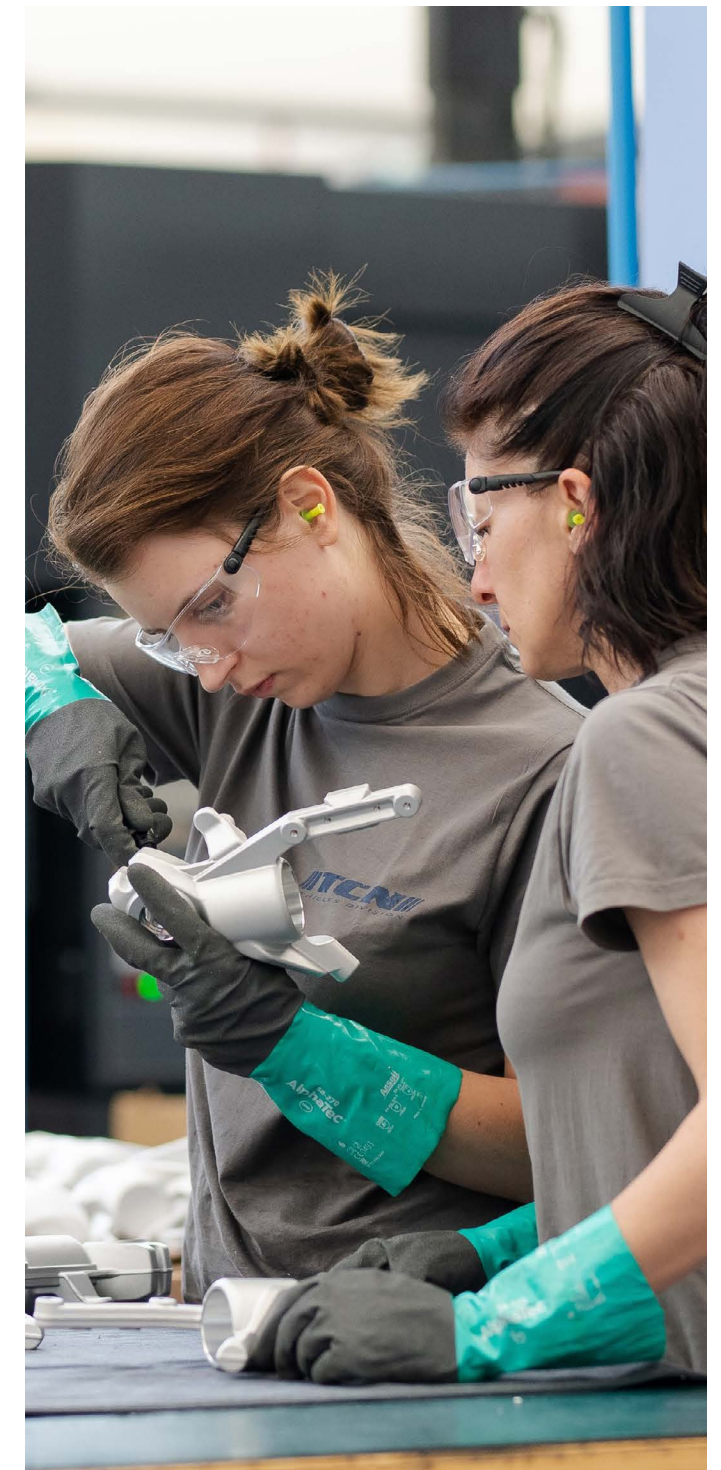
27% of our general employee workforce identified as female, and 17% of senior managers identified as female

Rubix welcomes the findings of the Davies Review. As of the last internal review undertaken in 2022, 27% of our general employee workforce identified as female, and 17% of senior managers identified as female.

Our new DEI roadmap

In early 2023, the Group established a new diversity, equity and inclusion roadmap for 2023-2024. Our roadmap aims to increase the proportion of women in the business as a whole, as well as at leadership levels. We are launching several new initiatives as part of our efforts to step up our work on diversity and inclusion, including:

- › A new 'Women in Business' Development programme aimed at mid-career high potential female leaders. This 18-month programme will equip colleagues with skills they need to progress into more senior roles, and ultimately join the company's senior leadership team (SLT). Each delegate will be assigned a mentor



and attend a range of workshops on topics such as managing their personal brand, strategic agility, and finance for the non-finance manager. Our aim is to improve the gender balance in the SLT through both internal development, as well as external recruitment.

We have set a target for candidate shortlists to comprise at least 50% women for roles in support functions and at least 33% for all other roles, rising each year to also be 50% by 2027

- › In terms of external recruitment, we have set a target for candidate shortlists to comprise at least 50% women for roles in support functions (such as legal and HR) and at least 33% for all other roles, rising each year to also be 50% by 2027.
- › We are also launching a new European-wide recruitment campaign with a key message to 'bring your difference'. The campaign will be applied to all roles and across all geographies. It will highlight diversity in its broadest sense, i.e. gender, sexual orientation, age, diversity of thought, as well as different levels of ability.

Case study:

Lending a helping hand to support young talent

We are passionate about supporting young people who are seeking employment opportunities under difficult circumstances. In 2022, our Plattling branch had the privilege of helping two talented women on their career journeys, enabling them to earn valuable income while balancing personal challenges.

One of the young women we supported was Daria, who was forced to leave her hometown of Charkiw due to the ongoing conflict in Ukraine. Recognising her potential, we provided Daria with an opportunity to gain valuable work experience in our marketing department, aligning with her ongoing studies. The internship allowed Daria to continue her education while earning and establishing her life in Germany, where she is also learning the language.

In the same year, we also extended employment to a young mother who is courageously balancing the demands of single parenthood and full-time studies. She now works as an office clerk for Rubix, contributing to our sales efforts while maintaining a balance between her studies, work responsibilities and homelife. By extending our support with open arms, we hope to empower these young women, and others facing similar challenges where we can.



- › In addition, we are currently reviewing and updating our Groupwide diversity policies and plan to re-launch them during July 2023.

Policy on Recruitment and Selection

We do not discriminate (or permit any form of discrimination) against staff, visitors, customers, job applicants, suppliers, former staff members and other third parties on any basis.

Recruitment procedures are reviewed regularly to ensure that individuals are considered on the basis of their relevant merits and abilities

Recruitment procedures are reviewed regularly to ensure that individuals are considered on the basis of their relevant merits and abilities.

Job selection criteria are regularly reviewed to ensure that they are relevant to the job and are not disproportionate. We also take proactive steps to ensure that our vacancies are advertised to a diverse labour market.

Helping young talent enter the workforce

We offer apprenticeship and internship schemes in several countries to attract and develop young talent. In our DACH region (Germany, Austria and Switzerland), we currently have 80 trainees on the internship programme, of whom 56 are male and 24 female. We are looking to recruit a further 65 trainees by September 2023. The rotational programme usually takes three years and consists of the trainee spending several months in different functions across the business. Upon graduation they are then offered permanent positions in areas such as sales, logistics, IT and procurement.

Gender diversity

In Rubix France, we currently have 159 apprentices on the internship programme, of whom 96 are male and 63 female. We are looking to recruit a further 120 by September 2023. The programme takes between one to two years depending on the diploma they are aiming towards. A large proportion of apprentices are employed as internal sales representatives; their development progress is being monitored by a Rubix mentor in combination with a school supervisor. Other trainees choose a longer development path in one of the corporate functions such as legal, HR, marketing and finance. Upon successful completion of the apprenticeship, the trainees may be offered a permanent role.

Whistleblowing procedures

The Group supports a hotline hosted by a third party - SafeCall - for confidential whistleblowing. It is open to anyone who has a whistleblowing concern either in a work-related context or due to their work connections, including for example: employees, contractors, former employees and job applicants. A community member or another stakeholder could also raise an issue through the whistleblowing hotline, though we plan to formalise our procedures for this as part of our work to revise our Supplier Code of Conduct later in 2023.

Our people plans

We are committed to promoting equal opportunities across the company to build a diverse and inclusive organisation across all levels of decision-making. Our plans to increase diversity and inclusion among our workforce span our succession, promotion, and recruitment processes in support of our objective to make further progress on diversity, and gender diversity in particular.

Our plans include:

- › Ongoing development of the Rubix Academy, developing multilingual courses and extending course delivery across our global geographies of operation sustained company commitment to principles outlined in the UNGC.
- › Developing an internal communication plan around diversity, to increase the visibility and frequency of DEI topics, with the aim of openly discussing and challenging people's thinking and preconceptions through real-life Rubix employee experiences.
- › Reviewing the annual employee engagement results through a diversity lens, including through quantitative and qualitative analysis of the survey data, with the aim of establishing action plans in each region / country or function to meet a diversity challenge in their respective unit.

% of male and female employees within the Group

| | 2022 | | 2021 | |
|---|----------|--------|----------|--------|
| | Female % | Male % | Female % | Male % |
| Directors of Rubix Limited | 0% | 100% | 0% | 100% |
| Senior leadership team (Executive Board and regional management teams, plus direct reports or those at equivalent levels) | 17% | 83% | 14% | 86% |
| Other employees - managerial roles | 21% | 79% | 19% | 81% |
| Other employees - non-managerial roles | 29% | 71% | 27% | 73% |
| All other employees (combined managerial and non-managerial) | 28% | 72% | 26% | 74% |
| Total employees | 27% | 73% | 26% | 74% |

Suppliers

Contents:

- › Executive summary
- › ESG standards for suppliers
- › New standards for key suppliers
- › ESG assessments and audits



Executive summary

Our strategy

Collaborating with our suppliers to strengthen their ESG standards and bring new sustainable products and services to market.

Our roadmap

1. Strengthen ESG standards across the supply chain, by:

- › Conducting regular supplier ESG assessments
- › Ensuring supplier adherence to our Supplier Code of Conduct

2. Contribute towards a net-zero industrial value chain, by:

- › Encouraging suppliers to set formal science-based targets (SBTi)
- › Driving supplier adherence to Rubix green policies, e.g., our packaging principles

3. Collaborate with suppliers to increase sustainable innovation, by:

- › Sharing ideas to bring new sustainable innovations to market
- › Working with suppliers to improve ESG product information and labelling

Key performance indicators

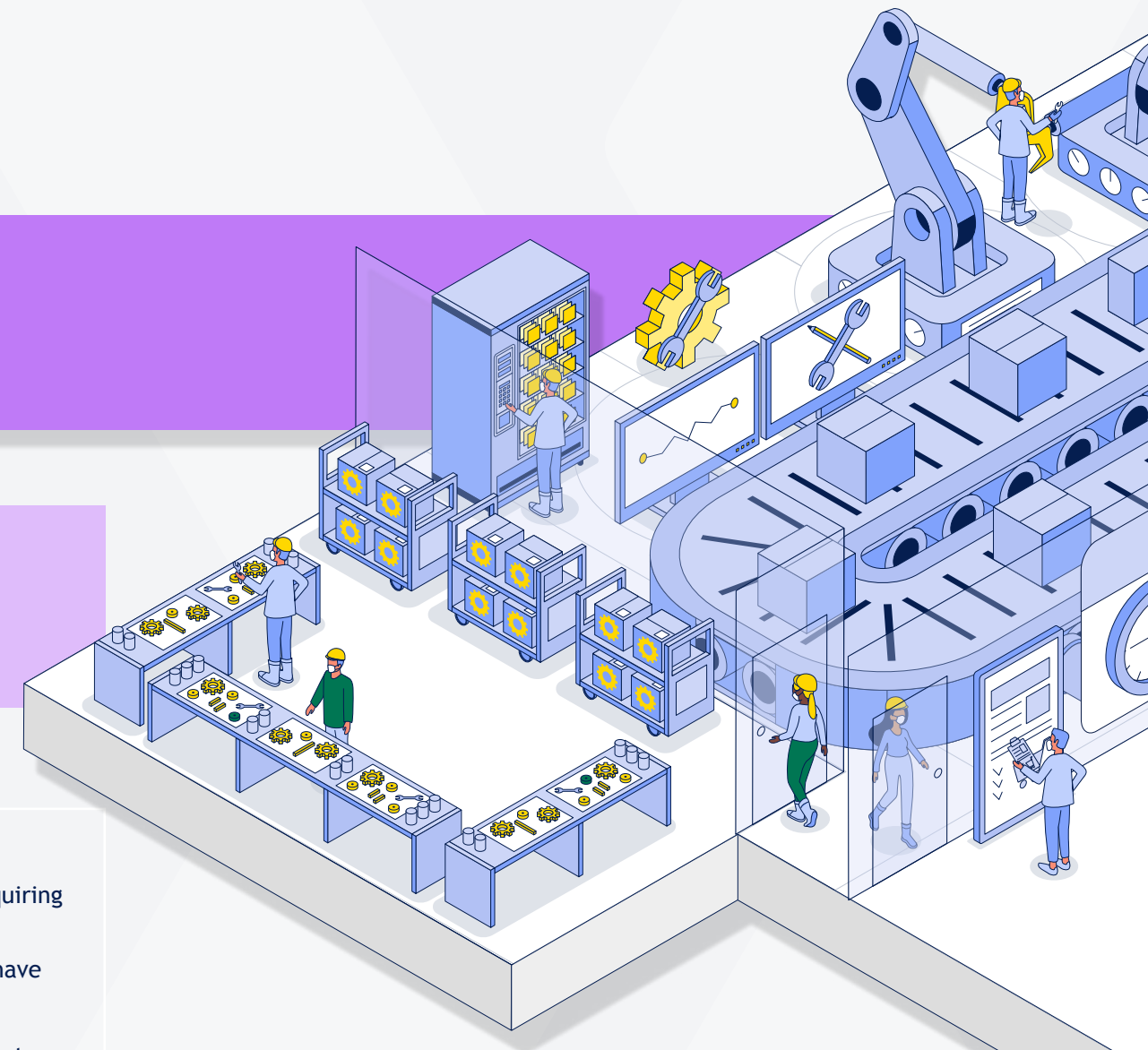
- › % key suppliers committing to science-based targets
- › % core suppliers completing ESG assessments

Performance highlights

- › We set new ESG standards for strategic suppliers - requiring them to:
 - commit to SBTi emission reduction targets, if they have not already done so;
 - reduce transportation emissions;
 - reduce packaging, increase recyclability, and eliminate single use packaging over time; and
 - augment ESG data about products supplied, including for example environmental performance
- › Rolled out our ESG assessment process to our local core suppliers, with whom we have contracts at a country level, to supplement our process for Group core suppliers
- › Introduced a new programme of regular engagement with suppliers on ESG topics

In this section

- › ESG standards for suppliers
- › New standards for key suppliers
- › ESG assessments and audits



ESG standards for suppliers

Our approach

As a distributor of products manufactured by thousands of companies and industrial service providers worldwide, we recognise that building and maintaining strong and sustainable relationships with our suppliers is fundamental to our long-term success.

We recognise our unique position to positively influence many different suppliers by setting and communicating high ESG standards. At a minimum, Rubix's suppliers are expected to comply with the Group's Supplier Code of Conduct, which helps ensure Rubix only works with suppliers that share sound ethical standards, consistent with Rubix's own corporate values.

Principles that guide our goods and services procurement

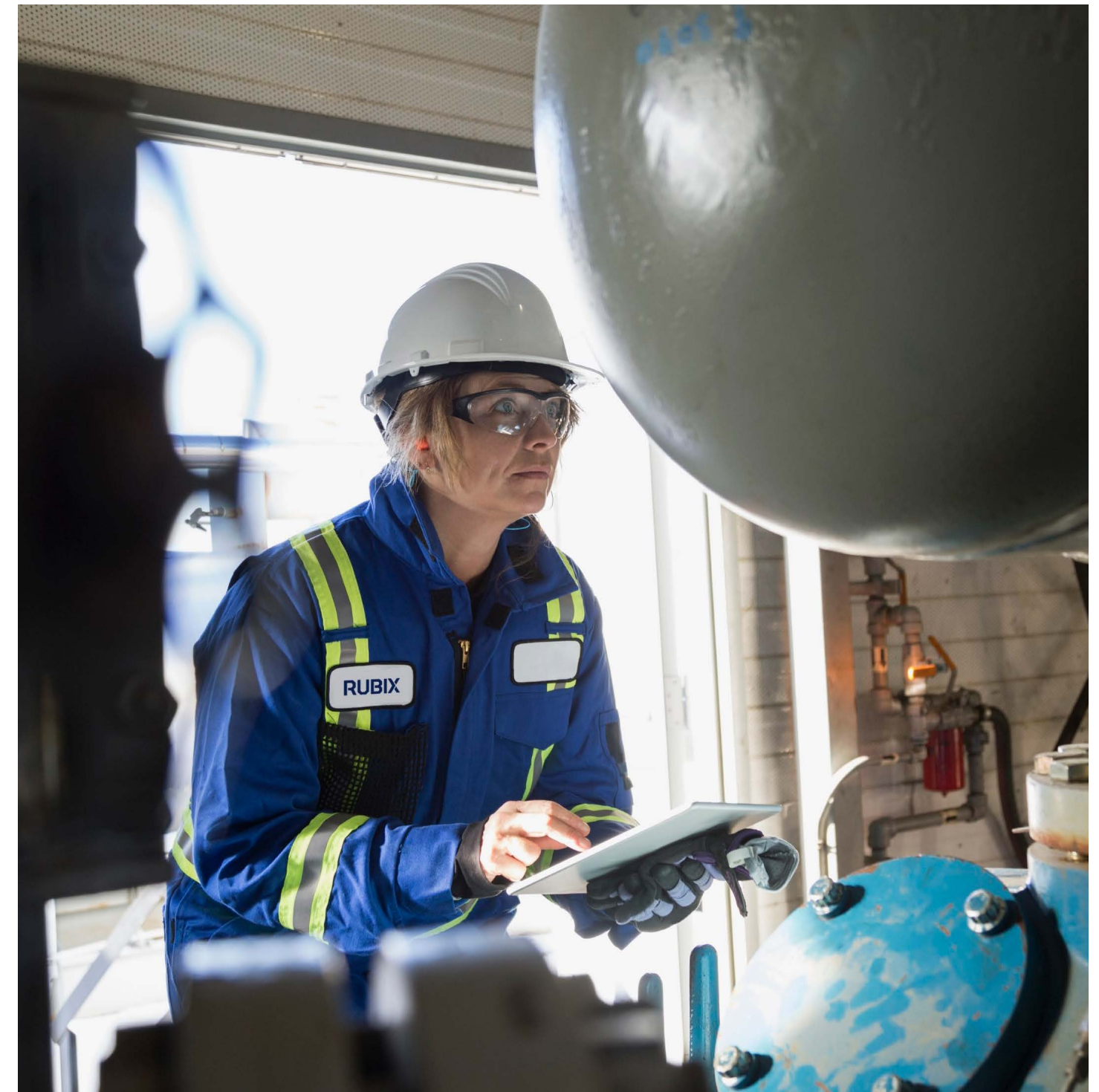
- › Setting minimum standards for energy-efficient products, such as light bulbs and electrical equipment
- › Seeking sustainably sourced products and services
- › Prioritising purchases from organisations that pursue social responsibility and environmental sustainability
- › Minimising polluting activities resulting from transportation of goods

We take active measures to integrate our ESG approach into our supplier relationships. Our key requirements are contained in our Supplier Code of Conduct. ESG factors are considered in the selection process for suppliers. Alignment with the code is a mandatory part of all our new or renewed supplier contracts. Our Supplier Code of Conduct is published on our website at the following address: <https://rubix.com/sustainability/>

As well as strict standards concerning human rights and employment, environment, sustainable procurement, the Code requires suppliers to implement appropriate controls to protect personal data.

Our Supplier Code of Conduct includes strict standards concerning human rights and employment, environment, sustainable procurement, and supplier practices

We reserve the right to conduct supplier compliance assessments and require suppliers to track and report on their sustainability performance.



New standards for key suppliers

Rubix finalised the calculation of our Scope 3 inventory during the year (see [page 37](#)). As a distributor, our Scope 3 emissions represent the vast majority of our overall footprint. As such, as part of our process of setting SBTi-aligned targets, we have set a formal target covering our value chain emissions. Rubix commits that 30% of suppliers by spend, covering emissions from purchased goods & services and the use of sold products, will have science-based targets by the end of 2028. This target is being submitted to SBTi for validation. It builds on our earlier engagement with a subset of suppliers covered by this target. At the start of 2023 we introduced new ESG requirements for them, including an expectation that they set SBTi-aligned targets. This select group of suppliers is being requested to set science-based targets by an earlier date - the end of 2025 - as part of our efforts to accelerate climate action.

Rubix commits that 30% of suppliers by spend will have science-based targets by 2028

Wider environmental standards for key suppliers

As well as introducing a requirement for science-based emission reduction targets, Rubix has begun the roll-out of a wider set of expectations for strategic suppliers.

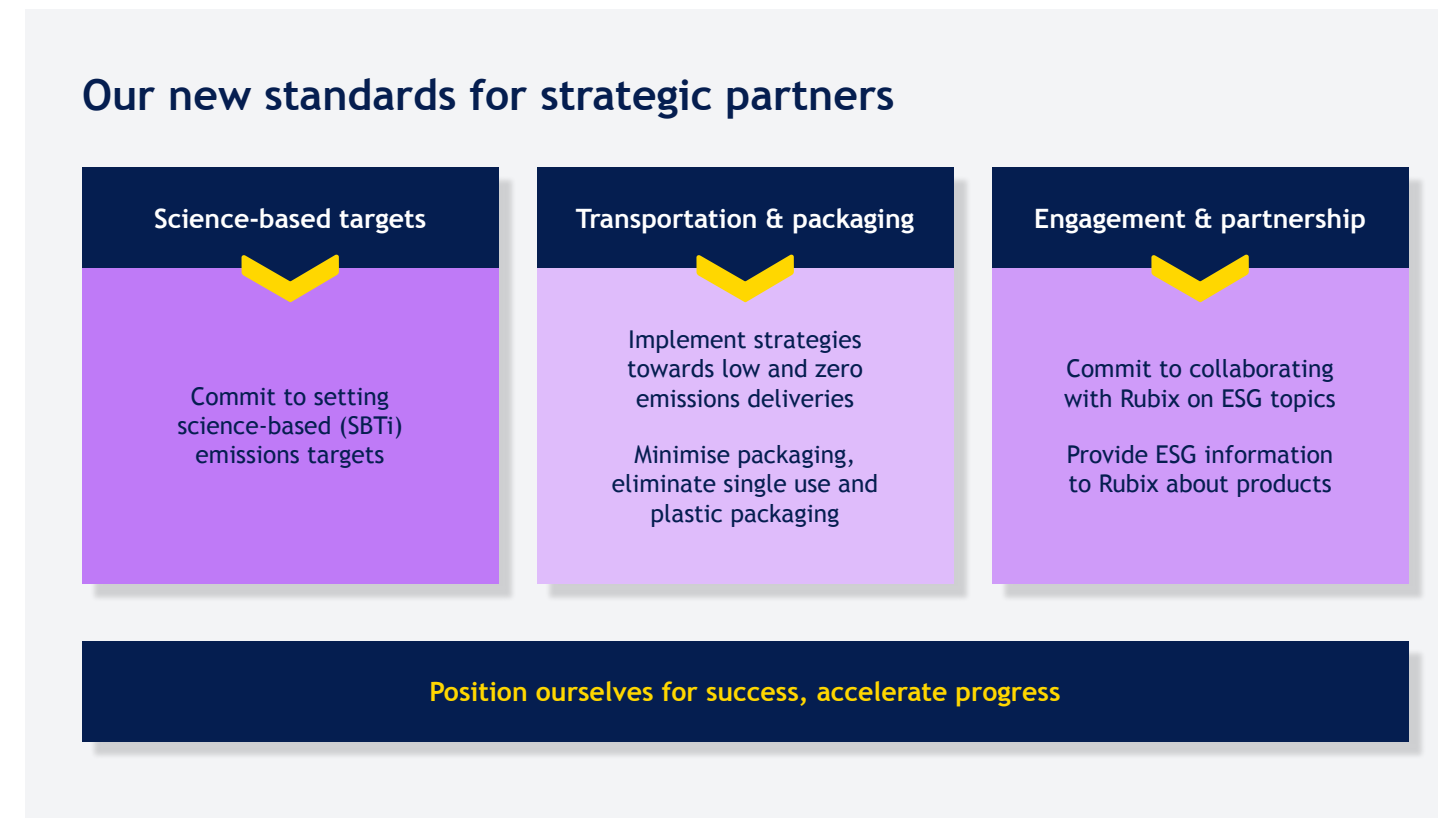
These new requirements represent a tightening and increased specificity of the standards we require adherence to, as part of our work to advance the principles of our Supplier Code of Conduct. They will enable us to work with suppliers to accelerate progress towards a more

sustainable future. Specifically, to date key suppliers have been requested to:

- › Reduce packaging to a minimum and eliminate single-use packaging as far as possible, and where plastic packaging is currently unavoidable, eliminate use of non-recycled, virgin plastic;
- › Implement strategies towards low and zero-emissions deliveries to and on behalf of Rubix;
- › Provide ESG information to Rubix about products supplied and company ESG performance; and,

- › Commit to collaborating with Rubix to drive sustainability performance in our value chain.

These new requirements have been designed to address customers' environmental priorities, to ensure Rubix is well-positioned to drive improvements both in customers' supply chains and directly within their operations. By working closely with our supply chain partners, Rubix will maximise positive outcomes and create value for customers, suppliers, and the company itself. Customers' environmental priorities have been determined through direct engagement and via our ESG-focused customer survey (see [page 14](#) for details).



Case study:

Partnering with suppliers to deliver the green transition

Earlier this year, we signed a letter of intent with Siemens Low Voltage Motors for a pan-European agreement. As set out in our white paper 'Quick wins to cut energy waste', motor driven systems represent more than two-thirds of electricity consumption in industry (see [page 25](#) for more information).

Typically, those systems are only 36% efficient but with the right interventions, they can achieve over 70%. Replacing motors with low energy efficiency ratings is one of those most effective ways to improve efficiency, reducing costs and limiting CO₂ emissions. Given the typical long life of motors and other machinery and equipment in industrial processes, investments in improving their efficiency will payback several times over their life. Our agreement with Siemens further develops the offer we can take to our customers at a time when all manufacturers are working hard to limit the impact of energy prices while also making progress towards environmental objectives.

Driving progress towards UN SDG 9

Key elements of advancing progress towards SDG 9: Industry, Innovation and Infrastructure at Rubix include our ability to track the impact of those solutions that deliver environmental impact reductions to our customers. Central to this goal is our commitment to comprehensively account for our value chain (Scope 3) emissions. We completed our work to calculate our Scope 3 inventory during the year. This is presented on [page 37](#).

A complete understanding of the emissions associated with our sold goods and other emissions related to implementing our solutions will enable us to take appropriate action to minimise this impact and further expand our service offering of solutions that facilitate the low-carbon transition.



Case study:

Our supplier summit: integrating sustainability into commercial partnerships

In 2023 we delivered the first Rubix supplier summit. We hand selected leading suppliers to join us and discuss the most important questions facing European manufacturing while providing their executives an unparalleled opportunity to build relationships across the Rubix leadership team and within the Group's major markets. Topics included the Rubix corporate strategy, e-commerce growth and our approach to building deeper supplier relationships, including the launch of the platinum partnership.

Under the terms of the partnership, suppliers make commitments in areas such as commercial terms, product availability, data quality and sustainability in return for dedicated digital marketing campaigns, priority listings on Rubix web shops and privileged access to European key accounts, amongst other benefits.

On sustainability in particular, we emphasised the importance of setting science-based emissions targets, to reflect the progress made by the leading names in European manufacturing, and of ensuring they would and could work with us to provide supply chain transparency on ESG to our shared customers.



Exclusive brand suppliers

Rubix offers own-brand products across all key product categories - mechanical power transmission; machining, cutting and tools; protection, hygiene and safety; and fluid and flow technology. Our own brand, or 'exclusive brand', products offer the quality and performance that our customers need, but typically at a more attractive price point.

Our Supplier Code of Conduct is also part of exclusive brands contracts signed by our suppliers, the majority of which are based in Europe. Rubix employs stringent auditing and monitoring processes for the Group's exclusive brand suppliers. All new suppliers undergo social and technical audits and other ESG risk assessments and mapping. This year, we also introduced an ESG information request in addition, to check suppliers' alignment to best practices and ESG reporting frameworks, such as EcoVadis. Responsibility for the management of exclusive brands suppliers, including ESG requirements, lies with our head of Rubix engineering.



ESG assessments and audits

We continued to work with our suppliers during the year to encourage high standards of social, environmental, and ethical conduct in our supply chain.

Over the past 18 months we have introduced an ESG assessment process for Group and local core suppliers, with whom we hold long-term relationships.

As disclosed in last year's ESG report, the programme initially focused on our Group core suppliers, 80% of whom responded positively to our initiative and returned fully completed sustainability questionnaires in early 2022. Later in the year, we extended the programme to cover our local core suppliers. These represent a smaller proportion of our spend across the Group (around a fifth of spend on purchased goods) but as key suppliers in our regions and countries, it is important that we have an understanding of their policies, procedures and performance in relation to important environmental, social and ethical topics.

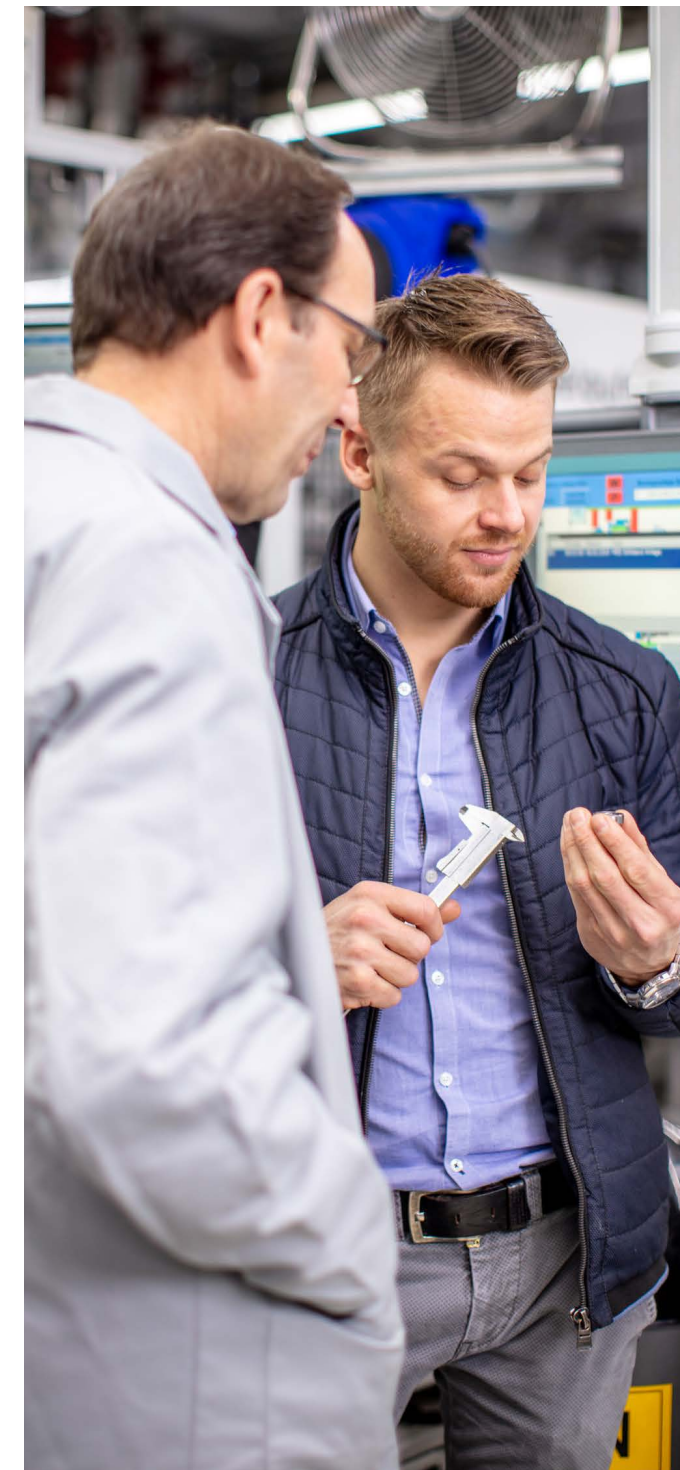
We surveyed local core suppliers representing 90% of our spend in each region / country. We received around 300 responses with fully completed questionnaires, allowing us to gain up-to-date insights on the ESG strategies of our largest suppliers. The vast majority have ESG policies in place covering their operations and supply chains, describing minimum standards on environmental, social, and ethical topics, and a process for enforcement. We plan to repeat our surveys on a regular basis and engage with suppliers to drive continuous improvement where required.

Exclusive brand suppliers' factories which are located higher risk countries are subject to BSCI social audits. Country risk is determined by the BSCI country risk classification as set out in the amfori BSCI Code of Conduct. Rubix monitors suppliers' compliance with BSCI standards on an ongoing basis, with audits and onsite visits being undertaken once a year. Audits are completed in local

languages and auditors are free to speak to anyone in the facilities they attend. The veracity of documentation - such as policies - is checked among workers to ensure that a thorough investigation is completed, and that policies and action plans are effectively and consistently implemented. If a factory is awarded a sub-optimal score following a social audit, the factory is deemed non-compliant and is subject to action plan for improvement. The main non-compliances typically relate to working hours management (e.g. staff rotas that could be improved) and health and safety management improvements.

Our 2023 target is that at least 60% of our spend is compliant with BSCI requirements; as at the date of reporting, we had achieved a compliance rate of 64%

Corrective actions plans are implemented and follow up audits performed at factories where non-compliance is identified. Exit plans are also developed for factories where improvement plans are deemed unachievable; however, the Group has a good track record in driving higher standards and performance improvements among suppliers, where required, through our proactive audit and engagement processes. Our 2023 target is that at least 60% of our spend is compliant with BSCI requirements; as at the date of reporting, we had achieved a compliance rate of 64%.

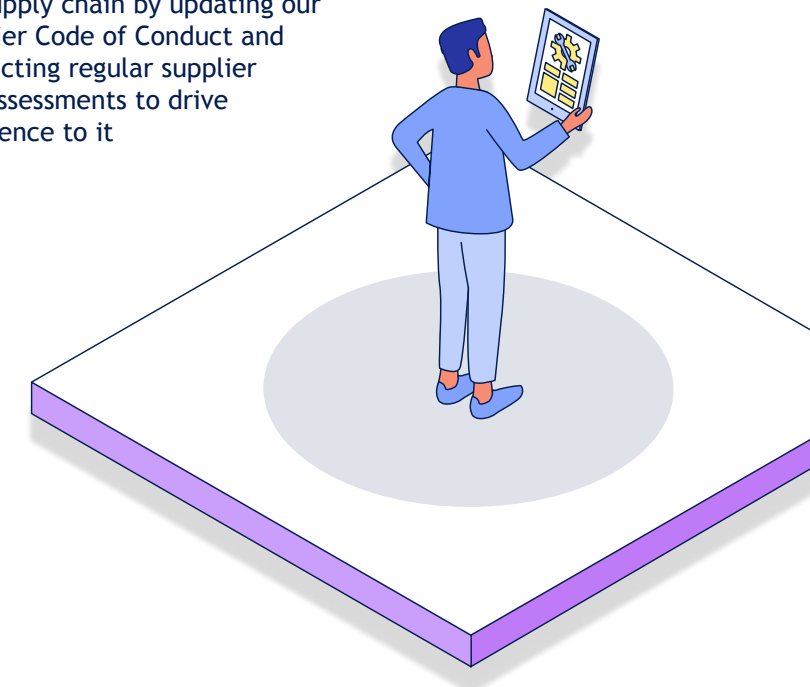


Our plans

Continuing to develop the customer-focused elements of our ESG strategy will enable us to continue growing sustainably and support progression against the targets set out in our ESG roadmap. Central to this goal is the work we undertake with our suppliers.

Our plans include:

- › Contribute towards a net-zero industrial value chain by requiring key suppliers to set formal science-based targets (SBTi); and obtaining social, ethical and environmental information about the products we offer, to support customers' decision-making and achievement of ESG goals
- › Continue to develop and augment our reporting on ESG-related supplier engagement and joint working programmes to expand our sustainable product and service offering
- › Strengthen ESG standards across the supply chain by updating our Supplier Code of Conduct and conducting regular supplier ESG assessments to drive adherence to it



Appendices

Contents:

- > Key policy frameworks and actions
- > GRI Index



Key policy frameworks and actions

Environmental

Environmental Policy

Our Environmental Policy sets out our stance on prioritising the efficient use of natural resources at the front-line of our activities. Our objective is to have a positive sustainable impact whilst minimising our environmental footprint. As such, we are committed to respecting all applicable laws and standards regarding environmental stewardship relating to energy consumption and greenhouse gas emissions, water use, air pollution, materials and waste, biodiversity, customer health and safety and the promotion of sustainable consumption.

By 2024 we are aiming to further strengthen our suite of environmental policies by introducing a new standalone Environmental Policy for the Group, as well as an updated policy defining our approach to sustainable packaging ([see page 38](#)).

New: Re-baseline, Restatement & Reporting Policy

Rubix measures and reports its emissions data by tracking progress and performance over time. The GHG Protocol requires an organisation to have and use a base year emissions recalculation policy, to ensure that organisations can compare "like-for-like" information over time despite structural changes, or other significant events which may trigger a recalculation. Our new Re-baseline, Restatement & Reporting Policy articulates the rules and triggers for the recalculation and/or restatement of the Rubix Group's environmental data, including the baseline GHG emissions figures.

This policy applies to Rubix's global business entities, over which Rubix is deemed to have operational control, and applies to GHG emissions occurring within Rubix's full value chain (including Scope 1, Scope 2 and Scope 3 emissions).

New: Renewable Energy Policy & Implementation Guidance

Rubix is taking steps to decarbonise its operations to achieve a high level of emissions reduction. Reducing our energy demand by becoming more efficient continues to be our top priority. Following that, decarbonising our energy supply is another key lever in achieving our emissions reduction targets. Our new Renewable Energy Policy & Implementation Guidance sets out the Group's approach to electricity procurement and use, stipulating a switch to renewable sources of electricity. It applies across Rubix Group. See [page 35](#) for our energy and GHG emissions performance data.

Hazardous Waste Policy

Rubix is committed to managing hazardous substances and hazardous waste correctly with the necessary responsibility and caution. We adhere to all relevant legislation and work to minimise any potential environmental impacts and mitigate safety risks. Rubix does not have any bulk or non-bulk underground or above ground storage tanks containing hazardous substances at any of its operations. We do have some hazardous substances onsite in smaller quantities and have appropriate and proportionate measures in place to manage risks associated with these.

We have documented processes and controls for managing hazardous goods in our warehouses and associated training materials. We allocate specific and dedicated storage locations in our distribution centres and employ measures to control product shelf life to support safety - for example, delivery is not permitted if a product has a shelf life of less than three months. All hazardous waste is disposed of by authorised businesses and in accordance with local regulations.

Social

Paternity and Maternity policies

Our paternity and maternity policies are in place to support colleagues in balancing professional and personal commitments by following relevant legislation and include our stance on maternity and paternity leave, shared maternity and paternity leave as well as adoption leave. In addition, we have successfully implemented a Flexible Work Policy that accommodates a variety of working patterns to help improve employee wellbeing, engagement and retention.

Across the Group, we estimate that 6% of our employees are currently working part-time, with 94% working full-time.

Dignity at Work Policy

Our Dignity at Work policy sets out Rubix's ethos that all employees have the right to work in a safe and supportive environment. Rubix recognises and respects the legal and moral rights of all persons affected by its operations and is committed to providing a working environment free of harassment, discrimination and prejudice. Rubix will not tolerate any form of discrimination against staff, visitors, customers, job applicants, suppliers, former staff members and other third parties on any basis.

Community Engagement Policy

We consider it important to make a positive contribution to the communities in which we operate through ongoing community investment and engagement. While not an issue that was identified as a material ESG topic for the Group, we support local community-based initiatives and charitable organisations across our regions.

For example, Rubix UK sponsors youth football teams, donating items such as sports water bottles and first aid kits. The UK business also supports charitable appeals for local hospitals and organisations that help the homeless.

Our biggest community contribution is in the provision of local employment, including the provision of opportunities for disadvantaged groups and the long-term unemployed ([see page 44](#)).

Labour Practices Policy

Our Labour Practices policy reflects our commitment to provide a safe working environment; long term opportunities; adequate training to build our employees' skill base; a system of work through which front line employees can communicate easily with senior management; opportunities to develop all our people to their full potential as well as to create new jobs through sustainable growth.

Recruitment Policy

Our Recruitment policy ensures that the best employees are brought into the company by taking a consistent and fair approach towards the evaluation of applicants. This includes treating all prospective employees with respect in an environment that is free from discrimination through an open, transparent and merit-based recruitment process that promotes equal opportunities.

In our DACH region, we have implemented a new training programme for those involved in recruitment. This includes a module about diversity, to highlight its importance and increase hiring managers' awareness during the recruitment process.

Governance

Code of Conduct & Ethics

Our Code of Conduct & Ethics (the 'Code') sets out the guidelines and requirements of behaviours that we expect and demand from all our personnel, when working for, and collaborating with, Rubix. The Code constitutes the very foundation of our approach to business and our compliance policies and procedures, including our values, operational actions, and how we conduct our business activities. It can be accessed on our website [here](#).

As part of our onboarding process, all new employees are required to participate in Code of Conduct training. By the end of 2022, 77% of employees had completed Code of Conduct training. This figure has increased to 83% by mid-2023.

Supplier Code of Conduct

Our Supplier Code of Conduct ensures that our suppliers share our unwavering commitment to regulatory compliance, human rights, business ethics and environmental sustainability. The majority of Rubix's products are sourced from leading global manufacturers within Europe who adopt and monitor adherence with the high standards that we expect of them.

We regularly monitor compliance with the requirements of our Code of Conduct, and in 2022, we launched a new set of standards for our strategic suppliers relating to ESG ([see page 53](#)).

Health and Safety Policy

Our Health and Safety Policy sets out our position on providing and maintaining a working environment that ensures the health and safety of our employees, customers, contractors and visitors are prioritised. It outlines the expectations we have of our employees to uphold their duty of care to co-operate in complying with all statutory regulations, codes of practice and company rules relating to health, safety and welfare.

In 2022, 73% of our employees completed our health and safety training, 'Health and Safety Essentials'. Our goal is for 100% of warehouse employees to complete a newly designed training for the warehouse environment by the end of 2023.

Human Rights Policy

We are committed to respecting internationally recognised human rights standards. We abide with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organisation's (ILO) eight core conventions, and the ILO Declaration on Fundamental Principles and Rights at Work. We are also signatories of the UN Global Compact (UNGC), and our most recent Communication on Progress (COP) can be accessed via UNGC's website.

Rubix does not tolerate any form of exploitation, including child or forced labour, slavery or human trafficking. This position is reinforced in our Supplier Code of Conduct which requires suppliers to adhere to relevant international standards, local laws and industry best-practices on Human Rights. The steps we take to mitigate the risk of slavery or human trafficking taking place in our business or supply chain are detailed in our annual Modern Slavery Act statement (see below).

Modern Slavery Act Transparency Statement

Rubix is committed to ensuring that no forms of slavery, forced labour, child labour or human trafficking occur in its business or within its supply chain. We do not tolerate and will never participate in any forms of human exploitation, including child or forced labour, slavery or people trafficking. Our annual Modern Slavery Act statement sets out the steps that we take to mitigate the risk of slavery and human trafficking taking place in our supply chain or within Rubix's business, which can be accessed on our website [here](#).

In 2022, no instances of slavery, forced labour, child labour or human trafficking were identified or reported within our business or supply chain.

Whistleblowing Policy

Our Whistleblowing Policy allows employees to anonymously voice compliance-related concerns in a responsible and effective manner to help detect and prevent serious malpractice or wrongdoing, particularly in relation to corruption, harassment, and abuse of power. In support of our policy, Rubix provides an independent whistleblowing hotline hosted by a third party, SafeCall. This allows employees and any other parties working on behalf of, or in connection with Rubix, to voice compliance-related concerns.

In 2022, the hotline received two calls with no remediation actions necessary. This is down from 2021, where the hotline received four calls, with no remediation actions necessary.

Conflict of Interests Policy

One key measure of our governance approach is the prevention of conflict of interests, set out in the Group Code of Conduct & Ethics. Conflict of interests are monitored by our Internal Audit function with annual declarations required by our entire senior leadership team. As part of our annual Internal Audit process, conflict of interest forms are sent to the Group CFO and regional / country CFOs for circulation to their senior leadership teams and direct reports thereof. Country CEOs and the Group CEO are also required to complete the form, in which details of any potential conflicts and related party transactions must be declared. Due to the heightened risk of related party transactions and conflicts in acquired businesses, all former owners of in year acquisitions who remain employed by the Group are also required to complete the form.

In 2022, 456 managers completed a conflict of interest form (100% of in-scope managers), of which 428 were nil declarations and 28 identified a potential financial or non-financial conflict for our records.

Information Security Policy

Our Information Security policy provides the guiding principles and responsibilities necessary to safeguard the security of our information systems. Rubix is committed to preserving the confidentiality, integrity and availability of documentation and data processed by third parties. This framework is supported by the Privacy Standard, which fulfils the GDPR requirements of the European Union.

We have established a General Data Protection Regulation (GDPR) group which meets regularly to continually review and assess the effectiveness of data privacy policies. The group is chaired by the IT director and is attended by representatives from IT, legal, internal audit, HR and a GDPR subject matter expert.

In 2022, we had three minor information security incidents relating to phishing scams, which were addressed by the introduction of e-learning training on Rubix Academy to reinforce our procedures. There were no cyber security incidents in 2022.

Information Classification Policy

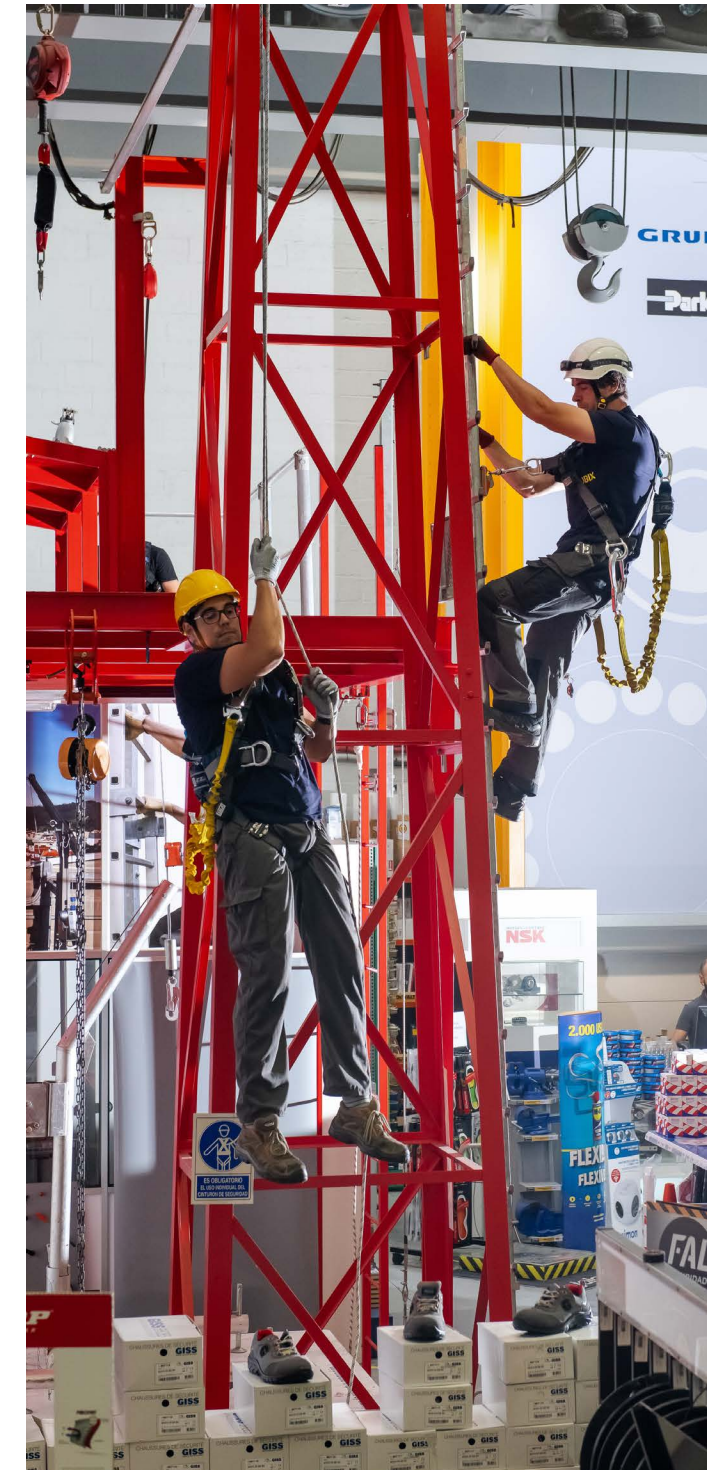
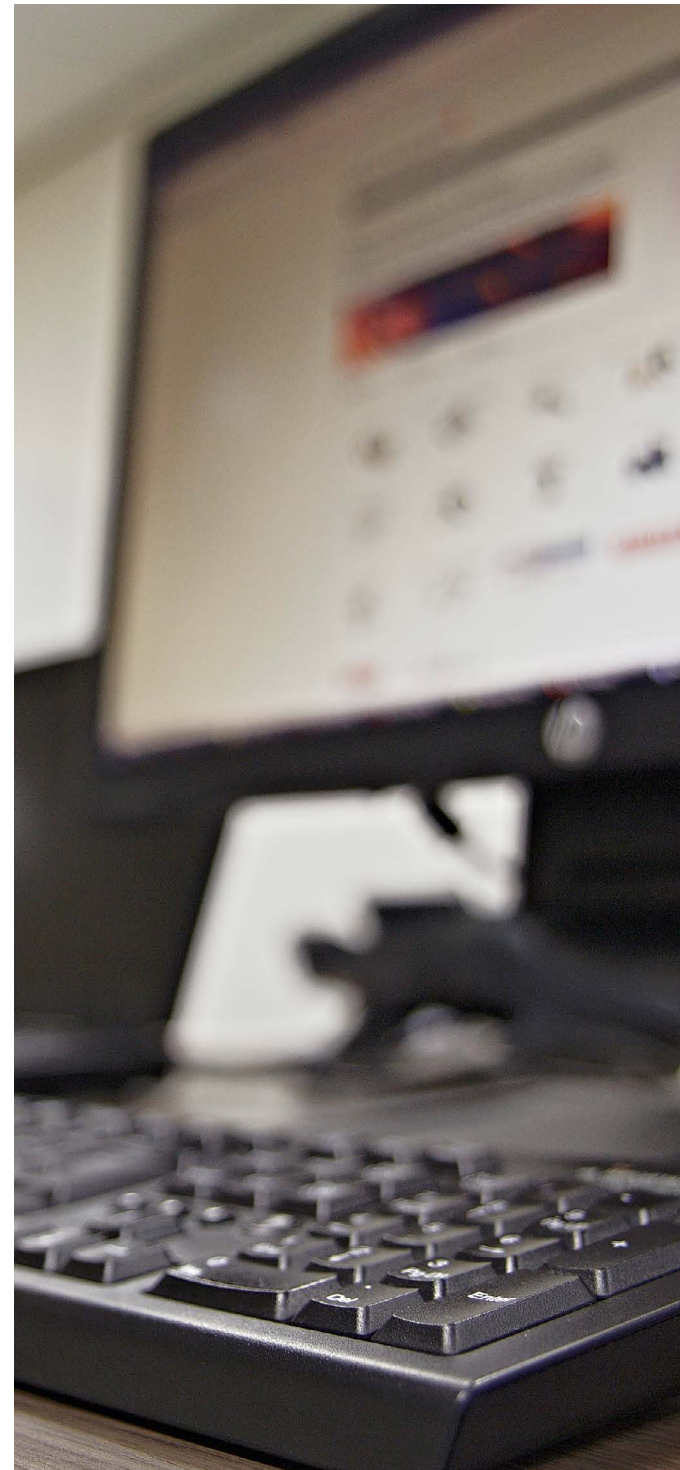
Our Information Classification Policy establishes a framework to ensure private data is handled in a secure manner across all Rubix's networks, with safeguards in place for sensitive data and other information assets to protect against unauthorised access and compromise or disclosure.

By the end of 2022, our training on information security was completed by 6,560 employees (76% completion rate) through the Rubix Academy. This had increased to 81% by mid 2023.

Security Risk Mitigation

Our dedicated Group IT security function works in collaboration with in-country resources to maintain the technical and administrative controls around the security of IT assets, including data. These measures include a comprehensive suite of enterprise IT security policies, procedures and standards; technical security controls for email, servers and computers to help detect and prevent cyber-attacks; regular cyber risk awareness and cyber threat bulletins; and regular vulnerability assessments, penetration tests and a 24/7 Managed Detection and Response (MDR) service to react to active cyber threats. We have also established a cross functional Cyber Security Incident Response Team in order to respond to suspected data privacy threats. Data privacy threats are also formally recorded in the Group's risk management framework.

The Group's cyber incident response plan includes external cyber legal counsel and incident response vendors that can be mobilised rapidly. Furthermore, in the event of in-country order fulfilment or distribution being impacted there is a Group order management platform that could help to mitigate sales and supply chain operations. The Group is also implementing a country level cyber security programme with defined KPIs to drive improvements in technical and administrative security controls, and to highlight any areas of concern at board level.



Rubix Limited GRI Index

| GRI STANDARD / OTHER SOURCE | DISCLOSURE | LOCATION |
|--------------------------------|--|---|
| General disclosures | | |
| GRI 2: General Disclosure 2021 | 2-1 Organizational details | Rubix Limited Annual Report 2022, P.2 |
| | 2-2 Entities included in the organization's sustainability reporting | Rubix Limited Annual Report 2022, P.2 |
| | 2-3 Reporting period, frequency and contact point | Rubix Limited Annual Report 2022, P.2 |
| | 2-4 Restatements of information | Rubix Limited Annual Report 2022, P.44 |
| | 2-5 External assurance | Rubix Limited Annual Report 2022, P.39-41 |
| | 2-6 Activities, value chain and other business relationships | Rubix Limited Annual Report 2022, P.4 |
| | 2-7 Employees | Rubix Limited Annual Report 2022, P.36 |
| | 2-8 Workers who are not employees | The average number of temporary workers was 369 FTEs - this is the average FTE (not headcount) over the reporting period. Numbers of temporary workers are generally higher in the summer months (holiday cover etc.), and when additional people are required to provide resource for special projects. |
| | 2-9 Governance structure and composition | Rubix Limited Annual Report 2022, P.3 and 36 |
| | 2-10 Nomination and selection of the highest governance body | Rubix Limited Annual Report 2022, P.32 |
| | 2-11 Chair of the highest governance body | Rubix Limited Annual Report 2022, P.3 |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | Rubix Limited Annual Report 2022, P.5 |
| | 2-13 Delegation of responsibility for managing impacts | Rubix Limited Annual Report 2022, P.5 |
| | 2-14 Role of the highest governance body in sustainability reporting | Rubix Limited Annual Report 2022, P.6; ESG Report 2023, P.18 |
| | 2-15 Conflicts of interest | Rubix ESG Report 2023 P.56 |
| | 2-16 Communication of critical concerns | Communication process for critical concerns is defined in our Group Whistleblowing Policy. Rubix ESG Report 2023 P.56 |
| | 2-17 Collective knowledge of the highest governance body | Rubix Limited Annual Report 2022, P.3 |
| | 2-18 Evaluation of the performance of the highest governance body | We engage a specialist third party from time to time to observe executive board and other governance committee meetings, and provide feedback and coaching to individuals to enhance the effectiveness of these bodies. As part of the annual appraisal process, each of the members of our board and other governance committees receives detailed feedback on their performance and areas for improvement from our Group CEO. |
| | 2-19 Remuneration policies | Rubix Limited Annual Report 2022, P.47 |
| | 2-20 Process to determine remuneration | Rubix Limited Annual Report 2022, P.85 |
| | 2-21 Annual total compensation ratio | a) The highest paid employee is the Group CEO. The role is based in the UK, so the ratio against the median UK compensation is 44:1. If the analysis is extended to the whole of Rubix population, the ratio becomes 45:1, but it is less meaningful than the UK ratio as it is primarily influenced by the relative weight of our markets. Our total compensation ratio is close to or below average. For example, Personnel Today reports a ratio of 63.1 based on available 2021/22 data. b) The 2023 pay increase for the Group CEO was 4.3%, which was in line with the 4.3% pay increase applied to the whole of the UK employee population. |

| GRI STANDARD / OTHER SOURCE | DISCLOSURE | LOCATION |
|------------------------------------|--|--|
| | 2-22 Statement on sustainable development strategy | Rubix ESG Report 2023, P.10 |
| | 2-23 Policy commitments | Rubix Limited Annual Report 2022, P.6 |
| | 2-24 Embedding policy commitments | Rubix Limited Annual Report 2022, P.6 |
| | 2-25 Processes to remediate negative impacts | Rubix Limited Annual Report 2022, P.5-7 |
| | 2-26 Mechanisms for seeking advice and raising concerns | Rubix ESG Report 2023 P.56 |
| | 2-27 Compliance with laws and regulations | Rubix Limited Annual Report 2022, P.94 |
| | 2-28 Membership associations | Rubix Limited Annual Report 2022, P.8 |
| | 2-29 Approach to stakeholder engagement | Rubix ESG Report 2023, P.14 |
| | 2-30 Collective bargaining agreements | Rubix ESG Report 2023, P.45 |
| Material topics | | |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | Rubix Limited Annual Report 2022, P.33-34; Rubix ESG Report 2023, P.14 |
| | 3-2 List of material topics | Rubix Limited Annual Report 2022, P.33 |
| Economic performance | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P.14 |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | Rubix Limited Annual Report 2022, P.19-21 |
| | 201-2 Financial implications and other risks and opportunities due to climate change | Rubix Limited Annual Report 2022, P.13-29 |
| | 201-3 Defined benefit plan obligations and other retirement plans | Rubix Limited Annual Report 2022, P.52 |
| | 201-4 Financial assistance received from government | No significant financial support was received from governments in countries where Rubix operates. |
| Anti-corruption | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P. 56 |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | Operations are visited by our Group Internal Audit team, to check processes are in place to mitigate risks of corruption. These include, for example, checking visibility of SafeCall posters for whistleblowing. Gifts and hospitality registers and credit card statements are also checked by Group Internal Audit. Visits to sites were impacted by Covid-19 related restrictions in the first part of 2022; in the second half of 2022 sites in Italy and Spain were visited as part of our process for undertaking physical site visits and checks. We have not identified significant risks related to corruption through our risk assessment process and view the risk of corruption in general as low. We are predominantly a distribution business with warehouses and smaller branches employing a small number of people. Customer orders are placed centrally. |
| | 205-2 Communication and training about anti-corruption policies and procedures | Business partners: our anti-corruption stance is also documented and communicated to suppliers in our Supplier Code of Conduct. Our whistleblowing hotline is open to anyone who deals with Rubix in a work-related capacity; this includes business partners. Communication: our anti-corruption policies and procedures are communicated to all employees via email, our internal communication platform provided by Microsoft VivaEngage, and on our intranet, as well as being discussed locally. Training rates: Anti-bribery and corruption training average completion rate across regional / country and Group senior leadership population (2022): 94%. Number of senior leaders trained: 305. Average anti-bribery and corruption training rate for all other employees - number of employees trained 6,344; average training rate across Group and regional / country populations: 87%. |
| | 205-3 Confirmed incidents of corruption and actions taken | N/A - there have not been any incidents of corruption during the year. |

| GRI STANDARD / OTHER SOURCE | DISCLOSURE | LOCATION |
|---|---|--|
| Energy | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P. 34 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | Rubix Limited Annual Report 2022, P.28 and 35; Rubix ESG Report 2023, P. 35 |
| | 302-2 Energy consumption outside of the organization | Rubix Limited Annual Report 2022, P. 28 and 35; Rubix ESG Report 2023, P. 37 |
| | 302-3 Energy intensity | Rubix Limited Annual Report 2022, P. 35; Rubix ESG Report 2023, P. 35 |
| | 302-4 Reduction of energy consumption | Rubix Limited Annual Report 2022, P.36; Rubix ESG Report 2023, P. 35 |
| | 302-5 Reductions in energy requirements of products and services | Rubix Limited Annual Report 2022, P. 29; Rubix ESG Report 2023, P. 23 |
| Emissions | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P.35 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | Rubix Limited Annual Report 2022, P.27; Rubix ESG Report 2023, P.35 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | Rubix Limited Annual Report 2022, P.27; Rubix ESG Report 2023, P.35 |
| | 305-3 Other indirect (Scope 3) GHG emissions | Rubix Limited Annual Report 2022, P.29; Rubix ESG Report 2023, P.37 |
| | 305-4 GHG emissions intensity | Rubix ESG Report 2023, P.35 |
| | 305-5 Reduction of GHG emissions | Rubix Limited Annual Report 2022, P. 29; Rubix ESG Report 2023, P.35 |
| | 305-6 Emissions of ozone-depleting substances (ODS) | As a distribution company, rather than a processing or manufacturing company, Rubix does not have process chillers or other equipment that emit ODS as part of its operations. Rubix does operate air conditioning units in some sites, which are tested regularly as part of our facilities management and maintenance. We are working towards capturing emissions associated with these for inclusion in future GHG reporting. |
| | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Not applicable. |
| Waste | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P.39 |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | Rubix ESG Report 2023, P.39 |
| | 306-2 Management of significant waste-related impacts | Rubix ESG Report 2023, P.39 |
| | 306-3 Waste generated | Rubix ESG Report 2023, P.39 |
| | 306-4 Waste diverted from disposal | Rubix ESG Report 2023, P.39 |
| | 306-5 Waste directed to disposal | Rubix ESG Report 2023, P.39 |
| Supplier environmental assessment | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P.53 |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria | Rubix ESG Report 2023, P.53 |
| | 308-2 Negative environmental impacts in the supply chain and actions taken | Rubix ESG Report 2023, P.53 |
| Occupational health and safety | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-35; Rubix ESG Report 2023, P.41 |

| GRI STANDARD / OTHER SOURCE | DISCLOSURE | LOCATION |
|--|--|--|
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | Rubix ESG Report 2023, P.41 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | Rubix ESG Report 2023, P.42 |
| | 403-3 Occupational health services | Employee health records are kept in a secure location or server accessible only to authorised personnel. Access is restricted to those who need the information for legitimate purposes, such as HR professionals or other designated employees. Authorised personnel are made aware of the importance of confidentiality and the consequences of unauthorised disclosure. Rubix keeps a record of explicit consent obtained from employees before accessing their health records to ensure compliance with relevant data protection and privacy laws. Audits are conducted periodically to identify and address any potential breaches or misuse. |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | Rubix ESG Report 2023, P.42 |
| | 403-5 Worker training on occupational health and safety | Rubix ESG Report 2023, P.42 |
| | 403-6 Promotion of worker health | Rubix Limited Annual Report, 2022 P. 9; Rubix ESG Report 2023, P.42 |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Rubix Limited Annual Report, 2022 P. 9 |
| | 403-8 Workers covered by an occupational health and safety management system | Rubix ESG Report 2023, P.42 |
| | 403-9 Work-related injuries | Rubix ESG Report 2023, P.42 |
| | 403-10 Work-related ill health | There have not been any fatalities as a result of work-related ill health (or accidents) during the reporting year (or any of the last 10 years). The main work-related hazards relate to slips, trips and falls; manual handling; accidents relating to vehicle use; and accidents involving forklift trucks in our warehouses. Work-related ill health that results in lost time is captured in our lost time accident reporting. |
| Training and education | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-36; Rubix ESG Report 2023, P.44 |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | Employees undertook just over 4 hours of training each on average in 2022. This is based on mandatory e-learning. Additional on-the-job training in the form of face-to-face workshops means the actual number of training hours will be much higher. |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | Rubix Limited Annual Report 2022, P.36 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | Rubix Limited Annual Report 2022, P.37 |
| Diversity and equal opportunity | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.36 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | Rubix Limited Annual Report 2022, P.36 |
| | 405-2 Ratio of basic salary and remuneration of women to men | https://gender-pay-gap.service.gov.uk/EmployerReport/7MrjCZX6/2022 |
| Freedom of association and collective bargaining | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix Limited Annual Report 2022, P.34-36; Rubix ESG Report 2023, P.45 |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Rubix ESG Report 2023, P.45 |

| GRI STANDARD / OTHER SOURCE | DISCLOSURE | LOCATION |
|--|--|---------------------------------------|
| Child labor | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix ESG Report 2023, P.50, 56 |
| GRI 408: Child Labor 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labor | Rubix Limited Annual Report 2022, P.8 |
| Forced or compulsory labor | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix ESG Report 2023, P.50, 56 |
| GRI 409: Forced or Compulsory Labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Rubix Limited Annual Report 2022, P.8 |
| Supplier social assessment | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | Rubix ESG Report 2023, P.52, 53 |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria | Rubix ESG Report 2023, P.52, 53 |
| | 414-2 Negative social impacts in the supply chain and actions taken | Rubix ESG Report 2023, P.52, 53 |

Topics in the applicable GRI Sector Standards determined as not material

| TOPIC | EXPLANATION |
|--|---|
| Market Presence | |
| GRI 3: Material Topics 2021 | |
| GRI 202: Market Presence 2016 | Not applicable. The Group operates in Europe, hires from local regions / communities, and pays competitive wages in line with local expectations and requirements. This has therefore not been identified as a material topic for Rubix and is not covered in our reporting. |
| Indirect Economic Impacts | |
| GRI 3: Material Topics 2021 | |
| GRI 203: Indirect Economic Impacts 2016 | Not applicable. Rubix's geographic footprint in developed countries means that this has not been identified as a material topic and is not covered in our reporting. |
| Procurement Practices | |
| GRI 3: Material Topics 2021 | |
| GRI 204: Procurement Practices 2016 | Not applicable. Procurement practices has not currently been identified as a material topic for the Group, as Rubix purchases products and services rather than raw materials. However, Rubix recognises that it can play a positive role in promoting economic inclusion through its business practices and will therefore keep this under review. |
| Anti-competitive behavior | |
| GRI 3: Material Topics 2021 | |
| GRI 206: Anti-competitive Behaviour 2016 | This topic is not applicable and is therefore not covered in our reporting. |
| Tax | |
| GRI 3: Material Topics 2021 | |
| GRI 207: Tax 2019 | Not applicable. This has not been identified as a material topic for Rubix. Rubix operates in European countries with strict tax legislations and standards, with which it complies. |
| Materials | |
| GRI 3: Material Topics 2021 | |
| GRI 301: Materials 2016 | Not applicable. The Group is primarily a service provider. It does not have a significant materials footprint. |
| Water and effluents | |
| GRI 3: Material Topics 2021 | |
| GRI 303: Water and Effluents 2018 | Not applicable. Rubix is primarily an industrial service provider and as such does not have any water intensive operations. |
| Biodiversity | |
| GRI 3: Material Topics 2021 | |
| GRI 304: Biodiversity 2016 | Not applicable. Rubix's direct operations are unlikely to have a material impact on biodiversity, nor are biodiversity risks in the supply chain likely to be material for the Group. As such, this topic is not currently required to be covered in detail in our reporting. |
| Employment | |
| GRI 3: Material Topics 2021 | |
| GRI 401: Employment 2016 | Not applicable. The Group operates only in European countries and complies with strict labour legislation covering all matters. |

Continued: Topics in the applicable GRI Sector Standards determined as not material

| TOPIC | EXPLANATION |
|---|---|
| Labor / management relations | |
| GRI 3: Material Topics 2021 | |
| GRI 402: Labour / management relations 2016 | Not applicable. The Group operates only in European countries and complies with strict labour legislation covering all matters. |
| Non-discrimination | |
| GRI 3: Material Topics 2021 | |
| GRI 406: Non-discrimination 2016 | Not applicable. The Group operates only in European countries and complies with strict labour legislation covering all matters. |
| Security practices | |
| GRI 3: Material Topics 2021 | |
| GRI 410: Security Practices 2016 | Not applicable. Rubix does not operate in conflict areas. |
| Rights of Indigenous Peoples | |
| GRI 3: Material Topics 2021 | |
| GRI 411: Rights of Indigenous Peoples 2016 | Given the Europe's operations and locations, this topic is not applicable and is therefore not covered in our reporting. |
| Local Communities | |
| GRI 3: Material Topics 2021 | |
| GRI 413: Local communities 2016 | Not applicable. Rubix as a service provider operates only deeply rooted within local communities. It does not operate as a "foreign company" in a "foreign country". |
| Public Policy | |
| GRI 3: Material Topics 2021 | |
| GRI 415: Public policy 2016 | Not applicable. The Group has a policy of not making political donations and this will continue. No political donations were made during the year. |
| Customer health and safety | |
| GRI 3: Material Topics 2021 | |
| GRI 416: Customer Health and Safety 2016 | Not applicable. While Rubix provides services that support customer health and safety, and gives due consideration to customers' health and safety in the provision of products, this has not been identified as a material topic for the Group given product and customer types and operating locations. |
| Marketing and labeling | |
| GRI 3: Material Topics 2021 | |
| GRI 417: Marketing and Labelling 2016 | Not applicable. Rubix complies with the strict European legislation concerning product and service information and labeling. |
| Customer privacy | |
| GRI 3: Material Topics 2021 | |
| GRI 418: Customer Privacy 2016 | Not applicable. The Group adheres to all GDPR requirements as appropriate and primarily operates in the B2B space. |

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