RIEDEL Communications GmbH & Co KG
Environmental Report 2023

Contents

FOREWORD – Lutz Rathmann / CEO, Managed Technology Division / Riedel Communications

After starting our journey in 2022 to become a more sustainable and environmentally friendly organisation, this is the second time I am writing the foreword to our Environmental Report. I am proud to report that our team has made significant progress and reached an important milestone by successfully achieving our goal of FiA certification.

As with all new endeavours, there are also steep learning curves. While we have successfully achieved our certification, we have also learnt along the way that we still need to improve data and measurements in order to adjust and achieve our goals.

As this is certainly one of the next challenges for us to embark on, we will also now expand and support our activities by including more stakeholders from our business units and divisions.

At the same time, we will integrate more concrete measures and activities into our daily work processes and workflows.

We encourage every employee to commit to and support our activities and further embark on our journey to making Riedel a more sustainable venture.

Sincerely,
Lutz Rathmann
CEO, Managed Technology Division

Environmental Management at RIEDEL Communications GmbH & Co KG

Environmental protection and sustainability are increasingly important concerns across society, and everyone must work together to find solutions to these issues. We at Riedel Communications are also committed to doing our part by promoting environmental sustainability and operating responsibly, in accordance with all environmental regulations, legislation and best practices.

We are committed to carrying out all our business processes in line with our Environmental Policy and to purposefully advancing towards the goals stated in the Environmental Management System (EMS).

RIEDEL's sustainability programme (i.e., the Environmental Policy and EMS) is coordinated by our Environmental Management Expert who reports to the C-level management. The ambition of this programme is to integrate sustainable business practices into our daily operations by initiating, executing and reviewing group-wide initiatives in this area. We also aim to set prominent examples that will increase awareness of everyone's role in contributing to sustainability. The Environmental Policy, as along with the goals outlined in the EMS, is regularly reviewed and updated as necessary, with revisions taking place annually.

Given that the nature of our business does not entail critical risks for the environment itself (e.g., we do not create immediate noise/air emissions), our sustainability initiatives instead focus on the opportunity side of the equation. In other words, we evaluate our operational activities with the clear objective of minimising our environmental impact, thereby maximising opportunities to conduct our business sustainably.

With regard to the risks inherent to all supply chain activities, we comply with and monitor all critical risks as required by legislation and international quality standards.

Our Environmental Policy and our Environmental Goals are communicated to all managers and employees through an internal employee portal and RIEDEL employee guidelines.

The current Environmental Report focuses on Riedel GmbH & Co. KG, whose main premises including the main production site and administrative headquarters are located in Wuppertal, Germany.

1. Current Situation

In 2023, we have improved our data collection and processing, while continuing to implement some additional measures to reduce our environmental impact. We also observed growing interest from our clients in our sustainability data and situation, which further motivates us to intensify our efforts regarding environmental sustainability issues. Balancing business growth with our environmental and climate goals can be challenging, as it is for any business, but we are committed to taking on this challenge.

1.1. Logistics, production and procurement management.

When designing and producing our products, we consistently prioritise reliability, usability and scalability, also with a focus on solutions that address environmental considerations. For example, Riedel Artist is designed to reduce rack space and power consumption, and its lower weight results in lower emissions from transportation. The Riedel Artist intercom system works with the innovative SmartPanels product line,

offering user-friendly app-driven interfaces that allow you to customise the panel's functions without the need for extra hardware. This reduces the quantity and volume of hardware shipments.

In general, we are moving towards more software-based products and downsizing our equipment. This means smaller and lighter products, which has a positive impact on reducing our environmental footprint. Another good example includes Riedel's MediorNet distributed AV network infrastructure, a family of technologies that combine signal transport, routing, processing and conversion in a redundant real-time network. The compact, modular and multifunctional design enhances energy efficiency in audio-video processes and minimises waste when adjustments are required.

For several years now, our logistics department has been improving its operations to make it more environmentally friendly. For our sales orders, we use wrapping foil that is 60% recycled and employ a wrapping machine that reduces material usage by 40%. The use of thinner foil and the machine's ability to increase the stretch factor means this process is superior to manual methods, resulting in less foil consumption overall.

For shipment of our Riedel products, we use 100% recycled cardboard boxes, which are adapted to the dimensions of the goods in order to: (a) use as little filling as possible; and (b) reduce the amount of waste. The filling itself consists of 80% recycled materials.

Our delivery pallets are made from 100% recycled sawdust, and we use Euro-pallets which, in the case of deliveries to our internal sites, are always exchanged on a one-to-one basis, thus reducing wood waste.

For rental jobs, we use plastic pallets that are reused until they deteriorate to the point that they are no longer suitable for the transportation of goods . Once they reach the end of their lifecycle, they are sent for recycling. We also pack most of the rental equipment in aluminium boxes, as they provide the best possible protection for highly sensitive goods and are secured with tension belts during transport, so they may be used almost indefinitely if they do not become severely damaged. In addition, the lightweight properties of the aluminium help to reduce the carbon footprint associated with transportation.

Most of our carriers operate with climate-neutral practices or have committed to achieving climate-neutral operations in the near future. Currently, we are also working on actions to further optimise our shipments to help to reduce our carbon footprint.

1.2. Employee mobility

Riedel Communications has implemented several initiatives to encourage our employees to choose more environmentally friendly mobility solutions.

For more active and greener everyday mobility options, Riedel Communications offers a JobBike leasing programme, which allows employees to acquire a bike and pay for it through leasing for additional benefits. Riedel also covers the cost of employees' fully comprehensive insurance which is included in the leasing package. For days when the weather is not ideal for bike rides, or for those who prefer public transport over cycling, in collaboration with "Wuppertaler Stadtwerke" (local public transport provider) we also offer an additional 25% discount for the "DeutschlandTicket". This ticket allows to use any local and regional public transport throughout Germany.

Riedel's employee parking also offers designated parking spaces for electric cars with charging stations that offer free charging.

For employees eligible for a company car, our policy includes the "CO_2 emissions rule", whereby the lower the CO_2 emissions of the car/engine chosen, the higher the monthly budget.

All Riedel offices (both HQ and international offices) are fitted with professional teleconferencing equipment aimed at maximising the number of virtual meetings and reducing business trips to a reasonable minimum. Employees at all levels are provided with video telephony software (Microsoft Teams) and are encouraged to use this as the primary communication channel within the company.

1.3. Energy and waste consumption

1.3.1. Energy

To reduce power consumption, practically all buildings at Riedel's headquarters use LED lighting. Several areas are equipped with automatic light switches that are motion-activated, turning off when no movement is detected for a set period of time. Lights are also switched off automatically in the evening in some departments.

We have a 500 kWh photovoltaic system at our premises and all energy produced is fully consumed by the RIEDEL Technology Park.

1.3.2. Waste

At Riedel, we practise the "3Rs rule" – reduce, reuse, recycle – to minimise the amount of waste produced. The waste is separated into paper, plastic and residual waste, with metal and electronic waste collected separately.

2. Plans, goals and targets to improve environmental sustainability

Our sustainability programme is founded on two ambitions:

- Committing to sustainable living and working practices.
- Inspiring others to adopt sustainable living and working practices.

Therefore, many of our activities in this area explicitly focus on setting prominent examples for sustainable lifestyles and work practices to encourage critical thinking in this regard.

2.1. Production of greenhouse gas emissions

Greenhouse gas emissions are divided into three 'scopes'. Scope 1 emissions are direct emissions from our owned or controlled sources. Scope 2 emissions are indirect emissions resulting from the generation of purchased energy. Scope 3 emissions are other indirect emissions that are not included in Scope 2 and that occur in the value chain of the reporting company, including both upstream and downstream emissions.[1]

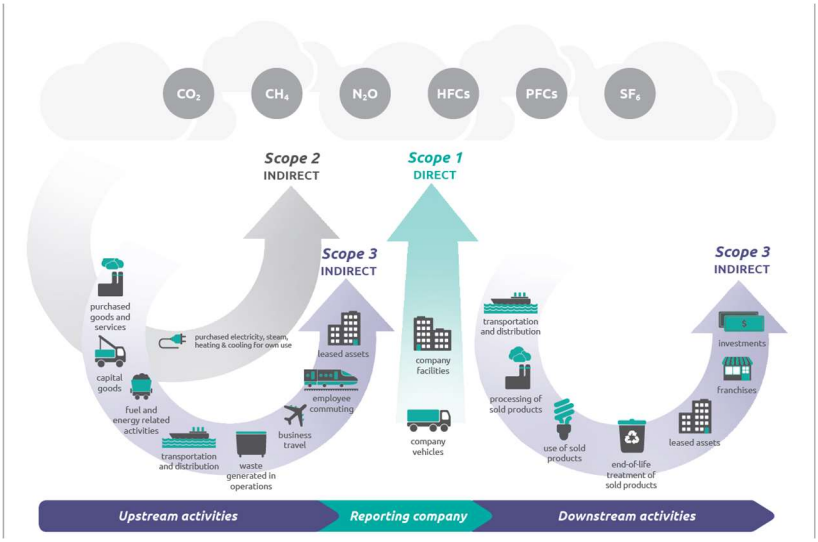
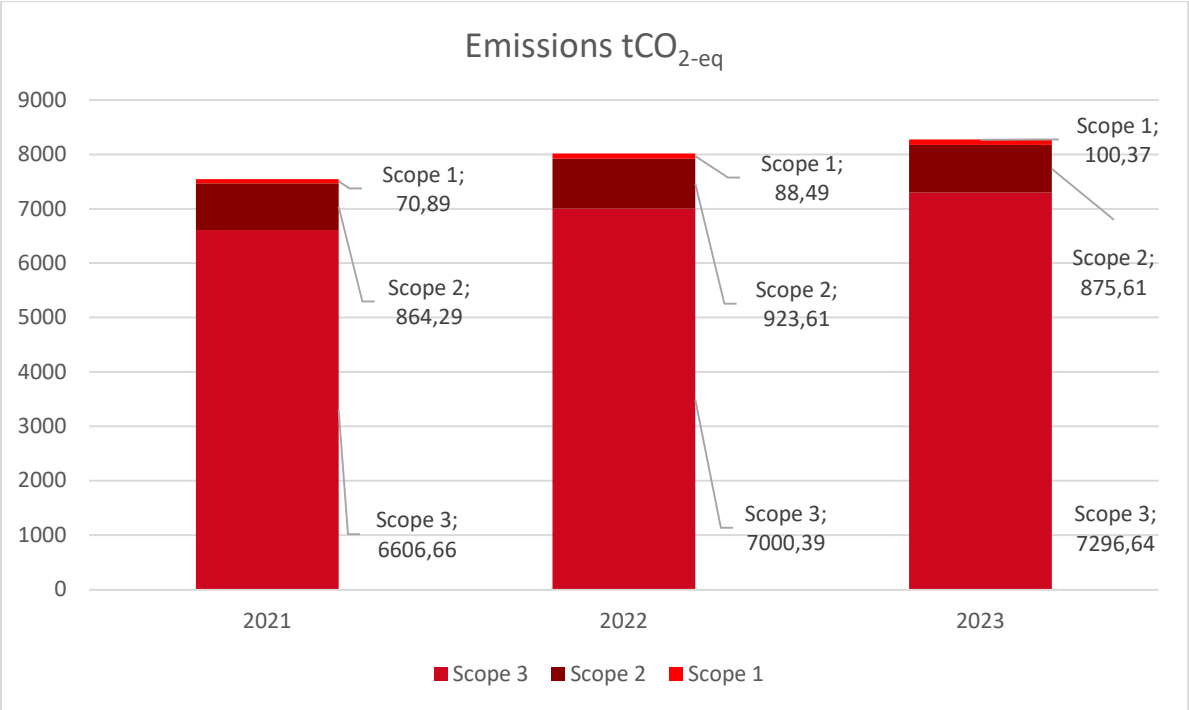


Figure 1. Scopes and emissions across the value chain (Source: GHG Protocol[2])

In 2023, the total greenhouse gas (GHG) emissions produced by Riedel Communications were 8,272.62 tonnes CO_2-eq, which is 9.69% higher than in the base year (2021, 7,541.84 tonnes CO_2-eq). The main factor impacting the increase of GHG emissions was the growth of our business. However, compared to the almost 38% growth in revenues, the increase in GHG emissions have been relatively low. Some of the reported increase can be attributed to process improvements, such as better travel management. Our centralised travel booking system has enabled us to collect more precise data in this area.

[1] https://ghgprotocol.org/sites/default/files/standards_supporting/FAQ.pdf

[2] https://ghgprotocol.org/sites/default/files/ghgp/standards_supporting/Diagram%20of%20scopes%20and%20emissions%20across%20the%20value%20chain.pdf

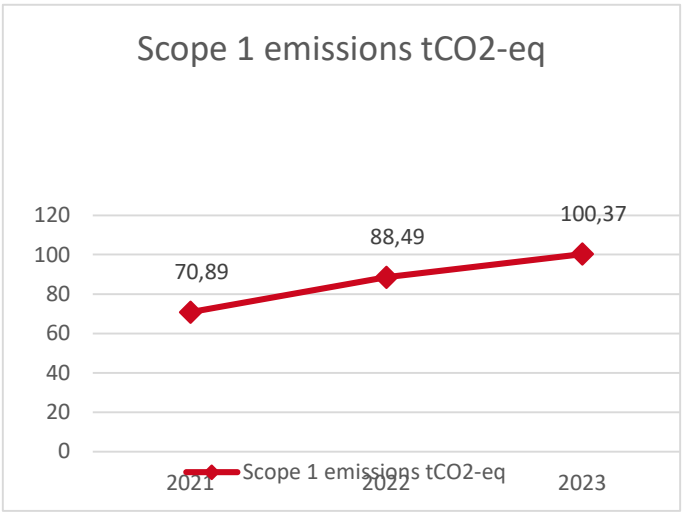


[3]

Although the figures show that there has been a slight increase in produced emissions, this rise has been disproportionately low relative to with growth in revenue. We remain committed to our target of reducing our GHG emissions by 50% by 2030 (in comparison with base year 2021) and are focused on achieving the EU's common target of net-zero greenhouse gas emissions by 2050.

2.1.1. Scope 1

Scope 1 GHG emissions at Riedel Communications are generated by our car park, where at year-end 2023 we had 53 cars (47 at year-end 2021 and 46 at year-end 2022), of which 17% are electric or plug-in hybrids. In total, Scope 1 emissions produced in 2022 reached 100.37[4] tonnes CO_2-eq, almost 41.5% higher compared to the base year (70.89 tonnes CO_2-eq). This is also 13.4% more than in 2022 (88.49 tonnes CO_2-eq).



The main explanation for the growth of fuel consumption could be the rise in client and

[3] **Note:** Data for 2021 and 2022 of produced emissions by power consumption have been updated according to the newest emission factor updates from Umweltbundesamt (UBA, Germany's main environmental protection agency). Due to an error in the heating used in 2022, the last Environmental Report 2022 indicated a lower emission amount produced in Scope 2 (848.75 t CO2-eq). It was corrected in this year's report.
[4] For Scope 1 GHG emission calculations, emission factors published by the IPCC Emission Factor Database (https://www.ipcc-nggip.iges.or.jp/EFDB/main.php) were used.

order count, which required more travel. It is important to consider that 2021 was still significantly impacted by the COVID-19 pandemic. Since then, personal visits have become frequent once again.

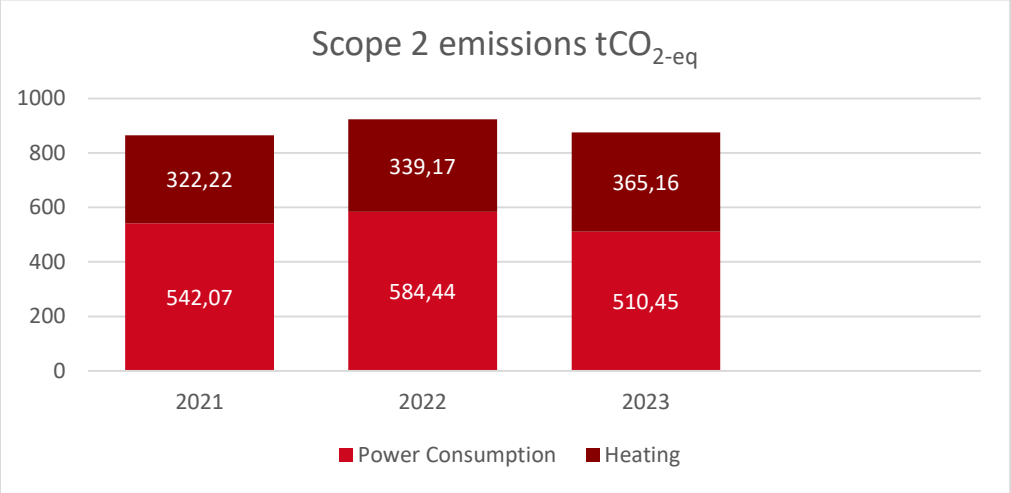
Our targets for reducing Scope 1 GHG emissions:

1. Reduce Scope 1 GHG emissions by 75% by 2030 in comparison with the base year (2021).
2. Move towards having a car park in which at least 75% of vehicles are powered by renewable energy by 2030.

2.1.2. Scope 2

The main sources of energy consumption at our premises in Wuppertal are the power supply for buildings and heating.

The total produced GHG emissions under Scope 2 in 2023 were 875.61 tonnes CO_2-eq, 1.31% more than in 2021 (864.29 tons CO_2-eq).



[5]

Our target is to reduce Scope 2 emissions by 50% by 2030 in comparison with the base year (2021).

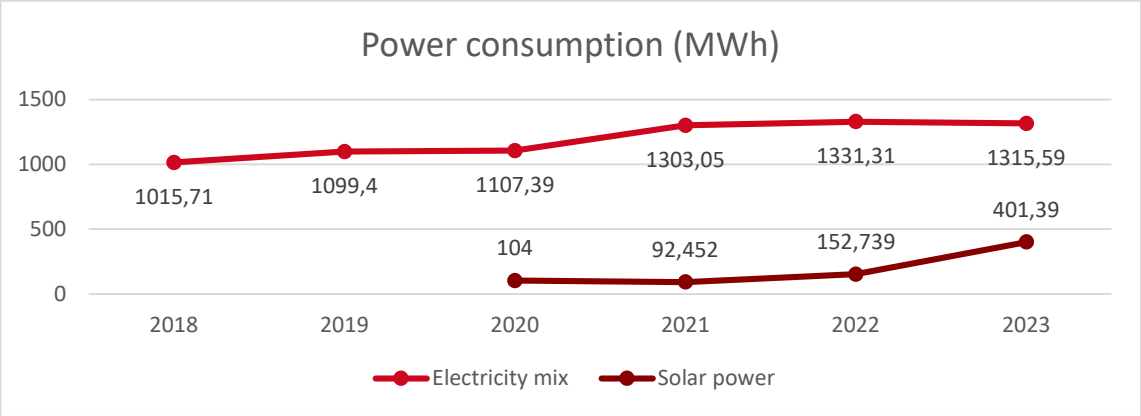
2.1.2.1. Power Consumption

Although we expanded our photovoltaic energy production in 2022, most of our electricity is still sourced from local providers.

Power consumption in 2023 has slightly fallen in comparison with 2022, but it is still slightly above the 2021 level. Although power consumption has fallen slightly this year, we expect it to be impacted next year due to the expansion and relocation of our manufacturing department in Wuppertal to a new building in 2024. However, when we look at this number from the produced emission perspective, we see that there is a

[5] **Note:** Data for 2021 and 2022 of produced emissions by power consumption have been updated according to the newest emission factor updates from UBA. Due to an error in the heating used in 2022, the last Environmental Report 2022 indicated a lower emission amount produced in Scope 2 (848.75 t CO2-eq). It was corrected in this year's report.

positive outlook. In 2023, produced emissions were 5.83% lower than in the base year. The main reason for this is that the emission factor for the electricity mix in Germany has decreased compared to 2021 or 2022.



In part, the possibilities of reducing produced GHGs relies on our local power provider, which has committed to switching to power fully produced from renewable energy sources by 2035.

2.1.2.2. Heating and oil consumption

Although heating consumption has been higher than in previous periods, this is primarily due to the expansion of our premises, which has resulted in a greater area that needs to be heated.

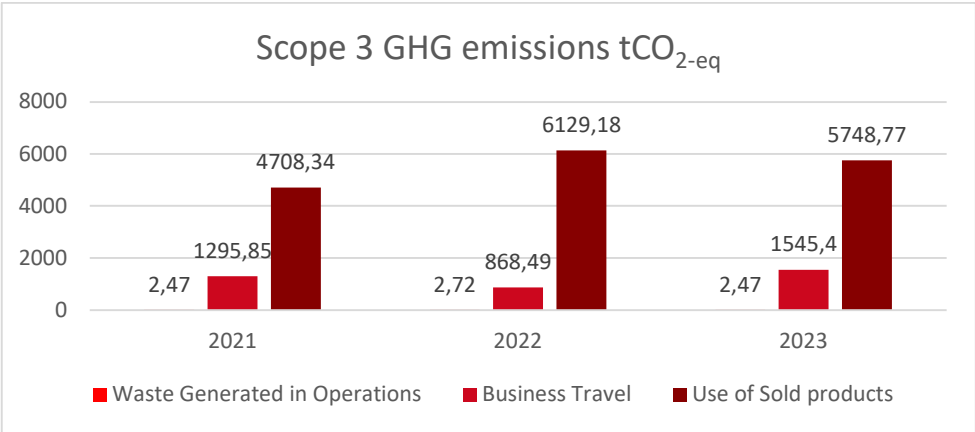
As we expand, we are also developing solutions to reduce the greenhouse gas emissions from heating. However, it may take several years before we begin to see the results of these efforts.

2.1.3. Scope 3

Scope 3 includes a wide range of factors contributing to GHG emissions. In our case, as a manufacturing and service company, the majority of GHG emissions fall under this scope.

Total produced GHG emissions in 2023 in Scope 3 were 7,296.64 tons CO2-eq, 10.44% more than in the base year (6,606.66 tons CO2-eq). Most emissions come from the quantity of sold products.

When divided by categories, the greenhouse gas emissions are as follows:



For most of 2021, many activities were still constrained by COVID-19 restrictions, resulting in fewer events than usual. Since then, both annual revenue and the number of events have increased, consequently affecting our Scope 3 emissions, especially in the categories related to sold products. While the Use of Sold Products category shows high GHG emissions, it must be remembered that produced emissions are calculated over the lifetime of a device and represent an approximate figure. The actual GHG emissions are highly dependent on the type of power used (i.e., renewable energy, fossil fuels or mixed energies), as well as the energy factor in the country where the device is operated.

Although there is a rise of emissions in the business travel category, this is partly because of optimisation and centralisation of travel management, which has improved the possibility of collecting more precise data, as most of our travel is now booked through one point.

Total emissions from produced waste in 2023 is the same as in 2021. The actual produced waste amount is 14.93% higher than in 2021 (total of 71.65 tonnes of waste in 2021, 79.06 tonnes in 2022, and 82,35 tonnes in 2023).

Nevertheless, the amount of unrecycled waste has fallen in comparison with last year by 11%, though it remains 16% higher than in 2021. This is due to the introduction of plastic waste separation in 2023, which may have a more significant impact on this figure in 2024. We are continuing to improve the waste management system and expect to see better results in coming years, with the goal of reducing unrecycled waste by 50% in 2025.

2.2. Water consumption

Water consumption at our headquarters has remained at similar levels every year. However, we can see the decline in water usage over the last three years. While in 2020, water consumption was 5,799 CBM, in 2021, 2022 and 2023 it was 3,982 CBM, 3,983 CBM and 3,584 CBM respectively. Water at the headquarters is mainly used for employees' daily needs (drinking water and bathroom facilities). As a result, there is little margin for water consumption reduction. However, when we compare the water consumption per person, there are notable improvements in 2023. In 2021, the average consumption per person was 10.13 CBM of water, whereas in 2023 it had decreased to 7.11 CBM per person.

Our target is to keep the water usage at current levels (3,500 – 4,500 CBM) even with further growth in the business.

About Riedel Communications

Riedel Communications, founded in 1987 in Wuppertal, is a leading provider of live production tools in the worlds of media, sports and entertainment. Our hard- and software solutions span from distributed video and audio networks over intercom and replay solutions to WAN and MPLS applications. Thanks to our holistic approach, our three business units (Product Division, Managed Technology Division and Networks Division) can leverage powerful synergies to provide the infrastructures, tools and services for both fixed and temporary installations around the globe, enabling our customers to run even the most complex projects— on-site, remotely or in the cloud.

Since 2022, Riedel has been organised into three main divisions, enabling us to respond more effectively to evolving and increasingly diverse market demands:

- Product Division: Developing live production tools for media, sports, entertainment and corporate sectors, our Product Division is at the forefront of hard- and software innovations.
- Managed Technology Division: With more than 3000 events every year, Riedel Managed Technology stands for expertise in and experience with live event technology, extending well beyond simple equipment rental. Our Managed Technology Division delivers scalable turnkey solutions tailored to your needs, harnessing the full power of our state-of-the-art products and services, implemented and managed by our experienced engineers.
- Networks Division: Our Networks Division provides customised data communication networks for the broadcast, live event and corporate sectors, delivering high bandwidths to closed networks and public internet wherever you are.

Annex I. Summary of environmental targets

GHG emission reduction targets

Target	Base Year	Year
Net Zero GHG emissions across the value chain	2021	2050
Reduce our GHG emissions by 50%	2021	2030
Reduce Scope 1 GHG emissions by 75%	2021	2035
Move towards having a car park in which at least 75% of vehicles are powered by renewable energy by 2030.	N/A	2030
Reduce Scope 2 emissions by 50%	2021	2030

Environmental targets

Code	Target	Year
E_1	Reduce unrecycled waste by 50% in comparison with the base year (2021)	2025
E_5	Keep the water usage at current levels (3,500 – 4,500 CBM)	Yearly