ANNUAL REPORT
2022
Sustainability Policy and Performance

Issued: 7/1/2022
Reporting Period: 1/1/2021 - 12/31/2021
The Siemon Company is committed to protecting and preserving the environment. Siemon’s Environmental Management System has been certified to the ISO 14001 Standard since 1998 and serves as an operating framework to continually reduce the environmental impacts of our activities, products, and services, and to assure our continued compliance to applicable laws, regulations, permits, and company policies. We will continually improve our Environmental Management System to significantly reduce waste and greenhouse gas emissions.

By cultivating a culture of continuous improvement, leadership, and community responsibility, Siemon provides our employees a progressively safe and environmentally responsible workplace, provides our customers innovative and environmentally responsible products and services, and encourages our suppliers to utilize effective environmental management systems.

Environmental Policy Statement

CTO & VP Global Operations
The Siemon Company
2022-July-01
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Policies, targets, KPIs, and performance

A. Policy Statement – Through the dedicated effort and ingenuity of our people, Siemon develops and refines innovative policies and practices to improve energy efficiency and reduce greenhouse gas emissions across all facets of our global operations. This is a continual, everyday commitment to driving incremental progress, based on the belief that energy efficiency and greenhouse gas reduction opportunities can be found in any operational level, department, or function and that every Siemon employee plays a crucial role.

B. Commitment: Siemon has formally committed to set science-based GHG emission reduction targets through the Science Based Targets initiative (SBTi). This commitment encompasses both SBTi’s Business Ambition for 1.5C and their Net Zero initiatives. (See https://sciencebasedtargets.org/companies-taking-action for more information on Siemon’s GHG commitment).

i. About SBTi: The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The SBTi-defined science-based targets provide a clearly-defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered ‘science-based’ if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C. To learn more, visit: https://sciencebasedtargets.org

ii. Please note:
   1. The following GHG emission reduction targets and KPIs are aligned the targets Siemon formally submitted to SBTi for validation July 2022. These targets are pending SBTi review.
   2. All emissions data presented below were calculated using GHG Protocol guidelines for Scope 1, Scope 2, and Scope 3 emission sources.
iii. Key Performance Indicators

1. Scope 1 GHG emissions
   a. **Target:** Reduce absolute Siemon global facility and fleet-produced emissions by 46.2% by 2031 (6% YOY annual reduction)
   b. **Performance to target:** Global Scope 1 GHG Emissions (MT)

2. Scope 2 GHG emissions:
   a. **Target:** Reduce absolute GHG emissions generated via purchased electricity at Siemon facilities by 46.2% by 2031 (6% YOY annual reduction)
   b. **Performance to target:** Global Scope 2 GHG Emissions (MT)
3. Scope 3 GHG Emissions

a. **Target:** Reduce Scope 3 GHG emissions by 51.6% per employee by 2031 for all Scope 3 categories relevant to Siemon operations:

![Pie chart showing distribution of GHG emissions](chart.png)

Purchased goods and services 76.33%

- Capital goods 2.15%
- Fuel/energy activities 0.32%
- Upstream transportation & distribution 5.27%
- Waste generated in operations 0.26%
- Business travel 0.35%
- Employee commuting 1.15%
- Downstream transportation & distribution 13.73%
- End-of-life treatment of sold products 0.45%

b. **Performance to target:** Global Scope 3 GHG Emissions (MT per employee)

![Bar chart showing GHG emissions](chart2.png)

- 2021: 120 MT
- 2022: 100 MT
- 2023: 90 MT
- 2024: 80 MT
- 2025: 70 MT
- 2026: 60 MT
4. **Renewable energy** – Continually explore available regional options to annually increase percentage of renewable energy sources versus non-renewables usage by 2% YOY from 2021 to 2031, as a key contributor to company-wide SBTi-aligned GHG emission reduction targets.

![Global Electricity Usage (KWh) = % from Renewable Sources](chart.png)

*Calculated per:
- NA Region - US EPA NEWE Subregion and CT PURA data
- ERCA, IMEA, LATAM, China, APAC: EcoVadis Carbon Calculator

5. **Employee energy conservation awareness/training** – Mandatory annual training for all employees, covering energy conservation methodologies, company and employee actions and expectations, and resources.
   a. **Target:** Course attendance/completion monitored and tracked via internal training/education management system (MindTickle) to target of 100% compliance for all employees.
   b. **Performance to target:** Employee Safety and Environmental Sustainability Awareness Training Compliance Report – See 5.a.iii

6. **Carbon Offsets** – Branch Hill Farms, owned by The Carl Siemon Family Trust and operated by Siemon Company board members, maintains 3000 acres of White Pine and Red Oak forestland, providing carbon offsets of approximately 13,000 metric tons annually. These offsets are calculated using US EPA forestland carbon sequestration data.
Key Achievements - Energy Efficiency

- 1500 m2 solar plant at Siemon's Watertown campus reduces annual CO2 emissions by over 53,688 Kg/Yr., according to EPA estimates.

**Watertown Solar Array Power Generation (KWh)**

- Replacement of fluorescent lighting to high-efficiency LED lighting in Siemon Mexico offices cut electricity use by 50%, from 3 KWh – to 1.5 KWh.
- Converted China warehouse to LED lighting, cutting number of required fixtures by 60% and saving 10,000 KW/year.
2. Water Conservation

Policies, targets, KPIs, and performance

A. **Policy Statement:** Siemon recognizes the importance of clean water to the health of our global community as well as our natural ecosystems, and we are committed protecting this critical resource. Our water conservation policies, processes, and practices encompass all areas of Siemon’s global operations, driving continual reductions in water consumption and eliminating water pollution in our local communities.

B. **Reduction of Water Consumption - Key Performance Indicators**
   i. **Target:** Drive YOY reductions in water consumption at each of our global manufacturing facilities and track impact on company-wide target of 5% reduction in water consumption per employee by 2031
   ii. **Performance to Target:** Global Water Use (m3)/Change =Vs. PY

*calculation based on service provider data*
C. **Reduction of Water Pollution:**

   i. **Target:** Meet all applicable local legal requirements regarding reduction and elimination of water pollution at Siemon's global facilities, and continually seek methodologies to exceed these requirements.

   ii. **Performance to target:**
       1. US EPA TRI Form R Compliance
       2. CT DEEP Zero-Exposure Certification for Industrial Stormwater Discharge

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D. **Employee water conservation awareness/training** - Mandatory annual training for all employees, covering water conservation methodologies, company and employee actions and expectations, and resources

   i. **Target:** Course attendance/completion monitored and tracked via internal training/education management system (Mindtickle) to target of 100% compliance for all employees.

   ii. **Performance to target:** Employee Safety and Environmental Sustainability Awareness Training Compliance Report – See 5.a.iii
A. **Policy Statement:** Siemon is committed to the preservation, protection, and restoration of natural ecosystems in our local communities, and the planet as a whole. We work to consider and minimize the potential impact of our global operations on native flora, fauna, and landscapes through our day-to-day actions and our long-term processes, as well as continually seek means to protect and restore natural biodiversity – both within the scope of our operations and beyond.

B. **Target:** Identify and execute a minimum of one project supporting local biodiversity in each of Siemon’s Global regions: North America (NA), Latin America (LA), Europe Central Asia (ERCA), India Middle East Africa (IMEA), China and Asia Pacific (AP) in 2022.

C. **Key Performance Indicator:** Execution and impact report from each global region outlining each local biodiversity project:
   i. Project location/impact area
   ii. Project start/completion date
   iii. Project overview
   iv. Flora/fauna species impacted
   v. Short/long-term project goals
Key Achievements - Biodiversity

- **Branch Hill Farm** - A 3,000 acre award winning tree farm owned by the Carl Siemon Family Charitable Trust and operated by Siemon Company Board Members. Recognized by the IRS as a 501(c)(3) non-profit organization and registered with New Hampshire Attorney General Charitable Trusts Unit.

- **Moose Mountain Regional Greenways** – Branch Hill Farms and the Carl Siemon Family Charitable Trust are founding members of Moose Mountain Regional Greenways, a non-profit land trust that combined with Branch Hill, has conserved over 11,000 acres of natural spaces, waterways, and forestland across New Hampshire, USA. (see [https://mmrgnh.org](https://mmrgnh.org))

- **Assembly Rain Garden** – Located at Siemon’s Watertown, CT, USA HQ, this planned vernal wetland supports local biodiversity by establishing native plants that attract pollinators like butterflies and bees, provides migratory songbirds with habitat, and act as a natural barrier that filters runoff water from a parking lot, reducing run-off and contributing to the local watershed.
4. Local Pollution and Waste Management

Policies, targets, KPIs, and performance

A. **Policy Statement** – Siemon considers material waste reduction and elimination of local pollution to be a critical element of our continual effort to minimize the environmental impact of our global operations. Through formally documented policy, procedures, and employee action, we minimize waste at all operational levels, including, but not limited to:

i. optimized product design and manufacturing process to reduce raw material usage and scrap

ii. manufacturing scrap reuse and recycling

iii. material-efficient, recyclable/reclaimable packaging

iv. office waste reduction and recycling

B. **Waste Reduction and Recycling**

i. **Target**: Increase the absolute percentage of recycled/repurposed waste vs total waste by at least 3% YOY from the baseline year of 2021 with a goal of 99% or better by the target year of 2031.

ii. **Performance to target**: Siemon Global Waste Management

*calculation based on internal and waste management service data*
C. Pollution Reduction
   i. Targets: Continually identify and reduce/eliminate all potential sources of local pollution at Siemon facilities via annual Objectives and Targets and Significant Aspects processes
   ii. Key Performance Indicators:
       1. EM-0300-06 – Significant aspects
       2. EM-0330-2021 – Objectives and Targets
       3. US EPA TRI Form R Compliance

D. Employee pollution and waste reduction awareness/training - Mandatory annual training for all employees, covering waste reduction methodologies, company and employee actions and expectations, and resources
   i. Target: Course attendance/completion monitored and tracked via internal training/education management system (MindTickle) to target of 100% compliance for all employees.
   ii. Performance to target: Employee Safety and Environmental Sustainability Awareness Training Compliance Report – See 5.a.iii

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Key Achievements - Sustainable Waste Management

- Each year, Siemon recycles or repurposes over 151 tons of waste instead of sending it to landfills, further reducing greenhouse gas emissions by over 357 tons by EPA estimates.
- Siemon’s Mexico production facility annually cuts non-hazardous waste production with the result of reducing landfilled waste by 30% YOY between 2019 and 2021
- All sub-components shipped between Siemon facilities packed in re-used/reusable cartons and boxes
- China facility re-uses wooden cable reels a minimum of 5 times
5. Customer and Employee Safety

Policies, targets, KPIs, and performance

A. Employee Safety:
   i. Policy Statement: Siemon is committed to promoting the safety and physical welfare of its employees through carefully controlled manufacturing practices and safe working conditions and will allocate the financial, technical, and managerial resources necessary to meet this goal. This includes developing effective safety and health plans which results in the following:
      1. Recognized safeguards for work environments, equipment, and tools
      2. Detailed work procedures which incorporate safety
      3. Trained and knowledgeable employees who perform their jobs in accordance with established procedures
      4. Systems to identify and correct safety deficiencies
      5. See Siemon Company Health and Safety Manual
   
   ii. Employee Safety Roles and Responsibilities: All Siemon Company personnel have essential roles and responsibilities in the safety process.
      1. Each manager, supervisor, and process leader must accept full responsibility for the safety of their work group. This responsibility cannot be transferred.
      2. Employees must actively participate in the safety process. Each employee has the responsibility to identify and bring forward risks and concerns relating to safety and health, and to make suggestions to remediate conditions and prevent incidents that are detrimental to health and safety for themselves and others.
      3. Managers, supervisors, process leaders and employees alike must strictly adhere to established safe work procedures and applicable governmental safety and health regulations.
iii. **Employee safety awareness/training** – Employee safety policy and other topics are addressed through annual employee safety training, monitored through Siemon’s QT9 document/employee training management platform.

1. **Target:** 100% annual employee Safety Training completion
2. **Performance to target:**
   a. 2019: 95% Completion
   b. 2020: 98% Completion
   c. 2021: 100% Completion

iv. **Employee safety metrics** – Siemon continually monitors employee safety through a formalized, in-depth series of procedures and metrics. These safety procedures and performance data are available upon request.

B. **Customer/Product Safety Compliance:**

i. **Policy Statement:** Siemon is committed to the well-being of its global customers and partners and has established progressive policies, practices, and processes to ensure Siemon product safety. These actions are executed through engineering-based review and testing of safety compliance to product specifications, design features, and application of use according to global industry standards and applicable governing regulations.

**Core safety design objectives:**

1. Identify and eliminate risk of injury to installer and end user,
2. Identify and eliminate risk of electrical shock,
3. Identify and eliminate risk of fire hazard.

ii. **Procedures and Key Performance Indicators:**

2. All Siemon products with an electrical current are Certified to UL1863: Communication Circuit Accessories or UL62368-1: Standard For Audio/Video, Information And Communication Technology Equipment - Part 1: Safety Requirements
3. Siemon uses only UL Recognized Plastic, which is certified to UL 94, the Standard for Tests for Flammability of Plastic Materials for Parts in Devices and Appliances, and harmonized with IEC 60707, 60695-11-10 and 60695-11-20 and ISO 9772 and 9773.
4. Siemon Cable is Certified to the following Safety Standards for UL/CSA Standards:

<table>
<thead>
<tr>
<th>NEC Article</th>
<th>UL Category</th>
<th>UL/CSA Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>725</td>
<td>Power Limited Circuit Cable (QPTZ)</td>
<td>UL 13</td>
</tr>
<tr>
<td>770</td>
<td>Optical Fiber Cable (QAYK, QAYK7)</td>
<td>UL 1651 / CSA C22.2 No. 232</td>
</tr>
<tr>
<td>800</td>
<td>Communications Cable (DUZX, DUZX7)</td>
<td>UL 444 / CSA C22.2 No. 214</td>
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</tbody>
</table>
C. **Product Material Compliance:**

i. **Corporate Policy Statement:** Siemon considers the identification and restriction of substances used in its products and product manufacturing processes that are considered potentially harmful to the environment or human health to be a critical, company-wide initiative. Where substances of high concern are necessary, Siemon will disclose this information to customers to facilitate proper handling, storage, recycling, and disposal.

ii. **Supplier Policy Statement:** Siemon expects all material suppliers to adhere to strict material safety practices and has instituted formal supplier qualification procedures to ensure compliance with applicable regulations pertaining to restricted or hazardous materials.
   1. These regulations are documented in Siemon Supplier Environmental Compliance Process (Doc ID # WTN-RDL- PRO-161)
   2. Above document is sent for acknowledgment to all suppliers regarding Siemon requirements and is referenced within the Terms and Conditions of every Siemon Purchase Order
   3. For additional detail on Siemon Supplier requirements, see [https://www.siemon.com/en/home/support/compliance](https://www.siemon.com/en/home/support/compliance)

iii. **Product Material Safety and Compliance Procedures and Key Performance Indicators**
   1. *Siemon and its suppliers must comply with the following regulations and/or provide declarations of conformity (SDoC) where applicable:*
      a. The European Union’s (EU) 2015/863 directive, Restriction of the use of certain Hazardous Substances in electrical and electronic equipment (recast)
      b. China’s MII order number 39 (China RoHS)
      c. Toxic Substances Control Act (TSCA)
      d. Proposition 65 California. Safe drinking water Office of Environmental Health Hazard Assessment
      e. Conflict Minerals US SEC Dodd- Frank
      f. The EU’s regulation number 1907/2006 concerning Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)
      h. Ozone Depleting Substances (ODS)
      i. Persistent Organic Pollutants (POPS)
      j. EU Packaging Directive 94/62/EC
      k. EU Batteries Directive (2006/66/EC)
      l. Conflict Minerals Reporting Template (CMRT).
   2. *Siemon publishes Safety Data Sheets (SDS) for all products.*
      b. Note: The majority of Siemon products are “articles” under applicable regulations and as such do not require SDS: [https://www.siemon.com/int/download/msds/us/general.pdf](https://www.siemon.com/int/download/msds/us/general.pdf)
6. Product Sustainability

Policies, targets, KPIs, and performance

A. **Sustainable Design**: All new Siemon products are designed based on strict “Design for the Environment” guidelines, ensuring that every product is developed to reduce raw material, energy, and consumables used in product manufacturing, ensure material safety and reduce potential pollutants during manufacturing and throughout the product’s customer use lifecycle. Siemon products and systems are designed for an extended service life, many of which are eligible for an extended 25 year warranty.

B. **Product Transport and Logistics**: Siemon logistics processes for inbound supply and customer deliveries are optimized through regional/localized distribution points aligned with installer and end-user locations. In coordination with our global network of authorized distributors and installers Siemon continually strives to meet our customer’s needs while minimizing GHG emissions associated with delivery of products and services. Stocking/staging of products is the primary service that our distribution partners offer to minimize the environmental impact of inefficient shipping practices. In addition, all Siemon authorized distributors warehouses are served directly by Siemon regional warehouses and logistics centers strategically located in Watertown CT, Pudong China, Tijuana Mexico, Rotterdam Netherlands, Sao Paolo Brazil and Chennai India as well as contract manufacturing locations in England, Germany, Slovakia, US, Australia, China, Taiwan & Vietnam. This allows Siemon to reduce travel and consolidate large orders into environmentally sustainable containerized shipments rather than increased volume of fuel intensive parcel deliveries.

C. **Sustainable Packaging**: Siemon maintains an ongoing effort to ensure that all product packaging is designed to use minimum material necessary to protect product in shipping and installation. All materials used to package Siemon-manufactured product is recyclable/reclaimable. Packaging used for internal deliveries is reused when practicable.
D. **Product Lifecycle Information** – Siemon maintains a comprehensive database of critical product lifecycle data on its entire product catalog, covering constituent materials, compliance, packaging, lifetime power consumption, distribution model, and product end-of-life/recyclability.

i. On an as-needed basis, Siemon can provide lifecycle information on Siemon products included on customers’ final project BOM.

ii. Product lifecycle information sample: SIEMON CATEGORY 6A Z-MAX OUTLET:

<table>
<thead>
<tr>
<th>Material</th>
<th>Mass, lbs</th>
<th>Mass, grams</th>
<th>Mass %</th>
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<tbody>
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<td>0.27216</td>
<td>0.96463023</td>
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<tr>
<td>Zinc alloy =</td>
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<td>ABS+PC =</td>
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<tr>
<td>ABS =</td>
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<tr>
<td>Paper (label) =</td>
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- **Material compliance**
  - Products comply with the EU RoHS Directive 2002/95/EC.
  - Products comply with REACH.¹
- **Product Packaging**
  - Small parts bags (polyethylene and similar)
  - Product packaging designed to use minimum material necessary to protect product in shipping and installation
  - All packaging materials recyclable/reclaimable
- **Distribution**
  - Product logistics processes optimized through regional/localized distribution points within end-user areas.
- **Power Usage**
  - As a passive product, Z-MAX connectivity consumes no energy while in use.
- **Recycling (End of Lifecycle)**
  - Product may be disassembled to facilitate recovery of materials
  - All constituent materials recyclable/recoverable
7. Reference Documentation

a. Siemon Societal Responsibility Statement: WTN-ADM-POL-26
c. EMS – Implementation and Operation: RSL-PENG-POL-10
d. EMS Scope: RSL-PENG-POL-12
e. Local Objectives, Targets and Program(s): WTN-PENG-POL-19
f. Local Environmental Aspects Determination: WTN-PENG-POL-17
g. Local Competence, Training and Awareness Procedure: WTN-PENG-PRO-23
h. Employee Safety and Environmental Sustainability Awareness Training: WTN-PENG-PRO-37
i. Significant aspects: EM-0300-06
j. Objectives and Targets: EM-0330-2021
k. US EPA TRI Form R
l. UL, cUL, CSA, CE, ACA Compliance: WTN-GLBOP-PRO-184
n. Siemon Company Health and Safety Manual
o. Supplier Environmental Compliance: WTN-RDL-PRO-161
p. Supplier Code of Conduct: WTN-PUR-POL-34
q. Design for the Environment Checklist: WTN-ENG-FRM-67
Because we continuously improve our products, Siemon reserves the right to change specifications and availability without prior notice.

<table>
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<tr>
<th>Region</th>
<th>Contact Details</th>
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<tbody>
<tr>
<td>North America</td>
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<tr>
<td>Asia Pacific</td>
<td>P: (61) 2 8977 7500</td>
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<tr>
<td>Latin America</td>
<td>P: (571) 657 1950/51/52</td>
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<tr>
<td>China</td>
<td>P: (86) 215385 0303</td>
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<tr>
<td>India, Middle East &amp; Africa</td>
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</tbody>
</table>

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P: (521) 556 387 7708/09/10