

Sustainability Report

Status: Sep 2023

This sustainability report of MICROSENS GmbH & Co. KG, Germany primarily considers the environmental aspects as a developer and manufacturer. It also addresses the social aspects of employees (including in the supply chain) and aspects of responsible and legally compliant corporate governance.

MICROSENS has committed itself to the Code of Conduct (CoC), a code of behaviour of our parent's company ZECH Group. It is based on internationally recognised standards for responsible corporate governance in the areas of "Environment, Social and Governance" (ESG for short).

Our principles are explained during the following phases of the product life cycle.

1 Product Development and Sourcing of Materials

- **Development in Germany**
As early as during the development process of our products, we focus on the sustainable selection of components, materials, repair options and minimising material waste.
- Our products and components are developed in accordance with energy-efficient guidelines. The introduction of efficiency functions (EEE according to IEEEE802.3az) in the device increases energy efficiency.
- Furthermore, the development process is based on the foreseeable future functional requirements of our customers in order to ensure the maximum service life and useful life of the developed products.
- **REACH**
On 1 June 2007, the European Regulation EC1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals came into force. The aim of the regulation is to identify and continuously reduce the hazards posed to humans and the environment by chemical products. Within the meaning of this regulation, MICROSENS GmbH & Co. KG is a so-called downstream user of chemical products.
- As a customer, you only purchase non-chemical products from us. No substances should be released from these products under normal and reasonably foreseeable conditions of use.
To the best of our current knowledge, our products do not contain any substances above 0.1% of the product weight that are included in the "List of particularly hazardous classified substances" (candidate list, status 17.01.2023).
- **RoHS - Restriction of the use of certain hazardous Substances**
On 9 May 2013, the legislator enacted the Ordinance on the Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment (ElektroStoffV). This ordinance transposes EU Directive 2011/65/EU into national law.

In accordance with this directive, electrical and electronic equipment placed on the market within the European Union may only contain the chemical substances listed in Annex II of the directive in limited concentrations. All MICROSENS products fully comply with the ElektroStoffV and thus with EU Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment, including the amendments 2015/863/EU and 2017/2102/EU.

- The suppliers of MICROSENS GmbH & Co. KG are checked and selected on the basis of a long-term and sustainable co-operation. This makes it possible to optimise waste and transport routes in our production process.
- The Supply Chain Due Diligence Act (LkSG) came into force on 1 January 2023. The law aims to identify and avoid human rights and environmental risks in the supply chain. We are not yet directly covered by the scope of the law. It currently only applies to companies with more than 3,000 employees. Nevertheless, we are implementing it as part of our duty to co-operate, which arises from our membership of the Zech Group.
- Our Code of Conduct is part of the contracts with business partners in our supply chains and regulates the mutual rights and obligations for a responsible, sustainable and cooperative business relationship.

2 Manufacturing Operations

- The production of strategic core components takes place exclusively in Germany.
- As a German manufacturer of active network components, MICROSENS generates a high proportion of the value chain in Germany and is therefore subject to the demanding legal framework conditions of a manufacturing company, which are stipulated by the Federal Republic of Germany and the European Union.
- We have invested in new, energy-efficient production machines in 2017 in order to further reduce energy consumption within the production process and further reduce the amount of production material waste.
- LED lighting / smart lighting
We use an energy-efficient lighting system, including motion detectors, to control the light as required.

3 Packaging / transport / logistics

- The packaging of MICROSENS products has been developed to be sustainable, taking transport safety into account.
- 100% of MICROSENS' packaging is designed and developed in such a way that it can be reused or recycled as fully as possible.
- In addition, our aim is that 100% of the paper fibres in our paper packaging and cardboard boxes are made from recycled material or, if virgin fibres are required, come from sustainable, certified forestry.

4 Installation & Comissioning

- Our devices use fibre optic network technology. This means that valuable resources such as copper, which is the raw material of conventional networks, can be saved massively.
- Furthermore, our fibre optic network technology allows us to significantly reduce the space required in buildings for network technology, as there is no need for sub-distribution rooms, for example.
- When laying fibre optic cables, only very small drill diameters are required when laying through walls. This means that fire protection regulations can be met with very little effort and costly fire protection measures can be avoided. This is particularly advantageous when retrofitting in existing buildings.
- The installation of MICROSENS products is carried out by our certified partner companies.
- We make sure that we only provide assembly and installation materials that are required in order to avoid possible waste materials that would otherwise be disposed of.

5 Use of our products

- Maintenance and service
We offer our customers maintenance and service contracts to ensure the operation of our devices in accordance with customer requirements over a long service life.
- RMA process
We maintain our own laboratory and workshop at our Hamm site in order to maintain damaged appliances even at an advanced age. The repair and replacement of damaged components is possible while taking ecological and economic aspects into account.

6 End of life & Recycling

- Disposal process
MICROSENS carries out the separation of recyclable materials according to recycling aspects (circuit boards, metals, electronics) in the disposal process. This is followed by disposal or return to the recycling chain by a certified disposal company.
- In the case of planned disposal of MICROSENS components, we offer users the return of components to our headquarters in order to carry out the disposal in accordance with our specifications and guidelines. This is weighed up with the users from an ecological point of view in order to minimise the logistical effort.