



Keeps you going

Environment

TVH's commitment to the planet

Sustainability at TVH is ingrained in the very fabric of the business model. TVH focuses on impactful, long-term changes that benefit its people, partners, and the planet. Below are some of its key initiatives:

REMANUFACTURING

TVH has been recognised as a prime example of remanufacturing by the European Remanufacturing Council. It operates one of the world's largest remanufacturing hubs, where more than 250 technical experts restore over 100,000 parts annually to as-new condition, significantly extending equipment life cycles.

REDUCING ITS CARBON FOOTPRINT

TVH aims to reduce its combined Scope 1 and 2 greenhouse gas emissions by 57% in 2030 relative to the 2023 baseline. In 2025, it has achieved a reduction of 7% (market-based).

TVH ELECTRIC SYSTEM DESIGN

TVH is introducing a new specialised service that empowers customers to develop new battery-powered applications and to electrify existing equipment, effectively removing fossil-fuel-based machinery in favour of sustainable alternatives.

RECOGNITION & STANDARDS

TVH is proud to be recognised as a UNITAR SDG Champion. It has also renewed its 'Committed EcoVadis' sustainability rating, reflecting its dedication to meeting global environmental and social standards.



Social

TVH's people: driving success together

TVH's more than 5,000 employees are at the heart of the organisation. With an employee engagement score of 77%, TVH is proud to create a safe, open-minded environment where people can act with joy, pursue excellence, take initiative and show courage. Below are some of its initiatives:

SAFETY FIRST

To elevate its safety programme, TVH rolled out the global Safety Bee campaign in 2024, focusing on placing the responsibility for safety in everyone's hands.

WELL-BEING

With its Nudge programme, TVH wants to support everyone's healthy, active and balanced lifestyles.

DIVERSITY, EQUITY AND INCLUSION

TVH creates an inclusive environment and values every single person. Diversity, equity and inclusion are part of the core processes and provide equal opportunities.

LIFELONG LEARNING

TVH University provides the entire TVH workforce with lifelong learning opportunities. Its internal portfolio currently offers more than 1,700 training courses.



Governance

TVH values integrity,
responsible conduct,
teamwork, excellence
and commitment

FOSTERING A CULTURE OF ETHICAL CONDUCT FOR EMPLOYEES

- Upholding responsible practices through the **Code of Conduct** and the 'Raise your Voice' policy providing guidance on reporting workplace wrongdoings
- Providing training on the **Code of Conduct** to the majority of desk workers in 2025

ETHICAL BUSINESS PRACTICES AT TVH

- Ensuring integrity in operations through clear policies on Conflicts of Interest, International Trade Compliance and Anti-Bribery and Anti-Corruption
- Collaborating with partners to share the same respect for the environment and the people in its value chain

Targets & KPIs

STRATEGIC AREA	KPI	FY2025 STATUS	TARGET
ENVIRONMENT	Renewable energy production	> 26,000 solar panels generating a peak power output of > 8.1 Megawatts	11 megawatts by 2030
	Scope 1 and 2 greenhouse gas emissions reduction target	-7% (market-based) vs. 2023 base year	-57% by 2030
SOCIAL	Average training hours per employee	33.7 hours per employee in Belgium 22.9 hours per employee for Global	35 hours per employee in Belgium 25 hours per employee for Global
	Employee engagement survey score	77%	75%
	Employee engagement survey participation rate	88%	85%
GOVERNANCE	Bribery & corruption	0 confirmed incidents	0 confirmed incidents

TVH Parts Holding

1. General information

1.1. Basis for preparation

The sustainability statement is prepared on a consolidated basis. The reporting scope is aligned with the consolidated financial statements. To enhance readability, this sustainability report refers to TVH Global as simply “TVH”.

Towards CSRD

In 2028, TVH will publish its first CSRD report, covering the financial year (FY) 2027. This report is, therefore, a preparatory step towards full compliance in 2027.

Disclaimer: The 2025 TVH sustainability report is a voluntary statement and has not been externally verified (except for the gross GHG emissions). As such, the sustainability information provided in this report reflects the company’s current understanding and assessment of its environmental, social and governance (ESG) performance. While TVH strives to ensure the accuracy and completeness of the information presented, these disclosures are not guaranteed to be free from errors or omissions. TVH does not assume any liability for any inaccuracies or for any decisions made based on the information provided in this report.

Scope of consolidation

The scope of the consolidation of TVH Global NV includes TVH Global NV and 6 subsidiaries which are fully consolidated (in line with the publicly filed BE GAAP consolidated annual accounts). TVH, a global company with 95 branches worldwide, aligns its sustainability statement with this extensive scope. In cases where quantitative data from a specific branch or country is unavailable, it is indicated clearly in the relevant section.

Vision

TVH envisions a future where its business practices strike a balance between economic viability, environmental sustainability and social responsibility. Its aims to ensure that its processes, products and manufacturing activities not only meet the needs of the present but also contribute positively to the well-being of future generations.

Value chain coverage and activities

The statement covers upstream procurement and supplier production, including limited in-house (re)manufacturing. Inbound logistics are covered via third-party freight forwarders and shipping to warehouses. Downstream coverage includes outbound transport through third-party freight forwarders, internal handling, storage and sales. Distribution channels

include resellers, sales and services. After-use processes include repair, remanufacturing and buyback programmes for certain parts.

Quantitative coverage and roll-out

Environmental metrics: In 2025, TVH improved the accuracy of its GHG emissions reporting by adopting an audited carbon accounting tool that uses verified consumption data from primary data has enhanced data quality, although collection challenges persist. TVH prioritises primary data for material sites, while smaller, non-material sites continue to rely on spend-based methodologies. The company will use these improved calculations to define reduction targets for major upstream and downstream emission categories in 2026.

Waste metrics cover Belgian TVH Parts entities only, with data collection for other entities to be rolled out in 2026.

1.2. Governance

1.2.1. THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Board composition and diversity

17% of Board members are independent. The average ratio of female to male Board members is 33%. Employees and other workers are not represented on administrative, management or supervisory bodies.

During the reporting period, the Group underwent a senior leadership transition following the departure of its CEO. To ensure seamless strategic continuity and organisational stability, Patrick Lecluyse, previously the Independent Chairman of the Board, stepped into an executive capacity as Executive Chairman. While this transition—which sees Patrick Lecluyse fulfilling both the functions of Chairman of the Board and Executive Chairman—modifies his status from Independent Director to Executive Director for the duration of this term, the Board views this as a proactive measure to safeguard stakeholder interests during the search for a permanent successor.

Governance structure and oversight

The Board of Directors provides medium-/long-term direction and oversees ESG risks and opportunities at a strategic level, aligning with business strategy and progress on key ESG objectives, commitments and obligations. The Global Management Team (GMT) is the final decision-maker on sustainability strategies, goals and objectives and integrates sustainability into CapEx/OpEx allocation decisions. A cross-functional Sustainability SteerCo meets every two months to drive the sustainability strategy, escalates to the GMT as needed, and validates ESG reporting to the Board.

Effective January 2025, the Global Sustainable Procurement Committee (GSPC) was integrated into the Supplier Relations Management (SRM) Committee. This consolidation ensures that sustainability criteria are no longer managed in isolation but are embedded directly into our core cross-functional governance structure.

Capability building and materiality

The company deploys dedicated cross-functional taskforces, dedicated software for carbon accounting and ESG reporting, as well as staff training to comply with evolving regulatory and reporting standards.

The Environmental Charter is integrated across all consolidated entities and reviewed at least every 5 years, supporting continuous alignment of competencies with evolving expectations.

The double materiality assessment conducted in 2023 was approved by the Board of Directors, while the governance and plan for a new DMA exercise to be conducted in 2026 was approved by the Sustainability SteerCo in 2025.

Target-setting and monitoring

The Board of Directors oversees metrics and targets, and holds management accountable. The Global Management Team decides on goals and objectives and allocated CapEx/OpEx decisions. The Sustainability Director defines programmes, tracks progress on strategic objectives, proposes updates based on results and stakeholder expectations, and reports on targets in line with CSRD.

Risk management and integration in decision-making

Risk management is fully integrated into strategic planning and daily operations. ESG risks identified in the 2023 DMA are included in TVH's global risk taxonomy and climate risks and opportunities are considered in strategic decision-making and operation.

Identity and responsibilities of bodies managing material impacts, risks and opportunities

Identity	Responsibilities	IROs Addressed
Board of Directors (BoD)	Defines governance expectations, sets the organisation's risk appetite, and approves key frameworks including the Risk Management Charter and Programme. It ensures the Risk Management function has sufficient authority and resources, receives reports after each Audit Committee meeting, and is responsible for appointing and evaluating the Chief Risk Officer.	Oversight of significant organisational risks and ESG risks/opportunities at a strategic level. Risk domains include strategic, operational, business continuity and third-party risks. Environmental priorities include climate change (mitigation and adaptation) and other issues such as pollution, water, resource use and a circular economy.
Audit Committee (AC)	Defines the Risk Management function as a global independent function, receives at least annual summaries from Risk Management, and maintains the direct reporting line granting authority and unrestricted Board access to Risk Management. Oversees internal and external audits.	Oversight of significant organisational risks via the Risk Management function across strategic, operational, business continuity and third-party risk domains.
Global Management Team (GMT)	Final decision-maker on sustainability strategies, goals and objectives. Integrates sustainability into CapEx/OpEx allocation. Reviews and approves risk management decisions with potential impact exceeding €1 million.	Direct approval of material risk decisions (>€1m). Implementation and resourcing of sustainability strategy, including climate change mitigation and adaptation priorities.
Steering Committee Risk (SteerCo Risk)	Consultation body to the Risk Management function. Composed of the CEO, CFO, CISO and Chief Risk Officer. Meets at least quarterly to review high-priority risk management matters and progress on action points. Reviews reporting on programme status, emerging trends, findings, KRIs and incidents.	High-priority risk management matters across strategic, operational, business continuity and third-party risks.
Chief Risk Officer (CRO) - VP Assurance:	Leads the Risk Management function. Responsible for day-to-day decisions on risk management scope of work and reporting. Escalates significant investments beyond signatory powers to the CFO and material global implications (>€1m) to the GMT. Maintains the ability to report directly to the CEO and/or Chair of the Audit Committee to safeguard independence.	Management of strategic, operational, business continuity and third-party risks. Escalation of material global risk issues.

Identity	Responsibilities	IROs Addressed
Risk Management function (Second line) :	Operates independently with direct reporting to the Audit Committee and full access to information. It defines and maintains the organisation's risk management approach, advises the Board and Senior Management, and provides oversight, guidance, training and standardised reporting. It has the authority to direct risk-related activities, approve or withhold approval to ensure alignment with risk appetite, and investigate significant risk exposures to enforce appropriate mitigation measures.	Strategic risk management. Operational/process risk management. Business continuity management. Third-party risk management.
Internal Audit (Third line)	Provides independent and objective assurance on governance, risk management and internal controls to the Board and management.	Independent assurance over the effectiveness of risk management and controls across the organisation's material risk domains.
Sustainability SteerCo	Cross-functional consultation body meeting every quarter. Reviews high-priority risk matters and action progress. Escalates to GMT as needed. Validates ESG reporting to the Board. Composed of CFO, COO and CSSO and on an ad hoc basis the CEO, CPO and CPPO chaired by the Sustainability Director and sustainability reporting specialist.	Development and implementation of the sustainability strategy, with emphasis on climate change and broader environmental priorities.
Sustainability Director	Reports to the Chief Strategy & Sustainability Officer. Defines plans and programmes and drives implementation of climate change actions (decarbonisation and adaptation). Tracks progress against the Strategic Plan. Reports on environmental topics in line with the CSRD. Coordinates sustainability across business segments and functions.	Climate change mitigation and adaptation (physical and transition risks). Broader environmental issues including GHG emissions, resource use and a circular economy.
Supplier Relations Management (SRM)	Cross-functional group that drives the development and implementation of sustainability in the value chain programme. Includes the Head of Sustainable Procurement, Sustainability Director and assurance, purchasing and commercial experts.	Sustainability impacts and opportunities in the value chain (supplier and procurement-related ESG considerations).
Adhoc Sustainability Focus Groups	Department and region-level representatives who identify sustainability opportunities and challenges and support implementation. Act as local first points of contact for employees on sustainability matters.	Identification and implementation of sustainability opportunities and mitigation of local sustainability impacts across operations.

1.2.2. INCENTIVE SCHEMES

Incentive schemes for members of the administrative, management and supervisory bodies are set on the long term (LTI) and short term (STI) and cover social KPIs. TVH integrates non-financial KPIs into its long-term incentive (LTI) structures to drive stakeholder-focused performance. The remuneration policy is regularly reviewed to maintain alignment with strategic objectives.

Additionally, a Scope 1 and 2 emissions reduction target is tied to a monetary incentive for employees under the Belgian Collective Bonus Agreement (CBA90), with the Environmental pillar paying out only if global Scope 1 and 2 GHG emissions decline year over year; the CBA90 scheme does not apply to administrative, management, or supervisory members. Beyond Belgium, the CBA90-style collective bonus with sustainability linkage applies in Germany, the Netherlands, Poland, Portugal, South Africa and Spain. In Italy, a CBA90-style collective bonus applies with country-specific KPIs.

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1.2.3. STATEMENT ON DUE DILIGENCE

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in the governance, strategy and business model	Governance: oversight and roles embedding ESG and due diligence in the business model and strategy.
Engaging with affected stakeholders in all key steps of due diligence	Stakeholders: engagement channels and stakeholder groups.
Identifying and assessing adverse impacts	Impacts, Risks and Opportunities (IROs): e.g., packaging/waste risk and working conditions in the value chain with references to risk mapping, due diligence systems and responsible procurement.
Taking actions to address those adverse impacts	2. Environmental information 3. Social information 4. Governance
Tracking the effectiveness of these efforts and communicating	2. Environmental information 3. Social information 4. Governance

1.2.4. SUSTAINABILITY REPORTING RISK MANAGEMENT

Body	Role / Responsibility
Board of Directors	Oversees ESG risks and opportunities. Aligns ESG with business strategy
Audit Committee	Oversees financial and ESG reporting. Covers external audits, internal controls and risk management. Receives regular updates on the voluntary sustainability statement.
Global Management Team (GMT)	Final decision-maker on sustainability strategies, goals and objectives. Integrates sustainability into CapEx/OpEx decisions
Sustainability SteerCo	Validates ESG reporting to the Board
Sustainability reporting specialist	Responsible for reporting in line with the CSRD

The Sustainability reporting specialist has a monthly meeting with the VP Assurance and CFO to address regulatory reporting requirements and ESG data governance.

TVH has defined a structured internal control system for sustainability reporting, anchored in clear governance and a three-lines-of-defence model, with governance and accountability running from C-level and domain owners to KPI and data owners through predefined touchpoints to enable Global Management Team approval for external reporting.

- First line: KPI owners and data owners are responsible for data collection, monitoring and corrective actions.
- Second line: Assurance, Risk Management and ESG reporting defines reporting formats, processes and controls and supports the first line.
- Third line: Internal Audit provides independent assurance over the effectiveness of risk management and internal controls.
- Fourth line: Carbon accounting KPIs have been externally verified by auditors appointed by D'leteren Group. The rest of the 2025 voluntary sustainability statement data was not externally verified.

A control maturity path applies a baseline set of Minimal Internal Controls to all material KPIs and supporting controls for prioritised metrics, consolidated in a Risk and Controls Matrix. Baseline controls include: segregation of duties, four-eyes review, completeness and accuracy checks with reconciliations to source systems, calibration of measurement equipment where relevant, independent confirmation of assumptions and estimates, and clear attribution and dating of manual data entries.

- Standardised KPI sheets document processes, data flows and controls, leveraging version history to support changes.

1.3. Strategy

1.3.1. STRATEGY, BUSINESS MODEL AND VALUE CHAIN Business model and scale

TVH operates as a global, one-stop distributor of spare parts and accessories for off-road and industrial equipment across material handling, construction, industrial and agricultural segments, supported by a large e-commerce channel and worldwide logistics network. TVH complements distribution with remanufacturing¹¹ and repair of parts and manufacturing of specific parts including electronics, and offers value-added services such as telematics and technical training via the TVH University as well as kitting and bundling.

- >82,000 customers in 184 countries
- >7,550 suppliers
- 49,500,000 known references and >1,120,000 different stock items
- 21,000 orders and >65,000 order lines per day
- >88% e-commerce penetration and >94% same-day shipments

TVH sits between a broad supplier base and diverse professional customers globally, combining intermediary distribution with selective manufacturing, extensive remanufacturing and value-added services. Transport relies on third-party freight forwarders and a growing network of warehouses close to customers enhances service and resilience.

Upstream sourcing and inbound logistics

Inputs linked to the parts portfolio include metals and electronics, specifically steel/iron, aluminium, rubber, wood/paper for packaging, and electronic materials such as copper and lithium. TVH sources semi-finished and finished parts from suppliers and manufacturers and procures used parts and machines for dismantling and remanufacturing. Inbound logistics

are consolidated with full containers shipped to warehouses close to customers and executed by third-party freight forwarders. Own operations

TVH carries out manufacturing of specific parts, in-house repair and remanufacturing, packaging/repackaging and labelling, storage/warehousing, and sales with outbound transport. As part of its network redesign strategy, TVH is expanding its warehouse footprint to be closer to customers, integrating sustainable logistics alternatives and optimising its global distribution network to ensure accelerated delivery timelines while reducing the carbon intensity of every shipment.

Downstream activities

TVH distributes through resellers, sales and service companies, retailers and end-users. Customer types include OEM dealers, independent dealers, repair shops, service companies, rental houses, OEMs and owners/operators. Products are deployed across multiple industries and equipment types, with remanufacturing loops enabling parts to re-enter use after service life. In specific cases, TVH participates in the full product lifecycle, selling the new part and later taking it back for remanufacturing to further extend its use.

Products and circular offerings

As a leading global independent distributor for aftermarket parts, TVH helps to extend the life of machines, keep machines running and prevent machines from being unnecessarily scrapped or replaced. TVH integrates circularity by offering new and remanufactured parts.

Wholesale of spare parts for off-road machinery: TVH supplies parts and services to keep off-road equipment performing at peak levels. It offers sector expertise for material handling, industrial, agricultural, and small earth-moving machinery. It maintains digital excellence by providing a specialised online shop for parts identification, quoting, and ordering.

Remanufactured parts (REMAN): Its remanufacturing process restores used parts to like-new condition through disassembly, cleaning, component replacement and testing, thereby extending lifecycles and reducing demand for new production and raw materials. TVH has established dedicated buy-back programmes, incentivising customers to return used components, providing a steady supply of returned parts for this process. By operating a closed-loop remanufacturing system, TVH strengthens supply chain resilience, maintains local availability of critical components and provides customers with a reliable, high-quality and cost-effective alternative to new parts. It minimises the environmental footprint by prioritising refurbishment over replacement, reducing waste and conserving resources.

Remanufacturing metrics	Value
Parts remanufactured annually	>100,000 parts
Remanufactured parts stocked	>70,000 parts
Cores stocked	>175,000 cores
Remanufacturing locations	6 locations
Technical employees in remanufacturing	>250 employees
Material recycled annually	~1,500 tonnes
Warranty on remanufactured parts	1-year warranty
Potential cost savings vs new parts	Up to 50%

Electric System Design service: TVH serves as a decarbonisation partner for customers, collaborating to electrify existing equipment and eliminate carbon emissions. The service acts as a strategic system integrator for the off-highway sector, enabling customers to develop new battery-powered applications and electrify existing equipment. TVH collaborates closely with customers to develop tailored EV solutions that meet their specific requirements. By combining real-time data from GemOne telematics with fully integrated kits—including assembled motors and custom harnesses under a single reference—TVH streamlines the move from prototype to full production. This high-value service is scaling rapidly to meet global demand for zero-emission equipment and support a sustainable, low-carbon future.

GemOne, TVH's specialised telematics division, supplies smart IoT solutions that monitor battery health, fuel consumption and machine utilisation, enabling customers to transition from reactive to predictive maintenance, significantly reducing resource waste and preventing premature equipment disposal. It provides a tool for operational efficiency, leveraging data to optimise fleet usage and reduce unnecessary fuel consumption and enables precise data collection for accurate Scope 3 carbon reporting.

TVH university (training services): Offers comprehensive training focused on upskilling both customers and employees globally. It provides technical expertise through courses on electronics and hydraulics, and on asset longevity to empower technicians to repair rather than replace, extending machine lifecycles. It supports social sustainability by helping customers and employees develop their capabilities and investing in functional and technical skills, personal growth and wellbeing.

Significant markets and customer groups

Significant markets for TVH include aftermarket parts and services for material handling equipment, construction equipment, agricultural equipment, and industrial equipment. These markets are subject to structural shifts toward electrification and to changes in the types of equipment used. TVH is proactively aligning and evolving to support these changes. Additionally, TVH provides supplies that support workshop and warehouse operations for off-road machinery maintenance and logistics. These markets all contribute to TVH's circularity objectives through their role in the offering of parts and supplies used to improve maintenance and extend the lifetime of machines through repairs instead of replacements.

TVH's significant customer groups are the following:

Customer group	Description	Relevance
Dealers & Resellers (distribution partners)	Downstream channel that buys TVH parts to resell to local customers.	Expands access to remanufactured and repair parts, facilitating wider adoption of repair-over-replace and circular economy outcomes.
Sales & Service/Repair Providers	Service companies that purchase parts to repair equipment for their customers.	Core enablers of TVH's sustainability objectives by using new and remanufactured parts to extend machine life and avoid premature scrapping.
Retailers (customers)	Retail-focused customers that purchase parts for onward sale to end users.	Channel for delivering competitively priced, high-quality parts that encourage sustainable repairs, supporting TVH's circularity goals.
End users of off-road equipment	Operators/owners of material handling, construction, agricultural and industrial equipment across >170 countries.	By choosing repair with new or remanufactured parts, end users directly reduce waste and extend equipment life, aligning with TVH's sustainability strategy to foster a circular economy.
Original Equipment Manufacturers (OEMs)	TVH supports OEMs by providing specialised parts and, in many cases, acting as a partner for their aftermarket needs.	TVH maintains a dynamic, dual-layered relationship with OEMs, acting as both a preferred global partner and a critical aftermarket specialist. This relationship is central to market relevance as the industry shifts toward circularity and long-term asset management. OEMs are primary partners in TVH's Electric System Design offering, building new zero-emission equipment through strategic partnerships.
Rental & lease companies for off-road equipment	Large and small equipment rental fleets, including TVH's sister company TVH Equipment, that require high machine uptime.	TVH acts as a strategic partner that directly strengthens the inherently circular business model of rental and lease companies. Market relevance is defined by asset uptime, lifecycle extension and ESG alignment.

Significant sectors

TVH does not derive revenues from any of the activities listed under the applicable regulatory framework.

1.3.2. INTERESTS AND VIEWS OF STAKEHOLDERS

TVH maintains annual engagement with priority stakeholders through channels such as the Voice of the Customer surveys, employee engagement surveys, the "Raise your voice" ethics portal and supplier contact and compliance platforms, which continue to inform ESG topics.

Stakeholders	Why we engage
Customers	Reduced carbon footprint of parts and logistics, materials and circularity, packaging, air pollution, health and safety, working conditions in the value chain, education and upskilling, product safety. Customers expect suppliers to reduce CO ₂ in their offerings.
Employees	Carbon footprint, materials and circularity, packaging, health and safety, well-being, and education and upskilling. Employees noted inconsistencies across locations, raised concerns about working conditions in the supply chain and prioritised resource scarcity, remanufacturing and upskilling.
Suppliers	CO ₂ emissions and upskilling, carbon footprint, materials and circularity, packaging, health and safety, well-being and education and upskilling. Suppliers noted the burden of responding to multiple compliance requests.
Trade unions	Staff well-being as a significant priority in TVH's operations.
Environmental NGOs	Due diligence on working conditions in the value chain, corruption and bribery risks, circularity and resource accessibility including deforestation and conflict minerals, and reducing the CO ₂ footprint of parts and logistics.
Public authorities	Due diligence on working conditions, anti-corruption, circularity and resource scarcity, and CO ₂ reduction in parts and logistics.

1.3.3. DOUBLE MATERIALITY ASSESSMENT RESULT

TVH is not connected through its own operations or value chain to material negative impacts related to forced or compulsory labour or child labour. TVH is not involved in activities related to fossil fuel.

	Material Impact	Type	Impact Description	Connection to Own Operations	Connection to Value Chain
E1	Climate change: carbon footprint	Negative impact	TVH identifies climate change as its most significant environmental issue. Its GHG emissions contribute to global warming and expose the business and stakeholders to transition and physical risks, including extreme weather and increasing operational costs.	Emissions from energy consumption in buildings and company vehicles (Scopes 1-2); logistics and warehouse operations.	Upstream emissions from parts manufacturing and materials; downstream emissions from inbound/outbound third-party transport and customer use (Scope 3).
E1	Energy efficiency and renewable energy adoption	Positive impact	Operational energy efficiency and increased use and on-site production of renewable electricity reduce environmental impacts and support green energy industries.	Improving energy use & onsite production.	Engagement with energy suppliers and partners to source green electricity attributes; benefits extend to reduced carbon exposure across sites globally
E5	Packaging waste	Negative impact	Significant packaging used to move products from suppliers through warehouses to customers generates waste and operational/regulatory challenges, burdening waste systems and the environment.	Packaging, repackaging, labelling and storage activities in warehouses drive material use and waste generation.	Upstream packaging from suppliers and multiple repacks; downstream single-use packaging ending as waste at customers.
E5	Materials consumption (use of limited raw materials)	Negative impact	Use of new raw materials in parts creates environmental pressure and is interrelated with Scope 3 emissions; stakeholders flagged this as a critical negative impact.	Limited in-house manufacturing/repair uses materials; warehousing and distribution support material outflow.	Predominantly upstream parts manufacturing and materials sourcing (metals, plastics, electronics), with downstream use and disposal.
E5	Remanufacturing and repair: circular economy	Positive impact	Offering remanufactured and repair services extends machine and part lifecycles, reduces waste and raw material demand and supports a more circular economy.	In-house repair and remanufacturing programmes; buyback of cores; dismantling and refurbishment.	Upstream sourcing of used parts/cores; downstream customers choosing repair over replacement across multiple industries.
S1	Own workforce health and safety	Negative impact	Health and safety risks in operations can lead to occupational accidents and lost days, affecting employee well-being.	Warehouse, distribution centre and office environments; implementation of safety practices and well-being programmes.	Not applicable beyond own operations for this impact.
S1	Employee engagement, inclusion and well-being	Positive impact	Strong engagement, diversity and inclusion, and well-being initiatives positively affect employees' development, satisfaction and resilience.	Training, internal mobility, leadership development, well-being programmes and diversity/equity/inclusion commitments.	Not applicable beyond own workforce for this impact.
S1	Education and upskilling (TVH University)	Positive impact	Training and capacity-building are seen by stakeholders as a significant positive impact, enhancing skills and employability.	TVH University training programmes and continuous learning embedded in business planning.	Knowledge transfer benefits partners and customers through improved service quality.
S4	End-user safety related to defective parts	Negative impact	Defective parts can cause accidents for end users, leading to harm and potential legal actions.	Quality assurance in parts handling and services; product compliance management.	Upstream manufacturing quality and downstream customer use conditions influence safety outcomes.
G1	Corruption, bribery, money laundering and fraud	Negative impact	Engagement in unethical practices could damage reputation and incur legal costs, harming stakeholders and trust.	Ethics and compliance governance, whistleblowing channel and policy enforcement.	Upstream business relationships and partner conduct create exposure.
G1	Information and data security	Negative impact	Cyberattacks and customer data breaches could disrupt operations and expose buying insights, harming customers and the business.	IT security governance and controls; risk management and staff training to prevent phishing/social engineering.	Downstream exposure through digital sales and services; partners interfacing with TVH systems.

	Risk/Opportunity	Type	Description	Connection to Own Operations	Connection to Value Chain
E1	Scope extension of Emission Trading Schemes and carbon price increase (incl. CBAM)	Risk	Rising carbon prices and expanded ETS/CBAM raise energy and material costs (e.g., iron, steel, aluminium) at manufacturers, with part of these costs passed through to TVH.	Affects TVH's warehousing and distribution cost base and network planning.	Upstream exposure via suppliers/manufacturers passing through higher carbon and energy-related input costs; downstream competitiveness impacted by cost pass-through dynamics.
E1	Increasing investor requirements for transparency and climate commitments	Risk	More demanding financial institutions screen and favour best-in-class sustainability performers; failure to meet ambitions/targets could negatively impact enterprise value or access to capital.	Requires embedding sustainability targets and performance management within TVH's strategy and internal governance.	N/A.
E1	Climate-related reporting obligations (e.g., CSRD, CBAM, CSDDD, EUDR)	Risk	Increasing volume and complexity of ESG/climate regulations drive costs for new data collection, IT systems and staff training to ensure compliance.	Necessitates cross-functional taskforces, enhanced ERP/WMS data flows and specialist carbon accounting software to gather and manage required data.	Requires data and information from suppliers and other business partners to meet regulatory disclosures and due-diligence obligations.
E1	Rainfall and flooding affecting operations	Risk	More frequent/intense rainfall and flooding can damage infrastructure/equipment and block key transport routes; TVH has experienced supply chain impacts in Belgium and Germany (2021) and floodwater intrusion in South Africa (2022).	Direct risk to warehouses and distribution centres.	Disrupts upstream and downstream logistics and supply chains across affected regions, impacting inbound and outbound transport.
E1	Extreme heat affecting operations	Risk	Increasing frequency and severity of heatwaves in regions where TVH operates (e.g., USA, India, Europe) can impair warehouse, distribution centre and office operations.	Direct operational risk to facilities and workforce conditions.	Potential disruptions to logistics and service levels across regions in the downstream distribution network.
E1	Resilience via onsite renewables	Opportunity	TVH drives long-term resilience by integrating on-site renewable energy with operational efficiencies; this strategy mitigates energy market volatility and carbon risks while simultaneously lowering environmental footprint and operational costs.	TVH is transforming facilities into energy-independent hubs shielding core logistics from energy market volatility.	N/A.
E5	Extend material circularity via remanufacturing	Opportunity	Expanding remanufacturing reduces exposure to rising raw material costs driven by decarbonisation investments and carbon pricing, while growing remanufactured parts sales.	Builds on TVH's in-house repair and remanufacturing capabilities; central pillar of the FORWARD28 strategic plan to scale remanufacturing.	Upstream, less dependence on virgin material inputs; downstream, offers customers circular products and services that mitigate cost increases and support sustainability expectations.
E5	Mitigating EPR Financial Risk	Risk	TVH faces the financial risk of rising operational and compliance costs driven by stricter Extended Producer Responsibility (EPR) schemes; this necessitates a shift from traditional waste management to circular design to	Stricter EPR regulations directly impact own operations by shifting the financial and organisational burden of end-of-life management onto TVH.	Failing to meet EPR requirements or manage associated contributions poses a direct risk to our cost structure and market competitiveness. Ensuring full compliance is essential to maintaining uninterrupted access to our customers'

Risk/Opportunity		Type	Description	Connection to Own Operations	Connection to Value Chain
			mitigate the impact of increasing disposal fees and regulatory levies on global parts distribution.		markets and upholding our commitment to circularity.
E5	Innovation and Market Adaptation Gap	Risk	Failure to capitalise on emerging circular business models and alternative product life-cycle offerings (such as parts remanufacturing or as-a-service models) leads to a strategic misalignment with evolving regulatory requirements and shifting customer demand for sustainable spare parts solutions.	As the critical intermediary between OEMs and end users, TVH acts as a Value Chain Orchestrator. Resilience depends on predictive market intelligence to anticipate shifting customer demands regarding sustainable and circular solutions, while steering the supply base to ensure upstream agility and alignment with these evolving requirements.	As the critical intermediary between OEMs and end users, TVH acts as a Value Chain Orchestrator. Resilience depends on predictive market intelligence to anticipate shifting customer demands regarding sustainable and circular solutions, while steering the supply base to ensure upstream agility and alignment with these evolving requirements.
S1	Scarce availability of the talent pool	Risk	Material risk to talent acquisition and retention driven by a perceived lack of investment in DEI and occupational well-being, leading to a competitive disadvantage in the labour market.	Impacts TVH's human capital requirements. Because the business model relies on high-speed logistics and technical spare parts expertise, a "bad reputation" creates a friction point in the core engine.	A structural talent gap within own operations directly correlates to a diminished service delivery capacity, disrupting fulfilment precision and lead times, ultimately eroding customer trust and TVH's competitive standing in the global spare parts market.
S2	Strategic exposure to regulatory non-compliance and supply chain disruption arising from labour rights violations within the value chain	Risk	The risk that TVH's suppliers or partners, particularly in high-growth or high-risk geographical regions, fail to uphold international labour standards (e.g., ILO Core Conventions), including forced labour, child labour, inadequate health and safety protocols, or denial of freedom of association.	To mitigate the risks of regulatory non-compliance and potential supply chain disruptions linked to labour rights violations, TVH is committed to rigorous oversight across its entire value chain. TVH believes in leading by example; it is imperative that it demands from its global suppliers and partners the same high standards as it upholds within its own operations.	TVH's internal policies serve as the blueprint for suppliers; a violation upstream is a failure of internal oversight. Labour abuses at a partner site trigger supply chain disruptions, directly halting the ability to distribute parts and serve customers. Under CSDDD, TVH is legally accountable for ensuring internal standards are mirrored by partners.

Potential financial effects encompass **loss of sales volume**, delayed sales or income, loss of market share, increased operating expenses, product recalls, exclusion from tenders, fines and penalties, compensation, and collateral costs such as inquiries and legal advice.

2. Environmental information

2.1. Climate change

2.1.1. CLIMATE PLAN

TVH has a climate plan integrated in its FORWARD28 strategic plan which includes sustainability, circularity and operational excellence as core building blocks. The plan serves as a stepping stone to align with the Paris Agreement and the EU objective of climate neutrality by 2050.

TVH has defined a structured decarbonisation programme to address climate-related risks and opportunities, with a clear focus on reducing greenhouse gas emissions across its operations. The programme prioritises mitigation actions, including a target to reduce absolute Scope 1 and 2 emissions (following an absolute contraction approach) by 57% by 2030 (vs. 2023), supported by energy efficiency measures, electrification and renewable energy sourcing. The targets are not science-based and are not compatible with limiting global warming to 1.5°C. The decarbonisation programme is embedded in TVH's long-term strategy and governance framework, ensuring that climate considerations are integrated into operational and investment decisions.

Building on its Scope 1 and 2 decarbonisation pathway, TVH aims to progressively extend its climate ambition to Scope 3 emissions, which represent the largest share of its footprint. As part of FORWARD28, Scope 3 development is ongoing through structured value-chain engagement, including supplier and customer collaboration and oversight by the Supplier Relations Management (SRM) Committee, to identify priority emission drivers and support the definition of future Scope 3 reduction targets.

Formalised Accountability: The Environmental Charter, ratified in 2025, serves as our foundational governance document, formalising climate objectives and ensuring the Sustainability Steering Committee and Global Management Team remain the ultimate escalators for climate action.

TVH holds no CapEx investments in the reporting period related to coal, oil or gas activities

Metric	Value
2030 Scope 1+2 absolute reduction	-57% from 2023 baseline
2030 Scope 1 target	-14% from 2023
2030 Scope 2 (market-based) target	-95% from 2023
2026 Green electricity milestone	95%
2028 On-site solar capacity target	11 MWp (from ~6 MWp in 2023)
Scope 1+2 share of carbon inventory	~3% of total

Levers for decarbonisation within the climate plan include:

- Energy efficiency: gradual improvement of older installations, enhancement of energy efficiency in existing buildings, and integration of energy-efficient features in new facilities.
- Renewable energy procurement and on-site generation: procure green electricity using energy attribute certificates (GOs, RECs, I-RECs) and expand on-site renewable energy generation and energy storage.
- Fleet electrification: rolling out the Zero-Emission first procurement policy for company cars in other entities and also for off the road equipment.
- Logistics and network footprint: optimise logistics to ship more products per load and expand the warehouse footprint to be closer to customers.

Value Chain emissions (Scope 3)

As Scope 3 (Purchased Goods, Capital Goods, and Transport) represents TVH's largest impact, TVH aims to strengthen its Scope 3 calculation by moving from industry averages to primary supplier data in a phased approach engaging with a number of mature partners in 2026. While reduction strategies are maturing, TVH anticipates these emissions may remain elevated through 2026 as it refines its procurement engagement.

- Value chain engagement: supplier engagement with its most material suppliers including work with 10 of its main freight forwarding partners and ICT providers to obtain service-specific emissions, refine carbon calculations, develop decarbonisation plans, and scale route optimisation with carriers; broader Scope 3 targets remain under development due to data maturity constraints.
- Circularity and remanufacturing: expand remanufacturing as part of the strategic plan to mitigate material and carbon costs.
 - TVH is piloting initiatives to decarbonise its downstream value chain through:
 - Investigating Carbon Neutral Products: a pilot for solid tyres certified under ISO 14068:2023 and ISO 14067:2018 via supplier partnerships.
- Electrification Support: technical assistance through Electric System Design to transition customers from fossil fuel to electric-powered equipment whether for existing assets or new concepts.

Financial & Regulatory Integration

- Carbon Pricing & CapEx: To internalise environmental costs, TVH has embedded a carbon price proxy by treating electricity attribute certificates as OpEx. In 2026 carbon pricing will be further leveraged and integrated in decision making.
- Digital Transformation: TVH is deploying specialist carbon accounting software and streamlining carbon data flows. This infrastructure is critical for meeting the rigorous bidirectional data requirements of CSRD, CBAM and CSDDD.

2.1.2. CLIMATE-RELATED MATERIAL RISKS AND OPPORTUNITIES

Governance

The Sustainability Director leads decarbonisation and adaptation assessments, coordinating cross-functional teams, with escalation through the Sustainability SteerCo and decision-making by the GMT and Board. Adaptation and climate IROs are integrated into strategic decisions and day-to-day operations under formal governance.

Scenario frameworks, recent analysis and operational coverage

In 2024, external consultants conducted a limited, high-level assessment of TVH's exposure to transition and physical climate risks, using recognised climate scenarios. This work was carried out in line with the TCFD (Task Force on Climate-related Financial Disclosures) framework and drew on IPCC climate scenarios and macro-economic models to identify climate-related risks and opportunities across the value chain. While the findings have not yet been integrated into decision-making, they will serve as the basis for a more comprehensive climate scenario analysis planned for 2026.

Scenario	Type	Time horizon	Note
IPCC SSP1-2.6	Transition	2030	Used to assess transition risks under strong policy action
IEA Net-Zero	Transition	2030	Applied to evaluate sector and socioeconomic trends
IPCC SSP5-8.5	Physical (high-emission)	2040	Worst-case pathway, associated temperature projection >4°C by the end of the century

Scope

The scenario analysis focuses on key operational sites in Waregem (Belgium) and Olathe (USA), while also covering the broader value chain, including upstream supplier impacts and regulatory cost pass-through (e.g., ETS/CBAM on iron, steel and aluminium), and incorporates logistics and transport routes, reflecting reliance on third-party freight forwarders.

Methodology

TVH identifies climate-related risks and opportunities through a structured assessment that considers the likelihood, characterised by the probability of occurrence of risks, the magnitude of potential financial and operational impacts, and the level of exposure across sites and value-chain activities.

In line with the TCFD methodology, risks are assessed on different time horizons: short term (0-5 years), medium term (6-10 years), long term (> 10 years), with explicit use of 2030 for transition risks and 2040 for physical risks.

Results

Physical risks: Extreme heat is a high risk for regions with more frequent heatwaves in Central Europe and Australia and assets such as warehouses, distribution centres, and offices. Heavy rainfall and river flooding are moderate risks, with increased likelihood in Europe and parts of the USA

Transition risks: The expansion of ETS I/II and the introduction of CBAM are expected to increase upstream costs for energy-intensive materials, such as iron, steel and aluminium, and to broaden TVH's reporting and compliance requirements. These developments are considered high-impact risks for TVH's cost base, business model and competitiveness.

2.1.3. CLIMATE RESILIENCE

TVH aims to integrate climate resilience into its core business model through the FORWARD28 strategic plan. By aligning decarbonisation targets with structural efficiency, the company has the ambition to address all material risks and opportunities.

Risk Profile and Mitigation Strategies

TVH uses scenario analysis based on IPCC and IEA pathways to prioritise mitigation and adaptation actions against high-impact variables.

- **Transition Risks:** TVH is exposed to the expansion of ETS and CBAM, which may drive upstream cost pass-throughs for energy and raw materials. To mitigate these impacts and meet rising investor expectations, the company is investing in advanced carbon-accounting systems and streamlined data flows to ensure compliance and cost-efficiency.
- **Physical Risks:** The company faces high risk from extreme heat and moderate risk from flooding, informed by historical impacts in Belgium and Germany (2021) and South Africa (2022). Resilience is being built by strategically expanding the warehouse footprint to reduce transport exposure and optimise logistics against localised weather disruptions.

Disclosure of Uncertainties and Data Gaps

TVH maintains transparency regarding the inherent uncertainties in climate modelling:

- **Regulatory & Market Volatility:** Potential shifts in the stringency of ETS/CBAM and future banking requirements for climate commitments may influence access to capital.
- **Data Maturity:** While ERP and carbon-accounting implementations are underway, current data gaps in Scope 3 strategies are being addressed through value-chain collaboration.
- **Physical Quantification:** While adaptation is embedded in daily operations from 2026, the specific operational cost impacts of extreme weather will be formally disclosed in the 2026 reporting cycle as quantification methods mature.

2.1.4. CLIMATE CHANGE MITIGATION AND ADAPTATION POLICIES

Policy Name	Policy Description	Policy Scope
TVH Environmental Charter	The TVH Environmental Charter approved in 2025 sets out the company's overarching environmental policy. It embeds a mitigation hierarchy (avoid, minimise, compensate), commits to legal compliance and recognised international principles, and promotes continuous improvement, training and stakeholder engagement. The Charter establishes quantified climate-mitigation targets, outlines actions to reduce Scope 1 and 2 emissions and engage the value chain on Scope 3, and aims to integrate adaptation considerations into strategic decision-making and day-to-day operations. The Policy is in line with the Greenhouse Gas Protocol for GHG accounting and with Paris Agreement principles	It applies to all entities financially consolidated under TVH, across all operations and geographies. The Charter is reviewed at least every five years and covers both own operations and the upstream/downstream value chain through the Global Sustainable Procurement programme.

2.1.5. CLIMATE CHANGE MITIGATION AND ADAPTATION ACTIONS AND RESOURCES

The actions listed below are all linked to TVH's Environmental Charter and FORWARD28 Strategic Plan.

Action	Action Description	Action Outcome	Resources
Scope 1 and 2 decarbonisation programme	Implementation of a programme to reduce absolute Scope 1 and 2 GHG emissions by 57% by 2030 (vs. 2023). Execution is overseen through established governance structures, including Board oversight, the Global Management Team and the Sustainability Steering Committee, with implementation led by the Sustainability Director.	Scope 1 and 2 emissions reduced and carbon intensity improved: -8.14% vs. 2023 (market-based, considering green electricity). TVH recognises that achieving the 2030 target requires regional sub-targets, which were defined in 2023 and are embedded in the decarbonisation plan.	Dedicated operating and capital expenditures, including investments in energy efficiency, renewable electricity procurement, production and storage, and the implementation of a global Energy Management System (EMS).
On-site renewable energy deployment and storage	- Expand on-site renewable energy generation through the deployment of solar photovoltaic (PV) installations and storage solutions across facilities. - Increase installed renewable capacity to 11 MWp by 2028, building on an existing base of more than 26,000 solar panels (>8.6 MWp). - Deploy energy storage solutions to increase on-site use of renewable electricity and improve system flexibility. A strategic review of a US solar rollout is currently underway to integrate enhanced safety protocols, ensuring TVH's decentralised energy remains a hedge against volatile grid tariffs.	- Increased on-site renewable electricity generation: reached 8.6 MWh in 2025. - Reduced grid-related emissions. - Improved energy resilience and supply diversification.	Allocation of CapEx for solar PV installations (around €460,000), supported by energy and facilities teams.
Renewable electricity procurement	- Switch to 95% green purchased electricity by 2026 through the use of electricity attribute certificates (GOs, RECs, I-RECs). - Allocation of certificate costs to relevant cost centres and integration into operating expenditures to support investment decisions and improve returns on energy efficiency and on-site renewable generation.	- Lower market-based Scope 2 emissions. - Improved economic case for energy efficiency and on-site renewable investments through an internal carbon price proxy.	Allocation of OpEx for green electricity and certificates, supported by procurement and energy management teams. A dedicated budget is in place to ensure consistent sourcing of renewable electricity attributes.
Fleet electrification (company cars and off-the road equipment)	Electrify the company car fleet and off-the-road equipment in a phased manner as part of Scope 1 decarbonisation. The transition prioritises the replacement of internal combustion vehicles with electric alternatives, supported by the deployment of charging infrastructure where required.	- Reduced Scope 1 emissions from company vehicles and off-the-road equipment (progressive shift toward a lower-emission fleet profile). - Under the "Zero-Emission First" policy, 100% of new vehicle registrations in Belgium are now electric. However, a transitional challenge remains: the final 22% of diesel-powered assets still account for 64% of the	Vehicle, charging infrastructure CapEx managed under sustainability and facilities teams.

Action	Action Description	Action Outcome	Resources
		Belgian fleet's carbon footprint, representing a short-term emission lock-in until full turnover is achieved.	
Scope 3 Value Chain engagement	- Identification and prioritisation of Scope 3 reduction levers across the value chain. - Progressive implementation of engagement initiatives.	Working towards the objective to develop and implement Scope 3 emissions reduction strategies through structured engagement and collaboration with suppliers, customers and other upstream and downstream partners. Focus on priority emission categories such as including purchased goods and services, transport and end-of-life, supported by procurement and partner collaboration.	Mobilise cross-functional resources through the Sustainable Procurement Committee, sustainability teams and dedicated supplier and customer engagement capabilities.
Packaging optimisation and circularity measures	Reduce material use and improve circularity by optimising packaging design and materials. Actions include increasing the use of FSC-certified materials and post-consumer recycled content, replacing plastic components with paper-based alternatives and deploying right-sized packaging and automated stacking to reduce material intensity and transport inefficiencies.	- Lower packaging-related emissions and waste generation. - Reduced use of virgin and plastic materials. - Improved transport efficiency through optimised packaging volumes.	Operational budgets for packaging materials and automation, supported by logistics and packaging engineering teams.
Climate adaptation integration and resilience	Enhance facility resilience by reducing energy demand and diversifying energy supply sources (grid plus self-generation).	Improved resilience of operations to energy and climate-related disruptions; criteria embedded in decisions and operations.	Sustainability Director leads adaptation with support from Sustainability SteerCo and facilities/operations teams; CapEx/OpEx allocated through GMT-led budgeting.

2.1.6. CLIMATE CHANGE MITIGATION TARGETS

The emission reduction ambition was benchmarked with the **SBTi Tool v2.3**, which indicates a 42% reduction pathway to 2030, and the Greenhouse Gas Protocol is used to measure and manage GHG emissions. Except for the Scope 3 emissions reduction target (under development), all targets are based on scientific evidence.

Target	Target Relationship	Target Scope	Target Methodology	Linked Actions
Reduce absolute Scope 1 and 2 GHG emissions by 57% by 2030 (from a 2023 baseline)	Supports TVH's climate strategy and decarbonisation objectives; contributes to limiting global warming to 1.5°C and long-term GHG neutrality; integrated into FORWARD28 strategic plan.	Scope 1 & 2 across all operations.	Aligned with Paris Agreement; uses GHG Protocol; applies carbon price proxy via energy attribute certificates (GOs, RECs, I-RECs); informed by IPCC/IEA scenarios for broader climate planning.	Gradual improvement of installations; energy efficiency in buildings; energy-efficient features in new facilities; integrate cost of green electricity in investment decisions; electrify fleet; value-chain engagement.
Achieve 95% of green purchased electricity by 2026	Enables Scope 2 reductions and supports the Paris-aligned decarbonisation path.	Scope 2	Procurement of renewable electricity and energy attribute certificates consistent with market-based accounting under the GHG Protocol.	Integrate green electricity costs in budgeting and investment decisions; purchase energy attribute certificates (GOs, RECs, I-RECs).
Reach 11 MWp installed on-site renewable energy capacity by 2028 (up from 6 MWp in 2023).	Reduces electricity-related emissions and enhances energy resilience within FORWARD28.	Scope 2	On-site renewable development consistent with energy transition pathways; supports market-based Scope 2 reductions.	Develop and expand on-site solar generation; energy efficiency and diversified energy supply.
Scope 3 emissions reduction (under development)	No target yet, TVH aims for long-term alignment with the Paris Agreement; supports regulatory readiness and stakeholder expectations.	Upstream and downstream value chain globally.	GHG Protocol for Scope 3 accounting; use of supplier-specific data where available; reliance on IPCC/IEA scenarios for risk assessment.	Supplier engagement programme; data collection with freight forwarders and ICT providers; develop decarbonisation plans with partners.

2.1.7. GROSS GHG EMISSIONS

0% of Scope 1 GHG emissions fall within the scope of the EU Emissions Trading System. TVH uses electricity attribute certificates, including EU GOs, US RECs and I-RECs, to support market-based Scope 2 accounting and an internal carbon price proxy.

Scope	Baseline Year	Baseline Emissions (tCO ₂ e)	2025 Emissions (tCO ₂ e)	Change (%)	Target year	Target Year Emissions (tCO ₂ e)
Scope 1: Direct Emissions	2023	5,241	6,375	22	2030	4,500
Scope 2: Indirect Emissions (Location-Based)	2023	7,924	14,520	83	n/a	n/a
Scope 2: Indirect Emissions (Market-Based)	2023	6,442	4,451	-31	2030	500
Scope 3: Total Indirect Emissions	2025	385,472	385,472	n/a	Under development	Under development
Total Gross GHG Emissions (Scopes 1-3)	n/a	n/a	396,298	n/a	n/a	n/a

Scope 3 Category	Baseline Year	Baseline Year Emissions (tCO ₂ e)	2025 Emissions (tCO ₂ e)	Change (%)
1. Purchased Goods and Services	2025	230,000	230,000	n/a
2. Capital Goods	2025	39,335	39,335	n/a
3. Fuel- and Energy-Related Activities	2025	4,856	4,856	n/a
4. Upstream Transportation and Distribution	2025	78,634	78,634	n/a
5. Waste Generated in Operations	2025	7,097	7,097	n/a
6. Business Travel	2025	4,551	4,551	n/a
7. Employee Commuting	2025	3,763	3,763	n/a
9. Downstream Transportation and Distribution	2025	13,379	13,379	n/a
12. End-of-Life Treatment of Sold Products	2025	3,627	3,627	n/a
13. Downstream Leased Assets	2025	230	230	n/a

Internal carbon pricing: TVH does not apply carbon pricing in its decision-making.

2.1.8. ENERGY

Energy consumption and mix	Unit	2025
Total fossil energy consumption	MWh	23,167
Consumption from nuclear sources	MWh	11,504
Total renewable energy consumption	MWh	9,260
Total energy consumption	MWh	43,932
Energy production	Unit	2025
Non-renewable energy production	MWh	0
Renewable energy production	MWh	8,666

2.2. Resource use and circular economy

2.2.1. POLICIES RELATED TO RESOURCE USE AND CIRCULARITY

TVH's policies on resource use and circularity are closely aligned with its core activities as a spare parts, repair and remanufacturing specialist. The policy framework aims to integrate circularity principles and eco-design into key products and services, with a focus on extending product lifecycles and reducing material and waste intensity. A central element of this approach is a remanufacturing hub that processes more than 100,000 parts per year, supported by over 250 technicians.

- Since 1995, remanufacturing activities have covered hydraulic, mechanical, electric and electronic parts and are supported by certified repair centre partnerships for multiple brands.
- EV chargers and solar inverters are now being brought into remanufacturing activities, extending remanufacturing to parts driving electrification.



- Electric System Design is offered to electrify existing equipment, preventing continued fossil fuel operation after sale and avoiding scrapping by enabling machines to remain in service powered by electricity.

- Returned parts remain in circulation through a core-charge model, while non-repairable components are recycled across dedicated material streams (metals, plastics, batteries, electronic components and rubber).

Repair services are complemented by a buyback and exchange programme, allowing customers to return used units for refurbishment or remanufacturing.

TVH also works on packaging optimisation which further supports circularity and resource efficiency. Packaging initiatives are progressively rolled out across entities, with a dedicated Packaging Policy applicable to Belgium for now, but aimed at being implemented across all regions.

Policy Name	Policy Description	Policy Scope	Linked IROs
Environmental Charter (approved in 2025)	TVH's Environmental Charter sets a comprehensive framework for environmental sustainability, embedding the mitigation hierarchy (avoid, minimise, compensate), stakeholder engagement, legal compliance and continuous improvement; it commits to contributing to a circular economy by offering new and remanufactured parts, integrating environmental issues (including resource use and circularity) across the business and engaging value-chain partners to improve ESG performance.	Applies to all entities financially consolidated under TVH. Oversight by the Board; implementation by the Global Management Team, Sustainability Steering Committee and Sustainability Director. Reviewed at least every five years.	- Resource efficiency: high opportunity - Waste (Packaging): regulatory and operational cost risks.
Sustainable Packaging Policy and Actions (2024-2025)	TVH's Global Packaging Policy outlines its commitment to sustainable packaging practices to reduce environmental impact and enhance customer satisfaction.	For Belgian entities. A key objective for 2026 is to apply it to all regions.	- Waste (Packaging): regulatory and operational cost risks - Logistics optimisation opportunity (ship more products per load).

2.2.2. ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULARITY

The actions listed below are all linked to TVH's Environmental Charter and FORWARD28 Strategic Plan.

Action	Action Description	Action Outcome	Resources
Remanufacturing expansion	Operate and expand remanufacturing as a core circular-economy lever, anchored by one of Europe's largest remanufacturing hubs and more than 250 technicians/engineers delivering over 100,000 remanufactured parts per year; expansion is embedded in FORWARD28.	Increased circularity by extending product lifecycles and substituting new parts with remanufactured alternatives, reducing raw material use and waste.	250 remanufacturing technicians and engineers; dedicated remanufacturing facilities, equipment and processes; commercial and operational support under FORWARD28.
Sustainable packaging optimisation	Sustainable packaging practices are implemented at main warehouses to reduce material use and improve circularity. The approach prioritises certified and recycled materials, material substitution, where feasible, and packaging optimisation to improve transport efficiency. Key measures include: - Preference for FSC-certified suppliers - Use of plastic bags with 80% post-consumer recycled content - Replacement of plastic tape with 100% gummed paper tape - Elimination of 2-component foam in favour of paper-based alternatives In parallel, almost right-sized packaging machines and automated stacking are deployed to improve load consolidation during transport. Data coverage is currently Belgian entities only.	These measures reduce overall packaging material use, lower reliance on non-sustainable materials (notably plastics), and improve load consolidation and circularity across packaging streams.	Implementation is supported by CapEx investments.

2.2.3. TARGETS RELATED TO RESOURCE USE AND CIRCULARITY

- No measurable outcome-oriented targets were set related to resource use and circularity.
- No tracking of policy effectiveness is performed for policies and actions.

2.2.4. RESOURCE OUTFLOWS

TVH acknowledges that managing waste remains a significant challenge within the global spare parts industry. The Group is working to shift its internal perspective, viewing discarded materials not as final waste, but as resource flows that require better integration into the value chain. While TVH has made progress, it recognises there is still much to be done to achieve true circularity.

To address these challenges, TVH is focusing on the following foundational steps for 2026:

- **Regional Strategy Development:** TVH is currently engaging with its various branches to co-create a regional waste management approach. As a "one-size-fits-all" solution is often ineffective, TVH is working to identify specific local hurdles—from infrastructure limitations to regulatory differences—to ensure waste reduction efforts are practical and effective.
- **Improving Data Transparency:** A key priority is the alignment of waste reporting across global operations. Currently, data consistency varies by region. By standardising the measure and reporting for these flows, TVH aims to build a more reliable dataset.
- **Establishing a Baseline for Targets:** These efforts are intended to create a trustworthy baseline. Only with consistent metrics can TVH move toward setting realistic, science-based targets that truly reflect its environmental impact and its commitment to reducing it over time.

By focusing on these internal processes, TVH aims to gradually improve its resource efficiency and contribute more meaningfully to a circular economy.

TVH Belgium Waste Metrics (vs 2024)

Metric	2025 value	2024 reference	Change vs 2024
Total weight of waste generated in Belgium (tonnes)	4,728	4,831	-103.22 (-2.14%)
Proportion of waste with unknown final destination	0%	0%	0%
Total radioactive waste generated (tonnes)	0	0	0

Waste Streams and Key Materials

Plastics (polyethylene); Paper and cardboard (biomass fibre); Metals (steel/aluminium); Wood (treated and untreated); Polymers (rubber); Electronic waste (metals, plastics); Flat glass (non-metallic minerals).

Waste Diversion Rates for 2025

Waste class	Diverted for Reuse (%)	Diverted for Recycling (%)	Diverted for Other Recovery (%)
Hazardous waste	0	0.95	0.22
Non-hazardous waste	2.29	88.62	7.89
Total waste	2.29	89.57	8.11

Waste Disposal Routes for 2025

Waste class	Directed to Incineration (%)	Directed to Landfill (%)	Directed to Other Disposal (%)
Hazardous waste	0	0	0.03
Non-hazardous waste	0	0	0
Total waste	0	0	0.03

3. Social information

3.1. Own workforce

3.1.1. POLICIES RELATED TO OWN WORKFORCE

Except for the Global Learning Investment Guidelines which only covers specific Groups, all policies cover the entire workforce within their respective scope.

Policy Name	Policy Description	Policy Scope	Policy Standard	Linked IROs
Human Rights & Forced Labour	Prohibits child and forced labour and promotes ethical practices across global operations and the supply chain; outlines TVH's commitment to respect internationally recognised human rights and to integrate the UN Global Compact; designed to mitigate risks from labour rights violations and uphold dignity at work.	Global standard applicable at all TVH locations and subsidiaries; applies to TVH employees and all parties contracted by TVH (own operations and value chain).	International Bill of Human Rights; ILO Declaration on Fundamental Principles and Rights at Work; UN Global Compact.	Working conditions in the value chain risk; reputational/legal risks related to labour rights; employee engagement and inclusion risk.
Freedom of Association	Commits to respect recognised unions, freedom of association and the right to collective bargaining for employees in line with local laws/practices.	Applies to employees working in TVH's operations across countries of operation, in accordance with applicable law and practices.	ILO Declaration on Fundamental Principles and Rights at Work; UN Global Compact.	Employee engagement and inclusion risk; fair working conditions.
Non-Discrimination & Non-Harassment	Zero tolerance for discrimination and harassment; provides equal employment opportunities based on merit.	Company-wide application to employees.	UN Global Compact.	Employee engagement and inclusion risk; dignity and equal opportunities at work.
Safe Workplace Practices, Health & Well-being Commitment	Commits to a safe and healthy work environment and supportive well-being programmes; 2024 saw a global Safety Bee programme rollout.	Company-wide; global initiatives and local implementations across TVH sites.	ISO 45001; OHSAS 18001.	Workforce health and safety; employee engagement and retention.
Raise Your Voice - Whistleblowing	Encourages reporting of unethical/illegal behaviour; provides confidential and secure channels; commits to investigation and non-retaliation; local additions may apply.	Global standard for all offices and subsidiaries; applies to employees and all parties contracted by TVH; accessible to other stakeholders.	The EU Whistleblowing Directive	Ethical conduct and compliance risks affecting the workforce; ability to raise and address labour rights concerns.
Global Learning Investment Guidelines (Talent Development)	Sets global principles for funding and access to learning and development, with eligibility tied to employment status, performance and potential; outlines budgets, approval processes and exclusions; supports lifelong learning via internal and external programmes.	Applies globally across the Americas, EMEA and APAC to employees after 6 months' service; excludes contingent workers and temporary contracts with limited exceptions; country variations may apply.		Employee engagement and inclusion (skills development and career opportunities).
Diversity, Equity & Inclusion (DEI) Commitment	Commits to creating an inclusive workplace where all employees feel valued, respected and empowered; aims to build a workforce reflecting the communities served.	Company-wide commitment across geographies.		Employee engagement and inclusion risk.

3.1.2. ENGAGEMENT WITH OWN WORKFORCE, CHANNELS TO RAISE CONCERNS AND REMEDIES

Workforce engagement is tracked using an employee engagement survey with an engagement score of 77%. TVH takes action to understand the perspectives of people in its own workforce who may be particularly vulnerable to impacts or marginalised. Bi-annual surveys and ongoing employee channels, including the intranet, labour-management councils, weekly mailings/newsletters, quarterly employee magazines, quarterly CEO vlogs, monthly team communication decks and monthly desktop messages, are used to collect views on well-being, health and safety, and education/upskilling. The 2023 double materiality assessment engaged own workforce stakeholders via a materiality survey with 220 employees and stakeholder panels and individual interviews.

Workforce inputs collected through these channels inform priorities on health and safety, well-being, education and upskilling, as well as environmental topics relevant to employees. Insights from focus groups such as the sustainability focus group are channelled through the bi-monthly Steering Committee to the Global Management Team and the Board, supporting decision-making and implementation of initiatives.

The Raise your Voice portal, provided by a third party, offers confidential channels for questions and incident reporting. It can be used for issues such as harassment, discrimination, theft, substance abuse, unsafe conditions and financial/auditing concerns. Accessibility is ensured through web and telephone channels, via the TVH Ethics & Compliance Helpline (tvh.com/raiseyourvoice) and a telephone line (in Belgium 0800.260.39 and the US (800) 461-9330) available in multiple languages for employees and external parties without computer access. It includes options for anonymity and protection against retaliation, and has been implemented at most TVH Global NV affiliates since December 2022. A compliance portal is available on every desktop to keep employees informed about TVH's Code of Conduct, and contains a direct link to the Raise your Voice portal. It provides a centralised portal with options to Ask a Question, Report an Incident and Check Status.

- Each submission receives a confidential access number and password enabling two-way communication and status tracking throughout the case lifecycle to ensure transparency.
- TVH Compliance initiates prompt, confidential investigations, that may involve HR or Legal, informs any implicated people, as appropriate, interviews witnesses, requires employee cooperation and communicates progress and outcomes to the involved parties.
- Cases may be escalated to the CFO, CEO or Board of Directors and an investigation report is issued, with a redacted, anonymised summary shared when necessary.
- Confirmed misconduct triggers remedial actions up to termination, steps to prevent recurrence and potential referral to national authorities.

- Non-retaliation protections are enforced and data minimisation and security measures safeguard personal information.

Grievance effectiveness is assessed against UNGP criteria: legitimacy is supported by Compliance oversight and possible Board escalation, with confidentiality and fairness safeguards. Predictability is provided by defined steps: reporting, investigation, status updates, decision and remediation. Equitability is supported by the ability to ask questions and maintain dialogue combined with non-retaliation. Rights-compatibility is reflected in non-retaliation, human rights commitments, remediation and referral to authorities where appropriate. Continuous learning is addressed by actions to prevent recurrence following confirmed misconduct.

Channel	Channel Description
Supervisor/HR/TVH Compliance reporting lines	Direct internal channels to raise concerns as set out in the Code of Conduct: employees should speak up and report to their supervisor, HR, or TVH Compliance; protected by confidentiality and non-retaliation commitments.
Labour-management councils	Formal employee representation and dialogue mechanisms; serve as structured forums for employees to raise needs and concerns and engage in dialogue with management at the local level, consistent with freedom of association and collective bargaining practices where applicable.
Employee engagement surveys	Bi-annual engagement surveys capturing employee feedback and needs; used as an ongoing channel for the workforce to raise concerns and suggestions that inform management actions.
Intranet and Ethics & Compliance portal	Always-on internal platforms used to communicate policies and provide access points to Raise Your Voice and other avenues for questions and concerns; accessible to all employees.

The Safety, Health & Environment (SHE) framework, based on ISO 45001 principles, includes 2025 actions to enhance accident reporting and analysis, implement Life Saving Rules via training, procedures and audits, and conduct SHE scans and assessments to guide site-level improvement plans and regulatory compliance. TVH's policies on human rights, non-discrimination and non-harassment, and freedom of association require thorough and fair investigation of reported incidents and appropriate corrective and preventive actions for affected employees.

3.1.3. ACTIONS AND RESOURCES RELATED TO OWN WORKFORCE

Training actions are monitored via learning hours reported by country and gender, with data collection refined from Q2 2025 to distinguish salaried versus non-salaried employees. Health and safety actions are assessed through recordable accident rates and related indicators including fatalities and days lost; a dedicated H&S tool will be implemented in 2026. Diversity actions are monitored through top management gender distribution and employee age distribution.

Action	Action Description	Action Outcome	Resources	Linked Policies
Global Safety Bee programme (Health & Safety)	Continued global rollout in 2025 of the Safety Bee programme (initiated in 2024) with local and global initiatives to embed individual responsibility for safety across TVH's workforce; ongoing and global in scope.	Fewer work-related accidents and strengthened safety culture, supporting TVH's safe workplace practices and employee well-being objectives.	In 2025 and 2026 onwards a budget is foreseen for the implementation of an H&S tool.	Safe workplace practices, health and well-being commitment; ISO 45001/OHSAS 18001 (as referenced).
Nudge well-being programme	Ongoing well-being programme in 2025 that supports healthy, active and balanced lifestyles for employees; global scope and continuous timeframe. Some example initiatives include: ergonomics campaigns, yoga sessions, sport events, health breakfast and many others.	Improved employee well-being and engagement, contributing to a safe and healthy work environment.	Employee Happiness Advisors facilitate the various Nudge initiatives.	Safe workplace practices, health and well-being commitment.
Enhanced Performance Management (Your Progress Matters)	New, enhanced Performance Management process went live in 2025, emphasising accountability, clear goals and expectations, constructive feedback; next step includes year-end conversations and calibration; company-wide and ongoing.	Stronger performance orientation, clearer expectations and feedback, enabling development and retention aligned with people strategy.	Talent development manager and specialist implementing enhanced Performance Management process.	People strategy; performance and leadership expectations.
Talent review and succession planning	Ongoing talent review process rolled out to manager level with HRBP follow-up; active succession planning for GMT and other critical roles with guidelines; company-wide and continuous.	Strengthened leadership pipeline and internal mobility, supporting a diverse, sustainable and engaged workforce.	HR Business Partners support leadership in reviewing talent and following up development and succession actions; no monetary amounts disclosed.	Focus on talent; Diversity, Equity and Inclusion commitment.
Employee engagement survey and action planning	Engagement measured with customised survey and external benchmarks; HRBPs support leadership in creating action plans; yearly survey cadence planned for May 2026, with 2025 insights used for actions; global and ongoing.	Maintain and improve engagement, mitigating risks related to engagement and inclusion and supporting a people-centric culture.	Internal HRBP support for action planning; no specific financial allocations disclosed.	Employee engagement and inclusion; People strategy.
DEI strategy and mentorship programme for women (plus global DEI initiatives)	Continued implementation of DEI roadmap in 2025, including mentorship programme for women, expansion of the Women's network, Espresso Shots, #IamRemarkable, Culture in the Spotlight and recruitment training with DEI content; global and ongoing.	Increased diversity and inclusion, especially in leadership, mitigating resilience risks and supporting a respectful workplace. In the 2025 Your Voice survey, colleagues rated "People of all backgrounds have the same opportunities at this company" at 8.1 (up from 7.5), and "A diverse workplace is a clear priority at this company" at 7.8 (up from 7.3).	Women's network mentorship programmes.	Non-discrimination and non-harassment; Diversity, Equity & Inclusion commitment.

Action	Action Description	Action Outcome	Resources	Linked Policies
Learning & Development via TVH University and LinkedIn Learning	Global learning and development through TVH University (>5,000 courses), LinkedIn Learning (incl. AI roleplay), leadership programmes for multiple levels, functional and personal skills development, onboarding, and team development; ongoing and global.	Lifelong learning, skills development and career growth supporting retention and capability building.	External learning investment guidelines defined per-employee thresholds and approval levels; budget allocation is determined by the N+1 with HR Relations; repayment and approval preconditions apply for higher-cost programmes.	Focus on talent; People strategy; Learning investment guidelines.
Redeployment, upskilling and reskilling	Cross-functional redeployment, upskilling and reskilling programme to prepare impacted employees for other available roles within TVH; ongoing.	Retention of talent and organisational resilience during change, supporting continuous improvement and talent focus.	Talent development manager.	Focus on talent; People strategy.
Respectful and inclusive workplace measures (training and helpline)	Regular training for all employees on preventing and addressing discrimination and harassment; confidential Ethics & Compliance Helpline; prompt investigation and fair resolution of substantiated cases; ongoing and global.	Safe, respectful, non-discriminatory workplace supporting DEI commitment and whistleblowing "Raise your Voice" policy objectives, mitigating engagement and inclusion risks.	Third-party whistleblowing hotline and Conduct compliance experts.	Non-discrimination and non-harassment; "Raise your Voice" (whistleblowing) policy; DEI commitment.

3.1.4. TARGETS RELATED TO OWN WORKFORCE

Health and Safety targets: (1) 30% improvement in key safety KPIs by 2025 (severity & frequency rate) compared to a 2022 base year and (2) the elimination of major accidents by 2025 (compared to 2024).

- Supports TVH's Health & Safety commitment and Safety Letter of Intent by building a strong safety culture through a global safety network, minimum safety standards and shared ownership of safety. In 2026, new regional targets will be set on the Number of Recordable Work-Related Accidents.
- **Target scope:** own operations across all sites and branches worldwide; global safety network with dedicated SHE leads and regional SHE support structures.
- **2025 results:** 30% improvement on Severity target was not achieved; 30% improvement for frequency rate was achieved.

- **Linked actions:** milestones in the 2025 roadmap include the Life Saving Rules rollout (PPE, Driving Safely, Line of Fire, Emergency Preparedness), SHE scans/assessments to ensure compliance with relevant regulations, enhanced accident reporting/analysis and monthly global safety reporting and quarterly trend analyses. Other actions include efforts related to the Global Safety vision and campaign and the Safety Bee programme.
- Oversight by the Sustainability Steering Committee and Board.
- HSE framework based on ISO 45001 principles (not certified).

Training and skills development: by the end of FY 2027, TVH is committed to achieving an average of 35 learning hours per FTE for Belgian employees and 25 learning hours per employee for all Rest of World entities; a phased approach is implemented to ensure equitable growth. This target was newly introduced in 2025.

3.1.5. CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

Employee data is managed through the HR platform. It includes information on all workers globally and is used to track and report on headcount, gender, contract type, turnover and demographics. As of 31 December 2025, the total employee headcount is 5,408. This figure is consistent with the most representative numbers reported in the financial statements. Data is reported in Full-Time Equivalents (FTEs) and reflects end-of-period figures. Headcount is further disaggregated by gender and contract.

Gender	2025	2024
Male	3,476	3,419
Female	1,605	1,555
Other	0	5
Not Reported	327	413
Total Employees	5,408	5,392

Country	2025	2024
Belgium	2,233	2,269
United States	1,090	1,193
India	190	147
Australia	111	
Brazil	146	
Canada	70	
China	127	
France	194	
Germany	53	
Italy	85	
Mexico	89	
Poland	164	
South Africa	121	
Spain	94	
Turkey	159	
United Kingdom	146	

Contract Type / Gender – 2025	Permanent	Temporary	Non-Guaranteed Hours
Male	3,463	13	0
Female	1,595	10	0
Other			0
Not Reported	324	3	0
Total Employees	5,382	26	0

Turnover – 2025	Employees Who Left	Average Employee Headcount	Employee Turnover Rate (%)
Turnover Rate	967	5,386	17.95

3.1.6. NON-EMPLOYEES

Non-employees are connected to material impacts, risks and opportunities related to own workforce. The total number of non-employees in the own workforce is 1,665, reported on a headcount basis on 31 December 2025. Non-employees include consultants, contractors, interim personnel and labour suppliers.

3.1.7. DIVERSITY METRICS

Employees in top management by gender ⁽¹⁾ - 2025	Headcount	Percentage (%)
Male	50	59.52
Female	18	21.43
Other		
Not Reported	16	19.05
Total Employees	84	100

(1) "Top management" refers to the group of individuals including the General Management Team, Vice Presidents and Directors, including contingent workers. Reporting solely on employees would provide an inaccurate representation of the organisation, since, in Belgium, top management roles are often filled by self-employed professionals, rather than traditional employees. Therefore, the inclusion of contingent workers ensures a more accurate and comprehensive reflection of the gender distribution in top management.

3.1.8. TRAINING AND SKILLS DEVELOPMENT METRICS

94.6% of employees participated in formalised performance and career development reviews. The average training hours per employee was 23.06 hours.

3.1.9. HEALTH AND SAFETY METRICS

In a limited number of cases where actual entity data was missing, estimates based on previous reporting periods were used to calculate work-related accidents. Number of illnesses caused or aggravated by the workplace: 0. Days lost due to work-related accidents and illnesses: 1,741 days.

Fatalities – 2025	Own Workforce	Other Workers	From Ill Health
Work-related Fatalities	0	0	0

Accidents – 2025	Number of Recordable Work-related Accidents	Total Hours Worked	Rate of Recordable Work-related Accidents
Work-related Accidents	54	8,573,322	6.3

3.1.10. INCIDENTS OF DISCRIMINATION AND OTHER HUMAN RIGHTS INCIDENTS

Total fines reported in the financial statements for incidents of discrimination and other human rights incidents: €0. Data on incidents is compiled via the "Raise Your Voice" global whistleblowing procedure and the Ethics & Compliance Helpline. The number of cases reported through the whistleblowing procedure is consolidated annually and shared with the Audit Committee. Multi-language materials, e-learning and a Code of Conduct portal support awareness and facilitate comprehensive reporting.

3.2. Workers in the value chain

3.2.1. ENGAGEMENT WITH WORKERS IN THE VALUE CHAIN, CHANNELS TO RAISE CONCERNS OR NEEDS AND APPROACHES TO REMEDY

TVH identified workers in the value chain as an affected stakeholder group in its 2023 materiality assessment, engaged those stakeholders to gather input on significant impacts, risks and opportunities, and integrated the outcomes into the Corporate Strategic Plan to guide decision-making and the focus of sustainability reporting.

Supplier Relations Management (SRM) drives the development and implementation of sustainability in the value chain programme and the related governance arrangements described in the 2025 Environmental Charter for upstream and downstream partner engagement.

TVH formalised the Responsible Sourcing Policy in 2024, committing to uphold internationally recognised human rights, supply-chain transparency and traceability, and to collaborate with suppliers to identify and mitigate social risks. Training on this policy for direct procurement employees was conducted in 2025. The e-learning course has been taken by 54% of procurement employees globally. This training will continue in 2026 to reach 100% of procurement employees globally.

The same grievance mechanism is in place for value chain workers as for employees (the Ethics & Compliance Helpline). Refer to 'S1-2 Engagement with own workforce, channels to raise concerns and remedies' for more information. TVH reports the number of cases reported via the helpline annually to the Audit Committee as part of oversight and

governance reporting. Business partners are expected to provide similar channels enabling their employees to raise concerns.

TVH is committed to investigating concerns through its compliance processes and to cooperate with partners via sustainable procurement governance to assess, mitigate and address any identified issues.

TVH takes action to understand the perspectives of vulnerable and marginalised workers in the value chain. The double materiality engagement was conducted via a 17-stakeholder panel in 2023 and 14 individual interviews across the Americas, EMEA and APAC to gather views on working conditions, child and forced labour. TVH's commitments align with ILO principles, and non-discrimination policies include disability among protected characteristics and extend anti-discrimination expectations to business partners.

A Global Responsible Supplier role has been appointed to maintain supplier relationships and TVH performs regular supplier visits to monitor compliance. Business partners are expected to accept audits and conduct self-assessments against the Code. In cases of non-compliance, TVH may implement remediation plans and provide training and support. TVH conducts monitoring and follow-ups to ensure corrective actions are implemented and sustained. Sanctions for non-compliance may include suspension or termination of the business relationship.

3.2.2. POLICIES RELATED TO WORKERS IN THE VALUE CHAIN

TVH has a business partner Code of Conduct. The following policies all cover the entire scope of TVH's activities. The Workers' Council was informed and made aware of the launch of each policy topic prior to its implementation.

Policy Name	Policy Description	Policy Scope	Policy Standard	Policy Consideration	Linked IROs
Human Rights & Forced Labour (Code of Conduct)	Commits TVH and third parties to respect internationally recognised human rights; prohibits forced and compulsory labour, child labour and human trafficking; provides guidance on identifying red flags and requires reporting of suspected violations to TVH Compliance via the Ethics and Compliance Helpline to enable additional due diligence.	Global standard for all TVH locations and subsidiaries since 2022. Covers third parties throughout the value chain; affected stakeholders include value chain workers.	ILO: International Labour Organization standards; OECD Guidelines for Multinational Enterprises; United Nations Convention Against Corruption; United Nations Global Compact; United Nations Universal Declaration of Human Rights.	Both policies were drafted by the Compliance Department, reviewed through stakeholder consultation groups in the US and EMEA, and approved by the VP Assurance and the GMT.	Working conditions risks in the value chain (reputational and ethical, costs or sanctions due to regulatory and due diligence gaps).
Business Partner Code of Conduct	Provides a clear framework of what TVH stands for and outlines the global standards expected of all Business Partners including their own Business Partners; guides behaviour, shapes decisions and helps to maintain the highest levels of integrity and ethical conduct in all aspects of business operations.	Applies to all Business Partners globally, regardless of their geographic location, size or nature of their business relationship with TVH.			
Responsible Sourcing Policy	Reflects TVH's dedication to minimising the negative environmental and social impacts associated with the procurement of materials and resources for products and services; sets out guiding principles for responsible choices that contribute to a more sustainable future. Available on TVH's website.	Global standard to be implemented by all TVH affiliates; applies to employees contracted by TVH and guides supplier relationships across the supply chain. Focuses on the upstream value chain; observed or suspected violations must be reported. Affected stakeholders include suppliers and their workers.			

3.2.3. ACTIONS AND RESOURCES RELATED TO WORKERS IN THE VALUE CHAIN

TVH's Human Rights and Forced Labour policy instructs employees on managing human rights risks in the value chain, including situations where **business targets may conflict** with addressing violations.

- TVH Compliance builds leadership commitment, disseminates policies and learning paths, conducts awareness and communication campaigns, ensures policy implementation and strengthens human rights due diligence across the organisation.
- Supervisors ensure compliance by leading by example, enforcing the policy in daily operations and reporting misconduct through the Helpline.
- A comprehensive compliance programme with e-learning, onboarding and a Code of Conduct portal linking to the whistleblowing mechanism is being rolled out, with a goal to have the majority of desk workers trained by the end of 2025.

Employees must monitor third parties for human-rights red flags, including threats of deportation or blacklisting, lack of written contracts, **unsafe or inhumane working conditions** or unfair pay, control of identity or travel documents, unsafe or unsanitary housing, and use of forced labour, debt bondage or deceptive recruitment practices. TVH will suspend their collaboration with any third party that exhibits these red flags and fails to demonstrate measurable progress in addressing them. Where tensions arise with procurement or sales, the policy directs employees to **prioritise escalation and due diligence** and to refrain from doing business with implicated third parties, thereby prioritising human rights over competing commercial pressures.

No human-rights incidents connected to workers in the value chain were identified during the reporting period.

Action	Action Description	Action Outcome	Resources	Linked Policies
Responsible Sourcing Policy rollout and procurement training (2024-2025)	In 2024, a dedicated online training module was developed and sent to every procurement manager. In 2025, mandatory training was implemented, to be continued in 2026, for all employees within the direct procurement department responsible for sourcing products for resale.	Strengthens responsible procurement practices with suppliers to uphold internationally recognised human, ethics and transparency standards; contributes to policy objectives to minimise social impacts in sourcing.	Dedicated online training module and time from procurement staff to complete training; specific financial allocations are not disclosed.	Responsible Sourcing Policy; Code of Conduct.
Training on Human Rights & Forced Labour and Raise your Voice Policy	Training employees, making sure they report on red flags. Timeframe: ongoing, including 2025 via onboarding training and all-in-one training sessions.	Early detection, mitigation and prevention of forced and child labour and other labour rights violations in the value chain	Compliance function and helpline platform; training/awareness for users. Specific financial allocations are not disclosed.	Human Rights & Forced Labour policy; Raise your Voice policy.

3.2.4. TARGETS RELATED TO WORKERS IN THE VALUE CHAIN

Target	Target Relationship	Target Scope	Linked Actions
100% of direct procurement employees trained on the Responsible Sourcing Policy by the end of 2026.	Operationalises TVH's Responsible Sourcing Policy (introduced in 2024) to ensure procurement practices uphold human rights and ethical standards and support socially responsible sourcing across the supply chain.	Own operations: employees within the direct procurement department responsible for sourcing products for resale.	Responsible Sourcing Policy circulated to procurement managers in 2024; dedicated online training module developed in 2024; implementation of mandatory training for all direct procurement employees in 2025 reaching 54% trained in 2025.

3.3. Consumers and end users

3.3.1. ENGAGEMENT WITH CONSUMERS AND END-USERS, CHANNELS TO RAISE CONCERNS OR NEEDS AND APPROACHES TO REMEDY

TVH conducts Voice of the Customer relationship surveys and runs a Prospects Brand Awareness Tracker on an annual basis, it also performs ad hoc customer research, including remanufacturing and sustainability interviews, to capture customers' concerns and needs. The company monitors its Net Promoter Score (NPS) to evaluate customer loyalty and experience. TVH maintains a customer-centric focus and reports on consolidated feedback data internally and to D'leteren Group.

- The double materiality assessment conducted in 2023 engaged clients through a dedicated survey, receiving 239 client responses, and identified clients among affected stakeholder categories to inform end-user priorities. It is planned to be repeated every three years with the next assessment scheduled for 2026.
- End-user health and safety is treated as a material impact and risk, supported by a supplier approval programme, strict quality control processes, expert technical support and customer training delivered via TVH University in 2025 to support technical engagement and end-user capabilities.

Inclusion and Impact: Vulnerable Groups and Value Chain Safety

TVH takes proactive measures to understand the perspectives of vulnerable and marginalised consumers and end users, recognising that these groups may face disproportionate risks related to product accessibility and safety. TVH acknowledges that the failure of machine parts—such as braking systems or hydraulic components—can lead to severe accidents or lawsuits. For vulnerable operators or those working in high-risk environments, the reliability of a TVH part is a fundamental safety requirement.

Grievance Mechanisms and Stakeholder Feedback

TVH maintains a robust grievance ecosystem centred on the Ethics & Compliance Helpline. Available to all external stakeholders—including customers—this channel facilitates the reporting of concerns such as consumer protection, data privacy, or human rights violations. The portal is accessible to customers online or via a 24/7 call centre.

3.3.2. ACTIONS AND RESOURCES RELATED TO CONSUMERS AND END-USERS

Risk Management & Product Safety

TVH identifies Health & Safety as a material impact both in its upstream and downstream value chain. Defective parts are not just a commercial risk; they are a safety risk that could lead to accidents or legal claims. These are mitigated by:

- **1. Stress testing & Quality Control:** TVH maintains a modest but vigilant approach to protecting the health and safety of end users, particularly concerning high-risk components like hydraulics and critical electronics, where failure could lead to life-threatening accidents. Recognising this responsibility, the company performs rigorous quality inspections on most material parts, using specialised testing equipment to conduct physical stress tests that ensure each component can withstand demanding operational stresses. By prioritising these technical safeguards and integrating the results into its Product & Procurement Compliance framework, TVH quietly ensures that its vast global inventory meets the high safety standards necessary to protect the technicians and operators who rely on its parts every day.
- **2. Regulatory Compliance:** TVH's dedicated Product & Procurement Compliance team uses the Assent platform to monitor global standards. This ensures products comply with:
 - **REACH & RoHS:** Restricting hazardous substances.
 - **Prop65 & TSCA:** Meeting stringent chemical safety requirements for international markets.

No human-rights incidents connected to consumers or end users were identified during the reporting period.

Action	Action Description	Action Outcome	Resources	Linked Policies
Product quality control and supplier approval programme	Ongoing strict quality control processes and a comprehensive supplier approval programme to ensure high-quality parts for customers; applied across TVH's global operations and brands; continuous improvement in 2025 and beyond.	Reduce risk of defective parts and related end-user accidents/lawsuits, improving customer safety and satisfaction; supports managing the material risk of end-user health & safety.	Quality assurance staffing, testing systems and supplier assessment processes; implementation dependencies not specified.	Customer-centric strategy; end-user health & safety risk management (material IRO).
Customer training via TVH University	Provide training for customers and TVH employees via TVH University on electronics, hydraulics and more; >1,500 hours delivered in 2024; continued offering in 2025.	Improve safe and effective use/maintenance of equipment and parts by customers/end users, reducing misuse-related incidents and enhancing satisfaction.	Training content development, trainers and delivery platforms.	End-user health & safety; customer satisfaction focus.
Voice of the Customer surveys and customer research	Voice of the Customer relationship surveys, brand awareness tracking and ad hoc research to integrate customer feedback into products and services; continuous in 2025.	Identify and address customer priorities (e.g., health & safety, materials/circularity, packaging), strengthening product quality, service reliability and end-user safety; increase satisfaction and engagement.	Survey tools, analytics and customer insights teams; implementation dependencies not specified.	Customer-centric strategy; stakeholder engagement approach.
Sustainable packaging for safe delivery and improved customer experience	TVH is modestly advancing its sustainable packaging practices while maintaining an uncompromising focus on product integrity and end-user safety. Recognising that a compromised part could pose a direct risk to the operator, the company ensures there is zero risk of damage during transport. Every eco-friendly material is strictly vetted to guarantee that even the most sensitive components, such as hydraulics and electronics, arrive in perfect condition, balancing environmental goals with the fundamental necessity of technical reliability.	Maintain safe delivery of high-quality parts while reducing the environmental footprint and responding to customer feedback on packaging; supports customer experience and environmental objectives.	Procurement of certified materials (preference for FSC-certified partners), packaging machinery and operational adjustments.	Resource use and circular economy actions; customer feedback integration.

3.3.3. TARGETS RELATED TO CONSUMERS AND END USERS

No targets related to consumers or end users have been set for the reporting period.

4. Governance

4.1. Business Conduct

4.1.1. BUSINESS CONDUCT POLICIES

Anti-corruption and anti-bribery policies are in place. Whistleblower protection policies are in place. All policies apply to every party contracted by TVH and are a global standard with minimum rules at all TVH locations and subsidiaries.

Policy Name	Policy Description	Linked IROs
TVH Code of Conduct	Sets expectations for ethical behaviour and bundles key topics in different policies: Anti-Bribery & Anti-Corruption, Gifts & Hospitality, Sponsorships & Donations, Conflicts of Interest, Non-Discrimination & Non-Harassment, Preventing Company Theft & Fraud, Human Rights & Forced Labour, International Trade and Raise Your Voice. Objectives include promoting ethical conduct, fostering a safe and inclusive workplace, providing legal protection, strengthening employees' moral muscle and supporting sustainable growth. Employees, managers and directors must understand and follow the Code of Conduct; the Board approves deviations and periodically reviews the Code of Conduct.	Risks of legal, regulatory and reputational harm from unethical conduct; opportunity to build a strong ethics culture.
Anti-Bribery & Anti-Corruption	Zero-tolerance policy defining bribery and corruption, prohibiting direct and indirect improper benefits (including via intermediaries or close relations), and outlining legal/extraterritorial risks. Emphasises procedures and training to prevent bribery, protect TVH's reputation and comply with applicable anti-corruption laws. No changes disclosed during the period. The policy is in line with the UN Convention against Corruption (UNCAC); OECD Anti-Bribery guidance; UK Government anti-bribery guidance; US DoJ FCPA guidance; Council of Europe GRECO; Inter-American Convention against Corruption.	Corruption and bribery risks; extraterritorial legal exposure; reputational harm; third-party corruption liability.
Gifts & Hospitality	Sets principles and rules for offering/receiving gifts, benefits and hospitality to ensure ethical conduct and legal compliance in interactions with external/third parties. Requires prior written approval for offering hospitality, mandates disclosure to Compliance via the portal when in doubt, and requires refusal or reporting of inappropriate hospitality. No changes disclosed during the period. Covers interactions with external/third parties only.	Risk of undue influence and conflicts in supplier/customer relationships and public sector interactions; bribery risk via lavish gifts or hospitality.
Conflicts of Interest	Defines actual, potential and perceived conflicts of interest; requires avoidance or timely disclosure; sets roles for employees and supervisors; connects to related topics (gifts/hospitality, financial issues). No changes disclosed during the period.	Risk of biased decisions, supplier favouritism, nepotism and related legal/regulatory issues; reputational risk.
Raise Your Voice - Whistleblowing	Whistleblowing policy providing secure, confidential and optional anonymous channels to report or seek advice. Mechanism integrated into onboarding and training and expanded awareness across branches. Audit Committee oversight through annual sharing of the number of whistleblowing cases.	Risk of unreported misconduct, retaliation concerns, data privacy and confidentiality issues; opportunity to enhance transparency and compliance culture.
International Trade: Imports/Exports, Sanctions & Anti-Boycott	Commits to compliance with international trade laws, import/export controls, sanctions and anti-boycott rules; seeks to reduce embargo risks, preserve required licences and maintain AEO status and C-TPAT membership; directs escalation to TVH Compliance in sensitive cases; links to Anti-Bribery & Anti-Corruption policy. No changes disclosed during the period.	Trade compliance risks including sanctions/embargo violations and anti-boycott breaches; risk to licences and trusted trader status; reputational risk.
Sponsorships & Donations	Sets principles to manage donations, charitable contributions and sponsorships ethically and in line with the Code; differentiates appropriate vs inappropriate contributions; ensures they are not used to facilitate bribery; requires due diligence and attention to AML/CTF risks. As a general principle, TVH does not donate to political or religious	Risks of undue political influence, misuse of donations/sponsorships for bribery or to bypass controls; AML/CTF risks; reputational risk.

Policy Name	Policy Description	Linked IROs
	organisations unless engaged in a significant project benefiting the wider community. Sets the required procedure and provides standard contract templates. No changes disclosed during the period.	
Preventing Company Theft & Fraud	Aims to protect company property, assets and resources; ensure accurate records; prevent unauthorised access/use/disclosure of sensitive information; promote transparency and accountability; supports compliance with laws including anti-corruption. Linked policies include Anti-Bribery & Anti-Corruption and Conflicts of Interest.	Asset misuse/theft, fraud and data leakage risks; financial reporting integrity; compliance and reputational risks.
Privacy policy	TVH processes personal data to provide, improve and develop services; for marketing (targeted communications, promotions and offerings); and to inform third parties. The policy aims to comply with legal requirements and to detect harmful or illegal use of its Website, Webshops, Social Media Channels or other communication channels. It covers processing and sharing of personal data by TVH and selected partners. Applies to users of TVH's Website, Webshops, Social Media Channels and other communication channels globally.	Information & Data Security Management.
International Trade	TVH maintains compliance through accurate product classification, data collection and adherence to industry and legal storage standards. Global operations include mandatory party screening and alignment with EU and US sanctions. The policy addresses third-party risks—including forced labour, slavery and environmental impact—to mitigate reputational risk. This framework applies to all global transactions involving upstream suppliers, downstream customers, and service providers (e.g., financial and logistics partners).	Corruption, Bribery, Money Laundering & Fraud.
Acceptable Use Policy	Provides guidelines for the responsible and secure use of all assets in TVH's Digital Domain. It is designed to protect TVH, its employees and its partners from inappropriate or damaging actions by individuals, either knowingly or unknowingly. Anyone having access to or otherwise using TVH's Digital Domain.	Information & Data Security Management.

Roles and functions most at risk of corruption or bribery include: sales and bid teams, who face exposure when closing deals or competing for projects including abroad, such as pressure to offer cash incentives or to engage a client contact's relative's company to secure awards; customs and logistics personnel, who encounter risks when shipments are delayed and facilitation payments are solicited to speed inspections or release goods; and finance and tax roles that are exposed when public authorities request service fees to process payments or refunds. Procurement and travel coordinators may receive gifts, benefits or hospitality from suppliers, creating undue influence risks if intended to sway business decisions. Employees engaging with public officials for permits, utilities or regulatory actions must avoid providing anything of value, as any inducement can amount to a bribe. Functions overseeing consultants or agents carry risk due to potential third-party bribery liability if intermediaries pay bribes to obtain or retain business for TVH. Employees travelling to high-risk countries are advised to consult Compliance in advance, reflecting elevated bribery risks linked to local practices and interactions with public officials.

4.1.2. ACTIONS RELATED TO BUSINESS CONDUCT

TVH maintains a zero-tolerance Anti-Bribery & Anti-Corruption and Preventing Company Theft & Fraud policy, which applies to all employees and contractors, prohibits bribes and facilitation payments, addresses third-party risks and extra-territorial laws, and requires consultation with Compliance.

- Supervisors are responsible for ensuring compliance in their area, to guide employees on bribery, gifts and facilitation payment questions, and to know the reporting process to TVH Compliance.
- Training is provided via e-learning and classroom sessions on Code of Conduct topics, is integrated into global onboarding and is supported by a Code of Conduct portal.
- Employees must disclose potential bribery situations, facilitation payment requests and gifts or hospitality concerns to their supervisor, or Compliance, including via the Ethics & Compliance Helpline. Breaches can result in disciplinary actions up to and including termination of employment.
- Emergency facilitation payments made in health, safety or freedom emergencies must be disclosed to Compliance promptly and may avoid disciplinary action if the threat is objectively confirmed.

Supplier Relations Management (SRM) drives the development and implementation of the company's sustainability in the value chain programme. Supplier relationships are managed through purchaser and global supplier contacts, a product and procurement compliance team, and a contract management team. TVH uses the Assent platform to request supplier compliance information for REACH, RoHS, Prop65 and TSCA.

Action	Action Description	Action Outcome	Resources	Linked Policies
Code of Conduct Cup	A global challenge set up in the format of a quiz whereby different countries compete on Code of Conduct related questions.	Strengthened integrity, legal compliance and a safe, inclusive workplace; brought the Code of Conduct to the forefront for all workers, both desk and non-desk; generated data-driven insights highlighting topics requiring extra attention; the CEO actively championed the initiative and the winner was announced via a company vlog.	Compliance, Finance and L&D resources for communication and training.	TVH Code of Conduct (and all of its linked policies).
Code of Conduct refresher training sessions	Drawing on insights from the Cup and cases and questions received over the past financial year, TVH relaunched two existing Code of Conduct campaigns: Conflict of Interest and Gifts & Hospitality.	Re-enrolled all desk workers in both training sessions, reinforcing awareness and maintaining top-of-mind focus on these topics.	Compliance resources to set up online and classroom training.	Conflict of Interest policy; Gifts & Hospitality policy.
Onboarding Code of Conduct	Every desk-based new hire at TVH is enrolled in the Code of Conduct programme, with a three-month deadline to finish the training on all policy modules.	Ensures all new desk workers are formally aligned with TVH's ethical standards and regulatory requirements within their first 90 days.	Compliance resources to set up online and classroom training.	TVH Code of Conduct (and all of its linked policies).
Cybersecurity and acceptable use policy for digital channels	Enforce Acceptable Use Policy from 1 January 2025, including strong passwords, two-factor authentication, secure data access/sharing, incident reporting and device protection to safeguard company and personal data.	Reduce risk of data breaches and protect customer-related personal data handled through TVH's digital domain and e-commerce, supporting trust and safe customer interactions.	Cybersecurity function, authentication tools, password manager licences and training; implementation dependencies not specified.	Information security and data protection practices; Code of Conduct referenced in policy guidance.

4.1.3. TARGETS RELATED TO BUSINESS CONDUCT

No measurable outcome-oriented targets related to business conduct have been set. However, the effectiveness of policies and actions is tracked.

- The number of whistleblowing cases is reported annually to the Audit Committee.
- The effectiveness of anti-corruption policies is tracked via the KPI "number of convictions" for violations of anti-corruption and anti-bribery laws.

4.1.4. METRICS RELATED TO CORRUPTION OR BRIBERY

Metric – 2025	Value
Number of convictions for violations of anti-corruption and anti-bribery laws	0
Number of sanctions for violations of anti-corruption and anti-bribery laws	0
Total amount of fines for convictions and sanctions	€0

5. Indexes

PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND MATERIAL INFORMATION

Scope and coverage

The 2023 double materiality assessment (DMA) covered the Americas, EMEA and APAC. IROs are mapped across own operations, upstream and downstream value chain activities. The first double materiality assessment was conducted in 2023 and went through a pre-assurance in 2025. The assessment process is not informed by a formal sustainability due diligence process.

Methodology and inputs

TVH applied a double materiality process aligned with GRI 2021, draft ESRS 1 and SASB. Stakeholder input was gathered through customer surveys and interviews, employee engagement channels and supplier interactions, with GMT and subject-matter expert contributions. Impacts were linked to affected stakeholders and assessed alongside financial risks and opportunities by likelihood and time horizon.

Climate risks and opportunities have been assessed using IPCC SSP1-2.6 and IEA Net-Zero for transition risks (2030 horizon) and IPCC SSP5-8.5 for physical risks (2040 horizon), focusing on worst-case scenarios and evaluating probability and financial effect.

Decision-making and thresholds

Topics were prioritised using quantitative bands. Threshold-setting sessions were held by the GMT in September 2023 based on the double materiality results and external recommendations, with Board approval of the final assessment. Outcomes are integrated into the FORWARD28 Strategic Plan to guide decisions and resource allocation.

The Global Management Team held an off-site session to review the value chain and IROs. A proposal prepared by the CEO, CFO and CSSO mapped double materiality topics to ESRS focus areas and was validated in a GMT follow-up session. In Q3 2023, the Directors' Summit presented the selected topics to approximately 70 leaders for feedback and the Board of Directors reviewed and validated the proposed sustainability priorities in the same quarter.

Assessment of severity and likelihood

Actual negative impacts are assessed on severity using the scale, scope and irremediable character of the impact. Potential negative impacts are assessed using severity and likelihood of occurrence. For potential human rights impacts, severity takes precedence over likelihood. Positive impacts are assessed on significance using scale and scope and, for potential positives, likelihood as well. The assessment covered upstream and downstream activities and integrates stakeholder evaluations. Impacts are prioritised according to their significance and stakeholder priority.

Integration of prevention, mitigation and remediation actions

Results from the 2023 DMA have been integrated into the Corporate Strategic Plan and guide the focus and content of the Sustainability Report. After the new DMA, planned in 2026, the identified material impacts and opportunities will be integrated into the new Corporate Strategic Plan and the annual business planning framework. Adaptation to physical and transition climate risks is to be included as a criterion in strategic decision-making and daily operations. TVH also aims to apply a mitigation hierarchy to avoid adverse impacts, and minimise and compensate for unavoidable ones.

Existing and planned measures include:

- Improving installations, enhancing building efficiency and integrating energy-efficient features in new facilities.
- Electrifying the company fleet and expanding on-site renewable energy generation/storage and switching to green electricity contracts.
- Using the cost of green electricity as a base case in investment decisions and allocating energy attribute certificates to relevant cost centres.
- Engage the value chain through a sustainability programme to improve ESG performance upstream and downstream.
- Adhere to environmental laws and anticipate stricter regulations across jurisdictions.
- Commit to compensating for unavoidable impacts.

Areas of heightened risk related to activities, business relationships and geographies

A third-party review process manages risks such as forced labour and environmental pollution in the supply chain. Red flags, including a presence in high corruption or slavery risk countries or incomplete partner information, are reported to Compliance. Based on the 2023 DMA, it was concluded that TVH is not connected, through its own operations or its value chain, to material negative impacts related to forced or compulsory labour or child labour.

Stakeholder and expert consultation

TVH engaged with affected stakeholders and external experts through the 2023 double materiality process. A materiality survey gathered input from 239 clients, 220 employees and 17 suppliers on 17 ESG topics. A 2023 panel engaged 17 stakeholders including trade unions, environmental NGOs, experts, suppliers, clients, strategic partners, a waste management company and a public authority. Fourteen interviews complemented the panel, covering key suppliers in Asia and Eastern Europe, key clients, employees across APAC, the Americas and Europe, Board members and a remanufacturing expert. Stakeholders prioritised the carbon footprint, materials and circularity, packaging, air pollution, health and safety, well-being, education and upskilling, working conditions in the value chain, product safety, talent attraction and retention, and diversity and inclusion. These insights were used to prioritise IROs and to inform the materiality threshold.