

# DRIVING CHANGE FOR GENERATIONS TO COME





SUSTAINABILITY TURNS  
PURPOSE INTO MEASURABLE  
ACTION, **IMPROVING  
DECISIONS, INNOVATION  
AND PERFORMANCE**  
ACROSS THE GROUP

# Table of Contents

CEO message	4
Introduction	7

## About Royal Terberg Group 9

Our core values	10
Mission	11
Profile	12
Corporate structure	14
Our value chain	15
Global presence	16
Strategy	18
Stakeholder engagement	19
Trends	20
Governance structure	22

## Our approach to sustainability governance 25

## Setting our sustainability priorities 29

Our Double Materiality Assessment (DMA)	30
How we conduct our DMA	31
Our DMA: the results	32

## Our sustainability strategy 35

Our 3 x 3 strategic approach	36
Our key actions for 2026 and beyond	37
Sustainability highlights of 2025	38

## Environment 41

<b>Climate change</b>	<b>42</b>
Our climate strategy	42
CO <sub>2</sub> reduction	43
Opportunities	44
Our Climate Transition Plan	45
Climate risks	46
Climate: Our metrics and targets	48

<b>Resource use and circularity</b>	<b>52</b>
Our circularity strategy	52
Our approach to circularity	53
Our key actions on resource use and circularity	54
Waste from our operations	57

## Social 59

Our own workforce	61
<b>Health and Safety</b>	<b>62</b>
Safety of our own workforce	63
Learning and development	64
Working conditions	67
Diversity, equity and inclusion	68
Engaging with our workforce	69
About our workforce	70
Consumers and End Users	73
Supporting our communities	75

## Governance 77

<b>Business conduct</b>	<b>78</b>
Emerging governance risks and opportunities: how we are responding	79
Our business conduct policies	82
Actions related to our business conduct policies	84

# CEO message

Godfried Terberg

Chair of the Board of Directors

**"SUSTAINABILITY AND LONG-TERM SUCCESS GO HAND IN HAND. IN THE END, IT IS ABOUT BUILDING A STRONG, RESILIENT BUSINESS FOR GENERATIONS TO COME."**



# Sustainability shapes tomorrow

At Royal Terberg Group, sustainability is at the centre of our family business. For us, sustainability is about building a company that thrives in a changing world. It means staying close to the shifts shaping our industry, like climate change, resource pressures, health and safety requirements and evolving regulation. It means responding with agility and integrity. And it means looking forward to understand the risks these developments bring, and equally, to recognise the opportunities they create.

## We know what we need to do

We operate in sectors that are fundamental to everyday urban services and global logistics – from waste collection in our cities to the movement of goods around the world. Our vital contributions in these areas mean that now more than ever we need to take ownership of what we do as a business while seeing the potential for how we can grow. The transition to electric and other low-emission vehicles is accelerating. Demands for more efficient use of materials and better circularity are rising. Our customers need innovative solutions that not only perform today, but meet their needs tomorrow.

Our role is clear: to anticipate where the market is going and to ensure we are there with the right products, the right technologies and the right mindset. Sustainability and commercial success go hand in hand. In the end, it is about building a strong, resilient business for generations to come.



## We have made strong progress in 2025

I am proud of our recent achievements.

Over the past year, we have taken important steps to strengthen our approach. We conducted our first formal assessment of climate-related risks and opportunities, giving us a clearer view of where we are exposed and where we can lead. We have developed a transition plan to guide our actions and set Group-wide climate targets that provide direction and accountability. We have also invested heavily in our people, especially in learning and development, to ensure we have the skills we need for our future success.

It means a lot to me that Terberg people are engaging, collaborating and pushing our sustainability agenda forward with professionalism and purpose. Across the organisation, there is a growing understanding that sustainability is not the responsibility of a single team, but is embedded in how we think, how we operate, and how we make decisions. We have come a long way in a relatively short time.

## There are important landmarks ahead

That said, we are under no illusion: there is more to do.

The pace of change is increasing. We live in a time of great geopolitical change and, at the same time, the expectations of our customers, regulators and the public are becoming more demanding.

Looking ahead, a key milestone for us will be our first report in line with the European Sustainability Reporting Standards (ESRS) – due in 2028.

This is not simply a compliance exercise. It will require us to clearly identify the impacts we have on the world, as well as the sustainability-related risks and opportunities we face – and to demonstrate the actions we are taking in response.

We are building the foundations now. Our teams are working hard to strengthen our data, systems and processes so that we can meet this commitment with confidence. It is an important step in increasing our transparency, improving our decision-making and ensuring we manage sustainability with the same discipline we apply across all areas of our business.

## We are ready for progress

The direction is clear. By integrating sustainability into our strategy and operations, we are positioning ourselves to adapt, to innovate and to lead.

Together, at Royal Terberg Group, we are driving change for generations to come. By doing so, we are building a business that is ready to shape tomorrow.

**Godfried Terberg**

Chair of the Board of Directors  
Royal Terberg Group



# Introduction

## Purpose of this report

This report provides an overview of Royal Terberg Group's sustainability strategy, governance, performance and progress for the reporting year 2025. Its purpose is to offer transparent and structured insight into how sustainability is embedded within the Group's business and how it contributes to long-term value creation for customers, employees and other stakeholders.

## Reporting scope and boundaries

The reporting scope and boundaries of this sustainability report are aligned with those of the financial statements. The report covers Royal Terberg Group on a consolidated basis and includes all entities that were part of the Group during the reporting period.

## Reporting period

The reporting period for this report covers the financial year from 1 January to 31 December 2025.

## Reporting standards applied

This report builds on previous sustainability reports published by Royal Terberg Group and reflects continued development of our sustainability governance, data and reporting processes.

Royal Terberg Group is not yet required to report in full accordance with the European Sustainability Reporting Standards (ESRS). However, we are actively preparing for mandatory reporting under the Corporate Sustainability Reporting Directive (CSRD), which we expect to apply to our organisation from the 2027 reporting period.

Our 2025 Sustainability Report is therefore an important step in strengthening our alignment with future regulatory requirements and increasing the maturity and consistency of sustainability reporting across the Group.





# About Royal Terberg Group





# Our core values

Our employees and family culture are the driving forces behind our success. We have formulated seven core values as guiding principles for our company. In 2026 we will update and modernise our core values to ensure they remain fully aligned with our identity as a family-owned company and the way we want to operate going forward. This renewal will reinforce the principles that guide our decisions, our collaboration and our long-term commitment to customers and stakeholders.





# Mission

Terberg is a family business providing best-in-class solutions worldwide in the special vehicle market, enabling businesses and the public sector to transport goods efficiently, safely and sustainably.

# Profile

The foundation for Royal Terberg Group B.V. as it is today, was laid in 1869 with the establishment of a blacksmith's forge in Benschop, the Netherlands. After World War II, the company expanded rapidly under the leadership of the third and fourth generation of the Terberg family. Over the past decades, Terberg has developed into a leading player in niche markets in the automotive industry.

Terberg is a 100% family-owned business with 7 core values: entrepreneurial spirit, customer focus, innovation, integrity, quality, flexibility and sustainability. The continuity of the family business is an important objective. Members of the fourth and fifth generation are actively involved in the company.

Terberg Group B.V. celebrated its 150th anniversary in 2019 and was awarded the designation 'Royal' by King Willem-Alexander of the Netherlands, a title that the company wears proudly since that date.

## Best-in-class solutions in the special vehicle market

Our ambition in a rapidly changing world is to be the most innovative and sustainable vehicle supplier in the markets in which we operate. We do this together with our dedicated workforce by constantly focusing on investments in sustainable production processes and product design, electrification, digitalisation and the optimisation of our distribution and service network.



### Core activities

**Vehicle development, manufacturing and delivery**

**Vehicle-related service and maintenance**

(remote and on-site), spare parts, refurbishment, digitalisation (Terberg Connect).

## Four divisions

The Group is divided into four divisions: Special Vehicles, Environmental Equipment, Truck Modification, and Truck-Mounted Forklifts and it carries out its activities through a network of 38 operating companies. These companies are located in the Netherlands, the United Kingdom, Northern Ireland, Belgium, France, Germany, Italy, Poland, Spain, Portugal, Malaysia, Singapore, Hong Kong, Colombia, the United States of America, and the United Arab Emirates. Our operating companies provide their products and services all over the world and are supported by an extensive global dealer network.

## A business-to-business service provider

The Royal Terberg Group operates in the business-to-business market – all Terberg customers are professional operators. The Group does not provide products or services to consumers. Products and services are provided to customers by both Royal Terberg Group operating companies and independent distributors. The Group operates in various market segments, of which the most important are industry, terminal services, transport and logistics, refuse collection, construction and infrastructure, automotive, defence, and government and semi-government such as municipalities. At year-end 2025, Royal Terberg Group B.V.'s consolidated revenue nearly amounted to €1.4 billion and the group employed a workforce of over 3,600 FTEs.



Used  
equipment –  
resale or rental

Vehicle leasing  
and rental

Training and support  
for use and  
maintenance  
of vehicles

# Corporate structure



## EUROPE

TERBERG BENSCHOP  
(The Netherlands)

TERBERG TRACTORS  
NEDERLAND (The Netherlands)

TERBERG DTS UK  
(United Kingdom)

TERBERG SPEZIALFAHRZEUGE  
(Germany)

TERBERG TRACTORS BELGIUM  
(Belgium)

MANUPORT  
(Italy)

TERBERG MPM IRELAND  
(Ireland and Northern Ireland)

TERBERG FEYTER IBERIA  
(Spain and Portugal)

TERBERG TRACTORS POLSKA  
(Poland)

## MIDDLE EAST

TERBERG MIDDLE EAST  
(United Arab Emirates)

## AMERICAS

TERBERG TAYLOR AMERICAS  
GROUP (United States)

TERBERG TAYLOR AMERICAS  
MANUFACTURING (United States)

TERBERG TAYLOR AMERICAS  
(United States)

TERBERG TAYLOR AMERICAS  
RENTAL & LEASE (United States)

## ASIA PACIFIC

TERBERG TRACTORS MALAYSIA  
(Malaysia)

TERBERG MANUFACTURING  
& ASSEMBLY (Malaysia)

TERBERG SERVICES SOLUTIONS  
(Malaysia)

HITECH AUTO  
(Singapore)

TERBERG KCL  
(Hong Kong and Singapore)



## EUROPE

TERBERG MACHINES  
(The Netherlands)

TERBERG MATEC NEDERLAND  
(The Netherlands)

TERBERG AUTOMOTIVE  
(The Netherlands)

TERBERG MATEC BELGIUM  
(Belgium)

TERBERG MATEC FRANCE  
(France)

TERBERG MATEC POLSKA  
(Poland)

TERBERG HS  
(Germany)

ROS ROCA  
(Spain)

ENVIRORENT XXI  
(Spain)

RESITUL  
(Portugal)

DENNIS EAGLE  
(United Kingdom)

TERBERG MATEC UK  
(United Kingdom)

## MIDDLE EAST

TERBERG ROSROCA VEHICLE  
MANUFACTURING  
(United Arab Emirates)

## AMERICAS

TERBERG MATEC LATAM  
(Colombia)

## ASIA PACIFIC

ZENITH ENGINEERING  
(Singapore)

IG ZENITH  
(Malaysia)



## EUROPE

TERBERG TECHNIK  
(The Netherlands)



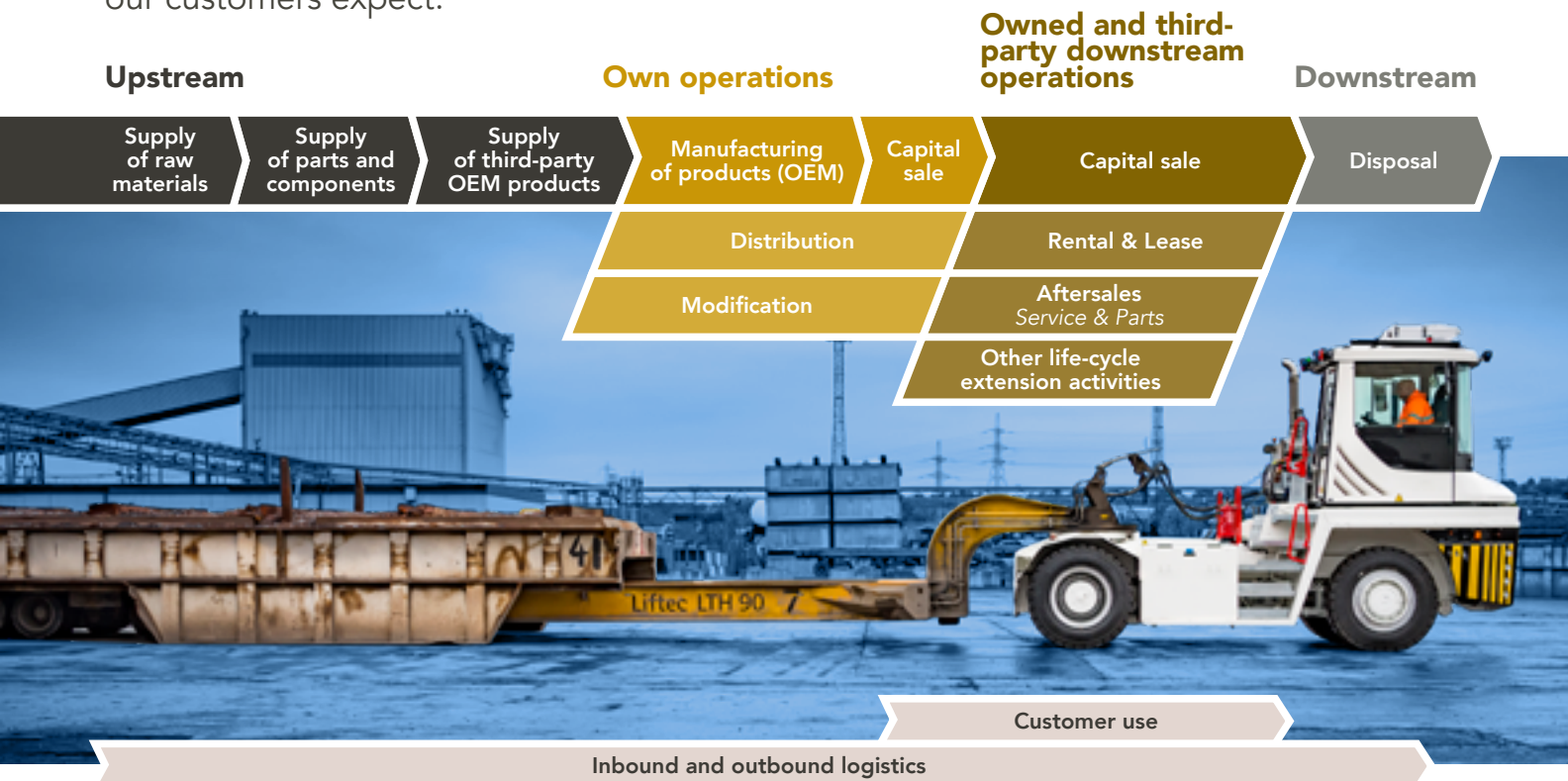
## EUROPE

TERBERG KINGLIFTER  
(The Netherlands)

TERBERG KINGLIFTER  
(Germany)

# Our value chain

Royal Terberg Group operates an integrated business model combining OEM manufacturing, distribution and lifecycle services, enabling us to support customers across the full vehicle lifecycle. We design, engineer and build specialised vehicles, relying on a global network of trusted partners that supply the high quality materials, components and services needed to deliver the performance, safety and reliability our customers expect.



## Upstream

Our upstream value chain consists of a global network of suppliers providing raw materials (such as metal, rubber, and plastics), components (including batteries, hydraulics, electronics, and tyres), and, in selected cases, OEM products through strategic OEM partners. These materials and products are sourced globally and delivered through third-party logistics providers.

## Royal Terberg Group own operations

Royal Terberg Group operates an integrated business model that starts with the assembly of products in its own factories.

Ensuring parts availability throughout the lifecycle is a key element of the value chain, aimed at optimizing performance and extending the lifecycle of vehicles.

The Group uses a network of (partially) owned distributors to sell its products, where clients also have the option to rent or lease. Furthermore, continuous service and other lifecycle-extending activities (e.g. refurbishment) are safeguarded through this distributor network.

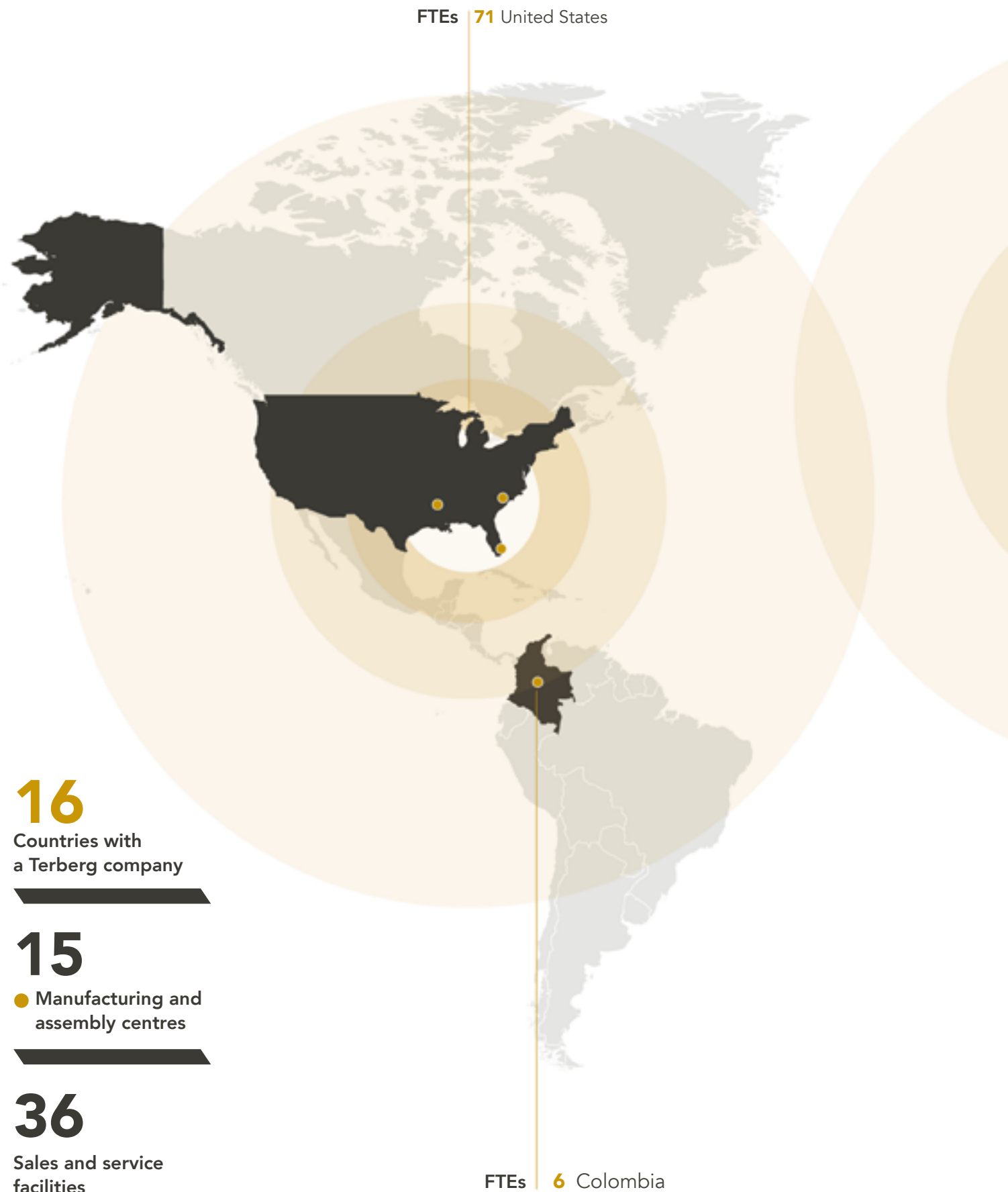
## Downstream value chain third-party distributors

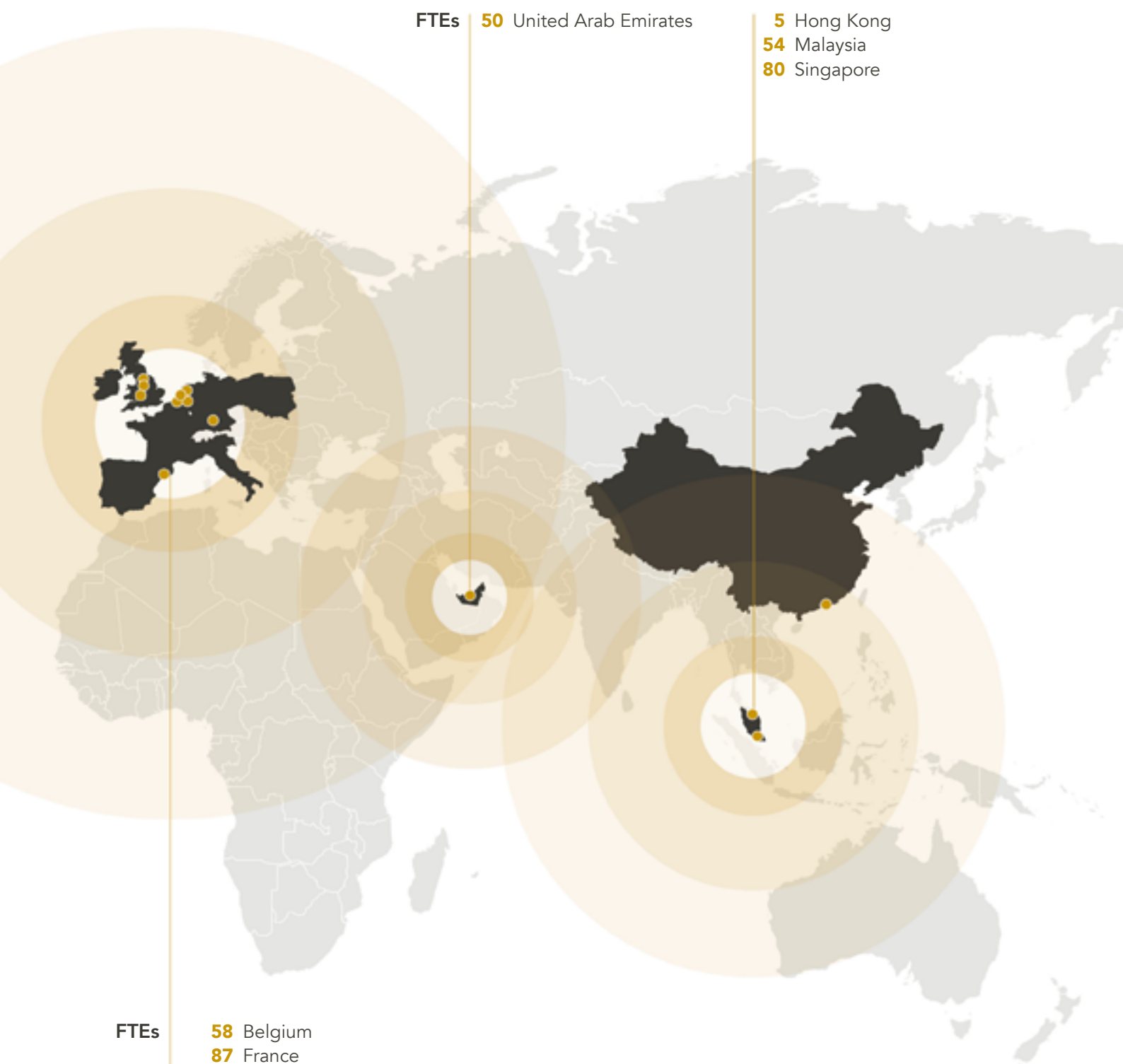
Our customers operate our vehicles across sectors such as ports, logistics, industry, construction, modification, and waste & recycling. We reach customers not only through our (partially owned) distributors, but also through a large network of strategic third-party distributors that provide sales, service, parts and refurbishment activities. Distribution to customers is supported by logistics providers.

## Lifecycle and end-of-life

We focus on extending the useful life of our vehicles through service, refurbishment, and reuse. At the end of their lifecycle, vehicles are resold, refurbished, or dismantled for parts, either within our network or by specialised third parties.

# Global presence





**FTEs** 50 United Arab Emirates

5 Hong Kong  
 54 Malaysia  
 80 Singapore

**FTEs**

- 58 Belgium
- 87 France
- 325 Germany
- 27 Italy
- 27 Northern Ireland
- 46 Poland
- 23 Portugal
- 569 Spain
- 921 The Netherlands
- 1,312 United Kingdom

# Strategy

## Our strategy

To stay ahead, our strategy focuses on strengthening the elements that make Terberg distinctive: safety, innovation, disciplined execution, and delivering the lowest total cost of ownership and maximum uptime for our customers.

Our strategy provides the framework that guides how we respond to global trends and create long-term value. Our strategic direction remains clear and consistent: we continue to build on the foundations that have supported Terberg's growth for generations.

At the core of our strategy is the commitment to deliver best-in-class solutions, engineered around the needs of professional operators. We provide high-quality, reliable products with a low total cost of ownership, supported by strong service capabilities and an increasing use of digital and data-enabled solutions.

The strategic priorities introduced our 2023–2027 strategy remain highly relevant. We continue to invest in the development, redesign and improvement of products and services, as well as in new technologies, including electrification, hydrogen solutions, autonomous and remotely operated vehicles. In parallel, we are strengthening our organisation through greater use of data, automation and analytics to support better decision-making and execution.

With an expanding global footprint, Terberg continues to balance organic growth, service expansion and selective acquisitions in Europe, the United States and Southeast Asia. Our strengthened distributor network and our focus on uptime, lifecycle value and customer proximity remain important drivers of growth.

In 2025, we took an important step in the evolution of our strategic direction by transitioning from a fixed multi-year programme to a rolling strategy framework.



Rental activities and after-sales support play an increasingly strategic role, helping customers optimise their operations and enabling more sustainable and efficient lifecycle performance. These choices ensure that we continue to respond effectively to the global trends that influence our business.

Our ambition remains unchanged: to pursue a disciplined, coherent growth path in which strong customer partnerships, continuous improvement and innovation form the basis for sustainable value creation across all divisions.

# Stakeholder engagement

Engaging with our stakeholders remains essential to achieving sustainable long-term value as a family-owned business. Our stakeholder mapping ensures that we focus on the stakeholder groups that play the most significant role in shaping our impact and supporting our strategic direction. Through regular, open and constructive dialogue, we aim to strengthen mutual understanding, enhance collaboration across the value chain and contribute to positive outcomes for people, communities and the environment.

**Customers/End users:** "We engage in continuous dialogue with our customers and end users because we value understanding their needs and preferences to ensure that our products and services meet and exceed their expectations."

**Distributors:** "We engage in transparent communication and constructive collaboration with our distributors because we value building strong partnerships that facilitate efficient distribution channels and mutual growth."

**Suppliers:** "We engage in fair and ethical practices with our suppliers because we value sustainable and responsible sourcing, fostering long-term relationships based on trust and mutual benefit."

**Partners:** "We engage in strategic partnerships and alliances because we value leveraging collective expertise and resources to drive innovation, create shared value and address global challenges collaboratively."

**Employees:** "We engage in fostering a supportive and inclusive work environment because we value the well-being, growth and development of our employees, recognising their contributions as the backbone of our success."

**Terberg Family (Shareholders):** "We engage in transparent communication and decision-making because we value the long-term sustainability of our company and the preservation of our family values and legacy."

**Financial institutions and insurance companies:** "We engage in transparent and sustainable partnerships because we value responsible financial practices and alignment with our strategic objectives."

**Government and regulatory bodies:** "We engage in constructive dialogue, and we comply with laws and regulations because we value being responsible corporate citizens, contributing to the development of sound policies and practices that promote environmental stewardship, social equity and economic prosperity."

**Society and NGOs:** "We engage in constructive dialogue and collaboration with society and NGOs because we value their insights and expertise in addressing social and environmental challenges, and strive to make meaningful contributions to local communities and the planet."



# Trends

In an ever-changing world, all Terberg divisions are facing global challenges. Terberg aims to be constantly prepared, adapt selectively and seize opportunities proactively. These challenges include:



## 1. Shift from globalisation to regionalisation

Supply chains are undergoing a structural shift as companies respond to geopolitical uncertainty, cost volatility and the need for greater resilience. Production and sourcing are moving closer to end markets, supported by reshoring initiatives in the United States and broader regionalisation trends in Europe and Asia. This strengthens supply security, reduces dependency on long global routes and shortens lead times.

## 2. Increasing geopolitical tension and instability

Rising trade friction, regional conflicts and diverging political priorities between major economic blocs – including shifting tariff regimes and industrial policies in the United States – are creating a more uncertain environment with direct impact on logistics, procurement and long-term planning. These dynamics influence component availability, pricing and lead times across global supply chains.



## 3. Stronger international competition and price pressure

Competition is intensifying across several of our markets, including from fast-growing Chinese manufacturers. This development reinforces the need for continuous innovation, cost competitiveness and clear differentiation in quality and service.

## 4. Continued shift towards electrification and energy transition

Electrification is accelerating across our markets, driven by emissions regulation and customer sustainability targets. The shift to electric powertrains is reshaping product design and fleet strategies, while increasing the importance of charging infrastructure, battery performance and uptime.



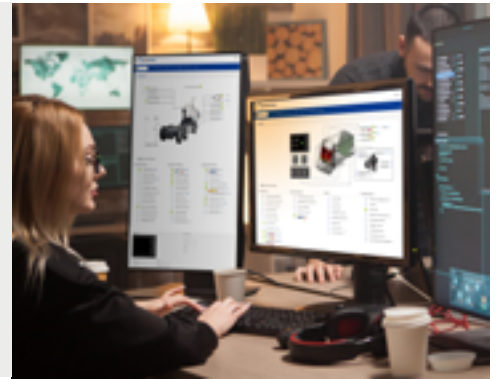


## 5. Growing demand for uptime, service and data-driven operations

Customers increasingly expect connected vehicles, predictive maintenance and data-enabled insights to improve fleet availability, efficiency and lifecycle value. This shift strengthens the strategic importance of after-sales and digital services.

## 6. Acceleration of digitalisation and emerging technologies

Advances in software, automation and artificial intelligence transform business processes, engineering, customer support and operational planning. Data quality, integration and digital capabilities become critical enablers of competitiveness.



## 7. Expanding regulatory requirements in sustainability, safety and digital compliance

New frameworks such as the EU Machinery Regulation, the Cyber Resilience Regulation and battery-passport rules, alongside broader ESG-reporting obligations, are raising the bar for traceability, cybersecurity and product compliance across the value chain.

## 8. Labour market pressure and scarcity of technical and digital talent

The shift from material shortages to talent shortages continues. The availability of skilled technicians, engineers and digital specialists is becoming a key factor in the ability to scale and innovate sustainably.



# Governance structure

## Composition

Royal Terberg Group is governed by a Board of Directors consisting of three members and a Supervisory Board consisting of three members as of the end of 2025. The Supervisory Board previously comprised four members; however, following the completion of D.W. te Bokkel's term in 2025, this position was not replaced.

### Board of Directors

#### Edwin van Wijngaarden

**Member of the Board of Directors, Group CFO,** appointed 2025

**Focus areas**

Finance, Legal, Tax and Sustainability, Mergers and Acquisitions

#### Godfried Terberg

**Chair of the Board of Directors,** appointed 2003 and Chair since 2021

**Focus areas**

Environmental Equipment and HRM, Collective Purchasing, IT and Marketing and Communication

#### Rob F.M. van Hove

**Deputy Chair of the Board of Directors, CEO Special Vehicles,** appointed 2021

**Focus areas**

Special Vehicles, Truck Modification and Truck-Mounted Forklifts



The roles and responsibilities of the Supervisory Board and the Board of Directors are described in detail in the regulations governing these boards.

As of 1 August 2025, Paul van der Kroft stepped down after 18 years of dedicated service and was succeeded by Edwin van Wijngaarden, who was formally appointed Chief Financial Officer and member of the Board of Directors.

Edwin brings extensive experience in financial strategy, mergers and acquisitions, and organisational development. He previously worked at PwC, where he served as a Deals Partner and member of the Advisory Board responsible for Finance, Clients and Markets and Human Capital.

The appointment of Edwin van Wijngaarden subsequently resulted in a change in the composition of the Extended Board of Directors.

The mandate of the extended Board of Directors remains unchanged: to provide continuous strategic input and to act in an advisory capacity in support of the decisions taken by the Board of Directors of Royal Terberg Group.



The Extended Board consists of:

- Board of Directors of Royal Terberg Group

And additionally with two members:

- **Tim Conlon**, CEO Division Environmental Equipment
- **Jaco Reitsma**, CIO

### Independent Board members

**2 of 3**

Supervisory Board members are independent

### Board gender representation

Male

**100%**

Female

**0%**

## Supervisory Board



### Leo N.J. Epskamp

**Chair of the Supervisory Board**, appointed 2019

#### Profile

Partner and interim director at Custom Management. Former CFO of companies including Eriks N.V., TMG N.V., Econcern N.V., and former partner at KPMG.

### George J.M. Terberg

**Member of the Supervisory Board**, appointed 2021

#### Profile

A number of roles in the Terberg family business, e.g. former Director of Terberg Benschop B.V. Former member and chairman of the Royal Terberg Group Board of Directors.

### Aad L. Goudriaan

**Member of the Supervisory Board**, appointed 2015

#### Profile

Entrepreneur and co-owner of N2-Enterprise investment. Former President and CEO Bosal Group, former President-Director DAF Trucks N.V., Vice-President PACCAR Inc.



# Our approach to sustainability governance



# Our approach to sustainability governance

As a privately owned company, we have developed our approach to sustainability governance with an emphasis on:

- Providing **strategic clarity** by aligning our Group-wide strategies, policies and targets with our material sustainability impacts, risks and opportunities.
- Ensuring **compliance** with evolving regulations and delivering assurance-ready reporting.
- Strengthening business execution by **embedding sustainability** into our decision-making and functions including sales, engineering and product development.

In this way, sustainability becomes an integrated driver of business continuity and commercial success at Royal Terberg Group rather than a stand-alone activity.

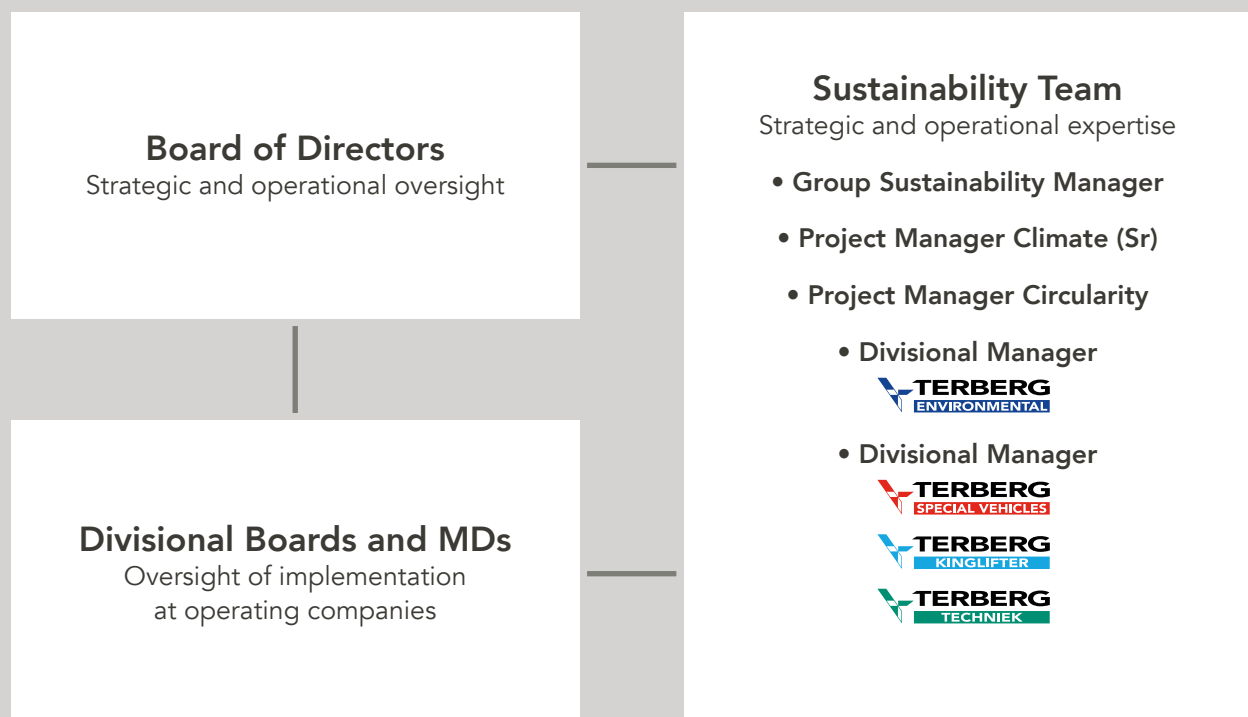
## Our Board of Directors oversees the sustainability strategy and has operational responsibility

Our Board of Directors oversees the Group's sustainability strategy and ensures it aligns with our strategy for long-term value creation, in accordance with the Dutch Corporate Governance Code.

The Board reviews sustainability on an ongoing basis and monitors the Group's performance against our sustainability goals. They ensure that ESG impacts, risks and opportunities are properly managed and that we comply with relevant regulations. The Board also reviews our sustainability reporting and disclosures.

Moreover, our Board defines and executes the sustainability strategy, including setting ESG goals and measurable targets. CFO Edwin vanWijngaarden oversees implementation on a day-to-day level.

## Sustainability Governance at Royal Terberg Group



The Board is responsible for integrating sustainability into the Group's business operations and core functions including procurement, product design, finance, risk management and reporting. This includes introducing appropriate internal controls and data systems as well as reporting progress to stakeholders.

## **Our dedicated Sustainability Team advises and leads implementation**

Royal Terberg Group has a central sustainability team led by our Group Sustainability Manager. This team currently comprises five full-time sustainability professionals. They identify, assess and manage sustainability-related impacts, risks and opportunities, working with the Group's divisions and operating companies.

A network of sustainability ambassadors and data managers across our operating companies supports the central Sustainability Team to collect data, implement programmes and monitor progress.

## **Integrating sustainability into corporate strategy and risk management**

We are starting to embed sustainability into our corporate strategy and risk management. Risk assessments consider all material risks identified in our Double Materiality Assessment and inform our operational decisions.

While our approach to integration continues to evolve, Royal Terberg Group's management regularly reviews sustainability-related risks and opportunities to ensure they are reflected in planning and resource allocation.

## **Our approach to due diligence**

We are developing and implementing a due diligence process which will be aligned with the ESRS and informed by OECD and United Nations standards.

It currently focuses on identifying and mitigating environmental and social risks in our operations. The framework is at an early stage. In 2026, we will develop it further with the intention of expanding it, initially to our key suppliers and subsequently across our value chain.

## **Our approach to risk management and internal controls for sustainability reporting**

We collect sustainability data from our operating companies and consolidate it centrally, working closely with company controllers and data managers.

We are working hard to strengthen our risk management and internal control framework for sustainability reporting. Our current controls include defined data ownership, basic validation checks and management review of reported information.

We provide ongoing training to our data managers and have established a data governance process to enhance the quality of the data. Risks of inaccuracies are mitigated through consistency checks and cross-functional reviews.

## **Our management systems**

Robust environmental management systems underpin our sustainability approach. As of 2025, the majority of Royal Terberg Group production facilities and several distribution and after-sales companies are ISO 14001 certified. In addition, multiple sites operate ISO 9001 certified quality management systems, supporting consistent processes, product quality and resource efficiency.



#### Royal Terberg Group's Sustainability Team

Left to right: Mariia Troian – *Project Manager Circularity*, Natalia Chebaeva – *Senior Project Manager Climate*, Ruben van de Kraats – *Divisional Sustainability Manager*, Leonie Jesse – *Group Sustainability Manager*

## Meet Leonie Jesse: Our Group Sustainability Manager

Leonie joined Royal Terberg Group in 2024 with a background in the financial sector and at KPMG. She now leads the integration of sustainability across the business, with a strong focus on embedding it into strategy, decision-making and daily operations.

### What inspired you to focus your career on sustainability?

"I spent a long time in the financial world, where I saw first-hand that sustainable businesses are often the most resilient, innovative and future-ready. Moving into sustainability allowed me to shift from financing change to actually making it happen. That hands-on impact is incredibly rewarding."

### What do you enjoy most about working in this field?

"Sustainability touches every part of a business – from strategy and operations to finance, procurement and risk management. So you're constantly learning and connecting the dots across the organisation – making sustainability actionable and relevant for each part of the business."

### What makes leading sustainability at Terberg unique?

"Terberg's culture really stands out. As a successful family business, there's a strong sense of pragmatism and entrepreneurship. There's a real 'can-do' mindset here and a shared understanding that staying future-proof means evolving and innovating. That makes it an energising environment where ideas can turn into action."

### What are you most proud of since joining Royal Terberg Group?

"One of the biggest achievements has been shifting perceptions. Sustainability isn't about 'hugging trees', it's about making smart decisions that strengthen the business. We've made great progress in bringing colleagues along on that journey and building engagement across the organisation."

### What's next on your agenda?

"The goal is clear: to embed sustainability into every decision we make. This requires clear processes, reliable data and accountability, so it becomes a natural part of how we operate – making sustainability a core business driver, not a side issue."

# Setting our sustainability priorities

TERBE



# Our Double Materiality Assessment

At Royal Terberg Group we set our sustainability priorities through a process known as Double Materiality Assessment or DMA.

DMA is a “double” assessment because it looks at sustainability from two separate perspectives:

- **Impact materiality:** how we as a company affect people and the environment, and
- **Financial materiality:** how sustainability-related risks and opportunities affect, or *could* affect, our financial performance, position and future prospects.

The DMA covers Royal Terberg Group’s own operations, our upstream value chain including our suppliers and downstream activities such as the use of our vehicles by our customers. For more information on our value chain see p. 15.

## Our DMA was updated in 2025

Royal Terberg Group conducts DMA in line with the requirements of ESRS under CSRD. Although we are not yet required to report under CSRD, we will be eligible to do so in 2028 over the 2027 reporting period. We have therefore decided to embed the DMA process within our organisation ahead of time.

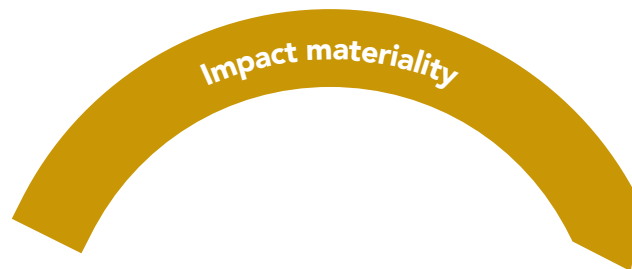
We conducted a full DMA for the 2025 period following our previous version. We did not expect to find significant changes in the space of a year, but we repeated the process to improve the quality of our data and establish a clear and well-documented process within the company. This helps us to enhance our readiness for external assurance, reflect on new regulatory, market and technological developments, and further align our sustainability and strategic priorities.

## The Double Materiality principle

How does our business impact society and the environment?



How do sustainability-related risks and opportunities affect our financial performance?



# How we conduct our DMA

We follow a 6-step DMA process at Royal Terberg Group.

1

## Identify topics and potential impacts, risks and opportunities (IROs)

We compile a list of relevant sustainability topics and related IROs based on:

- Sustainability matters and topics defined in ESRS
- Relevant considerations for our sector
- Our internal risk management assessments
- Sustainability disclosures of industry peers
- Regulatory developments in our sectors

This process results in a long list of potential sustainability topics such as climate change, energy use, worker health and safety, product safety, responsible sourcing and business conduct.

2

## Engage internal stakeholders

We involve a range of internal stakeholders in the assessment process, including representatives from management, operations, procurement, human resources and finance.

These stakeholders contribute to identifying and validating the most relevant sustainability topics and IROs based on their knowledge of the organisation's activities, supply chain and regulatory environment.

3

## Assess impacts

The stakeholders assess the company's environmental, social and governance impacts based on both their potential severity and the likelihood of them occurring.

4

## Assess financial risks and opportunities

The stakeholders assess risks and opportunities based on their potential financial impact on the company's revenues, costs, assets and long-term competitiveness.

5

## Identify material IROs and topics

A scoring methodology is used to evaluate the IROs and the sustainability topics they are associated with. Those that exceed a defined threshold are determined to be material.

6

## Validate the results

Our senior management reviews and validates the final list of material topics and IROs.



# Our DMA: the results

The DMA we conducted in 2025 identified the following material impacts, risks and opportunities.

Four topics were identified as material from an impact and/or financial perspective. These topics span Royal Terberg Group's value chain including our own operations, our supply chain and the use of our vehicles by customers.

The most significant impacts relate to greenhouse gas (GHG) emissions, our use of natural resources, worker health and safety and product safety. Key sustainability-related risks include changing markets, regulatory developments, supply chain disruptions and product liability risks.

Opportunities arise primarily from the transition toward more energy-efficient and electrified vehicles and technological innovations as well as new business models to make better use of resources.

## A compass to steer our strategic direction

"As CFO, and Board member with day-to-day oversight of sustainability at Royal Terberg Group, it's one of my jobs to lead our journey to reporting under ESRS in two years' time.

For me, conducting a DMA and reporting on sustainability is much more than a compliance exercise. It is a powerful instrument to shape the future of our company; a compass we use to steer our strategic direction, inform our choices and create long-term value.

Getting it right relies on having data that is clear, consistent and reliable; that we can use to make real decisions. As we move towards external assurance for our sustainability disclosures, we are building the same rigour and discipline in data that we apply to our financial reporting. By conducting an effective DMA, strengthening the quality of our data and putting it at the centre of our decision-making, we turn reporting into action – and insight into impact."

**Edwin van Wijngaarden**  
CFO



# Our material topics and IROs

Topic Impact/risk/opportunity Value chain coverage

## Environment

**Climate change**  
(ESRS E1)



- Our greenhouse gas (GHG) emissions contribute to climate change ▶▶▶
- ▼ Competition in the market for battery electric vehicles could increase ▶▶▶
- ▲ The global market for low-carbon vehicles is growing ▶▶▶

**Resource use and circular economy**  
(ESRS E5)



- Our use of natural resources contributes to resource depletion ▶▶▶
- ▲ Increasing global demand for circular products and services – such as leasing and refurbishment – provides growth opportunities ▶▶▶

## Social

**Own workforce**  
(ESRS S1)



- ▼ Health and safety incidents could harm the wellbeing of our people and bring reputational and financial risks to the company ▶▶▶

**Consumers and end users**  
(ESRS S4)

- ▼ Product defects or insufficient training could result in harm to users of our vehicles and bring reputational and financial risks to the company ▶▶▶

## Governance

**Business conduct**  
(ESRS G1)

- ▼ Geopolitical instability could threaten our supply chain and market access ▶▶▶
- ▼ Cybersecurity: theft of our intellectual property brings financial risks
- ▼ Non-compliance with laws and regulations could result in fines and loss of market access
- ▲ Innovative technological trends – such as autonomous driving – present opportunities for our business model ▶▶▶
- ▲ New partnerships and acquisitions could help us to grow our business and enter new markets

- Impact
- ▼ Risk
- ▲ Opportunity

- Upstream ▶▶▶
- Own operations ▶▶▶
- Downstream ▶▶▶



“The results were clear. There were no indications of material pollution within Royal Terberg Group’s operations.”

## Pollution is not material for Royal Terberg Group

**As part of our DMA process, we conducted a comprehensive assessment of potential pollution risks across our operations. Our objective was to understand whether our activities could lead to material pollution of air, water or soil.**

We reviewed the chemical substances we use, store and handle within our facilities, including product compositions, conditions of use and potential pollution pathways.

This process helped us to strengthen our chemical risk management processes, ensuring a harmonised and structured approach across our operating companies.

To support this work, we used an external specialised tool that provides up-to-date safety data, regulatory classifications and automated alerts for hazardous substances.

The results were clear. There were no indications of material pollution within Royal Terberg Group’s operations. All identified emissions and potential exposure routes remained well below the thresholds

specified in the ESRS. None of our sites showed signs of significant environmental harm and no risks were identified that could lead to future remediation obligations.

While a small number of substances of concern were identified, including certain Substances of Very High Concern (SVHCs), these were either being used safely under controlled conditions or already in the process of being phased out. We have reinforced our existing control measures and oversight procedures to ensure continued safety and compliance.

All companies within Royal Terberg Group follow strict internal procedures and adhere fully to applicable environmental laws and regulations. This commitment ensures that our environmental footprint remains low and that risks are identified and managed well in advance of becoming material.

By continuously strengthening our chemical management and pollution control processes, we remain confident that our operations do not pose significant pollution risks. We will continue to monitor developments closely to ensure we stay aligned with evolving regulatory requirements and stakeholder expectations.

# Our sustainability strategy



# Our 3 x 3 strategic approach




For 2026 and beyond, we will focus our sustainability strategy on the most material topics identified through our DMA, namely:

- **Climate** (ESRS topic: Climate change E1).
- **Circularity** (ESRS topic: Resource use and the Circular economy E5).
- **Health and Safety** (ESRS topic: Own workforce S1 and Consumers and end users S4).

We have identified three distinct Sustainability Focus Areas under each of these topics. This forms the framework for our 3 x 3 strategic approach to sustainability.

Underpinning the 3 x 3 framework is our fourth material topic of **Business Conduct** (ESRS topic: Business Conduct ESRS G1).

## Our 2026 Sustainability Focus Areas

 <b>Climate</b>	 <b>Circularity</b>	 <b>Health and Safety</b>
<ul style="list-style-type: none"><li>• CO<sub>2</sub> reduction</li><li>• Opportunities</li><li>• Climate risks</li></ul> <p>Read more on page 42</p>	<ul style="list-style-type: none"><li>• Circular business models</li><li>• Circular design and engineering</li><li>• Circular manufacturing</li></ul> <p>Read more on page 52</p>	<ul style="list-style-type: none"><li>• Safety of own workforce</li><li>• Safety and comfort of users</li><li>• Safety of general public</li></ul> <p>Read more on page 62</p>

## Business conduct

Read more on page 78

# Our key actions for 2026 and beyond

In 2026 we will continue to drive tangible progress across our Sustainability Focus Areas. Key actions include implementing our Climate Transition Plans, rolling out Group-wide sustainability policies, further developing our circular business models and scaling up circular design and manufacturing.

We will introduce relevant KPIs and targets, and provide support through tools to ensure sustainability becomes measurable, actionable and strategically embedded across the organisation.

Further details of the actions we are taking in each Sustainability Focus Area are contained in the topic-specific sections later in this report.

In addition, we will focus on compliance and engagement as organisational enablers across the business.

## Compliance

In 2026 we will further strengthen our compliance infrastructure by streamlining our data collection and reporting processes, preparing to report under ESRS and emerging due diligence requirements, and enhancing our governance structures. External reviews will reinforce transparency and improve the quality of our disclosures, while supporting our activities across all our Sustainability Focus Areas.

## People and Engagement

Our people are essential to accelerating sustainability within Royal Terberg Group. In 2026 we will expand internal communication on sustainability, implement targeted training programmes and activate sustainability-focused communities and committees across our organisation.

Roadshows, site visits and a Group-wide sustainability conference will help teams connect, learn from one another and embed our ambitions into daily practice.



# Sustainability highlights of 2025

## We strengthened our foundations

In 2025, we strengthened our sustainability foundations by completing our second DMA and improving key processes. This clarified our priorities and enabled better sustainability data and stronger governance, helping to prepare us to report under ESRS in 2028.

For more information on our DMA process see page 30.

## We set Group-wide climate targets

In 2025, we reached a key milestone with the adoption of our first Group-wide climate targets. These targets set a clear long-term path for reducing emissions across our operations and value chain.

For more information on our Group-wide climate targets see page 48.

## We developed Climate Transition Plans

All Royal Terberg Group operating companies have created Climate Transition Plans which translate our climate ambitions into concrete, product-specific actions.

For more information on our Climate Transition Plans see page 45.

## We mapped our circularity initiatives

During 2025, we mapped the various circularity initiatives across the Group, bringing together a strong portfolio of mature and proven practices. This overview highlights the scale of what is already in place. It also shows how circularity and refurbishment can be further developed as strategic levers of our business.

For more information on our circularity initiatives see page 52.





## We assessed our pollution impact and chemical safety risks

Royal Terberg Group assessed potential air, water and soil pollution risks. We found no material issues. The Group also strengthened its chemical safety protocols.

For more information on our pollution and chemical safety assessment see page 57.

## We assessed our climate risks and opportunities

In 2025, Royal Terberg Group carried out our first Group-wide assessment of climate risks and opportunities.

For more information on our climate risk assessment see page 46.

## We built internal awareness of sustainability

Our Embedding Sustainability programme builds awareness across the Group of what an effective sustainability strategy requires and how each team can contribute. Through training and engagement, this programme links sustainability to the Group strategy and daily decisions, creating a shared, future-focused mindset.

For more information on our Embedding Sustainability programme see page 37.

## We invested in our people

In 2025, we implemented a global online learning platform for all our employees, based on themes around personal development, management and leadership. We also introduced Global Leadership Development programmes, aligned with our strategy and core values.

For more information on our Learning and Development programmes see p. 64



3-EV



NEXT GEN ELE

# Environment



# Climate Change



## Our climate strategy

At Royal Terberg Group, we are taking definitive steps to better understand and manage our climate-related impacts, risks and opportunities. As part of this process, we have identified three Climate Focus Areas to guide our approach going forward.



### CO<sub>2</sub> reduction



We aim to progressively reduce our GHG emissions across our operations and value chain. We are beginning by using energy more efficiently, improving our understanding of where our emissions come from, and identifying practical ways to reduce emissions in our manufacturing and logistics activities.

### Opportunities



We are exploring opportunities to strengthen our market position by producing lower-emission vehicles and using more recycled and reused materials.

This helps us to reduce the carbon embedded in the raw materials we use, to respond to our customers' demands for lower-carbon products and services, and to meet evolving regulatory requirements.

### Climate risks



We are working to improve our understanding of our exposure to climate-related risks: both physical and transition. Through our climate risk assessment, we are evaluating the potential impact of these risks on our operations, supply chains and market conditions.

Our aim is to integrate climate risk mitigation fully into our business planning and corporate risk management functions over time.

# CO<sub>2</sub> reduction

Our actions to reduce our GHG emissions include the following:

## We are changing the way we use energy

Royal Terberg Group is implementing programmes to use energy more efficiently. We are also reducing the role of fossil fuels in our energy mix and – where feasible – developing renewable energy sources, such as solar panels at our locations.

## We develop circular fleet solutions for our customers

We systematically refurbish and overhaul vehicles to extend their lifetimes and avoid the emissions embedded in producing new vehicles. This approach also helps our customers to decarbonise their own operations and supply chains.

## We provide lifecycle-based decision support

Royal Terberg Group is able to conduct lifecycle assessments on our products. Where relevant, we can provide customers with project-specific calculations to support comparisons between the emissions of refurbished vehicles and newly purchased ones. This allows customers to use data to inform decisions related to their own decarbonisation strategies.

## We are upgrading our own fleets to electric vehicles

Several Royal Terberg companies have either already adopted electric or hybrid fleets or plan to do so. We are planning to scale-up the use of electric vehicles for our customer service activities across the Group.

## We are investing in resource recovery

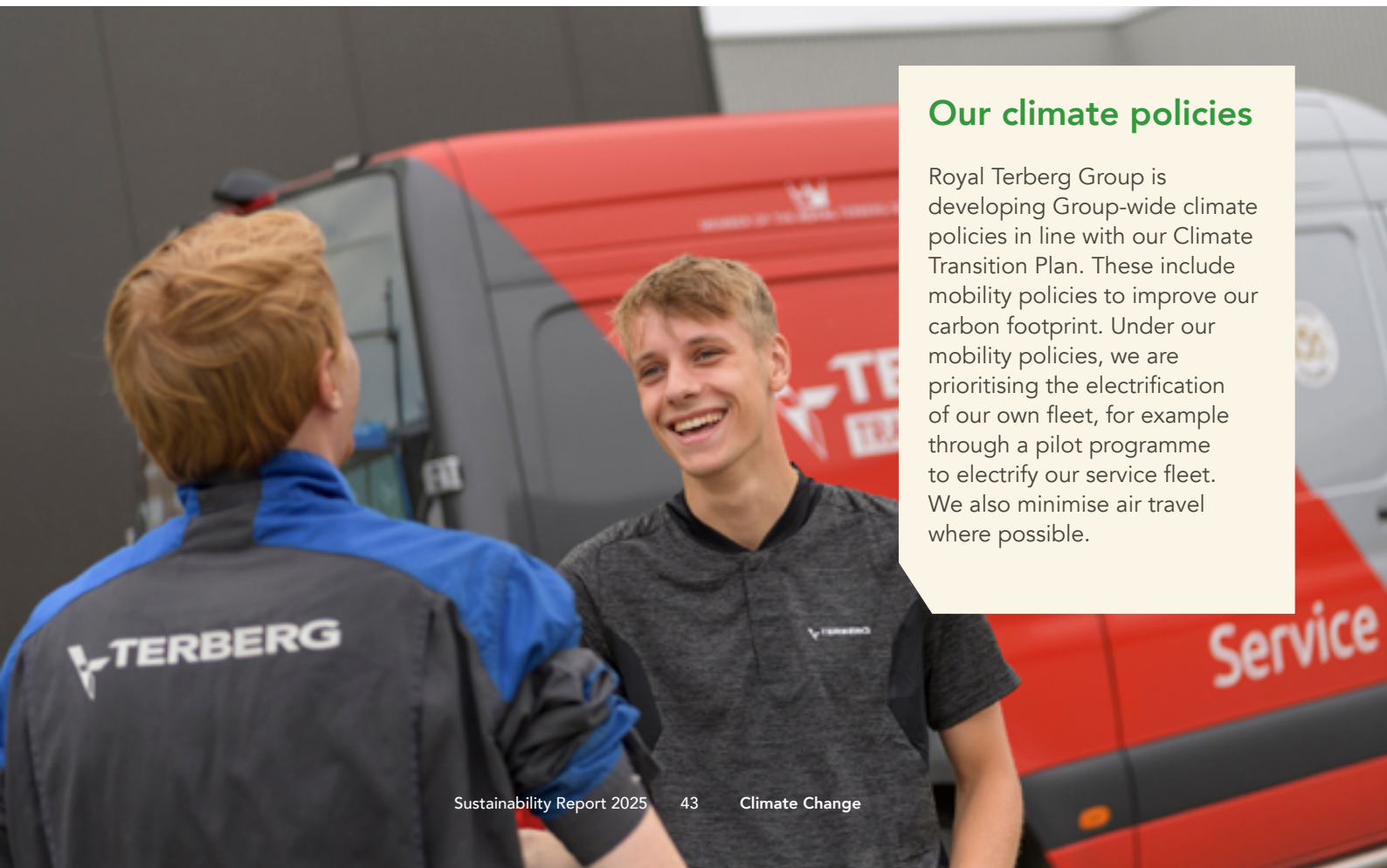
We are growing our resource recovery capabilities across our organisation. For example, we have a dedicated Terberg DTS facility at Elland in the UK, which acts as our centre for learning about recovering and reusing components. The facility recovers high-quality reusable parts from end-of-life vehicles. This helps us to reduce emissions embedded in the manufacture and shipping of new components.

## We have an established remote diagnostics system

Terberg Connect – our two-way telematics system – optimises routes for our customers as well as avoiding unnecessary travel by Terberg engineers for servicing.

## Our climate policies

Royal Terberg Group is developing Group-wide climate policies in line with our Climate Transition Plan. These include mobility policies to improve our carbon footprint. Under our mobility policies, we are prioritising the electrification of our own fleet, for example through a pilot programme to electrify our service fleet. We also minimise air travel where possible.



# Opportunities

Our actions to develop new opportunities include the following:

## We have conducted a climate opportunity assessment

We recognise that climate change brings not only risks, but also opportunities. Therefore, as part of our climate risk assessment, we also identified a number of commercially important opportunities for our business.

### Opportunities identified

Through our assessment, we identified opportunities including:

- **Evolving energy policies**

Policies driving the expansion of renewable energy and electric vehicle infrastructure provide commercial opportunities for our business.

- **Developing markets**

Opportunities arise from market trends including new fiscal incentives, hydrogen technologies, smart cities and the expansion of electric vehicles.

- **Resource efficiency**

The growth of the circular economy and energy efficiency can benefit Royal Terberg Group, as can government programs that promote recycling and waste reduction programmes.

- **New products and services**

Opportunities lie in the rapid shift to zero-emissions vehicles and “as-a-service” and leasing business models.

## We have developed a climate transition plan

A climate transition plan explains how a company will evolve its business model and operations to thrive in a low-carbon, climate-resilient economy. It takes into account national and international policies and goals related to climate change, such as the global goal of limiting global warming to 1.5°C under the Paris Agreement.



# Our Climate Transition Plan

In simple terms, a climate transition plan sets out a company's journey to a net-zero future. At Royal Terberg Group, each of our operating companies has developed its own transition plan, which helps to ensure ownership and alignment throughout our Group.

The plans vary according to each company's products, customer needs and technological opportunities. However, there are several common themes that run through all the plans:

- **Using energy efficiently**

Using less energy and using energy more efficiently in our production and testing facilities, buildings and service operations.

- **Electrifying our business**

Transitioning to low-emission service fleets, electrifying production processes where possible, and increasing the use of renewable electricity while reducing our use of fossil fuels.

- **Innovating**

- Developing and scaling battery- and hydrogen-powered vehicles and other low-carbon solutions to reduce emissions.
- Exploring the use of alternative steels and other lower-carbon materials.

- **Adopting circularity**

- Strengthening our capabilities and capacity in remanufacturing and refurbishing vehicles and recovering spare parts.
- Reusing materials, where possible, instead of using raw materials, reduces the amount of carbon embedded in our products.

- **Engaging with suppliers**

Working together with key suppliers to ensure transparency of emissions embedded in our inputs, and to co-develop innovative approaches and shared sustainability goals.

Together, these plans form the blueprint for our Group's transition to a low-carbon and, ultimately, net-zero economy. They ensure that decarbonisation is integrated into the strategic outlook and operational reality of all our companies. They also support decision-making by identifying how we can have the greatest impact in reducing emissions and where we need to invest.



# Climate risks

In 2025, we conducted our first formal assessment of climate-related risks.

## Our climate risk assessment

The assessment helps us to gain a better understanding of how climate change could impact Royal Terberg Group's supply chain, operations and markets. As such, it is an important foundation for our Climate Transition Plan (see page 45), identifying potential risks and opportunities associated with our transition to a low-carbon economy.

### Methodology

The assessment is based primarily on qualitative analysis performed by our internal Group-level Sustainability Team working with our divisions and external experts. It covers our own sites along with our critical suppliers, key customers and major logistical hubs.

### Physical risks

We identified potential exposure to acute and chronic physical climate risks, including:

- Disruption to our manufacturing sites and logistics operations from increasingly frequent extreme weather events, such as storms and flooding.
- Challenging working conditions, poor equipment performance and increased use of energy for cooling caused by rising temperatures.
- Disruption to our supply chain due to climate impacts on key suppliers.

We have not yet fully quantified these risks, but we recognise their potential impacts on our operational continuity and costs over time.

Our Board is fully cognisant of these risks, especially following previous flood damage to company assets in Spain. This incident highlighted that physical climate risks are not distant future scenarios, but already affect our company.

It is not only our own organisation that faces physical risks from climate change. Our customers do too. By being aware of their risks, we can develop solutions to help mitigate climate risks for our customers and enhance their resilience.

### Transition risks

The shift to a low-carbon economy means Royal Terberg Group could be exposed to a number of transition risks. These include:

- **Regulatory risk:** stricter emissions standards for industrial vehicles and manufacturing processes could be introduced.
- **Market risk:** customer preferences may shift rapidly towards low- or zero-emission vehicles leading to demand and supply volatility.
- **Technology risk:** new lower-carbon technologies could require us to adapt our product offerings.
- **Cost risk:** Carbon pricing or new regulations could increase the cost of energy and raw materials.



### How we use the assessment

Thanks to the insights we gain from our climate risk and opportunity assessment, we can set clear priorities. We understand where we need to take urgent action, which risks we need to analyse more deeply and where tangible opportunities are open to us.

The assessment now serves as a foundation for three key processes:

- **Strategy planning:** we integrate climate risks and opportunities into long-term decision-making on investments, innovation, operational excellence and growth.
- **Risk management and resilience:** the results feed into mitigation planning, including protecting physical sites, adjusting supply chains and strengthening governance.
- **Corporate reporting:** the assessment prepares us for our future reporting under ESRS.

“WE UNDERSTAND WHERE WE NEED TO TAKE URGENT ACTION, WHICH RISKS WE NEED TO ANALYSE MORE DEEPLY AND WHERE TANGIBLE OPPORTUNITIES ARE OPEN TO US.”

### Next steps

We intend to further enhance our climate risk and opportunity assessment in future years. With this approach, we will continue building a resilient organisation that is well prepared for both the challenges and opportunities of a changing climate and the wider energy transition.



# Climate: Our metrics and targets

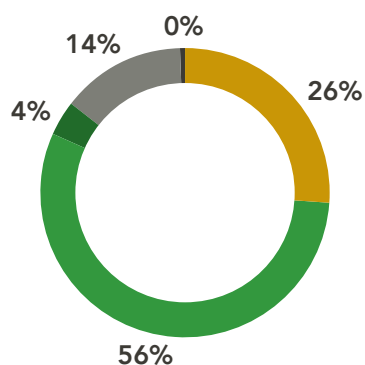
At Royal Terberg Group, we monitor our Group-wide GHG footprint with the aim of reducing it over time. Measurement of Scope 1, 2 and 3 emissions started in 2022, with 2023 defined as the baseline year for tracking progress.

## Our approach to assessing our GHG Footprint

We apply our measurement methodology in accordance with the Greenhouse Gas Protocol (operational control).

The process is co-ordinated by our Group-level Sustainability Team. They are supported by a team of representatives from all Royal Terberg Group operating companies who gather and verify the data. We then work with an independent environmental consultancy to perform accurate and reliable calculations.

## Our 2025 GHG emissions Scope 1 and 2



TOTAL  
(tCO<sub>2</sub>e)

# 12,152

- Stationary combustion 26%
- Mobile combustion 56%
- Fugitive emissions 4%
- Electricity Market-based 14%
- District heating 0%

Scope 1 Direct emissions (tCO <sub>2</sub> e)	2023 (Baseline)	2024	2025	change 2025/2024	% change to baseline
Stationary combustion	3,297	3,379	3,185	-6%	-3%
Mobile combustion	5,536	6,183	6,763	9%	22%
Fugitive emissions	362	304	460	51%	27%
<b>Total scope 1</b>	<b>9,194</b>	<b>9,866</b>	<b>10,408</b>	<b>5%</b>	<b>13%</b>

Scope 2 Indirect emissions (tCO <sub>2</sub> e)	2023 (Baseline)	2024	2025	change 2025/2024	% change to baseline
Electricity (mb)	2,885	1,680	1,696	1%	-41%
Electricity (lb)	3,173	3,657	3,866	6%	22%
District heating	58	54	48	-11%	-18%
<b>Total scope 2 (lb)</b>	<b>3,231</b>	<b>3,711</b>	<b>3,914</b>	<b>5%</b>	<b>21%</b>
<b>Total scope 2 (mb)</b>	<b>2,943</b>	<b>1,734</b>	<b>1,744</b>	<b>1%</b>	<b>-41%</b>

Scope 3 Indirect emissions (tCO <sub>2</sub> e)	2023 (Baseline)	2024	2025	change 2025/2024	% change to baseline
Purchased Goods and Services	208,403	200,680	214,861	7%	2%
Use of Sold Products	960,477	966,662	984,894	2%	1%
Downstream Leased Assets	76,308	77,044	75,346	-2%	-1%
<b>Total scope 3</b>	<b>1,358,422</b>	<b>1,321,845</b>	<b>1,343,311</b>	<b>2%</b>	<b>-1%</b>

Total GHG emissions (tCO <sub>2</sub> e)	2023 (Baseline)	2024	2025	change 2025/2024	% change to baseline
Total GHG emissions (lb)	1,370,847	1,335,422	1,357,633	2%	-2%
Total GHG emissions (mb)	1,370,559	1,333,444	1,355,463	2%	-2%

lb: location-based mb: market-based

## GHG emissions profile

Royal Terberg Group's GHG emissions profile is characterised by a predominance of indirect emissions, primarily arising downstream of its operations. Total emissions in 2025 amounted to approximately 1 355 ktCO<sub>2</sub>e (market based). The largest contributing category is the use of sold products, consistent with previous years and reflecting the nature of the activities of the organisation. In 2025, this category accounted for 985 KtCO<sub>2</sub>e, representing 73% of total emissions. Emissions from purchased goods and services amounted to 215 KtCO<sub>2</sub>e (16%), followed by emissions from the downstream use of leased assets at 75 KtCO<sub>2</sub>e (6%).

Scope 1 and 2 together contributed 12,152 tCO<sub>2</sub>e, about 1% of the total emissions. Mobile combustion accounts for the largest share, followed by stationary combustion. Scope 2 emissions are almost entirely related to electricity consumption.

## Development over time

In 2025, total GHG emissions increased by 2% compared to 2024, while remaining 1% below the 2023 baseline year.

### Scope 1

Scope 1 emissions amounted to 10,408 tCO<sub>2</sub>e in 2025, representing a 5% increase compared to 2024. This increase is aligned with the level of business activity. Mobile combustion remains the primary source of Scope 1 emissions and the main driver of the increase. Stationary combustion emissions decreased by 6%.

### Scope 2

Despite the 14% growth in electricity consumption in 2025 compared to 2024, associated increase in emissions shows to be significantly lower: 6% location based, and only 1% market-based. This reflects increased on site renewable energy generation. In 2025, renewable energy generation increased by 71%, and consumption of self generated energy by 47% compared to 2024. Continued use of renewable energy contracts across multiple sites resulted in a 41% reduction compared to the 2023 baseline.

### Scope 3

Scope 3 emissions increased by 2% in 2025 compared to 2024. This increase is primarily driven by emissions from the use of sold products, which rose by 2% driven by higher sales volumes, and by emissions from purchased goods and services, which rose by 7%.

Despite the acceleration in electric vehicles development, diesel driven vehicles are still compose the majority of the group's product portfolio. Emissions from the use of downstream leased assets remained broadly stable, decreasing by 2%, reflecting a relatively stable leasing portfolio.

Accounting and measurement of scope 3 emissions is inherently complex. Where primary data is not available, calculations are based on recognised methodologies, secondary data sources and assumptions.

As a result, Scope 3 emissions are subject to a higher degree of estimation uncertainty than Scope 1 and Scope 2. We continue to improve the accuracy and completeness of this data over time as our methodologies, systems and value chain engagement further develop.



## Our Group climate targets

In June 2025, Royal Terberg Group took an important step by adopting our global first Group-wide climate targets.

These global Group-wide targets are a significant landmark for Royal Terberg Group. We have spent several years building knowledge within our organisation, collecting reliable data and strengthening the governance of our sustainability performance.

As such, these targets represent a strong and shared commitment between the Board and the leaders of our divisions and operating companies. They set a clear direction for how Royal Terberg Group will reduce emissions across our operations and value chain. They also provide us with a common foundation to guide our decision-making, direct investments and integrate sustainability more fully into our long-term business strategy.

At the same time, our global climate targets allow each of our operating companies to contribute to the Group goals in ways that are most relevant to their specific products, processes and market context.

### Our Group climate targets

Target date	Targeted Scope 1 and 2 reduction	Targeted Scope 3 reduction
2030	- 42%	25%
2040	- 90%	N/A
2050	- 90% or more (net zero)	

N.B. Targeted reductions are based on a 2023 baseline

### Our targets are aligned with common frameworks

Our global climate targets are aligned with the ambitions of the Paris Agreement on Climate Change and developed in line with the Science Based Targets initiative (SBTi) framework. They provide us with clear goals, helping us to develop and implement a focused decarbonisation strategy.

### We place strong emphasis on Scope 3 emissions

The targets also put a significant emphasis on Scope 3 emissions, acknowledging that the largest share of our emissions footprint comes from the use of our vehicles by our customers.

Bringing these emissions down means we need to collaborate closely with our customers, suppliers and technology partners in lowering emissions from operating and maintaining our vehicles and managing end-of-life treatment.

### A commitment to circularity

The targets further commit us to long-term innovation and, in particular, to greater circularity. They provide a framework for us to systematically reduce emissions across the lifecycles of our vehicles, while increasing the value retained in them.

“Setting our climate targets is a milestone we are proud of. It reflects our collaborative commitment and determination across our global organisation to contribute meaningfully to combatting climate change and transitioning successfully to a lower-carbon and circular economy. We actively pursue this transition together with our customers. We can only achieve it through close collaboration and shared action across the value chain.”

Edwin van Wijngaarden  
CFO





# Resource use and circularity



## Our circularity strategy

At Royal Terberg Group, we see circularity as a means to retain the highest possible value in our products and materials at all times, while maximising the time our vehicles are available and in use for our customers.

We have identified three Circularity Focus Areas to guide our approach.



### Circular business models



We continuously evolve Royal Terberg Group's business model with the aim of preserving resources and moving the business increasingly towards circularity.

We do this by expanding our leasing and rental businesses, and focusing on the service and maintenance of our vehicles. Other elements of our circularity strategy include refurbishing and reselling vehicles, and reusing and reselling components.

### Circular design and engineering



Our design and engineering activities enable circularity across the vehicle lifecycle.

We design vehicles and key systems for durability, long service lives and intensive use, and to support repair, replacement and refurbishment. This creates the technical foundation for circular business models and remanufacturing.

### Circular manufacturing



We use superior materials for high-quality build, long-lasting products and less waste. We also remanufacture and refurbish vehicles, assemblies and components to "as new" condition.

High-quality components are recovered and remanufactured from end-of-life vehicles and reintroduced into our manufacturing and after-sales operations.

# Our approach to circularity

We keep source materials, components and products circulating in use for as long as possible, instead of letting them become waste after a single life.

In circular economy language, this is known as “**the loop**”. It is the opposite to the historically conventional “**take, make, waste**” linear production model.

At Royal Terberg Group, we work with “the loop” in four key ways:

## 1. Slow the loop

We repair or replace critical parts to keep our vehicles in use for longer, slowing the rate at which they reach the end of their lifecycle.

## 2. Clean the loop

We increase our focus on electric vehicles over fossil-fueled models, providing opportunities for our customers to use cleaner energy and reduce emissions.

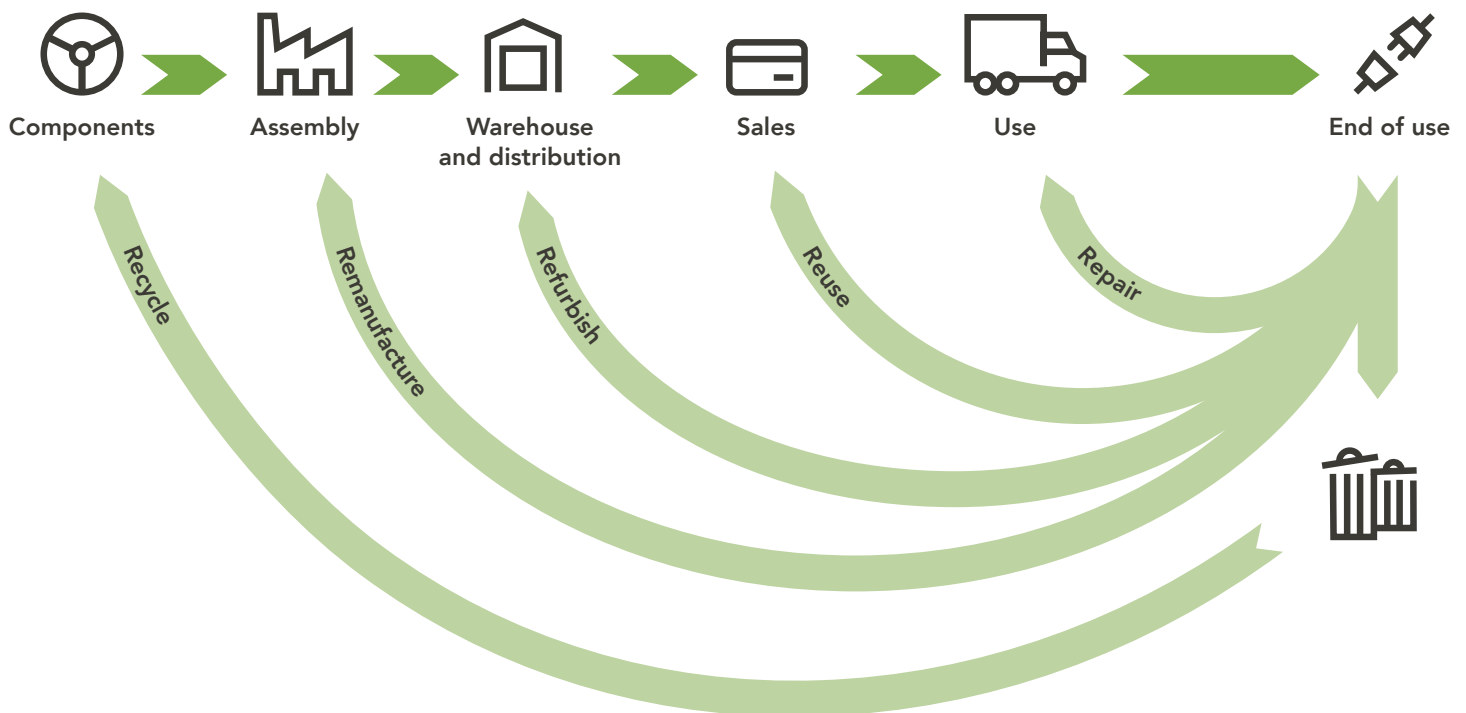
## 3. Narrow the loop

We reduce our use of resources by designing vehicles that last longer, and by using more recycled materials to produce them. This helps to embed circularity early in our production process.

## 4. Close the loop

We take vehicles back at the end of their lifetimes and, where feasible, repair and refurbish them. This enables us to maximise retained value in the vehicle while reducing waste.

## Circularity at Royal Terberg Group



# Our key actions on resource use and circularity

## Circular business models

By extending the life of existing vehicles, we can maximise the value of materials already in use, significantly improve our resource efficiency and lower environmental impact.

### **We are expanding our vehicle refurbishment programme**

For Royal Terberg Group's customers, refurbishment is a commercially sound fleet strategy. It helps them to make tangible progress on their own circularity objectives without large upfront investments. At the same time, using refurbished Terberg vehicles preserves operational reliability, flexibility and control over capital expenditure.

### **We conduct material lifecycle assessments**

We conduct our own product lifecycle assessments that demonstrate how refurbishing vehicles substantially reduces the use of materials compared with purchasing new vehicles. We can provide our customers with project-specific assessments if required to support their own circularity strategies and programmes.

## Circular design and engineering

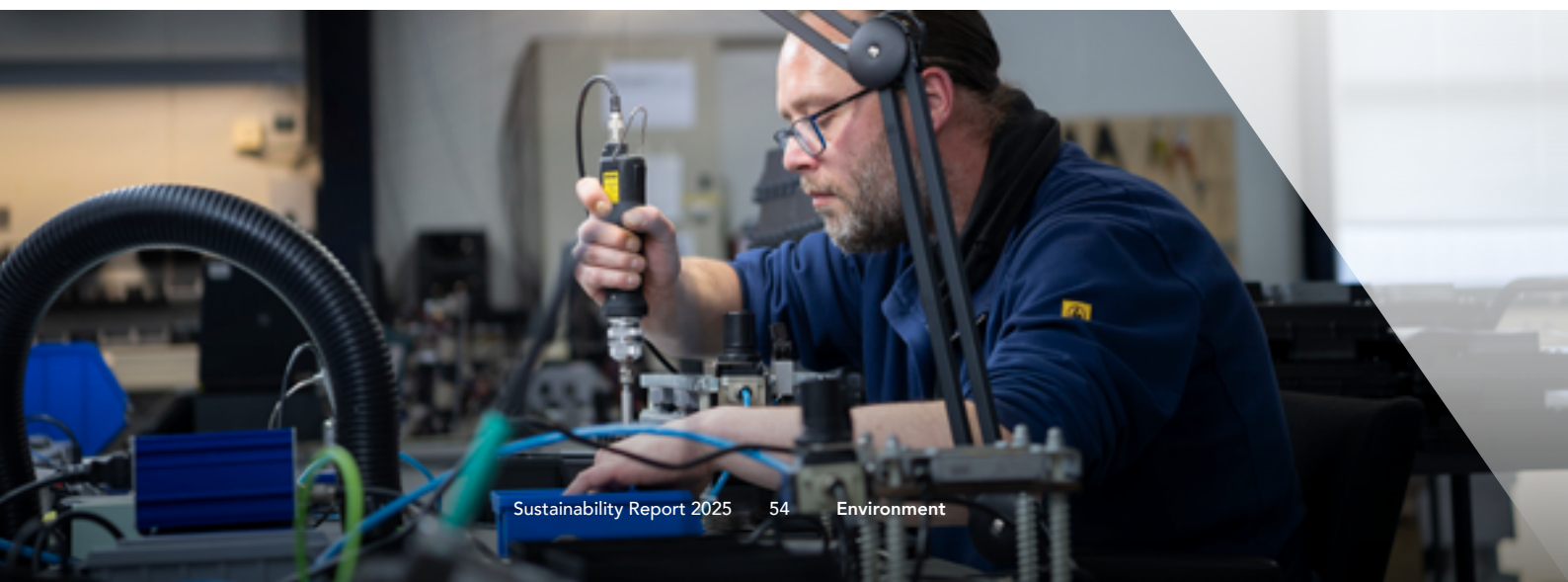
The approach to circular design and engineering focuses on creating vehicles that are fit for long operational lives and multiple use cycles. By embedding circularity in the design phase, we support our circular business models and create the technical conditions for effective refurbishment and after-sales support throughout the product lifecycle.

### **We design vehicles for durability and refurbishment readiness**

Vehicles are engineered to perform reliably in demanding operating environments over extended periods. Design choices focus on durability, accessibility and component modularity, enabling maintenance, repair and replacement during use. This supports refurbishment programmes by allowing vehicles to be restored to operational standards and returned to active service, without compromising performance, safety or reliability.

### **We embed lifecycle extension through integrated engineering and after-sales expertise**

Design and engineering teams work closely with manufacturing and after-sales functions to ensure vehicles can be effectively serviced, upgraded and refurbished over time. This integrated approach supports repeated use cycles and enables structured lifecycle management across the vehicle portfolio.



# Circular manufacturing

Royal Terberg Group's manufacturing and after-sales operations play a central role in extending product lifetimes and recovering value.

## We have developed dedicated resource recovery infrastructure

Across our service and after-sales network, vehicles and components are inspected, repaired, refurbished and returned to use. This helps us to systematically extend the lifetime of our vehicles and to recover components.

In addition, our waste reduction and recovery activities support material segregation, recycling and responsible treatment of residual streams. We collect waste data across our operations to monitor progress and drive continuous improvement.

"Sustainability means optimising materials and energy consumption during the life of the product and ensuring it can be recycled. During most projects we work with other Terberg companies and benefit from each other's experience."



**Joan Begarda**  
Product and Industrial  
Development Manager  
Terberg Environmental,  
Ros Roca, Spain

## We are improving the visibility of our resource inflows and waste outflows

Royal Terberg Group uses significant resources to operate our business, from property, plant and equipment to a wide range of components and raw materials.

We are continuously enhancing our procurement databases and integrating detailed information including article weights and procurement categories. This data enables us to develop a deeper understanding of the materials we procure.

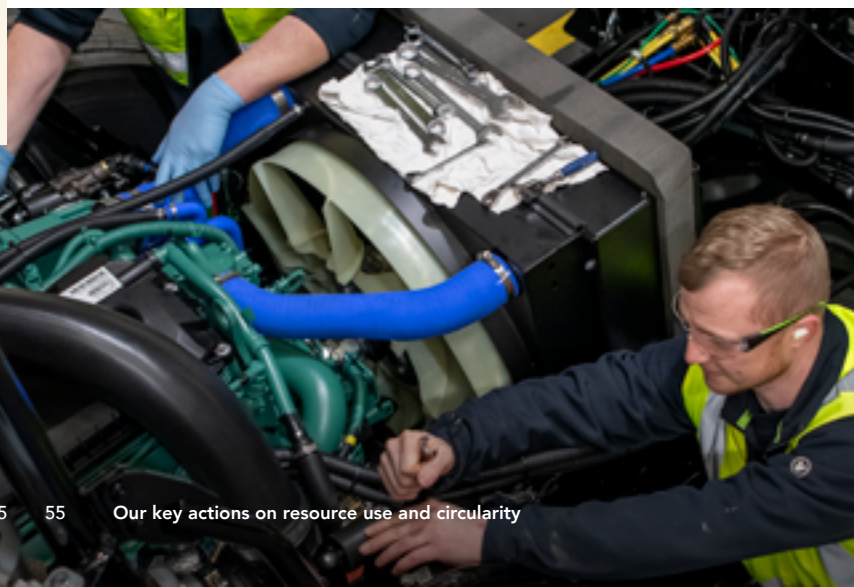
In 2024, we began to collect waste data at a consolidated level across the Group. This has given us increased insight into the amount and types of waste we generate.

## Our customer care services help to extend vehicle lifespan

At Royal Terberg Group, customer care extends far beyond the initial purchase. It's embedded in every stage of the product's lifecycle.

Our commitment to delivering a low Total Cost of Ownership (TCO) is rooted in the durability, efficiency and reliability of our products. However, our comprehensive after-sales support is equally critical.

Providing effective and efficient vehicle servicing, spare parts supply and proactive advice helps to extend the lifespan of each vehicle and achieve a low TCO.



## Ensuring long vehicle lifespans around the world

Maximising the lifespan of our vehicles is a key element of our strategy to optimise resource use.

Effective and efficient servicing is a critical part of that. We work hard to ensure that our servicing operations are just as good in emerging markets as they are in countries where we have been established for decades. This means that, whenever we establish a new subsidiary or appoint a distributor, setting up the servicing organisation is a priority for us.



“Given the complexity of the equipment, our mechanics need two to three years of training to get to know the whole product range. Their most important tools are technical knowledge, documentation and a service van with the right tools and spare parts.

In most cases, they are able to resolve issues quickly and get the equipment up and running again. One of the things we focus on is effective communications, and our customers tell us we do that better than the competition.”

**Richard Snijders**  
Service Manager,  
Terberg Environmental,  
The Netherlands



## After-sales service: a key part of our circularity strategy

Our after-sales support helps to keep unplanned downtime to a minimum and maintain the highest possible value in our vehicles.

Preventative maintenance, timely servicing and access to parts and expertise ensure our vehicles remain reliable and productive for longer. By extending the life of our vehicles and optimising our use of resources, Royal Terberg Group’s after-sales support is a critical element of our approach to circularity.

“We design our vehicles with mid-life upgrades, overhauls and refurbishment in mind.

We are fully focused on increasing the economic lifespan of our vehicles and reducing the need for replacements.”

**Dave Brouwer**  
Director, Global After-sales  
Houten, The Netherlands.

# Waste from our operations

Royal Terberg Group generates various waste streams that are classified by type for appropriate handling, treatment and disposal. We seek continuous improvement in how we prevent, segregate and recycle our waste.

In 2025 we focused on enhancing our collection of waste-related data and will continue to improve the quality and processes of primary data collection in 2026. We will also support our ongoing waste reduction and recovery measures by developing best practice guidance and targeted waste management improvements.

## Our primary waste streams

Our primary waste streams are wood, metal and chemical as well as mixed and household waste. Metal and chemical waste derives mostly from our manufacturing activities, whereas wood waste comes mostly from packaging. Mixed and household wastes come from both manufacturing and support activities on sites.

## Our waste generation in 2025

Between 2024 and 2025, our total volume of waste declined significantly, mainly because we completed major construction projects. As a result, our soil and mineral construction waste dropped by more than 5,600 tonnes. This reduction in demolition and construction waste also caused our waste-to-landfill to drop significantly in 2025.

Our chemical, solvent and used oil waste grew by 11% over 2025, resulting in a corresponding increase in our total hazardous waste generation. A rise in our "other and unknown" waste stream is largely due to incomplete primary data from our waste treatment partners, which required extrapolation.

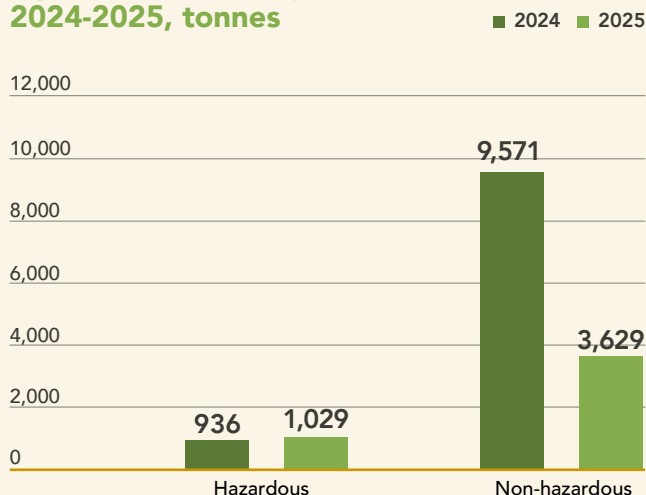
Our total weight of non-construction waste was slightly lower (-3%) than in 2024.

## Recovery of waste

In 2025, we recovered 82% of waste we generated, with recycling as our primary recovery method. Notably, we prepared 13% of our waste (617 tonnes) for reuse – a more than four-fold increase on 2024 (133 tonnes).

Due to incomplete primary data and consequent extrapolations, the amount of waste with unknown processing has increased since 2024.

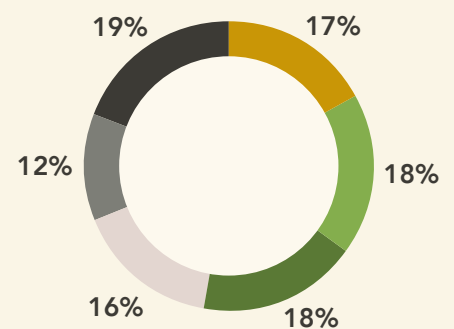
### Operational waste generation, 2024-2025, tonnes



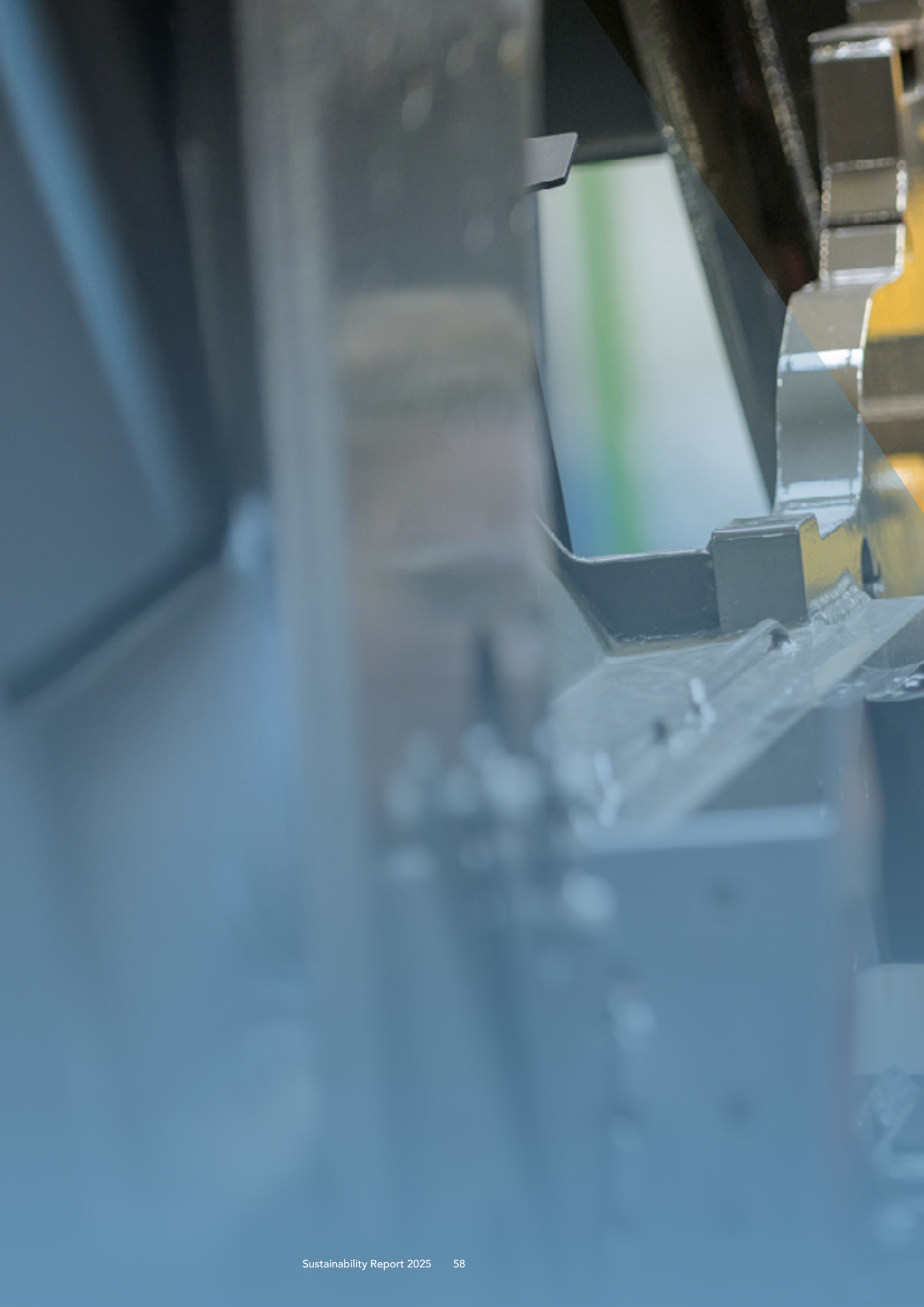
### Consolidated waste figures 2025

TOTAL (tonnes)

4,658



- Chemical waste, solvents, and used oils 17%
- Metal waste 18%
- Mixed and household waste 18%
- Other waste 16%
- Paper and cardboard waste 12%
- Soils and mineral construction waste 19%



# Social





# Our own workforce

At Royal Terberg Group, our people are the foundation of our long-term success. In 2025, we made significant progress in strengthening our social impact, with a continued focus on our commitments.

Our employees are spread across many countries around the world. Some of our entities have been part of the group for a long time, whereas others were acquired more recently or are newly established.

Our entities vary in size and maturity and operate under different policies in accordance with local regulations and interests. Operating as a decentralised organisation provides entrepreneurial flexibility at the local level. However, this can also present challenges in ensuring consistency and alignment across the Group.

Following last year's data collection and data analyses we have been able to gain relevant insights and to start the journey towards becoming fully ESRS compliant. In forthcoming years we will build further on our internal capabilities, data governance and policy alignment to ensure that we manage material impacts, mitigate risks and identify opportunities.

As Royal Terberg Group continues to grow and pursue further international expansion, we remain committed to building and implementing Group-wide standards that support a safe, inclusive and future-ready workplace for all.



# Health and Safety

## Our health and safety strategy

Health and safety is of utmost importance to Royal Terberg Group. It is one of three material topics at the centre of our 3x3 Sustainability Strategy, along with climate and circularity.



### Safety of own workforce

The health and safety of our employees is fundamental to our operations. We strive to provide safe workplaces, prevent injuries and occupational illness, and foster a strong safety culture across all activities. Protecting our people is a core responsibility and a prerequisite for sustainable performance.

For more information on how we manage the health and safety of our own people, see Own Workforce p. 63.

### Safety and comfort of users

The safety and comfort of the operators who use our vehicles are integral to our sustainability approach. Through vehicle design, technology and guidance on responsible use, we aim to reduce risks, support safe operation and enhance comfort throughout the vehicle lifecycle.

For more information on how we manage the health and safety of vehicle users, see Consumers and End Users p. 73.

### Safety of general public

Our vehicles operate in busy public environments such as cities, ports and distribution centres. We are committed to enhancing traffic safety by designing vehicles that help protect pedestrians, cyclists and other road users, and by designing vehicles and embracing latest technologies that help protect public spaces where our vehicles operate.

For more information on how we address public health and safety around our vehicles see Consumers and End Users p. 73.

# Safety of our own workforce

Through our DMA process (see p. 30), we have identified Health and Safety as one of the three Sustainability Focus Areas at the centre of our sustainability strategy. This includes the health and safety of our own people.

## Occupational Health and Safety management

The occupational health and safety of our employees is a critical focus in our operations. We are committed to continuous improvement by managing serious incidents and addressing risks by investing in appropriate training, safety equipment and resources. In addition, we are constantly working on increasing safety awareness throughout the organisation.

Beyond our internal health and safety management systems, all Royal Terberg companies are working towards ISO 45001 certification, an internationally recognised standard for Occupational Health and Safety management. It provides a robust framework to manage risks, prevent work-related injuries and illnesses, and promote a safe and healthy work environment.

Currently, 28% of our workforce by headcount is covered under ISO 45001 certification, and we aim to significantly increase this coverage in the upcoming years. Multiple improvement steps were taken in 2025 across all our companies, including the

preparation for the construction of a new factory equipped with an autonomous abrasive blasting cabin and localised welding fume extraction, and comprehensive management and awareness training on a wide range of health and safety topics.

## Digital tool to manage substances of concern

We have introduced an external, Group-wide digital tool to register and monitor hazardous substances and related waste streams. This helps to strengthen our management of substances of concern and protect the health and safety of our employees. The tool gives us clear insight into the presence, characteristics and safe handling requirements of hazardous materials across our operations. Most of our companies already have access to it, and further rollout is planned for 2026.

By centralising safety information and improving transparency, we aim to enhance our compliance with regulation, manage risks and improve safety awareness among our workforce.

## Occupational accidents and accident rates

In 2025, we collected and consolidated extensive annual health and safety data from all legal entities at the Group level. The data includes recordable accidents, accident rates and cases of ill health, including lost days. In the coming years, we will further align and implement these definitions within the organisation, in line with ESRS.



# Learning and development

Royal Terberg Group invests in learning and development opportunities to ensure we maintain a skilled, diverse and future-ready workforce.

## Talent acquisition: our Applicant Tracking System

The right composition of our workforce is critical to the continued success and innovation of Royal Terberg Group. However, the labour market is undergoing profound changes, driven by demographic trends, technological advancement and evolving workforce expectations. These ongoing external changes pose challenges in attracting and retaining qualified talent.

To respond proactively, we introduced an Applicant Tracking System (ATS) "Greenhouse" in our larger locations. This system enhances our ability to monitor, evaluate and optimise the talent acquisition process.

By improving our employer branding, visibility and coordination in hiring, we are better positioned to develop and build the workforce we need to face future challenges.

During 2025, we implemented our ATS in Spain, Belgium, France, Germany and the Netherlands. During 2026, we will proceed with implementation at other relevant locations.

## Succession planning

We implemented a global succession planning and talent management process for our leadership in 2024. Our succession planning programme ensures that we have a pipeline of capable leaders ready to step into key roles when needed.

In 2025, we further embedded the global succession planning process, ensuring readiness of capable leaders.

## Global learning and development

In 2025, we implemented a global online learning platform for all our employees, based on themes around personal development, management and leadership. We also developed further initiatives on a local level for skills and technical knowledge development.

## Leadership development programmes

Focus on innovation and sustainability remains a driving force behind our success. We are supporting our leadership in the rapidly changing world through targeted leadership programmes.

We have introduced Global Leadership Development programmes for 2025 and 2026, aligned with our strategy and core values. The first programmes were rolled out in 2025.



## Early career engagement

We further strengthened our focus on early career engagement in 2025 by continuing to build relationships with local universities, vocational schools and secondary schools. Across our organisation, we offer internships and apprenticeship opportunities that provide hands-on experience and a pathway towards long-term employment at Royal Terberg Group.

## Spotlight on learning and development at Ros Roca

### We support youth employment

We actively participate in job fairs and educational guidance events to attract and recruit young talent, fostering closer engagement between the company and students as well as emerging professional profiles.

### We provide internships

Through collaboration agreements at its different production sites, Ros Roca incorporated 55 internships in several locations (Galdakao, Rubí, Pinto and Tàrraga). These agreements are established with high schools in the areas where our facilities are located, as well as with universities. For example, in 2025 we collaborated with the University of Lleida (Bachelor's Degree in Mechanical Engineering; Double Bachelor's Degree in Mechanical Engineering and Energy and Sustainability Engineering; and the Master's Degree in Industrial Engineering), the UOC (Master's Degree in Occupational Risk Prevention), and UPC (Master's Degree in Industrial Engineering).

In 2025, there were a total of 55 interns, 43 of whom were participating in intermediate/higher vocational training, eight were university undergraduate students and four were Master's students.

### We support our employees' professional development

A training plan is developed annually to address the identified training needs, with different training activities scheduled monthly.

In 2025, a total of 874 Ros Roca attendants participated in different training sessions; some of our employees attended more than one session, and overall this amounted to an average of 20 hours of training per employee per year.



# An award-winning approach to learning and development

**Dennis Eagle, part of the Royal Terberg Group, puts skills development right at the centre of its business. The company prioritises training to help its customers and employees maximise vehicle performance, safety and longevity.**

This commitment is embodied in its Technical Training Centre in Warwick, UK, developed with Terberg Matec UK. The purpose-built facility gives drivers, engineers and crews access to hands-on, expert-led training, ensuring learning translates into real operational impact.

Alongside this, a digital e-Learning platform provides flexible, on-demand access to training. As Training and Development Officer Alice McCabe explains, "Digital learning makes training far more accessible and flexible, allowing users to progress at their own pace."

The company's approach has been recognised with a Red Rose Award for its commitment to skills, highlighting strong workforce development, recruitment and retention. It also reflects a culture where learning is integrated across the organisation.

With industry skills shortages in areas like welding and painting, Dennis Eagle is also investing heavily in apprenticeships to create new opportunities. As Plant Manager Oliver Minett says, "We're investing in people so they can grow and feel valued."

**Alice McCabe**  
Training and  
Development  
Officer

**Oliver Minett**  
Plant Manager



# Working conditions

## Fair wages

Royal Terberg Group is committed to paying all our employees a fair salary in line with local legislation, standards in the local job market and collective labour agreements. Employee salaries and benefits vary between countries and are further defined in our local guidelines.

## Social protection

Over 95% of our employees are covered by social protection measures that safeguard against loss of income due to injury, parental responsibilities, retirement and illness.

The small proportion of employees not currently covered are on short-term contracts or are excluded due to specific local policies and regulatory frameworks.



# Diversity, equity and inclusion

Within the Royal Terberg Group, 14% of the global workforce is female. While our gender balance represents the traditional nature of the technical and industrial sector in which we operate, we aim to build a more inclusive, innovative and future-ready organisation.

We plan to develop and implement specific programmes to improve our gender balance over the period 2026 to 2028. The Group intends to develop and roll out a Group-wide diversity, equity and inclusion (DEI) strategy, supported by a roadmap, over the period 2026 to 2028.

## Gender pay equity

Initial analysis suggests a possible gender wage gap across Royal Terberg Group. We have recognised the need to investigate this more deeply. During 2025, we assessed the need for unified career architecture and pay structures within our organisation.

We are working on introducing comparable career architecture within our entities with the future aim of establishing supporting career architecture across countries. This will help us to identify any pay differences within equivalent roles and responsibilities.

### Gender pay equity at Royal Terberg Group

	2025	2024
Female average gross hourly pay level	25.15	24.21
Male average gross hourly pay level	27.32	26.21
Percentage Female vs Male	92%	92%



# Engaging with our workforce

Royal Terberg Group values open communication and local dialogue to ensure that stakeholder and employee feedback is translated directly into improvements for employees and the organisations.

## Employee representation

Approximately one third of our employees is represented through trade unions, works councils or other employee representation bodies. Countries where employees are represented are Belgium, France, Italy, Malaysia, Spain and the UK.

Various initiatives have been implemented across our entities in response to employee consultations and collaboration with employee representation bodies. Examples include agreements with unions on protective clothing and the leasing of tools. These support a safer and healthier working environment

## Employees covered by CLAs

**56%**  
2024: 54%

## Collective labour agreements

More than half of our employees are covered by collective labour agreements (CLAs) that provide a framework for working conditions, benefits and employee rights.

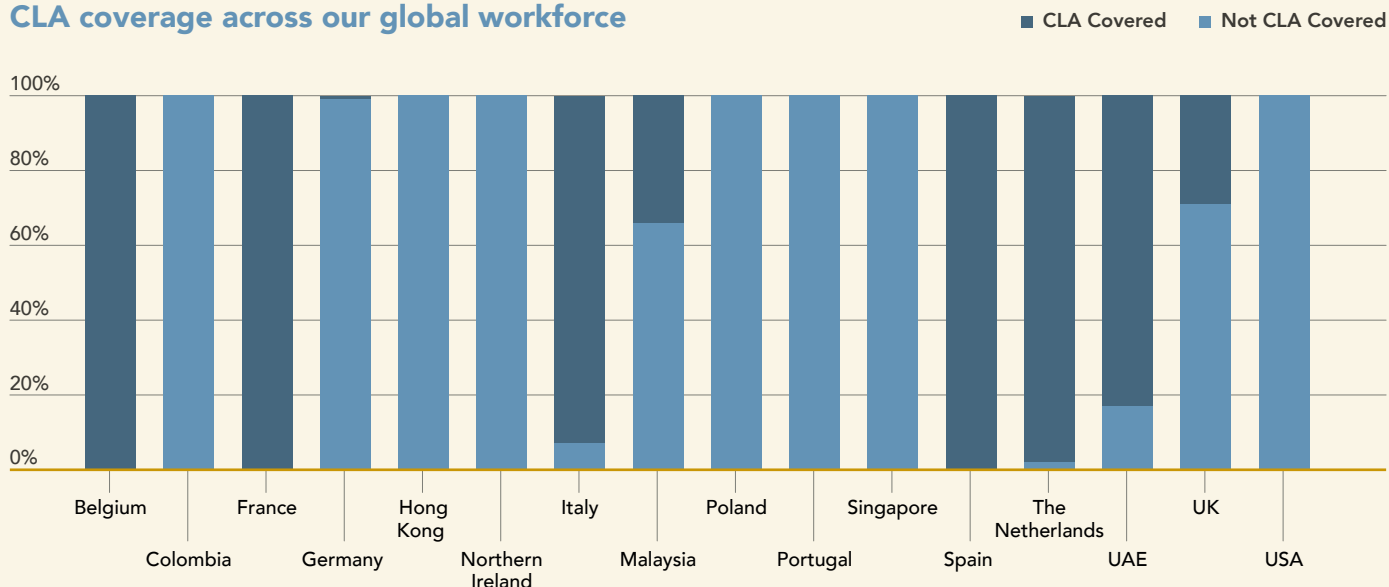
In response to dialogues conducted with employees and employee representative bodies, we have rolled out local employee engagement surveys to better understand employee experiences and needs. We have also launched wellbeing programmes to promote a healthy and supportive work culture. These initiatives reflect our ongoing commitment to listening to our people and fostering a work environment where employees feel valued, heard and empowered.

## Grievance processes

As a decentralised organisation with entities varying in size and maturity, Royal Terberg Group understands the importance of implementing accessible and effective grievance mechanisms across all our operations.

Formal grievance procedures are in place at our companies in all countries, since we introduced a single global whistleblower and grievances policy and a uniform platform. These processes ensure that our employees can raise concerns in a structured and confidential manner.

## CLA coverage across our global workforce



# About our workforce

During 2025, our workforce grew steadily in line with our business growth to ensure we have the capacity we need to support our expanding operations and strategic goals.

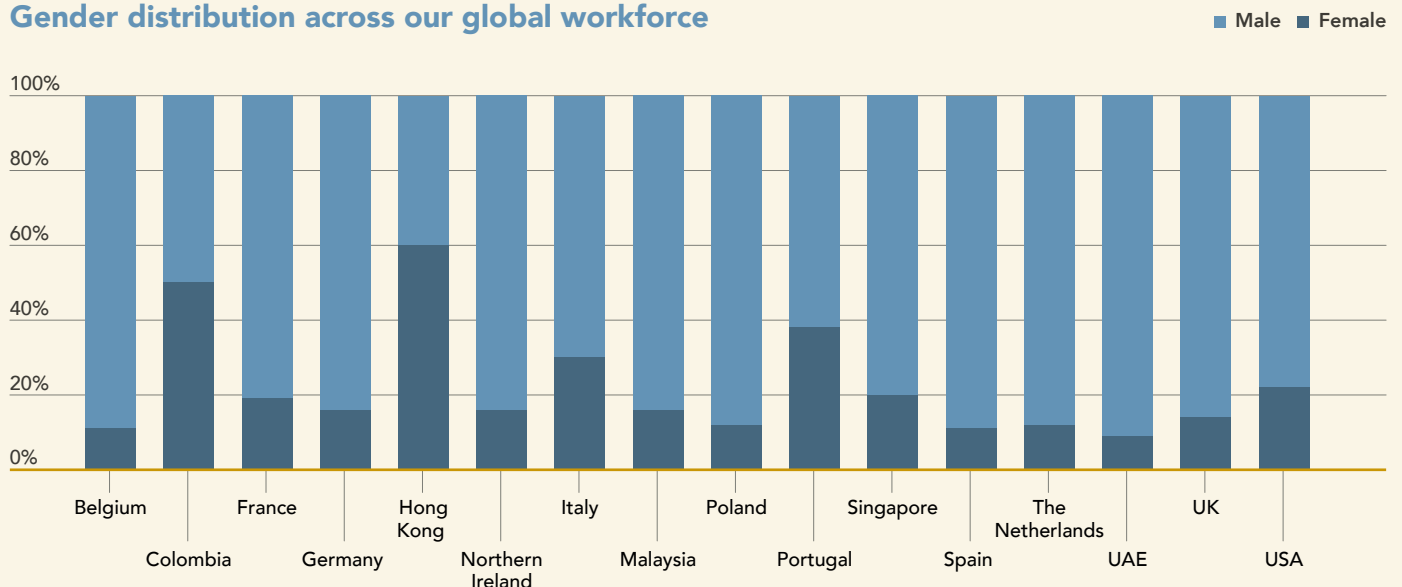
We respond effectively to changing business needs through a balanced workforce model, combining a strong base of permanent employees with a flexible workforce. This approach provides flexibility while maintaining organisational stability.

## Our workforce composition

Key metrics relating to the composition of our workforce are as follows. All headcount numbers are correct as of 31 December 2025.



## Gender distribution across our global workforce



## Types of contract

	2025	2024
<b>Employees</b>		
Permanent	3,727	3,634
Fixed-term	376	299
Non-guaranteed hours	65	78
<b>Non-employees</b>		
Interns	59	40
Contractors and consultants	421	456

## Employee turnover

Our current employee turnover rate is 12%, the same as in 2024. This is slightly higher among younger employees.

Retaining young talent is a priority for us; they represent the future of our organisation and bring fresh perspectives and skillsets that support innovation and long-term growth.

## Country breakdown by contract type

	Employee		Non-employee		Total
	Fixed-term	Non-guaranteed hours	Permanent	Intern	
Belgium	4		58		62
Colombia			6		6
France			99		99
Germany	7	4	342		353
Hong Kong			5		5
Northern Ireland			25		25
Italy	4		25	1	30
Malaysia	23		320	5	348
Poland		6	44		50
Portugal			24		24
Singapore	1		92		93
Spain	53		541	24	618
The Netherlands	231	53	734	15	1,033
UAE			54		54
UK	53	2	1,286	14	1,355
USA			72		72
<b>Total</b>	<b>376</b>	<b>65</b>	<b>3,727</b>	<b>59</b>	<b>4,227</b>

Headcount figures in this Sustainability Report are based on ESRS-aligned definitions and may differ from those in the Annual Report due to differences in scope and methodology.

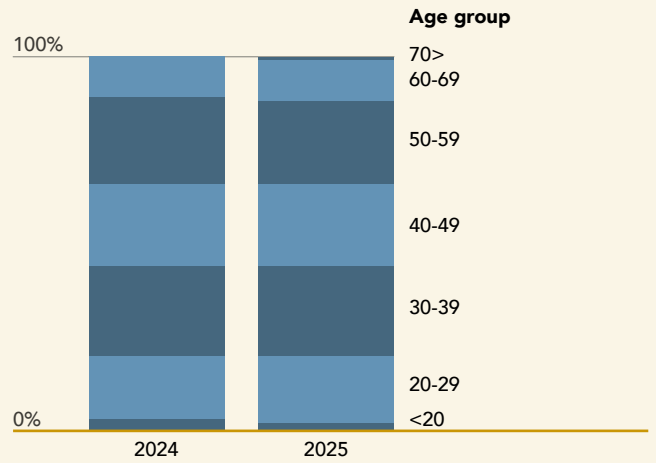
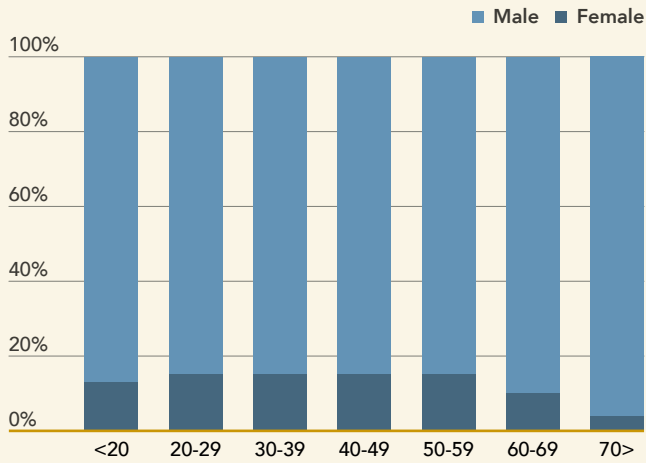
## Age breakdown

The organisation's workforce demonstrates a balanced and layered age structure, reflecting a sustainable mix of early-career, mid-career and senior professionals.

## Employees with disabilities

In 2025, 1% of our employees had disabilities compared with 2% in 2024.

### Age brackets of our global workforce



# Consumers and End Users

At Royal Terberg Group, we care deeply about the wellbeing of everyone who interacts with our vehicles. The safety and comfort of the operators who use our vehicles is one of our Sustainability Focus Areas under the Health and Safety pillar, as well as protecting people in public spaces where our vehicles are used.

## We design products with health and safety in mind

We design our products with a range of hardware and software features to safeguard the health and safety of operators, road users and passers-by.

These include low-entry cabins for easier and safer access, dualside cabin access for improved accessibility, and lowered cabins for better operator visibility and safety.

Innovative ergonomic features such as our Ergoturn® 180° swivel chair and 360-degree cameras help to ensure comprehensive awareness for operators. Width-sliding cabins and single-man operating systems are designed to make operations smoother and safer.

Advanced driver assistance and automation solutions aim to improve safety for both vehicle operators and people in the surrounding environment. These autonomous driving technologies are designed to reduce safety risks and support safe interaction between vehicles and people in complex operating environments.

Additionally, by using cleaner power sources in our vehicles, we significantly reduce the impact on surrounding air quality, contributing to a healthier environment both for operators and passers-by.

These features are all part of our ongoing effort to create a safer and more efficient experience for everyone who works with and around our vehicles.



## We support our customers and seek feedback

In addition to safe product design, it is important to ensure our vehicles are used correctly by properly trained operators and are well maintained. With this in mind, we support our customers with clear documentation, training, service guidance and product updates that enhance day-to-day safety.

We seek feedback from operators, fleet owners and municipal clients in order to refine the ergonomics and safety features of our vehicles. These practical insights help us to make improvements that make a real difference for end users. We also seek insights from service and maintenance professionals which contribute to our design process.

Compliance with safety regulations is a given. At the same time, we monitor regulatory and industry developments closely, using those insights to ensure continuous improvement in the safety of our products.

## We focus on continuous improvement

“As a chassis manufacturer, our designs are greatly influenced by the General Safety Regulations which aim to protect vulnerable road users, including pedestrians and cyclists.

That’s why our vehicles feature radar sensors on the front, rear and side, as well as a camera on the front. We’ve also added other safety features like departure warning and collision mitigation.

New EU Machinery Regulation is coming into force that aims to ensure products are not only safe when they are first sold, but remain safe throughout their operational life. We are involved with the standards committees, so we are fully up-to-speed with the requirements.

We are focused on continuous improvement in the health and safety of our products, and I enjoy collaborating with colleagues across the Terberg group to share knowledge and develop solutions.”

**Jon Sayers**  
Engineering Director,  
Dennis Eagle



# Supporting our communities

We have a long history of contributing to the communities we operate in. We are committed to supporting and enriching these communities to make a meaningful difference.

Most of our initiatives are run by individual Royal Terberg Group companies, which support their local communities through financial donations and engagement. This approach enables our companies to understand and respond to the unique needs of their own communities, fostering a sense of belonging and mutual support.

Initiatives include educational programmes at local schools as well as donations to sports clubs and other good causes.

## The Terberg Foundation

The Royal Terberg Group makes an annual donation to the Terberg Foundation – the dedicated philanthropic foundation of the Terberg family. The Foundation, established in 2017, is independent from the Royal Terberg Group.

Its mission is to help people and communities in need to gain independence and self-sufficiency both socially and financially. The Foundation's projects range from education and sports to welfare and healthcare.





# Governance



# Business conduct



Ethical, responsible and professional conduct is the foundation of our business at Royal Terberg Group. In our sustainability strategy, good business conduct underpins our three Sustainability Focus Areas of climate, circularity and health and safety.



Climate



Circularity



Health and Safety

Business conduct

# Emerging governance risks and opportunities: how we are responding

In our DMA of 2025, we identified five emerging risks and opportunities related to the governance and business conduct of our organisation.

These are:

- Geopolitical change
- Cybersecurity
- Non-compliance with laws and regulations
- Innovation; and
- Partnerships and acquisitions

## Geopolitical change

### The risk

Rapid and unexpected geopolitical changes can destabilise global supply chains, making international trade and the global economic environment more unpredictable.

For Royal Terberg Group, this is not only a business consideration, but also a human one. It impacts the people, partners and communities we work with every day.

### Our response

Our focus is on staying resilient and adaptable. We work closely with our suppliers and customers to navigate changing circumstances and safeguard continuity.

In this way, we can protect the interests of our stakeholders, maintain stability in our operations and uphold our commitment to responsible business conduct.

We aim to remain a steady and reliable partner, even in an unpredictable world.

Jeroen Ywema, Purchase Manager, says, “We assess how geopolitical changes could affect our procurement, logistics and market access, and incorporate these insights into strategic decision-making. Where needed, we diversify sources and build flexibility into our supply chain. More and more, we are preparing for alternative scenarios to enable rapid response to changing conditions.”

Jeroen Ywema  
Purchase Manager

# Cybersecurity

## The risk

As Royal Terberg Group continues to increase its digital footprint, exposure to cybersecurity threats also increases, including risks related to data integrity, system availability and cyber-enabled fraud. Cybersecurity is therefore a key element in safeguarding operations, financial reporting and stakeholder trust.

## Our response

We apply a structured, group-wide cybersecurity approach aligned with ISO/IEC 27001, managed through our Information Security Management System (ISMS).

Cybersecurity risks are identified and managed across entities and relevant third parties, supported by:

- Secure system and architecture design
- Central monitoring and incident response
- Regular risk assessments and control reviews
- Clear governance, policies and accountability

We also invest in continual awareness and training, including phishing simulations, to address human risks.

A combination of preventive, detective and corrective controls is in place to reduce risks such as unauthorised access, data manipulation and fraud. This includes access management, approval workflows and monitoring of critical activities.

“Cybersecurity at RTG is managed as a structured business risk, embedded in our governance, processes and culture. By combining strong controls, continuous monitoring and employee awareness, we ensure the resilience of our operations and protect the integrity of our information and financial processes,” says Jaco Reitsma, Chief Information Officer.

**Jaco Reitsma**  
Chief Information Officer

# Non-compliance with laws and regulations

## The risk

Operating across multiple jurisdictions exposes Royal Terberg Group to a complex and evolving regulatory landscape. Non-compliance with applicable laws and regulations – including in the areas of anti-bribery and corruption, antitrust and competition law, trade and export controls, sanctions, and sustainability – could result in significant financial penalties, legal proceedings, reputational damage and restricted or lost access to key markets.

As regulatory expectations continue to intensify globally, particularly in relation to environmental, social and governance matters, the risk of operational disruption and exclusion from supply chains increases if we fail to adapt in a timely and effective manner.

## Our response

Royal Terberg Group maintains a structured and Group-wide compliance function designed to

identify, assess and mitigate regulatory risks across relevant domains. This commitment supports Royal Terberg Group’s ability to mitigate compliance risks, while safeguarding long-term market access and sustainable growth.

As Hein de Groot, Director of Legal, Tax and Compliance, notes, “Our compliance function is designed to address our regulatory obligations – from anti-bribery and competition law to trade controls and sustainability. By taking an integrated approach, we ensure we are not merely reacting to new requirements but anticipating them.”

**Hein de Groot**  
Director of Legal, Tax and Compliance

# Innovation

## The opportunity

Innovation is one of the most powerful levers we have for shaping a future-proof Royal Terberg Group. It allows us to meet the needs of our customers, anticipate emerging trends and strengthen sustainability across our entire value chain.

## Our response

As technologies evolve, we combine our engineering heritage with a mindset of progress, creativity and long-term responsibility.

At Royal Terberg Group, innovation supports all our key sustainability priorities:

- It strengthens health and safety, enabling safer workplaces for our employees, safer vehicles for operators, and safer environments for road users, pedestrians and workers.
- It advances circularity through modular design, refurbishment and longer product lifecycles.

- It drives climate action by reducing emissions and improving efficiency across our products and operations.

“Our approach to innovation includes investing in all kinds of technologies – from electrification to hydrogen, from connectivity to predictive maintenance. We also focus on innovation in refurbishment to extend the lifetimes of our vehicles.

These innovations reflect our commitment to leading responsibly, supporting customers on their own sustainability journeys, and staying relevant and competitive in a rapidly changing world,” says Rob van Hove, Deputy Chair of the Board of Directors.

**Rob van Hove**

Deputy Chair of the Board of Directors

# Partnerships and acquisitions

## The opportunity

Partnerships and acquisitions are critical to help Royal Terberg Group grow, diversify and innovate. Working with other organisations, or making them part of our Group, brings fresh perspectives, new capabilities and opportunities to enter new markets and strengthen our global presence.

Importantly, they also allow us to learn from others, share best practices and build a richer, more future-oriented organisation.

## Our response

We are developing an enhanced ESG due diligence process to ensure collaborations support our sustainability ambitions. This will help us assess whether potential partners align with our values, governance standards and long-term direction, including the material sustainability topics that matter most to us.

We not only evaluate the financial and operational performance of prospective partners or acquisition targets, but also their ethical conduct, environmental practices, safety culture and openness to learning and improvement.

“When new organisations join our group, we focus on building strong governance foundations and connecting people across teams and countries. We learn from one another, exchange expertise and integrate practices that strengthen the group as a whole. Our partnerships accelerate our ability to innovate and respond to customer needs,” says Ron van Arkel, Director of M&A and Dealer Development, Terberg Special Vehicles.

**Ron van Arkel**

Director of M&A and Dealer Development,  
Terberg Special Vehicles

# Our business conduct policies

At Royal Terberg Group we promote a culture that does not tolerate violations of our business conduct policies.

These policies apply to all employees, directors, officers, board members, consultants and personnel working under Royal Terberg Group's direction. They require adherence to local legislation while conducting business fairly and honestly.

## Code of Conduct

Our Code of Conduct sets the standard for ethical business practices across our organisation. It requires employees, directors, officers, board members, consultants and other personnel working under Royal Terberg Group's direction to comply with local legislation and to do business in a fair and honest way.

Employees are expected to uphold the highest standards of conduct to protect the organisation's reputation and ensure a fair and inclusive work environment.

## Conflict of Interest Policy

Our Conflict of Interest policy supports the principles outlined in our Code of Conduct by providing clear guidance on identifying and managing potential conflicts of interest.

This policy requires all personnel to prioritise the interests of the organisation over personal or external interests and to disclose any circumstances that could give rise to a conflict.

Group HR and Group Legal and Tax are responsible for providing advice and support to ensure compliance with this policy.

## Anti-Corruption and Bribery Policy

Royal Terberg Group takes a zero-tolerance approach to bribery and corruption and is committed to implementing and enforcing effective systems to counter bribery and corruption. We take our legal responsibilities very seriously and will uphold the laws relevant to countering bribery and corruption in the jurisdictions in which we operate.

Our Anti-Corruption and Bribery Policy provides clear guidance on preventing, detecting and addressing any forms of bribery, corruption or unethical conduct within the Royal Terberg Group.

The policy protects our organisation's reputation, minimises legal and financial risks, and fosters a culture of ethical behaviour, accountability and trust. It ensures that all our employees act with integrity and transparency, and in compliance with applicable laws and regulations, including international standards such as the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA).

The Policy applies not only to our own people, but to everyone working in any company worldwide in which Royal Terberg Group has an interest.

The Policy has been made available on the Royal Terberg Group SharePoint and/or the local SharePoint of subsidiary companies. Any deviations from this Policy, due to local or national legislation or industry needs, are captured in a local addendum to the Policy.

## Whistleblower Policy

In 2025, we implemented a Group-wide Whistleblower Policy. This policy strengthens our culture of openness and psychological safety, which are key drivers of employee engagement and safety. We have introduced a single standard escalation platform, which reinforces fairness, transparency and trust across the entire company.

Whistleblowers acting in good faith are protected from retaliation, and all reports are handled confidentially.

## Supplier Code of Conduct

We believe in working with our suppliers to build strong, ethical and sustainable partnerships. Our Supplier Code of Conduct sets out the principles we expect our suppliers to follow, ensuring that we operate responsibly, respectfully and in alignment with shared values.

We're not just ticking boxes with this Code – we genuinely want to create a positive impact, and we believe we can achieve this together. Our expectation for suppliers is simple: to conduct business in a fair, lawful and honest manner, with particular attention paid to ethical practices, respect for people, environmental responsibility, compliance with laws and commitment to quality.

Our Supplier Code of Conduct reflects our commitment to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, and the principles in ISO 26000 for corporate social responsibility.

We expect all our suppliers to comply with those principles as well as all applicable laws and regulations, including but not limited to those relating to:

- employment, health and safety, and modern slavery
- environmental protection
- trade and product safety standards; and
- applicable sanctions and/or embargos



# Actions related to our business conduct policies

## Management of business conduct policies

Our business conduct policies are owned by the Group HR Director and the Group Legal Director and approved by Royal Terberg Group's Board of Directors and Extended Board.

Any changes to these policies must be reviewed by Group HR and Legal and approved by Royal Terberg's Board of Directors and Extended Board. The minimum decision-making level on these policies or any infringements of them is a direct report to either the Division CEO or the Group CEO. To ensure independent decision-making, the "one-over-one" principle is applied in all circumstances. The ultimate decision-making level is the Royal Terberg Board of Directors and Extended Board.

## Functions most at risk

Our Group HR and Legal teams have conducted an assessment and deemed the following departments and functions most at risk in respect of corruption and bribery: Management; Sales and Aftersales; Procurement; Marketing; HR and Finance. These functions include the Board of Directors, the Supervisory Board and IT staff with access to all systems.

## Training on business conduct

All personnel within functions at risk are properly trained with annual e-learning and also have access to an online platform with additional in-depth training material. Our Group Legal department monitors adherence to mandatory training on anti-corruption, worldwide anti-bribery and ethical business.

Currently 91% of functions at risk are covered by training on anti-corruption and bribery.

## Mechanisms for reporting unlawful behaviour

Anyone and everyone working for Royal Terberg Group must comply with the requirements of the Code of Conduct Violation Response Policy; the Conflict of Interest Policy; and the Anti-Corruption and Bribery Policy. Anyone suspecting or identifying a violation of Royal Terberg Group's Code (which includes violations of the Conflict of Interest Policy and the Anti-Corruption and Bribery Policy) has a mandatory obligation to report such a violation.

At Royal Terberg Group, we encourage people to raise concerns about any business conduct issue or suspicion of bribery or corruption at the earliest possible stage. Anyone who is offered a bribe, is asked to make one, or suspects that any bribery or corruption has occurred or may occur, must notify their manager, the Group Legal Department or report it as soon as possible in accordance with our Whistleblowing Policy.

If the reporting person is uncomfortable discussing their concern with their manager, they can report it via the whistleblowing channel available in the respective country or entity.

## Investigation of bribery and corruption

HR is solely responsible for conducting investigations and ensuring swift and appropriate responses under strict confidentiality. External expertise may be utilised if necessary.

Employees are required to cooperate and fully support any investigation. Where an investigation shows a violation has occurred, HR will take appropriate action, which may include disciplinary or legal measures.

## Reporting violations of the Supplier Code of Conduct

We welcome concerns from anyone within or outside Royal Terberg Group if they suspect, or know of, violations of the Supplier Code of Conduct – whether potential or actual.

We do not tolerate retaliation against people who make reports in good faith. Suppliers can report concerns through the channel they are most comfortable with, including Royal Terberg Group representatives or relationship partners or the Royal Terberg Group Whistleblower Channel.

## Grievance mechanisms for value chain workers

We expect our suppliers to have grievance mechanisms in place to ensure workers can voice grievances on any aspect of our Supplier Code of Conduct anonymously and without fear of reprisals. All grievances should be investigated in a fair and timely manner and suppliers should provide for – or contribute to – appropriate, adequate and effective remedy.



# Annex GHG data

The annex contains the GHG data in the format required by the CSRD/ESRS disclosure requirements (for GHG 2025 results).

## Disclosure requirement E1-7 – Energy Consumption and mix

Requirement	Metric	Value	Unit
Total energy consumption from fossil sources	Natural Gas	15,087,361	kWh
	Diesel	20,954,433	kWh
	Petrol	3,613,796	kWh
	LNG	0	kWh
	CNG	0	kWh
	Propane	9,069	kWh
	Kerosene	13,094	kWh
	LPG	472,801	kWh
	District heating	275,389	kWh
	Average fossil grid mix	2,476,488	kWh
	Total energy consumption from fossil sources	40,150,554	kWh
Total energy consumption nuclear sources	Average nuclear grid mix	576,642	kWh
Total energy consumption from renewable sources	Bundled	8,547,350	kWh
	Unbundled	578,556	kWh
	Unknown	612,224	kWh
	Average renewable grid mix	864,656	kWh
	Total purchased renewable electricity	9,738,130	kWh
	Consumption self-generated renewable energy	1,987,241	kWh
Renewable energy production	Renewable electricity generation	2,983,301	kWh

## Disclosure Requirement E1-8 – Gross scope 1, 2, 3 GHG emissions

Requirement	Metric	Value	Unit	
Company's GHG emissions in metric tonnes of CO <sub>2</sub> eq	<b>Scope 1</b>	<b>10,408</b>	tCO <sub>2</sub> e	
	% covered by EU ETS	0	%	
	<b>Scope 2 (location-based)</b>	<b>3,914</b>	tCO <sub>2</sub> e	
	<b>Scope 2 (market-based)</b>	<b>1,744</b>	tCO <sub>2</sub> e	
	<b>Scope 3</b>	<b>1,343,311</b>	tCO <sub>2</sub> e	
	Purchased Goods and Services	214,861	tCO <sub>2</sub> e	
	Capital Goods	9,378	tCO <sub>2</sub> e	
	Fuel and Energy-related Activities	2,576	tCO <sub>2</sub> e	
	Upstream Transportation and Distribution	27,703	tCO <sub>2</sub> e	
	Waste Generated in Operations	143	tCO <sub>2</sub> e	
	Business Travel	3,208	tCO <sub>2</sub> e	
	Employee Commuting	2,808	tCO <sub>2</sub> e	
	Downstream Transportation and Distribution	21,630	tCO <sub>2</sub> e	
	Processing of Sold Products	0	tCO <sub>2</sub> e	
	Use of Sold Products	984,894	tCO <sub>2</sub> e	
	End-of-Life Treatment of Sold Products	737	tCO <sub>2</sub> e	
	Downstream Leased Assets	75,346	tCO <sub>2</sub> e	
	Investments	27	tCO <sub>2</sub> e	
	<b>Total GHG emissions (location-based)</b>	<b>1,357,633</b>	tCO <sub>2</sub> e	
	<b>Total GHG emissions (market-based)</b>	<b>1,355,463</b>	tCO <sub>2</sub> e	
	GHG Intensity based on net revenue	Net revenue (NR)	1,410,353,282	€
		<b>Total GHG emissions (location-based)/Net revenue(€)</b>	<b>0.000963</b>	tCO <sub>2</sub> e/€
		<b>Total GHG emissions (market-based)/Net revenue(€)</b>	<b>0.000961</b>	tCO <sub>2</sub> e/€

# Annex Errata

GHG emissions reported in the 2024 report have been adjusted following a reassessment of the consolidation at group level. Reported values for 2023 (Baseline year) and 2024 have been corrected respectively. Table below presents the errata introduced. Values errata does not impact company's commitment to the climate targets.

## p.31 table

	2023 (Baseline)		2024		% Change		
	Reported	Should read	Reported	Should read	Reported	Should read	
<b>Scope 3</b>							
<b>Indirect Emissions (tCO<sub>2</sub>e)</b>							
Purchased Goods and Services	199,404	208,403	190,297	200,680	-5%	-4%	
Use of Sold Products	997,961	960,477	906,423	966,662	-9%	1%	
<b>Total Scope 3</b>	<b>1,386,944</b>	<b>1,358,422</b>	<b>1,254,400</b>	<b>1,321,845</b>	<b>-10%</b>	<b>-3%</b>	
<b>Total GHG emissions (tCO<sub>2</sub>e)</b>							
Total GHG emissions	Location-based	1,399,369	1,370,847	1,267,977	1,335,422	-9%	-3%
Total GHG emissions	Market-based	1,399,081	1,370,559	1,266,000	1,333,444	-10%	-3%

## p. 33 chart

	Reported	Should read
Scope 3: Upstream activities	239,443	246,560
Scope 3: Downstream activities	1,014,956	1,075,285

## p.43 table

Metric	Reported	Should read
Purchased Goods and Services	190,297	200,680
Use of Sold Products	906,423	966,662
End-of-Life Treatment of Sold Products	845	851
Total GHG emissions (location-based)	1,267,977	1,335,422
Total GHG emissions (market-based)	1,266,000	1,333,444
Total GHG emissions (location-based)/Net revenue(€)	0.000975	0.001026
Total GHG emissions (market-based)/Net revenue(€)	0.000973	0.001025



TERRE

# A word of thanks

Royal Terberg Group would like to thank all those involved in the preparation of this Sustainability Report.

We are proud of the progress we made in 2025. This progress would not have been possible without the commitment, expertise and engagement of our employees across the Group. Sustainability is increasingly part of how we think, collaborate and make decisions throughout the organisation.

At the same time, we recognise that sustainability is an ongoing journey and remain mindful of the challenges ahead.

We thank our stakeholders for their continued engagement and trust, which help shape our approach and strengthen our impact.

We remain committed to acting responsibly, embedding sustainability into our organisation and reporting with transparency as we continue to advance our sustainability strategy.





**Royal Terberg Group**  
Newtonstraat 2  
3401 JA IJsselstein  
The Netherlands  
[www.royalterberggroup.com](http://www.royalterberggroup.com)  
[info.group@terberg.com](mailto:info.group@terberg.com)