

# Spotlight: Sustainability

It's time to unlock circular tech

# Time to unlock circular tech

Dear Reader,

The world remains ever-changing. Ongoing economic uncertainties, geopolitical tensions, and increasing pressure to transform continued to shape the world in 2024, and they are unlikely to diminish this year. More than ever, it is the responsibility of companies to develop new strategies in order to remain competitive.

Innovative technologies such as artificial intelligence are establishing themselves as the key to process optimization, innovation, and an enduring competitive edge. Digitalization is continuing on its inexorable path, and with it comes the growing need to act more sustainably.



In this context, we have achieved another significant milestone: thanks to growth of 16 percent, our volume of lease originations has hit a new peak of €2.83 billion. This is an impressive illustration of how flexible and sustainable technology usage models are becoming increasingly important.

At the same time, we have expanded our managed technology portfolio in the IT, healthcare, and industry sectors to €11.73 billion, an increase of 17 percent year on year. Our consolidated net income rose from 12 percent to €124 million, further strengthening our solid economic performance.

### Leveraging opportunities in a changing world

Companies are currently faced with a multitude of challenges. But these changes also harbor great opportunities. We have managed to turn many of these challenges into real potential. Liquidity continues to be the top priority for many companies when it comes to remaining competitive in terms of innovation and digitalization. **Circular tech** – i.e. the **sustainable use of technologies and resources in line with the principles of the circular economy** – is becoming increasingly important and offers both commercial and environmental benefits. It is our ambition to actively shape this change by developing innovative solutions for usage models that help our customers to enjoy sustained and sustainable business success.

### Global expansion and setting a strategic course

Our international presence is a critical factor in our growth and that of our customers. We further expanded our global network in 2024 by taking over the portfolio of Maia Financial in Australia and acquiring Meridian Leasing Corporation in the USA. We also expanded our cooperation with SMFL to include the markets in China, Malaysia, and Thailand.

As a result, we generate more than 60 percent of our business outside of Germany and have 42 locations in 30 countries on five continents. This is another step toward our goal of becoming the leading global technology2use company.

### Sustainability is the driving force for innovation and growth

Sustainability is an integral element of our corporate strategy, which we are dedicated to pursuing for our customers and our funding partners. Our commitment and the ongoing professionalization of our sustainability management was recognized with an **EcoVadis Gold** medal for the first time in 2024, putting us in the **top 5 percent of the more than 130,000 companies assessed worldwide**. We have also been **part of the Science Based Targets initiative (SBTi) for over a year** and are working on steps to further reduce our **carbon footprint**.

### People are the secret to our success: diversity and corporate culture

This progress is only possible with a strong team. Our 1,600 or so employees from 45 countries are the driving force behind our success. Their expertise, creativity, and ability to innovate are what pushes our Company forward.

For more than a year, our Diversity Committee has actively championed equal opportunities and an open corporate culture at CHG-MERIDIAN with the aim of further strengthening diversity and inclusion.

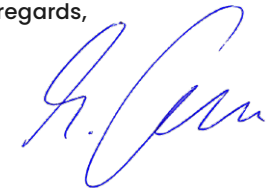
### Shaping the future through technology2use

We firmly believe that **investing in sustainable solutions today will secure the markets of tomorrow**.

We are making an important contribution to the future through our strategic focus and our ongoing commitment to the environment and to doing business sustainably. We aim to set new standards through **technology2use** and support companies on the path toward a more sustainable future to the best of our abilities.

Let us continue on this path together to achieve further growth. I look forward to working with our customers, partners, and colleagues in 2025.

Kind regards,



**Dr. Mathias Wagner**  
CEO of the CHG-MERIDIAN Group

**'Investing in sustainable solutions today will secure the markets of tomorrow.'**

5

continents

42

offices

30

countries

1,600

employees

# CHG-MERIDIAN – Shaping the future through technology2use

We make using technology more flexible, cost-efficient, and sustainable

## Who we are and what we do

With around 1,600 employees worldwide, we develop, finance, and manage customized technology solutions in IT, industrial technology, and healthcare technology based on the principle of usage over ownership. Our customers are large corporations, SMEs, public authorities, and hospitals.

Our business model is underpinned by expertise built up during more than 45 years of working in the circular economy. As a non-captive partner, we support our customers in 30 countries along the entire asset lifecycle, from procurement and use to secure data erasure and the remarketing of used devices at our state-of-the-art technology centers.

Our services are available in up to 190 countries through our subsidiaries, partner networks, and affiliated companies.

**The benefit:** we unlock the full potential of technology for our customers and drive sustainable and responsible development through technology2use.



## Our year 2024 in numbers

### €2.83 billion

Volume of lease originations

### €11.73 billion

Total value of the financed and managed technology portfolio as at December 31, 2024

### €175 million

Profit from ordinary activities

### €124 million

Consolidated net income

# The CHG-MERIDIAN Group in numbers 2024

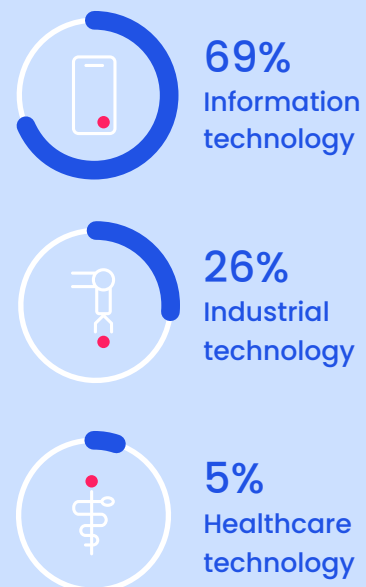
## Direct economic value generated and distributed (€ million)

	2024	2023
<b>Profit generated</b>	<b>2,160.36</b>	<b>1,867.30</b>
Income	2,160.36	1,867.30
<b>Economic value distributed</b>	<b>-2,036.46</b>	<b>-1,756.28</b>
Operating expenses	-1,711.33	-1,465.98
Staff expenses	-166.83	-159.54
Expenses for lenders	-106.78	-77.53
Tax expense	-51.52	-53.24
<b>Economic value retained</b>	<b>123.90</b>	<b>111.02</b>

## Selected key financials (€ million)

	2024	2023	
Equity (IFRS)	866.24	800.91	+8.2%
Group's total assets (IFRS)	7,111.38	5,828.67	+22.0%
Net income (IFRS)	123.90	111.02	+11.6%
Non-recourse funding	2,099.14	1,734.66	+21.0%
Corporate lending	725.41	639.97	+13.4%

## Breakdown of new lease originations by technology sector



## Lease originations by region



# Sustainable financing in 2024

## CHG-MERIDIAN secures €420 million through ESG-linked funding

CHG-MERIDIAN has been relying on sustainable financial instruments with great success for four years now. In 2024, the Company worked with Helaba, NordLB/finpair GmbH, DZ Bank AG, DEG mbH, and KfW IPEX-Bank to raise €420 million through ESG-linked funding. This includes syndicated loans, bonded loans, and direct loans that are all directly linked to the Company's EcoVadis rating. CHG-MERIDIAN was awarded a gold medal by EcoVadis for the first time in 2024

'The trust of our existing investors and the addition of new partners to our network were pivotal in our positive performance,' says Ulrich Bergmann, CFO of the CHG-MERIDIAN Group. 'We were very pleased with our overall results in 2024. All resources raised were used to fund our growth.'

This success is part of a longer trend, with the Company raising €1.05 billion in sustainable funding since 2021. These funds have supported our growth and boosted our commitment to doing business sustainably and responsibly.



Ulrich Bergmann, CFO of the CHG-MERIDIAN Group



€1.05 billion

The amount raised by CHG-MERIDIAN through sustainable funding since 2021



€420 million

The amount generated by CHG-MERIDIAN in 2024 through ESG-linked funding



CHG-MERIDIAN

was awarded a gold medal by EcoVadis in 2024 for the first time

# A holistic and innovative approach to sustainability



The concept of 'usage over ownership' has been at the heart of CHG-MERIDIAN's business model for over 45 years. Our circular business model and our ambition to systematically increase our contribution to sustainable development reflect our long-term commitment.

We do not consider sustainability to be a one-off target, but rather as an ongoing process that covers all aspects of doing business, from commercial considerations to environmental and social matters.

These three dimensions are equally important to us when it comes to lasting business success.

Our clear governance structure, consisting of the Group Sustainability Board and the Group Sustainability Office, ensures that sustainability is not merely a topic for the future, it is actively embedded in our day-to-day work.

The CEO, CFO, and CSO make up the **Group Sustainability Board**. They meet regularly to monitor the progress of our sustainability strategy and to ensure that we remain on course across all areas of the Group.

The **Group Sustainability Office** lies at the heart of operational implementation. It consists of four **sustainability leaders** and four **sustainability managers**, who together make up a balanced team of four women and four men. These experts deal with

the material sustainability topics and divide them into four key action areas: **labor rights and human rights, business ethics, sustainable procurement, and the environment**. Each sustainability leader takes responsibility for an action area and ensures that sustainability is moved forward in this field.

Furthermore, we appointed a sustainability expert almost two years ago who works closely with sales and acts as the direct interface between the Group Sustainability Office and our international sales teams. He ensures that sustainability is more deeply integrated into our sales process and that our customers receive even better advice.

## Strategic focus and clear targets

Our sustainability strategy is based on the United Nations' **17 sustainable development goals** (SDGs)

and was adopted by the **Group Sustainability Board**. It is an integral element of our corporate strategy and is complemented by our regulatory, compliance, and audit strategy.

We do not consider sustainability in isolation; it is an overarching topic that is integrated into all of our relevant strategies. Departments, countries, and employees translate the strategy into specific action and thus ensure that sustainability is actively implemented in a targeted manner across the CHG-MERIDIAN Group.

We have set ourselves clear goals for the years ahead, and we aim to make significant progress in our four action areas by the end of 2025. In this context, we will be focusing on topics that are particularly relevant to CHG-MERIDIAN.

### Maintaining a dialogue for a better future

In order to continuously improve our sustainability management, we maintain a regular dialogue with our internal and external stakeholders. They include our customers, business partners, and public bodies, as well as our shareholders and employees. Through various events and dialogue formats, we incorporate a wide range of perspectives into our targets and take as many different interests as possible into account.

We also regularly assess our sustainability performance through respected institutions such as EcoVadis and CDP. These assessments affirm our success and motivate us to press on with our sustainability targets.

### Sustainable procurement



Supplier assessment and the introduction of procurement standards to cover own requirements and customer requirements resulting from lease obligations.

<b>Time horizon:</b>	2024
<b>Scope:</b>	CHG affiliates
<b>SDG target:</b>	SDG 8.8 – Decent work and diversity SDG 12.2 – Circular economy
<b>Status:</b>	Target achieved

## OUR SUSTAINABILITY GOALS

### Business ethics



Comprehensive training on our shared values (e.g. code of conduct) for all current and new employees.

<b>Time horizon</b>	Ongoing
<b>Scope:</b>	CHG affiliates
<b>SDG target:</b>	SDG 16.5 – Compliance and anti-corruption
<b>Status:</b>	Ongoing

Five ISO-certified management systems that apply across Germany, Austria, and Switzerland, and expansion of the scope of applicability of three of these systems to all of Europe by the end of 2025.

<b>Time horizon:</b>	2025
<b>Scope:</b>	European CHG affiliates
<b>SDG target:</b>	SDG 16.4 and SDG 16.5 – Compliance and anti-corruption
<b>Status:</b>	Target achieved ahead of schedule in 2024

### Environment



Reduction in direct and indirect greenhouse gas emissions (scopes 1, 2, and partly 3) per employee by 25% compared to the base year 2020.

<b>Time horizon</b>	2025
<b>Scope:</b>	Group
<b>SDG target:</b>	SDG 13.2 – Climate change measures
<b>Status:</b>	-15% CO <sub>2</sub> e/employee

### Labor rights and human rights



Increase the proportion of women in management positions to 30%.

<b>Time horizon:</b>	2025
<b>Scope:</b>	The group and all its affiliated entities
<b>SDG target:</b>	SDG 5.5 – Effective participation and equal opportunities
<b>Status:</b>	27%

Meridian Leasing Corporation, acquired in 2024, is not yet included in the sustainability targets.



# Sustainable development goals

## Our specific contributions



The United Nations' sustainable development goals (SDGs) guide CHG-MERIDIAN's approach to sustainable business practices and forward-looking corporate development. We conducted an analysis that identified seven SDGs to which our business model actively contributes. This is how we are making a tangible contribution to climate action, resource conservation, and social responsibility.

8 DECENT WORK AND ECONOMIC GROWTH



### Responsible business practices

Such as decoupling growth and resource consumption, creating a constructive working environment, and boosting diversity.

**8.4** Resource efficiency | **8.5, 8.8** Decent work and diversity

4 QUALITY EDUCATION



### Promote learning

This includes high-quality training and continuing professional development for our employees.

**4.3, 4.4** Training, development, and certification

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



### Think circular

This includes retaining and adding value by systematically applying the ideas of the circular economy.

**12.4, 12.5** Circular economy | **12.6** Reporting

5 GENDER EQUALITY



### Promote equality

This includes promoting equal opportunities for women and men.

**5.5** Effective participation and equal opportunities

13 CLIMATE ACTION



### Protect the climate

This includes reducing corporate emissions and other contributions to climate change mitigation.

**Relevant target 13.2** Climate change measures

7 AFFORDABLE AND CLEAN ENERGY



### Purchase green electricity

Purchase of green electricity and optimization of energy efficiency.

**7.2, 7.3** Renewable energies and energy efficiency

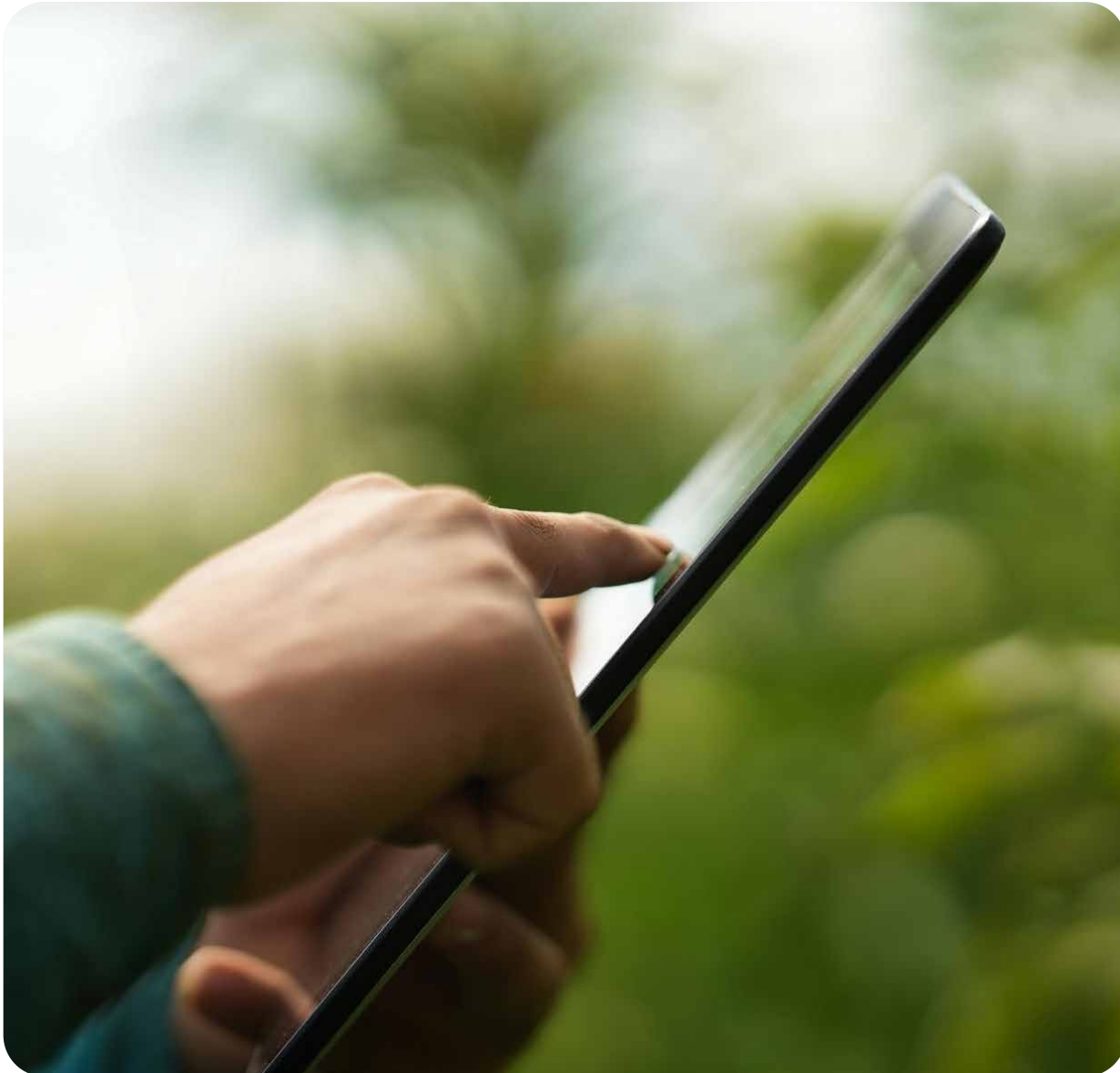
16 PEACE, JUSTICE AND STRONG INSTITUTIONS



### Maintain integrity

This includes respect for democracy and the law, and a zero-tolerance approach to corruption.

**16.4, 16.5** Compliance and anti-corruption



# The gold standard in sustainability: CHG-MERIDIAN awarded gold rating by EcoVadis

Sustainability is firmly embedded in CHG-MERIDIAN's strategy, as confirmed by the prestigious gold rating from EcoVadis. The award underlines our progress in the areas of labor rights, human rights, business ethics, sustainable procurement, and the environment. On the following page, **Judith Madlener, Sustainability Manager at CHG-MERIDIAN**, talks about the importance of this rating and what the Company's next steps are.





Judith Madlener, Sustainability Manager at CHG-MERIDIAN

'The gold rating from EcoVadis proves that we are on the right path, and it is motivation for us to step up our commitment.'

**CHG-MERIDIAN has been awarded a gold medal by EcoVadis for the first time. What does that mean for the Company?**

The award of a gold medal from EcoVadis is a major milestone for us as it recognizes our commitment over many years and our successes in sustainability management. We are now in the top 5 percent of the more than 130,000 companies assessed worldwide. The rating shows that our sustainability management is more than just a strategy on paper; it is also effective in the real world and highlights our clear focus on responsible actions and innovative solutions.

**What role does the gold medal play in our relationships with customers and partners?**

The EcoVadis rating plays a central role as it is an important reference point for us, and it is a factor that many of our customers, partners, and financial institutions will take into account when selecting business partners. The award confirms that we set ourselves high standards and that we consistently meet them. The EcoVadis rating is also the basis for our [ESG-linked funding](#).

**What specific actions have contributed to achieving the gold rating from EcoVadis?**

We are particularly proud of our strong rating for environmental criteria, which we achieved thanks to our ISO 14001-certified environmental management, our comprehensive climate management, and our commitment to the Science Based Targets initiative (SBTi). We also received high praise in the area of labor rights and human rights, for example for our Diversity, Equity, and Inclusion Committee, which was established over a year ago and champions an inclusive and open corporate culture.

In the area of ethics, we made significant progress by expanding our ISO management systems to Europe. We have also taken significant steps in the area of sustainable procurement, for example through expanded supplier assessments and targeted sustainability training for our buyers.

**What steps is CHG-MERIDIAN planning next in the area of sustainability?**

The gold rating from EcoVadis proves that we are on the right path, and it is motivation for us to step up our commitment. Our climate management is a key area of focus. Through our commitment to the SBTi, for example, we have set ourselves ambitious carbon reduction targets that we will be systematically pursuing in the years ahead. Sustainable procurement remains another focal area, and we will be using the new options on the EcoVadis platform to obtain proof of sustainability from our suppliers even faster and more comprehensively.

All of these measures underline our ambition to put sustainability into practice as an integral element of our corporate strategy.

# Partnerships for sustainability

Together with our partners and other organizations, we are committed to social, environmental, and economic sustainability beyond our day-to-day business. We regularly consider joining more initiatives.

CHG-MERIDIAN is, among others, a member of:

UN Global Compact

Charta der Vielfalt e.V.

(Diversity Charter)

Science Based Targets initiative  
(SBTi)

Bundesverband Deutscher  
Leasing-Unternehmen (BDL)

(Federal Association of German Leasing Companies)

Stiftung Allianz für Klima  
und Entwicklung

(Development and Climate Alliance)

Wirtschaftsinitiative Nachhaltigkeit  
Baden-Württemberg (WIN)

(Sustainability Initiative Baden-Württemberg)

These are just some of the organizations to which we belong that have a direct link to sustainability.

# More transparency, more progress: our new CDP rating

We joined the Carbon Disclosure Project (CDP), one of the world's leading environmental rating organizations, in 2022. The CDP is a non-profit initiative that helps companies, cities, and regions to disclose their environmental impact and take targeted action to improve sustainability. This global disclosure system enables us to be transparent about our emissions and about our approach to calculating them.

Our commitment is bearing fruit: while we achieved a C rating in previous years, we made a considerable leap forward with a B rating in 2024. This improvement is down to an optimized calculation of our corporate carbon footprint, new emission reduction targets (SBTi), strategic reduction measures, a climate risk assessment, and closer collaboration with our suppliers along the value chain.

This trend highlights our ongoing commitment to greater sustainability and to reducing our carbon footprint, and we are making a concerted effort to continue along this path.



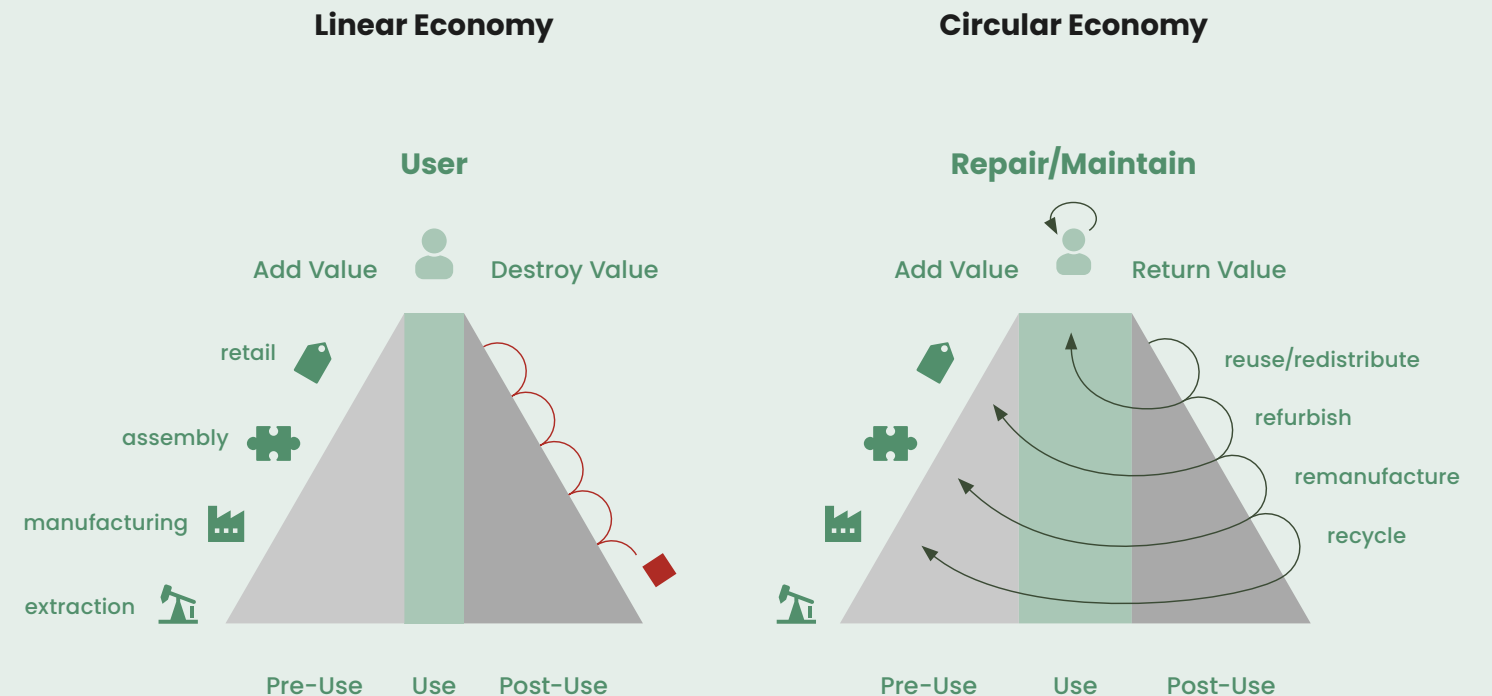
# The circular economy as a core business

## Using IT strategically: the circular economy as a sustainable model for success

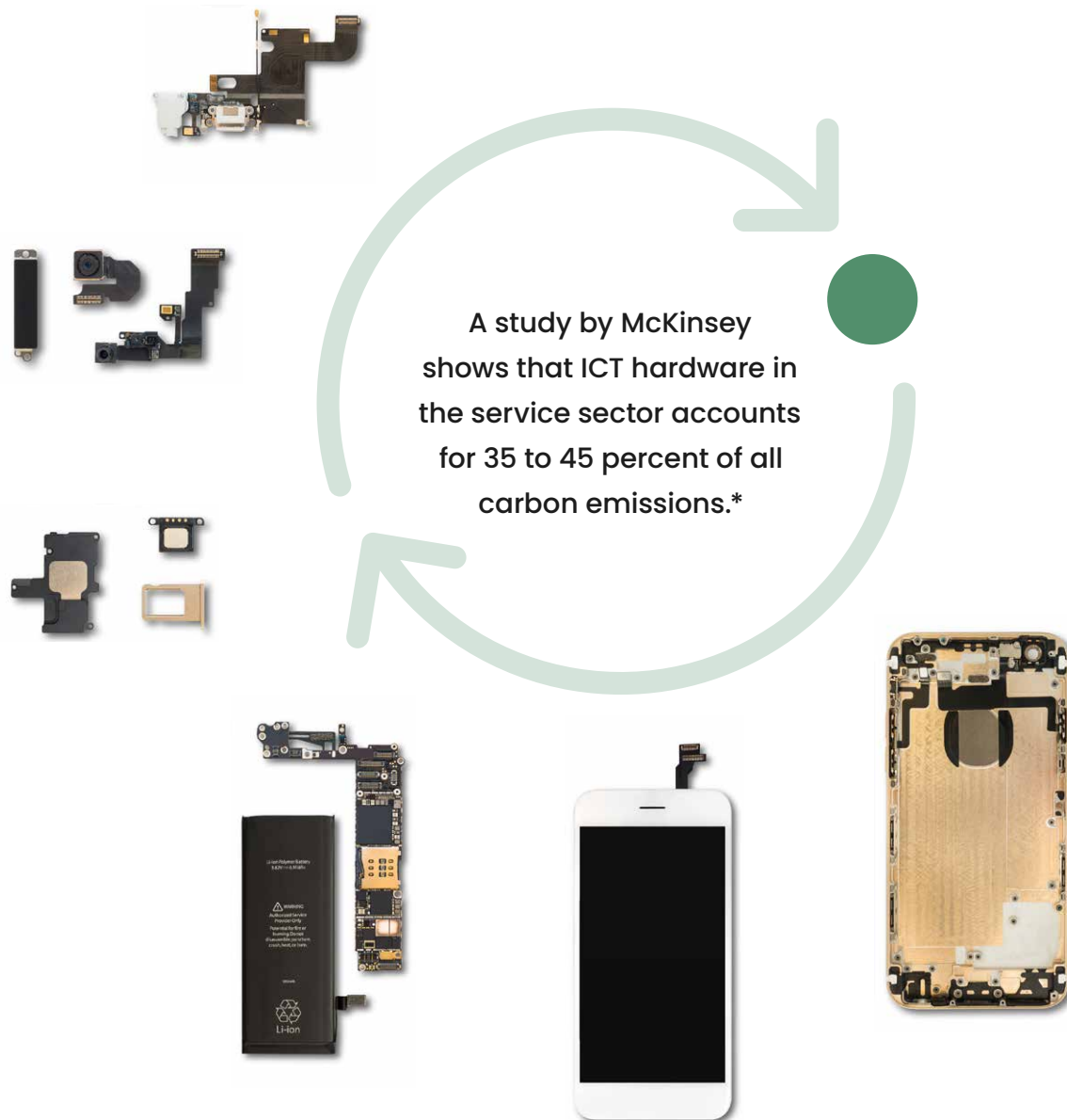
Use technology efficiently rather than own it – that is the principle underpinning CHG-MERIDIAN's activities. As a technology management company, we assist our customers throughout the lifecycle of their IT assets, from needs-based procurement and eco-friendly use to refurbishment and remarketing. Our circular business model reduces the burden on the environment by enabling the efficient use of resources and reducing e-waste and emissions.

In contrast to a linear economic model where the value of an asset is almost entirely lost at the end of its lifecycle, the circular model aims to retain an asset's value for as long as possible. And that is exactly our approach.

### The value hill\*



\* Master Circular Business with the Value Hill | European Circular Economy Stakeholder Platform (europa.eu).



## Lifecycle thinking, not throw-away culture

More and more companies in Germany are passing on their decommissioned hardware through donations, give-aways, or sales, for example. A 2024 survey by Bitkom shows that over 50 percent of respondents are now giving devices that are still in working order a second life in this way. In most cases, defective equipment is professionally recycled. Yet despite this positive trend, there is room for improvement. According to the UN, 62 million tonnes of e-waste are generated every year (as at 2022)\*\*, and that number is rising.

That is why CHG-MERIDIAN is committed to lifecycle thinking, with the aim of making the usage cycle of IT equipment more sustainable. It starts with responsible procurement, where we ensure that assets are procured in line with demand and from business partners who adhere to our code of conduct and the Group-wide procurement guidelines for meeting environmental and social standards. We rely on eco-friendly transportation solutions and, in some cases, use reusable packaging to minimize the environmental footprint. Furthermore, our professional administration management ensures that assets are used in an effective and resource-efficient way that preserves their value for as long as possible.

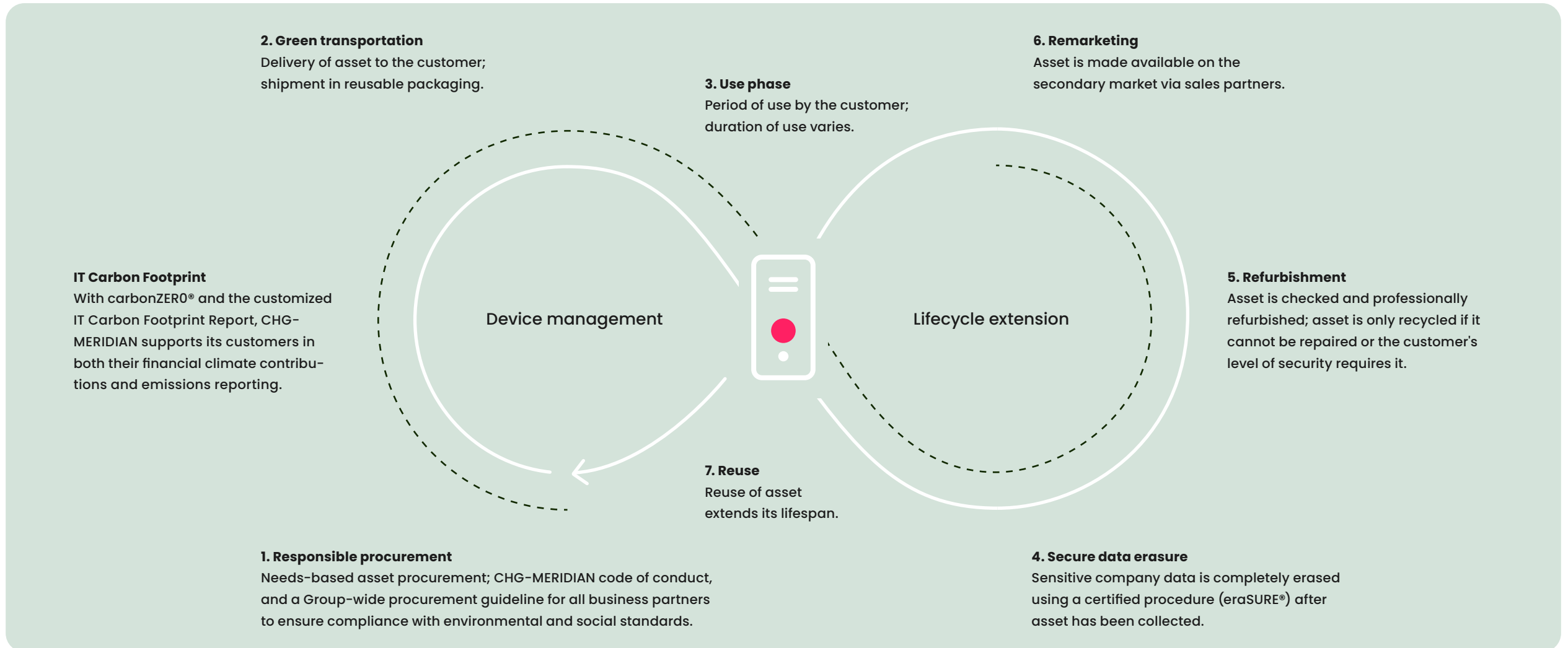
At the end of the first use phase, we take back the IT lease returns from our customers and prepare these assets for a second lifecycle. In 2024, we gave around 1,000,000 IT devices, or 94 percent of all IT lease returns, a second life through refurbishment and remarketing in our state-of-the-art technology centers or via our partners. Our certified eraSURE® process guarantees the secure erasure of sensitive data before assets are used again.

Non-reusable assets or those containing highly sensitive data are professionally recycled by our certified partners in accordance with national and international standards, and valuable resources are returned to the material cycle. This ensures that hardware is used for longer, resources are conserved, and carbon emissions are reduced.

\* <https://www.mckinsey.de/news/presse/green-it-dekarbonisierung-unternehmens-it-studie>

\*\* <https://www.umweltwirtschaft.com/news/abfallwirtschaft-und-recycling/Global-E-Waste-Monitor-2024-E-Schrott-Aufkommen-steigt-weltweit-rasant-an-30019>

## Sustainability through lifecycle thinking: refurbishing and reusing devices





# 1,000,000 IT lease returns

were given a second lifecycle in 2024

## A win-win for companies and the environment

The plus points for companies are obvious: they benefit from a sustainable IT strategy and reduce their running costs by opting for usage models over purchasing, all while minimizing their environmental footprint at the same time. A study conducted by CHG-MERIDIAN and the VITO institute in 2022 shows that IT usage models can reduce a smartphone's carbon footprint by more than 50 percent. The use of raw materials can be reduced by up to two thirds compared to the classic purchase model.

This means fewer newly manufactured devices and a lower burden on the environment – a significant lever when you consider that around 76 percent of a smartphone's total carbon emissions are generated during manufacture.



'Sustainable IT usage is not a trend; it is an important step toward a better future.'

Dr. Mathias Wagner, CEO of the CHG-MERIDIAN Group



# End-of-lease process

**6%** 

of IT lease returns were disposed of in 2024.

**94%**

of leased IT devices that are returned are remarketed.

Our technology centers

Our end-of-lease service partners

Skien

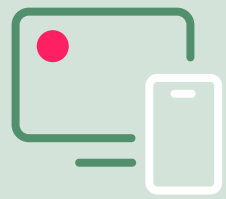
Gross-Gerau

Worldwide 

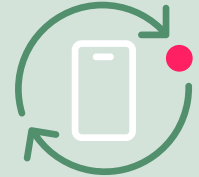


## Standard global end-of-lease process

(e.g. testing, inspecting, and evaluating assets)



## Remarketing and asset management



Our remarketing customers have to pass a rigorous legitimization check and must not be included on any sanctions list.

Assets given a second lifecycle through remarketing are subject to order-specific export controls in line with local legislation.

Our global end-of-lease service partners handle the entire process for us and must comply with CHG-MERIDIAN standards in line with our ISO certifications. CHG-MERIDIAN audits these partners at regular intervals to ensure the provision of an industry-leading service.

Meridian Leasing Corporation, acquired in 2024, is not yet included in the remarketing figures for 2024.



## CHG-MERIDIAN Technology center Gross-Gerau

CHG-MERIDIAN's technology center in Groß-Gerau covers **11,500 square meters** and is one of Europe's leading centers for the refurbishment and remarketing of IT equipment.

Every year, CHG-MERIDIAN professionally tests, certifies and refurbishes more than **1 million devices worldwide for reuse**.

With state-of-the-art technologies and sustainable processes, the center makes an important contribution to the circular economy and to reducing electronic waste.

# Taking the initiative on climate action

## CHG-MERIDIAN and the Science Based Targets initiative

Climate change calls for decisive action, including from companies. CHG-MERIDIAN is taking responsibility for climate action and has joined the Science Based Targets initiative (SBTi), which provides a science-based framework for reducing greenhouse gas emissions in line with the Paris climate agreement. By signing the SBTi's commitment letter at the end of 2023, CHG-MERIDIAN has set the next milestone for a more sustainable future. The Company has since been working on further action to reduce its carbon emissions.

But what does this commitment actually involve? To find out more about the actions taken and the steps to implement them, we spoke to Kim Ciresa, Sustainability Manager at CHG-MERIDIAN, who gave us an insight into the sustainability strategy.

**CHG-MERIDIAN is setting ambitious climate targets as part of its commitment to the SBTi. What role does a climate transition plan play in this?**

A climate transition plan is the strategic roadmap that ensures that corporate targets are brought into line with the requirements of the Paris climate agreement. In this context, companies like CHG-MERIDIAN are guided by science-based climate targets.

**What exactly are science-based climate targets and how are they linked to the climate transition plan?**

Science-based targets lie at the heart of a climate transition plan, as they determine the direction in which a company's sustainability efforts should be heading. The commitment to the SBTi was a major step for CHG-MERIDIAN. The initiative gives companies access to science-based information, resources, and guidelines on a wide range of approaches to developing emission reduction targets and delivering on them.

**Can you give an example of a specific action developed by CHG-MERIDIAN?**

Of course. We differentiate between direct and indirect emissions. Direct emissions are caused by our own activities, e.g. the vehicle fleet and energy consumption in our buildings, that is to say our offices and technology centers. We aim to reduce our carbon emissions in this area by progressively switching to electric vehicles and using renewables such as biogas



Kim Ciresa, Sustainability Manager at CHG-MERIDIAN

and geothermal energy. With regard to indirect emissions, which are primarily generated by assets leased downstream, business travel, and purchased goods, our focus is on getting customers on board and helping them to develop climate targets. Many of our customers are already committed to the SBTi, which demonstrates the growing awareness of this initiative in the market.

**What are the next steps regarding the implementation of the SBTi requirements?**

We are currently working on our targets, which involve reducing direct emissions and working with customers to reduce indirect emissions. Once these targets have been set, we will submit them to the SBTi for validation, which is expected by the end of the year. We plan to hold regular stakeholder meetings, provide annual reporting, and set up internal management to ensure that the implemented targets are achieved.

# On track to reduce emissions

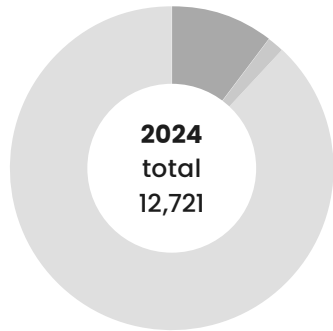
## Growth with responsibility

CHG-MERIDIAN comprehensively measures and reports its greenhouse gas emissions in accordance with the internationally recognised **Greenhouse Gas Protocol** – including all emissions under **Scope 1, 2 and 3**.

In 2024, we also recorded emissions from the product lifecycles of our leased and remarketed devices for the first time. However, due to their scale and limited comparability with our own company data, these are not included in our current reduction target.

Our focus remains on reducing direct and indirect greenhouse gas emissions (Scope 1, 2 and company-related Scope 3) per employee. Our current target is a 25% reduction by 2025 compared to 2020.

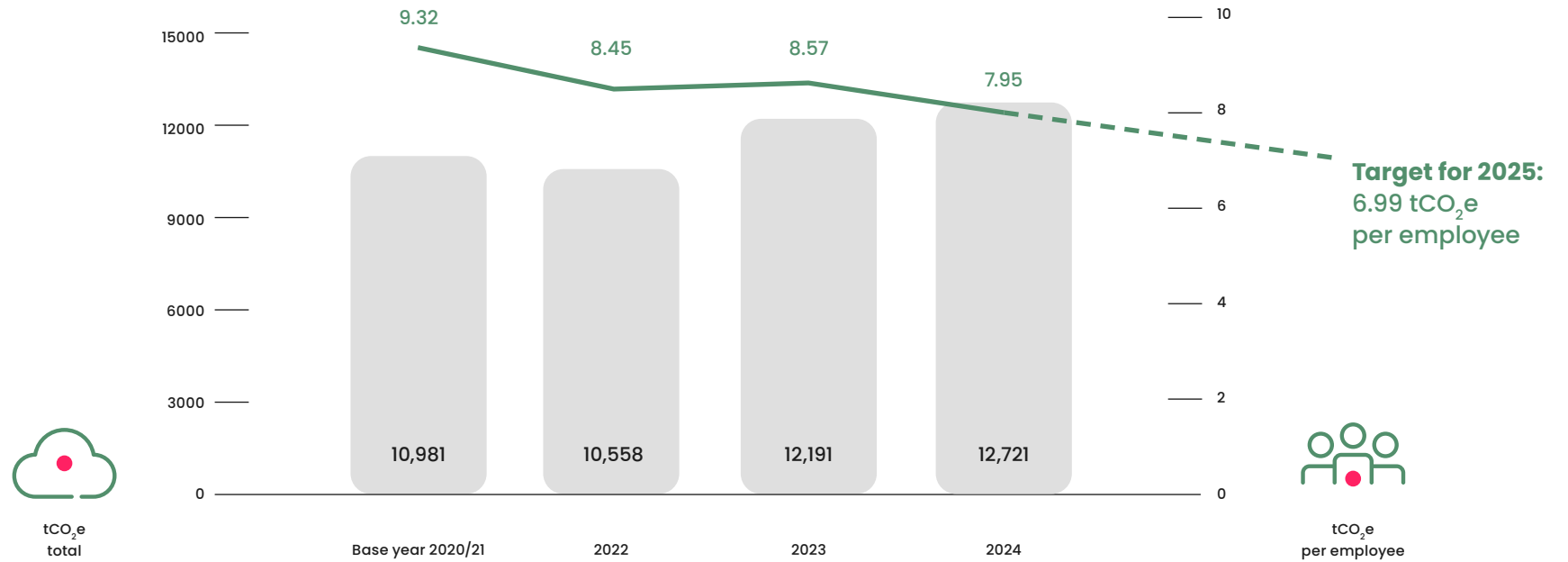
With this target expiring in 2025, we are already looking ahead: in future, we will be guided by science-based targets to make our climate strategy even more ambitious and scientifically sound.



- Scope 1: 1,323.79
- Scope 2: 216.67
- Scope 3: 11,180.96\*

Greenhouse gas intensity:  
7.95 tCO<sub>2</sub>e per employee

\* Without product lifecycle emissions.



Despite a growth-related increase in total emissions, emissions per employee are falling – a positive trend in line with our climate strategy.

Meridian Leasing Corporation, acquired in 2024, is not yet included in the greenhouse gas balance for 2024.

# Transparency throughout the entire lifecycle

In 2024, we took an important step towards holistic climate accounting: **for the first time, emissions from the entire lifecycle of our leased and remarketed devices were recorded.**

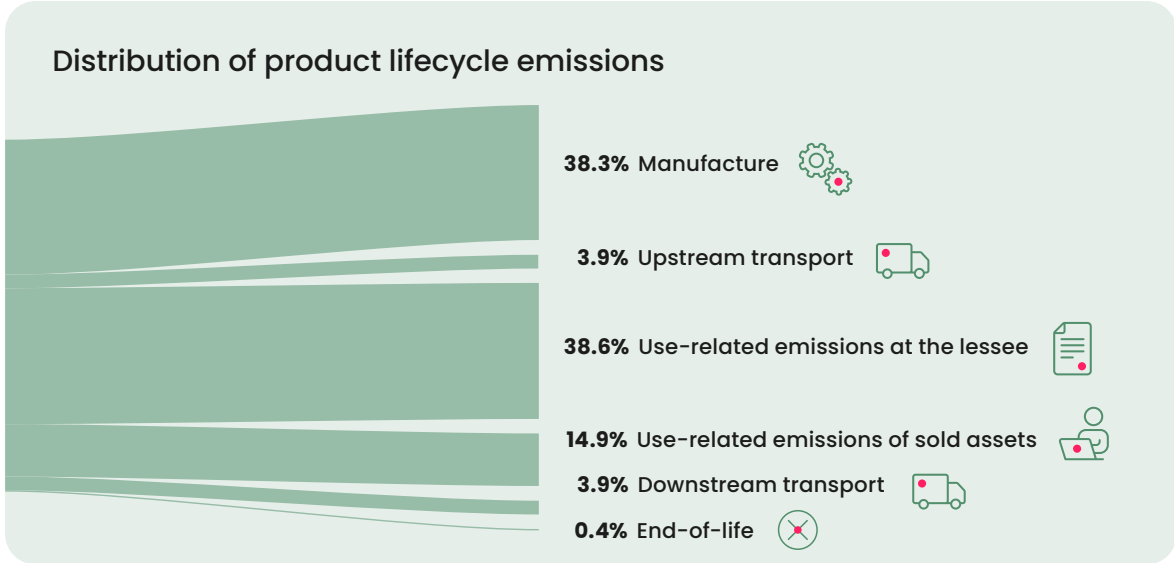
These product lifecycle emissions account for the majority of our total emissions (99.7 percent). The emissions are spread across various phases of the product lifecycle: **manufacturing (38.3%), use during the lease term (38.6%), further use after sale (14.9%), transport (3.9% upstream and 3.9% downstream) and end-of-life (0.4%).**

To calculate emissions, we use **emission-specific factors for each asset class** – for example, for the

'smartphone' category – within the technology sectors **IT, industry and healthcare.** These are mainly based on manufacturer information and recognised studies that use representative device types and average values.

Where specific data is not available, we use a **spend-based approach** (emissions per euro spent) and derive values for other asset classes from this. Due to limited data availability, we currently work with **average and extrapolated values, which have been verified** by external parties. To account for uncertainties, we take a **conservative approach** to our calculations, tending to use higher emission factors.

With the initial recording of lifecycle emissions, we are adding a key component to our carbon footprint and thus creating significantly greater transparency regarding our total emissions.



\* Only market-based emissions from Scope 2 are taken into account. Meridian Leasing Corporation, acquired in 2024, is not yet included in the greenhouse gas balance for 2024.

# Quality through ISO certifications

## The highest standards for our European locations

In 2024, CHG-MERIDIAN extended four of its existing ISO certifications (ISO 14001, ISO 22301, ISO 27001, and ISO 27701) from Germany, Austria, and Switzerland to all European locations. The aim is to boost the Company's competitiveness and provide even more confidence, reliability, and quality in the collaboration with international customers and partners.

'ISO-certifications are a key element of our corporate strategy. They show that we meet the highest international standards and demonstrate our professionalism and expertise to a wide range of stakeholders,' says Frank Schreiber, Group Regulatory Officer at CHG-MERIDIAN.

The management systems for environment (ISO 14001), business continuity (ISO 22301), information security (ISO 27001), and data protection (ISO 27701) have now been certified by external experts at all

European locations. In addition, the compliance management system (ISO 37301) was certified in Germany, Austria and Switzerland for the first time. Alongside the existing ISO 9001 certifications in Skien, Gross-Gerau, Australia, and Italy, it significantly expands the scope of the more specific standards for our business model.

In view of ever-stricter legal and market requirements, CHG-MERIDIAN is increasingly relying on proof provided by third parties, such as ISO standards, and the precautionary principle in order to permanently minimize environmental, social, and governance (ESG) risks. An integrated management system (IMS), which was launched in 2023 and expanded in 2024, brings all management systems together into one central system, thus optimizing our internal processes.

'Regular audits and checks are driving the ongoing refinement of our processes and systems. This ensures that we continually improve as a Company and consistently strengthen our position as a reliable partner,' adds Frank Schreiber.



Frank Schreiber, Group Regulatory Officer at CHG-MERIDIAN

### Benefits of ISO certification at a glance



**Quality assurance:**  
Business processes are organized in accordance with international standards.



**Efficiency gains:**  
Systematic processes and clear structures improve resource use and optimize workflows.



**Risk minimization:**  
Risks relating to data protection, information security, business continuity, compliance, and environmental management are identified early and reduced.

### Our management systems at CHG-MERIDIAN

Management system	Scope
ISO 9001 <b>Quality management</b>	Technology centers in Gross-Gerau and Skien, and CHG Italy, Australia
ISO 37301 <b>Compliance management</b>	CHG Germany, Austria, and Switzerland
ISO 45001 <b>Occupational health and safety</b>	Gross-Gerau technology center
ISO 14001 <b>Environmental management</b>	Europe
ISO 22301 <b>Business continuity</b>	
ISO 27001 <b>Information security</b>	
ISO 27701 <b>Data protection</b>	

# The DEI committee – one year on

## How CHG-MERIDIAN promotes diversity and inclusion

Over a year ago, CHG-MERIDIAN set out to proactively foster inclusion and equal opportunities across the Company. The diversity, equity, and inclusion (DEI) committee was established with the aim of enshrining diversity, equity, and inclusion in the work culture at CHG-MERIDIAN. Employees were able to nominate themselves or others as members, and a wide range of positions and countries are now represented on the committee.

A year on, we can look back with pride on what has been achieved so far:



### Local engagement

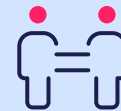
Under the banner 'International Volunteering Day – Empowerment in Unity', participants in this internal initiative across six countries (Mexico, Italy, France, Belgium, Germany, and Australia) organized volunteering projects that make a positive contribution to the local community. In Germany, for example, a campaign for blood donations was launched, and in Italy a charity Christmas market was held in aid of the needy.

These successful activities demonstrate that inclusion is not a destination, it is an ongoing process. CHG-MERIDIAN remains committed to actively fostering a culture of diversity and equal opportunities in 2025.



'At CHG-MERIDIAN, we firmly believe that diversity drives innovation and growth. Our DEI committee plays a key role in ensuring that every voice is heard and valued. This creates an inclusive environment in which everybody can reach their full potential.'

**Melissa Jäger**, Head of Group People & Culture



### A global policy against discrimination

Our non-discrimination group has developed and implemented a global policy that underlines our zero-tolerance approach to discrimination. It is the cornerstone of a safe and appreciative working environment. More than 350 employees have already attended awareness events on the topic, and these are set to continue in 2025.



### Diversity Talks

To foster active engagement with diversity, several events with an average of 300 participants were organized as part of the Diversity Talks initiative. It provided a space to meet and talk about diversity, inclusion, and equal opportunities.

# Wellbeing at the workplace



## Focus on mental health: the 'R U OK?' initiative

Mental health concerns us all, but talking about it can be difficult. CHG-MERIDIAN wants to change this, and has launched the 'R U OK?' initiative to encourage more openness about mental health in the workplace. The aim is to foster open dialogue, create a supportive environment, and ensure that all employees feel comfortable about asking for help. CHG-MERIDIAN's programs, self-check tools, training, and coaching sessions are designed to raise awareness of mental health across the Company and cultivate an integrative and supportive workplace. A certified mental health first-aider has also been appointed to help anyone who needs support at short notice.

## Work-life balance: CHG-MERIDIAN sets new standards in health at work

In a fast-paced work culture, it is more important than ever to set healthy boundaries and take responsibility for your own wellbeing. In March 2024, CHG-MERIDIAN launched the **collaboration & disconnection guide** to achieve exactly this and create a healthy and supportive work environment.

It provides guidance and best-practice approaches to achieving balance, respect, and flexibility at work. It also sets out clear expectations regarding collaboration, communication, and consciously switching off from work to ensure that all employees can find a healthy work-life balance. CHG-MERIDIAN is committed to creating an environment that encourages open communication, respect, and empathy.

The Company also highlights the importance of taking breaks and time off, and of being a role model for self-care, and provides examples of best practice before and after meetings. The aim is to create a work environment in which everyone feels valued and is able to reach their full potential to the fullest possible extent.

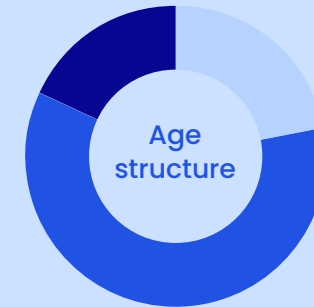
## Diversity metrics for CHG-MERIDIAN

The total number does not include trainees, students, or employees on maternity or parental leave, but does include our subsidiaries.\* All data relates to December 31, 2024.

Female: 679

Male: 921

27% women in management roles\*\*  
2023: 24.1%



- 22% employees aged 30 or under
- 60% employees aged 31 to 50
- 18% employees aged over 50

45 countries

15 people with disabilities  
Partnerships with initiatives in Gross-Gerau\*\*\*

39.2 average age

9.9% Central Europe gender pay gap

\* Applies to the whole Group (incl. OPC, Meridian Leasing Cooperation, circulee, devicenow, abakus).  
 \*\* Applies to the Group (incl. OPC, circulee, devicenow, abakus).  
 \*\*\* CHG-MERIDIAN employees in Groß-Gerau, for whom we also have partnerships with workshops.  
 Meridian Leasing Corporation, acquired in 2024, is not yet included in the 2024 personnel figures (except headcount).



# Corporate Citizenship

## Practicing corporate responsibility

Taking responsibility is not just something we do on paper; it is at the heart of the corporate culture that guides our work. We want to be a good corporate citizen and give something back to society, and we aim to support those in need of help. Education, the arts, social causes, and technology are priorities for us. In 2024, CHG-MERIDIAN donated €91,100 in total to community-based initiatives.

Our CARE activities are particularly close to our heart, as they enable our employees to give something back to their local community. They get involved through their own projects, which they organize themselves and which receive additional support from the Company. A total of 60 CARE projects have been delivered since 2015, four of which in 2024.



### Going the extra mile

CHG-MERIDIAN's employees literally went one step further as part of the **One Step Further** initiative in 2024 by surpassing their performance of the year before. They cycled, ran, or otherwise moved in some way to cover a total of 15,818 kilometers for a good cause. CHG-MERIDIAN donated a euro for every kilometer covered. This year's beneficiaries were Amnesty International and Médecins Sans Frontières. All in all, 25 locations and 386 employees from Sydney to Weingarten took part in this fifth incarnation of the CARE initiative.

### Sweating for a good cause

CHG-MERIDIAN's employees proved that they love a challenge by lacing up their running shoes for a good cause at the company fun runs in Friedrichshafen and Munich. It was all in aid of **Plan International Deutschland e.V.**, which champions equal opportunities for girls and boys around the world, the German National Bone Marrow Donor Registry, and the Kirchheim-Heimstetten food bank.



'Game, set, and match' was the order of the day at the **4th CHG-MERIDIAN Open** in Weingarten. During this tennis tournament, 25 players raised €1,100 in support of the Ravensburg Clowns group and the Ravensburg women's refuge. The clowns bring fun and joy to hospitals, care homes, and other social institutions. The women's refuge provides shelter and protection for women and children who have suffered physical or emotional abuse, and offers them support.

### Global volunteering initiatives

Presents that put smiles on faces: to mark **Día de los Reyes Magos**, the most important day in the Christmas calendar in Spain and Latin America, 35 colleagues in Mexico collected presents for socially disadvantaged children to spread some Christmas magic and bring smiles to faces.



The colleagues in Australia donned their chef's hats to cook **75 meals for socially disadvantaged people** as part of a volunteer program. The meals were prepared using ingredients that would otherwise have gone to waste, thus shining a light on the issue of food waste. In Australia, 312 kilograms of food per capita currently end up in the trash.

# Sustainable supply chains

## CHG-MERIDIAN sets new benchmarks in supplier management



CHG-MERIDIAN is taking another step toward sustainable and transparent supply chains. As part of the ongoing development of its sustainability strategy, the Company has formulated a plan for managing supplier relationships that primarily addresses risks in the areas of labor rights, human rights, ethics, sustainable procurement, and the environment. The manufacture of IT devices, in particular, often involves the extraction of raw materials in countries of the Global South, which presents challenges in terms of fair working conditions and environmentally friendly production practices.

CHG-MERIDIAN differentiates between expense suppliers (for meeting its own needs) and business suppliers (for customer orders). Whereas customers choose their suppliers themselves with the lease model, under the rental model CHG-MERIDIAN chooses the suppliers and can thus impose stricter sustainability requirements. In certain cases, additional ratings are requested to ensure responsible procurement practices. This is how we create transparency, integrate sustainability matters into our business relationships, and encourage high environmental and social standards within our sphere of influence.

### Risk classification and data-driven supplier assessment

A key aspect of our sustainability strategy is the introduction of a Group-wide supplier management strategy that systematically integrates sustainability criteria into the supplier management system. This includes a stricter onboarding process to ensure that all suppliers meet high standards in the areas

of quality, supply reliability, compliance, and sustainability.

Particularly noteworthy is the comprehensive risk classification based on data-driven supplier assessments. Since the fourth quarter of 2024, all business suppliers must undergo an abstract risk analysis to identify potential sustainability risks as early as possible. More than 6,000 suppliers across 78 countries and 160 sectors have already been analyzed. Suppliers in the key 'strategic' and 'valued' segments undergo more thorough checks, which, depending on the risk profile, may include a simplified EcoVadis assessment or a comprehensive sustainability rating.

### The latest tools for automated risk analysis

We deploy the latest technologies that enable both abstract and specific risk analyses. EcoVadis IQ+, for example, is a tool for automated, abstract risk analysis that produces country-specific and sector-specific sustainability profiles. It takes factors such as

environmental standards, labor rights and human rights, ethical business practices, and sustainable procurement into account. The analysis also looks at documents such as ISO 14001 certificates and sustainability reports to obtain an even more detailed picture of the suppliers. A specific risk analysis is carried out either via a simplified questionnaire or as a full sustainability rating. We are switching to the EcoVadis tool 'Vitals' so that we can offer a simplified questionnaire around the world.

### Long-term partnerships and promoting sustainable business practices

Through its expanded methodology and systematic approach to assessment, CHG-MERIDIAN aims to enshrine sustainability standards throughout the supply chain and initiate specific improvement measures. The focus is on transparency with regard to existing risks and the identification of optimization potential. Looking ahead, we plan to gradually extend the high standards and practices that we have established for business suppliers to our expense suppliers.

# Thank you

We would like to thank our customers, partners, and employees for their continued commitment and the invaluable working relationship we share. Together, we can work toward a more sustainable future.

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