

# GRI REPORT 2023



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## INDEPENDENT LIMITED ASSURANCE REPORT

# SUSTAINABILITY ACCOUNTING PRINCIPLES AND REPORTING BOUNDARY

This GRI index is published as a separate report on our website, 22 February 2024. Following the Global Reporting Initiative (GRI) reporting requirements, this report presents Cargotec's sustainability information in a standardised way and focuses on the disclosures that best reflect our impacts on these topics. Highlights of our sustainability work and the disclosure of non-financial information are presented in Cargotec's Annual Report 2023, and in the Board of Directors' report in the Financial Review. More information about our sustainability work can be found on our website at [cargotec.com/sustainability](https://cargotec.com/sustainability).

## Reporting content and boundary

Cargotec aims to report on sustainability topics in a manner that meets the needs of all our stakeholders, including customers and investors. The company's sustainability reporting period is annual and aligned with the financial reporting period: 1 January – 31 December 2023. Cargotec's strategy defines its sustainability approach, principles, and priorities. The company maintains an open and transparent dialogue with its various stakeholder groups to understand their expectations, and Cargotec's Sustainability Policy highlights the company's environmental, social, and governance objectives. Cargotec's sustainability work is guided by the UN Global Compact, the OECD Guidelines for Multinational Enterprises, International Labour Organization, the United Nations Guiding Principles on Business and Human Rights, and other key international commitments and organisations related to sustainability. Progress towards the UN Global Compact principles and the company's science-based target are communicated in this GRI index.

Cargotec's reporting is prepared in accordance with the GRI 2021 Standards and covers all general disclosures and those topic-specific standards that the company deems material. Cargotec's material topics are those that contribute to its biggest impacts on the environment, people, and society. In this online GRI index, disclosures are listed in line with the GRI Standards and refer to the locations where each topic is addressed in Cargotec's annual reporting. Cargotec's sustainability reporting content is approved by senior executive management representatives or the Cargotec Leadership Team to evaluate its alignment with the company strategy and sustainability targets, and to ensure transparent communication on matters that are both internal priorities and of interest to our stakeholders.

According to Cargotec's sustainability accounting principles, newly acquired or built sites are consolidated in the environmental and safety figures after a reasonable period of time has passed since the implementation of the company's Environment, Health and Safety (EHS) management practices. In most cases, this is completed after the first full operational year. Divested sites are included in the reporting boundary until the date of closing the transaction.

## Site-related information, divestments, and acquisitions

Cargotec's consolidated figures for 2023 cover 19 assembly sites, four competence centres and 114 non-assembly sites. Since 2018, the consolidated sustainability information has covered the entire group, unless otherwise specifically stated. During 2023, some changes occurred in the reporting boundary. Following Cargotec's reporting principles, several sites that became operational during 2022–2023 are now included in the reporting boundary for 2023.

During 2023, three new assembly sites were added to the reporting boundary as a result of finalised acquisitions (USA: Winamac; Sweden: Eksjö and Vallentuna). One competence centre was reclassified as an assembly site (Netherlands: Meppel), whereas two competence centres were discontinued and are now functioning as non-assembly sites (China: Tianjin; Norway: Averøy). Two new non-assembly sites were opened (Finland: Naantali; Poland: Gdansk) and three were closed (China: Shenzhen; Malaysia: Klang; Russia: Saint Petersburg). As in previous years, some sites were not able to provide data, resulting in missing reports. However, the missing reports were from offices with light operation, having a non-material impact on the consolidated figures.

Cargotec's sustainability information presented in the GRI index covers the entire reporting boundary, whereas the following indicators have been identified as non-material for Cargotec's non-assembly sites and are therefore published only for the company's assembly sites and competence centres: 303, 305-7 and 306. Additionally, two separate figures are presented for the following indicators: 302-1, 305-1, 305-2, 403-9, one for Cargotec total and another for the assembly sites. The figure for Cargotec total includes all operations, while the figure for assembly sites only includes the assembly sites and the competence centres.

Personnel-related indicators are consolidated for the whole group.

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## Accounting methodology, conversion factors, discrepancies

### Economic indicators

The economic data presented in this review is based on Cargotec Corporation's audited consolidated financial statements. They are collected through Cargotec's group reporting system and prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union. Cargotec's accounting principles for the consolidated statement are available in note 1 of the consolidated financial statements.

201-1 Direct economic value generated and distributed is calculated as follows:

1. Revenues include sales from goods and services sold to customers, other operating income, and interest income received. The sales are reported net of sales taxes and discounts.
2. Operating costs include purchases of goods and services from suppliers, as well as other operating costs incurred during the financial year, excluding employment-related costs and depreciation and amortisation costs.
3. Wages and benefits include wages, salaries, and bonuses paid and/or accrued to Cargotec employees during the financial year as well as fringe benefits, pension costs, and social costs of employment for the financial year.
4. Creditors' share of value added is presented as interests paid and other financing expenses incurred.
5. The distribution of value added to the public sector includes income taxes. Deferred taxes are not included in this figure.
6. The distribution of value added to shareholders is the total value of dividends paid to shareholders from the parent company's distributable funds during the financial year.
7. Donations include contributions to non-profit organisations.

### Environmental indicators

Environmental data is collected through Cargotec's sustainability reporting system, which is implemented across the organisation. Unit conversions used in the data consolidation are based on the International System of Units (SI). Cargotec applies the operational control method outlined in the GHG Protocol's Corporate Accounting and Reporting Standard.

Due to certain lag in supplier invoicing, estimates were used for Q4/2023 for the following environmental indicators: energy, emissions (scope 1, scope 2), air pollutants, water, and waste. The estimates are based on corresponding data from Q4/2022, as no significant changes related to the reporting scope or production lines occurred during the year.

Energy consumption under 302-1 and water consumption under 303-1 are based on invoices and continuous measurements. Energy consumption from rental operations at Cargotec sites is included in total figures when invoicing is not carried out separately. For some non-assembly operations, energy consumption is included in the facility rent and therefore not

reported separately. Energy intensity figures under 302-3 are calculated as gross energy consumption in relation to company revenue.

Greenhouse gas emissions (GHG), direct and indirect, under 305-1 and 305-2, are calculated based on energy consumption reported from the sites within the reporting boundary. Gross GHG emissions are presented as tonnes of CO<sub>2</sub> equivalents. Cargotec uses global warming potential (GWP) values for the 100-year time horizon and accounting for carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), and methane (CH<sub>4</sub>). Direct (scope 1) emission factors are derived from the GHG Protocol version 3. Indirect (scope 2) location-based emission factors are derived from the International Energy Agency's publication series "CO<sub>2</sub> Emissions from Fuel Combustion" (2021, 2022, 2023). These emission factors are updated every year after a new version has been published. Indirect market-based emissions are calculated based on emission factors from contractual agreements, the latest update of the European Residual Mixes, and average grid emission factors from the International Energy Agency.

Cargotec reports scope 3 emission data under 305-3 in accordance with the GHG Protocol's Corporate Value Chain (scope 3) Accounting and Reporting Standard. All scope 3 emission categories have been screened and the following emission categories have been identified as relevant to Cargotec: purchased goods and services, fuel and energy-related activities, transportation and distribution, business travel, and the use of sold products. Progress towards the company's science-based target is also reported under 305-3. GHG emission intensity figures under 305-4 are calculated as gross GHG emissions in relation to company revenue.

Air emissions, such as nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), volatile organic compounds (VOC), and other significant air emissions under 305-7 include emissions that are monitored as required by local authorities. Air emissions are locally regulated, and their monitoring and quantification are based on site-specific methods.

Waste data reported under 306 is based either on waste records received from contractor companies or on estimates (in case of missing data).

### Social indicators

The unit used for reporting personnel-related information is headcount. The number of Cargotec employees by business area, presented under 2-7, is derived from Cargotec's legacy human resources (HR) system. Other HR-related data is based on data from Cargotec's online HR information system. Unless otherwise stated, HR figures include permanent and temporary employees and supervised workers.

Health and safety data is collected through Cargotec's sustainability reporting system, which is implemented across the organisation. Cargotec's occupational health and safety management system coverage, presented under 403-1, is calculated for the company's assembly sites, based on headcount.

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##### 2-1 ORGANIZATIONAL DETAILS

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[Annual report 2023, pp. 37 Corporate governance statement](#)  
[Annual report 2023, Financial statements, pp. 103 Accounting principles](#)  
[Annual report 2023, Financial statements, pp. 147 Group structure](#)

##### 2-2 ENTITIES INCLUDED IN THE ORGANIZATION'S SUSTAINABILITY REPORTING

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[Annual report 2023, Board of Directors' report - Non-financial information, pp. 66 General disclosures](#)  
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##### 2-3 REPORTING PERIOD, FREQUENCY AND CONTACT POINT

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[Annual report 2023, Financial statements, pp. 103 Accounting principles](#)

##### 2-4 RESTATEMENTS OF INFORMATION

From 2023 forward, Cargotec's energy and emission intensity metrics are calculated based on the ratio of Cargotec's total energy consumption/greenhouse gas emissions and annual revenue. In previous years, the intensity metrics were presented as index values, where the index value for 2019 was 100 (2019 represents the general baseline for the climate targets). In 2023, Cargotec restated its energy and emission intensity metrics for 2022, 2021, 2020, and 2019, so that they are calculated in the same way as for 2023.

Improvements have also been made to the automated scope 3 calculation, affecting the previously stated scope 3 figures. The restatement of the scope 3 figures also affects Cargotecs total emissions, which are also restated.

##### 2-5 EXTERNAL ASSURANCE

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#### ACTIVITIES AND WORKERS

##### 2-6 ACTIVITIES, VALUE CHAIN AND OTHER BUSINESS RELATIONSHIPS

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**2-7 EMPLOYEES**

UNGC Principle 6

Cargotec employees	2023	2022	2021
Kalmar	4,907	5,012	4,876
Hiab	3,877	3,778	3,585
MacGregor	1,853	1,978	1,909
Corporate administration and support functions	754	758	804
<b>Total</b>	<b>11,391</b>	<b>11,526</b>	<b>11,174</b>
Total workforce by employee relationship and gender			Share of female %
<b>Share of own employees in the total workforce</b>			<b>96%</b>
of which permanent employees			92%
of which temporary employees			8%
of which non-guaranteed hours employees*			13%
<b>Share of supervised workers in the total workforce</b>			<b>4%</b>
*both permanent and temporary contracts			
Permanent employees by employment type and gender			%
<b>Share of permanent full-time employees</b>			<b>98%</b>
of which female			20%
<b>Share of permanent part-time employees</b>			<b>2%</b>
of which female			39%
Total workforce by region and gender			%
<b>AMER</b>			<b>14%</b>
of which female			18%
<b>APAC</b>			<b>17%</b>
of which female			20%
<b>EMEA</b>			<b>70%</b>
of which female			22%
<b>Total workforce</b>			<b>100%</b>
of which female			21%

**2-8 WORKERS WHO ARE NOT EMPLOYEES**

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#### 2-10 NOMINATION AND SELECTION OF THE HIGHEST GOVERNANCE BODY

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#### 2-11 CHAIR OF THE HIGHEST GOVERNANCE BODY

UNGC Principle 10

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#### 2-12 ROLE OF THE HIGHEST GOVERNANCE BODY IN OVERSEEING THE MANAGEMENT OF IMPACTS

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#### 2-14 ROLE OF THE HIGHEST GOVERNANCE BODY IN SUSTAINABILITY REPORTING

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#### 2-15 CONFLICTS OF INTEREST

[Annual report 2023, pp. 37 Corporate governance statement](#)

In addition to the information presented in the Corporate governance statement, Cargotec's Conflict of Interest Instruction provides clarity of different types of conflicts of interest and guidance on how to mitigate and manage related risks. Cargotec's related party instructions define Cargotec Corporation's related parties as well as instruct on identifying and assessing transactions they conduct with Cargotec group of companies. The instructions apply to all Cargotec employees, including the Board of Directors.

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### 2-17 COLLECTIVE KNOWLEDGE OF THE HIGHEST GOVERNANCE BODY

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### 2-18 EVALUATION OF THE PERFORMANCE OF THE HIGHEST GOVERNANCE BODY

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### 2-19 REMUNERATION POLICIES

[Annual report 2023, pp. 48 Remuneration report](#)

### 2-20 PROCESS TO DETERMINE REMUNERATION

[Annual report 2023, pp. 48 Remuneration report](#)

Remuneration at Cargotec is managed through clearly defined processes and involves the Annual General Meeting of Shareholders (AGM), the Board of Directors (Board), and the Board's Nomination and Compensation Committee (NCC). The AGM resolves annually the remuneration of members of the Board of Directors, based on a proposal made by the Board's NCC. In determining such remuneration, the committee takes account of the Board members' responsibilities and obligations towards the company. Furthermore, the committee compares the Board's remuneration packages to those paid by other companies of the same size operating in a comparable business environment.

Cargotec's remuneration policy is applied in determining the total remuneration of the CEO and the Deputy CEO (if any). The remuneration policy is approved by the Board of Directors and the AGM. Based on a proposal by the NCC, the Board also decides on the Leadership Team salaries, as well as their short-term incentive programmes and benefits. In addition, the Board of Directors decides on long-term incentive programmes and on the target group and allocation of such programmes, based on a proposal by the NCC.

Cargotec's Board of Directors has agreed on implementing remuneration incentives, to ensure that the targets set for the sustainable development progress are achieved. Consequently, eco portfolio order intake and climate programme roadmaps are included in performance share programme evaluation criteria. With these concrete and measurable topics, increasing the offering and sales of solutions that reduce the emissions of Cargotec's customers is part of the company's remuneration criteria.

### 2-21 ANNUAL TOTAL COMPENSATION RATIO

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#### 2-23 POLICY COMMITMENTS

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#### 2-26 MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

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#### 2-27 COMPLIANCE WITH LAWS AND REGULATIONS

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 89 Non-compliance incidents](#)

#### 2-28 MEMBERSHIP ASSOCIATIONS

- The Association of Lorry Loader Manufacturers and Importers (ALLMI)
- Responsible Minerals Initiative (RMI)
- Confederation of Finnish Industries
- Digital, Internet, Materials & Engineering Co-Creation (DIMECC)
- European Material Handling Federation (FEM)
- Finnish Business and Society (FIBS)
- Forum for Intelligent Machines ry
- Global Compact Finnish Network
- Svensk Industri Standard (SIS)
- Hudiksvall Hydraulik Kluster Innovation AB
- The Association of Swedish Engineering Industries (Teknikföretagen)
- Port Equipment Manufacturers Association (PEMA)
- Technology Industries of Finland
- Terminal Industry Committee 4.0 (TIC 4.0)
- SIX Mobile Work Machine Cluster

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**STAKEHOLDER ENGAGEMENT**

**2-29 APPROACH TO STAKEHOLDER ENGAGEMENT**

Cargotec's main stakeholders are its investors, customers, personnel, and suppliers. Other stakeholder groups include authorities, research and educational institutions, local communities, and the media.

Cargotec upholds an open and transparent dialogue with its various stakeholder groups by actively responding to information requests and by proactively providing information on our website, during meetings and exhibitions, in social media, and through various forms of direct communication. Ongoing dialogue and collaboration with different stakeholders enables the company to identify opportunities to create value and provide input for setting sustainability targets. Integrity, fairness, and compliance with stock exchange rules guide all our communications.

Cargotec's vision is to become a leader in sustainable cargo flow, and the company wants to bring visibility to sustainability-related topics, such as climate impacts arising from the industry. With transparent reporting stories, articles and other communication content in digital channels, the company can increase awareness of the industry's role in climate change mitigation, both internally and within key stakeholder groups. Cargotec's business areas also emphasise the importance of energy efficient solutions in their marketing and communications content. Visit [cargotec.com/sustainability](https://cargotec.com/sustainability) for more information.

Cargotec utilises social media as a tool for even more transparent, two-way, real-time, and effective investor communications. For example, Cargotec has an Instagram account to reach a wider audience, produces video summaries, infographs and timely Q&A's, and shares insights on interim reports and financial statements. In addition to group-level efforts, Cargotec's business areas actively use social media, especially to communicate and engage with customers.

Stakeholder group	Examples of stakeholder interaction
<b>Customers</b>	Cargotec's business areas gather customer feedback on a regular basis and uphold an active dialogue with their customers through direct meetings, marketing, extranet, newsletters, and social media. Especially Twitter, LinkedIn and Facebook are used as tools to communicate key messages effectively.
<b>Personnel</b>	<p>As an employer, Cargotec focuses on personnel development and creating world-class leadership. This is supported by collaboration and dialogue. The company organises regular personal/group discussions between managers and their team members, as well as townhall and personnel meetings.</p> <p>People processes are managed within Cargotec's Human Resources Information System ZONE, whereas Cargotec's social intranet, Connect, serves as a platform for distributing relevant information. The Connect platform enables easy access and strengthens cross-organisational collaboration. The goal is to build a company culture of inclusion, openness, interaction, knowledge sharing, and dialogue at Cargotec. Target and performance discussions are conducted annually.</p> <p>To gather information and listen to employees, employee engagement surveys are conducted throughout the year. Cargotec's employee satisfaction survey, Compass, is arranged on a yearly basis, regular Pulse surveys are conducted on a monthly basis.</p> <p>Cargotec's Learning Transformation Programme supports the transformation journey to reach our vision. As part of the programme, a global learning experience platform LEARN has been implemented to support effective learning opportunities and make new learning content and training courses available for all employees at Cargotec. Through enhanced collaboration and common ways of working, the platform brings subject matter experts closer to each other across the organisation, discovers synergies, and boosts innovation. Cargotec believes its people are key in creating customer value through innovation, experimentation, life-long learning and development, and adapting new skills and competences in a complex and ever changing world.</p>
<b>Investors</b>	<p>Cargotec's Investor Relations (IR) aims to ensure that all market participants have correct and sufficient information at all times to support a fair valuation of Cargotec's shares. In addition to executing financial communication and processing investor requests, IR organised several events and meetings in 2023.</p> <p>In 2023, Cargotec IR arranged several road shows in Europe and in North America. Cargotec also actively participated in investor conferences during the year and hosted investors at the company's headquarters. The majority of roadshows, conferences, and investor meetings were held physically, but virtual meetings and roadshows have also become a common way to reach out to investors and analysts.</p> <p>The majority of Cargotec's investor activities focused on explaining Cargotec's refocused strategy and planned separation of Kalmar and Hiab, and interest towards Cargotec was high throughout the year.</p> <p>On 3 April 2023, Cargotec's IR team arranged an investor event in Helsinki together with sustainability experts representing Cargotec, Hiab and Kalmar. The event provided the attendees a deep dive to Hiab and Kalmar's eco portfolio, which drives Cargotec's growth and emission reductions. The event was also broadcast and recorded.</p> <p>Cargotec's Annual General Meeting was held in Helsinki on Thursday, 23 March 2023.</p>
<b>Local communities</b>	Cargotec's sites are actively involved in local stakeholder engagement and goodwill. Traditionally, the company engages in charity action, especially during the year-end holiday season.

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Stakeholder group	Examples of stakeholder interaction
<b>Authorities</b>	Due to the global nature of its operations, Cargotec engages with local authorities to ensure regulatory compliance in its operations.
<b>Suppliers</b>	<p>Cargotec appreciates long-term and localised supplier relationships throughout its business areas. Cargotec works with thousands of suppliers, which are chosen with care and on the basis of objective factors such as quality, reliability, delivery, sustainability, and price. Compliance with laws and regulations and Cargotec's Business Partner Code of Conduct, as well as respect for human rights are required of each supplier.</p> <p>During 2023, supplier engagement continued. Each business area has its own sourcing organisation that manages sourcing-related activities. Cargotec's supplier engagement model includes identifying emission reduction opportunities and future proofing its supply chain by setting climate requirements to suppliers. Engagement with suppliers is a crucial part in creating transparency to the "purchased goods and services" emissions and in order to define main decarbonisation actions.</p>
<b>Research and education institutions</b>	<p>Cargotec participates in programmes that drive innovation and new product development through consortiums that include customers, industry peers, and universities. By collaborating with others and sharing knowledge, the company perceives new research technology and is able to attract talent. Varying collaborations might also provide business benefits, such as improved workforce training, graduate talent pathway development, joint sponsorship initiatives, and research and innovation projects.</p> <p>For example, Cargotec has joined the WATERBORNE Technology Platform, which aims to establish a continuous dialogue between stakeholders and, for instance, contribute to expectations regarding clean and safe waterborne transport.</p> <p>Kalmar holds continuous dialogue and collaboration with academic institutes, including Tampere University, Aalto University, University of Turku, University of Lappeenranta (LUT), and University of Oulu. Kalmar also participates in Business Finland, Vinnova, and EU-funded projects and collaborates with different stakeholders to boost digitalisation and automation of port operations and the adoption of new technologies within the container-handling sector. The publicly funded projects test and evaluate advanced pilots with new solutions. Collaboration with the Finnish research centre VTT is also considered essential.</p> <p>In addition, Kalmar and MacGregor are partners in the AEGIS programme which aims to reduce greenhouse gas emissions through optimising, electrifying, and automating operations in small and medium-sized marine terminals and to improve efficiency in the ship loading supply chain.</p> <p>Hiab is running several research projects and collaborates with several universities. As some examples, project MORE and Provident can be mentioned. MORE is a large-scale EU-project where Machine Learning is applied on the crane control with input from situation awareness data. This project is done in collaboration with Tampere University and Volvo Construction Equipment.</p>
<b>Media</b>	Cargotec arranges press meetings in connection with trade events and result publications, among others. Dozens of press releases are issued every year covering a wide array of topics.

**2-30 COLLECTIVE BARGAINING AGREEMENTS**

Collective bargaining agreements are applied on a country-specific basis. Complete information on the bargaining agreement coverage is available and confirmed in the human resources information system ZONE only for some of the countries, while for many others it is maintained in other sources. Therefore a global overview cannot be provided.

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**GRI 3: MATERIAL TOPICS**

**DISCLOSURES ON MATERIAL TOPICS**

**3-1 PROCESS TO DETERMINE MATERIAL TOPICS**

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 70 Process to identify impacts, risks and opportunities](#)

**3-2 LIST OF MATERIAL TOPICS**

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 68 Material impacts, risks and opportunities and their interaction with strategy and business model](#)

**3-3 MANAGEMENT OF MATERIAL TOPICS**

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 66](#)

UNGC Principle 1, 8

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GRI 200: ECONOMIC

**GRI 201: ECONOMIC PERFORMANCE**

**201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED**

Economic value generated and distributed, MEUR	2023	2022	2021
<b>Economic value generated</b>	<b>4,621</b>	<b>4,145</b>	<b>3,618</b>
Revenues	4,621	4,145	3,618
<b>Economic value distributed</b>	<b>4,249</b>	<b>3,991</b>	<b>3,327</b>
Operating costs	3,211	3,079	2,384
Wages and benefits	815	762	756
Interest expenses	28	21	26
Income taxes	108	58	90
Dividends	87	70	70
Donations*	-	-	-
<b>Economic value retained</b>	<b>373</b>	<b>154</b>	<b>290</b>

\*Donations are paid from the retained earnings according to the decision made in the Annual General Meeting.

**201-3 DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS**

Annual report 2023, Financial statements, pp. 126 Post-employment benefits

**GRI 205: ANTI-CORRUPTION**

**205-1 OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION**

UNGC Principle 10

Annual report 2023, Board of Directors' report - Non-financial information, pp. 73 Compliance risk management

Annual report 2023, Board of Directors' report - Non-financial information, pp. 87 Policies and actions related to business conduct and corporate culture

**205-2 COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES**

UNGC Principle 10

Annual report 2023, Board of Directors' report - Non-financial information, pp. 87 Policies and actions related to business conduct and corporate culture

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GRI 300: ENVIRONMENTAL

GRI 302: ENERGY

302-1 ENERGY CONSUMPTION WITHIN THE ORGANISATION

UNGC Principle 7, 8

Energy consumption, MWh	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
<b>Direct energy consumption</b>	<b>98,100</b>	<b>39,600</b>	<b>102,000</b>	<b>44,400</b>	<b>86,000</b>	<b>32,400</b>
<b>Non-renewable sources</b>	<b>96,400</b>	<b>38,000</b>	<b>101,300</b>	<b>43,700</b>	<b>85,500</b>	<b>31,900</b>
Diesel	60,700	13,700	55,500	12,300	46,800	6,300
Gasoline, kerosene, LFO	9,300	2,000	10,200	2,200	12,200	2,100
Liquified petroleum gas	5,200	4,800	4,600	4,100	4,500	3,700
Natural gas	21,200	17,500	31,000	25,100	21,900	19,700
<b>Renewable sources</b>	<b>1,700</b>	<b>1,600</b>	<b>700</b>	<b>700</b>	<b>500</b>	<b>500</b>
Biodiesel	100	130	100	80	100	60
Wood pellets	300	300	0	0	0	0
Solar energy*	1,300	1,200	600	600	400	400
<b>Indirect energy consumption</b>	<b>57,900</b>	<b>45,200</b>	<b>61,000</b>	<b>47,600</b>	<b>72,300</b>	<b>56,500</b>
Electricity	46,900	36,300	48,700	37,700	51,900	38,800
- % renewables**	57	65	57	63	47	50
District heat	11,000	9,000	12,300	9,900	20,400	17,700
- % renewables	43	53	38	47	25	29
<b>Total energy consumption</b>	<b>156,000</b>	<b>84,800</b>	<b>163,000</b>	<b>92,000</b>	<b>158,300</b>	<b>88,900</b>

Cargotec's total energy consumption amounted to 156,000 MWh in 2023, resulting in a decreased of 4 percent compared to 2022.

\*Solar energy covers energy produced by solar panel installations at Cargotec sites.

\*\*In 2023, 100 percent of assembly sites, service sites and offices in Finland were powered by renewable electricity. Additionally, part of the operations in Sweden, Norway, Poland, Italy, Spain, Ireland, UK, USA, and China were powered by renewable electricity, resulting in approximately 57 percent of Cargotec's electricity being renewable. 21% of the total energy consumption came from renewable sources.

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**302-3 ENERGY INTENSITY** UNGC Principle 8

Annual report 2023, Board of Directors' report - Non-financial information, pp. 75 Targets and metrics related to climate change

**302-5 REDUCTIONS IN ENERGY REQUIREMENTS OF PRODUCTS AND SERVICES** UNGC Principle 8, 9

Annual report 2023, Board of Directors' report - Non-financial information, pp. 74 Actions related to climate change

**GRI 303: WATER AND EFFLUENTS**

**303-1 INTERACTIONS WITH WATER AS A SHARED RESOURCE** UNGC Principle 7, 8

Cargotec does not use water for production/industrial purposes. Water is withdrawn from municipal systems, consumed for domestic purposes, and discharged through the public drainage systems. Due to the low consumption, the water sources/withdrawal, recyclability of water, and discharge are not considered material.

**303-5 WATER CONSUMPTION** UNGC Principle 7, 8

Water consumption, m <sup>3</sup>	2023	2022	2021
Municipal water supplies	86,000	80,700	81,800

This indicator covers Cargotec assembly sites and competence centers.

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**GRI 305: EMISSIONS**

**305-1 DIRECT (SCOPE 1) GREENHOUSE GAS EMISSIONS**

UNGC Principle 7, 8

**305-2 ENERGY INDIRECT (SCOPE 2) GREENHOUSE GAS EMISSIONS**

UNGC Principle 7, 8

GHG emissions, tCO <sub>2</sub> e	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
Direct GHG emissions (scope 1)	24,400	9,000	24,900	9,900	21,300	7,100
Indirect GHG emissions (scope 2) location-based	17,800	14,700	15,600	12,800	24,700	20,700
Indirect GHG emissions (scope 2) market-based*	9,500	5,100	11,300	8,000	20,200	16,500
<b>Total (scope 1 + scope 2 market-based)</b>	<b>33,900</b>	<b>14,700</b>	<b>36,200</b>	<b>17,900</b>	<b>41,500</b>	<b>23,600</b>

Cargotec's total scope 1 and scope 2 (market-based) GHG emissions totalled 33,900 tCO<sub>2</sub>e in 2023, resulting in a decrease of approximately 6 percent compared to 2022. Scope 1 emissions decreased by 2 percent and scope 2 (market-based) emissions by 16 percent.

\* The market-based emissions are calculated using contractual emissions factors. Where contractual information is not available, residual mix emission factors are applied. Where neither contractual nor residual mix emission factors are available, average grid emission factors published by the International Energy Agency (IEA) are applied. Approximately 57 percent of electricity used was renewable in 2023; however, due to the high residual mix emission factors, it does not significantly impact the final emissions.

**305-3 OTHER INDIRECT (SCOPE 3) GREENHOUSE GAS EMISSIONS**

Scope 3 GHG emissions, tCO <sub>2</sub> e	2023	2022	2021
Use of sold products	4,194,500	4,336,000	3,633,900
Purchased goods and services	2,072,800	1,639,200	1,733,800
Transportation and distribution	196,100	223,800	193,400
Business travel	8,600	6,000	2,900
Fuel- and energy-related activities	14,600	15,100	13,500
<b>Total</b>	<b>6,486,600</b>	<b>6,220,000</b>	<b>5,577,500</b>

Restatement of 2022 and 2021 figures due to improvements in the automated scope 3 calculation.

"Use of sold products" and "purchased goods and services" represent more than 95 percent of all scope 3 emissions and more than 95 percent of Cargotec's total emissions (incl. scope 1 and 2). Emissions related to transportation and distribution, business travel, and fuel and energy-related activities are also reported, despite their minor impact on the total emissions, as they are considered relevant due to the company's possibility to influence them.

For the "purchased goods and services" category, separate calculation methodologies are applied for direct and indirect purchases. For direct purchases, a "hybrid" calculation approach is applied based on the GHG protocol. A mixture of methodologies is used depending on data availability. Supplier-specific data or weight data of sourced materials are used to calculate the emissions. When these data sources are not available, the company depends on a spend-based approach to calculate emissions. Emission factors are obtained using GaBi database. For indirect purchases (which account for a minor share of all purchases), spend data is applied and calculated using Quantis emission factors.

For the "use of sold products", product-specific information and emission factors for diesel and electricity (location-based) are used. When calculating emissions from this category, scope 1 and 2 emissions (i.e. from use of fuels and electricity) are accounted over the products' expected lifetime.

For the "transportation and distribution" category, spend data calculation is applied using the Scope 3 Evaluator tool (GHG Protocol/Quantis). "Business travel" data originates from our travel agency. "Fuel and energy related activities" cover upstream emissions for fuel, electricity and heating, and transmission & distribution losses for electricity and heating. DEFRA emissions factors are used to calculate the relevant emissions in this category.

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Progress against the Science Based Target	2023	2022	2021	2020	2019
Direct GHG emissions (scope 1)	24,400	24,900	21,300	21,300	22,000
Indirect GHG emissions (scope 2) market-based	9,500	11,300	20,200	21,000	28,200
Upstream and downstream emissions (scope 3)					
Use of sold products	4,194,500	4,336,000	3,633,900	3,412,700	4,077,500
Purchased goods and services	1,653,900	1,373,400	1,358,300	1,197,800	1,444,500
<b>Total (scope 1 + scope 2 market-based + scope 3)</b>	<b>5,882,300</b>	<b>5,745,600</b>	<b>5,033,700</b>	<b>4,652,800</b>	<b>5,572,200</b>

Restatement of 2022 and 2021 figures due to improvements in the automated scope 3 calculation, also affecting total emissions.

Cargotec's target approved by the Science Based Target initiative is to reduce absolute scope 1, 2 and 3 GHG emissions by 50% by 2030 from a 2019 base year. The scope of the science-based target (SBT) covers scope 1 and scope 2 (market-based) emissions as well as scope 3 emissions related to categories "purchased goods and services" (excluding indirect procurement) and "use of sold products". The scope 3 emissions included in the target boundary cover more than 95% of total scope 3 emissions. The target boundary includes biogenic emissions and removals from bioenergy feedstocks. Due to the minor share of scope 3 relating to transportation and distribution, business travel, and fuel and energy-related activities, they are excluded from the SBT scope. Compared to the base year 2019, Cargotec's GHG emissions increased by six percent in 2023.

**305-4 GREENHOUSE GAS (GHG) EMISSIONS INTENSITY** UNGC Principle 8

Annual report 2023, Board of Directors' report - Non-financial information, pp. 75 Targets and metrics related to climate change

**305-5 REDUCTION OF GHG EMISSION** UNGC Principle 8

Reduction of GHG emissions, tCO <sub>2</sub> e	2023	2022	2021
Reduction in emissions related to electricity use	6,108	7,400	3,400

The GHG reduction is based on the certified renewable electricity use in own operations.

**305-7 NITROGEN OXIDES (NOX), SULFUR OXIDES (SOX), AND OTHER SIGNIFICANT AIR EMISSIONS** UNGC Principle 7, 8

Weight of emissions, t	2023	2022	2021
Nitrogen oxides (NOx)	1.5	1.3	2.3
Particulate matter (PM)	2.1	1.4	1.7
Sulfur oxides (SOx)	0.3	0.3	0.3
Volatile organic compounds (VOC)	21.3	12.0	11

This indicator covers Cargotec's assembly sites and competence centers.

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**GRI 306: WASTE**

306-3 WASTE GENERATED

306-4 WASTE DIVERTED FROM DISPOSAL

306-5 WASTE DIRECTED TO DISPOSAL

UNGC Principle 8

Weight of waste, t	2023	2022	2021
<b>Hazardous waste</b>	<b>1,770</b>	<b>970</b>	<b>780</b>
diverted from disposal (recycled)	140	230	170
directed to disposal	1,620	740	610
Landfilled	290	340	310
Incinerated	420	360	200
Method not known	910	40	100
<b>Non-hazardous waste</b>	<b>12,040</b>	<b>11,370</b>	<b>11,170</b>
diverted from disposal (recycled)	9,640	9,540	9,420
directed to disposal	2,390	1,820	1,750
Landfilled	1,110	770	1,130
Incinerated	1,240	900	510
Method not known	40	150	110
<b>Total</b>	<b>13,800</b>	<b>12,340</b>	<b>11,950</b>
diverted from disposal (recycled)	9,790	9,780	9,590
directed to disposal	4,020	2,560	2,360
Landfilled	1,400	1,110	1,440
Incinerated	1,660	1,260	710
Method not known	960	200	210

This indicator covers Cargotec's assembly sites and competence centers.  
Waste figures for 2022 have been restated due to an identified reporting error.

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GRI 400: SOCIAL

**GRI 401: EMPLOYMENT**

**401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER**

UNGC Principle 6

Rate of new employee hires and employee turnover	Number of employees	%
New employee hires	1318	12%
Employee turnover	1521	14%
Voluntary turnover	876	8%

New employee hires by gender, age group and region	Number of employees	% of total	New hire rate %
<b>By gender</b>			
Male	1021	77%	12%
Female	297	23%	13%
<b>By age group</b>			
Under 30 years old	349	26%	29%
30-50 years old	717	54%	12%
Over 50 years old	252	19%	8%
<b>By region</b>			
AMER	426	32%	27%
APAC	207	16%	12%
EMEA	685	52%	9%

Employee turnover by gender, age group and region	Number of employees	% of total	Turnover rate %
<b>By gender</b>			
Male	1234	81%	15%
Female	287	19%	13%
<b>By age group</b>			
Under 30 years old	251	17%	21%
30-50 years old	843	55%	14%
Over 50 years old	427	28%	13%
<b>By region</b>			
AMER	386	25%	24%
APAC	223	15%	13%
EMEA	912	60%	12%

Information about new hires and employee turnover includes only permanent employees. The rate of new employee hires in the total workforce is the number of new hires divided by the number of all permanent employees at the end of 2023. New hire rates within employee breakdown categories are calculated by dividing the new hires within the category by the total number of permanent employees within the breakdown category. For example, new hire rate for female employees is the number of new female hires divided by the number of all permanent female employees at the end of 2023. Turnover rates are calculated on similar basis as new hire rates.

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### GRI 402: LABOR/MANAGEMENT RELATIONS

#### 402-1 MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES

UNGC Principle 3

Minimum notice periods regarding operational changes are defined by national legislation and local collective bargaining agreements. Cargotec operates in various countries and complies with local legislation.

### GRI 403: OCCUPATIONAL HEALTH AND SAFETY

#### 403-1 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 72 Health and safety risk management](#)

#### 403-2 HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 72 Health and safety risk management](#)

#### 403-3 OCCUPATIONAL HEALTH SERVICES

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 83 Engagement with own workforce on health and safety](#)

#### 403-4 WORKER PARTICIPATION, CONSULTATION AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 83 Engagement with own workforce on health and safety](#)

#### 403-5 WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 83 Engagement with own workforce on health and safety](#)

#### 403-6 PROMOTION OF WORKER HEALTH

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 83 Engagement with own workforce on health and safety](#)

#### 403-7 PREVENTION AND MITIGATION OF OCCUPATIONAL HEALTH AND SAFETY IMPACTS DIRECTLY LINKED BY BUSINESS RELATIONSHIPS

[Annual report 2023, Board of Directors' report - Non-financial information, pp. 72 Health and safety risk management](#)

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**403-9 WORK-RELATED INJURIES**

To follow up on health and safety metrics and progress against targets, Cargotec monitors “lost time injuries” (LTI) and the “industrial injury frequency rate” (IIFR). These indicators are shared under this disclosure. Cargotec also discloses the “total recordable injury frequency rate” (TRIF), the “near miss frequency rate” (NMFR), and the fatality rate.

Number of injuries by body part	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
Back	8	2	9	2	17	10
Eyes	5	1	3	1	6	5
Feet	10	3	10	3	18	7
Hands	31	8	51	29	47	18
Head	5	1	6	2	5	1
Legs	10	3	14	6	16	8
Multiple parts or whole body	4	0	2	1	6	0
Neck	1	1	1	0	0	0
Thorax	4	0	3	1	8	2
<b>Total number of lost time injuries</b>	<b>78</b>	<b>19</b>	<b>99</b>	<b>45</b>	<b>123</b>	<b>51</b>

Number of injuries by type	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
Abrasion/cut/scratch	9	4	22	9	17	3
Bone fracture	14	1	17	9	20	5
Burn injury	1	0	2	0	1	0
Chemical exposure	0	0	0	0	0	0
Concussion	1	0	1	0	1	0
Contusion/bruise	13	4	18	8	18	11
Electric shock	0	0	0	0	0	0
Eye injury	1	1	1	0	3	2
Hearing loss	0	0	0	0	0	0
Heatstroke/hypothermia	0	0	0	0	0	0
Loss of consciousness	0	0	0	0	1	0
Loss of limb	0	0	0	0	0	0
Poisoning	0	0	0	0	0	0
Sprain/strain/dislocation	15	4	7	5	27	12
Whiplash injury	0	0	0	0	0	0
Other	7	2	13	2	11	2
<b>Total number of lost time injuries</b>	<b>78</b>	<b>19</b>	<b>99</b>	<b>45</b>	<b>123</b>	<b>51</b>

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Number of High-consequence injuries	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
	6	3	7	3	2	1

Number of hours worked	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
	20,729,890	7,992,880	20,825,330	7,933,450	20,483,450	6,982,740

Number of lost time injuries by region	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
AMER	8	5	14	10	22	15
APAC	9	2	8	3	8	1
EMEA	61	12	77	32	93	35

Frequency rate of injury (IIFR)*	2023	2022	2021
Assembly sites and competence centres	2.1	5.7	7.3
Non-assembly sites	5.1	4.3	5.3
<b>Cargotec total</b>	<b>3.8</b>	<b>4.8</b>	<b>6.0</b>

Frequency rate of injury (HCIR)**	2023	2022	2021
Assembly sites and competence centres	0.38	0.38	0.10
Non-assembly sites	0.24	0.31	0.07
<b>Cargotec total</b>	<b>0.29</b>	<b>0.34</b>	<b>0.09</b>

\* Industrial injury frequency rate (IIFR) is the number of injuries per million hours worked. Injuries include incidents that lead to an absence of at least one day or shift. No work-related fatality was reported during 2023. One work-related fatality has occurred during the reporting periods 2021–2023. External contractors are included in all the figures. Subcontractors are excluded, as there is currently no way of collecting their working hours.

\*\* High-consequence injury rate (HCIR) is the number of high-consequence injuries per million hours worked.

Total recordable injury frequency rate (TRIF)*, Near miss frequency rate (NMFR)**, Fatality rate***	2023 total	2023 assembly	2022 total	2022 assembly	2021 total	2021 assembly
r12m TRIF x 1 000 000	7.0	6.0	8.6	9.1	9.6	10.3
r12m NMFR x 1 000 000	29.0	40	26	35	23	33
r12m Fatality rate x 1 000 000	0	0	0	0	0	0

The data is presented as rolling 12 months.

\*Total recordable injury frequency rate (TRIF) – includes all incidents occurring in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness.

\*\*Near miss frequency rate (NMFR) – includes work-related near misses.

\*\*\* Fatality rate – includes fatalities.

**403-10 ILL HEALTH**

Annual report 2023, Board of Directors' report - Non-financial information, pp. 86 Targets and metrics in relation to own workforce - Health and safety

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**GRI 404: TRAINING AND EDUCATION**

**404-3 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS**

UNGC Principle 6

Annual report 2023, Board of Directors' report - Non-financial information, pp. 86 Employees receiving regular performance and career development reviews

**GRI 405: DIVERSITY AND EQUAL OPPORTUNITY**

**405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES**

UNGC Principle 6

Annual report 2023, Board of Directors' report - Non-financial information, pp. 86 Composition of governance bodies and employees by gender and age group

**GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

**407-1 OPERATIONS AND SUPPLIERS IN WHICH THE RIGHT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT RISK**

UNGC Principle 3

Cargotec's most significant human rights risks exist in the value chain, which is why the company has strict requirements for its suppliers and other partners related to, for example, health and safety, freedom of association, and prohibition of child and forced labour. In addition, special attention is given to specific geographies, as the company has numerous suppliers in low-income countries, which poses heightened risk of adverse human rights impacts.

**GRI 408: CHILD LABOUR**

**408-1 OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOUR**

UNGC Principle 5

See 407-1

**GRI 409: FORCED OR COMPULSORY LABOUR**

**409-1 OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOUR**

UNGC Principle 4

See 407-1

**GRI 416: CUSTOMER HEALTH AND SAFETY**

**416-1 ASSESSMENT OF THE HEALTH AND SAFETY IMPACTS OF PRODUCT AND SERVICE CATEGORIES**

100%

Customer health and safety is a top priority in Cargotec's offering. Health and safety impacts are evaluated in all product categories. The scope of health and safety impact evaluation depends on the product type, use, customer demands and existing regulatory requirements. The EU Machinery Directive and related standards guide the evaluation when applicable. Outside the EU, local regulations and requests are followed. Products are tested carefully before delivery to customers. Delivery processes that need special logistic solutions are assessed separately for possible risks to health and safety. The use of products is tested carefully before delivery to customers and/or when the final assembly at the customer's facilities is carried out. Possible hazardous materials used in the components of the equipment are controlled with appropriate safety management practices and safety data sheets. Product safety is always taken into account in production planning.

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## INDEPENDENT LIMITED ASSURANCE REPORT

# INDEPENDENT PRACTITIONER'S ASSURANCE REPORT TO THE MANAGEMENT OF CARGOTEC OYJ

Translated from the original report in Finnish

## Scope

We have been engaged by Cargotec Oyj (hereafter Cargotec) to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on Cargotec's non-financial disclosures 2023 (figures and narrative) and the selected indicators presented below (the "Subject Matter") contained in Cargotec's Board of Directors' Report 2023 and in the GRI-index 2023 for the reporting period 1.1.-31.12.2023 (the "Report").

## Selected Indicators

Board of Directors Report

- Scope 1 emissions (tCO<sub>2</sub> e)
- Scope 2 emissions, market-based (tCO<sub>2</sub> e)
- Scope 3 emissions (tCO<sub>2</sub> e)
- Total emissions (tCO<sub>2</sub> e)
- Emissions intensity, relative to sales (tCO<sub>2</sub> e /MEUR)
- Total energy use in own operations (MWh)
- Share of renewable electricity of total electricity consumption (%)
- Energy intensity, relative to sales (MWh/MEUR)
- Environmental health and safety management system (ISO 14001)
- Occupational health and safety management system (ISO 45001)
- Industrial injury frequency trend (IIFR)
- Compass Employee Engagement survey results:
  - Engagement index (%)
  - Sustainability index (%)
  - Leadership index (%)
  - Team climate index (%)
  - Code of Conduct index (%)
  - Integrity index (%)

- Cargotec Human Rights training completion (%)
- Number of reported alleged misconduct cases
- Share of eco portfolio sales of total sales (%)
- Taxonomy KPI's

GRI-Index

- GRI 302 Energy
  - GRI 302-1 Energy consumption within the organization (MWh)
  - GRI 302-3 Energy intensity (MWh/MEUR)
- GRI 305 Emissions
  - GRI 305-1 Direct (scope 1) greenhouse gas emissions (tCO<sub>2</sub> e)
  - GRI 305-2 Energy indirect (scope 2) greenhouse gas emissions (tCO<sub>2</sub> e)
  - GRI 305-3 Other indirect (scope 3) greenhouse gas emissions (tCO<sub>2</sub> e)
  - GRI 305-4 Greenhouse gas emissions intensity (tCO<sub>2</sub> e /MEUR)
- GRI 403 Occupational health and safety
  - GRI 403-1 Occupational health and safety management system
  - GRI 403-9 Work-related injuries

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

## Criteria applied by Cargotec

In preparing the Subject Matter Cargotec applied the Global Reporting Initiative (GRI) Sustainability Reporting Standards,

EU Taxonomy Regulation (EU 2020/852) and respective Delegated Acts (the "Criteria"). As a result, the subject matter information may not be suitable for another purpose.

## Cargotec's responsibilities

Cargotec's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

## Ernst & Young's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with Cargotec on 22.06.2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

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### INDEPENDENT LIMITED ASSURANCE REPORT

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

#### Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures

relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and applying analytical and other appropriate procedures.

Our procedures included:

- a) Gathering an understanding of Cargotec's material non-financial reporting topics, organization and activities
- b) Interviews with senior management to understand Cargotec's sustainability management
- c) Interviews with personnel responsible for gathering and consolidation of the non-financial information and the specific indicators to understand the systems, processes and controls related to gathering and consolidating the information
- d) Assessing non-financial data from internal and external sources and checking the data to reporting information on a sample basis to check the accuracy of the data
- e) Virtual visits to Kalmar Sweden Front Line and Hiab Poland, Stargard Szczecinski.

We also performed other procedures we considered necessary in the circumstances.

#### Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter presented in the Board of Directors' Report 2023 and GRIIndex Report 2023 for the period 1.1-31.12.2023, in order for it to be in accordance with the Criteria.

Helsinki, 31.1.2024

Ernst & Young Oy  
Authorized Public Accountant Firm

Heikki Ilkka  
Authorized Public Accountant

Nathalie Clément  
Leader of Climate Change and Sustainability Services

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**Business identity code** 1927402-8

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Cargotec (Nasdaq Helsinki: CGCBV) enables smarter cargo flow for a better everyday with its leading cargo handling solutions and services. Cargotec's business areas Kalmar, Hiab and MacGregor are pioneers in their fields. Through their unique position in ports, at sea and on roads, they optimise global cargo flows and create sustainable customer value. Cargotec has committed to the United Nations Global Compact Business Ambition for 1.5°C. Cargotec's sales in 2023 totalled approximately 4.6 billion and it employs around 11,400 people.  
[www.cargotec.com](http://www.cargotec.com)

## Annual Report 2023



## GRI Index 2023



The Annual Report 2023 consists of the annual review, the financial review, the corporate governance statement and the remuneration report. The Financial review includes the Board of Directors' report, the financial statements, and the auditor's report. All documents are available at the company website [www.cargotec.com/annual-reviews](http://www.cargotec.com/annual-reviews).

