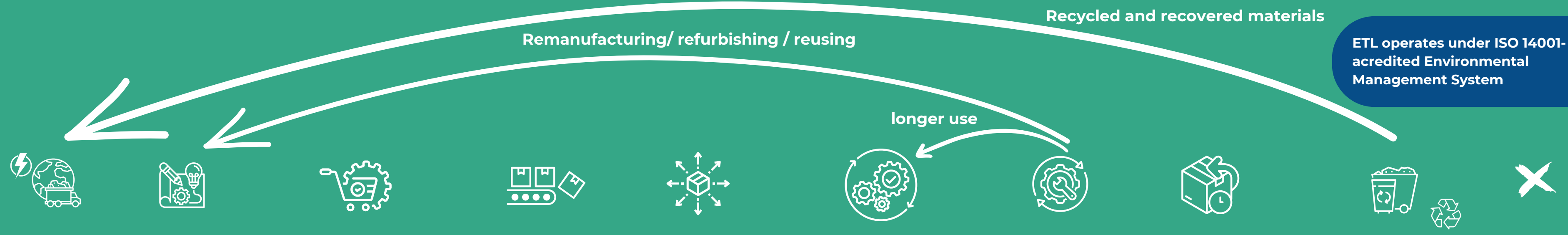


# Circular Economy Framework



Energy & materials    Design    Procurement    Production    Distribution    Product in use    Service /repair    End of life    Disposal    Waste

**Products design to minimise energy consumption:**

- **Genus products:**
  - **Maintainability – field replaceable active parts** (by the end user) - prolonged chassis life.
  - **Upgradeability** – modular system - small elements can be changed to provide low environmental impact upgrades
  - **Modularity** – standardised and reduced the number of parts in the supply chain.
- **Digital IF products** offer an inherently low environmental impact solution which can reduce the number of sites and energy consumption of customers.

**Re-use of product** (e.g. reconditioning of PCB boards)

**Re-use of packaging**

**New Part Request & Approvals Procedure:**

- consider existing stock, sourcing components locally and low energy consumption parts
- **Supplier on-boarding process:**
  - Selection and approval factors a supplier ESG score and considers sustainability initiatives; e.g. carbon reduction, reduced resource consumption & emissions, waste minimisation and recyclable packaging materials
  - must assess suppliers against the sustainability credentials in Sustainable Procurement Policy & Supplier Code of Conduct

**Supplier Code of Conduct and Sustainable Procurement Policy**

- Examples of expectations:
- compliance to all applicable environmental laws in their respective countries/ jurisdiction
  - Suppliers are expected to be accountable for monitoring & measuring their waste streams and emissions and verifying that these comply to local legislation.
  - Suppliers who provide/use timber packaging must display due diligence in use of sustainable timber in their supply chain.

**Captial purchases**

- ETL's preference is to use suppliers who take back, buy back and recycle the products that they use.

**SIOP Process:**

- More time to plan effectively; increasing SMT line operating efficiency (reduced change over times, hours of operation)
- Resource efficiency & energy reduction resulting in reduced emissions per £M turnover (carbon intensity reduction )

**Energy monitoring of equipment**

- Reduced consumption

**Production CAPEX investment**

- more efficient equipment and old equipment traded in for re-use

**Renewable energy**

- 45% of main production building's energy demands were met by solar PV in June 2024

**Collaboration with transport companies;**

- Annual Transport Supplier Environmental Questionnaire
- Investment in transport company initiatives to reduce carbon emissions from shipping (e.g. DHL's Go Green Plus Scheme - invests in sustainable aviation fuel (ETL have a silver level subscription; supporting a 30% reduction in emissions on ETL's DHL shipments).

**Designed to run efficiently and features to reduce energy consumption:**

- low energy consumption parts and designing so that parts not used are turned off where it does not affect performance. Less energy is used, and less heat dissipated as a result.

**Digital-IF :**

- Shift from a hardware to a software focussed solution (less hardware infrastructure, on-site management & travelling) and can reduce the number of sites and energy consumption of our customers.

**Customer Support Team:**

- Support & repair services with warranty packages. Equipment can be returned or sites visited for repair/ upgrade of equipment. Equipment life is prolonged.

**Low environmental impact upgrades:**

- The modularity of the GENUS product means all active parts are field replaceable and can be changed to provide low environmental impact upgrades whilst prolonging the life of the chassis.

**Management of End-of-life Waste Electronic Equipment Policy**

- Offers customers the opportunity for ETL Systems-manufactured equipment. (carried out in line with our *Waste Management – Waste Stream Guidance*)

**Waste Electrical and Electronic Equipment Compliance**

- Registered with an accredited WEEE compliance scheme

**Waste and recycling management**

- Headquarters operates at zero-waste-to-landfill; waste is streamed into general (RFE) and dry mixed recycling alongside separate recycling of soft plastic, bubble-wrap and foam, metal scrap, WEEE, hazardous and batteries
- Plastic balers to increase plastic recycling introduced in January 2025
- Fully recyclable card, sustainable timber and 30% recycled foam are used in packaging.

**Circular Economy Policy**

ETL is committed to minimising the energy and resource consumption of the products that we design and manufacture. The launch of our **Circular Economy Policy** outlines our framework to achieve this against each aspect of the product's life cycle, as summarised in this diagram. The objective of this framework is to instil processes that achieve the following:

- **reduce waste and pollution**
- **circulate products and materials**
- **regenerate nature**

As a result we aim to minimise our impact on climate change, biodiversity loss, waste, and pollution. Read the full policy at <https://www.etlsystems.com/corporate-responsibility>