



The Aebi Schmidt Group at a Glance

EUR '000	2021		2020	
SALES BY SEGMENTS*				
Aebi products	62 380	13.3%	59 529	12.8%
Schmidt products	197 972	42.0%	214 154	46.1%
Meyer/Swenson products	28 944	6.2%	28 602	6.1%
MB products	55 282	11.7%	66 333	14.2%
ELP/Arctic products	20 619	4.4%	8 979	1.9%
Service and spare parts business	105 188	22.4%	88 279	18.9%
Total net sales	470 385	100.0%	465 876	100.0%
NUMBER OF EMPLOYEES* (FTE)				
Germany	426	22.2%	442	23.9%
Switzerland	287	14.9%	283	15.3%
Poland	287	14.9%	289	15.7%
Netherlands	206	10.7%	212	11.5%
USA	386	20.1%	384	20.8%
Other	331	17.2%	236	12.8%
Total employees	1 923	100.0%	1 846	100.0%

*As per the Aebi Schmidt Group's announcement on 16 December 2021, the acquisition of industry-leading truck and trailer equipment company Monroe Truck Equipment (based in the US state of Wisconsin) was successfully completed following receipt of regulatory approval. In the interests of transparency and better comparability, the Group's sales figures and KPIs are shown without Monroe Truck Equipment.

Whether runways and taxiways at airports, pedestrian walkways, freeways or green spaces in challenging terrain – the areas of application of the Aebi Schmidt Group's products are as diverse as our portfolio: it comprises our own vehicles, attachable and demountable devices for individual vehicle equipment as well as intelligent product systems and customized services. Decades of broad experience make the Aebi Schmidt Group unique – and a reliable and competent partner for our customers from all over the world. A support and service program perfectly tailored to customers' needs offers the appropriate solution to nearly any challenge.

Our Vision

The Aebi Schmidt Group is the world's leading provider of intelligent solutions for the management of secure and operationally relevant traffic areas and challenging terrain.

Our Mission

Based on our competitive product range, we strive for total solutions, enabling an economic, safe and traceable clearing. Our ultimate mission is to improve the performance of our customers.

Annual Report 2021

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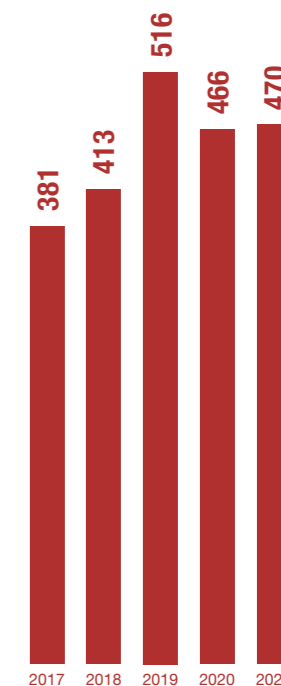
PRODUCTION HOURS WORLDWIDE



1923

EMPLOYEES IN FULLTIME EQUIVALENTS

We benefit from the comprehensive expertise and the passionate commitment of our employees.

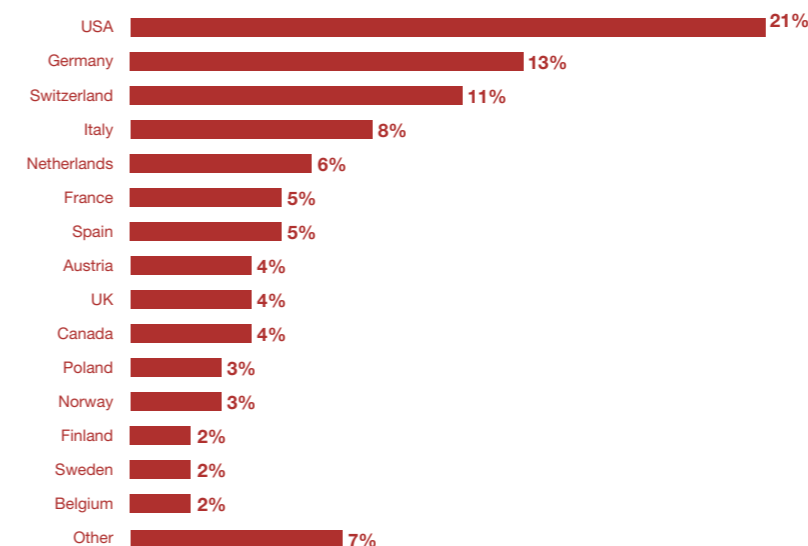


EUR
470

MILLION
In 2021, the Aebi Schmidt Group generated net sales of EUR 470 Million.

SALES BY COUNTRIES

in 2021



17

IN 17 COUNTRIES ...

we are present with our own sales and service organisations.

+

90

IN A FURTHER 90 COUNTRIES ...

we are represented through established partners who in turn serve other countries.



70

TRAINEESHIP POSITIONS

Attractive traineeship positions and opportunities for a career start at various locations.

12

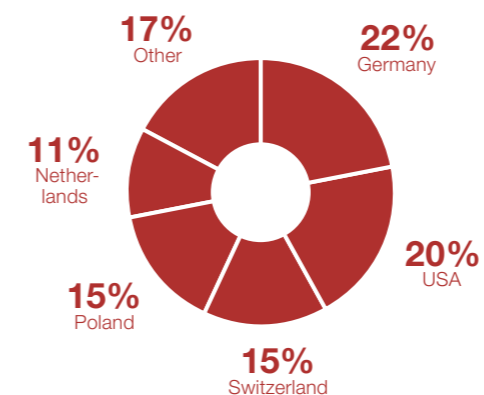
PLANTS

with a total production area of over 90000 m².



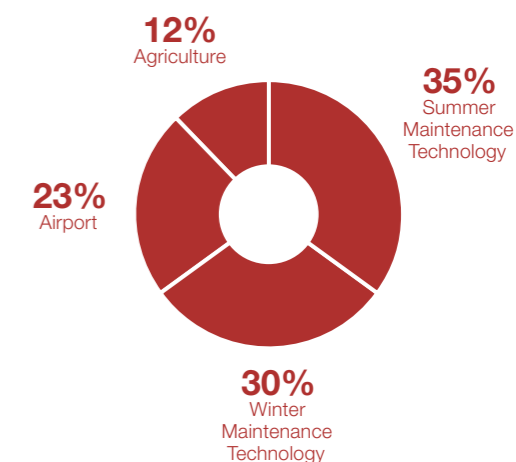
EMPLOYEES BY COUNTRIES

in full-time equivalents



SALES BY AREAS OF APPLICATION

in 2021



* excl. Monroe Truck Equipment



The Financial Year 2021

Let's go directly to the highlight of the financial year 2021 – the acquisition of US company Monroe, based in Wisconsin, an industry-leading supplier of truck and trailer equipment with an annual turnover of approximately EUR 240 million. This acquisition has allowed the Aebi Schmidt Group to grow 50% in one step and strengthens its market position in the US and worldwide. Monroe will make a positive contribution to the profitability of the Group as early as 2022. With the acquisition of this strong US company our business is more evenly distributed across our markets in North America and Europe/the rest of the world, resulting in increased strength, security and stability for the future. This is a milestone for the Aebi Schmidt Group and allows us to look optimistically to the future as far as growth prospects are concerned.

Business trends

The snowy European winter at the beginning of 2021 ensured a positive start to the financial year, and thanks to the commitment and exemplary conduct of our colleagues throughout the pandemic, the Aebi Schmidt Group came through the second year of the crisis relatively unscathed. Discipline, unconventional solutions and extraordinary cross-departmental cooperation kept production stop-pages to a minimum.

Order inflow

Incoming orders reached a record high: orders received across the entire Group* totalled EUR 566 million in 2021. This is an increase of 22% on the previous year (EUR 465 million). Orders for new equipment (+22%) and in After Sales (+20%) contributed equally to growth. This is the highest order level in the history of the Group for both areas, despite the airport segment's poor performance due to coronavirus. Summer business and the agriculture segment in particular contributed to this positive performance. The good winter months of February and March 2021 did the same for After Sales.

Sales

Sales of EUR 470 million were generated in 2021*. This is about 1% more than the previous year (EUR 466 million). Sales in business with new equipment went down by 3% versus previous year as a result of the reduction in airport business in the US (-14%) and Europe/Asia (-43%). This was compensated by After Sales business, which, at EUR 105 million, exceeded EUR 100 million for the first time.

Order backlog

Due to the highest order intake in our company's history, and certainly also due to the global supply chain bottlenecks, our backlog is bigger than ever before at EUR 242 million at the end of December 2021. That is about EUR 107 million, or 79%, more than the previous year. Of this, EUR 45 million is from the US.

Review

The pandemic had a negative impact on procurement in our Group. Suppliers increased their prices significantly without warning, while raw materials and goods were in extremely short supply. The lack of parts stalled our production process and logistics service. We were able to overcome some of these obstacles through active supply chain management and close coordination between Production, Supply Chain Management and Research & Development.

Our customers are increasingly focusing on digital solutions, such as automatic salt dosing and the monitoring, documentation and optimisation of routes. The advantages of these solutions are obvious: they assist in efficient route planning – and

This acquisition had the Aebi Schmidt Group grow 50% in one go and strengthen its market position in the USA as well as worldwide.

thus savings in diesel and time – and automatic dosing prevents too much of the sodium chloride contained in salt from reaching the soil. Both protect the environment and, thanks to documentation, provide the public sector with exact costing of resource consumption and a tool that demonstrates efforts in terms of sustainability and 'clean city' to the public. After all, as part of their net zero emissions objectives, many cities and municipalities are moving to publishing a cleanliness in-

dex for summer and winter services. Our telematics solutions simplify this task for them.

There was a pleasing increase in e-vehicle orders. This is testament to our strategic orientation and our investments in this important business segment. In the long term, we plan to invest a large section of our resources in sustainable solutions and to expand our range of vehicles with alternative drive technologies on an ongoing basis.

Sustainability – it's how we think and act

Sustainability is key in our field – that's because we believe sustainable companies are a step ahead of others and are more successful in the long term, and because our customers expect it from us. In public tenders, for example, strict sustainability requirements are now common. They go far beyond ecological requirements and evaluate the entire corporate sustainability strategy, from social commitment to the contractor's vehicle fleet.

Sustainability is the way we think and act. And, ultimately, how consistent we are. As a company, it is our responsibility to invest in progress and in the future. But that also applies to our customers: everything we develop and produce also needs commitment when put into practice.

Our economic, social and environmental targets are implemented along the entire value chain. As reflected in our Annual Report, we have again made valuable progress on the protection of the environment at our plants, in our processes and with our equipment. In addition, the Aebi Schmidt Group also contributes every day to the implementation of the individual global sustainability goals set by the UN**.

Our sustainability achievements

The circular economy becomes more and more important within the Aebi Schmidt Group each year. For example, we are in the process of developing product platforms that enable use of components for several product models rather than for just one single model, as had been the case, thus preserving resources and protecting the environment – and increasing efficiency in production.

The high recycling rate for some of our vehicles is impressive too; for example, the Cleango's rate is 96%. In other words, just 4% of the material that makes up a discarded machine has to be scrapped.

And, last but not least in 2021, we successfully implemented a number of retrofit projects. Instead of selling customers

new vehicles, we take old models back and make them fit for daily use again. In a joint project with the Dutch province of Utrecht we increased the service life of its spreaders from 13 to 25 years.

Thanks to the commitment and exemplary conduct of our colleagues throughout the pandemic, the Aebi Schmidt Group came through the second year of the crisis relatively unscathed.

Our priorities and goals in the field of sustainability

The transition to the Euro 6e emissions standard is moving forward at pace: four vehicle models were converted in 2021 and other models are under development in line with our aim to ensure 75% of our machines meet the Euro 6e emissions standard by the end of 2022.

Similarly, our plants are consistently developing in terms of sustainable production: with modern machines that reduce or completely eliminate exhaust gases, electrically powered forklifts, externally purchased green electricity or our own solar power systems.

At the 26th UN Climate Conference in Glasgow in 2021, the world again emphasised the urgent need for a reduction path and called for significant reductions in emissions. The Aebi Schmidt Group is no different: we are playing our part in finding a solution with new technology and services. For instance, the move to electric is taking place across all product areas. We plan to go completely electric with the entire fleet of compact sweepers by 2024.

Outlook and priorities in 2022

The integration of Monroe will tie up a large part of our resources in the coming financial year. Following the acquisition, our Group now comprises 3000 employees worldwide and we anticipate sales of EUR 800 million in 2022. These are new dimensions for the Aebi Schmidt Group. A large part of our strategic projects therefore relate to the North American market.

Operationally, the availability of material and continuing increases in material costs remain a major challenge in the new financial year. In addition, the shortage of skilled workers is still problematic. In the US in particular, skilled workers in the production and production-adjacent sector are difficult to find. However, we are opti-

mistic that our investments in employer branding and development of employee infrastructure will pay off in the new financial year.

Thank you

During these turbulent times, it has been particularly important to the Aebi Schmidt Group to offer customers a fair and reliable partnership. I would like to extend my thanks on behalf of the Board of Directors and the Executive Board for continuing to place your trust in us and for your understanding in this challenging situation.

We would also like to express our sincere thanks to all our colleagues for going the extra mile, putting in extra hours, for working at weekends and on public holidays, specifically those in production and production-adjacent departments. But most of all, I would like to thank everyone for their teamwork, particularly in areas that have been affected by supply chain bottlenecks. Thanks to the commitment, flexibility and exemplary conduct of our colleagues, we concluded financial year 2021 on a positive note.

Barend Fruithof
Group CEO

* excl. Monroe Truck Equipment

** For example, the following Sustainable Development Goals: SDG 7, 8, 9, 11, 17

Milestones in 2021



January: the plant in Kielce starts the year with another substantial contribution to a reduction in emissions

The system to reduce volatile organic compounds (VOC) installed at the end of 2020 is fully operational in Kielce at the start of the year. The efficiency of the system, which routes emissions from the paint-spray cabin and the paint room using a catalytic bed, has exceeded expectations and is in excess of 95%.



April: Aebi TP 410 voted 'Tractor of the Year'

Readers of the independent newspapers Schweizer Bauer and Terre & Nature voted the Aebi TP 410 transporter as 'Tractor of the Year 2020' in the upland farming category. Readers also like the Aebi TT 206, which is in third place.



June: Aebi introduces the new, more powerful motorised Aebi TP/VT 470 Vario

The new, more powerful motorised Aebi TP/VT 470 Vario is launched at an exclusive event for the trade press at the factory in Burgdorf. Although based on the current 450 model, it has been completely redesigned and is now equipped with a 136-HP Euro 6e emissions engine. In comparison with its predecessor model, it boasts with 20% more power, 16% more torque, 10% more front axle load and 5% more payload.



July: extended plant in Chilton celebrates its grand opening

The 8000 m² expansion increases production capacity in Chilton and creates space for manufacturing of new products and for offices. The new building complex will be home to MB Airport Maintenance Products and North American corporate functions. The largest investment in the company's history, this represents a clear commitment from the Group to strengthen and grow the business in North America.



September: new Corporate Service Center, Poland

Efficient organisation, strict cost management and lasting flexibility are the essential factors for future success. With this in mind, Aebi Schmidt announced plans to open a new Corporate Service Center in Katowice (Poland). The aim is that it will provide sufficient resources for selected business areas in order to further standardise and automate the Group's processes.



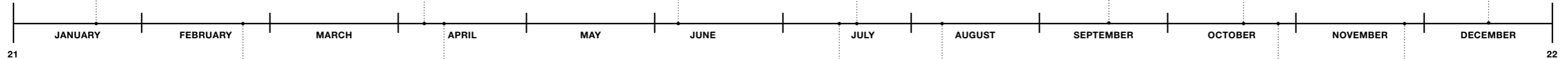
October: new Sourcewell contracts in North America simplify procurement for affiliated municipalities

As one of the biggest purchasing cooperatives in North America, Sourcewell supports more than 50 000 governmental, educational and charitable institutions. In October, the cooperative added MB's lane marking equipment and attachments to its range and, shortly afterwards, Schmidt's sweepers.



December: Aebi Schmidt Group acquires Monroe Truck Equipment

Monroe, based in the US state of Wisconsin, is an industry-leading supplier of truck and trailer equipment with an annual turnover of about EUR 240 million. The acquisition will increase Aebi Schmidt's future revenue base to about EUR 800 million. It strengthens Aebi Schmidt's market position in North America and opens up significant growth prospects for the Group.



February: connectivity as standard

The professional use of data leads to more efficient processes, saves resources and results directly in less CO₂ emissions and increased security. That is why modems are now featured as standard in airport equipment and sweeper models in selected regions. This includes free access to the basic features of the IntelliOPS platform for one year.



April: establishment of own sales organisation in Denmark

The Aebi Schmidt Group is closing a gap as part of its growth aspirations in Scandinavia and starts to serve the attractive market in Denmark with its own organisation. The premises in Fredericia are in a convenient location with favourable transport connections, complete with space for offices and workshops.



July: eSwingo demo vehicles go to North America for the first time

At the beginning of July, two fully electrically operated eSwingo sweepers are loaded into a container at the factory in St. Blasien and sent on a journey to their destination in Chilton, Wisconsin. Shortly afterwards, the concept of emission-free compact sweepers, still unusual to the North American market, is presented to industry specialists at trade fairs and various demos.



August: Aebi Schmidt presents its new high-performance snowplough for motorways

After a successful pilot phase, Aebi Schmidt is pleased to present the new Tarron HP-2W snowplough, capable of clearing motorways with just one plough with a working width of more than six metres. Clearing wide, snow covered roads is a recurring challenge for clearing services – one that can now be overcome considerably more efficiently and safely with this new high-performance snowplough.



October: major order for the Spanish city of Murcia successfully completed

The Spanish city of Murcia wants to lead by example and plan and provide city services in a new, sustainable way. This has prompted the city to replace its entire fleet of road cleaning and rubbish collection vehicles. In October, Aebi Schmidt delivered the last of the major 40 vehicle contract together with partner Ferrovial Services.



November: Award for Finland's best maintained roads

Tapio Pahkakangas is a contractor and long-standing customer of Aebi Schmidt Group affiliate company Arctic Machine Oy. In a survey by the Finnish road administration, the roads voted those best maintained in Finland were located in an area for which Tapio's company was responsible. This accolade was as much to the company as to Arctic equipment and machinery, which is hailed by Tapio as unrivalled.

The Aebi Schmidt Group Values

Our values form the basis for all our actions and they guide our behaviour – both within the company and in dealing with customers and partners.



RESULT ORIENTED

We contribute and add value to Aebi Schmidt Group performance

- ... recognise and realize business opportunities
- ... aim for the best result
- ... focus on the outcome of our actions
- ... maximise profitability



COLLABORATION

We strive together for one common goal

- ... work in a global network
- ... utilise each other's skills
- ... take risks, learn from mistakes
- ... benefit from other cultures



CUSTOMER FOCUSED

We improve the performance of our customer

- ... think in solutions
- ... achieve excellent results
- ... build strong partnerships
- ... focus on customer needs



INTEGRITY

We strive for long-term relationships

- ... are trustworthy and keep promises
- ... are open and honest
- ... are reliable and take responsibility
- ... act ethical and tolerant, we respect others' opinion



PASSION

We are part of a winning team

- ... inspire others
- ... are proud of what we do
- ... choose a positive attitude
- ... challenge the limits



INNOVATION

We break new grounds

- ... think out of the box
- ... try the untried
- ... strive for sustainable solutions
- ... encourage continuous improvement

Product and solution portfolio

The Aebi Schmidt Group's range of products includes intelligent product systems and services for the management, cleaning and clearing of operational traffic areas and demanding terrain. These include its own vehicles and innovative attachments and mountable equipment for individual customisation of vehicles. Our range of support and service offerings, tailored to customer demand and needs, offer the right solution for virtually any challenge.



AIRPORT

For airports, we offer the products required for snow clearing and cleaning, as well as corresponding concepts and tools based on many years of experience.



WINTER

From snowploughs to snow-blowers and -cutters to spreaders and sprayers, we offer a full range of products for snow clearing and de-icing.



SUMMER

Our mounted, attachable and compact sweepers, street washers, transporters and numerous attachments and mountable devices are suitable for nearly all maintenance work.



AGRICULTURE

Our single-axle machines, implement carriers and transporters can be used flexibly and are powerful and safe – the ideal products for management of challenging terrain.



SERVICE & SPARE PARTS

Thanks to our efficient spare parts warehouse and its optimal transport connections, and a service organisation tailored to geographical characteristics, our customers remain operationally ready at all times.



DIGITAL SOLUTIONS

From supervision to active influence of operations to documentation and reports: our digital tools help to work more efficiently, more sustainable and more cost-effective.



INTEGRATED SOLUTIONS

Our range of products is unique. It makes us the ideal partner when you need fully equipped winter service vehicles or equipment for an entire fleet.

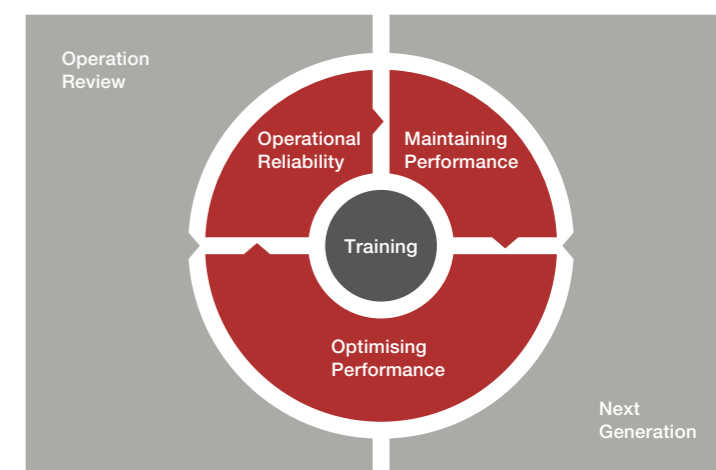


SPECIAL SOLUTIONS

Whether it's rail technology or road marking, sand clearing or salt dissolving technology – we love challenges and offer our customers in-depth experience and expertise in these areas.






















OUR UNDERSTANDING OF SOLUTIONS

Our aspiration is to offer customers tailored solutions. Customers determine where the process starts. We provide them with advice and support – from procurement to operational safety, service maintenance, service optimisation and training, to future designs. We want our customers to be able to use their equipment more effectively, more efficiently and more economically. We take a long-term view and ensure that customer fleets can be used flexibly at all times and for their entire lifecycle. Customers get what they need from the Aebi Schmidt Group, not a standard product from a catalogue. We take a consultative approach to sales and maintain a dialogue to get the best out of the machines for the customer. Whatever we do, we do to protect our customers' investments.



Product Range



-  Sprayers, Spreaders, Combination Machines
-  Full Truck Solutions
-  Snow Cutters
-  Snowploughs
-  Residential purpose Ploughs
-  Digital Solutions
-  Jet Sweepers
-  Airport Sprayers
-  Runway Brooms
-  Mounted Sweepers
-  Compact Sweepers
-  Towed Sweepers
-  Street Washers
-  Slope Tractors
-  Multipurpose Transporter Agriculture
-  Motor mowers / single-axle machines
-  Multipurpose Transporter for municipal services
-  Dump Bodies
-  Pavement Marking
-  Snow Clearance for Railways
-  Spare Parts / Maintenance

Our Locations

We have a global sales and service organisation that we expand on a continuous basis. We serve our customers operationally via our own local sales and service organisations and sales and service partners. Our plants form the backbone of our organisation.

Plants and local Sales and Service Organisations

- 1 Germany, St. Blasien**
Aebi Schmidt Deutschland
- 2 Netherlands, Holten**
Aebi Schmidt Nederland
- 3 Poland, Kielce**
Aebi Schmidt Polska
- 4 Switzerland, Burgdorf**
Aebi & Co. AG
Maschinenfabrik
- 5 Finland, Jyväskylä**
Arctic Machine Oy
- 6 USA, Cleveland, Ohio**
Meyer Products
- 7 USA, Lindenwood, Illinois**
Swenson Spreader
- 8 USA, New Holstein, Wisconsin**
M-B Companies
- 9 USA, Chilton, Wisconsin**
M-B Companies, Airport Equipment
- 10 USA, Chilton, Wisconsin**
M-B Companies, Brushes
- 11 USA, Muncy, Pennsylvania**
M-B Companies
- 12 USA, Monroe, Wisconsin**
Monroe Truck Equipment
- 13 USA, Litchfield, Minnesota**
Monroe Truck Equipment, Towmaster
- 14 Canada, Saint-André-Avellin, Québec**
Équipements Lourds Papineau, Inc. (ELP)
Aebi Schmidt Canada, Inc.

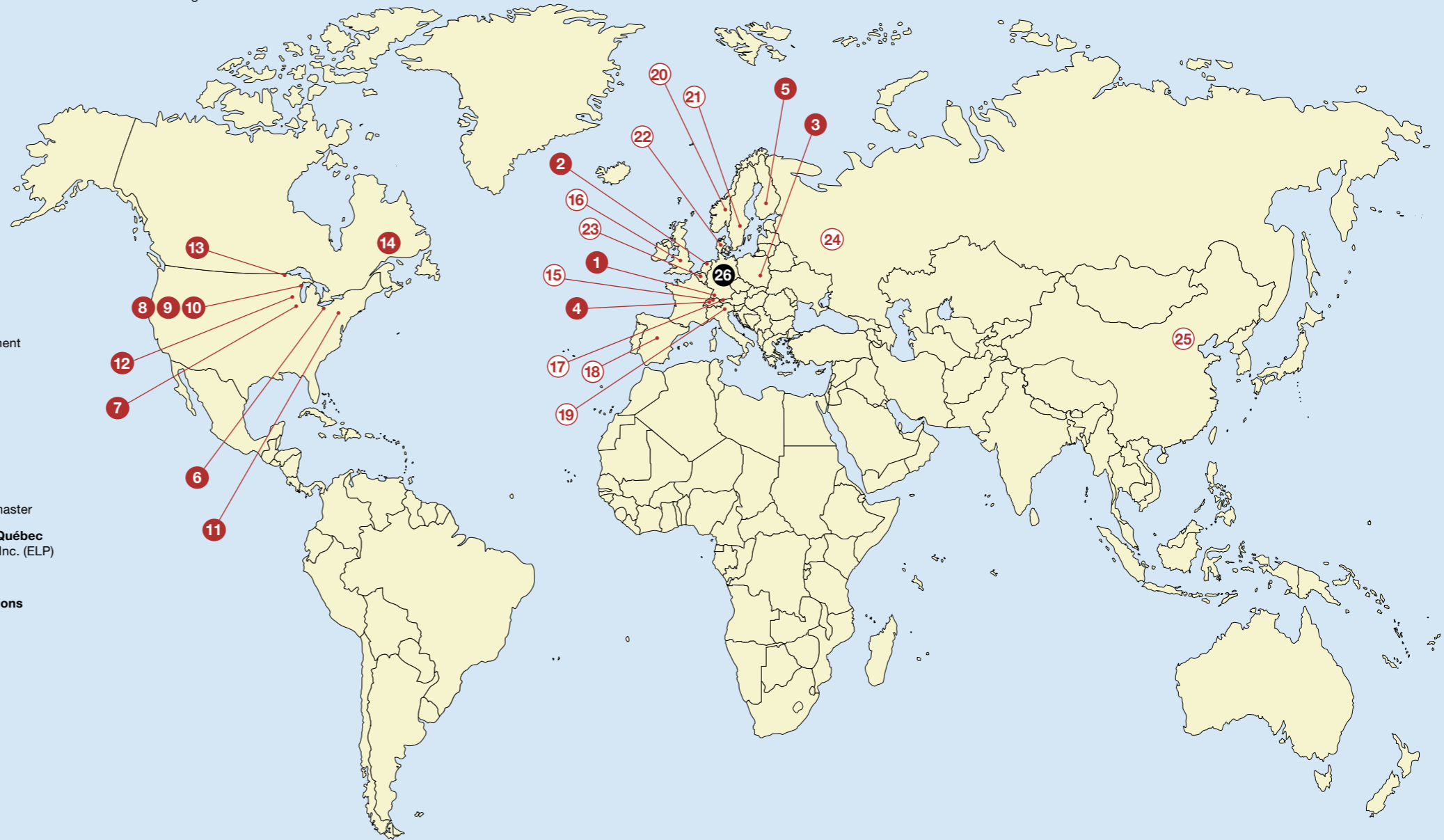
Local Sales and Service Organisations as well as representations

- 15 International**
Aebi Schmidt International
- 16 United Kingdom**
Aebi Schmidt UK
- 17 Austria**
Aebi Schmidt Austria
- 18 Spain**
Aebi Schmidt Ibérica
- 19 Italy**
Aebi Schmidt Italia
- 20 Norway**
Aebi Schmidt Norge
- 21 Sweden**
Aebi Schmidt Sweden
- 22 Denmark**
Aebi Schmidt Danmark
- 23 Belgium**
Aebi Schmidt Belgium
- 24 Russia**
OOO ASH Rus
- 25 China**
ASH Trading & Services Co.

Global Logistics Centre

- 26 Germany**
Aebi Schmidt Logistics Centre

Holding
15 Switzerland
Aebi Schmidt Holding AG



Airport

Efficiency boosting products and systems prove themselves in practice.



Schmidt TJS 630 jet sweeper at Cologne Bonn Airport (Germany).

Driver assistance system popular with drivers and operational controllers

Since Aebi Schmidt introduced the driver assistance system for airport equipment in November 2020, it has been tested in practice at several locations – in particular to gain valuable insights into the acceptance of such systems among drivers and operational controllers for the purpose of continuous further development. This has shown that partially autonomous systems are possible and helpful, but they still rely on people.

Our driver assistance system integrates the requirements of winter service management with those of the drivers. Markus Moi, Winter Service Coordinator, and Michael Enkler, Winter Service Training Consultant, at Cologne Bonn Airport commented: 'The system is extremely valuable in high-stress situations; for example, steering the vehicle, controlling the snow sweeper, receiving instructions by radio, request-

ing clearance, confirming completed tasks and monitoring the traffic situation – it's a lot to do at the same time. Being able to rely on the system for some of these tasks provides valuable support. However, it's essential that the assistance system is well structured.' Assistance systems also provide valuable support in wintry weather conditions when faced with poor visibility and completely snow-covered traffic surfaces. 'This applies even to highly experienced winter service drivers,' says Moi. The driver assistance system ensures that the driver stays in the right lane or that the group leader always sets out on the right track, so that the last machine does not end up on the grass.

Autonomous operations at airports enable increased safety and efficiency, greater flexibility and substantially lower CO₂ emissions. They provide

increased work safety and also cost reductions. The acceptance of the systems by drivers is high in practice when they understand that they are not controlled by the machine, but supported in their daily work, and – as confirmed by Enkler – provided people continue to play a central role in partially autonomous work. The next step will be to enable one driver to monitor and operate more than one machine. 'Even then, the focus will still be on people, but in terms of efficiency, flexibility and safety, this next step is bound to be a big advantage for airports,' says Moi.



IntelliOPS: saves considerable time, effort and ultimately money

IntelliOPS underwent further development in the year under review. In addition to adaptation of the license model and the ongoing expansion of features, the latest update also focuses on the user interface. Overall, operating the system is now more intuitive.

IntelliOPS enables winter maintenance control centres at airports to track operations in real time and to intervene in the event of deviations. The system is a particularly valuable support in rapidly and unexpected changing weather conditions. In such situations, a response via radio or by line of sight is not only laborious, but susceptible to errors. IntelliOPS allows opera-

tional controllers to make the right decisions more quickly. Time and money can also be saved outside operational support with IntelliOPS. Many airports are facing an increasing number of legal requirements; for instance, environmental regulations require documentation of the type and quantity of chemicals used in operations. The laborious process of compiling and processing data can be fully automated with IntelliOPS. Much of the data logged via IntelliOPS is also required for generation of CO₂ balance sheets, which are used as an aid by airports in their efforts towards CO₂ neutral operating concepts. Finally, IntelliOPS can also be used as a



IntelliOPS enables proactive and time-saving management of operations at airports.

basis for invoicing services when subcontractors are involved in the deployment strategy.

MB: 'Best-in-class' products and services

MB is associated not only with high quality, reliable vehicles, but also with best-in-class advice and service. An impressive series of large orders is testament to MB's ability to deliver this day in, day out.

Denver International Airport, Chicago Midway International Airport and Louisville International Airport are

among those airports in the US with the highest volume of traffic measured by passenger numbers or freight volume. All three airports decided in 2021 to equip their fleet with additional products from MB. Despite the fact that the framework conditions for the individual airports are different, they have one thing in common: MB was able to

deliver individual machines in previous years, and the new orders were thanks to these customers' full satisfaction with the performance of the machines and the support of the MB team.



MB's snow removal equipment is characterised by versatility. Pictured is the MB5 – soon to be deployed also in Denver.

Summer

All-rounders meet demand for flexibility in operations planning.



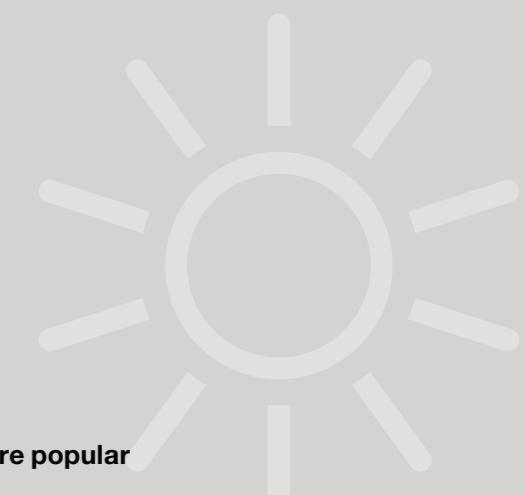
Flexigo 150: scrubbing, washing and mowing – just three of its many applications.

The range of attachments for the Flexigo 150 all-rounder continues to grow

The smallest all-rounder in the Schmidt sweeper family combines exceptional sweeping capabilities and a high payload with all the benefits of a multifunctional equipment carrier. The integrated quick-change system makes it easy and safe to switch between at-

tachments. A wide range of attachments and add-ons designed specifically for the machine, such as a scrubber, mowing-suction combination, snowplough and spreaders, enable flexible use in both summer and winter service. The range of equipment designed specifi-

cally for the machine was extended again in 2021 with additions such as the Matev combination mower; further equipment will follow in due course.



Towed mechanical sweepers are becoming more and more popular

Demand for towed sweepers has increased dramatically. The equipment, which picks up dirt mechanically, generates significantly less respirable dust. Thanks to different attachment variants, the user can use the same sweeper with

different towing vehicles. The equipment operates relatively quietly at high sweeping capacity and handles even large amounts of dirt with rough debris effortlessly. The Schmidt Wasa 300+ and the Schmidt MSH machines fulfil

the top criteria of PM10/PM2.5 certification and stand out thanks to their low operating costs.



Schmidt MSH 150



Schmidt Wasa 300+

Fully electrically operated eSwingo 200+ attracts major interest in the US



The eSwingo 200+ in front of the recently extended plant in Chilton.

In July 2021, the first two eSwingo 200+s from the factory in St. Blasien (Germany) arrived at the new plant in Chilton (WI, US), wowing enthusiastic audiences at trade fairs and demonstration events shortly thereafter. Both the emissions-free, fully electric drive and the compact sweeper concept at-

tracted a lot of interest. Instead of shipping the vehicles to the US via container, the aim in the medium term is to manufacture and assemble them locally in the Aebi Schmidt Group's modern new plant.

Efficient management of traffic areas just became easier in Austria

It's an Austrian success story and a role model for other European municipalities: the Austrian federal procurement agency (BBG), the procurement partner for federal government ministries, state agencies, cities, municipalities and outsourced companies, in particular universities and healthcare institutions. BBG executes the procurement process on behalf of companies, meaning reduced process costs and legal certainty for clients. Using modern e-procurement solutions, it meets the demand for a smart procurement provider. BBG recently added the Schmidt Flexigo 150 to its range of machines. This will make it considerably easier for Austrian cities, municipalities and service providers to ensure clean and orderly roads, squares and pavements – and save money.



Schmidt Flexigo 150: now offered by the Austrian federal procurement agency (BBG).

Aebi MT: technological overhaul and new, cutting-edge design

The Aebi MT is the all-rounder among multipurpose transporters: compact narrow-track transporter, agile sprinter and multifunctional implement carrier. It has now been completely overhauled both technically and from a design perspective. Its newly developed, powerful six-cylinder turbo diesel engine meets the Euro 6e emissions standard and enables the versatility usually reserved for large tractor-trailer combinations. With a total weight of up to 7500kg, it can overcome any challenge, regardless of the time of year, and impresses with a panoramic cab and heated LED headlights.



Aebi MT 770: completely redesigned with a clean Euro 6e engine.

Winter

Whether complete systems, ploughs or spreaders: tried and tested technology is constantly evolving.

Award for Finland's best maintained roads: Tapio Pahkakangas Oy



An Arctic Road Maintenance Truck with lateral plough, as used by Tapio Pahkakangas.

Tapio Pahkakangas is an entrepreneur and primary contractor in the western Finnish region voted by road users as the region with the best maintained roads in Finland in a survey conducted by the Finnish road administration in the winter season 2020-2021. This accolade is significant for both the local company and Aebi Schmidt, since Tapio's company uses Arctic equipment and vehicles. Tapio looks after 720 km of road, with conditions differing vastly from the coast to inland, so Tapio and his team need to be alert at all times and capable of responding flexibly. 'Arctic equipment has proven its value and our investment has paid off. It's unrivalled by anything else I have seen,' says Tapio, adding that he is also very satisfied with service and spare parts deliveries.

Electric-hydraulic eSyntos prototype proves itself in practice

The feedback following tests with the prototype of an electric-hydraulic eSyntos spreader in a municipality in the Netherlands was so promising that the machine is now starting series production. The prototype exceeded the customer's expectations and impressed even the sceptics. Drivers praised the advantages it offered over a spreader driven by a petrol engine – less noise – and liked the fact that the slimline prototype could be manoeuvred more easily around tight bends and over bumps. Battery capacity and electricity consumption were also far better than expected: just 15% of the capacity was required for each operation and a 30-minute coffee break was enough to recharge the battery.



Not only is the Syntos spreader available in a number of container sizes and different frame lengths, it is now available with an electric-hydraulic drive.



The Schmidt Tarron HP-2W high-performance snowplough can clear a width of up to 6.2 metres.

Schmidt Tarron HP-2W: new high-performance snowplough for motorways

The Tarron HP-2W can clear motorways with just one plough with a working width of more than six metres – an advantage in many aspects. In the past, two or three-lane motorways have been cleared in winter with a front-mounted plough and an additional, fold-out lateral plough. With the multi-blade, fold-out plough system of the Tarron HP-2W, this can now be achieved with just one plough. With a 30° work angle, it effectively clears 6.2m of road. And it also offers a solution for another challenge: for a number of years, motorway maintenance agencies have

shown a preference for four-axle trucks as clearing vehicles instead of the more lightweight triple-axle. However, the loading volume of four-axle models is lower and the additional axle limits the mounting space for a lateral plough, often making it impossible. In addition to the full working width of more than six metres, the folding positions of the two wings with different widths enable three further working widths. The folded side elements are automatically raised in order not to hinder the clearing progress of the active elements. In both transport and clearing positions, the

wings can be hydraulically folded in to minimise the passing width. Three sensors ensure that the wings do not damage the vehicle as they are folded. The six individually suspended blade segments adjust to the road contour, so small obstacles can be automatically driven over, even at high speeds. This is a major advantage compared to telescopic ploughs.

Agriculture

*When it comes to the everyday,
it's the little things that make the difference.*

The new Aebi TP 470 Vario: more powerful, quieter, better.

The new, 136-HP TP 470 Vario, based on the current 450 model, has been completely redesigned. With a wheelbase-dependent overall weight of 10 tonnes, the TP 470 Vario boasts with 20% more power, 16% more torque, 10% more front axle load and 5% more payload than its predecessor model. It is driven by a powerful but clean Euro 6 turbo diesel engine. Naturally, the new engine uses continuously variable power split transmission. The hydropneumatic suspension with double transverse links has also been improved and optimised. This makes the handling on an incline more comfortable and safer.

Attachments can be changed quickly using four quick-release connectors.

New additions also include the front design of the cabin and the redesigned and modernised Aebi Vision control interface concept with a 12-inch touchscreen – bigger than the predecessor model. This ensures users have literally everything to hand while retaining a full overview. A full overview – thanks to the optimum view of the work area afforded by the generously proportioned cabin, new exterior mirrors and LED headlights. Everything to hand – the proved and tested control lever provides direct access to the most important functions, and the additional keyboards combined with the large touchscreen make operation intuitive

and comfortable. The result? Less distraction and thus more safety. Radiators and filters are positioned for very simple maintenance and the TP 470 Vario offers easy access to service-relevant components across the board. Longer maintenance intervals keep the costs of the transporter down. As with its predecessor, the new model will be available as the VT 470 Vario in a model variation optimised for municipal services.



Aebi TP 470 Vario: more powerful engine and a new design.



Aebi TP 410 voted 'Tractor of the Year 2020'

Readers of the independent newspapers Schweizer Bauer and Terre & Nature voted the Aebi TP 410 transporter 'Tractor of the Year 2020' in the upland farming category. The Aebi TT 206 managed to impress readers too, securing third place. When developing the TP 410 transporter, the focus was centred primarily around the needs of businesses in Alpine regions. It was chosen due to the lowest tare weight in its class combined with high performance. The 3.3-l Kubota engine enables the transporter to accelerate more quickly and work with greater power.



Lean production: the stress-free way to greater capacity

The factory in Burgdorf has modernised the production of the Combicut model series. Where previously Combicuts were made on individual islands, today everything flows together. Work now follows the 'lean production' principle: this means that interim storage has been abolished and fluctuations of all kinds can be compensated and largely minimised. In most cases, the promise to deliver a Combicut model within six weeks is achieved. But now bottlenecks and seasonal drops in de-

mand on the islands are a thing of the past, and the throughput times per machine have become lower, production management more transparent and planning more efficient. Production line employees appreciate the ergonomically adjusted workplaces, but also the ease this brings to their work since commissioning and test runs no longer have to be performed outside of the building, but on the integrated, stationary test bench.



Modernised production line at the Burgdorf plant (Switzerland) based on a lean production system.

Services and solutions

Protection of investments requires careful maintenance concepts and constantly evolving technology.

Defying the pandemic

Hardly a day went by last year without a headline in the business news about delivery bottlenecks and supply shortages in various construction and spare parts markets and the transport sector. Our colleagues in the logistics centre in Laatzen near Hanover (Germany) were under just as much pressure as our colleagues in purchasing. The second year of the pandemic saw an unprecedented need for creative solutions. Success in overcoming many of the challenges faced would not have been possible without the outstanding, interdisciplinary cooperation across all the company's departments and teams.



Maintaining the supply of spare parts was particularly challenging in 2021.

The circular economy: successful project secures nomination for the Circular Award



An overhaul of the winter service fleet in Utrecht saw its service life increased from 13 to 25 years.

Aebi Schmidt and the province of Utrecht (Netherlands) are working together to align winter services with the principles of the circular economy. The project shows that establishing circular supply chains can lead to a viable business model even without subsidies. The first phase of the project reached a successful conclusion: the quality of winter services and therefore road safety increased, while CO₂ emissions decreased by more than 25% across the entire process. This significant success led to a nomination for the Circular Award, a government-sponsored competition in the Netherlands.



M-B Companies drives forward continuous improvement in After Sales business

Airport customers in the US and Canada are benefiting from new service and training programmes run by qualified MB technicians. New tests and maintenance works are offered, as is maintenance equipment training in on-site machines. Airports such as St. Louis Lambert International Airport (Missouri), Indianapolis International Airport (Indiana), Cleveland Hopkins International Airport (Ohio), Chicago Rockford International Airport (Illinois) and Baltimore/Washington International Airport (Maryland/DC) already benefit from these services. MB now also offers annual service contracts for road marking equipment – either on-site or at the MB plant in Muncy, Pennsylvania.



Training and service affect efficiency and performance across all phases and objectives.

Connectivity as standard

Ongoing use of data and digital applications on the IntelliOPS platform make it easier to plan and monitor operational processes and to transparently map and report on work carried out. More efficient processes lead directly to less emissions and a cost-conscious use of resources. IntelliOPS provides

welcome support for many municipalities and service providers when it comes to generation of CO₂ balance sheets in connection with overriding sustainability goals.

In order for digital applications to function, a modem is required to send data to the platform and to receive data

from the operations centre. As of 2021, all airport equipment and sweeper models in selected regions are equipped with a modem as standard – including free access to the basic features of the IntelliOPS platform for one year. Each customer is of course free to decide whether he will put the modem into operation and how and to whom it will transmit the data. As well as equipped with modems as standard, the license model for winter service and for use in snow and ice-free periods in summer has been adapted in line with customer needs. The platform itself was updated at the end of the year with new features and displays, and the control panel is better integrated in the user environment.



'Connect the dots': use of your own data to optimise operational processes is now easier with the new ex-works integrated modem.

Focus North America

The Aebi Schmidt Group is positioning itself for continued growth.



Offering customers a straightforward shopping experience and reliable equipment tailored to customer needs, as Monroe does, requires knowing and maintaining an ongoing dialogue with your customers.

The acquisition of Monroe Truck Equipment will strengthen Aebi Schmidt's position in the US and worldwide considerably

In November 2021, the Aebi Schmidt Group announced its plans to acquire Monroe Truck Equipment. Monroe Truck Equipment, based in the US state of Wisconsin, is an industry-leading supplier of truck and trailer equipment with an annual turnover of about USD 270 million (approx. EUR 240 million). The acquisition was finalised on 15 December 2021 after regulatory approval was obtained. This will strengthen Aebi Schmidt's market position significantly and open up considerable growth prospects for the Group.

With more than 60 years' experience, Monroe offers the best value for money in the industry and sets itself apart with unrivalled expertise, reliable truck and trailer solutions, as well as an uncomplicated purchasing experience and first-class customer support. Monroe 'Municipal' is, amongst others, a leading manufacturer and supplier of solutions for winter maintenance, while the 'Commercial' and 'Towmaster' divisions supply equipment for all kinds of commercial vehicles and offer one of the biggest range of truck equipment options in the country. Monroe emphasizes the importance of partnerships and, with this in mind, ensures not only that customers have access to the best

possible equipment, but also the knowledge of how to use it. This helps to protect the infrastructure for which they are responsible and ensures the safety of their operations.

With a combined future sales target of approximately EUR 800 million, the acquisition of Monroe presents a completely new baseline for Aebi Schmidt for further growth and will improve the geographical diversification of revenues considerably. Monroe's

ultra-modern upfitting centres and the US-wide sales network guarantee the Group excellent access to services, solutions and cross-selling opportunities with new and existing customers in the US. 'Monroe is an extremely strong brand with top experts,' says Barend Fruithof, CEO of Aebi Schmidt. 'This acquisition will open up exciting new segments for us and strengthen our existing business, in particular our essential winter business.'



Monroe's carefully developed, unique solutions are designed to guarantee customer satisfaction for years to come.

Plant expansion in Chilton generates capacity for existing and new lines

In July 2021 – less than a year after breaking ground – the opening ceremony was held for the new and modernised production and assembly facilities and the extended offices for central functions of Aebi Schmidt North America at the plant in Chilton, Wisconsin. The new plant and the more than 8000 m² added offer optimum conditions for process innovation on existing and new product lines. It has also generated further employment in and around the Chilton region. The plant expansion is one of the biggest investments in the Group's history and represents a clear commitment to the expansion of its business in North America.

With the support of Chilton city administration, Aebi Schmidt purchased three neighbouring lots of land, which now form one unit with the existing premises, and have been developed with additional water and natural gas connections and a new rainwater and water retention concept.

In the manufacturing division, existing buildings were connected to each other and production workflows improved. State-of-the-art automated paint-spray and powder coating systems were also installed. The new layout facili-



Colleagues, customers and local guests celebrate the opening of the plant extension in Chilton (WI).

tates the production and assembly of other products from the Aebi Schmidt Group's range, specifically sweepers. In addition to the innovative new production set-up, the safety and well being of employees was of the utmost resulting for example in improved safety protocols and new training rooms.



Doug Blada, CEO of MB Airport Maintenance Products, officially opened the extended plant (left); modern lobby and communal areas (centre); glimpse into the interior of the plant (right).



Customers, sales organisation and markets

With a competitive product range, the Aebi Schmidt Group offers comprehensive solutions that enable economical, safe and traceable operations. Its customers' needs and wishes are at the heart of all it does.

Municipalities, public administrations, airports, service enterprises, armed forces, agricultural businesses and industrial companies are among the Aebi Schmidt Group's many customers. Solutions for the needs and requirements of these different customers is what drives us – with appropriately configured vehicles, equipment and service contracts, and an increasing focus on product safety, maintenance and efficient processes. We invest considerable time, energy and money not only in the development of new products, but in new, modern and continually improving service offers that reflect the needs of our customers.

Safety first: our products undergo extensive testing

The Aebi Schmidt Group allocates quite some time to quality assurance. After all, product safety is the utmost priority. Obviously, product safety has to be guaranteed for reasons of liability, but customers' ever increasing awareness of safety aspects demands it too. We implement a number of measures to fulfil these dual requirements – legal requirements on the one hand, customer wishes on the other – and achieve market success. In Europe,

the Aebi Schmidt Group follows the EU's General Product Safety Directive and the respective national legal implementations that define the fundamental requirements for safe operation. The CE mark and GS certificates (Tested Safety) confirm that applicable laws and standards on product safety are observed. GS certificates under German law are recognised in many other countries too. For products sold outside the EU, we comply with the local laws and regulations.

Throughout the entire life cycle, we regularly test all products for their effects on the health and safety of users. As early as during the product development process, technical risk and hazard assessments are performed with respect to the entire life cycle. In the year under review, there were no reports of any incidents where our products and services compromised the health and safety of users. That confirms that we are on the right track with our established processes.

User training and detailed information material

Targeted user training is essential for ensuring the safety of customers when operating the equipment. Customers confirm compliance with a defined handover protocol and provision of their signature. By providing training and detailed informational material, we communicate transparently and clearly how to use our products safely. The operating concept for our sweepers and agricultural machinery has been revised and simplified, ensuring less user distraction and thus a direct impact on increased safety during operation.

Operating manuals, safety manuals and safety datasheets provide information on all relevant instructions. For example, rescue cards can be found in every eSwingo electric sweeper to provide emergency services with information about the risks and instructions for the safe handling of high-voltage technology. In addition, all products feature various protection systems, such as warning lights and warning decals – for example, all vehicles with lithium-ion batteries are marked accordingly. Operating manuals include information on disposal and recycling of individual vehicle components. A number of countries additionally require certificates that prove the EU origin of individual product components. That is why the Aebi Schmidt Group

requires its suppliers to provide a certificate of origin for all essential materials.

Ergonomic configuration and electric drives also have a positive impact on the health and performance of the operators. The entire fleet of compact sweepers (Cleango, Swingo and Flexigo) has been

Our products help our customers to achieve their sustainability goals.

awarded the AGR certificate of the independent 'Campaign for Healthy Backs' organisation. This certificate confirms that high ergonomic standards have been met. In 2021, we have further pushed the development of electric drives. Not only are electric drives significantly quieter, they also ensure less vibration in the vehicle. Both have a positive effect on the performance of users, since they can operate the vehicles for longer. In addition, vehicles with electric drives produce considerably less respirable dust than those with diesel engines.

Focus on customer satisfaction

The Aebi Schmidt Group maintains close relationships with its stakeholders via a number of different channels. An ongoing, transparent and fair dialogue with customers, users and interested parties allows us to improve products and services continuously. From the initial telephone contact through to supplying spare parts or maintenance services, all interaction with customers is logged by Quality Management. This ensures that feedback from customers is evaluated and converted into appropriate measures.

The Aebi Schmidt Group also engages in regular dialogue with its dealer network and discusses ideas for enhancements of specific products. This ensures that defects are discovered quicker and improvements implemented faster. In 2021, this cooperation with dealers was further standardised and professionalised. Dealers are the interface to the customer in the vast majority of business dealings and therefore an important factor in customer satisfaction.

The Aebi Schmidt Group reviews the satisfaction level of individual customer

groups and regions on a regular basis. As a result of the COVID-19 pandemic, no customer surveys were carried out in the year under review; instead the focus was on improving the survey method and rating system for future surveys. Many aspects from previous surveys have already been included and reworked. A new survey is in preparation and set to be carried out in 2022.

Another important alley to boost customer satisfaction is the planning tool for customer service technicians. It has already proven its worth in the year under review and will be further developed in 2022. The tool, which synchronises geographical and task-specific information, helps to coordinate the scheduling of our external service personnel. Customers receive reliable information about appointments, trips are optimised and CO₂ emission is reduced.

At the beginning of 2021, for selected regions some of the products were equipped with a modem for the first time. In accordance with data protection requirements, the customer will decide whether this is put into operation and how and to whom data is sent. The intelligent use of data enables more efficient operation in many aspects and facilitates fast, targeted support by our colleagues. Following the positive reception, modems will be added as standard to further products and countries in 2022. For instance, pilot projects are initiated in North America – three in the US and two in Canada.

In addition to ongoing product development, demand for concepts in line with the principles of the circular economy increased in the year under review. In other words, instead of buying a new product,

an existing machine is refurbished, thus extending its useful life and reducing CO₂ emissions significantly. In collaboration with the Dutch province of Utrecht a project aimed at doing just that has made it onto the shortlist for the 'Circular Award', a government-sponsored initiative in the Netherlands.

More and more municipalities are actively committing themselves to sustainability and CO₂ neutrality. For the Aebi Schmidt Group, it is therefore essential to offer products and solutions that contribute to this commitment with alternative, low-emission or emissions-free drives.

Products and Services

Optimisation of drives is just one way of making equipment more environmentally friendly. The Aebi Schmidt Group is transforming more future-proof ideas into intelligent solutions.

The Aebi Schmidt Group is dedicated to the challenge of using innovative technology to protect the environment and conserve resources, and offers its customers products that are not only high quality but environmentally friendly as well. At the moment, we are working on the implementation of the Euro 6e emissions standard. The Aebi MT multipurpose transporter has met the criteria for this strict standard since the end of 2021. The process of transitioning other vehicle models to the Euro 6e standard is in the

Clever use of data is reducing material consumption and CO₂ emissions and making operating processes more sustainable, more efficient and more cost-effective.

making. The majority of the vehicle fleet should fulfil the criteria of the emissions standard by the end of 2022.

In addition, the Aebi Schmidt Group is continuously developing and expanding its portfolio of electrically powered vehicles and equipment. Already on the market, the popular fully electric eSwingo 200+ sweeper has served as a starting point: we are currently working on transferring the eSwingo solution to other vehicle models. In fact, a new vehicle model has been developed based on the eSwingo: the eCityJet street washer. It comprises the same base vehicle, combined with different implements. After being fitted with the relevant equipment, the eSwingo itself can now be used for lighter winter maintenance on pavements. The first prototype



The Schmidt eSwingo 200+ reduces CO₂ emissions per shift by up to 158 kg.

of a completely battery-driven spreader, the eSyntos, has been tested in a municipality in the Netherlands. Swenson in Lindenwood and Meyer in Cleveland (US) also offer their customers purely electric products as part of their wide range of spreaders, such as the VBEL, Electric PV Select, Electric LPV Select, Electric MDV and Electric PV Standard. In addition, prototypes with electric drives are also in use in the agricultural product range. The Aebi Schmidt Group expects the product trials initiated to deliver key findings to advance its transition to electric models.

the system allows dispatch of optimised and situation based routes directly to the assistance systems in the vehicles, helping to save mileage, fuel or electricity and salt. Now there are plans for the platform to play a bigger role in summer equipment too. IntelliOPS enables customers to plan workflows more efficiently, helps to extend vehicle and product lifespans and to reduce material consumption and CO₂ emissions – thereby saving resources. With the same goal in mind, servicing intervals have been optimised for the Terratrac and Transporter series and sweepers. The maintenance required has been reduced significantly, reducing demand for fuel and wear parts.

Reducing energy and resource consumption

Energy and resource consumption can be reduced substantially through the use of other solutions. That is why the Aebi Schmidt Group is focusing its efforts on developing components and devices with modern, lighter materials, thus ensuring that less energy is consumed overall during operation. Combined functions make it possible to work with one machine instead of two – as with the motorway snowplough launched by our plant in Kielce (Poland): it combines the front and side ploughs in a single piece of equipment.

The cloud-based IntelliOPS platform facilitates the logging, analysis and optimisation of vehicle and machine consumption and operational parameters. So far, this technology has been used primarily for winter maintenance. Among other things,



Schmidt Tarron HP-2W: Modern components and technology, combined functions and lower weights are cutting resource consumption.

Employees

Openness, fair treatment and ongoing employee training and continuing professional development make the Aebi Schmidt Group an attractive employer.

As a global corporation operating in various countries, competent and satisfied employees are crucial to the long-term economic success of the Aebi Schmidt Group. We offer an attractive working environment, country-specific benefits and are committed to equal treatment. The health of our staff and workplace safety are our top priorities. In order to create a standardised framework for employees at all our locations, we have implemented Group-wide norms and standards. Our key corporate values include flexibility and openness towards the different cultural and job-specific backgrounds of our employees. Open and honest interaction encourages all employees to become actively involved in the company. Employees are updated regularly and transparently by various means of internal corporate communication, such as newsletter, intranet, CEO message, roadshows and management calls. Employee needs are taken into account in the design of workplaces too. For instance, in addition to the effective expansion of capacity, the expansion of the plant in Chilton (US) completed in 2021 also contained elements that benefit employees directly: modern sanitary facilities, break rooms and attractive offices.

Overcoming the challenges of the pandemic

The pandemic continued to make the task of looking after the health and safety of employees and at the same time maintain business operations very challenging in 2021. The Aebi Schmidt Group has established and reviewed preventive measures on an ongoing basis. We test employees regularly at most locations, cover-

ing the full costs as a company. Protective masks are handed out free of charge. In addition, protection plans were drawn up for production sites and special precautions devised for customer-facing colleagues, with the option of working from home offered where local regulations allowed. Workplaces and conference rooms were redesigned in line with hygiene requirements, canteens partially closed and protection plans provided for these. In-person training was reduced to a minimum, and company events cancelled. In St. Blasien, we implemented Germany's 3G rule, accompanied by free vaccinations on site for employees. The Aebi Schmidt Group's COVID Task Force has met regularly since the beginning of the pandemic. In addition, the Group Executive Board maintains an active exchange with the local CEOs who implement the country-specific measures.

The planned European employee satisfaction survey was postponed again due to the pandemic; it is now scheduled for the second quarter of 2022. However, a smaller survey took place in the Finnish plant of Arctic Machine Oy, which has been affiliated with the Aebi Schmidt Group since 2020. Overall, the feedback here was positive and comments were taken seriously. In addition to surveys, our colleagues have plenty of opportunities to quote their wishes, suggestions and criticism. For instance, the regular CEO roundtable launched in 2020 is used by many of our colleagues for questions and feedback. Regular annual assessments also

allow to on positive and critical points. The process ensures that these concerns are discussed and resolved. Various employee benefits in the different countries contribute to employee satisfaction.

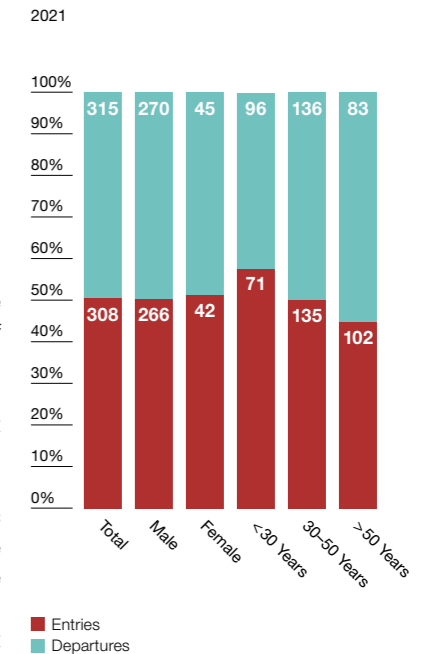
New approaches in recruitment

These framework conditions enable the Aebi Schmidt Group to position itself as an attractive employer to qualified personnel in a competitive employment market. However, the favourable employment situations in many countries mean the recruitment of qualified workforce is as challenging as ever. In 2021, the pandemic continued to impact recruitment. As in the previous year, few skilled workers were willing to take the risk of changing job in such uncertain times. The Aebi Schmidt Group has now resorted to different options to find new staff. A job portal on our website is used as a recruitment tool, giving candidates the opportunity to become acquainted with the company directly. The job portal on the website is linked to our SAP e-recruiting tool. Social media channels are generally playing a more prominent role when it comes to finding new talent. In 2021, we launched an employer branding video, illustrating the diverse professions within the Aebi Schmidt Group. And in some countries, we have been very active with radio advertising and Open Door Days. We are continuing to use a simplified application process for production employees and have replaced traditional written applications with tours and trial days. We also extended the Friend of a Friend programme, where employees receive a bonus for connecting us with potential candidates.

Good work, fair pay

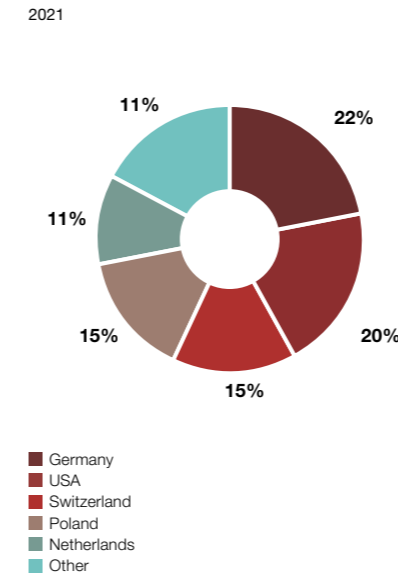
A diverse workforce is an advantage because it boosts the company's understanding of global markets and customers, helps it to access skilled staff and stand out from the competition, and last but not least enhances its reputation. That's why, at the Aebi Schmidt Group, diversity is a value in itself. All employees are given equal opportunities, no matter their differences. In Switzerland, the Swissmem collective

FLUCTUATION BY GENDER AND AGE GROUP*



*excl. Monroe Truck Equipment
Numbers equal persons, permanent staff only.

EMPLOYEES BY COUNTRY*



*without Monroe Truck Equipment

bargaining agreement formalises the requirement for equal treatment. In 2021, the Burgdorf site took part for the third time in the Landolt & Mächler salary survey, which also measures equal pay – and performed

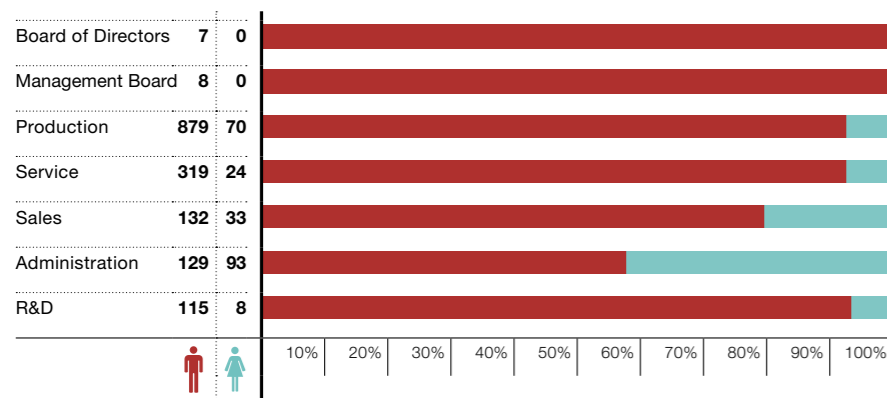
The training and further education of our workforce remains the utmost importance to us. Our goal is to fill two thirds of vacancies internally.

outstandingly. The same site also performed well in an audited equal pay analysis required by law. In Germany, we carried out a pay comparison with collectively agreed pay agreements.

Employees at several Aebi Schmidt Group locations are covered by these agreements. This applies to all employees in Germany and the Netherlands, as well as in Norway, Spain, Italy, Sweden, Austria and Finland. In the US, half of the employees at Meyer Products and M-B Companies are covered as well. In Switzerland, three quarters of all employees are subject to the Swissmem collective bargaining agreement. In Poland, the employee representative body participates actively in company agreements (GRI 102-41).

WORKFORCE BY CATEGORY*

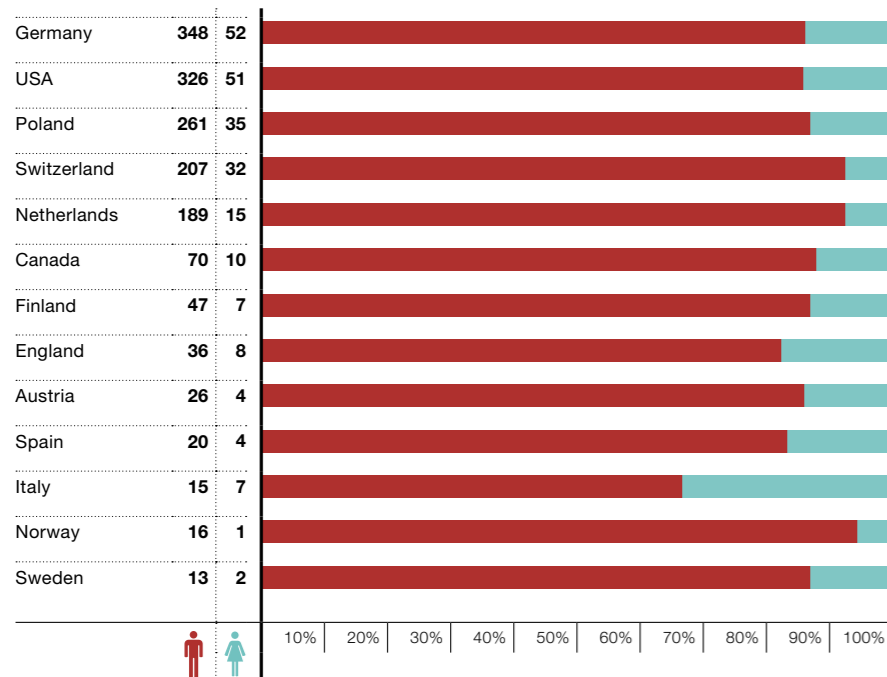
In full-time equivalents / 2021



* excl. interns, apprentices and temporary agency workers; excl. Monroe Truck Equipment

WORKFORCE BY COUNTRY AND GENDER*

In full-time equivalents / 2021



* excl. interns, apprentices and temporary agency workers; excl. Monroe Truck Equipment; allocated to countries of employment

COMPOSITION OF THE WORKFORCE

In full-time equivalents (as of 31.12.2021)

	Male	Female	Total
Workforce by employment contract			
Permanent	1 574	228	1 802
Temporary*	61	8	69
Workforce by employment type			
Full-time	1 518	185	1 703
Part-time	56	43	99

* excl. interns, apprentices and temporary agency workers; excl. Monroe Truck Equipment

Similarly, fair and non-discriminatory interaction with others inside and outside the company is firmly positioned in our corporate culture. This is a prerequisite for long-term partnerships and a good working environment. The binding Group-wide Code of Conduct defines core values and standards, which all employees sign to follow. Managers have the responsibility to lead by example, promoting and monitoring compliance with these standards in daily business. In the event of any questions or complaints, employees can contact the Compliance Officer. The Aebi Schmidt Group did not record any discrimination incidents in the year under review.

Health and safety are a top priority

Pandemic or not, the health and safety of employees throughout the Group is our highest priority. Not only does the Aebi Schmidt Group comply with all statutory regulations, it implements further preventive healthcare measures within the scope of occupational safety management. As well as internal regulations and the Code of Conduct, this includes safety initiatives and regular information events. Employees also receive training on how to deal with risks and hazards in their day-to-day work.

Ongoing improvement of health and occupational safety management is also assured by means of external inspections. In Switzerland we evaluate audits by Suva, the Swiss national accident insurance fund, and implement measures accordingly. In Germany, health and safety at work is subject to inspection by the trade inspectorate and the relevant professional association on a recurring and event-driven basis. Furthermore, all workplaces are assessed professionally in terms of their potential hazards with the support of an external safety specialist. Existing threats and pressures are then minimised or eliminated, as and when required. A company doctor is available for occupational health examinations in Germany. In the Netherlands and Switzerland, external audits are carried out annually and internal audits monthly; external specialists are consulted for occupational health services. In Poland, there are also regular risk assessments for all workplaces. A contracted health centre performs the medical exami-

OCCUPATIONAL HEALTH AND SAFETY

Numbers per 100 full-time equivalents / 2021

	Male	Female	Switzerland	Other Locations	All
Injuries	9,8	2,5	0,0	6,4	8,9
Days lost as a result of injury	169,0	30,3	0,0	54,3	152,4
Days lost as a result of injury and illness	1 191	1 460	737	980	1 223

* excl. Monroe Truck Equipment

Rates were calculated for 200 000 working hours (= 100 full-time positions). There were no fatalities. The data represents a weighted average of all incidents (actual number of incidents weighted by the number of target hours).

nations. Voluntary programmes aimed at promoting health are in place too.

Fostering internal talent on a sustained basis

With regard to the ongoing shortage of skilled workers, training and further education for our existing workforce remains important. This serves as a guarantee of competent and qualified staff and, by association, sustained market success. In addition to electricians, painters and mobile service technicians, strategic buyers, software engineers, IT specialists, engineers and supply chain staff were also hard to find on the open labour market. Therefore the promotion of employee talent internally is in the interests of the Aebi Schmidt Group. The Executive Board at each location is responsible for ensuring that training and further education target the best interests of the company and the employees. Regular employee appraisals with about 80% of staff also serve as a basis for planning professional training needs. In Holland, Poland and the US, we have set up a local talent pool to highlight opportunities within the company to interested employees.

We are on track to fill two thirds of vacancies with internal candidates and are working on a systematic succession plan for the top three hierarchy levels. We engage in targeted talent promotion to increase opportunities for career advancement and thus secure up-and-coming management talent in the company. We also plan to continue with our advancement programme for internal talent and our individual employee development plans. The talent pool programme, which runs for 18 months, gives internal talent the opportunity to work on projects, take

part in training and hold presentations in front of the Executive Board. Some employees from the first programme runs have already been promoted to new roles.

The Aebi Schmidt Group offers Group-wide product training and runs courses on specific technical expertise for individual groups. In 2021, the focus was on IT security where employees completed

Diversity in the workforce and non-discriminatory interaction are core values practised within the Aebi Schmidt Group. The Code of Conduct is binding for all.

a number of modules. In St. Blasien, high-voltage electrical training and first-aid courses were run. In the field of product training, 1400 colleagues participated in about 40 online courses. The company



Ongoing training and the continuing education of employees and customers influence efficiency, performance, safety and health in equal measure.

Community

Engagement, integrity and a cooperative partnership with all stakeholders are core corporate values – particularly in times of crisis.

A reduction in the complexity of supply chains and the introduction of Group-wide supply chain management have proven their worth to the Aebi Schmidt Group in recent years. Consistent implementation of these anticipatory measures has enabled us to ensure that production sites and dealers had access to a sufficient supply of components and spare parts – even in times of restrictions and supply bottlenecks. Despite of the difficult circumstances, we did not lose sight of our objective, even during the pandemic; i.e. reduction of CO₂ emissions through optimisation of transport channels, shipping and packaging.

Cooperative relationships provide a solid foundation

In 2021, amid the ongoing COVID-19 pandemic, the importance of the cooperative relationships that Aebi Schmidt Group maintains with its suppliers and customer became clear. Supply shortages and long lead times necessitated a switch to long-term planning and close internal coordination between Production, Technology and Supply Chain Management. Our efforts proved to be successful: none of the Aebi Schmidt Group production sites had to be closed. By involving those customers affected by supply chain difficulties ahead of time, in most cases we managed to come together and find solutions early on. However, some delivery delays were unavoidable in 2021. In few cases, products were shipped with restricted features, to be replaced or upgraded as soon as possible. We managed to avoid contractual penalties in all cases.

In 2021, the Aebi Schmidt Group purchased products and services from approximately 3100 suppliers. Our supplier pool includes companies of different sizes from a wide range of industry sectors. The most important product categories include steel, stainless steel, welded assemblies, engines as well as hydraulic and electronic components. The Aebi Schmidt Group also works with a network of local specialist suppliers to handle specific finishing work. For the products of the Aebi brand manufactured in Switzerland and the vehicles of the Schmidt brand manufactured in various European countries, the suppliers are predominantly from Europe. The majority of inbound freight is received, consolidated and shipped to the production facilities by three strategic logistics partners. For key suppliers, the Aebi Schmidt Group uses centralised procurement, which is supplemented by decentralised, logistically optimised purchasing from the respective business locations. In 2021, the purchasing volume for products and services for European factories reached EUR 190 million. In Asia, the Aebi Schmidt Group buys smaller volumes directly from specialised suppliers. The Group works with about 2100 vendors to cover the North America region, the majority of which are based in the US and Canada. In 2021, the purchasing volume amounted to USD 78 million.

Sustainability standards for suppliers

The established supplier management system allows evaluation and classification of all suppliers in terms of processes, quality, energy consumption, environmental policies and ISO9001 and 14001 certifications. The Aebi Schmidt Group analyses its suppliers based on the ABC principle. Global quality management plays a key role in the assessment of vendors. Quality assurance agreements are an important component of contractual agreements with all key suppliers. These also govern fines or free replacement of non-compliant parts.

Sustainability is an established part of the onboarding and management process for suppliers, and ensures a future-proof supply of materials and services. The Aebi Schmidt Group subjects all suppliers to a compliance check that ensures that they do not gain an economic advantage through

corruption or other illegal practices. Suppliers' compliance with sustainability standards is subject to periodic review, with non-compliance resulting in termination of the business relation. The qualification process for new suppliers includes the evaluation of environmental criteria, such as the recycling of raw materials or the reduction of CO₂ emissions; they also have to comply with the Code of Conduct. By implementing environmental guidelines and the corresponding certifications, the Aebi Schmidt Group stands out from the competition and satisfies customers, with an increased emphasis put on sustainability.

Stakeholder management

Frequent communication with all stakeholder groups that influence or are influenced by our business activities is important to the Aebi Schmidt Group. These include customers, suppliers, business partners, trade associations, municipalities, regional authorities and research institutions (*GRI 102-40, GRI 102-42*). We register of customer requirements for vehicle equipment and implement these as part of our standard process. This consideration of a wide range of different needs is also reflected in the IntelliOPS platform license model. After all, prototype testing with selected customers and partners is a prerequisite for market success. That applies to novel power units and individual configuration features, as well as complex autonomous operation concepts. Likewise, regular contact and discussion with our dealers is another highly important element. In meetings with dealers, potential for improvement is discussed and progress reviewed at regular intervals on the basis of a joint pending list. Market developments and new needs and concerns are also brought up in these discussions. (*GRI 102-43, GRI 102-44*). The successful development of market-ready products and services would not be possible without frequent exchange and cooperation with dealers, service providers, municipalities and teams as part of research projects, such as Smart Fleet at Stuttgart Airport.

Cooperation and engagement on multiple levels

Despite of limited opportunities as a result of the pandemic, the Aebi Schmidt Group was again active on many different regional and international committees and associations in 2021. Since trade fairs were cancelled again on relatively short notice, networking and collaboration with associations, organisations and project partners via virtual meetings, conference calls and webinars were all the more important. These included the European Engineering Industries Association (EUNited), the DIN Standards Committee on Municipal Technology (NKT), the Municipal Vehicles and Equipment Industry Association (VAK) and the Mechanical Engineering Industry Association (VDMA). In addition, the Aebi Schmidt Group is a member of the SWISSRAIL Industry Association, which unites more than 100 companies from the Swiss automotive and transport industry, the European International Contractors (EIC) federation, which promotes the interests of the construction industry at an international level, the employers' association of the Swiss mechanical and electrical engineering industries (ASM) and Swissmem, the Swiss association of mechanical and electrical engineering industries. In the Netherlands, Aebi Schmidt is involved in the Smart Welding Factory organisation, which aims to bring together companies and non-profit organisations. Aebi Schmidt Poland is a member of the Polish-Swiss Chamber of Commerce

and again in 2021 it received an award in recognition of its status as one of the most dynamically developing companies in the sector of small and medium-sized companies ('Business Gazelle'). M-B Companies in the US is involved in local business education partnerships and acts as a mentor for a youth training programme. Aebi Schmidt North America is a member of the National Truck Equipment Association (NTEA) which supports the sustainability efforts of companies from the truck industry and represents their interests. Moreover, the factories in Cleveland and Lindenwood are members of the Member Verification Program (MVP), which honours companies for excellent business practices and implementation of quality standards.

The Aebi Schmidt Group's social commitment includes predominantly sponsorship of local sport teams and social projects and partnerships with students at various stages of education for research

Thanks to Group-wide supply chain management and interdisciplinary cooperation, we were able to guarantee supply of components and spare parts to plants and dealers – despite numerous supply bottlenecks during the pandemic.

and term projects. At the Holten site in the Netherlands, various local social projects are supported. Numerous employees in St. Blasien also help schoolchildren in the Hochrhein-Bodensee economic region to

prepare for job interviews. In Germany, Aebi Schmidt is involved in career orientation evenings for students from regional schools. Aebi Schmidt Poland is one of the sponsors of handball club KS Vive Kielce and also supports the local fire service in its fire prevention campaigns. M-B Companies supports the Salvation Army and families in need via donation boxes from the New Hope Center in Chilton. Meyer sponsors annual initiatives of the local scouts and Meyer employees donate to the Ronald McDonald House and a local refuge for mothers at risk in Cleveland. Swenson arranges food donation campaigns at Christmas.

Legal regulations and corporate values

As an international corporation, the Aebi Schmidt Group warrants compliance with all legal regulations and industry standards in a complex regulatory environment. This is achieved through a clear definition of responsibilities, risk management and efficient control systems.

Its corporate values and code of ethics are enshrined in the Group-wide Code of Conduct, which is specified in in-house directives. Among other things, it addresses IT security and privacy, environmental protection, fair competition and the prevention of corruption. In 2021, online training in IT security (mandatory for all employees working on a PC) took place on several occasions. A data protection policy for employees was introduced based on the European General Data Protection Regulation (GDPR) and signed by all employees in Europe.

The values of collaboration, customer and results focus, integrity, commitment and innovation are brought up in annual employee reviews. They form the basis of all business activities, both within the company and in dealing with customers and partners. Employees are obliged to abide these values consistently. The Group's understanding of integrity includes that operations are in line with the applicable antitrust and competition laws and that all employees refrain from any actions that would inhibit trade or restrict competition or could make such an impression. The Code of Conduct stipulates the rules for handling gifts and other benefits and prohibits any form of bribery. Any trace of anti-competitive behaviour comprises the



Expansion of the Chilton plant: creating jobs in the region with high standards for employees.

risk that the Aebi Schmidt Group might be excluded from public tenders. In order to minimise the risk of corruption, a procurement handbook has been introduced for dealing with suppliers, with a clear definition of responsibility for specific purchases. This process standardisation helps to save costs in purchasing and has led to the implementation of a dual control principle for

As an international corporation, the Aebi Schmidt Group guarantees compliance with legal regulations and industry standards in line with its corporate values and internal Code of Conduct.

all externally purchased services. All major bids are reviewed by the CEO and CFO of the Group in terms of pricing, terms and trading partners. So far, this has worked well for the company. No anti-competitive behaviour, corruption cases or compliance violations were registered in 2021.

The supply chain is systematically reviewed to minimise the risk of corruption through strict selection and evaluation procedures and optimised supplier management. The binding Code of Conduct for suppliers includes transparent business relationships, fair market conduct and the protection of data and trade secrets. Compliance with these standards is monitored.

The Aebi Schmidt Group conducts export controls to ensure that civil products and, in particular, spare parts, are not used for military purposes. A software solution compares every new contracting partner – whether a supplier, customer or dealer – with public sanctions lists to prevent supply to any person or institution that is banned from receiving supplies by a public authority.

Environment

The Aebi Schmidt Group does more than simply develop and manufacture environmentally friendly equipment. Strict environmental standards are also applied to the production process itself.

Saving resources and reducing greenhouse gases: the protection of the environment and climate is an immensely important task our industry must address through high quality and environmentally friendly products. The Aebi Schmidt Group's customers are more than ever committed to the protection of the environment and CO₂ neutrality. Sustainability criteria are playing an increasingly important role in tenders. With this in mind, we strive to design our products in such a way that even with conventional drives they meet the latest emission standards, operate with maximum efficiency and are easy to maintain. We are also expanding our range of equipment with electric drives. Electric drives require as well a continuous adaptation and engineering to meet new standards. Recycling rates are becoming more and more important to customers too: up to 96% of the materials used in our compact sweepers can be recycled.

Making production environmentally sustainable

However, our efforts are not limited to developing more environmentally friendly and economical machinery. The Aebi Schmidt Group also puts great effort into to ecological production processes. For example, production facilities must comply with increasingly stringent limits for energy consumption and emission levels. To encourage an ongoing reduction in the consumption of resources, the company

measures its progress regularly by recording environmental performance data and implements operational measures and trains its employees in responsible handling of resources. The Aebi Schmidt Group constantly monitors the relevant national and international developments and prepares for any changes in the regulatory framework. The need to keep up with an ever-faster pace of technological

In order to achieve its sustainability goals and reduce CO₂ emissions, the Aebi Schmidt Group implemented optimisation measures at several locations in the year under review.

and societal change, as well as develop our range of products and boost productivity, requires an innovative and committed approach.

As in previous years, the Aebi Schmidt Group complied with all environmental regulations in 2021. But we have set ourselves targets for the protection of the environment that go beyond what is required by law – this is reflected by our certifications. All Aebi Schmidt Group sites in Europe have been ISO 9001-certified since

2009; the Swiss plant in Burgdorf passed a corresponding surveillance audit in 2021. The production facilities and the local sales and service organisations in Peterborough (UK), Fiume Veneto (Italy), Burgdorf (Switzerland), Skänninge (Sweden), Holten (Netherlands) and St. Blasien (Germany) are also certified under ISO 14001. The German St. Blasien site obtained ISO 14001 recertification in 2021. The Dutch plant in Holten achieved major proof of suitability in the form of DIN EN ISO 3834 recertification as a welding manufacturer. Furthermore, the entire Group follows the guidelines for social responsibility in accordance with ISO 26000.

The Aebi Schmidt Group dealt extensively with the EU chemicals regulation REACH in the year under review. The regulation stipulates that companies must identify and control risks associated with the materials manufactured and marketed by them in the EU. Although we do not produce or directly import chemical substances, we buy components that incorporate specific chemicals. Our colleagues ensure the strict documentation and application of the regulation. The Aebi Schmidt Group is currently assisted by an external consultancy company for compliance with the regulation. In 2022, there are also plans to appoint an internal expert.

Saving energy and resources on a perpetual basis

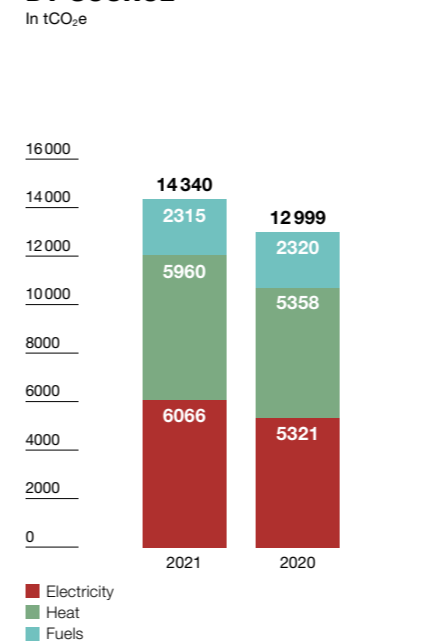
In order to achieve its sustainability goals and reduce CO₂ emissions, the Aebi Schmidt Group implemented optimisation measures at several locations in the year under review. Across all plants, traditional lightbulbs have been replaced with more efficient LED lighting. The company hereby followed a suggestion from a previous energy audit. This measure alone reduced energy consumption drastically and resulted in corresponding CO₂ savings. Electricity for the production sites in Burgdorf and the Polish city of Kielce is purchased from renewable energy sources; the site in Holten in the Netherlands generates half the electricity it needs through its own photovoltaic system. The minimisation of heat loss is another objective. Logistics gates at plants are being replaced with lock gates, saving heating energy in production logistics areas and thus reducing the emission of greenhouse gases.

In addition to these optimisation measures, the Aebi Schmidt Group consistently favours economical and environmentally friendly machinery across all



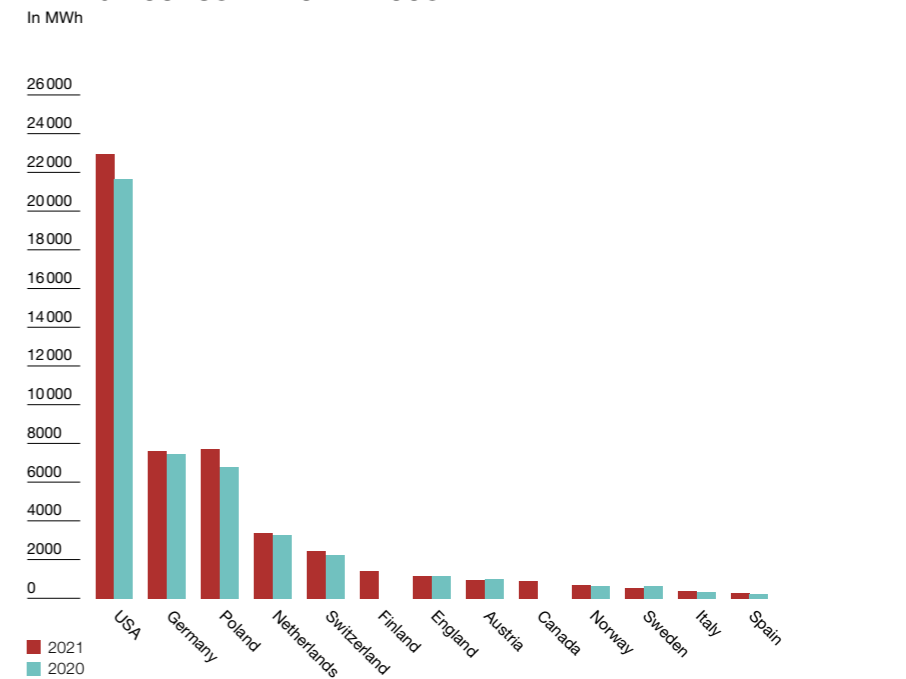
One of several posters at all sites that indicate correct behaviour for IT security in the respective national language.

GREENHOUSE GAS EMISSIONS BY SOURCE *



* excl. Monroe Truck Equipment

ENERGY CONSUMPTION BY COUNTRY *



* excl. Monroe Truck Equipment

sites when buying new machinery as a means of further reducing resource and energy consumption. Standard forklifts are replaced with electric transport equipment; three forklifts originally equipped with gas drives have been converted to electric motors. In Holten, industrial robots are now used in the powder coating division, reducing energy consumption. Some company vehicles in the Netherlands and Norway have been replaced with electric cars. The extension added to the production facility in Chilton, US, in 2021 was equipped with state-of-the-art construction material, optimum insulation,



View of the newly built CC production line in the Burgdorf plant.

ENVIRONMENTAL PERFORMANCE INDICATORS¹⁾

	2021	2020	Delta
Energy consumption in MWh	50 520	45 497	11.0%
Electricity	14 195	11 881	19%
Of which from renewable sources ²⁾	30%	23%	6%
Heat	27 615	24 875	11.0%
Fuel oil	4 584	4 044	13%
Natural gas	22 285	20 463	9%
LPG/propane	117	90	29%
District heating	629	276	128%
Fuels	8 710	8 742	0%
Diesel	8 123	8 086	0%
Petrol	331	320	3%
LPG	257	336	-24%
Energy consumption in kWh per FTE	27 000	25 704	5%
Total GHG Emissions in tCO₂e^{3), 4)}	14 340	12 999	10%
Scope 1	8 135	7 617	7%
Combustibles	5 820	5 297	10%
Fuels	2 315	2 320	0%
Scope 2	6 205	5 382	15%
Electricity ⁵⁾	6 066	5 321	14%
District heating	140	61	128%
Total GHG emissions in kg CO ₂ e per FTE	7 664	7 344	4%
Waste in metric tons	1 580	1 552	2%
General waste	1 064	1 118	-5%
Incineration	110	120	-9%
Residue landfill	91	116	-22%
Recycling	863	881	-2%
Special waste	516	434	19%
Incineration	64	86	-25%
Recycling	40	30	34%
Other ⁶⁾	412	319	29%
Total waste in kg per FTE	844	877	-4%

¹⁾ Figures for 2021 slightly differ from the report published last year due to corrected numbers of a site.

²⁾ Indicator reported since 2019.

³⁾ Calculations in accordance with the WRI/WBCSD Greenhouse Gas Protocol guidelines. Scope 1: GHG emissions from own sources, e.g. boilers and fuels. Scope 2: GHG emissions stemming from the production of electricity and district heating.

⁴⁾ Sources for emission factors: Defra, IEA & Frischknecht.

⁵⁾ Greenhouse gas emissions associated with the production of electricity were accounted for in accordance with the 'location-based approach' according to the Greenhouse Gas Protocol Scope 2 standard.

⁶⁾ Absorption and filter material, cleaning cloths, protective wear, scrap from ironworks, laser scrap.

temperature control devices and full LED lighting. As part of the Fit 4 Tomorrow project, general efforts are being undertaken in North America to reduce material handling and energy consumption.

Less waste; better air quality

Another of our focus areas is waste management. Various types of waste are produced in the Aebi Schmidt Group production plants: general waste and special waste. Where waste cannot be prevented, it is sorted according to the local applicable waste code or reintroduced to the production process in the spirit of the 'circular economy'. All recyclable waste is sent to according disposal companies and the remaining waste is sent for thermal use. The ongoing gradual reduction of waste and wastewater is a key priority for the Aebi Schmidt Group.

In order to improve air quality at workplaces, all welding divisions in the plants in Kielce and Holten have been equipped with push-pull systems. There are also plans to equip the electrical workshops with these systems. VOC reduction systems helped to significantly reduce emissions of volatile organic compounds (referred to as VOCs), particularly in painting processes. A new coating technology was implemented during the structural expansion of the plant in Chilton that together with the introduction of powder coating, cut VOC emissions by more than 70%.

Information on the Sustainability Report

Sustainability at the Aebi Schmidt Group is a Group-wide responsibility and is therefore not allocated to an independent department.

After publication of separate sustainability reports in 2015 and 2016, the Aebi Schmidt Group has reported on its sustainability efforts since business year 2017 as part of the Annual Report. The last Sustainability Report was published in April 2021. This report has been prepared in accordance with the GRI Standards: core option. An external review of the contents was not conducted. The report was subject to and successfully passed the GRI Materiality Disclosures

Essential sustainability topics (GRI 102-47)

ECONOMIC	Economic performance
	Indirect economic impacts
	Anti-corruption
	Anti-competitive behaviour
ENVIRONMENTAL	Energy
	Emissions
	Effluents and waste
	Supplier environmental assessment
	Environmental compliance
	Energy-efficient products and services
SOCIAL	Employment
	Occupational health and safety
	Training and further education
	Diversity and equal opportunity
	Non-discrimination
	Customer health and safety
	Marketing and labelling
	Socioeconomic compliance

Service (see GRI logo on page 38). The Annual Report includes the divisions and business locations of Aebi Schmidt Holding AG listed in the consolidated entities on pages 12-13 (GRI 102-45), excluding Monroe Truck Equipment. The contact for any questions on the Annual Report 2021 is Thomas Schiess, Head of Group Marketing, thomas.schiess@aebi-schmidt.com.

In December 2021, the Aebi Schmidt Group completed its acquisition of Monroe Truck Equipment. This acquisition has not yet been taken into account in the environmental and HR data for the reporting year 2021. Restatements of information given in the previous reports were not made (GRI 102-48).

The essential sustainability topics were determined in 2015 as part of an internal workshop that took the various functions of the Aebi Schmidt Group and the points of view of the Group and the individual divisions into account. No external stakeholders were directly involved in this process. The Executive Board validated the result. The materiality analysis is reviewed annually. (GRI 102-46).

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For the Materiality Disclosures Service, the GRI Services team checked that the GRI content index is clearly presented and that the references for Disclosures 102-40 to 102-49 align with the appropriate sections of the report. The Materiality Disclosures Service used the German version of the report.

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Board of Directors



Peter Spuhler
Chairman of the
Board of Directors
Swiss citizen
1959



Dr. Gero Büttiker
Vice President of the
Board of Directors
Swiss citizen
1946



Hansruedi Geel
Member of the
Board of Directors
Swiss citizen
1956



Peter Muri
Member of the
Board of Directors
Swiss citizen
1958



Dr. Peter Ramsauer
Member of the
Board of Directors
German citizen
1954



Andreas Rickenbacher
Member of the
Board of Directors
Swiss citizen
1968



Markus Bernsteiner
Member of the
Board of Directors
Swiss citizen
1966

**Business Administration (BWL)
at the University of St. Gallen,
Executive Chair of the Board of
Directors, Stadler Rail AG**

Other roles and vested interests: Chair of the Board of Directors of various companies of the Stadler Rail Group, PCS Holding AG; member of the Board of Directors of several other companies, including European Loc Pool AG, Allreal Holding AG and Rieter Holding AG; since April 2019: shareholder in Robert Bosch Industrietreuhand KG and member of the Supervisory Board of Robert Bosch GmbH; 1999–2012: Swiss member of parliament (National Council); member of the Board of Directors of Von Roll Holding AG (2002–2004), UBS AG (2004–2008), Kühne Holding AG (2006–2008) and Autoneum Holding AG (2011–2021)

**Dipl. Bau-Ing. ETH Zurich,
Dr. oec. publ.**

Since 1993: Self-employed entrepreneur, 1985–1993: NUEVA Holding AG (formerly Schweizerische ETERNIT Holding AG), Delegate of the Board of Directors

**lic. oec. HSG, Qualified
Public Accountant**

2017–2019: PCS Holding AG, Finance and Investment Management, 2001–2017: CFO Stadler Rail Group, 1994–1997: CFO Lüchinger + Schmid Group, 1990–1994: CFO Elektronikgruppe FELA, 1981–1990: PwC, Public Accountant

lic. iur. Solicitor

Since 1994: Partner in a law firm in Weinfelden, specialising in commercial and tax law, member of the board of directors of various SMEs, including Gerlinger Industries AG, Dr Ulrich Knapp AG, KMU Personal AG, Polygal AG, Rausch AG Kreuzlingen, Kurz SSI AG, TLA Transport Logistik Swiss AG, SwissChem AG, Kifa AG, SUN Bürglen AG, Arbenz + Partner AG Risk, DOMAR Immobilien AG. 2003–2019 Member of the Board of Directors of the Thurgau Chamber of Commerce and Industry, 2008–2014 Member of the Board of Directors of Schöttli AG, 2006–2017 Member of the Board of Directors of Verbio STS AG, formerly legal service for a cantonal tax administration and a cantonal government as well as activities at the district court and law firms

**Dipl. Kaufmann, doctorate in
political science**

Since 1990: Member of the German Bundestag, 2018–2021: Chairman of the Committee on Economic Cooperation and Development in the German Bundestag, 2009–2013: Federal Minister of Transport, Building and Urban Development, 2005–2009: Chairman of the CSU parliamentary group in the German Bundestag, general partner of the company Ramsauer Talmühle KG in Traunwalchen, Bavaria, Chairman of the Supervisory Board of Streicher GmbH & Co. KGaA, Deggendorf, Germany, member of the Supervisory Board of Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn, Germany

**Master of Science (MSc)
Business economist**

Since 2016: Owner of Andreas Rickenbacher Management AG, Bern, 2006–2016: member of the Bern cantonal government, Member of the Board of Directors of Bernexpo AG, BKW AG, HRS Real Estate AG, President of the Switzerland Innovation foundation and the Internationale Lauberhornrennen Wengen association

**Executive MBA – University
of St. Gallen**

Since 1999: Stadler Rail AG, Executive Vice President, 1995–1999: Operations Manager and Member of the Board of Directors of Elektrolux-Compactus AG, 1993–1995: Divisional Management and Member of the Executive Board of Aluwag AG, Member of the Board of Directors of LRS Engineering AG and Trunz AG, Member of the Board of Trustees of the ALLVISA pension fund

Executive Board



Barend Fruithof
Group CEO

Swiss citizen
1967



Thomas Schenkirsch
Group CFO and
Deputy Group CEO

Swiss and German citizen
1975



Rudi Rosenkamp
Head Sales Northern Europe &
Rest of World

Dutch citizen
1963



Gerhard Neudorfer
Head Sales Western &
Central Europe

Austrian citizen
1966



Steffen Schewerda
CEO North America

German citizen
1971



Burkhard Ditsche
Head Group
After Sales & Services

German citizen
1967



Henning Schröder
Head Group Technology

German citizen
1977



Paweł Pawłowski
Head Plants Europe

Polish citizen
1975

Executive MBA, University St. Gallen

Since 2017: Group CEO, Aebi Schmidt Group, 2015–2016: Bank Julius Baer & Co. AG, Head of Switzerland & Global Custody, Member of the Executive Board, 2008–2015: Credit Suisse Group, Zurich, Head of Corporate & Institutional Clients, Member of the Executive Board of Credit Suisse Switzerland, Member of Private Banking Divisional Management, 2004–2007: Raiffeisen Group Switzerland, St. Gallen, Chief Financial Officer and Head of the Finance & Corporate Center Department, Member of the Executive Board, 2001–2003: CEO of Viseca Card Services SA, Glattbrugg, 1997–2000: ZKB, 1997: EUROPAY (Switzerland) SA, 1992–1996: ZKB

Dipl. Betriebswirt

Since June 2016: Group CFO, Aebi Schmidt Group, 2008–2016: Director of Group Controlling at the ASH Group, 2003–2008: Corporate Controller and Head of Corporate Controlling Von Roll Management AG, Switzerland, until 2003: Financial Analyst at PerkinElmer Switzerland and Senior Treasury Analyst PerkinElmer, Boston, USA

Dipl. Ingenieur

Since 2021: Head of Sales for Northern Europe & Rest of World, Aebi Schmidt Group, 2017–2020: CCO Global Sales Dealer/Airport, Aebi Schmidt Group, 2013–2017: Head of Sales & Service Division, ASH Group, 2010–2012: Head of Direct Sales Division, 2008–2010: Head of the Service Division, 2004–2008: Head of Sales Holland

Mag. rer. soc. oec.

Since 2021: Head of Sales Western & Central Europe, Aebi Schmidt Group, 2018–2020: CCO Sales Europe, Aebi Schmidt Group, 2014–2018: Managing Partner, Optimus Consulting GmbH, 2011–2014: CEO, Linde Fördertechnik GmbH, 1987–2011: various managerial roles at Wacker Neuson Baumaschinen GmbH

Dipl. Ingenieur, University of Aachen, MBA – Universities of Augsburg/Pittsburgh

Since 2021: CEO North America, Aebi Schmidt Group, 2020: Designated CEO North America, Aebi Schmidt Group, 2016–2019: President for the Americas, SAF-HOLLAND, 2011–2016: President Trailer Business Unit, SAF-HOLLAND, 2007–2010, President Global Operations SAF-HOLLAND, 1996–2006: SAF GmbH

Dipl. Kaufmann

Since 2021: Head of Group After-sales & Services, Aebi Schmidt Group, 2018–2020: Chief After-sales Officer, Aebi Schmidt Group, 2016–2018: EU Aftermarket Development Manager, KUBOTA GmbH (D), 2004–2015: Aftermarket Sales Manager, John Deere, within Sales Germany until 2011 and John Deere International (CH) for EU28 2011–2015, CIS and EAME, 1996–2004: Marketing & Media Services Manager, Kramp Groep B.V. (NL)

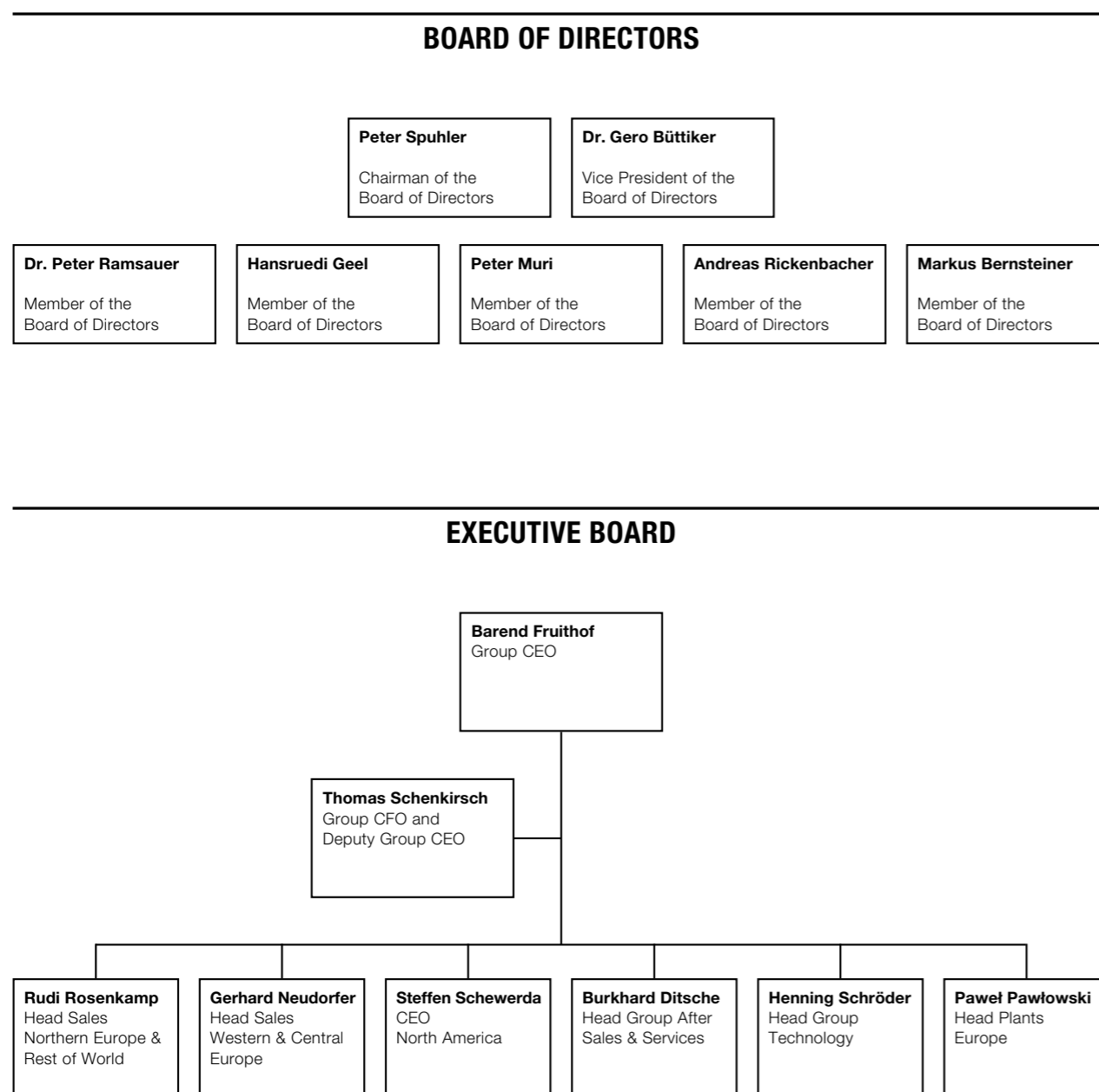
Dipl.-Wirtsch.-Ing.

Since 2021: Head of Group Technology, Aebi Schmidt Group, 2019–2020: Chief Product Officer, Aebi Schmidt Group, 2017–2019: Executive Board & Regional Responsibility for Aftermarket Americas at Hella Automotive Sales, Inc. (USA), 2013–2017: Executive Board, Hella Pagid GmbH, 2010–2013: Head of Global Sales Special OE, Hella KGaA Hueck & Co., 2008–2010: Head of Product Management Asia Pacific, Hella Asia Singapore Pte. Ltd., 2001–2008: various roles and management functions, Hella KGaA Hueck & Co

Dipl.-Ing. University of Wrocław

Since 2021: Head of Plants Europe, Aebi Schmidt Group; 2018–2021: Plant Manager Kielce and Holten, Aebi Schmidt Group; 2012–2018: Plant Manager Kielce, Project Manager Tellefsdal Integration; since 2012: Managing Director of Aebi Schmidt Polska SP. z o.o.; 2002–2012: Various positions in the Production and Logistics division, Aebi Schmidt Group; 1999–2002: Projects for Babcock Borsig Power, Saarberg Hölter Umwelttechnik and Babcock Steinmüller

Group Structure



Sustainable Value Creation through clear Management and Control Principles

Aebi Schmidt Holding AG, with registered office in 8500 Frauenfeld, Schulstrasse 4, and another business address in 8050 Zurich, Leutschenbachstrasse 52, is a public limited company under Swiss law.

The Board of Directors and the Executive Board attach great importance to proper business management in the interest of customers, business partners, employees and shareholders. The basis for this is provided by the company's statutes and organisational regulations. Their implementation and consistent application ensure the required transparency for stakeholders to assess the company's quality.

Group structure

The organisational structure was adapted on 1 June 2017 and is shown on the left side. The managerial responsibility for the Aebi Schmidt Group lies with the CEO, unless it is delegated to the Division Managers. The managerial responsibility for the divisions is incumbent upon the Division Managers. The parent company of all group companies is Aebi Schmidt Holding AG. For an overview of all group companies that belong to the consolidated entity, please see page 50 of this report.

Shareholders

Aebi Schmidt Holding AG is owned by the following shareholders:

SHAREHOLDERS	
PCS Holding AG, Switzerland (owner: Peter Spuhler)	53.7%
Gebuka AG, Switzerland (owner: Dr Gero Büttiker)	35.0%
Group CEO, Aebi Schmidt Group, Barend Fruithof	8.6%
Other members of the Board of Directors and Executive Board	2.7%

As of 31.12.2021

Capital

The fully paid-up equity capital of Aebi Schmidt Holding AG amounts to CHF 27 932 000 and is subdivided into 2 793 200 registered shares, each with a nominal amount of CHF 10. Each registered share constitutes one vote at the general meeting. All shares entitle to share in profits. There is neither approved nor conditional capital. The transfer of shares, whether for ownership or usufruct, is subject to the approval of the Board of Directors. The approval can be withheld for a good cause. The equity capital has remained unchanged since 4 July 2007.

Board of Directors

The Board of Directors is usually elected within the scope of the annual general meeting for the period of one year; the term of office ends on the date of the next annual general meeting. Members newly appointed during a term of office complete the term of office of their predecessors. Re-election is permissible. The Chairman of the Board of Directors is elected in the general meeting. Apart from this, the Board of Directors constitutes itself.

The Board of Directors is in charge of the executive management, supervision and control of the Executive Board of the Aebi Schmidt Group. The Board of Directors is responsible for all matters delegated to its members under statutory law and the statutes, unless the Board of Directors delegates them to third parties. Except as

otherwise provided in statutory law or in the statutes, the Board of Directors fully delegates the operational management to the Group CEO, Aebi Schmidt Group, who is supported in this task by the remaining members of the Executive Board according to the authorities assigned to them. The CEO is accountable to the Board of Directors. All members of the Board of Directors are non-executive.

The board meeting is convened upon invitation by the Chairman as often as business matters require and as soon as requested by a member, although usually four times a year. A meeting usually takes half a day to one day. The notice of invitation contains all items that are dealt with. The attendants to the meeting receive an extensive written documentation of the proposals in advance. Besides the Board of Directors, these meetings are attended by the Executive Board, which has no voting rights. The resolutions are passed by all members of the Board of Directors. The Board of Directors constitutes a quorum if the majority of its members are present. The resolutions are passed by a majority of the votes cast. In the event of a tie, the Chairman has the deciding vote.

The Board of Directors appoints an Audit Committee consisting of three members, currently comprising Hansruedi Geel, Dr. Gero Büttiker and Peter Muri. The Audit Committee is the point of contact for the external auditors, holds a meeting at least once a year and is entitled to prepare the company's annual financial statement for inspection by the external auditors as well as to discuss the results of the audit with the external auditors at the end of the audit. The meetings are usually attended by the CEO and the CFO and, if necessary, a representative of the external auditors. The Audit Committee makes no final decisions. It prepares the business transactions assigned to them and files proposals to the full Board of Directors.

In 2019 the Board of Directors has additionally a Nomination and Compensation Committee initiated. This is currently comprising by Andreas Rickenbacher, Peter Muri and Markus Bernsteiner. The meetings are usually attended by the CEO. The Nomination and Compensation Committee supports the Board of Directors by subjects governed by law or by-laws articles in the area of compensation and human resources policies.

Information and control instruments

The Board of Directors is in charge of supervising the Aebi Schmidt Group's internal control systems, which limit, but cannot rule out, the risk of inadequate business performance. These systems provide adequate, although not absolute, protection against substantial misstatements and pecuniary loss.

The Board of Directors is extensively informed of the business development on a monthly basis. The members of the Board of Directors are provided with a monthly report containing up-to-date information on the business development and the transactions of the Aebi Schmidt Group. At the board meetings, the Executive Board presents and comments on the business development and tables important issues.

Additionally, the Board of Directors adopts the budget for the following year. Once a year, it receives the results of the medium-term plan for the next four years and discusses and resolves adaptations to the corporate strategy. The Board of Directors and the Audit Committee additionally determine factual issues that are taken up within the scope of the internal controlling processes and elaborated by analyses and assessments. The Audit Committee also determines major issues concerning the definition of the scope and the contents of the external audits. Once a year, the Board of Directors deals with the strategic issues of the Aebi Schmidt Group within the scope of a strategy meeting. The Chairman of the Board of Directors and the CEO regularly inform each other of and discuss all business transactions that are of fundamental significance or might have far-reaching consequences.

The Board of Directors subjects the internal information and control systems to a periodic inspection regarding their effectiveness to identify, assess and cope with risks associated with the business activities.

Risk management

The Board of Directors and the Executive Board attach great importance to the careful handling of strategic, financial and operational risks. The risk assessment

is determined by the Risk Controlling Manual, which was approved and introduced by the Board of Directors within the scope of its meeting of 9 September 2008. Based on periodic and systematic risk identification, the relevant risks for the Aebi Schmidt Group are assessed regarding their probability of occurrence and their effects. These risks are avoided, limited or passed on by taking corresponding measures. The last risk assessment was conducted by the Board of Directors in October 2020. It is incumbent upon the Executive Board to identify and communicate the substantial risks to the Board of Directors.

Executive Board

The CEO is in charge of the management of the Aebi Schmidt Group. Under his direction, the Executive Board deals with all relevant issues, makes decisions within the limits of its authority and files proposals to the Board of Directors. The Division Managers are responsible for the development and achievement of their entrepreneurial goals and the independent management of their divisions. The Board of Directors appoints the Executive Board; the CEO is entitled to file proposals. The board meeting is convened if requested by a member or if a meeting is necessary, usually once a month.

Shareholders' participation rights

The general meeting is convened by the Board of Directors, if necessary, by the Audit Committee. The annual general meeting takes place once a year within 6 months after closing the business year. The Annual Report and the Audit Report are sent to the company's registered office no later than twenty days prior to the annual general meeting. Extraordinary general meetings are convened as necessary. The Board of Directors shall convene an extraordinary general meeting if requested in writing by shareholders representing at least 10% of the share capital, indicating the purpose and the proposals. The general meeting is convened by letter to the shareholders no later than twenty days prior to the date of the meeting. Besides the date, time and place of the

meeting, the items listed on the agenda as well as the proposals of the Board of Directors and the shareholders shall be indicated in the notice of convocation. No resolutions can be passed on items that are not announced in this manner with a proviso to the regulations regarding general meetings attended by all shareholders (universal meetings).

Provided that no objection is raised, the representatives of all shares can hold a general meeting without having to comply with the formal requirements of convocation (universal meeting). As long as the owners or representatives of all shares are present, this meeting is entitled to discuss and pass valid resolutions on all items within the limits of the general meeting's authority.

There is no statutory limitation of voting rights. Registered shareholders whose names are entered in the company's share register are eligible to vote. Each shareholder can have himself represented by another shareholder provided with a written power of attorney.

Pursuant to Art. 703 OR [Swiss Law of Obligations], resolutions of the general meeting shall be passed by absolute majority of the represented voting shares. Resolutions listed in Art. 704 OR as well as resolutions regarding the conversion of registered shares into unregistered shares, which requires at least two-thirds of the votes represented and absolute majority of the nominal share value represented, shall be exempted from this regulation.

External auditors

In 2014, PricewaterhouseCoopers AG, Zurich, assumed the mandate as the external auditor of Aebi Schmidt Holding AG. Successor of the auditor is Philipp Gnädinger.

The inspection and supervision of the audit is incumbent upon the Audit Committee. The external auditors draw up an extensive report on the results of their audit on an annual basis. The Audit Report is accompanied by a management letter and a comprehensive report to the Board of Directors.

Compliance

The Aebi Schmidt Group distributes a large portion of its products in the environment of public institutions (federal states, cities, municipalities, motorway and airport operators) and therefore pays special attention to always complying with all applicable national and international regulations.

The term compliance stands for compliance with standards, laws and industrial standards as well as any requirements within the scope of self-regulatory measures or in-house directions. In the past business year, the Aebi Schmidt Group examined the existing compliance regulations and processes and adapted them to amended and new statutory requirements, where necessary. Today, the Aebi Schmidt Group exhibits a well-balanced overall system to fulfil the ever more complex issue of compliance.

The major elements of compliance are as follows:

- Code of Conduct – Defines the fundamental values of our employees' activities.
- Competence regulations – Defines the competencies within the company.
- Risk management – The Executive Board examines the risks of the Aebi Schmidt Group on behalf of the Board of Directors and defines measures to avoid, limit or pass on the risks.
- ICS (Internal Control Systems) – The risks identified by the persons in charge of the processes are examined within the scope of appropriate inspections. The inspections are reviewed by the Executive Board on an annual basis and, where necessary, adaptations are requested from the Board of Directors.
- Dealers and agents must undergo regular compliance audits, which are monitored by the Compliance Board.
- There is also a regular customer review and dual-use inspection in the spare parts business. The export regulations demand compliance and verification that no goods or services are provided to a person or institution prohibited by an official authority from being supplied

and whether or not the regulations for goods that can also be used for military purposes are complied with. Last year, the list of affected persons and institutions was constantly extended due to political upheavals. Using the newly introduced processes and IT-based check programmes, the inquiries can be carried out efficiently and promptly.

- Suppliers are subject to a compliance check and sign a code of conduct for suppliers.

The Aebi Schmidt Group is convinced that the principle of conducting business transactions in a responsible manner and in compliance with the statutory and official regulations of the countries in which we are operating is feasible. The Aebi Schmidt Group is making every effort to constantly improve its compliance system in order to be able to respond to the changing requirements in our global business.

Holding

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Aebi Schmidt Holding AG
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 Leutschenbachstrasse 52
 CH-8050 Zürich
 Tel +41 44 308 58 00

www.aebi-schmidt.com

Our local subsidiaries are all accessible via the Group website.

Plants

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 Handelsweg 6–8
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Switzerland
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 Buchmattstrasse 56
 CH-3401 Burgdorf
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 Fax +41 34 421 61 51

Finland
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 Tel +358 20 7791 500
 Fax +358 20 7791 501

USA
Meyer Products LLC
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 Cleveland, OH 44112-1084
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 Fax +1 216 486-1321
 www.meyerproducts.com

Swenson Spreader LLC
 127 Walnut Street
 Lindenwood, IL 61049
 Tel +1 888 825 73 23
 Fax +1 866 310 03 00
 www.swensonproducts.com

M-B Companies, Inc.
 201 MB Lane
 Chilton, WI 53014
 Tel +1 800 558 5800
 www.m-bco.com

Additional locations at 1217 Chestnut St, Chilton (WI), New Holstein (WI) and Muncy (PA)

Monroe Truck Equipment Inc.
 1051 West 7th Street
 Monroe, WI 53566
 Tel +1 800 356 8134
 www.monroetruck.com

Monroe Towmaster, LLC.
 61381 US Highway 12
 Litchfield, MN 55355
 Tel +1 320 693 7900
 www.towmaster.com

Additional locations at DePere (WI), Marshfield (WI), Joliet (IL), Flint (MI), Louisville (KY) and Kernersville (NC)

Canada
Équipements Lourds Papineau Inc.
 1186 route 321 Nord (C.P. 5040)
 St-André-Avellin (QC), J0V 1W0
 Tel +1 819 983-5000
 Fax +1 819 983-5555
 www.elp.ca

Sales

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 Fax +39 0434 959 066

Netherlands
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 NL-7451 PJ Holten
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Switzerland
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 Tel +45 53 700 350

Finland
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 Tel +358 20 7791 500
 Fax +358 20 7791 501

Infotripla Oy
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 DE-30880 Laatzen
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 Fax +49 511 353 48 381

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