

April 2012

Cargotec's key environmental figures 2011

Cargotec reports environmental, health and safety issues with the aim of supporting the company's risk management and the development of its environmental, health and safety targets and tools, both on a local and global basis.

Environmental, health and safety reporting was consolidated at corporate level in 2007 for the first time. The reporting was developed to focus mainly on assembly units, since it was seen that these were the units with the highest impact on the environment due to their size and type of operations. The key indicators were chosen together with representatives of various operations: local quality and environmental management, global risk management, local health and safety management and business area representatives. Since the company's operations have remained similar over the years, there has been only limited need to change the basic reporting indicators. The indicators are reviewed continuously together with local and global management in order to identify and manage the impacts of operations.

Cargotec's key environmental and health and safety figures are reported on an annual basis. The reporting is based on the widely used international sustainability reporting standard, the Global Reporting Initiative (GRI).

The figures in this report cover 18 assembly units. Compared to the previous year, the unit in Tampere is no longer included in the key figures since it became a competence centre instead of being an assembly unit. The assembly unit in India has not been included in the reporting yet because it is in the process of harmonising reporting practices to meet corporate standards.

Some of the previously reported figures have been restated due to emission factor updates and reporting error corrections, but these caused no significant change in the development trends.

Cargotec's annual report (<http://annualreport2011.cargotec.com/en/business/sustainability>) and website (<http://www.cargotec.com/en-global/about-us/sustainability>) provide more information on environmental and health and safety management at Cargotec.

Energy

The amount of energy consumption has a direct impact on the amount of greenhouse gases produced by Cargotec's operations. Energy reduction measures have been set as environmental targets for most Cargotec assembly units. Concrete measures for monitoring the levels of energy reduction will be developed in due course.

Most of Cargotec's energy consumption is caused by internal transportation, heating, electricity consumption and the testing of finished products. Direct energy consumption refers to energy purchased on site and used as such. Indirect energy consumption refers to energy purchased in the form of district heating or electricity.

The main factors affecting Cargotec's direct and indirect energy consumption are production levels and the facilities required. In Figure 1, direct energy consumption is shown in the form of primary energy sources. Natural gas, used mostly in the heating of facilities, is the most used fuel. Diesel is mainly used for internal transportation and testing. Total direct energy consumption in 2011 was approximately 43,500 MWh.

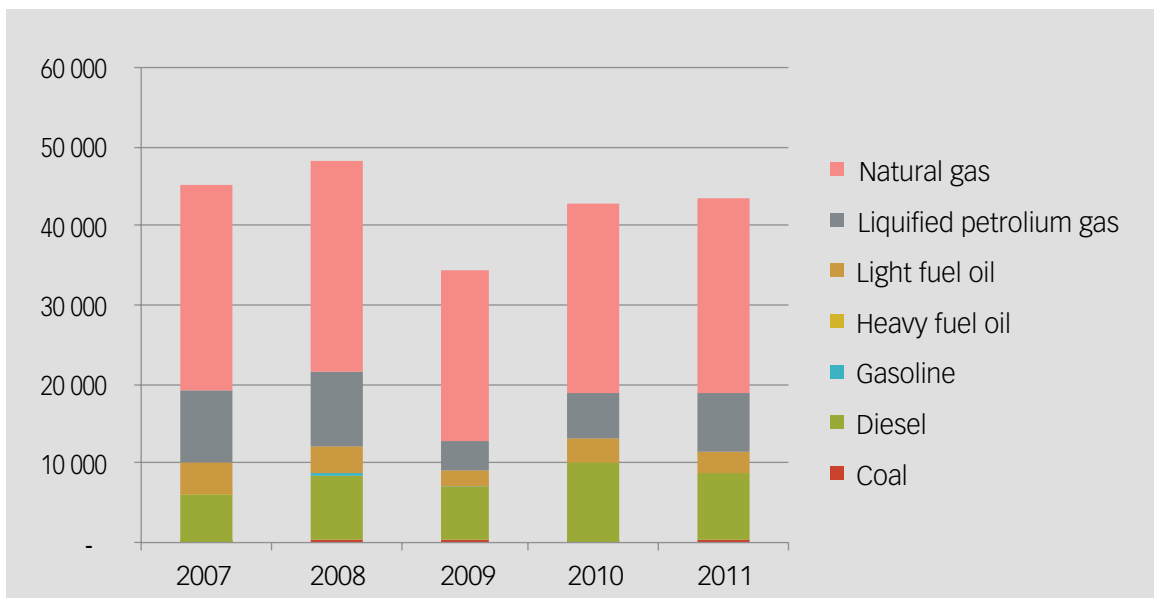


Figure 1. Direct energy consumption in MWh

Total indirect energy consumption decreased slightly compared to the previous year. Indirect energy consumption in 2011 totalled approximately 85,300 MWh at Cargotec's assembly units. This is almost double compared to the amount of direct energy consumption.

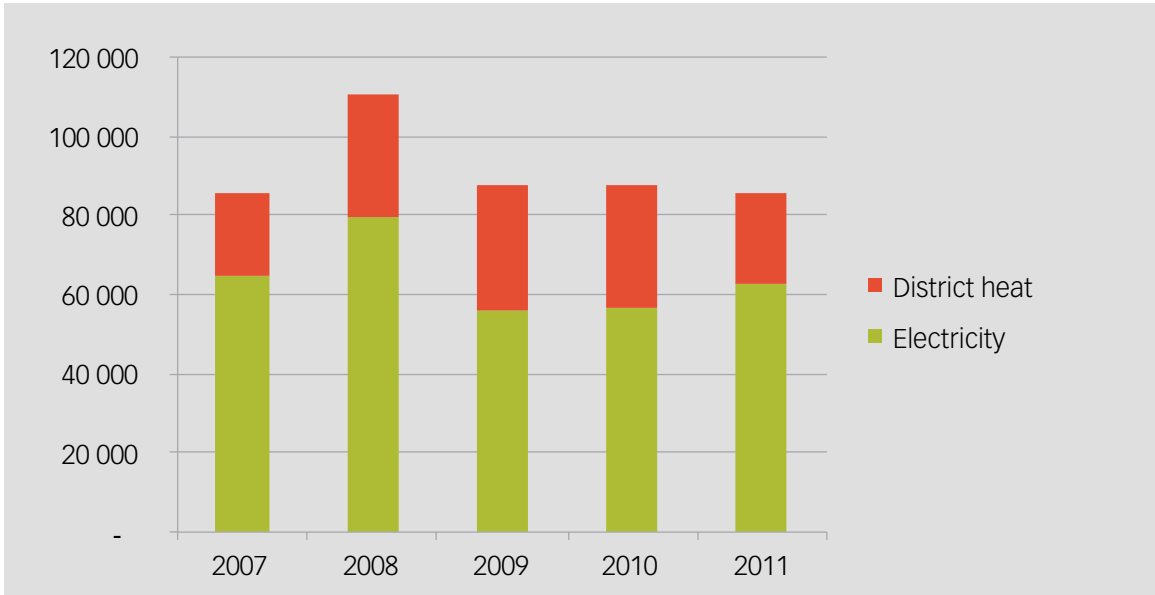


Figure 2. Indirect energy consumption in MWh

Water

Water consumption totalled approximately 103,700 m³ in 2011. Water is mainly used in washing finished products, cleaning premises and by personnel. Most units are connected to public drainage systems but one unit has its own well.

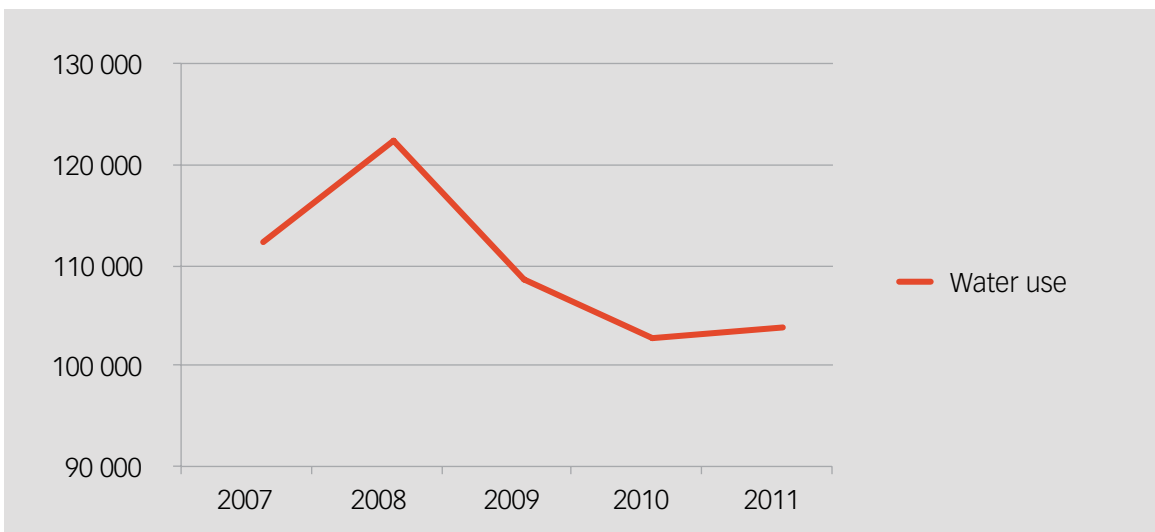


Figure 3. Water use in cubic metres (m³)

Greenhouse gas emissions

The calculation of Cargotec's greenhouse gas emissions is based on international standards and set emission factors. The basis for the calculations has been constructed in line with the international Greenhouse Gas Protocol (GHG Protocol). Some conversion factors and information about the primary energy distribution are based on the databases of Statistics Finland and the Global Reporting Initiative.

In 2011, Cargotec's greenhouse gas emissions totalled approximately 39,000 carbon dioxide equivalent tonnes (CO₂ eqv.t). Greenhouse gases are calculated based on the direct and indirect energy consumption.

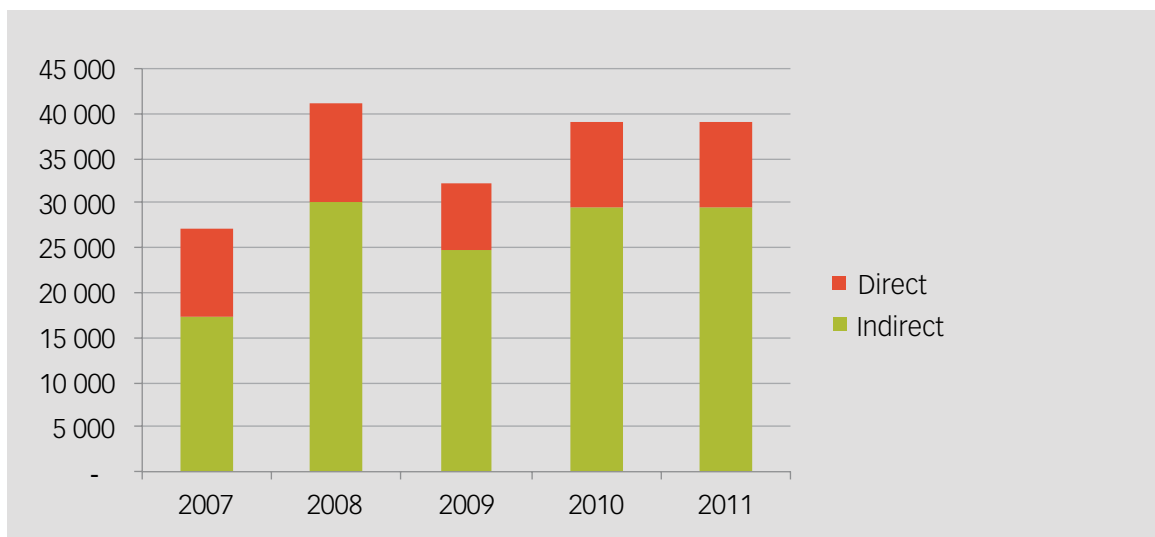


Figure 4. Greenhouse gas emissions by type of energy consumption in CO₂ eqv. t

In 2008, Cargotec began to follow up the greenhouse gas emissions generated by business travel. During the first stage, only the greenhouse gas emissions from air travel were followed up for approximately 65% of the flights by Cargotec personnel. In 2011, the greenhouse gas emissions from air travel totalled approximately 11,400 CO₂ tonnes. Based on this, it can be estimated that the total greenhouse gas emissions from all Cargotec flights total approximately 17,500 CO₂ tonnes. The calculation model for greenhouse gas emissions from air travelling is based on the United Kingdom Department for Environment, Food and Rural Affairs (Defra) guidelines 2008.

Other air emissions

Other emissions into the air include volatile organic compounds (VOC), nitrogen oxides (NO_x), sulphur dioxide (SO₂), hydrocarbon and particulate matters (PM). Together, VOC and NO_x emissions form 99% of other air emissions. In 2011, VOC emissions totalled 62 tonnes, NO_x emissions only 3 tonnes. The amounts of SO₂ and PM account for less than 1% of the emissions.

In most cases, national authorities have set limitations on these so-called traditional air emissions. Air emission figures in this report consist of the emissions that require an environmental permit or similar and which are controlled by the authorities.

Some of these emissions result from the operations of Cargotec's subcontractors working on Cargotec sites. For example, painting is outsourced in many units. However, Cargotec is willing to take responsibility for the way in which its subcontractors operate. For this reason the figures in this report include the emissions due to subcontractors working on Cargotec sites.

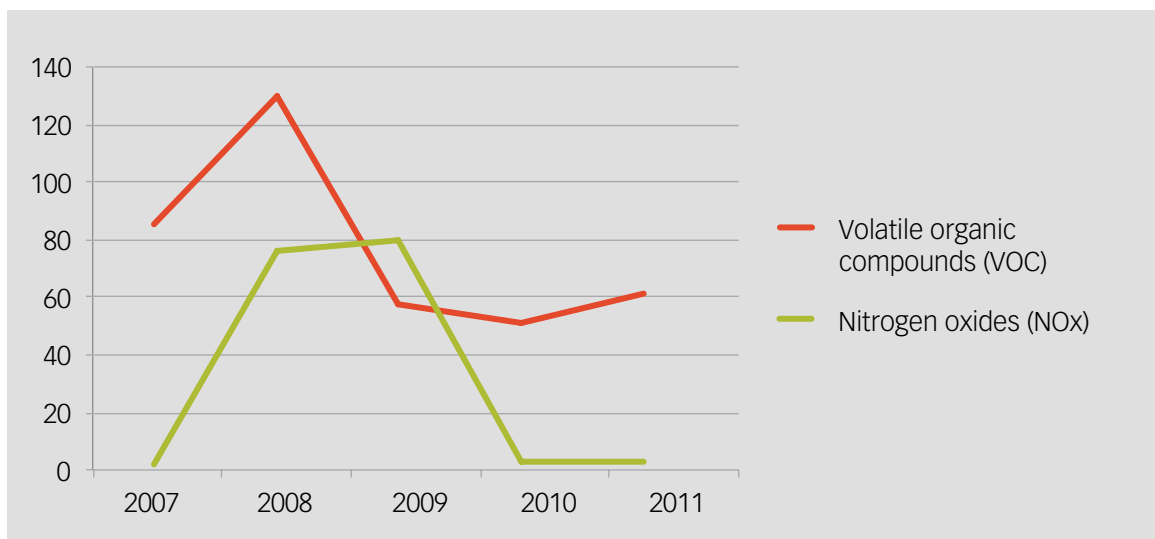


Figure 5. VOC and NO_x emissions in tonnes

Waste

The total amount of waste in 2011 was approximately 11,700 tonnes. Most of this waste is recyclable. Waste treatment methods depend on the waste regulations of the country in which the unit is located. Cargotec is cooperating with specialised waste handling partners in order to enhance waste treatment and recycling to the most effective and reasonable level possible at all Cargotec units.



Figure 6. Waste by waste type in tonnes

Injuries

The industrial injury frequency rate (IIFR) has continued to decrease and was 16 injuries per million hours worked in 2011¹. The total number of injuries at assembly units was 113. Since 2007-2008 injury figures were not reported according to uniform corporate practices, these are not included in this report in order to avoid inconsistent figures. Cargotec is in the process of harmonising health and safety reporting.

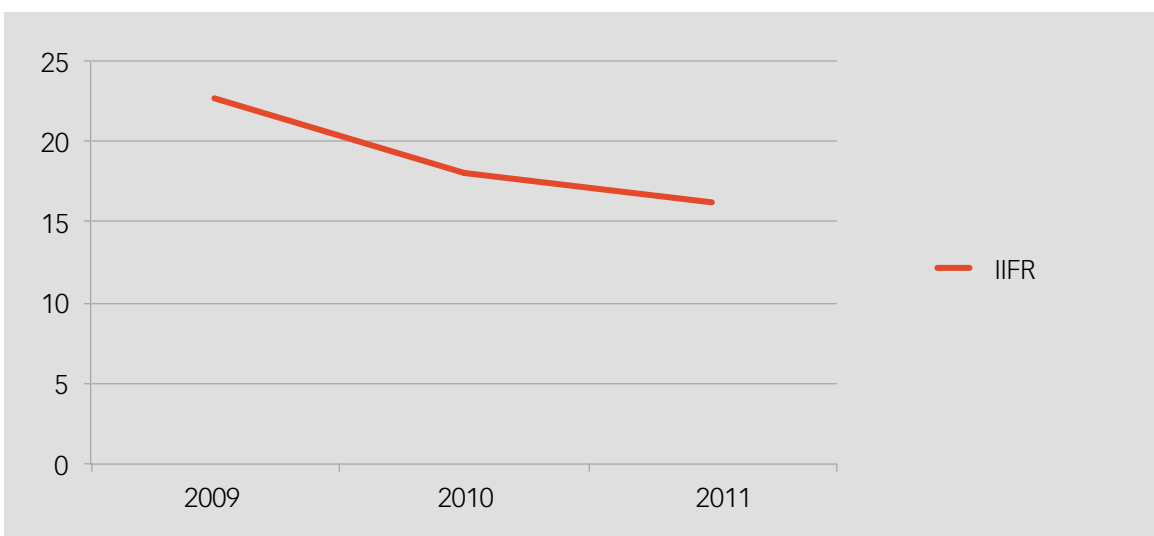


Figure 7. Industrial injury frequency rate (IIFR)

¹ Office workers have not been included to injury statistics.