

The image shows the cover of the Hobart Sustainability Report 2019. The background is a photograph of a modern, long industrial building with a large glass facade and a covered entrance. In the foreground, the word 'HOBART' is written in large, white, 3D block letters on a paved area. The sky is blue with scattered white clouds. In the top right corner, there is a dark blue rounded rectangle containing the Hobart logo and the report title.

HOBART

**SUSTAINABILITY
REPORT 2019**

The efficient use of resources needed to manufacture and operate our products has always been integral to our products.

Resource optimization is one of the major features of our products and at the center of our customers' concern. The aim of this Sustainability Report is to provide information on the relevant improvements that we have implemented in our products as well as in their development and production processes.

Continuous improvement through constant optimization, as practiced at HOBART for years, is currently expressed among the public by the fundamental idea of "MORE LESS".

In our opinion, fewer emissions and lower consumption cannot be the only yardstick for all things. In order for us to continue our involvement in sustainable development, we wish to trigger and actively guide public discussion in this direction on a broad basis.

The aim of this Sustainability Report is to stimulate discussion and motivate the public to offer their judgment as to how effective our activities are regarding environmental protection.

A handwritten signature in black ink, appearing to read "A. Beck", is positioned above the printed name and title.

Axel Beck, General Manager

With this environmental and energy policy, HOBART GmbH commits to further reduce energy requirements and the resulting CO2 emissions. In order to meet this responsibility even more and to ensure continuous improvements, HOBART Germany has introduced an environmental and energy management system.

In addition to a successful business policy, the basis for the success of our company is the maintenance and adherence to our own ambitious environmental standards, which are fundamentally defined by the Code of Conduct of our ITW Group, irrespective of an associated obligation to adhere to the legal requirements and obligations of our customers.

Thus, it is possible for HOBART to monitor the claim respectively the emergence of environmental or energy-related variables by targeted analysis and determine adherence to environmental and energy policy as well as to initiate and document corrective action in case of deviation.

Findings realized from this flow into a continuous improvement process.

It is the management duty to promote environmental awareness of employees at all levels, defining competences and responsibilities. In order to avoid environmental deficiencies, environmental targets are derived by environmental and energy policy, environmentally relevant activities are defined and the effectiveness of the resulting measures is being assessed. Adherence to environmental and energy policy is ensured by regular management reviews.

Potential environmental impacts from changes in activities, products and processes are taken into account in advance. Local effects of current activities are considered as well as the handling of hazardous substances and the noise development at the location. At the same time environmental aspects are being considered.

Water savings and waste reduction are being forced as well as energy savings by means of conscious energy management. The future-oriented handling of all resources includes the avoidance, reduction and recycling of the used raw materials in order to minimize ecological damage. We achieve this by the consequent use of preferably environmentally friendly technologies. Possible deviations from normal operation and emergency plans prevent negative effects on the environment are taken into account.

Energy saving as well as sustainable energy supply provide an important basis at HOBART for achieving the aspired environmental and energy goals and they are constantly being monitored.

Ongoing, product-related advice to our customers on the environmentally friendly handling and disposal of our products under environmental aspects is also part of HOBART's environmental maxims. Close cooperation with the authorities and organizations in prevention is also self-evident for HOBART as well as the information and open dialogue with the public and the neighborhood about the environmental impact of the company's activities. In cooperation with our external partners we also involve them into our environmental protection concept and encourage them to provide active support.

To achieve our fundamental goals, active participation of all corporate departments is indispensable. It is just as important to have all employees well informed in regard to ecological questions. Every employee of the company has to contribute to the protection of the environment and has to be aware of his or her responsibility. Environmental protection is a dictate of individual initiative and responsibility.

- All activities and information to take due account of the environmental aspects and of relevant legal regulations.
- The company's environmental and energy aspects orientation has been incorporated in the existing organizational structures or added as an amendment; this is considered a basic requirement of a working environmental and energy management system.

HOBART has had ISO 9001 certification since 1996.

Certifications in accordance with the requirements of ISO 14001 and ISO 50001 followed in 2012. In order to check conformity with the standard, regular monitoring audits are carried out by TÜV Süd. The requirements of ISO 9001, ISO 14001 and ISO 50001 are audited again at regular intervals. This auditing confirms that Hobart GmbH has introduced, implemented and continuously improved an integrated management system.

- The clear assignment of responsibilities by company management is a key to the successful achievement of its environmental targets. These responsibilities are coordinated by the Environmental and Energy Management officer, and are described in the management handbook.
- In order to continuously improve the environmental performance of our products and processes, we regularly define environmental and energy goals that need to be achieved.

- The scope of these environmental and energy goals is determined by our environmental and energy policy. An environmental program is to be drawn up to reach these goals, and the continuous implementation of its goals will be checked by environmental audits.
- If any deviations are determined by the management in the course of these regular environmental audits and Management Reviews, appropriate corrective measures will be defined. These are laid down in writing and integrated for implementation in the environmental program.
- This system allows us to achieve a continuous process of improvement, both in the operative and in product-related protection of the environment.
- The aim of this Sustainability Report is to reveal our environmental performance to the public.

Company management
 Defining environmental and energy policies / Management – Sustainability goals / Overall decision-making body Management Reviews

Environmental Management Officer (UMB) / Energy Management Officer (EMB)

- Centralized controlling
- Internal audits/reporting
- Managing the action plan, including regular reviews/definition of actions
- Drafting sustainability reports
- Managing environmental law regulations
- Energy monitoring

Operational logistics (BLO)

- Advice from factory side / supporting UMB/EMB
- Collecting relevant environmental data
- Managing the energy monitoring system
- Emission testing

Purchasing

- Selection, build-up, development of and intensive cooperation with strategic suppliers for improvement of supplier performance
- Among suppliers offering the same price & service, ISO 14001 & ISO 50001 certified companies are preferred.
- Introduction of and commitment to APQP processes.
- Improvement of the average “hard facts“ for those suppliers with whom we do 80% of our business, compared to previous year’s supplier development.

Production

- Project plant extension (focus on energy, environmental, and labor safety aspects).
- Avoiding hazardous material, safe handling of hazardous material.
- 50% reduction of occupational accidents.

Marketing

- Communication of the potential savings of water, chemical agents, and energy customers can achieve by using HOBART warewashing technology.
- Analysis of the specialist dealers regarding the nominal ecological significance of sustainability and ecology in a sale, as well as of other purchasing decision criteria.

Design & development

- Vision “Washing without water”: reduction of the CO2 emissions in the product lifecycle
- Active cooperation with the EU Commission and with equipment manufacturers for implementation of the EU regulation for strategic reduction of CO2 emissions of commercial dishwashers.

Human resources

- Final implementation of the introduction of a leadership model
- Reduction of the illness rate by introduction of a corporation-wide absence management
- Promotion of long-term employee commitment and recruitment of junior employees to reduce the average age of the staff to counteract the demographic change



Our History OVER 100 YEARS OF HOBART

- 1883 Charles Clarence Hobart builds his first engines in Middletown, Ohio
- 1897 Foundation of the HOBART Electrical Manufacturing Company
- 1926 The first warewashing machine carrying a HOBART label
- 1953 HOBART receives the patent for the first flight-type dishwasher



Our History

OVER 100 YEARS OF HOBART

- 1960 HOBART begins production in Offenburg
- 2007 PREMAX line – a new chapter in the annals of dishwashing technology
- 2011 Building of new international research and development centre
- 2019 Expansion of the production by a further 12,000 sqm

Divisions:

- WAREWASHING
- COOKING
- FOOD PREPARATION
- ENVIRONMENTAL ENGINEERING
- SERVICE

Products made in Elgersweier:

Undercounter machines	hood machines	universal warewashers
basket transport warewashers	conveyor-type warewashers	automatic warewashers
utensils wash systems	waste treatment facilities	conveyor systems



The plant is divided into three sections: **incoming goods deliveries, production,** and dispatch. Production comprises the fields of sheet metal construction, welding, and assembly.

The **product development** department for Europe is located at the company's competence center in Offenburg-Elgersweier.



Our products are characterized by their high quality and service life; for this reason, our warewashing equipment is primarily manufactured from stainless steel.

1. The raw stainless steel sheets delivered to the factory are subjected to initial processing by waste-optimized computer-controlled laser cutters.
2. Now, the housings are made by bending and welding of the pre-cut parts.
3. In the assembly step that follows, parts made on the premises are combined with bought-in components.
4. A final test run of the finished machine ascertains its correct operation.
5. Immediately afterwards, the machine is dispatched either directly to the customer, or via a logistics center.

Direct environmental aspects	Effects/ load on the environment	Priority	Controllability
Total energy consumption on site	Use of resources, CO ₂ emissions	A	I
Total gas consumption on site	Use of resources, CO ₂ emissions	A	II
Total water consumption on site	Waste water	A	II
Waste material (metal and non-metal)	Use of resources, CO ₂ emissions	B	I
Stainless steel waste	Use of resources, CO ₂ emissions	A	II
Production / utilization	Contamination of surface water/soil	C	II
Diesel consumption	Use of resources, CO ₂ emissions	A	II
Hazardous substances	Health risk, environmental pollution	A	I
Increased material efficiency of the products	Use of resources, CO ₂ emissions	A	II

Key:

A = high priority

B = medium priority

C = low priority

I = easy to control

II = relatively easy to control

III = difficult to control

Direct energy aspects	Effects	Priority	Controllability
Reducing energy consumption	Energy savings	A	II
Leakage recognition compressed air / gas	Energy savings	A	I
Use of energy-efficient production machines	Energy savings	B	III
Implementation of energy-efficient manufacturing processes	Energy savings	B	III
Use of energy-efficient units / operating systems	Energy savings	A	II
Optimization of work processes	Energy savings	A	III
Climate control in the buildings	Energy savings	B	III
Heating management in the buildings	Energy savings	B	III
Building refurbishment	Energy savings	B	II
Building extension / new buildings	Energy savings	B	I
Disciplined behaviour of the staff	Energy savings	A	II
Energy consumption lighting	Energy savings	A	I

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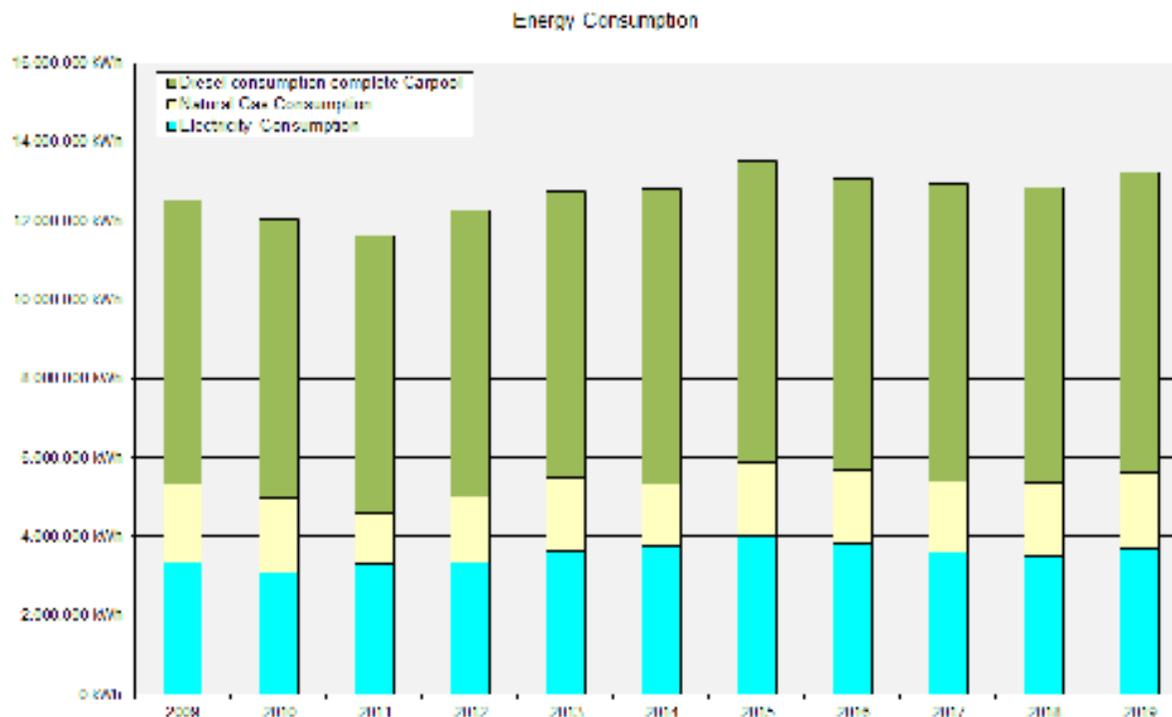
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We use primary energy in the form of electrical energy, diesel and natural gas.

- **Electrical energy** is primarily used to operate the production plants, generation of compressed air, air conditioning of the offices, and for testing our products.
- Our service vehicles have **Diesel** engines.
- **Natural gas** is used to operate our heating system and to generate steam and hot water for the test stands.



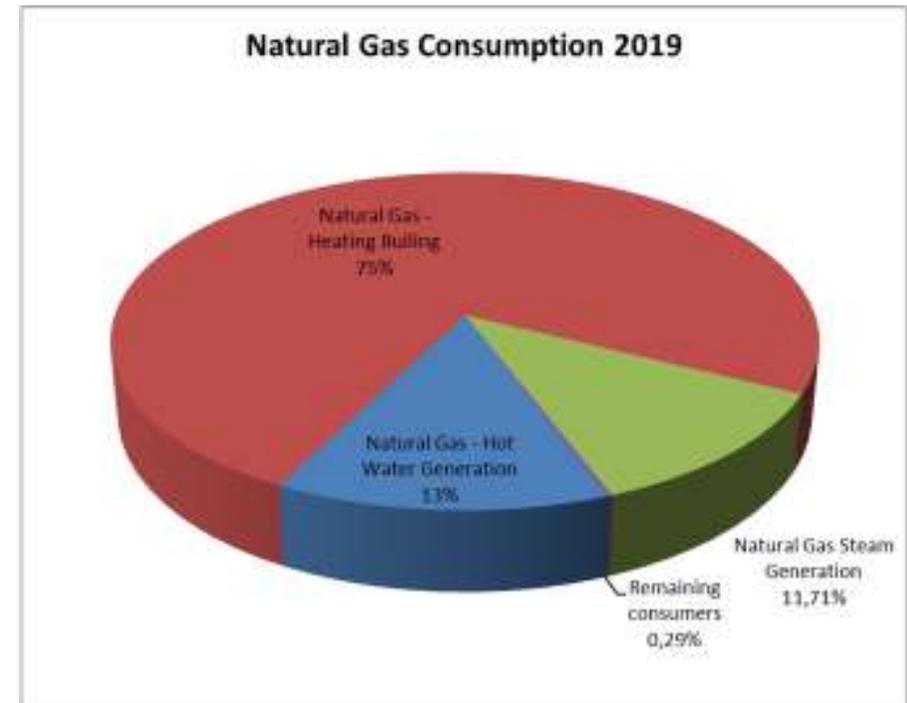
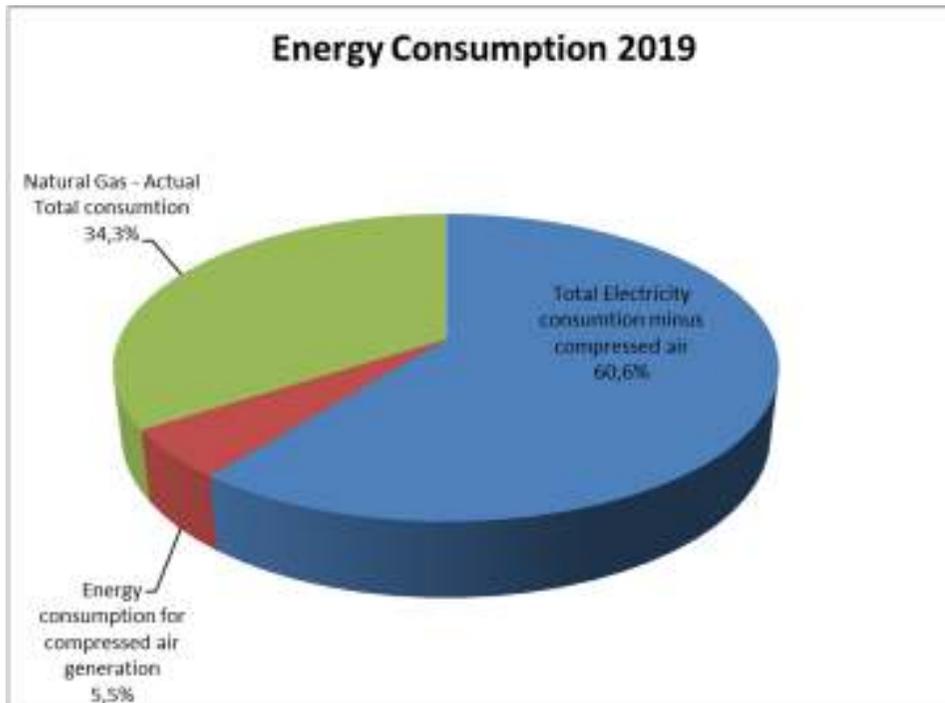
- From 2012: Permanent implementation of measures to increase energy efficiency
- Expansion of the fleet to include energy-efficient vehicles from 2013: Total consumption remained almost constant despite the larger fleet.
- In 12/2019 opening of the plant extension with a further 11,000 square metres of production area.

Areas with significant energy use

Areas with significant energy use	Personnel with influence on energy consumption	relevant variables
machinery sheet metal prefabrication, - laser cutting machines	Machine operator, programmer, factory manager	production hours
complete lighting	All employees, BLO	production hours
Production of compressed air	Production employees, BLO	production hours
air-to-water heat pump	Employees of the South Plant 1, 2 and East Plant, BLO	production hours
Building heating	admin. employees,	heated surface
Hot water production	All employees	headcount,
Service cars	Sercive technicians	driving kilometer, Number of vehicles
Other cars	Employees with company car	driving miles, Number of vehicles

Distribution of energy consumption

See the following diagrams for the distribution of the energy consumptions at the Elgersweier plant. For several years already, the use of the HOBART energy data monitoring has enabled us to check and compare the gas, power and water consumption at the Elgersweier plant. This monitoring is continuously refined so as to be able to break down the needs even more accurately and broadly and to counteract disruptions/irregularities. Furthermore, these data serve as basis from which further possibilities to save energy can be derived.



We obtain our drinking water from the municipal water supply. The composition of the waste water corresponds to that of domestic waste water. A large proportion of our waste water is used in our bathroom facilities. The Energy Data Monitoring System also supplies detailed information on the water consumption.

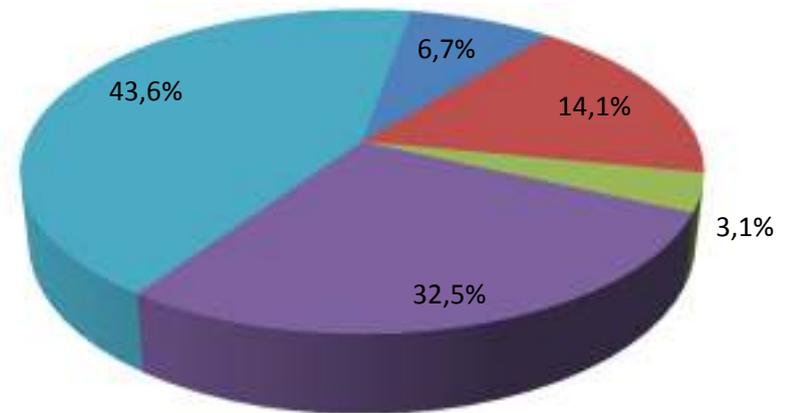
The high water consumption of our Innovation Centre is attributable to long-term tests of newly developed machines.

We are unable to reduce the level of testing because to do so would risk product quality. The diagram on the right shows a significant reduction of the water consumption per employee and day at Elgersweier site compared to 2013. This is the result of the respective changes to the sanitary facilities.

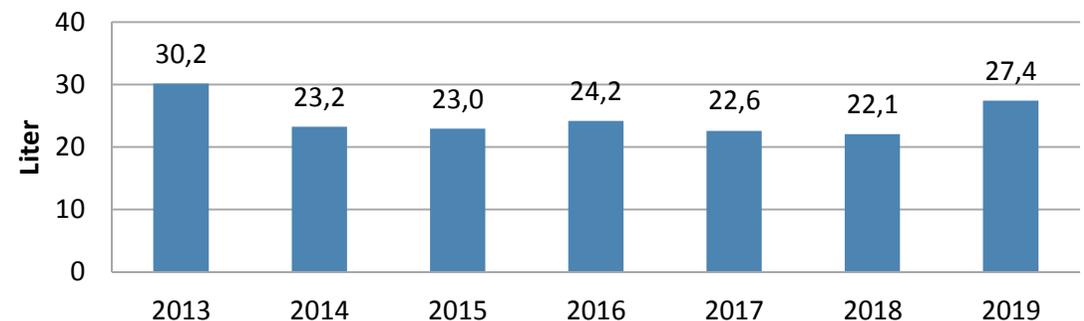
HOBART's focus is clearly on reduced consumption of water, energy and chemicals during the actual operating phase of our products.

Water Consumption in m³ 2019 complete

- Water Consumption Test Stations F1
- Water Consumption Test Stations South Extension of Building
- Water Consumption Test Stations F3
- Water consumption Innovation Center
- Water Consumption for social expenditures (Employee, canteen)



Water consumption per employee per day in liter



A significant proportion of our refuse is **recyclable**.

By **waste-optimized sheet metal cutting**, the amount of Cr/Ni refuse is reduced to a minimum.

The majority of purchased parts are delivered in reusable packaging or in **multi-unit packs** rather than single packs.

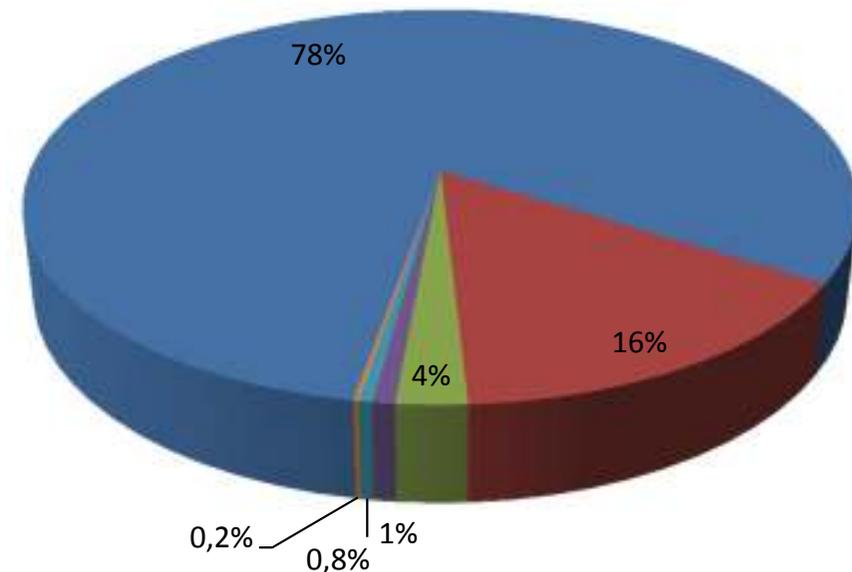
Returned machines are dismantled and the materials sorted and **recycled**.

At all waste collection points, we provide a set of containers that are clearly labelled to ensure proper separation of the refuse. **Waste separation** is clearly described in the **HOBART Guide to Waste Disposal** and is discussed during the annual training sessions attended by every employee.

See the diagram below for the ratio of all materials recycled at HOBART in full year of 2019.

The major part is attributable to **stainless steel waste** from the sheet metal machining center. By means of continuous efforts to implement waste-optimized sheet metal cutting, it is **reduced to an unavoidable minimum**.

- Stainless Steel scraps
- Metallic components / parts (scrap iron)
- Electric Motors
- Mixed Metals
- Packaging paper and cardboard
- Electrical Cables
- Copper, Bronze, Brass, Alu



Air

Air-contaminating emissions are mainly caused by the heating system, which is subject to regular emissions monitoring.

The used air from the laser cutters is treated by a special filter system before being returned to the open air.

The same goes for the waste air from the belt grinders, which is returned to the room air.

Noise

Noise emissions at the works are monitored regularly. The major sources of noise are the die cutters, hand sanders, tube saws, and the Troval system. This unit has been encapsulated to reduce the internal noise level.

The internal noise level has been reduced further by installing sound-absorption panels in the more noise-intensive areas. All noise sources are located inside the buildings. We never had any complaints from neighbours regarding our noise levels.

Soil

The Elgersweier plant was built on former farmland which was free of any contamination. Since its establishment in 1980, HOBART has continually adopted protective measures to avoid potential soil contamination.

Care is taken that suitable collection and retention vessels are used when storing and transporting substances that may be hazardous to water so that spillage is effectively prevented.

The surrounding green spaces are maintained on a regular basis by a landscape gardener.

Hazardous substances management

The use of hazardous substances always poses a risk to people and the environment. For this reason, the quantities of such substances must be reduced to a minimum while continuously searching for environmentally friendly alternatives.

The hazardous substances management system introduced by HOBART ensures that only substances that are absolutely necessary are used and stored at our premises. Clearly described processes ensure that no uncontrolled hazardous substances are used anywhere in our factory.



Indirect environmental aspects	Effect on the environment	Priority	Controllability
Energy consumption during operation of products ¹	Use of resources CO ₂ emissions	A	I
Water consumption during operation of products ¹	Waste water	A	I
Use of chemicals in cleaning process	Contamination of waste water	A	I
Packaging / disposal	CO ₂ emissions, use of resources	B	II
Logistics	Use of resources CO ₂ emissions	B	II
Environmental performance of suppliers and partners	Emissions, wastes	B	III
Environmental awareness of workers	Emissions, wastes	B	I

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¹ For assessing the environmental aspects, HOBART GmbH focuses on the product life cycle of its machines. More than 90% of resources are used during the operation of the products, with only a small proportion of resources used for production/transport.

In the development of our products, we take into account the following product-related environmental aspects:

- A **reduction in energy consumed** in the operation of our products is achieved for example by optimizing the heat systems, applying heat insulation to surfaces, and employing efficient heat recycling systems and heat pumps.
- The innovative "**PERMANENT Clean Automatic Soil Removal**" system allows for the continuous removal of dirt from the machine. This ensures that the wash water remains clean and effective so that there is no need to renew it. This significantly reduces the consumption of water, energy and chemicals during machine operation.
- The amount of chemicals required to operate warewashers (detergent and rinse aid) is directly proportional to the volume of water consumed. A **reduction in water** consumption therefore results in a lower consumption of **chemicals**.
- A reduction in water, power and detergent consumption is achieved by **intelligent washing systems**. Faulty operation by the user is eliminated by innovative technology, and reduces the consumption to a necessary minimum.
- The packaging required for **transporting** the products is made from **recyclable materials**.
- When choosing the materials for the production of our machines, we take into account their **environmental impact and sustainability**.
- We are increasing the capacity of our production plants **without increases in the use of resources**.



The world's first TWO-LEVEL-WASHER

With the slogan “Sometimes double doesn’t make sense. Sometimes it does.” in 2019 the world's first TWO-LEVEL-WASHER was presented. **The newly developed dishwasher has a second wash chamber for simultaneous washing. This means two levels are available for double the washing volume. It is another great benefit that the TWO-LEVEL-WASHER with its compact design does not take up more space in the kitchen than a conventional dishwasher.**

Maximum flexibility: washing different wash ware at the same time

Whether plates, coffee cups or GN pans: The HOBART TWO-LEVEL-WASHER not only increases the volume but also the flexibility in terms of different types of wash ware. For example, while porcelain plates are being washed in the upper level, the bottom chamber of the dishwasher provides space for saucers, pans, cooking pots, cutlery or salad bowls. The kitchen staff save lots of time and have different wash ware ready for reuse when they need it.

Space-saving wash organisation: Suitable and functional for every scullery

Heavily encrusted food on cutlery and cooking utensils is one of the most challenging tasks. To clean the wash ware, manual pre-treatment in a sizeable sink is usually required. The space for this, however, is often not available in small kitchens. The TWO-LEVEL-WASHER impresses not only with its compact design, but also with its range of several wash programmes. Thus, while cups and plates are washed in the upper chamber, heavily soiled wash ware such as pots, pans or cutlery is washed in the bottom chamber with the specially developed utensil wash programme. Thanks to the extended washing duration, the soaking effect is integrated into the washing process. Pre-treatment of the wash ware is therefore no longer necessary. Up to three racks can be washed in the upper wash chamber at the same time.

HOBART WASHSMART app: Key features at a glance

With the new HOBART WASHSMART app, a comprehensive overview of the status of your TWO-LEVEL-WASHER is available at a glance. Among other features, the app informs the user well in advance of maintenance due dates and indicates the current operating costs and chemical consumption. Based on this data, the user can avoid standstill and re-order consumables directly via the app. It is also possible to contact the HOBART customer service or an approved service partner directly. WASHSMART furthermore provides illustrated instructions so that users can troubleshoot minor faults themselves.



Product-related objectives

Protecting resources

- Energy savings of up to 20% for conveyor dishwashers
- Energetic optimization of the warewashing process in undercounter machines

Customer benefits due to reduction of investment and installation workload

- Reduction of the total connected load of the machine
- Reduction of chemical consumption

User friendliness

- Easy, self-explanatory operation

Increasing efficiency

- Increase of the output capacity without increase in the use of resources
- Optimization of the warewashing processes in canteen kitchens

Intelligent dishwashing

- Use of sensors to check the soiling of the washwater and to adjust the detergent quantity accordingly

Increasing material efficiency

- Resource-saving design

HOBART's objectives

Reduction of overall energy consumption at the Elgersweier site

- Reduction of the indicator energy consumption/hour in 2018 by 11% compared to the starting basis, i.e. the energy situation in 2013

Investment in low-energy workshop lighting (LED)

Reduction of effects on the environment by transparent analysis and optimization of the flow of commodities

- Transport Management System within the ITW group

'Green sourcing'

- Constant consideration of environmental aspects when buying products and services

Service

- Reduction of the CO₂ emission by optimization of the company fleet

INNOVATIONS



DESIGN



ENTREPRENEURIAL FORESIGHT



PRODUCTS



The aim of our Sustainability Report is to provide information for the benefit of our customers, neighbors, suppliers, employees, and fellow citizens, concerning our environmental protection activities. We invite you to enter into a dialogue with us. We are fully aware that all our activities are being conducted in our shared environment.

The information contained in this Sustainability Report is updated every year. In the interest of reducing the consumption of resources, we publish our Sustainability Report on our website on the internet, at www.hobart.de.

Published by:

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