

ESG engagement case study

Protecting health & safety at Ammega

Ammega

Industry vertical: Goods & products

Location: Global, HQ in The Netherlands

Investment year: 2018

For more information on the company visit:

<https://www.ammega.com/>

Read our Corporate Sustainability Report here:

<https://www.partnersgroup.com/en/sustainability/>



100% of employees receive health & safety training

>60% decrease in Lost Time Injury Frequency Rate

90% reduction in the number of serious incidents

Overview

Ammega is the global leader in mission critical industrial power transmission and lightweight process and conveyor belting. It operates in 51 countries and has over 50,000 customers globally in more than 50 resilient and growing end-markets including food, pharma, and logistics/e-commerce. The company has around 5,600 employees and operates 24 manufacturing sites and a worldwide distribution and servicing network across 150 countries. Partners Group invested in Ammega on behalf of its clients in 2018.

ESG engagement focus area: health & safety

During the acquisition process, we conducted ESG due diligence and found that Ammega did not have a unified health & safety system across the organization. Based on this finding, we committed to improving Ammega's health & safety system during our ownership.

As a first step, our ESG & Sustainability team worked with Ammega's Operations team and its Health, Safety and Environment Director to conduct a review of the company's health & safety culture and performance on key health & safety metrics. Based on the review, we defined a five-year health & safety vision with an ambitious goal to reach zero harm by 2025. To operationalize this vision, we developed a health & safety policy to improve the standards across

Ammega's operations. Ammega's Health, Safety and Environment Director oversees the implementation of the policy across the entire organization. In addition, the company ensures that 100% of its employees receive site-specific health & safety awareness trainings, record all incidents and near misses, and have access to adequate safety equipment. Finally, Ammega has instituted monthly on-site safety walks to actively reduce workplace health & safety risks and prevent future injuries.

Since Partners Group's involvement, Ammega has made significant progress in improving health & safety. Between 2018 and 2020, its Lost Time Injury Frequency Rate (LTIFR) improved from 3.21 to 1.20, outperforming the company's 2020 target of 1.79. This is below the lower limit of the top quartile in Ammega's industry of 1.88. In the same timeframe, Ammega also reduced the number of serious incidents from ten to one per year. In addition, employees are now able to record incidents and near-misses using the company's specialized incident reporting platform; between 2019 and 2020, the number of safety observations per employee increased by 10%. The visibility it has on these safety observations enables Ammega to identify opportunities for improvement before incidents occur, and the current trend indicates that the health & safety culture at Ammega is developing positively. To incentivize continued progress, Ammega has linked annual bonus compensation for management to its health & safety KPIs.

Thanks to the implementation of these initiatives, Ammega has become a best practice example in our portfolio. We are replicating Ammega's approach and have shared their policies and practices with other assets. In 2021, we will continue to work with Ammega on a full range of sustainability topics and make it a top performer throughout the sustainability spectrum.

"We are proud of the positive impact we are having on Ammega's health & safety culture. By transforming the company's culture, we are creating value that will last beyond our ownership period, enabling the company to continue in its path of sustainable growth for its business and for its employees."

Ralph Schuck, Managing Director, Private Equity Goods & Products

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