

SASB Index

Applied® is classified in the Industrial Machinery & Goods industry per the SASB Sustainable Industry Classification System (SICS). In addition to information on the metrics prescribed by this industry standard, Applied is publishing detail on emissions arising from our vehicle fleet due to its significance to our operations. Unless otherwise noted, data is for U.S. operations only.

Topic	Accounting Metric	Code	Unit of Measurement	Response - FY2020
Energy Management ¹	Total energy consumed	RT-IG-130a.1	Gigajoules (GJ)	101,400
	Percentage grid electricity	RT-IG-130a.1	Percent	100%
	Percentage renewable ²	RT-IG-130a.1	Percent	0%
Employee Health & Safety	Total Recordable Incident Rate (TRIR) ³	RT-IG 320a.1	Rate	0.99
	Fatality rate	RT-IG 320a.1	Rate	0.00
	Near Miss Frequency Rate (NMFR) ⁴	RT-IG 320a.1	Rate	0.14
Fuel Economy & Emissions in Use-Phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1		N/A ⁵
	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2		N/A ⁵
	Sales-weighted fuel efficiency for stationary generators	RT-IG-410a.3		N/A ⁵
	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	RT-IG-410a.3		N/A ⁵
Greenhouse Gas Emissions	Gross global Scope 1 emissions ⁶	TR-RO-110a.1	Metric tons (t) CO ₂ -e	19,000
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-IG-440a.1	Discussion and Analysis	See the <i>Conflict Minerals</i> portion of the Corporate Social Responsibility statement as well as Form SD (available at our Corporate website) which provide detail on management of these resources
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing service ⁷	RT-IG-440b.1	Currency - USD	See associated narrative in the <i>Sustainability Initiatives / Remanufacturing Services</i> section of our Corporate Social Responsibility statement
Activity Metrics	Number of units produced by product category ⁸	RT-IG-000.A	Currency - USD	\$2.24B
	Number of employees ⁹	RT-IG-000.B	Number	6,200+

¹These are approximate values based on Applied controlled electricity usage data

²Not reported as Applied is purchasing energy entirely from the grid

³TRIR is calculated net of the impact of any reportable cases which arose as a result of a COVID-19 diagnosis

⁴Applied is only capturing this information for our U.S. Distribution Center network at this time

⁵While Applied has medium- and heavy-duty vehicles in its fleet, as well as stationary generators at certain locations, we do not sell this type of equipment, therefore we are not reporting any information on this metric

⁶This detail includes approximate emissions from vehicle fleets in the United States and Canada

⁷Applied does not separately report revenue associated with repair and remanufacturing operations

⁸Applied has over 7M industrial products in a wide array of sizes available for supply to customers - as it is not practical to report on the number of units, we are reporting on global revenue from the Service Center-based distribution segment

⁹Reflects fiscal year-end global associate count