

# Sustainability at Novanta

WE ARE ON OUR WAY



**2019/2020**

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# FOREWORD

At Novanta, our vision is to deliver innovations that matter to our customers and enhance people’s lives. Our commitment to making a difference and to sustainable business practices is embedded in our culture, in our product development and manufacturing processes, and in our overall business model. Every day, we take responsibility for the people who work for and with us, the communities in which we operate, and our environment.

This responsibility and commitment are engrained in our culture, which we call the Novanta Way. It starts with cohesive teams that are collaborative, inclusive, and diverse, and that are aligned around the Novanta vision, mission, and strategy. We all live our Novanta values in our everyday work as these values provide the foundation for how we interact with our key stakeholders and with each other. We deliver on our values and strategic objectives through the Novanta Growth System, which is a common set of tools and processes for continuous improvement. We use these tools to produce a more sustainable, predictable, and successful Novanta.

We have been taking steady steps in the past few years to build the Novanta Way, which includes fostering a diverse and inclusive culture. But we recognize that we

need to accelerate our efforts. One of our aspirations is to reflect the diversity in the communities where we work, the customers we serve, and the world in which we live. We continue to invest in our culture, and its diversity and inclusion, and to cement this effort as one of our Environment, Social, and Governance (ESG) goals.

Our corporate sustainability efforts are not new. Throughout our company, we have pursued various efforts over the past few years. But what is new is that we are putting all these efforts under one umbrella and executing them in a more focused and coordinated manner, which we hope will yield

more meaningful and measurable results. Our employees, customers, and shareholders expect nothing less.

The information on the following pages highlights our actions to date. It is part of our commitment to be transparent, or in Novanta-speak, to “be real”, which is one of our core values. We are on our way and excited to incorporate sustainability initiatives into our day-to-day work and to ensure our efforts make a positive impact today and for future generations.

**Matthijs Glastra**  
*Chief Executive Officer*



We take responsibility for our environment, the communities in which we operate, and for the people who work for and with us



# DELIVERING INNOVATIONS — ACTING RESPONSIBLY

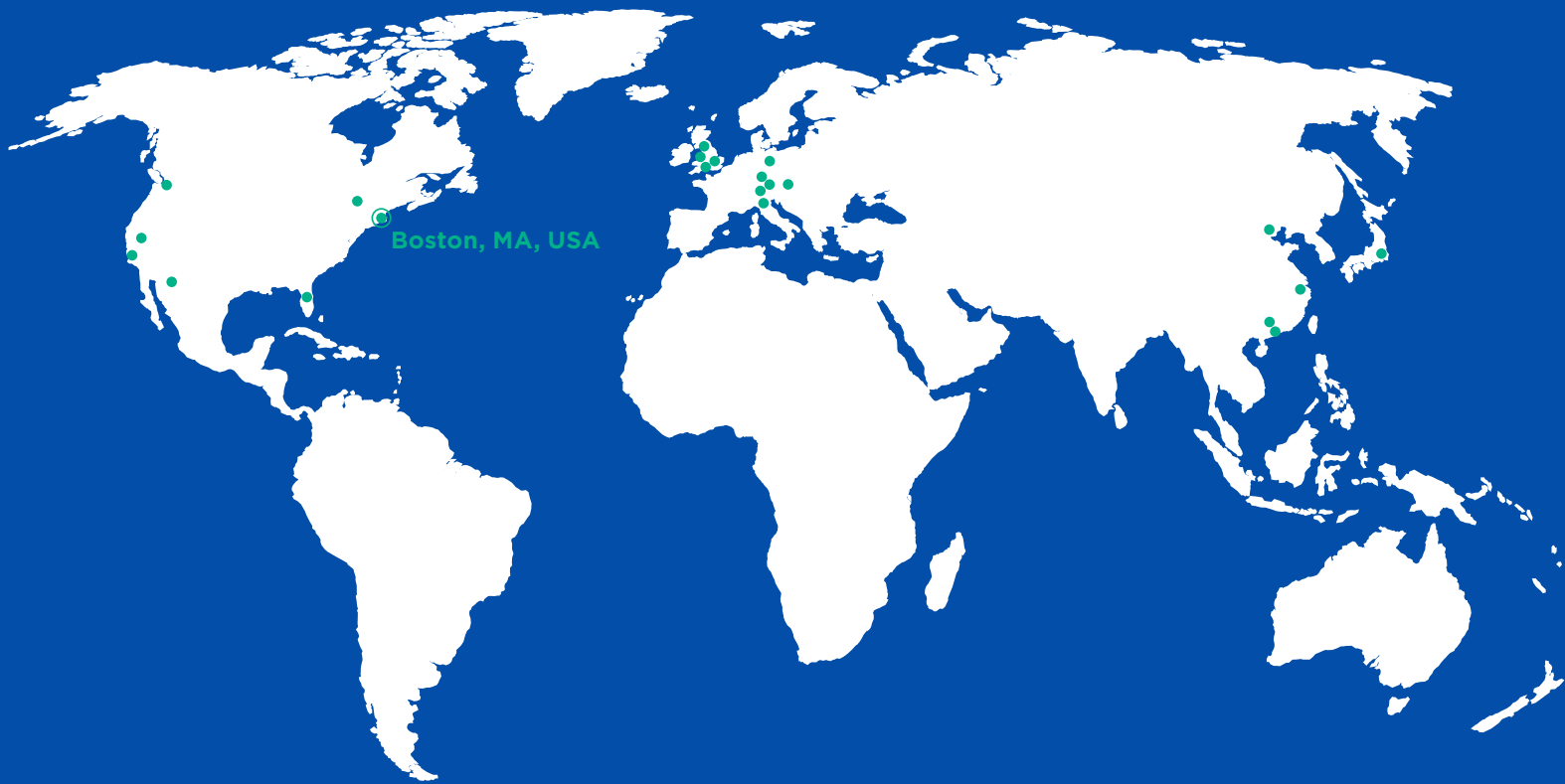
“We deliver innovations that matter” — our vision provides us with guidance for all of our tasks each and every day. We want to make the world better — whether for less invasive surgeries, state-of-the-art laser solutions, or powerful smartphones. Thus, it is only logical that we do so in a responsible, ethical, and sustainable manner. As a trusted technology partner for medical and industrial OEM (original equipment manufacturer) customers, Novanta’s mission is to deliver intelligent solutions for the most demanding applications that make a differ-

ence and are critical to success. More than 2,000 employees around the world contribute their respective expertise and passion for our customers.

This Novanta sustainability publication highlights the company’s sustainability strategy and its most important activities in 2019/2020.



We deliver innovations  
that matter





# OUR ORGANIZATION

## Our Organization and How We Help Making the World more Sustainable

Novanta focuses its experience and capabilities on intelligent, mission-critical solutions for OEMs in the growing medical technology and advanced industrial markets. In healthcare, our technologies help improve or even save people’s lives. In industrial markets, our technologies help create more eco-friendly applications.



### Photonics

Cutting-edge photonics-based solutions, including laser scanning, laser beam delivery, CO<sub>2</sub> laser, solid state laser, ultrafast laser, and optical light engine products, to customers servicing advanced industrial processes, medical and life science imaging, DNA sequencing, and medical laser procedures.

**Businesses: Cambridge Technology, Laser Quantum, Synrad**

### Application Examples:

- Coding of pharmaceutical and food & beverage packages: eliminates the need for ink or similar environmentally hazardous consumables that would require shipping and waste disposal; enables safety and traceability of critical supply chains
- Laser processing for a faded look of jeans: reduces chemicals and toxic waste; improves working conditions
- Laser cutting of PET: helps bring recyclable plastics to market and meet EU regulations for full recyclability of plastic packaging by 2030
- Electric vehicle battery welding for growing e-mobility
- DNA sequencing: enables early disease detection and sequencing of COVID-19 virus for vaccine development and identification of new virus strains



### Precision Motion

Advanced and leading precision motion solutions, including optical and inductive encoders, precision motors and motion control subassemblies, servo drives and controls, and air bearing spindles to customers serving the world’s most complex motion applications in medical, robotics, and automation.

**Businesses:** Celera Motion

#### Application Examples:

- Surgical robots for precise and complex surgeries
- Ultra-miniaturized servo drives with high power density for high efficiency in industrial robots
- Lightweight and space-saving drives for exoskeletons and wearables
- Ultra-light and precise encoder technology for low-emission electric motors in the automotive industry



### Vision

#### Detection & Analysis

Innovative machine vision technologies, radio frequency identification (“RFID”) technologies, barcode reader solutions, and spectrometry-based technologies for detecting, collecting, inspecting, tracking, and analyzing data/information for customers serving medical markets.

**Businesses:** JADAK

#### Application Examples:

- Solutions for PCR and molecular testing to detect COVID-19
- Essential to provide the appropriate diagnostic assessment and related health-care treatment to patients

#### Minimally Invasive Surgery

State-of-the-art medical-grade visualization systems, video processing technologies, wireless imaging solutions, medical insufflators, pumps, and related disposables for customers serving minimally invasive surgical and medical endoscopy applications.

**Businesses:** NDS, WOM

#### Application Examples:

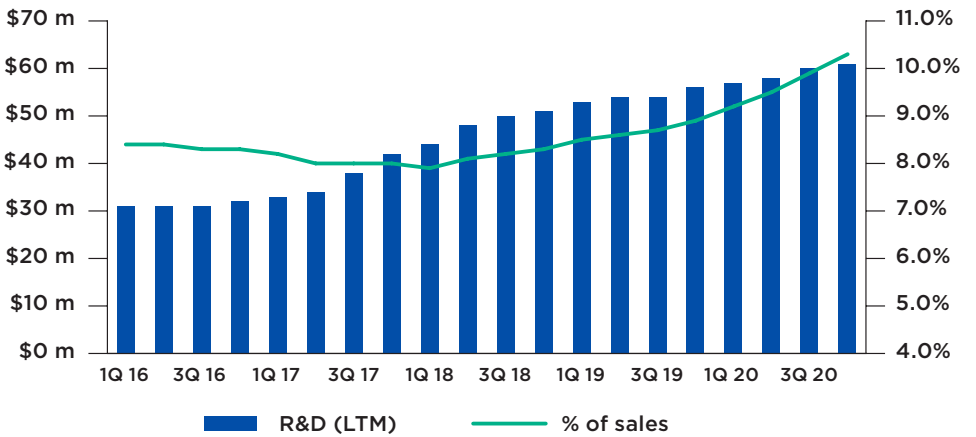
- Smoke evacuation technology to improve the health and safety of surgical staff by eliminating toxic surgical smoke, avoiding the health risks equivalent to smoking a pack of cigarettes a day
- Filter technology with HEPA filter (High Efficiency Particulate Airfilter) to protect operating room staff against COVID-19

# SELECTED KEY FIGURES

## Innovation

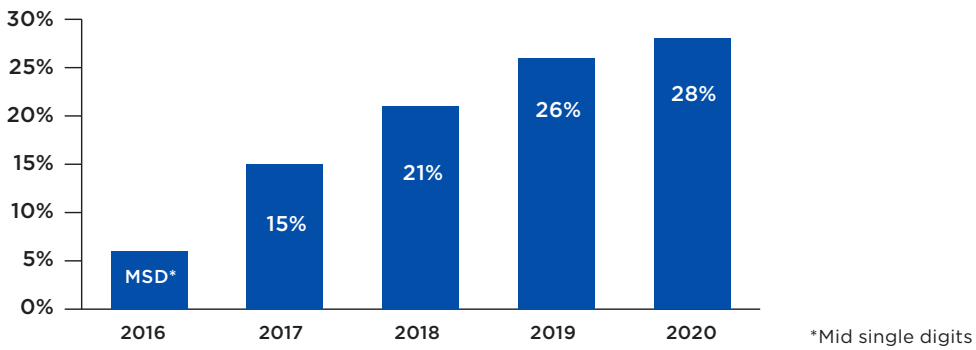
	2019	2020	Changes 2019-2020
R&D spending	\$56 m	\$61 m	+\$5 m
R&D ratio	8.9%	10.3%	+1.4
Sales	\$626 m	\$591 m	-\$35 m
Market ratio			
Medical/advanced industrial	55% / 45%	56% / 44%	+1/-1

## R&D Investment



## Vitality Index

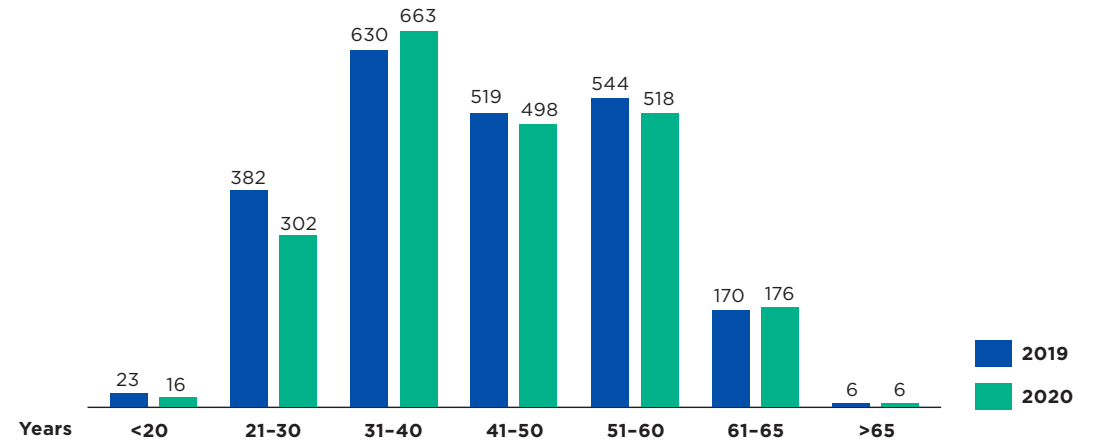
(Revenue from products introduced in last 4 years as % of total revenue)



## People

	2019	2020	Changes 2019-2020
Number of employees	2,274	2,179	-95
Board of Directors			
Gender diversity (f/m)	13% / 87%	25% / 75%	+12 / -12
Underrepresented groups	0% / 100%	13% / 87%	+13 / -13
Women/men ratio			
Total company headcount	35% / 65%	35% / 65%	0 / 0
Individual contributor positions	38% / 62%	37% / 63%	-1.0 / +1.0
Leadership positions	24% / 76%	25% / 75%	+1.0 / -1.0
Average age of all employees			
Total company headcount	43 years	43 years	+ / -0
Individual contributor positions	43 years	43 years	+ / -0
Leadership positions	48 years	49 years	+1
Employees trained on ethics	98%	96%	-2

## Demographics by Age





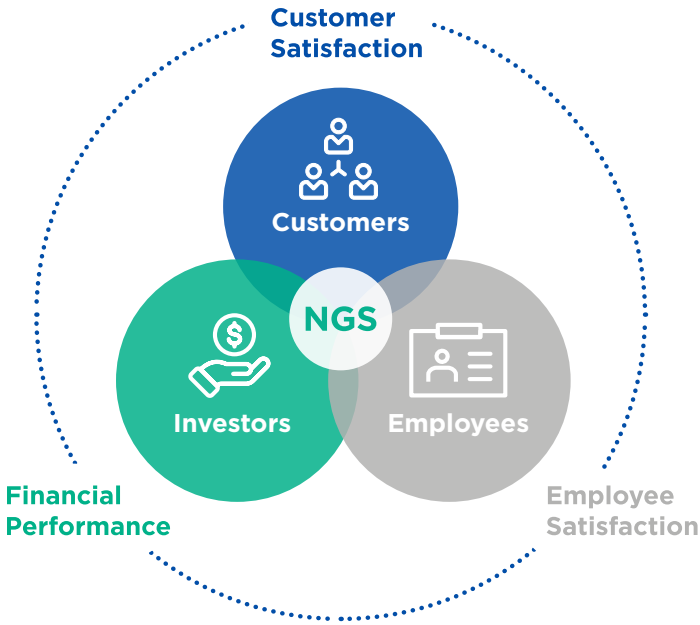
# OUR CULTURE: THE NOVANTA WAY

We believe that organizational health coupled with high-performance teams is the “Big Idea” that sets the tone for our Novanta culture. We have codified our approach with the Novanta Way, this is how we work together. And it defines the fabric of our culture and it starts with building cohesive teams. Our teams must be diverse and inclusive, based on trust, commitment, and accountability, and focused on achieving results. In an effort to actively manage our culture, we formed a Culture Council comprised of a group of employees, including senior leaders and executives, that acts on behalf of the company to implement the Novanta Way and ensure diversity, equity,

and inclusion are embedded in the Novanta Way. In addition, we believe diverse cohesive teams, who are engaged and aligned around the company vision and strategy, living our values and driving performance through the Novanta Growth System, are the key ingredients of our Novanta culture.

The Novanta Growth System (NGS) is a common way of working as a company, defines the common language, and helps to improve everyone’s mindset. It provides a set of tools and processes for deploying our strategy into developing innovative products and building commercial and operations excellence, which is a key competitive advantage. Company-wide functional specialist councils work together on the further development of process excellence. We deploy the tools and processes to specific target groups through NGS training.

We are guided by the Novanta Values, the glue binding our diverse organization together and the foundation for how we interact with customers, suppliers, shareholders, and each other. We have developed a Values Champion Recognition Program that allows every employee to identify individuals and teams across Novanta that go above and beyond their normal job functions, demonstrating and exemplifying our five core values.



## Our Vision

We deliver innovations that matter.

## Our Mission

Serve as a trusted technology partner to medical and advanced industrial OEMs delivering intelligent, mission-critical solutions in the most demanding applications.

## Our Strategy

WIN IN HIGH-GROWTH MARKETS

INNOVATION

DISCIPLINED ACQUISITIONS

NGS

NOVANTA GROWTH SYSTEM

BUILD THE NOVANTA WAY CULTURE

## Our Values

WIN WITH OUR CUSTOMERS

KEEP YOUR PROMISES

STRETCH FOR THE LIMIT

BE REAL

BE A GREAT TEAM

# COMPLIANCE OVERSIGHT AND SUSTAINABILITY MANAGEMENT



Please check our website for more information

Novanta’s business practices are subject to detailed policies and robust internal controls, which are overseen by Novanta’s Executive Leadership Team and audited by the Internal Audit function that reports directly to the Board of Directors. Novanta conducts risk assessments tailored to the nature of Novanta’s business operations on an annual basis and, where needed, modifies its policies and controls based on such risk assessments. In addition, Novanta provides periodic training to pertinent employees on policies and compliance standards to promote a compliance program consistently throughout the organization. Novanta maintains and publicizes the Novanta Compliance Hotline, a 24/7 web-based reporting system administered by an independent third party, for confidential reporting of actual or suspected misconduct without fear of retribution.

Novanta’s Corporate Sustainability management system reflects Novanta’s values and helps us to achieve our sustainability goals. Novanta has an established Corporate Sustainability Committee comprised of key leaders in the company, including the Corporate Officers, who meet at least quarterly. The committee is responsible for the strategic direction, global goals, and progress pertaining to the Corporate Sustainability program.



This program recognizes the importance of engaging with all stakeholders and the importance of our program to our customers, our vendors, our employees, our shareholders, and our communities.

Finally, Novanta’s Board of Directors monitors and provides oversight to our Corporate Sustainability program through its Environmental, Social and Governance Committee (formerly, the “Nominating and Corporate Governance Committee”). The committee will also review and report to the full board on Novanta’s policies and programs relating to health, safety, environmental matters, diversity and inclusion, and sustainability.



Please check  
Code of Ethics and  
Business Conduct

Our Corporate Guidelines and  
How They Are Applied

We maintain and propagate a Code of Ethics and Business Conduct, which is a set of ethics, values, and principles that guide Novanta’s business relationships and raise awareness with regard to issues such as corruption, bribery, conflicts of interest, fraud, money laundering, anti-competitive practices, and information security. The Code of Ethics and Business Conduct was developed by our management team and adopted by our Board of Directors, and is applicable to all levels of employees, management and the Board of Directors without exception.

Our Code of Ethics and Business Conduct is available in the company’s relevant languages, including English, German, Chinese, Spanish, Japanese, and Czech, and is published on both the company’s external website and the intranet site. Everyone at the company is required to certify every year that they have read, understand, and comply with the Code of Ethics and Business Conduct. Every other year, the company requires all employees to take web-based anti-corruption, ethics, harassment, and data privacy training courses and pass a test as part of the employee certification process. To ensure all employees are trained, group learning sessions are arranged for production employees who may not have company-issued computers.



Under our Anti-Bribery and Anti-Corruption (“ABAC”) Policy, the company conducts an annual ABAC risk assessment and ABAC screening on customers, suppliers, distributors, and resellers to reduce the risk of the company unknowingly conducting business with third-parties that may have a history of corruption or bribery violations in their business activities. If a third-party is identified as high risk, the Novanta Risk Committee evaluates measures and safeguards in place to ensure that there is no corruption or bribery between Novanta and the respective third-party and that there is no connection between Novanta’s business and the corruption or bribery activities.

We maintain a web-based compliance hotline that enables anonymous and confidential reporting of suspected cases of fraud,

bribery, corruption, and any other violation of our Code of Ethics and Business Conduct. Our compliance hotline is available 24/7 in eight different languages that our employees can choose from for their anonymous reporting. All submissions on the compliance hotline are investigated by the responsible management personnel and/or internal audit immediately with the investigation process and conclusion documented directly on the web portal. The person submitting the matter will be notified of the conclusion upon completion of the investigation. The Chairperson of the Audit Committee of our Board of Directors has direct access to the Compliance Hotline. Our outsourced Internal Audit function provides a summary of all incidents reported through the compliance hotline to the full Audit Committee each quarter.

With increasing digitalization and data protection requirements, the risk of information security breaches also increases.

In order to ensure information security, Novanta carries out the following:

- Awareness training to prevent information security breaches
- Due diligence programs for third-party information security
- Compliance procedures for the parties involved to report information security concerns
- Cybersecurity Incident Response Procedure (CSIRP) for handling breaches of confidentiality
- Guidelines for retention of documents

# OUR COVID-19 RESPONSE

The year 2020 was dominated by the challenges posed by the global spread of the new SARS-CoV-2 coronavirus, and so it was for Novanta. We focused on protecting our employees, reducing the spread of the virus in our communities, and continuing to provide our customers with products that help them to improve people's lives.

The health and safety of our employees is our top priority. In accordance with World Health Organization (WHO) guidelines and local government regulations, the following measures had been implemented at our business locations around the world as of March 2020:

- COVID-19 Steering Committees: Novanta Steering Committee and Steering Committees at each site
- Home office for all employees who do not work in production, with access to the latest IT technologies for them to stay in contact with each other and provide support to our customers
- Personal protective equipment for our employees in production, including regular monitoring of their health (for example, symptom diaries, temperature checks, and weekly PCR testing since fall 2020 as a pilot project at selected sites)
- Improved disinfection procedures, hygiene measures, measures to maintain physical distance, and thorough decontamination

- Implementation of a no-visitor policy
- Suspension of non-essential travel

Our mission-critical products and technologies are integrated into medical devices and platforms such as DNA sequencing, in-vitro diagnostics, robotic-assisted surgery, minimally invasive surgery, and patient monitoring devices. We remain committed to delivering our products to our customers even in this unprecedented situation, as our technologies are used in medical equipment in order to detect the novel coronavirus and to diagnose and treat infected patients. In addition, several industrial manufacturers that use our lasers and laser beam steering subsystems retooled their production lines to develop parts for critical medical equipment and to manufacture personal protective equipment.

Our teams proactively communicate with suppliers in order to ensure that business continuity and contingency plans are implemented. We also monitor and mitigate any logistics and import/export risks.

To maintain Novanta's financial strength and in recognition of employees' great commitment to Novanta, we granted one-time "Business Continuity Restricted Stock Units" to all employees, except for the Chief Executive Officer, the Chief Financial Officer, the Chief Human Resources Officer, and the Chief Accounting Officer, in April 2020 in lieu of traditional annual salary increases and cash bonuses.

## Donation of More than 10,000 Masks

Even though opportunities to work on sustainability issues during a pandemic like COVID-19 have become more difficult, we continue to be committed to the communities in which we operate. In April 2020, in the middle of a global face mask shortage, Novanta donated 10,000 N95 face masks to medical staff at Holyoke Medical Center (HMC) in Holyoke, Massachusetts. The masks are part of the personal protective equipment (PPE) needed by medical staff in order to protect themselves and their patients during the COVID-19 pandemic. In addition, Novanta donated masks to hospitals in other communities where we have major business locations.

Novanta's production site in Suzhou, China, arranged for the supply of masks to other Novanta production sites as part of our health and safety program.



Counting masks at the Novanta facility in Bedford for donation to Holyoke Medical Center



Preparing shipment of masks from Novanta Suzhou, China to Bedford, MA, USA



# CORPORATE SUSTAINABILITY STRATEGY: OUR ESG GOALS 2020-2023

Novanta takes responsibility for its environment and the communities in which it operates, as well as for the people who work for and with the company. As a leading global provider of key technology solutions, Novanta combines technical and economic progress with social and environmental responsibility — both for the well-being of future generations and for achieving its business goals now and in the future.

As part of a status review and materiality analysis, we identified the key strategic areas of activity for Novanta and developed and introduced a sustainability program. It builds on the achievements of 2019 and is divided into five ESG targets — Environment | Social | Governance — which we aim to achieve by 2023.



## Environment



### Projects for Saving Energy and Environmental Protection

Novanta aims to be climate neutral by 2050. This long-term goal is to limit global warming. We will incorporate this plan into our business strategy by 2023 and have the Board of Directors review our compliance.

In Phase 1 (as of the year 2021), we will analyze our current status of various aspects involving energy savings and environmental protection. In Phase 2 (as of the year 2022), we will formulate our goals for the reduction of, for example, electricity and water consumption, as well as carbon dioxide emissions.

The following measures have already been defined:

- We will reduce and eliminate disposable products, starting in our break rooms.
- We will establish waste management and waste separation systems at our eight major business locations with more than 100 employees by the end of 2021.
- We will switch to ecological cleaning agents at all business locations by 2021.
- Wherever possible, we will switch to LED lighting by 2023.

## Social



### Voluntary Social Work Supported by the Company

We are expanding our regional commitment. Since 2020, a corporate volunteering program has made it possible for all of our employees to take one day of special paid leave per year for local volunteer work.

The organization to be supported must be active in one of the following areas:

- Care of seniors and the sick and ailing
- Care of disabled persons
- Children and youth work
- Social work for the needy
- Refugee integration
- Environmental protection

It goes without saying that the commitment of our employees is completely free of charge for the respective organization. Projects can be supported by individuals and by Novanta teams as well.



For concrete projects 2019 and 2020 see page 32



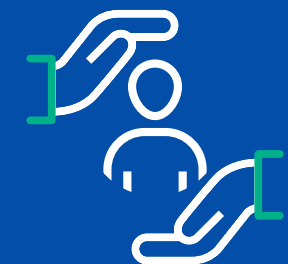
# Our True North



We are diverse



We are inclusive



We do not tolerate discrimination and harassment



We are continuous learners



## Focus on Diversity, Equity, and Inclusion

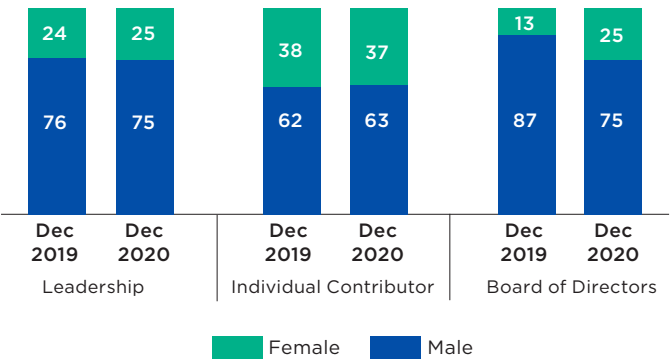
As part of the Novanta Way, we aspire to achieve an organizational culture where everyone brings all of who they are and can contribute their best work. We believe that Novanta’s strength lies in the collective experiences of our employees. Diversity, Equity, and Inclusion (DEI) is a strategic imperative and we are committed to continuous improvement beginning with a focus on women and underrepresented groups\*.

Our approach is based on the steps of listen, learn, and act. First, we analyze where we are on the DEI journey and, based on this, define the roadmap for the future. The discovery and assessment phase started in November 2020 and will continue until April 2021. The design phase is scheduled to run until the end of 2021, and there will be a multi-year plan for the implementation and execution of DEI goals with measurable actions.

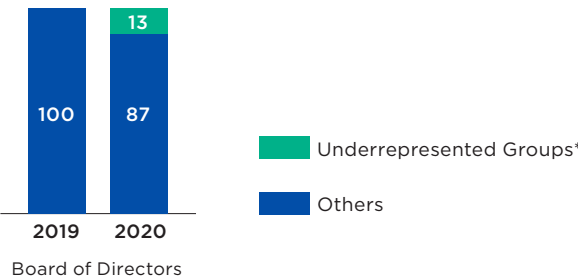
**Diversity of Board of Directors.** In accordance with the Company’s Corporate Governance Guidelines, the Board and ESG Committee are committed to improving the diversity of the Board by actively seeking out highly qualified women and minority

candidates, as well as candidates with diverse backgrounds, skills and experiences as part of each Board search the Company undertakes.

## Gender Representation in %



## Underrepresented Groups\* Representation in %



\*An underrepresented group in the US is anyone who self-identifies as Black, African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander; or two or more races or ethnicities — *Nasdaq*





Please check  
Supplier Code  
of Conduct

Governance



Integration of Sustainability Criteria in Purchasing

We implement ecological and social criteria when it comes to supplier management. Targeted suppliers must have signed the Supplier Code of Conduct and been audited. In concrete terms, this means that in 2020 the supplier evaluation card, with which we track and record the performance of our suppliers, has been supplemented with sustainability criteria.

By the end of the year 2023, targeted suppliers must meet the company's sustainability requirements in order to remain or become a Novanta supplier.



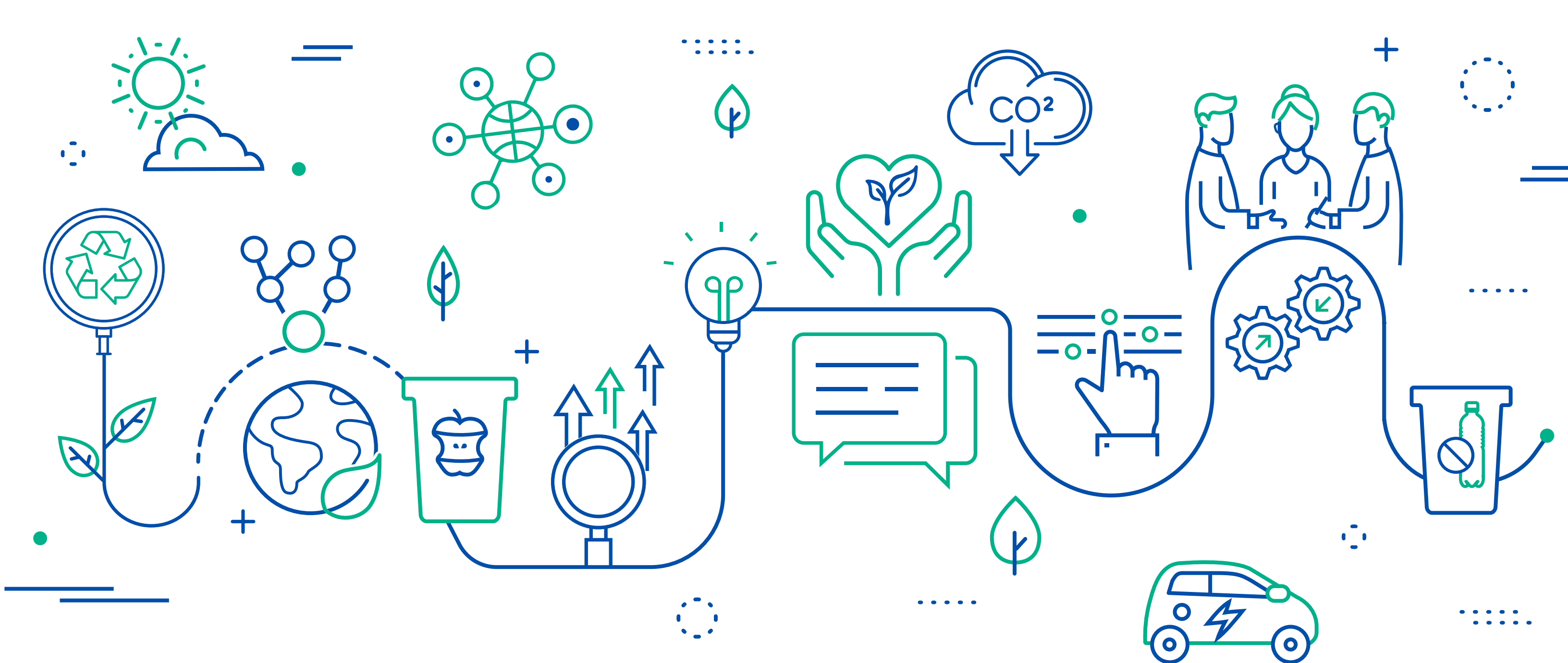
Commitment to ISO Standards

Each of our sites has the responsibility to implement EHS management systems in accordance with International Organization of Standardization (ISO) 14001 and ISO 45001. We collaborate by sharing best practices across our operations through performance monitoring, auditing, and periodic management reviews. In addition, our major manufacturing sites are certified to ISO 9001 standards, or ISO 13485 in the case of medical device manufacturing, and comply with all relevant national and international regulations (e.g., Medical Device Act, U.S. FDA, etc.). The company's goal is to certify all of our major facilities to ISO 14001 environmental management standards.

In order to ensure sustainable performance enhancement at the company, and to comply with ISO management requirements, we developed the Novanta Growth System (NGS) in 2019 — a common set of tools and processes for continuous improvement. We are successively applying NGS tools to all areas of our business performance, e.g., applying NGS problem solving methodologies to reduce inventory, improve technical processes, and solve customer problems. In 2020, we developed and deployed mandatory NGS training programs for employees throughout the company.







## 2 Selected Highlights of 2019/2020

# OUR INNOVATIVE PRODUCTS

## Annual Investment of More than 10% of Sales for Research and Development

For Novanta, technology and sustainability do not represent a contradiction, but rather two sides of the same coin. In order to make our world more sustainable, we need constantly improved technological solutions. Our medical products help our customers to improve people’s lives and to reduce healthcare costs.

Our industrial products make it possible for our customers to increase their productivity and achieve breakthrough performance with sophisticated applications. Our research and development teams focus on performance, precision, and safety, on the one hand, and the sustainable development of solutions that are durable, save energy, and ensure material efficiency, on the other.

To secure our innovative strength and be successful in the high-growth markets that we address, we employ 500 engineers and invested 10.3% of our sales in research and development in 2020. Our investments have resulted in 28% of our sales in 2020 being achieved with new products.

A further testament to Novanta’s strength in research and development is that we own more than 400 patents.



## Of Great Importance: Product Quality and Safety

Novanta is active in markets where maximum product quality is essential. Our quality strategy is to consistently pursue our quality progress and to achieve or maintain certifications to global standards including ISO 9001, 14001, or 13485 or their respective national version, such as EN, DIN, and BS. This applies to both medical and non-medical businesses.

Product quality and safety is an essential function throughout Novanta. All business units take customized approaches to capture the specific needs across a variety of different products, operations, and processes. The common framework across Novanta as a mechanism for driving continuous improvement is the Novanta Growth System (NGS). NGS is a set of best-practice processes and tools that form a common language and more fully engage our passion for continuous performance and quality improvement.

**Novanta’s Medical Technologies.** Selling medical technology products requires compliance with laws and regulations everywhere we operate. In the US, the Title 21 CFR Part 820 (QSR) regulates the quality system of manufacturers of medical products as a definitive law. In the European Union, the Guideline 93/42 EWG prompts all members to formulate national law following the guideline. As an example, in



Germany, the MPG law regulates the traffic of medical products and protection of patients, users, and third parties. Guideline 93/42 EWG and all European national laws will be replaced by the EU Medical Device Regulation (MDR) in May 2021. Novanta will comply with the new EU MDR.

Novanta medical technology businesses comply with, and are audited to, international standards like ISO 9001 and/or ISO 13485. Standard Operating Procedures (SOP) follow ISO 13485 and consider all applicable requirements of legal authorities. The products have necessary global registrations such as FDA, CFDA, PMDA, CE, and ANVISA. Notified bodies, authorized officers, and customers audit Novanta on a frequent basis.

The quality and safety of Novanta medical technology products are ensured by certified R&D processes. These processes include technical files, checked materials and components, supplier qualification, internal and external audits, the production environment and qualified production processes, packaging, and transport, as well as continuous training and courses.

In addition, further product safety and quality requirements depend on:

- Definition of intended use
- Risk evaluation and mitigation
- Process planning and validation
- Supplier qualification
- Post market surveillance activities

Specific responsibilities are described within the quality management system. The implementation and application of the Quality Management system cover the product life cycle through guidelines, SOPs, work instructions, and the infrastructure.

The following examples from businesses in Minimally Invasive Surgery (MIS) and Detection & Analysis highlight the systematic quality assurance in this area. A product line in MIS has implemented the Quality System Improvement Program (QSIP) and SOP. These are mandatory for new developments, product changes, in-house verifications, validations in the clinical environment, through to production control and execution. They assign tasks and responsibilities and enable a reproducible, reliable execution in the production process. They also offer transparency with regard to traceability.

In July 2019, our Detection & Analysis business unit completed an ISO 9001 and ISO 13485 certification audit in accordance with our quality strategy of consistently expanding quality progress. The audit was concluded with positive results and the certification was achieved with no non-conformances.

In our non-medical businesses, we are also making every effort to continuously improve quality standards. For example, the factory in Rocklin, California, which our Precision Motion business unit moved into in

2018, was designed from the outset to meet the highest-possible product quality standards. Regular kaizen events were held to address a wide range of topics with a focus on possible optimization, from the layout of the floor plan to product line efficiency and recycling programs.

**REACH and RoHS Compliance.** Novanta works to consistently ensure that our products comply with the EU Chemicals Regulation (Registration, Evaluation, Authorization, and Restriction of Chemicals, also known as REACH). With regard to the EU Directive on the Restriction of Hazardous Substances (RoHS), our Photonics and Precision Motion business units comply with RoHS 3. Our MIS businesses comply with RoHS 2 and are working to implement the new requirements in accordance with RoHS 3, applying to medical systems only as of July 2021. Novanta is also committed to compliance with China RoHS.

**Measures for the Safety of End Customers.** Detailed health and safety information is provided to customers in order to ensure the health and safety of the users of our products (e.g., on product packaging, online safety data sheets). Employees in Quality Management deal directly with customer inquiries and complaints. These are analyzed and processed by teams in R&D and Operations and represent part of the continuous improvement of our products.



Please check our website for more information



## Our Product Development in Line with Sustainability Objectives

The development of more environmentally friendly products is an important driving force within our R&D process. When drawing up specifications, we strive to define sustainability requirements, such as avoiding or minimizing the use of any substances of concern under REACH and RoHS requirements, reducing the amount of plastic in packaging, marking metal in products, and ways to reduce material and transport volumes.

For example, a Photonics business unit is committed to reducing the amount of waste and minimizing the impact on the environment. Efficiency and the avoidance of material waste are at the heart of the design philosophy; this ensures that waste is eliminated in the production process. When systems are at the end of their life we offer our customers a take-back service. These discarded products are sent to an external company for recycling.

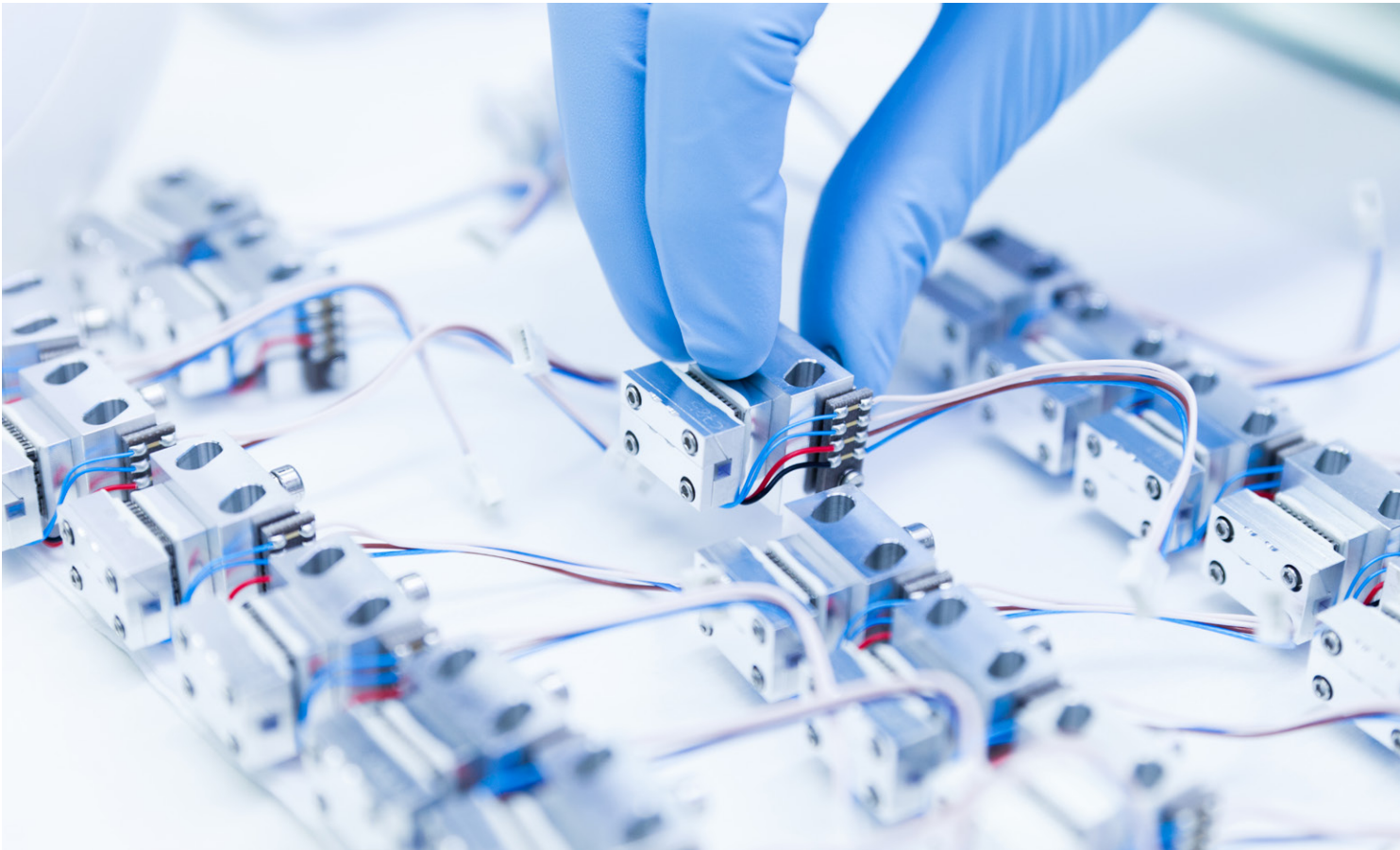
In the development of new products, another Photonics business unit focuses strongly on a design that is compact, consists of fewer parts, and therefore requires fewer raw materials to produce. As a result, the new MOVIA scan head has been reduced in size by more than 50% compared to its predecessor.

An MIS business unit began the transition from printed user manuals to electronic formats in order to reduce the use of recyclable materials, printing costs, and inventories. Another business unit of the MIS Group was able to optimize the sterilization process of its disposable products in sustainability-relevant aspects: The time per sterilization cycle was halved, resulting in a corresponding energy saving. The highly toxic ethylene oxide required for sterilization has been reduced by a third.

The possibility of increasing the sterilization quantity per cycle by up to 25% through improved configuration of the loading of the pallets was also validated. The results are energy savings during sterilization and an improved CO<sub>2</sub> balance of the transport due to the simultaneously optimized truck utilization.

**Return, Disposal, Transport.** In order to reduce the environmental impact caused by the use of our products, there are programs for product returns and collection or disposal of biologically hazardous waste (e.g., through formal partnerships). Novanta is committed to complying with the Waste Electrical and Electronic Equipment Directive (WEEE), which mandates the collection and recycling of electric and electronic equipment in EU markets.

In supply chain transport, a Photonics business unit is working with a supply partner to streamline deliveries to pick up and drop off products at the same time once a week, eliminating the need for multiple daily transport service deliveries, boxes, and other shipping-related materials. One goal related to this effort is utilizing reusable fixed-size shipping containers that also serve as stocking bins at both locations.



# SUPPLY CHAIN MANAGEMENT



Please check  
Slavery and Human  
Trafficking Statements



Please check  
Conflict Minerals  
Documents

We at Novanta are committed to conducting business with and to sourcing materials and components from responsible suppliers who meet the highest legal and ethical standards. To assist suppliers in meeting Novanta’s expectations, our Supplier Code of Conduct provides basic guidelines for business conduct. Our Supplier Code of Conduct is applicable to any entity providing products, people, or services to Novanta, and where applicable, the personnel of the supplier and its subcontractors and agents. Novanta expects suppliers to sign our Supplier Code of Conduct, comply with these guidelines, and always exercise good judgment in applying them to their conduct as a Novanta supplier.

We start with the targeted suppliers first. Targeted suppliers are suppliers that constitute 80% of our third-party spending plus suppliers below 80% of our third-party spending but quality-relevant for our products.

To ensure that our targeted suppliers fully understand and meet our requirements described in our Supplier Code of Conduct, in 2019, we initiated a four-year process to expand our Global Supplier Standards Compliance Program.

A positive example from our Precision Motion group: The precision motion components can be mounted and created with printed circuit boards (PCBs). Every PCB contract manufacturer is now required to

adhere to aqueous cleaning processes. Aqueous cleaning is defined as a cleaning process that combines the chemical solubility of a water-based cleaning solution with a type of mechanical/thermal energy. This process is more environmentally friendly than previous processes, safer to use, and more cost effective.

**Compliance with Regulations.** As a responsible client, we comply with the EU Regulation on the exercise of due diligence in raw material supply chains (Regulation 2017/821) when it comes to our own supply chain, as well as with the principles of the National Action Plan for Business and Human Rights (NAP) adopted by the German government in 2016, which implements the United Nations’ Guiding Principles for Business and Human Rights from 2011.

**Slavery and Human Trafficking Statements.** The California Transparency in Supply Chains Act requires certain manufacturers doing business in California to disclose their efforts to eliminate the use of slave labor and human trafficking from their supply chains. The Modern Slavery Act of 2015 requires certain commercial organizations doing business in the United Kingdom to make a declaration on slavery and human trafficking for each financial year. Both declarations are available on our website.

**Conflict Minerals.** Novanta recognizes that there are serious human rights abuses associated with the extraction, transport,

and trade of conflict minerals from the DRC region and is committed to the responsible sourcing of minerals throughout its global supply chain. With the support of our vendors, we conduct annual Reasonable Country of Origin Inquiries (RCOI) that seek to identify and eliminate from our supply chain any conflict minerals that have originated from the Democratic Republic of Congo and any of the adjacent countries that may have, directly or indirectly, financed or benefited the armed groups in the region. For 2019, we surveyed 1,124 in-scope suppliers and received responses from approximately 80% of these suppliers. We will continue to work with our suppliers to increase the response rate and improve the quality of their and our conflict minerals due diligence efforts.

**Review and Consequences.** We use the Novanta Supplier Assessment Form Template as well as comparable assessment templates from the respective business units to con-

tinually review and assess a suppliers’ capabilities. In addition, the templates contain questions in support of the Supplier Code of Conduct regarding compliance with applicable national law, a non-discriminatory working environment, humane working hours, and safe working conditions. Child and forced labor, as well as bribery and corruption, are not tolerated and information on sustainability such as environmental protection must be provided.

In general, suppliers or business partners are obliged to provide us with support in clarifying the facts of the case if there is suspicion that the Supplier Code of Conduct has been violated. In the event of violations, we reserve the right to respond appropriately; this may result in the suppliers’ removal from our Approved Vendor Lists, stopping current and future orders, and termination of agreements, depending on the severity of the violation.





# OUR PEOPLE

## Novanta as a Responsible Employer

At the end of the year 2020, Novanta had a total of 2,179 employees, 95 less than in the previous year. We believe that our employees are the company’s most important asset. Using the Organizational Health Index (OHI) format developed by McKinsey & Company, we conducted an employee survey in October 2018 to measure and benchmark our organizational health.

A total of 1,990 people completed the survey representing nearly 90% of our active employees. In 2019, the results were presented to all our employees and action plans for improvement based on the survey results were developed and implemented in all of our operating locations worldwide. The following topics were identified as key focus areas in 2019/2020:

- 1. Strategic clarity
- 2. Knowledge sharing
- 3. Rewards and recognition

To date, more than 100 actions have been taken to improve our performance in the key focus areas. We continue to monitor our improvement and conduct regular communication about the progress of the initiatives with all our employees.



## Our Diversity Makes Us Stronger

Novanta has developed a framework for cohesive teams, which must be diverse and inclusive, based on trust, commitment, and accountability. We expect our teams to respect our core values and to conduct themselves ethically at all times. Consistent with our Code of Ethics, we are committed to equal opportunities and fair and equitable treatment of all employees regardless of race, ethnicity, gender, gender identity, sexual orientation, disability, migration background, country of origin, or

other dimensions of diversity. In 2020, we launched our Diversity, Equity, and Inclusion initiative (see page 27). The first step was a company-wide survey on the topic, in which more than 800 respondents expressed interest and willingness to actively participate in advancing culture change.

We also engaged a DEI expert to systematically review our current people processes and DEI practices and programs. She advises the CEO, the Leadership Team, and the newly formed Culture Council. The Culture Council is comprised of a diverse

team of executives, business unit managers, and individual contributors from across the company.

By the end of 2021, we aim to develop a DEI strategy and a short-term and long-term plan with measurable actions. The Culture Council will operate as the steering team for the deployment of all DEI initiatives.

While early on our DEI journey, we are already seeing improvements with gender diversity in the makeup of our leadership teams. At the end of 2020, the proportion of men and women in the workforce was 65% to 35%, which means an unchanged value compared to the end of 2019. The proportion of women in leadership positions increased to 25% — an increase of 1.0% compared to 2019. The leadership team of our Detection & Analysis business already consists of 29% women.

We are paying particular attention to new hires. For 2021, we aspire to 50% of all final professional position interview panels being women and/or members of underrepresented groups. As a concrete measure to remove gender bias, we have implemented technology that will eliminate gendered language from our job descriptions and postings. Additionally, we will begin using a second technology to hide the gender on résumé submissions. It is our intention to utilize technology to create the most equitable application process.



Please check ESG Goal “Focus on Diversity, Equity, and Inclusion” on page 27



Please check our website for more information about our employee benefits

Attractive: Remuneration and Working Hours

Novanta pays wages and salaries competitive with market and industry standards. Every year, we participate in local compensation benchmarking to asses our competitiveness. We believe in paying for performance and sharing accountability to do what we say we will do. Our variable compensation programs allow for higher payouts when goals are exceeded, and if goals are underachieved, the payouts are similarly reduced. In 2020, we granted one-time business continuity restricted stock unit awards to all active employees throughout the company, except for the Chief Executive Officer, the Chief Financial Officer, the Chief Human Resources Officer, and the Chief Accounting Officer, in lieu of the traditional annual compensation increases. This was done to enable employees to share in the company’s success and to establish an ownership mindset during a difficult business environment.

For us, “equal pay” is a matter of course — we do not differentiate between men and women for the same work and we are committed to pay equality.

A healthy work-life balance for our employees is important to us. In the USA, we offer an unlimited time-off program called, flexible paid time-off (FTO) for exempt employees. They can take paid time-off when they need it (includes vacation, bereavement, jury duty, sick, community service, and

all other personal business). Non-exempt employees are provided with paid time-off based on length of service. We also provide all employees with ten paid holidays each year. In other countries, there are vacation regulations that go beyond the standard vacation days in the respective country.

We also attach great importance to flexible work arrangements, which means that employees have the option of remote working and flexible work schedules that are influenced by each work location.

The COVID-19 pandemic has further accelerated this practice. In 2020, we successfully migrated a significant part of Novanta’s workforce to a work-from-home environment in less than two weeks.

Indisputable: Human and Labor Rights

We consider compliance with the laws and regulations concerning human rights, child labor, and labor rights to be a matter of course. They are stipulated in our corporate guidelines as well. Novanta actively strives to ensure that no forced labor, exploitation, or involuntary labor is used to manufacture Novanta products and also require our suppliers to comply accordingly. With regard to freedom of association, we respect the rights of employees to organize within the scope of applicable legislation and customary practices.

Our Communication: Constant Conversation

As a result of the OHI survey (see page 40), Novanta has greatly increased communication with employees since the beginning of the year 2019. This has been carried out through the following measures:

- Town hall meetings: Every fiscal quarter, the CEO, Group Presidents, or General Managers of the business units hold town hall meetings with the entire workforce to discuss business strategy and to provide updates on business performance and the outlook.
- Skip level meetings: Six to eight employees are regularly invited to meet with the CEO, CFO, CHRO, a Group President, or a business unit General Manager.
- All managers are required to inform their teams at least once a week about the company’s concerns and discuss how to implement them in practice.
- Internal Communications Department: A separate department has been established to ensure regular communication from within the company via the social intranet (numerous SharePoint pages and Novanta News) or conduct feedback surveys.







Thus, in addition to our “open door culture,” there are also various official forums for employees to communicate their concerns to the company.

In 2019, we demonstrated that we are an approachable employer at the first “Bring Your Child to Work Day,” an open house for the families of our employees in Bedford, MA.

**Employee Communication.** Novanta and its business units also create space for communication and interaction among themselves. An important example of this is the Novanta Young Professionals Group in Bedford, which is open to all employees and covers the areas of education, social events, and charity. In 2019, the concept was adapted at our Stockport, UK location and a Young Professionals Group was founded in 2020.

One Photonics business unit also has an employee forum, “Employee Circle,” as a tool for two-way communication. The Employee Circle meets on a quarterly basis in order to exchange ideas throughout the company, act as a pilot group for new initiatives, and share ideas with other employees.

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### Highest EHS Standards at all Locations

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### Our Working Conditions: Focus on the Human Being

We want to ensure maximum occupational safety for our employees and apply the highest standards for all of our business locations worldwide, even if they exceed the requirements of the local country. In China, for example, Novanta introduced the British Standard for Occupational Health and Safety Assessment Series OHSAS 18001 in 2019.

We consider ergonomically equipped workplaces, appropriate personal protective equipment (PPE), and safe production facilities to be a matter of course. For example, our lasers are manufactured and developed in special laser control areas, each of which is subject to a comprehensive risk assessment for laser safety. The Environment, Health, and Safety (EHS) organizational unit, which consists of two global EHS managers as well as EHS representatives at our sites, is responsible for safety management.

The EHS teams carry out detailed health and safety risk assessments throughout the company, use special procedures to detect and eliminate health and safety risks, analyze incidents, and train employees and subcontractors where necessary. At a Photonics business unit, the EHS team has been expanded to include “Quality,” so that the team is now called “Quality, Environment, Health, and Safety,” and by bringing the dis-



ciplines together, a cross-functional team has been created to identify and exploit synergies.

Instructions on health and safety procedures (e.g., for handling chemicals or hazardous substances) are translated into the main languages spoken by employees. We have electronic equipment inspected every two years by external specialized companies.

Fire protection is very important to the safety of our employees and the continuity of our business operations. All building levels always have at least two entrances and exits. Automatic fire detection and notification systems (alarm systems) are installed in all buildings. In addition, fire suppression systems are also installed in all production facilities. All of the systems are maintained on a regular basis.

There were very few accidents at Novanta in 2019 and 2020, and none had serious consequences.

**Our Additional Services: We Care**

Novanta regards itself as an attractive employer and responds to the needs of its employees through various services and programs.

**Healthcare Services.** Novanta offers its employees above-average health services. For

the US market, this means a comprehensive health and welfare insurance package, including annual employer HSA contributions. Our telemedicine program, which is available not only to our employees but also to their families, is also very popular.

At our headquarters in Bedford and at our facility in Mukilteo, we maintain an employee health clinic that provides on-site and virtual acute care and health coaching to all US employees.

Our employees in Europe also receive additional benefits. These include regular checkups and vaccination offers. Additionally, we offer to our employees annual health days, fitness programs designed to improve spinal/back health, and mental health counseling in the event of a crisis.

In 2020, we offered free-of-charge flu vaccination for all employees worldwide to maintain a good general state of health in the population and reduce the burden on the health care system in the COVID-19 pandemic.

As many employees are extremely keen on sports, Novanta is also happy to support their commitment. Among other things, this means participating in sports activities or sponsoring sports events. In 2019, for example, we were able to provide financial support to one of our employees from the United Kingdom during his participation in the legendary “Race Across America” and



were delighted with his team’s sensational fourth place finish.

**Further Additional Services.** In the US, Novanta provides generous life insurance and other insurance policies for employees. We also pay for medical, parental, and family leave on a voluntary basis and with full payment — for the latter up to 20 weeks. And we also have retirement plans in order for employees to be prepared for life after retirement. In some countries, Novanta employees are able to participate in benefit programs that allow them to make certain purchases at a discount.

**Our Further Education and Training Opportunities: Novanta University Launched**

In 2019, we founded Novanta University as a primary platform for learning management. An education specialist and the organization’s HR departments coordinate the onboarding of new employees and the regular further training of the entire workforce. Both internal and attractive external courses are available for this purpose. In 2019, the focus was placed on the creation of digital learning content, the structured onboarding of new employees, and training courses in information technology. In 2020, we further expanded the offering and held a Digital Learning Week for employees.

We carry out mandatory training courses in compliance, EHS, and IT security for all employees on a regular basis.

At an MIS business unit, there is also an academy with a group of competent certified trainers who offer high-quality product training for employees and customers.

**Pursuing a Career.** Novanta offers several tools that enable our colleagues to proactively manage their careers. These include the ability to create a professional profile in our human resources information system, a structured performance management process, access to leadership development resources, and tools for individual career



development planning. An employee's professional profile is like their internal resume. It provides a place where they can manage their professional information in a single, intuitive system that allows them to represent the best picture of themselves, their skills and talents, where they have come from, and where they would like to go in the future. It also provides a resource they can use for career and individual development planning discussions with their manager. Creating a development plan, and then acting on it, is a great way for employees to improve their current and future performance, and achieve their short-term and long-term career goals.

Developmental planning is a shared effort where employee-centered communication produces an action plan outlining how individual and organizational goals will be achieved. Development discussions help employees become better team members and contributors, maintain or improve performance, and provide insight on career progression opportunities.

At an MIS business unit, a system was also developed in the Research and Development Department in 2019 that makes it possible for the employees to progress within the department from junior to senior developers.

However, our employees have the opportunities to pursue careers across different lines of business. We advertise open positions centrally and promote applications and the exchange of know-how at the global level. Our human resources information system permits employees to maintain their profiles and recruiters to search these profiles for suitable internal candidates for open positions.

In the external recruitment process, we are committed to ensuring an inclusive environment for all candidates. Novanta bears all of the recruitment fees incurred by applicants.

**Training.** We train young employees in accordance with the framework conditions of the respective countries. Internship opportunities are used across our businesses in the US to provide learning and growth opportunities to future engineers, marketers, and students pursuing a career in other functional disciplines. Our German MIS business unit is an approved training company that, in accordance with the national system, trained twelve apprentices in three commercial and four technical professions in 2020. Our German Photonics business unit trained four apprentices at our location in Wackersdorf. Depending on individual circumstances, our business locations also offer students the opportunity to write their bachelor's and/or master's theses with us; internships and trial workdays may also be arranged.





# THE CORE OF OUR ENVIRONMENTAL PROTECTION



Please see page 24 for our Environmental Goals

## Reduce, Avoid, Improve

It is Novanta’s declared goal to minimize or avoid the negative effects of our business activities on the environment and climate. The company’s environmental, health, and safety (EHS) efforts will be increased even further in the coming years. EHS aims to prevent and reduce accidents and health problems at work, as well as environmental damage that may result from work processes, and to permanently improve occupational safety. To this end, all employees are required to take EHS training once a year. Such training is intended to ensure that operations run smoothly with the greatest possible safety for all employees.

## Our Environmental Management: ISO 14001

As described in the chapter on ESG objectives, Novanta aims to have all of its production sites certified in accordance with the relevant and internationally recognized standard ISO 14001 by the end of 2021. This was already implemented some years ago at our Stockport (UK) and our Ludwigsstadt (Germany) sites. Preparations are underway at the other locations. At our Mukilteo (Washington, USA) site, for example, an energy team was formed in 2019, and conducted kaizen events to design process improvements that helped reduce energy consumption.

## Our Contribution to Environmental Protection

**Green Energy.** Novanta is expressly committed to climate protection and makes its contribution toward gradually reducing greenhouse gas emissions. We conducted an energy audit or carbon assessment at two Photonics and one MIS business units. Our German MIS sites, where approximately 500 staff are employed, are already climate-neutral when it comes to electricity: they use all green electricity.

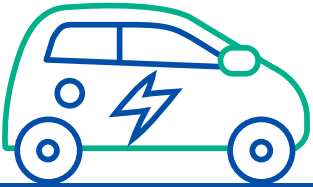
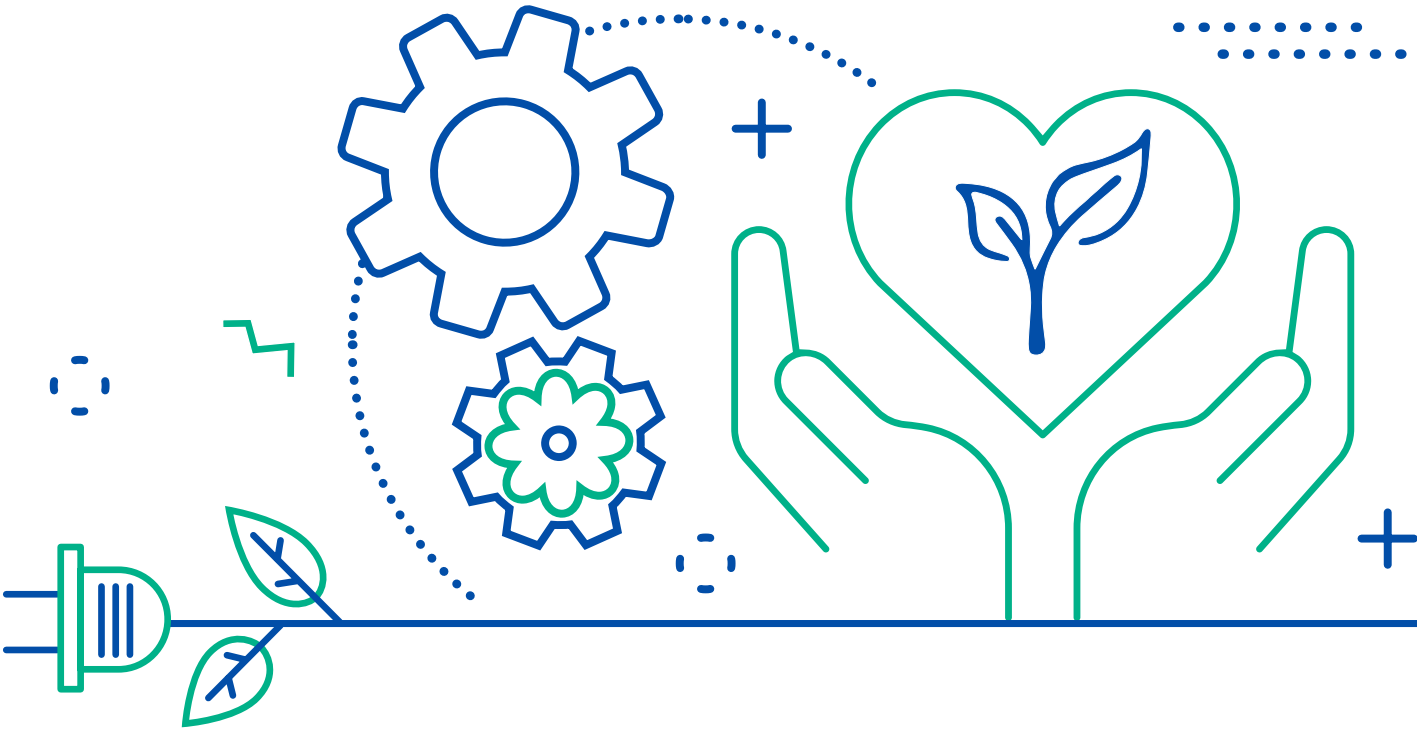
At our Mukilteo, Washington (USA) site, 98% of the electricity used in 2020 was carbon-free or came from renewable sources, while our Stockport, UK site purchased 38% of its electricity from renewable sources.

**Energy Reduction.** A major contributor to climate protection is the reduction or even avoidance of energy consumption. We therefore endeavor to identify “energy guzzlers” and to design tailor-made solutions to problems. We implemented an extensive energy savings program at our Bedford facility in 2020: The roof was replaced with a more energy-efficient one, 23 rooftop HVAC units were replaced with higher-efficiency ones, and the HVAC air filters were upgraded to MERV-13. LED lighting was

installed in the entire manufacturing floor, engineering labs, and the warehouse. Best practice is also represented by the Mukilteo site, which was able to reduce its overall energy consumption by 16% in the course of the year 2019, and achieved energy cost savings of almost USD 30,000 compared to the previous year through energy-saving initiatives in the equipment technology used. An MIS business unit is successively transitioning its lighting to LED, which has resulted in energy savings of around 22% from the end of 2018 to the end of 2020.

**Mobility.** As a further activity, we are implementing measures to compensate for greenhouse gas emissions, for example by purchasing verified emission credits. Our Photonics business unit in Stockport totals the CO<sub>2</sub> output every six months and donates USD 25 per tonne as the equivalent money to a UN Carbon offsetting scheme. Our MIS business unit in Germany offsets the emissions of its company car fleet (2019: 102 metric tons of carbon dioxide).

At our Bedford facility, we added electric vehicle charging stations to support e-mobility.



Our Approach to Reducing and Recycling Waste

The best waste is the waste that does not occur in the first place. For our ESG aim of being audited in accordance with ISO 14001, we therefore have a company-wide program to reduce waste and separate and recycle it as strictly as possible.

**Dealing with Hazardous Substances.** The safe handling of hazardous materials is a top priority for us. All of our business locations have processes in place for the safe identification, storage, handling, and transportation of hazardous materials. There are also established work processes for the reduction, reuse, or recycling of hazardous waste.

We also use an internal chemical classification and labeling system with reference to the Globally Harmonized System (GHS) and/or references to regional classifications (e.g., TSCA, IESCS).

**Waste Disposal and Recycling.** Waste concerns us all, which is why our employees are informed through campaigns and motivated to actively participate in reducing it. The years 2019/2020 were important in this regard. At our Stockport site, a cross-functional team came together in order to improve the business unit's recycling and waste disposal in a six-month project. Numerous successful projects were created,

including the reduction of paper consumption, and the removal of disposable shoe covers in clean rooms, while increasing recycling (for plastic, metal, packaging, paper, printer cartridges, batteries, and confidential waste).

The Bedford facility has added paper, plastic, and glass to the cardboard already being recycled at this location — to create single-stream recycling throughout the facility. Plastic cups are also no longer

offered; but instead water dispensers for filling one's own bottles are provided. In addition, we recycle 99% of the non-hazardous waste from our production activities, such as metal components, cables, printed circuit boards, and other things. To recycle old office products and furniture, we work with a local supplier. For the recycling of shoes and clothing, we have set up special recycling bins to make it easier for our employees to collect them.

Our Syracuse, NY (USA) location uses environmentally friendly paper solutions for coffee cups and towels, separates paper and cardboard from other waste, and uses more environmentally friendly waste bags (made from 10% recycled material) and packaging boxes (made from 60% recycled material, and printed with water-based ink).

In 2019, an MIS business unit began to record and analyze the quantities of wastepaper, plastic, and residual waste on a monthly basis. The aim is to identify further savings potential and further improve the rate of recycling.

In our Mukilteo facility, we introduced a single-stream recycling program in 2019. The recycling program is comprised of three separate processes:

- 1. Industrial metals and circuit boards are recycled through a local metal recycler.
- 2. Corrugated boxes are compacted, bailed, and picked up by a local corrugated recycler.
- 3. Single-stream recycling for food and beverage cans, glass bottles and containers, plastic bottles and containers, paper, and flattened cardboard and paper.



# OUR SOCIAL ENGAGEMENT: HOW NOVANTA IS COMMITTED

Novanta is committed to the communities where we have locations and where our employees live. We support the regional and individual activities of our business units in particular, because we regard our companies as active members of their respective local communities. When it comes to selecting projects, a special focus is also placed on continuity, as we want to make a visible contribution not only in the short term but also in the long term, and we want to achieve the most favorable developments possible. Novanta only supports charitable initiatives and projects and abstains from asserting any political influence.

We do not make any political contributions or use Novanta’s funds, assets, or resources to benefit any political candidates, parties, political committees or political special interest groups. This includes not using any resources towards any political action committees (“PACs”) or any group or organization engaged in political fundraising, including special interest groups organized under Section 527 of the US Internal Revenue Code (“527 organizations”) or similar groups in other jurisdictions worldwide.



Please check our Political Activity Policy

## Active on the Ground: Our Business Units Get Down to Work

In Syracuse, our employees are active in a variety of charitable initiatives. These range from a campaign in which materials were donated to a school in 2019 and a gift basket raffle fundraising event for “In the Kitchen of My Fathers,” an organization that cares for the homeless and for which USD 1,200 was raised, to a joint cleanup of the street where the business is based and the annual toy drive for the Salvation Army.

In Stockport, employees are able to apply, on a quarterly basis, for an amount from the GBP 10,000 annual charity fund for a charity they particularly wish to support. Examples of charities include local sports clubs, medical charities, and homeless organizations.

In our San Jose, California (USA) location, employees volunteer in local schools and charities by taking part in cleanup operations or by supporting other needed activities.

In Bedford, we have established a partnership with the Shawsheen River Watershed Association to set them up as an approved organization for providing volunteer opportunities. The Bedford property borders with Shawsheen River watershed land and as such is an opportunity for Novanta em-

ployees to participate in river cleanup and other volunteer activities that will not only have significant environmental impact but will also help our next-door neighbor in their ongoing sustainability efforts.

An MIS business unit pioneered the volunteer service that we rolled out to the entire company in accordance with our ESG Goals 2020. In 2019, we donated a total of 22 workdays. Unfortunately, due to the COVID-19 pandemic, volunteer service had to be suspended in 2020.



Childcare in the context of the volunteer service days



We sponsored a local school in an engineering project that challenged teenagers to design and build a sports car



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