



# Environmental, Social and Governance Report

Issued September 2024

# Environmental, Social and Governance Report

## Table of contents

<b>1</b>	<b>LEADERSHIP LETTER</b>	<b>3</b>	<b>6</b>	<b>ENVIRONMENTAL</b>	<b>17</b>
	A message from our CEO			Climate change and GHG emissions Water management	
<b>2</b>	<b>WHO WE ARE</b>	<b>5</b>	<b>7</b>	<b>SOCIAL</b>	<b>24</b>
	Our purpose, mission and shared values			Community engagement and philanthropy Employee health, safety and well-being Diversity, equity and inclusion	
<b>3</b>	<b>ABOUT THIS REPORT</b>	<b>9</b>	<b>8</b>	<b>GOVERNANCE</b>	<b>33</b>
				Business ethics Cybersecurity and data privacy Product stewardship	
<b>4</b>	<b>ESG GOVERNANCE STRUCTURE</b>	<b>11</b>	<b>9</b>	<b>PATH FORWARD</b>	<b>40</b>
<b>5</b>	<b>ESG PROGRAM</b>	<b>14</b>	<b>10</b>	<b>CAUTIONARY STATEMENT</b>	<b>42</b>
	Crane NXT's approach to ESG				



1

2

3

4

5

6

7

8

9

10

# LEADERSHIP LETTER

# A message from our CEO



We are driven by our purpose to give people confidence every day in moments that matter and have built our business on innovation, continuous improvement and operating with integrity. Everything we do is driven by our shared values and strong history of giving back to the communities in which we live and work.

Informed by our purpose and values, in 2023, we completed a thorough process to design and deploy our Environmental, Social, and Governance (“ESG”) program as a newly independent public company. We have made meaningful progress to build our ESG program into our strategy, business operations and our culture, and I’m excited to present Crane NXT’s inaugural ESG report, a significant milestone for our organization as a premier industrial technology company.

## Building on a strong foundation

Following the April 2023 separation from Crane Company, we completed a comprehensive materiality assessment to identify our ESG priorities. We assessed and carried forward foundational aspects from our previous activities that reflect our new Crane NXT priorities and values. We also engaged with our associates, customers, suppliers and shareholders to learn more about the ESG topics most important to them.

## Focusing our efforts to make an impact

Through our materiality assessment process, we identified eight material ESG topics that are the focus of our program. Centering our ESG program around these eight key topics enables us to make the most meaningful impact on our people, our communities and the environment.

## Our vision for the future

We are confident in our ability to achieve our vision of growth for Crane NXT. This inaugural ESG report represents our commitment to responsible growth and sustainability leadership, led by our values. As we continue on this journey, we are grateful for the support and engagement of our stakeholders, whose collaboration and feedback will continue to drive our progress, help us achieve our goals and enable us to make a difference, together.

At Crane NXT, we recognize the importance of ESG principles in driving long-term value for our stakeholders. In the past year, we have achieved significant milestones in our ESG program, and we are excited to share some of our success stories with you.

Thank you for joining us on our ESG journey.

Sincerely,

**Aaron W. Saak**

**This inaugural ESG report represents our commitment to responsible growth and sustainability leadership, led by our values.”**

**Aaron W. Saak**  
President & Chief Executive Officer



- Home icon
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10

# WHO WE ARE

## Who we are

Crane NXT is a premier industrial technology company that provides trusted technology solutions to secure, detect, and authenticate what matters most to its customers. We became a newly independent public company in 2023 following the separation from Crane Company.

Our business traces its origin to the mid-1800s. While much has changed since then, our ability to evolve and innovate has remained our key advantage. Through our two industry-leading business segments, Security and Authentication Technologies (SAT) and Crane Payment Innovations (CPI), Crane NXT provides customers with advanced technologies to secure high-value physical products, sophisticated detection equipment and systems, and proprietary products and services that protect brand identity and digital content. Crane NXT's approximately 4,500 employees help our customers protect their most important assets and ensure secure, seamless transactions around the world every day.

### Crane Payment Innovations (CPI)

CPI provides electronic equipment and associated software leveraging extensive and proprietary core capabilities with various detection and sensing technologies for applications including verification and authentication of payment transactions. CPI also provides advanced automation solutions, and processing systems, field service solutions, and remote diagnostics

and productivity software solutions. Our key research and development and manufacturing facilities are located in the United States, the United Kingdom, Mexico, Japan, and Germany, with additional sales offices around the world.

### Security and Authentication Technologies (SAT)

SAT provides advanced security solutions based on proprietary technology for securing physical products, including banknotes, consumer goods and industrial products. SAT also provides brand protection and authentication solutions, serving the world's most recognized brands, as well as government agencies and financial institutions. We go to market as two businesses, OpSec Security and Crane Currency. Key research and development and manufacturing facilities are located in the United States, United Kingdom, Sweden and Malta.

[YOU CAN LEARN MORE ABOUT CRANE NXT HERE >](#)

Our ESG program has been designed to consider the key ESG matters associated with each of these business segments as outlined in further detail in the sections below.

BUILT ON  
MORE THAN  
**150**  
YEARS  
OF INNOVATION

## OUR PURPOSE

**We give people confidence every day in moments that matter.**

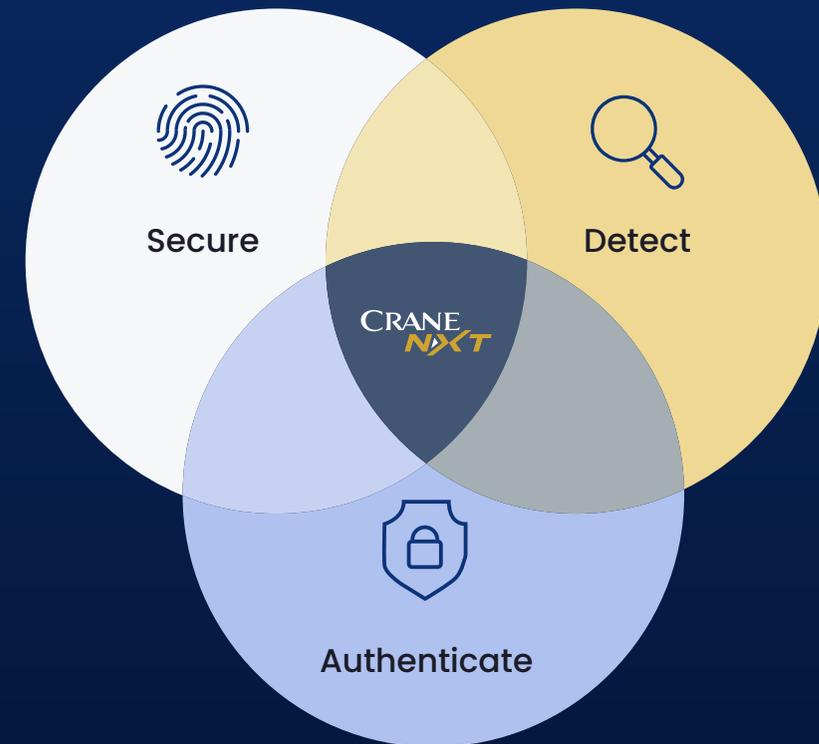
Together, we are a passionate team of creators and problem solvers, united by our mission to secure, detect, and authenticate what matters most.

Around the world, our customers trust us to anticipate their needs with innovative, reliable, and high-quality solutions and services – just as they have for generations.

It's how we are creating a more secure world and helping people have confidence every day in moments that matter.

## OUR MISSION

**Providing trusted technology solutions to secure, detect, and authenticate what matters most.**



# | Our values

Our shared values guide our actions every day and inform how we will achieve our purpose and mission.



## People Matter

Our people are at the center of all that we do, and we proactively look after one another to support our safety and well-being. We actively seek to include others for their unique backgrounds, talents and beliefs.



## Do the Right Thing

We always conduct business fairly and ethically, and we lead with trust and respect in every interaction. We are committed to giving back to the communities where we live and work.



## Trusted Partner

We delight our customers by delivering the highest quality solutions and services, and we embody a customer-centric mindset when making decisions and taking action. We seek to listen, understand and respond to the needs of our customers.



## Innovate for Growth

We experiment and learn quickly from successes and failures – seeking progress over perfection. We innovate by challenging our unique thinking and embracing technology to deliver scalable, repeatable solutions.



## Always Improving

We leverage the Crane Business System, a core differentiator of our business, to drive effectiveness and efficiency. We anticipate and respond to changing circumstances with agility, resolve and urgency.

[LEARN MORE ABOUT OUR PURPOSE, MISSION AND SHARED VALUES HERE >](#)



1

2

3

4

5

6

7

8

9

10

# ABOUT THIS REPORT

# | About this report

Crane NXT is committed to providing long-term value to our stakeholders. A structured approach to ESG is fundamental to this commitment, including staying fully compliant with the regulatory landscape.

In this inaugural ESG report, we describe our ESG program, highlight select initiatives and accomplishments within our program, and report on actions we have taken towards compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and the evolving ESG regulatory landscape. We are committed to responsible and transparent business practices, and we look forward to sharing further developments of our program as we move forward.

In this report, the terms “Crane NXT”, the “Company”, “we”, “us”, “our” and similar terms refer to Crane NXT, Co. and its subsidiaries. This report covers the period from the April 2023 separation through September 2024 report publication.

As we continue to integrate the OpSec Security business into our operations post-acquisition, this report primarily reflects initiatives of our CPI and Crane Currency businesses. Moving forward, we expect to integrate acquired businesses into our ESG program as part of the post-acquisition integration process.

We value your feedback at [contactus@cranenxt.com](mailto:contactus@cranenxt.com) as we continue to uphold our commitment to transparency and continuous improvement.





1

2

3

4

5

6

7

8

9

10

# ESG GOVERNANCE STRUCTURE

# ESG governance structure

At Crane NXT, our ESG program is an important part of our business priorities and reflects our shared values in action. Our ESG program was designed with the goals and priorities of our stakeholders in mind, as well as relevant laws, regulations, and standards under which we operate.

In 2023, Crane NXT formalized a new ESG governance structure appropriate for supporting the integration of our ESG program into our operations and strategy and promoting initiatives to achieve our ESG goals. Roles and responsibilities are clearly defined across different groups so we can hold ourselves accountable for progressing our ESG program.

Our ESG governance model supports the active development and implementation of action plans that advance our ESG priorities. Our Board of Directors oversees our ESG program and strategy by receiving regular reports from management.

The responsibility for ESG is carried out across the organization as described below:



## ESG roles and responsibilities

### Board

The Board provides formal oversight and strategic direction for the ESG program.

### Steering Committee

The Steering Committee sponsors the ESG strategy and goals and ensures integration across business units. This group also guides external ESG communications and our public stance on ESG issues. The Steering Committee members include our Chief Executive Officer, Chief Financial Officer, General Counsel, Chief Human Resources Officer, President of CPI, Senior Vice President of SAT and Vice President of Crane Business System.

### ESG Program Sponsors

The ESG Program sponsors oversee implementation of the ESG program and strategy, as well as ESG reporting and regulatory compliance. In 2024, our Program Sponsors are our General Counsel and Assistant General Counsel, Securities.

### Executive Sponsors

Our Executive Sponsors own strategy, initiatives, metrics and achievement of goals for their respective topics. Executive Sponsors sit on the Steering Committee.

### Functional Owners

The Functional Owners implement initiatives to execute strategy, review data, and report against KPIs at the direction of, and with oversight by, the Executive Sponsor.

### Functional Teams

The Functional Teams are responsible for collecting data and acting upon initiatives at the direction of, and with oversight by, the Functional Owners.

### ESG Regulatory Reporting Group

The ESG Regulatory Reporting Group oversees ESG data collection processes and ensures compliance with ESG regulatory reporting requirements.





1

2

3

4

5

6

7

8

9

10

# ESG PROGRAM

# Crane NXT's approach to ESG

In 2023, we conducted a thorough process to define and implement our ESG program. We established an internal ESG Steering Committee, comprised of cross-functional leaders, to assist in the development and implementation of an enterprise-wide ESG program.

## Materiality Assessment

To inform our program design, in fall 2023 we conducted a materiality assessment. The purpose of the materiality assessment was to identify the ESG topics most relevant to our operations and stakeholders.

Research	Engagement	Identification
<p>To identify our unique set of material topics, we first identified a range of possible ESG topics. By extensive research of peer companies and interviews with internal stakeholders on the current state of ESG at Crane NXT, we narrowed the list to a preliminary suite of ESG topics most relevant to our industry, our customers and our business.</p>	<p>Next, via in-depth interviews, surveys, and workshops, we engaged a diverse group of stakeholders, including our Board, the ESG Steering Committee, associates across functions and business segments, investors, customers, suppliers and partners, and industry groups, to identify topics most relevant to our operations and stakeholders.</p>	<p>Through this process, we identified eight material ESG topics for Crane NXT and our key stakeholders. These eight topics are the focus of our ESG program and are shown to the right. In the following sections of this report, we outline our strategic approach to managing each of these priority ESG topics.</p>

### Our 8 priority ESG topics

 <p><b>Climate change &amp; GHG emissions</b></p>	 <p><b>Water management</b></p>
 <p><b>Community engagement &amp; philanthropy</b></p>	 <p><b>Employee health, safety &amp; well-being</b></p>
 <p><b>Diversity, equity &amp; inclusion</b></p>	 <p><b>Business ethics</b></p>
 <p><b>Cybersecurity &amp; data privacy</b></p>	 <p><b>Product stewardship</b></p>

## Our ESG Program

Within each of our eight identified ESG topics, our ESG program is guided by the **priorities** established by our Executive Sponsors and the designated Functional Owner. The identified priorities then drove corresponding **initiatives** and **metrics**. At the beginning of 2024, we identified initiatives for each of the eight topics that we are executing and tracking this year. We also prepared a **policy statement** for each topic.



We have identified metrics for each of the eight material ESG topics that will be included in future reporting to measure our progress in executing on our priorities and initiatives and to comply with the EU Corporate Sustainability Reporting Directive (CSRD).

We are establishing or refining our data collection methodologies for those metrics, where necessary.

Through these efforts, our ESG program will proactively manage the material impacts, risks, and opportunities associated with our material topics.

### Looking ahead

To prepare for compliance with CSRD, we performed a double materiality assessment in 2024. The double materiality assessment was conducted to identify sustainability matters material to our business from impact materiality and financial materiality perspectives. The outcome of the double materiality assessment will inform the material topics and applicable disclosure requirements that Crane NXT will report against in future ESG reports.



## Our 8 priority ESG topics



**Climate change & GHG emissions**



**Water management**



**Community engagement & philanthropy**



**Employee health, safety & well-being**



**Diversity, equity & inclusion**



**Business ethics**



**Cybersecurity & data privacy**



**Product stewardship**



1

2

3

4

5

6

7

8

9

10

# ENVIRONMENTAL



## Trusted Partner

# Environmental

We are committed to environmental sustainability. Guided by our **Trusted Partner** value, we seek to be a good steward of the environment, minimize our environmental impact and comply with regulations. By working together with our employees, customers, and suppliers, we are confident that we can contribute to a more sustainable future.

Identifying the environmental impacts resulting from our daily operations is crucial in managing our environmental risks and achieving our goals. Of the eight 2024 ESG program topics identified in our materiality assessment, **Climate Change and GHG Emissions** and **Water Management** fall under the Environmental category.

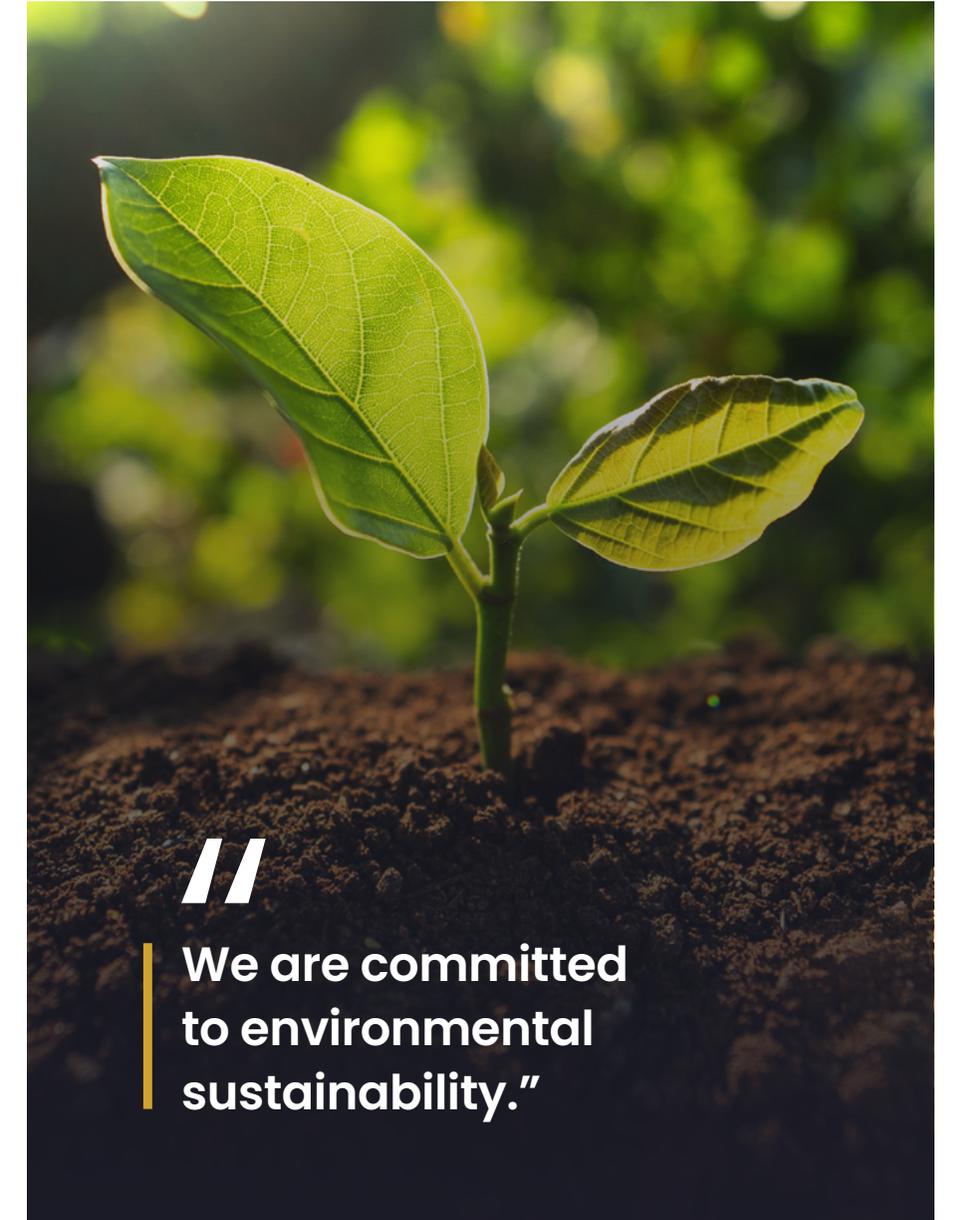
The below-listed Executive Sponsors and Functional Owners are responsible for aligning program initiatives to internal policy objectives and topic priorities, driving completion of initiatives and establishing processes to collect required metrics.

### Climate Change and GHG Emissions is overseen by:

- ▶ Vice President of Supply Chain for CPI
- ▶ Vice President of Operations for Crane Currency

### Water Management is overseen by:

- ▶ Senior Vice President of SAT
- ▶ Vice President of Operations for Crane Currency



//

**We are committed to environmental sustainability.”**

## Environmental: Selected accomplishments and initiatives

Our environmental program is designed to manage our greenhouse gas emissions and protect our water resources. We continuously monitor and update our environmental strategies to proactively address our environmental impact.



### Solar panel implementation

Installing solar panels at Querétaro and Malta manufacturing sites.



### Development of a GHG emissions inventory management plan

Formalization and enhancement of GHG emissions data collection and calculation processes.



### Energy efficiency optimization for currency production

Pioneer steam turbine and economizer boiler.



### Optimization of water usage and management

Well water usage improvement through Bonanaza Well Retrofit, Hollander refining, and water filtration.

### Material Environmental Topics

- ▶ Climate change and GHG emissions
- ▶ Water management

### Would you like to know more? Visit:

[Crane NXT sustainability >](#)

[Malta solar farm >](#)





“  
 In 2024, we installed  
 a solar farm at our  
 CPI Querétaro site  
 that is expected to  
 reduce emissions  
 by 300 tons of CO2  
 per year.”

## Climate change and GHG emissions

We recognize the importance of managing the environmental impact of our business operations. Our Climate Change and GHG Emissions strategy is focused on implementing initiatives where they will have the greatest impact (e.g., our manufacturing sites) and that make good business sense. We execute this strategy by tracking and managing our GHG emissions and implementing energy saving initiatives and renewable energy sources when it makes economic sense to our business.

Consistent with historical practice, we continue to track our Scope 1 (direct) and Scope 2 (indirect) emissions. In 2024, to prepare for ESG regulatory compliance requirements, we conducted a detailed review of our GHG emissions sources and data collection processes. Based on this review, we prepared an inventory management plan for Scope 1 and Scope 2 emissions to define data collection procedures in accordance with the Greenhouse Gas Protocol. We expect to share our Scope 1 and Scope 2 emissions in future ESG reports.

We also continue to implement initiatives to reduce energy consumption and use renewable energy when there is a cost benefit to such initiatives. In 2024, in addition to initiatives within our businesses to reduce energy consumption, we installed a solar farm at our CPI Querétaro site that is expected to reduce emissions by 300 tons of carbon dioxide (CO2) per year. Further, our key Crane Currency manufacturing sites are ISO 14001:2015 certified and use their Environmental Management System to minimize their environmental footprint and comply with relevant legal requirements.



**Spotlight: Malta solar farm**

We have a large-scale solar farm at our Crane Currency Malta site. The solar panels generate about 1,500,000 kWh annually and reduce emissions by approximately 690 tons of carbon dioxide (CO2) per year. Our Malta solar farm is the first solar farm installation in Malta to feature a semi-autonomous cleaning system, which allows the 1,710 panels to achieve maximum energy efficiency and produce at the highest possible yields throughout the lifetime of the system.



1.5  
MILLION  
kWh ANNUALLY

The solar panels generate about 1,500,000 kWh annually and reduce emissions by approximately 690 tons of carbon dioxide (CO2) per year.

## Water management

We have a strong legacy of water sustainability that goes back to 1954 when we first retained environmental consultants to advise on the development of a wastewater treatment plan (WWTP) at our Dalton, MA facility. By 1962, well before the Federal Water Pollution Control Act Amendments of 1972, our WWTP was fully operational. Since then, we have continued to improve our processes to reduce water usage where possible and ensure that the water we release is clean and recreationally suitable.

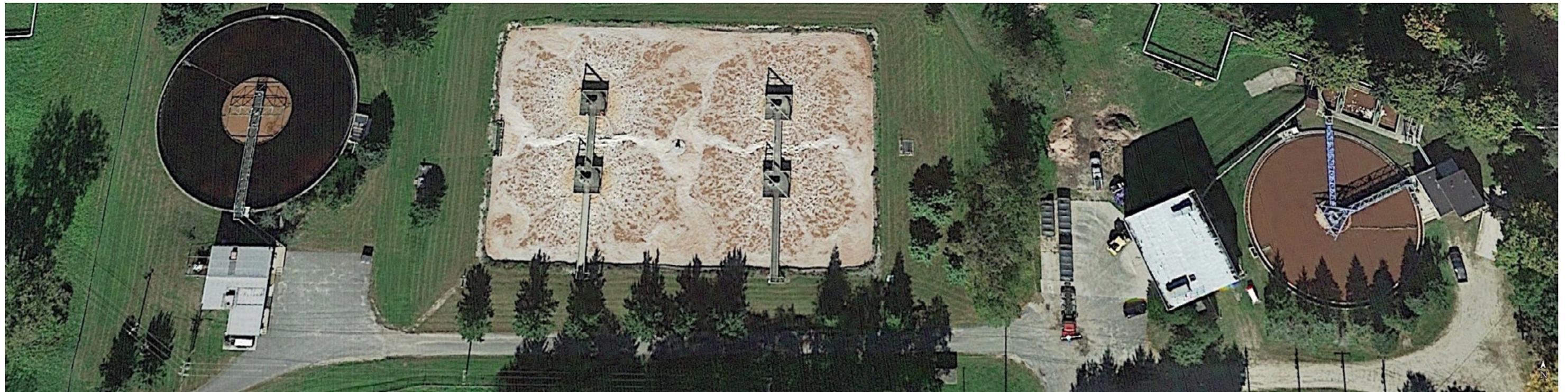
Our Crane Currency manufacturing operations include water-intensive processes. Therefore, we prioritize sustainable water management across our operations.

Our efforts to manage water usage are ongoing and targeted. At our Tumba, Sweden site, we have implemented automated systems to control water flow, thereby reducing overconsumption. Similarly, our Dalton facility focuses on recovery and reuse of water; 97% of water used in our manufacturing process in Dalton is treated and returned to the environment.

Our wastewater treatment plants are designed to not only comply with but exceed environmental regulations. Through a comprehensive treatment process, we ensure that the water we release is clean and safe for local aquatic ecosystems and recreational use.



**97% of water used in our manufacturing process in Dalton is treated and returned to the environment.”**



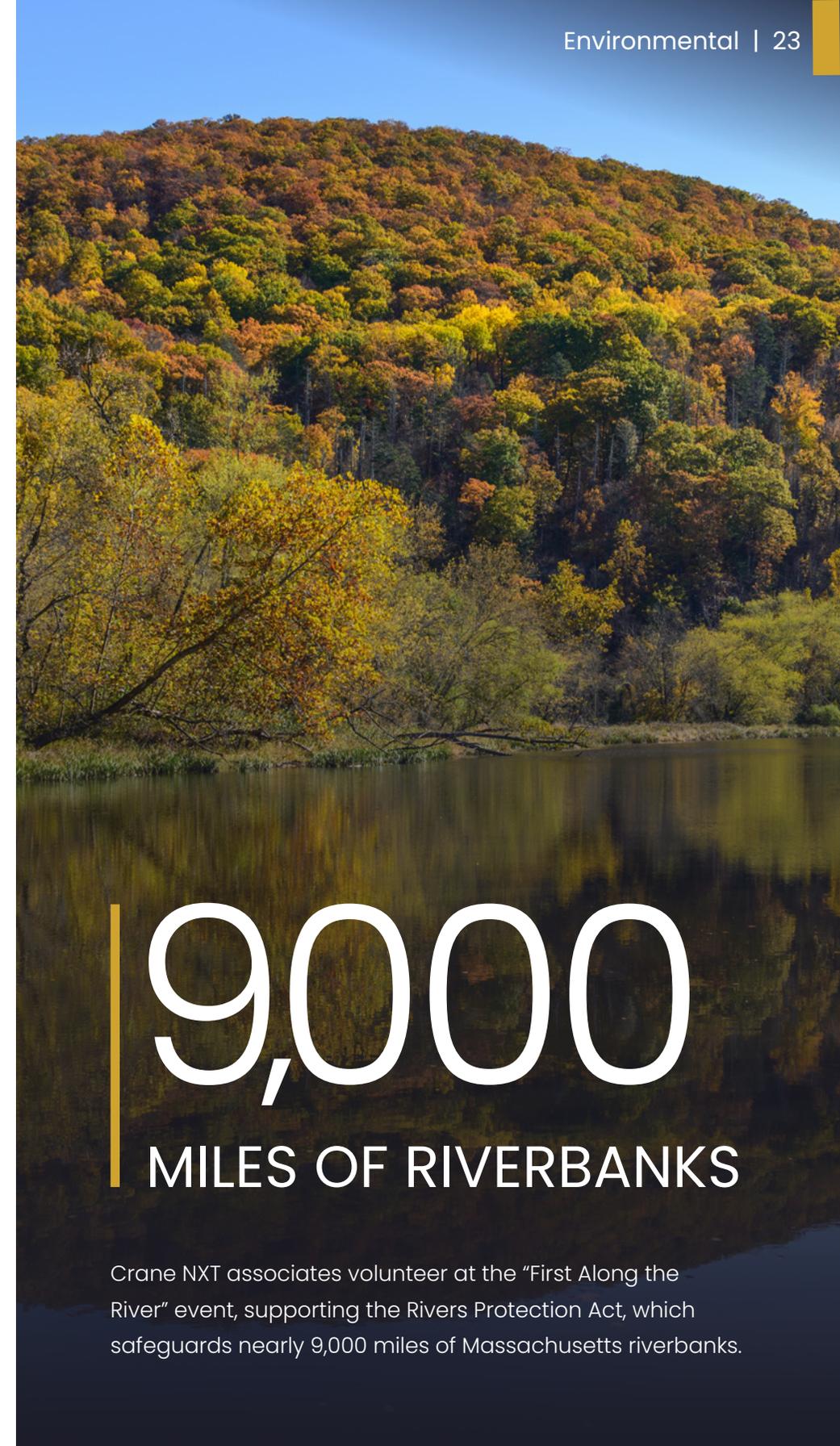


### Water conservation

Our associates are also engaged in water conservation. Twice a year, we organize a volunteer opportunity for our Dalton, MA-based associates to clean up trash along the Housatonic River in an event called First Along the River. This event supports the Rivers Protection Act, which safeguards nearly 9,000 miles of Massachusetts riverbanks to help keep water clean while preserving the wildlife habitat. Our Tumba, Sweden-based associates also participate in an annual volunteer event in collaboration with the Keep Sweden Clean organization to pick up trash around Kvarnsjön lake and the Tumba Papermill Sweden.

### Waste reduction

We also look for innovative ways to minimize waste. The by-product of our wastewater treatment, short paper fiber, is converted into compost, which supports soil health in agriculture and contributes to organic by-products for environmental projects. As our business evolves, we continue to be mindful of our water usage and are actively identifying new ways to reduce our impact through our water management practices, working towards a sustainable future for both our business and the communities in which we operate.



9,000  
MILES OF RIVERBANKS

Crane NXT associates volunteer at the “First Along the River” event, supporting the Rivers Protection Act, which safeguards nearly 9,000 miles of Massachusetts riverbanks.



- Home icon
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10

# SOCIAL



People Matter

## | Social

Guided by our **People Matter** value, we invest in our employees and our communities to achieve more by working together. This value shapes our inclusive, high-performance culture, which is vital to the success of our growth strategy.

Of the eight 2024 ESG program topics identified in our materiality assessment, **Community Engagement and Philanthropy**, **Employee Health, Safety and Well-Being** (HSW), and **Diversity, Equity and Inclusion** (DEI) fall under the Social category.

The right-listed Executive Sponsors and Functional Owners are responsible for aligning initiatives to internal policy objectives and their topic priorities, driving completion of initiatives and establishing processes to collect any required metrics.

### Community Engagement and Philanthropy is overseen by:

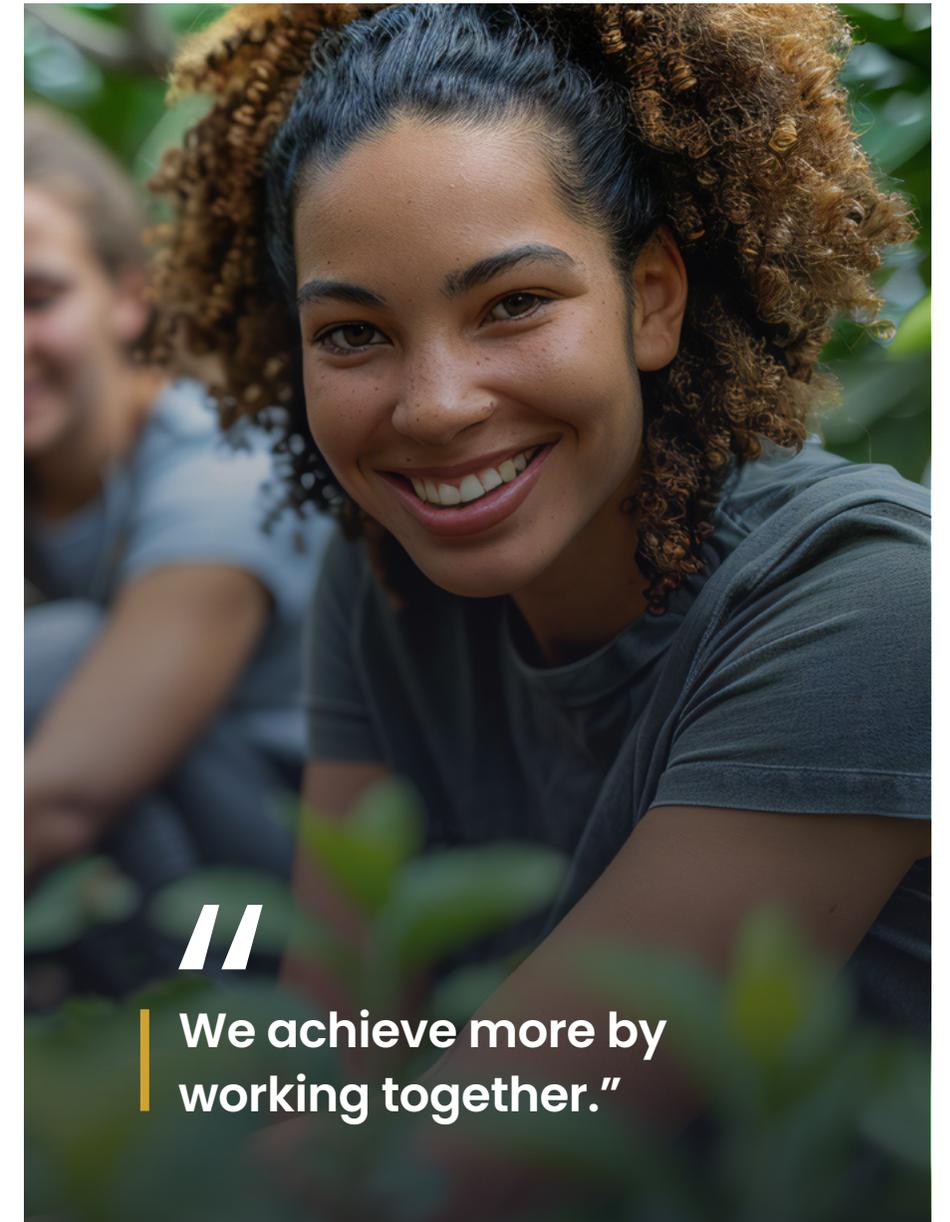
- ▶ Chief Human Resources Officer
- ▶ Assistant General Counsel, Securities

### Employee HSW is overseen by:

- ▶ Vice President of Crane Business System
- ▶ Employee Health and Safety Manager

### DEI is overseen by:

- ▶ Chief Human Resources Officer
- ▶ Vice President of Total Rewards



“

We achieve more by working together.”

## Social: Selected accomplishments and initiatives

We are committed to fostering a safe and inclusive workplace and giving back to the communities in which we live and work.



### Community Impact through Volunteerism

We offer employees time off to engage in volunteer activities to give back to our communities, partnering with dozens of organizations to tackle issues such as hunger, poverty and homelessness.



### Minimize Incidents

We strive for 90% participation in Job Safety Risk Assessments among our direct associates.



### Enhance Hiring Diversity

We have improved diversity in leadership hiring by establishing recruitment processes and partnering with various organizations to create a strong, inclusive talent pipeline.

### Material Social Topics

- ▶ Community engagement and philanthropy
- ▶ Employee health, safety and well-being
- ▶ Diversity, equity and inclusion

### Would you like to know more? Visit:

[Philanthropy >](#)

[Our impact >](#)

[Code of business conduct and ethics >](#)





## Community engagement and philanthropy

Crane NXT has a strong legacy of charitable giving that started with the Company's founder, R.T. Crane, over 100 years ago. The Crane Fund was established in 1914 with funds set aside by R.T. Crane before his death. As discussed further below, The Crane Fund provides support to former associates who are facing financial challenges due to age or disability.

Crane NXT also makes a meaningful impact on those in need in our communities through employee-driven donations made by the Crane Fund for Widows and Children. The Crane Fund and the Crane Fund for Widows and Children are both Crane NXT shareholders.

We are proud that our profitable growth has a direct impact on these philanthropic efforts.

In addition to donations, volunteerism is another key pillar of our philanthropic efforts. Our employees are encouraged to, and proud to, volunteer with charitable organizations in our communities. At Crane NXT, we are engaged with the communities where we live and work, and we're committed to giving back to, and making a positive impact on, these communities.

By continuing our strong legacy of community engagement and philanthropic initiatives, we live our values – particularly our People Matter value.

We are strengthening our relationships with our communities to make a more inclusive society.



### People Matter

For more detailed information on our community impact and philanthropic initiatives, please visit our website.

[Philanthropy >](#)



## Philanthropy

We're committed to supporting communities worldwide, and we believe in using our resources to contribute positively to the well-being of all.

### Spotlight: The Crane Fund

Toward the end of his life, R.T. Crane, the Company's founder, set aside one million dollars of his personal holdings. Following his death, his family members used those funds to establish The Crane Fund in 1914 as a private charitable trust. The Crane Fund grants aid to former associates and their dependents who are unable to be self-supporting due to age or disability.

**In 2023, The Crane Fund distributed \$19.8 million to over 1,000 former Crane NXT and Crane Company associates and their families.** The Crane Fund exemplifies our long-standing commitment to supporting former associates and their dependents.

### Spotlight: The Crane Fund for Widows and Children

The Crane Fund for Widows and Children focuses on addressing critical social issues in communities where Crane NXT operates.

The fund makes contributions to charitable organizations that provide direct assistance to underserved populations in the communities where we live and work. Recipient organizations are selected by Crane NXT associates with a focus on organizations where associates have a personal connection.

These donations help to improve the lives of many by providing support to organizations to tackle food insecurity, promote affordable housing, enhance educational opportunities, improve health outcomes, protect the environment, advocate for animal welfare, and provide other services for the welfare of those in need.

These efforts aim to create sustainable and positive impacts on underserved populations.



In each of 2023 and 2024, the Crane Fund for Widows and Children donated \$1.7 million to over 300 organizations selected by Crane NXT associates.



### Volunteerism

Volunteerism is a cornerstone of our commitment to give back to the communities where we live and work.

Our associates participate in a wide range of community activities related to affordable housing, children and families, disability, education, elderly, emergency response, the environment, food, health, and animal welfare. Each year, we provide dedicated time off for employees to volunteer with organizations that align with their personal passions and values, empowering our team to make a tangible difference in the lives of others. In 2023, Crane NXT associates contributed a total of over 6,500 volunteer hours at nearly 250 volunteer events.

### Spotlight: Volunteering at CPI: Mahdlo Youth Zone in Oldham, United Kingdom

We proudly collaborate with the Mahdlo Youth Zone, an organization dedicated to providing high quality, innovative activities and experiences for young people from Oldham to enhance the quality of their lives and provide support services for those who need additional help to achieve their potential.

In January 2024, CPI associates volunteered at Mahdlo for a total of over 50 volunteer hours to help the organization prepare for a guest speaker event for local students.

In June 2024, CPI associates volunteered at Mahdlo for a total of 35 volunteer hours to clean up an overgrown area so that the children could start to grow fruits and vegetables.



Our associates' hands-on experiences not only supported Mahdlo's mission but also fostered meaningful connections between our team and the community. Mahdlo has also been a recipient of donations from the Crane Fund for Widows and Children.



**It was a pleasure to help out at Mahdlo. They do an amazing job providing a safe place for young people to go and learn new skills and meet their friends."**

CPI Electronics Engineer



### Spotlight: Volunteering at Crane Currency: Berkshire Dream Center

Crane Currency volunteers are stepping up in Berkshire County, partnering with the Berkshire Dream Center to participate in volunteer events for nearly 100 volunteer hours so far in 2024 to meaningfully address hunger, poverty, and substance abuse. Our recent efforts have focused on replenishing the food pantry shelves, providing essential support to those in need.

This initiative is more than just immediate aid; it's a testament to the strength of community collaboration in overcoming pressing challenges.



### Spotlight: Volunteering at Crane NXT: Inspirica in Stamford, Connecticut

Our team, through partnership with Inspirica, an organization dedicated to fighting homelessness and poverty, provided hands on support for a total of 12 volunteer hours in May 2024, painting rooms, doors, and hallways, directly uplifting the living conditions for families in need of housing.

Our employees took pride in their contributions, with one noting, "Volunteering to paint the walls and hallways at Inspirica was deeply meaningful because it provided a fresh, welcoming environment that helped ease the insecurities of the families there," while another remarked, "Volunteering at Inspirica was meaningful because it allowed us to contribute directly to creating a warm and welcoming home for those in need."

Inspirica also received a donation from the Crane Fund for Widows and Children in 2023 and 2024. This is just one example of how Crane NXT uses both philanthropy and volunteerism to give back to and engage with our local communities.



**I enjoy volunteering at Berkshire Dream Center. The people and the organization are wonderful, and I'm glad to help out in any way I can... It is nice to see the community coming together to support one another."**

Crane Currency Co-Op Student

## Employee health, safety & well-being

Our commitment to employee health, safety and well-being is foundational to our operations. Our top priority is that our employees return home in the same condition in which they arrived to work. Guided by our Code of Business Conduct and Ethics, we uphold stringent principles that reflect our dedication to creating a safe workplace for our employees.



### Regulatory responsibility

We prioritize compliance with federal, state, and local health and safety regulations to ensure safe workplace practices that minimize the risk of injury.



### Management and communication

Transparent communication of workplace hazards is integral to our safety protocols, bolstered by comprehensive emergency preparedness initiatives. Our proactive approach to risk management includes the adoption of safe technologies and robust training programs, ensuring a safe and secure working environment.



### Employee and customer safety

Our dedication to ethical practices extends to the design and delivery of products and services that prioritize the safety and well-being of both our employees and customers.

### How We Are Prioritizing the Safety of our Associates

Every month, the CEO and his staff review the safety of our associates. Specifically, they review every recordable and DART (Days Away, Restricted or Transferred) accident that occurred in the previous month, as well as trends across all businesses. The purpose of this review is to share ideas and best practices across the business and, ultimately, to drive and prioritize safety improvements.



We aim to achieve 90% participation in Job Safety Risk Assessments among our direct associates to swiftly identify and mitigate workplace hazards. To monitor our progress effectively, we review the percentage of direct associates who have participated in safety assessments year-to-date on a monthly basis, allowing us to promptly identify any deviations from our target and implement corrective actions to achieve our participation target.

In parallel, our monthly Environmental Health and Safety communication and engagement initiatives also target a 90% participation rate, aiming to build a culture of accountability and proactive safety practices. We measure the reach of our safety communications through a monthly bowling chart, tracking the percentage of associates who have engaged with each communication. This approach enables us to maintain momentum and address any barriers in real-time, ensuring that by year-end, we have successfully engaged our workforce in our safety messaging.



## Our Benefits

We are committed to supporting our employees with a comprehensive suite of benefits, empowering them to bring their best selves to work every day. The benefits listed below apply to all U.S. benefits-eligible associates.

### U.S. Benefits:

- ▶ Comprehensive medical, dental, vision, life, and disability insurance
- ▶ 401(k) retirement savings plan with company-matching contributions
- ▶ Paid parental leave
- ▶ Paid volunteer time

## Diversity, equity and inclusion

We believe that embracing diverse perspectives and backgrounds fuels collaboration, drives innovation, and strengthens stakeholder relationships.

We are dedicated to building a workforce that mirrors the diversity of our community, ensuring inclusivity and adaptability across all our business endeavors.

To support our team, we offer comprehensive training and development opportunities designed to enhance performance, prepare for new challenges, and help employees achieve their career goals.

In October 2024, we will launch an employee engagement survey to gather valuable insights from our team members, ensuring their voices are heard as we strive to create an exceptional employee experience.

### Recruitment and Hiring Practices:

We have implemented comprehensive and structured processes to enhance diversity in our hiring practices, with particular focus on leadership roles. Our approach includes broadening our recruitment efforts to attract a wide array of diverse candidates and ensuring equitable opportunities at every stage of the hiring process. By partnering with diverse professional organizations and educational institutions, we are cultivating a robust talent pipeline designed to attract, develop and retain talent from all backgrounds.

### Pay Equity and Fair Treatment:

Our pay-to-perform compensation program is designed to ensure fair and equitable pay practices across our workforce. We proactively address and mitigate any gender pay gaps, ensuring that all employees are compensated fairly. Our policies and procedures are crafted to promote fairness and eliminate barriers to career advancement based on gender, ethnicity, race, sexual orientation, and other protected characteristics.



1

2

3

4

5

6

7

8

9

10

# GOVERNANCE



Do The Right Thing

## | Governance

Guided by our **Do The Right Thing** value, we operate with honesty and integrity in all that we do. Ethical conduct and compliance are fundamental to our corporate governance. Of the eight 2024 ESG program topics identified in our materiality assessment, **Business Ethics, Cybersecurity and Data Privacy, and Product Stewardship** fall under the Governance category.

Our governance-related material topics are collectively managed and overseen by a leadership team responsible for driving progress on each of our material governance topics. Together, they ensure that all programs and initiatives align with our internal policy objectives.

We prioritize ethical values through a robust compliance training program and regular updates to our Code of Business Conduct and Ethics, Anti-Bribery Compliance Policy and Implementing Procedures, Conflicts of Interest Policy, and Corporate Governance Guidelines to meet evolving regulations and industry norms. Through our ongoing initiatives we have embedded ethical practices and accountability throughout Crane NXT, ensuring transparency, trust, and responsible corporate behavior in everything we do.

### Business Ethics is overseen by:

- ▶ General Counsel
- ▶ Director of Compliance and Ethics

### Cybersecurity and Data Privacy is overseen by:

- ▶ Chief Financial Officer
- ▶ Chief Information Security Officer

### Product Stewardship is overseen by:

- ▶ President of CPI
- ▶ Vice President of Operations for Crane Currency
- ▶ Vice President of Supply Chain for CPI

## Governance: Selected accomplishments and initiatives

We continuously monitor and update our governance strategies to ensure we drive compliance across our workforce, suppliers, and key stakeholders.



### Informed and Trained Workforce

Deploying interactive training modules and in-person training sessions for the Code of Conduct, harassment prevention and trade compliance throughout the workforce and to key stakeholders and third parties.



### Cybersecurity Resilience and Responsiveness

Advancing our cybersecurity by modernizing technologies, expanding network capabilities, integrating AI, and educating employees to proactively protect against and swiftly respond to evolving threats.



### Quality Excellence and Timely Delivery

We prioritize product stewardship and customer satisfaction, adhering to ISO 9001:2015 standards and implementing initiatives to track and improve on time delivery.

### Material Governance Topics

- ▶ Business ethics
- ▶ Cybersecurity and data privacy
- ▶ Product stewardship

### Would you like to know more? Visit:

[Corporate governance >](#)

[Code of business conduct and ethics >](#)



## Business ethics

We prioritize ethical conduct and compliance as fundamental pillars of our corporate governance. We ensure that we maintain a rigorous compliance training program that covers areas such as code of conduct, anti-bribery, harassment, trade compliance, and more. This includes deploying interactive third-party training modules to ensure that we are also minimizing risks in our process for hiring and retaining third parties in the conduct of our business.



### Third-party risk management

To safeguard against ethical lapses and maintain trust in our business relationships, we continuously review and enhance our third-party due diligence procedures. These efforts are aligned with our stringent anti-bribery policy, aiming to minimize risks associated with external partnerships. By implementing rigorous oversight and monitoring, we uphold high ethical standards in all our business dealings.



Our ethical framework is comprised of our Code of Business Conduct and Ethics, Anti-Bribery Compliance Policy and Implementing Procedures, Conflicts of Interest Policy, and Corporate Governance Guidelines. We regularly update and assess our practices and policies to align with evolving regulations and industry norms.



Our Code of Business Conduct and Ethics applies universally across our organization, including the Board of Directors, corporate officers, and all employees. It emphasizes strict adherence to both domestic and

international laws, ensuring legal compliance and accurate financial reporting. More than regulatory compliance, our Code fosters a culture of ethical behavior and accountability at all levels.

We have established and trained our employees on key policies to address critical areas such as conflicts of interest, confidentiality, fair dealing, and safeguarding company assets.

These policies uphold transparent and responsible corporate governance, aiming to maintain stakeholder trust and uphold the highest standards of integrity in all business interactions.



### Spotlight: Training and audits related to ethical standards

At the time of onboarding, all associates are required to complete our Code of Business Conduct and Ethics training. Annual training on the Code of Business Conduct and Ethics is required for all salaried associates.

Annually, we require all salaried associates to certify to our Code of Business Conduct and Ethics, which includes 12 questions pertaining to any known violations of the Code of Business Conduct and Ethics. We also require salaried associates to certify annually to our Conflicts of Interest Policy and disclose any potential conflicts, which are then reviewed by the General Counsel.

Since 2014, Crane Currency has been an accredited member of the Banknote Ethics Initiative, which focuses on the prevention of corruption and compliance with antitrust law in the banknote industry. Audits are required every three years. Crane Currency was a founding member of the initiative.

### Compliance reporting

We have established robust channels for compliance reporting, empowering our employees to report any suspected violations or ethical concerns promptly. This approach enables us to address ethical issues swiftly and transparently, reinforcing our commitment to ethical operations and our reputation as a responsible corporate entity.

Through these initiatives, we are furthering our promise to ethical business practices, ensuring trust, transparency, and accountability in everything we do.

To ensure our commitment to ethical business practices and a strong corporate culture, we maintain an Ethics and Compliance Hotline overseen by our Director of Compliance and Ethics. This hotline allows associates to promptly report concerns related to discrimination, harassment, or other ethical violations.

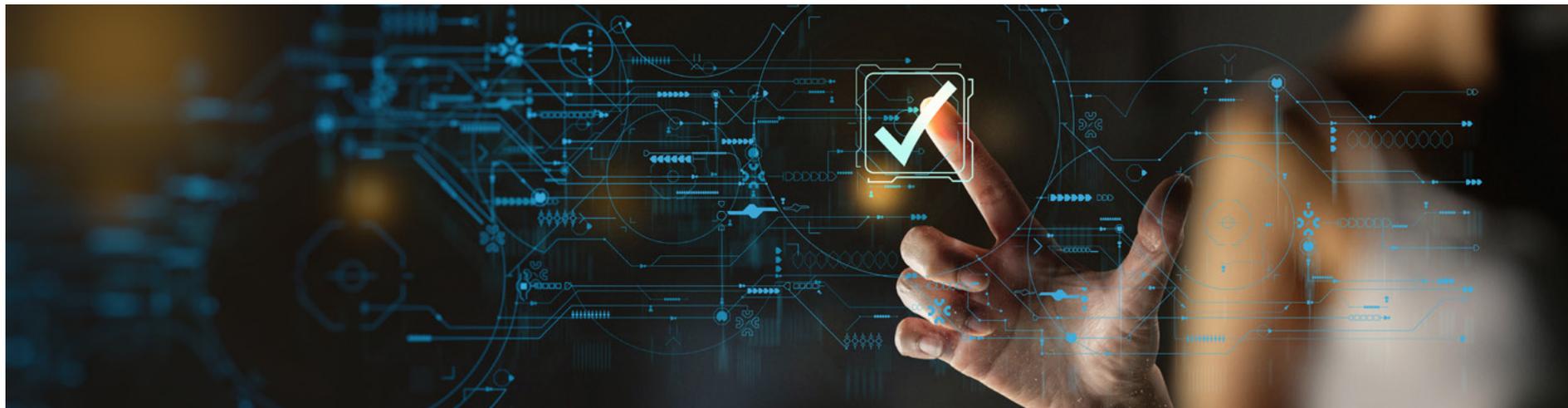
Each report undergoes a thorough investigation led by a task force of senior leadership, resulting in actions such as role transitions, company-wide communications, final warnings, or terminations. In addition, the Audit Committee receives a regular report on hotline metrics and cases.

Conducting business within the boundaries of ethical standards, laws and government regulations is central to everything we do. Crane NXT employees are encouraged to safely report any compliance or ethics issues they encounter through the Crane NXT Ethics and Compliance Hotline.

 **844-579-1649**  
(for U.S. or Canada callers)

 **001-610-943-7779**  
(for international callers)

 **[ethics@cranenxt.com](mailto:ethics@cranenxt.com)**



## Cybersecurity and data privacy

Robust cybersecurity and data privacy practices are essential components of our corporate responsibility and allow us to fulfill our mission to Secure, Detect and Authenticate what matters most. Throughout 2023 and 2024, we have enhanced our cybersecurity framework with comprehensive initiatives to improve the effectiveness and integrity of our technology networks and systems and data collection and retention processes.

We continue to modernize our endpoint security technologies and expand our network and system capabilities to enhance preventive measures and detection capabilities. These efforts are crucial for providing improved visibility and control over data flows, strengthening our ability to protect against potential threats and secure sensitive information.

Simultaneously, we are developing a robust cybersecurity ecosystem that enhances both detective and preventative controls. This proactive approach is designed to reduce cybersecurity risks and bolster our responsiveness to cybersecurity events, ensuring resilience across all our operations.

Our enhanced cybersecurity awareness program now offers multi-faceted education and training for all employees. Additionally, the integration of AI capabilities into our cybersecurity defenses enhances our ability to detect and respond to threats swiftly. This includes optimizing threat detection, response capabilities, and aligning frameworks to mitigate risks effectively.

We prioritize staying ahead of emerging cybersecurity risks by continuously updating our security technologies. This proactive approach involves integrating new capabilities and replacing legacy systems to maintain comprehensive protection and adaptability in an ever-evolving threat landscape.

By investing in cybersecurity and data privacy, we prioritize resilience and innovation to enhance our competitive edge in the digital age and ensure that we can navigate challenges effectively while maintaining trust with our stakeholders.



**Enhanced preventive measures  
and detection capabilities**



**Integrated AI capabilities to enhance  
threat detection and response**



**Cybersecurity awareness program  
for all employees**

## Product stewardship

Product stewardship is fundamental to delivering superior quality and ensuring customer satisfaction across our businesses. We have implemented robust initiatives aimed at maintaining high standards and exceeding customer expectations through stringent quality management practices. Effective product stewardship allows us to maintain customer trust, which is essential to the success of our growth strategy.

### On Time Delivery (OTD) Excellence

On Time Delivery rate (OTD) is a key objective for both our CPI and SAT businesses. To monitor and enhance OTD performance, we have introduced customer satisfaction dashboards tailored for each site. These dashboards track metrics such as OTD, Out of Box (OOB) defect rates, and lead time to issue resolution, enabling proactive management and continuous improvement.

### Compliance with ISO 9001:2015 Standards

We are committed to upholding compliance with the ISO 9001:2015 requirements for quality management systems across our operations. We are currently adapting our databases to calculate First Year Failure Parts Per Million (PPM) defect rates as a larger effort to ensure that our products meet stringent quality benchmarks, reflecting our dedication to reliability and customer satisfaction.

### Customer Audit Readiness

Ensuring satisfactory completion of all customer audits is a top priority of Crane NXT. Following the completion of our Advanced Product Quality Planning (APQP) plan, we will integrate pertinent improvements into our ISO 9001:2015 quality management systems. This proactive approach not only prepares us for external audits but also strengthens our internal quality assurance mechanisms, ensuring consistency and excellence in product delivery.

### Enhancing Customer Satisfaction

Monitoring and improving customer satisfaction are core objectives. Both CPI and SAT are developing Customer Satisfaction Ratings tailored to each business's specific needs to provide valuable insights into customer perceptions and preferences. Additionally, implementing the new Failure Rate Failure Yield (FRFY) metric and conducting internal core tool audits under APQP will help mitigate risks and drive continuous improvement in product quality and reliability.

### Responsible Sourcing and Supplier Audits

Our CPI business conducts annual audits of our top 80% suppliers by spend to assess quality, sourcing and sub-supplier management, manufacturing practices and environmental practices, among other things. In Crane Currency, we require suppliers to complete a survey prior to onboarding so we can assess their business practices, and we conduct a site visit for fiber suppliers. After onboarding, we conduct additional surveys, audits and site visits as required by the business.

Further, we collaborate with our suppliers to implement a thorough due diligence process to ensure the ethical procurement of products that may contain conflict minerals – tin, tantalum, tungsten, and gold. Conflict minerals are not present in our SAT products or components; therefore, we follow this process only in our CPI business. Annually, we send surveys to suppliers representing approximately 80% of our total likely annual spend on raw materials or components that contain or are likely to contain conflict minerals. We use the Conflict Free Sourcing Initiative's (CFSI) Conflict Minerals Reporting Template (CMRT) to perform a Reasonable Country of Origin Inquiry (RCOI). This survey allows us to understand the suppliers' conflict minerals due diligence processes and whether any conflict minerals are present in the raw materials or components supplied to us. This collaborative effort with suppliers involves detailed inquiries, analysis of responses, and follow-up actions to maintain transparency and responsibility in our supply chain.

### Chemical Safety

Our CPI business does not use regulated chemicals in its manufacturing operations. Certain CPI sub-tier components contain materials that require us to be RoHS-compliant to ship our products into the EU. Within our Currency business, in the United States, we are required to submit safety data sheets to ensure compliance with customer requirements regarding chemical safety.



- 🏠
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10

# PATH FORWARD

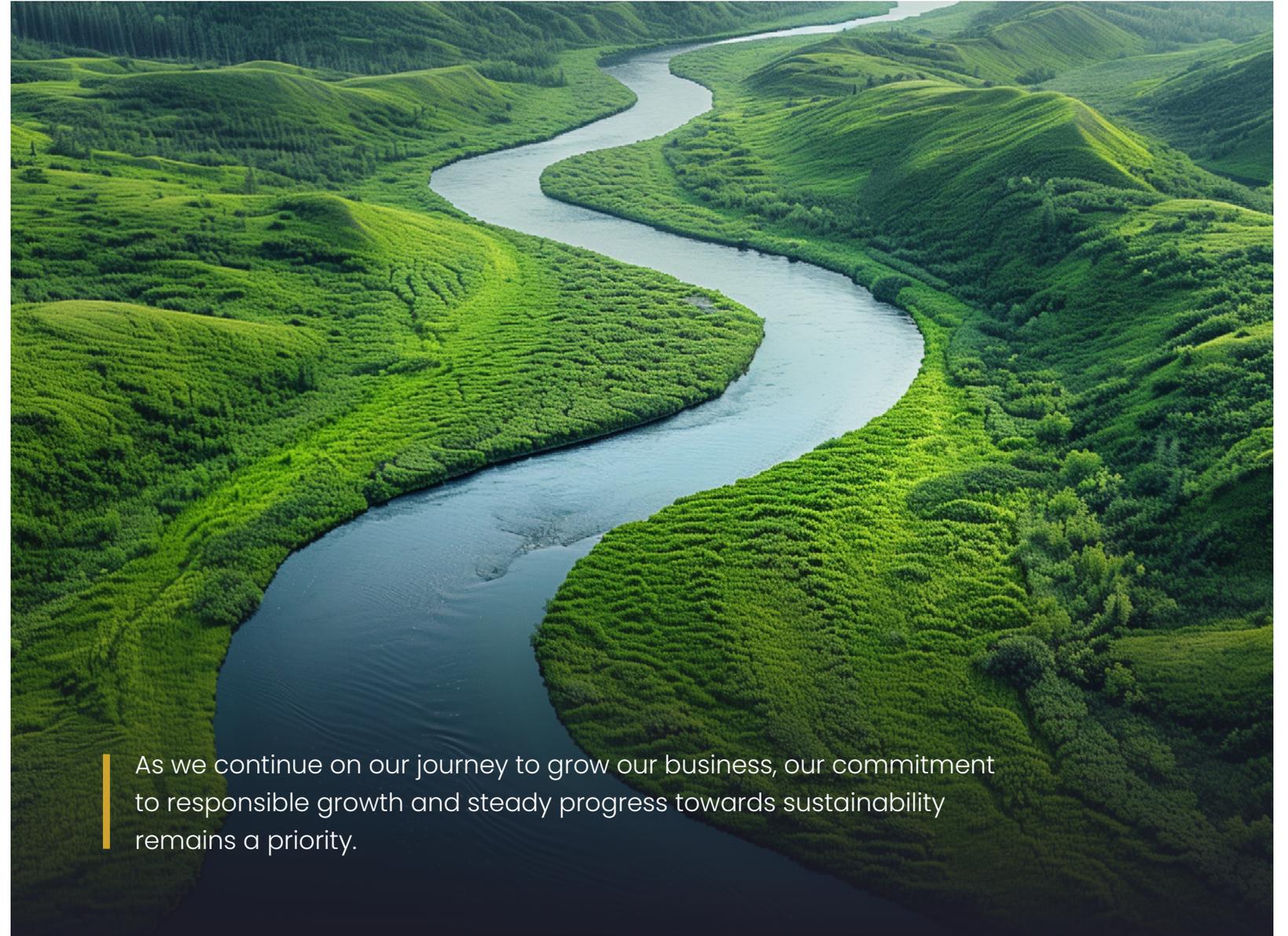


## Always Improving

# | Path Forward

Crane NXT is committed to transparency and accountability regarding our ESG program and related initiatives. We have a strong history of commitment to ESG and giving back to the communities in which we live and work.

This year was a significant milestone in Crane NXT's ESG journey, marked by the release of this inaugural ESG report. Looking ahead, motivated by our **Always Improving** value, we are excited to continue to define our ESG strategy, execute on our initiatives and track and manage our metrics as we strive to have a positive impact on our communities and comply with ESG regulations.



As we continue on our journey to grow our business, our commitment to responsible growth and steady progress towards sustainability remains a priority.

# | Cautionary statement



1

2

3

4

5

6

7

8

9

10

# | Cautionary statement

This report contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include all statements that are not historical statements of fact and those regarding the Company's intent, belief, or expectations.

Words such as "anticipate(s)," "expect(s)," "intend(s)," "believe(s)," "plan(s)," "may," "will," "would," "could," "should," "seek(s)," and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. The Company assumes no (and disclaims any) obligation to revise or update these statements to reflect future events or circumstances. Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, it can give no assurance that its expectations will be attained. The Company cautions readers not to place undue reliance on any such forward-looking statements.

With respect to the matters discussed in this report, many factors and uncertainties relating to our operations and business environment, all of which are difficult to predict and many of which are outside of our control, influence whether any forward-looking statements can or will be achieved. Any one of those factors, including as the result of changes in circumstances, estimates that turn out to be incorrect, standards of measurement that change over time, assumptions not being realized, or other risks or uncertainties, could cause our actual results, including the achievement of any targets, goals or commitments, to differ materially from those expressed or implied in any forward-looking statements.

Readers should carefully review Crane NXT, Co.'s financial statements and the notes thereto, as well as the section entitled "Risk Factors" in Item 1A of Crane NXT, Co.'s Annual Report on Form 10-K for the year ended December 31, 2023, and the other documents Crane NXT, Co. and its subsidiaries file from time to time with the SEC. These filings identify and address important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements.

The numbers and data contained in this ESG Report have not been audited. All references to "material," "materiality" or assessments related thereto should not be construed as a statement or determination that such items are material for purposes of U.S. securities laws.

©2024 Crane NXT, Co. All Rights Reserved.

For more information please visit: [cranenxt.com](https://cranenxt.com)

