



Case study

## GLOBAL IMPACT EQUITY STRATEGY



### MSA Safety

The following case study is a selected example of a recent engagement with a company held in or considered for the portfolio. The example is not meant to be representative of every engagement held, but to illustrate the types of ESG engagements we are having with the managements of our investment companies.

ENHANCING QUALITY OF LIFE

# MSA Safety

## Pressure Points

Approximately 2 million people die each year because of occupational accidents or work-related diseases globally, with around 360 million work-related injuries.<sup>1</sup> The economic burden of poor occupational safety and health practices is estimated to cost around 4% of global gross domestic product each year.<sup>1</sup> Providing a safe working environment has positive implications for employee safety and improved mental and physical health. This can feed through into better organizational performance due to higher employee satisfaction and a safer work environment.

## Impact Thesis

MSA Safety is a leading global manufacturer of safety equipment committed to developing, manufacturing, and supplying safety products. Core products include self-contained breathing apparatus, fixed gas and flame detection systems, portable gas detection instruments, fire and rescue helmets, and fall protection devices. MSA Safety literally saves lives. We report the impact of MSA Safety by estimating the number of incidents avoided due to its industrial helmets and fall protection equipment.

**KPI:** Revenue from protection equipment and research and development spent

## Five Dimensions of Impact

**What:** Protecting workers from injuries and life- and health-threatening incidents.

**Who:** Workers in hazardous industries and life-threatening environments.

**How much:** In financial year 2020, total revenues decreased by 3% from 2019, mainly driven by weakness in its end markets due to the pandemic.<sup>2</sup>

**Contribution:** MSA Safety has developed a reusable respirator for frontline health care workers. It also developed a smart fall protection device, designed specifically to help protect warehouse order pickers as the pandemic increased online orders.

**Risks:** Product reliability is critical, while external risks come from a lack of strong social and regulatory frameworks supporting occupational health and safety.

## Progress Monitoring

Further academic research in the field of health and safety is needed to help quantify the impact of firefighting equipment (helmet, protective gear, and breathing apparatus) and gas detection equipment, which represents 36% and 32%, respectively, of MSA Safety's total financial year 2020 revenue.<sup>2</sup>

## PRIMARY UN SDG



## IMPACT PILLAR

Social Equity and Quality of Life

## IMPACT SUB-PILLAR

Enhancing Quality of Life

## IMPACT JOURNEY

### Input

USD 229 million revenue from industrial helmets and protection equipment<sup>2</sup>

### Output

2.3 million units sold in 2020 financial year<sup>3</sup>

### Outcome

1.3 million workers protected<sup>3</sup>

### Impact

1,059 incidents avoided<sup>3</sup>

<sup>1</sup> International Labor Organization

<sup>2</sup> Source: 2020 annual report

<sup>3</sup> Net Purpose estimates

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## Additional Disclosures

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