



Our responsibility

Sustainability Report 2023





Sustainability Report 2023

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About this report

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GRI 2-22

Dear Readers,

Especially in times of great challenges, companies must prove their adaptability. They need to react quickly and flexibly to changing conditions – without losing their long-term focus and jeopardising the sustainability of their own actions. For this reason, we are particularly proud that we were able to maintain our focus in 2023 and achieve our goals with the right measures.

DRÄXLMAIER has always been characterised by flexibility, speed and innovation. The commitment of our employees has been a major contributing factor to our 65 years of success in the market. Our success is evident not least in the progress we have made in the area of sustainability.

At DRÄXLMAIER, it goes without saying that the three pillars of sustainability – economy, ecology and social responsibility – are equally important. We not only focus on economic success, but also strive to have a positive impact on the environment and society. This balanced approach is both an integral part of our corporate strategy and also a deeply rooted value that guides the actions of all employees.

We pay particular attention to our products and the further development of our production technologies. Our goal is to shape the mobility of the future in a sustainable way. DRÄXLMAIER plays a leading role as a system and innovation partner.

Sustainable solutions and production processes are at the heart of our efforts. We strive for holistic optimisation of our supply chains and share this aspiration with our customers.

To meet the challenges of climate change, we are focusing on our own energy generation, among other things. We also made significant progress in 2023 and expanded our photovoltaic array to more than 35,750 m² with a total output of over 6.5 MWp. At the same time, we consistently use electrical energy from renewable resources at all our production sites and have achieved energy savings of 6.1 million kWh.

At DRÄXLMAIER, we will do our bit to make the future of mobility as sustainable as possible. Sustainability will continue to be the decisive criterion for our actions in the coming years. As a family-owned company, we are aware of our responsibility to help shape the future for generations to come.

We wish you an informative and inspiring read. Thank you for your interest in our company!

Fritz Dräxlmaier
ChairmanStefan Brandl
Vice Chairman and CEO

Stefan Brandl, Fritz Dräxlmaier (from left to right).



Highlights in 2023

Social engagement

Award for the best CSR campaign
for sustainable innovation in Tunisia

[learn more](#)



Supply chain

Member of the automotive industry dialogue with a focus on human and environmental rights and participation in the copper and sustainable supply chain project groups

[learn more](#)



Digitalization

Active association member
in the **Catena-X data ecosystem**
and role as **data provider**

[learn more](#)

Sustainable finance

Financing linked to
ESG indicators

[learn more](#)

Decarbonisation

6,500 kWp PV output in operation
corresponds to approx. 35,750 m² of PV area
(= 5 football pitches)

[learn more](#)

Energy savings at our production sites:
6,100,098 kWh

[learn more](#)

100% electrical energy from renewable
resources at our production sites

[learn more](#)



Circular economy

Recycling rate of
73.9% [learn more](#)



Employees

~1,504 trainees worldwide
at 33 locations in 11 countries

[learn more](#)

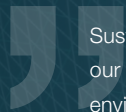
Global **function-specific sustainability training** (Operations, Purchasing and Development) and other awareness-raising measures implemented for the workforce

[learn more](#)



Our company

DRÄXLMAIER: A portrait6



Sustainability is an integral part of our corporate culture and characterises our actions throughout the company. We focus on consistent climate and environmental protection, innovative and sustainable products and social engagement. This way, we not only fulfil our own aspirations, but also contribute to the sustainable development of the automotive industry.

Fritz Dräxlmaier
Chairman



[DRÄXLMAIER: A portrait](#)

DRÄXLMAIER: A portrait

GRI 2-1/-5/-6/-9/-10/-11/-15/-17

At a glance

- The DRÄXLMAIER Group employs over 70,000 people worldwide.
- The production network comprises 59 production sites in Eastern Europe, North Africa, North and Central America and Asia.
- Further sustainability indicators were developed as evaluation criteria for the capital market.

The DRÄXLMAIER Group is a globally operating company in the automotive industry. Clearly focused on the premium segment, the company specialises in the development and production of complex wiring systems, high-quality electrical and electronic systems, exclusive interiors and battery systems.

Founded in 1958 by Fritz Dräxlmaier Sr, the company has since developed into a leading innovation and systems partner for the premium automotive market in a demanding and highly competitive market. The DRÄXLMAIER Group's annual sales in the 2023 financial year totalled EUR 5.6 billion (2022: EUR 5.1 billion). The company employs over 70,000 people worldwide (2022: around 74,000). With production facilities and branches in more than 20 countries, the DRÄXLMAIER Group has a global presence.

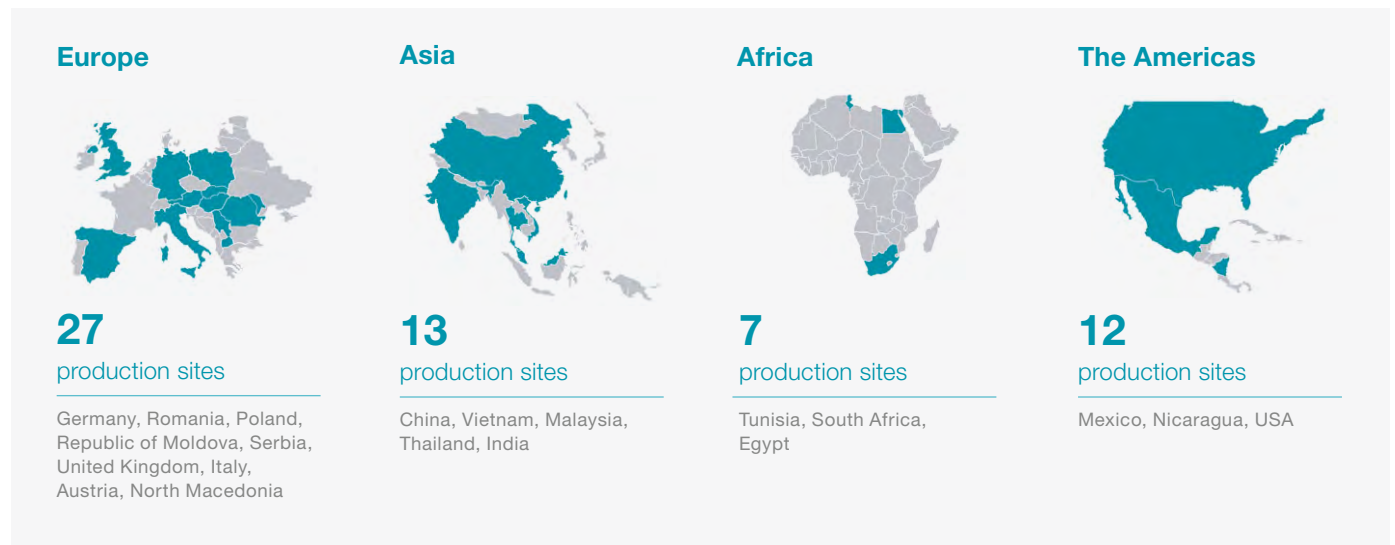
Important innovation and development partner

The DRÄXLMAIER Group works closely with a large number of well-known car manufacturers and brands, including Audi, BMW, Jaguar, Land Rover, Maserati, Mercedes-Benz, MINI, Porsche and VW. The company has established a firm position in the industry through long-term partnerships. In doing so, we are committed to efficient research and development in order to advance innovative technologies and solutions for the market of the future. As such, we operate development centres at our headquarters in Vilsbiburg and at more than ten other locations around the world.

Global production network

The production network of the DRÄXLMAIER Group comprises 59 production sites in Eastern Europe, North Africa, North and Central America and Asia. This enables us to respond flexibly to the requirements of the global automotive industry and to offer our customers around the world first-class products and services with the same high quality standards.

Production sites of the DRÄXLMAIER Group by region



[DRÄXLMAIER: A portrait](#)**Organisation and corporate management**

The parent company of the DRÄXLMAIER Group is Fritz Dräxlmaier GmbH & Co KG. The Executive Board based there, which is organised by function, manages and directs the company. As at 31 December 2023, the Executive Board consisted of [three people](#):

- Stefan Brandl, Vice Chairman and Chief Executive Officer (CEO), is responsible for Supporting Functions, Finance, IT and Procurement.
- Jan Reblin, Chief Executive Officer (CEO), is responsible for Customer & Market, Operations and Technical Engineering.
- Roland Polte is Chief Human Resources Officer (CHRO) and responsible for the Human Resources department.

The Chief Executive Officers are responsible for the operational management and further development of the company. This includes the operationalisation of the strategic direction and market positioning as well as responsibility for achieving the company's goals. They are also responsible for the financial result and make operational corporate decisions.

Fritz Dräxlmaier has been the Group's shareholder representative and Chairman of the Executive Board since January 2019. He appoints, monitors and advises the Executive Board. The Chairman is also responsible for strategic corporate management as well as monitoring and controlling the implementation of strategy. He makes strategic corporate decisions and defines the corresponding guidelines such as vision, mission, corporate values and the framework conditions for the Code of Conduct. The Vice Chairman and CEO Stefan Brandl represents the Chairman.

The Chairman of the Executive Board is also responsible for preventing conflicts of interest, and is supported in this by the Risk Management and Compliance departments. Various guidelines and codes of conduct provide the framework for this, with an additional internal audit or external audits having been established as independent monitoring mechanisms.

Sustainability performance as a criterion for corporate financing

We have also taken account of our sustainability requirements in corporate financing since 2021, when we placed an ESG (Environmental, Social, Governance)-linked promissory loan note on the capital market for the first time. Accordingly, a price component is linked to meeting certain sustainability criteria. The first KPIs set out for the evaluation were the company's potential in terms of self-generated energy, its recycling rate and its apprenticeship quota. DRÄXLMAIER has ambitious annual targets in place for each of these indicators, all of which were achieved in the year under review (see chart). All three values were audited by KPMG in 2023 ("limited assurance"). As part of the further development of our sustainability management, we are working on additional KPIs that can serve as evaluation criteria for the capital market.

KPIs for evaluating sustainability criteria

	2023	2022	2021
Self-power potential ¹	6.757	5.515	2.169
Recycling rate ²	73.9	72.3	68.6
Apprenticeship quota ³	2.1	1.7	1.7

The management of the DRÄXLMAIER Group (from left to right):
Roland Polte, Stefan Brandl,
Fritz Dräxlmaier and Jan Reblin

¹ Maximum electrical output [kW] / (net internal floor space / 1000) [m²]

² Mathematical mean of weight of waste diverted (t)/total weight of waste (t) per production plant

³ Number of trainees / number of active permanent employees in the Group





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At DRÄXLMAIER, we are shaping the future of mobility – with our innovative product and technology portfolio, through consistent investments in electromobility and ever more efficient manufacturing processes. Sustainability is the guiding principle for our actions, even under the current difficult conditions. This is how we measure ourselves, today and in the future.

Stefan Brandl

Vice Chairman and Chief Executive Officer



At a glance

The following overview shows a selection of our key goals and ambitions in driving our sustainability strategy


Area of action	Topic	Definition	Target timeframe	Status 2021	Status 2022	Status 2023	Chapter
Governance	Sustainable project investments	Project investments in zero-emission mobility in relation to total project investments for future vehicle projects	78% (2025)	–	–	54%	p. 11
	Apprenticeship quota	Proportion of trainees in total workforce	2% (2023 et seq.)				pp. 7, 49
	Sustainability training (basics)	Proportion of newly hired employees in the global workforce that have successfully completed the basic sustainability training at the individual locations using the online training programme	> 80% (2023 et seq.)	–			p. 51
Social responsibility	Sustainability training courses (role-specific)	Availability of online topic-specific training courses for specialists (Operations, Purchasing, Development)	100% (2023)				p. 51
	Learning	Number of learning hours per employee	Average number of hours	–	–	14.5	p. 50
	Occupational health and safety management	Production site ISO 45001 certification	100% (2025 et seq.)				pp. 54-55
Sustainable products	Suppliers with “green” status	Proportion of freely negotiable purchasing volume purchased from suppliers that have a “green” status in the “sustainability” category in the supplier evaluation	87% (2023)	–			pp. 28-29
	Sustainability requirements in the pilot project	S-Check coverage for suppliers not specified by the customer in the pilot project	100% (2023)	–			pp. 28-29
Climate and environmental protection	Self-power potential	Maximum electrical power [kW] / (net building floor space / 1000) [m ²]; the maximum electrical output includes all Group-owned electricity generation plants. The net building floor space includes all Group-owned buildings	6.374 kW / 1000 m ² (2030)				pp. 7, 34-37
	Proportion of green electricity in total energy use	Electrical energy purchased from renewable resources as a proportion of the total amount of electrical energy purchased at the production sites. The following are classed as renewable energy sources: wind energy, hydropower, solar energy, geothermal energy and bioenergy [excl. self-generated energy]	100% (2025 et seq.)				pp. 35-37
	Scope 1 + 2 emissions reduction	Reduction in absolute Scope 1 + 2 emissions compared to the base year 2021	-66% (2029)				p. 31
	Environmental management	Production site ISO 14001 certification	100% (2025 et seq.)				pp. 29, 31
	Recycling rate	“Recycling rate” refers to the mathematical mean of waste generated at each of the Group’s production sites that is diverted through treatment for reuse, recycling or recovery processes	73.9% (2030)				pp. 7, 36, 39



Approach to sustainability

GRI 2-9/-12/-13/-14/-16/-17/-24/-28/-29 GRI 3-1/-2

Sustainability is part of our corporate strategy

Our corporate strategy – LEADER – sets out our goals for the company's development in the coming years. It is based on our  corporate values and establishes our strategic targets, thereby creating the right focus to successfully position DRÄXLMAIER in the market.

LEADER is an acronym and stands for

Leadership

We are strengthening our position as the preferred system partner in the premium segment.

Excellence

We are increasing the effectiveness and efficiency of our processes.

Attitude

We are safeguarding our financial independence and achieving our growth objectives.

Drive

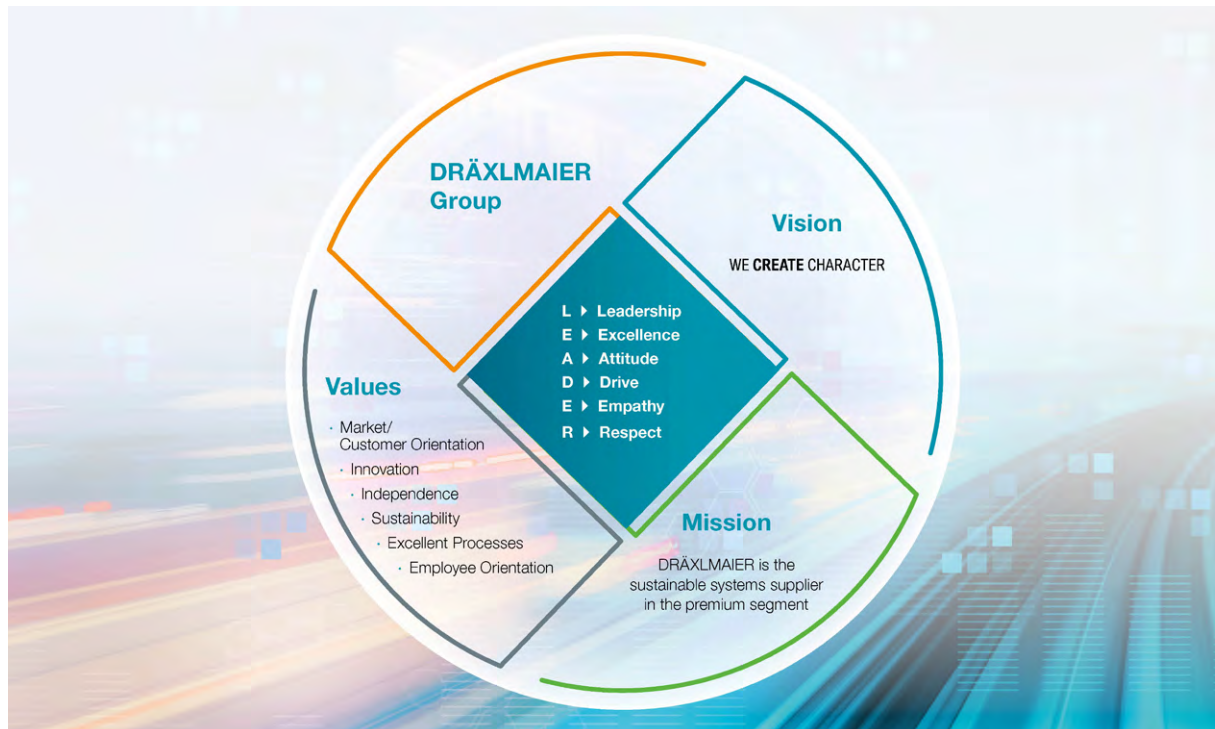
We are paving the way for pioneering technology – with excellence for today and innovations for tomorrow's mobility.

Empathy

We are a preferred employer – from the shop floor to the top management.

Respect

We accept responsibility and operate effectively along the value-added chain: economically, environmentally and socially.



+ What does sustainability mean for DRÄXLMAIER?

Interview with Stefan Brandl, Vice Chairman and Chief Executive Officer:  [Sustainability driven by conviction](#)



Our understanding of sustainability

Sustainable action has always been a guiding principle for DRÄXLMAIER. As an owner-managed company, we think long-term and orientate our actions towards the interests of future generations. In doing so, we always endeavour to strike a balance between economic, social and environmental aspects.

Firm focus on core topics

We intend to face the challenges ahead and, at the same time, utilise the opportunities offered by the sustainable structure of our company. We laid the groundwork for this in 2020 when we restructured our sustainability activities on the basis of a materiality analysis, which we conducted together with an external institute in order to determine the essential issues for our sustainability management. On this basis, we then categorised these issues into fields of action: **Sustainable products, Climate and environmental protection** and **Social responsibility** and added the field of **Governance** in 2021. The topics included under this action point tie in with the topics covered by the others and their implementation.

As such, we want to ensure that our actions are efficient, transparent and goal-oriented. Equally, they must comply with the applicable laws and regulations of our industry as well as our corporate due diligence. All current and future measures and projects from our sustainability management must contribute to at least one of these four action points.

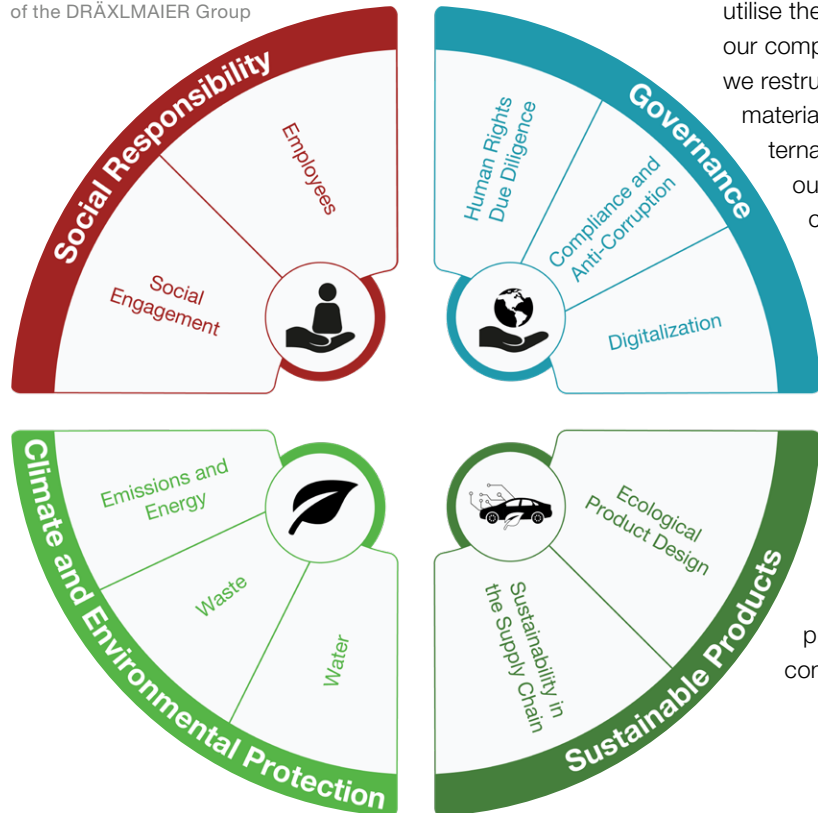
Continuous further development

By systematically reviewing and developing our sustainability strategy, we ensure our sustainability targets keep pace with our corporate activities and cater to future challenges. For example, we added two ecological steering targets to the existing sustainability targets in 2022.

In 2023, we developed the first necessary management mechanisms and control systems for the identified topics and integrated them into the DRÄXLMAIER process landscape. In addition, we have defined three further key figures and anchored them in our sustainability management. In future, we want to compare project investments in emission-free mobility with the total project investments for future vehicle projects. Moving forward, we want to use an emissions indicator to illustrate our progress in climate protection in a performance indicator. We have also included a new key figure on the internationality of our management team in our set of sustainability indicators.

Based on the topics identified to date, we are continuing to work on the further development of our sustainability strategy. At the same time, we have drawn up a concept for a new materiality analysis in 2023 in order to meet the rising expectations of our stakeholders and comply with the new legal requirements and reporting standards.

Understanding of sustainability of the DRÄXLMAIER Group



+ Thinking in generations
Find out more here: [DRÄXLMAIER Sustainability](#)



Materiality analysis – which topics are currently essential?

With the materiality analysis, we are focusing our activities on those issues that are relevant or very relevant for both our external and internal stakeholders.

The starting point was a comprehensive list of sustainability issues relating to our business activities. We also supplemented the issues considered essential by our customers and major competitors with those determined by the supporting third-party institute as part of the risk assessment of the automotive sector.

The comparison between the assessment by internal experts and the third-party institute resulted in topics being pre-selected which were then prioritised in an internal GRI materiality workshop. The prioritisation was based on how often a certain topic was mentioned. External stakeholders were then identified and consulted by the institute in order to incorporate as many opinions and expectations as possible. When choosing the stakeholders, those groups which are particularly affected by the activities of the DRÄXLMAIER Group and which have an impact on our success were given special consideration. The assessment of the individual issues included our business model, processes and the framework conditions of our business activity.

To ensure that our materiality analysis was up to date, we surveyed our senior management in an internal workshop in 2022 as part of the annual Management Days, also with the aim of checking the completeness of the list of current material topics.

Furthermore, our sustainability management is characterised by a comprehensive spectrum of interconnected topics:

- These include ensuring equally high labour and social standards worldwide, which shape our relationship with our employees, for example with regard to occupational safety, health protection or professional training and development. We have also defined clear rules for our activities as a corporate citizen.
- With over 60 locations around the world, we also see it as our responsibility to help protect the climate and environment by reducing energy consumption, greenhouse gas (GHG) emissions, waste and water use.
- Respect for human rights in the supply chain and environmentally-friendly product design remain relevant for DRÄXLMAIER in the context of the sustainable products action point.
- The topics of anti-corruption (as an explicit part of compliance), human rights due diligence and digitalization are also included in the reporting.

In 2023, we developed a concept for a new materiality analysis that takes into account our sustainability strategy and will characterise reporting from 2024 onwards.

+ New materiality analysis from 2024 – focus on double materiality

The new materiality analysis, which we already started to implement in 2023, builds on the existing findings and follows the principle of double materiality. We therefore take into account both issues that we influence as a company and developments and requirements that have an impact on us and are considered material by our stakeholders.

In a first step, external data and information regarding the market and competition were analysed in 2023 and clustered into 36 sustainability topics. These topics served as the basis for a stakeholder survey with 24 selected experts, including customers, service providers and business partners, shareholders and financial market players as well as representatives from business, industry and research and development.

The aim was to assess the sustainability performance to date and examine the relevance of the sustainability topics (inside-out). The quantitative assessment of the outside-in perspective was carried out with the help of an internal online survey with the relevant specialist functions. The key topics and the assessment of opportunities and risks were then determined in an internal workshop with the specialist functions.



Sustainability organisation

Our sustainability management is characterised by lean structures and clearly assigned responsibilities. The highest committee is formed by the Chairman of the Executive Board and the two CEOs. This is where the sustainability strategy is defined and decisions are made on specific sustainability targets and the implementation of the corresponding measures. Sustainability targets were already adopted in 2021 and are now anchored in the Group targets and functional targets, as well as in the personal targets at the highest management level.

We are also continuously working on the organisational anchoring of sustainability in the company. To increase the visibility of the topic of sustainability in the DRÄXLMAIER Group, the Sustainability unit was spun off from Group Governance at the

beginning of 2024 and established as a new staff function. In future, the head of the unit will report directly to Stefan Brandl in his role as CEO.

The Head of Group Sustainability is responsible for the establishment of sustainability-related management processes and the definition and optimisation of internal standards. The strategy and objectives are coordinated with the company management and implemented. To this end, the topics from the stakeholder dialogue are taken up and introduced into the company. In addition, the Executive Board receives a quarterly report on current measures and projects. If required, the Executive Board is also informed about individual sustainability projects by the responsible managers.

A Sustainability Committee meets once a month to coordinate cross-functional activities. This committee is made up of the responsible managers from the relevant functions, including Operations, Development and Purchasing. The Head of Group Sustainability regularly informs the Board about the results. The sustainability managers of the individual functions also meet monthly under his chairmanship. This committee is expanded to include additional members as required.

In addition, there is constant direct communication between the sustainability department and the specialist departments responsible for the operational implementation of the individual projects.

Sustainability organisation of the DRÄXLMAIER Group





Stakeholder dialogue

Continuous dialogue with our stakeholders is a central element of our sustainability management and provides us with important impetus time and again. Internally, the focus is on dialogue with our employees, as their motivation and passion are crucial to our success as a company. To recognise the sustainability commitment of our employees, a Sustainability category has been part of our internal Excellence Awards since 2016. The award recognises excellent projects and outstanding team achievements from all over the world every two years.

As external stakeholders, we focus primarily on our customers and suppliers, as well as banks, associations, academic institutions, politicians, local communities and non-governmental organisations (NGOs).

In order to maintain dialogue with the various interest groups, we are involved, among other things, in the Carbon Disclosure Project and the automotive industry dialogue on the National Action Plan for Business and Human Rights (NAP). We are part of the “Sustainability in the Supply Chain working group” and in the “Environment and Sustainability Committee” of the German Association of the Automotive Industry. By participating in industry initiatives, we also contribute to improved communication with non-governmental organisations. In addition, we are in continuous dialogue with selected political discussion partners at local, national and international level. We are also in close contact with our customers on sustainability issues and drive forward joint projects (see [↗](#) chapter Sustainable products).

In the reporting year, we stepped up the dialogue with our customers and suppliers, particularly in connection with the commencement of the Supply Chain Act in Germany. We are not only represented in the automotive industry dialogue, but also took part in the stakeholder dialogue on Audi’s human rights strategy, among other things. At the German Engineering Day of the VDI (Association of German Engineers) Munich, Upper and Lower Bavaria district association in 2023, the Head of Sustainability presented our company in a specialist lecture on the circular economy and explained our approach to closing energy and material loops for more efficient resource utilisation, to reduce environmental pollution and minimise waste production.

Following the start of dialogue events with individual political parties in 2022, we also regularly used the opportunity in 2023 to discuss points of view with political representatives and present our industrial perspective. Last but not least, dialogue with banks and capital market participants is also becoming increasingly important as part of the placement of our ESG-related promissory note loan.



Corporate principles and values

GRI 2-13 / -23 / -24

We are convinced that our long-term success is based on our customers' trust in our expertise, innovative strength, sustainability and, last but not least, our integrity.

Our Group-wide Code of conduct is binding for all managers and employees and provides guidance for unreservedly lawful and responsible behaviour.

The [Code of conduct](#) is based on our vision and our corporate values: market and customer focus, innovation, independence, sustainability, excellent processes and employee focus. As such, it also provides an insight into the corporate culture of the DRÄXLMAIER Group. It provides an excerpt of the key points of our policies in the areas of people, environment and economy as well as the rules for handling data and information and defines the desired behaviour of employees towards external interest groups, such as suppliers, customers, applicants and key NGOs (non-governmental organisations). The LEADER strategy forms the framework for implementing and managing the respective measures (see also [chapter Assuming responsibility, Approach to sustainability](#)).

As responsible and lawful behaviour beyond our corporate boundaries is important to us, we have set out our expectations of our business partners in the [Sustainability business partner code](#), which refers in particular to the protection of human rights

. Our company-wide principles and guidelines directly related to sustainability can be accessed online.

[People](#)

- Corporate behaviour
- Social policy
- EHS policy
- Human rights policy statement
- Declaration on respects for human rights
- Statement on slavery and human trafficking
- **Corruption prevention policy**

[Environment](#)

- EHS policy
- Human rights policy statement

[Economy](#)

- Policy on fairness in competition
- Quality policy
- Corporate security policy
- Risk policy
- Rules of procedure for whistleblowing

[Data](#)

- Information security policy
- Corporate security policy



Opportunity and risk management

GRI 2-12/-13/-16/-23/-24/-25/-26

As a global automotive supplier, the DRÄXLMAIER Group operates in a complex and dynamic environment. In order to survive in the market in the long term and generate competitive advantages, risks and opportunities must be recognised, evaluated and managed using appropriate measures. The management of opportunities and risks is therefore integrated into all of our business processes. This is the only way we can be prepared for changes of all kinds and can ensure that the company continues to go from strength to strength.

The highly dynamic nature of our industry environment constantly opens up opportunities for us to leverage new potential and thus further improve the future development of our business and the market position of the Group. The focus here is on innovations that enable us to create further unique selling points, expand our market share in a targeted manner and thus enable sustainable growth. Sustainable behaviour and the ecological efficiency of our products play a key role in this (see also [↻](#) chapter Sustainable products).

At DRÄXLMAIER, risks are identified systematically and at an early stage by a Group-wide risk management system and analysed and evaluated with regard to their probability of occurrence and impact. The Executive Board is informed of the Group's current risk situation at least once a year in a standardised form.

The principles on which the risk management of the DRÄXLMAIER Group and its functions are based are summarised in the [↻ Risk policy](#). By recognising significant and existential risks at an early stage, risk management supports the management in maintaining entrepreneurial and financial flexibility, sustainably increasing the value of the company and thus ensuring that the DRÄXLMAIER Group continues to thrive in the long term.

We also take into account significant risks and opportunities from sustainability-related aspects, such as general environmental risks and climate change risks. Corresponding risks may arise, for example, from emission requirements, particularly with regard to opportunities to reduce greenhouse gas emissions (CO₂e). However, potential effects of extreme weather conditions on our production, infrastructure or supply chains should also be mentioned here as risks for the DRÄXLMAIER Group. Sustainability-relevant opportunities, on the other hand, arise from the ecological design of our products, among other things, which can give us important competitive advantages.

DRÄXLMAIER also fulfils its obligations under the German Supply Chain Act to the best of its ability. Our own sites are assessed on the basis of site-specific risk analyses, and our suppliers are also checked in accordance with legal requirements. We pay special attention to the consistent observance of human rights. The DRÄXLMAIER Group already has an eye on how its business activities impact sustainability-related performance areas. The integration of these aspects into the risk management system is being continuously expanded.

Human rights

GRI 2-12/-13/-16/-23/-24/-25/-26 GRI 3-3 GRI 406-1 GRI 407-1

GRI 408-1 GRI 409-1

The DRÄXLMAIER Group is committed to internationally recognised human rights and complies with laws and regulations worldwide with regard to fair working conditions and to combat human trafficking, labour exploitation and modern slavery. Human rights violations and offences are not tolerated and are systematically sanctioned. The company management, all employees and our suppliers are required to implement these principles and prevent any kind of human rights violations in our business activities. Our [↻ Human rights policy statement](#) published at the beginning of 2023 was amended during the course of the year as part of the annual review.

At DRÄXLMAIER, we see respect for human rights as an ongoing process in which the implementation of the corresponding due diligence obligations is constantly reviewed and updated depending on changing framework conditions, the type of business activity and the size and structure of the company. We have therefore anchored human rights due diligence processes both in our organisation and in our relationships with our business partners (see also [↻](#) chapter Sustainable products, Sustainability in the supply chain).

We have defined clear responsibilities for the fulfilment of and compliance with our human rights due diligence obligations. At the highest management level, our Chief Human Resources Officer is responsible for respecting human rights in our business activities and in the upstream value-added chain.



High standards for our own actions

In its [Social policy](#), the DRÄXLMAIER Group is committed, among other things, to the free choice of employment and rejects all forms of human trafficking as well as forced, compulsory and child labour. The social policy has been comprehensively communicated within the company and translated into all company languages.

Fair, respectful and responsible management of employees is also enshrined in various other guidelines (see also [chapter Social responsibility, Attractive employer](#)). Furthermore, occupational health and safety is anchored in the EHS policy (see also [chapter Social responsibility, Occupational health and safety](#)). Compliance with these requirements is checked regularly by the internal audit department using on-site audits. In 2023, a total of 19 (2022: 20) human right audits were carried out at our sites (incl. follow-up audits).

A training focusing on respect for human rights and the corresponding due diligence obligations was already introduced in 2022. Human rights training was added in 2023 as part of site-specific risk analyses.

To supplement the wide range of general preventive measures we have in place, in future we will also rely on real-world measures including targeted training and self-audits. These draw on site-based risk analyses that take into account both external and internal indicators – for example, existing incident indications.

An internationally established [complaints procedure](#) enables our employees around the world to voice their concerns, suggest improvements and report injustices and violations. Here, too, a globally applicable policy sets the standards, provides guidelines for all our national subsidiaries and also takes into account the locally applicable legal framework.

We ensure the effectiveness of the complaints procedure by providing extensive information to all employees about the complaints process, ensuring simple process steps and anonymous reporting channels, as well as sound monitoring, thus creating the prerequisites for quickly initiating appropriate countermeasures if needed. Of course, our employees also have the option of using our digital whistleblower system, which was introduced in 2022.

At least once a year as well as on specific occasions, we review how effective our due diligence processes are in preventing and mitigating human rights violations.

Clear commitments from suppliers

The [Business partner code of conduct sustainability](#) obligates the suppliers and business partners of the DRÄXLMAIER Group to respect human rights and prohibits human trafficking as well as child and forced labour. Suppliers must not only respect these social standards and take them into account in their own corporate policy, but also ensure that the other players in the supply chain are committed to their social responsibility (see also [chapter Sustainable products, Sustainability in the supply chain](#)).

Acceptance of the Business partner code of conduct sustainability by our suppliers is the basic prerequisite for a business relationship. The global purchasing conditions of the DRÄXLMAIER Group also prohibit the use of involuntary or forced labour, such as child, slave, or prison labour. Further details on human rights due diligence in the supply chain can be found in the [chapter Sustainability in the supply chain](#).

Anyone wishing to raise concerns about the integrity of the DRÄXLMAIER Group, in particular regarding a possible violation of human rights, can contact Compliance Management directly or use the digital whistleblower system.



Compliance and anti-corruption

GRI 2-26/-27 GRI 3-3 GRI 205-2 GRI 406-1

Legally compliant behaviour and the prevention of infringement of laws and regulations help ensure the sustained success of our company. Violations of regulations can also result in personal liability and criminal consequences for individual employees or members of the DRÄXLMAIER Group's executive bodies and cause reputational damage. For a supplier in the automotive industry, there are particular compliance risks in the area of anti-trust law and corruption.

Against this background, the Compliance Management System (CMS) of the DRÄXLMAIER Group pursues the goal of preventing violations of legal and internal company regulations, thereby averting damage to the company and excluding the personal liability of company directors and employees. In addition to appropriate behavioural guidelines for managers and employees, a compliance organisation with a Compliance Board at Group level ensures adherence to the regulations. Local compliance officers and compliance specialists support the Compliance Office in the respective divisions.

Besides compliance risk analyses, from which further precautionary measures are derived, preventive action also includes various training courses for employees, covering topics such as the proper way to deal with gifts or ensuring fair competitive practices. Certain e-learning courses are mandatory for a defined group of employees who are particularly exposed to compliance risks. The training modules were revised in 2022 and these revised versions have been available throughout the Group on the learning management systems since 2023.

The DRÄXLMAIER Group provides information on the topic of [compliance](#), in particular on whistleblowing management, on its website. All employees of the DRÄXLMAIER Group also have access to compliance information via the intranet. Potential violations of the Code of Conduct can also be reported anonymously via a Group-wide whistleblower system. The information is recorded, processed and clarified in cooperation with the relevant business units if there are sufficient grounds for suspicion. If a compliance violation has occurred, specific measures are then recommended to the business units.

In order to further develop the compliance management system, measures have been established to avoid gaps and minimise risks. These include, in particular, training courses for employees and executives, regular communication between compliance officers, and reviewing the effectiveness of compliance measures. In 2023, for example, face-to-face training sessions were held for management in the Sales, Purchasing, Technical Engineering and Operations departments on the topic of "Fairness in competition". In addition, the Compliance Management System is being further expanded against the background of the constantly changing legal situation and adapted to the new requirements.

Whistleblower system offers confidential communication channel

An appropriate and effective complaints management system is a key lever of any due diligence process. This effectively prevents potential human rights violations as a result of our company or business activities and allows us to take effective remedial action should specific incidents occur. We have therefore set up complaints management systems that are accessible both from within and outside the company.

Since 2022, we have been operating a [digital whistleblowing system](#) that offers internal and external stakeholders as well as any potentially affected parties worldwide a confidential communication channel for reporting possible violations of laws or internal, national and international standards. These reports can also be made anonymously. The various target groups are informed proactively and in appropriate language about the available complaints mechanisms in place as well as their respective options for accessing these mechanisms. In addition, the measures are adapted to the respective local context in order to ensure that communication is as tailored to the target group as possible.

All information reported and reasonable suspicions regarding internal regulations and government legislation are dealt with as part of a process. The confidentiality and, if requested, anonymity of whistleblowers is respected. We also ensure that whistleblowers are protected from discrimination or punishment in connection with any complaints they submit.

Our systematic handling of complaints and the resulting insights allow us to continuously improve our due diligence processes. We also make sure to review the effectiveness of the existing complaints mechanisms at least once a year and in the event of significant changes in the risk situation or clear indications of restrictions in complaints management.



Digitalization

The digital transformation is opening new doors for the DRÄXLMAIER Group to leverage technology to live up to the changing conditions in the automotive industry in the best possible way. By digitally transforming the way we operate, we are optimising the day-to-day work of our employees and processes and ensuring that the right information is available at the right time and in the necessary quality.

At DRÄXLMAIER, the digital transformation is made up of nine specific programs: sales diamond, Group calculations, PM-up!, Aurora, PLMnext (Product Life Cycle Management), Synapsis (SAP S/4HANA), MES2 (Manufacturing execution system), HRevolution and HOST & Legacy Systems. PLMnext, Synapsis and MES2 were combined as core programs under the Digital Core in order to coordinate the speed and complexity of the digital transformation. Significant progress was made in all programs in 2023.

Better data equals better management – including for all things sustainable

Digital transformation gives a systematic cross-segment view of the company thanks to a state-of-the-art integrated process and system architecture. It also allows us to optimise our cost structure for the future by standardising, improving and automating our processes. This lays the foundation for future growth, diverse innovations and economic independence.

Our sustainability management is also benefiting from this development, as digital technologies can support and accelerate transformation processes in many areas – be it through data-driven efficiency increases or digital innovations, for example for the circular economy or the energy transition.

Since September 2021, DRÄXLMAIER has been involved in the Catena-X data ecosystem, which is aimed at standardised and efficient data exchange along the entire automotive value chain.

The development of so-called digital services is intended to create the basis for establishing cross-industry standards and methods for reducing greenhouse gas emissions. DRÄXLMAIER is currently working with other partners on a concrete implementation for the transmission of battery information to customers as part of the traceability use case.

+ Catena-X data ecosystem

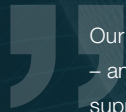
Find out more here:

[Enhancing the Traceability of an EV-Battery](#)



Sustainable products

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Our customers expect innovative products that are produced in a sustainable manner – and that fulfil the highest ecological and social standards throughout the entire supply chain. At DRÄXLMAIER, we meet this challenge with great consistency and with all the innovative strength, expertise and passion that have made our company strong for 65 years.

Otmar Rauchensteiner
Technical Engineering Interior





Sustainable products

GRI 2-6 GRI 3-3

At a glance

- **The first polypropylene recyclates were used for interior structural components in 2023.**
- **In the Electrical Systems division, the method developed in the previous year for achieving CO₂e balancing for complete wiring harnesses was validated in 2023 by way of a reference project.**
- **In the area of electronics development, we succeeded in agreeing medium-term targets with our key suppliers for components such as microcontrollers, transceivers, transistors and LEDs in 2023.**

We want our products to have a share in making the future of mobility sustainable, drawing on the same innovative power, competence and passion with which we have continually been setting standards and developing solutions for our customers that offer absolute added value for more than 60 years. This aspiration includes comprehensively cutting the CO₂e footprint of our products, for example by designing products that are as environmentally friendly as possible, keeping delivery routes short and implementing the principle of the circular economy.

Our product portfolio reflects the four system competences of DRÄXLMAIER:

Electrical systems

Our expertise in electrical and electronic products has been shaping the architecture of vehicle electrical systems in the automotive sector for 60 years. Moving forward, vehicle electrical systems must meet the highest standards – including in terms of sustainability. Our broad expertise means we can design our wiring systems optimally. With electrical contacts and components around the wiring harness, we think in terms of systems as a matter of course. The development towards a zonal electrical system architecture allows us to fundamentally optimise cable harnesses in terms of their topology and architecture. Beyond the number of wires, we are also reducing their lengths and cross-sections, optimising the overall product weight. All these advances are supported by the right innovative methods and processes in production in order to realise the concept of sustainability.

Interior systems

This new form of mobility also places new demands on the interior. DRÄXLMAIER values marrying efficient and inspiring technology with elegant design that also takes into account the many facets of sustainability. Our innovative and resource-efficient processes as well as the use of sustainable materials enable us to meet the demands of our customers while always acting responsibly. For example, we use visible and concealed natural fibres as a premium surface in the vehicle and process plastic recyclates. In combination with resource-efficient processes, such as in-place joining or the patented

D3F (DRÄXLMAIER Fast Fibre Forming) process, we save on materials, enabling a significant weight reduction. This way, we play our part in achieving the sustainable vehicle interior of the future and help our customers hit their own sustainability goals.

Component systems

Our electrical and electronic components play a major role in the overall system and therefore sustainable mobility: our contact and connector systems for high- and low-voltage systems are optimally designed and dimensioned for the loads required. Not least in the area of e-mobility and electrical systems, they help us to design the overall system as safely and efficiently as possible, reducing weight and saving resources. Here, too, we leverage synergies across system boundaries to ensure optimal interaction between all components.

Battery systems

We have been active in the electromobility segment since 2009, making us a market pioneer. We offer our customers the whole e-mobility package, preventing unnecessary power losses in the system and boosting overall performance to near-perfect. We are determined to make the future of mobility sustainable and place particular emphasis on saving weight and installation space alongside performance and safety. We are systematically driving the development of e-mobility, not least with our 800 V technology, which, unlike conventional 400 V technology, enables almost twice the driving performance with hardly any change in the installation space for the batteries and control boxes.



DRÄXLMAIER Group ecosolutions

With our **ecosolutions** programme, we strive to integrate environmental factors along the entire value chain. In 2021, we developed the programme further to include other areas of responsibility in addition to development, giving us an even more holistic view of the way in which our products are created. Optimising these processes provides a lever for more sustainability, in particular in terms of climate and environmental protection – from the very first product idea, the design, development and application, right through to spare parts. That means we can offer our customers environmentally-friendly solutions. At the same time, we can make an important contribution to the sustainable development of the automotive industry.



We pursue two central objectives with our products:

Environmentally-friendly product design

We aim to utilise resources as efficiently as possible and minimise greenhouse gas emissions (CO₂e). To this end, we are always searching for ways to reduce pollutant emissions and improve energy efficiency. At the same time, we want to reduce the use of materials in product manufacturing, increase product recyclability and dismantlability and maximise the use of reusable materials to minimise our environmental footprint.

Back in 2021, we developed a method for calculating the CO₂e footprint of our products. In 2022, we applied the methodology in several calculation tools. The insights gained in this way provide us with key decision-making criteria, enabling us to step up our product sustainability even further. Our customers benefit from this approach because we are always able to offer them more ecological product alternatives as well as important decision-making aids for the sustainable design of their own products. We want to minimise resource and energy use as much as possible in manufacturing our products. That is why we are continually endeavouring to optimise our processes. Close, cross-functional cooperation – particularly among Purchasing, Development, Production, Logistics and Sales – will play a key role in our success. In order to obtain an accurate picture of sustainability along the entire value chain, we evaluate all of our process steps in a comprehensive approach and also integrate the eco-friendly performance of our plants into our CO₂e footprint – up to product level if necessary – by way of the plant emission factor (see [e](#) chapters Climate and environmental protection, Emissions and energy).

Sustainability in the supply chain

Developing more sustainable products also means measuring the components and services we buy against the same standards we set ourselves. As such, one of the core goals of our strategy is to develop sustainability in the supplier network, thereby supporting product sustainability across the board. A large proportion of the Scope 3 CO₂e emissions are generated during the production of parts purchased by DRÄXLMAIER. In order to leverage this potential for climate protection, DRÄXLMAIER works closely with the relevant suppliers during product development and operates a consistent supplier management system. We are also involved in initiatives to promote uniform sustainability standards throughout the whole supplier network and to establish review mechanisms, for example in the extraction and processing of critical raw materials. Purchasing at DRÄXLMAIER operates at various levels: in Procurement Governance, standardised measures ensure the step-by-step implementation of more sustainable services, materials and processes. To this end, we have established an efficient system of rules, structures and processes within the Group. By purchasing energy from renewable resources and complying with legal requirements, such as the German Supply Chain Act (LkSG), DRÄXLMAIER also supports its customers in meeting their sustainability goals.



Environmentally-friendly product design

GRI 3-3 GRI 204-1 GRI 301-2 GRI 306-1 GRI 306-2

In DRÄXLMAIER's Research and Development division, employees worldwide make a decisive contribution to the company's success with their expertise, passion and creativity. We want to leverage this potential to help shape the development of individual mobility sustainably and for the benefit of future generations. In addition to ecological and social criteria, economic aspects must also be taken into account in order to impress our customers with consistently sustainable products. The environmentally-friendly design of our products focuses on the selection of materials and components, product design, logistics and the energy required for production (see also [chapter Climate and environmental protection, Emissions and energy](#)).

For that, the following aspects in particular are considered:

- Less material diversity and complexity, fewer parts
- Use of the most eco-friendly and/or renewable raw materials
- Consistent use of lightweight construction options
- Customised disassembly options
- Process optimisations

We take measures wherever our actions are most effective. To do so, we utilised CO₂e footprints (based on DIN EN ISO 14040/44/67) for selected products to identify and evaluate the available potential for reducing emissions. This has proved that we specifically contribute to climate protection, both through our choice of materials and components and by applying appropriate construction measures that can therefore also promote the principle of a circular economy at the same time.

We want to take all aspects of sustainability into account early on in product development and have been working on a sustainability assessment process for this purpose since 2022.

In addition to calculating the CO₂e footprint, we also consider some of the materials and components in our core projects with a view to the circular economy. Beyond the material's origin, we also include recyclability at the end of the product lifecycle in our assessment.

To leverage the identified potential and synergies among the product properties and material compositions, our aim is to attain full material characterisation of the materials and parts we use. Utilising more environmentally-friendly raw materials plays a major role for DRÄXLMAIER, particularly when it comes to metals and plastics. In the past few years, for example, we were able to reach an amorphous plastics recyclate rate of up to 100% in our interiors. We are determined to make further progress here and extend this to all product segments.

We can also report a success when it comes to renewable raw materials: an instrument panel using natural fibre technology will go into series production in 2026.

Polypropylene in particular is a highly promising semi-crystalline material, both because of its sustainability credentials and for cost reasons. As such, DRÄXLMAIER is already developing suitable polypropylene grades for use in the interior. In 2023, the first polypropylene recyclates were used for structural components in the interior. The use of polypropylene plastics for visible components is also planned for 2024.

In order to improve the proportion of renewable raw materials in our products and thus reduce the proportion of petroleum-based materials, we have been working with a surface manufacturer in core development since 2022. In the joint project, we have so far been able to achieve sufficient thermal stability for all interior components (instrument panel, interior door trim and centre console) – with a proportion of biological raw materials of up to 89%. Based on these results, DRÄXLMAIER will be able to offer complete systems – from injection-moulded elements and component carriers to decorative surfaces – that are almost 100% bio-based.

Copper is one of the essential raw materials used in electrical and component systems. Secondary materials can be utilised here with hardly any problems due to the material properties. In the case of technical components, we continue to pursue sustainable material substitution, e.g. replacing polyamide with polypropylene or using biopolymers to achieve further CO₂e savings – naturally without ever compromising specified requirements for individual components.



Renewable raw materials have been used in series production for several years now, which means they are already part of the standard portfolio at the DRÄXLMAIER Group. We consider ourselves a reliable systems supplier, above all for door panels and centre consoles. We started using natural fibres in door panels for one of our customers back in 1997. This has since been followed by countless series projects for the majority of our customers. Over time, we have been able to optimise the process even further: today 55% of the side panel of a centre console is made of natural fibres such as flax, hemp or kenaf fibres and the matrix embedded in these fibres completely consists of recycled (post-industrial) polypropylene. This means that the whole component is made of environmentally-friendly materials and is also some 30% lighter than comparable components.

The criteria for the use of renewable raw materials are laid down in binding internal regulations. These stipulate, among other things, that the cultivation, harvesting and processing of renewable raw materials must comply with the applicable laws and all internationally recognised labour and social standards throughout the entire supply chain, particularly with regard to respecting human rights (see also [e](#) chapter Assuming responsibility, Human rights).

Process optimisations also have a role to play in saving CO₂e. One example here is a new technology that allows a range of surfaces to be presented on a uniform substrate, meaning all variants can be laminated with a single tool. Overall, we achieved average energy savings of 22% with the different measures in place in the laminating process.

Carbon fibres, for example, also have great lightweight construction potential and can replace the fibre optics used in plastics while maintaining the same rigidity. In the base substrate of a centre console, for example, this reduces the weight by about 11%. If carbon fibres are made from recycled material, the ecological footprint can be reduced, with CO₂e emissions down by about 15%.

Consistent lightweight design can also be achieved through the use of new density-reduced plastics. Their material properties are in no way inferior to those of current materials, and yet they create a weight reduction of up to 23% with the same design. We also made progress with the use of adhesives in 2023. The use of new dispersion adhesives makes it possible to reduce material consumption by up to 50% and also eliminates various process steps.

As part of a specific problem in the field of injection moulding, we have also carried out various series of tests that have not only helped to solve the problem, but also to reduce the amount of blowing agent used in the injection moulding process. Plus, the blowing agent used could also be replaced by a more environmentally-friendly alternative.

14.8%

Proportion of recyclates in our purchased plastic granules*.

14.6% in 2022

*in the segments Component Systems and Interior Systems

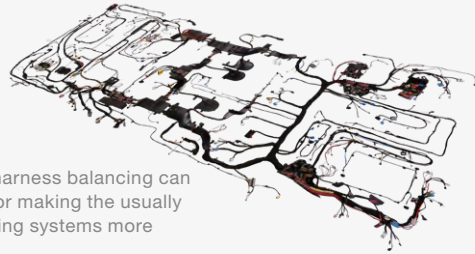
+ Future Sustainable Car Materials

As part of the consortium project “Future Sustainable Car Materials”, DRÄXLMAIER is participating in the development of new procedures for the use of sustainable materials. Under the leadership of the BMW Group, research institutions and companies from various industrial sectors are cooperating in the project to strengthen the recycling system for metals and plastics across the automotive value chain. The project is funded by the German Federal Ministry for Economic Affairs and Climate Action.

The partners have the common goal of reducing the CO₂e footprint in the extraction, processing and recycling of materials through the sustainable development of materials. In line with the principle of the circular economy, the aim is to maximise the proportion of secondary materials in the cycle, as these are significantly less CO₂e-intensive than primary materials. In addition to the recycling of plastics and metals, the focus is also on new types of bio-based materials. In the research project, DRÄXLMAIER is also committed to designing components and assemblies for recycling (“Design for Recycling”). This means that the process and logistics requirements for disassembly, dismantling and material processing are already taken into account during product development. The Catena-X data ecosystem provides the necessary data format for the digital fingerprint of the materials and serves as a platform for collaboration.



+ Electrical Systems – automated sustainability profiling for wiring harnesses



Automated wire harness balancing can reveal potential for making the usually very complex wiring systems more sustainable.

In the Electrical Systems division, the method developed in the previous year for achieving CO₂e balancing for complete wiring harnesses was validated in 2023 by way of a reference project. The sustainability requirements derived from the footprint accounting were anchored in the development process in 2023.

The high number of variants – especially if the wiring harnesses are customised – makes accounting for the CO₂e footprint a highly complex task. The process often involves more than 10,000 individual components and a whole range of processing steps, which has made manual profiling out of the question. However, DRÄXLMAIER has since developed a method and implemented it into a calculation tool, meaning for the first time, it is now possible to account for customer wiring harnesses entirely automatically. Each processed component and its take rate can be taken into account in an average line set. What is crucial here is determining the emissions factors. As a result, sustainability profiling is carried out cross-functionally in close cooperation between

Development, Purchasing and Production. While emission factors are currently often sourced from external databases due to the lack of supplier data, DRÄXLMAIER's long-term goal is to use 100% primary data from suppliers for sustainability profiling.

Thus far, the results of profiling have shown that the following emissions composition can serve as a guide for the average wiring harness:

- ~ 80% CO₂e materials used
- ~ 10% CO₂e production processes at DRÄXLMAIER
- ~ 10% CO₂e logistics at DRÄXLMAIER

In parallel, our analyses have also shown that the use of recycled or secondary materials has a great deal of potential for reducing the PCF. The use of secondary copper or high-quality recycled plastics, for instance, has a high leverage effect. For example, it is possible to reduce product-related CO₂e emissions by up to 40% by using secondary copper in wiring with large cross-sections. In 2024, we want to analyse and present the recycle content in other materials in order to show our suppliers and business partners the corresponding potential and to initiate optimisations in this way, even though we do not manufacture the parts ourselves.

Interior Systems – choosing plastic over magnesium

In the future, long glass fibre-reinforced plastic (ABS LGF) will replace the magnesium used up until now in the production of the display composite beam. This can be done by utilising a new injection moulding material that DRÄXLMAIER developed together with a plastics supplier. Reinforcement with glass fibres makes the ABS plastic used almost as strong as magnesium, and the component can be made with much less energy consumption. On top of that, it is 30% lighter, so all in all, a reduction of 90% of CO₂e can be attained as opposed to using magnesium pressure die-casting. The material for these composite beams has now been validated and successfully tested, with series production started worldwide. The next step will be to apply the new method to making the cockpit crossbeam. This poses a particular challenge as in this use case, the steering column, the centre console and the instrument panel are mounted, so the component has to meet even higher demands. Here, too, the intended material has now been validated and has successfully passed the testing process.

By replacing magnesium with plastic in the composite display carrier in the instrument panel, a significant reduction in the CO₂e balance is possible.



**Component Systems – using lower-emission materials**

In order to support the transformation process in the automotive industry, we are constantly striving to make our products even more innovative and sustainable. Starting with the use of efficient and emission-reduced materials through to recyclable product design. Plastic applications play a special role in a wide range of requirements. We are continuously working on expanding the use of recyclates in our safety-relevant components. When it comes to the polymers under consideration, product quality and application safety take absolute priority.

In the area of electronics development, we succeeded in agreeing medium-term targets with our key suppliers for components such as microcontrollers, transceivers, transistors and LEDs in 2023. Suppliers are also required to fulfil DRÄXLMAIER's country-specific overarching sustainability requirements. To continue to operate economically and sustainably, we continuously review the best possible capacity utilisation of our PCB production in order to avoid unnecessary waste.

Battery Systems – improved battery design efficiency

By further developing our modular battery system and improving related manufacturing methods and processes across the board, we do our part for a sustainable automotive industry. We spotlight aspects like fast-charging performance, service life, safety, dismantlability and reusability in order to grow the benefits of our battery systems. Ultimately, we seek to further optimise product sustainability with ongoing and future core research projects in these areas.

The complete package, which prevents unnecessary power losses in the system and contributes to perfect overall performance, makes DRÄXLMAIER Battery Systems a key partner for sustainable mobility.



The dHPT makes it possible to increase performance while maintaining the same weight, thus helping to reduce CO₂e in the vehicle electrical system.





Logistics

As part of Green Logistics, logistics has been helping to make the transport of materials, parts and products more sustainable since 2010. The aim is to achieve the most resource-efficient transport planning possible through appropriate management, taking into account economic as well as environmental and social aspects. The focus here is on two central approaches: avoiding unnecessary elements (e.g. empty runs, etc.) in the logistics process and increasing the efficiency of processes.

The main goal is currently to reduce CO₂e emissions in order to increase climate compatibility. DRÄXLMAIER is therefore continuously reviewing and improving its national and international transport structures. This approach enabled the company to achieve savings totalling around 2,784 t CO₂e in transport logistics in 2023. DRÄXLMAIER is increasingly relying on the localisation of suppliers in order to keep transport routes as short as possible through geographical proximity. In addition, route optimisation, decisions in favour of direct journeys and the minimisation of intermediate hubs reduce the distances to be covered. At the same time, transport capacity utilisation is constantly being improved by increasing stackability, reducing delivery frequency or switching to full truck loads in order to reduce the number of journeys.

Another measure to make logistics processes more sustainable is the use of environmentally-friendly means of transport and fuels – including for transport within the plant premises. Corresponding concepts are already being developed. At the same time, DRÄXLMAIER is consistently pursuing the switch from road to rail. One example of this is the use of combined transport: by loading containers from road to rail, positive effects

can be achieved, especially on busy routes. DRÄXLMAIER has already been utilising the roads over the Brenner Pass and Switzerland for several years.

In addition, some of the goods on the route from Germany to Tunisia are transported using the alternative fuel bio-LNG (liquefied natural gas) and HVO (“Hydrotreated Vegetable Oil Diesel”). Care is taken to ensure that the biofuel is obtained exclusively from biogenic residues and therefore does not compete with food production. The CO₂e savings potential for intermodal transport using alternative fuel on this route is up to 50% in total. In 2023, 153 tonnes of CO₂e were avoided as a result. While these bridging technologies are being promoted at DRÄXLMAIER in the medium term, we are aiming to replace them completely with renewable fuels in the long term.

In 2023, DRÄXLMAIER Logistics was also involved in the design of a guideline for calculating transport emissions. The international project led by the VDA (German Association of the Automotive Industry) and ECG (The Association of European Vehicle Logistics) standardised the calculation of CO₂e values for transport in the automotive industry and standardised reporting structures. This enables transparency of the climate compatibility of transport concepts and thus facilitates decision-making – in cooperation with customers, suppliers and service providers – to minimise CO₂e emissions in logistics.



Bio-LNG truck during intermodal transport over the Brenner Pass.

DRÄXLMAIER Group emissions per mode of transport in tons of CO₂e

	2023	2022
Air	8,989	10,998
Rail	377	429
Road	103,875	87,161
Road CNG/LNG/BioLNG/HVO	110	280
Road (upstream and downstream)	5,196	4,775
Shipping	12,043	9,882
Total	130,590	113,524



Sustainability in the supply chain

GRI 2-6/-23/-24/-25/-26/-28 GRI 3-3 GRI 308-1 GRI 407-1 GRI 408-1

GRI 409-1 GRI 414-1

By aligning our supply chains sustainably, we want to fulfil both economic requirements and our environmental and social responsibility – across our entire value chain. As such, we are working on the assumption that our suppliers value sustainability just as highly as we do.

Our supplier monitoring focuses on both preventive and reactive risk management. We link the indicators with existing risk criteria in order to recognise deviations at an early stage and develop uniform standards.

In 2023, the DRÄXLMAIER Group supplier portal was supplemented with additional information. All relevant documents for our suppliers can be accessed. One focus here is the relevant sustainability requirements set out in the German Supply Chain Act.

When registering suppliers for new business partners, acceptance of the Business partner code of conduct sustainability is a prerequisite for establishing a business relationship with the DRÄXLMAIER Group.

Some points were added to the [Business partner code of conduct sustainability](#) in 2023 and can be found on the supplier portal during registration. In addition, a concept for a new supplier training programme was adopted in 2023, which will be available the following year.

CO₂e footprint as a core criterion in selecting suppliers

Our carbon footprints present a clear picture: in most of our products, the majority of the CO₂e footprint comes from the supply chain, which is why it was integrated into the sourcing decision.

We already work closely with our suppliers to calculate the CO₂e footprint of our products with the aim of further increasing the availability of primary data based on the calculation specifications prepared by DRÄXLMAIER. In order to incorporate comparable values into the calculations, the corresponding methodology was developed across all functions and communicated to the suppliers. In the reporting year, a start was made on requesting relevant key figures for determining the CO₂e footprint from suppliers at an early stage of model series projects. System-supported data digitalization options will be used in the future. Against this backdrop, transparency around the CO₂e calculation capability of suppliers is another important indicator that has been used at DRÄXLMAIER since this year. Currently, more than 50% of our direct suppliers are able to calculate CO₂e emissions at part level.

Supplier evaluation

Sustainability performance is a key criterion when selecting our suppliers. In the reporting year, around 87% of the freely negotiable purchasing volume was already covered by suppliers who achieved “green” status in the “Sustainability” category of the supplier assessment.

Social standards as a priority

However, our understanding of sustainability in purchasing is not only limited to CO₂e emissions, but also includes social aspects, such as working conditions, social standards and respect for human rights. Accepting our Business partner code of conduct sustainability is part of the registration process for our suppliers. The Code sets out clear minimum requirements in terms of corporate ethics and compliance, human rights and working conditions as well as environmental protection and resource conservation. This includes the requirement to ensure that these requirements are met throughout the entire supply chain.

Training for employees in global purchasing

As part of our ongoing endeavours to establish sustainable business practices in procurement, we made further progress in 2023. The advanced training for global procurement introduced in the reporting year focuses on key success factors for more sustainable procurement. The training was completed by over 95% of employees in Purchasing. The focus is on practical aspects such as ethical purchasing, sustainable supply chain management, resource-saving procurement and environmental responsibility. To ensure that the training results are effectively integrated into daily processes, further development of the training concept is planned for 2024.



Conformity and self-disclosure

We ensure that our basic principles on economic, environmental and social responsibility comply with applicable law and are implemented in accordance with international standards. The fulfilment of sustainability requirements is a central component of our procurement process and is anchored in the corresponding steps of our purchasing processes. We ask all direct suppliers as well as relevant indirect suppliers to provide corresponding self-assessment questionnaires (SAQs) via an online portal. The self-assessment covers the main sustainability issues – from environmental protection and human rights compliance to social standards and occupational health and safety. There are also questions concerning data protection and cyber security as well as compliance risks. Once the answers have been analysed, the results are directly incorporated into the supplier assessment process.

The methodology of the S-Check (Sustainability Check) developed in 2021 was further refined in 2023 and established throughout the company. The S-Check requires the completion of sustainability-related questionnaires (self-assessment) and confirmation of the Business partner code of conduct sustainability. The corresponding criteria are an integral part of the awarding of new contracts. Only when the respective supplier has actively recognised our Business partner code of conduct sustainability and has completed the SAQs from our partner Integrity Next is the S-Check fulfilled. Should any deviations from the set minimum requirements be identified, suppliers must implement an action plan to correct said deviations.

Raw materials and conflict minerals

The automotive industry also uses raw materials and products whose extraction and processing may be linked to risks for the environment or human rights. Here too, we are aware of our responsibility. For this reason, we have introduced active conflict-mineral reporting. In this way, we aim to increase transparency along the upstream supply chain in order to ensure as best as possible that the raw materials used have not been extracted in violation of human rights. In the event of potential human rights violations, appropriate remedial measures are defined. If the human rights violation cannot be eliminated, a change in the source of supply is required.

Over the past few years, we have also participated in numerous programmes to enhance supply chain transparency, including for copper, kenaf and leather. We are also involved at association level to find mutual solutions for a sustainable supply chain, like the Automotive Industry Dialogue which is part of the German government's National Action Plan for Business and Human Rights, the Sustainability in the Supply Chain working group of the German Association of the Automotive Industry (VDA), and the Sustainability and Supplier Management working group of the German Association of Materials Management, Purchasing and Logistics (BME).

83%*

Suppliers with new Business partner code of conduct sustainability in 2023

65% in 2022

*active confirmation required

70%

Suppliers with verified environmental certificate ISO 14001* in 2023

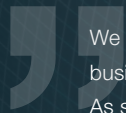
73% in 2022

*Suppliers from whom the DRÄXLMAIER Group purchases direct material worth more than EUR 10,000 per year



Climate and environmental protection

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We can only remain successful on the market in the long term if we consistently focus our business activities on sustainability.

As such, we have been working for many years on using energy and resources as efficiently as possible and focusing on the continuous optimization of our supply chains.

As well as making our production processes and plant technologies as environmentally friendly as possible, we are increasingly focusing on the principle of the circular economy and are proactively working on the further development of our sustainability management in order to be able to control our actions even more consistently.

Jan Reblin
Chief Executive Officer





Climate and environmental protection

GRI 2-4 GRI 3-3

At a glance

- **The total connected load of self-generated electrical energy from renewable resources is 6,500 kWp.**
- **Energy efficiency: in 2023, we achieved a total energy saving of 6.1 million kWh.**
- **Scope 1 and Scope 2 emissions further reduced, CO₂e emissions reduced by 2,657 t CO₂e compared to the previous year.**

Climate and environmental protection are among today's greatest challenges for us all. As an international company, the DRÄXLMAIER Group is affected to varying degrees by climate change and its impact. We can only successfully shape the future of our company and the society in which we live if we manage to master these challenges. At the same time, this opens numerous doors. The challenges of climate change are the driving force behind innovation and new technologies and will catalyse our company's future-focused development.

The DRÄXLMAIER Group wants to set a good example when it comes to securing a more sustainable present and future. This is why we have anchored climate and environmental protection as a central pillar at our company. We are working with the consistency required to reduce the environmental impact of our business activities and our products or at least to keep it as

low as possible. The focus here is on the careful use of natural resources, on implementing the circular economy and continuously reducing our greenhouse gas (GHG) emissions.

We are committed to achieving the targets set out in the Paris Agreement and to this end are following a reduction road-map with the aim of achieving the 1.5°C target. Against this backdrop, we want to reduce Scope 1 and 2 emissions by 66% between the base year 2021 and 2029. This target was already achieved in 2022, thanks to the purchase of electricity certificates for all production sites. A concept for adjusting the target for 2029 is currently under development.

The criteria set out in the Science Based Targets Initiative (SBTi) provided a framework of reference to define our targets.

Equally, DRÄXLMAIER is conscious of its responsibility for greenhouse gas emissions in the upstream and downstream value chain (Scope 3). Given the high complexity involved in determining Scope 3 emissions, we revise our internal methods and data procurement processes on an ongoing basis.

Some of our top priorities at all DRÄXLMAIER sites include saving fresh water, reducing non-recyclable waste and improving energy efficiency. This places a clear demand on each and every employee: we expect everybody to handle existing resources and raw materials considerately and to support the measures for greater energy efficiency. Our globally effective [EHS policy](#) sets out specific conditions for environmental protection.

Even today, most of our sites are audited according to the internationally recognised ISO 14001 standard. The Group certification, which meanwhile includes 45 sites (2022: 41) was successfully completed in the year under review and the appropriate matrix certificate was issued. The newly built sites will be systematically included in the matrix. In addition, three further sites received individual certificates. The certificates raise the level of coverage to 87.8% (2022: 84%) of the workforce at our production plants.

To enable ongoing improvements, EHS specialists at all sites monitor the effectiveness of efficiency measures, for example with the help of a globally standardised EHS data management system that involves all our sites. EHS-related key figures are documented every month and then shown and evaluated as KPIs together with economic performance indicators, such as production or attendance minutes. If these KPIs deviate by more than 15% from the previous month, this has to be justified and commented. All KPIs and EHS aspects are analysed with regard to their efficiency in an annual EHS management review conducted by the production site managers. The individual results are merged initially at regional level and then in a Group review at the headquarters, from which the management derives trends and suitable improvement measures.



Emissions and energy

GRI 3-3 GRI 302-1/-2/-4 GRI 305-1/-2/-3/-4/-5

To bring transparency to our climate protection activities, we have been producing a comprehensive annual account of our GHG emissions since 2012. We also compile an annual plant carbon footprint for our production plants – where the bulk of our Scope 1 and 2 emissions are generated – which maps the corresponding emissions of each plant. On that basis, we determine a plant emission factor that acts as an indicator for plant-specific performance with regard to greenhouse gas emissions, documents the improvement achieved over time and notes any further development at the plant. At the same time, the plant emission factor is used to calculate the product-specific carbon footprint, meaning the GHG emissions generated in production can be attributed to the individual products. This ensures that plant-specific improvements also impact the carbon footprint of the products made there.

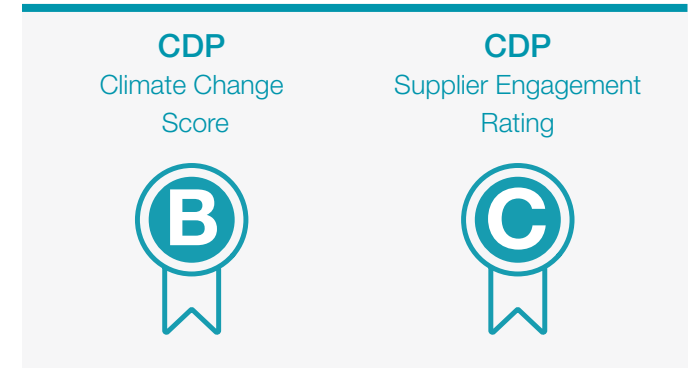
To calculate our GHG emissions, we rely on the globally accepted standards of the Greenhouse Gas Protocol (GHG Protocol). For consolidation purposes, we chose the operational approach: our calculation thus includes all our sites for which we have full decision-making authority. All the greenhouse gases identified according to the Kyoto Protocol are included in the calculation and are shown in CO₂ equivalents (CO₂e).

Since 2021, we have also been calculating biogenic carbon dioxide, which we report separately (out of scopes). The emission factors are mainly derived from modelling with the LCA FE (LifeCycle Assessment For Experts) software as well as from public databases, made available for instance by the German Association of the Automotive Industry (VDA, Emission factors 2022), the UK Department for Environment, Food & Rural Affairs (DEFRA, 2023) and the tool Quantis (Scope 3 Evaluator). Where, for instance, supplier information is not yet otherwise available, we use emission factors from the LCA FE software. As a last resort we rely on data from external studies.

In the Climate Change Questionnaire, we submit the DRÄXLMAIER GHG emissions footprint annually to the Carbon Disclosure Project (CDP). The independent, non-profit organisation CDP asks companies every year to disclose their CO₂e emissions and their strategies for dealing with climate change.

In 2023, we achieved a B score on a scale of A [Leadership] to D [Disclosure] in the CDP ranking for the seventh time in a row.

CDP also honours companies in terms of their supplier engagement, for which we achieved a C score in 2023.



Given that climate change is progressing, we initiated a realignment of our corporate climate management in 2021 so as to reduce our greenhouse gas emissions as quickly and efficiently as possible. Revising the corporate carbon footprint (CCF) will ensure that the current calculation conforms to the requirements of the GHG Protocol, laying solid foundations for our climate targets.

Equally, the criteria set out in the Science Based Targets Initiative (SBTi) provide a framework to define short-term targets. This new alignment will help us ensure that our reduction targets are in line with the latest scientific findings on mitigating climate change.



Greenhouse gas balance

Scope 1 comprises direct emissions from combustion at stationary or mobile units at our own sites, for example the diesel and fuel consumption of our company's vehicle fleet and the consumption of gas and oil to generate heat. Scope 1 also includes fugitive gases from refrigeration and cooling systems. A screening for the year 2021 showed, however, that the proportion of GHG emissions from such gases accounted for less than 1% of our total Scope 1 and 2 emissions. As such, we do not consider GHG emissions from fugitive gases from refrigeration and cooling systems relevant and have excluded them from our footprint calculation.

In 2023, the DRÄXLMAIER Group's absolute Scope 1 emissions amounted to 16,447 t CO₂e.

Scope 2 measures indirect emissions that are caused by the purchase of energy. It includes any electricity and district heat we procure. We calculate our Scope 2 emissions from procured electricity in two ways, in accordance with the principle of dual reporting as specified in the GHG Protocol Scope 2 Guidance. Firstly, we use the location-based method which indicates emissions resulting from the average emission intensity of the national electricity grids, and secondly we use the market-based method in which the emission factors are derived from the contractual instruments of the electricity suppliers. If no information specific to suppliers is available, the residual energy mix of the relevant country or, if this metric is not available either, the appropriate location-based emission factor is used as a substitute. Our absolute location-based Scope 2 emissions amounted to 144,690 t CO₂e, while the market-based calculation resulted in Scope 2 emissions of 7,215 t CO₂e.

We calculate the GHG intensity of our activities on the basis of our absolute Scope 1 and 2 emissions in relation to our revenue. For 2023, this results in a GHG intensity quotient of 4.2 t CO₂e/€ million of revenue; in 2022, it was 5.2 t CO₂e / € million of revenue.

Our CO₂e footprint not only includes our own GHG emissions generated directly through energy consumption at our sites, but also indirect GHG emissions of the upstream and downstream value chain that are caused by our business operations and activities. These are accounted for in **Scope 3**.

The categories relevant to our GHG emissions footprint are purchased goods and services, capital goods, transportation and distribution (services), business travel, employee commuting, further processing and end-of-life treatment of the products we sell as well as other fuel- and energy-based activities, provided they are not already included in Scope 1 or 2.

The absolute Scope 3 emissions in the year under review amounted to 2,988,312 t CO₂e, with the majority caused by purchased goods and services. Due to the nature of our industry and our business model, our Scope 3 emissions are many times higher than our Scope 1 and 2 emissions.

Because of the high complexity involved in calculating Scope 3 emissions, we systematically revise our methods and data acquisition processes. Thus, comparisons with previous years' figures can only be made to a limited extent.

DRÄXLMAIER Group greenhouse gas emissions¹ in t CO₂e

	2023	2022	Change
Scope 1	16,447	17,521	-6%
Scope 2 (market-based)	7,215	8,798	-18%
Scope 2 (location-based)	144,690	139,430	4%
Total Scope 1 + 2 (market-based)	23,662	26,316	-10%

¹ based on production plants and other sites

Greenhouse gas emissions² Scope 3 categories¹ of the DRÄXLMAIER Group in t CO₂e

	2023	2022
Purchased goods and services	2,440,056	2,342,573
Capital goods	249,026	274,056
Fuel- and energy-related activities (not included in Scope 1 or 2)	9,107	9,072
Transport and distribution (upstream and downstream)	130,591	113,524
Waste	2,521	2,586
Business trips	1,930	1,802
Employees commuting	74,032	82,443
Processing of sold goods	78,183	71,349
End-of-life treatment of sold goods	2,866	2,605
Total absolute Scope 3 emissions (market-based)	2,988,312	2,900,010

¹ based on production plants and other sites

² arranged according to Greenhouse Gas Protocol



Photovoltaic system on the parking deck at the headquarters in Vilsbiburg.

Sustainably shaping our own mobility

DRÄXLMAIER's sustainable mobility strategy is based on three pillars: plant buses, fleet and global travel management. Use of the plant buses is organised efficiently with the support of software and therefore contributes to reducing emissions, particularly compared to using one's own car. Other GHG savings can be achieved by optimised route planning and by selecting service providers according to environmental and social criteria. This includes, for example, utilising environmentally-friendly vehicles and adhering to the sustainability policy for suppliers in tenders and operations. The electrification of the DRÄXLMAIER fleet and the associated expansion of the

charging infrastructure will enable us to hit another milestone on the way to more sustainable mobility. In 2023, for example, we set up a charging infrastructure at our locations in Tunisia and put the first e-vehicles into operation. In China, the existing infrastructure was further extended and the fleet was increased with additional e-vehicles.

The photovoltaic (PV) system on the parking deck at our headquarters in Vilsbiburg, which was completed back in 2020, also makes an important contribution to climate protection. In the year under review, 4,200 PV modules with a total area of around 7,000 m² produced 1,058 MWh of electricity. The

system, which was installed on the roof of our existing parking garage, saves around 560 metric tons of CO₂e per year. Electric company vehicles plus our employees' electric cars can use particularly environmentally-friendly electricity at around 200 charging points.

We also organise business trips as efficiently as possible in terms of CO₂e. One of the most important parameters in this context is the choice of service providers and optimisation of itineraries. Travel service providers are chosen according to environmental and social factors. We advocate contract hotels located near our sites, encourage travelling by rail, taking direct flights instead of connecting flights and using rental car providers with modern car fleets that have the lowest possible CO₂e emissions.

Photovoltaic systems at the headquarters of the DRÄXLMAIER Group in Vilsbiburg

3 systems in operation
(parking deck, building 45, building 5.1)

1,554,885 kWh
total electricity generated

1,454,314 kWh
total electricity used





Electrical energy from renewable resources

For manufacturing companies like DRÄXLMAIER in particular, energy consumption is a key factor in reducing our CO₂e footprint. Activities to achieve our reduction targets include continuous energy efficiency improvements, expanding our own renewable energy generation and increasing the share of green electricity in our total energy use.

In 2023, the DRÄXLMAIER Group used a total of 386,376 MWh (2022: 375,893 MWh), mainly in the form of electrical energy, including from our own photovoltaic systems. Natural gas and heating oil were used to generate heat, as were fuels (diesel and petrol). We also obtain district heating at our site in Böblingen and one of our Romanian sites.

+ A sustainable future with district heating

In autumn 2023, the DRÄXLMAIER site in Böblingen reached a milestone in terms of sustainability. As the first DRÄXLMAIER site worldwide, the plant in Böblingen has been free of greenhouse gas emissions in relation to the use of electrical energy and heating since the beginning of October that year.

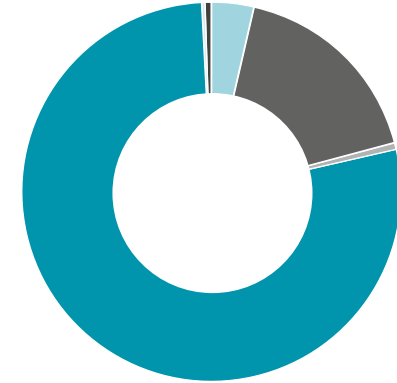
With an impressive connected load of 2 x 600 kW, the district heating transfer station went successfully on stream on 5 October 2023.

Planning for connection to the district heating network began back in early 2022. The existing gas heating system was dismantled after the end of the 2022/2023 heating period. Starting in summer 2023, the city of Böblingen began laying the necessary district heating pipes outside the company building, while the district heating transfer station was installed on the factory premises at the same time.

An essential aspect of our activities is the ongoing increase in energy efficiency based on the company-wide measurement and management of energy use, since, as a rule, lasting and ongoing progress can only be achieved with a structured approach. For this reason, we have carried out potential analyses at our energy-intensive sites. We did not limit ourselves to identifying short-term improvements that could be implemented quickly, but have also specifically examined complex fields of action relating or relevant to the issue of energy.

We want to utilise energy as responsibly as possible today and rely on a broad spectrum of different technologies to reach this goal. Examples include energy-saving LED lighting, modern combined heat and power plants with cogeneration and efficient refrigeration technology, solar and geothermal energy, and photovoltaic facilities for the production of our own electricity. We are also continuously reducing the energy consumption of our production facilities, for example by using intelligent switch-on and switch-off concepts.

DRÄXLMAIER Group's energy use by energy source in MWh



	2023	2022
Fuels (diesel, petrol) ¹	14,883	15,994
Natural gas ²	65,881	68,414
Heating oil ²	1,889	2,994
Electrical energy ²	300,584	285,601
District heating ²	1,686	1,689
Self-generated electrical energy from renewable resources ²	1,454	1,200
Total energy use	386,376	375,893

¹ based on production plants and other sites

² based on production plants



We rely on renewable sources to supply our sites with electrical energy. First and foremost, we generate our own electrical energy from renewable resources. We also purchase electrical energy from renewable resources on the global electricity market, provided it fulfils our defined criteria. We focus on direct contracts (Power Purchasing Agreements (PPAs)) with producers of renewable energy and on green electricity tariffs.

The amount of electrical energy from renewable resources purchased by DRÄXLMAIER may only be credited to us and may not be sold to any other customer. Part of the proceeds from electricity purchases must be used to promote the expansion of renewable energies. As part of the certification process we also attach great importance to the independent verification of the information provided by the electricity supplier. Furthermore, we prefer suppliers who are not involved in the planning and operation of coal and nuclear power plants and who minimise the negative ecological impact of their generation plants. By anchoring these specifications in our purchasing processes, we are systematically converting all our plants to renewable electrical energy and at the same time promoting their expansion worldwide. After the proportion of purchased electrical energy from renewable resources rose to 100% in 2022 through the purchase of electricity certificates for our production sites, we purchased sufficient certificates in 2023 to maintain this value.

If it is not possible to generate our own electricity or purchase green electricity, we subsequently green the electricity consumption at our production sites by purchasing electricity certificates (unbundled energy attribute certificates – unbundled EACs).

Composition of electrical energy¹ used by the DRÄXLMAIER Group in MWh

	2023	2022
Consumption of externally sourced energy	300,584	285,601
of which purchased electrical energy from renewable resources	300,584	285,601
of which purchased electrical energy from fossil fuels	0	0
Consumption of self-generated energy	3,783	4,933
of which self-generated electrical energy from fossil fuels	2,329	3,733
of which self-generated electrical energy from renewable resources	1,454	1,200
Total electrical energy	304,367	290,535

¹ based on production plants and other sites

Tool established to improve resource efficiency

Since early 2021, we have been applying the Sustainability Measure Tracking tool (SMT) in our day-to-day operations. The tool is used to comprehensively record sustainability-relevant activities that serve to increase resource efficiency – in terms of energy consumption [kWh], water consumption [m³], waste generation [t] and logistical expenditure [km]. The corresponding measures may relate to building infrastructure as well as production-specific or logistical processes. Internal organisational measures that raise awareness and act as controls are also mapped.

In 2023, Operations counted 102 optimisation measures. Each of these measures meets the criterion of sustainable improvement for the respective consumer, and 84 of them had already been implemented during the year. The remaining 18 measures

will be implemented in full by the end of 2024. The greatest energy saving in 2023 was achieved by insulating the injection moulding cylinder at the Duncan site.

In total, savings of more than 6.1 million kWh of energy were reached in 2023. Savings effects through the optimisation of lighting systems again played a crucial role here.

These involve, firstly, a change of the lighting technology used (transition to LED technology) and, secondly, reductions in consumption through more demand-oriented use. The optimisation of compressed air systems was also continued in the period under review. In particular, ongoing maintenance to the compressed air system enables extensive improvements in the overall use of compressed air. In the reporting year, the replacement of compressors in Braunau, Shenyang and Anshan made up a large proportion of the savings.

We have started an analysis of basic consumption values at all locations in order to reduce the standby consumption in production. This will continue in 2024. The results will then serve as the basis for concrete measures in the coming years. For the topic of energy management and in preparation for a possible energy efficiency system certification (DIN ISO 50001), a PoC “Proof of Concept” was carried out for the automated recording of consumption data for buildings and machines. Furthermore, we started to determine the material flow values (input/output) in order to identify potential for reducing the recycling rate here too.



Sustainable construction

We also take sustainability aspects into account when expanding and converting our sites, e.g. in the construction measures at the headquarters in Vilsbiburg. One example is the technology centre, which in future will house a development and validation centre for battery systems as well as spaces to develop special machines, training areas, logistics and various office spaces. During development, we paid particular attention to energy monitoring and the transparency of energy flows. A building management system enables us to record energy data to manage and later optimise technical systems. Climate and environmental protection was also taken into account. We installed energy-efficient systems for heat recovery, a combined heat and power plant with 134 kW_{el}, an intelligent LED lighting system, water-saving valves and rainwater retention basins. Alongside a PV roof system with 540 kW_p, we also installed a photovoltaic façade system with an output of 109 kW_p on the southwest side of the building.

The foundation stone for the so-called Sousse Hub was laid in Sousse, Tunisia, in 2023. The site, which will also be the headquarters of DRÄXLMAIER in Africa, will employ over 1,000 specialists in the areas of IT, research, software development and engineering once it is completed at the beginning of 2025, and will provide important impetus for the DRÄXLMAIER sites around the world.

DRÄXLMAIER is already focusing on a sustainable concept during construction of the new site. For example, the Sousse Hub has a highly insulated thermal building envelope with minimised thermal bridges and automatically controlled solar shading. Reclaimed rainwater is used to irrigate the green areas



DRÄXLMAIER celebrates the laying of the foundation stone: symbolic ground-breaking ceremony for the Sousse Hub.

and the entire landscaping is designed for water efficiency. In addition, the first photovoltaic façade in Tunisia with integrated glass-glass modules will be used in Sousse – and there will also be charging points for electric cars. The building is also 100% accessible and an inspiring room concept ensures that the desired creativity can also find its space.

In Jemmal in the governorate of Monastir, DRÄXLMAIER opened the latest of meanwhile five production plants in Tunisia in 2023. The start of 2023 saw production of on-board electrical systems for a German premium car manufacturer begin there. In autumn 2020, when construction of the new plant began, the first employees were trained for their future tasks in an interim plant. The new plant provides 3,000 jobs. As in Sousse, DRÄXLMAIER is also focusing on a sustainable building concept in Jemmal with a photovoltaic system on the roof and a rainwater collection basin.

In Shenyang, China, which is one of the largest DRÄXLMAIER sites worldwide, a rooftop photovoltaic system with a total output of 3.9 megawatts peak was successfully put into operation in 2023. The system covers a module area of approx. 15,000 m² and comprises around 7,170 solar panels that generate some 5 million kilowatt hours of renewable energy per year.

A PV system was also installed at the Timișoara site (Romania) in 2023. The output of the 720 modules with a total area of 1,400 m² is 295 kW_p. The projected annual yield of the system is 375,000 kWh. 100% of the self-generated electricity is consumed on site.

In 2023, the total connected load of self-generated electrical energy from renewable resources was 6,500 kW_p.



Water

The DRÄXLMAIER Group does not make extensive use of water, which is why water was not identified as a significant topic in the materiality analysis. Nevertheless, we decided to report on the topic because the availability of water is an issue of major global significance. The DRÄXLMAIER Group also strives to be a role model in this respect and to ensure that this valuable resource is consumed sparingly and carefully in its own operations.

Within the framework of our [EHS policy](#), water management has the same priority as waste and energy management. We apply our management systems to systematically monitor freshwater consumption and wastewater discharge, the associated soil and groundwater contamination, and the handling of environmentally/water-hazardous substances. In the event of an incident, we immediately eliminate and document the issue.

In 2023, the DRÄXLMAIER Group consumed 630,002 m³ of water (2022: 606,218 m³), proving that water is already being used sparingly as a resource. As such, no further projects to save fresh water were launched in the year under review. We record our highest consumption in the sanitary facilities at our plants. To save water there, we install water-saving fittings and ensure that we have efficient installations, taking into account aspects of potable water hygiene. We also use water for closed cycles, for example in heating and cooling systems.

Responsible use of water at our sites

We use rainwater retention basins across our sites. At our site in Tepic, Mexico, for example, in 2022 we commissioned a rainwater utilisation system with a volume of 3,000 m³ to allow us to use rainwater in place of fresh water where appropriate. In the future, all wastewater from the site will be processed in a wastewater treatment plant, where it will be treated and trickled onto adjacent land.

We are also in the process of implementing structural measures for optimised water use at our Tunisian sites in Jemmal and Siliana. In Jemmal, for example, a 2,000 m³ water basin with an integrated roof drainage system was built in 2023. In Siliana, where a 2,000 m³ water basin is already in place, an added basin with a volume of 1,200 m³ was built in 2023. The additional aim here is to be able to provide sufficient water to ensure the operation of the sanitary facilities for up to two days, even in times of water-rationing measures imposed by state authorities.

The same system with a rainwater cistern for sanitary purposes and outdoor irrigation will be installed at the new Tunisian site Sousse Hub. Completion is scheduled for mid-2025.



Waste

GRI 3-3 GRI 306-1/-2/-3

The amount and type of waste and recyclable materials generated across all DRÄXLMAIER sites are important indicators of our material requirements and sustainable material use throughout the organisation. For several years now, we have been recording all this data in an extensive database, which provides us with an overview of all types of waste and recyclable materials generated worldwide and serves as the basis for our global waste management reporting. The continuous evaluation of this data down to plant level enables us to identify material waste, analyse its causes and set out appropriate measures and action points to avoid waste and prevent resource wastage.

At DRÄXLMAIER, on principle, we pay attention to avoidance ahead of recycling, and this is our top priority. Recycling, for us, refers not only to the use of raw materials, but also to the direct reuse of goods. Concepts such as a company-wide equipment exchange for the reuse of second-hand goods between the sites support this approach.

Where it is not technically feasible to avoid or reuse waste, we strive to constantly increase the recycling rate and the recyclability of our waste. For example, we separate, collect and then recycle waste and recyclable materials as accurately as possible and work together with certified waste management providers insofar as possible, from whom we demand proof of recycling. When contracting new providers, we focus on sustainable, regional partners as a matter of course and give preference to the disposal companies with the best recycling rates.

We avoid landfilling waste as far as possible. In 2021, a binding recycling quota was adopted for all production sites, which is to be continuously increased up until 2030 (see also [e](#) chapter Assuming responsibility). No significant actual or potential waste-related effects were identified in the reporting year.

Waste generated¹ by the DRÄXLMAIER Group in t

	2023	2022
Hazardous waste	1,661	1,213
Non-hazardous waste	37,908	33,184
Total waste generation	39,569	34,398

¹ based on production plants

DRÄXLMAIER Group's waste and recyclable material disposal¹ in t

	2023	2022
Residual waste	3,439	3,466
Plastic waste	10,516	9,044
Paper and cardboard	9,563	8,995
Wooden pallets	5,522	4,818
PE foil waste	219	199
Other	9,097	7,438

¹ based on production plants

+ Duncan, USA: plastic waste for the circular economy

A so-called grinder is used at the DRÄXLMAIER plant in Duncan, USA. The huge grinding machine, which went into operation in 2023, shreds the site's plastic waste into regrind, which is then sold to recycling companies for reuse. In this way, the waste becomes part of a closed material cycle and finds a new use in floor mats, benches, cups or toy mats, for example.

This has a whole range of benefits for the sustainability balance of the site: as well as lower resource consumption, less landfill waste is produced and transport costs are also significantly reduced. Up to 650 journeys per year can be eliminated in this way. According to an initial estimate by those responsible, the grinder project can save around 6,000 metric tons of CO₂e per year in total. The grinder is therefore a significant contributing factor in reducing the CO₂e footprint at the Duncan site.



Container management – circular economy

More than 14.5 million reusable containers in over 2,150 different variants are in use at the DRÄXLMAIER Group worldwide. This makes container management a complex task in which the entire lifecycle of the containers – from raw material to recycling – must be considered. To ensure that the containers used cause only minimum environmental impact, DRÄXLMAIER has developed a closed loop for containers: already during their development, the reusability of containers once they have served their original purpose is given consideration, as is the recycling of raw materials by type. The materials used are characterised by their longevity, good recyclability and low CO₂e footprint.

The two central strategic approaches of DRÄXLMAIER Logistics again have an effect here: avoiding unnecessary elements in the logistics process and increasing the efficiency of the processes.

In 2023, savings of more than 2,333 t CO₂e were achieved through the closed-loop process in container logistics.

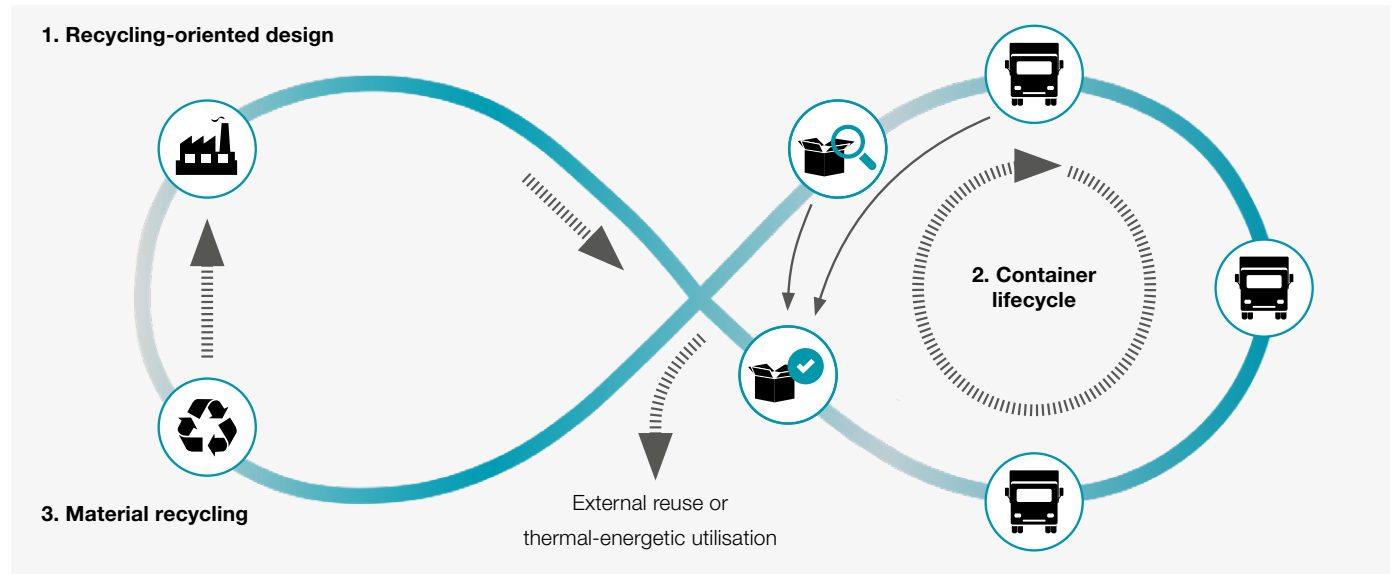
Due to higher container fill levels as well as measures in packaging design, such as the use of wrapping film for pallets, economies could be made in packaging material and transport volumes. In addition, the focus is on paper processes in warehousing in order to minimise or completely avoid waste disposal. The avoidance of disposable containers instead of reusable ones also plays an important role. Using various container information and control systems, the DRÄXLMAIER Group is able to monitor warehouse and transit stocks in real time and proactively manage almost 100% of the containers.

The current status of each container is also documented, while at the same time, the CO₂e footprint can be visualised up to the end of the container's useful life.

The standard RepakL container and Euro pallets are repaired and reused locally in Germany and Romania. In addition, the relocation of packaging material that is no longer in use to another site has prevented scrapping and new purchases. In Germany, the RepakL are repaired at the Landshut Werkstätten (workshops), which promote the vocational and social rehabilitation of people with disabilities. This also enables Logistics to fulfil its social responsibility.

Thanks to the regular maintenance and repair of the repairable containers, their useful life is doubled to an average of five years instead of two and a half. DRÄXLMAIER is now following the closed-loop approach in container logistics adopted in Germany in 2015 at our international sites as well. In the future, the focus will be on increasing the climate compatibility of the packaging materials we use by using alternative materials or recycles. For example, bubble wrap is to be replaced by secondary materials – thus using less material while maintaining the same technical capacity. Taken as a whole, this will result in potential CO₂e savings of up to 35%. In the medium term, DRÄXLMAIER expects packaging to become much more climate-friendly, particularly in the circular economy.

Closed-loop process description





Overview of the DRÄXLMAIER Group's absolute key figures on climate and environmental protection

GRI 305-1/-2/-3

	Unit	2023	2022	2021
Sites				
Production plants	quantity	59	56	56
Other sites (e.g. administration, logistics, development, sales)	quantity	39	40	32
Management systems¹				
ISO 14001	quantity	45	41	40
ISO 45001	quantity	41	33	23
Greenhouse gas emissions²				
Scope 1	t CO ₂ e	16,447	17,521	18,854
Scope 2 (market-based)	t CO ₂ e	7,215	8,798	88,992
Scope 2 (location-based)	t CO ₂ e	144,690	139,430	165,492
Total Scope 1 + 2 (market-based)	t CO ₂ e	23,662	26,319	107,846
Total Scope 1 + 2 (location-based)	t CO ₂ e	161,137	156,951	184,346
Scope 3	t CO ₂ e	2,988,312	2,900,010	3,278,785
Out of Scopes				
Biogenic emissions	t CO ₂ e	10,129	9,721	17,913
Energy sources				
Fuels (diesel, petrol) ²	MWh	14,883	15,994	15,651
Natural gas ¹	MWh	65,881	68,414	74,388
Heating oil ¹	MWh	1,889	2,994	4,419
Electrical energy ¹	MWh	300,584	285,601	285,514
District heating ¹	MWh	1,686	1,689	1,813
Self-generated electrical energy from renewable resources ¹	MWh	1,454	1,200	1,220
Total energy use	MWh	386,376	375,893	383,005

¹ based on production plants² based on production plants and other sites



Overview of the DRÄXLMAIER Group's absolute key figures on climate and environmental protection

GRI 305-5 GRI 306-1

	Unit	2023	2022	2021
Composition of electrical energy used¹				
Purchased electrical energy from renewable resources	MWh	300,584	285,601	125,090
Purchased electrical energy from fossil fuels	MWh	0	0	160,424
Self-generated electrical energy from fossil fuels	MWh	2,329	3,733	5,632
Self-generated electrical energy from renewable resources	MWh	1,454	1,200	1,220
Total electrical energy	MWh	304,367	290,535	292,366
Waste¹				
Hazardous waste	t	1,661	1,213	1,195
Non-hazardous waste	t	37,908	33,184	33,088
Total waste generation	t	39,569	34,398	34,283
Water¹				
Total water consumption	m ³	630,002	606,218	613,122

¹ based on production plants



Overview of the DRÄXLMAIER Group's specific key figures on climate and environmental protection

GRI 302-3 GRI 305-4

	Unit	2023	2022	2021
Sites				
Production plants	quantity	59	56	56
Other sites (e.g. administration, logistics, development, sales)	quantity	39	40	32
Management systems¹				
ISO 14001: Coverage of all production plant employees	percent	88%	84%	79%
ISO 45001: Coverage of all production plant employees	percent	82%	65%	43%
DRÄXLMAIER Group turnover				
Turnover per year	€ million	5,600	5,100	4,600
GHG intensity²				
Scope 1 + 2	t CO ₂ e / € million	4.2	5.2	23.4
Energy sources				
Fuels (diesel, petrol) ²	MWh/€ million	2.7	3.1	3.4
Natural gas ¹	MWh/€ million	11.8	13.4	16.2
Heating oil ¹	MWh/€ million	0.3	0.6	1.0
Electrical energy ¹	MWh/€ million	53.7	56.0	62.1
District heating ¹	MWh/€ million	0.3	0.3	0.4
Self-generated electrical energy from renewable resources	MWh/€ million	0.3	0.2	0.2
Total energy use	MWh/€ million	69.0	73.7	83.3

¹ based on production plants² based on production plants and other sites



Overview of the DRÄXLMAIER Group's specific key figures on climate and environmental protection

GRI 302-3 GRI 305-5 GRI 306-1

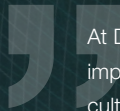
	Unit	2023	2022	2021
Composition of electrical energy used¹				
Purchased electrical energy from renewable resources	MWh/€ million	53.7	56.0	27.2
Purchased electrical energy from fossil fuels	MWh/€ million	0.0	0.0	34.9
Self-generated electrical energy from fossil fuels	MWh/€ million	0.4	0.7	1.2
Self-generated electrical energy from renewable resources	MWh/€ million	0.3	0.2	0.3
Total electrical energy	MWh/€ million	54.4	57.0	63.6
Waste¹				
Specific (total waste/production minute)	g/min	12.9	11.1	11.0
Water¹				
Specific (total use/attendance minute)	m ³ /min	0.1	0.1	0.1

¹ based on production plants



Social responsibility

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At DRÄXLMAIER, reliability, trust and tolerance are of particular importance and characterise our corporate and management culture as central values. These values determine our actions – as an attractive employer for more than 70,000 employees, as a good neighbour in the vicinity of our sites and as a committed business partner across global supply chains.

Roland Polte
Chief Human Resources Officer



Social responsibility

GRI 2-7 GRI 3-3

At a glance

- **Once again, numerous awards emphasise DRÄXLMAIER's attractiveness as an employer.**
- **More than 1,500 young people worldwide are preparing for their professional future as trainees at DRÄXLMAIER.**
- **Investment in the future: 16,000 globally available e-learning courses were added to our training portfolio in 2023.**

DRÄXLMAIER is a family-owned company that has been in business for 65 years. This implies a special responsibility towards the people who support us as a company, and first and foremost, this includes our employees. Their performance and motivation lay the foundations for our success, while their expertise and passion help drive our innovation and sustainability. Equally, we also strive to treat our business partners fairly and responsibly, as well as the many neighbours we have at our more than 60 locations around the world. As a corporate citizen, we are involved in a wide range of projects, always with the goal in mind of contributing to the sustainable development of society, of which we are a part.

We have committed to three policies that express the guiding principles of our actions throughout the company. They are characterised by the values of responsibility, trust and tolerance. Our [Social policy](#) ensures that [internationally recognised human rights](#) are respected and practised through-

out the DRÄXLMAIER Group. Our [Code of conduct](#) sets out the behaviour we expect from the managers and staff of the DRÄXLMAIER Group in their day-to-day work, both internally and externally. As well as the principles of environmental protection, our [EHS policy](#) defines the framework for occupational health and safety at the company.

Attractive employer

GRI 3-3 GRI 401-1

Our global workforce comprises around 70,000 people of 90 different nationalities worldwide. As their employer, we feel a special responsibility towards these people and offer them a safe and attractive work environment, fair remuneration and numerous opportunities for personal and professional development – across all hierarchical levels and at all our locations around the globe. In short: we want to both be a top employer and be perceived as such, because we want to continue to attract top talents and experts moving forward. We support our employees and encourage their company loyalty in order to retain them for the long term.

Time and again, we receive independent confirmation that we are on the right track. In 2023, for instance, the DRÄXLMAIER Group was named a “Top Employer Germany” for the 15th time in a row, once again making our company one of the most attractive employers in Germany. In this comprehensive employer study, experts from the Top Employers Institute evaluate the HR processes and strategies of the participating companies. This award is confirmation that we always put our employees at the heart of our business, offering them an outstanding working environment with plenty of development opportunities.

In 2023 – as in the previous two years – our company was honoured by German broadsheet *die Welt* as part of the “Germany’s Best Employers” study for its “very high level of employer attractiveness”. In cooperation with the market research company ServiceValue, 728,000 citizens were asked to rate a total of 3,895 companies in terms of their attractiveness as employers.

Numerous awards confirm the attractiveness of the DRÄXLMAIER Group as an employer





In Poland, DRÄXLMAIER was also rated one of “Poland’s Best Employers” in 2023, according to business magazine Forbes and the online platform Statista in their annual ranking. We are especially pleased that in the overall ranking of all companies, DRÄXLMAIER Polska had improved by more than 100 places year on year to come 11th in its industry.

In China, DRÄXLMAIER was once again named as a “Top Employer China 2023”. This confirms both our successful HR work in China and that we are focusing on the right topics in this market with our Employer Value Proposition - just in time for the upcoming 20th anniversary of DRÄXLMAIER’s involvement in China. DRÄXLMAIER China has also been included in the well-known Chinese “Extraordinary Employer Programme” for the second time in 2023 – a further sign of the appreciation of DRÄXLMAIER’s work and corporate principles in the country.

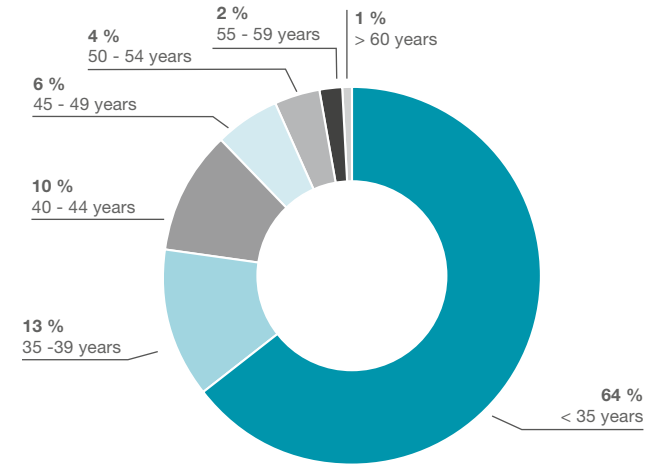
DRÄXLMAIER stands out internationally too, having been recognised by the experts from Forbes and Statista as one of the “World’s Best Employers” for the third time in a row in 2023. The annual selection is based on independent surveys of more than 170,000 employees from over 50 countries. Participants were asked whether they would recommend their employer to family and friends and could rate their employer across various categories, including talent development, opportunities for remote working, parental leave options, diversity and work-life balance.

Clear framework for employment

Fair remuneration consistent with the market is a basic prerequisite for attracting and retaining highly skilled and motivated employees. Fairness and equity determine our actions in this area further. For instance, DRÄXLMAIER has had globally uniform job mapping since 2015, as well as remuneration structures that are both aligned with the specific conditions of local markets and comparable and transparent on a global scale. This system is based on our global function structure, which allows an internationally consistent and comparable assessment of all roles in our company – across all countries, locations and companies. The only assessment criteria are the requirements and responsibilities of the respective role. The functional structure, in turn, lays the foundation for our remuneration structures. In this way, we ensure that remuneration is based on qualifications, the requirements of the role and individual performance. It goes without saying that we always adhere to the applicable legally guaranteed minimum pay and minimum standards. The respective remuneration is supplemented in each country by additional benefits such as company pension schemes, discounts for employees or bonuses for long-term service to the company.

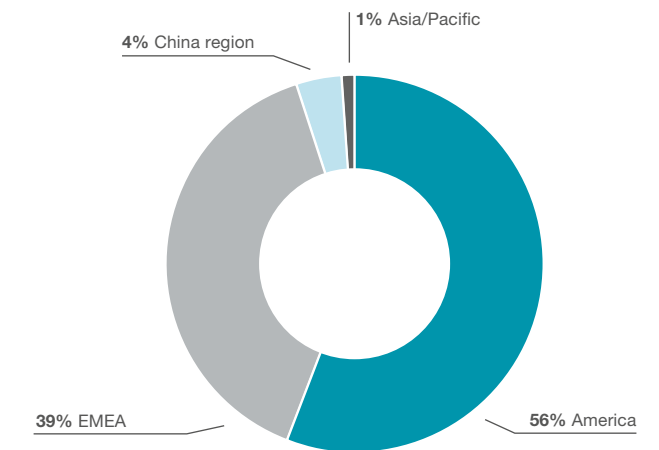
Despite the highly competitive labour market, the DRÄXLMAIER Group hired almost 22,000 people in 2023 (see also [chapter Social responsibility, KPIs](#)). This confirms the image of an attractive employer with a wide range of entry and development opportunities across all age groups.

DRÄXLMAIER Group new employee hires¹ by age in %



¹ in relation to the number of employees

DRÄXLMAIER Group new employee hires¹ by region in %



¹ in relation to the number of employees



Retention of skilled employees

To ensure the innovative capability and success of the DRÄXLMAIER Group, it is crucial to acquire specific knowledge by recruiting employees from outside the company when needed. But at the same time, it is essential to offer our current employees suitable development opportunities in good time so that they can learn new and necessary skills and gain the right training and so that we can retain them within the company in the long term.

In order to respond to and meet the needs of our employees in as personalised a manner as possible, our global HR network utilises a retention toolkit available worldwide. This tried and tested catalogue of measures consists of successfully implemented best practices for employee retention in various countries, which are then shared throughout the company.

In 2023, local employee surveys resumed after the end of the Covid pandemic, for example in Tunisia, Macedonia, Germany and Mexico.

Beginning in 2024, we also want to reinstate our global employee surveys in order to measure employee satisfaction and use the results to derive improvement measures at a global and local level. With this in mind, we have revised our survey concept so that the local particularities at our locations can be more closely incorporated.

Work-life balance

We intend to continuously increase our attractiveness as an employer in the coming years. In 2022, for example, we implemented a global hybrid work concept that offers our employees around the world optimum working conditions – both in the office and when working from home. Country-specific quotas ensure that both our needs and those of our employees are taken into account.

In 2023, we created the framework conditions for introducing a desk-sharing concept, so that in 2024, we can use resources more sparingly, for example in terms of maintenance costs for buildings and individual areas.

+ Digital transformation: HRevolution

By consistently simplifying and standardising our processes, we seek to make our HR services as user-friendly as possible for all employees. At the same time we continue to focus on systematically digitalising our portfolio of HR services. New platforms and self-service technologies should make collaboration within the company simpler, faster and even more targeted.



Professional training and development

GRI 3-3 GRI 404-1/404-2

Professional training

As a family-owned company, we think in terms of generations, not quarters – which is why training young people is particularly important to us. We invest a lot in our trainees, because their skills and expertise are the foundation for our future.

Around 1,504 trainees are currently preparing at DRÄXLMAIER for their professional future in ten different groups of professions at 33 locations in 11 countries. As a partner in the various regions, this helps us counteract the shortage of skilled workers, give young people options for the future and at the same time ensure high and globally uniform standards in training.

No matter which of our sites the trainees work at, we make sure the same high-quality tools, machines, facilities and measuring and testing parameters are used in training worldwide. The employees working in training and development are educated worldwide using a train-the-trainer concept according to a standardised qualification system, which is regularly adapted to new technologies and requirements.

We give our trainees responsibility at an early stage, encourage them to gain international work experience and offer long-term prospects with the company. Measures include annual stays abroad as part of the “Training Worldwide” programme of the

German Federal Ministry of Education and Research (BMBF) as well as visits to our Romanian sites in Timișoara and Hunedoara or specific language courses abroad.

With an apprenticeship quota¹ of 2%, we have achieved our target for 2023. We now need to maintain this quota over the next few years. An important step in this direction is the opening of another training centre in Landau (Germany). A total of 16 young people have started their training at our Tunisian sites in Jemmal and Neopark, while 22 trainees embarked on their careers at our site in Kumanovu (North Macedonia). And with the opening of another training centre in El Jem, Tunisia, we are continuing along the same path.

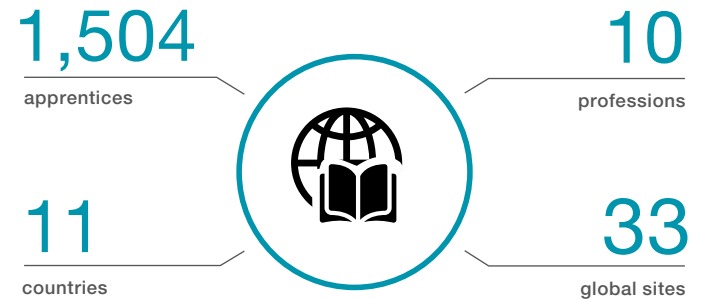
We are proud to be able to offer many of our trainees a permanent employment.

This not only demonstrates our social responsibility towards young career starters, to whom we offer attractive career prospects, but also actively counters the shortage of skilled labour, thus ensuring the continued positive development of our company. For many years, the performance of our trainees has proven we are taking the right approach. Over the last five years, on average 96% of our trainees in Germany were offered a job.

We offer scholarships for certain fields of study to trainees in Germany who achieved high marks in their Chamber of Industry and Commerce examinations. Participants are also usually employed at DRÄXLMAIER at the same time - three of them currently have a scholarship contract.

Our international trainee programme is just another way the DRÄXLMAIER Group helps contribute to the development of young people with high potential. Over the course of various modules and assignments, our trainees learn to work in intercultural teams, to reflect on themselves and to plan their careers, among other things. A range of assignments in different business unit functions promote interdisciplinary thinking and working, while also helping them to acquire complex knowledge and build a wide network within the company in no time. Depending on strategic need, we plan to offer local trainee programmes in different countries and regions moving forward, taking into account both our international standards and local requirements.

Apprenticeship with the DRÄXLMAIER Group



¹ Proportion of trainees worldwide per year as a percentage of the number of employees worldwide.



Success of dual work-study programmes

As a company rooted in Germany, we bring the concept of integrated work-study programmes to our locations around the world. We are an active partner in the acquisition of funding, we educate teaching and training staff on site in the countries and support schools, other companies and government institutions in setting up and designing training workshops and curricula. We proactively share our experience and knowledge to support the education of young individuals around the world – because we also see this as an important element of our corporate responsibility.

Technical training for employees

We want to support our sites around the globe in the technical transformation of production processes. As such, we have focused our training on technical qualifications for employees. In the year under review 15 new modules were developed and 55 courses were offered. To date, more than 1,000 employees have received training in areas such as robotics, programming or automation and digitalization technology.

Professional development

The future of our company depends on what our employees know. Based on this belief, our human resources work systematically targets skills development for our employees – professionally and personally, at all hierarchical levels and in all regions.

“We inspire to grow” – we empower our employees to develop not just their personal strengths, but also specific technical competencies to equip them with the skills they need for the future. In particular, we focus on topics related to the digital transformation of our company. Also important to us is ensuring professional development with the future in mind for our executives.

In this context, we are establishing a global performance and learning culture that promotes talent, rewards performance and offers employees innovative and individual development plans throughout their entire career. Based on our skills model and the respective professional requirements, we evaluate the individual development needs of all employees and provide a comprehensive and wide-ranging offer for personal and professional development. The range of measures extends from courses at the DRÄXLMAIER Business Academy with a globally standardised training programme and a diverse e-learning offer, to power-skills training and third-party seminars. In 2023, our portfolio of learning options was extended by connecting to LinkedIn Learning. Alongside the technical topics, the offer comprises especially soft-skills training and topics like leadership or diversity & inclusion.

Since January 2023, we have opened up around 16,000 courses available to employees with access to a PC.

This way, learning content is both more available and more closely integrated into the everyday working lives of our staff. At the same time, we are upping our response to the individual learning needs of our employees, because the platform means that content, or parts of it, can be quickly and easily repeated.

Learning figures in 2023



more than **1,000** trainer-led courses

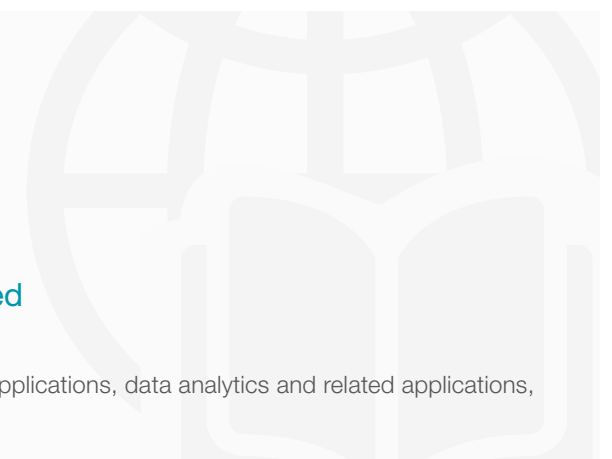


more than **16,000** e-learning courses



more than **367,000** courses completed

Top topics: leadership, project management, resilience, MS Office applications, data analytics and related applications, remote and hybrid collaboration





For 2024, the focus will be on expanding learning journeys, in which various learning units are combined, for example to prepare for a specific career step. Among other things, this will provide even more targeted support for the development of experts within the company.

We place special focus on professional training and development in the context of the digital transformation, spotlighting processes, roles and software applications to support our employees through the change. This way, we prepare them for future challenges by providing specific upskilling modules, enabling them to meet the challenges of increasing automation, connectivity and technologisation, while at the same time opening up new opportunities.

We also support our employees in their professional development through targeted mentoring. Experienced colleagues take on a mentoring role to show members of the mentoring programme career prospects based on their own experience. As well as individual career development, this also promotes a culture of open exchange within our company.

In this way, we empower all employees to pursue their career development in the long term and on an individual basis. In order to best fill vacant roles and offer our talent long-term prospects in the company, we identify, validate and develop high-potential individuals as part of our talent management.

To ensure we are prepared for future requirements, we combine our talent pools with strategic succession planning within the company. Our performance and talent management makes it possible to identify particularly top-performing and talented employees and then calibrate them within the various management levels.

We then promote visibility, self-initiative and networking among these individuals through talent programmes, such as cross-functional projects with opportunities to present the results at board level, networking meetings with senior leadership and individual development plans.

Learning sustainability

The various aspects of sustainability play a special role in our training programme. Since 2022, our Learning unit has been making new, sequential learning content available exactly for this purpose. In 2022, around 94% of employees with access to the learning platform were given a crash course in the basics of sustainability, meaning we have already exceeded our original target of 90% of existing staff. Now, we want to maintain the high rate of 80% continuously for new employees.

Alongside online training, we also developed training materials for colleagues without access to the learning platform. The standardised training material focused on our key core messages in nine languages and was offered to employees via various information channels.

In 2023, we wanted to focus on designing and creating field-specific learning material. For example, e-learning courses were produced to further boost the topic of sustainability in the Operations, Purchasing and Engineering functions. One example of this is the regulations set out in the Supply Chain Act, which are particularly relevant for employees in Purchasing. To further support the social aspects of our sustainability efforts, the development of learning content in 2024 will focus on the topics of diversity and inclusion.

Sustainability Talks put sustainability in the spotlight

In a total of six short video episodes, selected topics of the DRÄXLMAIER Group's commitment to sustainability were presented on the intranet that are particularly relevant to the four fields of action: governance, climate and environmental protection, sustainable products and social responsibility. Complex topics such as the obligations arising from the German Supply Chain Act (LkSG) or the preparation of a materiality analysis for employees were also made transparent. It was also explained what exactly is meant by ecological product design, how DRÄXLMAIER avoids and recycles waste and how the sustainability check for suppliers works. The series was rounded off with an overview of DRÄXLMAIER's activities around the world as a corporate citizen.



Diversity, equity and inclusion

GRI 3-3 GRI 405-1/-2 GRI 406-1

For DRÄXLMAIER, diversity stands for a wide range of different individuals working together who communicate, influence, learn from one another and develop further in order to achieve shared goals. We are convinced that the different personalities, skills, mindsets and personal backgrounds of our 70,000-plus employees around the world are the catalyst for our innovative strength. That is why we value and promote diversity in our workforce – and embrace a culture that values differences. We strive to ensure that all age groups and genders are represented in the company in as balanced a way as possible. At DRÄXLMAIER, each and every individual is given the same opportunities to contribute, develop and perform at their best. This aspiration explicitly includes the topic of pay: for one thing, we create transparency around the comparability of roles and, for another, we ensure that employees are paid in line with the market based on their activities – irrespective of gender and gender identity, ethnic origin or nationality, physical and mental abilities, religion and ideology, age, social background and sexual orientation. In a global comparison of the salaries of men and women, we thus achieve an almost balanced ratio.

Global comparison of the salaries¹ of men and women in %

	Employees	(Senior) Management
The Americas	100%	95%
China	99%	91%
Asia/Pacific	97%	88%
EMEA	96%	96%

¹ 100% corresponds to the average basic men's salary. In comparison, the average basic women's salary per region and employee category.

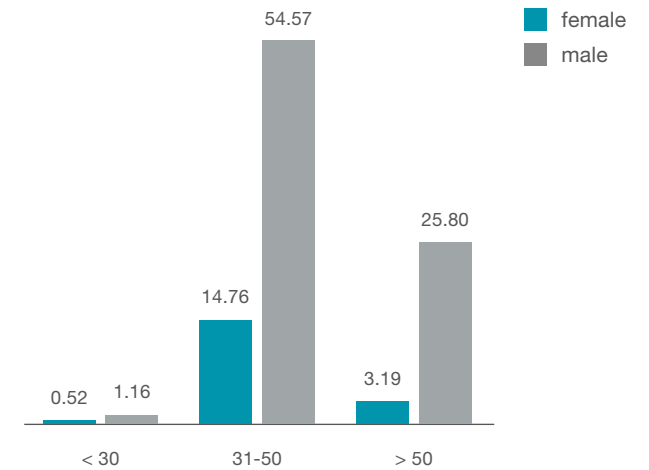
In terms of our company's cultural diversity, we benefit from the large number of different nationalities in our workforce. In 2023, people of 90 nationalities worked for the DRÄXLMAIER Group in over 20 countries. We value this cultural diversity and promote it through appreciation, respect and inclusion of individual needs and cultural differences, for example in our communication, as well as through employee offerings such as a family day or activities for International Women's Day.

We also provide special facilities such as prayer rooms for members of different faiths. We create the space and time for the practice of various religious activities, offer a wide range of catering for all needs and world views, and respect cultural customs in our corporate activities. At DRÄXLMAIER Tunisia, for example, various activities were organised during Ramadan. After sunset, employees and management eat the evening meal, the iftar, together in the canteen.

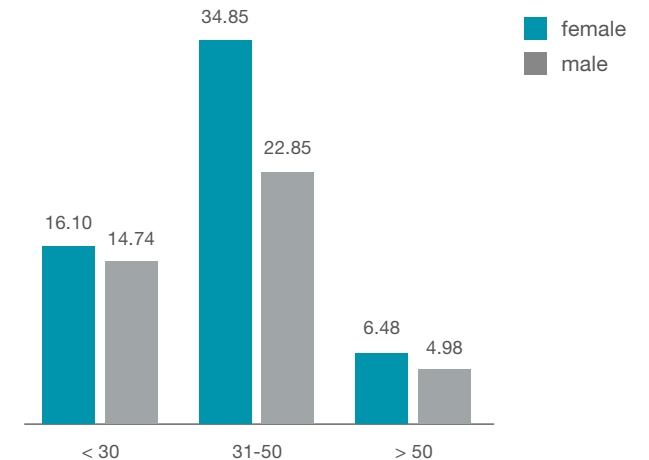
In addition, we create offers for the different phases of our employees' lives in order to ensure the best possible work-life balance. This includes, above all, flexible work-time models, modern and stress-relieving alternating shift models, job-sharing as well as part-time working in management, remote working and working from home, permanent remote roles, trust-based working hours in management and the possibility of using some of the company's computer equipment also for private purposes. If necessary, we allow special leave, sabbaticals or create and arrange childcare facilities.

Diversity within the employees of the DRÄXLMAIER Group by age and gender in %

(Senior) Management²



Employees²



² in relation to the number of employees



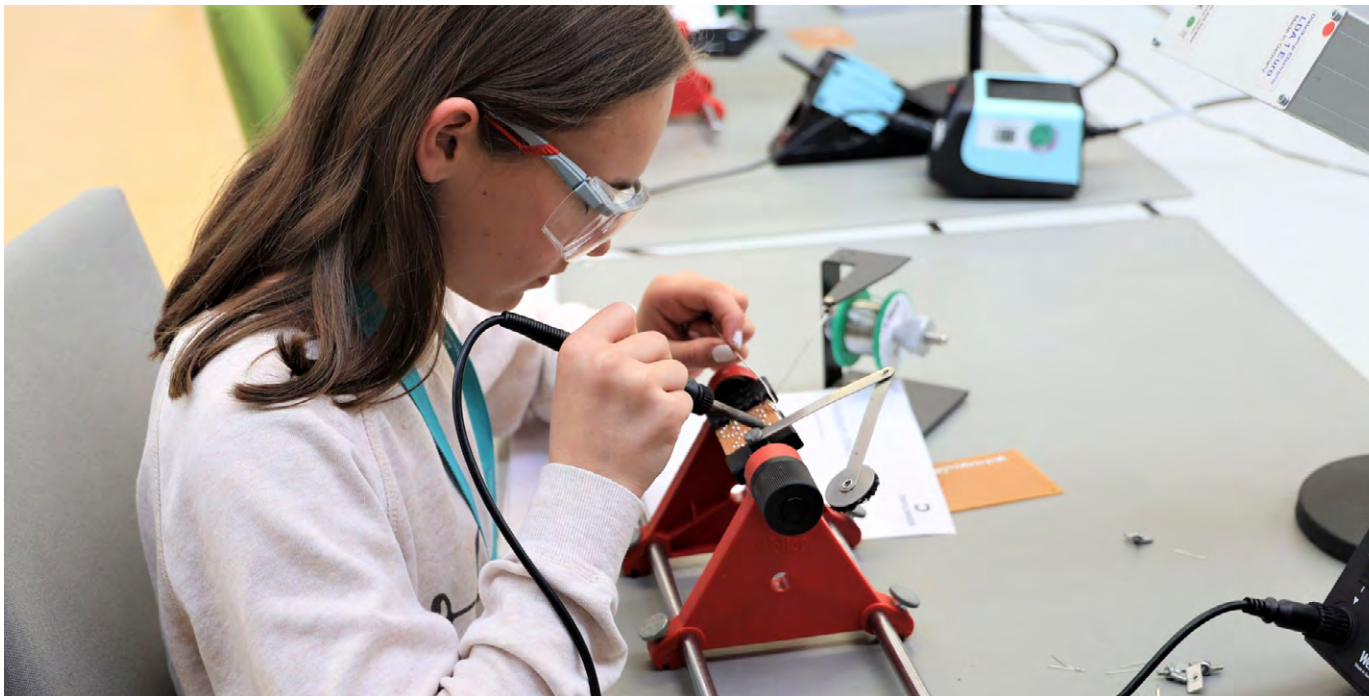
At DRÄXLMAIER, diversity and equity already start with targeted training initiatives. Since 2016, DRÄXLMAIER has been committed to ensuring that refugees are given a chance to train at the company. Since then, 21 refugees have completed their training at DRÄXLMAIER – including as IT specialists, warehouse logistics specialists or mechatronics technicians. By taking part in an introductory course over several months, the young refugees were able to prepare ideally for the subsequent training, which the majority completed with very good results. Most of the trainees – around 90% – were subsequently hired into permanent roles by DRÄXLMAIER.

We are committed to encourage young women to seek out STEM professions and courses of study. We do so, among other things, at Girls' Day and the Girls' Day Academy in Landau, which takes place during the school year and in the holidays.

Central point of contact for complaints

Diversity and equal opportunities are a practised culture at DRÄXLMAIER, as is repeatedly confirmed by local employee surveys, such as those conducted in 2023 in Germany and in various Latin American countries where the company has its own sites. The majority of the workforce confirmed that all employees are treated according to the same principles and rules within our company. In addition, a global employee survey will be carried out again from 2024 to ask employees' views on diversity and equal opportunities at DRÄXLMAIER and to derive and implement appropriate measures at global and local level. Anyone who nevertheless sees a reason to complain or wishes to report a violation of these principles has access to an established complaint mechanism that can be used by all employees worldwide – anonymously if so desired.

A globally applicable policy describes the process for handling a complaint, sets the standards and guidelines for the respective countries and also takes into account the applicable local framework. We regularly remind all employees worldwide about this complaints process, which has been structured as simply as possible to ensure maximum effectiveness.



On Girl's Day, schoolgirls gain an insight into technical professions at the DRÄXLMAIER Group and produce their own workpieces under the guidance of trainees.



Occupational health and safety

GRI 3-3 GRI 403-1/-2/-3/-4/-5/-6/-7/-8/-9

We are committed to providing a safe work environment for our employees and to maintaining and promoting their health. Our [EHS policy](#) pledges not only to comply with the applicable laws and standards on occupational health and safety, but also to act responsibly in accordance with our own rules, which often go beyond the legal requirements. In doing so, we are always guided by state-of-the-art technology and use established procedures and tools such as 5-Why and Ishikawa to allow for further optimisation.

The skills of our employees are ensured by globally valid role and function descriptions, taking into account the DRÄXLMAIER skills profile. We have our sites audited in accordance with the internationally recognised ISO 45001 standard. In the reporting year, the group certification was successfully completed. 41 locations (2022: 33) took part and the corresponding matrix certificate was issued. Three sites were also positively audited as part of individual checks. Compared with the previous year, we therefore increased the level of coverage from 64.7% to 82% of all employees in our production networks.

Compliance with legal and other obligations

To determine binding obligations, a software application was implemented at all DRÄXLMAIER production sites in 2023, which enables comprehensive compliance management.

Assessments of compliance with these obligations are carried out at each production site as part of regular EHS reviews. The on-site EHS managers determine the number and frequency of reviews based on the information on hazard potential and activity frequency. Findings from these reviews are documented and evaluated, and the causes are remedied. If necessary, information on these findings is forwarded to all other sites for review. This also ensures ongoing, cross-site improvement with regard to occupational health and safety.

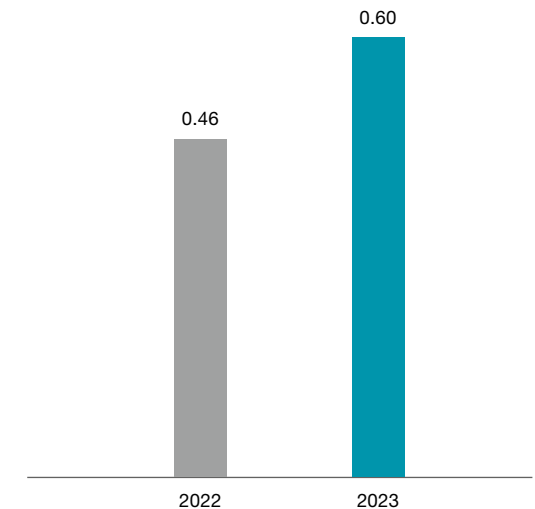
We are convinced that as a rule all occupational accidents and illnesses are preventable. Information on occupational accidents that could also occur at other sites is sent to all sites for review by means of an EHS alert. In this way, everyone learns from the experience of individuals – and all of us can improve together.

Regular risk assessments are carried out at every plant worldwide in accordance with legal and internal EHS requirements. The hazards are systematically assessed, and measures to minimise them are initiated and implemented. In addition, all employees are trained in occupational health and safety when they are first hired and at least once a year thereafter. If required by the individual role or national requirements, such training may be conducted more frequently.

DRÄXLMAIER uses the number of accidents at work resulting in lost days per 200,000 hours worked (Lost Time Injury Rate, LTIR) as a benchmark for safety in the workplace.

The accident rate (LTIR) in 2023 was 0.60 (2022: 0.46) accidents with lost time of one day or more per 200,000 hours worked. The year-on-year increase is due to a higher number of accidents with a longer period of absence. The majority of lost-time accidents were trip and fall accidents, as well as cuts and bruises that occurred while handling machinery and facilities.

Development of the DRÄXLMAIER Group's accident rate in LTIR





All sites have established occupational safety committees that meet several times a year. Their organisation is the responsibility of the sites. Health and safety issues are regulated throughout the company by the [EHS policy](#). The organisational implementation of the policy is the responsibility of the sites and must include the legal requirements applicable there. Should employees want to report work-related hazards or anomalies, they can use the DRÄXLMAIER Ideas Portal, which is available worldwide, to make suggestions for improvement.

We also support the health of our employees through the “betterworkplace” programme. This involves creating a health management process (BGM) at DRÄXLMAIER to give all employees a higher degree of self-determination over their health in line with our corporate values and thus empower them to boost their health. For the time being, the BGM will be gradually implemented at all German DRÄXLMAIER sites in 2024. In the long term, the aim is to introduce it Group-wide. In doing so, we particularly want to create and strengthen structures that make a lasting contribution to healthy living and working conditions for our employees and actively improve their health literacy.

This approach is also underlined by the employee survey on the topic of “Health in the workplace”. It identifies both positive aspects and certain stress indicators, which are worked through together with the employees in solution workshops where specific measures are planned. With around 2,500 employees taking part, the participation rate was 42.5% and therefore higher than in the last survey from 2021. Participants were particularly positive about the general conditions in the workplace and working from home, as well as the regulations

on working hours and upskilling. However, they criticised the increasing time pressure, interruptions to work processes and noise pollution.

With its preventive and promotive approach, DRÄXLMAIER plays a major part in maintaining and continuously improving the health, quality of life and performance of its employees.

We provide occupational health care at our sites through permanently employed in-house physicians as well as through fee-based contracts with external physicians. The goals of occupational medicine are to promote, maintain and contribute to the restoration of health as well as employees’ fitness for work and their employability. Within occupational medicine, we focus on preventive measures. We assess working conditions in close partnership with occupational safety specialists to identify possible risk factors for health as well as to find and implement risk-minimisation measures and trial their efficacy. Workplace-related health hazards are also addressed as part of preventive occupational health measures, and we give employees extensive advice on how to avoid relevant hazards. Further treatment options or the procurement of special work equipment to maintain good health can be recommended.

As an international company, the DRÄXLMAIER Group also has a responsibility to protect its employees as well as possible during travel abroad. To this end, we offer advisory appointments before the start of the business trip and information on specific health hazards, combined with any potential vaccinations required. Our company medics are trained in travel

medicine and regularly attend advanced training courses. Should any medical problems arise during a business trip, employees can contact the company medical service at any time. Our Travel unit can also coordinate rapid transport home if necessary.

Preventive measures are not limited to workplace-related hazards but take a holistic approach. For example, we conduct regular flu jab and breast cancer early-detection prevention campaigns. Employees are also welcome to cooperate with “betterworkplace” to address health issues emphatically beyond one-off campaigns.



Social engagement

GRI 3-3 GRI 413-1

As a family-owned, globally operating company, the DRÄXLMAIER Group considers itself a corporate citizen. We strive to play an active role in shaping the social environment around our sites as a reliable partner and sponsor of the arts, sports, education and social projects. Sustainability is always at the core of our corporate citizenship activities, which we align accordingly with economic, ecological and social objectives. These are also designed for our long-term involvement.

We get involved wherever we have sites, and our engagement is as diverse as the regions in which we are represented. In principle, we always want to achieve the best possible benefit for society with our commitment in order to be perceived as a trustworthy partner.

One focus of our activities is the promotion of young talent. By giving young talent the opportunity to develop their potential in the best possible way, we also ensure the future viability of our company.

Clear rules apply to this commitment, which we have laid down in our Corporate Citizenship Guideline. It defines the Group-wide strategic orientation of the DRÄXLMAIER Group with regard to sponsoring and donations. All approval channels, requirements, and processes for making decisions around do-

nations and approvals are clearly defined there. Corresponding signatory powers are limited to EUR 5,000 per project throughout the Group. Higher amounts must be approved by the Head of Marketing and Communications, who is also responsible for governance on the topics of corporate citizenship as well as the processing of all sponsorship and donation requests.

You can also find an overview of the DRÄXLMAIER Group's social engagement on our website: [Corporate Citizenship](#).

A clear sign of corporate responsibility

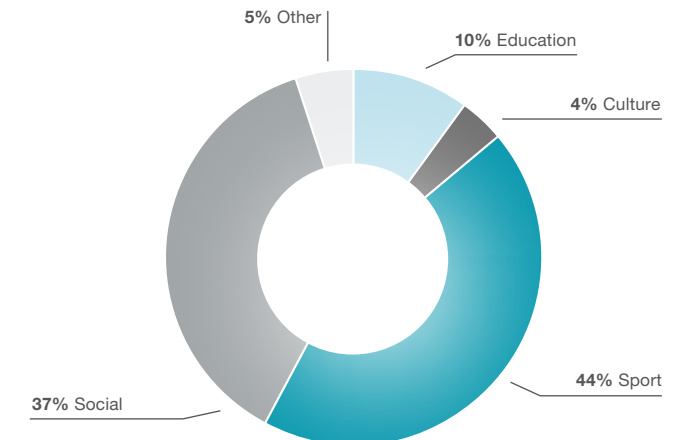
With our social engagement and our activities to protect the environment at our sites, we want to help enable future generations to lead a good life. We also want it to be clear from our activities that we understand social responsibility as a corporate obligation.

In 2023, our focus was on managing donations and sponsorship activities as well as ensuring that all measures were traceable. A newly created governance function is intended to ensure that

- CSR objectives and measures are standardised and consistent across all countries and business divisions,
- effective communication and coordination takes place between the various stakeholders, such as employees, customers, suppliers, investors, authorities and the public,

- transparency is guaranteed, accountability for CSR performance is ensured and legal and ethical standards are complied with,
- the synergies and potential arising from the company's global presence and knowledge exchange are utilised,
- the company's reputation as a responsible and sustainable player can become a competitive advantage.

Sponsoring and donations of the DRÄXLMAIER Group worldwide in 2023 in %





224

projects in 10 countries

Here are some example projects from 2023:

Germany: Donation to the Vilsbiburg volunteer fire service

The DRÄXLMAIER Group supported the Vilsbiburg volunteer fire service with a donation of 30,000 euros for the purchase of a large-capacity fan. This device is an important fire-fighting aid, especially in large halls and underground car parks. Fire service commander Florian Grimm expressed his thanks, saying: “The donation is a great help for us to be able to fight fires in large buildings effectively and minimise the damage caused by fire smoke.”

North Macedonia: DRÄXLMAIER supports public health service

In North Macedonia, DRÄXLMAIER made it possible to purchase urgently needed new bed linen for the hospitals in Kavadarci, Veles, Prilep and Negotino. On the evening before 7 April – World Health Day – around 90 sets of bed sheets and pillowcases were distributed to the medical departments of the healthcare facilities in these regions to support their vital work for the benefit of patients.

Austria: Support for the World Robot Olympics (WRO)

A “Lego League” has been organised by WRO Austria in co-operation with local companies since 2018. DRÄXLMAIER also supported this robotics competition in 2023 to get children and young people aged between 8 and 19 interested in technology and science. Following the motto “Explore and discover”, special robots are built of Lego and equipped with various sensors and motors. This project teaches the basics of robotics and software development. The Lego League motivates pupils to try out their own ideas in a playful way and take their first steps in the field of research.

Romania: DRÄXLMAIER clean-up campaign in Pitesti

With DRÄXLMAIER’s support, the “Let’s do it” clean-up campaign was organised in the district of Arges. Over 100 DRÄXLMAIER volunteers and their children cleaned up the Grigoresti district of the municipality of Pitesti over a weekend. The campaign was organised to mark “World Cleanup Up Day”. The aim of the DRÄXLMAIER volunteers’ clean-up initiative was to improve the quality of life for the people around the site.



Poland: DRÄXLMAIER enables concerts for children

Music helps children balance their emotions, promotes a feeling for language and listening, conveys a sense of emotional security and joie de vivre and helps to develop a sense of community. DRÄXLMAIER Poland therefore donated PLN 10,000, around 2,300 euros, to enable a series of concerts to be organised for children. A total of ten concerts are planned, one per month.



Tunisia: Sponsoring the International CSR Forum

DRÄXLMAIER Tunisia has been working closely with the renowned National Engineering School of Sousse since 2020. This partnership has already given over 40 students the opportunity to develop their skills in SAP-ABAP – a highly sought-after qualification in today’s working world. To secure and further expand this successful collaboration, DRÄXLMAIER Tunisia opened an information technology centre and a laboratory for communication networks at the National Engineering School of Sousse in 2023, as well as a laboratory for cybernetic security at the Higher Institute of Computer Science and Communication Technologies in Hammam Sousse.



Tunisia: DRÄXLMAIER Tunisia honoured for the best CSR campaign in 2023

Measures to promote environmental and social sustainability were once again the focus of our Tunisian sites in 2023. For example, the development of a more sustainable supplier network was stepped up. So-called “Cleaning days” and tree planting were also organised to keep the site’s surroundings liveable. In addition, activities were initiated to promote the health and well-being of employees. The highlight of the year was the award for the best CSR campaign 2023 for sustainable innovation at the International CSR Forum. DRÄXLMAIER Tunisia was honoured for the commissioning of a solar-powered bus stop in Jemmal, the first of its kind in the whole of Tunisia. DRÄXLMAIER Tunisia also received a second prize at this forum for its commitment to the introduction of a CSR approach. This recognition acknowledges the company’s ongoing efforts to promote sustainable development and exemplary environmental responsibility.



Moldova: Financial support for health care centres in Balti

The DRÄXLMAIER Group Moldova responded to a request from the multifunctional centre for people with disabilities in Balti to help finance the reconstruction of the walkways around the facility in order to significantly improve mobility, especially for wheelchair users. As a token of gratitude, the centre’s administration organised a concert for all sponsors. To promote the further development of the Balti Clinical Hospital, a medical facility where more than 30,000 patients are treated as inpatients every year and a further 40,000 patients receive specialised medical care, the DRÄXLMAIER Group Moldova also provided financial support for a project to improve the space at the entrance to the emergency room.

Serbia: Dual work-study – an investment in the future

Eight out of a total of 15 students from the technical school in Zrenjanin who completed a dual work-study programme at DRÄXLMAIER Zrenjanin, specialising in mechatronics, were offered a job at DRÄXLMAIER Zrenjanin immediately after graduation. Take Nikola Vuković, for example: she works in the maintenance department in a newly founded organisation for the production of components within the plant in Zrenjanin, the Focus factory LTS, in a workshop equipped with modern equipment and tools. Also worth a mention is Kosta Bodroža, who studied at DRÄXLMAIER for four years and won first place in the republic-wide competition for high school students in mechatronics and robot programming. “Ever since I was little, I have been interested in robots and toys with motors and electronics, and at DRÄXLMAIER I was able to apply my knowledge and learn how to work with them”, says Kosta.

Serbia: Support for the education system

In Serbia, the DRÄXLMAIER Group donated almost 500 lockers for primary and secondary schools in the district of Mittelbanat to help improve the conditions in the schools, where children spend a large part of their day. Various forms of support and donations are aimed at helping to improve the quality of education.

Serbia: Commitment to people with disabilities

The DRÄXLMAIER Group Serbia donated more than 6.8 tons of plastic material to the association “Čep za hendikep” (bottle tops for people with disabilities). This donation went towards the purchase of orthopaedic aids for people with disabilities throughout Serbia. The DRÄXLMAIER Group joined the “Čep za hendikep” campaign back in 2015 and since then has supported the organisation’s work with plastic donations every year. Almost 15 tons of plastic have been donated so far. The campaign is also supported by the employees who collect the bottle tops and sort them into specially labelled boxes. “As a socially responsible company, we motivate our employees, partners and the local community to take part in this important initiative”, says Čila Ungur, Plant Manager of the DRÄXLMAIER Group Zrenjanin.

Mexico: “Juntos” summer camp

The DRÄXLMAIER Group in Mexico sponsored a summer camp for people with disabilities together with the non-profit organisation “Juntos”, thus helping to enable over 180 children with disabilities to take part in the two-week camp. Around 40 DRÄXLMAIER employees volunteered at this event.



Overview of key figures on the social responsibility of the DRÄXLMAIER Group

GRI 401-1

Employees	Unit	2023	2022	2021
Employees	quantity	72,100	73,373	70,765 ¹
Trainees	quantity	1,504	1,200	1,096
Temporary workers	quantity	1,444	1,295	1,750
Hiring	quantity	21,868	23,731	16,537 ²
Staff turnover rate	percent	31.43%	28.76%	25.39% ²

GRI 405-1

Diversity	Unit	2023	2022	2021
Women in (senior) management	percent	18.46%	17.16%	16.87% ²
Men in (senior) management	percent	81.54%	82.84%	83.13% ²
Women (excluding (senior) management)	percent	57.43%	57.50%	57.02% ²
Men (excluding (senior) management)	percent	42.57%	42.50%	42.97% ²

¹ The calculation of the figure has been updated for more differentiated reporting. The number of employees as at 31 December 2023 includes salaried employees and wage earners. Trainees and temporary workers are reported separately.

² in relation to the number of employees



GRI Index

The DRÄXLMAIER Group has reported the information mentioned in this GRI Index for the period 1 January 2023 - 31 December 2023 with reference to the GRI Standards.
GRI 1: foundation 2021

GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 2: General Disclosures 2021			
	The organization and its reporting practices		
	2-1 Organizational details	6	
	2-2 Entities included in the organization's sustainability reporting	66	
	2-3 Reporting period, frequency and contact point	66	
	2-4 Restatements of information	31	
	2-5 External assurance	7, 66	
	Activities and workers		
	2-6 Activities, value chain and other business relationships	6, 21, 25-26, 28-29	
	2-7 Employees	46-47, 52, 59	
	Governance		
	2-9 Governance structure and composition	7, 13	
	2-10 Chair of the highest governance body	7	
	2-11 Chair of the highest governance body	7	
	2-12 Role of the highest governance body in overseeing the management of impacts	13, 16-18	
	2-13 Delegation of responsibility for managing the impacts	15-18	
	2-14 Role of the highest governance body in sustainability reporting	13, 66	
	2-15 Conflicts of interest	7	
	2-16 Communication of critical concerns	16-17	
	2-17 Collective knowledge of the highest governance body	7, 13	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
	Strategy, policies and practices		
	2-22 Statement on sustainable development strategy	3	
	2-23 Policy commitment	15-17, 28-29	
	2-24 Embedding policy commitments	16-17, 28-29	
	2-25 Processes to remediate negative impacts	16-17, 28-29	
	2-26 Mechanisms for seeking advice and raising concerns	16-17, 28-29	
	2-27 Compliance with laws and regulations	18	
	2-28 Membership associations	14, 29	
	Stakeholder engagement		
	2-29 Approach to stakeholder engagement	14	
	2-30 Collective bargaining agreements	-	DRÄXLMAIER has introduced a global function and remuneration structure for the evaluation of positions in the company. The pay structure is local. In Germany, the local pay structure is called D-Tarif (company pay scale). The D pay scale was introduced in July 2015. Collective agreements were reached with employee representatives in the countries.
GRI 3: Material topics 2021			
	Material topics		
	3-1 Process to determine material topics	11-12	
	3-2 List of material topics	12	
	3-3 Management of material topics	16-18, 21-29, 31-34, 35-39, 46-48, 49-56	
GRI 200: Economic Disclosure			
GRI 204: Procurement Practices 2016			
	Procurement practices		
	3-3 Management of material topics	22-29	
	204-1 Proportion of spending on local suppliers	27, 29	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 205: Anti-corruption 2016			
	Anti-corruption		
	3-3 Management of material topics	18	
	205-2 Communication and training about anti-corruption policies and procedures	18	
GRI 206: Anti-competitive behavior 2016			
	Anti-competitive behavior		
	3-3 Management of material topics	18	
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	The DRÄXLMAIER Group does not report on the total number of legal proceedings on legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their results, as this information is subject to special confidentiality requirements.
GRI 300: Environmental disclosures			
GRI 301: Materials 2016			
	Materials		
	3-3 Management of material topics	22, 23-26	
	301-2 Recycled input materials used	23-24	
	- Self-Disclosure	24	
GRI 302: Energy 2016			
	Energy		
	3-3 Management of material topics	35-37	
	302-1 Energy consumption within the organization	35	
	302-2 Energy consumption outside of the organization	36	
	302-3 Energy intensity	43-44	
	302-4 Reduction of energy consumption	34-37	
GRI 303: Water and Effluents 2018			
	Water		
	- Additional non-material topic	38	
	303-1 Interactions with water as a shared resource	38	
	303-2 Management of water discharge-related impacts	38	
	303-5 Water withdrawal	38	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 305: Emissions 2016	Emissions		
	3-3 Management of material topics	31-33	
	305-1 Direct (Scope 1) GHG emissions	32-33, 41	
	305-2 Energy indirect (Scope 2) GHG emissions	32-33, 41	
	305-3 Other indirect (Scope 3) GHG emissions	32-33, 41	
	305-4 GHG emissions intensity	32-33, 43	
	305-5 Reduction of GHG emissions	33	
GRI 306: Waste 2020	Waste		
	3-3 Management of material topics	39	
	306-1 Waste generation and significant waste-related impacts	23-24, 39, 42, 44	
	306-2 Management of significant waste-related impacts	23-24, 39	
	306-3 Waste generated	39	
GRI 308: Supplier Environmental Assessment 2016	Supplier Environmental Assessment		
	3-3 Management of material topics	28-29	
	308-1 New suppliers that were screened using environmental criteria	28-29	
GRI 400: Social Disclosures			
GRI 401: Employment 2016	Employment		
	3-3 Management of material topics	46-47	
	401-1 New employee hires and employee turnover	46-47, 59	
GRI 403: Occupational health and safety 2018	Occupational health and safety		
	3-3 Management of material topics	54-55	
	403-1 Occupational health and safety management system	54	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
	403-2 Hazard identification, risk assessment, and incident investigation	54-55	
	403-3 Occupational health services	55	
	403-4 Worker participation, consultation and communication on occupational health and safety	54-55	
	403-5 Worker training on occupational health and safety	54-55	
	403-6 Promotion of worker health	54-55	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	54-55	
	403-8 Workers covered by an occupational health and safety management system	54-55	
	403-9 Work-related injuries	54-55	
GRI 404: Professional training and development 2016			
	Professional training and development		
	3-3 Management of material topics	49-51	
	404-1 Average hours of training per year per employee	9, 50	
	404-2 Programs for upgrading employee skills and transition assistance programs	49-51	
GRI 405: Diversity and Equal Opportunity 2016			
	Diversity and Equal Opportunity		
	3-3 Management of material topics	52-53	
	405-1 Diversity in governance bodies and employees	52-53, 59	
	405-2 Ratio of basic salary and remuneration of women to men	52	
GRI 406: Non-discrimination 2016			
	Non-discrimination		
	3-3 Management of material topics	16-17, 18, 52-53	
	406-1 Incidents of discrimination and corrective actions taken	17, 18, 53	The DRÄXLMAIER Group was not involved in any court or arbitration proceedings relating to discrimination incidents during the reporting period. Further information is subject to internal confidentiality requirements.



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 407: Freedom of Association and Collective Bargaining 2016			
	Freedom of Association and Collective Bargaining		
	3-3 Management of material topics	16, 28	
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	16, 29	In the reporting year, based on our risk and control processes, there was no reason to believe that the right to freedom of association and collective bargaining could be threatened at a production site or supplier. The risk analysis is currently being expanded.
GRI 408: Child Labor 2016			
	Child Labor		
	3-3 Management of material topics	16, 28-29	
	408-1 Operations and suppliers at significant risk for incidents of child labor	16, 28-29	In the reporting year, based on our risk and control processes, there was no reason to believe that any incidents of child labour occurred at any of our sites or suppliers. The risk analysis is currently being expanded.
GRI 409: Forced or Compulsory Labor 2016			
	Forced or Compulsory Labor		
	3-3 Management of material topics	16-17, 28-29	
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	17, 29	In the reporting year, based on our risk and control processes, there was no reason to believe that any incidents of forced or compulsory labour occurred at any of our operating sites or suppliers. The risk analysis is currently being expanded.
GRI 413: Local Communities 2016			
	Local Communities		
	3-3 Management of material topics	56	
	413-1 Operating sites with local community involvement, impact assessments and support programs	56-58	
GRI 414: Supplier Social Assessment 2016			
	Supplier Social Assessment		
	3-3 Management of material topics	28-29	
	414-1 New suppliers that were screened using social criteria	28-29	



About this report

GRI 2-2/-3/-5/-14

With this sustainability report, approved by the chief executives of the DRÄXLMAIER Group, the DRÄXLMAIER Group provides information about its most important activities in the area of sustainability.

The report was prepared with reference to the standards of the Global Reporting Initiative (GRI). The consolidated GRI sustainability reporting standards, revised for 2023, served as the basis. The sustainability report will be published at a later date than the annual report (29 April 2024) to enable a complete presentation of the reporting period and to exclude estimates/projections. This report follows these standards in order to ensure increasing transparency requirements.

The content presented covers the period from 1 January 2023 to 31 December 2023 (financial year 2023). If available, comparative data from the previous year is provided. Reporting takes place annually. The Sustainability Report 2023 was published on 6 May, 2024. The next sustainability report is expected to be published in May 2025.

The information relates to the entire DRÄXLMAIER Group, i.e. in addition to the headquarters in Vilsbiburg, Germany, it also includes all locations and consolidated subsidiaries. The sources for this report are our company-wide IT systems as well as specific systems and detailed information from the respective departments or subsidiaries. An external audit of the data has not taken place.

The basis for the collection of data for this report is the scope of consolidation of the consolidated financial statements of the DRÄXLMAIER Group. In addition to Fritz Dräxlmaier GmbH & Co. KG, this includes all domestic and foreign subsidiaries over which Fritz Dräxlmaier GmbH & Co. KG has direct or indirect control of the financial and business policies. All of these companies are owned by the Dräxlmaier family.

The Sustainability Report of the DRÄXLMAIER Group is available in German and English. In the event of discrepancies, the German version is binding.

Imprint

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Sustainability Report 2023
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