



Think globally, act locally

Sustainability Report 2022





Sustainability report 2022

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Notes: This **interactive PDF** is optimised for use with Adobe Acrobat. The little  **house** takes you back to the main table of contents from any page. The elements of the table of contents and the menu navigation in the header are clickable and lead directly to the listed subitem.

Stefan Brandl
Vice Chairman and CEOFritz Dräxlmaier
Chairman of the Board

GRI 2-22

Dear Readers,

2022 was another demanding year for the books. Business and society have rarely faced as many challenges as they have this year with the war in Ukraine, geopolitical risks and uncertainties, high energy prices and strained supply chains. Despite all these challenges, we are delighted that we at DRÄXLMAIER have made significant progress this year in our commitment to achieving greater sustainability.

Nowhere is this more true than in our commitment to protect the climate and the environment. With our in-house goals, we are playing our part in achieving the 1.5 degree target set out in the Paris Agreement. The significance of renewable resources is undeniable here, a fact we at DRÄXLMAIER recognised early on and acted on accordingly. For example, all the electrical energy used to power our production sites already comes from renewable sources. Plus, we are generating a proportion of the energy we need ourselves, with photovoltaic systems currently in operation with an installed capacity of approx. 5,500 kWp – and the trend is only rising!

Sustainability is firmly anchored in our corporate culture. In 2022, we introduced global sustainability training to support this process. These courses are intended not only to raise awareness among our employees of the different aspects of the environmental, social and governance approach (ESG), but also to empower them to act accordingly in their daily work. We are also determined to live up to our social responsibility. Whether that's with specific local donation measures, as a fair and attractive employer, or by opening the door for almost 1,200 young people to complete vocational training.

We are determined to shape the future of individual mobility – and to do so sustainably. Our products play a key role here. We are in the process of expanding our product range to meet the demands of key future issues, including electrification, connectivity and autonomous driving. At the same time, we continue to work on cutting the carbon footprint of our products across the board, for example through more efficient material use, shorter delivery routes or by embodying the principles of the circular economy.

But our commitment never stops at the company gates: we include our suppliers, business partners and other stakeholders in our activities. Accordingly, DRÄXLMAIER is proud to be a member of a number of initiatives, including the industry dialogue of the automotive sector. We are also involved in the Catena-X data ecosystem to generate a standardised and efficient exchange of data across the entire automotive value chain. After all, transparency and the open exchange of information chart the course for successfully overcoming the challenges ahead together.

This report details our progress in 2022. It should also send a clear message: the DRÄXLMAIER Group has set its course for greater sustainability – a path it will continue to follow with the same drive and passion with which we and our products have been shaping the future of mobility for 65 years now.

We are delighted you are interested in following us on this journey and hope this report proves an informative and inspiring read!

Fritz Dräxlmaier
Chairman of the BoardStefan Brandl
Vice Chairman and CEO



2022 in highlights

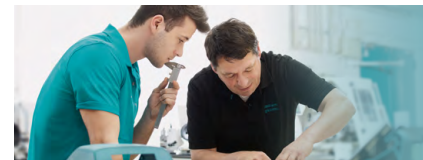
Award for special
**commitment to climate and
environmental protection**



**Global sustainability training and
education** launched for the workforce



100% **renewable electrical energy**
at our production sites



Around **1,200 trainees**
despite COVID-19 pandemic

**Member of the
automotive
industry dialogue**



Business & human rights

5,462 kWp
PV power in operation
corresponds to approx. **30,000 m²**
PV area (= 4.5 football pitches)

Green finance: **ESG-linked promissory note**



Participation in the
Catena-X data ecosystem





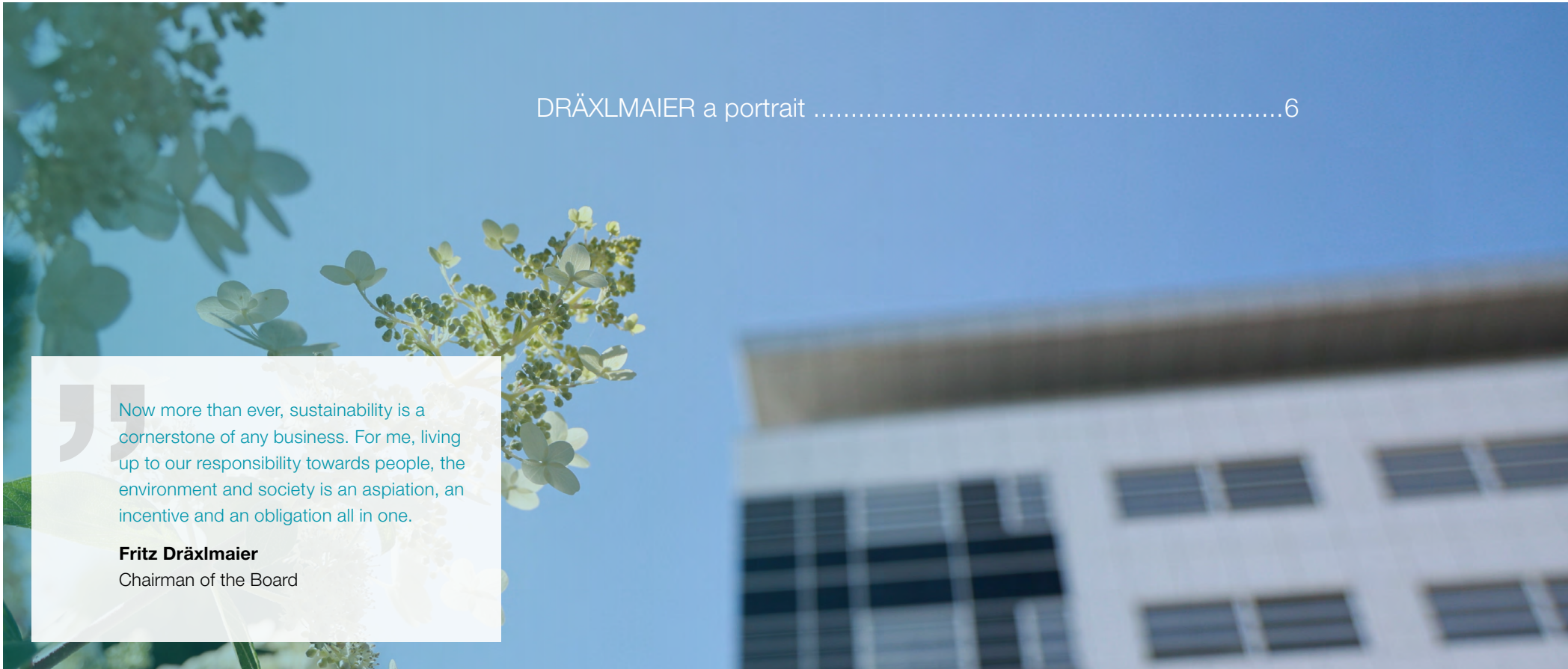
Our company

DRÄXLMAIER a portrait6



Now more than ever, sustainability is a cornerstone of any business. For me, living up to our responsibility towards people, the environment and society is an aspiration, an incentive and an obligation all in one.

Fritz Dräxlmaier
Chairman of the Board





DRÄXLMAIER a portrait

GRI 2-1, 2-6

The DRÄXLMAIER Group is an innovative systems and development partner to the global automotive industry. In 2022, our approx. 74,000 employees generated sales of 5.1 billion euros. With a firm focus on the premium automotive market, the company develops, manufactures and sells complex wiring systems, exclusive interiors, battery systems and central electrical and electronic components.

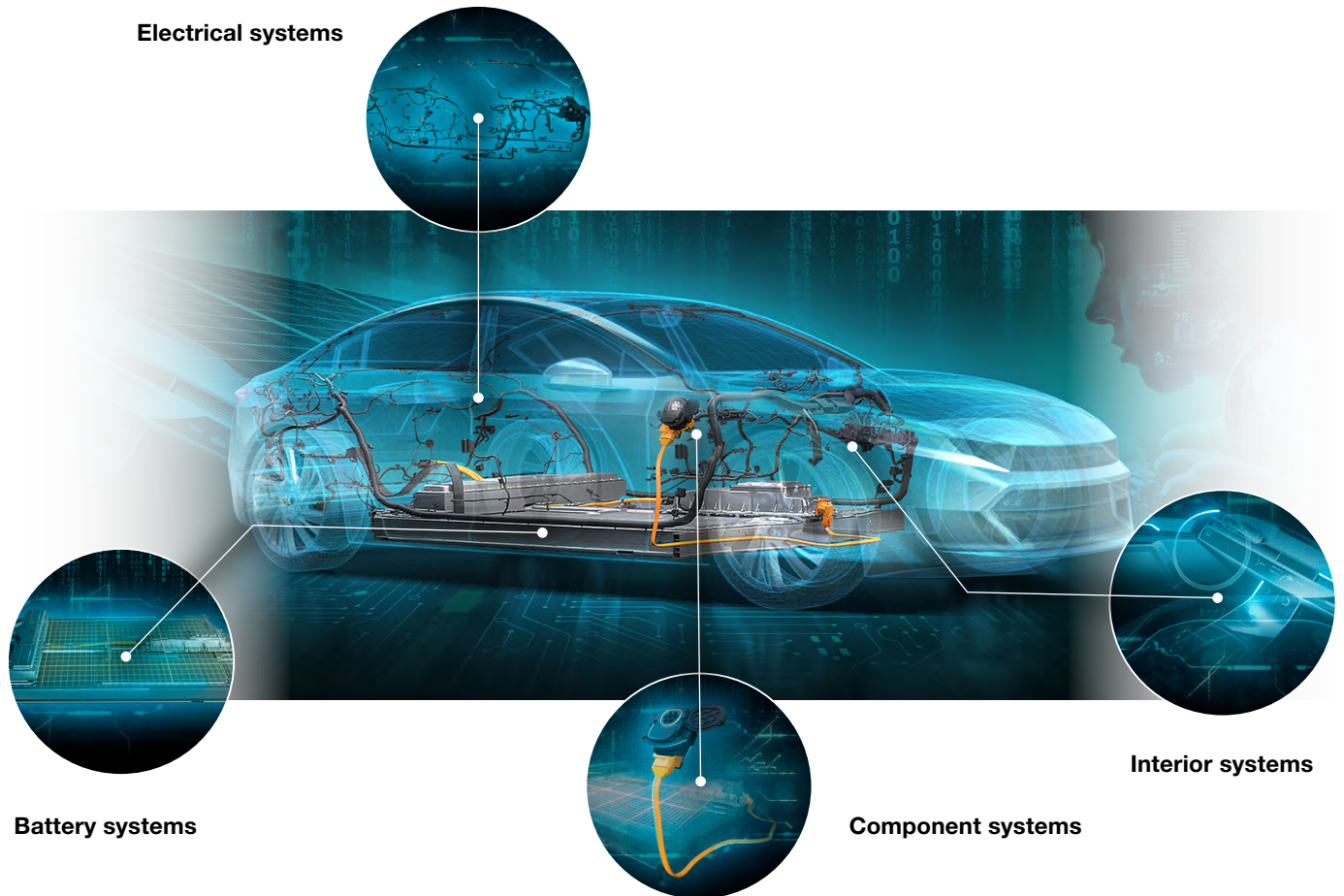
Founded in 1958 and still owner-managed today, the DRÄXLMAIER Group sets itself apart with its long-term mindset and responsible conduct. We consider open-mindedness and tolerance towards all people, cultures and religions a self-evident maxim. With their performance and commitment, each and every employee takes part in shaping the character of our company and products. We are convinced that this is the cornerstone of our economic success.

At DRÄXLMAIER, we think in systems by bringing together interiors, electronics, electrical systems, components and battery systems to create future solutions for new vehicle generations, shaping the mobility of the future. We offer support throughout the entire process chain, from the very first idea through the development and production process, right up to just-in-sequence delivery of products to the assembly lines of premium carmakers.

What we do is defined by innovation. Not only is DRÄXLMAIER the inventor of the customised wiring harness and has always stood for the development of forward-looking solutions, but it also develops vehicle electrical system technologies as

well as electrical and electronic components in house. These include, among others, multi-voltage and high-voltage vehicle electrical systems, battery management systems and intelligent power distribution systems. Plus, with solutions for low- and high-voltage battery systems, the DRÄXLMAIER Group is doing its part for the future of emissions-free mobility.

As the market leader in premium vehicle interior systems, the DRÄXLMAIER Group also supplies the vast majority of relevant carmakers in this segment with ambient lighting, centre consoles, door and instrument panels as well as complete door and cockpit modules. In line with the product portfolio ([see also chapter Sustainable products](#)), the DRÄXLMAIER Group has functionally integrated expertise in the following core areas:





DRÄXLMAIER Group production sites by region

Europe

24
production sites

Germany, Romania, Poland, Moldova, Serbia, UK, Italy, Austria, Slovakia, North Macedonia

Asia

13
production sites

China, Vietnam, Malaysia, Thailand, India

Africa

7
production sites

Tunisia, South Africa, Egypt

The Americas

12
production sites

Mexico, Nicaragua, USA

Global presence

The DRÄXLMAIER Group is an international automotive supplier with [e sites](#) in over 20 countries. Production is mainly concentrated across the company's sites in Eastern Europe, North Africa, North and Central America and Asia. Beyond the Vilsbiburg site, research and development take place across a range of development offices around the world.

WE CREATE CHARACTER

Our claim **WE CREATE CHARACTER** – is our vision in a nutshell. At the same time, it reflects our ambition to ensure that premium vehicles fitted with our products are unique. DRÄXLMAIER has long anticipated the next global megatrends to hit the automotive world early on. A forward-thinking product and tech portfolio lays the groundwork for actively and successfully shaping the transformation of mobility. From the purchase of materials through production and product delivery, sustainability is a cornerstone of the overall company management.

Growing interest in sustainability on the capital market

As of 2021, we have also included our approach to sustainability in corporate financing and placed an ESG (Environment, 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 KPIs set out for this evaluation are the company's potential in terms of self-generated energy, its recycling rate and its training rate. DRÄXLMAIER has ambitious annual targets in place for each of these KPIs, all of which were achieved in the year under review (see chart). All three values are based on internal calculations; an auditor verifies these figures in the middle of each year.

KPIs for evaluating sustainability criteria

KPI	2022	2021	2020	2019
Self-power potential ¹	5.515	2.169	2.196	0.957
Recycling rate ²	72.3	68.64	61.5	60.4
Apprenticeship quota ³	1.74	1.67	1.46	1.37

¹ Maximum electrical power [kw]/(net building 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



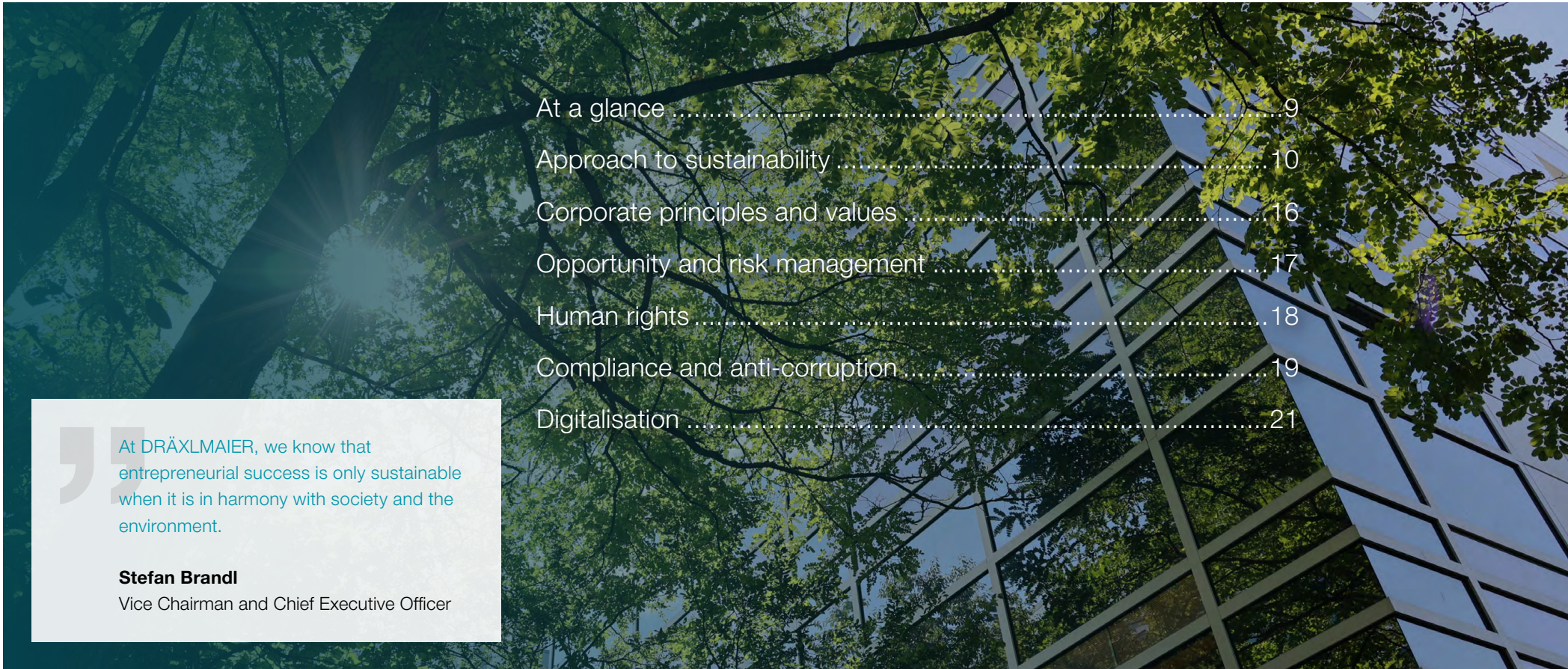
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At DRÄXLMAIER, we know that entrepreneurial success is only sustainable when it is in harmony with society and the environment.

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	Chapter
Governance	Digital whistleblowing system	Introduction of a digital whistleblowing system.	100% (2022)	–	●	p. 20
	Apprenticeship quota	Proportion of trainees in total workforce.	2% (2023 et seq.)	↗	●	p. 51
Social responsibility	Sustainability training (basic)	Proportion of the global workforce that has successfully completed the basic sustainability training at the individual sites with the training or communication measures.	> 90% (2022 et seq.)	–	●	p. 54
	Sustainability training (role-specific)	Availability of online topic-specific training for specialists (operations, purchasing, development).	100% (2023)	↗	↗	p. 54
	Occupational health and safety management	Production site ISO 45001 certification.	100% (2025 et seq.)	↗	●	p. 57
Sustainable products	Suppliers with “green” status	Suppliers who cover 80% of the freely negotiable purchasing volume are assigned a “green” sustainability rating.	80% (2022)	–	●	p. 29
	Sustainability requirements in pilot phases	100% S-Check coverage for suppliers not specified by customer in pilot projects.	100% (2022)	–	●	p. 30
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] / (net building floor space/1000) [m ²] (2030)	↗	●	p. 37-39
	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. 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.)	↗	↗	p. 37-38
	Scope 1+2 emissions reduction	Reduction of absolute Scope 1+2 emissions compared to the baseline year of 2021.	-66% (2029)	↗	↗	p. 32, 35
	Environmental management	Production site ISO 14001 certification.	100% (2025 et seq.)	↗	●	p. 33
	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.	72.3% (2030)	↗	●	p. 40



Approach to sustainability

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

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. Above all, ‘Respect’ defines how we understand corporate responsibility.

LEADER is an acronym and stands for

Leadership

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

Excellence

We increase the effectiveness and efficiency of our processes.

Attitude

We safeguard our financial independence and achieve our growth objectives.

Drive

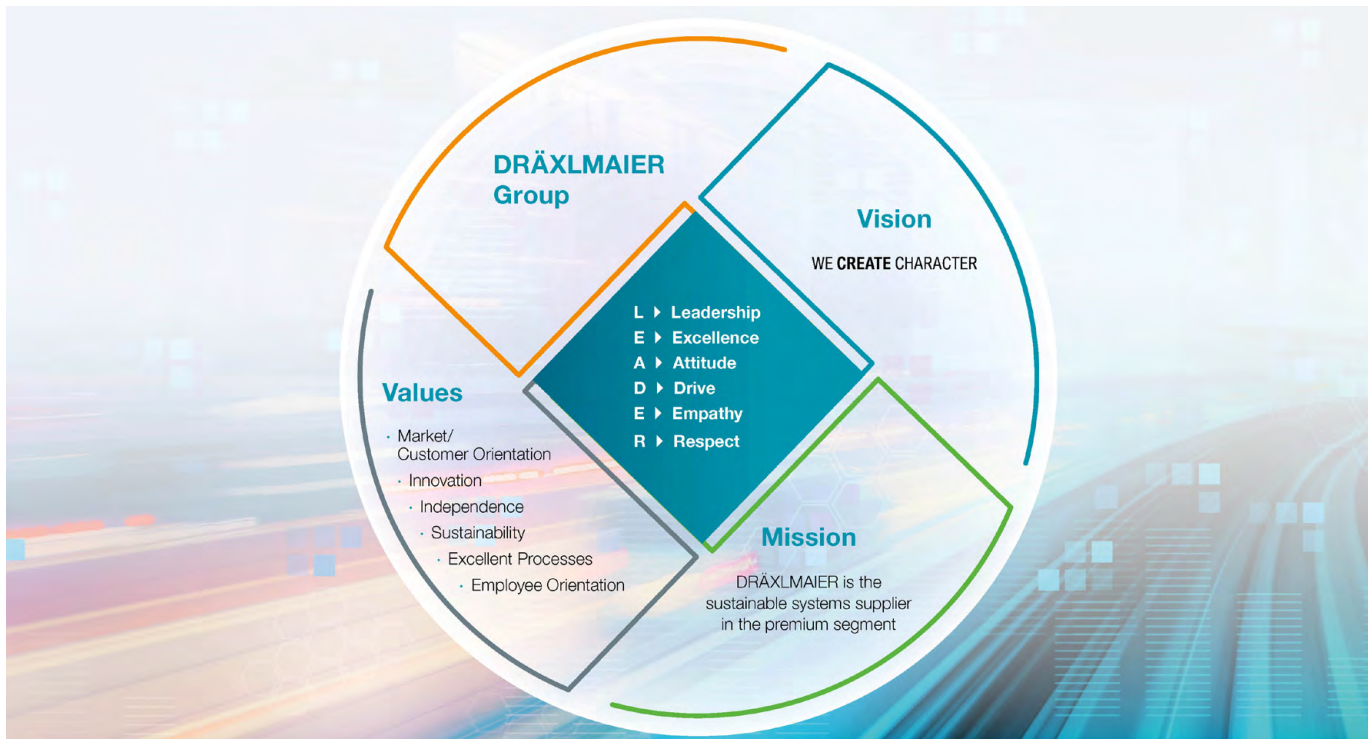
We pave the way for pioneering technology – with excellence for today and innovations for tomorrow’s mobility.

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 exactly does LEADER mean for DRÄXLMAIER

Read more here: [DRÄXLMAIER Strategy](#)



Sustainability strategy

Across business and society, sustainable action is increasingly becoming a maxim, not least in the automotive industry. Here at DRÄXLMAIER, this is nothing new, because as an owner-managed family company, we plan for the long term and have always aligned our actions with the interests of future generations. Our strategic sustainability goals take into account global developments, recognised frameworks as well as the requirements of our external and internal stakeholders alike.

+ Thinking generationaly
Read more here: [DRÄXLMAIER Sustainability](#)

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. These issues were then categorised into fields of action: **Sustainable products, Climate and environmental protection** and **Social responsibility**.

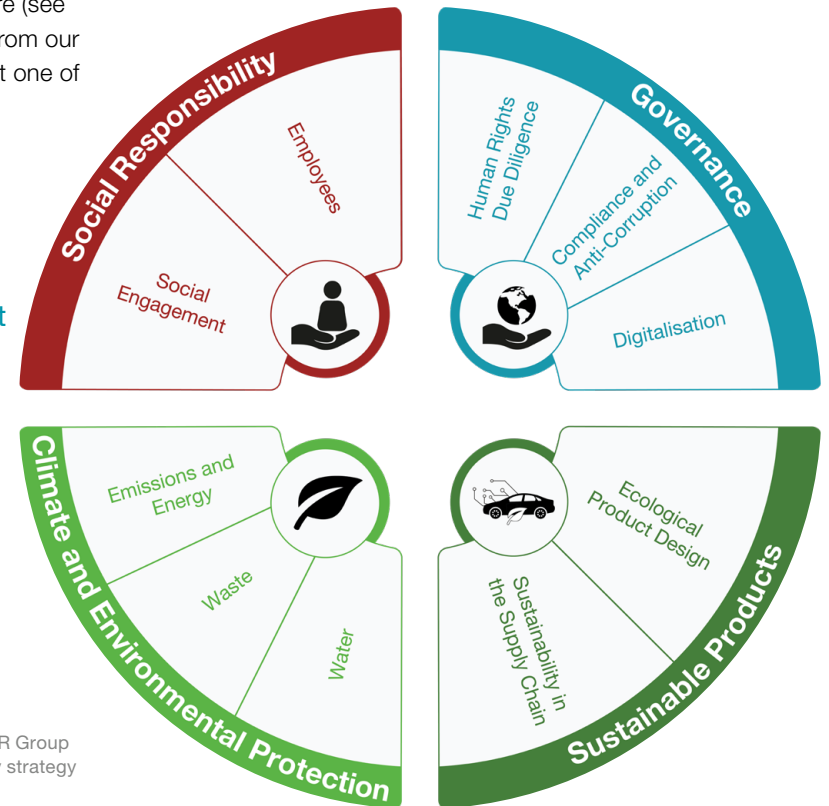
By systematically reviewing and developing our sustainability strategy, we ensure our sustainability targets keep pace with our corporate activities and cater to future challenges.

Given this intention, we carried out an initial analysis of the action points set out and added a fourth in 2021: **Governance**. The topics included under this action point tie in with the topics covered by the other action points and their implementation. Accordingly, 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 in all, the four action points will determine the way we systematise and drive forward our actions in the future (see chart). All current and future measures and projects from our sustainability management must contribute to at least one of these four action points.

The aim is to build on the existing analysis and develop it further. In keeping with the principle of double materiality, we will take into account both issues that we as a company can influence and developments and trends that impact our business and are considered material by our stakeholders. The Executive Board is set to implement and approve the new materiality analysis in late 2023.

In order to meet the new legal requirements, changed reporting standards and increasing stakeholder expectations, we developed a concept for a new materiality analysis in the reporting year.





+ Materiality analysis – which topics are essential for 2022?

With the help of the materiality analysis, we want to focus 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. In order to take sufficient account of internal company factors, representatives were invited from Human Resources, Purchasing, Sales, Marketing, Corporate Communications, Risk Management, Development, Production and Sustainability. On top of that, external stakeholders were 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 particularly taken into consideration. The assessment of the individual issues included our business model, processes and existing external conditions. As part of the annual Management Days in this

reporting year, an internal workshop saw our senior management surveyed to establish the completeness of the list of current material topics drawn up in advance. The top managers prioritised the material topics independently and set out work packages on the highest-ranked topics of sustainable products, environment and energy, and diversity. Starting in the 2023 reporting year, the necessary steering mechanisms and control systems for each of the topics identified will be elaborated and integrated into the DRÄXLMAIER process landscape.

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, primarily in terms of occupational health and safety or education and training. We have also set our clear rules for our activities as a **corporate citizen**.
- Having more than 60 sites also gives us major leverage to reduce **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.

- **Anti-corruption** (as an explicit part of **compliance**), **human rights due diligence, digitalisation** and **transparency** continue to be included in reporting.

Based on the issues identified this way, we continue to work on further developing our sustainability strategy, setting targets and measures, and reporting on the progress achieved as part of our sustainability reporting.



Sustainability organisation in the Group

Our sustainability management is characterised by lean structures and clearly assigned responsibilities. The Chairman and Vice Chairman provide the strategic direction and make the appropriate decisions. 2021 saw sustainability targets adopted which are now anchored in the Group’s goals as well as in the functions’ goals, but also in the personal goals at the top management level.

The heads of Group Governance and Corporate Sustainability are responsible for establishing management processes and for specifying and optimising internal standards. The strategies and goals are coordinated with and implemented by the company’s management. For that purpose, topics from stakeholder relations are recorded and incorporated in the company. Furthermore, top management receives a quarterly report on current measures and projects.

Two additional key environmental steering targets were added to the existing sustainability targets in October 2022 when senior management updated the materiality analysis.

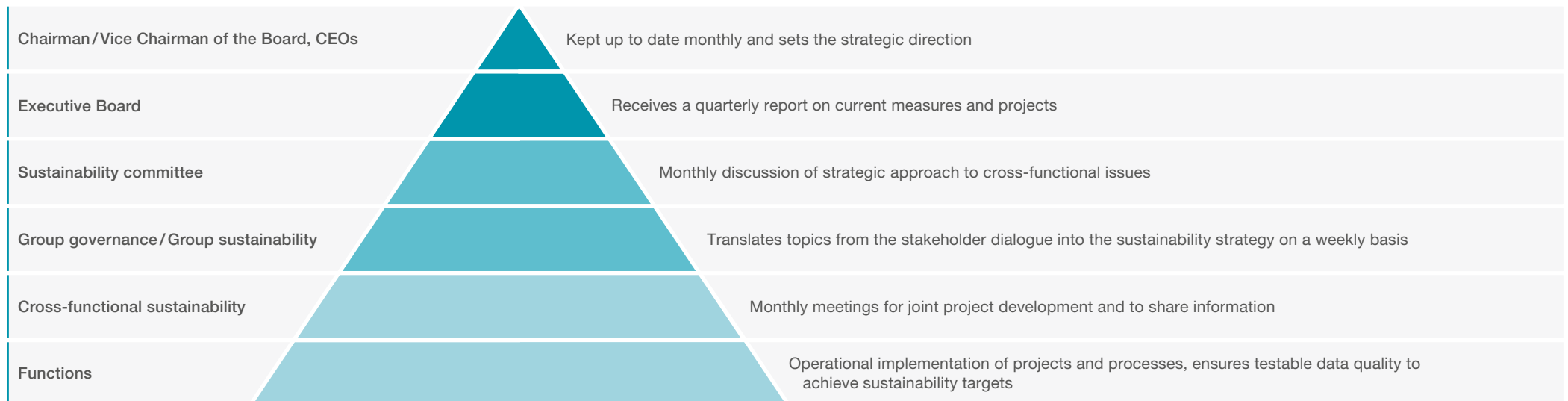
For more information, see chapters [Sustainable products](#) and [Climate and environmental protection](#).

In-depth cross-functional cooperation is a must if these steering targets are to be achieved. The sustainability committee meets monthly to ensure this and coordinate cross-functional activities. This committee includes the main/unit managers from each of the relevant functions, including Operations, Development and Purchasing. The head of the sustainability department keeps the board up to date with regular reports on the results.

In addition, the sustainability officers from each function have monthly meetings chaired by the head of the sustainability department. The committee is supplemented by additional members as needed.

Furthermore there is ongoing direct communication between the sustainability department and the other relevant departments. The latter are responsible for implementing the individual projects operationally speaking.

DRÄXLMAIER Group sustainability organisation





Working together to improve sustainability: our employees are dedicated and inventive

Excellence Award for sustainability

Since 2014, DRÄXLMAIER has biannually awarded the Excellence Award to celebrate excellent projects and outstanding team performance from around the world, only briefly interrupted by the COVID-19 pandemic.

Employees, project teams and even entire sites that have driven innovation, achieved exceptional results and delivered top quality are eligible to apply. This way, the Excellence Award also helps to establish and strengthen a corporate culture that focuses on innovation and top performance.

Since 2016, we have also presented an award in the category of sustainability that recognises the company's commitment to the topic. Projects and ideas that address one of the four action points set out in our sustainability approach are shortlisted. In the reporting year, the panel of experts nominated three projects in the sustainability category. The winning team from Tunisia was presented with its award at the 2023 awards ceremony by the head of the corporate sustainability department.

+ DRÄXLMAIER in Tunisia – setting a good example with responsible action

The 2022 Excellence Award for sustainability went to Tunisia. The winning team ran a wide range of activities, positioning DRÄXLMAIER even more strongly as a responsible, reliable partner in the region.

The focus was particularly on the company's performance in education and training. Even in the depths of the COVID-19 pandemic, for example, more than 1,000 employees were able to benefit from online training at the DRÄXLMAIER Internal Training Center in Tunisia. In addition, as DRÄXLMAIER also participates in the "Tunisian Automotive Management Academy" (TAMA), around 300 employees were also able to sign up there to take part in management certification training.

For years, the Tunisian team has placed particular emphasis on promoting young talent, with the number of trainees increasing steadily since 2013. As things stand, 166 young people are starting out in their careers at DRÄXLMAIER in Tunisia.

The team also played a significant role in stopping the spread of the virus with targeted measures to safeguard employee health. Around 60 campaigns were held to raise awareness of health issues, which ultimately also helped to achieve an almost 100 percent COVID-19 vaccination rate.

And that's not all: the DRÄXLMAIER team in Tunisia were also sure to include social responsibility with a two-year programme for the upkeep of the SOS Children's Village in the Siliana region. Rounding off their efforts with several donation campaigns, including for schools and health care facilities, the Tunisia team once again proved themselves worthy winners.



Sustainability – following their lead

Sustainability also thrives on the dedication of individuals who are excellent role models. In keeping with this principle, DRÄXLMAIER initiated a campaign to mark Earth Day on 22 April 2022, where company employees were given a chance to report on their involvement in promoting sustainability.

Regardless of whether the individual volunteered within the company or privately, and what the activity involved, every contribution sharing successful work for improving sustainability was published with photos on DRÄXLMAIER's social media channels, the company website, and on the intranet. The initiative saw employees plant trees, collect rubbish, engage in social work, car share or take part in digital projects, all with the hope of inspiring people to join.

Stakeholder relations

Ongoing exchange with our stakeholders is a mainstay of our sustainability management and always provides us with important impetus. Internally, the focus is on our employees, as their motivation and passion are decisive for our success as a company.

As external stakeholders, the focus is primarily on our customers and suppliers, plus banks, associations, academic institutes, policymakers, local communities and non-government organisations (NGOs).

For the purpose of stakeholder relations, we were involved in 2022, among other things, in the German CEO Alliance for Climate and Economy (formerly Foundation 2°), in the Carbon Disclosure Project and in the industry exchange of the automotive sector on the national action plan for business and human rights. In the German Association of the Automotive Industry, we are involved in the working group on sustainability in the supply chain.

In addition, we communicate with policymakers and are involved in discussions at local, national and European level. We also maintain close exchange with our customers on sustainability issues and pursue mutual projects.

In the year under review, we stepped up our conversations with our customers and suppliers, particularly in connection with the entry into force of the German Supply Chain Due Diligence Act. We also took part in a number of industry initiatives to help improve communication with non-governmental organisations.

At the political level, we started holding dialogue events with individual political parties in 2022.

Following the visit of an initial delegation, we intend to continue these events in 2023. As part of the placement of our ESG-related promissory note loan, exchanges with banks and capital market participants are also increasingly coming to the fore.



Corporate principles and values

GRI 2-9, 2-13, 2-23, 2-24

Our corporate culture is based on clearly defined values, which determine our actions – sustainability is one of them. This way, we assume active responsibility for the environment and the climate, for our employees and their families and for the sustainable development of society, of which we consider ourselves a part.

Our strategy is based on our vision of creating unique character. Our claim – WE **CREATE** CHARACTER – shapes our mindset and action, while also standing for the brand promise we make to our customers. Sustainability is part of this promise. This is reflected in the way we work together, in our skills-based, reliable and trustworthy partnership with our customers, and in the way DRÄXLMAIER, as an independent company, embodies the idea of innovation with passion.

Our guiding principles are set by our corporate values: market & customer focus, innovation, independence, sustainability, excellent processes and employee focus.

The LEADER strategy provides the framework for implementing and actioning these respective measures (see also [chapters Assuming responsibility, Approach to sustainability](#)).

Set of values and Code of Conduct

Our set of values and our corporate culture are reflected in the [Code of Conduct](#). This outlines the important points of our policies relating to people, the environment and the economy as well as rules for the use of data and information.

The Code of Conduct is binding for all members of the management and all employees and sets clear objectives for their conduct, such as dealing with customers, suppliers, applicants or external stakeholders.

In addition, it also includes the sustainability expectations we have in relation to our business partners, particularly with regard to respect for human rights.

Corporate principles and directives directly geared to sustainability





Opportunity and risk management

GRI 2-12, 2-13, 2-16, 2-23, 2-24, 2-26

As a globally operating automotive supplier, the DRÄXLMAIER Group works in a complex, dynamic environment. In order to be successful in the market over the long term and to generate competitive advantages, risks and opportunities have to be identified, evaluated and controlled using appropriate measures. The management of opportunities and risks is therefore integrated in all our business processes. This is a vital step in preparing for any changes and ensuring successful company growth.

The high momentum in our industry time and again opens doors for us to leverage new potential and thus continue to improve the future development of our business and the Group's market position. The focus here is on innovations that enable us to selectively expand our market share by building up yet further unique selling propositions and, with that, to generate sustainable growth. Sustainable action and the ecological efficiency of our products play a significant role in these efforts (see also [chapter Sustainable products](#)).

At DRÄXLMAIER, risks are systematically identified at an early stage by group-wide risk management, and they are analysed and assessed with regard to probability of occurrence and impact.

The Executive Board receives a standardised report on the current risk situation of the Group at least once per year.

The DRÄXLMAIER [Risk policy](#) outlines the principles upon which risk management at the DRÄXLMAIER Group and its functions is based. Early detection of essential, existing threats enables risk management to assist the management in maintaining corporate, financial flexibility in order to sustainably increase the enterprise value and, with that, to ensure successful company growth in the long term.

In doing so, we also take into account significant risks and opportunities arising from aspects relevant to sustainability, such as broader environmental risks and risks relating to climate change. Corresponding risks can arise, for instance, from emission requirements, especially with regard to opportunities to cut CO₂e emissions. Here, it is also important to recognise the potential impact of extreme weather conditions on our production, infrastructure or supply chains as a risk for the DRÄXLMAIER Group. Conversely, opportunities relating to sustainability arise, among other things, from the environmentally-friendly design of our products, which can give us important competitive advantages.

DRÄXLMAIER also makes sure to comply with its obligations under the German Supply Chain Act. Our own sites are evaluated on the basis of site-specific risk analyses, and our suppliers are also audited in accordance with the legal requirements in place. We focus in particular on strict compliance with human rights.

At present, for example, the DRÄXLMAIER Group already keeps a close eye on the impact its business activities have on sustainability performance. We are integrating these aspects even more strongly into our existing risk management as a matter of course (see box).

+ Climate-related scenario planning

DRÄXLMAIER supports academic dissertation topics around sustainability. In 2022, for example, a master's thesis included a climate-related scenario analysis which aimed to identify, analyse and evaluate the potential impact of a range of climate scenarios with regard to physical and transition risks for DRÄXLMAIER, thereby helping to improve climate-resilient corporate management.

After expert interviews, the evaluation of internal questionnaires and a benchmark analysis of external stakeholders, the research was able to identify a number of key factors relating to sustainability and evaluate their potential impact on DRÄXLMAIER. First, the +1.5°C scenario was established as the climate scenario to examine for transition risk analysis. Second, the +2.7°C and +2°C scenarios were also established to demonstrate the physical risks across key DRÄXLMAIER site regions. The year 2050 was chosen as the planning interval. We are now refining the findings with further investigations and integrating the results into our risk management.



Human rights

GRI 2-12, 2-13, 2-23, 2-24, 2-26, 3-3,
406-1, 407-1, 408-1, 409-1

The DRÄXLMAIER Group is fully committed to respecting [internationally recognised human rights](#) and to complying with global laws and regulations on fair working conditions, combatting human trafficking, labour exploitation and modern slavery. Human rights abuses and violations are not tolerated and are rigorously sanctioned. Corporate management, all the employees and our suppliers are urged to implement these principles and prevent any human rights violations from occurring in our business operations. The Declaration on respect for human rights was extensively revised in 2022 and will be published in early 2023.

At DRÄXLMAIER, we understand respect for human rights as an ongoing process whereby we systematically review the implementation of our corresponding due diligence obligations and further develop them depending on changing framework conditions, the type of business activity and the size and structure of the company.

As such, we have anchored human rights due diligence processes both throughout our organisation and in our relationships with our business partners. We have set out clear responsibilities for the implementation of and compliance with our human rights due diligence obligations. At the highest management level, our Chief Human Resources Officer is responsible for human rights compliance in our business activities as well as in the upstream and downstream value chain.

High standards for our own activities

In its [social policy](#) the DRÄXLMAIER Group is committed, among other things, to free choice of employment and rejects any form of human trafficking or forced, compulsory or child labour.

Fair, respectful and responsible leadership of employees is also embedded in various other policies (see also [chapter Social responsibility, Attractive employer](#)). In addition, occupational health and safety is firmly anchored in our EHS policy (see also [chapter Social responsibility, Occupational health and safety](#)).

Adherence to these specifications is closely examined by Internal Auditing through on-site audits that take place every year. In 2022, a total of 20 audits were carried out at our sites with a view to safeguarding human rights (including follow-up audits).

The social policy was communicated extensively throughout the company and translated into all our corporate languages.

2022 also included training focused on human rights compliance and the corresponding due diligence requirements introduced.

70.5% of employees with email access have successfully completed the training so far. Locally adapted campaigns were held to raise awareness of the issue among employees without email access.

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 throughout the world to speak out and initiate improvements, and to report unfair practices and offences. Here, too, the globally effective policy sets the standards, provides guidelines for all our national subsidiaries and complies with legal conditions that are in force locally.

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 whistleblowing 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 supplier commitment

The [Business partner sustainability code](#) obligates the suppliers and business partners of the DRÄXLMAIER Group to respect human rights and prohibits human trafficking, child and forced labour. Suppliers not only have to respect these social standards and include them in their own corporate policies, but they also have to ensure that upstream parties in the supply chain acknowledge their social responsibility (see also [chapter Sustainable products, Sustainability in the supply chain](#)).

Acceptance of the Business Partner Sustainability Code by our suppliers is the basic prerequisite for forming a business relationship. The global terms of purchase of the DRÄXLMAIER Group also forbid 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, particularly concerning a potential violation of human rights, can turn to Compliance Management as a direct point of contact or use the digital whistleblowing system.

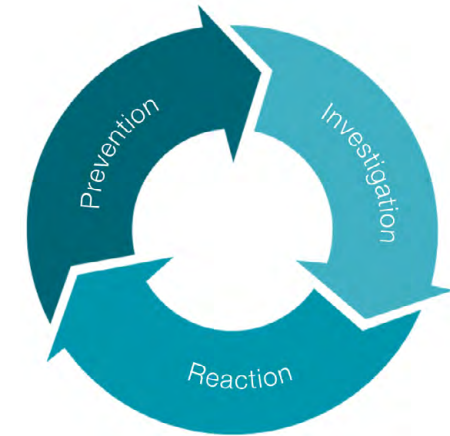
Compliance and anti-corruption

GRI 2-26, 2-27, 3-3, 205-2

Legally compliant behaviour and the prevention of the infringement of laws and regulations ensure our company's enduring success. Violations can lead to personal liability and criminal consequences for individual employees or executive bodies of the DRÄXLMAIER Group and may cause reputational damage. For a supplier in the automotive industry, there are special compliance risks regarding antitrust law and corruption.

Against this background, the Compliance Management System (CMS) of the DRÄXLMAIER Group pursues the goal of preventing infringements of legal and internal corporate rules, thereby averting potential damage to the company and ruling out personal liability of members of corporate bodies and employees. In addition to corresponding behavioural guidelines for executives and employees, a compliance organisation with a Compliance Board at Group level ensures adherence to regulations. Local compliance officers and compliance specialists support the compliance office in the respective business units.

DRÄXLMAIER's binding compliance management system



Besides compliance risk analyses, from which further preventive 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 modules are available on the learning management systems throughout the Group. The e-learning courses were revised in 2022, and the updated versions will be available in 2023.



The DRÄXLMAIER Group provides information on [compliance](#) on its website, particularly on managing whistleblowing. All employees in the Group also have access to compliance information on the intranet.

Potential violations against the behavioural guidelines can be reported anonymously via a Group-wide whistleblowing system. The information is recorded, processed and clarified in cooperation with the relevant business units, if there are sufficient grounds for suspicion. Should a compliance violation be identified, specific measures are then recommended to the business units. To further develop the compliance management system, we have established measures to avoid gaps and minimise risks. These include, in particular, training courses for employees and executives, regular communication between those responsible for compliance, and reviews into the effectiveness of compliance measures. Following the end of the COVID-19 pandemic, from 2023 it will once again be possible to conduct training in person.

The year 2022 was used to coordinate training within the units.

Furthermore, the compliance management system is being expanded against the backdrop of an ever-changing legal situation and adapted to meet the new requirements.

+ Digital whistleblowing system introduced

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.

As such, we have set up complaints management systems accessible both from within and outside the company. In 2022, for example, we launched a digital whistleblowing system that represents a confidential communications channel for reporting potential human rights violations or non-compliance with international agreements – both for internal and external stakeholders as well as any potentially affected parties worldwide. These reports can also be made anonymously.

All target groups are informed proactively and in appropriate language about the available complaint mechanisms in place as well as their respective options for accessing these mechanisms. The measures are also adapted to the respective local context to ensure communication is as tailored to the target group as possible.

All information reported and reasonable suspicions about possible human rights violations are processed as part of a transparent and balanced process. The confidentiality and, if requested, anonymity of whistle-blowers are respected. We also ensure that whistle-blowers are protected from discrimination or punishment in connection with any complaints they submit. Our systematic complaints handling and the resulting insights allow us to continuously improve our human rights 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.

Learn more: [DRÄXLMAIER Integrity Line](#)



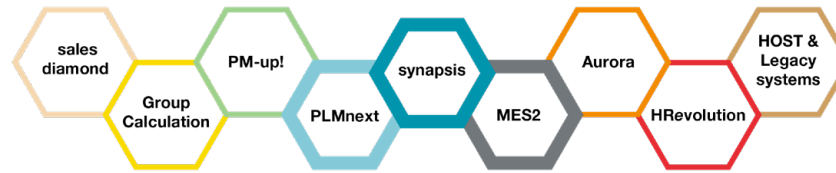
Digitalisation

The digital transformation opens up new opportunities 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 right quality.

At DRÄXLMAIER, the digital transformation is made up of nine specific programs: sales diamond, Group Calculation, PM-up!, Aurora, PLMnext (Product Life Cycle Management), synopsis (SAP S/4HANA), MES2 (Manufacturing Execution System), HRevolution and HOST & Legacy Systems. PLMnext, synopsis and MES2 were combined as core programs under the **digital core** to coordinate the speed and complexity of the digital transformation.

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.



DRÄXLMAIER Digital Transformation

Shaping our Digital Future

This lays the foundation for future growth, diverse innovations and economic independence. People, the environment and companies all stand to benefit equally from this transformation, because digital technologies can support and accelerate sustainable development in a whole range of areas – whether that's by improving efficiency with data or through digital innovations for the circular economy or the energy transition, for example.

Moreover, we have working groups for sustainability, the circular economy, battery product passports and other standardisation initiatives. Participating in these initiatives allows DRÄXLMAIER the targeted implementation of specific sustainability topics, both internally as well as externally in cooperation with other automotive industry partners.

In this context, DRÄXLMAIER has also been involved in the Catena-X data ecosystem since September 2021. The aim of this is to ensure both standardised and efficient data exchange along the entire value chain in the automotive industry as well as the targeted development of digital services.



Sustainable products

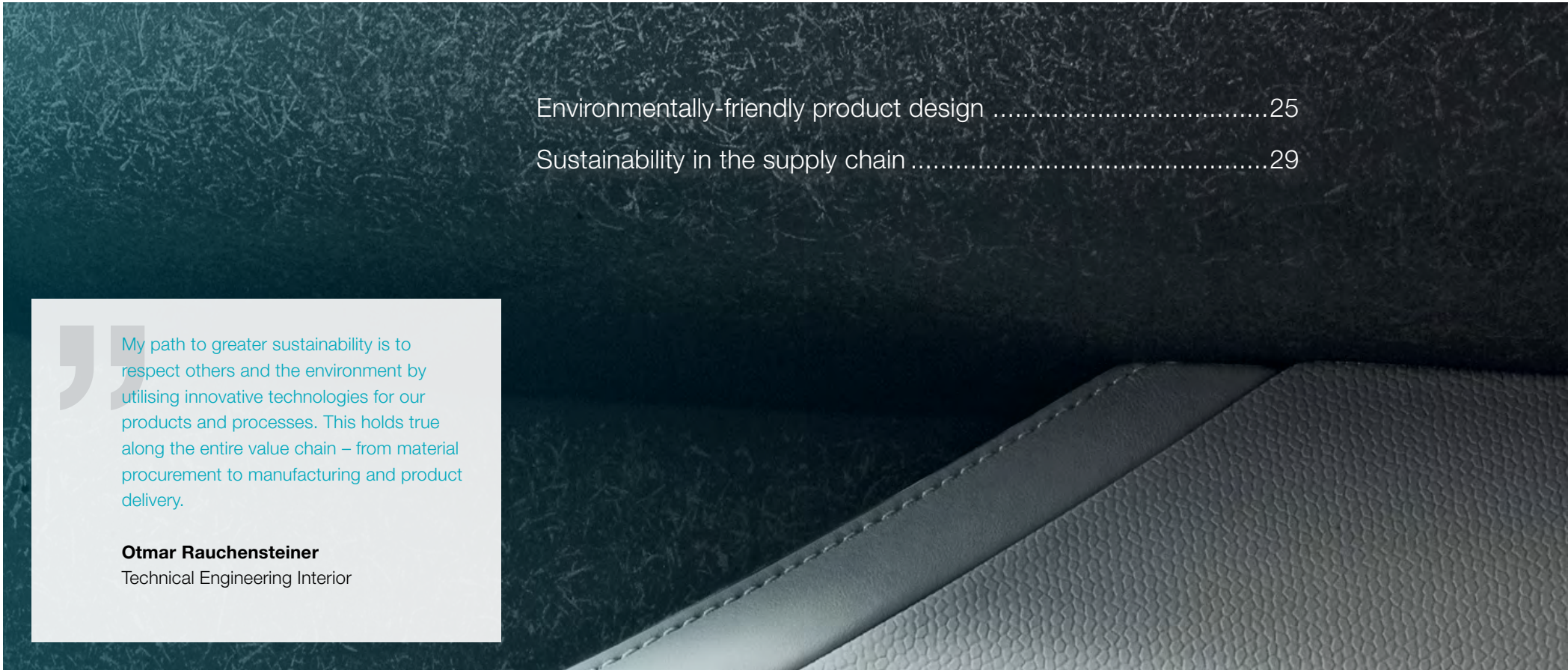
Environmentally-friendly product design25

Sustainability in the supply chain29



My path to greater sustainability is to respect others and the environment by utilising innovative technologies for our products and processes. This holds true along the entire value chain – from material procurement to manufacturing and product delivery.

Otmar Rauchensteiner
Technical Engineering Interior





Sustainable products

GRI 2-6, GRI 3-3

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.

Visible natural fibres as a premium surface in the vehicle



Our product portfolio reflects DRÄXLMAIER's four system specialisations:

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. We are only too well aware that 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. This way, we carry through the concept of sustainability across the board, making the vehicle's central nervous system truly environmentally efficient.

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.

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.

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 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.



With our **ecosolutions** Group 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 the greatest levers 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 the supply of spare parts. That means we can offer our customers more environmentally-friendly solutions over the long term. 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.

Sustainability in the supply chain

The greatest potential for reducing the ecological footprint of our products lies in the supply chain. We want to leverage this potential through ongoing, cooperative supplier development and consistent supplier management. 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.



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. To get an exact idea of sustainability along the entire value chain, we assess all our process steps in an integrated approach to emissions and integrate the eco-friendly performance of our plants in our CO₂e footprint – up to product level if necessary – by way of the plant emission factor (see also [chapters Climate and environmental protection, Emissions and energy](#)).

To this end, we set out a method in 2021 for calculating the CO₂e footprint of our products. Individual pilot projects in 2022 saw the methodology tested and optimised. 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 the greenest product alternatives as well as important decision-making criteria for the sustainable design of their own products.

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.



Accordingly, purchasing plays a vital role in the success of our sustainability strategy. Purchasing at DRÄXLMAIER acts at various levels: in supply chain 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 sources 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 2-6, 3-3, 306-2

The DRÄXLMAIER Group is one of Germany's most innovative companies. In our research and development units, more than 4,000 employees apply their expertise, dedication and creativity to make an important contribution to the company's success. We want to leverage this potential to co-create the sustainable development of mobility with a view to the effects on future generations. In addition to taking environmental and social criteria into account, we also need to consider economic aspects in order to impress our customers with consistently sustainable products.

Looking at the green design of our products, we focus on the selection of materials and parts, the product design, logistics and the energy required for production (see also [chapter Climate and environmental protection, Emissions & 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.
- Systematic 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 recycle rate of up to 100% in our interiors. We are determined to make further progress here and are pushing the use of amorphous and semi-crystalline plastics in other areas as well.

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. 2023 will see the first use of polypropylene recyclates for structural components in the interior. The use of polypropylene plastics for aesthetic visual applications, meanwhile, is planned for 2024.

We also strive to improve the product carbon footprint (PCF) of our products and have been working with a development partner on an organic decor surface in core development since 2022. The goal is for this to provide an alternative to conventional decors, as these surfaces have a disproportionately negative impact on our products' PCF.



14.6%

Proportion of recyclates in our outsourced plastic granules*.

13.7% in 2021

*in the component systems and interior systems segments

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 (e.g. in the BMW i3) 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: 55% of the side panel of a centre console is made of 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.

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. Once they have been approved for use in vehicle interiors, the new materials can be implemented from 2023.

+ Electrical systems – automated sustainability profiling for wiring harnesses

In 2022, the electrical systems units successfully developed a method to account for the CO₂e footprint of complete wiring harnesses. The high number of variants, especially when the wiring harnesses are manufactured on a customer-specific basis, makes this particularly complex. 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.

The crucial factor here is calculating the emissions data and quality. As a result, sustainability profiling is carried out cross-functionally in close cooperation between Development, Purchasing and Production. While emissions data is 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.

Component systems – using lower-emission materials

In everything we do, our focus is always on adding value for our customers. That is why we are constantly striving to make our products even more innovative and sustainable. The use of plastics has a unique role to play here. We are convinced that demand for biopolymers will see a sharp upsurge in the coming years, particularly in the automotive industry. We are determined to be prepared for this and are already setting the course for integrating these high-performance, bio-based materials into our portfolio. As such, they must be suitable for our applications while also being capable of replacing petroleum-based plastics. When it comes to the polymers under consideration, product quality and application safety take absolute priority.

Using bio-based plastics could reduce the CO₂e footprint in component production, thereby improving product sustainability. In 2022 our electronics development unit focused on our strategic suppliers of printed circuit boards (PCBs), working together to agree a real-world sustainability roadmap with practical targets and deadlines. In 2023, we plan to do the same with our key component suppliers, from whom we source microcontrollers, transceivers, transistors and LEDs, among other things. Last but not least, we have already been working for a number of years now on cutting waste in PCB production.

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.

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.



Logistics

How we transport our (primary) products in an environmentally-friendly way also plays a central role in protecting the climate and reducing our CO₂e footprint. The aim of logistics is to achieve transport planning that reduces the pressure on resources as far as possible through appropriate management and to stay abreast of both the commercial and environmental aspects. This approach enabled DRÄXLMAIER to achieve savings amounting to a total of 2,034 t CO₂e across transport logistics in 2022.

DRÄXLMAIER increasingly relies on local suppliers to keep transport routes as short as possible. On top of that, the capacity utilisation of transports is constantly being improved to reduce the number of trips. Another way of applying sustainable logistics processes is to utilise environmentally-friendly transport systems and fuels – including for transport within plant premises. Since 2022, an e-truck has been in use at the Duncan site in the USA, saving approx. 47 t CO₂e per year. In 2023, the use of e-trucks will also be increasingly considered at other DRÄXLMAIER Group locations to accelerate further development towards an emission-free fleet. A similar project is already planned at the DRÄXLMAIER headquarters in Vilsbiburg.

Furthermore, DRÄXLMAIER systematically reviews and improves its national and international transport structures. This way, we realised savings of 1,478 t CO₂e in 2022 by optimising routes and capacity utilisation.

DRÄXLMAIER also uses trucks fuelled by bio-LNG (Liquified Natural Gas) on routes in China and between northern Italy and Bavaria. Here, care is taken to ensure that the organic content is obtained exclusively from biogenic residues, meaning it does not compete with food production. Vehicles powered by CNG (Compressed Natural Gas) are also used on some routes in Malaysia and Thailand.

Thanks to these alternative drive technologies, we were able to reduce our CO₂e emissions by 38 t in 2022. Long term, we want to replace these bridging technologies completely with renewable fuels.

In-depth work is already underway on corresponding concepts. At the same time, DRÄXLMAIER is rigorously pursuing the transition from road to rail. In 2022, for example, a good number of the transport routes in Eastern Europe and China were switched to rail. Overall, this has reduced transport emissions by more than 50%. We see further potential in using various suitable transport means (modal split) to reduce emissions from transport.

One example is the use of combined transport: transferring containers from road to rail can be beneficial, especially on busy, CO₂e intensive routes. DRÄXLMAIER, for instance, has been using rail transport across the Brenner Pass for several years now, reducing emissions by up to 20%.

DRÄXLMAIER Group emissions per mode of transport

	Unit	2022
Air	t CO ₂ e	10,998
Rail	t CO ₂ e	429
Road	t CO ₂ e	87,161
Road CNG/LNG/BioLNG	t CO ₂ e	280
Road (upstream and downstream)	t CO ₂ e	4,775
Shipping	t CO ₂ e	9,882
Total	t CO₂e	113,524



Sustainability in the supply chain

GRI 2-6, 2-28, 2-23, 2-24, 3-3,
308-1, 407-1, 408-1, 409-1, 414-1

Sustainable supply chains play a major role in the DRÄXLMAIER Group's success, helping us to achieve our environmental, social and governance (ESG) targets. With this in mind, we have extended our goal of meeting both economic requirements and our environmental and social responsibilities to our 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 to develop uniform standards.

Against this backdrop, we further developed our partnership model within Procurement in 2022, establishing a cross-functional sustainability procurement team to ensure we are implementing cross-departmental and cross-regional sustainability issues consistently with suppliers. The primary aim here is to synchronise communication across the board internally to guarantee high-quality communication with our external stakeholders as well.

In 2022, we also launched a new supplier website where our suppliers can access all relevant documents. One focus here is the relevant sustainability requirements set out in the German Supply Chain Act. When new business partners

register as suppliers, they are now obliged to agree to the Code of Conduct to enter into a business relationship with the DRÄXLMAIER Group. The website also provides high-quality training materials and guidelines on sustainability-related requirements for our suppliers.

CO₂e footprint is a core criterion in selecting suppliers

Our carbon footprints present a clear picture: in most of our products, the majority of the carbon footprint comes from the supply chain. Sustainability performance will therefore be an essential criterion for selecting suppliers in the future.

We already work closely with our suppliers to calculate the carbon footprint of our products with the aim of optimising the corresponding data quality. We achieve this by using primary data provided by suppliers, which is based on certain specifications and was generated in accordance with existing calculation norms. To incorporate comparable values into the calculations, a corresponding methodology was developed across functions.

In the year under review, we requested relevant key indicators from our suppliers at an early stage of series projects in order to establish their CO₂e footprint. In future, we hope to make use of system-supported options for data digitalisation.

Social standards as another priority

However, our understanding of sustainability in purchasing is not only limited to CO₂e emissions, but it also includes social aspects, such as working conditions, social standards and respect for human rights.

In addition, suppliers must recognise our Business Partner Code as part of the registration process. It sets out clear minimum requirements for business ethics and compliance, for human rights and labour conditions as well as environmental and resource protection. This includes the requirement to set the same requirements in their own supply chain.



Conformity and self-disclosure

We always make sure that our basic principles on economic, environmental and social responsibility comply with applicable law and are implemented in accordance with international standards.

Our global terms and conditions of purchase also contain provisions on sustainability requirements. We ask all direct suppliers as well as relevant indirect suppliers to answer corresponding self-assessment questionnaires (SAQs) via an online portal. The information our suppliers provide is verified and tracked by an interdisciplinary team.

The self-disclosure 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. After the answers have been analysed, the results are directly incorporated into the supplier assessment process.

Originally developed in 2021, the S-Check (Sustainability Check) was integrated into the award process for suppliers in 2022. It requires suppliers to complete a sustainability self-assessment and agree to the Business Partner Code of Conduct. The corresponding criteria are now an integral part of the process of awarding new contracts. The S-Check is only met when the respective supplier actively recognises our Business Partner Sustainability Code and has passed the self-assessment. Should any deviations from the set minimum requirements be identified, suppliers must implement an action plan to correct said deviations. This ensures that sustainability aspects will play an even greater role in the award process in the coming years.

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. In order to avoid conflict minerals, like tin, tungsten, tantalum, gold and cobalt, we apply the Conflict Minerals Reporting Template (CMRT questionnaire) and ask our suppliers to track their supply chain all the way back to raw material extraction. If uncertified mines in conflict regions are listed as upstream suppliers, we demand that they change their sources of supply.

Over the past few years, we have also participated in numerous programmes to enhance supply chain transparency, including for raw materials, like 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).

65%*

Suppliers who accepted the Business Partner Sustainability Code for suppliers in 2022.

85% in 2021

*active confirmation required

73%

Suppliers with verified ISO 14001 environmental certificates* in 2022.

75% in 2021

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



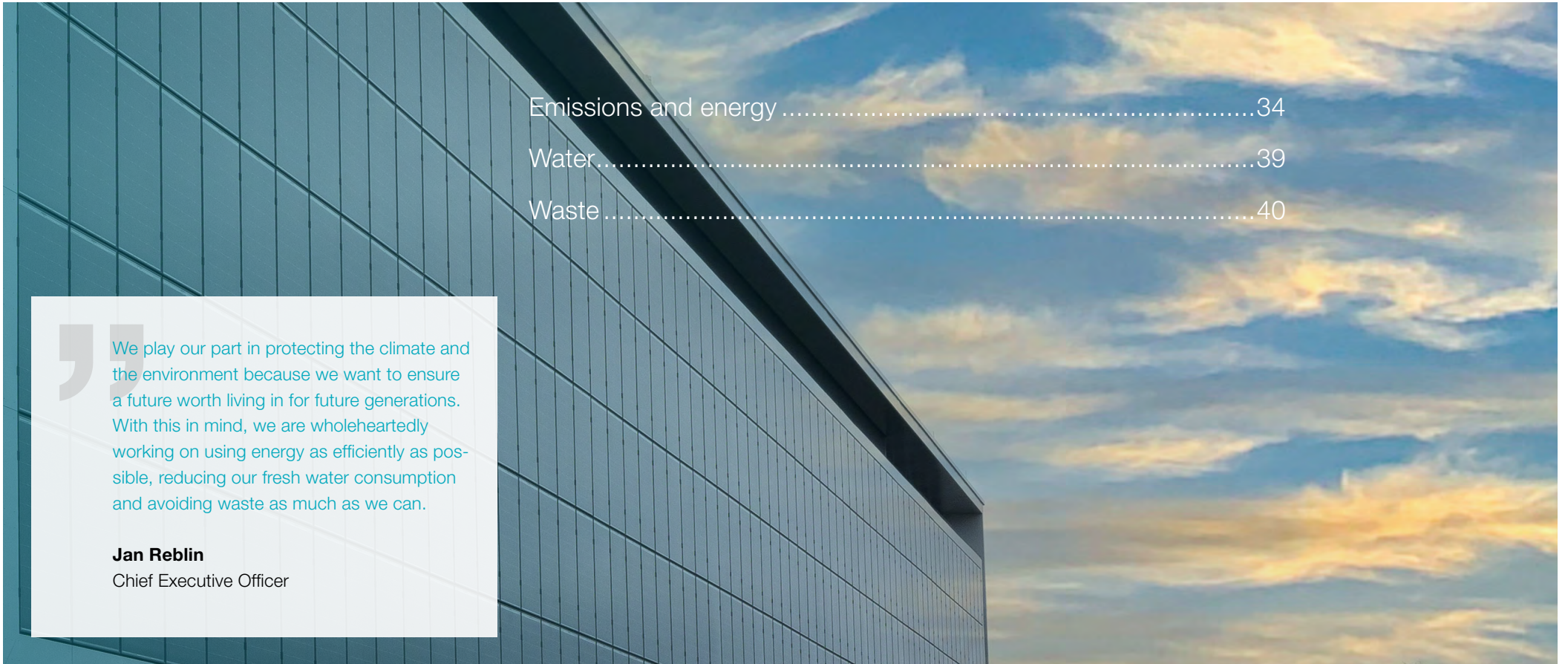
Climate and environmental protection

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We play our part in protecting the climate and the environment because we want to ensure a future worth living in for future generations. With this in mind, we are wholeheartedly working on using energy as efficiently as possible, reducing our fresh water consumption and avoiding waste as much as we can.

Jan Reblin
Chief Executive Officer





Climate and environmental protection

GRI 3-3, 2-4, 2-28

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 is certain that sustainable corporate development, which combines economic growth with environmental goals, is the only responsible way to approach the future. This is why we have anchored climate and environmental protection as a central pillar at our company. The DRÄXLMAIER Group wants to set a good example when it comes to securing a more sustainable present and future.

We are systematically working on reducing or minimising the environmental impact of our business activities and our products. Our focus is on the considerate use of natural resources, the pursuit of a circular economy and the systematic reduction of our GHG emissions.



Solar energy on the parking deck at our headquarters in Vilsbiburg

We are committed to achieving the targets set out in the Paris Agreement.

To this end, we are following a reduction roadmap 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 2021 and 2029.

The criteria set out in the Science Based Targets Initiative (SBTi) provided a framework 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 the internal methods and data procurement processes on an ongoing basis. In the year under review, we developed a Scope 3 target concept which will be further refined in 2023.

+ Joint action for climate neutrality

In 2020, the DRÄXLMAIER Group joined the German Support Group of the Climate Economy Foundation (formerly Foundation 2°). By making this commitment, we want to initiate debates and seek conversations with policymakers and other stakeholders. The aim is to work out mutual solutions on how the automotive industry can position itself on its path towards climate neutrality. We assume responsibility as an owner-managed company and as an automotive supplier and are helping to make individual mobility greener while complying with both economic and social requirements.



Some of our top priorities at our 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 \(Environment, Health and Safety\) policy](#) sets out specific conditions for environmental protection.

Our sites are audited according to the internationally recognised ISO 14001 standard. The Group certification, which includes 41 sites, was successfully completed in the year under review and the appropriate matrix certificate was issued. In addition, three further sites received individual certificates. The certificates raise the level of coverage to 84% of the employees at our production plants. The newly built sites will be consistently included in the matrix. We aim to achieve 100% coverage by the end of 2025.

To enable ongoing improvements, EHS specialists at all sites monitor the effectiveness of efficiency measures, for example with the help of a globally standardised energy data management system that involves all our sites. EHS-related key figures are documented every month and then shown as KPIs together with economic performance indicators, such as production or attendance minutes. Deviations of + / - 15% from previous-month KPIs are commented.

All KPIs and EHS aspects are evaluated with regard to their efficiency in an annual EHS management review conducted by the production site managers. The results are used to prepare a Group review at headquarters, from which the management derives suitable improvement measures.

+ DRÄXLMAIER's climate commitment is outstanding

For the second time in a row, the German news magazine Focus has published a list of German companies with excellent performance in climate commitment – among them once again the DRÄXLMAIER Group. This means that in 2022 DRÄXLMAIER is again one of the 216 companies in Germany which, according to Burda publishing house and the "For Our Planet" programme, stand out through their climate and environmental protection efforts in their respective industries. The data for the evaluation was collected in an extensive process, including an in-depth online survey. The companies rated were analysed by sustainability experts on the basis of select criteria and benchmarks.

Learn more:

Interview on the DRÄXLMAIER Group's climate commitment

[DRÄXLMAIER's climate commitment is outstanding](#)





Emissions and energy

GRI 3-3, 302-1, 302-3, 305-1, 305-2, 305-3, 305-4

To bring transparency to our activities in climate protection, we started compiling a comprehensive annual account of our GHG emissions in 2012. We also develop an annual plant carbon footprint for our production plants – where a major part 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 products. This ensures that plant-specific improvements also impact the carbon footprint of the products made there.

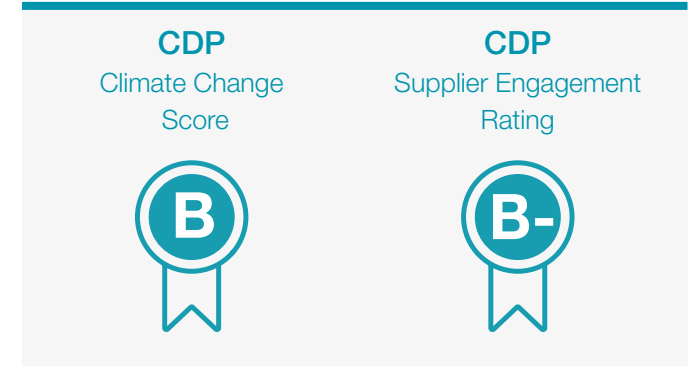
To calculate our GHG emissions, we rely on the globally accepted standards of the Greenhouse Gas Protocol (GHG protocol). For consolidation purposes, we chose the operational approach: our analysis therefore includes all our sites for which we have full decision-making authority. All the greenhouse gases identified according to the Kyoto Protocol are included in the calculation and are shown in the 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 GaBi lifecycle assessment 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 of the environment (DEFRA, 2022) and the tool Quantis (Scope 3 Evaluator). Where, for instance, supplier information is not yet otherwise available, we use emission factors from the GaBi software as a last resort or rely on data from external studies.

In the Climate Change Questionnaire, we submit our 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 2021, we achieved a score of B on a scale from A [Leadership] to D [Disclosure] for the sixth time in a row.

The CDP also recognises companies for their supplier commitment. We were able to achieve a score of B in this area in 2022.





Given that climate change is progressing, we initiated a realignment of the corporate climate management in 2021 so as to reduce our greenhouse 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.

To this end, the DRÄXLMAIER Group has set itself the goal of reducing absolute Scope 1 and 2 emissions by 66% between 2021 and 2029.

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 showed, however, that the proportion of GHG emissions from fugitive gases from refrigeration and cooling systems 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 as relevant and have excluded them from our footprint calculation. In 2022, the DRÄXLMAIER Group's absolute Scope 1 emissions amounted to 17,521 t CO₂e.

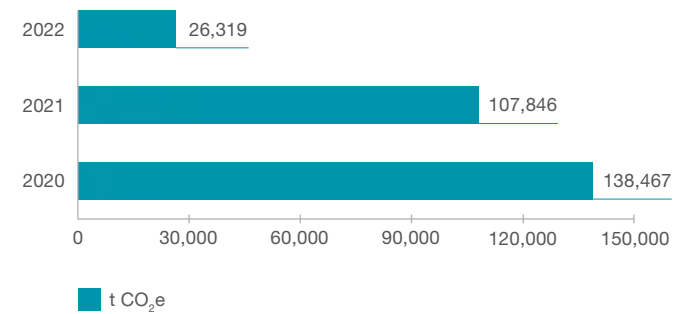
Scope 2 measures indirect emissions that are caused by the purchase of energy. It includes any electricity and district heat we procure. We calculate our Scope 2 emissions from procured electricity in two ways, in accordance with the principle of dual reporting as specified in the GHG Protocol Scope 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 139,430 t CO₂e, while the market-based calculation resulted in Scope 2 emissions of 8,798 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 2022, this results in a GHG intensity quotient of 5.2 t CO₂e / million EUR in revenue; in 2021, it was 23.4 t CO₂e / million EUR in revenue.

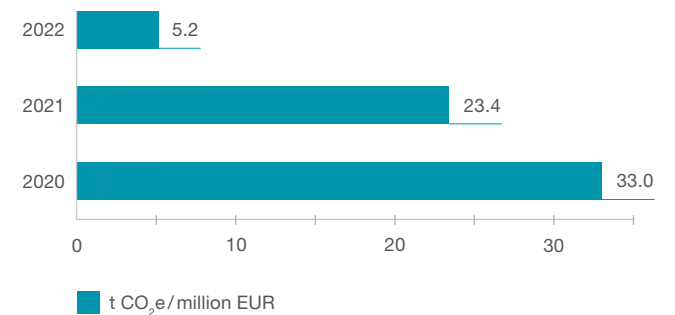
DRÄXLMAIER Group GHG emissions

Scope 1 and 2 (market-based)



DRÄXLMAIER Group GHG intensity

Scope 1 + 2 emissions per million EUR revenue





Our carbon 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 and 2.

The absolute Scope 3 emissions in the year under review amounted to 2,900,010 t CO₂e, with the majority caused by purchased goods and services. Due to the nature of our industry and our business model, Scope 3 emissions are many times higher than our Scope 1 and 2 emissions.

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

DRÄXLMAIER Group Scope 3 categories¹

	Unit	2022
Purchased goods and services	t CO ₂ e	2,342,573
Capital goods	t CO ₂ e	274,056
Fuel- and energy-related activities (not included in Scope 1 or 2)	t CO ₂ e	9,072
Upstream transportation and distribution (upstream and downstream)	t CO ₂ e	113,524
Waste generated in operations	t CO ₂ e	2,586
Business travel	t CO ₂ e	1,802
Employee commuting	t CO ₂ e	82,443
Processing of sold products	t CO ₂ e	71,349
End-of-life treatment of sold products	t CO ₂ e	2,605
Total (market-based)	t CO₂e	2,900,010

¹ Greenhouse Gas Protocol arrangement



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. We are planning to use as many all-electric vehicles as possible by 2026.

Completed in 2020, the photovoltaic system installed at our headquarters in Vilsbiburg will significantly contribute to achieving this goal. In the reporting year, 4,200 PV modules with a total area of around 7,000 m² produced 1,205 MWh of electricity. Of this, 192 MWh was used for e-mobility. The system, which was installed on the roof of our existing parking garage, saves around 560 metric tons of CO₂e per year. The energy generated is used for the general operation of the site and also flows into the batteries of the parked vehicles.

Electric company vehicles plus our employees’ electric cars can use particularly environmentally-friendly electricity from 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.

In addition to these three pillars, the focus is on sufficiency, meaning consistently avoiding business trips and travelling by car. That way, we make a significant contribution to climate protection, for instance by encouraging people to work from home.

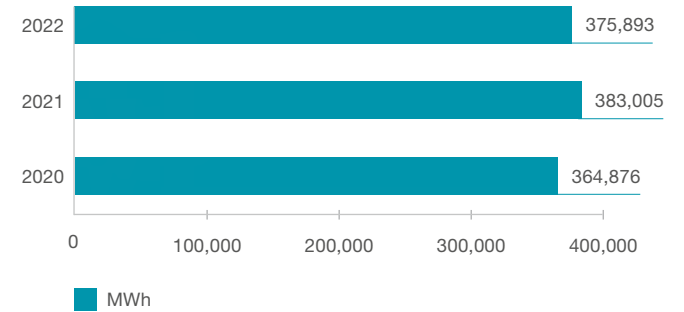
Electrical energy from renewable resources

Activities to achieve the reduction targets include continuous energy efficiency improvements, the expansion of our own renewable energy generation and the expansion of the share of green electricity in total energy use.

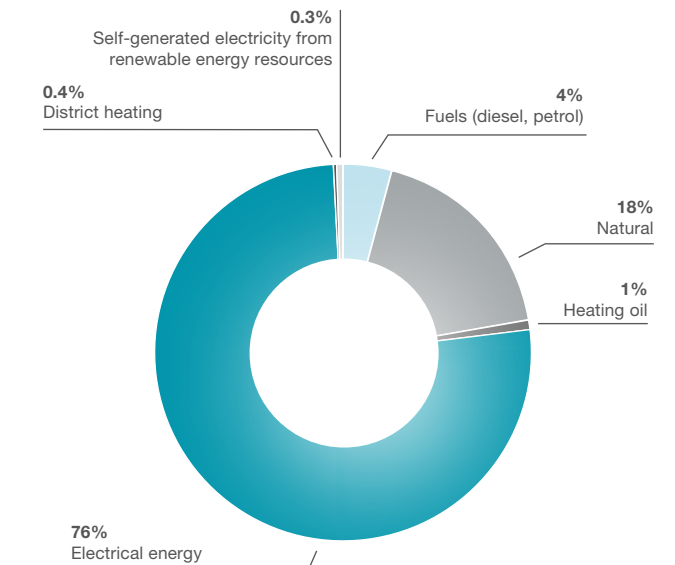
While the previous year was still characterised by pandemic-related production interruptions at various locations, operations returned to normal last year.

In 2022, the DRÄXLMAIER Group used a total of 375,856 MWh (PY: 383,005 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 one of our sites. On top of that, district heating is procured at one of our sites.

DRÄXLMAIER Group total energy use



DRÄXLMAIER Group energy use by energy source





An essential aspect of our activities is the ongoing increase in energy efficiency, based on the company-wide measurement and management of energy use. As a rule, lasting and ongoing progress can only be achieved with a structured approach. This is why we have been conducting analyses of where potential could be tapped at our energy-intensive sites since 2017. In doing so, we do not limit ourselves to identifying short-term improvements that can be implemented quickly, but also specifically examine complex fields of action relating or relevant to the issue of energy. In this way, we take into account the goal of our company's sustainable orientation.

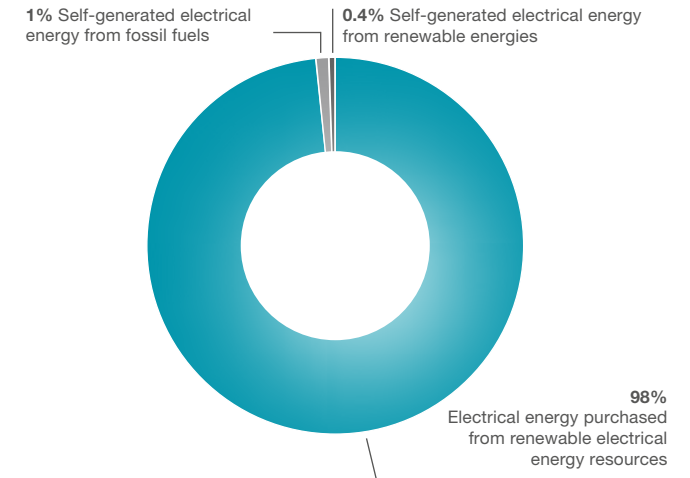
We want to utilise energy as responsibly as possible today and rely on a broad spectrum of different technologies to reach this goal. Examples include energy-saving LED lighting, modern combined heat and power plants, efficient refrigeration technology, solar and geothermal energy, and photovoltaic facilities for the production of our own electricity. We are also continuously reducing energy consumption of our production facilities, for example by using intelligent switch-on and switch-off concepts. We rely on renewable energies to supply our sites with energy as a matter of course. This is a key element of the DRÄXLMAIER Group's sustainability strategy – and at the same time the greatest lever for achieving our climate targets.

First and foremost, we generate our own energy from renewable resources. In addition, we are also open to the global electricity market and purchase electrical energy from renewable resources, provided it meets the criteria we have set out. We focus on power purchasing agreements (PPA) with producers of renewable energy and on green electricity tariffs.

The amount of energy from renewable resources purchased by DRÄXLMAIER may only be credited to DRÄXLMAIER and may not be sold to any further customers. Part of the proceeds from electricity purchases must be used to promote the expansion of renewable electrical energy resources. We also attach considerable importance to the independent verification of the information provided by the electricity supplier during certification. Moreover, we give preference to suppliers who are not involved in the planning and operation of coal and nuclear power plants and who minimise the negative environmental impacts of their production facilities. By integrating these requirements into our purchasing processes, we are systematically converting all plants to renewable energy and at the same time promoting its expansion worldwide.

In the reporting year, the proportion of electrical energy purchased from renewable resources was significantly increased through the purchase of electricity certificates – for our production sites, it is already at 100%.

DRÄXLMAIER Group total energy use





Tool established to improve resource efficiency

Since early 2021, we have been applying the Sustainability Measure Tracking (SMT) tool 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 have a control function are also mapped.

In 2022, Operations counted 75 optimisation measures in the tool.

Each of these measures meets the criterion of sustainable improvement for the respective consumer, and 66 of them had already been implemented in full by the end of 2022. In total, savings of more than 8,000 MWh were made possible in 2022. Savings effects through the optimisation of lighting systems play a crucial role here. These concern, firstly, changing the lighting technology used itself and, secondly, reductions in consumption thanks to more demand-oriented use. The optimisation of compressed air systems was also continued in the reporting period. In particular, ongoing maintenance to the compressed air system enabled far-reaching improvements in the overall use of compressed air. Within production technology, the reduction of standby consumption also makes a significant contribution to increasing efficiency. The targeted deactivation and reactivation of peripheral equipment and facilities leads to significant energy savings.

Sustainable construction

We also take sustainability aspects into account when expanding and converting our sites. For example, the DRÄXLMAIER plant in Tepic (Mexico) has been using solar power from a new photovoltaic system since 2022. To improve energy efficiency, we installed solatube daylighting systems, an intelligent lighting control system and a waste heat recovery system.

In total, this will enable annual savings of 421 t CO₂e.

Sustainability is also the focus of construction measures over at our headquarters in Vilsbiburg. “Building 45” will house a development and validation centre for battery systems alongside space 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.

Construction was also careful to take climate and environmental protection 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.

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 2022, the DRÄXLMAIER Group consumed 606,218 m³ of water. We record our highest consumption in the sanitary facilities at our plants. To save water here, we are installing water-saving fittings and ensuring 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. Our Landau plant uses a small amount of water for paint separation processes.



We also use rainwater retention basins across our sites.

At our site in Tepic, Mexico, for example, 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, work is underway in 2023 on constructing a 2,000 m³ water basin with an integrated roof drainage system. In Siliana, where a 2,000 m³ water basin is already in place, an additional basin with a volume of 2,500 m³ is set to be built in 2023. Both systems are scheduled to be up and running before the end of 2023.

Waste

GRI 3-3, 306-1, 306-2, 306-3

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.

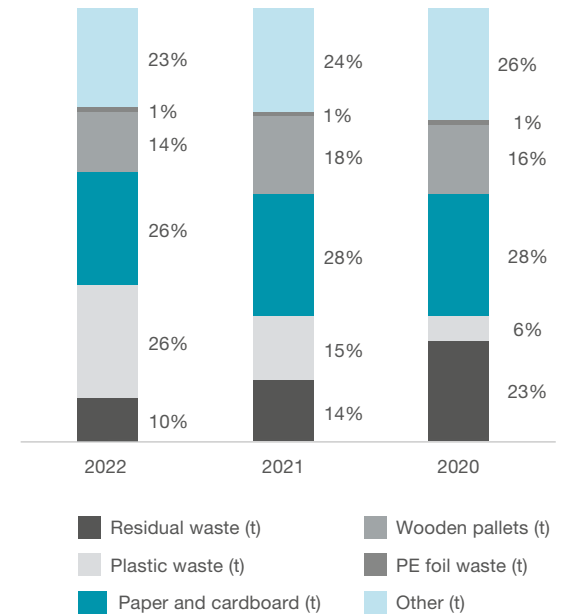
At DRÄXLMAIER, on principle, we put avoidance ahead of recycling and this is our top priority. Recycling, for us, refers not only to the use of raw materials, but also to the direct reuse of goods. Concepts such as a company-wide equipment exchange for the reuse of second-hand goods between the sites 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 [chapter Assuming responsibility](#)).

Visualisation of the DRÄXLMAIER Group's waste and recyclable material disposal





+ Container management – this is the circular economy

More than 11.8 million containers and 1,871 different container types are in use at the DRÄXLMAIER Group world-wide. 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. The reusability of containers once they have served their original purpose as well as the recycling of raw materials by type are given consideration already during their development. The materials used are characterised by their longevity, good recyclability and low CO₂e footprint.

Our container information and control systems allow us to monitor warehouse and transit stocks in real time and to proactively manage almost 100 percent of the containers. At the same time, the CO₂e footprint can be accurately mapped up to the container's end of life. The current condition of the container is documented as well. If a container is damaged, it is repaired where possible – in Germany, among others, by the staff of the Landshuter Werkstätten, a company providing employment to disabled people. In this way, the company also meets 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. We are now following the approach to waste avoidance adopted in Germany in 2015 at our international sites as well.

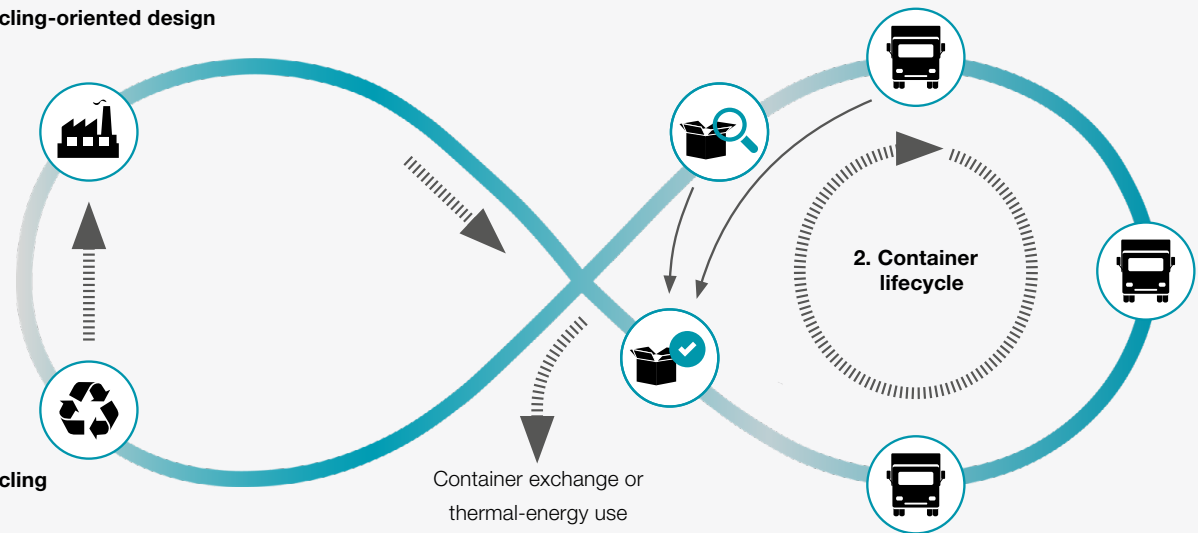
Savings of more than 5,389 t CO₂e were again achieved in 2022 through the closed-loop process in container logistics. Specific contributions here include the reuse, repair and recycling of containers.

Furthermore, approx. 325 t CO₂e were saved through the avoidance of transports by means of local repairs and the use and optimisation of reusable container concepts. DRÄXLMAIER also keeps a close eye on trends in sustainable and innovative container raw materials and packaging. To reduce emissions from container management, the company also utilises alternative packaging materials to minimise or even avoid waste disposal entirely.

Process flow in container management

1. Recycling-oriented design

3. Recycling





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

	Unit	2022	2021	2020
Sites				
Production plants	number	56	56	50
Other sites (e.g. administration, logistics, development, sales)	number	40	32	10 ¹
Management systems²				
ISO 14001	number	41	40	39
ISO 45001	number	33	23	23
GHG emissions³				
Scope 1	t CO ₂ e	17,521	18,854	21,487
Scope 2 (market-based)	t CO ₂ e	8,798	88,992	116,980
Scope 2 (location-based)	t CO ₂ e	139,430	165,492	169,180
Scope 1 + 2 (market-based)	t CO ₂ e	26,319	107,846	138,467
Scope 1 + 2 (location-based)	t CO ₂ e	156,951	184,346	190,667
Scope 3	t CO ₂ e	2,900,010	3,278,785	688,202
Out of Scopes				
Biogenic emissions	t CO ₂ e	9,721	17,913	-
Energy sources				
Fuels (diesel, petrol) ³	MWh	15,994	15,651	14,971
Natural gas ²	MWh	68,414	74,388	68,050
Heating oil ²	MWh	2,994	4,419	4,444
Electrical energy ²	MWh	285,601	285,514	276,368 ⁴
District heating ²	MWh	1,689	1,813	1,043
Self-generated electrical energy from renewable resources ²	MWh	1,200	1,220	-
Total energy use	MWh	375,893	383,005	364,876⁴

¹ Some smaller sites (non-production plants) have been excluded where their total contribution to GHG emissions is estimated to be less than 5%.² Based on production plants.³ Based on production plants and other sites.⁴ CHP was included twice in 2020. The figures from electrical energy and total energy use are therefore not representative for 2020.



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

	Unit	2022	2021	2020
Composition of electrical energy used¹				
Purchased electrical energy from renewable resources	MWh	285,601	125,090	50,477
Purchased electrical energy from fossil fuels	MWh	0	160,424	221,557
Self-generated electrical energy from fossil fuels	MWh	3,733	5,632	4,334 ^{2,3}
Self-generated electrical energy from renewable resources	MWh	1,200	1,220	-
Total electrical energy	MWh	290,535	292,366	276,368
Waste				
Hazardous waste	t	1,213	1,195	1,317
Non-hazardous waste	t	33,184	33,088	28,303
Total waste generation	t	34,398	34,283	29,620
Water				
Total water consumption	m ³	606,218	613,122	583,268

¹ Based on production plants.² 2020 figures include both fossil fuels and renewable energy.³ CHP was included twice in 2020. The figures from electrical energy and total energy use are therefore not representative for 2020.



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

	Unit	2022	2021	2020
Sites				
Production plants	number	56	56	50
Other locations (e.g. administration, logistics, development, sales)	number	40	32	10
Management systems¹				
ISO 14001: Coverage of all production plant employees	percent	84%	79%	90%
ISO 45001: Coverage of all production plant employees	percent	65%	43%	53%
DRÄXLMAIER Group turnover				
Turnover per year	million EUR	5,100	4,600	4,200
GHG intensity²				
Scope 1 + 2	t CO ₂ e / million EUR	5.2	23.4	33
Energy sources				
Fuel (diesel, petrol) ²	MWh/million EUR	3.1	3.4	3.6
Natural gas ¹	MWh/million EUR	13.4	16.2	16.2
Electrical energy ¹	MWh/million EUR	0.6	1.0	1.1
District heating ¹	MWh/million EUR	56.0	62.1	65.8
District heating ¹	MWh/million EUR	0.3	0.4	0.2
Self-generated electrical energy from renewable resources	MWh/million EUR	0.2	0.2	-
Total energy use	MWh/million EUR	73.7	83.3	86.9

¹ Based on production plants.² Based on production plants and other sites.



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

	Unit	2022	2021	2020
Composition of electrical energy used¹				
Purchased electrical energy from renewable resources	MWh/million EUR	56.0	27.2	12.0
Purchased electrical energy from fossil fuels	MWh/million EUR	0.0	34.9	52.8
Self-generated electrical energy from fossil fuels	MWh/million EUR	0.7	1.2	1.0 ²
Self-generated electrical energy from renewable resources	MWh/million EUR	0.2	0.3	-
Total electrical energy	MWh/million EUR	57.0	63.6	65.8
Waste				
Specific (total waste/production minute)	g/min	11.1	11.0	7.8
Water				
Specific (total consumption/production minute)	m ³ /min	0.1	0.1	0.1

¹ Based on production plants.² 2020 figures include both fossil fuels and renewable energy.



Social responsibility

Attractive employer	47
Training and development	51
Diversity, equity and inclusion	55
Occupational health and safety	57
Social engagement	59



As a family-owned company, DRÄXLMAIER is above all characterised by its values: responsibility, trust and tolerance. We embody these values and represent them outside our company with total conviction. This makes us credible – and secures us the trust of our stakeholders.

Roland Polte
Chief Human Resources Officer



Social responsibility

We are a family-owned company that has been in business for 65 years. This gives us a special responsibility towards the people who support us. First and foremost, this includes our employees. Their performance and motivation are the driving force of our success. Their expertise and passion lay the foundations for innovation and future viability. 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 throughout the DRÄXLMAIER Group. The [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.

In addition to the principles of environmental protection, the [EHS policy \(Environment, Health, Safety\)](#) defines the framework for occupational health and safety at the company.

Attractive employer

GRI 3-3, 2-7, 401-1

Our global workforce comprises around 74,000 people of 96 different nationalities worldwide. We feel a special responsibility towards these people as their employer and offer them an attractive and safe work environment, fair remuneration and numerous opportunities for personal and professional development – across all hierarchical levels and at all our locations worldwide. In short: we want to both be a top employer and be perceived as such, because we want to continue to attract top talent and experts moving forward. We support our employees and strengthen their company loyalty in order to retain them for the long term.

+ Research meets DRÄXLMAIER

The DRÄXLMAIER Campus is one of the DRÄXLMAIER Group's more recent locations in Germany. Right on the grounds of the Technical University in Garching near Munich, at the "New Centre GALILEO", young experts in software development, engineering and design are researching both innovative technologies for the automotive industry and individual solutions for the car of the future.

Time and again, we receive independent confirmation that we are on the right track. In 2022, for example, the DRÄXLMAIER Group was named a "Top Employer Germany" for the 14th 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, the world's leading provider of certification for outstanding employee conditions, evaluate the HR processes and strategies of the participating companies. By choosing us for this award, the Institute confirms to our company that we always put our employees at the heart of our business, offering them an outstanding working environment with plenty of development opportunities.

Also in 2022, the company was chosen by German broadsheet *die Welt* to take part in the "Germany's Best Employers" study. In cooperation with ServiceValue, over 700,000 citizens were surveyed nationwide and a total of 3,906 companies from various sectors of the economy were evaluated in terms of their attractiveness as employers.

Internationally, *Forbes* magazine named DRÄXLMAIER as one of the "World's Best Employers" for the second time in a row in 2022. Experts from the business magazine teamed up with online platform Statista to make their selection on the basis of independent surveys of around 150,000 employees in more than 55 countries. Participants were asked to rate employers across various categories, including image, trust, equality, corporate social responsibility, culture and social benefits.





In China, DRÄXLMAIER stood out as one of the country’s best employers and was named “Top Employer China” by the Top Employer Institute in 2022. Being certified as a Top Employer demonstrates that DRÄXLMAIER (China) has excellent HR policies and practices in place and further acknowledges its commitment to a better workplace. Being part of the Top Employer certification programme is a great honour for DRÄXLMAIER China and a remarkable recognition for its almost 19 years of business growth and human resources work in China.

In a further honour, HR Asia magazine named DRÄXLMAIER China as one of the “Best Companies to Work for in Asia” in 2022. This prize is awarded to companies that foster first-class employee engagement and outstanding workplace performance with targeted measures for their employees. DRÄXLMAIER China achieved the top scores in three separate areas: “Brand Core”, “Development” and “Team”. The awards cover fifteen markets in the region, including mainland China, Cambodia, Hong Kong, Indonesia, India, Japan, Korea, Macau, Malaysia, the Philippines, Singapore, Taiwan, Thailand, the United Arab Emirates and Vietnam, making this the largest corporate employee engagement recognition programme and survey.

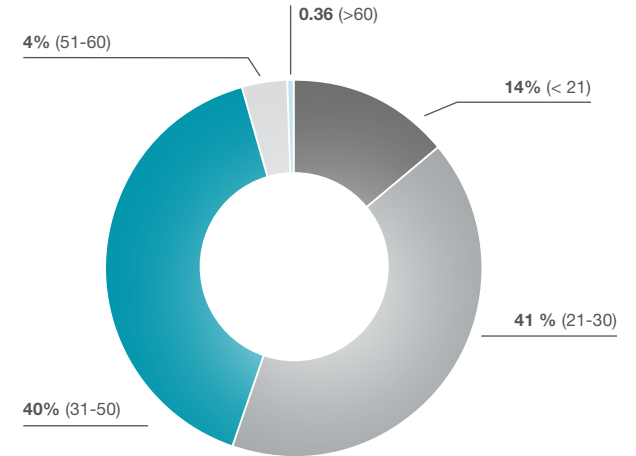
For the first time, DRÄXLMAIER China was also listed in the Chinese “Extraordinary Employer Program” in 2022. In times of change and social innovation, “Extraordinary Employers” are called upon to promote healthy workplaces and play a role more generally in social progress in China.

Clear framework for employment

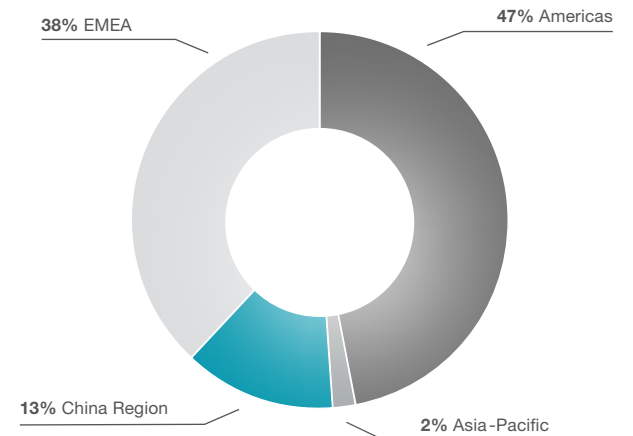
Fair remuneration consistent with the market is a basic prerequisite for attracting and retaining highly skilled and motivated employees. Fairness and equity determine our actions in this area further. For instance, DRÄXLMAIER has had globally uniform job mapping since 2015, as well as remuneration structures 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, on the other hand, 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 remuneration 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 employment.

DRÄXLMAIER Group new employee hires by age



DRÄXLMAIER Group new employee hires by region





Retention of skilled employees

In order to ensure the innovative capability and success of the DRÄXLMAIER Group, it is crucial to acquire specific knowledge by recruiting talent from outside the company. At the same time, it is necessary 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 a target-group-specific manner, 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.

Most of our employees have been with us for many years. The viability of this relationship has once again been apparent in recent years across our work together to meet the challenges of the pandemic (see fluctuation figures 2020/2021). This team spirit fills us with pride – because it showcases once again what sets DRÄXLMAIER apart: we are not just a family-owned company, but also a work family.

The development of its Employer Value Proposition (EVP) in 2022 reaffirmed that DRÄXLMAIER is stepping up its focus on strengthening its employer brand and clearly positioning itself as an attractive employer.

The EVP helps develop the employer brand both within and outside of the company, retain employees in the company long-term and attract new talents. With the EVP, DRÄXLMAIER specifically addresses the values, convictions, needs and wishes of its applicants and is determined to stand out from the competition.

“STAR”, the company’s guiding ‘North Star’ for careers, aims to provide orientation and support for employees on their career path. This ensures that every employee has the chance to contribute their personal skillset in the best possible way, thereby playing a role in the success of the DRÄXLMAIER brand in their own individual way.

STAR is an acronym for:

S for stability: We stand for responsibility and trust, as well as a secure future worth living in.

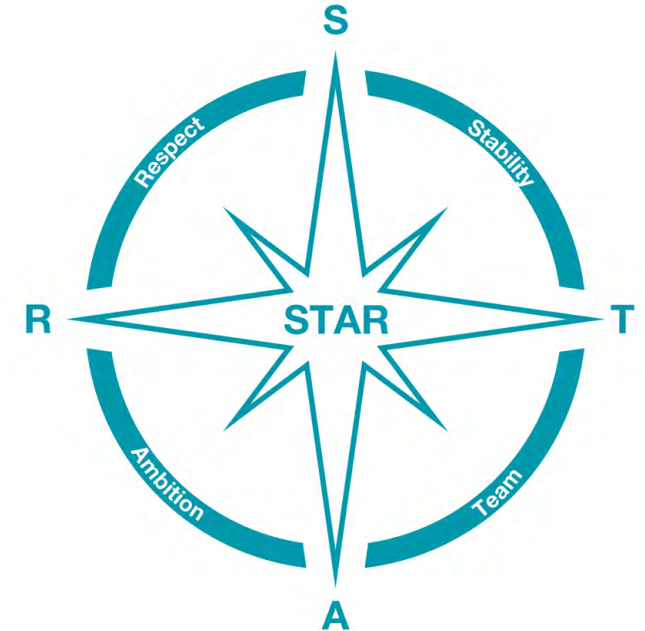
T for team: We make a difference together – with and for the people who are important to us.

A for ambition: We get involved, inspire and create sustainable value.

R for respect: We show appreciation and respect for people and the planet – makes sense!

This resulted in numerous global measures, both internal and external, for 2022 and the following years to communicate our values and involve our employees.

The DRÄXLMAIER Group’s career “North Star”





This special relationship between us as a company and our employees repeatedly leads to above-average performance. For example, Dräxlmaier Tunisia overcame the ongoing difficult conditions during the pandemic to win awards for social progress and occupational safety in 2022. Awarded annually by the Tunisian Ministry of Social Affairs, the awards honour exemplary companies for their concerted efforts to improve their employees' working conditions and provide a safe and healthy workplace.

As we turn a new page after the COVID-19 pandemic, we intend to conduct regular employee surveys again from 2023 to measure employee satisfaction and derive improvement measures from the results at both global and local level.

While we pressed pause on the survey over the past few years, we used the time to revise the existing concept. The new concept takes even better account of the local particularities at our locations. We will then set a new target for employee satisfaction on the basis of the results.

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 worldwide 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.

Digital transformation: HRevolution

By consistently simplifying and standardising our processes, we seek to increase user-friendliness for our employees across many of our business units. In addition, we are continuously digitalising by introducing new platforms and technologies to make collaboration within the company easier and more effective.



Professional training and development

GRI 3-3, 404-2

Training

We focus on generations, not quarters – and as an owner-managed company, we are particularly committed to supporting young people. Based on this mindset, DRÄXLMAIER is a pioneer in training young people in many countries around the world. Around 1,200 trainees are currently preparing for their professional future in ten different groups of professions at 30 locations in 11 countries. As a partner in the various regions, we counteract the shortage of skilled workers, give young people options for the future and at the same time ensure high and globally standardised standards in training.

No matter at which of our locations the trainees work, 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.

We are committed to training young people at our locations worldwide – and invest more than most in our trainees, because their skills and knowledge are the bedrock of our future. At 1.74%, the apprenticeship quota¹ quota is at a high level for our industry – in the next two years we intend to increase it continuously to 2%. In El Jem (Tunisia), for example, 16 young people have started their training, while 22 apprentices started out in their careers at our site in Kumanovu (North Macedonia). The opening of a further training centre in El Jem, Tunisia, marks another step forward in achieving our goal. We are proud to later be able to offer many of our trainees a permanent job.

Even in 2022, a year again heavily affected by the COVID-19 pandemic, we were able to take on 95.2% of all training graduates in Germany.

For many years, the above-average performance of our trainees has proven we are taking the right approach. Over the last five years, 97.1% of our apprentices 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. The participants are also usually employed at DRÄXLMAIER at the same time. Six of them currently have a scholarship contract. Our internation-

al 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. These consist of ten different modules and a total of 56 training courses. To date, more than 1,700 employees have received technical training, including in robotics, programming or automation and digitalisation 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.

1,200 young people worldwide
complete training at DRÄXLMAIER





In 2023, we plan to grow our portfolio of learning options by connecting to LinkedIn Learning. This will massively open up our range on topics such as leadership or diversity & inclusion, as well as personal skills and technical topics.

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 employees. At the same time, we are upping our response to the individual learning needs of our employees, because the platform means content, or parts of content, can be quickly and easily repeated.

We place special focus on 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 our employees for future challenges by providing specific upskilling modules. This enables 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.

In addition to 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.

Our Excellence Award, which we presented for the fourth time in 2022, recognises outstanding individual and team performance in a number of categories, based on our mission statement and corporate values. The coveted trophy is awarded to employees, project teams and sites that have driven innovation, achieved exceptional results and delivered above-average quality. At the same time, the award is an incentive for everyone to go the extra mile, thereby playing their part in the success of the DRÄXLMAIER Group. Outstanding achievements are personally recognised by Chairman Fritz Dräxlmaier, Vice-Chairman and CEO Stefan Brandl, CEO Jan Reblin and other members of top management.

To make sure we are prepared for the future, we are currently working on building up our talent networks.

As part of our performance and talent management, we are creating transparency with regard to top-performing and particularly highly talented employees by identifying them in a structured process and calibrating them within the management levels.

We then promote visibility, 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%. Now, we want to maintain this high rate in the long term and are therefore also including the onboarding of new employees in our plans. 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 2022, we started planning function-specific training courses, a large number of which we will implement in 2023. This way, we want to support our employees in becoming experts in specialist areas.

In 2023, we want to focus on designing and creating function-specific learning material. The aim here is to train our employees in Operations, Purchasing, Engineering and Sales in specific areas of sustainability they find themselves facing in their daily work. One example of this is the regulations set out in the Supply Chain Act, which are particularly relevant for employees in Purchasing. In the context of social sustainability, we will continue to focus on the topics of diversity & inclusion and new ways of working in 2023.

Participation rates in employee training on sustainability topics



94%

training on the basics of sustainability



72%

training on climate and environmental protection



70%

training on social responsibility



Diversity, equity and inclusion

GRI 3-3, 2-7, 405-1, 405-2

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 74,000 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.

We value our employees, whatever their ethnicity, gender, sexual orientation, religion, age or ideology. At DRÄXLMAIER, each and every individual is given the same opportunities to contribute, develop and perform at their best.

96
nationalities

This aspiration explicitly includes the topic of pay: for one thing, we create transparency concerning the comparability of roles and, for another, we ensure that employees are paid in line with the market based on their activities – irrespective of ethnicity, religion, origin, age, nationality, disability or gender. In a global comparison of the salaries of individuals of all genders, we thus achieve a nearly balanced ratio.

In terms of our company’s cultural diversity, we benefit from the large number of different nationalities in our workforce.

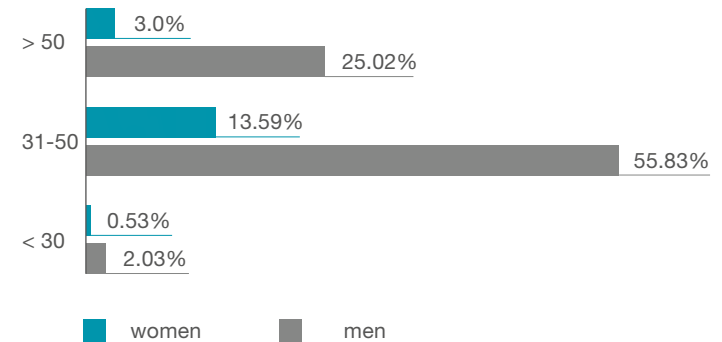
In 2022, people of 96 nationalities worked for the DRÄXLMAIER Group in over 20 countries.

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.

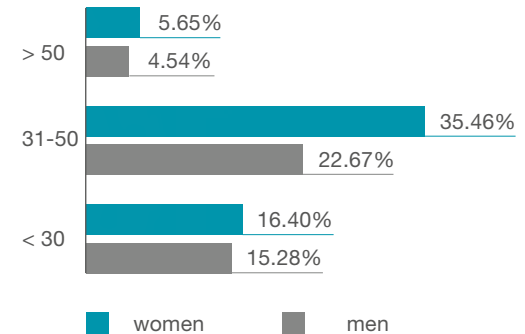
We also provide special facilities such as prayer rooms for members of different faiths. We create the space and time for the practice of various religious activities, offer a wide range of catering for all needs and world views, and respect cultural customs in our corporate activities. At DRÄXLMAIER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

DRÄXLMAIER Group age and gender diversity by employee groups in %

(Senior) Management



Employees





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, remote working and work-from-home options, 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 or create and arrange childcare facilities.

At DRÄXLMAIER, diversity and equity 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, around 20 refugees have completed their training at DRÄXLMAIER in a variety of professions – for example as IT specialists, warehouse logistics specialists or mechatronics technicians. The young refugees were able to prepare ideally for the subsequent training by taking part in a several-months-long introductory course, the majority of which were completed with very good results. Most of the trainees – around 90% – were subsequently hired into permanent roles by DRÄXLMAIER.

Last but not least, we are committed to encouraging 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.



Employees and family members are regularly invited to family days

Central point of contact for complaints

The findings of the international employee survey also reflect the fact that diversity and equity are an integral part of DRÄXLMAIER's culture. The majority of the workforce confirmed that all employees are treated according to the same principles and rules within our company (rating of 3.6 out of 5).

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.



Occupational health and safety

GRI 3-3, 403-1, 403-2, 403-3, 403-7, 403-8, 403-9

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, which includes 33 locations, was successfully completed and the corresponding matrix certificate 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 53% to 64.7% of all employees in our production networks. It remains our goal to achieve 100% coverage in the DRÄXLMAIER Group by the end of 2025.

Compliance with legal and other obligations

Regular EHS reviews are conducted at each production site to assess compliance with legal and other obligations. 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 a continuous and cross-site improvement with regard to occupational health and safety.

We are convinced that as a rule all occupational accidents and illnesses are preventable. In order to continuously improve and make the work environment even safer, accidents at work at DRÄXLMAIER are recorded, analysed and evaluated worldwide. Findings from accident investigations are implemented in improvement projects and also made available internally worldwide. 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 implemented more frequently.

The Lost Time Injury Rate (LTIR) is a meaningful and internationally comparable performance indicator that we use as well.

In 2022, we were able to further improve the Lost Time Injury Rate (LTIR): it fell from 0.52 to 0.46 accidents with a lost time of one day or more per 200,000 hours worked.

The majority of lost-time accidents were trip and fall accidents, as well as bruises and cuts that occurred while handling machinery and facilities. There were no fatal accidents at work in 2022.

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 are able to use the DRÄXLMAIER Ideas Portal, which is available worldwide, to make suggestions for improvement.

We plan to achieve further progress in health protection with the help of a “guiding characteristic method”, which will be introduced at all DRÄXLMAIER production and development sites on a mandatory basis. The implementation is governed by a corresponding guideline, which was put into force in late 2020. With this new method, activities are assessed according to the level of their ergonomic strain on employees in order to obtain a benchmark for possible improvements in this area. Findings from these assessments were already used in 2021 to optimise existing workplaces as well as to plan new ones.



In addition, we support the health of our employees through the “better workplace” programme, which covers the four areas of health, leadership and culture, attractive workplace and occupational safety, and thus defines the framework and action points of our occupational health management. We plan to roll out the programme in full across all our German DRÄXLMAIER locations in the coming year. 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. With this preventive commitment that aims to promote health, DRÄXLMAIER is playing a major role in maintaining and improving the health, quality of life, and performance of its employees as a matter of course.

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 the fitness for work and employability of our employees. 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 are able to 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.

COVID-19 remains in the spotlight

The COVID-19 pandemic continued to present challenges in 2022. In occupational health and safety in particular, the fight against the pandemic and the implementation of the associated guidelines and measures are at the heart of our activities. Coordinated by a central task force, which includes all functions and locations, various situations have been assessed on site since the beginning of the pandemic and appropriate measures have been initiated.

Even at the beginning of the virus spread in March 2020, protective measures and guidelines for all activities around our sites were documented in a “How to manage COVID-19” manual. This manual was continuously expanded and the corresponding measures were applied worldwide.

When a site had to go into lockdown, all activities were reviewed using a comprehensive checklist before production resumed – from the commute to the site and entering the premises, to behaviour on site and all activities during the workday. Various measures, including the adjustment of ventilation systems, have helped DRÄXLMAIER to find a good, safe path through the pandemic so far. The company health care service was also extended due to the pandemic, and existing processes were reviewed and optimised. By procuring a nucleic acid amplification test, where results are available after only 15 minutes, we were able to dispense with external PCR tests.



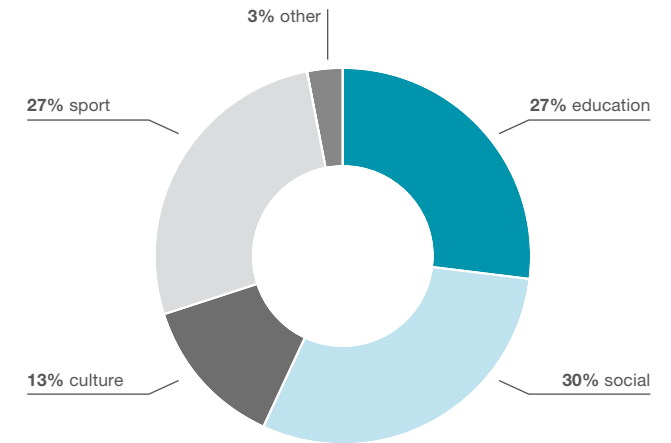
Social engagement

As a global player, the DRÄXLMAIER Group considers itself a corporate citizen. We strive to play an active role in shaping the social environment as a reliable partner and sponsor of the arts, sports, education and social projects. In all our activities, the promotion of promising young people is particularly important to us, because we aim to give young talent the opportunity to develop freely and independently. As a partner of the regions, our goal is to leverage our social engagement to achieve the greatest possible benefit for society.

Clear rules apply to this commitment, which we have laid down in our Corporate Citizenship Guideline. This defines the strategic orientation of the DRÄXLMAIER Group with regard to sponsorship and donations. Approval channels and authorisations are clearly defined in a process, as is the decision-making process on whether donations are permissible or subject to approval. 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 the topics of corporate citizenship governance and processing all sponsorship and donation requests.

We are involved wherever we have a presence. Our commitment is as diverse as the regions in which we operate.

DRÄXLMAIER Group sponsoring and donations worldwide



DRÄXLMAIER Romania supports outdoor sports in the city of Codlea, providing five table tennis tables.



DRÄXLMAIER is part of an educational partnership with Politehnica University of Timișoara, Romania, where it sponsors a smart robotics lab.



In Thailand DRÄXLMAIER Group employees were involved in a mangrove planting campaign.





A clear sign of corporate responsibility

The DRÄXLMAIER Group's social engagement in 2022 was again largely dominated by the COVID-19 pandemic, as well as by the war in Ukraine. The focus was on supporting educational institutions as well as medical and social facilities with the aim of minimising supply bottlenecks and providing rapid and pragmatic help. The focus was always on providing effective aid.

With our social engagement, we are keen to send a clear signal that we see social responsibility as a corporate imperative – not least in times of crisis such as these. In addition to our social commitment, we also focused on protecting the environment at our sites around the world. This is the only way we can lay the groundwork for a better life for all generations.



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projects in 8 countries

Serbia: Donations to the technical university in Zrenjanin

The DRÄXLMAIER Group has donated “FESTO aluminium plates” to the technical university in Zrenjanin. These will be used for the safe installation of didactic elements such as sensors, cylinders or distributors and lab chairs to equip a technical workshop. The aim here is to create the best possible conditions for students to learn and practise.

DRÄXLMAIER had already given support to the technical university in previous years. In addition to the furniture, we also donated a number of measuring devices as well as electrical and electronic tools to equip the workshop for mechatronics. 60 students studying as mechatronic technicians at the technical college studied and worked at DRÄXLMAIER in the last academic year. In a special classroom equipped with special tools and machines, one of our colleagues teaches the students under the same training standards as in Germany.

Serbia: DRÄXLMAIER Group planted more than 150 tree seedlings

The DRÄXLMAIER Group donated more than 150 seedlings to create a park in the area of Zeleno Polje. The seedlings were planted by DRÄXLMAIER Group employees and students from the technical university, who were trained as part of the dual work-study training model at the DRÄXLMAIER plant in Zrenjanin. “We want to convey to the public that each of us has an important responsibility to protect the environment. Each of us should act responsibly, because this is the only way to lay the groundwork for a better life for all generations. By planting trees in our immediate environment, we have a direct positive impact on the wider environment. We want to set a good example with this campaign and incentivise raising awareness for environmental protection,” says Ralf Capelle, General Director of DRÄXLMAIER Group Serbia.

China: “Children Of the Stars” charity bazaar

On 12 January 2022, DRÄXLMAIER China's communication team organised a charity bazaar for the “Children of the Stars” of Yucheng School in Huanggu District, Shenyang. The event was extremely well received by our colleagues in China, with all donations going to the students' educational materials as well as to finance educational projects to improve the overall standard of education at the school.

India: DRÄXLMAIER blood donation campaign

In 2022, DRÄXLMAIER India partnered with local organisations to arrange a blood donation drive on the company premises. More than 60 employees took part. For context, many countries around the world suffer from repeated bottlenecks in the supply of blood reserves, which lead to delays in vital blood transfusions for people in need. Especially against the backdrop of the COVID-19 pandemic, shortages like these are becoming more and more frequent, and so blood donors are needed now more than ever. DRÄXLMAIER called on employees in several countries to donate blood to make a real contribution to society.



Vietnam: DRÄXLMAIER Vietnam donates to social institution Hoa Binh Village

In the immediate vicinity of the plant in Tam Ky, the Hoa Binh Village facility looks after orphans and those in need of care and protection. DRÄXLMAIER Vietnam wanted to help the approximately 50 students who are cared for by the organisation to start the new school year. After consultation with the institution, DRÄXLMAIER Vietnam donated school equipment, books, calculators, school uniforms and school bags as well as the traditional Vietnamese garment “Áo dài”, worn by the girls in the graduating class. The management of DRÄXLMAIER Vietnam handed over the donations to the director of Hoa Binh Village Dang Doi at a ceremonial event joined by the institution’s students, residents and staff.

Moldova: DRÄXLMAIER Balti supports refugees

2022 saw a major influx of refugees from Ukraine reach the Republic of Moldova. Determined to help as quickly as possible, the DRÄXLMAIER Group had already donated 100,000 euros at the beginning of the war. Since then, it has supported its sites in Eastern Europe so that they can provide targeted support at regional level. This was also true in the Republic of Moldova, where DRÄXLMAIER Balti helped to provide 50 overnight accommodation places with appropriate catering. Here, a former holiday camp was converted into a supply centre to host refugees in a protected environment. DRÄXLMAIER also offers weekly counselling sessions with psychological and educational specialists in partnership with the national Moldovan project “Pidtrimka”.



Employees in the Republic of Moldova got stuck in with refugees

Germany: Breakfast time at St. Peter and Paul primary school

In autumn 2022, St. Peter and Paul primary school drew DRÄXLMAIER’s attention to the fact that not all children at the school have the opportunity to eat breakfast, or only come to school with sweets. To remedy this, the school launched a “Frühstückswagerl” breakfast club, offering a wide range of healthy snacks like rice cakes, muesli and fruit every morning. Anyone who has come to school without breakfast is welcome to help themselves. DRÄXLMAIER has supported the project with a donation.

Romania: State-of-the-art vocational training workshop inaugurated at DRÄXLMAIER Timișoara

In Timisoara, DRÄXLMAIER opened a new workshop for students at the technological energy high school “Regele Ferdinand I” to attend application-based theory courses as part of the dual work-study training supported by the company. The 500 m² space gives students the chance to put theory into practice, with access to a state-of-the-art robot, a 3D printer and modern electropneumatic and electrical stations.



DRÄXLMAIER Group KPI social responsibility overview

Employees	Unit	2022	2021	2020
Employees	number	73,373	70,765 ¹	73,368 ¹
Trainees	number	1,200	1,096	1,000
Temporary workers	number	1,295	1,750	-
Hiring	number	23,731	16,537 ²	16,143 ²
Staff turnover rate	percent	28.76%	25.39% ²	28.56% ²

Diversity	Unit	2022	2021	2020
Women in (senior) management	percent	17.16%	16.87% ²	16.29% ²
Men in (senior) management	percent	82.84%	83.13% ²	83.72% ²
Women (excluding (senior) management)	percent	57.50%	57.02% ²	56.60% ²
Men (excluding (senior) management)	percent	42.50%	42.97% ²	43.04% ²

Board Members	Unit	2022	2021	2020
By gender				
Total number	number	7	7	6
Women	percent	0%	0%	0%
Men	percent	100%	100%	100%
By age group				
Up to age 30	number	0	0	0
	percent	0%	0%	0%
31 - 50 years	number	1	1	1
	percent	14.29%	14.30%	16.70%
over 50	number	6	6	5
	percent	85.71%	85.70%	83.30%

¹ The calculation of the figure has been updated for more differentiated reporting. The number of employees includes salaried employees and wage earners. Apprentices and temporary workers are reported separately.

² in relation to the number of employees.



GRI Index

DRÄXLMAIER Group has reported the information mentioned in this GRI Index for the period 1 January 2022 – 31 December 2022 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	6-7, 69	
	2-2 Entities included in the organization's sustainability reporting	69	
	2-3 Reporting period, frequency and contact point	69	
	2-4 Restatements of information	35-36, 62	
	2-5 External assurance	69	
	Activities and workers		
	2-6 Activities, value chain and other business relationships	6-7, 23-30	In the reporting year, there were no significant changes in the organisation or supply chain.
	2-7 Employees	47-48, 62	
	Governance		
	2-9 Governance structure and composition	47-48, 62	Further information at www.draexlmaier.com/en/company
	2-10 Chair of the highest governance body	13	
	Strategy, policies and practices		
	2-11 Chair of the highest governance body	69	Further information at www.draexlmaier.com/en/company
	2-12 Role of the highest governance body in overseeing the management of impacts	13, 17-18	
	2-13 Delegation of responsibility for managing impacts	13, 17-18	
	2-14 Role of the highest governance body in sustainability reporting	13	
	2-16 Communication of critical concerns	13, 17	
	2-17 Collective knowledge of the highest governance body	12	
	2-22 Statement on sustainable development strategy	3	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
	2-23 Policy commitments	16-18, 29-30	
	2-24 Embedding policy commitments	15-19, 29-30	
	2-25 Processes to remediate negative impacts	-	
	2-26 Mechanisms for seeking advice and raising concerns	17-20	
	2-27 Compliance with laws and regulations	19-20	
	2-28 Membership associations	15, 30	
	Stakeholder engagement		
	2-29 Approach to stakeholder engagement	15	
	2-30 Collective bargaining agreements	-	DRÄXLMAIER has introduced a global function and remuneration structure for assessing positions in the company. The remuneration structure is local. In Germany, the local pay structure is called D-Tarif (in-house tariff). The D-Tarif was introduced in July 2015.
GRI 3: Material Topics 2021			
	Material Topics		
	3-1 Process to determine material topics	12	
	3-2 List of material topics	-	
	3-3 Management of material topics	18, 19, 23, 25, 29, 32, 34, 40, 47, 51, 57	
GRI 200: Economic Disclosures			
GRI 205: Anti-corruption 2016			
	Anti-corruption		
	3-3 Management of material topics	19	
	205-2 Communication and training about anti-corruption policies and procedures	19-20	
GRI 206: Anti-competitive Behavior 2016			
	Anti-competitive behaviour		
	3-3 Management of material topics	19	
	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 due to anti-competition behaviour, cartel and monopoly formation and their results, as this information is subject to special confidentiality requirements.



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 200: Environmental Disclosures			
GRI 301: Materials 2016			
	Materials		
	3-3 Management of material topics	23-26	
	- Self-disclosure	26	Recycled share of our purchased plastic granulates in the component systems and interior systems segments.
GRI 302: Energy 2016			
	Energy		
	3-3 Management of material topics	33, 37	
	302-1 Energy consumption within the organization	37, 42-43	
	302-3 Energy intensity	38, 44-45	
GRI 305: Emissions 2016			
	Emissions		
	3-3 Management of material topics	32, 34	
	305-1 Direct (Scope 1) GHG emissions	35, 42	
	305-2 Energy indirect (Scope 2) GHG emissions	35, 42	
	305-3 Other indirect (Scope 3) GHG emissions	36, 42	
	305-4 GHG emissions intensity	35, 44	
	305-5 Reduction of GHG emissions	28, 37	
GRI 306: Waste 2020			
	Waste		
	3-3 Management of material topics	40-41	
	306-1 Waste generation and significant waste-related impacts	40, 43	No significant actual or potential waste-related impacts were identified in the reporting year.
	306-2 Management of significant waste-related impacts	25, 26, 40-41	
	306-3 Waste generated	40-41	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 308: Supplier Environmental Assessment 2016			
	Supplier Environmental Assessment		
	3-3 Management of material topics	29, 30	
	308-1 New suppliers that were screened using environmental criteria	30	
GRI 400: Social Disclosures			
GRI 401: Employment 2016			
	Employment		
	3-3 Management of material topics	47-50	
	401-1 New employee hires and employee turnover	48, 62	
GRI 403: Occupational Health and Safety 2018			
	Occupational Health and Safety		
	3-3 Management of material topics	57-58	
	403-1 Occupational health and safety management system	57-58	
	403-2 Hazard identification, risk assessment, and incident investigation	57	
	403-3 Occupational health services	58	
	403-4 Worker participation, consultation, and communication on occupational health and safety	57	
	403-5 Worker training on occupational health and safety	57	
	403-6 Promotion of worker health	58	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	16	
	403-8 Workers covered by an occupational health and safety management system	44	
	403-9 Work-related injuries	57	



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 404: Training and Education 2016			
	Training and Education		
	3-3 Management of material topics	51-52	
	404-2 Programs for upgrading employee skills and transition assistance programs	51-52	
GRI 405: Diversity and Equal Opportunity 2016			
	Diversity and equal opportunity		
	3-3 Management of material topics	55-56	
	405-1 Diversity of governance bodies and employees	55, 62	
	405-2 Ratio of basic salary and remuneration of women to men	-	100% corresponds to the average basic salary for men. In comparison, the average basic salary for women per region and employee category: Americas: Management: 93 %, Staff: 96 % Asia Pacific: Management: 91 %, Staff: 99 % China Region: Management: 87 %, Staff: 99 % EMEA: Management: 94 %, Staff: 100 %
GRI 406: Non-discrimination 2016			
	Non-discrimination		
	3-3 Management of material topics	18-19, 55-56	
	406-1 Incidents of discrimination and corrective actions taken	18-19	The DRÄXLMAIER Group was not involved in any court or arbitration proceedings regarding discrimination incidents during the reporting period. Further disclosures are subject to internal confidentiality requirements.
GRI 407: Freedom of Association and Collective Bargaining 2016			
	Freedom of Association and Collective Bargaining		
	3-3 Management of material topics	18, 29-30	
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	18, 29-30	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 any site or supplier site. The risk analysis is currently being expanded.
GRI 408: Child Labor 2016			
	Child Labor		
	3-3 Management of material topics	18, 29-30	
	408-1 Operations and suppliers at significant risk for incidents of child labor	18, 29-30	In the reporting year, based on our risk and control processes, there was no reason to believe that cases of child labour occurred at any site or supplier site. The risk analysis is currently being expanded.



GRI Standard	Disclosure	Page number(s)	Further information and omissions
GRI 409: Forced or Compulsory Labor 2016			
	Forced or compulsory labor		
	3-3 Management of material topics	18, 29-30	
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	18, 29-30	In the reporting year, based on our risk and control processes, there was no reason to believe that incidents of forced or compulsory labour occurred at any site or supplier site. The risk analysis is currently being expanded.
GRI 411: Rights of Indigenous Peoples 2016			
	Rights of indigenous people		
	3-3 Management of material topics	18	
	411-1 Incidents of violations involving rights of indigenous peoples	18	The DRÄXLMAIER Group was not involved in any legal or arbitration proceedings regarding the violation of indigenous people during the reporting period. Further disclosures are subject to internal confidentiality requirements.
GRI 413: Local Communities 2016			
	Local communities		
	3-3 Management of material topics	59-60	
	413-1 Operations with local community engagement, impact assessments, and development programs	59-60	
GRI 414: Supplier Social Assessment 2016			
	Supplier social assessment		
	3-3 Management of material topics	29-30	
	414-1 New suppliers that were screened using social criteria	29-30	



About this report

GRI 2-2, 2-3, 2-9, 2-11, 2-14

This report is designed to provide information on the most important activities of the DRÄXLMAIER Group in the area of sustainability.

This report has been prepared with reference to the GRI Standards. The consolidated GRI sustainability report standards served as a basis for the 2022 issue. The report follows these standards to ensure growing transparency requirements.

The contents cover the period from 1 January 2022 to 31 December 2022. Where available, comparative data from the previous year is provided. Reporting is annual and the next sustainability report is expected to be published in May 2024.

The information refers to the entire DRÄXLMAIER Group. Thus, besides the headquarters in Vilsbiburg, Germany, it also includes all the sites and consolidated subsidiaries.

The sources of this report include our company-wide IT systems and specific systems and detailed information from the relevant departments or subsidiaries. An external audit of the data was not carried out.

The DRÄXLMAIER Group's parent company is Fritz Dräxlmaier GmbH & Co. KG. The Executive Board, which is based there and has a functional structure, determines the corporate strategy and the overall management of the DRÄXLMAIER Group. Fritz Dräxlmaier acts as Chairman of the Group in addition to his role as shareholder representative. Stefan Brandl is Vice Chairman. The consolidated financial statements also include companies in which there is no equity interest and therefore no potential to control financial and business policy through exercising voting rights.

Nevertheless, these companies are economically controlled by Fritz Dräxlmaier GmbH & Co. KG on the basis of contractual relationships (structured entities). All of these companies are owned by the Dräxlmaier family.

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

Legal notice

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Sustainability Report 2022
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