

# Sustainability Report

DRÄXLMAIER Group 2021



**Thinking  
in Generations**

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# Foreword

Dear Readers,

**GRI 2-22** Our company is charting an ambitious course towards becoming increasingly sustainable. We are firmly convinced that this is the right thing to do – even, and especially, when times are hard. And current times certainly offer various trying challenges, ranging from the COVID-19 pandemic and the semiconductor shortage to the war in Ukraine. Right now, it is by no means an easy feat to secure the DRÄXLMAIER Group's agency for the long term.

However, as a family business, our focus is not on quarters, but on generations. We assume responsibility and have one another's back, thus laying the foundations for continued success. This is also the attitude we bring to our sustainability management and the ESG pillars of environmental, social and corporate governance, where we were once again able to reach important milestones in 2021.

We initiated a realignment of our climate management, adapting the calculation of our corporate carbon footprint (CCF) to the requirements of the Greenhouse Gas Protocol, which gives us a valid basis for our climate targets. We apply the criteria of the Science Based Targets Initiative (SBTi) as the framework for short-term initiatives to ensure our reduction targets are in line with the latest scientific findings on climate change mitigation. One of our priorities in these efforts is to support the 1.5-degree target set out in the Paris Agreement. Our social engagement continues to be based on numerous activities at all our sites as well as, beyond our company, advocacy for sustainability and climate protection as a member of various associations and committees.

We consistently analyse and evaluate our product portfolio according to sustainability criteria. The efficient use of materials, for example in customised cable harnesses or renewable raw materials for interiors, has long been a staple for us. At present, we are expanding our product range around the future topics of sustainable individual mobility: electrification, connectivity and autonomous driving.

Our sustainability strategy centres around the ideas and commitment of our workforce. Global training helps us achieve our goals in all areas of the company. The standards we use for our own sustainability management also apply to our suppliers along the entire value chain. By 2022, we have managed to cover 80% of the freely negotiable purchasing volume with suppliers that have received a positive sustainability rating from us.

The DRÄXLMAIER Group is consistently pursuing its path towards increased sustainability, and we are set to continue this steadfast course going forward. Curbing the ramifications of climate change and co-creating social change around the world in the best interests of all people is a vital element of our commitment.

On this note, I hope this proves an informative and inspiring read!

Best regards,



**Fritz Dräxlmaier**

Chairman of the Board

# What we've achieved in 2021



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

**44%**

**share of green electricity**

Increase in Group-wide electricity consumption  
(worldwide) from renewable energies



**Social  
engagement**



259 projects in 12 countries

**ESG Linked**



promissory loan note



**~30,000 t  
CO<sub>2</sub>e savings**



**Mockup digital  
product passport**



**Global workforce  
training concept set up**



**1,096**

**Trainees**

despite pandemic



# Assuming responsibility – sustainable management

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“

For me, sustainability is an attitude towards people, the environment and society. I strongly believe that it's my corporate responsibility to act accordingly every single day.

”

**Stefan Brandl,**

Vice Chairman,

Chief Executive Officer, Chief Financial Officer



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## Assuming responsibility – sustainable management

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Topic	Definition	Target timeframe	Status
Digital whistleblowing system	Introduction of a digital whistleblowing system.	100% (2022)	
Apprenticeship quota	Proportion of trainees in total workforce.	2% (2023 et seq.)	
Sustainability training	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.)	
Occupational health and safety management	Production site ISO45001 certification.	100% (2025 et seq.)	
Suppliers with “green” status	Suppliers who cover 80% of the freely negotiable purchasing volume are assigned a “green” sustainability rating.	80% (2022)	
Sustainability requirements in pilot phases	100% S-Check coverage for suppliers not specified by customer in pilot projects.	100% (2022)	
Self-power potential	Maximum electrical power divided by net building floor space. The maximum electrical output includes all Group-owned electricity generation plants. The net building floor space includes all Group-owned buildings.	6,374 kW/1000 m <sup>2</sup> (2030)	
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 defined as renewable energy sources: wind energy, hydropower, solar energy, geothermal energy and bioenergy [excl. self-generated energy].	100% (2025 et seq.)	
Scope 1+2 emissions reduction	Reduction of absolute Scope 1+2 emissions compared to the baseline year.	Achievement of reduction target in 2029 (target set: Q2/2022)	
Environmental management	Production site ISO14001 certification.	100% (2025 et seq.)	
Recycling rate	“Recycling rate” refers to the arithmetic 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)	

On track:



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## WE CREATE CHARACTER



Taking responsibility is our daily aspiration. Shaping future individual mobility in such a way that business success is in harmony with ecological and social aspects is how we see ourselves.



**Franz Haslinger,**  
Chief Executive Officer

**GRI** 2-1  
2-6 The DRÄXLMAIER Group is an international automotive supplier with more than **60 sites in over 20 countries** and headquarters in Vilsbiburg, Germany. In 2021, our approx. 72,000 employees generated sales of over 4.6 billion euros. That puts us among the top 100 companies in our industry and, at the same time, makes us one of the largest family-owned companies in Germany.

Founded in 1958, the DRÄXLMAIER Group has always set 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 its products. We are convinced that this is the cornerstone of our economic success.

We have been a reliable partner to the international automotive industry for decades and are one of the technology leaders in the premium segment. As a specialist in innovative vehicle electrical systems and battery systems, modern electrical and electronic components as well as exclusive interiors, we support nearly all premium carmakers throughout the entire process of vehicle creation – from the very first idea through the development and production process, right up to just-in-sequence delivery of the parts and systems to vehicle manufacturers' assembly lines.

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. Sustainability is a part of this ambition, and it is an integral part of our strategy to continually increase the sustainability of our business and production processes as well as our products, thereby strengthening our company's competitive edge in the long term. We also incorporate our entire supply chain in these efforts, as sustainability cannot just start at our plant gates.

### Growing interest in sustainability on the capital market

As of 2021, we have also included our approach to sustainability in corporate financing.

**In July 2021, we successfully placed an ESG (Environment, Social, Governance)-linked promissory note loan on the market.**

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. Ambitious targets were put in place for each indicator, with a target achievement deadline of 2030.





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## Opportunity and risk management

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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 allows us to leverage 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 unique selling propositions and, with that, to generate profitable growth. Sustainable action and the ecological efficiency of our products play a significant role in these efforts (see also chapter on **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 business units 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 different emission requirements, especially with regard to CO<sub>2</sub>e 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 die 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.

Further information on the risk analysis can be found in the sections on **Human rights** and **Sustainability in the supply chain**.

At present, the DRÄXLMAIER Group already keeps a close eye on the impact its business activities have on non-financial aspects, such as climate protection or human rights compliance. Moving forward, we want to integrate these aspects even more strongly into our existing risk management.



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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 company, we have always aligned our actions with the interests of future generations. We are firmly convinced that entrepreneurial success is only sustainable where it goes hand in hand with respect for the environment and society.

**Firm focus on core topics**

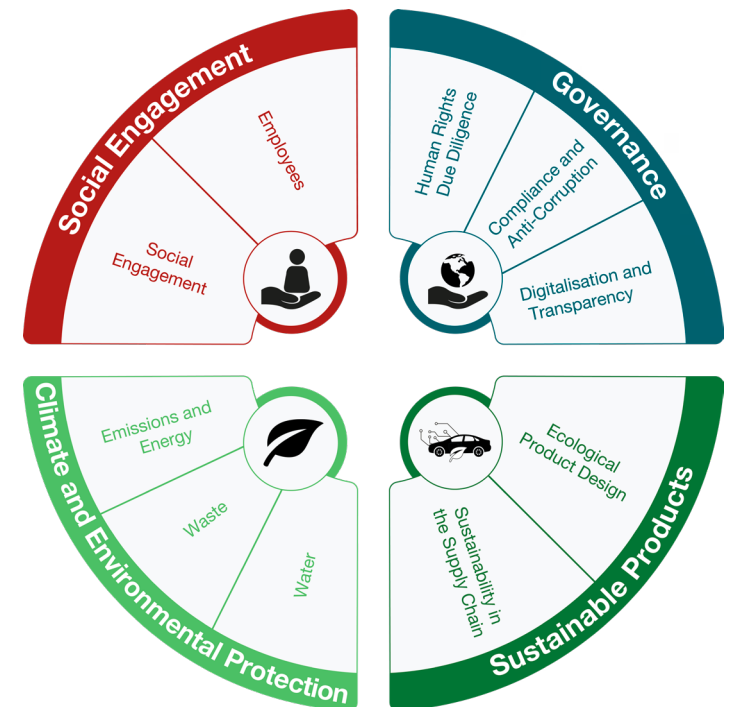
With this in mind, in 2020 we revised and fundamentally relaunched our sustainability strategy. It expresses how we intend to face the challenges ahead and at the same time, utilise the opportunities offered by the sustainable structure of our company. The basis of the restructuring was a materiality 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”**. All the ongoing and future activities and projects of our sustainability management must contribute to at least one of these fields. We also intend to scrutinise and uplevel the sustainability strategy on an ongoing basis.

**This allows us to ensure our sustainability targets keep pace with our corporate activities and to cater to future challenges.**

Given this intention, we carried out an initial analysis of the action points set out in 2020 and added a fourth: **“Governance”** in 2021.

The topics included under the new 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 figure).

**Our sustainability strategy**





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## Materiality analysis – which issues are essential?

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 a pre-selection, which was 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. Once the results had been compared, which took place in 2021, we made individual adjustments and re-prioritised topics or included new points. This produced 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, emissions and waste**. In contrast, the topic of water was originally given less weight due to our comparatively very low consumption. However, due to the increasing importance of water as a resource worldwide, we have decided to expand our 2021 reporting in the area of climate and environmental protection accordingly.
- 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**) and **human rights due diligence** are still included in reporting, with **digitalisation & transparency** covered for the first time this year.

The sustainability strategy was updated, goals and measures were defined, and this sustainability report was created based on the issues identified this way.





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**Sustainability organisation**

Our sustainability management is characterised by lean structures and clearly assigned responsibilities. The Executive Board provides the strategic direction and makes the appropriate decisions.

For instance, in 2020, a decision was made that as of 2021, sustainability was to be incorporated in the Group’s goals as well as in the functions’ goals and the personal goals at the top management level.

The Group sustainability management unit is responsible for establishing management processes as well as specifying and optimising internal standards. The strategies and goals are agreed on by the Executive Board and the Chairman and Vice Chairman of the Board and implemented according to the stipulated sustainability roadmap. For that purpose, topics from stakeholder relations are recorded and incorporated. To achieve the set goals, in the event of target conflicts, Group Governance has the authority to issue directives to the other corporate functions.

The head of sustainability management regularly reports to the Chairman and Vice Chairman of the Board and reports weekly to the head of Group Governance. Furthermore, the Executive Board receives a quarterly report on current measures and projects.

**Our sustainability organisation**





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The cross-functional sustainability committee has monthly meetings chaired the head of Group sustainability management. It consists of representatives from the functions and is supplemented by other members as needed. Furthermore, there is ongoing direct communication between the sustainability department and the relevant other departments. The latter are responsible for implementing the individual projects and for achieving the set sustainability goals.

### 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 are involved, 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 industry 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. 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.



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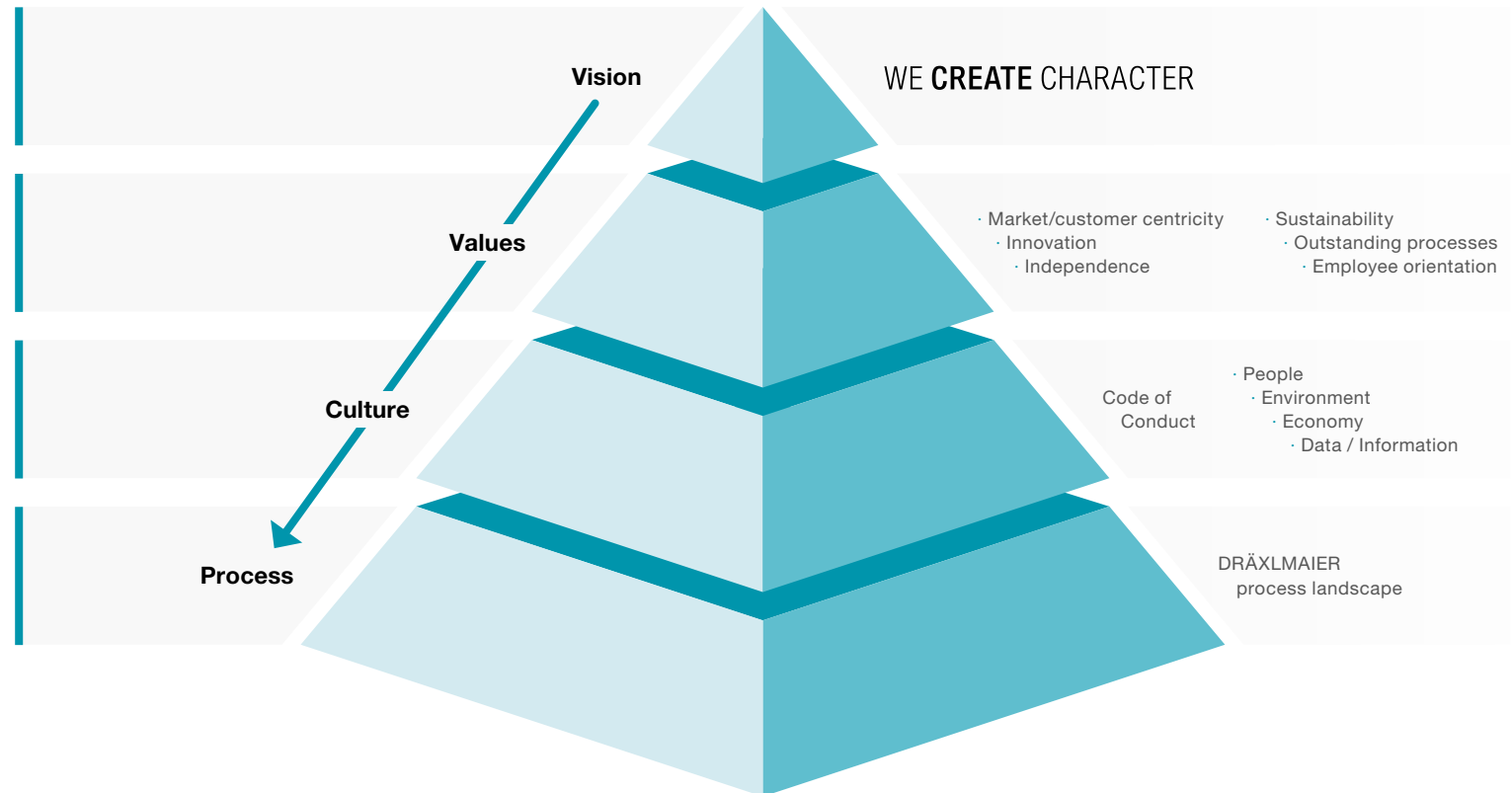
**Corporate principles and values**

**GRI** 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.

**In order to overcome the current global challenges, we are developing a new corporate strategy for the upcoming reporting year. This new strategy will build on the existing one, taking it to the next level.**

Our set of values and our corporate culture are reflected in the Code of Conduct, which we revised in 2020 and updated in 2021 as part of our periodic reviews. It outlines the important points of our policies relating to people, the environment, the economy and 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.

**Our corporate strategy**







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Human rights

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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. To ensure this, we pursue a two-part management approach, which extends both to our own sites and to the entire supply 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. Adherence to these specifications is closely examined by Internal Auditing through on-site audits that take place every year. In 2021, this process was again only carried out to a limited extent due to the impact of the pandemic.

A total of 35 social policy audits were carried out at our sites between 2019 and 2021 (incl. follow-up audits).

The social policy was communicated extensively throughout the company and translated into all our corporate languages. In addition, the principles were recorded in a film. The corresponding video is always available on the intranet. Fair, respectful and responsible leadership of employees is also embedded in various other policies (see also chapter on **Social responsibility**, section **DRÄXLMAIER – an attractive employer**).

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 well-founded monitoring, thus creating the prerequisites for quickly initiating appropriate countermeasures if needed.

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 on **Sustainable products**, section **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 section **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 or to the ombudsman as a direct point of contact. Reports can always be submitted in the local language, so everyone has an equal opportunity to provide information.



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## Compliance and anti-corruption

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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. For that purpose, behavioural guidelines for executives and employees were implemented and internal compliance officers and external ombudsmen were appointed.

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. In-person training or workshops could not take place in 2021 as a result of pandemic restrictions.

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.

Violations against the behavioural guidelines can be reported to the competent **compliance officers** or the external **ombudsman** through a group-wide whistle blower system. They accept reports from both employees and external third parties.

Information received by the compliance officers is systematically recorded, processed and clarified as far as possible in cooperation

with the relevant business units, if there are any grounds for suspicion. Should a compliance violation be identified, specific measures are then recommended to the business units.

Together with country compliance officers, Corporate Compliance holds workshops to update the compliance programme and implement preventive measures to reduce compliance risks. Furthermore, the CMS is being expanded in line with pending legislation in Germany and at EU level.



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## Digitalisation and transparency

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.

The aim is both to efficiently secure current business operations as well as to enable a uniform, holistic and digital value stream for the company. As such, we plan to integrate ongoing transformation programmes and their topics to secure the achievement of economic goals as well as the competitiveness of the DRÄXLMAIER Group.

Alongside the MES – Manufacturing Execution System programme, two major Group programmes for digital transformation are at the core of the activities:

- PLMnext takes the DRÄXLMAIER Group's development work to a whole new level, securing the company's future as a tier 1 /system supplier for our premium customers. PLM stands for product lifecycle management and covers data management over a product's entire lifecycle.
- "synapsis" enables the implementation of an efficient and globally integrated SAP S/4HANA system and process landscape. In light of its importance, we continued to push forward during the COVID-19 pandemic to ensure the project could be implemented as planned at additional sites in 2021.

The digital transformation is also a chance for the DRÄXLMAIER Group to improve its operating model, to optimally connect employees with data, systems and processes and, as such, to leverage standardisation and transparency opportunities. This lays the foundation for future growth, diverse innovations and economic independence.

In this context, DRÄXLMAIER has also been involved in the Catena-X 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.

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.





# Sustainable products

Environmentally-friendly product design

Sustainability in the supply chain

“

With regard to our products, sustainability means using the possibilities offered by innovations, technologies, expertise and design to protect the climate and the environment as much as possible while also meeting social criteria. The focus is on the entire value chain - the careful use of natural resources, the recyclability and dismantlability of our products, and the use of reusable materials. The consistent pursuit of the closed-loop concept is the key to making mobility sustainable in the future.

”

**Dr. Markus Junginger,**  
Chief Technology Officer





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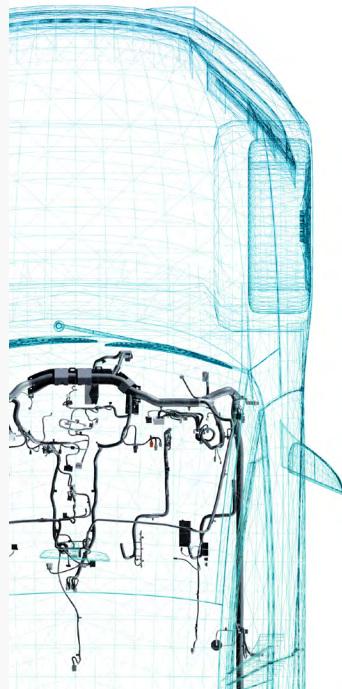
## Sustainable products

**GRI** 2-6  
3-3 We want our products to have a share in making the future of mobility sustainable, drawing on the same innovative power, expertise 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. It is what makes our company unique, and sustainable products reflect this aspiration.

Our product portfolio reflects DRÄXLMAIER's four system specialisations:

- **Electrical Systems**

Electrical and electronic products made by DRÄXLMAIER have long shaped the architecture of vehicle electrical systems in the automotive sector. We are considered the inventors of the customised wiring harness and have mastered this complexity in more than 10<sup>31</sup> variants – just-in-time and just-in-sequence at our customers' sites. Our broad expertise in this area allows us to design our wiring systems optimally, meaning we help to leverage potential for reducing weight and installation space, thus gaining energy savings.



- **E-Mobility Systems**

We have long been innovators and a source of ideas for the automotive industry. We are pioneers and first movers in the field of electromobility: DRÄXLMAIER provides the whole e-mobility package, from charging sockets, wiring harnesses and high-voltage switchboxes right through to battery systems. We ensure optimum energy transmission with our electrical components and connectors, and our compact designs enable high performance.

- **Connector Systems**

Our contact and connector systems for high and low voltage systems cover a wide range of applications. They are perfectly designed for the required loads and have optimum dimensions, reducing weight and saving resources.

- **Interior Systems**

We create vehicles' character with innovative product ideas for the design and technical setup of instrument panels, centre consoles and door panels. We are one of only a few automotive suppliers able to perfectly integrate interior and electronic systems and reliably supply excellent quality in precise sequence to our global customers' final assembly lines. As a market leader in complete interiors of high-quality premium vehicles, we have an overall understanding of the car itself as well as extensive expertise in the fields of virtual validation, system integration, assembly processes, variant control and supplier management.

We aim to combine fascinating technology with elegant design. Sustainability is playing an increasingly important role here, which is why we focus on the use of sustainable and weight-optimised materials as well as resource-efficient manufacturing processes.

With our ecosolutions Group programme, we strive to integrate environmental factors along the entire value chain. In 2021, we expanded the programme 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. These processes provide 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.



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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 (CO<sub>2</sub>e). To this end, we are working systematically on reducing pollutant emissions and improving 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 the 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 CO<sub>2</sub>e footprint – up to product level if necessary – by way of the plant emission factor (see also chapter **Climate and environmental protection**, section on **Emissions and energy**).

To this end, we set out a generic method in 2021 for calculating the CO<sub>2</sub>e footprint of our products. The insights gained in this way provide us with key decision-making criteria, enabling us to step up our product sustainability even further.

A pilot project in 2022 will see the methodology further tested and optimised. 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.

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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 on **Climate and environmental protection**, section on **Emissions and energy**). For that, the following aspects in particular are considered:

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

**Product design and choice of materials and components**

We take measures wherever our actions are most effective. To do so, we utilised CO<sub>2</sub>e 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 promote the principle of a circular economy.

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, we were able to reach a plastics recycle rate of up to 45% for many of the parts used in interiors. We are determined to make further progress here and are therefore stepping up our efforts.

**2022 will see the first use of polypropylene (PP) recycled plastic for structural components in series production; its use in visual applications is planned for 2023.**

Copper is one of the essential raw materials used in vehicle wiring systems. Secondary materials can be utilised with hardly any problems due to the material properties. In component parts, sustainable material substitution, e.g. replacing polyamide with polypropylene, enabled us to reduce CO<sub>2</sub>e without compromising on specific requirements for individual components. We generally consider plastic as a suitable substitute for metallic materials due to its established advantages – light weight, flexibility in design and integrated functions. However, material substitutes like that are not always feasible in mechanically demanding components that will be exposed to high stresses.



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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 15 series projects for almost all 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.

At present, we are exploring the potential of using plant fibres for entirely vegan surface fittings. At the same time, we are working on reducing CO<sub>2</sub>e values in the production of fittings made of artificial leather, fabrics and foils as part of ongoing quality improvements.

We are also collaborating with our suppliers in these efforts. In a joint project, for example, we were able to achieve a CO<sub>2</sub>e reduction for foam systems used as material in our production by revising material formulations.

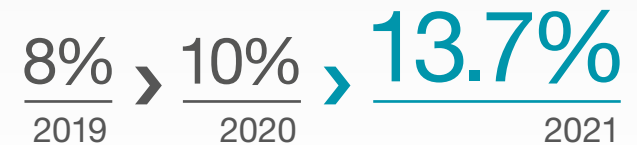
Process optimisations also have a role to play in saving CO<sub>2</sub>e. One example here is a new technology that allows a range of surfaces to be presented on a uniform substrate, meaning all variants can be laminated with a single tool. Overall, we achieved average energy savings of 22% with the different measures in place in the laminating process. Carbon fibres 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 CO<sub>2</sub>e emissions down by about 15%.

The criteria for the use of renewable raw materials are made clear in binding internal regulations. Among other things, these specify that the cultivation, harvesting and processing of renewable raw materials has to comply with current legislation and all internationally accepted labour and social standards throughout the entire supply chain, particularly in view of protecting human rights (see also chapters on Assuming responsibility – sustainable management, Human rights).

The DRÄXLMAIER Group also rigorously advocates maintaining biodiversity and food safety in countries with high malnutrition.

Proportion of recyclates in our outsourced plastic granules\*



\* in the connector systems and interior systems segments



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## Electrical systems – zonal wiring harnesses, easier automation

DRÄXLMAIER's electrical systems unit is pushing ahead with the development of zonal wiring systems. Here, the conventional wiring harness is unbundled and divided into smaller sub-harnesses, which are then coupled via intelligent zonal management devices. Using electronic fuses instead of cumbersome lead fuses means cables with significantly smaller cross-sections and correspondingly lower weight can be applied. At the same time, the zonal architecture reduces installation distances, creating a significant reduction in cable lengths. Overall, this accounts for a potential weight reduction of up to 10%. In addition, the use of smaller wiring harness units simplifies vehicle assembly and disassembly, meaning easier recycling.

In terms of development, we are also focused on automated wiring harness production which, in turn, leads to extensive miniaturisation, better product quality and safety as well as fewer rejects. The prerequisite here is a reduction in material variety, achieving additional weight and material savings. Automation and the resulting infrastructural adjustments also result in lower Scope 1 + 2 CO<sub>2</sub>e emissions, provided renewable energy is utilised in the process.

## Multi-levelling bar – next vehicle generation supply topology

The multi-levelling bar plays a central role in the vehicle wiring system. This green next step up from the conventional wiring harness optimises installation space and offers lower weights. Further advantages lie in the flexible design of the cable outlets and improved electromagnetic compatibility (EMC) when designed as a multi-voltage bar. All in all, these advantages mean the component can be easily adapted to future requirements. The multi-levelling bar was first implemented in series production in 2021 in the low-voltage wiring harness of the BMW iX. New applications for the multi-levelling bar are also under development for the high-voltage vehicle wiring systems.

## Interior systems – putting plastic before 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 some 90% of CO<sub>2</sub>e can be attained as opposed to using magnesium pressure die-casting. 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.

## Connector systems – dHPT gives higher power with less weight

The DRÄXLMAIER High Performance Terminal (dHPT), which was applied for the first time in the all-electric BMW iX at BMW Plant Dingolfing in 2021, offers up to 12% more power with the same installation space, thereby promising very high current and voltage capability.

Offering very high current capability relative to the installation space, the dHPT opens up a wide range of new possibilities for the electrification of conventional mechanical components, such as in electronic steering and in cooling and heating systems.

As such, the component plays a central role in improving the sustainability of the overall system, while its sophisticated design and the associated dielectric strength mean both high-voltage and low-voltage applications can be realised. Further diverse uses within the scope of planned series launches only underscore this contact system's great performance.

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### E-mobility systems – 800 volts in vehicle wiring systems – greater energy efficiency

New technological standards were set by the Porsche Taycan, which has been equipped with the world's first 800 V wiring system since 2020. This was followed by the Audi e-tron GT launched in 2021. Developed by the DRÄXLMAIER Group, the system offers vastly improved energy efficiency compared to a 400 V wiring system. The double voltage level provides almost twice as much power and thermal loss is greatly reduced in comparison with the 400 V wiring system.

### DRÄXLMAIER dPack – the modular, scalable cell module

DRÄXLMAIER has also made strides in battery technology. In 2021, the DRÄXLMAIER high-voltage module system was expanded to include a variable battery storage system. The DRÄXLMAIER dPack enables considerable savings in terms of installation space thanks to the high level of flexibility in how the cells can be arranged. In addition, immersion cooling, where a liquid flows directly around the cells, offers faster charging and extends the battery's service life. Foamed cell carriers also guarantee maximum safety by protecting the cells in the event of accidents and, together with coolant, reduce safety risks such as thermal propagation.

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How we transport our (primary) products in an environmentally friendly way also plays a central role in protecting the climate and reducing our CO<sub>2</sub>e 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 2,000 t CO<sub>2</sub>e across transport logistics in 2021.**

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.

Since 2021, DRÄXLMAIER has been using vehicles powered by CNG (compressed natural gas) on additional routes in Malaysia and Thailand. In China, too, more and more trucks with LNG (liquefied natural gas) engines have been replacing the previous, diesel-powered trucks since 2017, reducing CO<sub>2</sub>e emissions by around 10%. Trucks fuelled with LNG are being used on the routes between northern Italy and Bavaria as well. Compared with diesel, trucks powered by natural gas generate lower emissions and are also quieter. In a new project, our logistics experts are analysing the global suitability of e-trucks and are considering corresponding investment opportunities.

**From 2022, e-trucks will be used at our sites in Vilsbiburg, Germany, and Duncan, USA, to secure further progress in CO<sub>2</sub>e savings.**

At the same time, DRÄXLMAIER is systematically pursuing the transition from truck to rail. In 2021, the route from Böblingen, Germany, to Satu Mare, Romania, was shifted from road to rail. Now, only the pre- and onward transport takes place by road. Overall, this has reduced transport emissions by more than 40%.

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, CO<sub>2</sub>e intensive routes. DRÄXLMAIER, for instance, has been using rail transport across the Brenner Pass for several years now, reducing emissions by up to 20%. To leverage even greater CO<sub>2</sub>e savings potential, LNG-powered trucks are also used in some cases for pre- and onward transport via the Brenner Pass.



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## Sustainability in the supply chain

**GRI** Sustainable supply chains play a major role in the DRÄXLMAIER Group's success, helping us to achieve our environmental, social and governance (ESG) targets. Against this backdrop, 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.

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### CO<sub>2</sub>e footprint is a core criterium

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 important 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.

### Social standards as another priority

However, our understanding of sustainability in purchasing is not only limited to CO<sub>2</sub>e 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 Sustainability 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 demand 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 are increasingly asking our suppliers to provide standardised self-disclosure on various sustainability topics. The relevant declarations contain questions on environmental protection, the observance of human rights, the prevention of child and forced labour, compliance with social requirements 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. Self-disclosure has already been requested from over 500 strategically important and high-turnover suppliers.

**The Sustainability Check (S-Check) for suppliers was developed in 2021 as an important evaluation criterion in awarding new contracts.**

It consists of two parts and serves to verify compliance with our sustainability-related minimum requirements. The S-Check is only met when the respective supplier actively recognises our Business Partner Sustainability Code and has passed the self-assessment. Information used covers the areas of combating bribery and corruption, environmental protection, human rights and labour, health and safety and responsibility in the supply chain.

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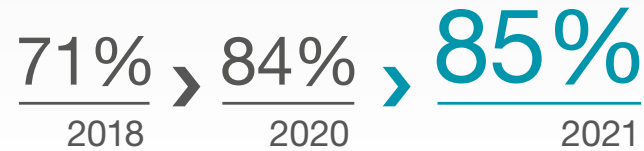
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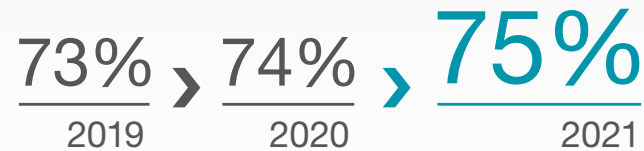
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Should any deviations from the set minimum requirements be identified, suppliers must implement an action plan to correct said deviations. This ensures that sustainability aspects will play an even greater role in the award process in the coming years.

Suppliers who have recognised the Business Partner Sustainability Code for suppliers



Suppliers with verified ISO 14001 environmental certificates\*



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

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 those 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).



“

As a company, we stand by the goals set out in the Paris Agreement and want to play our part in achieving the 1.5°C target. As such, we follow a clear philosophy and systematically rely on renewable energies to supply our sites.

”

**Jan Reblin,**

Chief Operations Officer and Chief Customer Officer

# Climate and environmental protection

Emissions and energy

Water

Waste



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## Climate and environmental protection

**GRI** 3-3  
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. In order to make this a reality, we launched the Group programme ecosolutions in 2020, which covers our entire value chain (see also chapter on **Sustainable products**). 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.

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. We will therefore start by leveraging our entire short-term potential for reducing and avoiding emissions by 2029.**

Once we have achieved this short-term goal, we will tackle the unavoidable residual emissions.

### 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.

The result places a clear demand on each and every employee: We expect everybody to handle existing resources and raw materials considerately and to support the measures for greater energy efficiency. Our globally effective **EHS policy (Environment, Health and Safety)** sets out specific conditions for environmental protection. Our sites are audited according to the internationally recognised ISO 14001 standard. The Group certification, which includes 40 sites, was successfully completed in the year under review and the appropriate matrix certificate was issued. However, due to pandemic-related adjustments in the workforce, this certification currently covers only 79 % of the employees at our production plants, down from 90 % coverage in the previous year. Nevertheless, 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.

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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 climate commitment is outstanding



In a special edition, Focus, a German news magazine, listed 130 German companies with excellent climate commitment performances. The list included the DRÄXLMAIER Group, which cinched fourth place in the automotive and supplier category, making DRÄXLMAIER one of the companies in Germany that, according to Burda publishing house and the “For Our Planet” programme, stands out for its climate and environmental protection efforts in its respective industry. The data for the evaluation was collected in an extensive process including an in-depth on-

line survey. The companies rated were then analysed by sustainability experts on the basis of select criteria and benchmarks.



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## Emissions and energy

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To bring greater 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 emissions according to Scope 1 and 2 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 emissions generated in production can be attributed to individual products. This ensures that plant-specific improvements also impact the carbon footprint of the products made there.

To calculate our GHG emissions, we rely on the globally accepted standards of the Greenhouse Gas Protocol (GHG protocol). For consolidation purposes, we chose the operational approach: our 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 CO<sub>2</sub> equivalents.

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 2019), the UK department of the environment (DEFRA, 2021) and Quantis software (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 organization CDP asks companies every year to disclose their CO<sub>2</sub>e 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 fifth time in a row. CDP also honours companies for their supplier engagement. In this category, we managed to achieve an A- score in 2021.

CDP  
Climate Change Score



CDP  
Supplier Engagement Rating



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.



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Following the fundamental methodological revision of the corporate carbon footprint, we have set 2021 as the base year for our reduction targets. As such, no comparison with any previous years is available in this reporting year.

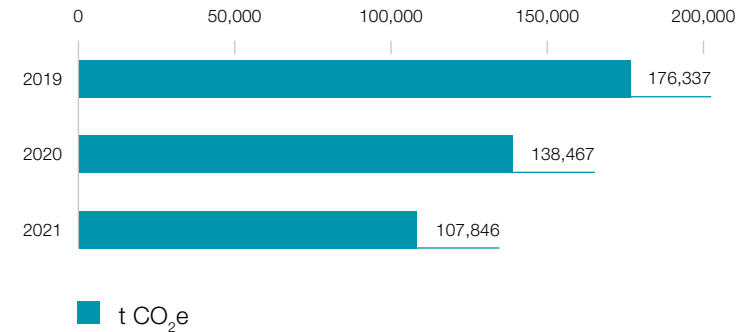
**Scope 1** comprises direct emissions from combustion at stationary or mobile units at our own sites, for example, the diesel and fuel consumption of our company’s vehicle fleet and the consumption of gas and oil to generate heat.

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 2021, the DRÄXLMAIER Group’s absolute Scope 1 emissions amounted to 18,854 t CO<sub>2</sub>e.

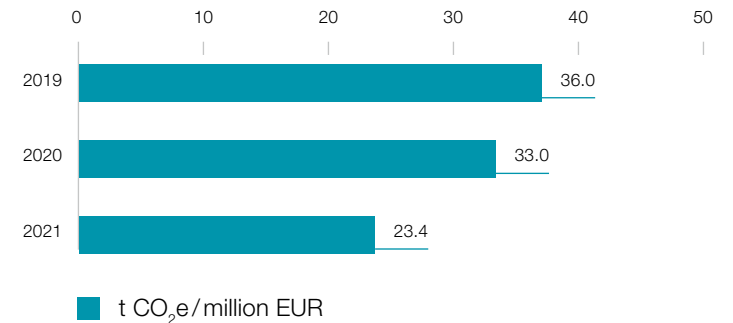
**Scope 2** measures indirect emissions that are caused by the purchase of energy. It includes any electricity and district heat we procure. We calculate our Scope 2 emissions from procured electricity in two ways, in accordance with the principle of dual reporting as specified in the GHG Protocol Scope 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 165,492 t CO<sub>2</sub>e, while the market-based calculation resulted in Scope 2 emissions of 88,992 t CO<sub>2</sub>e. The calculation is based on our absolute Scope 1 and 2 emissions in relation to our revenue. The GHG intensity ratio for 2021 is 23.4 t CO<sub>2</sub>e/million EUR revenue, while in 2020 it was 33.0 t CO<sub>2</sub>e/million EUR revenue.

GHG emissions  
Scope 1 and 2 (market-based)



GHG intensity  
Scope 1 and 2 emissions per million EUR revenue





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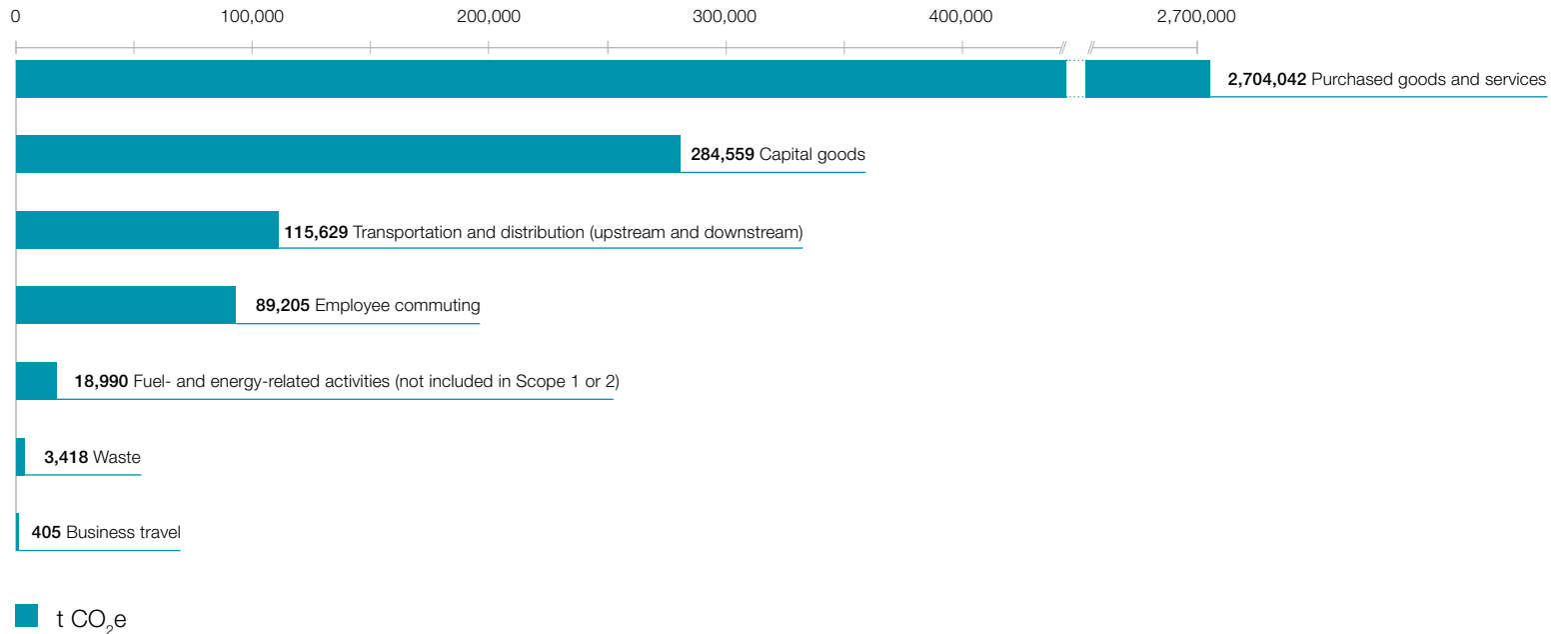
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Our carbon footprint not only includes our own GHG emissions generated directly through energy consumption at our sites, but also indirect GHG emissions of the upstream and downstream value chain that are caused by our business operations and activities. These are accounted for in **Scope 3**. The categories relevant to our GHG emissions footprint are purchased goods and services, capital goods, logistics and transportation services, business travel, employee commuting, waste, 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 3,278,785 t CO<sub>2</sub>e, 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.

Scope 3 categories



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### 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 via a management tool and thus 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. The photovoltaic system installed at our headquarters in Vilsbiburg in 2020 will significantly contribute to achieving this goal. It will enable both electric company vehicles and electric employee cars to be charged with particularly green electricity. The new system, which was installed on the roof of the car park, can save around 560 metric tons of CO<sub>2</sub>e per year. The electricity not only flows into the batteries of the parked cars, it is also used for the general operation of the site.

We also organise business trips as efficiently as possible in terms of CO<sub>2</sub>e. 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 CO<sub>2</sub>e 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.



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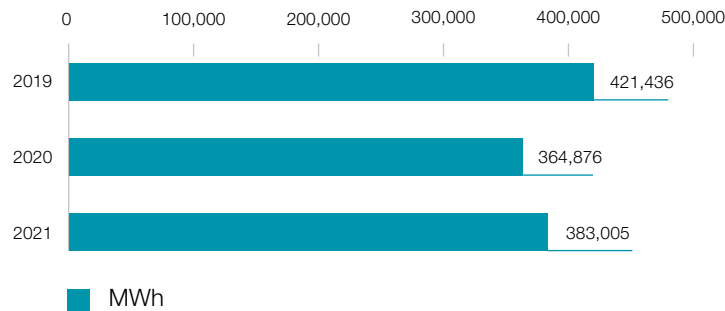
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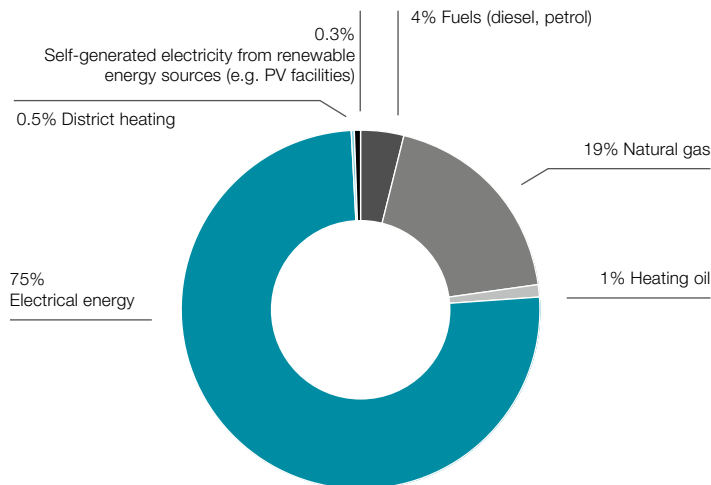
Energy

While the previous year was still characterised by pandemic-related production interruptions at various locations, operations returned to normal last year. In 2021, the DRÄXLMAIER Group used a total of 383,005 MWh (PY: 364,876 MWh) of energy, mainly in the form of electrical energy – also from our photovoltaic systems –, to generate heat using natural gas and heating oil, and as fuels. On top of that, district heating is procured at one of our sites.

Total energy use of the DRÄXLMAIER Group



Energy use by energy source



An essential aspect of our activities is the ongoing increase in energy efficiency, based on a company-wide measurement and management of energy use. As a rule, lasting and continuous 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 sources. 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 (wind farms, PV fields, etc.).

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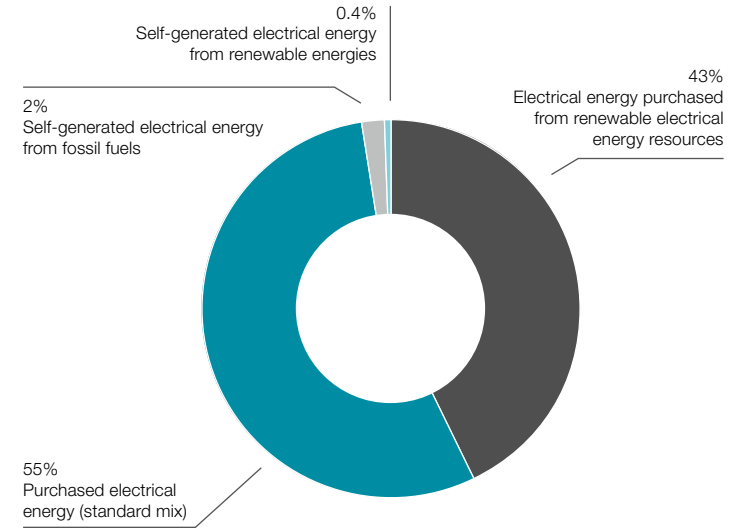
The amount of energy from renewable resources purchased by DRÄXLMAIER may only be credited to DRÄXLMAIER and may not be sold to any further customers. Part of the proceeds from electricity purchases must be used to promote the expansion of renewable electrical energy resources. We also attach considerable 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 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.

The share of purchased electrical energy from renewable resources, which we more than doubled in 2021 from 18% in the previous year to 44% in 2021, provides transparency as a control metric. This corresponds to total savings of approx. 30,000 t CO<sub>2</sub>e<sup>1</sup>.

<sup>1</sup> The German location-based emission factor was used for the calculation.

Composition of the electrical energy used



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### New 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 [m<sup>3</sup>], 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. The enormous potential of tracking is already evident: our sustainability managers at the plants have counted a large number of measures. Of these, 120 measures alone could be allocated to the year 2021, with more than 85 already implemented by the end of that year.

**In total, savings of more than 5,000 MWh were made possible in 2021.**

Savings effects through the optimisation of lighting systems play a crucial role here. These concern, firstly, changing the lighting technology itself and, secondly, the optimisation towards demand-oriented use. The optimisation of compressed air systems was also continued in the reporting period. Within production technology, the reduction of standby consumption makes a significant contribution to increasing efficiency. The targeted deactivation and reactivation of peripheral equipment and facilities leads to significant energy savings. One example is a measure in place at the Mexican site in San Luis Potosí, where optimising the standby times of the injection moulding facilities enabled reductions of 1 GWh.

### Self-generated electricity added as KPI

DRÄXLMAIER plays a role in the reduction of CO<sub>2</sub>e emissions through increased self-sufficiency with regenerative energy or energy-efficient technologies. In connection with the placement of the ESG-related promissory note loan (see chapter **Assuming responsibility – sustainable management, section At a glance**), the key performance indicator (KPI) “Self power potential” was introduced in 2021, which reflects the planned construction of DRÄXLMAIER’s plants for its own electricity generation and allows its targeted control.

### Sustainable construction

We also take sustainability aspects into account when expanding and converting our sites. For example, in August 2021 we commissioned a combined heat and power plant with an installed capacity of 263 kW at our Leipzig site.

**In 2022, we will implement further sustainable construction measures and, for example, install a PV system, solar tubes and a waste heat recovery system at our plant in Tepic (Mexico). In total, this will lead to annual savings of 421 t CO<sub>2</sub>e.**

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## 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 2021, the DRÄXLMAIER Group consumed 613,121.77 m<sup>3</sup> 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 aim to use water sparingly, especially where it is in particularly short supply.**

This is why our sites in water-scarce countries utilise rainwater retention basins. For instance, we are currently building a 3,000 m<sup>3</sup> rainwater retention basin and a wastewater treatment plant at our site in Tepic, Mexico.



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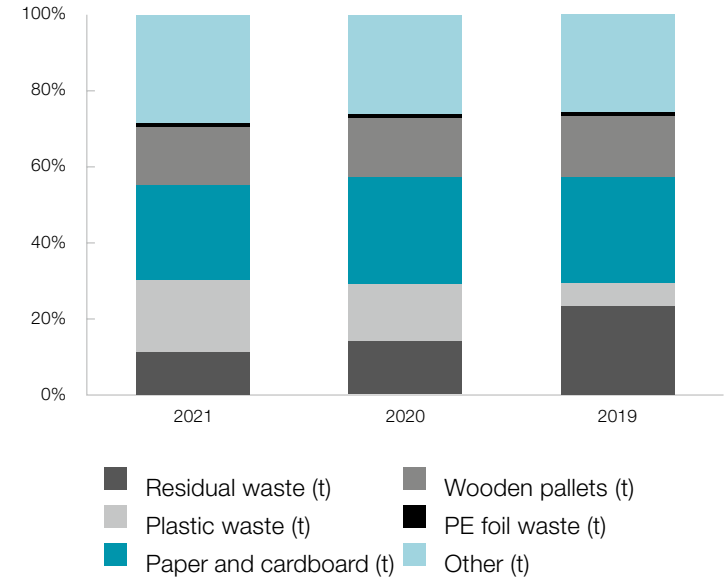
**GRI** 3-3  
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306-3  
The amount and type of waste generated at our sites are important indicators of our material requirements and sustainable material use throughout the organisation. Since 2015, we have been recording all waste generated at DRÄXLMAIER in a database. This is the basis for our global waste management reporting.

The continuous evaluation of all types of waste allows us to identify material waste, analyse its causes and set out appropriate measures to avoid waste in the first place. On principle, we put avoidance ahead of recycling. Recycling, for us, refers not only to the use of raw materials, but also to the direct reuse of goods. Measures such as a company-wide equipment exchange for the reuse of second-hand goods between the sites support this approach.

If waste cannot be avoided or reused for technical reasons, we strive to constantly increase the recycling quota and the recyclability of our waste. For instance, we demand proof of recycling from our waste management providers and look out for sustainably operating regional partners when issuing new tenders. In this way, preference is given to disposal companies that achieve better recycling quotas than their competitors. 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.

Visualisation of waste disposal





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Container management – this is the circular economy

More than 9.5 million containers and 1,500 different container types are in use at the DRÄXLMAIER Group worldwide. This makes container management a complex task in which the entire lifecycle of the containers – from raw material to recycling – must be considered.

To ensure that the containers used cause minimum environmental impact, DRÄXLMAIER has developed a closed loop for containers. The reusability of containers once they have served their purpose as containers is given consideration already during their development. This means that the raw materials used can be recycled by type. They are characterised by their longevity, good recyclability and low CO<sub>2</sub>e footprint.

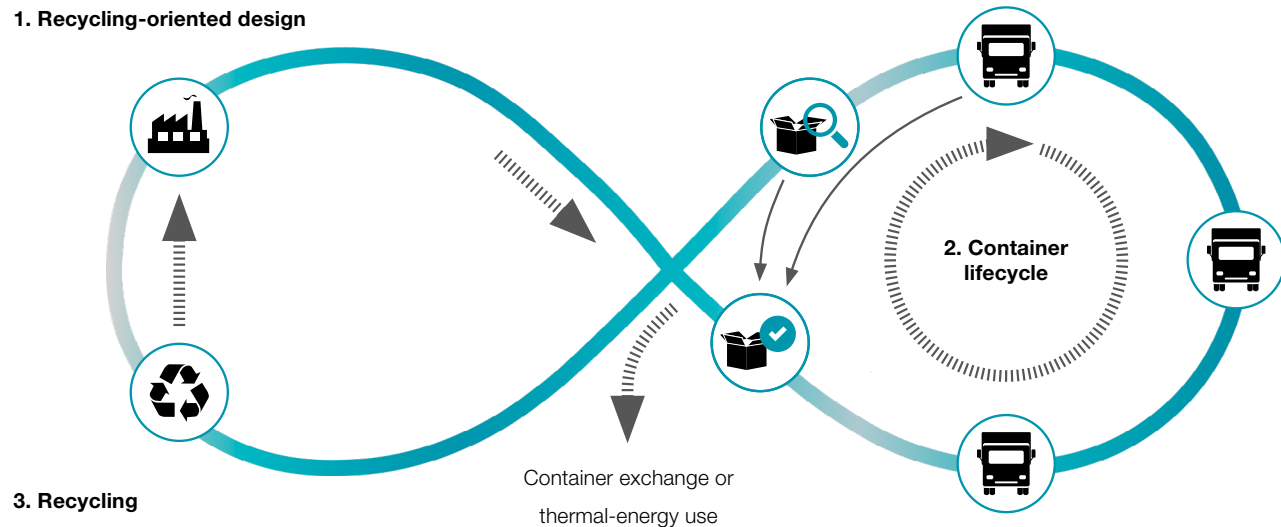
Our container information and control systems allow us to monitor our warehouse and transit stocks in real time and to proactively manage almost 100 percent of the containers. At the same time, the CO<sub>2</sub>e footprint can be accurately mapped up to the container's end of life.

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 individuals with disabilities. In this way, we also meet our 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.

As in previous years, savings of more than 2,000 t CO<sub>2</sub>e were achieved in 2021 through the closed-loop process in container logistics. Specific contributions here include the reuse, repair and recycling of containers. Furthermore, approx. 1,000 t CO<sub>2</sub>e were saved through the avoidance of transports by means of local repairs and the use and optimization of reusable container concepts.

Process flow in container management



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## Overview of absolute figures

	Unit	2021	2020	2019	
<b>Sites</b>					
GRI 2-4 102-7 302-1 305-1 305-2 305-3 306-1 306-3	Production plants	number	56	50	50
	Other sites (e.g. administration, logistics, development, sales)	number	32	10	n. a.
<b>Management systems<sup>1</sup></b>					
	ISO 14001	number	40	39	39
	ISO 45001	number	23	23	23
<b>GHG emissions<sup>2</sup></b>					
	Scope 1	t CO <sub>2</sub> e	18,854	21,487	24,534
	Scope 2 (market-based)	t CO <sub>2</sub> e	88,992	116,980	151,803
	Scope 2 (location-based)	t CO <sub>2</sub> e	165,492	169,180	183,449
	Scope 1 + 2 (market-based) total	t CO <sub>2</sub> e	107,846	138,467	176,337
	Scope 3	t CO <sub>2</sub> e	3,278,785	688,202	647,902
<b>Out of scopes</b>					
	Biogenic emissions	t CO <sub>2</sub> e	17,913		
<b>Energy sources<sup>2</sup></b>					
	Fuels (diesel, petrol)	MWh	15,651	14,971	19,169
	Natural gas	MWh	74,388	68,050	75,807
	Heating oil	MWh	4,419	4,444	4,490
	Electrical energy <sup>3</sup>	MWh	285,514	276,368	319,055
	District heating	MWh	1,813	1,043	2,915
	Self-generated electrical energy from renewable sources	MWh	1,220	-	-
	Total energy use	MWh	383,005	364,876	421,436

<sup>1</sup> Based on production plants

<sup>2</sup> Based on production plants and other sites

<sup>3</sup> 2020 and 2019 figures include both fossil fuels and renewable energy

<sup>4</sup> CHP was included twice in 2020 and 2019. The figures from electrical energy and total energy use are therefore not representative for 2020 and 2019.

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Composition of electrical energy used <sup>2</sup>				
Purchased electrical energy from renewable sources	MWh	125,090	50,477	41,296
Purchased electrical energy (standard electricity mix)	MWh	160,424	221,557	273,713
Self-generated electrical energy from fossil fuels <sup>4</sup>	MWh	5,632	4,334	4,046
Self-generated electrical energy from renewable energies	MWh	1,220	-	-
<b>Total electrical energy</b>	<b>MWh</b>	<b>292,366</b>	<b>276,368</b>	<b>319,055</b>
Waste <sup>1</sup>				
Hazardous waste	t	1,195	1,317	1,868
Non-hazardous waste	t	33,088	28,303	34,640
<b>Total waste generation</b>	<b>t</b>	<b>34,283</b>	<b>29,620</b>	<b>36,508</b>
Water <sup>1</sup>				
<b>Total water consumption</b>	<b>m<sup>3</sup></b>	<b>613,121,77</b>	<b>583,268</b>	<b>715,284</b>

<sup>1</sup> Based on production plants

<sup>2</sup> Based on production plants and other sites

<sup>3</sup> 2020 and 2019 figures include both fossil fuels and renewable energy

<sup>4</sup> CHP was included twice in 2020 and 2019. The figures from electrical energy and total energy use are therefore not representative for 2020 and 2019.

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## Overview of specific figures

	Unit	2021	2020	2019	
<b>Sites</b>					
GRI 2-4 102-7	Production plants	number	56	50	50
302-3 305-4 403-8	Other locations (e.g. administration, logistics, development, sales)	number	32	10	n. a.
<b>Management systems<sup>1</sup></b>					
	ISO 14001: Coverage of all production plant employees	percentage	79 %	90 %	91 %
	ISO 45001: Coverage of all production plant employees	percentage	43 %	53 %	56 %
<b>DRÄXLMAIER Group turnover</b>					
	Turnover per year	b EUR	4,600	4,200	4,900
<b>GHG intensity<sup>2</sup></b>					
	Scope 1 + 2 (market-based)	t CO <sub>2</sub> e/m EUR	23.4	33	36
<b>Energy sources<sup>2</sup></b>					
	Fuels (diesel, petrol)	MWh/m EUR	3.4	3.6	3.9
	Natural gas	MWh/m EUR	16.2	16.2	15.5
	Heating oil	MWh/m EUR	1.0	1.1	0.9
	Electrical energy <sup>3</sup>	MWh/m EUR	62.1	65.8	65.1
	District heating	MWh/m EUR	0.4	0.2	0.6
	Total energy use	MWh/m EUR	83.3	86.9	86.0

<sup>1</sup> Based on production plants

<sup>2</sup> Based on production plants and other sites

<sup>3</sup> 2020 and 2019 figures include both fossil fuels and renewable energy

<sup>4</sup> CHP was included twice in 2020 and 2019. The figures from electrical energy and total energy use are therefore not representative for 2020 and 2019.



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Composition of electrical energy used <sup>2</sup>				
Purchased electrical energy from renewable sources	MWh/m EUR	27.2	12.0	8.4
Purchased electrical energy (standard electricity mix)	MWh/m EUR	34.9	52.8	55.9
Self-generated electrical energy from fossil fuels <sup>4</sup>	MWh/m EUR	1.2	1.0	0.8
Self-generated electrical energy from renewable sources		0.3	-	-
Total electrical energy	MWh/m EUR	63.6	65.8	65.1
Waste <sup>1</sup>				
Specific (total waste/production minute)	g/min	11.0	7.8	8.1
Water <sup>1</sup>				
Specific (total consumption/production minute)	m <sup>3</sup> /min	0.1	0.1	0.1

<sup>1</sup> Based on production plants

<sup>2</sup> Based on production plants and other sites

<sup>3</sup> 2020 and 2019 figures include both fossil fuels and renewable energy

<sup>4</sup> CHP was included twice in 2020 and 2019. The figures from electrical energy and total energy use are therefore not representative for 2020 and 2019.

# Social responsibility – attitude-driven

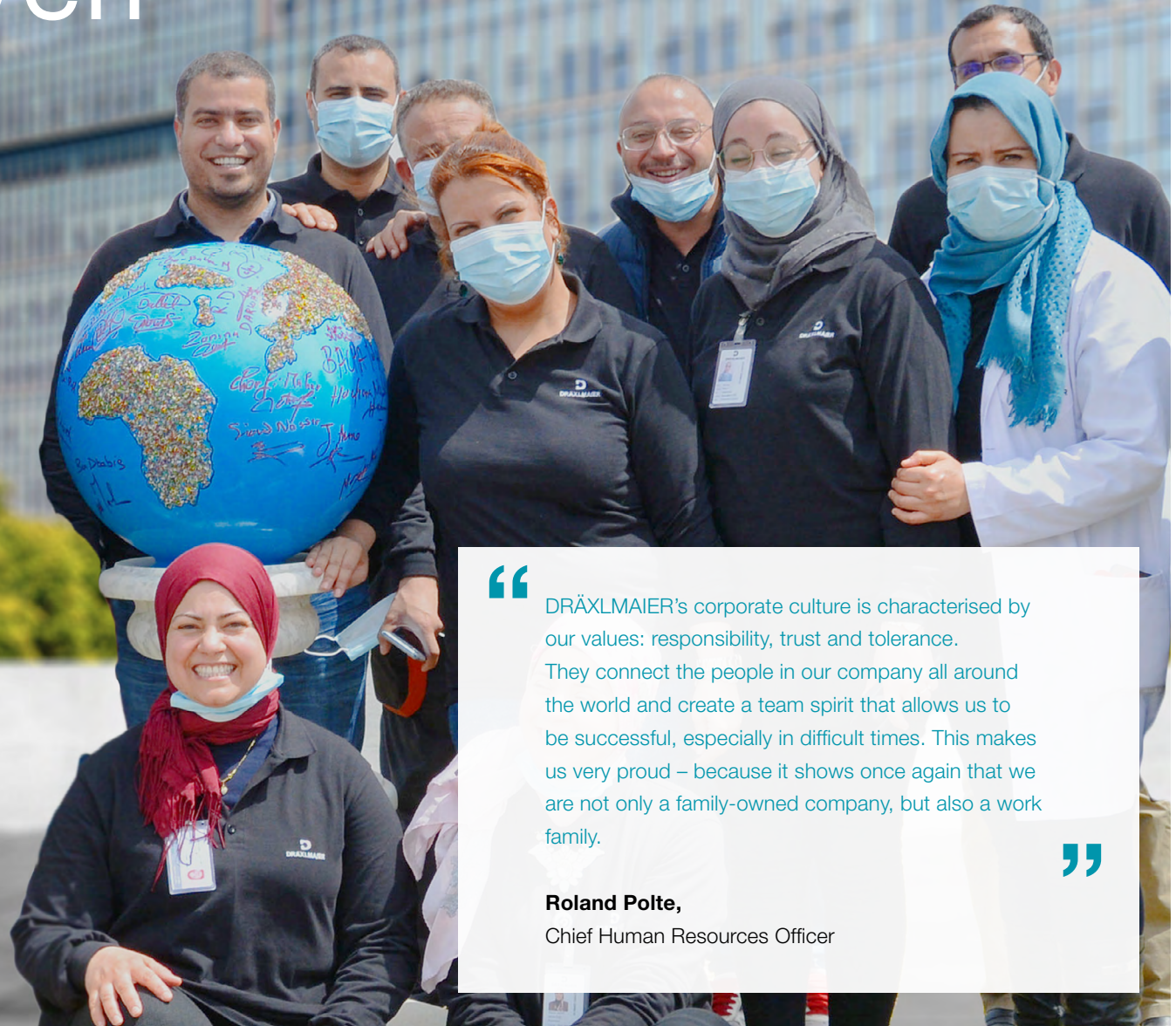
DRÄXLMAIER: an attractive employer

Training and development

Diversity, equity and inclusion

Occupational health and safety

Social engagement



“

DRÄXLMAIER's corporate culture is characterised by our values: responsibility, trust and tolerance. They connect the people in our company all around the world and create a team spirit that allows us to be successful, especially in difficult times. This makes us very proud – because it shows once again that we are not only a family-owned company, but also a work family.

”

**Roland Polte,**  
Chief Human Resources Officer

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## Social responsibility – attitude-driven

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401-1 We are a family-owned company that has been in business for more than 60 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.

### DRÄXLMAIER: an attractive employer

Our global workforce comprises around 72,000 people of 85 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, to promote them and retain them for the long term.

The market confirms that we are on the right track.

For example, the DRÄXLMAIER Group received the “Top Employer Engineers Germany” award in 2021 for the 14th time in a row.

This makes our company once again one of Germany’s top employers in the automotive industry. In this comprehensive employer study, independent experts from experienced auditing companies evaluated the HR processes and strategies of the participating companies on behalf of the Top Employers Institute.

### 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.

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 **employee policy** 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.

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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 equal opportunities determine our actions in this area further.

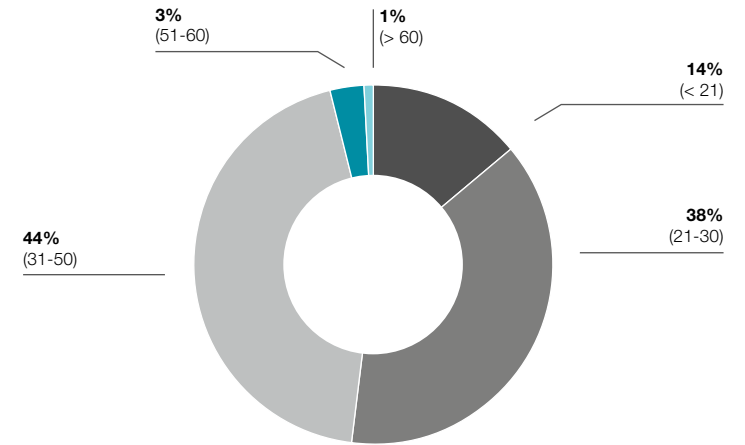
For instance, DRÄXLMAIER has had globally uniform job mapping since 2015, as well as remuneration structures that are both aligned with the specific conditions of local markets and comparable and transparent on a global scale. This system is based on our global function structure, which allows an internationally 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.

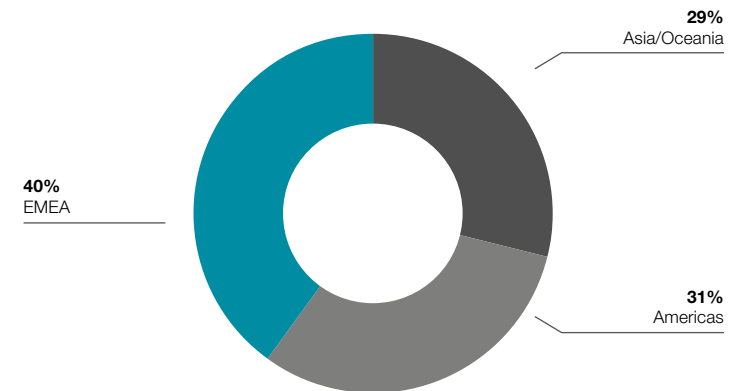


\* Core employees, incl. extensions, representatives, take-overs, others, e.g. company changes

DRÄXLMAIER Group structure by age



DRÄXLMAIER Group structure by region





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### Retention of highly 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 where it is not sufficiently available internally. At the same time, it is necessary to offer our current employees suitable development opportunities in good time in order to successfully retain them and minimise fluctuation. 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 the relationship between the workforce and our company was once again apparent in 2021, when we had to work together to meet the challenges of the pandemic.**

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.

This special relationship repeatedly leads to above-average performance. For example, Dräxlmaier Tunisia overcame the difficult conditions during the pandemic to win first place in the HR Awards Tunisia 2021 for best HR practices. Initiated by ARFORGHE, Tunisia's association for companies' topic owners for training and human resources management, and the Konrad Adenauer Foundation, the awards were presented for the eighth time. As well as our overall win, DRÄXLMAIER took first place in the areas of "Training Policy and Competence Development in the COVID-19 Crisis", "Well-being at Work" and "CSR, Environmental Awareness and Social Dialogue".

We periodically conduct international employee surveys to measure employee satisfaction and derive improvement measures from the results at both global and local levels. The most recent employee survey took place in 2018, with a participation rate of 75%. The findings showed, among other things, that 73% of our employees rate DRÄXLMAIER as an attractive employer that also offers secure jobs, according to 77% of our staff. 69% of employees feel that their direct supervisor shows them appreciation and trust. The overall satisfaction with the working conditions is 3.61 on a scale of 1 to 5. The next survey, originally planned for 2021, was postponed due to the ongoing pandemic. It will be carried out in 2022 with a revised concept that takes even better account of the local particularities at our locations. A new target value for employee satisfaction will then be set on the basis of the results.

We intend to continuously increase our attractiveness as an employer in the coming years. We are currently working on the implementation of a global hybrid work concept that will offer our employees worldwide optimum working conditions – both in the office and when working from home. By consistently simplifying, standardising and digitalising our processes, we seek to increase the user-friendliness of HR services for our employees. In addition, we are continuously introducing new platforms and technologies to allow collaboration both locally and globally in real time and to make it easier and more effective. This will facilitate collaboration and at the same time improve corporate security.



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## Training and development

### Training

**GRI** 3-3  
404-2 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 1,000 trainees are currently preparing for their professional future in nine different groups of professions at 29 locations in 12 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 are working, the same high-quality tools, machines, facilities and measuring and testing equipment are in use 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 excursions 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 1.52%, the apprenticeship quota is at a high level for our industry – in the next two years we intend to increase it continuously to 2.0%.

**Opening another training centre in Jemmal, Tunisia, scheduled for 2022, is another important step in this direction.**

We are proud to be able to offer almost all of our trainees a permanent job after completion of their apprenticeship. Even in 2021, which was heavily affected by the pandemic, we were able to take on 96.6% of all training graduates. In the previous five years, our employment rate of graduating trainees<sup>1</sup> averaged 98%.

For many years, the above-average performance of our trainees has proven we are taking the right approach. We offer scholarships for certain fields of study to trainees in Germany who have completed their Chamber of Industry and Commerce examinations with very good results. The participants are also usually employed as working students at DRÄXLMAIER at the same time. Currently, five participants have a scholarship contract.

Our international trainee programme is another important contribution to the development of young high-potentials at the DRÄXLMAIER Group. In various modules and assignments, our trainees learn to work in intercultural teams, to reflect on themselves and to plan their careers, among other things. Various assignments in different functions of a business unit promote interdisciplinary thinking and working and at the same time allow them to acquire complex knowledge and build a wide network within the company in no time.

<sup>1</sup> Proportion of trainees (at least 1 year of training) worldwide per year as a percentage of the number of employees worldwide (headcount)

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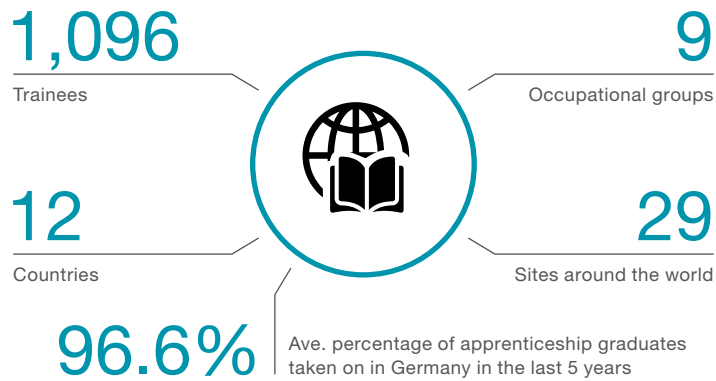
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Success of dual work-study programmes

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.

Apprenticeship with the DRÄXLMAIER Group



Professional development

The future of our company depends on the knowledge of our employees. Based on this belief, our human resources work aims at the systematic and targeted skills development of our employees – professionally and personally, at all hierarchical levels and in all regions. We also place a special focus on the future-oriented development of our leadership team. We inspire to grow, creating the required skill sets in our company to be ideally positioned to meet the demands of the future.

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 soft-skills training and third-party seminars.

In technical training courses, we prepare our employees for future challenges by providing specific upskilling modules. This enables employees 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 a long-term perspective in the company, we identify, validate and develop high-potential individuals as part of our talent management.

Our frequently presented Excellence Award recognises outstanding individual and team performance in a number of categories, based on our mission statement and corporate values. The Excellence Award is presented to employees, project teams and locations that have driven innovation, achieved exceptional results and delivered above-average quality. At the same time, the award is intended as an incentive for everyone to go the extra mile and contribute to the success of the DRÄXLMAIER Group.

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### Upskilling for the future

To be equipped for future requirements, we are currently working on building up 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 presentations of results at board level, networking meetings with senior leadership and individual development plans.

The various aspects and topics of sustainability play a special role in our training programme. From 2022 onwards, the Business Academy will provide learning content in a modular setup.

**The first step is a web-based training course aimed at all employees that teaches the fundamentals of sustainability.**

The specific planning and implementation of the training at individual locations is a particular challenge. Nevertheless, our goal is to reach more than 90% of the global workforce with training or communication measures over the course of 2022 and to fundamentally raise awareness of sustainability issues.

We want to maintain this target rate in the long term and therefore also include the onboarding of new employees in our plans.

In addition, in 2022 we will design corresponding follow-up training courses that will zero in on the topics of social and environmental sustainability. Subsequently, we will focus on the implementation of function-specific training courses so as to have a comprehensive training series on sustainability available before 2025.

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## Diversity, equity and inclusion

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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 72,000 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.

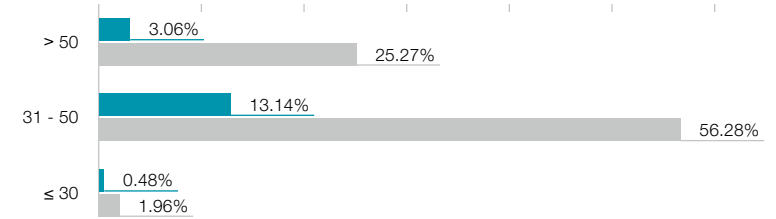
We value all our employees, whatever their ethnicity, gender, sexual orientation, religion, age or ideology. At DRÄXLMAIER, each and every individual is given the same opportunities to contribute, develop and perform at their best.

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, nationality, age, disability or gender. In a global comparison of the salaries of individuals of all genders, we thus achieve a nearly balanced ratio.

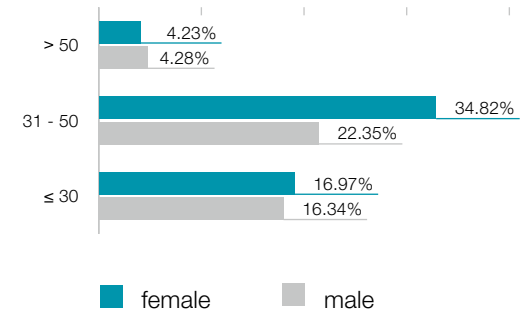


## Age and gender diversity by staff groups in %

### (Senior) Management



### Staff



In terms of our company's cultural diversity, we benefit from the large number of different nationalities in our workforce. In 2021, people of 85 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.

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

In addition, we create offers for the different phases of our employees' lives in order to ensure the best possible work-life balance. This includes, above all, flexible work time models, modern and stress-relieving alternating shift models, 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 98% – 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.

### 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 score 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.

After we were unable to launch our global pilot project on hybrid working in 2021 as planned due to pandemic-related restrictions, we now want to implement it in 2022.

**The project aims to improve work-life balance further through flexible working conditions. The focus will also be on aspects of occupational health and safety.**



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## Occupational health and safety

**GRI** We are committed to providing a safe work environment for our employees and to maintaining and promoting their health. Our  
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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 23 locations, was successfully completed and the corresponding matrix certificate issued. At the same time, certifications had to be cancelled or postponed due to the pandemic, so that the level of coverage fell from 53 % to 43 % of all employees in our production networks during the reporting period. Irrespective of this, 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 2021, we were able to further improve the LTIR: it fell from 0.60 to 0.52 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 2021.

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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.

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 have already been 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 encompasses all areas of our occupational health management. A Group-wide rollout of the programme is currently being discussed and anticipated.

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 staff. In special care programmes, working conditions are assessed in order to identify possible health risk factors, to define and implement possible solutions to minimise risks and to check their effectiveness.

In addition, we also offer our employees preventive medical care and are consistently working on expanding this offer. Regular flu shots and breast cancer prevention campaigns are held at many locations.

The health of our employees on business trips also matters to us. We therefore provide staff with information on the destination of their business trip in a preliminary discussion. If the destination is in a high-risk area, we provide the travellers with comprehensive advice. Recommended vaccinations are explained and, if desired, administered. After completion of the business trip, there is the option of a return interview.

## Focus on COVID-19

The COVID-19 pandemic continues to present challenges. 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. 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. 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. In addition, vaccinations were administered at many DRÄXLMAIER Group locations in 2021. In Germany, a “vaccination bus” was deployed to regularly visit all German sites and offer vaccinations to all employees and their families. D-shields and other medical material such as masks and disinfectants were also regularly donated to medical facilities.

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## Social engagement

**GRI** 3-3  
413-1 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 young talent is particularly important to us, because we aim to give promising youngsters the opportunity to develop freely and independently.

As a partner of the regions, our goal is to leverage our 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. Here are a few examples:



### Protecting lives: Social responsibility during the COVID-19 pandemic

The DRÄXLMAIER Group's social engagement in 2021 was again largely dominated by the COVID-19 pandemic: supporting local educational institutions and medical facilities, minimising supply bottlenecks and thus helping to protect human lives – the numerous activities at our global locations in the past year were still strongly focused on alleviating the impact of the pandemic. The focus was always on providing effective aid; at the same time, we were keen to show that we see social responsibility as a corporate imperative – not least in times of crisis such as these.

#### Serbia: Network technology for health care facilities

At our Serbian locations, social engagement in 2021 focused on supporting health care facilities. For example, the DRÄXLMAIER Group donated numerous network devices to the Dr. Boško Vrebalov Health Centre and the Đorđe Joanović General Hospital in Zrenjanin. These donations facilitated uninterrupted system operations, fast data transfer and reliable data processing, as well as smooth workflows. In 2020, DRÄXLMAIER had already helped both facilities with computer hardware and urgently needed protective equipment to prevent the infection of doctors and patients during the COVID-19 pandemic.

#### Moldova: Commitment to prevention, education and environmental protection

In Moldova, DRÄXLMAIER was primarily involved in the areas of health, education and environmental protection in 2021.

In the regions around the Bălți and Cahul sites, a total of nine community health care facilities were supplied with medical and sanitary materials. More than 200,000 masks, about 300 D-shield protective visors (a DRÄXLMAIER proprietary development) and 160 litres of disinfectant helped the local population to protect themselves from infection during the COVID-19 pandemic.

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In addition, DRÄXLMAIER supported educational institutions in the regions around Bălți and Cahul with pre-owned workshop and computer equipment, lamps, furniture and playground equipment for children. The aim was to significantly improve learning conditions in a total of two pre-schools, ten schools, two vocational schools and one college.

Our social engagement in Moldova also extends beyond the immediate vicinity of the sites. For example, DRÄXLMAIER supported the construction of a hydrotherapy water basin at the Phoenix Centre, a project of the Moldova AID organisation. The centre provides medical and social care for disadvantaged people with physical disabilities in the Riscani region bordering Bălți.

Environmental protection was the focus of the trainees' spring and autumn cleaning activities in 2021. On Earth Day in April and during the "World Cleanup" campaigns in September, they and their trainers collected litter from nature in the vicinity of our sites.

Volunteers from our company also took part in a nationwide planting campaign for the sustainable reforestation of Moldova. According to statistics, only eleven percent of the territory of the Republic of Moldova is currently tree-covered. According to experts, however, this figure should be at least 25 % in order to guarantee a sufficient supply of fresh air and water. With their commitment, the employees of DRÄXLMAIER hope to play a role in bridging this gap.

### Romania: Caring for people and the environment

In Romania, too, numerous employees of DRÄXLMAIER Pitești took part in the global environmental campaign "World Cleanup Day" in 2021 and cleared the forest near Trivale of litter. Equipped with gloves and trash bags, they collected more than 1.5 tonnes of waste, ranging from plastics to polystyrene, cardboard, packaging and household waste, from the Grigorești area in just a few hours. In addition, volunteers from DRÄXLMAIER Timișoara took part in an extensive tree-planting campaign. The creation of a forest protection belt around the city was supported with 200 oak seedlings. By participating in charitable sporting events, DRÄXLMAIER em-

ployees in Romania supported two social institutions: the Rafael Foundation, which offers free therapy to those with disabilities, and the Hospice Brasov, which is dedicated to end-of-life care. DRÄXLMAIER also backed up this commitment with monetary donations to the two institutions.

### USA: Employees support socially disadvantaged children and senior citizens

The Charity Committee of the DRÄXLMAIER plant in Duncan, South Carolina, donated to the Meals on Wheels programme run by Greer Community Ministries in June 2021. The non-profit organisation serves disadvantaged seniors in the greater Greer area of South Carolina. The money came from various fundraising campaigns in which DRÄXLMAIER employees took part in the first half of the year. "This donation will go a long way in providing meals to senior citizens in our area," said Donny Kauffman, executive director of Greer Community Ministries. "We currently serve about 350 meals a day, and this donation will really help us. We are very grateful to the DRÄXLMAIER staff who made this possible. It says a lot about this company."

As in previous years, employees of the DRÄXLMAIER plant in Duncan donated backpacks with school supplies to the "Stuff the Bus" campaign organised by the United Way of the Piedmont in 2021. The goal is to support disadvantaged children in the seven school districts of Spartanburg County by providing them with school supplies. With their engagement, the employees of DRÄXLMAIER are sending a clear message of solidarity with the community.

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### Mexico: Donation to the Red Cross

At the new plant location in Tepic, Mexico, DRÄXLMAIER was able to initiate a turnaround with a donation to the local Red Cross. As Mariano García, State Delegate for the Red Cross, noted, voluntary donations as part of corporate citizenship had not been the norm here until now. Especially in light of the COVID-19 pandemic, which had made the Red Cross's donation activities extremely difficult in recent years, the leadership was delighted.

### Tunisia: Food donations during Ramadan

A tradition continues: as in previous years, DRÄXLMAIER once again donated essential food to families in need in 2021. During the fasting month of Ramadan, around 500 boxes of food were distributed at DRÄXLMAIER's Tunisian locations.

In this way, DRÄXLMAIER once again underscored the company's commitment to Tunisian culture and religion.



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		Unit	2021	2020																																									
<b>Employees and nationalities</b>																																													
GRI 2-7 2-9 401-1 405-1	Employees	number	71,787	76,221																																									
	Trainees	number	1,096	1,000																																									
	Hiring	number	16,537	16,143																																									
	Staff turnover rate	percentage	25.39 %	28.56 %																																									
<b>Diversity</b>																																													
	Women in (senior) management	percentage	16.87 %	16.29 %																																									
	Men in (senior) management	percentage	83.13 %	83.72 %																																									
	Women (excluding (senior) management)	percentage	57.02 %	56.60 %																																									
	Men (excluding (senior) management)	percentage	42.97 %	43.04 %																																									
<table border="1"> <thead> <tr> <th colspan="2"></th> <th colspan="2">Up to age 30</th> <th colspan="2">31-50 years</th> <th colspan="2">Over 50</th> </tr> <tr> <th></th> <th>Year</th> <th>Number</th> <th>Women %</th> <th>Men %</th> <th>Number</th> <th>%</th> <th>Number</th> <th>%</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board Members</td> <td>2020</td> <td>6</td> <td>0 %</td> <td>100 %</td> <td>0</td> <td>0%</td> <td>1</td> <td>16.70 %</td> <td>5</td> <td>83.30 %</td> </tr> <tr> <td>Board Members</td> <td>2021</td> <td>7</td> <td>0 %</td> <td>100 %</td> <td>0</td> <td>0%</td> <td>1</td> <td>14.30 %</td> <td>6</td> <td>85.70 %</td> </tr> </tbody> </table>							Up to age 30		31-50 years		Over 50			Year	Number	Women %	Men %	Number	%	Number	%	Number	%	Board Members	2020	6	0 %	100 %	0	0%	1	16.70 %	5	83.30 %	Board Members	2021	7	0 %	100 %	0	0%	1	14.30 %	6	85.70 %
		Up to age 30		31-50 years		Over 50																																							
	Year	Number	Women %	Men %	Number	%	Number	%	Number	%																																			
Board Members	2020	6	0 %	100 %	0	0%	1	16.70 %	5	83.30 %																																			
Board Members	2021	7	0 %	100 %	0	0%	1	14.30 %	6	85.70 %																																			

Statement of use  
GRI 1 used

DRÄXLMAIER Group has reported the information cited in this GRI content index for the period 01.01.2021- 31.12.2021 with reference to the GRI Standards.  
GRI 1: Foundation 2021

## GRI STANDARD

## Disclosure

## Location Further information

GRI STANDARD	Disclosure	Location	Further information
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 7, 65	More information at <a href="https://www.draexlmaier.com/en/company/draexlmaier-worldwide">https://www.draexlmaier.com/en/company/draexlmaier-worldwide</a> .  The entire company is a family business owned by the DRÄXLMAIER family. The parent company of the DRÄXLMAIER Group has the legal form of aGmbH & Co. KG. The consolidated financial report of the DRÄXLMAIER Group is not published.
	2-2 Entities included in the organization's sustainability reporting	Page 65	-
	2-3 Reporting period, frequency and contact point	Page 65, 66	-
	2-4 Restatements of information	Pages 31-33 41-44	-
	2-5 External assurance	Page 65	-
	2-6 Activities, value chain and other business relationships	Pages 7, 19, 26-27	Further information at <a href="https://www.draexlmaier.com/en/products">https://www.draexlmaier.com/en/products</a> .  There were no significant changes in the organization or supply chain in the reporting year.
	2-7 Employees	Pages 46-53, 59	-
	2-9 Governance structure and composition	Pages 9-11, 59	Further information at <a href="https://www.draexlmaier.com/en/company/responsibility/corporate-management/management">https://www.draexlmaier.com/en/company/responsibility/corporate-management/management</a> .
	2-11 Chair of the highest governance body	Page 59	Further information at <a href="https://www.draexlmaier.com/en/company/responsibility/corporate-management/management">https://www.draexlmaier.com/en/company/responsibility/corporate-management/management</a> .
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 8, 9-12	-
	2-13 Delegation of responsibility for managing impacts	Pages 9-12	-
	2-14 Role of the highest governance body in sustainability reporting	Pages 9-12	-
	2-22 Statement on sustainable development strategy	Pages 3-6	-
	2-23 Policy commitments	Pages 8, 13-14, 15, 26	-

GRI STANDARD	Disclosure	Location	Further information
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Pages 8, 13-14, 15, 26	-
	2-25 Processes to remediate negative impacts	Page 10	-
	2-26 Mechanisms for seeking advice and raising concerns	Page 15-16	-
	2-27 Compliance with laws and regulations	Page 16	-
	2-28 Membership associations	Pages 26, 29	-
	2-29 Approach to stakeholder engagement	Page 12	-
	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	3-1 Process to determine material topics	Pages 9-12	-
	3-2 List of material topics	Page 10	-
	3-3 Management of material topics	Pages 15, 16, 19, 21, 26, 29, 31, 39, 46, 49, 52, 54, 56	-
<b>GRI 200: Economic Disclosures</b>			
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Page 16	-
	205-2 Communication and training about anti-corruption policies and procedures	Page 16	-
GRI 206: Anti-competitive Behavior 2016	3-3 Management of material topics	Page 16	-
	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-competitive behavior, cartel and monopoly formation and their results, as this information is subject to special confidentiality requirements.

GRI STANDARD	Disclosure	Location	Further information
<b>GRI 300: Environmental Disclosures</b>			
GRI 301: Materials 2016	3-3 Management of material topics	Pages 21, 22, 27	-
	Self-disclosure	Page 27	Recycled share of our purchased plastic granulates in the Connector Systems and Interior Systems segment.
GRI 302: Energy 2016	3-3 Management of material topics	Pages 29, 31, 35	-
	302-1 Energy consumption within the organization	Pages 35-37, 41, 42	-
	302-3 Energy intensity	Pages 43, 44	-
GRI 305: Emissions 2016	3-3 Management of material topics	Pages 29-33	-
	305-1 Direct (Scope 1) GHG emissions	Pages 32, 41	-
	305-2 Energy indirect (Scope 2) GHG emissions	Pages 32, 41	-
	305-3 Other indirect (Scope 3) GHG emissions	Pages 33, 41	-
	305-4 GHG emissions intensity	Pages 32, 43	-
GRI 306: Waste 2020	3-3 Management of material topics	Pages 39-40	-
	306-1 Waste generation and significant waste-related impacts	Pages 39, 42	No significant actual or potential waste-related impacts were identified in the reporting year.
	306-2 Management of significant waste-related impacts	Pages 22, 39, 40	-
	306-3 Waste generated	Pages 39, 41	-
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Pages 26, 27	-
	308-1 New suppliers that were screened using environmental criteria	Page 27	-

GRI STANDARD	Disclosure	Location	Further information
<b>GRI 400: Social Disclosures</b>			
GRI 401: Employment 2016	3-3 Management of material topics	Pages 46-48	-
	401-1 New employee hires and employee turnover	Pages 46, 47, 59	-
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Pages 54, 55	-
	403-1 Occupational health and safety management system	Pages 54, 55	-
	403-2 Hazard identification, risk assessment, and incident investigation	Pages 54, 55	-
	403-3 Occupational health services	Pages 54, 55	-
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pages 54, 55	-
	403-5 Worker training on occupational health and safety	Page 55	-
	403-6 Promotion of worker health	Page 55	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 14	-
	403-8 Workers covered by an occupational health and safety management system	Pages 54, 55	-
	403-9 Work-related injuries	Page 54	-
GRI 404: Training and Education 2016	3-3 Management of material topics	Pages 49-51	-
	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 49-51	-
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Pages 52-53	-
	405-1 Diversity of governance bodies and employees	Page 59	-
	405-2 Ratio of basic salary and remuneration of women to men	-	100% corresponds to the average basic salary of men. In addition, the average basic salary of women per region and employee category: Asia/Oceania: Management: 87%, Staff: 96% America: Management: 100%, Staff: 97% EMEA: Management: 98%, Staff: 99%



GRI STANDARD	Disclosure	Location	Further information
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Pages 15, 52, 53	-
	406-1 Incidents of discrimination and corrective actions taken	Page 15	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	3-3 Management of material topics	Pages 15, 26, 27	-
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 15, 26, 27	In the reporting year, there was no reason to believe, on the basis of our risk and control processes, that the right to freedom of association and collective bargaining could be threatened at any site or supplier's site. The risk analysis is currently being expanded.
GRI 408: Child Labor 2016	3-3 Management of material topics	Pages 15, 26, 27	-
	408-1 Operations and suppliers at significant risk for incidents of child labor	Pages 15, 26, 27	In the reporting year, based on our risk and control processes, there was no reason to believe that cases of child labor occurred at any site or supplier site. The risk analysis is currently being expanded.
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	Pages 15, 26, 27	-
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pages 15, 26, 27	In the reporting year, based on our risk and control processes, there was no reason to believe that incidents of forced or compulsory labor occurred at any site or supplier's site. The risk analysis is currently being expanded.
GRI 411: Rights of Indigenous Peoples 2016	3-3 Management of material topics	Page 15	-
	411-1 Incidents of violations involving rights of indigenous peoples	-	The DRÄXLMAIER Group was not involved in any legal or arbitration proceedings regarding the violation of indigenous peoples during the reporting period. Further disclosures are subject to internal confidentiality requirements.
GRI 413: Local Communities 2016	3-3 Management of material topics	Pages 15, 56	-
	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 56-58	-
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Pages 26, 27	-
	414-1 New suppliers that were screened using social criteria	Pages 26, 27	-

## About this report

**GRI** This report is designed to provide information on the most important activities of the  
2-1 DRÄXLMAIER Group in the area of sustainability.  
2-2  
2-3  
2-5  
2-7 This report has been prepared with reference to the GRI Standards. The consolidated GRI  
2-9 sustainability report standards served as a basis for the 2021 issue. The report follows these  
401-1 standards to ensure growing transparency requirements. The contents cover the period  
405-1 from 1 January 2021 to 31 December 2021. 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 2023.

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.

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