DRÄXLMAIER

Shaping the future through sustainable action

Sustainability Report 2024

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Foreword

Dear Readers,

Rarely before have the framework conditions for entrepreneurial activity been characterized by such great uncertainty as is currently the case – with political events creating new uncertainties and stress factors on almost a daily basis.

From left to right: Stefan Brandl and Jan Reblin

At the same time, our industry is in the midst of profound transformation processes influenced by digitalization, decarbonization and the diversification of business models. The consequences for our industry are difficult to predict, while the challenges of climate change and the associated social changes are also becoming ever more pressing.

However, all these challenges have one thing in common: the only way that they can be overcome is if we all act together. All stakeholders must play their part: governments, businesses and society as a whole. This is the only way to create the power to actively shape change in the interests of the people – and that is what sustainability is all about.

For DRÄXLMAIER, sustainability has always been an essential aspect of our actions and is firmly anchored in our canon of values. We understand the environmental and social impacts of our business activities – and we take responsibility by contributing actively and decisively to sustainable development.

Time and again, our company history provides examples of how we have combined innovation and proven products with courage and determination to create something new. We recognized the technological change early on, for example, and expanded our product portfolio to include innovative solutions for electromobility. Today we can convince our customers with outstanding development results. We consistently rely on innovative technologies and sustainable materials to minimize our ecological footprint and make our contribution to climate protection.

Our goal is to be able to offer our customers a sustainable solution for every task – and to pursue this aim throughout the entire value chain. To this end, it is important that our suppliers tread this path together with us and share our aspirations for climate protection, fair and safe working conditions and respect for human rights in global supply chains. This shared understanding of responsibility and sustainability forms the basis of our business relationships.

We know one thing for certain: sustainability requires transparency. We use performance indicators to measure the success of our actions. For the first time, we have not only aligned ourselves with the standards of the Global Reporting Initiative, but are already anticipating some of the emerging reporting requirements resulting from the Corporate Sustainability Reporting Directive at EU level – with a new structure and a clear focus on the topics that we identified as essential when updating our double materiality analysis.

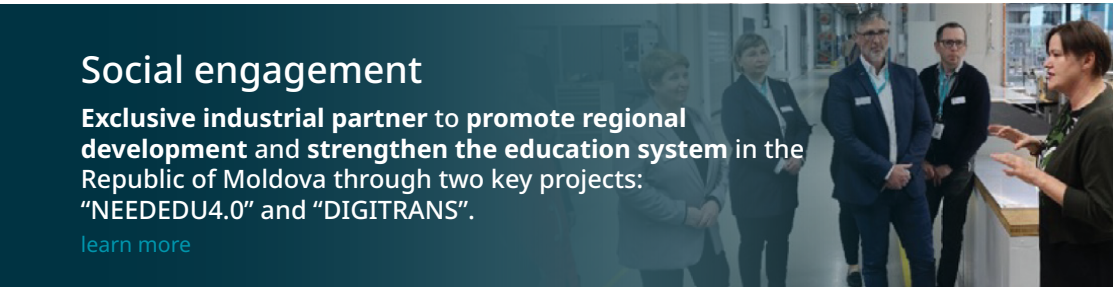
Find out more about our activities and the progress we have made so far – and let us work together not only to meet the current challenges, but to secure our common future through sustainable action. We at DRÄXLMAIER will do our part!

Stefan Brandl
Vice Chairman, CEO

Jan Reblin
CEO

Activities in 2024

Social engagement



Exclusive industrial partner to **promote regional development** and **strengthen the education system** in the Republic of Moldova through two key projects: “NEEDEDU4.0” and “DIGITRANS”.

learn more

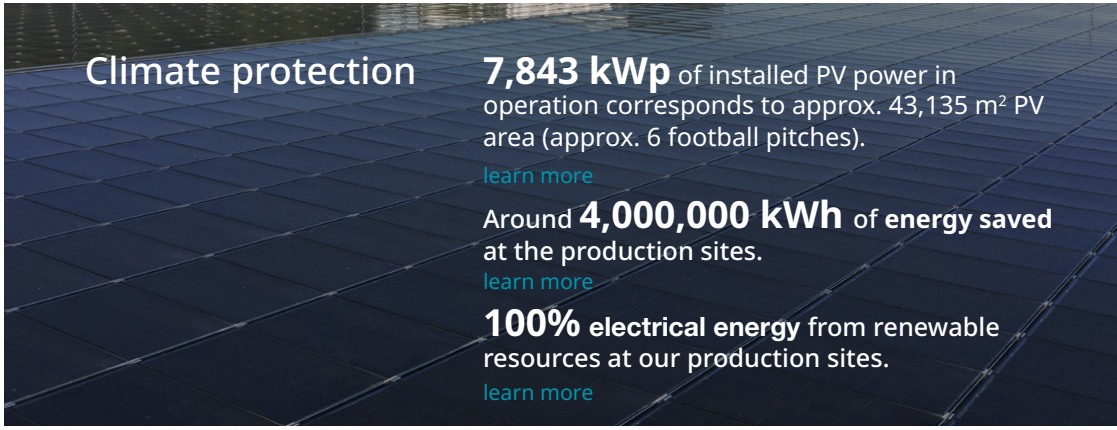
Supply chain

Member of the **automotive industry dialog** with a focus on human and environmental rights, and **participation** in the Copper project group in the “Peru” mining area.

Partner of initiative **TheCopperMark.**

learn more

Climate protection



7,843 kWp of installed PV power in operation corresponds to approx. 43,135 m² PV area (approx. 6 football pitches).

learn more

Around **4,000,000 kWh** of **energy saved** at the production sites.

learn more

100% electrical energy from renewable resources at our production sites.

learn more

Circular economy

Recycling rate **74.1%**

learn more

Digitalization

Active participation in the Catena-X data ecosystem: Implementation of the traceability use case, member of the Catena-X e.V. association and consortium member in the “Catena-X NEXT” research project.

learn more

Sustainable products

Greenhouse gas emissions of all DRÄXLMAIER products are identifiable and are in factored into **cost calculations for new contracts**.

learn more

Employees

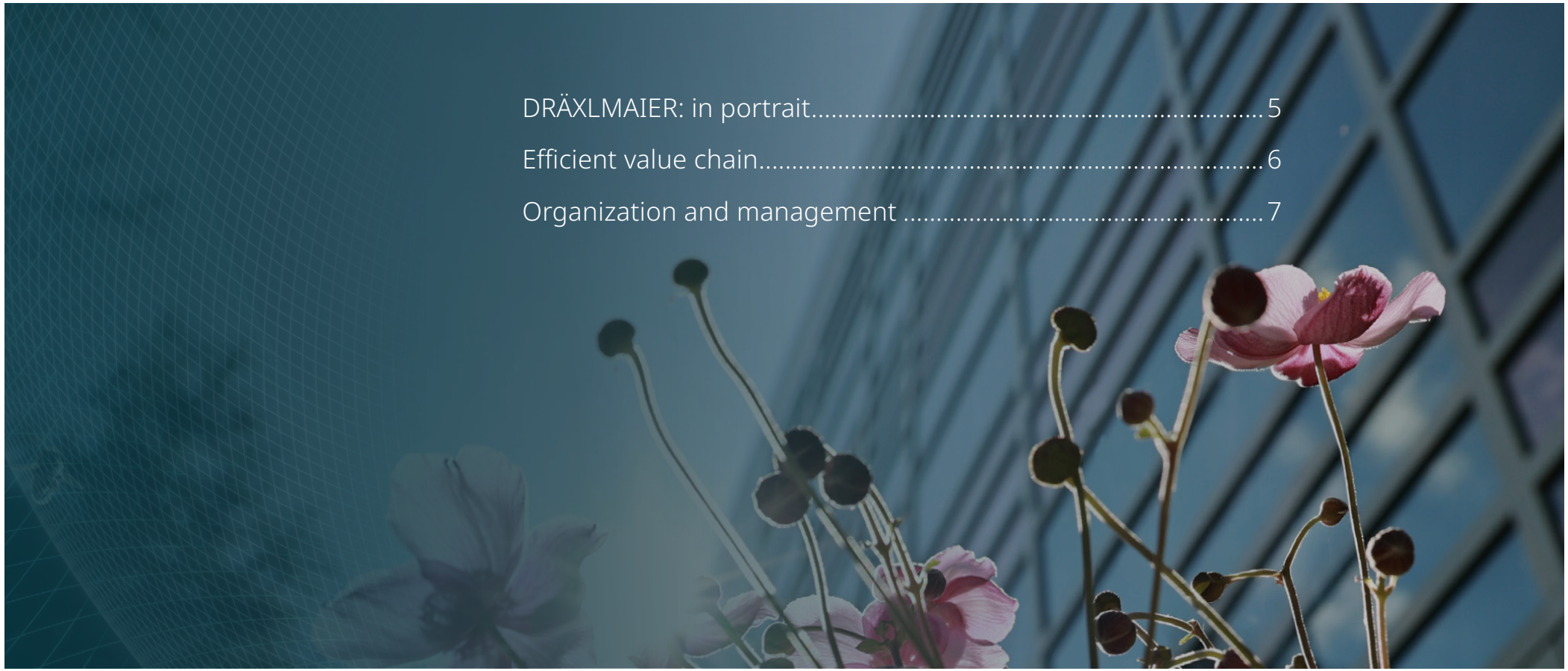
~ 1,500 trainees worldwide at 32 locations in 11 countries.

learn more

Award for **innovative e-learning project** on the subject of **sustainability** in Germany.

learn more

Our company



Our company

The DRÄXLMAIER Group supplies premium vehicle manufacturers around the world with complex wiring systems, central electrical and electronic components, exclusive interiors and battery systems for electric mobility. The global automotive supplier covers the entire process chain: from the initial idea to product development, right through to series production and sequential delivery to the automotive manufacturers' production lines. As a family-owned company, DRÄXLMAIER also attaches particular importance to responsible and sustainable business practices for the benefit of people, the environment and society.

DRÄXLMAIER: A portrait

At a glance

- **With around 70,000 employees worldwide and production sites and branches in more than 20 countries, DRÄXLMAIER has a global presence.**
- **Strategic management strengthened by the expansion of the Executive Board in 2024.**
- **Reliable partner for innovation and development in the industry.**

The DRÄXLMAIER Group is a globally operating company in the automotive industry. Strategically focused on the premium segment, the company specializes in the development and production of complex wiring systems, high-quality electrical and electronic systems, exclusive interiors and battery systems. The ❯ **Corporate governance, Sustainable products** chapter contains the relevant details.

Founded in 1958 by Fritz Dräxlmaier Sr, the company has since developed into a leading innovation and systems partner for the premium automotive sector in a demanding and highly competitive market. The DRÄXLMAIER Group's annual sales in the 2024 financial year totalled EUR 5.5 billion (2023: EUR 5.6 billion). The company employs around 70,000 people worldwide. With production facilities and branches in more than 20 countries, the DRÄXLMAIER Group has a global presence.

Clear strategy for global success

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

The acronym LEADER stands for

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

Excellence
We are increasing the effectiveness and efficiency of our processes.

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

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

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

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

Efficient value chain

The value chain of the DRÄXLMAIER Group includes important steps aimed at delivering high-quality and sustainable products for the automotive industry.
The main elements are:

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

Global production network
The production network of the DRÄXLMAIER Group comprises 55 (2023: 59) production sites in Eastern Europe, North Africa, North and Central America and Asia. This enables us to respond flexibly to the requirements of the global automotive industry and to offer our customers around the world first-class products and services with the same high quality standards.

Logistics and distribution
Efficient supply chain management ensures that the products reach the customers in good time and in perfect condition. DRÄXLMAIER uses key figures as leading indicators for managing the entire production and logistics network.

Procurement and materials management
DRÄXLMAIER attaches great importance to the sustainable procurement of (raw) materials and favors the procurement of materials from geographically close regions. The company also selects its suppliers carefully and distributes the purchasing volume among several suppliers. The ❯ **Corporate governance, Supplier relationship management** chapter contains the relevant details.

The DRÄXLMAIER Group maintains close and long-term business relationships with a large number of strategic cooperation partners and customers in order to develop and provide innovative and sustainable solutions for the automotive industry.

Production sites of the DRÄXLMAIER Group by region

Europe

24
Production sites

Germany, Romania, Poland, Republic of Moldova, Serbia, United Kingdom, Austria, North Macedonia

Asia

12
Production sites

China, Vietnam, Malaysia, Thailand, India

Africa

7
Production sites

Tunisia, South Africa, Egypt

The Americas

12
Production sites

Mexico, Nicaragua, USA

Organization and management

During the course of 2024, the management team of the DRÄXLMAIER Group was expanded. On April 1, 2024, Dr. Harald Straky joined the management team as Chief Technology Officer (CTO) and on July 1, 2024, Arno Güllering took over the position of Chief Operating Officer (COO). Torsten Kurz was appointed Chief Financial Officer (CFO) on September 1, 2024.

Roland Polte resigned as Chief Human Resources Officer of the DRÄXLMAIER Group on March 31, 2025. Effective April 1, 2025, the Human Resources function was assigned to Stefan Brandl, CEO of the DRÄXLMAIER Group.

As of May 1, 2025, the legal form of the managing partner was changed from Fritz Dräxlmaier GmbH & Co. KG to the DRÄXLMAIER Group SE & Co. KG.

Alongside the change of name, an administrative board will be established, which will act as an additional management and control body. The Chairman of the administrative board is Fritz Dräxlmaier and the Vice-Chairman is Stefan Brandl.

From left to right: Torsten Kurz, Stefan Brandl, Fritz Dräxlmaier, Jan Reblin, Dr. Harald Straky, Arno Güllering

The administrative board has appointed managing directors responsible for the operational management and development of the company. These are:

- **Stefan Brandl,** Chief Executive Officer (CEO) responsible for Human Resources, Procurement and Staff Units
- **Jan Reblin,** Chief Executive Officer (CEO) responsible for the Customer & Market and Security, Safety & Services business divisions
- **Arno Güllering,** Chief Operations Officer (COO) responsible for Operations
- **Torsten Kurz,** Chief Financial Officer (CFO) responsible for the Finance and IT business divisions
- **Dr. Harald Straky,** Chief Technological Officer (CTO) responsible for the Technical Engineering business division.

Our sustainability approach

Goals and ambitions

The following overview shows a selection of the key goals and ambitions of our understanding of sustainability.

Area of action	Topic	Definition	Target timeframe	Status 2022	Status 2023	Status 2024	Page Link
Governance	Sustainable project investments	Project investments in zero-emission mobility in relation to total project investments for future vehicle projects	78% (2025)	–	●	●	S. 11
Social responsibility	Apprenticeship quota	Proportion of trainees in total workforce	2% (2030)	●	●	●	S. 11, 56
	Sustainability training (basics)	Proportion of newly hired employees in the global workforce that have successfully completed the basic sustainability training at the individual locations using the online training program	> 80% (2023 et seq.)	●	●	●	S. 57
	Learning	Number of learning hours per employee	Average number of hours	–	14,5	13,4	S. 57
	Occupational health and safety management	Production site ISO 45001 certification	100% (2026 et seq.) [1]	●	●	↗	S. 54
Sustainable products	Suppliers with “green” status	Proportion of freely negotiable purchasing volume purchased from suppliers that have “green” status in the “sustainability” category in the supplier evaluation	85.7% (2024) [2]	–	●	↗	S. 72
	Sustainability requirements in the supplier portfolio	Compliance with sustainability requirements by suppliers whose goods are used for series production at DRÄXLMAIER	78.1% (2024)	–	–	●	S. 72-75
Climate and environmental protection	Self-power potential	Maximum electrical output divided by the net internal area of the building. The maximum electrical output includes all power generation plants owned by the Group. The net internal building areas include all buildings owned by the Group	6.374 kW / 1000 m² (2030)	●	●	●	S. 11, 38-40
	Energy management	Roll-out for ISO 50001 implementation at relevant production sites	100% (2025)	–	–	↗	S. 38-39
	Proportion of green electricity in total energy use	Electrical energy purchased from renewable resources as a proportion of the total amount of electrical energy purchased at the production sites. The following are classed as renewable energy sources: wind energy, hydropower, solar energy, geothermal energy, bioenergy [excl. self-generated energy]	100% (2025 et seq.)	↗	●	●	S. 40
	Scope 1 + 2 emissions reduction	Reduction in absolute Scope 1 + 2 emissions compared to the base year 2021	-66% (2029)	↗	●	●	S. 34-35
	Environmental management	Production site ISO 14001 certification	100% (2025 et seq.)	●	●	●	S. 33
	Recycling rate	“Recycling rate” refers to the mathematical mean of waste generated at each of the Group’s production sites that is diverted through treatment for reuse, recycling or recovery processes	72.3% (2030)	●	●	●	S. 11, 45

[1] As the certification of a site was postponed to the following years, 100% coverage could not be achieved in 2024
[2] Due to a revision of a questionnaire, the figure is below the previous year’s figure

● (Interim) target achieved
↗ On track

Our sustainability approach

DRÄXLMAIER is shaping the future of mobility with an innovative product and technology portfolio. We consistently invest in research and development as well as in our global production network. We work continuously on improving the efficiency of our production processes, combining economic needs with the goal of protecting the climate and the environment in the best possible way. Because sustainability is the guiding principle for our actions and ensures the success of our company – today and in the future.

At a glance

- **Key figures in sustainability management specified further.**
- **Double materiality analysis process, reviewed for the first time.**
- **Interdisciplinary teams established for the implementation of future regulations.**

Sustainability management

As an owner-managed company, DRÄXLMAIER is particularly characterized by its corporate values. Sustainability is an important and actively practiced component of these values. Therefore, we always endeavour to strike a balance between economic, social and environmental aspects. This enables us to focus not only on economic success, but also to expand the positive impact of our business activities on the environment and society along our value chain and to reduce the negative impact as much as possible.

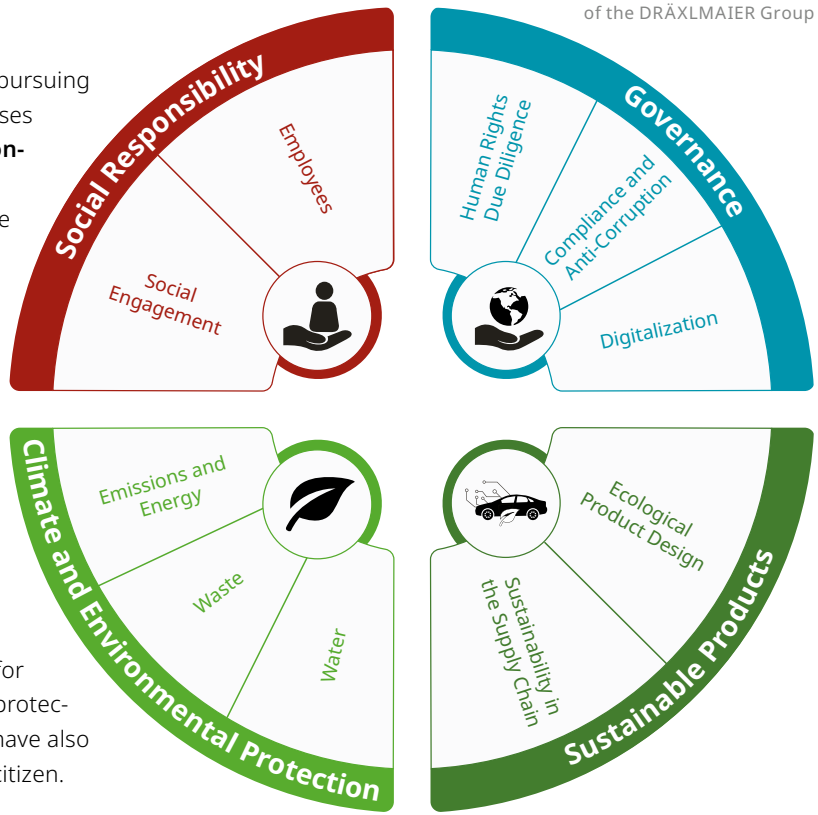
Our understanding of sustainability: Focus on four action areas

Based on this understanding, DRÄXLMAIER has been pursuing a holistic sustainability approach since 2020, and focuses on activities in the action areas of **climate and environmental protection, sustainable products, social responsibility** and **governance.** All current and future measures and projects from our sustainability management must contribute to at least one of these four action points. This ensures 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.

Our sustainability management encompasses a wide range of interconnected topics:

- The relationship with our employees is shaped by equally high labor and social standards worldwide, for example with regard to occupational safety, health protection or professional training and development. We have also defined clear rules for our activities as a corporate citizen.

Understanding of sustainability of the DRÄXLMAIER Group



- With over 60 locations around the world, we also see it as our responsibility to help protect the climate and environment by reducing energy consumption, greenhouse gas (GHG) emissions, waste and water use.
- Respect for human rights in the supply chain and environmentally-friendly product design remain relevant for DRÄXLMAIER in the context of the sustainable products action point.
- The topics of anti-corruption (as an explicit part of compliance), human rights due diligence and digitalization are also part of our responsibility.

We have been reporting transparently on our actions for several years. In the future, the EU Commission's Corporate Sustainability Reporting Directive (CSRD) and the corresponding national laws will set the framework for this. With this in mind, we have adapted our reporting and organized it into the fields of **Environment, Social commitment** and **Corporate governance**, while our actions continue to be based on our understanding of sustainability.

Continuous development of our understanding of sustainability

We regularly question our understanding of sustainability and develop it further in a targeted manner. This ensures that our sustainability requirements keep pace with our corporate activities and also incorporate future challenges and changing framework conditions.

Based on this understanding, we created a concept for updating our materiality analysis in 2023 and implemented this concept in 2024. The results – determined according to the principle of double materiality – determine the structure of this report. The detailed description of the materiality analysis can be found in the **❯ Materiality analysis section.**

Targets and monitoring

Like any business activity, our commercial operations have both positive and negative impacts on the environment and society. Our goal is to increase the positive effects and minimize the negative effects. Sustainability targets for the DRÄXLMAIER Group were already adopted in 2021 and are now anchored in the Group targets and functional targets, as well as in the personal targets at the highest management level.

In recent years, we have established various key figures in order to monitor the achievement of targets and make the effects of our own actions measurable. These key figures are regularly reviewed and adapted if necessary. For example, an indicator was established for measuring the internationality of our management team, which is based on the actual data from the last five years. From 2025 onward, the corresponding key figure will then be used for monitoring purposes. For more information on the targets, see the **❯ Goals and ambitions section.**

Sustainability performance as a criterion for corporate financing

Financing methods linked to sustainability criteria have gained in worldwide importance in recent years. Access to capital is thus increasingly dependent on companies' ability to manage sustainability successfully.

In 2021, we placed an ESG-linked (Environmental, Social, Governance) promissory loan note on the capital market for the first time. Accordingly, a price component is linked to meeting certain sustainability criteria. The first KPIs set out for the evaluation were the company's potential in terms of self-generated energy, its recycling rate and its apprenticeship quota. DRÄXLMAIER has ambitious annual targets in place for each of these indicators, all of which were achieved in the year under review (see chart). All three values were certified by an auditing company in 2024 ("limited assurance"). As part of the further development of our sustainability management, we are working on additional KPIs that can serve as evaluation criteria for the capital market.

KPIs for evaluating sustainability criteria

	2024	2023	2022
Self-power potential[1]	7.438	6.757	5.515
Recycling rate[2]	74.1	73.9	72.3
Apprenticeship quota[3]	2.1	2.1	1.7

[1] Maximum electric output [kw] / (net internal building area / 1000) [m^2]
[2] Mathematical mean of weight of diverted waste (t) / total weight waste (t) per production plant
[3] Number of trainees / number of active permanent employees in the Group

Sustainability organization

Our sustainability management is characterized by lean structures and clearly assigned responsibilities. The company management defines the sustainability strategy and decides on specific sustainability targets and the implementation of the corresponding measures.

Since 2024, the "Group Sustainability" area has been reporting directly to the Chief Executive Officer on a weekly basis in order to drive sustainability issues forward.
The Head of Group Sustainability is responsible for establishing and coordinating sustainability-related management processes and defining and optimizing internal standards. The strategy and objectives are coordinated with the company management and operationalized into functional objectives by the relevant departments. To this end, the topics from the stakeholder dialog are taken up and introduced into the company. If necessary, the Executive Board, the Executive Directors or individual members of the Board are informed about the respective sustainability projects by the responsible management staff.

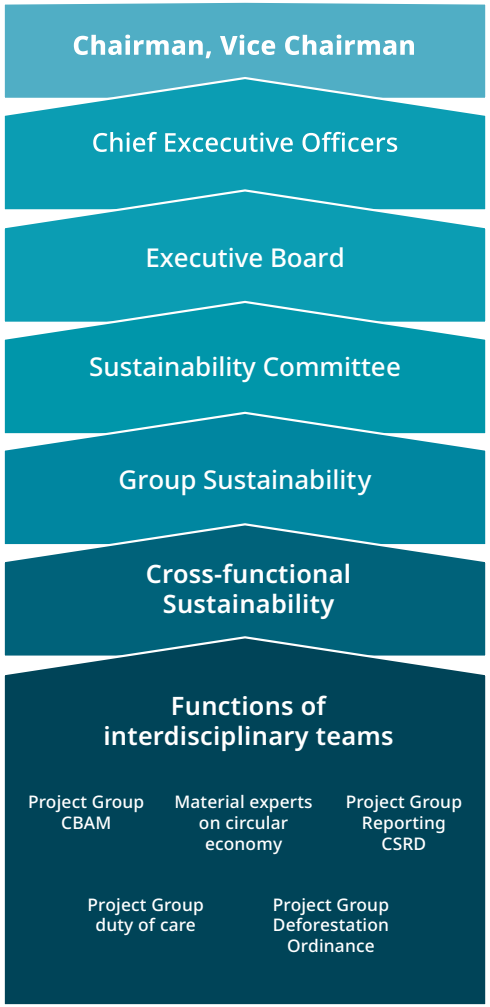
The Sustainability Committee meets monthly to coordinate cross-functional activities. This committee is made up of the responsible managers from the relevant functions, including Operations, Site Infrastructure, Human Resources, Transformation Program Management and Procurement. The committee discusses the ever increasing requirements and drives forward necessary change processes as well as the concrete implementation of measures. The Head of Group Sustainability regularly informs the company management about the results.

The sustainability managers of the individual functions also meet monthly under the chairmanship of the Head of Group Sustainability. The circle is expanded to include additional members as and when necessary. In addition, there is constant direct communication between the sustainability department and the specializt departments responsible for the operational implementation of the individual projects.

In 2024, particular attention was paid to the upcoming regulations from the European Union. Interdisciplinary teams were established to integrate the resulting task packages into existing projects.

The officer responsible for implementing the legal requirements of the Supply Chain Due Diligence Act is responsible for further embedding human rights concerns in decision-making processes, and reports directly to the Head of Human Resources as Human Rights Officer. The › **Corporate governance, Human rights** chapter contains the relevant details.

Sustainability organization of the DRÄXLMAIER Group



Materiality analysis

In 2024, we adapted our materiality analysis to the requirements of the Corporate Sustainability Reporting Directive of the European Union and the resulting European Sustainability Reporting Standards (ESRS). The analysis now follows the principle of double materiality and takes into account both topics on which we as a company have an influence, and developments and requirements that have an impact on DRÄXLMAIER and which are considered material by our stakeholders.

The inside-out perspective looks at the actual and potential positive and negative impacts of the company on people and the environment. The outside-in perspective, on the other hand, assesses the risks and opportunities of sustainability aspects with regard to the financial position of the company from the perspective of financial materiality.

In 2023, together with an external institute, external data and information on the market and competition were analyzed and clustered into 36 sustainability topics.

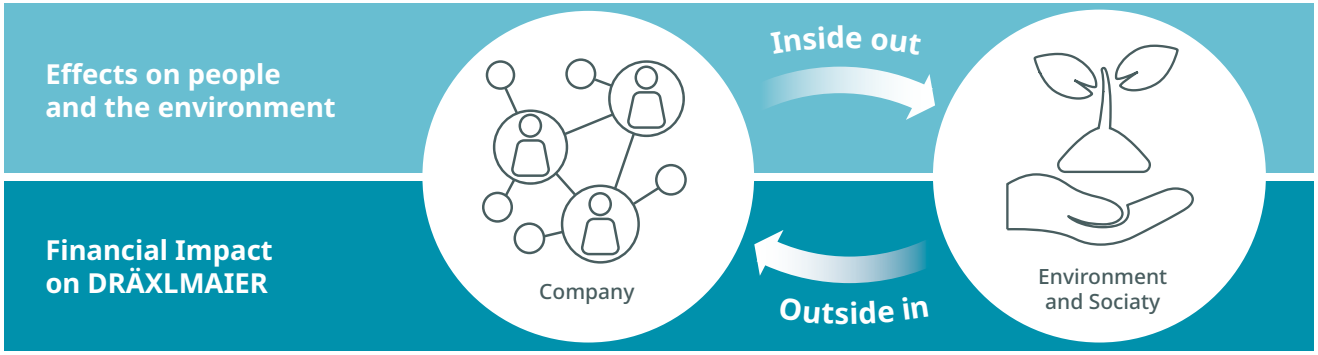
These topics served as the basis for a stakeholder survey with 24 selected experts, including customers, service providers and business partners, shareholders and financial market players as well as further representatives from business, industry, research and development.
The aim was to assess the sustainability performance to date and examine the relevance of the sustainability topics (inside-out). In addition, it was examined whether new topics had emerged or whether the importance of the topics had changed compared to the previous year.

The identification of potential impacts was based on our own research and on the requirements defined in the ESRS. Both positive and negative effects were taken into account and considered in the short, medium and long term. Potential impacts along the value chain were included in the survey of internal and external stakeholders and supplemented if necessary. Further, in particular actual, impacts were contributed by the specializt functions.

The quantitative evaluation of the outside-in perspective was carried out as part of an internal online survey of the relevant specializt functions. The key topics and the assessment of opportunities and risks were then determined in an internal workshop with the specializt functions.

The results of this workshop and the stakeholder survey were ultimately incorporated into the final assessment of impacts, risks and opportunities (IRO) by the specializt departments. They examined all potential topics and assessed them from an inside-out perspective in terms of scope, extent and immutability. In addition, they assessed whether the topics are serious on the basis of the aforementioned assessment points and whether potentially negative effects on human rights can be expected. Furthermore, an assessment of the likelihood of occurrence was made. For the outside-in perspective, all opportunities and risks were also assessed in terms of their extent and probability of occurrence.

The double materiality analysis



Subsequently, the results were classified in a matrix with a materiality limit. Impacts, risks and opportunities that were assessed to be above the defined materiality threshold were categorized as material.
These are explained in more detail in this sustainability report in the Environment, Social commitment and Corporate governance chapters. A description and explanation of the identified impacts, risks and opportunities is included in the table ❯ **Impacts, risks and opportunities**.

In total, 17 topics were identified as essential during the analysis and confirmed by the company management. The topics identified from the 2020 materiality analysis and the last survey of our senior management from 2022 are assigned to the new key topics. For the first time in the year under review, we also commissioned an external review of our materiality analysis and the identified topics with regard to the requirements of the CSRD. This will be completed in early 2025.

Key sustainability topics identified

The environment

- Climate protection (climate change)
- Energy (climate change)
- Resource inflows, including resource use (circular economy)
- Resource outflows related to products and services (circular economy)

Social commitment

- Appropriate remuneration (own workforce)
- Health and safety (own workforce)
- Secure employment (workforce in the value chain)
- Appropriate remuneration (workforce in the value chain)

Corporate governance

- Corporate culture (company policy)
- Management of relationships with suppliers (company policy)
- Corruption and bribery (company policy)
- Protection of whistleblowers (company policy)
- Data protection (company policy)

Company-specific topics[1]

- Sustainable products
- Innovation and digitalization
- Product quality
- Sustainable and safe mobility

[1] Company-specific topics are essential for DRÄXLMAIER due to company-specific criteria, but are not covered in detail by the ESRS. DRÄXLMAIER has therefore expanded its reporting to show the company's impact, risks and opportunities in the area of customers and competition in a sufficiently comprehensible manner ❯ The Corporate governance chapter contains the relevant details

Impacts, risks and opportunities (IROs) related to climate change

See Chapter ❯ Environment		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Climate protection							
Impacts	**Contribution to climate and environmental protection** ➔ Potentially positive impact The activities of DRÄXLMAIER in the area of climate and environmental protection contribute to society's overall task of curbing climate change and reducing greenhouse gas emissions. They also reduce local environmental pollution at the sites and have an indirect impact on other areas through the value chain.	●	●	●	●	○	●
	Contribution to mitigating the effects of climate change ➔ Potentially positive impact DRÄXLMAIER is making a contribution to mitigating the physical effects of climate change.	●	●	●	●	○	●
	Increasing price level due to climate protection measures ➔ Potentially negative impact As a result of climate protection measures (e.g. through CO_2e pricing or compensation), the prices of goods and services are rising.	●	●	●	●	○	●
Risks	**Shortage and rising prices of green electricity and electricity certificates** The growing demand for green electricity, electricity certificates and power purchase agreements can lead to a shortage in corresponding offers and to cost increases.	○	●	○	●	○	○
	Increase in work in terms of data quality and data management for greenhouse gas accounting Due to regulatory requirements, verifiable calculations of greenhouse gas accounting will be required in the future. Ensuring data quality and data management involves additional effort and costs.	●	○	○	○	●	○
	Investment requirements for climate protection measures and energy-related adaptations to buildings Climate protection measures and energy-related adaptations may require considerable investments in existing and new buildings.	○	●	●	○	●	○
	Competitive disadvantages due to incomplete provision of product emissions data Customers are increasingly demanding transparency in terms of product emissions. Failure to provide complete data in this regard may lead to adverse effects on the awarding of contracts.	●	●	○	○	○	●
Opportunities	**Ecological efficiency gains through standardization of processes** Standardized processes enable both economic and ecological efficiency gains (e.g. energy savings by eliminating redundant activities, material savings by optimizing processes).	○	●	○	○	●	○

Impacts, risks and opportunities (IROs) related to climate change

See Chapter ❯ Environment

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Energy							
Impacts	**Reduction in CO_2e-emissions (Scope 1 and 2)** → Actual positive impact The activities of DRÄXLMAIER lead to a reduction in direct CO_2e-emissions (Scope 1 and 2).	●	●	●	○	●	○
	Contribution to the energy transition → Potentially positive impact DRÄXLMAIER contributes to the energy transition by using low-emission energy sources and load management software that enables the optimal use of available energy through flexible production.	●	●	●	●	○	●
	Independence from fossil fuels → Potentially positive impact By using energy from renewable sources, DRÄXLMAIER becomes independent of fossil fuels and at the same time promotes the expansion of renewable energies.	○	●	○	○	●	○
	Existing risks from the use of fossil fuels → Potentially negative impact The continued use of fossil fuels such as gas or oil creates risks for the environment and society.	○	●	○	○	●	○
Risks	**Endangerment of the energy supply** Grid security and stability as well as the availability of the various energy sources can be at risk.	●	●	●	○	●	○
	Price fluctuations on the electricity market The dependencies on the electricity market and geopolitical conditions can result in price fluctuations.	●	●	●	○	●	○
Opportunities	**Use of renewable energy in new buildings** Renewable energies can be taken into account when planning new buildings.	○	●	○	○	●	○

Impacts, risks and opportunities (IROs) related to the use of resources and the circular economy

See Chapter ❯ Environment

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Resource inflows, including resource use							
Impacts	**Reduction in the environmental impact of raw material extraction** → Potentially positive impact By switching to renewable energies and environmentally friendly materials, DRÄXLMAIER reduces environmental impacts such as those caused by raw material extraction.	○	●	●	○	●	○
	Reduced dependence on fossil materials → Potentially negative impact Dependence on fossil materials will generate high costs in the future and can also lead to legal restrictions.	○	●	●	○	●	○
	Negative local impact of resource depletion → Potentially negative impact The extraction of resources has local impacts on people and the environment, in addition to possible human rights violations in the supply chain of individual raw materials.	○	●	●	○	●	○
Risks	**Benefits to reputation** DRÄXLMAIER can achieve reputational benefits by communicating its circular economy activities to the public.	●	●	●	○	●	○
Opportunities	**Availability and cost of materials from the circular economy** Limited or a lack of markets for materials that are recycled can hinder the development of the circular economy and lead to increased costs.	●	●	●	○	●	○
Resource outflows related to products and services							
Impacts	**Competitive advantage through research and development with a focus on recycling and biodegradability** → Potentially positive impact By promoting research, development and innovation with a focus on recycling and biodegradability, DRÄXLMAIER can offer its customers sustainable products. Such knowledge can thus create competitive advantages.	●	●	●	○	●	○
	Reduction in resource and energy consumption → Potentially positive impact Increased recyclability of products can lead to savings in resource and energy consumption and reduce the corresponding costs.	●	●	●	●	○	○
	Reduction of waste → Potentially positive impact Reducing waste by increasing the recyclability and reparability of products can lead to competitive advantages for DRÄXLMAIER.	●	●	●	●	○	●
	Obstruction of the re-use of rare resources due to improper disposal → Potentially negative impact Improper disposal can hinder the reuse of resources and thus limit the possibilities for recycling.	●	●	●	●	○	●
Opportunities	**Recycling of packaging materials** A circular packaging process reduces the costs of production and recycling of the resulting wasted.	●	●	●	○	●	○

Impacts, risks and opportunities (IROs) related to own workforce

See Chapter ❯ Social Commitment

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Arbeitsbedingungen: angemessene Entlohnung							
Impacts	**Contribution to improvement in quality of life** → Actual positive impact DRÄXLMAIER contributes to improving the quality of life of its employees through appropriate and predictable wages.	●	●	●	○	●	○
	Fair remuneration → Actual positive impact Transparent and locally attractive salary structures increase employee satisfaction and promote social justice.	●	●	●	○	●	○
	Disadvantages of wage gap compared to competitors → Actual negative impact Companies that relocate jobs to low-wage countries can realize cost advantages over DRÄXLMAIER.	●	●	●	○	●	○
	Improvement in the reputation of the company → Potentially positive impact Appropriate remuneration of employees has a positive impact on the reputation of DRÄXLMAIER among relevant stakeholders.	○	●	●	○	●	○
Risks	**Risks to reputation** Inappropriate remuneration can have a negative impact on the company image.	○	●	●	○	●	○
Opportunities	**Increased employee retention** Fair wages increase employee satisfaction and the attractiveness of DRÄXLMAIER as an employer. This makes it easier to attract and retain skilled workers.	●	●	●	○	●	○

Impacts, risks and opportunities (IROs) related to own workforce

See Chapter ❯ Social Commitment

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Working conditions: health and safety							
Impacts	**Improvement in health and quality of life** → Actual positive impact Occupational health and safety reduce the risk of work-related illnesses and accidents, which improves the general health and quality of life of employees.	◉	◉	◉	○	◉	○
	Reduction in environmental pollution → Actual positive impact Strict safety standards, training and regular information for employees help to minimize the release of harmful substances into the environment and the associated health risks.	◉	◉	◉	○	◉	○
	Threat to the safety and health of employees → Potentially negative impact Inadequate safety regulations can increase the risk of work-related illnesses and accidents, which can worsen the general health and quality of life of employees and lead to a decrease in production.	◉	◉	◉	○	◉	○
Risks	**Production losses** Safety incidents can lead to production stoppages and consequently have a financial impact.	◉	○	○	○	◉	○
Opportunities	**Reduction in the number of accidents at work** Occupational health and safety activities can prevent accidents at work and thus prevent production stoppages.	◉	◉	◉	○	◉	○
	Increase in attractiveness Extensive health services increase employer attractiveness. This makes it easier to attract talent and strengthens the loyalty of employees to the company.	○	◉	◉	○	◉	○

Impacts, risks and opportunities (IROs) related to the workforce in the value chain

See Chapter ❯ Social Commitment

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Working conditions: secure employment							
Impacts	**Contribution to safeguarding labor rights in the supply chain** → Actual positive impact DRÄXLMAIER involves the entire supply chain in the commitment to offer attractive and safe employment conditions. In this way, the company contributes to the protection of human rights worldwide.	●	○	○	●	○	○
	Contribution to positive regional development within the supply chain → Actual positive impact DRÄXLMAIER's supply chain localization activities make a positive contribution to the economic development of the region.	○	○	●	●	○	○
	Increase in production performance and quality → Potentially positive impact Safe working conditions promote motivation and thus productivity within the supply chain.	○	●	○	●	○	○
Risks	**Damage to reputation due to poor working conditions in the supply chain** Inadequate working conditions at suppliers can have a negative impact on the reputation of DRÄXLMAIER and lead to a loss of trust on the part of customers in particular.	●	●	●	●	●	●
Opportunities	**Supply chain resilience** Occupational health and safety increase the resilience of companies in the supply chain – with positive effects on DRÄXLMAIER's security of supply.	○	●	●	●	●	●
	Reputational benefits through supply chain engagement The activities of DRÄXLMAIER for employment conditions in the supply chain can have positive spillover effects on the company's reputation and also increase its own attractiveness as an employer.	○	●	●	●	●	●

Impacts, risks and opportunities (IROs) related to the workforce in the value chain

See Chapter ❯ Social Commitment

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Working conditions: appropriate remuneration							
Impacts	**Contribution to fair remuneration in the value chain** → Actual positive impact Through the requirements of the Code of Conduct, DRÄXLMAIER contributes to fair remuneration in its global supply chain.	○	●	○	●	○	○
	Employee retention → Actual positive impact Positive contribution to ensuring productivity and thus security of supply. Fluctuation is reduced and thus also recruitment costs.	○	●	○	●	○	○
Risks	**Damage to reputation due to poor working conditions** Inappropriate remuneration at suppliers can have a negative impact on the reputation of DRÄXLMAIER and lead to a loss of trust on the part of customers in particular.	●	●	●	●	●	●
Opportunities	**Supply chain resilience** Fair remuneration increases employee satisfaction among companies in the supply chain. Increased resilience and reduced susceptibility to disruption of operations have a positive impact on DRÄXLMAIER's security of supply.	○	●	●	●	●	●
	Reputational benefits through supply chain engagement DRÄXLMAIER's activities for appropriate remuneration in the supply chain can have positive spillover effects on the company's reputation and also increase its own attractiveness as an employer.	○	●	●	●	●	●

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Corporate culture							
Impacts	**Respect for and implementation of human rights** → Actual positive impact DRÄXLMAIER contributes worldwide to the protection of human rights in its own business area and in the supply chain.	●	●	●	○	●	○
	Fair competition → Potentially positive impact DRÄXLMAIER has taken measures to ensure fair competition and ethical business practices. To this end, the company works closely with its suppliers and takes responsibility particularly in the upstream stages of the value chain.	●	●	●	●	○	○
	Risk minimization and avoidance → **Actual positive impact** DRÄXLMAIER has a comprehensive risk management system. Risks are regularly analyzed and evaluated to prevent negative impacts on the company as well as on the environment and society wherever possible.	●	●	●	○	●	○
	Protection of the interests of stakeholders → Actual positive impact DRÄXLMAIER is in communication with the various stakeholder groups and engages in continuous stakeholder dialog. The aim is to understand the interests of the various stakeholders and to take them into account when making business decisions.	●	●	●	●	○	○
	Misconduct in relation to human rights violations → Potentially negative impact If employees of DRÄXLMAIER or of companies in the supply chain violate the principle of fair and legal business practices or tolerate the violation of human rights, this can lead to significant financial damage as well as damage to reputation. Penalties can also be expected for violations of the law.	●	●	●	●	○	○
Risks	**Impact on reputation or image** The corporate culture has an impact on the reputation and image of the company's stakeholders.	●	●	●	○	●	○
Opportunities	**Corporate culture as a competitive advantage** Companies with a strong corporate culture are usually characterized by high employee retention, innovative strength, good teamwork, productivity as well as high adaptability and resilience.	●	●	●	○	●	○

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Management of relationships with suppliers							
Impacts	**Improvement in the sustainability performance of suppliers** → Actual positive impact The assessment of the sustainability performance of suppliers improves the performance of the supply chain and thus also of DRÄXLMAIER.	○	●	○	●	○	○
	Transparency toward external stakeholders → Actual positive impact Through sustainability reporting, DRÄXLMAIER creates transparency and meets the interests of the various stakeholders.	○	○	●	●	○	●
Opportunities	**Innovative products through efficient suppliers** As suppliers become more efficient, their ability to innovate also increases, for example with regard to the use of resource-saving materials.	○	●	●	●	●	●
	Understanding of supplier performance including their upstream supply chain Supplier monitoring and evaluation lead to a better understanding of the supply chain.	●	●	●	●	●	●
	Differentiation from the competition An efficient and sustainability-oriented supplier portfolio supports the attractiveness of DRÄXLMAIER among customers.	○	○	●	●	●	●

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Corruption and bribery							
Impacts	**Raising awareness among employees about combating corruption and bribery** → Actual positive impact Through training courses and e-learning, DRÄXLMAIER raises awareness among employees of the topics covered by the Code of Conduct and, in particular, about combating corruption and bribery. The company's purchasing, sales and production divisions are particularly in focus.	◉	◉	◉	○	◉	○
	Effective whistleblower system → Actual positive impact By establishing the whistleblower system, DRÄXLMAIER ensures that it complies with legal obligations in the EU. The various communication channels can be used to provide information about possible violations of the law and breaches of the company's fundamental values as defined in the Code of Conduct. Whistleblowers do not have to fear any disadvantages, and can make their report anonymously should they so wish.	◉	◉	◉	○	◉	○
	Specified compliance procedure for investigations → Actual positive impact By defining the procedure for compliance investigations, the aim is not only to increase the pressure of prosecution, but also to ensure legal certainty for those affected. The goal is to ensure a transparent and effective procedure and to avoid arbitrary procedures that could violate legal provisions.	◉	◉	◉	○	◉	○
	Impairment of markets through corruption or concerted market behavior → Potentially negative impact Anti-competitive behavior affects the functioning of markets and hampers technological progress, which can have a significant impact on the success of companies and their employees.	◉	◉	◉	○	◉	○
Risks	**Violation of statutory organizational and supervisory duties** A negligent breach of legal organizational and supervisory obligations that results in corruption being neither combatted nor prevented can lead to fines and damage to reputation.	◉	○	◉	○	◉	○
	Corruption and bribery affect economic development Corruption and bribery hinder economic development in countries where DRÄXLMAIER is also represented. This fuels distrust among the population toward politicians, administration and companies.	◉	◉	○	○	◉	○

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Protection of whistleblowers							
Impacts	**Exposure of grievances** → Actual positive impact Whistleblowing is often the only way to gain knowledge of human rights violations, corruption or environmental crimes. DRÄXLMAIER enables anonymous information to be submitted via various channels.	◉	◉	◉	○	◉	○
	Anonymous whistleblowing → Actual positive impact Anonymous reporting channels are used to protect whistleblowers who would otherwise not make reports because they fear serious disadvantages – despite protection under legal regulations.	◉	◉	◉	○	◉	○
	Written rules of procedure protect whistleblowers → Actual positive impact Written rules of procedure create transparency and thus legal certainty for whistleblowers.	◉	◉	◉	○	◉	○
Risks	**Loss of trust and financial consequences in the event of an incomplete or faulty whistleblower system** Inadequate management of the whistleblower protection system jeopardizes employees' trust in the values of the company and its managers. Customers and business partners could avoid the company.	◉	◉	◉	○	◉	○
Opportunities	**Creation of transparency in our own business behavior** A functioning whistleblower protection system supports transparent and ethical business conduct and creates trust in the company's internal regulations and values as well as in corporate management.	◉	◉	◉	○	◉	○
	Increase in employer attractiveness A functioning whistleblower protection system strengthens employees' trust in their own company and in the reliability of their managers.	◉	◉	◉	○	◉	○

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Data and information protection							
Impacts	**Protection of personal data** → Potentially positive impact In almost all countries, data protection standards are required by law. The requirement to comply with data protection standards is also a standard contractual element when awarding customer orders. DRÄXLMAIER has established a worldwide data protection organization to implement the applicable data protection laws.	◉	◉	◉	○	◉	○
	Loss of production and delivery capability due to disruptions in the IT landscape → Potentially negative impact A functioning IT infrastructure ensures DRÄXLMAIER's production and delivery capability. Due to just-in-sequence and just-in-time production orders, the impact of a medium to longer-term disruption to IT systems is enormous. Preventive risk management helps to reduce potential risks and mitigate their impact as much as possible.	◉	◉	◉	○	◉	○
	Loss of sensitive data → Potentially negative impact The loss of sensitive data can have significant repercussions for the DRÄXLMAIER Group. These include loss of competitive advantage, penalties, loss of existing or future contracts as well as damage to its reputation. Therefore, confidential information is carefully protected at DRÄXLMAIER and also in our supply chain.	◉	◉	◉	◉	○	○
	Failure of critical suppliers due to cyber attacks → Potentially negative impact In the worst case, the failure of critical suppliers, for example as a result of cyber attacks, can impact on DRÄXLMAIER's delivery capability. Therefore, the information security requirements are passed on to suppliers and the likelihood of supply bottlenecks is minimized through risk-based supplier management.	◉	◉	◉	◉	○	○
	Non-compliance with safety requirements → Potentially negative impact DRÄXLMAIER is obliged by law and customer contracts to comply with certain information security requirements (e.g. TISAX) in order to provide the best possible protection against failures and security incidents. Failure to meet these requirements can result in financial and legal consequences, loss of business and reputational damage.	◉	◉	◉	○	◉	○

Impacts, risks and opportunities (IROs) related to corporate governance **See Chapter ❯ Corporate governance**		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Data and information protection							
Risks	**Violations of applicable data protection laws** Failure to comply with legal requirements on data protection, such as those resulting from the GDPR, can lead to fines, penalties, liability for damages and legal risks. DRÄXLMAIER counteracts this risk by means of a company-wide data protection organization and appropriate technical and organizational measures.	◉	◉	◉	○	◉	○
	Reputational damage and loss of orders due to inadequate data protection Deficiencies in data protection can permanently disrupt the business relationship with customers and suppliers and lead to loss of orders or non-delivery.	◉	◉	◉	○	◉	○
Opportunities	**Increase in employee retention and customer and supplier confidence through exemplary data protection** Active data protection strengthens the reputation of the company and promotes long-term employee retention as well as customer and supplier relationships.	◉	◉	◉	○	◉	○

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Sustainable products							
Impacts	**Creation of new product and production alternatives** → Potentially positive impact Through sustainable products and production, DRÄXLMAIER creates alternatives in the industry.	●	●	●	○	●	○
	Resource conservation by increasing the recyclability or repairability of products → Potentially positive impact Products that can be repaired and recycled contribute to the conservation of resources.	●	●	●	○	●	○
	Reduction of waste → Potentially positive impact Products that can be repaired and recycled help to prevent waste. Recyclable packaging can reduce waste.	●	●	●	○	●	○
	Price increases for products → Potentially negative impact The use of sustainable materials can lead to price increases for the products.	●	●	●	○	●	○
	Limited availability of new sustainable raw materials → Potentially negative impact Limited availability of sustainable raw materials can restrict their use in products.	●	●	○	○	●	○
	Customer retention or acquisition of new customers → Potentially positive impact Sustainable products can attract new customer groups.	●	●	●	○	●	○
	Benefits to reputation → Potentially positive impact Sustainable products can have a positive influence on the reputation of DRÄXLMAIER among employees and external stakeholders.	●	●	●	○	●	○
Risks	**Changing legal framework conditions** Changes in legislation and the associated requirements can change the goals for the development of sustainable products.	●	●	●	○	●	○
	Dependency on suppliers The focus on sustainable materials reduces the number of potential suppliers, meaning that dependence on individual companies in the supply chain increases.	●	●	●	○	●	○
	Basic research With the development of sustainable products, the importance of basic research is growing – and with it the risk of focusing on the wrong developments or not recognizing future trends quickly enough.	●	●	●	○	●	○
	Failure to meet customer requirements If customers' requirements for sustainable products are not met, this can result in lost sales and potentially penalties from corresponding contracts.	●	●	●	○	●	○
Opportunities	**Competitive advantages through sustainable products** By developing sustainable solutions, existing products can be improved and a long-term competitive advantage can be created.	●	●	●	○	●	○

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Innovation and digitalization							
Impacts	**Contribution to technical progress in the automotive sector** → Actual positive impact DRÄXLMAIER contributes to technical progress through product innovations.	●	○	○	●	○	●
	Reduction of CO_2e footprint of products → Actual positive impact Product innovations, such as the use of new recyclable materials, can reduce the product-specific CO_2e footprint. In this way, DRÄXLMAIER helps to protect the climate and environment.	●	○	○	●	○	●
Risks	**Innovations are implemented too late or do not become standard** If digital innovations are implemented too late or are not successfully introduced to the market, this can lead to competitive disadvantages. Delays or failures in the implementation of new technologies can affect the efficiency and sustainability of the company, which can lead to financial losses and a weakened market position in the long term. In order to counteract this risk, the pursuit of proactive innovation strategies by DRÄXLMAIER is essential.	○	●	●	○	●	○
	Systems and data are not available in a standardized form in good time If systems and data are not available in a standardized form in good time, this can lead to inefficient processes, increased costs and difficulties in integrating new technologies, and can have an impact on the company's competitiveness.	●	●	●	○	●	○
	Dynamic development of market requirements for sustainability Due to the high dynamics and changing requirements with regard to sustainability, the risk of bad investments or missed market opportunities increases.	○	●	○	○	●	○
Opportunities	**Efficiency gains through the use of artificial intelligence** The increased use of artificial intelligence enables faster and more efficient processes.	●	●	●	●	○	○

Impacts, risks and opportunities (IROs) related to corporate governance

See Chapter ❯ Corporate governance

		Time frame			Value chain		
		short	medium	long	up-stream	own business	down-stream
Product quality							
Impacts	**Reduction of waste and return to the circular economy** → Potentially positive impact Scrap materials are processed directly on site and supplied as raw material or processed by third parties and returned to the utilization cycle.	●	●	●	○	●	○
Risks	**Products do not or only partially meet customer requirements** Failure to comply with legal or regulatory requirements for a product, such as in the area of cybersecurity, can lead to restrictions in its use as well as loss of customer confidence.	●	●	●	○	●	○
	Product functionality is not available for the lifetime of the product (warranty) If a product experiences functional impairments during the usage phase, this can lead to loss of trust, legal risks and financial consequences.	●	●	●	○	●	○
Sustainable and safe mobility							
Impacts	**Contribution to the transport and energy transition** → Actual positive impact By converting the DRÄXLMAIER fleet to emission-free mobility, the use of electric vehicles (BEV) and the operation of a photovoltaic charging infrastructure, DRÄXLMAIER contributes to climate protection and supports the mobility and energy transition.	○	●	●	●	○	●
	Safe mobility → Actual positive impact Through active fleet management, DRÄXLMAIER makes a contribution to safe mobility. The availability of new vehicles and regular training on safe mobility have led to a reduction in accidents and a higher level of employee satisfaction.	●	●	●	○	●	○
	Strengthening of reputation by contributing to the transport transition (outside-in) → Potentially positive impact The activities aimed at making the company's own fleet more sustainable have a positive impact on the company's reputation.	●	●	●	○	●	○
Risks	**Changing legal framework conditions** Sudden changes in legislation or the discontinuation of subsidies can lead to unexpected costs in the fleet.	●	●	●	○	●	○
	Limited charging infrastructure The charging infrastructure is still limited at an international level, which hampers the development of electromobility and limits the options in fleet management accordingly.	●	●	○	○	●	○
Opportunities	**Elimination of fears and prejudices regarding electromobility** Employees are persuaded of the benefits of electromobility through instructional videos, briefings and positive testimonials from colleagues.	○	●	○	○	●	○

Environment

The environment

Protecting the climate and the environment is a task that can only be achieved by working together. It is up to all of us to do our part to ensure that subsequent generations are able to enjoy a future worth living. Based on this understanding, DRÄXLMAIER has attributed great importance to protecting the environment and using energy and resources as efficiently as possible throughout the entire value chain for many years. In addition to ensuring that our production processes are as environmentally friendly as possible, we want to make greater use of the principle of the circular economy in order to conserve valuable resources.

At a glance

- **Scope 1 and Scope 2 emissions lowered further, CO_2e emissions reduced by 640 t CO_2e compared to the previous year.**
- **Roll-out for the introduction of an energy management system in accordance with DIN ISO 50001 at the relevant production sites commenced.**
- **Development of expert knowledge and establishment of materials experts to promote the use of recyclates and alternative materials and thus realize further potential for reducing CO_2e emissions.**

Climate protection and the preservation of the environment are among the greatest challenges of our time. As an international company, the DRÄXLMAIER Group is affected to varying degrees by climate change and its impact. We are working to reduce the environmental impact of our business and our products and to then keep it as low as possible. Through innovations, continuous process optimizations and the sustainable design of the production sites, we are helping to make our products and our production processes more climate-friendly. As part of our double materiality analysis, we identified the topics of climate protection, energy and resource management and the circular economy as essential for DRÄXLMAIER. The topics of waste and water are also included in our reporting. The detailed description of the materiality analysis can be found in the ❯ **Materiality analysis section.**

Responsibility for climate and environmental protection
Climate and environmental protection at DRÄXLMAIER is largely organized on a decentralized basis. The respective specializt functions are required to organize their area of responsibility in a sustainable and responsible manner in accordance with the company values. On-site EHS specializts ensure compliance with relevant legislation, standards and internal requirements. Greenhouse gas accounting is carried out by the central sustainability department.

Cross-functional topics are coordinated by the Sustainability Committee, which meets monthly. Its chairman reports to the CEO of the DRÄXLMAIER Group on a regular basis. The ❯ **Our sustainability approach, Sustainability organization** chapter contains the relevant details.

The EHS specializts monitor the effectiveness of the respective measures with the help of a globally standardized EHS key performance indicator management system that includes all our sites. The relevant key figures are documented monthly and presented and evaluated as KPIs together with economic performance indicators. If these KPIs deviate by more than 15% from the previous month, this has to be explained. The development of all KPIs and EHS aspects is assessed in an annual EHS management review conducted by the managers of the production sites. The individual results are merged initially at regional level and then in a Group review at the headquarters, from which the management derives trends and suitable improvement measures.

Our globally effective EHS Policy sets out specific conditions for environmental protection. Even today, most of our sites are audited according to the internationally recognized ISO 14001 standard. The group certification, which now includes 48 sites (2023: 45), was successfully completed in the year under review and the corresponding matrix certificate was issued. The newly built sites will be systematically included in the matrix. In addition, three further sites received individual certificates.

Production sites with environmental management system in %

	2024	2023	2022
Coverage[1] ISO 14001 certification	89.5%	87.8%	84.0%

[1] All employees at the production sites

At all DRÄXLMAIER locations, employees are encouraged to use available resources and raw materials sparingly and to support measures to increase resource efficiency. DRÄXLMAIER has been using the SMT (Sustainability Measure Tracking) tracking tool in its day-to-day operations since 2021. The tool is used to comprehensively record sustainability-relevant activities that serve to increase resource efficiency – in terms of energy consumption (in kWh) and water consumption (in m^3), waste generation (in t) and logistics costs (in km). The corresponding measures may relate to building infrastructure as well as to production-specific or logistical processes.

Internal organizational measures that raise awareness and act as controls are also mapped. Numerous optimization measures were again initiated in 2024. Each of these measures meets the criterion of sustainable improvement for the respective consumer. 71 (2023: 84) measures have already been successfully completed in the course of the year, with the remaining measures to be implemented throughout 2025.

Climate protection

We follow the findings of the United Nations' Intergovernmental Panel on Climate Change (IPCC). Against this backdrop, we want to make our contribution to limiting global warming to 1.5°C and thus comply with the requirements of the Paris Climate Agreement. To this end, we have set ourselves a clear target based on the base year 2021:
By 2029, we want to reduce absolute CO_2e emissions in our direct sphere of influence, i.e. Scopes 1 and 2, by 66%. We already reached this level in 2023 through the purchase of unbundled energy attribute certificates (EACs) and want to continue to maintain it. The criteria set out in the Science Based Targets Initiative (SBTi) served as a framework for the definition of goals. With this focus, we have been ensuring that our Scope 1 and Scope 2 targets are in line with the latest scientific findings on climate change mitigation.

DRÄXLMAIER is also aware of the responsibility for the greenhouse gas emissions generated along the upstream and downstream value chain in Scope 3. However, collecting the relevant data remains a challenge. In particular, the high proportion of directed parts in our production and the limited scope of DRÄXLMAIER to influence the corresponding emissions stand in the way of formulating a target for Scope 3.

Nevertheless, we are continuing to work on internal methods and data acquisition processes to make the high complexity of the topic manageable. The development of the concept, initiated in 2022, was continued in 2024 in close cooperation with the purchasing department.

Transparent greenhouse gas accounting
To calculate our GHG emissions, we rely on the globally accepted standards of the Greenhouse Gas Protocol. We have chosen the operational control approach for consolidation, meaning that all our locations, over which we have full decision-making power, are part of our consideration. All greenhouse gases identified under the Kyoto Protocol have been included in the calculation. Accordingly, they are reported in CO_2equivalents (CO_2e). Since 2021, we have also been calculating biogenic carbon dioxide, which we report separately (out of scopes).

The emission factors used in the accounting process are derived from our own software-based modelling as well as from public databases, made available for instance by the German Association of the Automotive Industry (VDA, Emission Factors 2024), the UK Department for Environment, Food & Rural Affairs (DEFRA, 2024) and the Quantis tool (Scope 3 Evaluator). In Scope 3, we prefer to rely on supplier information; as a last alternative, we use data from external studies.

On this basis, we have been compiling a comprehensive annual account of our GHG emissions every year since 2012.
When calculating the corporate carbon footprint (CCF), we follow the requirements of the GHG Protocol, thereby ensuring that we have a compliant basis for our climate objectives.

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

As part of the Climate Change Questionnaire, we submit the DRÄXLMAIER GHG emissions footprint annually to the Carbon Disclosure Project (CDP). The independent, non-profit organization asks companies every year to disclose their CO_2e emissions and their strategies for dealing with climate change.

In 2024, we took part in the CDP ranking for the twelfth time, achieving score C (previous year: B) on a scale from A [Leadership] to D [Disclosure]. n addition to the climate rating, our activities in the area of water management and our commitment to protecting forests were also assessed again. The results of the CDP water rating can be found in the section **› Waste and water**, the assessment on forest protection in the section **› Corporate governance, supplier relationship management.**

Show responsibility

DRÄXLMAIER takes responsibility for shaping the mobility of tomorrow, based on an intergenerational approach to innovation and sustainability. Find out more here:
DRÄXLMAIER responsibility

The greenhouse gas balance in detail
In accordance with the GHG Protocol, we consider three areas of influence, or scopes, when accounting for greenhouse gases:

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 natural gas and oil to generate heat.
Scope 1 also includes volatile gases from refrigeration and cooling systems. A screening for the year 2021 showed, however, that the proportion of GHG emissions from such gases accounted for less than 1% of our total Scope 1 and 2 emissions. As such, we do not consider GHG emissions from volatile gases from refrigeration and cooling systems relevant and have excluded them from our footprint calculation.

In 2024, the DRÄXLMAIER Group's absolute Scope 1 emissions amounted to 14,796 t CO_2e, which is 10% below the previous year's level.

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 142,175 t CO_2e in the reporting year. In the market-based calculation, Scope 2 emissions amounted to 8,226 t CO_2e for 2024. We calculate the GHG intensity of our activities on the basis of our absolute Scope 1 and 2 emissions in relation to our revenue. For 2024, this results in a GHG intensity quotient of 4.2 t CO_2e / EUR million of revenue; in 2023, it was also 4.2 t CO_2e / EUR million of revenue.
Our CO_2e 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 Scope 3 categories relevant to our GHG emissions footprint are purchased goods and services, capital goods, transportation and distribution services, business travel, employee commuting, further processing and end-of-life treatment of the products we sell as well as other fuel- and energy-based activities, provided they are not already included in Scope 1 or 2.

The absolute Scope 3 emissions in the year under review amounted to 3,180,479 t CO_2e, with the majority caused by purchased goods and services. Due to the nature of our industry and our business model, our Scope 3 emissions are many times higher than our Scope 1 and 2 emissions. Due to the high complexity of determining Scope 3 emissions, we are continuously revising our methods and data acquisition processes. Thus, comparisons with previous years' figures can only be made to a limited extent.

DRÄXLMAIER Group greenhouse gas emissions[1] in t CO_2e

	2024	2023	Change
Scope 1	14,796	16,447	-10%
Scope 2 (market-based)	8,226	7,215	14%
Scope 2 (location-based)	142,175	144,690	-2%
Total Scope 1 + 2 (market-based)	23,022	23,662	-3%

[1] based on production plants and other sites

Greenhouse gas emissions[1] Scope 3 categories of the DRÄXLMAIER Group in t CO_2e

	2024	2023
Purchased goods and services	2,588,358	2,440,056
Capital goods	248,347	249,026
Fuel- and energy-related activities (not included in Scope 1 or 2)	8,811	9,107
Transport and distribution (upstream and downstream)	182,341	130,591
Waste	3,147	2,521
Business trips	2,244	1,930
Employees commuting	71,011	74,032
Further processing of sold goods	75,134	78,183
End-of-life treatment of sold goods	1,087	2,866
Total absolute Scope 3 emissions (market-based)	**3,180,479**	**2,988,312**

[1] based on production plants and other sites

Employee mobility and logistics

Further levers for influencing CO_2e emissions, which DRÄXLMAIER can influence, lie in employee mobility and logistics.

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 organized efficiently with the support of software, and therefore contributes to reducing emissions, particularly compared to employees using their own cars. Other GHG savings can be achieved by optimized route planning and by selecting service providers according to environmental and social criteria. This includes, for example, utilizing 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 sustainable mobility. In 2024, for example, we expanded the charging infrastructure in Poland, Romania, Tunisia and China. We have already electrified 60% of our own vehicle fleet in Germany and China.

The photovoltaic (PV) system on the parking deck at our headquarters in Vilsbiburg, which was completed back in 2020, also makes an important contribution to climate protection. In the year under review, 4,200 PV modules with a total area of around 7,000 m^2 produced 925 MWh of electricity (2023: 1,058 MWh). The system, which was installed on the roof of our existing parking garage, saves around 560 tonnes of CO_2e per year. The energy generated is used for general operation of the site and also to charge the batteries of the parked vehicles. Electric company vehicles plus our employees' and external visitors' electric cars can use environmentally-friendly electricity at around 200 charging points.

We also organize business trips as efficiently as possible in terms of CO_2e. One of the most important parameters in this context is the choice of service providers and optimization 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_2e emissions.

Route optimization for transportation of employees

At the San Luis Potosí site, 3,274 employees were initially taken to work and back home every day on 81 mostly older buses. Overall, the total distance of the various routes added up to 460,000 km per month. By optimizing the routes in fall 2023 and further modernising the bus fleet, a monthly saving of around 68,000 km or 16,000 l of fuel was achieved for 2024.

Electric truck for the transportation of high-voltage batteries

Green Logistics helps the climate and the environment
Since 2010, the Green Logistics concept has been helping to make the company more sustainable. Following this vision, logistics relies on two key strategic approaches: avoiding effectively unnecessary elements in the logistics process and increasing the efficiency of the processes. The aim is to achieve the most resource-efficient transport planning possible through appropriate management and to bring raw materials and products to their destination more sustainably.

The current focus is on increasing energy efficiency and avoiding CO_2e emissions. DRÄXLMAIER is therefore continuously reviewing and improving its national and international transport structures. This approach reduced the environmental impact by 2,500 t CO_2e in 2024.
DRÄXLMAIER is increasingly focusing on reducing the distances to be covered. The potential lies in optimizing routes, promoting fully utilized direct journeys and minimizing intermediate hubs. At the same time, transport capacity utilization is constantly being improved by increasing stackability in the trailer or reducing delivery frequency. If the load capacity is sufficient, general cargo loads are converted to full truck loads in order to reduce the number of journeys and thus the necessary energy requirements.

In addition, environmentally friendly drive technologies contribute to reducing emissions in logistics processes – including with regard to transport within the factory premises. For example, an electric tractor unit has been used for the internal distribution of trailers since 2023. And since October 2024, a customer has been supplied from the DRÄXLMAIER battery plant in Leipzig using a fully electric articulated lorry in just-in-sequence transport. The batteries are charged directly with electricity from renewable resources while the lorry is loaded and unloaded. The CO_2e savings potential compared to conventional diesel drives is up to 95%.

There is also potential for avoiding emissions in the choice of appropriate means of transport. One example of this is the use of combined transport: by loading containers from road to rail, positive effects can be achieved, especially on busy routes. DRÄXLMAIER has already been utilizing the roads over the Brenner Pass (RoLa) for several years. In addition, some of the goods on the route in Southern and Central Europe are transported using the alternative fuel HVO (hydrotreated vegetable oil). Care is taken to ensure that the biofuel is obtained exclusively from biogenic residues and therefore does not compete with food production. The CO_2e savings potential of combined transport and alternative fuel is up to 68%. In 2024 alone, around 711 tonnes of CO_2e were prevented as a result.

The DRÄXLMAIER Group is also committed to more sustainable logistics across all companies. In 2024, experts from our company helped to design a guideline for calculating transport emissions. The international project led by the VDA (German Association of the Automotive Industry) and ECG (The Association of European Vehicle Logistics) standardized the calculation of CO_2e emissions for transport in the automotive industry and standardized reporting structures. This increases transparency with regard to the climate compatibility of transport concepts and creates – in cooperation with customers, suppliers and service providers – a reliable basis for decision-making to minimize CO_2e emissions in transport logistics.

DRÄXLMAIER Group emissions per mode of transport in tonnes of CO_2e

	2024	2023
Air	21,541	8,989
Rail	266	377
Road	132,738	103,875
Road HVO/electric	298	110[1]
Road (upstream and downstream)	9,269	5,196
Sea	16,778	12,043
Total	**180,890**	**130,590**

[1] The previous year's figure for 2023 cannot be compared with the figure for 2024 due to the new calculation method
[2] The emission factors of the "LCA FE" (Life Cycle Assessment for Experts) software were used for the calculation
[3] Including CNG/LNG
[4] The emission factors of the Global Logistics Emissions Council (GLEC) were used for the calculation

Energy

For a manufacturing company like DRÄXLMAIER, energy consumption is a key factor in reducing its CO_2e footprint. We therefore focus on continuously increasing energy efficiency, expanding our own renewable energy production and on increasing the proportion of electrical energy from renewable resources ("green electricity") in our total consumption. Our globally effective EHS Policy sets out specific conditions for this.

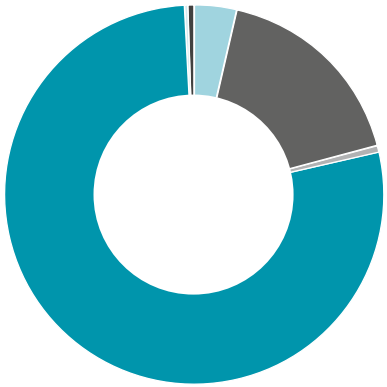
Energy management system in development

In 2024, we began setting up an energy management system at the relevant production sites. To this end, a workshop was held to identify the existing organizational structures of energy management and derive potential for optimization. This resulted in a concrete target image for our energy management and the organizational framework, which includes the newly created function of a central energy manager. The position was filled in early 2025. In the future, the guidelines and specifications for recording energy data and for energy management will be coordinated and further developed by the site infrastructure unit.

Energy consumption

In 2024, the DRÄXLMAIER Group used a total of 375,752 MWh (2023: 386,376 MWh). Essentially, this was electrical energy, including electricity that we generated ourselves with our photovoltaic systems. Natural gas and heating oil were used to generate heat, as were fuels (diesel and gas). We also obtain district heating at our site in Böblingen and one of our Romanian sites.

DRÄXLMAIER Group's energy use by energy source in MWh



	2024	2023
Fuels (diesel, gas)[2]	13,609	14,883
Natural gas[1]	58,145	65,881
Heating oil[1]	2,536	1,889
Electrical energy[1]	298,187	300,584
District heating[1]	1,730	1,686
self-generated electrical energy from renewable resources[1]	1,544	1,454
Total energy utilization	**375,752**	**386,376**

[1] based on production plants
[2] based on production plants and other sites

Energy efficiency

A key objective of our activities is to continuously increase energy efficiency. We use company-wide measurement and control of energy usage as a basis. To this end, we conducted potential analyses at our energy-intensive sites. In doing so, we did not limit ourselves to identifying short-term improvements that could be implemented quickly, but have specifically examined complex fields of action relating or relevant to the subject of energy.

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

To enable ongoing improvements, EHS specializts at all sites monitor the effectiveness of efficiency measures. In this context, certified energy management systems in accordance with DIN ISO 50001 at our relevant production sites will be of particular importance. These will help to identify and realize further potential for increasing energy efficiency. The roll-out for the introduction of such an energy management system according to DIN ISO 50001 got under way in the reporting year. The first internal and external audits at our production sites are planned for early 2025.

In total, savings of around 4 million kWh were achieved in 2024 (2023: 6.1 million kWh). This shows that the marginal benefits of the respective measures are diminishing as progress is made in the realization of savings potential. For example, the savings measures are increasingly competing with other investment projects, such as the costs for the further development of products or the expansion of plants.

The largest energy savings in 2024, at 361.92 MWh, were achieved by optimizing the base load at the Puebla site. To this end, all consumers at the site that achieve very long usage times were identified. Subsequently, it was assessed whether it was possible to reduce the usage time, for example by switching them off on non-working days. We also expect significant savings from the results for the coming years.

At the San Luis Potosí site, energy savings of 288.61 MWh were achieved by improving the sensors in the measurement technology of the air conditioning systems, as well as by further optimizing the compressed air supply and switching the lighting to LED.

In order to reduce standby consumption in production, we began an analysis of the basic consumption values at all locations in 2023, which we continued in 2024. The results will serve as a basis for targeted measures in the coming years.
In 2023, we conducted a proof of concept (PoC) for automated recording of consumption data for buildings and machines for the topic of energy management and energy efficiency system certification (DIN ISO 50001), and in the reporting year, the concept was approved for realization in 2025.

Base load reduction at all production sites (Power Base Load)

All production sites worldwide have a high electrical base load of up to several 100 kW because many consumers – for example, IT systems, lighting, ventilation, compressed air generation, fire alarm systems – are in operation all through the year. The purpose of the Power Base Load program, which was launched throughout the company in 2024, is to determine which of these consumers really need to be switched on – and which can be switched off at weekends, for example.

Sustainable optimization of production conditions

Even comparatively small measures can lead to significant savings overall. For example, optimizing lighting at workplaces, eliminating unnecessarily high pressure levels for compressed air generation, avoiding too high or too low room temperatures in working and storage areas and avoiding too high or too low process temperatures in injection molding and in cooling processes produced savings. In the year under review, annual electricity consumption was reduced by up to 100 MWh per measure.

Electricity from renewable sources

We are systematically switching the supply of our sites from fossil fuels to electrical energy from renewable sources. First and foremost, we generate our own electrical energy from renewable sources. For example, in March 2024, a rooftop photovoltaic system with an installed capacity of 1,341 kWp was put into operation at the DRÄXLMAIER site in Duncan, South Carolina (USA). The projected annual energy production of the system is 2,015 MWh. This will save around 590 tonnes of CO_2 per year in the future. In the reporting year, the total connected load of self-generated electrical energy from renewable resources amounted to 7,843 kWp (2023: 6,500 kWp).

Green electricity and direct contracts for renewable energy

To a large extent, we obtain electrical energy from renewable resources – so-called green electricity – via the global electricity market, provided that it meets the criteria we have defined. We focus on direct contracts (power purchase agreements or PPAs) with producers of renewable energy and on green electricity tariffs. The amount of electrical energy from renewable resources purchased by DRÄXLMAIER may only be credited to us and may not be sold to any other customer. Part of the proceeds from electricity purchases must also be used to promote the expansion of renewable energies. As part of the certification process we also attach great importance to the independent verification of the information provided by the electricity supplier. Furthermore, we prefer suppliers who are not involved in the planning and operation of coal and nuclear power plants and who minimize the negative ecological impact of their generation plants.

By anchoring these specifications in our purchasing processes, we are systematically converting all of our plants to renewable electrical energy and at the same time promoting their expansion worldwide. If it is not possible to generate our own electricity or purchase green electricity, we subsequently make the electricity consumption at our production sites green by purchasing unbundled energy attribute certificates (EACs). After the proportion of purchased electrical energy from renewable resources rose to 100% in 2022 through the purchase of electricity certificates for our production sites, we purchased sufficient certificates in 2024 to maintain this level.

Composition of electrical energy[1] used by the DRÄXLMAIER Group in MWh

	2024	2023
Consumption of externally sourced energy	**298,187**	**300,584**
of which purchased electrical energy from renewable resources	298,187	300,584
of which purchased electrical energy from fossil fuels	0	0
Consumption of self-generated energy	**4,497**	**3,783**
of which self-generated electrical energy from fossil fuels	2,953	2,329
of which self-generated electrical energy from renewable resources	1,544	1,454
Total electrical energy	**302,683**	**304,367**

[1] based on production plants

Photovoltaic system at the plant in Duncan, USA

Resource management and the circular economy

In order to make a contribution to climate and environmental protection, resources must be used as efficiently as possible and greenhouse gas emissions must be minimized throughout the entire value chain. The aim is to reduce material intensity in the manufacture of products, increase the recyclability and dismantlability of our own products and maximize the use of reusable materials. In addition to optimizing emissions, DRÄXLMAIER is working on concepts for the circular economy and on specific solutions to increase circularity by reducing materials, reducing the number of parts and using alternative connections.

Resource inflows, including resource use

Ecological product design

The environmentally friendly design of our products focuses on the selection of materials and components, product design, logistics and the energy consumption required for production. The corresponding principles are set out in detail in the respective process descriptions.

The following aspects in particular are taken into account:

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

DRÄXLMAIER is systematically building up expertise in order to further advance the environmentally friendly design of its products. In the future, material experts will supplement the project teams in acquisition and series development on the subject of sustainability and, if necessary, support the evaluation and realization of CO_2e reduction potential. In this way, we want to offer our customers more sustainable products with a lower CO_2e footprint as early as the acquisition phase. At the same time, "commodity experts" are being established in the purchasing department for relevant material groups. Together with the material experts in product development, they form what are referred to as "sustainability expert teams". The aim is to develop procurement strategies for more sustainable materials and to implement them together with the respective suppliers.

We take measures wherever our actions are most effective. To do so, we utilized CO_2e footprints (based on DIN EN ISO 14040/44/67) for selected products to identify and evaluate the available potential for reducing emissions. This has proved that we specifically contribute to climate protection, both through our choice of materials and components and by applying appropriate construction measures that can therefore also promote the principle of a circular economy at the same time.

We want to take the various aspects of sustainability into account at a very early stage of product development and have therefore developed a process for evaluating the sustainability of our products in the basic development phase, which was anchored in our "Innovation" process map in the reporting year. In addition to calculating the CO_2e footprint, this process also evaluates some materials and components of our basic projects with a view to the circular economy. In addition to the material's origin, we also include recyclability at the end of the product lifecycle in our analysis. To leverage the identified potential and achieve synergies between product properties and material composition, our aim is to attain full material characterization of the materials and components we use. The increased use of raw materials that are as resource-efficient as possible plays a major role for DRÄXLMAIER, particularly when it comes to metals and plastics. In the past few years, for example, we were able to reach an amorphous plastics recyclate rate of up to 100% in our interiors.

Renewable raw materials

For several years now, the DRÄXLMAIER Group has been using renewable raw materials in series production projects. We consider ourselves a reliable systems supplier, in particular for door panels and center consoles. We started using natural fibres in door panels for the first time back in 1997. This has since been followed by countless series projects for the majority of our customers and over time, we have been able to further optimize the process. For example, today 55% of the side panel of a center console is made of natural fibres such as flax, hemp or kenaf fibres and the matrix embedded in these fibres consists entirely of recycled (post-industrial) polypropylene. This means that the whole component is made of environmentally-friendly materials and is also some 30% lighter than comparable components. The material is also expected to be used in visible areas by 2025 – and an instrument panel made from natural fibre technology will go into series production in 2026. Polypropylene in particular is a highly promising semi-crystalline material, both because of its sustainability credentials and for cost reasons. DRÄXLMAIER is developing suitable polypropylene grades for use in the vehicle interior.

The criteria for the use of renewable raw materials are laid down in binding internal regulations. These stipulate, among other things, that the cultivation, harvesting and processing of renewable raw materials must comply with the applicable laws and all internationally recognized labor and social standards throughout the entire supply chain, particularly with regard to respecting human rights. Last but not least, the topic of resource conservation is also taken into account. A concept is currently being developed to ensure that pre-consumer waste is returned to the production process.

In order to further reduce the CO_2e footprint in our development products, in 2024, newly developed surfaces made from renewable raw materials and recycled plastic were tested with various suppliers for their basic suitability in the automotive sector. A surface made of 100% recycled PET proved to be particularly promising. This will now be adapted for the automotive sector and fully tested for series production in 2025 in cooperation with an OEM and the surface supplier. The base material of the surface is 100% recycled PET. In conjunction with the PES mono-material carrier already developed by DRÄXLMAIER, a complete mono-material system consisting of decor, carrier and injection elements is being created. This avoids costly separation processes at the end of the product life cycle and enables cost-effective reuse. Since there are already established recyclers for PET in many countries, the material can be utilized worldwide, recycled locally and also reused.

Use of secondary materials

Copper is one of the essential raw materials used in electrical and component systems. Secondary materials can be utilized here with hardly any problems due to the material properties. In the case of technical components, we continue to pursue the goal of sustainable material substitution, e.g. replacing polyamide with polypropylene or using biopolymers. The purpose of this is to achieve further CO_2e reductions without compromising on the specified requirements for the individual components.

Process optimizations in the use of resources

Process optimizations also have a role to play in reducing CO_2e. One example here is a new technology that allows a range of surfaces to be presented on a uniform substrate, meaning that all variants can be laminated with a single tool. Overall, we achieved average energy savings of 22% with the different measures in place in the laminating process. Carbon fibres, for example, also have great lightweight construction potential and can replace the fibre optics used in plastics while maintaining the same rigidity. In the base substrate of a center 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_2e emissions down by around 15%. Consistent lightweight design can also be achieved through the use of new density-reduced plastics. Their material properties are in no way inferior to those of current materials, and yet they result in a weight reduction of up to 23% with the same design.

15.8 %

Proportion of recyclates in our purchased plastic granulates.*

14.8% in 2023

*in the Component Systems and Interior Systems

Future Sustainable Car Materials

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

The partners have the common goal of reducing the CO_2e footprint in the extraction, processing and recycling of materials by developing more sustainable materials. In line with the principle of the circular economy, the aim is to maximize the proportion of secondary materials in the cycle, as these are significantly less CO_2e-intensive than primary materials. In addition to the recycling of plastics and metals, the focus is also on new types of bio-based materials.

In the research project, DRÄXLMAIER is also committed to designing components and assemblies for recycling (“Design for Recycling”). This means that the process and logistics requirements for disassembly, dismantling and material processing are already taken into account during product development. The Catena-X data ecosystem provides the necessary data format for the digital fingerprint of the materials and serves as a platform for collaboration.

Examples of ecological product design in the segments

Electrical Systems – focus on installed materials
In the Electrical Systems segment, around 80% of CO_2e emissions in Scope 3 are attributable to the materials used. Based on this finding, strategies for ecological product design for basic and series development were derived in 2024. For example, a new process can be used to reduce the amount of material used for cable protection, which saves weight and has a positive effect on the carbon footprint. Further benefits can be achieved by using a more sustainable adhesive tape. Miniaturization allows cable cross-sections to be reduced in order to increase the packing density of control units and reduce weight. This is accompanied by optimum pinning on the control unit to ensure unbundling and modularization for product-optimized development. By simulating the thermal behavior under current, the cables can be designed for the optimum cross-section. A subsequent practical test confirmed the results based on measurements in the vehicle electrical system.

As a member of ARENA2036, we are involved in developing DIN72036 and are creating a standard for automatic wiring harness development. The use of identical parts reduces the variance in the wiring harness and the logistical effort.

Benchmark studies have examined the robustness of connectors to ensure durability and low risk of failure. In addition, the architecture and use of the materials in various vehicles from different OEMs have been analyzed in order to integrate positive effects with the aim of reducing material in the future on-board electrical system developments.

In series development, we were able to change the connector check to an automated solution by expanding the tool. This allows us to place the connectors more quickly and precisely in the optimum position and save on material.

The evaluation of the recycled content in plastic parts has shown that existing set parts contain little to no recycled material. The reason for this lies in the cross-vehicle use of the components. If the material composition changes, re-qualification is often necessary, which represents considerable effort. Thus, the use of recyclates in new developments is particularly interesting. For this reason, we conducted several Techdays with suppliers in 2024 to specifically address the issue of sustainability and recyclates.

Interior Systems – choosing plastic over magnesium
In addition to the components validated so far, such as the cockpit cross member, the substitution of magnesium with plastic is also planned for other components of the instrument panel in 2026.

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

In the field of electronics development, we succeeded in testing new sources of use and extraction in the area of secondary aluminum in 2024. The use of secondary raw materials is set to gain in importance in the future. Our suppliers will therefore be required to meet DRÄXLMAIER's country-specific overarching sustainability requirements in the coming years. To continue to operate economically and sustainably, we continuously review the best possible capacity utilization of our HV charging path production and development in order to avoid unnecessary waste.

Battery Systems – improved battery design efficiency
By further developing our modular battery system and improving related manufacturing methods and processes across the board, we play our part in establishing a sustainable automotive industry. We spotlight aspects like fast-charging performance, service life, safety, dismantlability and reusability in order to increase the benefits of our battery systems. Ultimately, we seek to further optimize product sustainability with ongoing and future core research projects in these areas.

Resource outflows related to products and services

Optimization of packaging

In packaging logistics, more than 17 million returnable containers in over two thousand different variants are in use at the DRÄXLMAIER Group worldwide. This makes container management a complex task in which the entire lifecycle of the containers – from raw material to recycling – must be considered.

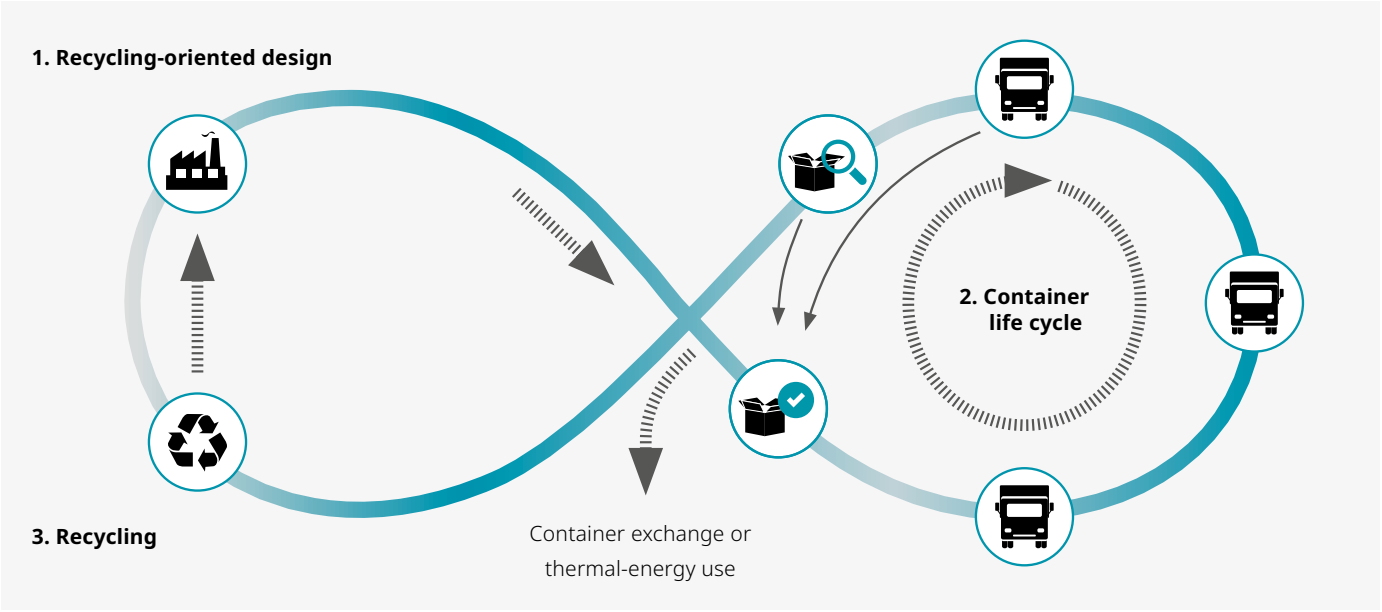
Using various container information and control systems, the DRÄXLMAIER Group is able to monitor warehouse and transit stocks in real time and proactively manage almost 100% of the containers. The current status of each container is also documented, while at the same time, the CO_2e footprint can be visualized up to the end of the container's useful life.

The use of reusable rather than disposable containers also plays an important role in optimization. Taking into account the necessary return transport of empties, there is potential for significant savings in the overall concept. In addition, recycling or reusing packaging that is no longer being used at other locations or in further projects can prevent scrapping and new purchases. In total, over 1,500 tonnes of CO_2e were prevented through various measures in 2024.

The standard RepakL containers and Euro pallets are repaired and reused locally in Germany, Romania and Tunisia, which also avoids purchasing new ones. In Germany, the RepakL are repaired at the Landshut Werkstätten (workshops), which promote the vocational and social rehabilitation of people with disabilities.

In the future, the focus will be on increasing the climate compatibility of the packaging materials we use by using alternative materials or recyclates. For example, primary materials are to be replaced by secondary materials – thus using less material while maintaining the same technical capacity. In the medium term, DRÄXLMAIER expects packaging to become much more climate-friendly, particularly through the further expansion of the circular economy.

Process flow in container management Closed Loop



Waste and water

Waste

The volume and type of waste and recyclable materials generated across all sites of the DRÄXLMAIER Group are important indicators of our material requirements and sustainable material use throughout the organization. We want to minimize the associated environmental impact and thereby comply with all related legal requirements. For several years now, we have been using an extensive database to record the relevant data. This provides us with an overview of all types of waste and recyclable materials generated worldwide and forms the basis for our Group-wide waste management reporting.
The continuous evaluation of this data down to site level enables us to identify material waste, analyze its causes and set out appropriate measures and action points to avoid waste and prevent resource wastage.

At DRÄXLMAIER, we follow the principle of prevention ahead of recycling. Recycling, for us, refers not only to the use of raw materials, but also to the direct reuse of goods. Concepts such as a company-wide equipment exchange for the reuse of second-hand goods between the sites support this approach.

Where it is not technically feasible to avoid or reuse waste, we strive to constantly increase the recycling rate and the recyclability of our waste. For example, we separate, collect and then recycle waste and recyclable materials as accurately as possible. In 2021, a binding recycling quota was adopted for all production sites, which is to be continuously increased up until 2030. The ❯ **Our sustainability approach, Sustainability management** chapter contains the relevant details.

DRÄXLMAIER returns a high proportion of waste and recyclable materials from its production sites to external waste management companies. We work as far as possible with certified waste management companies, from which we require recycling certificates. This applies primarily to residual waste, plastic waste, paper and cardboard, as well as wooden pallets. When contracting new providers, we focus on sustainable, regional partners as a matter of course and give preference to the disposal companies with the best recycling rates. We avoid landfilling waste as far as possible.

The total volume of waste generated in the DRÄXLMAIER Group amounted to 44,269 tonnes in the reporting year (2023: 39,569 tonnes). The increase compared to the previous year is due to a single project, which resulted in a comparatively high proportion of reject parts.

DRÄXLMAIER Group's waste and recyclable material disposal[1] in t

	2024	2023
Residual waste	5,260	3,439
Plastic waste	10,904	10,516
Paper and cardboard	9,439	9,563
Wooden pallets	5,837	5,522
PE foil waste	222	219
Other	11,761	9,097

[1] based on production plants

Waste generated[1] by the DRÄXLMAIER Group in t

	2024	2023
Hazardous waste	2,873	1,661
Non-hazardous waste	41,396	37,908
Total waste generation	**44,269**	**39,569**

[1] based on production plants

Less waste in cable harness production in Tunisia

Employees at the DRÄXLMAIER site in Jemmal, Tunisia, have developed an innovative re-use concept for cable harness production. Retired cable harnesses are recycled and integrated into ongoing production.

This reduces plastic and chemical waste, energy consumption and CO_2e emissions. This is achieved by recycling individual components of customer-specific cable harnesses for the future production of training cable harnesses. In this way, defective parts can be used in a new, environmentally friendly and economically viable way.

Water

As a manufacturing company, we do not use water intensively at our production sites. Nevertheless, the economical use of water as a resource is a matter of course for the DRÄXLMAIER Group. The sanitary facilities at our sites account for the highest consumption. To save water there, we install water-saving fittings and ensure that we have efficient installations, taking into account aspects of potable water hygiene. We also use water for closed cycles, for example in heating and cooling systems.

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 2024, the water consumption of the DRÄXLMAIER Group amounted to 641,379m³ (2023: 630,002 m³) and was thus approximately at the level of the previous year. No further projects to save fresh water were launched in the year under review.

We provide transparent and comprehensive reporting on our water usage. In 2024, we took part in the rating conducted by the non-profit organization CDP on the subject of water for the fourth time. The assessment considers how transparently companies report on their water management activities and how they reduce risks, such as water scarcity. In terms of water safety, DRÄXLMAIER was rated with a score of C on a scale from A to D.

Responsible use of water at our sites

In site-specific water saving initiatives, we use rainwater catchment basins to replace valuable fresh water in certain applications. In recent years, various construction measures for optimized water use have been implemented in Tepic, Mexico and in Jemmal and Siliana, Tunisia. At the Tunisian sites, these serve the additional aim of being able to provide sufficient water to ensure the operation of the sanitary facilities for up to two days, even in times of water-rationing measures imposed by state authorities. A system with a rainwater cistern for sanitary purposes and outdoor irrigation is currently being installed at the new Tunisian site Sousse Hub.

Overview of absolute environmental indicators of the DRÄXLMAIER Group, as at 31/12/2024

	Unit	2024	2023	2022
Sites				
Production plants	Number	55	59	56
Other sites (e.g. administration, logistics, development, sales)	Number	43	39	40
Management systems[1]				
ISO 14001	Number	48	45	41
ISO 45001	Number	46	41	33
Greenhouse gas emissions[2]				
Scope 1	t CO_2e	14,796	16,447	17,521
Scope 2 (market-based)	t CO_2e	8,226	7,215	8,798
Scope 2 (location-based)	t CO_2e	142,175	144,690	139,430
Total Scope 1 + 2 (market-based)	t CO_2e	23,022	23,662	26,319
Total Scope 1 + 2 (location-based)	t CO_2e	156,971	161,137	156,951
Scope 3	t CO_2e	3,180,479	2,988,312	2,900,010
Out of Scopes[2]				
Biogenic emissions	t CO_2e	10,061	10,129	9,721
Energy sources				
Fuels (diesel, gas)[2]	MWh	13,609	14,883	15,994
Natural gas[1]	MWh	58,145	65,881	68,414
Heating oil[1]	MWh	2,536	1,889	2,994
Electrical energy[1]	MWh	298,187	300,584	285,601
District heating[1]	MWh	1,730	1,686	1,689
Self-generated electrical energy from renewable resources[1]	MWh	1,544	1,454	1,200
Total energy use	MWh	375,752	386,376	375,893

[1] based on production plants
[2] based on production plants and other sites

Overview of absolute environmental indicators of the DRÄXLMAIER Group, as at 31/12/2024

	Unit	2024	2023	2022
Composition of electrical energy used[1]				
Purchased electrical energy from renewable resources	MWh	298,187	300,584	285,601
Purchased electrical energy from fossil fuels	MWh	0	0	0
Self-generated electrical energy from fossil fuels	MWh	2,953	2,329	3,733
Self-generated electrical energy from renewable resources	MWh	1,544	1,454	1,200
Total electrical energy	MWh	302,683	304,367	290,535
Waste[1]				
Hazardous waste	t	2,873	1,661	1,213
Non-hazardous waste	t	41,396	37,908	33,184
Total waste generation	t	44,269	39,569	34,398
Water[1]				
Total water consumption	m^3	641,379	630,002	606,218

[1] based on production plants
[2] based on production plants and other sites

Overview of specific environmental indicators of the DRÄXLMAIER Group, as at 31/12/2024

	Unit	2024	2023	2022
Sites				
Production plants	Number	55	59	56
Other sites (e.g. administration, logistics, development, sales)	Number	43	39	40
Management systems[1]				
ISO 14001: Coverage of all employees of the production sites	Percent	90%	88%	84%
ISO 45001: Coverage of all employees of the production sites	Percent	87%	82%	65%
DRÄXLMAIER Group turnover				
Turnover per year	EUR million	5,500	5,600	5,100
GHG intensity[2]				
Scope 1 + 2	t CO_2e/EUR million	4.2	4.2	5.2
Energy sources				
Fuels (diesel, gas)[2]	MWh/EUR million	2.5	2.7	3.1
Natural gas[1]	MWh/EUR million	10.6	11.8	13.4
Heating oil[1]	MWh/EUR million	0.5	0.3	0.6
Electrical energy[1]	MWh/EUR million	54.2	53.7	56.0
District heating[1]	MWh/EUR million	0.3	0.3	0.3
Self-generated electrical energy from renewable resources	MWh/EUR million	0.3	0.3	0.2
Total energy consumption	MWh/EUR million	68.3	69.0	73.7

[1] based on production plants
[2] based on production plants and other sites

Overview of specific environmental indicators of the DRÄXLMAIER Group, as at 31/12/2024

	Unit	2024	2023	2022
Composition of electrical energy used[1]				
Purchased electrical energy from renewable resources	MWh/EUR million	54.2	53.7	56.0
Purchased electrical energy from fossil fuels	MWh/EUR million	0.0	0.0	0.0
Self-generated electrical energy from fossil fuels	MWh/EUR million	0.5	0.4	0.7
Self-generated electrical energy from renewable resources	MWh/EUR million	0.3	0.3	0.2
Total electrical energy	MWh/EUR million	55.0	54.4	57.0
Waste[1]				
Specific (total waste/production minute)	g/min	14.7	12.9	11.1
Water[1]				
Specific (total use/attendance minute)	m^3/ min	0.1	0.1	0.1

[1] based on production plants

Social commitment

Social commitment

DRÄXLMAIER is a family-owned company with a tradition spanning over 65 years. This implies a special responsibility toward the people who support us as a company. This applies above all to our employees, for whom we want to be an attractive employer. However, we also set high standards for working conditions in our supply chain. At the same time, we want to be a good neighbor at our locations around the world and contribute to the sustainable development of society locally.

At a glance

- **Award received for innovative e-learning strategies in the category of sustainability.**
- **Accident frequency down: accident rate (LTIR) reduced to 0.42 (2023: 0.60).**
- **Business partner code of conduct for sustainability established as an integral part of the supplier registration process.**

Employees section

In the reporting year, our global workforce comprises 70,601 people (31/12/2023: 72,100) of 84 (2023: 90) different nationalities worldwide. We take our responsibility as an employer seriously and offer our employees fair remuneration that reflects their performance and responsibility. At the same time, we attach great importance to health and safety at work in order to ensure the well-being and long-term employability of our employees. As an attractive employer, we want to support our employees and thereby strengthen their commitment to the company. We offer 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 talents and experts moving forward.
As part of our double materiality analysis, we identified the topics of appropriate remuneration, occupational health and safety and the employees in the value chain as essential for the DRÄXLMAIER Group. The topics of other aspects of employer attractiveness and society are also included in our reporting. The detailed description of the materiality analysis can be found in the ❯ **Materiality analysis.**

Employees of the DRÄXLMAIER Group by region and gender[1]

EMEA

56.2 %
Female: 22,510

43.8 %
Male: 17,522

Asia/Pacific

46.6 %
Female: 926

53.4 %
Male: 1,062

China region

66.9 %
Female: 5,330

33.1 %
Male: 2,632

The Americas

53.1 %
Female: 10,941

46.9 %
Male: 9,678

[1] Due to lack of data, no information can be provided on the employee group "diverse"

Responsibility for the employees

At DRÄXLMAIER, personnel management is managed centrally by Human Resources. Since April 1, 2025, this area has been the responsibility of Board member Stefan Brandl, Vice Chairman and CEO. At a local level, responsibility for personnel lies with the respective site managers or executives. Regular surveys for the HR managers at the locations ensure compliance with standards and laws. An internal complaints process and an external whistleblower system ensure that complaints are followed up. The results of the surveys and the measures derived from them are summarized in a management report and regularly presented to the CEO. Once a year, potential risks regarding violations of social standards at the locations are also surveyed as part of Group-wide risk management. In order to increase efficiency and service quality, we are working on increasingly digitalizing the HR service offering.

Clear standards for working conditions

The DRÄXLMAIER Group fulfills numerous standards and voluntary commitments in order to meet its own social sustainability requirements. For example, the company is committed to internationally recognized human rights such as:

- The ILO Declaration on Fundamental Principles and Rights at Work
- The OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights
- The ten principles of the UN Global Compact.

We are committed to complying with global laws and regulations on fair working conditions and combating human trafficking, labor exploitation and modern slavery. Human rights violations and offenses are not tolerated and will not be sanctioned. In addition, measures for fair working conditions in production within the supply chain are disclosed.

We have committed to three policies that express the guiding principles of our actions throughout the company. They are characterized by the values of responsibility, trust and tolerance. Our Social Policy ensures that internationally recognized human rights are respected and practiced throughout the DRÄXLMAIER Group. Our Code of Conduct sets out the behavior we expect from the managers and staff of the DRÄXLMAIER Group in their day-to-day work, both internally and externally. As well as the principles of environmental protection, our EHS Policy defines the framework for occupational health and safety at the company.

We are working on digitalizing our HR service offering further. The HRevolution project aims to simplify and standardize HR processes to make the use of HR services even more user-friendly for all employees. The project is expected to be completed by 2025.

Appropriate remuneration

Fair remuneration consistent with the market is a basic pre-requisite for attracting and retaining highly skilled and motivated employees. Fairness and equity determine our actions in this area further. For instance, DRÄXLMAIER has had globally uniform job mapping since 2015, as well as remuneration structures that are both aligned with the specific conditions of local markets and comparable and transparent on a global scale. This system is based on our global function structure, which allows an internationally consistent and comparable assessment of all roles in our company – across all countries, locations and companies. The only assessment criteria are the requirements and responsibilities of the respective role. The functional structure is also the basis for our compensation structures.

In this way, we ensure that remuneration is based on qualifications, the requirements of the role and individual performance. It is independent of gender and gender identity, ethnic origin or nationality, physical and mental abilities, religion and ideology, age, social background and sexual orientation. And it goes without saying that we adhere to the applicable legally guaranteed minimum pay and minimum standards. The respective remuneration is supplemented in each country by additional benefits such as company pension schemes, discounts for employees or bonuses for long-term service to the company.

Global comparison of women's salaries[1] compared with their male counterparts in %

	Employees	(Senior) Management
The Americas	99%	101%
China	99%	93%
Asia/Pacific	92%	78%
EMEA	97%	96%

[1] 100% corresponds to the average basic men's salary

Occupational health and safety

DRÄXLMAIER pays attention to promoting and maintaining the health and safety of all its employees.
Our EHS Policy pledges not only to comply with the applicable laws and standards on occupational health and safety, but also to act responsibly in accordance with our own rules, which often go beyond the legal requirements. In doing so, we are always guided by state-of-the-art technology and use established procedures and tools such as 5-Why and Ishikawa to allow for further optimization.

As a preventive measure, DRÄXLMAIER sites worldwide are audited in accordance with ISO 45001 and further certifications are being sought. In the reporting year, the group certification of 46 sites (2023: 42) was successfully completed and the corresponding matrix certificate was issued. In addition, one site (2023: three) was positively audited as part of individual checks.

Production sites with occupational health and safety system in %

	2024	2023	2022
Coverage[1] ISO 45001 certification	86.7%	82.0%	65.0%

[1] of all employees at the production sites

To ensure compliance with legal obligations and internal and external standards, regular EHS reviews are conducted at the production sites. 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 the findings is forwarded to all other sites for review. This also ensures ongoing, cross-site improvement with regard to occupational health and safety.

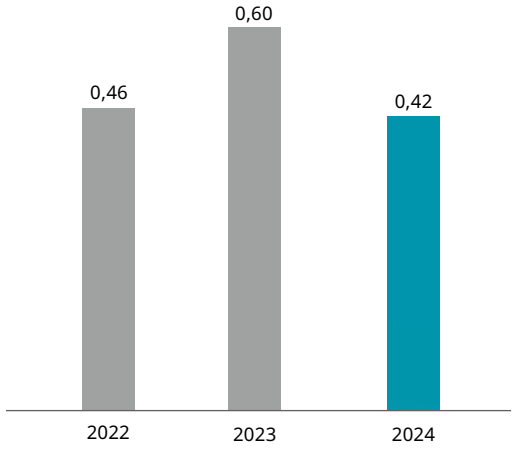
All DRÄXLMAIER sites have established occupational safety committees that meet several times a year. Their organization is the responsibility of the sites. Health and safety issues are regulated throughout the company by the EHS policy. The organizational implementation of the policy is also the responsibility of the sites and follows the legal requirements applicable there. Should employees want to report work-related hazards or anomalies, they can use the "DRÄXLMAIER Ideas" portal, which is available worldwide, to make suggestions for improvement. In accordance with legal requirements and our internal EHS regulations, risk assessments are regularly carried out at all plants. The hazards are systematically assessed, and measures to minimize them are initiated and implemented. In addition, all employees are trained in occupational health and safety when they are first hired and at least once a year thereafter. If required by the individual role or national requirements, such training may be conducted more frequently.

We want to prevent accidents at work and occupational diseases as far as possible. To make the working environment even safer, DRÄXLMAIER records, analyses and evaluates accidents at work 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.

Our preventive approach is also underlined by the Germany-wide survey of employees on the subject of "Health in the workplace", which was last conducted in 2023. Around 2,500 employees or 42.5% of the employees invited took part in the survey. Positive aspects as well as stress indicators were identified. These are then discussed in solution workshops and followed up with a concrete action plan. Participants were particularly positive about the general conditions in the workplace and working from home, as well as the regulations on working hours and upskilling. However, they criticized the increasing time pressure, interruptions to work processes and noise pollution. The next survey will take place in 2025.

DRÄXLMAIER uses the Lost Time Injury Rate (LTIR) as a benchmark for safety at work. We succeeded in reducing this significantly compared to the previous year: in the reporting year, 0.42 occupational accidents (2023: 0.60) with lost time of one day or more per 200,000 hours worked occurred at DRÄXLMAIER sites worldwide. We attribute the reduction in comparison with the previous year to the consistent promotion and further development of the safety culture. The majority of accidents at work consisted of tripping accidents with bruises and sprains.

Development of the accident rate[1] at the DRÄXLMAIER Group in LTIR



[1] The accident rate data refers to all employees of the DRÄXLMAIER Group (excluding temporary workers). Accidents of external parties at the sites are also included in the calculation

Promoting employee health

With its preventive and promotive approach, DRÄXLMAIER plays a major part in maintaining and continuously improving the health, quality of life and performance of its employees. In line with our company values, the global health management process (BGM) aims to give all employees a greater degree of self-determination over their physical and mental health, thereby empowering them to boost their health. In 2024, the process was implemented at all of DRÄXLMAIER's German sites. In the long term, the aim is to introduce it throughout the Group.

In addition, the "betterworkplace" program helps to promote the health of employees and improve working conditions. For example, through health days, such as those held at the Bischofswiesen, Böblingen and Munich sites in 2024.

Occupational health care worldwide

We provide occupational health care at our sites through permanently employed company doctors. Since 2024, consultations can also be provided via telemedicine, allowing employees to access the service even more flexibly. The goals of occupational medicine are to promote, maintain and contribute to the restoration of health as well as employees' fitness for work and their employability. Within occupational medicine, we focus on preventive measures, such as flu vaccinations.

We assess working conditions in close partnership with occupational safety specializts to identify possible risk factors for health as well as to define and implement risk-minimization measures and trial their efficacy. Workplace-related health hazards are also addressed as part of preventive occupational health measures, and we give employees extensive advice on how to avoid relevant hazards. Further treatment options or the procurement of special work equipment to maintain good health can be recommended.

As an international company, the DRÄXLMAIER Group also has a responsibility to protect its employees as well as possible during travel abroad. In addition to mandatory advisory appointments before the start of business trips, information on specific health hazards is also provided, along with any necessary vaccinations on a voluntary basis. Company doctors are trained in travel medicine and regularly take part in further training. Should any medical problems arise during a business trip, employees can contact the company medical service at any time. In an emergency, rapid transport home can also be organized.

Other aspects of our attractiveness as an employer

In addition to the topics identified as being essential for our employees, we aim to be perceived as an attractive employer and thus to attract and retain talent and expertise for DRÄXLMAIER. Therefore, we also report on the other aspects of our actions as an employer.

Professional training

As a partner in the various regions, DRÄXLMAIER counteracts the shortage of skilled labor and gives young people prospects for the future. At DRÄXLMAIER, 1,472 trainees (2023: 1,504) in ten professional groups at 32 locations in eleven countries are currently preparing for their professional future. In 2024, we again reached the target apprenticeship quota of 2%[1]. We want to maintain this level over the next few years.

Training at DRÄXLMAIER is characterized by high and globally uniform standards. No matter which of our sites the trainees work at, we make sure that the same high-quality tools, machines, facilities and measuring and testing parameters are used in training worldwide. The employees working in training and development are educated using a train-the-trainer concept according to a standardized 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" program of the German Federal Ministry of Education and Research (BMBF). In the reporting year, 24 trainees worked for eight weeks at five different locations.

We are proud to keep many of our trainees on at the company. Over the last five years, on average 96% of our trainees in Germany were offered a job. This not only demonstrates our social responsibility and offers young people career prospects, but also actively counters the shortage of skilled workers, thus ensuring the positive development of our company. We offer scholarships for certain fields of study to trainees in Germany who achieved high marks in their Chamber of Industry and Commerce examinations.

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

Success of dual work-study programs

As a company rooted in Germany, we bring the concept of integrated work-study programs 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.

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

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

"We inspire to grow" – we empower our employees to develop not just their personal strengths, but also specific technical competencies to equip them with the skills they need for the future. In particular, we focus on topics related to the digital transformation of our company. We also place a strong emphasis on the professional development of our managers with the future in mind.

In this context, we are establishing a global performance and learning culture that promotes talent, reward 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 standardized training program and a diverse e-learning offering, to power-skills training and third-party seminars.

By focusing on e-learning, we ensure that learning content is both more available and more closely integrated into the everyday working lives of our staff. At the same time, we are upping our response to the individual learning needs of our employees, because the platform means that content, or parts of it, can be quickly and easily repeated. Thanks to LinkedIn Learning, some 21,000 (previous year: around 16,000) e-learning courses are now available to employees. In addition, we also develop our own e-learning courses on company-specific topics, with the aspects of sustainability being of particular importance in this context.

Learning operations in figures in 2024

more than **21,000** e-learning courses

more than **465,000** courses completed

Since 2022, our Learning unit has been making new, sequential learning content available exactly for this purpose. Since then, more than 94% of employees who have access to the learning platform have been familiarized with the basics of sustainability. In the coming years, at least 80% of newly hired employees will continue to have access to the relevant content, which will be continuously expanded. In 2024, e-learning was primarily produced with regard to the regulations of the Supply Chain Due Diligence Act.

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

At the end of 2024, the entire "Sustainability" development program was awarded an eLearning Award 2025 in the Sustainability category by the eLearning Journal. The jury was particularly impressed by the targeted support of a strategic corporate goal, in which all relevant target groups in the company were involved.

Further measures to promote the development of skills
We also support our employees in their professional development through targeted mentoring. Experienced colleagues serve as mentors and show the participants career prospects based on their own experiences. As well as individual career development, this also promotes a culture of open exchange within our company.

We want to enable all employees to develop their career on a long-term and individual basis. As part of our talent management program, we identify, review and develop employees who demonstrate special potential.

To ensure we are prepared for future requirements, we combine our talent pools with strategic succession planning within the company. Our performance and talent management program makes it possible to identify particularly top-performing and talented employees. We then promote visibility, self-initiative and networking among these individuals through talent programs, such as cross-functional projects with opportunities to present the results at board level, networking meetings with senior leadership and individual development plans.

Retention of skilled employees

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

We have also placed a strong emphasis on technical qualification in our training activities to support our global locations in the technical transformation of their production processes. Close to 80 training courses were offered in the year under review. To date, more than 450 employees have received training in areas such as robotics, programming or automation and digitalization technology.

In addition, we work within our HR network with a globally available retention toolkit. This tried and tested catalog of measures consists of successfully implemented best practices for employee retention in various countries, which are then shared throughout the company.

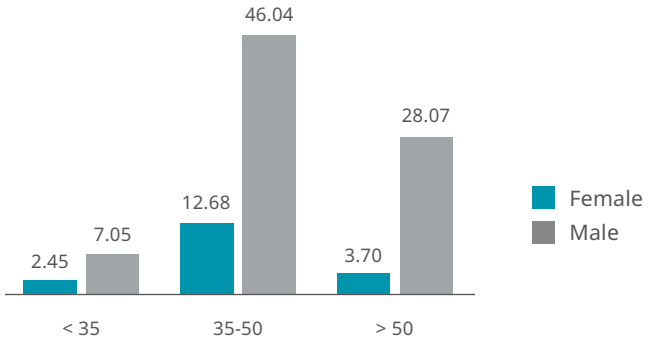
Diversity, equity and inclusion

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 measure the internationality of our management team with our own key figure. We are convinced that the different personalities, skills, mindsets and personal backgrounds of our employees around the world are the catalyst for our innovative strength. That is why we value and promote diversity in our workforce – and embrace a culture that values differences.

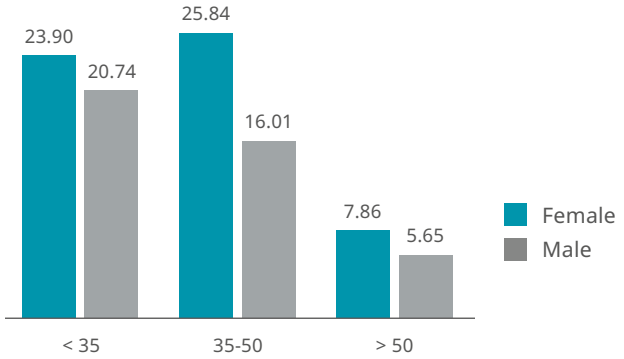
We strive to ensure that all age groups and genders are represented in the company in as balanced a way as possible. At DRÄXLMAIER, each and every individual is given the same opportunities to contribute, develop and perform at their best. This claim also includes remuneration and plays an important role in our internal communication. Finally, 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. For more information on remuneration, see the ❯ **Appropriate remuneration** section.

Diversity[1] within the DRÄXLMAIER Group by age and gender in %

(Senior) Management



Employees



[1] Due to lack of data, no information can be provided on the employee group "diverse"

Additional internal complaint process for employees

Diversity and equal opportunities are a practiced culture at DRÄXLMAIER, as is repeatedly confirmed by local employee surveys. 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. In addition, there are bulletin boards at each location which provide information about the process and the local complaints office. There is also detailed information available to employees on the intranet regarding the options for submitting a report or complaints.

Work-life balance

In order to ensure the best possible work-life balance, we create offers for the different phases of our employees' lives. This includes, above all, flexible work-time models, modern and stress-relieving alternating shift models, job-sharing as well as part-time working in management, remote working and working from home, permanent remote roles, trust-based working hours in management and the possibility of using some of the company's computer equipment also for private purposes. If necessary, we allow special leave or create and arrange childcare facilities. We intend to continue to expand this broad range of services in the coming years and establish modern office concepts. In this way, we aim to ensure the most efficient use of resources in the operation of buildings, promote productivity and creativity in the working environment of our employees, and thus support a healthy work-life balance.

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

Award confirms employer attractiveness

Time and again, we receive independent confirmation that we are on the right track. In 2024, for example, DRÄXLMAIER was once again one of the outstanding employers certified by the Top Employers Institute – for the 16th time in a row. We were even able to improve upon the excellent results from the previous year. The evaluation is continuously adapted to the latest findings and trends. This year, the focus was on how employees experience their work, agile personnel management as well as diversity, equality and inclusion.
As in the previous three years, our company was honored by the German broadsheet die Welt as part of the "Germany's Best Employers" study for its "very high level of employer attractiveness". In cooperation with the market research company ServiceValue, 756,000 citizens were asked to rate a total of 3,995 companies in terms of their attractiveness as employers.
In China, DRÄXLMAIER was honored as one of the best employers in the country with the "Top Employer China" Award for the third time in a row, recognizing outstanding personnel practices based on individual development of employees and an innovative approach to personnel management.
DRÄXLMAIER Vietnam was also awarded the prestigious "HR Asia – Best Companies to Work for in Asia 2024" Award, which is given to companies that are rated by their employees as particularly popular employers in Asia.

Workforce in the value chain

Our understanding of social responsibility is not limited exclusively to our own workforce, but also includes the employees of our suppliers. In our purchasing activities, we pay particular attention to working conditions, social standards and respect for human rights in our supply chain. See the **› Employees** section for details.

Just as we ourselves adhere to the relevant standards and commitments, we expect our business partners to do the same. Therefore, the DRÄXLMAIER Group's global purchasing conditions prohibit involuntary or forced labor, such as child, slave or prison labor.

Accepting our Business Partner Code of conduct for sustainability is part of the registration process for our suppliers. The code sets out clear minimum requirements in terms of corporate ethics and compliance, human rights and working conditions as well as environmental protection and resource conservation. This includes the request to ensure that these requirements are met throughout the entire supply chain. The **› Corporate governance, Supplier relationship management** chapter contains the relevant details.

Suppliers that focus on sustainable management and apply ethical business practices can also benefit from certifications such as ISO 14001 or ISO 45001. These certificates underline the commitment to socially responsible behavior and sustainable practices. The DRÄXLMAIER Group therefore attaches importance to compliance with these standards and favors suppliers that make their supply chains more sustainable.

65%

Suppliers[1] with verified environmental certificate ISO 14001 in 2024.

70% in 2023

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

Society

Stakeholder dialog and partnerships

As external stakeholders, we focus primarily on our customers and suppliers, as well as banks, associations, academic institutions, politicians, local communities and non-governmental organizations (NGOs). In order to maintain dialog with the various interest groups, we are involved, among other things, in the Carbon Disclosure Project and the automotive industry dialog on the National Action Plan for Business and Human Rights (NAP) as well as in the German Association of the Automotive Industry (VDA). By participating in industry initiatives, we also contribute to improved communication with non-governmental organizations. We are also in close contact with our customers regarding sustainability issues and pursue joint projects. In the year under review, the primary focus was on human rights. In addition, in 2024 we again held numerous discussions with political dialog partners at local, national and international level. We regularly use the opportunities to discuss points of view with political and public sector representatives and present our industrial perspective. Reliable framework conditions and comprehensible political decisions are important to us in order to be able to act sustainably as a company in the long term.

Continuous dialog with our stakeholders is a central element of our sustainability management and provides us with important impetus time and again. We place particular emphasis on communication with our employees.

Excellence Award for social projects in Moldova

To recognize the sustainability commitment of our employees, a Sustainability category has been part of the internal Excellence Award at DRÄXLMAIER since 2016. The award recognizes excellent projects and outstanding team achievements from all over the world every two years.

In 2024, the jury selected a project in the Republic of Moldova, which DRÄXLMAIER supports as an exclusive industrial partner. Under the name "Erasmus + Social Enablement Projects for Moldova", two sub-projects are being pursued, each with a duration of three years: While the DIGITRANS project aims to strengthen higher education in the Republic of Moldova through building blocks of digital transformation, the NEEDEDU4.0 project focuses in particular on the employability of graduates. One specific goal is, for example, the introduction of a new master's degree program in mechanical engineering. Experts from DRÄXLMAIER are involved in revising existing curricula in the field of engineering. Students also have the opportunity to gain practical experience with internships and specializt courses at the company.

In addition to DRÄXLMAIER, universities and organizations from all over Europe are involved in the projects, which are funded by the European Commission through the Erasmus+ program.

Project partners in dialog to strengthen engineering education in Moldova through Erasmus+ Social Enablement Projects

Social engagement

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

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

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

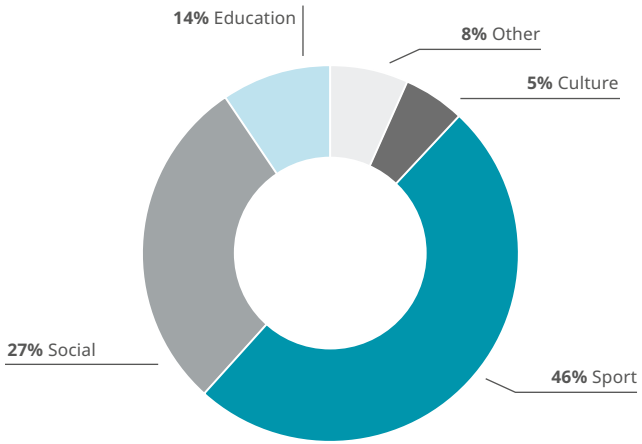
DRÄXLMAIER also assumes social responsibility by building up production capacity in specific regions, creating jobs and strengthening local economic resilience. Particularly in rural or structurally weak regions, this can lead to significant economic growth and help to reduce social imbalance.

Clear and transparent rules

Our social commitment is governed by clear rules, which we have set out in our Corporate Citizenship Guideline. This defines the Group-wide strategic orientation of the DRÄXLMAIER Group with regard to sponsorship and donations. All activities in the area of donations and sponsorship are aligned with the LEADER corporate strategy and contribute to this strategy. Approval routes, requirements and processes for decisions regarding grants and approvals are also clearly defined here. Corresponding signatory powers are limited to EUR 5,000 per project throughout the Group. Higher amounts must be approved by the Head of Marketing and Communications, who is also responsible for governance on the topics of corporate citizenship as well as the processing of all sponsorship and donation requests. You can also find an overview of the DRÄXLMAIER Group's social engagement on our website: Corporate Citizenship.

About
300
Projects in 11 countries

Sponsorship and donations of the DRÄXLMAIER Group in %



Selected social and environmental projects

China Medical masks for Jiuzhou Hospital

On August 30, the DRÄXLMAIER Anshan plant donated 12,000 medical protective masks to Jiuzhou Hospital, thereby supporting basic medical care in the local society.

Mexico Action against child malnutrition

In Mexico, DRÄXLMAIER supports the work of the Fundación Nutriendo, which offers regular breakfasts in 22 schools to more than 2,000 children from marginalized communities.

Republic of Moldova Commitment to little ones

In 2024, the DRÄXLMAIER Group supported several kindergartens in the Republic of Moldova. For example, the “38” kindergarten in Balti was equipped with new beds for children between two and three years of age. In addition, new furniture was donated for the daytime activities in the “Ursulet” kindergarten in the village of Corlateni.

Macedonia Donation of special vehicles

To enable people with special needs to participate in public life, DRÄXLMAIER is making new special vehicles with an automatic ramp for wheelchair users available to all associations from the Prilep and Kumanovo regions.

Romania Commitment to the environment and sustainability

Employees of DRÄXLMAIER Pitești and Satu Mare took part in the environmental event “Let’s Do It, Romania!”, an initiative for World Cleanup Day. The initiative aims to protect and conserve nature and to collect waste. In addition, the employees of DRÄXLMAIER Codlea took part in the “Love Green” event, which is dedicated to educating children about environmental issues.

Overview of absolute and specific social indicators of the DRÄXLMAIER Group, as at 31/12/2024

Employees[1]	Unit	2024	2023	2022
Employees	Number	70,601	72,100	73,373
Trainees	Number	1,472	1,504	1,200
Temporary workers	Number	1,569	1,444	1,295
Hirings	Number	21,693	21,868	23,731
Staff turnover rate	Percent	31.8%	31.4%	28.8%

Diversity	Unit	2024	2023	2022
Women in (senior) management	Percent	18.8%	18.5%	17.1%
Men in (senior) management	Percent	81.2%	81.5%	82.8%
Women (excluding (senior) management)	Percent	57.6%	57.4%	58.0%
Men (excluding (senior) management)	Percent	42.4%	42.6%	43.0%

[1] Personnel figures for joint ventures, with the exception of headcounts, are not systemically recorded and therefore cannot be reported

Corporate governance

Corporate governance

DRÄXLMAIER's success is based on the trust of our customers – in our competence and innovative strength, in the quality of our products and not least in the integrity of our actions. We take these factors into account in our corporate governance, which is based on clear values and a strong corporate culture. We fulfill our environmental and human rights due diligence obligations and also include our global supply chain in this. We respect the law in all our activities, take consistent action against corruption and bribery and are committed to the protection and security of the data provided to us. We set high standards in terms of the sustainability and quality of our products, drive innovation and digitalization forward and are committed to sustainable and safe mobility.

At a glance

- **Commitment at Catena-X: first successful implementation within the scope of the "Use Case Traceability" for the transmission of battery information.**
- **Online training on sustainability topics established for suppliers.**
- **Joined TheCopperMark initiative to promote the protection of the environment and human rights further down the supply chain.**

Corporate culture and code of conduct

DRÄXLMAIER has always promoted a strong corporate culture, which is characterized by the company values of market and customer focus, innovation, independence, sustainability, excellent processes and employee orientation. Based on these values, the company-wide Code of Conduct provides all employees with guidance for lawful and responsible behavior. It provides an insight into the corporate culture of the DRÄXLMAIER Group and summarizes key points of our policies in the areas of people, the environment and the economy. It defines the behavior that is expected of employees toward external interest groups such as suppliers, customers, applicants and important NGOs (non-governmental organizations).

The LEADER strategy provides the framework for implementation and action for the respective activities. The ❯ **Our company** chapter contains the relevant details.
The implementation of the strategic goals and values is a core task of all managers, as the long-term success of the company is based on the trust of our customers in the competence, innovative strength, sustainability and integrity of the DRÄXLMAIER Group. To this end, we pursue a global strategy with company-wide policies and requirements that are binding for all Group companies. Our company-wide principles and guidelines that are directly related to sustainability are available for interested parties to view online: How we act.

The business activities of the DRÄXLMAIER Group are subject to numerous laws and regulations in the various countries. A well-established compliance organization and specialized departments ensure compliance with these regulations. For more details, see ❯ **Fair business practices**.

In addition, we conduct regular risk assessments and audits and operate a consistent compliance management system. This includes a comprehensive whistleblower system that also enables anonymous reporting.

In addition, we want to ensure responsible and lawful behavior beyond our company boundaries. The DRÄXLMAIER Group has taken various measures to prevent exploitation, unfair competitive behavior and unethical behavior in our supply chain. Our expectations of our business partners are clearly formulated in the Business Partner Code of conduct for sustainability.

Opportunity and risk management

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

The highly dynamic nature of our industry environment constantly opens up new opportunities and potential for us to further improve the future development of our business and the market position of the Group. The focus here is on innovations that enable us to create further unique selling points for DRÄXLMAIER. Sustainability and the ecological efficiency of our products play an important role in this.

At DRÄXLMAIER, risks are identified systematically and at an early stage by a Group-wide risk management system and analyzed and evaluated with regard to their probability of occurrence and impact. The Executive Board is informed of the Group's current risk situation at least once a year in a standardized form. The principles on which the risk management of the DRÄXLMAIER Group and its functions are based are summarized in the Risk Policy.
By recognizing significant and existential risks at an early stage, risk management supports the management in maintaining entrepreneurial and financial flexibility, sustainably increasing the value of the company and thus ensuring that the DRÄXLMAIER Group continues to thrive in the long term.

We also take into account significant risks and opportunities from sustainability-related aspects, such as environmental risks and climate change risks. Corresponding risks may arise, for example, from emissions requirements, particularly with regard to opportunities to reduce greenhouse gas emissions. However, potential effects of extreme weather conditions on our production, infrastructure or supply chains should also be mentioned here as risks for the DRÄXLMAIER Group. Sustainability-relevant opportunities, on the other hand, arise, among other things, from the ecological design of our products, which can give us important competitive advantages, as well as from an in-depth site-specific risk analysis.
DRÄXLMAIER also fulfills the obligations arising from the Supply Chain Due Diligence Act (LkSG) to the best of its ability. Our own sites are assessed on the basis of site-specific risk analyses, and our suppliers are also checked in accordance with legal requirements. We pay special attention to the observance of human rights. For more details, see the ❯ **Supplier relationship management** section.

Human rights

In 2023, DRÄXLMAIER published a Human rights policy statement for the first time. It is based on the internationally recognized Guiding Principles on Business and Human Rights of the United Nations, international human rights reference instruments such as the International Bill of Human Rights and the core labor standards of the International Labor Organization (ILO). For more details, see the ❯ **Social commitment, Employees** section.

In the document, the DRÄXLMAIER Group commits to respecting internationally recognized human rights, complying with laws and regulations worldwide with regard to fair working conditions and to combating human trafficking, labor exploitation and modern slavery. Human rights violations and offenses are not tolerated and are systematically sanctioned. The company management, all employees and our suppliers are required to implement these principles and prevent any kind of human rights violations in our business activities.

We have defined clear responsibilities for the fulfillment of and compliance with our human rights due diligence obligations. For example, the Head of Human Resources is responsible for ensuring respect for human rights in our business activities and in the upstream value chain. Since April 1, the area of Human Resources has been headed up by Stefan Brandl, Vice Chairman and CEO of the DRÄXLMAIER Group. For more details, see ❯ **Our company, Organization and Management**.

At DRÄXLMAIER, we see respect for human rights as an ongoing process in which the implementation of the corresponding due diligence obligations is constantly reviewed and updated depending on changing framework conditions, the type of business activity and the size and structure of the company. We have therefore anchored human rights due diligence processes both in our organization and in our relationships with our business partners. The due diligence requirements set out in the Supply Chain Due Diligence Act are consistently implemented. For more details, see the ❯ **Supplier relationship management** section.

Standards for our own actions

In its Social Policy, the DRÄXLMAIER Group is committed, among other things, to the free choice of employment and rejects all forms of human trafficking as well as forced, compulsory and child labor. The social policy has been comprehensively communicated within the company and translated into all company languages. Fair, respectful and responsible management of employees is also enshrined in various other guidelines. In addition, occupational health and safety is anchored in the EHS Policy. For more details, see the ❯ **Social commitment, Employees** section.

Compliance with these requirements is checked regularly by the internal audit department using on-site audits. A total of five audits were carried out at our sites in 2024 (2023: 19) with a view to safeguarding human rights. The year-on-year decrease is due to the processing of numerous special topics within internal auditing as well as the multi-year audit cycle of individual locations, which are not subject to a human rights audit every year.

As early as 2022, a training course focusing on respect for human rights and the corresponding due diligence procedures was introduced.

In 2023, human rights training was added as part of location-based risk analyses. To supplement the wide range of general preventive measures we have in place, in the future we will also rely on real-world measures including targeted training and self-audits. These draw on site-based risk analyses that take into account both external and internal indicators, such as existing information.

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

Data and information protection

As a global company, DRÄXLMAIER is confronted with various national and international data protection laws. An efficient, centrally coordinated data protection organization ensures compliance with the relevant regulations worldwide. A data protection committee ensures that the activities also correspond to the current state of development in technical terms.

Protection of personal data

To ensure a uniform and globally applicable standard in the handling of personal data, we have clearly regulated the requirements
for its processing and the corresponding data protection processes in our Policy on Data Protection. Our worldwide information security management system (ISMS) reflects the current state of the art. It is based on continuous risk and threat analysis and also includes technology development, customer requirements and legal aspects. Our data protection organization, the respective processes and the specific security solutions are aligned with international standards. They are reviewed and developed further at regular intervals.
Awareness of the risks associated with the handling of personal data is ensured by regular measures to raise awareness among managers and employees. This also includes knowledge of and compliance with local data protection laws.

Information security

In addition to data protection, information security is also of central importance for DRÄXLMAIER. Here, too, a corresponding Corporate Policy defines the framework. The key goal is to adequately protect all information, and in particular to ensure its confidentiality, availability and integrity. In this way, we protect both our intellectual property and that of our customers against unauthorized access. We secure our systems, protect them against failure, attack or misuse and thus ensure our ability to deliver. Here, too, we rely on our comprehensive information security management system. In addition, all employees and third parties who have access to company information are obliged to handle it with care. Threats and incidents must be reported immediately to the information security organization.

These framework conditions are set out in a company policy that is binding for all managers and employees of the DRÄXLMAIER Group worldwide. In addition, we also require our business partners to respect our principles and take them into account in their respective company policies.

Fair business practices

Legally compliant behavior and the prevention of infringement of laws and regulations help to ensure the sustained success of our company. For a supplier in the automotive industry, there are particular compliance risks in the area of antitrust and corruption, which can lead to financial consequences and loss of reputation. Violations of regulations can also result in personal liability and criminal consequences for individual employees or members of the DRÄXLMAIER Group's executive bodies.

Compliance management

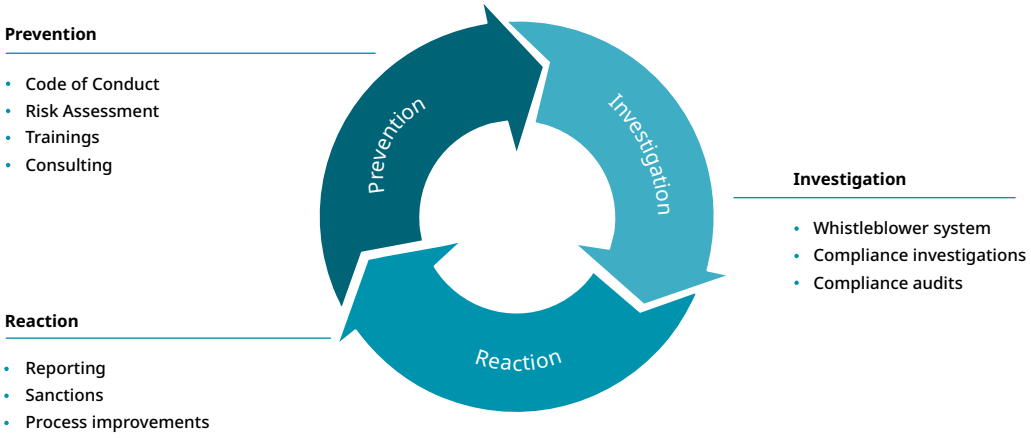
Against this background, the compliance management system (CMS) of the DRÄXLMAIER Group pursues the goal of preventing violations of legal and internal company regulations, thereby averting damage to the company and excluding the personal liability of company directors and employees. In addition to appropriate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

In addition to compliance risk analyses, the preventive measures also include various training courses for employees, covering topics such as the proper way to deal with gifts or fair conduct in competition. Certain e-learning courses are mandatory for a defined group of employees who are particularly exposed to compliance risks.

The training modules were revised in 2022. The revised versions have been available throughout the Group on the learning management systems since 2023.

The DRÄXLMAIER Group provides information on the topic of compliance in particular on whistleblowing management, on its website. All employees of the DRÄXLMAIER Group also have access to compliance information via the intranet. In order to counteract corruption and bribery in particular, there is also a specific Code of Conduct for the prevention of corruption. Potential violations of the Code of Conduct can also be reported anonymously via the Group-wide whistleblower system. The information is recorded, processed and clarified in cooperation with the relevant business units if there are sufficient grounds for suspicion. If a compliance violation has occurred, specific measures are then recommended to the business units.
In order to further develop the compliance management system, measures have been established to avoid gaps and minimize risks. These include, in particular, training courses for employees and executives, regular communication between compliance officers, and reviewing the effectiveness of compliance measures. In 2024, for example, face-to-face training sessions were held for management in the Sales, Purchasing, Technical Engineering and Operations departments on the topic of "Fairness in competition". In addition, the compliance management system is being further expanded against the background of the constantly changing legal situation and adapted to the new requirements.

Compliance Management System at the DRÄXLMAIER Group



Protection of whistleblowers

Complaint mechanism for all employees

An internationally established process enables our employees around the world to submit information and complaints, suggest improvements and report injustices and violations. Here, too, a globally applicable policy sets the standards, provides guidelines for all our national subsidiaries and also takes into account the locally applicable legal framework. We ensure the effectiveness of the complaints procedure by providing extensive information to all employees about the complaints process, ensuring simple process steps and anonymous reporting channels, as well as sound monitoring, thus creating the prerequisites for quickly initiating appropriate countermeasures if needed.

Worldwide whistleblower system available to all stakeholders

Our employees also have the option of using our digital whistleblower system. It is open to internal and external stakeholders as well as any potentially affected parties worldwide and provides a confidential communication channel for reporting possible violations of laws or internal, national and international standards. These reports can also be made anonymously. The various target groups are informed proactively and in appropriate language about the available complaints mechanisms in place as well as their respective options for accessing these mechanisms. In addition, the measures are adapted to the respective local context in order to ensure that communication is as tailored to the target group as possible. All reported information and substantiated suspicions are dealt with as part of a defined process.

The confidentiality and, if requested, anonymity of whistleblowers is respected. We also ensure that whistleblowers are protected from discrimination or punishment in connection with any complaints they submit. Our systematic handling of complaints and the resulting insights allow us to continuously improve our due diligence processes. We also make sure to review the effectiveness of the existing complaints mechanisms at least once a year and in the event of significant changes in the risk situation or clear indications of restrictions in complaints management.

Management of supplier relationships

For DRÄXLMAIER, sustainability is a decisive factor in building a resilient and future-proof supply chain. By aligning our supply chains sustainably, we want to fulfill both economic requirements and our environmental and social responsibility – across our entire value chain. As such, we work on the assumption that our suppliers value sustainability just as highly as we do. Together with them, we are working to make our business activities increasingly sustainable and to meet our due diligence obligations, particularly with regard to respect for human rights.

Effective management of our global supplier network, including upstream and downstream stages of the value chain, requires transparency and early identification of risks and market changes. We therefore conduct comprehensive supplier monitoring and focus on both preventive and reactive risk management. The indicators are linked with the risk management criteria in order to identify deviations at an early stage and develop uniform standards. In addition, assessments of events such as accidents or natural disasters help us to make targeted improvements.

Business partner code of conduct for sustainability provides the framework

We have clearly defined our principles and requirements in terms of sustainability in our Business Partner Code of conduct for sustainability. This represents the minimum requirements for our suppliers in terms of corporate ethics, climate and environmental protection, resource conservation as well as human rights and social standards. Recognition of the business partner code of conduct by our suppliers is the basic prerequisite for the establishment of a business relationship. The DRÄXLMAIER Group's global purchasing conditions also contain specific sustainability requirements that are binding for our suppliers. Here, too, respect for human rights is of particular importance.

Sustainability performance as an award criterion

We consistently evaluate the sustainability performance of our suppliers, which is an essential criterion in the decision to award contracts. In the reporting year, for example, around 85% of the freely negotiable purchasing volume was covered by suppliers who achieved "green" status in the "Sustainability" category of the supplier evaluation. To further increase this share, we continuously support the development of existing suppliers.

A key criterion in supplier assessment is the CO_2e footprint of the materials and intermediate products supplied. Our greenhouse gas assessments show a clear picture: For most of our products, the majority of the CO_2e footprint is created in the supply chain. Together with our suppliers, we are working to systematically reduce this proportion and, in particular, to increase the availability of primary data in order to further enhance the precision in the calculation of the product carbon footprint.

The Sustainability Check

Even before DRÄXLMAIER makes a decision regarding the awarding of contracts, all suppliers in the direct material area as well as the relevant suppliers in the indirect material area undergo what is referred as the Sustainability Check.
This process has two main components: confirmation of the business partner code of conduct for sustainability and the supplier self-assessment on sustainability performance in areas such as environmental protection, human rights, occupational safety and responsibility in the supply chain. There are also questions concerning aspects of cyber security and compliance risks. The corresponding criteria are an integral part of the awarding of new contracts. Only when the respective supplier has actively recognized our business partner code of conduct for sustainability and has completed the self-assessment questionnaires is the Sustainability Check fulfillled. Should any deviations from the set minimum requirements be identified, suppliers must implement an action plan to correct said deviations.

Once the answers have been analyzed, the results are directly incorporated into the supplier assessment process. Based on the sustainability self-assessment and the evaluation of various certificates, the DRÄXLMAIER Group has developed a methodology to directly compare the sustainability performance of suppliers and integrate it into the general supplier evaluation. A digital platform is used for data collection and analysis.

Structured analysis and assessment of risks

Sustainability in our supply chain plays a central role as part of our risk management processes, particularly with regard to our environmental and human rights due diligence obligations. In order to minimize potential risks, we have set out the process for assessing risks in our supplier network in a defined risk analysis process that is an integral part of our business activities. The procedure for deriving measures to prevent human

rights risks at suppliers is also regulated within this framework. We use ESG risk management software for the risk analysis. At the beginning of the process, we conduct an abstract risk analysis to identify risks related to human rights and environmental standards for countries and industries in which our direct suppliers operate. This analysis provides a risk assessment for each subject area and each supplier.

In the subsequent concrete risk analysis, we focus on suppliers with high risk potential, and clarify responsibilities for as well as potential effects of the identified risks. Following a risk-based approach, we identify suppliers' ability to comply with human rights and review environmental standards to identify potential gaps.

Based on the results of these analysis steps, we assess the actual risk and estimate the probability of occurrence. In this process, we also determine how we can derive and implement measures to prevent human rights risks among our suppliers.

In addition, we use media monitoring to monitor relevant reporting on human rights and environmental standards in order to stay informed about critical news and respond quickly if necessary. Based on media and literature research and by analysing stakeholder interests, the DRÄXLMAIER Group also identifies critical raw materials and their supply chains. Suppliers concerned must disclose the origin of the raw materials supplied to us.

Raw materials and conflict minerals

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

Over the past few years, we have also participated in programs to enhance supply chain transparency, including for copper, kenaf and leather. We are also involved at association level to find mutual solutions for a sustainable supply chain. Examples include the Automotive Industry Dialog 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). In 2024, we launched a project with partner companies to create transparency regarding the protection of human rights in copper mining in Peru and thus ensure that these rights are respected. In addition, DRÄXLMAIER joined the TheCopperMark initiative in order to have a positive impact on human rights and environmental issues further down the supply chain – and beyond the current legal requirements. In our position on protecting forests, we are also committed to handling raw materials responsibly, especially the forest risk raw material leather. In 2024, we once again achieved a C score from CDP in the forest questionnaire.

Supplier training and communication

In addition to our general terms and conditions and the Business Partner Code of conduct for sustainability, we regularly communicate with our suppliers. For example, we publish our sustainability requirements via our supplier website and provide appropriate training. Our suppliers undertake to communicate our requirements to their suppliers and to raise their awareness accordingly.

Since 2024, the DRÄXLMAIER Group has been offering its suppliers practical online training on the subject of sustainability. The aim of the training is to establish a sound understanding of the specific sustainability requirements and processes of the DRÄXLMAIER Group and to prepare our supply chain for upcoming challenges in the area of sustainability. For DRÄXLMAIER, training provides an effective measure to proactively counter possible risks, since awareness of a particular topic can be increased in a targeted manner during training.

Complaints procedure

Our whistleblower system is also open to our suppliers and their employees to report any violations of the business partner code of conduct for sustainability as well as risks to human rights and the environment. For further information, see the › **Protection of whistleblowers** section.

Training for employees and suppliers

DRÄXLMAIER's global purchasing staff also receive ongoing training on sustainability matters. Following basic training, the employees follow the advanced training introduced in 2023. To date, more than 95% of the employees in global purchasing have completed this training. The focus is on practical aspects such as ethical purchasing, sustainable supply chain management, resource-saving procurement and environmental responsibility. In 2024, the training concept was developed further and adapted to current conditions. This ensures that the training results can be effectively integrated into the daily processes.

Company-specific topics

As part of our materiality analysis, a number of topics were identified that are material to DRÄXLMAIER based on company-specific criteria, but are not covered in detail by the ESRS. Against this backdrop, we supplement the reporting with company-specific information in order to present the company's impact, risks and opportunities in a sufficiently comprehensible manner. The topics identified are addressed within the framework of the corporate strategy and have therefore been assigned to the topic of "Corporate governance" (ESRS G1). For further information see ❯ **Materiality analysis section.**

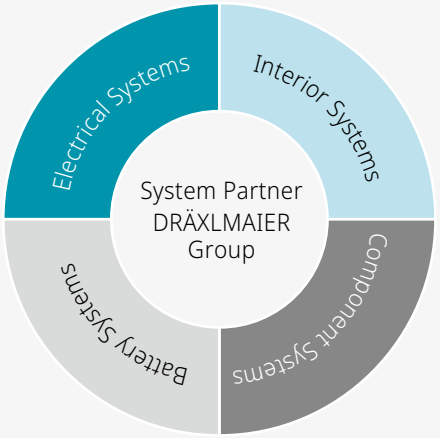
Sustainable products

We want our products to play a part in making the future of mobility sustainable, drawing on the same innovative power, competence and passion with which we have continually been setting standards and developing solutions for our customers that offer absolute added value for more than 65 years.

Against this background, sustainable, ecologically designed products are a key focus for the DRÄXLMAIER Group. The corresponding objectives are pursued within product development. In close co-operation between the purchasing and development departments, the use of ecological materials is a particular aim. The ❯ **Resource management and the circular economy chapter** contains the relevant details.

Our product portfolio reflects the four system competences of DRÄXLMAIER:

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



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

Interior systems
This new form of mobility also places new demands on the interior. DRÄXLMAIER attaches great importance to combining high-performance technology with elegant design that also takes into account the aspects of sustainability. Our innovative and resource-efficient processes as well as the use of sustainable materials enable us to meet the demands of our customers while always acting responsibly. For example, we use visible and concealed natural fibres as a premium surface in the vehicle and process plastic recyclates. In combination with resource-efficient processes, such as in-place joining or the patented D3F (DRÄXLMAIER Fast Fibre Forming) process, we save on materials, enabling a significant weight reduction. This way, we play our part in achieving the sustainable vehicle interior of the future and help our customers hit their own sustainability goals.

Component systems
Our electrical and electronic components make up a large proportion of the overall system and thus contribute to sustainable mobility: our contact and connector systems for high and low voltage applications are optimally designed for the required loads. This allows the entire system to be aligned as safely and efficiently as possible, not least in order to save weight and resources. In this process, DRÄXLMAIER creates synergies across system boundaries and thus ensures optimum interaction between all components.

Sustainability in product development – DRÄXLMAIER Group ecosolutions

It is DRÄXLMAIER's goal is to take the diverse aspects of sustainability into account right from the product development stage. By designing our products accordingly, it is our aim to integrate sustainability aspects into the entire value chain and, in particular, to consistently further reduce the CO_2e footprint of our products. In 2020, we developed the DRÄXLMAIER Group **eco**solutions concept for this purpose. In 2021, we developed the basic approach further to include other areas of responsibility in addition to development, giving us an even more holistic view of the way in which our products are created. Optimizing these processes provides a lever for more sustainability, in particular in terms of climate and environmental protection – from the very first product idea, the design, development and application, right through to spare parts. That means we can offer our customers environmentally-friendly solutions. At the same time, we can make an important contribution to the sustainable development of the automotive industry.

Back in 2021, we developed a method for calculating the CO_2e footprint of our products. Since then, we have further refined the methodology and have now incorporated it into our cost calculations as standard. Our customers benefit from this approach because we are always able to offer them more ecological product alternatives as well as important decision-making aids for the sustainable design of their own products. In particular, given the increasing complexity of reporting requirements, information is becoming an increasingly important competitive success factor.

However, the quality and availability of the relevant data remains a challenge. This is because extensive information from suppliers and their suppliers is required in order to calculate the CO_2e footprint. Although we generally prefer primary data for our calculations, due to limited availability, we have to derive indicative CO_2e values based on secondary data. That is why we are working with our suppliers and in relevant industry initiatives to improve data quality. Currently, already over 50% of our direct suppliers are able to calculate CO_2e emissions at part level. For more details, see the ❯ **Supplier relationship management** section.

Innovation and digitalization

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

At DRÄXLMAIER, the digital transformation comprises nine specific programs that affect all areas of the company. Important progress was made in all programs in 2024, including in terms of sustainability. A modern integrated process and system architecture enables a systematic and cross-segment view of the company. This opens up new opportunities for optimizing costs and resource utilization, for example by standardizing, improving and automating our processes. This lays the foundation for future growth, diverse innovations and economic independence.

Our sustainability management is also benefiting from this development, as digital technologies can support and accelerate transformation processes in many areas – be it through data-driven efficiency increases or digital innovations, for example for the circular economy or the energy transition. Since September 2021, DRÄXLMAIER has been involved in the Catena-X data ecosystem, which aims to standardize and efficiently exchange data along the entire value chain in the automotive industry and to develop targeted digital services in order to reduce greenhouse gas emissions and establish standards and methods to reduce CO_2e. The first "Use Case Traceability" for transmitting battery information to the customer was put into operation at the beginning of 2024. On this basis, further use case implementations, for example the development of a "battery passport", are planned for the coming years.

Harnessing the opportunities of artificial intelligence

In addition to the nine specific programs, DRÄXLMAIER has gradually built up expertise in the field of artificial intelligence (AI) over the past few years, in order to further optimize the efficiency of production processes in particular. In view of this, Group-wide AI governance and a corresponding strategy were established in 2024. We intend to harness the opportunities of AI for our company and ensure responsible use of the new technology from the outset.

Product quality

The quality of our products is one of DRÄXLMAIER's key promises to its customers. Various approaches ensure that our high requirements are met.

For example, we implement a cross-company quality management system that includes all locations and plants and incorporates all global standards, norms and regulations in our business/system processes. These include – by way of example – the following certification-relevant standards, which are used in the plants:

- IATF 16949 (2016), international standard for quality management systems in the automotive industry
- ISO 9001 (2015), international standard for quality management systems

The conformity of our products as well as the relevant systems and processes is regularly checked and confirmed by internal and external audits.

Sustainable and safe mobility

The promotion of environmentally friendly means of transport and the improvement of road safety are essential elements of a forward-looking mobility strategy. By integrating innovative technologies and promoting a conscious mobility behavior, DRÄXLMAIER not only aims to reduce emissions, but also to increase road safety. In doing so, the company starts with its own activities in its own operating environment. For example, DRÄXLMAIER is making an active contribution to the transport and energy transition by favoring the procurement of purely electric vehicles. So far, we have already been able to electrify 60% of our own fleet in Germany and China. The aim is to further increase the proportion of electric vehicles in the fleet in order to have a fully electric fleet as soon as possible.

However, the expansion of the public charging infrastructure remains a challenge. For example, while Germany and the Scandinavian countries are pretty far along in their expansion, there are still significant deficits in Eastern Europe. DRÄXLMAIER is installing more and more charging points at its sites to enable sustainable and fully electric business trips to be made there. In 2024, we further expanded the charging infrastructure at our locations in Poland, Romania, Tunisia and China.

In addition, defined leasing periods and active fleet management make it possible for us to use new vehicles that are always state-of-the-art in terms of safety. In addition, our employees receive regular training on topics such as accident prevention regulations or the use of company vehicles. In this way, we help to make mobility not only ecologically sustainable, but also safe.

GRI-Index

The DRÄXLMAIER Group has reported the information mentioned in this GRI Index for the period January 1, 2024 - December 31, 2024 with reference to the GRI Standards.
GRI 1: foundation 2021

GRI-Standard	Disclosure		Page number(s)	Further information and omissions
GRI 2: General Disclosures 2021				
	The organization and its reporting practices			
	2-1	Organizational details	5-6	
	2-2	Entities included in the organization's sustainability reporting	84	
	2-3	Reporting period, frequency and contact point	84	
	2-4	Restatements of information	7, 9, 14, 37	
	2-5	External assurance	11, 14, 84	
	Activities and workers			
	2-6	Activities, value chain and other business relationships	6, 43, 60, 72-73	
	2-7	Employees	52, 58, 64	
	2-8	Workers who are not employees	55, 64	
	Governance			
	2-9	Governance structure and composition	7, 12	
	2-10	Nomination and selection of the highest governance body	7	
	2-11	Chair of the highest governance body	7	
	2-12	Role of the highest governance body in overseeing the management of impacts	12-14, 66-68	
	2-13	Delegation of responsibility for managing the impacts	66-68, 70	
	2-14	Role of the highest governance body in sustainability reporting	12, 84	
	2-15	Conflicts of interest	66, 70-71	
	2-16	Communication of critical concerns	67-68, 70-71	
	2-17	Collective knowledge of the highest governance body	7, 12	
	2-18	Evaluation of the performance of the highest governance body	-	The DRÄXLMAIER Group plans to report this information in the future.

GRI-Standard	Disclosure		Page number(s)	Further information and omissions
	2-19	Remuneration policies	-	The DRÄXLMAIER Group plans to report this information in the future.
	2-20	Process to determine remuneration	-	The DRÄXLMAIER Group plans to report this information in the future.
	2-21	Annual total compensation ratio	-	The DRÄXLMAIER Group plans to report this information in the future.
	Strategy, policies and practices			
	2-22	Statement on sustainable development strategy	2	
	2-23	Policy commitment	66-74	
	2-24	Embedding policy commitments	66-74	
	2-25	Processes to remediate negative impacts	66-74	
	2-26	Mechanisms for seeking advice and raising concerns	66-74	
	2-27	Compliance with laws and regulations	70	
	2-28	Membership associations	61, 66	
	Stakeholder Engagement			
	2-29	Approach to stakeholder engagement	12-13, 61, 73	
	2-30	Collective bargaining agreements	52-53	
GRI 3: Material topics 2021				
	Material topics			
	3-1	Process to determine material topics	10-30	
	3-2	List of material topics	14	
GRI 200: Economic Disclosure				
GRI 204: Procurement Practices 2016				
	Procurement practices			
	3-3	Management of material topics	6, 41-43, 72-74, 76	
	204-1	Proportion of spending on local suppliers	37, 60, 72-73	
GRI 205: Anti-corruption 2016				
	Anti-corruption			
	3-3	Management of material topics	70-71	
	205-2	Communication and training about anti-corruption policies and procedures	70-71	

GRI-Standard	Disclosure		Page number(s)	Further information and omissions
GRI 206: Anti-competitive behavior 2016				
	Anti-competitive behavior			
	3-3	Management of material topics	70-71	
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	The DRÄXLMAIER Group does not report on the total number of legal proceedings on legal actions for anti-competitive behavior, anti-trust and monopoly practices and their results, as this information is subject to special confidentiality requirements.
GRI 300: Environmental disclosures				
GRI 301: Materials 2016				
	Materials			
	3-3	Management of material topics	41-43, 75-76	
	301-2	Recycled input materials used	41-43	
	-	Self-Disclosure	42	
GRI 302: Energy 2016				
	Energy			
	3-3	Management of material topics	38-40	
	302-1	Energy consumption within the organization	38, 47-50	
	302-2	Energy consumption outside of the organization	40, 47-50	
	302-3	Energy intensity	49-50	
	302-4	Reduction of energy consumption	38-40, 47-50	
GRI 303: Water and Effluents 2018				
	Water			
	-	Additional non-material topic	46	
	303-1	Interactions with water as a shared resource	46	
	303-2	Management of water dischargerelated impacts	46	
	303-5	Water withdrawal	46, 48, 50	
GRI 305: Emissionen 2016				
	Emissionen			
	3-3	Management der wesentlichen Themen	34-37	
	305-1	Direkte THG-Emissionen (Scope 1)	35, 47	
	305-2	Indirekte energiebedingte THG-Emissionen (Scope 2)	35, 47	
	305-3	Sonstige indirekte THG-Emissionen (Scope 3)	35, 47	

GRI-Standard	Disclosure		Page number(s)	Further information and omissions
	305-4	GHG emissions intensity	35, 49	
	305-5	Reduction of GHG emissions	35	
GRI 306: Waste 2020				
	Waste			
	-	Additional non-material topic	45	
	306-1	Waste generation and significant waste-related impacts	41-42, 45, 48, 50	
	306-2	Management of significant waste-related impacts	41-42, 45, 48, 50	
	306-3	Waste generated	41-42, 45, 48, 50	
GRI 308: Supplier Environmental Assessment 2016				
	Supplier Environmental Assessment			
	3-3	Management of material topics	65, 72-74	
	308-1	New suppliers that were screened using environmental criteria	65, 72-74	
GRI 400: Social Disclosures				
GRI 401: Employment 2016				
	Employment			
	3-3	Management of material topics	52-53	
	401-1	New employee hires and employee turnover	64	The DRÄXLMAIER Group plans to report this information in more detail in the future.
GRI 403: Occupational health and safety 2018				
	Occupational health and safety			
	3-3	Management of material topics	54-55	
	403-1	Occupational health and safety management system	54-55	
	403-2	Hazard identification, risk assessment, and incident investigation	54-55	
	403-3	Occupational health services	55	
	403-4	Worker participation, consultation and communication on occupational health and safety	54	
	403-5	Worker training on occupational health and safety	54	
	403-6	Promotion of worker health	55	

GRI-Standard	Disclosure		Page number(s)	Further information and omissions
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	54-55	
	403-8	Workers covered by an occupational health and safety management system	47, 49, 54	
	403-9	Work-related injuries	55	
GRI 404: Professional training and development 2016				
	Professional training and development			
	-	Additional non-material topic	56-58	
	404-1	Average hours of training per year per employee	9, 57	
	404-2	Programs for upgrading employee skills and transition assistance programs	9, 58	
GRI 405: Diversity and Equal Opportunity 2016				
	Diversity and Equal Opportunity			
	-	Additional non-material topic	58, 64	
	405-1	Diversity in governance bodies and employees	53, 58, 64	
	405-2	Ratio of basic salary and remuneration of women to men	53	
GRI 406: Non-discrimination 2016				
	Non-discrimination			
	3-3	Management of material topics	53, 58, 67-68, 70-71	
	406-1	Incidents of discrimination and corrective actions taken	53, 59, 68	The DRÄXLMAIER Group was not involved in any court or arbitration proceedings relating to discrimination incidents during the reporting period. Further information is subject to internal confidentiality requirements.
GRI 407: Freedom of Association and Collective Bargaining 2016				
	Freedom of Association and Collective Bargaining			
	3-3	Management of material topics	67-68, 72-74	
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	67-68, 72-74	In the reporting year, based on our risk and control processes, there was no reason to believe that the right to freedom of association and collective bargaining could be threatened at a production site or supplier. The risk analysis is currently being expanded.

GRI-Standard	Disclosure		Page number(s)	Further information and omissions
GRI 408: Child Labor 2016				
	Child Labor			
	3-3	Management of material topics	60, 67-68, 72-74	
	408-1	Operations and suppliers at significant risk for incidents of child labor	67-68, 72-74	In the reporting year, based on our risk and control processes, there was no reason to believe that any incidents of child labor occurred at any of our sites or suppliers. The risk analysis is currently being expanded.
GRI 409: Forced or Compulsory Labor 2016				
	Forced or Compulsory Labor			
	3-3	Management of material topics	60, 67-68, 72-74	
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	67-68, 72-74	In the reporting year, based on our risk and control processes, there was no reason to believe that any incidents of forced or compulsory labor occurred at any of our operating sites or suppliers. The risk analysis is currently being expanded.
GRI 413: Local Communities 2016				
	Local Communities			
	-	Additional non-material topic	62-63	
	413-1	Operating sites with local community involvement, impact assessments and support programs	62-63	
GRI 414: Supplier Social Assessment 2016				
	Supplier Social Assessment			
	3-3	Management of material topics	60, 72-74	
	414-1	New suppliers that were screened using social criteria	60, 72-74	

About this report

This sustainability report, approved by the management of the DRÄXLMAIER Group, provides information about the company's main activities in the area of sustainability.

The report was prepared with reference to the standards of the Global Reporting Initiative (GRI). The consolidated GRI sustainability reporting standards, revised for 2024, served as the basis. At the same time, this report partly anticipates the emerging reporting requirements arising from the Corporate Sustainability Reporting Directive at EU level. In accordance with the corresponding European Sustainability Reporting Standards (ESRS), we have analyzed the impacts, risks and opportunities of the DRÄXLMAIER Group in the fields of the environment, social commitment and corporate governance as part of a double materiality analysis. The main topics identified are presented in this sustainability report.

Sustainability reporting takes place annually. This report was published on May 12, 2025, which is close to the publication of the annual report in April. In this way, we want to make it possible to give a complete account of the survey period and to exclude estimates to a large extent. The content presented covers the period from January 1, 2024 to December 31, 2024 (2024 business year).

The sources for this report are our company-wide IT systems as well as specific systems and detailed information from the respective departments or subsidiaries. If available, comparative data from the previous year is provided. If changes in the collection and calculation methods or changes in the scope of consolidation lead to changes in comparative values from previous years, this is noted accordingly in the text. When adding data, discrepancies may occur due to rounding. An external audit of the data has not taken place.

The data in this report relates to the entire DRÄXLMAIER Group. The basis for collecting the data for this report is the scope of consolidation of the 2024 consolidated financial statements of Fritz Dräxlmaier GmbH & Co. KG. In addition to Fritz Dräxlmaier GmbH & Co. KG, this includes all domestic and foreign subsidiaries over which Fritz Dräxlmaier GmbH & Co. KG has direct or indirect control of the financial and business policies. All of these companies are owned by the Dräxlmaier family. Details on the scope of consolidation can be found in the annual report.

The Sustainability Report of the DRÄXLMAIER Group is available online in German and English.
In the event of discrepancies, the German version is binding.
The next sustainability report is expected to be published in May 2026.

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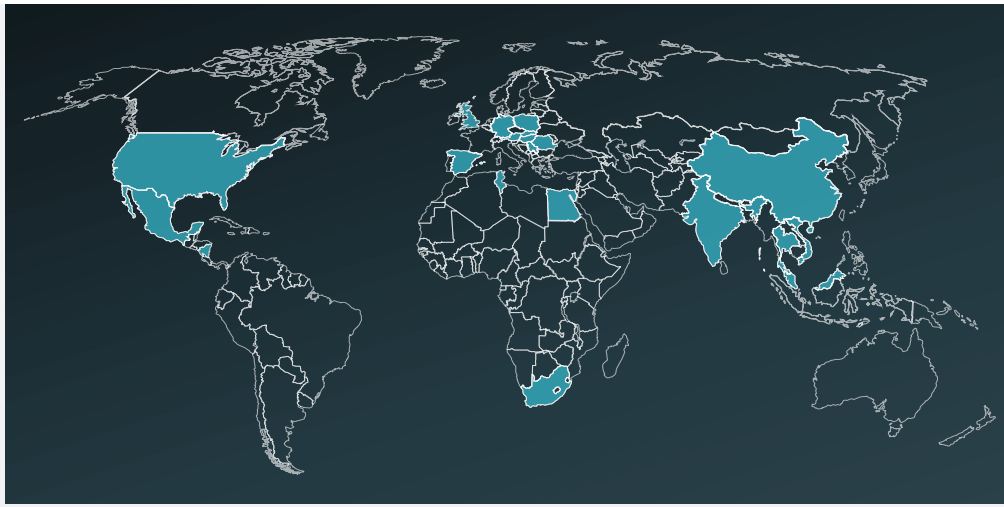

Sustainability Report 2024
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