

A modern office interior with a large indoor garden wall. The wall is covered in various green plants, including ferns and leafy greens. Several people in business attire are walking through the office, some blurred to suggest movement. The office has large windows and modern lighting fixtures. The overall atmosphere is bright and green.

**AUNDE  
Group**

Sustainability report

## Foreword

The AUNDE Group has its origins in the company Achter & Ebels, which was founded in 1899 in Mönchengladbach. The company has evolved from a cloth manufacturer into an international system supplier to the automotive industry, as well as into a strong corporate group with the brands AUNDE, ISRINGHAUSEN, FEHRER and REINERT. Today, the AUNDE Group is known not only for its innovative products and technological excellence but also for its active role in shaping a sustainable future in the dynamic automotive industry.

For us, sustainability is both a strategic necessity and an opportunity to secure our future as a business through innovation, responsibility and cooperation. The AUNDE Group was the first automotive supplier to be certified according to the ZNU Standard – driving sustainable change. By doing this, we are clearly committed to environmental, social and economic responsibility and are setting new standards in the industry.

Our sustainability strategy is closely aligned with the United Nations' global Sustainable Develop-

ment Goals (SDGs). It contains comprehensive measures in the areas of climate change mitigation, resource conservation, social responsibility and economic stability. With our comprehensively certified Total Integrated Management System (TIMS), we create a holistic structure that firmly anchors sustainability in our processes and decisions. TIMS is the basis for implementing our sustainability goals. It ensures a high level of transparency and responsibility toward our stakeholders. At the same time, it also creates the basis for continuous improvement and innovation.

We want to make a measurable contribution toward combating climate change through sustainable business practices and to remain economically successful in the process. Sustainability is a driver of innovation and an opportunity for long-term value creation. We believe that the transition to a sustainable future can only be achieved through the cooperation of all actors in the value chain. With this sustainability report, we invite our stakeholders, partners and customers to join us on this journey and actively contribute to a better future.

We hope you enjoy reading this report.  
The AUNDE Group sustainability team

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# 1 Sustainability at the AUNDE Group



## 1.1. Message from the Executive Board

At the AUNDE Group, we take responsibility for combating climate change and integrating sustainability as a central principle in all aspects of our business activities. This is evident along the entire value chain, from raw material procurement to production. We use innovative and environmentally friendly materials

The past four years have been marked by the COVID-19 pandemic and other global crises. During this period, sustainable corporate governance was a major challenge for the AUNDE Group. The crises were managed professionally, many initiatives were launched in various areas and the company was able to develop further.

In the reporting period, we used our time wisely to completely redesign our integrated management system and focus it even more closely on sustainability. An important milestone was the certification of two of the Group's locations in 2023 in accordance with the ZNU Standard – driving sustainable change.

” *The AUNDE Group is committed to driving forward sustainability.*

such as recycled PET bottles to produce high-quality textiles and seat covers. By using natural fibers and developing lightweight modules, we contribute to reducing the ecological footprint in all business areas. In addition, the AUNDE Group is committed to social responsibility and also promotes sustainable practices among its partners.

We were the first automotive supplier to be certified. With regard to the environment, we have clearly defined our CO<sub>2</sub>e-roadmap and plan to be Carbon-neutral throughout the entire Group by 2039 (Scope 1–3). We are working intensively on circular economy and are engaged in various projects to ensure a closed material loop. The German Supply Chain Act (LkSG) was identified as an area of action and the requirements were implemented accordingly in the company and the supply chain.

Information security is becoming increasingly important. To further strengthen the resilience of our company, we launched a comprehensive initiative in 2022 with the aim of having 30 locations declared in accordance with the TISAX® standard by 2025.

Information technology plays a central role here by not only supporting information security but also ensuring the digitalization, efficiency and security of our business processes. The AUNDE Group has therefore invested heavily in IT in recent years and has initiated numerous improvement projects. These examples illustrate our ongoing efforts and underline the AUNDE Group's commitment to actively driving forward sustainability.

## Change of leadership at the AUNDE Group

In the reporting period covered by this sustainability report, important steps were taken for a change of leadership at the AUNDE Group. The formal appointment of Peter Bolten and Christian Prause as sole managing directors did not take place until 2024 and thus occurred after the reporting period but before the editorial deadline. Due to the importance of this development, the editorial team decided to include this news anyway.

Peter Bolten, shareholder and former CSO, and long-standing CFO Christian Prause now also represent the AUNDE Group legally. This step enables them to unify the Group's companies and their management teams even more efficiently in terms of digitalization and uniform standards.

Rolf Königs, CEO and "architect" of the Group, pointed out that the expansion of the senior leadership team is in line with the philosophy of the family business founded in 1899: to create long-lasting, stable structures and fulfill its responsibility to its more than 24,000 employees. He emphasized that the company is proud of what has been achieved

and is confident about the future. The change is crucial, he said, in order to remain competitive and to drive forward innovation in the coming decades. In more than 40 years, Rolf Königs has developed the AUNDE Group from a local one-man business in Mönchengladbach into a global automotive supplier with 116 plants in 28 countries.

Rolf Königs entered into his well-deserved retirement in two stages:

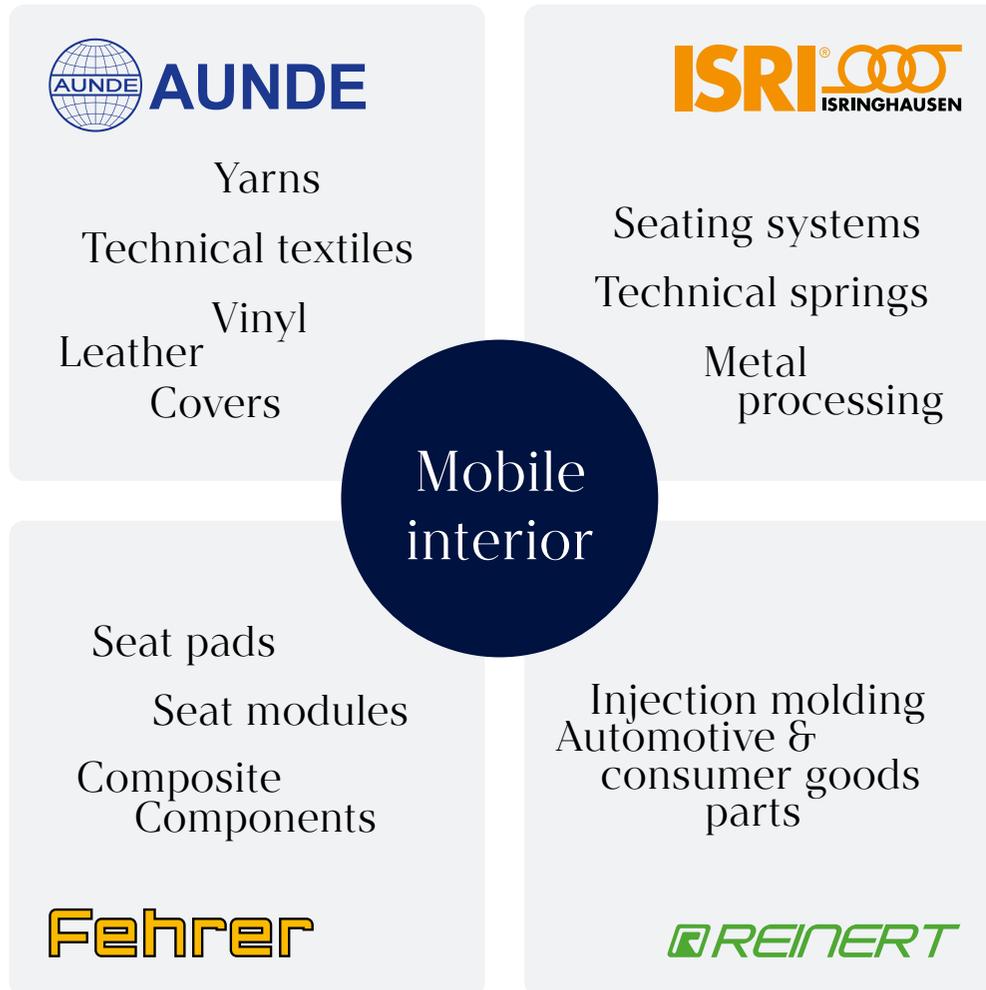
- On July 1, 2024, he resigned from his functions as director of the various business units.
- On September 1, 2024, Rolf Königs also resigned from his position as managing director of AUNDE Group SE. The course for this had already been set on March 1, 2023, with the appointment of Peter Bolten and Christian Prause as joint managing directors.

With this senior management team, which has grown within the company over many years, the long-term orientation of the family business remains secured. The shareholders, the management team and the staff of the AUNDE Group thank Rolf Königs for his decades of tireless service and wish him all the very best for the future.



*From left to right, seated: Torsten Scholder (ISRINGHAUSEN), Rolf Königs (AUNDE), Tobias Lüpfer (ISRINGHAUSEN); standing: Christian Prause (AUNDE), Peter Bolten (AUNDE), Octavian Petru (REINERT). Jürgen Hahn (REINERT) and Helge Pfeiffer (FEHRER) are not present*

*Photo: Esther Tinnefeld*



## 1.2.

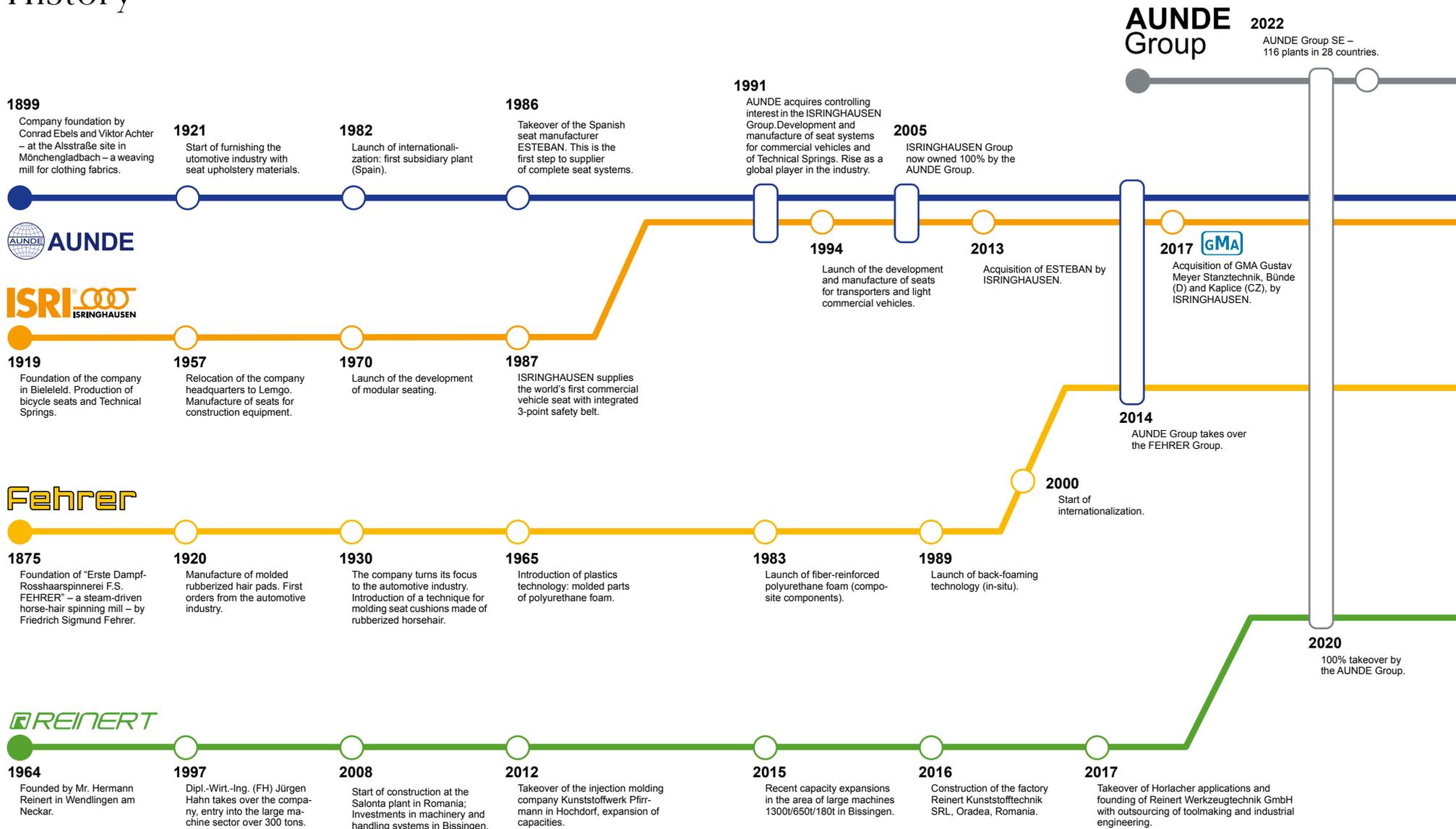
### AUNDE Group

#### Company overview

The AUNDE Group has a long and successful history that is deeply rooted in the textile industry. Founded in 1899 in Mönchengladbach, the company has developed from a local textile producer into a global player in the automotive supply industry. Under its umbrella, the AUNDE Group brings together the brands AUNDE, ISRINGHAUSEN, FEHRER and REINERT as well as the Group companies Technofibres and GMA and the joint ventures AUNDEBADER and MUNDA.

The AUNDE Group and its brands are united by a long-established past as family-owned companies in the automotive industry with a shared spirit of innovation and a passion for high-quality, sustainable concepts. Together, the Group's portfolio ranges from yarn production to textile surface production, the cutting and sewing of covers, injection molding and foaming of plastic parts, stamping and forming of metal parts, and the individual production of seats through to complete interior components and composite components.

# History



# AUNDE Group

From Mönchengladbach to the world



founded 1899



> 24.000

28

countries

> 100



Plants: 45  
Countries: 21  
Employees: > 10.200



Plants: 53  
Countries: 21  
Employees: > 7.400



Plants: 15  
Countries: 7  
Employees: > 5.800



Plants: 3  
Countries: 3  
Employees: > 600

## SUSTAINABLE

” *We bear responsibility for our environment and for the people of our sites.*

## OPEN-MINDED

” *We are expanding strategically and responsibly in the interest of our economic success at all our production sites.*

## FAMILY BUSINESS

” *We live openness and partnership in dealing with each other.*

## PARTNERSHIP

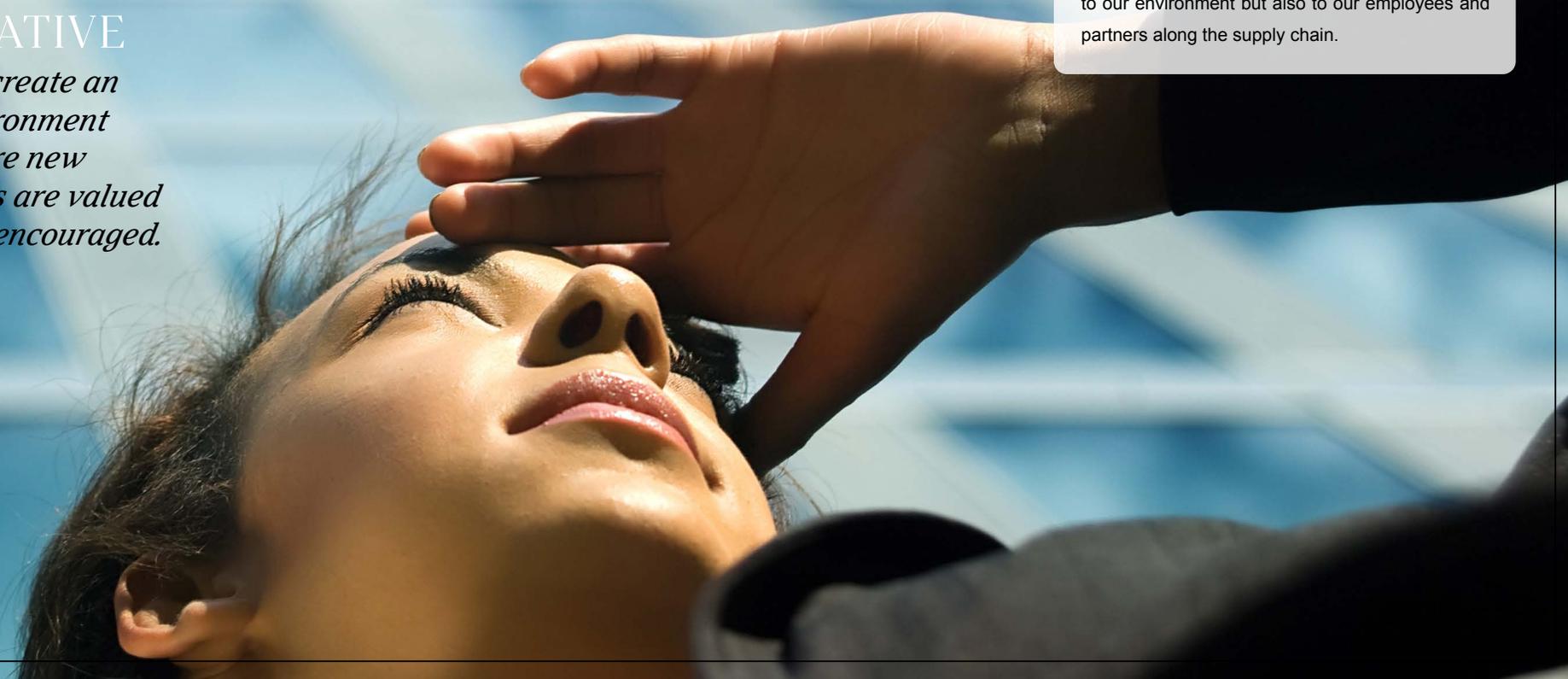
” *We are transparent, fair and reliable towards our partners.*

## INNOVATIVE

” *We create an environment where new ideas are valued and encouraged.*

## Mission & Vision

As the AUNDE Group, we unite the various individual brands with their traditions and their specific skills. Together, we are an international family characterized by loyalty, honesty, fairness and respect – both in the way we work together as colleagues and also toward our customers and partners. We create an environment in which new ideas can emerge. This enables us to offer our customers high-quality, innovative products, with which we establish ourselves as a technical pioneer in mobile interiors. Even as a Group, we remain a family business and work together in the right framework with sound economic principles. Our activities are all based on the premise of sustainable action. We are committed not only to our environment but also to our employees and partners along the supply chain.



○ We develop and produce innovative mobile interior all over the world.

We are and will remain an independent family-owned business.

We think globally and are engaged locally – at all our sites.

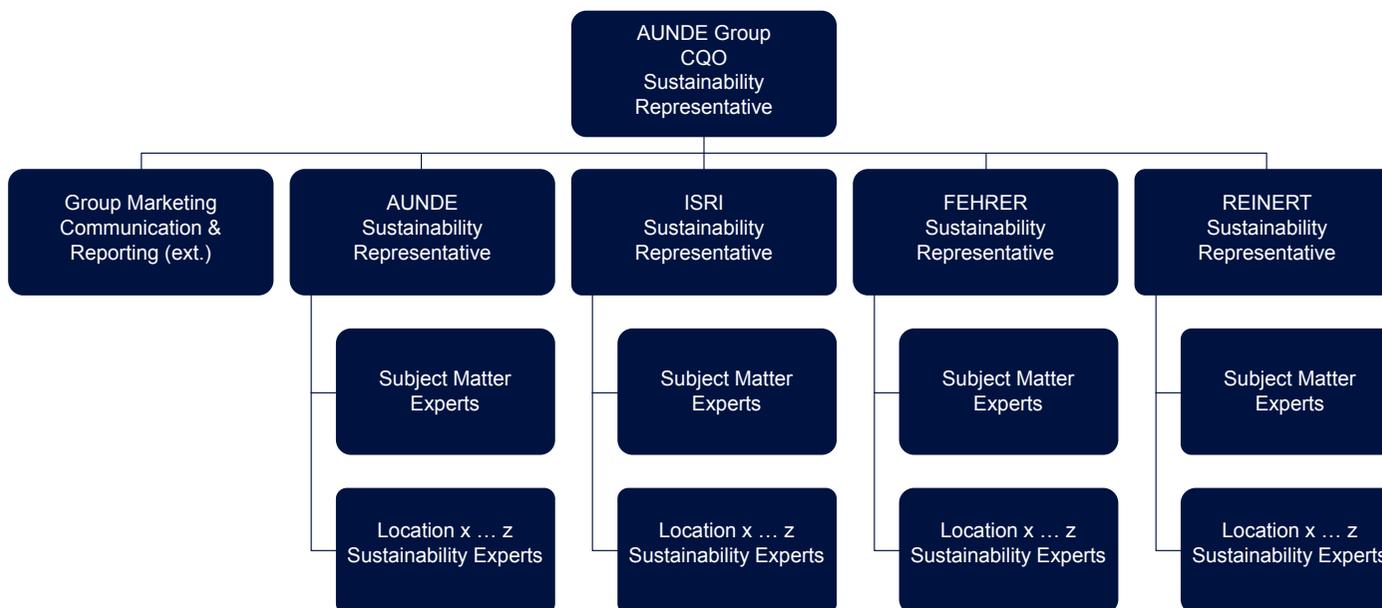
We work in partnership, transparently and sustainably – for employees, business partners and our environment.

○ We will be market leader for mobile interior!

# 1.3. Reporting

Sustainability has long been part of the AUNDE Group. This report is the AUNDE Group's third sustainability report. We were motivated to produce all of our previous reports in order to inform our stakeholders about the AUNDE Group's sustainability management activities and status. The form, scope and content have steadily evolved over the last few years. Reporting provides a good opportunity for comprehensive stocktaking and reflection to further develop the initiative and adapt it to current circumstances. Driven by the AUNDE Group Executive Board and the idea of continuous improvement, sustainability is designed holistically and proactively and has been firmly anchored in the corporate structure since 2019.

The Group's Chief Quality Officer (CQO) is responsible for sustainability and reports directly to the Group's Executive Board in this capacity. Taking a holistic approach and engaging the various business units in sustainability management are essential for our success. To achieve this, a cross-sectoral sustainability team was established under the leadership of the CQO. It translates the Executive Board's strategic specifications into operational activities. The managers and the sustainability experts in the business units are part of this team. This core team is supplemented by various experts from the business units and locations. The scope and information for this report include all AUNDE Group locations and business units.



## Review & reflections

We derived a program of measures from the last sustainability report and then implemented it with the aim of improving sustainability practices in our company. Since then, we have made significant progress and have already implemented 69% of the measures, with some of them being designed for the longer term. An overview of the program of measures can be found in the [annex](#) to this sustainability report. Ongoing measures were re-evaluated and partly adopted as part of the review of the structure for this report. Internal and external feedback was sought in preparation for this report. In various discussions and interviews, the sustainability strategy and the last report were considered and the relevant feedback was documented. This feedback has been analyzed, categorized and structured and is taken into account for this report.





## Reporting period & accuracy

This sustainability report of the AUNDE Group, in which we have frequently included examples from the individual business units, covers the reporting period 2020–2023. The report is compiled in line with the “ZNU Standard – driving sustainable change” (Center for Sustainable Leadership at Witten/Herdecke University) and supports the ESG criteria (Environmental – Social – Governance) and the UN’s Global Sustainable Development Goals. It prepares the way for CSRD reporting (Corporate Sustainability Reporting Directive). The ZNU Standard complements traditional management system standards as a set of rules for sustainability in the company. It sets requirements in terms of environmental,

economic and social aspects and thus supports the systematic improvement of sustainability. The structure of the report has changed significantly compared to the AUNDE Group’s second sustainability report. It now comprises four main areas, each with its own specific topics. The areas and topics are closely linked to the ZNU Standard in order to achieve better orientation and conformity with the individual aspects. All information in the sustainability report was collected and processed with the utmost care. However, errors cannot be completely ruled out. Any forward-looking statements are based on current assumptions and estimates as of the date of publication.



# Holistic approach & corporate strategy



## 2.1. Sustainable governance

The AUNDE Group sees itself as an integrative and networked system in which all parts and activities are connected to each other. For this reason, we attach great importance to a holistic approach to corporate governance and take all aspects into account. In this chapter, we explain how we integrate all business units and locations, create a long-term perspective via our strategy, involve employees and stakeholders, and take sustainability into account.

Compliance and information security play an important role in sustainable corporate governance. The AUNDE Group therefore regards these aspects as a management task. They help to minimize risks, build trust and create long-term stability. Both aspects are closely linked to the protection of the interests of different stakeholders.

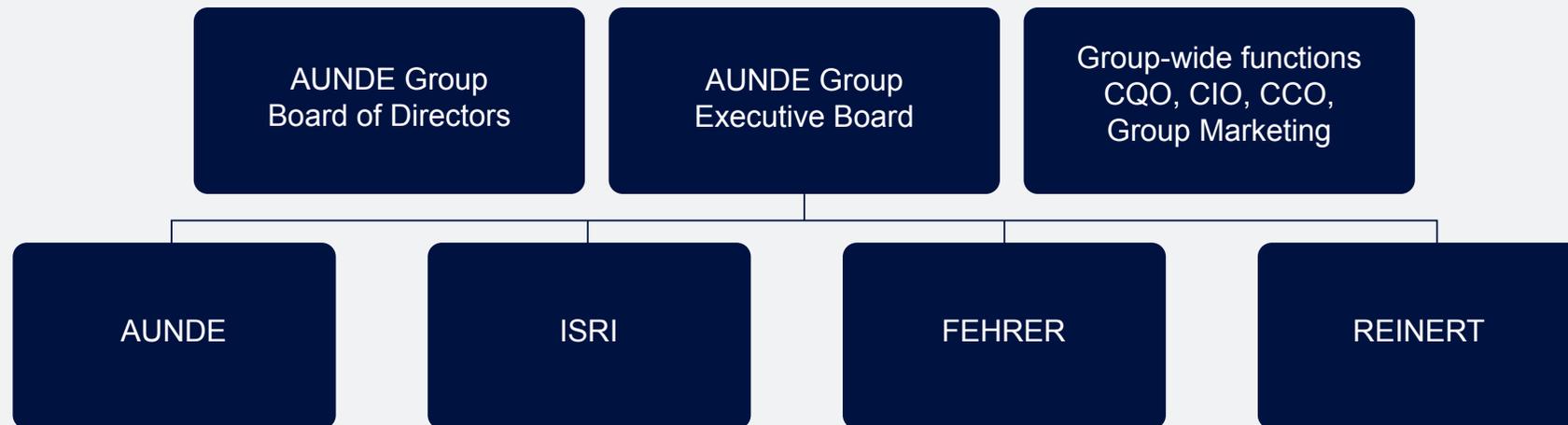


## 2.2.

## Corporate structure &amp; strategy

# AUNDE Group

As a family business, the AUNDE Group is geared toward long-term success and develops the company in line with its vision and mission. The Group's management has been very stable for decades and thus contributes to the continuity and success of the company. The AUNDE Group's Board of Directors consists of two members of the owner family. The Executive Board manages the company and is responsible for the strategic direction.



## Holistic approach & corporate strategy

The various aspects of sustainability are fully integrated into the corporate strategy. At the center of our strategy development is the materiality assessment, which was completely revised in early 2023. This gave us a better overview, a higher level of detail and clearer prioritization of issues. Two dimensions were considered:

- Relevance of the issues from the perspective of the AUNDE Group
- Relevance of the issues from the perspective of stakeholders

The input and sources for the analysis were internal documents and guidelines, assessments, benchmarking, internal and external interviews with stakeholders, risk/opportunity assessments, and others.

The following issues are essential for the AUNDE Group and reflect the priorities with which we are purposefully driving forward sustainability.

In this report, we provide an overview of why these issues are important, how they are being implemented and what progress has been made in recent years. We will continue to adapt our approach to enable us to better and more effectively meet the European Union's legal reporting requirements (Corporate Sustainability Reporting Directive, CSRD) in the future.

The aim is to expand our approach to a double materiality assessment by early 2025 and to fully align reporting with CSRD requirements by 2026.

Management system

Compliance

Information security

Climate & energy

Circular economy

Competitiveness

Innovation

Supply chain

Health & safety



## Dialog culture – including employees & stakeholders

The AUNDE Group considers an open culture of dialog to be an essential element of its corporate philosophy. The importance of this area extends across the entire organization and significantly influences relations with its stakeholders. The culture of dialog is at the heart of our business activities

and is part of our sustainability strategy. It is the basis for transparency, trust and continuous improvement. Open and transparent communication enables us to better understand and respond to the needs and expectations of our stakeholders and interest groups. Our stakeholders and interest groups are diverse. They include customers, employees, suppliers, investors, local communities and environmental organizations.

Each of these groups has an important role to play, and their expectations and concerns are critical for our sustained success. Our approach to the culture of dialog is based on the “open door” philosophy, which promotes communication at all levels. We rely on regular exchange with our employees and stakeholders, whether through personal conversations, virtual meetings or other formats. The following image shows some examples of how we have developed and improved our culture of dialog in recent years. Companies need effective IT systems and applications to create a rational and reasonable culture of dialog. To promote communication, collaboration and dialog in the Group, the AUNDE Group has implemented Office 365 with MS Teams since November 2021. With the decision for implementation, training for employees was initiated and the rollout of the program was prepared and executed. All of the Group's locations will be connected over the next few years in order to drive forward global networking and effective cooperation.

” *Our approach to a culture of dialog is based on the “open door” philosophy.*



Through various activities and events, we create opportunities to enable proactive exchange with our partners and stakeholders. We present a few selected topics below.

## AUNDE Group Global TIMS Summit

The TIMS Summit was established in the company more than 15 years ago. Experts in management systems, the environment, occupational health and safety, sustainability and information security at our locations are invited to attend this internal event. They meet for an in-depth exchange of information and training. In terms of content, all topics relating to the integrated management system are discussed. Regular and personal interaction is very important to us. During the COVID-19 pandemic, the meetings took place online. Our experts are multipliers who bring knowledge and experience back to our locations. In the reporting period, more than 380 participants took part in the events.

” *Regular and personal interaction is very important.*



## Dialog with external partners

The AUNDE Group attaches great importance to sustainable business practices and responsible business relationships. This also includes maintaining an active dialog with various stakeholders, including banks and financial institutions. Through open and transparent discussion, we create trust and promote joint solutions that combine our economic success with environmental and social responsibility. We remain determined to make a positive contribution to society and the environment through this sustained dialog, while at the same time ensuring long-term economic success.



## The AUNDE Group's event formats

Sustainability and responsible behavior are key issues for the AUNDE Group, and this also applies to our appearances at trade fairs. Our trade fair concept has evolved in recent years in the B2B and HR sectors. Through the intensive exchange of information and ideas at B2B and HR fairs, we strengthen our relationships with partners,

customers and future talent, and at the same time develop innovative solutions for the challenges of the future. The AUNDE Group participates in numerous international trade fairs each year with all business units. In addition, our local locations organize trade fairs and HR fairs relevant for them at the local level. There are appropriate



trade fair concepts for each of the different event formats. Increased environmental awareness and growing demands in terms of environmental friendliness and resource conservation also have an impact on our trade fair presence. To make this more flexible and

allow it, we now bring our environmentally friendly and resource-efficient truck to trade show sites. The truck enables us to present our products and opportunities in a consistently high-quality environment without having to assemble and dismantle

**” Our trade show truck is a flexible exhibition stand on wheels and is environmentally friendly and resource-efficient.**

our exhibition stand at every event. In addition, with our flexible roadshow truck we can now visit our customers

sustainable, the AUNDE Group acquired the AUNDE Group truck in 2022. Where trade fair organizers

easily at their premises and present the latest innovations to them directly on site.



## Publications

Sustainability also involves ongoing dialog with all stakeholders, which is why publications and communication are of key importance to us. They allow us to create transparency, build trust and engage with our partners, customers and the public on relevant issues. Part of our communication strategy includes regularly making publications available via our website and social media.

way and prefer to collaborate with local companies and organizations. Through transparency, active exchange and the use of sustainable means of communication, we strengthen the trust of our stakeholders and promote joint solutions for a sustainable future.

The AUNDE Group remains committed to making a positive contribution to society and the environment through open and responsible communication.

In order to further improve our communication, we have defined specific targets and measures. These include the expansion of a Group-wide intranet and the expansion of the MS365 collaboration platform in order to further promote global cooperation. In addition, we will involve our staff and stakeholders even more closely in sustainability issues going forward.

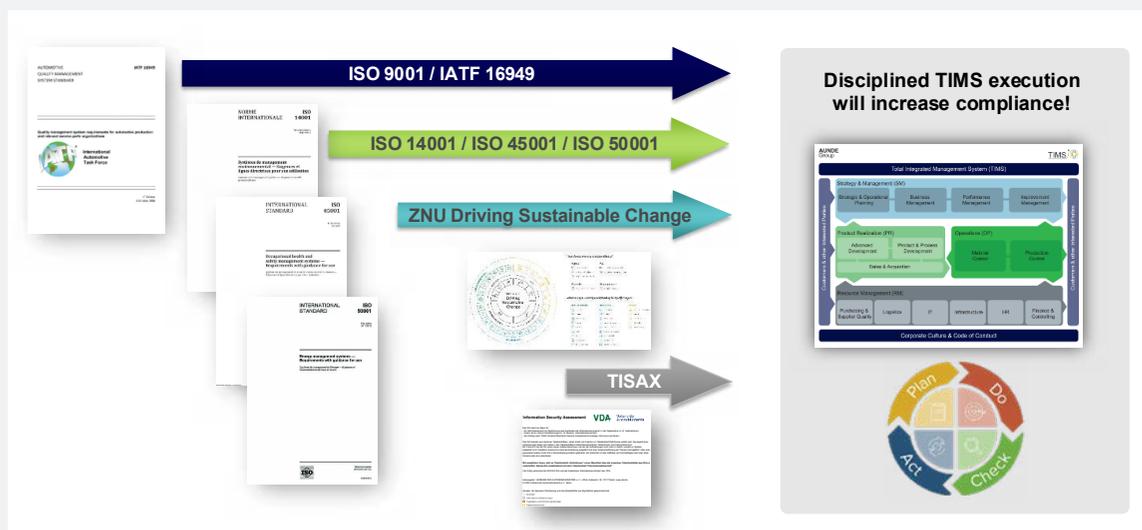
**”** *We promote digital interaction and reduce the use of paper.*

We also focus on sustainability in the way we communicate. Wherever possible, we promote digital interaction and reduce the use of paper.

Our reports and publications and our product brochures at trade fairs are primarily available digitally. In addition, we work in a resource-efficient



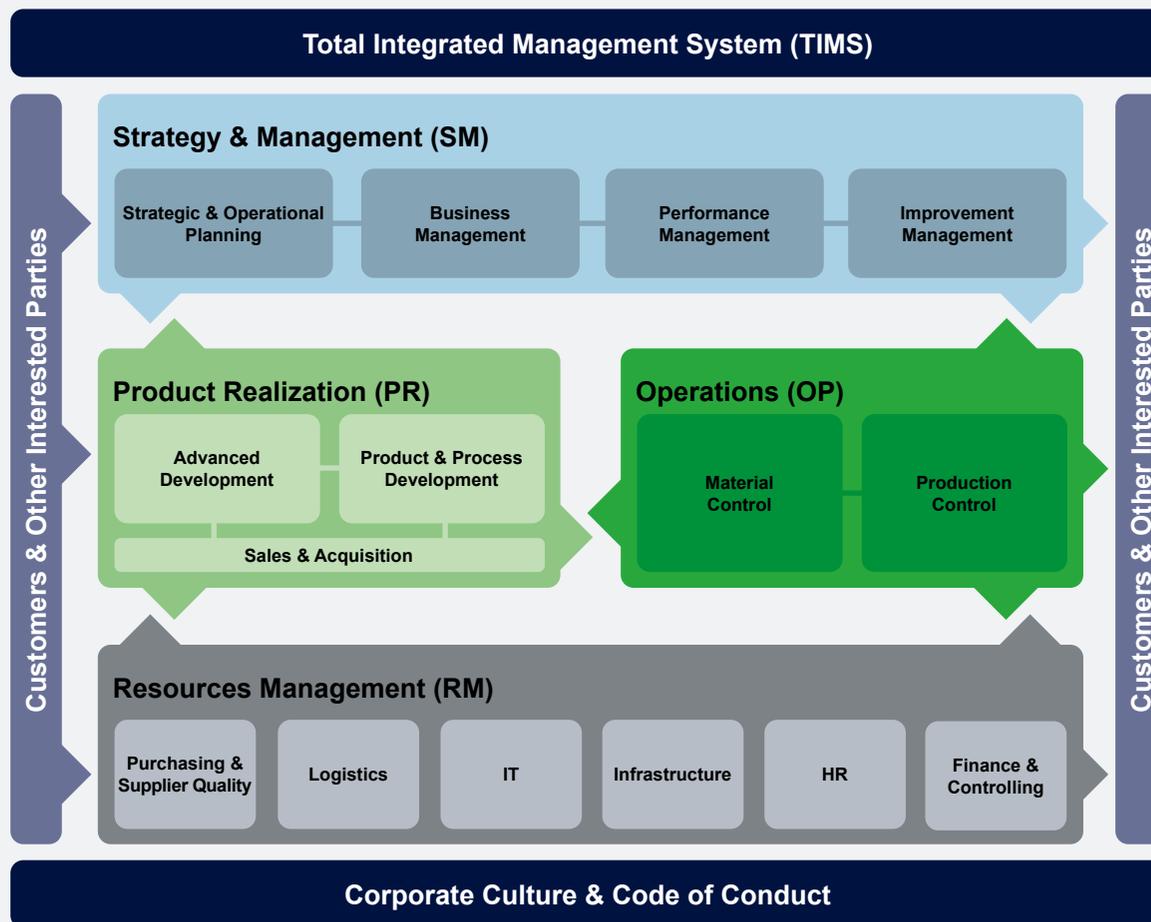
## 2.3. TIMS – Total Integrated Management System



At the AUNDE Group, we integrate sustainability into all business areas and processes and strive for holistic corporate governance. Our strategy to ensure sustainable business success includes continually improving our processes, products and services to promote environmentally sound solutions while at the same time guaranteeing economic success. We focus on innovation and collaboration to achieve our sustainability goals and create long-term value for our stakeholders.

*„ We focus on innovation and cooperation.*

# Business management – Group structure & management system approach



Total Integrated Management System (TIMS)

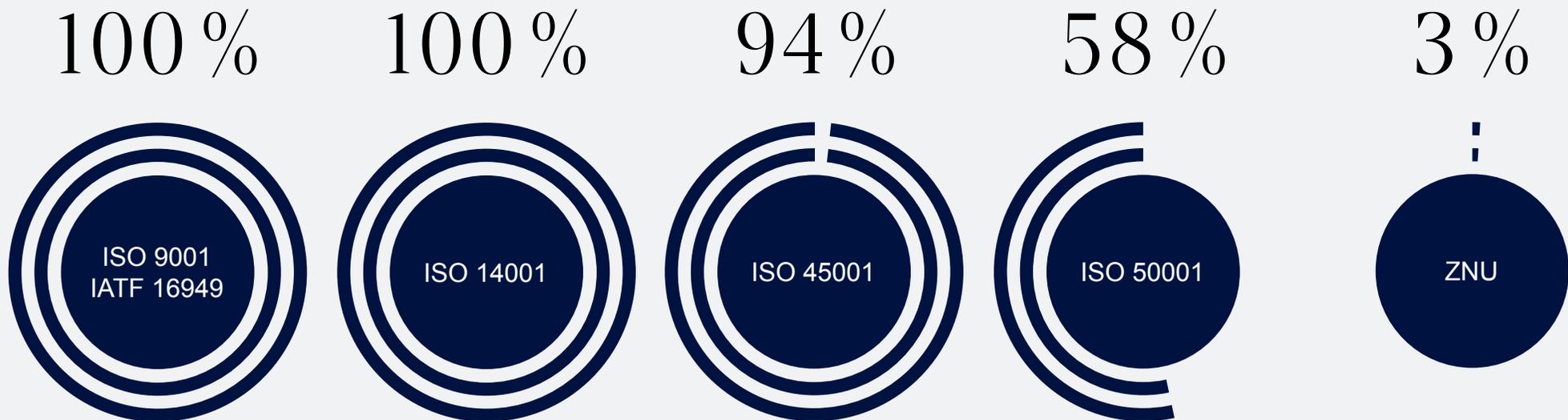
The AUNDE Group operates as a globally networked company with a clear governance structure that defines responsibilities for business processes at all levels. Our management system approach is based on internationally recognized standards and best practices to ensure the highest standards in environmental protection, occupational health and safety, and social responsibility. In 2023, we implemented and systematically integrated the ZNU Standard – driving sustainable change.

The name speaks for itself – the AUNDE Group's management system is called TIMS, which stands for total integrated management system. TIMS covers all of the Group's business processes and transforms the requirements of customers, legislators and other stakeholders into processes, instructions and methods. It therefore provides the direction and the framework for the whole Group. All AUNDE Group locations are connected to TIMS and constantly work to improve compliance and business performance. Our management system also systematically supports the United Nations Global Sustainable Development Goals (SDGs).

## One goal – one team – one TIMS

All the Group's locations were connected in 2023 through the implementation of management system software. This enables a comprehensive overhaul and update of the system. Business processes are now mapped in one system and are available in different national languages. Additional software modules, such as risk management and e-learning, improve the TIMS effectiveness.

The management system has established risk management methodologies in the various areas. This determines the level of risk for various topics and at different levels. The locations regularly report via the business units to the AUNDE Group Executive Board. Reports on risks are included.



*Overview of certificates for management system standards at our locations*

## Certified partner

Certifications and compliance checks reinforce the trust of our business partners and the public. All AUNDE Group locations are encouraged to put the global TIMS specifications into practice. With these, we cover the requirements of the standards relevant to us. We are proud of being certified according to international automotive industry standards (IATF 16949) and adhering to stringent quality, environmental and health and safety standards. Our Group certification with regard to environment, health and safety (EHS) obliges us to minimize the environmental impacts of our activities, to protect the health and safety of our staff, and to act in a socially responsible manner.

Our production sites are consistently certified for quality management (IATF 16949) and environmental management (ISO 14001). We are continually expanding certification in the areas of occupational health and safety (ISO 45001) and energy management (ISO 50001). In 2023, AUNDE Group SE (the

Group's holding company) and the production site AUNDE Mönchengladbach became the first automotive supplier to be certified in accordance with the ZNU Standard – driving sustainable change. We plan to certify at least two more sites to these standards by 2025. It is important for us to act as a role model in this way and to have our sustainability efforts reviewed externally. On the basis of our TIMS integrated management system, we ensure that all locations act in the interest of the Group and in line with the various standards.

To ensure global consistency and standardization of our external management system audits, we work with a single certification company. The audit results are used to systematically identify potential for improvement and to further develop our management system globally. In the reporting period, we were able to maintain a consistently high level of management system performance and significantly improve compliance in 2023.



*TÜV Rheinland hands over the certificate for driving sustainable change*  
 From left to right: *Caroline Bolten (Marketing AUNDE Group), Dr. Michael Fübi (CEO TÜVR), Rolf A. Königs (CEO AUNDE Group), Andreas Hofer (Head of TÜVR Cert), Alexander Nowak (Key Account Manager TÜVR), and Stefan König (CQO AUNDE Group)*

- In the reporting period, the AUNDE Group had no systematic variances in external EHS audits.
- Between 2020 and 2022, we recorded 3.5 variances per location in IATF 16949 audits.
- The transformation of our management system enabled us to improve system performance by 10% in 2023.
- Group-wide consolidation of the management system is intended to help halve the average number of variances in the coming years.

# Performance management – performance monitoring, control loops & communication

The AUNDE Group's management system sets the guidelines for the entire Group and describes business processes, key metrics and control loops. In line with a top-down and bottom-up principle, there are control loops at the various levels of the organization that are intertwined and coordinated with one another. This results in regular communication and a reporting system that can be used to systematically monitor and improve the company's performance and sustainability.

Performance and risks of the Group and the business units are assessed in the Executive Board's monthly meetings with the business unit managers. The locations of the respective business units report the results of their performance according to defined guidelines. In this forum, the CQO of the Group reports to the Executive Board on the performance and issues of the management system and sustainability. In an annual cycle, the overall performance of the company is assessed and improvement programs are set up. Since 2021, the AUNDE Group has been increasingly

using an internal audit program in parallel with the control loops to monitor and improve the performance and compliance of the management system and business units. The CQO is responsible for the audit program and defines the framework and targets for the program. Each year, approximately 25 % of locations are selected on a rolling basis based on a risk-based approach and evaluated as part of a system audit.

We apply a cross-sectoral approach with respect to the auditors. The audit teams consist of qualified auditors from different locations. With this cross-audit strategy, we ensure that the auditors are independent of the area to be audited and at the same time strengthen the networking concept and exchange within the Group. In order to obtain comparable results, we qualify and calibrate our auditors in regular training sessions and workshops. The internal system audits take into account the entire management system and all certified standards. Our internal audit program is an important element for managing the

locations and continuous improvement. With this program, we ensure that the locations are working in accordance with the requirements and receive independent feedback on performance improvements and potential risks.

Since the start of the internal audit program, the average number of variances in 2023 decreased by more than 45 % compared to the previous year. The progress and results of the program are reported to

the Executive Board on a monthly basis. In addition to the internal performance indicators, there are various external assessments that can be used to measure sustainability performance. NQC and EcoVadis are the leading platforms in the automotive industry used by our customers. The AUNDE Group is listed here with various locations. Through the various initiatives of the AUNDE Group, we will continue to improve the maturity level and rating on the platforms over the next few years.

## Transparent and efficient

The AUNDE Group is proud to successfully participate in various sustainability performance measurement programs with a growing number of companies from all business areas. With regard to the environment, social affairs and corporate governance, our own guidelines and procedures are transparent and compared by ESG portals with countless market competitors. At the end of 2023, these include:

- Carbon Disclosure Project (CDP) (AUNDE Group rating: Climate C)
- NQC Sustainability Assessment Questionnaire (SAQ 5.0), with over 60 % of our sites participating in 2023
- EcoVadis, where more than 20 % of the AUNDE Group is already represented



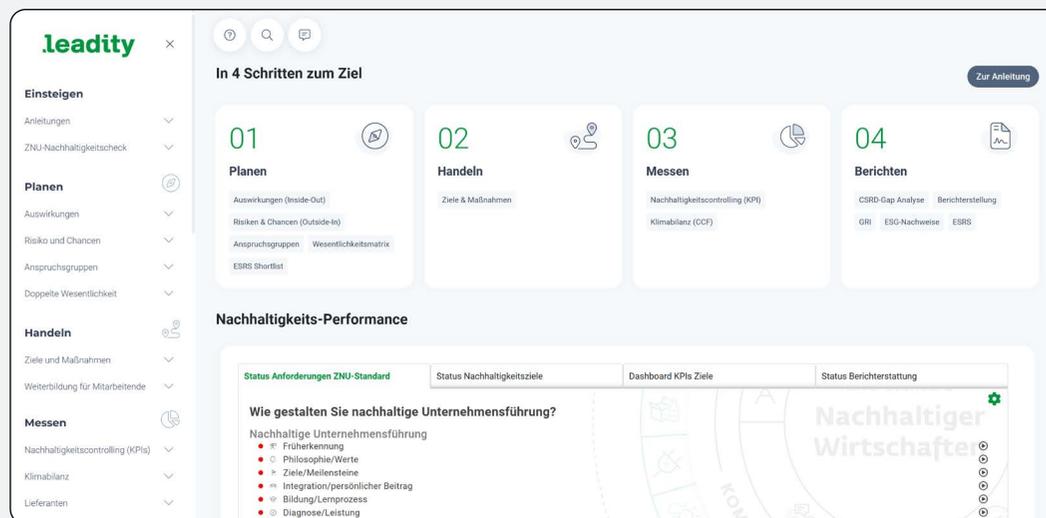
” Digitalization in reporting boosts efficiency.

## Action management & reporting

Since 2023, a new software solution has been in use that makes the management of sustainability requirements more efficient and enables more effective reporting. The software is in line with the [ZNU-Standard](#) and supports a systematic and methodical approach for the areas of stakeholder analysis, product screening, risk and opportunity screening and materiality assessment. On this basis, priorities, objectives and measures are derived, implemented and monitored. A major advantage of the system is efficient reporting: The software can

support report formats according to various standards (e.g. GRI, CSRD), which maximizes flexibility and compliance and enables targeted communication with our stakeholders.

In 2023, we applied for the EY Entrepreneur of the Year award in the category “Family business and sustainability”. As a finalist, we took part in the award ceremony in Berlin and received our award in person. This recognition confirms that we are on the right track and motivates us to continue to drive forward sustainability.



Software solution for sustainability management and reporting, photo: screenshot leadity.de



EY Entrepreneur of the Year 2023 award ceremony in Berlin

From left to right: Stefan König (CQO AUNDE Group), Peter Bolten (Managing Director AUNDE Group), Alexander Mayer (LGT), Korbinian Gennies (EY)

” *The AUNDE Group Code of Conduct serves as a binding guide.*

## 2.4. Compliance management

Compliance is a key part of our corporate culture, our business processes and our decisions. It minimizes liability and reputational risks, strengthens the trust of our stakeholders and ensures our long-term success. Compliance is therefore firmly integrated into our TIMS management system and drives long-term success and sustainable growth.

Our compliance management system includes mandatory business processes for all locations. It is based on the pillars of prevention, recognition and response and comprises binding strategies, measures and processes that promote ethical behavior and provide orientation. The focus is on the prevention and investigation of possible violations by employees and business partners.

Compliance is regularly reviewed and continuously improved. Each location has a designated point of

contact for compliance. As early as the onboarding phase, we create awareness of compliance among our employees, which is expanded through regular training and instruction.

The AUNDE Group Code of Conduct serves as a binding guide for legally compliant, responsible and sustainable action – both for our employees and for business partners. At the same time, we contribute

to respect for human rights through legally compliant and responsible corporate governance, both within our company and along the supply chains.

In a defined process, the AUNDE Group systematically records legal and other requirements, analyzes them and implements them. Requirements are incorporated into a legal register, and compliance with this is regularly monitored. In addition, all locations check

and confirm compliance with their legal and other requirements annually and initiate an improvement program in the event of variances. We also regularly monitor the effectiveness of this process in internal and external audits. Procedures can also be improved in this area through digitalization. For example, our REINERT-Bissingen location has been using software to effectively manage, assess and implement legal requirements there since 2023.



*Compliance management approach in the AUNDE Group*

As a global company, we attach great importance to compliance with legal requirements, international standards and internal company guidelines along the entire supply chain of our business partners. We focus on the following aspects in particular, which significantly shape our cooperation with suppliers:

Compliance with applicable laws and international standards in the areas of social responsibility, environment, quality, safety and ethics forms the basis for successful and sustainable business relationships. It is important to us that our business partners also recognize these values and ensure appropriate requirements along their own supply chains. Our values and the expectations we derive from them for ourselves and our partners are set out in the Code of Conduct and in the sustainability requirements for suppliers.



Quality control



Social responsibility



Safety and ethics



Environmental standards



Legal requirements

**” Compliance with applicable laws and international standards forms the basis for successful and sustainable business relationships.**

**” Respond quickly to potential abuses.**

## Whistleblower system

In 2022, we implemented an Internet-based whistleblower system that can be accessed globally via our AUNDE Group website. Through this central point of contact, employees and other stakeholders can point out abuses and misconduct in the company or in our supply chain, including anonymously. This enables us to respond quickly to potential abuses, avert potential reputational damage and improve internal processes. No critical information was received via the whistleblower system during the reporting period. As part of an improvement initiative, we have scrutinized the system and revised it. The aim is to improve functionality and simplify the reporting procedure. The new portal is available in more than ten languages and systematically guides whistleblowers through the reporting process.



## Compliance training – e-learning

Regular compliance training is essential to ensure that standards, laws and regulations are consistently adhered to. The AUNDE Group offers e-learning on these topics to keep our employees informed and raise awareness. In the FEHRER business unit, for example, we provide electronic training on the basics of compliance. In other modules, participants learn how compliance affects their everyday work and what consequences violations can have.

In this way, we ensure that the content conveyed has been understood and internalized. New employees complete this training for the first time within the first six months after joining the company. This is followed by refresher training every two years.

## 2.5. Information security & data protection

Information security is more important than ever today. Securing information and systems is essential to support business processes without interruption, especially in view of increasing digitalization. Guaranteeing information security is therefore an important success factor for the AUNDE Group. It not only strengthens our business activities, but also the trust of our stakeholders. Principles and standards for information security and data protection are firmly integrated into the AUNDE Group's management system and are based on the recognized standards of the automotive industry (ISO 27001 and TISAX® – Trusted Information Security Assessment Exchange). These

provide the framework for security measures and protect information at all locations and for all employees.

The Group's Information Security Officer (ISO) is responsible for this area and reports to the CQO. The ISO works closely with the IT department to continuously improve information security. The CQO regularly informs the Executive Board about the strategy, maturity level, risks and improvement program. In recent years, the AUNDE Group has successfully made great efforts to strengthen the resilience of the Group. The protection of data and information has the highest priority. We ensure that these are adequately, effec-

tively and consistently protected against identified threats.

The basic values of information security are derived from the values of the AUNDE Group

and are defined as follows:

- **Confidentiality**
- **Integrity**
- **Authenticity**
- **Proof of origin**

On this basis, we have developed an information security strategy, identified risks and opportunities, and set security goals.



“ *The protection of data and information has the highest priority.* ”

## TISAX® certification strategy

All locations must adhere to the Group's specifications. At the end of the reporting period, four locations have a valid TISAX® label (external audit). In 2022, a global TISAX® initiative was launched to achieve the TISAX® label for 30 more locations by 2025.

An internal audit program is part of the certification strategy. It regularly checks and assesses security measures, standards and physical specifications in random checks. Potential areas for improvement are identified and implemented.



Qualification for orders from the automotive sector



Protection of business values



Quality standards for data and information

up to  
**80%**  
of employees in training



## Improving resilience through training & awareness

Cyber attackers have identified humans as a weak point in the process chain. Alongside technical solutions, we rely on targeted training here to prevent security incidents. This raises employees' awareness of information security and averts dangers. Since 2022, we have been training our

employees via e-learning and further raising their awareness with software support via targeted simulations. The goal is for more than 80% of the relevant employees to complete this training in 2025 and we further improve awareness in this way.

## Prevention & automatic monitoring

Prevention plays a central role in information security in order to identify and combat potential security incidents at an early stage. For this purpose, the AUNDE Group introduced continuous monitoring in 2023 and monitors networks and systems. Various software tools are used to support the monitoring and analysis. In the reporting period, there were approximately 40 IT incidents that were prevented or contained by an early warning system and rapid response, with no production downtime or adverse impact on our stakeholders. A defined procedure for IT and information security incidents minimizes response time. An external partner is available for incidents and expertise, tools and resources. The performance of information security is continuously assessed and adapted to current threats and technological developments.

Protecting information and data has the highest priority and we comply with the European General Data Protection Regulation (GDPR). We want to continue to be seen as a reliable and trustworthy partner to our employees, customers, suppliers and other stakeholders in the future and have implemented policies for compliance with data protection. In our view, data protection is a subfield of information security, which is why the Group's ISO coordinates these activities. In order to ensure the necessary autonomy and transparency, the Group is supported by an external Data Protection Officer (eDPO). The eDPO verifies compliance with GDPR requirements and compiles an annual report. On the basis of this annual report, improvement measures are introduced and the protection of information is further improved.





3

# Protecting the environment & managing resources

## 3.1. Lifecycle

Climate and energy, water, circular economy and biodiversity are closely interlinked and play a central role in shaping a sustainable future. These elements have a significant impact on our environment, society and quality of life. At the AUNDE Group, we face these global challenges and take responsibility. Our efforts follow the 5R principle: **re-duce, re-use, re-cycle, re-purpose, re-think.**

## Energy & climate

We are committed to sustainable management and actively contribute to climate protection. We recognize the urgency of minimizing the impact of our activities on the climate. Our energy use is the biggest lever for achieving significant CO<sub>2</sub> savings. Through conscious and responsible use of energy, we have a positive impact on the climate. Decarbonization of the AUNDE Group is therefore a key objective of our corporate strategy. The aim is for net zero emissions to become reality for the AUNDE Group worldwide by 2039. As in previous financial years, we are working intensively to reduce our CO<sub>2</sub> emissions. Thanks

to targeted measures and investments in environmentally friendly technologies, we have already made significant progress. Our group of companies is certified according to appropriate standards, which give us clear and structured specifications. With our management system, we meet the requirements we set ourselves as a company from a single source. In addition to quality, our TIMS also includes environmental management. For more than 20 years, we have been consistently certified according to ISO 14001 in the Group. We have also made it our mission to ensure our occupational health and safety

complies with ISO 45001 and to use energy efficiently. We have been certified according to ISO 50001 for more than ten years. In 2023, we also decided to align our Group with the sustainability standard "ZNU Standard – driving sustainable change". Since then, we have gradually had other locations certified accordingly, starting from our headquarters. AUNDE locations are monitored and verified externally in accordance with the TISAX® information security standard. The close integration of all sets of rules also takes into account relevant energy consumption of our IT infrastructure, among other things.

The different aspects of our management system support a systematic approach and enable continuous improvement in various areas. As an intermediate step, we can already record successes in the reporting period:

- **Energy efficiency**

We are optimizing production processes and reducing energy consumption.

- **Renewable energies**

We are increasing the proportion of renewable energies.

- **Logistics and transport**

We are redesigning logistics and reducing CO<sub>2</sub> emissions.

- **Sustainable procurement**

We are optimizing our supply chain through sustainable suppliers.

*” This basis is an incentive for us to become climate neutral.*

This basis is an incentive for us to become emissions-free by 2039 (net zero emissions). We continuously analyze the framework requirements and adjust our targets accordingly. An essential cornerstone is the reference to scientifically sound and comprehensible parameters and processes. Our data is collected according to ESG criteria (environmental, social and corporate governance) in classifications of the Greenhouse Gas Protocol (GHGP). We systematically identify potential for CO<sub>2</sub>e reduction and derive specific measures that we integrate into our continuous improvement process (PDCA cycle). We record our GHG emissions according to Scope 1 (direct emissions) and Scope 2 (indirect emissions). By 2026, we will also have further developed the recording of Scope 3 emissions. This gives us a comprehensive overview of our impact on the climate and enables us to take targeted reduction measures.

### Main reduction topics

	Base Year 2019	Target 2025	Target 2030	Target 2035	Target 2039
<b>Remaining GHG emissions (t CO<sub>2</sub>e)</b>	<b>100%</b>	<b>89%</b>	<b>54%</b>	<b>22%</b>	<b>10%</b>
Energy efficiency and consumption reduction		X			
Green electricity adoption and usage		X	X	X	X
Electrification of natural gas fueled heating			X	X	
Green technology application (electrification; green hydrogen, Energy cell...) for natural gas fueled production processes				X	X
Phase out, substitution or modification of coal		X			
Phase out, substitution or modification of LPG		X			
Phase out, substitution or modification of heating oil		X			
Other		X	X	X	
<b>Sum of emission reduction</b>	<b>0%</b>	<b>11%</b>	<b>35%</b>	<b>32%</b>	<b>11%</b>

We are already aligning our goals, measures and results with the Science Based Targets initiative (SBTi), and we are scheduled to join in 2025. Based on Scope 1 and 2 emissions of 104,000 t in the base year 2019, we can achieve an average CO<sub>2</sub>e emissions reduction of 5.6% annually to reach our net zero target by 2039. The independent monitoring of our sub-targets associated with SBTi ensures that they are scientifically sound and in line with global climate objectives. In this way, we will achieve a sustainable future in which our business processes are climate-neutral.

The examples give a little insight into the range of current measures from the AUNDE Group at the end of the reporting period.

### Optimization of lighting

# LED



### Optimization of compressed air supply



### Expansion of certification

# ISCC+

### Renewal of machinery

**”** *An average reduction in CO<sub>2</sub>e output of 5.6% per year will enable us to achieve our net zero target by 2039.*

We are determined to assume our responsibility to future generations in the long term. We are constantly committed to shaping a sustainable future. Together, we are stepping up our efforts to make a significant contribution to protecting the global climate. In concrete terms, we have tangible objectives that we will continue to pursue:

• **ISO 50001 certification:**

We are undertaking targeted expansion of the group of locations whose energy management is certified.

• **AUNDE Lean and Green initiative:**

With the AUNDE Lean and Green initiative we are embedding and expanding lean, energy-efficient processes into EHS.

• **Improving the CO<sub>2</sub>e balance sheet:**

We are increasing the level of detail of our key metrics and improving the CO<sub>2</sub>e balance sheet, including targeted use of software to create product carbon footprints (PCF).

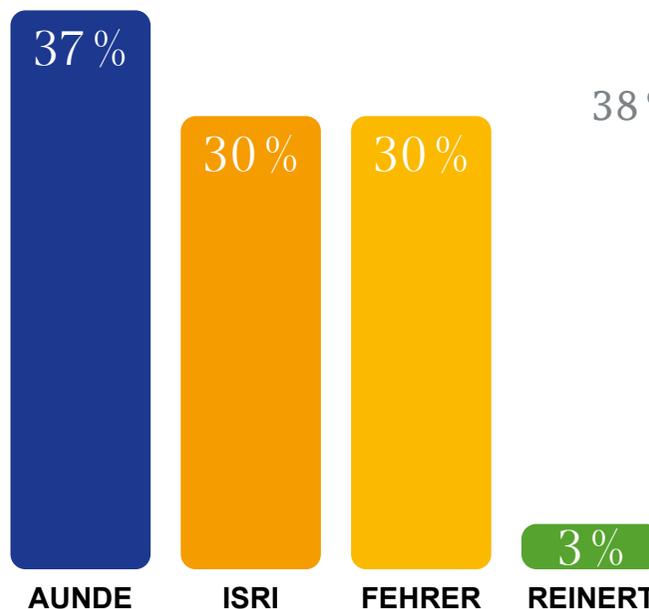
• **Data consolidation:**

We are facilitating and stabilizing the consolidation of data in our reports.

All these activities are incorporated into the overall objective of our climate strategy: We will continuously reduce our CO<sub>2</sub>e emissions and be completely climate neutral by 2039. This Group strategy is now being extended to the individual production sites. Our detailed objectives will be developed as part of this project for each location in accordance with the global sustainability goals and taking into account our customers' objectives.

The results of our balance sheet were reviewed and confirmed by external experts according to the Greenhouse Gas Protocol. We analyzed the current status of the locations based on our data collection and developed a roadmap to achieve the targets. This roadmap is now being implemented at the individual locations after being prioritized according to scope and possibilities for influencing existing emissions.

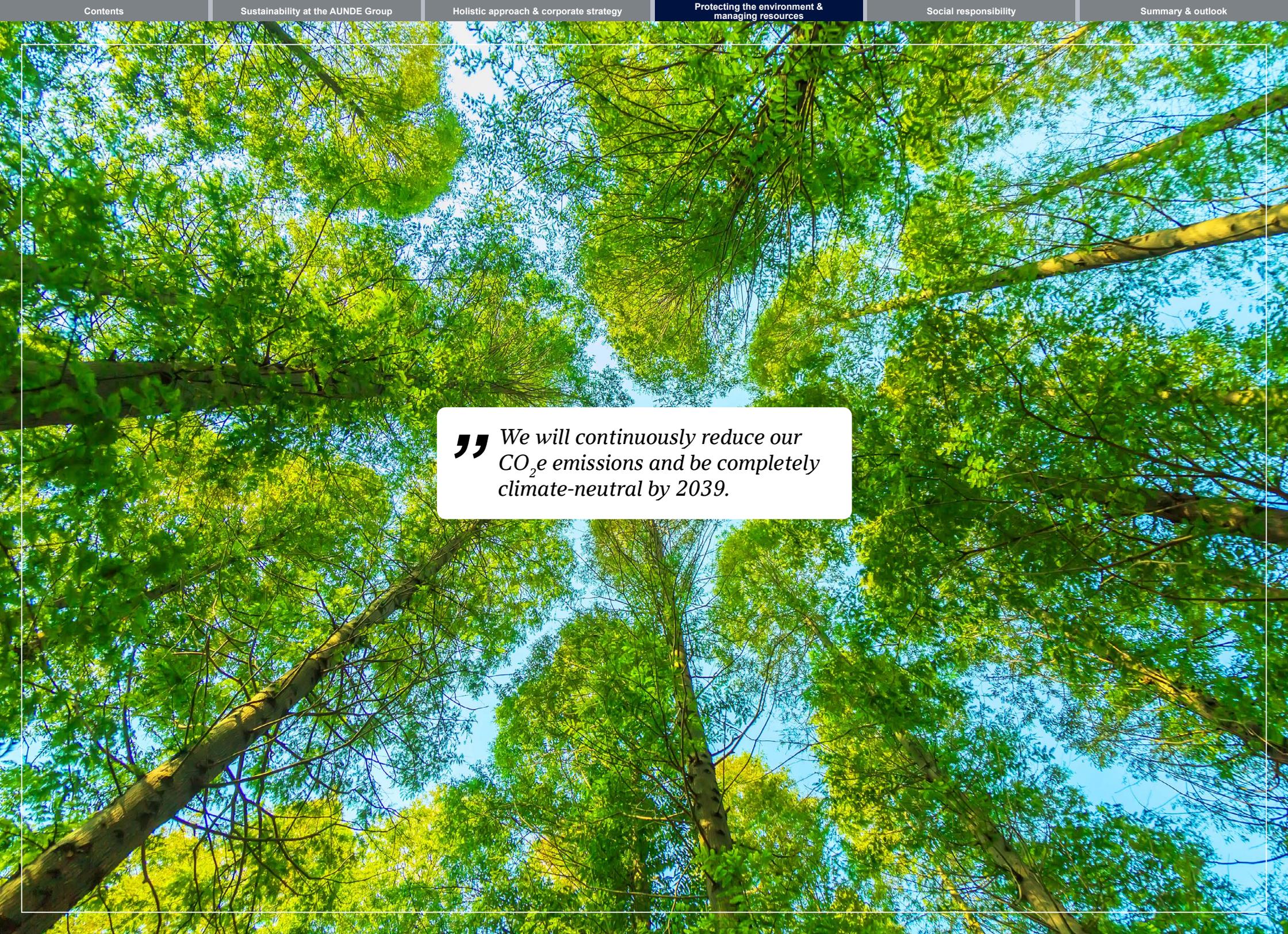
**Distribution of energy consumption of our business units**



~ 60%  of the plants are natural gas dependent

38% of plants cover **80%** of total energy consumption

35%  consume < 1 GWh/year



**”** *We will continuously reduce our CO<sub>2</sub>e emissions and be completely climate-neutral by 2039.*

” *Water is a precious resource. We are reducing our use of drinking water and increasing the proportion of rainwater and well water.*

## Water stewardship

In addition to the priority of decarbonization, we are also analyzing and addressing other AUNDE Group impacts on our environment. Nowadays, water plays a larger role in the production process of the AUNDE business unit. However, with the foreseeable development, this vital basis for all living beings will become a scarce commodity. In terms of total available water resources, today's share for use in industry, agriculture and households is already more than 18%. This impact, known as water stress, will continue to increase [\[UN figures\]](#). The AUNDE Group is not only concerned with emerging economies. Southern Europe is already experiencing high water stress, especially in Italy, Spain and Portugal. According to calculations by the [World Resources Institute \(WRI\)](#), the affected area will expand significantly by 2050 and will have a greater regional impact on our Group.

The AUNDE Group wants to counteract this trend as far as possible and minimize our water consumption. Our environmental impact analysis already focuses on water-saving or less water-intensive production processes. We use advanced technological solutions and procedures to minimize overall water demand. At the same time, we are reducing our dependence on fresh water and minimizing our operating costs by using recycled water, rainwater and well water.

To support natural cycles, we also aim to minimize the proportion of sealed surfaces on our premises worldwide. The development of areas, consumption patterns and associated costs are documented monthly, reported Group-wide, analyzed and form the basis for improving the management of water resources and optimizing the required water quality.



### Examples from the AUNDE Group

- **Cascade control in the paint shop:**

In the ISRI paint shop (Lemgo, Germany), cascade control is being used for the individual rinsing zones. The wastewater from each rinsing zone is used to refresh the water of the preceding rinsing zone.



- **Own treatment plant in Mexico:**

AUNDE Mexico will soon put its own wastewater treatment plant into operation to treat and reuse wastewater.



- **Closed water cycles:**

At all REINERT business unit locations, the injection molding machines are now cooled with closed water cycles.

- **To minimize fresh water demand ...**

... ISRI uses well water as sanitary water in Lemgo.

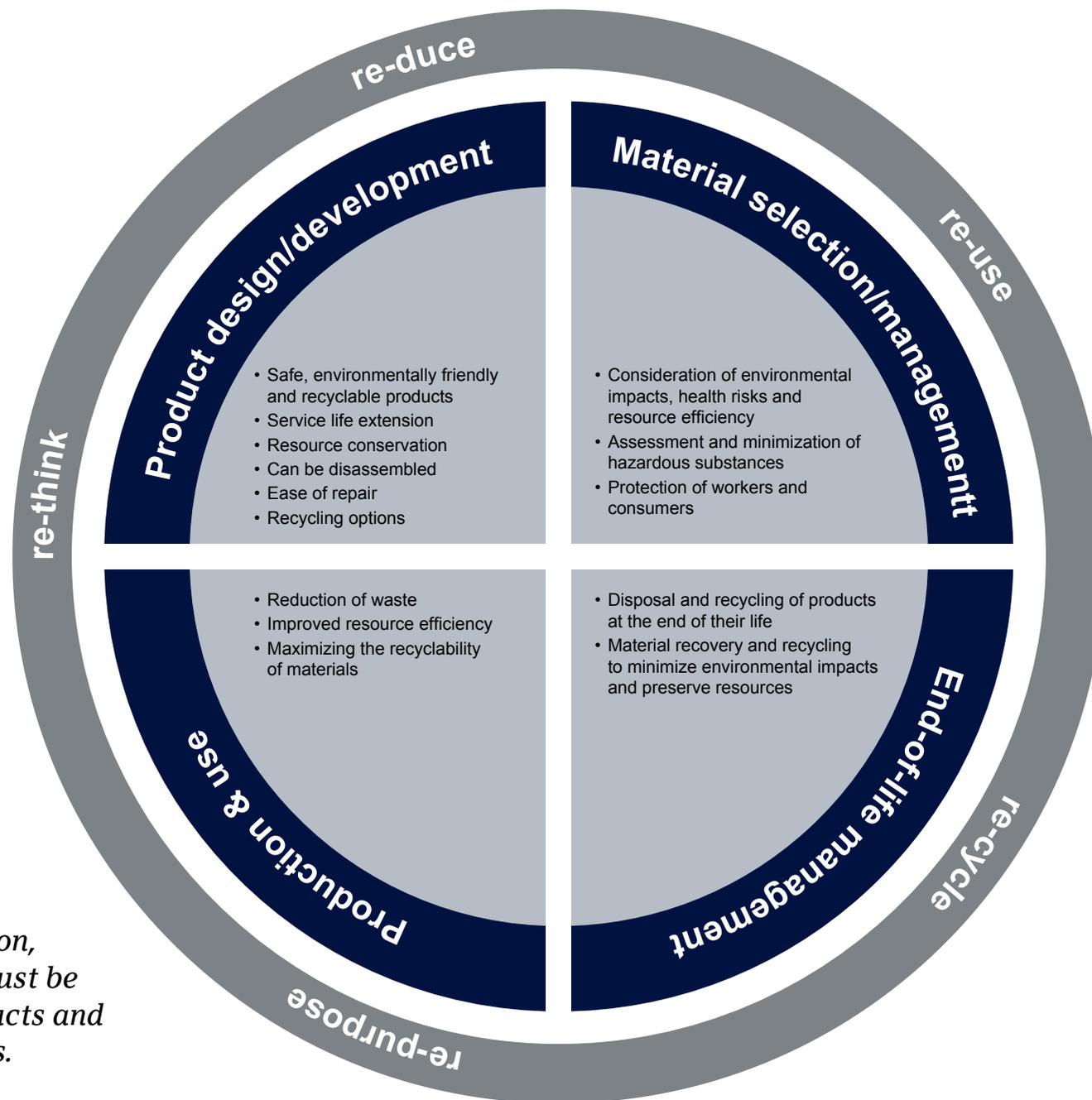
... at FEHRER in Kitzingen, well water is used in the sprinkler system.



## 3.2. Circular economy

With the [European Green Deal](#), the European Union has put a comprehensive strategy in place for sustainable growth and tackling climate change. The AUNDE Group is contributing to achieving net-zero production of our automotive products. Essential elements are a sustainable value chain, developing circular product structures and closing material cycles. We act according to the 5R principle: re-duce, re-use, re-cycle, re-purpose, re-think.

For the transformation, circular principles must be integrated into products and production processes. Our products must be designed to be durable, repairable, reusable and recyclable, while we minimize waste and environmental impacts at the same time. Specifically, we refer to the following aspects:



**”** For the transformation, circular principles must be integrated into products and production processes.

# Circular economy – from yarn to textile and back

To close the material cycle, we use synthetic fibers from recycled raw materials in our TexBlue product line in the AUNDE business unit. Depending on the particular customer specification, the following are used:

Polyester made from

- recycled PET bottles
- ocean bound plastic\*
- industrial waste

Polyamides made from

- carpet pile
- fishing nets

The raw materials are processed and used for the production of our own spinneret-dyed yarns. In this process, we can completely dispense with the otherwise usual and necessary dyeing process.

We are going one step further with the use of correctly sorted plastics. Mono-materiality is the key or link with which we guarantee varietal purity and make the best possible use of the material cycle capability. We pursue three approaches here:

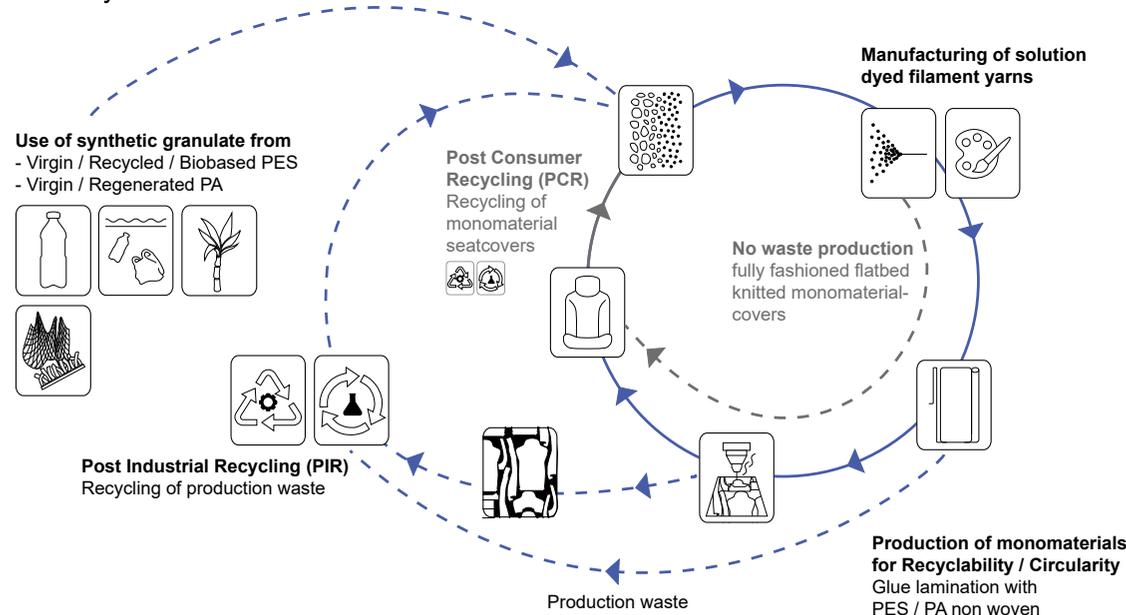
- adhesive lamination with PES fleece and adhesive (in series for BMW)
- knitted spacer fabrics made of PES on circular

knitted outer fabric (to fix the stretch, we also need backing fabric. Adhesive lamination is difficult here)

- No lamination using filling yarns in the outer fabric and sufficient material thickness

In all cases, the production of sorted products enables us to directly recycle and return all the raw materials to yarn production once again.

## TexBlue® by AUNDE



\* plastic collected from oceans

# Foaming with renewable raw material components – FEHRER at the forefront

## Attributed Bio and/or Recycled Content via Mass Balance



- ⇒ Transition pathway to a circular economy and bio-economy
- ⇒ Standardized and third-party certified bio and/or recycled content
- ⇒ Identical product specifications/ no product requalification necessary

In 2023, FEHRER reached an important milestone in the use of renewable raw materials for polyurethane foam (PU foam). The site in Kitzingen was the first plant of the FEHRER business unit to be certified according to the globally recognized ISCC Plus system. International Sustainability and Carbon Certification (ISCC) is a globally recognized certification system that assesses and verifies the sustainability and carbon footprint of biomass and bioenergy, as well as other renewable resources and their derivatives. In rigorous audits, the certification process includes compliance with ISCC sustainability criteria. These cover aspects such as land use, GHG emissions, biodiversity conservation and social responsibility. Through this certification, we ensure that our products meet established ecological, social and ethical standards throughout their entire life cycle, from production to use to consumption.

raw materials (bio-circular). These include, among other things, production waste from agriculture or circular raw materials from the automotive sector. This enables a significant CO<sub>2</sub>-reduction in foam production.

The quality and properties of the PU foam remain unchanged. Thanks to ISCC Plus, the sustainable origin of the circular raw material components can be traced without any gaps. Upon delivery, the customer receives a sustainability statement confirming the proportion of biomaterial contained in the foam formulation. FEHRER can also prove how much CO<sub>2</sub> is saved during production. A positive balance for both sides. In the coming years, FEHRER will roll out the certification to other production plants. The associated opportunities to use CO<sub>2</sub>-reduced basic raw materials ensure the long-term and sustainable production of polyurethane components.

With this sustainability certificate, FEHRER can now use CO<sub>2</sub>-reduced basic raw materials. For example, fossil materials are replaced with renewable, bio-based

## Clever seat construction at ISRI

We also carry out sustainable product development for our complete seats at ISRINGHAUSEN. Complete seats essentially consist of the following main components:

- Seat structure, suspension seat base and steel backrest
- Seat cushion and backrest foams made of polyurethane
- Seat cushion and backrest covers made of textile, leather or artificial leather
- Trim and control elements made of plastic
- Electronics, cabling and tubing
- Air spring and damper
- Seatbelt and buckle
- Mounting elements

Our commercial vehicle seats are repair-friendly and easy to dismantle. Easy accessibility and therefore the quick replacement of parts ensure sustainable use of energy during repairs and disassembly. We will ensure high recycling content in our components in the future when returning them to the material cycle. The steel structure has the highest proportion of volume and weight. Steel can already be 100% melted down and recycled. In the future, we will also use green steel available from 2027 for our seat structures. We are researching technological alternatives and are continuously examining our products for components that can be manufactured in a low-energy process or have low-energy substitutes. This way, we can offer sustainable seats today and in the future.



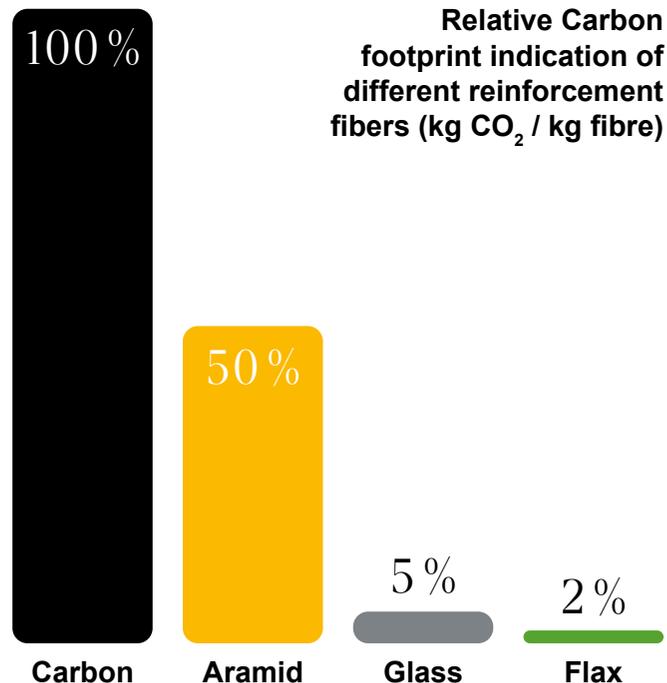
*The recycled content refers to a non-optimized, conventional seat.*

## Material alternatives at REINERT

In plastic injection molding production at REINERT, the focus is on evaluating and introducing alternative, environmentally friendly materials for the fiber reinforcement of products. Tests were carried out at the Reinert Bissingen site, which led to the closer examination of flax fibers.

There were clear advantages in the processing process:

- Low processing temperature and thus energy efficient
- Lower density, which saves weight (= CO<sub>2</sub> reduction)
- "Natural" smell
- Transparent
- High temperature resistance



**” We find new ways of improving our environmental performance.**

Compared to carbon or aramid fibers, the ecological benefits of flax, a natural product, ultimately also lead to a significant improvement in the carbon footprint:

- Basis is a high yield of approx. 10 t flax/hectare
- Flax plants store ~ 3.7 t CO<sub>2</sub>/hectare annually during their rowing period (as of 2022)
- 100 % use of all plant parts (in addition to the fibers, seeds and linseed oil can also be used)
- No irrigation, low use of fertilizers and pesticides, natural retting
- 75 % less water required than cotton
- 100 % mechanical fiber extraction



The AUNDE Group is continuing to develop its circular product architecture. In the future, we will carry out our own life cycle assessments (LCA) in accordance with ISO 14040 / ISO 14044. With a software tool, we record the energy and material consumption as well as emissions and waste for each product considered and assess their environmental impacts. This allows us to find new ways to improve our environmental performance. After an intensive phase of software and database comparison, we selected a partner at the end of 2023 to support us in LCA introduction and training. Key groups are currently working on the processes for our core products. From 2025, all development areas will be able to use this tool in parallel with product development to check the sustainability of the resources used.

### 3.3. Biodiversity & animal welfare

The AUNDE Group is primarily concerned with the indirect impacts of our sites and supply chains on biodiversity, such as habitat loss, degradation, pollution and resource use. The protection of biodiversity and animal welfare is firmly embedded in our corporate philosophy and is reflected in the requirements placed on our suppliers.

We expect our suppliers to not only comply with environmental standards but also to proactively assess and minimize their impacts on biodiversity. These include, above all, sustainable land use, the protection of forests and the prevention of deforestation. Our suppliers are also obliged to implement international agreements such as CITES and European regulations such as the EUDR to ensure biodiversity and environmental protection. The use of natural fibers in a branch of our technical textiles means, for example, that the genetic diversity of alpacas is important to us as a means to preserve the wool's natural play of colors. In addition, we offer our customers wool that meets the requirements of the NATIVA – PRECIOUS FIBER standard, which guarantees traceability, social responsibility, the prohibition of child labor, decent working conditions and environmentally friendly practices.

AUNDE pursues a holistic approach in its own business segment that combines ecological and business requirements. We continuously monitor our environmental performance, set clear targets and systematically promote biodiversity. To promote biodiversity, unsealed surfaces are used in a targeted way. Projects for the restoration and structural design of the green spaces have already been implemented at various locations.



## Examples of our actions

### Česká Lípa (FEHRER, Czech Republic)

- Planting of native trees

### Wrexham (ISRINGHAUSEN, UK)

- Forests and meadows, valuable habitats for flora and fauna

### Kitzingen (FEHRER, Germany), Mönchengladbach (AUNDE, Germany) and Lemgo (ISRINGHAUSEN, Germany)

- 5% of the factory premises has been planted with hedges and green areas, creating breeding grounds for birds (FEHRER, Germany)
- Creation of bee pastures through meadows and fruit trees

### South Africa (AUNDE)

- Plant care to control invasive species and protect local ecosystems



Fountain at AUNDE in Mexico (Huejotzingo, Puebla)

” We want to further reduce the proportion of sealed surfaces.



Wetlands at the Großlangheim site (FEHRER, Germany)

In addition, there are water and waste management initiatives aimed at waste reduction and creating habitats for amphibians and insects through targeted water management. Local animal welfare is also a central concern of the AUNDE Group.

In the future, our focus will be on a risk-based and systematic hotspot analysis. Further projects to promote flora and fauna are being implemented and efforts are being made to reduce the proportion of sealed areas. In addition, fulfillment of all legal requirements is being ensured throughout the supply chain, in particular the requirements of the European Deforestation Regulation (EUDR), until the legislation enters into force.



Flower meadow at the ISRI site in Lemgo

## 3.4.

# Strong economy for sustainable success

To ensure successful transformation of the economy toward greater sustainability, companies must have a robust economic starting position. Our economy currently faces a multitude of challenges and opportunities which are closely linked to competitiveness, production networks, innovation and supply chains. In a globalized market environment, these factors significantly determine the success of companies and national economies.

### 3.5. Competitiveness as a basis

Guided by the mission to develop and produce sustainable products for mobile interiors, Achter & Ebels has developed from its start in 1899 as an individual company into the international Group it is today. Along the way there have been some major milestones that were important for success and business development:

**Since the 1920s:**

Company's orientation toward technical textiles, with a focus on the automotive industry

**From 1982:**

Start of internationalization and expansion of the product portfolio toward complete seat systems

**From 1991:**

Expansion in commercial vehicle segment and acquisition of ISRI (development and manufacturing of seat systems)

**From 2014:**

Orientation as provider of complete interior solutions with the acquisition of FEHRER (development and production of foams and interior components)

**From 2020:**

Expansion of the vertical range of production with the acquisition of REINERT Kunststofftechnik

The AUNDE Group has experienced remarkable development in recent years despite the COVID-19 pandemic. In 2020, it employed around 20,000 people worldwide. The year was marked by the challenges of the COVID-19 pandemic, which led to significant economic uncertainties and production disruptions around the world. Despite these difficult external circumstances, the AUNDE Group was able to maintain a stable number of employees thanks to its strong market position and the commitment of its workforce.

The growth trend continued and at the end of 2023 the AUNDE Group employed more than 24,000 people worldwide. This growth underlines the successful implementation of the corporate strategy based on innovation and sustainability. Continued investment in research and development and the expansion of production capacity have not only contributed to the creation of new jobs but also increased the company's competitiveness on a global scale.

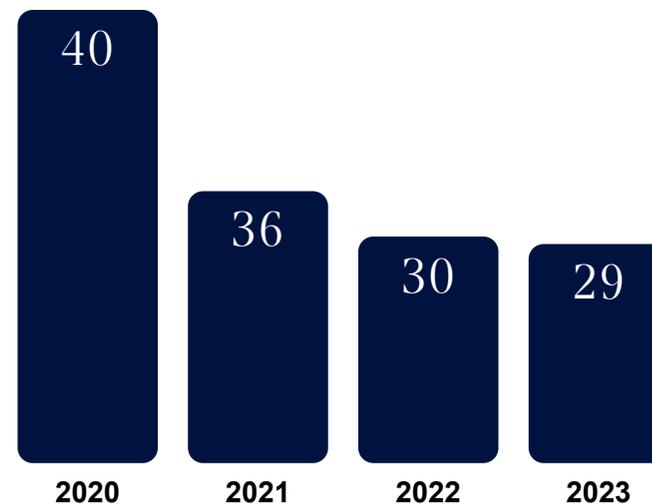
This positive development is also clearly reflected in the sales figures. In the reporting period, the AUNDE Group increased its sales from EUR 1.5 billion in 2020 to around EUR 3 billion in 2023.

**CO<sub>2</sub> emissions/employee**

> 4 t  
2020/2021

< 4 t  
2022/2023

**Scope 1 and 2 emissions per operating output (t/million €)**

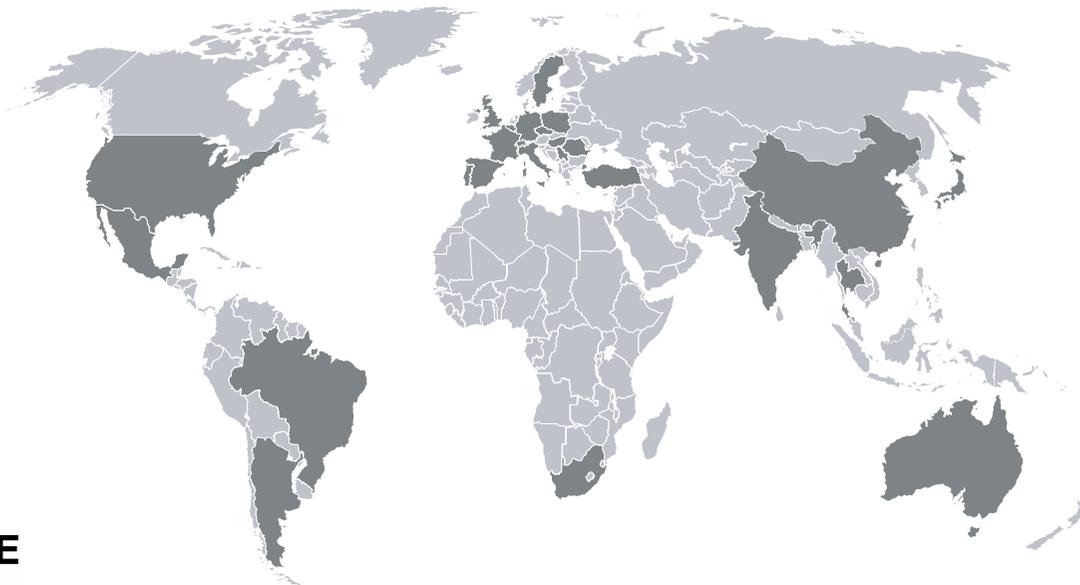


## Internationalization ensures competitiveness

At the AUNDE Group, one of the most important demands on our work is to be able to feel at home anywhere, even when on the move. Therefore even though our homeland is Germany, we are at home all over the world with our products, processes and production network. We think globally and act locally, and we employ predominantly local management teams in the various regions and countries. The business units of

the AUNDE Group mostly operate autonomously in their production networks, always taking into account the specifications of the AUNDE Group. Each business unit has its own headquarters which is responsible for the respective production network and controls it centrally. This is achieved primarily through regular coordination with the production sites, where key metrics are reported and compared with the

targets. In addition, new orders are assigned by the headquarters to the production sites. These orders are implemented in close cooperation between the headquarters and the production site, taking into account standards and lessons learned as well as local and customer requirements. By continuously reviewing and adapting our production processes, we support the continuous improvement of our efficiency and productivity.



## Plant expansion

Our global production sites are strategically placed to supply our customers using short distribution channels and to cover the entire manufacturing process as far as possible. We guarantee the highest quality standards with a mix of state-of-the-art installations and proven technology. A high degree of automation plays a central role here, such as the use of robots for foam injection at FEHRER, the use of automated robot welding cells or assembly systems at ISRI and efficient, highly autonomous production technologies for textile surfaces at AUNDE. The plants are specialized in specific production steps and work in close cooperation to ensure seamless transitions and an optimal production chain. As part of continuous improvement measures, the value chains are regularly scrutinized and possible relocations and optimizations are assessed and implemented, if necessary.

**” Our regional specialists work together globally.**

We attach particular importance to energy-efficient equipment in our new plants. For example, our newest ISRI plant in Zimna Wódka, Poland, minimizes heat consumption with a very well insulated building envelope, underfloor heating in the office area, dark radiators in the halls and a ventilation system with heat recovery. High-speed gates in the loading zones reduce possible losses there. Extensive LED illumination inside and outside and the design of the roof load for the installation of photovoltaic units guarantee low electricity consumption. The sustainable return of rainwater to the ground is also supported by seepage paving in the car parking area.

# Manufacturing depth & added value

The AUNDE Group is characterized by a remarkable depth of production and high added value across all business units. For example, one production chain starts with the manufacture of plastic parts by REINERT, includes production of foam components at FEHRER and of covers at AUNDE, and finishes with the final assembly of complete seats at ISRI. This vertical integration enables us to have comprehensive control over the quality and efficiency of our products.

Although the business units operate largely autonomously, synergy effects can benefit all units of the AUNDE Group, from material procurement and production to final assembly and delivery.

Our continuous improvement processes and the use of state-of-the-art technologies help us offer our customers products of the highest quality at all times while minimizing our environmental impacts.



<b>Yarn</b> 	<b>Textile / (Tex) Leather</b> 	<b>Cut / Sew</b> 	<b>Covers</b> 	<b>Recycling</b> 
<b>Chemistry</b> 	<b>Foaming</b> 	<b>Upholstering</b> 	<b>Seat Pads Seat Modules</b> 	
<b>Metal processing</b> 	<b>Painting</b> 	<b>Assembly</b> 	<b>Seat Systems</b> 	<b>Technical Springs</b> 
<b>Mold Design</b> 	<b>Injection Molding</b> 	<b>Lightweight / Organosheet</b> 	<b>Processing (Assy, Painting, Plating)</b> 	<b>Technical Plastic Parts / Assemblies</b> 

” *Sustainability is embedded in all our processes as an essential basis.*

## Production competition

We rely on state-of-the-art automated production methods and continuous improvement processes to remain competitive in the global market. Regular benchmarks and internal competitions between our production sites promote innovation and efficiency. These measures help us not only to optimize production costs but also to maintain and increase our product quality at a high level. In addition, we attach great importance to resource conservation and sustainability. With energy-efficient technologies and the optimization of our manufacturing processes, we reduce resource consumption and minimize waste.

Sustainability is embedded in all our processes as an essential basis. It helps us reduce our environmental impacts and thus achieve long-term cost savings. The art of production optimization: using artificial intelligence (AI) and cloud applications to initiate optimization processes and increase efficiencies.

Efficient use and conservation of available resources is a key component of the AUNDE sustainability strategy. In manufacturing plants in particular, we control the processes in such a way that the loss of resources is as small as possible. This includes avoiding system failures, uncovering hidden efficiency gaps and minimizing sources of error. When using new technologies, particularly artificial intelligence, we always pay attention to our ethical responsibility, the protection of human and personal rights, and data protection. FEHRER works with various cloud providers to centrally evaluate its process data. By gathering data in cloud storage and providing it via AI-powered dashboards, we can control production lines more efficiently and plan maintenance in advance. AI models will soon help us predict machine

failures and reduce downtime through planned preventive maintenance. In addition, we use advanced AI systems for visual inspection of components to detect fault patterns faster and more precisely and to prevent complaints and waste.

We are delighted that FEHRER had the opportunity to present this pioneering topic at Google's trade fair stand during Hannover Messe 2023. Our ideas and policies received a lot of attention and gave us momentum for internal implementation.



## Continuous improvement & lean management

We strive for continuous improvement and have established a culture that increases added value, avoids waste and boosts efficiency. This is consistent with our understanding of sustainable management. We achieve our objectives through optimizing the flow of materials, reducing stock levels, improving quality, shortening throughput times and increasing energy efficiency.



In 2022, our ISRI business unit launched the “better: ISRI” program to detect waste and boost efficiency. This program is aimed at all managers and staff and aims to initiate a shift toward a culture of continuous improvement and an organization capable of change. Everyone takes responsibility in order to be successful together. This initiative is a flagship project at ISRI and will be rolled out throughout the AUNDE Group.

**”** *We strive for continuous improvement and have established a culture that increases added value, avoids waste and boosts efficiency.*



Our REINERT site in Bissingen is taking the same approach with a lean manufacturing initiative. The focus here is on shop floor management and on improving awareness and communication.

” *Flexible robots enable automation of production steps and help improve ergonomics in the workplace.*

## Cobots (collaborative robots): Pilot projects launched at FEHRER plants

The use of cobots represents a forward-looking investment within the framework of Industrialization 4.0, which enables comprehensive digitalization of industrial production. These flexible robots enable automation of production steps and help improve ergonomics in the workplace. Repetitive and tiring work steps and activities with high repeat accuracy requirements can be implemented quickly and cost-effectively by cobots.



## Fleece production in the USA and Hungary: production set up on site

We are using more non-woven fabric in our products, which increases the scale of production as well as transport and logistics costs. Our FEHRER plants in Hungary (Mór) and the USA (Gadsden) have taken measures to become more sustainable. Previously, prefabricated fleece blanks were transported over long distances to the relevant production sites by truck and ship. In the future, both plants will produce the required inserts directly on site, eliminating long transport routes and logistics risks. The production of non-wovens has been integrated into the existing production processes. In Mór, the non-woven fabrics from the roll are punched and reshaped, while in the USA punched blanks are purchased and reshaped in Gadsden – in optimal quantities and just in time.



USA/Gadsden

” *In the future, both plants will produce the required inserts directly on site, eliminating long transport routes and logistics risks.*



Mór, Hungary

” *Photovoltaics – a major step toward decarbonization.*



## Česká Lípa: sustainability from the top down

FEHRER Czech Republic is increasingly using solar power to become more independent and meet the demand for green energy. In January 2023, 1,309 photovoltaic panels with a total output of 537 kWp were installed on the roofs of the Česká Lípa branch. Of these, 973 solar modules are located on the new production hall alone. The installation is complete and power generation is in progress. The plant now produces a large proportion of its own electricity. The investment will pay for itself in just under three years. Further plans are underway: photovoltaic units will also be fitted on the roofs of two other buildings.

## Relocation of production close to customers

ISRI Lemgo has moved the final assembly lines from our central location to a small location close to customers in order to avoid transport-related CO<sub>2</sub> emissions and optimize costs. This measure not only improves responsiveness to customers but also eliminates the CO<sub>2</sub> emissions from five trips from Lemgo to Düsseldorf every day. The cooperation project “Sustainable and Human-centered Production Planning and Control Based on Reinforcement Learning Techniques” (SUPPORT) Production Planning and Control (PPS) is crucial for economic sustainability. At ISRI in Lemgo, optimizing PPS became a complex task. Because many factors play a role, rule-based or manual approaches

are not enough. That is why ISRI relies on artificial intelligence (AI) to improve PPS in terms of productivity and worker load. Easy application and transferability of the methodology are important.

As part of a three-year project that started in April 2022, reinforcement learning (RL) and machine learning (ML) methods are being used. First, the production is modeled with digital twins, and then the AI is trained and an optimized PPS is implemented. The project is being carried out with partners from science and industry and contributes to the economic and social sustainability of the AUNDE Group.



CO<sub>2</sub>e

Productivity & customer satisfaction



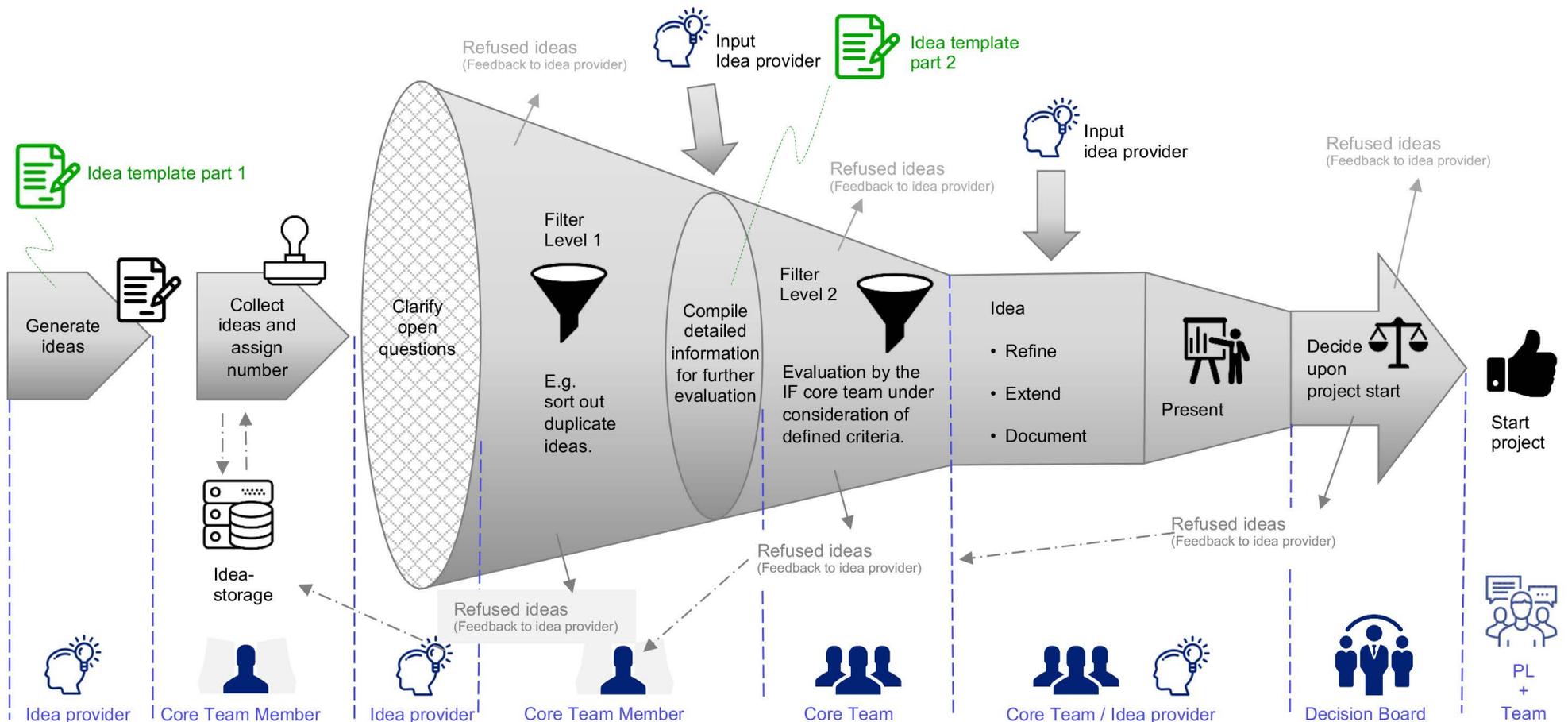
## 3.6. Innovation

Innovation is crucial for the AUNDE Group to remain competitive as an automotive supplier and meet market requirements. Through innovative products, processes and technologies, we increase efficiency, reduce costs and improve quality and sustainability. This culture of innovation is firmly enshrined in [our values](#) and is a key factor for our success.

To achieve our innovation goals, we use clear processes that ensure that all levels of the company are aligned with the innovation strategy. We respond flexibly to changes, especially in the areas of sustainability, recycling, mono-materials and assembly processes. Our focus is on the development of sustainable materials and processes that reduce the carbon footprint, use recycled materials and renewable raw materials, and establish recycling cycles. One example is our work with polyethylene terephthalate (PET). AUNDE is researching pure-grade PET textiles for seat covers, FEHRER is developing alternative seat cushions made of PET and rPET, and ISRI is planning to use green steel. In the future, we will even more strongly and systematically integrate sustainability into our innovation process and harness synergies within the Group. A central element will be the AUNDE Group Innovation Forum, in which all business units are involved.

**”** *We create an environment in which new ideas are appreciated and supported. This allows us to assert ourselves as a technological leader in the industry.*

# From initial idea to sustainable innovation project



## Holistic approach to supply chain management at the AUNDE Group

The AUNDE Group is committed to sustainable supply chains. It firmly embeds environmental and social standards in its purchasing guidelines. These measures promote transparent partnerships along the entire value chain. A central element of this approach is the AUNDE Group's supplier portal, which serves as a central communication and control platform. These continual reviews are instrumental in supporting a sustainable supply chain.

The AUNDE Group's risk management analyzes the economic situation of suppliers and also country-spe-

cific ESG risks. Hot spot screening identifies potential environmental risks. The supplier management system enables online inquiries and risk assessments to be carried out in accordance with the German Supply Chain Due Diligence Act (LkSG).

A comprehensive questionnaire with a rating system and automatic reminders ensure that all documents remain up to date. In addition, a whistleblower mechanism on our website provides the opportunity to report anonymous violations. These measures promote a sustainable and responsible supply chain.

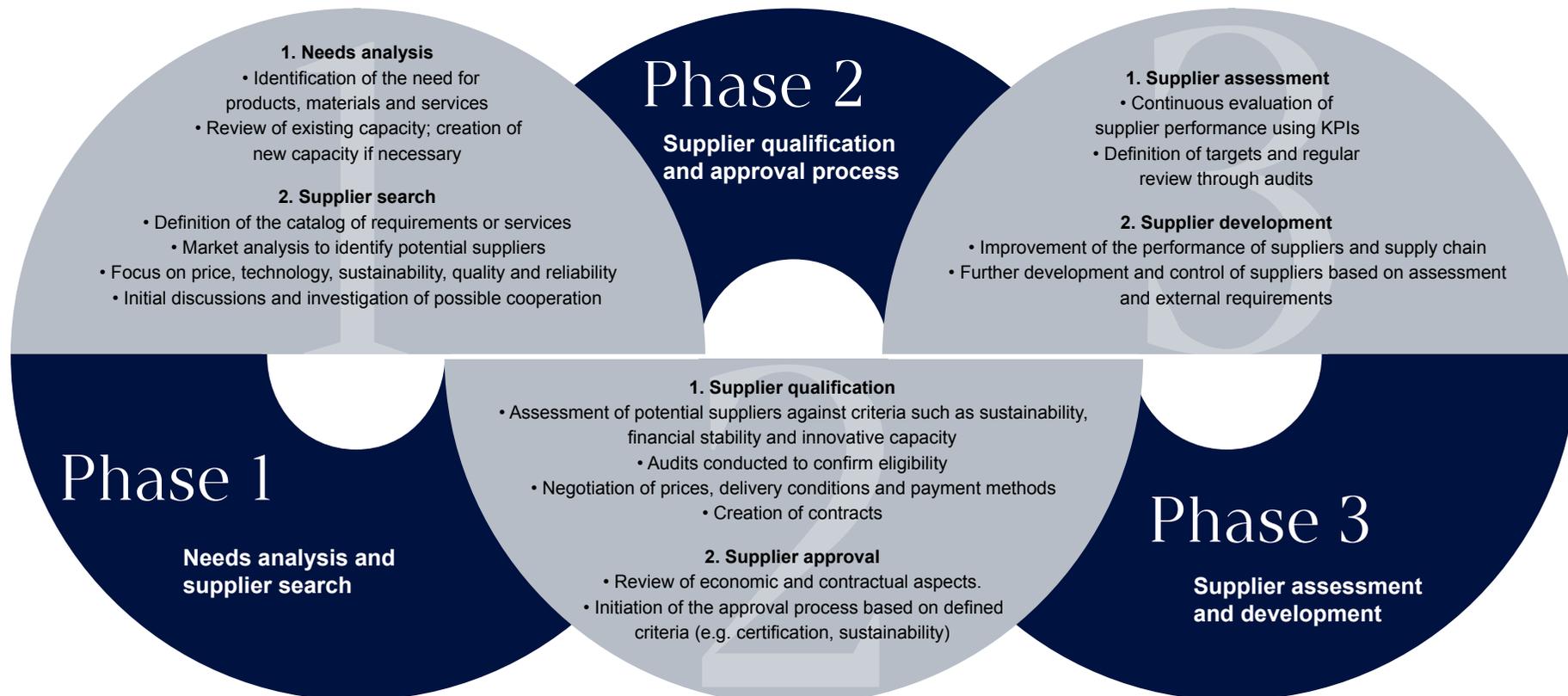
*” Continual reviews are instrumental in supporting a sustainable supply chain.*

## 3.7.

# Supply chain

We attach great importance to loyalty, fairness and respect for the environment and people. A sustainable supply chain is essential for our product quality and risk reduction. We use sustainable materials and maintain fair supplier relationships. We live our sustainable values in practice and improve ecological and social conditions. As an international family

business, we promote innovative, high-quality products and resource conservation. This strengthens our competitiveness and long-term stability. Our suppliers and staff are valuable assets, so trusting cooperative relationships are essential for us. Only through professional supply chain management can we ensure high quality and timely delivery. Our decentralized purchasing departments work closely with suppliers. A lead buyer organization bundles global procurement activities to support a robust supply chain. Through this hybrid set up, we achieve regional procurement in procurement markets and manage our strategic partnerships at local and global levels. Digital supplier management in the AUNDE Group's TIMS integrated management system supports efficiency and creates transparency around the globally harmonized supplier processes, KPIs and structures.



Our purchasing process is monitored and controlled in all business units with the help of key metrics. We use these to measure and evaluate the performance and success of companies and processes.

The following examples show how we manage the AUNDE Group's supply chain:

### Supplier assessment

We focus on the performance and reliability of our suppliers. Based on various criteria such as quality, delivery times, costs and compliance with standards, we provide quarterly feedback to our suppliers and rank them according to our criteria. This includes an escalation mechanism that enables us to support weaker suppliers as they move toward becoming a top supplier. Over 90 % of our suppliers currently meet our criteria satisfactorily.

### Risk ratings

In addition to active supplier feedback, we also include general regional or national risk ratings from reliable sources in our risk assessment. Together with our suppliers' self-disclosures on ESG risks, we receive a comprehensive profile for the risk assessment. This profile is the starting point for further investigation of environmental or human rights issues, where necessary or warranted. Appropriate measures are taken with the suppliers concerned to improve the situation.



**” Together we are strong!  
Integration of our suppliers.**

### Sustainability requirements for suppliers

We have derived requirements for our suppliers from our Code of Conduct. Each of the approximately 2,500 suppliers of the AUNDE Group is requested to familiarize themselves with these requirements for environmental and social responsibility in the supply chain and to confirm their compliance. By the end of 2023, 52% of our suppliers had already actively agreed to the AUNDE sustainability requirements. Working with our suppliers, we continue to improve the maturity of our sustainable business relationships.

## Supply chain transparency & sustainability at the AUNDE Group

The AUNDE Group is also committed to transparency and sustainability in its supply chain. We strictly adhere to legal regulations and proactively take measures to identify and minimize risks in the procurement process.

With our sustainability strategy, we ensure that all relevant legal requirements are met. The [REACH regulation](#) is complied with through close monitoring of all hazardous substances used. At the same time, we prevent our products or their production from contributing to deforestation, based on the European Deforestation Regulation (EUDR). The [RoHS Directive](#) limits hazardous substances in electronic products, and we continually monitor compliance with this.

In order to ensure sustainability in our supply chain, we require our suppliers to provide regular self-declarations. These reports capture and assess all relevant sustainability issues so that we can identify and minimize potential risks at an early stage. We expect our suppliers and service providers to take proactive action to ensure compliance with all requirements,

whether in their facilities, in the manufactured products or throughout the supply chain.

An important part of our strategy is to avoid conflict minerals according to the Conflict Minerals Reporting Template (CMRT). We require our suppliers to provide detailed information on the source of the raw materials and continuously check the source to ensure that no conflict minerals are contained in our products. With regard to perfluorinated and polyfluorinated alkyl substances (PFAS), we are analyzing the substances concerned and actively exerting influence on our supply chain. Our goal is to find safer alternatives and minimize the use of PFAS.

The International Material Data System (IMDS) ensures transparent material composition. This system helps us precisely capture and analyze information. Regular audits and due diligence are integral parts of our compliance program and contribute to compliance with all legal requirements.

Particularly noteworthy is the synergy between our sustainability strategy and the German Supply Chain

Due Diligence Act (LkSG). By implementing the LkSG, we set high standards in supply chain responsibility and continuously improve our measures to safeguard environmental and social standards. We believe that long-term thinking and responsible behavior are the cornerstones of economic success. The AUNDE Group has set itself the goal of becoming carbon neutral by 2039. To achieve this, it is essential to involve the whole supply chain in the decarbonization process. In particular, the reduction of Scope 3 emissions is crucial to ensure both environmental and economic success in the long term. The analysis of Scope 3 emissions is planned by 2026.

**” We set high standards in shared responsibility for the supply chain.**

Another important step in our sustainability strategy is the procurement of green materials such as

green steel. ISRINGHAUSEN has already secured shares for delivery from 2027. The procurement of sustainable energy is also becoming increasingly important. The AUNDE Group is working to maximize the share of green energy in the course of decarbonization over the next three years. A plant-specific and country-specific view is of decisive relevance here. Meeting customer requirements and legal specifications, such as the German Supply Chain Act, is also in the foreground.

This Act has been relevant for the AUNDE Group since the 2023 reporting period and is being stepped up by the adoption of the European Supply Chain Due Diligence Act. To support the required measures and targets, a joint supplier management tool will be used and the audit system will be adapted to the new requirements in the next few years based on the experience gained.

Through these measures, the AUNDE Group demonstrates its active commitment to a sustainable supply chain that meets the high standards of the company and the expectations of its stakeholders.

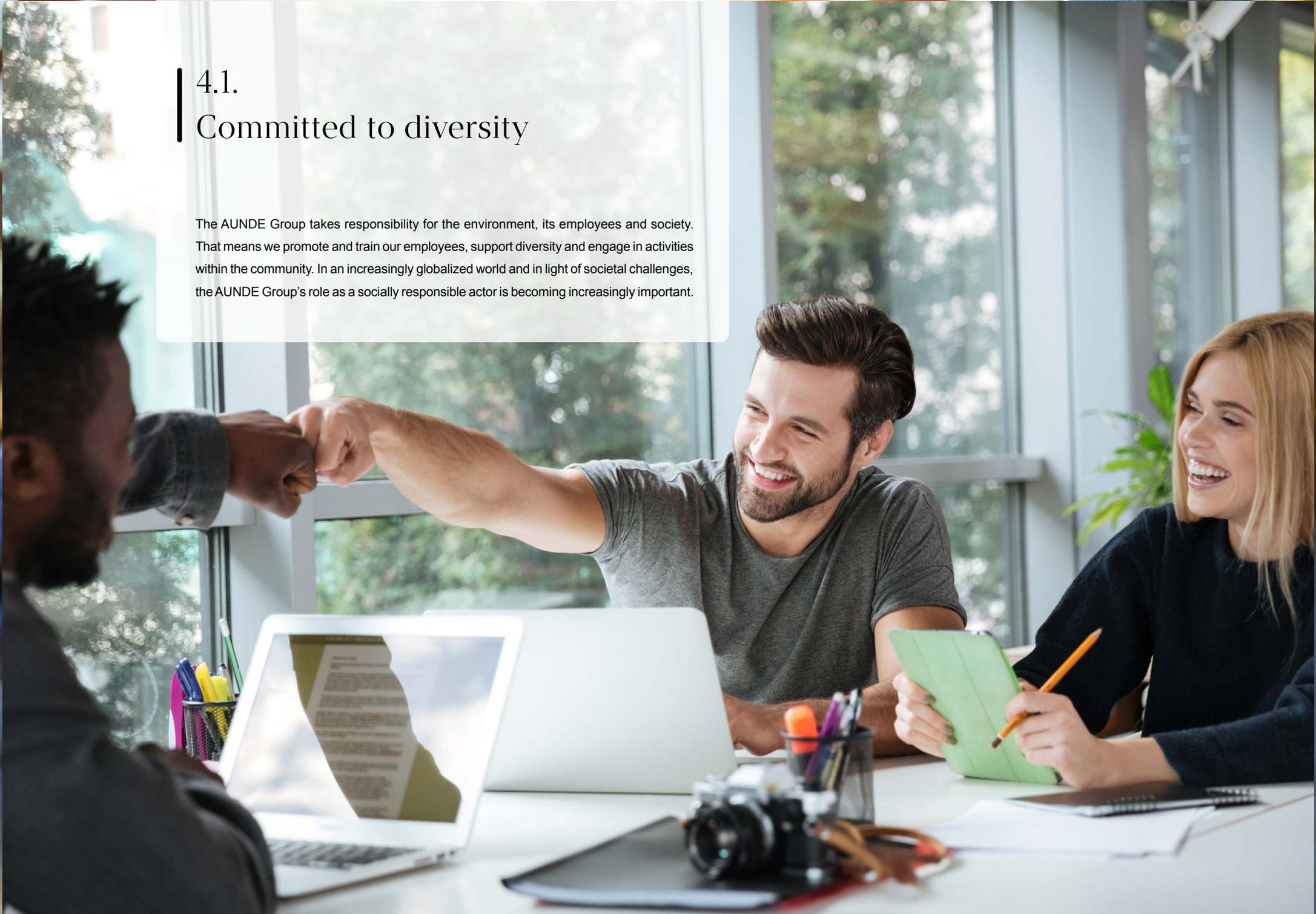


# 4

# Social responsibility

## 4.1. Committed to diversity

The AUNDE Group takes responsibility for the environment, its employees and society. That means we promote and train our employees, support diversity and engage in activities within the community. In an increasingly globalized world and in light of societal challenges, the AUNDE Group's role as a socially responsible actor is becoming increasingly important.



## 4.2. People & diversity

With diversity, equal opportunity and inclusion, the AUNDE Group creates a corporate culture in which all employees feel they belong and are valued. An open work environment that allows the free exchange of thoughts and ideas is essential for us. We believe that a diverse workforce drives innovation and is also a critical success factor for improving business performance and long-term employee retention. These values are firmly enshrined in our Code of Conduct, which explicitly supports equal opportunities for all. Our senior managers play a key role as role models and pioneers for diversity in the company.

- The age structure shows stable distribution across all groups, with a slight increase in 50- to 60-year-olds in 2023.
- The proportion of female senior executives increased until 2022 and has remained at a similar level since then.
- Employees with disabilities increased to 2.58 % in 2023, underscoring our commitment to inclusion.
- While the proportion of men remained almost constant, the proportion of women has equalized.

## Information & best practice

The AUNDE Group is committed to inclusion and the creation of workplaces for people with disabilities worldwide. At many company locations, people with disabilities are actively integrated into work processes. Jobs and procedures are designed so that they meet specific needs. In addition, the AUNDE Group promotes cooperation with non-profit organizations and institutions that are committed to the occupational integration of people with disabilities. At our German locations, there are representatives for people with severe disabilities and we meet at least the legally prescribed quota for people with severe disabilities.

Through targeted integration measures, we create an atmosphere in which all employees feel welcome and valued. We promote barrier-free access and take individual needs into account. With employees from over 50 countries, we promote a culturally diverse working environment. Our TIMS management system

platform is available in many other languages in addition to English, thus supporting the global exchange of ideas and experiences. This diversity leads to creative solutions and helps us achieve our corporate goals.

Additional measures in the ISRI business unit include objective selection procedures in Spain to prevent discrimination, an LGBT+ campaign in Mexico to combat prejudice, and support for foreign employees by ISRI coordinators in Poland and at FEHRER in Hungary.

We are working to further strengthen our diverse and inclusive corporate culture so that all our employees feel respected and valued. To achieve this, we will continuously expand and maintain our collaborative partnerships with international universities and our networks with schools, social institutions and associations. We present some examples in the following sections.



*“ Through targeted integration measures, we create an atmosphere in which all employees feel welcome and valued.*

## 4.3. Training

Training our employees is crucial for the success and future of the AUNDE Group. In a changing business world, our employees need to learn new things and expand their skills. Sustainability plays an increasingly important role here and is therefore an integral part of our training courses.

These training courses not only promote new ideas and the success of the company but also support the personal development of our employees. This also increases their motivation and commitment to the

company. For our employees, we have created a holistic, comprehensive skills development model that covers all areas, from personnel planning and structured individual onboarding to the targeted development and promotion of talent, training and development. With this approach, we are not only meeting the current requirements of our company, but also acting with an eye on the future. This integrative and forward-looking approach is an essential part of our strategy that is designed to ensure the sustained, long-term competitiveness of the AUNDE Group.



Personnel planning &  
skills profile

Onboarding &  
training

Personnel development  
& talent management



## Personnel planning & skills profile

The AUNDE Group uses globally standardized qualification processes that ensure transparency and high efficiency in skills management. Specific requirements for all divisions, departments and functions are precisely defined in our personnel planning. These requirements are included in role and job descriptions and serve as a basis for recruitment, evaluation and selection. In our skills development model, we regularly compare required and existing skills, create development plans and enable individual measures. Topics such as digitalization, information security and sustainability are an integral part of our skills profiles. Areas of potential are determined for each employee and individual development measures are agreed in order to harness strengths and meet challenges in a targeted manner.

## Onboarding & training

Onboarding begins well before the first working day with the preparation of the future work environment. The first few days include a structured introduction to the Code of Conduct and basic corporate policies including occupational safety, information security, data privacy and sustainability.

Targeted induction plans, mentoring programs and supplementary training courses provide new employees with comprehensive guid-

ance. At ISRI in Mexico, for example, an HR employee is assigned to each department as a "Padrino" (mentor) to resolve work-related issues within 24 hours. The aim is to quickly and effectively integrate all employees into their role and into company processes and thus create a basis for their long-term development from the outset.

After the induction phase, there is a meeting to determine further qualification requirements and to set individual development goals.





## Personnel development & talent management

The AUNDE Group specifically identifies and promotes talent. We use a comprehensive skills development model to recognize and promote development opportunities. Regular feedback discussions and reviews of working conditions ensure continued development. Centrally organized training and an e-learning tool ensure uniform training courses and the exchange of experiences worldwide. Senior managers are coached on the subject of leadership to create a positive and supportive work environment. Mentoring, coaching and the buddy concept support training-on-the-job.

ISRI has a targeted talent management process in order to leverage individual strengths and prepare employees for future positions. The global staff exchange scheme helps employees acquire new skills, get to know different working methods and strengthen their intercultural skills. We ensure the effectiveness of our personnel development measures and efficacy tests through employee interviews, feedback from work results and internal audits. In Germany, the AUNDE Group attaches great importance to the dual education and training system, which combines workplace training with classroom studies. This concept helps to counteract the shortage of skilled workers, to support talented individuals and to retain them long term.

” *The AUNDE Group aims to strengthen the self-confidence and individual profile building of employees.*

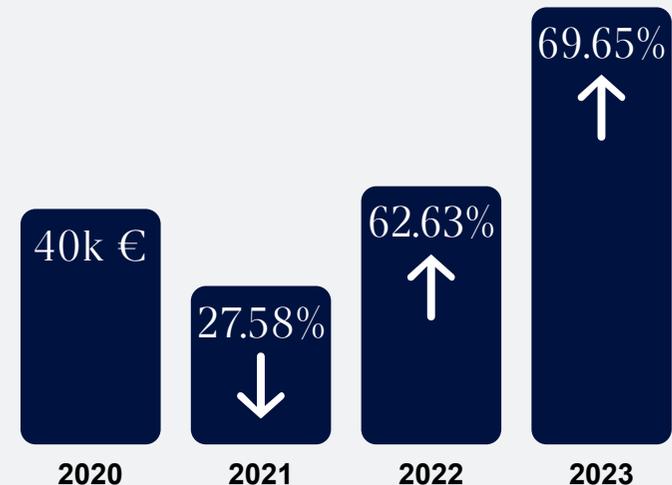
Over recent years, we have seen a significant increase in the AUNDE Group in investment in staff training and education alongside the rise in employee numbers, especially since the COVID-19 pandemic. This creates a sustainable culture of learning and development.

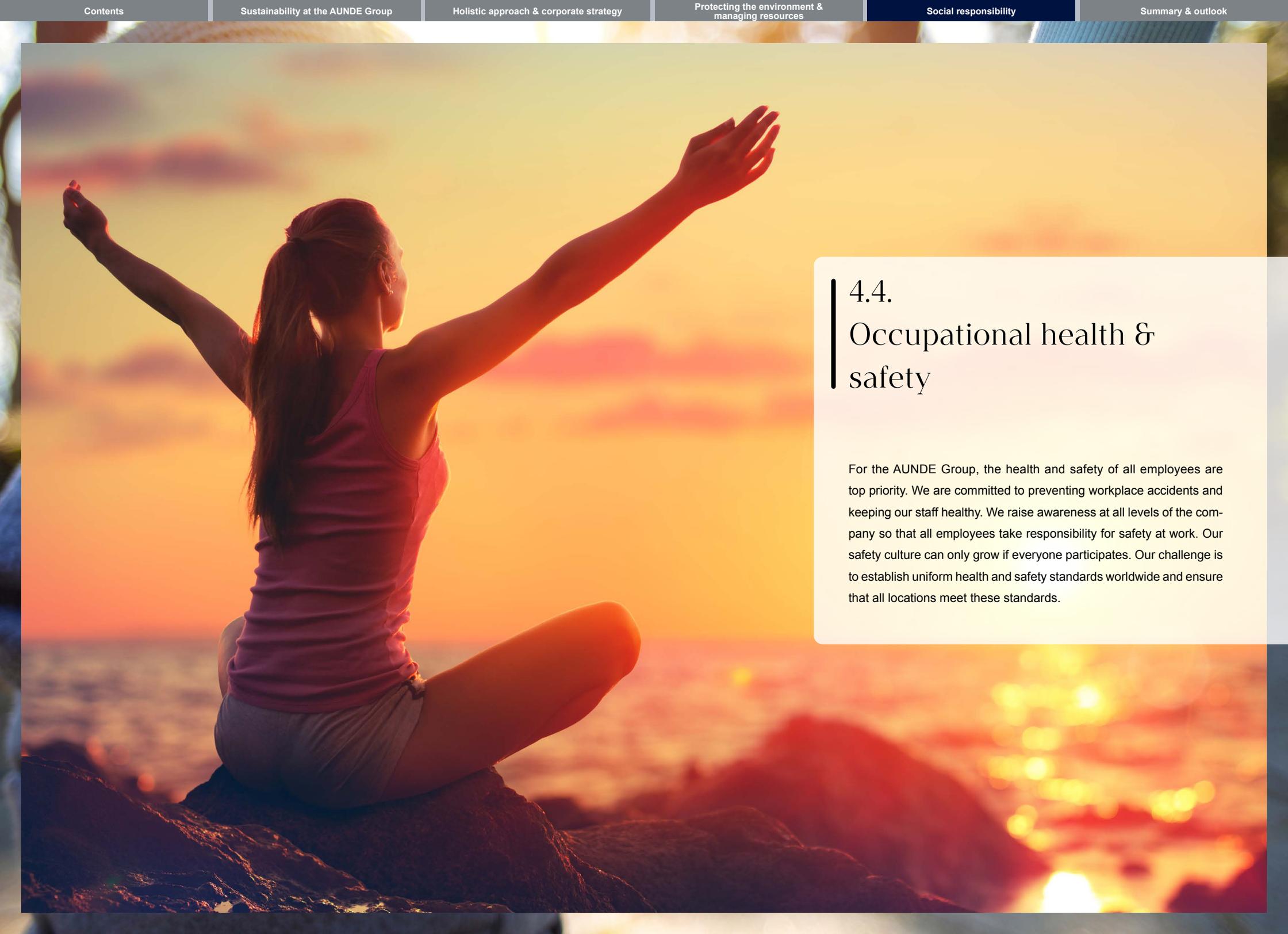
The AUNDE Group aims to strengthen the self-confidence and individual profile building of employees, to promote cooperation in teams and to bring about and embed lasting changes through the diversity of the workforce. To provide comprehensive support for professional development, the “better ISRI” initiatives and the skills development model will be extended to other Group locations by 2025. In 2024, the first e-learning

sessions on information security were launched via a platform that is available to all employees in the respective national languages. At the same time, our management system is continually being supplemented by targeted training content.

Through regular evaluations and feedback sessions, progress is measured and programs are continuously optimized. Senior managers receive additional coaching to create a supportive work environment that strengthens the self-confidence and individual development of employees. Participation monitoring and needs-based adaptation of the content ensure the long-term relevance and effectiveness of the training courses, which contribute to the AUNDE Group’s continuous further training.

### Training costs / 1.000 employees





## 4.4. Occupational health & safety

For the AUNDE Group, the health and safety of all employees are top priority. We are committed to preventing workplace accidents and keeping our staff healthy. We raise awareness at all levels of the company so that all employees take responsibility for safety at work. Our safety culture can only grow if everyone participates. Our challenge is to establish uniform health and safety standards worldwide and ensure that all locations meet these standards.

To contribute to the long-term stability, efficiency and competitiveness of all Group companies, the AUNDE Group has enshrined its ethical commitment to promoting health and safety in the Code of Conduct. Control loops and specialist teams are firmly established. Targets are pursued, target achievement is assessed and measures are taken to support continuous improvement.

Important starting points are the risk assessments of the workplace, working environment, and materials and substances used with regard to their impact on the health and safety of our employees. The structures and procedures for recording, documenting and processing these topics are stored in TIMS.

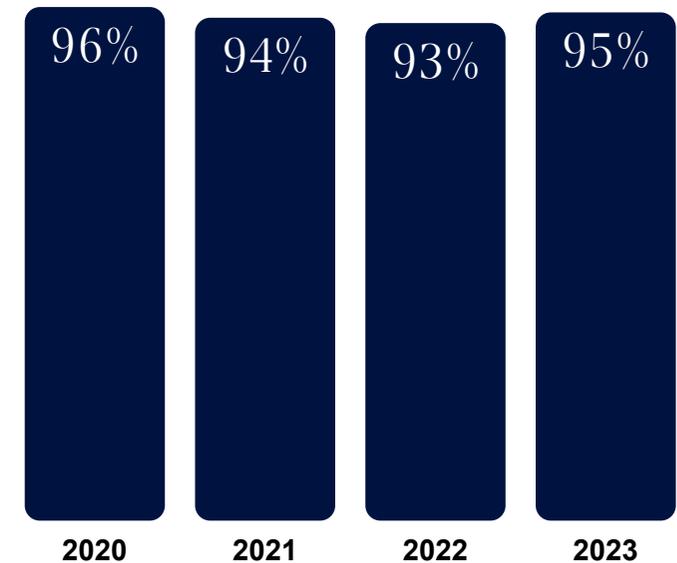
The AUNDE Group takes into account international requirements and standards in order to derive appropriate measures to ensure health and safety at work and prevent occupational accidents. All locations are obliged to comply with the requirements on occupational health and safety, and an increasing number are being certified according to ISO 45001 rules. By 2023, we were able to increase the percentage of certificates by more than 26%. At the end of the reporting period, there were 67 locations with certified occupational safety management.

The management of each individual company sets targets and provides resources to ensure that safety policies are adhered to. Risk assessments are regularly carried out to identify hazards in the workplace and to minimize them with appropriate measures. Employees are involved and employee training on occupational safety is carried out. We regularly analyze data to derive measures for continuously improving the health and safety of our employees.

**”** *The promotion of health and safety is top priority for the AUNDE Group.*

In the occupational health and safety field, the AUNDE Group's key metrics developed very dynamically at the beginning of the reporting period due to the COVID-19 pandemic. Analysis of the reported values for accidents and sickness initially indicated fluctuations and, above all, incomprehensible increases in the values. Since 2020, we have been able to further refine and increase awareness of the bases for our key metrics.

### Health Ratio

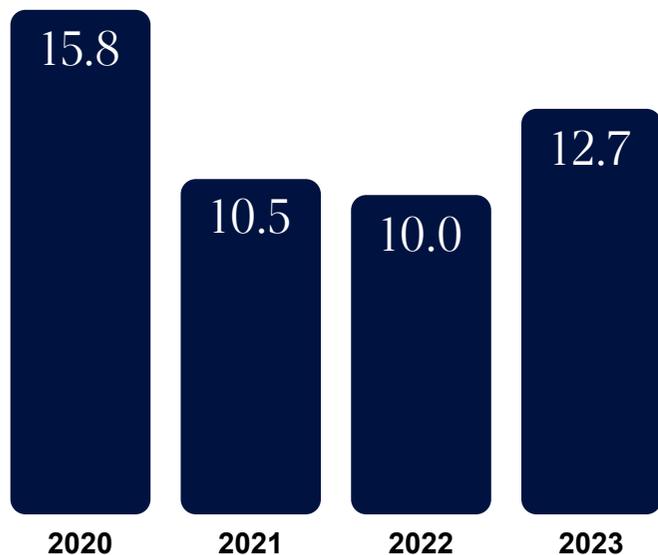


Further reassurance and stabilization can be attributed to the significantly improved reporting discipline of the individual units. This significant improvement in data quality also applies to the reference variables used. In the reporting period, for example, the consistently high health rate of over 93% underlines the success of our efforts.

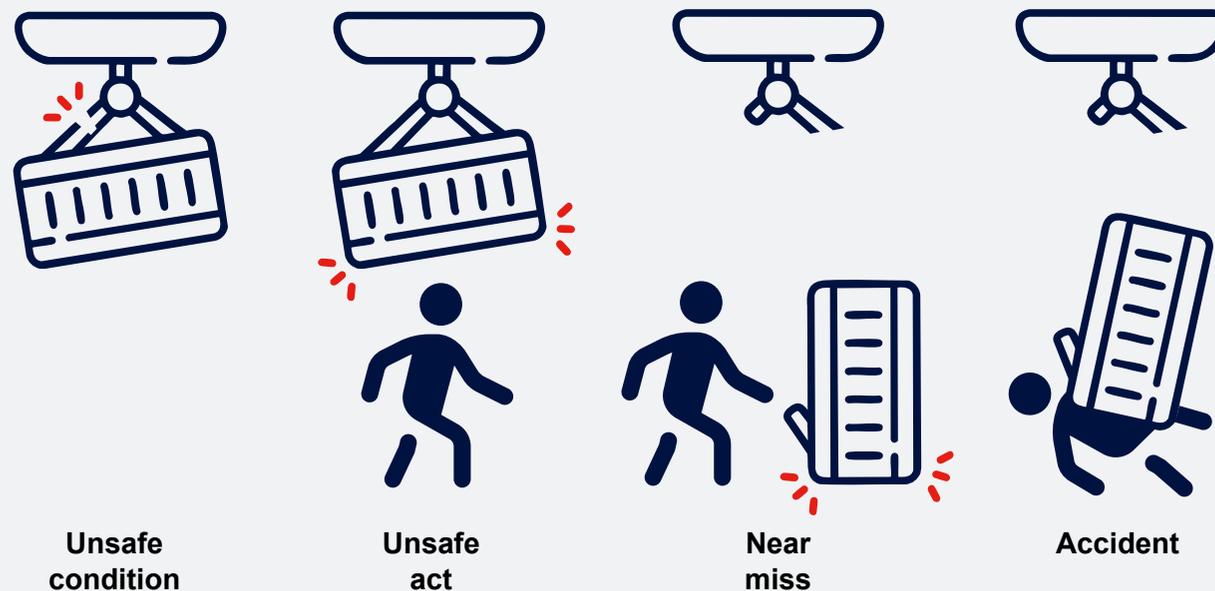
In the AUNDE Group, all accidents are recorded and reported by means of sensitive recording with very low threshold values. In addition, we were able to significantly reduce accident rates. A slight increase for 2023 can be attributed to a significantly intensified recording discipline. Business units and the Group evaluate accidents together with the locations and share the results with each other. This makes it easier to avoid similar accident scenarios at other locations.

We also strengthen our joint accident prevention by recording critical situations. These include unsafe conditions, unsafe actions and near misses. All are circumstances that have not yet resulted in injuries or malfunctions. These are also evaluated and discussed in a systematic and consistent manner in a team of experts across the Group and, wherever possible, prevention measures are derived and shared with those responsible in the plants.

### Accidents / 1 Mio. working hours



### Classification of incidents



Our current reporting period was seriously impacted by the COVID-19 pandemic. Nevertheless, various projects contributed to the improvement of occupational health and safety in the individual business units. In the ISRI business unit, measures were collated under the heading “ISRI – Vision Zero” with the aim of minimizing workplace accidents, among other things. Particular emphasis is placed on the active involvement of superiors as multipliers – also in the general raising of awareness through regular, short training sessions that they themselves carry out. Inspections of the working environment and intensive evaluation of near misses, critical situations and critical actions provide additional training material and at the same time strengthen understanding of procedures and responsibilities.

For many years, for example, the German locations of all business units have supported joint prevention campaigns together with health insurance companies and the respective company doctor. This includes vaccination campaigns on site, as well as joint sporting events and activity programs. The locations of FEHRER Kitzingen, ISRI Lemgo and AUNDE Mönchengladbach enter teams in annual company runs.

We have embedded regular inspections and analyses in the management system and use these to take a close look at the risks of the work environment. In many cases, this results in the personal protective equipment required to mitigate the risks, some of which is also available in an individually adapted form. Emergency plans are also developed on this basis. At the locations, volunteer first responders and fire safety assistants are involved in the daily tasks at their workplace. Regular employee training on safety issues and on the handling of hazardous substances, chemicals and machinery and systems is planned world-

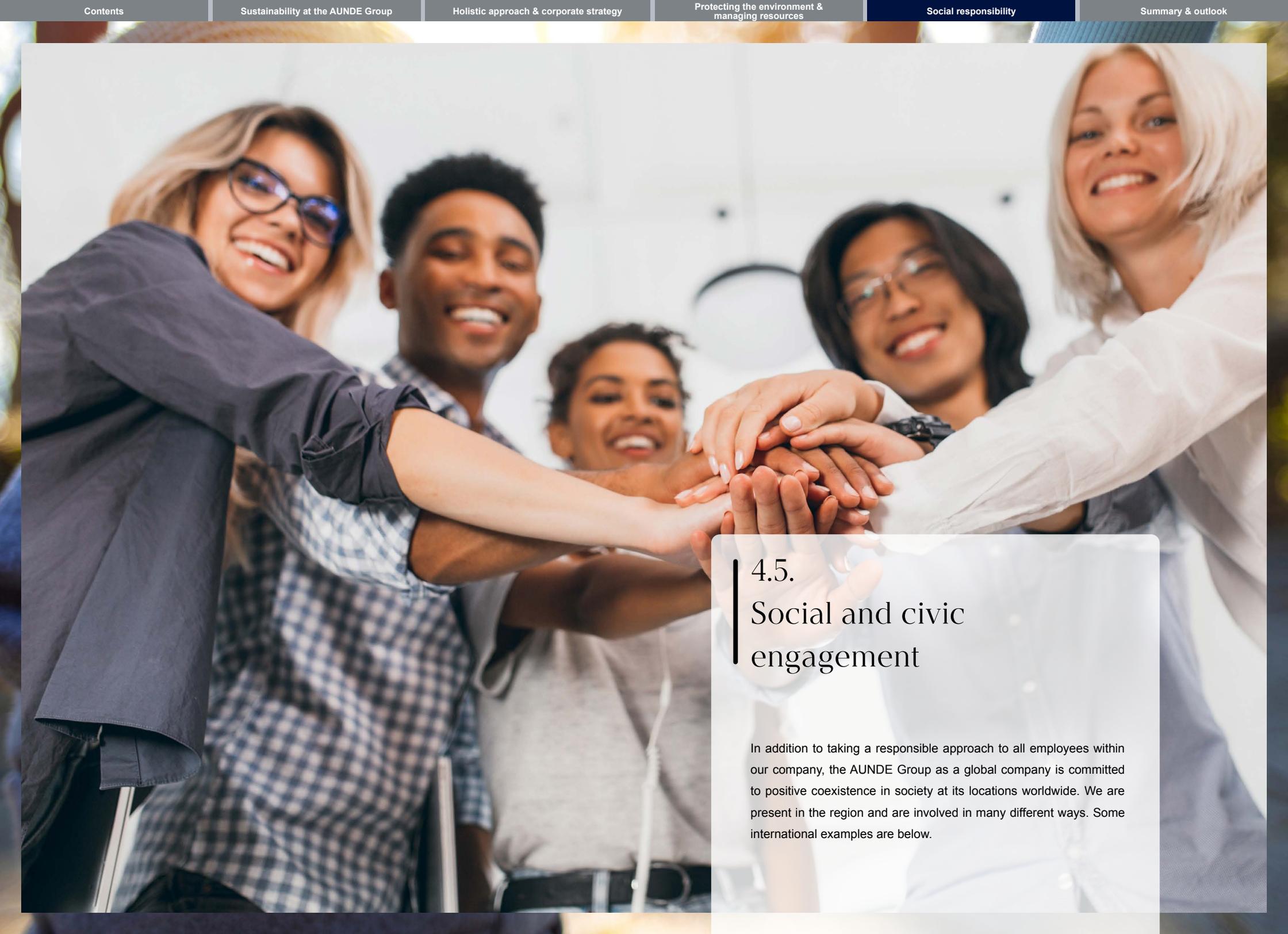
wide. A guideline from the management system, which focuses on epidemics, endemic diseases and pandemics, provides comprehensive support for the locations in systematically preventing these types of events and in being able to act quickly and effectively.

From the diverse activities within the AUNDE Group, some important goals and tasks for the future have emerged with regard to occupational health and safety. Based on the consolidated database, the AUNDE Group has developed a strategic approach to reduce the number of accidents by 15% each year and consistently achieve a figure of fewer than five accidents per million working hours by 2028.

Implementation at the individual locations is monitored as part of the monthly reporting process, consolidated at business unit and Group level and managed in the specialist working groups. In the future, the recording and documentation of near misses will also be included here to a greater extent. Worldwide, the AUNDE Group aims to embed the regulatory and training system for occupational safety – already well established in Europe through legal requirements – more broadly in TIMS and to regulate it at Group level with binding rules.



“ For many years we have supported joint prevention campaigns with health insurance companies and the respective company doctor.



## 4.5. Social and civic engagement

In addition to taking a responsible approach to all employees within our company, the AUNDE Group as a global company is committed to positive coexistence in society at its locations worldwide. We are present in the region and are involved in many different ways. Some international examples are below.



## RocKID – trainees train young school students in digital education and media literacy

In the RocKID project, trainees at AUNDE in Mönchengladbach play an exciting and active role: they help third and fourth graders understand the world of digital education and media literacy. With lots of commitment, they teach young school students the basics of using computers, the Internet and digital media. The aim? To equip the children with the essential skills they will need for the digital age at an early stage. The trainees also benefit enormously: they not only strengthen their knowledge but also their social and pedagogical skills.

## Kitzingen plant fire department supports district in environmental disasters

The AUNDE Group's plant fire department at the Kitzingen site is an indispensable helper in the event of environmental disasters. This specialized unit is not only ready to protect the company and its employees, but also actively supports the surrounding communities. Whether in floods or fires – the firefighters are always on hand to provide help quickly and efficiently in the district of Kitzingen. This commitment underlines the AUNDE Group's strong sense of responsibility for the safety and protection of the community.

## Supporting the food drive in the US

In the US, the AUNDE Group demonstrates its commitment to society through an inspiring food drive project. With great dedication, employees collect food to support people in need. These donations are passed on to local food distribution organizations and aid organizations that provide care for socially disadvantaged groups. The project not only combats hunger but also raises awareness of poverty and social injustice in the communities in which the AUNDE Group is active.

## Participation in environmental action in Hungary

At various locations in Hungary, the AUNDE Group is demonstrating its commitment to the environment through a variety of projects. With activities such as garbage collection campaigns and tree planting schemes, the staff are actively involved in protecting local flora and fauna and reducing environmental pollution. This also increases awareness of environmental protection among employees and the local population. The AUNDE Group often works closely with local environmental organizations to promote long-term sustainable solutions.



## Cooperation with Romanian high school to promote engineering

In Romania, the AUNDE Group is working closely with a high school to get young people interested in engineering and to prepare them for a technical career. The project aims to introduce students to the fascinating world of engineering through practical projects, exciting lectures and interactive workshops. This gives students valuable insights into the technical and scientific aspects of the industry and enables them to make contact with potential employers at an early stage. In the long term, the project is intended to help alleviate the shortage of skilled engineers and to promote technical knowledge in the region.

## OWL Energy Scouts: ISRI trainees turn up the heat and save!

In 2022, trainees from 23 companies in the region of Ostwestfalen-Lippe got to grips with the topic of energy saving and entered their projects in the OWL Energy Scouts competition run by the Chamber of Industry and Commerce. At ISRI, three dedicated trainees at the Lieme plant conducted an impressive project to increase the efficiency of the gas-powered continuous furnaces. Thanks to their work, the capacity required when tempering springs at 240°C can be halved in the future, which reduces annual natural gas costs by a five-figure amount.

The award ceremony for the OWL Energy Scouts competition took place in December 2022. Our trainees presented their project at the Ostwestfalen Chamber of Industry and Commerce in Bielefeld and received an award from the jury and the other participating companies at the ceremony for the best project of the competition. In Berlin, the Energy Scouts received a nationwide award from the Federal Ministry for Economic Affairs and Climate Action (BMWK) and the German Chamber of Commerce and Industry (DIHK). A great success for our trainees and our company!



## Summer festival – 100 years of ISRI

In September 2022, the ISRI family festival took place in Lemgo, attracting around 3,000 guests including employees and their families. Visitors enjoyed the lively and pleasant atmosphere with great music, a wide range of delicious food and refreshing drinks. Numerous children's attractions provided a lot of fun and enthusiasm for the young guests. The festival marked the 100th anniversary of ISRI. The anniversary was duly celebrated, reminding all those present of the company's long and successful history. The festival was a complete success and demonstrates the strong cohesion.

These examples illustrate the AUNDE Group's diverse social and ecological commitments at various international locations. They combine the promotion of education and social initiatives with a strong focus on the company's orientation toward the environment and public welfare. Through these initiatives, the AUNDE Group shows how it is committed to social and environmental matters worldwide. Projects range from educational programs to humanitarian assistance and environmental protection. In order to further strengthen the company's commitment, exchange and networking between the individual locations will be intensified. This allows local actions to be transformed into global projects in order to have an even greater impact.

Joint exchange of best practices could inspire people and lead to successful projects being adapted in other regions. The idea of local dialog could be promoted, for example, through regular meetings or an internal platform on which locations present their initiatives. In this way, the AUNDE network could be used efficiently to initiate large-scale global actions from smaller, regional projects. We want to address this more in the next reporting period.



# Summary & outlook

## 5. Summary & outlook

In the reporting period, we focused on many aspects of sustainability and embedded it in all areas and organizational levels of the AUNDE Group. Numerous initiatives and projects attest to our commitment to a sustainable future that is worth living in. Employees from all levels, business units, countries and regions have put in a lot of effort and driven forward ideas across teams. This report can only reflect a part

” *Numerous initiatives and projects attest to our commitment to a sustainable future that is worth living in.*

of what has happened in recent years, but it forms the basis for many projects that we have already started or are planning for the near future.

The integration of our management system was a significant step toward the sustainable corporate governance of our diverse Group. In 2023, we were able to drive forward the transition toward a joint management system by switching to a software solution that is accessible across the Group. This platform enables us to better manage the complex challenges facing our industry and greatly simplifies certification through standardized processes and specifications. After a successful start in two parts of the company in

Mönchengladbach, in 2024 we were able to include three more companies of the ISRI business unit at the Lemgo and Lieme locations in certification according to the ZNU Standard – driving sustainable change. Further German locations at FEHRER and the first one abroad in Europe will follow as the next step in 2025.

Joint structures and practices are reflected in significantly improved ratings on the sustainability portals NQC and EcoVadis. We can also address national regulations better if we work together: the comprehensive requirements of the German Supply Chain Act (LkSG) have been analyzed and implemented. We took the LkSG initiative as an opportunity to strengthen our compliance management. Among other things, we are raising awareness of compliance among our employees and promoting understanding of this important topic worldwide through e-learning. In addition, the whistleblower system was restructured and made accessible internationally with the addition of many more languages.

Sustainable information security was and is a key focus of our work. We have set up various programs

to improve the resilience of the AUNDE Group. As a result of these measures, 10 locations from different business units have already been awarded the TISAX label. With this label, an external certification company confirms that the audited area meets the automotive industry’s comprehensive information security requirements. In our roadmap for 2025, we envisage that a further 20 sites will earn the TISAX label.

In the field of environment and resources, the issue of decarbonization and thus also energy management has become a major priority. In 2023, we launched a comprehensive decarbonization initiative based on science-based targets for the whole AUNDE Group.

We have long been on the path to operating more sustainably, and have further focused our sustainability initiative in the reporting period. Fresh vigor combined with continuity in the management of the AUNDE Group and the proven support from 125 years of Achter & Ebels also provide confidence for the future in the coming years. We will continue to focus our efforts on achieving net zero across the entire AUNDE Group by 2039.



## 5.1. Legal information

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## 5.2.

## Annex: Targets &amp; programs

## Status of targets and programs from Sustainability Report 2020

Key topic	Objective	Measures	Status	Target date
Sustainable corporate governance	Agile corporate structures	<ul style="list-style-type: none"> <li>· Harmonize corporate structure and business processes</li> <li>· Adapting the strategy for the sustainability initiative to current circumstances</li> <li>· Adapting and expanding the sustainability team to the global corporate structure</li> </ul>	consecutive consecutive implemented	n. a. n. a. 2021
	Promoting awareness of sustainability throughout the Group	<ul style="list-style-type: none"> <li>· Implement Global Sustainability Initiative Framework and Guidelines</li> <li>· Revision of the Code of Conduct</li> <li>· Establish frameworks and guidelines for global CO<sub>2</sub> improvement</li> </ul>	implemented implemented implemented	2021 2021 2021
	Expand compliance management	<ul style="list-style-type: none"> <li>· Consolidate the compliance program of the business units and establish it for the entire Group</li> <li>· Improvement of the verification of legal conformity</li> </ul>	implemented postponed	2022 2023 → 2026
Future-oriented product design	Developing sustainable products and processes	<ul style="list-style-type: none"> <li>· Further acceleration of research and development with sustainable materials</li> <li>· Develop and establish a uniform tool and method for cradle-to-cradle analyses</li> <li>· Integrating sustainability aspects even more closely into the advance development process</li> </ul>	consecutive postponed postponed	n. a. 2023 → 2025 2021 → 2025
Supply chain responsibility	Promoting awareness of sustainability in the supply chain	<ul style="list-style-type: none"> <li>· Specify supplier specifications on the topic of sustainability</li> </ul>	implemented	2021
	Improving recycling rates along the value chain	<ul style="list-style-type: none"> <li>· Specify and query key figures for worldwide locations</li> </ul>	implemented	2021
Employee appreciation	Retain employees in the long term	<ul style="list-style-type: none"> <li>· Offering opportunities for training in various professions</li> <li>· Employee Development Program</li> </ul>	consecutive postponed	n. a. 2022 → 2025
	Further improving occupational health and safety	<ul style="list-style-type: none"> <li>· Further promoting active accident prevention (analyzing near misses, deriving measures and programs)</li> <li>· Promote best business practice exchange within the group</li> <li>· Various initiatives for health prevention</li> <li>· Establish a noise emission register for the entire group and reduce noise emissions</li> </ul>	consecutive implemented consecutive implemented	n. a. 2021 n. a. 2022

Key topic	Objective	Measures	Status	Target date
Social commitment	Increasing social commitment in a targeted manner	<ul style="list-style-type: none"> <li>· Various activities to promote dialogue between the sites and society</li> </ul>	consecutive	n. a.
Environment & Resources	Increasing energy efficiency	<ul style="list-style-type: none"> <li>· Integrate all AUNDE Group sites into the Group's energy management system</li> <li>· Expanding the Energy Scouts initiative in the Group</li> </ul>	consecutive consecutive	n. a. n. a.
	Improve recycling rate	<ul style="list-style-type: none"> <li>· Consistent recording of waste streams and derivation of programs and measures</li> </ul>	consecutive	n. a.
	Improvement of the CO <sub>2</sub> balance at the sites	<ul style="list-style-type: none"> <li>· Determine the CO<sub>2</sub> balance and derive measures and programs</li> </ul>	consecutive	n. a.

## Further measures & Targets

Key topic	Objective	Measures	Status 2023	Target	Target date	Verknüpfung CSRD
Management system	Align management system with sustainability	Extend certification according to ZNU Standard	2 certified locations	Certification of 5 additional locations	2025	Corporate strategy and business model
	Improve performance in external IATF 16949 audits	Reduce variances in external IATF audits	236 (19 main, 217 minor variances)	Annual continuous reduction of variances (min. 2% p.a.)	ongoing	Anti-corruption and compliance
Information security	Demonstrably stabilize and improve information security	Establish TISAX standard	2 locations with passed TISAX assessment	32 locations with passed TISAX assessment	2025	Employee matters
	Strengthen organization's resilience against cyber risks	Expand phishing simulation; raise awareness through e-learning	n. a.	e-learning implementation rate for 80% of all employees	2025	Employee matters
Climate & Energy	Climate neutrality of the AUNDE Group	Climate strategy 2039	Roadmap created	CO <sub>2</sub> e-neutral by 2039	2039	Corporate strategy and business model
	Further improve NQC maturity level	Development of the Group approach (guideline); increase number of participants – initiatives	NQC: 60% participating locations	Increase number of participants Consistent ratings (>80%)	2026	Governance and corporate management
	Further improve EcoVadis maturity level	Development of the Group approach (guideline); increase number of participants – initiatives	EcoVadis: 20% participation	Increase number of participants Consistent ratings (silver)	2026	Governance and corporate management
	Improve CDP maturity level	Improve database	C rating (Climate)	B rating (Climate, Forest, Water)	2026	Governance and corporate management
	Improve energy efficiency	Optimize our production processes	82,500 t CO <sub>2</sub> e	Reduce Scope 1 and 2 emissions to net zero by 2039	2039	Environmental affairs
	Join Science Based Targets initiative (SBTi)	Successful validation of CO <sub>2</sub> e roadmap	n. a.	Join and validate the roadmap	2025	Environmental affairs
	We protect the climate and improve our CO <sub>2</sub> e footprint	Development of energy efficiency activities within the framework of decarbonization (in accordance with the 5R principle)	Group-level roadmap	<ul style="list-style-type: none"> <li>CO<sub>2</sub>e roadmaps for the 8 main emitter sites</li> <li>Set baseline and SBTi targets</li> <li>Implement Scope 3 roadmap</li> </ul>	ongoing	Environmental affairs
	We protect the climate and improve our CO <sub>2</sub> e footprint	Improve the level of detail of accounting with software support	Group-level roadmap	Roll-out and implementation	2025	Environmental affairs

Key topic	Objective	Measures	Status 2023	Target	Target date	Verknüpfung CSRD
Competitiveness	Consolidate Group-wide digitalization	Expansion of IT infrastructure, hardware and software, and strengthen Group-wide networking	Pilot projects and roadmap at Group level	Networking and expansion of a Group-wide collaboration platform	ongoing	Governance and corporate management
	Develop a culture of continuous improvement	Set up initiatives <ul style="list-style-type: none"> <li>• Lean manufacturing initiative</li> <li>• Accident prevention initiative</li> </ul>	BU basis "better: ISRI"	Specify tools and roadmap at Group level	2026	Corporate strategy and business model
	E-learning platform for information security in different languages	Offer and conduct training courses	Group-level roadmap	Group-wide participation rate of 80 %	2025	Employee matters
Innovation	Strengthen circular economy and bioeconomy	Certification of own locations according to ISCC Plus	Start of implementation	Certification of 3 locations	2026	Environmental affairs
Supply chain	Continuous improvement of performance & compliance of our suppliers	AUNDE sustainability requirements accepted by suppliers	Approval rate 54%	Approval rating > 80 %	2026	Social affairs
	Comprehensive recording of Scope 3 CO <sub>2</sub> emissions in the supply chain	Expansion of supplier reporting	Concept for collection – roadmap	Capture Scope 3 emissions by 2026	2026	Environmental affairs
Health & Safety	Promoting health and safety awareness in the organization	Establish Vision Zero within the Group	9.9 accidents per 1 million working hours	Reduce accident rates by 10%	2025	Social affairs