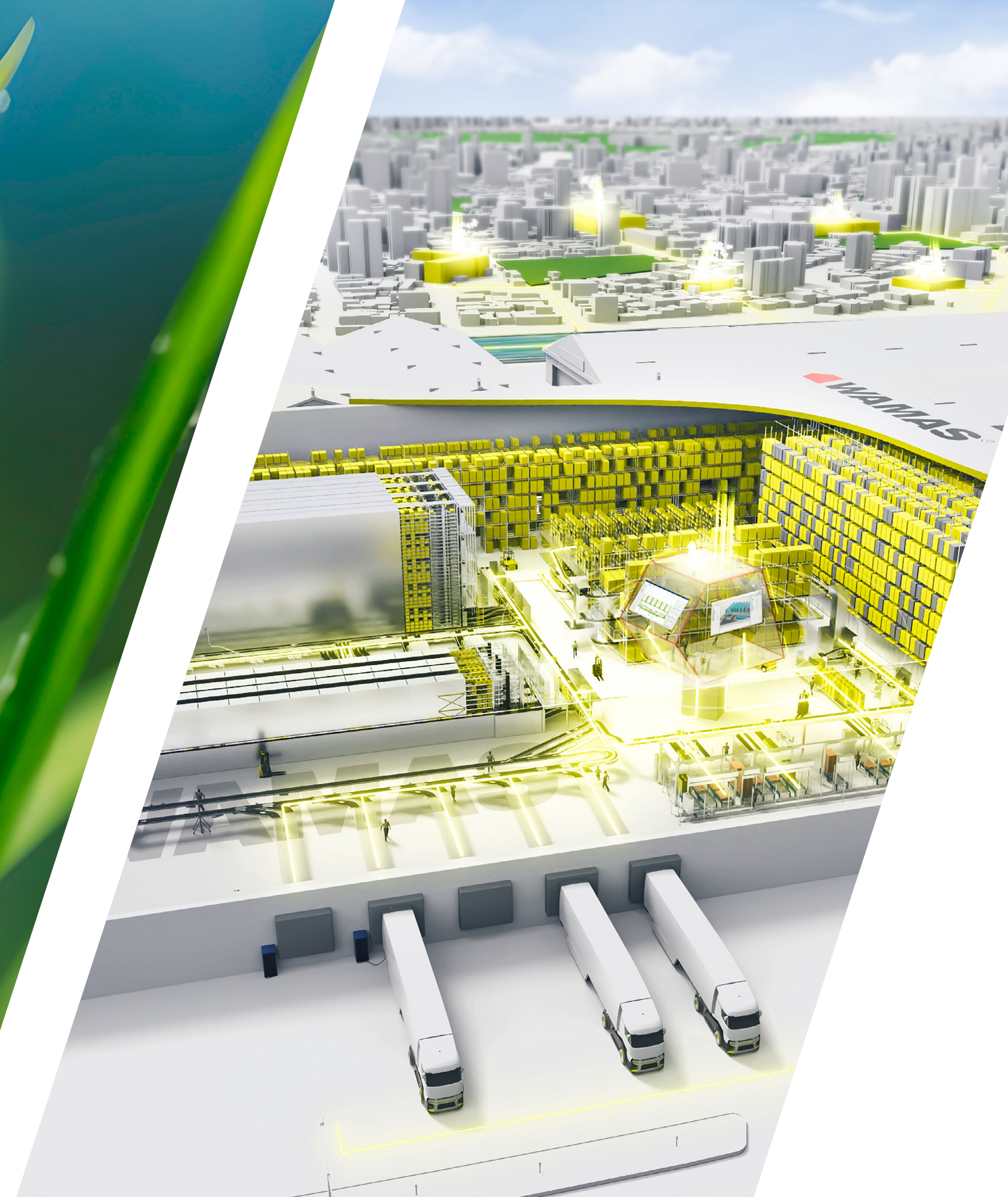


# Sustainability Report 2023

*Think Tomorrow.*



**ESI SCHÄFER**

# Contents

**03 Foreword by the Management**

**05 Company portrait**

**12 Sustainability management at SSI SCHAEFER**

**20 Value-oriented corporate culture as a foundation for our dealings with stakeholders and resources**

**21** Compliance: More than just laws

**25** High quality, safe products

**28** Mindful use of resources

**31** Responsible employer

**34** A safe workplace for all

**37 Combining ergonomics with innovation**

**38 Using intelligent processes to create innovative and sustainable solutions for our customers**

**39** The future is digital

**42** Sustainable innovations

**45** Stable and profitable growth

**51 Smart solutions for sustainable logistics**

**54 Responsible management by reducing impacts along our value chain**

**55** Assuming responsibility, protecting human rights

**58** Securing sustainable supply chains worldwide

**61** Combating climate change

**64** Improving environmental performance

**66** Reducing emissions

**68 Resource-saving lightness**

**69 Focus on employees - people matter**

**74** Facts and figures

**85** GRI-Index

**88** About this report

# Foreword by the Management

„In the past year, the focus was on implementing our activities for the sustainability strategy, which encompasses environmental, social and economic aspects alike.“



## Dear employees, customers and business partners,

Like many other companies in the intralogistics industry, we were faced with numerous challenges in 2023. Despite continued difficult market conditions and a gloomy investment environment, we were able to make important progress and to achieve successes in the sustainable development of our business. We are therefore particularly pleased to have been awarded the Bronze EcoVadis rating, which places us among the top third of the companies assessed. The EcoVadis rating achieved is a corporate rating for our entire group of companies.

As a leading global corporation and family business, we want to make a positive contribution to sustainable development. The third Sustainability Report of the SSI SCHAEFER Group gives you an overview of specific measures as well as our further efforts and goals for a more sustainable future.

In the past year, the focus was on implementing our activities for the sustainability strategy, which encompasses environmental, social and economic aspects alike. The aim was to create innovative and sustainable solutions for our customers, to make our

supply chain more sustainable and to further promote our value-oriented corporate culture as the basis for our interaction with our stakeholders and resources.

With the adoption of our climate strategy and the completion of the energy transformation concept for our international headquarters in Neunkirchen, we have laid an important foundation for the Group-wide decarbonization by 2050. The fact that the sustainability performance indicators are now collected for the 22 largest entities in our Group helps us to measure our achievements

and plan further actions more effectively.

The training of our employees is the basis on which we want to create company-wide awareness of sustainable and responsible behavior. The continuation of our Group certification strategy and the introduction of a Group-wide compliance management system also support our efforts in this regard. In addition, we have further integrated sustainability into our product development process to also promote sustainability beyond our own business activities. In the financial year 2023, we advanced the development of innovative software solutions for our customers and continued the development of energy-efficient drives for our equipment conveyors. In accordance with the Supply Chain Due Diligence Act, we also conducted a risk analysis for about two thirds of our suppliers.

We will continue our efforts to make a positive contribution to sustainable development in 2024. We will pursue our sustainability goals and identify further actions to make our business activities more sustainable. To ensure that this is achieved throughout the value chain, we also aim to strengthen the sustainability of our customers' operations, provide them with support and promote joint sustainable action.

We would like to thank all our employees, customers and business partners for their commitment, and we want to inspire them to continue working towards a sustainable future.

We wish you interesting reading!

Peter Edelmann  
CEO

Olaf Hedden  
CFO

**„We will continue our efforts to make a positive contribution to sustainable development in 2024. We will pursue our sustainability goals and identify further actions to make our business activities more sustainable.“**

# Company portrait

The SSI SCHAEFER Group is a leading international solution provider for all segments of the intralogistics industry. The family-run company provides innovative technology and software to help customers improve the efficiency and sustainability of storage, picking and transportation processes. From fully automated warehouses with individual service and maintenance solutions to manual and semi-automated systems, SSI SCHAEFER offers small and medium-sized enterprises, as well as large corporations, economical intralogistics solutions from a single source.

SSI SCHAEFER has also become one of the largest suppliers of software for internal material flows. The comprehensive software portfolio covers all processes from warehouse management to material flow control and offers all options for sustainable resource management in the form of modern real-time analyses, intelligent data processing and optimization algorithms. Our Group also includes SSI SCHAEFER Plastics, an expert in sustainable container systems and customized structural packaging as well as waste management and recycling solutions.

SSI SCHAEFER employs more than 8,600 people at its international headquarters in Neunkirchen (Germany) and in around 80 operating companies and seven production sites on six continents. In the financial year 2023, the company generated revenue of EUR 1.91 billion.

## Corporate structure

The incorporation of "Fritz-Schäfer - fabrikmäßige Herstellung von Blechwaren aller Art" in 1937 laid the foundation for the history of the family business; over generations, the Schäfer family shaped one of the world's largest intralogistics providers. Besides the SSI SCHAEFER Group, two sister companies, SCHAEFER WERKE and SCHAEFER SHOP, also operate under the name "SCHAEFER" - but independently of each other in different business segments.

SSI SCHAEFER GmbH & Co KG headquartered in Neunkirchen, Siegerland, is the parent company of the SSI SCHAEFER Group. In addition, there are some 80 subsidiaries worldwide as well as seven production sites.



For years, the SSI SCHAEFER Group has relied on trusting partnerships. This also includes Group companies such as the robotics specialist RO-BER, the SAP specialist SWAN and the robotics and AGV expert DS Automotion, which became a full member of the SSI SCHAEFER Group on March 1, 2023.

SSI SCHAEFER is owned by a total of more than 20 shareholders who are committed to running the SCHAEFER Group as an independent family business. An external management team was installed for the first time in 2020. It is controlled by an Advisory Council appointed by the shareholders. In the financial year 2023, the Advisory Council was composed of seven members.

2023 saw a change on the Group Management Board, which consisted of Chief Executive Officer (CEO) Steffen Bersch and Chief Financial Officer (CFO) Bruno Krauss until October 12. Since October 15, 2023, the SSI SCHAEFER Group has been managed by CEO Peter Edelmann and CFO Olaf Hedden.

A matrix structure was implemented in the company in 2020. The organization below SSI SCHAEFER Group's top management body, which reports directly to the Advisory Council, is as follows: The **Management Board**, which is composed of the CEO and the CFO, is supported by an extended management team. In addition, the organizational structure that was in place in 2023 comprised of four **business units**, six **regions**, seven **plants** and various **Group functions**.

The four overarching, globally operating business units are:

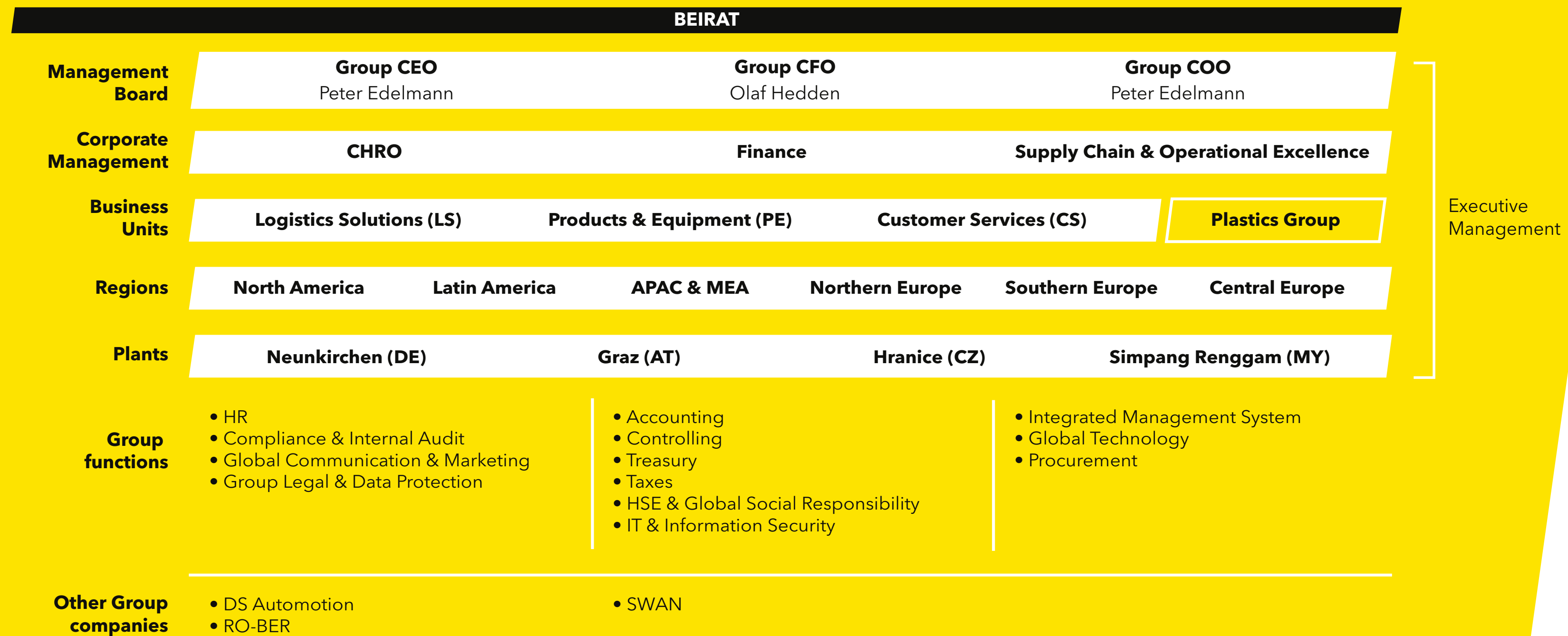
- Logistics Solutions,
- Products & Equipment,
- Customer Services,
- and Waste & Packaging. This business unit was spun off in 2022 and now operates as a sub-group within the SSI SCHAEFER Group under the name of SSI SCHAEFER Plastics.

The Logistics Solutions, Products & Equipment and Customer Services business units are each headed by a business unit manager, who reports directly to the CEO. The six regions in which the Group operates also have a reporting line to the CEO. The plants in the individual regions are led by plant managers, who currently also report to the CEO.

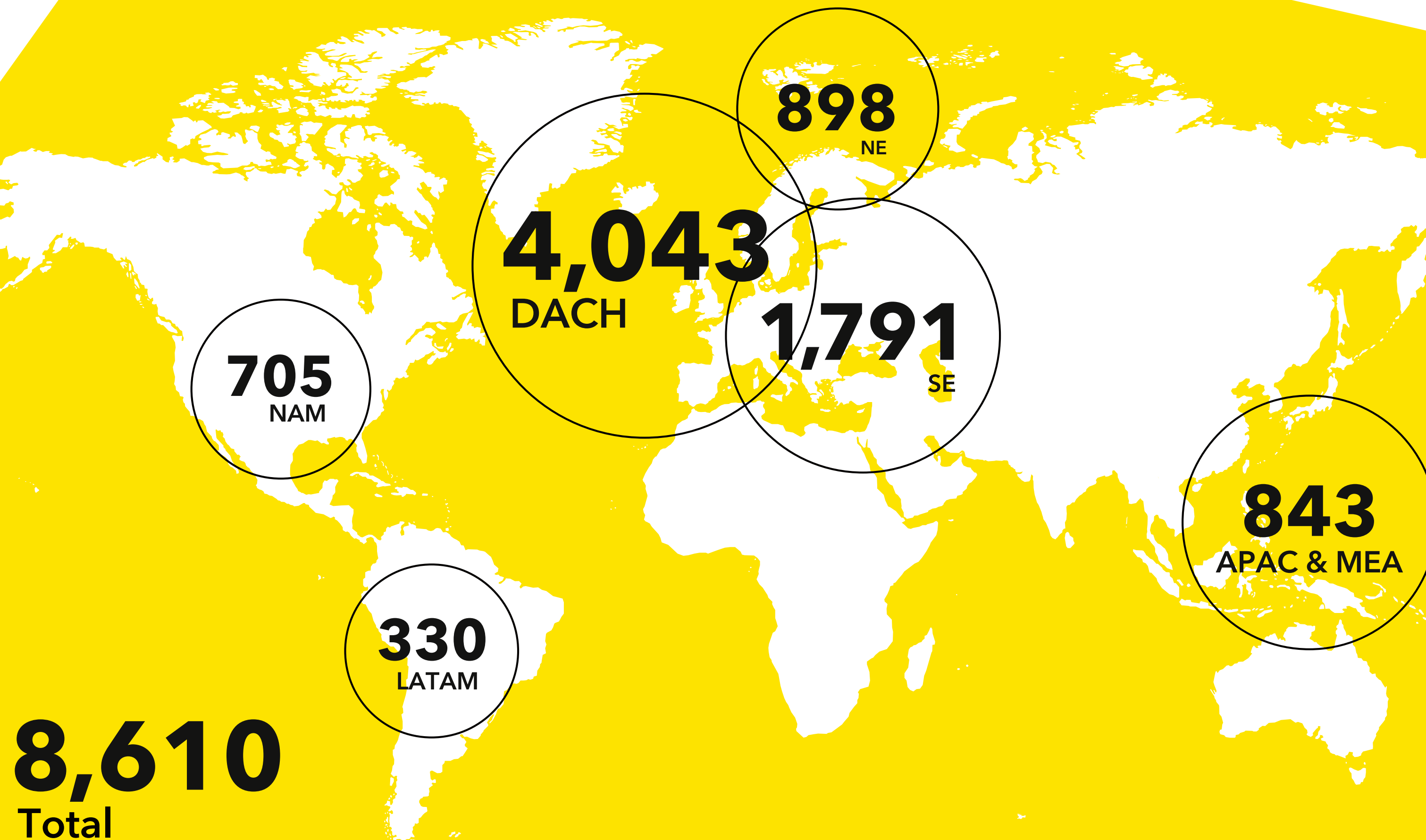
In addition, there are the **Group functions** who are globally responsible for strategic and administrative management and report to the respective member of the Management Board depending on their area of expertise.

"Group Social Responsibility and Health, Safety & Environment" is assigned to the CFO. This Group function is responsible for the direction and implementation of the sustainability strategy. In addition, a Global Sustainability Council (GSC) was established. The latter involves the regional heads as well as the heads of the business units and the Group function heads in managing and monitoring the sustainability strategy.

## Organization of the SSI SCHAEFER Group



### Employees by region



### SSI SCHAEFER employees in action around the world

The SSI SCHAEFER Group has 80 subsidiaries on six continents and combines global and local strengths across national borders. SSI SCHAEFER is represented in Asia-Pacific (APAC) & Middle East/Africa (MEA), Northern Europe, Central Europe, Southern Europe, North America and Latin America. Our seven manufacturing sites are located in Germany, Austria, the Czech Republic, the USA, Mexico and Malaysia.

Our employees form the basis for the success of our Group. As at the balance sheet date of December 31, 2023, we employed a total of 8,610 people (expressed in full-time equivalents) across our various locations. The chart below shows a breakdown of employees by region.





### The business model in four business units

As a leading provider of intralogistics solutions including software, the globally operating SSI SCHAEFER Group is a valued partner. In the financial year 2023, our Group comprised four business units, namely Logistics Solutions, Products & Equipment, Customer Services and Waste & Packaging (Plastics Group).

#### Business Unit Logistics Solutions

SSI SCHAEFER implements complex logistics systems – from system planning and consulting to turnkey systems and customized service and maintenance. We specialize in the following six market sectors and develop solutions for their diverse requirements: grocery & food retail, food & beverage, retail & wholesale, pharma & cosmetics, industrial and apparel & fashion.

SSI SCHAEFER has developed the WAMAS logistics software to automate the material flow within warehouses. The WAMAS software portfolio is a comprehensive modular system that controls and monitors all intralogistics processes and raises performance to a new level. Our approximately 1,000 software experts develop new digital solutions and support and advise customers with powerful products for linking software and hardware components. As a certified SAP partner, we also support solutions such as SAP Extended Warehouse Management (EWM) and help our customers with implementation and ongoing operations.

GRI 2-6

#### Business Unit Products & Equipment

SSI SCHAEFER's Business Unit Products & Equipment offers a broad portfolio of products and solutions for manual and semi-automated intralogistics – the basis for solutions that are tailored to our customers' specific requirements. Thanks to the modularity of the portfolio, our products are optimized for integration and scalability. The business unit is divided into the four following product sectors: racking, shelving, dynamic systems and automated guided vehicles.

Various customized software solutions are available for this portfolio, too.

#### Business Unit Customer Services

Smooth availability of all systems and fast response times when servicing is required are crucial elements for the successful operation of a logistics system. SSI SCHAEFER's Business Unit Customer Services offers a wide range of services using innovative technologies such as augmented support or data-based prevention. Our service account managers act as a central point of contact for all service requests and create individualized service packages. Our services are divided into the following four categories: reactive services, preventive services, life cycle management and warehouse safety management.

**Business Unit Waste & Packaging  
(Plastics Group)**

SSI SCHAEFER Plastics is a leading supplier of innovative container systems, structural packaging, and waste technology and recycling solutions. The portfolio includes integrated waste management solutions, customized packaging and reusable container systems.

The corporate strategy focuses on the further development of the existing product portfolio and on finding new ways to digitalize waste management. We place particular emphasis on developing environmentally compatible products to conserve resources and reduce our carbon footprint.



### Business performance in the reporting year

In the financial year 2023, the SSI SCHAEFER Group recorded sales revenues of EUR 1.91 billion (+5.5%). The Group benefited from important project acceptances in the Logistics Solutions and Customer Services business units, which compensated for the decline in revenues in the Products & Equipment business unit.

After a subdued first half-year, the largest business unit, Logistics Solutions, felt the catch-up effects mainly in the fourth quarter of 2023. However, at approx. EUR 1.65 billion, order intake was 4.9% below the prior-year period. This was mainly due to the difficult macroeconomic conditions caused by political conflicts and the weak economy in Europe.

A key focus remained on strengthening the innovation capacity of SSI SCHAEFER Group with the aim of actively shaping the digital and sustainable transformation of the industry and positioning the company as a technology leader in the intralogistics sector. An important milestone on this path was the complete takeover of DS Automotion, a leading provider of mobile robotics, which became effective in the first quarter of 2023. Moreover, the SSI SCHAEFER Group once again received numerous awards for its intralogistics

solutions, most recently the prestigious Best of Industry Award in the "Conveyor Technology" category.

### Engagement and collaboration

It is crucial for the further development of SSI SCHAEFER that we make contact and exchange ideas with external experts. To broaden our horizon and help shape our industry, we are active members of associations, initiatives and partnerships that are in line with our company slogan "Think Tomorrow".

For several years, SSI SCHAEFER has been one of approximately 250 companies that are members of the VDMA Materials Handling and Intralogistics trade association, the leading intralogistics association in Europe. Until his retirement as CEO, Steffen Bersch was Chairman of the Board of the trade association. In this role, he represented the interests of German and international enterprises from the fields of automated guided vehicles, industrial trucks, cranes, storage technology and continuous conveyors, and helped to promote future trends such as sustainability and digitalization. SSI SCHAEFER is also a member of the German Logistics Association (Bundesvereinigung Logistik) and is active in the association's

Sustainability/Environment working group. In addition, the companies of the SSI SCHAEFER Group are active in many other external initiatives and associations at a local level.

Since 2022, SSI SCHAEFER has been working closely with the Fraunhofer Institute for Material Flow and Logistics (Fraunhofer IML) in the context of an Enterprise Lab, in which innovations for the future of logistics are jointly researched.

## Sustainability management at SSI SCHAEFER

Our understanding of sustainability encompasses two key aspects: On the one hand, we are committed to responsible business practices along our own value and supply chain; on the other hand, we promote the sustainability of our customers by providing them with innovative and forward-looking solutions. We believe that we can only meet the challenges of tomorrow if we act sustainably and responsibly today.

All our entrepreneurial decisions are based on a value-oriented corporate culture that is the foundation of our business activity. As a family business, we believe it is important to shape the future in a pragmatic way. In order to successfully implement change, we place particular emphasis on trusting cooperation and relationships with our partners.

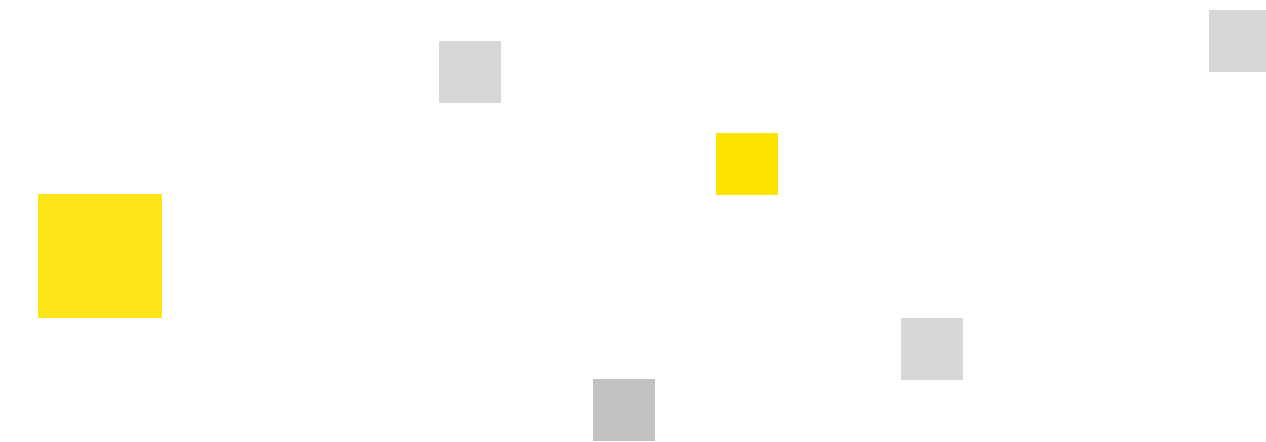


**Development of the sustainability strategy**

In our corporate strategy 2023 for the entire SSI SCHAEFER Group, we have defined sustainability as a top priority – alongside profitability, innovation, growth, customer satisfaction and employee orientation. In 2021, we developed a comprehensive sustainability strategy and successfully implemented it at Group level. Details of the development process can be found in the [Sustainability Report 2021](#).

The strategy work has resulted in three action areas, which we have supplemented with a fourth, process-oriented action area to effectively embed sustainability management throughout the Group.

On this basis, we have developed our Sustainability Policy & Roadmap. In close cooperation with the relevant departments and management, we have formulated clear goals. For each goal, we have defined specific actions and indicators to measure the degree to which the goal has been achieved.



**Value-oriented corporate culture as a foundation for our dealings with stakeholders and resources**

- Compliance with rules
- Quality and product safety
- Mindful use of resources
- Responsible employer
- Safe workplace

**Using intelligent processes to create innovative and sustainable solutions for our customers**

- Digitalization
- Innovation
- Stable and profitable growth

**Responsible management by reducing impacts along our value chain**

- Respect for human rights
- Supply chain
- Energy and climate protection
- Environmental management
- Reducing emissions

**CSRD: New action areas and roadmap  
from 2024 onwards**

The new EU Corporate Sustainability Reporting Directive (CSRD) came into force in January 2023. It requires companies in the EU to provide detailed non-financial environmental, social and governance information in their management reports. SSI SCHAEFER will have to report to the CSRD for the first time in 2026 for the financial year 2025.

One of the new aspects of the CSRD is the introduction of “double materiality” in the selection of focus topics, which means that companies must analyze both the impact of their own actions on people and the environment (inside-out) and the financial impact of sustainability aspects on the

company (outside-in) when defining the topics that are relevant to them.

In order to be optimally prepared, we have already completed the double materiality analysis at the beginning of 2024, which will lead to future focus topics for the first-time reporting in accordance with the CSRD in 2026 and, if necessary, an adjustment of our Sustainability Roadmap. Moreover, we will draw up a new Global Sustainability Directive for the entire Group.



**Sustainability management as a strategic success factor**

Sustainability is an issue that affects all areas of the company, worldwide. This is why we have established the Global Sustainability Council (GSC), which involves the Group Management Board, the extended management team as well as the heads of the four business units, the regional heads and the heads of the Group functions in the management and pursuit of our sustainability goals.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2023
Development of a Group sustainability management strategy	Dec. 2021	Yes / No	<ul style="list-style-type: none"> <li>Management structure (GSC)</li> <li>Identification and naming of local sustainability contacts</li> </ul>	Head of GSR	☑	<ul style="list-style-type: none"> <li>Goal achieved in 2022. No changes in 2023.</li> </ul>
Implementation of a Group sustainability management strategy	Dec. 2022	Yes / No	<ul style="list-style-type: none"> <li>Implementation of local processes based on global processes</li> <li>Development and implementation of training for employees</li> </ul>	Head of GSR Regional Heads	☑	<ul style="list-style-type: none"> <li>Goal achieved in 2022. No changes in 2023.</li> </ul>
Publication of the first SSI SCHAEFER Sustainability Report	Mid-2022	Yes / No	<ul style="list-style-type: none"> <li>Development of a reporting structure</li> <li>Text &amp; design</li> <li>Internal and external communication</li> </ul>	Head of GSR Head of Communication / Marketing	☑	<ul style="list-style-type: none"> <li>Goal achieved in 2022. No changes in 2023.</li> </ul>
Involve employees in sustainability	End of 2022, ongoing	Yes / No	<ul style="list-style-type: none"> <li>Sustainability project for trainees / apprentices</li> </ul>	Head of GSR	☑	<ul style="list-style-type: none"> <li>Goal achieved in 2022. No changes in 2023.</li> <li>Webinar on sustainability as part of an internal Knowledge Nugget event in December 2023, held by the Global Head of Group Social Responsibility.</li> </ul>

☑ Status achieved    ⌚ Status not achieved, but partial goals achieved

**Value-oriented corporate culture as a foundation for our dealings with stakeholders and resources**

Strong values are the basis of our corporate culture. They help us to always act responsibly and sustainably towards our stakeholders and resources. We have closely analyzed and examined our values - and we implement them with great determination.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2023
The overall goal of the compliance organization is to create a culture of integrity in the company.	Ongoing	<ul style="list-style-type: none"> <li>Percentage of employees with PC workstation who have completed Compliance eLearning</li> <li>Percentage of employees without PC workstation who have received the Compliance Brief</li> <li>Percentage of senior managers who have received personal training</li> </ul>	<ul style="list-style-type: none"> <li>Access to the eLearning platform for all companies and all employees with a PC workstation</li> <li>Promotion of eLearning on the company-wide intranet "ONE"</li> <li>Regular reminder in case of non-completion</li> <li>Involvement of the Compliance Department in regular briefings by superiors / HSE</li> <li>Regular repetitions and feedback from superiors</li> <li>Organization of training by Group Compliance, either on site at the individual company, remote or at management meetings</li> <li>Raise awareness for compliance throughout the Group and commitment to compliance by the management</li> </ul>	Compliance Officer	☑	<ul style="list-style-type: none"> <li>88% of all employees worldwide with access to the Planet Learning (LMS) have successfully completed the Compliance eLearning.</li> <li>Several live training sessions were held in 2023, either in person or online. 178 employees and executives took part in these live training sessions. 130 top managers of our Top 145 Group (89%) have been trained.</li> <li>Based on a risk-oriented approach, compliance training for our production employees has been reprioritized and a suitable training concept is being developed.</li> </ul>
Design of a Group-wide strategic EHS management system	Dec. 2022	Yes / No	<ul style="list-style-type: none"> <li>Introduction of an organizational structure</li> <li>Definition of Group standards</li> <li>Creation of data collection processes</li> </ul>	Head of EHS	☑	<ul style="list-style-type: none"> <li>Goal achieved in 2022. No changes in 2023.</li> </ul>
Definition of global KPIs for safety performance based on data collection	2022	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate</li> <li>Severity of accidents</li> </ul>	<ul style="list-style-type: none"> <li>Definition of data to be collected</li> <li>Roll-out of the reporting process</li> </ul>	Head of EHS Region EHS Managers	☑	<ul style="list-style-type: none"> <li>A global reporting system has been introduced which records and measures the Lost Time Injury Frequency Rate (LTIFR) and the severity of accidents. Reporting takes place on a monthly basis.</li> </ul>

☑ Status achieved    ⌚ Status not achieved, but partial goals achieved





**Using intelligent processes to create innovative and sustainable solutions for our customers**

Innovation has always been a driving force for SSI SCHAEFER - and this benefits not only our company but also our partners and customers. Thanks to our ability to innovate, we are today one of the leading suppliers in the intralogistics sector. To live up to our own sustainability standards, we constantly strive for new and creative solutions in production, in our portfolio and in our services.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2023
Reduce the pneumatics share in our product range (FT+, PCS, OCS) to 5%	2025	Products with pneumatics (%)	<ul style="list-style-type: none"> <li>Develop alternatives to pneumatics</li> <li>Redesign the product range</li> </ul>	Product Line Automation		<ul style="list-style-type: none"> <li>Already implemented for pallet conveying systems (PCS); still in progress for bin conveying systems (BCS).</li> <li>We are currently working on defining and describing our products in accordance with the Carbon Footprint of Products (CFP). In a next step, it will be possible to analyze to what extent products can be optimized with respect to their carbon footprint (materials, energy consumption, etc.), taking into account all market requirements.</li> </ul>
Introduction of a sustainability body in the product development process in 2022	2022	Yes / No	<ul style="list-style-type: none"> <li>Define the composition of the sustainability body</li> <li>Constituent meeting of the sustainability body</li> <li>Adaptation of the product development process</li> </ul>	Global Technology		<ul style="list-style-type: none"> <li>Sustainability is anchored in the product development process of Product Line Automation (PL-AUT). Process owners are required to take sustainability into account. A sustainability roadmap has been introduced in Product Line Automation and is being pursued.</li> <li>Reintroduction of the regular meeting of the Global Sustainability Council (consisting of the C-Level, Regional Heads, Heads of the Group functions, plant managers, the heads of the business units) in order to push ahead sustainability across all units.</li> </ul>

Status achieved    Status not achieved, but partial goals achieved

**Responsible management by reducing impacts along our value chain**

As a globally operating Group, we take responsibility for the environment and society in everything we do. We believe it is our duty to act sustainably and to make our efforts measurable and visible. Together with our suppliers and business partners, we actively promote a sustainable supply chain to minimize the long-term negative impacts of our activities.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2023
Introduction of a new onboarding process for suppliers	Dec. 2022	Yes / No	<ul style="list-style-type: none"> <li>• Purchase of software support</li> </ul>	Procurement		<ul style="list-style-type: none"> <li>• The onboarding process was modified in 2023. The process is currently being finalized and will be published in the second quarter of 2024. It will then be implemented. The process will be included in the document and process management tool CWA.</li> </ul>
Cover 50% of the top 100 suppliers (direct spend) with sustainability audits	2023	Percentage of suppliers audited	<ul style="list-style-type: none"> <li>• Risk analysis of the supplier base</li> <li>• Development of an audit program</li> <li>• Regular implementation of the audit program</li> </ul>	Head of Procurement		<ul style="list-style-type: none"> <li>• By the end of 2023, 66.4% of the suppliers of the plant locations were registered on EcoVadis. This includes all of the top 100 suppliers.</li> <li>• An additional manual check was carried out for suppliers classified with high or very high risk by EcoVadis.</li> </ul>
75% of buyers trained in sustainability	End of 2022	Percentage of buyers trained	<ul style="list-style-type: none"> <li>• Development of a training program</li> <li>• Regular implementation of the training program</li> </ul>	Head of Procurement		<ul style="list-style-type: none"> <li>• In addition to the training for category managers in 2023, there was no further training for buyers in 2023.</li> <li>• The procurement team in Malaysia was trained in ESG topics in 2023.</li> </ul>
Reduce mobility and travel-related emissions by switching to 20% electric or hybrid vehicles	2023	Percentage of electric and hybrid vehicles	<ul style="list-style-type: none"> <li>• Amendment of the Company Car Policy</li> <li>• Infrastructure for charging electric and hybrid cars</li> <li>• Purchase of electric or hybrid vehicles</li> </ul>	Procurement		<ul style="list-style-type: none"> <li>• No further charging stations have been installed at the Neunkirchen site. There were no activities relating to e-vehicles in 2023.</li> <li>• We further increased the share of hybrid / electric company vehicles in 2023. Detailed breakdown of the increase in the share of hybrid / electric company vehicles: 2021: 2.65%, 2022: 4.89%, 2023: 6.56%</li> </ul>
Calculation of the carbon footprint for the largest 18 entities of SSI SCHAEFER (Scope 1 & 2)	Mid-2022	Carbon emissions in t CO <sub>2</sub> per year	<ul style="list-style-type: none"> <li>• Obtain external support</li> <li>• Collect energy consumption data of SSI SCHAEFER (18 largest entities)</li> </ul>	Head of GSR Big 18		<ul style="list-style-type: none"> <li>• Goal achieved in 2022.</li> <li>• In 2023, the 22 biggest companies (Big 22) were taken into account for the calculation.</li> </ul>
Publication of a carbon / climate strategy for the SSI SCHAEFER Group	Dec. 2022	Carbon emissions in t CO <sub>2</sub> per year	<ul style="list-style-type: none"> <li>• Definition a carbon target (scope 1 &amp; 2)</li> </ul>	C-Level		<ul style="list-style-type: none"> <li>• Goal achieved in 2022. No changes in 2023.</li> </ul>

Status achieved    Status not achieved, but partial goals achieved

**Our contribution to the Sustainable Development Goals**

We want our business activity to contribute to achieving the 17 Sustainable Development Goals (SDGs) of the United Nations. Following a comprehensive analysis of our most important sustainability topics, our goals and our strategies, we have identified the eight SDGs to which our business activities make the greatest contribution. To achieve maximum impact, we have aligned them with the corresponding action areas.



**ESG ratings at SSI SCHAEFER**

ESG ratings are issued by specialized agencies that assess and rate the environmental, social and governance performance of companies. ESG criteria cover a wide range of topics, including environmental protection, social responsibility, ethical business practices, employee relations, human rights, diversity and inclusion, anti-corruption, corporate governance and many more. The assessment results enable investors, customers and other stakeholders to understand a company's sustainability performance and make informed decisions.

In the past, we have had individual companies of the SSI SCHAEFER Group rated by EcoVadis, one of the leading ESG rating agencies. In 2023, the Group as a whole was rated for the first time and received a "Bronze" rating, placing us in the top 35% of the companies rated.

To create additional transparency, we use "Integrity Next", a digital tool that helps us communicate our sustainability performance to our stakeholders. It uses a questionnaire to address sustainability topics and to provide the corresponding evidence. The rating was updated in 2023. The result of this voluntary disclosure can be found [here](#).

SSI SCHAEFER Plastics GmbH in Neunkirchen participated for the first time in the CDP Reporting Scheme in 2023. The corresponding rating will be published at the beginning of 2024.

We also want to strengthen the sustainability of our customers' business activities and support them in various project certifications. These include the DGNB certifications of the German Sustainable Building Council, the LEED certification (Leadership in Energy and Environmental Design) of the German Green

Building Association and the BREEAM certification (Building Research Establishment Environmental Assessment Methodology). This also opens up opportunities for our customers to participate in corresponding local funding programs.

Field of action 1

# Value-oriented corporate culture as a foundation for our dealings with stakeholders and resources

We believe that it is essential for companies to clearly define and consistently pursue their values and standards. This is particularly true for globally active and diverse companies such as the SSI SCHAEFER Group, with around 80 locations and around 8,600 employees in six regions of the world.

Our common basis is a corporate culture that is based on strong values and whose standards are binding for all employees. Compliance with applicable laws and regulations is the foundation on which we build and maintain responsible relationships with our stakeholders.

We are committed to being good stewards of resources and to ensuring the superior quality and safety of our products and services. Throughout the world, we provide our employees with an attractive and safe working environment that supports and promotes their well-being and health.

Through our value-oriented corporate culture, we also contribute to the achievement of the United Nations Sustainable Development Goals, in particular **SDG 8: Decent Work and Economic Growth** and **SDG 12: Responsible Consumption and Production**.



# Compliance: More than just laws

At SSI SCHAEFER, compliance means much more than just adhering to the law. To us, compliance means integrity. In keeping with our new motto “Compliance matters. Stay on track”, we understand integrity as striving to do the right thing out of inner conviction and not allowing external influences to distract us from our course. By firmly anchoring this principle in our business processes, we create a framework that gives our employees the confidence to act.

Integrity is a critical factor in our business success. It strengthens the trust of our owners and makes us attractive to customers, investors and employees alike. This understanding is underscored by the “Compliance” Executive Commitment issued by the Group Management Board in 2023.

## Our strategic approach

The Code of Conduct of the SSI SCHAEFER Group serves as a compass for our employees. It consists of ten principles that reflect our corporate values. Regardless of role or department, the Code applies to everyone and provides not only a guideline for day-to-day work but also orientation in challenging situations.

Following a reorganization by the Group management in early 2023, Group Compliance is divided into the

Regulatory Compliance Department and the Internal Investigations Department. Regulatory Compliance focuses on developing the compliance program, internal policies, processes, communications and training to support employees in complying with internal and legal requirements. Internal Investigations is responsible for the whistleblower system and investigates suspected violations.

Significant progress was made on the implementation of a Group-wide Compliance Management System (CMS) in 2023. The CMS is based on internationally accepted auditing standards and is built on three pillars (prevent, detect and respond) to reduce compliance-related risks in the areas of fraud, embezzlement, corruption, bribery, money laundering, conflicts of interest and human rights.

Group Compliance works closely with other Group functions as well as operational units in the business units and regions. In 2023, the Head of Group Compliance & Internal Audit acted as Global Chief Compliance Officer with responsibility for the implementation of the focus topics as well as the CMS project (“Protect & Serve”). Reporting directly to the CEO of the SSI SCHAEFER Group, he ensures the independence of the compliance function and reports to the Chairman of the Group’s Advisory Council as required.

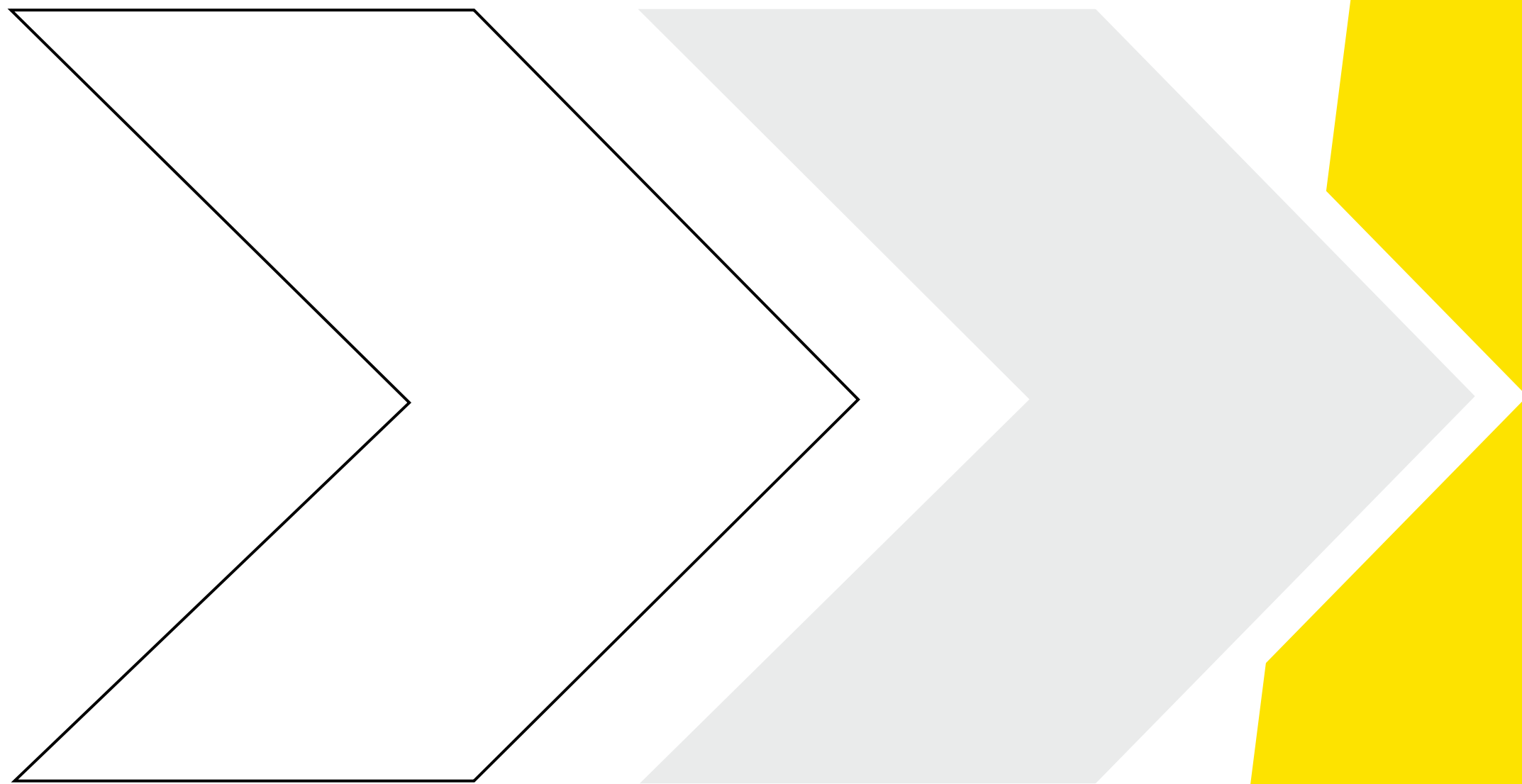


### Our achievements in 2023

- In the context of the “Protect & Serve” project, we have developed a basic CMS concept, which has been approved by the Group management. The concept serves as the basis for the further implementation and improvement of the CMS. The aim is to have the concept certified as of 2025.
- The first “Senior Risk Day” moderated by the Group Chief Compliance Officer was held in March 2023. With the participation of key stakeholders from governance functions (e. g. General Counsel, CHRO), business representatives (e. g. business unit heads, regional heads) and the entire Group Compliance & Internal Audit team, as well as external consultants, the format was used to raise awareness, provide further training and address global compliance risks for the company from an integrated perspective
- Group management has confirmed the Codes of Conduct for employees and business partners. In its “Compliance” Executive Commitment, it has affirmed the internal and external relevance of the topics anchored therein.
- We have strengthened the Compliance team in 2023 and established a new 3-strong department for internal investigations. The number of employees in the Regulatory Compliance Department has also been increased to three.
- A material topic in the reporting year was the ongoing implementation of the Supply Chain Due Diligence Act (SCDDA), which was already in place for some companies in 2023. SSI SCHAEFER placed a special focus on the issue of human rights (see chapter Assuming responsibility, protecting human rights, p. 55) and initiated an interdisciplinary project to conduct a human rights-related risk analysis in the supply chain. We also made progress in the risk-oriented and tool-based screening of our supplier base. The identification of potential human rights risks in our own business unit has also been set up in a risk-oriented manner and successfully launched.
- 88% of our employees with online access to the SSI SCHAEFER Academy successfully completed the e-learning on the Code of Conduct in 2023 (see chapter Focus on employees - People matter, p. 69). The topics covered include anti-corruption, competition law, human rights, conflicts of interest and data protection. The aim to increase the participation rate to over 80% was achieved with the help of various communication tools. Some 180 employees and executives additionally attended classroom training courses on the basics of compliance, anti-corruption and human rights. About 130 members of the senior management received training from the Group Chief Compliance Officer as part of the Global Management Meeting. In total, we reached more than 6,000 employees in 2023.
- We have published an anti-corruption policy and a global policy on dealing with sales partners and introduced them throughout the Group. The policies are designed to raise employees’ awareness for the correct behavior in complex situations and to prevent bribery and corruption in business transactions.
- By implementing the policy on dealing with sales partners, we have created a due diligence process to check and approve the use of sales intermediaries, especially agents and distributors, in advance.
- We accompanied the publication of new documents and processes with various communication activities, e. g. the definition of an integrity claim, the company-wide distribution of newsletters and an interview with the Group management on compliance-related issues.
- A new Compliance Helpdesk was established and formalized in the second quarter, with helpdesk requests being tracked and documented on an ongoing basis. Since then, the helpdesk has received 124 requests, all of which have been fully addressed by the Regulatory Compliance team.

- In light of the Whistleblower Protection Act and the implementation of the European Whistleblower Protection Directive in most other EU countries, we have established a Central Internal Reporting Office. It operates independently and handles incoming reports of potential misconduct as well as human rights-related and environmental risks. The Central Internal Reporting Office is also responsible for the complaints procedure under the SCDDA.
- The internet-based SSI SCHAEFER whistleblower system has been expanded and now offers menu navigation in ten languages. The rules of procedure for our whistleblower system published on our website have been updated. Additional information about the whistleblower system and how to submit a report was made available on our intranet.
- The newly established Internal Investigations Department thoroughly investigated all reports of potential misconduct in 2023.





## Outlook

- In 2024, we will not only continue the human rights risk analysis in our own business unit but also want to introduce a hazard analysis on further compliance risks for the SSI SCHAEFER Group. This includes an analysis of compliance-related risks and the definition of risk scores and mitigation measures. The hazard analysis will form the basis for the further development of the compliance program.
- In addition, we want to publish and implement Group-wide policies on whistleblowing, dealing with gifts and invitations, conflicts of interest and human rights.
- To verify the integrity of our business partners, in particular regarding the risk of corruption, we will develop a risk-oriented and tool-based due diligence process in 2024. This process will screen our business partners - initially agents and distributors - for compliance-related risks before entering into a business relationship. The full pilot is planned for 2025.
- The focus of our compliance training in the coming years will be to further improve the participation and completion rates and to continually expand the range of training courses offered. In 2024, we plan to offer more target-group-specific classroom training. Among other things, we want to conduct risk-based training courses and workshops to support the implementation of the policies and to raise awareness of compliance-related risks in the long term. We also plan to expand our e-learning courses to supplement the basic Code of Conduct training.
- With the establishment of a Group Risk and Compliance Council (GRCC) in 2024, we will create an internal body with representatives from relevant departments to manage governance, risk and compliance in the organization. In this way, we aim to establish a cross-functional platform for exchange and decision-making that enables us to act with integrity, proactively address risks and protect stakeholders, assets, values and the reputation of SSI SCHAEFER. The main objective is to support the Group management in fulfilling its duties of care in the interest of the company.



# High quality, safe products

SSI SCHAEFER wants to provide solutions that meet the highest demands: Our customers expect products that are not only easy to install and operate, but also have a long service life, function reliably and are easy to maintain and repair. In times of increasing cybercrime, the data security of our digitally controlled plants is also of vital importance.

To ensure that our solutions offer the highest level of quality and safety, we rely on uniform quality and safety standards at all our locations. Quality management is an integral part of our business processes. In this way, we ensure that our products meet expectations and offer our customers maximum reliability at all times.

## Our strategic approach

We will ensure that all large entities within the SSI SCHAEFER Group are certified to various ISO standards by 2026. The focus will be on quality (ISO 9001), occupational health and safety (ISO 45001) and environmental management (ISO 14001). We

will expand the certifications in line with our Group certification strategy.

With this step, we will lay the foundation for a uniform integrated management system at the highest level, while at the same time continuing to professionalize in this area. To manage the integrated management system efficiently, we will bring together all relevant information on a central digital platform. This will allow us to keep track and to continuously optimize the processes.

## Our achievements in 2023

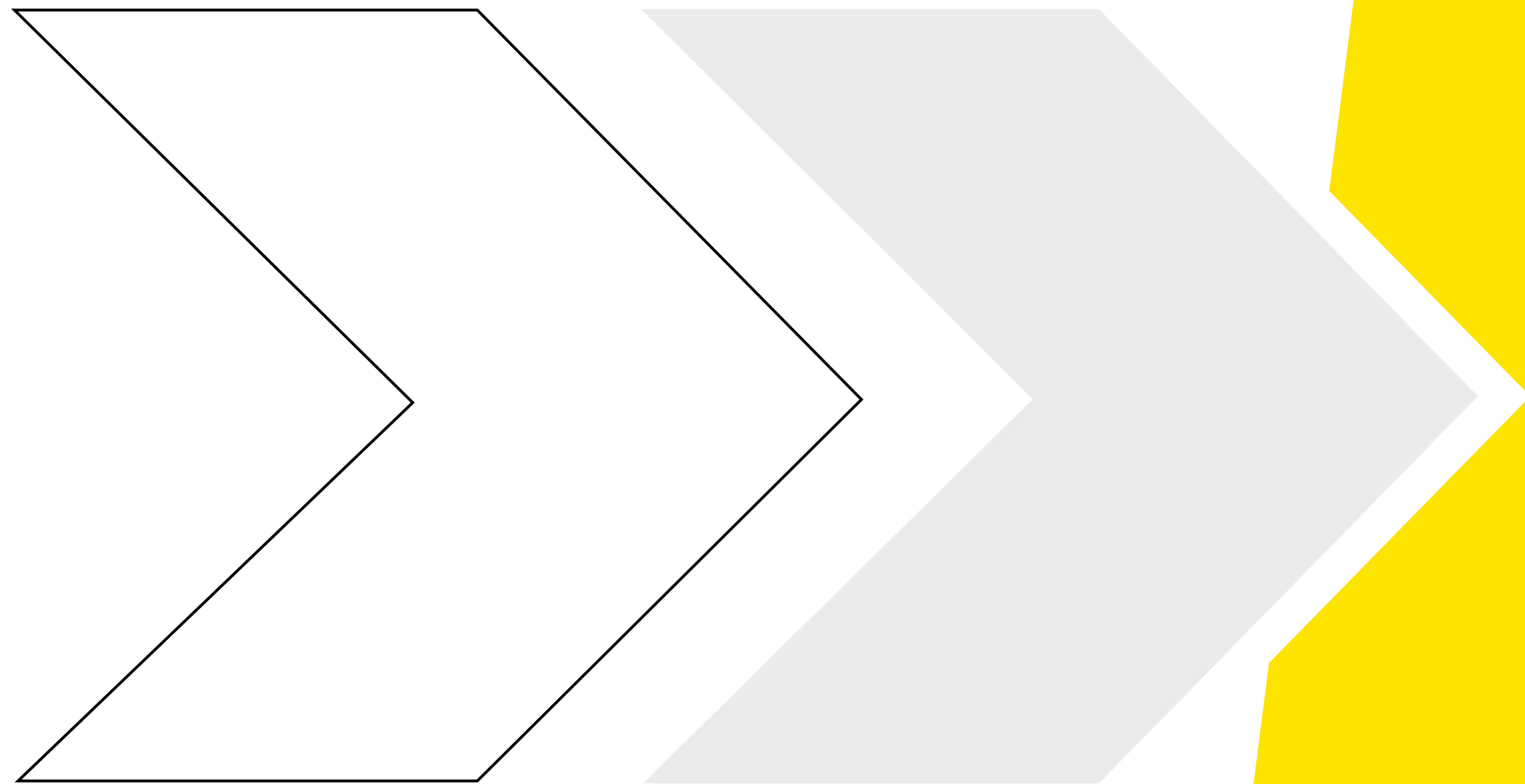
- In 2023, we were able to celebrate the success of the preparations and harmonization initiatives for Group certification: After successfully passing a combined audit, all Austrian sites were included in a matrix certificate for ISO 9001 and ISO 45001. The Graz site additionally received its first ISO 14001 certification.
- To be able to integrate further locations into the matrix certificate, we have drawn up a new process map where we classify the individual business processes

in the process landscape and differentiate them from one another, identify interfaces and map relationships between individual processes. Moreover, we have standardized the process evaluation.

- All other existing certificates of the SSI SCHAEFER were successfully renewed.
- A total of 12 supplier audits were planned for 2023. Eight were carried out, three were postponed to 2024 and one audit was cancelled as we terminated the relationship with this supplier.

- To increase quality awareness in the organization, we implemented several internal communication and training activities, such as expanding the online presence of the Integrated Management Systems (IMS) Group function in the internal communication channels and conducting e-learning and classroom training courses.
- As a core activity aimed at increasing resilience, a first workshop on Business Continuity Management was held in Central Europe for representatives of the IMS, Information Security and Production and Facility Management teams. The main topics covered were energy management and a business impact analysis.





## Outlook

- The overarching goal of Group certification will be carried forward into the coming financial years. The integration of the next sites will follow a roadmap that will be derived from the experience gained from the matrix certification of the Austrian sites in 2023.
- Following last year's change in responsibilities, the focus in the coming years will remain on quality assurance. To this end, we will develop overarching standards, harmonize quality requirements within the Group and establish a global reporting system.
- For our locations in Germany and Malaysia, we are planning certifications to ISO 45001 and ISO 14001.

# Mindful use of resources

People are consuming more resources than ever, many of which are finite. Fossil fuels such as oil, coal and natural gas are at the top of this list. But the massive consumption of resources has serious consequences for our environment, as it affects ecosystems, accelerates climate change and leads to soil degradation and water scarcity – a threat to the biodiversity of our planet.

For SSI SCHAEFER, the conscious use of natural resources is a cornerstone of our sustainability strategy. We see potential for improvement particularly in energy consumption and the use of fossil fuels (see chapter Combating climate change, p. 61).

## Our strategic approach

Our comprehensive climate strategy (see chapter Combating climate change, p. 61) is designed to help us save energy throughout our value chain and contribute to climate protection. We aim to improve the energy efficiency of our processes, products and buildings and to source almost all our electricity from renewable sources. Wherever possible and economically viable, we will also use technologies such as photovoltaics or wind power to generate our own electricity.

When sourcing steel and plastics, we attach importance to recycled materials (see chapter Securing sustainable supply chains worldwide, p. 58). We also continually optimize our processes to save water and space. Future new buildings, refurbishments and open spaces will increasingly use renewable energy and sustainable building materials wherever this is feasible and economically viable. We also work closely with our customers where sustainability issues are concerned. In project groups, we jointly address topics such as the circular economy, product carbon footprints (PCF) and life cycle assessments (LCA) of our products. We also contribute to our customers' resource efficiency by designing our products and systems to be energy efficient and space saving.

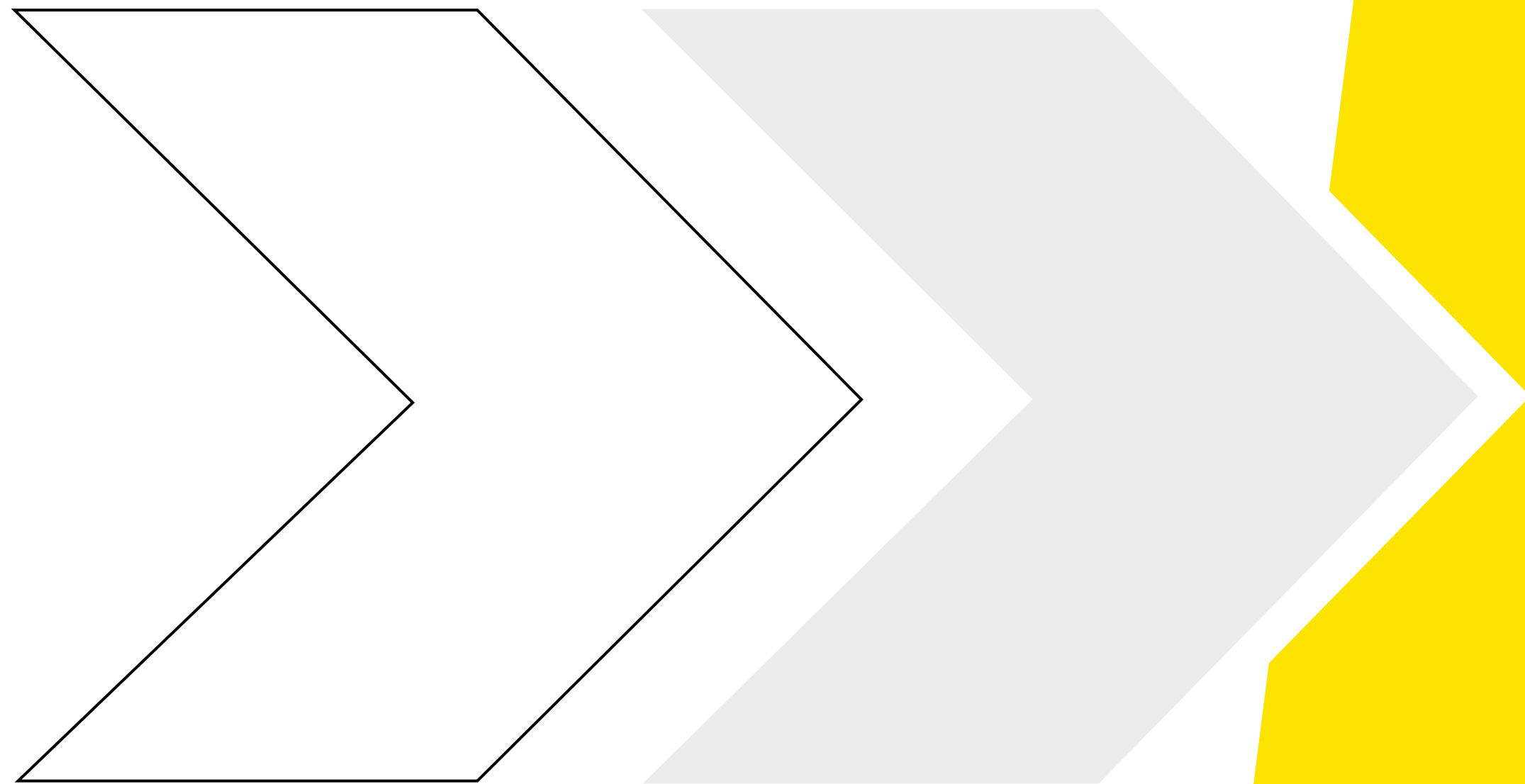


### Our achievements in 2023

- The climate strategy planned for 2022 was developed, signed by the management in the first quarter of 2023 and presented to the employees of SSI SCHAEFER (see chapter Combating climate change, p. 61).
- The global goals of the climate strategy have been translated into local goals, e. g. at the Graz site. Further sites will follow.
- In 2022, the deconstruction of the seven halls in Neunkirchen was carried out in accordance with the criteria of the German Sustainable Building Council (DGNB) and certified accordingly after the project was completed. In 2023, the Neunkirchen site (FRITZ SCHÄFER GmbH) used about 35.6% less electricity and about 29.2% less gas than in 2022. Part of the savings can certainly be attributed to process optimizations implemented in the context of the deconstruction of the infrastructure.
- Together with our customers, we have identified potential savings in steel for our shelves from our Products and Equipment business unit that we will realize in 2024.
- We have implemented several customer projects using recycled plastics. The total recycled content is approximately 25%.
- The energy transformation project for the Neunkirchen site was finalized as planned in August 2023 as part of the Net Zero Factory\* project. Energy flows (electricity and gas) were recorded and decarbonization options were developed. For example, we have developed a decarbonization toolbox at the Neunkirchen site that can also be applied to other sites. The goal of the project is to develop a site-specific strategy for a future with the lowest possible carbon consumption.
- The product sustainability workshops planned for 2023 to identify possibilities for resource conservation in product development have been postponed to 2024.

GRI 3-3, 302-4

\* The Net Zero Factory project is intended to make production as low in carbon as possible. The carbon emissions that remain, despite our efforts, could be offset, for example.



## Outlook

- Once the climate strategy is adopted, we will develop projects that effectively address resource conservation in production and along our supply chain. Local goals and actions for our sites will be derived from the global climate goals.
- We are still working on a Group-wide Sustainability Policy for SSI SCHAEFER. The policy will provide guidance on how the individual business units will implement sustainability in their processes in the future.
- The possibilities for saving steel in the product range of the Products & Equipment unit identified in 2023 will be implemented in customer projects in 2024.
- We plan to automate the calculation of the carbon footprint of our products, which is expected to be completed by 2026.

# Responsible employer

SSI SCHAEFER places the highest priority on fair working conditions and respectful treatment of employees. We aim to create a working environment in which everyone feels comfortable and is motivated. Long-term employment and trusting relationships are therefore very important to us – and we support our employees in developing and continuously improving their personal skills. We believe that this approach is a key success factor for our company.

## Our strategic approach

Working conditions vary from region to region. While we have a common management approach across the Group, the implementation in terms of tools, policies and processes is not yet the same everywhere. The status quo in Europe is as follows:

### Fair and safe working conditions

We offer our employees meaningful tasks in a value-oriented international environment. In Central Europe, a comprehensive health management system is in place. Fair pay is important to us, which is why our remuneration scheme is based on transparency and performance. Our employees receive holiday and Christmas bonuses as well as overtime pay. Works council committees represent the interests of our workforce; some Group companies have representatives for people with severe disabilities.

GRI 3-3

### Training and further education

Since 2022, the SSI SCHAEFER Academy has offered organized learning opportunities for almost all employees worldwide. With a wide range of online and classroom training courses, we support them in developing their professional and personal skills.

### Company pension scheme

Our employees in Central Europe have the opportunity to supplement their statutory pension with a company pension.

### Work-life balance

Our employees have the opportunity to use flexible work schedules and to work partially remotely, if their role allows. We encourage flextime and parental leave for all employees where legally possible.

### Additional benefits

Employees have the opportunity to take advantage of attractive fringe benefits. These include a subsidized Job Ticket, bicycle leasing, employee discounts, or a cafeteria allowance.





### Our achievements in 2023

- In 2023, we continued to focus on the development of our executive staff. The content of the Leadership and Management Program was extended to the upper and middle management and adapted to this target group. The program enables executives to discuss and internalize an integrated leadership and management concept, exchange ideas, and build a leadership network. This provides stability, security and assistance in day-to-day management.
- Digitalization in the HR department continued. In Austria, we introduced a recruiting model for our global “HR Universe” system. The new learning management system “Planet Learning” also went live. “HR Universe” ensures standardized, Group-wide reporting for all employees, with the master data serving as the single source of truth. We are continuously optimizing this program.
- To promote a consistent corporate culture, the “Employee Dialog” prototype for feedback discussions between employees and their managers continued to be tested in practice and will be introduced in 2024 via our digital HR platform.





## Outlook

- Identity and a sense of belonging are essential elements of a company's soul. Going forward, we want to continue motivating our employees, promoting junior staff and attracting talent to our company. This is why we are intensifying our employer branding activities. The aim is to position SSI SCHAEFER even more strongly as an attractive employer, both internally and externally.
- Employee dialogues will be introduced at SSI SCHÄFER GmbH & Co. KG at the beginning of 2024, with the UK locations following in the second quarter and North America at the end of the year.
- Additional training formats for top executives with a focus on change management will also be launched in 2024. Moreover, we will revise most of our project management training courses and carry out intensive training. In addition, there will be training opportunities for senior and middle management, as well as for all employees.
- The 'HR Universe' platform will be further developed in 2024. Additional modules such as 'Performance & Goals' will be rolled out further in 2025. Organizational charts will be redesigned with a focus on user-friendliness.
- Preparations for global HR reporting will begin in Q2 2024, with the first results delivered at the end of the year.

# A safe workplace for all

The safety of our employees - in production, in the field and in our offices - is of paramount importance to us. That is why we operate a structured occupational health and safety management system to maintain and improve the health of our teams. We know that healthy employees are the be-all and end-all for the success of our company. That is why we make the working environment at SSI SCHAEFER as safe and healthy as possible.

## Our strategic approach

As a responsible employer, we work continuously to improve occupational health and safety in our company. We promote responsible planning and action in potentially hazardous work situations and have introduced an occupational health and safety management system that is certified according to ISO 45001 at some of our locations. The certification will be extended to almost the entire SSI SCHAEFER

Group in the coming years (see chapter High quality, safe products, p. 25).

To prevent accidents, we regularly review the hazards and the safety standards at our manufacturing sites, customer job sites and offices. We ensure that our employees are equipped with personal protective equipment and receive regular safety training. External safety audits are additionally conducted at ISO-certified sites.

We carefully analyze our work processes and learn from accidents. Each incident is closely examined to understand why it happened and how future accidents can be prevented. The results are incorporated into our continuous improvement process and into the safety training for our employees. We use a digital tool to record and analyze accident data to obtain a comprehensive overview.



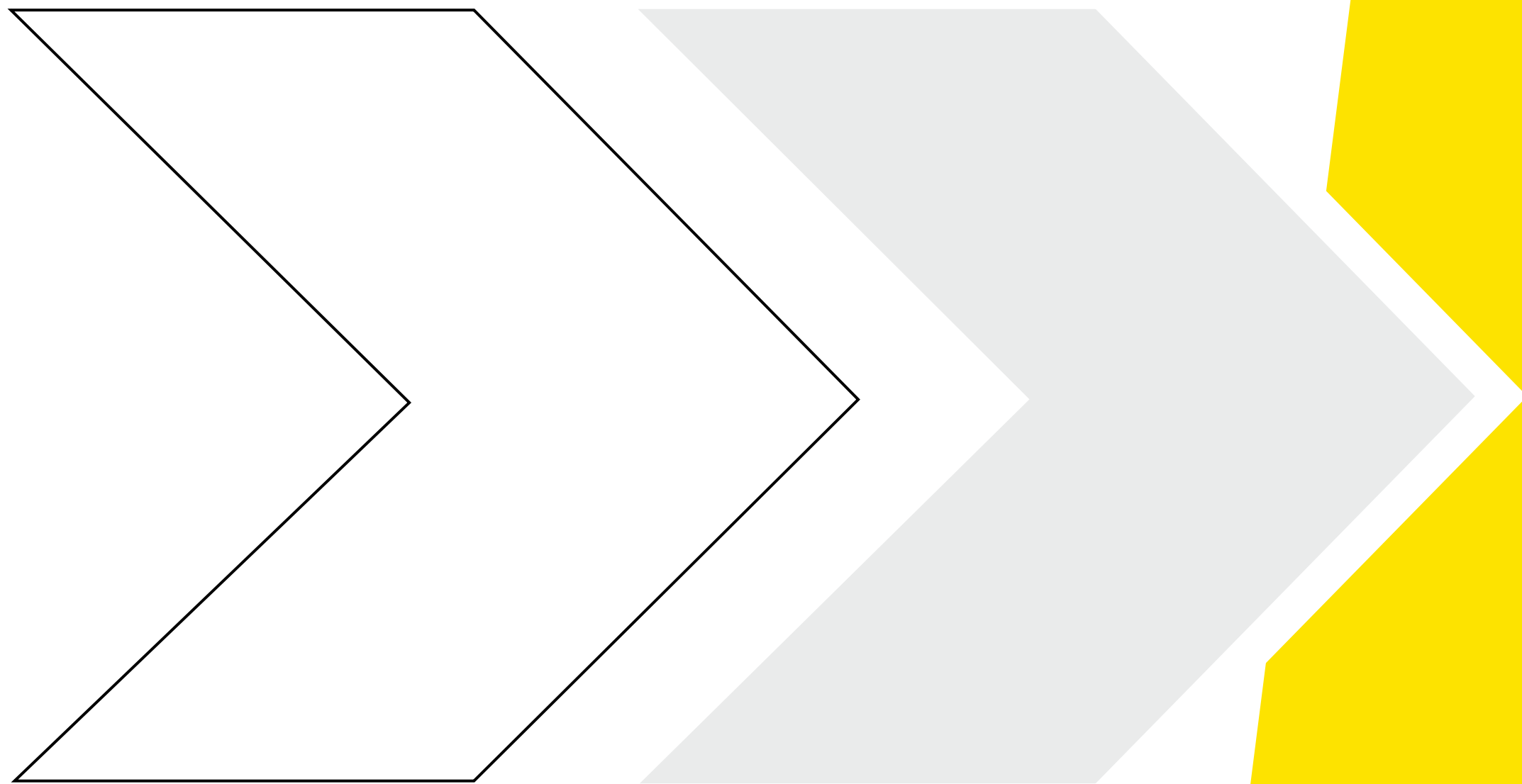
### Our achievements in 2023

- To ensure a uniform standard of safety throughout the company, we published a Global Occupational Health and Safety Policy, which was also made available in German at the end of 2023 and is updated regularly.
- In 2022, we implemented a strategic occupational safety management system with a global key performance indicator, the Lost Time Injury Frequency Rate, which measures the frequency of work accidents that lead to lost time. It is calculated as the number of lost time work accidents per million working hours. This indicator allows us to assess the safety performance in the working environment and to identify actions to improve occupational health and safety. In 2023, the LTIFR was 1.92.
- To gain an overview of the maturity of our occupational health and safety management system at non-certified sites, we conducted a maturity analysis based on our Global Occupational Health and Safety Policy in 2023. The analysis covered the 18 largest entities of the SSI SCHAEFER Group. We will use the results to derive improvement measures.
- Our global health, safety & environment (HSE) reporting started at the end of 2023. It focuses on the Lost Time Injury Frequency Rate (LTIFR) and related data and lists near misses, the severity

rate, safety improvement opportunities and safety improvements that have been successfully implemented and completed. The sickness absence rate is also included in the report.

- In the context of Group certification, all our Austrian sites were certified to ISO 45001 in 2023 (see chapter High quality, safe products, p. 25). The certification of our plant in Simpang Renggam (Malaysia) is planned for 2024. The gap analysis in Simpang Renggam started in 2023 and will be continued in 2024.
- We have developed global processes, including for escalation management, hazard assessment and contract partner management. These processes will become effective at the Group level in March 2024 and are scheduled for an external certification audit in September 2024.

- In 2023, we began preparing a safety management system that we will roll out across the company in early 2024. It comprises a presentation of all safety- and environment-related actions including their causes, an effectiveness audit and a review of the ranking of actions according to the STOP principle (**S**ubstitution, **T**echnical Actions, **O**rganizational Actions, **P**ersonal Protective Actions).
- Work is underway on a global HSE intranet site, which is expected to be launched in early 2024. It will provide our employees with all relevant HSE information specific to their region and site.
- Multilingual [video clips on safety at our construction sites](#) are available online, including a knowledge check. These videos can be used for future safety training of contractors.



## Outlook

- In the coming years, we want to introduce the occupational health and safety system according to ISO 45001 at all production sites of the SSI SCHAEFEWR Group. Certification of the FRITZ SCHÄFER GmbH plants in Neunkirchen and Simpang Renggam (Malaysia) is planned for 2024.
- Group certification requires that we also assess our business partners for their safety standards and conduct supplier audits. For this purpose, we have been using the digital EcoVadis platform since 2023, to which we will upload the data of all our suppliers by the end of 2024 (see chapter Securing sustainable supply chains worldwide, p. 58).
- Our safety experts use the “Accidents Newsflash” format to analyze lost time accidents, process them as lessons learned and share them with all safety managers in the organization. Starting in early 2024, a monthly newsletter will inform interested employees about relevant occupational health and safety issues.
- Further health & safety processes will be developed in our global process landscape and go online in 2024.
- We want to reduce the frequency of lost time injuries and have therefore set ourselves the target of reducing the global LTIFR to 1.8 in 2024 (2023: 1.92).



# Combining ergonomics with innovation

**Together with SSI SCHAEFER, the Swiss electronics retailer Fust is transforming its warehouse processes with innovative technology and ergonomic process design.**

Optimizing logistics processes and doubling warehouse capacity - with this goal in mind, Fust, a leading Swiss supplier of household appliances, consumer electronics and computers, has teamed up with SSI SCHAEFER to modernize and expand its logistics location in Oberbüren. The result is a sustainable, state-of-the-art logistics center that enables a 40% increase in productivity.

## **From retail to multi-channel logistics**

Since its founding in 1966, Fust has established itself as Switzerland's largest specialist household electronics retailer. With more than 2,000 employees and 150 stores, efficient order fulfillment is critical to the company's success. The growing e-commerce market and the desire to close existing external warehouses led to the decision to invest in the modernization of the logistics center in Oberbüren. Fust therefore decided early on to automate its intralogistics processes with the aim of expanding warehouse capacities, optimizing throughput times and reducing logistics costs.

## **Scalable mix of solutions with health-preserving, ergonomic design**

SSI SCHAEFER has developed an integrated logistics solution for Fust that is suitable for both the stores and e-commerce. Within two years, the warehouse system at the Oberbüren site was converted from a purely store-oriented solution to a flexible multi-channel logistics center. In doing so, SSI SCHAEFER relied on a broad product portfolio such as container storage systems with the SSI Cuby single-level shuttle system, high-bay warehouses and solutions for manual areas, combined with the powerful WAMAS logistics software. In addition, Advanced Pick Stations were installed to ensure ergonomic and gentle order picking. The Institute for Ergonomics & Work Science at the Technical University of Darmstadt (IAD) has examined the ergonomic design of the workstation and confirmed its health-friendly mode of operation. "Thanks to this concept in conjunction with height-adjustable work platforms, significantly higher performance is achieved with less physical strain," says Tim Langenbach, Director Business Development - Retail & Wholesale / Food Retail at SSI SCHAEFER. Employee satisfaction has also increased significantly as a result.

The project started in June 2017, with the new system taken into operation in August 2019. The extension has doubled the logistics floor space to 50,000 square meters, while storage capacity has tripled. The number of packages shipped per day has risen from 1,800 to 4,000. "We benefit from optimized processes for picking small items," says Daniel Marbach, Logistics Manager at Fust. "This has led to an impressive increase in productivity of 40 percent."

## **Future-proof and flexible**

With the new intralogistics solution, Fust is optimally equipped for the future, as the flexibility and scalability of the hardware and software allow the company to react quickly to market changes. "Thanks to the intelligent multi-channel solution from SSI SCHAEFER, we are flexibly positioned to continue growing in the future," says Marbach.





Field of action 2

## Using intelligent processes to create innovative and sustainable solutions for our customers

At SSI SCHAEFER, we consistently pursue new ideas. And we believe that sustainability and innovation are inextricably linked. We want to offer our customers only the best - future-proof solutions that not only increase efficiency but are also environmentally and socially compatible. To this end, we are forging close partnerships with research institutions and startups, thus contributing to UN **SDG 17 "Partnerships for the Goals"**.

Smart processes are the key to sustainable and innovative intralogistics. With digital systems, products and processes, we make intralogistics not only easier and more intuitive, but also greener - for our customers and for ourselves.

Sustainable innovation requires profitable business performance that enables us to meet the ever-growing demand for storage solutions and make effective investments in the future. With our innovation strategy, we also support UN **SDG 9: Industry, Innovation and Infrastructure** as well as **SDG 11: Sustainable Cities and Communities**.



# The future is digital

Digitalization opens up a wide field for sustainable innovations in intralogistics, as the use of smart software solutions allows processes to be analyzed, optimized and automated. This helps companies to save energy and materials, reduce emissions and improve the working conditions for their employees. At SSI SCHAEFER, we not only follow this path ourselves, but also offer our customers digital tools to make their workflows more sustainable. In doing so, we are guided by the requirements of the EU Digital Strategy, which aims to ensure that the digital transformation is value-based and contributes to Europe's goal of becoming carbon-neutral by 2050.

For all its obvious benefits, the digital revolution also poses challenges, particularly in the areas of security and data protection. The increased online availability of company data increases the risk of cyber-attacks and data misuse. Moreover, companies are challenged to keep up with the ever-changing regulatory environment. It is therefore crucial that we keep our IT systems technically secure and up to date and that we train and sensitize our employees in the use of software.

## Our strategic approach

SSI SCHAEFER effectively uses the opportunities offered by digitalization to create real added value – not only for our customers and employees, but also for our company, the environment and the climate. Our software solutions help our customers to work in a resource-efficient way, which saves energy, reduces personnel and maintenance costs and increases productivity through automation.

We invest in the security of our IT systems and software products to ensure that our customers' and employees' data is optimally protected. In line with the principle of "privacy by design," we take data protection into account right from the product development stage. We are guided by industry security standards and best practices, and we take all legal requirements seriously. Our Information Security Policy applies to the entire SSI SCHAEFER Group and provides our employees with clear guidance.

The information security management system at our Neunkirchen site is certified to ISO 27001 (see chapter High quality, safe products, p. 25). To further strengthen our data protection activities, we use specialized data protection software that supports efficient documentation and communication. We closely monitor recent court rulings, official publications and proposed legislation to keep abreast

of the latest developments. In addition, we offer our employees regular training on data protection and cyber security and use newsletters to keep them informed of the latest security issues.



### Our achievements in 2023

- In 2023, we advanced the development of innovative software solutions to help our customers proactively and efficiently maintain their equipment. Among other things, we developed a tool to optimize the utilization of our SSI LOGIMAT warehouse lift and piloted our predictive maintenance solutions. We added new features to our WAMAS intralogistics software to dynamically adjust the performance of storage and retrieval systems. This can save energy during off-peak periods and extend maintenance intervals, resulting in lower costs and more sustainable operations.
- In January, we published the Group-wide SSI SCHAEFER Information Security Policy. In addition, we have developed an AI tool policy that supports the careful use of freely available artificial intelligence software and ensures data protection, personal rights and copyright protection when using modern technologies.
- To protect the rights, freedoms and data of natural persons, we have expanded and strengthened our digital and physical security systems to arm them against external threats. We involve our Data Protection Officers and the data protection organization in projects to support fair data handling.
- We have enhanced the security of key components of our IT system landscape and introduced company-wide multi-factor authentication for logins.
- Our IT infrastructure has been thoroughly modernized. In this context, numerous local servers have been decommissioned and data moved to the cloud. Other physical systems, such as telephones, have also been replaced with cloud technologies.
- Our desktop computer hardware and the protection mechanisms installed on them have been standardized across the company.
- We have launched a project on identity management for the identification, authentication and authorization of persons to access applications or systems.
- The increase in global cybercrime was also felt by SSI SCHAEFER in 2023. However, our internal information security and data protection processes for defending against and averting digital threats have proven their worth in practice and minimized the damage to the company and natural persons.
- We have processes in place to ensure that our relationships with customers and suppliers are legally compliant. We increasingly use contractual provisions to process personal data in a fair and transparent manner in accordance with international legal developments, including in jurisdictions outside the European Economic Area.
- In 2023, we primarily trained sales employees across all business units on the requirements arising from order processing agreements. In addition, we provided intensive training to specialist departments, such as the Legal Department, on how to consider data protection requirements in contract negotiations.
- The dialog with research partners on sustainability initiated in the previous year was continued in 2023. The aim was to further develop or generate new ideas for products, services and internal measures – e.g. with regard to carbon footprint, energy and resource use or ergonomics. One of the goals is to automate as much as possible the processes for calculating product carbon footprints and product lifecycles.





## Outlook

- In the coming years, we want to further strengthen data protection at SSI SCHAEFER and keep it up to date with the help of current Group-wide data protection standards and the organizational form in the current SSI SCHAEFER Data Protection Policy. In addition to intensive training, we plan to expand existing standards and processes to further anchor data protection as a management task at SSI SCHAEFER.
- We will continue to work on a Group-wide catalog of sustainability criteria to be considered in our innovation process. The catalog will not only cover the sustainability of SSI SCHAEFER in the supply chain and in production, but also the impact of innovations on the sustainability of our customers through the use of our solutions.
- We continuously monitor changes in European and global cybersecurity regulations in order to meet the regulatory requirements as well as the additional needs of our customers.

# Sustainable innovations

Innovations are key to success: They keep our company up to date, promote sustainable business practices and help address the climate crisis. For us, innovation means finding new ways to meet the key requirements of our customers.

To enable true innovation at SSI SCHAEFER, it is crucial to closely monitor the market, technological developments and society in order to identify trends at an early stage. We see great potential for the future of intralogistics in the areas of digitalization, robot-based automation, artificial intelligence and resource efficiency along the entire supply chain (see chapter The future is digital, p. 39).

## Our strategic approach

Our strategic goal is to create a vibrant innovation ecosystem. To this end, we are building networks with research and development partners and emerging start-ups. Another important pillar is the cooperation with our customers to initiate joint innovation projects.

SSI SCHAEFER is committed to actively involving its employees in shaping the future of the company. Our innovation guideline creates the framework for this, as it defines our understanding of innovation, give our employees clear guidance and encourages them to submit their ideas.

To ensure that we prioritize innovations that contribute to sustainable transformation, we have established a structured innovation process. Going forward, sustainability criteria will be increasingly integrated into this process.

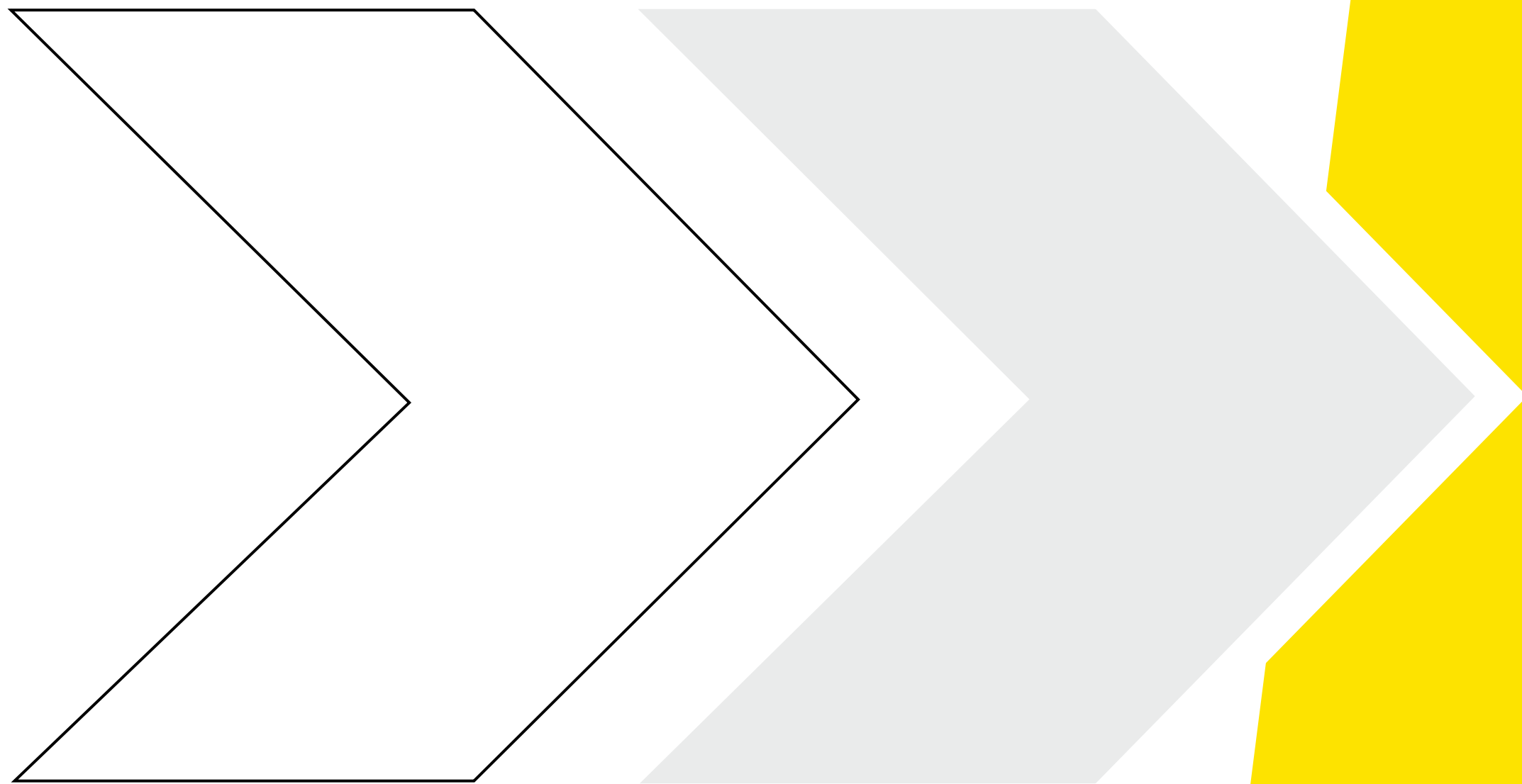


### Our achievements in 2023

- Various innovation projects have been initiated and are currently being implemented, for example in the areas of digitalization and robotics.
- In 2023, we presented a new robotic system for automated picking of small items. The system was announced and launched for sale at the Logimat intralogistics trade fair in Stuttgart. However, due to long project lead times from sales to final implementation, the system is not yet in operation at a customer site.
- The development of energy-efficient drives for our equipment conveyors was successfully completed. The new drive systems offer a resource-efficient alternative to energy-intensive compressed air technology used to convey containers and pallets, and will be ready for use in the first customer projects in 2025. Further developments in the area of energy efficiency such as testing the use of energy efficiency class IE5 drives are planned from 2024.
- We also continued to pursue the topic of sustainability through resource efficiency. Among other things, we worked to make our steel storage platforms lighter, saving material in the process. We

also improved the transparency of carbon efficiency of our products by providing a tool that allows our sales force and customers to calculate the carbon footprint of our products based on the amount of steel used.

- To help shape the sustainable transformation of German SMEs, we became a member of the Maschinenraum network in 2022. This innovation initiative was founded in Berlin in 2020 and currently has more than 70 member companies. In 2023, we participated in the annual Momentum conference as well as in numerous virtual exchange platforms organized by Maschinenraum.
- We contributed to two projects to the “Digital Rockstar” format of Schaefer BA, a shared internal organization of SSI SCHAEFER, SCHÄFER Werke and SCHÄFER Shop, which gives all employees the opportunity to improve their digitalization and methodological skills. In this context, we presented the digital knowledge platform of our WAMAS logistics software, as well as our approach to the digitalization of our supply chain on the EcoVadis platform in the light of the Supply Chain Act.



## Outlook

- In the coming years, we intend to intensify our innovation management activities, and in 2024 we will continue to expand the innovation ecosystem in line with our internal innovation guideline. In this context, we are working with a startup that has developed an approach to fostering internal entrepreneurship.
- We will increasingly consider sustainability aspects, such as energy efficiency, durability, repairability, material efficiency, low content of hazardous substances, use of renewable resources, and recyclability, both in the selection of development projects and in their implementation.
- We are continuously pursuing the goal of minimizing the use of materials in our products. Going forward, we will focus on the development of configuration tools that will make the lightweight design of our systems easily accessible when planning them together with our customers. They will also help our consultants to achieve the technically optimal results for the projects.

# Stable and profitable growth

**Our corporate strategy focuses not only on sustainability, customer satisfaction and innovation, but also on growth and profitability. Our aim is to build up a business that is successful in the long term, enabling investment, jobs and continued growth. Our focus is on the industries in which we already operate successfully today, such as automotive, food, fashion, manufacturing, healthcare and retail. These fields will continue to offer exciting opportunities for us in the future. Europe, the US and Asia are strategically important output markets. Our business units - Logistics Solutions, Products & Equipment, Customer Services and Waste & Packaging (Plastics Group) - work together to increase the profitability of the SSI SCHAEFER Group.**

## Logistics Solutions

The Logistics Solutions business unit develops customized intralogistics systems for our customers in various industries. The portfolio ranges from relatively simple concepts for warehouse automation to complex, highly automated system solutions with a high proportion of individually configured software products.

The requirements for intralogistics solutions are becoming increasingly complex. The booming online business is increasing the number of orders, products are becoming more personalized, and returns are becoming more frequent. This also increases the need for smart, scalable and future-proof solutions that can meet the needs of multiple industries and adapt to the ever-changing needs of companies and markets.

### Our strategic approach

Sustainable and profitable growth will only be possible in the long term if it is based on principles such as environmental and social responsibility and respect for human rights. This is especially important in times of constantly changing market conditions. We aim to consider the impact of our supply chain on our pricing policy as much as possible.

### Our achievements in 2023

▪ We saw a noticeable increase in demand in 2023. At the same time, regional crises led to temporary standstills in some markets. However, our global footprint enabled us to partially offset these challenges. The increasing shortage of skilled labor and rising costs resulting from ongoing inflation make efficiency improvements and further automation more important than ever.

- The supply crisis for intermediate products in 2021 and 2022 has eased substantially and we have largely been able to reduce our lead times to pre-Covid levels. In view of the high price volatility in all markets, risk minimization continues to play an important role in customer contracts; the policy of linking high-risk positions to a dynamic price index has proven its worth and will be maintained.
- Special attention continues to be paid to optimizing our internal processes. Following a cyberattack, however, the priorities in 2023 were primarily placed on coping with and compensating for the direct effects and on reorganizing the digital infrastructure.

### Outlook

Our main goal for the coming years remains unchanged: We want to enable our sites around the world to plan and implement low-complexity projects autonomously. We will optimize the use of resources in the bidding process through closer integration of sales and order processing. We will standardize contract terms and conditions based on minimum commercial requirements to minimize financial risks for our company.

### Products & Equipment

The Products & Equipment business unit manufactures and sells shelving systems and dynamic storage systems for manual and semi-automated intralogistics.

Our customers value fair prices and fast delivery. To optimally meet this demand, we need a sufficient number of qualified employees and powerful digital technologies that enable us to increase our efficiency.

### Our strategic approach

To ensure the long-term growth and profitability of the business unit, we are increasingly relying on standardized product combinations, such as shelving systems and order picking solutions. At the same time, we are optimizing our expenses by simplifying our assortment and focusing on the best-selling products. We are using digital tools to improve the efficiency of our operations.

### Our achievements in 2023

- Our sales revenues remained stable at the level of 2022. Double-digit revenue growth was achieved in North and Latin America as well as in Northern Europe. At the same time, global order intake decreased noticeably compared to the previous year, mainly due to a decline in orders in Central Europe.
- In 2023, we realigned our product portfolio with a view to the future and continued to streamline and standardize it as planned.





- We have developed a product configurator that will enable us to provide our customers with individualized offers even more efficiently. The first product group has already been integrated into the software, and other product groups will follow.
- A comprehensive training program has been developed and made available to our sales force and application engineers. Extensive training will take place in 2024.
- Already back in 2022, we had launched new product combinations on the market, including various AGV solutions as well as RackBot, which combines rack storage and automatic, robot-assisted order picking. These products were launched in more regions and countries in 2023.

### Outlook

We want to expand our global business in the coming years, and we are focusing on a number of measures to achieve this:

- We focus on selling intelligent combinations of standard products such as mobile racks and automated guided vehicles.

- Our SSI LOGIMAT warehouse lift is expected to increase our market share in the vertical warehouse lift product category.
- We want to introduce our WAMAS WMS (Warehouse Management System) software on a global scale.
- To strengthen our presence in the US market, we have refined our distribution strategy and will increasingly rely on direct sales rather than distributors in North America.
- By entering new market segments such as semi-automated solutions or sectors such as food, cosmetic ingredients and insect breeding, we aim to attract new customers who can benefit from our solutions.
- We place particular emphasis on the intensive training of our sales staff and application engineers. This ensures that they are always able to provide excellent service to our customers. Various training courses are planned for 2024.

## Customer Services

The Customer Services business unit is responsible for organizing the maintenance, repair and security of our systems at customer sites to ensure trouble-free operation. Sales revenues in this business unit have grown strongly in recent years, while the number of employees has not increased at the same rate.

The shortage of skilled labor throughout the industry is impacting our ability to deliver, as evidenced by longer project lead times, for instance. The labor market situation has not improved in 2023, which has increased the workload for our employees. We will increasingly rely on digital offerings, which are easier to scale, to accelerate revenue growth despite the shortage of resources. We have also expanded our resources in the field of predictive maintenance.

### Our strategic approach

As part of the SSI SCHAEFER Maintenance Philosophy (SMP), we offer our customers remote service, field service as well as the modernization, expansion and retrofitting of existing plants. In this context, our life cycle management and our digital services such as the WAMAS Maintenance Center (WMC) play an essential role.

GRI 3-3

To leverage the full potential of our business unit, a personal service account manager has been assigned to each of our corporate customers. They know the customers and their plants inside out, so they can identify potential gaps in the system and offer customized solutions. We have also set up a key account management team to provide even better service to customers who use SSI SCHAEFER technology at several locations in different countries and regions. In this way, we help them to make the best possible use of synergies.

We reduce the effort and cost of knowledge management by decommissioning legacy systems and migrating to a standardized, modular, modern platform in close cooperation with our customers.

### Our achievements in 2023

- The Customer Services business unit is still growing slightly below the market average. We have developed a strategy to address this and return to above-average growth by 2025.
- More than 200 customers opted for one of the modules in our digital service portfolio in 2023.

- We have added safety consulting for existing systems as a new service. This allows our customers to have the safety status of older systems assessed by our experts. As a result, they receive a detailed report with recommendations for optimizing their safety technology.
- Our WAMAS Maintenance Center software was extended in 2023; global maintenance activities will be planned centrally on the platform.
- The relocation of our spare parts business from Giebelstadt (Germany) to Hranice (Czechia) has optimized our spare parts management, as the delivery of spare parts from a central warehouse enables significantly shorter delivery times and faster responses to inquiries.
- SSI SCHAEFER's online spare parts shop has been redesigned in response to customer feedback, with 17 new functions providing improved access to our spare parts and the shop now providing more information about our products. Among other things, we have added a life cycle report for spare parts, which allows our customers to react early and find alternatives to discontinued items. The accompanying customer survey received very positive feedback.



- In 2023, we further increased the security of our infrastructure and connections to customers' systems. In this context, secure remote access was designed as a new service and introduced in the market.
- All active customers now have a dedicated service account manager.

### Outlook

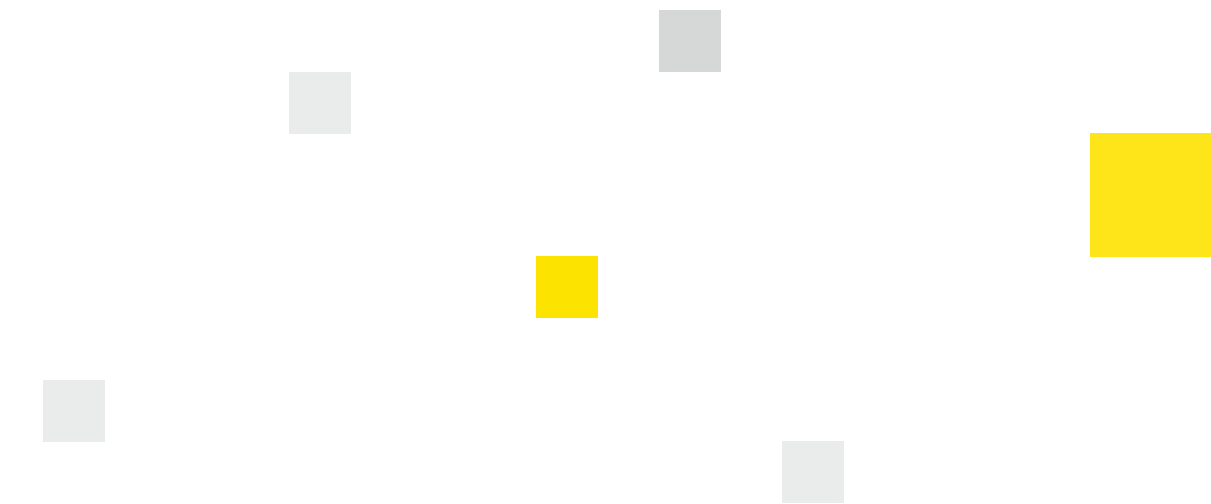
- We remain committed to achieving our revenue targets for digital services in the coming years. To achieve this, we will, for example, target relevant customer groups even more effectively and intensify active customer support. Another important step will be the launch of predictive maintenance in 2024 as a new element of our digital services.
- Moreover, we want to modernize those customer systems that have been in operation for many years. This will be done in the context of a long-term planning processes that will be developed jointly with our customers. We will inform them well in advance of the retirement of individual components, modules and entire products, to ensure a smooth transition.
- We will continue to optimize and expand our web shop into a multi-functional platform. We will also focus on optimizing the automation and integration

of internal interfaces to further increase our efficiency.

### Waste & Packaging (Plastics Group)

The focus of the Waste & Packaging business unit is on the plastics business, i. e. the production of waste containers, plastic containers for storage systems and customized structural packaging that protects products during storage and transport.

We see particular growth potential for packaging, as our customers attach great importance to ensuring that their products and spare parts remain intact during storage and transport, which means there is high demand for customized packaging solutions. The trend towards e-mobility, which involves the installation of sensitive, high-quality components, is also contributing to this.



### Our strategic approach

Our aim is to keep pace with the continued growth of the plastics industry also in the future. To provide our customers with the best possible support, we will expand our sales team to include experts with extensive product knowledge. In addition, we are developing digital solutions that, in combination with our products, ensure smart and efficient processes and add value for our customers.

### Our achievements in 2023

- Thanks to our focused and specialized sales and field staff, the Packaging unit achieved stable growth of about 4%.
- Digital solutions such as our DISPONDO container management software, fill level sensors, as well as RFID and weighing systems for waste collection vehicles supported our successful sales of waste containers, resulting in an increase in revenues of over 50% compared to the previous year.
- After a year characterized by various macroeconomic challenges in 2022, we were able to increase our sales in the area of waste technology again in 2023 and achieve our earnings targets.

### Outlook

- The processing of recycled materials is particularly important to us. We are aiming to increase the recycling rate by more than 10% through measures that have already been introduced.
- Energy efficiency measures in the areas of cooling water supply, injection moulding machines and tools will lead to a projected saving of 1 GWh, which is on a par with previous years.
- In waste technology and packaging, we are investing in new energy-efficient machines, tools and systems. This will ensure a continuous improvement of our carbon footprint as well as stable growth and the expansion of our market share.
- By combining collection systems (containers) and the digital recording of collection performance (through digital products), we create transparency in the entire waste disposal logistics process for cities, municipalities, municipal and special-purpose associations and entire countries, thereby enabling the development, establishment and monitoring of circular material cycles.





# Smart solutions for sustainable logistics

Combining efficiency with sustainability – two showcase customer projects of SSI SCHAEFER





# From manual to high-tech: Efficient and sustainable storage solution for the Apotea online pharmacy

A large selection, extremely short delivery times and the best service - this is what Apotea, the Swedish online pharmacy, is known for. Founded in 2011, the company has grown rapidly since then and was recently named the most popular online store in Sweden. With more than 40,000 different products and up to 100,000 orders per day, efficient logistics are crucial to success. In 2019, Apotea therefore decided to take its intralogistics at the Morgongåva site to a new level - with solutions from SSI SCHAEFER. The aim was to gradually transform the manually organized warehouse into a highly automated logistics center.

## Capacity doubled

Apotea's first step towards warehouse automation was taken in 2019, when the company implemented the first SSI SCHAEFER A-Frame. The automated order picking solution for small items was the ideal choice for Apotea - and came at just the right time, as the A-Frame system enables the logistics center to successfully meet the growing demand for medicines during the Covid pandemic.

In the following years, additional A-Frame modules and other picking solutions were installed to further optimize throughput times and warehouse processes. A five-kilometer carton and container conveyor system links all the components into a comprehensive intralogistics system. The largest expansion took place in 2023, when SSI SCHAEFER installed a new system that doubled the capacity of the entire warehouse in Morgongåva.

The A-Frames operate 24/7, ensuring that orders are processed quickly and accurately. A particularly smart feature is that inventory is replenished during off-peak periods so that picking can continue uninterrupted during peak periods. This increases productivity and makes work easier for the employees.

## Focus on sustainability

Sustainability is a key issue for Apotea. "For us, it is a matter of course to think about tomorrow today," says CEO Pär Svärdson. This is why Apotea has installed solar panels on the roof of the logistics center and operates its own electric trucks. SSI SCHAEFER's smart concepts also support greater

sustainability at Apotea; for example, the conveyor systems automatically switch off when not in use. Moreover, the boxes adapt to the contents, which saves packaging material and makes transport more efficient.

Thanks to the fully automated solution from SSI SCHAEFER, Apotea is ideally positioned for the future. The company can continue to meet the high demands of its customers - and remain successful in the long term.





# Automation of the new distribution center of food retailer ASKO OSLOFJORD AS - with a clear focus on sustainability

NorgesGruppen ASA, a leading grocery retail group in Scandinavia, has realized an innovative project in cooperation with SSI SCHAEFER: In Sande, about 60 kilometers south of Oslo, a sustainable, state-of-the-art logistics center was built between 2017 and 2022 for the subsidiary company ASKO OSLOFJORD AS.

## “An investment in the future”

Knut-Andreas Kran, CEO of ASKO OSLOFJORD AS, recalls the early days: “We knew we were facing a future capacity bottleneck for which there were only two possible solutions - either expanding the existing building or moving to another location. We would not have been able to handle the expected growth at the current site. We also did not want to simply build a larger manual warehouse, as we see automation as an investment in the future.” This vision led to the collaboration with SSI SCHAEFER, which developed, planned and built the entire logistics concept as general contractor.

Opened in August 2022, the new logistics center is a prime example of state-of-the-art warehousing technology. The 27,700-square-meter center has 28,700 pallet storage locations in two temperature

zones, ambient and frozen. Featuring two high-bay warehouses, two highly dynamic shuttle warehouses and advanced robot technology, it sets new standards in terms of automation and efficiency. The innovative energy supply makes the scalable one-level SSI Flexi shuttles particularly energy-efficient. Moreover, robots relieve the staff of inefficient and physically demanding tasks.

## Committed to climate protection

ASKO OSLOFJORD is well-known for its sustainable initiatives. The company invests in solar panels and wind farms and has set up a climate fund that supports employees in environmentally friendly projects. This attitude is also reflected in the new logistics center, where recyclable materials, low-carbon concrete, solar modules and plants on the roof underpin the company’s commitment to environmental protection.

Choosing SSI SCHAEFER as a partner was no coincidence. “It is important for us that a supplier complies with all the regulations. We need to know that they follow the same sustainability goals as we do,” says CEO Kran. ASKO and SSI SCHAEFER jointly

optimize the construction and the operation of the logistics center to keep the carbon footprint as low as possible. As a particularly remarkable feature, waste heat from the frozen area is used to heat the offices and the ambient area. The aim is to cover the entire energy consumption of the warehouse with renewable or climate-neutral resources by 2026.

## Award-winning building

This kind of commitment has not remained unnoticed, with the building winning the “BREEAM-NOR Outstanding” award for sustainable buildings. “We are very proud of this result”, says Knut-Andreas Kran happily. “We have achieved the ambitious goal we had set ourselves.” With their project in Sande, Norway, ASKO OSLOFJORD and SSI SCHAEFER have set an example, showing that sustainability and efficiency can indeed go hand in hand - and shape the future of intralogistics.



Field of action 3

# Responsible management by reducing impacts along our value chain

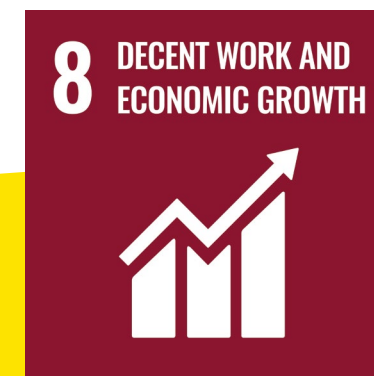
We want to contribute to a better and more sustainable future, which is why environmental and social responsibility is key to us. As a global company, we work hard to act responsibly throughout our value chain.

Treating people with respect is a core principle of our corporate governance. By respecting human rights, we lay the foundation for sustainable supply chains and minimize the negative impacts of our operations.

Through rigorous sustainability management and trusted collaboration with our suppliers and business partners, we aim to reduce emissions, minimize waste and wastewater, and prevent environmental damage.

In doing so, we also support the United Nations Sustainable Development Goals:

**SDG 2: Zero Hunger,**  
**SDG 7: Affordable and Clean Energy,**  
**SDG 8: Decent Work and Economic Growth,**  
**SDG 12: Responsible Consumption and Production,**  
and **SDG 13: Climate Action.**



# Assuming responsibility, protecting human rights

Companies must ensure that their supply chains also respect human rights. This includes a strong stance against child and forced labor, ensuring fair wages and reasonable working hours, promoting safe and healthy working conditions, and protecting against discrimination in the workplace. Each of these aspects plays a critical role for us.

## Our strategic approach

Respect for human rights is an integral part of the SSI SCHAEFER Group's corporate culture. This applies to both our own locations worldwide and to the entire supply chain. To achieve this goal, we rely on clear standards, regular audits and an effective system for reporting and managing complaints. By signing our Code of Conduct for Business Partners or by submitting equivalent documents, our suppliers undertake to respect human rights in the supply chain.

The SSI SCHAEFER Group pursues an appropriate and effective human rights compliance program. It comprises a clear organizational structure with defined roles and responsibilities as well as established processes and structures. As human rights issues affect different areas, we address them in an

interdisciplinary manner and in close coordination between the various functions. To this end, we take a risk-based approach.

Group Compliance defines internal policies on human rights and monitors their implementation throughout the Group. The department reports directly to the CEO. Group Social Responsibility (GSR)/Health, Safety & Environment (HSE) is responsible for occupational health and safety as well as environmental protection in the organization. The HR Department ensures operational compliance with human rights in the organization, e.g. fair pay for employees and compliance with maximum working hours. Employees may contact Group Compliance with their questions at any time. Purchasing has the primary responsibility for ensuring that the procurement process along the supply chain is human rights compliant. This includes communicating our requirements to suppliers and assessing supplier risks. Purchasing is supported by the GSR/HSE Group function, the HR Department and the Group Compliance, by helping to design the EcoVadis tool used for supplier assessment and risk analysis and assist in obtaining suppliers' self-disclosures.



In addition, SSI SCHAEFER has set up a complaints procedure in the form of a company-wide whistleblower system that is also open to external parties. It may be used to report risks or violations in the context of human rights or environmental matters that are related to the activities of the SSI SCHAEFER Group or a direct supplier. All reports received are investigated and processed by the Central Internal Reporting Office. If required, they are investigated by Group Compliance specialists for internal investigations, sometimes with support from other specialist departments.

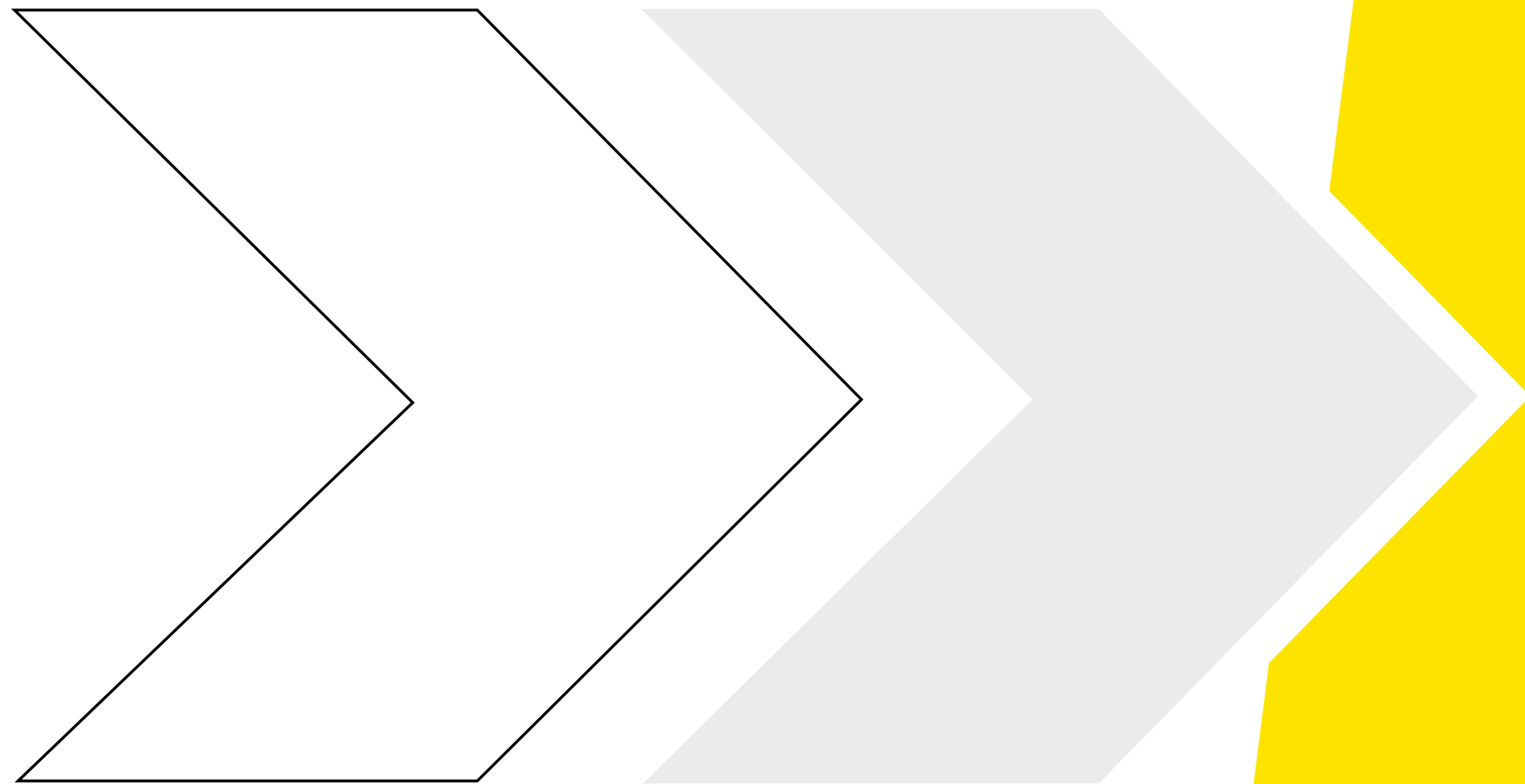
A description of the complaints procedure required under the German Supply Chain Due Diligence Act (LkSG) was published in 2023 and is available on [our website](#).

#### Our achievements in 2023

- The first Human Rights Policy Statement of the SSI SCHAEFER Group was adopted by the management in 2022 and confirmed by the new management in 2023. Our whistleblower system was opened to suppliers and other stakeholders in 2023. We have introduced separate categories for human rights and environmental violations as well as the corresponding risks, both in the organization and at suppliers. The Rules of Procedure that describe the complaints procedure on our website were updated in 2023.
- We have chosen the EcoVadis platform to provide human rights and environmental risk analysis along the global supply chain and have used this platform since early 2023. Besides defining our strategy and the responsibilities for the human rights risk analysis in our supply chain, we have uploaded risk-based data from some of our suppliers to the platform. This allows us to carry out assessments and to identify and address potential risks. Prioritized suppliers have already been invited to assessments.
- With a view to the systematic identification of potential human rights risks within our organization and the prevention of possible violations, we designed and launched a Human Rights Risk

Assessment - HRRR for short - in 2023. We have chosen geographically and culturally different locations for our pilot project. The choice was based on internal risk criteria and independent science-based factors, including various human rights-related indices, with regard to the individual countries. Our HRRR uses questionnaires that are answered by the local HR Officers. The results are evaluated in workshops organized by Group Compliance with different stakeholders. Any necessary remedial actions are also defined in the workshops.





## Outlook

- Since 2023, we have used the EcoVadis tool to analyze human rights risks in our global supply chain. Implementation in the organization is scheduled for completion in 2024, when all our suppliers are covered in full. Thereafter, we will update and repeat the risk analyses and supplier assessments at regular intervals.
- We will use the experience gained from the HRRRA pilot project to expand the human rights risk analysis and conduct it on a regular basis.
- In 2024, we will not only refine our Policy Statement but also intend to develop an internal policy on human rights. Where there is a corresponding risk exposure, we plan to conduct Group-wide site and supplier audits, which we will use to verify that human rights are respected.

# Securing sustainable supply chains worldwide

Where, and under what conditions, are products manufactured? Where do the raw materials come from? In a globalized business world, enterprises, customers and end consumers are becoming increasingly aware of sustainable supply chains. By managing our suppliers in a responsible manner, we address environmental and social challenges - while at the same time leveraging opportunities for innovation, efficiency increases and risk mitigation. Sustainability criteria therefore play a key role in the selection of and cooperation with our suppliers around the world. These include environmental standards, fair working conditions and respect for human rights in our suppliers' factories, based on guidelines from the United Nations and the International Labor Organization (ILO).

To ensure that we are in a position to supply our customers at all times, we are dependent on a reliable network of partners. This can be a challenge in times of crisis, such as during the Covid pandemic and the war against Ukraine, when there were major supply shortages of computer chips, steel and plastics. It was not until Q3 2023 that the situation began to ease again.

To be able to respond swiftly to any problems that arise, we have to continuously monitor our global supply chain and the market. This is possible only if we maintain trusting, long-term relationships with our

partners and regularly exchange information. Our category management activities additionally support a global overview and the exchange between the production sites.

## **Our strategic approach**

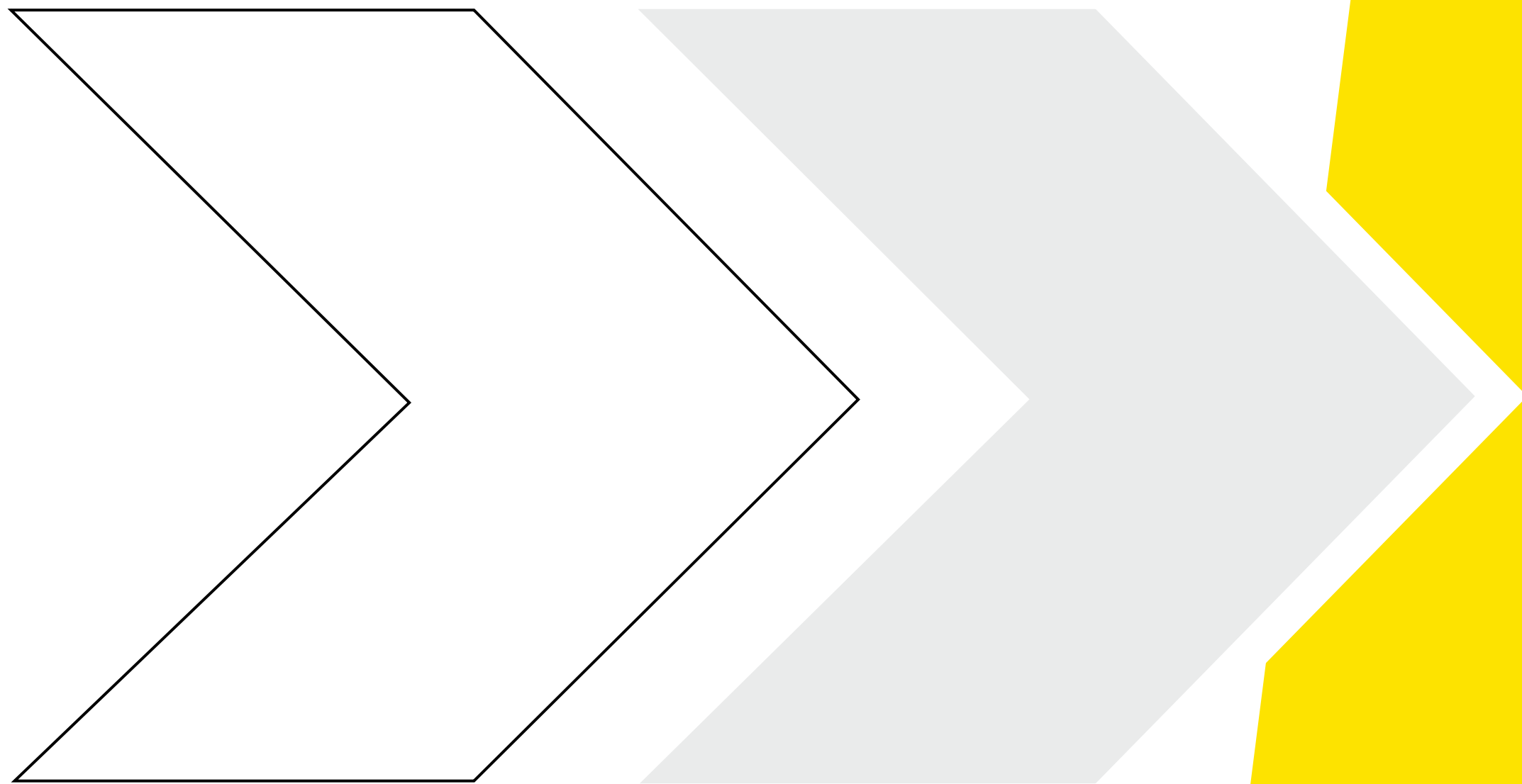
We choose our partners carefully - and visit them on site to get an accurate picture whenever necessary. We use regular audits and external certifications to ensure that our partners meet the requirements. If they violate laws, social or environmental policies, we initially seek to solve the problems together. Serious violations will result in us terminating the business relationship.

Our policy on the use of external staff under service, work and temporary employment contracts provides all SSI SCHAEFER business units with guidance on processes and responsibilities in the use of external staff. The policy also raises awareness of risks and liability-related consequences.



### Our achievements in 2023

- Data from more than 4,600 suppliers - around 65% of our partners - have been uploaded to the **EcoVadis platform** and checked for their risk potential in the supply chain. EcoVadis indicated a high or very high general risk for about 1% of the suppliers, which led to individual reviews of these partners.
- 20% of the steel used for our products across all entities and steel types is made from recycled material. We continue our exchange with suppliers to be able use steel from “green production” in the future.
- To create incentives for climate protection, a “bonus-malus regulation” for vehicles with combustion engines was introduced in our Company Car Policy for Germany and Austria in 2022, depending on the level of their respective carbon emissions: For passenger cars with carbon emissions of up to 120 g/km, SSI SCHAEFER pays a subsidy on the monthly leasing rate, between 120 and 140 g/km no subsidy is paid, and from 141 g/km the leasing rate becomes more expensive. The upper limit for company cars is 165 g/km. In 2023, there were 164 vehicles - about 45% of our company cars - that emit less than 120 g/km according to the manufacturers’ specifications.



## Outlook

- As of 2024, we will place orders only with those suppliers that endorse our Code of Conduct for Business Partners, comply with material elements regarding social standards, environment and human rights according to their self-disclosure and have an EcoVadis risk analysis.
- Since mid-2023, we have used the EcoVadis platform to monitor sustainability risks along our value chain. Our target is to have 100% of our active suppliers covered and assessed by the end of 2024. This will ensure constant monitoring of human rights and sustainability risks.
- 2024 will also see us launch our global Travel Program, whose start had to be postponed by one year for budget and capacity reasons. It will initially be rolled out successively in Germany and Austria. As part of the program, we will adopt a global Travel Policy and introduce digital travel booking and expense management software. In future, the software will also show the carbon emissions for each planned trip, helping travelers make climate-conscious decisions.

# Combating climate change

Climate change is not only a threat to the environment, people and animals worldwide but also poses significant economic risks. Counteracting this global challenge is one of the most urgent tasks of our times. Industrial enterprises both contribute to and suffer from climate change, and thus play an important role in reducing greenhouse gas emissions and adapting to changing environmental conditions. SSI SCHAEFER is aware of its responsibility for climate protection and is continuously reducing greenhouse gas emissions along its value chain wherever this is possible and economically viable.

More than 80% of our carbon footprint is attributable to our upstream supply chain, primarily the feedstock used to produce steel and plastics. Our suppliers are already taking steps to reduce the carbon emissions from the production of materials - while our customers are increasingly demanding products made from more carbon-efficient recycled materials. We appreciate their endeavors and support them through joint efforts (see chapter Securing sustainable supply chains worldwide, p. 58).

We are also improving our climate footprint within our direct sphere of influence. We see opportunities to reduce carbon emissions primarily in our consumption of energy, steel purchasing, business travel, transportation, and product development.

## Our strategic approach

To further reduce our greenhouse gas emissions, we published a climate strategy in the first quarter of 2023 as part of our sustainability strategy. These are the key points:

- First, we focus on our own carbon emissions (Scope 1 & 2) and do everything we can to buy energy from renewable sources and generate our own energy from sustainable technologies such as photovoltaics and wind power. **Based on our 2021 emissions, our goal is to reduce Scope 1 & 2 carbon emissions by 40% by 2030.**
- A relevant part of the emissions in our supply chain (Scope 3) is caused by the purchase of steel. We are confident that the development of sustainable steel production will allow us to reduce also our Scope 3 carbon emissions noticeably by 2030.

The actions below are part of our current climate strategy aimed at reducing Scope 1 & 2 carbon emissions:

- Check every major investment for its sustainability potential, especially possibilities to save energy.
- For every construction investment, the analysis of internally generated, renewable energy (e. g. photovoltaics, wind, etc.) will be incorporated.
- Frequent exchange with the local purchasing departments on the procurement of renewable energy.
- Refinement of data for Scope 1 & Scope 2 carbon emissions
- Raise awareness of energy savings and useful ideas to reduce the carbon footprint with the help of training, information and initiatives for employees.

The actions below are part of our current climate strategy aimed at reducing Scope 3 carbon emissions:

- Implementation of IT systems for purchasing to involve and support the supply chain partners in terms of sustainability and/or energy and carbon savings
- Training of purchasing staff in sustainability approaches, especially actions to reduce emissions in our supply chain
- Refinement of the data for Scope 3 emissions, also by supporting the above IT systems for purchasing
- Calculation of the product carbon footprint (PCF) upon request

#### Our achievements in 2023

- In 2023, we published our climate strategy from which we derived local climate goals for our ISO-certified sites. All other sites are also developing actions to implement the climate goals locally.
- As part of the Net Zero Factory project, we worked with a cooperation partner to analyze the

existing energy flows of FRITZ SCHÄFER GmbH and FRITZ SCHÄFER GmbH & Co. KG in Neunkirchen. Between April and August, we developed an energy transformation concept for the Neunkirchen production site in order to save as many emissions as possible and make production carbon-neutral in the medium term. The Net Zero Factory concept serves as the basis for future improvements in our carbon footprint at other locations.

- The heating system in Neunkirchen has been converted from oil to gas. This means reduced carbon emissions per kilowatt hour of heating energy produced.
- Where the use of steel is concerned, we identified carbon savings potential for various customer projects in late 2023, which will be leveraged in 2024.
- We have prepared method sheets to calculate the product carbon footprint (PCF) that serve as the basis for project-specific inquiries. We also worked on integrating life cycle assessments in our software landscape for system planning by 2026.
- The deconstruction of Plant 1 and adjacent buildings in Neunkirchen according to criteria of the German

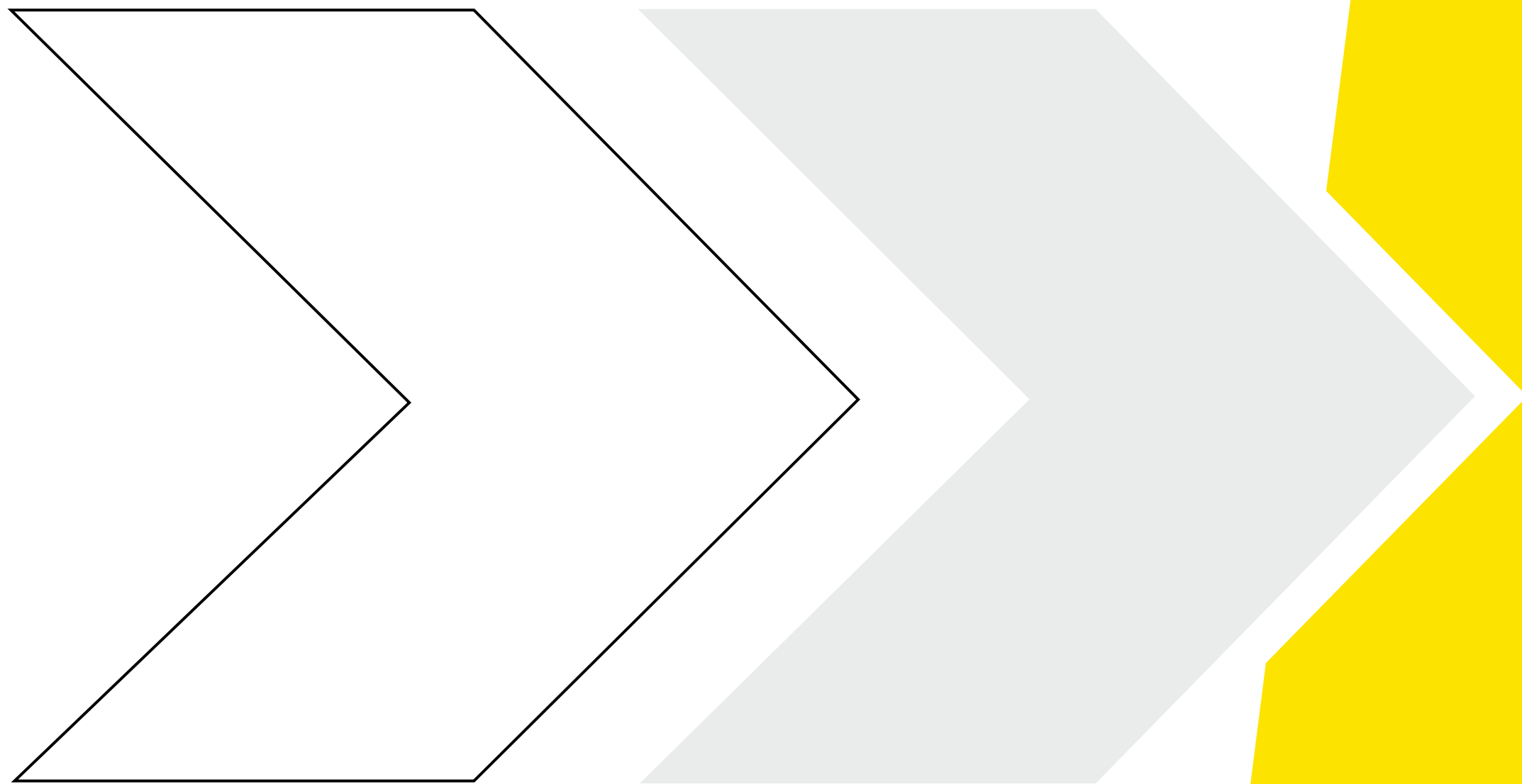
Sustainable Building Council (DGNB) is proceeding to plan, with final DGNB certification scheduled for 2024.

- In Neunkirchen, 61 employees have signed leases for company bicycles.



GRI 3-3

\*The Net Zero Factory project at the Neunkirchen site is intended to make production as low in carbon as possible. The carbon emissions that remain despite our efforts could be offset, for example, by taking corresponding actions.



## Outlook

- We derive reduction targets and actions for our local sites from our global target of reducing our Scope 1 & 2 carbon emissions by 40% by 2030 compared to the 2021 base year.
- In the coming years, we plan to install solar systems in our new buildings to generate our own electricity and heating energy. We also use alternative heating systems such as heat pumps, biomethane boilers or electric boilers operated with green energy.
- The energy transformation concept for the Neunkirchen site developed as part of the Net Zero Factory project serves as the basis for future investments in our sites - with the aim of realizing carbon-neutral production locally.
- We expect to calculate the carbon footprint for the SSI SCHAEFER Group as a whole from 2024. For this purpose, we collect relevant data on an ongoing basis.
- We continue to work on preparing lifecycle assessments (LCA) for our products, which we will use to increase carbon efficiency.

# Improving environmental performance

We use an environmental management system to support and manage the environmental sustainability of our company. It helps us to effectively structure our processes and responsibilities to meet not only our high standards for environmental performance, but also the expectations of our customers and society.

## Our strategic approach

We have developed a Group-wide Global Environmental Policy to ensure that our environmental management activities are standardized worldwide. In addition, we have all of the Group's production sites certified to the ISO 14001 environmental standard.

Three of our seven sites have already been certified, namely Neunkirchen (Germany), Graz (Austria) and Hranice (Czechia). Our progress is reviewed in annual audits, management assessments and external certifications. In this way, we are continuously improving our environmental management.

## Our achievements in 2023

- All existing ISO 14001 certificates have been renewed. We also pushed ahead with the certification of other sites and had our site in Graz (Austria) successfully certified in October. Certification of our plant in Malaysia is scheduled for 2024.
- At the Neunkirchen site, seven production and warehouse buildings were dismantled in 2022 in accordance with the criteria of the German Sustainable Building Council (DGNB). Relocating processes to existing facilities allowed us to reduce our consumption of heating energy and electricity in 2023 compared to 2021. It is not possible to exactly break down the savings achieved as a result of the deconstruction, but part of the savings is attributable to the deconstruction, especially as regards heating energy.
- In Graz, we created and filled the position of an environmental engineer in 2022. In 2023, the latter prepared a detailed carbon footprint for the site and derived local goals from the company-wide climate strategy. In addition, a closer look was taken at the plant's electricity consumption, and any outliers were analyzed and rectified.
- In 2023, we also filled the position of an environmental engineer at the Hranice plant. She addresses local environmental issues such as data collection, energy saving and waste reduction.
- In cooperation with the University of Technology in Chemnitz, we prepared an Environmental Product Declaration (EPD) for a roller conveyor based on a life cycle assessment to illustrate the impact on the environment with neutral and objective data. The full life cycle of the product was taken into account.





## Outlook

- We will continue the ISO 14001 certification of our sites in the coming years. The audit of the Simpang Renggam site in Malaysia is scheduled for 2024.
- The energy transformation concept for the Neunkirchen site, which was developed as part of the Net Zero Factory project in 2023, will successively be used in the context of potential future investments (see chapter Combating climate change, p. 61).
- We derive reduction targets and actions for our local sites from our global target of reducing our Scope 1 & 2 carbon emissions by 40% by 2030 compared to the 2021 base year (see chapter Combating climate change, p. 61).
- We continuously review the possibility of using renewable energy at our sites taking economic and environmental aspects into account.
- Final calculation of the carbon footprint for all legal entities of SSI SCHAEFER will be available in 2026 as part of the adoption of the CSRD for sustainability reporting.

# Reducing emissions

Industrial enterprises contribute to the release of pollutants such as greenhouse gases, wastewater and solid waste into the environment. While this cannot always be entirely avoided, there are many possibilities to minimize emissions. SSI SCHAEFER is continuously reducing its emissions and striving to minimize the impact of its business activity on the climate, nature and society (see chapter Improving environmental performance, p. 64).

At SSI SCHAEFER, it is primarily the global supply chain that contributes to greenhouse gas emissions, especially the resource-intensive production of steel and plastics. Within the company, greenhouse gases are mainly caused by energy consumption and transportation. Some of our company vehicles still rely on combustion engines, which emit carbon monoxide, nitrogen oxides and particulate matter. In addition, waste, wastewater and welding fumes are generated.

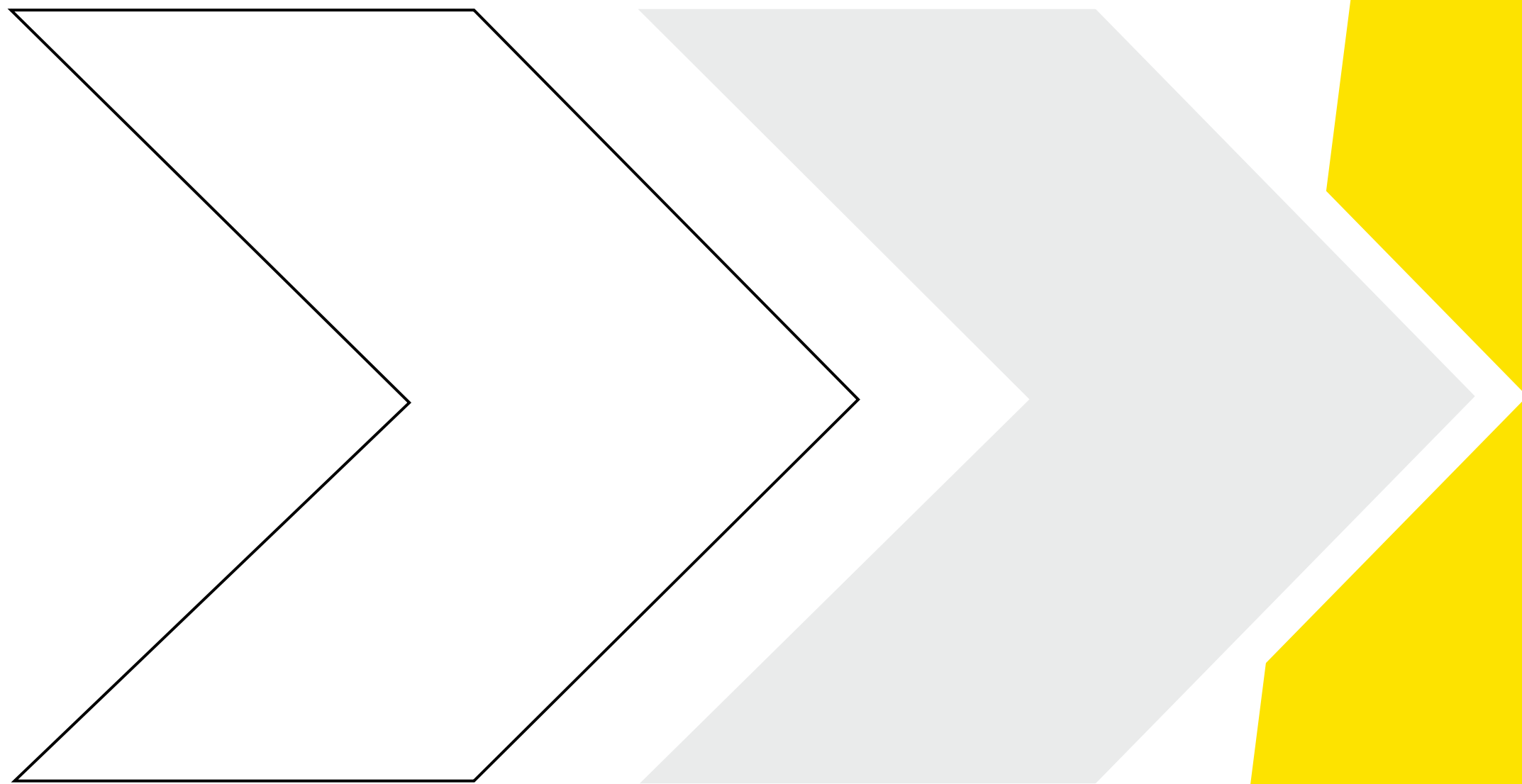
## Our strategic approach

In early 2023, we published our climate strategy with reduction targets to reduce greenhouse gas emissions in the company and along the global supply chain (see chapter Combating climate change, p. 61). The climate strategy will be implemented step by step. The emission of other pollutants is controlled

using our environmental management system (see chapter Improving environmental performance, p. 64). Already when developing and designing our products and solutions, we make sure that as few emissions as possible are produced during manufacture and during subsequent use by our customers. To achieve this, we use modern technologies and processes.

## Our achievements in 2023

- Between April and August, we developed an energy transformation concept for the Neunkirchen site to maximize carbon savings through a variety of measures (see chapter Combating climate change, p. 61). From 2025, the concept will be used as the basis for investments in our SSI infrastructure.
- In consultation with our customers, we use the latest and most energy-efficient motor generations (electric motors and pneumatics) for our automation solutions, thus saving emissions.
- To manage the sustainability of our supply chain more transparently, we have used the EcoVadis platform since 2023.



## Outlook

- In the coming years, we will further reduce our greenhouse gas emissions on the basis of our global climate strategy. One possibility is to source steel and plastics with lower carbon emissions - provided that this is allowed by market developments, substitution is possible and it is economically viable.
- Probably starting 2026, we will prepare life cycle assessments (LCAs) for our products and derive reduction measures from them.
- To make transportation more efficient and climate-friendly and to track our carbon emissions, we will add a carbon module to our transportation management software. We will also optimize the planning of business trips in the future and reduce greenhouse gas emissions in the process. For this purpose, we will introduce a travel management tool that includes a carbon calculator in 2024.
- We plan to reduce the pneumatics share in our product range to cut energy consumption and, hence, emissions at our customers.
- Parts production will be relocated to the Weitefeld site in 2024 to save energy.



# Resource-saving lightness

Saving resources and reducing emissions through recycling and the reduced use of raw materials: SSI SCHAEFER Plastics is setting new standards in terms of the carbon footprint of its PRO Wave product series.

SSI SCHAEFER Plastics GmbH is part of the SSI SCHAEFER Group and a leading provider of waste management technology and recycling solutions for local authorities and the industrial sector. The environmental compatibility of our own products for waste management is one of the key elements of the corporate strategy - and has been raised to a new level thanks to a wide range of product innovations.

## Improved carbon footprint: Emissions reduced by up to 63%

The PRO Wave product series is characterized, among other things, by its reduced weight, which reduces carbon emissions during manufacture by at least 29% compared to standard bins. In conjunction with the "Blue Angel" eco-label, the PRO Wave product can even save about 63% in carbon emissions compared to standard bins. The most important lever is the greatly reduced use of new material, for which crude oil, among other things, would be used during production. This is because the eco-labelled bin has



a recycled content of at least 80%. The recyclate used consists of at least 90% recycled post-consumer polyethylene plastic.

The "Blue Angel" eco-label guarantees that products meet high demands in terms of environmental, health and usage properties. For instance, all bins undergo the world's most stringent testing requirements, which guarantee a product of the same high quality and durability. Moreover, the raw materials used come from certified suppliers, whose certification is renewed annually. The eco-label is owned by the Federal Environment Agency (Umweltbundesamt).

## Sustainable procurement in Europe's communities

New procurement directives in the European Union mean that environmental aspects will play an even greater role in procurement at municipal level in the future. SSI SCHAEFER Plastics is therefore ideally positioned to ensure its long-term competitiveness when contracts are awarded with the help of sustainably designed products.



[www.blauer-engel.de/uz30a](http://www.blauer-engel.de/uz30a)

- Schutz der Ressourcen durch Rezyklateinsatz
- Begrenzung von Gehalten und Freisetzung von Schadstoffen



## Focus on employees - People matter

Real change happens when we all work towards the same goal. That is why we are committed to a corporate culture in which sustainability plays a central role. By communicating values and effectively developing our people, we contribute to a responsible corporate philosophy. We support our employees on this path, help them develop their skills and expertise and provide them with the knowledge and tools they need to fill our corporate culture with life in their day-to-day work and implement our corporate strategy. We use diverse and varied methods of knowledge transfer to create the best possible learning environment.



# Our values and principles

We have developed six central core principles and three leadership principles that are based on our vision, our mission and our corporate values (see chapter Company portrait, p. 5). These principles not only support our daily actions but also provide guidance for the strategic positioning of our company. They lay the foundation for important skills that we expect and encourage in our team members.

## Our core principles

### **Customer and market orientation - Focus on customers**

The ability to build a long-term win-win partnership with customers by focusing on identifying, understanding and meeting their needs. This relates to both external and internal customers.

### **Results orientation - Achieve and improve**

The ability to put plans into practice, stick to budgets and deliver high-quality results. When deviations occur, alternative solutions need to be developed. There is a personal desire to improve performance, to be better than the competition and to develop lean solutions.

### **Cooperation - Work together**

The ability to work with others to find the best solution for SSI SCHAEFER, as opposed to working alone or in competition with others. This includes dealing

successfully with diversity and different roles in the company - even in difficult situations.

### **Proactivity - Take initiative**

The ability to take proactive action. This includes acting quickly, thoughtfully and with determination in current situations and whenever opportunities or potential problems arise in the future.

### **Continuous development - Challenge yourself**

The ability to understand one's own strengths and areas of development and the willingness and ability to learn and improve on an ongoing basis. This also includes leaving your comfort zone and trying new things.

### **Conceptual thinking - See the big picture**

The ability to see the big picture and think outside the box. This includes recognizing patterns and key issues in complex situations. This skill is required to develop concepts, strategies and innovations.

## Our leadership principles

These three principles apply specifically to our executives:

### **Lead employees and teams to success**

The ability to lead employees and teams to performance. This includes creating the general conditions to achieve the company's goals in a targeted and inspired manner.

### **Develop others - Promote employees**

The ability to share expertise and enhance the long-term skills of others through guidance, coaching and development.

### **Exert influence - Get support**

The ability to convince others by using a variety of tailor-made approaches. This is about understanding key stakeholders (customers, peers, matrix and management) and gaining their commitment. This should be done in the company's best interest.

We implement our core and leadership principles in the company by translating them into practical core and leadership skills and incorporating them into performance reviews. In this way, we firmly anchor them in our corporate culture and make their implementation measurable. We also integrate them into our internal training and further education program and ensure that they are adequately reflected in the learning content.

**Skilled labor shortage a growing challenge**

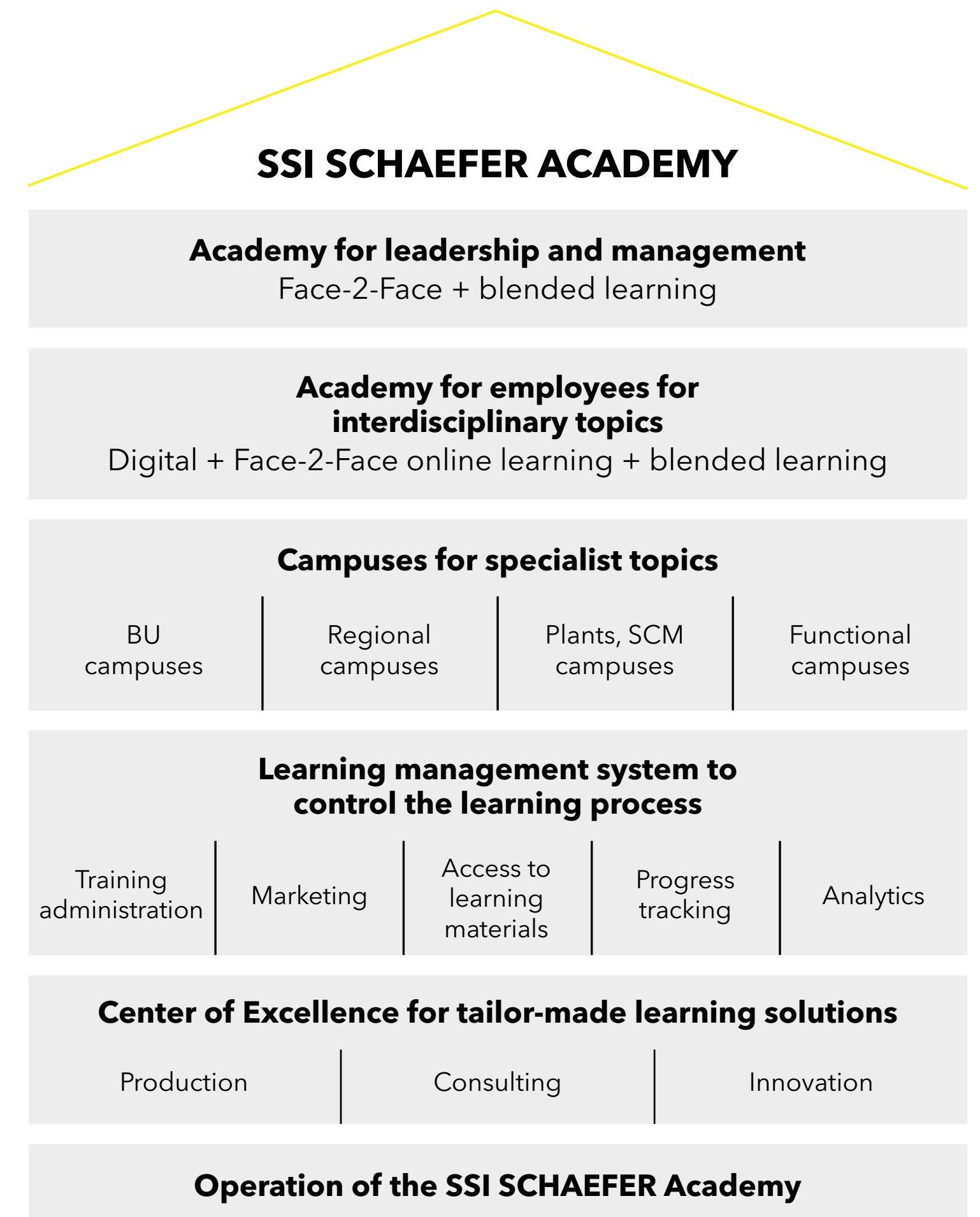
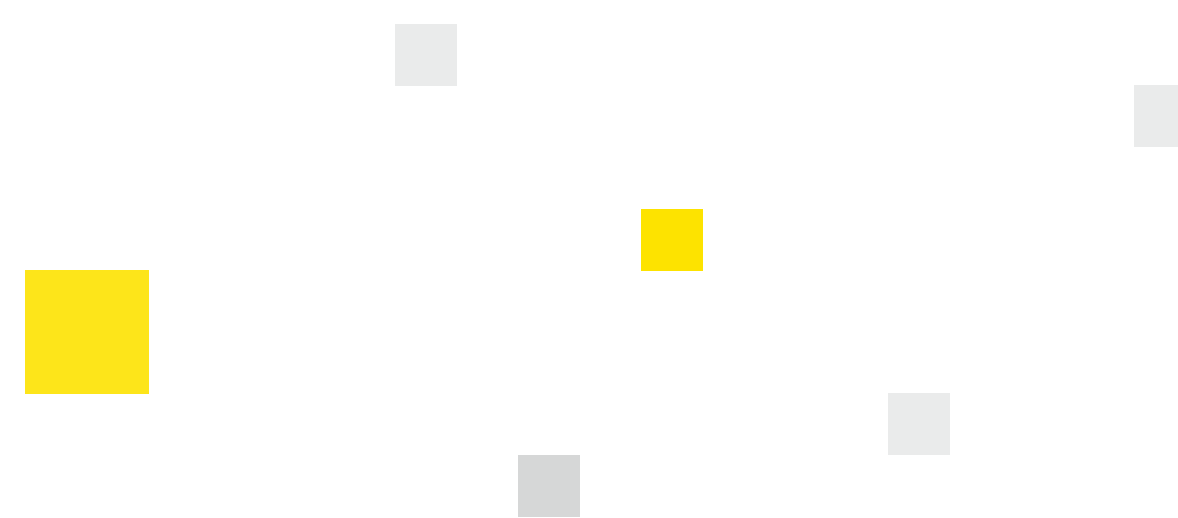
SSI SCHAEFER is committed to establishing a culture of sustainability. This requires not only a change in the corporate culture but also well-trained specialists and executives. They must have the necessary specialist knowledge and the corresponding skills that make SSI SCHAEFER a unique employer.

The shortage of skilled labor in our industry makes recruiting new employees a challenging task. We therefore focus on increasing our attractiveness as an employer. At the same time, we help our employees hone their skills and advance their careers within the company.

**Sustainable continuing education:  
The SSI SCHAEFER Academy**

The SSI SCHAEFER Academy offers our employees worldwide the possibility to systematically acquire new skills in a modern, efficient and attractive learning environment. It offers classroom and online training on a wide range of topics - from leadership and project management to cross-functional skills. In addition, we offer a global onboarding program for all new employees.

With a total of 245 digital learning solutions in German and English, 17 interactive online training courses and 59 classroom training courses, our portfolio covered a broad range in 2023. We are constantly updating and expanding our learning platform to make sure that our employees have access to current and relevant content at all times.

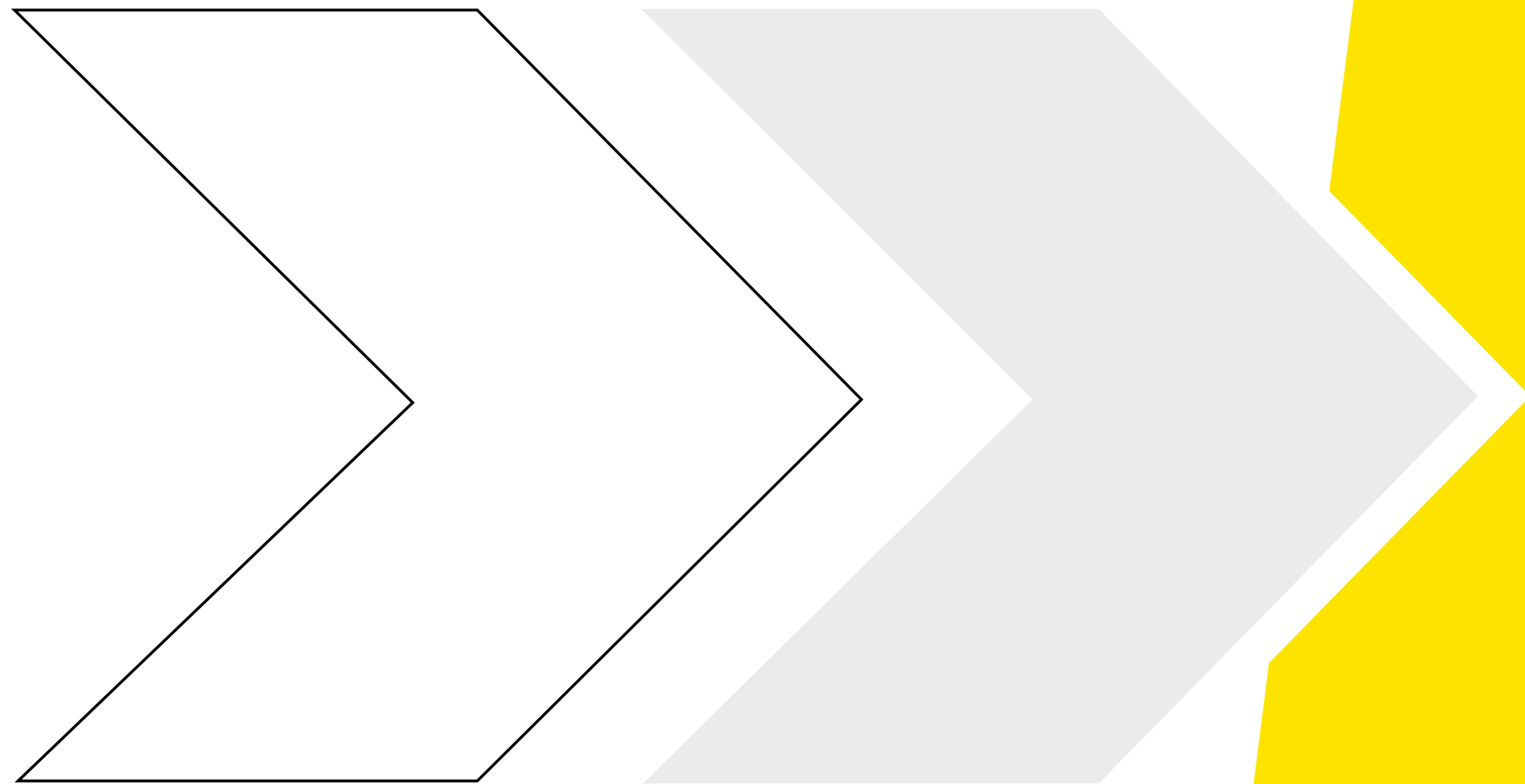


### Our achievements in 2023

- Since June 2023, the learning progress has been documented and certified in the new “Planet Learning” learning management system; just under 30,000 courses were completed and 40,000 hours learnt by the end of the year.
- 32 executives were trained in the leadership and management program for the 170 top executives in three 3-day classroom training sessions. 140 participants completed the 3-day “Change+Transformation” classroom training at the Friesach site.
- We have launched a program for the middle-management - also called “Movers & Shakers” - which is designed to spread the common understanding of leadership and management throughout the organization and help even more leaders meet their daily challenges. 130 participants were trained in a hybrid learning format with digital learning solutions and subsequent face-to-face online sessions. The topics were “Understanding of Leadership + (Self)Management”, “Leading People” and “Leading through Change”.
- In 2023, we launched our first open training program for all employees worldwide. Six courses on “Soft Skills” and “IT Tools” were offered. The face-to-face online courses were held in German and English to reach employees from different countries and time zones.
- Launched in December 2023, the new digital Global Onboarding Program offers all new employees exciting insights in the world of SSI SCHAEFER. 14 short digital learning units address the past, present and future of the company. The training supports the onboarding process by providing basic knowledge about the business area, the tools we use and our working methods.







## Outlook

- In 2024, we will continue our program for 200 participants of the middle management and will start the first in-depth course on “Professional Interactions” for 120 participants.
- Our open training program for all employees will be expanded in 2024 to include a total of 18 topics and 74 courses. We will not only expand the existing subject areas but also offer exciting training courses from the “Transformation” category, e.g. “Understanding Artificial Intelligence”.

# Facts and figures

The 2023 Sustainability Report covers the entire scope of consolidation of the SSI SCHAEFER Group with its around 80 subsidiaries. Unless otherwise stated, the performance indicators contained in this chapter refer to the 22 biggest companies (BIG 22) of the SSI SCHAEFER Group, which together account for at least 80% of sales revenues.

For greater clarity, the 2023 Sustainability Report does not include any notes or footnotes on prior year data.

## 22 biggest companies ("BIG 22") (GRI 2-1)

<p><b>Company:</b> SCHAEFER Systems International Pte. Ltd.</p> <p><b>Country:</b> Singapore   <b>Region:</b> APAC &amp; MEA</p>	<p><b>Company:</b>  SCHAEFER Systems Int. Sdn. Bhd.</p> <p><b>Country:</b> Malaysia   <b>Region:</b> APAC &amp; MEA</p>	<p><b>Company:</b> SCHAEFER Systems International Pty. Ltd.</p> <p><b>Country:</b> Australia   <b>Region:</b> APAC &amp; MEA</p>	<p><b>Company:</b>  FRITZ SCHÄFER GmbH</p> <p><b>Country:</b> Germany (Neunkirchen)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b> SSI SCHÄFER Automation GmbH</p> <p><b>Country:</b> Germany (Giebelstadt)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b> SSI SCHÄFER IT Solutions GmbH</p> <p><b>Country:</b> Germany (Giebelstadt)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b>  SSI SCHÄFER Automation GmbH</p> <p><b>Country:</b> Austria (Graz)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b> SSI SCHÄFER AG</p> <p><b>Country:</b> Switzerland   <b>Region:</b> Central Europe</p>
<p><b>Company:</b> SSI SCHÄFER IT Solutions GmbH</p> <p><b>Country:</b> Austria (Friesach)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b> „SSI“ SCHÄFER Gesellschaft m.b.H.</p> <p><b>Country:</b> Austria (Wels)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b> FRITZ SCHÄFER GmbH &amp; Co KG, Einrichtungssysteme</p> <p><b>Country:</b> Germany (Neunkirchen)   <b>Region:</b> Central Europe</p>	<p><b>Company:</b> SSI SCHAEFER Systems International, Inc.</p> <p><b>Country:</b> USA   <b>Region:</b> North America</p>	<p><b>Company:</b>  SCHAEFER Plastics North America LLC</p> <p><b>Country:</b> USA   <b>Region:</b> North America</p>	<p><b>Company:</b> SSI SCHAEFER Ltd.</p> <p><b>Country:</b> Great Britain   <b>Region:</b> Northern Europe</p>	<p><b>Company:</b> SSI SCHÄFER B.V.</p> <p><b>Country:</b> Netherlands   <b>Region:</b> Northern Europe</p>	<p><b>Company:</b> SSI SCHÄFER NV</p> <p><b>Country:</b> Belgium   <b>Region:</b> Northern Europe</p>
<p><b>Company:</b>  SSI SCHÄFER s.r.o.</p> <p><b>Country:</b> Czech Rep. (Hranice)   <b>Region:</b> Southern Europe</p>	<p><b>Company:</b> INCAS S.p.A.</p> <p><b>Country:</b> Italy   <b>Region:</b> Southern Europe</p>	<p><b>Company:</b> SSI SCHÄFER Sp.zo.o</p> <p><b>Country:</b> Poland   <b>Region:</b> Southern Europe</p>	<p><b>Company:</b> SSI SCHAEFER S.A.S.</p> <p><b>Country:</b> France   <b>Region:</b> Southern Europe</p>	<p><b>Company:</b> SCHAEFER Sistemas Internacional, S.L.</p> <p><b>Country:</b> Spain   <b>Region:</b> Southern Europe</p>	<p><b>Company:</b>  SSI SCHÄFER Plastics GmbH</p> <p><b>Country:</b> Germany   <b>Region:</b> Central Europe</p>	<p> Production site</p>	

## Materials\* (GRI 301-1)

Chemicals	Unit	2023	2022	2021
Argon	kg	<b>281,409</b>	451,103	467,705
Carbonic acid	kg	<b>1,050,624</b>	1,083,047	415,086
Oxygen	kg	<b>61,655</b>	77,738	134,351
Nitrogen	kg	<b>1,048,467</b>	1,132,717	1,234,230

Metals	Unit	2023	2022	2021
Steel	kg	<b>103,931,336</b>	117,899,954	161,143,477

Plastics	Unit	2023	2022	2021
Polypropylene	kg	<b>74,201,250</b>	96,990,312	53,199,177
High-density polyethylene	kg			
Recycled polypropylene	kg			
Recycled high-density polyethylene	kg			

Wood / paper / cardboard	Unit	2023	2022	2021
Wood (pallets)	kg	<b>4,757,299</b>	6,719,059	7,840,268
Paper and cardboard (unbleached)	kg	<b>334,244</b>	682,325	1,021,224

\* In order to ensure data consistency, data quality and audit security, it is planned to implement an IT-supported data management system in the year 2024. Initial contacts with suppliers have already been established. IT support is planned for all subsidiaries.



## Occupational health and safety (GRI 403)

The figures for occupational safety and health protection for the year 2023 were collected holistically for the entire SSI SCHAEFER Group for the first time. With the help of regional and local HSE managers, a reporting scheme was developed that allows for a monthly overview and consolidation of the data at both global and regional levels. We are continuing to refine the data, and additional KPIs will be added to the reporting in line with CSRD reporting obligations.

### Work-related injuries (GRI 403-9)

For all employees:	2023
Number of fatalities as a result of work-related injuries	0
Number of accidents at work with lost time > 3 calendar days	67
Number of accidents at work with lost time 1-3 calendar days	57
Number of accidents at work with lost time < 1 calendar day	79
Number of hours worked	12,903,048
Lost Time Injury Frequency Rate (LTIFR number of accidents with lost time >=1 calendar day in relation to hours worked per 200.000 hours worked)	1.92

For workers who are not employees but whose workplace is controlled by the organization:	2023	2022	2021
Number of fatalities as a result of work-related injuries	0	0	Not collected
Number of high-consequence work-related injuries (excluding fatalities)	3	4	
Number of recordable work-related injuries	9	6	
Number of hours worked	1,186,432	679,535	
Rate (recordable injuries per 200,000 hours worked)	1.52	1.77	

### Work-related ill health (GRI 403-10)

For all employees:	2023	2022	2021
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	4	5	43

For workers who are not employees but whose workplace is controlled by the organization:	2023	2022	2021
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	4	0	0

# Energy & emissions

## Preliminary mark on the methods and conversion factors used to calculate CO<sub>2</sub> emissions

Greenhouse gas emissions were measured and calculated in accordance with the principles of the Greenhouse Gas Protocol of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) 'A Corporate Accounting and Reporting Standard - Revised Edition' (GHG Protocol) and the supplementary 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard'. The calculations refer to the greenhouse gas carbon dioxide (CO<sub>2</sub>). The emissions are indicated in metric tons of CO<sub>2</sub>.

In order to ensure data consistency, data quality and audit security, it is planned to implement an IT-supported data management system in the year 2024. Initial contacts with suppliers have already been established. IT support is planned for all subsidiaries.

## Scope 1 & 2 emissions:

### Included activities

- Scope 1 and 2 emissions include all relevant emission sources for SSI SCHAEFER, including electricity, district heating, district cooling, fuels, bioenergy and refrigerants.
- Due to higher granularity of the data, we can now include the 22 biggest companies ("BIG 22", see p. 74) instead of the previous "BIG 18" in the report. Primary data (such as kWh of electricity or kg of refilled refrigerant) were hence collected for the so-called "BIG 22" in the scope of consolidation of SSI SCHÄFER GmbH & CO KG. No extrapolation was made. The reported emissions represent at least 80% (in terms of sales revenues) of the economic activities of the scope of consolidation.
- Primary data (such as distances traveled in company cars and liters of gasoline consumed) were collected for the first time in 2022 for the above companies. As a result, Scope 1 emissions increased. By deconstructing seven halls in Neunkirchen and relocating processes to existing halls, heating energy and Scope 1 emissions were saved over the same period. These effects are not visible in total Scope 1 emissions. The performance indicator changes are shown in the direct energy consumption table.

### Emission factors used

Market-based emission factors were used, where available, to calculate total emissions. Where these were not available, the following reference values were used:

- Missing emission factors were mostly taken from the website [www.eea.europa.eu](http://www.eea.europa.eu) (values for 2020) or the BAFA leaflet (2021). For Malaysia, an emission factor from 2017 was used as the most recent value available (IGES List 2021). For district heating at the Graz site, a report by the University of Graz on emission reductions was used. For district heating at the Vienna site, the emission factor was taken from a leaflet by Wien Energie.
- Current country-specific emission factors (for electrical energy) were taken from a publication of Carbon Footprint Ltd. (Country-specific electricity grid GHG emission factors, 2023).
- Emissions for wood chips were taken from "Ökobilanz Hackschnitzel" (Life cycle assessment of wood chips) published by Prof. Dr. Bernhard Zimmer in "LWF aktuell 74/210".

### Data gaps

- Data on direct energy consumption in 2022 are missing for the USA. Data on the total weight of "hazardous waste generated" are missing for 2023. This is due to various waste disposal companies within the Group.



### Scope 3 emissions:

#### Included activities

- For Scope 3 emissions, activity data were not collected for all categories of the GHG Protocol.
- In Category 1 (purchased goods and services), the quantities for argon, oxygen, nitrogen, steel, polypropylene, HDPE, wood (pallets) as well as paper and cardboard were recorded.

In addition, the data in Category 9 (downstream transportation) were recorded for the means of transport ocean-going vessels, airplanes and trucks, and in Category 6 (business travel) for national and international air travel. Transportation distances were partly determined from transportation costs and with the help of Internet-based navigation programs (Google Maps, luftlinie.org).

#### Emission factors

- For the calculation of emissions in Category 1, data from the BAFA information sheet on CO<sub>2</sub> factors from November 2021 and from BVSE (for recycled plastics) were used.
- In Categories 6 and 9, the emission factors were taken from a table provided by DEFRA (Department for the Environment, Forests and Rural Affairs, UK, 2021). The calculation is based on the following assumptions: Air travel and any material transports by air were calculated without return flights. For transports by ocean-going vessel, the use of container ships > 8,000 TEU was assumed, and for transports by truck, 100% utilization of the load capacity.

#### Data gaps

In 2023, the USA and UK reported no business travel-related air kilometers. Graz reported no metal and plastic consumption. Since the transfer of some production steps from Graz to our plant in Hranice, the data gaps are defined as insignificant.

**Energy consumption within the organization** (GRI 302-1)

Consumption data		2023	2022	2021
<b>Total energy consumption</b>				
<b>Direct energy consumption</b>				
Diesel	l	<b>1,550,105</b>	1,373,681	Not collected
Gasoline	l	<b>267,815</b>	119,500	Not collected
Heating oil	l	<b>85,000</b>	119,000	96,987
Natural gas	kWh	<b>37,987,640</b>	59,962,113	81,610,909
Biomass	MWh	<b>0</b>	905	1,076
Biogas	kg	<b>0</b>	940	0
Liquid gas	kg	<b>1,043,014*</b>	6,360	73,069
<b>Indirect energy consumption</b>				
Electrical energy from renewable sources	kWh	<b>0</b>	0	0
Electrical energy	kWh	<b>87,475,440</b>	106,436,892	108,823,643
District heating	kWh	<b>6,124,801</b>	8,256,199	13,106,624
District cooling	kWh	<b>0</b>	0	98,000

Activity data		2023	2022	2021
<b>Business travel</b>				
Business travel - international flights	km	<b>18,276,461</b>	20,038,330	6,847,037
Business travel - domestic flights	km	<b>231,275</b>	453,666	441,880
<b>Transport of the material to the construction site</b>				
by container ship	tkm	<b>23,977,826</b>	22,193,640	28,652,593
by air freight (international)	tkm	<b>4,956,851</b>	812,730	1,022,640
by truck	tkm	<b>11,122,388</b>	13,508,739	13,222,791

\* The immense increase in liquid gas consumption is due to a data gap from previous years, which has now been discovered and corrected for 2023.

**Greenhouse gas emissions in t CO<sub>2</sub>** (GRI 305) (GRI 305)

	2023	2022	2021
<b>Total greenhouse gas emissions</b>	<b>440,789</b>	522,276	526,274
Direct greenhouse gas emissions (GRI 305-1)	<b>19,199</b>	16,335	16,893
Energy indirect greenhouse gas emissions (GRI 305-2)	<b>34,448</b>	41,447	39,329
Other indirect greenhouse gas emissions (GRI 305-3)	<b>387,142</b>	464,493	470,052

**Detailed presentation of Scope 3 emissions** (GRI 305-3)

	2023	2022	2021
<b>Total Scope 3 in t CO<sub>2</sub></b>	<b>387,142</b>	464,493	470,053
Cat. 1 - Materials	<b>369,070</b>	445,714	453,805
Cat. 6 - Business travel	<b>3,350</b>	3,790	1,368
Cat. 9* - Transport and distribution (downstream)	<b>14,721</b>	14,988	14,880

\* This entry has been corrected as the calculations do not relate to upstream activities (category 4) but to downstream activities (transport to the customer). This applies also for the 2021 and 2022 sustainability reports.

## Environment

For environmental data, both manufacturing and nonmanufacturing sites have been included for the year 2023. The largest production sites are located in Germany (Neunkirchen) and the Czech Republic (Hranice), followed by Austria (Graz), the USA and Malaysia.

### Water and effluents (GRI 303)

#### Water withdrawal (GRI 303-3)

Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:		2023	2022	2021
Surface water	m <sup>3</sup>	<b>131,500</b>	148,500	122,000
Groundwater	m <sup>3</sup>	<b>-*</b>	3,028	14,800
Seawater	m <sup>3</sup>	<b>0</b>	0	0
Produced water	m <sup>3</sup>	<b>0</b>	0	0
Third-party water (utilities / neighbors, etc.)	m <sup>3</sup>	<b>61,075</b>	55,907	40,973

\*Data gap in 2023.

#### Water discharge (GRI 303-4)

Total water discharge to all areas in megaliters and, if applicable, a breakdown of this total by the following types of destination:		2023	2022	2021
Surface water**	m <sup>3</sup>	<b>118,350</b>	133,500	Not collected
Groundwater**	m <sup>3</sup>	<b>-*</b>	0	
Seawater	m <sup>3</sup>	<b>0</b>	0	
Produced water	m <sup>3</sup>	<b>0</b>	0	
Third-party water (utilities / neighbors, etc.)	m <sup>3</sup>	<b>54,967</b>	56,110	

\*Data gap in 2023.

\*\*10% evaporation was assumed in the calculation.

### Waste (GRI 306)

#### Waste generated (GRI 306-3)

Total weight of waste generated in metric tons, and a breakdown of this total by:		2023	2022	2021
Metals	t	<b>11,931</b>	14,711	16,113
Paper and cardboard	t	<b>1,300</b>	750	323
Plastics	t	<b>164</b>	163	194
Other (rest, mixed)	t	<b>2,593</b>	1,083	1,518
Biodegradable	t	<b>67</b>	40	22
Glass	t	<b>1</b>	4	Not collected

		2023	2022	2021
Total weight of hazardous waste generated	t	<b>-*</b>	<b>-*</b>	171

\*Data gap in 2022 and 2023.



# Employees

Information on employees and other workers (GRI 2-7)

## i. By employment contract and gender\*

	2023	2022	2021
<b>Men</b>	<b>6,545</b>	5,453	4,991
Permanent contract	<b>6,243</b>	5,194	4,600
Temporary contract	<b>302</b>	259	391
<b>Women</b>	<b>1,517</b>	1,265	1,132
Permanent contract	<b>1,461</b>	1,179	1,054
Temporary contract	<b>56</b>	86	78
<b>Gender not known / not declared</b>	<b>4</b>		
Permanent contract	<b>4</b>		
Temporary contract	<b>0</b>		
<b>Total</b>	<b>8,066</b>	6,718	6,123

\*Collected as of December 31 of each year.  
Data for the entire SSI SCHAEFER organization except Plastics and DS Automotion

## ii. By employment relationship and gender\*\*

	2023	2022	2021
<b>Men</b>	<b>6,545</b>	5,462	5,628
Full-time	<b>6,171</b>	5,198	5,495
Part-time	<b>374</b>	264	133
<b>Women</b>	<b>1,517</b>	1,265	1,301
Full-time	<b>1,192</b>	969	1,097
Part-time	<b>325</b>	296	204
<b>Gender not known / not declared</b>	<b>4</b>		
Full-time	<b>4</b>		
Part-time	<b>0</b>		
<b>Total</b>	<b>8,066</b>	6,727	6,929

\*\* Collected as of December 31 of each year.  
Data for the entire SSI SCHAEFER organization except Plastics and DS Automotion  
Full-time: FTE ≥ 1  
Part-time: FTE ≤ 1

## iii. By age\*\*\*

	2023	2022	2021
<b>Men</b>	<b>6,545</b>	<b>5,453</b>	5,514
< 30 years	<b>1,550</b>	<b>1,307</b>	1,362
> 30 and < 50 years	<b>3,537</b>	<b>2,840</b>	2,825
> 50 years	<b>1,458</b>	<b>1,306</b>	1,327
<b>Women</b>	<b>1,517</b>	<b>1,265</b>	1,275
< 30 years	<b>342</b>	<b>93</b>	298
> 30 and < 50 years	<b>902</b>	<b>596</b>	694
> 50 years	<b>273</b>	<b>576</b>	283
<b>Gender not known / not declared</b>	<b>4</b>		
< 30 years	<b>1</b>		
> 30 and < 50 years	<b>2</b>		
> 50 years	<b>1</b>		
<b>Total</b>	<b>8,066</b>	<b>6,718</b>	6,789

\*\*\* Collected as of December 31 of each year.  
Data for the entire SSI SCHAEFER organization except Plastics and DS Automotion

**Workers who are not employees** (GRI 2-8)

	2023	2022	2021
<b>Total number of workers who are not employees and whose work is controlled by the organization*</b>	<b>245</b>	314	Not collected

\*Temporary production workers performing manual labor are the most common type of employee. The data were collected as of December 31, 2023 (headcount).

**New employee hires and employee turnover** (GRI 401-1)

**i. by gender and age\***

	2023					
	Total number of new employees	Total number of employees who left	Number of new employees in Q4	Number of employees who left in Q4	Employee turnover in Q4**	Total turnover rate***
<b>Men</b>	<b>664</b>	<b>955</b>	<b>171</b>	<b>207</b>	<b>2.71%</b>	<b>12.11%</b>
≤ 30 years	353	314	71	48	0.63%	3.98%
> 30 and ≤50 years	257	493	79	117	1.53%	6.25%
> 50 years	54	148	21	42	0.55%	1.88%
<b>Women</b>	<b>164</b>	<b>194</b>	<b>50</b>	<b>49</b>	<b>0.64%</b>	<b>2.46%</b>
≤ 30 years	83	76	27	21	0.27%	0.96%
> 30 and ≤50 years	68	79	19	19	0.25%	1.00%
> 50 years	13	39	4	9	0.12%	0.49%
<b>Total</b>	<b>833</b>	<b>1,150</b>	<b>221</b>	<b>256</b>	<b>3.35%</b>	<b>14.58%</b>

\*) 5 new employees in 2023 with gender not known/not declared

\*) One employee who left in 2023 with gender not known/not declared

\* Excluding apprentices and trainees, external employees, interns, working students, fixed-term contracts, internal transfers, retirements and deaths.

\*\* Calculation: (number of employees who left in Q4 ÷ average headcount in Q4) × 100

\*\*\* Calculation: (number of employees who left in 2023 ÷ average headcount in 2023) × 100

**Training and education** (404-1)

Average hours of training per year per employee\*

in hours	2023	2022	2021
<b>Total number of training hours</b>	<b>98,000</b>	<b>83,086</b>	Not collected
Men	<b>84,868</b>	Not collected	
Women	<b>13,095</b>	Not collected	
<b>Average hours of training per employee</b>	<b>10.9</b>	<b>10.2</b>	
Men	<b>11.7</b>	Not collected	
Women	<b>7.8</b>	Not collected	

\*Data for the entire SSI SCHAEFER organization except Plastics, RO-BER, SWAN, DS Automotion, Fritz Schäfer GmbH

in hours	2023
<b>Average hours of training per employee</b> (manager level)	<b>18.5</b>
<b>Average hours of training per employee</b> (employees with at least one direct report)	<b>9.9</b>

**Diversity and equal opportunity** (GRI 405-1)

Top management positions*	2023		2022		2021	
	absolute	percentage	absolute	percentage	absolute	percentage
<b>Men</b>	<b>120</b>	<b>88%</b>	<b>131</b>	<b>91%</b>	<b>84</b>	<b>91%</b>
< 30 years	<b>0</b>	<b>0%</b>	0	0%	0	0%
> 30 and < 50 years	<b>77</b>	<b>57%</b>	75	52%	43	47%
> 50 years	<b>43</b>	<b>32%</b>	56	39%	41	45%
<b>Women</b>	<b>16</b>	<b>12%</b>	<b>13</b>	<b>9%</b>	<b>8</b>	<b>9%</b>
< 30 years	<b>1</b>	<b>1%</b>	4	3%	0	0%
> 30 and < 50 years	<b>10</b>	<b>7%</b>	6	4%	6	7%
> 50 years	<b>5</b>	<b>4%</b>	6	4%	2	2%
<b>Total</b>	<b>136</b>	<b>100%</b>	<b>144</b>	<b>100%</b>	<b>92</b>	<b>100%</b>

\*Data for the entire SSI SCHAEFER organization except Plastics and DS Automotion

Top management positions include  
 C-Level  
 L2-L4 functions in the business units  
 L2 and L3 of the Region Management  
 L2 and L3 functions of the Group functions  
 Managing Directors and Country Managers

Management positions*	2023		2022		2021	
	absolute	percentage	absolute	percentage	absolute	percentage
<b>Men</b>	<b>927</b>	<b>85%</b>	<b>975</b>	<b>85%</b>	<b>278</b>	<b>83%</b>
< 30 years	<b>43</b>	<b>4%</b>	40	3%	16	5%
> 30 and < 50 years	<b>643</b>	<b>59%</b>	652	57%	184	55%
> 50 years	<b>241</b>	<b>22%</b>	283	25%	78	23%
<b>Women</b>	<b>163</b>	<b>15%</b>	<b>169</b>	<b>15%</b>	<b>55</b>	<b>17%</b>
< 30 years	<b>9</b>	<b>1%</b>	7	1%	7	2%
> 30 and < 50 years	<b>113</b>	<b>10%</b>	116	10%	39	12%
> 50 years	<b>41</b>	<b>4%</b>	46	4%	9	3%
<b>Total</b>	<b>1,090</b>	<b>100%</b>	<b>1,144</b>	<b>100%</b>	<b>333</b>	<b>100%</b>

\*Data for the entire SSI SCHAEFER organization except Plastics and DS Automotion

**Incidents of discrimination and corrective actions taken** (GRI 406-1)

	2023	2022	2021
Total number of incidents of discrimination during the reporting period.	1	1	1
<b>Status of the incidents and actions taken with reference to the following:</b>			
i. Incident reviewed by the organization	1	1	1
ii. remediation plans being implemented	1	0	1
Men	0	0	1
Women	1	0	0



# GRI-Index

## Statement of use

SSI SCHAEFER has reported the information cited in this GRI content index for the period 01.01.2023 to 31.12.2023 with reference to the GRI Standards.

## GRI 1 used: GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Comments
<b>GRI 2: General Disclosures 2021</b>			
2-1	Organizational details	pp. 5-7, 74	
2-2	Entities included in the organization's sustainability reporting	p. 88	
2-3	Reporting period, frequency and contact point	p. 88	
2-4	Restatements of information		<p>The key figures in the chapter "Facts and figures" refer to the 22 biggest companies ("BIG 22") of the SSI SCHAEFER Group, which together account for more than 80% of sales revenues. All companies included can be found on page 74.</p> <p>The "Detailed presentation of Scope 3 emissions" table in the "Figures, data, facts" chapter had to be corrected. In our calculations, category 9 "Transport and distribution (downstream)" is taken into account and not category 4 "Transport and distribution (upstream)" as previously presented. This applies also for the 2021 and 2022 sustainability reports.</p>
2-5	External assurance	p. 88	
2-6	Activities, value chain and other business relationships	pp. 9-10, 58	
2-7	Employees	pp. 8, 81	
2-8	Workers who are not employees	p. 82	

GRI Standard	Disclosure	Location	Comments
2-9	Governance structure and composition	p. 6	
2-22	Statement on sustainable development strategy	pp. 3-4	
2-23	Policy commitments	pp. 21, 55-56, 58	<p>The SSI SCHAEFER Group commits to human rights in its Declaration of Principles and affirms its commitment to promote the company's own human rights strategy and to pursue the goal of strengthening human rights and preventing any violations.</p> <p>Further information on our Codes of Conduct and Declaration of Principles on Human Rights can be found here: <a href="https://www.ssi-schaefer.com/en-gb/about-us/compliance">https://www.ssi-schaefer.com/en-gb/about-us/compliance</a></p>
2-24	Embedding policy commitments	pp. 21, 55-56, 58	
2-25	Processes to remediate negative impacts	pp. 55-56	
2-26	Mechanisms for seeking advice and raising concerns	p. 56	
2-28	Membership associations	p. 11	
2-30	Collective bargaining agreements		In all countries in which the SSI SCHAEFER Group operates and in which there are legal regulations or collective agreements, we comply with them.
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	pp. 13-14	
3-2	List of material topics	p. 13	

GRI Standard	Disclosure	Location	Comments
<b>GRI 201: Economic Performance 2016</b>			
3-3	Management of material topics	pp. 45-50	
201-1	Direct economic value generated and distributed		Please refer to the 2022 consolidated financial statements of Fritz Schäfer GmbH & Co KG (Consolidated income statement) <a href="https://www.unternehmensregister.de/">https://www.unternehmensregister.de/</a> ; The 2023 consolidated financial statements have been completed in June 2024.
<b>GRI 203: Indirect Economic Impacts 2016</b>			
3-3	Management of material topics	pp. 39, 42	
<b>GRI 204: Procurement Practices 2016</b>			
3-3	Management of material topics	pp. 56, 58-59	
<b>GRI 205: Anti-corruption 2016</b>			
3-3	Management of material topics	pp. 21-22	
<b>GRI 301: Materials 2016</b>			
3-3	Management of material topics	pp. 28-29	
301-1	Materials used by weight or volume	p. 75	
<b>GRI 302: Energy 2016</b>			
3-3	Management of material topics	pp. 28-29, 61-62	
302-1	Energy consumption within the organization	p. 79	
302-4	Reduction of energy consumption	pp. 29, 61	
302-5	Reductions in energy requirements of products and services	p. 61	

GRI Standard	Disclosure	Location	Comments
<b>GRI 303: Water and Effluents 2018</b>			
303-3	Water withdrawal	p. 80	
303-4	Water discharge	p. 80	
<b>GRI 305: Emissions 2016</b>			
3-3	Management of material topics	pp. 28-29, 61-62, 66	
305-1	Direct (Scope 1) GHG emissions	p. 79	
305-2	Energy indirect (Scope 2) GHG emissions	p. 79	
305-3	Other indirect (Scope 3) GHG emissions	p. 79	
<b>GRI 306: Waste 2020</b>			
3-3	Management of material topics		We will make sure that all producing entities of the SSI SCHAEFER Group will be certified according to various ISO standards by 2026. Among others, the focus is on ISO standard 14001 (environmental management system). We will expand certifications according our Group's certification strategy.  Individual locations have already been certified to management systems such as ISO 9001, ISO 14001, ISO 50001, ISO 27001 and ISO 45001.
306-3	Waste generated	p. 80	
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
3-3	Management of material topics	pp. 58-59	
<b>GRI 401: Employment 2016</b>			
3-3	Management of material topics	pp. 31-32	
401-1	New employee hires and employee turnover	p. 82	

GRI Standard	Disclosure	Location	Comments
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		In many countries in which the SSI SCHAEFER Group operates, there are legal regulations or collective agreements with which we comply.
<b>GRI 403: Occupational Health and Safety 2018</b>			
3-3	Management of material topics	pp. 34-35	
403-1	Occupational health and safety management system	pp. 34-35	
403-2	Hazard identification, risk assessment, and incident investigation	pp. 34-35	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pp. 34-35, 37	
403-9	Work-related injuries	p. 76	
403-10	Work-related ill health	p. 76	
<b>GRI 404: Training and Education 2016</b>			
3-3	Management of material topics	pp. 31-32	
404-1	Average hours of training per year per employee	p. 83	
404-2	Programs for upgrading employee skills and transition assistance programs	pp. 71-72	At present, the different data are not yet uniformly recorded across all companies. This is being developed.
404-3	Percentage of employees receiving regular performance and career development reviews		

GRI Standard	Disclosure	Location	Comments
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	p. 83	
<b>GRI 406: Non-discrimination 2016</b>			
406-1	Incidents of discrimination and corrective actions taken	p. 84	
<b>GRI 414: Supplier Social Assessment 2016</b>			
3-3	Management of material topics	pp. 58-59	
<b>GRI 415: Public Policy 2016</b>			
415-1	Political contributions		Political parties or similar interest groups are not supported. This figure is therefore not recorded.
<b>GRI 416: Customer Health and Safety 2016</b>			
3-3	Management of material topics	p. 25	
<b>GRI 418: Customer Privacy 2016</b>			
3-3	Management of material topics	p. 39	

# About this report

This is the third year in a row that the SSI SCHAEFER Group has presented a sustainability report on a voluntary basis. The present report refers to the financial year 2023 (January 1, 2023 to December 31, 2023) and additionally includes selected information from the first months of the financial year 2024.

The editorial deadline for the Sustainability Report 2023 was July 19, 2024.

The report for the financial year 2024 is expected to be published in mid-2025.

The Sustainability Report 2023 covers the entire basis of consolidation of the SSI SCHAEFER Group with its 80 subsidiaries.

Unless otherwise stated, the performance indicators contained in this report refer to the 22 largest entities of the SSI SCHAEFER Group, which together account for more than 80% of sales revenues. In the reporting on CSRD for the 2025 financial year, the full consolidation base will be included in the sustainability reporting, including performance indicators.

The present Sustainability Report has not been audited. Going forward, the management of the SSI SCHAEFER Group will decide on the need for an external audit on an annual basis.

GRI 2-2, 2-3, 2-5

This Sustainability Report is available in German and English. In case of deviations, the German version shall apply.

## Rounding note

When using rounded amounts and percentages, minor deviations may occur due to commercial rounding.

## Published by

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### Forward-looking statements

This Sustainability Report contains certain forward-looking statements relating to the future development of the SSI SCHAEFER Group and its entities as well as to economic and political developments. These statements represent estimates that we have made based on all the information available to us at the time the report was prepared. Should the underlying assumptions fail to materialize or further risks occur, the actual results, developments and performance of the Group may differ from the estimates presented. Even if the actual results of the SSI SCHAEFER Group, including its financial position and profitability as well as the economic and regulatory framework conditions, are in line with the forward-looking statements in this Sustainability Report, no guarantee can be given that this will continue to be the case in the future. The SSI SCHAEFER Group therefore assumes no liability for the forward-looking statements presented in this report.

### Your feedback

We want to continuously improve and develop our sustainability efforts. We therefore welcome your feedback on our Sustainability Report. You can send us your comments directly online to the above e-mail address.

### Further reporting

For further information on the SSI SCHAEFER Group and its commitment to sustainability, please visit our corporate website at [ssi-schaefer.com](https://ssi-schaefer.com).

*Think Tomorrow.*

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