



# Sustainability Report Brose Group 2023

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# About this report

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This Sustainability Report, like this year's financial report, covers the reporting period from 1 January to 31 December 2023. Brose also aims to adhere to an annual reporting schedule in the future [GRI 2-3]. The contents of the report are guided by the materiality assessment based on GRI standards, which was performed for the 2019 Sustainability Report (see Materiality assessment, p. 11). It was validated for the 2023 Sustainability Report. Unless otherwise stipulated, all information contained in the report refers to the entire Brose Group, excluding Brose Sitech GmbH – the joint venture between the Brose Group and Volkswagen AG [GRI 2-2].

Responsible for content in the sense of German Press Law: Stefan Krug, Chief Executive Officer and Chief Operating Officer, Brose SE, Max-Brose-Straße 1, 96450 Coburg, Germany. As a result of the changes in the legal structure of the Brose Group, effective 2 October 2024, the Administrative Board of Brose SE is now responsible. However, as it pertains to the year 2023, the previous designations “executive management board” and “advisory board” are used

again throughout the text of this report. This report was approved by the Brose executive management board and meets the criteria set forth in GRI (Global Reporting Initiative) Services' Content Index - Essentials.

## **Liability disclaimer**

We have prepared the data contained in this Sustainability Report with the utmost care. Nevertheless, we cannot rule out any errors. Consequently, the Brose Group accepts no liability and makes no guarantee with respect to the correctness or accuracy of the information contained in this Sustainability Report. In addition to retrospective analysis, forward-looking statements made in this report were prepared based on existing forecasts. Although these have been prepared with the utmost care, unforeseeable developments in the future may lead to different results. Therefore, any forward-looking statements made in this report should not be regarded as certain. The Brose Group reserves the right to update this Sustainability Report without additional notice [GRI 2-4].

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# Foreword of the executive management board

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Ladies and Gentlemen,

For us as a company, sustainable operations mean taking responsibility for our employees, the environment and society. We are fortunate to be able to build on an ownership structure that ensures continuity and has put the long-term success story of our family-owned company at the center of what we do for more than 110 years.

In this report, we provide insight into developments across the three dimensions of sustainability – environment, people and sustainable business practices – and offer an overview of the tasks and challenges that lie ahead. We aligned our efforts with the principles of the “UN Global Compact” and the Sustainable Development Goals outlined in the United Nation’s Agenda 2030. We participate in the industry dialog promoted by the German National Action Plan on Business and Human Rights and are a founding and board member of the “Responsible Supply Chain Initiative” established by the German Association of the Automotive Industry.

Our sustainability strategy covers all aspects of sustainable practices and supports our customers in achieving their ambitious goals. Sustainability is becoming an increasingly decisive competitive factor in our industry. However, our focus is not merely on the financial future of the company, but also

on the society in which we operate, the people we work with and the environment on which our very lives depend. In early 2023 we took another important step: in a policy statement, we committed to respecting human rights, including certain associated environmental concerns, both in our own business operations and in our global supply and value chains.

We aim to offer CO<sub>2</sub>-neutral products on a balance sheet basis starting in 2039. This means we strive to avoid and reduce CO<sub>2</sub> emissions as far as possible and offset unavoidable emissions through certified compensation projects. An important step toward this goal is the CO<sub>2</sub>-neutral operation of our Brose locations in terms of Scope 1 and 2 emissions starting in 2025. Our components and systems also help reduce energy consumption and emissions in vehicles, whether by achieving weight savings through lightweight design or by increasing the efficiency of auxiliary systems. The selection of materials also has a major impact on the ecobalance of our products, which is why we consider manufacturing technologies that avoid waste and focus on energy efficiency as early as the design phase. Brose also expects its suppliers to comply with high sustainability standards.

Employees are a company’s most important assets. Our values are readily apparent in our uncompromising commitment to occupational safety and health and our respectful interactions with one another. Following the example of our company founder Max Brose, our family-owned company is also committed to supporting the communities around our global locations. We accept social responsibility and sponsor projects, investments and individuals in society, education, culture and sport.

I hope you enjoy reading this informative report!

Stefan Krug  
Chief Executive Officer and  
Chief Operating Officer of the Brose Group

# Company profile

Last updated: 31 December 2023

Brose is the world's fourth-largest family-owned automotive supplier. No matter where in the world a vehicle door or window is opened, a car seat is adjusted or the air conditioning is turned on – you will almost always find Brose Group technology in use. Although usually not visible to the driver, our products provide more comfort, safety and efficiency. Brose is the market leader in many areas, for example in door systems or electronically commutated cooling fan modules. The 100-percent subsidiary Brose Antriebstechnik has been manufacturing e-bike drives since 2014.

## Facts and figures

Around 27,000 employees, roughly 59 percent in Europe (including South Africa and India), 24 percent in America and 17 percent in Asia. Around 5,000 additional employees work for our joint venture Brose Sitech in Europe and China. Three headquarters in Coburg (CEO, Interior division), Hallstadt (Exterior division) and Würzburg (Drives division) along with two regional headquarters in Detroit/USA and Shanghai/China. Company name: Brose Fahrzeugteile SE & Co. KG, Coburg [GRI 2-1]

Headquarters: Max-Brose-Str. 1, 96450 Coburg, Germany  
Investments in research and development: 6.4 percent of sales

## Governance

Shareholder family: Michael Stoschek (Chairman of the Brose Group), Christine Volkmann († 22 December 2023) and their respective children [GRI 2-1]

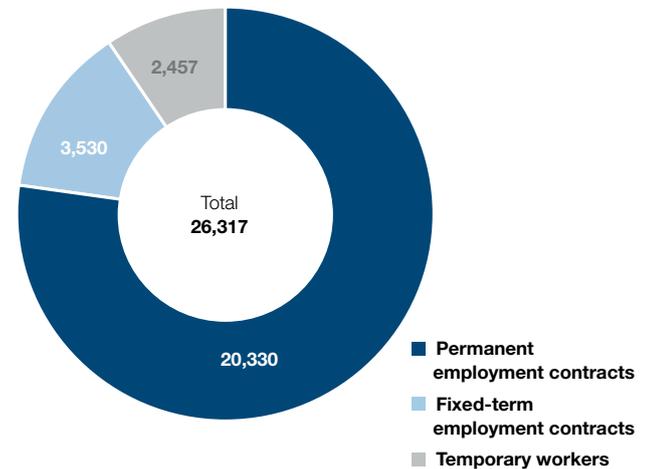
Advisory board: Franz-Josef Kortüm, Chairman of the Brose Advisory Board, Dr. Rolf Breidenbach, Dr. Bernd Bohr (from 1 October 2023)

Executive management board: Ulrich Schrickel (CEO of the Brose Group to 31 August 2023), Dr. Philipp Schramm (Executive Vice President Commercial Administration and CEO of the Brose Group from 1 September 2023), Dr. Olaf Gelhausen (Executive Vice President Organization and Human Resources to 30 September 2023), Dr. Bernhard Blauth (Executive Vice President Organization and Human Resources from 4 September 2023), Andreas Jagl (Executive Vice President Interior), Raymond Mutz (Executive Vice President Drives), Christof Vollkommer (Executive Vice President Exterior), Stefan Krug (Executive Vice President Operations)

The shareholder family comprises the Administrative Board, which is the highest governing body in the Brose Group. Since the passing of shareholder Christine Volkmann on 22 December 2023, there are now four members. Two of them are women, and two are men. All of the shareholders have been involved in the business and worked on social causes for years. The Articles of Association govern all requirements placed on the shareholders.

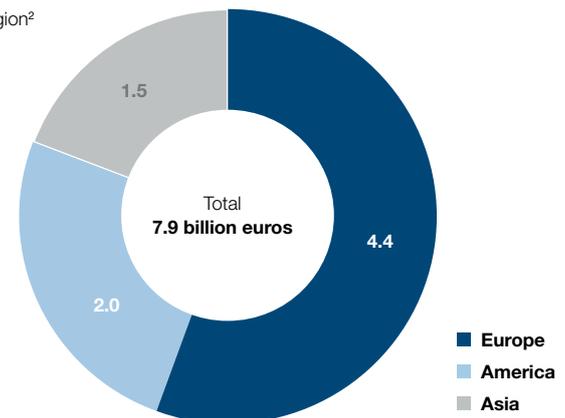
## Employees 2023

by employment contract (excluding joint venture)<sup>1</sup>

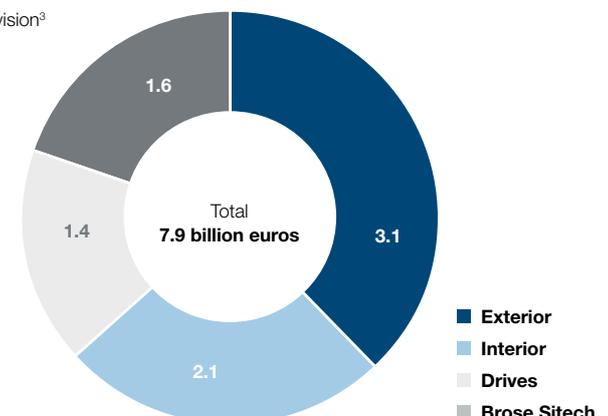


## Sales 2023

by region<sup>2</sup>



by division<sup>3</sup>



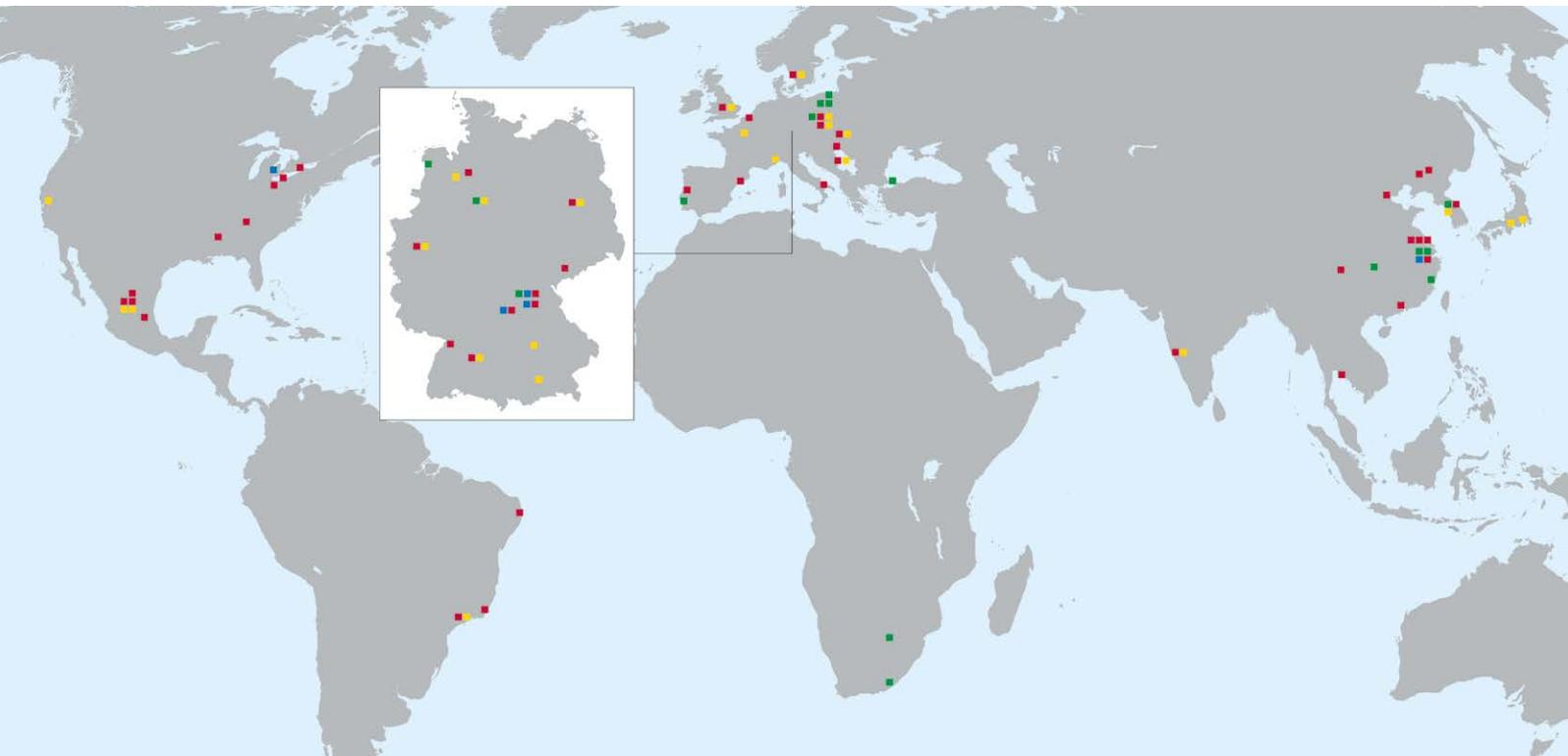
<sup>1</sup> Due to the differences in the data available on our joint venture, our report does not include it to improve comparability.

<sup>2</sup> Including Brose Sitech. Deviations possible due to rounding. In addition, due to inter-company sales between the business divisions, it is not possible to add sales in the business divisions to group sales.

<sup>3</sup> Deviations possible due to rounding. In addition, due to inter-company sales between the business divisions, it is not possible to add sales in the business divisions to group sales.

### Locations and internationalization

Brose operates 68 locations in 24 countries, including 43 of our own plants and 14 production sites with local partners.



### Interest groups, public funds and taxes

We are engaged in politics and society in the countries in which we manufacture our products. This is why we are a member of national and international interest groups. In Germany some of these groups include the Employers' Associations of the Metalworking and Electrical Industries in Bavaria (bayme), the German Electrical and Electronic Manufacturers' Association (ZVEI), the Association for Supply Chain Management, Procurement and Logistics (BME), the German E-Mobility Association (BEM) and the German Association of the Automotive Industry (VDA).

We are also members of the German chambers of commerce in the US, China, Spain, Japan, France, Great Britain, India, Italy, Mexico, Sweden, the Czech Republic and South Africa among other countries. No political contributions were made during the reporting year.

#### Public funds

in millions of euros of the total payments, by region<sup>4</sup>

	2021	2022	2023
China	10.3	8.5	10.7
Germany	0.6	0.6	0.8
Europe (excluding Germany)	2.1	1.9	2.5
North America	4.3	1.6	0.4
Rest	0.6	0.5	0.6
<b>Total</b>	<b>17.8</b>	<b>13.1</b>	<b>15.0</b>

<sup>4</sup>Deviations possible due to rounding.

## Products

One of Brose's core areas of expertise lies in the interaction of mechanical, electric and electronic systems. We connect mechatronic components using sensor technology and software to create intelligent systems. Every second new vehicle worldwide is equipped with at least one of our products. Although usually not visible to the driver, they enhance safety, comfort and efficiency.

### Door and vehicle access systems

Brose is the world market leader in the development and manufacturing of mechatronic systems for vehicle doors and liftgates. With over 90 years of experience, we set trends that enhance safety and comfort. As a long-standing market leader for power liftgate systems, we have transferred our expertise to the side door to offer new comfort experiences for vehicle access. Our portfolio comprises all of the requisite components – from power opening latches and side door drives to collision and anti-trap protection sensors.

### Components and control units for seats

Virtually no other feature in the vehicle interior must satisfy as many individual requirements as the seat. The desire for

maximum flexibility and comfort goes hand in hand with the need for maximum safety. We continuously strive to refine our products to meet these demands while also considering ecological challenges. For instance, our advanced material concepts and production methods have helped us develop one of the lightest seat structures in the market. Moreover, we have been a system supplier of complete vehicle seats since 2022 thanks to our joint venture Brose Sitech.

### Electric motors and drives

Brose produces electric motors and drives from 200 watts to 14 kilowatts for a wide range of vehicle applications. Our products are used in HVAC units, engine cooling, in the drive train and in steering and braking systems. They also operate windows, seats, liftgates and side doors. Our power auxiliary systems improve the efficiency of conventional and e-vehicles alike, which in turn reduces energy consumption and extends range, while also making a vital contribution to sustainability. We also develop and produce drives for e-bikes and e-scooters, providing innovative solutions for sustainable mobility concepts.

## Product portfolio

### Exterior

- Door systems
- Window regulators
- Liftgate systems
- Side door drives
- Latch systems

### Interior

- Front and rear seat structures
- Seat components
- Vehicle seats
- Comfort adjustment systems

### Drives

- Heating and ventilation components
- Electric motors for chassis and steering
- Electric oil pumps and actuators
- Drives for electric two-wheelers



## Philosophy

In accordance with our goal to deliver first-class performance in every respect, the shareholders, advisory board and executive management board of the Brose Group approved the “FIRST” company principles, which were updated at the end of 2023.



### Family

Our family not only includes the shareholders, but all employees worldwide.



### Innovation

We are constantly improving our product range and internal processes.



### Return

To maintain our independence and finance the company's development, we generate a sustainable return.



### Speed

Speed in all processes and decisions is an important success factor.



### Team

Instead of pursuing individual interests, we work together for the good of the company.

Compliance with legal requirements and ethical principles goes without saying at Brose. Various policies like the “FIRST” company principles and the Brose Code of Conduct guide our actions in day-to-day business operations to ensure respectful, honest and fair conduct towards business partners and employees. Consequently, they apply worldwide and are accessible to employees in their respective local languages. Regular, mandatory e-learning courses anchor these principles within our company.

We want to be a point of contact for suppliers, society and policy makers at our locations and promote socially and environmentally responsible development. Our responsibility takes into account the entire life cycle with regard to the impact of our products on the environment. We are committed to the continuous improvement of our processes in consideration of economic aspects and necessities.

### It is our goal to

- Sustainably reduce adverse environmental effects,
- Continuously improve the energy efficiency of our products and production,
- Prevent risks of injury and health hazards,
- Provide a safe and ergonomic working environment for our employees,
- Use suppliers that follow our sustainability and ethical principles,
- Provide the necessary financial, structural and human resources,
- Comply with legal and regulatory requirements.

We avoid risks, prevent mismanagement and fight waste. We eliminate or mitigate the causes whenever and wherever we identify these. We also take targeted organizational and HR-related measures.

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# Sustainability management

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Brose's sustainability management is based on a streamlined structure that is aligned with the company's own sustainability strategy. Building on this strategy, we have implemented topic-specific, HR responsibilities for the individual areas and functions. We take responsibility for sustainable executive management with regard to economic, environ-

mental and social aspects. This is also reflected in our Code of Conduct along with the requirements we place on our entire supply and value chain. Not least, as an overarching field of action, the issue of sustainability is an essential element of our corporate strategy.

## Sustainability organization

Since no separate organizational unit exists for sustainability in the Brose Group, responsibility for specific economic, environmental and social topics has been assigned to the individual areas and functions. The Executive Vice President Operations has overall responsibility for sustainability. The Chief Corporate Responsibility Officer (CCRO) of the Brose Group reports to him. This position structures and coordinates all issues related to sustainability between the individual functions and divisions.

The CR Board meets monthly and features representatives from all functional areas that are able to contribute to sustainability. The regions are also included in the discussion via representatives from Detroit/USA and Shanghai/China. The CR Steering Committee acts as a link between the CR Board and the executive management board. It consists of two members of the executive management board along with the CCRO and meets as needed. The necessary decisions on sustainability topics are either rendered directly during these

meetings or prepared for presentation during the meeting of the executive management board.

The management systems for environment, energy, health & safety (EHS) and fire prevention and hazard management are consolidated under the term "technical sustainability" and fall under the direct area of responsibility of the Executive Vice President Operations. In addition, environmental and energy coordinators were appointed in every business division. At least once a quarter, members of the EHS Board meet under the leadership of the Executive Vice President Operations. These include coordinators from the business divisions along with representatives from Purchasing, Human Resources and Corporate Communications as well as other group functions depending on the topic. The committee assists the executive management board with the implementation of guidelines for environment, energy and occupational safety and health by discussing alternative action strategies and procedures. Purchasing steers sustainability topics related to the supply chain.

## Brose sustainability strategy

The Brose Group sustainability strategy was adopted by the executive management board in February 2021 and includes a clear statement on every aspect of sustainability and corporate responsibility. It shows that we not only take responsibility for the financial future of the company, but also for the society in which we operate, the people we work with and the environment on which our very lives depend.

The shareholders and executive management board lead the Brose Group as a global, sustainably operating corporation and base their decisions on the following principles:

### **Brose is committed to protecting the environment:**

Brose factors economic criteria along with environmental aspects into its decision-making to continuously reduce the ecological impacts of operations.

### **Brose will become a CO<sub>2</sub>-neutral company<sup>5</sup>:**

Brose's objective is to become a CO<sub>2</sub>-neutral company. A major milestone along the way is operating Brose's locations in a CO<sub>2</sub>-neutral way by 2025. Wherever this is not possible, high-value compensation projects will be implemented.

### **Brose shows responsibility towards employees:**

Our employees are the bedrock of the Brose Group's long-term success. Key focal points include ensuring fair working conditions and appropriate wages, personalized development opportunities and guaranteeing comprehensive occupational safety and health.

### **Brose shows responsibility towards society:**

Brose takes seriously its social responsibility at all of its locations and sponsors a number of activities that add educational, cultural, social, sports, health, infrastructure, employment and regional value to local communities.

### **Brose operates according to a Code of Conduct:**

Compliance with laws and regulations goes without saying at Brose. Our employees act with fairness and integrity towards each other and external partners and interest groups. Our Code of Conduct serves as a compass and is guided by values such as openness, tolerance, respect, positive human interaction, fairness, reliability and honesty, among others. We call on all our employees to conduct themselves in accordance with this Code and to take immediate, resolute action if they observe any violations.

### **Brose engages the supply chain:**

Brose requires suppliers to comply with principles such as fair business practices, just working conditions, human rights or environmental standards and to expect them from their own suppliers so that these principles are practiced along the entire value chain. Alongside quality and price, systematic alignment and compliance with these principles is a requirement when awarding contracts.

### **Brose is committed to customers:**

Environmental and climate protection and ensuring adherence to social standards are essential for Brose throughout the entire value chain and are embedded in every phase of the product development process. This enables us to offer customers sustainable, future-ready solutions and help them achieve their own sustainability and corporate responsibility objectives.

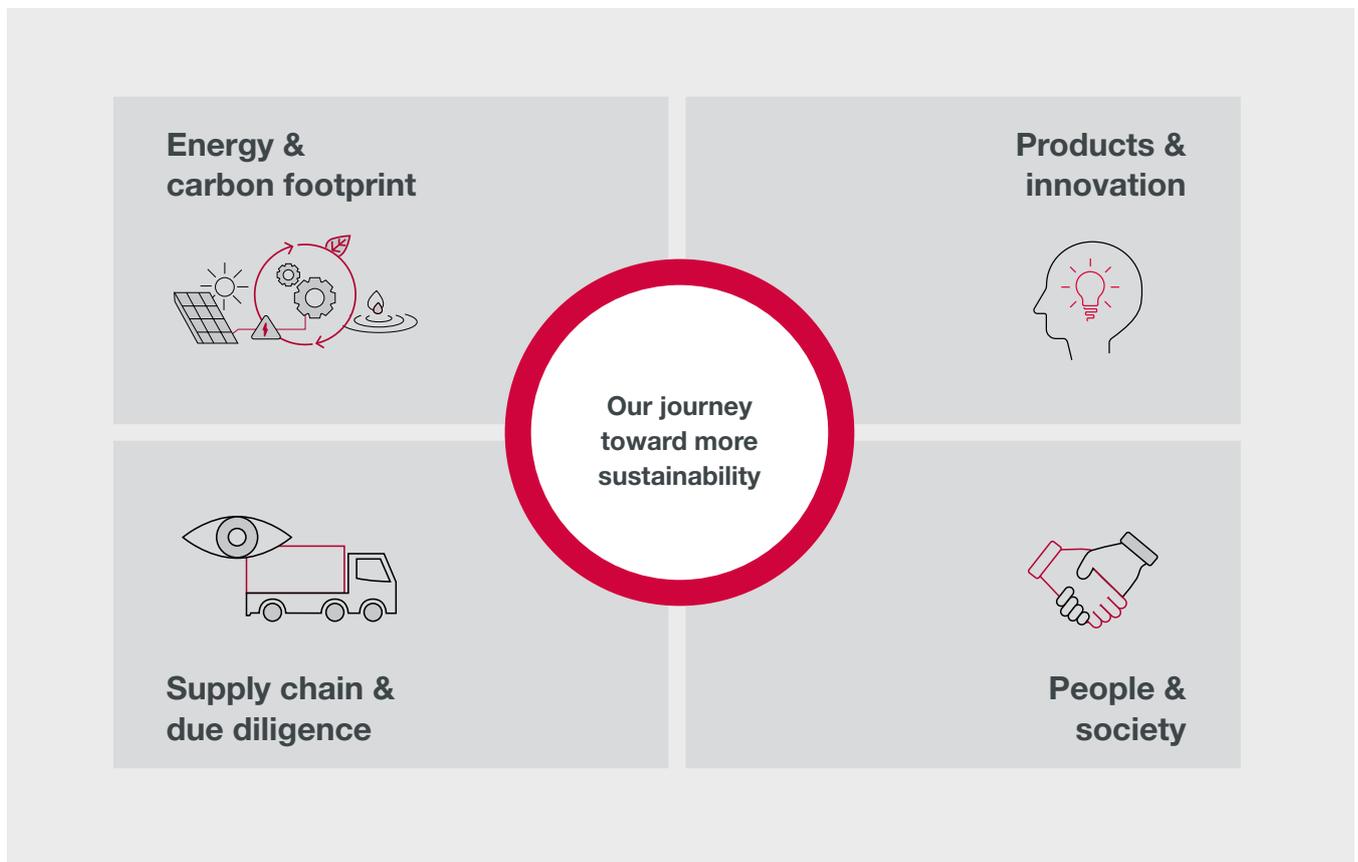
<sup>5</sup> CO<sub>2</sub>-neutral on a balance sheet basis means avoiding and reducing CO<sub>2</sub> emissions generated by our own business activities (Scope 1 and 2) and in the upstream supply chain (Scope 3 Upstream), as well as offsetting unavoidable emissions through certified environmental projects. Scope 1, 2 and 3 are used in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The CO<sub>2</sub>-neutral operation of our Brose locations (excluding joint ventures) starting in 2025 refers to Scope 1 and 2 emissions.

## Fields of action

Based on this strategy, we developed four fields of action in 2023 and further cemented them with focal points and target visions. This is the foundation for continuous further development towards a completely sustainable company. The subject of sustainability is incorporated into the corporate strategy as an overarching field of action. This means it im-

pacts all areas and functions and is an essential building block in ensuring the company's future.

Our sustainability strategy and the fields of action presented were confirmed as the basis for our sustainability activities together with the executive management board in 2023 during the annual strategy workshop.

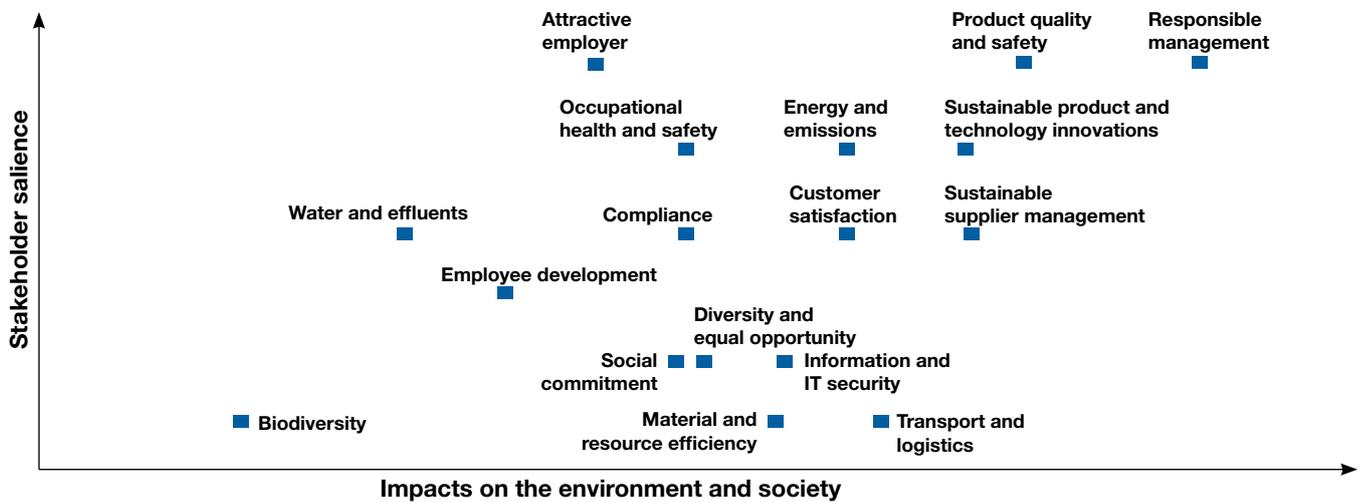


## Materiality assessment

To determine the material content of this report, we conducted a multi-step process with an external sustainability consultancy. In the first step a comprehensive, selective list of potentially relevant topics was prepared and then compressed into a shortlist. We used this as the basis for a workshop with those responsible from the relevant functional areas to carry out two assessments. First, the shortlist topics were prioritized from the perspective of our most important stakeholders (employees, customers, interested

members of the public). Second, an analysis was performed to quantify Brose's impact on the environment and society for each topic. The resulting material topics were then validated and released by executive management. In early 2024 the results of the analysis were once again validated and confirmed for this report [GRI 3-1].

Topic matrix for materiality assessment [GRI 3-2]



## Compliance and risk management

In 2023, we expanded our Compliance Management System to include the “WhistleB” whistleblower system, which is also available to employees at our German locations. The Brose Group Chief Compliance Officer is the Compliance Management System process owner and is responsible for risk-oriented enhancements to the system via the global compliance organization. The system is designed to ensure ethical and legally compliant conduct within the Brose Group. Moreover, it helps us control and minimize compliance risks. We also established a Compliance Committee to advise the executive management board on cross-departmental compliance issues and support the Compliance department. Permanent members include the Executive Vice President Commercial Administration, the Executive Vice President Organization and Human Resources, the Chief Compliance Officer, the head of Auditing and the Group Compliance Officer.

The principal focus of our compliance activities is antitrust law and avoiding corruption. The Compliance Management System encompasses prevention measures in the form of training courses and consultations for employees in individual cases, monitoring of compliant behavior and responses to misconduct such as disciplinary actions or process improvements. Training courses are designed to address the individual risk propensity in specific areas of business and provide information on current planning or changes in legislation.

Regular reviews performed by the auditing department in Brose Group companies and locations support the Compliance Management System in preventing and uncovering corruption. In 2023, no significant incidents of corruption or antitrust violations were confirmed, nor were any fines or penalties imposed on Brose for corruption or antitrust offenses.

### Code of Conduct fosters and demands ethical conduct

The Brose Code of Conduct outlines the requirements for ethical and compliant behavior in day-to-day work within a globally applicable framework. It includes rules concerning export controls, information security and money laundering. Additional topics in the Code of Conduct include responsibility in the workplace, fighting corruption, conduct towards business partners and third parties, avoiding conflicts of interest, fairness and diversity along with quality and product safety.

The Code of Conduct is available in English, Chinese, Spanish and Czech and published both digitally on the intranet and in printed form to reach all employees and new hires, including those in skilled trades. It applies worldwide at all of our locations. The rules will continue to be updated and adapted to current demands on a regular basis.

Supervisors are tasked with ensuring that the employees assigned to them understand and comply with the Brose Code

of Conduct. The company will not tolerate any behavior that contradicts the Code of Conduct and such behavior may result in legal action. No serious breaches were reported in 2023. Employees with PC access are required to participate in an e-learning course on the Brose Code of Conduct every 36 months. The content of the course was revised and updated the previous year to reflect the changes made to the Code of Conduct. The courses last about an hour and raise awareness of the behavior norms outlined therein while making employees conscious of proper conduct in their day-to-day work. 3,173 employees completed a corresponding e-learning session in 2023. The average fulfillment rate for the year under review is approximately 95 percent worldwide.

#### **Raising awareness for the topic area compliance**

Brose also offers in-person compliance seminars on the topics “Introduction to compliance” and “Antitrust law” in foreign and domestic companies of the Brose Group.

In 2023, a mandatory in-person seminar was also held for Central Purchasing and Purchasing in the business divisions. The focus was on helping employees recognize and avoid behavior that may constitute a criminal offense. To raise awareness among employees working in high-risk areas or projects, a mandatory e-learning module on antitrust law was introduced in 2022, which must be repeated every three years. 4,291 people completed this training in 2023. This corresponds to a fulfillment rate of 94.1 percent.

An accompanying e-learning module was also introduced in April 2023 in the context of the anti-corruption policy adopted in 2022. The anti-corruption policy governs binding, group-wide requirements for accepting and granting gifts and guest services as well as handling potential conflicts of interest. Employees must communicate and document these conflicts in a transparent way so that they can work with their respective supervisors to ensure they are handled in an appropriate manner. The e-learning course must be repeated every year. A total of 8,528 employees were trained, which translates into a participation rate of 88.9 percent.

The Brose Code of Conduct for Suppliers and Service Providers obliges our business partners to be socially responsible and comply with all applicable laws, in particular those governing the avoidance of corruption and violations of an-

titrust law. The Code of Conduct for Suppliers and Service Providers should be seen as a supplement to the existing purchasing guidelines and is attached to the contract. It enters into force when the contract is concluded between the business partner and Brose. In 2023, the Brose Code of Conduct for Suppliers and Service Providers was extensively revised and expanded to address new requirements stemming from the German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz (LkSG)*).

#### **Reporting potential compliance incidents**

If employees have questions about compliance topics or are aware of any compliance incidents, we expect them to actively seek a personal meeting with their supervisor to discuss the matter or directly contact the responsible Compliance Officer, HR support officer or the works council. Every concern is treated as confidential. Moreover, internal HR audits are conducted to discuss the relevant topics by location and identify the need for action as required. Local and/or global employee surveys can further be used to compile information on inconsistencies.

The Brose Group provides the web-based whistleblower system “WhistleB” in 17 languages along with accompanying information. Employees, customers, suppliers and other business partners can use this system to confidentially or anonymously report violations against legal regulations in the sense of the German Whistleblower Protection Act (*Hinweisgeberschutzgesetz (HinSchG)*). The necessary works agreements with the German works councils for the introduction of the whistleblower system were successfully concluded in 2023. This allows employees at German locations to also use the “WhistleB” system starting in 2024. Reports usually involve possible violations of antitrust law, the ban on corruption and corporate security; however, incidents such as theft, property damage or threats may also be reported. In the context of the German Supply Chain Act (LkSG), this whistleblower system was also expanded to serve as a complaint mechanism for reports on possible human rights violations in employees’ own business divisions and within the supply chain. A procedural regulation was published in writing on the Brose website for this purpose. All reports are processed by an internal reporting office, which is committed to maintaining strict confidentiality.

## Tax management

As a family-owned German company, we are aware of our responsibility to society when it comes to meeting our tax obligations. The Brose Group is committed to tax compliance via the C.A.R.E. Principles (Compliance, Attitude, Responsibility, Enforcement) in its internal Code of Conduct. This includes adhering to national and international tax laws. We also acknowledge that tax payments made by the Brose Group in specific countries are crucial revenue sources that can support public, economic and social projects.

The Executive Vice President Commercial Administration is responsible for taxes and tax strategy. He delegates tasks to Finance and Taxes Brose Group and the local Finance competence centers. Finance and Taxes Brose Group functions as the tax department for Germany and also coordinates the Brose Group's foreign tax roles. The head of Finance and Taxes and the Executive Vice President Commercial Administration share a constant exchange of information on key aspects of this topic. Among other things, these include current and future developments with respect to foreign and domestic legislation, the status of the risk assessment and the implementation of risk-mitigating measures or controls. Furthermore, the Executive Vice President Commercial Administration keeps the shareholders and advisory board abreast of important tax-related issues and the tax risk assessment. Finance and Taxes Brose Group strictly adheres to tax guidelines and continuously monitors and improves processes and controls. It is also committed to contributing as comprehensively as possible to the success of the Brose Group's operations. This is achieved, for example, by closely supporting innovative developments, promptly resolving tax-related uncertainties and identifying practical solutions to meet specific tax requirements. Backed by the active support of the Executive Vice President Commercial Administration, the Brose Group has a modern, world-class tax function. Ongoing education and training opportunities for all employees via internal and external training courses ensure that this tax function continues to evolve and improve.

To review and validate our position, the Finance and Taxes group function also relies on internal and external expertise

when needed. An auditing firm confirms our tax items in the annual financial statements. As part of its digitalization effort, the Brose group is working to further automate its processes and continually expand IT-based controls. Among other things, this includes IT-assisted modeling of tax-related processes to establish the Tax Compliance Management System (Tax CMS) along with tool-based documentation and review of potential reporting obligations within the scope of EU DAC6 Guidelines.

The Brose Group follows a management approach to taxes aimed at avoiding impermissible tax reductions and tax evasion and always ensuring compliance with statement, reporting, cooperation and documentation obligations to tax authorities in the respective tax jurisdictions.

We do not engage in aggressive tax planning activities, and we pay taxes wherever we operate in a value-adding capacity. Finance and Taxes Brose Group and the decentralized tax departments maintain a professional, transparent and cooperative relationship with the tax authorities. Considering stakeholder interests is important to us in order to ensure the long-term success of our company and not lose sight of our objective of achieving a balanced tax burden in the process.

Tax concerns raised by employees, customers, suppliers and other business partners can be reported via our web-based whistleblower system WhistleB. Employees at German Brose companies were able to contact the responsible Compliance Representative by phone or email during the reporting period. The "WhistleB" system will also be available at our German locations starting in 2024.

Our involvement in associations, ongoing professional education and training to enhance our tax skills and an exchange with internal and external stakeholders help us constantly improve our tax position in line with our company principles. Upholding our ethical principles is a prerequisite in this regard. Our participation in industry associations aims to promote the fair, transparent and administratively streamlined development of tax law.

## Information and IT security

Brose's central Information Security Management System (ISMS) forms the core of our strategy for information and IT security. The Chief Information Security Officer (CISO) and his department are responsible for information and IT security in the Brose Group. As a staff department of the Chief Information Officer (CIO), it reports to the Executive Vice President Commercial Administration. This regular exchange enables the departments to engage in joint efforts to ensure corporate security, product safety and data privacy. The Cyber Defense Center, established in 2023, combines cutting-edge technologies and expert competencies to provide the best possible defense against cyberattacks.

### Reviewing risks

We use the Basic Protection (*IT-Grundschutz*) Compendium promulgated by the German Federal Office for Information Security (BSI) to assess threats. The Information Security Working Group reports existing threats to the CISO's teams on a quarterly basis. Brose records the risks in the ISMS, assesses and continues to track them. We use a scanner to uncover vulnerabilities in our IT systems at a minimum of weekly intervals. The results are registered in our central ticket system for processing and automatically assigned to the respective system or application owner. The centrally defined data classification makes it easier to identify sensitive data. Brose also prepares for cyberattacks with the help of

regular security training courses. A global guideline provides deadlines for deploying software updates. The deadlines are based on the Common Vulnerability Scoring System (CVSS) and the threat levels for the individual devices.

To provide our customers with proof of compliance with minimum information and IT security standards, we regularly undergo TISAX (Trusted Information Security Assessment Exchange) certification testing. In 2023, nine locations in Germany and Europe were successfully audited to meet very high security requirements. An additional 16 sites across Germany, Europe, Asia, the USA, Canada and Brazil also passed audits based on high security requirements.

### Involving employees and business partners

All employees must complete an e-learning course on cybersecurity followed by an exam each year. Additional e-learning modules covering information and IT security topics supplement these mandatory courses. Building on this, we raise employee awareness of current threat scenarios through regular, topic- and target group-specific initiatives. Furthermore, we have communicated and enforced the information security requirements received from our customers throughout Brose's entire supply chain. This protects both our information and that of our customers and ensures our delivery reliability.

## Privacy

We are also aware of our responsibility when it comes to data privacy and believe that compliance with legal guidelines goes without saying. We rely on our employees' cooperation to meet this goal. For example, the Brose Code of Conduct and binding internal processes for all employees and functions ensure data is handled in accordance with data protection legislation.

The European Union's General Data Protection Regulation (GDPR) plays a crucial role here. The EU Data Protection Management System was established to meet the standards outlined in the regulation. It is based on the VdS guidelines for implementing the GDPR (VdS 10010:2017-12 (01)). The data protection manager and the local data protection coordinators and data protection officers ensure compliance with the GDPR. To this end, the data protection manager regularly reports to the Compliance Committee and exchanges information on strategies, processes and existing threats with the CISO as part of the Information Security Working Group.

Internal guidelines on compliance with the regulation apply to all employees at our European locations. All employees with access to a PC must complete an e-learning course on EU data protection every two years. Their employment contract also requires them to maintain confidentiality. We raise awareness of issues related to data protection laws among employees with measures designed for specific topics and target groups. Employees in HR roles and in the IT and development departments frequently come into contact with large volumes of sensitive and personal information in their day-to-day work, which is why training concepts were devised that will be implemented starting from 2024.

To ensure that personal data remains adequately protected even when tasks are outsourced to service providers, we will conclude the legally necessary contracts (in particular according to Article 28 GDPR) with suppliers who process orders and information for us. In the year under review, only minor incidents were reported, the causes of which we immediately remedied.

## Sustainable procurement

Brose is working on establishing the most efficient and resource-conserving company-wide methods of purchasing raw materials and products while considering both internal and external supply chain sustainability requirements.

The Supplier Innovation and Sustainability team is responsible for coordinating sustainability requirements within the supply chain. The team's tasks include ensuring suppliers comply with requirements and continuously developing and refining the corresponding processes. Our Code of Conduct for Suppliers is the framework for compliance with sustainability requirements, as are the sustainability standards created for suppliers in both the production and non-production material sectors when working with Brose. To continuously expand and establish our processes, we participate in industry initiatives aimed at improving transparency in our supply chains, realize regular benchmark meetings with leading businesses in the automotive sector and unrelated segments and convey our insight through training courses and supplier discussions within our supply chain.

### **High standards and initiatives for more sustainable procurement**

We rely on premium quality suppliers and set high standards for purchased parts and capital goods to exceed our customers' expectations. Even before awarding a contract, Brose conducts a thorough review of the supplier's technology and process capabilities. Acceptance of the Brose Code of Conduct, where we have compiled our high social, ethical and environmental standards, forms the basis for our continuing collaboration. Regular progress checks are carried out once a contract has been awarded. The supplier must deliver precise information regarding the project and the project development status. Upon series start we perform additional assessments and evaluate compliance with our high quality standards. Our guidelines are aligned with those of the automotive industry in accordance with IATF 16949 (International Automotive Task Force).

To satisfy the constantly rising automotive market demands for sustainable procurement, Brose is not only a founding

member of the RSCI (Responsible Supply Chain Initiative), but also provides the chair who spearheads the initiative. RSCI focuses on compliance with standards relating to human rights, forced and child labor, occupational health and safety and environmental protection, and is an essential component of risk management in relation to our suppliers. The sharing platform delivers comparable audit results and thus leads to mutual acknowledgment of these outcomes in the supplier network. In addition, Brose is part of the Sustainability Task Force of the German Association of the Automotive Industry (VDA), where we collaborate with automakers and tier-1 suppliers to create unified standards for protecting the environment and human rights.

Launched in 2022, RSCI prevents multiple audits and minimizes auditing expenditure overall throughout the industry. These measures are an integral part of our risk management system and are applied using a risk-based approach to ensure compliance with both our Code of Conduct for Suppliers and legal requirements.

In 2023, Brose conducted a risk analysis of its supplier base in accordance with the German Supply Chain Due Diligence Act (LkSG). The results were instrumental in developing the policy statement on handling our human rights due diligence obligations. To meet the requirements of the LkSG, a management process was implemented. This process includes the use of abstract and continuous monitoring information, supplier self-assessment questionnaires and RSCI audits. More than 3,500 direct and indirect suppliers are under continuous monitoring, ensuring we remain informed of key risks, developments and changes within our supplier base at all times.

To structure Brose requirements and make these available to suppliers, we consolidated them into two Brose standards on sustainability alongside the Code of Conduct for Suppliers. We use these standards to describe the requirements and expectations we have of our suppliers to determine and successively improve their ecological footprint and work together with Brose to achieve the long-term target of balance-sheet CO<sub>2</sub> neutrality<sup>6</sup> in both our processes and the products we deliver. We have specific requirements regarding the emission reduction steps needed to achieve 2025, 2030 and 2035 milestones along with the balance-sheet CO<sub>2</sub> neutrality of our products in 2039, and to increase the use of secondary material and recycle in the products we procure.

The structured survey of compliance with sustainability standards, which began in 2022, was expanded in 2023.

The findings on emissions and processes, energy consumption and material usage obtained from this survey are a solid foundation for further implementing our Brose sustainability strategy with our suppliers. By the end of the reporting year, the feedback received covered a number of suppliers representing more than 60% of our production material procurement volume. These insights also provide a strong foundation on which to estimate the amount of support our suppliers require to implement sustainability requirements and respond by continually adapting our education and training offers.

We demand zero-defect products from our suppliers based on the principle of avoiding errors throughout the entire supply life cycle. Suppliers must provide detailed documentation of their quality management measures. This includes initial sample documents or proof of qualification and requalification of the delivered parts. We take a similar approach to supplier approval for capital goods.

We strive for positive, collaborative partnerships with all of our suppliers, a consistent quality management system and continuous improvements to processes and products. We use audits to ensure the presence of effective management systems (IATF 16949). The validity of the certification is reviewed on a regular basis and considered in our supplier rating.

#### **Supplier assessment of ecological aspects**

At Brose our approach is to map the entire production and product life cycle in the most ecological way possible. Our environmental management system is based on the ISO 14001 standard. We also expect our suppliers and delivered parts to meet the highest ecological production and product life cycle standards possible. The Code of Conduct for Suppliers requires them to be socially responsible and comply with all applicable laws. We perform a specific review of ecological criteria for new suppliers.

To support our suppliers' efforts to implement environmental protections, we launched a series of training courses in 2020. They cover the necessary standards and additional expectations Brose has for its suppliers. Topics not only include environmental protection but also the sustainable reduction of emissions in our suppliers' products and processes. In late

<sup>6</sup> CO<sub>2</sub>-neutral on a balance sheet basis means avoiding and reducing CO<sub>2</sub> emissions generated by our own business activities (Scope 1 and 2) and in the upstream supply chain (Scope 3 Upstream), as well as offsetting unavoidable emissions through certified environmental projects. Scope 1, 2 and 3 are used in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

2021, we expanded our training program into three different modules and offer them in all of the regions where Brose purchases goods. To increase the reach of the training courses and the information presented therein and make them more appealing to suppliers, pilot projects were launched for 2023, which significantly increased participation across all regions. A total of 106 suppliers received training on the fundamentals of sustainability, emissions accounting and reduction requirements, as well as the creation of product carbon footprints.

### **Employment conditions along with ethical and moral principles**

In the spirit of our Code of Conduct and company principles, we encourage employees to exercise their freedom of association and engage in collective bargaining. These principles apply in the same way to every vendor the Brose Group works with. We have high expectations of ourselves and our suppliers when it comes to employment conditions. Our Code of Conduct for Suppliers is an integral part of every Brose supply contract. To our knowledge, none of our vendors tolerates child labor or dangerous working conditions. Similarly, to our knowledge, we work exclusively with suppliers that do not subject their employees to forced or compulsory labor. Moreover, we are unaware of any cases where suppliers do not meet our company's ethical and moral principles.

To address the requirements related to agreements on human rights due diligence, working conditions, and environmental protection arising from the introduction of the German Supply Chain Due Diligence Act (LkSG), the Code of Conduct for Suppliers was fundamentally revised in 2023. In addition to incorporating the results of the risk analysis and explicitly describing our grievance mechanism, the scope of environmental due diligence obligations under the LkSG was specifically expanded.

We always review every new supplier's capability and performance. We use the supplier onboarding process, supplier self-assessments and additional evaluations of key issues such as innovative strength or environmental management systems for this purpose. As part of the process, Brose sends all potential suppliers a Self-Assessment Questionnaire (SAQ). This Self-Assessment Questionnaire requires suppliers to make explicit statements regarding their moral principles and internal compliance rules, in addition to other topics.

Among other things, companies must be able to provide information on whether they can assure that no child or forced labor and no discrimination is tolerated on the basis of gender, race, skin color or similar. These questions

are based on the Code of Conduct that is binding for all Brose Group employees worldwide and is a fundamental part of our supplier management. Our Global Terms and Conditions of Purchase are available on the Internet at <https://www.brose.com/de-en/purchasing/general-terms-and-conditions-of-purchase/>.

To underscore our efforts beyond our corporate and supply chain boundaries, Brose is an active member of the sector dialogs with the automotive industry as part of the National Action Plan for Business and Human Rights (NAP) promulgated by the German Federal Ministry of Labor and Social Affairs. Key members include reputable manufacturers and suppliers alongside countless non-government organizations and stakeholder groups. Brose expressly welcomes the recommendations for action drafted during the sector dialogs, as they provide us with valuable orientation aids for implementing the due diligence obligations outlined in the German Supply Chain Act, whose requirements Brose has consistently reviewed and embedded into its procurement processes and strategies since the law was published in July 2021.

### **Goods procurement in the regions and localization rate**

Around 1,280 suppliers from 58 countries throughout the world deliver products to the various locations of the Brose Group. During the 2023 fiscal year, we procured 49 percent of goods and services from suppliers in Europe, 21 percent from North America 29 percent from Asia and 1 percent from Brazil. Our suppliers' share of value added is about 60 percent.

The overall localization rate within the respective regions is 81 percent. This is just one of the ways we strengthen local economies and optimize transport routes, while simultaneously creating more local jobs.

When procuring new systems we also ensure that they meet our high environmental and energy efficiency standards. Our internal Production Equipment Specifications "Work Safety and Environment – Brose Norm (BN) 589580" are always an integral part of our technical specifications, which ensures these environmental and energy efficiency standards are firmly anchored in the procurement process. The BN 589580 standard defines minimum requirements for protection and prevention in planning, producing and building production equipment. Alongside economic efficiency, worker safety and environmental protection are criteria set by our own standard.

### **Stakeholder engagement in purchasing**

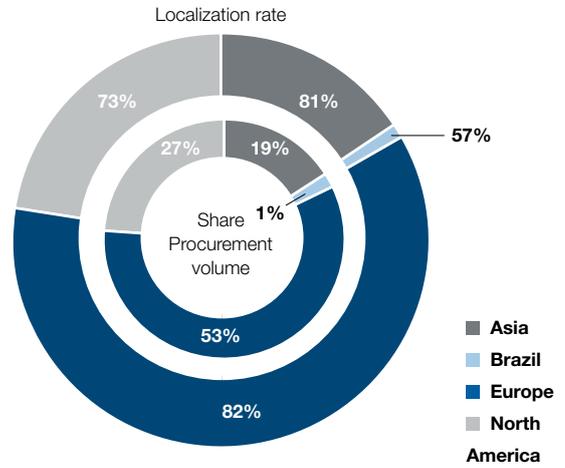
The Brose Group values continuous communication with

suppliers and customers and works hard to maintain the best possible business relationships, for example by conducting regular supplier surveys. We use these to determine whether our vendors continue to meet Brose's high standards.

We launched the online format "Brose Green Hour" in 2023 to further promote a regular exchange of ideas and information with our suppliers on sustainability topics. In the initial sessions, we discussed our strategy for reducing emissions related to energy consumption, as well as human rights and environmental due diligence obligations along the supply chain. The program, which was attended by around 350 participants in 2023, will continue in 2024 and will be expanded both in terms of topics and frequency.

Share of procurement volume and localization rate

by region



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# Environment

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In the context of our identity as a family-owned company with global operations and an over 110-year corporate history, environmental protection and resource conservation are high priorities for Brose. Our environmental management system is based on international standards and is located in the central division Production. The Occupational Safety and Environment (ZAU) department is responsible for topics such as the environment, occupational safety, energy and fire prevention. As part of the sustainability strategy adopted by

the CCRO and the executive management board, ZAU sends defined targets to locations via the EHS program every three years and follows up on these targets.

When it comes to materials, Brose considers the CO<sub>2</sub> balance from raw material extraction to recycling. We also test multi-material systems, recycled plastics, biopolymers, metals with a higher scrap content, and natural fiber-reinforced composite materials.

## Product life cycle, environmental management and energy management

Our Corporate Responsibility principles document our commitment as a globally operating company to utilizing environmentally friendly technologies. We monitor compliance with all rules and laws related to the environment and work to counteract violations. The Brose Group records all incident-related pollution. No significant pollution due to waste, chemicals or uncontrolled emissions released into the environment was reported during the period under review. No fines or other non-monetary sanctions were issued in 2023.

Brose has balanced the ecological footprint of its products for over two decades with the assessment standard it developed in-house (Brose Norm 590020). The ISO 14040, 14044 and 14067 standards are the basis for calculation. The data basis and level of detail of the assessment undergo continuous enhancement. For the service life, a mileage of 200,000 kilometers is assumed, taking diesel, petrol and electric drives into account. We assess not only the CO<sub>2</sub> emissions over the entire life cycle, but also criteria such as material and resource efficiency, the share of regranulate and recycle and the material and thermal recyclability. We also

determine the share of reusable components in our products and aim to minimize the use of resources. In addition, we make efforts to bundle material and product transports. From the top echelons of management to individual employees, Brose is committed to the steady improvement of the ecological efficiency of our business. This is defined in the Brose Code of Conduct.

Our annual certification according to ISO 14001 shows how efficient our environmental management system is in all of the production locations of the Brose Group. Our process management is also certified according to IATF 16949.

To improve the energy efficiency of our production and infrastructure, we have also introduced an energy management system in 30 locations that is certified according to the requirements of the ISO 50001 standard. A total of 63 percent of Brose employees worked at an ISO 50001-certified location in 2023. We publish the respective ISO certificates on the Brose website.

## Sustainable product and technology innovations

In terms of company policy we are always reducing damaging environmental effects across the entire life cycle of our components and systems. Our sustainability strategy forms the basis for this. When reducing damaging environmental impacts, the focus is on material efficiency and lightweight design along with the corresponding savings in energy and resource consumption. But the selection of materials also has a major impact on the ecobalance of our products, which is why we try to use simple, recyclable materials whenever possible and determine a recyclability rate for each product family. We improve our manufacturing processes in production to continuously reduce waste and scrap content. Energy efficiency is yet another factor that plays a key role in selecting the right supplier when procuring new systems.

All business divisions are pursuing measures to lower the product-specific carbon footprint and are working tirelessly to reduce the environmental impact of their products. In the Exterior business division, a product strategy with over 40 product-specific CO<sub>2</sub> reduction measures was adopted in 2023 for product families compared to the baseline year 2022. These measures include material substitutions with more sustainable alternatives, the use of renewable energy in the supply chain and far-reaching conceptual adjustments in product design. Implementation is scheduled for completion by 2030.

In the Interior business division, product development is the most significant lever for sustainably lowering CO<sub>2</sub> emissions. The focus is on the continuous reduction of product

weight. Intelligent material combinations and design approaches for future seat structures contribute to this effort. The targets requested by customers for weight and CO<sub>2</sub> savings were successfully met during the reporting year. The business division also improved logistics processes through several individual measures to make them more efficient and resource-friendly.

To reduce CO<sub>2</sub> emissions during the manufacturing and usage phases of the products, the Drives business division uses low-CO<sub>2</sub> materials, reduces component weight and lowers energy consumption. Since cooling fan module shrouds are already manufactured primarily from the lighter material polypropylene instead of polyamide, optimized product design and adapted production technology enabled us to use this material for the fan wheels as well. As a result, the component-specific carbon footprint was reduced by more than 60 percent. The approximately 10 percent lower component mass also results in reduced energy consumption during the vehicle's service life.

We have representatives at the group and business division levels who are responsible for product safety. Since they are often assembly components, Brose products do not usually require their own certification. However, in individual cases they may be certified by the German Federal Motor Transport Authority (KBA). Risk assessments are performed according to the FMEA method, with improvement measures being implemented until there are no more assessments classified as critical and approval is granted.

## Energy use and emissions

In 2023 total energy consumption among all Brose locations was 1,521,228,603 MJ. This includes consumption of energy sources such as electricity, gas, district heating and heating oil that we need for our manufacturing processes and administration buildings.

The main type of energy Brose uses is electricity (61 percent), followed by gas. The majority of gas consumed goes toward our own electricity production and paint finishing systems.

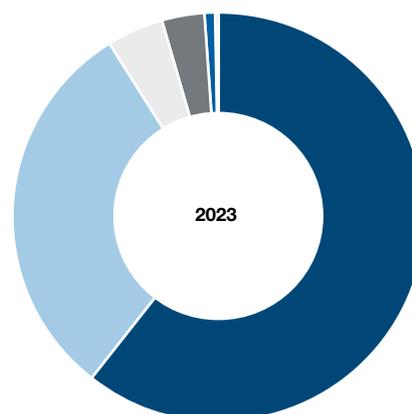
The share of renewable energy in power consumption is 66 percent; the share of renewable energy in total energy consumption is 35 percent.

The energy intensity of the Brose Group during the reporting year is 259 kWh/thousand euros. We believe this ratio of energy consumption to plant costs excluding material and tool costs is relatively low.

### Energy consumption

in megawatt hours by energy type

	2021	2022	2023
	MWh	MWh	MWh
■ Power	242,787	250,076	263,884
■ Natural gas	137,059	140,020	131,798
■ Fuels	20,651	20,933	19,845
■ District heating	16,918	17,082	14,322
■ Heating oil	499	444	373
■ Liquid gas	559	566	79
<b>Total</b>	<b>418,473</b>	<b>429,121</b>	<b>430,301</b>



### Measures for reducing greenhouse gases

As part of our environmental program, we set targets to reduce our annual energy consumption by 3 percent by the end of 2024, thereby simultaneously cutting greenhouse gas (GHG) emissions. We defined absolute values based on energy consumption in 2019 as target figures. We also aimed to reduce product-related CO<sub>2</sub> emissions in the three business divisions by 220,000 t during this period. We already reached this target in 2022.

During the 2023 reporting year, we implemented 71 individual measures in our production locations designed to increase energy efficiency and reduce greenhouse gases. This

saves us 5.1 GWh annually. The measures were primarily related to cross-sector technologies deployed across various manufacturing processes, such as compressed air, lighting, cooling or ventilation.

We were also able to implement additional process improvements to our paint shop at our Coburg location in 2023, saving us over 1 GWh of gas annually.

The Brose CO<sub>2</sub> balance is based on the international Greenhouse Gas Protocol standard. Emissions comprise:

Energy savings thanks to efficiency measures

in megawatt hours<sup>7</sup>

	2021	2022	2023
<b>MWh</b>	<b>1,795</b>	<b>3,347</b>	<b>5,148</b>

<sup>7</sup> Due to subsequent data submissions, the data for 2022 has been adjusted compared to the 2022 Sustainability Report.

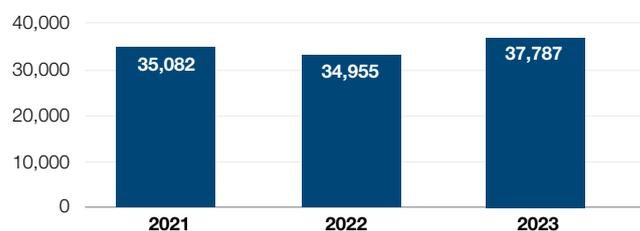
- Direct emissions from oil and gas consumption along with the Brose fleet and Brose Flugservice GmbH (Scope 1)
- Indirect emissions from generated power and district heating (Scope 2)
- All additional, indirect emissions from manufacturing and transport processes in the supply chain and other indirect emissions arising through the use of our products or waste disposal. This also includes emissions generated by business travel (Scope 3).

The CO<sub>2</sub> equivalent for Scope 1 and Scope 2 reporting is calculated by multiplying primarily local emissions factors with the computed fuel consumption. In certain locations we also use factors from the Intergovernmental Panel on Climate Change (IPCC) database.

The total of all Scope 1 emissions from all of the Brose Group locations in the 2023 fiscal year was 37,787 t CO<sub>2</sub> equivalents. Scope 1 emissions are slightly above the previous year's level. The increase is due to higher maintenance requirements, resulting in greater amounts of refrigerant refills for our cooling systems. It was possible to reduce Scope 2 emissions to 52,061 t CO<sub>2</sub> equivalents due to the higher share of renewables.

Scope 1 emissions

using the in tons of CO<sub>2</sub> equivalent.

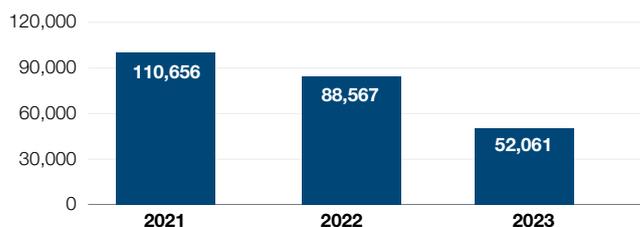


Emissions from generating purchased energy

We include local emissions factors in our calculations of emissions from purchased energy. Total Scope 2 emissions in the Brose Group broken down by percentage is 33 percent in our locations in North and Central America, 39 percent in our Asian locations and 28 percent in Europe – which also includes Brazil and South Africa for organizational reasons.

Scope 2 emissions

using the in tons of CO<sub>2</sub> equivalent.

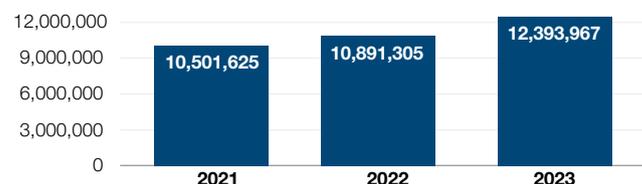


## Emissions from the downstream value chain

The total of all Scope 3 emissions from the Brose Group locations in the 2023 fiscal year is 12,445,085 t of CO<sub>2</sub> equivalents. Most of our Scope 3 emissions are associated with the use of our products in our customers' finished products. We consider the following factors when determining these Scope 3 emissions: useful life, drive type and part weight.

Scope 3 emissions

using the in tons of CO<sub>2</sub> equivalent.



## Determining the intensity of GHG emissions

The intensity of greenhouse gas emissions (GHG) in the Brose Group is reported annually in the Carbon Disclosure Project. Three different quotients are provided. They refer to the ratio of Scope 1 and Scope 2 emissions to annual sales, number of employees and energy utilized. The purchase of electricity with a lower carbon footprint and the renewed increase in production output improve the key figures.

Intensity quotient of GHG emissions

in tons of CO<sub>2</sub> equivalent and percent by category

	2021	2022	2023	Difference vs. previous year
t CO <sub>2</sub> /million euros in sales	27.09	19.30	13.82	-28.39%
t CO <sub>2</sub> /employee	5.70	4.68	3.41	-27.14%
t CO <sub>2</sub> /MWh	0.35	0.29	0.21	-27.59%

## Material and resource efficiency

The Brose Group is aware of its responsibility when it comes to conserving our earth's limited resources. We are working on this topic in many different areas of the business in order to identify and achieve potential related to more efficient use of resources. Our goal is to manufacture products that are free from hazardous substances to protect our consumers' health.

We have implemented an additive pre-production process for the material-efficient, tool-free production of metal and plastic components. For example, we produce prototype parts for development and validation, as well as production equipment for Brose plants worldwide. We also manufacture series and spare parts for our customers. Compared to conventional manufacturing methods, material expenditure decreases of up to 90 percent can be achieved provided the product is designed with additive manufacturing guidelines in mind. Eliminating tools results in savings in materials, money and time.

In powder-bed-based plastic manufacturing using SLS, we focused on adjusting the refresh rate and the composition of used and new powder to achieve a nearly waste-free process. During the selective laser melting process for plastics, thermal stress on the material typically generates material waste that cannot be reintroduced into the manufacturing process. Thanks to our extensive knowledge of material behavior and manufacturing process management, we managed to reduce material waste to a minimum. We pursued recycling strategies for plastics where the ratio of used to new powder could not be adjusted for a waste-free process. By processing and reusing used powder, we developed a new material type that meets high-quality standards while also being more sustainable. Only a small amount of new powder is needed to ensure the desired material properties. Our approaches and processes in additive pre-production contribute to conserving resources, reducing the carbon footprint of products and low-

ering raw material costs. This enables a more sustainable and efficient production cycle.

During the reporting period, we also identified new components where the highest possible share of recyclate or scrap could be used. For example, we introduced an alternative aluminum alloy with a scrap content of 90 percent, which has a carbon footprint up to 45 percent lower than the previously

used alloy. When selecting suitable products for the use of recyclates, we considered factors such as component performance class and risk assessment. The use of new polymer materials led to a 70 percent reduction in the carbon footprint of additional components. Furthermore, we achieved a weight reduction of up to 17 percent for components through the use of new materials. These measures help further improve the ecological footprint of our products.

Use of materials for products

in tons by material

	2021		2022		2023	
	Use of materials	Difference vs. previous year	Use of materials	Difference vs. previous year	Use of materials	Difference vs. previous year
Steel	420,445	+29.52%	401,599	-4.48%	433,600	+7.38%
Filled/reinforced plastics	68,095	+6.82%	87,727	+28.83%	94,824	+7.48%
Copper/copper alloys	15,540	+72.34%	10,639	-31.54%	12,227	+12.99%
Plastic	13,685	-6.93%	21,191	+54.85%	23,101	+8.27%
Aluminum/aluminum alloys	10,388	-29.54%	17,116	+64.77%	19,230	+10.99%
Other metals	7,382	+8.62%	8,998	+21.89%	8,546	-5.02%
Elastomers	1,398	+18.78%	1,002	-28.33%	1,033	+3.00%
Magnesium/magnesium alloys	887	+22.01%	831	-6.31%	500	-39.83%
Zinc/zinc alloys	620	-10.27%	602	-2.90%	725	+16.97%
<b>Total</b>	<b>538,440</b>	<b>+23.50%</b>	<b>549,704</b>	<b>+2.09%</b>	<b>593,804</b>	<b>+7.43%</b>

Use of secondary raw materials

in tons by material

	2021		2022		2023	
	Use of materials	Share of secondary raw materials	Use of materials	Share of secondary raw materials	Use of materials	Share of secondary raw materials
Steel	420,445	105,111	401,599	100,399	433,600	108,400
Plastic	81,780	3,271	109,919	4,396	118,959	4,758
Aluminum	15,540	6,216	17,116	6,846	19,230	7,692
Copper	10,388	0	10,639	0	12,227	0
<b>Total</b>	<b>537,048</b>	<b>114,598</b>	<b>539,272</b>	<b>111,641</b>	<b>584,016</b>	<b>120,850</b>

## Waste treatment and prevention

In general, we try to avoid generating waste whenever possible, which is why we use returnable packaging for shipments. However, since it is not possible to stop waste from being generated entirely, we separate it by type in our locations to ensure effective disposal and recycling. The waste generated in our locations comprises: scrap for recycling, household or commercial refuse, metal waste and special waste.

We set a key target of implementing waste prevention and/or reduction projects by the end of 2024 and reducing at least 5 percent of the amount of waste generated at our production locations (1,641 tons) compared to 2021.

Documenting waste paths helps ensure that waste is transported away and recycled or disposed of in accordance with

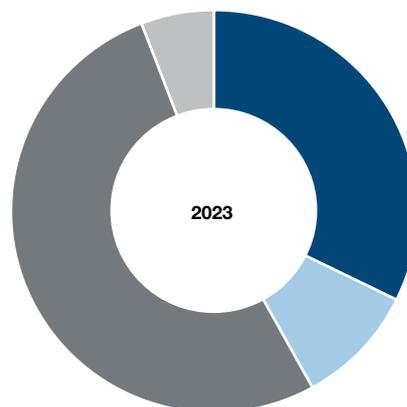
legal requirements. When selecting disposal companies we consider legal requirements, existing permits and completed service provider audits to ensure the various types of waste are disposed of in a professional manner. Waste is almost exclusively sent to local disposal specialists. Waste is never transported across borders and residual materials are never exported.

We also assess the reliability of our disposal specialists each year. As in previous years, most (98 percent in the reporting and 98 percent in the previous year) of our disposal companies were rated as exemplary. We have not determined any violations against legal requirements among any of the disposal companies. We expect 2 percent (previous year: 1.9 percent) of the disposal companies to implement improvement measures, particularly with respect to documentation.

Amount of waste types<sup>9</sup>

in tons

	2021	2022	2023
■ Scrap for recycling/energy recovery	13,571	13,962	13,174
■ Household/commercial refuse	3,021	3,421	3,861
■ Metal waste (scrap)	16,087	18,014	21,161
■ Special waste	2,308	2,189	2,326
<b>Total</b>	<b>34,987</b>	<b>37,586</b>	<b>40,522</b>



<sup>9</sup>Deviations possible due to rounding.

## Water and effluents

The total water volume in fiscal year 2023 rose by 8.9 percent vs. the previous year. In relation to sales and the number of employees, respectively, the demand for water has increased slightly. Water consumption per employee and workday is approximately 85 liters. Water is obtained as well water (32 percent) and municipal water in potable quality (68 percent). The latter is referred to as fresh water in the following. We use water to cool production processes, as process water in surface technology, to apply cooling lubricants in washing systems, to water green spaces, in the canteen and in break rooms and for cleaning buildings.

We want to continue to reduce our demand for water with a consistent water management system. Our focus lies on water with high purity levels and processes that result in effluents with high levels of pollution. This is why we introduced a system in 2016 that enables us to measure and evaluate our water consumption along with steps for reducing it. This system is designed to uncover the reduction potential of our “water footprint” and visualize this information in the “Water Saving Actions” report. The weighted inclusion of water flows in the “Water SharePoint” by region, level of purity or use does not contribute locally to an increase in transparency and identification of savings potential. The “Water Footprint SharePoint” was eliminated in 2023, and water consumption is now only recorded via the general environmental performance indicator system.

The savings potential in surface technology is still the most relevant, as this is where the highest water consumption rates are seen. It has a 98 percent share of our process water requirement, which corresponds to 8 percent of all fresh/potable water needed. This is why we are further developing the new waste water concept for the surface coating system: evaporators keep water inside the plant in separate circulation systems. This more energy-intensive process only offers ecological advantages in regions with less water and in areas with unsuitable public drainage systems.

The WWF “Water Risk Filter” was used to determine the locations in areas with “Water Stress”. We introduced an in-house weighting system for reducing fresh water and effluents. It considers the availability of fresh water in the region, the effluent contaminant load and the infrastructure required for wastewater treatment.

### Resource-conserving systems at our locations

In general, when procuring new systems we focus on de-

creasing water demand and contaminant load in wastewater while ensuring ground water and soil remain protected. This is accomplished by identifying systems that play a key role in water conservation early on in the procurement phase. Environmental experts identify all relevant requirements for the system using the “EHS Tracker” template that accompanies the procurement process and define these in the technical specifications so that they are taken into account by the plant manufacturer. Regular inspection and maintenance work ensure safe operation of systems that process substances that could contaminate water.

One example of our efforts in this area is the dramatic reduction of the specific water consumption of our nine-zone system for cathodic dip painting, specifically due to recirculation, cascades, bath maintenance measures and process control. The latest-generation systems consume 5.6 liters per square meter of painted surface. The effluents we treat in our own plants are emptied into the public sanitary sewers.

Paint finishing systems require sterile water with low conductivity, which is why we desalinate fresh water using reverse osmosis. The saliferous water is led in through the sewer. Since the Querétaro-Aeropuerto (Mexico) plant is located in an arid region, the saliferous concentrate from the reverse osmosis system is mixed together with rain water in a collecting tank and then used to water green spaces. This allows us to reduce the plant’s fresh water requirements by 40 m<sup>3</sup> daily.

### Specific water removal

Brose uses a variety of sources for its daily water needs. Sanitary and social facilities required more than 75 percent of fresh water during the year under review. 8 percent was used as process water for surface technology. We used 6 percent of fresh water for irrigation and 1 percent for cleaning and washing processes.<sup>9</sup>

Well water is used almost exclusively for cooling purposes in our German locations; it is led back to the ground water via drainage shafts wherever possible.

### Treated and reused water

Brose has effluent treatment systems, but it does not have its own water treatment systems. The reason for this is the position of our locations where a well-developed municipal

<sup>9</sup> Due to an error in the 2022 Sustainability Report, the following data adjustment applies to 2022: More than 70 percent of the fresh water was used for sanitary and social facilities, 17 percent as process water for surface technology, 12 percent for irrigation and 1 percent for cleaning and washing processes.

infrastructure ensures the corresponding water treatment, thereby enabling water to be returned to surface water. Our Querétaro Aeropuerto/Mexico location is one exception. Here, effluents are treated in the industrial park's own effluent treatment system and provided to the businesses located there again for reuse. We are aware of our responsibility when it comes to a resource as valuable as water and we are working hard to conserve potable water as much as possible. At the same time, very few of our production processes require water.

#### **Effluent discharge systems and water quality**

The Brose Group generated 656,652 m<sup>3</sup> of effluents in 2023. Due to the high water quality we can lead part of this back into the storm water sewer either directly or following treatment. More than anywhere else, this is possible in our European locations. The ground water the Hallstadt location takes for cooling purposes is used in separate cycles and monitored systems and can be reintroduced via drainage shafts after use. Effluents from paint finishing systems are treated in a batch plant prior to being led into the sanitary sewer. A chemical process is used to remove heavy metals, oils and lubricants.

We are increasing our use of sand traps and gasoline traps to irrigate our parking areas. To ensure smooth operation of these systems, we inspect them according to the same criteria in all of our locations. The remaining water that is not led away via storm water sewers or ground water is disposed of via the public sanitary sewer system. These systems are subject to effluent regulations in the respective municipalities.

Thanks to efficiently designed plants and optimized processes, water consumption for our technical processes at the locations has now been optimized to the greatest possible extent. Further considerations and reviews with regard to economically efficient and meaningful potential showed that the locations had already reached a high standard in 2021 and that there was no need to set a new target for reducing the water footprint in the current 2022/2024 environmental program. There is scope for reductions in the irrigation of green areas that we will continue to keep and maintain for the time being. In some locations, the use of drip irrigation systems or resistant grass species is already reducing water demand.

## Biodiversity

Biodiversity encompasses the diversity of life in all its forms, including various species, their genetic variations and the interactions of these organisms within complex ecosystems in water, on land and in the air. The progressive fragmentation and destruction of natural habitats is considered to be the greatest danger for the biological diversity of our planet. At the same time, biodiversity is understood as the foundation of human existence.

Scientists see key negative influencing variables on biodiver-

sity among other things in climate change, changes in the way land is used, for example due to deforestation, and pollution.

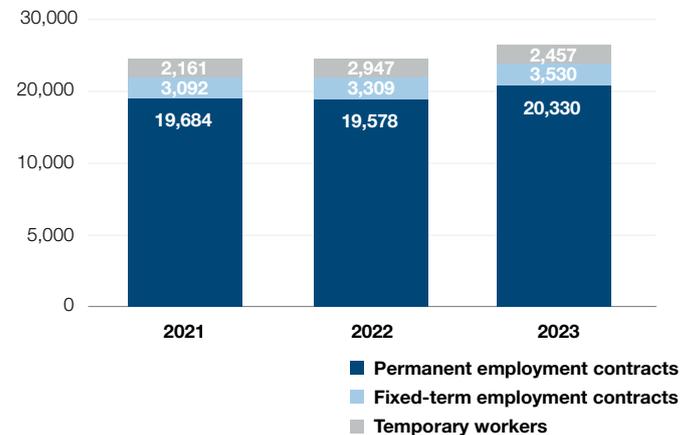
As a globally operating company, it is important to us to have a positive impact on these influencing variables. For Brose, the primary courses of action lie in reducing CO<sub>2</sub> emissions in our locations, the materials we use and our products during their service life, as well as in responsible sourcing of raw materials and avoiding negative environmental impacts through the measures described above.

# Employees and society

Qualification and development, working environment and social benefits paired with forward-thinking HR concepts help us deploy employees where they are needed while giving them what they need to grow, enhance their loyalty to the company and establish Brose as an attractive employer worldwide. To be prepared for future challenges, increase competitiveness and support scalable growth, we enhance and improve our HR organizational structure and technical standards on a regular basis. The “Restructuring HR activities” project, including implementation of the new HR IT platform, was completed in 2023. Then we focused on efforts to continuously digitalize additional processes and streamline workflows.

## Employees

by employment contract (excluding joint venture)<sup>10</sup>



<sup>10</sup> Due to the differences in the data available on our joint venture, our report does not include it to improve comparability.

## Performance, compensation and fair wages

All of the companies of the Brose Group offer our employees compensation and additional benefits regardless of employees' gender, religious denomination, heritage, age, disability, sexual orientation or country-specific characteristics. Brose respects the right to appropriate remuneration based on legally guaranteed minimum wages, employee performance and the respective labor market. All employees thus receive remuneration commensurate with their work. Gender differences are attributable to individual lifestyles and personal development paths.

Comparative studies are conducted annually with the support of an independent, external service provider to analyze the current market level. The analyses are incorporated into considerations for both basic and total compensation. This means that all employees receive compensation packages that are competitive in the relevant markets in which they work.

The company's financial situation, collective wage agreements and the employee's individual performance are used for changes in wages. At Brose we use the annual objective agreement and the performance appraisal process for

this purpose. Supervisors evaluate their employees based on their performance and share confidential feedback with them. Around 9,300 employees and managers worldwide participate in this objective agreement and performance appraisal process. In 2023 about 74 percent of participants were male and 26 percent female. Supervisors arrange clear, manageable and motivating assignments and achievable results with their employees.

As a family-owned company, we are keenly aware of our responsibility towards our employees. This is why we inform our employees of changes within the company as quickly as possible and proactively help them qualify for new assignments within the Brose Group or when changing jobs.

### Attractive benefits and rewards

Brose also relies on a comprehensive package of voluntary benefits tailored to the needs of its locations to strengthen its appeal as an employer. This package is available to all of our employees. In addition to health management, it also encompasses services such as catering, company sports activities, a company and private pension plan and discounts on merchandise in the Brose Shop

Brose offers a bike leasing campaign for employees at its German locations featuring the slogan “Keep fit, protect the environment and save money”. We work with a leasing partner to provide the bikes to our employees free of VAT. They also save taxes because the lease payment is deducted from their gross pay. This also applies to car leasing options additionally offered to Brose employees in Germany.

Contractually agreed or voluntary profit-sharing bonuses paid out to our employees depend on the results of the corporate group and whether employees achieve their personal objectives.

### **Equal pay for equal work**

With respect to gross annual income, the income ratio of women to men across all employee groups is more than 90 percent. Differences can be found in personal paths through life and development, which all have an impact on wages earned. The three main locations in Coburg, Bamberg and Würzburg with a total of around 6,400 employees were used to calculate the income ratio. Only core staff members are counted here. At the German locations, collective agreements either apply directly or there are company regulations based on collective agreements.

### **Social benefits in focus**

Brose is always reviewing its range of voluntary social benefits. There is a special focus on aspects pertaining to the work-life balance, employee counselling and preventive health care. An audit performed by the certification firm *berufundfamilie Service GmbH* provides valuable insight on how we can further develop the programs we offer in this area. We have been conducting regular (re)certifications with binding target agreements with this independent partner since 2010. Since the third successful certification, we have participated in what are known as dialog processes, in which the individual maturity level of our family and life phase-oriented HR policy is examined every three years for potential for improvement and corresponding recommendations for action are developed.

We encourage a healthy work-life balance. The Brose Kids Club is firmly established as its own brand in the Brose Group product portfolio. Depending on the location, it is open to employees' children between the ages of one and 14 and comprises the following modules: crèche, kindergarten, nursery, youth academy and options for caring for children during school breaks. Around 14 people are employed in the childcare facilities at the headquarters in Coburg and at the largest production facility in the Brose Group in Ostrava/Czech Republic alone. New openings at the Bamberg/Germany and Prievidza/Slovakia locations are planned for the 2024 and 2025 fiscal years.

In addition, the “FamilyNet” project launched at the Franconian locations by social and health management has proven itself quite effective. Alongside targeted orientation for *impats* (foreign workers), people returning from locations abroad and new employees, “FamilyNet” also offers personal support for their family members. Such programs are designed to strengthen social ties to the region and help avoid the loss of specialists.

### **Company pension**

Obligations for a company pension plan and similar commitments of the Brose Group worldwide totaled 614 million euros at the end of the 2023 reporting period (according to IAS 19). The various pension plans in Germany are mainly company-funded, direct commitments. For the majority of employees, these consist of defined contribution plans. The amount of the contribution depends on the employees' income in particular. Beyond this, there are also contribution plans based on final salaries from the past. Participating in deferred compensation enables employees to build up an additional insurance-based pension plan, which is managed by external pension providers. Foreign pension plans under deferred compensation partly consist of contributions made by employees and the company.

## Systematic employee development

We value employees who are willing to learn and support them with comprehensive training opportunities in a variety of formats, including in-person classroom training courses along with virtual classroom and online training courses for extending and building product, methodological, leadership and language skills and personal development. On-the-job training also ensures professional qualification.

Our internal training program focuses on the requirements of the company and helps us meet legal requirements and business-critical demands while taking into account economic, ecological and social goals. In 2023, over 33,000 participants attended internal training courses (indirect employees). Brose simultaneously further developed its online training portfolio to foster a lifelong and self-determined learning culture and provided new virtual classroom training, educational videos and online training courses.

Each of Brose's approximately 4,200 active LinkedIn Learning users completed three hours of learning content on average in 2023, viewing around 196,000 educational videos on the global online learning platform LinkedIn Learning. In addition, the entire range of Brose learning courses is available and documented in the myLearning learning management system (SAP SuccessFactors). It facilitates and promotes self-directed and goal-oriented learning in everyday work life.

In terms of sustainability, all our employees and managers are required to complete the "Fundamentals of Sustainability" online training course. Since 2023, the advanced online training on the Supply Chain Due Diligence Act (LkSG) has been mandatory for the Purchasing, Supplier Quality and Logistics functions.

### Diverse career paths

For Brose, systematic development of experience and expertise as well as a uniformly high standard of quality are indispensable in order to effectively prepare for management activities or assignments in project management or specialist careers. In 2023, the existing career paths were enhanced, and their administrative processes were standardized, streamlined and digitalized. They will be introduced in 2024.

The systematic development of top talent was another focus of HR development activities in 2023. Around 80 percent of leadership positions were filled internally during the reporting year. To ensure we have successors to fill key positions in

our company, a total of 86 people completed leadership development programs with a duration of 15 to 18 months. In addition, internal succession planning for key positions was enhanced and established as a fixed part of the annual Performance and Talent Management (PTM) process. With the launch of a global trainee program, we now offer early-career professionals the opportunity to gain experience in different areas of the company as well as abroad.

The PTM process is uniformly managed through myHR in SAP SuccessFactors. The process and system promote employee development, the accurate filling of internal vacancies, succession planning and the systematic identification of key players and high-potential employees in the Brose Group worldwide. In 2023, communication campaigns were conducted on specific key topics, such as the global standardized use of digital development plans and the use of the talent profile. As a result, the number of completed talent profiles significantly increased. The goal was to make employees' skills and experience more visible within the organization and to leverage this information effectively.

Performance appraisal interviews as part of the annual Performance and Talent Management (PTM) process form the basis for assessing the performance of all employees worldwide. The PTM system provides information required for individual performance review and development discussions. In the commercial sector, a simplified process is carried out.

### Apprenticeship training: the foundation for the future

We believe that a solid career orientation is indispensable in helping high school students transition effectively into their new careers. This is why Brose targets young people early on: from job shadowing and events like "Girls Day" or "Girls for Technology Camp" to information sessions at schools or career fairs – our instructors and apprentices are on hand with advice and practical assistance to help facilitate career orientation for all interested parties. We are also active on various social media channels to provide insights into everyday training and are involved with the Wissensfabrik Deutschland and the Junge Forscher und Forscherinnen initiative, which encourages innovative approaches to supporting school projects.

Brose has offered apprenticeships for around 100 years – during the reporting year nearly 300 apprentices and dual-track students learned a vocation at Brose. About 30 percent of them worked at our locations in the US, Slovakia and the Czech Republic. The range of apprenticeship occu-

pations encompasses ten industrial/technical and commercial vocations and ten dual-track studies programs. We are continuously expanding the range of dual vocational training programs.

After adding the degree program “Computer Science – Intelligent Systems” in 2022, we expanded our offering in 2023 to include the apprenticeship occupation “Warehouse Logistics Specialist”.

### **Building expertise in production**

In order to remain an attractive employer for our production employees and retain them over the long term, it is vital to offer measures tailored to their needs and the reality of today’s working environment. To this end, we are expanding the degree of automation and digitalization at our plants in the medium to long term, strengthening their competitiveness and implementing accompanying personnel measures.

We launched the “Upskilling Blue Collars” project in 2022 and continued its consistent implementation in 2023 to ensure systematic and standardized development of em-

ployees in manufacturing. A global process for identifying potential helps us find the most promising and motivated production employees, who then participate in development programs such as training courses to further hone their knowledge and skills. As part of these training measures, seven long-standing employees at the Coburg location in Germany completed specialist training as Warehouse Logistics Specialists. This was carried out alongside their jobs in cooperation with the Educational Institute of the Bavarian Employers’ Associations (*Bildungswerk der Bayerischen Wirtschaft (bbw)*).

Furthermore, we are working on measures to create an attractive and healthy working environment. These measures are intended to increase loyalty among production employees. Our goal is to sustainably reduce absenteeism and employee turnover to levels well below the market average.

## Corporate diversity

Our corporate group is present on five continents around the globe. Around 69 percent of our employees work in locations outside of Germany. Together we represent over 93 countries with all of their diverse cultures and value systems. We view this diversity as an opportunity to learn something new every day. It is accompanied by internationally organized collaboration that also involves our customers and business partners from around the world. This requires openness, connected thinking and action from everyone involved. Diversity is also reflected in how we promote and develop all of our employees – regardless of their age or gender.

To increase the percentage of women in technical areas in particular, Brose has spent years supporting measures to interest women in technical career profiles early on in life. These efforts range from career orientation initiatives for girls to internships or college or degree theses for aspiring female engineers all the way to mentoring programs that pair experienced women in management positions with young female engineers. Completing rotations to systematically expand experience and skill sets or participating in our three-step career path concept can help them develop and grow into

responsible technical and management positions.

### **Collaboration in a global team**

Every workday at Brose is international when you are communicating with so many project teams in so many different languages in our locations around the world. Many employees in development, production and administration already work in a global network on a daily basis – within our company and with customers, partners and suppliers. An increasing number of employees are working for limited periods at sites outside their home country. Intercultural training courses educate all Brose employees on international challenges and ensure effective and successful collaboration. Nevertheless, if our employees become aware of incidents of discrimination, they are required to inform their supervisor and the responsible HR manager immediately. They can also contact the Brose Group’s Legal & Compliance department. Irrespective of this, every employee has the option of contacting the head of HR or the relevant employee representative in confidence.

During the reporting period, no incidents of discrimination or

other relevant incidents were reported, either in Germany or at our other locations worldwide.

The topic of “Fairness and diversity” and protected characteristics against discrimination are covered in the Brose Code of Conduct, which is binding for all employees in the company. Brose respects internationally recognized human rights and promotes the principles of the United Nations Global Compact, because insults, discrimination and harassment contradict our basic principles of cooperation and will not be tolerated.

Rather, we believe an appreciation of “otherness” is one of the keys to global business success. We value employees with a strong global orientation – an asset that enables them

to collaborate well, understand their environment and act effectively.

This includes an understanding of other cultures and the ability to handle ambiguity and diversity. We offer tailored intercultural training courses specifically for this purpose.

## Occupational health and safety

Corporate health management at Brose and our workplace health promotion are aimed at building and expanding employee resources and resilience. Corporate health management focuses on evaluated processes (steering committees and working groups), a guiding culture (health mission) and responsible leadership (FIRST principles). Our social and health management combines socially integrative employee and family programs with preventative and acute health management offers. We are also a member of the Bundesverband Betriebliche Soziale Arbeit e.V., a federal association promoting corporate social work, and the Corporate Health Alliance. Our objective is to minimize the physical and mental stress our employees face and make them more aware of their own health with preventative and reactive health promoting activities. Workplace health promotion is centered on employee behavior (lifestyle enhancement) as well as on a positive working environment (workplace enhancement). This takes place, for example, through:

- Concerted individual actions such as training courses, presentations, workshops, event days as lifestyle enhancement offers on topics such as nutrition, exercise, relaxation and stress management
- Sustainable health programs such as Brose Check-Up, Mobil-Check, health coaching, hazard assessments for psychological stressors in the workplace, company integration management
- Digital offers such as online courses on nutrition, relaxation,

movement, quitting smoking and an app dedicated to balancing a career with caring for a family member, particularly during the reporting year

- The use of health promoters or social measures such as systematically oriented employee consultations and other offers to help resolve conflicts like mediation.

Corporate health management considers all legal requirements, is based on applicable standards and guidelines and is constantly updated as part of a control loop (PDCA cycle). Each year, Brose focuses on a different area of workplace health promotion with extensive communication and topic-specific gifts such as fascia balls or special campaigns like running challenges.

These offers are accessible to all employees via various channels, including the myBrose app, the intranet, notices and health promoters. The latter are involved as representatives of the workforce in the Health working group. Information on current workforce needs is gathered in specific employee surveys, like the global employee survey conducted at the end of 2022 at 55 locations with a total of 26,000 participants, which was evaluated in 2023. Working environment and conditions was one of the focus topics and received highly positive reviews from employees. This result strengthens our resolve to continue developing services and offers tailored to the needs of our employees. We also perform feedback surveys on workplace health promotion offers. Employees can reach the cor-

porate health management contacts named on the intranet or in the app directly at any time.

#### **Industrial medicine, physical therapy and company sports**

The legal requirements governing comprehensive industrial medical support for all employee groups and types of contracts focus primarily on preventative health offers that meet employee needs. For example, our Closed-Loop Activity Program offers employees a cyclical program featuring prevention, acute care and rehabilitation services. All offers are clearly available on the Brose intranet. Campaigns are also announced via the myBrose app and by email. Industrial employees also regularly learn about the offers via the health promoters and can obtain information on monitors in the production area. A printed health guide flyer also clearly summarizes all related offers and points of contact. From the initial diagnosis to treatment, we improve regeneration in a network comprising industrial medical care, post-care physical therapy and psycho-social support, while shortening paths and preserving the work capacity of all of our employees.

#### **Preventing work-related accidents**

Our goal is to prevent work-related accidents in all areas of our company. Group-wide accident statistics consider accidents involving all Brose employees as well as agency workers and temporary employees. The figures do not include accidents involving employees from external companies. Hazard assessments are performed for all workplaces and activities to prevent accidents. The hazards that are identified are assessed using a risk matrix based on the probability of occurrence and the extent of damages. Intolerable risks are mitigated using the appropriate protective measures. Technical precautions take precedence over organizational and personal protective measures.

The efficacy of the protective measures is reviewed and ensured through regular technical tests or safety inspections. Supervisors document work-related accidents that occur despite preventative measures and analyze them with occupational safety specialists and additional experts like the company doctors if necessary. Employees at certain locations can even report near-misses and unsafe situations

themselves via the myBrose App.

There are also many opportunities for employees to actively participate in preventive measures relating to occupational health and safety, such as the company suggestion system, submission of proposals via the works council to the occupational health and safety committee or participation in the incident analysis carried out by the supervisor (near-miss, accident, unsafe situations).

Accidents resulting in more than three days of lost time must be reported. All locations comply with applicable laws. Wherever it seems reasonable and possible, German requirements – including those of the trade association – are applied worldwide. 139 such accidents were reported group-wide during the year under review. There were 129 accidents in plant functions, five in the business divisions and five in the group functions. There were no fatal accidents in the Brose Group in 2023.

The number of incidents per thousand employees (TMQ) is a yardstick for measuring the frequency with which accidents occur while the accident severity is used to determine the average number of days lost due to incidents. The number of incidents per thousand employees is determined for a rolling 12-month period. Part-time and full-time workers are evaluated. Figures are not presented by gender, religion or ethnic group. The number of incidents per thousand employees was 5.2 for the group as a whole during the year under review.

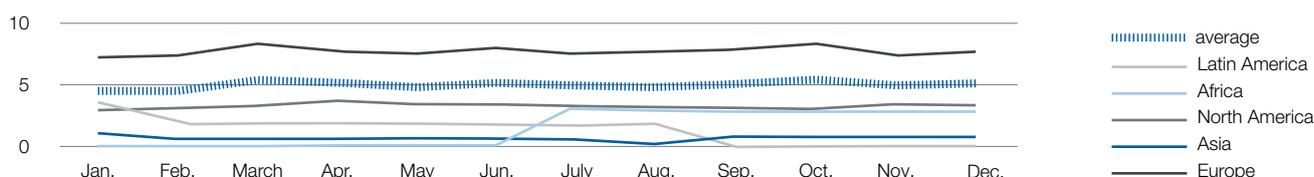
Number of work-related accidents >3 days and severity level

in number of days lost per number of accidents by region

	2021		2022		2023	
	Number of work-related accidents	Number of days lost per number of accidents	Number of work-related accidents	Number of days lost per number of accidents	Number of work-related accidents	Number of days lost per number of accidents
Europe	115	31	101	26	112	20
North America	31	34	17	77	24	94
Latin America	0	0	2	15	0	0
Asia	5	10	6	22	2	90
Africa	2	15	0	0	1	21
<b>Total</b>	<b>153</b>	<b>31</b>	<b>126</b>	<b>33</b>	<b>139</b>	<b>34</b>

Incidents per thousand employees >3 days in 2023

by region



## Ergonomics in the workplace

Brose takes safeguarding the health of its employees very seriously. This is why we further improved ergonomics in our production workplaces around the world during the reporting year.

We established the “ergonomic check-up” to clearly assess our global locations and the work systems in place there. We evaluate existing and planned work systems using the traffic light method. Now only older systems have “red” workplaces with very strenuous tasks. Targeted selection of employees and job rotation help us alleviate possible negative impacts of these workplaces. The objective is to eliminate the “red” workplaces.

Specifically, we are relieving the burden on our employees by increasing the use of robots and automation for strenuous work. Ideally, these measures will also shorten assembly times and increase efficiency. One example of this is the automation of the previously manual press-fitting process

for a housing in Pune/India.

Physiotherapists at the locations are also regularly involved in workplace inspections. They assess ergonomic aspects from a medical perspective and offer employees advice on healthy sequences of motion in the workplace. In the reporting year, employees also received training on workplace ergonomics.

Brose received several occupational safety awards in the year under review, including best practices awards from SENAI (National Service for Industrial Training) and GPTW (Great Places to Work) in Curitiba/ Brazil. The company also secured third place in the national workplace safety and health competition for the year 2022 in Belgrade/Serbia.

## Social commitment

Our family-owned company embraces its responsibilities towards society and sponsors projects in the areas of sports, education, culture and society. We cooperated with partners, initiatives and institutions in 20 countries for this purpose in 2023. Our public and social commitment plays a crucial role in securing Brose's long-term competitiveness. Our shareholders are committed to positioning Brose as a promoter of social, educational and cultural projects. In view of the recent crises and challenging economic conditions, we adjusted the financial scope of our involvement during the reporting year. In total, we reduced our expenses by 19 percent compared to the previous year.

### Sports

Sport is more than just a hobby for us, as it requires dedication, discipline, passion and team spirit – qualities with which Brose also identifies. Consequently, promoting sports is extremely important to us and helps increase the attractiveness of our locations and our company.

### Education

Education is an important prerequisite on the path to personal success, whether at work or in one's personal life. It drives all forms of societal and technological progress. As a globally operating, family-owned company, systematically fostering young peoples' careers is an integral part of the Brose identity.

### Social projects

As a family-owned company, it is important to Brose to help people who face difficult situations. We make a conscious effort to concentrate our social commitment on the regions surrounding our locations, where our proximity gives us keen insight into the unique local needs and challenges.

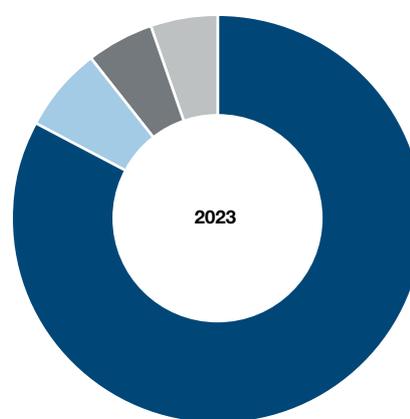
### Culture

Whether music, painting, literature, architecture or other forms of creative expression: culture moves and connects people across all borders. It creates and strengthens core values such as tolerance and humanity. Alongside talent and skill, it demands from artists extraordinary passion, ambition and dedication. All of these traits and motivating factors can also be found in the Brose canon of values. This is why we have been involved in international cultural sponsoring for many years.

### Investments in the community

in € euros by area

	2021	2022	2023
■ Sports	4,327	4,135	3,222
■ Education	390	338	241
■ Culture	255	251	246
■ Social projects	292	262	335
<b>Total</b>	<b>5,264</b>	<b>4,986</b>	<b>4,044</b>



### Max Brose Hilfe

At Brose, helping those in need dates all the way back to our company founder. The non-profit organization Max Brose Hilfe e.V. supports social and humanitarian projects in his name. Moreover, every employee of the Brose Group can request support for projects they are personally committed to. It makes no difference whether applicants seek support for far-away aid organizations or become involved with associations or other institutions right on their doorsteps. The prerequisite for funding is: the employee must already be involved there – whether through voluntary work or monetary contributions – and the recipient must be an eligible charitable institution or non-profit organization. This is Max Brose Hilfe's way of honoring its employees' commitment to social issues.

Michael Stoschek, Max Brose's grandson and Chairman of the Administrative Board, endowed Max Brose Hilfe with one million euros when it was established in 2017. All of the shareholders made an additional million available in 2022 for help for Ukraine. The association also receives donations from employees and other sponsors. 100 percent of these funds are used for projects and aid measures. The Brose Group supports the association's work by assuming the administrative costs incurred.

# Annex

## Key Performance Indicators

### Environment

#### Scope 1 emissions

in tons of CO<sub>2</sub> equivalent by country

	2021		2022		2023	
	Absolute	Difference vs. previous year	Absolute	Difference vs. previous year	Absolute	Difference vs. previous year
Germany	16,492	-3.40%	15,902	-3.58%	14,487	-8.90%
USA	6,055	+33.50%	6,158	+1.67%	5,807	-5.70%
Czech Republic	3,595	+0.20%	3,747	+4.23%	2,667	-28.82%
Canada	1,704	-16.72%	1,864	+9.39%	1,688	-9.44%
Mexico	1,975	+7.10%	2,153	+9.01%	3,740	+73.71%
Great Britain	1,986	+7.53%	1,581	-20.39%	1,891	+19.61%
Rest	3,275	+59.44%	3,550	+8.40%	7,507	+111.46%
<b>Total</b>	<b>35,082</b>	<b>+6.36%</b>	<b>34,955</b>	<b>-0.36%</b>	<b>37,787</b>	<b>+8.10%</b>

#### Scope 2 emissions

in tons of CO<sub>2</sub> equivalent by country

	2021		2022		2023	
	Absolute	Difference vs. previous year	Absolute	Difference vs. previous year	Absolute	Difference vs. previous year
China	33,921	+10.99%	44,432	+30.99%	31,412	-29.30%
USA	16,562	+10.99%	15,325	-7.47%	4,139	-72.99%
Mexico	11,638	+11.11%	13,139	+12.90%	11,655	-11.29%
Germany	8,640	+0.44%	301	-96.52%	847	+181.40%
Canada	285	-20.17%	287	+0.70%	670	+133.45%
Great Britain	1,544	-12.42%	1,430	-7.38%	0	-100.00%
Slovakia	814	-47.75%	0	-100.00%	0	0%
India	267	-78.33%	568	+112.73%	1,688	+197.18%
Czech Republic	34,368	+6.68%	12,453	-63.77%	226	-98.19%
Rest	2,617	+14.63%	632	-75.85%	1,424	+125.32%
<b>Total</b>	<b>110,656</b>	<b>+6.43%</b>	<b>88,567</b>	<b>-19.96%</b>	<b>52,061</b>	<b>-41.22%</b>

## Scope 3 emissions

in tons of CO<sub>2</sub> equivalent by category

	2021		2022		2023	
	Absolute	Difference vs. previous year	Absolute	Difference vs. previous year	Absolute	Difference vs. previous year
Use of sold products	8,323,234	+27.23%	8,443,439	+1.44%	9,856,171	+16.73%
Purchased goods and services (direct)	1,678,268	+29.12%	1,874,292	+11.68%	1,983,187	+5.81%
Processing of sold products	225,980	+26.18%	257,297	+13.86%	226,652	-11.91%
Capital goods	86,634	-9.77%	73,175	-15.54%	92,380	+26.25%
Upstream transport and distribution	76,515	+30.44%	103,925	+35.82%	101,870	-1.98%
Employee commuting	37,804	+33.37%	46,041	+21.79%	47,643	+3.48%
Purchased goods and services (indirect)	28,476	+13.85%	39,623	+39.15%	30,331	-23.45%
Business travel	12,861	+12.80%	15,574	+21.10%	22,474	+44.30%
Downstream transport and distribution	23,686	+34.63%	29,383	+24.05%	24,276	-17.38%
End-of-life treatment of sold products	7,022	+23.82%	7,368	+4.93%	7,737	+5.01%
Waste generated in operations	1,145	+12.14%	1,187	+3.60%	1,244	+4.80%
<b>Total</b>	<b>10,501,625</b>	<b>+27.07%</b>	<b>10,891,305</b>	<b>+3.71%</b>	<b>12,393,967</b>	<b>+13.80%</b>

Amount of waste types<sup>11</sup>

in tons by regions

2021	Scrap for recycling/ energy recovery	Household/ commercial refuse	Metal waste (scrap)	Special waste	Total
Asia	1,835	479	900	391	3,605
North America	5,372	1,026	3,833	100	10,331
Europe	5,444	1,471	11,220	1,742	19,915
Latin America	736	34	43	75	888
Africa	147	10	90	0	247
<b>Total</b>	<b>13,571</b>	<b>3,021</b>	<b>16,087</b>	<b>2,308</b>	<b>34,987</b>
Difference vs. previous year	-0.21%	+15.00%	+18.34%	+8.36%	+9.51%
<b>2022</b>					
Asia	1,838	539	1,692	444	4,513
North America	5,736	1,266	3,811	122	10,935
Europe	5,496	1,498	12,463	1,587	21,044
Latin America	664	70	38	35	807
Africa	229	49	10	0	288
<b>Total</b>	<b>13,963</b>	<b>3,421</b>	<b>18,014</b>	<b>2,189</b>	<b>37,586</b>
Difference vs. previous year	+2.88%	+13.24%	+11.98%	-5.16%	+7.43%
<b>2023</b>					
Asia	2,170	763	1,956	604	5,494
North America	4,531	1,021	3,764	124	9,441
Europe	5,665	1,894	15,394	1,558	24,511
Latin America	636	63	37	39	774
Africa	172	119	9	1	302
<b>Total</b>	<b>13,174</b>	<b>3,861</b>	<b>21,161</b>	<b>2,326</b>	<b>40,522</b>
Difference vs. previous year	-5.65%	+12.86%	+17.47%	+6.26%	+7.81%

<sup>11</sup> Due to subsequent data submissions, the data for 2022 has been adjusted compared to the 2022 Sustainability Report. In addition, deviations are possible due to rounding.

Total water consumption<sup>12</sup>

in cubic meters by source and region

	2021			2022			2023		
	Well water	Fresh water	Total	Well water	Fresh water	Total	Well water	Fresh water	Total
Asia	13,540	118,024	131,564	11,830	135,472	147,302	27,681	143,572	171,253
North America	5,135	157,192	162,327	4,315	185,947	190,262	3,384	180,132	183,516
Europe	207,938	211,609	419,547	196,759	202,172	398,931	231,608	216,131	447,739
Latin America	0	7,113	7,113	155	7,106	7,261	164	7,118	7,282
Africa	0	6,368	6,368	0	4,481	4,481	0	5,092	5,092
<b>Total</b>	<b>226,613</b>	<b>500,306</b>	<b>726,919</b>	<b>213,059</b>	<b>535,179</b>	<b>748,238</b>	<b>262,837</b>	<b>552,045</b>	<b>814,882</b>

<sup>12</sup> Due to subsequent data submissions, the data for 2022 has been adjusted compared to the 2022 Sustainability Report. In addition, deviations are possible due to rounding.

Effluent discharge rates<sup>13</sup>

in cubic meters by disposal type and region

2021	Storm water sewer	Public sanitary sewer	Ground water	Total
Asia	2,914	75,070	0	77,984
North America	24,409	97,958	0	122,367
Europe	215,078	139,083	94,240	448,401
Latin America	0	7,107	0	7,107
Africa	0	7,296	0	7,296
<b>Total</b>	<b>242,401</b>	<b>326,515</b>	<b>94,240</b>	<b>663,156</b>

2022	Storm water sewer	Public sanitary sewer	Ground water	Total
Asia	0	65,426	0	65,426
North America	11,788	115,484	0	127,272
Europe	221,526	164,423	74,422	460,371
Latin America	0	1,623	0	1,623
Africa	0	0	0	0
<b>Total</b>	<b>233,313</b>	<b>346,956</b>	<b>74,422</b>	<b>654,691</b>

2023	Storm water sewer	Public sanitary sewer	Ground water	Total
Asia	0	70,530	0	70,530
North America	17,201	86,055	0	103,256
Europe	214,498	151,555	115,372	481,425
Latin America	0	1,441	0	1,441
Africa	0	0	0	0
<b>Total</b>	<b>231,699</b>	<b>309,581</b>	<b>115,372</b>	<b>656,652</b>

<sup>13</sup> Due to an error in the 2022 Sustainability Report, there is a data adjustment for 2022: In addition, deviations are possible due to rounding.

## Employees and society<sup>14</sup>

### Employees

by group (excluding temporary workers, excluding joint venture)

	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Salaried employees	6,921	2,556	9,477	6,965	2,609	9,574	7,321	2,797	10,118
Indirect cost laborers	3,083	441	3,524	3,072	452	3,524	3,131	454	3,585
Direct labor	5,784	3,597	9,381	5,697	3,705	9,402	5,878	3,880	9,758
Apprentices	333	61	394	337	50	387	341	58	399
<b>Total</b>	<b>16,121</b>	<b>6,655</b>	<b>22,776</b>	<b>16,071</b>	<b>6,816</b>	<b>22,887</b>	<b>16,671</b>	<b>7,189</b>	<b>23,860</b>

### Employees

by region (excluding temporary workers, excluding joint venture)

	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Germany	6,041	1,669	7,710	5,788	1,571	7,359	5,855	1,603	7,458
Europe (excluding Germany)	3,899	2,301	6,200	3,829	2,247	6,076	4,308	2,432	6,740
China	2,143	688	2,831	2,285	779	3,064	2,248	844	3,092
East Asia	162	65	227	160	62	222	163	66	229
North America	3,595	1,818	5,413	3,718	2,028	5,746	3,801	2,106	5,907
South America	281	114	395	291	129	420	296	138	434
<b>Total</b>	<b>16,121</b>	<b>6,655</b>	<b>22,776</b>	<b>16,071</b>	<b>6,816</b>	<b>22,887</b>	<b>16,671</b>	<b>7,189</b>	<b>23,860</b>

### Employees

by age (excluding temporary workers, excluding joint venture)

	2021			2022			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
under 20	294	60	354	308	73	381	321	87	408
20-29	3,223	1,365	4,588	3,209	1,440	4,649	3,467	1,549	5,016
30-39	5,793	2,219	8,012	5,683	2,262	7,945	5,872	2,382	8,254
40-49	3,474	1,682	5,156	3,557	1,724	5,281	3,720	1,842	5,562
50-59	2,648	1,099	3,747	2,596	1,077	3,673	2,529	1,084	3,613
from 60	689	230	919	718	240	958	762	245	1,007
<b>Total</b>	<b>16,121</b>	<b>6,655</b>	<b>22,776</b>	<b>16,071</b>	<b>6,816</b>	<b>22,887</b>	<b>16,671</b>	<b>7,189</b>	<b>23,860</b>

<sup>14</sup> Due to the differences in the data available on our joint venture, our report does not include it to improve comparability. This also results in adjustments to the 2021 data compared to the 2021 Sustainability Report.

## New entries

by age (excluding temporary workers, excluding joint venture)

	2021		2022		2023	
	Total	Share of designated workforce groups	Total	Share of designated workforce groups	Total	Share of designated workforce groups
under 20	203	57.3%	293	76.9%	368	90.2%
20-29	1,586	34.6%	2,172	46.7%	2,591	51.7%
30-39	1,195	14.9%	1,689	21.3%	1,760	21.3%
40-49	502	9.7%	694	13.1%	828	14.9%
50-59	189	5.0%	229	6.2%	256	7.1%
from 60	16	1.7%	33	3.4%	24	2.4%
<b>Total</b>	<b>3,693</b>	<b>16.2%</b>	<b>5,110</b>	<b>22.3%</b>	<b>5,827</b>	<b>24.4%</b>

## New entries

by gender (excluding temporary workers, excluding joint venture)

	2021		2022		2023	
	Total	Share of designated workforce groups	Total	Share of designated workforce groups	Total	Share of designated workforce groups
Male	2,487	15.4%	3,300	20.5%	3,813	22.9%
Female	1,206	18.1%	1,810	26.6%	2,014	28.0%
<b>Total</b>	<b>3,693</b>	<b>16.2%</b>	<b>5,110</b>	<b>22.3%</b>	<b>5,827</b>	<b>24.4%</b>

## New entries

by region (excluding temporary workers, excluding joint venture)

	2021		2022		2023	
	Total	Share of designated workforce groups	Total	Share of designated workforce groups	Total	Share of designated workforce groups
Germany	351	4.6%	435	5.9%	714	9.6%
Europe (excluding Germany)	1,411	22.8%	1,364	22.4%	1,895	28.1%
China	395	14.0%	797	26.0%	442	14.3%
East Asia	39	17.2%	35	15.8%	40	17.5%
North America	1,418	26.2%	2,360	41.1%	2,671	45.2%
South America	79	20.0%	119	28.3%	65	15.0%
<b>Total</b>	<b>3,693</b>	<b>16.2%</b>	<b>5,110</b>	<b>22.3%</b>	<b>5,827</b>	<b>24.4%</b>

## Exits

by age (excluding temporary workers, excluding joint venture)

	2021		2022		2023	
	Total	Share of designated workforce groups	Total	Share of designated workforce groups	Total	Share of designated workforce groups
under 20	67	18.9%	89	23.4%	181	44.4%
20-29	1,230	26.8%	1,456	31.3%	1,710	34.1%
30-39	1,327	16.6%	1,446	18.2%	1,374	16.6%
40-49	640	12.4%	703	13.3%	708	12.7%
50-59	381	10.2%	346	9.4%	347	9.6%
from 60	249	27.1%	156	16.3%	152	15.1%
<b>Total</b>	<b>3,894</b>	<b>17.1%</b>	<b>4,196</b>	<b>18.3%</b>	<b>4,472</b>	<b>18.7%</b>

## Exits

by gender (excluding temporary workers, excluding joint venture)

	2021		2022		2023	
	Total	Share of designated workforce groups	Total	Share of designated workforce groups	Total	Share of designated workforce groups
Male	2,715	16.8%	2,788	17.3%	2,939	17.6%
Female	1,179	17.7%	1,408	20.7%	1,533	21.3%
<b>Total</b>	<b>3,894</b>	<b>17.1%</b>	<b>4,196</b>	<b>18.3%</b>	<b>4,472</b>	<b>18.7%</b>

## Exits

by region (excluding temporary workers, excluding joint venture)

	2021		2022		2023	
	Total	Share of designated workforce groups	Total	Share of designated workforce groups	Total	Share of designated workforce groups
Germany	757	9.8%	571	7.8%	393	5.3%
Europe (excluding Germany)	1,068	17.2%	1,136	18.7%	1,136	16.9%
China	544	19.2%	516	16.8%	396	12.8%
East Asia	31	13.7%	24	10.8%	19	8.3%
North America	1,429	26.4%	1,890	32.9%	2,467	41.8%
South America	65	16.5%	59	14.0%	61	14.1%
<b>Total</b>	<b>3,894</b>	<b>17.1%</b>	<b>4,196</b>	<b>18.3%</b>	<b>4,472</b>	<b>18.7%</b>

# GRI Index

For the Content Index – Essentials Service, GRI Services verified whether the GRI Content Index was presented in accordance with the reporting requirements of the GRI Standards and whether the information in the index is clearly presented and accessible to stakeholders.

Statement	Brose Fahrzeugteile SE & Co. KG has reported in accordance with the GRI standards for the reporting period from 1 January to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI industry standard(s)	-

General Information		Page	Comment
<b>GRI 1</b>	<b>Foundation 2021</b>		
<b>GRI 2</b>	<b>General Disclosures 2021</b>		
GRI 2-1	Organizational profile	5	
GRI 2-2	Entities included in the organization's sustainability reporting	3	Deviations are indicated by footnotes.
GRI 2-3	Reporting period, frequency and contact point	3	
GRI 2-4	Restatements of information	3	Restatements are indicated by footnotes.
GRI 2-5	External assurance		The report has not undergone an external audit.
GRI 2-6	Activities, value chain and other business relationships	5-6	
GRI 2-7	Salaried employees	5, 40	
GRI 2-8	Workers who are not employees	5, 40	
GRI 2-9	Governance structure and composition	5, 9	
GRI 2-10	Nomination and selection of the highest governance body	5	
GRI 2-11	Chair of the highest governance body	5	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	9, 10	
GRI 2-13	Delegation of responsibility for managing impacts	9, 10	
GRI 2-14	Role of the highest control body in sustainability reporting	3	
GRI 2-15	Conflicts of interest	12	
GRI 2-16	Communication of critical concerns	12-13	
GRI 2-17	Collected knowledge of the highest governance body	9-10	
GRI 2-18	Evaluation of the performance of the highest governance body	5, 9-10	
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GRI 2-20	Process to determine remuneration	29-30	
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GRI 2-24	Embedding policy commitments	8	
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GRI 2-26	Mechanisms for seeking advice and raising concerns	12-13	
GRI 2-27	Compliance with laws and regulations	10, 12-13	
GRI 2-28	Membership associations	6, 14, 17	
GRI 2-29	Approach to stakeholder engagement	11, 15, 19	
GRI 2-30	Collective agreements	30	

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GRI 3-2	List of material topics	12	
	<b>Customer satisfaction</b>		
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GRI 3-3	Management of material topics	14, 18-19	
GRI 2	General Disclosures 2021		
GRI 2-29	Approach to stakeholder engagement	15, 19	
	<b>Responsible business conduct</b>		
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GRI 3-3	Management of material topics	9-10, 29, 16, 18-19	
GRI 201	Economic performance 2016		
GRI 201-1	Direct economic value generated and distributed	5, 36	
GRI 201-3	Defined benefit plan obligations and other retirement plans	29, 30	
GRI 201-4	Financial assistance received from government	6	
GRI 202	Market presence 2016		
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	29, 30	
GRI 203	Indirect economic impacts 2016		
GRI 203-1	Infrastructure investments and services supported	18-19	
GRI 204	Procurement practices 2016		
GRI 204-1	Proportion of spending on local suppliers	18-19	
	<b>Compliance</b>		
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GRI 3-3	Management of material topics	8, 12-13	
GRI 205	Anti-corruption 2016		
GRI 205-2	Operations assessed for risks related to corruption	13	
GRI 205-3	Confirmed incidents of corruption and actions taken	12-13	
GRI 206	Anti-competitive behavior 2016		
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	12	
GRI 207	Taxes 2019		
GRI 207-1	Tax concept	14	
GRI 207-2	Tax governance, control and risk management	12-14	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	14	
GRI 207-4	Country-by-country reporting		Limitations due to confidentiality obligations: detailed country-by-country reporting has been omitted, as the publication of this information would reveal sensitive competitive data.
	<b>Sustainable product and technology innovations</b>		
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GRI 3-3	Management of material topics	16-17, 20, 25	
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GRI 3-3	Management of material topics	18-20, 23	
GRI 305	Emissions 2016		
GRI 305-3	Other indirect (Scope 3) GHG emissions	24, 38	
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GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	18, 30	
<a href="#">Occupational health and safety</a>			
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GRI 3-3	Management of material topics	17-18, 33-34	
GRI 403	Occupational health and safety 2018		
GRI 403-1	Occupational health and safety management system	34-35	
GRI 403-2	Hazard identification, risk assessment and incident investigation	9, 34-35	
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GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	33-35	
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# Publishing details

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**Image credits**

All images: Brose  
Publication date: 16 December 2024