

The Corporate Responsibility Strategy of the Brose Group

The Brose Group can look back on a company history spanning more than 110 years. As a result of its steady growth, the family-owned company's impact and influence on society and the environment increased and will continue to do so in the future; a fact the owner family and Executive Management Board have always been aware of both in the past and today. They feel responsible not only for the economic future of the company but also for the society we interact with, for the people we work with and for the environment we live in. This is what sustainability and corporate responsibility mean for Brose.

The company shareholders and the Executive Management Board run the Brose Group as a globally sustainable company and base their decisions on the following principles of sustainability:

- **Brose is committed to environmental protection**

In addition to economic criteria, Brose also integrates aspects of environmental protection in its decisions in order to continually reduce the ecological impact of its business operations. Our aims include:

- deploying resources ecologically and efficiently along the entire value-added chain
- avoiding waste, harmful emissions and toxicological contamination
- using regenerative energy for production
- reducing fuel consumption through lightweight design and efficiency improvements
- developing cutting-edge technology for electric motors
- contributing to future-oriented mobility concepts such as e-bikes and e-scooters

- **Brose is on track to becoming CO₂ neutral**

Emission reduction is a global challenge regarding climate protection. Brose has set itself the target of becoming a CO₂-neutral company. One major interim goal in this respect is to make Brose locations carbon neutral by 2025. To achieve this, a crucial lever will be to reduce energy consumption, thus preventing emissions. A further aspect is the procurement of climate-neutral energy. Only where emissions are unavoidable will we engage in high-quality carbon offset projects.

- **Brose demonstrates responsibility towards employees**

Our employees are the foundation of the Brose Group's sustainable success. We therefore strive to:

- ensure fair working conditions and adequate remuneration
- offer equal professional opportunities, personal advancement as well as individual support and further development
- guarantee comprehensive occupational health and safety
- achieve long-term employee retention at the company

Taking our employees' interests adequately into consideration, we involve and consult them on all changes that affect them.

- **Brose demonstrates responsibility towards society**
Brose is aware of its social responsibility at all locations of the Brose Group contributing to local communities through a variety of activities in the fields of education, culture, social engagement, sports, healthcare, infrastructure, employment or regional added value.
- **Brose acts in line with a code of conduct**
Compliance with laws and legislation is a matter of course for Brose. Our employees behave fairly displaying integrity towards one another and also towards external partners and interest groups. This is based on our code of conduct which is geared towards values such as openness, tolerance, respect, trustworthy collaboration, fairness, reliability and honesty.
In particular, sensitive and confidential information and data, whether internal or external, are protected and accessible only to authorized personnel. All employees are called upon to conduct themselves in accordance with this code and to intervene swiftly and resolutely in the event of any deviations.
- **Brose involves the supply chain**
Brose encourages its suppliers to observe principles such as fair business practices and working conditions, human rights or environmental standards, and to do so when dealing with their own suppliers, thus ensuring compliance along the entire value-added chain. Besides quality and price, a systematic orientation to these principles as well as their compliance is a decisive criterion for the award of contracts. Brose reserves the right to terminate relationships with suppliers if they deviate considerably from these principles and do not refrain from such misconduct.
- **Brose is obligated to its customers**
Environmental and climate protection as well as the safeguarding of social standards is crucial for the Brose Group along the entire value-added chain and is therefore integrated into every phase of the product development process. This enables us to offer our customers sustainable and future-proof solutions, thus supporting them to achieve their own sustainability and corporate responsibility objectives.

The Executive Management Board is responsible for the implementation of the corporate responsibility strategy. They drive forward continuous improvements of all CR-aspects and create the necessary groundwork.

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Ulrich Schrickel
Chief Executive Officer



Thomas Spangler
Executive Vice President Operations