



HÖRMANN
Gruppe

SUSTAINABILITY REPORT HÖRMANN INDUSTRIES GMBH

2023



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Dear Readers and Friends of the Company,

2023 marked a turning point in global climate trends. As the world's warmest year since weather records began, it is now more important than ever for all of us to take action. The disastrous effects of climate change were highlighted by extreme weather events, which not only affect distant regions, but increasingly also Central Europe and the Mediterranean region, where millions of people have been impacted by water shortages, droughts and forest fires, as well as devastating floods.

At the same time, we are facing geopolitical and major economic challenges. Signs of the prolonged period of stagnation and the now looming recession in Germany are clearly visible. As companies continue to grapple with sharply rising costs driven by inflation and now with significantly weakening demand and high interest rates, investments, for instance in sustainability initiatives, are now much more expensive and are often postponed.

Despite all these challenges, the HÖRMANN Group affirms its commitment and dedication to sustainable corporate governance. As a family-owned company, we have embraced sustainability as a fundamental part of our system of values for decades. We are clearly committed to our responsibility towards people and nature and believe firmly that long-term business success can only be achieved in accordance with social and ecological aspects.

Our sustainability strategy adheres to the principles of the United Nations Global Compact and the United Nations Sustainable Development Goals. The focus of all our efforts is on people. Sustainable thinking and action must become the guiding principle of our actions and our everyday lives, which is why our goal is for a culture of sustainability to permeate our entire organisation and become a fundamental principle of our behaviour.



We hope you will accompany us on our journey to becoming a sustainable company. This report will give you an insight into the progress we have made in developing our sustainability management system and our sustainability initiatives during the 2023 financial year. We trust you will find it a stimulating read.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Radke'.

Dr. Michael Radke
CEO of the HÖRMANN Group

A handwritten signature in black ink, appearing to read 'J. Schmid-Davis'.

Johann Schmid-Davis
CFO of the HÖRMANN Group

A handwritten signature in black ink, appearing to read 'C. Baur'.

Dr. Christian Baur
CTO of the HÖRMANN Group

Welcome to the 2023 sustainability report of the HÖRMANN Group.

This report is on HÖRMANN Industries GmbH, based in Kirchseeon, Germany, and its affiliated companies for the 2023 financial year. **The companies consolidated in the sustainability report correspond to those in the financial reporting:**

HOLDING

- ◆ HÖRMANN Industries GmbH, Kirchseeon
- ◆ HÖRMANN Finance & Accounting GmbH, Kirchseeon
- ◆ HÖRMANN Informationssysteme GmbH, Ginsheim-Gustavsburg
- ◆ HÖRMANN Digital GmbH, Kirchseeon

AUTOMOTIVE

- ◆ HÖRMANN Automotive GmbH, Kirchseeon
- ◆ HÖRMANN Automotive Gustavsburg GmbH, Ginsheim-Gustavsburg
- ◆ HÖRMANN Automotive Slovakia s.r.o., Bánovce, Slovakia
- ◆ HÖRMANN Automotive St. Wendel GmbH, St. Wendel
- ◆ HÖRMANN Automotive Saarbrücken GmbH, Saarbrücken
- ◆ HÖRMANN Automotive Wackersdorf GmbH, Wackersdorf
- ◆ HÖRMANN Automotive Assets GmbH, Kirchseeon

COMMUNICATION

- ◆ Funkwerk AG, Köllda
- ◆ Funkwerk Technologies GmbH, Köllda
- ◆ Funkwerk StatKom GmbH, Köllda
- ◆ Funkwerk Systems GmbH, Köllda
- ◆ Funkwerk Systems Austria GmbH, Vienna, Austria
- ◆ Radionika Sp. z o.o., Crakow, Poland
- ◆ Funkwerk Security Solutions GmbH (formerly Funkwerk video systeme GmbH), Nuremberg
- ◆ Funkwerk IoT GmbH, Köllda
- ◆ HÖRMANN Kommunikation & Netze GmbH, Kirchseeon
- ◆ HÖRMANN Warnsysteme GmbH, Kirchseeon
- ◆ HÖRMANN – KMT Kommunikations- und Meldetechnik GmbH, Salzburg, Austria
- ◆ HÖRMANN Warnsysteme Bulgaria EOOD, Sofia, Bulgaria

INTRALOGISTICS

- ◆ HÖRMANN Intralogistics GmbH, Kirchseeon
- ◆ HÖRMANN Intralogistics Solutions GmbH, Munich
- ◆ HÖRMANN Logistyk Polska Sp. z o.o., Gdansk, Poland
- ◆ HÖRMANN Intralogistics Solutions Ges.mbh, Graz, Austria
- ◆ HÖRMANN Klatt Conveyors GmbH, Neumarkt am Wallersee, Austria
- ◆ HÖRMANN Intralogistics Services GmbH, Salzgitter
- ◆ HÖRMANN Energy Solutions GmbH, Wolfsburg

ENGINEERING

- ◆ HÖRMANN BauPlan GmbH, Chemnitz
- ◆ HÖRMANN Rawema Engineering & Consulting GmbH, Chemnitz
- ◆ HÖRMANN Vehicle Engineering GmbH, Chemnitz
- ◆ VacuTec Meßtechnik GmbH, Dresden

The target groups of the sustainability report are employees, applicants, customers, suppliers, associates, financing providers and interested members of the public.

The HÖRMANN Group's 2023 sustainability report is a non-financial report and is published annually. The reporting period is the HÖRMANN Group's financial year from 1 January 2023 to 31 December 2023. The editorial deadline was 31 January 2024. The first sustainability report for the 2021 financial year was published in April 2022.

This sustainability report primarily presents data from 2023. If available, supplementary prior-year data are disclosed to enhance transparency and relevance in addition to allowing a comparison. Figures for HÖRMANN Automotive Saarbrücken GmbH for the reporting period were not available by the editorial deadline. For this reason, the prior-year figures were carried over, where available, to the reporting period to ensure comparability. Where necessary, any restatements of information are indicated and can be found in the GRI Index.

The figures relate to all subsidiaries controlled by HÖRMANN Industries GmbH. These are all the affiliated companies in which HÖRMANN Industries GmbH holds more than 51% ([↗ see also the HÖRMANN Group 2023 annual report](#)). The key figures were recorded by the respective subsidiaries and, unless indicated otherwise, apply to the stated period. The data presented have been consolidated at Group level. This applies to all material issues unless explicitly stated otherwise.

During report creation, it is necessary to employ accurate estimations and modeling to fully depict the entire survey period. These estimations are internally documented. It is possible that the actual values may deviate from these estimations. Such deviations are corrected in the subsequent year's reporting. Methodological and structural changes are generally rectified. Deviations exceeding five percent are additionally commented upon. Discrepancies may arise due to the commercial rounding of amounts and percentage figures.

The report has been prepared on the basis of the internationally recognised Foundation 2021 Standards of the Global Reporting Initiative (GRI). The subjects covered are based on the principle of materiality in accordance with GRI 3. The data and this report have not undergone external assurance.

The management system of the HÖRMANN Group for sustainable corporate and its progress in implementing business ethics, environmental, social and corporate governance are presented in this non-financial report. The disclosures in the report focus on issues identified as material to the company and its stakeholders in conjunction with the [↗ double materiality analysis in 2021](#).

The sustainability report is available online in [↗ German](#) and [↗ English](#). Further information can be found at [↗ www.hoermann-gruppe.com](#) under Investor Relations and in the [↗ HÖRMANN Group's annual report](#). The next sustainability report will be published in spring 2025.

Contact:

Fabian Schellhas
Group Sustainability Manager

HÖRMANN Industries GmbH
Hauptstraße 45 – 47
85614 Kirchseeon

T +49 8091 5630-0
info@hoermann-gruppe.com

The Sustainable Development Goals of the United Nations

SUSTAINABLE DEVELOPMENT GOALS

In 2015, the international community adopted Agenda 2030, which contains 17 Sustainable Development Goals (SDGs) and serves as a roadmap for a sustainable future. These goals include ecological, economic, social and legal aspects and are intended to enable a life of dignity for all while protecting the natural foundations of life. The member states of the United Nations are called upon to take action that will contribute to the realisation of these goals.

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



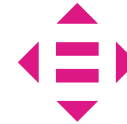
8 DECENT WORK AND ECONOMY GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



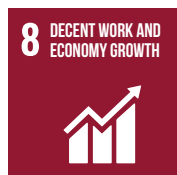
16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



The HÖRMANN Group acknowledges its direct or indirect impact on all 17 SDGs and has identified eight key areas that will help shape its contribution to sustainable development in a targeted manner. In the coming years, the HÖRMANN Group will report transparently on its progress in realising these goals and relevant measures.



Decent work and economic growth

Both within the group of companies and its supply chains, the HÖRMANN Group believes it has an obligation to respect human rights and ensure appropriate and fair work and social standards. As part of its sustainability endeavours to safeguard the long-term future of the company, the HÖRMANN Group will work continuously to improve resource efficiency.



Industry, innovation and infrastructure

With all its business activities – through the delivery of products and the provision of services – the HÖRMANN Gruppe makes a significant contribution to sustainable infrastructure in Europe as well as to more sustainable cities and communities. As a partner and key supplier to other industries, the company also plays an important role in the transition of industry towards greater sustainability, particularly concerning climate protection and the reduction of greenhouse gases.



Responsible consumption and production

Working with its customers, the HÖRMANN Group strives to make products, processes and infrastructures more sustainable by using its technological expertise. It aims to accelerate the pace of innovation by partnering with respected universities and investing in research and development.



Climate action

The HÖRMANN Group is committed to the goals of the Paris Agreement on climate protection and is actively involved in reducing emissions. One particular focus in this context is on increasing energy efficiency and using and generating renewable energies.



Good health and well-being

The HÖRMANN Group attaches the utmost importance to protecting the health of its employees and society in general. With the help of a comprehensive health and safety management system, the company works continuously to provide safe places to work.



Quality education

The HÖRMANN Group supports the provision of ongoing training to its employees because lifelong learning is fundamental to social well-being and innovation. The company also strives to increase the training rate to make it easier for young people to enter the world of work and to enable them to achieve additional technical qualifications.



Gender equality and reduced inequalities

The HÖRMANN Group fosters an appreciative working environment that is free from all forms of prejudice. Respect and dignity form the key pillars of the corporate culture which has zero tolerance for hostile, humiliating, intimidating or accusatory behaviour. The HÖRMANN Group reaffirms its commitment to equality, fairness, inclusion and tolerance as a signatory to the Diversity Charter (Charta der Vielfalt).

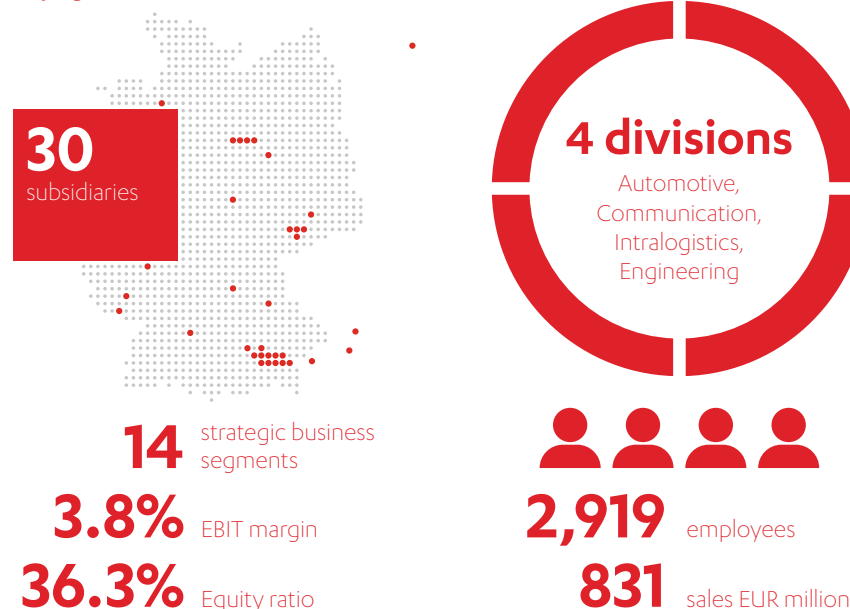


A holistic approach: as a driver of innovation, the HÖRMANN Group utilises its extensive know-how and combines its expertise in four divisions. Working closely with its customers, the company continuously sets new benchmarks and promotes ground-breaking impulses in the market.

The Group, comprising HÖRMANN Industries GmbH, Kirchseeon, and its direct and indirect subsidiaries, forms the industrial subgroup of the HÖRMANN Group. The HÖRMANN Group is broken down into four strategic divisions to which the individual companies are allocated. There are also internal service providers that work across all divisions.

In 2023, the HÖRMANN Group successfully completed the restructuring of the Intralogistics division. In the Automotive division, HÖRMANN Automotive Eislingen GmbH was sold during the reporting period with effect from 31 October 2023. In the Communication division, Funkwerk video systeme GmbH and Funkwerk vipro.sys GmbH were merged to form Funkwerk Security Solutions GmbH as part of the strategic reorientation towards the growing Security Technology unit. In addition, Funkwerk AG acquired a stake in Radionika Sp. z o.o., thereby expanding its international expertise in the area of train radio.

Key figures 2023 GRI 2-1, 2-6, 2-7, 201-1



AUTOMOTIVE

In the Automotive segment, the HÖRMANN Group is a supplier of metal components, modules and systems for the European commercial vehicle, construction and agricultural machinery industry. The division covers the entire value chain with a comprehensive portfolio of services in the areas of engineering, production and logistics.

COMMUNICATION

The Communication division offers a range of services extending from innovative communication, information and security systems all the way to infrastructure services in the areas of railway transport, communication technology and energy supply. It also includes the development of siren warning systems, which are used to alert fire brigades or to warn the population about disasters.

INTRALOGISTICS

HÖRMANN's Intralogistics division bundles the various business activities in the fields of logistics, conveyor engineering, automation engineering, assembly and services. This division is thus tailored to the sharp rise in market demand for sustainable, service-oriented and sophisticated system solutions for automation solutions in warehouse, distribution and production logistics as well as services.

ENGINEERING

The Engineering division of the HÖRMANN Group covers a broad spectrum ranging from industrial design and vehicle development to plant, building and factory planning. Furthermore, the development and production of detectors for measuring ionising radiation supplements this range of services.

In the HÖRMANN Group as a family business sustainable corporate management is part of the DNA. In the following, selected initiatives show the contribution made by individual subsidiaries through their active action to promote sustainable development.

1 2 3

Successfully certified

At a time when sustainability and responsible behaviour are becoming increasingly important, three companies in the HÖRMANN Group have now been certified by EcoVadis. These certifications underline our commitment to sustainable business and demonstrates the Group's contribution to creating a better and more sustainable future.

17 PARTNERSHIPS FOR THE GOALS

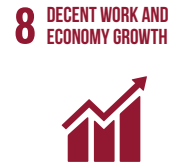


EcoVadis is a leading platform for sustainability ratings that helps companies measure, monitor and improve their social and environmental performance across the supply chain. The assessment process covers a broad range of topics, including the environment, labour practices and human rights, ethics and sustainable procurement.

In the reporting period, HÖRMANN Automotive Gustavsburg GmbH, HÖRMANN Kommunikation & Netze GmbH and Funkwerk AG were awarded silver medals by EcoVadis. These awards demonstrate the progress we have made on our journey to achieve sustainable and ethical governance.

The HÖRMANN Group is aware of the increasingly strict requirements that apply to the area of sustainability. The goal is therefore not only to meet customer expectations but also to exceed them, in line with our own aspirations and commitment to sustainable development. By working with EcoVadis and other partners, the company will intensify its efforts to make a positive contribution to society and the environment.

Human rights, environmental and social standards along the supply chain



The supply chain is of crucial importance to the HÖRMANN Group because it has a material impact on sustainability goals and is an essential part of the HÖRMANN Group's perception of corporate responsibility as it relates to corporate governance.

In 2023, the HÖRMANN Group extended and intensified its analysis, evaluation and monitoring of supply chains with regard to human rights and environmental aspects. The introduction of an enhanced screening process ensures that suppliers comply with the same high standards of sustainability and social responsibility that the company expects of itself.

The Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) is a legal regulation that requires companies to ensure compliance with human rights, environmental standards and social standards along their supply chain. In this context, it guarantees that companies live up to their responsibility towards people and

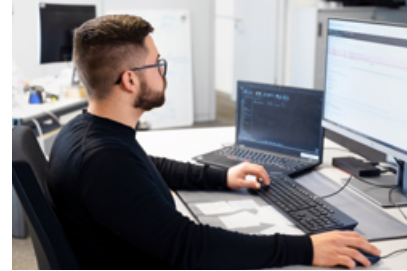
the environment throughout their supply chain and that they identify and minimise potential risks.

The introduction of special supplier management software enables efficient supplier screening and ensures that suppliers are analysed and assessed for risk according to the requirements of the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). The implementation of this software allows the HÖRMANN Group to act even more transparently and responsibly while also complying with the legal obligations and documentation requirements that came into being on 1 January 2024.

The HÖRMANN Group remains strongly focused on promoting sustainability throughout the supply and value chain. As a family-owned company, the HÖRMANN Group is aware of its corporate and social responsibility and strives to live up to this in every step of its business activities and contribute to making a more sustainable and fairer world.

ISO 27001 certification: A milestone for our IT security

In an increasingly digitalised world but also in a world threatened by growing geopolitical conflicts, the security of our information technology (IT) is of crucial importance for the sustainability of the HÖRMANN Group. Our ability to guarantee reliable cyber security not only protects us against potential threats but also contributes to the long-term stability and continuity of our business activities and digital relationships with our customers.



In 2023, an important milestone was reached: the central IT service provider for the HÖRMANN Group, HÖRMANN Informationssysteme GmbH, was certified for the first time to the strict standards of DIN ISO 27001. This certification is evidence of our daily efforts to set the highest standards in the area of information security. Having implemented a comprehensive information security management system (ISMS), HÖRMANN Informationssysteme GmbH has not only strengthened the protection of sensitive data but also increased the trust of the organisation's customers, partners and stakeholders.

TISAX certification: IT security for the automotive industry

TISAX certification brings us another step closer to comprehensive IT security. TISAX stands for Trusted Information Security Assessment Exchange and refers to an assessment and exchange mechanisms for information security in the automotive industry. In recent years, two subsidiaries, HÖRMANN Vehicle Engineering GmbH and HÖRMANN Intralogistics Solutions GmbH, have already

satisfied these strict requirements. In the reporting period, the HÖRMANN Group also started the certification process for its Automotive and Intralogistics divisions. We plan to successfully complete TISAX certification by mid-2024.

In contrast to ISO 27001 certification, TISAX focuses specifically on the security requirements of the automotive industry. In addition to general IT security standards, these include industry-specific requirements such as the protection of vehicle data, product information and the handling of sensitive information, for example, in the area of product development. Therefore, TISAX certification is crucially important to ensure that the HÖRMANN Group can meet the high security standards of car manufacturers and guarantee their confidentiality and integrity.

Further progress in IT security

During the reporting period, important progress was made in the IT security activities of all companies. The employees began a new round of the "SoSafe" IT security training programme,

which makes them aware of current threats and promotes their understanding of what constitutes safe behaviour in the digital space. Furthermore, additional subsidiaries were successfully connected to the central IT infrastructure with the aim of improving the efficiency and security of data processing and digital external interfaces. Another important step was the integration of an external Security Operations Center (SOC), in which the log files of all critical systems are analyzed and evaluated so that cyberattacks can be detected quickly and countermeasures can be initiated via our Incident Response Service. These measures not only strengthen resilience against cyber attacks but are also an integral part of a sustainable and future-proof IT landscape.

9 INDUSTRY,
INNOVATION AND
INFRASTRUCTURE



17 PARTNERSHIPS
FOR THE GOALS



Innovative paths for sustainable transport: HyTraGen

The combination of sustainability and hydrogen is considered the key to emission-free mobility and a sustainable future. As a clean energy source, hydrogen makes it possible to drastically reduce CO₂ emissions in the transport sector and, in the process, make a significant contribution to climate protection.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



13 CLIMATE ACTION



In this context, the “HyTraGen” (Hydrogen Tram for next Generation) research project led by HÖRMANN Vehicle Engineering GmbH is regarded as a pioneering step towards harnessing the potential of hydrogen in local public transport. Hydrogen offers a promising alternative to current drive systems, particularly in the areas of passenger, heavy goods and freight traffic where heavy loads are transported across long distances.

A consortium based in Saxony led by HÖRMANN Vehicle Engineering GmbH with the participation of Heiterblick GmbH and researchers from Chemnitz University of Technology has begun developing Europe’s first hydrogen-powered tram. The first tram equipped with a hydrogen drive system is due to arrive on the tracks in Görlitz at the end of 2026. The German Federal Ministry of Transport is providing a total of EUR 8 million in funding for the project.

The hydrogen tram is intended not only as an alternative to existing trams that use overhead electricity lines but above all to serve new routes that cannot be equipped with overhead lines for economic, ecological and urban planning reasons. Another positive aspect of this new tram is that it avoids the high infrastructure costs associated with installing and maintaining the overhead line. Furthermore, a holistic hydrogen concept incorporating a large number of different consumers would create an additional energy supply system for the cities using it. This additional system would not be reliant on the grid and would allow surplus electrical energy to be stored in the form of hydrogen.

The decarbonisation of cities is a central objective in the fight against climate change. Urban areas are often heavily polluted by traffic emissions, which have a negative effect on air quality and put the health of residents at risk.

This is where the HyTraGen hydrogen tram comes into play: as an emission-free means of transport, it offers a sustainable solution for inner-city traffic and makes a significant contribution to improving air quality. By using hydrogen as an energy source, the tram enables cities to reduce their CO₂ emissions and accelerate the transition to climate-friendly mobility.

Therefore, HyTraGen offers a forward-looking mobility solution that not only protects the environment but also contributes to the creation of more liveable and healthier cities. With this innovative research project, the HÖRMANN Group is clearly signalling its commitment to developing sustainable transport and building a future that is worth living for the generations to come.



Replacement of thermal by regenerative post-combustion

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



As a supplier to the commercial vehicle industry, HÖRMANN Automotive Gustavsburg operates coating plants that also produce harmful exhaust gases that must be treated for anti-pollution reasons.

The switch from thermic to regenerative incineration of exhaust gases in the paint shop for side members marks an important step towards reducing emissions and promoting sustainable production methods. This process ensures that exhaust gases generated during production are treated efficiently and in an environmentally friendly manner. This contributes significantly to reducing environmental pollution and protecting people and the natural environment.

To achieve the HÖRMANN Group's climate objectives and make a material contribution to decarbonisation and environmental protection, HÖRMANN Automotive Gustavsburg GmbH decided to invest in a regenerative incineration system during the reporting period. The fact that the company invested EUR 1 million in environmental protection and sustainability sends a clear signal to customers and stakeholders. By commissioning this environmentally friendly technology, the HÖRMANN Group is demonstrating its commitment to minimise

the environmental impact of its production activities and ensure sustainable business practices.

Regenerative incineration is used as part of the cathodic dip painting and wet coating of structural parts for commercial vehicles. This method enables eco-friendly treatment of the exhaust gases produced while at the same time boosting the efficiency and quality of the production process. By using this sustainable technology, HÖRMANN Automotive Gustavsburg GmbH will make a major contribution to promoting environmentally friendly production.

Compared to conventional thermic incineration, regenerative incineration offers impressive efficiency and environmental compatibility. While energy is lost as heat during thermic incineration, the regenerative variant captures this energy by reusing it for the production process. This not only lowers the environmental impact but also optimises and significantly reduces energy consumption.

This changeover is expected to save up to 1,400 tonnes of CO₂ per year, which corresponds to a saving of 9% of total Scope 1 emissions in the HÖRMANN Group compared to the base year 2022. This substantial reduction in emissions will help us achieve the climate objectives and make a positive contribution to the Paris Agreement on climate protection. The HÖRMANN Group is committed to continuously optimising its production processes and using sustainable technologies to maximise its contribution to environmental protection and realise a sustainable future.



State-of-the-art administration and production building



Following two years of intensive construction work, Funkwerk AG celebrated the opening of its new administration building and a production hall at the Kölleda site. Both buildings incorporate numerous sustainability aspects that represent the state of the art.



The technical equipment of the buildings was carefully planned in advance to ensure efficient use of resources. Offices, meeting rooms and social areas are controlled by a central building management system that uses motion detectors to regulate the lights, for example. Sockets are also fitted with automatic on/off switches to minimise energy consumption.

Special attention is paid to the radiant ceiling heating/cooling system, which is operated with a heat pump in conjunction with automatic blinds. Heat pumps utilise renewable energy sources and achieve substantially lower CO₂ emissions compared to conventional heating systems. Thanks to their high energy efficiency, heat pumps help to minimise the consumption of fossil fuels and thus make an important contribution to mitigating climate change.

Another highlight is the photovoltaic system on the roof of the production building. With a renewable capacity of 90 kWp, this system contributes to decarbonisation and generates emission-free electricity, thus reducing the site's environmental impact.

The importance of sustainability for Funkwerk AG (and for the HÖRMANN Group as the majority shareholder) is reflected not only in technical innovations but also in other initiatives such as the installation of beehives on the company premises, participation in sporting events and donations to local clubs and associations. These diverse activities underscore the company's commitment to a sustainable future and its contribution to environmental protection and social responsibility.



Health & team spirit



Since the repercussions of the COVID-19 pandemic continue to have an impact, the past year was also characterised by a strong focus on the health and well-being of employees. As well as organising football tournaments within the HÖRMANN Group, we actively encouraged participation in a variety of sporting events such as triathlons, corporate runs and other competitions. These events not only helped to improve the physical fitness of our employees but also strengthened the team spirit and sense of cohesion within the Group.

By supporting and promoting these kinds of sporting events, the HÖRMANN Group has made a positive contribution to employee health. Employees have been given the opportunity to get involved and pursue their personal sporting goals, which in turn helps build a healthier and happier workforce.

One particular highlight from the past year was the football tournament in Chemnitz, which saw four companies from the HÖRMANN Group compete. The focus of this tournament was not only on sporting competition but, above all, on fun and community spirit.

Employees from different divisions and hierarchical levels came together to compete against one another in a friendly and energised environment. The atmosphere was one of team spirit, fair play and mutual support, which helped to strengthen the camaraderie within the Hörmannschaft. Once again, our congratulations go to the winning team from HÖRMANN Vehicle Engineering GmbH.

The HÖRMANN Group remains committed to promoting the health and well-being of its employees. A healthy workforce is the key to long-term success and growth. This is why the company supports a wide variety of activities that not only strengthen the sense of community within the Hörmannschaft but also promote the health of employees.



Lifelong learning is a decisive factor for the long-term success of the HÖRMANN Group and the security of our jobs. In an ever-changing world where customer needs, technologies and working methods are constantly evolving, it is essential for employees to adapt and continuously develop their skills. The HÖRMANN Group is aware of the importance of lifelong learning and launched the HÖRMANN Lernwelten in the 2023 financial year to offer all employees diverse development and training opportunities.

The HÖRMANN Lernwelten offer a wide range of training courses, workshops, seminars and digital learning modules.

From building leadership skills to improving technical or methodological skills or learning how to use modern software systems efficiently – the Lernwelten are open to all employees and offer tailored development opportunities.

A core element of the Lernwelten is the range of e-learning courses, which can reach a large number of employees and realise immediate benefits for all companies. The HÖRMANN Group wants to use this modern form of learning to create a new learning culture and firmly embed ongoing training in the corporate culture.

The diversity of the HÖRMANN Group is also reflected in the opportunities that the HÖRMANN Lernwelten have to offer. In addition to further training for employees, special management training is also an important component. The year 2023 saw the start of the second round of the HÖRMANN management programme, which offers a

combination of in-person events and virtual modules and focuses on leadership and management topics. The Lernwelten will include a dedicated learning path especially for this programme.

The introduction of the HÖRMANN Lernwelten also forms part of the sustainability strategy and aims to promote employee development and invest in the future capabilities of employees and the company. By providing opportunities for ongoing training, the HÖRMANN Group is not only enhancing the knowledge and skills of individual employees but is also remaining competitive and agile as a company. Fostering a culture of lifelong learning and helping employees to achieve their professional goals and become successful is very much part of the HÖRMANN Group philosophy.

Lifelong learning for long-term success

From the Hörmannschaft to the community



To make a social contribution to the local community in the immediate vicinity of the Group's operations, numerous companies in the HÖRMANN Group donated to local clubs, facilities and organisations throughout the reporting period. These initiatives underline the continuous commitment and sense of social responsibility of the HÖRMANN Group as a family-owned company.

For example, HÖRMANN Klatt Conveyors GmbH made a donation to the Austrian charitable organisation "Ein Lächeln für Kinder" (A smile for children), which is committed to the welfare and support of children in need. The financial support enabled other organisations to expand their programmes and put a smile on more children's faces. As well as making a monetary donation, the company also provided donations in kind that were passed on to various other initiatives.

We would also like to pay a special tribute to the valuable work of our employees, who form the backbone of the company. Many of the employees are also involved in numerous voluntary positions in their free time and are passionate about making a difference in their local communities. The

HÖRMANN Group is proud of their work and tireless dedication, which goes far beyond their professional obligations. Here too, the HÖRMANN Group actively demonstrates its social responsibility by supporting the voluntary activities of its employees. To encourage other employees to get involved, a special edition of our employee magazine "mitten-drin" (available in German only) published for Christmas 2023 showcased and recognised numerous employees for their voluntary work.

Employee loyalty to the HÖRMANN Group is critical to the company's success, and the families of employees also have a special role to play here. Both the Bánovce site of HÖRMANN Automotive Slovakia s. r. o. and the HÖRMANN Automotive

Gustavsburg GmbH site organised large family festivals during in the summer that gave the various departments an opportunity to introduce themselves. The events also included programmes of entertainment for children as well as tasty barbecued treats for everyone who attended. As well as giving families an insight into the work of their respective parents, the event also strengthened the cohesion within the company and encouraged dialogue and a sense of solidarity with the local community and friends of the company.

1 NO POVERTY

10 REDUCED INEQUALITIES

17 PARTNERSHIPS FOR THE GOALS



The sustainability report of the HÖRMANN Group was prepared in accordance with the guidelines of the international Global Reporting Initiative (GRI). This creates full transparency for all stakeholders and the general public regarding HÖRMANN's actions with regard to sustainable corporate management.

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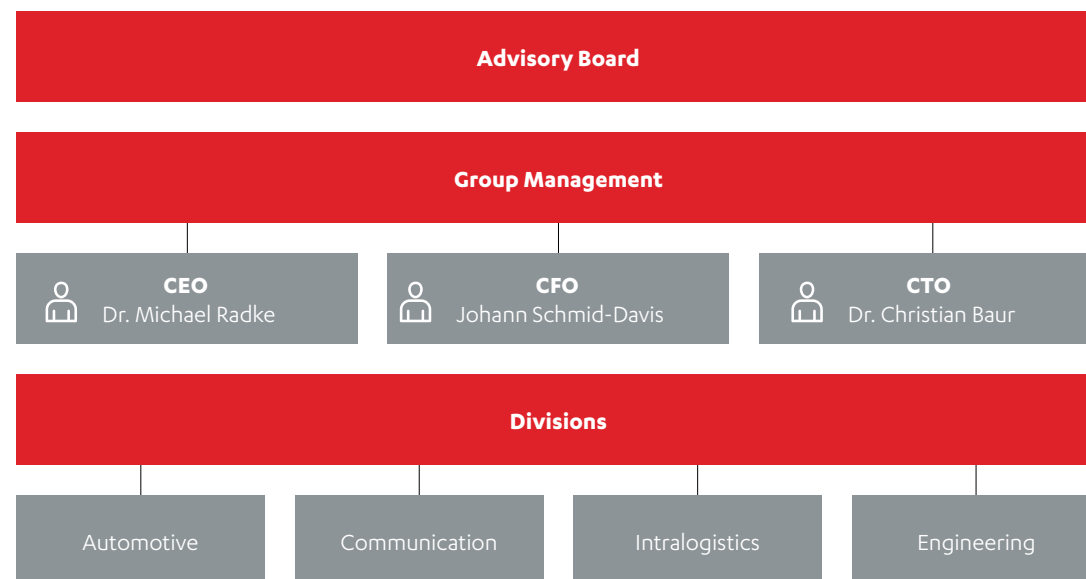
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Responsible corporate governance is essential for safeguarding long-term success and maintaining the trust of all stakeholders. The integration of material sustainability issues and the implementation of the sustainability strategy in all companies of the HÖRMANN Group across all business processes and organisational levels represent important steps in this direction. The most senior body is the Advisory Board, which comprises

six members: Dipl.-Ing. Hans Hörmann Sr. (Honorary Chairman), Dr. Andreas Albath (Chairman), Stefan Buchner, Prof. Dipl.-Ing. Siegfried Bülow, Dipl.-Ing. (FH) Johann Hörmann and Florian Schauenburg. It is tasked with monitoring, overseeing and supportively advising the management of the HÖRMANN Group.

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The corporate values of the HÖRMANN Group shape the company management as well as what all employees think and do. They serve as guiding principles for our day-to-day work and how we collaborate and communicate with one another.

Hands-on mentality

“What we do, we do right – with maximum quality and reliability. We draw on the knowledge of the HÖRMANN Group. We want to be proud of what we achieve.”

Accountability

“We make rational decisions in the interests of all. We act in the spirit of solidarity. We think about tomorrow.”

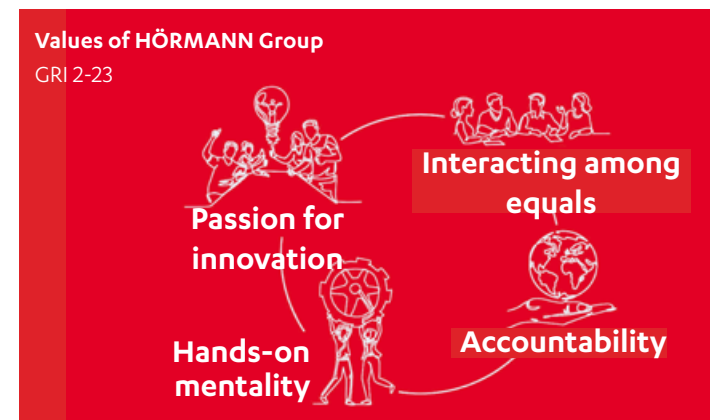
Interacting among equals

“We show respect to the people we interact with, whether they are co-workers, customers or partners. We conduct ourselves fairly.”

Passion for innovation

“We think in opportunities, in both technological and entrepreneurial terms. Anyone can initiate developments. We want to be better every day.”

The corporate values form the basis for our interactions with employees, co-workers as well as business partners, customers and suppliers. They were used to derive the Group’s Compliance Guidelines, which are mandatory for all subsidiaries and are practised and implemented by all employees.



The HÖRMANN Group is characterised by a diverse structure consisting of numerous subsidiaries with different business models. The individual locations are broadly distributed and are defined by their regional roots, historic corporate development and their specific corporate culture.

The employees contribute their diverse cultural backgrounds, training, individual experiences and personalities to the character of the respective HÖRMANN Group companies. Despite this diversity, it is elements such as shared values, collective objectives and the feeling of belonging to a strong family-owned company that bind all the family business’s subsidiaries and employees.

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With the publication of the first sustainability report in 2021, the HÖRMANN Group documented its long-standing commitment to ESG responsibility in accordance with the system of GRI standards. The material topics identified as part of the GRI 3 materiality analysis for 2021 – from the areas of business ethics, environmental and climate protection and social responsibility – were confirmed by the steering committee. A revision of the materiality analysis in accordance with ESRS 1 is planned for 2024.

To live up to our responsibility for the sustainable development of the United Nations and sustainable corporate governance, we developed a sustainability strategy in 2022 on the basis of the materiality analysis. This strategy will enable us to measure the HÖRMANN Group's sustainable corporate governance activities and strengthen the focus on sustainable action. One of the key pillars of this strategy is to embed a sustainability culture to ensure that the HÖRMANN Group can do justice to its responsibility as a part of society and that all employees work towards a better future.

The other pillars – “Sustainable Value Chains”, “Becoming Climate Neutral” and “Progress for the People” – are important elements of the sustainability strategy and are explained in greater detail below. The company is continuously developing strategies for all material topics, implementing corresponding measures and monitoring progress. In 2023, the HÖRMANN Group began to link the sustainability strategy with a system of performance indicators in order to systematically drive progress in the individual pillars.

A sustainability organisation was set up to refine and integrate the sustainability strategy into the overall organisation. This organisation plays a central role in strengthening the management focus on sustainability activities as well as operationalising and achieving sustainability goals efficiently.

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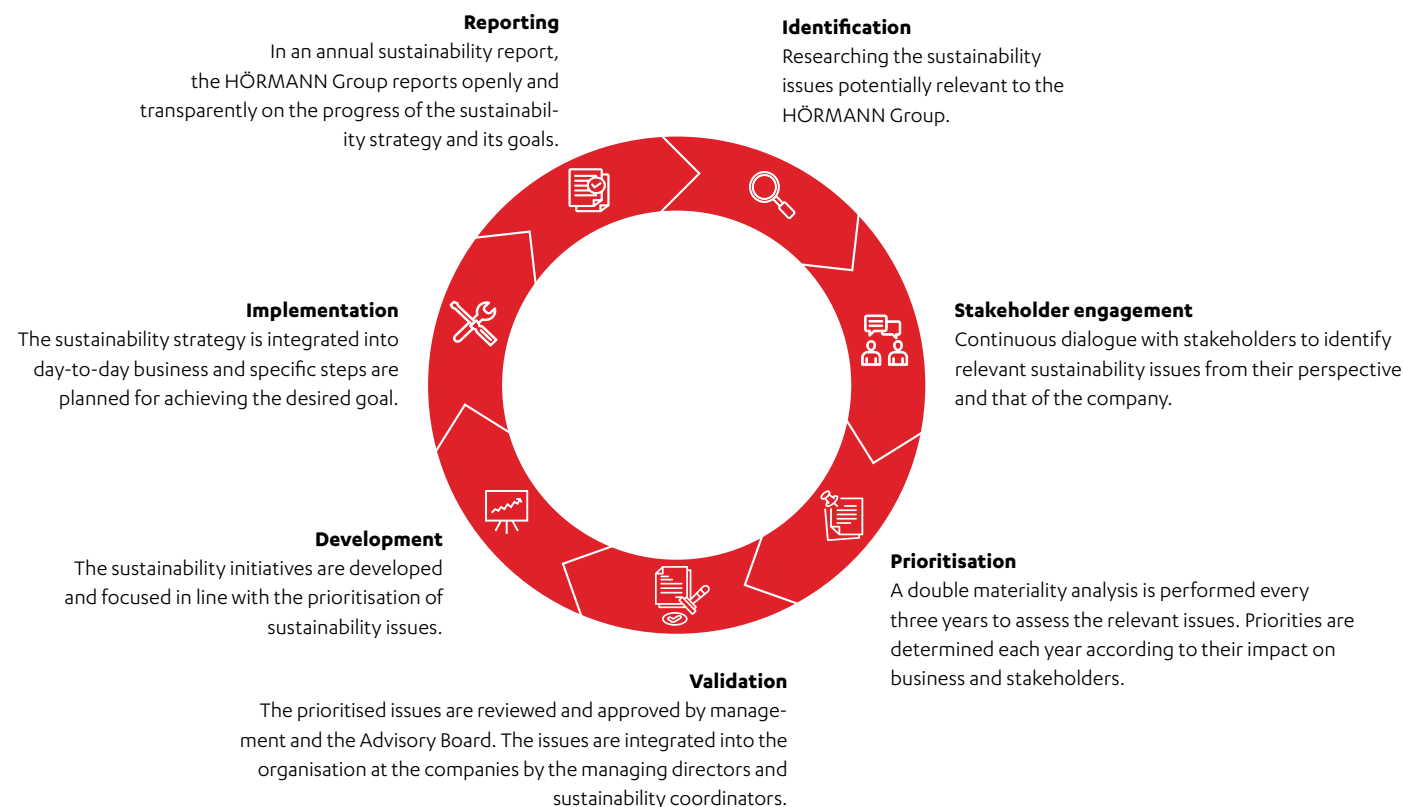
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Management approach

The dynamic and complex topic of sustainability and its many facets are constantly evolving. New challenges emerge on a daily basis, and the evolving interests of the various stakeholder groups influence the sustainability strategy and its implementation in conjunction with the company's economic, ecological and social responsibility. To do justice to these constantly changing requirements as a company,

the HÖRMANN Group has developed a systematic approach that ranges from identifying sustainability topics to implementing measures and tracking their impacts. This systematic approach is integrated into the HÖRMANN Group's business processes to ensure that sustainability aspects are continuously taken into account.



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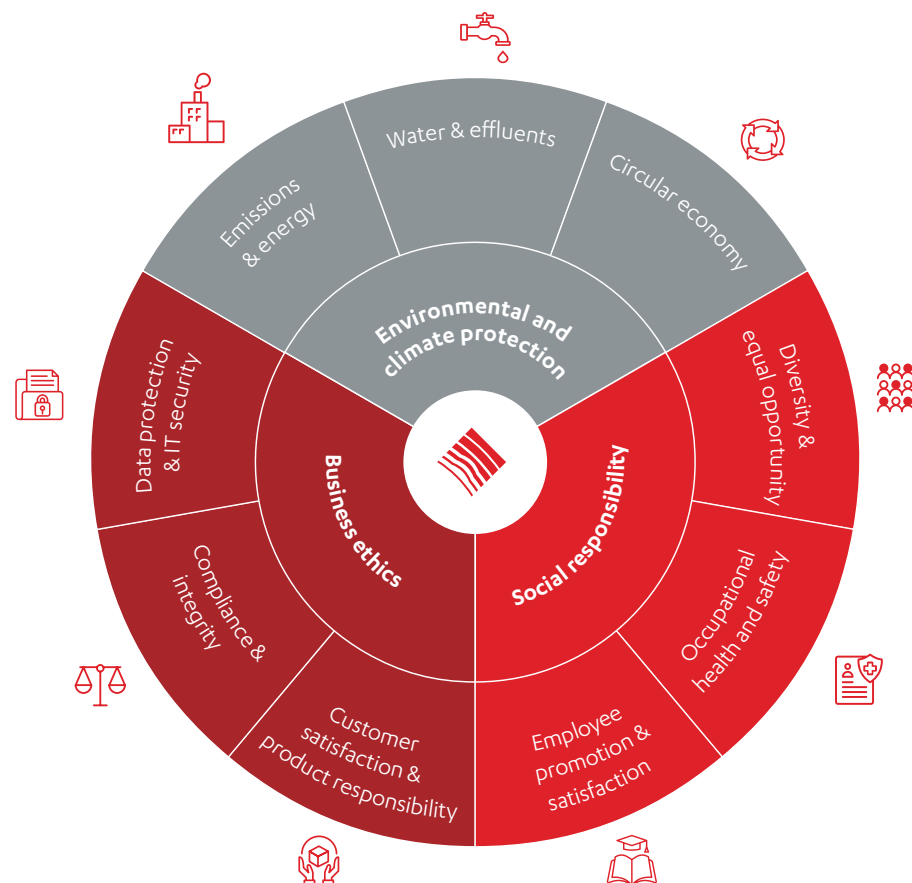
Material topics

Each of the identified stakeholder groups has its own expectations, views and goals with respect to the HÖRMANN Group. As part of the materiality analysis conducted in 2021, the company proactively engaged with the relevant stakeholder groups to identify the material topics. For further details of the methodology used in the materiality analysis, please refer to the 2021 sustainability report.

The management of the HÖRMANN Group believes that the topics identified during the dialogue with stakeholders are still relevant and indispensable. The focal points of the sustainability strategy were derived from these material topics.

Key sustainability issues of the HÖRMANN Group

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The four pillars of the sustainability strategy

Acting sustainably means taking responsibility. The HÖRMANN Group has been actively involved in different areas of sustainability for many years. It is determined to make an important contribution to the sustainable development of our world and to align its business activities even more closely in the future to the principles of sustainable corporate governance. Against this background, the HÖRMANN Group has built its sustainability strategy defined on four pillars that result from the defined topics of the materiality analysis:

Embedding Sustainability Culture

Sustainability concerns each individual, and every one of us can contribute to more sustainable mindsets and behaviours. The integration of sustainability management into the leadership of the HÖRMANN Group is an indispensable component for success on the path to becoming a more sustainable company. Employees are a key success factor in developing and implementing sustainability activities. For this reason, the HÖRMANN Group endeavours to enable and encourage all employees to act sustainably.

The sustainability strategy of the HÖRMANN Group

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Training sessions, further education, workshops and regular information channels, such as the employee magazine and the social Intranet, are used to raise employee awareness of these issues. The goal in this case is to develop an understanding of the necessary changes and to establish sustainability as a key criterion in their work.

Becoming Climate Neutral

The HÖRMANN Group supports the goals of the Paris Agreement to limit advancing global warming to 1.5°C. With the goal of reducing greenhouse gas emissions, the HÖRMANN Group is planning to accelerate the transition to renewable energy sources, thereby helping to contribute to the decarbonisation of its value chain. The HÖRMANN Group has set itself the goal of reducing directly controllable, directly generated emissions (so-called Scope 1 and 2 emissions) by 42% by 2030 compared to the base year 2022. This decarbonization target corresponds to the ambition level of the Science Based Targets Initiative (SBTi) approach, which the Group supports. This focuses on enhancing energy efficiency in value-adding processes, the use of renewable energies, alternative drives and green technologies as well as energy efficiency upgrades to buildings. The HÖRMANN Group is striving to become climate neutral by the year 2045.

Progress for the People

People and employees are at the heart of all business operations. Employee satisfaction and sustainable corporate governance are closely intertwined. To increase employee satisfaction and retain employees over the long term, the HÖRMANN Group strives to create a modern working environment with development opportunities for all employees. By fostering a culture of responsible action and lifelong learning, we aim to further strengthen our commitment and positively influence the company's

sustainability. The HÖRMANN Group also fosters an appreciative working environment that is free from discrimination in any form and offers equal opportunities for all.

Sustainable Value Chains

Establishing sustainable value chains plays a decisive role in reducing environmental impacts, the consumption of resources and social inequality in the global economy. Transparency along the supply chains must be guaranteed to ensure compliance with labour and human rights and to maintain integrity in our business activities. The HÖRMANN Group therefore actively strives to collaborate with its suppliers throughout the supply chain to do justice to its ecological, social and ethical responsibilities. Investments in digitalisation make it possible to streamline internal and external processes, facilitate work for employees and make it more flexible (e.g. working from home), which also contributes indirectly to climate protection.

Resource use can be optimised through the use of green technologies and systematic recycling. Dealing responsibly with limited supplies of raw materials, energy and water is a top priority given our responsibility for future generations. The HÖRMANN Group actively encourages the optimised use of resources, efficiency across all business and production processes and the reduction of CO₂ emissions.

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Sustainability organisation

The HÖRMANN Group has set up a sustainability organization to promote sustainable thinking and action within the company and to ensure that sustainability is firmly anchored in the corporate culture and strategy.

The focus here is on efficiently promoting the sustainability culture and continuing to develop, integrate and implement the sustainability strategy throughout the organisation.

Overall responsibility for the sustainability management system and ESG lies with the CEO of the HÖRMANN Group, Dr. Michael Radke. To do justice to the three key dimensions of “business ethics”, “environmental and climate protection” and “social responsibility”, officers for the Group as a whole were appointed for these respective issues.

Vedran Beslač, Head of Corporate Legal, Compliance & Data Protection at the HÖRMANN Group, is responsible for the area of “business ethics”. Fabian Schellhas, the Group Sustainability Manager, is responsible for the area of “environmental and climate protection” in addition to his role.

He is in charge of the technical development, management and monitoring of sustainability activities within the HÖRMANN Group, including sustainability reporting and as a central point of contact for affiliated companies on all key sustainability issues. Social responsibility has been assigned to Anna Katharina Kiefer, Chief HR Director of the HÖRMANN Group.

Together, those in charge throughout the HÖRMANN Group take specific responsibility for sustainability issues and projects such as the climate protection strategy, the implementation of the HR strategy or compliance with human rights due diligence obligations. They act as points of contact for the subsidiaries for relevant technical issues.

The Group-wide officers are jointly responsible for technical sustainability topics and projects such as developing the climate protection strategy, implementing the HR strategy and ensuring compliance with human rights due diligence obligations. They act as points of contact for the subsidiaries for relevant technical issues.

Responsibilities of the sustainability organisation GRI 3-3



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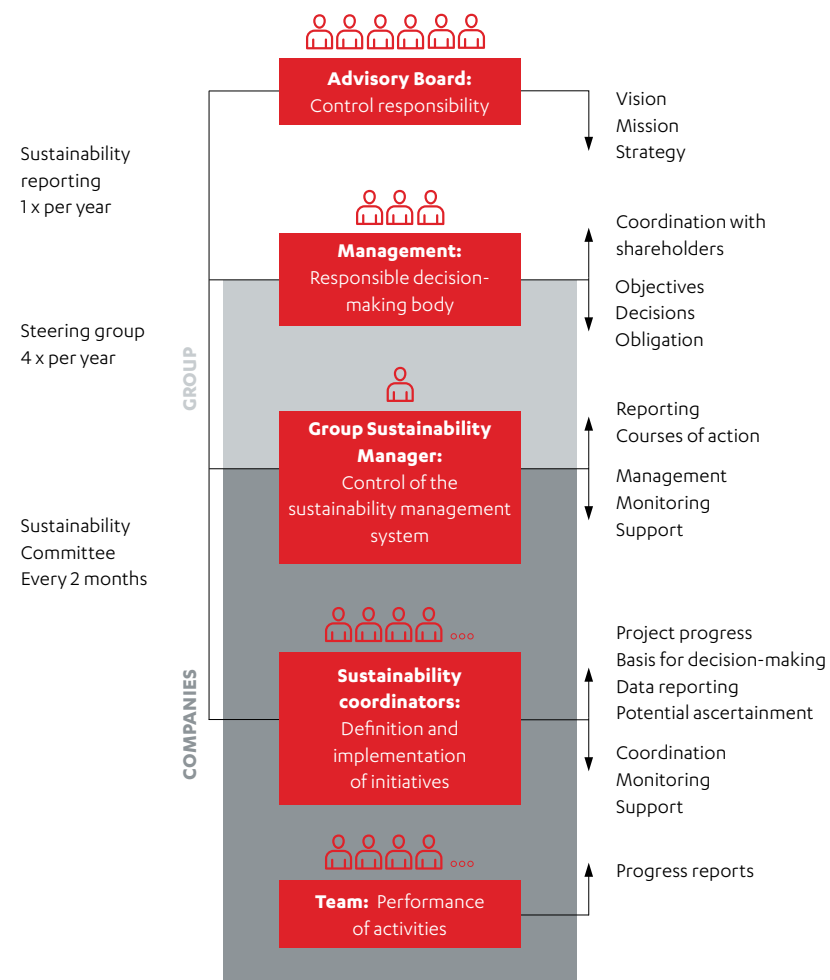
As the supervisory body, the Advisory Board approves the vision, mission and strategy devised by management for sustainable corporate governance and any major investments required in this context in coordination with the shareholders of the HÖRMANN Group. It also has controlling responsibility for implementing the sustainability strategy.

As the most senior decision-making body of the HÖRMANN Group, the management of HÖRMANN Industries GmbH is responsible for defining a long-term strategy for sustainable corporate governance and its active implementation. It reports annually to the Advisory Board in conjunction with sustainability reporting and directs the stakeholder dialogue. Specific goals, decisions and obligations are passed to the Group Sustainability Manager, who controls the implementation of the strategy, reports continuously to the management and identifies alternative courses of action.

The sustainability organisation was rolled out across all divisions and affiliated companies of the HÖRMANN Group in 2022. A sustainability coordinator was appointed at each company to coordinate all activities relating to the topic of sustainability at that company. These coordinators are supported in their work by interdisciplinary employees in the company or by experts from the Group. The sustainability coordinators submit regular progress reports as part of an ongoing exchange of experience with the Group Sustainability Manager.

Sustainability organisation of the HÖRMANN Group

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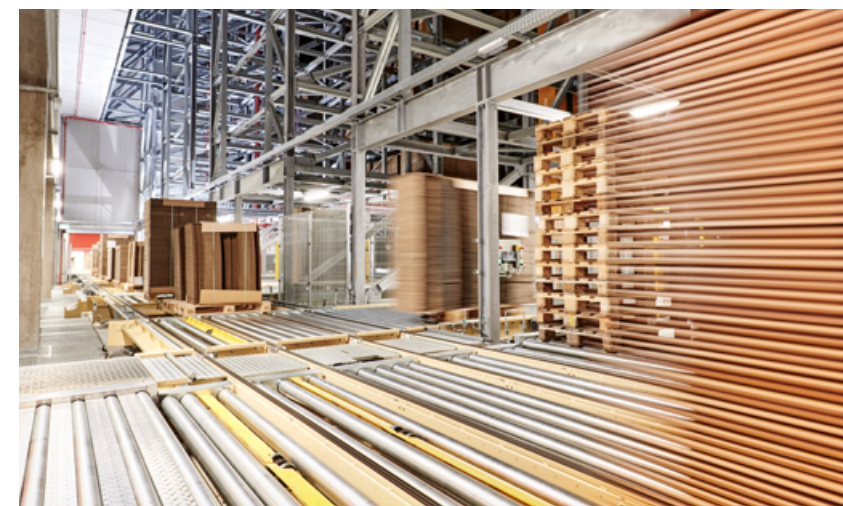
The sustainability coordinators and the Group Sustainability Manager deal with the relevant issues and topics relating to corporate sustainability. Besides initiating and implementing measures, the following points are on the agenda:

- ◆ Identification of potential
- ◆ Progress in sustainability activities
- ◆ Risk management
- ◆ Reporting

To anchor the sustainability management system in the highly diversified and complex Group, keep pace with the latest developments and prepare decisions, a “sustainability management” steering committee was set up. It consists of management members of the Industries (CEO, CFO, CTO), the Group Sustainability Manager, the officers in charge of “business ethics”, “environmental and climate protection” and “social

responsibility”, as well as representatives of the divisions. The steering committee meets four times per year and helps the management monitor the implementation and effectiveness of the sustainability strategy including the defined procedures and the progress achieved. The steering committee is also tasked with ensuring that the sustainability strategy is implemented within the organisation and processes of the HÖRMANN Group.

This sustainability organisation uses knowledge enhancement and the regular exchange of experiences to promote and maintain sustainable corporate governance within the HÖRMANN Group. The sustainability organisation is a key element involved in permanently embedding sustainability in the corporate culture.



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As a broadly diversified and global corporation, the HÖRMANN Group is exposed to a large number of risks. The continuous analysis of risks and opportunities is the key to success in this complex and fast-paced environment of rapidly evolving economic, political and social circumstances. The opportunities and risks identified are assessed and actively managed using suitable measures. Effective risk management plays a decisive role in the long-term economic success of the company and the achievement of its strategic goals, and it is an integral part of all business processes.

The revolving strategy process, controlled by HÖRMANN Industries GmbH as a holding company that incorporates all subsidiaries, reflects the risks and opportunities in strategy reviews. With the support of the Strategy department of the holding company, this process is carried out at least once per year. If necessary, the strategic orientation of the subsidiaries is scrutinised and adjustments are made. The managing directors of the respective subsidiaries are responsible for the ongoing management of opportunities and risks, excluding climate risk management. Opportunities and risks are assessed based on the potential amount of damage, probability of occurrence as well as innovative and market potential. As the most senior body, the Advisory Board provides a consulting and monitoring function with the management of the HÖRMANN Group.

This decentralised risk management at the subsidiaries allows a rapid response to changing circumstances to preserve business and financial flexibility and increase enterprise value in the long term. Potential risks in the area of sustainability are also considered based on the sustainability issues that are identified as material. An effective approach to the risk landscape forms the basis for the long-term success of the HÖRMANN Group as a going concern. Further information on risk management regarding human rights risks can be found in the section on human rights. The section on environmental and climate protection deals with risk management as it applies to climate and environmental risks. Economic opportunities and risks are outlined in detail in the annual report of the HÖRMANN Group.



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Stakeholder concept

For the HÖRMANN Group, stakeholders are individuals, groups or organisations who influence or are influenced by the Group’s business activities, and those who believe themselves to be influenced by it. In its approach to the topic of sustainability, the HÖRMANN Group strives to consider the interests of all internal and external stakeholders and maintain a constant dialogue with them.

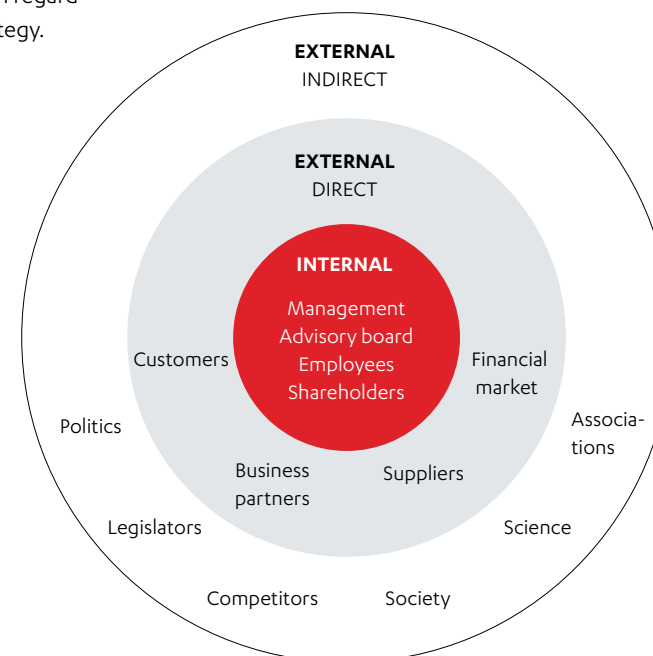
Stakeholder management

At the HÖRMANN Group, stakeholder management refers to the systematic and continuous interaction with stakeholder groups as a key part of responsible business activity. The goal is to maintain respectful, open, constructive and critical dialogue with stakeholders about their requirements and expectations of the family business, in particular with regard to sustainable corporate governance and the sustainability strategy.

Stakeholder engagement and interests

The process of building lasting relationships calls for mutual trust, which must be nurtured. Particularly when it comes to key issues and decisions, trust forms the basis for productive cooperation that is characterised by a transparent dialogue between equals and the open, constructive exchange of different perspectives and opinions. In conjunction with strategy development, the involvement of stakeholders and the consideration of their interests are key components for achieving corporate goals and growth. The process of defining and achieving corporate goals in accordance with stakeholder interests is also reflected in the values of “interacting among equals” and “accountability”.

Stakeholders of the HÖRMANN Group
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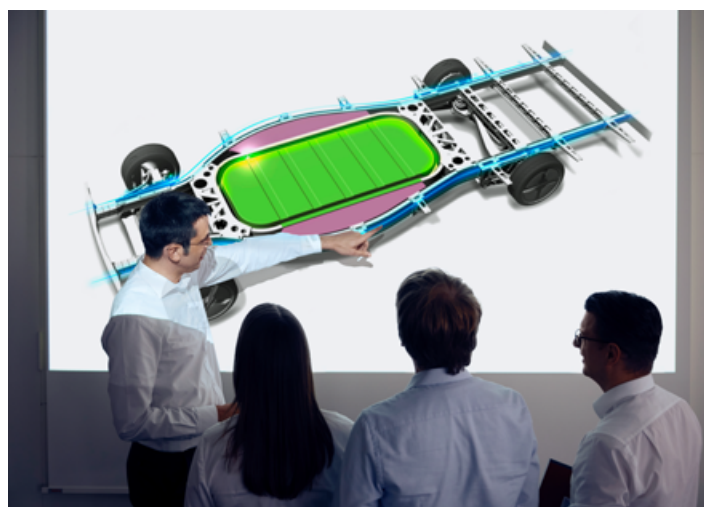
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At the heart of the biggest group of the HÖRMANN Group's stakeholders are its employees, the management team, management, the Advisory Board and the shareholders of the family-owned company. Two further stakeholder groups were identified around this centre. The direct external stakeholders, such as customers, suppliers, business partners and financing providers, are particularly relevant to sustainability management. Indirect external stakeholder groups such as competitors, politicians, associations, society, the scientific community and lawmakers can also exert a powerful influence on sustainability management at the HÖRMANN Group.

The cross-media dialogue with stakeholders, both in person and digitally, takes place in numerous forms such as one-to-one discussions, formal meetings of executive bodies, video conferences, workshops, webinars, interviews, social media, the Internet and more. The information, requirements and opinions gathered in this way provide the management of the HÖRMANN Group with a foundation for regular revisions of its sustainability strategy and the continuous optimisation of the company's sustainability management system.



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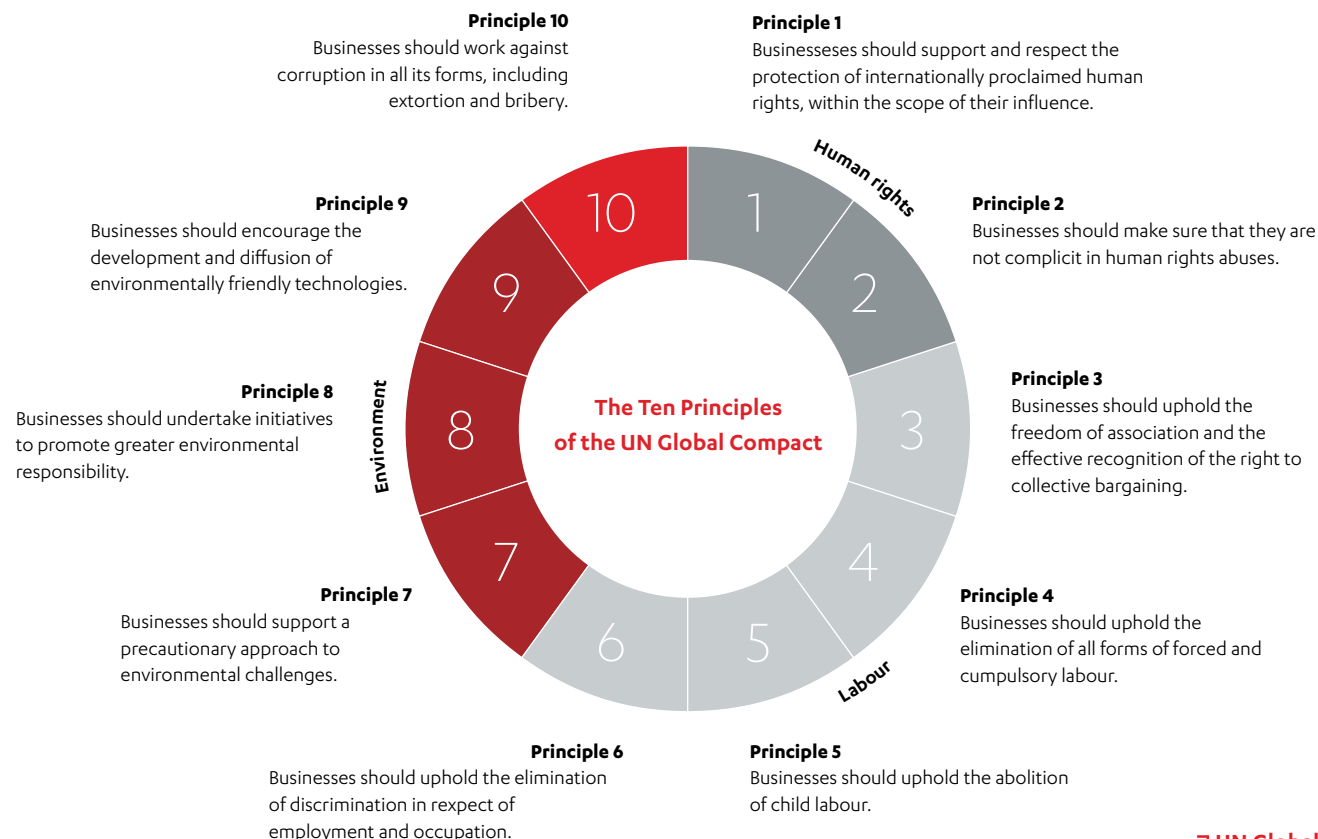
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In 2022, the HÖRMANN Group joined the United Nations Global Compact, thereby publicly documenting its clear commitment to the achievement of the UN Sustainable Development Goals. The HÖRMANN Group's annual Communication on Progress (CoP) on the implementation of the 10 principles and the promotion of sustainable development can be viewed transparently on the UN Global Compact website.

The HÖRMANN Group promotes the ten principles of the UN Global Compact in the areas of human rights, labour standards, environmental protection and anti-corruption and implements them in all its business activities.



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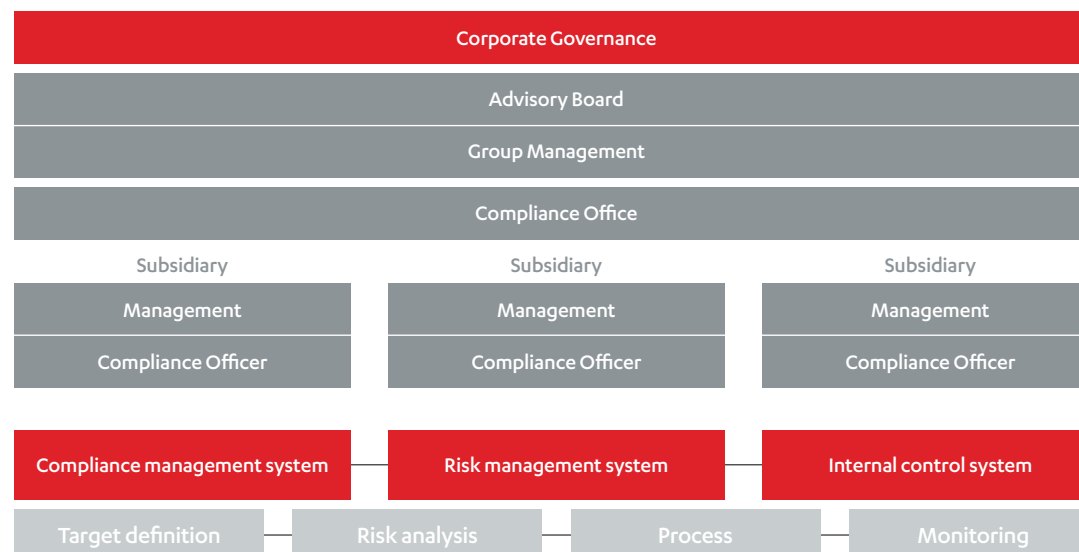
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Management approach

As part of a global corporation, the HÖRMANN Group and its operating subsidiaries are responsible for their business activities in all countries in which they operate. Complying with legal requirements and preventing violations of the law and regulations are key components for a company's long-term success. The HÖRMANN Group and its affiliated companies uphold this responsibility for integrity and ethical conduct towards all stakeholder groups. Fairness in our interactions with one another and ethical conduct are key pillars of corporate governance at the HÖRMANN Group and are reflected in the corporate values of "Accountability" and "Interacting among equals".

These values are also embedded in the HÖRMANN Group's Compliance Guidelines. This standard of conduct, which is defined and communicated to all employees, applies to all employees of the HÖRMANN Group including its management.

Governance structure of the HÖRMANN Group GRI 2-9



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Organisation

Integrity and mutual trust are supported by a governance structure that creates transparency with regard to responsibilities and authority. This structure forms the basis for coordinated cooperation among all those involved and for a uniform understanding and procedure.

The Compliance Office acts as a centralised body for bundling and coordinating the compliance activities at the HÖRMANN Group. It represents the interface between the subsidiaries, the management of the holding company and the Advisory Board. A primary task is to support the managing directors of all subsidiaries and the holding company in meeting their organisational obligations in the area of compliance and risk management. The identified risks are continuously assessed and the effectiveness of activities is reviewed and monitored.

Decentralised compliance officers are available to the Compliance Office as competent points of contact in the respective companies. They are tasked with supporting the respective managing directors in meeting

the organisational obligations. As a part of the compliance management system, various codes of conduct have been implemented for employees and managers.

The HÖRMANN Group offers all employees at all levels the means to make ethical decisions. Employees receive regular training to raise their awareness of integrity and to inform them of current developments in provisions, policies and laws in order to amplify the culture of integrity and ethics.

The aim of the HÖRMANN Group is to ensure that all employees understand the defined codes of conduct and other policies, comply with the law and know the standards of conduct expected of all employees. The compliance management system serves to prevent violations of statutory and internal regulations, prevent the company from doing harm and avoid personal liability on the part of management and employees.



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The HÖRMANN Group has enjoyed successful growth for more than 69 years, driven by the corporate value of “responsibility”. Ethical conduct, integrity and legally compliant conduct are success factors that simultaneously strengthen the Group’s reputation. The HÖRMANN Group operates a strict zero-tolerance policy against offences such as bribery, fraud, extortion, abuse and any form of unlawful action for personal gain at the expense of the company.

To prevent unlawful conduct, the HÖRMANN Group pursues the highest ethical standards, which are embedded at all levels of the company. These standards apply to all employees, all managers and all business partners of the HÖRMANN Group and impose an obligation to continuously improve their business practices. The ethical standards, including the compliance guidelines and the human rights strategy and policy, are founded on the corporate values and form the basis for what the Group does.

Each individual is responsible for taking these basic principles into account on a daily basis. In particular, managers with HR responsibility are expected to act as role models. Violations of these standards can have legal as well as disciplinary consequences. Responsibility for the implementation of and compliance with corporate standards at the respective companies lies with the respective managing directors.

To prevent potential breaches, employees receive regular training on inducements and fair competitive conduct. The Code of Conduct (compliance guidelines) forms the basis for all contracts concluded between Group companies and their business partners.

The compliance management system is continuously being revised and expanded to satisfy requirements arising from national and European legislation. A periodic review is conducted to assess the effectiveness of the compliance management system. These reviews ensure that bribery and other non-compliant conduct is prevented, detected and investigated. The respective management members will be informed of the results.

Due diligence process

Prior to new and existing business relationships, a due diligence process is carried out to determine the integrity of business partners. This process is continuously adjusted in line with changing requirements. To prevent integrity violations, business partners are regularly reviewed to obtain information that could indicate corruption, money laundering or other criminal activities and/or breaches of minimum ethical standards.

In the reporting period, software was introduced to expand the risk management and risk analysis in the upstream value chains (suppliers and service providers). This software makes it possible to categorise suppliers into specific risk groups, thus enabling more efficient administration and risk assessment. By sending specific questionnaires to suppliers, we also ensure greater transparency in the supply chain by gathering relevant information about potential risks. This helps us ensure integrity and compliance throughout the upstream supply chain.

Concerns, consulting and the digital whistleblower system

We expect all employees and stakeholders who observe or become aware of potential or actual breaches of internal regulations or statutory requirements – be it other employees or business partners – to report these incidents to supervisors or the compliance officers through the Group-wide and publicly accessible whistleblower system. This platform is accessible to all internal and external stakeholders and employees because the company firmly believes that everyone involved in the business processes is a valuable source of information for detecting violations of ethical standards. Incidents can be reported anonymously without fear of reprisal.

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During the reporting period, the HÖRMANN Group introduced a new digital whistleblower system that meets the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains in addition to the EU Whistleblower Directive. The data and issues reported are systematically handled, analysed and processed with the utmost confidentiality. These reports are forwarded to the relevant departments for investigation. Once the investigation is complete, the results are reported back to the compliance officer with a recommendation for countermeasures.

There were no reports indicating misconduct by employees of the HÖRMANN Group that would have required disciplinary action in the period under review. Furthermore, there were no pending or concluded proceedings against the Group due to corruption, anti-competitive behaviour, antitrust or monopoly practices. Consequently, no fines or other monetary penalties were imposed against the HÖRMANN Group and/or employees in the period under review.

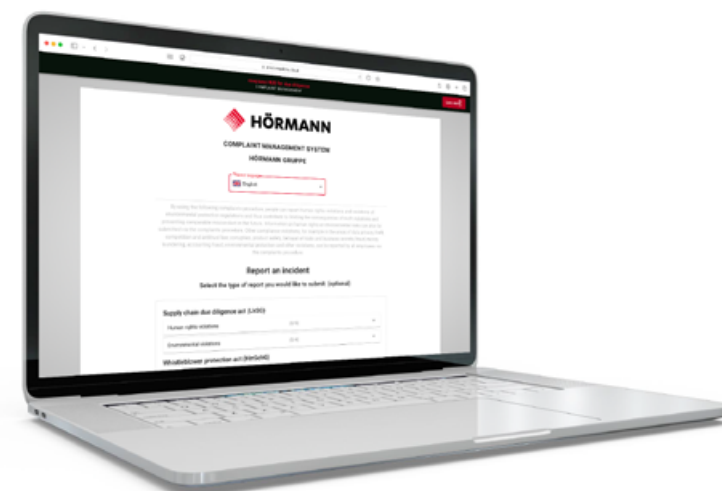
The Compliance Office and the compliance offices can be consulted by all employees on compliance issues. Any employee with a question can also anonymously seek advice in the digital whistleblower system. Alternatively, this can also be done by e-mail or written communication if so desired.

Taxes

The HÖRMANN Group regards tax compliance as a vital component for free companies and markets as well as for the common good. Companies therefore bear a heavy responsibility to ensure compliance with all applicable tax laws and the timely payment of tax duties. The HÖRMANN Group is aware of and actively fulfils this responsibility. It is a matter of course that the Group acts in accordance with the applicable laws.

Donations

No donations were made to political parties or politicians in the period under review.



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As a global corporation that frequently partners with its customers via digital networks, the HÖRMANN Group is committed to ensuring the highest standard of data protection and the secure functionality of all IT systems. This high level of protection meets the requirements of national and international legislation and standardisation guidelines as well as the contractual obligations with our customers. The established processes are in accordance with the law and consistent with the provisions of the General Data Protection Regulation (GDPR) in particular. Data protection and IT security are of central importance to the HÖRMANN Group as IT security incidents can lead to a significant loss of reputation and major financial losses, as well as endangering business performance.

Compliance with data protection applies regardless of whether this data involved belongs to the HÖRMANN Group itself or to customers, suppliers, service providers, business partners or third parties. All data is protected with the utmost care and sensitivity at the HÖRMANN Group. Customer data, in particular, constitutes an especially sensitive asset within the corporation's value chain.

The managing directors of the subsidiaries bear responsibility for compliance with data protection. Every subsidiary has appointed a data protection coordinator to coordinate all activities aimed at ensuring compliance with the legal and contractual data protection requirements at a local level. An external data protection officer supports the implementation and external controlling of data protection compliance. Regular training on the topic of data protection is provided so that all officers in charge are constantly up to date with the changing landscape and the best-possible implementation is guaranteed. This helps to strengthen customer confidence in the HÖRMANN Group and maintain the company's reputation.

The increasing level of digitalisation and the associated changes in politics, science, the economy and society require an elevated level of cybersecurity. The focus in this context is on protecting the products and business processes of the HÖRMANN Group and on the security of internal IT systems. Security-relevant products such as electronic sirens for disaster protection, train radio modules or video surveillance systems must satisfy the strictest security requirements, as they are classified as part of the critical infrastructure (KRITIS) and are therefore subject to special statutory security requirements. In a worst-case scenario, a potential cyber attack on the digital infrastructure of the HÖRMANN Group could lead to production downtimes and cause significant consequential damage.

The IT security requirements for the IT landscape throughout most of the HÖRMANN Group and its associated subsidiaries are implemented by an internal qualified service provider, HÖRMANN Informationssysteme GmbH. This service provider continually develops the security systems required throughout the Group to ensure maximum security in accordance with the applicable industry standards and the individual security requirements at the subsidiaries. The procedure in this case is equivalent to the information security management system in line with ISO/IEC 27001. During the reporting period, a programme of measures was introduced to further optimise IT security. Among other things, a Security Operations Centre (SOC) was set up, and additional locations were implemented in the central IT structure. This helps to protect digital infrastructure of the HÖRMANN Group against potential threats and keep business processes running smoothly.

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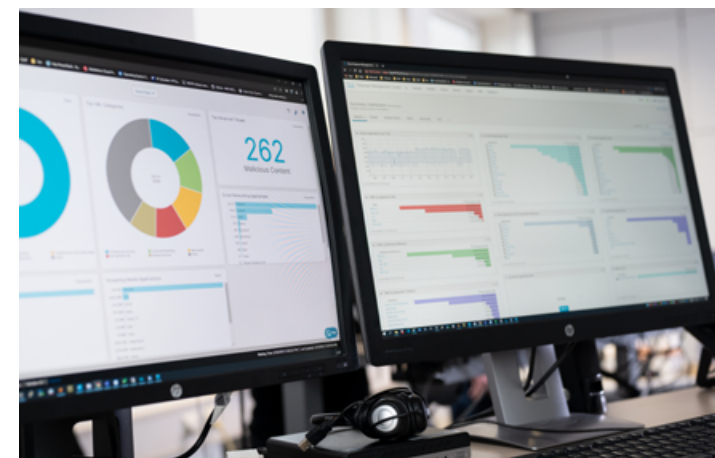
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After 18 months of preparation, the information security management system of HÖRMANN Informationssysteme GmbH was certified in accordance with the ISO/IEC 27001 standard in the reporting period. In 2023, HÖRMANN Rawema Engineering & Consulting GmbH and the train radio division of Funkwerk AG were also certified according to ISO 27001. Following initial certifications in previous years, HÖRMANN Intralogistics Solutions GmbH and HÖRMANN Vehicle Engineering GmbH received a TISAX certificate (Trusted Information Security Assessment Exchange) in the reporting period. This standard, which is defined by the German Association of the Automotive Industry (VDA), concerns the secure processing of confidential information, the protection of prototypes and compliance with data protection provisions in accordance with the General Data Protection Regulation (GDPR) in the automotive industry. At the editorial deadline, the TISAX certification process was ongoing at HÖRMANN Automotive Gustavsburg GmbH, HÖRMANN Automotive Slovakia s.r.o. and HÖRMANN Intralogistics Services GmbH.

“Cybersecurity Awareness Training” is offered on a regular basis to all HÖRMANN Group employees to raise their awareness of IT security and data protection and minimise the risk of human error.

No substantiated complaints regarding breaches of customer privacy were identified in the period under review. During the reporting period, a so-called data breach incident (Art. 4 (12) GDPR) was identified, which was caused by a security vulnerability in a service provider used by the HÖRMANN Group and its application. The HÖRMANN Group’s security systems were immediately activated and countermeasures were effectively implemented. The HÖRMANN Group’s security processes have thus proven their worth. Although the HÖRMANN Group was not at fault in this respect, this incident was reported to the responsible data protection supervisory authority. It was also reported to the police.



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Human rights are indivisible and inalienable rights to which every human being is entitled. As an integral part of society, the HÖRMANN Group is aware of its responsibility in conjunction with its business activities and is committed to upholding, complying with and enforcing these rights.

Human rights are inextricably linked to our corporate values. The HÖRMANN Group therefore assumes responsibility for its business activities and its supply chains and expects strict compliance from all locations and business partners. The corporation consistently rejects child, forced and compulsory labour and does not tolerate any violation or infringement of human rights. Instead, it sanctions any such violations or infringements.

Furthermore, the HÖRMANN Group is committed to upholding and complying with international and local laws and regulations concerning labour laws and conditions. This also includes the payment of appropriate wages and combating child labour, human trafficking, labour exploitation and modern slavery. The HÖRMANN Group is committed to ensuring that these rights are upheld throughout the value chain to make a positive contribution to a fairer future for all people.

All employees, suppliers and business partners are required to observe these principles in their day-to-day work and to actively prevent any violations of human rights in conjunction with their business activities. The Group's declaration on human rights serves as a framework that is in line with international standards.

The Code of Conduct, which is also available to all suppliers on the HÖRMANN Group website, forms the basis for contracts entered into by all companies of the HÖRMANN Group with suppliers, service providers and business partners. In the reporting period, an established and widely used piece of software was introduced to expand the risk management

along the supply chain with a focus on respect for human rights. A continuous risk analysis to assess suppliers' human rights risks was implemented as a basis for effective preventive and remedial measures, and the corresponding utilisation of results. As a result of this measure, risk management was further strengthened in order to monitor and ensure as far as possible respect for human rights at the HÖRMANN Group suppliers and to fulfil due diligence obligations.

An anonymous digital whistleblower system to allow potential and actual human rights violations to be reported anonymously has been available to all employees, internal and external stakeholders and third parties since 2022. In 2023, this system was replaced with an enhanced whistleblower system.

No instances of discrimination were reported during the reporting period and the HÖRMANN Group was not involved in any court or arbitration proceedings. There was no reason to assume that the right to freedom of association and collective bargaining was under threat or violated at any of the operations or at any of the suppliers. No incidents of child labour or forced or compulsory labour were reported.

As part of their induction, all new employees of the Group are familiarised with the compliance guidelines, which also include compliance with human rights.

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The use of energy-efficient and green technologies optimises the use of resources and helps to counteract climate change. The HÖRMANN Group takes a holistic approach and supports the development of renewable energies. The development of state-of-the-art mobility concepts and green products such as energy-efficient trams, the installation and maintenance of photovoltaic systems and the production of charging stations for electric vehicles are but a few examples of the transformation of the business activities of the HÖRMANN Group that are contributing to a more sustainable future.

Product quality is crucially important to business success, which is why all manufacturing subsidiaries of the HÖRMANN Group have certified quality management systems in accordance with globally accepted standards and quality norms. The effectiveness of these processes is reviewed and ensured in regular internal and external audits. There were no serious product liability cases in the period under review.



Product safety constitutes another key requirement that the HÖRMANN Group places on its products. To protect customers, employees, society and the environment, industrial plants as well as all products and services must satisfy the highest safety standards so as not to pose a potential hazard while they are in use. Compliance with the statutory and official requirements of the countries to which they are delivered goes without saying.

Customer satisfaction is an indispensable success factor for the HÖRMANN Group. Regular dialogue with existing and potential new customers also takes place at trade fairs at home and abroad, at digital events and in webinars as well as by telephone and e-mail. The close relationships between the operating subsidiaries of the HÖRMANN Group and their customers and the continuous dialogue facilitate a deep understanding of their requirements and are one of the Group's strengths.



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The effects of global warming present immense challenges for the world. The Paris Agreement set the target of limiting global warming to 1.5°C above pre-industrial levels. Germany has ratified this agreement and has taken steps to implement it: the Federal Climate Change Act requires the country to achieve greenhouse gas neutrality by 2045. Ever-larger sections of society are calling for more intensive measures to mitigate climate change.

The importance of environmental and climate protection in the HÖRMANN Group's corporate goals was affirmed by its stakeholders in conjunction with the materiality analysis. As a result, climate protection is one of the pillars of the Group's sustainability strategy. The company is striving to make an active contribution to climate protection and to minimise the impact of its economic activities on climate and the environment.

The HÖRMANN Group and its subsidiaries have committed themselves to progressively reducing the greenhouse gas emissions caused in connection with their business activities. In line with the Paris Agreement and the Federal Climate Change Act, the goal is to reduce greenhouse gas emissions by 42% by 2030 relative to the base year 2022 and to achieve greenhouse gas neutrality throughout the HÖRMANN Group by 2045. To achieve these ambitious goals, the Group's focus is on increasing its use of renewable energies and implementing a range of energy efficiency measures to reduce its specific energy consumption in all value-adding processes.

Compliance with environmental laws and regulations, as well as guaranteeing the highest quality and safety standards, are firmly anchored in the HÖRMANN Group's philosophy. In conjunction with a continuous improvement process, targets and deviations are continuously monitored, immediately detected and addressed through suitable corrective measures.

Sustainability and climate protection are not only vital aspects of our awareness of responsibility but also open up numerous opportunities for long-term business success at the HÖRMANN Group. The use of green technologies and our collaboration with customers and suppliers in developing green innovations in cooperation with customers and suppliers can help to reconcile ecological and economic goals. Innovations in the area of product development and design can help to bring greener products to the market, thereby reducing the ecological footprint of the HÖRMANN Group.

The HÖRMANN Group has been a member of the UN Global Compact since 2022, which underlines its intention to contribute towards a more sustainable future. During the reporting period, the HÖRMANN Group also joined the UN Global Compact Netzwerk Deutschland e. V. Key sustainable development goals (see above) to which the company can and wants to make an important contribution were defined in conjunction with the strategy process. The goal is to reduce operational emissions, conserve natural resources, increase eco-efficiency and raise awareness of the environment and sustainability.

The subsidiaries HÖRMANN Automotive Gustavsburg GmbH, HÖRMANN Automotive St. Wendel GmbH, HÖRMANN Automotive Wackersdorf GmbH and HÖRMANN Automotive Slovakia s.r.o. retained their environmental management system certification according to ISO 14001 in the reporting period. The energy management system at HÖRMANN Automotive Gustavsburg GmbH, the largest automotive site in the HÖRMANN Group, is also certified in accordance with ISO 50001. HÖRMANN Automotive Gustavsburg GmbH, HÖRMANN Automotive St. Wendel GmbH, Funkwerk AG and HÖRMANN Kommunikation & Netze GmbH received EcoVadis silver certification in the reporting period.

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Climate change has far-reaching consequences for the climate, ecosystems and society as a whole. In 2015, 195 countries signed the historic Paris Agreement on climate change in Paris, which aims to limit global warming to below 2°C, ideally to just 1.5°C, above pre-industrial levels. The HÖRMANN Group is committed to supporting these targets and playing its part in reducing direct CO₂ emissions (Scope 1 and 2) by 42% by 2030 compared to the base year 2022. The HÖRMANN Group is working to achieve full climate neutrality by 2045. Development of a comprehensive strategy for the decarbonisation of the HÖRMANN Group, including concrete interim targets, measures and investment plans, commenced in 2023. Appropriate technical resources have been accumulated to achieve these ambitious goals.

The internationally accepted Greenhouse Gas Protocol (GHG) forms the basis for quantifying the HÖRMANN Group's emissions and defining the reduction targets. Emissions of Scope 1 and 2 categories were recorded in the reporting period. For the first time, the upstream emissions of the value chain, known as Scope 3 upstream, were also recorded using a spend-based approach (in line with the recommendations of the Science-Based Target Initiative). To calculate the emissions, the greenhouse gases named in the Kyoto Protocol were taken into consideration and converted into CO₂ equivalents. The emission factors were taken from public databases such as those of the Department for Environment, Food and Rural Affairs (DEFRA), the Greenhouse Gas Protocol and data published by the German and Austrian Environment Agencies. Information from suppliers was also included to obtain a comprehensive picture of emissions along the entire upstream value chain.

GHG emissions and intensity

GRI 305-1, 305-2, 305-4

in t CO ₂ e	2023	2022	2021
Scope-1-Emissions	16,600	16,200	14,750
Scope-2-Emissions, market-based	14,500	12,450	9,850
<i>Scope-2-Emissions, location-based</i>	<i>14,900</i>	<i>15,400</i>	<i>14,300</i>
Total Scope 1 and Scope 2 emissions (market-based)	31,100	28,650	24,600
GHG intensity, sales t CO ₂ e/EUR million sales	37.5	41.8	41.8
GHG intensity, employees t CO ₂ e/employee	10.7	10.0	8.8

In the 2023 reporting period, the HÖRMANN Group generated total emissions of 31,100 t CO₂e (market-based), an increase of 8.7% year on year. The main reason for this rise is the increase in the HÖRMANN Group's production output compared to the previous year. Quantity-based GHG intensity per EUR million in sales fell to 37.5 t CO₂e due to an increase in sales.

Scope 1 emissions of 16,600 t CO₂e remain virtually unchanged compared with the previous year. Scope 1 contains the direct emissions from combustion in stationary or mobile facilities of the HÖRMANN Group. This includes the consumption of natural gas to generate electricity and heat, the consumption of fuels to generate heat, the consumption of petrol and diesel for the fleet of vehicles, the consumption of liquefied petroleum gas for transport vehicles and the consumption of coolants and fire extinguishing agents, process gases and volatile gases.

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Market-based Scope 2 emissions are up by approximately 16.6% year on year at 14,500 t CO₂e on account of an increase in production output. In addition, the emission factors for the purchased electricity mix have risen slightly compared to previous years. The HÖRMANN Group recognised electricity and district heating in this context.

In accordance with the principle of dual reporting described in the GHG Protocol Scope 2 Guidance, Scope 2 emissions are determined using two different methods. The location-based method uses the emissions intensity of each country’s power grid to calculate emissions. This means that the emissions intensity of the electricity consumed at a particular location is used as the basis for calculating CO₂ emissions. On the other hand, the market-based method uses the emission factors provided by the energy providers. This enables companies to make the extent of their use of renewable energy sources transparent. If information is not available from specific providers, the emission factor specific to the country is used instead. The market-based method therefore offers a transparent option to incorporate the share of renewable energy sources in the energy supply, while the location-based method can be used to compare different countries. This duality allows companies to report their indirect CO₂ emissions from energy consumption in an accurate and meaningful way.

During the period under review, subsidiaries in the Automotive division generated the largest share of emissions. Production at the plants of the Automotive division demands high use of machinery and, in some cases, high levels of process energy. The second-biggest emitter was the Communication division. Most of the emissions here are caused by the fleet that is required for extensive assembly work.

Share of emissions by division

	2023	2022
Holding	1.0%	1.0%
Automotive	85.1%	84.5%
Intralogistics	2.3%	2.8%
Communication	10.2%	10.1%
Engineering	1.3%	1.6%

Emissions of HÖRMANN Group by business division in scope 1 and 2 (market-based).

In the 2023 reporting year, the HÖRMANN Group intensified its efforts and assessed upstream Scope 3 emissions for the first time. Scope 3 emissions are indirect emissions that result from activities which, although not directly controlled by the HÖRMANN Group, but are nevertheless attributable to its activities. These include upstream supplier emissions. To determine these emissions, the HÖRMANN Group used the spend-based method.

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Other indirect (Scope 3) GHG emissions

GRI 305-3	
in t CO ₂ e	
2023	
Scope 3	
3.1 Purchased goods and services	400,450
3.2 Capital goods	3,750
3.3 Fuel- and energy-related activities	3,600
3.4 Upstream transportation and distribution	1,450
3.5 Waste generated in operations	100
3.6 Business travel	450
3.7 Employee commuting	3,400
3.8 Upstream leased assets	–
Total	413,200

At 400,450 t CO₂e, category 3.1 is the largest emissions item in the Scope 3 upstream emissions. This can be attributed to the high consumption of steel in the automotive plants. This insight underscores the need to take targeted measures to reduce these emissions, particularly with regard to the supply chain and production processes.

As a company aware of its responsibilities, we are continuously developing how we calculate and evaluate upstream emissions. This is why the HÖRMANN Group is working to improve the methods and data sources to receive a more precise picture of environmental impacts.

During the period under review, the share of battery and hybrid electric vehicles remained at the previous year’s level. We will make further progress in switching the fleet to alternative drives in the coming years, although any investment decisions must also take economic viability into account. During the reporting period, the company car policy was amended and incentives for battery electric vehicles were introduced. During the same period, the HÖRMANN Group developed a charging infrastructure concept that will apply across all sites and plans to roll out an initial pilot project in early 2024.

Vehicle fleet by drive type

	2023		2022		2021	
Electric/hybrid vehicles	60	10%	57	10%	30	5%
Combustion engine vehicles	551	90%	520	90%	517	95%
Total	611		577		547	

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The HÖRMANN Group primarily uses natural gas to generate process heat and electricity, grid-bound electricity and fuels as energy sources for its vehicle fleet.

To make efficient and sparing use of these energy sources, a certified energy management system according to DIN EN ISO 50001 was established at the HÖRMANN Group site with the most intensive energy consumption, HÖRMANN Automotive Gustavsburg GmbH. In Gustavsburg and at other energy-intensive sites, energy management officers are tasked to identify and implement measures to conserve energy. The managing directors of the respective subsidiaries are responsible for promoting measures to save energy and use renewable energies. Comprehensive recording and reporting of energy use across all company divisions forms the basis for deriving future steps to increase energy efficiency.

Energy intensity in MWh/EUR million in sales fell by around 14.5% from 162.5 to 139 in the period under review. Compared to the previous year, energy intensity in MWh/employee increased from 38.8 to 39.6. Absolute energy consumption was slightly higher year on year at 115,550 MWh in the current reporting period. This is primarily driven by higher fuel consumption due to the increase in fleet size.

Energy intensity

	2023	2022	2021
in MWh/EUR million sales	139.0	162.5	188.0
in MWh/employees	39.6	38.8	39.7

Energy consumption

GRI 302-1

in MWh	2023	2022	2021
Fuel consumption from non-renewable energies	73,500	70,550	69,750
of which petrol	1,100	1,150	900
of which diesel	13,000	11,800	11,000
of which natural gas	54,950	56,200	56,850
of which heating oil	3,000	200	150
of which liquid gas (LPG)	1,450	1,200	850
Electricity consumption from purchased electricity	40,700	39,400	39,350
of which from mixed sources ¹	40,500	38,750	39,350
of which from renewable sources ²	200	650	–
Electricity consumption from self-generated electricity from renewable sources	50	50	–
Heating energy consumption	1,300	1,500	1,450
of which district heating	1,300	1,500	1,450
Energy sold	250	50	–
of which electricity from renewable sources	250	50	–
Total energy consumption	115,550	111,450	110,550

¹Standard electricity mix from the public grid.

²According to certified green energy contracts.

The energy quantities are calculated using the conversion factors published by the German Federal Office for Economic Affairs and Export Control (BAFA). Energy sources included: electricity, natural gas, district heating, liquid gas (LPG), fuel oil, diesel, petrol.

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The HÖRMANN Group strives to make its processes as resource-efficient as possible. In addition to saving energy and water, this includes the economical use of raw and other materials with the aim of reducing waste volumes. A central focus is on the proper separation of waste to contribute to the circular economy and promote the conservation of resources.

The goal is to enable efficient use of raw materials and reduce environmental pollution due to waste matter or effluents. As the manufacturing subsidiaries account for the biggest share of the HÖRMANN Group’s waste volume, the waste they generate is continuously tracked and analysed. In accordance with the German Waste Classification Ordinance (AVV), a distinction is made between hazardous and non-hazardous waste, which is then disposed of accordingly – be it by recycling, combustion, composting, chemical treatment or landfill.

Particular attention is paid to the paint shops in the Automotive division, which produce hazardous waste. Targeted measures are taken here to minimise this type of waste. If it is not technically possible to avoid or reuse waste, the Group strives to achieve a high recycling rate.

The waste officers at the subsidiaries are in charge of identifying and implementing waste management measures. Waste reports are subject to regular audits in conjunction with the certified environmental management system according to ISO 14001. In companies that do not have a certified environmental management system or that have not appointed a waste officer, responsibility for proper waste management lies with the managing directors.

All subsidiaries of the HÖRMANN Group follow the principle of prevention before recycling when dealing with waste. Particularly with regard to the series production of components, reusable transport frames and

containers are used to reduce the need for packaging materials. Nevertheless, should it be necessary to use packaging materials, our priority is to maximise recyclability.

Waste volume

GRI 306-3

in t	2023		2022		2021	
Total waste volume	55,200		48,335		47,050	
of which non-hazardous waste	54,500	98.7%	47,700	98.7%	46,500	98.8%
of which scrap metal	53,200		46,400		not recorded	
of which hazardous waste	700	1.3%	635	1.3%	550	1.2%

The waste volume increased by around 6,800 t in the period under review. Due to the increase in business activities at the HÖRMANN Group and the associated increase in sales, more waste was generated by the operating business.

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Waste intensity

	2023	2022	2021
in t/EUR million sales	66.5	70.5	79.9
in t/employees	18.9	16.8	16.9

Waste intensity per EUR million in sales declined to 66.5. The figure per employee rose to 18.9.

In the Automotive division, body parts are produced on press lines, which generate large quantities of scrap metal due to the complicated shaping and punching process. Despite continuous optimisation, it is not possible to completely eliminate waste. To minimise the consumption of natural resources, special attention is paid to the proper separation of the waste produced. This is particularly important for scrap metals and other types of waste in order to enable closed materials cycles. All metal scrap in the Automotive division is recycled and even represents an important economic factor.

At 98.2%, the recycling rate is slightly higher than in the previous year and remains at a very high level.

Waste volume by type of disposal

GRI 306-4, 306-5						
in t	2023		2022		2021	
Total waste volume	55,200		48,335		47,020	
Recycling*	54,230	98.2%	47,300	97.9%	46,225	98.3%
Landfill	300	0.6%	300	0.6%	240	0.5%
Incineration	600	1.1%	600	1.2%	430	0.9%
Composting	40	0.1%	50	0.1%	–	0.0%
Chemical treatment	30	0.1%	85	0.2%	125	0.3%

*including scrap and metals.

Recycling rate

	2023	2022	2021
Waste volume/total waste volume taken to recycling	98.2%	97.9%	98.3%

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The HÖRMANN Group is committed to the efficient use of the natural resources of land, air and water as well as raw materials and fuels. With this in mind, it has also implemented concrete measures to optimise resource consumption in its business processes.

As a corporation with a focus on the automotive supplier industry, steel is a key resource for the HÖRMANN Group. Measured in terms of operating weight and cost, steel is the most frequently used material. The production of various vehicle components is a key driver of steel consumption. To ensure that we offer competitive products, we take account not only of economic but also ecological and social aspects when procuring materials. In some cases, suppliers are therefore audited using environmental and social criteria and the results are incorporated into the supplier selection process.



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The HÖRMANN Group places a special focus on the sustainable and careful use of the natural resource of water at all its sites. While the Group does not operate any production facilities or sites in areas with high water stress, the sparing use of water is regarded as extremely important. Water is used not only at our production and warehousing facilities but also at administrative sites. The Group companies consumed a total of 134,450 m³ of water in the period under review, corresponding to a year-on-year increase of 14,500 m³. The primary reason for this is the use of an additional wet paint process in the production process at the HÖRMANN Automotive Gustavsburg GmbH site.

Water withdrawal

GRI 303-3, 303-5

in m ³	2023		2022		2021	
Absolute water withdrawal	134,450		120,500		118,250	
Water sourced from other companies	–	0%	–	0%	not recorded	
Freshwater	134,450	100%	120,500	100%	118,250	100%
Surface water	–	0%	–	0%	not recorded	
Groundwater	112,750	83.9%	99,000	82.2%	100,700	85.2%
from public/private water-works	21,700	16.1%	21,500	17.8%	17,550	14.8%
other sources (> 1,000 mg/l total dissolved solids)	–	0%	–	0%	not recorded	
Reused water	150		150		not recorded	

Water withdrawal intensity declined from 175.7 to 161.8 m³/EUR million in sales in the current period under review. The figure per employee increased to 46.1 compared to the previous year.

Water withdrawal intensity

	2023	2022	2021
m ³ /EUR million sales	161.8	175.7	200.8
m ³ /employee	46.1	41.9	42.4

In the Automotive division, water is mainly required for cooling and cleaning purposes. To reduce demand for water, the HÖRMANN Group is striving to optimise water withdrawal and reuse by deploying suitable closed-loop systems and processing facilities. With the exception of HÖRMANN Automotive Gustavsburg GmbH, all subsidiaries draw their water exclusively from the local water network. In Gustavsburg, this network is supplemented with a dedicated well from which the subsidiary draws groundwater. In the other divisions, water consumption is largely confined to the sanitary facilities and kitchens. These areas primarily use fresh water and rely on standard water-saving appliances to reduce consumption.

The local authorities define minimum standards for discharging process water that are regularly reviewed for compliance with limit values by independent laboratories. The HÖRMANN Group has set itself the goal of not just satisfying but even exceeding minimum standards. Due to the evaporation of cooling water, the amount of water withdrawn often exceeds the amount put back. The company discharges its effluents exclusively via the local networks in the quality stipulated by the local authorities.

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In the reporting period, the HÖRMANN Group discharged 107,200 m³ of water, 38,800 m³ of which was treated and 68,400 m³ untreated. A total of 27,250 m³ of water evaporated in conjunction with process activities.

The effluents required in the paint shops are subject to strict internal monitoring through regular inspections for possible contamination, and compliance with official values is monitored by internal laboratories. The company attaches particular importance to the highest standards and quality assurance. At semi-annual intervals, a report is produced on the results of this testing and submitted to the competent regional council to ensure that all relevant provisions and requirements are complied with.

The environmental officers at the relevant subsidiaries concerned are responsible for implementing steps to reduce water consumption and for taking consumption readings. At all other companies, recording and further reducing water consumption is the responsibility of the managing directors. Besides the ecological benefits, these savings measures also deliver cost savings.

Water discharge

GRI 303-4

in m ³	2023	2022	2021
Absolute water withdrawal	134,450	120,500	97,750
Absolute water discharge	107,200	102,600	97,750
fed into public sewer system	107,200	102,600	97,750
fed into surface waters	–	–	not recorded
fed into groundwater	–	–	not recorded
other sources (> 1,000 mg/l total dissolved solids)	–	–	not recorded
Treated water	38,800	35,400	not recorded
fed into public sewer system	38,800	35,400	not recorded
fed into surface waters	–	–	not recorded
fed into groundwater	–	–	not recorded
other sources (> 1,000 mg/l total dissolved solids)	–	–	not recorded
Untreated effluents	68,400	67,250	not recorded
fed into public sewer system	68,400	67,250	not recorded
fed into surface waters	–	–	not recorded
fed into groundwater	–	–	not recorded
other sources (> 1,000 mg/l total dissolved solids)	–	–	not recorded
Evaporated water	27,250	17,900	not recorded

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The corporate culture of the HÖRMANN Group is defined by trusting and respectful interactions – and has been for more than 69 years. The Group is fully aware of its responsibility to society and its employees. Dedicated and qualified employees form the most important pillar of the company and make a significant contribution to its business success. In addition to its employees, the HÖRMANN Group strives to deal responsibly and respectfully with all stakeholders, from the company’s neighbours all the way to its customers and suppliers – across all subsidiaries.

In a wide variety of social projects, the HÖRMANN Group acts as a corporate citizen in upholding its responsibility as a part of society and contributes actively to the development of a more sustainable future.



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MANAGEMENT APPROACH

Given its size and diversity, the HÖRMANN Group considers cohesion and fostering the performance, productivity and satisfaction of every individual employee to be key success factors. The Group bears special responsibility for its employees, who numbered 2,919 in the reporting year. As well as ensuring occupational health and safety, the Group attaches great importance to aspects such as the work-life balance, fair pay, pension schemes and health management as well as the professional development of each individual.

Employees

GRI 102-7

	2023	2022	2021
Total employees*	2,919	2,876	2,787

*Number of employees in accordance with section 267(5) HGB.

To achieve these goals, the HÖRMANN Group relies on strategic HR management with employee-oriented work concepts as well as the creation of modern working environments and various opportunities for further personal and professional development.

Age structure

GRI 405-1

	2023	
Total employees	2,919	
under 30 years old	373	12.8%
30 – 50 years old	1,477	50.6%
over 50 years old	1,069	36.6%
Women	536	18.4%
under 30 years old	57	10.5%
30 – 50 years old	286	53.5%
over 50 years old	193	36.1%
Men	2,383	81.6%
under 30 years old	316	13.3%
30 – 50 years old	1,191	50.0%
over 50 years old	876	36.7%

The workforce of the HÖRMANN Group is 81.6% male, of which around half are in the age group of between 30 and 50 years. The share of women in the HÖRMANN Group is 18.4%, and the age structure is similar to that of male employees.

Share of employees covered by employee representatives

GRI 2-7

	2023	2022	2021
Employees covered by employee representatives	64%	63%	59%

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Around 64% of the employees were represented by employee representative bodies at the subsidiaries in the period under review. There is also a Group Works Council, which is made up of representatives of the works councils in the subsidiaries and engages regularly with the management of the holding company, HÖRMANN Industries GmbH. The cooperation between the Works Council and management is characterised by respectful, open and constructive dialogue. This continuous and trusting discourse between the management and the Works Council, both at subsidiary level and with the holding company, ensures the future viability of the company. National legislation governs the involvement of employee representatives in decision-making processes at the subsidiaries. Employee representatives at many subsidiaries are regularly informed about the current economic situation of the companies as part of routine Economic Committee meetings. Regular meetings between the management and the Works Council ensure the timely involvement of employee representatives in decisions subject to co-determination, in compliance with co-determination laws and corresponding procedures.

EMPLOYEE SATISFACTION

The world of work is subject to continuous change driven by demographic changes, globalisation and rapid technological advances such as automation and digitalisation. To guarantee their long-term economic success, companies must adapt to these changes and face new challenges. The HÖRMANN Group recognises the importance of committed and satisfied employees and therefore attaches great importance to their promotion and long-term retention within the company.

An attractive and fair working environment creates the foundation for satisfied employees. Along with fair remuneration, including attractive, performance-related remuneration components, the HÖRMANN Group offers additional company benefits. To meet the individual needs of employees, the Group offers flexible working models and individual options to facilitate a work-life balance. We focus in particular on offering

a wide range of options to reconcile work and family life so that younger parents can commit to pursuing a career despite their family obligations. Since the COVID-19 pandemic, mobile working and working from home have also become integral components of individual working time management. These elements also play a decisive role in creating an attractive work environment and high employee satisfaction.

In principle, employee surveys are an important part of appreciative HR management and provide insights into employee satisfaction both at Group level and at the individual subsidiaries. All managers in the HÖRMANN Group are in regular dialogue with their employees and the employee representatives in order to receive constant feedback and positively influence the corporate culture and employee satisfaction.

Flat hierarchies give all employees the opportunity to take on responsibility and influence decisions. Employees also have the opportunity to take on demanding projects and challenging work that they can perform at state-of-the-art workplaces using digital work equipment.

The leadership philosophy of the company, which is focused on people, is reflected in the high level of employee loyalty and long-standing service. Staff turnover of 10.0% during the reporting period has reduced by 6.5 percentage points year on year. Nevertheless, employee turnover has increased significantly in recent years trend has increased significantly in recent years, in particular due to the sharp rise in the number of baby boomers entering retirement, but also as a result of changing values and increased mobility of younger generations.

To promote dialogue between the various levels and the corporate culture, the local managers and executives at the subsidiaries and at the local sites are responsible for the initiatives and activities aimed at improving employee satisfaction and increasing employee loyalty. Regular team events, company outings, family days and company meetings contribute to this.

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OCCUPATIONAL HEALTH AND SAFETY

The health and safety of employees is the top priority for the HÖRMANN Group. This not only includes preventing accidents at work but also the provision of aids to improve work ergonomics and measures to promote health. The HÖRMANN Group does not just operate in line with the legal requirements but also takes active steps to protect its employees and strives to avoid time off as much as possible. To do this effectively, health and safety aspects must be firmly integrated into the organisation, business processes and workflows.

All managing directors are personally responsible for providing employees with a safe and ergonomic work environment where they feel comfortable and where work-related injuries and illnesses are prevented as far as possible. Great importance is attached to compliance with all statutory regulations to protect employee health.

The HÖRMANN Group regularly analyses and inspects relevant workflows for potential health and safety risks and takes suitable steps to reduce hazards. Regular site inspections are carried out by management and those in charge of work safety in line with state and cooperative provisions. They systematically analyse work accidents and assess reports and recommendations by authorities such as the regional government, the Trade Inspectorate, the Office of Occupational Health and Safety office or the occupational health and safety agency.

Raising management and employee awareness of occupational safety and healthy working conditions is of crucial importance. Particular attention is paid to compliance with occupational health and safety regulations during external assignments on construction sites or service calls, when specially trained employees often also assume responsibility for other service providers or subcontractors.

A number of initiatives are used to promote occupational health and safety and represent a long-term investment in the future of the HÖRMANN Group. Responsibility for occupational health and safety lies with the managing directors, who are assisted by trained occupational health and safety specialists or experts from the occupational health and safety agency and the occupational health service in many cases. At regular meetings of an occupational safety committee, the subject of “occupational safety” is discussed with the management, specialists and employee representatives (if present) on a site-specific or company-specific basis and appropriate remedial and improvement measures are defined.

HÖRMANN Automotive Slovakia s.r.o. and Funkwerk Security Solutions GmbH currently have an occupational safety management system certified according to DIN EN ISO 45001. However, all other production sites are also aligned with these high standards even if they are not certified.

Employees and employee representatives are expressly encouraged to speak up about unsafe practices or possible hazards in the workplace and to actively suggest improvements. An internal suggestions scheme, regular workplace hazard assessments, the investigation of workplace accidents and regular meetings of the Work Safety Committee provide a range of opportunities for this.

Furthermore, all employees of the HÖRMANN Group have access to a company medical service or a company physician. This helps to implement measures to prevent work-related complaints and ill health at an early stage and to identify problems as early as possible.

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Occupational health and safety

GRI 403-9

	2023	2022	2021
Reportable non-fatal workplace accidents	75	95	77
Fatal workplace accidents	0	0	1
Accident rate per 1,000 workers	25.7	33.0	28.0

There were 75 reportable non-fatal workplace accidents in the HÖRMANN Group in the period under review. There were also 91 near-miss accidents. There were no fatal workplace accidents. The relative accident rate per 1,000 full-time employees fell to 25.7.

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

Diversity in a society is influenced, for example, by changing values in society, demographic change, globalisation and immigration of people from different cultural groups. Diversity is regarded as a strength in the HÖRMANN Group, as it promotes innovation and adaptability through different perspectives. Fostering diversity is thus a crucial factor enabling long-term business success.

By signing the Diversity Charter, the HÖRMANN Group clearly demonstrated its position in favour of equal opportunities and against discrimination based on factors such as ethnic origin, gender, sexual orientation, religion, age or disability. The goal is to create a working environment that is characterised by tolerance and acceptance and in which everyone has equal opportunities for development.

Different dimensions of diversity are always taken into account when new employees are hired and processes and policies are developed. The corporate values support the respectful and fair treatment of all employees as equals.

There is an established whistleblower system that employees can use to report violations of the communicated principles. No complaints were reported in the period under review.

Putting diversity into practice makes the HÖRMANN Group more adaptable to changing market conditions and strengthens its competitive edge. HR management endeavours to create a working environment free from discrimination for all employees.

The representative body for employees with severe disabilities and the inclusivity officers are key points of contact for employees with disabilities. They provide support with applications, for example, to assess the degree of reduction in earning capacity or for special work equipment for support and with questions concerning reintegration following a long period of illness.

Share of employees with severe disabilities

GRI 405-1

	2023	2022	2021
Percentage of employees with severe disabilities	4.1%	3.6%	4.2%

The percentage of people with severe disabilities employed at the HÖRMANN Group was slightly above the previous year's level at 4.1% in the period under review.

The HÖRMANN Group is particularly committed to the promotion of women and aims to increase the share of women both in the workforce as a whole and in management positions. Measures to promote the work/life balance and programmes that support women in returning to work after a career break to raise a family play a decisive role here.

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Gender breakdown

GRI 405-1

	2023		2022		2021	
Total employees	2,919		2,876		2,798	
Women	536	18.4%	489	17.0%	442	15.8%
of which in management positions	43	11.7%	42	11.3%	36	9.7%
Men	2,383	81.6%	2,387	83.0%	2,356	84.2%
of which in management positions	321	88.3%	330	88.7%	335	90.3%

The sustainability goal of “gender equality” is recorded within the HÖRMANN Group. In the period under review, 536 women were employed, which corresponds to an 18.4% share of women in the HÖRMANN Group.

EMPLOYEE ADVANCEMENT AND DEVELOPMENT

To keep pace with technological and digital developments, the HÖRMANN Group emphasises the importance of lifelong learning and the continuous development of its employees. In the reporting period, the family-owned company implemented the HÖRMANN learning worlds, which aim to further strengthen HR development by offering all employees a broad range of development opportunities.

All employees, regardless of their function or level of education, can avail themselves of opportunities for ongoing training to systematically expand their competences. This helps the HÖRMANN Group to compete successfully in a dynamic market environment and ensure its long-term existence. The Group also endeavours to meet the demand for specialists and managers increasingly from within the company.

The subsidiaries have their own development and ongoing training programmes that are supplemented by Group-wide opportunities. The managing directors and executives are responsible for the ongoing training and development of their employees to safeguard their performance in a rapidly changing environment. Annual performance appraisal and feedback meetings provide a forum in which individual ongoing training needs can be identified and development opportunities discussed.

Expenditure on ongoing training amounted to around EUR 262 per employee in the period under review. As a result, expenditure is continuing to increase.

The HÖRMANN Group also pays particular attention to the development of its managers with a view to the future. During the reporting period, the Group launched the second round of a dedicated management programme as well as the third round of the Junior Management Programme, both of which target the promotion of future managers and young talent. In addition to professional development, participants also have access to mentoring for their personal development.

There were 95 trainees and dual students in the HÖRMANN Group in the reporting period. The training rate in the HÖRMANN Group was 2.9% and therefore roughly the same as the previous year. Almost all trainees can be offered a job after successfully completing their training.

Employee advancement and development

GRI 404-2

	2023	2022	2021
Trainees and dual students	95	86	82
Training rate	2.9%	3.0%	2.9%
Training expenditure per employee	EUR 262	EUR 237	EUR 130

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The HÖRMANN Group sees corporate responsibility as an inseparable part of its social responsibility. As a corporate citizen, the Group endeavours to make a positive impact on society within its sphere of influence. Many employees of the HÖRMANN Group take on social duties on a voluntary basis and thus contribute to social sustainability. The Group supports this commitment, for example, by granting additional time off work, benefits in kind or donations.

Special attention is paid to recognising and promoting the participation of employees in society. To underscore its appreciation of these activities, the Group regularly publishes reports on exemplary social commitment in the employee magazine "mittendrin" (available in German only) and on the Intranet. At the same time, it actively encourages greater social commitment on the part of employees. Issue 04-2023 of the employee magazine focussed on the social involvement of employees and the HÖRMANN Group and was entitled "Wir engagieren uns" (We are committed).

The HÖRMANN Group and its subsidiaries are also involved in sponsoring and donating to various projects that benefit children, young adults and disadvantaged groups. For instance, Funkwerk Systems GmbH sponsors workbooks and non-fiction books for primary school pupils in the region. HÖRMANN Klatt Conveyors GmbH donates to the Austrian charitable organisation "Ein Lächeln für Kinder" (A smile for children), which is committed to the welfare and support of children who are sick or in need. In the reporting period, VacuTec GmbH supported Sonnenstrahl e.V. with a donation to expand its premises to support families with children suffering from cancer.



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ENVIRONMENTAL AND CLIMATE PROTECTION

GHG emissions and intensity

GRI 305-1, 305-2, 305-4

in t CO ₂ e	2023	2022	2021
Scope-1-Emissions	16,600	16,200	14,750
Scope-2-Emissions, market-based	14,500	12,450	9,850
<i>Scope-2-Emissions, location-based</i>	<i>14,900</i>	<i>15,400</i>	<i>14,300</i>
Total Scope 1 and Scope 2 emissions (market-based)	31,100	28,650	24,600
GHG intensity, sales t CO ₂ e/EUR million sales	37.5	41.8	41.8
GHG intensity, employees t CO ₂ e/employees	10.7	10.0	8.8

Other indirect (Scope 3) GHG emissions

GRI 305-3

in t CO ₂ e	2023
Scope 3	
3.1 Purchased goods and services	400,450
3.2 Capital goods	3,750
3.3 Fuel- and energy-related activities	3,600
3.4 Upstream transportation and distribution	1,450
3.5 Waste generated in operations	100
3.6 Business travel	450
3.7 Employee commuting	3,400
3.8 Upstream leased assets	–
Total	413,200

Energy intensity

	2023	2022	2021
in MWh/EUR million sales	139.0	162.5	188.0
in MWh/employees	39.6	38.8	39.7

Energy consumption

GRI 302-1

in MWh	2023	2022	2021
Fuel consumption from non-renewable energies	73,500	70,550	69,750
of which petrol	1,100	1,150	900
of which diesel	13,000	11,800	11,000
of which natural gas	54,950	56,200	56,850
of which heating oil	3,000	200	150
of which liquid gas (LPG)	1,450	1,200	850
Electricity consumption from purchased electricity	40,700	39,400	39,350
of which from mixed sources ¹	40,500	38,750	39,350
of which from renewable sources ²	200	650	–
Electricity consumption from self-generated electricity from renewable sources	50	50	–
Heating energy consumption	1,300	1,500	1,450
of which district heating	1,300	1,500	1,450
Energy sold	250	50	–
of which electricity from renewable sources	250	50	–
Total energy consumption	115,550	111,450	110,550

¹Standard electricity mix from the public grid.

²According to certified green energy contracts.

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Waste volume

GRI 306-3

in t	2023		2022		2021	
Total waste volume	55,200	98.7%	48,335	98.7%	47,050	98.8%
of which non-hazardous waste	54,500		47,700		46,500	
of which scrap metal	53,200		46,400		not recorded	
of which hazardous waste	700	1.3%	635	1.3%	550	1.2%

Waste intensity

	2023	2022	2021
in t/EUR million sales	66.5	70.5	79.9
in t/employees	18.9	16.8	16.9

Recycling rate

	2023	2022	2021
Waste volume/total waste volume taken to recycling	98.2%	97.9%	98.3%

Waste volume by type of disposal

GRI 306-4, 306-5

in t	2023		2022		2021	
Total waste volume	55,200	98.2%	48,335	97.9%	47,020	98.3%
Recycling*	54,230		47,300		46,225	
Landfill	300	0.6%	300	0.6%	240	0.5%
Incineration	600	1.1%	600	1.2%	430	0.9%
Composting	40	0.1%	50	0.1%	–	0.0%
Chemical treatment	30	0.1%	85	0.2%	125	0.3%

*including scrap and metals.

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Water withdrawal

GRI 303-3, 303-5

in m ³	2023		2022		2021	
Absolute water withdrawal	134,450		120,500		118,250	
Water sourced from other companies	–	0%	–	0%	not recorded	
Freshwater	134,450	100%	120,500	100%	118,250	100%
Surface water	–	0%	–	0%	not recorded	
Groundwater	112,750	83.9%	99,000	82.2%	100,700	85.2%
from public/private water-works	21,700	16.1%	21,500	17.8%	17,550	14.8%
other sources (> 1,000 mg/l total dissolved solids)	–	0%	–	0%	not recorded	
Reused water	150		150		not recorded	

Water withdrawal intensity

	2023	2022	2021
m ³ /EUR million sales	161.8	175.7	200.8
m ³ /employee	46.1	41.9	42.4

Water discharge

GRI 303-4

in m ³	2023	2022	2021
Absolute water withdrawal	134,450	120,500	97,750
Absolute water discharge	107,200	102,600	97,750
fed into public sewer system	107,200	102,600	97,750
fed into surface waters	–	–	not recorded
fed into groundwater	–	–	not recorded
other sources (> 1,000 mg/l total dissolved solids)	–	–	not recorded
Treated water	38,800	35,400	not recorded
fed into public sewer system	38,800	35,400	not recorded
fed into surface waters	–	–	not recorded
fed into groundwater	–	–	not recorded
other sources (> 1,000 mg/l total dissolved solids)	–	–	not recorded
Untreated effluents	68,400	67,250	not recorded
fed into public sewer system	68,400	67,250	not recorded
fed into surface waters	–	–	not recorded
fed into groundwater	–	–	not recorded
other sources (> 1,000 mg/l total dissolved solids)	–	–	not recorded
Evaporated water	27,250	17,900	not recorded

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SOCIAL RESPONSIBILITY

Employees

GRI 102-7

	2023	2022	2021
Total employees*	2,919	2,876	2,787

*Number of employees in accordance with section 267(5) HGB.

Share of employees covered by employee representatives

GRI 2-7

	2023	2022	2021
Employees covered by employee representatives	64%	63%	59%

Staff turnover rate

GRI 401-1

	2023	2022	2021
Staff turnover rate	10 %	16.5 %	6.4 %

Occupational health and safety

GRI 403-9

	2023	2022	2021
Reportable non-fatal workplace accidents	75	95	77
Fatal workplace accidents	0	0	1
Accident rate per 1,000 workers	25.7	33.0	28.0

Employee advancement and development

GRI 404-2

	2023	2022	2021
Trainees and dual students	95	86	82
Training rate	2.9%	3.0%	2.9%
Training expenditure per employee	EUR 262	EUR 237	EUR 130

Gender breakdown

GRI 405-1

	2023	2022	2021
Total employees	2,919	2,876	2,798
Women	536 18.0%	489 17.0%	442 15.8%
of which in management positions	43 11.7%	42 11.3%	36 9.7%
Men	2,393 82.0%	2,387 83.0%	2,356 84.2%
of which in management positions	321 88.3%	330 88.7%	335 90.3%

Share of employees with severe disabilities

GRI 405-1

	2023	2022	2021
Percentage of employees with severe disabilities	4.1%	3.6%	4.2%

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Age structure

GRI 405-1

	2023	
Total employees	2,919	
under 30 years old	373	12.8%
30 – 50 years old	1,477	50.6%
over 50 years old	1,069	36.6%
Women	536	18.4%
under 30 years old	57	10.5%
30 – 50 years old	286	53.5%
over 50 years old	193	36.1%
Men	2,383	81.6%
under 30 years old	316	13.3%
30 – 50 years old	1,191	50.0%
over 50 years old	876	36.7%

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With a clear commitment to sustainable corporate management, the HÖRMANN Group created structures and processes that promote sustainable action across the entire company.

This report has been prepared in accordance with the GRI Standards. The GRI Index lists all the GRI indicators applied as well as further information and amendments. If only limited information is available on a GRI indicator or this is published in other publications, this is explained in a comment. GRI indicators for which no information is available were left out.

1 2 3

Universal standards

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
2-27	Compliance with laws and regulations	38, 39, 41, 42, 43, 45, 58	The HÖRMANN Group was not aware of any significant incidents during the reporting period.		
2-29	Approach to stakeholder engagement	32, 33			
2-29	Categories of stakeholders	32			
2-29	Purpose of the stakeholder engagement	24, 32			
GRI 3: MATERIAL TOPICS 2021					
3-1	Process to determine material topics	25	For further information, see 2021 Sustainability Report, Materiality analysis and sustainability strategy		
3-2	List of material topics	25	For further information, see 2021 Sustainability Report, Materiality analysis and sustainability strategy		
3-3	Management of material topics	24			

Topic standards

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 200: ECONOMY					
GRI 201: ECONOMIC PERFORMANCE 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
201-1	Direct economic value generated and distributed	8	For further information, see 2023 Annual Report		1, 8
201-3	Defined benefit plan obligations and other retirement plans		For further information, see 2023 Annual Report		
GRI 205: ANTI-CORRUPTION 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
205-1	Operations assessed for risks related to corruption	39	The HÖRMANN Group was not aware of any significant incidents during the reporting period.	10	16
205-2	Communication and training about anti-corruption policies and procedures	37			
205-3	Confirmed incidents of corruption and actions taken	39	The HÖRMANN Group was not aware of any significant incidents during the reporting period.		
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	39		10	16

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 207: TAX 2019					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
207-1	Approach to tax	39		10	16
GRI 300: ENVIRONMENT					
GRI 301: MATERIALS 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
301-1	Materials used by weight or volume	52		7, 8	8, 12
GRI 302: ENERGY 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
302-1	Energy consumption within the organization	49, 63		7, 8	7, 12, 13
302-3	Energy intensity	49, 63			
302-4	Reduction of energy consumption	63			

Topic standards

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 303: WATER AND EFFLUENTS 2018					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
303-1	Interactions with water as a shared resource	53		7, 8	6, 12
303-2	Management of water discharge-related impacts	54			
303-3	Water withdrawal	53, 65			
303-4	Water discharge	54, 65			
303-5	Water consumption	53, 65			
GRI 305: EMISSIONS 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
305-1	Direct (Scope 1) GHG emissions	46, 47, 63		7, 8	3, 12, 13, 15
305-2	Energy indirect (Scope 2) GHG emissions	46, 47, 63			
305-2	Other indirect (Scope 3) GHG emissions	48, 63			
305-4	GHG emissions intensity	46, 63			

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 306: WASTE 2020					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
306-1	Waste generation and significant waste-related impacts	50, 51		8	3, 12, 13, 15
306-2	Management of significant waste-related impacts	51, 52			
306-3	Waste generated	50, 51, 64			
306-4	Waste diverted from disposal	50, 51, 64			
306-5	Waste directed to disposal	50, 51, 64			
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
308-1	New suppliers that were screened using environmental criteria	52	To date, not all suppliers are comprehensively assessed using environmental criteria.	7, 8	12

Topic standards

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 400: SOCIAL AFFAIRS					
GRI 401: EMPLOYMENT 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
401-1	New employee hires and employee turnover	58, 66		6	5, 8
401-2	Benefits	58			
GRI 404: TRAINING AND EDUCATION 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
404-2	Programs for upgrading employee skills and transition assistance programs	61		6	4, 8
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
405-1	Diversity of governance bodies and employees	61, 66		1, 6	5, 8, 10
GRI 406: NON-DISCRIMINATION 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
406-1	Incidents of discrimination and corrective actions taken	42	The HÖRMANN Group was not aware of any significant incidents during the reporting period	6	5, 8, 16

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
403-1	Occupational health and safety management system	59, 60		1	3, 8
403-2	Hazard identification, risk assessment, and incident investigation	59, 60			
403-3	Occupational health services	59, 60			
403-4	Worker participation, consultation, and communication on occupational health and safety	59, 60			
403-5	Worker training on occupational health and safety	59	All employees receive training when hired and at least once per year. More frequently depending on activity or countryspecific requirements.		
403-6	Promotion of worker health	59, 60	Workstations are regularly assessed in terms of ergonomics.		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	59, 60			
403-8	Workers covered by an occupational health and safety management system	59, 60			
403-9	Work-related injuries	60, 66			

Topic standards

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	42, 52	The HÖRMANN Group was not aware of any significant incidents during the reporting period.	2, 3	8
GRI 408: CHILD LABOR 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
408-1	Operations and suppliers at significant risk for incidents of child labor	42, 52		2, 5	8, 16
GRI 409: FORCED OR COMPULSORY LABOR 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	42, 52		2, 4	8
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
414-1	New suppliers that were screened using social criteria	11, 52		1-6	8

GRI-STANDARD	Information	Description on page	Further information and amendment	UNGC principles	SDGs
GRI 415: PUBLIC POLICY 2016					
415-1	Political contributions	39		10	16
GRI 418: CUSTOMER PRIVACY 2016					
Management approach according to GRI 3: Material Topics 2021					
3-3	Management of material topics				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	41	The HÖRMANN Group became aware of one so-called data breach incident (Art. 12 (12) GDPR) during the reporting period, which was caused by a security vulnerability in a service provider used by the HÖRMANN Group and its application.		16

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C

Corporate Sustainability Reporting Directive (CSRD)

The Corporate Sustainability Reporting Directive (CSRD) is a European directive aimed at improving and standardizing corporate sustainability reporting. It expands the scope of the existing Non-Financial Reporting Directive (NFRD) and requires large companies as well as publicly listed companies to disclose more comprehensive information about environmental, social, and governance aspects in their reports. The CSRD is intended to enhance the comparability, accuracy, and reliability of sustainability information to better inform investors, stakeholders, and society as a whole about the long-term impacts of companies on the environment and society, thus promoting sustainability practices.

D

Diversity Charter

The Diversity Charter is an initiative to promote diversity and inclusion in companies and organisations. It was created in Germany in 2006, since when it has become an international movement. By signing the Charter, companies and organisations undertake to work towards equal opportunities and diversity within their workforce and work environment. The Charter comprises various aspects of diversity such as age, gender, origin, sexual orientation and disability and fosters the creation of an inclusive corporate culture.

E

European Sustainability Reporting Standards (ESRS)

The European Sustainability Reporting Standards (ESRS) are a framework developed by the European Union to assist companies in reporting on their sustainability performance. These standards establish clear guidelines and indicators to help companies identify, measure, and report on relevant aspects of their ecological, social, and governance-related activities. By providing uniform guidelines for sustainability reporting, the ESRS contribute to promoting transparency, providing reliable information to investors, regulatory authorities, and other stakeholders, and ultimately strengthening long-term sustainability in European companies.

G

Global Reporting Initiative (GRI)

The Global Reporting Initiative has devised global standards for sustainability reporting and enhances them on a continuous basis. The aim of these standards is to create transparency regarding a company's sustainability activities through standardisation and comparability. The HÖRMANN Group decided to apply these standards due to their wide use in practice.

Greenhouse gas emissions (GHG emissions)

The information on emissions relates to the greenhouse gases specified in the United Nations Kyoto Protocol. These include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), partially halogenated hydrocarbons (HCFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). A factor specifies the greenhouse effect of the individual gases compared to CO₂ as a reference level and is hence stated as a CO₂ equivalent (CO₂e).

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Greenhouse Gas Protocol (GHG Protocol)

The GHG Protocol is a series of standards for recording, quantifying and reporting on greenhouse gas emissions along the value chain. The World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) are coordinating its development. In this context, the HÖRMANN Group adheres to the Corporate Standard for directly (Scope 1) and indirectly (Scope 2) generated greenhouse gas emissions. Indirect (Scope 2) greenhouse gas emissions are reported in accordance with the dual reporting principle using the location-based and market-based methods. The location-based method uses national average emission factors and the market-based method provider-specific emissions factors.

S

Sustainable Development Goals (SDGs)

In order to create globally sustainable structures, the member states of the United Nations have set themselves 17 goals to be achieved by 2030 that are documented in the 2030 Agenda for sustainable development. These 17 Sustainable Development Goals should be achieved by all emerging, developing and industrialised countries and are interdependent and indivisible. The aim of achieving the goals is to make the world fairer, healthier, more peaceful and more socially just. Further information

T

Trusted Information Security Assessment Exchange (TISAX)

A quality standard defined by the German Association of the Automotive Industry (VDA) that ensures information security along the entire value chain of a vehicle. TISAX is a common verification and exchange mechanism that is considered a trust anchor within the automotive industry. The certification must be repeated every three years, thus ensuring a reliable basis for trust between business partners and a high degree of information security in certified businesses.

U

UN Global Compact (UNGC)

The UN Global Compact is the world's largest voluntary initiative for sustainable and responsible corporate governance. It was initiated by the United Nations and supports more socially just and environmentally friendly globalisation. The UN Global Compact is based on ten principles that companies, associations and local authorities can commit to on a voluntary basis.

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Publisher

HÖRMANN Industries GmbH
Hauptstraße 45 – 47
85614 Kirchseeon
Germany
T +49 8091 5630-0
info@hoermann-gruppe.com
www.hoermann-gruppe.com

Management

Dr.-Ing. Michael Radke, CEO
Johann Schmid-Davis, CFO
Dr. Christian Baur, CTO

Sustainability management system

Fabian Schellhas

Marketing & Communication

Celina Begolli

Concept & Design

Kochan & Partner GmbH

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As at

April 2024

Contact

Fabian Schellhas
Group Sustainability Manager

HÖRMANN Industries GmbH
Hauptstraße 45–47
85614 Kirchseeon
Germany
T +49 8091 5630-0
info@hoermann-gruppe.com

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Legal information and contact



HÖRMANN Industries GmbH
Hauptstraße 45-47 / 85614 Kirchseeon
T +49 8091 5630-0

www.hoermann-gruppe.com