

# Sustainability Report 2022

*Think Tomorrow.*





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# Foreword by the Management

**“In 2022, our main focus was on implementing our sustainability strategy.”**



## **Dear employees, customers and business partners,**

We are pleased to publish the second Sustainability Report of the SSI SCHAEFER Group. 2022 was a difficult year for us, as it was for many others in the intralogistics industry. The effects of the war against Ukraine and the sanctions imposed on Russia led to supply shortages and, in some cases, to enormous increases in the prices of materials and energy. Major customer projects were postponed. Nearly all of our business areas faced major challenges due to the difficult market developments.

Nevertheless, we have made very good progress in transforming our company, not only in terms of innovation and automation, but also in terms of sustainability. This Sustainability Report is yet another milestone in our efforts to meet our responsibilities to the environment and society. It not only describes our path to a sustainable future, but also the steps we have taken to get there.

In 2022, our main focus was on implementing our sustainability strategy. We have looked closely at how we, as a leading global company, can make a positive contribution. Rather than focusing on individual aspects, we have adopted an integrated approach that takes into account environmental, social and economic aspects.

We had a clearly defined set of goals: We wanted to make our sustainability management even more strategic, make our supply chains more sustainable, and improve working conditions for our employees. In 2022, we made tangible progress along this path: we developed and implemented our Group sustainability management strategy, introduced a Group-wide strategic EHS management system, calculated the carbon footprint for SSI SCHAEFER's 18 largest entities (Scope 1&2 and parts of Scope 3), and developed and communicated our climate strategy, to name but a few initiatives.

We will continue our efforts in 2023 and take innovative measures to achieve our sustainability goals. In doing so, we are well aware that the journey to sustainability is an ongoing process that requires continuous adaptation and improvement.

We would like to take this opportunity to thank our employees for their tireless efforts. All of our progress and achievements, large and small, would not have been possible without their dedication and passion; their commitment is the foundation of our sustainable future.

With this Sustainability Report, we hope to give you an insight into our efforts and perhaps encourage you to continue working for a more sustainable world. Together we can accomplish a great deal.

We hope you enjoy the read.

Steffen Bersch    Bruno Krauss  
CEO                    CFO

**“In 2022, we made tangible progress along this path: we developed and implemented our Group sustainability management strategy, introduced a Group-wide strategic EHS management system, calculated the carbon footprint for SSI SCHAEFER's 18 largest entities (Scope 1&2 and parts of Scope 3), and developed and communicated our climate strategy, to name but a few initiatives.”**



# Company portrait

The SSI SCHAEFER Group is a leading international solution provider for all segments of the intralogistics industry. The company provides innovative technology and software to help customers improve the efficiency and sustainability of order fulfillment, picking and transportation processes. From fully automated warehouses with customized service and maintenance solutions, robotics and driverless transport systems to manual and semi-automated systems such as workstations, racks and containers, SSI SCHAEFER offers small and medium-sized enterprises, as well as large corporations, economical intralogistics solutions and industry expertise from a single source. SSI SCHAEFER has also become one of the largest suppliers of software for internal material flows. The comprehensive software portfolio covers all processes from warehouse management to material flow control and offers all options for integrated, sustainable resource management in the form of modern real-time analyses, intelligent data processing and optimization algorithms.

## **Our mission statement for a successful future**

In 2021, we adopted a new mission statement to guide us into the future and provide direction for our strategic priorities.

### **Our vision**

As a technology leader, we supply the urbanized society with various goods and merchandise in a sustainable manner and measure the quality of our work by the satisfaction of our customers.

### **Our mission**

We enable our customers to meet the growing expectations and needs of their customers more effectively, efficiently and sustainably with solution-oriented intralogistics. This requires an intensive exchange and close cooperation and partnership with various stakeholders.

### **Our values**

As a family business, we focus on shaping the future independently and pragmatically. We stand for cooperation in a strong Group and in long-term partnerships, for which respect for colleagues and business partners is essential. This is the only way we can jointly implement change and focus on sustainability in the management of all resources.





### Corporate structure

The incorporation of “Fritz-Schäfer, fabrikmäßige Herstellung von Blechwaren aller Art”, in 1937 laid the foundation for the more than 85-year history of the family business. Over generations, the Schäfer family has shaped one of the world's largest intralogistics providers. Besides the SSI SCHAEFER Group, two sister companies, SCHAEFER WERKE and SCHAEFER SHOP, also operate under the name “SCHAEFER”, but independently of each other in diversified business segments.

Fritz Schäfer GmbH & Co KG headquartered in Neunkirchen, Siegerland is the parent company of the SSI SCHAEFER Group. In addition, there are some 70 subsidiaries operating worldwide as well as seven production sites.

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

GRI 2-1, 2-9

SSI SCHAEFER is owned by a total of more than 20 shareholders, who are committed to running the SCHAEFER Groups as independent family businesses. In 2020, a new non-family management team was appointed, which is controlled by the Advisory Council appointed by the shareholders. In the financial year 2022, this Advisory Council had a total of 7 members.

During 2022, the Group's management team was composed of Chief Executive Officer (CEO) Steffen Bersch, Chief Financial Officer (CFO) Bruno Krauss and Chief Operating Officer (COO) Harald Rackel. The following matrix structure was implemented in the company in 2020:

Beyond the Management Board, there are 14 different Group functions that are responsible for strategic and administrative management, and report to the respective member of the Management Board depending on their area of expertise.

“Group Social Responsibility and Health, Safety & Environment (HSE)” is assigned to the CFO. Besides the Group function that is responsible for the contents and implementation of the sustainability strategy, the Global Sustainability Council (GSC) has been instigated. The latter involves the Regional Heads, as well as the heads of the business units and Group functions, managing and monitoring the sustainability strategy.



## Organization of the SSI SCHAEFER Group (status: 2022)\*

### ADVISORY COUNCIL

### MANAGEMENT

#### CEO Group

Steffen Bersch

#### CFO Group

Bruno Krauss

#### COO Group

Harald Rackel

### GROUP FUNCTIONS

- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>▪ HR</li> <li>▪ Compliance &amp; Internal Audit</li> <li>▪ Global Communication &amp; Marketing</li> <li>▪ Group Legal &amp; Data Protection</li> <li>▪ Strategy &amp; Business Transformation</li> </ul> | <ul style="list-style-type: none"> <li>▪ Accounting</li> <li>▪ Controlling</li> <li>▪ Treasury</li> <li>▪ Taxes</li> <li>▪ Business Process Management (BPM)</li> <li>▪ HSE &amp; Global Social Responsibility</li> <li>▪ IT &amp; Information Safety</li> </ul> | <ul style="list-style-type: none"> <li>▪ Supply Chain Excellence</li> <li>▪ Direct Spend</li> <li>▪ Indirect Spend</li> <li>▪ Integrated Management System</li> <li>▪ Global Technology</li> <li>▪ GSSC</li> <li>▪ Plant Controlling</li> </ul> |
|--|--|---|

### DIVISIONS (CEO)

- Logistics Solutions (LS)
- Customer Service (CS)
- Products & Equipment (PE)
- Waste & Packaging (WP)

### FACTORIES (COO)

- Neunkirchen (GE)
- Graz (AT)
- Hranice (CZ)
- Malaysia
- USA, Mexico

### REGIONS (CFO)

- North America
- Latin America
- APAC & MEA
- Northern Europe
- Central Europe
- Southern Europe

\*Schematic illustration. No organization chart.

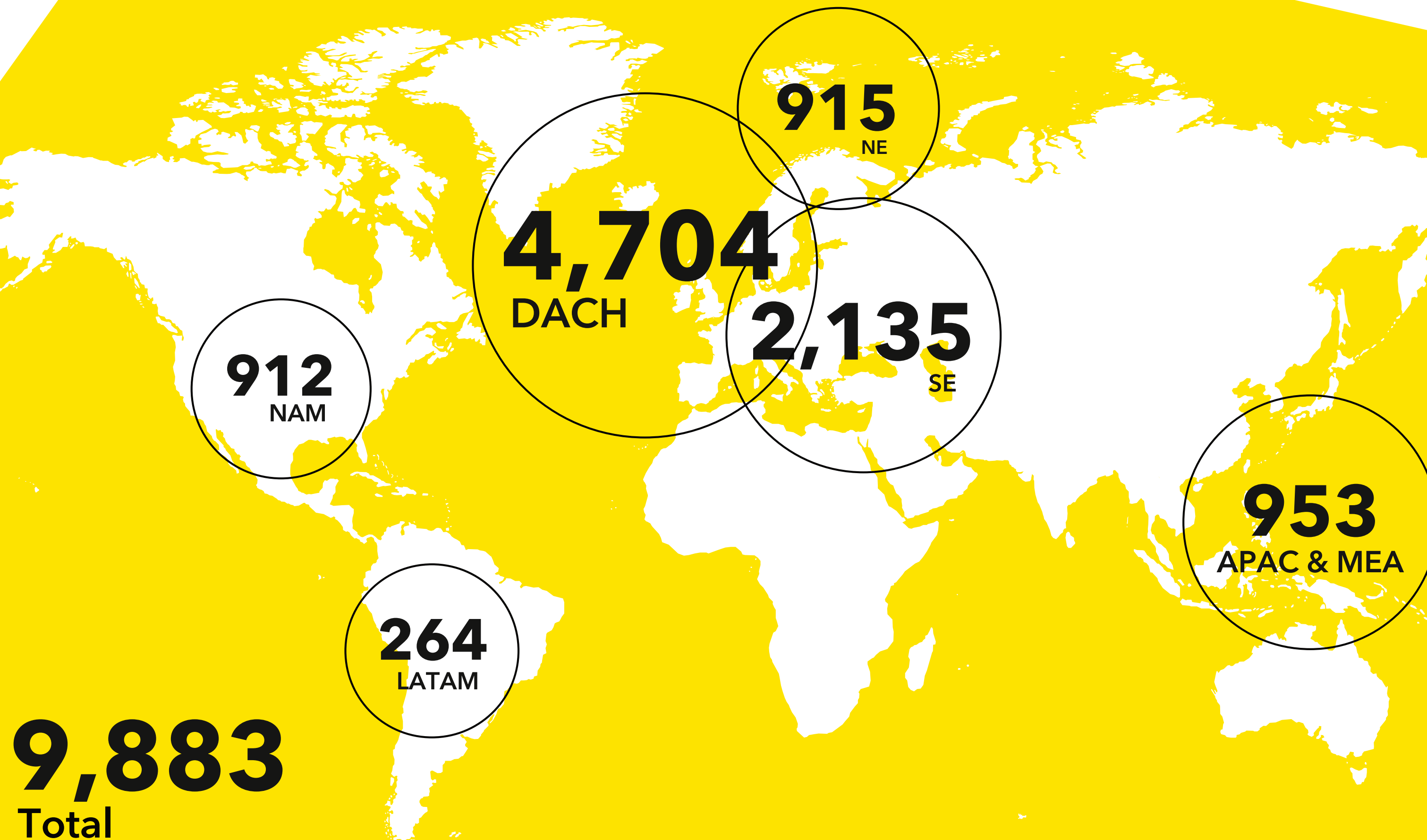
In 2022, SSI SCHAEFER had four overarching, global business units:

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

During 2022, the Logistics Solutions, Products & Equipment and Customer Services business units are each headed by a business unit manager, who reports directly to the CEO. The six regions in which the Group operates have a reporting line to the CFO. The plants in the individual regions are led by the plant managers and report to the COO.



### Employees by region



### SSI SCHAEFER employees in action around the world

Headquartered in Neunkirchen (DE), the SSI SCHAEFER Group has more than 70 branches on six continents, thus combining global and local strength across national borders. SSI SCHAEFER has a presence in APAC & MEA, Northern Europe, Central Europe, Southern Europe, North America and Latin America. Our seven manufacturing sites are located in Germany, Austria, the Czech Republic, the USA, Mexico and Malaysia.

Our employees form the basis for the success of our globally operating Group. As of the balance sheet date on December 31, 2022, we employed a total of 9,883 people (expressed in full-time equivalents) across our various locations, which are distributed among the various regions as shown in the graphic.





### The business model in four business units

As a globally operating corporation, SSI SCHAEFER is the first port of call for intralogistics solutions including software. SSI SCHAEFER plans, designs and produces systems for setting up storage facilities and operations, manual and automatic storage, conveying, order picking and sorting systems as well as waste management and recycling solutions. In the past fiscal year, our Group comprised four business units, namely Logistics Solutions, Products & Equipment, Customer Services and Waste & Packaging.

#### Logistics Solutions

SSI SCHAEFER implements complex logistics systems, starting from system planning and consulting to turnkey systems as well as customized service and maintenance. The intralogistics expert specializes in the following six market sectors and develops solution strategies for a wide range of requirements:

- **Food Retail:** Automated storage solutions for customers who store and ship food. Deliveries are made to wholesalers and stores as well as via e-commerce channels. Most of the warehouses have different cold zones.
- **Food & Beverage:** Storage and order picking solutions for beverages, food/sweets, frozen food, dairy products

- **Retail & Wholesale:** Solutions for companies whose business is the intermediate storage and resale of mostly non-food products to retailers or end customers. Depending on the respective submarket sector, the entire product range of SSI SCHAEFER is used.

- **Healthcare & Cosmetics:** Storage solutions for the pharmaceutical and cosmetics sectors. Deliveries are made primarily to pharmacies, beauty stores and e-commerce customers.

- **Industry:** Automated storage and transport solutions for the industrial sector. Target customers are manufacturers in the mechanical and plant engineering, automotive and electrical engineering sectors. The solutions range from warehouse logistics in production-related environments and spare parts logistics to the use of robotics and automated guided vehicles.

- **Apparel & Fashion:** This market sector comprises all customers who sell or produce fashion items. The goods can be conveyed or stored horizontally, suspended or packed.



To ensure that the material flow within a warehouse is automated, SSI SCHAEFER has developed the WAMAS® logistics software. The WAMAS software portfolio provides a 360-degree software toolbox that can be used to control and monitor all intralogistics processes and take performance to a new level. The Group employs a total of approximately 1,100 software experts, who are responsible for new digital solutions and provide customers with advice on high-performance products for linking software and hardware components. As a certified SAP partner, SSI SCHAEFER also supports solutions such as SAP Extended Warehouse Management (EWM) and assists its customers during introduction and ongoing operation.

### Products & Equipment

SSI SCHAEFER's Products & Equipment business unit offers a broad portfolio of products and solutions for manual and semi-automated intralogistics, which forms the basis for solutions that are tailored to customers' specific requirements.

Thanks to the modularity of the portfolio, the products are optimized for integration and scalability. The business unit breaks down into the following four product sectors:

- **Racking:** One of the most versatile pallet racking systems for individual solutions.
- **Shelving:** Variable and high-quality shelving systems for manual storage in single or multi-level design.
- **Dynamic Systems:** Semi-automated storage and picking solutions that are adapted as required.
- **Automated guided vehicles:** SSI SCHAEFER's own systems and the portfolio of DS Automotion provide customized solutions, also in combination with shelving systems.

### Customer Services

Maximum availability of all systems and short service response times are critical factors in the successful operation of a complex logistics system. SSI SCHAEFER's Customer Services business unit offers a broad portfolio of services using innovative technologies such as augmented support or data-based prevention. Our Service Account Managers serve as a single point of contact for all service issues and create customized service packages for our customers. The services break down into the following four categories:

- **Reactive Services** comprise 24/7 support, 365 days a year. SSI SCHAEFER has experienced and qualified engineers and product managers in over 90 service locations worldwide. In addition, augmented support allows service technicians to follow what is happening in real time, enabling them to respond quickly to service incidents.
- **Preventive Services** include preventive maintenance by specially trained service technicians using a computer-aided maintenance management system (WAMAS Maintenance Center). This is an electronic service portal for the efficient management and control of maintenance and repair work on a customer site. The range of services also includes inspections, safety checks, system monitoring as well as training for business partners' employees.



- **Life Cycle Management** comprises constant support and assistance for customers across the entire service life of their solution and beyond. With the retrofit approach, the SSI SCHAEFER experts bring the system up to the latest state of the art technology. In addition, business partners across the globe benefit from a 24/7 spare parts service.
- **Warehouse Safety Management** is designed to ensure that the racks in the warehouse are operated efficiently and safely throughout the year. To this end, rack safety inspectors are available to maintain and optimize existing storage systems. The added safety makes daily operations more efficient and ensures compliance with the European standard EN15635 and other national standards around the world.

### **Waste & Packaging**

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

In addition to the ongoing development of the existing product portfolio, the company's strategy focuses on developing new approaches to digitalizing waste management and ensuring high environmental compatibility of the products to conserve resources and reduce the carbon footprint.





### Business performance in the reporting year

According to preliminary figures, the SSI SCHAEFER Group recorded incoming orders of EUR 1.74 billion (-12.2%) in the financial year 2022. The decline is mainly due to the fact that major projects in the Group's largest business unit, Logistics Solutions, were postponed to 2023 and 2024, as several customers recorded low order intake due to the economic impact of the war in Ukraine and increased material prices.

Sales revenues dropped by 5.1% to EUR 1.81 billion, partly due to delayed project acceptance caused by materials shortages. All other business segments - Products & Equipment, Customer Services, Waste & Packaging - reported higher revenues than in the previous year.

A key focus in the reporting year 2022 was strengthening the SSI SCHAEFER Group's innovation capability. The aim was to play a leading role in shaping the digital and sustainable transformation, in order to achieve the goal of technology leadership in the intralogistics sector, as set out in the Group's strategy.

An important milestone in the expansion of technology leadership is the agreement signed in 2022 for the complete takeover of DS Automotion GmbH by the SSI SCHAEFER Group. The full acquisition of DS Automotion, a leading provider of mobile robotics (AGV - Automated Guided Vehicles and AMR - Autonomous Mobile Robots), became effective on March 1, 2023. It will strengthen the competitiveness and innovative power of SSI SCHAEFER in robotics and automation, two segments that are pointing the way forward for the intralogistics industry.

### Engagement and collaboration

To further develop our company, it is important to start an exchange with other enterprises and external experts. In order to broaden our horizon and help shape our industry, we are active members of associations, initiatives and partnerships that are in line with our company slogan "Think Tomorrow".

For several years, SSI SCHAEFER has been one of 250 member companies of the VDMA Materials Handling and Intralogistics trade association, the leading intralogistics association in Europe.

In early 2022, our CEO Steffen Bersch was elected as the association's new Management Board Chairman. In this role, he represents the interests of German and international enterprises from the fields of automated guided vehicles, industrial trucks, cranes, storage technology and continuous conveyors, and drives forward trends of the future such as sustainability and digitalization. SSI SCHAEFER is also a member of the German Logistics Association (Bundesvereinigung Logistik) and is active in the association's Sustainability/Environment working group.

In the reporting year, SSI SCHAEFER and Fraunhofer Institute for Material Flow and Logistics IML signed an agreement to set up an Enterprise Lab, in which they will jointly research innovations for the future.

In addition, the companies of the SSI SCHAEFER Group are active in countless other external initiatives and associations at a local level.

## Sustainability management at SSI SCHAEFER

For us, sustainability has two dimensions: acting responsibly along our own value chain and promoting the sustainability of our customers by offering them innovative and future-proof technologies. Only by operating sustainably and acting in an environmentally responsible manner will we be able to meet the challenges of the future.

A value-driven corporate culture is the very foundation of the way we do business. As a family-owned business, we believe that an independent and pragmatic approach to shaping the future is essential, which is why we place high value on trusting collaboration and a spirit of partnership in implementing change.





**Development of the sustainability strategy**

As part of the development of our 2023 Group strategy, we have defined sustainability as one of SSI SCHAEFER's top priorities alongside profitability, innovation, growth, customer satisfaction and people centricity. To lay the foundation for sustainability, we developed a Group-wide sustainability strategy in 2021 and implemented it within the organization. For the detailed development process of our sustainability strategy, please see our [Sustainability Report 2021](#).

The result of the strategy development process is three action areas for SSI SCHAEFER, which we have supplemented by a fourth, process-oriented action area in order to effectively implement sustainability management throughout the Group.

On this basis, we developed our SSI SCHAEFER Sustainability Policy & Roadmap. We formulated objectives and agreed them with the relevant departments and management. For each goal, we defined specific measures and indicators to measure the degree to which the goal has been achieved.

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

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

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

- Digitalization
- Innovation
- Stable and profitable growth

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

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



**Sustainability management as a strategic success factor**




Sustainability at SSI SCHAEFER encompasses all business units worldwide. For this reason, the Global Sustainability Council (GSC) involves the heads of the four business units and the regions, and the heads of the global functions in the Group-wide management and includes monitoring of the sustainability goals.



Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2022
Development of a Group sustainability management strategy	12/2021	Yes/No	<ul style="list-style-type: none"> <li>Management structure (GSC)</li> <li>Identification and naming of local sustainability contacts</li> </ul>	Head of GSR	☑	<ul style="list-style-type: none"> <li>Development of a Group management strategy, including a roadmap.</li> </ul>
Implementation of a Group sustainability management strategy	12/2022	Yes/No	<ul style="list-style-type: none"> <li>Implementation of local processes based on global processes</li> <li>Development and implementation of training for employees</li> </ul>	Head of GSR Regional Heads	☑	<ul style="list-style-type: none"> <li>Annual reporting on the basis of the Sustainability Report.</li> <li>A Global Sustainability Circle was established. Two meetings were held in 2022.</li> </ul>
Publication of the first SSI SCHAEFER Sustainability Report	Mid-2022	Yes/No	<ul style="list-style-type: none"> <li>Development of a reporting structure</li> <li>Text &amp; design</li> <li>Internal and external communication</li> </ul>	Head of GSR Head of Communication / Marketing	☑	<ul style="list-style-type: none"> <li>The Sustainability Report 2021 was published in August 2022.</li> </ul>
Involve employees in sustainability	End of 2022; ongoing	Yes/No	<ul style="list-style-type: none"> <li>Sustainability project for trainees / apprentices</li> </ul>	Head of GSR	☑	<ul style="list-style-type: none"> <li>A sustainability workshop was held at the Malaysian site.</li> <li>The trainees have successfully realised various sustainability projects.</li> <li>Several individual measures initiated by employees (district heating instead of oil at the Wels site, preparation of a study on photovoltaics in Friesach, etc.).</li> </ul>

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

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

SSI SCHAEFER's corporate culture is based on strong values that help us to always act responsibly and sustainably when dealing with stakeholders and resources. We have carefully studied the cornerstones of our values and consistently implement them.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2022
The overall goal of the compliance organization is to create a culture of integrity in the company.	Ongoing	<ul style="list-style-type: none"> <li>Percentage of employees with PC workstation who have completed Compliance eLearning</li> <li>Percentage of employees with PC workstation who have received the Compliance Brief</li> <li>Percentage of senior managers who have received personal training</li> </ul>	<ul style="list-style-type: none"> <li>Access to the eLearning platform for all companies and all employees with a PC workstation</li> <li>Promotion of eLearning on the company-wide intranet "ONE"</li> <li>Regular reminder in case of non-completion</li> <li>Involvement of the Compliance Department in regular briefings by superiors / HSE</li> <li>Regular repetitions and feedback from superiors</li> <li>Organization of training by Group Compliance, either on site at the individual company, remote or at management meetings</li> <li>Raise awareness for compliance throughout the Group and commitment to compliance by the management</li> </ul>	Compliance Officer		<ul style="list-style-type: none"> <li>62% of all employees worldwide have completed the compliance e-learning</li> <li>11% of senior management were trained face-to-face</li> <li>Due to significant structural changes in the compliance organisation, which also resulted in a realignment, the goals for this division were postponed to 2023. In particular, it is planned to introduce a Senior Risk Management Day as a compliance training measure for the top management. At the same time, a training session for the 160 top managers has already been developed in the course of a management meeting in 2023.</li> <li>Regarding the training for production employees, a suitable communication concept is still being developed.</li> </ul>
Design of a Group-wide strategic EHS management system	12/2022	Yes / No	<ul style="list-style-type: none"> <li>Introduction of an organizational structure</li> <li>Definition of Group standards</li> <li>Creation of data collection processes</li> </ul>	Head of EHS		<ul style="list-style-type: none"> <li>Global Occupational Health and Safety Policy published</li> <li>Introduction of a strategic EHS management</li> <li>Development of a global occupational health and safety strategy and implementation of a global escalation plan</li> <li>Execution of global EHS workshops</li> <li>Planning the certification of further sites regarding the occupational health and safety management system</li> </ul>
Definition of global KPIs for safety performance based on data collection	2022	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate</li> <li>Severity of accidents</li> </ul>	<ul style="list-style-type: none"> <li>Definition of the data to be collected</li> <li>Roll out of the reporting process</li> </ul>	Head of EHS Region EHS Managers		<ul style="list-style-type: none"> <li>A strategic occupational safety management system with a global KPI was introduced. The Lost Time Injury Frequency Rate (LTIFR) was 2.87 in 2022.</li> <li>The severity of accidents cannot yet be measured, as the number of lost days of employees is not yet reported.</li> </ul>

 Status achieved     Status not achieved, but partial goals achieved





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

The ability to innovate has always been an incentive for SSI SCHAEFER, from which not only we benefit, but also our partners and customers. Thanks to this commitment, we are now one of the most sought-after solution providers in the intralogistics sector.

In order to act sustainably, we are always striving to offer new and innovative solutions in production, as well as in all our services.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2022
Reduce the pneumatics share in our product range (FT+, PCS, OCS) to 5%	2025	Products with pneumatics (%)	<ul style="list-style-type: none"> <li>Develop alternatives to pneumatics</li> <li>Redesign the product range</li> </ul>	Global Technology		A new sustainability strategy for our product range is currently being developed until mid-2023. Subsequently, a roadmap will be developed.
Introduction of a sustainability body in the product development process in 2022	2022	Yes / No	<ul style="list-style-type: none"> <li>Define the composition of the sustainability body</li> <li>Constituent meeting of the sustainability body</li> <li>Adaptation of the product development process</li> </ul>	Global Technology		We have optimised the structure of the product divisions. From mid-2023, there will be an overarching body across all product groups that will monitor the topic of sustainability.

Status achieved    Status not achieved, but partial goals achieved



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

We were the first company in the intralogistics industry to join the “50 Sustainability and Climate Leaders” initiative. To us, this is not only an incentive but also an obligation to act sustainably, and to make our commitment measurable and visible. For example, a sustainable supply chain is an issue that we consider very important. We want to make an active contribution to minimizing the long-term negative effects of our actions.

Goal	Timetable	Indicator	Actions	Responsible	Status	Achievements 2022
Introduction of a new onboarding process for suppliers	12/2022	Yes/No	<ul style="list-style-type: none"> <li>• Purchase of software support</li> </ul>	Procurement		<ul style="list-style-type: none"> <li>• Reorganisation of procurement in the DACH region is completed. The global implementation of the new structure is planned by the end of 2023.</li> </ul>
Cover 50% of the top 100 suppliers (direct spend) with sustainability audits	2023	Percentage of suppliers audited	<ul style="list-style-type: none"> <li>• Risk analysis of the supplier base</li> <li>• Development of an audit program</li> <li>• Regular implementation of the audit program</li> </ul>	Head of Procurement		<ul style="list-style-type: none"> <li>• The selection of a provider for the human rights risk analysis began in mid-2022, and the contract with EcoVadis was signed in January 2023. An accompanying onboarding tool is being planned.</li> <li>• By the end of 2024, 100% (by the end of 2023: 80%) of all active suppliers are to be registered on the EcoVadis platform.</li> </ul>
75% of buyers trained in sustainability	End of 2022	Percentage of buyers trained	<ul style="list-style-type: none"> <li>• Development of a training program</li> <li>• Regular implementation of the training program</li> </ul>	Head of Procurement		<ul style="list-style-type: none"> <li>• Training was provided for all category managers in the purchasing department. This training will be extended to all buyers within the SSI SCHAEFER Group in 2023 / 24. A postponement of the planned trainings was necessary due to the introduction of an ESG Supply Chain Management Software Solution at the end of 2022.</li> </ul>
Reduce mobility and travel-related emissions by switching to 20% electric or hybrid vehicles	2023	Percentage of electric or hybrid vehicles	<ul style="list-style-type: none"> <li>• Amendment of the Company Car Policy</li> <li>• Infrastructure for charging electric and hybrid cars</li> <li>• Purchase of electric or hybrid vehicles</li> </ul>	Procurement		<ul style="list-style-type: none"> <li>• Amendment of the Company Car Policy for Germany and Austria</li> <li>• Two charging stations were installed in Neunkirchen in 2022 and further charging stations will be installed in Q1 2023.</li> <li>• Share of hybrid / electric company vehicles increased from 4% in 2021 to 7% in 2022.</li> </ul>
Calculation of the carbon footprint for the largest 18 entities of SSI SCHAEFER (Scope 1 and 2)	Mid-2022	Carbon emissions in t CO <sub>2</sub> per year	<ul style="list-style-type: none"> <li>• Obtain external support</li> <li>• Collect energy consumption data of SSI SCHAEFER (18 largest entities)</li> </ul>	Head of GSR Big 18		<ul style="list-style-type: none"> <li>• Scope 1: 16,335 t CO<sub>2</sub></li> <li>• Scope 2: 41,447 t CO<sub>2</sub></li> </ul>
Publication of a carbon / climate strategy for the SSI SCHAEFER Group	12/2022	Carbon emissions in t CO <sub>2</sub> per year	<ul style="list-style-type: none"> <li>• Definition of carbon target (scope 1 and 2)</li> </ul>	C-Level		<ul style="list-style-type: none"> <li>• The climate strategy was developed in 2022 and published at the beginning of 2023.</li> </ul>

Status achieved    Status not achieved, but partial goals achieved



### Our contribution to the Sustainable Development Goals

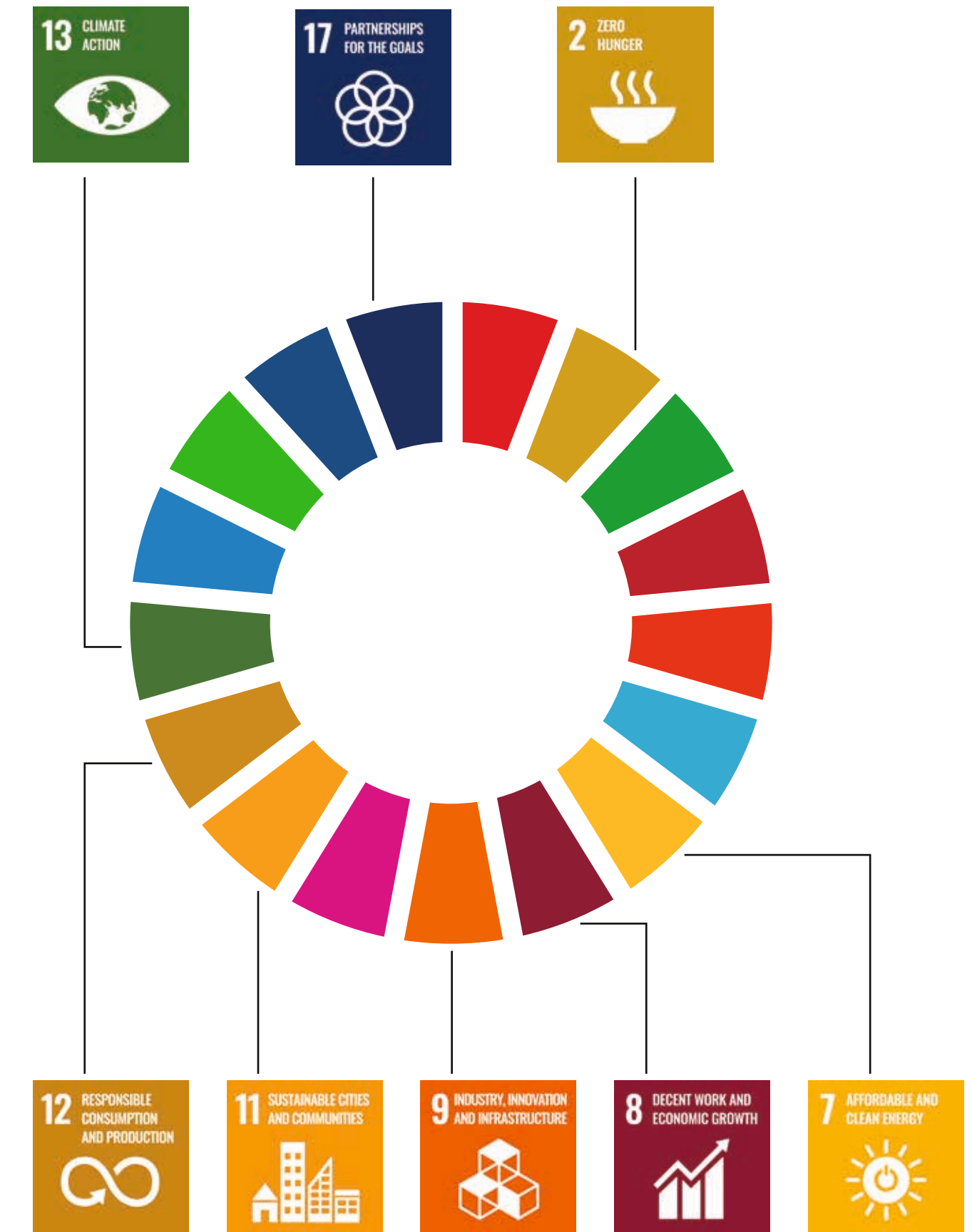
We want our business activity to make a contribution to achieving the 17 Sustainable Development Goals (SDGs). Following an analysis of our most important sustainability issues, our goals and our strategies, we have identified the eight SDGs that are most relevant to SSI SCHAEFER. They have been assigned to the corresponding action areas in order to achieve maximum impact.

### ESG ratings at SSI SCHAEFER

ESG ratings are an important tool for assessing a company's sustainability performance. Ratings use a variety of criteria to assess a company's impact on the environment, the economy and society - and provide investors, customers and other stakeholders with a way to evaluate a company's sustainability practices and its commitment to responsible business practices.

To date, individual SSI SCHAEFER companies have been rated by EcoVadis, one of the leading ESG rating agencies. In 2022, we made preparations to have the Group as a whole rated. This took place for the first time at the beginning of 2023, when we achieved a bronze rating.

To create additional transparency, we use the digital tool "Integrity Next". It helps us to make our sustainability performance transparent to our stakeholders, using a questionnaire to assess sustainability aspects and to provide the corresponding evidence. The result of this voluntary disclosure can be found [here](#).





Field of action 1

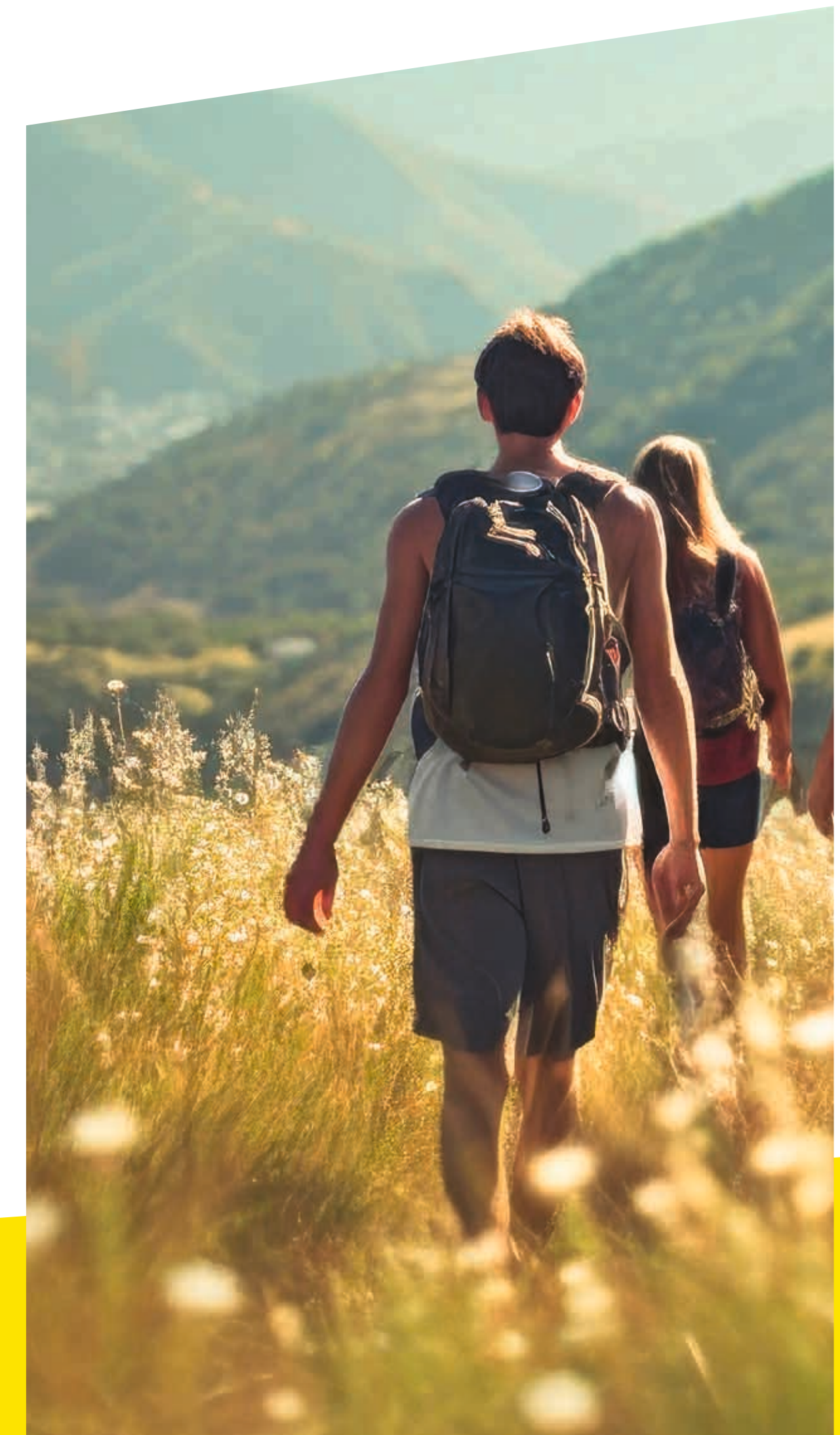
# Value-oriented corporate culture as a foundation for our dealings with stakeholders and resources

In a globalized world, it is crucial that companies clearly define their values and standards - and stay true to them. This is especially true for companies like SSI SCHAEFER, which is extremely diversified with more than 70 branches and around 10,000 employees in six regions of the world. The common basis is our corporate culture, which is rooted in strong values and whose standards and principles apply to all employees.

By complying with applicable laws and regulations we create a foundation that enables us to build and maintain responsible relationships with our

stakeholders. The careful use of resources is just as much a part of our principles as the excellent quality and safety of our products and services. We create an attractive and safe working environment for our employees around the world, that helps them maintain and, ideally, improve their well-being and health over the long term.

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





# Compliance: More than just laws

At SSI SCHAEFER, the term “compliance” does not only refer to the observance of laws. For us, compliance is synonymous with integrity. Integrity means that we strive to do the right thing out of inner conviction and are not distracted by external factors. It also means embedding it in our business processes, creating a framework that gives employees confidence in their own actions. Integrity also influences our business success, strengthening the confidence of our owners and making us more attractive to investors, customers and employees.

## Our strategic approach

Our Code of Conduct for employees sets out ten principles that reflect our values. It is based on laws and regulations as well as internal policies. It applies to all employees and serves as a guide in our daily work, and as a decision-making tool in difficult situations.

In the reporting year 2022, the Management Board decided to reorganize the Group Compliance unit and to restructure it from scratch. A project has been launched for this purpose and to establish Group-wide compliance management system (CMS). Group Compliance is now divided into two departments, Regulatory Compliance and Internal Investigations. Regulatory Compliance is primarily responsible for designing the compliance program, including internal policies, compliance processes, communications and training to support employees in complying with internal and legal requirements. Internal Investigations manages the Group's whistleblower system and is responsible for the independent investigation of suspected violations. The necessary resources for both departments are expected to be in place during all of 2023.

The CMS of the SSI SCHAEFER Group is to be aligned with the core elements of internationally recognized auditing standards.

The three pillars of prevention, detection and response form the basis of the compliance program to reduce risks in the areas of fraud, embezzlement, corruption, bribery, money laundering, conflicts of interest and human rights. Group Compliance works closely with other governance-related Group functions such as Legal, Data Protection, InfoSec, HR and Finance, and the operational managers in the business units and regions.

The head of Group Compliance & Internal Audit serves as the Group Chief Compliance Officer and is responsible for the implementation of the reorganization and the project. The Group Chief Compliance Officer reports directly to the CEO of the SSI SCHAEFER Group. To ensure sufficient independence of the Compliance function, he also reports to the Chairman of the Group's Advisory Council, as required.

### Our achievements in 2022

- An important topic this year was the preparation for the German Supply Chain Due Diligence Act (LkSG), which will come into force in 2023. A special focus was placed on human rights.
- We have drawn up a Human Rights Policy Statement, which has been adopted by the management. We have also initiated a project on human rights issues and defined various measures to be implemented by the end of 2023.
- We have revised the Codes of Conduct for employees and business partners and adapted them to the legal requirements of the LkSG. A framework enterprise agreement on compliance has been proposed to the works council.
- To implement the global compliance management system, we have launched the “Protect & Serve” project. Project completion is scheduled for 2025, including certification of the management system.
- A new e-learning program for employees on the Code of Conduct started in January. The topics addressed include anti-corruption, competition law,

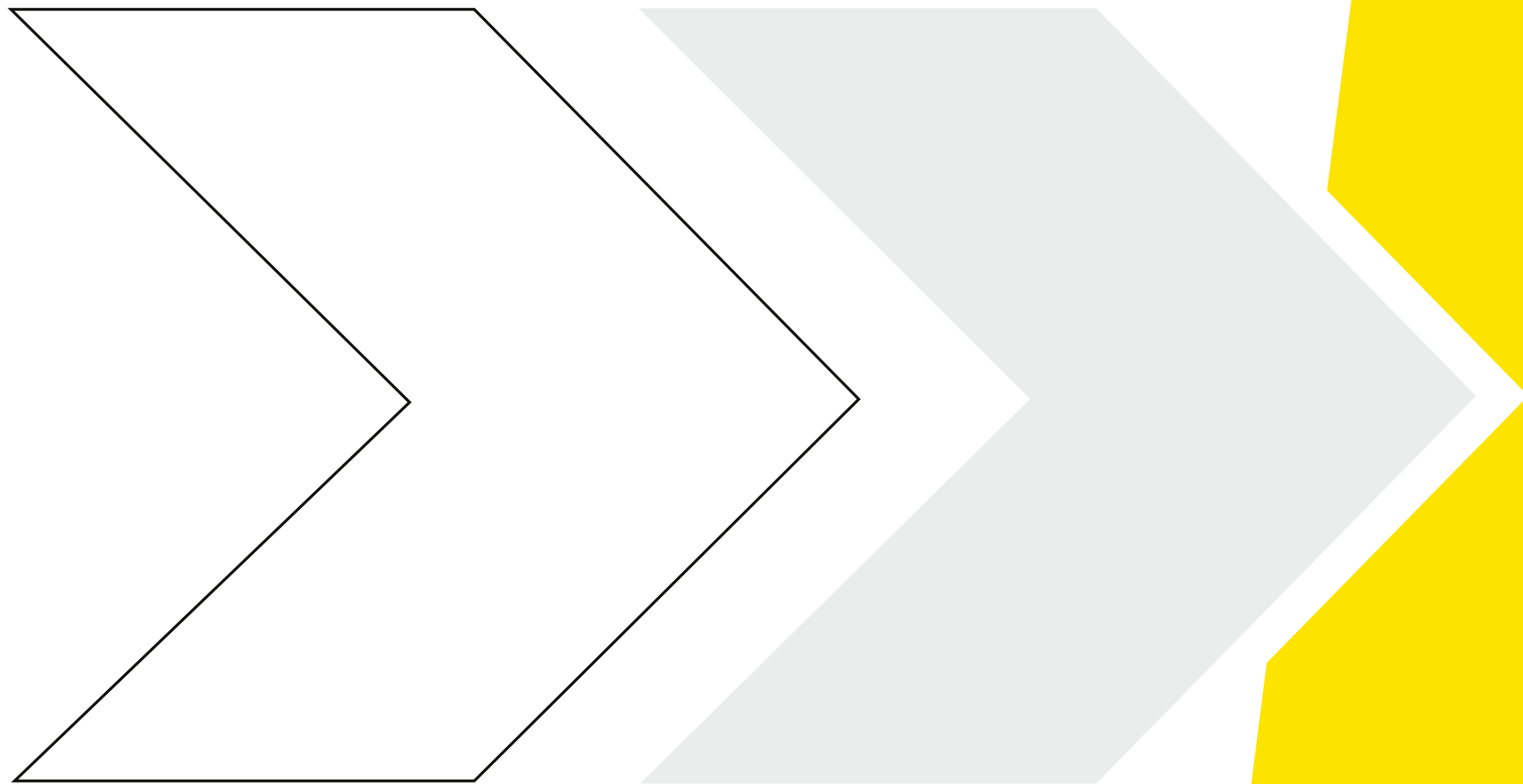
human rights, conflicts of interest and data protection. During the reporting year, only 62% of the employees connected via the SSI Academy who have their own online access completed the bi-annual basic training on the Code of Conduct; 11% of the senior managers received classroom training. We did not meet our prior year target of at least 80% participation each by the end of 2022. Full achievement of this target is again on the agenda for 2023. The following years will focus on improving the participation and completion rates in general as well as on the continuous expansion of the available training. The training concept is to be completely revised in 2023. This also includes a new concept for the training of employees without access to a computer, which was therefore suspended in the reporting year.

- We have published a policy on the use of external staff under service, work and temporary employment contracts. The aim is to engage service providers in a safe and legally compliant manner and to avoid bogus self-employment.

- Within the Compliance Department, we have created new structures and positions. The team is now composed of two units: “Regulatory Compliance” and “Internal Investigations”.







## Outlook

- We plan to introduce a hazard analysis for the SSI SCHAEFER Group in the coming years. This includes an analysis of compliance-related risks and the definition of risk scores and mitigation measures. The hazard analysis will form the basis for the further development of the compliance program.
- In addition, we intend to revise and publish various policies, e.g. on human rights, sales partner compliance, the avoidance of conflicts of interest, whistleblower and the associated investigation process.
- For our compliance training, we will continue to pursue our prior-year target of 80% participation for employees and senior managers.
- We will expand our compliance management system, e.g. by adding at least three new members to the team.
- In order to verify the integrity of our business partners, in particular with regard to the risk of corruption, we will devise a risk-based due diligence process. This process will screen our business partners, initially agents and distributors, for compliance-related risks before entering into a business relationship.

# Excellent quality, safe products

The solutions provided by SSI SCHAEFER must meet the highest demands. Our customers expect us to deliver products that are easy to install and operate. They must also be durable, have low susceptibility to failure and be easy to service and repair. In these times of increasing cybercrime, the data security of our digitally controlled plants is also very important.

To ensure the quality and safety of our products and services, we will implement uniform quality and safety standards at all sites and integrate the quality management system into our business processes. In this way, we can ensure that our products and services meet the highest standards and offer our customers a high level of reliability.

## Our strategic approach

By 2026, all major units of the SSI SCHAEFER Group will be certified to various ISO standards: Quality (ISO 9001), Occupational Health and Safety (ISO 45001), Environmental Management (ISO 14001), Information Security (ISO 27001) and Energy Management (ISO 50001). We are thus laying the foundation for a standardized, integrated management system at the highest level, and are driving forward its professionalization.

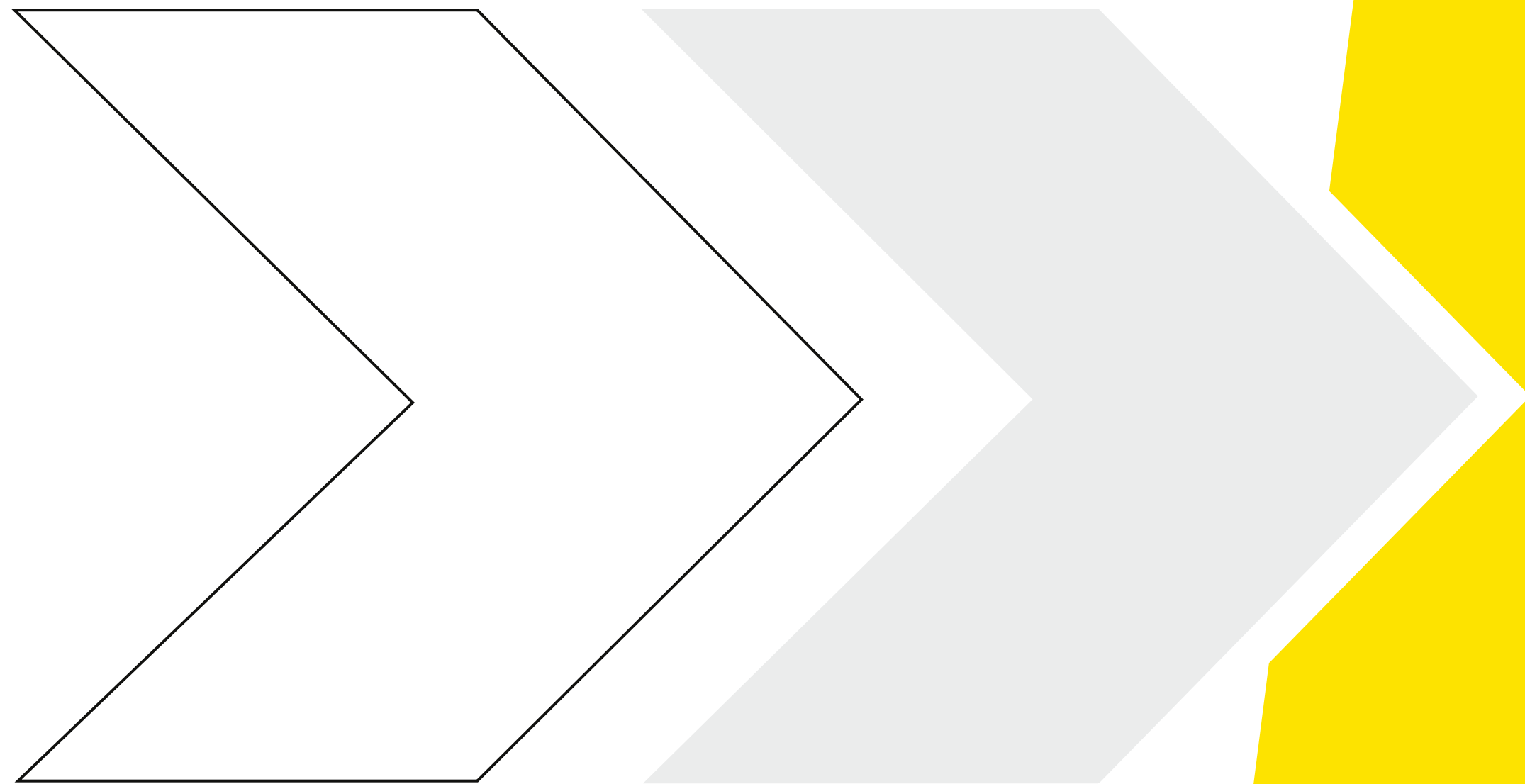
To manage the integrated management system efficiently, we will bundle all relevant information on a central digital platform.

## Our achievements in 2022

- In 2022, we continued to roll out the necessary requirements for Group certification. These include standardized management system documents and processes, a management and process assessment, a management manual, clearly defined organizational and reporting structures including global reporting, and a global audit program.
- All existing certificates were renewed successfully.
- A transfer and combination audit (ISO 9001, ISO 45001, ISO 27001) was successfully completed for our UK company.
- A total of 31 supplier audits had been planned for 2022, of which 11 were completed, as the Ukraine crisis and the Covid pandemic led to a shift in priorities.
- As the implementation of the Group certification was postponed to 2023, e. g. due to pandemic-related travel restrictions for audits and procedural changes on the part of the accreditation company, we were able to focus on harmonization measures within the Austrian entities. This involved pooling processes and documents from several units.







## Outlook

- The overarching goal of Group certification will be carried forward into the coming financial years. The focus of Group certification will gradually shift from Austria to Germany and Switzerland. We aim to complete this integration in 2024.
- Quality assurance will be another priority, for which we will develop overarching standards. We will also harmonize the quality standards across the Group and establish a global reporting system.
- In addition, we plan to extend the HSE certifications (ISO 45001 and ISO 14001) in Austria, Germany and Malaysia by 2024.

# Mindful use of resources

Mankind is consuming more resources than ever before. This is an issue because many resources are finite, such as fossil fuels like oil, coal and natural gas. At the same time, the excessive consumption of resources has a negative impact on the environment. It affects our ecosystems, leads to soil degradation, water scarcity or loss of biodiversity, and exacerbates climate change.

The mindful use of natural resources is therefore an important pillar of SSI SCHAEFER's sustainability strategy. We see potential for savings especially in our energy consumption and the use of fossil fuels (see chapter Stopping climate change, p. 58).

## Our strategic approach

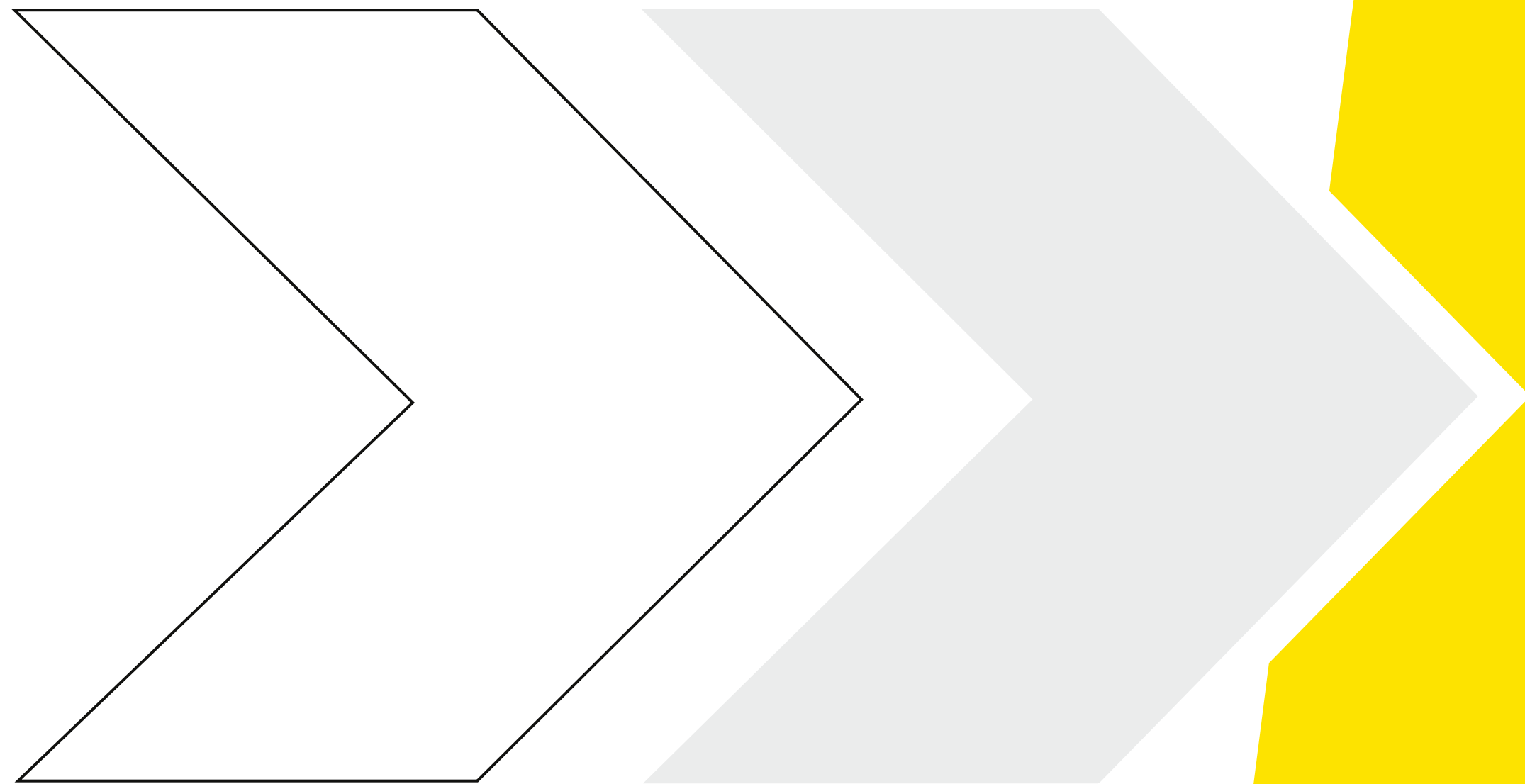
To save energy along the value chain and protect the climate at the same time, we have been working on a comprehensive climate strategy; we want to increase the energy efficiency of our processes, products and buildings and purchase electricity from almost 100% renewable sources and, wherever possible, produce it internally using technologies such as photovoltaics or wind power.

When purchasing steel and plastics, we are increasingly using recycled materials (see chapter Securing sustainable supply chains worldwide, p.55). We save water and space by continuously optimizing our processes. For new and existing buildings and open spaces, we will use renewable energy sources and sustainable building materials wherever possible and economically viable. We also contribute to our customers' resource efficiency by designing our products and systems to be energy efficient and space saving.

## Our achievements in 2022

- The climate strategy planned for 2022 was developed, signed by the management in the first quarter of 2023 and presented to the employees of SSI SCHAEFER.
- The deconstruction of the seven halls in Neunkirchen was carried out in accordance with the criteria of the German Sustainable Building Council (DGNB) and will be certified accordingly once the project is completed. By relocating the processes to existing halls, we will save both electricity and heating energy in the future.





## Outlook

- Once the climate strategy has been adopted, we will develop projects that effectively address resource conservation in our manufacturing and along our supply chain.
- The energy transformation concept for the Neunkirchen site is expected to be finalized by August 2023. The aim is to devise a site-specific strategy for a future with the lowest possible carbon consumption.
- In spring 2023, we will organize product sustainability workshops to identify possibilities for resource conservation in product development.
- We are drafting a Group-wide Sustainability Policy for SSI SCHAEFER. The policy will provide guidance on how the individual business units will implement sustainability in their processes in the future.

# Responsible employer

SSI SCHAEFER gives top priority to fair working conditions and responsible treatment of its employees. Our aim is to create an attractive working environment in which our employees feel comfortable. We build long-term employment relationships and trust with our employees and support them in developing and enhancing their personal skills in the workplace. We believe this is an important contributor to our business success

## Our strategic approach

While there is a common management approach across the company, the level of implementation in terms of tools, policies, processes, etc. still varies due to the different circumstances in each region. Our status for the Central Europe region is as follows:

### Fair and safe working conditions

We offer our employees meaningful work in a value-driven international company, including health management in Central Europe. We place great emphasis on fair compensation based on a transparent, performance-based compensation system, including holiday pay and a Christmas bonus, as well as overtime pay. Works councils represent the interests of our employees vis-à-vis the employer, and some companies have representatives for severely disabled employees.

### Training and further education

Since 2022, the SSI SCHAEFER Academy has offered almost all employees worldwide organized learning opportunities (see chapter Focus on employees, p. 67). With a wide range of online and face-to-face training courses, we support them in developing their professional and personal skills.

### Company pension scheme

Employees at our Central European locations have the opportunity to supplement their statutory pension with a company pension.

### Work-life balance

Our employees can take advantage of flexible work schedules and work remotely on a pro-rata basis if their role allows. We encourage flextime and parental leave where legally possible, for all employees.

### Additional benefits

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

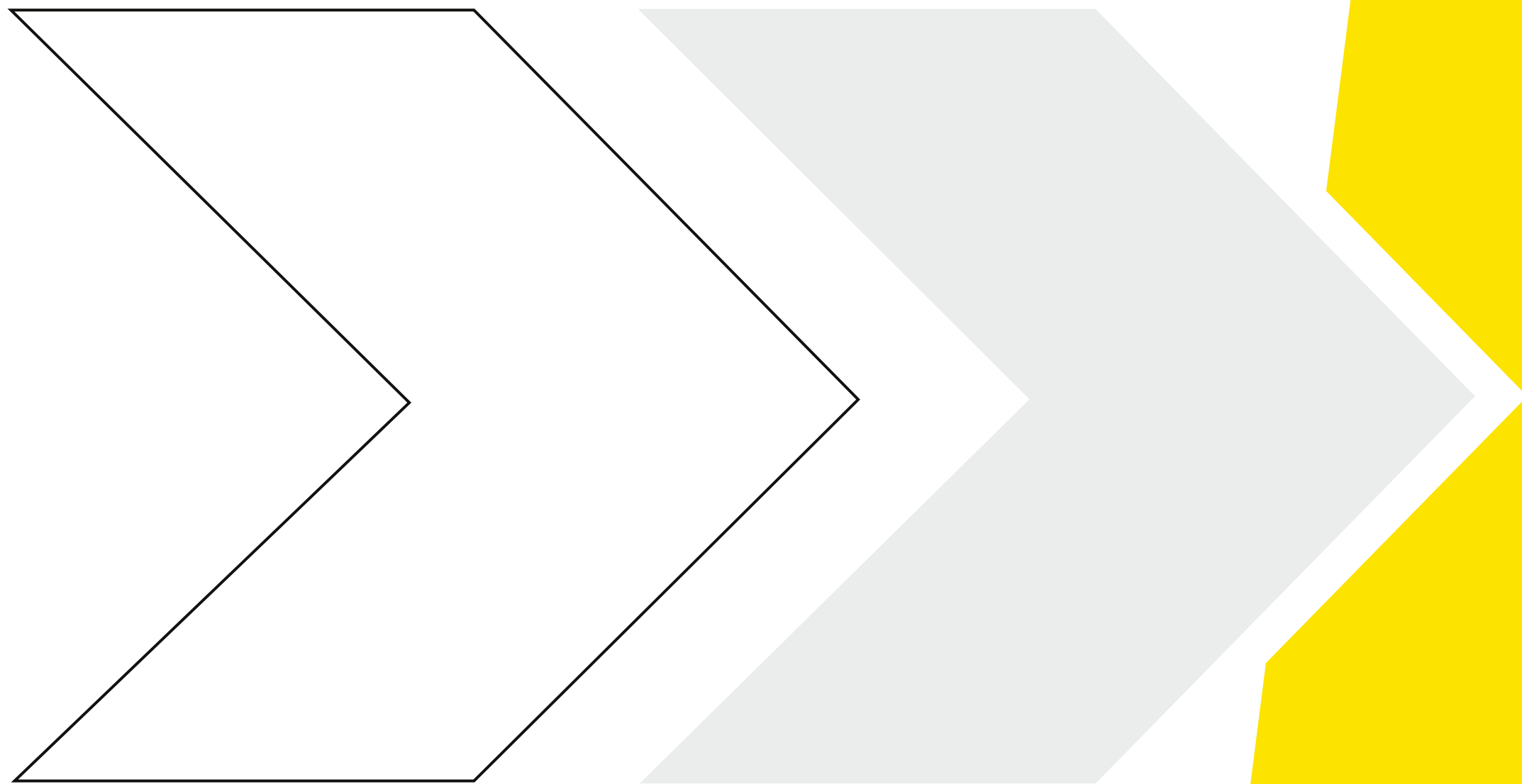






### Our achievements in 2022

- One of the focal points of our human resources development activities in 2022 was centered on the top management level. The Leadership and Management Program gave 170 executives the opportunity to discuss and internalize an integrated leadership and management concept, exchange ideas, and build a leadership network. Particularly in times of organizational change, the program provides stability, security and support for everyday leadership.
- We have advanced the digitalization of HR with the introduction of a central platform for the transfer of all local HR systems into a global HR system, the "HR Universe". As a first step, all global employee master data has been entered into the system and can now be managed. HR Universe is now the leading HR system at SSI SCHAEFER; HR data can also be made available in "non-HR" systems, e.g. in IDL, our financial reporting system. HR Universe also ensures standardized Group-wide reporting for all employees and displays organizational charts. It went live in October 2022.
- We completed preparations for the launch of the new "Planet Learning" learning management system which was implemented in the second quarter of 2023.
- To further promote a unified corporate culture, we developed and piloted a prototype of the "Employee Dialogue" for feedback discussions between employees and their managers.
- Individual development centers were held for selected executives. The aim of these formats is to identify the strengths, development areas and the potential of the participants, and then to support them with the help of tailor-made development measures.
- We also introduced a Company Car Policy (for Austria and Germany), and a Mobile Working Policy, to gradually create a uniform framework for all employees.



## Outlook

- In 2023, we will launch additional training formats for top executives with a focus on change management. Moreover, there will be training opportunities for senior and middle management as well as for all employees.
- The HR Universe platform will be further developed in 2023 and 2024. Additional modules, such as Learning, Performance & Goals and Recruiting, are scheduled to be launched in 2023 and 2024.
- The Development Center format will be continued.
- In addition to the global bonus system, we will implement a uniform bonus system for middle management that is aligned with the existing system.
- We will intensify our employer branding activities in order to retain employees and attract young talent. The aim is to position SSI SCHAEFER even more strongly as an attractive employer, both internally and externally, with the help of a strong employee value proposition (EVP).



# A safe workplace for all

We pay special attention to the safety of our employees in all of our workplaces – in production, on customer job sites, in mobile field service, and in our offices. That is why we have established professional occupational safety measures to maintain and, ideally, improve the health of our employees. We are aware that healthy employees are essential for the success of our company. For this reason, we make sure that working at SSI SCHAEFER is as safe and healthy as possible.

## Our strategic approach

We work continuously to improve occupational health and safety and support responsible behavior in potentially hazardous work situations. For this purpose, we have introduced an occupational health and safety management system, which is certified according to ISO 45001 in some parts of our company.

To prevent accidents, we regularly review safety standards at our manufacturing sites, customer job sites and offices. We take the necessary measures and provide our employees with personal protective equipment and regular safety training. In addition, internal and external safety audits are conducted regularly at our ISO-certified sites.

We carefully analyze our operations. Whenever an accident occurs, we examine what happened, why it happened, and what we need to do to prevent it from happening again. The results are incorporated into our continuous improvement process and into the safety training for our employees. We use a digital tool to record the number of accidents and analyze them centrally.

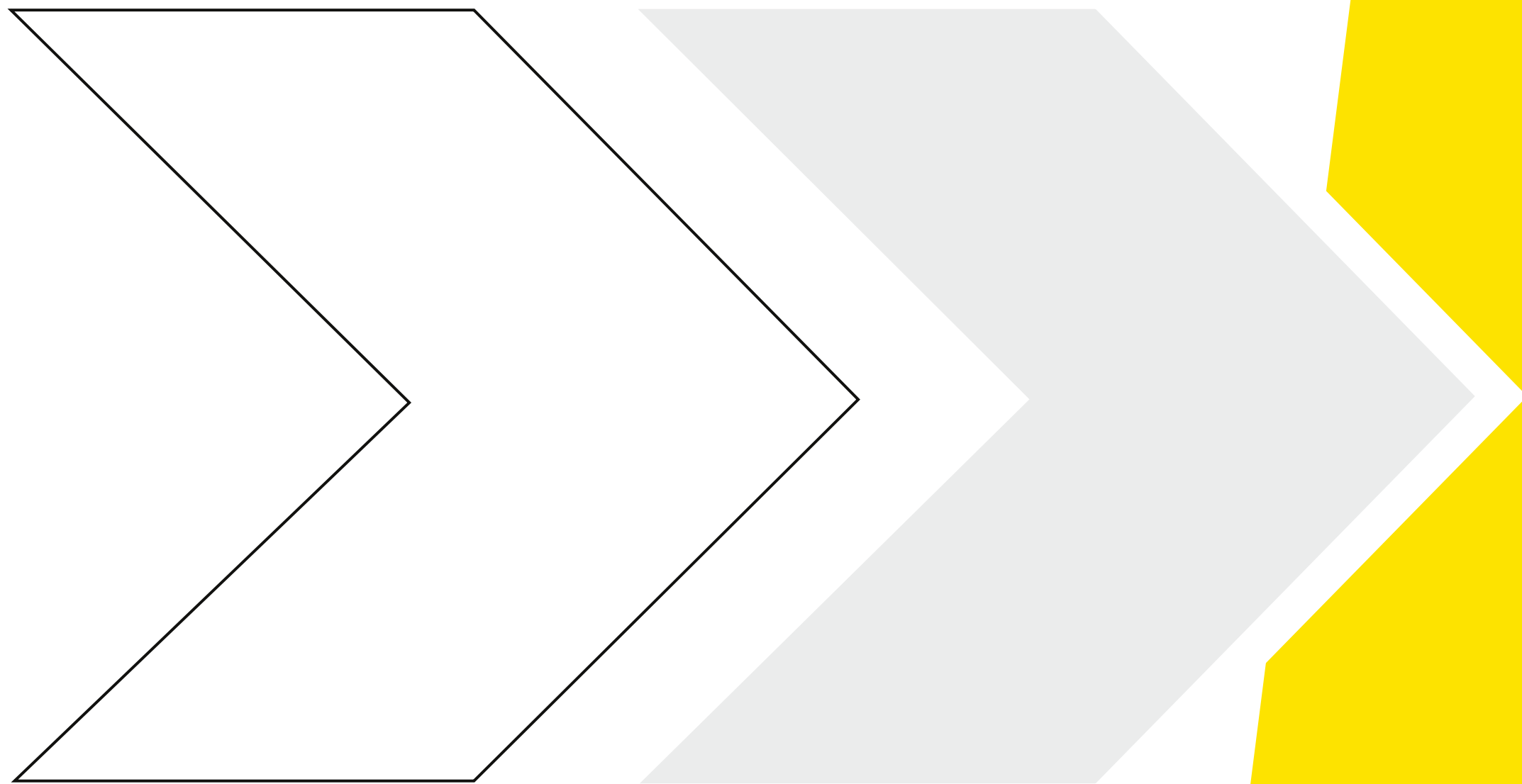




### Our achievements in 2022

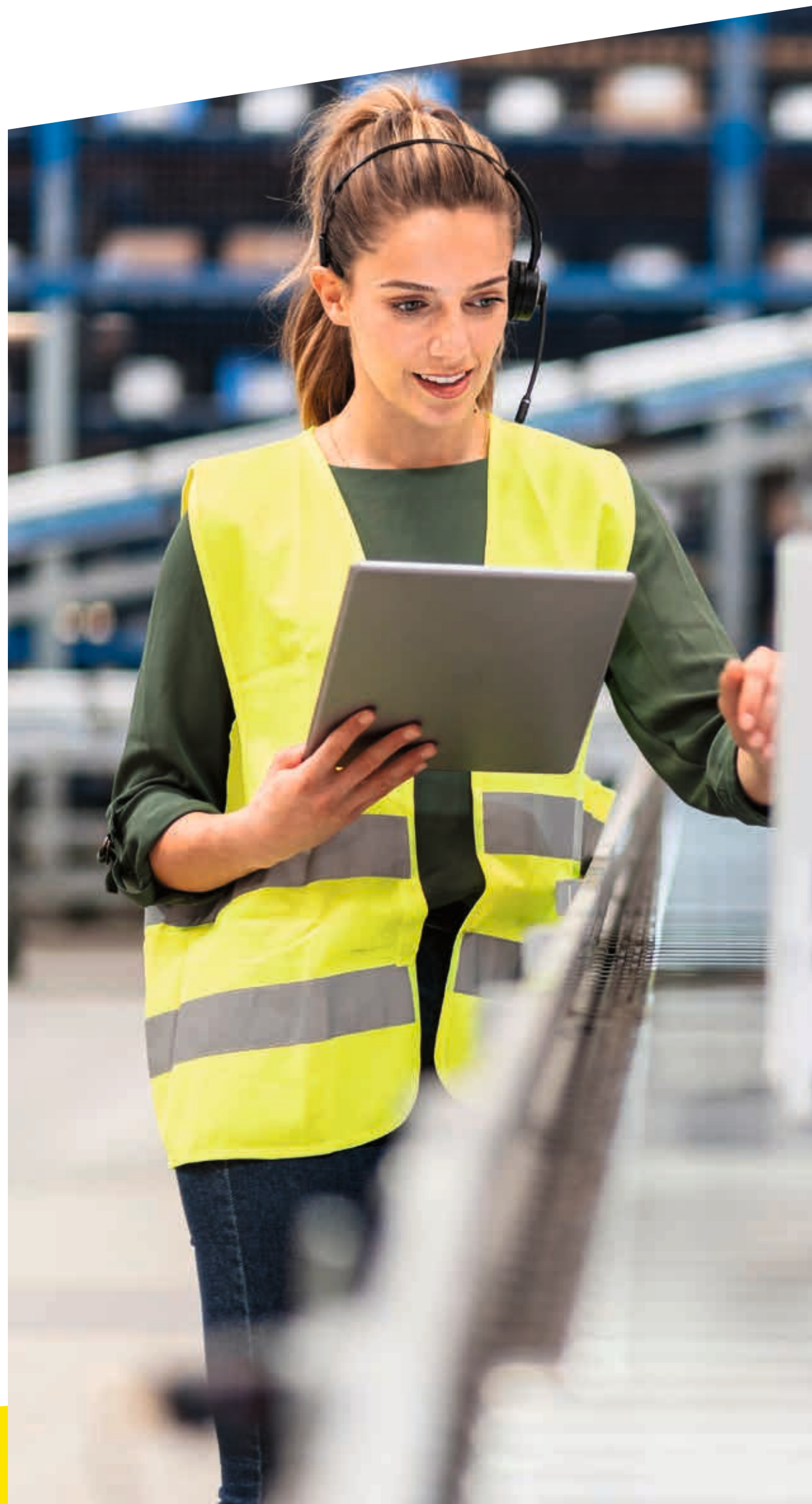
- In order to ensure a uniform standard of safety throughout the company, we have published a “Global Health and Safety Directive”.
- We have implemented a strategic occupational safety management system with a global key performance indicator, the Lost Time Injury Frequency Rate, which was 2.87 in 2022 (2021: 2.96).
- We have developed a global occupational safety strategy and a roadmap for implementation. We also developed a certification strategy for ISO 45001 and other management systems for the entire SSI SCHAEFER Group.
- Our plants in Simpang Renggam (Malaysia) and Neunkirchen will be certified to ISO 45001 in 2024. In preparation for the certification, a gap analysis was carried out in Neunkirchen to identify deviations from the requirements and to close these gaps. Simpang Renggam will undergo such an analysis in 2023.
- To support the flow of information in the event of serious occupational health and safety incidents, we have established a global escalation process.
- We have produced a safety film that serves as the basis for safety instructions to visitors and third-party contractors on construction sites. In addition, we have developed training measures, an internal newsletter and a concept for the processing of lessons learned and examples of best practice.
- The extensive Covid protection measures were reduced to a minimum during the reporting year in accordance with the requirements of the individual countries.





## Outlook

- In the coming years, we want to introduce the occupational health and safety system according to ISO 45001 at all production sites of the SSI SCHAEFER Group. Certification of the Fritz Schäfer GmbH plants in Neunkirchen and Simpang Renggam (Malaysia) is planned for 2024.
- The certification also requires us to assess our business partners for their security standards and conduct supplier audits. For this purpose, we will use the digital platforms EcoVadis and SAP Ariba starting in 2023.
- Our safety experts use the “Accidents Newsflash” format to analyze lost time accidents, process them as lessons learned and share them with all safety managers in the organization. Starting in Q4 2023, a monthly newsletter will inform interested employees about relevant occupational health and safety issues.
- Based on the Global Health and Safety Directive, a maturity analysis is to be conducted in 2023.



Field of action 2

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

As a world leader in the supply of modular storage and logistics systems, SSI SCHAEFER has a consistent focus on innovation. And we firmly believe that sustainability and innovation go hand in hand. Our aim is to offer our customers sustainable and future-proof solutions that increase efficiency while at the same time taking environmental and social aspects into account. To this end, we also work closely with partners in research and development, as well as with start-ups - thus contributing to **SDG 17 Partnerships for the Goals**.

Intelligent processes play a key role in sustainable and future-proof intralogistics. By using digital systems, products and processes, we create added value in terms of sustainability and efficiency - for both our customers and our company.

Profitability and stable growth are the basis for sustained innovation so that we can respond to the ever-increasing demand for intralogistics solutions and make targeted investments in the future. With our innovation strategy, we also make a contribution to **UN SDG 9: Industry, Innovation and Infrastructure** and **SDG 11: Sustainable Cities and Communities**.







## The future is digital

Digitalization offers tremendous opportunities to make intralogistics more sustainable. By using intelligent control software to analyze, streamline, and automate processes, companies can save energy and production materials, reduce emissions and waste, and improve working conditions for their employees. At SSI SCHAEFER, we not only implement this approach internally, but also offer digital solutions that help our customers to operate more sustainably.

However, digitalization also brings challenges in terms of security and data protection. The online availability of company data increases the risk of cyber attacks and data misuse. It is therefore essential to ensure the technical security of IT systems and to train and educate our employees in the use of software.

### **Our strategic approach**

At SSI SCHAEFER, we use digitalization to create added value, for our customers, our employees and our company, as well as for the environment and the climate.

GRI 3-3

We use digital technologies to make our data globally available in protected environments and to optimize and automate our internal processes. Our software solutions help our customers to operate in a resource-efficient manner.

To guarantee information security, we invest heavily in the protection of our IT systems and software products. In line with the principle of “privacy by design,” we take data protection into account right from the product development stage.

The information security management systems at Neunkirchen and Charlotte (USA) are certified to ISO 27001 (see chapter Excellent quality, safe products, p. 24). To further strengthen our data protection management, we use data protection software that supports efficient documentation and communication. We monitor court decisions, government publications, and proposed legislation to stay abreast of the latest legal developments. We also provide regular privacy and cybersecurity training and newsletters to our employees.

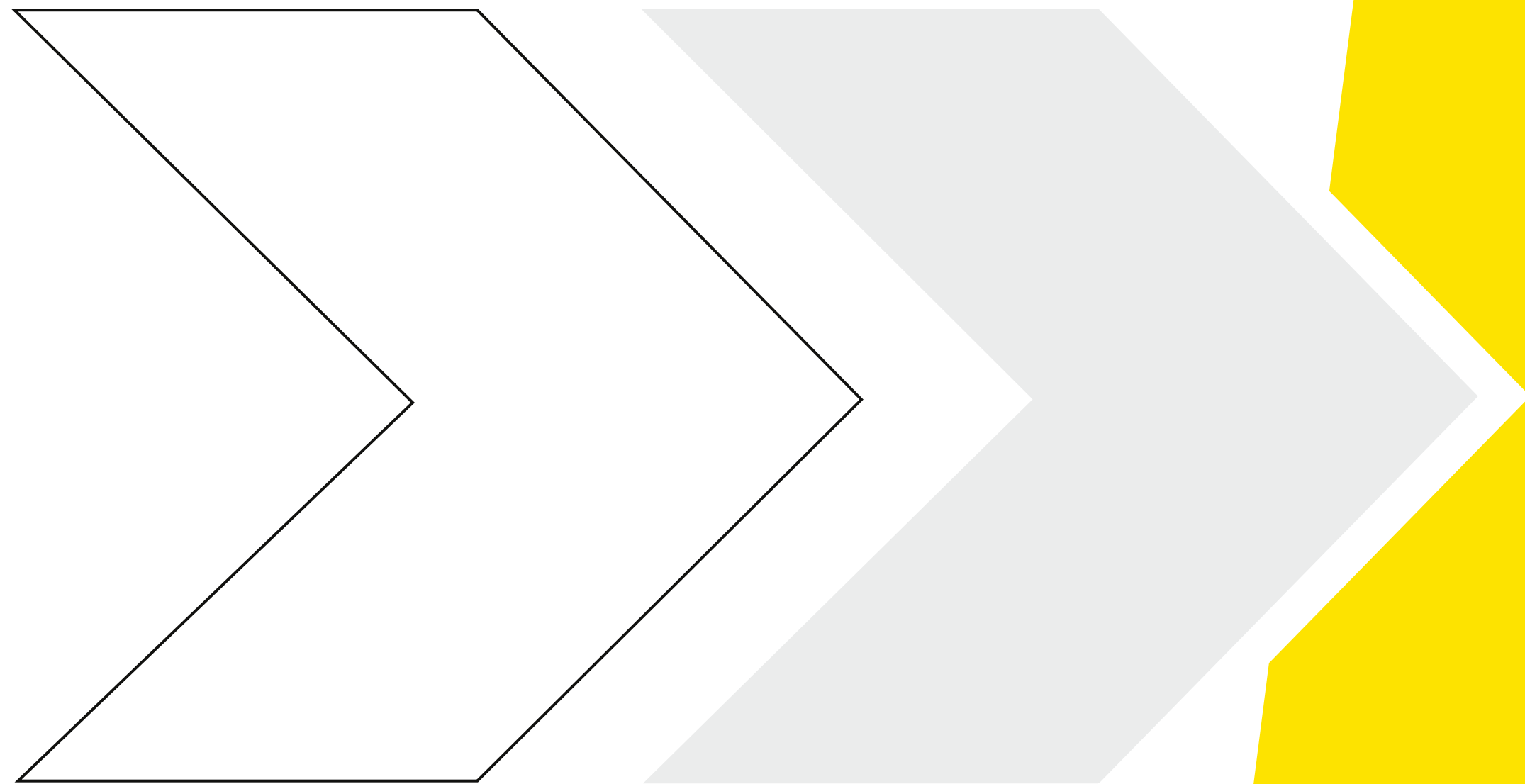


### Our achievements in 2022

- In 2022, we further expanded our internal document management system and made technical improvements to our global data network.
- We advanced the development of innovative software solutions to help our customers proactively and efficiently maintain their equipment and accurately forecast incoming orders. Among other things, we have developed a tool for predicting order items.
- The data protection organization has been further strengthened as a key compliance function. We have pooled our data analytics expertise in a Data Science Team, which will be expanded in 2023.
- We have put our collaboration with customers and suppliers on a resource-efficient footing with legally compliant processes and documents. Among other things, we have introduced standardized agreements for order processing that take into account complex digitalization measures and internal data flows.
- To ensure that data protection issues are handled professionally, we have established a number of compliance processes, including one to help our business units meet their legal obligations in the event of a personal data incident.
- The “Data Protection Policy for Internal Projects” developed in 2022 helps our specialist departments to implement projects in a data protection-compliant manner and to comply with legal requirements. We have also published a global password security policy.
- At the end of the year, we initiated a sustainability dialogue with research partners, which will be continued in 2023. The aim is to further develop or generate new ideas for products, services and internal measures - e.g. with regard to carbon footprint, energy and resource use or ergonomics.







## Outlook

- In 2023, we will expand our data protection processes, standards and policies and adapt them to changes in products, projects and the regulatory environment.
- Currently we are already raising awareness among our employees about the careful handling of personal data. In 2023, we will intensify our training activities to further optimize the implementation of existing processes and rules. We will also define a catalog of sustainability criteria to be considered in our innovation process. The catalog will not only cover the sustainability of SSI SCHAEFER in the supply chain and in production, but also the impact of innovations on the sustainability of our customers through the use of our solutions.

# Sustainable innovations

Innovation is an absolute necessity to make our business fit for the future, enable sustainable operations, and help address the climate crisis. To us, innovation means finding a new way to solve a core customer need.

To enable innovation, it is necessary to systematically monitor the market, technologies and society, and to identify developments early on. We see great opportunities for the future of intralogistics in the trends towards digitalization, robotics-based automation, artificial intelligence and resource efficiency along the supply chain (see chapter The future is digital, p. 35).

## Our strategic approach

Our strategic goal is to create an innovation ecosystem. To this end, we network with our partners in research and development as well as with start-ups. Another important element is working with customers on joint innovation projects.

SSI SCHAEFER explicitly encourages its employees to participate in shaping the future of the company. Our innovation guideline creates the framework, as it formulates our understanding of innovation, provides orientation for the employees and encourages them to submit their ideas.

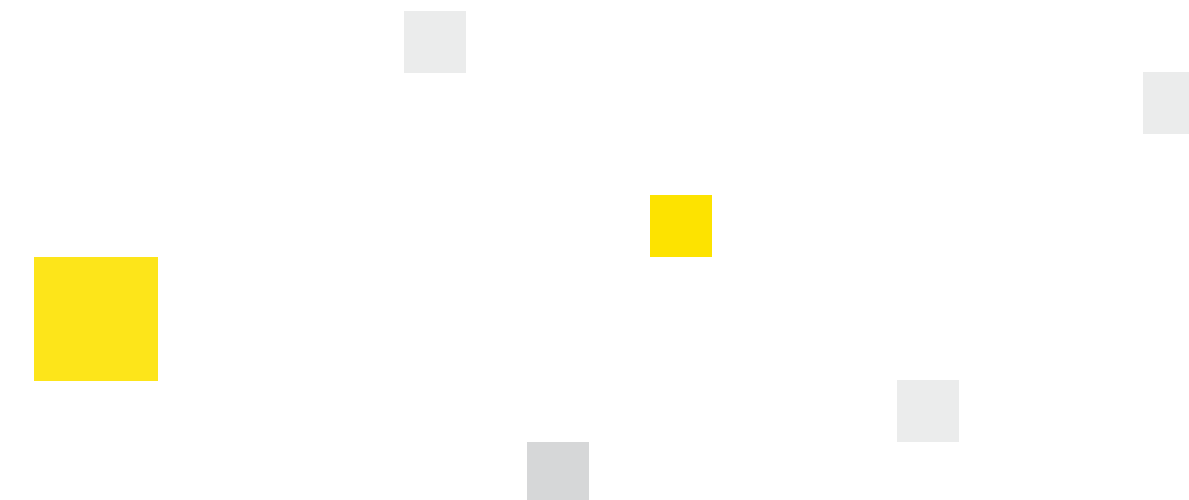
To ensure that we promote exactly those innovations that contribute to sustainable transformation, we have established a structured innovation process that takes sustainability criteria into account.

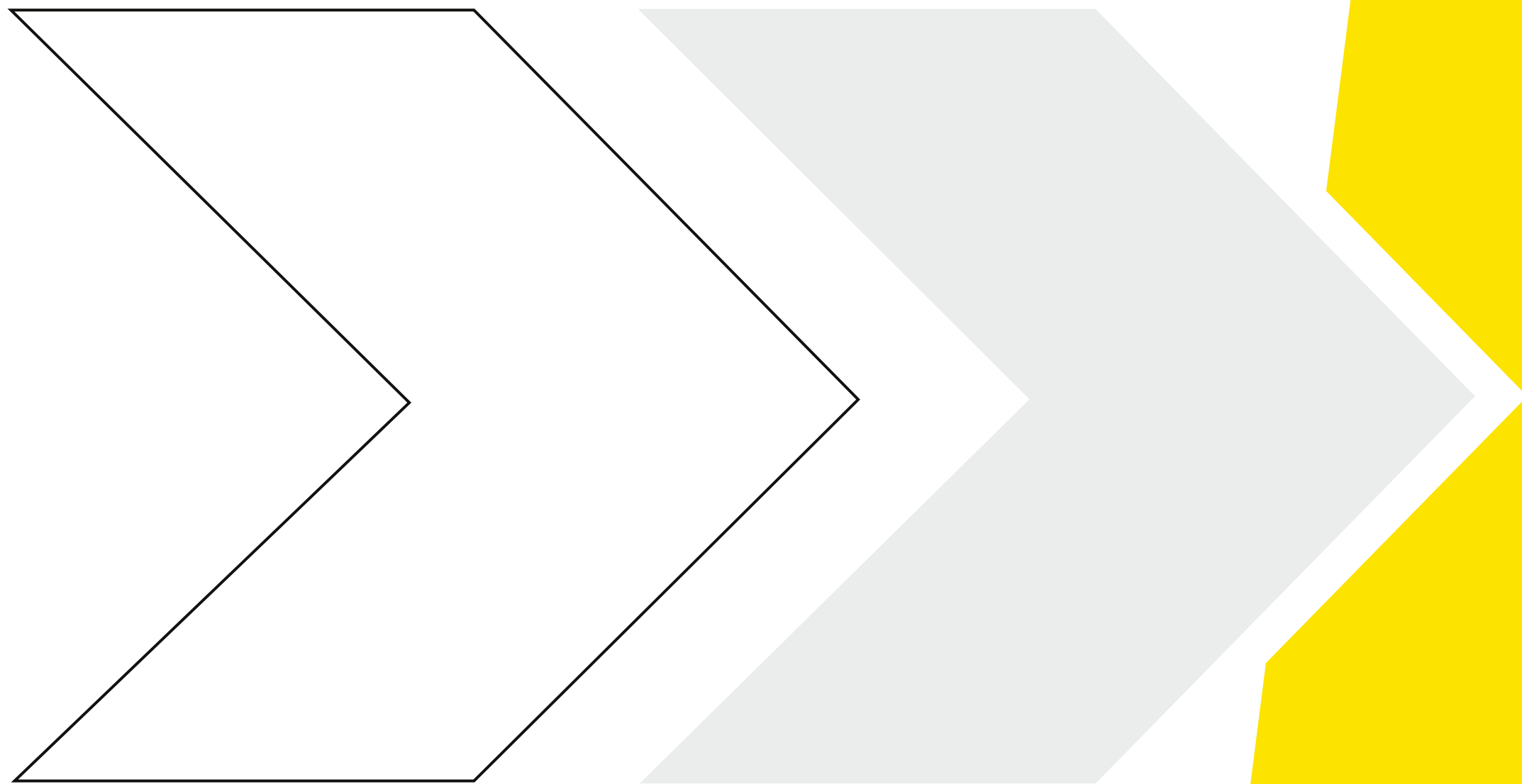




### Our achievements in 2022

- In 2022, we presented combinations of automated guided vehicles with mobile racks and with orbiters. These integrations have allowed us to fill a gap in our portfolio with an innovative solution.
- Various innovation projects have been initiated and are currently being implemented, for example on topics such as urbanization, digitalization and robotics.
- We continued to develop energy-efficient drives for our equipment conveyors as an alternative to energy-intensive compressed air technology, and have already completed this work for container conveyors.
- We organized an internal innovation contest, inviting all employees to submit ideas and present them to a jury of internal and external experts and decision-makers. The three winning teams were given the opportunity to put their ideas into practice.
- With a view to helping shape the sustainable transformation of German SMEs, SSI SCHAEFER joined the Maschinenraum network at the beginning of 2022. Established in Berlin in 2020, the innovation initiative currently has over 60 member companies.
- The topic of sustainability through resource efficiency played an important role in connection with the availability of materials in the supply chain and cost optimization. For instance, we optimized the design of the uprights in the PR 600 pallet rack range so that we will use six percent less steel in the future. Very material- and energy-intensive products, such as the PR 350 shelving system, have been removed from our portfolio.





## Outlook

- In the coming years, we plan to further develop our innovation management. In 2023, we will publish our innovation policy and process and launch a communication campaign to make them known to our employees. For this purpose, we are developing a digital platform as a central tool for them to submit their ideas.
- The innovation contest will be held again in 2024. Sustainability criteria will play a greater role in the selection of ideas. In addition, we are planning an innovation project on the topic of sustainability. Project content will be identified in 2023, followed by project implementation in 2024.
- From a product management perspective, our ongoing goal is to minimize the use of materials.



# Stable and profitable growth

**Besides sustainability, customer satisfaction and innovation, our corporate strategy also focuses on growth and profitability. The aim is to create a sustainable business that enables investment, employment and continuous business development. We focus on the industries in which we already operate successfully: automotive, food, fashion, manufacturing, pharmaceuticals, public sector and retail. These industries will continue to offer attractive opportunities in the future. Europe, the USA and Asia are strategically important output markets. Our business units, Logistics Solutions, Products & Equipment, Customer Services and Waste & Packaging, all contribute to the profitability of the SSI SCHAEFER Group.**

## Logistics Solutions

The Logistics Solutions business unit develops customized intralogistics systems for our customers from various sectors, from warehouse equipment and conveyor technology to software.

The demands placed on intralogistics solutions are becoming more and more challenging. Online commerce is growing rapidly, resulting in more orders, more customized products and more returns. What is needed are intelligent, scalable and future-proof solutions that meet the requirements of the various sectors and can be flexibly adapted to company and market developments.

### Our strategic approach

Stable and profitable growth is possible in the long run only if it is based on strong values such as responsibility for the environment and society and respect for human rights, especially in difficult times when

market conditions are constantly changing. Our goal is to offset the influences of our supply chain on our pricing wherever possible.

### Our achievements in 2022

- From the second half of 2022, customer demand declined due to increased energy and material costs as well as ongoing supply bottlenecks and a general shortage of skilled labor. If this trend continues, issues such as automation and increasing the efficiency of existing equipment may become more important to our customers.
- Due to the crisis in the supply of intermediate products and the volatility of steel prices and transportation costs, we changed the structure of our customer contracts to include indexed, flexible prices for the most critical items in order to reduce the risk to our company.

- The SSI SCHAEFER Quotation Tool, introduced globally in 2022, simplifies and standardizes the quotation process. Both business units and regions can now create uniform, optimized quotations. The time required has been greatly minimized and the error rate has been reduced.
- Throughout the year, we placed sustainability as a key message in publications and at leading trade shows, such as Logimat 2022 in Stuttgart, where sustainability was the theme of our exhibit.

### Outlook

Our main goal for the next few years is to enable our sites around the world to plan and execute low-complexity projects autonomously. By closely integrating sales and order processing in the future, we will optimize the use of resources in the quotation process. Standardization of contract terms based on minimum commercial requirements will minimize financial risks for our company.

### Products & Equipment

The Products & Equipment business unit is responsible for the manufacture and sale of shelving systems and dynamic storage systems for manual and semi-automated intralogistics.

Our customers attach importance to low prices and fast delivery times. To adequately meet this demand, we need sufficient qualified staff and powerful digital technologies that help us increase our efficiency. The supply shortages for electronic components continued in 2022.

### Our strategic approach

To ensure the business unit's long-term growth and profitability, we are increasingly relying on standardized product combinations, such as shelving systems and order picking solutions. At the same time, we will cut expenses by streamlining the product portfolio and focusing on the best-selling products. Digital tools will ensure efficient workflows.

### Our achievements in 2022

- 2022 saw us increase our order intake by over 20% and our sales revenues by over 10% compared to the previous year.
- We launched new product combinations, including "Rackbot", which combines rack storage and automatic, robot-assisted order picking, as well as various automated guided vehicle solutions, in cooperation with our partner, DS Automation, which became a full member of the SSI SCHAEFER Group in March 2023 (see chapter Sustainable innovations, p. 38).
- We continued to streamline and standardize our product portfolio as planned.



- In North America, we launched a project to focus on local sourcing as an alternative to sourcing from Neunkirchen, Germany.

### Outlook

- We plan to expand our global business in the coming years. To strengthen our presence in the US market and ensure an even better supply of products to our customers, we have optimized our procurement strategy in North America towards local sourcing.





- We are adding easy-to-configure software (warehouse management) to our project offerings and focusing more on selling intelligent combinations of standard products such as mobile racks and automated guided vehicles.
- By entering new market segments such as semi-automated solutions, food, cosmetic ingredients or insect breeding, we aim to attract new customers who can benefit from our solutions.
- We will simplify the quoting process through the use of IT tools such as a configurator, which will enable us to provide our customers with customized quotes even more efficiently.
- We place special emphasis on training our sales force and application engineers worldwide. In this way, we ensure that they can provide excellent service to our customers at all times.

GRI 3-3

## Customer Services

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

The labor shortage in our industry is having an impact on our ability to deliver, which is reflected, for example, in longer project lead times. The labor market situation worsened even further in 2022, resulting in an increased workload for our employees. We will increasingly rely on digital offerings, which are easier to scale, to accelerate revenue growth despite the lack of resources.

### Our strategic approach

In order to take full advantage of the growth potential of the business unit, we have assigned a dedicated service account manager to each of our corporate customers. They know the customer and the system well, which allows them to identify gaps in the system and to offer customized solutions.

We are reducing the effort and cost of knowledge management by retiring legacy systems and migrating to a standardized, modular, modern platform.

#### **Our achievements in 2022**

- Although the business unit achieved good growth in 2022, it only reached the market average. Adoption of digital solutions was slower than hoped, mainly due to other priorities of the sales force.
- Through targeted investments in digital systems and tools (including user-friendliness), significant added value was created for customers and SSI SCHAEFER in 2022.
- Some 100 customers opted for one of the modules in our digital service portfolio.
- More than 90% of our active customers now have a dedicated Service Account Manager.
- We have created a roadmap for the lifecycle of all software platforms used, which not only results in standardization, but also gives our customers the assurance of long-term support for their equipment. The software roadmap and the phasing out of legacy systems help us to focus resources and improve support over the long term.

GRI 3-3

- The introduction of the service cloud, and the resulting transparency and reduced system interruptions, offer significant added value. Integrated case management gives our account managers direct access to all relevant data. The system also allows us to notify our customers of upcoming discontinuations more quickly and effectively.
- The newly launched eAcademy for our customers' technicians has been well received and has already been established as a pilot for five customers. Going forward, we plan to train at least 50 customers per year in the Academy.

#### **Outlook**

- In the coming years, we aim to achieve the targeted revenue volume for our digital services by targeting the relevant customer groups more effectively and intensifying active customer service.
- Moreover, we intend to modernize outdated customer equipment. We plan this together with our customers in a forward-looking manner and inform them at an early stage of the forthcoming discontinuation of individual components, modules or entire products.

## **Waste & Packaging**

The Waste & Packaging business unit is responsible for the plastics business and produces waste containers, plastic containers for storage systems and individualized structural packaging that protects products during storage and transport.

We see great growth potential in packaging, as our customers attach importance to their products and parts not being damaged in the warehouse or on their way to the customer - customized packaging is therefore in high demand. The trend towards e-mobility with its sensitive, high-quality components also supports these developments.

#### **Our strategic approach**

We want to secure the stable growth of the plastics segment also in the future. To achieve this, we are focusing on two core activities: Firstly, we are enriching our sales teams with expert knowledge about our products in order to provide our customers with the best possible advice. Second, we are developing digital solutions that work with our products to create intelligent and efficient processes that add value for our customers.



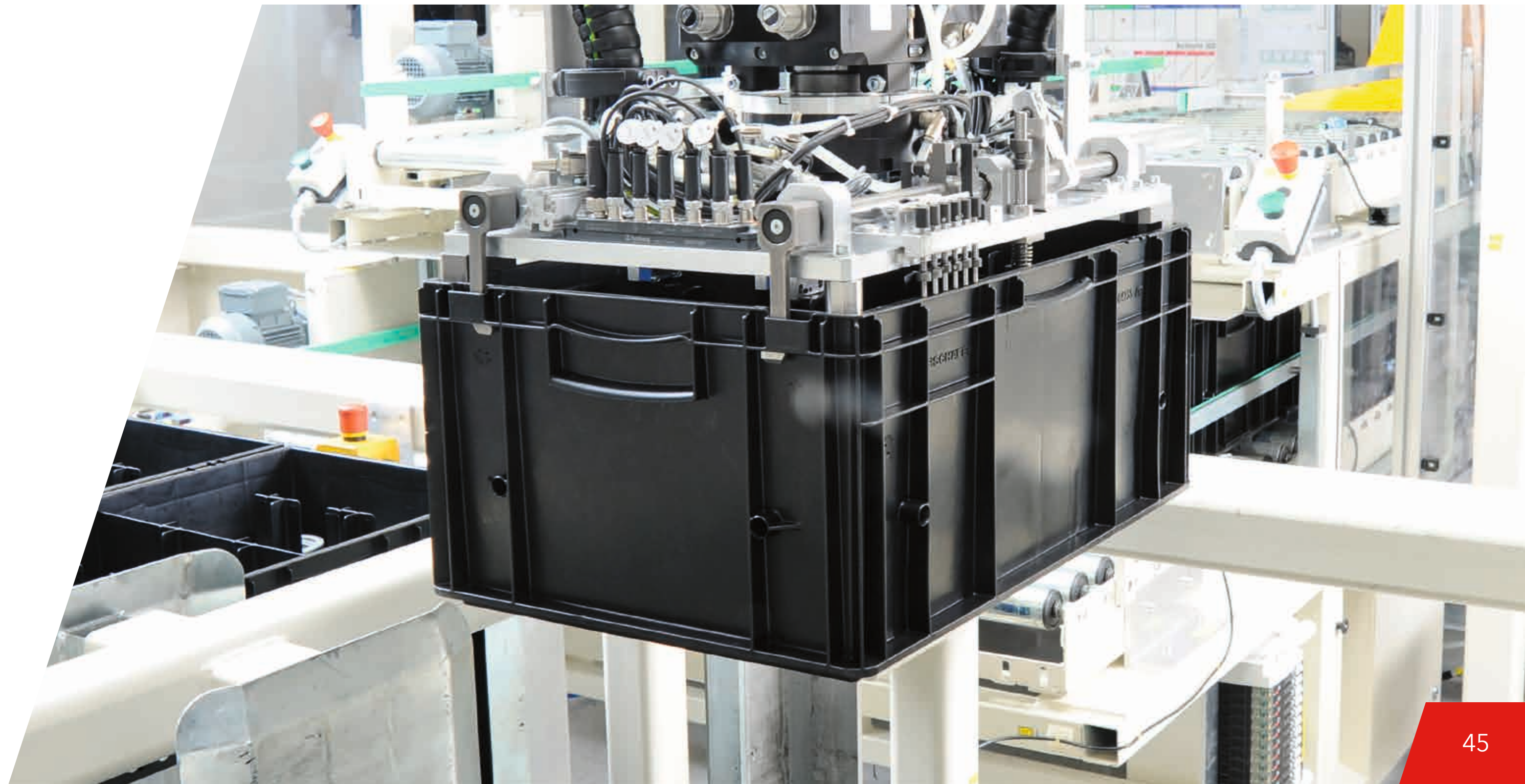
### Our achievements in 2022

- In 2022, the plastics segment was spun off from the Waste & Packaging business unit and established as an independent subgroup within the SSI SCHAEFER Group.
- Between 2012 and 2022, old machines such as injection molding machines were replaced with new, energy-efficient machines. Thanks to these investments, we have been able to save around 7,500,000 kWh of electricity and the corresponding costs in the last two years.

### Outlook

In the coming years, we intend to minimize the macroeconomic impact of our business through various measures. These include the use of price escalation clauses in our customer contracts. These come into effect when there are signs of a crisis and allow us to adjust prices to the current market situation at the time of delivery.

We will also intensify our contacts with material and energy suppliers in order to respond more quickly to price changes. Finally, we will introduce business models that make it easier for our customers to make decisions in uncertain times, such as flexible rental programs for waste containers.







## For a future full of possibilities

More sustainability in our business processes - this is the strategic goal we want to achieve with the help of various initiatives and projects at SSI SCHAEFER. Step by step, we are getting closer to our vision. Here are four examples from within the company.







## Investing in the future: Sustainable deconstruction in Neunkirchen

In order to keep our production facilities at a sustainable level, we had to deconstruct seven production halls and warehouses at the Neunkirchen site, as it was unfortunately not possible to modernize them in an economical and sustainable way. Between July and December 2022, the buildings were therefore gradually demolished and the materials were properly disposed of.

To ensure that the demolition is as gentle on people and the environment as possible, we will have it certified by the German Sustainable Building Council (DGNB). The DGNB certification system is an

internationally recognized reference for sustainable building. Sustainability criteria from the areas of ecology, economy, socio-cultural and functional aspects, technology and processes were considered.

In recent years, SSI SCHAEFER has made massive investments in the Neunkirchen site. The deconstruction will create space for new developments. As a positive side effect, processes such as the production of steel boxes and powder coating were relocated to other production halls or outsourced. This will save both electricity and heating energy.







## FACHPACK 2022 trade fair: Reusable containers on the advance

“Transition in Packaging” was the motto of the FACHPACK 2022 trade fair in Nuremberg. The transition towards greater sustainability in the packaging industry was also very much in evidence at the SSI SCHAEFER Plastics stand: “There was great interest in our 100% recyclable reusable container solutions made from regranulate,” said Christine Jorzik, Global Director Container Sales at SSI SCHAEFER Plastics. Reusable containers have a long service life and can remain in circulation for decades. This results in significantly less waste and reduced procurement costs. “At the Nuremberg trade fair, we were able to demonstrate that sustainability can even save costs in the medium to long term,” Jorzik said.

Visitors to the stand also appreciated the fact that it is possible to supply plastic containers with the Blue Angel, the German government's eco-label. The same applies to the foldable and interlocking space-saving containers, which can reduce the transport volume by up to 75 percent when returned by truck.





## HSE Workshop: Developing a global health, safety and environment strategy

After more than a year of videoconferencing to exchange ideas, the time had finally come to meet face-to-face. In May 2022, all Regional Heads and some local HSE (Health, Safety, Environment) managers from all over the world came together in Neunkirchen, to work together to develop a global HSE strategy. During the multi-day workshop, they developed an HSE for employees and executives, analyzed processes and defined reporting structures and target indicators. The end result was an HSE roadmap that will guide the global team in the months and years ahead.







## Taking care of the environment: Sustainability in Malaysia

The SSI SCHAEFER plant in Simpang Renggam, Malaysia, is also working to improve its sustainability; at the beginning of June, the local plant managers therefore met with executives from Technology, Production and Maintenance for a two-day workshop. They worked together to find solutions to reduce the environmental, economic and social impact of their operations. In particular, they identified opportunities for environmental improvement in areas such as water and raw material consumption, resource efficiency, and carbon emissions in the supply chain. To put their ideas into practice, they adopted strategic goals and defined responsibilities.





Field of action 3

# Responsible management by reducing impacts along our value chain

Environmental and social responsibility is a top priority for us as we strive to make the world a better place to live and work. As a global company, we believe it is essential to manage the various areas and processes along the value chain in a responsible manner.

Treating people with respect is one of the core principles of our corporate governance. By respecting human rights, we can ensure sustainable supply chains around the world and reduce the negative impacts of our operations.

Through rigorous and ongoing sustainability management and trusted collaboration with our suppliers and business partners, we help reduce emissions such as greenhouse gases to protect the climate, reduce waste and wastewater, and minimize environmental damage. In doing so, we also support the UN's **SDG 2: Zero Hunger**, **SDG 7: Affordable and Clean Energy**, **SDG 8: Decent Work and Economic Growth**, **SDG 12: Responsible Consumption and Production**, and **SDG 13: Climate Action**.





# Assuming responsibility, protecting human rights

Enterprises have an important responsibility to exercise due diligence in their supply chains, particularly with respect to human rights. Strict enforcement of the ban on child and forced labor, decent wages, compliance with maximum working hours and rest periods, safe and healthy working conditions, and protection against discrimination in the workplace all play a key role.

## Our strategic approach

Respect for human rights is an integral part of SSI SCHAEFER's corporate culture. It must be guaranteed at all our company locations worldwide and implemented along the entire supply chain. We therefore rely on binding standards, regular controls and an effective reporting and complaints system. By signing our Code of Conduct for Business Partners or by providing evidence of an equivalent document, our suppliers and business partners also commit to respect human rights in the supply chain.

The SSI SCHAEFER Group strives for an adequate and effective human rights compliance program that clearly defines the operational and organizational structure, i.e. the roles and responsibilities as well as the structures and processes. Human rights issues

cut across all areas of business, and are therefore addressed in an interdisciplinary manner and with close coordination between the various business functions. To this end, we take a risk-based approach.

Group Compliance defines central internal policies on human rights (see chapter Compliance: More than just laws, p. 21) and performs an overarching coordination task. It is also responsible for the governance of human rights in general. Group Compliance reports directly to the CEO.

With respect to the supply chain, Purchasing has the primary responsibility for ensuring that the procurement process is human rights compliant. This includes communicating our requirements to our suppliers. The Group function Social Responsibility & Health Safety Environment ensures safe and healthy working conditions with respect to occupational health and safety and environmental protection. The Human Resources function is responsible for and monitors the operational implementation of human rights in the HR unit, such as paying our employees fairly or complying with maximum working hours (see chapter Responsible employer, p. 28).





In the event of a violation, employees may contact Group Compliance at any time. In addition, there is a company-wide whistleblower system, also available to external parties, that can be used at any time to report potential human rights violations. Reports received are reviewed by internal investigation specialists in the Group Compliance function, with the assistance of other specialist departments as appropriate.

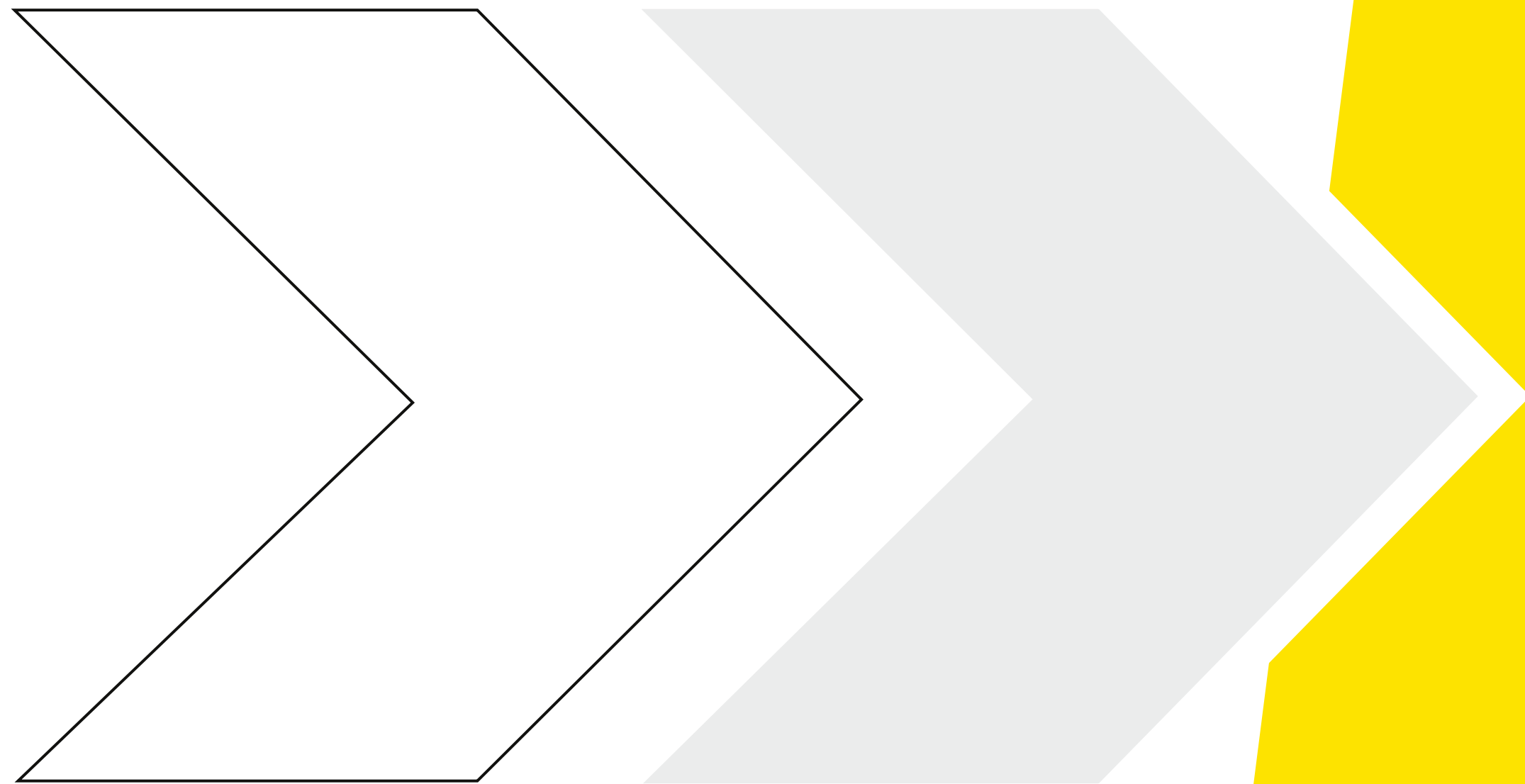
A description of the whistleblower system required by the German Supply Chain Due Diligence Act (LkSG), including, in particular, information on accessibility, responsibilities and implementation of the procedure (Rules of Procedure), was also published in 2022.

#### **Our achievements in 2022**

The first Human Rights Policy Statement of the SSI SCHAEFER Group was adopted by management in 2022. We also revised the Codes of Conduct for employees and business partners and expanded the chapters on human rights. We have opened our whistleblower system to suppliers and other stakeholders and created a separate category for human rights violations. In order to describe the complaints mechanism, we have published Rules of Procedure on our corporate website. We have chosen the EcoVadis platform to provide human rights risk analysis along the supply chain (see Outlook, p. 54).

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GRI 2-24, 2-25, 2-26



## Outlook

Starting in 2023, we will use the EcoVadis tool to analyze human rights risks in our global supply chain. In addition to refining our policy statement, we will also develop an internal human rights policy. We also plan to conduct group-wide site and supplier audits, which we will use to verify that human rights are respected. The basis for this is provided by our audit plan. These audits will be expanded over the next few years.



# Securing sustainable supply chains worldwide

Our responsibility does not end at our company's doorstep. For this reason, sustainability criteria also play a key role in the selection of and cooperation with our suppliers around the world. These include environmental standards as well as fair working conditions and respect for human rights in our suppliers' factories, based on guidelines from the United Nations and the International Labor Organization (ILO).

In order to ensure that we are in a position to supply our customers at all times, we are dependent on a reliable network of partners. This can be a challenge in times of crisis, such as during the Covid pandemic, when there were major supply shortages of computer chips and electronic components around the world that have still not been fully resolved. Steel and plastics were still in short supply in 2022. It is therefore very important to keep an eye on the global supply chain and the market so as to be able to respond quickly to any problems that might arise. Trusting, long-term cooperation with our partners and constant information exchange are crucial.

## Our strategic approach

We are committed to using local or regional suppliers wherever possible to avoid long transportation routes and associated carbon emissions. We carefully select our manufacturing partners and visit them on site to get an accurate picture. Before signing a contract, our suppliers agree in writing to comply with our social and environmental standards. For this purpose, they complete a self-disclosure, sign our policies and the SSI SCHAEFER Code of Conduct, and receive compliance training.

Through regular internal audits and external certifications, we ensure that our partners meet the requirements. If they violate laws or social or environmental policies, we seek to solve problems together. Serious violations will result in the termination of the business relationship by us.

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

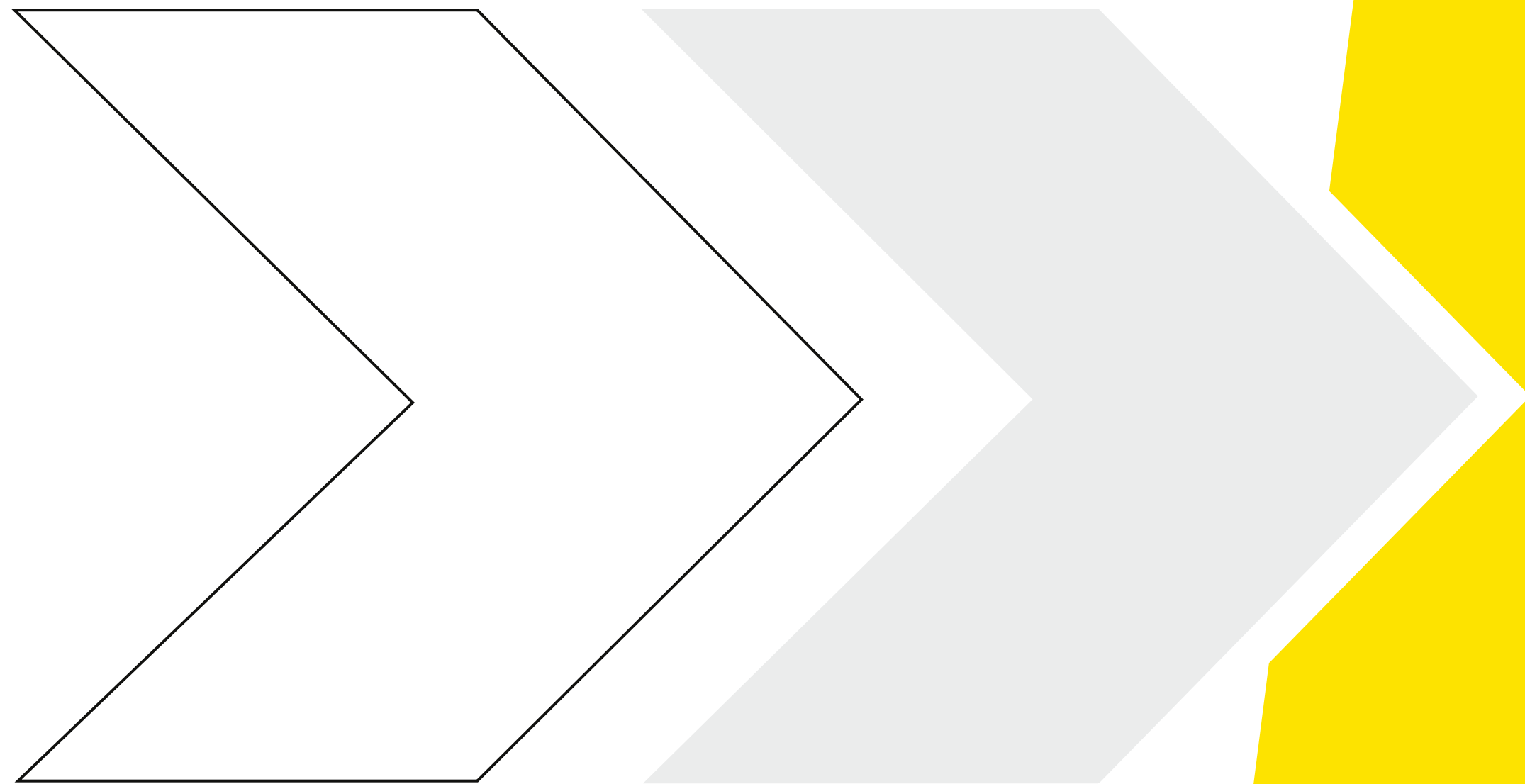
## Our achievements in 2022

- The reorganization of our procurement organization in the DACH region was completed on schedule, with the new structure to be implemented globally by the end of 2023. This enables us to ensure consistent sustainability standards worldwide, centrally monitor compliance, and identify risks at an early stage.
- We have initiated an onboarding process to integrate our suppliers on the EcoVadis platform. With the help of the platform, we can conduct risk analyses in our supply chain and ensure ongoing risk monitoring.
- When sourcing raw materials, we are increasingly looking for environmentally friendly and recyclable materials; for example, the recycled content of the plastic granules we use to make our waste containers was approximately 26% in 2022. Most of the steel we use in our products is made from recycled material. We also maintain an exchange with our suppliers to support the production of "green" steel.



- Due to the pandemic, business travel was largely avoided in 2022 and replaced by video conferencing. As a result, we have delayed the start of the Global Travel Program until 2023. We adopted a global travel policy and introduced digital travel booking and expense management software as part of the program. The software also displays the carbon emissions for each planned trip, helping travelers make climate-conscious decisions.
- In the medium term, we want to gradually replace all company cars with combustion engines by electric vehicles. We increased the proportion of company cars with hybrid or electric engines to 7% in 2022 from 4% in the previous year and installed four charging stations at the Neunkirchen site. We also started tracking the carbon emissions of our entire fleet in 2022. The average was 135 grams of carbon per kilometer. We offset all emissions from our company car fleet.
- We have revised our Company Car Policy for Germany and Austria. In order to create incentives for climate protection, it now includes a “bonus-malus regulation” for vehicles with combustion engines, depending on the level of carbon emissions: For passenger cars with carbon emissions of up to 120 g/km, SSI SCHAEFER pays a subsidy on the monthly leasing rate, between 120 and 140 g/km no subsidy is paid, and from 141 g/km the leasing rate becomes more expensive. The upper limit for company cars is 165 g/km.





## Outlook

We will launch our Global Travel Program in 2023 and then roll it out gradually. The installation of six more charging stations, each with two charging points, at the Neunkirchen site will further expand e-mobility in the company. Starting in 2023, we will use the EcoVadis platform to monitor sustainability risks along our value chain. The goal is to have 80% of all active suppliers on the platform by the end of 2023 and 100% by 2024.

# Stopping climate change

Due to their relatively high energy consumption and the processing of fossil resources, industrial companies contribute to the release of large amounts of greenhouse gases into the atmosphere, thus accelerating climate change. SSI SCHAEFER is aware of its responsibility for climate protection and is working to reduce greenhouse gas emissions along its value chain.

Approximately 80% of our carbon footprint is attributable to our upstream supply chain, primarily the base material used to produce steel and plastics. Our suppliers are already taking steps to reduce the carbon emissions in their material production processes. We applaud these efforts and are very supportive of them (see chapter Securing sustainable supply chains worldwide, p. 55).

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

## Our strategic approach

To further reduce our greenhouse gas emissions, we published a climate strategy in the first quarter of 2023 as part of our sustainability strategy. We have identified the following starting points:

- We support our suppliers in their efforts to become carbon neutral, for example by purchasing recycled plastics where economically and technically feasible and appropriate (see chapter Securing sustainable supply chains worldwide, p. 55).
- We pay close attention to energy efficiency - in our buildings and the machine interiors, in our manufacturing operations, and in the development of our products and services.
- We support the energy transition and use renewable energy - for new construction projects, we plan to generate our own solar power on the company site and purchase green power. We are gradually converting our vehicle fleet to e-mobility and providing our employees with company bicycles.
- We reduce traffic and long transportation routes by manufacturing close to our customers whenever possible, buying locally, increasingly replacing business travel with video conferencing, and working from home part of the time.



- Our energy management system is certified according to ISO 50001 at some sites. By 2026, we will extend certification to all major Group entities (see chapter Excellent quality, safe products, p. 24).

## Our achievements in 2022

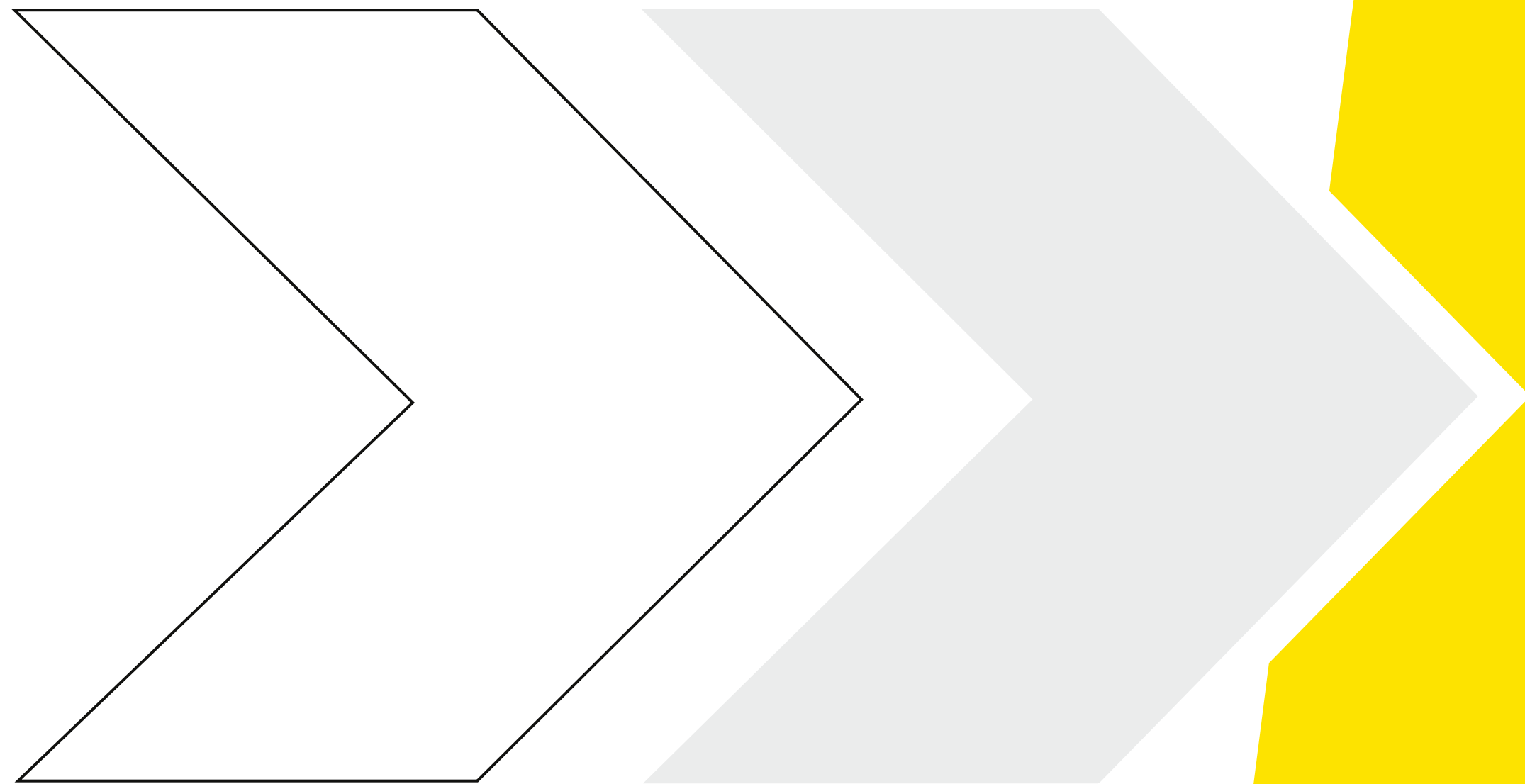
- We have developed a climate strategy to be presented in early 2023.
- ISO 50001 certification of our sites continued.



- We installed four charging stations for electric cars in Neunkirchen. The installation of another six charging stations, with two charging points each, is planned for the course of 2023.
- The heating system at the Wels site in Austria was converted from oil to direct heat.
- The calculation of SSI SCHAEFER's Group-wide carbon footprint, which had been planned for 2022, had to be postponed to 2025 due to data collection difficulties.
- The planned conversion of the Neunkirchen site to 100% green electricity has been suspended until 2024 due to the general economic situation.







## Outlook

- In the following years, we plan to install solar systems in new buildings to generate our own electricity and heating energy. We also want to close data gaps so that we can accurately calculate the carbon footprint of the entire SSI SCHAEFER Group. In addition, we plan to prepare life cycle assessments (LCAs) for our products in order to further increase the carbon efficiency of our products on this basis.
- As part of the Net Zero Factory project, we are working with a cooperation partner to analyze the existing energy flows of Fritz Schäfer GmbH and Fritz Schäfer GmbH & Co. KG in Neunkirchen. Based on the results, we will develop a roadmap for carbon-neutral production that will be implemented step by step. Starting in April 2023, we will develop an energy transformation concept for the Neunkirchen site to maximize carbon savings through various measures.



# Improving environmental performance

Our Environmental Management System is an important tool we use to support and manage the environmental sustainability of our business. It allows us to effectively structure our processes and responsibilities to meet not only our high standards for environmental performance, but also the expectations of our customers and society.

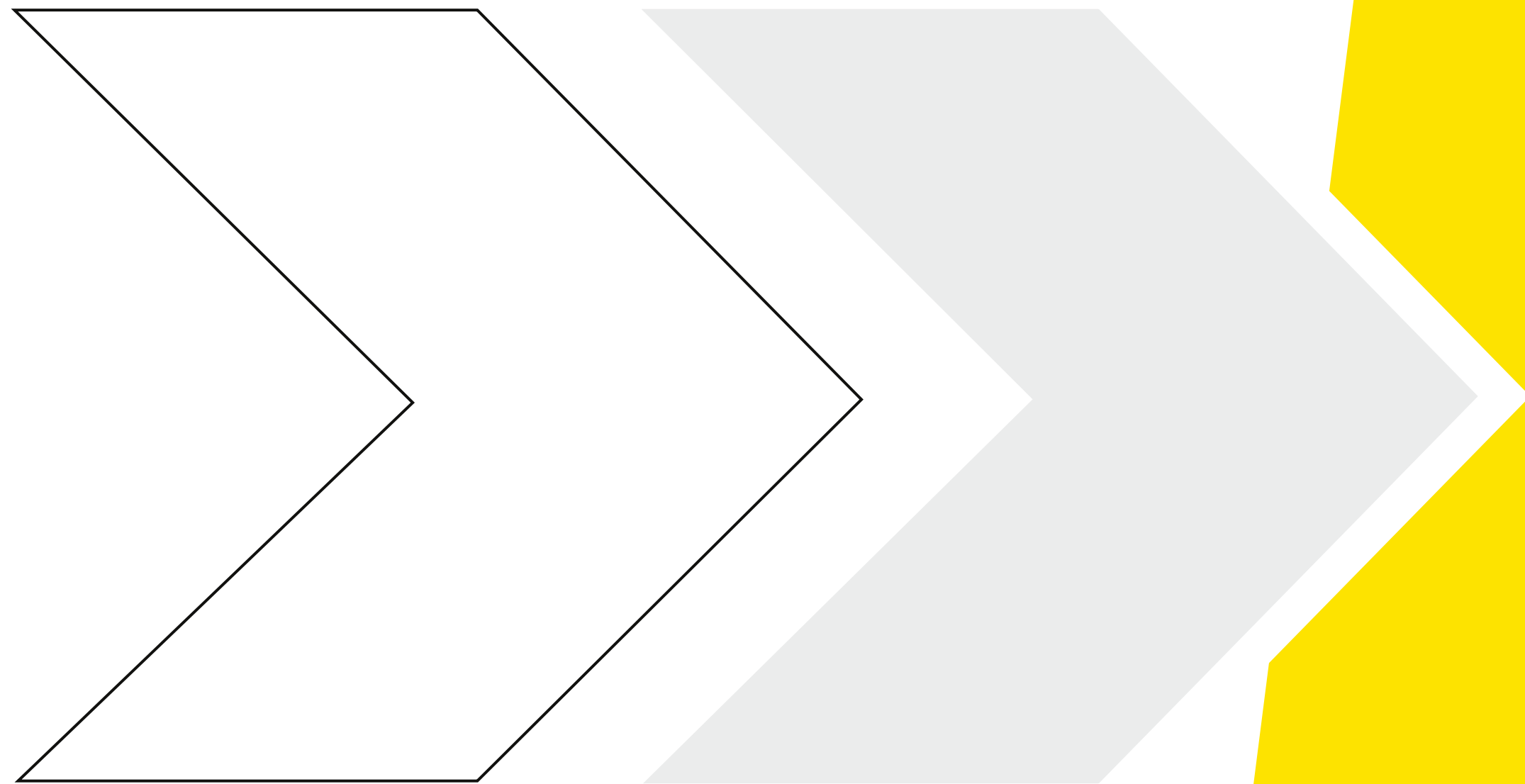
## Our strategic approach

We aim to control environmental management consistently at all SSI SCHAEFER locations worldwide. To this end, we have developed a global environmental policy for the entire Group. In addition, we will have all of the Group's production sites certified to the ISO 14001 environmental standard.

The plants in Towcester and Andover (UK), Hranice (Czech Republic) and Neunkirchen (Germany) have already been certified. At these sites, we collect target figures on energy consumption, emissions, waste and wastewater. We use internal audits, management reviews, and third-party certifications to monitor our progress and continually improve our environmental performance.

## Our achievements in 2022

- At the Neunkirchen site, we deconstructed seven production and warehouse buildings in accordance with the criteria of the German Sustainable Building Council (DGNB). Relocating processes to existing facilities helps us save heating energy and electricity.
- The roofs of the halls at SSI SCHAEFER Plastics in Neunkirchen have been renovated and now save heating energy thanks to improved thermal insulation.
- The electricity supply for Fritz Schäfer GmbH in Neunkirchen has been converted to 80% green electricity. We have also installed a heat pump so that one office building now has geothermal heating. The oil-fired heating system in Wels, Austria, was replaced with district heating.
- All existing ISO 14001 certificates have been renewed. We made progress with the certification of additional sites, including the collection and processing of the necessary data at our site in Graz, Austria. The certification audit will take place in October 2023.
- In Graz, we created and filled the position of an environmental engineer. In addition to being responsible for the site's certification, he works with product managers to develop product life cycle assessments (LCA), participates in the Global Social Responsibility team, and regularly exchanges ideas with the Group's environmental officers.
- Fritz Schäfer GmbH in Neunkirchen, Germany, was recognized as an ÖKOPROFIT company.
- At the Simpang Renggam site in Malaysia, a working group was established to develop solutions for local energy, material and water conservation. Individual projects to improve the environmental performance have already been initiated.
- The final calculation of the carbon footprint for the last 20% of the SSI SCHAEFER Group has been postponed to 2025 due to the complexity of data collection.



## Outlook

We will continue the ISO 14001 certification of our sites in the coming years. In 2023/24 we plan to audit the Graz and Simpang Renggam sites. We are also expanding our environmental management staff and will fill the position of environmental engineer at the Hranice site in the Czech Republic in 2023.



# Reducing emissions

The business activities of most companies contribute to the release of pollutants such as greenhouse gases, wastewater and solid waste into the environment. We continually reduce our emissions and strive to minimize our impact on the climate, nature and society (see chapter Improving environmental performance on p. 61).

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

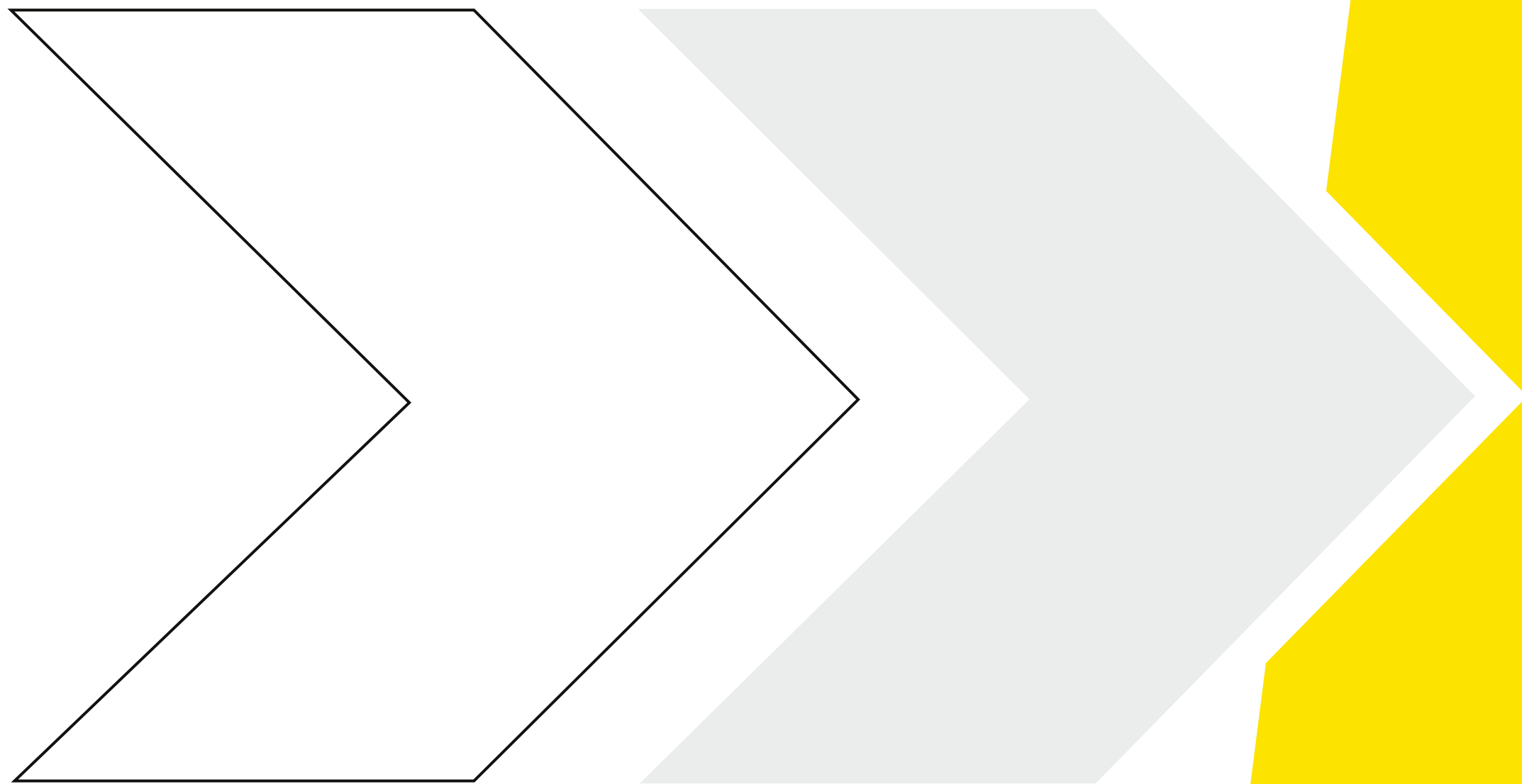
## Our strategic approach

To reduce greenhouse gas emissions within the company and along the global supply chain, we developed a climate strategy with reduction targets in 2022, which will be published at the beginning of 2023 and phased in over time (see chapter Stopping climate change, p. 58).

Our environmental management system allows us to monitor the emission of further pollutants (see chapter Improving environmental performance, p. 61). We use the latest technologies and processes to design our products and solutions with the lowest possible emissions.

## Our achievements in 2022

- In 2022, we deconstructed seven warehouses and production halls on the Neunkirchen site. Processes such as steel box manufacturing and powder coating have been partially outsourced and partially relocated to other existing production facilities. Thanks to deconstruction, we save both electricity and heating energy, reducing our carbon footprint.
- In Neunkirchen, a chiller with a “winter relief” function was installed, saving 272,200 kWh per year. We replaced the gas heating with radiant ceiling panels combined with a water-to-water heat pump, saving 757,500 kWh per year. The replacement of a compressor and the use of waste heat to heat the halls have resulted in annual savings of 96,000 kWh.



## Outlook

- In the coming years, we aim to further reduce our emissions based on our global climate strategy. To transparently manage the sustainability of our supply chain, we will use the EcoVadis platform from 2023. We also plan to prepare life cycle assessments (LCAs) for our products and to derive reduction measures from them.
- To make transportation more efficient and climate-friendly, and to track our carbon emissions, we expect to implement transportation management software across the company in 2024. In the future, we will plan business travel more effectively to reduce greenhouse gas emissions. For this purpose, we intend to use a travel management tool that includes a carbon calculator.
- Starting in April 2023, we will develop an energy transformation concept for the Neunkirchen site to maximize carbon savings through a variety of measures (see chapter Stopping climate change, p. 58). We will also install six new charging stations for two electric cars each at the site.





## **Sustainable from the start: Green Teams project for apprentices**

Sustainability is a key factor for the future of the SSI SCHAEFER Group. As part of our common mission, we want to make all of our employees aware of this issue and integrate it into our day-to-day work on a long-term basis. So what could be more natural than to ask the “new generation” of employees how we can collectively contribute to sustainability in our company? As a result, we have launched “green” initiatives at several of our sites, where our apprentices have formed project teams to develop creative ideas and implement their visions for greater sustainability at SSI SCHAEFER.





**Protecting biodiversity:  
Insect hotel in Giebelstadt**

Many insects, such as bees, butterflies, and the like, are threatened with extinction, with dire consequences for our ecosystems. This makes it all the more important to protect animals and make sure they have enough to eat. The trainee project in Giebelstadt/Klingholz was therefore all about biodiversity: the trainees built a multi-story insect hotel on an extensive green area with a base area of approximately 1 square meter and a total volume of 0.24 cubic meters, which is not regularly mowed. It provides shelter for bees, bumblebees, various species of wasps, beetles and other insects while nesting and over winter.



**New life for old things:  
"Sustainability Sale" in Graz**

Far too many items end up discarded when they could be used. This is a waste of resources and produces unnecessary litter. For this reason, the trainees in Graz initiated the "Sustainability Sale" project, in which a small group of trainees organized a flea market on the company premises and sold disposable items directly from the company (non-sellers, old and discontinued items) to the employees of SSI SCHAEFER. The latter had the opportunity to purchase items such as engines, tools, coffee machines, office supplies, etc. for a voluntary donation.

The proceeds from the flea market will go to Mosaik, a non-profit organization that supports people with disabilities. "It makes me proud to see the great motivation and commitment with which our apprentices have organized this sustainability project," says Bettina Prossnigg, apprentice coordinator at SSI SCHAEFER.



**Promoting togetherness:  
Lunch break pavilion in Giebelstadt**

Team spirit is certainly one of the things that are needed to make employees feel good at work. But the team spirit is not only created during the meetings, but also during the breaks and activities outside of working hours. After an intensive brainstorming session, the apprentices came up with the brilliant idea of designing and building a wooden pavilion with a barbecue area on the company premises. The 16-square-meter space invites employees to socialize during their lunch breaks and can also be used for small events, especially in the summer.



## Focus on employees - People matter

Change begins in the mind. That is why we promote a corporate culture that puts sustainability at the heart of everything we do. The communication of values and the development of human resources are an important part of a responsible corporate philosophy. We want to accompany our employees on this journey, develop their skills and competencies, and provide them with the necessary knowledge and tools to bring our corporate culture to life in their daily work and to implement our corporate strategy. In doing so, we rely on a diverse and inspiring form of knowledge transfer.



# Our values and principles

To initiate the necessary change, SSI SCHAEFER has developed six central core principles and three leadership principles that are based on our vision, our mission and our values (see chapter Company portrait, p. 5). These principles not only provide guidance on how to position our company but also shape our daily actions. From them, we derive relevant skills that we expect from our employees and want to foster.

## Our core principles

### Focus on customers

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

### Achieve and improve results

The ability to put plans into action and deliver high-quality results. This includes the personal desire to constantly optimize one's own performance and develop efficient solutions.

### Work together

The ability to cooperate with others to jointly find the best solution for SSI SCHAEFER. This includes dealing openly with diversity in the company - even in difficult situations.

### Take initiative

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

### Challenge yourself

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

### See the big picture

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

## Our leadership principles

These three principles apply specifically to our executives:

### Lead employees and teams to success

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

### Promote employees

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

### Get support

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

We actively bring our core and leadership principles into the company by translating them into core and leadership competencies and integrating them into performance reviews. This allows us to embed them in the company and make them measurable. We also integrate them into our internal training and further education programs and ensure that they are reflected in the learning content.



**New employees are difficult to recruit**

In order to bring sustainability to life at SSI SCHAEFER, we not only need a change in corporate culture, but also well-trained specialists and managers who have the necessary knowledge and the technical and general skills that make SSI SCHAEFER unique as an employer.

The ongoing shortage of skilled labor in our industry is a growing challenge when it comes to recruiting new employees. That is why we are focused on enhancing our attractiveness as an employer and supporting our employees in developing their skills and advancing their careers within the company.

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

The SSI SCHAEFER Academy enables our employees worldwide to learn systematically in a modern, efficient and attractive way. It offers classroom and online training on a wide range of topics - from leadership and project management to cross-functional topics and a global onboarding program for all new employees. Learning progress is documented and certified in the system.

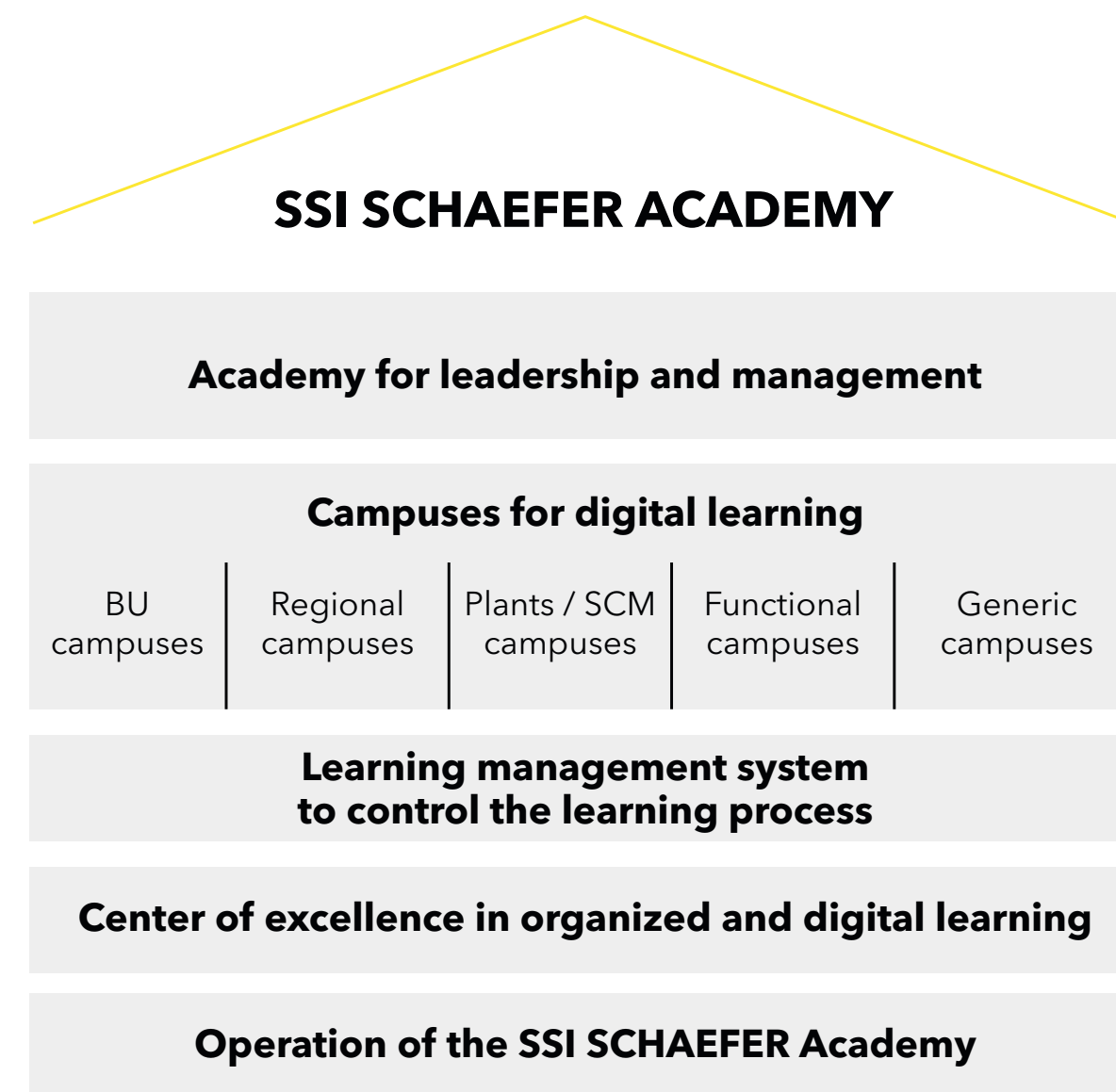
In 2022, the Academy conducted a leadership and management program for the 170 top executives over a total of nine days of classroom training. It helps the participants develop their leadership and management skills as well as a common understanding of good management and leadership.

In 2023, the SSI SCHAEFER Academy will continue to train our top executives with a 3-day "Change Management" training course at our Friesach site.

In 2023, we will also launch a middle-management program called "Movers & Shakes", which is designed to spread the common understanding of leadership and management throughout the organization and help even more leaders meet their daily challenges.

**Promoting talent**

In order to promote young talent within the company, we launched a development program for young potentials in 2020. In 2021, we continued to support participants. Through a mix of virtual formats, face-to-face group interaction, and coaching sessions, they learned to increase their resilience in challenging situations, reflect on their personal values, goals, and priorities, and manage themselves more effectively. Many of the young talents have grown into leadership positions in 2022. In the year 2023 we will put the focus on the target group of the middle management.



# Facts and figures

The 2022 Sustainability Report covers the entire scope of consolidation of the SSI SCHAEFER Group with its around 70 subsidiaries. Unless otherwise stated, the key figures contained in this chapter refer to the 18 biggest companies (BIG 18) of the SSI SCHAEFER Group, which together account for more than 80% of sales revenues.

The carve-out of the Waste & Packaging division within the SSI SCHAEFER Group under the name SSI SCHAEFER Plastics in 2022 led to a change in the BIG 18: While data from SSI SCHAEFER Plastics GmbH is included in the 2022 figures, SSI SCHAEFER N.V./S.A. (Belgium) is no longer included. The Belgium site is a relatively small non-production site. This means that the change did not have a significant impact on the data collected.

For reasons of clarity, the 2022 Sustainability Report does not include any notes or footnotes on prior year data.

## 18 biggest companies ("BIG 18")(GRI 2-1)

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





## Materials\* (GRI 301-1)

Chemicals	Unit	2022	2021	2020
Argon	kg	<b>451,103</b>	467,705	424,335
Carbonic acid	kg	<b>1,083,047</b>	415,086	91,647
Oxygen	kg	<b>77,738</b>	134,351	172,520
Nitrogen	kg	<b>1,132,717</b>	1,234,230	892,107

Metals	Unit	2022	2021	2020
Steel**	kg	<b>117,899,954</b>	161,143,477	122,986,256

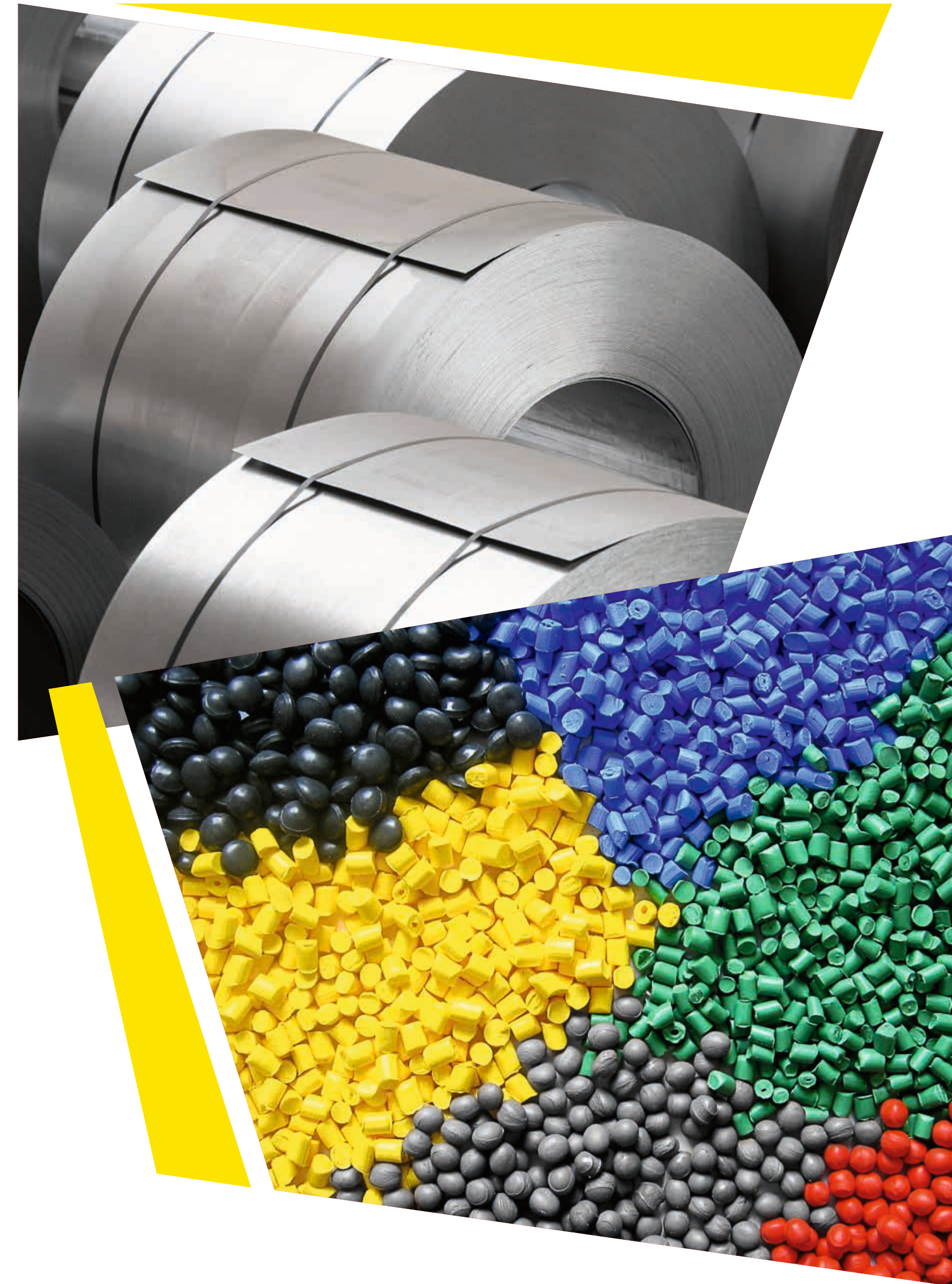
Plastics	Unit	2022	2021	2020
Polypropylene	kg	<b>96,990,312</b>	53,199,177	54,510,043
High-density polyethylene	kg			
Recycled polypropylene	kg			
Recycled high-density polyethylene	kg			

Wood / paper / cardboard***	Unit	2022	2021	2020
Wood (pallets)	kg	<b>6,719,059</b>	7,840,268	7,308,940
Paper and cardboard (unbleached)	kg	<b>682,325</b>	1,021,224	733,329

\* In order to ensure data consistency, data quality and audit security, it is planned to implement an IT-supported data management system in the year 2023/2024. Initial contacts with suppliers have already been established. IT support is planned for all subsidiaries.

\*\* From the second half of 2022, customer demand declined due to increased energy and material costs as well as ongoing supply bottlenecks and a general shortage of skilled labor. This also had an impact on the consumption of steel, which declined.

\*\*\* In 2022, the USA did not report any data for wood / paper / cardboard.





## Occupational health and safety (GRI 403)

With respect to occupational health and safety, the 2022 data collection has been expanded to include data from non-production sites. The largest production sites are located in Germany (Neunkirchen) and the Czech Republic (Hranice), followed by Austria (Graz), the USA and Malaysia.

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

For all employees:	2022	2021	2020
Number of fatalities as a result of work-related injuries	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	34	29	32
Number of recordable work-related injuries	178	113	138
Number of hours worked	12,384,642	7,640,603	7,698,306
Rate (recordable injuries per 200,000 hours worked)	2.87	2.96	3.59

For workers who are not employees but whose workplace is controlled by the Group:	2022	2021	2020
Number of fatalities as a result of work-related injuries	0	Not recorded	
Number of high-consequence work-related injuries (excluding fatalities)	4		
Number of recordable work-related injuries	6		
Number of hours worked	679,535		
Rate (recordable injuries per 200,000 hours worked)	1.77		

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

For all employees:	2022	2021	2020
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	5	43	37

For workers who are not employees but whose workplace is controlled by the Group:	2022	2021	2020
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0



# Energy & emissions

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

Greenhouse gas emissions were measured and calculated in accordance with the principles of the Greenhouse Gas Protocol of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) "A Corporate Accounting and Reporting Standard - Revised Edition" (GHG Protocol) and the supplementary "Corporate Value Chain (Scope 3) Accounting and Reporting Standard".

The calculations refer to the greenhouse gas carbon dioxide (CO<sub>2</sub>). The emissions are indicated in metric tons of CO<sub>2</sub>.

In order to ensure data consistency, data quality and audit security, it is planned to implement an IT-supported data management system in the year 2023/2024. Initial contacts with suppliers have already been established. IT support is planned for all subsidiaries.

## Scope 1 & 2 emissions:

### Included activities

- Scope 1 and 2 emissions include all relevant emission sources for SSI SCHAEFER, including electricity, district heating, district cooling, fuels, bioenergy and refrigerants.
- Primary data (such as kWh of electricity or kg of refilled refrigerant) were collected for the so-called "BIG 18" (18 biggest companies (see p. 7)) in the scope of consolidation of SSI SCHAEFER - Fritz Schäfer GmbH & Co KG. No extrapolation was made. The reported emissions represent approximately 80% (in terms of sales revenues) of the economic activities of the scope of consolidation.
- Primary data (such as distances traveled in company cars and liters of gasoline consumed) were collected for the first time in 2022 for the above companies. As a result, Scope 1 emissions increased. By deconstructing seven halls in Neunkirchen and relocating processes to existing halls, heating energy and Scope 1 emissions were saved over the same period. These effects are not visible in total Scope 1 emissions. The figure changes are shown in the direct energy consumption table.

### Emission factors used

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

- Missing emission factors were mostly taken from the website [www.eea.europa.eu](http://www.eea.europa.eu) (values for 2020) or the BAFA leaflet (2021). For Malaysia, an emission factor from 2017 was used as the most recent value available (IGES List 2021). For district heating at the Graz site, a report by the University of Graz on emission reductions was used. For district heating at the Vienna site, the emission factor was taken from a leaflet by Wien Energie.
- Current country-specific emission factors (for electrical energy) were taken from a publication of Carbon Footprint Ltd. (Country-specific electricity grid GHG emission factors, 2023).

### Data gaps

- Data on direct energy consumption in 2022 are missing for the USA.



### Scope 3 emissions:

#### Included activities

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

In addition, the data in Category 4 (upstream transportation) were recorded for the means of transport ocean-going vessels, airplanes and trucks, and in Category 6 (business travel) for national and international air travel. Transportation distances were partly determined from transportation costs and with the help of Internet-based navigation programs (Google Maps, luftlinie.org).

#### Emission factors

- For the calculation of emissions in Category 1, data from the BAFA information sheet on CO<sub>2</sub> factors from November 2021 and from BVSE (for recycled plastics) were used.
- In Categories 4 and 6, the emission factors were taken from a table provided by DEFRA (Department for the Environment, Forests and Rural Affairs, UK, 2021). The calculations are based on the following assumptions: Air travel and any material transports by air were calculated without return flight. For transports by ocean-going vessel, the use of container ships > 8,000 TEU was assumed, and for transports by truck, 100% utilization of the load capacity.

#### Data gaps

In 2022, data for Categories 4 and 6 are missing for the sites in Switzerland, the USA and France. Despite this gap, international flight kilometers and therefore Scope 3 emissions increased. This is due to the closure of data gaps at a number of sites and the waning impact of the Covid-19 pandemic.

In 2022, the USA did not report any data for wood/paper/cardboard.



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

Consumption data		2022	2021	2020
<b>Total energy consumption</b>				
<b>Direct energy consumption</b>				
Diesel	l	<b>1,373,681</b>	Not recorded	Not recorded
Gasoline	l	<b>119,500</b>	Not recorded	Not recorded
Heating oil	l	<b>119,000</b>	96,987	113,897
Natural gas	kWh	<b>59,962,113</b>	81,610,909	73,737,716
Biomass	MWh	<b>905</b>	1,076	1,047
Biogas	kg	<b>940</b>	0	0
Liquid gas	kg	<b>6,360</b>	73,069	187,888
<b>Indirect energy consumption</b>				
Electrical energy from renewable sources	kWh	<b>0</b>	0	0
Electrical energy	kWh	<b>106,436,892</b>	108,823,643	99,688,688
District heating	kWh	<b>8,256,199</b>	13,106,624	24,516,514
District cooling	kWh	<b>0</b>	98,000	80,000

Activity data		2022	2021	2020
<b>Business travel</b>				
Business travel - international flights	km	<b>20,038,330</b>	6,847,037	5,366,888
Business travel - domestic flights	km	<b>453,666</b>	441,880	499,375
<b>Transport of the material to the construction site</b>				
		<b>36,515,109</b>	42,898,024	43,249,241
by container ship	tkm	<b>22,193,640</b>	28,652,593	30,810,952
by air freight (international)	tkm	<b>812,730</b>	1,022,640	506,222
by truck	tkm	<b>13,508,739</b>	13,222,791	11,932,067

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

	2022	2021	2020
<b>Total greenhouse gas emissions</b>	<b>522,276</b>	526,274	439,215
Direct greenhouse gas emissions (GRI 305-1)	<b>16,335</b>	16,893	15,701
Indirect energy-related greenhouse gas emissions (GRI 305-2)	<b>41,447</b>	39,329	35,933
Other indirect greenhouse gas emissions (GRI 305-3)	<b>464,493</b>	470,052	387,581

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

	2022	2021	2020
<b>Total Scope 3 in t CO<sub>2</sub></b>	<b>464,493</b>	470,052	387,581
Cat. 1 - Materials	<b>445,714</b>	453,805	373,095
Cat. 4 - Transport and distribution (upstream)	<b>14,988</b>	14,880	13,265
Cat. 6 - Business travel	<b>3,790</b>	1,368	1,221

## Environment

For environmental data, all sites, both manufacturing and nonmanufacturing, have been included for the year 2022. The largest production sites are located in Germany (Neunkirchen) and the Czech Republic (Hranice), followed by Austria (Graz), the USA and Malaysia.

### Water and effluents (GRI 303)

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

Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:		2022	2021	2020
Surface water	m <sup>3</sup>	<b>148,500</b>	122,000	127,300
Groundwater	m <sup>3</sup>	<b>3,028</b>	14,800	16,700
Seawater	m <sup>3</sup>	<b>0</b>	0	0
Produced water	m <sup>3</sup>	<b>0</b>	0	0
Third-party water (utilities / neighbors, etc.)	m <sup>3</sup>	<b>55,907</b>	40,973	38,299

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

Total water discharge to all areas in megaliters and, if applicable, a breakdown of this total by the following types of destination:		2022*	2021	2020
Surface water	m <sup>3</sup>	<b>133,500</b>	Not recorded	
Groundwater	m <sup>3</sup>	<b>0</b>		
Seawater	m <sup>3</sup>	<b>0</b>		
Produced water	m <sup>3</sup>	<b>0</b>		
Third-party water (utilities / neighbors, etc.)	m <sup>3</sup>	<b>56,110</b>		

\* Water discharge data is missing for Austria (Wels).

### Waste (GRI 306)

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

Total weight of waste generated in metric tons, and a breakdown of this total by:		2022	2021	2020
Metals	t	<b>14,711</b>	16,113	17,642
Paper and cardboard	t	<b>750</b>	323	285
Plastics	t	<b>163</b>	194	141
Other (rest, mixed)	t	<b>1,083</b>	1,518	1,548
Biodegradable	t	<b>40</b>	22	24
Glass	t	<b>4</b>	Not recorded	

			2021	2020
Total weight of hazardous waste generated	t	<b>-*</b>	171	228

\* Data gap in 2022.



# Employees

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

## i. By employment contract and gender\*

	2022	2021	2020
<b>Men</b>	<b>5,453</b>	4,991	5,001
Permanent contract	<b>5,194</b>	4,600	4,580
Temporary contract	<b>259</b>	391	421
<b>Women</b>	<b>1,265</b>	1,132	1,108
Permanent contract	<b>1,179</b>	1,054	1,034
Temporary contract	<b>86</b>	78	74
<b>Total</b>	<b>6,718</b>	6,123	6,109

\* Reported as of 31 December of each year

AUS: We sometimes employ project-related staff who are employed full-time but on temporary contract. Temporary contract includes fixed-term contract (FTC) employees, i.e. non-permanent employees.

Austria (Graz): Temporary including apprentices.

INCAS (IT): Temporary employment relationships also include employment agencies and fixed-term contracts.

USA: Not included in this table as data by contract category was not available.

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

	2022	2021	2020
<b>Men</b>	<b>5,462</b>	5,628	5,585
Full-time	<b>5,198</b>	5,495	5,474
Part-time	<b>264</b>	133	111
<b>Women</b>	<b>1,265</b>	1,301	1,268
Full-time	<b>969</b>	1,097	1,061
Part-time	<b>296</b>	204	207
<b>Total</b>	<b>6,727</b>	6,929	6,853

\*\* Reported as of 31 December of each year.

Austria (Graz): Including apprentices and leavers.

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

	2022	2021	2020
<b>Men</b>	<b>5,453</b>	5,514	5,497
≤ 30 years	<b>1,307</b>	1,362	1,438
> 30 and ≤ 50 years	<b>2,840</b>	2,825	2,753
> 50 years	<b>1,306</b>	1,327	1,306
<b>Women</b>	<b>1,265</b>	1,275	1,244
≤ 30 years	<b>93</b>	298	310
> 30 and ≤ 50 years	<b>596</b>	694	664
> 50 years	<b>576</b>	283	270
<b>Total</b>	<b>6,718</b>	6,789	6,741

\*\*\* Reported as of 31 December of each year.

Austria (Graz): Including apprentices and leavers.

PL: Not included as no data by age were available.

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

	2022	2021	2020
<b>Total number of workers who are not employees and whose work is controlled by the organization*</b>	<b>314</b>	Not recorded	

\*Temporary production workers performing manual labor are the most common type of employee. The data was collected as of December 31, 2022 (headcount).

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

**i. By gender and age\***

	2022					
	Total number of new employees	Total number of employees who left	Number of new employees in Q4	Number of employees who left in Q4	Employee turnover in Q4**	Total turnover rate***
<b>Men</b>			<b>117</b>	<b>184</b>	<b>2.87%</b>	
≤ 30 years			45	67	1,04%	
> 30 and ≤ 50 years			60	85	1.32%	
> 50 years			12	32	0.50%	
<b>Women</b>			<b>23</b>	<b>44</b>	<b>0.69%</b>	
≤ 30 years			7	9	0.14%	
> 30 and ≤ 50 years			15	28	0.44%	
> 50 years			1	7	0.11%	
<b>Total</b>	<b>740</b>	<b>608</b>	<b>140</b>	<b>228</b>	<b>3.55%</b>	<b>8.94%</b>

\* Excluding apprentices, interns, working students and retirements (retirements not included in Q4 due to limited filtering options, but included in the full year).

\*\* Calculation:  $\text{Number of employees who left in Q4} \div (\text{Number of employees at the beginning of Q4} + \text{Number of employees at the end of Q4} \div 2) \times 100$

\*\*\* Calculation:  $\text{Number of employees who left in 2022} \div (\text{Number of employees at the beginning of 2022} + \text{Number of employees at the end of 2022} \div 2) \times 100$



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

Average hours of training per year per employee\*

in hours	2022	2021	2020
<b>Total number of training hours</b>	<b>83,086</b>	Not recorded	
<b>Average number of training hours per employee</b>	<b>10.2</b>	Not recorded	

\* Data for the entire SSI SCHAEFER organization except Plastics, RO-BER and SWAN

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

Top management positions*	2022		2021		2020	
	absolute	percentage	absolute	percentage	absolute	percentage
<b>Men</b>	<b>131</b>	<b>91%</b>	<b>84</b>	<b>91%</b>	<b>81</b>	<b>93%</b>
≤ 30 years	<b>0</b>	<b>0%</b>	0	0%	0	0%
> 30 and ≤ 50 years	<b>75</b>	<b>52%</b>	43	47%	37	43%
> 50 years	<b>56</b>	<b>39%</b>	41	45%	44	51%
<b>Women</b>	<b>13</b>	<b>9%</b>	<b>8</b>	<b>9%</b>	<b>6</b>	<b>7%</b>
≤ 30 years	<b>4</b>	<b>3%</b>	0	0%	0	0%
> 30 and ≤ 50 years	<b>6</b>	<b>4%</b>	6	7%	3	3%
> 50 years	<b>6</b>	<b>4%</b>	2	2%	3	3%
<b>Total</b>	<b>144</b>	<b>100%</b>	<b>92</b>	<b>100%</b>	<b>87</b>	<b>100%</b>

Management positions*	2022		2021		2020	
	absolute	percentage	absolute	percentage	absolute	percentage
<b>Men</b>	<b>975</b>	<b>85%</b>	<b>278</b>	<b>83%</b>	<b>258</b>	<b>88%</b>
≤ 30 years	<b>40</b>	<b>3%</b>	16	5%	16	5%
> 30 and ≤ 50 years	<b>652</b>	<b>57%</b>	184	55%	164	56%
> 50 years	<b>283</b>	<b>25%</b>	78	23%	78	27%
<b>Women</b>	<b>169</b>	<b>15%</b>	<b>55</b>	<b>17%</b>	<b>38</b>	<b>13%</b>
≤ 30 years	<b>7</b>	<b>1%</b>	7	2%	2	1%
> 30 and ≤ 50 years	<b>116</b>	<b>10%</b>	39	12%	25	9%
> 50 years	<b>46</b>	<b>4%</b>	9	3%	11	4%
<b>Total</b>	<b>1,144</b>	<b>100%</b>	<b>333</b>	<b>100%</b>	<b>294</b>	<b>100%</b>

\* At the time of data collection, there was still the challenge that there were no uniform Group-wide definitions for the management levels so that the data reported was based on the country-specific classifications.



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

	2022	2021	2020
Total number of incidents of discrimination during the reporting period.	1	1	2
Status of the incidents and actions taken with reference to the following:			
i. Incident reviewed by the organization	1*	1	2
ii. remediation plans being implemented	0	1	2
Men	0	1	1
Women	0	0	1

\* Reviewed and rejected by the Equal Employment Opportunity Commission (EEOC).





# GRI-Index

## Statement of use

SSI SCHAEFER has reported the information cited in this GRI content index for the period 01.01.2022 to 31.12.2022 with reference to the GRI Standards.

## GRI 1 used: GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Comments
<b>GRI 2: General Disclosures 2021</b>			
2-1	Organizational details	p. 6, 70	
2-2	Entities included in the organization's sustainability reporting	p. 84	
2-3	Reporting period, frequency and contact point	p. 84	
2-4	Restatements of information		<p>The key figures in the chapter "Facts and figures" refer to the 18 biggest companies (BIG 18) of the SSI SCHAEFER Group, which together account for more than 80% of sales revenues. Due to the carve-out of the Waste &amp; Packaging division within the SSI SCHAEFER Group under the name SSI SCHAEFER PLASTICS in 2022, there was a change in the BIG 18. SSI SCHAEFER PLASTICS GmbH was thus taken into account in the 2022 figures and SSI SCHAEFER N.V./S.A (Belgium) was not taken into account. All companies included can be found on page 70.</p> <p>Due to a calculation error in the previous years, the scope 1 emissions from biomass were not included in the total of direct greenhouse gas emissions. This error was corrected for the data in 2022, the previous year's values were not adjusted. The impact on the figure is marginal due to the small amount consumed. The data described can be found on page 75.</p>
2-5	External assurance	p. 84	
2-6	Activities, value chain and other business relationships	p. 9-11, 55	
2-7	Employees	p. 8, 77	
2-8	Workers who are not employees	p. 78	

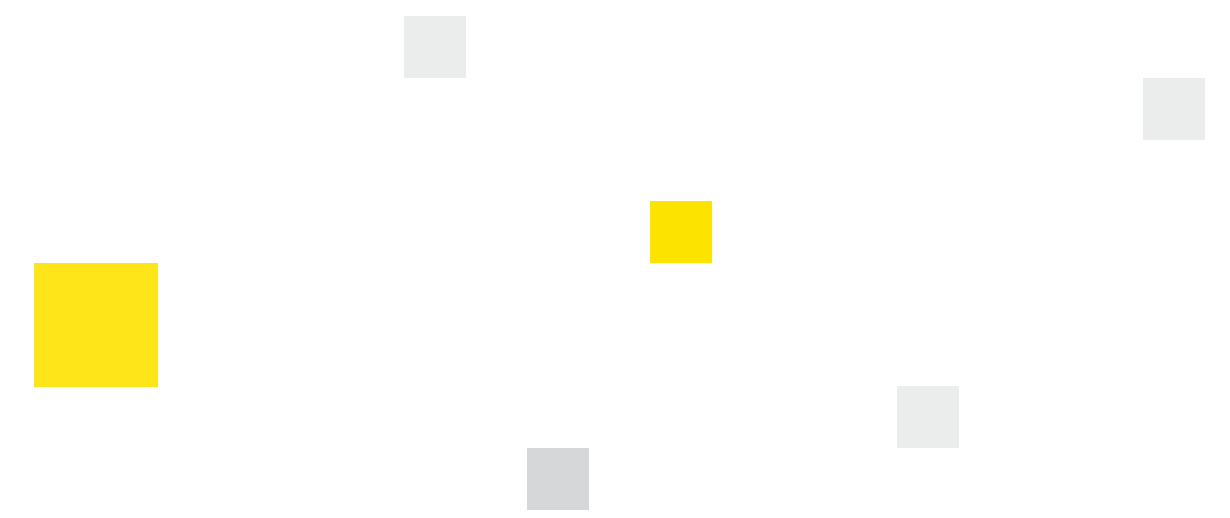
GRI Standard	Disclosure	Location	Comments
2-9	Governance structure and composition	p. 6	
2-22	Statement on sustainable development strategy	p. 3-4	
2-23	Policy commitments		<p>The SSI SCHAEFER Group commits to human rights in its Declaration of Principles and affirms its commitment to promote the company's own human rights strategy and to pursue the goal of strengthening human rights and preventing any violations.</p> <p>Further information on our Codes of Conduct and Declaration of Principles on Human Rights can be found here: <a href="https://www.ssi-schaefer.com/en-gb/about-us/compliance">https://www.ssi-schaefer.com/en-gb/about-us/compliance</a></p>
2-24	Embedding policy commitments	p. 52-53, 55	
2-25	Processes to remediate negative impacts	p. 52-53	
2-26	Mechanisms for seeking advice and raising concerns	p. 53	
2-28	Membership associations	p. 12	
2-30	Collective bargaining agreements		In all countries in which the SSI SCHAEFER Group operates and in which there are legal regulations or collective agreements, we comply with them.
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	p. 14	
3-2	List of material topics	p. 14	
<b>GRI 201: Economic Performance 2016</b>			
3-3	Management of material topics	p. 41-45	
201-1	Direct economic value generated and distributed		See the 2021 consolidated financial statements of Fritz Schäfer GmbH & Co KG (Consolidated income statement) <a href="https://www.bundesanzeiger.de">https://www.bundesanzeiger.de</a> ; The 2022 consolidated financial statements are expected to be completed in September 2023.

GRI Standard	Disclosure	Location	Comments
<b>GRI 203: Indirect Economic Impacts 2016</b>			
3-3	Management of material topics	p. 35, 38	
<b>GRI 204: Procurement Practices 2016</b>			
3-3	Management of material topics	p. 55	
<b>GRI 205: Anti-corruption 2016</b>			
3-3	Management of material topics	p. 21	
<b>GRI 301: Materials 2016</b>			
3-3	Management of material topics	p. 26	
301-1	Materials used by weight or volume	p. 71	
<b>GRI 302: Energy 2016</b>			
3-3	Management of material topics	p. 26, 58	
302-1	Energy consumption within the organization	p. 75	
302-4	Reduction of energy consumption	p. 58	
302-5	Reductions in energy requirements of products and services	p. 58	
<b>GRI 303: Water and Effluents 2018</b>			
303-3	Water discharge	p. 76	
303-4	Water consumption	p. 76	
<b>GRI 305: Emissions 2016</b>			
3-3	Management of material topics	p. 63	
305-1	Direct (Scope 1) GHG emissions	p. 75	
305-2	Energy indirect (Scope 2) GHG emissions	p. 75	
305-3	Other indirect (Scope 3) GHG emissions	p. 75	

GRI Standard	Disclosure	Location	Comments
<b>GRI 306: Waste 2020</b>			
3-3	Management of material topics		A Group certification strategy for the SSI SCHAEFER Group is currently being developed. Individual locations have already been certified to management systems such as ISO 9001, ISO 14001, ISO 50001, ISO 27001 and ISO 45001.
306-3	Waste generated	p. 76	
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
3-3	Management of material topics	p. 55	
<b>GRI 401: Employment 2016</b>			
3-3	Management of material topics	p. 28	
401-1	New employee hires and employee turnover	p. 78	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		In many countries in which the SSI SCHAEFER Group operates, there are legal regulations or collective agreements with which we comply.
<b>GRI 403: Occupational Health and Safety 2018</b>			
3-3	Management of material topics	p. 31	
403-1	Occupational health and safety management system	p. 31-32	
403-2	Hazard identification, risk assessment, and incident investigation	p. 31-32	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 31-32	
403-9	Work-related injuries	p. 72	
403-10	Work-related ill health	p. 72	



GRI Standard	Disclosure	Location	Comments
<b>GRI 404: Training and Education 2016</b>			
3-3	Management of material topics	p. 28	
404-1	Average hours of training per year per employee	p. 79	
404-2	Programs for upgrading employee skills and transition assistance programs	p. 69	At present, the different data are not yet uniformly recorded across all companies. This is being developed.
404-3	Percentage of employees receiving regular performance and career development reviews		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	p. 79	
<b>GRI 406: Non-discrimination 2016</b>			
406-1	Incidents of discrimination and corrective actions taken	p. 80	
<b>GRI 414: Supplier Social Assessment 2016</b>			
3-3	Management of material topics	p. 55	
<b>GRI 415: Public Policy 2016</b>			
415-1	Political contributions		Political parties or similar interest groups are not supported. This figure is therefore not recorded.
<b>GRI 416: Customer Health and Safety 2016</b>			
3-3	Management of material topics	p. 24	
<b>GRI 418: Customer Privacy 2016</b>			
3-3	Management of material topics	p. 35	



# About this report

This is the second year in a row that the SSI SCHAEFER Group has presented a sustainability report on a voluntary basis. This current report refers to the financial year 2022 (January 1, 2022 to December 31, 2022) and additionally includes selected information from the first months of the financial year 2023.

The editorial deadline for the Sustainability Report 2022 was August 4, 2023.

The report for the financial year 2023 is expected to be published in mid-2024.

The Sustainability Report 2022 covers the entire basis of consolidation of the SSI SCHAEFER Group with its 74 subsidiaries.

Unless otherwise stated, the performance indicators contained in this report refer to the 18 largest entities of the SSI SCHAEFER Group, which together account for more than 80% of sales revenues. If possible, we intend to include the full consolidation base in the 2023 Sustainability Report, including performance indicators.

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

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

## Rounding note

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

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### Forward-looking statements

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

### Your feedback

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

### Further reporting

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





*Think Tomorrow.*

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