



# bilstein group Sustainability Report

**Non-Financial Report 2023**

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# Letter from Group Managing Directors



“Mobility is what drives us” – and has done so since 1844. However, mobility does not only refer to our products, but also to our characteristics as a group of companies to deal flexibly and proactively with changes in our markets and in the world. With a customer-centric approach, we continue to be globally successful, now in our seventh generation. Since our foundation nearly 180 years ago, however, we had to live and manage in harmony with our stakeholders and the environment around us. That is why the bilstein group, as a family-run group of companies, has always taken its social and ecological responsibility very seriously. For us, sustainability is not just a legal obligation, sustainability has always influenced our corporate decisions and it will continue to do so in the future. As a locally rooted family business, we know that only sustainable business processes can be future-proof.

Our goal is to maintain mobility – sustainably and globally. Sustainability at the bilstein group is made up of the following three key components:

**Economy:** The bilstein group produces high-quality and durable products that take equal account of environmental protection and affordable mobility.

**Ecology:** In the production and distribution of our products and services, we rely on products, processes and structures that conserve resources as much as possible.

**Social aspects:** In the production of our products, we pay attention to appropriate wages and working conditions – also along the supply chain – and, as a multi-generational company, we have always operated in harmony with our stakeholders.

Sustainable products are therefore not only limited to producing the smallest CO<sub>2</sub> footprint, but also to creating long-term jobs with good working conditions and living wages. Thus, for us, sustainable production means manufacturing products through economically viable processes that minimise negative impacts on the environment while conserving energy and natural resources. The bilstein group has already been doing this for many years through digitisation and investments in our energy efficiency.

However, it is not only in the past that the protection of our environment has always played a central role for us. For upcoming generations in particular, climate protection will be one of the most challenging tasks. That is why we are committed to the Paris Climate Agreement. To contribute to this, the bilstein group reduces emissions along the entire supply chain and relies, for example, on energy-efficient technologies, renewable energies, resource-conserving production processes and efficient building standards as well as a comprehensive energy management system. Our declared goal is to reduce emissions along the entire value chain.

Our sustainability strategy sets the path here:

**Creating situational awareness and transparency by**

- establishing global energy teams
- integrating all bilstein group sites into the energy management system

**Avoidance of emissions by**

- continuous improvement of all environmental and energy-related processes
- regular audits and certifications

**Reduction of emissions and the ecological footprint by**

- the consideration of sustainability aspects in every investment
- the evaluation of the use of renewable energy sources

**Compensation of unavoidable CO<sub>2</sub> emissions by**

- supporting climate protection projects

One example is the increased energy efficiency standards, which all of our new buildings have since 2008. Simultaneously, the energy efficiency of our production and logistics processes is continuously being increased and processes are being converted to renewable energies. The share of self-generated renewable energy is being continuously expanded and the German bilstein group sites have been operated exclusively with green electricity since 2021. Unavoidable emissions, such as in the vehicle fleet area, are subsequently offset by climate-friendly projects.

There is still a long way to go to achieve sustainable mobility. The bilstein group will continue along this path it embarked on many years ago in order to make a significant contribution here.

**Karsten Schübler-Bilstein**  
Group Managing Director

**Jan Siekermann**  
Group Managing Director

# Who We Are

The bilstein group is a seventh-generation family-run company headquartered in Ennepetal, Germany. As a supplier and manufacturer of spare parts for the Independent Automotive Aftermarket (IAM), we offer repair solutions for all common vehicle types in the passenger car and commercial vehicle sectors. bilstein group Engineering, our in-house production, primarily supplies automotive spare parts for the bilstein group itself but also manufactures high-quality components for various industrial applications. Since 2012, the bilstein group has combined its internationally renowned product brands febi, SWAG and Blue Print under one roof. The turbocharger specialist Motair was added in 2021.

We offer customers in 170 countries more than 75,000 different spare parts. To be as close as possible to our partners, we are present in Europe, Africa, Asia, North and South America and the Middle East. In 2023, 2,700 employees in 22 international locations generated sales of 1.12 billion Euro.

We are driven by the sustainable maintenance of mobility worldwide: in an open and creative environment, we create the framework for future-oriented solutions with the aim of offering the aftermarket a comprehensive range of high-quality spare parts and outstanding services for efficient vehicle repairs. Our actions are long-term and reliable.

An important part of our philosophy is to focus on long-term and cooperative partnerships with our international customers. Together with them, we want to develop the aftermarket and make our business environment fit for the future.

One of the main focuses of our cooperation with our customers is to create new opportunities for this joint journey. We focus on today's aftermarket opportunities, but we have always been focused on tomorrow's needs. That is why electrification and the evolution of mobility are at the top of our agenda.

## Our Company Structure:



# Our Mission and Vision

## Guiding Principles Internally and Externally

To be successful as a company, it is crucial that everyone pulls in the same direction and works together towards common goals. Every employee plays a significant role in achieving these goals and is thus a key component of our collective success.

To guide this process, the bilstein group has defined frameworks that set the direction and provide orientation. These frameworks address the **why**, **how** and **what** of our activities and focus on achieving a shared goal.

**“Mobility is our drive”** – This is the guiding principle for the bilstein group. It reflects the purpose behind our activities and our attitude towards our business partners and stakeholders. We create mobility and are committed to being customer-oriented, flexible, proactive, and self-motivated in our daily operations. Several core aspects have been defined to give our company and our work deeper meaning:

The **Why** (Purpose) describes the driving force behind everything the bilstein group does. It is the reason we get up in the morning and go to work. Our purpose is: We sustainably maintain mobility worldwide.

The **How** (Vision) is a guiding principle that establishes our long-term goals and values. It provides a clear perspective on what we aim to achieve as a company in the future, creating meaning and identification: Together, we innovate – giving people the most independence possible through affordable mobility.

The **What** (Mission) defines the purpose and ongoing task of the company. It determines the collective direction and offers a framework for developing strategies and goals. It serves as our reference point for aligning our processes: Through an open and creative environment, we provide the framework for future-oriented solutions. Therefore, we offer the independent aftermarket a comprehensive range of high-quality replacement parts and outstanding services for efficient vehicle repairs. All the while, we act as a family business in the long term – this makes us reliable and predictable.

Our mission and vision are designed to convey the essence of our actions to all employees of the bilstein group and our global business partners. They provide long-term guiding principles that help align our activities, derive strategies and secure the long-term success of the company.



# Our Holistic Approach towards Sustainability

As a medium-sized, family-run group of companies, the bilstein group has always taken its social and ecological responsibilities seriously. For us, sustainability is more than just an imperative: in the coming years, we want to align all our actions with it.

On our journey towards sustainable transformation, we cover all three pillars of sustainability: environmental, social and governance.

As part of our materiality analysis, we used a variety of sources to select the key topics, including:

- Industry reports and market analyses
- Industry publications and assessments
- Current trends and reports
- Perspectives from our employees, customers and suppliers

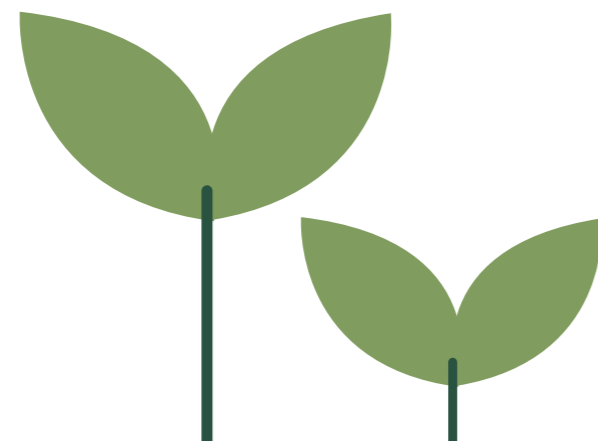
The topics identified were assessed for their impact, risks and opportunities and a final selection was made.

For the 2022 report, we have already identified eight material topics that are most relevant to the bilstein group. In 2023, we updated this materiality analysis to ensure that our topics remain relevant and up to date.

No additional material topics were identified for 2023. In the coming years, we will comprehensively review our materiality analysis in accordance with the requirements of the CSRD (Corporate Sustainability Reporting Directive).

## List of Material Topics:

| Environmental   | Social  | Governance  |
|---|---|---|
| <p>Climate protection</p> <p>Saving resources through circularity</p> | <p>Our employees</p> <p>Health and safety at work</p> <p>Supporting our community</p> | <p>Business ethics</p> <p>Sustainability in the supply chain</p> <p>Products and services</p> |



# Environmental

We are committed to protecting the environment. We focus on processes and structures that reduce our carbon footprint and conserve natural resources as much as possible.

## Climate Protection

### Germany

#### Offset Certificate

On Earth Overshoot Day, humanity will have used up all the natural resources that would normally be available for an entire year. This means that the world's ecosystems are overstretched. In 2023, this day was 2 August.

The bilstein group is consciously committed to the conservation of natural resources: for example, CO<sub>2</sub> emissions have been successfully reduced through continuous investment in building infrastructure, such as automotive efficiency houses, green roofs and modernisation measures, as well as through the implementation of efficient and resource-saving production and logistics processes.

Further investments in photovoltaic and combined heat and power plants, as well as energy recovery, are enabling a significant reduction in overall process energy emissions. Since 2021, the bilstein group has also been sourcing electricity exclusively from renewable energy sources at all its German production, logistics and administrative sites by obtaining guarantees of origin when purchasing electricity. Other unavoidable emissions, such as those from the vehicle fleet, will be offset by climate-friendly projects from 2023.

In June 2023, the company was awarded the PARTSLIFE Environmental Prize for its high environmental and sustainability standards in the construction of the logistics centre in Gelsenkirchen. The prize is awarded annually in recognition of exemplary, active and environmentally



oriented actions. PARTSLIFE is an international network of numerous aftermarket companies and workshops that work together on the topics of environmental protection, waste, packaging and energy management as well as occupational health and safety.

We are committed to the Paris Climate Agreement and strive to reduce the environmental impact of our business activities worldwide and along our supply chain.

#### Methodology

Climate change is one of the major challenges of the 21<sup>st</sup> century. CO<sub>2</sub> emissions from the burning of fossil fuels are a major contributor to the greenhouse effect. Other greenhouse gases (GHG) also play a role in the greenhouse effect. In addition to CO<sub>2</sub> (carbon dioxide), these include CH<sub>4</sub> (methane), N<sub>2</sub>O (nitrous oxide/dinitrogen monoxide), NF<sub>3</sub> (nitrogen trifluoride), SF<sub>6</sub> (sulphur hexafluoride) and HFC gases (hydrofluorocarbons) and PFC gases (perfluorinated compound).

Therefore, when balancing greenhouse gas emissions, these gases are included in the database if they represent a relevant proportion of total emissions. These greenhouse gases can be quantified as CO<sub>2</sub> emission equivalents. The results of the climate assessment are therefore expressed in CO<sub>2</sub> equivalents (CO<sub>2</sub>e).



## Overview of the bilstein group's Emissions Data

The emissions and energy data for 2021 include Germany and the UK and only from 2022 onwards the data for the subsidiaries. All values are expressed in tCO<sub>2</sub>e.

As part of the materiality analysis, only the electricity, heat and fuel consumption of the German subsidiaries and refrigerant losses from air conditioning systems were initially identified as material. To ensure that the CO<sub>2</sub>e emissions are fully offset, they are rounded up to a full tonne of CO<sub>2</sub>e and the corresponding number of credits are cancelled. The cancellation of the credits is carried out in official registers and is carried out for the bilstein group by KlimAktiv after consultation with the energy officer. The credits purchased come from Gold Standard projects. Climate protection projects certified according to the Gold Standard also promote ecological, social, economic and technical development at the project location. The Gold Standard is based on the UN Sustainable Development Goals (SDG).

### Scope 1 and 2 emissions bilstein group

| Market-based: |                        |                        | Location-based: |                        |                          |
|---------------|------------------------|------------------------|-----------------|------------------------|--------------------------|
| Year          | Scope 1                | Scope 2                | Year            | Scope 1                | Scope 2                  |
| 2021          | 377 tCO <sub>2</sub> e | 625 tCO <sub>2</sub> e | 2021            | 377 tCO <sub>2</sub> e | 3,944 tCO <sub>2</sub> e |
| 2022          | 681 tCO <sub>2</sub> e | 693 tCO <sub>2</sub> e | 2022            | 681 tCO <sub>2</sub> e | 4,851 tCO <sub>2</sub> e |
| 2023          | 582 tCO <sub>2</sub> e | 506 tCO <sub>2</sub> e | 2023            | 582 tCO <sub>2</sub> e | 4,306 tCO <sub>2</sub> e |

### Scope 3 emissions

| Year | Scope 1                    | Scope 1 and 2 emissions Ferdinand Bilstein GmbH & Co. |                        |                       |
|------|----------------------------|---|------------------------|-----------------------|
| Year | Scope 1                    | Year  | Scope 1                | Scope 2               |
| 2021 | n.a.                       | 2021  | 281 tCO <sub>2</sub> e | 20 tCO <sub>2</sub> e |
| 2022 | 343,665 tCO <sub>2</sub> e | 2022  | 274 tCO <sub>2</sub> e | 30 tCO <sub>2</sub> e |
| 2023 | 350,020 tCO <sub>2</sub> e | 2023  | 300 tCO <sub>2</sub> e | 26 tCO <sub>2</sub> e |

## VCS and CCBS Offsetting Certificates

We purchase offsetting certificates that are certified according to the VCS (Verified Carbon Standard – Verra) and CCBS (Climate, Community and Biodiversity Standard) standards. The assessment is carried out at the highest level ('Gold Level') to ensure the quality and impact of the projects.

As a first step, we assessed and analysed our emissions in categories 1, 2 and 3 for our base year 2022 in accordance with the GHG Protocol. Category 1 and 2 emissions come from energy consumption in our production, warehouses and offices, while category 3 emissions come from our value chain and the sourcing of products and raw materials.

In 2023, 79% of our global electricity consumption came from renewable sources. We generated 9% of our electricity from renewable sources locally with photovoltaic systems at our production site in Ennepetal (Germany) and our logistics centres in Gelsenkirchen (Germany), Chesterfield (UK) and Venda do Pinheiro (Portugal). For the remaining 70%, we have purchased Guarantees of Origin to ensure that the electricity we buy comes from renewable sources.

With an area of around 6,000 square metres, the photovoltaic system in Ennepetal is one of the largest in the Ennepe-Ruhr district. The company's own production facility, bilstein group Engineering, uses around 80% of the electricity generated (approx. 600,000 kWh/year) for its own machines. The surplus 'green' electricity is fed into the local power grid.

The photovoltaic system in Gelsenkirchen also covers an area of around 6,000 sqm and has 2,200 photovoltaic modules that can generate over 700,000 kWh of electricity per year. The output of both solar plants – 1.4 million kWh/year – is equivalent to the electricity needs of around 500 households.

At our logistics centre in Ennepetal, we also use combined heat and power (CHP) to generate energy more efficiently. The plant is fuelled by natural gas, which means that although the electricity is not generated from renewable sources, it is much more efficient than other power plants. It uses less fuel and the heat generated during electricity generation is used to provide thermal energy.

| Total energy consumption Ferdinand Bilstein GmbH & Co. KG |             |
|---|-------------|
| 2021  | 17,232 MWh  |
| 2022  | 16,820 MWh  |
| 2023  | 17,111 MWh* |

| Total global energy consumption bilstein group |            |
|--|------------|
| 2021   | 21,652 MWh |
| 2022**   | 23,145 MWh |
| 2023   | 22,689 MWh |

| Global electricity consumption bilstein group |            |
|---|------------|
| 2021  | 10,574 MWh |
| 2022  | 13,074 MWh |
| 2023  | 13,241 MWh |

| Global electricity purchasing bilstein group |            |
|--|------------|
| 2021   | 9,487 MWh  |
| 2022   | 11,672 MWh |
| 2023   | 11,981 MWh |

| Global electricity from own generation PV system and CHP of the bilstein group |           |
|--|-----------|
| 2021   | 1,356 MWh |
| 2022   | 1,827 MWh |
| 2023   | 1,605 MWh |

| Global self-consumed electricity from own generation PV system and CHP of the bilstein group |           |
|--|-----------|
| 2021   | 1,087 MWh |
| 2022   | 1,401 MWh |
| 2023   | 1,258 MWh |

| Globally sold electricity from own generation PV system and CHP of the bilstein group |         |
|---|---------|
| 2021  | 269 MWh |
| 2022  | 426 MWh |
| 2023  | 347 MWh |

## Heating as Sustainably as Possible

All of our heating energy was generated by burning fossil fuels (mainly natural gas but also fuel oil and a small amount of coal).

We want to further reduce our environmental impact and are investigating options for renewable heating. At our Gelsenkirchen site, we already use energy-efficient district heating to cover part of our energy consumption.

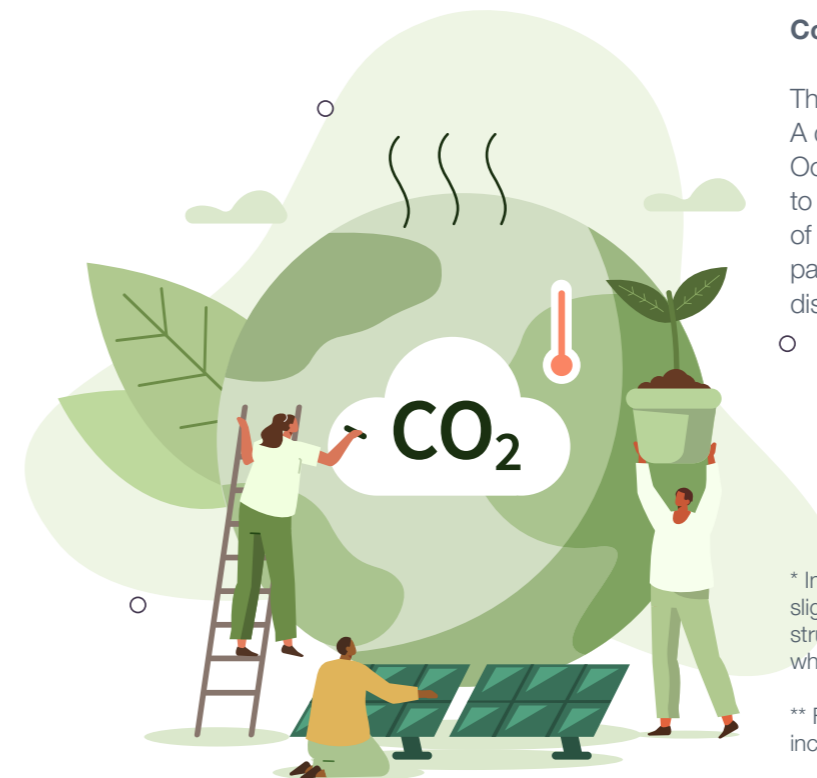
| Heat supply and fuel consumption (mainly heat consumption of the bilstein group) |                        |            |
|--|------------------------|------------|
| 2021   | Fuel – total           | 10,999 MWh |
| 2022   | Fuel – total           | 9,971 MWh  |
| 2023   | Fuel – total           | 9,339 MWh  |
| 2021   | Emergency diesel power | 1 MWh      |
| 2022   | Emergency diesel power | 59 MWh     |
| 2023   | Emergency diesel power | 35 MWh     |
| 2021   | Natural gas            | 8,053 MWh  |
| 2022   | Natural gas            | 6,865 MWh  |
| 2023   | Natural gas            | 6,137 MWh  |
| 2021   | Coal                   | 0 MWh      |
| 2022   | Coal                   | 326 MWh    |
| 2023   | Coal                   | 244 MWh    |
| 2021   | District heating       | 1,606 MWh  |
| 2022   | District heating       | 1,564 MWh  |
| 2023   | District heating       | 1,714 MWh  |
| 2021   | Heating oil            | 1,340 MWh  |
| 2022   | Heating oil            | 1,157 MWh  |
| 2023   | Heating oil            | 1,209 MWh  |

## Contribution to Wuppertal's District Heating System

The Wuppertal site is currently heated by three fuel oil systems. A district heating connection will be installed at the site by October 2025. It is planned to convert the heating systems to district heating in the summer of 2025 or by the end of 2026 at the latest. This will require the conversion and partial replacement of the entire internal heating system and distribution.

\* In the 2023 reporting year, our total energy consumption increased slightly compared to the previous year. This is mainly due to the construction and commissioning of our new logistics site in Gelsenkirchen, which required additional energy.

\*\* From 2022, the energy consumption of all bilstein group locations is included, in addition to the German and English locations.



## Sites and Buildings: Our Measures to Increase Sustainability

In logistics, buildings tend to look functional from the outside, but when it comes to energy efficiency, our new buildings have it all: both our own production facility in Ennepetal and the logistics centre in Gelsenkirchen, which opened in 2022, were built to the KfW 55 standard. This means they consume around 45% less primary energy than a comparable new building without additional efficiency measures.

In addition to the 6,000 sqm photovoltaic system, 15,000 sqm of green roof has been installed at our logistics centre in Gelsenkirchen. This is not just about environmental aspects: among other things, the green roof helps to reduce the negative effects of heavy rainfall and contributes to better climatic conditions in the rooms below.

In our logistics centres, we rely primarily on automated logistics systems. In Gelsenkirchen, for example, we save around 75% of the space required by a traditional manual warehouse. We also use energy-efficient components and drives (active shutdown of conveyors when not in use; use of braking energy from stacker cranes).



By saving light, heat and process energy, our automated warehouses use up to 40% less CO<sub>2</sub> per year than a comparable manual warehouse.

### Our German Sites – Scope 1 and 2

Our locations in Germany account for more than 80% of the total Scope 1 and Scope 2 emissions caused by the bilstein group's global activities. In the past, we have therefore focused on reducing and avoiding emissions from our German sites as much as possible. We have succeeded in avoiding a significant proportion of our Scope 1 and Scope 2 emissions in Germany through the market-based approach by purchasing 'green' electricity certificates with guarantees of origin for all our sites and more climate-friendly district heating for our logistics centre in Gelsenkirchen. Under the location-based approach, we calculate emissions not only using average German emission factors but also taking into account the specific emission factors of the country where the electricity or heat was consumed. To continuously reduce these emissions, we focus on energy efficiency measures and invest in the expansion of photovoltaic systems at our sites.

For the remaining unavoidable emissions, we have purchased carbon offsetting certificates for programmes that improve CO<sub>2</sub> sequestration in a natural way (e.g. forest restoration) to contribute to climate protection.

Our decision to offset our remaining emissions does not mean that we will stop investing in further reducing and eliminating CO<sub>2</sub> emissions from our operations. Our plans to purchase 'green' gas for our heating systems and increase the number of electric vehicles in our fleet will further reduce our emissions.

In addition, over the coming years we will expand our efforts in our subsidiaries around the world to achieve carbon neutrality by 2030.

### Sustainable Fleet Management

Most of the vehicles in our fleet are individual company cars used by employees. More than five years ago, we introduced a fleet policy that sets CO<sub>2</sub> emission limits for passenger cars that can be purchased or leased.

### Number of vehicles

| Fuel type        | 2022       | 2023       |
|------------------|------------|------------|
| Petrol           | 23         | 81         |
| Diesel           | 137        | 74         |
| Hybrid           | 17         | 15         |
| Electric vehicle | 6          | 47         |
| <b>Total</b>     | <b>183</b> | <b>217</b> |

The figures increased significantly from 2022 to 2023 due to further data supplied by our subsidiaries.

|        |      |         |
|--------|------|---------|
| Petrol | 2022 | 1,736 l |
| Petrol | 2023 | 2,648 l |
| Diesel | 2022 | 8,313 l |
| Diesel | 2023 | 7,955 l |

### Indirect Greenhouse Gas Emissions – Scope 3

To gain greater transparency into how our indirect business activities and supply chain impact climate change, we decided to conduct a systematic assessment of our Scope 3 emissions using the GHG Protocol guidelines.

We have used secondary data and emission factors from reliable databases to calculate our Scope 3 emissions. We have found that this data is not very accurate and often lacks industry-specific information. We therefore plan to collect primary data on carbon emissions directly from our suppliers and investigate ways to further reduce Scope 3 emissions. In the 2023 reporting year, we saw a significant change in Scope 3 emissions, particularly in upstream transport. However, this increase is not due to an actual increase in emissions, but rather to an adjustment in our calculation methodology. In the past, emissions from the transport of goods were partially allocated to the products themselves. As part of our ongoing development and improvement of our calculation methods, we have consistently allocated these emissions to upstream transport. Although the figures appear higher than last year, they reflect an accurate allocation of emission sources.

### Scope 3 emissions

|                      | 2022                       | 2023                       |
|----------------------|----------------------------|----------------------------|
| Purchase of goods    | 333,789 tCO <sub>2</sub> e | 315,371 tCO <sub>2</sub> e |
| Upstream transport   | 2,746 tCO <sub>2</sub> e   | 29,427 tCO <sub>2</sub> e  |
| Downstream transport | 3,542 tCO <sub>2</sub> e   | 3,412 tCO <sub>2</sub> e   |
| Capital goods        | 3,215 tCO <sub>2</sub> e   | 1,213 tCO <sub>2</sub> e   |
| Waste                | 93 tCO <sub>2</sub> e      | 143 tCO <sub>2</sub> e     |
| Business trips       | 280 tCO <sub>2</sub> e     | 455 tCO <sub>2</sub> e     |

## Digital Twin for More Transparency and Sustainability in the Supply Chain

In 2021, we commissioned the PSIGlobal 2.7 software from PSI Logistics GmbH to create a digital twin of our logistics network. A digital twin is a virtual image of a physical logistics system that reflects the processes, resources and data of the real system in real time. It enables the simulation, monitoring and optimisation of logistics processes by integrating data from different sources to create accurate forecasts and analyses.

With the logistics network routing integrated in PSIGlobal, we can optimise our flow of goods along the entire supply chain and across all transport stages. Based on our multi-level warehouse structure, we can implement a service-optimised and emission-efficient delivery to the target markets, taking into account different product groups and shipment types and analyse this via the digital twin. In this way, we are pursuing the goal of reducing our carbon footprint and establishing sustainable supply chain management. The use of PSIGlobal started with the development of a logistics network routing for our markets in France and Germany. We are now gradually extending this successful concept to other sales and procurement markets.

“  
**With the digital twin, we are laying the foundation for a resilient and sustainable organisation of the entire supply chain. Thanks to the scenario planning integrated into PSIGlobal, we can ensure that we can continue to offer our customers the best possible service in the future.**  
 ”

Fabian Hilbrich  
 Divisional Network Planning &  
 Design Manager

In 2023, our subsidiaries have taken a number of measures to further advance their sustainability goals. France is working on a comprehensive budget plan covering all issues related to its energy consumption.

In addition, Portugal has already invested around 65,000 Euro in photovoltaic systems to improve energy efficiency and increase the use of renewable energy. These activities show that our subsidiaries are actively working to implement sustainable and environmentally friendly solutions.

# Saving Resources through Circularity

## Spare Parts for Future Mobility

The cost-conscious use of resources is at the core of our business. As a pioneer in the automotive aftermarket, we believe that our high-quality and durable products extend the life of the vehicle in such a way that we (with comparatively little use of resources) have a positive influence on the economy of the entire vehicle.

We are aware that the CO<sub>2</sub> balance of mostly older vehicles with combustion engines must be compared with those of vehicles with more modern drive technology. In the future, it will therefore be all the more important that vehicles with hybrid, electric or other alternative drive systems are also supplied with the necessary spare parts for the longest possible service life.

That is why we are keeping pace with sustainability trends and developing our spare parts for the mobility of the future. We already have numerous parts for hybrid, electric, hydrogen and alternatively powered vehicles, whether passenger car or commercial vehicle, in our range. More than 2,000 new items are introduced annually for passenger cars alone and we have a database of over 100,000 individual vehicle variants. By constantly adding new parts for vehicles with alternative drives, we can keep cars on the road for longer in the years to come and thus ensure the future of sustainable mobility.

## Remanufacturing

An integral part of modern combustion engines is the turbocharger, combining high performance with environmental efficiency.

We offer products from well-known original equipment manufacturers as well as remanufactured turbochargers with our Motair RECO programme. These industrially remanufactured turbochargers are a cost-effective, high-quality alternative for engines at the end of their service life. The turbochargers are remanufactured in audited quality processes according to ISO 9001.

The turbochargers are remanufactured in a multi-step process that includes, among other things, thorough cleaning and comprehensive testing and calibration. The remanufactured turbochargers are functionally equivalent to the original part.

Compared to the production of new turbochargers, remanufacturing saves valuable resources and thus helps the environment.

## Sustainable Production

In our production, we want to reuse all the resources available to us:

- We use the waste heat from the machines to heat the fresh air that is drawn in from outside during the colder months, thus saving us additional heating.
- The waste heat from the compressors is used to generate hot water for the sanitary facilities.
- For the cooling circuit in our metal hardening processes, we consistently use rain and drainage water.

## Circular Packaging

In recent years, we have taken several steps to make our packaging more sustainable. We started by eliminating combi-packs, i.e., packaging made from a combination of cardboard and plastic. A next step was to switch to air cushion films that consist of 50% recycled plastic.

Furthermore, we have introduced logistic guidelines that define clear rules both internally and for our external partners, regarding which types of packaging material may be used: when using plastics, only PE (polyethylene), PP (polypropylene) or PET (polyethylene terephthalate) are allowed. The amount is kept to a minimum. The use of PVC (polyvinyl chloride) is strictly forbidden, and the use of polystyrene should be avoided if possible (only allowed for moulded parts).

In 2023, we successfully reduced the thickness of our machine films to 80 µm. For some packaging types, the proportion of recycled plastic is now at least 30%.

We want to further reduce the use of plastic as much as possible. That is why we will work to further increase our proportion of recycled plastic and to reduce the thickness of the other types of plastic film from 100 µm to 80 µm.

## Waste

The bilstein group uses waste disposal companies to recycle and dispose of the waste it generates. The fundamental goal is to recycle as much of the waste as possible. The bilstein group has set itself the target of achieving a recycling rate of 95%. In 2023, 92% of the waste from operations worldwide could be recycled. In Germany, a recycling rate of 95% was achieved. For locations outside of Germany, the recycling rate was 81%. In Germany, the set target was almost achieved as early as 2023. Consequently, the greatest potential for increasing recyclability lies at locations outside of Germany.

The following table shows the recycling rates in per cent:

|                           | Waste generated | Waste recycled | % of waste recycled |
|---------------------------|-----------------|----------------|---------------------|
| Locations in Germany 2021 | 5,021 t         | 4,836 t        | 96%                 |
| Locations in Germany 2022 | 4,467 t         | 4,313 t        | 97%                 |
| Locations in Germany 2023 | 6,115 t         | 5,782 t        | 95%                 |
| Locations abroad 2023     | 1,270 t         | 1,023 t        | 81%                 |
| bilstein group total 2023 | 7,386 t         | 6,805 t        | 92%                 |

The next table shows the total amount of waste generated by the bilstein group worldwide, broken down by the various types of waste.

| Type of waste                                      | Waste generated | Waste recycled |
|--|-----------------|----------------|
| Paper/cardboard                                    | 2,848 t         | 2,783 t        |
| Plastic  | 233 t           | 233 t          |
| Metal  | 1,915 t         | 1,914 t        |
| Wood   | 1,948 t         | 1,857 t        |
| Other  | 21 t            | 0 t            |
| Unsorted mixed waste                               | 387 t           | 19 t           |
| Hazardous waste (e.g. waste oil, electronic scrap) | 33 t            | 0 t            |

The aim is to increase the amount of recycled waste at the sites abroad to achieve a recycling rate of 95% here as well.



# Social

## Individually Strong, Unbeatable as a Team

All our employees are treated fairly and transparently according to the same criteria of our compensation and performance principles, regardless of origin, gender or other personal characteristics. We are committed to providing equal opportunities for all employees and to promoting and developing the personal skills of our employees.

Every year, our employees undergo a performance review in which they discuss their progress over the past year with their superiors and set goals for the year ahead. This is also an opportunity to discuss areas for improvement and identify tailored training to strengthen employees' skills and qualifications.

We see comprehensive training and continuing education as an important investment in the future success and competitiveness of the company. Embedded in the corporate strategy, the training and continuing education at the bilstein group aims to offer employees individual career paths and personal development prospects. As a family business, personal contact and social responsibility towards employees are at the forefront – and not the usual training catalogues. The challenge of a locally rooted company growing consists of translating traditional values and proximity to the employees into supporting structures.

As part of our management development programme, our managers receive continuous training in leading employees and implementing the bilstein group's values in their daily work.

To further develop individual personnel development, we work with a competence and talent management system. In structured annual employee appraisals, but also during the year, individual development goals are discussed. In the reporting year, 362 employees took part in development meetings, which corresponds to 23.63% of the workforce in Germany. Annual development meetings for industrial employees will be introduced from 2024.

In the area of further training, courses were offered to 713 employees. In total, 8,794 hours of further training were completed, which corresponds to an average of 12.3 hours per employee. From 2025, we also plan to include the employees of our subsidiaries in the training measures.

To offer employees new digital and workplace-related training opportunities, the management has commissioned the acquisition of a learning management system in 2023. This will enable all employees to access e-learning offers immediately in the future and to create a training plan independently of employee appraisals. In addition, the system will provide managers with a faster overview of the learning status and skills of employees, enabling them to identify development needs and opportunities more quickly and in a more structured way.

\* The figure of 2,602 employees stated in the report refers to the number of employees on the cut-off date of 1 June 2023. This number was chosen to create a consistent and comparable basis for reporting.

# Our Employees

## Employees worldwide (employed as of 1 June 2023\*)

|   | Total | Male   | Female | Non-binary |
|---|-------|--------|--------|------------|
| Number of employees                             | 2,602 | 1,747  | 854    | 1          |
| Number of employees with permanent contracts    | 1,854 | 1,194  | 604    | 0          |
| Number of employees with a fixed-term contract  | 439   | 323    | 116    | 0          |
| No direct contract with the bilstein group      | 309   | 194    | 114    | 1          |
| Number of full-time employees                   | 2,167 | 1,538  | 629    | 0          |
| Number of part-time employees                   | 126   | 17     | 109    | 0          |
| Number of employees who have left the company   | 152   | 118    | 34     | 0          |
| Fluctuation rate                                | 6.6%  | 7.6%   | 4.6%   | 0%         |
| Number of employees at the top management level | 47    | 36     | 11     | 0          |
| Share of women in management positions          | 23.4% |        |        |            |
| Gender diversity                                |       | 67.14% | 32.82% | 0.04%      |

## Diversity indicators worldwide

|   | Total/Rate   | Male | Female | Non-binary |
|---|--------------|------|--------|------------|
| Number of employees under the age of 30           | 465/20.28%   | 319  | 146    | 0          |
| Number of employees between the ages of 30 and 50 | 1,310/57.13% | 898  | 412    | 0          |
| Number of employees over the age of 50            | 518/22.59%   | 335  | 183    | 0          |
| Number of employees with disabilities             | 59/2.57%     | 32   | 27     | 0          |

## Employees in Germany (employed as of 1 June 2023)

|   | Total | Male  | Female | Non-binary |
|---|-------|-------|--------|------------|
| Number of employees   | 1,770 | 1,202 | 567    | 1          |
| Number of employees with permanent contracts                    | 1,143 | 752   | 391    | 0          |
| Number of employees with a fixed-term contract                  | 389   | 296   | 93     | 0          |
| No direct contract with the bilstein group                      | 238   | 154   | 83     | 1          |
| Number of full-time employees                                   | 1,430 | 1,034 | 396    | 0          |
| Number of part-time employees                                   | 102   | 14    | 88     | 0          |
| Number of employees who have left the company                   | 120   | 97    | 23     | 0          |
| Fluctuation rate  | 7.8%  | 9.3%  | 4.8%   | 0          |
| Proportion of employees covered by collective agreements        | 82%   | 80.2% | 86%    | 0          |
| Number of employees at the top management level                 | 21    | 18    | 3      | 0          |
| Share of women in management positions                          | 14.2% |       |        |            |
| Proportion of employees represented by employee representatives | 76%   | 72.5% | 84.3%  |            |

## Education and further training in Germany

|   | Total  | Male   | Female |
|---|--------|--------|--------|
| Proportion of employees with regular performance and development reviews                          | 46.54% | 46.66% | 46.28% |
| Average number of training hours offered per person   | 12,3   | 12,3   | 12,3   |
| Proportion of employees who have taken part in regular performance reviews and career development | 23.63% | 23.66% | 23.55% |

## Diversity indicators in Germany

|   | Total/Rate | Male | Female |
|---|------------|------|--------|
| Number of employees under the age of 30           | 298/19.45% | 218  | 80     |
| Number of employees between the ages of 30 and 50 | 836/54.57% | 591  | 245    |
| Number of employees over the age of 50            | 398/25.98% | 241  | 157    |
| Number of employees with disabilities             | 49/3.2%    | 27   | 22     |

Gender Pay Gap in Germany: 15.53%





For some time now, we have been on a journey to implement a 'new work' way of working and agile working methods in the company. The aim behind this is to become more flexible and less bureaucratic. In practical terms, this means that we have introduced hybrid working environments, i.e., teams that are both on-site and mobile, and have redesigned parts of our offices to adapt them to the new way of working. This area, with its various zones that are designed for collaboration and teamwork on the one hand but also offer places to retreat and work in a concentrated manner on the other, has been very well received by employees.

In Germany, we offer our employees a range of benefits from which they can choose:

- **Company car**
- **Additional pension plan**
- **Company health insurance**
- **Employee participation models**

The bilstein group offers its employees a comprehensive range of services to promote health and well-being. This also includes a company bike leasing programme in which employees can lease high-quality bicycles. This programme not only helps to improve health but also supports environmental protection by using environmentally friendly means of transport. To this end, the bilstein group has also been offering a subsidy of 25% towards the Deutschlandticket since 2023. The ticket, which entitles the holder to travel on local public transport, can also be used for private journeys.

Alongside these initiatives, ergonomic workstations, voluntary regular check-ups by the company doctor and annual flu vaccinations promote the health and well-being of employees.

**Our Group Sales Director and long-standing authorised signatory Ulrich Wiedemuth celebrated his 50<sup>th</sup> anniversary with the company in 2023. Starting in 1973 as an apprentice industrial clerk, he progressed through the catalogue, purchasing, logistics and export departments before joining the sales team. Not only has he spent his entire working life at the bilstein group, he has also played a major role in shaping the group.**

The team also plays an important role at our subsidiaries; here are just a few examples: in Spain, various national and international holidays and days of remembrance were celebrated with communal meals; the company organised a driver safety training course and a self-defence and a first-aid course for its employees. Also, other international locations also organised joint events and celebrated company anniversaries together.

**World of Ideas**

For several years, the bilstein group has been offering the 'World of Ideas' (Ideenwelt in German), a digital portal for employees to submit their own ideas. By tapping into the potential of ideas, the aim is to promote innovation, realise cost savings and increase motivation and independent working. By appreciating our employees and their ideas, we aim to foster a creative working environment that is geared towards continuous improvement.

The ideas submitted can relate to topics such as cooperation, the working environment or occupational safety, but also address areas such as sustainability. All ideas are reviewed and assessed after implementation and, depending on the assessment, realised.

## Health and Safety at Work

All our employees take part in safety training at the beginning of and during their employment with the bilstein group, where they learn how to carry out their work in a healthy and safe manner. All work-related accidents and injuries are recorded in accordance with local legislation. Risk analyses are available for each workplace, and the causes of accidents are analysed to prevent them recurring in the future.

The LTIFR, which stands for Lost Time Injury Frequency Rate, records the number of accidents (including commuting accidents) with at least one day of absence from work per 1 million working hours. An LTIFR of 14.6 means that for every 1,000,000 hours worked in a year, there were 14.6 accidents with lost time.

The data in the table includes information on work-related injuries to our employees at German locations. We plan to include information for all our employees worldwide.

| Reporting year 2023                             |           |
|---|-----------|
| Number of occupational accidents with days lost | 38        |
| Hours of attendance in 2023                     | 2,601,095 |
| LTIFR   | 14.6      |

## Supporting our Community

The bilstein group is involved in various local and global initiatives with the aim of supporting the community and giving something back. Regular activities include supporting local campaigns and associations that maintain diversity at the locations.

In 2023, for example, the bilstein group donated 20,000 Euro to social institutions at its Gelsenkirchen site: 10,000 Euro went to the school social service of the local Caritas association, and 10,000 Euro to a daycare centre, which used the donation to purchase gym bags and water bottles for preschool children from low-income families.

Further donations went to the Ennepetal Industrial Heritage Foundation. The donation of 14,000 Euro was used to renovate three apartments in the Ennepetal area that are rented by Ukrainian and Iraqi refugees. The foundation uses the rental income to build and expand its industrial museum.

The bilstein group also supported the 'Wish Tree' campaign of the Ennepetal Child Protection Agency again in 2023. With 750 Euro, the wishes of 30 children in need were fulfilled.

Of course, donations are not only made at the headquarters – our subsidiaries also support social initiatives:

In Belgium, employees supported the 'Make a Wish' tour of the customer LKQ with personal participation and thus committed themselves to fulfilling a last wish of sick children.

bilstein group Portugal donated to the volunteer fire brigade in the neighbourhood of its site, sponsored tables and chairs for a primary school and provided financial support for a local basketball team. In Spain, the bilstein group sponsored a march against cancer, in which employees were allowed to participate, and collected Christmas presents and school supplies for the work of a non-profit organisation.

**As a family-owned company, we have been at home here in Ennepetal for 180 years and it is important to us to support local people and ideas and to keep the society vibrant. The same applies to our newer location in Gelsenkirchen and to our international subsidiaries.**

Jan Siekermann  
Managing Director



# Governance

The bilstein group is a seventh-generation family-owned company, managed by the two managing directors Karsten Schüßler-Bilstein and Jan Siekermann. Both are convinced that only sustainable business processes have a future. That is why sustainability has always been an integral part of the business strategy.

Our managing directors play an active role in managing the climate protection strategy. This is developed in consultation with internal experts to make informed decisions and ensure that the strategy is both practical and future-oriented. They set the targets defined in the sustainability report and delegate their implementation to the respective departments.

To anchor responsibility broadly, it was decided in 2023 to integrate sustainability decentrally into the individual departments. Each department is responsible for integrating appropriate measures into their processes and actively contribute to achieving our sustainability goals.

From 2024, we plan to establish a group-wide sustainability team that will coordinate activities across departments and further develop our sustainability strategy. The aim is to create a structured framework to monitor progress and create a framework to monitor progress and promote exchange between departments.



## Business Ethics

Our current Code of Conduct has been in force since 2022. The Code of Conduct is binding for all our employees and contains our internal guidelines on relevant ethical topics.

### Free and Fair Competition

We have always believed in free and fair competition and ensure that we comply with all applicable competition and antitrust laws. We do not enter into any agreements with competitors or business partners that could influence competitive behaviour. To ensure that our policy is also implemented in practice, all employees in critical functions receive training.

### Combating Bribery and Corruption

We instruct our employees to not accept gifts or gratuities from business partners or other third parties that could influence the objectivity of their decisions or even just appear to do so. We have set a maximum limit for gifts and meals from external parties that employees can accept in accordance with local legislation. The bilstein group does not tolerate any corruption and strictly rejects obtaining unjustified advantages by bribing business partners or public officials. Any gifts or donations from our employees to our business partners are subject to the same maximum limits in accordance with local legislation.

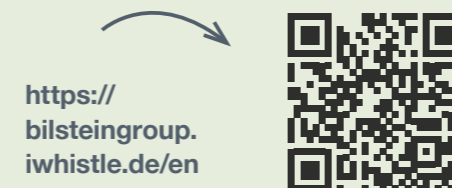
To date, we are not aware of any cases of corruption. We take all necessary measures and processes in accordance with the applicable legal provisions to ensure that money laundering is prevented and that the bilstein group is not misused for illegal activities. Possible risks are continuously analysed and evaluated. Our employees are instructed to report immediately if they suspect that business partners, customers or third parties may be involved in money laundering, corruption or other illegal business practices.



### iWhistle

Since 2022, we have been using a whistleblower system called iWhistle, which is available via our website. The whistleblower system serves as a central point of contact for our employees, but also for business partners, customers and other stakeholders to report misconduct. All complaints can be reported completely anonymously. This allows us to react very quickly.

We value honesty, integrity and transparency. We invite all our employees and business partners to help us detect and remedy violations and misconduct.



## Sustainability in the Supply Chain

ESG regulation is increasingly focusing on the supply chain. Companies are faced with the challenge of not only monitoring their own operational practices but also ensuring that their suppliers and partners comply with environmental and human rights standards. These developments require comprehensive transparency and responsibility across the entire value chain and underscore the need to integrate ESG criteria into strategic decision-making and risk management.

### Supply Chain Due Diligence Act

From 2024, we will be required to comply with the requirements of the Supply Chain Due Diligence Act. To prepare ourselves thoroughly and in good time for the legal requirements, we have already taken significant steps in 2023. A central part was the introduction of a Code of Conduct for suppliers, which defines our expectations of ethical behaviour, environmental standards and social responsibility. We are pleased that 76% of all suppliers have already signed the Code of Conduct, thus confirming their commitment to responsible business practices.

Another important focus in 2023 was the start of our supplier risk analysis. The aim is to identify possible risks along the entire supply chain at an early stage and to take appropriate measures. To make the process efficient and transparent, we have opted for a software-based solution from EcoVadis that enables us to systematically evaluate and prioritise. With these preparatory measures, we are laying the foundations for a sustainable and compliant supply chain. In 2024, we will deepen our risk analysis and further strengthen our collaboration with our suppliers to meet the requirements of the Supply Chain Due Diligence Act.

### CBAM – Carbon Border Adjustment Mechanism

In 2023, we prepared intensively for the introduction of the Carbon Border Adjustment Mechanism (CBAM). The measures included identifying affected product groups, analysing relevant supply chains and adapting our internal processes for data collection. In addition, we have started to systematically record the emissions generated in the production process of our imported goods and to establish the necessary reporting structures to comply with the regulatory requirements. This means that we are well prepared for the transition phase starting on 1 October 2023, when quarterly CBAM reports on import volumes and associated emissions must be submitted.

### EUDR – EU Regulation on Deforestation-Free Supply Chains

In parallel, in 2023 we intensified our preparations for the implementation of the EU regulation on deforestation-free supply chains (EUDR), which will become binding for our company from 30 December 2025. The aim of this regulation is to prevent deforestation and forest degradation along supply chains and to ensure that all relevant raw materials and products meet the applicable environmental and human rights standards. Since our products contain natural rubber, we already conducted a comprehensive analysis of our potentially affected suppliers in 2023.

For the next steps, we plan to integrate ESG criteria into our supplier selection and evaluation. This is to ensure that in addition to quality and costs, environmental, social and corporate governance aspects are considered in decisions. This expansion will help us build a sustainable supply chain and take our suppliers with us on our journey towards greater responsibility and sustainability in the long term.

# Products and Services

## Digitisation

The bilstein group is constantly expanding and developing its digitisation activities. The Digital Innovation department, which has, among other things, built the digital platform uhura, plays a significant role in this.

The platform was developed based on the multiple requests from customers to be informed in real time about the availability of the worldwide stock of the bilstein group. The programme currently has two main functions: a near-time stock API, a programming interface that provides stock data for the bilstein group's brands in near real time. It is connected to all 13 of the bilstein group's logistics centres worldwide and provides an overview of the international availability of spare parts. Via the image API, customers have access to the complete stock of high-resolution detailed and 360-degree images of the product range of the three brands.

uhura is 'the main entrance to the bilstein group' and is easily accessible for all customers: the entire installation is completed in under four hours. The interfaces are activated with just a few clicks. The customer then receives an automated onboarding e-mail with all the necessary access data to integrate the interfaces directly.

The introduction of a master data API is planned for the near future, which customers can use to obtain additional useful information about the products, such as dimensions, EAN (European Article Numbers) and article descriptions in different languages. In the future, customers will be able to access not only the stock in their home country but also also check the stocks of other bilstein group logistics centres. A group-wide web shop – the so-called 'partsfinder business' – is also planned.



**Making our customers' lives easier, was the motto under which we developed uhura. 'Customised' and 'flexible' have been our ongoing goals. With this platform, we are taking on a pioneering role in certain areas and look forward to the continuous further development of uhura.**

Anamaria Wild  
Director Digital Innovation



## Our Collaboration in the Aftermarket Industry

In addition to our efforts to act sustainably within the company, we also work with other companies to achieve our common goals. We are active in various environmental committees of the independent aftermarket associations and work with other companies in our industry to find solutions to our common environmental challenges.

We are also committed to the independent aftermarket at all levels. For this reason, we and our colleagues are committed to free competition. Today and in the future, car and commercial vehicle drivers must be able to choose between the original manufacturer and an independent repair shop.

For this to work, we need free competition.

We are members and actively involved in the following associations:

- **GVA** – German Association of Automotive Parts Trading
- **AAMPACT** – the international, independent aftermarket association
- **FIGIEFA** – the international umbrella organisation of the independent automotive parts trade

We are not currently a member of **CLEPA** – the European Association of Automotive Suppliers – but we value the close cooperation and the opportunity to participate in various events.

Since December 2022, we have been a member of **FAAS** – Forum on Automotive Aftermarket Sustainability. Through our membership, we have the opportunity to work together with other aftermarket players on a future-oriented and sustainable vision for the industry.

The focus is on circular solutions, the reduction of CO<sub>2</sub> emissions, the conservation of resources along the entire value chain, and future CSRD reporting.

## Customer Satisfaction

Customer satisfaction is our top priority. As one of the market leaders in our industry, our goal is to understand our customers' needs, motivations, and problems to develop the best solutions.

That is why we conduct an annual survey of our direct and indirect customers and in various purchasing co-operations. In 2023 more than 1,500 people took part in the survey, which is available in different languages.

The results show that customer satisfaction in 2023 across all eight categories has once again increased, to 8.75 out of 10. This is an increase of 0.21.

The bilstein group was also able to increase satisfaction around sustainability. The question 'Do you perceive the bilstein group as a sustainable company?' was answered on a scale of 1 to 10 with an average of 8.67. In some regions in which the bilstein group is active, the perception of sustainability is even more positive, for example in Latin America or England.

## Activities and Cooperation with the International Purchasing Cooperatives

We are a listed supplier with the following international purchasing cooperatives (International Trading Groups (ITGs)) and benefit from the cooperation and exchange of information:

- **ADI Automotive**
- **ATR International AG**
- **Global One**
- **Group Auto International**
- **Nexus Automotive International**
- **Temot International**

At the national level, our subsidiaries are also involved in various other initiatives and associations.

In 2023, the bilstein group has been recognised by various ITGs and in various categories: for example, the bilstein group has received the 'Best Performing Supplier for Logistics 2023' award from Group Auto International.

The ITG Nexus Automotive International has named the bilstein group 'Supplier of the Year' in the passenger car category. ADI Automotive has also named the bilstein group 'Supplier of the Year 2023'.



**The awards from the various ITGs are an acknowledgement of our team performance and at the same time an incentive to continue in this way. The ITGs, their stakeholders and the bilstein group have the common goal of securing the future of the independent aftermarket.**

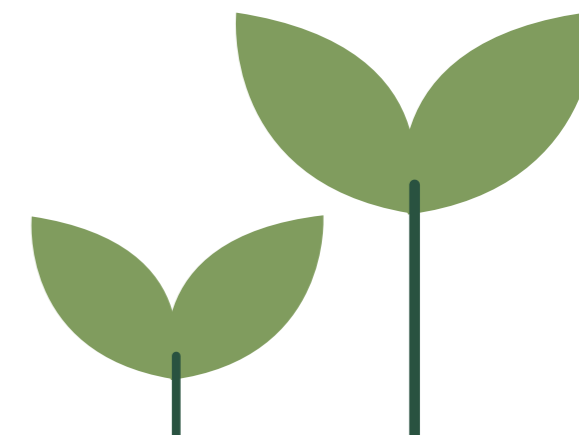
**We are delighted about this close partnership and the resulting cooperation!**

Nicole Puschmann  
Divisional Director  
Global Business Excellence



The company was honoured by global one Automotive in the 'Best Performance' category. The bilstein group's turbocharger specialist Motair Turbolader GmbH was also honoured with the 'Outstanding Achievement' Award by the American turbocharger manufacturer Garrett.

At ATR, the bilstein group is among the top five suppliers in the categories 'Excellence in Innovation' and 'Supplier of the Year'. The classification is based on strict criteria and feedback from all within ATR.



# Outlook

2023 was an important step for the bilstein group towards a sustainable future. We have made significant progress in our ESG activities and look forward to continuing along this path.

In 2024, the focus will be on implementing the requirements of the Supply Chain Due Diligence Act, which comes into force on 1 January 2024. To this end, we will finalise the risk analysis of our suppliers and expand our supplier management with a view to ESG issues.

In 2024, the ESG landscape will be significantly influenced by many new regulatory requirements. The Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation will result in higher standards of transparency and disclosure. They require companies to provide detailed information on their climate and environmental strategies as well as on social and governance aspects. The European Sustainability Reporting Standards (ESRS) support companies in their sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD).

In 2024, we will take a targeted look at the requirements of the European Sustainability Reporting Standards (ESRS). In doing so, we will conduct comprehensive assessments and carefully prepare the double materiality analysis to identify and evaluate the relevant sustainability aspects in a well-founded manner.



# Index

## CSRD

The Corporate Sustainability Reporting Directive is a regulation of the European Commission that standardises sustainability reporting.

## ESG

Environmental Social Governance

## ESRS

The European Sustainability Reporting Standard is the reporting standard with clearly defines materiality and is seen as the methodology and mechanism of CSRD.

## AI

Artificial Intelligence

# Contact

for questions about the sustainability report:

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**Further information on sustainability at the bilstein group can be found here:**

<https://bilsteingroup.com/en/sustainability>



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