



We

know

our responsibility.



<u>Highlights 2023</u>	<u>06</u>	<u>Responsible business practices</u>	<u>27</u>
		Economic performance	27
<u>About this report</u>	<u>06</u>	Business ethics and compliance	28
		Sustainable products and services	32
<u>Foreword</u>	<u>04</u>	Research and development, innovation	37
		Sustainable procurement	41
<u>About Fronius</u>	<u>03</u>	<u>Social responsibility</u>	<u>45</u>
Company profile	03	Employment and work conditions	45
Value chain	11	Employee development	48
Fronius sites	14	Diversity and equal opportunity	52
		Employee health and safety	56
<u>Sustainability at Fronius</u>	<u>15</u>	Customer health and safety	62
Material sustainability issues	15	<u>Environmental responsibility</u>	<u>64</u>
Our sustainability program	17	Decarbonization and climate protection	64
Goals for sustainable development	18	Resource and waste management	72
Organization of			
sustainability management	20	Performance overview	76
Stakeholder engagement	23	GRI Index	82

Highlights 2023

(referring to Fronius International GmbH)

Employee development:

Average of
20.7
hours invested in education and training per employee, corresponding to an increase of **105%** compared to the previous year

Thereoff which **2,208** participated
in **147** trainings from the Fronius education program.

Equal opportunity:

37% women in the total workforce

Supplier evaluation:

100%
of new **suppliers** are evaluated against environmental and social criteria.



Fronius sites
in Austria are **95%**
converted to renewable energies.

Decarbonization:

Compared to the previous
year, scope 1 emissions fell

by **55%**

2.12 GWh from own electricity generation

Photovoltaic systems at the Fronius sites
in Austria comprise an output of
4.15 MWp

Business trips:

75% of the **vehicle fleet** is powered by
alternative drive systems, including
electric, hybrid and hydrogen

drives. More than **411 e-charging stations** for cars are
available at Austrian sites.

Logistics:

Compared to the previous year, goods
transported by air freight decreased by

35%

Waste:

4,302 t

Of which **72.1%** was recycled,
27.2% reused,
0.5% composted,
0.2% disposed



About this report

Published by:

Fronius International GmbH

Froniusstrasse 1, 4643 Pettenbach, Austria

Contact:

Katrin Helmberger

Corporate Sustainability

Fronius Strasse 5, 4642 Sattledt, Austria

e-mail: corporate.sustainability@fronius.com

Content editing:

Christina Lehner, Michael Perfahl, Michaela Stadler

The articles were provided by the departments themselves.

Graphic editing:

Karin Klammer

Fronius International GmbH reserves all rights, particularly the right of reproduction, distribution and translation. No part of this document may be reproduced in any form or stored, processed, duplicated or disseminated using electronic systems without the written permission of Fronius. It should be noted that the information published in this document, despite the greatest care having been exercised in its preparation, is subject to change and that neither the authors nor Fronius can accept any legal liability.

Reporting framework

With this report, Fronius International GmbH and its 38 subsidiaries inform stakeholders about sustainability activities in 2023. The information relates to the period from January 1 to December 31, 2023. We have been publishing an annual sustainability report since 2015, most recently in April 2023.

The current edition was prepared with reference to the GRI Standards. The GRI Index in the appendix provides an overview of the GRI Standards covered in the report and the chapters in which the respective disclosures can be found.

Unless otherwise stated, the following information and key figures relate to Fronius International GmbH and its 38 subsidiaries. The key figures are not broken down by our individual companies. Key figures that do not relate to the entire Group are marked accordingly in the body text or in the tables.



No additional external verification by independent third parties was performed for the sustainability report. However, the entire sustainability management is externally certified in accordance with ONR 192500. We were also awarded the Gold Medal in 2023 by EcoVadis, an independent ESG rating agency that has established itself as one of the best-known platforms for assessing the sustainability of global supply chains.

Significant changes

There were no significant changes in terms of size, ownership and supply chain compared to 2022.

Reporting was aligned with the new GRI standards as well as further expanded and improved in order to meet the requirements of the European Sustainability Reporting Standards that will be mandatory in the future.

Foreword

Dear Readers,

2023 was an exciting year for Fronius. Between the challenges and achievements, we have taken our sustainability efforts to a new level.

The international agency EcoVadis awarded us Gold for the first time in 2023. EcoVadis carries out sustainability ratings and once a year examines the four areas of environment, labor and human rights, ethics, and sustainable procurement. Earning the Gold rating means that we were once again able to improve on the previous year. Gold also means that we are now among the top 5 percent of the most sustainable companies in our industry. And last but not least, Gold means that we have taken a big step in the right direction – which at the same time encourages us to become even better.

Speaking of which, we have improved since last year in our efforts to search out energy hogs, both large and small. We've examined the issue intensively, approached the problem in a targeted and methodical manner, and have set up an energy management system in accordance with ISO 50001. The data focus, in particular, has been redefined in this system. Now we can analyze individual systems and can therefore say where and when energy is being consumed, and in what amount. As a first step, we have optimized pumps, located and repaired leaks in compressed air lines, and made

lighting systems more economical. These and many other individual projects have enabled us to save more than 200,000 kWh – and this does not include major projects such as new photovoltaic systems and deep drilling.

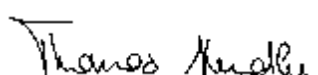
EcoVadis and our energy management system are just a few of the numerous projects we have been implementing in recent months – some of which will follow us into the new year. For example, we were confronted with a pronounced dip in demand in the solar energy sector in the second half of 2023. We are nonetheless confident that we will be able to regain market share in the growing solar industry after a period of consolidation.

This means it is more important than ever for us to build on the sustainable foundations of previous generations – that is what defines us as a family-owned company. We continue to prioritize responsible development over short-term profit. The aim, after all, is a world worth living in, an intact social, ecological and economic structure – for us and for our children and grandchildren.

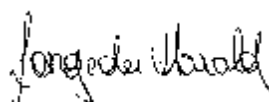
We hope you enjoy reading our Sustainability Report 2023.



Elisabeth
Engelbrechtsmüller-Strauß
CEO/CFO/CSO



Thomas
Herndler
COO



Harald
Langeder
CTO



Volker
Lenzeder
CIO

About Fronius

Company profile

Almost 8,000 employees worldwide, a current export share of 85 percent, and 1,604 active patents: that's us. That's Fronius. Founded in 1945 as a regional, one-man business, we are now a global player, as our 38 international subsidiaries and our network of sales partners in more than 60 countries impressively demonstrates. And yet, we are still at our core a family-owned company from Austria, active in photovoltaics, welding, and battery charging technology. We have always developed products and solutions for a livable future, offering our customers an all-in-one package: from advance planning and consulting to ongoing monitoring, and a repair service tailored to their needs.

We are innovative. We are curious. We are Fronius.

Perfect Welding

In the business unit Perfect Welding, our focus is on generating the perfect arc for consistently high welding quality. We are the innovation leader in arc welding and the global market leader in robotic welding. We offer welding solutions for various industrial sectors, such as the automotive industry and its suppliers, and yellow goods, which include construction, mining and earthmoving machinery, forklift trucks, agricultural machinery, and commercial transportation. We implement automated, complete welding solutions that are tailored to customer specifications – for example

for use in tank construction or for cladding in the offshore sector. Welding systems for manual applications, welding and protective accessories, and a wide range of services round out our portfolio.

Digitalization and automation are having a lasting impact on our industry. Nevertheless, human creativity and innovative strength will never lose their importance for us. We focus on customer proximity and thus find the right solution for every welding challenge. With solutions for sustainable business in the context of welding as well as for the health and safety of the

users, we support our customers in developing their full welding potential.

Solar Energy

From Europe for the whole world: We are Fronius Solar Energy, and as part of a family-owned company that has operated for more than 75 years, we stand for quality, responsibility, partnership, innovation and sustainability.

As a fully integrated solution provider, we create products that enable our customers to generate, distribute, store, consume and digitally manage their own solar power. We are joining together in this way to achieve our vision of 24 hours of sun.

From electricity and heating to e-mobility, including effortless digital monitoring around the clock and at any location – we offer everything from a single source and in top quality. A tightly integrated service and support network assists customers with their Fronius products from the beginning and throughout the entire product life cycle. This is our premium standard.

Perfect Charging

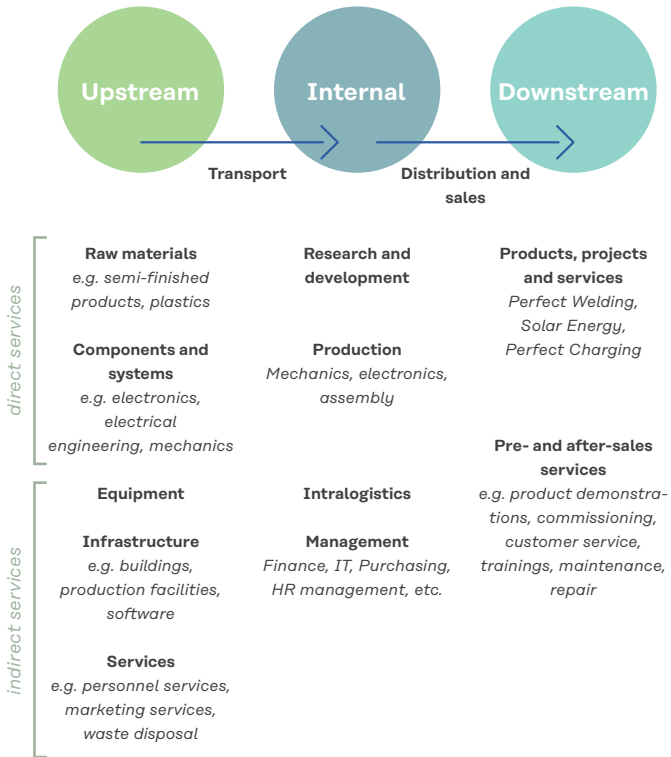
For over 75 years, the business unit Perfect Charging has been creating innovative charging solutions for advanced and sustainable charging of traction and starter batteries. Together with our customers, we face the daily challenge of shaping the future of intralogistics with sustainable and efficient solutions. In doing so, we focus on the highest quality, reliability and smart products. The goal: customized charging solutions with added value.

From high-quality charging technology for lead-acid and lithium-ion batteries to a comprehensive range of services and advice, including the standard-compliant planning and implementation of charging stations and charging rooms, we offer everything from a single source. We help our customers reduce their electricity demand and thus their costs, and improve their greenhouse gas balance with customized, complete systems.

Value chain

At Fronius, we take a holistic view of the value chain: starting with the extraction of raw materials, through the refinement stages, and all the way to the end user. This is where the responsibility and active operation of mechanisms, organizational units and processes lie, in order to supply customers and markets with products and services in a sustainable manner.

Value chain



Upstream value creation

The upstream value chain for direct materials currently comprises around 1,200 active suppliers from 27 countries, with the majority of contractual partners located in Europe. Specifically, raw materials, components and systems as well as services from a wide range of commodity groups are procured from these suppliers. We collect all data on value creation centrally to ensure the greatest possible transparency in the supply chain. Due to the regionally controlled manufacturing structure with sites in Austria and the Czech Republic, the control of the flow of goods for the procurement of all direct materials is concentrated in these two countries.

In addition to the country of delivery (CoD), the country of origin of the goods (CoO), i.e. the country in which the goods are produced, is also very important. In terms of the country of origin of the goods, around 80% of all services were sourced from Europe, of which around 20% came directly from Austria.

Sustainability is an integral part of our value network. Based on our strategic alignment, we take economic, ecological and social factors into account in the operational design of our activities.

Based on the currently applicable and planned legal provisions regarding due diligence obligations in supply and value chains, we adapted our internal compliance management processes, responsibilities and requirements last year in order to ensure legally compliant business activities in our markets and areas of activity. The main focus was on the supply chain.

We also attach great importance to maintaining a dialog with relevant stakeholders such as business partners, politicians and NGOs, in order to discuss solutions for future challenges as neutrally and constructively as possible.

In addition to our procurement activities for direct services, we maintain intensive cooperation with suppliers who offer us products for our internal use, in particular equipment, infrastructure and other services. The proven criteria for supplier selection and management also apply in these areas. Individual consumables are also procured nationally at the respective subsidiaries. This enables us to achieve short transport routes and promote regional value creation.

Distribution of countries of origin (CoO) of direct materials

1,200 active suppliers
80% of services from the European region
27 procurement countries



Fronius International GmbH ■ America ■ Africa ■ Asia ■ Europe

Internal value creation

Maximum efficiency and sustainable solutions characterize our internal value creation processes, which we design and optimize 100% by ourselves. It is also important to us to maximize internal value creation at the level of our end products. The main activities here focus on the mechanical and electronic production of individual components and systems, the assembly to finished products, and the internal logistics processes required for this. These activities are bundled at the sites in Austria and the Czech Republic. In general, our sites are developed based on sales, labor and procurement markets, while also taking logistics into account.

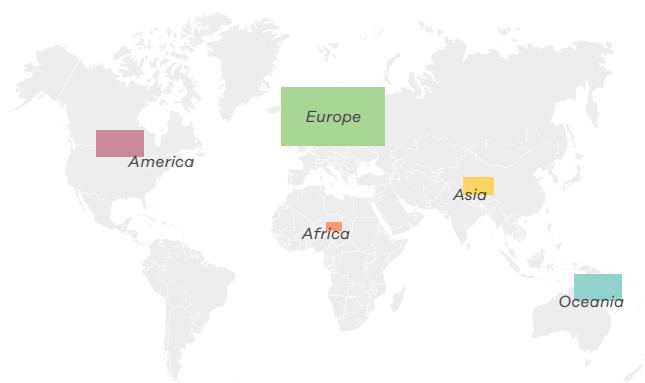
Production works hand in hand with other internal departments (such as research and development, sales, logistics, procurement, and IT) to offer our customers innovative and sustainable products and services.

Downstream value creation

Thanks to our global sales and service network and our internationally oriented customer service and support, we are always close to our customers. Even before making a purchase decision, they benefit from product demonstrations and testing opportunities. After the purchase, Fronius provides support in the form of, among other things, professional installation and commissioning of the devices, instruction on how to use them, initial production support, product training, and webinars. Because maximum product service life is important to us, we carry out any necessary maintenance and service work in our globally established repair centers or at certified service partners.

Distribution of products to our customers

67,105 tons total weight of goods shipped from manufacturing sites



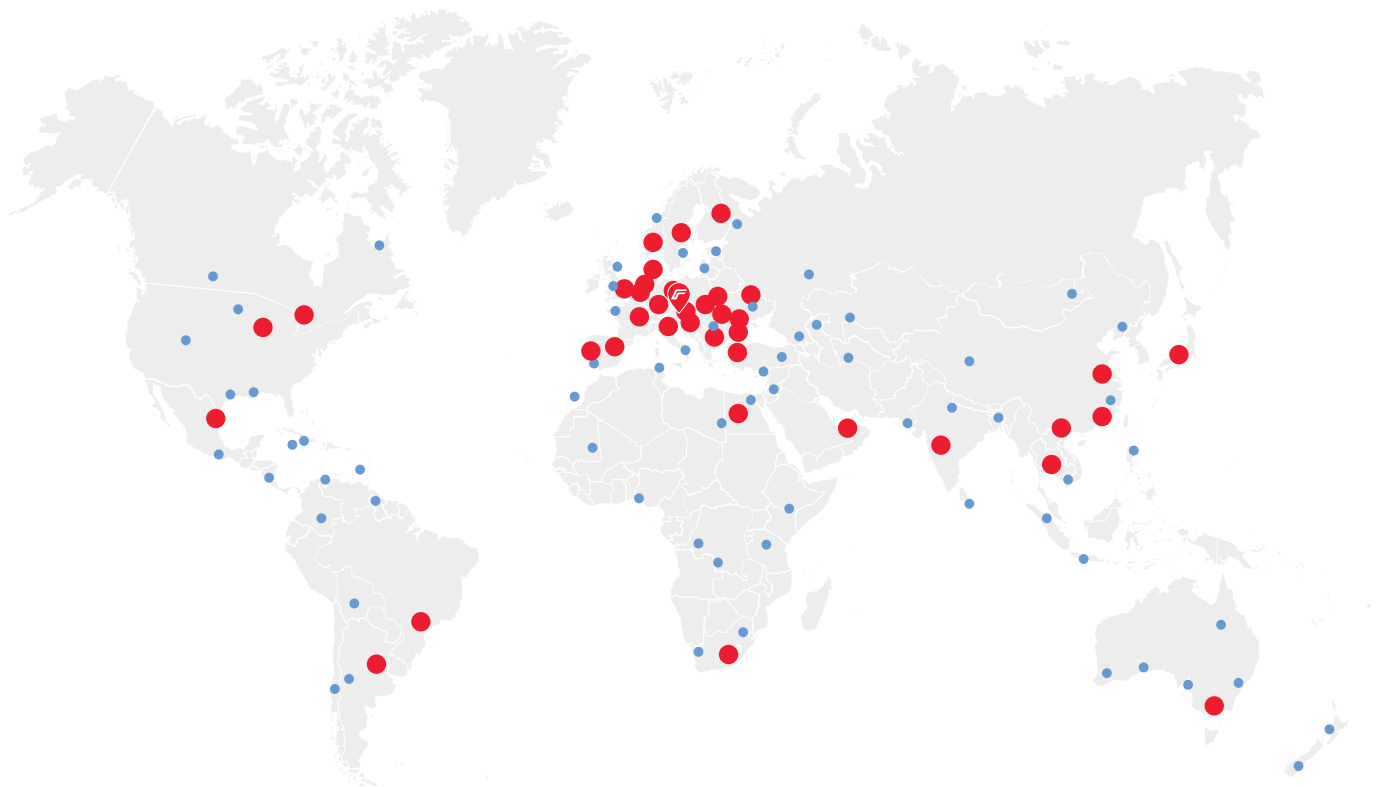
■ America ■ Africa ■ Asia ■ Europe ■ Oceania

Fronius sites

Fronius International GmbH, headquartered in Pettenbach, has eleven branches in Austria and 38 subsidiaries around the globe. Fronius manufacturing sites are located in Austria and the Czech Republic.

Thanks to an additional network of sales and service partnerships in more than 60 countries, we are able to respond specifically to the needs of our customers.

38 subsidiaries



 Fronius International GmbH  Subsidiaries  Sales and Service Partnerships

Sustainability at Fronius

Sustainability shapes our actions. The decisions we make are socially, environmentally and economically balanced and have the best possible long-term effect for all stakeholders as well as for the environment.

Material sustainability issues

The materiality analysis presents the relevant economic, social and environmental aspects of Fronius, which are determined at regular intervals in a comprehensive process and with the involvement of internal and external stakeholders.

As part of the materiality analysis, a list of topics was first drawn up on the basis of relevant sustainability standards and regulations. Members of the internal sustainability network (see also the "Organization of sustainability management" chapter) then checked the list for completeness and relevance. By means of an online survey, the sustainability network finally prioritized the selected topics according to their impact on the environment, society and the economy as well as their relevance for long-term business success (business relevance).

In 2022, the relevance of the topics was surveyed in the course of a comprehensive online survey of relevant stakeholders (see also the "Stakeholder engagement" chapter) and Fronius' performance in these topics

was evaluated. A total of 512 internal and external stakeholders took part in the survey over a period of two weeks.

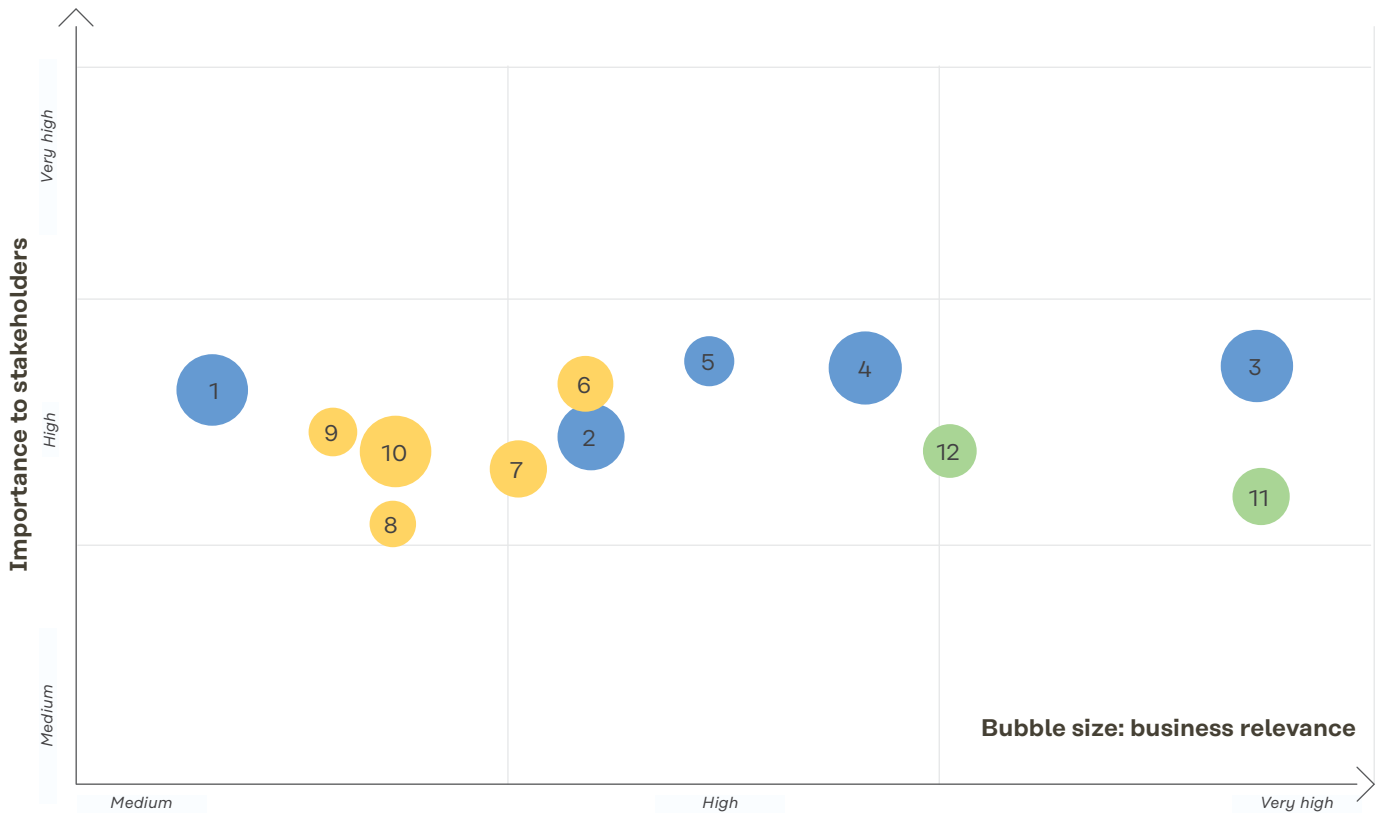
A total of 12 topics were classified as material. The topic of "Biodiversity and ecosystems" is no longer included as a separate chapter in the report, as it is of less relevance to stakeholders compared to other topics.

The topics are divided into the three dimensions of sustainability: responsible business practices, social responsibility and environmental responsibility. For all these topics, qualitative and quantitative information is presented in this report in accordance with the GRI standards.

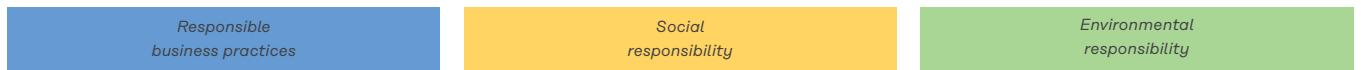
The materiality matrix thus consists of three dimensions:

- the **social, economic and environmental** impact of our business activities, including the **upstream and downstream value chain** (see x-axis)
- the **relevance to stakeholders** (see y-axis)
- the **business relevance** (represented by the bubble size)

Materiality matrix



Environmental, social and economic impact



- | | | |
|---|---|---|
| <ul style="list-style-type: none"> 1. Economic performance 2. Business ethics and compliance 3. Sustainable products and services 4. Research and development, innovation 5. Sustainable procurement | <ul style="list-style-type: none"> 6. Employment and work conditions 7. Employee development 8. Diversity and equal opportunity 9. Employee health and safety 10. Customer health and safety | <ul style="list-style-type: none"> 11. Decarbonization and climate protection 12. Resource and waste management |
|---|---|---|

Our sustainability program

Derived from our mission statement and values, the company-wide sustainability program was redefined in 2021. The focus areas are based on the results of the materiality analysis and the topics that make the greatest contribution to sustainable development in the context of our business activities.

The company-wide sustainability program is implemented by sustainability management on the basis of defined targets and measures, of which the development is continuously evaluated.

We are focusing in particular on decarbonization and increasing energy efficiency at the national and international level. We also incorporate training, workshops and

keynote speeches aimed at increasing awareness of all sustainability issues throughout the company.

In preparation for expanded reporting requirements, the materiality analysis is being honed and supplemented with financial aspects as a basis for the further development of the internal sustainability program.

The following priorities have been defined:

Priority area	Key figures	Years			Development
		2021	2022	2023	
Decarbonization	Company facilities	886 t CO ₂ e	826 t CO ₂ e	144 t CO ₂ e	↓
Diversity	Percentage of women in relation to the total workforce	37%	38%	37%	↓
	Percentage of women in management positions	13%	14%	15%	↑
Human Rights	Proportion of preferred suppliers audited against sustainability criteria		35%	37%	↑
Environment	Specific waste produced (amount of waste in relation to the quantity produced)	0.23 t/t	0.22 t/t	0.21 t/t	↓

In addition to these key performance indicators, we track the development of numerous other key performance indicators to evaluate and manage our sustainability performance on an ongoing basis. With this published selection, we are showing which developments have a high priority. We are continuously working

to improve, are not satisfied with maintaining the status quo, and are expanding our portfolio of key performance indicators to include material topics that enable targeted management and control. We would also like to share this step with our stakeholders and provide further insights into our efforts and approaches.

Goals for sustainable development

The “Agenda 2030 for Sustainable Development” was adopted on September 25, 2015, by all 193 Member States at the United Nations Summit in New York.

The agenda, with its 17 goals (Sustainable Development Goals - SDGs), is a universal call to action to fight poverty, inequality and climate change, among other things.

Fronius is aware of the economic, social and environmental impact caused by its own business activities and by the upstream and downstream value chain. With our measures and programs, we are making an important contribution to achieving 7 of the 17 Sustainable Development Goals. Their relevance was determined on the basis of the results of the materiality analysis.



SDG 3: Good health and well-being

The health and safety of Fronius employees is very important to the company. To promote physical and mental health, employees can take advantage of medical examinations and consultations with the occupational medical service as well as consultations with an in-house company psychologist. Two social coaches were hired last year to integrate new employees well and to advise and support existing and new employees and managers. They act as confidants and contact persons for various types of problems, conflicts or dissatisfaction (e.g. team, social interaction, personal/private sphere, professional development opportunities, etc.). We also actively contribute to raising awareness among our employees with various campaigns and information materials. (For more information, see the “Employee health and safety” chapter)



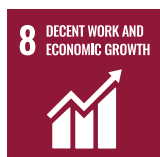
SDG 4: Quality education

The education and training of our employees is a high priority at Fronius. We promote the development of each staff member with individual programs. These range from specialized training and online courses to personal development seminars and exciting keynote speeches on current topics. At Fronius, we also offer comprehensive apprenticeship training in a total of 15 apprenticeships for a growing number of young people. Semi-skilled Fronius employees can also complete an apprenticeship to become an electrical engineer as part of a program to upgrade qualifications. As part of an additional trainee course, selected employees can also acquire all the necessary skills to take on the role of shift manager. (For details, see the “Employee development” chapter)



SDG 7: Affordable and clean energy

Fronius is in a position to make a major positive contribution toward this goal. The business unit Solar Energy develops products and solutions for smart and efficient generation, storage, distribution and use of solar energy for home and industrial applications. We have the vision of 24 hours of sun, a world in which the entire energy demand is covered by 100% renewable sources. This requires an efficient coupling of power, heating and mobility. (See also the “Solar Energy” subsection in the “Sustainable products and services” chapter)



SDG 8: Decent work and economic growth

We have committed to provide attractive jobs which focus on our corporate values, to uphold human rights, to secure essential working conditions and safe working environments, to pay a fair wage, and to support the right to freedom of association and collective bargaining. We value the personality of all employees, treat each other with respect and embrace diversity in a conscious and appreciative manner. These and other behaviors are laid down in our Fronius Code of Conduct and are also expected of our business partners. New suppliers are screened against social and environmental criteria, while existing suppliers are monitored on an ongoing basis.



SDG 9: Industry, innovation and infrastructure

We are a major player in the regional economy and source most of our goods from Austria and Europe. Innovation is a key driver for Fronius, enabling us to offer customers even more efficient and resource-saving products and services. Product durability, material and energy efficiency, reparability and recyclability of the products are especially important to us. This results in more sustainable electronic devices, which ultimately, and importantly, benefits the environment. Our goal is to make our products ecofriendly to a standard that exceeds the legal requirements. With this in mind, we develop methods and technologies for measuring and reducing the ecological footprint.



SDG 12: Responsible consumption and production

Fronius aims to minimize the environmental impact of its products and services. When selecting materials and components, we consciously pay attention to origin, environmental compatibility, and recyclability. We also use insights from our life cycle assessments. To ensure a long service life, our products run through a wide range of tests and inspections. This enables us to ensure that they can withstand harsh conditions. If necessary, all products can be repaired in our repair centers and individual components can be replaced with original spare parts. If a device can no longer be repaired, it is handed over to waste management companies that will prepare its materials for recycling. Wherever possible, we use secondary materials in the production of our products. We pay particular attention to the amount of recycled material used when selecting aluminum components, as this significantly reduces the environmental impact compared to primary aluminum. (More on this in the "Sustainable products and services" chapter)



SDG 13: Climate action

Fronius takes its corporate responsibility seriously in all areas and has defined the reduction of its direct and indirect greenhouse gas emissions as a priority to help combat climate change. As part of the decarbonization roadmap, we are pushing the use of renewable energy

sources (ambient heat, biomass and photovoltaics) to meet our heating and electricity needs, increasing our own energy generation by expanding our PV systems and improving the energy efficiency of buildings and processes. We are countering transport as the largest emitter of greenhouse gases by continuously converting

our vehicle fleet to lower-emission drive systems, promoting the use of public transport, and pushing the transport of goods by rail as pre-carriage for sea freight. (For more details, see the “Decarbonization and climate protection” chapter)

Organization of sustainability management

Responsibility for sustainability

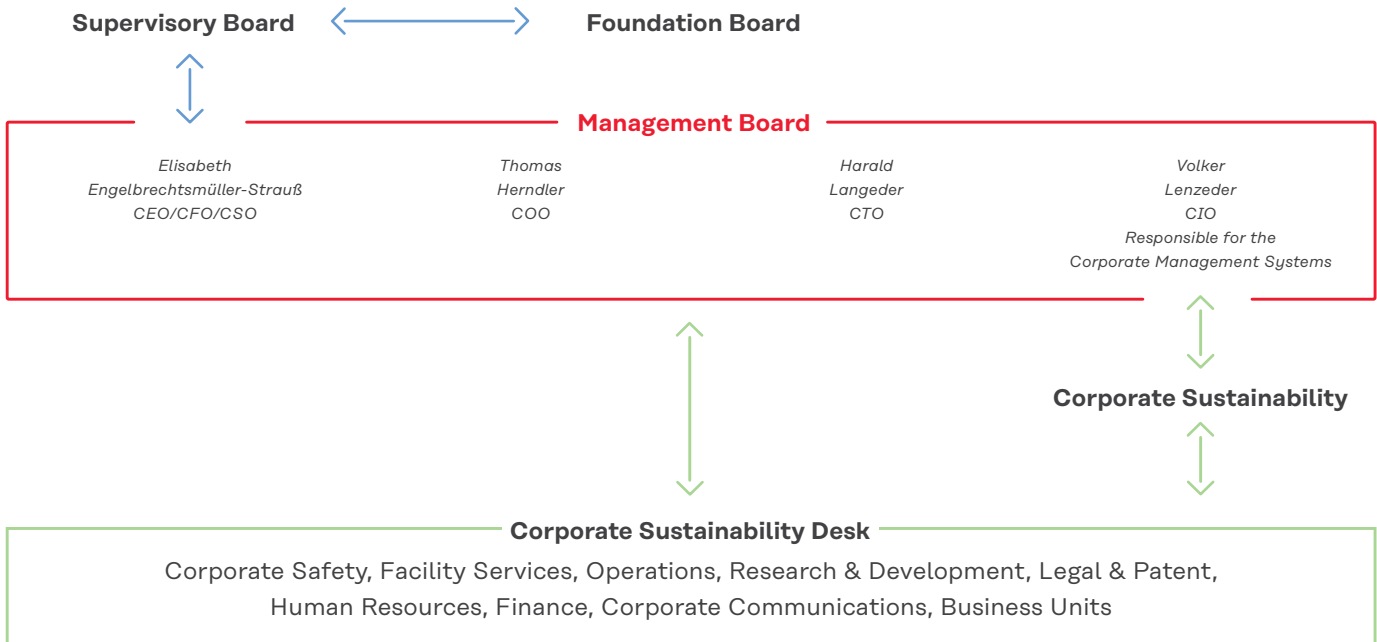
Since sustainability is an important matter for Fronius, it is a key responsibility of the management board. The management board in turn regularly updates the supervisory board and the foundation’s board of directors about progress made in implementing the sustainability program.

The sustainability management system is part of the corporate management systems of the CIO’s corporate services department. The Corporate Sustainability team is responsible for developing strategy, managing activities, and implementing measures. The Head of Corporate Sustainability and the CIO regularly coordinate on sustainability-related topics.

Sustainability is established as a cross-cutting issue that is important to all areas of the company. A

company-wide sustainability network, the Corporate Sustainability Desk (CSD), was set up in 2020 with 16 members from various departments and with the goal to put sustainability matters into action. In addition, there are several sub-networks, including the research and development sustainability desk for R&D-specific sustainability issues and the occupational health and safety desk for employee health and safety issues.

Organization of sustainability management



The individual stakeholders engage in regular exchange on sustainability-related topics.

The CSD members are responsible for identifying legal requirements, stakeholder needs and market developments, for examining their relevance for Fronius, for introducing them to the network and, if necessary, for initiating their implementation. They keep in close contact with the decision-makers in their departments. The members report on their progress in monthly network meetings and set out the next steps together.

The CSD members also take part in interdepartmental working groups to work on sustainability-related topics, draw up company-wide sustainability goals, and define the corresponding measures. The members have identified the following areas for action:

Decarbonization

Climate change continues to progress, the average global temperature is rising, and extreme weather events are becoming more frequent. The Paris Agreement was adopted during the 2015 UN Climate

Change Conference with the objective of mitigating climate change. Its goal is to keep the increase in global warming to below 1.5 °C. To achieve this, greenhouse gas emissions caused by humans must be reduced. Fronius takes its responsibility seriously and has made the reduction of direct and indirect CO₂ emissions a priority to significantly help combat climate change (more details in the "Decarbonization and climate protection" chapter).

Awareness

Fronius' contribution to sustainability can only be as great as the sum of the contributions of all our employees. We therefore have many ways of creating awareness to ensure we are working together to consciously make a difference.

Sustainable products and services

Our innovations and research activities enable us to develop sustainable solutions for our customers. As a manufacturing company, we must take into account the entire value chain if we are to improve our sustainability performance (more details in the “Research and development, innovation” chapter). The social conditions our suppliers are operating in have a huge impact on both society and the local economy. We have strict requirements and work closely with our partners (see also the “Sustainable procurement” chapter).

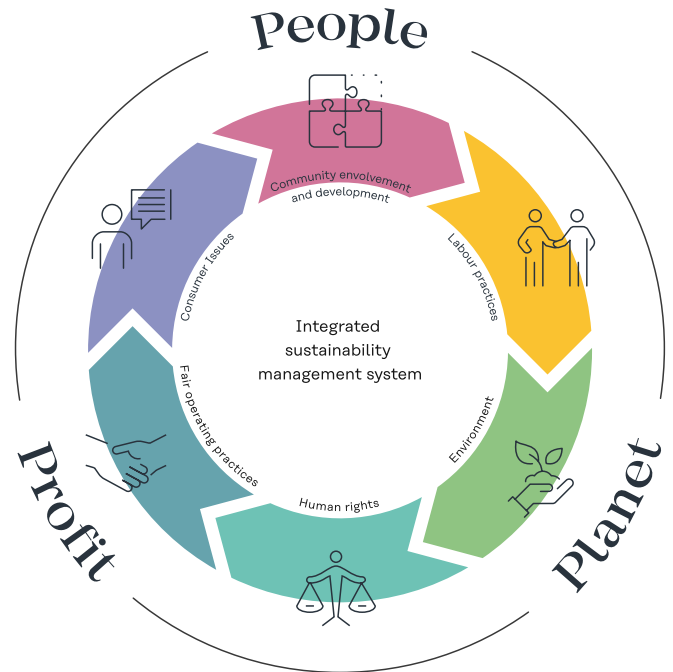
Infrastructure development and investment

We take all three dimensions of sustainability into account to ensure that decisions are made responsibly and with foresight. Defined processes support us in understanding how our social, ecological, and economic impact affects infrastructure development and investments and enable us to act accordingly.

Sustainability management system

Our Corporate Social Responsibility (CSR) management system is certified in accordance with ONR 192500 (based on ISO 26000). This required Fronius to define the focus of its social responsibility, identify stakeholder needs, identify the relevant areas for action, and set priorities in this regard. Fronius focuses on the following areas for action as part of its CSR management system:

Corporate Social Responsibility management system
(CSR management system)



The management system aims to achieve the overarching goal of continuously improving sustainability performance in these areas for action along the entire value chain.

Continuous improvement process

The continuous improvement process (CIP) is a method for regular, consistent and sustainable improvement of our processes and products. An internal platform gives employees the opportunity to submit suggestions for improving in areas such as sustainability. The suggestions are taken up by the relevant CIP team and dealt with in regular meetings in line with the CIP problem-solving scheme. Measures are introduced in this way to reduce waste, scrap or energy consumption,

for example, as well as to improve occupational health and safety.

In 2023, a total of 34 CIP topics in the “Sustainability” category and 105 CIP topics in the “Occupational health and safety” category were introduced and implemented

at Fronius International GmbH and Fronius Czech Republic.

A CIP blog, a display on the TV screens in production, and an annual CIP Oscar make the success of CIP efforts visible.

Stakeholder engagement

Maintaining an open and constructive dialog with our internal and external stakeholders is of central importance to Fronius.

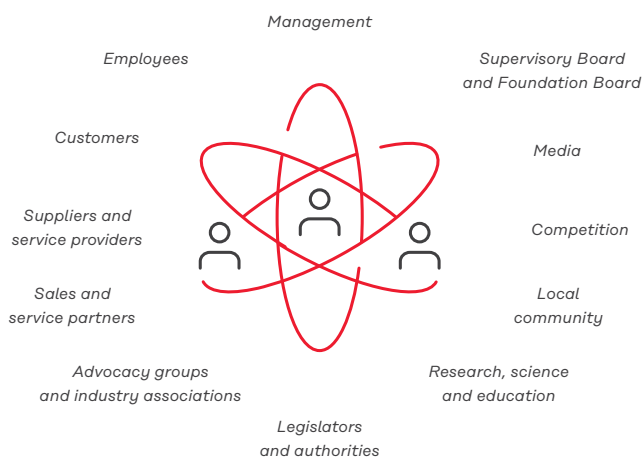
It is crucial to understand and consider stakeholders' interests and expectations when making assessments and decisions. By engaging in dialog, we can identify relevant and sensitive topics from which we can draw key conclusions for our activities.

The relevance of the individual stakeholder groups is regularly reviewed, most recently as part of a workshop at the Corporate Sustainability Desk in 2021. This involved checking the existing list of stakeholder groups for completeness and assessing relevance according to the dimensions “Impact of Fronius on stakeholder groups” and “Influence of stakeholder groups on Fronius”. A total of 12 stakeholder groups were identified, and their interests and expectations are now represented in various forms of dialog.

In dialog with our stakeholders

Our stakeholders are informed and involved in various ways.

In 2022, the interests and expectations of our stakeholders were collected in a comprehensive online survey. The results were incorporated into the materiality analysis and measures were derived. In addition to the online survey, there are many other formats for engagement, collaboration and dialog. The interest and dialog formats are excerpted below.



Stakeholder groups	Stakeholder interests	Stakeholder dialog formats
Employees	<ul style="list-style-type: none"> – Safe and healthy workplaces – Job security – Fair pay – Social security benefits – Development opportunities – Modern working environment including work equipment and infrastructure – Respectful corporate culture – Work-life balance 	<ul style="list-style-type: none"> – Internal communication channels (intranet, employee magazine, etc.) – Annual employee appraisals – “Great Place to Work” employee survey – Employee information from the management board – Works council information – Information events for employees
Management	<ul style="list-style-type: none"> – Regular updates on strategy and target achievements, business development – Corporate culture according to Fronius values – Further development of the management systems 	<ul style="list-style-type: none"> – Strategy workshops – Management review – Leadership workshops
Supervisory Board and Foundation Board	<ul style="list-style-type: none"> – Regular updates on strategy and target achievements, business development – Ensuring legal compliance 	<ul style="list-style-type: none"> – Meetings of the Supervisory Board and Foundation Board
Customers	<ul style="list-style-type: none"> – High-quality, affordable, innovative and safe products – Delivery reliability – Quick response to requests – Product training/workshops 	<ul style="list-style-type: none"> – Customer service and support – Organization of (virtual) trade fairs – (Digital) workshops – Annual meetings on sustainability/carbon footprint – Product trainings and webinars – Response to supplier self-assessment questionnaires – On-site/remote audits – Providing data and information on products (e.g. life cycle assessments)
Suppliers and service providers	<ul style="list-style-type: none"> – Long-term business relationships – Clear terms – Discussions and negotiations on equal terms – Reliability 	<ul style="list-style-type: none"> – Supplier on-site audits – Dialog events (e.g. supplier day) – Annual discussions and regular meetings

Stakeholder groups	Stakeholder interests	Stakeholder dialog formats
Sales and service partners	<ul style="list-style-type: none"> – Long-term business relationships – Meeting the expectations of installers and end customers – Support from Fronius – Expert after-sales service – Training concepts – Fair pricing – Delivery reliability 	<ul style="list-style-type: none"> – Customer service and support – Organization of (virtual) trade fairs – (Digital) workshops – Product trainings and webinars
Research, science and education	<ul style="list-style-type: none"> – Long-term cooperations – Industry insights 	<ul style="list-style-type: none"> – Cooperation with research and educational institutions – Sponsorships with technical academies – Collaboration in expert advisory boards for the exchange of experience and knowledge
Legislators and authorities	<ul style="list-style-type: none"> – Compliance with the legal/ official requirements 	<ul style="list-style-type: none"> – Responsible lobbying work – Management of approval notices – Regular exchange with the mayors of communities around Fronius sites
Advocacy groups and industry associations	<ul style="list-style-type: none"> – Participation in initiatives and industry associations – Representation of industry interests – Development of industry standards 	<ul style="list-style-type: none"> – Membership of various national and international associations – Proactive collaboration on position papers – Exchange of knowledge and experience in working groups
Local community	<ul style="list-style-type: none"> – Transparent communication about activities that impact local communities and taking their interests into account at an early stage – Promotion of the community – Creating jobs in the region 	<ul style="list-style-type: none"> – Regular communication with local residents – Open house day – Career fairs
Media	<ul style="list-style-type: none"> – Prompt information on relevant developments 	<ul style="list-style-type: none"> – Press releases – Interviews – Communication through social media

Stakeholder groups	Stakeholder interests	Stakeholder dialog formats
Competition	– Fair competition	– Informal discussion of current developments and challenges in the industry
<p><i>Fronius is a member and supporter of numerous initiatives and industry associations, some of which are focused on sustainability.</i></p>	<p>Participate in working groups on product-related environmental protection and corporate sustainability of the German ZVEI e.V., the central association of the electrical and digital industry</p>	
<p>A selection: Involved in the upper Austrian “Energy Transition Leaders Initiative” as a pioneering company in cooperation with the OÖ Energiesparverband (Upper Austrian Energy Saving Association)</p>	<p>Member of the VNL (Austrian Network Logistics), the Austrian logistics business network, sharing information and experiences regarding the challenges of the transport and logistics industry, including its sustainable design</p>	
<p>Member of respACT – Austrian business council for sustainable development, the leading business platform for CSR and sustainable development</p>	<p>Participate in the “Circular Globe” advisory board, a European initiative of Quality Austria and the Swiss Association for Quality and Management Systems (SQS) to disseminate an assessment model and labels for the circular economy</p>	
<p>Member of the Resource and Energy Efficiency Expert Group of the Industry 4.0 Association, a platform for smart production</p>	<p>Member of StEP Up, a platform for sustainably increasing the competitiveness of manufacturing companies in Austria</p>	
<p>Member of VÖSI – Association of Austrian Security Experts, the advocacy group for security, health and safety, environmental protection, and fire safety at work</p>	<p>Cooperate with the Institute for Integrated Quality Design of the Johannes Kepler University Linz for sharing information and experiences regarding the circular economy</p>	
<p>Partner company involved in the Cleantech Cluster Upper Austria, the platform for companies in the field of environmental and energy technology to promote innovative strength, competitiveness and visibility</p>	<p>Collaborate in the ECPE (European Center of Power Electronics), a research network for power electronics in Europe, including the issue of sustainable power electronics</p>	
<p>Member of SolarPower Europe, a member-led solar industry association supporting the latest European sustainability initiatives, such as the development of the Ecodesign Directive and the energy label for PV systems</p>		

Responsible business practices

... pay off. The prudent use of resources ensures that we can invest our resources in a sustainable and independent manner.

Economic performance

Company figures for the entire Fronius Group as of December 31, 2023

- 38 international Fronius companies
- 1,604 active patents
- 194 apprentices
- 85% export rate
- Sales partners in more than 60 countries
- 7,992 employees in the company
- 1,595 million euros in Group sales

the environment, we are more resistant to crises.

Although 2023 was also a very challenging year, Fronius proved itself to be a stable and reliable partner for its customers and suppliers.

In recent years, we have increasingly had to report challenges in the global supply chain. The well-known reasons – from the pandemic to the computer chip crisis – have meant that we are still confronted with erratic and disrupted flows of goods and market developments. We responded with specific organizational and structural activities, in line with our market development activities, to resolve these disruptions in the interests of a stable supply.

Sustainable company growth

Fronius takes responsibility for the impact of decisions and activities on society, the economy and the environment. Honesty, fairness and integrity are the basis of our actions.

Because we manage our risks over the long term and take a holistic view of the impact on people and

Thanks to our long-standing and trusting business relationships, we have been able to resolve many challenges quickly and cooperatively. Our supplier structure, with numerous local partners and networks, provided additional support.

With our sustainable mindset, we support innovation. This makes our high-quality products and services even more cost-efficient. The long service life and reparability not only protect the environment, but also result in greater customer benefits. This enhances our

performance and competitive edge – the basic prerequisites for the future viability of our company.

To enable us to meet the high demand for our products in the coming years, we have made extensive investments, particularly in the last two years. For example, the expansion of the Sattledt production site was completed in 2023, which led to a significant increase in production capacity.

However, we were confronted with a pronounced dip in demand in the second half of 2023 compared to the original sales forecast for the business unit Solar Energy. In the European solar market in particular, we are noticing that Chinese component manufacturers

have oversupplied the market with some of their products. This led to overstocked warehouses at distributors and wholesalers, and caused demand to slump accordingly in the third and fourth quarters of 2023.

The decline in demand also forced us to reduce production, cut shifts and agree reduced working hours with employees in solar production both at the Sattledt site and in Krumlov, Czech Republic. Our most important goal, apart from the continued existence of the company, is to preserve jobs.

We are confident that we will regain market share after a period of consolidation in the solar market, which – despite everything – continues to grow steadily.

Business ethics & compliance

The Legal Compliance department is responsible for the establishment and further development of the Group-wide **legal compliance management system** and is therefore the central point of contact for all compliance issues within the company.

While the main focus in the founding year 2022 was on implementing a legal compliance risk assessment and developing a risk map, the risk assessment was established as an ongoing process in 2023. Attention was in particular focused on a continuous assessment of business activities and, building on this, the implementation of compliance obligations as well as regular risk assessment and analysis.

The legal compliance management system takes into account the requirements of the generally applicable standards ISO 37301 (compliance management system) and ISO 37001 (anti-corruption management system).

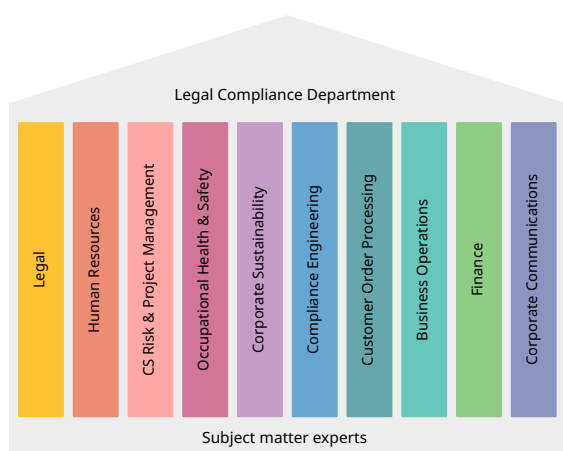
The structure is based on the basic elements of IDW PS 980 audit standard of Germany's Institute of Public Auditors in Germany (Instituts der Wirtschaftsprüfer für LCMS).

The values of the Fronius Way 5.x form the basis and place people at the center. Every employee is responsible for complying with the guidelines and processes of the Fronius Legal Compliance Management System. The Legal Compliance team is available to provide support for any training courses.

At the end of November 2023, the company-wide **Legal Compliance Network** was established within Fronius International GmbH. This network, which is made up of experts from all areas entrusted with compliance tasks (Legal, Human Resources, CS Risk & Project Management, Occupational Health & Safety, Corporate Sustainability, Compliance Engineering, Customer Order Processing, Business Operations, Finance,

Corporate Communications), is the central point of contact for all legal compliance issues. The Legal Compliance department is primarily responsible for the management, structuring and organization of the network, while the substantive issues are dealt with by teams of the respective experts.

Corporate Legal Compliance Desk



The central tasks of the Corporate Legal Compliance Desk include the review of new or amended laws and regulations and the subsequent development of a process for incorporating the necessary changes as well as raising awareness of the compliance culture within the company.

Through the intranet-based **Legal Compliance portal**, clear communication and knowledge transfer are ensured. All employees can find a user-friendly overview of all legal compliance issues there.

Compliance with legal requirements

Compliance with applicable laws and internal and external regulations is the basis for all business activities and decisions. This is ensured at Fronius by a digital legal register that includes the laws that are essential for Fronius, particularly in the areas of employee

protection, environmental protection and sustainability. The legal register is managed with the help of an external service provider, who also maintains it and keeps it up to date. This ensures that the legal provisions that are essential for Fronius are systematically and regularly checked for changes or additions and that the resulting obligations are implemented accordingly. Implementation is carried out by the relevant departments within the company, which receive a request to check and fulfill the respective legal obligations as part of the digital legal register process.

In 2023, Fronius International GmbH did not record any violations of environmental or social laws and regulations.

Respect for human rights

Respect for human rights is a high priority at Fronius and guides us in our actions. Fronius undertakes to ensure appropriate and safe working conditions, to pay appropriate wages, to respect freedom of association and the right to collective bargaining, and not to tolerate child labor, forced labor or discrimination.

Anti-corruption and anti-bribery efforts

Fronius expressly rejects any form of corruption or bribery. Criminal offenses notwithstanding, we examine any benefits accepted or granted to check that they are appropriate and not detrimental to our public image.

Comprehensive measures have been defined to prevent corruption and bribery, including raising awareness among our employees by teaching them the Fronius Code of Conduct and requiring them to complete training on compliance-related matters.

In addition, a whistleblower system was introduced in 2022.

Our approach to dealing with risks, including corruption and bribery risks emanating from suppliers and business partners, is described in the "Sustainable procurement" chapter.

No incidents of corruption were reported at Fronius International GmbH in 2023.

Fair competition

Transparent, fair and professional conduct on the market serves to protect our interests in the long term and helps us to achieve secure and sustainable competitiveness.

In 2023, proceedings are pending before the antitrust court against Fronius International GmbH in connection with antitrust issues from the past in the field of welding technology. Fronius International GmbH has taken specific technical, organizational, personnel and other measures for the affected area to prevent the recurrence of misconduct. Particularly worth noting here are the introduction of a high-quality reporting and control system in 2023 (including a tender committee, whose approval decision is supported with technology to ensure complete traceability), the involvement of an internal audit body to regularly review compliance with relevant regulations, and the planned tightening of internal liability and compensation regulations to ensure compliance with the relevant regulations.

Multiple live training sessions (virtual and in person) on selected antitrust law topics were held in 2023 for employees in the Sales & Marketing departments of Fronius International GmbH as well as some subsidiaries (within the EU). In addition, training sessions were held for the management levels of all business units and Procurement. A general training program for all

employees is in preparation. The roll-out is planned for 2024.

In addition, a comprehensible information sheet on the most important topics of antitrust law was created for the Sales & Marketing departments. This is intended to promote awareness and understanding of antitrust law and fair competition.

Political involvement

All political involvement is carried out responsibly and transparently. Public political processes are not obstructed by unfair practices or undue influence. Fronius International GmbH made no donations to political parties in 2023 in the form of financial contributions or benefits in kind.

Data protection and information security

Guidelines and work instructions on how to handle personal data regulate compliance with the applicable data protection laws (specifically the EU General Data Protection Regulation) in the company. In addition, procedures have been set up for auditing existing and new data processing operations for the introduction of new software tools, for the conclusion of order processing agreements, and for the fulfillment of data subject rights (such as requests for information, requests for deletion). Data protection issues are handled by representatives of the Information Technology (IT), Risk Management and Legal departments, who work closely with a representative of the Management Board as part of the established core data protection team.

The protection of physical and electronic information and the systems required for information processing is regulated in the Information Security Management

System (ISMS). The Fronius ISMS was certified in accordance with the international standard ISO 27001 in 2022 and is regularly reviewed through annual monitoring audits. This certification confirms to our customers our high standard of information security and data protection, not only for internal business processes and data processing, but also for our products and digital services. Depending on the protection requirements of the data to be processed and the associated risk, appropriate, state-of-the-art measures are implemented.

Due to the increase in cybercrime, measures have been defined for the early detection, processing and combating of cyber attacks. In addition, employees receive ongoing training on potential threats and are shown preventive measures.

Fronius Code of Conduct

Fronius conducts its business activities in accordance with the highest ethical standards and requires all employees to act in accordance with these standards of personal and professional integrity. We also expect our business partners to act in accordance with this Code, in compliance with the law and with integrity, including within the value chain.

The Code of Conduct is available to all stakeholders on the website and is publicized on internal platforms and in notices. The Code has also been adapted for all subsidiaries on a country-specific basis and is available on the national websites.

With regard to Fronius International GmbH, all employees are obliged to complete an e-learning course on the content of the Code of Conduct once a year.

In 2023, a total of 3,657 Fronius International GmbH employees successfully completed the e-learning course. This corresponds to 96% of employees who have an e-mail account. Compared to the previous year (84%), the percentage of trained employees has increased significantly. This increase is due to the improvement in data quality as well as to the consistent monitoring of the completion of the e-learning course by the Legal Compliance department and managers.

In addition, employees without an e-mail account are trained by their direct manager with the help of a handout.

Whistleblowing system

The Fronius whistleblowing system was introduced in 2022 and communicated internally. In addition, a whistleblowing policy has been created that describes how reports can be submitted and processed via the whistleblowing channel. The channel can be accessed via the website so that it is accessible to all internal and external stakeholders and complies with the requirements of the EU Whistleblower Directive. Reports can be submitted either with contact details or anonymously, which will initiate a process for evaluating and investigating the report by the Legal Compliance department. Final feedback on the measures taken as a result of the report will be sent to the person submitting the report within 90 days of the submission, provided that the submitter has provided an e-mail address for contact.

Employees can also direct their concerns about compliance issues to compliance@fronius.com at any time.

The management and the works council are informed every six months with a report regarding submissions to the whistleblowing hotline. In 2023, nine cases were

reported via the whistleblowing hotline and processed accordingly by Legal Compliance.

Sustainable products and services

Whether custom battery chargers, revolutionary welding processes, or complete solutions for solar energy – we are focused on one thing: converting electrical current.

With our sustainable mindset, we are accelerating innovation. For us, developing sustainable products means creating high-quality, durable, repairable and recyclable solutions that not only protect the environment but also provide greater benefits for our customers.

Quality awareness

At Fronius, quality awareness is not simply a phrase – it's a corporate value we live by. For almost 30 years, Fronius has relied on a quality management system certified to ISO 9001 to ensure quality. This standard defines the minimum requirements for our products. This quality awareness is imparted to our employees in regular training sessions.

We not only test our products twice or three times, we subject them to a total of 13 different endurance tests during the development phase, including an impact and drop test, a dust and salt spray test as well as a cold behavior and service life test. All tests go beyond the standard specifications.

Long service life and repairability

"Repairing instead of throwing away" is a principle that has been firmly embedded in our DNA since the beginning of our company's history. This is why we develop highly advanced service concepts in all areas to ensure that our products can be repaired quickly, if necessary, and to a high standard. We lay the foundation for this as early as the product development stage.

Thanks to our worldwide network of over 20 repair centers and certified service partners, we avoid long journeys and transport routes and can guarantee rapid repair. In our Repair Center International (RCI) in Steinhaus (Austria), we offer the optimal conditions for professional and high-quality repairs with original spare parts in an area covering more than 4,000 m². In 2023, our repair centers worldwide completed over 100,000 service orders for our three business units, Perfect Charging, Perfect Welding and Solar Energy. Most of the devices sent in for repair were successfully repaired.

If a device can no longer be repaired, we disassemble it, separate out the components according to category,

and forward them over to disposal companies that process the recyclable materials for recycling.

Recyclability

When selecting materials and during the product development process, we pay attention to the proportion of secondary materials used as well as the reparability and recyclability of our products at the end of their life cycle. We pay particular attention to the amount of recycled material used when selecting aluminum components, as this significantly reduces the environmental impact compared to primary aluminum.

In cooperation with waste disposal companies, we are continuously optimizing our appliances to promote the use of secondary materials.

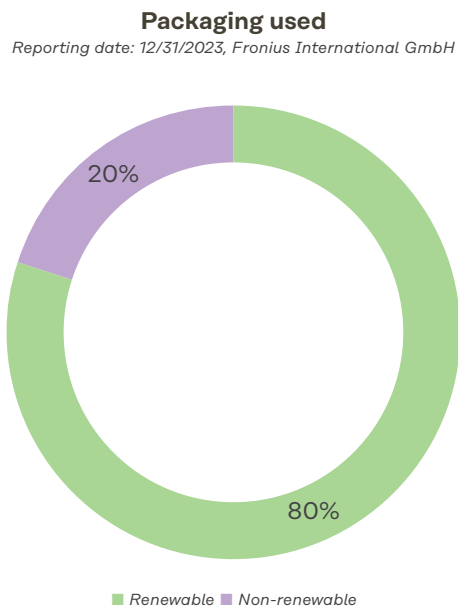
Sustainable packaging

To protect our products from possible transport damage and to reduce our ecological footprint, we at Fronius pay special attention to the selection of suitable packaging materials and their reduction. The following factors, among others, are taken into account in terms of sustainability:

- Packaging required for optimum protection of the devices and the resulting packaging volume and weight
- Potential for reusing and recycling the packaging material
- Environmental footprint of the packaging material

The choice of packaging material depends largely on the product in question and its requirements. In case of doubt, the most appropriate packaging material must be selected for each individual series.

We also pay attention to reducing the use of packaging in our outer packaging. Packaging sizes are even better matched to the products and, where possible, the packaging is reused for shipping. Reusable systems are currently used primarily for internal transport to the subsidiaries and for exchange goods.



Perfect Welding

Our welding systems are of the highest quality and can be dismantled, repaired and recycled if necessary. With all our products and services, we want to help our customers optimize their processes, and save energy, material and time.

Focus on inverter technology

Fronius welding systems are particularly characterized by high energy efficiency: We were the first manufacturer to integrate transistor-based inverter technology, which reduces power consumption by around a third and raw material consumption by approximately 80%.

iWave device series

With the introduction of the iWave series, we have expanded our portfolio with an intelligent high-end welding system. The Multiprocess PRO option allows all arc welding processes to be bundled in a single device and offers superior quality in TIG welding (tungsten inert gas), MIG/MAG gas-shielded welding, and manual arc welding.

With its advanced technology, the iWave device series helps reduce the burden on people and the environment. It was designed and developed in accordance with the requirements of the Ecodesign Directive, combining ease of use with ergonomics in one housing and connecting to the welding helmet via Bluetooth for optimal workplace safety. With new TIG cold wire components and the Welding Package TIG DynamicWire, cold wire supply in TIG welding is easier than ever before. Automatic, dynamic wire control always selects the right feed rate. The process adapts to the welder, not the other way around.

Learning to weld safely and conserve resources

With our Welducation simulator, welding is learned and practiced step by step with the use of augmented reality. The virtual training doesn't require any material, gas or wear parts. There is also no safety risk for the apprentices from heat, welding fumes, flashing or welding spatter, so they can concentrate on welding. The new augmented reality glasses make the seam, the welding process and therefore the entire welding experience seem incredibly real, and the accompanying Welducation Campus platform rounds out the comprehensive educational package with theoretical welding knowledge.

Cobot welding cell for fully automated welding

Manual welding is labor- and time-intensive. Many companies therefore want to automate welding as far as

possible. With our cobot welding cells, skilled workers can be freed up from routine welding tasks to devote their time to more specialized tasks. Our cobots are also suitable for small- and medium-sized companies, and pay off even with small quantities.

If special knowledge is required on a case-by-case basis, for example for feasibility studies or complex welding challenges, our Fronius experts in the Prototype Center will support the customer with their decades of welding know-how. This can significantly reduce investment risk and deadline pressure.

Solar Energy

For the past 30 years we have taken a holistic view of sustainability and have acted in the interests of future generations. Since day one, we have combined innovation and efficiency to develop products and solutions that are helping create a livable future based on 100% renewable energy.

Sustainably designed, sustainably made

In line with our maxim "Sustainably designed, sustainably made", our products are not only created in an especially resource-friendly way but are also designed for superior durability and repairability. We attach great importance to the conscious use of resources – whether this involves the materials, the means of production, or the employees.

What makes our inverters so sustainable

With our wide range of energy solutions for homes and businesses, we offer customized overall concepts. Our inverters are tailored to the specific needs and conditions.

- With our Fronius GEN24 inverter at the heart of the PV system, households produce their own energy sustainably and cheaply. The Fronius GEN24 Plus hybrid inverter allows the use of a battery storage system and thus ensures complete energy self-supply for electricity, heating, cooling and e-mobility, around the clock.
- The robust Fronius Tauro inverter is our solution for commercial applications. It impresses with maximum flexibility in system design as well as minimal overall operating system costs. With the heavy-duty project inverter, large-scale commercial photovoltaic systems can be operated even more economically.
- The Fronius SnapINverter series, which includes our Fronius Symo Advanced, offers inverters of different power classes. They can be used to implement cost-effective, small to medium-sized photovoltaic systems.

The intelligent design of our products enables us to offer open interfaces for linking all energy sectors. We offer a comprehensive solution for electric mobility with the Fronius Wattpilot PV charging box and Fronius EMIL cloud software for intelligent charging management. Our Fronius Wattpilot Home 11 J was the clear winner in the ADAC PV Wallbox Test 2023, and its extensive features, including automatic and integrated 1-/3-phase switching, the best app in the test, and the lowest standby consumption, were judged especially impressive.

The Fronius Ohmpilot provides sustainable heating and maximum self-consumption of self-generated solar energy: our consumption regulator uses surplus electricity from the PV system to heat water by intelligently and directly controlling household consumers such as boilers or heat pumps, so that the power of the sun even heats up heating elements.

Comprehensive help with our digital tools

Whether at home or on the road – all Fronius products can be conveniently monitored, controlled and maintained via smartphone or desktop PC. Our Fronius Solar.start and Fronius Solar.SOS apps provide fast and reliable support during commissioning and when servicing is required. Our customers always have their system in view with Fronius Solar.web. Our digital tools are versatile and help enable optimal use of our products and solutions in everyday life, in line with our motto “Energize your life”.

Solar Energy facts

	2022	2023
Delivered megawatt GW AC rated power	4,146	5,397
Total amount of previously installed GW AC nominal power	29	35

Fronius subsidiaries

Help in the event of severe earthquakes

In early 2023, Turkey was shaken by several severe earthquakes. The quakes claimed numerous victims, and many people lost everything they had and found refuge in container villages. Fronius Turkey not only provided support through numerous donations in kind, but also made five Tauro inverters available for use. The 500 kW PV system is able to supply around 3,000 people in the container village in Gaziantep with electricity.

Perfect Charging

Our vision is CO₂-neutral intralogistics. In 2023, we contributed to this with over 65,000 chargers delivered.

Reliable technology with long service life

Our chargers are especially efficient, compact and durable. Their sophisticated, high-quality design means the charging solutions can be reused many times and that they are easy to assemble and disassemble. Users therefore enjoy extreme flexibility when designing their intralogistics and can conserve resources.

Technological edge with Selectiva 4.0 chargers

The Selectiva 4.0 chargers ensure exceptionally cool and gentle charging with our proprietary Ri charging process. As a result, up to 84% of the electricity drawn from the grid actually reaches the battery, minimizing losses due to battery heating. Another advantage is the extension of battery service life, as low temperatures protect the battery components and thus increase the number of possible charging cycles.

With our TagID, which can be attached to a lead-acid battery, we have set a new standard in terms of efficiency and battery-friendly charging. Automatic Ionic Circulation helps prevent acid stratification and thus further extends the service life of the batteries. With the Intelligent Equalizing Charge mode, equalizing charging is only carried out when required. This enables further energy savings of up to 4%.

Flexible charging solutions for individual requirements

At Perfect Charging, sustainability means more than just efficient and durable charging solutions: We see ourselves as a solution provider for intralogistics – from consulting and planning to the implementation of customer-specific charging infrastructure. We offer our customers everything from a single source. Our flexible solutions grow with customer needs. They are easy to

set up and dismantle and represent a sustainable and future-proof investment.

Digital solutions for greater efficiency and sustainability

Charge & Connect – this cloud-based software solution offers unprecedented transparency across all charging stations. Directly connected to the charging infrastructure, it provides real-time data on its availability and status. Numerous analysis functions help detect application errors at an early stage and initiate optimizations. This avoids downtime and reduces running costs.

To reduce peak loads during battery charging and the associated costs, our customers can use the load balancing functionality to smooth them out. Energy consumption can be made more sustainable with PV Connect. This means that the electricity generated by the PV system can be used to charge the forklift fleet.

In 2023, we expanded Charge & Connect to include digital battery management. For lead-acid batteries equipped with the Fronius TagID, fleet operators can use Charge & Connect to monitor and digitally manage not only the charging behavior but also the battery inventory.

By linking the battery and charging data, it is possible to detect at an early stage whether a used battery is behaving improperly or is approaching the end of its service life, for example. These findings enable those responsible to take appropriate measures quickly and minimize unplanned downtime.

Research and development, innovation

At Fronius, we develop the solutions of tomorrow and beyond. Innovation and creativity are core corporate values that we put into practice with our extensive research and development efforts – from the initial concept to development and series production.

Our innovative strength is reflected not only in our 1,604 active patents but also in the number of employees in our research and development department. At the end of December 2023 there were 960 people employed in R&D at Fronius International GmbH. A total of 990 people are employed across the Group.

The development of sustainable products and services is an important part of our sustainability goals. We place special emphasis on durability, material and energy efficiency, the reparability and recyclability of our products, and on the use of sustainable components and recycled materials in production. This results in more efficient appliances, which benefits both our customers and the environment. Examples of this include the Exento HighVac mobile extraction system, which extracts welding fumes directly at the source in accordance with the DIN standard and thus protects the welding specialist as well as everyone else in the vicinity, and the new Vizor Crystal welding helmet that provides a detailed and high-contrast view of the weld pool with an extra-large field of vision and advanced anti-glare technology with brightness level 2.

Sustainability by Design

Fronius is committed to contributing to a high-quality circular economy with products that have an especially long service life and by focusing on further optimizing our products' reparability and recyclability.

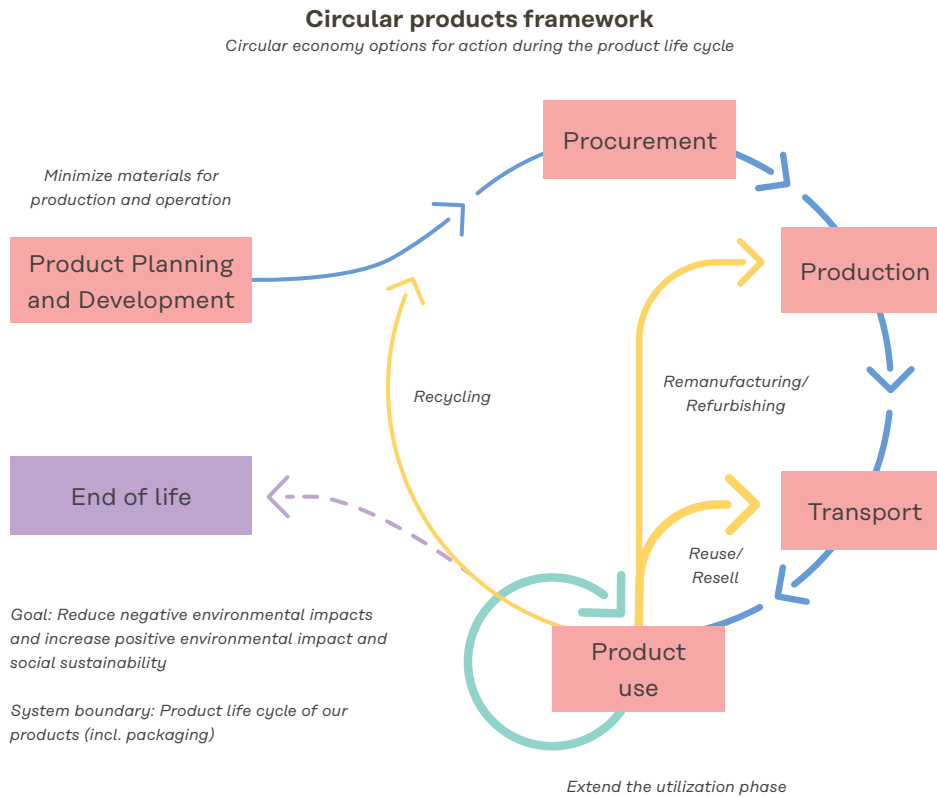
With our "Sustainability by Design" program, we aim to ensure that our products are designed in an environmentally compatible way that exceeds legal requirements. With this in mind, we develop methods and technologies for measuring and reducing the ecological footprint of our products.

We take the following steps to achieve our goals:

1. *We generate, collect and analyze data about our products.*
2. *We compile life cycle assessments for our products.*
3. *We use data-based assessments to optimize the sustainability and circular economy of product-service systems.*
4. *We cooperate with upstream and downstream companies and customers.*

One result of the activities of the “Sustainability by Design” program is the Fronius “Circular Products Framework”. This framework shows various options for action in the circular economy along the entire product life cycle and serves as a basis for developing future measures.

The following graphic shows a simplified illustration of the circular products framework. The thickness of the arrows symbolize the amount of material value obtained, i.e. the thicker the arrow, the higher the material value obtained.



— Pre-use material flow: Reduction of energy and material consumption and emissions of a product during product design (such as through use of sustainable materials) and during production and transport of the product.

— In-use material flow: Keeping products in use for as long as possible (such as with durable, repairable products), minimizing times when the product is not in use (e.g. rental), and selling a result instead of a product (e.g. product-as-a-service).

— Material flow for closing the cycle (looping): Closing material flows by reprocessing and reusing products (such as through refurbishing and reuse) or recycling at the end of the life cycle.

— Post-use material flow (goal: avoid!)

Tauro ECO life cycle assessment

The Product Sustainability team has addressed the question of how sustainable Fronius products actually are as part of its responsibility for the Sustainability by Design program. Another life cycle assessment was carried out in 2022, this time for the Fronius Tauro ECO, an inverter for large-scale PV systems.

The results were verified by the renowned Fraunhofer Institute for Reliability and Microintegration (IZM) in accordance with the ISO standards for life cycle assessment (ISO 14040/44).

The results were summarized in a white paper and are available here.



https://www.fronius.com/~/downloads/Solar%20Energy/Whitepaper/SE_WP_LCA_Tauro_EN.pdf

The reference scenario for Germany* was selected for the sustainability report. The most important results of the life cycle assessment are:

- Manufacturing components accounts for a significant proportion (29.2%) of CO₂ footprint of the inverter. Using recyclates for aluminum components can significantly reduce the climate impact compared to virgin material.
- In operation, the Tauro has a high efficiency rate of 97.5%. Even with this high level of efficiency, losses of 2.5% are responsible for a significant share of the CO₂ footprint (about 52.8%) throughout the entire 20-year lifetime. Another relevant influence (17.4%) results from night-time consumption, when the inverter draws electricity from the grid at night. A green power contract can reduce CO₂ footprint of the inverter by 16%.

- All modeled repair processes bring a high environmental benefit compared to an early replacement of the entire inverter.
- Recycling yields CO₂ credits for replaced primary production or replaced fossil fuels. The higher the quality of the recycling process, the greater the credits for waste recovery.

Depending on the scenario in question, the results of the life cycle assessment indicate that buying a Tauro inverter offers the following sustainability benefits:

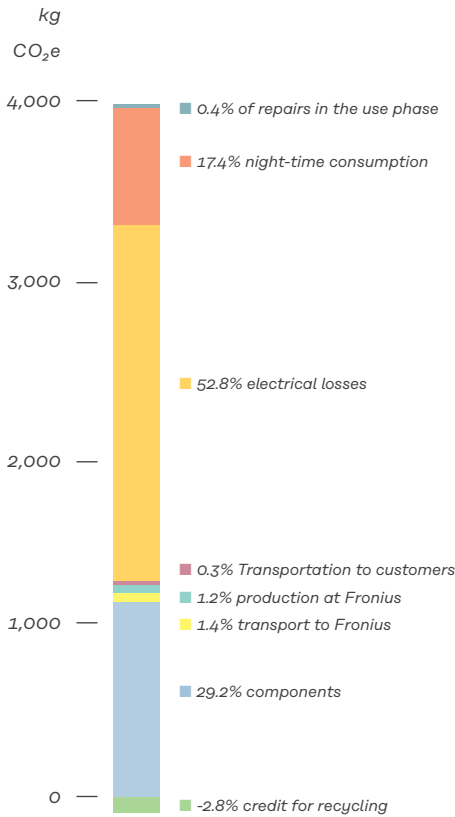
- The climatic payback time (CO₂e payback time) is between 0.4 and 2.0 years. After this time, the inverter is climate-positive.
- The environmental benefits exceed the environmental expenditure by a factor of up to 52.

When considering an entire PV system and depending on the scenario, the following advantages would result:

- The energy payback period is between 0.3 and 0.8 years.
- Up to 6,659 tons of CO₂ equivalents (CO₂e) can be offset. This corresponds to up to 3,026 flights from Vienna to New York.

Environmental impact of the Tauro ECO 100 D

20-year service life, Germany, by product phase (raw materials and materials, production, use, end-of-life metal recycling with downstream waste incineration), shown as kg CO₂e.



Perfect Welding

We aim to be the innovation leader with our products and services, including in the area of sustainability. We are therefore continuously optimizing Fronius power sources and welding systems with a focus on resource-saving operation. A life cycle assessment carried out for the TPS/i provides us with enlightening insights. These insights benefit our customers, who we want to support with tailored solutions for greater resource efficiency in electricity, gas and filler materials, and to help them to sustainably develop their full welding potential.

Innovative software solutions

Digitalization is influencing joining technology in many ways and represents an important aspect of sustainability. We are continuously developing suitable software solutions that improve the performance of the welding systems in terms of ease of use, seam quality and speed. Special documentation software records welding parameters and software-supported assessments of filler wire and shielding gas enable economical use of materials.

With the Weldcube Navigator, we also want to support our customers in standardizing their production processes. The aim is to avoid errors and improve the quality of production. Predefined step-by-step instructions guide welding specialists through their tasks. This makes it easier for them to familiarize themselves with new or infrequently commissioned components and supports the training of new welders. The Weldcube Navigator is easy to use, saves time, prevents faulty production and helps with knowledge transfer.

Solar Energy

For 30 years, we at Fronius Solar Energy have been developing innovative products, solutions and digital tools to generate, distribute, store and consume solar energy cost-effectively and intelligently – around the clock and regardless of the season. From private homes to large-scale systems, we support our customers in their personal energy transition and offer them holistic energy systems for a sustainable and emission-free future. This is how our vision of 24 hours of sun for everyone can become reality.

More efficient, more compact, and a longer service life

Our experts in research and development are constantly working to make our devices more material-efficient, using alternative materials, extending their service life and optimizing their performance.

We are working with our partners to research the use of new semiconductor materials that achieve significantly reduced losses from the battery when compared with technologies currently on the market, especially under off-peak load periods such as night-time operation.

With intelligent design concepts, we are also reducing the size and weight of the devices, which has a direct impact on consumption of materials.

We are working together with the Polymer Competence Center Leoben on the durability of our devices for outdoor use. Studies, simulations and test series of the housing parts should help to make inverters and other system components (such as Fronius Wattpilot) even more durable and hard-wearing. We aim to give mechanical parts the same 20-year service life that we target when designing the electronics. The goal is to achieve this durability in demanding application cases too.

Perfect Charging

Shaping the future means thinking ahead and helping make CO₂ neutral intralogistics a reality. For more than 75 years, the focus here has been on developing cost-efficient and sustainable charging solutions.

Customer-focused product development

Best in total cost of ownership (TCO): our solutions aim to deliver greater added value to our customers. This is how we are helping them further extend their competitive edge so they can operate even more competitively and profitably over the long term.

Serviceability: our devices are designed so that they can be serviced on site. This means transport to one of our repair centers is often not necessary, as individual parts can be replaced directly on site. This reduces transport routes and CO₂ emissions.

Digitalization: our Charge & Connect software solution helps us continuously monitor the operating parameters of our charging systems and is enabling us to develop further in the direction of predictive maintenance.

Ri characteristic curve: to keep energy and water consumption as low as possible when charging lead-acid batteries, our research and development experts have developed their own characteristic curve – the Fronius Ri characteristic curve. Unlike other methods, this adapts individually to the condition and age of the battery. This ensures especially high energy efficiency and a long battery life.

Sustainable procurement

As an international company, we harness the opportunities offered by global procurement while upholding our corporate due diligence. This is ensured by complying with the legal regulations and voluntary social and environmental standards applicable to

Fronius and by continuously developing our internal processes.

As part of our European value chain structure with production sites in Austria and the Czech Republic 100% of the procurement volume of direct services is

covered by the existing supplier management system described in this report. In terms of the Fronius Group's total global procurement of direct and indirect services, over 90% of the volume is covered by the supplier management processes described below. The key figures in this chapter therefore refer to this share of suppliers.

Direct procurement services include all raw materials, parts, components and systems that are used in our end products. Indirect services are products and solutions for internal requirements, in particular operating resources and infrastructure.

The conducted life cycle assessment (see also the "Research and development, innovation" chapter) shows that a large part of our environmental impact comes from upstream value creation (extracting raw materials and processing them into precursors and components) and is therefore significantly influenced by our suppliers. Our focus is therefore on the ongoing assessment, monitoring and mitigation of environmental as well as social impacts throughout the supply chain.

As part of our supplier management, both new and existing suppliers are continuously evaluated, monitored and further developed using standardized methods.

Supplier evaluation/qualification

New suppliers undergo a comprehensive evaluation process at Fronius. They register via a platform and disclose information about their company and the product portfolio they offer.

In the course of the evaluation process, new suppliers are subjected to a review based on defined ESG criteria.

Environment:

- Existing certifications and management systems
- Complying with material compliance requirements
- Existing environmental policy including targets for reducing energy consumption and CO₂ emissions
- Conducting life cycle assessments or environmental accounting for products or materials

Social:

- Compliance with environmental and social legislation and the relevant international standards
- Existing management systems for social issues (e.g. in accordance with SA 8000 or ISO 26000)
- Existing occupational health and safety policy
- Conducting risk analyses to ensure compliance with human rights and the prevention of environmental violations along the supply chain

Governance:

- Existing code of conduct and acceptance of the Fronius Code of Conduct for Business Partners
- Existing sustainability report
- Financial information

From the initial contact to the final approval of a supplier, data is systematically collected and checked for criteria relevant to Fronius.

Suppliers (direct services):

Review 2023

Percentage of new suppliers that were screened using environmental criteria

100%

Percentage of new suppliers that were screened using social criteria

100%

Compliance with the Code of Conduct

A separate Code of Conduct for Business Partners was developed last year and will be integrated into existing processes in 2024. As part of the evaluation process, business partners are obliged to confirm compliance with this Code of Conduct.

Supplier risk monitoring

Risks in the supply chain are identified and assessed at an early stage as part of risk management. By working with external partners and the associated system-supported mapping of supplier structures, sustainability risks and violations along our international supply chains can be identified immediately and dealt with in line with our due diligence obligations.

In 2023, through ongoing risk monitoring in our supply chain, we identified a total of eight ESG risks that have a potentially negative environmental or social impact. To bring about the needed improvements, we held personal discussions with the suppliers concerned, requested statements, and developed the resulting measures. All activities in this regard were carefully documented and recorded in our internal processes.

Our focus on European markets and the associated stable political framework conditions also reduces the risk of social and environmental violations.

Comprehensive evaluation of logistics partners

We subject all our logistics partners with current contracts to a structured, regular evaluation based on defined criteria. This supplements the classic supplier evaluation procedures, which were created explicitly for logistics partners. In addition to measuring general performance, sustainability efforts are also evaluated.

In the event of deviations from the standards required by Fronius, we work with the partners concerned to develop improvement measures. This enables us to continuously develop our transport processes in the interest of sustainability.

Supplier review/audit

Fronius also regularly audits existing suppliers. As part of a supplier self-assessment, sustainability information such as existing certifications is requested and subsequently subjected to a review. This shows that more than half of our major suppliers – those who account for more than 80% of the total procurement volume for direct services – have already implemented certified management systems (e.g. ISO 14001) that promote environmentally and socially responsible production.

Compliance with environmental and social criteria is also checked during on-site audits for suppliers with elevated relevance. By the end of 2023, 37% of preferred suppliers had been audited. The deviations and potential for improvement identified in these audits are systematically followed up together with the suppliers in the form of corrective measures.

Material compliance processes

Continuous review and improvement of our material compliance processes is crucial to ensuring that our products meet the requirements of relevant environmental legislation.

Communicating with our suppliers through a software platform that makes it possible to collect and systematically evaluate pollutant information at product level plays a central role here.

This ensures the implementation of the constantly changing requirements of national and international environmental legislation (REACH, RoHS, Ecodesign etc.). The aim is to successively replace substances of concern and filter them out of the cycle.

By continuously adapting our processes, we ensure that material compliance is an integral part of our product development.

This approach not only helps minimize environmental risks but also underscores our commitment to sustainable and responsible business practices.

Awareness

Comprehensive sensitization of our employees in the respective procurement areas regarding the relevant supplier management processes as well as sustainability requirements and activities is a key component in the sustainable orientation of our supply chain.

To this end, training courses on topics such as sustainable procurement and corporate due diligence in supply chains will be developed and held on an ongoing basis from 2024.

Social responsibility

Community connects us, it is a core value and therefore a key success factor for the entire organization. Every employee is an important part of Fronius and is valued as such. The new HR campaign “We are Fronius” shows exactly who Fronius is – namely a multitude of employees who together make up the spirit and success of the company.

Employment and work conditions

Employment structure

As of December 31, 2023, Fronius International GmbH employed 5,555 people (including apprentices and temporary staff such as interns and seasonal workers). This corresponds to an increase of 15% compared to 2022. A further 2,437 people are employed by the subsidiaries.

At 99.7%, almost all employees of Fronius International GmbH have a permanent employment contract; 96% of employees throughout the Group have a permanent contract.

The Fronius Group also employs 44 temporary workers (20 of whom work at Fronius International GmbH), mainly in the areas of production and logistics.

Across the Group, only 10% of employees work part-time. The percentage of women among part-time employees, at 72%, is significantly higher than the percentage of men.

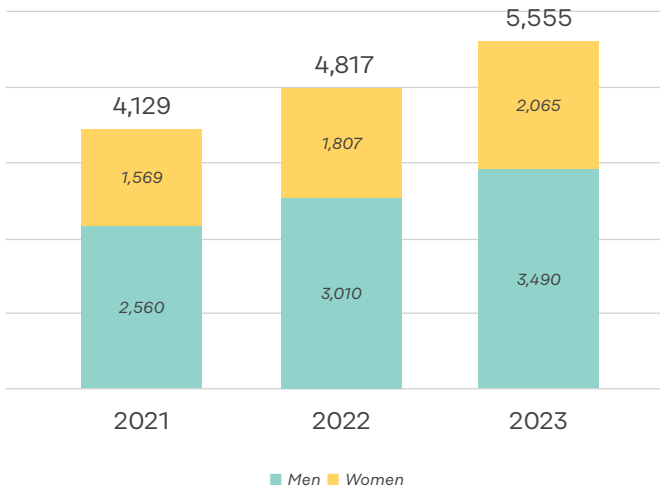
Broken down by nation, 49% of Fronius Group employees in the reporting year were from Austria, 18% from Central and Eastern Europe, 6% from Germany, 4% from South and East Asia, 2% from the USA, and 21% from other regions.

In 2023, 1,180 new entrants were recorded at Fronius International GmbH, of which 63% are male and 37% are female. Across the Fronius Group, 1,738 new employees started (36% of them women and 64% men). By age group, more than 21% of the new employees are under 25 years old. Almost 77% of new employees are between 25 and 54 years old, while only 2.6% were over 55 years old when they joined the company.

The employee turnover rate for 2023 is 1.9%. The calculation of this rate does not include temporary workers. The rate is calculated on the basis of the average monthly departures in relation to the average monthly headcount in the reporting year.

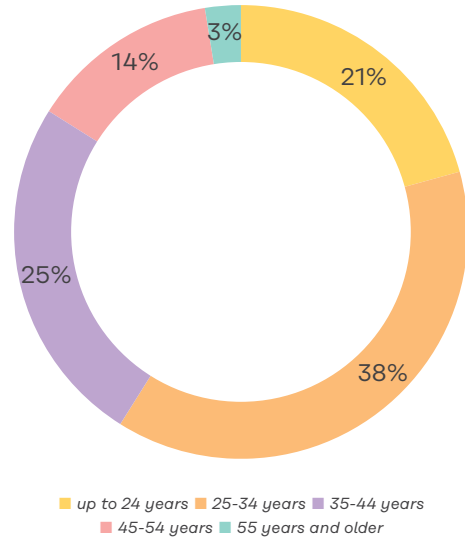
Employees by gender ^{1,2}

Reporting date: 12/31/2023, Fronius International GmbH



New entries by age group ^{1,2}

Reporting date: 12/31/2023, Fronius Group

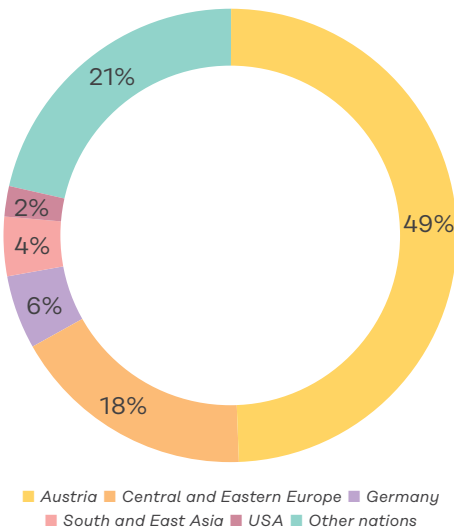


Flexible working models

We design our working conditions to meet the needs of our target groups and to achieve the best possible balance between the expectations of our employees and the requirements of the company. In addition to established working models (e.g. flextime, shift work), we are increasingly offering more flexible forms of work. For example, Fronius has roughly 500 part-time models, including part-time models within multi-shift working hours.

Employees by region ^{1,2}

Reporting date: 12/31/2023, Fronius Group



Employee representatives

At Fronius International GmbH, 100% of Fronius employees are represented by a works council or trade union. There are also employee representatives in the subsidiaries in France, Brazil and Mexico, which means that coverage at Group level is around 73%.

Collective agreements

In 2023, all employees of Fronius International GmbH were subject to a collective agreement. Across the

¹ Figures incl. temporary employees and apprentices

² Employees per capita

Group, 70% of employees are covered by a collective agreement.

Company benefits

Working at Fronius means so much more than just performing daily tasks. With our company benefits, we aim to promote the satisfaction of each employee and the entire team as well as social networking, health and well-being. To receive the company benefits, it is irrelevant whether the employees are employed on a temporary, part-time or full-time basis.

We present a brief overview of our company benefits in the following chapters listed below.

Comprehensive education and training opportunities

(see also the "Employee development" chapter)

Discounts and special offers for employees

Fronius offers its employees numerous discounts and special offers. For example, everyone receives a 40% meal subsidy in the Fronius company restaurants. To encourage the use of public transport to get to work, Fronius covers the cost of tickets (see also the "Decarbonization and climate protection" chapter). In addition, there are regular employee campaigns for the purchase of Fronius devices at attractive conditions.

Events for employees

To strengthen the community outside the immediate working environment, Fronius supports, among other things, field trips for departments and team-building activities, and organizes celebrations such as employee anniversaries and retirement parties.

A variety of events were organized in 2023:

– Summer Night Ball

The first Fronius Summer Night Ball was held in June 2023, drawing more than 2,000 employees to enjoy the evening together.

– Beach Volleyball Tournament

In September 2023, the Fronius beach volleyball tournament took place on our own sand court at the Thalheim site. 11 teams took part in an exciting competition where the focus was on having fun.

– Fronius Movie Night

Another Fronius Movie Night was organized in November 2023. The main film was the sci-fi action movie "The Creator," in which questions about dealing with artificial intelligence were answered.

Child-care options

(see the "Diversity and equal opportunity" chapter)

Health promotion measures

(see the "Employee health and safety" chapter)

Well-balanced meals:

Eating good, healthy food has a positive impact on well-being, and this requires high-quality ingredients. Fronius attaches great importance to the quality, freshness and origin of the food processed in its own company restaurants.

"The Fronius company restaurants are supplied by handpicked suppliers, so we can ensure that we receive high-quality food instead of readymade products. We focus our efforts on providing well-balanced, flexitarian, and highly nutritious meals."

Thomas Weinberger, Head of Fronius Company Catering

Fronius subsidiaries

Fronius Czech Republic

The new company restaurant was opened in Fronius Czech Republic in spring 2023. Particular attention is paid to cooperation with local food producers. At the first Fronius summer camp, the participating children were given an exciting look inside the Fronius plant in addition to a comprehensive recreational program.

Fronius Switzerland

In Switzerland, pension benefits were adjusted to better assist employees. This results in a higher insured annual salary, which leads to increased pension fund capital. In addition, monthly insurance deductions are minimized.

Fronius Thailand

In Thailand, a pension fund was set up for all employees who have been part of Fronius for more than one year. In addition, an uncomplicated loan of a maximum of 2 gross monthly salaries is offered. To promote the health and well-being of our employees, Fronius Thailand has

set up group health insurance and also offers regular health checks.

Fronius France

Employees at Fronius France can now order reduced-price organic fruit and vegetables that cannot be sold in supermarkets due to their irregular size or shape. This is one way Fronius France is helping reduce food waste.

Employee satisfaction

Employees were asked in 2021 about their satisfaction as part of the employee survey conducted by the independent Great Place to Work® Institute. Fronius achieved third place among the best employers in the XXL category (companies with over 500 employees). Fronius was also recognized by Great Place to Work® in 2022 as one of Europe's best employers in Manufacturing & Production in the Multinational category.

Employee development

The range of opportunities for personal and professional development is large and varied. It ranges from internal and external specialist training courses to leadership and personality seminars and customized Fronius programs. In addition to professional external training partners, many internal trainers also

successfully support the transfer of knowledge to various target groups.

Human Resources Development assists these learning processes, promotes learning as an issue and supports the transfer of what has been learned into everyday working life.

Further development of skills

Depending on the occasion and the need, each employee or group of employees is given the opportunity to take part in further education in internal or external online or classroom courses.

In relation to all education and training courses held in 2023, Fronius International had a total of 44,150 participants* in a wide variety of training measures.

In the reporting year, the average number of education and training hours was 20.73 hours* per employee. This figure also includes the hours of training and further education for temporary employees (interns, temporary workers, etc.) and apprentices. This corresponds to an increase of 105.3% compared to the previous year.

*For the first time, e-learning and instruction were included in the participation and training hours.

The basis of the average training hours per manager refers to the data mapped in the HR software Workday. Each manager completed an average of 30.45 hours of training in 2023.

Subsidiaries invested an average of 23.80 hours per employee in education and training. The average number of training hours per employee in the Fronius Group was therefore 21.7 hours.

Fronius education program

The Fronius education program is one of the most important instruments for education and training. In 2023, it provided impetus and answers to topics such as artificial intelligence, female empowerment and cross-generational collaboration.

It also included traditional training courses such as "Giving appreciative feedback", "Entrepreneurial thinking" and "Presenting with confidence in front of an audience". Talks with experts as well as sports and mindfulness sessions are also part of the program.

In 2023, we welcomed, among others, happiness researcher Maïke van den Boom as a speaker on the topic of "No risk, no happiness". Together, we immersed ourselves in the working and living environment of the Scandinavians, who studies show are not only the happiest but in many respects also the most successful people in the world.

Martina Mara explained the role that artificial intelligence already plays in our everyday lives in her fascinating presentation "AI demystified". The robo-psychologist gave us insight into her research work and answered questions on this polarizing topic.

Our employees once again made heavy use of the education program in 2023, with a total of 2,208 employees taking part in 147 training sessions.

81.64% classroom training, 18.36% online training

Basis: 147 training courses from the Fronius education program

Program to upgrade qualifications

To tackle the shortage of skilled workers, a program for upgrading the qualifications of semi-skilled employees was established in 2021. The education program, which is fully funded by Fronius, is aimed at motivated employees who want to complete a non-traditional apprenticeship in electrical engineering.

A total of 29 participants successfully completed their apprenticeship between the start of the training campaign and the end of 2023. The high proportion of women in this program (48.3%) shows that female

employees are increasingly seizing the opportunity to pursue a technical career and complete an apprenticeship as part of this training.

Leadership training

As part of a multi-day program, Fronius trains new managers and strengthens them in their role. Managers also take part in internal workshops, training sessions focusing on managerial issues, and individual coaching sessions. Our subsidiaries also increasingly launched their own management training courses in 2023.

With all our measures, we provide our managers with the appropriate tools, promote their development into capable leaders and, as a result, improve the management culture of Fronius worldwide.

The new Leadership Framework was also rolled out in 2023. This not only promotes a shared mindset but also provides a global orientation for management topics. Detailed documents and materials as well as an interactive workshop concept were made available to provide our managers worldwide with the best possible support for the roll-out in their areas.

Shift management trainee program

The new shift management trainee program was introduced at Fronius in 2023. In this 10-month program, selected trainees acquire all the necessary skills to enable them to successfully take on the role of shift manager. A key element of this is dealing with management tasks and the new role as a manager. A key success factor of the concept is close interaction between the participants, mentors, coaches and other managers. 11 people started this new internal training program in October 2023.

Apprentice training

Apprentice training has a long tradition at Fronius: self-trained specialists make a significant contribution to the development of the Upper Austrian sites. Fronius therefore continued to pursue its growth strategy in apprenticeship training in 2023 and welcomed a total of 57 new Future Talents. In fall 2023, there were 180 apprentices in training, including 13 Dual Academy Trainees.

At the end of the year, 176 apprentices were working in 15 different apprenticeship professions and 12 different apprentice groups. A further 18 apprentices are employed in the subsidiaries. A further increase in the number of apprentices is planned for 2024.

With our range of courses, we want to get young people interested in MINT (mathematics, informatics, natural science and technology) professions in particular. We fulfilled this social mission in 2023 with many practical activity days and projects, events for pupils, and individual career guidance offers. The focus was on experiencing and understanding technology as a way to show girls and boys a variety of possibilities and thus give them guidance for their further education and career path. The Fronius career orientation and discovery days gave around 330 young people a valuable look at possible apprenticeships and working environments at Fronius.

More than 400 dedicated managers, instructors and trainers in over 130 training areas actively shape apprentice training at Fronius with their hearts, minds and good common sense. Fronius offers apprentices a comprehensive range of education and training programs that continuously promote the skills development of our youngest employees. In 2023, the focus was on expanding digital learning tools and further

developing the information available in the training network.

Fronius Training Center

The Fronius Training Center at the Sattledt site first opened its doors in September 2023. It offers all Fronius employees a modern facility for knowledge transfer and for meetings across an area covering 700 m². The focus is on basic hardware-related skills in the fields of electronics and electrical engineering, mechatronics, metal technology and software. The new training center offers the latest equipment and facilities for an up-to-date mix of analog and digital methods. Learning spaces have been rethought to make technology easy to grasp in a creative way. Discovering, researching, experimenting and practicing are the order of the day. The workstations and common areas have an open design and are ideal for both group work and self-study.

Annual employee appraisals

Fronius employee appraisals take place once a year between the manager and employee. Both explicitly take time to discuss the collaboration, reflect on their own actions and set new goals together. To guarantee high-quality appraisals, we invite our managers to take part in the "Employee appraisals as a management tool" training course. The provided guideline forms the framework, encourages considering things from various perspectives and provides space for reflecting on the overall professional situation. Personal strengths are discussed, development potential is identified and measures for personal advancement and professional development are determined.

Cooperation with educational institutions

Fronius maintains a variety of forms of cooperation with educational institutions in Austria. We are very keen to encourage and support pupils and students, as well as to build up a comprehensive network and forge ties with our company at an early stage. In this way, we link theory with practice and make an active contribution to the future of our young people.

Secondary schools

Fronius sponsors six classes in secondary schools in the Upper Austria region. In this role, we assist pupils on their way to their school-leaving examinations and diplomas with the aim of preparing the next generation for the demands of the economy. We offer the pupils practical and unique insights into the world of Fronius, and provide them the opportunity to try their hand at a welding workshop, among other things.

We are delighted to have two new sponsor classes at HAK 1 in Wels and at HAK Kirchdorf.

Ecole 42

Since 2022, Fronius has been a partner company for Ecole 42, an internationally renowned programming school with an innovative learning concept. The aim is not only to support new ways of training but also to actively counteract vacant IT positions in our company. We paved the way in 2023 for bringing the successful Ecole 42 concept to Upper Austria. The most important steps have now been taken to open a fully-fledged campus in Wels, the second location in Austria alongside Vienna, by spring 2025 at the latest.

Teach for Austria

Fronius supports the Teach for Austria program, a non-profit Austrian education initiative. As part of this program, managers work together with Teach for Austria instructors, who are called “fellows,” to prepare a lesson and hold it at socially disadvantaged secondary schools and polytechnic schools as a way to advocate for greater educational equality. They provide exciting insights into their careers and show the children how they can achieve their dreams through self-confidence, perseverance and commitment.

Fronius managers are also actively involved here.

In 2023, for example, CIO Volker Lenzeder went to class 1A at secondary school 2 in Haid as part of the collaboration. The lesson focused on the many opportunities and possibilities available after school and how important successful learning is for an apprenticeship.

Fronius subsidiaries**Education initiative: renewable energies**

Familiarizing the future generation with renewable energies – that’s the aim of the new educational initiative launched by Fronius UK. The project is initially aimed at schools that have installed a PV system. Excitingly prepared documents and interactive learning content help spark young people’s interest and enthusiasm for the subject. The project is currently in the pilot phase and will continue being rolled out until 2024.

Diversity and equal opportunity

At Fronius, we see diversity as an opportunity and promote the different perspectives, experiences and skills of our employees.

We welcome people regardless of gender, age, cultural, national or ethnic background, and we foster their development in a targeted manner.

Supporting people with special needs

At Fronius, we take special account of our employees with special needs. These include reintegration after

long-term sick leave, for example, or the organization of part-time models and implementation of specific requirements relating to the work environment. There are of course no age restrictions with regard to our education and training or qualification programs.

“Flying Fish” inclusion prize

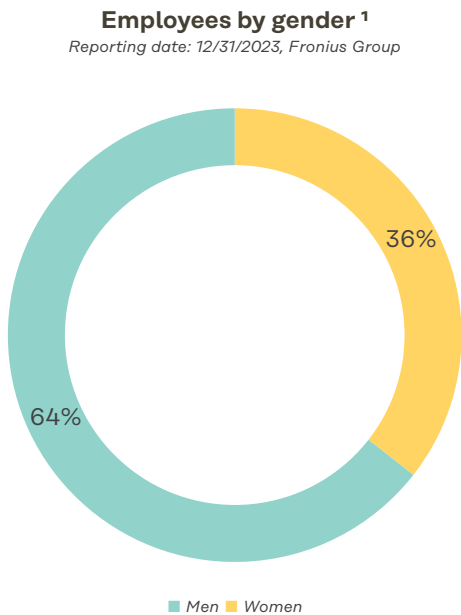
Fronius has been committed to helping people with disabilities in working life for more than 20 years. In concrete terms, six inclusive jobs were created in the welding torch production facility in Pettenbach for employees from the Lebenshilfe association. In June 2023, Fronius was awarded the “Flying Fish” inclusion prize by the state of Upper Austria. The

social commitment of Fronius and the long-standing partnership with Lebenshilfe Pettenbach were honored.

Supporting gender equality

At Fronius, we are committed to encouraging more women to join our company. In 2023, around 37% of the positions at Fronius International GmbH were already held by women. The proportion of women at Group level is 36%.

The proportion of women in management positions across the Group amounted to 19% in the reporting year. With reference to Fronius International GmbH, the proportion was 15% (2022: 14%). We are using targeted measures to offer women the same opportunities as men in the recruitment process. With this, we are boosting the percentage of women in the entire workforce and in management positions.



¹ Employees per capita

Here are some of our measures for promoting women:

PRISMA women’s network

The Fronius women's network PRISMA was launched at the beginning of 2023. Female Fronius employees who have a technical profession or work in a technical field and enjoy discussing ideas meet once a quarter. The aim is to network, to work on common issues and to support each other. The content is determined by the participants, and the organization of the meetings is very lively and open. Interested women are always welcome!

“To Yourself” training

Strengthening the self-awareness, self-management and self-confidence of women at Fronius – this is the idea behind the “To Yourself” training course with Claudia Novak, which is offered as part of the Fronius education program. In these workshops, women are specifically encouraged to make even better use of their skills and potential.

“This was a great women’s seminar. I can wholeheartedly recommend it to every woman.” *Participant Barbara Hellein*

MINTality

Fronius is actively involved as a founding member of the MINTality foundation. Its goal is to get women interested in technical professions, making teams more diverse and counteracting the shortage of skilled workers. Our Managing Director Elisabeth Engelbrechtsmüller-Strauß is also Chairwoman of the Supervisory Board of the MINTality Foundation.

In the 2023/2024 school year, Fronius is working as part of the MINTality Foundation in a MINT cooperation with a second grade class at Scharnstein secondary school.

Alternating visits and workshops with female role models from Fronius give pupils insight into everyday MINT work and show them a variety of career opportunities in our company. A joint project is also currently being developed, which is being closely coordinated between the school's teachers, the MINTality supervisor and Fronius. The aim is to inspire enthusiasm for technology in pupils at an early age.

Future Convent

The Future Convent took place for the second time in November 2023 in Gmunden. It is a future-focused congress for students from nearby technical academies that is based on the Sustainable Development Goals (SDGs) of the United Nations. Because of the very positive experience last year, Fronius took part again this year.

As an SDG partner company, Fronius participated with an interactive exhibition stand where the students could try out our welding simulator or examine the inner workings of an inverter. In addition, three female Fronius technicians were on site. In a workshop, they told the technical academy students about their successful careers in technology, including the hurdles and challenges, and they offered tips and answered questions.

Supporting young women

During apprenticeship counselling, we encourage young women to start an apprenticeship in a technical or commercial field. Women are welcome to join any apprenticeship occupation here at Fronius. We are especially pleased to see the numbers of women growing in technical professions.

Of our current 176 apprentices at Fronius International GmbH, 44 are female, and 16 of those are in technical professions (as of December 31, 2023).

Young women have responded with interest to the activity days organized at Fronius such as Girls Day and PowerGirls, as well as to individual seminars that provide a closer look at specific professions and support them in choosing a career. With these activities, we are helping break down supposed boundaries and assumptions in society. Our very positive experiences in helping young people develop has proven us right and motivates us to continue encouraging our youngest employees in their openness.

Promotion of intercultural diversity

Fronius Welcome Day in English

The first Fronius Welcome Day was organized in English in 2023. We invited incoming employees from all over Austria to Sattledt to immerse themselves in the world of Fronius. Focal areas of the day included intercultural reflection and sensitivity, in which differences and similarities were discussed. More dates have already been scheduled for 2024.

German courses

We hired many employees last year with little or no knowledge of German. As part of a major language integration initiative, numerous German courses were held at language levels A1 and A2 (European Framework of Reference) with a specially recruited German trainer and external partners – one of the biggest language-promotion activities in the history of Fronius.

Posting for expats

Employees who are sent to various Fronius subsidiaries as expats are given the opportunity to prepare for their stay in a foreign culture through personal coaching and meetings. This offer has been very eagerly received.

Supporting work-life balance

Home office

We place particular emphasis on finding the right balance between the home office and in-office work, and on developing solutions together with our employees. Community and teamwork are what define us. We value the ongoing dialog between our employees that is sometimes neglected in the home office. To ensure the right balance between remote and in-office work, at Fronius up to 50% of the weekly working time can be completed from home, depending on the tasks and responsibilities involved.

Kindergarten care

Children are in the best hands at Fronius. In our company kindergarten in Sattledt, children from the age of 15 months are looked after all year round. In addition, parents whose children attend other kindergartens from September to July can also use our childcare services for three weeks in August. Around 60 children are currently accommodated in a total of four toddler groups and one kindergarten group.

2023 was all about expansion: Former meeting rooms and offices made way for more space for Fronius KinderLand and two additional toddler groups. From the original 450 m², the premises have grown to an impressive 900 m² with additional outdoor play areas.

Another highlight in 2023 was the awarding of the MINT seal of approval. This makes Fronius KinderLand one of a total of five kindergartens in Upper Austria to receive the award for its special commitment to mathematics, IT, natural science and technology.

School break program for elementary school children

It is often a challenge for parents to find suitable childcare for their children in the summer or to divide vacation time between both parents. Together with the educators of the Upper Austrian Hilfswerk charity, an excellent school break program was put together for the children of our employees aged 6 to 12 in 2023. An extensive range of games at the Sattledt site and various excursions, such as to the Grand Garage in Linz and the spectacular Kalkalpen National Park, provided fun and variety during the six-week child-care program. A shuttle service was also set up for the first time in 2023, taking the children from all Fronius sites to the meeting point in Sattledt and back again. This saves parents valuable time and driving effort.

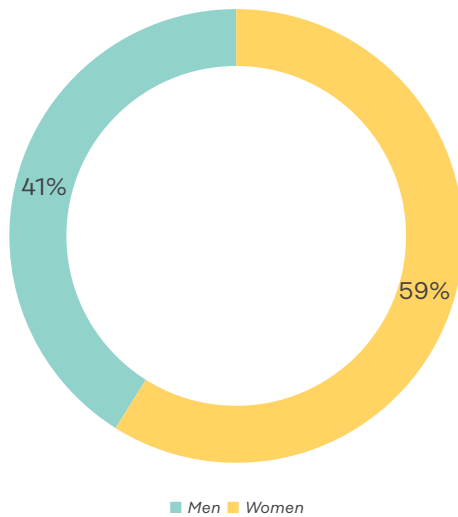
Managing periods of leave

At Fronius, the individual situation regarding temporary career breaks (e.g. for children, education) is managed in the best possible way through various parental leave models and, if necessary, is supported by a variety of working time models, including part-time work.

In the reporting year, 208 employees across the Group were on parental leave, 177 of whom worked at Fronius International GmbH. Of those who made use of these models, 59% were women and 41% men.

Employees on parental leave by gender

In 2023, Fronius Group



A further 45 employees (compare with 2022: 32) took advantage of the partial retirement option at Fronius International GmbH.

Anti-discrimination

Discrimination is not compatible with our values and has no place at Fronius. Our employees have the following options for reporting misconduct:

- Report to the Legal department
- Report to the Management Board
- Report to the direct manager
- Report to the Fronius Whistleblower System

The reports are treated with the utmost confidentiality and care. The Whistleblower System can be used by internal employees as well as by third parties associated with Fronius. No cases of discrimination were reported in 2023. In terms of anti-discrimination, Fronius also pays particular attention to fair and market-standard remuneration, which is based on the requirements of the job and individual performance and is, of course, gender-neutral. As an additional safeguard, an annual review process has been established with the Works Council by means of a salary report.

Employee health and safety

The health and safety of our employees is a key element of the Fronius value culture and is a very high priority for us.

All Fronius sites in Austria and our subsidiaries in Germany are certified in accordance with the ISO 45001 occupational health and safety management system, which regulates occupational health and safety

matters. At the end of 2023, this will cover more than 73% of our workforce.

We prevent accidents at work and work-related illnesses by adhering to high standards and through making continuous improvements. We are also constantly working to establish and further develop a health-promoting infrastructure. An industry comparison shows

that we have fewer accidents and sick days than other companies. Nevertheless, every single accident at work and every single illness is one too many. The Occupational Health & Safety department is therefore constantly implementing measures to minimize work-related incidents.

We also raise awareness among our employees through targeted, focused information campaigns on all aspects of health and safety in the workplace.

Occupational health and safety functions

Safety specialists

The main task of our safety specialists is to provide expert advice on all matters relating to occupational safety and ergonomic work design. They work closely with other specialists, with a focus on accident prevention.

Occupational health services

Medical examinations and advice from specially trained doctors are available to all employees. Occupational medicine is tasked with advising and supporting employees and managers, safety representatives and employee representatives. This advisory function is primarily concerned with health protection, health promotion in the context of working conditions, and ergonomic workplace design. Since 2023, we have also employed a specialist occupational health assistant. In total, this has enabled us to increase the deployment time of our occupational health services by 50%.

Vaccinations

In March 2023, 160 TBE basic immunizations and boosters and 200 flu vaccinations were administered. In addition, eight employees were immunized after checking their current tetanus vaccinations and receiving individual advice from occupational medicine.

Vision tests for priority groups

In addition to the standard vision tests offered by Fronius, additional vision tests were carried out for specific groups of people in 2023. The target group was employees who operate industrial trucks and work with very small parts. Good eyesight is a basic requirement for safe operation in these areas in particular.

Fronius blood drive

Together with the Austrian Red Cross, the Fronius blood drive took place again. Employees were able to donate blood during working hours. Participants also receive a blood count from the Red Cross, which provides information about their own blood values.

Occupational psychology

Through occupational psychological counseling in 2023, with a total duration of around 200 hours, numerous employees received help in coping with stressful situations, including crises and conflicts, depression, stress, and anxiety management.

One focus of activity was the follow-up project to evaluate psychological stress at the sales locations. For this, departments were invited to take part in a survey on the subject of general job satisfaction and stress. The aim of this study was to develop an especially short and resource-saving stress intervention to facilitate its use in the company. In addition to psychoeducation

and relaxation training, the intervention consisted of a session in which the participants set personal relaxation goals for themselves. During the course of the study, both a short-term and a long-term assessment were carried out to evaluate the intervention. In addition, general job satisfaction was surveyed using a questionnaire.

The results showed that stress symptoms were slightly reduced in the areas surveyed. It became clear in the process that active engagement with the topic of stress reduction already began showing initial success after a short period. New training courses on stress reduction are therefore being offered in the education program and expanded to include the topics of resilience and mental strength.

Social coach

Two social coaches were hired last year to optimize integration of the growing number of employees on the shop floor and to further improve working conditions. These support the integration of new employees but also advise and support existing teams and managers. The focus is on the individual, regardless of age, origin, religious beliefs, gender or sexual orientation.

A social coach acts specifically as a person of trust for employees and, in this position, ensures more innovation, flexibility and greater job satisfaction. This allows a wide variety of problems, conflicts and dissatisfaction (such as in relation to a team, social interaction, personal/private sphere, professional development opportunities, etc.) to be recognized more quickly and addressed with proper intervention. In addition, the social coach acts as a cross-departmental interface with HR, the works council, managers on the store floor and Occupational Health & Safety.

Company health management

To prevent accidents as well as to reduce illnesses and the resulting absences, the Fronius Occupational Health & Safety team has been expanded to include occupational health management, with a focus on promoting workplace health.

Guided by the management system, the following objectives are pursued in occupational health management:

- Maintain and promote the health of all employees
- Secure and improve the company's performance
- Positively influence employer attractiveness

Safety officer

Safety officers are employee representatives with a special focus on safety and health. They have an important control function in the company. The number of safety officers in our company significantly exceeds the legal requirements.

First responders

Depending on the situation, first responders secure the accident site, remove people from the danger zone, inform the emergency services and treat the casualty. Basic and refresher courses are run by internal specialists and are specially tailored to the internal risk potential.

Fronius emergency app

To make it easier to reach first responders and ensure even faster first aid in an emergency, the Fronius emergency app, which is installed as standard on our mobile terminal devices, has been adapted for numerous sites. In addition to information on what to do in the event of an accident at work and all important emergency numbers, all available first responders at

the respective location can be contacted by making a group call.

Training on health and safety in the workplace

Individual ergonomics consultations

Ergonomics consultations are available to all employees at any time. In the case of health impairments, ergonomic products (e.g. height-adjustable tables) can be purchased.

Seminar on the legal responsibility of managers

This seminar is aimed at all managers in the company and teaches the legal principles of Austria's Employee Protection Act (ArbeitnehmerInnenschutzgesetz, ASchG) with practical examples. The principles of risk prevention, a manager's duty of care, employee protection, the role of the labor inspectorate, implementation of instructions and finding relevant documents and contact persons are discussed.

Safety briefings during Incoming Days

As part of the "Incoming Day" onboarding program, all new employees initially receive personal instruction on occupational safety. In addition, the safety instructions must be completed annually in the form of e-learning.

Instruction for external service providers

The external service providers who carry out activities at the Fronius sites are informed about proper and safe

behavior at the sites in a safety briefing. This is made available to the external service provider digitally in advance. After arriving at one of our Fronius sites, the service provider is checked in by the facility site management. The check-in also includes the safety briefing and a subsequent test, including confirmation of completion with the signature of the person receiving the briefing. At the end of the activity, there is a check-out process – this also ensures that no external company personnel are present on the company premises.

Training courses to increase well-being

To promote the well-being of employees, courses on resilience, mindfulness, mindset, healthy eating, nicotine abstinence, Qigong, and back health are offered free of charge or at a reduced price.

Accident statistics

There were 113 occupational accidents in 2023 at Fronius International GmbH. Of these, 63 were accidents that resulted in sick leave of more than three days. The accidents at work mainly involved bruises, cuts, scrapes, contusions and similar injuries when handling machines and tools. Technical or organizational deficiencies can usually be ruled out as the cause of accidents, since in most cases it is a matter of carelessness on the part of employees.

As in previous years, there were no fatal accidents at work. In addition, commuting accidents are also recorded and analyzed. A total of 42 commuting accidents occurred in the reporting year.

Compared with the previous year, the number of occupational accidents rose from 82 to 113. This

increase is mainly due to the strong growth in the number of employees.

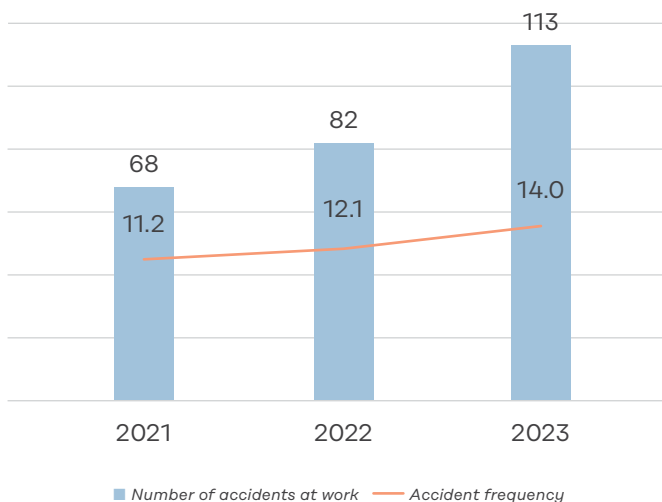
We have observed that accidents at work occur more frequently among new employees. Temporary workers, who are included in the accident statistics, are also usually less familiar with the risks of accidents. These target groups are increasingly the focus of the Occupational Health & Safety department.

To prevent accidents at work, workshops were held with those departments in which an accident frequency was identified. To this end, the causes of accidents were evaluated individually and targeted measures were derived. Each department sets itself a target to be achieved.

At 14.0 accidents per 1 million working hours, the accident frequency increased compared to the previous year. The number of lost workdays due to accidents also increased from 24 to 31 and the severity of accidents increased from 3.6 to 3.9 lost workdays per 1 million hours worked.

Number of accidents at work¹ and accident frequency²

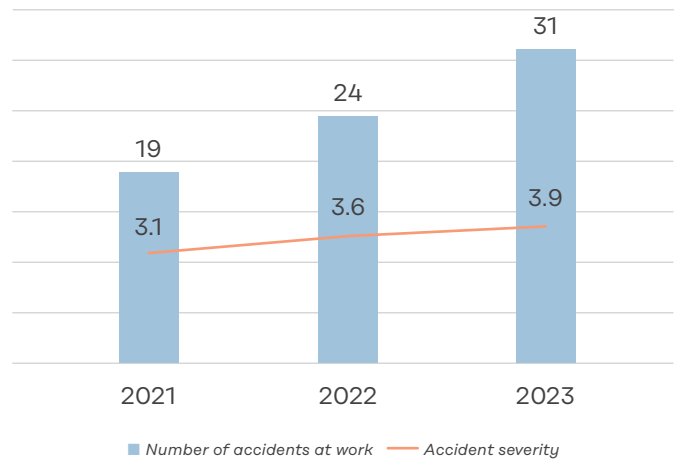
Reporting date: 12/31/2023, Fronius International GmbH



¹ Accidents from one working day lost excl. commuting accidents
² Accident frequency = number of occupational accidents / number of hours worked x 1,000,000

Number of days lost due to accidents¹ and accident severity²

Reporting date: 12/31/2023, Fronius International GmbH



¹ Accident days lost calculated on the basis of 250 working days per year
² Accident severity = days lost due to accident/number of hours worked x 1,000,000

A total of 24 occupational accidents were reported in the subsidiaries. A total of 137 accidents at work occurred across the Group.

Accident monitoring

Accident rate

The accident rate has been established at Fronius as a relevant key figure for accident occurrence. This key figure expresses the number of accidents in relation to the respective number of employees in the comparison group. This enables us to derive trends in accidents in the individual organizational units on a short-cycle basis. If necessary, additional accident prevention measures can be developed at short notice.

Accident-free days

The key performance indicator “accident-free days” describes the number of days on which no occupational accidents occurred in production. Our goal is zero occupational accidents per day. If a workplace accident

does occur, it is recorded in our deviation list (Green Cross) in addition to the internal accident report, in which a responsible person is defined with a measure to reduce the risk. Monitoring this indicator helps us identify patterns, such as if a disproportionately high number of accidents occur on one assembly line compared to others. In addition, an inspection is carried out once a week, during which any identified potential is recorded and safety-critical deviations are rectified.

Follow-up evaluation of occupational accidents

The established process for the follow-up evaluation of occupational accidents was expanded and further developed by revising the accident analysis and risk assessment. The objective causes of the accident are determined using a special debriefing technique and involving all those involved in the accident and preventive forces. In this process, we deal with the course of the accident and various influencing factors. Only when a largely objective picture of the causes is available can viable measures to prevent similar accidents be developed and implemented. The measures are defined directly in the course of the follow-up evaluation.

Absences due to illness

Sickness-related absences are analyzed as part of occupational health management. Information from EvalKS, the sickness absence analysis of the Austrian health insurance fund, is used for this purpose. This information provides detailed, company-related sickness absence analysis that serve as a basis for decisions on workplace health promotion. The most up-to-date data available is for 2022.

During 2022, 4,795 employees reported sick at Fronius International GmbH. If the frequency as well as the duration of sick leave considered, sickness-related absences are lower than at other companies in the same economic class in the various federal states. At Fronius International GmbH, a number of particularly relevant causes of sick leave were identified in 2022. Most cases of sick leave are attributable to respiratory system illnesses (37.8%) and illnesses of the musculoskeletal system and connective tissue (12.3%). By contrast, injuries, poisoning and other consequences of external causes (4.7%), diseases of the digestive system (4.3%), mental and behavioral disorders (2.2%) and diseases of the circulatory system (1.3%) occur less frequently.

The duration of absence varies depending on the illness group. Injuries and mental and behavioral disorders are particularly prolonged illnesses, with an average of 10.6 and 18.5 days of absence respectively. However, musculoskeletal complaints and circulatory diseases also last longer than average, with an average of 8.6 and 8.5 days of absence per case, respectively. Diseases of the respiratory system, on the other hand, cause relatively few absences, with an average of 4.4 days of absence per case.

The Occupational Health & Safety team uses various internal and external assessments to take both preventive and health-promoting measures to eliminate and minimize these.

Customer health and safety

At Fronius, product safety is a top priority. We only sell equipment that is safe for its intended use and complies with the applicable national safety regulations in the sales markets.

Our devices undergo a large number of tests and inspections right from the development phase to ensure, among other things, the health and safety of users.

We provide comprehensive information on how to use devices properly and safely in the operating and installation instructions, including warnings about the risks in case the instructions are not followed. We also offer our customers tailored product demonstrations and video instructions on how to commission devices, training sessions and webinars, as well as one-to-one consultations. Even after the purchase, our specialist staff provide support with the annual safety inspection.

Perfect Welding

Welding plays an important role in joining technology now and will continue to do so in the future. To protect users, regulations are being tightened internationally, as welding can also be associated with certain risks. If not used correctly, there is a risk of electric shock, flying sparks, flashes in the eyes and inhalation of welding fumes and other harmful gases. Protecting health and safety when welding is linked with multiple aspects, ranging from reducing the harmful impact of welding fumes to designing ergonomic equipment.

We want to counteract potential carelessness with respect to protecting the health of welding specialists, firstly at the product level and secondly through

increased public relations work. Our aim is to draw attention to the potential dangers of welding and to provide suitable preventive measures. The Institute for Welding and Joining Technology at the RWTH Aachen University (ISF) has assessed the effectiveness of our protective measures with regard to welding fume emissions and exposure. Low-vacuum and high-vacuum extraction systems were tested in conjunction with extraction welding torches and personal protective equipment in the form of a welding helmet with a blower filter unit. Conclusion of the study: All protective measures led to a significant reduction, but the most effective method combined the use of multiple protective measures. With this combination, only very low levels of welding fumes were detectable, in some cases only at the detection limit.

With our products, we are working to make the wide-ranging and demanding welding trade an even safer one for future generations.

QR code for the study



<https://www.fronius.com/en/welding-technology/world-of-welding/welding-safety/welding-study-msg>

Solar Energy

From development to production to commissioning of our products and, of course, afterwards – we are conscious of the safety mindset us at all times and in all phases of the production and product life cycle. Our products and solutions meet strict safety standards and are continuously being developed further. This enables us not only to minimize all risks during operation, such as electric shock, but also to further increase safety for everyone involved with proactive concepts and technologies. One example: The connection area of our commercial inverters has been planned and designed to ensure there is sufficient space for working. In addition, swapping or reversing the polarity of plugs is almost impossible thanks to the well thought-out design of the plug connection between the boards. This makes the installation of our products and solutions safe and avoids repair errors.

Our topic of safety is also reflected in our extensive range of training courses: Every year, we teach the proper commissioning and operation of holistic energy systems from Fronius in numerous classroom and online training courses and webinars. In 2023, we welcomed 24,824 participants to a total of 1,052 training courses and seminars.

Perfect Charging

Safety is the number one priority when charging traction batteries. The risk of accidents, such as electric shock or inhalation of harmful gases and vapors, can only be minimized if all safety requirements are met. We advise our customers regarding the necessary safety measures, including ventilation of charging spaces that complies with standards and an external start/stop function to prevent sparks from forming between the charging contacts. Even after the charging infrastructure has been commissioned, our experts offer regular safety inspections.

Data from our digital solutions (I-Spot Viewer and Charge & Connect) can be used to identify application errors and derive preventive measures.

Environmental responsibility

With sustainable visions and innovative developments, we want to set an example and do our best to conserve our planet's resources.

Decarbonization and climate protection

We take care to avoid wasting energy and resources in all areas and are eager to reduce our greenhouse gas emissions accordingly. All manufacturing sites in Austria have already been converted to renewable energies.

Climate risks and opportunities

In addition to the environmental impact of our business activities, we are also concerned with the risks and opportunities arising from the climate crisis and the resulting potential and actual impacts on business operations, strategy and financial planning. Fronius is expected to be directly affected by the climate crisis.

With regard to climate-related risks, demand for energy-intensive products is expected to decline, energy costs will continue to rise, and extreme weather events will cause damage to infrastructure and lead to a more

volatile energy supply. These effects may also lead to escalations in some countries that could upset our value chain, as demonstrated by the Covid-19 pandemic, for example.

But the path to climate neutrality also brings many opportunities for Fronius. We offer innovative, efficient products that contribute to a more sustainable energy system, demand for which will continue to grow strongly. By investing in energy-saving technologies and making conscious use of our resources, we save energy and material costs.

Energy management

To curb the climate crisis, Fronius has set itself the goal of switching completely from the use of fossil fuels to renewable energy sources at its Austrian sites and implementing further energy efficiency measures. To achieve this goal, it was decided in the year under review to establish a energy management system in accordance with ISO 50001. The Certification is planned for 2024 at all Austrian sites.

In detail, we rely on the following measures:

1. Conversion to renewable energy sources

In 2023, 95% of the energy required at Fronius International GmbH already comes from renewable sources, of which 22% comes from the use of ambient heat from heat pump systems, 4% from biomass, 3% from self-generated electricity from photovoltaic systems, 66% from purchased green electricity and 1% from purchased district heating from a biomass heating plant.

The green electricity meets the strict requirements for renewable energies of the TÜV Süd "CMS Standard Generation EE."

To gradually phase out the use of fossil fuels, we are working to completely replace fuel oil and natural gas as energy sources with renewable energy sources as part of our decarbonization roadmap. While fuel oil as an energy source has already been outsourced, the already low requirement for natural gas will be fully substituted by the end of 2025.

2. Expansion of our PV systems

Fronius strives to generate as much of its own electrical energy as possible using photovoltaic systems. In 2023, our PV systems at the Austrian locations had an output

of 4.15 megawatt peak (MWp). The expansion enabled us to increase our own electricity generation to 2.12 GWh in 2023.

Fronius subsidiaries

Expansion of PV systems

We also place a special focus on the international expansion of PV systems. Fronius Mexico has put a new PV carport into operation and is already planning another one, while Fronius Czech Republic has installed a PV system on the roof of its production facility in Krumlov. A PV system with an output of 46 kWp was installed in Ukraine in mid-2023. Fronius Germany has also expanded the existing solar park. A 362.4 kWp photovoltaic system currently generates around a third of the annual electricity requirement. In Italy, new PV modules with an output of 26 kWp were installed in 2023. India also expanded PV capacity at its main site by 26 kWp, bringing total capacity to 148.9 kWp. The density of PV systems was also increased in the regional subsidiaries. By November 30, 2023, 167.91 MWh of energy had been generated internally.

3. Increase energy efficiency

The conscious decision to use new and resource-saving technologies is embedded in all areas of the company. We continuously implement measures to optimize energy consumption.

Young Resources

At the beginning of 2022, the "Young Resources" apprentice project was launched, in which apprentices closely examine resource consumption in production. This involved looking for compressed air leaks and measuring the energy consumption of small loads in

order to identify potential energy savings, which in total can lead to a significant ecological contribution. For the year 2023, the energy savings potential was determined for under-counter boilers in production, a comparison of the energy savings of LED lamps compared to fluorescent tubes was calculated, and the significance of the standby consumption of printers, televisions, projectors and infrared heating panels for savings was determined.

The internal energy monitoring tool continuously monitors and analyzes daily energy flows and loads at site, building, area and meter level. Automated data collection allows energy use and consumption to be systematically controlled and optimized.

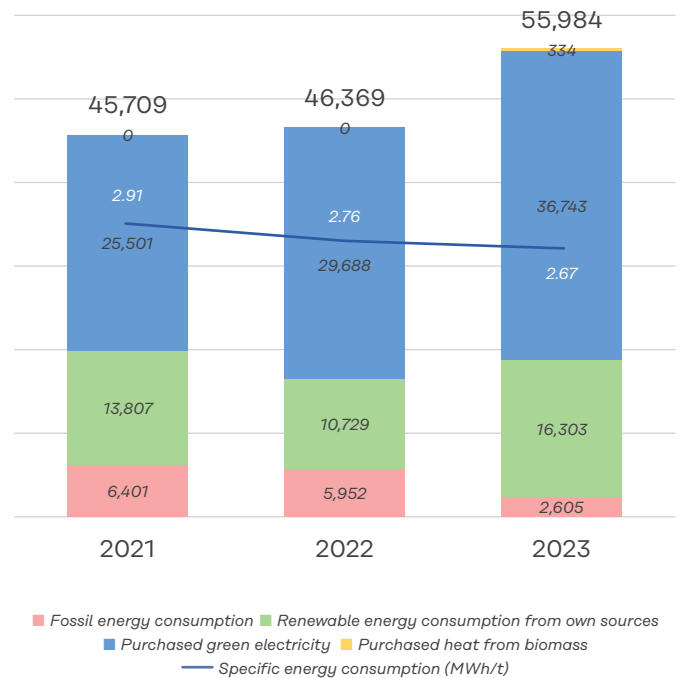
In addition, internal audits are carried out regularly to determine and evaluate energy aspects and energy consumption. As a result of this and the confirmation of the effectiveness of our systems through external certification, we also meet our legal obligations under the Energy Efficiency Act.

In 2023, total energy consumption at Fronius International GmbH increased by 21% compared to the previous year, to 55,984 MWh. This increase is partly due to the higher electricity demand resulting from the full commissioning of the energy center at the Sattledt site. This means that a significant proportion of the energy required for heating and cooling is drawn from the ambient air. The ambient heat therefore contains energy from our geothermal fields as well as from the ambient air. Another indicator of the increase in energy consumption is the expansion of production space.

Fossil fuels accounted for 5% of total consumption, a reduction of 55%. Energy consumption in relation to the volume produced decreased from 2.76 to 2.67 MWh/t. This equals a reduction of 3%.

Energy consumption by source in MWh

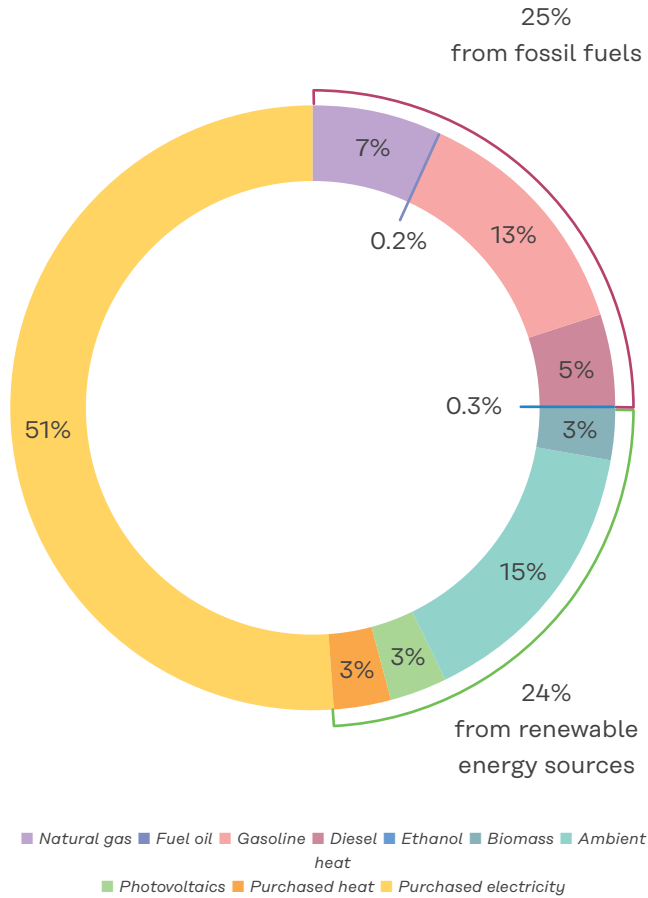
Reporting date: 12/31/2023, Fronius International GmbH



Energy consumption at the subsidiaries amounted to 25,874 MWh. Total energy consumption in the reporting year thus amounted to 81,858 MWh. Of this, 25% comes from fossil fuels and 24% from renewable energies. The purchased electricity comes from both renewable energies and fossil fuels. No data on this ratio was available for the 2023 reporting year.

Energy consumption by source

Reporting date: 12/31/2023, Fronius Group



Reduction of greenhouse gas emissions

At Fronius, we record our direct and indirect greenhouse gas emissions. Scope 1 includes emissions from energy consumption directly at our sites, including cooling, heating and process energy, and fuel consumption by our vehicle fleet. Scope 2 contains the indirect emissions from the use of purchased electricity and purchased heat. Other indirect greenhouse gas emissions occurring outside our company fall under Scope 3.

Scope 1 and 2 GHG emissions

Building facilities

We aim to become climate-neutral in terms of Scope 1 emissions by 2035. To achieve this goal, we pay attention to the consistent use of alternative energy, heating and cooling systems. Major projects implemented in recent years include the replacement of gas and oil heating systems with alternative heating systems such as biomass and heat pumps.

As 2022 ended, the last natural gas consumer at the production site in Sattledt was also outsourced. Conversion of the powder coating plant from natural gas to electricity will save gas consumption of around 1,800 MWh per year. This corresponds to the average consumption of 60 single-family homes.

At the production site, the wood chip heating system was also shut down and two ice energy storage tanks were put into operation. These supply several heat pumps that are used to heat and cool the site. A control component regulates the efficient use of this ice storage system. Thus, when heating is required, thermal energy is taken either from the environment, via the air-brine heat exchanger, or from the ice energy storage system. In winter, the ice energy storage system cools down and freezes in order to extract the cooling energy and air-condition the site in the warm season. With a heating capacity of 8 MW and a cooling capacity of 6.3 MW, the ice energy storage system is currently one of the largest of its kind in Europe.

Other ongoing measures we have achieved a major impact with include replacing heating, cooling and hot water pumps, renewing the heating control system, installing automatic shading and timers, eliminating compressed air leaks and switching to LED lighting. These measures resulted in energy savings of over 349 MWh at the Austrian locations in 2023.

Scope 2 emissions include direct emissions from the purchase of district heating from a biomass heating plant. The purchased electricity is 100% green electricity. The emissions from the upstream chain are included in Scope 3 emissions.

Fronius subsidiaries

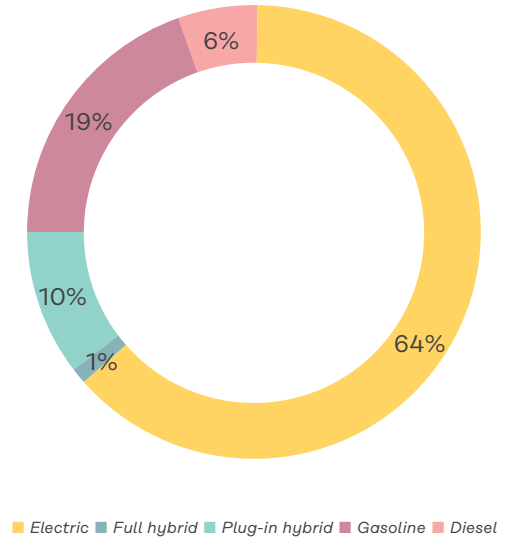
Smart lighting and effective heating systems

Suitable energy efficiency measures are also being implemented at the subsidiaries on an ongoing basis. This saved 67 MWh of energy in the reporting year. To name just a few examples: Fronius China relies on smart lighting systems. In France and Spain, the proportion of LED lighting was increased. Norway has converted the heating system in its offices to heat pumps. The Czech Republic uses the heat that is generated as a byproduct in production. Fronius Italy has opted for improved thermal insulation and conversion of its heating systems. At the Spanish national headquarters, the windows were furnished with solar control film, which has already resulted in enormous savings in cooling the building.

Vehicle fleet

The company's own vehicle fleet is increasingly being converted to lower-emission vehicles. Almost 100% of new purchases are electric or plug-in hybrid drives. By the end of 2023, 64% of vehicles were already purely electrically powered. Plug-in or full hybrid drives and hydrogen drives account for a further 11% of vehicles. This means that only 25% of vehicles are still powered by a combustion engine, which corresponds to a 32% reduction in comparison to the previous year.

Vehicles by drive type
Reporting date: 12/31/2023, Fronius International GmbH



The number of e-charging stations is also being increasingly expanded. With 411 electric charging stations for passenger cars, which are powered exclusively by our photovoltaic systems, green energy can be obtained at the Austrian sites. The sites also have their own electric charging zones for e-bikes.

In 2023, our PV systems produced energy amounting to 2,122 MWh, which would have been enough to drive around 9.25 million electric kilometers at an average consumption of 0.23 kWh per kilometer driven. We provide this energy free of charge to our employees and customers with electric and hydrogen vehicles.

To make internal trips between the Wels, Thalheim and Steinhaus sites especially climate-friendly, several e-bikes were purchased for employees in 2022.

Fronius subsidiaries

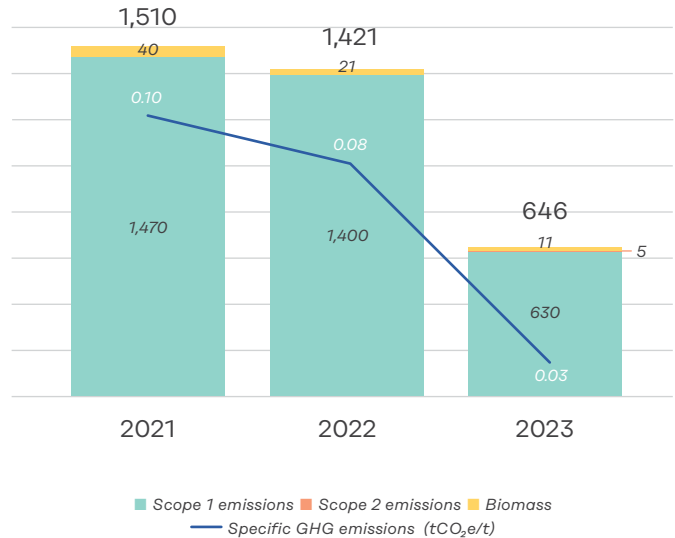
Conversion of the vehicle fleet to alternative drive types

The Fronius subsidiaries are also gradually converting their vehicle fleets to alternative drive types and expanding their charging facilities. In France, for example, the vehicle policy has been adapted, with 34% electric and 43% hybrid vehicles available since 2023. In Mexico, 37.5% of the vehicle fleet is already electric or hybrid. Fronius Spain has expanded its charging stations both at the national headquarters and in the regional offices and offers additional charging stations for employees and customers. Additional e-charging stations have also been installed in the Czech Republic.

The comprehensive decarbonization measures of recent years are showing the first clear successes in the greenhouse gas accounting for 2023. Scope 1 emissions at Fronius International GmbH fell significantly in the reporting year compared to the previous year, from 1,400 to 630 tons. This corresponds to a reduction of 55%, resulting from the gradual exclusion of oil and gas. Scope 2 emissions amounted to 5 tons and relate to purchased heat. Biomass is reported separately in accordance with the Greenhouse Gas Protocol and comprised 11 tons in 2023. Specific greenhouse gas emissions were thus reduced from around 0.09 to 0.03 tons in the comparison period.

Greenhouse gas emissions (tCO₂e) - Scope 1 and Scope 2

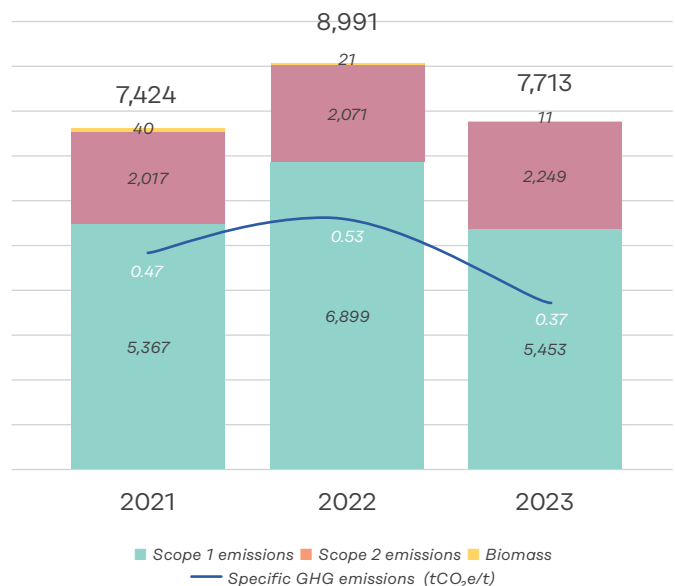
Reporting date: 12/31/2023, Fronius International GmbH



Scope 1 and 2 emissions at Group level amounted to 7,713 tons in the reporting year. That corresponds to a 14% reduction in comparison to the previous year. The proportion of fossil fuels has been reduced by systematically switching to alternative energy, heating and cooling systems, and by converting the vehicle fleet to electric and hybrid drives.

Greenhouse gas emissions (tCO₂e) - Scope 1 and Scope 2

Reporting date: 12/31/2023, Fronius Group



GHG emissions Scope 3

Scope 3 includes emissions caused by energy generation in the upstream chain, the upstream and downstream transport of goods, business trips, employee mobility and other emissions.

Fuel and energy-related emissions

Fuel and energy-related emissions occur in the upstream chain through the production and provision of fuels such as natural gas, diesel and petrol as well as district heating and through transmission losses during the transport and distribution of energy. In 2023, these emissions amounted to 722 tons (in 2022: 777 tons).

Upstream and downstream transport of goods

The upstream and downstream transport of materials and goods is carried out by contracted transport companies.

Fronius does not use air freight within Europe, and for intercontinental shipments to our subsidiaries, we have created incentives to use sea freight shipments instead of air freight shipments.

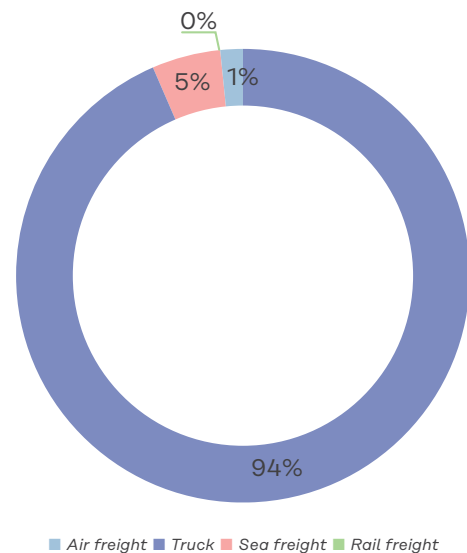
In 2023, a total of around 67,105 tons of goods were shipped from the manufacturing sites. This corresponds to an increase of 26% compared to the previous year. This increase is primarily due to the higher volume produced.

The majority of the goods transported from the manufacturing sites (94%) are transported by truck. The share of sea freight is 5%. Due to a change in the transport service provider, rail shipments can no longer be shown separately in the statistics. As a rule, these are preliminary transports for sea freight and transports within Austria. However, rail transport continues to be promoted and efforts are being made to increase its share of the total mass of goods transported.

Goods transported by air freight fell from 1,418 to 922 tons compared to the previous year. This corresponds to a 35% decrease and a share of 1% of the total mass of goods transported.

Greenhouse gas emissions caused by transport amounted to 10,997 tons in the reporting year. That corresponds to a 3% reduction in comparison to the previous year. This reduction is primarily due to the decline in air freight.

Total mass of transported goods by mode of transport^{1,2}
Reporting date: 12/31/2023, Fronius International GmbH



¹ The availability of data on transported goods is continuously improved. In 2023, data will be available for a total of 96% of the transports commissioned by Fronius.

² Due to a change in transport service providers, the goods transported by rail cannot be reported separately. These are mainly pre-carriage shipments for sea freight.

Business trips

As an international company, business travel represents a significant proportion of emissions. This includes meetings, customer appointments, training courses and other events. However, these are increasingly being shifted to the digital space.

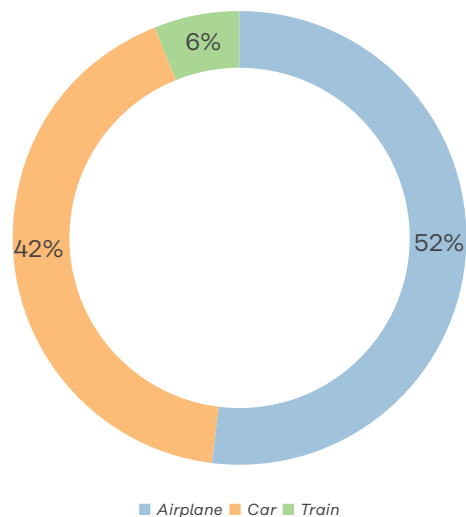
As the personal presence of our employees is required in certain cases (e.g. for technical assignments), we want to use public transport more for business trips. For employees who travel frequently on business, we cover the costs of frequent-traveler benefit cards and clubs. For longer trips (200 km or more), an additional first class upgrade can be booked to make the journey as comfortable as possible.

The Travel Management department at Fronius is constantly looking at new ways to reduce the carbon footprint and is always on the lookout for innovative ideas and partners in the flight and mobility sector.

Significantly more business trips were taken again in 2023. Compared to the previous year, the number of kilometers traveled rose by 45%, with air travel in particular increasing significantly again. In previous years, the number of flight connections was considerably lower due to travel restrictions caused by the COVID-19 pandemic and staff shortages at the airlines. Thanks to the easing of air traffic in the reporting year, more customer visits were organized again. Accordingly, greenhouse gas emissions from business travel increased by 15% overall compared to the previous year.

Kilometers by means of transport traveled on business trips

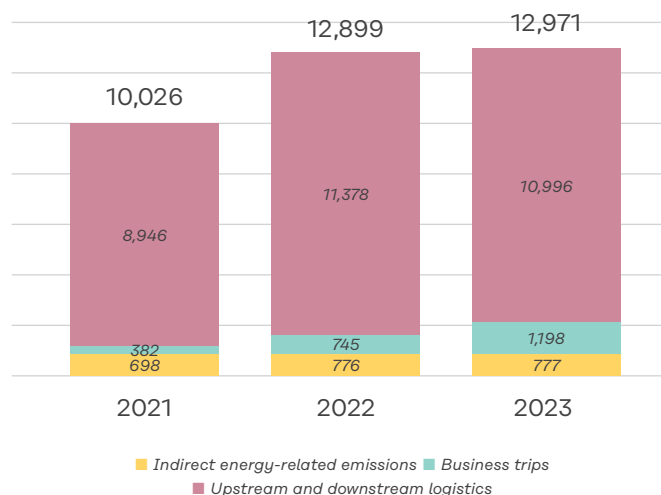
Reporting date: 12/31/2023, Fronius International GmbH



In the reporting year, Scope 3 emissions were recorded for the categories of fuel and energy-related emissions, business travel, and upstream and downstream logistics. A total of 12,971 tons of CO₂e were produced in the reporting year, with upstream and downstream freight transport accounting for the largest share at 85%.

Greenhouse gas emissions (tCO₂e) - Scope 3 categories

Reporting date: 12/31/2023, Fronius International GmbH



The availability and quality of data on Scope 3 emissions at the subsidiaries improved significantly in the reporting year. A total of 23,478 tons of Scope 3 emissions were recorded across the Group, 62% of which are attributable to upstream and downstream logistics, 27% to business travel and 10% to indirect energy-related emissions.

Employee mobility

At Fronius, we are aiming to make the mobility behavior of our employees more environmentally friendly. We want to make using public transport to and from work even more attractive. Since September 1, 2021, Fronius has therefore been covering the cost of weekly, monthly or annual tickets for the commute to and from work.

In addition, we are committed to improving public transport connections and are in regular contact with Austrian Federal Railways (ÖBB), the transport authority for Upper Austria (OÖVV), the State of Upper Austria and representatives of the municipalities. Thanks to this successful collaboration, two new bus

connections were set up between Wels and Sattledt last year to make it easier to travel to and from the sites during shift times. Since last year, an additional bus line that runs between Thalheim and Wels main station has also stopped directly at the Fronius site in Thalheim, making the use of public transport even more attractive for employees. In addition, an internal mobility blog has been set up to provide regular information on local public transport, such as on new connections, timetable changes or rail replacement services.

For shorter distances, we also encourage our employees to come to work on foot, by scooter or by bicycle. As part of European Mobility Week, environmentally friendly travel to work was specially rewarded with vouchers for a meal in the company restaurant.

In addition, the Fronius Bike-to-Work day is held once a year with the aim of generating enthusiasm for cycling.

Currently, no data is available to calculate Scope 3 emissions from employee commuting to and from work.

Resource and waste management

Fronius is aware of its environmental impact and continuously implements improvement measures for a responsible future.

In 2014, Fronius introduced the ISO 14001 environmental management system. By applying this standard, we systematically consider our entire environmental

impact, can make targeted improvements, and can minimize any environmental risks.

Materials and raw material usage

Thanks to the good cooperation between product development and production, we design efficient and sustainable production processes, saving valuable materials and energy.

Extending the service life of cooling lubricants

One example of the efficient use of resources is the handling of cooling lubricants in production. To ensure that lathes and milling machines for metalworking run smoothly, they need cooling lubricants – a mixture of oil, water and emulsifier. Proper care and maintenance is important to ensure the longevity of these substances. This can prevent the formation of microbial infestation. The cooling lubricants are serviced annually in partnership with an external company. The substances are extracted for this purpose from the tank of the machine and the chips and sludge are filtered out with the use of filter fleece. In addition, ultra-fine particles are separated by means of a centrifuge. During the filtering process, the remaining impurities are removed from the tank. The treated cooling lubricant is then filled back into the cleaned tank. This ensures that the cooling lubricants can be reused for three to four years, resulting in a savings of 17% in primary materials.

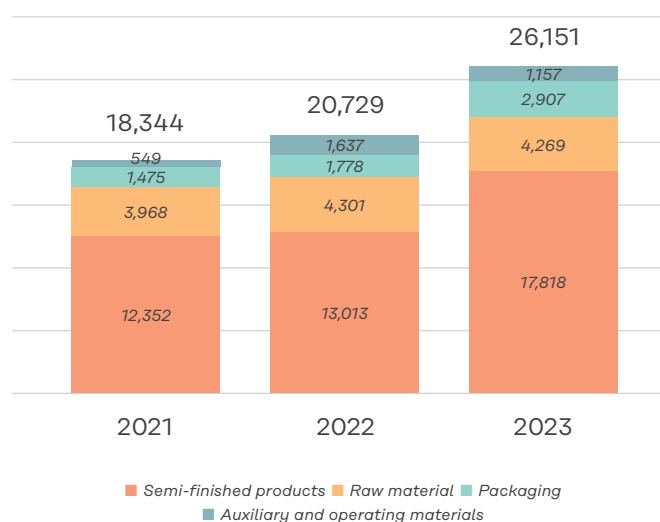
Switch to cloth towel rolls in the sanitary facilities

At the Sattledt, Thalheim and Steinhaus sites, the paper towels in the sanitary facilities were replaced by cloth towel rolls. The rolls can be washed and reused up to 100 times to save resources and reduce waste. Based on last year's figures, this will save over 12 tons of paper towels per year.

The total consumption of materials and raw materials at Fronius International GmbH in the reporting year was 26,151 tons, of which 68% was accounted for by semi-finished products, 16% by raw materials, 11% by packaging and 4% by auxiliary and operating materials. Total consumption increased by 26% compared to the previous year. This increase is primarily due to the higher production volume and the resulting increase in inventories. The production volume increased by 25% compared to the previous year. Material consumption in relation to the volume produced increased from 1.23 to 1.25 tons.

Material/raw materials usage in tons

Reporting date: 12/31/2023, Fronius International GmbH



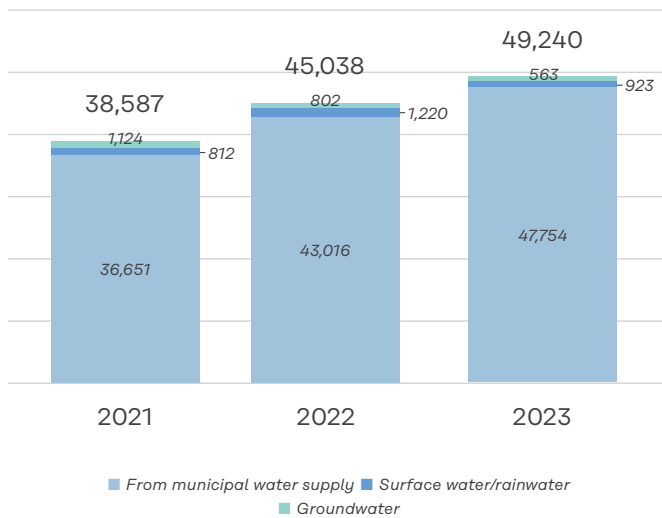
Water consumption

Climate change is leading to increasing water scarcity and deteriorating water quality in many regions around the world – including places where Fronius subsidiaries are located. At the Fronius International GmbH sites, all sanitary rooms and irrigation systems have been optimized. At the Sattledt site, there is an 800 m³ rainwater collection tank that is used for extinguishing fires as well as watering the gardens.

The water consumption of Fronius International GmbH amounted to 49,240 m³ in the year under review. This corresponds to an increase of 9% compared to the previous year. This increase is primarily due to the commissioning and initial filling of new HVAC technology (heating, air conditioning, ventilation and sanitary facilities) and buffer storage tanks at the Wels site. Around 97% of the water consumed came from the municipal water supply; the remainder came from surface, rain and groundwater.

Water consumption in m³ by source

Reporting date: 12/31/2023, Fronius International GmbH



The subsidiaries consumed a total of 22,997 m³ in the reporting year. This corresponds to a total water consumption of around 72,237 m³ for the Group.

Waste and recycling management

Fronius has set itself the goal of avoiding waste as far as possible and returning the unavoidable waste to the cycle as valuable resources as far as possible. This reduces the use of raw materials, some of which are only available in very limited quantities on our planet or whose extraction can be very energy-intensive or harmful to the environment.

Reuse of cleaning cloths

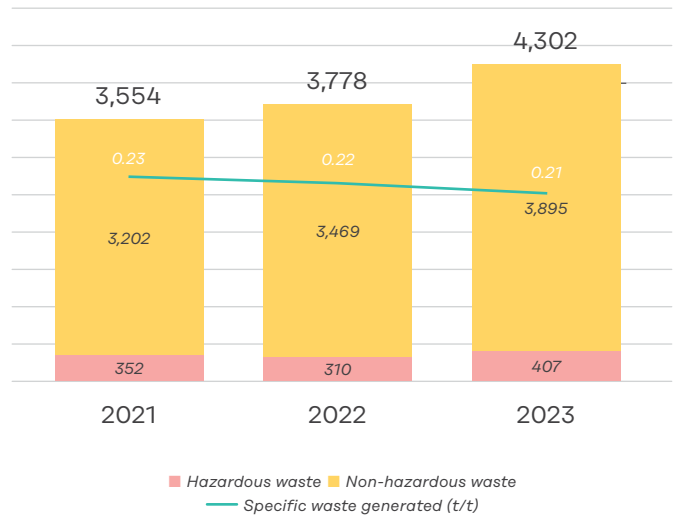
In cooperation with the company MEWA, reusable and washable cloths are used at the Sattledt, Pettenbach and Steinhaus sites to clean machines and remove oils, solvents, grease, etc. A total of around 165,500 cleaning cloths were reused in 2023 and thus avoided as waste. This is also reflected in the corresponding waste category for cleaning cloths, which fell by around 52% compared to the previous year.

As part of the environmental management system, the quantities of waste generated at Fronius International GmbH locations are subject to ongoing monitoring.

In 2023, the total amount of waste generated at Fronius International GmbH increased by 12% compared to the previous year, from 3,778 to 4,302 tons. In relation to the volume produced, the waste volume decreased from 0.22 to 0.21 tons.

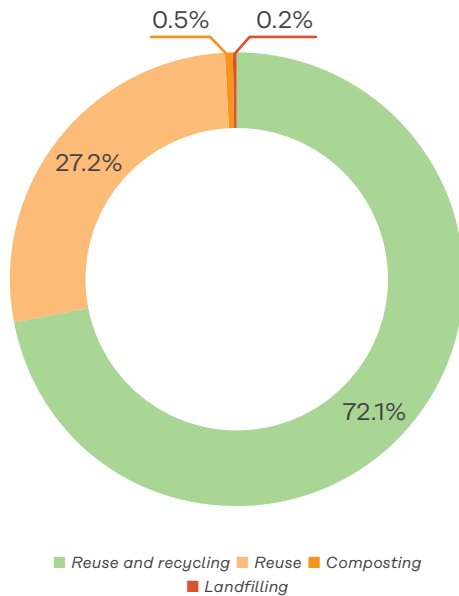
Total waste produced in tons

Reporting date: 12/31/2023, Fronius International GmbH



Waste produced according to disposal methods

Reporting date: 12/31/2023, Fronius International GmbH



Although the volume of waste has increased compared to the previous year, the recycling rate of 72% is still at a high level. These recyclable materials are processed for reuse by our waste disposal companies. A further 27% of waste is recycled with or without energy recovery. Smaller quantities are composted (0.5%) or landfilled (0.2%).

The subsidiaries generated 1,229 tons of waste in the reporting year, of which 95% was non-hazardous and 5% hazardous. The majority of this waste was recycled (61%), the rest was incinerated with or without energy recovery (10%), composted (1%) or landfilled (29%).

A total of about 50 different types of waste are collected and subsequently sent for recycling or disposal. As a manufacturer and distributor of products, Fronius is subject to numerous legal requirements and obligations.

To ensure the collection and environmentally sound recycling of our packaging, we participate in a collection and recycling system. An authorized company returns and recycles the packaging of our products sold in Austria. This amounted in 2023 to 398 tons. Besides this collection and recycling system, we also make use of the comprehensive recycling service for the electrical equipment and batteries we place on the market in Austria. This amounted to 2,739 tons in 2023.

As part of various campaigns to raise awareness, we specifically sensitize employees to the topics of waste avoidance and reduction as well as waste separation.

Fronius subsidiaries

Waste separation and waste reduction

Professional waste separation and the reduction of waste are omnipresent at Fronius. For example, Fronius Brazil, Fronius Norway, Fronius Thailand and Fronius Switzerland have introduced and further improved new waste separation systems and ways of reducing waste. Fronius Turkey is taking extended measures in line with the international TRUE Zero Waste program and is also focusing on raising awareness among all employees.

Performance overview

	Fronius International GmbH			Fronius Group		
	2021	2022	2023	2021	2022	2023
Economic performance						
Group sales	n.a.	n.a.	n.a.	€ 995 million	€ 1,228 million	€ 1,595 million
International Fronius companies	n.a.	n.a.	n.a.	37	37	38
Export rate	n.a.	n.a.	n.a.	89%	87%	85%
Active patents	n.a.	n.a.	n.a.	1,366	1,446	1,604
Business ethics and compliance						
Proportion of employees who completed training on the Code of Conduct	72%	84%	96%	n.a.	69%	n.a.
Violations of environmental and social laws and regulations	0	0	0	n.a.	n.a.	n.a.
Incidents of corruption	0	0	0	n.a.	n.a.	n.a.
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	0	0	1	n.a.	n.a.	n.a.
Political contributions	0	0	0	n.a.	n.a.	n.a.
Number of cases reported via the whistleblower hotline	n.a.	n.a.	9	n.a.	n.a.	n.a.
Sustainable procurement						
Proportion of local suppliers	n.a.	75%	80%	n.a.	n.a.	n.a.
Percentage of new suppliers of direct services that were screened using environmental criteria	n.a.	100%	100%	n.a.	n.a.	n.a.
Percentage of new suppliers of direct services that were screened using social criteria	n.a.	100%	100%	n.a.	n.a.	n.a.
Percentage of audited preferred suppliers	n.a.	35%	37%	n.a.	n.a.	n.a.

	Fronius International GmbH			Fronius Group		
	2021	2022	2023	2021	2022	2023
Employment and work conditions¹						
Total employees	4,129	4,817	5,555	n.a.	7,004	7,992
of which women	37%	38%	37%		36%	36%
of which men	63%	62%	63%		64%	64%
Full-time employees	3,629	4,243	4,876	n.a.	6,336	7,215
of which women	32%	33%	32%		32%	32%
of which men	68%	67%	68%		68%	68%
Part-time employees	500	574	679	n.a.	668	777
of which women	71%	72%	71%		74%	72%
of which men	29%	28%	29%		27%	28%
Employees by region						
Austria	n.a.	n.a.	3,923	n.a.	n.a.	3,949
Central and Eastern Europe			693			1,398
Germany			109			437
South and East Asia			11			323
USA			2			179
Other nations			817			1,707
Employees according to employment contract						
Permanent employment relationship	n.a.	4,797	5,536	n.a.	6,722	7,644
Temporary employment relationship	n.a.	20	19	n.a.	282	348
Total new entrants	1,064	1,704	1,180	n.a.	2,160	1,738
of which women	41%	40%	37%		39%	36%
of which men	59%	60%	63%		61%	64%
New entrants by age group						
up to 24 years	53%	52%	22%	n.a.	n.a.	21%
25 – 34 years	28%	24%	37%			38%
35 – 44 years	10%	14%	25%			25%
45 – 54 years	7%	8%	14%			14%
55 years and over	1%	2%	2%			3%
Employee turnover rate ²	9.8%	12.4%	1.9%	n.a.	n.a.	1.7%
Total temporary workers ³	132	95	20	n.a.	176	44
Total apprentices	153	156	176	n.a.	169	194
Employees with a collective bargaining agreement	4,129	4,817	5,555	n.a.	4,859	5,597
Employees represented by a works council or trade union	4,129	4,817	5,555	n.a.	5,128	5,867

¹ Figures incl. temporary employees and apprentices

² The rate of employee turnover (excluding temporary staff) is calculated on the basis of the average monthly departures in relation to the average monthly headcount in the reporting year

³ Temporary staff at Fronius are primarily employed in the production area

	Fronius International GmbH			Fronius Group		
	2021	2022	2023	2021	2022	2023
Education and training						
Number of participants in trainings and courses	n.a.	n.a.	44,150	n.a.	n.a.	n.a.
Average number of education and training hours per employee, total	9.2	10.1	20.7	n.a.	11.2	21.7
Average number of education and training hours per manager	15.4	13	30.5	n.a.	n.a.	n.a.
Diversity and equal opportunity						
Percentage of women in the total workforce	37%	38%	37%	n.a.	36%	36%
Percentage of women in management positions	13%	14%	15.2%	n.a.	n.a.	18.6%
Employees who have taken parental leave of which women	n.a.	158	177	n.a.	n.a.	208
of which men		94%	61%			59%
		6%	39%			41%
Employees who have taken partial retirement	n.a.	32	45	n.a.	n.a.	n.a.
Discrimination cases	0	0	0	n.a.	n.a.	n.a.
Accident statistics						
Percentage of workers covered by an occupational health and safety management system	100%	100%	100%	n.a.	n.a.	73%
Number of occupational accidents ⁴	68	82	113	68	102	137
Number of fatal accidents	0	0	0	0	0	0
Number of hours worked	6,050,120	6,771,796	8,053,199	n.a.	n.a.	12,426,854
Accident frequency ⁵	11.2	12.1	14	n.a.	n.a.	n.a.
Number of days lost due to accidents ⁶	19	24	31	n.a.	n.a.	n.a.
Accident severity ⁷	3.1	3.6	3.9	n.a.	n.a.	n.a.

⁴ Accidents from one day of absence excl. commuting accidents

⁵ Accident frequency = number of occupational accidents per 1,000,000 hours worked

⁶ Accident days lost calculated on the basis of 250 working days per year

⁷ Accident severity = days lost due to accidents per 1,000,000 hours worked

	Unit	Fronius International GmbH			Fronius Group		
		2021	2022	2023	2021	2022	2023
Energy consumption							
Total energy consumption	MWh	45,709	46,370	55,984	74,634	81,042	81,859
Fossil energy consumption	MWh	6,401	5,952	2,605	23,466	29,626	20,686
Natural gas	MWh	3,814	3,653	713	10,042	10,076	5,480

	Unit	Fronius International GmbH			Fronius Group		
		2021	2022	2023	2021	2022	2023
Fuel oil	MWh	315	67	0	428	326	182
Diesel	MWh	194	196	230	3,342	3,342	4,121
Gasoline	MWh	2,078	2,036	1,662	9,654	13,716	10,687
Ethanol	MWh	0	0	0	0	0	216
Renewable energy consumption from own plants	MWh	13,807	10,729	16,303	18,926	14,423	17,289
Biomass	MWh	8,072	4,252	2,196	8,382	4,255	2,200
Ambient heat	MWh	3,902	4,551	12,219	n.a.	n.a.	n.a.
Photovoltaics	MWh	1,833	1,927	1,888	2,660	2,979	2,870
Purchased electricity	MWh	25,501	29,688	36,743	29,869	34,199	41,651
Purchased heat	MWh	0	0	334	2,373	2,794	2,233
Specific energy consumption in MWh/t product volume	MWh/t	2.92	2.76	2.67	4.76	4.82	3.90
Yield from own photovoltaic systems	MWh	1,982	2,107	2,122	3,147	3,512	3,292
Reduction of energy consumption through energy-saving and energy efficiency measures	MWh	n.a.	260	349	n.a.	n.a.	416

GHG emissions Scope 1 and 2

Total Scope 1 emissions	t CO ₂ e	1,470	1,400	630	5,367	6,899	5,453
Natural gas	t CO ₂ e	770	738	144	2,020	2,027	1,107
Fuel oil	t CO ₂ e	116	88	0	116	88	486
Diesel	t CO ₂ e	50	50	59	851	1,403	1,057
Gasoline	t CO ₂ e	534	524	427	2,380	3,381	2,748
Ethanol	t CO ₂ e	0	0	0	0	0	56
Total Scope 2 emissions	t CO ₂ e	0	0	5	2,017	2,072	2,249
Purchased electricity	t CO ₂ e	0	0	0	1,910	1,946	2,214
Purchased heat	t CO ₂ e	0	0	5	107	126	35
Biomass	t CO ₂ e	40	21	11	40	21	11
Specific GHG emissions in t CO₂ e/t product volume	t CO ₂ e	0.096	0.085	0.031	0.47	0.53	0.37

Logistics

Total mass of transported products and materials	t	30,520	53,188	67,105	n.a.	n.a.	68,555
Truck	t	23,333	49,325	62,823	n.a.	n.a.	n.a.
Sea freight	t	4,104	2,445	3,361	n.a.	n.a.	n.a.
Rail freight ⁸	t	1,941	n.a.	n.a.	n.a.	n.a.	n.a.
Air freight	t	1,242	1,418	922	n.a.	n.a.	n.a.

	Unit	Fronius International GmbH			Fronius Group		
		2021	2022	2023	2021	2022	2023
Total GHG emissions	t CO ₂ e	8,946	11,378	10,997	n.a.	n.a.	14,663
Truck	t CO ₂ e	1,805	2,861	3,260	n.a.	n.a.	5,017
Sea freight	t CO ₂ e	1,534	1,143	1,802	n.a.	n.a.	1,837
Rail freight	t CO ₂ e	16	-	-	n.a.	n.a.	23
Air freight	t CO ₂ e	5,591	7,374	5,934	n.a.	n.a.	7,786

*8 Due to a change in transport service providers, the goods transported by rail cannot be reported separately.
These are mainly pre-carriage shipments for sea freight.*

Business trips

Total distance traveled on business trips	1,000 km	6,169	10,834	15,704	n.a.	n.a.	43,403
Airplane	1,000 km	1,410	4,401	8,209	n.a.	n.a.	16,994
Car	1,000 km	4,615	5,728	6,599	n.a.	n.a.	24,385
Train	1,000 km	143	705	897	n.a.	n.a.	2,025
Total GHG emissions	t CO ₂ e	943	1,451	1,664	n.a.	n.a.	9,309
Airplane	t CO ₂ e	380	731	1,186	n.a.	n.a.	6,304
Car	t CO ₂ e	561	706	466	n.a.	n.a.	2,913
Train	t CO ₂ e	2	14	12	n.a.	n.a.	92

GHG emissions Scope 3

Total Scope 3 emissions	t CO ₂ e	10,104	12,900	12,916	n.a.	n.a.	23,478
Fuel and energy-related emissions	t CO ₂ e	776	777	722	n.a.	n.a.	2,420
Upstream and downstream logistics	t CO ₂ e	8,946	11,378	10,996	n.a.	n.a.	14,663
Business trips	t CO ₂ e	382	745	1,198	n.a.	n.a.	6,396

Material usage

Total material/raw materials usage	t	18,344	20,729	26,151	n.a.	n.a.	n.a.
Semi-finished products	t	12,352	13,013	17,818	n.a.	n.a.	n.a.
Raw materials	t	3,968	4,301	4,269	n.a.	n.a.	n.a.
Packaging	t	1,475	1,778	2,907	n.a.	n.a.	n.a.
of which renewable		85%	86%	80%			
of which non-renewable		15%	14%	20%			
Auxiliary materials and consumables	t	549	1,637	1,157	n.a.	n.a.	n.a.

Water consumption

Total water consumption	m ³	38,587	45,038	49,240	38,587	64,043	72,237
From municipal water supply	m ³	36,651	43,016	47,754	51,541	60,193	69,208

	Unit	Fronius International GmbH			Fronius Group		
		2021	2022	2023	2021	2022	2023
Surface water/rainwater	m ³	812	1,220	923	812	1,220	1,023
Groundwater	m ³	1,124	802	563	2,970	2,630	2,006
Waste produced							
Total non-hazardous waste	t	3,202	3,469	3,895	n.a.	n.a.	5,062
Reuse and recycling	t	2,321	2,498	2,760	n.a.	n.a.	3,490
Recovery	t	861	948	1,105	n.a.	n.a.	1,220
Composting	t	12	19	20	n.a.	n.a.	34
Landfill	t	7	4	10	n.a.	n.a.	318
Total hazardous waste	t	352	310	407	n.a.	n.a.	469
Reuse and recycling	t	286	261	342	n.a.	n.a.	356
Recovery	t	66	48	64	n.a.	n.a.	68
Composting	t	0	0	0	n.a.	n.a.	0
Landfill	t	0	0	1	n.a.	n.a.	45
Specific waste produced in t/t product volume	t/t	0.23	0.22	0.21	n.a.	n.a.	n.a.
Returned and recycled packaging of products sold in Austria	t	234	278	398	n.a.	n.a.	n.a.
Recycling of electrical appliances and batteries placed on the market in Austria	t	1,292	1,866	2,739	n.a.	n.a.	n.a.

GRI Index

Declaration of use	Fronius International GmbH has reported the information specified in this GRI Index for the period from January 1 to December 31, 2023, with reference to the GRI Standards.
---------------------------	--

GRI	Chapter	Page	Comments
GRI 2: General Disclosures 2021			
2-1	Organizational details	About the report; Fronius sites; Value chain	6-7; 11-13; 14 The company is 100% owned by the G & K Private Foundation of the Strauß and Fronius families.
2-2	Entities included in the organization's sustainability reporting	Fronius sites	14
2-3	Reporting period, reporting frequency and contact point	About this report	6-7
2-4	Restatements of information	About this report	7
2-5	External assurance		An external audit of the sustainability information is planned for the 2025 reporting year.
2-6	Activities, value chain and other business relationships	About Fronius	10-13
2-7	Employees	Employment and work conditions; Performance overview	45-46; 77
2-8	Workers who are not employees	Employment and work conditions; Performance overview	45; 77
2-9	Governance structure and composition	Organization of sustainability management	20-21

	GRI	Chapter	Page	Comments
2-10	Nomination and selection of the highest governance body	Organization of sustainability management	20-21	
2-11	Chair of the highest governance body	Organization of sustainability management	20-21	
2-12	Role of the highest governance body in overseeing the management of impacts	Organization of sustainability management	20-21	
2-13	Delegation of responsibility for managing impacts	Organization of sustainability management	20-21	
2-14	Role of the highest governance body in sustainability reporting	Organization of sustainability management	20-21	
2-16	Communication of critical concerns	Business ethics and compliance; Performance overview	31-32; 76	
2-22	Statement on sustainable development strategy	Foreword; Our sustainability program, Goals for sustainable development	9; 17; 18-20	
2-23	Policy commitments	Our sustainability program; Goals for sustainable development; Business ethics and compliance; Sustainable procurement	17; 18-20; 29-31; 41-44	Our core values: Fronius Way 5.x are published in the company brochure.
2-24	Embedding policy commitments	Our sustainability program; Goals for sustainable development; Organization of sustainability management	17; 18-20; 20-23	
2-25	Processes to remediate negative impacts	Our sustainability program; Goals for sustainable development; Stakeholder engagement; Business ethics and compliance	17; 18-20; 23-26; 31-32	
2-26	Mechanisms for seeking advice and raising concerns	Stakeholder engagement; Business ethics and compliance	23-26; 31-32	
2-27	Compliance with laws and regulations	Business ethics and compliance	29	
2-28	Membership of associations	Stakeholder engagement	26	
2-29	Approach to stakeholder engagement	Stakeholder engagement	23-26	
2-30	Collective bargaining agreements	Employment and work conditions; Performance overview	46-47; 77	

	GRI	Chapter	Page	Comments
GRI 3: Material Topics 2021				
3-1	Process to determine material topics	Material sustainability issues	15-16	
3-2	List of material topics	Material sustainability issues	16	
GRI 201: Economic Performance 2016				
3-3	Management of material topics	Economic performance	27-28	
201-1	Direct economic value generated and distributed			Key figures on economic value are published in the management report.
GRI 204: Procurement Practices 2016				
3-3	Management of material topics	Value chain; Sustainable procurement	11-13; 41-44	
204-1	Proportion of spending on local suppliers	Value chain; Performance overview	11-13; 76	
GRI 205: Anti-corruption 2016				
3-3	Management of material topics	Business ethics and compliance	29-30	
205-2	Communication and training about anti-corruption policies and procedures	Business ethics and compliance	29-30	
205-3	Confirmed incidents of corruption and actions taken	Business ethics and compliance; Performance overview	30; 76	
GRI 206: Anti-competitive Behavior 2016				
3-3	Management of material topics	Business ethics and compliance	30	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business ethics and compliance; Performance overview	30; 76	
GRI 301: Materials 2016				
3-3	Management of material topics	Resource and waste management	72-73	

	GRI	Chapter	Page	Comments
301-1	Materials used by weight or volume	Resource and waste management; Performance overview	72-73; 80	
301-2	Recycled input materials used	Sustainable products and services	33	
301-3	Reclaimed products and their packaging materials	Sustainable products and services; Resource and waste management; Performance overview	33; 74-75; 81	
GRI 302: Energy 2016				
3-3	Management of material topics	Decarbonization and climate protection	65-69	
302-1	Energy consumption within the organization	Decarbonization and climate protection; Performance overview	65-67; 78-79	
302-2	Energy consumption outside the organization	Decarbonization and climate protection; Performance overview	70-72; 79-80	
302-3	Energy intensity	Decarbonization and climate protection; Performance overview	66; 79	
302-4	Reduction of energy consumption	Decarbonization and climate protection; Performance overview	66; 78-79	
302-5	Reductions in energy requirements of products and services	Sustainable products and services; Research and development, innovation	33; 41	
GRI 303: Water and Effluents 2018				
3-3	Management of material topics	Resource and waste management	73-74	
303-1	Interactions with water as a shared resource	Resource and waste management	73-74	
303-3	Water withdrawal	Resource and waste management; Performance overview	73-74; 80-81	
303-5	Water consumption	Resource and waste management; Performance overview	73-74; 80-81	

	GRI	Chapter	Page	Comments
GRI 305: Emissions 2016				
3-3	Management of material topics	Decarbonization and climate protection	67-72	
305-1	Direct (Scope 1) GHG emissions	Decarbonization and climate protection; Performance overview	67-69; 79	
305-2	Energy indirect (Scope 2) GHG emissions	Decarbonization and climate protection; Performance overview	67-69; 79	
305-3	Other indirect (Scope 3) GHG emissions	Decarbonization and climate protection; Performance overview	70-72; 79-80	
305-4	GHG emissions intensity	Decarbonization and climate protection; Performance overview	69; 79	
305-5	Reduction of GHG emissions	Decarbonization and climate protection; Performance overview	69; 79	
GRI 306: Waste 2020				
3-3	Management of material topics	Resource and waste management	74-75	
306-1	Waste generation and significant waste-related impacts	Resource and waste management; Performance overview	74-75; 81	
306-2	Management of significant waste-related impacts	Resource and waste management	74-75	
306-3	Waste generated	Resource and waste management; Performance overview	74-75; 81	
306-4	Waste diverted from disposal	Resource and waste management; Performance overview	75; 81	
306-5	Waste directed to disposal	Resource and waste management; Performance overview	75; 81	

GRI		Chapter	Page	Comments
GRI 308: Supplier Environmental Assessment 2016				
3-3	Management of material topics	Sustainable procurement	41-44	
308-1	New suppliers that were screened using environmental criteria	Sustainable procurement; Performance overview	42; 76	
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable procurement	43	
GRI 401: Employment 2016				
3-3	Management of material topics	Employment and work conditions	45-48	
401-1	New employee hires and employee turnover	Employment and work conditions; Performance overview	45-46; 77	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment and work conditions	47	
401-3	Parental leave	Diversity and equal opportunity; Performance overview	55-56; 78	
GRI 402: Labor/Management Relations 2016				
3-3	Management of material topics	Employee development	51	
402-1	Minimum notice periods regarding operational changes			In a monthly internal mailing to all staff, Fronius management transparently and directly communicates information about overall and market conditions, challenges and opportunities facing the company, the business units, including their strategies, and general activities and projects.

	GRI	Chapter	Page	Comments
GRI 403: Occupational Health and Safety 2018				
3-3	Management of material topics	Employee health and safety	56-61	
403-1	Occupational health and safety management system	Employee health and safety; Performance overview	56	
403-2	Hazard identification, risk assessment, and incident investigation	Employee health and safety	60-61	
403-3	Occupational health services	Employee health and safety	57	
403-4	Worker participation, consultation and communication on occupational health and safety	Organization of sustainability management; Employee health and safety	22-23; 57-59	
403-5	Worker training on occupational health and safety	Employee health and safety	59	
403-6	Promotion of worker health	Employee health and safety	57-58; 61	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee health and safety	59-61	
403-8	Workers covered by an occupational health and safety management system	Employee health and safety; Performance overview	56; 78	
403-9	Work-related injuries	Employee health and safety; Performance overview	59-60; 78	
403-10	Work-related ill health	Employee health and safety	61	
GRI 404: Training and Education 2016				
3-3	Management of material topics	Employee development	48-52	
404-1	Average hours of training per year per employee	Employee development; Performance overview	49; 78	
404-2	Programs for upgrading employee skills and transition assistance programs	Employee development	49-50	
404-3	Percentage of employees receiving regular performance and career development reviews	Employee development	51	

GRI		Chapter	Page	Comments
GRI 405: Diversity and Equal Opportunity 2016				
3-3	Management of material topics	Diversity and equal opportunity	52-56	
405-1	Diversity of governance bodies and employees	Diversity and equal opportunity; Performance overview	53-54; 78	
GRI 406: Non-discrimination 2016				
3-3	Management of material topics	Diversity and equal opportunity	56	
406-1	Incidents of discrimination and corrective actions taken	Diversity and equal opportunity; Performance overview	56; 78	
GRI 412: Human Rights Assessment 2016				
3-3	Management of material topics	Business ethics and compliance	29	
412-2	Employee training on human rights policies or procedures	Business ethics and compliance	31	
GRI 414: Supplier Social Assessment 2016				
3-3	Management of material topics	Sustainable procurement	41-44	
414-1	Percentage of new suppliers that were screened using social criteria	Sustainable procurement; Performance overview	42; 76	
414-2	Negative social impacts in the supply chain and actions taken	Sustainable procurement	43	
GRI 415: Public Policy 2016				
3-3	Management of material topics	Business ethics and compliance	30	
415-1	Political contributions	Business ethics and compliance; Performance overview	30; 76	
GRI 416: Customer Health and Safety 2016				
3-3	Management of material topics	Customer health and safety	62-63	

	GRI	Chapter	Page	Comments
416-1	Assessment of the health and safety impacts of product and service categories	Customer health and safety		The percentage of product categories whose health and safety impacts have been verified is currently not recorded. However, the devices undergo a large number of tests and inspections during their development and manufacture in order to limit their impact on the health and safety of users.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			In 2023 there were no violations relating to health and safety in connection with the products and services.