Sustainability Report

by the Hirschmann Automotive Group

according to the 2021 Standards
of the Global Reporting Initiative (GRI)

covering the Reporting Period from January 1, 2020,
to December 31, 2024

published in March 2025

HIRSCHMANN
AUTOMOTIVE

#DrivenByPassionForSustainability

Information about the Report and Imprint

Hirschmann Automotive hereby presents its current Sustainability Report using the GRI Standards 2021.

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REPORTING PRINCIPLES:

- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability Context
- Timeliness
- Verifiability

Contents

05 Foreword of the Executive Board
07 Hirschmann Automotive in Numbers
08 Sustainability Commitment
09 Sustainability Strategy 2030
10 Sustainability Dimensions
14 Challenges Ahead: Status Quo and Outlook 2025-2030
23 General Disclosures 2021

23 On the Fast Track into a Green Future

24 Hirschmann Automotive Locations
25 From the Local Producer to a Fast-Growing Multinational Company
29 eMobility
30 Milestones of Success: Navigating a Responsible Value Chain
31 The Driving Force of our Corporate Activities: Our Employees
41 Sustainability Governance
43 Compliance Management
46 Our Material Topics
49 Our Commitment to the United Nations Sustainable Development Goals

52 Economy

53 Digitalization in Production
58 Technology and Product Innovation
64 Supply Chain and Purchasing

68 Ecology

69 Climate Protection and Decarbonization
77 Logistics and Transportation
80 Resources and Conflict Minerals
82 Energy

87 Social Affairs

88 Education and Training
92 Diversity and Equal Opportunities
94 Attractive Employer
98 Occupational Safety and Health Protection

99 Further Information on Reporting

We are #DrivenByPassionForSustainability.

ABOUT THE GRI REPORT

GRI 2-2 GRI 2-3 GRI 2-4 GRI 2-5

Our GRI Report covers the financial period from January 1, 2024, to December 31, 2024, following up on our first Sustainability Report published for the years 2020 - 2023. This reporting period marks the second time Hirschmann Automotive reports according to the GRI Standards, applying the updated General Disclosures published by the GRI in 2021. Therefore, the content of this GRI Report was structured accordingly. The reporting cycle for future reporting is annual, applying the Sustainability Reporting Standards by the European Commission under the CSRD transition.

This report focuses on the activities of the Hirschmann Automotive Group, headquartered in Rankweil/AT, with six additional plant production sites in Freyung/DE, Kenitra/MA, Nantong/CN, San Miguel/MX, Târgu Mureș/RO, and Vsetín/CZ.

Document Guide

To ensure a better understanding of the contents of the GRI Report, the document is structured according to the subsequent sections:

» The report starts with a joint message by the Executive Board and presents the main facts and figures from the reporting period, the company's sustainability commitment, and the materiality analysis. It then follows by presenting the status quo of our **Sustainability KPIs with an outlook for 2025 and 2030**.

» After the introduction part, the General Disclosures are presented. This includes an overview of the **core activities** and **operational locations** of Hirschmann Automotive, an **interview with our HR Director** and the leading **figures about our employees, an overview of memberships and associations,** and the **presentation of our sustainability governance**.

» After the General Disclosures, the **Material Topics** are presented and defined within the materiality analysis. The report is structured alongside the key development fields of Economic, Ecology, and Social Affairs. Each subtopic is linked to the 17 Sustainable Development Goals of the United Nations.

» Within the GRI Index to the Report, we elaborate on the data availability and presentation.

The GRI Report is published on the *website* of Hirschmann Automotive. For more information about this report and Hirschmann Automotive's commitment to sustainability, please contact our Sustainability Management team at:

sustainability.global@hirschmann-automotive.com

FOREWORD OF THE EXECUTIVE BOARD GRI 2-22

TAKING THE LEAD: THE PLATZHIRSCH FOR INDIVIDUAL CUSTOMER SOLUTIONS

The world is in constant motion – and so are we. Because we are **#DrivenByPassionforSustainability**.

The year 2024 has been a period of challenges and opportunities, reinforcing our resilience and adaptability.

The global automotive industry continues to face significant headwinds, with pre-pandemic production levels still out of reach. However, market dynamics vary considerably across regions. While the automotive sector in China remains robust, other key markets have experienced notable shifts. North America, for instance, has seen a steady recovery driven by strong demand for electric and hybrid vehicles, yet supply chain disruptions, the political shift as well as fluctuating raw material costs continue to pose major challenges.

As a European-headquartered supplier, we see our “home market” still lagging significantly behind 2019 volumes. For the first time, the European eMobility market has declined compared to the previous year. Several factors contributed to this shift, including evolving regulatory landscapes. Governments scaled back incentives for electric vehicle purchases, slowing down market growth and posing a challenge for an industry that has invested heavily in developing and industrializing e-mobility solutions.

We responded swiftly to these developments, adapting our internal structures and processes to enhance agility and responsiveness to shifting demands.

At the same time, the EU Green Deal introduced additional challenges, including CSRD, CBAM, taxonomy regulations, and complex data collection requirements, all of which necessitated significant organizational adjustments.

Although the recently introduced “Omnibus Package” has provided considerable relief and extensions in reporting obligations, we remain committed to advancing our sustainability initiatives. We continue to monitor and measure our progress towards achieving our sustainability goals. Despite the many challenges faced, Hirschmann Automotive remains fully committed to playing a key role in the transformation of the automotive industry, fostering sustainable development at the core of our strategic vision.

❝ In 2024, we reached significant milestones in our sustainability roadmap. We successfully expanded our photovoltaic (PV) capacity, further reducing our dependency on external energy sources and lowering our CO_2 emissions. We launched our first global Earth Day Awareness Campaign, engaging our employees worldwide and fostering a deeper understanding of climate protection. Additionally, we initiated the global roll-out of our sustainability agenda, reinforcing our commitment to a more sustainable future across all regions and business units. By the end of the year, we published our first Sustainability Group Report acc. to GRI Standards, sharing our ambitious roadmap for eleven development areas and our achievements of the past four years.

Innovation remains a key driver of our sustainability efforts. We have launched multiple projects focusing on material innovation to increase recycled content in our products and further minimize our environmental footprint. Our comprehensive approach to sustainability also includes an expanded Scope 3 emissions accounting, strengthening transparency in our value chain. Furthermore, we have taken major steps in the CSRD transformation, including taxonomy alignment and reporting enhancements, ensuring compliance with evolving sustainability regulations.

Beyond our internal initiatives, we have actively participated in regional, national, and international conferences, fostering knowledge exchange and collaboration with key stakeholders. Our commitment to sustainability extends beyond our own operations: we seek to drive industry-wide change by setting new benchmarks and sharing best practices.

Tackling these challenges and implementing our ambitious sustainability strategy would not be possible without the dedication and expertise of our employees. Their commitment enables us to take the lead in shaping a greener, more sustainable future for the automotive industry.

As we continue our journey, we remain steadfast in our vision: to be the Platzhirsch for individual customer solutions while leading the industry's transformation toward sustainability. Together, with passion, cooperation, and innovation, we are driving meaningful change.

Together, we shape the future.

Angelo Holzknecht, CEO Stefan Tschol, CFO

HIRSCHMANN AUTOMOTIVE IN NUMBERS

Founded in 1959 in Rankweil, Austria

Employee Development in Numbers:

2020: 5,558
2021: 6,045
2022: 6,658
2023: 7,616
2024: 7,630

Gender Ratio: 51.7 % female, 48.3 % male
calculation for 2024

Awarded **Apprenticeship Program** in 2020, 2021, 2022

13 Locations in 9 Countries on 4 Continents

Sales in Mio €:

2020: 374
2021: 458
2022: 531
2023: 617
2024: 589

Women in Leadership Positions globally:

2020: 19 %
2021: 19 %
2022: 20 %
2023: 22 %
2024: 21 %

5 out of 7 plants run on 100 % green energy

7 photovoltaic systems in use at 6 plant sites

76 % green energy supply across all plants

Share of Research & Development Investment

8 % in 2020
9 % in 2021
17 % in 2022
15 % in 2023
15 % in 2024

SUSTAINABILITY COMMITMENT GRI 2-22

With eight production plants and 7,630 employees worldwide*, we are aware of our significant responsibility to our employees, the environment, and our fellow human beings.

Driven by our core values of **Passion**, **Cooperation**, and **Commitment**, we aim to set an example as a sustainable leader in the automotive industry. As the »**Platzhirsch for Individual Customer Solutions**«, **we confidently walk every extra mile for a sustainable, mobile future**. To foster our company's transformation, we pursue a holistic approach encompassing three sustainability dimensions:

Ecology, Economy and Social Affairs

“At Hirschmann Automotive, we have added sustainability as a core element to our corporate strategy. Even though we find ourselves in a globally competitive environment where the economic perspective sets the pace, we believe our environmental and social responsibility mindset holds the key to long-term success. Our highly energy-efficient facilities are just the beginning of creating a new era in the automotive industry. A strong focus lies on material research, efficient and automated production processes as well as fostering a circular economy.

We pursue the highest commitment to sustainability and maximize the outcome only if manufacturers, partners, customers, suppliers, and political actors work closely together as a society.”

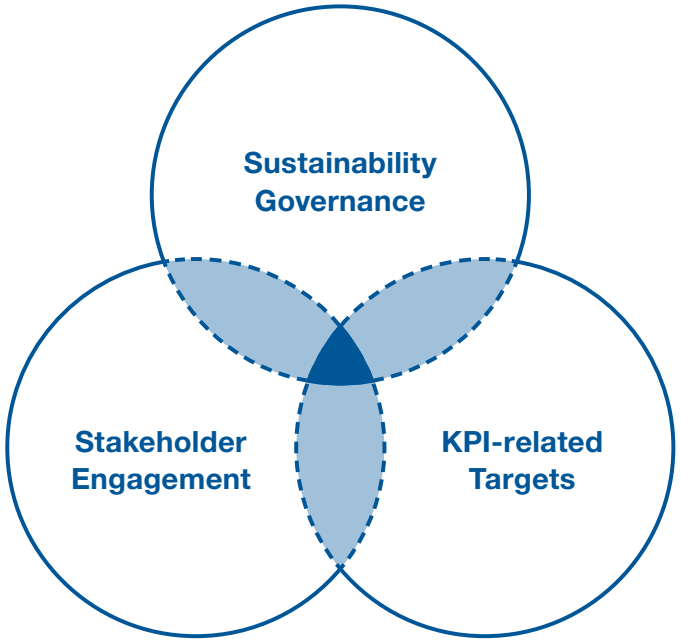
- Angelo Holzknecht, CEO

*Group Employment 2023

SUSTAINABILITY STRATEGY 2030 GRI 2-22

We are on a mission to pioneer a green future in the automotive industry. Strongly committed to contributing to the UN's Sustainable Development Goals and the Paris Climate Agreement, we have built up our sustainability strategy to align with our corporate identity as the »Platzhirsch for Individual Customer Solutions«. #DrivenByPassionForSustainability

Our sustainability strategy serves as a comprehensive framework designed to guide our organization toward a more sustainable future. Rooted in three key pillars – governance, stakeholder engagement, and KPI-related targets our strategy serves as a dynamic roadmap for responsible business practices.

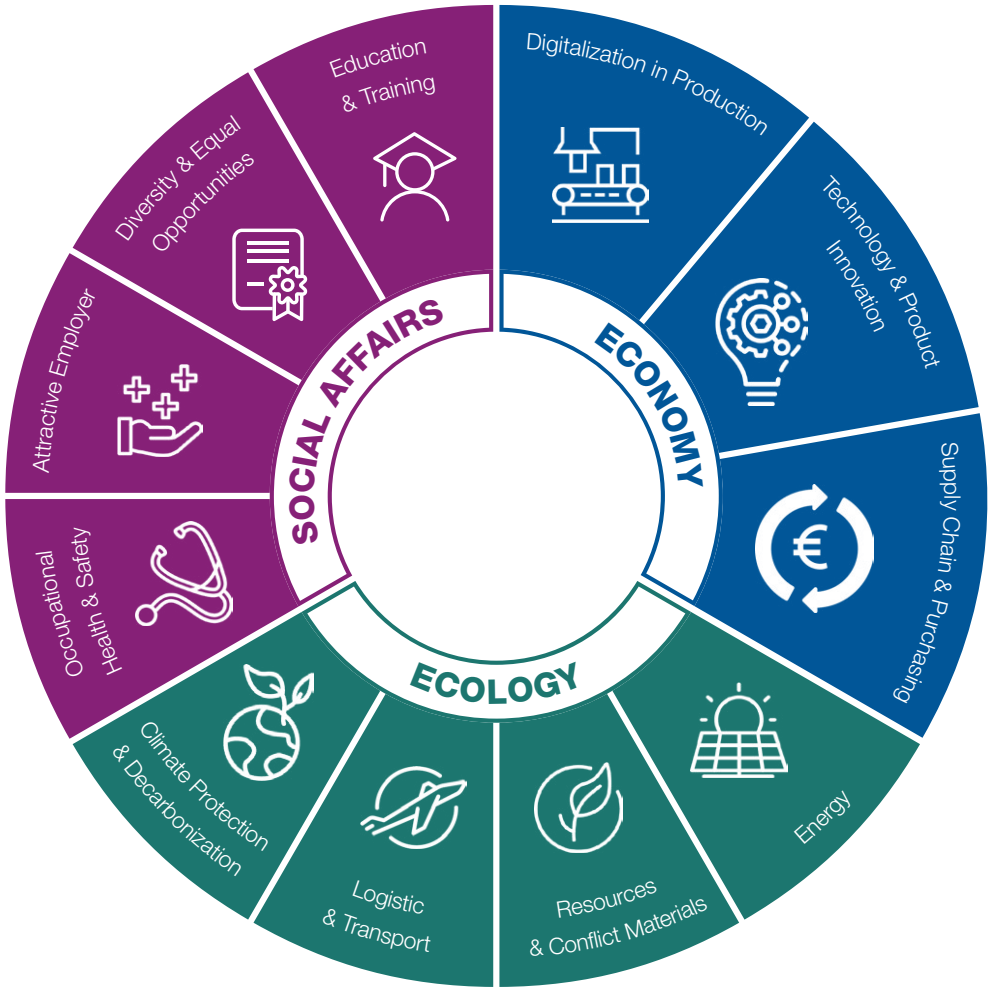


Sustainability Governance: At the heart of our sustainability approach lies focused governance. Our governance structure fosters transparency, accountability, and ethical conduct, providing a solid foundation for sustainable practices. The basis for our sustainability governance lies in our commitment that one billion sales by 2030 will be achieved through sustainable and profitable growth, supported by all identified key areas. All levels of sustainability governance are described in more detail on *page 42*.

KPI-related Targets: To reach our 2030 goal, we have defined 11 key areas within the three dimensions of Economy, Ecology, and Social Affairs as presented above. The KPIs are implemented in each department within all our plants, while targets are set, and achievements are tracked regularly. To have a more detailed view of our KPIs, read *pages 15-22*.

Stakeholder Engagement: Recognizing that sustainability is a collective effort, our strategy strongly emphasizes engaging with stakeholders at every level. By actively involving employees, customers, partners, and communities, we seek to co-create solutions that resonate with the diverse perspectives of our stakeholders, fostering a sense of shared responsibility. Our stakeholder analysis was carried out in March 2023 and took into consideration all relevant actors. The stakeholder analysis is described in more detail on *page 46-47*. In preparation for CSRD reporting, we are currently conducting the double materiality analysis with all relevant stakeholders.

SUSTAINABILITY DIMENSIONS



OUR VISION
We are the Platzhirsch for individual customer solutions.

OUR PURPOSE
We develop solutions for a sustainable, mobile future.

SUSTAINABILITY DIMENSIONS

Digitalization & Automation at our Production Sites

partly or fully automation in production and logistics:

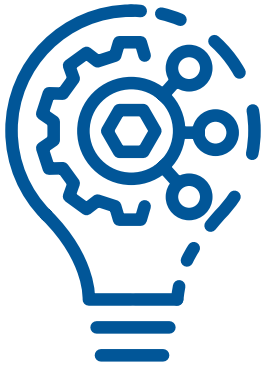
AGVs (automated guided vehicles)

automated palletizing robots

Innovative Pilot Projects for Green Product Lines & Circular Economy

material databases

research for alternative materials



Green Criteria for Purchasing Decisions

introduce procurement criteria for CO_2-values source secondary materials

extend the local-to-local principle

Transparent & Green Supply Chain

conduct yearly sustainability assessments

engage constantly with our suppliers

ECONOMY

SUSTAINABILITY DIMENSIONS

Scope 1: green vehicle fleet, more efficient chillers, and LED lighting system

Scope 2: switch to 100 % green energy supply until 2025/26

Scope 3: switch to more sustainable materials and identify further reduction potentials

Become Net Zero:

2030: across Scope 1 & 2

2039: across Scope 1, 2 & 3

Establish a Green Logistics & Transport Management System

identify efficiency potential for transport routes and logistic systems (digitalization)

increase share of electrified company vehicle fleet

reduce energy consumption

identify efficiency potential

install PV-Systems and switch to a green energy supply

2025: Operate on 100 % Green Energy Globally

Save Resources, Protect Biodiversity & Comply with Regulators for Sourcing Materials

increase the share of recycled and circular materials

source according to the local-to-local principle

reporting according to CMRT, EMRT, and CSRD*

reduce waste, energy and, water consumption

*CMRT = Conflict Minerals Reporting Template

*EMRT = Extended Minerals Reporting Template

*CSRD = Corporate Sustainability Reporting Directive

ECOLOGY

SUSTAINABILITY DIMENSIONS

Occupational Health & Safety Regulations and Health Promotion

regular audits according to ISO 45001

workplace risk evaluation at all plants

company doctors and medical services

training for all employees

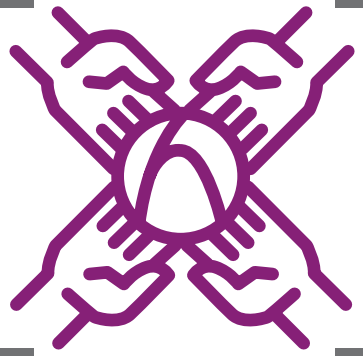
social initiatives to foster the health of employees

Attracting Top Talents as the »Platzhirsch« in the Industry

offer social benefits

various company events

modern workplace



Continuous Training Opportunities for Employees

onboarding days (PlatzhirschCamp) for new employees

global apprenticeship program

internal Hirschmann Automotive Academy

external workshops and training

Foster a Diverse and Inclusive Working Environment

create the best opportunities to increase women in leadership

offer barrier-free workplaces

ensure equal opportunities for diverse backgrounds

SOCIAL AFFAIRS

CHALLENGES AHEAD: STATUS QUO AND OUTLOOK 2025-2030 GRI 2-22

We find ourselves in a challenging, transformative market where innovation and adaptation are key to success. In this report, we outline the most important areas of sustainability action that concern us across all plants, proactively addressing the challenges our organization faces in the upcoming years until 2030.

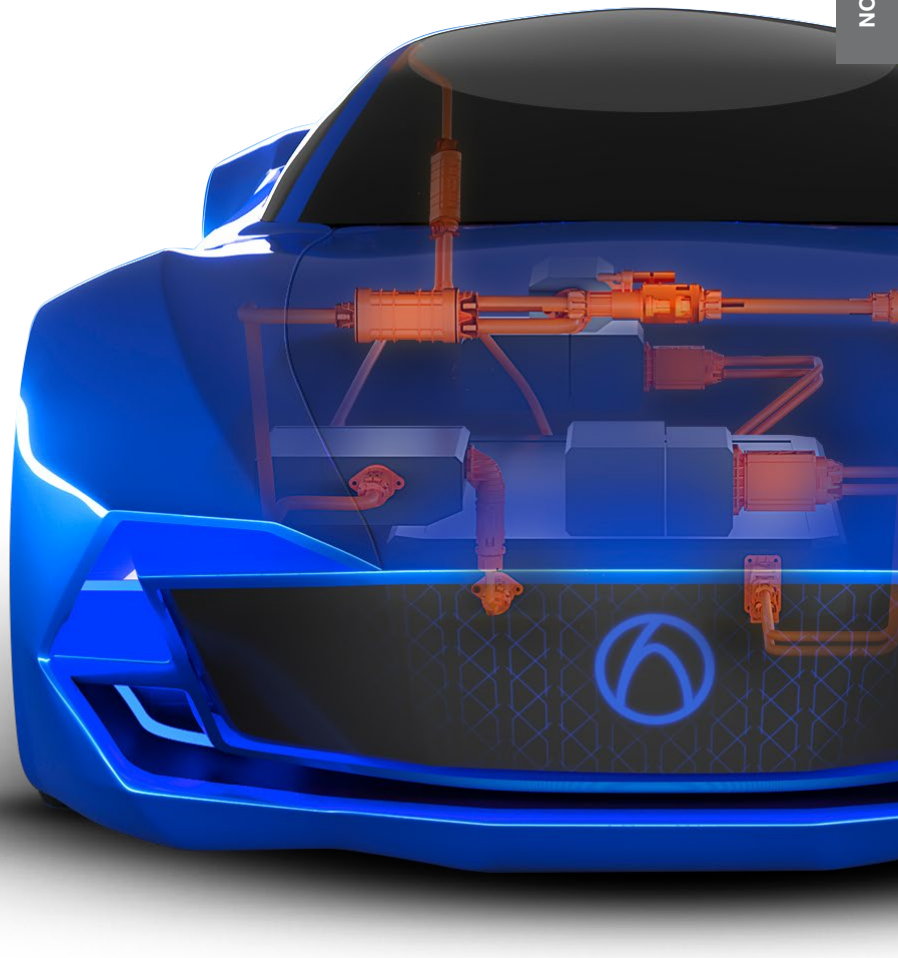
With the GRI Standards, we have created an essential framework that serves as the basis for ongoing sustainability reporting. According to the CSRD, we are currently conducting the double materiality analysis required for mandatory reporting.

We confidently take every step towards a more sustainable future by driving change and innovation with our ambitious employees – connected across borders, oceans, and cultural differences – but most of all, #ConnectedByPassionForAGreenFuture.

In the subsequent overview, we provide our **Key Performance Indicators**, a comprehensive overview of the status quo in the key development fields. We are outlining the status quo as well as the main levers for a change towards a more sustainable, resilient, and innovative future forecasting up to 2030.

Overview of our plant locations for KPI calculation:

Rankweil | AUSTRIA
Kenitra | MOROCCO
Vsetín | CZECH REPUBLIC
Târgu Mureș | ROMANIA
San Miguel | MEXICO
Nantong | CHINA
Freyung | GERMANY



Economic Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
DIGITALIZATION IN PRODUCTION	**Degree of Networking of the Machines**	**Level 1 | basic automation:** » Freyung » Kenitra » San Miguel » Nantong **Level 2 | partial automation:** » Rankweil » Târgu Mureș **Level 3 | full automation:** » Vsetín	**Extend Level 1:** » Freyung » Kenitra » Nantong » San Miguel **Extend Level 3:** » Rankweil Segment 3 and 4	**Extend Level 2:** » Târgu Mureș **Extend Level 3:** » Rankweil	» install partly or full automation in plants if possible and needed » use of AGVs (Automated Guided Vehicles) and automated palletizing robots
TECHNOLOGY AND PRODUCT INNOVATION	**PEP Projects:** OPEX Rate in High Voltage Applications	**2020: 16.7 %** **2021: 24.6 %** (Increase of 7.9 % in comparison to the previous year) **2022: 26.9 %** (Increase of 2.3 % in comparison to the previous year) **2023: 33.7 %** (Increase of 6.7 % in comparison to the previous year) **2024: 42.2 %** (Increase of 8.5 % in comparison to the previous year)	» the share related to the development of HV products in relation to total development/ project expenses is estimated to exceed 40 % by 2025	» a reliable long-term estimate of the development is currently not possible due to the dynamic development of the EV market	» consider in the budget planning
	INP Projects: all Projects related to Sustainability	**Started in 2023:** 25 % of our innovation projects tackle CO_2 reductions and sustainability challenges. » Plastic Research » CO_2-Reduction » Biobased Materials » Alternative Materials » Second Source	» increase the proportion of recycled materials where it is technically possible » use of more sustainable plastics (secondary materials PCR/PIR) » identify levers to reduce the CO_2 footprint of key products	» run cooperation projects to pilot closed-loop initiatives and circular economy » calculate the PCFs of all products and reduce the CO_2 footprint accordingly » overview of the biggest levers of CO_2 reduction of materials	» increase the use of CO_2-reduced materials » test alternative materials (CO_2-reduced, biobased etc.) » calculate all PCFs of key products by 2025 and all products by 2030 » implement the CO_2 criteria of materials in the purchasing decisions

Economic Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
SUPPLY CHAIN & PURCHASING	414-1: **New Suppliers that were Screened using Social Criteria** (Key Suppliers)	Screened with the Hirschmann Automotive Supplier Code of Conduct. Starting 2023 | NQC Portal: 1st Campaign for Key Suppliers (direct & indirect) was carried out (approximately 74). 2023: 74 2024: 108	» screen all suppliers (old and new ones) via the NQC Platform	» only cooperate with suppliers with a 100 % feedback rate & fulfill a certain score (knock-out criteria for new suppliers)	» install the NQC platform as a legal requirement to cooperate with suppliers (cooperation agreements) & CoC for Suppliers
	308-1: **New Suppliers that were Screened using Environmental Criteria** (Key Suppliers)	Screened with the Hirschmann Automotive Supplier Code of Conduct. Starting 2023: NQC Portal: 1st campaign for key suppliers (direct & indirect) was carried out in 2023.	» screen all suppliers (old and new ones) via the NQC Platform	» only cooperate with suppliers with a 100 % feedback rate & fulfill a certain score	» install the NQC platform as a legal requirement to cooperate with suppliers (cooperation agreements) & CoC for suppliers
	204-1: **Proportion of Expenditure on Local Suppliers**	**Status Quo 2024:** The local-for-local principle is already implemented for most key suppliers while keeping in mind that the automotive industry is highly allocated around the D-A-CH Region. **EMEA:** » APAC (0.5 %) » USMCA (1.5 %) » EU/EEA (98 %) **MOROCCO:** » APAC (2.6 %) » EU/EEA (79.4 %) » USMCA (18 %) **CHINA:** » APAC (53 %) » EU/EEA (47 %) **MEXICO:** » USMCA (71.1 %) » EU/EEA (28 %)	» keep the local-for-local principle	» keep the local-for-local principle	» constantly screen if materials can be procured more local

Ecological Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
CLIMATE CHANGE AND DECARBONIZATION	305-2: **Direct GHG Emissions** (Scope 1 & 2)	**Global CO_2-Footprint Scope 1 & 2:** 2020: 21,032 t CO_2 e 2021: 17,720 t CO_2 e 2022: 13,795 t CO_2 e 2023: 13,375 t CO_2 e 2024: 15,952 t CO_2 e **Compared to the Baseline Year 2020: reduction of 5,080 t CO_2 e = 24.15 %**	» CO_2 reduction according to the biggest identified levers in accordance with the plants.	» global CO_2 neutrality across Scope 1 & 2	» identify the most significant emission factors/levers for each plant and define concrete measures to reduce CO_2 emissions in these plants; make this a criterion for strategic decisions
	305-3: **Other Indirect GHG Emissions** (Scope 3)	**Categories started calculating in 2023 and tracked continuously:** » purchased goods for 2022 » fuel- and energy-related activities (vehicle fleet)	**Categories:** » upstream transportation & distribution » downstream transportation & distribution according to GHG protocol) » purchased goods & services continuous » business travels » commuting » waste treatment	» continuous adding of further categories according to impact	» add additional Scope 3 categories, implement tools for tracking, provide PCF for all our product portfolio, develop a CO_2 strategy for all plants
	305-4 **Intensity of Greenhouse Gas Emissions*** *only Scope 1 and Scope 2 were considered	**Intensity of GHG Emissions/Surface Area:** 2020: 0.209 t CO_2/m^2 2021: 0.167 t CO_2/m^2 2022: 0.118 t CO_2/m^2 2023: 0.109 t CO_2/m^2 2024: 0.070 t CO_2/m^2 **Intensity of GHG Emissions/Sales:** 2020: 56.24 t CO_2/Mio € 2021: 38.69 t CO_2/Mio € 2022: 25.98 t CO_2/Mio € 2023: 21.68 t CO_2/Mio € 2024: 27.08 t CO_2/Mio €	» considering Scope 3 emissions and reducing accordingly	» considering Scope 3 emissions and reducing accordingly	» add additional Scope 3 categories » implement tools for tracking » provide PCF for all our product portfolio » develop a CO_2 strategy for all plants

Ecological Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
	305-5 **Reduction of Greenhouse Gas Emissions**	**Reduction needs to be calculated to the Baseline Year 2020.** **Most important Levers:** » more efficient production measures » conversion to green energy » material changeover: PA 66 to PA6 » material research for more sustainable alternatives » changeover to R32 chiller in KE and TM (coolant) » change to gas heating in 2021 (RW) » investment in new photovoltaik systems (TM, SM) » fostering sustainable commuting of employees	» gradual conversion to 100 % green energy by 2025/2026 in all plants » a material changeover to secondary materials with lower carbon footprints, as materials make up to 80-90 % of our corporate carbon footprint	» take into account Scope 3 emissions and reduce accordingly	» add additional Scope 3 categories » implement tools for tracking » provide PCF for all our product portfolio » develop a CO_2 strategy for all plants
ENERGY	302-1: **Energy Consumption within the Organization**	**2020:** 34,772, 303 kWh **2021:** 47,424,716 kWh **2022:** 54,854,445 kWh **2023:** 56,201,536 kWh **2024:** 59,975,793 kWh	» plant-specific KPIs for energy efficiency rate	» will be defined on an annual basis	» analyze the **biggest levers** for energy reduction per plant (**facility management**) » implement measures to reduce energy consumption per plant » define the budget available for improvement measures » PV Installation/Green Energy Supply
	Intensity of Energy Consumption	**Energy consumption in kWh/relation to production surface** **2023:** 882 kWh/m^2 **2024:** 873 kWh/m^2	» identify biggest levers in the production area and define reduction targets	» TBD	» exchange with relevant departments and define CO_2 levers

Ecological Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
	Transition to 100 % Green Energy globally	**2020:** 0 % **2021:** 40 % **2022:** 68 % **2023:** 67 % **2024:** 76 %	» **Kenitra:** increase the share of green energy by installing PV systems » **Târgu Mureș 1 & 2:** installation of PV systems in 2024 to ensure 100 % green energy » Additional PV systems in SM & TM	» 100 % Green Energy globally	» maintain green energy certificates » prolong green energy contracts » increase PV systems at the plant sites
	Internally consumed Energy through PV in 2024	**2023:** 8.6 MWp **2024:** 9.4 MWp	» will be defined according to the capacity of the PV systems	» will be defined according to the capacity of the PV systems	» use of PV systems according to solar hours and energy-saving capacity
RESOURCES AND CONFLICT MINERALS	301 **Materials used by Weight or Volume**	No data is currently available.	» generate an overview of materials	» generate an overview of materials	» generate an overview of materials and switch to secondary materials if possible
	301-2 **Recycled Raw Materials used**	Approximately 1,000 t of regranulates per year (inhouse recycling in Vsetín), while we use up to 30 % of regranulates per product aligning with customer requirements.	» increase in recycled raw materials in accordance with the European Green Deal and customer requirements	» increase in recycled raw materials in accordance with the European Green Deal and customer requirements	» increase recycling rates in non-critical products in close cooperation with customers
LOGISTIC AND TRANSPORTATION	**Vehicle Fleet** **Types of Vehicles** (proportion of alternative drive systems)	**Share of Electric and Hybrid Cars from 2020 to 2024:** Rankweil: 18 - 55 % Targu Mures: 0 - 9 % Kenitra: 0 - 0 % Nantong: 0 - 57 % Freyung: 0 - 63 % Vsetín: 9 - 8 % San Miguel: 0 - 0 %	» TBD	» 100 % green vehicle fleet » green commuting for employees	» job cars/bikes » green mobility concept
	Intercompany **Cross-Company** **In and Outbound Data**	Very few data available retrospectively for 2020-2023.	» track and overview data	» track and overview data	» install a global transport management system » set goals for CO_2 limits/special transportation, etc.

Social Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
TRAINING AND EDUCATION	404-1 **Average Number of Training spent on Education and Training per Year per Employee**	**2020:** 3,783 **2021:** 6,161 **2022:** 6,648 **2023:** 8,934 **2024:** data currently in progress, no yet available	» TBD	» TBD	» identify potential for more targeted training and include sustainability training for all employees
DIVERSITY AND EQUAL OPPORTUNITIES	405-1 **Diversity in Supervisory Bodies and among Employees**	**Global 2020:** » Leadership Male: 225 » Leadership Female: 52 » Employees Male: 2,628 » Employees Female: 2,956 **Global 2021:** » Leadership Male: 247 » Leadership Female: 59 » Employees Male: 2,857 » Employees Female: 3,187 **Global 2022:** » Leadership Male: 267 » Leadership Female: 69 » Employees Male: 3,042 » Employees Female: 3,612 **Global 2023:** » Leadership Male: 288 » Leadership Female: 82 » Employees Male: 3,626 » Employees Female: 3,983 **Global 2024:** » Leadership Male: 318 » Leadership Female: 87 » Employees Male: 3,677 » Employees Female: 3,949	» TBD	» TBD	» provide opportunities for women to take over leadership positions (shared job positions, flexible working conditions)

Social Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
ATTRACTIVE EMPLOYER	401-1 **Newly Hired Employees and Employee Turnover**	**Hires:** 2020: 1,819 2021: 3,350 2022: 3,851 2023: 3,111 2024: 1,854 **Fluctuation:** 2020: 1,538 2021: 2,751 2022: 2,855 2023: 3,095 2024: 1,969	» use of natural fluctuation » retain skilled employees for as long as possible » promote health at the workplace	» use of natural fluctuation » retain skilled employees for as long as possible » promote health at the workplace	» promotion of health (mental and physical health in the workplace) » bonding/networking with the company » building interpersonal relation-ships » company events » modern workplace: » flexible working hours » trusting working environment » digital working methods » remote/home office possibilities » shared leadership
OCCUPATIONAL HEALTH & SAFETY	403-1 **Occupational Health and Safety Management System**	ISO 45001 implemented in all Plants	» continuous	» continuous	» regular audits
	403-2 **Hazard Identification, Risk Assessment, and Incident Investigation**	Workplace Risk Evaluation at all Plants	» continuous	» continuous	» continuous re-evaluation (event-based)
	403-3 **Occupational Health Services**	Medical Services and Plant Doctors	» continuous	» continuous	» remain and overview medical services and plant doctors
	403-4 **Employee Involvement, Consultation, and Communication on Occupational Safety and Health**	Happens in Workplace Risk Evaluation/ Documentation of Work Accidents	» continuous	» continuous	» event-based evaluation and re-evaluation » work incidents analysis » internal audits

Social Dimension	KPI	Status Quo	Goals 2024/25	Goals 2030	Measures
	403-5 **Employee Training on Occupational Health and Safety**	Continuous Training for all Employees	» continuous	» continuous	» plan in continuous training in regular intervals
	403-6 **Promoting the Health of Employees**	Social Initiatives (running/cycling events, yoga, tennis, company doctor, etc.)	» continuous	» continuous	» plan in event-based initiatives for each plant
	403-7 **Prevention and Mitigation of Occupational Health and Safety Impacts Directly Associated with Business Relationships**	Compliance with Legal and National Regulations	» compliance with legal and national regulations for workforce » evaluation process for future workplaces considers legal and national regulations as criteria	» compliance with legal and national regulations for workforce » evaluation process for future workplaces considers legal and national regulations as criteria	» regular audits to comply with regulations for leasing workforce and workplaces
	403-8 **Employees covered by an Occupational Health and Safety Management System**	45001: covers all Employees and Leasing Employees	» continuous	» continuous	» remain the certificates
	403-9 **Work-Related Injuries**	**Index**: 2020: 11.27 2021: 10.62 2022: 13.42 2023: 10.27 2024: 15.45 * Index calculated by the number of accidents globally/ all employees x 1000	» zero injury policy	» zero injury policy	» training of employees/safety instructions » evaluation of work-related accidents/injuries and preventive measures » evaluation of workplaces to identify and illustrate workplace hazards

GENERAL DISCLOSURES 2021

ON THE FAST TRACK INTO A GREEN FUTURE

The subsequent chapter provides an overview of the organizational details of the company and its reporting practices, information on activities and workers at Hirschmann Automotive, highlights the governance of the company and as well as the corporate strategy, policies, and practices according to the General Disclosures 2021 of the Global Reporting Initiative.

HIRSCHMANN AUTOMOTIVE LOCATIONS

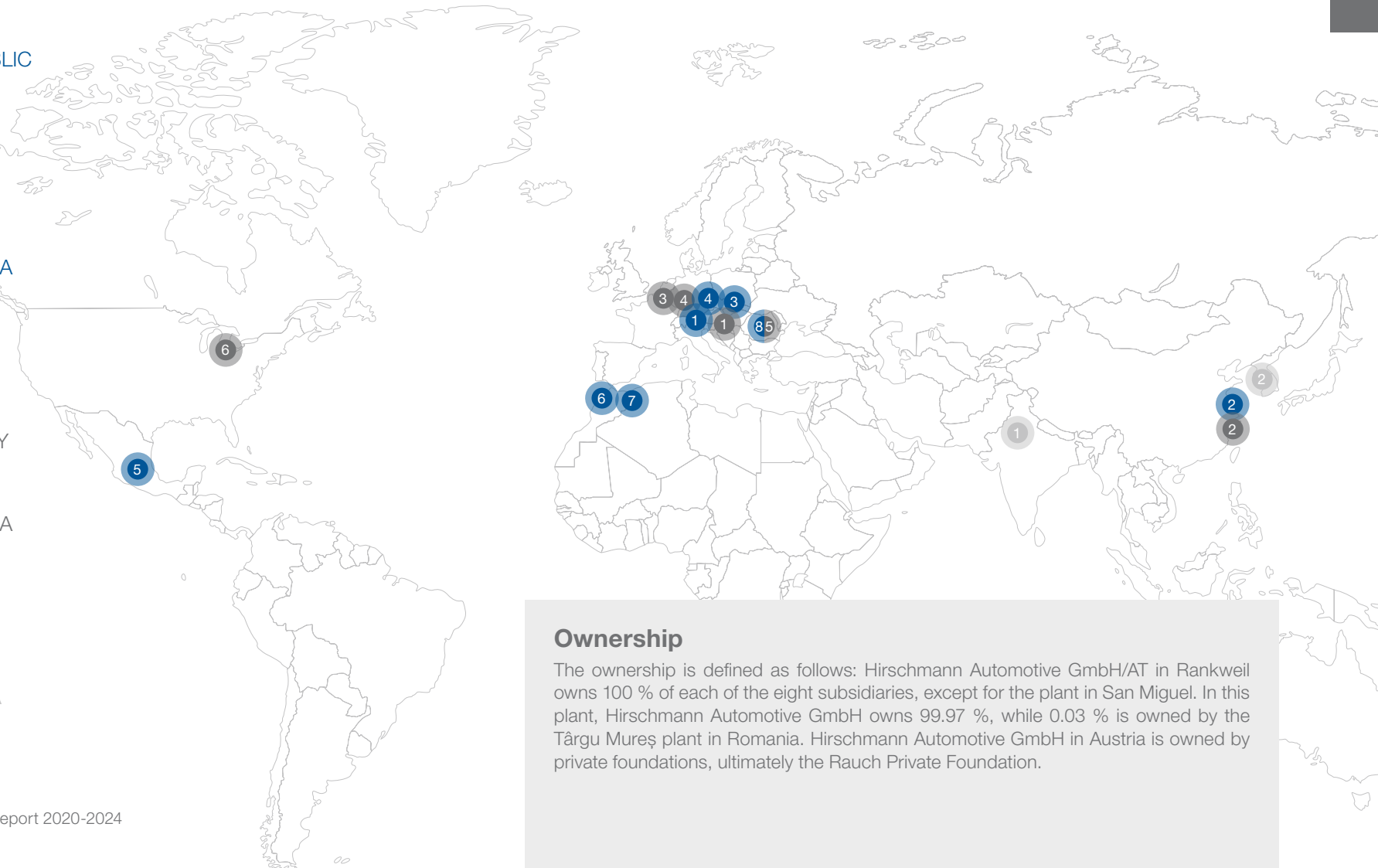
GRI 2-1 GRI 2-2

- Production Site
- Competence Centers
- Distributor

1	Rankweil | AUSTRIA
2	Nantong | CHINA
3	Vsetín | CZECH REPUBLIC
4	Freyung | GERMANY
5	San Miguel | MEXICO
6	Kenitra | MOROCCO
7	Oujda | MOROCCO
8	Târgu Mureș | ROMANIA

1	Vienna | AUSTRIA
2	Shanghai | CHINA
3	Boeblingen | GERMANY
4	Munich | GERMANY
5	Târgu Mureș | ROMANIA
6	Detroit | USA

1	Noida | INDIA
2	Seoul | SOUTH KOREA



Ownership

The ownership is defined as follows: Hirschmann Automotive GmbH/AT in Rankweil owns 100 % of each of the eight subsidiaries, except for the plant in San Miguel. In this plant, Hirschmann Automotive GmbH owns 99.97 %, while 0.03 % is owned by the Târgu Mureș plant in Romania. Hirschmann Automotive GmbH in Austria is owned by private foundations, ultimately the Rauch Private Foundation.

FROM THE LOCAL PRODUCER TO A FAST-GROWING MULTINATIONAL COMPANY

GRI 2-1 GRI 2-2

1959

Foundation of Richard Hirschmann GesmbH

Development and production of communication equipment.

1980

Entry into the Automotive Industry

Connector technology and cables for loudspeaker systems.

1997

Takeover by Rheinmetall AG

Integration into Rheinmetall's "Industrial Electronics" division.

2002

Foundation of Hirschmann Automotive Vsetín (Czech Republic)

Acquisition of Trend-V (JV since 1993).

Construction of new production building.

2003

Takeover by F&R Industriebeteiligungen GmbH

Company name changed to Hirschmann Automotive GmbH.

Strategic Realignment

Foundation of Hirschmann Automotive Târgu Mureș (Romania).

Start of the global economic crisis.

2007

2008

Production Start Târgu Mureș (Romania)

Start of the stategic product shift.

2013 Purchase and adaptation of an additional production hall.

2014 Start of construction of the new production hall.

2022 Expansion of the production capacity with another and so far largest production hall with a total area of 9,100 m².

Production Site Kenitra (Morocco)

2011 Foundation of Hirschmann Automotive KE (Morocco).

2012 Opening the new production plant and start of production.

2017 Doubling of the production area at the site.

2012

2014

Production Start Nantong (China)

2013 Foundation of Hirschmann Automotive NT (China).

2014 Start of local-for-local production.

2019 Full expansion of the site.

Expansion of Rankweil Site

Opening of the new employee center (MAZ).

New tool and special machine building center with apprentice workshop.

Production Start Smart Factory

Commission automated and digitalized plant in Vsetín.

Release and launch of strategic investment projects for Rankweil and Târgu Mureş.

Management of the Corona crisis.

2016

2017

2018

2020

Production Start San Miguel (Mexico)

2015 Foundation of Hirschmann Automotive SM (Mexico).

2016 Start of production for the American market.

Strategic Acquisition Stamping & Bending Technology

Acquisition of Geissler Präzisionserzeugnisse GmbH and Beutlhauser Stanztec GmbH.

2019 Fusion to Hirschmann Automotive Freyung GmbH (Germany).

New Competence Centers in Târgu Mureș & Vienna

Expansion of our know-how with two new Competence Centers in Târgu Mureș (Romania) & Vienna (Austria).

2022

Expansion of Rankweil Site

2022 Opening new office building Connectivity Center.

2023 The new Logistics Center is equipped with Servus, which focuses on increasing flexibility, performance, speed, and efficiency in all intra-logistics processes.

2023

2024

Expansion

Foundation of Hirschmann Automotive OU SARL-AU and start of construction of a new production plant in Oujda (Morocco).

Construction of new photovoltaik systems in Vsetín (Czech Republic), Târgu Mureș (Romania) and San Miguel (Mexico).

eMOBILITY GRI 2-6

The company's relevant markets are EMEA, APAC, and USMCA. The type of customers are OEMs, 1st and 2nd tiers. Hirschmann Automotive operates in the automotive industry and produces plug housings, high voltage applications, special cable assemblies, chassis cabling, sensor technology, stamping, and bending technology for the automotive industry. Our company is developing solutions for a sustainable, mobile future, focusing on eMobility and implementing eco-friendly processes and techniques within all production plants.

1 HIGH VOLTAGE APPLICATIONS
HPS40-1
HPS40-2
HPS40-2+4
HPS Distributors
HPS In-Line Connector

2 ENGINE
SealStar
SealStar HMK
Gearbox Harness
Oil-Tight Connectors

3 BUMPER
Bumper Harness
Sensors

4 DOOR
Door Handle Harness

5 AXLE
Axle Wiring

6 MIRROR
Mirror Harness

7 WINDSHIELD
Aquablade

MILESTONES OF SUCCESS: NAVIGATING A RESPONSIBLE VALUE CHAIN GRI 2-6

Hirschmann Automotive is actively participating in the transition towards a more sustainable industry. We have identified our key levers alongside the entire value chain, incorporating the entire life cycle of our product. We aim to minimize any negative impacts of our business activities and create long-term sustainable value for all stakeholders in relation to our organization.

The value chain is composed as follows:

product development » supply chain » production » product operation » recycling

We hereby depict the progress we made within the reporting period from 2020 to 2024 in the various fields of action.

Product Development

15 % of annual sales are spent on Research and Development.

The OPEX rate increased in high voltage applications from 24.6 % to 42.2 % from 2020 to 2024.

22 % of leadership positions at Hirschmann Automotive worldwide were consistently held by women between 2020 and 2024.

Supply Chain

108 key suppliers have signed the Code of Conduct by the end of 2024 (cooperation towards CO_2-neutrality).

108 key suppliers were screened via NQC platform by 2024.

local-for-local principle

Production

76 % of the total electricity consumption in the production is generated by renewable energy sources

CO_2 emissions at group-wide production sites were reduced by 24.15 % compared to the baseline year 2020.

The energy consumption globally was 59,975,793 kWh in 2024; in relation to production surface: 873 kWh/m^2

Digitalization in production:

1 high-end automated production site
3 semi-automated production sites
4 little-automated production

Product Operation

The share of our products in electrified vehicles (xEV) in group sales has increased from 10.3 % in 2020 to 29.1 % in 2023.

Recycling

64 % of our generated waste was recycled and returned to circular economies from 2020 to 2024.

Up to 30 % of regranulates are used per product.

In parts where we see the technical potential, we increase the regranulate proportion in cooperation with our customers.

Approximately 1,000 tons of regranulate are produced in-house annually and used to manufacture products.

THE DRIVING FORCE OF OUR CORPORATE ACTIVITIES: OUR EMPLOYEES

GRI 2-7 GRI 2-8 GRI 2-30

The heartbeat and driving force for all activities at Hirschmann Automotive lies in its workforce. Our motivated and qualified employees serve as the core and foundation upon which the entire enterprise is built. Their collective skills, dedication, and #passion not only drive day-to-day operations but also shape the long-term vision and success of our company. We believe that as a company, we are only as strong as our people. That's why we are constantly investing in the well-being of our employees.

INTERVIEW WITH OMNIA EL GHAZY, HUMAN RESOURCES DIRECTOR.

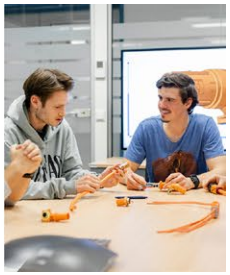
» The employees at Hirschmann Automotive are considered the driving force for corporate activities. How does the company empower its employees to actively contribute to and influence corporate activities?

We are highly committed to fostering an environment where open communication serves as the basis for successful business practices. That's why we strongly believe in the value of constant, personal exchanges. Our commitment extends to regular quarterly meetings with the Executive Board, facilitating direct dialogue, and ensuring that our employees' voices are heard and integral to shaping our organizational path. One-to-one meetings, an open-door policy, and appraisal interviews are integral to our business communication. Through platforms that allow the expression of personal concerns and wishes, whistleblower mechanisms, and internal questionnaires, we actively encourage a culture of transparency and accountability. Through this multi-faceted approach, we are highly encouraging our employees to truly live our values: Passion, Cooperation, and Commitment.

» When talking about empowering employees, how does Hirschmann Automotive promote young talents or empower people to develop leadership skills?

One of our key principles is that everyone should get the same opportunities. We have a strict anti-discrimination policy and guarantee every employee the same access to leadership positions and training opportunities. One good example is our apprenticeship program for young talents, where qualified apprentices are given the chance to work in one of our plants abroad to gain new experiences in a new country. We also have many examples of internal promotions, such as starting in a certain position and developing career paths to leadership positions. We also train employees in leadership qualities within our Hirschmann Automotive Academy.

»



» How is Hirschmann Automotive actively promoting inclusivity and a diverse workplace culture?

Diversity and inclusion play a crucial role in offering a modern and sustainable workplace. We are continuously improving barrier-free access to all areas at our different locations. Furthermore, we have a broad range of nationalities working in all our plants. We frequently organize department summits, where people can meet each other face-to-face and get to know the different cultures and working processes so they can develop a deeper understanding of intercultural co-working. In general, we are offering equal opportunities for all employees: everyone who shows great initiative, motivation, and passion has the chance to develop a great career at Hirschmann Automotive.

» How do you promote a healthy work-life balance?

Actually, there are a lot of great initiatives at the different plants. We offer flexible working conditions such as part-time jobs, remote work, and flexible working hours. We promote employees' health through different sports events and offers, such as our “Running and Cycling Deers” events, yoga classes, tennis courts, and so on. We have implemented a fruit day and have a company doctor at each plant. In Rankweil, for example, we also cooperate with the “Institut für Sozialdienste” to provide mental health care and emotional well-being. We care a lot about the physical and mental well-being of our employees, as their health and motivation are crucial for the success of our company and work culture.

» What is your future vision for a modern and sustainable workplace?

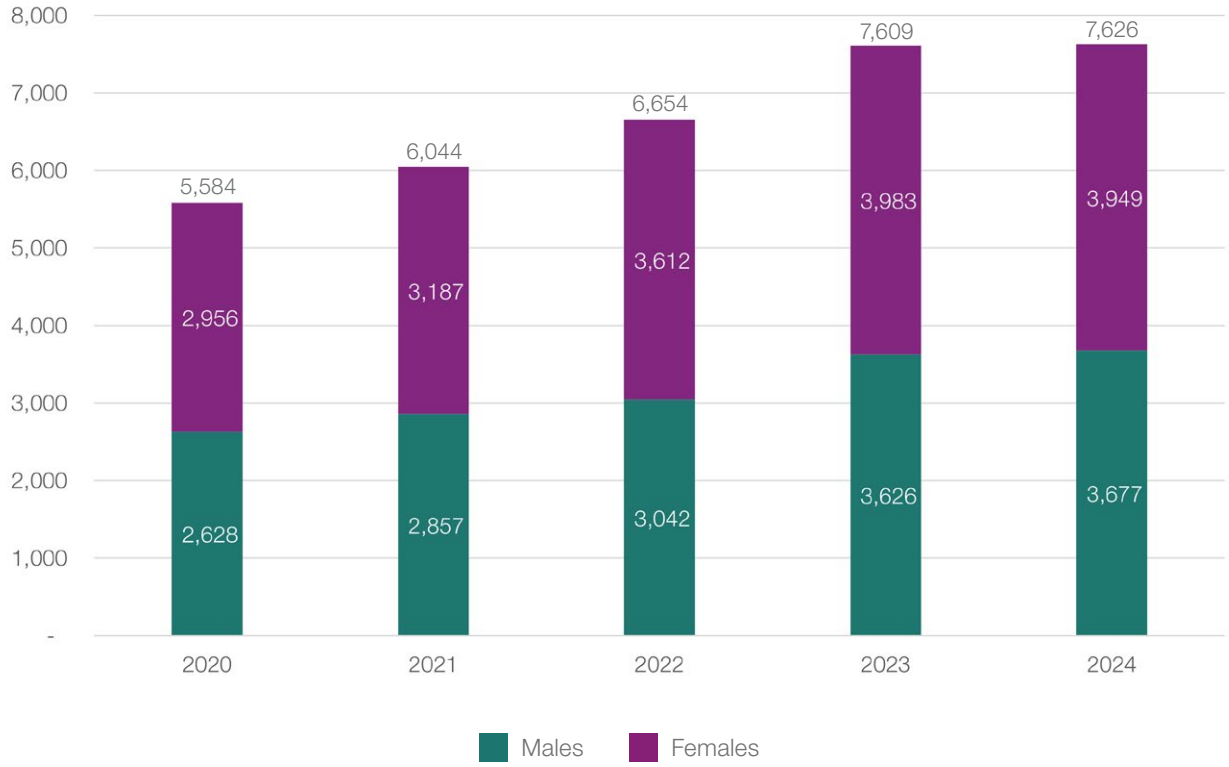
A modern workplace, in my opinion, is a place where everyone feels comfortable and safe. We, as the HR team, have the duty to give our employees the best working conditions, but the employees themselves create the workplace. Therefore, we are highly focused on a continuous exchange with them. Regarding sustainability, we need to tackle the challenges ahead together because every employee can contribute to our change toward a green future. We will continue to promote green commuting and the health of our employees through various sports offers as well as a plastic-reduced workplace. An important step to reach this goal is raising awareness for eco-responsible behavior through sustainability trainings for our employees.

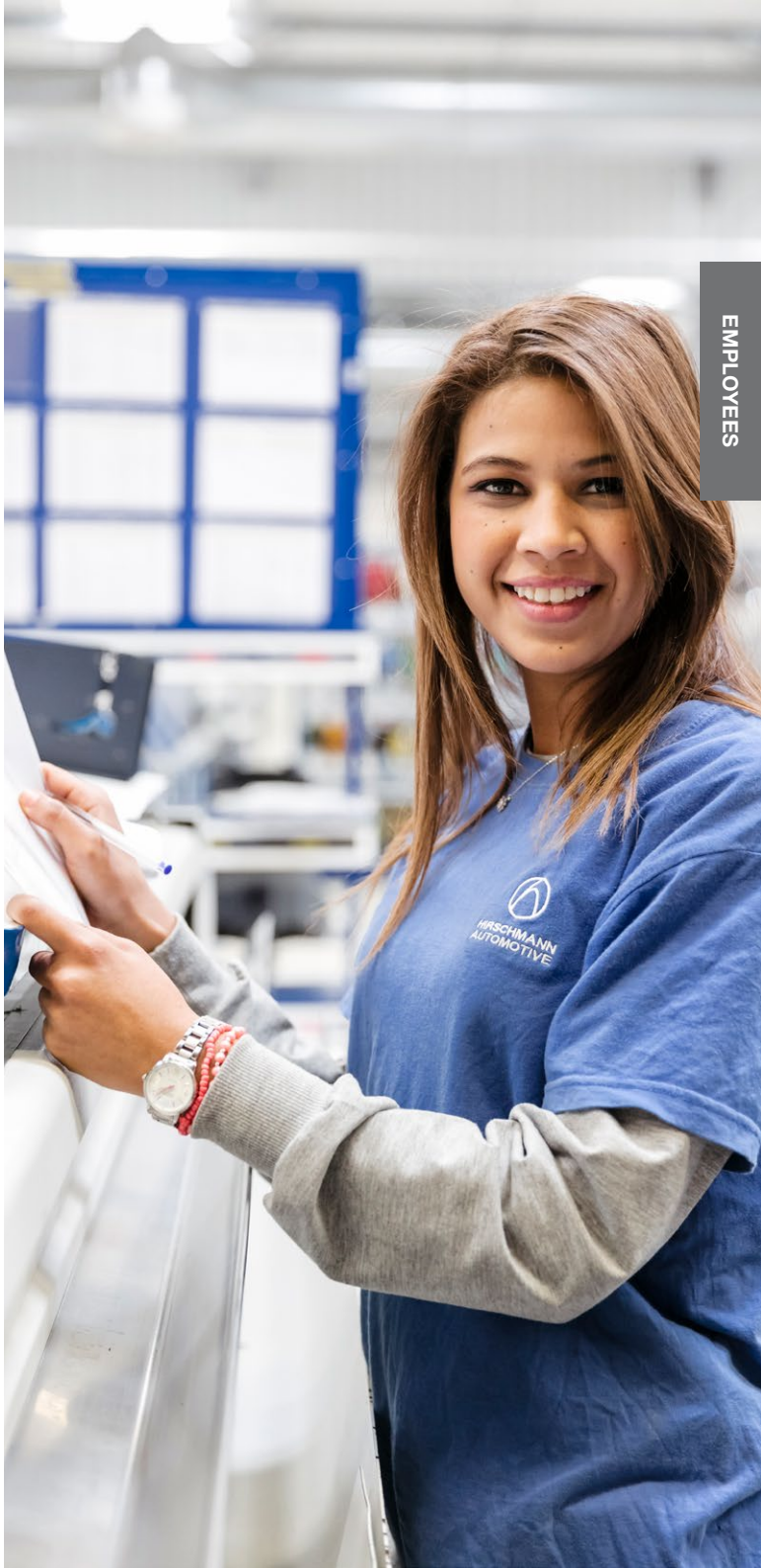
Hirschmann Automotive is already certified as a Great Place To Work® according to the employer surveys we have conducted in some of our plants since 2021. We will continue this path to make our company a place where humans are respected and valued, and the environment is protected.

THE JOURNEY OF OUR EMPLOYEES OVER THE LAST 5 YEARS

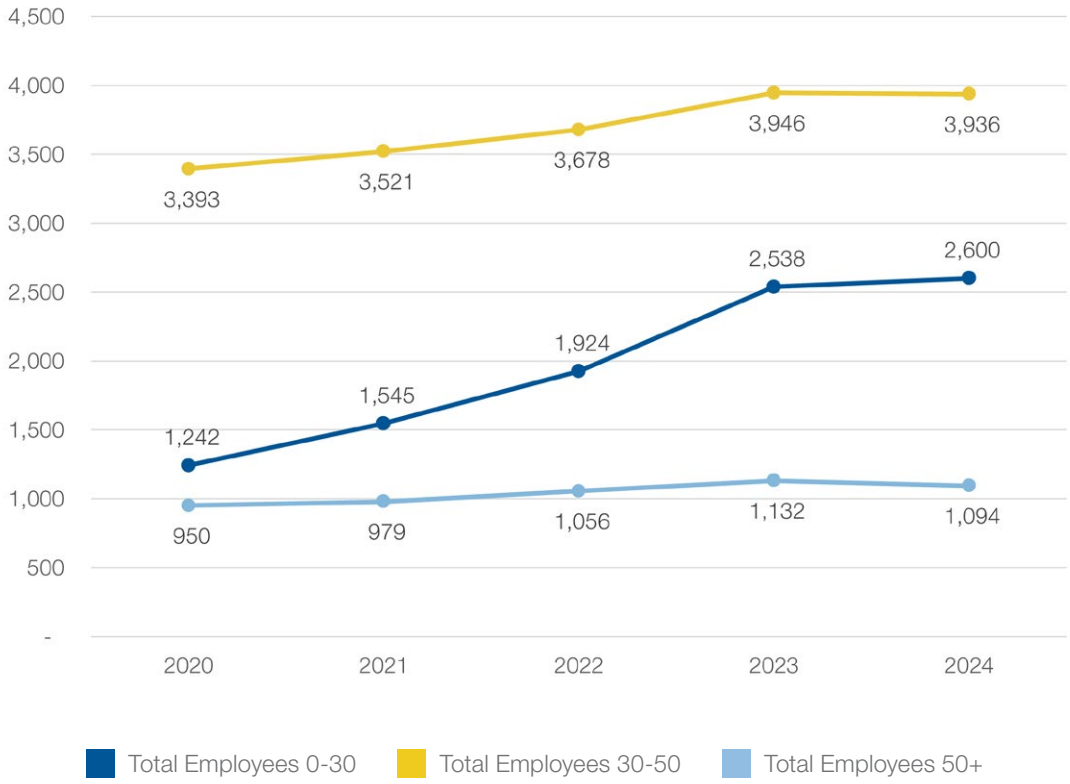
Our employees have gradually increased in line with the positive sales development of the last 5 years. For the subsequent analysis, the headcount of employees was considered:

Total Number of Employees
broken down of this total by Gender*
*the data "by region" was not available for this reporting time



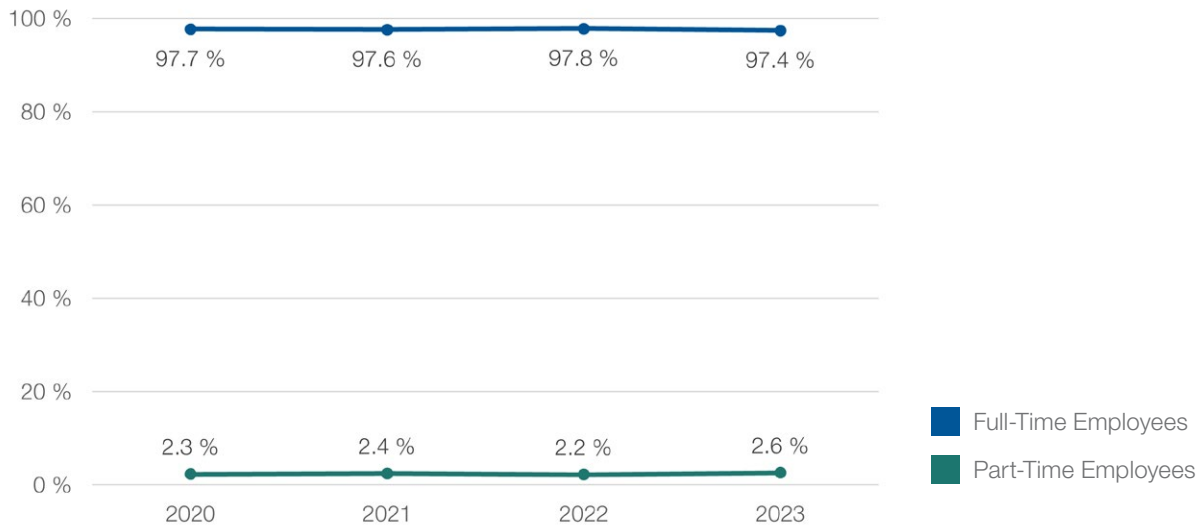


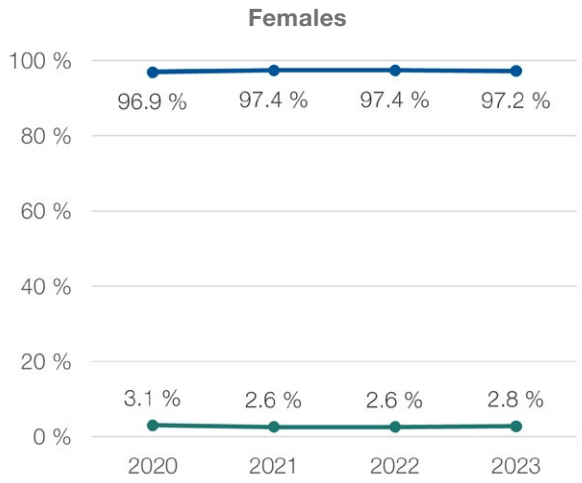
Total Number of Employees
Age Group broken down by Year

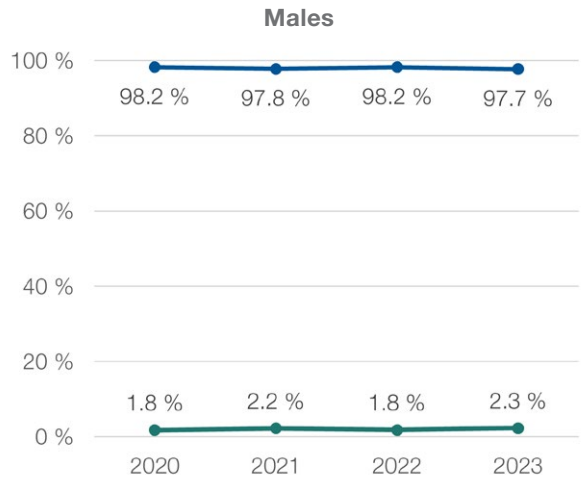


Total Number of Employees

Headcount of Full-Time vs. Part-Time broken down by Year*



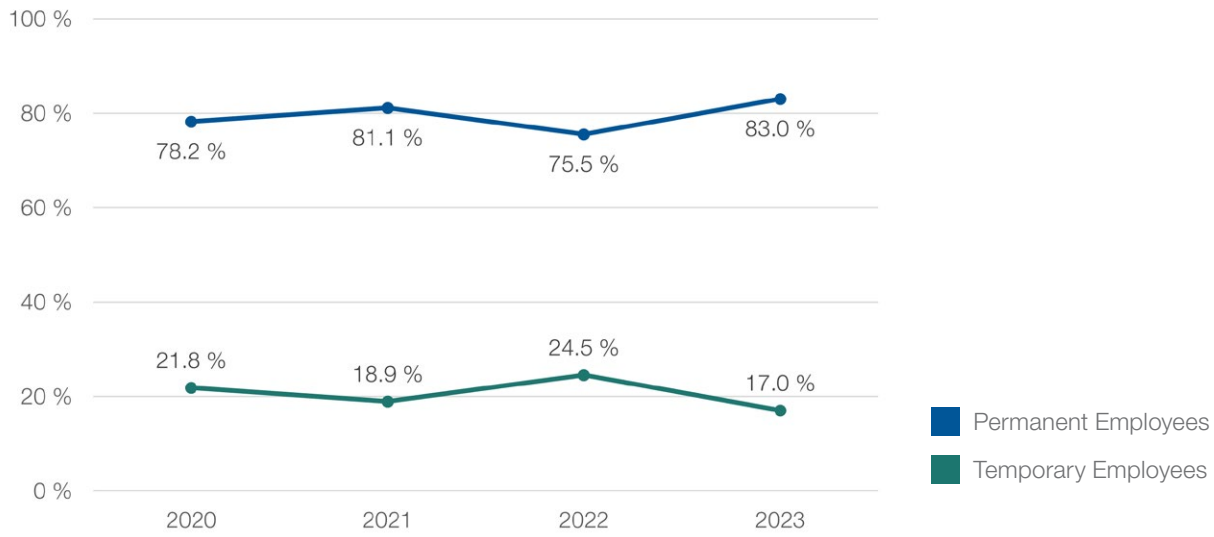




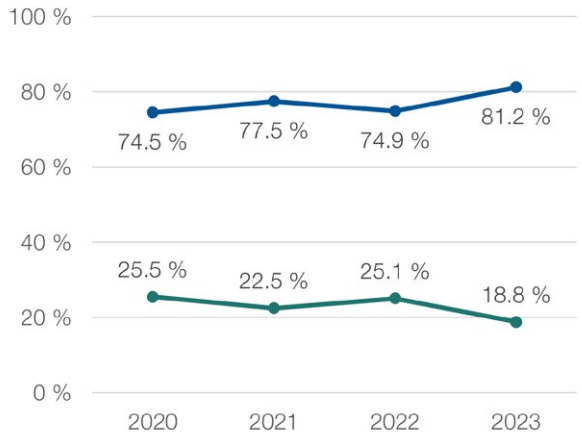
* data for 2024 not yet available

Total Number of Employees

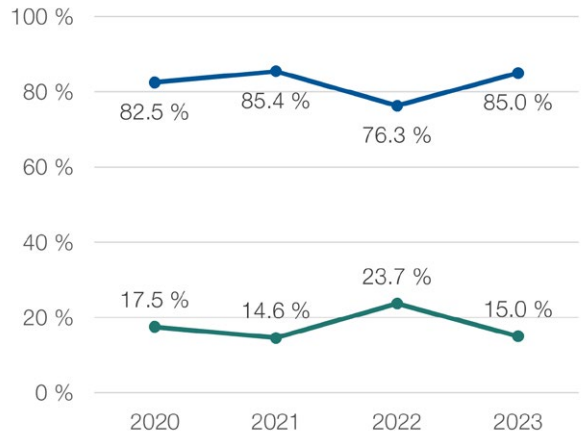
Headcount of Permanent vs. Temporary Employees broken down by Year*



Females



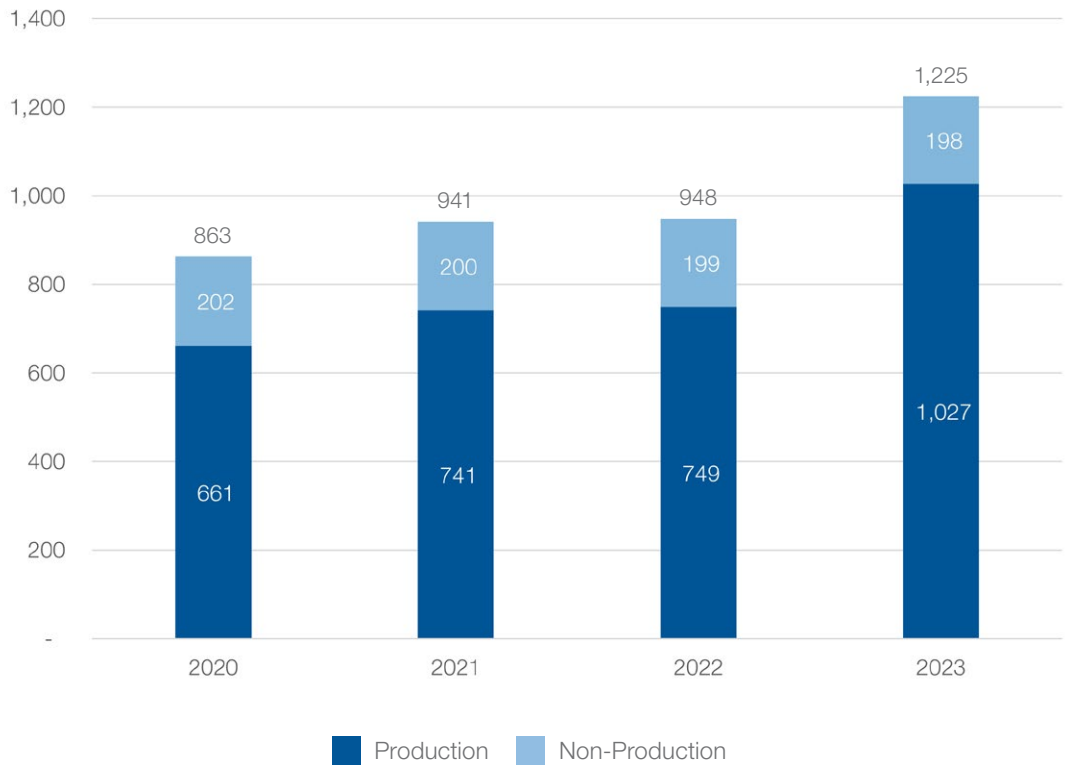
Males



* data for 2024 not yet available

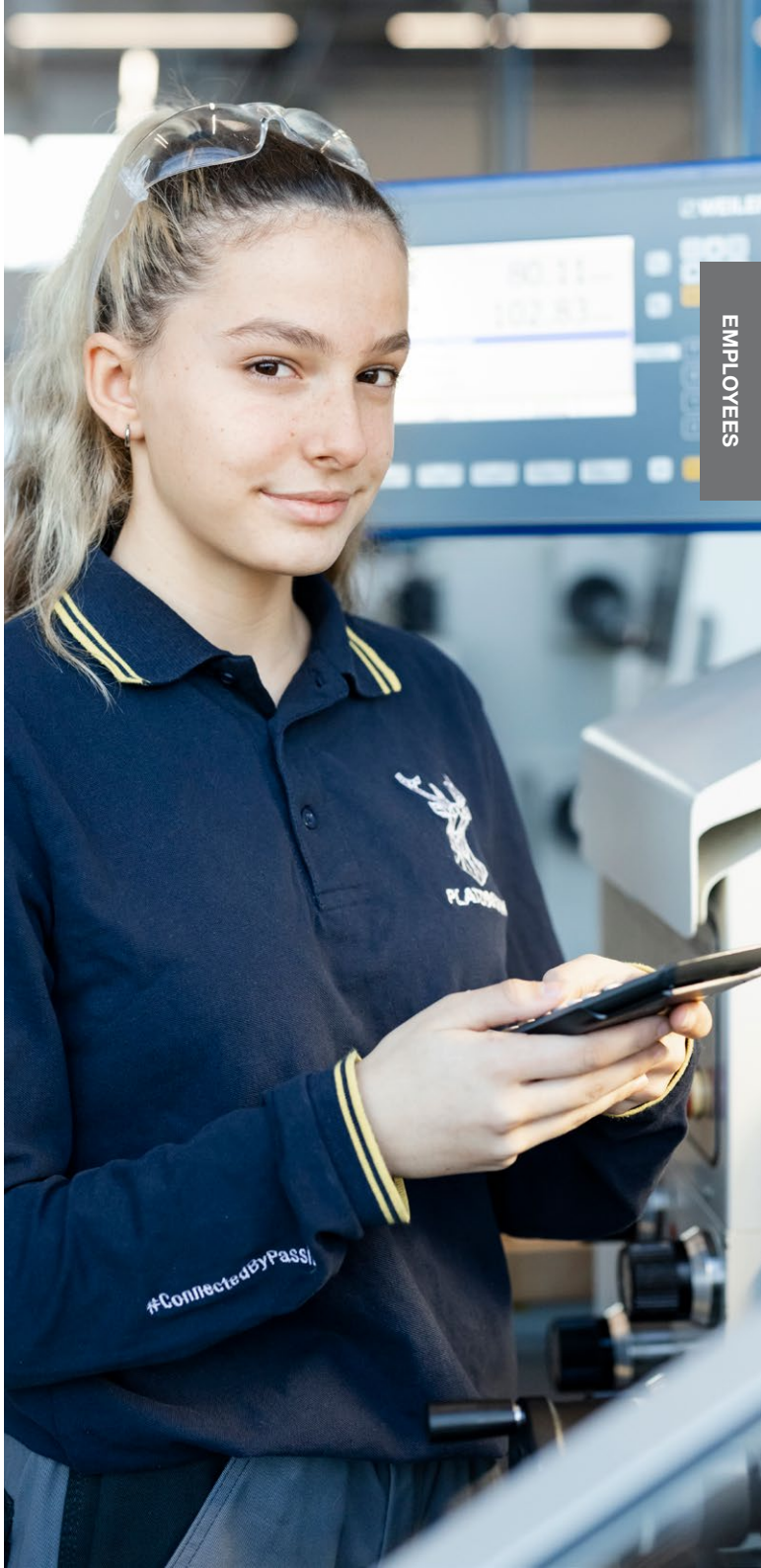
Total Number of Workers who are not employed*

We are hiring workers who are not employees via leasing and service contracts for work in non-production and production.

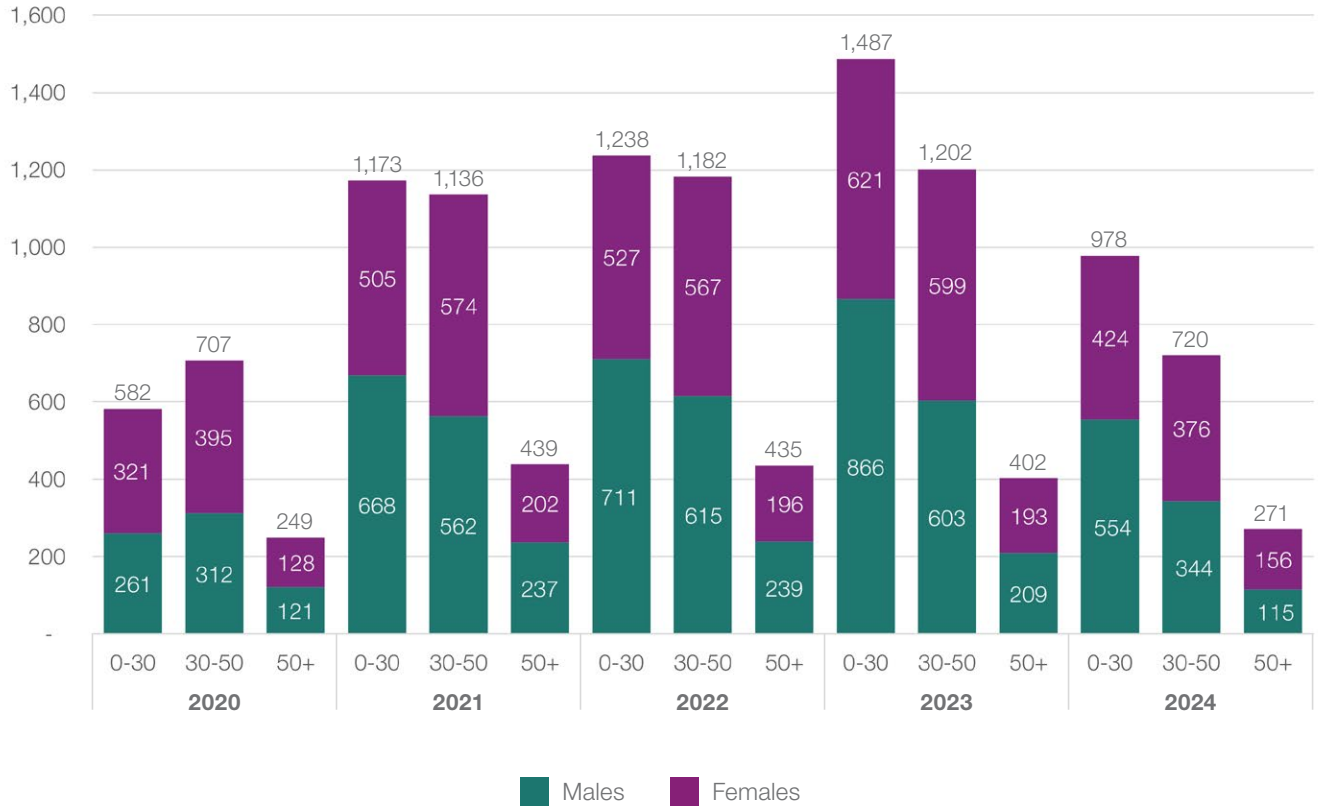


* data for 2024 not yet available

Number of People who joined the Company
by Age Group and Gender



Number of People who left the Company
by Age Group and Gender



MEMBERSHIPS & ASSOCIATIONS GRI 2-30

Hirschmann Automotive GmbH

- Wirtschaftskammer Österreich
- Fachverband der Elektro- und Elektronikindustrie
- ZVEI (Verband der Elektro- und Digitalindustrie)
- Wirtschaftsbund
- Vereinigung der Österreichischen Industrie (Industriellenvereinigung)
- Memberships at various Research Institutions and Networks (Netzwerk Logistik, Plattform V, etc)

Rankweil | AUSTRIA

- (EEEI (Electrical Equipment & Electronic Industry)

San Miguel | MEXICO

- Member for State Institution to Support all Automotive Companies in Guanajuato State
- Claugto

Târgu Mureș | ROMANIA

- Member of Chamber of Commerce from Târgu Mureș County

Nantong | CHINA

- German Chamber of Commerce Shanghai
- Labor Union – Local Government
- Chamber of Commerce-related Human Resources Management

Detroit | USA

- USCAR Council for Connectors

Freyung | GERMANY

- Bayme (Verband der bayerischen Metall- und Elektroindustrie)
- IHK (Industrie- und Handelskammer)
- Maschinenring unterer Bayerischer Wald
- Controller Forum (TH Deggendorf)
- KIST e.V. (Kompetenz- und Innovationszentrum für die Stanztechnologie Dortmund e. V.)
- BBA e.V.
- Creditreform
- Werbegemeinschaft Freyung
- BG Holz und Metall

Kenitra | MOROCCO

- AMICA (Association of Automotive Industry Morocco)

SUSTAINABILITY GOVERNANCE

GRI 2-9 GRI 2-10 GRI 2-11 GRI 2-12 GRI 2-13 GRI 2-14 GRI 2-17 GRI 2-18 GRI 2-19 GRI 2-20 GRI 2-21

Governing an enterprise through change to build a more sustainable, resilient company can be challenging. Just as when you are guiding a vehicle through difficult terrain, you need optimum preparation and robust guidance.

In the subsequent section, we present our Sustainability Governance Structure and examine the nomination and selection processes, delegation of responsibility, impact management, and compliance management in more detail.

GENERAL GOVERNANCE STRUCTURE

By Governance, we understand the complete system by which our organization operates and is controlled and all the mechanisms by which it and its people are held accountable. Governance thus includes a full framework of rules and practices for managing, operating, leading, and monitoring our organization. This includes strategic planning, compliance, risk management, internal control systems, and internal audits. These Governance activities affect the whole organization and all management levels while ensuring a general governance structure in our organization is a core responsibility of the **Supervisory Board** and the **Executive Board**.

Supervisory Board

The Supervisory Board is – in Austria – a legally mandatory board for large, limited liability companies like Hirschmann Automotive GmbH. The **Supervisory Board** consists of members representing the shareholders and members representing the interests of the workforce ("Works Council members"). The Supervisory Board is a core element of our organization's Governance Structure and currently counts six permanent members, consisting of a chairman, three additional shareholder representatives, and two employee representatives, supervising the organization's activities. This Board consists of four non-executive members and two members who are actively working in Hirschmann Automotive GmbH and are members of the Works Council. Their primary duty is consulting, monitoring, and supervising the Executive Board. Moreover, major operating activities resp. decisions by the Executive Board have to be approved by the Supervisory Board (e.g., the decision to build a new plant, the definition of general company policies, or significant investments). Their responsibilities also cover overseeing the management of the organization's impacts on the economy, environment, and people. The members of this Board partly have other functions outside of the company, such as management functions in investment companies, law firms, or other supervisory boards. The gender ratio in the Supervisory Board is 5:1, represented by five men and one woman. The independence of all supervisory board members, freedom from any external influence, and conflicts of interest are guaranteed through the participation of various members representing different interest groups and stakeholders while being balanced by an independent chairman.

Executive Board

Furthermore, the highest level in our organization's operating Governance Structure is the **Executive Board**, consisting of two Executive Board members: the CEO, Angelo Holzknecht, and the CFO, Stefan Tschol. The Executive Board is the highest operational body and is responsible for day-to-day business. It is further responsible for ensuring compliance with applicable laws as well as making decisions on the management of the organization's impacts on the economy, environment, and people. The articles of association and the rules of procedure govern their responsibilities. The members are selected and appointed by the shareholders of the company. Their terms of office are regulated in their employment contracts. The gender ratio in the Executive Board is 2:0, represented by two men and zero women. The independence of all members of the Executive Board, freedom from any external influence, and conflicts of interest are guaranteed through the appointment by the shareholders and respective internal guidelines that create a system of "checks and balances".

In addition to the Executive Board at our organization's headquarters, there are local **Managing Directors** in each plant, who are the highest operating Governance Body locally.

Appointment

The Supervisory Board and the Executive Board members are appointed by the shareholders in the shareholders' meeting. The criteria used for the nomination and selection of the highest governance bodies are decided to the best of the shareholders' knowledge and belief. The chair of the Supervisory Board is elected amongst the members of the Supervisory Board. The members of the Supervisory Board are appointed without limitations of duration.

Management of Impacts

The Executive Board and the Directors of each department have declared the organization's sustainable development one of the **Top Challenges for 2030**.

The different Governance Levels are highly involved in **developing, approving, and updating** Hirschmann Automotive's Sustainability Strategy.

Our vision is to become the »Platzhirsch for Individual Customer Solutions« in the industry, driven by our Core Values:

» **Passion**: We love challenges.
» **Cooperation**: We support each other.
» **Commitment**: We are true to our word.

Managing impacts related to sustainable development is **governed top-down**, while all relevant **stakeholders** are closely involved, and **bottom-up initiatives by employees** are encouraged.

Note: This report does not display the annual compensation ratio due to sensitive, personal information. Management bonuses are linked to the achievement of KPI targets.

Sustainability Governance Overview

The subsequent overview shows our Sustainability Governance, which is divided into three levels: the Sustainability Steering Committee, the Group Sustainability Team, and the Plant Sustainability Teams.

Organizational Hierarchy	Members	Responsibilities
SUSTAINABILITY STEERING COMMITTEE	» Supervisory Board » Executive Board	The **Steering Committee** manages and specifies the Sustainability Strategy, provides the necessary resources, sets specific targets, and defines KPIs.
GROUP SUSTAINABILITY TEAM	» Global Sustainability Management » Directors	The **Group Sustainability Team** coordinates and executes the Sustainability Strategy globally. It raises awareness about the three dimensions and their subtopics among all employees and educates them through individual and AI trainings. It overviews regulations, sets the roadmaps for each year, and is responsible for the global rollout and sustainability reporting.
PLANT SUSTAINABILITY TEAMS	» Plant Managing Directors » Plant Sustainability Coordinators	The **Plant Sustainability Teams** implement the Sustainability Strategy, track and survey the KPIs, collect data, and report to the Group Sustainability Team.

COMPLIANCE MANAGEMENT

GRI 2-15 GRI 2-16 GRI 2-23 GRI 2-24 GRI 2-25 GRI 2-26 GRI 2-27 GRI 2-28

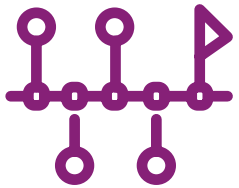
ntegrity and compliance are fundamental values of Hirschmann Automotive. We have, therefore, implemented a state-of-the-art Compliance Management System (CMS) that is based on our strategy, vision, and values as well as accompanied by regular compliance communication from our Top Management ("tone from the top"). Our CMS is a robust framework designed to prevent, detect, and manage compliance risks while fostering a culture of integrity and accountability. Overall, our CMS comprises the following core elements:

Prevent

- Compliance Analysis
- Code of Conduct
  - Guidelines
  - Trainings
  - Awareness
- Emergency Plans
- Compliance Help Desk

Detect

- Whistleblowing System
- Ombudsman & Works Council
- Compliance Audits & Reviews
- Business Partner Checks



React

- Internal Investigations
- Implementation of Measures (to stop misconduct and avoid incidents in the future)
- Damage Claims & Labor Law Consequences

This CMS emphasizes a culture of continuous improvement, with regular reviews and updates to adapt to evolving regulatory landscapes. In addition, Hirschmann Automotive's Compliance team has implemented regular compliance reports to the Executive Board.

By adopting a proactive and comprehensive CMS, our organization aims to not only meet regulatory and legal requirements but also to encourage an environment that values integrity, transparency, and ethical conduct at every level and on a global scale.

CODE OF CONDUCT

Code of Conduct for Employees

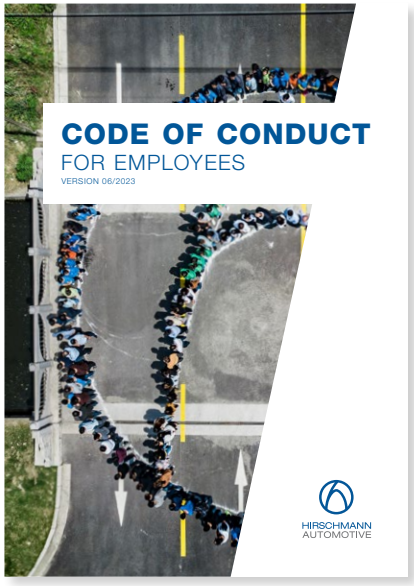
Hirschmann Automotive has established an internal **Code of Conduct for Employees** worldwide to ensure they comply with applicable laws and accept their social and ecological responsibility. The Code of Conduct for Employees serves as a worldwide standard for the behavior of all employees. It is based on the United Nations Global Compact Principles and is characterized by openness, honesty, transparency, and fairness.

The Code of Conduct for Employees applies to all Hirschmann Automotive employees, including managers, employees, workers, employees on a contractual basis, leasing workforce, etc., and is published on our website.

The Code of Conduct for Employees obliges employees to act by laws, regulations, and guidelines. It ensures legally compliant behavior, responsible action, fair and respectful interaction, sustainability, and integrity throughout the Hirschmann Automotive Group. Based on the UN Global Compact, human rights are defined within the section of social responsibility: any form of discrimination, sexual harassment, child labor, or any form of slavery is strictly prohibited.

Working hours and remuneration must be by applicable legal standards, while Hirschmann Automotive respects the rights and freedom of association of its employees by observing the relevant legal standards. The safety and health of the employees are of the utmost priority to Hirschmann Automotive, which is why high safety standards are applied at all workplaces and an appropriate working environment is created.

The Code of Conduct for Employees can be found *here*.

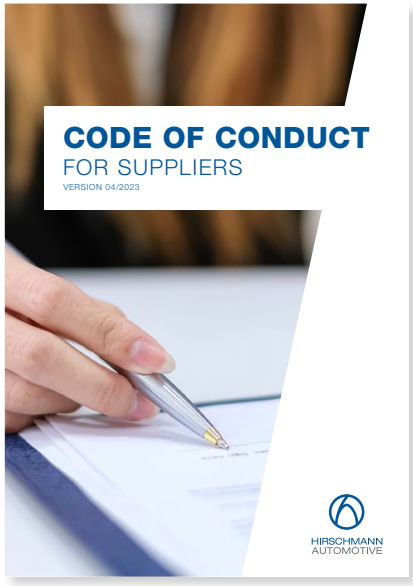


Code of Conduct for Suppliers

Next to the Code of Conduct for Employees, Hirschmann Automotive has established a **Code of Conduct for Suppliers**. This document is mandatory for all suppliers and ensures their compliance with all national and international applicable guidelines, laws, and regulations on the topics of environment, climate protection, social affairs, supply chain due diligence, and governance. Hereby, the Environmental Social Governance (ESG) guidelines, the United Nations Global Compact Principles, and the European Sustainability Reporting Standards (ESRS) serve as guidelines.

Chapter 2 particularly mentions the section on human rights, which focuses on respect for human and labor rights. Hereby, Hirschmann Automotive refers to the international human rights code of the United Nations (UN), the UN Guiding Principles on business and human rights, the Ten Principles of the UN Global Compact, and the internationally recognized standards of the International Labor Organization (ILO).

The Code of Conduct for Suppliers can be found *here*.



Compliance with Laws and Regulations

Hirschmann Automotive is unaware of any non-compliance with environmental laws or regulations relating to its operations or activities from January 1, 2020, to December 31, 2024.

We are currently extending our Code of Conduct for Suppliers to all Business Partners in compliance with applicable law and international regulations. The Code of Conduct will be shared via NQC and on our Website in Q2 2025.

PREVENTING CONFLICTS

The Governance Structure at Hirschmann Automotive creates a system that prevents non-compliance or conflicts and mitigates risks for the organization from the beginning. Hirschmann Automotive follows the **three lines of the defense model**, where governance bodies (1), management (2), and internal audit (3) work closely together.

In addition, the four-eye principle is used for every important decision. The internal **Code of Conduct for Employees** further defines clear behavioral rules for all employees globally and serves as an expression of our commitment to Sustainable Corporate Governance accompanied by social and ecological responsibility.

Whistleblower Mechanism

Legal compliance and integrity are top priorities at Hirschmann Automotive. To safeguard these values and avoid possible breaches of the relevant regulations, it is crucial that misconduct or wrongdoing is identified, reported, investigated, and eliminated at an early stage. Therefore, Hirschmann Automotive has established a global, secure, and confidential whistleblowing system that allows completely anonymous reports.

Our **Whistleblower Mechanism** offers everyone (internally and externally) the possibility to (also anonymously) raise concerns about non-compliance with Codes of Conduct or applicable laws. No critical concerns were reported within the reporting period for January 1, 2020, and December 31, 2023.

Which breaches can be reported?

The Hirschmann Automotive whistleblowing system shall be used to report (suspected) violations of applicable laws as well as violations of the Codes of Conduct.

How can a report be filed?

The Hirschmann Automotive Whistleblowing System is available to our employees and external persons (such as customers and suppliers) worldwide and online around the clock. Confidential or anonymous reports can be filed via the following independent reporting channels: online, via e-mail, by phone, by regular mail, or in person (if desired).

Our Whistleblowing System guarantees the greatest possible protection for whistleblowers. All reports are, therefore, handled with the utmost confidentiality. Submitting reports and/or communicating with us completely anonymously via our Whistleblowing System is also possible.

OUR MATERIAL TOPICS

GRI 2-29 GRI 3-1 GRI 3-2 GRI 3-3

Our selected Material Topics are considered to have the most significant impact on the business activities of Hirschmann Automotive and its stakeholders. They, therefore, determine the structure of the GRI Report.

1st Step: Stakeholder Analysis

As preparation for the selection process, Hirschmann Automotive conducted a stakeholder analysis that served as the basis for identifying possible material topics. With special regard to the upcoming double materiality analysis for mandatory CSRD Reporting, we plan on carrying out a stakeholder analysis on an annual basis that incorporates all relevant interests and guarantees the implementation of the needs of our stakeholders into our Sustainability Strategy.

Stakeholder Communication
General communication with stakeholders happens regularly in frequent meetings and personal exchanges.

		Communication Channel
Internal Stakeholders	**Employees**	» Wiki as IT-supported communication » printed media » meetings (face-to-face, online) » social media
External Stakeholders	**Customers**	» meetings (face-to-face, online) » information on products (product flyer, product catalog, etc.) » processing of customer portals » data exchange (EDI, Catia, etc.) » in written form (e.g., by mail, contracts, etc.) » company website
	Suppliers & Contractors	» meetings (face-to-face, online) » data exchange (EDI, Catia, etc.) » in written form (e.g., by mail, contracts, etc.) » company website
	Competitors	» in written form (e.g., by mail, contracts, etc.) after a confidentiality agreement » meetings (face-to-face, online)
	Government, Authorities, Institutions	» in written form (e.g., by mail, contracts, etc.) » meetings (face-to-face) » processing of portals
	Bank & Insurance	» in written form (e.g., by mail, contracts, etc.) » meetings (face-to-face)
	Owner (only relevant for RW plant)	» in written form » meetings (face-to-face)
	Energy, Gas & Water Providers	» in written form (e.g., by mail, contracts, etc.) » meetings (face-to-face) » external support, hotline
	Internet Providers/Data Storage	» in written form (e.g., by mail, contracts, etc.) » meetings (face-to-face) » external support, hotline
	Neighborhood	» in written form » meetings (face-to-face)
	Public & Media	» in written form » meetings (face-to-face) » social media » company website » information on products (product flyer, product catalog, etc.)
	Flora & Fauna	» no communication: please read the part of our *Material Topics* | *Ecology* to see how we consider flora and fauna in our value chain

2nd Step: Material Topics Assessment

In the second step, the Material Topics were assessed in a workshop with representatives from different departments, including Quality, Facility Management, Risk Management, Logistics, Purchasing, Human Resources, Finance, and Communication. An external consultant was involved in overseeing the process and coordinating the workshop.

In total, 23 topics were assessed in terms of the impact on Hirschmann Automotive's business activities and impact on society and the environment.

The following criteria were used to assess the Topics:

Dimension of Impact	
qualitative	**quantitative**
5	very high
4	high
3	middle
2	low
1	minimal
0	no

Spread of Impact	
qualitative	**quantitative**
5	globally
4	widespread
3	middle
2	concentrated
1	restricted
0	no

Recoverability	
qualitative	**quantitative**
5	irreversible
4	very difficult to fix or fixable in the long-term
3	difficult to fix or fixable in the mid-term
2	fixable with effort (time and money)
1	relatively easy to fix in the short-term
0	very easy to fix

Probability and Frequency			
qualitative		**quantitative**	
100 %	> 75 %	very high	several times a year
90 %	> 50 %	high	yearly
75 %	> 25 %	middle	every 2 years
50 %	< 10 %	low	every 5 years
25 %	< 5 %	minimal	every 10 years
10 %	0 %	zero	never

OUR COMMITMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, a global initiative adopted by all United Nations Member States in 2015, is underpinned by the 17 United Nations (UN) Sustainable Development Goals (SDGs). These SDGs are considered the cornerstone of the UN 2030 Agenda and encompass the most crucial areas of action to advance sustainable development across social, ecological, and economic dimensions for both developed and developing nations.[1] Those goals serve as a blueprint for peace and prosperity for people and the planet, fostering worldwide sustainable development.

Businesses, in particular, significantly influence the creation of more sustainable practices by considering social, economic, and ecological aspects. We are highly committed to the eco-friendly management and growth of the Hirschmann Automotive Group within our Agenda 2030, which aligns with the Agenda of the United Nations.

With our eleven ambitious key action fields, we are actively contributing to 8 of the Sustainable Development Goals:

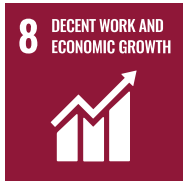
Economy

» Digitalization in Production
» Technology and Product Innovation
» Supply Chain and Purchasing

SDG 8 Decent Work and Economic Growth
Hirschmann Automotive Group enables work for more than 7,630 employees worldwide. Through our large procurement volume of materials under the local-for-local principle, we create employment on four continents with seven production sites. We respect and protect human rights alongside our business units and in our whole supply and value chain.

SDG 9 Industry, Innovation and Infrastructure
With high investments and a strong focus on the eMobility market, Hirschmann Automotive is actively promoting the industry's green mobility transformation process. Continuous improvement in our material sourcing and product design, innovation, and adaptation are critical drivers of our success story.

SDG 12 Sustainable Consumption and Production
The Hirschmann Automotive Group is actively promoting sustainable production practices while considering various levers to reach these goals: reducing the use of raw materials, enhancing the use of recycled and CO_2-reduced materials, using efficient cooling and heating methods for production, increasing the supply of green energy up to 100 % by 2025/2026.



[1] United Nations. Department of Economic and Social Affairs, available at *https://sdgs.un.org/goals.*

Ecology

» Climate Protection & Decarbonization
» Logistics & Transportation
» Resources & Conflict Minerals
» Energy

SDG 7 Affordable and Clean Energy
By 2025/26, the group aims to use 100 % green energy across all plants with its own photovoltaic systems and green energy certificates.

SDG 13 Climate Action
By 2039, the group aims to become carbon neutral across Scopes 1, 2, and 3 by setting ambitious plant targets and implementing CO_2-reduced measures across all business processes.

Social Affairs

» Education & Training
» Diversity & Equal Opportunities
» Attractive Employer
» Occupational Safety & Health Protection

SDG 1 No Poverty
Employees are the core of our business activities. We are therefore highly committed to providing long and stable working contracts, good working conditions, fair wages, social commitment in emergency situations, and multiple social benefits. Especially in regions with low salaries, we create attractive positions paid above the minimum daily wage level.

SDG 3 Good Health and Well-Being
We are actively promoting the well-being and health of our employees through different social initiatives and benefits at all plants, such as medical services, plant doctors, sports initiatives, etc.

SDG 5 Gender Equality
Diversity, inclusion, and gender equality are incredibly close to our hearts. With 51 % female employees worldwide and 20 % women in leadership positions, we continuously improve the working conditions for women to build attractive careers.

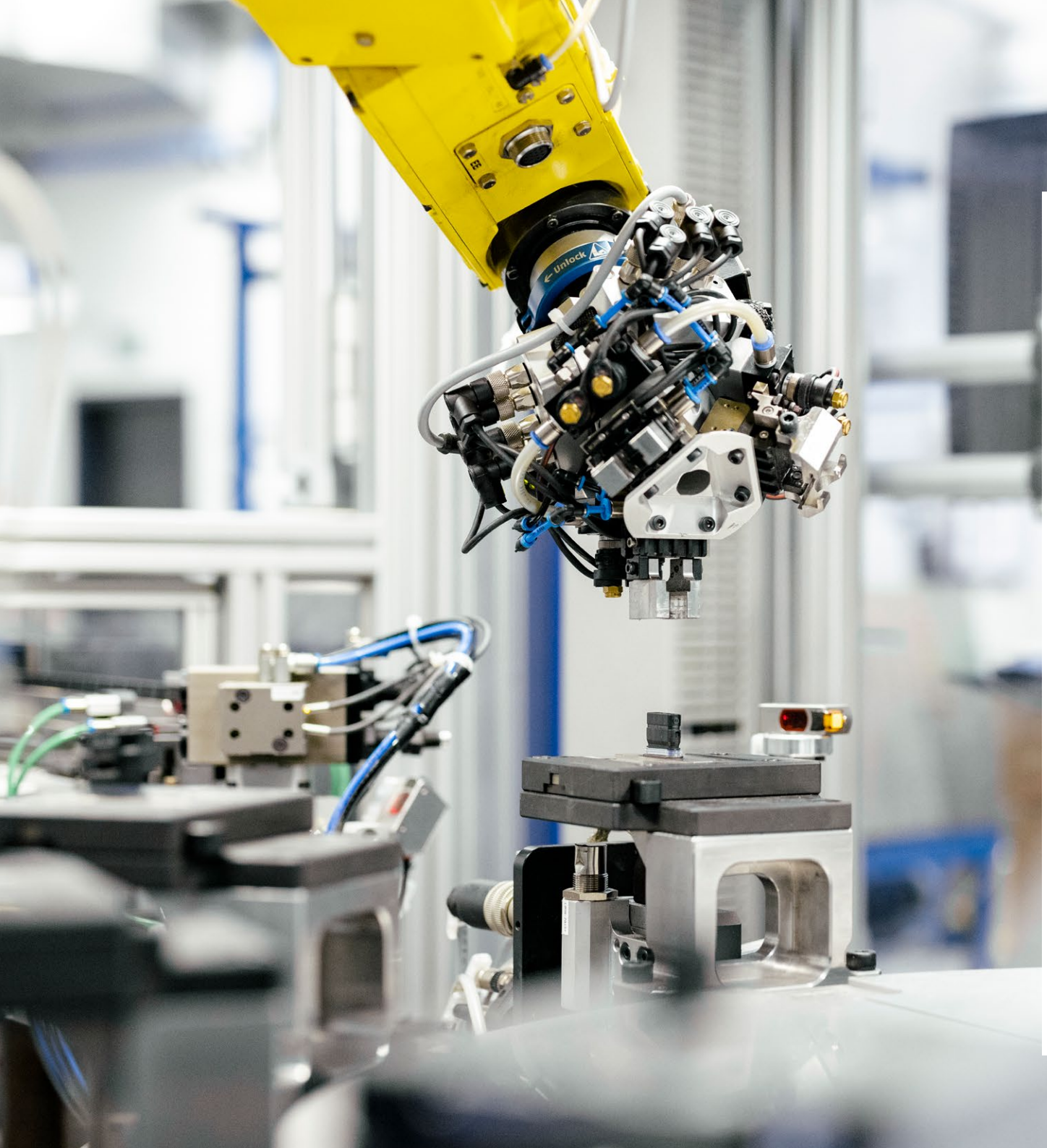
The subsequent 11 Material Topics were chosen to impact our three sustainability dimensions most:

ECONOMY

ECOLOGY

SOCIAL AFFAIRS

We report in detail by describing the relevance of the topic and its impact within the three dimensions. We have conducted quantitative and qualitative data for each Topic to identify relevant KPIs and set goals for 2025 and 2030. The 2021 GRI Topic Standards were used to report information when applicable. The relevant topics significantly contribute to determining the financial risks and opportunities related to the organization's impact. The Material Topics were reviewed and approved by the Executive Board.



ECONOMY

Shaping the Future of the Automotive Industry

In an era marked by environmental challenges and evolving consumer preferences, we recognize sustainability's critical role in shaping our industry's future. With our agenda for 2030, we have set the business goal to reach one billion euros in sales through sustainable and profitable growth by 2030. Therefore, within this section, we report on our main development fields for sustainable business practices for Hirschmann Automotive. We highlight our initiatives, strategies, achievements as well as challenges that not only drive economic growth but also contribute to a more responsible and resilient automotive sector.

Explore the subsequent pages to discover how we are pioneering sustainable practices and embracing innovation to create a more responsible economic future for all stakeholders.

Our focus development areas are:

» Digitalization in Production
» Technology and Product Innovation
» Supply Chain and the Purchasing of Materials

DIGITALIZATION IN PRODUCTION

❝ The digitalization of our production process sets the foundation for a whole new dimension of transparency on the shop floor. With the recorded data, we can measure our effectiveness in real-time, analyze planned and unplanned downtimes, and react to deviations with predictive analytic capabilities in real-time. This enables us to produce in a more resource-saving and efficient way by acting correctly and with the right proactive approach, which in turn makes a sustainable contribution to our Corporate Goal for 2030. Because you can only improve what you measure”

- Thomas Janc, Technology Director

DIGITALIZATION AS DRIVING FORCE FOR SPEED & FLEXIBILITY

Digitalization ranks among the **top challenges** within our Agenda 2030. Therefore, we have decided to spotlight the automatization of our production processes. To us, this process means a constant increase in efficiency at the workplace level. To achieve our sustainability goal, we are focusing on paperless production and the connection of machines through a gradual conversion to fully automated processes, driven by some of our Key Success Factors: **speed and flexibility**.

As early as 2016, the Hirschmann Automotive Group started the megaproject automation and digitalization.

PIONEERING PROGRESS: FULL-AUTOMATION PROJECT TAKES THE LEAD

We collaborated with the Hirschmann Automotive team and our Lean Logistic Experts to find a holistic concept for process automation. The output was an ideal concept for our production site in Vsetín: we significantly increased efficiency, flexibility, and workplace security. In short, **a milestone towards creating a smart factory and unmanned production was set**.

The tailor-made solution at our competence center for injection molding enables a seamless flow of materials between incoming goods, injection molding machines, packaging systems, assembly stations, high-bay warehouses, granulation, and outgoing goods. The ARCs (Autonomous Robotic Carriers) move goods according to the pull principle and thus ensure maximum process reliability and space savings in the entire warehouse and production logistics. This system is additionally being implemented in production in Rankweil and is already partly in use in Târgu Mureș.

BENEFITS OF DIGITALIZATION AND AUTOMATION OF PRODUCTION PROCESSES:

We have developed a classification system with three levels of automation to transparently report on the status quo of digitalization in each production plant.

LEVEL	LEVEL 1	LEVEL 2	LEVEL 3
Automation Status Quo	**basic automation:** production processes still run manually, only a few processes are connected to systems	**partial automation:** systems are partly connected, while some production processes still run manually	**high-end automation:** systems are entirely connected, continuous data retrieval
Logistic Concept	manual “milk run”	semi-automatic transportation of products into the warehouse	fully automated transportation of products into the warehouse
Quality Concept	production quality system with paper and limited digital support	semi-automatic quality system in use for failure collecting cards and in process control	fully automated process control and self-healing capabilities
Production Plants	Kenitra, Freyung, San Miguel	Rankweil, Târgu Mureș (plant 1 & 2)	Nantong, Vsetín, Rankweil (Segment 3 & 4)
Plans for 2024 & 2025	Kenitra, Freyung, San Miguel: extend to level 1		
Plans of 2030		Târgu Mureș (plant 2): partial automation, AGVs (Automatic Palletizing Robots): Nantong, San Miguel, Freyung, Kenitra	Rankweil: full automation, increase degree of automatization through additional AVGs for Hall 1, automatic palletizing robots

AGVs = Automated Guided Vehicles

This overview depicts the degree of automation of production in our plants and the plans for 2025 as well as for 2030.

LEVEL 1

The plants in Nantong, San Miguel, Freyung, and Kenitra are currently at digitalization level 1. There is little or no automation; production processes are often handled manually, and only a few are connected to machines. The logistical concept behind this is the classic “milk run” model, which ensures that materials are provided as required.

The manual approach is advantageous for certain production steps, which is why we are not planning full automation in these plants.

LEVEL 2

Automation level 2 is implemented at the plants in Rankweil and Târgu Mureș 1, where systems are partially connected while other production steps are still carried out manually. The logistics concept includes the semi-automated transport of products to the warehouse. This level is also planned for the plants in Nantong, San Miguel, Freyung, and Kenitra, as well as for Târgu Mureș 2 by 2030.

LEVEL 3

Our first SMART Factory, characterized by high-end automation, was created at our Vsetín plant. The systems are fully networked, enabling continuous data collection. The logistics concept behind it includes the fully automated transportation of products to the warehouse. In 2024 and 2025, this system will be available in Rankweil in Segments 3 and 4. Full automation in Hall 1 is planned for Rankweil in 2030.

The graphs below depict an overview of SMART Lines from 2021 to 2024 no data available for 2020

Line-Output by SMART and Non-SMART
in pieces, each part is counted in relation to all parts
incl. multiple counts

Plant Name	SMART-% 2021	SMART-% 2022	SMART-% 2023	SMART-% 2024
Freyung	0 %	0 %	0 %	0 %
Kenitra	0 %	6 %	15 %	15 %
Nantong	24 %	57 %	81 %	81 %
Rankweil	0 %	0 %	0 %	70 %
San Miguel	0 %	0 %	0 %	0 %
Târgu Mureș 1	23 %	11 %	0 %	0 %
Târgu Mureș 2	14 %	7 %	7 %	7 %
Vsetín	95 %	98 %	99 %	99 %

Quota of SMART-Lines in Relation to all Lines
as soon as a line is smart, the entire line is counted as smart
(in relation to all production lines)

Plant Name	SMART-% 2021	SMART-% 2022	SMART-% 2023	SMART-% 2024
Freyung	0 %	0 %	0 %	0 %
Kenitra	0 %	5 %	6 %	6 %
Nantong	19 %	21 %	27 %	27 %
Rankweil	0 %	0 %	0 %	27 %
San Miguel	0 %	0 %	0 %	0 %
Târgu Mureș 1	0 %	0 %	0 %	0 %
Târgu Mureș 2	16 %	20 %	21 %	21 %
Vsetín	93 %	95 %	95 %	95 %

TECHNOLOGY AND PRODUCT INNOVATION

“We see technology and product innovation as the key factor for safeguarding and further developing our core markets in the automotive industry. On the one hand, this refers to general new developments of products and processes, but also to the optimization of existing technologies.”

- Alexander Schmid,
Product Development Director

Currently Running Projects:

- 25 % of our innovation projects focus on reducing the CO_2 footprint of our products.
- 23 % of our research & development projects are related to sustainability.
- In 2023, 33.7 % of our general project costs went into high-voltage project costs.

INVESTING IN THE FUTURE

As the »Platzhirsch« in the automotive industry, we always aim to take some steps upfront. That's why, more than 10 years ago, Hirschmann Automotive started to design products for the new high voltage (HV) applications to enter the eMobility market.

We developed and released new terminal systems (like the HCT4) and connectors (like the HPS40-2). We further added complete HV harnesses to our broad HV portfolio. The early investment in this field became a success story: within the last few years, our HV products have become the new standard products in the automotive sector. Today, our focus lies on constantly improving our products and materials to guarantee the sustainable growth of our business.

Our broad product range is revolutionizing how we move, taking every step towards a greener planet. Every product improvement should contribute to Hirschmann Automotive's sustainability targets. We work closely with our customers and suppliers to reduce our corporate carbon footprint, waste, and water consumption.

This section showcases our commitment to pushing the boundaries of what's possible by starting at the heart of our production: our materials.

“ Based on intensive discussions with material manufacturers and regular exchanges with various interest groups, we see a major trend towards sustainable plastics. I firmly believe that intelligently selected materials, in addition to other optimization options, of course, can significantly contribute to improving the carbon footprint in the automotive industry. Together with our Plastics Engineering team, we are constantly evaluating materials to reduce the carbon footprint of our products and our company.”

- Markus Battisti, Global Head of Research & Development

Share of HV Project Costs in Total Project Costs for PEP & INP Projects

	2020	2021	2022	2023	2024
OPEX*	16.7 %	24.6 %	26.9 %	33.7 %	42.2 %
Increase		7.9 %	2.3 %	6.7 %	8.5 %

* OPEX = Operational Expenditures

MATERIAL MASTERY:
TACKLING OUR CORPORATE CARBON FOOTPRINT AT THE SOURCE

It is widely acknowledged that material production causes over half of greenhouse gas (GHG) emissions throughout different industries.[2] Five key material groups are considered highly CO_2 intensive: steel, cement, plastic, paper, and aluminum. Together, they contribute 56 % of CO_2 emissions to industrial emissions worldwide (and 36 % of CO_2 emissions caused by energy and process emissions).[3] Even though plastic only makes up to 5 % of worldwide industrial emissions,[4] it is a highly required material for the automotive industry (approximately 20 % of plastic is used in an average electric car). Around 7,500 tons of granulate are annually purchased to produce our broad product portfolio, while approximately 90 % of our products contain plastics.

Why do we currently focus on the optimization of plastic?

The main reason is that we purchase this material directly from the manufacturer and can, therefore, exert a direct influence. Plastic further offers great potential for the reuse and recycling of material: a circular economy is considered one of the most important strategies to reduce the CO_2 footprint of material used.[5] Thus, we are currently testing different sorts of granulated and less CO_2-intensive plastics to significantly contribute to decreasing our products' carbon footprint.

[2] Hertwich, Edgar G. "Increased carbon footprint of materials production driven by rise in investments." Nature Geoscience 14.3 (2021): 151-155.

[3] Allwood, J. M., Cullen, J. M. & Milford, R. L. Options for achieving a 50% cut in industrial 185 carbon emissions by 2050. Environmental Science and Technology 44, 1888–1894 (2010), p. 1888.

[4] Allwood et al. 1888–1894 (2010), p. 1888.

[5] Hertwich, Edgar G. (2021): 151-155.

LEADING THE WAY: SUSTAINABLE MATERIALS RESEARCH INITIATIVES

Ongoing Projects

1. Research on Increase of Proportion of Regranulate

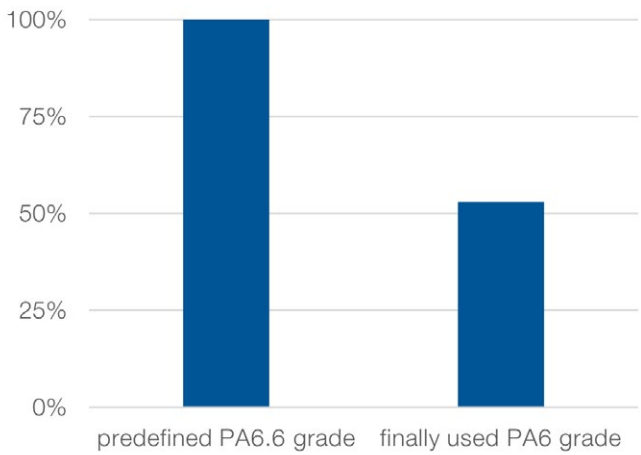
In close consultation with our customers, we gradually increase the proportion of recycled pellets. The recycling rate depends on the component function and the technical requirements. For less complex components with low requirements, we are able to use high-content regranulate proportions. Regranulate is partly produced through in-house recycled material, which reduces waste and decreases the CO_2 footprint of our products. We additionally buy regranulate on top whenever it's needed.

The in-house recycling is carried out in 8 steps:

2. Use of More Sustainable Plastics

The environmental challenges posed by traditional plastics, such as pollution and resource depletion, make the search for alternative plastic materials obligatory. Through innovative solutions, we aim to mitigate the negative impacts of plastics on our planet, offering sustainable, eco-friendly, and resource-efficient alternatives. Therefore, we are testing virgin materials with a better CO_2 footprint, such as PA6 instead of PA6.6.

In previous projects, the PCF was reduced by almost 50 % compared to the initially requested material grade.



3. Creating Material Databases

Our material database currently contains technical data sheets, while plastics are selected according to material requirements. Our plans involve further considering each plastic's CO_2 footprint equivalent, making this parameter relevant as a technical and environmental requirement for purchasing decisions.

Purchasing material is a significant lever for decreasing individual and corporate CO_2 footprints, which is why we see great potential for CO_2 reduction measures in this process.

4. Alternative Plastic Materials

Furthermore, we are testing bio-based plastics, such as plastics based on ricinus oil.

In 2024, we started to test and compare various sustainable plastics according to customer requirements, such as post-industrial and post-consumer recycled, bio-mass balanced types, and chemical recycled materials.

5. Calculating the Product Carbon Footprint

In 2024, we started calculating the PCF for one of our best-selling products. This will be our first pilot project to gain an even better understanding of which processes have the greatest impact on Hirschmann Automotive products' carbon footprint.

SUPPLY CHAIN AND PURCHASING

RESPONSIBILITY ON A GLOBAL STAGE

With global supply chains and sourcing locations around the globe, enormous responsibility emerges. It means encompassing environmental and social impacts up to the utmost supply chain when we purchase raw materials and equipment for Hirschmann Automotive's business activities.

With more than 800 direct and indirect suppliers worldwide and resources sourced from different continents, we have set ourselves the goal of screening our supply chains according to various sustainability criteria. Because at Hirschmann Automotive, responsibility begins at the outermost link in the supply chain.

This chapter explains how we reduce our environmental impact, enhance transparency, and promote ethical practices throughout our supply chain. Our highlight is our upstream supply chain, our suppliers' compliance with social and environmental standards, and our strategy for the upcoming years.

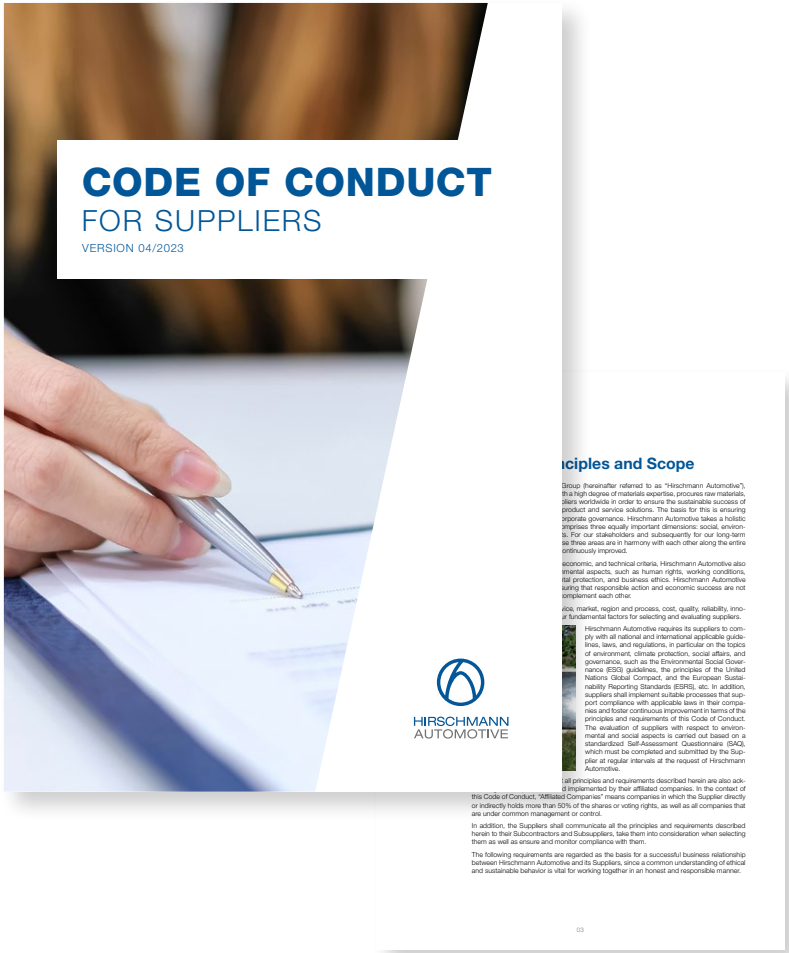
DRIVING TRANSPARENCY:
OUR EVALUATION PROCESS OF SUPPLIERS

The careful selection of suppliers is essential for our business activities worldwide. In this document, we showcase how we currently regulate our upstream supply chain, to what extent we take social and environmental aspects into account when purchasing materials and equipment, and what measures we are taking for the future.

Code of Conduct for Suppliers

Hirschmann Automotive has established a **Code of Conduct for Suppliers**. This document requires our suppliers to comply with all applicable national and international guidelines, laws, and regulations on the topics of environment, climate protection, social affairs, and governance. The Environmental Social Governance (ESG) guidelines, the United Nations Global Compact Principles, and the European Sustainability Reporting Standards (ESRS) serve as guidelines.

Human and labor rights are mentioned in chapter 2 in our Code of Conduct for Suppliers. Hereby, Hirschmann Automotive refers to the International Human Rights Code of the United Nations (UN), the UN Guiding Principles on Business and Human Rights, the Ten Principles of the UN Global Compact, and the internationally recognized standards of the International Labor Organization (ILO). The Code of Conduct for Suppliers can be found *here*.


CODE OF CONDUCT
FOR SUPPLIERS
VERSION 04/2023

HIRSCHMANN
AUTOMOTIVE

ciples and Scope

Group (hereinafter referred to as "Hirschmann Automotive"), th a high degree of materials expertise, procures raw materials, pliers worldwide in order to ensure the sustainable success of product and service solutions. The basis for this is ensuring rporate governance. Hirschmann Automotive takes a holistic mprises three equally important dimensions: social, environ- s. For our stakeholders and subsequently for our long-term se three areas are in harmony with each other along the entire continuously improved.

economic, and technical criteria, Hirschmann Automotive also mental aspects, such as human rights, working conditions, tal protection, and business ethics. Hirschmann Automotive suring that responsible action and economic success are not complement each other.

ice, market, region and process, cost, quality, reliability, inno- r fundamental factors for selecting and evaluating suppliers.

Hirschmann Automotive requires its suppliers to comply with all national and international applicable guidelines, laws, and regulations, in particular on the topics of environment, climate protection, social affairs, and governance, such as the Environmental Social Governance (ESG) guidelines, the principles of the United Nations Global Compact, and the European Sustainability Reporting Standards (ESRS), etc. In addition, suppliers shall implement suitable processes that support compliance with applicable laws in their companies and foster continuous improvement in terms of the principles and requirements of this Code of Conduct. The evaluation of suppliers with respect to environmental and social aspects is carried out based on a standardized Self-Assessment Questionnaire (SAQ), which must be completed and submitted by the Supplier at regular intervals at the request of Hirschmann Automotive.

all principles and requirements described herein are also ack- d implemented by their affiliated companies. In the context of this Code of Conduct, "Affiliated Companies" means companies in which the Supplier directly or indirectly holds more than 50% of the shares or voting rights, as well as all companies that are under common management or control.

In addition, the Suppliers shall communicate all the principles and requirements described herein to their Subcontractors and Subsuppliers, take them into consideration when selecting them as well as ensure and monitor compliance with them.

The following requirements are regarded as the basis for a successful business relationship between Hirschmann Automotive and its Suppliers, since a common understanding of ethical and sustainable behavior is vital for working together in an honest and responsible manner.

03

NQC Platform

The NQC Platform Supplier Evaluation is a comprehensive assessment tool designed to evaluate suppliers based on various criteria such as quality, reliability, responsiveness, and compliance. It aims to ensure that suppliers meet the standards and requirements set by the NQC (National Quality Control) platform. This evaluation helps in identifying the most suitable suppliers for partnering with NQC, ensuring efficient and reliable supply chain operations.

Hirschmann Automotive joined the NQC platform in 2023 and launched the first supplier campaigns in the past two years. By today,108 key suppliers were screened according to the subsequent criteria:

Company Management | **Health & Safety** | **Business Ethics** | **Responsible Sourcing of Raw Materials** | **Human Rights & Working Conditions** | **Environment** | **Responsible Supply Chain Management**

Our goal is to consequently onboard all suppliers on this platform and make compliance with our Code of Conduct for Suppliers and the criteria of the NQC Platform a mandatory criterion for mutual cooperation. We are further planning to incorporate the request for CO_2 data via this platform to track the carbon footprint of product delivery in our upstream supply chain. Suppliers are frequently audited according to IATF 16949 and ISO 14001 criteria.

SUSTAINABLE PURCHASING PRINCIPLES

Next to evaluating our supply chain, we also strongly focus on sustainable purchasing methods for our materials and equipment. Overall, we have implemented the local-for-local principle, which means that whenever possible, we opt for the most local supplier possible for each plant.

Definition of Material:

We distinguish between **direct** and **indirect material**.

Direct material refers to the raw material needed for the products we manufacture (e.g., for cables, connectors, and seals).

Indirect material is divided into two sections:

1: **Equipment and Machines** to produce our products.
2: **Other Material:** Everything our plants need to operate, such as office supplies or furniture.

Sustainability Criteria for Materials and Equipment

Currently, we are focusing on the local-for-local principle of sourcing material within the continents where our plants are located. Whenever possible, we source all materials from suppliers with the shortest delivery routes, depending on local availability.

Overview of Sourcing Direct Materials from Suppliers

(Average Distribution between 2020 – 2024)

Plants in Europe:
APAC (0.5 %)
USMCA (1.5 %)
EU/EEA (98.0 %)

Plant in Morocco:
APAC (2.6 %)
EU/EEA (79.4 %)
GAFTA (18.0 %)

Plant in China:
APAC (53.0 %)
EU/EEA (47.0 %)

Plant in Mexico:
USMCA (71.1 %)
EU/EEA (28.0 %)

ECOLOGY

As an internationally operating company, we aim to leave a green footprint on planet Earth. Prioritizing ecological sustainability is, therefore, crucial for our responsible business practices. Through our ecological efforts, we are ensuring legal compliance with national and international law.

We foster innovation through investments in green energy supply. We are carefully using resources and handling conflict minerals. We protect our climate through gradual decarbonization.

Our focus development areas are:

- Climate Protection and Decarbonization
- Logistics and Transportation
- Resources and Conflict Minerals
- Energy

CLIMATE PROTECTION AND DECARBONIZATION

(E)MISSION IMPOSSIBLE?

A World in Motion:

While the demand for global transportation is constantly growing, the transportation sector (aviation, shipping, automobile) is considered one of the top five carbon-intensive industries worldwide, contributing approximately 14 % to the worldwide CO_2 footprint. In addition, transport is considered the second largest source of energy-related CO_2 emissions, accounting for 25 %.[6]

The International Council on Clean Transportation (ICCT) underlines the necessity of the time frame to cut emissions: within the next 15 years, the transportation sector needs to cut global CO_2 emissions in half. By 2050, the sector needs to be decarbonized completely to limit global warming to under 1.5° C, aligning with the Paris Climate Agreement.

“ Hirschmann Automotive is confidently taking the road towards CO_2 neutrality by 2039 with a multidimensional approach.

Our CO_2 roadmap is part of the ecologic dimension, deeply rooted in our Sustainability Strategy and part of the entire value chain. Therefore, we highlight our global efforts to track and reduce carbon emissions. The challenge for this (e)mission is accepted!”

- Matthias Bell, Quality & IMS Director

[6] Emissions Gap Report 2022, UNEP, p. 7.

CORPORATE CARBON FOOTPRINT IN THE SPOTLIGHT

The **Corporate Carbon Footprint** (CCF) describes the total amount of Greenhouse Gas Emissions (GHG) generated by a company's activities, considering direct and indirect emissions. GHGs are gases in the earth's atmosphere that trap heat and, therefore, accelerate global warming, causing the so-called greenhouse effect. The Greenhouse Gas Protocol provides international standards for calculating the CCF.

The most common GHGs are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and many fluorinated gases. To simplify the calculation, the CO_2-Coefficient [t CO_2-eq / a] is used for all types of GHGs.

The CCF is subdivided into 3 Scopes with different emission types:

Scope 1: Includes all **direct GHG emissions** that stem from a company's business activities, such as natural gas, heating oil, gasoline, diesel, and coal.

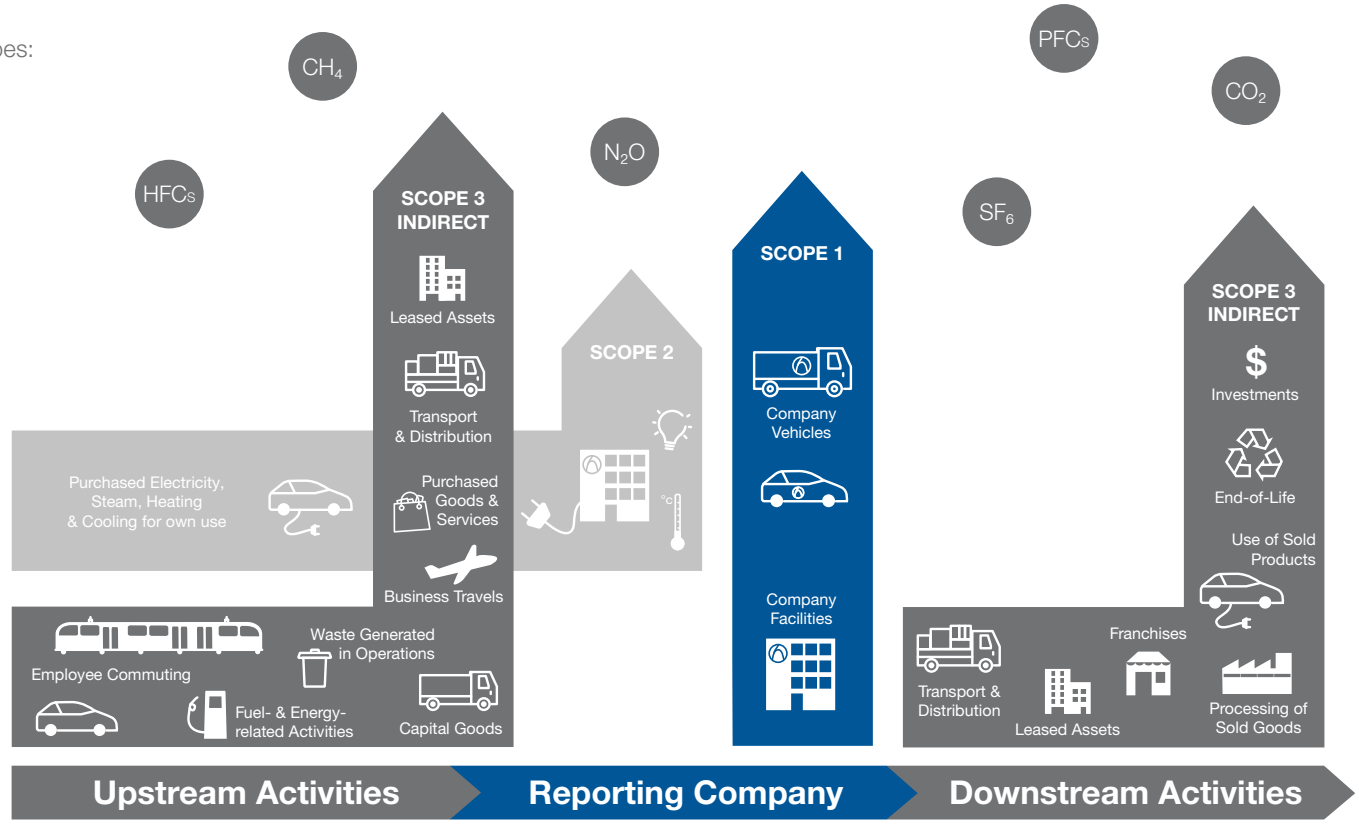
Scope 2: Includes all **indirect GHG emissions** that result from the generation of a company's purchased energy, including purchased electricity, district heating, steam, and cooling for own use.

Scope 3: This includes all other indirect upstream and downstream GHG emissions.

Upstream Emissions
This includes all other indirect upstream and downstream GHG emissions.

Downstream Emissions
Emissions result from using Hirschmann Automotive's products, such as sold products, transportation and distribution, and end-of-life.

» With the calculation for Scope 1, 2, and 3, we are pursuing a transparent and target-oriented accounting of the GHG emissions for the entire Hirschmann Automotive Group.



OUR CORPORATE CARBON FOOTPRINT: **STATUS QUO & TARGETS**

We have defined reduction targets for all three scopes to achieve carbon neutrality by 2039 for the entire Hirschmann Automotive Group.

CO_2 neutrality across Scope 1 and Scope 2 by 2030

CO_2 neutrality across Scope 1, 2 and 3 by 2039

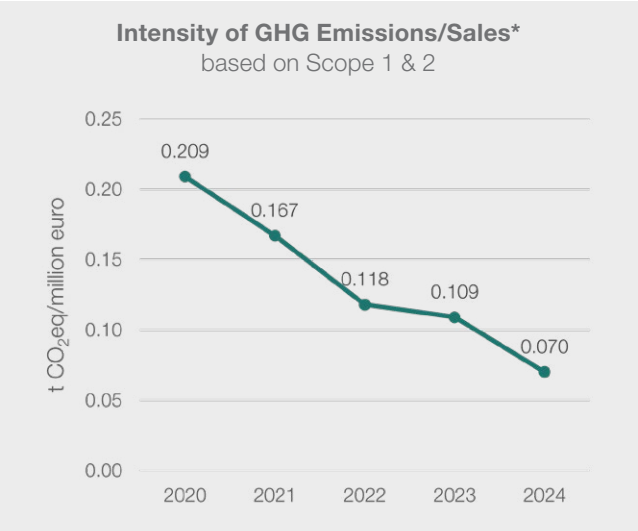
Reducing CO_2 emissions requires a multi-layered approach: collaboration, innovation, and introducing sustainable practices are mandatory.

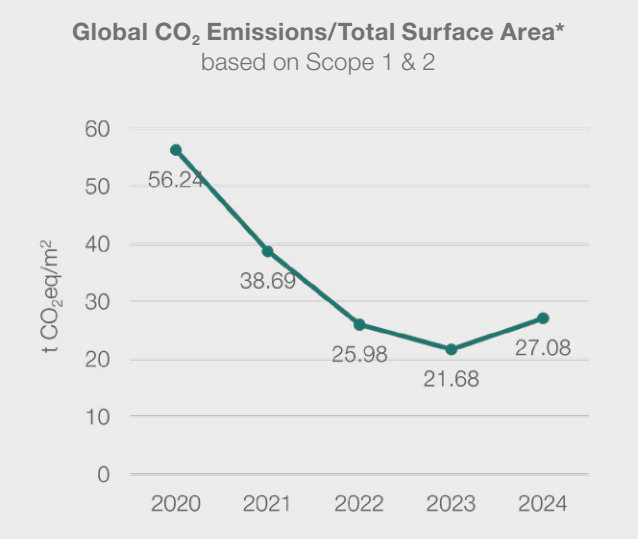
SCOPE 1-2

A milestone: compared to 2020, our global CO_2 emissions in Scopes 1 and 2 decreased by 24.15 % in 2024.

How did we achieve this reduction?

- One of the key sustainable practices we implemented was the continued transition to green energy and installing solar power plants. By the end of 2024, 76 % of our energy consumed globally resulted from green energy sources including our own green energy production.
- We heavily invested in projects to use energy more efficiently. Among other initiatives, we installed a new lighting system in Rankweil, Vsetín, Nantong, and San Miguel. The significantly lowered energy consumption due to LED lighting contributed to a decrease in our CO_2 footprint.
- In RW, a groundwater well was installed to enable heating and cooling systems.
- A heat pump was commissioned at our Logistics Center in Rankweil, allowing us to discontinue the use of gas heating. Additionally, we invested in improved sensor technology to measure energy consumption and waste, enabling data-driven actions.
- At the Rankweil site, we invested in charging infrastructure to support and promote green mobility.
- The coolant was switched to the climate-friendly R32 chiller at our locations in Kenitra and Târgu Mureș.





*Our global production area has increased in 2024, therefore our CO_2-emissions in scope 1 & 2 have increased slightly, while in comparison to sales we have lowered our CO_2-emissions continuously.

SCOPE 1-3

For the first time, we calculated Scope 3 emissions for 2022 and compared them to the other scopes – and realized that purchased materials were accountable for almost 90 % of our corporate carbon footprint:

Scope 3 – Category Purchased Goods and Services:

This category includes all upstream (i.e., cradle-to-gate) emissions from producing products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products).[7]

2022: 617,775 t CO_2 e

2023: 640,357 t CO_2 e

Scope 3 – Category Fuel- and Energy-related Emissions (not included in Scope 1 or Scope 2)

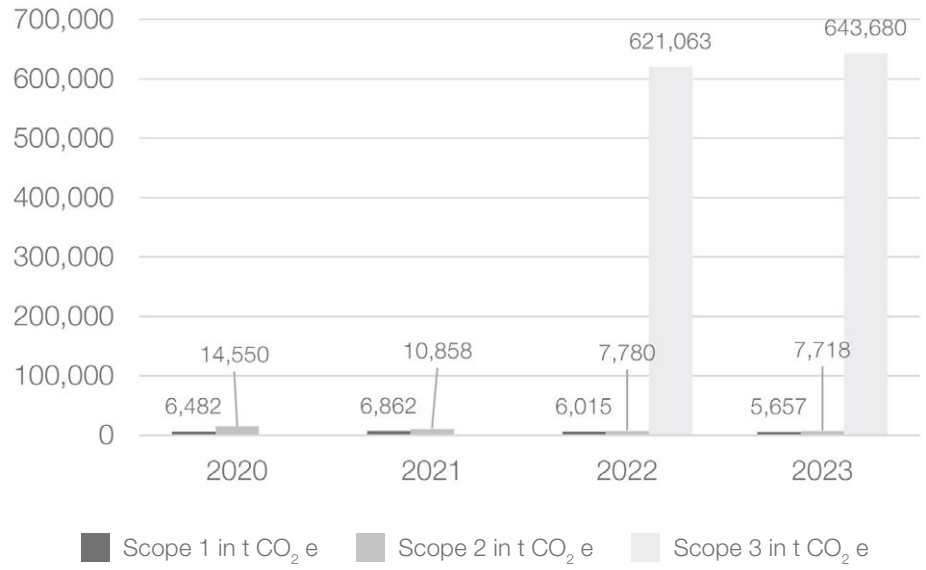
Hereby, we refer to emissions related to the production of fuels and energy purchased and consumed by Hirschmann Automotive in the reporting years that are not included in Scope 1 or 2. Category 3 excludes emissions from the combustion of fuels or electricity consumed by the company since they are already included in Scope 1 or 2.[8]

2022: 3,288 t CO_2 e

2023: 3,323 t CO_2 e

2024: we are currently restructuring the master data analysis to ensure accuracy of tracking data, therefore we are reporting on Scope 3 in more detail in our next report. New categories are currently added and tracked such as commuting, business travels and waste management.

Corporate Carbon Footprint Scope 1-3



This is why we are highly focusing on material research in the future: we are testing different materials and various recycling technologies and aim to pioneer closed-loop recycling projects. Read more in our *Technology and Product Innovation* Chapter.

[7] Definition by GHG protocol: https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf.

[8] Definition by GHG protocol: https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf.

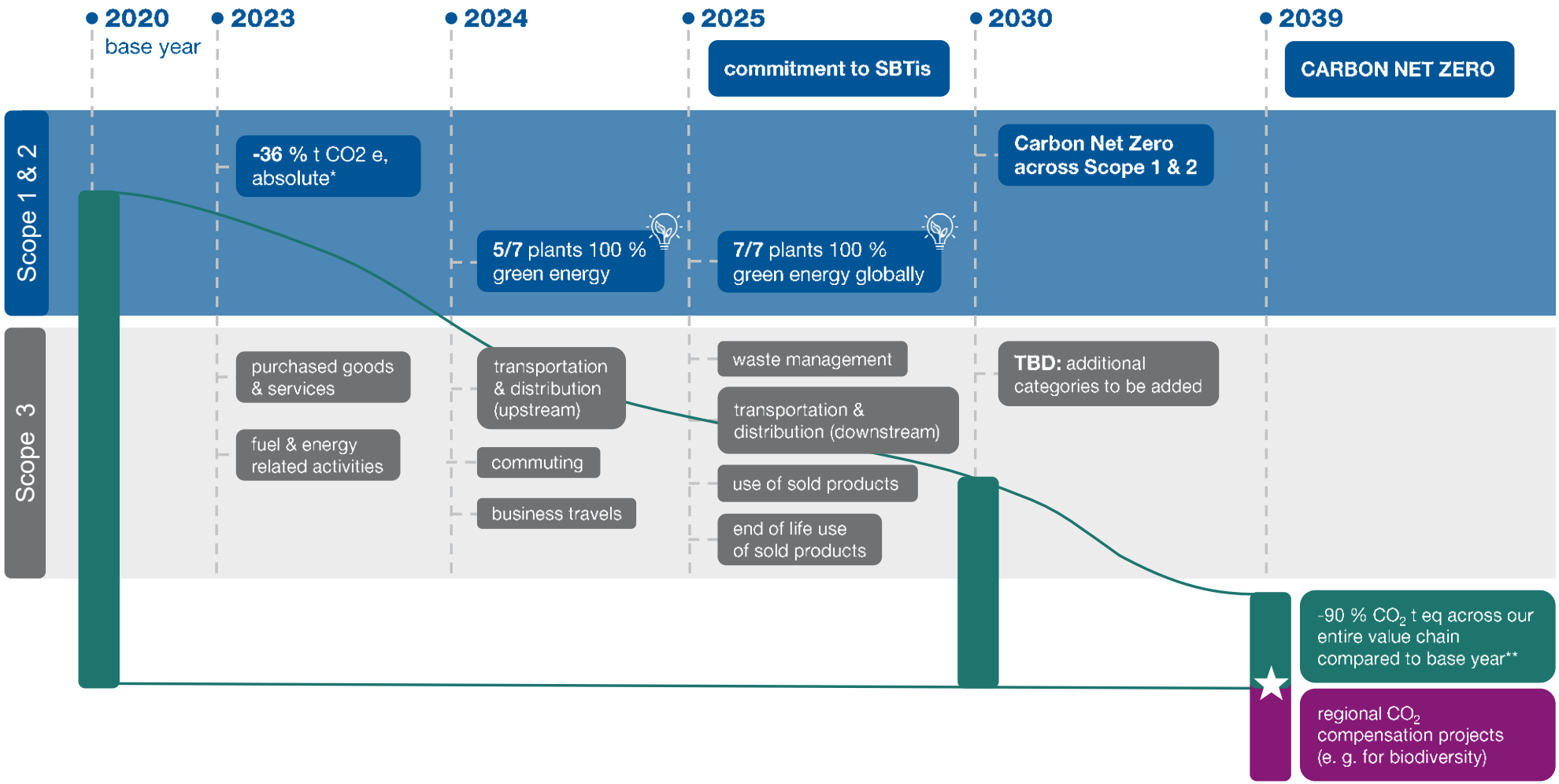
THE ROAD(MAP) TO SUCCESS?

Reducing CO_2 emissions requires a multi-faceted approach involving collaboration, innovation, and adopting sustainable practices.

Next steps:

- **Develop** a roadmap on how to step by step achieve CO_2 neutrality by 2039 with clear targets for each plant and in cooperation with our stakeholders.
- **Measure and Reduce** our Scope 1 and Scope 2 emissions.
- **Calculate** our Scope 3 emissions, starting with an overview of the purchased goods and services, employee commuting, and business travels starting from 2024.
- **Roll out** the calculation of the CO_2 footprint of our product portfolio.
- **Identify** the biggest levers for CO_2 reduction.

OUR ROADMAP TO NET ZERO



* in comparison to base year 2020 across Scope 1 & 2
** in comparison to our base year 2020 across Scope 1, 2 & 3

RECAP 2024: CELEBRATING EARTH DAY

In cooperation with all seven plants, we organized our first global, interactive Earth Week Campaign. From planting trees to building bee hotels, our employees have initiated conservation efforts that benefit our environment and biodiversity in the long term. The various activities give back to nature, broaden the knowledge about climate change, and raise awareness of our impact on planet Earth.

Earth Day around the Globe

Earth Day is an annual event celebrated worldwide on April 22 to show support for environmental protection. First celebrated in 1970, it has become a globally recognized event that brings together millions of people to advocate for a healthier and more sustainable planet. The week from April 22 to 28, 2024, is therefore called Earth Week, where people around the globe take committed climate action.

Celebrating International Earth Day in Our Region

Since Hirschmann Automotive is highly committed to the United Nations' Sustainable Development Goals (SDGs), we aim to make a long-term commitment to protecting biodiversity and climate at our company sites. We hosted a wide range of events across the globe to restore and protect nature in our local communities!

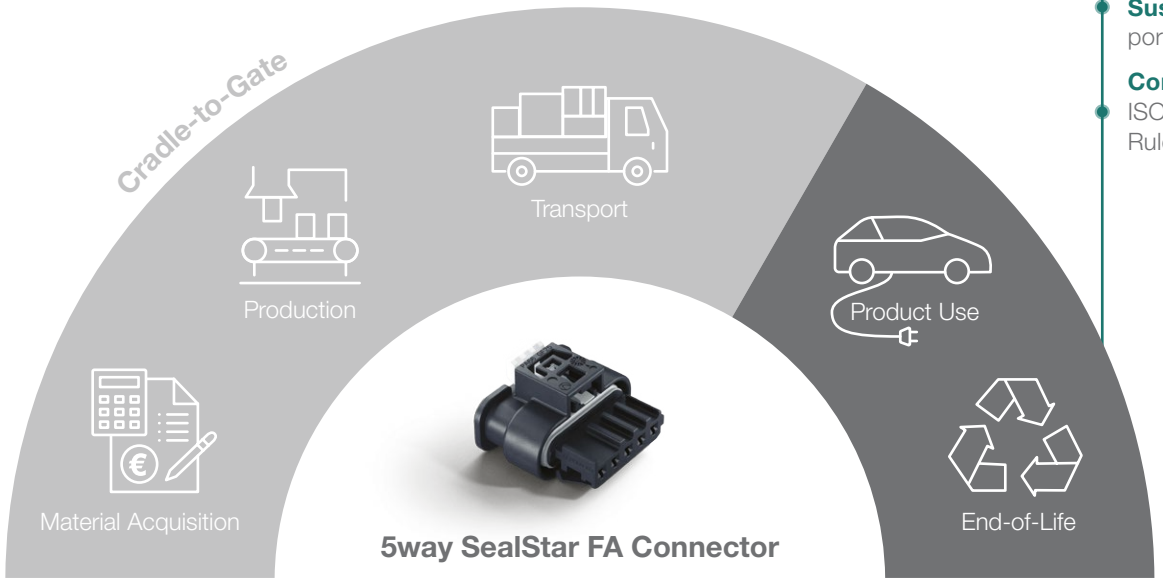
We were particularly keen to involve our employees in regional climate and environmental protection projects – because we believe in walking the talk by getting into concrete action.

The Earth Week Campaign fostered hands-on environmental action while providing employees with valuable knowledge on climate protection and biodiversity conservation. Through engaging activities, participants not only deepened their understanding of sustainability but also developed a stronger sense of responsibility, teamwork, and connection to nature. This initiative empowered employees to make informed eco-friendly choices, both at work and in their daily lives, contributing to a more sustainable future.

PRODUCT CARBON FOOTPRINT

In 2023, we started a pilot project to calculate the product carbon footprint of one of our high-runner products, the 5way 1.2 SealStar F Connector. The project is still ongoing. We will gradually extend the calculations for the CO_2 footprints to other product groups.

Product Carbon Footprint (PCF) = The sum of the GHG emissions generated over the different stages of a product's life cycle.



Calculation based on the Catena-X Product Carbon Footprint Rulebook, ISO 14067, ISO 14040, and ISO 14044.

These are our top 5 reasons for calculating our product's carbon footprint:

- **Benchmarking and Competitive Advantage:** We aim to fulfill our customers' requirements in the sourcing process.
- **Transparency:** We want to create as much transparency as possible along the value chain and identify hotspots to reduce emissions.
- **Speed:** We aim to improve decision-making based on PCF data.
- **Sustainability Reporting:** We use the PCF data to report our climate protection and decarbonization strategy.
- **Compliance:** We comply with the regulatory standards ISO 14067, 14040, and 14044 according to the Catena-X Rulebook.

LOGISTICS AND TRANSPORTATION

❝ Logistics and transportation are considered one of our major development fields in the dimension of Ecology. Our goal is to develop an agile transportation system and network all around the globe so that we can transport our products responsibly, efficiently, and quickly.

We consider this part of our value chain to be highly important in contributing to our corporate carbon footprint. Therefore, we aim to develop a transport management system to analyze the biggest CO_2 reduction levers and contribute towards our goal of achieving CO_2 neutrality by 2039. We will walk the extra mile to figure out more sustainable ways for logistics and transportation processes."

- Peter Spalt, Logistics Director

Transportation Principles:

» efficient transport routes.
» highly utilized means of transport.
» quick supply of goods to our plants and customers, evaluation of alternative, green transportation modes (e.g., railways or green vehicles).

Logistics:

Transport Responsibility of our Goods Delivered:

30 % Hirschmann Automotive, 70 % customers and third parties.

(optimizing our transport responsibility + developing solutions with customers and third parties)

For the calculation of our emissions, we are considering the subsequent transportation routes:

Inbound – Outbound – Cross-Company

We are continuously exchanging with our major freight forwarders to track the carbon emissions related to the movements of our products. We have started to request the CO_2 data for each transport of goods by major freight forwarders so we can track the movement of goods in future sustainability reporting and identify CO_2 reduction potentials.

PROJECT FOR THE OPTIMIZATION OF OUR PACKAGING

As we are certified according to ISO 14001, waste management is already among our top priorities and deeply rooted in our sustainability strategy.

We carried out a project to reduce the packaging material used for all cross-company transportation in the EMEA area of our production sites.

The project aimed to switch from disposable packaging (cover film and wrapping film) to reusable packaging (polypropylene lid) for all cross-company shipments within the EMEA region.

- waste reduction through reduction of PE wrapping film and reduction of cover film
- optimization of workplace design through ergonomic and machine-supported working methods
- increased transport safety thanks to form-fit loading and stable pallets
  - reduction of transport damage
  - reduction of environmental pollution through material scrapping
- efficient palletizing process
  - ecological and economic improvement through a defined standard packaging process
  - reduction of inefficient and underutilized transports
  - maximum utilization of loading space in vehicles through better stackability of pallets

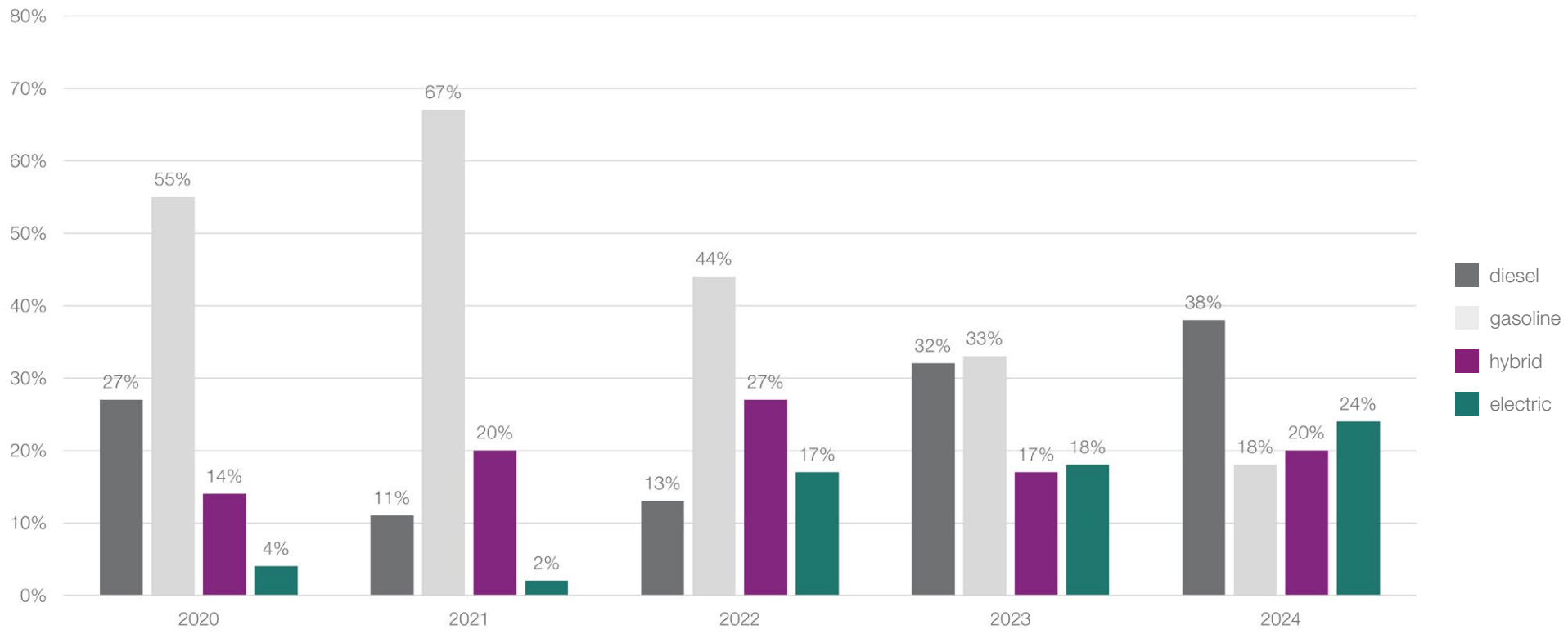
As part of the project, 1,600 reusable lids were purchased and distributed among the EMEA plants to ensure a smooth cycle. An ergonomic packaging machine was also procured for the Rankweil plant, which resulted in less physical effort during the packaging process.

Effects Achieved and Conclusions:

- quantification of avoided waste
- annual waste reduction in Rankweil of approximately 1.2 tons of plastic packaging (total EMEA approximately 4 tons)
- reduction of inefficient transports (e.g., 129 km per year in Rankweil with hand pallet truck/forklift truck)
- energy savings with electrically powered pedestrian stackers by eliminating inefficient routes
- maximum utilization of loading space in vehicles through better stackability of pallets

TRANSITION TO A GREENER CORPORATE VEHICLE FLEET

We are gradually converting our vehicle fleet to electric and hybrid cars to support our decarbonization strategy.



RESOURCES AND CONFLICT MINERALS

RESPONSIBLE SOURCING OF RESOURCES

In the face of climate change and the scarcity of raw materials, we acknowledge the urge to use resources as efficiently and sustainably as possible. The sustainable sourcing of our materials and the establishment of a circular economy is therefore crucial for the long-term success of our company in the automotive industry.

We firmly believe that eco-friendly alternatives not only mitigate environmental impact but also enhance product performance, foster innovation, and strengthen stakeholder trust. From reducing carbon emissions to promoting ethical labor practices, we consider responsible resource sourcing a necessity for driving positive change and shaping a more sustainable future on and off the road.

CIRCULAR ECONOMY

The conventional linear model of production, consumption, and disposal has led to unrestrained depletion of natural resources, environmental degradation, and an increased waste crisis.

We are therefore highly committed to increasingly embracing more sustainable sourcing and circular economy principles. We aim to minimize our environmental, social, and economic impacts throughout the supply chain and supply chains that **promote circular economies and closed-loop initiatives.**

Our approach toward a circular economy on material levels encompasses

- the use of renewable resources
- the reduction of waste and emissions
- designing products for long-term use
- the return of excess material to closed loops/material circles

Inhouse Recycling

Since 2022, we have installed our in-house recycling system in Vsetín, Czech Republic, which is used to reduce our internal waste.

Efficient Waste Management

Our waste management system regulates all waste in the company, especially waste generated within operational processes. This also encompasses auxiliary and operating materials, i.e., materials required for the production process.

The subsequent goals are pursued:

- systematic separation of waste into recyclables and residuals
- reduction of costs associated with non-recyclable waste
- supply of recyclable materials for recycling or reprocessing
- disposal of residual materials and hazardous substances with conformance to regulations
- compliance with legal requirements
- compliance with the ISO14001 standard requirements
- advising, informing, and training our employees

CONFLICT MATERIALS

Global Responsibility for Human Rights

We live in an interconnected world, where supply chains span continents and resources are extracted from countries all over the planet. In this section, we want to shed light on our dealings with highly critical resources, namely conflict minerals. As a globally operating company in the automotive sector, the handling and surveillance of these minerals pose major challenges, highlighting the intersection of economic interests, geopolitics, and human rights.

Why are they called “Conflict Minerals”?

Conflict minerals include tantalum, tin, tungsten, and gold. They are extracted from regions where armed conflicts, human rights abuses, and environmental degradation are prevalent. The high demand for these minerals is driven by their widespread use in modern electronics and other industries, fueling the existing conflicts about resource scarcity and exploitation.

Responsible Procurement of Minerals

To ensure the ethical handling of conflict minerals, we consistently screen our suppliers for substances that fall under conflict minerals. We, therefore, ensure that our suppliers comply with all applicable legal regulations concerning conflict minerals and prohibited and declarable substances. Our suppliers are required to provide adequate transparency on an annual basis by providing Hirschmann Automotive with information regarding conflict minerals based on the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) of the Responsible Minerals Initiative (RMI) in its current version. Suppliers are also required to ensure the responsible sourcing of materials within their value chain.

Compliance with National and International Regulations

Hirschmann Automotive ensures compliance with all relevant safety and environmental legislation and regulations in force at the place of production of the contractual products and maintains a management system in accordance with ISO 14001 and ISO 45001 in its latest versions. Hirschmann Automotive fully complies with all obligations relating to REACH* (namely the REACH Regulation (EC) No. 1907/2006 and other chemical law guidelines in the respectively valid version), as well as the fulfillment of common requirements and/or guidelines of the automotive industry.

* **Reach** = EU’s Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) Regulation.

ENERGY

We consider energy conservation crucial for cutting costs and meeting our sustainability goals. Reducing energy usage and switching to green energy aligns with our environmental responsibility – that's why we have pledged to run all business operations and production processes using 100 % green energy by 2026. Furthermore, our goal is to become as independent as possible from the external energy supply, which is why we are investing substantial amounts in PV systems across our plants.

Our Global Roadmap to 100 % Green Energy Supply

ANALYZING ENERGY DATA AND DEFINING REDUCTION

The first step on our roadmap is constantly tracking energy consumption in our production and facilities. With real-time data and constant analysis, we can identify the biggest levers to reduce our energy consumption significantly.

In fall 2022, we carried out a global energy-saving project.

Our program of measures includes, among others, the following projects:

- implementing **LED lighting concepts** at various sites enabled savings of over 1,200,000 kWh per year. The greatest savings were achieved in San Miguel by replacing all lamps in the productive areas (production, warehouse, and toolmaking)
- **use of waste heat** instead of gas in the productive area in Vsetín: savings of up to 600,000 kWh per year
- revision of the **timers in our ventilation programs** led to savings of up to 950,000 kWh per year
- adjusting the **brightness of lightened signs** in Rankweil saves approximately 5,600 kWh per year

biggest optimization of energy use by change of the facilities
(payout by Facility Management projects, adjustment of facilities)

6,270,000 kWh*	**Energy Saved Globally 2022**
70 %	**Electricity Demands from Renewable Energy Source Global 2022**
3,300,000 kWh	**Annual Electricity Production of the Photovoltaic System in Rankweil & Kenitra** (assumption)

* Total energy saved in 2022 results from electricity savings in all plants and gas savings in the Czech Republic.

The current figures already show the first positive effects. Compared to the previous year, electricity consumption in Rankweil was **reduced by almost 9 %** or **340,000 kWh** in the first quarter of 2023.

The goal is to reduce our overall energy consumption to the greatest extent possible. We see enormous potential for improving the balance in each employee's contribution. Switching off computers and monitors at the end of work, using daylight, and extinguishing lights in unused rooms are little things that add up to effective energy savings – this is why we are continuously raising awareness and training our employees on how they can contribute to our energy strategy.

BECOMING ENERGY INDEPENDENT: **PHOTOVOLTAIC SYSTEMS**

To move closer to our goal of achieving a carbon-neutral footprint, we are investing in photovoltaic (PV) systems across our global production network.

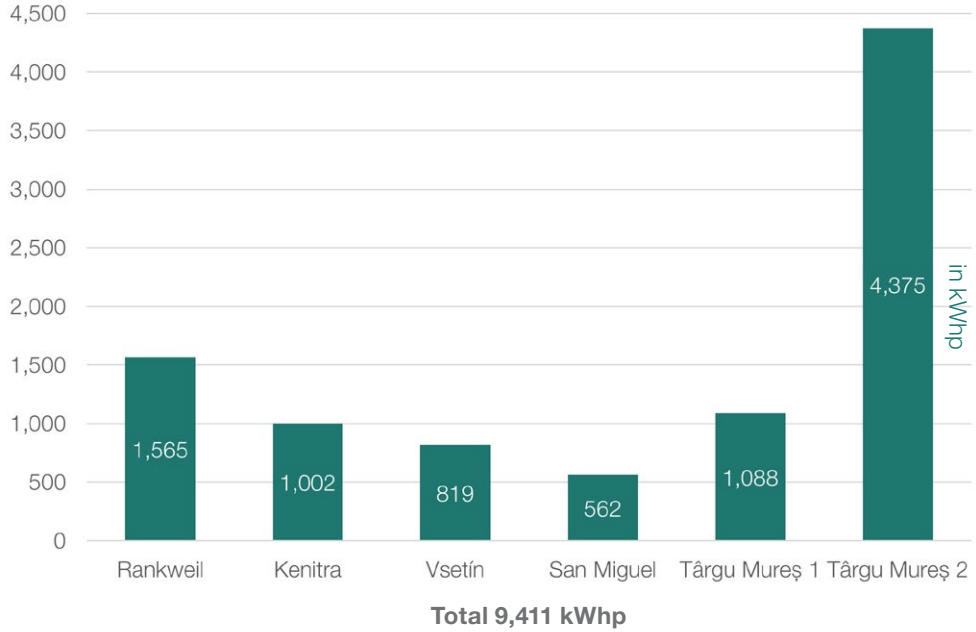
Integrating photovoltaic technology is a key pillar of our Green Energy Strategy 2025, enabling a sustainable and low-carbon future. Solar energy helps us significantly reduce greenhouse gas emissions, enhance energy independence, and drive technological innovation. By harnessing clean, renewable power, we contribute to a more resilient and environmentally responsible energy infrastructure.

As of 2023, we have installed PV systems at our headquarters in Rankweil and at our sites in Kenitra, Vsetín, Târgu Mureș, and San Miguel.

The PV system construction at our San Miguel site was completed in Q2/2024, while the installation in Târgu Mureș was completed by Q4/2024. At our Târgu Mureș facility, we have further installed an energy-saving solution that allows us to feed excess electricity back into the grid.

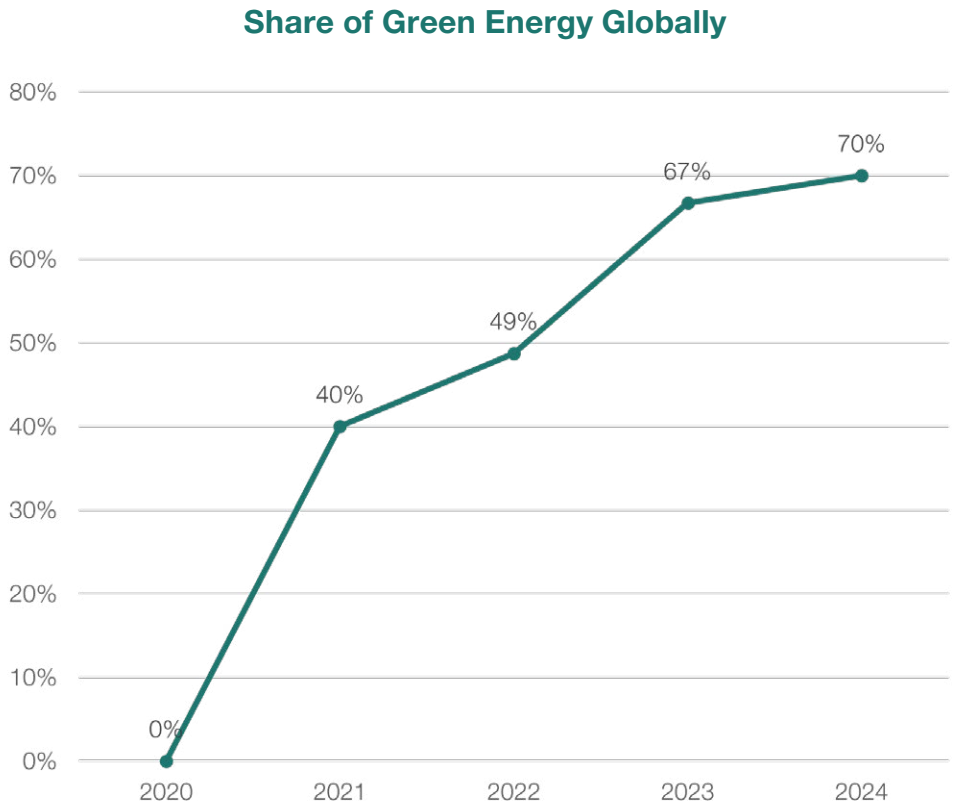
For 2026, we plan to install a photovoltaic system for our Nantong site.

Overview Kilowatt Hour Peak of our PV Systems:



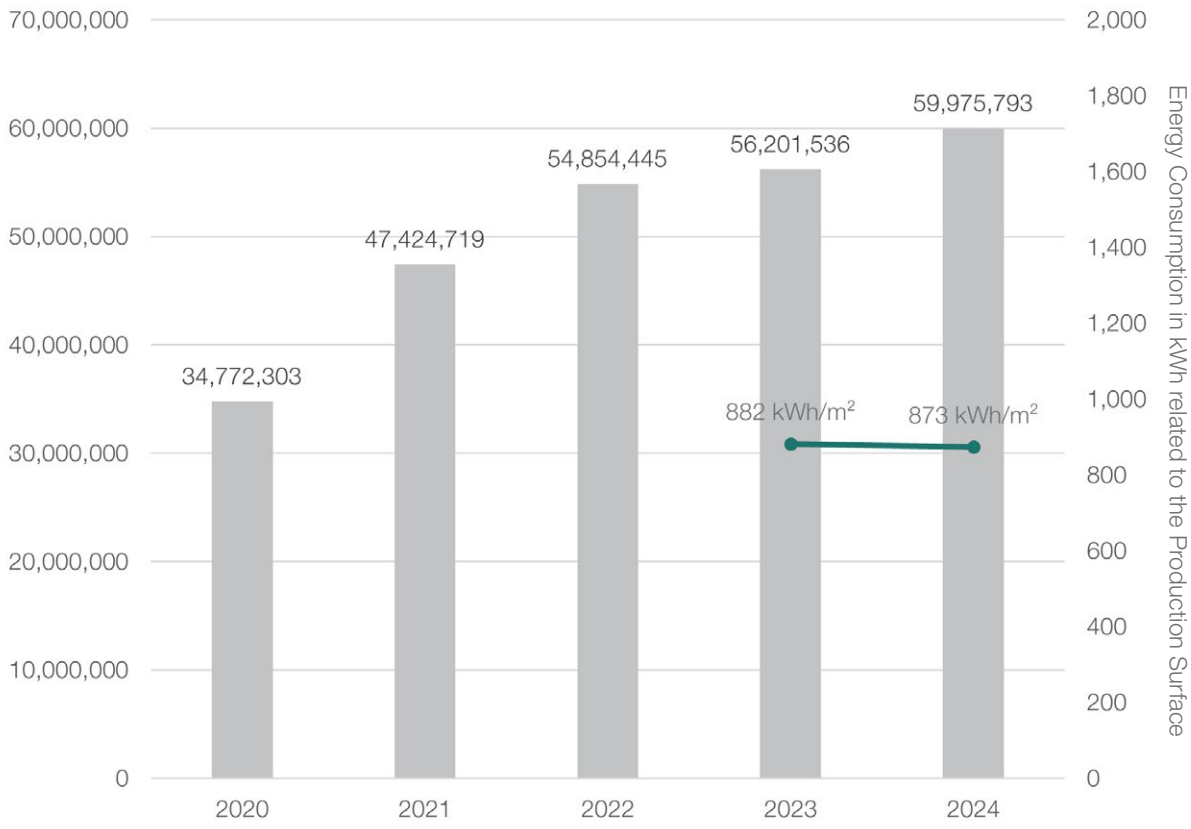
SCREEN GREEN ENERGY CONTRACTS & SECURE ENERGY SUPPLY

Our target is to run on 100 % green energy by the end of 2025. An important part is covered by our photovoltaic system, which generated a peak of 9,411 kWhp in 2024. By purchasing green energy by local providers, we cover the rest of our energy consumption. We consider it as highly important to analyze the source of green energy supply, the guarantee for supply for the upcoming years, and the conditions of the contracts. Our next target is to develop a standard guideline for energy contracts that can be used as an orientation for all plants to introduce a group guideline.



ENERGY CONSUMPTION WITHIN THE ORGANIZATION GRI 302-1

Energy Consumption Globally in kWh per Year



SOCIAL AFFAIRS

Our company's employees are the basis and core of our sustainable practices. That's why the well-being of all employees and people working for Hirschmann Automotive is a top priority. We are strongly committed to social responsibility and compliance with social affairs-related regulations legally and ethically. Through constant investment in training and employer benefits, we attract top talents and promote a culture of innovation.

Explore the subsequent pages to discover how we are implementing sustainable practices to create a modern workplace of well-being and safety for our employees.

Our focus development areas are:

- Education and Training
- Diversity and Equal Opportunities
- Attractive Employer
- Occupational Health and Safety

EDUCATION AND TRAINING GRI 401-1

❝ At Hirschmann Automotive, we see training and development as crucial for the continuous and sustainable development of our employees. Through specific training for all employees, we promote the personal development of skills, professional advancement, the ability to adapt and change, as well as health and safety. Continuous learning and development enable employees to find their way in their areas of responsibility, which in turn is a crucial factor for the long-term sustainability of our organization”

- Willi Schanung, Global Leadership Development Expert

In our commitment to sustainability, we recognize that fostering a culture of continuous learning and development is integral to our success and responsibility as an organization. The “**Education and Training**” section of this report highlights our dedication to equipping our employees, leaders, and apprentices with the knowledge and skills necessary to navigate the evolving landscape of sustainability. We firmly believe that investing in education and training not only enhances individual and collective capabilities but also contributes significantly to our environmental, social, and governance goals. This section explores the different training and education possibilities that we are implementing for our employees.

Training Programs

Onboarding Employees: **PlatzhirschCamp**

Within the first days of employment, we are offering the "PlatzhirschCamp" to new employees of our company. The event takes 3 days and offers a broad range of knowledge to our new team members: from the Executive Board to the most relevant departments, the new employees will meet responsibles face-to-face, contributing to an open-minded and familiar work atmosphere from the first day on. They are led through the plant, from the production facilities to the outdoor and social areas. For every PlatzhirschCamp, a team-building event is organized to support employees in socializing and gathering. We have further implemented the PlatzhirschBuddy Program, which serves as a mentoring program for new employees, where they will have a trustworthy person by their site to ask any questions arising during their first weeks and months of employment.

Fundamental Training

In addition to the onboarding programs, we offer fundamental and mandatory training to all employees, such as occupational health and safety, instructions for the individual workplace and software utilization, a management program, and more.

Voluntary Training

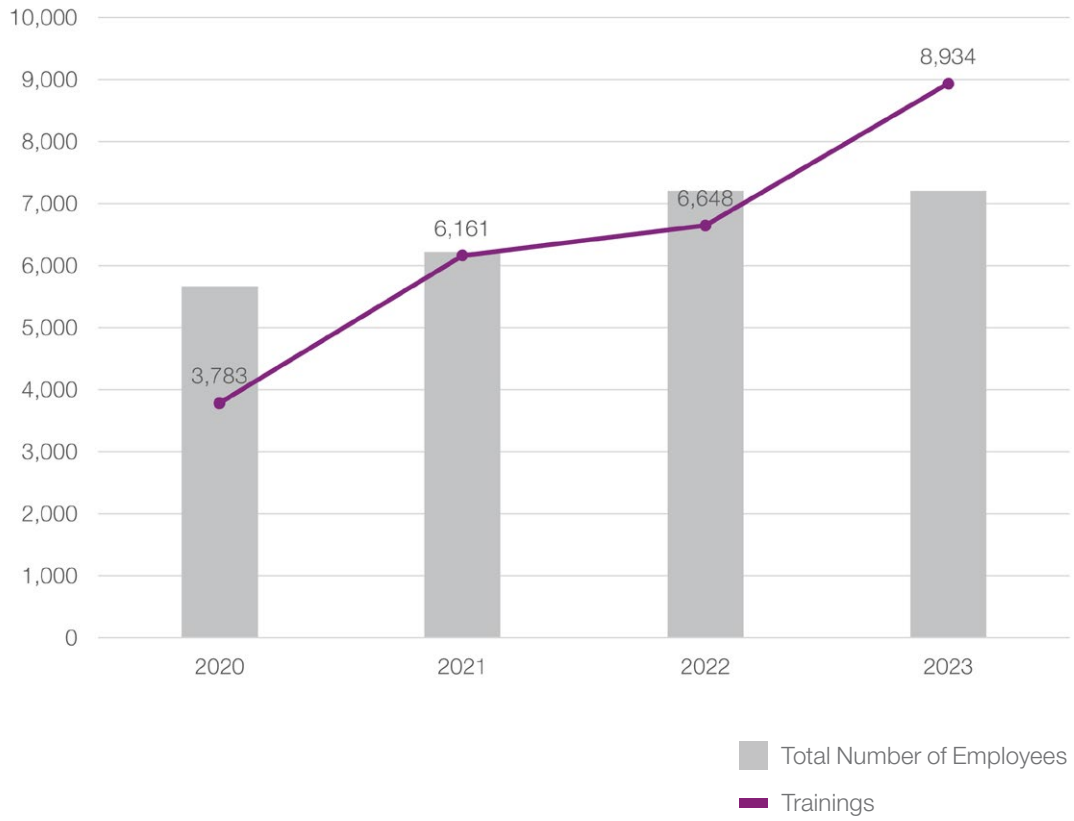
In addition to mandatory training, our employees can attend several voluntary trainings, such as first aid and language courses.

Promotion of Young Talents

Especially for our young talents, we have developed challenging and exciting programs to boost their career:

- At our Rankweil and Freyung plant, we offer enhanced apprenticeship training.
- At our other plants, we highly focus on exchanging with technical schools, offering practical training to enable easy access for younger generations to get access to challenging and exciting jobs in the automotive industry.
- We have implemented the Hirschmann Automotive School in all plants with a strong focus on production knowledge for technicians.
- We have launched our Global Rotation Program (only for the best, on a voluntary basis) to create a cultural exchange between our seven production plants all around the world. Since 2024, all plants are involved in the Global Rotation Program for apprenticeship.

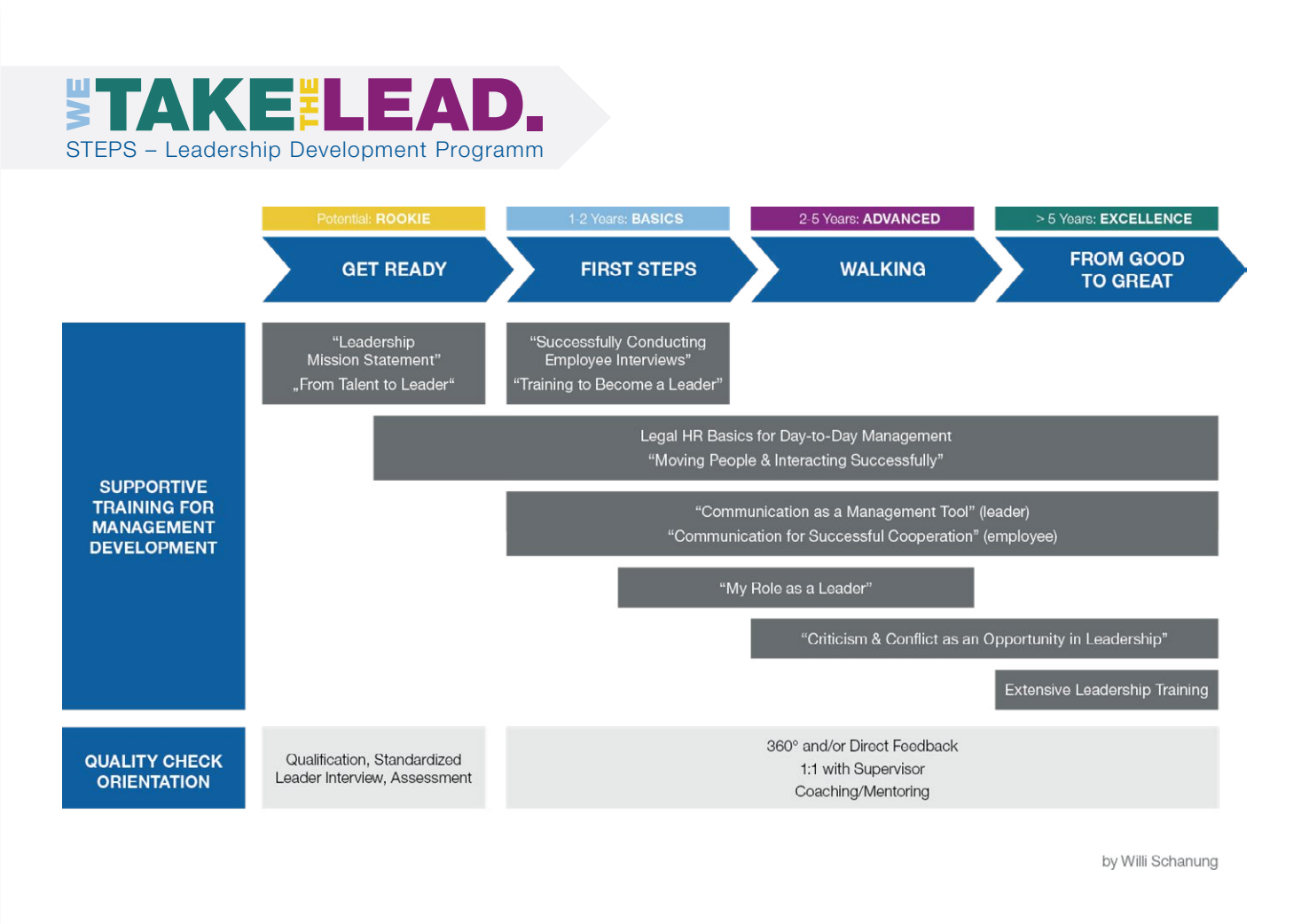
Number of Trainings per Year per Employee*



* We are currently reworking the effective tracking and calculation of training on a group level, so we will report on the number of trainings in our next reporting period.

Targeted Expansion of Our Leadership Development Program

We have developed a multifaceted leadership program called WE TAKE THE LEAD to ensure the best possible support for our employees to take over more responsibility and develop leadership skills. The program is in the global roll-out phase, while the "leadership model" training element is already being taught in all plants worldwide. To implement the program, we are applying the train-the-trainer principle. The main goal was to create an understanding of what Hirschmann Automotive understands by leadership and what the company expects from its managers. Further, advanced training courses such as "From Specialist to Manager", "My Role as a Manager", "Communication & Rhetoric", were implemented in our headquarters in Rankweil. We are closely collaborating with a mix of internal and selected external trainers.



DIVERSITY AND EQUAL OPPORTUNITIES

Fostering diversity and equal opportunities is important to Hirschmann Automotive and is embedded in our Company Values and Code of Conducts. From the application process to promoting diversity in supervisory bodies, we strongly focus on equal opportunities. We highly condemn any form of discrimination.

Our credo is that a diverse and inclusive workforce contributes to a more resilient and successful business in the long run!

DIVERSITY

Diversity at Hirschmann Automotive refers to the inclusion of individuals from a wide range of backgrounds, including different races, ethnicities, genders, ages, religions, sexual orientations, physical abilities, and cultural backgrounds. A diverse workplace values and respects these differences, fostering an environment where all employees feel valued and included.

We are proud of our highly diverse workplaces worldwide, which foster the inclusion of different cultures, nationalities, languages, and ways of thinking.

In our headquarter, we employ more than 62 different nationalities:

Diversity of origin and skills is also a key driver of our business activities, which is why we place a special focus on the training and development of our employees. For more information, see the chapter on *Education and Training.*

Benefits of a High Diversity Rate at a Workplace:

- **Increased Creativity and Innovation:** our diverse perspectives lead to a broader range of ideas and solutions
- **Better Decision-Making:** varied viewpoints contribute to more comprehensive and informed decisions
- **Improved Employee Performance:** an inclusive environment boosts morale and engagement, leading to higher productivity
- **Attracting and Retaining Talent:** with our broad diversity, we are highly appealing to top talents
- **Embracing Diversity:** it helps create a more dynamic, competitive, and socially responsible organization

EQUAL OPPORTUNITIES

We aim to create a work culture in which talents of all ages and genders, regardless of origin and cultural background, can optimally contribute with their individual skills and perspectives.

Our Company Values form the basis for this: with Passion, Cooperation, and Commitment, we advocate for each other and create a working culture of mutual respect and appreciation.

We believe every employee should have the same opportunities to develop their skill sets, undergo personal development, etc.

Equal opportunities are guaranteed from the employment process to the promotion of training, education measures, and the development of leadership skills.

The diversity rate in supervisory bodies and among employees shows that more than 22 % of women work in leadership positions globally. In comparison, we employ more than 52 % female employees (end of 2024).

Number of Leaders by Year and Gender

ATTRACTIVE EMPLOYER

Our Journey as an Employer of Choice

At Hirschmann Automotive, we believe that our success is closely linked to the strength of our people. That's why we are highly dedicated to a purposeful journey to become an employer of choice, fostering a workplace culture that attracts, retains, and inspires top talents.

"Our pursuit of becoming an attractive employer is rooted in the belief that a motivated and diverse workforce is integral to driving innovation, sustainability, and success at Hirschmann Automotive. With a broad range of social benefits, corporate events, campaigns, and community activities, we actively involve our employees in our long-term sustainability strategy. With already four Great Place To Work® certified plants, we see that our efforts pay off, which motivates us, even more, to walk every extra mile to stay a great employer of choice."

- Miriam Keck, Employee Relations

OUR SOCIAL BENEFITS

We strongly believe in promoting social benefits for our employees, so we are focusing on different areas of well-being to foster our team's long-term health and contentment.

- Company Canteen
- Inter-Company Kindergarten
- Flexible Working Hours
- eBike Leasing
- Free Parking Lot
- Company Doctor
- Sports & Fitness Offers
- Sport Clubs
- Academy
- Discounts
- Work Council
- Team Events

GREAT PLACE TO WORK®

Since 2022, we have been conducting yearly evaluations in all our plants to gather insightful information about the satisfaction of our employees. Our aim is to:

» **Understand Different Perspectives**:
Our employees' opinions will give us insight into the team's different perspectives and needs.

» **Identify Strengths:**
Learn what we already do well and what we should maintain.

» **Identify Opportunities for Improvement:**
Identify areas where we can grow to improve the work environment.

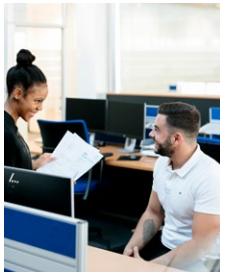
» **Promote Employee Engagement:**
Our employees' active participation shows us that they care about the workplace and strengthens the collective responsibility for a positive work environment.

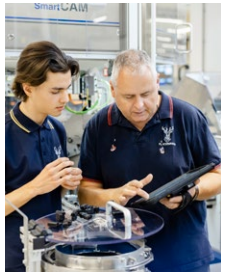
The survey we conduct is evaluating the perspective of our employees through the focus areas:

» Caring
» Collaboration
» Communication
» Community
» Competence
» Corporate Image
» Credibility
» Engagement
» Equity
» Fairness
» Hospitality
» Impartiality
» Innovation
» Integrity
» Intimacy
» Justice
» Leadership Behavior
» Personal Job
» Pride
» Respect
» Support
» Team

The employee survey is entirely anonymous, and tracking back answers is impossible to protect privacy. Therefore, results for departments with fewer than five employees cannot be shown in the final report.

The survey, conducted in partnership with Great Place To Work®, gave us valuable insight into our employees' perspectives and needs. Great Place To Work® conducts the employee survey for all Hirschmann Automotive employees globally once a year using the Emprising™, a survey tool.





UNDERSTANDING OUR EMPLOYEES' NEEDS

In our journey towards sustainability, we recognize the vital role of natural fluctuation.* Our organization flourishes when we embrace the ebb and flow of talent and ideas. However, we aim to understand in depth the reasons behind fluctuations. Those analyses allow us to not only weather changes but also proactively nurture talent and understand our employees' needs.

By acknowledging that individuals may seek new challenges or career paths, we empower our team to grow. This understanding drives us to implement measures that retain top talent through meaningful work, professional development opportunities, and a supportive culture.

Moreover, connecting with our employees on a personal level is essential. We foster a community where every voice is heard and valued, promoting transparency and trust. This approach strengthens our resilience and enhances our collective ability to innovate and adapt.

Through measures like employee surveys, individual exchanges, and actively seeking feedback, we are fostering a dynamic, inclusive workplace where both our people and our organization can thrive.

* Review *pages 38 and 39* for detailed data on hires and fluctuation during 2020 and 2023.

OCCUPATIONAL SAFETY AND HEALTH PROTECTION

GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-8 GRI 403-9

The well-being and safety of our employees is a matter of the heart for us. This section provides a comprehensive overview of our efforts and achievements in ensuring a **healthy and safe work environment** for everyone involved in our operations.

Our commitment extends beyond mere risk mitigation; we aim to create a work environment where the employees' **mental and physical health is prioritized**. We firmly believe that a safe workplace is not only conducive to productivity – but also essential for fostering trust, loyalty, and long-term sustainability.

As the entire Hirschmann Automotive Group, we are certified according to the ISO 45001 standard.

ISO 45001 is an international Occupational Health and Safety Management Systems (OHSMS) standard. It was developed to help organizations create safe and healthy working conditions and minimize risks in the workplace.

This standard allows organizations to develop a proactive approach to identifying hazards, assessing risks, and implementing preventative measures. It also encourages employees' involvement in safety management and the continuous improvement of occupational health and safety performance.

ISO 45001 is designed to prevent occupational accidents and illnesses, promote employee well-being, and fulfill legal occupational health and safety requirements. It provides a framework for developing a comprehensive approach to health and safety in the workplace and can be applied by organizations of any size and in any industry.

Our approach to ensure a safe and healthy workplace for employees:

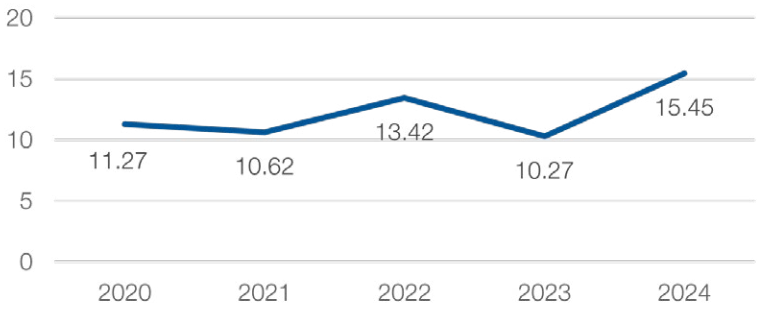
Evaluating Workplace Risks: We invite employees from different departments and operational fields to our occupational health and safety experts to assess workplace risks from various perspectives.

Conducting Frequent Safety Briefings: Employees are frequently trained in occupational health and safety topics. The training is conducted face-to-face by local experts and virtually through online training.

Providing Safe Work Equipment: We ensure a safe workplace by offering employees adequate work equipment and safety training.

Promoting Employee Health: We offer different medical services at each plant, such as doctors or psychologists. Furthermore, each plant has its own sports offers, such as yoga courses, running and cycling events, tennis courts, and much more. We have initialized fruit days and foster healthy and wholesome nutrition in our plant canteens.

Work-Related Injuries



Index = Count of Work-Related Injuries / Headcount of Employees x 1,000

FURTHER INFORMATION ON REPORTING

GRI INDEX

GRI Standard	Description	Page	Comment
General Disclosures		25	
The Organization and Its Reporting Practices		25	
2-1	Organizational Details	23-30	
2-2	Entities included in the Organization's Sustainability Reporting	4, 24-30	Included: Headquarters incl. all 6 Production Plants, Excluded: Competence Centers
2-3	Reporting Period, Frequency, and Contact Point	4	
2-4	Restatements of Information	4	
2-5	External Assurance	/	An external, independent consultant supported us in setting up the Materiality Assessment for the Report. The report was not externally reviewed upon release.
Activities and Workers		31	
2-6	Activities, Value Chain, and other Business Relationships	31, 32	
2-7	Employees	31-39	
2-8	Workers who are not Employees	37	
Governance			
2-9	Governance Structure and Composition	41	
2-10	Nomination and Selection of the Highest Governance Body	41	
2-11	Chair of the Highest Governance Body	41	
2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	41	
2-13	Delegation of Responsibility for Managing Impacts	41	
2-14	Role of the Highest Governance Body in Sustainability Reporting	41	
2-15	Conflicts of Interest	41	
2-16	Communication of Critical Concerns	45	
2-17	Collective Knowledge of the Highest Governance Body	43	
2-18	Evaluation of the Performance of the Highest Governance Body	43	

GRI Standard	Description	Page	Comment
2-19	Remuneration Policies	43	
2-20	Process to Determine Remuneration	43	
2-21	Annual Total Compensation Ratio	43	The annual compensation ratio is not displayed in this report due to sensitive, personal information. Management bonuses are linked to achieving KPI targets, including sustainability KPIs.
2-22	Statement on Sustainable Development Strategy	5, 6, 8-22	
2-23	Policy Commitments	43	
2-24	Embedding Policy Commitments	43	
2-25	Processes to Remediate Negative Impacts	43	
2-26	Mechanisms for Seeking Advice and Raising Concerns	43	
2-27	Compliance with Laws and Regulations	43	
2-28	Membership Associations	40	
2-29	Approach to Stakeholder Engagement	46	
2-30	Collective Bargaining Agreements	40	
GRI 3			
3-1	Process to Determine Material Topics	46	
3-2	List of Material Topics	46	
3-3	Management of Material Topics	46	
Economy		52	
	Digitalization in Production	53	
	Technology and Product Innovation	58	
414-1	New Suppliers that were Screened using Social Criteria	64	
308-1	New Suppliers that were Screened using Environmental Criteria	64	
204-1	Proportion of Expenditure on Local Suppliers	64	
Ecology		68	
305-2	Direct GHG Emissions (Scope 1 & 2)	69	
305-3	Indirect GHG Emissions (Scope 3)	69	305-3: Information on Scope 3 is currently reworked and categories are added
305-4	Intensity of Greenhouse Gas Emissions	69	305-4: Information on the intensity of GHG emissions is only available for Scope 1 and 2 emissions for this reporting timeline.
305-5	Reduction of Greenhouse Gas Emissions	69	
	Logistic and Transportation	77	

GRI Standard	Description	Page	Comment
301-1	Materials used by Weight or Volume	79	301: Currently, no data is available; data will be generated within the following years.
301-2	Recycled Raw Materials used	79	
302-1	Energy Consumption within the Organization	84-86	
Social Affairs		86	
404-1	Average Number of Training Spent on Education and Training per Year per Employee	88	40-1: The gender and the exact category for each plant were not tracked, nor were the training hours, which is why the data for 2020 – 2023 refers to all trainings that have been provided to employees per year.
405-1	Diversity in Supervisory Bodies and among Employees	35, 93	
401-1	Newly Hired Employees and Employee Turnover	39, 40	
403-1	Occupational Health and Safety Management System	98	
403-2	Hazard Identification, Risk Assessment, and Incident Investigation	98	
403-3	Occupational Health Services	98	
403-4	Employee Involvement, Consultation, and Communication on Occupational Safety and Health	98	
403-5	Employee Training on Occupational Health and Safety	98	
403-6	Promoting the Health of Employees	98	
403-7	Prevention and Mitigation of Occupational Health and Safety Impacts directly associated with Business Relationships	98	
403-8	Employees Covered by an Occupational Health and Safety Management System	98	
403-9	Work-Related Injuries	98	Index calculated by the number of accidents globally/all employees x 1,000.