bilsteingroup®

# bilstein group Sustainability Report

## Non-Financial Report 2024

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febi bilstein SWAG BLUE PRINT

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# Letter from Group Managing Directors

**“Mobility is what drives us” – and has done so since 1844.**

an internationally operating family-owned company in its seventh generation, we combine tradition with innovation and take responsibility for a sustainable future of mobility.

For us at the bilstein group, sustainable mobility means ensuring global mobility in the long term through durable products, resource-efficient processes and fair working conditions across the entire supply chain.

However, mobility does not only refer to our products, but also to our ability as a group to respond flexibly and proactively to changes in our markets and the world around us. With this customer-oriented approach, we continue to be successful worldwide, even in the seventh generation.

These dimensions have formed the foundation of our sustainability strategy for over 180 years. They are aligned with the topics that are crucial for our stakeholders and for the long-term development of the bilstein group.

**Our achievements in 2024**

The year 2024 was characterised by significant progress that confirms our strategic direction:

- By modernising lighting at several sites in 2024, we significantly reduced energy consumption. At our Ennepetal site alone, this resulted in savings of 400,000 kWh per year.
- A new compressed air system was installed at our production site in Ennepetal. The resulting waste heat is now used in the ventilation system, enabling additional heating energy savings.
- In 2024, we achieved a group-wide recycling and recovery rate of 93% – bringing us closer to our target of 95% by 2030.
- More than 90% of our purchasing volume is sourced from suppliers that have signed our Supplier Code of Conduct. We continue to work towards our target of 95% by 2030.

## Strategic Action Areas


- The number of parts suitable for electric and hybrid vehicles increased to 8,200 in 2024 (2023: 6,000), underlining our consistent focus on e-mobility.
- We were recognised as an outstanding training company for the twelfth consecutive time – a strong signal of the quality of our talent development.
- With the introduction of a group-wide Learning Management System (LMS), we established a modern and scalable infrastructure for digital training.
- Worldwide, we supported 39 social projects and initiatives, as well as 11 environmental initiatives.
- In 2024, the bilstein group received 22 awards from customers and international trading groups in recognition of outstanding performance.

In 2024, we also set key organisational milestones. With the appointment of a Group ESG Manager reporting directly to the Management Board, we established a clear foundation for managing sustainability across the group.

Supported by energy and environmental managers, as well as Local Sustainability Ambassadors at our sites worldwide, we ensure consistent data collection, clear responsibilities and the integration of sustainable processes across all business areas.

The bilstein group remains firmly committed to contributing to sustainable and future-ready mobility. Our focus lies on promoting e-mobility, increasing energy efficiency, expanding renewable energy and reducing our $CO_2$ emissions. At the same time, we strengthen employee development, foster a diverse and inclusive corporate culture and enhance transparency within our supply chains. We aim to further expand our role as a reliable partner and to make a tangible contribution to sustainable mobility and future-proof value creation

**Karsten Schüßler-Bilstein**
Group Managing Director

**Jan Siekermann**
Group Managing Director

# Who We Are

The bilstein group is a family-owned company in its seventh generation, headquartered in Ennepetal, Germany. As a supplier and manufacturer of spare parts for the Independent Automotive Aftermarket (IAM), we offer repair solutions for all common passenger cars and commercial vehicles.

bilstein group Engineering, our in-house production unit, primarily manufactures automotive spare parts for the bilstein group. In addition, it produces high-quality components for a wide range of industrial applications. Since 2012, the group has brought together its internationally recognised product brands febi, SWAG and Blue Print under the umbrella of the bilstein group. In 2021, the turbocharger specialist Motair was acquired and integrated into the febi brand in 2025.

We offer our customers more than 80,000 different spare parts in over 170 countries. To ensure close proximity to our partners, we are represented in Europe, Africa, Asia, North and South America, as well as in the Middle East.

In 2024, around 2,900 employees at 22 international locations generated revenue of €1.25 billion.

Ensuring sustainable global mobility has always been – and continues to be – our driving force. In an open and creative environment, we create the conditions for forward-looking solutions with the aim of providing the independent aftermarket with a comprehensive range of high-quality spare parts and outstanding services for efficient vehicle repairs. As a family-owned company, we operate with a long-term perspective – making us reliable and predictable.

We continuously invest to ensure the availability of our products, even in uncertain times. Our goal is to further optimise our supply chain for the benefit of our global partners. Excellent logistics is a key success factor in this regard.

One of our most important projects to secure future growth is the integration of all global locations into a virtual supply chain

A key element of our philosophy is a strong focus on long-term, partnership-based collaboration with our international customers. Together, we aim to further develop the independent aftermarket and prepare our business environment for the future.

A particular focus of our collaboration is the creation of new opportunities along this shared journey. While we focus on current opportunities in the aftermarket, we have always kept future needs in mind. Electrification and the evolution of mobility are therefore at the top of our agenda.



**Our Company Structure 2024:**

bilsteingroup®

bilsteingroup® ENGINEERING
- Industrial Production
- Aftermarket Engineering

bilsteingroup® (febi bilstein, SWAG, Blue Print)
- Passenger Cars and LCV
- Commercial Vehicles and Off-Highway

| | | | |
|---|---|---|---|
| **2012**<br>Introduction of umbrella brand | **2,900**<br>Employees worldwide | **1.25 bn €**<br>Total turnover (in 2024) | **27 M €**<br>Turnover of bilstein group Engineering (in 2024) |
| **> 80,000**<br>Different products | **22**<br>International subsidiaries | **13**<br>Logistics centres worldwide | **170**<br>Supplied countries |

# Our Mission and Vision

**Guiding principles for internal and external alignment**

To be successful as a company, it is important that we all pull together – and, above all, in the same direction. Each and every employee plays an important role in achieving the goals that have been set and is therefore a building block of our shared success.

To this end, the bilstein group has defined guiding principles that are intended to set the direction and provide orientation. In simplified terms, these concern the why, the how and the what, as well as alignment towards a common goal.

**"Mobility is our driving force."** This is the guiding principle of the bilstein group. It already expresses the purpose behind our activities as well as our attitude towards our business partners and stakeholders. Because we create mobility – and in our daily actions we are customer-oriented, flexible, proactive and self-motivated. Further core aspects have also been defined that give the company and our work a deeper meaning:

The **why**, or the purpose, describes the driving force behind everything the bilstein group does. It is the reason why we get up in the morning and go to work. Because: "We preserve mobility – sustainably and worldwide".

The **how**, or the vision, is a guiding concept that defines the long-term goals and values. It provides a clear perspective on what we want to achieve as a company in the future. It creates meaning and identification: "Together, we pursue innovative paths in order to enable people to achieve the greatest possible independence through affordable mobility."

The **what**, or the mission, describes the purpose and the enduring role of a company. It determines the common direction and provides the framework for the development of strategies and goals. It is our point of reference by which we align ourselves and our processes: "Through an open and creative environment, we create the conditions for forward-looking solutions. In doing so, we offer the independent repair market a comprehensive range of high-quality spare parts and outstanding services for efficient vehicle repair. As a family-owned company, we act with a long-term perspective, reliably and on an equal footing. That makes us predictable."

Through our mission and vision, the bilstein group's employees, as well as our business partners worldwide, are to be made aware of the core of our actions.

They are long-term guiding principles intended to help align all of our actions, derive strategies and secure the long-term success of the group of companies.


# Engagement and Awards

COMMITTED ecovadis Sustainability Rating MAR 2024

FAAS Forum on Automotive Aftermarket Sustainability

PARTSLIFE

KOMPETENZPROGRAMM NACHHALTIGKEIT
Eine Initiative von econsense

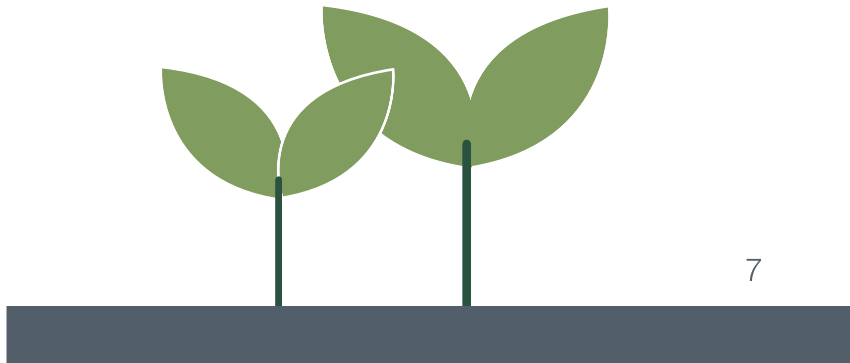
inteliam SILVER BILSTEIN GROUP SUSTAINABILITY CARD Published in 2025

# Alignment of our Sustainability Reporting with CSRD and ESRS

With the temporal postponement of the reporting obligations of the Corporate Sustainability Reporting Directive (CSRD), we gain valuable time, which we use in a targeted manner: We further develop our internal processes for data collection and processing and improve the quality of all reporting-relevant information step by step.

Through a structured implementation and continuous optimization of our processes, we create the basis for a robust, transparent and strategically valuable sustainability reporting.

For the sustainability report 2024, we have deliberately decided to already align it with the requirements of the CSRD as well as the European Sustainability Reporting Standards (ESRS). Even if not all data points are currently mapped in accordance with ESRS, the structure and design of the report already follow the future system.



# ESRS 2 General Disclosures

**BP1 General Basis for the Preparation of the Sustainability Statements**
From the financial year 2025, Ferdinand Bilstein GmbH + Co. KG is required to report in accordance with the Corporate Sustainability Reporting Directive (CSRD). The subsidiaries are included in the sustainability reporting of the entire bilstein group on a voluntary basis.

**GOV-1 – The Role of Administrative, Management and Supervisory Bodies**
Ferdinand Bilstein GmbH + Co. KG is a family-owned company, managed by the two Managing Directors Karsten Schüßler-Bilstein and Jan Siekermann as a dual leadership structure. The Bilstein Group comprises all entities within the group. The bilstein group equally refers to these entities, but represents the umbrella brand that consolidates all business activities as well as the product brands febi, SWAG and Blue Print. The long history of the Group has demonstrated that a company must operate in alignment with its stakeholders and the environment.

Therefore, we are convinced that only sustainable business processes are future-proof. As in the past, we will continue to align our future actions with sustainability principles. The transition from a decentralized to a centralized sustainability governance structure in 2024 resulted in more targeted sustainability management.

The responsibilities of our ESG Manager include, among others:
- the management of sustainability reporting requirements in line with CSRD/ESRS,
- the further development and implementation of the group-wide sustainability strategy,
- the execution of sustainability ratings,
- ESG compliance,
- participation in stakeholder initiatives

The ESG Manager leverages the expertise and resources of the respective business functions and coordinates sustainability-related activities across the Group. In addition, energy managers and environmental managers oversee specific thematic areas. To support centralized governance, Local Sustainability Ambassadors have been appointed in each subsidiary. They are responsible for the preparation of data for the sustainability report and act as local points of contact for all sustainability-related matters.

This ensures that material information is collected in a timely and complete manner and that exchange between locations operates efficiently.

Our Management Board continues to play a central role in overseeing the sustainability strategy. In 2024, we further developed our sustainability strategy comprehensively.

The basis for this includes the results of the double materiality assessment as well as increasing regulatory requirements. The sustainability strategy is increasingly aligned with the topics that are material for our stakeholders and for the long-term development of the undertaking.

Through this update, we establish a clear and practical framework for the coming years, combining ambitious targets with actionable measures and further strengthening the bilstein group's competitiveness in sustainability.

**GOV-4 – Statement on due diligence**

| Core elements on due diligence | Section in sustainability report |
|---|---|
| a) Integration of due diligence into governance, strategy and business model | ESRS G1 Business conduct: Human rights and environmental due diligence |
| b) Integration of affected stakeholders in all key steps of due diligence | SBM-2– Interests and views of stakeholders |
| c) Identification and assessment of negative impacts | SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities |
| d) Actions to address these negative impacts | ESRS S1, ESRS S3, ESRS G1-2 |
| e) Tracking the effectiveness of these efforts and communication | S1-17 Incidents, complaints and severe human rights impacts |

**SBM-1 – Strategy, Business Model and Value Chain**
Our business model is characterised by the close integration of production, global distribution and circular economy, and places resource efficiency and future-oriented mobility solutions at its core.

Since 2021, an additional focus has been placed on remanufacturing. As part of the reman programme, used turbochargers are collected from workshops and end customers, inspected, refurbished in the Turbo Competence Centre and reintroduced into the aftermarket.

In an open and creative environment, we create the conditions to provide forward-looking spare parts and services that combine efficiency, quality and sustainability.


**Sustainability topics according to ESRS**
The material topics in the areas of Environment (E), Social (S) and Governance (G) that are relevant along the value chain.

**SBM-2– Interests and Views of Stakeholders**
Active dialogue with our stakeholders is a central component of our sustainability management and an important basis for our strategic orientation. We understand sustainable development as a collective task that can only succeed through close exchange with those who are affected by our business activities or who ha ve an influence on them.

An overview of our prioritised stakeholder groups and dialogue formats can be found in the adjacent table.

The insights gained from these stakeholder dialogues support us in continuously adapting our sustainability strategy to the evolving expectations of our stakeholders. For example, feedback from customer surveys, supplier assessments or industry bodies is regularly analysed and integrated into our material topics.

The perspectives of our stakeholders are also systematically taken into account as part of our double materiality assessment.

Both external and internal stakeholders are included. Internal subject matter experts as well as employee representative bodies act as proxies for affected stakeholder groups where direct engagement is not possible.

The results from stakeholder dialogues and the materiality assessment are presented to the Management Board. The Group ESG Manager reports directly to the Management Board on the identified material topics, impacts, risks and opportunities as well as on the views and interests of the key stakeholder groups.

This information is incorporated into the prioritisation of sustainability measures and into the further development of our sustainability strategy.

| Stakeholder | Dialogue Format |
|---|---|
| Customers | Customer satisfaction survey, trade fairs, media, personal contact, collaboration in various industry initiatives |
| International Trading Groups (ITGs) | Customer satisfaction survey, trade fairs, media, personal contact, collaboration in various industry initiatives |
| Suppliers | Supplier assessment, trade fairs, media, personal contact, code of conduct |
| Competitors | Trade fairs, media, personal contact, associations, collaboration in industry initiatives |
| Business partners | ESG assessments, certification audits, code of conduct, personal contact |
| Own employees | Personal contact, employee surveys, regular employee discussions, newsletter, intranet, discussions on personal development, training initiatives and regular meetings with the works council |
| Society | Local events, voluntary, social and environmental support activities, donations and sponsorship |
| Young talents | Apprenticeships, career fairs, Talents4AA, media |
| Associations and business networks | Apprenticeships, career fairs, Talents4AA, communication, conferences, position papers |
| Media | Communication, conferences, position papers communication, conferences, position papers |
| Internal subject matter experts | Regular exchange, workshops |

Through this structured and continuous engagement, we ensure that our sustainability strategy is built on a solid foundation of transparency, dialogue and mutual trust.

**SBM-3 – Material Impacts, Risks and Opportunities and their interaction with strategy and business model**

The business model of the bilstein group is associated with a high dependency on metallic raw materials such as steel and aluminium, the extraction and processing of which are linked to significant energy consumption and high emissions.

Accordingly, the $CO_2$ footprint of the upstream products and materials used along the value chain also contributes significantly to environmental impacts.

In addition, there are potential human rights risks in upstream value chains, which require careful due diligence and responsible supplier selection.

In 2024, we comprehensively revised our materiality assessment in accordance with the requirements of the European Sustainability Reporting Standards (ESRS) in order to comply with the Corporate Sustainability Reporting Directive (CSRD).

The aggregated results show that the following topics are material for the bilstein group:

In the area of **Environment**, the bilstein group considers in particular the topic of climate change – including climate mitigation, energy and climate adaptation – to be relevant. Equally important are the prevention of pollution with a focus on microplastics, the responsible management of water and marine resources, the protection of biodiversity and the condition of ecosystems, as well as aspects of the circular economy, in particular waste reduction and waste management.

In the area of **Social**, the workforce of the group is at the centre, in particular good working conditions as well as equal treatment and equal opportunities.

In addition, the economic, social and cultural rights of affected communities play a significant role.

For consumers and end users, the provision of information is particularly relevant.

In the area of **Governance**, the bilstein group focuses on responsible and compliant business conduct.

This includes, in particular, a compliance system as well as structured supplier management to ensure transparency and integrity along the value chain.



In addition, the bilstein group has identified three company-specific focus topics: e-mobility, demographic topics such as the promotion of young talent and the creation of local jobs, as well as digitalisation.

The conducted materiality assessment is based on a multi-stage process for identifying and assessing material impacts, risks and opportunities across the entire value chain of the bilstein group.

**Step 1: Preparation of the Topic Long List**
**The ESRS 1 list of topics served as the starting point for the materiality assessment.**
This list of topics was reviewed in the context of previous materiality assessments and sustainability reports and supplemented with company-specific topics based on additional sources.

For this purpose, internal and external sources of information were used, including:

- SASB standards (Sustainability Accounting Standards Board) for chemicals, auto parts, road transport
- grievance mechanisms, previous materiality assessments
- benchmark analyses, industry analyses, ESG ratings
- results from stakeholder dialogues, workshops with internal subject matter experts

The complete list of topics covers the entire value chain from raw material sourcing through production, logistics and distribution to use, remanufacturing and end-of-life treatment.

**Step 2:**
**Assessment of Impacts, Risks and Opportunities**
For each topic area in this list, potential impacts, risks and opportunities were identified. An assessment was made as to whether these arise in own operations, in the upstream or in the downstream value chain. In addition, all impacts, risks and opportunities were assessed with regard to their time horizon, distinguishing between short-term (< 1 year), medium-term (1–5 years) and long-term (> 5 years) impacts.

**Step 3:**
**Assessment of Impacts, Risks and Opportunities**
The assessment of impacts, risks and opportunities was carried out in accordance with the requirements of ESRS 1. For negative impacts, severity, scale, irremediability and likelihood of occurrence were taken into account in order to determine the significance of respective impacts, risks and opportunities for people and the environment.

**Environment**

**E1 Climate Change**
- Climate Protection
- Energy
- Adaptation to Climate Change

**E2 Pollution**
- Micro-plastics

**E3 Water and Marine Resources**
- Water

**E4 Biodiversity and ecosystems**
- Impacts on the extent and condition of ecosystem

**E5 Resource use and Circular Economy**
- Waste

**Social**

**S1 Own Workforce**
- Working conditions
- Equal Treatment and Equal Opportunities for all

**S3 Affected communities**
- Economic, Social and Cultural Rights of Communities

**S4 Consumers and end-users**
- Social Inclusion of Consumers and/or end-users
- Information-related Impact on Consumers and/or end-users

**Governance**

**G1 Business Conduct**
- Compliance
- Management of Relationships with Suppliers

**bilstein group topics**

**E**
- E-Mobility

**S**
- Demography

**G**
- Digitalisation

Positive Impacts
Negative Impacts
Opportunity
Risk

Positive impacts were assessed based on the magnitude and scope of their effects; for potential positive effects, the likelihood of occurrence was additionally considered. The assessment of financial materiality was carried out in accordance with ESRS 1 on the basis of likelihood of occurrence and the potential financial magnitude.

To quantify impacts, risks and opportunities, a numerical scale from 1 to 5 was used, where 1 stands for “very low”, 2 for “low”, 3 for “medium”, 4 for “high” and 5 for “very high”.

Impacts, risks and opportunities are classified as material once the company-specific defined threshold value of 3 is reached or exceeded.

For the assessment, the highest value of the individual assessment factors is used and compared with the threshold value.

**Step 4:**
**Compliance with Material Topics**
In the final step, the material topics were consolidated in a materiality table.

The results of the materiality assessment were validated and formally approved by the Management Board and the ESG Manager.Compared to the previous year, the process was significantly further developed: the analysis was carried out for the first time in accordance with the requirements of the ESRS, with an assessment at the level of individual impacts, risks and opportunities instead of – as previously – at the level of topics.This increased the granularity of the assessment and achieved a closer alignment with the ESRS framework.

Based on the results of the materiality assessment, the sustainability strategy was reviewed, adjusted and further developed.



# ESRS Environment

The protection of the environment is an important concern for us.We focus on processes and structures that reduce our ecological footprint and conserve natural resources as comprehensively as possible.

## ESRS E1 Climate Change

On the global Earth Overshoot Day, humanity has already consumed all natural resources that would normally be available for the entire year.This means that from this day onwards, global ecosystems are overloaded.In 2024, this day was on 1 August.

The bilstein group aims to positively influence this point in time by committing to the conservation of natural resources. Through continuous investments in building infrastructure, such as KfW efficiency buildings, green roofs and modernization measures, as well as through the implementation of efficient and resource-conserving production and logistics processes, $CO_2$ emissions have been reduced per unit sold.

Further investments in photovoltaic systems, combined heat and power plants, and energy recovery enable a significant reduction of total emissions.

Since 2021, the bilstein group has sourced electricity exclusively from renewable energy sources at all German production, logistics and administrative sites through the purchase of guarantees of origin.

We are committed to the Paris Agreement and strive to reduce the environmental impacts of our business activities worldwide and along our value chain.

**Accounting Methodology**
Climate change is one of the greatest challenges of the 21st century. A key driver of the greenhouse effect is $CO_2$ emissions resulting from the combustion of fossil fuels. Other greenhouse gases (GHG) also contribute to the greenhouse effect. In addition to $CO_2$ (carbon dioxide) emissions, these include $CH_4$ (methane), $N_2O$ (nitrous oxide), $NF_3$ (nitrogen trifluoride), $SF_6$ (sulphur hexafluoride) and HFC gases (hydrofluorocarbons) as well as PFC gases (perfluorocarbons), which are part of the group of relevant greenhouse gases.

In GHG emissions accounting, these gases are therefore also included in the data basis, provided they represent a relevant share of total emissions. These greenhouse gases can be quantified in $CO_2$ emission equivalents. The results of GHG accounting are therefore reported in $CO_2$ equivalents ($CO_2e$).

**Overview of the Emissions Data of the bilstein group**
The emissions and energy data cover the years 2022 to 2024.The emissions data are reported separately for the entire bilstein group (bg) and for Ferdinand Bilstein GmbH & Co. KG (FBI). As a first step, we have assessed and analysed our emissions of categories 1, 2 and 3 for the base year 2022 in accordance with the GHG Protocol. Emissions of categories 1 and 2 arise from energy consumption in our production, our warehouses and our office buildings, while category 3 emissions originate from our value chain and the procurement of products and raw materials. The data for our Scope 1 and Scope 2 emissions are divided into market-based and location-based emissions in accordance with the GHG Protocol. For the determination of values, emission factors from our procurement conditions are taken into account for market-based emissions.

For the determination of location-based emissions, the current emission factors of the respective countries are applied.

**GHG-Emissions (market-based) ($tCO_2e$)**

| Year | Scope 1 | | Scope 2 | |
|---|---|---|---|---|
| | bilstein group | FBI | bilstein group | FBI |
| 2022 | 952,0 | 581,2 | 864,2 | 49,3 |
| 2023 | 860,1 | 593,1 | 733,8 | 57,3 |
| 2024 | 914,5 | 735,1 | 772,0 | 63,3 |

**GHG-Emissions (location-based) ($tCO_2e$)**

| Year | Scope 1 | | Scope 2 | |
|---|---|---|---|---|
| | bilstein group | FBI | bilstein group | FBI |
| 2022 | 1,992,2 | 1,621,4 | 4,072,2 | 3,258,2 |
| 2023 | 1,843,2 | 1,576,2 | 3,783,4 | 3,107,7 |
| 2024 | 2,105,8 | 1,923,5 | 4,241,8 | 3,553,4 |

As a result of ongoing revenue growth, new sites and increased production volumes, greenhouse gas emissions in Scope 1 and Scope 2 are also increasing.Through our continuous commitment in energy procurement, we have already been able to reduce the values of the market-based emissions inventory compared to the location-based inventory.The bilstein group continues to work on further reducing greenhouse gas emissions.

More than 80% of all Scope 1 and Scope 2 emissions of the bilstein group originated at our German sites. Therefore, our focus in the past has primarily been on reducing or avoiding emissions at our German locations as much as possible. Within the framework of the location-based approach, we calculate emissions not only based on average German emission factors, but also take into account the specific emission factors of the respective country in which electricity or heat consumption occurs. To reduce greenhouse gas emissions, additional PV systems are therefore continuously being installed and heating systems are being retrofitted.

**Compensation Certificate VCS and CCBS**

We procure compensation certificates that are certified according to the standards VCS (Verified Carbon Standard – Verra) and CCBS (Climate, Community and Biodiversity Standard). The verification is carried out at the highest level ("Gold Level") in order to ensure the quality and impact of the projects.Within the framework of the materiality assessment, electricity, heat and fuel consumption of the German branches, as well as losses of refrigerants from air conditioning systems, were initially identified as material. To ensure that $CO_2e$ emissions are fully compensated, rounding is made up to full tonnes of $CO_2e$ and the corresponding number of credits is retired. Further unavoidable emissions, for example in the area of our vehicle fleet, were subsequently offset through climate-friendly projects – so-called "offsetting" – for the financial year 2024.

**Development of Energy Consumption**

For the determination of total energy consumption, electrical energy as well as thermal energy and fuel consumption were taken into account, where available.

The bilstein group expects a further long-term increase in energy consumption.Due to continuous business growth and the associated expansion of existing sites, this trend will continue at least until 2030. In order to continuously counteract this increase, we specifically implement energy efficiency measures such as the modernisation of machines and equipment as well as efficient processes.

**Total energy consumption [MWh]**
**ESRS E1-5 37**

| Jahr | bilstein group | FBI |
|---|---|---|
| 2022 | 19,325 | 24,049 |
| 2023 | 19,717 | 23,662 |
| 2024 | 21,747 | 25,996 |

**Photovoltaics – reduction of greenhous gas emissions in electricity consumption**

The bilstein group continues to pursue the goal of increasing the share of renewable electricity at its own sites. Our two largest existing installations are located here in Germany. Our in-house production in Ennepetal and our site in Gelsenkirchen are already equipped with two photovoltaic systems that are in operation. These two installations have a generation capacity of around 1.5 MWp and cover an area of approximately 12,000 m².

Two additional PV systems are currently in planning and implementation. By the end of 2025, a PV system with a capacity of 700 kWp is to be commissioned at our site in Great Britain. In addition, a photovoltaic system with a capacity of approximately 1.4 MWp is planned at our logistics centre in Ennepetal, with commissioning scheduled for the second quarter of 2026.

The further expansion of photovoltaics at our company locations is an important component for reducing greenhouse gas emissions at the bilstein group.

**Electricity data**
**bilstein group in [MWh]**
**ESRS E1-5 37 c, 37 c iii, 39**

| Year | Consumption | Purchase/ Procurement | Own Generation | | |
|---|---|---|---|---|---|
| | | | Generation | Self-consumption | Sale |
| 2022 | 13,074 | 11,868 | 1,827 | 1,401 | 426 |
| 2023 | 13,260 | 12,100 | 1,625 | 1,275 | 350 |
| 2024 | 14,563 | 13,137 | 1,639 | 1,426 | 218 |

**Electricity data**
**Ferdinand Bilstein GmbH & Co. KG in [MWh]**
**ESRS E1-5 37 c, 37 c iii, 39**

| Year | Consumption | Purchase/ Procurement | Own Generation | | |
|---|---|---|---|---|---|
| | | | Generation | Self-consumption | Sale |
| 2022 | 10,031 | 8,767 | 1,661 | 1,264 | 397 |
| 2023 | 10,503 | 9,272 | 1,567 | 1,230 | 337 |
| 2024 | 11,303 | 10,000 | 1,500 | 1,303 | 197 |



Through the continuous expansion of our photovoltaic systems, we pursue the goal of further reducing our $CO_2$ emissions in the long term and minimising potential negative climate impacts resulting from our business growth.The consistent expansion of our photovoltaic capacities therefore represents a central component of the bilstein group's climate strategy.

**Sustainable Heating**

In the past, our entire heating energy was generated through the combustion of fossil fuels, mainly natural gas. We plan to further reduce our environmental impacts and are examining options for supplying renewable heating energy. We already cover part of our energy consumption through the use of district heating at our site in Gelsenkirchen. District heating is part of the strategic foundation of the bilstein group. Where district heating networks are available, these are to be used wherever possible. At the company headquarters in Ennepetal, where district heating is not available, we are planning to convert central gas heating systems to heat pumps using geothermal energy.

**Heat Consumption**
**bilstein group in [MWh]**
**ESRS E1-5 37 c ii, 38 e**

| Year | Total | Natural Gas | Coal | District Heating | Heating Oil |
|---|---|---|---|---|---|
| 2022 | 9,912 | 6,865 | 326 | 1,564 | 1,157 |
| 2023 | 9,305 | 6,137 | 244 | 1,714 | 1,209 |
| 2024 | 10,343 | 6,787 | 76 | 1,895 | 1,585 |

**Heat Consumption**
**Ferdinand Bilstein GmbH & Co. KG in [MWh]**
**ESRS E1-5 37 c ii, 38 e**

| Year | Total | Natural Gas | Coal | District Heating | Heating Oil |
|---|---|---|---|---|---|
| 2022 | 8,288 | 5,700 | 0 | 1,564 | 1,007 |
| 2023 | 8,151 | 5,387 | 0 | 1,714 | 1,048 |
| 2024 | 9,494 | 5,912 | 0 | 1,895 | 1,585 |

Our plant in Wuppertal is currently heated by three oil heating systems. By October 2026, a district heating connection is to be installed at the site. The conversion of the heating system to district heating is planned for summer 2026.

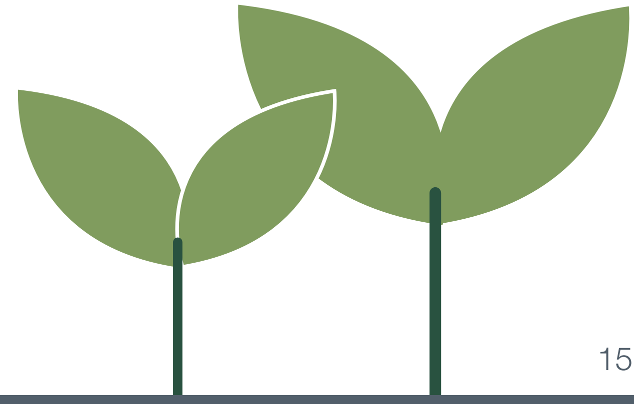
**Electrification as a Trend**

The topic of electrification is also becoming a central task for the bilstein group in order to ensure the heating of the Ennepetal sites in the long term. As part of the construction of our new administrative building at the Ennepetal site, we are planning the installation of geothermal heat pumps. The generated heat will also fully replace the existing gas heating systems in the two adjacent administrative buildings. Through the development of a corresponding local heating network, it is also planned to convert the gas heating systems located there and thus supply the entire site more sustainably in the future.

**Sites and Buildings: Our Measures to increase Sustainability**

From the outside, logistics buildings tend to appear functional, but they also incorporate significant energy efficiency features: Both our production in Ennepetal and the logistics centre in Gelsenkirchen opened in 2022 were built in accordance with the KfW 55 standard. This means that they consume around 45% less primary energy than a comparable new building without additional efficiency measures. In addition to the 6,000 m² PV system, 15,000 m² of green roof were also installed at our logistics centre in Gelsenkirchen. The focus was not only on environmental aspects: the green roof helps, among other things, to reduce the negative effects of heavy rainfall and contributes to improved climatic conditions in the rooms below. In our logistics centres, we primarily rely on automated logistics systems.

In Gelsenkirchen, for example, we can save around 75% of the space required by a traditional manual warehouse. In addition, we use energy-efficient components and drives, active shutdown of conveyor technology when not in use, utilisation of braking energy of picking equipment, and much more.



**Energy measures must in any case be planned thoroughly and sustainably. With regard to the long-term goal of a $CO_2$-neutral global economy, energy generation and energy use are two central levers. And large investments in a company 's energy efficiency are generally very long-term and should therefore have a lifespan of 20 to 25 years.**

*Nico Schwalm*
*Energy Manager of the bilstein group*

**Sustainable Fleet Management**
Most of the vehicles in our fleet are company cars assigned to individual employees.

In order to gain more transparency about how our indirect business activities and our value chain impact climate change, we have decided to carry out a systematic assessment of Scope 3 emissions in accordance with the GHG Protocol guidelines.

| Number of vehicles in bilstein group | | | |
|---|---|---|---|
| Fuel Type | 2022 | 2023 | 2024 |
| Petrol | 23 | 27 | 33 |
| Diesel | 137 | 135 | 142 |
| Hybrid | 17 | 18 | 35 |
| Electric vehicle | 6 | 8 | 14 |
| Total | 183 | 188 | 224 |

| Vehicle Fleet Ferdinand Bilstein GmbH & Co. KG in [MWh] | | | |
|---|---|---|---|
| Year | Total | Diesel | Petrol |
| 2021 | 794 | 667 | 126 |
| 2022 | 1,005 | 831 | 174 |
| 2023 | 1,060 | 795 | 265 |
| 2024 | 1,049 | 809 | 240 |

For the calculation of Scope 3 emissions, we have used secondary data and emission factors from reliable databases. In doing so, we found that these data are not very precise and that specific information for our industry is often lacking. For this reason, we plan in the future to collect primary data on carbon emissions directly from our suppliers and, based on this, identify further potentials for reducing our Scope 3 emissions. In the past, emissions from the transport of goods were partially allocated to the products themselves.

As part of our continuous further development and improvement of calculation methodologies, we have now consistently assigned these emissions to the category of upstream transport. Even if the values appear higher compared to the previous year, they reflect a more accurate allocation of emission sources.

The accounting methodology for Scope 3 emissions is currently being revised. In the future, emissions will be broken down according to Scope 3 sub-categories. An overview of our $CO_2e$ emissions in the individual Scope 3 categories is provided in the following overall balance. As part of the update of values in Category Scope 3, an adjustment of the underlying emission factors is being carried out.

**Indirect greenhouse gas emissions– Scope 3**
In order to gain more transparency about how our indirect business activities and our value chain impact climate change, we have decided to carry out a systematic assessment of Scope 3 emissions in accordance with the GHG Protocol guidelines.

| Emissions category | 2022 [$tCO_2e$] | 2023 [$tCO_2e$] | 2024 [$tCO_2e$] |
|---|---|---|---|
| Purchased goods & services | 333,788,9* | 315,371,4* | n.a. |
| Capital goods | 3,215,5* | 1,212,6* | n.a. |
| Upstream transport | 2,745,8* | 29,426,9* | n.a. |
| Waste | 93,2* | 142,7* | n.a. |
| Business travel | 280,3* | 455,0* | n.a. |
| Downstream transport | 3,541,8* | 3,411,5* | n.a. |

*Adjustment of emission factors necessary



# ESRS E5 Ressource Use & Circular Economy

## Packaging

In recent years, we have made our packaging more sustainable. We have completely avoided the use ofcomposite packaging – i.e. mixed packaging consisting of a combination of paper and plastics. In doing so, we have created an important basis for making packaging easier to recycle and for keeping valuable materials in circulation. Today, we consistently rely on recyclable and resource-efficient solutions that are both functional and environmentally friendly.

Our full paper and corrugated cardboard packaging are up to 98.6% recyclable, while our PE films are even 100% recyclable – this is confirmed by independent certificates.

For product and transport protection, material made of 100% recycled paper is predominantly used, which is labelled with the Blue Angel eco-label. **Through the resource-efficient use of this paper, we were able to achieve savings of around 77 grown trees in 2024, based on average consumption, compared to the use of paper made from virgin fibres.**

In addition, recycled paper reduces water and energy consumption by at least 68% and lowers the generation of climate-damaging $CO_2$ by up to 15%.

In this way, we actively contribute to the conservation of natural resources.

Also in the area of plastics, we consistently pursue the goal of keeping material use and environmental impacts as low as possible. Already today, our air cushion films consist of up to 50% recycled plastic. For some other types of packaging, the proportion of recycled material is at least 30%. In addition, we have introduced clear logistics guidelines that are binding both internally and for our external partners. These stipulate that only PE (polyethylene), PP (polypropylene) or PET (polyethylene terephthalate) may be used – and only in the smallest possible quantities. The use of PVC (polyvinyl chloride) is strictly prohibited; polystyrene may – if at all – only be used for moulded parts. In this way, we ensure the long-term recyclability of our packaging. Furthermore, we have reduced the thickness of our machine films from 100 µm to 80 µm.

Through this measure, we save considerable amounts of plastic without compromising the functionality or safety of the packaging.

In addition to the quality and recyclability of our packaging materials, we place great importance on the responsible design of our supply chain.

In doing so, we also work specifically to optimise the packaging solutions of our suppliers in order to promote the use of more sustainable materials, reduce waste and further improve recyclability along the entire value chain.

**To design this process to be as sustainable as possible is not only a success for the bilstein group, but also for our customers and an important step towards sustainability.**

*Carsten Dunker*
*Divisonal Manager Packaging Management*

## Remanufacturing

As part of our commitment to resource conservation and circular economy, the bilstein group pursues the goal of closing material cycles and sustainably extending the lifecycle of vehicle components.A key example of this is the remanufacturing of turbochargers, which makes a significant contribution to reducing emissions and ensuring responsible use of raw materials.

An integral component of modern combustion engines are turbochargers, which combine performance with environmental efficiency. In addition to products from renowned OE manufacturers, the bilstein group also offers industrially remanufactured turbochargers within the scope of its reman programme. These represent a cost-effective and high-quality alternative. Remanufacturing is carried out in audited quality processes in accordance with ISO 9001 and includes several process steps such as cleaning, testing, balancing and calibration. The remanufactured turbochargers achieve a functionality equivalent to new parts in every respect, while conserving valuable resources and significantly reducing the ecological footprint.

With remanufacturing and recycling of components, the bilstein group makes an important contribution to climate protection and resource conservation.

A scientific study by the Association of Motor Vehicle Remanufacturers (VMI), together with Saarland University of Applied Sciences, demonstrates this effect: compared to new production, remanufacturing of turbochargers reduces $CO_2$ emissions by up to 68.8%.

In addition, a study by the Fraunhofer Institute for Production Technology and Automation (IPA) shows that remanufacturing of turbochargers reduces energy demand by around 60%, material usage by around 80% and environmental impact ($CO_2e$) by around 40% compared to new production. To ensure the return of used parts, all turbochargers are sold within the exchange system.



For each part sold, a deposit amount is charged, which is refunded upon the return of the used part. This system promotes the return and remanufacturing of components and  actively supports the implementation of circular economy principles.

The bilstein group is a member of the Association of Motor Vehicle Remanufacturers (VMI), which in turn is a member of the international Automotive Parts Remanufacturers Association (APRA). This integrates us into a strong international network of the remanufacturing industry and promotes active exchange on sustainability, quality and innovation.

An important component of this commitment is also regular participation in Rematec, the world's leading trade fair for industrial remanufacturing.

Through these activities, the bilstein group not only strengthens its technological expertise but also uses participation in industry associations and events as an important format for stakeholder dialogue, in order to actively contribute to developments in the field of circular economy.

## Spare parts for the mobility of the future

**Product develoment for the electric and hybrid vehicle at the bilstein group**
The automotive industry is undergoing the greatest transformation in its history. Stricter climate targets, technological innovations and increasing customer demand are driving the growth of electric and hybrid vehicles. This development affects not only vehicle production, but also the repair market. For us as a company, this transformation presents an opportunity to contribute to sustainable mobility. Our product development strategy ensures that independent workshops are always equipped with the right spare parts in a timely manner and can thus support the transition to low-emission drives, while at the same time extending the service life of existing vehicles.

**Market transformation**
Our approach in product development is to meet market demand and respond quickly to changes, which is what workshops in their daily operations depend on.

Over the past seven years, the range of powertrain types in Europe, the United Kingdom and the EFTA countries has changed significantly. Registrations of vehicles with combustion engines (ICE) have declined – from 94% in 2017 to under 45% in 2024.

In 2024, battery electric vehicles reached third place among the most popular powertrain types for the first time and achieved a market share of 13.6% of newly registered vehicles.

For the first time, they surpassed diesel vehicles, whose share declined further to 11.9%. Petrol vehicles, with 33.3%, remained the leading powertrain type, while hybrid vehicles further expanded their position as the second most important powertrain type with a market share of 30.9%.

This development highlights the importance of aftermarket solutions that support a long-term transition in which combustion engine, hybrid and electric vehicles exist in parallel in the market. However, considering the entire vehicle fleet, a different picture emerges: the share of electric vehicles – including hybrid and fully electric models (EV) – currently stands at only around 3.7% in Europe.

**Our fast-to-market approach**
We have recognised this trend early and already started in 2019 to analyse so-called flagship models of vehicle manufacturers such as Tesla Model S or VW ID.3. This focus has been continuously expanded and is now an integral part of our daily product development. With our fast-to-market approach, we ensure that we not only include new articles in our range, but also link them as early as possible to existing articles. This shortens the time between market launch of a vehicle and the availability of the appropriate spare parts.

Workshops are therefore able to respond more quickly to changing vehicle segments. It is important to note that many of these new models share platforms with combustion engine vehicles, meaning that numerous articles from our existing portfolio continue to be applicable.

Today, we therefore no longer differentiate between electric, hybrid and combustion engine vehicles when it comes to the availability of our product range, but instead focus on the additional opportunities arising in new product groups (e.g. thermal management, electric drive components, etc.), which will continue to gain importance in the future.

**Catalogue growth and coverage**
With the continued growth of the market for electric and hybrid vehicles, our product range has also expanded dynamically. Over the past four years, the share of new articles with applications for electric and hybrid vehicles has increased by 30% – corresponding on average to three new articles per day for these powertrain types.

In 2024, our passenger car catalogue already comprised more than 8,200 different articles suitable for electric and hybrid vehicles – corresponding to more than 17,500 stock keeping units across all three product brands.

We currently cover more than 570 different electric and hybrid models in our catalogue. In the field of electric trucks, our product range currently includes approximately 1,000 different items.

By 2030, the European market is expected to reach a turning point: more than half of all new vehicle registrations will be electric. This will further accelerate demand for specialised spare parts and technical know-how in the independent aftermarket.

## Production: bilstein group Engineering

On a production area of 10,000 $m^2$, with over 130 qualified employees and more than 70 high-tech machines, we rely on state-of-the-art technologies to combine the highest quality, efficiency and sustainability. Our more than 180 years of experience in metal processing form the basis for continuously implementing innovative production methods such as additive manufacturing. The ongoing modernisation of our production site is a central component of our sustainability strategy. We design our processes to conserve resources, reduce energy consumption and minimise our ecological footprint.

Our sustainable production practices:
- Efficient use of waste heat: Excess heat from machines is used for heating in colder months – this saves heating energy and reduces $CO_2$ emissions.
- Heat recovery from compressors: The generated heat is used for hot water preparation for sanitary facilities and replaces conventional energy sources.
- For cooling our metal processing – particularly in induction hardening on our induction hardening machines – we use rainwater, which is stored in underground collection and cooling basins. In exceptional cases, for process safety, such as temporary peak loads with increased cooling demand, additional separate cooling water systems are activated.
- Own photovoltaic system: Our photovoltaic system in Ennepetal, with an area of around 6,000 $m^2$, covers approximately 80% of the electricity demand of our machine park (approx. 600,000 kWh/year). Surplus renewable electricity is fed into the public grid.

Through these measures, we combine state-of-the-art production technologies with sustainable economic practices and contribute to reducing energy consumption and resource use in our production.

## Waste

In logistics operations at the bilstein group, waste is generated to a greater extent, particularly packaging waste. The disposal of this waste as well as recycling is carried out by suitable disposal companies. Monitoring of the disposal process is ensured through waste management officers. This ensures that waste is disposed of completely and properly. The top priority is the avoidance of waste. The waste hierarchy in accordance with the Circular Economy Act (KrWG) is applied.

For the waste generated, the bilstein group has set the goal of achieving a recycling/recovery rate of 95%.

In 2024, this target could already be achieved with 95.5%. At the international locations, a rate of over 80% was achieved. The recycling/recovery rate for the entire company is therefore 93%. Overall, a very positive picture emerges regarding recycling and recovery of waste.

With the target of 95% for the entire group, a further increase is being pursued.

**We continuously review our disposal processes for simplification and improvement potential.**

**At the same time, we strengthen the environmental awareness of all employees and plan targeted training measures in the medium term.**

*Thorsten Genske*
*Environmental Manager*

In the following table, the recycling rates are presented in %.

| | Generated waste [t] | Recycled/ recovered/ waste [t] | % Share recycled/ recovered/ waste |
|---|---|---|---|
| Sites in Germany 2023 | 6,115 | 5,782 | 94,60% |
| Sites in Germany 2024 | 6,128 | 5,850 | 95,50% |
| Sites abroad 2023 | 1,270 | 1,023 | 80,60% |
| Sites abroad 2024 | 1,517 | 1,259 | 83,00% |
| bilstein group total 2023 | 7,386 | 6,805 | 92,00% |
| bilstein group total 2024 | 7,645 | 7,109 | 93,00% |

In the following, the different waste fractions generated worldwide are presented.

| ESRS | Type of waste | Gene-rated waste [t] | Recycled waste [t] | % Share recycled/ recovered/ waste |
|---|---|---|---|---|
| E5-5 37 (c): 38 a: 38 b | Paper/ cardboard | 3,528,87 | 3,484,51 | 98,74% |
| | Plastics | 289,9 | 289,61 | 99,90% |
| | Metal | 1,118,29 | 1,116,96 | 99,88% |
| | Wood | 2,392,77 | 2,199,76 | 91,93% |
| | Organic | 17,8 | 17,8 | 100,00% |
| | Other | 185,17 | 0 | 0,00% |
| | Unsorted mixed waste | 107,63 | 0 | 0,00% |
| E5-5 37b: 39 | Hazardous waste (e.g. waste oil, electronic scrap) | 4,57 | 0 | 0,00% |
| | Total | 7,645,00 | 7,109 | 93,0% |

**E5-3 Targets related to resource use and circular economy**
During the year, the bilstein group collected data on resource use and circular economy in order to create a sound basis for future quantitative targets and measures in this area.



# ESRS Social

**Individually Strong, Unbeatable as a Team**
All our employees are treated equally regardless of origin, gender or other personal characteristics and fairly and transparently according to the same criteria of our remuneration and benefits principles. We are committed to creating equal opportunities for all employees and to promoting and developing their personal capabilities.

# ESRS S1 Own Workforce

## Education and training

Training at the bilstein group is more than just the path to a professional qualification – it is a central component of our personnel development. Currently, we train 38 apprentices in 12 different professions – including technical, commercial and IT professions.

The diversity of our training occupations is reflected in a broad range of opportunities that combines modern learning methods, intensive support and individual development opportunities. In 2024, we were once again certified by an independent body as an “excellent training company” for the 12th consecutive year.

In 2024, the expansion of support and the further improvement of training quality were central topics. Our training is centrally managed strategically.

The training team is part of HR and consists of a training manager and three coordinators. Trainers for commercial and technical professions are also part of the training team. At bilstein group, close integration of training with personnel development is particularly emphasised. This structure enables an efficient and smooth transition of apprentices into long-term employment.

For the professional implementation and management of training in the training areas, at least one trainer is responsible. The training and support of apprentices are supported by training officers. These convey training content in the numerous departments. In addition, apprentices are supported by mentors who further deepen their professional qualifications.

A strong team feeling and the continuous development of our training concept are in focus. Trainers are regularly trained and closely involved in training planning. Our apprentices benefit from structured learning paths, which include exam preparation courses as well as digital learning formats via our Learning Management System (LMS).

In terms of quality assurance, we continuously work on introducing guidelines oriented towards the training regulations. Our apprentices receive modern technical equipment and – where possible – participate in internships abroad through the Erasmus+ programme. We also focus on transparency and co-determination in deployment planning. Feedback from apprentices is actively incorporated into planning.

The focus is on a modern and structured onboarding process as well as intensive and personal support – from the beginning of training to successful integration into professional life.

We are also actively driving forward the cross-location expansion of training. In doing so, we create an even broader range of opportunities and sustainably strengthen training at all company locations.

AUSGEZEICHNETER AUSBILDUNGSBETRIEB
AZUBI-GEPRÜFT
2013 2024
Kontinuierlich gute Ausbildung

Furthermore, the bilstein group is actively involved in the non-profit association Talents4AA (Talents for the Automotive Aftermarket), which was founded in 2022 by leading companies in the industry to increase the attractiveness of the mobility aftermarket and to attract talent to a wide range of professional perspectives. Together with manufacturers, wholesalers, workshop networks, industry organisations and educational institutions, the initiative works to make the potential of the aftermarket visible and to shape the future of the industry in a sustainable and innovative way. Through its active membership, the bilstein group strengthens the perception of the sector, supports the promotion of young talent and contributes to inspiring qualified professionals for the mobility of tomorrow. This is achieved in particular through cooperation, exchange of expertise and participation in industry-wide programmes for talent development.

**Our goal: training at the highest level that inspires, strengthens and secures the future.**

## Continuing education

For personnel development, the year 2024 was characterised by digitalisation. With the introduction of a central Learning Management System (LMS), the bilstein group is creating a future-oriented infrastructure for the targeted development of knowledge, competencies and performance of employees – across locations, individually scalable and integrated into the existing system landscape.

The corporate objective is clear: to secure growth in a targeted manner, maintain innovative strength and strengthen operational excellence. Through the LMS, access to learning and development opportunities is significantly facilitated. A digital learning environment is created that efficiently combines modern learning formats such as e-learnings, learning paths, certifications, classroom training and "training on the job".

Employees are thus given the opportunity to develop their competencies flexibly and according to their needs – regardless of workplace type or location.

**The combination of international orientation, structured support, personal responsibility and a positive working environment makes us an attractive training company – even in times that are economically challenging and require year-round, targeted measures.**

**We are pleased that we can continue to meet our demand for trainees**

*Marko Bosnic*
*Divisional Manager in the area of*
*People und Talent Development*

At the same time, the LMS is used as a strategic management instrument. Managers can systematically plan development measures, identify potentials and prepare employees in a targeted manner. The digital mapping of target agreements, feedback processes and development plans creates transparency and enables proactive shaping of company-wide competence development.

The introduction of the learning platform is therefore not an isolated digitalisation project, but a targeted investment step into the future viability of the bilstein group.

It supports the vision of providing mobility-relevant solutions successfully and sustainably in the long term – with a strong, highly qualified and committed team as the foundation for excellent performance and partnership-based growth.

| ESRS | Education and training | bilstein group total | Male | Female | Diverse |
|---|---|---|---|---|---|
| S1-13 83 a | Employees who have participated in regular performance and development reviews | 1149 | 760 | 385 | 0 |
| S1-13 83 b | Percentage of employees with regular performance and development reviews | 47,15% | | | |
| | Number of training hours offered | 72,332 | | | |
| | Average number of training hours per person | 29,68 | | | |

**S1-13 Key figures for training and competence development bilstein group**

In addition to the Learning Management System project, 692 training sessions were completed in 2024. Of these, 64% were classroom-based, 31% virtual or e-learning formats and 5% blended learning (hybrid). Around 40% of cases were external training courses, 55% in-house training and 5% participation in internal training programmes. With the expansion of the learning platform, we expect a significant increase in workplace-based learning and a rise in training participation among employees. In addition, we assume that the portfolio of learning formats can be developed more flexibly and learning processes can be designed more efficiently overall.

| Number of training sessions conducted (Ferdinand Bilstein GmbH + Co. KG) | 692 |
|---|---|
| Classroom | 64% |
| Virtual | 31% |
| Integrated learning | 5% |
| | |
| External | 40% |
| Internal | 55% |
| Internal training programmes | 5% |

## Benefits and health protection

For some time, we have been implementing the "New Work" approach and agile working methods within the company. The aim is to make our organisation more flexible and to reduce bureaucratic processes. In practical terms, this means that we have introduced hybrid working models – teams that work both on-site and remotely have adapted parts of their offices to the new working style. This area, with its various zones designed for collaborative teamwork on the one hand and for focused individual work on the other, is very well received by employees.

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

- Company cars
- Additional pension provision
- Company health insurance
- Employee participation models

The bilstein group also offers its employees a comprehensive range of measures to promote health and well-being. This includes a bicycle leasing programme, in which employees can lease high-quality bicycles. This programme not only contributes to improving health, but is also supported through the use of environmentally friendly modes of transport and environmental protection.

In addition, since 2023, the bilstein group subsidises the Germany ticket by 25%. The ticket, which entitles the holder to use public transport, can also be used for private travel.

In addition to these initiatives, we promote ergonomic workplaces, voluntary regular examinations by occupational physicians and annual flu vaccinations to support the health and well-being of employees.

On 5 September, the bilstein group once again participated in the AOK company run in Hagen. Around 50 employees ran or walked the 7.2 km around Hengsteysee – with great success. The team achieved third place in the overall ranking. Managing Director Jan Siekermann was recognised as the fastest CEO with a time of 27:02 minutes. The joint participation strengthened health, motivation and team spirit among employees.

At the Ennepetal logistics centre, an innovative prototype of a new packing table was developed around two years ago – an idea that emerged directly from a workshop with logistics employees. The aim was to design work processes more efficiently and ergonomically. After successful practical tests, 20 new packing tables have now been introduced.

The electrically height-adjustable tables allow individual adjustment of the workspace and lead to noticeable relief in everyday work. Improvements such as the ergonomic L-shape, optimised arrangement of work equipment and integrated waste solutions also increase efficiency and order at the workplace.

Employee feedback has been consistently positive: Less physical strain, structured workflows and shorter distances lead to greater comfort and motivation.

The project demonstrates how health-promoting working conditions and efficiency improvements can be successfully combined – an example of lived sustainability in the working environment of the bilstein group.

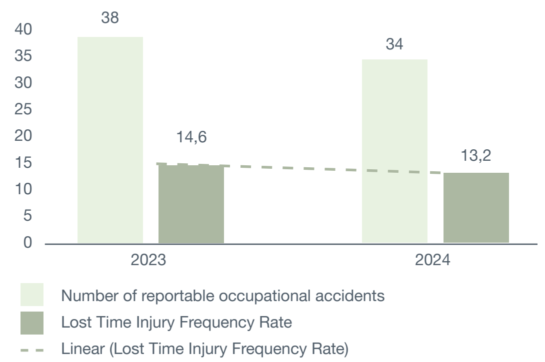
**S1-14 Key figures for health protection and safety**

All our employees participate in safety training at the beginning and during their employment with the bilstein group, where they learn how to perform their work in a healthy and safe manner.All work-related accidents and injuries are  recorded in accordance with local legislation. Risk assessments are carried out for each workplace, and accident causes are analysed in order to prevent recurrence in the future.

The LTIFR, abbreviation for Lost Time Injury Frequency Rate, records the number of reportable accidents (including lost-time accidents) per 1 million working hours. An LTIFR of 13.2 means that there were 13.2 accidents with lost time per 1,000,000 working hours in the year. The data in the table contain information on work-related injuries of our employees at German locations.

| Ferdinand Bilstein GmbH + Co. KG | 2023 | 2024 |
|---|---|---|
| Number of reportable occupational accidents | 38 | 34 |
| Lost Time Injury Frequency Rate (LTIFR) | 14,6 | 13,2 |

For the foreign subsidiaries, LTIFR has not yet been calculated.Instead, we use the number of accidents and lost working days ("days lost") as KPIs. In the coming years, we will standardise the calculation of occupational safety KPIs to a uniform methodology.




| Ferdinand Bilstein GmbH + Co. KG | 2024 |
|---|---|
| Number of fatalities in own workforce due to work-related injuries and work-related illnesses | 0 |
| Number of reportable work-related accidents in own workforce | 37 |
| Number of reportable work-related illness cases of employees (if available) | 12 |
| Number of lost working days due to work-related injuries, work-related accidents, work-related illnesses and resulting fatalities | 272 |

## Employers as drivers of innovation and sustainability

The bilstein group operates in a dynamic, international environment with high competitive intensity. In order to remain successful and future-proof, the continuous improvement of our processes, products and workflows is a central component of our corporate culture. In doing so, we specifically rely on the knowledge, experience and creativity of our employees.

With the Ideenwelt, we offer all employees a structured platform to actively contribute to the further development of the company. In doing so, we pursue several objectives: leveraging innovation potential, reducing costs, increasing quality and productivity, as well as promoting the motivation and personal responsibility of our employees. Every submitted idea is valued and carefully reviewed. Proposals can be submitted both by employees with and without PC access – either via the electronic service portal or via the idea boxes available at various locations.

The evaluation and implementation of ideas is carried out by the respective department heads, supported by the idea managers from the HR department and – depending on the respective subject area – by the works council. Ideas that go beyond individual tasks and lead to improvements can be rewarded.
Particularly welcome are proposals that:

- increase productivity or quality,
- contribute to cost reduction,
- improve occupational health and safety,
- reduce environmental impacts or increase resource efficiency,
- promote order and cleanliness at the workplace.

Through the Ideenwelt, we create a creative working environment in which continuous improvement is a given. The active involvement of all employees not only strengthens the company's innovative capacity, but also contributes to achieving our sustainability goals – from more efficient processes to responsible use of resources.

During the year, the bilstein group collected data in order to create a sound basis for future targets and measures in this area.

**Our Employees**

| ESRS | Number of employees* | Total | Male | Female | Diverse |
|---|---|---|---|---|---|
| S1-6 50 a | Number of employees | 2437 | 1625 | 812 | 0 |
| S1-6 50 b i | Number of employees with permanent contracts | 2085 | 1390 | 695 | 0 |
| S1-6 50 (b) ii | Number of employees with temporary contracts | 352 | 236 | 116 | 0 |
| S1-6 50 b + 51 | Number of full-time employees | 2270 | 1603 | 667 | 0 |
| S1-6 52 b | Number of part-time employees | 167 | 23 | 144 | 0 |
| S1-6 50 c | Number of employees who have left the undertaking | 287 | 207 | 79 | 1 |
| S1-6 50 c | Percentage of employee turnover** | 12,36% | | | |
| S1-7 55 a | Number of non- employees in own workforce | 435 | 301 | 134 | |
| S1-9 66 a | Number of employees at top management level | 56 | 45 | 11 | 0 |

| ESRS | Employees in Germany* | Total | Male | Female | Diverse |
|---|---|---|---|---|---|
| S1-6 50 a | Number of employees | 1560 | 1048 | 512 | 0 |
| S1-6 50 b i | Number of employees with permanent contracts | 1280 | 846 | 434 | 0 |
| S1-6 50 (b) ii | Number of employees with temporary contracts | 280 | 202 | 78 | 0 |
| S1-6 50 b + 51 | Number of full-time employees | 1447 | 1035 | 412 | 0 |
| S1-6 52 b | Number of part-time employees | 113 | 13 | 100 | 0 |
| S1-6 50 c | Number of employees who have left the undertaking | 238 | 175 | 62 | 1 |
| S1-6 50 c | Percentage of employee turnover** | 13,2% | 14,3% | 10,8% | 50% |
| S1-7 55 a | Number of non- employees in own workforce | 333 | 239 | 94 | 0 |
| S1-9 66 a | Number of employees at top management level | 17 | 15 | 2 | 0 |

*The average number of employees in 2024 is 2,700. The figure stated in the report as of 31.12.2024 is a reporting date figure; therefore deviations may occur between the two values.
**The turnover rate is also calculated based on the reporting date figure, which may lead to deviations compared to the previous year.

**S1-8 Collective bargaining coverage and social dialogue**

| | Ferdinand Bilstein GmbH und Co. KG | Total | Male | Female |
|---|---|---|---|---|
| S1-8 60 c | Percentage of total employees covered by collective bargaining agreements | 82,7% | 54,2% | 28,5% |
| S1-8 63 a | Percentage of employees covered by workers' representatives | 100% | 11,8% | 88,2% |

**S1-9 – Diversity Metrics**

| ESRS | Diversity indicators bilstein group | Total | Male | Female | Diverse* |
|---|---|---|---|---|---|
| S1-9 66 b | Number of employees below 30 years old | 448 | 306 | 142 | |
| S1-9 66 b | Number of employees between 30 and 50 years | 1388 | 941 | 447 | |
| S1-9 66 b | Number of employees over 50 years old | 601 | 377 | 224 | |

| ESRS | Diversity indicators bilstein group | | Male | Female |
|---|---|---|---|---|
| S1 9 66 a | Gender diversity bilstein group | | 66,6% | 33,3% |
| S1-9 66 a | Percentage of women at top management level bilstein group | | | 20% |
| S1-9 66 a | Percentage of women at top management level | | 67,2% | 32,8% |
| S1-9 66 a | Gender diversity Germany | | | 12% |
| S1-12 79 | Number of employees withdisabilities Ferdinand Bilstein GmbH und Co. KG | 43 | | |
| S1-12 79 | Percentage of employees with disabilities Ferdinand Bilstein GmbH und Co. KG (Ennepetal) | 2,37% | | |

**S1-17 Incidents, complaints and severe impacts related to human rights**
In the reporting period no incidents, complaints or severe negative impacts related to human rights were identified. Through the existing whistleblowing system, only one complaint related to data protection was received.

The report was reviewed immediately in accordance with internal processes and appropriate corrective measures were initiated. No further human rights-related risks or violations occurred during the reporting period.

**S1-5 Targets related to addressing material negative impacts, promoting positive impacts and managing material risks**

# ESRS S3 Affected Communities


## Our Social Engagement

As an internationally operating company, we take responsibility for people and the environment in the regions where we are active.Together with local partners, our employees and non-profit organizations, we implement projects that create both short-term and long-term positive social and ecological impact.In 2024, we supported 39 social projects and initiatives worldwide as well as eleven environmental projects – an engagement that makes our responsibility towards society and the environment visible.

Our social engagement aims to strengthen communities, improve educational opportunities, promote health, enable integration and live inclusion.

A significant part of our contribution is focused on supporting local communities and social institutions.

In Germany, for example, we support the Heimatverein Voerde e.V., which promotes important projects for social cohesion. We are also involved with Futterbar e.V., an organization that supports homeless people and people in need with essential goods such as food and hygiene articles. In Spain, we strengthen local structures together with ATARVEZ, the association of regional KFZ workshops, and implement initiatives to promote community. We also support regional activities and local events. To further strengthen the indispensable role of fire brigades in population protection, we also supported both national and international fire brigade associations in 2024.

Another focus of our engagement lies in **promoting education and equal opportunities**. We therefore support the Reichenbach Gymnasium in Ennepetal, Germany, and promote the Deutsche Gesellschaft für Personalmanagement, which makes a significant contribution to the further development of professional competencies. In Spain, we are involved in educational initiatives such as the FEMZ „Metálate“ Awards, which strengthen technical education and professional orientation. We also make a special contribution through the PEARLS program in the Philipinnes: There we support children in Tondo, Manila, through regular tutoring, health promotion and nutritional support. Our employees volunteer once a month as tutors. In Portugal, we also support the Training School in northern Portugal, an important educational institution that strengthens vocational qualifications in the aftermarket and opens up better future prospects for young people.

In the area of **health and prevention**, we are committed in several countries to improving medical care and the well-being of vulnerable groups. For many years, we have supported, for example, the Henri Thaler Association, which supports families with seriously ill children and provides them with psychological support, leisure activities, relief in everyday life and complementary medical measures. In Spain, through blood donation campaigns by our employees, we support the work of Aragon Blood and Tissue Bank and thus actively contribute to regional medical care. In addition, we support the Aragonese Cystic Fibrosis Association, which supports people with cystic fibrosis.

Our employees also participate across Europe in charitable sports events for cancer research, including runs and cycling events in cooperation with KOTK (Kom op tegen Kanker, Foundation against Cancer) in Belgium or KIKA (Children Cancer Free Foundation) in the Netherlands. These initiatives combine health promotion, team spirit and the targeted financing of research and prevention projects.

We also take active responsibility in the area of **sports, club and cultural promotion**. Sporting activities not only strengthen health, but also promote community, social participation and local identity. In Spain, we support sporting events such as the Cross Duathlon Cup and the traditional Aragon Rally Championship.

In Portugal, we are among the main sponsors of the running club Amigos do Atletismo de Mafra, which offers a wide range of training opportunities for different age groups, and we also support teams such as the women's basketball team Lobos da Malveira, which is strongly committed to promoting women's and girls' sports.



Numerous of our initiatives are specifically aimed at people who require special support due to social, health-related or family burdens. In Germany, we support Schalke hilft!, an organisation that opens up better opportunities for children and young people in structurally weak districts of the Ruhr region. In Portugal, we are involved with Casa Mãe do Gradil, an institution that protects women and girls in risk situations and provides them with psychological support, educational opportunities and assistance in building an independent life.

In Spain, we focus on education, inclusion and health literacy. Together with the Federico Ozanam Foundation, the Tranvía Foundation and the Adecco Foundation, we support workshops for labour market integration that provide people with limited entry opportunities with practical skills, application support and open up new perspectives.

The collaboration with ATADES is also particularly important to us, an organisation that supports people on the autism spectrum. Through awareness programmes, lectures and employment initiatives, we contribute to the inclusion of neurodivergent people and promote social acceptance, participation and equal opportunities.

# Ecological Engagement

Our ecological engagement focuses on promoting biodiversity, conserving natural resources and supporting sustainable mobility. Through local initiatives, we contribute to reducing environmental impacts, protecting natural habitats and raising awareness among our employees for environmentally responsible behaviour. Our approach combines concrete environmental measures with awareness-raising activities in order to achieve both direct ecological contributions and long-term behavioural change.

A central focus lies on biodiversity and renaturation. With projects such as the planting of 1,000 trees in Germany, our long-term support of PrimaKlima or participation in the Memorial Forest in Turkey, we strengthen regional and international reforestation programmes. In addition, we are active in the Asian region through the initiative 100k Corals in Singapore, which makes an important contribution to the restoration of damaged coral reefs. These projects not only improve local $CO_2$ sequestration, but also contribute to the preservation of important ecosystems.

In the area of resource conservation and waste prevention, we implement concrete measures in everyday office operations and logistics. These include optimised waste disposal processes at our sites, the reduction of plastic packaging, initiatives to procure beverages in glass bottles, and collection and recycling programmes such as our cooperation with the SEUR Foundation for the recycling of plastic lids. Awareness campaigns such as “Think before you print” complement these measures by sensitising employees to the careful use of materials.

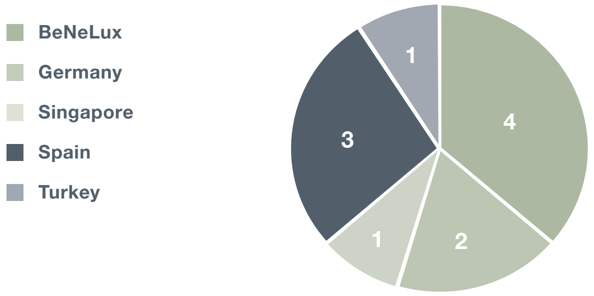
Another focus is the promotion of sustainable mobility. Through bike leasing programmes such as “Bike-to-Work” initiatives in the Benelux region or JobRad in Germany, we reduce emissions from commuter traffic while simultaneously supporting the health of our employees. These programmes create incentives to switch to low-emission mobility alternatives and contribute to long-term behavioural change.

The bilstein group pursues the objective of continuously increasing the positive social impact of its business activities on the communities in which it operates.

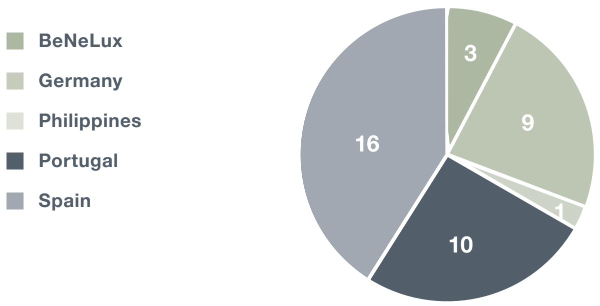
The focus is on promoting social and environmental projects that contribute sustainably to local development and address societal challenges.

Progress in achieving this objective is measured based on the number of social and environmental projects supported per year.

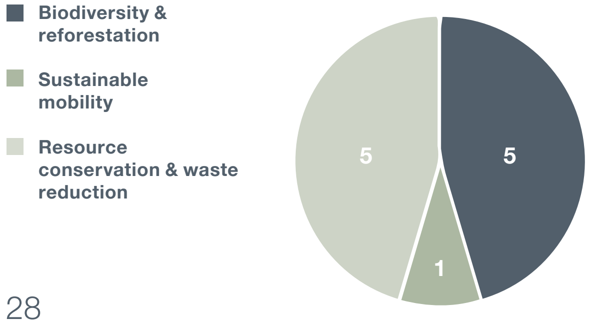
**Number of environmental initiatives by country**



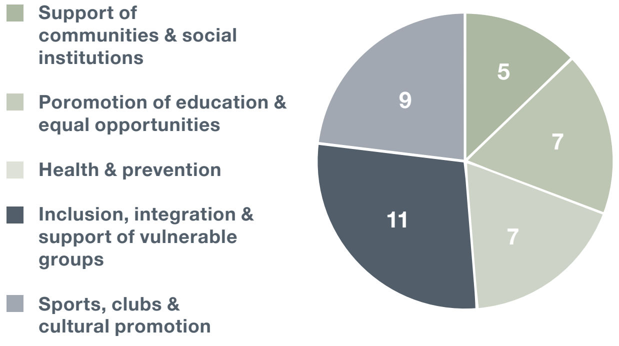

**Number of social initiatives by country**




**Number of environmental initiatives by category**




**Number of social initiatives by category**






# ESRS S4 Consumers and end-users

**Our collaboration in the automotive aftermarket**
In addition to our internal sustainability activities, we work closely with partner companies to effectively advance shared objectives. We are active in various environmental committees of the independent aftermarket associations and collaborate with other companies in our industry to jointly develop solutions for our shared environmental challenges. Furthermore, we are engaged at all levels in promoting the independent aftermarket. For this reason, we advocate fair competition together with our colleagues. Today and in the future, vehicle users should be able to choose between the original manufacturer and an independent workshop.

To ensure this, we need fair competition.

We work actively in the following associations:

**GVA** – Gesamtverband Autoteile-Handel e.V. – außerordentliches Mitglied
(German Association of Automotive Parts Dealers – extraordinary member)

**AAMPACT** – International independent aftermarket association

**FIEGIEFA** – Internationaler Dachverband des freien Kfz-Teilehandels (International umbrella association of the independent automotive parts trade)

**Talents4AA** – Talents for the Automotive Aftermarket

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

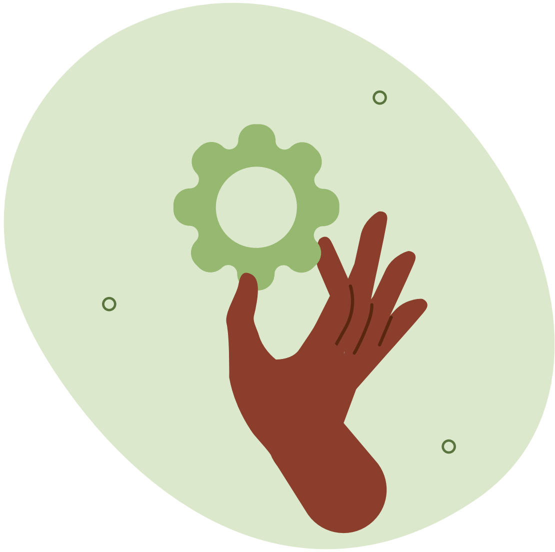
We have been a member of FAAS – Forum on Automotive Aftermarket Sustainability - since December 2022. Through ourmembership, we have the opportunity to work together with other stakeholders in the Independent Aftermarket to develop afuture-proof and sustainable vision for the industry. The focus is on circular solutions, the reduction of $CO_2$ emissions, the conservation of resources across the entire value chain, and future CSRD reporting.

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

**Customer Satisfaction**
The satisfaction of our customers is our highest priority. As one of the market-leading companies in our industry, we aim to comprehensively understand the needs, motives and challenges of our customers in order to develop optimal solutions. For this reason, we conduct an annual survey among our direct and indirect customers as well as our retail partners. In 2024, more than 1,700 individuals participated in the survey, which was available in a wide range of languages.

The results show that customer satisfaction decreased slightly in 2024, with 8.72 on a scale up to 10. This corresponds to a decrease of 0.03 compared to the previous year, in which the value was 8.75. In the area of sustainability, we regularly ask our customers how important sustainability is to them when purchasing our products. On a scale from 1 to 10, this question was rated on average at 7.61.
We also assess how the bilstein group is perceived in terms of sustainability. Compared to the previous year, the score also decreased slightly from 8.68 to 8.60.

To counteract this development, we will in future communicate our national and international sustainability activities more transparently and actively in order to make our commitment more visible and further strengthen trust in our company.



Nexus Automotive International


Global One Automotive


Group Auto International

Temot International

**Collaboration with international trading cooperations**
In the following international trading cooperations (International Trading Groups – ITGs), we are a strategic supplier and benefit from collaboration and information exchange:

- Autodistribution International
- ATR International AG
- Global One Automotive
- Group Auto International
- Nexus Automotive International
- Temot International

In 2024, the bilstein group was recognised a total of 22 times by customers and international trading cooperations for outstanding performance and our close collaboration. It is particularly noteworthy that we were awarded the "Supplier of the Year for Passenger Cars" by Nexus Automotive International. The award was presented as part of Nexus' 10th anniversary in spring 2024 in Monaco.

In addition, we were honoured as "Best Performer for Sales and Marketing" at the global conference of TEMOT International in May in Warsaw.

This was followed by an award for "Best Performance" during the visit of Global One Automotive in June.

Autodistribution International honoured us for the second time as "Supplier of the Year", a special distinction, as only one award was presented by the trading cooperation (ADI) without additional categories.

During the global conference of Group Auto International in October in Miami, we were also awarded a prize for our excellent performance in the field of logistics.



**Innovation and Digitalisation**
Digital transformation is a central component of the sustainable corporate development of the bilstein group.

It creates ecological, social and economic added value and supports the long-term future viability of the company. The Group Digital Innovation department plays a key role in this. It increases energy and resource efficiency by automating processes, consistently eliminating media disruptions and consolidating and optimising system landscapes and cloud architectures. In doing so, the Digital Innovation area makes a direct contribution to increasing efficiency, ensuring quality and reducing resource consumption.

A key focus is on the automation of processes in order to reduce manual activities, save time and improve data quality. Automated SAP interfaces support the efficient creation of new articles, minimise input errors and enable data synchronisation outside business hours. In addition, the system provides warehouse inventories from all 13 global logistics centres almost in real time via its real-time stock API. Through the complementary image API, customers can access detailed and high-resolution product images, including 360-degree views. Both applications improve transparency, information availability and customer experience.

To eliminate media disruptions, the bilstein group relies on end-to-end digital system landscapes. With bgCAMP, a central system for managing the entire product lifecycle has been created, which ensures consistent availability of digital information and reduces time-consuming transfers to other media. Salesforce also serves as a central system for partner-related data and consolidates relevant information in a standardised environment. In addition, we strengthen a company-wide digital documentation culture that ensures transparency and traceability on a sustainable basis.

In addition, the company supports the digital participation of employees through a broad range of e-learning solutions and targeted upskilling in the area of digital competencies. This creates a culture in which innovation, continuous improvement and data-driven responsibility are a given. In the area of governance, data governance, data quality and cybersecurity play a central role. We actively take responsibility for the high quality of product-relevant data across the entire product lifecycle in order to ensure that our customers always receive the correct product. This allows returns to be reduced and business relationships to be stabilised in the long term. Furthermore, we ensure that all systems are designed with a clear, transparent and secure access and authorisation structure.

Digitalisation opens up a wide range of opportunities, particularly through more efficient processes, improved data quality, reduced error rates, increased employer attractiveness and optimised customer service.

At the same time, risks arise from technological dependencies, cybersecurity threats and the continuous need for employee upskilling. We address these through robust IT standards, a continuously expanding security architecture and ongoing employee training.

Looking ahead, the bilstein group will further expand digital solutions, particularly through the increased use of artificial intelligence and the integration of global data flows. The objective is a digital enterprise architecture that is sustainable, efficient and resilient, and that equally fulfils ecological, social and economic requirements..

# ESRS Governance


## Compliance

Our Code of Conduct is binding for all our employees and contains internal policies on relevant ethical topics. Training on our Code of Conduct is mandatory for all employees and forms the basis for responsible behaviour within the company. In addition, we conduct regular training sessions for employees in critical functions on key compliance topics – including antitrust law, anti-money laundering, equal treatment, corruption prevention, as well as other material risk areas. In this way, we ensure that our employees are always informed about current requirements and actively uphold the high standards of the bilstein group.

**Free and fair competition**
We are committed to free and fair competition and ensure that we comply with all applicable competition and antitrust laws. We do not enter into agreements with competitors or business partners that could restrict competition.

**Prevention of corruption and money laundering**
We instruct our employees not to accept gifts or benefits from business partners or other third parties that could influence the objectivity of their decisions or create the appearance of doing so. For this purpose, we have defined maximum thresholds for gifts and meals from external parties that employees may accept in compliance with local legislation.

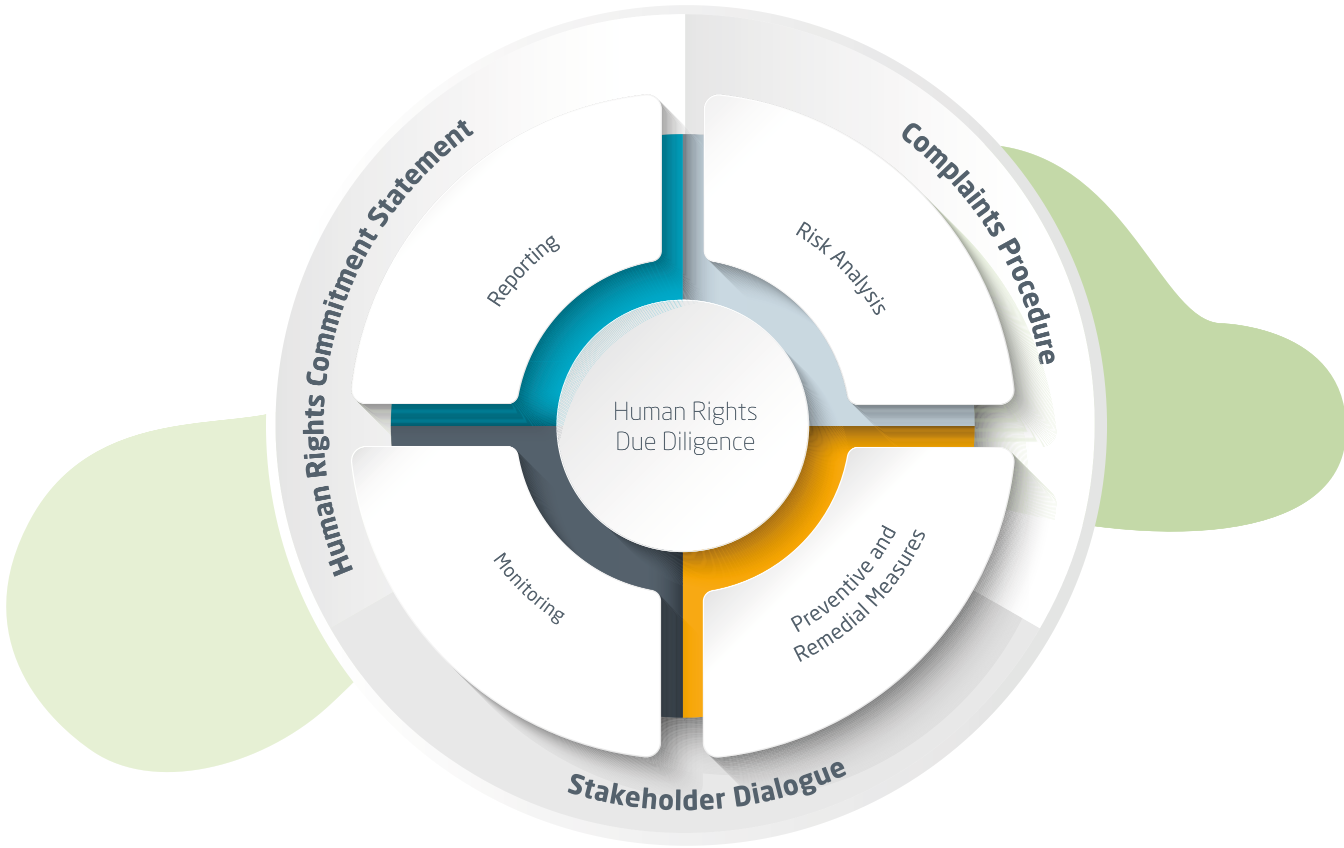
The bilstein group strictly rejects obtaining unjustified advantages through bribery of business partners or public officials and does not tolerate any form of corruption. All gifts or benefits provided by our employees to business partners are subject to the same maximum thresholds in accordance with local legal requirements. No cases of corruption became known during the reporting period.

We implement all necessary measures and processes in compliance with applicable legal requirements to ensure that money laundering is prevented and that the bilstein group is not misused for illegal activities. Potential risks are continuously analysed and assessed. Our employees are instructed to report any suspicion of money laundering, corruption or other illegal or unethical business practices by business partners, customers or third parties without delay.

| ESRS | | |
|---|---|---|
| G1-4 24 a | Number of convictions for violations of anti-corruption and anti-bribery laws | 0 |
| G1-4 25 b | Number of confirmed incidents in which employees were dismissed or disciplined due to corruption- or bribery-related violations | 0 |
| G1-4 25 b | Number of confirmed incidents in which Number of confirmed incidents in which contracts not renewed due to corruption- or bribery-related violations | 0 |
| G1-4 25 c | Number of confirmed incidents related to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery | 0 |

**Whistleblowing system**
Since 2022, we have been using the whistleblowing system iWhistle, which is accessible via our website. The whistleblowing system serves as a central reporting channel for our employees as well as for business partners, customers and other stakeholders to report misconduct or grievances. It enables completely anonymous communication with the whistleblower. This allows us to respond quickly.

We place great importance on integrity, transparency and fairness. We therefore encourage all employees and business partners to help us identify and eliminate violations and misconduct.




**Human rights and environmental due diligence**
The bilstein group explicitly commits to respecting internationally recognised human rights and undertakes to implement human rights and environmental due diligence obligations both within its own operations and along its global value chains. We take responsibility for the impacts of our business activities and are committed to identifying potential human rights and environmental risks at an early stage, preventing them effectively and implementing appropriate remedial measures.

In the reporting year, we developed and published a policy statement on respecting human rights, which clearly defines our central principles, expectations and commitments towards employees, business partners and society. In parallel, we conduct targeted training for all relevant employees to raise awareness of human rights risks and to promote implementation in practice.

In addition, we have appointed a Human Rights Officer who coordinates the implementation and continuous development of our human rights due diligence obligations and acts as a central point of contact.

Our actions are guided by the UN Guiding Principles on Business and Human Rights as well as the OECD Guidelines for Multinational Enterprises, which define a risk-based approach to human rights and environmental due diligence.

Our approach to risk identification, prioritisation and implementation of measures is based on a software-supported analysis, which is complemented by internal information from direct supplier visits. Based on this assessment, risks along the entire value chain can be systematically identified and appropriate measures for prevention or remediation can be implemented.This ensures continuous monitoring and targeted management of our human rights due diligence obligations.

Current regulatory developments in the ESG area increasingly focus on the entire value chain.

Companies are now more strongly required not only to monitor their own operational practices but also to ensure that suppliers and business partners comply with human rights and environmental standards.

This requires comprehensive transparency and enhanced risk management across the entire supply chain.

**G1-2 Management of relationships with suppliers**
Ferdinand Bilstein GmbH + Co. KG pursues the clear objective of ensuring a stable and responsible supply chain. In doing so, we consistently align our activities not only to comply with legal requirements, but also to complement and further develop them through our own measures

**Together with our suppliers, we design and develop a responsible and future-proof supply chain in line with all sustainabil ity and compliance requirements. In the assessment and develop ment of our suppliers, we consider not only economic criteria such as product quality and supplier performance, but increasingly also social and environmental performance aspects, for example based on ESG scores.**

*Chris Tillmann*
*Head of GCP Solutions*

Through established risk management and continuous supplier evaluation, we reduce potential disruptions and ensure the quality of our supply. Strategically, we focus our procurement volumes on partners that particularly meet our sustainability and quality criteria, thereby making an active contribution to a resilient and future-proof value chain.

Our objective is to build long-term, partnership-based relationships with our suppliers that go beyond a purely transactional business relationship. We promote continuous exchange and rely on transparent communication. In doing so, ensuring our delivery capability is just as important as the joint further development in the areas of sustainability, quality and innovation.
Wherever possible, we integrate local suppliers as well as certified partners into our supply chain. This not only strengthens regional economic structures, but also supports our sustainability objectives through shorter transport routes, transparent origin and higher traceability. At the same time, we support compliance with internationally recognised standards across a broad spectrum.

A further key element of our procurement approach is the comprehensive review and assessment of our suppliers. In doing so, we consider not only economic criteria such as product quality, profitability and supplier performance, but increasingly also social and environmental performance aspects, such as our ESG risk score or our Code of Conduct.

This systematic approach enables us to identify the development potential of individual partners and implement improvements jointly.

Our employees in Group Category Procurement also play a key role in responsible sourcing. During supplier visits, we will place even greater focus on environmental and social factors in the future. This enables us to identify areas for action more clearly and define priorities for the further development of our supplier landscape.

A very important component of our sustainable procurement strategy is the Code of Conduct.

More than 90% of our total procurement volume is already covered by suppliers who have signed our Code of Conduct or have an equivalent set of rules.

This provides a strong foundation to ensure that our values and requirements are upheld across the entire supply chain.



# Outlook

In 2025, the bilstein group will continue to consistently pursue the path it has taken and further expand its sustainability performance. Following the intensive engagement with the requirements of the German Supply Chain Due Diligence Act (LkSG), the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) in 2024, the focus will now increasingly shift to operational implementation and the continuous improvement of our ESG processes.

A key priority will be the implementation of the results of the double materiality assessment. Based on this, we will further develop our holistic sustainability strategy, clearly defining targets, measures and responsibilities. Particular emphasis will be placed on climate protection, resource efficiency and the strengthening of responsible and resilient supply chains.

In addition, compliance with the new EU Deforestation Regulation (EUDR) is gaining increasing importance.
In 2025, we will systematically integrate the relevant requirements into our procurement processes and establish the necessary data and traceability structures to ensure comprehensive transparency regarding affected raw materials.

Another focus area is the expansion of modern software solutions for sustainable development. By leveraging digital tools for data collection, analysis and reporting, we are enhancing transparency and efficiency in our ESG processes. This improves both the quality of our data and the foundation for informed decision-making. At the same time, we will continue to professionalise our internal governance structures.

**We have established initial structures and are working to implement processes that help us meet the numerous regulatory requirements while operating sustainably.**

**The challenges are significant, but we are motivated to address them.**

*Ekaterina Gelenberg*
*Group ESG Managerin*

# Glossar

**Sustainability** – the use of resources in a way that enables current and future generations to meet their needs without exceeding the Earth's resilience limits or endangering sensitive ecosystems. Social, ecological and economic aspects are considered equally.

**Reneweable energy** – energy sources that regenerate within short periods compared to fossil fuels (e.g. oil) and can be used virtually without limitation. These include wind energy, solar energy, hydropower, bioenergy, geothermal energy and ambient heat.

**Energy efficiency** – the ratio of a specific utility (e.g. heating, lighting) to the energy used. The lower the energy input required to achieve the same utility, the higher the energy efficiency.

**Biodiversity** – biological diversity, which includes not only the diversity of animal and plant species but also the diversity of ecosystems and genetic diversity.

**Recycling rate** – the percentage share of recycled material in a product or production process.

**Recyclable** – materials that can be reprocessed in a product or returned to the material cycle at the end of their life cycle in order to manufacture new products.

**Renaturation** – the restoration of natural ecosystems to a near-natural state after they have been damaged or destroyed.

**Reman programme** – remanufacturing programme for the refurbishment of turbochargers.

**Ressource conservation** – the efficient use of raw materials that minimises consumption and reduces negative environmental impacts. It can take place in all phases of the life cycle (raw material extraction, processing, production, distribution, consumption and reuse or disposal).

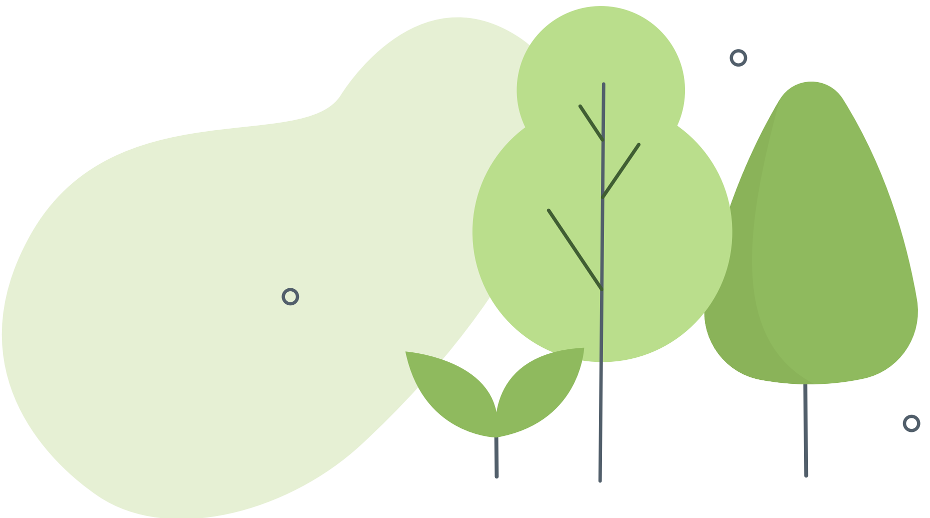
**Attrition formula** - the fluctuation rate is calculated using the attrition formula by dividing the number of departures by the average number of employees within a year (calculated as the mean of the opening and closing headcount) and multiplying by 100.

**Scope 1** – direct emissions from sources owned or controlled by the company (according to the GHG Protocol).

**Scope 2** – indirect emissions from purchased energy that is consumed by the company (according to the GHG Protocol).

**Scope 3** – other indirect emissions that occur along the value chain outside the company's own operations (according to the GHG Protocol)

**Ecological footprint** – a sustainability indicator measuring how much land area is required to produce the resources consumed and absorb the emissions generated by a person or organisation.



# List of Abbreviations

**AAMPACT:** International independent aftermarket association

**APRA:** Automotive Parts Remanufacturers Association

**bg:** bilstein group

**bgCAMP:** central system for managing the entire product life cycle, making digital information consistently available and significantly reducing time-consuming media discontinuities

**CBAM:** Carbon Border Adjustment Mechanism

**CCBS:** Climate, Community and Biodiversity Standard

**$CH_4$:** Methan

**CLEPA**: European Association of Automotive Suppliers

**$CO_2$:** Carbon dioxide

**CSRD:** Corporate Sustainability Reporting Directive

**EFTA-countries:** countries of the European Free Trade Association

**ESRS:** European Sustainability Reporting Standards

**EUDR:** EU Deforestation Regulation

**FAAS:** Forum on Automotive Aftermarket Sustainability

**FBI:** Ferdinand Bilstein GmbH und Co. KG

**FIEGIEFA:** International umbrella organisation for the independent automotive parts trade

**GCP:** Global Category Procurement

**GVA:** Gesamtverband Autoteile-Handel e.V.

**HFC / FKW Gas:** Hydrofluorocarbons

**ICE:** Internal Combustion Engine

**ISO 9001:** International Standard for Quality Management Systems

**KfW-Standard:** KfW Efficiency Houses and the KfW Standard: An energy standard for buildings. It is based on two criteria: the total energy consumption of theproperty and the quality of the thermal insulation of the building envelope

**KIKA:** Stichting Kinderen Kankervrij, Children's Cancer Foundation in the Netherlands

**KOTK:** Kom op tegen Kanker, Stiftung Foundation Against Cancer in Belgium

**KrWG:** Kreislaufwirtschaftsgesetz (Circular Economy Act)

**LkSG:** Lieferkettensorgfaltspflichtengesetz (Supply Chain Due Diligence Act)

**LTIFR:** Lost Time Injury Frequency Rate (number of reportable accidents per 1 million working hours)

**MWh:** Megawatt hour (unit of energy)

**$N_2O$:** Nitrous oxide

**NF3:** Nitrogen trifluoride

**NKW:** Commercial vehicle

**OEM:** Original Equipment Manufacturer

**PE:** Polyethylene

**PET:** Polyethylene terephthalate

**PFC-Gase:** Per- and polyfluorinated chemicals

**PKW:** Passenger car

**PP:** Polypropylene

**PV systems:** Photovoltaic installations

**PVC:** Polyvinyl chloride

**SF6:** Sulfur hexafluoride

**Talents4AA:** Talents for the Automotive Aftermarket.

**GHG:** Greenhouse gases

**VCS:** Verified Carbon Standard

**VMI:** Verband der Motoreninstandsetzungsbetriebe e.V. (Association of Engine Repair Workshops)

# ESRS-Index

## General Disclosures

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| BP-1 | Basis for preparation of the sustainability statements | ESRS 2 – General Disclosures |
| BP-2 | Disclosures in relation to specific circumstances | n.a. |
| GOV-1 | The role of the administrative, management and supervisory bodies | ESRS 2 – General Disclosures |
| GOV-2 | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | n.a. |
| GOV-3 | Integration of sustainability-related performance in incentive schemes | k.A, |
| GOV-4 | Statement on due diligence | ESRS 2 – General Disclosures |
| GOV-5 | Risk management and internal controls over sustainability reporting | k.A, |
| SBM-1 | Strategy, business model and value chain | ESRS 2 – General Disclosures |
| SBM-2 | Interests and views of stakeholders | ESRS 2 – General Disclosures |
| SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | ESRS 2 – General Disclosures |
| IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | ESRS 2 – General Disclosures |
| IRO-2 | Disclosure Requirements in ESRS covered by the undertaking's sustainability statement | ESRS-Index |

## ESRS E1 – Climate Change

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| E1-1 | Transformation plan for climate change mitigation (decarbonisation plan) | n.a. |
| E1-2 | Policies related to climate change mitigation and climate change adaptation | n.a. |
| E1-3 | Actions and resources in relation to climate change policies | ESRS E1 Climate Change |
| E1-4 | Targets related to climate change mitigation and climate change adaptation | ESRS E1 Climate Change |
| E1-5 | Energy consumption and energy mix GHG emissions (in $CO_2$ equivalents, in accordance with the GHG emissions (in $CO_2$ equivalents, in accordance with the GHG Protocol) | ESRS E1 Climate Change |
| E1-6 | Gross greenhouse gas emissions (Scopes 1, 2 and 3) and total | ESRS E1 Climate Change |
| E1-7 | Greenhouse gas removals and greenhouse gas mitigation projects (including carbon credits) | ESRS E1 Climate Change |
| E1-8 | Internal carbon pricing | n.a. |
| E1-9 | Anticipated financial effects from material physical risks, transition risks and climate-related opportunities | n.a. |

## ESRS E5 – Resource use and circular economy

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| E5-1 | Policies related to resource use and circular economy | ESRS E5 Packaging, ESRS E5 Remanufacturing ESRS E5 Waste |
| E5-2 | Actions and resources in relation to resource use and circular economy | ESRS E5 Packaging, ESRS E5 Remanufacturing ESRS E5 Waste |
| E5-3 | Targets related to resource use and circular economy | ESRS E5 Waste |
| E5-4 | Resource inflows (material use, including inputs of primary and secondary materials) | n.a. |
| E5-5 | Resource outflows | ESRS E5 Waste |
| E5-6 | Products and materials leaving the system or retained within the circular economy | ESRS E5 Waste |
| E5-7 | Anticipated financial effects from material risks and opportunities related to resource use and circular economy | n.a. |

## ESRS S3 – Affected communities

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| S3-1 | Policies related to affected communities | n.a. |
| S3-2 | Processes for engaging with affected communities in relation to impacts | ESRS 2 SBM 2 |
| S3-3 | Processes to remediate negative impacts and channels through which affected communities can raise concerns | ESRS Governance Compliance |
| S3-4 | Actions taken in relation to material impacts on affected communities and approaches to managing material risks and pursuing material opportunities related to affected communities, as well as the effectiveness of those actions | ESRS S3 Betroffene Gemeinschaften |
| S3-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities related to affected communities | ESRS S3 Affected communities |
| E5-6 | Products and materials leaving the system or retained within the circular economy | ESRS E5 Waste |
| E5-7 | Anticipated financial effects from material risks and opportunities related to resource use and circular economy | n.a. |

### ESRS S1 – Own Workforce

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| S1-1 | Policies related to the undertaking's own workforce | ESRS Governance Compliance |
| S1-2 | Processes for engaging with the undertaking's own workforce and workers' representatives in relation to impacts | ESRS 2 SBM 2, ESRS S1 Employees as drivers for sustainability |
| S1-3 | Processes to remediate negative impacts and channels for the undertaking's own workforce to raise concerns | ESRS Governance Compliance |
| S1-4 | Actions taken in relation to material impacts on the undertaking's own workforce and approaches to managing material risks and pursuing material opportunities related to the undertaking's own workforce, as well as the effectiveness of those actions | ESRS S1 Own workforce |
| S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities related to the undertaking's own workforce | ESRS S1 Own workforce |
| S1-6 | Characteristics of the undertaking's employees | ESRS S1 Own workforce |
| S1-7 | Characteristics of non-employees in the undertaking's workforce | ESRS S1 Own workforce |
| S1-8 | Collective bargaining coverage and social dialogue | ESRS S1 Own workforce |
| S1-9 | Diversity metrics | ESRS S1 Own workforce |
| S1-10 | Adequate wages | k-A- |
| S1-11 | Social protection | k.A: |
| S1-12 | Persons with disabilities | ESRS S1 Own workforce |
| S1-13 | Training and skills development metrics | ESRS S1 Own workforce |
| S1-14 | Health and safety metrics | ESRS S1 Own workforce |
| S1-15 | Work-life balance metrics | n.a. |
| S1-16 | Remuneration metrics (pay gap and total remuneration) | n.a. |
| S1-17 | Incidents, complaints and severe human rights impacts related to the undertaking's own workforce | ESRS S1 Own workforce |

### ESRS S4 – Consumers and end-users

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| S4-1 | Remuneration metrics (pay gap and total remuneration) | n.a. |
| S4-2 | Processes for engaging with consumers and end-users in relation to impacts | ESRS 2 SBM 2 |
| S4-3 | Processes to remediate negative impacts and channels through which consumers and end-users can raise concerns | ESRS Governance Compliance |
| S4-4 | Actions taken in relation to material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, as well as the effectiveness of those actions | n.a. |
| 28. | ESRS S4 Consumers and end-users | ESRS E5 Waste |
| S4-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities related to consumers and end-users | ESRS S4 Consumers and end-users, Innovation und Digitalisation |
| E5-7 | Anticipated financial effects from material risks and opportunities related to consumers and end-users | n.a. |

### ESRS G1 – Governance

| Disclosure Requirement | Title of the Disclosure Requirement | Section in the Sustainability Report |
|---|---|---|
| G1-1 | Policies related to business conduct and corporate culture | ESRS Governance Compliance |
| G1-2 | Management of relationships with suppliers | ESRS Governance Relationship with suppliers |
| G1-3 | Prevention and detection of corruption and bribery | ESRS Governance Compliance |
| G1-4 | Incidents of corruption or bribery | ESRS Governance Compliance |
| G1-5 | Political engagement and lobbying activities | n.a. |
| G1-6 | Payment practices | n.a. |
| E5-7 | Anticipated financial effects from material risks and opportunities related to business conduct | n.a. |

# Contact

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