



SUSTAINABILITY REPORT 2023

MARATHON RUNNER

”

We have our long-term goals in sight across all divisions and can look back on successful moments and measures. Nevertheless, in line with the motto ‘Sustainability is a marathon, not a sprint,’ we have not yet reached our goal.

“



Nikolaus Külps

Dear Readers,

I am pleased to present to you the new Sustainability Report for 2023. Over the course of 2023, we were able to further develop essential components of sustainability across all companies within the Schnellecke Group. We faced various challenges, such as implementing the German Supply Chain Due Diligence Act (LkSG) and preparing for the Corporate Sustainability Reporting Directive (CSRD). Thanks to our consistent efforts over the past ten years, we are able to face current and future challenges with confidence. We support diverse social projects in each division and their respective regions or locations (see CSR chapter) to fulfill our responsibility to society. We are continuously optimizing our environmental impact and already consider sustainability aspects during the planning phase of our ongoing growth (including workplace design). As drivers of innovative transformation solutions, we combine our knowledge and expertise to offer our customers the best possible services.

We look forward to keeping you updated—stay tuned.

Sincerely,
Nikolaus Külps
CEO Schnellecke Group

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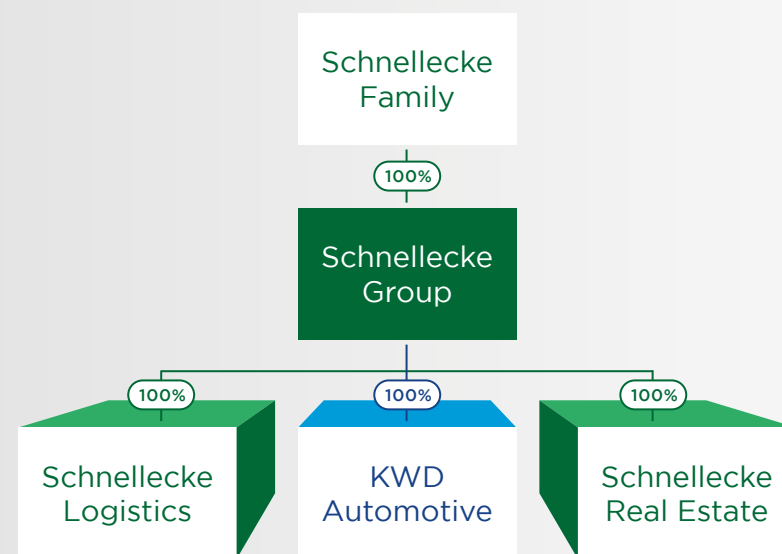
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VALUE-ADDED LOGISTICS FOR AUTOMOTIVE, INDUSTRIAL AND CONSUMER GOODS

The Schnellecke Group is an internationally operating family-owned company that offers a wide range of logistics services. A key focus is value-added logistics for the automotive industry. Through its logistics and production divisions, essential parts of the supply chain for companies worldwide are covered. The portfolio is rounded out by the planning and construction of logistics Real Estate.

We develop comprehensive concepts that range from transport and warehousing to pre-assemblies, value-added services, sequential manufacturing of individual parts and modules, and container-compatible packaging. Additionally, under the umbrella brand KWD Automotive, we manufacture body components and assemblies for vehicle construction. In the automotive sector, we are now one of the world's leading logistics service providers.

Value-added logistics from Schnellecke is a well-known term. Only a few companies possess the extensive expertise that enables us to help our customers make their processes more efficient. A key factor in this is our commitment to continuous innovation, which ensures that we are always among the first to make technological advancements applicable to logistics practice.



86
Sites

11
Countries

20.630
Employees annual average (permanent + temporary workers)

1.457,2 € m
turnover



Logistics for the supply chain

With our two operational subsidiaries, Schnellecke Logistics (logistics and transport) and KWD Automotive (production), we cover essential parts of the supply chain for companies worldwide. At more than 86 locations globally, over 2,000,000 square meters of warehouse space are available, supported by the third subsidiary, Schnellecke Real Estate. The foundation of our operations is the holistic view of all material flows and logistics processes, from procurement through the various stages of production to scheduling. Depending on the customer's needs, we integrate various functions into their value chains.

Smart Logistics: Successful Through Constant Innovation

Continuous innovation is one of the cornerstones of our business. We make the latest technological developments usable for logistics practice – and we do so faster than many others. Digital transformation has been a top priority for us for several years. It's not just about digitizing existing business processes, but also about developing

new approaches and business models. For many years, we have been a technological leader in automotive logistics. This requires investments to identify, evaluate, and implement new developments. Since Schnellecke is a company with flat hierarchies, decision-making processes are short. Thanks to this advantage, new solutions can be realized quickly. Only with such an agile approach can the path to Logistics 4.0 be successfully pursued. We know: As a service provider, we must always stay one step ahead with our Logistics Excellence.

THE WHOLE SPECTRUM OF LOGISTICS

The continuous optimization of the value chain is a key factor in remaining competitive in the global market. For this, companies need a partner who handles the planning, control, and execution of an optimal material flow. Warehousing, sequencing, module assembly, packaging logistics, transport, and production – Schnellecke offers its customers the full spectrum of logistics, everywhere in the world.



Supply Logistics

Schnellecke has been a strong partner to numerous international production companies in supply logistics for many years. With our innovative strength and experience, we optimize the supply chain of our customers and guarantee optimal and safe processes. Our services include material supply with vendor parts and modules, warehouse management and order picking, sequencing, JiT/JiS transports, line feeding, container and empties management as well as the entire material flow control.

Warehouse Logistics

The effective operation of a warehouse is a critical factor in the supply chain. Whether for production supply, distribution, spare parts, or simply storage, whether for order picking, packaging, goods receipt, or shipping – the foundation is always a tailored warehouse management system. Schnellecke plans and designs complete warehouses, provides the personnel and necessary technical infrastructure, optimizes the storage of inventory, and continuously reduces lead times. Our self-developed logistics software connects all intralogistics components into an intelligent system. As a modular solution, it can be perfectly adapted to the individual needs of customers, easily changed, and scaled. Thanks to open interfaces, it can communicate seamlessly with customers' ERP systems – from goods receipt to storage, order picking, and delivery.

Module Assembly and Sequencing

Module assembly plays an increasingly significant role in the logistical process chain of the automotive industry. In this area, Schnellecke has developed unique features that are industry-leading. In our supply centers, located in close proximity to our customers, we assemble individual parts into complete modules. The responsibility for developing the assembly process is often handled by our project planning team. Another strength of ours is the production-synchronous delivery of individual parts. We sequence parts and assemblies for more than forty first-tier suppliers and seven automakers in plant-based multi-JIS centers, using state-of-the-art order picking systems, as well as parts and module sets, and deliver them directly to the assembly line at the production site.

Packaging Logistics

The packaging of automotive parts into shipment sizes for transport to production plants overseas, as well as the complex spare parts logistics, including complete shipping organization and the necessary IT processing, is another core competency of Schnellecke. Through our global infrastructure and presence at recipient plants, we offer a seamless supply chain with no interfaces. At locations in Germany, Spain, the USA, and India, over one million cubic meters of automotive parts are packaged and shipped annually.

Spare Parts Logistics

With a well-thought-out and customized spare parts logistics solution, we ensure parts availability, short delivery times, and process stability for our customers. Our services include warehouse management, inventory control, repackaging into sales-specific packaging, empty goods shipping, and the assembly of kits – all from a single source.

Transport Logistics

With over eight decades of experience in transport logistics, Schnellecke is one of the most experienced companies in the market. Our own fleet of vehicles, equipped with the latest communication technology, and several consolidation centers ensure smooth transport operations. Our strength lies in supply chain management, particularly procurement logistics, distribution logistics, plant traffic, and cross docking. Additionally, our service portfolio includes numerous other services. We offer our customers a close connection between logistics and freight forwarding. Using state-of-the-art equipment, up-to-date IT systems, numerous innovations, and a high level of standardization, we solve their transport tasks in a tailored and efficient manner.

Planning, Construction, and Management of Logistics Properties

Schnellecke Real Estate is the business division of Schnellecke that specializes in the planning, construction, fitting, and management of logistics properties. Currently, over two million square meters of warehouse space are being managed worldwide. One of the strengths of Schnellecke Real Estate is the tailored adaptation of infrastructure to meet individual requirements. The company not only develops and builds for Schnellecke but also for other customers.

Welded Assemblies and Body Assemblies

Welded assemblies are playing an increasingly significant role in the logistical process chain of the automotive industry. This requires specialized expertise. Whether it's simple connection parts or complex body assemblies, such as complete exhaust systems, we are the competent partner for the automotive industry when it comes to welded assemblies. This business area is managed by KWD Automotive AG & Co. KG, which has been part of the Schnellecke Group since 1994. One of KWD's key focuses is lightweight construction. With production-proven solutions in aluminum, steel, and composite materials, we help customers reduce the weight of essential structural parts in vehicle manufacturing.

SUSTAINABILITY AS AN ESSENTIAL PART OF OUR STRATEGY

Our Path to Sustainability Strategy at Schnellecke SE is based on the global Sustainable Development Goals (SDGs) set by the United Nations in 2016, which are set to run until 2030. These goals aim to ensure sustainable development in the areas of economy, society, and ecology. In 2019, during a leadership seminar, the most relevant SDGs for Schnellecke were identified, with leaders selecting the goals that are most crucial for the company. This selection forms the foundation for developing our sustainability strategy. Based on this, key performance indicators (KPIs) were defined and monitored to make progress measurable. In 2021, the company developed ten strategic directions as part of the SMART 25 Program. Two of these, „Responsible Management of Resources“ and „Living CSR,“ are particularly relevant to the area of sustainability.

■ Responsible Management of Resources

The focus here is on reducing the carbon footprint and protecting the environment, as well as creating safe workplaces. A key goal is to reduce CO2 emissions by 30% by 2027, with the long-term objective of achieving climate neutrality by 2040.

■ Living Corporate Social Responsibility

This area encompasses the company's social responsibility, with the goal of creating positive impacts on society. Among other things, programs are promoted to foster diversity, equal opportunities, and inclusion, as well as to support local communities. This includes initiatives for integrating disadvantaged individuals, encouraging employees' voluntary engagement, and implementing environmental projects.



In 2021, an ESG-compliant refinancing was also prepared, which was implemented in 2022 to align financial resources with sustainability goals.

More information in the article ESG-compliant refinancing.

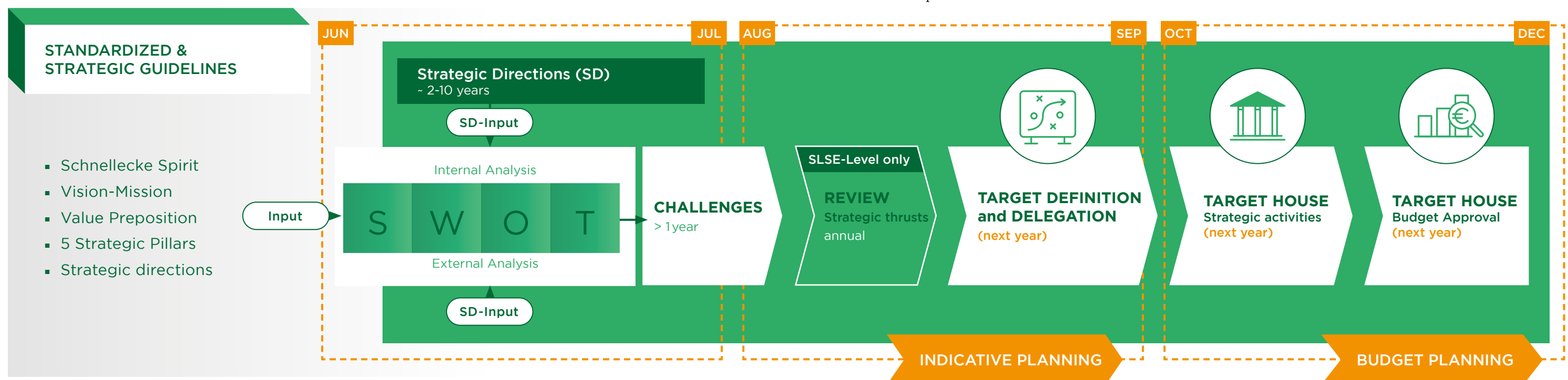
The objectives and strategic directions of Schnellecke are evaluated and adjusted annually. This process is supported by a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats), which takes into account both internal and external factors. Additionally, sector-specific standards are in place to ensure that all locations meet central requirements in areas like workplace safety, health protection, environmental protection, and energy efficiency. These standards are regularly reviewed through internal audits.

Schnellecke aims to firmly integrate sustainability into its corporate strategy while also responding to current challenges such as rising energy costs, legal requirements, and stakeholder expectations.

As part of the regular review of intermediate goals and results during the Strategic Directions Meetings, priorities are equally distributed within the organization. Regular goal achievement discussions and Gemba walks ensure that, in case of deviations, appropriate corrective measures are defined.

At the end of the year, when setting the goals for the following year with the regions, Schnellecke Logistics ensures that the necessary investments and corresponding projects are identified to effectively contribute to achieving these goals.

The role of individual regions in the overall goal achievement depends on the respective key performance indicators (KPIs). This means that regions with higher annual mileage, for example, contribute more strongly to transport-related goals than regions with lower mileage. Conversely, these locations will contribute less to goals related to the managed warehouse space.





Responsibility

At the leadership level, the Chief Executive Officer (CEO) has the final decision-making authority over key strategic investments, such as acquiring new technologies that contribute to achieving sustainability goals. The Chief Operating Officer (COO) prepares the corresponding decision documents and plays a central role in regularly reviewing environmental KPIs (Key Performance Indicators) during Gemba meetings with the sustainability department. In these meetings, measures to reduce CO₂ emissions or lower energy consumption are discussed, especially when deviations from target values occur.

The Chief Financial Officer (CFO) contributes to the sustainability strategy by preparing decision documents from the finance and procurement departments. Additionally, the CFO is responsible for managing the supply chain to raise awareness among suppliers regarding sustainability and environmental regulations. The CFO is also informed

about changes in carbon taxes, which directly impact the company's financial planning and forecasts.

The Management Board plays a critical role in defining and monitoring sustainability goals. In regular meetings, the current situation, ongoing projects, and investments are discussed, and clear short-, medium-, and long-term goals are set. One example of a long-term goal is achieving CDP Level B by 2025, which represents a significant improvement in transparency and environmental management.

The Regional Vice Presidents, Business Unit Leaders and Business Area Leaders are responsible for implementing the sustainability targets locally. They regularly review progress in their respective areas and take measures to ensure that the specified sustainability targets are achieved. They are crucial for the operational implementation of the sustainability strategy and for compliance with the targets.

At the operational level, the HSE (Health, Safety, Environment) experts in the respective regions act as contacts for environmental, occupational safety and sustainability issues. They work closely with the operational teams to ensure compliance with safety and environmental standards.

Creating Incentives

Sustainability targets are already part of the evaluation of the top management level. The targets listed under the strategic thrusts "Responsible Management of Resources" and "Living Corporate Social Responsibility" are integrated into the bonus agreements. These targets influence the performance evaluation of Business Unit Heads, Vice Presidents and even the Chief Operating Officer (COO).

Sustainability targets therefore play a key role in the remuneration and evaluation of managers at operational and strategic levels of the company.

An important component of the company's incentive systems is to promote the long-term sustainability targets - in particular the goal of climate neutrality by 2040. The integration of these targets into managers' bonus agreements serves to raise awareness among all managers and employees at an early stage and focus them on achieving these climate targets. Linking personal performance assessments with strategic sustainability targets ensures that the entire company works towards climate neutrality and focuses on appropriate measures at an early stage. These incentive systems make a decisive contribution to the long-term focus on ecological responsibility. Achievement of targets is always monitored by the next-highest manager: The Business Unit Head is monitored by the Business Area Leader, the Business Area Leader by the Vice President, the Vice President by his Management Board and finally the Management Board by the Supervisory Board. The assessment of data quality is the responsibility of the relevant department.

In addition to integration into our bonus agreement, every employee is given the opportunity to contribute their ideas and suggestions for optimizing sustainability performance at the site via our Kaizen / suggestion scheme. Such ideas can be submitted digitally or manually - they go through a validation process so that the employee can directly receive a financial benefit.

THE SIX CENTRAL SUSTAINABILITY GOALS OF SCHNELLECKE LOGISTICS SE



OCCUPATIONAL HEALTH & SAFETY

Ensure a healthy life for all people of all ages and promote their well-being.

Occupational safety and health protection have been top priorities at Schnellecke for many years.

Target Overview:

Incident Rate:

2023: = < 22,5
2027: = < 13,5

Target achievement 2023
14,07



ENVIRONMENTAL MANAGEMENT

Combat climate change and its effects.

Implement environmental protection measures and Kaizens to preserve a livable world for future generations, for example through photovoltaic installations, the planting of trees, and more.

Target Overview

CO2 reduction target¹:

2023: 18,05 kg CO₂/m²
2040: 0 kg CO₂/m²

Target achievement 2023
16,35 kg CO₂/m²



QUALIFIED EMPLOYEES

Ensure inclusive, equitable and high-quality education and promote lifelong learning opportunities for all.

Schnellecke invests in further training opportunities and employee qualifications and will continue to expand this.

Target Overview

Employee turnover:

2023: = < 3,85 %

Target achievement 2023
3,38 %



RESOURCE OPTIMIZATION

Ensure sustainable consumption and production practices.

Responsible use of packaging materials and recycling processes within the organization. Avoid waste through intensive use of LEAN management methods.

Target Overview

Waste separation quote:

2023: 91,5 %
2024: 92,0 %

Target achievement 2023
89,45 %



ENERGY MANAGEMENT

Ensure access to affordable, reliable, sustainable and modern energy for all.

The use and implementation of renewable energy sources for our energy needs is an essential component in contributing to the reduction of CO2 emissions.

Target Overview

Energy origin:

Until 2027: 100% renewable sources

Target achievement 2023
42,47 %



CORPORATE SOCIAL RESPONSIBILITY

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build strong, accountable, and inclusive institutions at all levels.

Regularly review sites for compliance to requirements and act with integrity. Zero tolerance policy towards discrimination. Support non-profit organizations in the communities around our sites.

Target Overview

Inclusion rate²:

2024: 2,22 %
2025: 2,75 %
2026: 3,00 %

The successor to the SMART25 strategy is in the pipeline and with it the new key sustainability targets of Schnellecke Logistics. Not all targets beyond the end of 2025 have been defined yet.

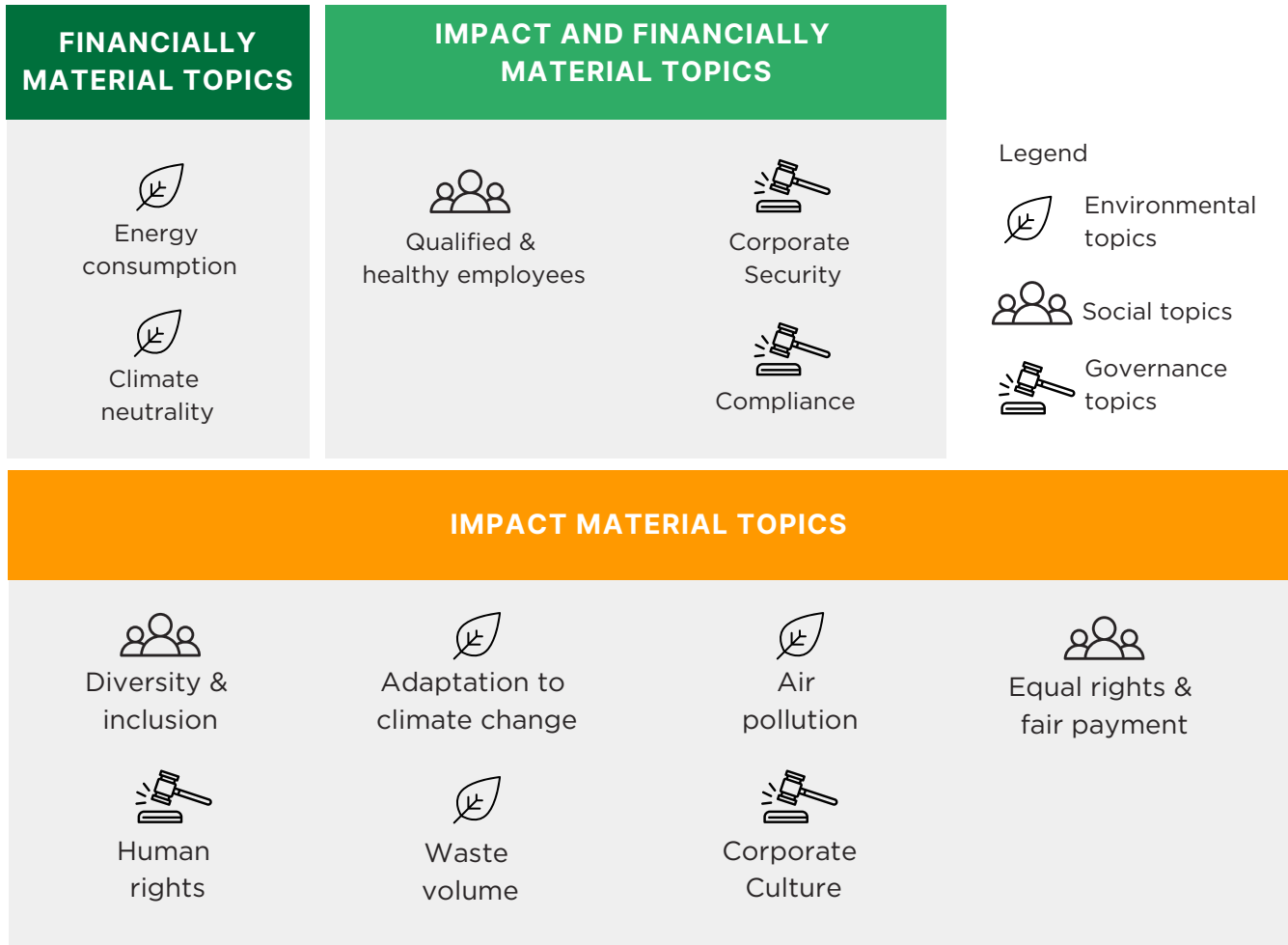
1 We use our target house, which is created with the help of the Bridge platform, to calculate these targets. Within this software, each region, country, business area and business unit is assigned a percentage contribution for each of the targets presented here. To obtain this percentage, the number of employees, the area and the use of resources are taken into account. The values obtained cannot be changed and may deviate from a direct calculation of area divided by emissions due to the previously assigned percentages. The divisor in the context of the percentage influence is always decisive.

2 The criteria according to which a person is classified as disabled or disadvantaged vary from country to country. After analyzing the country-specific requirements, it was decided as part of the target tracking that the United States would not be considered for this target, as it differs greatly from the other countries in terms of definitions. This results in greater comparability between the other countries.

MATERIAL SUSTAINABILITY ASPECTS

Regular surveys of opportunities and risks are determined through the continuous analysis of the company’s performance and the respective SWOT analyses.

The following fields of action arise within the scope of the double materiality for the Schnellecke Group in accordance with the CSRD reporting obligation:



Approach to materiality analysis in accordance with the ESRS

At the beginning, the sustainability topics from the topic-related ESRS (in accordance with Appendix A in ESRS 1) were assessed according to their relevance for the company. Important topics or sub-topics were examined further, resulting in the material impacts, opportunities and risks that served as the basic framework for the materiality analysis. In addition, company-specific topics were identified based on existing information from the annual strategy process. SWOT analyses are carried out annually in all departments, regions and companies as part of the process of setting annual targets. These analyses take into account economic, environmental and social aspects. The resulting findings were incorporated into the materiality analysis as raw data. The corporate strategy, which was defined in 2019 on the basis of the UN Sustainable Development Goals (SDGs), also played a key role. The SDGs on which particular emphasis was placed are:

- Quality Education
- Health and Well-being
- Affordable and clean energy
- Sustainable consumption and production
- Climate protection measures
- Peace justice and strong institutions
- Industry, innovation and infrastructure

The input from regular employee surveys was also included in determining the company-specific topics. The topics identified were then consolidated and incorporated into the analysis.

The most important stakeholders from the SWOT analysis:

■ Customers

These have specific requirements in the area of sustainability, such as compliance with ISO 14001 certifications or a corresponding CDP score. In addition, regular analyses of customer requirements are carried out by the respective specialist departments and direct contact with our customers.

■ Banks

These have concluded ESG-compliant refinancing agreements with the company and are in regular contact regarding the company’s environmental performance. This also includes preparations for CSRD implementation.

■ Employees

Customers: Regular employee surveys from operational to managerial level, the participation of the works council and the involvement of employees in health management (in accordance with the requirements of ISO 45001) ensure a continuous exchange.

Identified opportunities and risks from the materiality analysis

Opportunities:

- Improvement of reputation/image
- Employee loyalty/attractive employer
- Motivation for women
- Improvement in work-life balance
- Higher work productivity and satisfaction
- Attractive for recruiting talent
- Healthy working environment
- Reduction of accidents, reduction of absenteeism costs
- Respect for and compliance with human rights
- Better operational performance thanks to well-trained employees
- Independent energy procurement
- Internal CO2 Price

Risks:

- Increase in financial costs (green energy, alternative drives, more sustainable alternatives)
- Higher accident rates
- Loss of talent
- Lack of new experiences in decision-making
- Violation of human rights
- Wear and tear on tires

KWD - STRATEGY

move future

by KWD

In 2022, KWD AG underwent a comprehensive discussion process on the future direction of the company, which resulted in the development of a new strategy. This places the topic of sustainability at the center of the company's goals.



KWD's strategic objectives are structured in a so-called "target house", which is based on five pillars. Specific sub-targets are defined annually for each of these pillars. Since 2022, the middle pillar of the target house has been under the motto "go2zero". This motto is not just a description, but a call to consistently reduce greenhouse gas emissions and make a contribution to climate neutrality. In line with the goals of the Paris Agreement, KWD AG is striving to reduce its greenhouse gas emissions to such an extent that climate neutrality is achieved by 2050 at the latest. This target has been brought forward to 2030 by some major car manufacturers, which is also motivating suppliers such as KWD AG to take ambitious measures to achieve climate neutrality.

The topic of sustainability has therefore been integrated centrally into the corporate strategy. The changed market requirements were already reflected in KWD AG's environmentally relevant investments in 2022. However, this only marks the beginning of a lengthy process in which the company must continue to adapt its production processes to the new requirements.

Strategic progress in 2023: MOVE2FUTURE

In 2023, KWD AG consistently pursued its sustainability strategy and made significant progress as part of the "MOVE2FUTURE" initiative. This long-term future strategy aims to structure KWD's strategic goals into a "target house" to position the company as a leading

supplier of sustainable car bodies by 2030. The focus here is on setting up intelligent factories to increase efficiency ("work smarter") and reduce CO2 emissions ("go zero"). An important step towards these goals was taken at the plant in Orkoien, Spain. Board members and team leaders from various European locations came together for a management meeting to further develop initiatives to promote the strategic goals and accelerate their implementation. There was a particular focus on the automation of management processes: By using state-of-the-art technologies and innovative solutions, manual and repetitive tasks are to be reduced so that qualified employees can concentrate more on strategic decisions and value-adding activities.

CO2 neutrality from 2030

A major automotive customer of KWD AG has announced that it will only accept CO2-neutral components from 2030. This includes not only the manufacturing process, but also the entire life cycle of the products. Taking recyclability into account as early as the design phase presents KWD AG with major process-related challenges, which are being tackled with determination.

There are various approaches to achieving the required climate neutrality. The purchase of CO2 certificates is often seen as a simple solution, but does not offer a long-term strategy. Banks also expect real measures to reduce CO2 emissions in ESG-compliant refinancing, rather than just relying on certificates.

With this in mind, KWD AG has focused on making real progress through innovation, automation and infrastructure optimization. Investments such as the acquisition of a new press in Radeberg, the switch to LED lighting in the Czech Republic and the installation of solar panels in Spain are examples of the company's efforts to reduce emissions. Cooperation with raw material suppliers, who are often only able to provide limited information about their own CO2 emissions, remains a challenge. Nevertheless, the company is continuously working to create more transparency through dialog.

Three main goals for "go2zero"

KWD AG has defined three central areas in order to achieve the goal of climate neutrality:

- CO2 reduction
- Use of recyclable material
- Reduction of the accident rate

These targets apply to the company as a whole and are broken down to the individual sites. Different site conditions must be taken into account in order to develop a uniform strategy. For example, the accident rate varies considerably between sites. In Germany, it is recorded by the employers' liability insurance association, whereas there are no comparable standards in other countries. KWD AG has therefore committed itself to gradually transferring the strict regulations that apply in Germany to all European

sites. Specific KPIs (Key Performance Indicators) have been defined for the implementation of these targets, which are used to measure progress. Unlike in the logistics division, where turnover is almost identical to value added, KWD AG's KPIs are based on turnover, as this is more relevant for assessing progress. Specially developed software supports the tracking of KPIs.

Internal "move2future" campaign

A decisive factor for the success of the new strategy is the involvement of employees. In order to win over as many of them as possible for the upcoming challenges, an internal campaign was launched in mid-2022 under the motto "move2future". This campaign is intended to disseminate the new strategic direction through posters, flyers and online communication. Workshops with managers at the locations kicked off the campaign, during which the importance of sustainability goals was emphasized. Responsibility for continuing the campaign now lies with the site managers. Although the new requirements represent an additional burden alongside day-to-day business, employees are aware that sustainability is a crucial issue for the long-term survival of the company. This responsibility goes beyond meeting customer requirements and also includes a commitment to future generations and society.



ESG CONFORM

SCHNELLECKE FOCUSES ON ESG-COMPLIANT REFINANCING AND SUSTAINABILITY

The Schnellecke Group took measures at an early stage to adapt to ESG-compliant refinancing in order to meet the EU's sustainability goals. The EU is striving to make Europe climate-neutral and is therefore promoting investments in sustainable projects.

In 2021, Schnellecke integrated ESG principles into its financing strategies and successfully established ESG-compliant refinancing. Andre Scheidweiler, Vice President Corporate Treasury of the Schnellecke Group, recognized the potential of combining sustainability commitment with financing services. Through discussions with the Sustainability department and banks, Schnellecke found a solution to support the EU's sustainability goals through targeted financing incentives. The EU taxonomy, a classification system for ecologically sustainable economic activities, plays a central role here.

ESG-compliant refinancing means that companies are encouraged to invest more sustainably through more favorable credit conditions. At Schnellecke, the individual companies themselves determine which sustainability goals they pursue. For example, Schnellecke Logistics SE (SLSE) has different priorities than KWD AG, which as a manufacturing company is more focused on occupational safety. Progress towards the defined sustainability goals is reviewed annually by banks. An ESG rating can either be carried out by an external rating company or, as in the case of Schnellecke, by defining key performance indicators (KPIs). These KPIs are tailored to the different activities of the subgroups and were verified externally before a framework agreement was concluded with several banks.

The EU taxonomy could change in the future, meaning that companies may have to take external KPIs into account instead of focusing exclusively on their own. This would affect the flexibility of companies in setting their sustainability targets. For Schnellecke, the long-term strategic benefit of ESG-compliant refinancing is more important than short-term financial incentives.

Schnellecke considers ESG to be an important part of a long-term banking relationship. Although Schnellecke is already more advanced in this area than many other companies, it continues to see the need to work on improvements. One example of this continuous progress is a joint project between Treasury, Controlling and Sustainability. The aim of the project is to design investment processes in such a way that sustainable investments are beneficial for the departments and subsidiaries. The focus is to be broadened from a purely number-oriented view to a more comprehensive approach, which requires a change of perspective within the company.

ESG

... stands for Environmental, Social and Governance and refers to a set of standards for a company's behavior that are used by environmentally and socially conscious investors to screen potential investments.

The locations affected by the refinancing (see GHG report) were able to achieve an average of 34.05 kgCO₂ / m² for Scope 1 + Scope 2 emissions in 2023.

It should be noted that the Bremerhaven site was lost due to the loss of orders and that some space adjustments were made.

POLITICAL INFLUENCE

The Schnellecke Group AG & Co. KG does not actively participate in political processes or legislative procedures. The company leaves the representation of its interests to the relevant associations of which it is a member.

These memberships focus primarily on the use of services that cover the following areas: Exchange and networking, advice and information exchange as well as legal support, particularly in the form of legal advice.

In addition, the company continuously receives up-to-date information on existing and upcoming legislative changes through cooperation with national and international legal service providers. In the area of sustainability and corporate social responsibility (CSR), the focus is particularly on the following European legislative projects:

- EU-Corporate Sustainability Due Diligence und Supply Chain Due Diligence Act,
- EU-Corporate Sustainability Reporting Directive,
- EU-Taxonomy for Sustainable Activities.

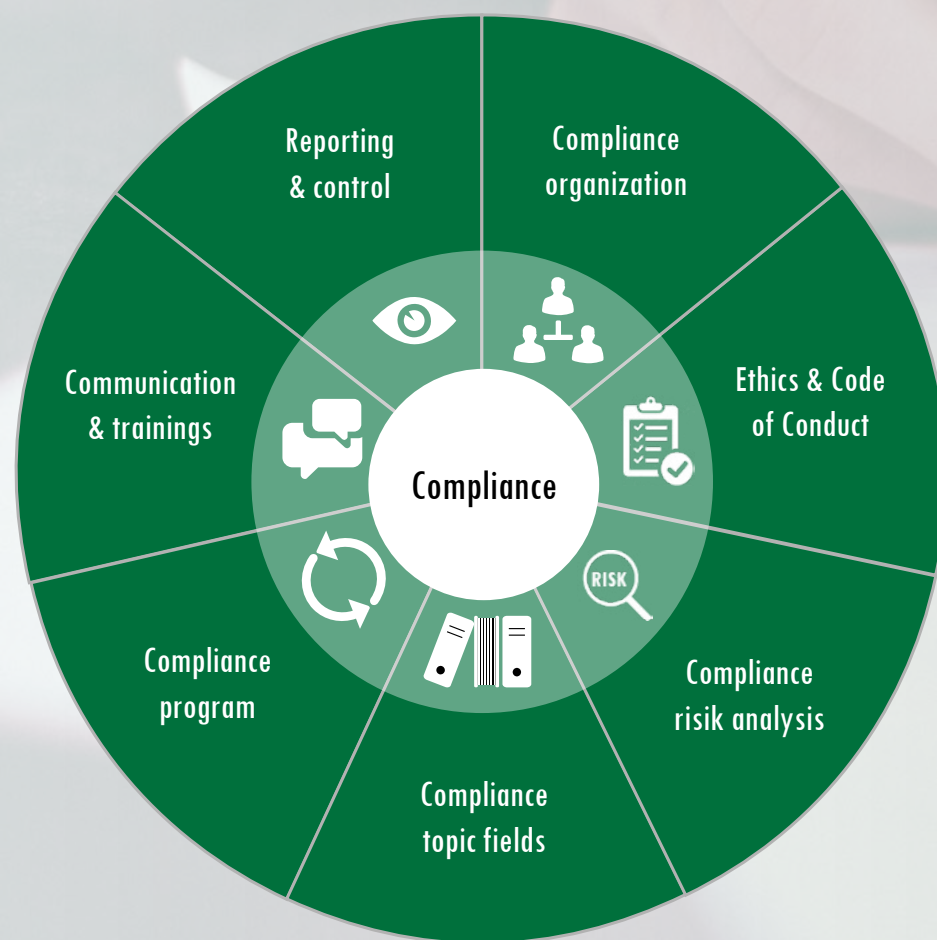
The Schnellecke Group submits statements on the legal implementation in the countries concerned via its memberships and associations. The company's political commitment is limited to appealing to the workforce to actively use their right to vote in national or international elections, such as the EU elections.

The Schnellecke Group's memberships are primarily in industry-specific associations and organizations. A selection of the most important memberships includes:

- Employer's Associations
- Federal Logistics Association
- German Energy Agency - Working Group on Sustainable Heavy Goods Transport
- German Transport Forum,
- Chamber of Industry and Commerce,
- Maschinenraum,
- Family Business and Politics Foundation,
- Association of the Automotive Industry,
- Association of Energy Consumers.

These memberships play a key role in representing the company's interests in various areas of the logistics and automotive industry, while at the same time promoting continuous development through exchange and cooperation.

LAW AND COMPLIANT CONDUCT



Since 2015, the Schnellecke Group has introduced a compliance program to prevent unlawful conduct. The central requirements for this are summarized in the compliance guideline. This includes guidelines on basic conduct, dealing with the environment, sustainability, safety and health, as well as dealing with employees, business partners and the company's property. The Compliance Committee and the Chief Compliance Officer are responsible for the topic of compliance in the Schnellecke Group.

The company's compliance organization is managed by the Compliance Committee, which consists of members of the Management Board and the Chief Compliance Officer. This committee coordinates, controls and monitors all activities to ensure compliance with legal requirements and internal company guidelines. The Committee commissions the Internal Audit department to investigate breaches and recommends measures and sanctions in the event of breaches. Compliance coordinators act as contact persons in the regions, carry out training, ensure the integration of compliance processes, advise employees and managers on compliance issues and manage the local whistleblower systems.

As part of the compliance policy, employees are obliged to report violations of the Code of Conduct, internal guidelines and legal regulations, criminal behavior and unethical and inappropriate behavior immediately via the whistleblower system. The report can be made anonymously or by name. Any information received will be examined and, if necessary, appropriate follow-up measures will be taken. In the event of violations of the principles of this Code of Conduct, the employee must expect disciplinary measures, sanctions under labor law and even termination of the employment relationship. Specific compliance with European and national standards and laws is supported by a site-specific legal register, which is managed by the QUENTIC

system. The system supports the company management in managing, monitoring and verifying compliance with the obligations to act and actively involves the managers and employees responsible for the company's legal compliance in the process through a transparent delegation system.

Change requirements resulting from legal changes are maintained by QUENTIC. Any resulting need for action is defined via the integrated management system in direct cooperation with the specialist departments and then integrated into QUENTIC and the locations' iGrafx process management tool via process changes and specifications and subsequently implemented at the locations.

All compliance risks are recorded and evaluated by the compliance organization as part of regular global compliance risk assessments and appropriate action and security measures are put in place. These also include, in particular, preventive measures against corruption.

The results are incorporated into the risk-oriented annual audit program of Internal Audit. This department carries out regular audits at the locations as part of the standard audit processes. Compliance with the specific requirements, processes and controls in the internal control system is also audited. In addition to the standard audits, resources are kept available for any special audits.

ACT ON CORPORATE DUE DILIGENCE OBLIGATIONS IN SUPPLY CHAINS

The Supply Chain Due Diligence Act came into force on January 1, 2023. This law, which affects companies with more than 3,000 employees, including Schnellecke, aims to minimize human rights violations and environmental pollution along the entire supply chain. Companies are obliged to fulfill human rights and environmental due diligence obligations and to take measures to avoid or minimize negative impacts.



Schnellecke began preparing for the implementation of the Supply Chain Due Diligence Act at the start of 2022. A project team consisting of the Compliance, Sustainability and Purchasing departments was formed. The practical implementation started in the fall of 2022. The project proved to be extremely time-consuming, as tens of thousands of suppliers in Germany alone had to be contacted and subjected to a risk analysis. This applies not only to direct suppliers, but also to indirect suppliers, which poses a particular challenge when procuring transport capacities on the spot market.

Another challenge is that the Supply Chain Due Diligence Act requires German companies to apply the regulations to their foreign subsidiaries as well. In order to meet these requirements, Schnellecke decided to use the online platform 'Integrity Next', which can be used to make the necessary queries to suppliers. However, identifying the relevant suppliers and preparing the platform requests was a task that Schnellecke had to complete independently.

Schnellecke has also created a process description for the whistleblower system and published it on the website. Purchasing is now responsible for querying and monitoring suppliers, supported by the Sustainability department.

In addition to the supplier audits, an annual human rights report must also be prepared. Despite the high requirements and the associated effort, Schnellecke implemented the requirements of the Supply Chain Due Diligence Act on time and submitted the report for 2023 on schedule. The company had already taken measures in the past, such as obtaining supplier self-disclosures and developing a code of conduct. This provided a good basis for meeting the requirements.

The establishment of a comprehensive supplier management system, which can also be used for queries on data protection and Scope 3 emissions, results in synergies with other legal requirements that Schnellecke will have to fulfill in the coming years (e.g. CSRD).

ENVIRON MENT



GREEN IS OUR NATURAL COLOUR

Schnellecke Logistics SE has set itself the goal of becoming climate-neutral by 2040. This decision is in line with the global challenges of climate change, which is becoming increasingly evident through glacial melting, global warming and extreme weather events. The logistics industry has the potential to reduce its emissions, as it is one of the largest emitters of greenhouse gases. In 2021, ten strategic directions were defined as part of a strategic target process, two of which are particularly focused on sustainability: “Living Corporate Social Responsibility (CSR)” and “Responsible Management of Resources”. CSR means that companies take responsibility for the impact of their actions on the environment and society. “Responsible Management of Resources” aims to minimize the CO2 footprint and promote environmental protection. These directions underline Schnellecke’s goal of becoming climate-neutral by 2040.

For the company, climate neutrality means that it should have no overall negative impact on the climate. To achieve this, the amount of greenhouse gases is offset through various measures to reduce emissions. Emissions that cannot be completely avoided are offset by investing in projects such as reforestation or renewable energies. Philipp Unger, Head of Group Sustainability Management, emphasizes that Schnellecke is committed to true climate neutrality: “Our goal is to reduce our emissions as much as possible. Only when we have exhausted our technical possibilities do we resort to offsetting.”

To reduce emissions, Schnellecke distinguishes between three categories: Scope 1 comprises direct emissions, such as those caused by heating properties or the fuel consumption of the company’s vehicle fleet. Scope 2 refers to indirect emissions caused by the company’s electricity consumption, even if it does not generate the electricity itself. Finally, Scope 3 covers indirect emissions along the entire value chain that are outside the direct control of the company, such as employees traveling to and from work.

Schnellecke has already implemented various measures to reduce emissions. One focus is on the electrification of pool and company vehicles and on optimizing the energy efficiency of buildings. This ranges from the adaptation of heating systems and the use of LED lighting to the installation of photovoltaic systems at particularly sunny locations such as Mexico, South Africa and Spain. In the area of transportation, one of the biggest sources of emissions, we are working intensively on alternative drive systems and charging infrastructures by introducing pilot projects and participating in research groups. The use of e-trucks, which are charged during loading and unloading, is one of the projects currently being implemented.

In addition to these technical measures, Schnell-ecke is also focusing on international standards. By 2027, the company plans to reduce CO2 emissions per square meter by 30% and achieve an A score from the Carbon Disclosure Project (CDP). In addition, by 2024 all Schnellecke sites worldwide are to be certified in accordance with the international standards ISO 45001 (occupational safety) and ISO 14001 (environmental management), in which we have our own consumption.

Another key aspect of Schnellecke’s sustainability strategy is its commitment to social and ecological projects. These include reforestation projects and the provision of clean drinking water in water-stress regions. The company also promotes recycling programs and upcycling projects in order to use materials more sustainably and conserve resources.

ENERGY CONSUMPTION & CO₂ EMISSIONS

Energy consumption: Schnellecke Logistics SE & KWD

Energy consumption is a key component of our sustainability balance sheet and reflects the extent of our operational activities. This chapter provides an overview of our energy consumption and shows its distribution across various energy sources.

	2023	2022	2021	2019
Fuels	45.285.922	42.337.073	39.088.862	24.857.491
Electricity	58.231.782	50.757.726	48.859.260	59.400.618
from renewable energy sources	10.277.704	2.223.343		
Natural & Liquid gas	20.532.780	19.492.185,95	20.750.907,74	11.767.268
Heating oil	135.733	132.977	139.105,80	169.220
District heating	12.023.001	12.564.461,00	13.182.731,00	13.373.102
Total in kWh (SLSE + KWD)	136.209.217,62	125.284.424,26	122.020.867,28	109.567.699,11

Energy Intensity



Main sources of emissions in 2023 1 + 2

	CO ₂ e [kg]	Proportion in %
SLSE	Diesel	9.909.313
	Electricity	6.553.513
	Natural & Liquid gas	3.261.158
KWD	Electricity	10.107.211
	District heating	2.084.046
	Natural & Liquid gas	995.153

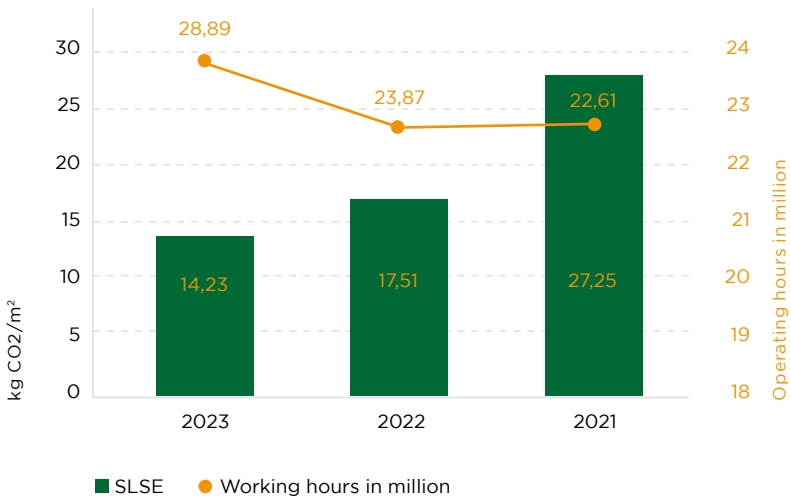
The section of the CO2 balance shows that our main sources of emissions are the use of diesel and electricity consumption. We are therefore aiming to obtain all of our electricity from green sources by 2027. To reduce emissions from diesel fuel, we are already using alternative fuels such as CNG and LNG, which cause fewer emissions. We are also planning to use HVO100 bio-diesel from 2024, which reduces CO2 emissions by around 80% compared to conventional diesel. Through these measures, we aim to reduce emissions from our primary sources and move closer to our goal of climate neutrality.

Energy consumption Schnellecke Logistics SE

	2023	2022	2021	2019
Fuels	45.129.873	41.740.915	38.636.804	24.857.491
Electricity	23.425.324	16.027.608	14.121.102	9.371.772
Natural & Liquid gas	15.791.597	14.439.151	14.270.783	11.767.268
Heating oil	135.733	132.977	139.106t	169.220
District heating	4.579.980	3.667.043	4.105.430	3.151.000
Total in kWh (SLSE)	89.062.506	76.007.695	71.273.224	49.316.751

The figures for our base year (2019) do not include all of our business units that were shown in subsequent years. The number of business units in our company varies from year to year due to contract terms. This makes annual comparisons less meaningful*.

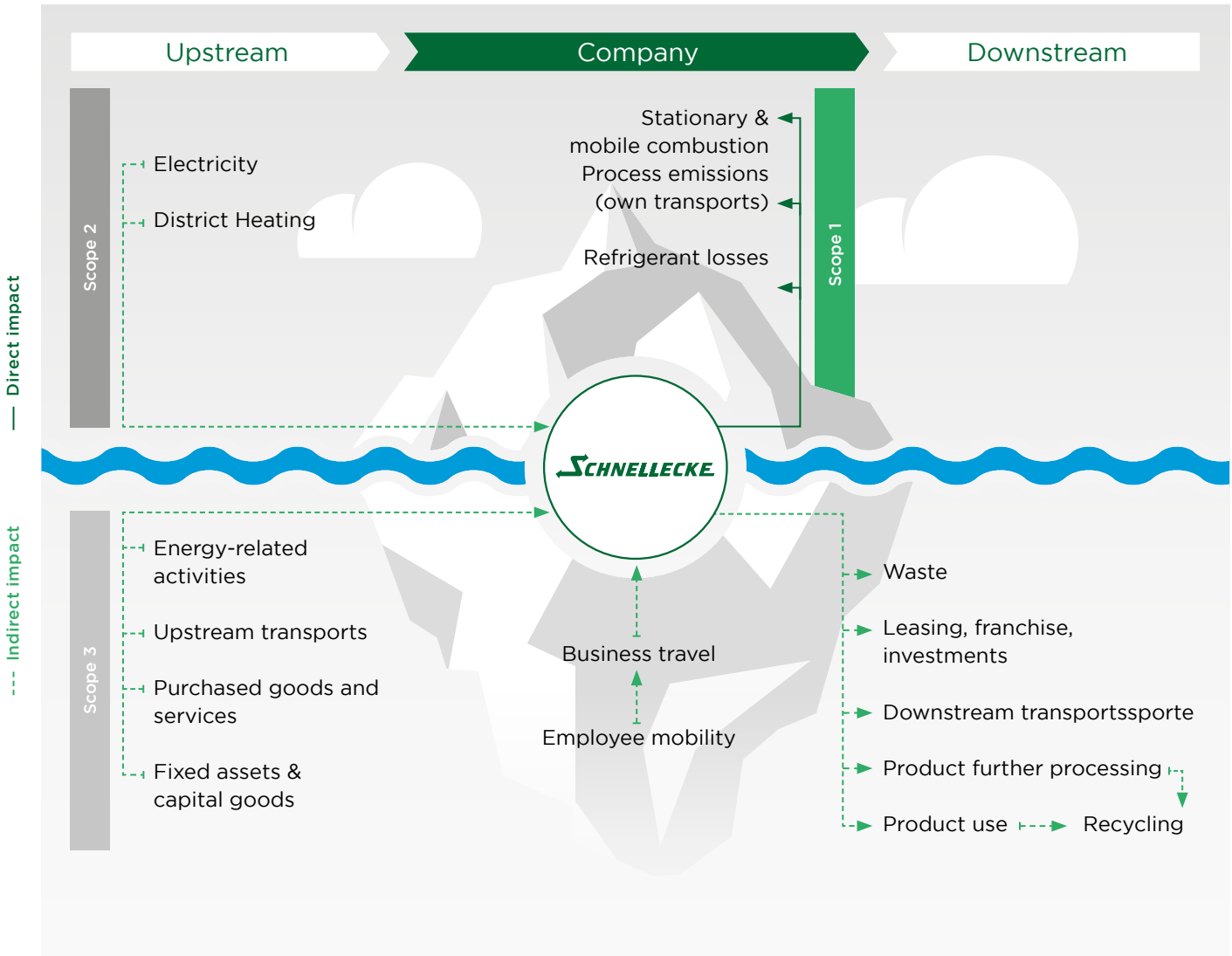
KPI energy trend* (kg/CO₂/m²)



The following figure shows the key figure „kilograms of CO₂ per square meter of managed hall space“ across all locations with operational control. The base year was 2019 with an initial value of 111.3 kg CO₂/m². By 2023, we were able to significantly reduce this value and lower the key figure to 14.23 kg CO₂/m².

* Further information can be found in the appendices „Reporting boundaries and comparability of consumption“ and „GHG report“.

CO₂-EMISSIONS OF SCHNELLECKE LOGISTICS SE



The chart shows the sources of emissions: Scope 1 comprises direct emissions from the company, Scope 2 indirect emissions from purchased energy, and Scope 3 all other indirect emissions along the value chain.

2023: CO₂-Emissions by scope and region

CO ₂ Scope 1 by region	CO ₂ [kg]	CO ₂ Scope 2 by region	CO ₂ [kg] location-based	CO ₂ [kg] market-based
Scope 1	14.078.189	Scope 2	8.765.814	7.211.113
Germany	3.989.659	Germany	5.729.538	4.065.876
Europe	1.081.835	Europe	329.121	302.942
Mexico	754.311	Mexico	1.956.566	2.206.720
South Africa	508.872	South Africa	431.136	431.136
Transport	7.638.835	Transport	265.991	150.976
USA	104.675	USA	53.460	53.460
SUM	14.078.189,84	SUM	8.765.814,64	7.211.113,84

* Further information can be found in the appendices „Reporting boundaries and comparability of consumption“ and „GHG report“.

SLSE's Scope 1 and 2 emissions increased by 9% overall compared to the previous year. The increase in Scope 1 is due to the first-time recording and calculation of AdBlue consumption for diesel vehicles. The increase in Scope 2 is due to the increase in electricity consumption, which is attributable to the addition of new business.

Region Germany

The increase in working hours has led to an increase in our energy requirements, with gas consumption rising by 11% compared to 2022. Electricity consumption has increased by approximately 92% due to new business units and the increase in business activity, although the associated emissions have not increased proportionally, which is due to the introduction of environmentally friendly electricity sources in several of our business units that do not generate emissions during production. This year, 62% of our electricity requirements in Germany came from renewable sources. We have also been reporting AdBlue consumption since 2023. AdBlue is an additive that is used together with diesel to convert nitrogen oxide emissions in diesel engine exhaust into nitrogen and water. This is one of the main reasons for the increase in our Scope 1 emissions compared to 2022. The update of the emission factors has also had an impact on the reported emission values. This year, 100% market-based Scope 2 emissions could be reported for this region.

Region Europe

In the Europe region, Scope 1 emissions increased slightly. This is due to the fact that emissions from the consumption of AdBlue in Italy and Slovakia and emissions from petrol and LPG for the commuter vehicles at the Slovakian sites were recorded for the first time. At the same time, however, natural gas consumption fell in Slovakia and Spain. Scope 2 emissions fell by 37% compared to the previous year. This decrease is due to lower electricity consumption on the one hand and a reduction in the emission factor in Slovakia on the other.

Region Mexico

The increase in employment in Mexico is reflected not only in the number of hours worked, but also in the development of our business units. Over the course of 2023, our units in Mexicali and Hermosillo have expanded, leading to the establishment of new business units that have increased our energy consumption in the region. The increase in Scope 1 emissions is due to the use of refrigerants in the air conditioning systems, which were recorded for the first time. Hermosillo was the only business unit that had to refill systems during this period. Gas consumption for our forklift trucks increased by around 20 % in both the Mexicali and Hermosillo business units.

Region South Africa

To date, electricity consumption in the South Africa region has only related to the main administrative building. In December 2022, the new Pretoria Silverton BU was taken over by Schnellecke. This increased Scope 2 emissions in 2023. Scope 1 emissions increased due to the change in the calculation methodology. Since 2023, we have been using primary data for the calculation instead of estimates.

Region Transport

There was a very small increase in Scope 1 emissions in transport logistics. This is mainly due to the inclusion of emissions caused by the use of the AdBlue additive. However, the use of alternative fuels (LNG, CNG) in our trucks, which cause fewer emissions compared to diesel, and effective route planning helped to ensure that the increase in working hours did not have a significant impact on emissions. With regard to Scope 2, three additional electricity meters were registered and the emissions from charging the electric vehicles were also taken into account. Despite these additional meters, Scope 2 emissions were reduced, which is due to the fact that 58% of the electricity used comes from renewable sources.

Region USA

In 2023, the diesel and petrol consumption of company cars was included in Scope 1 emissions for the first time.

CO₂-EMISSIONS
OF SCHNELLECKE LOGISTICS SE

2023: Scope 3 Emissions by categories

CO ₂ Scope 3 by categories	Sum CO ₂ e [kg]
Scope 3	788.119
Purchased goods	1.312
Business trips	780.666
Upstream and down- stream transportation	6.140

Scope 3 emissions are made up of three categories. Business travel is recorded in 2023 by the regions Germany incl. transportation, South Africa and USA and Mexico. In addition, the diesel consumption data of external companies that refuel at our in-house filling station was recorded. This data is incomplete and is divided into the categories:

- Purchased goods: Diesel consumption Consulting / service providers
- Upstream and downstream transportation: contracted external transport companies.

Business trips by country and type of trip in kg CO₂e

Region Germany incl. Transport	2023	2022	2021	2020	2019
Airplane	278.528,00	81.391,00	21.913,00	73.757,00	392.771,00
Train	4.609,00	4.203,00	1.945,00	4.940,00	15.041,00
Total	283.137,00	85.594,00	23.858,00	78.697,00	407.812,00
Comparison with previous year in %	230,79	258,76	-69,68	-80,70	

Region South Africa	2023	2022	2021	2020	2019
Airplane <785km	3.441,01	1.357,98	-	-	-
Airplane 785km < 3700km	26.422,01	21.421,13	3.653,00	3.653,00	69.887,00
Flugzeug (Long) >3700km	9.781,64	5.792,68	5.688,00	3.924,00	23.570,00
Total	39.644,66	28.571,79	9.341,00	7.577,00	93.457,00
Comparison with previous year in %	38,75	205,88	23,28	-91,89	

Region USA	2023	2022	Region Mexiko	2023
Airplane	29.781,99	57.152,50	Flugzeug	152.348,00
	29.781,99	57.152,50	Auto	275.754,72
Comparison with previous year in %	-47,89		Gesamt	428.102,72

Emissions from business travel increased in both Germany and South Africa in 2023 compared to the previous year. In the USA, emissions were **reduced by 50 %**.

* Further information can be found in the appendices „Reporting boundaries and comparability of consumption“ and „GHG report“.

CLIMATE-RELATED
CHALLENGES

The greatest challenge for climate-relevant emissions at Schnellecke lies in emissions from fuels, which are mainly generated in transportation logistics. The majority of these emissions come from the consumption of fossil fuels that are needed to operate the transport fleet. Diesel and other fossil fuels in particular cause significant CO₂ emissions, which contribute to climate change and increase the company's CO₂ footprint.

Reducing these emissions-related environmental impacts presents the company with a number of challenges, including:

- **Switching to alternative drive systems:**
The introduction of electric vehicles or vehicles powered by hydrogen and natural gas can replace emission-intensive diesel and petrol engines. However, this step requires a well-developed infrastructure for charging or refueling options.
- **Increasing the efficiency of logistics processes:**
Better utilization of vehicles, optimized route planning and the use of modern telematics systems can lower fuel consumption and thus reduce emissions per kilometer driven.
- **Cooperation and innovation projects:**
By collaborating with manufacturers and participating in research and development projects, Schnellecke can promote technologies that contribute to a sustainable transformation in the transportation sector.
- **Long-term investments and costs:**
The switch to lower-emission drive systems and the introduction of sustainable technologies are often associated with high investment costs that have to be amortized over many years.

The transition to more sustainable transport logistics is not only an ecological challenge, but also a strategic one that requires a transformation of the entire logistics industry.



KEY FIGURES KWD GROUP

The following tables show the consumption of various energy sources and the associated CO₂ emissions.

In 2023, the KWD Group was able to reduce its total energy consumption by 2.8% compared to the previous year. Natural gas and diesel consumption fell by 11% and 13% respectively, and the use of district heating was reduced by 16%. At the same time, energy use from solar systems increased by 386%, as the solar system installed in August 2022 was able to produce electricity all year round. In addition, petrol consumption increased by 97% as a result of the switch from diesel vehicles to hybrid vehicles powered by petrol.

KWD consumption in kWh 2023

	Czech Republic	Portugal	Radeberg	Spain	Wolfsburg	KWD Group
Electricity	11.526.287,00	3.561.192,00	10.985.288,00	1.810.793,00	6.922.898,60	34.806.458,60
Natural gas	1.246.015,00		1.497.637,00	591.774,00		3.335.426,00
Liquid gas	239.525 ,00		1.166.232,00			1.405.757,00
Diesel	87.894,60	49.850,00	185.840,00	21.690,00	125.406,00	470.680,60
Fuels		22.738,20	9.704,40	6.332.840	70.205,80	108.980,40
District heating			4.193.021,21		3.250.000,00	7.443.021,21
Solar				329.107,00		329.107,00
Energie-Gesamtverbrauch	13.099.721,6	3.633.780,20	18.037.722,61	2.759.696,00	10.368.510,40	47.899.430,81

KWD CO₂ emissions in kg 2023

	KWD Bohemia	KWD Portugal	KWD Radeberg	KWD Spain	KWD Wolfsburg	KWD Group
Electricity	4.495.251,93	705.116,02	3.009.968,91	-	1.896.874,22	10.107.211,07
Natural gas	250.449,02		301.025,04	107.702,87		659.176,92
Liquid gas	57.246,48		278.729,45			335.975,92
Diesel	23.379,96	13.260,10	49.433,44	5.769,54	33.358,00	125.201,04
Fuels	-	6.002,88	2.561,96	1,671,65	18.534,33	28.770,83
District heating			1.174.045,94		910.000,00	2.084.045,94
Solar						-
CO ₂ -Emissionen	4.826.327,38	724.379,00	4.815.764,74	115.144,06	2.858.766,54	13.340.381,72

The CO2 emissions relate exclusively to Scope 1 and Scope 2 emissions. KWD Spain's electricity requirements are covered by green electricity.

CO₂ emissions in tons per 10 million sales

	Czech Republic	Portugal	Radeberg	Spain	Wolfsburg	KWD Group
2018	362,40	581,30	407,00	238,30	438,10	398,50
2019	316,00	491,30	438,40	196,70	527,60	381,70
2020	300,00	498,80	409,90	217,30	406,90	355,10
2021	316,70	175,50	462,00	187,00	536,90	367,10
2022	271,80	153,40	303,60	40,00	423,60	250,80
2023	233,30	128,80	296,70	22,50	329,80	236,90

The key figure „tons of CO₂ emissions per € 10 million in sales“ was introduced at the KWD Group as a benchmark for assessing the development of emissions, as there was no uniform comparative figure due to the variety of products at the various locations and no common benchmark could be identified. In 2023, energy consumption stabilized despite the increase in sales, as the sites did not require any additional energy

expenditure to meet production targets. The improved electricity mix also made a positive contribution to reducing CO₂ intensity. In addition, energy-efficient programs were implemented by maintaining ISO 50001 certification, which kept the increase in energy consumption low compared to sales growth.

Recycling rate in %

	Czech Republic	Portugal	Radeberg	Spain	Wolfsburg	KWD Group
2018	98,0	98,0	98,0	100,0	92,2	99,0
2019	86,0	98,0	98,8	93,0	94,9	82,5
2020	96,0	83,0	98,8	93,0	81,1	92,9
2021	95,0	74,0	99,4	94,0	95,3	92,7
2022	93,5	92,0	99,6	97,7	93,1	Welding 93,5 Pressing plant 99,6
2023	96,1	97,0	99,6	99,1	92,2	Welding 96,0 Pressing plant 99,6

The development of the recycling rate at the KWD Group is influenced by various factors and the different degrees of maturity of the environmental management systems at the sites. The quantities of waste (in kg) are recorded and estimated locally, with the sites in Portugal and Spain having already achieved a high level of waste management. Although improvements in recycling are possible there, they would hardly lead to a significant increase in the recycling rate. The Wolfsburg and Bohemia sites, on the other hand, are not yet certified to ISO 14001. When certification begins, more precise data collection is expected, which will contribute to the accuracy of the recycling rate.

In 2023, KWD Wolfsburg was able to reduce the internal reject rate through quality improvement programs, but this led to a decrease in the recycling rate as less waste was generated. In Portugal, wastewater treatment was no longer operated by KWD in 2023, which contributed to an improved recycling rate as the associated waste is no longer included in the calculation. KWD Bohemia also optimized its waste management by changing its waste management service provider, which increased efficiency and had a positive impact on the recycling rate.

Occupational accident rate (accidents per 1 million working hours)

	Czech Republic	Portugal	Radeberg	Spain	Wolfsburg	KWD Group
2021	4,00	45,10	32,53	44,00	10,46	25,00
2022	6,50	15,51	24,52	13,10	12,39	15,50
2023	6,60	16,00	29,80	12,90	18,10	16,20

The occupational accident rate, measured as the number of accidents per 1 million working hours, is a key indicator for the KWD Group to assess occupational safety. The target value is based on the standards of the German employers' liability insurance association, which sets high standards for safety

in the workplace in Germany. As a first step, the KWD Group's strategy is to bring the international sites up to the level of the German sites.

KWD Automove Group

KWD Group KPI 2023	Target	2023
CO2 (t) emissions per 10 Mio turnover	352,6	236,9
Lost Time Injury Rate - LTIR 1 (per 1 million / worked hours)	28,0	16,2
Recycled Rate % welding	93,0	96,0
Recycled Rate % Pressshop	98,5	99,6

SUSTAINABILITY WEEK

Promoting awareness, commitment and action for a sustainable future

As part of our ongoing efforts to ensure a better future, Schnellecke's business units in Mexico organized a "Sustainability Week". This initiative aimed to promote awareness, commitment and action for a greener future.



The Sustainability Week served as a central platform to emphasize the importance of individual and collective action in shaping a sustainable future. It emphasized the positive environmental and social impact that can be achieved through responsible action. Schnellecke is committed to responsible business practices and wants to spread this philosophy both internally and externally.

Focus on 6 UN Sustainable Development Goals (SDGs)

Our activities focused on six of the Sustainable Development Goals proposed by the United Nations:

1. Health and well-being
2. Quality education
3. Affordable and clean energy
4. Sustainable consumption and production
5. Climate action
6. Peace, justice and strong institutions

Sustainability Week activities

The agenda for Sustainability Week was carefully planned to maximize engagement and impact. Each activity aimed to inform and motivate participants to adopt sustainable practices.

Our highlights include:

- **Health and wellbeing:**
Conducting medical examinations and ISO 45001 certifications to promote employee wellbeing.
- **Quality education:**
Encouraging participation in educational programs and initiatives to improve the quality of education.
- **Affordable and clean energy:**
Recognizing and celebrating initiatives such as the installation of solar panels in our Hermosillo business unit.
- **Sustainable consumption and production:**
raising awareness of responsible consumption and sustainable production methods.
- **Climate protection measures:**
Presentation of our environmental kaizen, including correct waste disposal and reduction of the CO2 footprint.
- **Peace, justice and strong institutions:**
Presentation and participation in various social projects to emphasize social responsibility

The Sustainability Week was welcomed by employees and partners with enthusiasm and promoted a culture of sustainability within the organization. Many participants expressed an increased awareness and commitment to integrating sustainability into their daily operations.

It became clear how important it is to extend the commitment to our business partners and cross-departmental collaboration in order to increase the impact of sustainability initiatives. Following the positive response and the insights gained from Sustainability Week, we plan to increase our reach and integrate new initiatives. One focus will be on ongoing training and commitment to the sustainability goals. We want to use the momentum of the Sustainability Week to further advance Schnellecke on the path to a more sustainable and resilient future.



ENVIRONMENTAL INITIATIVES



Photovoltaics in Mexico: 25 years of green electricity

Becoming an emission-free company is our most important environmental goal, and such a big goal can only be achieved step by step. One example of this is the installation of 371 solar panels in our Hermosillo business unit in the Mexico region. With this installation, where each panel has an output of 590 watts, we achieve a total output of 218.69 kW, which demonstrates our commitment to sustainability and reducing our dependence on fossil fuels by adapting our own facilities to obtain clean and renewable energy.

This installation will save approximately 397 barrels of oil, which is enough to power the lighting for more than two World Cup tournaments. It would also be enough to heat more than 50 households for a whole year. Over the next 25 years, the expected savings in CO₂ emissions are estimated at 8,921,025 tons, underlining the project's significant contribution to reducing greenhouse gases and mitigating climate change. From a financial perspective, the savings are expected to amount to over one million euros over 25 years.

Switching to solar energy not only helps to reduce greenhouse gas emissions, but also promotes energy independence and offers potential for long-term cost savings. With projects like this, we are one step closer to our 2040 climate neutrality target.

Rehabilitation of green spaces in Mexico

In 2023, our business units in CSM, Puebla and Silao carried out a reforestation campaign that reinforces why green is our natural color. In a joint campaign, we managed to plant over 1400 native trees in different areas. The greened areas are located in both urban areas and schools as well as protected natural areas, highlighting the “Sierra de Lobos”. This diversity of spaces demonstrates our approach to improving the environment, not only in terms of urban development, but also in nature conservation.

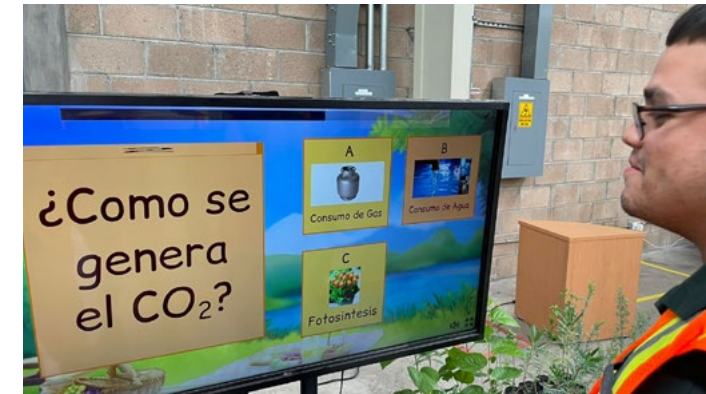
Cycling to work

In the months of May to August 2023, 115 Schnellecke employees at the German sites demonstrated their commitment to the environment and health. As part of the “Cycle to Work” campaign, they covered a total of 73,054 kilometers - the equivalent of crossing the Great Wall of China 3.5 times! By switching from cars to bicycles, Schnellecke employees were able to save around 14.38 tons of CO₂ during the campaign period.

This saving shows how much positive effect can be achieved through small changes in everyday life. The campaign is a strong example of how each individual can make a valuable contribution to environmental protection - be it through the daily commute to work or through other conscious decisions in everyday life.

Lighting control with motion detectors

Motion detectors control the lighting in the packing areas as required. After 10 minutes without movement, the light switches off automatically, resulting in annual energy savings of around 61,600 kWh. This enables us to optimize our energy consumption and reduce operating costs.



Replacing diesel trucks with electric vehicles

By replacing diesel trucks with electric vehicles, we are reducing our CO₂ emissions by around 17 tons per year.



Care the Neighbourhood: For a sustainable future At KWD, we are committed to our long-term strategy “MOVE2FUTURE”, which prioritizes positive change and sustainability. “Care the Neighborhood” is just one part of our many efforts to improve sustainability: as part of our ‘go zero’ initiative, we are committed to reducing CO₂ emissions and leaving a sustainable footprint for future generations. Recently, employees from all European locations came together to “clean up” the areas around the Wallroda dam and the Hüttetal valley near Radeberg.

KWD Spain also worked together with the environmental initiative “Mancomunidad de Aguas de la Comarca de Pamplona” in May. KWD actively participated in the “La Gran Recogida” campaign and supported the cleaning of the Elorz river. Together, we showed that collective enthusiasm and a shared vision can have a lasting impact. By cleaning up and protecting our environment, we want to set a good example and be a role model for environmental responsibility. Looking to the future: KWD's sustainability initiatives KWD Portugal is well on the way to driving our sustainability initiatives forward: A partnership is planned with the municipality of Palmela to clean up and reforest burnt areas. In addition, a collaboration with the voluntary fire department of Palmela is being developed.

WASTE MANAGEMENT

As part of our commitment to sustainable business practices, the use of natural resources plays a key role, including waste management. Our goal is to achieve a globally uniform and high waste separation rate in order to reduce environmental pollution and conserve resources (see THE SIX CENTRAL SUSTAINABILITY GOALS OF SCHNELLECKE LOGISTICS SE). However, implementation presents us with major challenges: Consistently separating waste is particularly difficult at our transportation locations. We are also faced with the task of standardizing different requirements and regional waste separation specifications at our international locations.

To further reduce waste, we also rely on various waste management methods. One measure is the upcycling of tension belts. In a separate article, we describe how used tension belts are transformed into new products, thereby avoiding waste and conserving resources. The following tables provide an overview of the quantities and types of waste and how they are disposed of within the sites with operational control.*

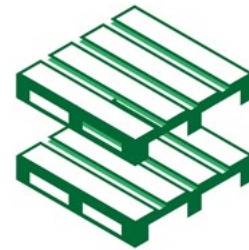
Types of waste	Amount in t
Wood	4.738,90
Cardboard, paper & cardboard	6.600,16
Mixed recyclables	128,11
Films & plastics	250,96
Mixed municipal waste	161,36
Metals	530,69
Hazardous waste	32,41
other waste	448,41
Total	12.891,38

Waste separation rate

Region	in %
SLSE Group Areas	89,45
Region Germany	89,70
Region Europe	97,32
Region Transport	65,96
Region Asia	100,00
Region South Africa	95,00

Type of disposal	Amount in t
Removal	476,59
Utilization	7.629,44
Utilization (energetic)	251,12
Recycling (material)	4.534,23
Total	12.891,38

WOOD & PALLETS



PAPER & CARDBOARD



FOIL WASTE



OIL BINDER - USED



STRAPPING BANDS



OIL BINDER-NEW



RESIDUOS ORGÁNICOS



EMERGENCY KIT



SCRAP METAL



HAZARDOUS SUBSTANCES



RESIDUAL WASTE



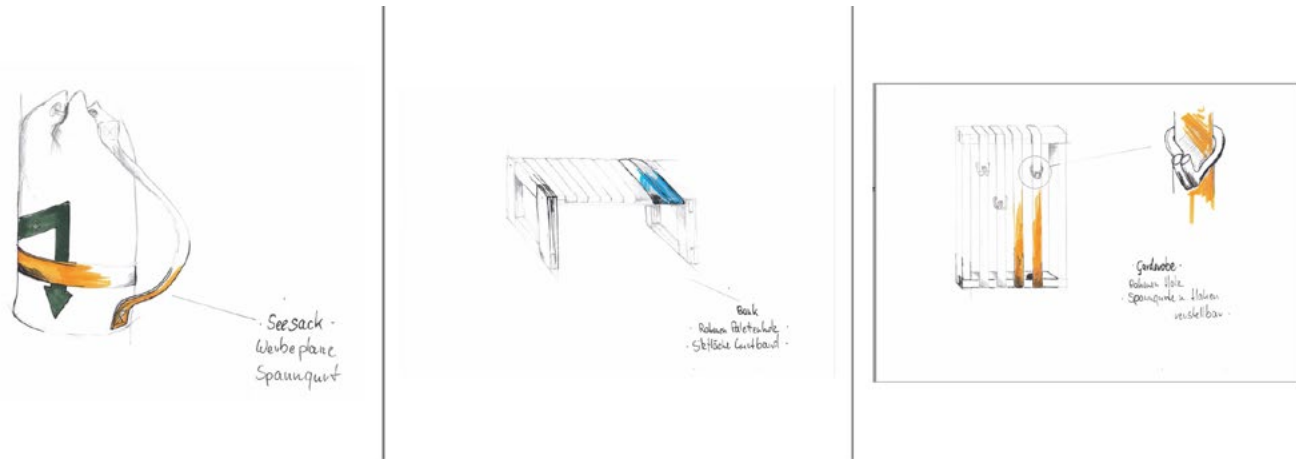
BATTERIES



* Further information can be found in the appendices "Reporting boundaries and comparability of consumption" and "GHG report"

„UPCYCLING TENSION BELTS“

Project to reduce residual waste at
Schnellecke Transportlogistik GmbH



In 2023, we set ourselves the goal of tracking and achieving the waste separation rate required by law in Germany at our international locations as well. As a result, our transport division in particular looked intensively for ways to reduce residual waste. One challenge was that our premises are often used by drivers from outside the company who dispose of their waste improperly. Instead of separating the waste, whole bags of garbage often end up in the residual waste. As our scope for action is limited in relation to external users, we have scrutinized our own processes and looked for potential for optimization. A large amount of waste is generated by the wear and tear of tension belts, which can no longer be used to secure loads if they are damaged and were previously disposed of in the residual waste together with the heavy metal ratchets.

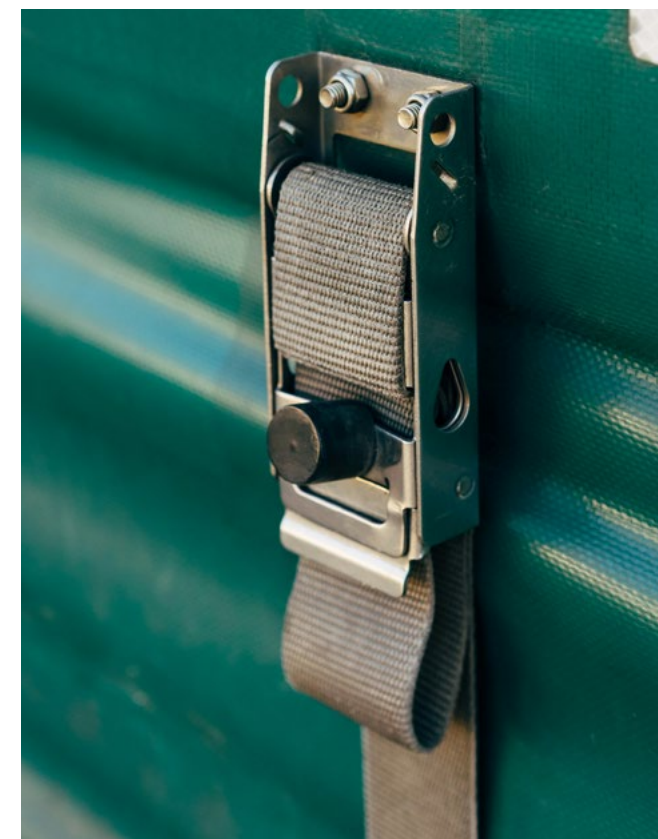
The “Upcycling tension belts” project was created through a **collaboration with Kreativwerkstatt Selbsthilfe 91**, a workshop for the disabled people in Chemnitz. The workshop showed great interest in the old tension belts and developed numerous ideas on how they could be used for future projects. We are now collecting the old tension belts and taking them to the creative workshop. There they are dismantled, cleaned and recycled for various applications,

such as for hammocks on playgrounds, as construction elements for privacy fences or as the basis for slack lines.

Thanks to the “Upcycling tension belts” project, we were able to stabilize our waste separation rate at the transport sites and give the tension belts a second life. This initiative has not only helped to reduce residual waste, but has also fostered partnerships and ties with the communities surrounding our sites.

The project is in line with our strategic priorities of “Responsible Management of Resources” and “Living Corporate Responsibility”. Due to its positive impact and innovative approach, we were nominated for the Sustainability Heroes Award in the “Circular Economy” category by the German Society for Quality (DGQ).

We are proud of this successful project, which not only protects the environment, but also promotes social responsibility and creative recycling. Together, we are setting an example for sustainable business practices and the importance of using resources responsibly.



SOCIAL



HSE EXCHANGE PROGRAM: A NETWORK THAT LEARNS FROM EACH OTHER

The HSE exchange program at Schnellecke Logistics offers a valuable platform for the international transfer of knowledge and the further development of occupational health and safety practices in the various business units.

HSE experts from different regions share their experiences as part of the program and contribute to the improvement of work processes.

HSE Experts at Schnellecke

The role of the HSE Experts (Health, Safety, and Environment) has developed considerably at Schnellecke Logistics in recent years. Whereas previously there were only around 40 safety experts worldwide who carried out these tasks on a part-time basis, today there are around 150 specialists who deal with the topics of occupational safety, health and environmental protection (approx. 40% full-time / 60% part-time). The lively network of the HSE community enables experts to learn from each other and develop innovative solutions.

HSE- Expert



H - Health
S - Safety
E - Environment

The HSE experts are the eyes and ears at the individual sites. They implement the requirements for the topics mentioned, recognize difficulties, see needs and report all of this back to the site managers.

International GEMBA-programm and Best Practice Sharing

In 2023, Schnellecke launched the HSE exchange program, which includes a six-week visit by an HSE expert to a business unit (BU) outside their region. The experts observe and participate in the daily processes of the host BU to understand the processes first-hand and make suggestions to improve safety in the workplace. One example of a successful exchange is Hector Herrera from BU Puebla, Mexico, who traveled to South Africa. There, he supported his colleague Amorée Nel in the digitalization of work processes, an initiative that took a lot of time in Mexico but was successfully implemented in South Africa within two weeks.

Knowledge transfer and implementation of good practices

Louwrens Engelbrecht, a SHEQ controller from South Africa, had been working in the USA and was impressed by the strong involvement of top management in day-to-day activities. He planned to integrate this practice into his BU upon his return. Another highlight of the program was the introduction of "Safety Cards" in South Africa, inspired by observations in the USA. This measure contributed to the reduction of occupational accidents and is now being introduced in Schnellecke units worldwide.



Ruth Portilla, an HSE expert from Mexico, also made a significant contribution to the success of the program. During her exchange in Wolfsburg, Germany, she worked closely with her German colleagues and learned about the use of digital tools such as Quentic. She was particularly impressed by a practical HSE workshop where small groups identified potential work-related risks and suggested good practice. This experience inspired Ruth to introduce similar workshops in her own BU in Mexico, as she realized how effective such simple and practical exercises can be.

The future of the HSE exchange program

Philipp Unger, Head of Group Sustainability Management, emphasizes the importance of the program: "The improvement in communication between our business units, which was achieved through our exchange program, is one of the foundations for the introduction of new projects worldwide." The program will continue in the future in order to maintain the network of HSE experts, promote the implementation of good practice and continue to create a safe working environment for all employees worldwide.

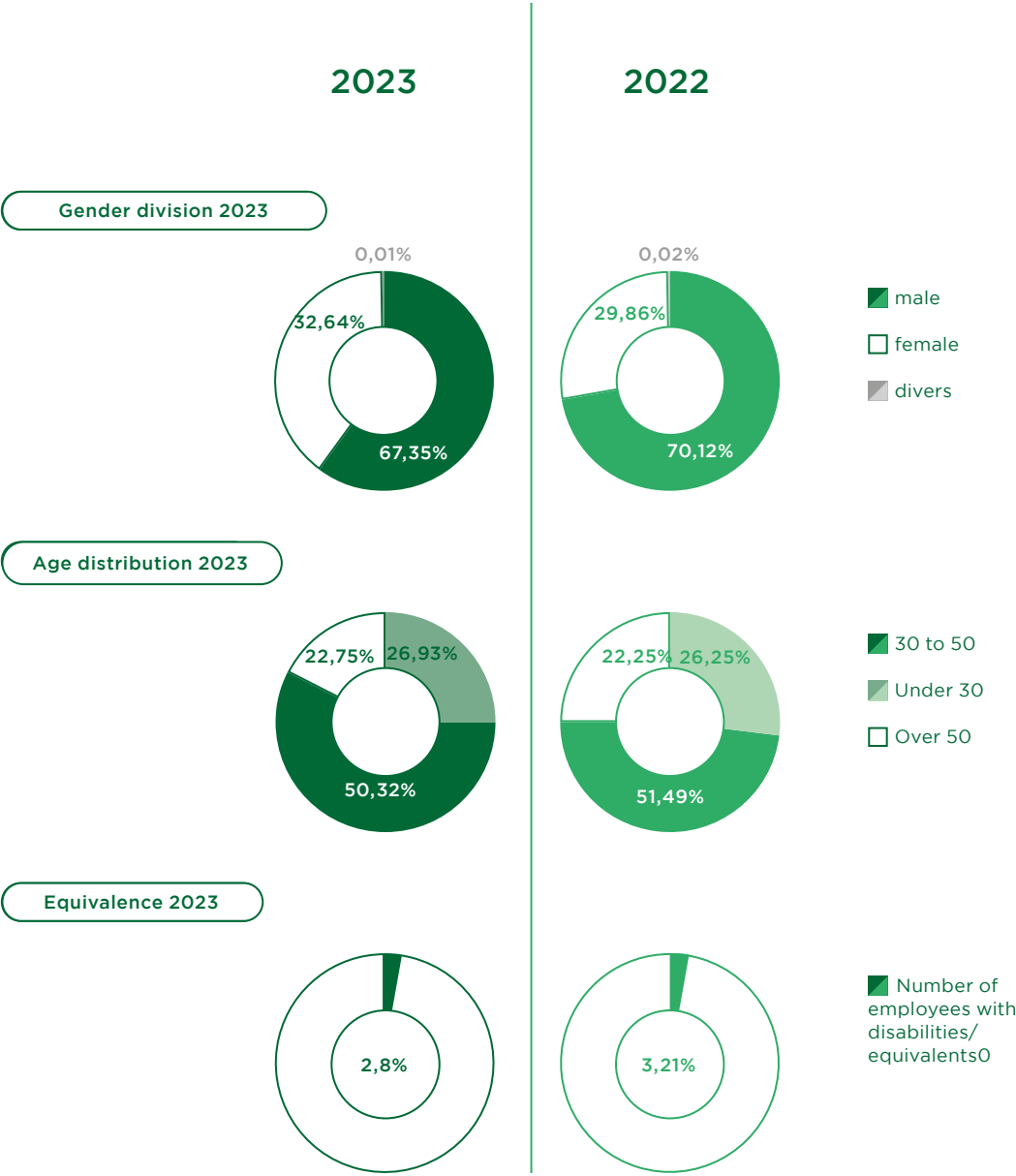
KEY FIGURES

EMPLOYEES

WORLDWIDE

Diversity and inclusion are key components of our corporate culture and crucial to our long-term success. Below, we highlight our developments in terms of gender distribution, age structures and inclusion indicators.

Our aim is to create a working environment that welcomes people of all ages, genders, backgrounds and abilities. Through initiatives such as Women@schnellecke, we promote equal opportunities and are committed to fair representation of all genders. The article Inclusion also reports on our progress.



OCCUPATIONAL SAFETY (SLSE)

The health and safety of our employees is our most important asset, and we aim to achieve this by creating a safe working environment and providing protective measures.

As part of our ongoing efforts, we have been able to significantly reduce the incident rate and thus make the working environment safer and healthier. Various measures have contributed to this success, including the systematic analysis of near misses and the early identification of potential hazards. We promote awareness of hazardous situations through targeted training and the introduction of protective measures. We also improve working conditions and strengthen the physical and mental health of our workforce through occupational health management. One particular example is the introduction of safety cards in South Africa, which help to identify and report risks on site. (see article „Safety Cards“)

	2023	2022	2021
Region Germany	25,89	24,87	37,91
Region Transport	40,66	25,52	35,70
Region Europe	22,89	28,10	24,48
Region Mexico	2,97	2,68	3,68
Region South Africa	3,5	10,66	14,30
Region USA	5,6	7,1	1,76
Region China	0	0,00	0,00

The industry average for the Incident Rate is **35.0 in logistics** and **42.0 in transportation** (mix 38.5).

Incident rate is the relative frequency of accidents per 1,000 employees (own employees).
The accident frequency can be compared with other areas by determining the incident rate. It is calculated as follows:

$$\frac{\text{Number of reportable accidents} \times 1000}{\text{Number of employees.}}$$

	2023	2022	2021
Region Germany	16,22	20,20	21,00
Region Transport	63,73	45,58	28,39
Region Europe	19,3	-	-
Region Mexico	9,98	80,00	25,00
Region South Africa	45	24,62	6,54
Region USA	0,5	27,33	9,00
Region China	0	0,00	0,00

To calculate the average severity of accidents (number of days lost), the total number of days lost from all accidents at work is divided by the number of accidents at work.

SAFETY CARDS

Safety in the workplace is the be-all and end-all. This is not just about meeting standards, but also about promoting a culture in which safety comes first every day.



Accident prevention starts from near miss prevention.



A safe and healthy working environment not only promotes physical and mental well-being, but also helps to increase productivity and efficiency. To achieve this, safe behavior must be adhered to in order to identify potential hazards and ultimately create a safer working environment for all employees. Identifying and reporting near misses¹ and potential hazards is an important tool for recognizing potential risks at an early stage and taking appropriate measures to prevent accidents.

The idea of reporting near misses was first introduced in our business units in Mexico and the USA, but thanks to our HSE exchange programs, this idea has also been successfully implemented in our South African business units under the name „Safety Cards“.

The concept of Safety Cards:

Essentially, the „Safety Cards“ are a system to promote safe behaviour and refine a positive safety culture within our organization. They serve to motivate employees to recognize and report unsafe acts, while recognizing and praising safe practices. In addition, „Safety Cards“ facilitate the collection of data on near misses and hazards, enabling companies to take appropriate risk mitigation measures and thus effectively control them. With the introduction of a digital card system, we enable our employees to report both potential hazards and good practices in a simple and quick way.

How Safety Cards work:

The process of using security cards is simple and efficient. Employees can access a digital platform by scanning a QR code placed in specific work zones. From there, they can capture a safety card, which comes in three classes: green, orange and red. Using a color scale, we can identify our employees and alert them if a hazard is detected:

- **Green card:** This is issued to reward employees for exemplary safety measures and to encourage them to continue their safe behavior.
- **Orange card:** Serves as a warning and indicates that an employee's actions pose a potential risk and require attention.
- **Red card:** Indicates an immediate interruption of unsafe activities and indicates significant risks that could lead to incidents.

If an orange or red card is issued, the site's HSE experts intervene to take immediate control measures to prevent future accidents.

Impact, results and future:

Since the introduction of the „Safety Cards“, remarkable improvements in workplace safety have been observed. Through the increased awareness and education initiatives that accompany each issue of „Safety Cards“, employees have not only become more proactive in reporting near misses and potential hazards, but also in preventing and avoiding dangerous behaviors. The concerted efforts of our employees, as well as the use of a digital system that enabled the assignment of multiple „Safety Cards“, were reflected in a significant decrease in workplace-related accidents in our South African region.

Based on the positive results, our HSE expert groups in Mexico, the USA and South Africa are now working together to create a standardized procedure for „Safety Cards“ with the aim of introducing it in all our business units worldwide. We anticipate that this new measure will further reduce the number of accidents in the workplace, bringing us closer to our goal of creating not only an excellent, but also an absolutely safe working environment for all our employees by promoting a healthy culture and behavior.



¹ Situations in which there were no accidents, but which could have led to an accident under other circumstances

OCCUPATIONAL SAFETY INITIATIVES



Knee pads for packers

To support an ergonomic posture when packing, we have provided knee pads for our employees at short notice. These knee pads are lightweight (only 140 g), comfortable to wear and adapt flexibly to the shape of the knee. They enable a comfortable posture when kneeling and thus prevent physical strain. However, this measure is only a short-term solution. In the long term, we are planning to introduce packing cells with height-adjustable lifting tables to ensure an ergonomic working height in the long term.

Security-Avatar

An innovative approach to raising awareness of occupational safety is the introduction of a safety avatar. This avatar is intended to illustrate the correct use of personal protective equipment (PPE) and be placed as a visible reminder at intersections and crossings. In this way, employees are reminded to observe all necessary safety measures and not to forget protective elements.

JOINT EFFORT TO ADDRESS THE SAME ISSUES WORLDWIDE

Corporate Social Responsibility (CSR)
is firmly anchored in Schnellecke's
corporate strategy.



Matthias Malicke
Regional Manager Commercial Region
Germany



Sven Virgens
Vice President Region Asia

„Even my mother taught me: social responsibility is above all else, not only for our employees, but also for society,“ emphasizes Professor Rolf Schnellecke, Chairman of the Management Board of the Schnellecke Group.

This responsibility is part of the „Schnellecke Spirit“, which, together with the vision, mission and central value proposition, forms the basis for the corporate strategy. Ten strategic directions were defined in 2021, two of which focus on sustainability: Responsible Management of Resources and Living Corporate Social Responsibility (CSR).

There is one person responsible and two sponsors from top management for each focus area, who ensure the implementation of strategic initiatives and measurable annual targets. Andreas Wagner, supported by Matthias Malicke and Sven Virgens, is responsible for the „Living Corporate Social Responsibility“ initiative.

In 2022, Schnellecke specified the CSR field and analyzed global activities, whereby diverse and different focal points became apparent. Three central CSR topics were then defined:

- **INCLUSION:** Integration and inclusion of people with disabilities.
- **CARE THE NEIGHBOURHOOD:** Commitment to the environment at the locations.
- **EMPLOYEE VOLUNTEERING:** Promotion of employee volunteering.

Inclusion aims to promote a non-discriminatory society and equal opportunities in the labor market. Workplaces are to be set up accordingly to support people with fewer opportunities. Care the Neighbourhood promotes local environmental programs to preserve forests, green spaces and biodiversity as well as employee participation in ecological projects. Employee volunteering is intended to strengthen the social and ecological awareness of employees and support their voluntary work in charitable organizations. Every year, Schnellecke formulates a „target house“ with measurable targets, with CSR to be comprehensively anchored in 2024. Specific KPIs are planned for inclusion and non-profit engagement, while no specific KPIs are planned for environmental care at the business units.

Previously, CSR projects varied greatly from region to region, but Schnellecke is now aiming for a uniform CSR strategy that takes cultural differences and local conditions into account. The company merely provides a framework within which local programs can be developed.

The voluntary commitment of employees is particularly important to Schnellecke. Virgens emphasizes that the company does not prescribe specific projects, but encourages employees to get involved in projects of their own choosing. „We see this as more sustainable,“ says Virgens. „We want to motivate our employees to get involved in the community and the environment in which they live and offer them our support. This should distinguish Schnellecke as an international company that we work together on the same issues worldwide.“



Women@Schnellecke

TOGETHER FOR EQUAL TREATMENT & DIVERSITY

„When our CFO Dr. Klaus van Marwyk was relatively new to the company, he formulated what was obvious but rarely discussed: There were few to no women in management positions.“ Janine begins our conversation. She has been involved in the initiative from the very beginning and launched it together with her colleagues.

Origin of the initiative

Why are there so few women in management positions at Schnellecke? Why does the impression arise that women hit a glass ceiling in their development? A small group of female colleagues dealt with these questions in 2019 and realized that many fundamental issues affect women at Schnellecke. The „Women@Schnellecke“ initiative was formed, members were sought and promoters were approached. The focus was not only on the lack of women in management positions, but also on topics such as work-life balance, appreciation and communication within the company.

Aims of the initiative

The goals of the initiative are manifold. Firstly, Women@Schnellecke aims to **strengthen and increase the visibility of women in our company**. At the same time, it is about equal opportunities that affect all genders. „This is not a contradiction, but a complement, because we want to be active beyond the promotion of women,“ emphasizes Kari, together with Janine and Elke in the core team of the initiative. Kari adds: „Networking between national and international colleagues is also an important issue, because the initiative is international.

”

Our network character promotes development opportunities for all colleagues, regardless of their position in the company. We want more women to rise to management positions and for the company to become more diverse, e.g. with fathers on parental leave.

“

Messages and target group of the initiative

The messages of Women@Schnellecke are clear and powerful. They want to make a difference and address the obvious. The core statement is: „We are committed to a corporate culture that promotes and demands diversity and equal opportunities.“ It is about support and development opportunities, about creating inspiring role models and being culturally open to the individual life paths of employees within the company.

Women@Schnellecke is aimed at all employees who want to commit to the goals of equality and diversity in the company, regardless of gender or position. It aims to bring about change and create a network that encompasses different professional fields, hierarchical levels and backgrounds. „We want to ensure that every employee can initiate change and benefit from it,“ explains Kari.



Self-organization, working groups and promoters

The initiative was self-organized from the outset and has divided itself into various working groups that work on specific projects. „Our core team currently rests on our three shoulders,“ explains Elke. „Then there are other small teams that organize and meet independently and deal with specialist topics. As the core team, we then initiate larger exchange rounds to discuss the current status of the teams and new, potential topics.“ This agile way of working ensures that the initiative can react flexibly to current challenges. It also promotes the commitment of the members and enables broad participation. Important decisions are made jointly, „We see self-organization as a key to the success of our initiative so far,“ says Elke. The current focus is on the following topics.

Current focus

Women@
Schnellecke



- ▶ Job sharing
- ▶ Mentoring program
- ▶ Parent-child office & vacation care
- ▶ Succession pools
- ▶ Re-entry programs



GOALS

Strengthening the visibility of women

The initiative is committed to increasing the presence and perception of women in the company.

Equal opportunities for all

It strives for equal opportunities not only for women, but for all genders & employees in the company.

Network & development opportunities

The initiative offers a strong network and opportunities for personal and professional development.

Role models

The initiative aims to create role models who inspire others and show them how they can be successful in the company.

Promoting diversity

WOMEN@SCHNELLECKE is committed to the consideration of ethnic, social, and professional backgrounds and promotes diversity within the company.

Strengthening the presence of women in management positions

A key objective is to increase the proportion of women in management positions in the company.

Changing the mindset

The initiative calls to rethink within the company in order to overcome gender stereotypes and traditional role models.

Involvement in the initiative is voluntary and takes place alongside normal work. Each member has an individual agreement with their line manager. „The idea can be that you are given 10% of your working time off to work with us,“ explains Janine. „We are happy about every commitment.“ The initiative now has 30 members who contribute as much as their work allows.

The initiative is also supported by promoters within the company. Promoters are decision-makers in the company who are committed to the core idea of diversity, equal opportunities and making women visible. The promoters include our CFO, Dr. Klaus van Marwyk, as well as other members of the Management Board, regional managers and executives. These promoters are important supporters, as they all recognize **the importance of diversity and equal opportunities for the company** (see graphic below right).

Successes and challenges

A first milestone of the initiative is the mentoring program, which, unlike existing mentoring programs in the company, is aimed at all employees, regardless of gender, position or development program. The mentoring program acts as a bridge between mentee and mentor and allows them to benefit from the experience and knowledge of experienced mentors in their individual life and career situation, overcome obstacles and achieve professional goals.

„The program not only has the potential to accelerate participants' careers, but also boosts self-confidence and self-awareness,“ says Kari and Elke adds: „It's a **place of exchange, motivation and empowerment**. Mentors act as allies and are there to pave the way and support the mentees on their individual journey.“

It fills the members of Women@Schnellecke with pride that today there is an exchange with the decision-makers in the company at eye level. „Being heard is a big step forward that shows that change is possible,“ says Janine with satisfaction.

Of course, the initiative always faces challenges. One of the biggest tasks is to anchor the changed mindset throughout the entire company. The will and the willingness are

there, but it will take time and continuous effort to achieve this. The visibility of the initiative also remains a challenge.

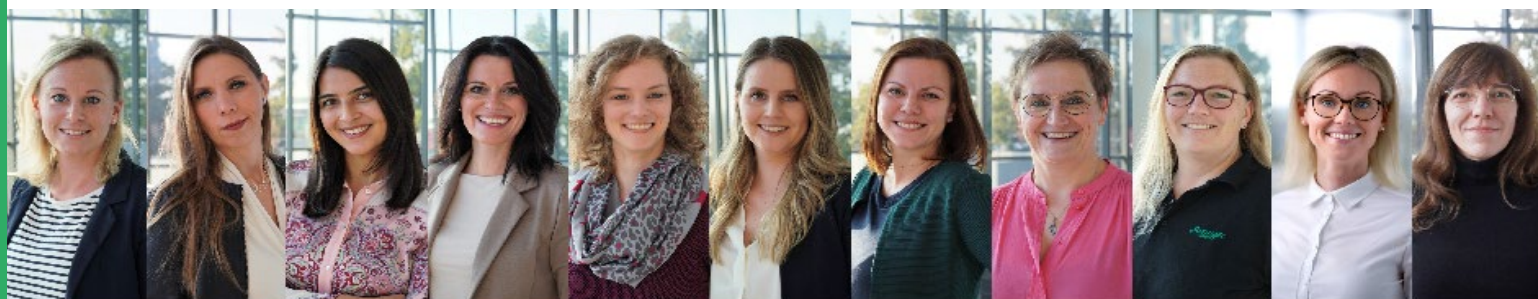
„It sometimes takes a long time for projects to become visible. We want our message and commitment to be more widely recognized within the company,“ explains Kari.

It shows that **commitment and determination are needed to bring about change in the corporate world**. It is a way to go! Let's shape the future together and create a better working world for everyone.

Diversity and equal opportunities strengthen the innovative capacity and creativity of our team and are the basis for our continued success in the future. (Simon Hoffmann, Vice President Operations Region Mexico)

It is important to me that we include the perspective of women at Schnellecke more strongly in the company's decisions, because I am convinced that the mixture of more masculine characteristics such as assertiveness and more feminine characteristics such as teamwork and communication skills leads to better decisions and thus success for the company. (Nikolaus Külps, CEO)

More “women” in management positions ends the rule of the loud ones, modernizes the management culture, strengthens corporate resilience and thus increases the value of the company. (Thomas Lammer, Vice President Operations Region Transport)





INCLUSION

The word inclusion has attracted more and more attention in recent years. But what does inclusion mean and why is it so important? What are the benefits of inclusion for employers and what challenges does it entail? Madlene Jöckle has been the Inclusion Officer at Schnellecke Logistics since 2023 and together with Michael Osteroth, the representative for severely disabled employees, they are responsible for the issues that arise

The aim is...



... to shape a society or community in such a way that every person, regardless of their individual characteristics, abilities, backgrounds or identities, has unrestricted access to the **same opportunities, resources and rights.**

Understanding Inclusion

Inclusion aims to enable all people to participate on an equal footing. This relates to various areas of life, be it educational institutions or the workplace. „When we talk about inclusion at Schnellecke, we are currently referring to the inclusion of people with physical or mental disabilities. Our task is to draw attention to the topic of inclusion both internally and externally. We want to motivate people with disabilities to work in interesting jobs with great colleagues at Schnellecke,“ explains Michael. He was involved in drawing up the inclusion agreement as a representative for severely disabled employees.

Inclusion also brings many benefits from a company's perspective. Hiring people with disabilities promotes diversity in the workplace and creates an inclusive environment. This can help to make the working atmosphere more positive and pleasant, as different perspectives and experiences are brought in.

„We want to focus on the strengths of each person. We have a number of jobs in the company where a disability is not a handicap. And in our team in Düsseldorf, we can even see that colleagues with disabilities have a positive impact on the entire team,“ says Madlene.

Inclusion in practice at Schnellecke

Schnellecke Logistics has been working with the company Handzeichen GmbH at its Düsseldorf site for several years. Their task is to advise, qualify and integrate hearing-impaired and deaf people into the labor market. There are currently two deaf colleagues working in Düsseldorf. Every hearing-impaired person always works together with a hearing person, and anything that cannot be communicated verbally is conveyed in written form. So there is always a companion nearby, whether team leader, shift leader or colleague. As communication through lip-reading and facial expressions was no longer possible during the mask requirement, a sign language course was offered at the site. This was very well received by the workforce.



Challenges and barriers

Despite the clear benefits of inclusion, there are also challenges along the way. For example, communication via sign language or writing sometimes takes a little longer. Companies must be prepared to take this time and adapt their processes accordingly.

„Prejudices, stereotypes and a lack of awareness are further obstacles that need to be overcome. Physical barriers and insufficient adjustments in the working environment are also often a problem. Nevertheless, these challenges should not be used as an excuse to neglect inclusion, but rather as an incentive to work on overcoming these barriers,“ says Michael.

Sustainable progress in inclusion: our successes at a glance

In recent months, we at Schnellecke Logistics have taken significant steps to promote and strengthen inclusion in our company. These measures underline our commitment to diversity and equal opportunities and make our efforts to actively include people with disabilities visible. A decisive step was the placement of the topic of inclusion on our company website. This not only clearly communicates our position on this important topic, but also provides a platform to publicly highlight our ongoing efforts and successes in this area.

Inclusion as an integral part of our job advertisements

Another important milestone was the introduction of a mandatory inclusion sentence in all internal and external job advertisements. We hereby expressly invite people with disabilities to apply for a job with us. We make it clear that we are happy to adapt as necessary in order to make everyday working life as accessible as possible for everyone. This measure underlines our claim to be an inclusive employer that sees diversity as an enrichment.

Monthly awareness posts for more awareness

In order to continuously promote awareness of inclusion, we have introduced monthly awareness posts in Validoo. These posts have so far been aimed at the holding company, but will be extended to all locations in Germany from July. They provide valuable information and sensitize our employees to the importance of inclusion in the world of work.

► Worldwide Inclusion at Schnellecke Logistics



HAND-SIGN Germany

People with disabilities are successfully integrated thanks to the good cooperation with the company Handzeichen GmbH in Düsseldorf



JUST INSPIRED South Africa

Since 2011, people with disabilities have had the opportunity to do an internship at Schnellecke



CAN CASA Spain

Employment of people with disabilities in the cardboard packaging department in Barcelona

Progress in equality and inclusion

We introduced a comprehensive inclusion agreement and equal opportunities measures for severely disabled people as early as 2023. These agreements for the holding companies are accessible to all employees in our employee app under the works agreements and collective agreements and illustrate our long-term commitment to an inclusive working environment.

A video about Diversity Day

Our Diversity Day video, which is available on our internal platform, was a particular highlight. It offers inspiring insights and shows how we live diversity and inclusion in our day-to-day work.

Joining the Diversity Charter

To further strengthen our commitment to diversity and inclusion, we have joined the Diversity Charter. This step reflects our ambition to create a working environment in which everyone is respected and valued, regardless of individual characteristics and backgrounds.

These implemented measures are just the beginning. We are continuously working on promoting and advancing inclusion in all areas of our company. Because we are convinced that a diverse and inclusive corporate culture makes us stronger and more successful.

HUMAN RIGHTS

The Group Compliance Policy plays a central role in our efforts to uphold human rights within our area of responsibility. This guideline is substantiated and operationalized by specific codes of conduct for employees, suppliers and daily business operations. This ensures that no Schnellecke Group company violates applicable human rights regulations. Our goal is to ensure 100 percent compliance with these requirements.

A central component of this process is the supplier self-assessment process, which requires a self-assessment from all relevant suppliers during onboarding. Any anomalies are systematically followed up as part of supplier development. In close cooperation between the Purchasing, Sustainability and Compliance departments, measures with specific deadlines for remediation are initiated and their implementation monitored.

Since the introduction of the supply chain due diligence process, this process has been managed using our IntegrityNext tool. This tool enables both the tracking of measures and the assessment of country and business risks as well as potential anomalies that are uncovered through research. By 2030, we aim to track all suppliers worldwide using this tool and to assess 100% of our suppliers in the tool.

Thanks to regular monitoring and the collection of relevant information, around 400 environmental, social and governance (ESG) measures have already been successfully implemented in collaboration with suppliers. A further 725 measures are currently being processed. These measures include requests to our suppliers to introduce their own codes, to adapt existing codes with regard to child labor and freedom of association and to make improvements in the area of anti-corruption and bribery.

The aim of implementing the IntegrityNext software was to integrate all key suppliers for activities in Germany and the EU into the tool. There are currently 6,097 suppliers registered in the tool, with around 80% of them actively working on the assessment. 53% of suppliers are currently in the revision phase, which is partly due to the challenges of smaller companies with fewer than 50 employees that are still in the development phase on the relevant topics or refer to assessments already completed on other platforms.

Another important aspect is the media screen carried out, which shows that 96% of our suppliers have no critical news in connection with ESG or human rights violations. This confirms that our supply chain largely meets the high ethical standards that we strive for.



CORPORATE SOCIAL RESPONSIBILITY

You can find more information on this topic on our social media channels

MEXICO

Donation of hygiene articles

Just like last year, our Business Unit in Chihuahua contributed to the donation of personal hygiene items to „Casa Hogar Adonai“, a foundation that provides a home for children and young people who have none. This time, in addition to the 50 personal hygiene items, we have provided a significant amount of food in various forms, which will benefit the 27 children living in the house.

Improving occupational safety

The safety of our employees is a fundamental pillar worldwide. Various campaigns were implemented in Puebla and Irapuato to promote safe and responsible working practices. These initiatives included training sessions and practical activities aimed at informing our employees about the importance of complying with safety regulations and the correct use of personal protective equipment. Thanks to these efforts, more than 100 employees have improved their knowledge and skills, resulting in a safer and more efficient working environment.

Our support for Banco de Tapitas

Since 2015, „Banco de Tapitas“, A.C., has been a well-known organization in the fight against childhood cancer in Mexico, providing comprehensive treatment and support to over 500 children and adolescents through bottle cap recycling and donations. Their commitment goes beyond early detection and chemotherapy to include critical needs such as medication and hospitalization.

This year, we stepped up our commitment by actively participating in the collection of bottle caps at our sites in Puebla and Cuautitlán. Thanks to the efforts of our employees, we were able to collect 150 kg of bottle caps, which directly support the actions of „Banco de Tapitas“. These funds are crucial to ensure that children and young people receive the treatment and care they need in their fight against cancer.

Our collaboration with Banco de Tapitas has shown how simple actions can have a significant impact on those who need it most. We are proud to contribute to Banco de Tapitas' mission and look forward to continuing our collaboration to make a tangible difference in the fight against childhood cancer.

SOUTH AFRICA

Guardians of Hope

Guardians of Hope is a children's home in South Africa that cares for vulnerable children from newborn to 6 years of age, including those who have been abandoned, given up for adoption at birth, destitute or in palliative care. Its mission is to comprehensively meet their physical, mental, medical and psychological needs, spread hope in the community and ensure that the children receive appropriate care.

In 2023, the efforts of our colleagues in South Africa focused on initiating donations for Guardians of Hope and spending a lot of time with the children in their care. During their involvement in this partnership, discussions were held on how they could help meet the specific needs of this organization, taking into account the different areas of sustainability. A partnership has been created and we will be able to see results in 2024.

GERMANY

Help for people in Turkey and Syria

After the earthquake disaster in Turkey and Syria, Schnellecke immediately began collecting donations in kind, while the „Margarete Schnellecke Foundation“ opened an account to collect monetary donations, which were forwarded directly to the German Red Cross. Our colleagues from Transportlogistik Braunschweig drove to Turkey with one of our trucks together with a convoy of donations organized by the city of Wolfsburg. After 4 days of driving and more than 3,700 kilometers, the convoy arrived in the city of Kayseri, where almost 10 tons of donations in kind were handed over.

In addition, Schnellecke Logistics donated the sum of €20,000 to the Margarete Schnellecke Foundation, which was increased following an appeal for donations to all employees. In the end, the foundation donated € 29,831.58 to the German Red Cross.

Operation in the Ronald McDonald House

The CSR project of the Schnellecke Transportlogistik trainees shows a strong commitment to the community and social responsibility. Once again this year, the trainees had the opportunity to become active at McDonald's Kinderhilfe in Leipzig, where they lent a hand and helped to improve the environment for the young residents and their families.

The trainees' tasks were varied and included cleaning the windows, scrubbing the kitchen thoroughly, sweeping leaves outside and checking and cleaning toys. Bicycles available to the children were also spruced up so that they can be used safely again.

However, Schnellecke Transportlogistik's support went beyond this cleaning campaign. The company decided to provide long-term support to McDonald's Kinderhilfe Leipzig by donating another year of partnership for one of the apartments. This gesture demonstrates Schnellecke Transportlogistik's long-term commitment to the well-being of the families affected and underlines the importance of social responsibility in everyday corporate life.



Sustainability and social commitment

Achieving sustainable operational conduct is a central core objective of KWD. We embrace our responsibility to the environment and have developed a multi-faceted approach to effect positive change not only within our organization, but also in the regions in which we operate. This philosophy finds practical expression in our Care the Neighborhood initiative, which translates our ongoing commitment to meaningful change into action. With the efforts of a group of seven dedicated colleagues, we launched a work assignment in collaboration with the Wolfsburger Tafel, a local institution dedicated to combating food insecurity.

As part of our efforts, the employees demonstrated the same commitment and teamwork that underlie our corporate values and organizational ethics. We prepared over half a ton of potatoes for the food distribution and packed several hundred food parcels. These supplies, which were distributed during the challenging period between Christmas and New Year, provided important support for a balanced and urgently needed food supply, especially for families and senior citizens in the region.

To the great delight of our participants, small bouquets of flowers were handed out by the Tafel employees as a gesture of thanks at the end of the event. Furthermore, our commitment to the well-being of our community goes beyond alleviating immediate needs and aims to shape a better future for generations to come. In view of the increasing number of children among the „customers“ of the Wolfsburg food bank, we quickly seized the opportunity to support a gift campaign for children and collected children's toys from our employees, which were distributed as Christmas presents. The cooperation with the food bank is to be further expanded in the spirit of sustainability under our „Care the Neighbourhood“ campaign.

Promoting young talent

In response to an appeal from the Dobrovice elementary school, KWD Bohemia proudly sponsored the 16th edition of the „Little Talent“ competition. Carefully selected gifts, lovingly put together by our team, were presented to the young participants. This shows our commitment to education and supporting local talent.

Team event at KWD Portugal: Working together for a good cause

KWD Portugal hosted a successful teamevent in 2023 that was all about team spirit, communication and collaboration. The focus was on promoting problem-solving and negotiation skills. The employees were divided into teams and set themselves a special challenge: assembling bicycles together.

The task required not only manual dexterity, but also effective communication and close cooperation within the teams. The participants were able to demonstrate their ability to solve problems and develop their negotiation skills in a practical context.

We are particularly proud that the completed bicycles were donated to the Fundação COI afterwards. This donation will benefit children and young people in need in Portugal and shows that team events not only strengthen cohesion within the company, but can also have a positive impact on the community.

Overall, the event was a complete success, which not only promoted team spirit, but also the social commitment of our employees



THE MARGARETE SCHNELLECKE FOUNDATION

In 2000, on her 95th birthday, Margarete Schnellecke set up a charitable foundation to help people in need. Since its establishment, a total of over 2.6 million euros has been donated to projects for senior citizens, youth development, the homeless and many other people in need.



Margarete afternoons: a ray of hope for senior citizens in Wolfsburg

The Margarete Schnellecke Foundation has been committed to the well-being of older people in Wolfsburg for many years. In 2023, the popular „Margarete Afternoons“ were once again organized, bringing a smile to the faces of the residents of various retirement homes.

These afternoons are an integral part of the foundation's social commitment. At regular intervals, the foundation visits various senior citizens' facilities in Wolfsburg, such as the Emmaus-Heim and the Hasselbach senior citizens' residence. At these meetings, the senior citizens were entertained with lovingly designed programs. In addition to coffee and cake, there were also musical performances, communal singing and interesting conversations that enriched the everyday lives of the elderly. The initiative to actively involve the senior citizens and give them the feeling that they are valued and listened to deserves special mention.

3-generation project: gardening and building bridges together

Another project of the Margarete Schnellecke Foundation was the „3-generation garden project“ at the Steimker Gärten daycare center. Here, children, parents and senior citizens from the Wolfsburg senior citizens' quarter worked together to create a shared garden. With the support of the foundation, several raised beds and a willow tipi were built.

The special thing about this project was the inter-generational cooperation. Teams made up of young and older participants not only planted plants, but also made new friends. During the coffee and cake breaks, numerous valuable conversations were held that strengthened the cohesion in the neighborhood. This project impressively demonstrates how different generations can learn from each other and achieve great things together. The foundation has not only contributed to the beautification of the neighborhood, but also promoted social cohesion.

Christmas presents at the homeless shelter: warmth and compassion at Christmas time

For many people, the Christmas season is a time of giving and charity. The Margarete Schnellecke Foundation has also made it its mission to bring special joy to people in need in Wolfsburg. This year, the traditional Christmas gift-giving event was once again held at the homeless shelter in Borsigstraße.

Thanks to the Foundation's generous donations, the residents of the shelter were surprised with Christmas

presents and a hot meal. The handover took place in a festive atmosphere and brought much joy not only to the recipients, but also to those involved. The foundation emphasizes how important it is to experience a bit of normality and dignity even in difficult life situations. This campaign is an expression of compassion and solidarity with people who need our support, especially during the cold season.



GLOSSARY

ESG

ESG stands for Environmental, Social and Governance and refers to a set of standards for a company’s behavior and performance used by environmentally and socially conscious investors to screen potential investments.

KPI

Key performance indicators are indicators that relate to the performance of a company. They help management to monitor and evaluate company processes.

JIT

Just in time refers to a production and delivery strategy in which the right products are delivered to the right place at the right time and in the right quantity.

JIS

Just-in-sequence is an extension of the just-in-time concept, whereby the assemblies or part variants are also delivered in the correct sequence in which they are to be installed in production.

1st Tiers

1st Tiers are the module and system suppliers that deliver directly to the OEM („Original Equipment Manufacturer“). 2nd tiers are component suppliers and 3rd tiers supply individual parts such as screws.

ERP System

Enterprise Resource Planning

KaiZen

Kaizen is a Japanese concept that means „change for the better“. It refers to the philosophy and practice of constantly making small incremental changes to an organization’s processes, products and services in order to achieve significant long-term improvements. The focus of Kaizen is on the active participation of all members at Schnellecke, whereby problems are identified and solutions are implemented at individual and team level. Through Kaizen, we as an entire organization strive for a continuous and sustainable optimization of quality, efficiency and productivity.

LEAN methods

Lean management methods describe a collection of principles and techniques that aim to reduce waste, optimize processes and maximize customer value. Examples of our lean toolbox include 5S, value stream mapping, kaizen and poka-yoke for error prevention.

CO2e

CO2e is a unit of measurement that is intended to make the effect of all greenhouse gases on the climate comparable. In addition to CO2, there are numerous other gases that are much more harmful to the climate than CO2. One example of this is methane. If you compare the impact of one tonne of CO2 on the climate with that of one tonne of methane, you can see that one tonne of methane is around 25 times more harmful to the climate than one tonne of CO2. Expressed in CO2e, one tonne of methane is therefore equivalent to around 25 tons of CO2 equivalents (CO2e).

CEO

Chief Executive Officer

COO

Chief Operational Officer

CFO

Chief Financial Officer

HSE

Health, Safety & Environment

SHEQ

Safety, Health, Environment and Quality

SWOT

The strengths, weaknesses, opportunities and risks analysis represents a positioning analysis of the company’s own activities in relation to the competition. In the underlying work process, the results of the external company environment analysis are first compiled in the form of an opportunities/risks catalog and compared with the strengths/weaknesses profile of the internal company analysis.

GEMBA

In Japanese culture, the term GEMBA is used in everyday life to refer to the „true place“ or the „place where things happen“. For us, the term GEMBA refers to the place where value is created for the customer. In lean management, we at GEMBAs look at the processes in all our areas in order to understand them and thereby identify opportunities for improvement.

ESRS

European Sustainability Reporting Standards

CSRD

Corporate Sustainability Reporting Directive

SDG

Sustainable Development Goal

Corporate Security

Corporate Security covers the topics:

- IT security
- Information security
- Physical security
- Personnel security
- Business Continuity Management
- Security Risk Management

LkSG

Supply chain due diligence law

CSR

Corporate Social Responsibility

SD

Strategic Direction

Reportable accident

Accidents at work (including commuting, travel to work-related external activities) which have killed or injured insured persons to such an extent that they are unable to work for more than 3 days.

BU

Business Unit, Location

GHG

Greenhouse Gas

GHG-REPORT

Definition of organizational boundaries

Schnellecke Logistics has defined its organizational boundaries for the preparation of this report according to the operational control approach. Operational control in this context describes the fact that a company is active in a logistics property and independently assumes decisions and responsibility in several areas. These include:

Own logistics property:

The company carries out its activities in a logistics property that it uses itself and possibly owns or has rented on a long-term basis.

Own leases:

Own leases are in place, indicating that the company has direct control over the property or premises in which it operates.

Responsibility for environmentally relevant data:

The company is responsible for environment-related decisions and measures that have an impact on energy consumption and emissions. This includes:

- **Electricity contracts and energy supply:**
It acts independently in the selection and procurement of electricity, which influences the type and quantity of energy consumption.
- **Freedom in the choice of vehicle drive:**
The company can independently determine which drive technologies (e.g. electric, diesel, hydrogen) are used for the respective transport routes, which has a direct impact on CO₂ emissions and environmental impact.

In summary, operational control means that the company has full decision-making power and responsibility with regard to its infrastructure, contracts and environmentally relevant aspects of its logistics processes. In addition, this report includes business units in which no operational control is exercised; however, the company assumes responsibility for specific resources in these BUs on the basis of contractual obligations. This report covers our entire service portfolio, including logistics facilities, transportation services, office buildings and other business areas in which Schnellecke Logistics has operational control.

Emission sources

The identified emission sources are classified and reported as follows:

Scope 1:

Direct emissions from the combustion of diesel + AdBlue, petrol, gas and coolants in our business units that are used directly for our business activities.

Scope 2:

Indirect emissions from electricity generation and district heating purchased and used in our facilities.

Scope 3:

Emissions from business trips in our Germany, South Africa; Mexico and USA regions as well as diesel consumption data from external companies that refuel at our in-house filling station. This data is incomplete and is broken down into the categories of purchased goods for our service providers and upstream and downstream transportation for the external transport companies commissioned.

Estimates for missing data

To account for the unavailability of certain data during the 2023 reporting period, a systematic approach to estimating missing emissions was implemented. Specific data gaps were identified and categorized according to the type of emissions and their relevance to the overall accounts:

- **Missing energy bills:** For missing bills, last year's consumption (2022) for the respective month, energy type and BU were used as a basis to report a complete annual consumption.
- **Consumption of additives (AdBlue):** As not all additive consumptions were listed by the suppliers in terms of quantity on the invoices, an estimation method was adopted. An average additive consumption of 8% of the total diesel consumption was assumed. This percentage comes from a review of several resources, as well as various data sources from Europe, such as the European Automobile Manufacturers Association
- **For commercial electric vehicles,** an average electricity consumption was calculated based on the available bills. This average was then used to fill in the gaps for the months where billing information was missing.
- **The Zwickau BU** owned the building until October 2023 and rented office space to external companies. The electricity consumption was allocated to the area (m²) of the individual offices, taking into account the total electricity consumption of the building.
- **Air conditioning systems**
- In almost all of our BUs (South Africa, USA, Germany, Europe), the company is not responsible for monitoring the use and filling of coolants. However, coolant consumption was tracked and maintenance invoices were reviewed. There were no refills in 2023.
- No refilling was carried out in Wolfsburg and the surrounding BUs in 2023
- The BUs in Mexico have a service provider for the maintenance of air conditioning systems. Based on the type of unit, the refrigerant capacity and the number of air conditioning systems, it was possible to estimate the refill quantities. Due to a lack of leakage information for Mexico, data from a German source was used. The worst-case scenario was used. A total of 11 systems required a coolant refill, which according to the data sheets have a capacity of 88.77 kg. A leakage rate of 4% was applied, resulting in an estimated total leakage of 3.55 kg of coolant

Factors

The standard emission factors provided by the UK government (GHG conversion factors for company reporting) were used to calculate the associated CO₂ emissions.

- **Scope-2 market based factors** were taken directly from the electricity suppliers. Where no market-based emission factor was found (South Africa, Italy, Slovakia), the location-based factor was used.
- **Scope 2 location-based factors:** Germany (BDEW), Mexico (SEMARNAT), South Africa (DFFE), USA (EPA) were obtained directly from official government agencies.
- The emission factors for European countries (Italy, Slovakia, Spain) were obtained from the European Environment Agency.
- **The heating value factors** from the „Fact sheet for determining total energy consumption“ were used to calculate the amount of energy in kWh that comes from our diesel and petrol consumption. All other fuels were converted using the calorific value factor.
- **The emission factor for additives** was taken from the German Sustainability Report Code.
- **The green electricity factors** were obtained from the electricity suppliers.

Documentation and assumptions

Electricity, heating and gas consumption are taken directly from the bills from the energy suppliers. Fuel consumption is tracked through several systems, including monthly statements from fuel cards, live tracking systems (Trimble) and invoices from the filling of our own filling stations. The published information on business travel comes from two main sources: two service providers in Germany, which provide detailed travel data, and invoices or tickets from all other countries. The reported emissions are limited to emissions that occur during the actual travel time and take into account transportation by air, rail or car.

Our Nordcargo business unit is a purchased fleet that can be used at all of our transport locations in Germany (Braunschweig, Zwickau and Ludwigsfelde). Against this background, it is not possible for us to precisely separate consumption per location. In order to be able to show this requirement, we have divided the consumption of this fleet into three parts, one third for each of the three German locations. All assumptions and methods used in our data collection and estimates have been documented in our internal system. These methods have been verified and reviewed by external auditors to ensure accuracy, transparency and compliance with standards and guidelines

Exceptions and delimitation

Some exceptions must be noted in the context of this report:

- **Inactive business units:**

The number of business units in our company is subject to constant fluctuation, as some units may cease operations and others may be newly established. Due to this dynamic, our data only reflects the business units that were active during the reporting period. Business units that ceased operations before 2023 are not included in this report.

- **In-house Logistics:**

For the BUs under operational control of the customers, this report only includes the energy sources for which the company is responsible according to the contracts.

Key figure „Kilograms of CO2 per square meter of managed hall space“

Kg CO₂/m²: Scope 1 & 2 CO₂ emissions in kg CO₂/m² refer to the CO₂ self-consumption in kilograms (Scope 1 & 2 emissions) per square meter of sealed hall area managed in accordance with the tender documents / construction documents. The base year / reference year for Scope 1 & 2 CO₂ emissions is 2019 with 111.3 kg CO₂/m². This key figure is calculated annually for all active locations in the reporting year with operational control. The total Scope 1 and 2 emissions are divided by the managed square meters (only the locations with consumption). The key figures from 2022 and 2021 were recalculated using this methodology.

Key figure „Kilograms of CO2 per square meter of ESG refinancing“

Kg CO₂/m²: Scope 1 & 2 CO₂ emissions in kg CO₂/m² refer to the CO₂ self-consumption in kilograms (Scope 1 & 2 emissions) per square meter of managed sealed hall area according to the tender documents / construction documents. The base year / reference year for Scope 1 & 2 CO₂ emissions is 2019 with 111.3 kg CO₂/m². The following locations were included in the refinancing at the time: Barcelona / Pamplona, Braunschweig, Bremerhaven, Duisburg, Fallersleben, Glauchau, Hanover, Hermosillio, Lozorno Devinska, Lozorno Transport, Ludwigsfelde, SML Leipzig, Soltau, Wackersdorf, Wolfsburg (Fallersleben + Sandkamp + Warmenau 1) and Zwickau. Since 2021, the Bremerhaven site has not been included due to the closure of operations.

Verification and validation

The information contained in this report was collected and reviewed by the Group Sustainability Management department. In addition, an external audit was carried out with TÜV NORD CERT as part of the audit of the sustainability report.

Assumptions and estimates

It is recognized that the use of estimates involves a certain degree of uncertainty. In order to report emissions as realistically as possible, the worst-case scenario was used for all estimates. This means that in the absence of data, the highest emission factors or consumption values were used. This ensures that the reported emissions, even if they exceed the actual values, take into account all possible emissions from the various sources.

Continuous Improvement

Schnellecke Logistics strives to improve data quality for future reporting. New monitoring systems are being implemented to minimize estimates and achieve greater accuracy in our emissions reporting.

Reporting is carried out in accordance with the standard of the German Sustainability Code.

REPORTING BOUNDARIES

and comparability of consumption

[illegible]

	no operational control
	operational control
X	reported data
	inactive

IMPRINT

MARATHON RUNNER

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