

SCHNELLECKE LOGISTICS SUSTAINABILITY REPORT

2024

TABLE OF CONTENTS

| | | | |
|--|----|--|----|
| Preparing to meet the requirements of the ESRS..... | 3 | ESRS E2: Environmental pollution..... | 22 |
| ESRS 2: General information..... | 4 | Tire and road surface abrasion..... | 22 |
| General principles for preparing the sustainability statement..... | 4 | ESRS E5: Resource use and circular economy..... | 23 |
| Corporate governance..... | 5 | Circular economy | 23 |
| Incentive systems..... | 5 | ESRS S1: Company workforce | 25 |
| Corporate governance..... | 6 | Concepts..... | 27 |
| Value chain | 7 | Involvement of the workforce | 28 |
| Stakeholder engagement..... | 8 | Whistleblower system..... | 29 |
| Double materiality analysis | 9 | Measures..... | 29 |
| Material sustainability-related impacts and risks..... | 11 | Workforce composition..... | 30 |
| ESRS E1: Climate change | 12 | ESRS G1: Corporate governance..... | 41 |
| Transition plan for climate protection..... | 13 | Corporate culture and corporate governance..... | 41 |
| Strategy and business model | 13 | Management of supplier relationships | 42 |
| Climate risk analysis..... | 13 | Compliance management system | 42 |
| Climate protection concepts and adaptation to climate change | 13 | Political influence and lobbying activities..... | 44 |
| Climate protection measures | 13 | Disclosure requirements and integration by reference..... | 45 |
| Climate targets..... | 14 | Appendix: Schnellecke Logistics SE (SLSE)..... | 46 |
| Methods for calculating greenhouse gas emissions..... | 15 | Emissions data 2024..... | 47 |
| Energy consumption and energy mix..... | 19 | Energy data 2024 | 47 |
| Total GHG emissions..... | 20 | Care for the neighborhood – Social projects in the Schnellecke world | 48 |
| Internal CO ₂ pricing system..... | 21 | Appendix: KWD Group..... | 50 |



Dear readers

For the Schnellecke Group, sustainability is much more than a legal obligation – it is a central component of our corporate identity. As a third-generation family business, we think long-term and take responsibility for the impact of our actions on the environment, society, and the economy.

The year 2024 was marked by important decisions but also economic challenges in our core automotive business: We integrated the requirements of the European Sustainability Reporting Standards (ESRS) into our reporting, taking a decisive step toward full CSRD compliance.

Our double materiality analysis clearly shows which issues are of utmost importance to us and our stakeholders: climate protection, corporate governance, and the working conditions of our workforce. These priorities are reflected in our strategic initiatives – from reducing greenhouse gas emissions and promoting a healthy corporate culture to strengthening diversity and inclusion.

We know that the transformation toward sustainable value creation is an ongoing process. That is why we are investing in renewable energies, optimizing our logistics and production processes, and focusing on innovative solutions such as alternative drive systems and the circular economy. At the same time, we remain true to our principle of assuming social responsibility and ensuring fair working conditions worldwide. This report documents not only our progress, but also the challenges that lie ahead.

We invite you to join us on this journey – together we can shape a future that is environmentally responsible, socially just, and economically successful.

Nikolaus Külps

CEO Schnellecke Group AG & Co. KG

PREPARING TO MEET THE REQUIREMENTS OF THE ESRS

Our goal was to implement as much of the basic structure of the standards as possible by 2024 and to integrate them with the other parts of our annual report.

A complete overview of the ESRS structure and the various disclosures can be found in the section "Disclosure requirements and incorporation by reference" in the appendix.

Our double materiality assessment was carried out with reference to drafts of the ESRS, with the scope of the full materiality analysis being limited in some respects. We will continue to develop the analysis with a view to full CSRD compliance in 2025.

We have provided some data points from our previous sustainability reports in the appendix. (Key figure kgCO₂/m² refinancing until 2027)



ESRS 2: GENERAL INFORMATION

General principles for preparing the sustainability statement

Consolidation

Data consolidation is carried out in accordance with financial reporting principles. The consolidated quantitative ESG data relates to the parent company Schnellecke Group AG & Co. KG and the subsidiaries controlled by Schnellecke Group AG & Co. KG, which can be found in the group management report. When determining the scope of consolidation for greenhouse gas emissions and environmental pollution, we took operational control into account. For more information, see "Methods for calculating greenhouse gas emissions."

Time horizons

We have used the time horizons defined in ESRS 1: short term up to one year, medium term more than one year and up to five years, and long term more than five years.

Sources of estimates and uncertainties

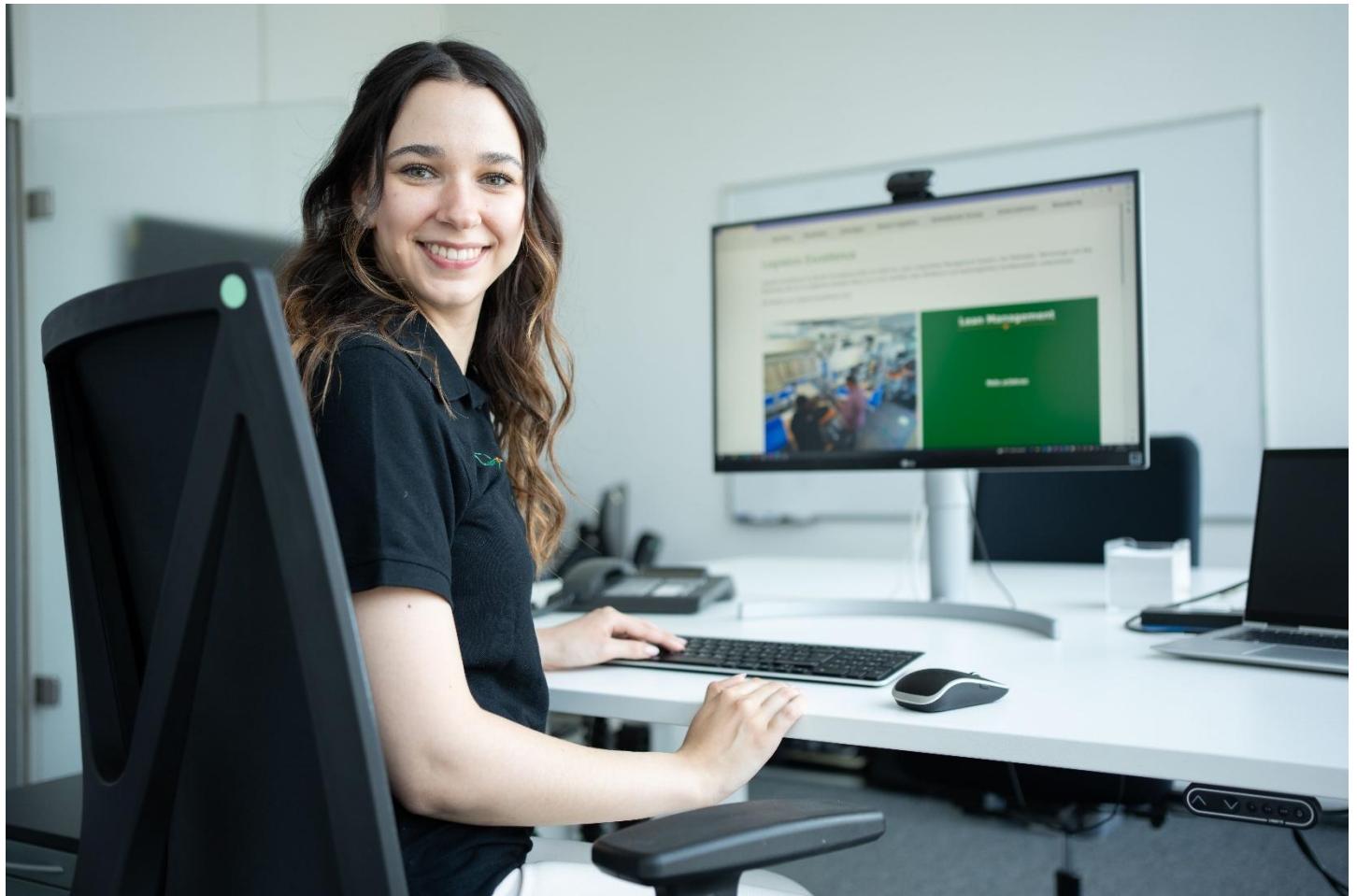
The use of estimates for key figures and the inclusion of data from the upstream and downstream value chain, is described in the individual accounting and valuation methods. Overall, the key figures relating to our own business activities have a greater amount of primary data, while key figures for the value chain are often estimated and are therefore subject to greater measurement uncertainty. All assumptions and potential uncertainties are documented in the accounting policies.

Changes to previous reporting

Due to the first-time application of the ESRS, the presentation of sustainability information in our report has changed compared to previous years.

The most important changes are as follows:

- We have aligned ourselves more closely with the disclosure requirements of the ESRS.
- Certain sections on our refinancing indicators have been moved to the appendix for the respective divisions.
- The order and exact content of the sections previously included in the non-financial statement have been changed. Some information is now presented in other sections.



Independent audit and assessment

All quantitative data points in the tables in sections E, S, G, and in the appendix that are marked with a green eye symbol (👁) are covered by the ESG audit (limited assurance) conducted by an external auditor.

Corporate governance

Schnellecke Group AG & Co. KG stands for lawful and sustainable conduct. The corporate culture is characterized by entrepreneurial thinking, integrity, and appreciation. Schnellecke Group AG & Co. KG is managed by the Executive Board of the SAG-Beteiligungs-AG. In addition to the Chairman of the Board of Directors (CEO), this includes the Chief Administrative Officer (CAO) and the Chief Financial Officer (CFO). Its actions and decisions are guided by the interests of the company, taking into account the interests of shareholders, employees, and other stakeholders associated with the company in order to achieve the goal of sustainable value creation.

The members of the Executive Board conduct business in accordance with the law, the Articles of Association, and the rules of procedure. They have the relevant experience to perform their functions.

The proportion of men on the Executive Board is 100%.

The Executive Board evaluates, controls, and monitors the impacts of our business activities on society and the environment identified in the double materiality analysis, as well as risks and opportunities in the course of strategic management. An advisory board advises the Executive Board on implementation.

Procedures, controls, and processes for monitoring, managing, and supervising sustainability-related impacts, risks, and opportunities are not assigned to a specific function or committee at Schnellecke Group AG & Co. KG. They are part of the strategic control process on the one hand and part of the reporting system between the responsible department and the Executive Board on the other.

Responsible corporate behavior is laid down in detail in our corporate code of business ethics, the code of conduct for employees, and the code of conduct for business partners.

Incentive systems

There is currently no information available on sustainability-related incentive systems in corporate management.



Due diligence

| Core elements of due diligence | Page |
|---|-----------|
| Integration of due diligence into governance, strategy, and business model | - |
| Involvement of affected stakeholders | 9 |
| Identification and assessment of negative impacts on people and the environment | 10 |
| Measures to address negative impacts on people and the environment | 15, 28-30 |
| Monitoring the effectiveness of these efforts | - |

Corporate governance



CEO
Nikolaus Külp



CAO
Dr. Tim Kannewurf



CFO
Dr. Klaus van Marwyk



CFO
Thomas Lemper

| Position | Executive Board Chairman First appointment 2007 Compliance Committee Chair Group mandates CEO Schnellecke Group AG & Co. KG CEO Schnellecke Logistics SE Chairman of the Supervisory Board KWD AG Co. KG | Member 2007 Deputy Chair CAO Schnellecke Group AG & Co. KG Managing Director, Schnellecke Grundbesitz GmbH Member of the Supervisory Board, Schnellecke Logistics SE & KWD AG Co.KG Deputy Chair, Advisory Board Role in the Economic Council | Member 2022-04/2025 Member CFO Schnellecke Group AG & Co. KG CFO Schnellecke Logistics SE Supervisory Board Member KWD AG & Co. KG | Member 03/2025 Member CFO Schnellecke Group AG & Co. KG CFO Schnellecke Logistics SE Supervisory Board Member, KWD AG & Co. KG |
|------------------|--|--|--|--|
| Diversity | Gender Male Age group 50-60 Nationality German | Male 50-60 German | Male 50-60 German | male 50-60 German |
| Expertise | Mergers & Acquisitions Control systems Corporate Development Operations Strategy | Tax Compliance Legal HR Real Estate | Finance Control systems Strategy Company valuation Restructuring Mergers & Acquisitions Treasury | Finance Control systems Strategy Treasury HR Mergers & Acquisitions |



Value chain

The Schnellecke Group's value chain encompasses the upstream value chain, our own business activities, and the downstream value chain. In the upstream value chain, we work with a large number of economic players – in particular with producers and suppliers of components that are essential to our logistics processes. They supply components that are processed or repackaged in our module assemblies or packaging units. In addition, we rely on the procurement of operating resources (e.g., machines, tools), raw materials (especially in the area of KWD Automotive GmbH for the manufacture of pressed parts and welded assemblies), and fuel for our own vehicle fleet.

Our own business activities encompass all resources, stakeholders, and supporting activities that enable Schnellecke's operational processes. These include functions such as human resources, IT, sustainability management, and facility management. The focus is on our core services: logistics

services such as module assembly, sequencing, packaging services, and the provision of transport services. In the production area, we also operate our own manufacturing facilities with KWD Automotive GmbH, where pressed parts and welded assemblies are manufactured for the automotive industry.

In the downstream value chain, the focus is on our customers – primarily companies from the automotive industry that purchase our logistics services and manufacturing components in the B2B sector. In addition, we work with external transport service providers who carry out transports on our behalf, particularly in regions where we are unable to deliver ourselves.

Icons: ¹⁾ produced products, ²⁾ upstream transport, ³⁾ delivery, ⁴⁾ raw materials, ⁵⁾ fuels, ⁶⁾ machine manufacturer, ⁷⁾ consulting service, ⁸⁾ IT-support, ⁹⁾ transport, ¹⁰⁾ warehousing, ¹¹⁾ logistics, ¹²⁾ maintenance, ¹³⁾ welding, ¹⁴⁾ press parts, ¹⁵⁾ employee commuting, ¹⁶⁾ business travel, ¹⁷⁾ customer, ¹⁸⁾ downstream transportation, ¹⁹⁾ waste, ²⁰⁾ processing of products

Stakeholder engagement

We consulted internal experts from the business units and corporate functions for our double materiality assessment. This year, we did not conduct any direct consultations with affected stakeholders to understand how they might be impacted by our business activities, nor did we directly consult external stakeholders to review the results of our double materiality assessment. However, we have included the insights of our colleagues who, through the sustainability self-assessment questionnaires with our key stakeholders, have a good overview of stakeholder interests and views.

| | Interaction | Purpose | Results |
|--|---|---|--|
| Owner family / Shareholders | <ul style="list-style-type: none"> - Regular key figure reports - Strategy meetings - Sustainability reports | <ul style="list-style-type: none"> - Long-term value enhancement - Sustainable corporate management | <ul style="list-style-type: none"> - ESG strategy development - Sustainable investment decisions |
| Customers and clients | <ul style="list-style-type: none"> - Customer meetings - Certifications and audits - Sustainability requirements in tenders | <ul style="list-style-type: none"> - Helping customers achieve their goals - Reduction of CO₂ emissions in the supply chain - Offering sustainable solutions | <ul style="list-style-type: none"> - Environmentally friendly logistics solutions - Sustainable product innovations |
| Employees (including young workers) | <ul style="list-style-type: none"> - Training - Employee representatives - Appraisal and development discussions - Employee surveys | <ul style="list-style-type: none"> - Employee retention - Promotion of sustainable action and social responsibility | <ul style="list-style-type: none"> - Improvement of working conditions - Promotion of climate-friendly mobility - Sustainability campaign |
| Suppliers and service providers | <ul style="list-style-type: none"> - Supplier code of conduct - Audits - ESG training* - SAQ | <ul style="list-style-type: none"> - Compliance with our Code of Conduct - Protection of human and labor rights - Promotion of responsible procurement - Obtaining information on specific requirements | <ul style="list-style-type: none"> - Identification of critical suppliers - Information on compliance with human rights requirements |
| Legislators | <ul style="list-style-type: none"> - Compliance with regulatory requirements | <ul style="list-style-type: none"> - Fulfilment of legal requirements - Proactive ESG strategy | <ul style="list-style-type: none"> - Adjustment of ESG strategy - Sustainable corporate guidelines |
| Banks and lenders | <ul style="list-style-type: none"> - ESG reporting and SAQs - Sustainability ratings - Investor communication | <ul style="list-style-type: none"> - Access to green financing - ESG risk management - Creating transparency | <ul style="list-style-type: none"> - Better financing conditions - ESG-compliant investments |

* Not relevant for KWD



Double materiality analysis

In 2024, we conducted a double materiality analysis in accordance with the requirements of ESRS 1 to identify essential sustainability issues for the entire Schnellecke Group. The assessment took into account both the impact of our business activities on society and the environment (impact materiality) and the impact of sustainability issues on the Group in the form of business risks and opportunities (financial materiality). In addition, we took into account the EFRAG implementation guidance (EFRAG IG 1), including the definition of qualitative and quantitative thresholds, as well as previous materiality analyses of the SDGs. The results are reviewed annually.

The list of sub-topics in accordance with ESRS 1, supplemented by additional company-specific sustainability aspects, served as the starting point for the double materiality analysis, taking into account the industry in which the Schnellecke Group operates.

The specialist departments within our workforce made an initial contribution by evaluating relevant topics from their own areas of expertise and beyond in a workshop. To identify the material IROs, the assessment scale was supplemented with qualitative criteria. Using an average rating, the impacts were assessed based on their magnitude, scope, irreversibility (in the case of negative impacts), and risks and opportunities according to their financial impact on the business process, the probability and nature of the impact on business relationships.

The methodology for determining the materiality of the impacts was largely in line with the EFRAG implementation guideline, with magnitude, scope, and irreversibility being assessed using company-specific qualitative criteria. For magnitude, we assessed the severity of the impacts on the environment and people; for scope, we assessed the difficulty of remedying the negative impacts.

The results of the IRO were determined based on our predefined thresholds. For the materiality of the impacts and for the assessment of risks and opportunities, all sustainability topics greater than 2 or less than -2 were classified as material.

All assessed IROs were assigned to the respective ESRS data points. This resulted in the material sustainability information disclosed in this sustainability statement.

Based on the results, which were developed in cooperation with the respective departments, the presentation was made to the Executive Board and final approval was given, in particular for topics that were directly on the threshold values. In this way, subjective distortions were avoided and the consistency of the sustainability topics was ensured.

Results of the double materiality analysis

As shown in the chart, five of the ten ESRS topics are material to the Schnellecke Group. Each material ESRS topic is presented in the following chapters, where we indicate the subtopics to which our material impacts and risks relate.

The highest-rated impact or risk within a topic determines its placement in the chart below.

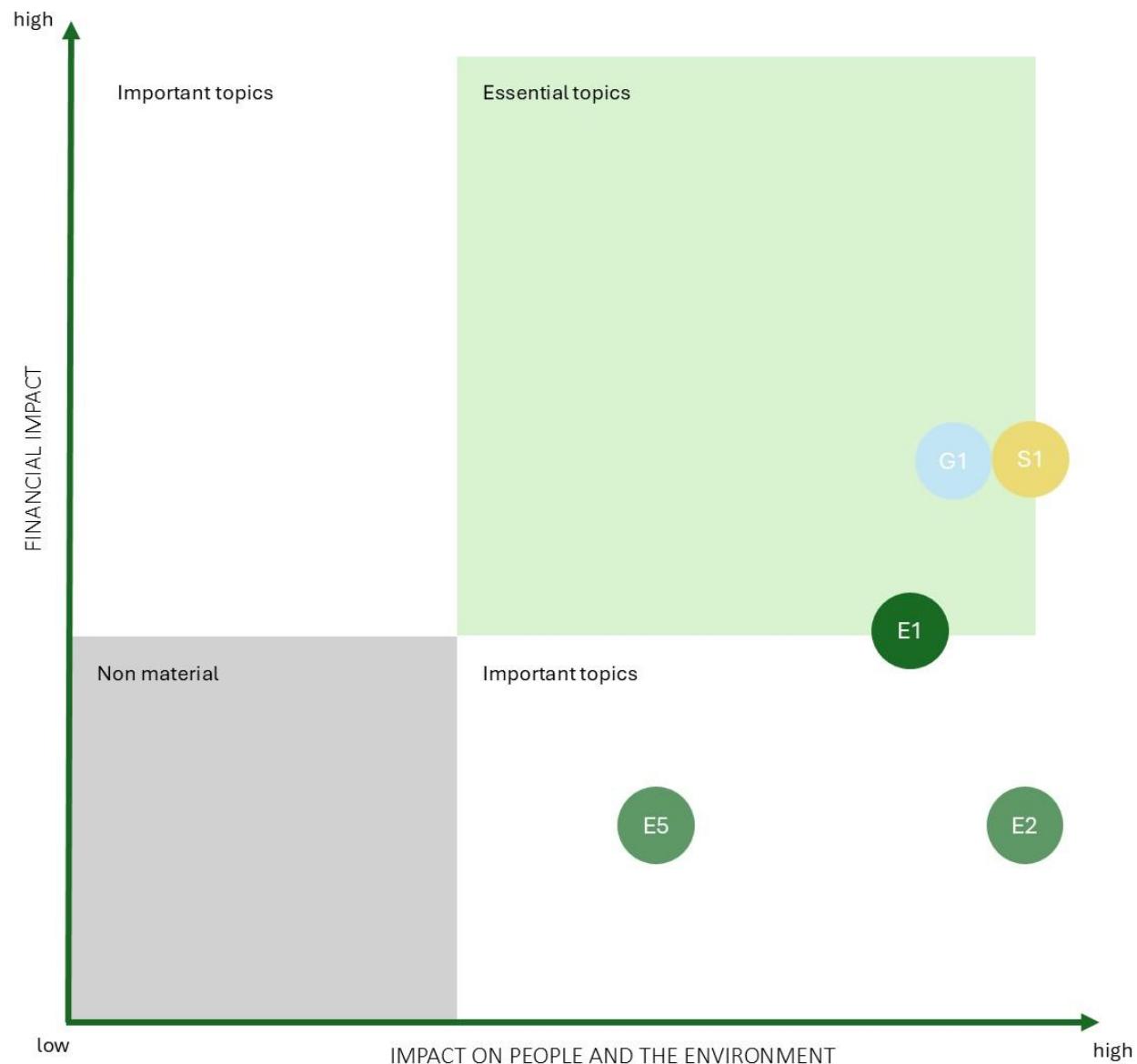


Figure 1: Results of the double materiality analysis

Climate change, corporate governance, and the company's workforce are essential topics and reflect our focus on managing the associated impacts, risks, and opportunities through our strategic priorities.

E3 Water and marine resources, E4 Biodiversity and ecosystems, S2 Workforce in the supply chain, S3 Affected communities, and S4 Consumers and end users were classified as non-material topics in our DMA 2024. The relevant aspects related to human rights in the supply chain are integrated into the material topics in section S1 Workforce and G1 Corporate governance.

Other sub-topics of E2 Environmental Pollution and E5 Resource Use and Recycling were identified as non-material.

We will continue to monitor and assess our impacts, risks, and opportunities related to these topics, and their materiality will be reassessed each year as part of our annual analysis.

Non-material topics

- Water pollution (E2)
- Soil pollution (E2)
- Contamination of living organisms and food resources (E2)
- Substances of concern (E2)
- Substances of very high concern (E2)
- Microplastics (E2)
- Water and marine resources (E3)
- Biodiversity and ecosystems (E4)
- Resource inflows (E5)
- Resource outflows (E5)
- Decent work and economic growth (DWG)
- Workforce in the value chain (S2)
- Affected communities (S3)
- Consumers and end users (S4)
- Animal welfare (G1)

Material sustainability-related impacts and risks

The following tables list the sustainability-related impacts and risks that we identified and classified as material as part of our double materiality assessment.

As shown in Figure 1, five of the ten ESRS topics are material to Schnellecke Group. Each of these ESRS topics is specified in the following tables, where we indicate whether the impacts, risks, and opportunities lie within our own business activities or in our value chain. We also indicate whether our impacts are positive or negative.

A detailed description of the material IROs is provided in the thematic sections of this sustainability statement.

| ESRS topics | Category | Value Chain | Impacts, risks, and opportunities |
|----------------------------|--|---|---|
| E1 Climate change | Positive impact Positive impact Risk Risk Positive impact | Own business activities | Employee awareness of sustainability issues Secure energy supply (stable grid) Switch to renewable energy sources and alternative fuels Climate neutrality Reduction of greenhouse gas emissions |
| E2 Environmental pollution | Negative impact | Own business activities | Activities with high tire wear |
| E5 Circular economy | Negative impact | Value chain | Handling non-recyclable waste and promoting a circular economy |
| S1 Own workforce | Positive impact Negative impact Positive impact Positive impact Positive impact Positive impact Opportunity Opportunity Opportunity Positive impact Positive impact Negative impact | Own business activities | Ensuring equal pay for equal work Lack of gender equality in management positions Ensuring stable and secure employment conditions Strengthening employee participation and engagement Appropriate remuneration Employee well-being Qualification and further training of employees Talent development and career advancement Diversification of the workforce Employment and integration of people with disabilities Zero tolerance for harassment and violence Violation of human rights obligations |
| G1 Corporate governance | Opportunity Positive impact Positive impact Negative impact Negative impact | Own business activities Value chain Own business activities Value chain Own business activities | Ensuring internal corporate security Compliance with the supplier code of conduct Employee awareness of corporate social responsibility Violation of human rights obligations in the supply chain Healthy corporate culture and value orientation |

ESRS E1: CLIMATE CHANGE

Impacts, risks, and opportunities

Climate protection

| | | |
|-----------------|-------------------------|---|
| Positive impact | Own business activities | Employee awareness of sustainability issues |
| Positive impact | Own business activities | Reduction of greenhouse gas emissions |

Adaptation to climate change

| | | |
|------|-------------------------|--------------------|
| Risk | Own business activities | Climate neutrality |
|------|-------------------------|--------------------|

Energy

| | | |
|-----------------|-------------------------|--|
| Positive impact | Own business activities | Secure energy supply (stable grid) |
| Risk | Own business activities | Switch to renewable energy sources and fuels |

Climate change is becoming increasingly apparent worldwide in the form of extreme weather events and record temperatures, underscoring the need for adaptation measures. Energy consumption is a key factor in our sustainability balance sheet and reflects the extent of our operational activities. A key focus is therefore on raising awareness and training our employees on sustainability issues in order to promote the widespread adoption of sustainable practices within the company.

The main sources of our emissions include the consumption of fuel, electricity, and natural gas at our sites. A targeted reduction of our Scope 1 and Scope 2 emissions offers potential for positive environmental impacts here. At the same time, a resilient energy supply poses a significant challenge. Strengthening our infrastructure is necessary to minimize disruptions caused by natural disasters, cyberattacks, or technical failures. A positive contribution can be made by installing company-owned photovoltaic systems, which can support an independent energy supply when needed.



Adapting to climate change brings financial challenges. A significant financial risk arises from the investments required to make our business activities climate-neutral in the long term. In particular, the switch to renewable energies to reduce emissions from electricity and fuel consumption requires significant financial resources. However, the targeted implementation of sustainable measures should help to reduce the company's carbon footprint and realize economic and ecological benefits in the long term.

Transition plan for climate protection

The Schnellecke Group does not currently have a comprehensive transition plan for climate protection (delineation of sub-divisions). A major challenge is to carry out a complete and comprehensible determination of the significant Scope 3 emissions. This is to be completed by the end of 2025, after which work will begin on drawing up a consolidated transition plan covering all subgroups at the level of Schnellecke Group AG & Co. KG. Due to the different activities of the three divisions, a uniform, overarching plan will not be the solution. Instead of a uniform transition plan, we will introduce a separate plan for each division by 2027.

Strategy and business model

Climate change is affecting the Schnellecke Group's business model in several areas. In the transport sector, the company is responding to increasing customer demands by increasingly using alternative drive systems and low-CO₂ fuels. The aim is to reduce emissions and establish more environmentally friendly transport solutions.

In the logistics division, Schnellecke is focusing on the increased expansion of photovoltaic systems on the roofs of its warehouses in order to partially cover its energy requirements with renewable energies and reduce CO₂ emissions.

In the consulting division, the extent to which sustainability can be established as a business model is being examined. A possible future direction could include advising companies on climate-friendly and sustainable business processes.

In production, KWD is increasingly focusing on the procurement of CO₂-reduced steel in order to improve the ecological balance of its production processes.

Climate risk analysis

A climate risk analysis has not yet been carried out. In 2025, we will define the significant climate risks for our sites and begin to evaluate various climate scenarios. This analysis should be completed for each site by the end of 2025 / Q1 2026.

Climate protection concepts and adaptation to climate change

We have implemented an environmental management system (EMS) to manage our environmental impact. The EMS covers all sites with operational control or customer requirements and is regularly certified by external auditors. The basic requirements of the system apply to all sites worldwide. Similarly, individual certifications in the area of energy management are scheduled for 2025.

We take responsibility for both our own business activities and our supply chains. We communicate our environmental and human rights requirements to our suppliers and service providers in our Code of Conduct for Suppliers. By signing our Code of Conduct for Suppliers, our suppliers commit to complying with the Schnellecke Group's minimum sustainability requirements and to fulfilling legal obligations and international standards.



Climate protection measures

Schnellecke Logistics SE has already implemented various measures to reduce emissions. One focus is on the electrification of pool and service vehicles and the optimization of the energy efficiency of buildings. This ranges from adapting heating systems and using LED lighting to installing photovoltaic systems in particularly sunny locations such as Mexico, South Africa, and Spain. In the area of transportation, one of the largest 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 electric trucks that are charged during loading and unloading is one of the projects currently being implemented. To reduce emissions from diesel fuel, we are already using alternative fuels such as CNG and LNG, which cause fewer emissions. In addition, from 2024, the use of HVO100 biodiesel will be increased, which reduces CO₂ emissions by around 80% compared to conventional diesel.

| Measures | Expected savings | Time frame |
|--|---|--------------------|
| Use of HVO100 for the transport division's own truck fleet | 80% of emissions from diesel consumption in Scope 1 | Ongoing until 2040 |
| Procurement and in-house generation of renewable electricity | 100% of Scope 2 emissions in Germany and Europe | Ongoing until 2027 |
| KWD: Replacement of energy-intensive equipment: Purchase of a new automatic punching machine | Not calculated (Scope 2) | In 2024 |
| KWD: New installation of an extraction system with heat recovery in the production halls | Not calculated (Scope 1 & 2) | In 2024 |



Climate targets

The Schnellecke Group has not set any uniform climate targets. Due to the different business models, it is the responsibility of the individual divisions to define their own targets.

Schnellecke Logistics SE has set itself the goal of becoming CO₂neutral in Scope 1 & 2 emissions by 2040.

We are therefore aiming to source all of our electricity from green sources at our European sites by 2027. By 2027, the company also plans to reduce CO₂emissions per square meter by 30% (base year 2019) and achieve an A score in the Carbon Disclosure Project (CDP). In addition, since 2024, all Schnellecke sites worldwide where we have our own consumption have been certified according to ISO 14001 (environmental management).

In line with the goals of the Paris Agreement, KWD AG is striving to reduce its greenhouse gas emissions to the point of achieving climate neutrality by 2050 at the latest. This goal has been set for 2030 by some major car manufacturers, which is also motivating suppliers such as KWD AG to take action to achieve climate neutrality.

A photograph of a black electronic calculator resting on a stack of papers. The calculator has a digital display and a numeric keypad with additional function keys. The papers underneath are mostly white with some blue and yellow markings, possibly graphs or charts. The background is blurred.

Methods for calculating greenhouse gas emissions

Definition of operational control

Schnellecke Group has determined its organizational boundaries for the preparation of this report in accordance with the concept of operational control defined in the GHG Protocol. This means that all business units in which the company can determine and implement its business policy are included in this report.

According to the definition, operational control over a company, site, operation, or asset requires that the company can direct the operational activities and relationships. Taking into account our business models and investments, no operational control can be established for minority interests. For this reason, the information is not broken down by companies in which we have invested.

In addition, this report covers business units over which no operational control is exercised; however, the company assumes responsibility for specific resources due to contractual obligations.

Gross GHG emissions from Scope 1, 2, and 3 categories and total emissions

The identified emission sources are classified as follows:

Scope 1: Direct emissions from the combustion of diesel + AdBlue, gasoline, gas, and coolant 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 travel and some suppliers.

We present our Scope 1–3 GHG emissions in a uniform manner so that they can be compared with each other. To do this, we convert them into tons of CO₂equivalents (CO₂e).

The factors that influence gross GHG emissions are reviewed regularly. We communicate any significant changes that affect the annual comparability of our GHG emissions.

The market-based method and the location-based method are approaches for calculating GHG emissions, particularly in connection with electricity use. The market-based method takes into account specific emission factors of the electricity suppliers that a company actually uses. The location-based method uses average emission factors for the geographical location where the electricity is consumed.

We report market-based and location-based emissions in CO₂ equivalents (CO₂e). We calculate both Scope 1 and 2 emissions and Scope 3 emissions based on the GHG Protocol. We derive the latter from direct supplier data and indirect statistical data.

Estimates for missing data

The information is based on figures reported by our operating sites. These, in turn, are based on consumption bills and data from local energy suppliers. Where these are not available on time, projections are made to calculate consumption without exact consumption values based on information about significant consumers. This is done by using consumption information from the previous year and relevant previous periods, as well as additional information about adjustments in energy demand.

It is recognized that the use of estimates involves a degree of uncertainty. In order to report emissions as realistically as possible, the worst-case scenario was used for all estimates. This means that where data was missing, 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.

Scope 1 calculation method

The calculation method for Scope 1 emissions according to the GHG Protocol Corporate Standard involves recording and quantifying all direct greenhouse gas emissions originating from sources within a company's organizational boundaries.

This includes stationary combustion (e.g., natural gas dark radiators), mobile combustion (e.g., company vehicles and trucks), process emissions (e.g., chemical reactions), and fugitive emissions (e.g., refrigerant leaks).

Scope 1 emissions are calculated using the following formula:

Activity data \times emission factor = emissions (in kg)

In general, we try to avoid rounding errors and find an emission factor for the unit on the invoice in each case.

Scope 2 calculation method

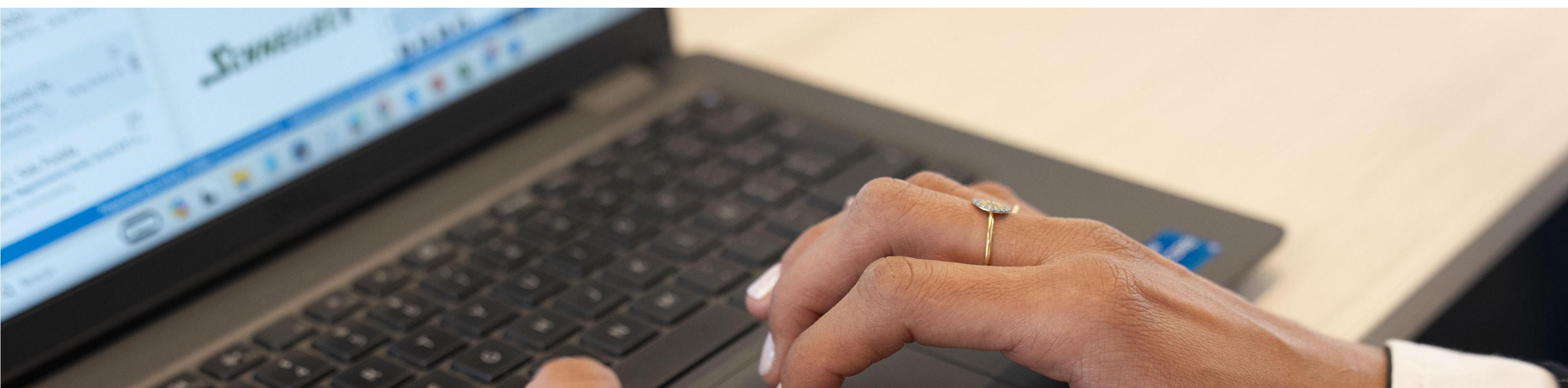
The company uses the most appropriate and accurate emission factors available for the market-based and location-based methods. Table 6.2 "GHG Protocol Scope 2 Guidance" shows these preferences for the location-based method and Table 6.3 for the market-based method.



Scope 3 calculation method

| Category | Description | Calculation |
|--|--|---|
| 1. Purchased goods and services | Emissions from the production and transportation of goods and services purchased by the organization. | Emissions from purchased goods (mainly aluminum and steel) are recorded based on the reported annual quantities purchased. The quantities of these two materials are calculated using the respective emission factors for their production. |
| 2. Capital goods | Emissions from the manufacture and transport of durable goods purchased by the organization. | No emissions were calculated for this category in the reporting year. |
| 3. Fuel and energy-related activities (not included in Scope 1 or 2) | Emissions from the extraction, production, and transport of fuels and energy used by the organization. | The reported annual quantities of fuel used are multiplied by the GHG Protocol's well-to-tank (WTT) factors to determine upstream emissions. The reported electricity and district heating consumption is used to calculate indirect emissions. The GHG Protocol emission factors covering all phases of energy generation, distribution, and transmission are used for this purpose. |
| 4. Transport and distribution (upstream) | Emissions from the transport and distribution of goods and services purchased by the organization. | Emissions from upstream transport are based on the diesel tank volumes recorded at the company's own filling stations. The logged liters are compiled in monthly or annual statements and multiplied by the GHG Protocol emission factor (kg CO ₂ e/liter). |
| 5. Waste from operational activities | Emissions from the disposal and treatment of waste generated by the organization's operational activities. | SLSE records waste quantities in Germany, Spain, Italy, and Mexico via our management system, including waste types and disposal methods. KWD uses local systems in Germany, Czechia, Spain, and Portugal. Emissions are calculated by multiplying the waste quantities per category and method by the GHG Protocol factors. If the disposal method is unknown, the highest available emission factor is used. |
| 6. Business travel | Emissions from travel by employees of the organization for business purposes. | Emissions from business travel are recorded from various sources: In SLSE Germany, the service provider supplies emission-specific data, while abroad the approach is traffic-dependent. For air travel, the flight distance is based on the actual distance traveled per location, taking into account the booked travel class (economy/business). For car travel, the documented fuel consumption is used as a basis. All emission values are calculated using the specific emission factors for business travel from the GHG Protocol. Hotel stays outside Germany are not taken into account. KWD flight emissions are calculated based on the departure and destination locations, the travel class, and the ICAO Carbon Emissions Calculator (ICEC). |
| 7. Employee commuting | Emissions from employees commuting to and from work. | The calculation for commuter traffic refers only to KWD employees and is based on the average distance between home and company zip codes, 220 working days per year, and the allocation of all trips to a small, conventional diesel vehicle. For each person, the shortest round trip is determined, multiplied by the number of working days, and then converted to CO ₂ e using the corresponding emission factor from the GHG Protocol. Alternative means of transport, carpooling, and excessively long distances, which are mainly covered by field staff, are not taken into account. |

| Category | Description | Calculation |
|---|---|--|
| 8. Leased assets (upstream) | Emissions from the use of leased assets used by the organization. | No emissions were calculated for this category in the reporting year. |
| 9. Transportation and distribution (downstream) | Emissions from the transport and distribution of products sold by the organization. | Emissions from downstream transport result analogously from customers' diesel refueling at internal filling stations. Here, too, the consolidated fuel quantities (liters) are used with the same GHG Protocol factor (kg CO ₂ e/liter) to calculate the CO ₂ e balance. |
| 10. Processing of sold products | Emissions from the processing of products sold by the organization. | Emissions from category 10 are not significant for the Schnellecke Group. |
| 11. Use of sold products | Emissions from the use of products sold by the organization. | Emissions from category 11 are not significant for the Schnellecke Group. |
| 12. Disposal of sold products | Emissions from the disposal of products sold by the organization. | Emissions from category 12 are not significant for the Schnellecke Group. |
| 13. Leased assets (downstream) | Emissions from the use of leased assets leased by the organization. | No emissions were calculated for this category in the reporting year. |
| 14. Franchise | Emissions from the activities of franchise companies operated by the organization. | Emissions from category 14 are not significant for the Schnellecke Group. |
| 15. Investments | Emissions from the organization's investments in other companies or projects. | Emissions from category 15 are not significant for the Schnellecke Group. |



Energy consumption and energy mix of the Schnellecke Group

| | Unit | 2022 | 2023 | 2024 |
|---|------|-----------------------|-----------------------|-----------------------|
| (1) Fuel consumption from coal and coal products (kWh) | kWh | - | - | - |
| (2) Fuel consumption from crude oil and petroleum products (kWh) | kWh | 41,223,143.10 | 41,206,336.95 | 37,877,448.80 |
| (3) Fuel consumption from natural gas (kWh) | kWh | 14,079,508.77 | 15,389,551.83 | 15,119,683.84 |
| (4) Fuel consumption from other fossil sources (kWh) | kWh | 6,900,175.76 | 8,749,811.08 | 8,265,485.62 |
| (5) Consumption from purchased or received electricity, heat, steam, and cooling, and from fossil sources (kWh) | kWh | 63,055,195.36 | 60,306,186.28 | 55,950,743.41 |
| (6) Total consumption of fossil energy (kWh) | kWh | 125,258,022.98 | 125,651,886.14 | 117,213,361.68 |
| Share of fossil fuels in total energy consumption (in %) | % | 98.20 | 92.44 | 90.14 |
| (7) Consumption from nuclear sources (kWh) | kWh | - | - | - |
| Share of consumption from nuclear sources in total energy consumption (in %) | % | - | - | - |
| (8) Fuel consumption for renewable sources, including biomass (also industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources, etc.) (kWh) | kWh | - | - | 699,715.67 |
| (9) Consumption from purchased or received electricity, heat, steam, and cooling from renewable sources (kWh) | kWh | 2,223,343.00 | 9,948,597.00 | 11,297,333.23 |
| (10) Consumption of self-generated renewable energy that is not fuel (kWh) | kWh | 67,711.00 | 329,107.00 | 925,522.10 |
| (11) Total consumption of renewable energy (kWh) | kWh | 2,291,054.00 | 10,277,704.00 | 12,922,571.00 |
| Share of renewable sources in total energy consumption (in %) | % | 1.80 | 7.56 | 9.86 |
| Total energy consumption (kWh) | kWh | 127,549,076.98 | 135,929,590.14 | 130,135,932.68 |

| Energy intensity per net revenue | 2022 | 2023 | 2024 |
|---|--------|-------|-------|
| Total energy consumption from activities in climate-intensive sectors per net sales revenue from activities in climate-intensive sectors (MWh/revenue in EUR million) | 102.51 | 93.28 | 92.54 |

Total GHG emissions

Scope 1, 2, and 3 of the Schnellecke Group's

| | 2019 | 2022 | 2023 | 2024 |
|---|-----------|---------------|---------------|----------------|
| Scope 1 GHG emissions in kg CO2e | | | | |
| Scope 1 gross GHG emissions | 12,475.30 | 14,244,680.18 | 15,255,716.55 | 14,323,551.18 |
| Scope 2 GHG emissions in kg CO2e | | | | |
| Location-based Scope 2 GHG gross emissions | 12,009.00 | 18,367,504.81 | 20,957,071.66 | 21,289,087.52 |
| Market-related Scope 2 GHG gross emissions | - | 21,300,399.48 | 19,402,370.85 | 18,698,232.00 |
| Significant Scope 3 GHG emissions in kg CO2e | | | | |
| Total indirect (Scope 3) gross GHG emissions | - | 2,687,293.86 | 788,119.14 | 169,432,540.71 |
| Purchased goods and services | - | 462.50 | 1,312.55 | 158,066,895.37 |
| Activities related to fuels and energy (not included in Scope 1 or Scope 2) | - | 2,461,287.12 | ¹⁾ | 7,645,780.50 |
| Waste generated in operations | - | - | - | 284,817.69 |
| Business trips | 486.23 | 171,706.64 | 780,666.28 | 1,060,762.71 |
| Commuting employees | - | - | - | 1,917,383.43 |
| Upstream and downstream transport | - | 53,837.59 | 6,140.31 | 456,901.01 |
| Total GHG emissions in kg CO2e | | | | |
| Total GHG emissions (site-related) | 24,970.53 | 35,299,478.84 | 37,000,907.34 | 205,045,179.40 |
| Total GHG emissions (market-related) | 24,970.53 | 38,232,373.51 | 35,446,206.54 | 202,454,323.89 |

The identified emission sources are classified and reported as follows:

Scope 1: Direct emissions from the combustion of diesel + AdBlue, gasoline, natural gas, and coolant in our business units that are used directly for our business activities.

Scope 2: Indirect GHG emissions from electricity, heat, and steam purchased and consumed by the Schnellecke Group. Site-related emissions are based on national average emission factors from the national grid. Market-based Scope 2 emissions refer to indirect GHG emissions associated with purchased electricity, heat, and steam through the procurement of contractual instruments such as energy certificates, power purchase agreements, and guarantees of origin from sources such as wind, water, solar, and biomass. For sites without contractual agreements and for other Scope 2 energy types where no supplier-specific emission factors and/or emission factors for the residual mix are available, the national average emission factor was applied.

Scope 3: Emissions from business travel from the regions of Germany, South Africa, Mexico, Italy and the USA, as well as diesel consumption data from external companies that refuel at our in-house filling station.

This data is incomplete and is divided into the categories of purchased goods for our service providers and upstream and downstream transport for the contracted external transport companies.

GHG intensity

| GHG intensity per net revenue | 2023 | 2024 | Comparison ²⁾ |
|---|-------|--------|--------------------------|
| Total GHG emissions (site-related) per net sales revenue (t CO2e/currency unit) | 25.39 | 145.80 | 574 % |
| Total GHG emissions (market-based) per net sales revenue (t CO2e/currency unit) | 24.32 | 143.96 | 592 % |

The comparability of absolute annual values cannot be guaranteed. The number of business units in our company varies from year to year due to contract terms. This makes annual comparisons less meaningful.

Further information can be found in the appendix "Reporting boundaries and comparability of consumption."

¹⁾ These emissions were included in Scope 1 and 2 emissions in 2023.

²⁾ Due to the increased collection of Scope 3 data, the key figure has risen by over 500% compared to the previous year.



Internal CO₂ pricing system

In 2024, the Schnellecke Group does not have a uniform CO₂ pricing system across all divisions.

At the end of 2024, Schnellecke Logistics SE introduced an internal CO₂ pricing system based on a shadow price. This shadow price is based on fluctuations in CO₂ certificate trading on the German stock exchange and is adjusted annually. We set the price based on the highest and lowest values of the previous calendar year.

This method ensures a market-oriented assessment of CO₂ costs. The scope of application covers all energy-related investments, such as the installation of photovoltaic systems or the replacement of the truck fleet.

We use the internal CO₂ price to calculate an "internal carbon price ROI" in order to highlight the effects of exemplary CO₂ certificate trading and to promote more cost-intensive investments with positive benefits in terms of CO₂ reduction.

In 2024, no investments were made taking the shadow price into account, as the introduction was completed in December and there were no energy investments. However, prior to official approval, the photovoltaic system in Puebla and a potential fleet change of forklift technology in Mexicali were the first calculations to show the impact.

ESRS E2: ENVIRONMENTAL POLLUTION

Impacts, risks, and opportunities

Air pollution

Negative impact Own business activities Activities involving high tire wear

Tire and road surface abrasion

Transport services are one of the core business activities at Schnellecke Logistics SE, which is why the environmental risks posed by tire abrasion are particularly relevant.

Tire abrasion releases toxic particles that accumulate in the environment and can enter the human body through the air or consumption. As our activities take place worldwide, this form of environmental pollution has not only local but also global impacts.

As a logistics company, we are aware of the risks associated with this issue. Studies show that the use of tires is a significant source of pollutant emissions. To counteract this problem, we are examining possible measures such as optimized route planning, monitoring tire consumption, and using alternative tire models. The implementation of these measures will only incur minor additional costs in the annual budget. As there are currently no suitable alternatives to conventional tires, we expect this issue to become increasingly important over the next three to five years.



ESRS E5: RESOURCE USE AND CIRCULAR ECONOMY

Impacts, risks, and opportunities

Waste

| | | |
|-----------------|--|--|
| Negative impact | Own business activities Value chain | High volumes of non-recyclable waste and lack of circular economy |
|-----------------|--|--|

Circular economy

As part of its strategic alignment with the Sustainable Development Goals (SDGs), the Schnellecke Group is particularly pursuing SDG 12, "Responsible consumption and production." Within our target system within the subgroups, this goal is specifically anchored in the requirement to use packaging materials responsibly, strengthen recycling processes within the organization, and avoid waste through the targeted use of LEAN methods.

Against this background, the issue of waste and resource conservation has been identified as a key area for action – particularly with regard to the two operating divisions KWD and Schnellecke Logistics SE, whose waste streams differ significantly due to their different business models.

At KWD, as part of the manufacturing processes for structural and body parts, metal waste is primarily generated, mainly through pressing and stamping processes. These metal residues are collected separately and returned to recycling processes. The division measures its contribution to resource conservation based on the recycling rate, which is regularly collected and monitored. The goal is to ensure the highest possible return rate of metal waste to the recycling cycle.

In contrast, Schnellecke Logistics SE focuses on packaging waste, which primarily consists of wood, cardboard, and plastic film. This waste is generated in large quantities, but is heavily dependent on our customers' packaging specifications, over which we ourselves have only limited influence. In order to create transparency and identify potential for optimization, Schnellecke Logistics collects the waste separation rate as a key performance indicator. This shows how well the waste generated in the company is separated and sent to the respective recycling channels.

A common feature of both divisions is the consistent integration of the topic of waste and resource conservation into internal training and instruction processes. Employees are regularly informed about their obligations when dealing with waste, about separation requirements, and about resource-conserving behavior. This awareness-raising creates a consciousness for environmental protection and supports compliance with internal guidelines.

Beyond these measures, no comprehensive, independent strategy for waste prevention or resource conservation is currently being pursued. Nevertheless, both divisions make an important contribution to avoiding environmental pollution and promoting sustainable value creation within the Schnellecke Group with their respective approaches—recording recycling and separation rates, training employees, and complying with legal and customer-specific requirements.



Waste data

| Types of waste | SLSE: Total quantity in tons | KWD: Total quantity in tons |
|----------------------------------|---------------------------------|--------------------------------|
| Plastic film & plastics | 245.42 | 13.88 |
| Hazardous waste | 11.13 | 101.48 |
| Mixed municipal waste | 1,876.66 | 176.22 |
| Wood | 5,146.19 | 95.08 |
| Cardboard, paper, and paperboard | 3,705.83 | 126.06 |
| Metals | 356.17 | 22,666.07 |
| Mixed recyclables | 51.15 | 20.79 |
| Other waste | 41.06 | 2.91 |
| Total | 11,433.59 | 23,202.48 |



ESRS S1: COMPANY WORKFORCE

Impacts, risks, and opportunities

Working conditions

| | | |
|-----------------|-------------------------|---------------------------------------|
| Positive impact | Own business activities | Secure jobs for our employees |
| Positive impact | Own business activities | Employee participation and commitment |
| Positive impact | Own business activities | Fair pay |
| Positive impact | Own business activities | Ensuring employee well-being |

Equal treatment and equal opportunities

| | | |
|-----------------------------|-------------------------|---|
| Positive impact | Own business activities | Equal pay for work of equal value |
| Negative impact | Own business activities | Lack of gender equality (women in management positions) |
| Positive impact/opportunity | Own business activities | Continuous development of skills |
| Positive impact/opportunity | Own business activities | Development of talent |
| Positive impact/opportunity | Own business activities | Diversification of own workforce |
| Positive impact | Own business activities | Employment and integration of people with disabilities |
| Positive impact | Own business activities | Prevention of harassment and violence in the workplace |

Other work-related rights

| | | |
|-----------------|-------------------------|---------------------------------------|
| Negative impact | Own business activities | Violation of human rights obligations |
|-----------------|-------------------------|---------------------------------------|



Social responsibility has been a consistent principle at Schnellecke since the company was founded. As a family-owned company, the well-being of our employees has been an important concern for us from the very beginning. Good working conditions and fair pay are a matter of course not only in Germany, but in all countries where we operate. We expect the same commitment from our business partners.

We observe internationally recognized human rights and fundamental freedoms throughout the world in accordance with the principles set out in the UN Global Compact. Through our actions, we contribute to their protection and promotion.

Schnellecke Logistics SE and KWD Automotive have grown continuously since their foundation. The Schnellecke Group's success in further development and growth depends on the people who work for us. Job security, well-being, and our corporate culture—anchored in the Schnellecke/KWD spirit—are an essential part of our success.

As a third-generation family business, we do not think in terms of quarterly periods, but rather in the long term. Responsibility is not shifted, but assumed. Because it is the values of the family that make the company strong.

The Schnellecke spirit has made an important contribution to this development. Its values, which are an expression of the corporate culture of the Schnellecke family business, are an economically important success factor. They have been exemplified and developed by the Schnellecke family since the company was founded in 1939 and form the core values of the Schnellecke Group. The values are listed in the "Corporate Governance" chapter in the "Corporate Culture" section.

Figure 1a: Schnellecke Spirit Index

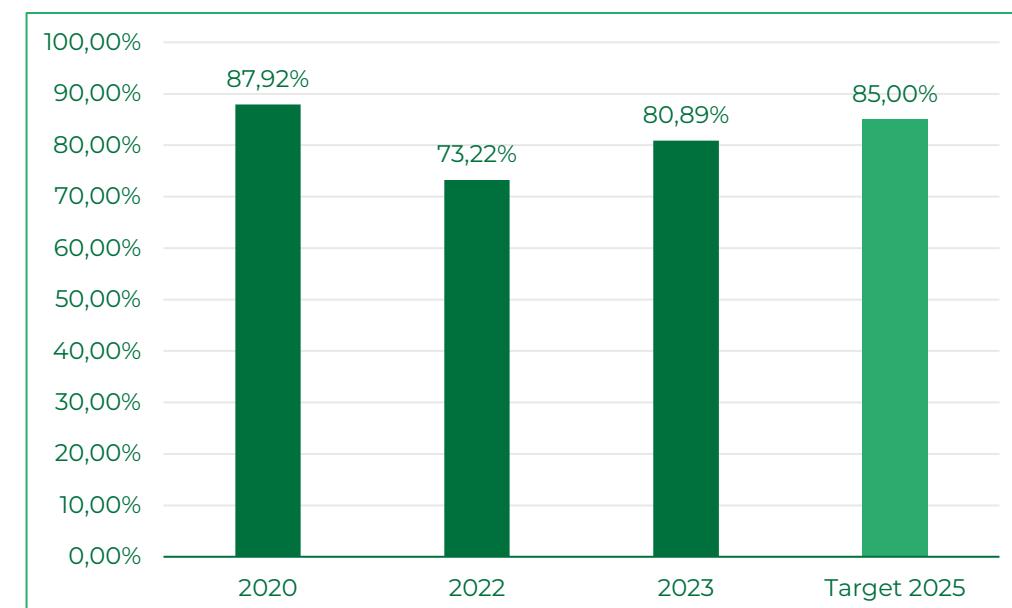
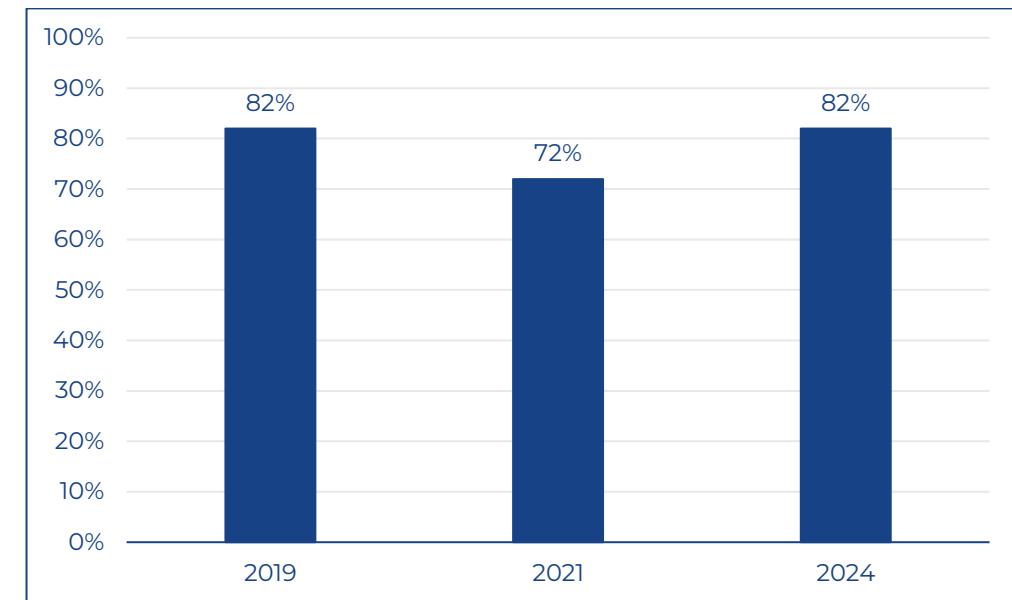


Figure 1b: KWD Spirit Index



The charts above show the extent to which employees agree with the shared value culture at Schnellecke Logistics SE and KWD. Employee surveys are conducted regularly every 2-3 years. On special occasions, the survey may also be suspended or conducted more frequently.

Concepts

As a globally active company, the Schnellecke Group is committed to its social responsibility. Our self-image is shaped by the idea that sustainable economic success is only possible if ecological and social concerns are taken into account. Respect for human rights is a fundamental part of sustainable corporate management for us. We are committed to respecting human rights in our own business activities and in our global supply and value chains, and to providing access to remedies for those affected by human rights violations. In doing so, we align our business activities with the internationally recognized United Nations Guiding Principles on Business and Human Rights and implement the requirements of the National Action Plan for Business and Human Rights. Our understanding and our human rights due diligence processes are based on the following international human rights reference instruments, to which we are committed:

- The International Bill of Human Rights, i.e. the United Nations Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, which define the civil, political and social rights to which all people are entitled for the sake of their dignity.
- The core labor standards of the International Labor Organization (ILO) with its four fundamental principles on freedom of association and the right to collective bargaining, the elimination of forced and child labor, and the prohibition of discrimination in employment and occupation.

We expect our business partners to also commit to respecting human rights, to establish appropriate due diligence processes, and to pass on these expectations to their own suppliers. These expectations are laid down in our Code of Conduct for Business Partners and form the basis for trust-based cooperation.

We recognize that our business activities and our global supply and value chains can potentially have adverse effects on human rights. We are committed to respecting all internationally recognized human rights and focus our human rights due diligence processes on the human rights issues that we have identified as material to our business through risk analysis. For more information on our human rights statement and measures, please visit our website: [Human Rights and Business Ethics - Sustainability and Compliance - About Us - Schnellecke](#)

Our approach to managing material impacts related to working conditions, equal treatment, and equal opportunities is anchored in our Code of Conduct. This describes our values and business principles, which are implemented and lived through our guidelines and standards. The principles and expectations described in the Code apply equally to our employees, business partners, suppliers, and other third parties associated with the Schnellecke Group. We are committed to respecting and promoting the corporate principles worldwide at all Schnellecke Group locations and in all business areas.



Our principles and expectations regarding labor and human rights standards, as formulated in the Code, include

- compliance with and promotion of human rights,
- protection against discrimination,
- the right to freedom of association and collective bargaining
- the prohibition of child labor, forced labor, and all forms of slavery and human trafficking.
- the promotion of health and safety in the workplace
- the payment of fair wages.

For Schnellecke Logistics, promoting diversity and inclusion worldwide is more than just an obligation—it is an integral part of our corporate culture. As a responsible company, we are committed to equal opportunities in the labor market and a prejudice-free working environment.

Inclusion is a high priority for us, as demonstrated by its firm anchoring in the company's strategic goals. The focus is on the strengths of each individual and thus on creating diversity in an inclusive and prejudice-free working environment.

Equal treatment of all people is a matter of course at Schnellecke Logistics and is anchored as a basic principle in our mission statement (Corporate Code of Business Ethics). Discrimination is not tolerated.

The Schnellecke Group has no internally defined political commitments. In Germany, however, there is a compensation levy, which stipulates that companies in Germany with 20 or more employees are legally obliged to allocate at least 5% of their jobs to people with disabilities. Anyone who, despite the employment obligation, does not hire any or too few people with disabilities must pay a so-called compensation levy.



Inclusion of the workforce

At Schnellecke, there are various forms and a wide range of ways in which our employees are involved at all levels of the company. We provide our employees with comprehensive information for their everyday work via our employee app, the employee magazine, and our screens in the logistics halls. Information from the works council, management conferences, training courses on various topics, invitations to employee surveys, and catering offers can be found there.

We maintain dialogue-oriented relationships with our employees throughout the Group and work together with employee representatives and trade unions in a spirit of trust and constructively. We manage co-determination issues on a decentralized basis. The Group Executive Board is always involved in particularly important issues.

In Germany, works councils, general works councils, and the Group Works Council represent the interests of employees. At the European level, the European Works Council (EWC) is our social partner. In non-European countries, such as the US and India, all our employees also have the right to form and join trade unions. In addition, there are representatives for people with disabilities at the plant, company, and Group levels. Employee representatives represent employees in various committees, e.g., in the meetings of the Occupational Safety and Health Committee (ASA) on occupational safety and medicine.

Our employee surveys on the Schnellecke Spirit and Pulse surveys on employee experience are an important form of participation and also an indicator of the relationship between our company and our employees. We conduct these surveys at least every two years in all Group companies. The results of the surveys help us to identify weaknesses and opportunities for improvement.

A further level of involvement is achieved through participation in training courses. In addition, our employees provide feedback on our leadership within the company by means of 360° surveys.

In strategy workshops, focus groups, and annual employee appraisals, employees have the opportunity to influence the organization of work and objectives, within the scope of what is possible.

Unless otherwise stated, the involvement of members of our workforce takes place both on an ongoing basis and on an ad hoc basis.

Whistleblower system

We operate a whistleblower system that provides internal and external stakeholders, as well as anyone else who may be affected worldwide, with a confidential channel of communication for reporting potential human rights violations.

Further information is provided in the section on page 43.

Link to the whistleblower system: [Schnellecke Group Whistleblower System | Start](#)

Measures

Seeking feedback from employees has a long tradition at Schnellecke. As a family-owned company, we work together based on the Schnellecke Spirit. We regularly conduct a comprehensive employee survey, evaluate the results, and derive measures from them. The Employee Experience Strategy focuses on the everyday experience of the working environment. What is important to our employees right now? What is going well? What is not going so well?

Twice a year, we derive measures in joint workshops with our managers. Communication, leadership and cooperation, and employee perspectives are topics we work on. We set ourselves fixed targets and regular measurement helps us to identify our progress and deficits.

In annual employee appraisals, goals are set, prospects for employees are outlined, and talents who want to pursue a career in the Schnellecke Group are identified. Through global HR conferences, we highlight development paths and support talented individuals through training, coaching, mentoring, peer learning, and collegial advice.

The goals for achieving employee satisfaction, reducing staff turnover and absenteeism, and identifying high-potential employees are jointly developed and adopted annually in the SLSE.

Our strategy is revised and realigned every five years. The strategic directions and goals for 2030 are currently being developed.

Employee Experience Strategy

| | Target | Target achievement |
|------|--------|--------------------|
| 2025 | 80.0 | |
| 2024 | 75.0 | 78.3 |
| 2023 | 35 BU | 35 BU |

360-degree leadership feedback

| | Target | Target achievement |
|------|--------|--------------------|
| 2025 | 80.0 | |
| 2024 | 80.0 | 81.8 |
| 2023 | NV* | NA* |
| 2022 | 80.0 | 82.0 |

* Originally, a two-year cycle was planned, but this was later changed to an annual cycle.

Potential successors for talent development

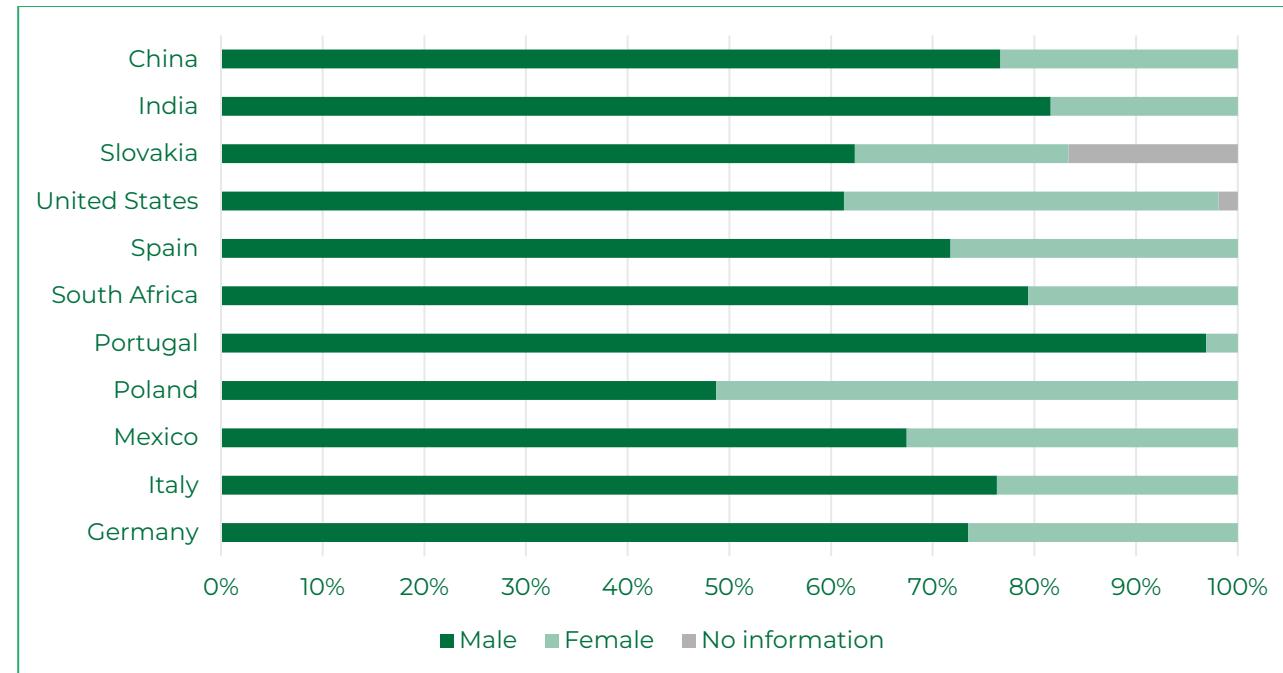
| | Target | Target achievement |
|------|--------|--------------------|
| 2025 | 80.0 | |
| 2024 | 75.0 | 75.8 |
| 2023 | 75.0 | 75.7 |

Composition of the workforce

Gender distribution

Gender equality is an essential component of a fair and progressive society. It contributes to economic development by harnessing the full potential of the entire population and reducing discrimination. By promoting gender equality, we can build a more diverse and innovative management team. The gender distribution at Schnellecke is as follows.

Figure 2a: SLSE gender distribution

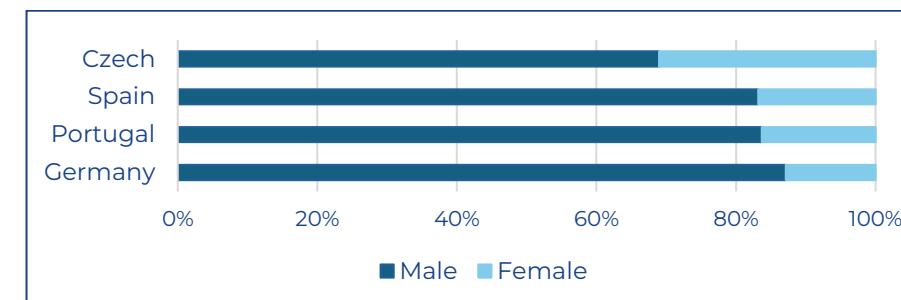


The low proportion of women in Portugal can be explained by the demands of the work. The majority of the roles involve activities that require handling heavy products, such as loading tires. We took over the business from the previous service provider, and even then a significant proportion of the workforce was male.

The business in Poland is characterized by a lot of packing and picking work. A higher proportion of women can generally be observed in the processing and sorting of small parts. In addition, there are many hand pallet truck drivers in Poland and fewer forklift drivers. The gender of approximately 17% of employees in Poland is unknown. These are employees of service providers who cannot pass on any data to us for data protection reasons.



Figure 2b: Gender distribution at KWD



The gender distribution at KWD in the production division shows a consistent picture. Work and jobs in production are characterized by heavy components, and for physiological reasons, the proportion of men is high. Nevertheless, the picture is different in the administrative areas of our companies. Through technological progress and targeted recruitment, the proportion of women in production is also to be increased in the medium term.

All data was recorded on December 31, 2024, as the reference date.

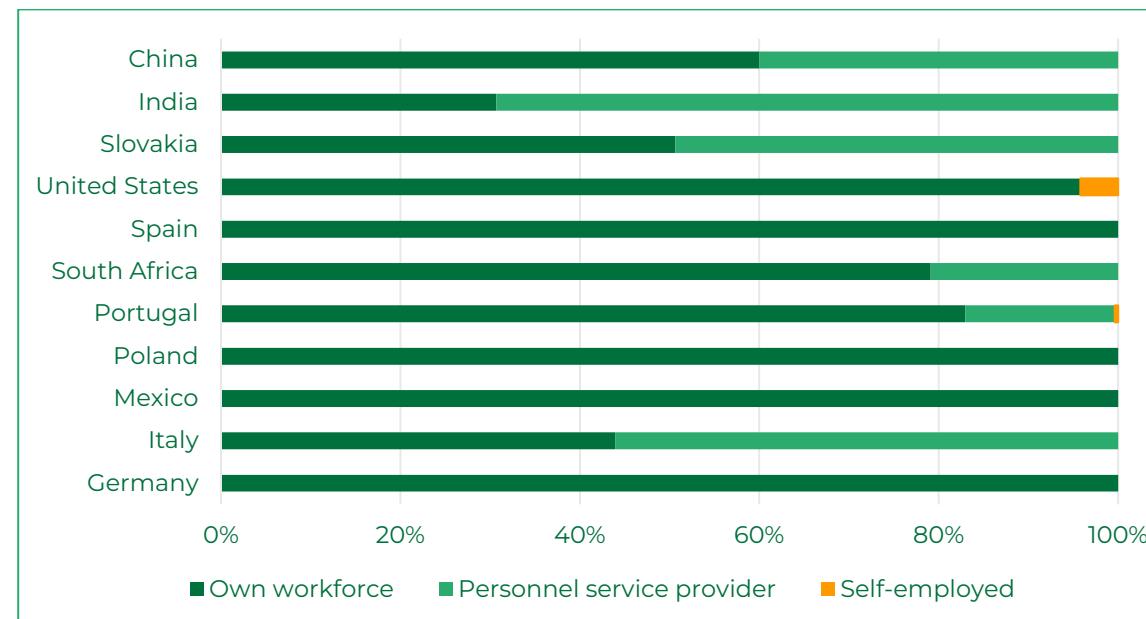
Employment relationships

Secure employment contributes to social stability and strengthens employees' confidence in their professional future. Long-term employment opportunities promote employee loyalty and commitment, which can lead to higher productivity and a better working atmosphere. At the same time, the flexibility offered by temporary workers enables efficient adaptation to changing market conditions.

The majority of Schnellecke employees are our own staff. However, the contract logistics business is generally characterized by fluctuating volumes from our customers. This means that Schnellecke is forced to employ a certain proportion of staff through service providers. We always strive to take on the employees of our service providers wherever possible, thereby ensuring their continued employment and job security.

In addition, we occasionally employ external experts (self-employed persons) who work on their own account. These are not recorded in our HR systems and are therefore not listed here.

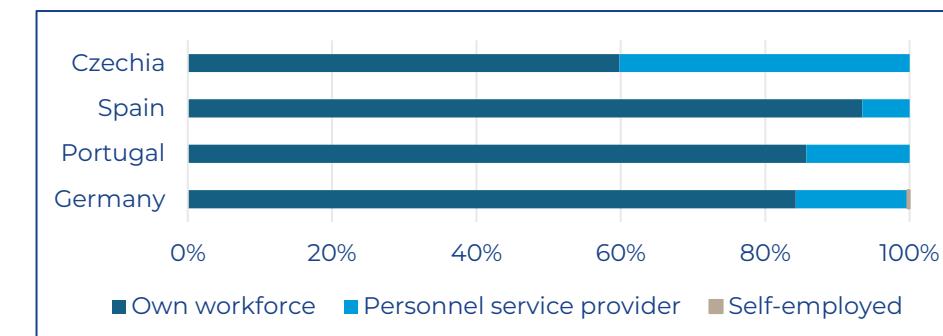
Figure 3a: SLSE employment relationships



In Italy, a new major project was acquired in fiscal year 2024. The short-term demand for labor could only be met by service providers, as hiring our own employees is difficult due to the labor market situation. We plan to take on as many employees from the service providers as possible. In Mexico, the use of personnel service providers is generally prohibited by law.

In the USA, the use of service providers is not necessary to the same extent, as the labor market and contract design are very flexible. In Spain, we are unable to monitor the exact and correct number of employees of personnel service providers due to the system. They are therefore not listed in this report.

Figure 3b: KWD employment relationships



The higher number of temporary workers at KWD in Czechia is due to the labor market itself. Since 2017, the unemployment rate has fallen below 3% and the domestic labor market reserve is too small to meet the demand of the economy.

Table 1a: SLSE employees by employment relationship

| | Male | Female | No information |
|----------------|--------------|--------------|----------------|
| Fixed-term | 456 | 185 | 0 |
| Permanent | 8,438 | 3,796 | 36 |
| No information | 443 | 114 | 54 |
| Total | 9,337 | 4,095 | 90 |
| | | | 13,522 |

Table 1b: KWD employees by employment status

| | Male | Female | No information |
|----------------|--------------|------------|----------------|
| Fixed-term | 60 | 7 | 0 |
| Permanent | 1,049 | 235 | 0 |
| No information | 0 | 0 | 0 |
| Total | 1,109 | 242 | 0 |
| | | | 1,351 |

* All data was recorded on December 31, 2024, as a snapshot survey.

Table 2a: SLSE Workforce Composition

| | Germany | Italy | Mexico | Poland | Portugal | South Africa | Spain | United States | Slovakia | India | China | Total |
|--------------------------|--------------|------------|--------------|--------------|------------|--------------|------------|---------------|------------|------------|-----------|---------------|
| Male | 748 | 151 | | | 40 | 91 | | | 182 | 360 | | 1,572 |
| Female | 144 | 62 | | | 3 | 47 | | | 42 | 114 | | 412 |
| No information | 1 | | | | | | | | | | 36 | 151 |
| Service providers | 893 | 213 | | | 43 | 138 | | | 338 | 474 | 36 | 2,135 |
| Male | 4,014 | 139 | 2,229 | 509 | 210 | 433 | 254 | 1,106 | 245 | 198 | | 9,337 |
| Female | 1,449 | 28 | 1,077 | 536 | 4 | 89 | 100 | 698 | 102 | 12 | | 4,095 |
| No information | | | | | | | | 36 | | | 54 | 90 |
| Own employees | 5,463 | 167 | 3,306 | 1,045 | 214 | 522 | 354 | 1,840 | 347 | 210 | 54 | 13,522 |
| Male | | | | | | | | 71 | | | | 71 |
| Female | | | | | | 1 | | 10 | | | | 11 |
| No information | | | | | | | | | | | | 0 |
| Not employed | | | | | | 1 | | | 81 | | | 82 |
| Total | 6,356 | 380 | 3,306 | 1,045 | 258 | 660 | 354 | 1,921 | 685 | 684 | 90 | 15,739 |

Table 2b: KWD Workforce Composition

| | Germany | Portugal | Spain | Czechia | Total |
|--------------------------|------------|------------|------------|------------|--------------|
| Male | 131 | 16 | 7 | 149 | 303 |
| Female | 18 | 5 | | 62 | 85 |
| No information | | | | | 0 |
| Service providers | 149 | 21 | 7 | 211 | 388 |
| Male | 707 | 107 | 82 | 213 | 1,109 |
| Female | 104 | 19 | 18 | 101 | 242 |
| No information | | | | | 0 |
| Own employees | 811 | 126 | 100 | 314 | 1,351 |
| Male | 1 | | | | 1 |
| Female | 2 | | | | 2 |
| No information | | | | | 0 |
| Not employed | | 3 | | | 3 |
| Total | 963 | 147 | 107 | 525 | 1,742 |

Working hours

In the field of contract logistics, Schnellecke has only limited influence on working hours. Shift models and times are specified by the customer. Despite these challenges, we find opportunities for part-time employees to fulfill their potential at Schnellecke, even in shift systems. In the administrative companies, the possibilities for flexible working are generally more pronounced. With part-time models, working hours can be adapted to personal circumstances, maintaining a balance between work and private life. Furthermore, administrative employees have the option of working remotely.

Apart from working time arrangements, employees have other options for balancing their private and professional lives. At Schnellecke, these include the option of unpaid leave, deferred compensation for a longer break of up to four months, or additional days off through the conversion of collectively agreed additional payments.

Table 3a: SLSE working hours

| | Male | Female | No information |
|----------------|--------------|--------------|----------------|
| Full-time | 8,503 | 3,620 | 36 |
| Part-time | 390 | 361 | 0 |
| No information | 444 | 114 | 54 |
| Total | 9,337 | 4,095 | 90 |
| | | | 13,522 |

Table 3b: KWD working hours

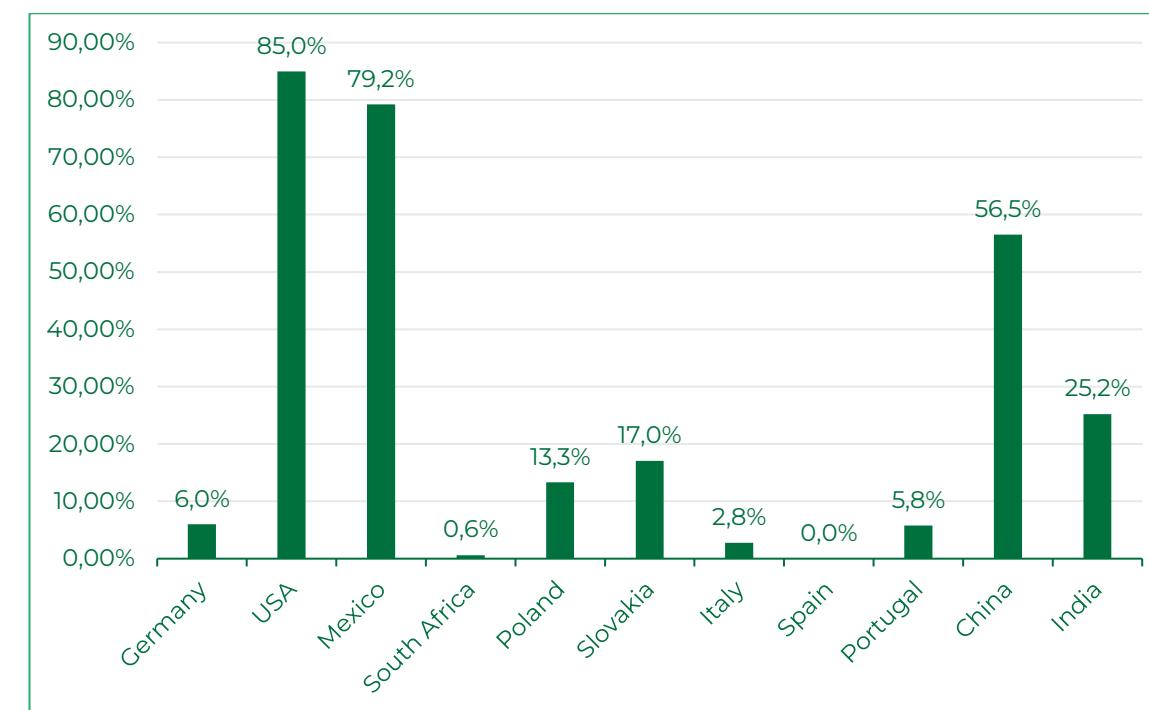
| | Male | Female | No information |
|----------------|--------------|------------|----------------|
| Full-time | 1,042 | 203 | 0 |
| Part-time | 67 | 39 | 0 |
| No information | 0 | 0 | 0 |
| Total | 1,109 | 242 | 0 |
| | | | 1,351 |

All data was recorded on December 31, 2024, as the reporting date.

Turnover rate

The following chart shows the turnover rate at Schnellecke. Only employees who left the company of their own accord are included. Employees who retire, are terminated by Schnellecke for operational reasons, or leave the company for other reasons are not included. The following chart shows the percentage of employees who left Schnellecke divided by the average number of employees in 2024.

Graph 4: SLSE turnover



In the USA, production was reduced at some plants due to economic difficulties experienced by our customers. Schnellecke was therefore forced to reduce its workforce as well, which it achieved through higher basic fluctuation in the USA without redundancies for operational reasons. In addition, approximately 750 employees did not complete the training process in 2024. The high turnover rate in Mexico can be explained by the very dynamic job market. Employees are very willing to change jobs and enjoy working in different industries.

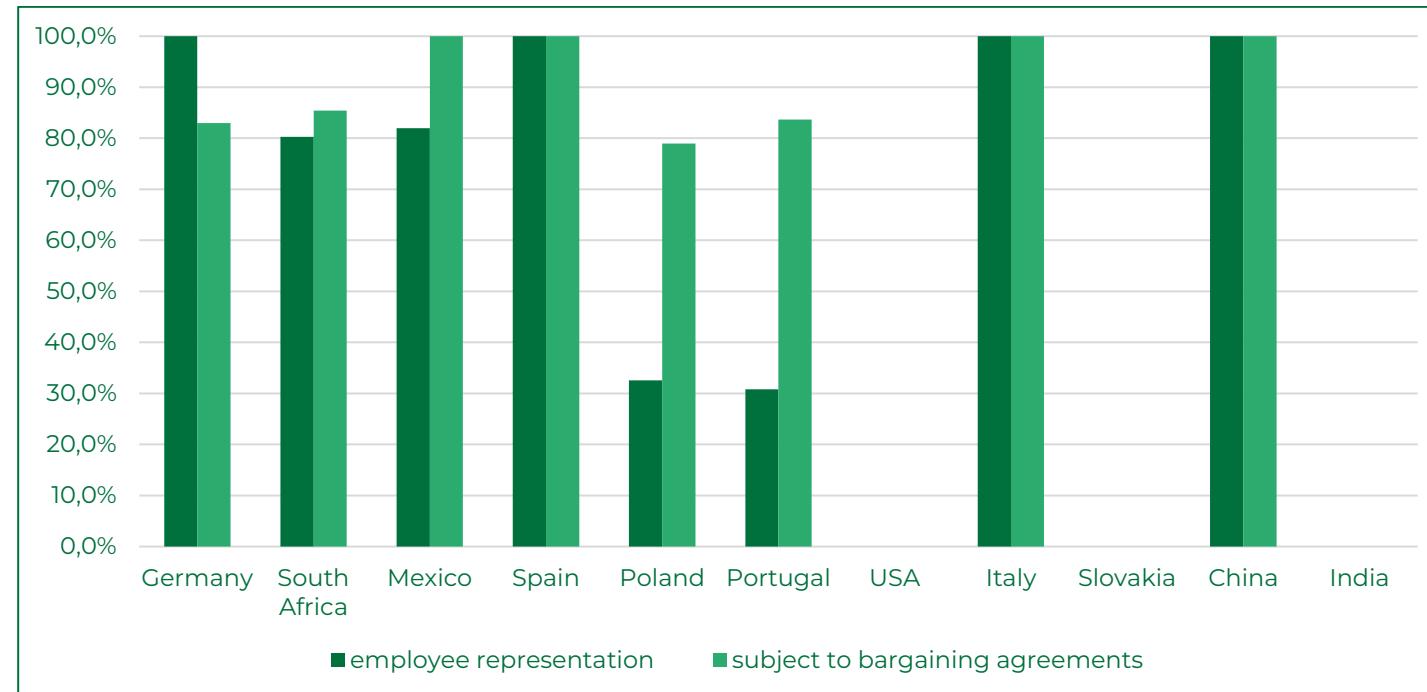
Table 4: KWD turnover

| Country | Fluctuation |
|----------|-------------|
| Germany | 5.1 |
| Portugal | 10.3 |
| Spain | 0.0 |
| Czechia | 3.2 |

Collective bargaining coverage and works council coverage

Co-determination at Schnellecke and KWD takes place through various bodies. Employees have the opportunity to shape cooperation to varying degrees through the works council or their supervisors. This cooperative approach ensures that employees have a say in important matters and promotes a more democratic and committed approach. By involving employees in decision-making processes, we can leverage their knowledge and experience. This leads to more informed decisions and greater innovation.

Figure 5a: SLSE employee representation

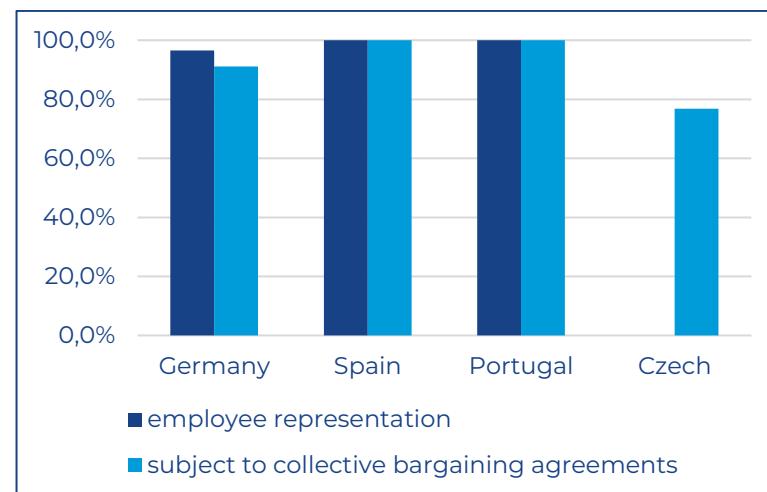


In order to ensure fair, socially responsible, and modern working conditions, Schnellecke in Germany aims to conclude collective agreements for as many of its operational sites as possible. Schnellecke is committed to fair working conditions and therefore welcomes dialogue with social partners and trade unions. Approximately 17% of employees in Germany are not covered by collective agreements. These are employees from Group companies and managers at the locations who are paid above the collective agreement rates.

In Portugal, negotiations are currently underway to reorganize the works council. There are currently no employee representative bodies in the companies in the USA and India. We do not have any data for our locations in Slovakia.

Since December 9, 2020, our employees in Germany and Europe have also been represented by our European works council.

Figure 5b: KWD employee representation



In the production division, all locations and employees are employed under collective bargaining agreements. With the exception of the Czech location, there are works councils. There, the interests of the employees are represented by the basic trade union organizations, and works councils are only installed as substitute bodies in companies without trade union representation.

* All data was recorded on December 31, 2024, as the reporting date.

Age distribution

At Schnellecke, employees from different generations work together. Young employees bring new ideas, change, and innovation to the company. Experienced colleagues provide stability and in-depth process knowledge. This combination is an important building block for our success.

Table 5a: SLSE age distribution

| Country | <30 | 30 | >50 | No information |
|--------------|-------|-------|-------|----------------|
| Germany | 866 | 2,766 | 1,831 | 0 |
| South Africa | 94 | 363 | 65 | 0 |
| Mexico | 1,685 | 1,308 | 313 | 0 |
| Spain | 17 | 159 | 178 | 0 |
| Poland | 241 | 590 | 214 | 0 |
| Portugal | 10 | 132 | 72 | 0 |
| USA | 527 | 867 | 446 | 0 |
| Italy | 15 | 113 | 39 | 0 |
| Slovakia | N/A | N/A | N/A | 347 |
| China | 3 | 42 | 9 | 0 |
| India | 154 | 46 | 10 | 0 |

Table 5b: KWD age distribution

| Country | <30 | 30 | >50 |
|----------|-----|-----|-----|
| Germany | 91 | 411 | 309 |
| Spain | 6 | 46 | 48 |
| Portugal | 13 | 75 | 38 |
| Czechia | 64 | 203 | 47 |

* The above tables show the age distribution of our own employees. All data was recorded on December 31, 2024, as the reporting date.

Gender distribution in top management

At Schnellecke, top management consists of the Executive Board, the Management Board, and the Business Committee. The Business Committee has a total of 19 executives, two of whom are women. The proportion of women is therefore 10.5%. All data was recorded on December 31, 2024, as the reporting date.

At KWD, there are also three levels to consider: the Executive Board, the Vice Presidents of the KWD Group, and the management teams at the various locations. The proportion of women is 9.5%.





Appropriate remuneration

Fair pay is a key factor for social and economic stability. Fair and competitive salaries are crucial for attracting and retaining talented employees. They promote motivation and productivity and strengthen the positive image of our company as an attractive employer. Appropriate remuneration at Schnellecke and KWD is reflected in the high level of collective bargaining coverage of over 84% in Europe and over 90% in Mexico. Schnellecke and KWD pay their employees at all locations at least the nationally applicable minimum wage.

Social security

Employee well-being

Employee well-being encompasses various strategies and initiatives aimed at improving the overall health, satisfaction, and productivity of employees.

We offer employees in all countries various employee benefits, such as cost sharing for sports clubs, fresh fruit baskets, or various health protection measures in Germany, or gifts for Father's Day and Mother's Day in Mexico.

This also includes creating a supportive work environment and promoting work-life balance. With our "Employee Experience" tool, we keep an eye on the needs of our employees and can react quickly to changing conditions.

By promoting the well-being of our employees, we can increase their commitment and performance. This leads to lower turnover and sickness rates, as well as greater satisfaction and loyalty to the company.

Table 6a: Social security at Schnellecke

| Country | ALV | Sickness | Pension | Maternity | Accident insurance |
|--------------|-------|----------|---------|-----------|--------------------|
| Germany | 100.0 | 100.0 | 100.0 | 26.5 | 100.0 |
| South Africa | 100.0 | 100.0% | 100.0 | 17.0 | 100.0 |
| Mexico | 0.0 | 100.0 | 100.0 | 32.6 | 100.0 |
| Spain | 100.0 | 100.0 | 100.0 | 28.2 | 100.0 |
| Poland | 100.0 | 100.0 | 100.0 | 51.3 | 100.0 |
| Portugal | 100.0 | 100.0 | 100.0 | 2.3 | 100.0 |
| USA | 100.0 | 100.0 | 100.0 | 37.9 | 100.0 |
| Italy | 100.0 | 100.0 | 100.0 | 16.8 | 100.0 |
| Slovakia | N/A | N/A | N/A | N/A | N/A |
| India | 8.0 | 8.0 | 8.0 | N/A | 8.0 |
| China | 100.0 | 100.0 | 100.0 | 23.3 | 100.0 |

* No data is available on the gender distribution of the company's own employees. The distribution was extrapolated based on the overall gender distribution, including personnel service providers.

Table 6b: Social security KWD

| Country | ALV | Sickness | Pension | Maternity | Accident insurance |
|----------|-------|----------|---------|-----------|--------------------|
| Germany | 100.0 | 100.0 | 100.0 | 12.8 | 100.0 |
| Spain | 100.0 | 100.0 | 100.0 | 18.0 | 100.0 |
| Portugal | 100.0 | 100.0 | 100.0 | 15.1 | 100.0 |
| Czechia | 100.0 | 100.0 | 100.0 | 32.2 | 100.0 |

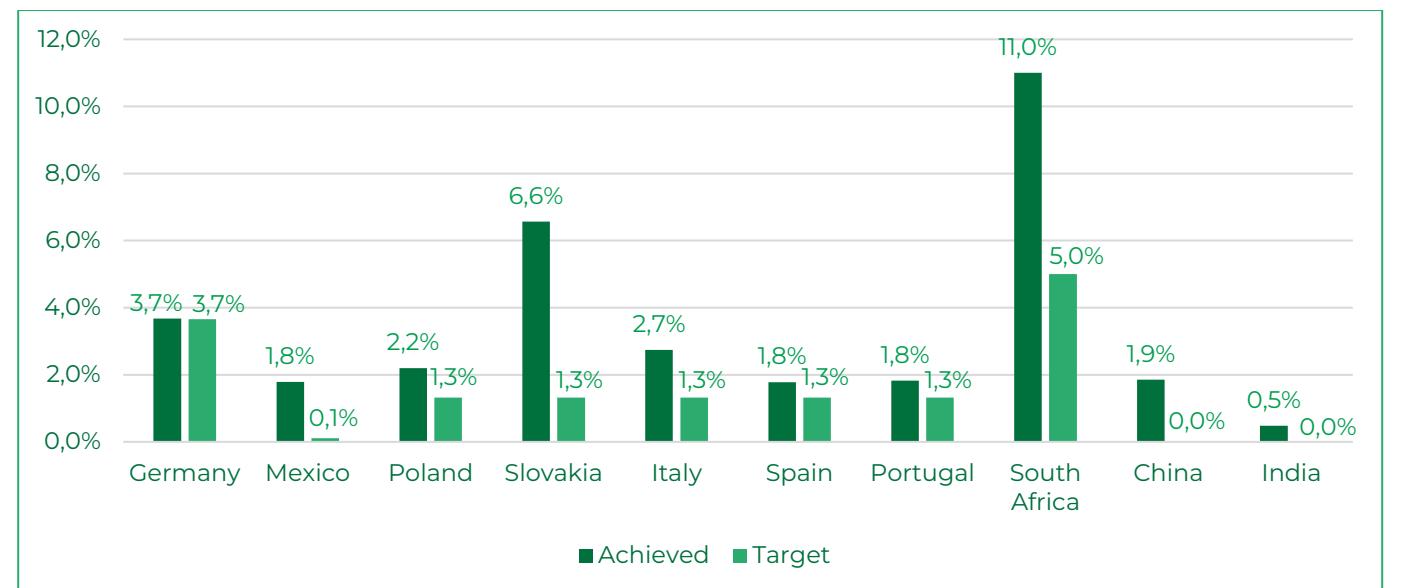
* Only our own employees were considered in the above data. In the maternity leave column, only women are entitled to this aspect of coverage. The percentage corresponds exactly to our proportion of female employees. All data was recorded on December 31, 2024, as the reporting date.

Inclusion

Hiring people with disabilities, drafting their contracts, and improving/adapting our facilities to ensure accessibility are important measures for promoting inclusion and equal opportunities. Even though economic challenges make social engagement more difficult, it is important to continue these efforts.

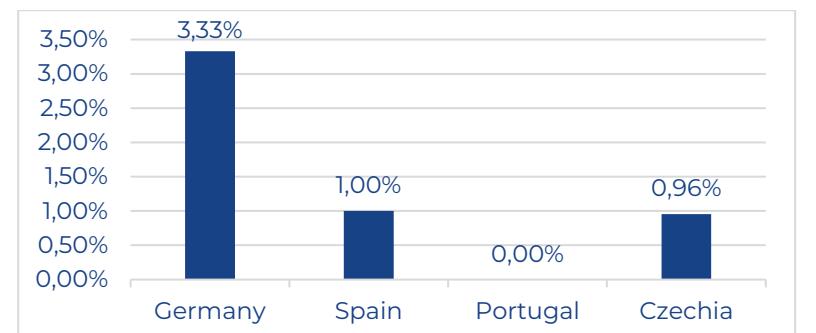
The integration of people with disabilities into the labor market is an essential step toward promoting social justice and reducing discrimination. It helps to strengthen diversity and inclusion in society. For our company, this means that we can draw on a broader spectrum of talent and perspectives, which increases our innovative strength and competitiveness. It also signals our commitment to social responsibility and an inclusive corporate culture.

Figure 8a: SLSE employees with disabilities



*All data was recorded as an average for the year 2024. Data for China and India was collected as of December 31, 2024, as it cannot be recorded via our HR systems.

Figure 8b: Employees with disabilities at KWD



*The data for KWD was collected as of December 31, 2024.



Training hours per employee

Table 7a: SLSE Training hours per employee

| Gender | Safety training | Technical training |
|----------------|-----------------|--------------------|
| Male | 7.03 hours | 28.79 hours |
| Female | 5.63 hours | 13.51 hours |
| Various | N/A | N/A |
| No information | 3.00 hours | 11.50 hours |

The table above shows the average number of training hours per employee in 2024, consolidated across all countries. Data is not available for all of our regions; the data shown only refers to employees with at least one training hour for the respective category. We have data on safety training for Italy, Spain, the USA, and South Africa, with a total of 2,883 employees. Data on specialist training is available for Italy and Spain, with a total of 785 employees. For China and India, it is not known whether the training hours completed count as safety or specialist training. These are therefore referred to as specialist training hours and are included in the 785 employees mentioned above. The following table lists the training hours by country.



Figure 9a: SLSE training hours by country



Table 7b: KWD training hours per employee

| Gender | Safety training | Technical training |
|----------------|-----------------|--------------------|
| Male | 3.04 hours | 2.03 hours |
| Female | 3.05 hours | 4.23 hours |
| Various | N/A | N/A |
| No information | N/A | N/A |

Training and skills development

Continuous training of our workforce is crucial to Schnellecke's adaptability and competitiveness. This contributes to employee retention and promotes innovation. Through targeted training and development programs, we can ensure that our employees have the necessary skills and knowledge to meet current and future requirements. Our employees can choose from a wide range of internal and external training courses. Thanks to our modern learning management system, our training courses are standardized, assigned to specific target groups, and available online at any time.

Development of high potentials

Promoting high potentials helps to fill internal positions with our own employees. Our strategic personnel planning ensures that open positions/projects and the promotion of high potentials are specifically coordinated. Investing in our own employees increases their loyalty and offers a wide range of opportunities for horizontal and vertical development within the company. For Schnellecke, in addition to employee loyalty, this also offers the opportunity to draw on synergies from the employee's previous employment. Employees can profitably apply experience from previous jobs to their new roles. This ensures our long-term success and our ability to innovate.

Health and safety

Our HSE management system helps to embed sustainability in all business processes and in the everyday lives of our employees. It helps us to systematically plan, implement, and improve our HSE processes. It also supports us in participating in tendering processes for new projects where customers require HSE certificates from their suppliers. We have defined the general responsibilities, tasks, and measures of health and safety management in our Integrated Management Policy for Quality, Health, Safety, and Environmental Protection. It serves to standardize and specifically align our management systems across the group. The HSE management system supports health management in positively influencing the health of our employees. The Schnellecke Group also uses the management system to reduce the number of accidents at work. On this basis, we can develop packages of measures for occupational health and safety that increase the safety of our employees, contribute to maintaining their health, and can have a positive effect on their work performance. To ensure compliance with the requirements of ISO 45001, we conduct annual internal audits and undergo reviews by independent external certification bodies.

Table 8a: SLSE Health and Safety

| | Unit | 2024 | 2023 |
|--|------|-------|-------|
| Employees covered by a health and safety management system (number of persons) | % | 69.90 | 62.13 |
| Number of work-related deaths | | 0 | 0 |
| Number of reportable work accidents | | 370 | 387 |
| Lost-time injury rate | | 13.36 | 13.03 |

* The number of working hours is based on 2,000 annual working hours per full-time equivalent.

Table 8b: KWD Health and Safety

| | Unit | 2024 | 2023 |
|--|------|------|------|
| Employees covered by a health and safety management system (number of persons) | % | 0 | 0 |
| Number of work-related fatalities | | 0 | 0 |
| Number of reportable work accidents | | 48 | 44 |
| Lost-time injury rate | | 19.3 | 16.2 |

* The health and safety management system has not been rolled out at KWD sites.

We are currently unable to report the rate of work-related injuries. The number of reportable accidents takes into account incidents resulting in at least one day of absence for our own employees.

Schnellecke Logistics SE has set clear minimum standards for occupational health and safety in order to maintain the health of its employees and ensure occupational safety and ergonomics in the workplace. These standards include structures, processes, measures, and goals that lead to a healthy and performance-enhancing design and organization of the working environment. Prevention and avoidance of work-related health, safety, and fire hazards are a top priority. Each organizational unit must appoint at least one technically qualified person as an HSE expert. This person is responsible for ensuring and improving occupational safety, health protection (including in the event of a pandemic), and the handling of hazardous substances and fire protection on site.

If it is not possible to avoid or eliminate sources of danger, we follow the so-called hierarchy of measures in occupational safety. This is structured as follows:

- Safety measures to ensure physical separation between the source of danger and our workforce (e.g., barriers or modified traffic routes)
- Organizational measures (e.g., restricting or prohibiting access to the danger zone)
- Use of personal protective equipment (e.g., safety glasses, safety shoes, or hearing protection)
- Behavioral measures (e.g., instructions, for example, in connection with fire protection or the use of ladders, or operating instructions).

In addition to offerings that are available to all employees, there are also target group-specific occupational safety measures. These include, for example, driver safety training for certain areas of work or special safety training for employees who handle hazardous substances. The measures are designed to help prevent accidents and promote the health and performance of employees.

We regularly identify health and safety risks. In order to ensure a safe working environment, we carry out risk assessments for all areas of activity, from which we derive appropriate measures. In accordance with the PDCA cycle (Plan-Do-Check-Act), we review and measure the effectiveness of our measures in order to continuously develop our management system.

Exemptions

Table 9a: SLSE exemptions

| Gender | Maternity leave | Care leave | Parental leave |
|---------------|-----------------|------------|----------------|
| Male | 0.00 | 0.92 | 0.76 |
| Female | 1.61 | 0.93 | 1.71 |
| No data | N/A | N/A | N/A |
| Miscellaneous | N/A | N/A | N/A |

Table 9b: KWD exemptions

| Gender | Maternity leave | Care leave | Parental leave |
|---------------|-----------------|------------|----------------|
| Male | 0 | 0 | 0.63 |
| Female | 0.83 | 0.00 | 7.85 |
| No data | N/A | N/A | N/A |
| Miscellaneous | N/A | N/A | N/A |

As of December 31, 2024, our HR systems are not able to correctly map the exemption options in accordance with ESRS S1-15. As things stand at present, we can only record who has taken advantage of the respective exemptions, but not who is entitled to them and has been rejected, for example. Accordingly, we only report on the exemptions that have been taken advantage of. We use the following formula for this purpose:

$$\text{Exemptions in \%} = \frac{\text{number of exemptions}}{\text{number of employees as of December 31, 2025}}$$

We have no data on leave for a total of 2,451 employees. This includes 1,840 employees from the US, where employers are not allowed to independently request and store health data.

Incidents, complaints, and serious impacts related to human rights

The number of work-related incidents and/or complaints and serious human rights impacts within the company's workforce, as well as any associated fines, sanctions, or compensation, are reported in the "Corporate Governance" chapter under "Whistleblower System and Reporting Structures."



ESRS G1: CORPORATE GOVERNANCE

Impacts, risks, and opportunities

Business conduct

| | | |
|-----------------|-------------------------|--|
| Opportunity | Own business activities | Corporate security (internal) |
| Positive impact | Value chain | Ensuring compliance with our Code of Conduct for Suppliers |
| Negative impact | Value chain | Violation of human rights obligations in the supply chain |

Corporate culture

| | | |
|-----------------|-------------------------|--|
| Positive impact | Own business activities | Healthy corporate culture and corporate values put into practice |
| Positive impact | Own business activities | Employee awareness of CSR issues |

Corporate culture and corporate governance

The Schnellecke Spirit and the corporate values and standards of conduct defined therein serve as guidelines for working methods, customer contacts, and corporate governance. They provide direction for the actions and behavior of all Schnellecke employees worldwide and unite them. They form the basis for decisions and thus provide a common direction and orientation.

The Schnellecke Spirit

"We all take responsibility"

- I am reliable, handle the information and work equipment entrusted to me with care, act on the basis of clear work orders, and fulfill my tasks on time and to a high standard of quality.
- We stand by our word, communicate clearly, and act consistently. We are committed to our customers and our company, to using resources and the environment economically and consciously, and thereby promote the achievement of our goals.

"We are a strong team"

- I am committed, work with motivation and focus, contribute my strengths, and treat others with respect.
- We pull together, support each other, stand up for each other, share our knowledge, and appreciate our joint successes.

"We have the courage to change"

- I am open to new ideas, contribute innovative ideas, and take on new challenges.
- We break new ground, deal openly with mistakes, learn from them, continuously improve our structures and processes, and thus secure our future.



Management of supplier relationships

The Schnellecke Group's supplier management is based on the principles of sustainability and compliance. The company attaches great importance to selecting and working with suppliers who are also committed to responsible and sustainable practices.

The Schnellecke Group uses the IntegrityNext platform to manage supplier profiles and ensure that all suppliers meet the required standards. This includes aspects such as environmental protection, social responsibility, and ethical business practices.

All suppliers must comply with applicable laws and regulations and respect the corporate values of the Schnellecke Group. This includes respect for human rights, fair working conditions, and protection against discrimination.



Compliance Management System

The Schnellecke Group requires its companies and all its employees and managers in all countries in which we operate to comply with all applicable laws and voluntary commitments. For the Schnellecke Group, compliance is an expression of its corporate and value culture, which is also based on ethical and moral principles.

The Schnellecke Group's global Compliance Management System (CMS) is structured and implemented in accordance with the national and international standards of IDW PS 980 and is anchored throughout the group in all sub-groups. Based on the corporate values of the "Schnellecke Spirit," the three codes of conduct are essential components of the CMS. The corporate code of business ethics reflects the Schnellecke Group's self-image, how we conduct our business, the ethical and international standards to which we are committed, and our obligations to sustainability and respect for human rights.

This self-image is communicated to our workforce in a binding manner via the Code of Conduct for Employees and associated guidelines. The same applies to our suppliers, who are bound to comply via the Code of Conduct for Business Partners, our terms and conditions, and the supplier management process. This is how we ensure implementation across the board. The codes of conduct set standards for responsible and legally compliant behavior.

Overall responsibility for compliance lies with the Compliance Committee across all divisions. A global compliance organization headed by a Chief Compliance Officer is responsible for the further development of the compliance management system as well as for advising and training managers and employees.

In the event of suspicion or indications of misconduct or violations of applicable laws or internal guidelines, all employees and external parties have access to a multilingual whistleblower system that accepts reports via various channels—anonimously if desired—electronically, by mail, by telephone, or in person.

The web-based electronic whistleblower system is designed for reporting compliance and human rights violations and meets all data protection and information security requirements. Reports received via the system go directly to the specially trained compliance officer in the respective region and to the Corporate Compliance & Auditing department at the company headquarters.

The fight against corruption is a key focus of the Schnellecke CMS. To prevent corruption and bribery, gifts (presents, hospitality, participation in invitation-only events, etc.) may only be given or accepted under certain conditions. Details on this, as well as guidelines for avoiding conflicts of interest, preventing money laundering and terrorist financing, and regulations for compliance with antitrust and competition law, are laid down in globally applicable Group guidelines and central processes. In addition, the Schnellecke Group has globally applicable compliance regulations on donations and sponsorship.

Compliance training

With a risk-oriented and target group-specific training program, the Schnellecke Group provides its employees and managers with the necessary understanding of compliance issues and sensitizes them to relevant compliance risks in everyday business. The training courses take the form of web-based online training and face-to-face training, familiarizing participants with the Code of Conduct for Employees, the Corporate Code of Business Ethics, and the relevant guidelines and standards.

The training courses are continuously developed and adapted to the employees' areas of responsibility. Following a risk-based approach, the training courses cover topics such as integrity, the Schnellecke Group's Code of Conduct, competition and antitrust law, anti-corruption, and protection against discrimination and harassment. The training courses contribute to a basic understanding of compliance issues at all levels of the company and also refer to the whistleblower system and how it is used.

The training courses are offered worldwide in the countries where a Schnellecke Group company is active, in the respective national language, and are conducted locally by the compliance coordinators.

As part of the onboarding process for new employees, everyone receives comprehensive initial training on the Code of Conduct and is provided with supplementary information materials on relevant guidelines and processes. Compliance training courses are held every two years or annually for risk groups.

Whistleblower system and reporting structures

To report legal violations, misconduct, or human rights violations, employees can contact their managers or regional compliance coordinators. Reports of potential violations, particularly illegal business practices, can be submitted via various analog reporting channels or via the globally accessible whistleblower system. It is available in 80 languages and allows whistleblowers to communicate confidentially, securely, and in encrypted form. Reports can be submitted in writing or as voice messages in any language. The reporting channels and the procedure for investigating reports are regulated in a set of rules of procedure and the Group Compliance Policy. These also specify the measures for protecting whistleblowers. The organizational structure enables any compliance violations to be investigated independently and comprehensively. In the event of violations, all appropriate and legally permissible measures will be taken.

The Chief Compliance Officer reports to the Schnellecke Group Compliance Committee in quarterly reports. The reports include the number and details of reports of potential misconduct, investigations conducted, training, and adjustments to the policy structure. In the event of significant compliance incidents or reports, ad hoc reports are also made to the Executive Board or the Compliance Committee.

| Category | Number |
|--|--------|
| Substantiated whistleblower cases | 14 |
| Concerning harassment and discrimination | 8 |
| Concerning corruption and bribery | 0 |
| Concerning antitrust and competition law | 0 |
| Concerning serious human rights violations | 0 |

As in 2023, we continue to report no convictions for violations of anti-corruption laws. The amount of fines for violations of anti-corruption laws, an additional indicator introduced in 2024, also amounted to zero euros. The same applies to fines or convictions in the area of antitrust and competition law and human rights violations.



Political influence and lobbying

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 covering the following areas:

Exchange and networking, consulting and information exchange, and legal support, particularly in the form of legal advice. In addition, the company receives continuous updates 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 and Supply Chain Due Diligence Act,
- EU Corporate Sustainability Reporting Directive,
- EU Taxonomy for Sustainable Activities.

Through its memberships and associations, the Schnellecke Group submits statements on legal implementation in the countries concerned. The company's political involvement is limited to actively participating in national or international elections, such as the EU elections.

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

- Employers' associations,
- German Logistics Association,
- German Energy Agency – Working Group on Sustainable Heavy Goods Transport,
- German Transport Forum,
- Chamber of Industry and Commerce,
- Engine Room,
- Foundation for Family Businesses and Politics,
- German Association of the Automotive Industry,
- Association of Energy Consumers.

These memberships help to represent the interests of the company in various areas of the logistics and automotive industries, while at the same time promoting continuous development through exchange and cooperation.

DISCLOSURE REQUIREMENTS AND INTEGRATION BY REFERENCE

| ESRS 2 - General information | | ESRS E2 - Environmental pollution | | ESRS S1 - Company workforce | |
|--|-------------|-----------------------------------|-------------|--------------------------------------|---|
| Disclosure requirement | Page | Disclosure requirements | Page | Disclosure requirements | Page |
| BP-1: Fundamentals of preparation | 4 | ESRS 2 IRO-1: Processes | - | ESRS 2 SBM-2: Stakeholders | 6 |
| BP-2: Specific circumstances | - | E2-1: Concepts | 22 | ESRS 2 SBM-3: Strategy | - |
| GOV-1: Role of corporate governance | 41 | E2-2: Measures | 22 | S1-1: Concepts | 27 |
| GOV-2: Corporate governance | 5 | E2-3: Objectives | - | S1-2: Employee representation | 34 |
| GOV-3: Incentive systems | 5 | E2-4: Pollution | - | S1-3: Mitigation of negative impacts | 27 |
| GOV-4: Due diligence | 5 | E2-5: Substances of concern | - | S1-4: Measures | 29 |
| GOV-5: Risk management | - | E2-6: Financial effects | - | S1-5: Objectives | Fehler! Textmarke nicht definiert. |
| SBM-1: Value chain | 6 | | | S1-6: Employees | 30 |
| SBM-2: Stakeholders | 6 | | | S1-7: External workers | 31 |
| SBM-3: Strategy | - | | | S1-8: Collective agreement coverage | 34 |
| IRO-1: Process materiality analysis | 9 | | | S1-9: Diversity | 34 |
| IRO-2: Disclosure requirements covered | 10 | | | S1-10: Fair remuneration | 36 |
| ESRS E1 - Climate change | | | | S1-11: Social security | 36 |
| Disclosure requirements | Page | | | S1-12: People with disabilities | 37 |
| ESRS 2 GOV-3: Corporate governance | - | | | S1-13: Continuing education | 38 |
| E1-1: Transition plan | 13 | | | S1-14: Health and safety | 39 |
| ESRS 2 SBM-3: Strategy | 13 | | | S1-15: Work-life balance | 39 |
| ESRS 2 IRO-1: Process | 9 | | | S1-16: Remuneration indicators | - |
| E1-2: Concepts | 13 | | | S1-17: Incidents and complaints | 42 |
| E1-3: Measures | 13 | | | | |
| E1-4: Objectives | 14 | | | | |
| E1-5: Energy consumption | 19 | | | | |
| E1-6: GHG emissions | 20 | | | | |
| E1-7: CO2 certificates | - | | | | |
| E1-8: Internal CO2 pricing | 21 | | | | |
| E1-9: Financial effects | - | | | | |
| ESRS G1 - Corporate governance | | | | | |
| Disclosure requirements | Page | | | | |
| ESRS 2 GOV-1: Role of corporate governance | - | | | | |
| ESRS 2 IRO-1: Processes | - | | | | |
| G1-1: Corporate culture | 26, 41 | | | | |
| G1-2: Suppliers | 42 | | | | |
| G1-3: Prevention | 42 | | | | |
| G1-4: Incidents of bribery and corruption | 43 | | | | |
| G1-5: Political influence | 44 | | | | |
| G1-6: Payment practices | - | | | | |

APPENDIX: SCHNELLECKE LOGISTICS SE (SLSE)

Key figure "Kilograms of CO2 per square meter of ESG refinancing" Kg CO2 /m²

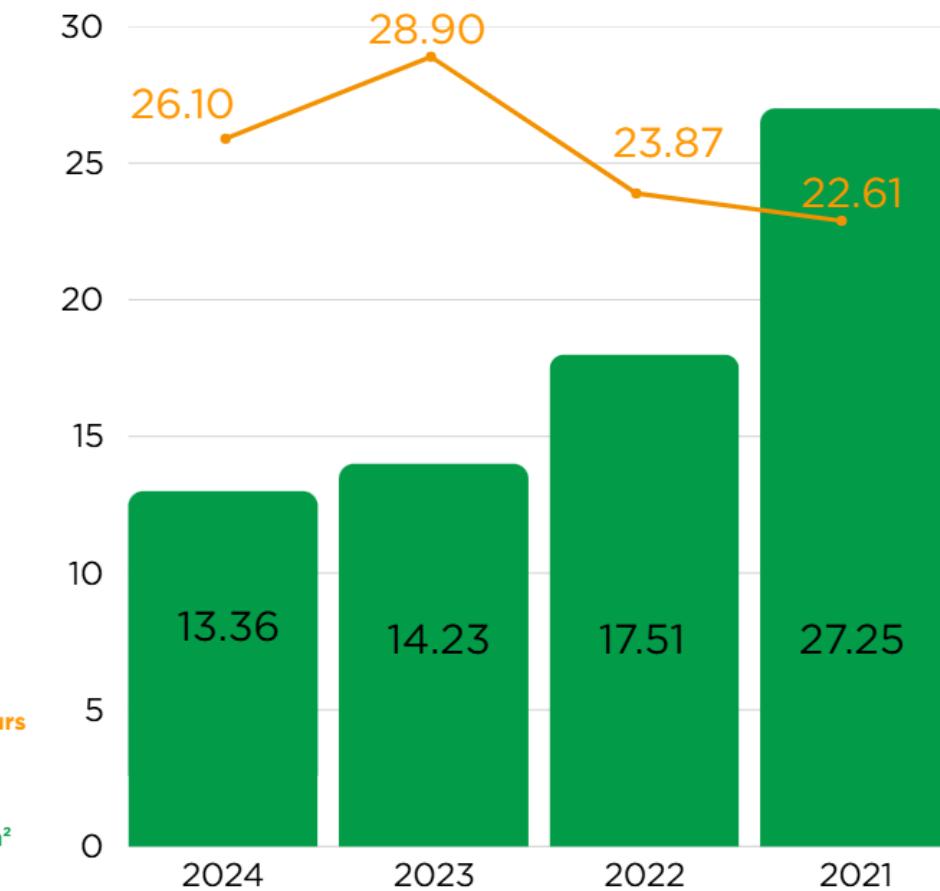
Scope 1 & 2 CO2 emissions in kg CO2/m² refer to the company's own CO2 consumption in kilograms (Scope 1 & 2 emissions) per square meter of managed sealed hall space according to tender documents/construction documents. The base year/reference year for Scope 1 & 2 CO2 emissions is 2019 with 111.3 kg CO2/m². The following locations were included in the refinancing at that time: Barcelona, Pamplona, Braunschweig, Bremerhaven, Duisburg, Glauchau, Hanover, Hermosillo, Lozorno Devinska, Lozorno Transport, Ludwigsfelde, SML Leipzig, Soltau, Wackersdorf, Wolfsburg (Fallersleben + Sandkamp + Warmenau 1) and Zwickau. In 2021, the Bremerhaven location was not included due to the closure of operations. The Duisburg location has not been active since 2024.

The sites affected by refinancing achieved an average of 30.83 kgCO2/m² for Scope 1 + Scope 2 emissions in 2024. It should be noted that the Duisburg site was also eliminated due to a loss of orders.

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 company's own CO2 consumption in kilograms (Scope 1 & 2 emissions) per square meter of managed sealed hall space according to 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 determined annually for all active sites in the reporting year with operational control. The total Scope 1 and 2 emissions are calculated based on the managed square meters (only locations with consumption). The key figures from 2022 and 2021 were recalculated using this methodology.

KPI Evolution (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.

Emissions data 2024

The number of business units in our company varies from year to year due to contract terms and orders won or lost. This makes it difficult to make annual comparisons or statements based on absolute values, including maintaining the baseline.

Further information can be found in the appendix "Reporting boundaries and comparability of consumption."

| SLSE emissions | CO ₂ e in kg |
|-----------------------------|-------------------------|
| Scope 1 | 12,999,448.22 |
| Scope 2 (location-based) | 8,462,759.56 |
| Scope 2 (market-based) | 5,193,648.16 |
| Scope 3 | 9,155,290.45 |

Scope 1 emissions

| Scope 1 | CO ₂ e in kg |
|--------------|-------------------------|
| Germany | 9,647,144.67 |
| Italy | 11,236.89 |
| Mexico | 880,149.07 |
| Poland | 93,345.49 |
| Slovakia | 1,710,977.27 |
| Spain | 206,924.10 |
| South Africa | 341,414.23 |
| USA | 108,256.49 |
| Total | 12,999,448.22 |

Scope 2 emissions

| Scope 2 | CO ₂ e in kg (market-based) | CO ₂ e in kg (location-based) |
|---------------|--|--|
| Germany | 1,914,747.12 | 5,231,494.94 |
| Italy | 45,551.03 | 45,551.03 |
| Mexico | 2,757,358.81 | 2,705,193.03 |
| Poland | 114,378.38 | 114,378.38 |
| Slovakia | 110,512.33 | 110,512.33 |
| Spain | 72,372.20 | 76,901.56 |
| South Africa | 31,633.05 | 31,633.05 |
| United States | 147,095.24 | 147,095.24 |
| Total | 5,193,648.16 | 8,462,759.56 |

Scope 3 emissions

| Scope 3 | CO ₂ e in kg |
|--|-------------------------|
| Waste from operational activities | 95,636.04 |
| Fuel and energy-related activities (not included in Scope 1 or 2) | 7,596,490.3 |
| Purchased goods and services | 3,255.37 |
| Business travel | 1,003,007.71 |
| Transport and distribution | 456,901.01 |
| Total | 9,155,290.45 |

Energy data 2024

| Energy consumption | Consumption in kWh | Consumption from renewable sources* in kWh |
|--------------------|----------------------|--|
| Electricity | 23,011,141.31 | 11,903,871.33 |
| Fuels | 55,920,095.74 | 699,715.67 |
| Gasoline | 1,439,082.95 | - |
| Bio LNG | 377,224.62 | 377,224.62 |
| CNG | 912,130.75 | - |
| Diesel | 35,622,198.09 | - |
| Natural gas | 11,424,412.88 | - |
| Heating oil | 88,520.60 | - |
| HVO-100 | 322,491.05 | 322,491.05 |
| LNG | 762,346.35 | - |
| LPG | 4,971,688.45 | - |
| Heat | 3,554,211.80 | - |
| Total | 82,485,448.85 | 12,603,587.00 |

*Already included in the "Consumption in kWh" column

Care the neighborhood – Social projects in the Schnellecke world



In 2024, Schnellecke was involved in a wide range of "Care the Neighbourhood" programs around the world, promoting environmental and social causes in the local communities surrounding our sites.

Numerous initiatives were implemented in Germany:

In Glauchau and Wolfsburg, employees and their families took part in a spring cleaning and litter collection campaign around the company premises, helping to beautify public areas and setting an example for environmental protection and community spirit. In Leipzig, teams supported the Machern children's home with facility management and repair work, while in Soltau, the company ran its own beekeeping operation to promote biodiversity. In Dingolfing, Easter gifts were carefully selected and presented to the "Haus Anna" children's hospice. Creative craft materials were donated to Lebenshilfe Soltau e.V. to promote fine motor skills in children and adults.

"Doing something practical for nature conservation" – with this in mind, an insect-friendly flowering meadow was created on the Detmeroder Streuobstwiese together with BUND Wolfsburg. As part of a weekly technology meeting with Caritasverband Wolfsburg e. V. and the Schnellecke IT department, senior citizens were taught basic digital skills in a relaxed atmosphere, such as reading newspapers online, using Google Maps, and other practical applications. For many participants, this was an important step into the digital world.

Schnellecke also showed great commitment internationally. In Mexico, green spaces were maintained and monitored as part of the "Adopta un camellon" program, while in Silao, a large-scale reforestation of the "Sierra de Lobos" was carried out with the aim of planting 700 trees. In La Malinche National Park, employees and their families helped plant over 1,000 native trees to preserve the habitat of numerous species.

In Europe, 4,500 pine trees were planted in Slovakia in collaboration with Lesy Slovensko to promote sustainable forestry. In Poland, employees volunteered to clean up forest areas for Earth Day, and in Spain, a reforestation project was carried out with the organization Reforesta to support the UN Sustainable Development Goals.



In Asia, numerous environmental activities took place in India, including clean-ups around temples, plastic waste collection, tree planting campaigns, and the promotion of rainwater harvesting and composting. In addition, schools and social institutions were supported with donations in kind and infrastructure measures.

In South Africa, playground equipment at the Oosterland Child Care and Youth Center was repaired and expanded, and at Kings Beach in Port Elizabeth, employees participated in a beach clean-up on Earth Day and Mandela Day to strengthen environmental awareness and community spirit. An impressive example is the "Garden of Hope" in South Africa. Together with local partners, a greenhouse was built to grow fruit and vegetables for the Guardians of Hope children's charity. The organization cares for neglected and palliative children, providing them not only with a sustainable supply of healthy food, but also with new perspectives. People from the community help with the cultivation and receive fresh produce in return – a model that promotes self-help and participation in the long term.

In the USA, monthly volunteer activities, environmental clean-ups, fundraising for homeless shelters, and food donation campaigns took place. Schnellecke collaborated with local organizations such as Keep Charleston Beautiful and Low Country Foodbank, carried out planting campaigns, supported schools and social institutions, and promoted sustainable mobility and social integration.

APPENDIX: KWD GROUP

Summary ESG Refinancing KPIs

| KPI | 2021 | 2022 | 2023 | 2024 |
|--|-------|-------|-------|-------|
| tCO2e emissions /€10 million revenue | 350.8 | 250.8 | 236.9 | 252.1 |
| Lost time injury rate (LTIR) 1 (per 1 million / worked hours) | 25.0 | 15.5 | 16.2 | 19 |
| Recycling rate % Welding | 92.7 | 93.5 | 96.0 | 93.9 |
| Recycling rate % Pressing | 99.4 | 99.6 | 99.6 | 99.5 |

Scope 2 emissions

| Locations | CO2e in kg (market-based) | CO2e in kg (location-based) |
|--------------|------------------------------|--------------------------------|
| Bohemia | 4,570,437.97 | 4,570,437.97 |
| Portugal | 796,430.95 | 440,815.27 |
| Radeberg | 4,773,990.83 | 4,202,255.23 |
| Spain | 0 | 234,336.59 |
| Wolfsburg | 3,363,724.10 | 3,378,482.90 |
| Total | 13,504,583.84 | 12,826,327.96 |

| KWD emissions | CO ₂ e in kg |
|---------------------------|-------------------------|
| Scope 1: | 1,324,102.96 |
| Scope 2 (market-based): | 13,504,583.84 |
| Scope 2 (location-based): | 12,826,327.96 |
| Scope 3 (partially): | 1,975,138.43 |

Scope 1 emissions

| Locations | CO2e in kg |
|--------------|---------------------|
| Bohemia | 402,966.19 |
| Portugal | 14,995.12 |
| Radeberg | 719,031.18 |
| Spain | 130,497.08 |
| Wolfsburg | 56,613.40 |
| Total | 1,324,102.96 |