



# Committed to sustainability

Sustainability report 2023



# Our commitment to sustainability

“Responsibility with a long-term view” is one of our five corporate values and has shaped our activities as a family-owned business since its foundation in 1901. Today, we see this value as a guiding principle for meeting the demands of economic, ecological and social responsibility with holistic solutions. Our customers expect this as much as we do.

In line with our purpose – “Make individual mobility more enjoyable and sustainable by advancing technology and people” – we are shaping the climate-friendly mobility of the future with our innovative drive, expertise and global network. For us, environmentally and socially responsible management is explicitly not based on short-term profit maximization, but on long-term strategies and value generation.

Our long-term approach is mirrored in our concept of social responsibility: We foster the growth and development of our employees and ensure a fair and respectful working environment. Our inclusive corporate culture inspires our workforce worldwide to collaborate and innovate. The motivation to take responsibility and make a difference extends beyond the boundaries of our company. Our employees are also invited to participate in social projects through the Webasto Foundation.

We continuously measure our sustainability activities and their impact. Our commitment to protect the environment and fight climate change according to the United Nations Paris Agreement is clear. We report transparently on how we implement new legal requirements, our use of renewable (energy) resources and energy-efficient technologies in our production, and how we strive for fair working conditions at our sites and throughout our supply chains. Together with our suppliers, who also contribute to our goals, we will reduce our negative ecological footprint.

We are convinced that this is the key to the long-term success of our company and to making a substantial contribution to the United Nations Sustainable Development Goals.

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# Foreword

Dear Readers,

“I can’t think of anything better they could invent than lamps that burn without having to be cleaned,” said Johann Wolfgang von Goethe (German poet/writer, 1749–1832). Was he predicting the triumph of electric light in the second half of the 19th century? Analogously with Goethe’s words and in relation to our industry, **I can’t think of anything better we could invent than solutions that produce low emissions—or even no emissions at all—over their entire life cycle.** Yet, I am confident that entrepreneurial focus, efforts and resources currently invested globally in the transformation of our industry will lead to a similarly groundbreaking change as the invention of electric light.

**It takes ambition to unleash innovative power.**

Since 2023, our new corporate purpose has guided our actions: **“Make individual mobility more enjoyable and sustainable by advancing technology and people.”** Yet, the carefree and pleasant joy in driving is still compromised by its associated negative environmental footprint. Therefore, our commitment to the future concept of mobility is inevitably linked to our obligation to make a positive contribution to social and ecological sustainability.

As one of the 100 largest automotive suppliers in the world, we have set ourselves ambitious sustainability targets in areas where we have identified a particularly high potential for positive impact on mobility solutions. Our industry is moving towards low-emission public transportation, intelligent transportation networks and coordinated transportation and is keeping an eye on the benefits of autonomous driving. To conquer new, unknown territory in line with your ambition, you need to invest time, energy and financial resources. It is not without reason that one of the three dimensions of sustainability is economic. Especially in economically challenging times – such as in 2023 – it takes a balancing act to provide the necessary resources for transforming the company towards greater sustainability while remaining economically successful. For this ...

**... it takes courage and action.**

At Webasto, our forward-looking attitude drove us to identify **electromobility** as our market of the future eight years ago. Since then, we have been complementing our existing roof and thermo business with **batteries, charging solutions and electric heaters.** Electric cars are becoming more prevalent, demanding



Dr. Holger Engelmann, Chairman

not only an increasing number of batteries, but also electric heating, since they no longer have engines to generate warmth. Platform-based electric heating systems, like our Next Generation Coolant Heater, are setting a new standard in terms of lower installation space, lower weight, and thus greater sustainability. At IAA Mobility 2023 our “Greener Battery” model represented a vision of sustainable alternatives for future mobility applications. Honeycomb structures saving material and weight, bolted instead of bonded levels to simplify the recycling process, battery housings made of sustainably sourced materials.

When it comes to reducing our ecological footprint and achieving our climate protection targets, we take the entire development, production, and product cycle into consideration. Our plant in Schierling, Germany, benefits from its own photovoltaic system, to name but one example. Together with the combined heat and power plant, it forms an essential part of our comprehensive strategy for sustainable production – **a holistic, sustainable “vision of climate-friendly production of products for electromobility”** that our customers find increasingly appealing ...

... as do our partners. Beyond the minimum standards – to which we expect each of our suppliers to commit – we aim to attract technology suppliers as our strategic partners. By involving them as early as possible in development projects or when converting to more sustainable production, we can jointly offer forward-looking solutions.

#### **Though it takes the will to invest.**

In the current situation with rapidly rising energy and raw material prices and record levels of global carbon emissions from fossil fuels in 2023, it is crucial to enhance energy efficiency, and by switching to renewable energy sources. Therefore, we have implemented **energy efficiency programs** at our sites thereby reducing the Webasto Group’s total energy consumption and increasing our share of renewable electricity sources.

At Webasto, we are fully aware that we still have a long way to go and are therefore pursuing a **holistic approach to sustainability**. We work on and continuously measure our social and environmental impact in addition to our financial performance. Our strong central sustainability team drives our efforts towards achieving our sustainability targets, enhancing our sustainability operating model and governance, and cooperating with multiple corporate functions and all business units globally. In this **report** you will encounter enhanced sustainability measurement methodologies at corporate and product-level, improved sustainability performance and an enhanced **target operating model** to achieve our ambitious climate targets.

#### **It takes attraction to win the war for talent.**

Resource-saving solutions and circular ecosystems will pay off in the long-term. Reducing the negative impact on our environment by contributing ideas and innovations is an attractive proposition to **(young) professionals**. They increasingly want their efforts at work to make a difference, and therefore prefer to work for

companies that actively contribute to environmental protection and social equality. Our employees around the world are the heart of Webasto. In line with our Diversity Charter, we want to further strengthen global diversity in terms of gender, age and cultural and professional background. I believe a diverse workforce makes us more resilient in this volatile and challenging world. Therefore, we want to create an environment in which everyone can thrive. Our employees’ commitment to making a difference goes beyond the boundaries of their day-to-day work and what the company demands of them. Our Social Week pilot project at our locations in Stockdorf and Gilching in 2023 was a great success and will be expanded worldwide in 2024.

As a reliable, responsible, and strong business partner, we keep an eye on both changing requirements and potential opportunities. Together with our stakeholders and business partners, we seek the best ideas for making our contribution to a future worth living by engaging in professional and personal dialogue across all cultures. I am certain that by focusing on resource-saving, technologically innovative and economically attractive solutions, we can also find holistic solutions – and **make a significant contribution to mobility that is emission-free throughout its entire life cycle.**

Yours, Dr. Holger Engelmann

# Reporting profile

With this annual sustainability report Webasto aims to make its sustainability management, sustainability operating model and sustainability performance transparent to different stakeholders. The contents of this report are guided by the internationally recognized framework of the Global Reporting Initiative (GRI). The reported information was reviewed and approved by the Sustainability Committee – which consists, among others, of members of the Webasto Group Management Board.

The sustainability report refers to Webasto SE and all its affiliated companies (together “Webasto” or “Webasto Group”), with the exception of joint ventures in which Webasto SE and/or its affiliated companies do not hold the majority of shares.

This report includes data from fiscal years 2021, 2022 and 2023 (January 1 to December 31). The scope of included locations varies for different metrics. Whenever possible, we strive to provide complete data sets. Information about the specific scope of the published data can be found in the respective chapters.

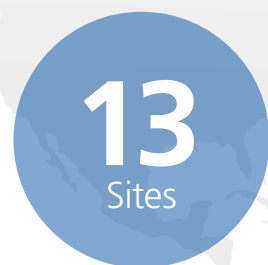
The editorial deadline for this report was August 20, 2024. The Webasto sustainability report is published on an annual basis.

# Company profile

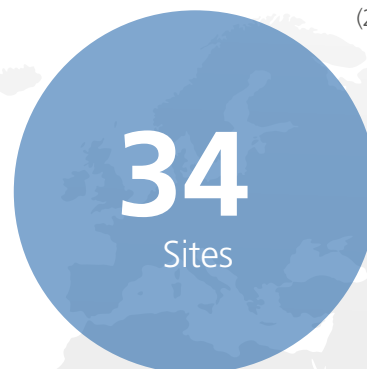
Webasto is a global innovative systems partner to the mobility industry and ranks among the 100 largest automotive suppliers worldwide with car roofs, heating and cooling solutions as well as batteries. The company's customer base includes manufacturers of passenger cars, small to heavy commercial vehicles and boats, as well as dealerships and end customers. Webasto also has a strong position in the aftermarket, providing dealers and end customers with customized solutions and services related to thermal management and electromobility.

Webasto has been family owned since 1901. Its strategic holding company, Webasto SE, is a Societas Europaea, i.e., a stock company registered in accordance with the corporate laws of Germany, and headquartered in Stockdorf, Germany. Webasto SE is operated and controlled by a two-tier corporate structure consisting of a Management Board and a Supervisory Board.

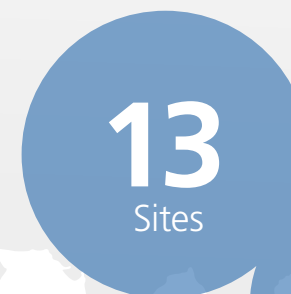
Webasto is present in all relevant automotive markets worldwide. The Webasto Group has 69\* locations in the European, American and Asian regions, of which 45\* are production sites, and 24\* of all plants/headquarters count as Research and Development (R&D) locations. As of December 31, 2023, Webasto is represented in 25 countries. In 16 countries our operations number more than 100 employees. In 2023, Webasto generated total sales of EUR 4.6 billion (2022: EUR 4.3 billion) with 16,335 (2022: 16,342) employees\*\*.



Americas



Europe



China



Asia Pacific

\* The number of locations in the sustainability report deviates from the annual financial report as methodologies deviate – for sustainability report a more detailed assessment is applied.

\*\* Data based on legal headcount (including permanent and fixed-term contracts, excluding students and apprentices).

## Group structure and product portfolio

Under the umbrella of the Webasto SE Holding, Webasto divides its businesses into three units:

### Roof & Components

Webasto offers manufacturers in the automotive industry worldwide an extensive portfolio of high-quality roof systems for the original equipment of their vehicles. The Roof & Components unit oversees the development and production of sunroofs, panoramic roofs, convertible roofs and roof modules for autonomous driving. Our panoramic roofs are optimal replacements for the sheet metal roofs in electric vehicles. Opening functions and high-tech glass offer passengers not only lightness and fresh air, but also more comfort and enhanced design through a variety of additional functions. In total, we have 32 production plants for roof systems around the world in order to be close to our customers.

### Energy & Components

Through our Energy & Components unit we develop and produce battery systems and charging solutions for hybrid and electric vehicles as well as electric and fuel-operated heating and cooling systems:

- **Heating systems:** including parking and auxiliary heaters for cars and trucks used for cabin heating and engine preheating, as well as electric heaters for hybrid and electric vehicles (cars and trucks).

- **Battery systems:** As a competent systems partner, we support our customers on the path to emission-free mobility. With our expertise in the development and production of standardized and customized battery systems, we can electrify a wide range of vehicles, e.g., passenger cars, commercial vehicles, and mobile machines.

- **Charging systems\*:** We produce original accessories for electric vehicles, such as wallboxes, mobile charging systems and digital solutions – all standardized or individualized and in accordance with the latest regulations.

### Customized Solutions

The Customized Solutions unit provides end customers, retailers, system integrators, and manufacturers of special utility vehicles with solutions and services for cooling and heating as well as electromobility. Roof and heating systems for boats, as well as heating, cooling and air conditioning systems for motorhomes and caravans round off the product portfolio. With its broad service offer Webasto accompanies its customers over the whole lifecycle of a vehicle to put sustainable mobility on a robust foundation.

## Our value chain



## Our value chain

We produce “in the market for the market” and source a high proportion of pre-products from local suppliers (→ [chapter Purchasing & supply chain](#)). We procure many of our raw materials, components and services from third-party suppliers and service providers (together “suppliers”) from a range of countries, industries, and economic sectors. Specific pre-products are assembled at Webasto sites according to customer requirements. For our roof products, we receive a small portion of our aluminum guidrails in semi-finished state and complete the milling, cutting and bending in-house.

We also follow a “local for local” approach for our B2B customers by manufacturing our products in the region where they are ordered. For our B2C customers, in particular for charging and heating solutions, we have distribution centers in each region and ship the products directly to the customer. We supply to customer markets for passenger cars, trucks, special vehicles (such as ambulances) and recreational vehicles, as well as buses, marine and rail.

\* In this report the company's charging business is considered as discontinued operations, as on February 7, 2024, Transom Capital Group, USA, acquired a majority stake in the Charging Solutions business of Webasto.



## Economic development

The momentum of the global economy has slowed since spring 2023. The only supportive impetus for the global economy came from strong domestic demand in the USA. In many other regions or countries of the world, such as Europe, Japan and the United Kingdom, high inflation rates weighed on private consumer spending. Weak domestic demand and the fragile real estate sector in China are dampening growth in the group of emerging and developing countries. As inflation rates are falling worldwide, the tightening of monetary policy by the central banks in the USA, Europe and the United Kingdom is likely to have almost reached its peak. Nevertheless, the consumer outlook in many advanced economies is improving only gradually. Overall, the global economic outlook remains subdued.

In contrast to 2022, the year 2023 for Webasto was characterized above all by higher customer demand, an increase in the battery business, but also by persistently high inflation and uncertainty because of geopolitical crises, which had a strong impact on the economy. As a supplier to almost all automotive manufacturers, the consequences of geopolitical uncertainties and the high cost of raw materials and personnel were felt directly.

Nevertheless, Webasto was able to increase sales slightly compared to the previous year. The Group's EBIT declined but remained slightly in the positive at the end of the year. The decline in the Group's EBIT was mainly due to the Roof business, particularly in the Americas

region and China, and lower currency effects. In addition, the insolvency of the Webasto customer Fisker had a negative impact on the roof business. While the Electrification business remained at the previous year's level, the Group's EBIT improved in the Battery Systems and After-Market business divisions.

Due to the high order backlog and the numerous new orders in the established and new business areas, Webasto is optimistic about the future. Despite the uncertain environment, the company is aiming for a significant increase in earnings before interest and taxes in 2024 and is continuing to invest in its core business areas and in electromobility.

## Grants and subsidies

Our commitment to sustainable investment is affirmed worldwide by government institutions in the form of financial grants and subsidies. In total, the Webasto Group awarded some around EUR 25 million in government grants and subsidies in 2022/2023. The majority of the approved subsidies are linked to R&D activities, as well as to production facilities for electromobility and new technologies.

Direct economic value generated and distributed in million euro*	2021	2022**	2023
Revenues Group	3,657.4	4,332.1	4,566.9
Salary payments	798.4	927.0	984.2
Payments to the government	63.9	61.5	53.7
Payments to owner	0.0	0.0	0.0
Provisions for pension payments	63.8	37.3	37.4

Revenues per region in million euro*	2021	2022**	2023
Germany	531.5	656.9	729.3
Europe (without Germany)	687.5	796.9	933.8
Americas	768.6	1,125.1	1,181.0
Asia	1,632.9	1,732.5	1,701.5
Rest	36.9	20.8	21.3
<b>Webasto Group</b>	<b>3,657.4</b>	<b>4,332.1</b>	<b>4,566.9</b>

Revenues by business unit in million euro*	2021	2022**	2023
Roof & Components	3,066.8	3,637.3	3,677.7
Energy & Components	265.2	343.5	514.0
Customized Solutions	325.4	351.4	375.2
Others/Elimination	0.0	0.0	0.0
<b>Webasto Group</b>	<b>3,657.4</b>	<b>4,332.1</b>	<b>4,566.9</b>

\* Commercial rounding rules were applied to amounts (in million euro).

\*\* Adjusted for discontinued operations

# GOVERNANCE & COMPLIANCE

## »» The Webasto Management Board – committed to sustainability.

In line with its purpose and values, Webasto is contributing to the climate-friendly mobility of the future with its innovative drive, expertise and global network.



# Committed to values

The Webasto corporate culture is based on the highest standards of integrity. We are committed to transparency and compliance and ensure our values are upheld by all employees and suppliers. A well-established risk management system identifies environmental, social and governance risks and opportunities for all areas of our business.

The Group's corporate culture is characterized by five values. Employees from a broad range of cultural backgrounds developed these values in 2015 as a guide for working together with colleagues, customers, suppliers, and all other business partners:

- Responsibility with a long-term view
- Passion for quality and innovation
- Hearts and minds for our customers
- Embracing cooperation and improvement
- Courageously optimistic

## Governance

Webasto is deeply aware of its social responsibility towards employees, customers, suppliers, business partners and the public. Compliance with national and international regulations and legislation as well as respect for ethical values must be fulfilled by all of us: by the Management Board and by every employee, regardless of location or role.

Webasto SE has a dual management structure consisting of a Management Board and a Supervisory Board. The Supervisory Board currently consists of nine members. It

advises the Management Board in managing the company and monitors its activities. Furthermore, it appoints and dismisses the members of the Management Board. In accordance with the agreement on employee participation, the Supervisory Board must be composed of one-third employee representatives and two-thirds shareholder representatives. As three of the nine members are employee representatives, these requirements are met. The chair of the Supervisory Board is not a senior executive within the organization.

The Management Board consists of five members. It manages the company and assumes responsibility for creating long-term and sustainable added value. Since April 2022, a woman has been part of the Management Board.

The selection process for the Management Board and Supervisory Board ensures that members have the knowledge, skills and professional experience required to properly perform their duties. Performance evaluation of the Management Board is based on criteria of economic success. All members of the Supervisory Board and Management Board can be viewed on the Webasto Group [→ website](#).

## Conflicts of interest

It goes without saying that all legal requirements regarding the avoidance of conflicts of interest are complied with in the case of the Boards. The members of the Management Board and Supervisory Board are therefore bound by the corporate interests of Webasto SE. In all their decisions, they may neither pursue personal interests nor exploit business opportunities to which Webasto is entitled for themselves. In addition, members of the Management Board are generally subject to comprehensive non-competition clauses for the duration of their appointment. Furthermore, all members of the management as well as all employees of Webasto are obliged to avoid conflicts of interest in accordance with the provisions of the [→ Webasto Code of Conduct](#) and a new policy on compliance, the Webasto Business Ethics Policy, which was released in April 2022 and updated in December 2023. It includes a due diligence process to identify, evaluate, mitigate and track potential issues.



## Remuneration policy

As far as the Board members are concerned, any legal requirements regarding remuneration are complied with as a matter of course. Management Board remuneration is determined by the Supervisory Board and set in a way that promotes the corporate strategy and sustainable, long-term development of Webasto. It consists of a fixed salary, a short-term incentive, a long-term incentive, and a pension. The bonuses paid to the members of the Management Board consider both the company's performance and the individual target achievements (→chapter Sustainability management, →chapter Compensation).

## Compliance

Our compliance processes ensure our employees and third parties adhere to all the laws, regulations and societal values in the many countries in which we operate, as well as our own internal rules. Our Chief Compliance Officer reports directly to the chairman of the Management Board.

## Code of Conduct

The →Webasto Code of Conduct forms the core of our compliance management system and provides binding guidelines for employees in all areas and activities. It communicates our values and defines ethical processes to be followed in day-to-day business. In addition, in April 2022, various specific Webasto policies on compliance items have been released, including an Antitrust Policy, Anti-Corruption Policy, Business Ethics Policy, Compliance Policy and Foreign Trade Policy.

Breaches of compliance have consequences that range – depending on the severity of the breach – from dis-

ciplinary measures through to criminal sanctions. All Webasto Group policies are approved by the Management Board of Webasto SE.

## Supplier Code of Conduct

Webasto relies on sustainable and trustworthy relationships with its suppliers and seeks to partner only with suppliers that share its core values. To this end, Webasto developed a →Supplier Code of Conduct (SCoC) for all suppliers in 2021, which was approved by the Management Board. It establishes minimum standards to which Webasto expects each of its suppliers to commit. It is based on the Webasto Code of Conduct but includes additional requirements such as ethical, environmental, and social criteria that are crucial for the selection of new suppliers as well as continued cooperation with established suppliers. In particular, it complements the requirements of the new German Supply Chain Due Diligence Act (SCDDA).

The SCoC covers:

- Internationally recognized human rights
- Labor rights
- Non-discrimination and diversity
- Environmental principles
- Business relationship principles

It is mandatory for Webasto to be able to regularly assess the social and environmental performance of its suppliers, either directly or by a third party (→chapter Human rights and social aspects). The assessments are

also used to identify risks and select sites for audit. The SCoC document is regularly reviewed and adapted to changing customer requirements and new legislation.

## Antitrust and corruption

No one acting on behalf of Webasto is permitted to offer or grant any form of improper advantage, either directly or indirectly, to any individual, company or person holding public office in order to obtain or retain business. Webasto encourages its employees to report competition law violations, as well as any compliance concerns, to the respective line manager, a local compliance officer or the Chief Compliance Officer. Additionally, an anonymous reporting channel (an externally hosted "whistleblowing" website) was implemented at the end of 2021 for all potential internal and external whistleblowers. It can be accessed via the Webasto website and is open for everyone. The channel is compliant with the EU General Data Protection Regulation (GDPR) and other applicable data protection laws.

Code of Conduct training sessions*	2021	2022	2023
<b>Europe</b>	<b>3,737</b>	<b>4,748</b>	<b>5,443</b>
<b>Americas</b>	<b>1,524</b>	<b>1,474</b>	<b>1,392</b>
<b>Asia Pacific</b>	<b>795</b>	<b>770</b>	<b>1,030</b>
<b>China</b>	<b>1,672</b>	<b>1,705</b>	<b>1,639</b>
<b>Webasto Group</b>	<b>7,728</b>	<b>8,697</b>	<b>9,504</b>

\* Reporting scope: Global, only indirect (white-collar) employees

To date, Webasto is not aware of any incidents in connection with systemic corruption. Apart from individual suspected cases that have been reported to us, we have not identified any risks or incidents that qualify as systemic or criminal corruption. As in the previous year, no fines or non-monetary sanctions regarding non-compliance with laws and regulations in the social and economic area were imposed on Webasto in the reporting year. There was only one ongoing antitrust proceeding in the reporting period, no antitrust proceedings were concluded or closed during this period.

Risk assessments were carried out in 2023 following any incidents that were reported or detected. In general, we undertake regular risk assessments at all locations within the Group. Their outcomes are included in the compliance report that is drafted, presented, and approved by the Management Board and Supervisory Board half-yearly.

### Training and incidents

The Code of Conduct training is part of our onboarding for all new employees. Webasto also requires each employee to take part in mandatory compliance training at least every four years via an internal software-based platform. From 2022, the training will take place every three years. We offer further online courses and classroom workshops (for direct employees) to deepen knowledge in the areas of corruption, conflicts of interest and antitrust.

### Tax strategy

Our tax strategy is closely aligned with our business strategy and is integrated into the [→Webasto Code of Conduct](#). We do not pursue any improper tax avoidance strategies. Our tax management is integrated into the overall operations of the company to optimally handle tax-related processes, measures, and structures. A clear definition of tasks, rights and responsibilities is stated in the Webasto global tax concept. The responsibility for taxes rests with the Group Chief Financial Officer. Our tax compliance management system is embedded in the Group's overall risk management and internal control framework. In accordance with the base erosion and profit-shifting actions of the Organization for Economic Cooperation and Development (OECD), the Webasto Group prepares an annual "Country-by-Country Report" (CbCR) for the entire Group and makes it available to the German tax authorities.

### Data protection

Webasto respects privacy and takes the protection of personal data very seriously. Webasto has appointed a Group Data Protection Officer and established a Data Protection Policy that determines how we protect personal data. It contains a set of guidelines on how we ensure ongoing compliance with data protection laws. In addition, Webasto provides mandatory data protection training via an internal software-based platform for each employee. As part of this training, the EU General Data Protection Regulation (GDPR) and the obligations arising from it are outlined to employees.

Webasto has also established an information security guideline framework, which serves as the Group-wide information security management system. It is based on the international standard ISO 27001 (Information Security) and the VDA ISA Catalog, and contains rules, requirements, and recommendations to maintain and improve the confidentiality, integrity and availability of all information and IT systems at Webasto.

## Risk management

The Management Board defines the risk strategy and bears overall accountability for the corporate risk management system. Corporate risk management (CORM) works with information from existing processes to identify and assess risks of the operational business within the functions, regions and business units. Based on that, CORM investigates strategic risks arising from the supply chain, new technologies, trends and developments on the market, as well as the macroeconomic situation. CORM aggregates all Group risks and reports them to the Management Board. CORM considers the risk-bearing capacity of Webasto. If required, the risk report is presented to the Supervisory Board.

The combination of an operational and strategic view on risks consequently provides a holistic picture of the risk situation at Webasto. CORM compiles information from each region or business unit across all functions to create an operational risk report. Strategic macro- and business risks are reflected in the strategic risk assessment. Both approaches are combined in a Group-wide holistic risk report to enable the top management to make reliable decisions.

In addition to corporate risk management (CORM) we have designed and implemented an Internal Control System (ICS) to provide assurance regarding the effectiveness and efficiency of our Group's operations, as well as the reliability of our financial reporting. We

worked on a standardized process for environmental, social and governance (ESG) risk management in 2023. So far, an initial concept for ESG risk management has been set up, mainly including qualitative (but also quantitative) assessments and corresponding mitigation activities. At Webasto we follow the general approach of differentiating ESG risks into physical risks and transition risks as well as identifying opportunities.

Therefore, we have started to investigate the most relevant ESG risk areas for Webasto, focusing mainly on environmental transition risks. ESG risks and opportunity fields for which we set up initial internal assessments as well as mitigation activities are as follows:

### Emission regulation and corresponding legislation from the European Commission, Green Deal

Webasto understands the new legislation, sees its risks as well as its opportunities and is fully committed to the decarbonization roadmap of the Paris Climate Agreement, which means assessment and mitigation activities in the fields of:

- Reduction of CO<sub>2</sub> emissions from our own production
- Reduction of supply chain CO<sub>2</sub> emissions
- (Dis)Placement of products and technologies

### Supply chain legislation and challenges

Webasto is aware of the challenges and responsibilities posed by its supply chains. We see new legislation as

an opportunity for a comprehensive, sustainable, and stable global supply chain:

- German Supply Chain Due Diligence Act
- Protection of human rights and the environment
- Raw materials (costs, green materials, shortage)

### Energy supply

A stable and sustainable energy supply is crucial for Webasto as a manufacturing company:

- Energy supply costs and stability
- Transformation to green energy (re)sources
- Reduction of energy use

To also obtain a general assessment of our ESG risks, we use the Carbon Disclosure Project (CDP) rating as an indicator for necessary improvements and potential opportunities including physical risks. For risks that may have direct event-related impacts on assets, or an indirect impact on supply chain stability, we have implemented processes that follow the Webasto Group's global standards.

In 2023, we developed a concept for an integrated ESG risk management approach. With this we will be working on incorporating (major) ESG risks via a standardized process in our corporate risk management process in 2024.



### Risks to the environment, health and safety

The Webasto Group divides risks into legal, operational, financial, and political risks. Operational risks also include those related to health, safety, and the environment. Our management systems help us to identify risks to people and the environment at the product development stage as well as in production and to take precautionary measures. Each location conducts environmental and technical risk assessments for their respective facilities and processes in a local context and on a regular basis. Annual internal and external audits ensure that the processes we have defined are implemented accordingly.

### Implications of climate change

Intensifying climate change presents both opportunities and risks for Webasto. Our purpose to “make individual mobility more enjoyable and sustainable by advancing technology and people” is anchored throughout the company. With the accelerating trend towards alternative driving technologies, we are convinced the strong demand for our products will continue. At the same time, we continuously assess climate-related risks and consider different risk types, ranging from current and emerging regulations, legal, market, technology and reputational risks to acute and chronic physical risks associated with global warming, such as water shortages and flooding. Such climate-related risks and opportunities have influenced the Webasto strategy in the following areas:

- **Products and services:** The automotive industry is changing and evolving fast on the back of climate-related targets, giving us the opportunity to actively shape the future of sustainable mobility. For an example see our developments on solar roof technology for electric and hybrid vehicles. ([→chapter Customer & products](#))
- **Value chain:** Global and complex supply and value chains require transparency to assess environmental and social impacts. Webasto constantly works on improving transparency as well as pre-emptively introducing measures to mitigate negative impacts. Thus, the Webasto climate strategy, which was established in 2022, set targets for emission reductions along the supply chain ([→chapter Climate & environment](#)). Webasto continuously optimizes its supply chain to ensure cost-effective and climate-friendly delivery conditions under social standards e.g., by protecting human rights and the environment. ([→chapter Purchasing & supply chain](#)) Furthermore, Webasto fulfills its own responsibility towards its customers by continuously reducing negative environmental impacts of its products.
- **Investments in R&D:** Disruptive changes in the automotive industry due to new technologies in the context of drivetrain electrification, autonomous driving and the digitalization of production are an opportunity for us to offer our expertise in new product innovations for future vehicle generations.

# SUSTAINABILITY MANAGEMENT

» We are dedicated to continuous improvement of our sustainability program. With our cross-functional team, we implement sustainability in the fields of action declared as material.



# Committed to our goals

Since 2021, we operate a global sustainability program which ensures that sustainability is embedded in our strategy, our culture, our operating model, governance and key performance indicator, our own operations and, ultimately, our products.

## Responsibilities

The Chief Executive Officer of Webasto (Chairman of the Management Board) bears ultimate responsibility for sustainability at Webasto. He chairs the Sustainability Committee, the central decision-making body for the Webasto Group's material sustainability topics. The Central Sustainability Team is part of the Corporate Strategy and Development department. The Corporate Strategy and Development department reports directly to the Chairman of the Management Board. The responsibilities of the Central Sustainability Team include: sustainability strategy, sustainability program management, annual sustainability reporting, driving and monitoring ESG performance, climate strategy and disclosure, integration of sustainability into governance and operating model, stakeholder dialogue, management of internal committees, and working groups including the Sustainability Committee. Both internally and externally, the Central Sustainability Team is the point of contact for all sustainability matters.

## Committees

As the central decision-making body, the Sustainability Committee is composed of the Webasto Management Board and top managers from business units and all relevant corporate functions. In general, the Sustainability Committee meets on a quarterly basis.

The Sustainability Coordination Council, which meets monthly, has been set up under the leadership of the Central Sustainability Team to ensure progress and implementation of the sustainability strategy and targets within the company. It is made up of representatives from all relevant corporate functions e.g., Legal & Patents, Communications & Marketing, People & Organization, Purchasing & Supplier Quality, Operations, Research & Development, Health, Safety & Environment, and Finance, and business units. If necessary, the Sustainability Coordination Council can also establish and dissolve temporary working groups.

## Sustainability governance at Webasto



## Compensation

To embed sustainability permanently in the organization, sustainability criteria have been anchored in target agreements of selected top executives.



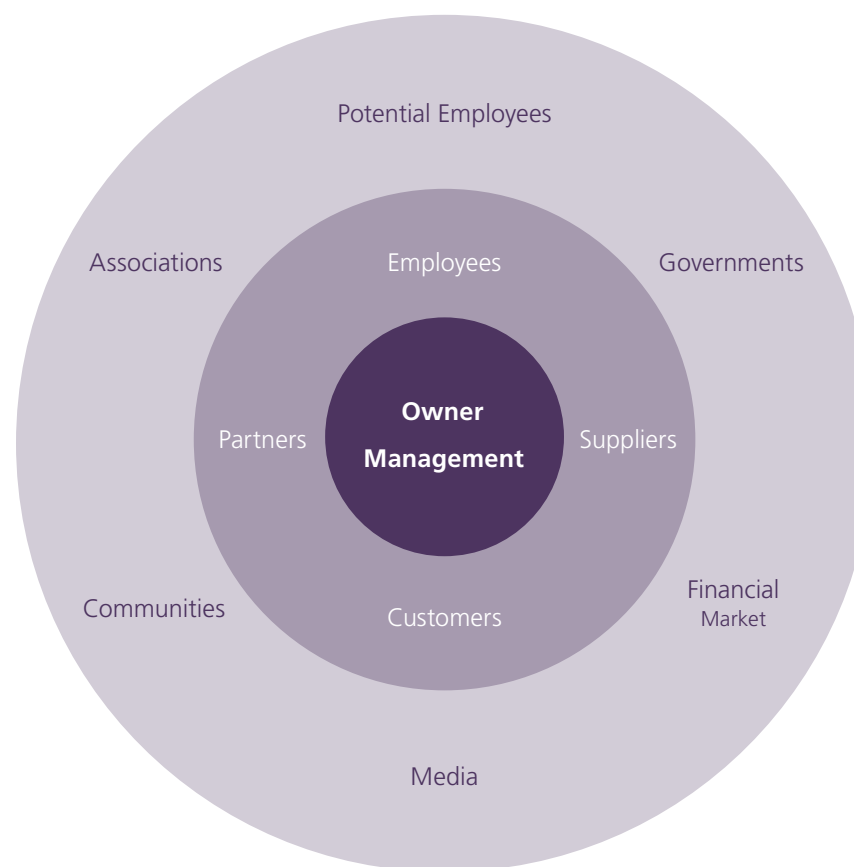
## Stakeholder dialogue

Webasto maintains an active dialogue with its stakeholders across the globe. These stakeholders include customers, partners, suppliers, company owners, employees, applicants, regulators, financial institutions, non-governmental organizations, and the media. We value exchange with our stakeholders and regularly engage with them through:

- customer surveys and continuous dialogue with customers,
- supplier events,
- a global employee survey conducted on an annual basis,
- internal events, dialog platforms with key opinion leaders and digital tools, such as townhall meetings,
- sustainability rating platforms such as Ecovadis, NQC and CDP as well as customer requests and questionnaires, which provide valuable input on the requirements of our customers, industry and society,
- regular exchange with industry networks and associations such as econsense, the German Association of the Automotive Industry (VDA) and the European Association of Automotive Suppliers (CLEPA),
- financial institutions and banks and
- regular press briefings

Further methods of collecting feedback on stakeholder concerns regarding sustainability include dialogues with suppliers regarding our [Supplier Code of Conduct \(SCoC\)](#) and regular meetings with our house banks. Comprehensive feedback from our stakeholders is then integrated into our sustainability strategy and program.

## Stakeholders of Webasto



### Stakeholder engagement: employees

In 2023, the Webasto business unit for heating systems organized two employee sessions – one at their R&D location in Gilching and the other at Neubrandenburg plant – to promote sustainability. The goal was to discuss sustainability basics, climate neutrality, and the efforts of Webasto in these areas. The events emphasized the need to reduce the carbon footprint of the heating products, covering aspects such as materials, processes, and transportation. Participants engaged in stimulating discussions, exploring topics ranging from automotive industry insights to product measures. These informative sessions sparked interest and anticipation for future sustainability initiatives.

## Materiality analysis

To determine the material topics for sustainability management at Webasto, we focused on the topics that are of relevance to our external and internal stakeholders. We developed our key areas of action in June 2021 based on a materiality analysis. For this we interviewed our most important stakeholders: customers, banks, associations, suppliers and owners about their expectations, and conducted an internal survey of around 50 managers and employees from all areas, business areas and regions.

In this way, we were able to assess and prioritize the issues most relevant to us from three perspectives: stakeholder relevance, impact on people and the environment, and relevance to our business success. We then derived the following focus areas upon which we will base our sustainability report in the future. The results of the materiality analysis were presented to and approved by both the Sustainability Committee and the Management Board.

In 2021, Webasto identified the following material topics:

### Climate & environment

- Climate protection
- Environmental protection

### Products & circular economy

- Innovative product solutions in the field of e-mobility
- Circular economy
- Product quality & safety

### Compliance & supply

- Social & ecological standards along the value chain
- Compliance
- Data protection

### Employees & society

- Attractive workplace
- Training & further education
- Occupational health & safety
- Diversity & equal opportunity
- Community engagement

A review of the material topics in 2023 did not result in any changes.

## Ratings

Webasto participates in various ratings that measure and evaluate its sustainability performance

Ratings	2021	2022	2023
CDP climate (A to F)	C	C	B
CDP water security (A to F)	C	C	C
Ecovadis	45/100	51/100	56/100
NQC	78%	81%	78%

Webasto pursues a holistic approach to sustainability with clearly defined fields of action in the economic, ecological and social dimensions. Under the motto "ONE Webasto RE:energized," the new Group purpose, "Make individual mobility more enjoyable and sustainable by advancing technology and people" was launched. At the Group Management Conference 2023, held at the Congress Center in Alpbach, Austria, the Webasto Group's top managers spent three days familiarizing themselves with the new strategic and organizational direction of the company. This venue offered a perfect and sustainable setting to complement the working sessions with extensive networking opportunities and to illustrate the company's sustainability ambitions using the conference infrastructure as an example. With 3 out of 4 possible points, Webasto was awarded the [→Austrian Green Meetings & Green Events eco-label](#) for the meeting. With this experience in mind, the global managers returned home to work on the Group's ambition of enhancing the joy of individual mobility by upgrading the majority of cars around the world with sustainable, more climate-friendly products from Webasto.

# CUSTOMER & PRODUCTS

» We gain transparency about the impact of our products.

Early implementation of sustainability aspects in the product development reduces the footprint – and opens up unforeseen chances.



Committed to sustainable mobility

# Customer & products – our targets



2023

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## CO<sub>2</sub> emission targets for main products

BY 2023

BY 2025

We were able to develop first CO<sub>2</sub> targets for specific products but also learned that a greater effort is necessary to develop an overall portfolio perspective, which is why a special project was launched.

Project established to develop marginal abatement cost curve for decarbonization measures to derive specific product targets. (For our main roof products, we are in development of options with significantly lower target emission value.)

## Recyclability criteria developed with suppliers and customers

BY 2023

Recyclability criteria are defined according to ISO 22628 and directive 2000 53 EU. Recyclability calculation tool available for all BUs. (Newly defined criteria are integrated in the sustainability PEP\* guideline. Any concrete activities depend on customer or legal requirements valid for the variety of products.)

\* Product Evolution Process



# Committed to sustainable mobility

In development, manufacturing and sales, Webasto focuses on roof systems and on vehicle electrification. The product range includes openable and fixed panoramic roofs, electric high-voltage heaters, charging systems and batteries, as well as thermo management solutions. Among the customers of Webasto are manufacturers of passenger cars, commercial vehicles, and boats, as well as dealers and end customers.

Webasto works closely with almost all automotive manufacturers worldwide and has a thorough knowledge of industry standards, requirements, markets and trends. The automotive industry is currently undergoing a major transition due to emerging ambitious international, European and national climate targets that are accelerating the shift toward electric motors and zero-emission mobility. As the industry transitions, we are developing our product portfolio accordingly and channeling our R&D expenditure into high-tech, sustainable innovations. Recent mergers and acquisitions have strengthened our position as a systems partner for the global automotive industry.

Webasto has been a major player in the market for roof and heating systems for decades. In 2015, the decision was made not only to further expand this core business, but also to tap into new growth opportunities in the field of electromobility. In a very short space of time, the company has successfully established itself in this market with its expanded product range. The new business has become an integral part of the Webasto Group.

We are proud to successfully establish our Electrification business. It has grown tremendously and is starting to become a relevant counterweight in the balance of our portfolio. This is a historical step for our company, and it marks a significant expansion in our focus.

Previously, the Electrification business was seen as a startup-like venture. However, it is now clear that it is a core part of our future. Our Batteries and Thermo Management solutions are playing a major role in the automotive Tier 1 arena. That is why we are expanding into new markets and business models, and we will further invest in technologies and capabilities to support the business and sustainability targets.

## Roof & Components

Lightweight constructions and the integration of solar panels are important aspects of our roof portfolio. Webasto has different lightweight technologies in series production. For example, roof systems made of polycarbonate or polyurethane composites offer up to 50% weight savings compared to roofs made of classic materials, which helps to reduce the vehicle's fuel consumption and CO<sub>2</sub> emissions.

Our Paper Honeycomb (PHC) technology not only enables a lightweight roof solution, thereby contributing to the vehicle's fuel efficiency, but also saves energy in the upstream processes since we can avoid the highly energy intensive production of steel and aluminum. Moreover, we use recycled paper for the honeycombs wherever the quality of the secondary material allows, which further improves the footprint. This is currently the case for our PHC projects in Europe.

The Webasto solar roof is a recognized eco-innovation as per EU Regulation 443/2009. For electric and hybrid vehicles, solar energy can charge the battery, helping to power the electric motor or can be used for climate control of the interior. In conventional vehicles, solar energy can charge the starter battery via intelligent battery management, relieving the alternator and reducing fuel consumption.

## CO<sub>2</sub> reduced ambient light generation 2

Introducing the ambient light generation 2 from Webasto, a product advancement that not only elevates passenger comfort but also aligns seamlessly with our commitment to sustainability. Through this innovative technology, we have achieved a remarkable reduction in the carbon dioxide equivalent (CO<sub>2</sub>e) of the roofs equipped with this innovation. Compared to the previous technology, we are now not only able to reduce the weight of the roof but also remarkable reduction in the CO<sub>2</sub>e in the cradle-to-grave scope. This new ambient lighting solution enhances the in-vehicle experience and additionally reflects our dedication to sustainable practices.

## Heating systems

Electric heating complements our conventional heating portfolio and provides a comfortable interior climate. Additionally, it has a positive effect on the performance parameters of the vehicle, which in turn ensures resource-efficient operation. The High Voltage Heater is a heating system for electric and hybrid vehicles. It provides the necessary thermal heating power for the vehicle's cabin interior as well as the powertrain battery. The patented heating layer technology consistently achieves over 95% efficiency in converting electricity into heat. The stabilizing effect on the vehicle electrical system and its ability to harness recuperation energy are further benefits. Furthermore, Webasto is preparing its conventional heater portfolio for climate-friendly e-fuels, such as bioethanol and hydrotreated vegetable oil (HVO).

## Battery systems

The two-pillar strategy pursued by Webasto Battery Systems focuses on the individual needs of our customers, offering both customized battery solutions for large original equipment manufacturers and standard battery systems for commercial vehicles. With its scalable Standard Battery System, manufactured with 100% green electricity at our plant in Schierling, Bavaria, Webasto is driving numerous ambitious electrification projects for commercial and specialty vehicles around the globe. From agricultural machinery, shuttle and passenger transportation to construction, municipal and industrial vehicles: Webasto Battery Systems in combination with thermal management solutions are the drivers behind technologically ambitious conversion and equipment projects in the commercial environment. In 2023, we started working on a concept for a "Greener Battery"

to develop a more sustainable battery. This involves rethinking our products, projects and processes with sustainability as a guiding principle. To achieve this, we take a closer look at five fields of action: circular economy, design for circularity, sustainable materials, green production, and green cell. Within these action fields we teamed up with different partners. In our cooperation with Circular Republic we started a pilot project with more than eight partners to create a circular battery life-cycle. With the RWTH Aachen University and Cylib we took a closer look at the recyclability of our CV Standard Battery to further develop a sustainable battery design.

Electrical Battery Thermal Management (eBTM) now complements our product portfolio with a compact and scalable system that keeps traction batteries in trucks, vans, buses, and construction machinery within the ideal temperature range at all times. As a result, the batteries deliver their maximum power during operation regardless of the outside temperature and load, achieve the longest possible life cycle, and can be charged more quickly.

## Charging systems

Webasto provided a range of charging solutions including mobile chargers for flexible on-the-go charging, a Vehicle-to-Load (V2L) Plug for charging electronic devices, wallboxes for safe and quick charging up to 22 kW, high-power chargers for fast charging and longer distances, digital solutions for billing and monitoring, and powerful industrial charging solutions for various industrial equipment. The majority of the charging business was sold in February 2024 to US based Transom Capital Group.

### Recyclability of our battery systems

In preparation for future regulatory recycling requirements, the Webasto Battery business unit subjected its CV Standard Battery and new battery generation to a "proof of concept" study. In collaboration with our partner CYLIB, we demonstrated hydrometallurgical leaching and recycling efficiencies for recovering lithium, graphite, nickel, cobalt, and manganese from our CV Standard Battery. The results have exceeded our expectations, as recovery rates and the purity of the recycled raw materials are remarkably high. Additionally, in cooperation with the PEM at RWTH Aachen University, we have thoroughly investigated our new battery generation over the past few months. Our findings can be incorporated into our design guidelines. The results are very positive and indicate the potential to achieve good recycling rates in the future, exceeding regulatory requirements.

## Innovation management

To develop new, innovative technologies and processes, we are closely observing customer and market expectations. We do this through technology and trend scouting, brainstorming product ideas, and implementing new ideas generated through studies, simulations, conceptual development, process development and studying hardware samples. As part of its innovation strategy, Webasto is a partner of the innovation platform START-UP AUTOBAHN, actively exchanging with start-ups and searching for future partners to jointly develop innovative and sustainable mobility solutions.

## Organization of research and development (R&D)

Webasto R&D Management, which works closely with the Advanced Engineering department and the business units, has established two major R&D processes: the Technology Evolution Process (TEP) for advanced engineering and the Product Evolution Process (PEP) for product development. On a Group level, the Executive Vice President for Research and Development and Product Management is responsible for adherence to Product and Process Innovation procedures at our 24 R&D locations worldwide.

To integrate sustainability criteria more deeply into our existing R&D process landscape, we have developed a guideline for sustainable product development which

will support our R&D teams from 2023 on. For example, we strive to check the potential for incorporation of innovative, sustainable material at the earliest stage of every new product development project. In 2023 an internal Life Cycle Assessment (LCA) guideline based on the relevant ISO norms was developed to ensure a consistent and standardized calculation within Webasto. Webasto experts conducted LCAs for at least one representative product per business unit. Additional calculations were done on behalf of our customers.

Recyclability criteria are defined based on ISO 22628/ Directive 2000 53 EU. A recyclability calculation tool is now available for all business units, and pilot assessments have started for different products.

As a next step, our ambition level for recycling and decarbonizing of different products must be formulated and standard assessments carried out in line with the PEP.

Following our environmental management approach, which is aligned with ISO 14001 (Environmental Management), we also consider the end-of-life phase of our products during product development. This means analyzing recycling or disposal options at the earliest stage of development. We are discussing second-life applications with various companies and evaluating further opportunities for Webasto in this area.

### Webasto is driving forward the electric mobility concept of the future

The “U-Shift” is an autonomous electric vehicle with a modular design, developed by the German Aerospace Institute (DLR). It is set to redefine mobility in the commercial and private sector. The unique separation of the driving module and the transport capsule, the exchange of which is fully automated, enables the vehicle to be used for a wide range of applications – from passenger to freight transport. Webasto supports this pioneering pilot project with its standard battery system, which reliably supplies the autonomous drive module, the sensors, and the integrated lifting system with the necessary energy. The collaboration between Webasto and the DLR is a prime example of how future transportation can be flexible, efficient, and environmentally conscious.

## Product design and recycling

To reduce our carbon footprint and contribute to a circular economy, we investigate the potential for using renewable materials in our products and applications. Our manufacturing processes use a wide variety of engineering plastics, such as polyamides, polypropylene, and polyesters. Currently, the share of secondary materials varies with the material type. The share of recyclates in the plastics we use is still very low, as the quality, availability and processability of these materials vary widely, and most of our products have high technical requirements. Moreover, many of our customers do not allow the use of recyclate materials for safety-critical parts. For each new development project, we check the potential for using recycled, biobased or biomass balanced plastic raw materials. However, we are striving to increase our use of recycled materials. In our convertible segment, we are already using recycled nonwovens for acoustic insulation.

Webasto endeavors to design its products in a way that waste generated during their production and use is reduced and avoided wherever possible. We aim to ensure that individual components can be recycled and returned to the production cycle. One focus of our efforts is the development of single-variety materials.

In accordance with legal requirements, Webasto reclaims battery and wallbox systems at the end of their first service life. By cooperating with specialized recycling companies, we ensure a high recovery rate of the raw materials we use in the batteries. During the production of our Standard Battery System the non-reusable production scrap is professionally recycled in cooperation with a well-known recycling partner. We also cooperate with regional recycling partners as well as regional further processors to reduce transport distances and secure resources within the EU. Furthermore, we are developing strategies for secondary use. As a battery manufacturer and developer, we know there is energy capacity left in the batteries once they've exceeded their initial intended use. For example, we use second life batteries to store the electricity generated by the photovoltaic plant at our Schierling production site. This helps us improve our own consumption, harmonize energy peaks, and optimize our carbon footprint.

Together with our partners in the supply chain, we want to develop holistic processes and increase the use of reusable packaging. This approach cannot yet be mapped in terms of data technology in a manner that allows us to measure a valid percentage improvement based on global comparison parameters. Despite quantification, we are engaged in increasing returnable packaging at all sites worldwide.

## Product safety and compliance

At Webasto, a standard product safety process ensures that our product design is compliant with defined global requirements and legal regulations and product safety standards. The process is in place in all business units across all regions and involves our suppliers via development contracts. Requirements are continuously updated in collaboration with the Conformity and Product Development departments.

Our global Product Safety and Conformity Team includes contact people in all regions and respective sites. Safety issues are registered and corrected according to legal and customer requirements. Our lessons learned processes prevent recurrences. We detect field damage at an early stage through diligent market monitoring and conduct product safety audits to validate the long-term durability of corrective measures. Weekly incident reporting to the Quality Board ensures high levels of safety and conformity.



## Customer satisfaction and marketing

We closely observe customer and market expectations in order to develop new, innovative technologies and processes. This is accomplished by technology and trend scouting, brainstorming product ideas, and implementing new ideas generated through studies, simulations, conceptual development, process development and studying hardware samples. Part of our innovation strategy at Webasto includes partnering with innovation platform Startup Autobahn, actively exchanging ideas with start-ups and searching for future partners to jointly develop innovative and sustainable mobility solutions.

Product quality and customer satisfaction are core priorities that we pursue through consistent quality management and monitoring. The Executive Vice President for Quality and Health, Safety and Environment (HSE) is responsible for this area. Our quality policy lays the foundation for all processes. We carry out comprehensive quality assurance, from supplier and parts qualification through to production and customer service. We also perform regular field observations to identify quality problems at an early stage. Our monthly internal customer satisfaction report tracks the Webasto customer rating. Webasto is subject to legal regulations as well as specific customer requirements when it comes to labeling and marketing our products. The respective requirements for labeling are filed in the Webasto Integrated Management System (WIMS).

Our high level of customer satisfaction was affirmed in various reader surveys, and we have received recognition for our products from numerous automotive manufacturers.

### Customer awards

#### 2021

- Quality Premium Partner at NIO Partner Conference, China
- Plus X Award for charging product in the categories innovation, high quality, design and ease of use
- Top 100 China Automotive New Supply Chain at the Gasgoo Awards
- Great Wall Quality Contribution Award

#### 2022

- CJLR Award for our plant in Jiaxing, China, for high-quality products
- Hyundai Kia Supplier Award in the category 'best localization' for a smooth production launch in India
- Dongfeng Nissan Excellent Supplier Award in China (Guangzhou and Xiangyang)
- 2022 Supply Guarantee Award by FAW-Volkswagen
- BMW Supplier Innovation Award in the category 'customer experience'

#### 2023

- AUTOMOBILE & PARTS: Technology Innovation Award 2023, China
- Dongfeng Nissan: 20th Anniversary Best Partner Award 2023, China
- Dongfeng Nissan: Excellent Supplier Award 2023, China
- FAW-Volkswagen: Collaborative Development Award 2023, China
- Gasgoo: Top 100 China Automotive New Supply Chain 2023, China
- Geely: Best Value Contribution Award 2023, China
- Great Wall Motor: Quality Excellence Award 2023, China
- Vogel AI Automobil Industrie: Technology Innovation Award 2023
- Mitsubishi: Quality Excellence Award and Superior Quality Award 2023, Japan
- Hyundai Motor Group: Quality Award 2023, Korea

# PURCHASING & SUPPLY CHAIN

» **We address our Scope 3 upstream emissions.**  
By partnering with our global suppliers, we join forces to develop ideas for reducing emissions.



Committed to responsibility

# Purchasing & supply chain – our targets



2023

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25

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28 30

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## German Supply Chain Due Diligence Act implemented

BY 2023

Supply Chain Due Diligence Act successfully implemented according to legal requirements. Documentation is disclosed on company website and towards federal Office for Economic Affairs and Export Control.

## Focus on sourcing decisions considering sustainability criteria

BY 2024

A sustainability questionnaire has been implemented for direct and individual indirect suppliers in the Supplier Portal. Based on the questionnaire a score is generated and depicted in the sourcing decision.

## Standardize processes for ESG risk management

BY 2023

An initial concept for an integrated ESG risk management approach has been developed. Looking forward, we will be working on incorporating it via a standardized process in corporate risk management.

# Committed to responsibility

We strive to build a sustainable and ethical supply chain and establish clear social and environmental responsibility requirements for suppliers. Defined processes for purchasing ensure suppliers are certified to meet environmental protection standards.

Our mission in Purchasing is to achieve cost efficiency, reliable quality, and timely delivery throughout the entire supply chain. To manufacture our products we source over 250 different types of parts and components from approximately 2,000 suppliers. These include battery cells and modules, battery housings and electronic components for our battery systems, glass panels, steel and plastic frames, aluminum guiderails and mechanisms for our roofs, electronic control units, heat exchangers and blower modules for our heating systems. A large share of pre-products is sourced locally and delivered by truck to our production plants. The remaining parts are shipped by sea or air freight.

Our Executive Vice President Purchasing & Supplier Quality is responsible for all aspects of purchasing. Webasto Purchasing has a strong regional and business unit focus on sourcing, which helps the organization react quickly to changing requirements. All managers meet three to four times a year at the Global Purchasing Leadership Meeting to exchange knowledge.

A process-supported supplier management system ensures that all suppliers are comprehensively screened in

advance. This system also continuously monitors and evaluates their delivery performance and quality. We expect our suppliers to comply with predefined supply chain management standards, delivery guidelines and a quality policy. Our general purchasing conditions for suppliers stipulate that they must act on the precautionary principle. They must undertake to protect the environment and human rights, take initiatives to promote greater responsibility for the environment and human rights, and encourage the development and dissemination of environmentally friendly technologies. They are moreover responsible for ensuring socially responsible processes and working conditions.

Furthermore, in 2023 a sustainability questionnaire was set up to measure the performance of our suppliers. All of our direct suppliers must complete this questionnaire before they can register on our supplier portal. The questionnaire is used to calculate a score, which will be integrated into the sourcing process by 2024. Considering this score is the very first step we take in evaluating potential risks when onboarding a new supplier. Webasto will continuously enhance the questionnaire and increase requirements during sourcing.

» Webasto relies on its sustainable and trustful relationships with its suppliers and seeks to partner only with suppliers sharing our core values. « Preamble of SCoC

## Together with our supplier base, we ensure a substantial contribution to decarbonizing our planet.

Sustainability is the major future challenge facing us all. That's why sustainability and sustainable practices need to be integrated into our business principles – so that everyone can make their contribution every day.

Emissions in our value chain are a significant part of our corporate carbon footprint and therefore offer the greatest potential for reduction. On November 9, 2023, we held our first ever Supplier Sustainability Webcast. It was a great success!

Our Executive Vice President Purchasing & Supplier Quality, Jan-Kristof Hohenstein, opened the webcast from the studio in Stockdorf with a keynote speech on why sustainability plays a big role for Webasto, and on how Webasto would like to shape the future together with its suppliers.

In a panel discussion, experts from Purchasing, Product Development and R&D explored the following topics:

- Developing a sustainable product: where to start?
- Why should R&D and Purchasing work closely with our supply chain partners?
- What can our business partners expect from the transformation within Purchasing?



## Local purchasing

Our Purchasing vision takes sustainability as well as timely delivery and cost into account. As a result, a significant share of our suppliers is local and we have initiatives in place to increase localization. In general, a local supplier is a supplier operating within the region of the Webasto plant in question. We divide Europe into Western Europe and Eastern Europe to reflect the fragmented national structure. This better reflects our localization efforts in each sub-region.

The localization rate, meaning the share of purchasing budget expended within the region of production, varies by region. For Western Europe, we see a decreasing localization rate from 67% in 2022 to 58% in 2023. The localization rates of all other regions remained largely flat compared to the previous year. We review the local sourcing share in our regions on an annual basis. Localization of supplier production locations is part of our purchasing category strategies. Nearshoring will in future be one of our focus criteria, especially when onboarding new suppliers.

## Environmental criteria

All products manufactured along the supply chain must meet the environmental protection standards of their respective market segment. Suppliers of production material are obliged to introduce a certified environmental management system in accordance with ISO 14001

(Environmental Management), the Eco-Management and Audit Scheme (EMAS) or a comparable standard by no later than two years after conclusion of the supply contract. Furthermore, the supplier must operate such a system during the entire term of the business relationship with Webasto and submit corresponding evidence. Renewed proof shall be submitted in due time before expiry of the validity period. During supplier onboarding, Webasto checks if a supplier is certified. We regularly update the certificates in our systems, using a dashboard to identify gaps. We also perform a monthly "health check" on all suppliers and can see on the dashboard whether they have the relevant environmental certificates. Currently, 43% of our direct material suppliers worldwide are certified to ISO 14001 (Environmental Management). Alternative systems such as EMAS are also accepted and summarized under ISO 14001 in the reporting system. In addition, we monitor all our suppliers through our supplier risk management platform, which also checks their environmental impact. The system alerts us if there is any indication that national or local environmental standards are violated. Once a month, we meet to discuss suppliers with an increased risk rating, define countermeasures and decide what actions to take. If our actions are ineffective or the supplier is unwilling to support them, sanctions are put in place. These range from putting suppliers on hold for quotations to terminating the supplier contract altogether.

Percentage of certified suppliers with ISO 14001 by region	2023
Europe	40%
Americas	23%
Asia Pacific	45%
China	77%
Worldwide	43%

Percentage of spend sourced locally (same region)*	2021	2022	2023
Europe			
Western Europe	67%	67%	58%
Eastern Europe	45%	46%	44%
Americas	91%	92%	93%
Asia Pacific	97%	94%	93%
China	99%	99%	100%
Worldwide	85%	85%	83%

\* Percentage of spend sourced locally refers to the share of purchasing budget expended within the region of production of each Webasto plant. Reported data is consolidated on a regional basis.

## Human rights and social aspects

Society's and manufacturers' expectations of fair supply chains and human rights are increasing. At the same time, government regulations are tightening in many countries and the European Union has adopted a new supply chain act.

Webasto is subject to the German Supply Chain Due Diligence Act. As required by the law, we have implemented a risk management system capable of identifying potential human rights risks and abuses in our supply base and our own business operations. We have moreover taken mitigation and prevention measures, maintained a whistleblowing system to enable stakeholders to raise issues directly with us, and reported our efforts to government officials and the public (via our website → [webasto.com](https://www.webasto.com)).

### Organizational ownership

Webasto SE and its sub-group holding companies Webasto Roof & Components SE and Webasto Thermo & Comfort SE have established a permanent and independent committee called the Supply Chain Due Diligence Act Committee (SCDDA Committee) to fulfill the requirements of the German Supply Chain Due Diligence Act (SCDDA) and to monitor risk management. This committee consists of experts from various global specialist departments, such as Purchasing, Legal and Compliance, Human Resources, Health, Safety and Environment, and Sustainability. The committee reports regularly to the

Management Board on the fulfillment of human rights and environmental obligations. This includes the results of risk analyses and measures to improve the risk management system. The committee also draws up a declaration of principles, which is submitted by the holding companies at the beginning of each calendar year.

### Declaration of principles

A declaration of principles has been published on the company website and on the company intranet. It contains our human rights and environmental expectations vis-à-vis our own employees and suppliers, a description of our risk management system and the annual risk analysis. It moreover establishes preventive and remedial measures, provides a grievance procedure for our own business area and for direct and, where applicable, indirect suppliers.

### Risk analysis and preventive measures

We carried out a risk analysis using a risk assessment software tool. This identifies any abstract risks based on country and industry risks, and highlights violations in particular. These were evaluated individually as part of the specific risk analysis.

As a result of the risk analysis, no infringements of human rights protected by the SCDDA were identified at our suppliers or in our own business area.

To minimize risks in our supply chain, the abstract risks identified in the supply chain were weighted and prioritized according to our ability to influence the supplier. For the reporting period, these risks were prioritized for direct suppliers:

- Disregard of occupational health and safety, and work-related health hazards
- Destruction of the natural basis of life through environmental pollution
- Prohibition of unequal treatment in employment
- Prohibition of withholding an appropriate wage
- Prohibited production and/or use of substances within the scope of the Stockholm Convention (POPs) and non-environmentally sound handling of waste containing POPs

Initial preventive measures include developing and implementing suitable procurement strategies and purchasing practices, integrating expectations into supplier selection, and obtaining contractual assurances of compliance. We are also implementing expectations throughout the supply chain by means of our Supplier Code of Conduct.

Existing templates and processes to create purchasing strategies have been enhanced to include aspects of the German Supply Chain Due Diligence Act. Our purchasing strategies now take risks relating to the infringement of human rights protected by the SCDDA into account when determining a supplier panel for a product group. In this way, we sensitize our buyers to potential risks and prompt them to respond appropriately to risks in our supply chain.

A self-assessment questionnaire has been developed to support the initial assessment of a supplier's SCDDA-related risks. It is used for qualification of new suppliers and for award decisions. This enables us to identify risks at an early stage and take appropriate actions, including the option of rejecting the applicant as a supplier, or temporarily excluding a supplier from project awards.

Furthermore, we will continuously address the aforementioned risks by taking further suitable preventive measures.

In our own operations, we have identified and prioritized the following risks:

- Destruction of the natural basis of life through environmental pollution
- Disregard for freedom of association – freedom of association and right to collective bargaining
- Prohibition of unequal treatment in employment

Our risk analysis, conducted via questionnaire, indicates that due to inconsistency in understanding of the law, there could be a medium risk regarding the freedom of association and the prohibition of unequal treatment in employment.

To further evaluate the risks at Webasto sites, further assessments are carried out in 2024 and, if necessary, measures implemented to eliminate or minimize potential risks. Internal audits ensure future risk avoidance.

The Webasto Group's Social & Environmental Principles Policy was drawn up and implemented in June 2023 to raise awareness among our workforce and as part of the preventive measures. It applies to all entities of the Webasto Group and contains specifications on SCDDA protection rights and other topics.

### Whistleblowing system

Webasto has set up a web-based whistleblowing system that allows compliance violations to be reported anonymously and confidentially. This system is managed by an external service provider and is available in various languages. The information received is reviewed and processed by the Compliance department, whereby processing is generally carried out by independent compliance officers who are not bound by instructions. Reports relating to the Supply Chain Due Diligence Act (SCDDA) are forwarded to the Chairperson of the SCDDA Committee. The identity of the whistleblower is treated confidential-

ly throughout the entire procedure, and it is possible to submit reports anonymously. The whistleblowing system is open to all potential stakeholders:

- Own employees
- Communities in the vicinity of own sites
- Employees at suppliers
- Other business partners
- External stakeholders such as NGOs, trade unions, etc.

Webasto does not tolerate reprisals against whistleblowers and has laid this down in its Code of Conduct.

### Violations of human rights

We have not received any reports of possible SCDDA-related violations from our whistleblowing system or via our risk management tool. Webasto is not aware of any reports of possible SCDDA-related human rights violations by our suppliers or within the Webasto Group within the reporting period 2023, nor is Webasto otherwise aware of any such violations (→ [chapter Governance & compliance](#)). This applies to the following areas:

- Child labor in all its forms
- Forced and compulsory labor
- Incidents involving indigenous rights
- Incidents of discrimination

## Conflict minerals and responsible material sourcing

Webasto expects its suppliers, as part of their due diligence, to avoid any minerals originating from conflict mineral smelters. Minerals are classified as conflict minerals if their extraction, transportation, trade, handling, processing, or export directly or indirectly support non-state armed groups. Information on smelters or refineries used by the supplier or by its sub-supplier for minerals, such as tin, tantalum, tungsten, and gold, must be provided to Webasto upon request. For original equipment, materials containing conflict minerals are identified via the International Material Data System (IMDS). In 2023, a total of 270 suppliers were assessed against the IMDS for the topics of conflict minerals, cobalt as well as the REACH regulation (= registration, evaluation, authorization and restriction of chemicals) and perfluorooctanoic acid.

Webasto also requires its suppliers to file an official Conflict Mineral Reporting Template, a globally standardized tool for due diligence obligations along the supply chain. By conducting regular legislative research, we ensure that we include all relevant regulations, as well as all relevant materials and minerals in our supplier assessment.

As of today, Webasto does not participate in voluntary initiatives such as Responsible Minerals Initiative (RMI) and Responsible Mining Assurance Initiative (IRMA).

### Supplier playbook sustainability

The purchasing team members who focus on implementing sustainability have compiled a “supplier playbook” to provide guidance to our business partners on how to become more sustainable in their operations and how to implement sustainable principles. The goal is to inform and inspire suppliers to proceed on their own decarbonization journey. In addition to theoretical knowledge, the playbook includes case studies derived from industry best practices, and own experience. The complete document is available in the download center of the → [Webasto Supplier Portal website](#).



# CLIMATE & ENVIRONMENT

» We are focused on decarbonization, which is one of our main goals. Our ambitious targets are leading us to take measures which make a significant contribution to achieving the Paris climate targets.



Committed to transformation

# Climate & environment – our targets



2023

24

25

26

28

30

45

## -50% Group carbon reduction\* Scope 1&2

In 2023 we continued our emission reduction strategy especially focusing on energy efficiencies, energy reduction and increasing renewable energies, thereby reducing our Scope 1&2 emissions.

BY 2030

## Net Zero

BY 2045

Increasing our green electricity share as well as continuous efforts to reduce Scope 1&2 emissions pays towards long-term net zero target.

## Use of 100% Green Electricity

Expanding the green electricity quota is part of the Webasto energy strategy and roadmap. In 2023 we expanded our overall green electricity share to 21%.

BY 2030

## -25% Group carbon reduction\* Scope 3 upstream

In 2023 we continued working on our target by increasing data quantity and quality throughout our supply chain as well as further increasing engaging with key suppliers on a common emission reduction roadmap.

BY 2030

## CDP Climate rating: B

BY 2023



BY 2024

We were able to achieve a “B” rating in 2023 – and strive to achieve at least the same in 2024.

## Drive digitalization of sustainability data and processes

BY 2025

We aim to operationalize and digitalize sustainability data collection and management as well as sustainability performance analytics to meet diverse reporting needs.

\* Compared to base year 2021

# Committed to transformation

Manufacturing our products and carrying out our business operations are undeniably resource- and energy intensive. As such, our production sites and value chain have a substantial environmental impact. We are aware of this and take responsibility for it.

To strike a balance between manufacturing and environmental protection, we successfully developed and set-up our decarbonization roadmap which includes energy hierarchies, efficiency plans and guidelines. To better assess the future impact of climate change on Webasto, we modeled different climate change scenarios in a group-wide scenario analysis carried out in 2022. In 2023, we continue working on our robust transition roadmap to put our CO<sub>2</sub> emission targets for scope 1, 2 and 3 upstream emissions into action. Furthermore, we continued our improvements regarding transparency and management of material environmental figures such as energy, purchased materials, water, and waste, to align our actions even better with preserving natural resources. All our sites were involved in activity data collection and reporting on environmental and climate-related data in 2023. Clear roles and responsibilities, close collaboration between relevant corporate functions, decentral functions at (production) sites and the Central

Sustainability team, together with a newly rolled-out sustainability reporting software solution support continuous data improvement and reliability.

This year has been about moving forwards on our action plans to achieve our climate targets set in 2022. To move towards and ultimately achieve our ambitious targets, we took the requirements of our major stakeholders, especially employees, customers, suppliers, and regulators into account. Most importantly, we aim to contribute to the UN Paris Climate Agreement to limit global warming to 1.5 degrees, thereby demonstrating our ambition and contribution to the transformation towards a more sustainable and circular economy.

Processes related to environmental protection as well as quality and occupational health and safety are bundled in the Webasto Integrated Management System (WIMS). Our environmental policy which is part of the

WIMS was last released in August 2020 and will be updated in 2024. The Quality and HSE department, which reports directly to the Chief Operating Officer, is responsible for upholding the WIMS.

## Certifications

42 of our sites, covering 93% of our employees, are certified to ISO 9001 (Quality Management), 36 of our sites, covering 85% of our employees, are certified to IATF 16949 (requirements for quality management systems in the automotive industry) and 39 of our sites, covering 92% of our employees, are certified to ISO 14001 (Environmental Management). 57% of our employees are also covered by management systems certified to ISO 45001 (Occupational Health and Safety) or the Occupational Health and Risk Management System (OHRIS). Our respective certificates are available [→online](#).

## Use of raw materials

As a global supplier and enabler of mobility, Webasto aims to pursue the principles of resource efficiency and the circular economy. We strive to continuously reduce the amount of raw material used for our products by applying our innovative strength and optimizing our product designs. We focus particularly on offering lightweight solutions for the automotive market. Where technically feasible, we aim to replace metals with high performance plastic resins and increase the use of plastic resins with low density and carbon-fiber-reinforced thermoplasts ([→chapter Customer & products](#), [→chapter Product design and recycling](#)).

We try to reduce the extraction of raw material where possible. This aligns well with our overarching strategy of standardizing materials, reducing variants, achieving transparency, and enhancing traceability in the supply chain. Established supply agreements ensure we avoid the use of substances of concern, and the IMDS supports traceability. In 2022, we have started to use Life Cycle Assessments and Product Carbon Footprints to enhance transparency of our environmental impact. As a next step, we want to integrate further circular economy principles and decarbonization into product development and production. The data collection processes and methods for material consumption are set-up in accordance with the calculation of the Corporate Carbon Footprint.

We aim to constantly increase data accuracy. Therefore, for the calculation period 2023, Webasto has switched from a spend-based to a weight-based emission calculation for steel, aluminum and glass wherever possible. This equals 26% of the total purchasing volume.

Purchased volume by weight in tons*	2021	2022	2023*
Steel	49,393	70,979	61,069
Aluminum	21,154	35,816	39,622
Glass	88,399	156,200	124,927

\* Not all purchased volumes of the respective materials are included but those available as weights for the calculation of the Corporate Carbon Footprint

## Emission management and strategy

Stakeholder requirements for emission transparency, management and a comprehensive climate strategy are growing in number and complexity. The Webasto Group's emission management and strategy consists of a set of impact fields to meet these requirements and enable climate-friendly business growth. To implement the Webasto climate strategy and targets, an operative organization, the so called "Climate Target Operating

Model", was developed and introduced in 2023. The Climate Target Operating Model defines responsibilities, core tasks, deliverables and reporting structures. Responsibility for its implementation lies with the Central Sustainability team and the Chairman of the Management Board, who chairs the sustainability committee and bears ultimate responsibility for sustainability.

## Climate Target Operating Model

Core field of action	Climate Strategy, Reporting & Disclosure*	Transparent and decarbonized Supply Chain	Transparent and decarbonized Production	Transparent and decarbonized Products	Customer engagement on sustainability needs
Natural Owner	Sustainability	Purchasing & SCM	Operations & HSE	Business Units, Research & Development	Sales
C-Level responsibility	CEO	COO		CTO & C Roof**	CTO

\* Includes climate data management in CFO responsibility

\*\* Board member responsible for the global roof business at Webasto

## Corporate carbon footprint

To ensure comprehensive and consistent carbon accounting, the Corporate Carbon Footprint (CCF) was calculated for the reporting year 2023. It covers the entire Webasto Group, including all production and non-production locations world-wide, using the Webasto Group's Operational Control Approach\*. We calculate the absolute CO<sub>2</sub> emissions of the Webasto Group following the Greenhouse Gas Protocol (GHG Protocol) standard, which consists of direct emissions from production processes and the generation of electricity and heat (Scope 1) and indirect emissions from the purchase of energy (Scope 2). Following the GHG Protocol we use dual reporting for calculating Scope 2 emissions, but use the market-based approach for primary Scope 2 reporting. At Webasto we calculate not only the Scope 3 upstream emissions – indirect greenhouse gas emissions from our supply chain related to purchased or acquired goods (tangible products) and services (intangible products) generated cradle to gate – but also those generated by transportation, business travel and employee commuting. We followed a hybrid approach to evaluating our Scope 3 emissions. In general, the relevant calculated emissions include further greenhouse gases besides carbon dioxide (CO<sub>2</sub>), such as methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>), which are converted into CO<sub>2</sub> equivalents (CO<sub>2</sub>e). Biogenic emissions from the combustion of biomass and biofuels are accounted and reported separately to the total Scope 1 emissions of Webasto (summarized as “outside of scope”).

In 2023, our total CO<sub>2</sub> emissions decreased by 3% compared to 2022. Besides reduction drivers such as

switching to renewable electricity and increasing our energy efficiency, reductions can be predominantly attributed to a methodological change triggered by Scope 3 upstream emission accounting. To improve the transparency and accuracy of carbon accounting, a relevant proportion of purchased goods & services (Scope 3.1) was calculated using weight-based activity data rather than taking the spend-based approach. This led to a reduction in emissions for 2023 as well as for 2021 and 2022 – as a recalculation was done. The remaining share calculated with the spend-based approach profited from the associated reduction of emission factors due to inflation adjustments. Organic business growth counteracted a higher emission reduction rate.

### Recalculation policy

Webasto has set the CCF 2021 emissions inventory as the base year emissions for its Webasto Climate Targets 2030. To accurately track progress towards our emission reduction targets we will adjust our base year emissions inventory to account for significant changes should those changes lead to an increase or decrease in emissions of greater than 5%, following the guidance set out in the GHG Protocol (Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard). We may also choose to recalculate our base year for changes of less than 5%, especially when structural changes occur. Significant changes triggering a recalculation are:

- Structural changes such as mergers, acquisitions, or divestitures. When significant structural changes occur in the middle of a year, the current and baseline year will be recalculated for the entire year.

- Methodology changes including improved data access, updated emission factors or standards.
- Data errors or other significant changes within our organization or operations that significantly affect our emissions.

In 2023 a recalculation of our 2021 base year was triggered by the change in methodology for Scope 3 upstream carbon accounting.

Emissions* (in t CO <sub>2</sub> e)	2021***	2022***	2023
Scope 1	22,162	23,440	17,780
Scope 2**	121,472	127,793	115,922
Outside of Scope	654	440	581
Scope 3 (upstream)	3,443,900	3,411,573	3,330,231
<b>Total</b>	<b>3,588,188</b>	<b>3,563,246</b>	<b>3,464,514</b>

\* Reporting scope: all locations worldwide

\*\* Primary approach: market-based. Scope 2 location-based

\*\*\* Changes to past reported results due to recalculation in 2023

Energy consumption* in kWh	2021**	2022**	2023
Fuel for heating	634,600	581,134	503,492
Fuel for company cars	10,891,621	8,536,319	10,152,584
Natural gas	82,412,012	80,648,321	67,138,425
Biomass	1,473,000	991,000	1,299,000
Electricity	211,577,699	241,183,749	241,798,827
of which on-site renewable	3,144,059	6,526,376	9,810,722
of which purchased renewable	25,893,499	30,398,399	40,574,061
<b>Total</b>	<b>306,988,932</b>	<b>331,940,524</b>	<b>320,892,327</b>

\* Reporting scope: all locations worldwide

\*\* Due to data transparency improvements and scope extension slight differentiations to previous disclosure may occur

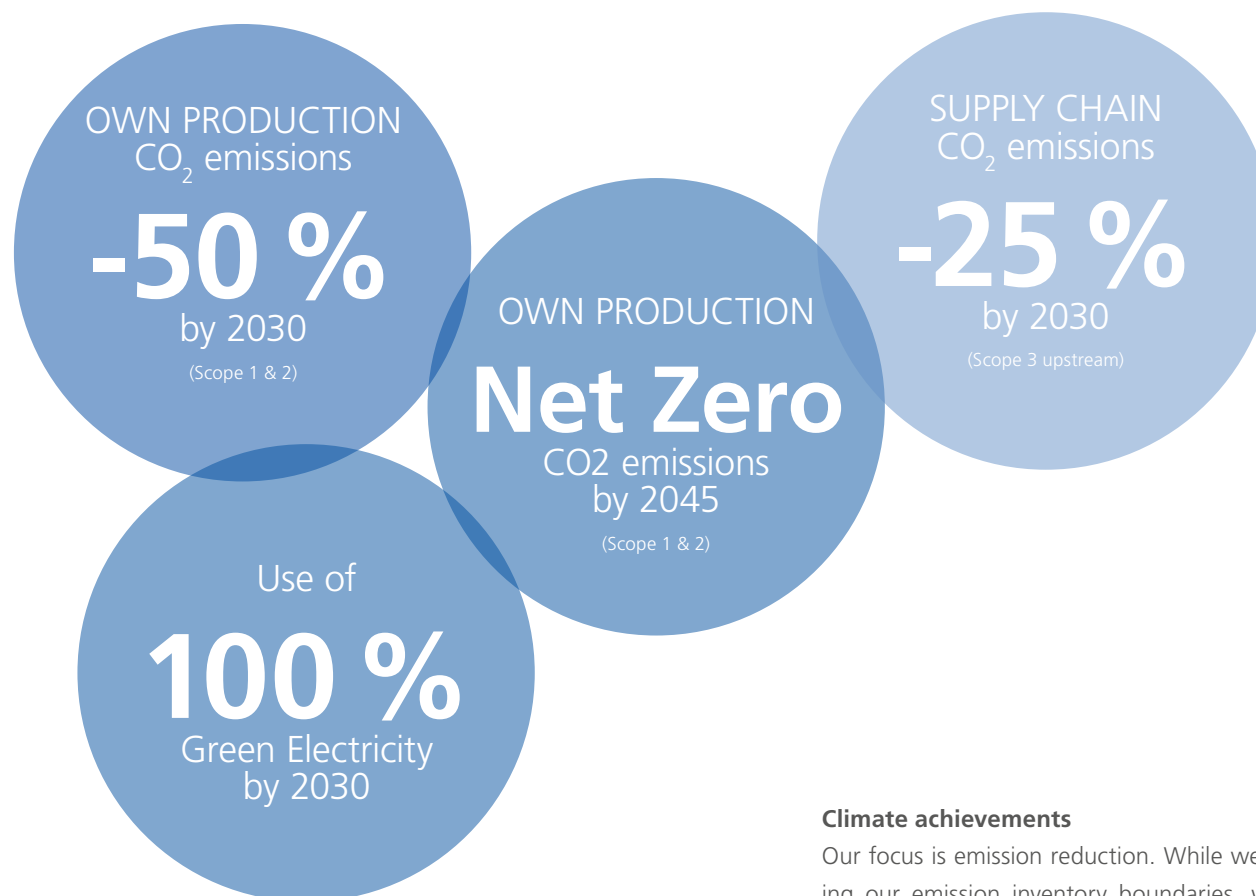
\* According to the Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard.



### Climate targets

Webasto has set ambitious climate targets to reduce emissions to a minimum in line with the → [Science Based Targets](#) initiative: Reducing Scope 1 & 2 emissions by 50% by 2030 compared to the 2021 base year and accomplish net-zero emissions by 2045. As part of the corporate decarbonization roadmap key levers for reduction were identified, such as switching to renewable energy sources especially for electricity. Besides generating electricity on site e.g., using photovoltaic systems, local options for greener heat supply e.g., via biomass, are also being considered or already in implementation. In addition, enhancing energy efficiency and re-thinking energy intensive processes were identified as impactful. This, for example, also includes switching production sites to LED lights and making more efficient use of waste heat, especially for older production halls. At Webasto, we have understood that all stakeholders must be involved in the climate protection activities and emission reduction throughout the supply chain. Hence, we have also set a Scope 3 upstream target to reduce emissions by 25% by 2030 compared with the 2021 base year emissions inventory. The largest driver of emissions is purchased goods and services. As part of our decarbonization roadmap for Scope 3 upstream, we assess our main reduction potentials for our products by calculating product carbon footprints and enhancing transparency of our major emission driver in the supply chain. Major decarbonization measures are the increased share of renewable energy in our supply chain. Furthermore, we are working towards using more environmentally friendly materials, increasing share of secondary material and rethinking product designs. To raise suppliers' awareness, we are currently expanding our supplier dialogue and engagement activities.

### Ambitious climate & environment targets\* Webasto Group



### Climate achievements

Our focus is emission reduction. While we are optimizing our emission inventory boundaries, we have also accomplished steps towards enhanced climate protection. In 2023 the share of green electricity consumption for the Webasto Group has increased by 36% compared to 2022, either through in-house generation or by purchasing green electricity.

\* All reduction targets are in accordance with the Science Based Targets initiative (SBTi) and refer to the base year 2021.

## Water and effluents

As climate change accelerates, it causes more severe weather events around the world, such as drought and dry conditions. As such, the topic of water is more important than ever. We strive to reduce water consumption by using resources effectively. Although water is used mostly for sanitary purposes at Webasto, potential water risks at our sites are assessed as part of our environmental management program.

In the reporting year, total water withdrawal amounted to 631,662 cubic meters. Water discharge in 2023 was 601,171 cubic meters. The reasons for the decrease in water withdrawal and discharge from 2022 to 2023 are the opening of new production facilities that were put into operation in 2022 with water-saving facilities. In addition, all plants are encouraged to save water and reduce consumption through awareness-raising measures. Unlike in the 2021 report, from 2022 we will no longer provide the service water key figure as a separate indicator. This value is now included in the water withdrawal metric. We also report on water discharges. The data for this key figure is available from the 2021 reporting year.

We continuously work on data availability, transparency and quality, i.e., expanded reporting scope, methodology and verification. This is why the reported values for the 2021 and 2022 reporting years had been adjusted compared to our previous sustainability report. For 2023 we incorporated all Webasto production and non-production sites into our data request on water withdrawal and discharge.

Annual management reviews examine the handling of water withdrawal and water discharge. Legal requirements for withdrawal and return of water from surface waters or groundwater are monitored locally, as is consumption measurement. Particularly in areas that suffer from water stress, we try to continuously increase our efficiency in terms of water usage.

The minimum standard for wastewater at all sites stipulates that no substances hazardous to water may enter the local wastewater systems. We adhere to the requirements of local authorities regarding drinking water protection zones and high flood risk areas when building new sites and continuously check these during operation.

Water* in cubic meters	2021*	2022*	2023
<b>Total water withdrawal</b>	<b>315,387</b>	<b>674,632</b>	<b>631,662</b>
<b>Total water discharge</b>	<b>297,115</b>	<b>653,791</b>	<b>601,171</b>
<b>Water consumption (303-5)</b>	<b>18,272</b>	<b>20,841</b>	<b>30,490</b>

\* We continuously work on data availability, transparency, and quality. This is why the reported values for the 2022 reporting year had been adjusted compared to our previous sustainability report.

## Waste

The principle of “prevent before recycling before disposal” applies at all locations. Depending on the amount of waste generated, a waste officer must be appointed to monitor the generation, collection and disposal of waste and promote the introduction of low-waste processes.

The total waste generated in 2023 was 30,79 tons (2022: 34,49 tons). The largest share of waste is generated at our production sites. The decrease in waste generation from 2022 to 2023 is due to improved data management and local efficiency measures.

Among other things, a scrap rate target was defined for each plant and each product. To enable material recycling of production waste, waste is collected and stored separately at all Webasto locations.

Only waste that cannot be recycled or thermally recycled is landfilled.

The manner in which we collect data for water also applies to waste. We are continuously working on data availability, transparency and quality, i.e., expanded reporting scope, methodology and verification. This is why the reported values for the 2022 reporting year had been adjusted compared to our previous sustainability report. For 2023, we incorporated all Webasto production and non-production sites into our data request on water withdrawal and discharge.

### Hazardous substances

The hazardous substance ordering process regulates the amount of hazardous waste by assessing whether a selected potentially dangerous substance can be replaced by a less risky one. Across all plants, we aim to identify alternative, environmentally friendly solutions with which we can substitute dangerous substances.

Note: Volatile organic compound (VOC) use and its impact are under evaluation in the reporting year.

Waste generated* in tons	2021	2022*	2023
Total non-hazardous waste	19,744	32,647	29,082***
Total hazardous waste**	1,500	1,847	1,705****
<b>Total</b>	<b>21,244</b>	<b>34,494</b>	<b>30,787</b>

\* We are continuously working on data availability, transparency, and quality. This is why the reported values for the 2022 reporting year had been adjusted compared to our previous sustainability report.

\*\* Hazardous waste includes different types of waste with predefined hazardous characteristics.

\*\*\* Decrease in waste generation from 2022 to 2023 was caused by efficiency measures to reduce our waste volume. A key component was the reduction of our scrap.

\*\*\*\* Decrease in hazardous waste generation from 2022 to 2023 was caused by the continuous substitution of hazardous substances.

# EMPLOYEES & WORKPLACE

»» **We believe our success starts with our people.**  
With our holistic view, we create an environment that enables all employees to contribute to the sustainable future of our company.



Committed to passion

# Employees & workplace – our targets



2023 24 25 26 27 28 30 45

## Double number of female managers in Germany\* by 2028

Our goal of increasing diversity in our leadership and management positions was specified in 2023.

## Increase female leaders\*\* worldwide to 23%\*

At the end of the reporting period, the share of female leaders was 18%.

BY 2030

## Increase of training hours up to 10 hours per employee

In 2023, an average of 16 training hours per employee has been achieved. Our goal is for every employee to keep the average training time above 10 hours until 2025 to ensure that continuous development is guaranteed.

BY 2025

## 1st Female Management Board Member

Since 2022 our Management Board includes a woman. As Chief Operating Officer, she has global responsibility for production, purchasing and quality. Our aim is to maintain this female share in the Management Board until 2027 and beyond.

BY 2027

## Introduce new concept for safety management

Until 2024 we aim to set up a new safety management concept by reviewing the KPI set for incidents.

BY 2024

\* Compared to base year 2021

\*\* Leadership is defined as Level 1-4 all plus Level 5 and 6 disciplinary



# Committed to passion

We believe our success starts with our people and are committed to helping our employees reach their fullest potential. At Webasto, we ensure a diverse and inclusive workplace, foster employee growth and development, and endorse a positive work-life balance.

From Europe, Asia, and Australia to the Americas: Webasto is where our customers need us to be. Our multicultural workforce of more than 16,000 employees works in more than 60 locations in over 20 countries worldwide, yet is bound together by our values that prioritize collaboration, open-mindedness and mutual respect. We focus on long-term opportunities for our employees, consider their individual talents and strengths, and encourage anyone looking to take on new challenges or more responsibility. By steering processes on leadership, grading, and performance management, we foster sustainable people management and live the Webasto values as ONE organization.

Our human resources are managed under the responsibility of an Executive Vice President Human Resources, reporting to the Chairman of the Management Board. For each region and business unit, we have an HR (Human Resources) executive. They meet in monthly management meetings and cultivate regular exchanges on an individual basis to align on strategic targets and daily business.

At a local level, each plant has a dedicated HR manager who works closely with the plant management to

implement the global people strategy of Webasto. This includes the following cornerstones:

- Advise managers on people and organizational topics
- Process employee requests and maintain HR data and processes
- Define guidelines, processes and tools that support employees as well as managers in their daily work
- Automatization and harmonization of data and systems to drive efficiency

## Attractive workplace

It is important to us that we retain our open and welcoming atmosphere. We take the well-being of our employees seriously and aim to ensure fair and attractive working conditions. Our goal is to maintain and improve employee health and well-being by providing several offers, such as fitness possibilities and a wide variety of virtual and classroom training on healthy food, mental health and resilience. We also train our people leaders to maintain health and well-being in their teams and offer personal self-reflection tools, such as 360-degree leadership feedback.

## Global Values Award 2023

Our values are the foundation of our culture and give us guidance on how to interact within our organization as well as externally (→chapter Committed to values). To honor outstanding commitments and projects according to our values, the Global Values Award was initiated as a new program in 2023. We received an overwhelming response with 370 entries across the globe, covering great projects and social engagement. One example among the winners was the inspiring Liberec team from the Czech Republic, whose exceptional project, “Support for Ukraine Workforce and Families,” touched the hearts of everyone. In the face of the devastating war in Ukraine, they stepped up to provide unwavering assistance and support to their affected colleagues. Relocation assistance, housing, education, healthcare, and financial support were just a few of the ways they displayed “Responsibility with a long-term view”!

## Remuneration

Webasto offers fair remuneration that is aligned with market conditions to guarantee competitive and attractive rates of pay. Salaries are based on the individual employee's tasks and responsibilities. Webasto does not consider gender when determining wages. Employee compensation consists of a fixed salary and a variable component that takes both the employee's and the company's performance into account.

## Benefits

In line with our principles of non-discrimination, which are part of our [→Webasto Code of Conduct](#), all employees – whether part-time, full-time, permanent, or temporary – have access to the same benefits. These include health insurance, remote working, catering in our canteens, regular health checks, further training via our in-house Webasto Academy and discounts for selected Webasto products.

Wherever we can, we assist our employees in balancing their careers with family life. Alongside remote working, we offer subsidized childcare in our in-house crèche at our German headquarters, as well as an in-house gym and tuition support for all employees with children in South Korea. Benefits vary throughout the regions depending on local standards, regulations, and market conditions. Further benefits for employees in Germany include a company pension plan, disability insurance, public transport tickets, vaccinations, and gym access. Since 2022, Webasto offers its employees a leasing program for electric bikes for most of our Germany sites.

## Labor relations

To maintain the stability of our workforce, we mainly employ permanent employees (2023: 88% of the workforce; 2022: 84%). In 2023, the percentage of temporary workers was 12% (2021: 16%). Most of these work in our international operations. We aim to treat our temporary workers as fairly as our permanent employees and meet minimum social standards, laid down in the International Labour Standards of the International Labour Organization (ILO). At Webasto, the fluctuations in employee numbers throughout 2023 remained at a similar level. In certain regions fluctuation rates increased compared to the previous year due to the shutdown of sites ([→chapter Detailed employee figures](#)).

In 2023/2024, two plants had to be closed due to declining orders. Beyond that, no collective redundancy plans on a larger scale were implemented.

When building new facilities, we take care to respect and address the interests of local stakeholders. We aim to create as many local jobs as possible and employ managers from the region. Remuneration is always above the local minimum wage. In China, for example, external workers have a subcontract with Webasto to ensure that workers are paid above the local minimum wage.

Webasto advocates freedom of association and collective bargaining within the company, across all levels of the organization as well as on the supplier side. Management responsibility for labor relations lies with the HR department. Our workforce is entitled to all rights

and opportunities provided by law, including the possibility of forming works councils and engaging in trade union activities. Employee representatives negotiate with Webasto management through works councils that help to shape the working conditions in the respective plants. Such representatives also act as contacts and employee advocates for occupational health and safety matters. We are aware that the company operates in some locations where these rights are not fully granted by lawmakers and could be at risk. While exercising due diligence regarding our supply chain in accordance with the German Supply Chain Due Diligence Act, we will execute an in-depth risk analysis on a yearly basis for the Webasto Group. Based on the outcome, prevention and mitigation measures will be defined and implemented. For more details please also refer to the ([→chapter Purchasing & supply chain](#)).

## Training and education

As people centricity is one of our strategic focus topics, Webasto offers employees the opportunity to develop their skills to suit their individual needs and career paths. Their competency is also strategically important for us as a company. The more knowledge we build in our workforce, the more we can drive change in the automotive industry.

Webasto has a network of internal and external trainers as well as technical experts who create learning content in such areas as quality, safety, project management, information technology, logistics, finance and legal. Our training programs are managed by our in-house institution, the Webasto Academy, which consists of several functional

and regional academies to provide tailor-made training for the specific needs of different target groups. The Webasto Academy provides workplace-integrated training through videos, tutorials, and peer exchange (e.g., working-out-load learning communities) combined with instructor-led courses, either in a face-to-face or online format. Employees also have access to the global learning management system “My HR” that was implemented in 2019. All our training programs are evaluated through systematic surveys and feedback.

In 2023, the average number of training hours per indirect employee was 16.1 hours (2022: 12.3 hours). Our goal is for every employee to keep the average training time above 10 hours until 2025 to ensure that continuous development is guaranteed. Due to the large internal trainer community and the high engagement of our employees, we could exceed this number. Employees’ further training requirements are usually discussed between employees and managers in annual performance and development reviews.

In 2023, all our indirect employees – employees who are not physically involved in the manufacturing process, representing the overhead that is needed to support any level of operations – and hence 62% of all Webasto employees received a regular performance and career development review (2022: 61%). For direct employees, who are physically involved in the manufacturing process, there is no digital global approach, but some locations have local agreements in place that regulate performance reviews.

Since its launch in 2021, approximately 1,000 leaders

have participated in the exceptional leadership program to become even more responsive to the requirements and changes in the automotive sector. In 2023, the second wave started, which is continued until 2025 for our executive and mid-level leaders. The program is designed in-house by Webasto in close cooperation with Professor Wolfgang Jenewein from St. Gallen.

### Employee survey

Webasto conducts an annual global employee survey to measure employee engagement and identify starting points for organizational development. All employees are surveyed on a voluntary and anonymous basis. The last survey was conducted in October 2023 and had a participation rate of over 80%. The questionnaire consisted of 24 questions on the topics of purpose and direction, work environment, work enablement and personal growth. Focus areas were derived in workshops because of the survey and will be further refined in each area of responsibility. The survey returned an engagement index of 74 out of 100 points (1 point below the benchmark), which was measured based on job satisfaction and employees’ willingness to recommend the company to others. In comparison to last year, the global result is stable despite internal and external challenges. A follow-up process was initiated to enhance our global employee survey results. We are looking particularly closely at improvements in the identified focus locations. We will conduct regular sessions to share best practices, leverage synergies, provide global support, and track the progress.

Average training hours per employee* by region	2021	2022	2023
Europe	4.6	11.6	13.7
Americas	5.2	12.9	19.3
Asia Pacific	3.1	8.8	13.0
China	4.6	14.8	20.5
<b>Total</b>	<b>3.2</b>	<b>12.3</b>	<b>16.1</b>

\* Reporting scope: All indirect employees globally, location size > 100 employees. These KPIs reflect training hours for classroom training (physical and virtual) and e-learning (online) that are reported centrally via the Webasto Global Academy. Gender-specific data cannot be provided, yet.

Apprentices and dual students at German sites of Webasto*	2021	2022	2023
<b>Total number of employees</b>	<b>180</b>	<b>195</b>	<b>197</b>
<b>of which female</b>	<b>44</b>	<b>47</b>	<b>44</b>
<b>of which male</b>	<b>136</b>	<b>148</b>	<b>153</b>
<b>Takeover rate**</b>	<b>83%</b>	<b>70%</b>	<b>78%</b>

\* Data is reported for each season starting in Q3 of the respective year.

\*\* The previous year’s figures were restated as the reporting period was changed to calendar years.

### Apprenticeships and vocational studies with Webasto

Webasto also supports the advanced education of employees in Germany, such as bachelor’s or master’s degree programs, by providing financial support as well as extra time off. We also offer dual student programs as well as vocational training. In the reporting period (season 2022/2023) we had 197 apprentices and dual students at our German sites (2021/2022: 195). Starting from 2023, we offer all our apprentices and dual students’ permanent positions after finishing their apprenticeship or their dual studies. Apprentices and dual students are trained by our experienced in-house mentors, by external coaches and by a peer program to support their needs during their onboarding in business life.

In the US, positions similar to apprenticeships are offered for more than ten years and are internally referred to as internships. Internships are available in almost every department. A student usually does an internship during their undergraduate or graduate studies or after they have completed their studies and would like to gain experience. Webasto offers financial support for undergraduate studies for our full-time colleagues (interns are not eligible).

### Top employer certification

In 2024, Webasto was recognized by the Top Employers Institute as a “Top Employer” in Germany, China, Romania and USA. The certification reinforces our outstanding employee orientation, so we work continuously on the design and further development of our HR strategies. We received special recognition in the areas of onboarding, learning & development, working conditions, well-being, diversity & inclusion and engagement. In September 2023, Webasto India was recognized the second time in a row as a “Great Place to Work” by the Great Place to Work® Institute India. The certificate emphasizes our outstanding employee focus and pride in working for Webasto. Furthermore, Webasto was recognized amongst the top three recruiters in automotive in 2023 with the “Best Recruiter 2022/2023” Award in Germany, the biggest independent recruiting study in the German speaking region. We were ranked number 2 in the Automotive Benchmark section as well as number 27 of all 252 certified companies, and were especially nominated for our career webpage, social web, application response and talent relationship management.

In the following years, we aim to achieve the Top Employer certification in further categories, such as low

turnover rate (especially among women and young employees), low sickness rate throughout the year, and employee engagement. We also want to achieve this in other markets that are important for Webasto.

### Occupational health & safety

Providing a safe and healthy working environment is a priority for Webasto. We use a range of measures to identify risks, prevent accidents and promote our employees’ well-being.

Occupational health and safety is managed at Webasto with the same diligence as quality assurance and environmental protection. It is a core component of the Webasto Integrated Management System (→[chapter Climate & Environment](#)), in which the Webasto Health & Safety Policy is located. The Policy has been approved of by the Management Board of Webasto.

We adhere to all local health and safety regulations and apply uniform Webasto standards worldwide. Webasto takes all reasonable and practicable measures to ensure a safe, healthy, and clean working environment. By employing HSE experts and/or safety officers at all locations globally, we ensure compliance with high standards for occupational health and safety at all sites. The day-to-day implementation of occupational safety measures is checked regularly by internal assessments as part of the Webasto Production System. HSE audits are carried out periodically at all sites. Health and safety meetings take place regularly between the occupational health and safety departments, our factories and regional management, during which incidents are discussed and lessons learned are communicated.

Webasto provides ongoing training for all employees to prevent accidents that endanger life and limb, and the environment. External service providers are required to instruct their employees with appropriate training before they are deployed at Webasto. All employees are called upon to report accidents as well as any potentially unsafe situations (“near misses”) following a predefined process via forms filed under the WIMS.

In 2023, we recorded a increase in workplace accidents, however, improvements are still needed in some regions. Since starting our global internal HSE communication campaign at the end of 2022, we were able to increase our employees’ awareness about reporting of near misses and dangerous situations.

Multi-site certification was achieved for ISO 45001 in 2022 (Occupational Health and Safety) for the first time, the Surveillance audit in 2023 was passed successfully. We intend to further expand our health and safety certifications. A global data reporting system was established in 2022 to improve data availability and gain further insights, for example concerning the main types of work-related injuries worldwide. In 2023, the majority of injuries were contusion/bruise followed by cuts.

### Promoting health

Each and every employee receives a thorough Health, Safety and Environment onboarding as soon as they join the company. All employees are instructed and trained at least once a year in occupational health and safety specifically related to their activities and tasks. We also regularly run global health and safety campaigns on our

intranet as well as training and on-premise instruction. The Webasto Academy also offers courses on topics such as ergonomics and work-life balance to promote the health of employees. At all Webasto locations around the world we offer and organize health activities. Find some examples for last year in the following.

In Germany we organize regular health days that focus on topics such as optimal nutrition, stress reduction and exercise. Our German locations also offer yoga courses and walking groups, take part in corporate fun runs, subsidize gym memberships, and support bike leasing for employees. Some German locations offer baskets with fresh fruit as well as body massages, ergonomic advice and internal health circles. In Europe we have different amenities for our employees. For example, the Liberec plant offers a multi-sport card, vitamin packages and healthy meals in the canteen. Italian locations offer a welfare program that allows employees to benefit from gym membership discounts, to pay for leisure trips, nutrition classes, spa treatments, etc. In Mexico, employees can participate in various campaigns such as blood donation, prevention of musculoskeletal injuries, breast cancer prevention, and hydration. Around the globe we offer vaccination days against Covid and, in some regions, additionally against influenza.

Health and safety is managed globally and locally at Webasto. Each year, global Health, Safety and Environment networking days take place in order to harmonize and synchronize our global efforts.

\* At Webasto, our leadership definition includes all mid-level management positions regardless of disciplinary reporting lines.

## Diversity and equal opportunities

At Webasto, we believe a diverse workforce is key to creating innovative products for our global markets and understanding our customers. Therefore, we are committed to providing equal opportunities for everyone and fostering an environment in which our employees can grow. This is also embedded in our Diversity Charter which was introduced in 2021.

Our first step in implementing our diversity vision in 2022 was to improve gender diversity in leadership positions, beginning in Germany with 20% by 2028. We are now expanding the scope to the global female leadership target of 23% by 2030\*. In 2023, the current proportion of females in our global workforce is 28%, whereas approximately 18% of our leadership positions worldwide are held by women. Thus, our new global female leadership target aims for a steady increase of the female leadership share between 2023 to 2030.

As such, we are gearing our recruitment activities and talent development toward achieving a more balanced gender ratio by implementing a range of measures. When filling a new leadership position, at least one woman should be shortlisted. We will also consider the female quota when identifying potential talent. Progress on women in leadership positions will be systematically analyzed twice a year, and the data will be reported to the Management Board and Sustainability Committee.

Work-related injuries (Webasto employees)*	2021	2022**	2023**
Total number of work accidents	471	133	136
Work accidents per 1 million working hours	15.0	4.23	4.97

\* Reporting scope: All production sites and regional headquarters apart from Webasto Luxembourg and exclusive plants of the business unit Electrification Customized & Lifecycle Solutions

\*\* The methodology of accident reporting has changed from 2021 to 2022, which means that a year-on-year comparison is only possible to a limited extent.

## Non-discrimination

The [→Webasto Code of Conduct](#) stipulates the fair and equal treatment of all employees. We do not tolerate any form of discrimination or harassment on the grounds of gender, race, ethnic or national origin, religion or belief, age, disability, sexual orientation, or other characteristics protected by law. This applies to all employees as well as our suppliers and is laid down in our Code of Conduct.

As per our Diversity Charter, we guarantee fair, competitive, and transparent remuneration for our employees, including equal pay for all genders. An evaluation comparing the compensation of different genders for two main locations, Germany, and China, conducted in 2022, showed that there was no significant difference in compensation between genders.

Incidents of discrimination can be addressed to HR, regional Compliance Officers or directly to the Chief Compliance Officer of Webasto. An anonymous reporting system has been rolled out. In the Webasto Social & Environmental Principles Policy and in the Webasto Code of Conduct, our principles are laid down and disseminated to our employees worldwide as binding rules. The Webasto Code of Conduct is also published on the Webasto website. To date, violations of our principles are neither known to Webasto nor otherwise apparent or obvious.



# Detailed employee figures\*

Employment (Legal headcount)**	2021	2022**	2023**
<b>Total number of employees by gender</b>	<b>15,011</b>	<b>16,342</b>	<b>16,335</b>
of which female	4,114	4,547	4,522
of which male	10,897	11,795	11,813
of which permanent	80%	84%	88%
of which limited	20%	16%	12%

Employment by region (Legal headcount)**	2021	2022**	2023**
<b>Germany</b>	<b>3,935</b>	<b>3,926</b>	<b>3,958</b>
of which limited	4%	4%	5%
of which new hires	9%	8%	11%
fluctuation rate	9%	10%	8%
<b>Europe without Germany</b>	<b>4,237</b>	<b>4,471</b>	<b>4,988</b>
of which limited	17%	18%	13%
of which new hires	16%	19%	24%
fluctuation rate	20%	18%	19%
<b>Americas</b>	<b>4,020</b>	<b>4,144</b>	<b>3,964</b>
of which limited	14%	0%	1%
of which new hires	60%	51%	55%
fluctuation rate	54%	55%	60%
<b>Asia Pacific</b>	<b>878</b>	<b>1,102</b>	<b>1,268</b>
of which limited	6%	7%	4%
of which new hires	15%	26%	25%
fluctuation rate	10%	10%	10%
<b>China</b>	<b>2,668</b>	<b>2,659</b>	<b>2,157</b>
of which limited	58%	55%	48%
of which new hires	12%	11%	4%
fluctuation rate	14%	13%	27%

Employment by gender (Legal headcount)**	2021	2022**	2023**
<b>Female</b>	<b>4,114</b>	<b>4,547</b>	<b>4,522</b>
of which limited	22%	17%	14%
of which new hires	34%	33%	31%
fluctuation rate	31%	27%	30%
<b>Male</b>	<b>10,897</b>	<b>11,795</b>	<b>11,813</b>
of which limited	20%	15%	11%
of which new hires	23%	27%	23%
fluctuation rate	23%	22%	25%

Diversity by gender (female leaders)**	2021	2022**	2023**
<b>Global</b>	<b>16%</b>	<b>17%</b>	<b>18%</b>
Germany	12%	11%	12%

Diversity by age (Legal headcount)**	2021	2022**	2023**
<b>over 50 years old</b>	<b>20%</b>	<b>22%</b>	<b>22%</b>
of which new hires	15%	11%	10%
fluctuation rate	29%	19%	21%
<b>30-50 years</b>	<b>62%</b>	<b>59%</b>	<b>61%</b>
of which new hires	23%	18%	20%
fluctuation rate	27%	29%	32%
<b>under 30 years</b>	<b>19%</b>	<b>19%</b>	<b>18%</b>
of which new hires	49%	54%	63%
fluctuation rate	17%	15%	14%
<b>Average age overall</b>	<b>40</b>	<b>40</b>	<b>41</b>
average age of newly hired employees	35	32	33
average age of fluctuated employees	41	40	41

Data based on legal headcount (including permanent and fixed-term contracts, excluding students and apprentices).

\* The data for HR-related topics is stated for all sites reporting via SAP systems, which corresponds to a coverage rate of 95% of employees.

\*\* Expats are counted at host location. Valid date: December 31, 2021/December 31, 2022/December 31, 2023.

# SOCIETY & ENGAGEMENT

»» **We are socially engaged beyond our corporate boundaries.**

As part of our corporate responsibility we support social projects, promote sustainable mobility concepts, and provide impetus for the social commitment of Webasto employees.



Committed to social engagement

# Our society & engagement – our targets



2023

24

25

26

28

30

45

## Develop Group-wide sponsorship guideline

BY 2023



A groupwide sponsorship guideline was developed and is in implementation.

## Strengthen and expand our corporate volunteering initiatives

BY 2025

A Social Week took place at our German locations. An international roll-out is planned for 2024.

# Committed to social engagement

Since its foundation in 1901, Webasto has always believed that business activities should be socially responsible, and society should benefit from successful business. In contributing to climate-friendly mobility, Webasto combines both aspects. The establishment of the Webasto Foundation in 2019 is further proof of our commitment to social responsibility.

## Community engagement and corporate volunteering

Webasto has been privately-owned since its founding. This is what has shaped the company's corporate culture. Webasto values good and fair relationships not only within the company, but also beyond. Social responsibility is seen as a way to give back to society and support communities where help is needed. The national and international Webasto locations have long been engaged in charitable projects in their regions, engaging in local activities and supporting regional associations, health organizations and children's charities. Whether in America, Europe, or Asia – the Webasto Foundation once again supported numerous charitable projects in 2023. The development aid donated by the Webasto Foundation creates the basis for a long-term improvement in people's living conditions. Webasto continues to support projects in all of the regions in which the company operates, for example in Ukraine, Germany, China, the Czech Republic, and the United States. Overall, there is a great commitment to social engagement within the Webasto Group, and a number of our locations have corporate volunteering initiatives in place. Sustainability also plays an important role in the lives of the company's apprentices and "dual system" (academic/vocational) students, and they are actively engaged in several proj-

ects. In 2023, they supported 16 young refugees from Ukraine, Afghanistan, Kosovo, Romania, Bulgaria, and Italy by giving private lessons in mathematics and German, and helping them integrate into our society. In a project with a regional grammar school, they discussed with students what sustainability is in general, what it means for a company like Webasto, and what might be transferable to their everyday school life. A third project involved supporting guests of the "Starnberger Tafel." Here, Webasto employees had an opportunity to pack a little Christmas package for the men, women and children who are forced to use the food bank because they cannot make a living on their own. In 2023, the Webasto Group made a total of EUR 0.2 million in donations (EUR 0.5 million in 2022 and EUR 0.3 million in 2021), which went to a wide range of initiatives and organizations, such as schools, other educational institutions, social health organizations and other social charities.

An amount of EUR 170,000 was donated to the Webasto Foundation by the Webasto Group. A company-wide guideline for donations defines the governance for donations, provides clear guidelines

for the sort of causes and organizations we support, and sets out the requirements to be met.

### Social Week 2023 in Stockdorf and Gilching

Webasto expanded its social commitment by launching a corporate volunteering pilot project in 2023: The Social Week from June 26 to 30, 2023, gave employees from our sites in Stockdorf and Gilching the opportunity to get socially engaged during working hours. The aim of the initiative is to bring skills, energy and commitment from the company to projects run by charitable associations and organizations in the neighborhood of the Webasto locations. From the company's point of view, this project also promotes team spirit and opens up the opportunity to gain experience in completely new areas. Around 160 colleagues from Stockdorf and Gilching as well as members of the Management Board participated. Based on the successful pilot, we invited our locations in other regions to participate in the Social Week 2024.

Social commitment has a long tradition at Webasto. In addition to the commitment of the Webasto Foundation, Webasto employees once again organized a large number of donation campaigns during the year.

“For me personally it is very important to be working for a company that cares about the community and takes action that matters”, declares a Portuguese Webasto employee. On the occasion of the 5th anniversary of Webasto Portugal, the employees prepared 240 hot meals in a charity cooking workshop for REFOOD – stop waste, feed people, an organization that works voluntarily to help people who are going through hard times and cannot afford to cook.

Wishing tree and donation campaigns invited Webasto employees worldwide to fulfill the wishes of people in need. Numerous institutions that support children, young people, pensioners and the needy, such as the “Starnberger Tafel” and the “Würmtal Tisch” in Stockdorf, or the local food bank in Birmingham, the Diakonie collection point in Liberec, and Caritas in Lisbon received several hundred gift packages and donations, or urgently needed children’s boots, such as in Arad. The association flying hope e.V. was supported by Neubrandenburg employees in cooperation with the Webasto Foundation. Moreover, as every year since 2017, Webasto employees in the USA also assisted their own colleagues who needed help during the Christmas season – completely anonymously as part of the “Webasto Anonymous Holiday Help Program.” At our British site, meals were provided to disadvantaged people by Webasto employees in cooperation with a local charity organization.

## Webasto Foundation

The → [Webasto Foundation gGmbH](#) established in 2019, is a non-profit limited liability company that promotes charitable and non-profit projects, associations and institutions in the vicinity of Webasto sites worldwide. Jointly supported by the owner families of the company and Webasto SE, the Webasto Foundation is – beyond the company’s boundaries – committed to sustainability in the dimensions of social, health & education, and environment & innovation.



In doing so, the Webasto Foundation on the one hand focuses its international social commitment on the topic Webasto stands for like no other: mobility. On the other hand, the Webasto Foundation embodies values that the company has also been synonymous with since its founding: responsibility & solidity on the one hand and future and further progress on the other. According to its leitmotif “We Drive the Future – Sustainably Mobile into a Good Future!” four fields of action span a broad spectrum of social and sustainable commitment related to mobility and the future.

## Foundation-funded projects 2023

Under its leitmotif, the Webasto Foundation supports social projects and institutions in four fields of action relating to mobility and the future: Move people, Mobilize strengths, Mobility for all. TODAY. and TOMORROW.

### The Webasto Foundation provides impetus for social commitment

The projects in the “**Move people**” rubric motivate Webasto employees to look beyond the boundaries of their company:

- More than 7,600 employees reviewed the offers of help from three social projects near the Webasto sites in Slovakia, the UK and Japan – and chose their favorite. The total donation of around 53,000 euros was handed over to the three organizations on a proportional basis.
- The “Social Week” pilot project, which will be expanded to other regions in 2024, motivated 160 employees and board members to get involved in charitable organizations in the Stockdorf/Gilching area. (→ [chapter Employees & workplace](#))
- The joint campaigns aimed at bringing joy to needy families in the vicinity of the Webasto sites have mobilized additional employees worldwide – especially in the period leading up to Christmas.



### **A better life – the Webasto Foundation opens up opportunities**

In the category **“Mobility for all. TODAY.”**, the Webasto Foundation successfully completed two projects in 2023. Both give socially disadvantaged people the chance of a safer, better and healthier life through mobility.

- In a joint project with our international partner, the YOU Stiftung, 300 women in the Los Castillos project area (Guanajuato, Mexico) were given access to safe mobility through bicycles and special cycle paths. The project, which is also supported by training and preventative measures to protect against violence and exploitation, is now being continued by a permanent representative group.
- In Southern California/USA, the Webasto Foundation sponsored a complete school year at the “School on Wheels.” Numerous disadvantaged children benefited from access to education – and a chance for a more promising future.

In the same way as education, mobility is a basic need and an important factor for social participation. The non-profit organization Flying hope e.V. arranges free flights to clinics, hospices and places where children whose families do not have the necessary financial means can receive the best possible medical care. The Webasto Foundation has doubled the donations from the workforce at our site in Neubrandenburg for this project.

### **Sustainable development work in disaster and conflict regions**

For the Webasto Foundation, **“Mobilize strengths”** means supporting people on the spot with mobile and humanitarian (emergency) aid and improving their living conditions in the long term. In 2023, it increased employee donations for earthquake aid in Turkey/Syria together with Webasto SE and contributed the total amount to a mobile school project organized by the YOU Stiftung that works to prevent children dropping out of education. The YOU Stiftung also called for support for urgent humanitarian aid for children in the Middle East conflict region, which the Webasto Foundation also responded to.

Long-term commitment is also reflected in the aid center set up together with the Czech non-profit organization ADRA in Liberec/Czech Republic. This has been providing professional educational and psychological care to children of Ukrainian families who have fled the war since it began. In Pune/India, a project launched 18 months ago in collaboration with the YOU Stiftung was transformed into an independent program: With the help of the van purchased by the Webasto Foundation, aid and educational work in the field of health care have already reached up to 200,000 people in the slums.

### **Concepts for the sustainable mobility of tomorrow**

Looking from today's perspective towards a fundamentally better mobility of the future in the dimension of **“Mobility for all. TOMORROW.”**, the Webasto Foundation is supporting the research and development fund of the South Korean Ulsan National Institute of Science and Technology (UNIST). As part of a multi-year cooperation with the renowned institute, theses dealing with sustainable mobility concepts are supported.

# GRI Index

Statement of use	Webasto has reported in accordance with the GRI Standards for the period 2023 (January 1 to December 31).
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GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard	Report	Comment
<b>GRI 2 General Disclosures 2021</b>		

2-1 Organizational details	Company profile	
2-2 Entities included in the organization's sustainability reporting	Reporting profile	
2-3 Reporting period, frequency and contact point	Reporting profile	
2-4 Restatements of information		Restatements are highlighted and explained in the respective sections of the report.
2-5 External assurance		None
2-6 Activities, value chain and other business relationships	Company profile, our value chain, economic development, committed to sustainable mobility, committed to responsibility, human rights and social aspects	
2-7 Employees	Company profile, labor relations, detailed employee figures	Omission statement: GRI 2-7 iv. and v. (breakdown into full-time and part-time employees) cannot be reported. Reason for omission: Information unavailable/incomplete. We are reviewing how to enable the reporting of the required data. Apart from total employment, employee figures do not yet include the newly acquired entity Webasto Luxembourg as data collection processes are currently still being harmonized.
2-8 Workers who are not employees		Omission statement: GRI 2-8 can currently not be reported. Reason for omission: Information unavailable/incomplete. We are reviewing how to enable the reporting of the required data.
2-9 Governance structure and composition	Company profile, governance	For further information, please see our Annual Report (available via Bundesanzeiger).
2-10 Nomination and selection of the highest governance body	Governance	
2-11 Chair of the highest governance body	Governance	
2-12 Role of the highest governance body in overseeing the management of impacts	Risk management, responsibilities, human rights and social aspects	Omission statement: GRI 2-12 b can currently not be reported. Reason for omission: Information unavailable/incomplete. We are currently working on implementing new due diligence processes.
2-13 Delegation of responsibility for managing impacts	Compliance, responsibilities	
2-14 Role of the highest governance body in sustainability reporting	Reporting profile	

2-15 Conflicts of interest	Conflicts of interest	Conflicts of interest are being reported internally. Where necessary, conflicts of interest are disclosed only to internal stakeholders (including shareholders), but not to external stakeholders (e.g., customers, suppliers, creditors, etc.).
2-16 Communication of critical concerns	Stakeholder dialogue	
2-17 Collective knowledge of the highest governance body	Governance	
2-18 Evaluation of the performance of the highest governance body		Performance evaluation of the Management Board is based on criteria of economic success.
2-19 Remuneration policies	Remuneration policy, compensation	There are no clawback clauses in the German entities of the Webasto Group. For further information, please see our Annual Report (available via Bundesanzeiger).
2-20 Process to determine remuneration	Remuneration policy	
2-21 Annual total compensation ratio		Omission statement: GRI 2-21 cannot be reported. Reason for omission: Confidentiality constraints in relation to compensation information of employees.
2-22 Statement on sustainable development strategy	Foreword	
2-23 Policy commitments	Committed to values, Webasto Code of Conduct, Supplier Code of Conduct, training and incidents, human rights and social aspects, committed to passion, labor relations, occupational health and safety, diversity and equal opportunities	
2-24 Embedding policy commitments	Risk management, materiality analysis, committed to responsibility, human rights and social aspects	
2-25 Processes to remediate negative impacts	Antitrust and corruption, human rights and social aspects	The whistleblowing system is also compliant with the requirements for the complaint procedure under the German Supply Chain Due Diligence Act.
2-26 Mechanisms for seeking advice and raising concerns	Antitrust and corruption, human rights and social aspects	
2-27 Compliance with laws and regulations	Antitrust and corruption, human rights and social aspects	There are no known significant instances of non-compliance with laws and regulations during the reporting period.
2-28 Membership associations	Stakeholder dialogue	
2-29 Approach to stakeholder engagement	Stakeholder dialogue, customer satisfaction and marketing, labor relations	
2-30 Collective bargaining agreements		Only one site in Germany (Schaidt) is covered by a collective bargaining agreement. This includes around 200 employees.
<b>GRI 3 Material topics 2021</b>		
3-1 Process to determine material topics	Materiality analysis	
3-2 List of material topics	Materiality analysis	
<b>Climate protection</b>		
GRI 3-3: Management of material topics	Committed to transformation, certifications, emission management and strategy	
<b>GRI 302: Energy 2016</b>		

GRI 302-1: Energy consumption within the organization	Emission management and strategy	
GRI 302-4: Reduction of energy consumption	Emission management and strategy	
GRI 302-5: Reductions in energy requirements of products and services		This data cannot be reported globally yet, as data is unavailable. We are reviewing how to enable the reporting of the required data.
<b>GRI 305: Emissions 2016</b>		
GRI 305-1: Direct (Scope 1) GHG emissions	Emission management and strategy	
GRI 305-2: Energy indirect (Scope 2) GHG emissions	Emission management and strategy	
GRI 305-3: Other indirect (Scope 3) GHG emissions	Emission management and strategy	
GRI 305-5: Reduction of GHG emissions	Emission management and strategy	
<b>Environmental protection</b>		
GRI 3-3: Management of material topics	Committed to transformation, certifications, water and effluents	
<b>GRI 303: Water and effluents 2018</b>		
GRI 303-1: Interactions with water as a shared resource	Water and effluents	
GRI 303-2: Management of water discharge-related impacts	Water and effluents	
GRI 303-3: Water withdrawal	Water and effluents	
<b>Innovative product solutions in the field of e-mobility</b>		
GRI 3-3: Management of material topics	Economic development, committed to sustainable mobility, innovation management	
<b>GRI 201: Economic performance 2016</b>		
GRI 201-1: Direct economic value generated and distributed	Economic development	
GRI 201-2: Financial implications and other risks and opportunities due to climate change	Implications of climate change	
GRI 201-3: Defined benefit plan obligations and other retirement plans	Remuneration policy, benefits	For further information, please see our Annual Report (available via Bundesanzeiger).
GRI 201-4: Financial assistance received from government	Grants and subsidies	
<b>GRI 203 Indirect economic impacts 2016</b>		
GRI 203-2: Significant indirect economic impacts	Labor relations	

<b>Circular economy</b>		
GRI 3-3: Management of material topics	Innovation management, product design and recycling, certifications, use of raw materials, hazardous substances, waste	
<b>GRI 301: Materials 2016</b>		
GRI 301-1: Materials used by weight or volume	Use of raw materials	For the reporting year 2023 the materials glass, aluminum and steel are reported by weight. Further materials will follow in accordance with the switch to a weight-based corporate carbon footprint calculation for additional materials.
GRI 301-3: Reclaimed products and their packaging materials	Product design and recycling	Quantitative data cannot yet be mapped in terms of data technology in such a way that we can measure a valid percentage improvement based on global comparison parameters.
<b>GRI 306: Waste 2020</b>		
GRI 306-1: Waste generation and significant waste-related impacts	Waste	
GRI 306-2: Management of significant waste-related impacts	Innovation management, product design and recycling, use of raw materials, waste	
GRI 306-3: Waste generated	Waste	
<b>Product quality &amp; safety</b>		
GRI 3-3: Management of material topics	Product safety and compliance, customer satisfaction and marketing	
<b>GRI 416: Customer health and safety 2016</b>		
GRI 416-1: Assessment of the health and safety impacts of product and service categories	Product safety & compliance	
<b>GRI 417: Marketing and labeling 2016</b>		
GRI: 417-2: Incidents of non-compliance concerning product and service information and labeling		We are not reporting on these incidents because of confidentiality constraints. It is not public information.
<b>Social &amp; ecological standards along the value chain</b>		
GRI 3-3: Management of material topics	Committed to responsibility, local purchasing, environmental criteria, use of raw materials, compliance, human rights and social aspects	
<b>GRI 204: Procurement practices 2016</b>		
GRI 204-1: Proportion of spending on local suppliers	Local purchasing	
<b>GRI 308: Supplier environmental assessment 2016</b>		
GRI 308-1: New suppliers that were screened using environmental criteria	Committed to responsibility, environmental criteria	
GRI 308-2: Negative environmental impacts in the supply chain and actions taken	Environmental criteria	



<b>GRI 408: Child labor 2016</b>		
GRI 408-1: Operations and suppliers at significant risk for incidents of child labor	Human rights and social aspects	
<b>GRI 409: Forced or compulsory labor 2016</b>		
GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human rights and social aspects	
<b>GRI 414: Supplier social assessment 2016</b>		
GRI 414-1: New suppliers that were screened using social criteria	Committed to responsibility, human rights and social aspects	
GRI 414-2: Negative social impacts in the supply chain and actions taken	Human rights and social aspects, conflict minerals	
<b>Compliance</b>		
GRI 3-3: Management of material topics	Governance, compliance, society & engagement, tax strategy	
<b>GRI 205: Anti-corruption 2016</b>		
GRI 205-1: Operations assessed for risks related to corruption	Compliance	
GRI 205-2: Communication and training about anti-corruption policies and procedures	Compliance	
	Compliance	Governance body members of Webasto Roof & Components SE and Webasto Thermo & Comfort SE have received anti-corruption training.
<b>GRI 206: Anti-competitive behavior 2016</b>		
GRI 206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Compliance	
<b>GRI 207: Tax 2019</b>		
GRI 207-1: Approach to tax	Tax strategy	
GRI 207-2: Tax governance, control, and risk management	Tax strategy	
GRI 207-3: Stakeholder engagement and management of concerns related to tax	Tax strategy	Webasto is committed to an open and transparent exchange of information with the tax authorities and supports the work of industrial associations ensuring transparent and responsible taxation.
GRI 207-4: Country-by-country reporting	Tax strategy	We do not report our country-by-country reporting because of confidentiality constraints. Our country-by-country reporting is not publicly available.
<b>GRI 415: Public policy 2016</b>		
GRI 415-1: Political contributions	Committed to social engagement	
<b>Data protection</b>		
GRI 3-3: Management of material topics	Data protection	

<b>GRI 418: Customer privacy 2016</b>		
GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data protection	
<b>Attractive workplace</b>		
GRI 3-3: Management of material topics	Compliance, human rights and social aspects, committed to passion, attractive workplace, training and education	
<b>GRI 202: Market presence 2016</b>		
GRI: 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Labor relations	
<b>GRI 401: Employment 2016</b>		
GRI: 401-1 New employee hires and employee turnover	Detailed employee figures	
GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits	
<b>GRI 402: Labor/management relations 2016</b>		
GRI 402-1: Minimum notice periods regarding operational changes		There is no general, specific deadline within which operational changes must be communicated.
<b>GRI 407: Freedom of association and collective bargaining 2016</b>		
GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human rights and social aspects, labor relations	
<b>Training &amp; further education</b>		
GRI 3-3: Management of material topics	Committed to passion, training and education	
<b>GRI 404: Training and education 2016</b>		
GRI 404-1: Average hours of training per year per employee	Training and education	
GRI 404-2: Programs for upgrading employee skills and transition assistance programs	Training and education, apprenticeships and vocational studies with Webasto	
GRI 404-3: Percentage of employees receiving regular performance and career development reviews	Training and education	
<b>Occupational health and safety</b>		
GRI 3-3: Management of material topics	Occupational health and safety	
<b>GRI 403: Occupational health and safety 2018</b>		
GRI 403-1: Occupational health and safety management system	Certifications, occupational health and safety	

GRI 403-2: Hazard identification, risk assessment, and incident investigation	Occupational health and safety	
GRI 403-3: Occupational health services	Occupational health and safety	
GRI 403-4: Worker participation, consultation, and communication on occupational health and safety	Labor relations, occupational health and safety	
GRI 403-5: Worker training on occupational health and safety	Occupational health and safety, promoting health	
GRI 403-6: Promotion of worker health	Occupational health and safety, promoting health	
GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Product safety and compliance, occupational health and safety	
GRI 403-9: Work-related injuries	Occupational health and safety	We are reviewing how to enable the reporting of GRI-compliant data.
<b>Diversity and equal opportunity</b>		
GRI 3-3: Management of material topics	Committed to passion, remuneration, diversity and equal opportunities, non-discrimination	
<b>GRI 405: Diversity and equal opportunity 2016</b>		
GRI 405-1: Diversity of governance bodies and employees	Governance, diversity and equal opportunities, detailed employee figures	
GRI 405-2: Ratio of basic salary and remuneration of women to men	Remuneration, non-discrimination	
<b>GRI 406: Non-discrimination 2016</b>		
GRI 406-1: Incidents of discrimination and corrective actions taken	Non-discrimination	
<b>Community engagement</b>		
GRI 3-3: Management of material topics	Community engagement	
<b>GRI 413: Local communities 2016</b>		
GRI 413-1: Operations with local community engagement, impact assessments, and development programs	Community engagement	

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