

Sustainability Report 2021

of the iwis group (German locations)



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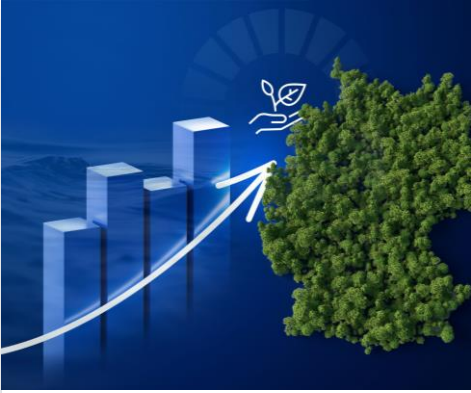
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Foreword

by Johannes Winklhofer (Management Board)



”

As a global technology leader in a number of different sectors, we offer our customers and business partners sustainable solutions. Together we can master the challenges of the future!

- Founded in 1916 and now run by the fourth generation of the family, the company employs more than 3200 people at 50 locations. iwis is headquartered in Munich.
- Each of the iwis divisions is a market leader in its own right. The success of the three divisions is based on innovative strength and a strong focus on customer orientation:
 - **iwis mobility systems** makes chains and timing drives for engines in the automotive industry. The division also produces complex mobility systems with integrated electronics, gearboxes and electric motors.
 - **iwis antriebssysteme** manufactures precision roller chains and conveyor chains for industrial applications, including machine and plant engineering, packaging and printing, the food industry and conveyor technology. iwis antriebssysteme also supplies roller chains, chains for agricultural machinery, special chains, leaf chains, flat top chains and modular chains, sprockets and accessories.
 - **iwis mechatronics** specializes in the manufacture of high-quality, high-precision plastic/metal compounds using single-component and multi-component technology and complex hybrid parts and assemblies in highly-automated production facilities. Components and complete solutions are manufactured for the automotive industry and the renewable energy sector as well as for fields as diverse as sanitaryware, electronic engineering, electrical engineering, white goods and medical engineering.

Foreword

by Johannes Winklhofer (Management Board)

- iwis mechatronics is also active in the fields of high-precision stamping and bending technology, in particular in the area of electrical connection technology, press-fit technology, IDC insulation displacement connectors and PCA contact technology. The division also produces high-precision punched and bended parts and shielded housings for various industries.
- In the 2022 fiscal, iwis generated revenues of almost 800 million euros.
- The individual strengths of our employees, their commitment to iwis, their professional qualifications and the strong, shared values of our company are the crucial success factors for us. iwis supports and promotes its employees according to their abilities and potential: in a modern, agile working environment. Over the past few years, iwis has become increasingly multicultural: an open, welcoming company that values and promotes diversity.
- Today, corporate social responsibility and corporate sustainability are indispensable issues in the deliberations of any progressive company management. Sustainability management at iwis serves the goal of corporate sustainability, firstly by striving for sustainable organizational development through the integrative consideration of social, ecological and economic objectives, and secondly by contributing to the sustainable development of the economy and society as a whole.
- Above all, this includes our sustainability goals, which we reformulated in 2023 and which we intend to integrate into the remuneration of our top executives in the coming years.
- Our goals will reflect the orientation of our production processes towards energy efficiency, environmental compatibility and the conservation of resources.
- By 2040, our production will be carbon-neutral at all production facilities worldwide, thus allowing us to make our contribution to increased protection of the climate in respect of scope 1 and 2 emissions. We shall continuously and ambitiously expand our climate protection activities as a whole and gradually include the entire supply chain, mobility and other sources of scope 3 emissions. In collaboration with our partners from the entire value chain, we shall reduce scope 3 emissions by 50 percent by 2040. In this way, we are also making climate protection a common endeavour. Because ultimately, climate protection cannot be achieved without the collaboration of our suppliers and partners.
- As a global technology leader in a number of different sectors, we offer our customers and business partners sustainable solutions. Together we can master the challenges of the future.
- **Our 2021 Sustainability Report makes it possible to see and measure the progress we are making.**

Fields of action for sustainability

Core issues relevant to iwis

ECONOMY

- Operational and business practices
- Market presence and supply chain
- Innovation and infrastructure



ENVIRONMENT

- Power
- Emissions and climate protection
- Water and wastewater

SOCIAL

- Occupational safety
- Employment, human rights
- Transparency and dialogue

Patience Responsibility
Geduld Commitment Ambition Wissbegierde
Kundenorientierung Reason
Kompetenz Engagement
iwis
Vernunft Circumspection
Umsicht Verantwortung
Customer Service
Passion Freude
Competence Ehrgeiz



1. Economy & iwis strategy

The cornerstones of our corporate strategy



As an innovative system supplier, iwis makes an important contribution to improving the mobility of people and goods around the world.

- We want to continue to develop and offer solutions that meet our own expectations in the future: Our corporate strategy helps us not to lose sight of our goals:
- We are our customers' preferred technology partner!
- We are a supplier to the automotive sector and to industry!
- We are globally positioned and, on the spot, worldwide!!
- We are able to deliver both components and systems!
- We see e-mobility, Industry 4.0 and digitalization as key opportunities for the future!
- We strive for the highest quality, efficiency and delivery reliability!
- We are the most attractive employer!
- We are a globally active family business and live the values of our founder: **the 10 commandments for people striding ahead!**

Our corporate culture and our philosophy

10 golden rules for people striding ahead

- 1** A fundamental requirement is that you know all about your profession.
- 2** Have the ambition to do everything better than anybody else.
- 3** Hold to the principle that the customer gets the best value for his money.
- 4** Passion should drive your motivation, not making money.
- 5** You should work under the latest working methods and the best machines available. Read and recommend technical papers and visit all exhibitions.
- 6** The biggest amount of the money earned must be used for purchasing of resources that promote the company.
- 7** Put the right man into the right position.
- 8** Live modestly to start work early with a clear mind.
- 9** Make yourself familiar with the idea that you cannot, and must not, win every business. So you are protecting yourself from losses and you are respected by the competitors.
- 10** Finally comes a large portion of patience – so that you are able to wait for the success of your efforts, even if it looks pretty hopeless.



In 1895, company founder Johann Baptist Winkhofer (1859-1949) formulated his “Ten Commandments for people striding ahead”, at the same time laying the foundations for a philosophy that still motivates us today: we aim to keep moving, to expand and develop, and to stride ahead!

„Tradition – to know where you’re going, you must know where you come from.“

UN Global Compact

The Ten Principles

By incorporating the ten principles of the UN Global Compact into its strategies, policies and procedures, and by establishing a culture of integrity, iwis is not only meeting its fundamental responsibility towards people and the environment but is also creating the conditions for long-term success.



United Nations
Global Compact

HUMAN RIGHTS

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

make sure that they are not complicit in human rights abuses..

LABOUR

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

the elimination of all forms of forced and compulsory labour;

Principle 5

the effective abolition of child labour; and

Principle 6:

the elimination of discrimination in respect of employment and occupation

ENVIRONMENT

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

undertake initiatives to promote greater environmental responsibility; and

Principle 9

encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery..

iwis' environmental, energy, occupational health and safety policy

To address serious economic, social and environmental challenges, the Sustainable Development Goals (SDGs) set globally applicable priorities and targets up to the year 2030.

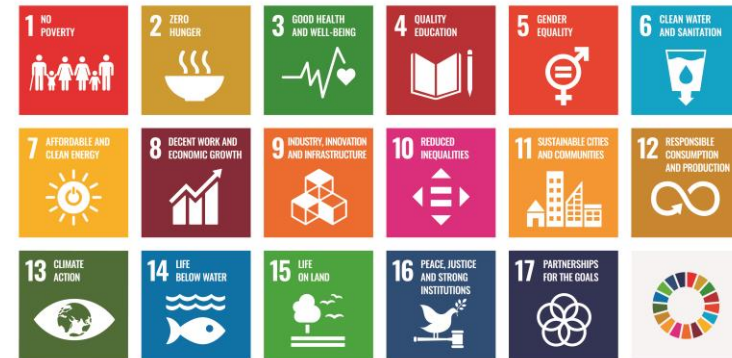
These 17 UN Sustainable Development Goals also determine our sustainability strategy and are integrated in our environmental and energy policy and occupational safety and health policy. Our business activities, our operational processes and our decisions are guided by economic, ecological and social considerations.



For the preparation of the sustainability report, iwis has also followed the Global Reporting Initiative (GRI) standards. The information to be disclosed is referenced with corresponding GRI indicators.

SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABLE DEVELOPMENT GOALS



Additional slides organize the information and actions under these goals to identify how iwis has contributed to the SDGs.

iwis' environmental, energy, occupational health and safety policy

- Safe and healthy working conditions are being created in order to prevent work-related injuries and illnesses.
 - Environmental, energy management and occupational health and safety (OH&S) are important components of our corporate policy worldwide. We also expect our suppliers to promote and disseminate these principles in their own supply chain to the best of their ability
 - iwis is aware that manufacturing processes have an impact on the environment. It is therefore our duty to reduce the impact on the environment as far as possible within the scope of economic and technical possibilities and through well-thought-out processes.
 - Our responsibility in dealing with the environment, energy and resources requires that we identify and assess significant environmental and energy issues and that we meet defined environmental, energy and OH&S targets. The specific hazards associated with our activities are known to us and our staff have them under control. We are committed to eliminating hazards and minimizing industrial health and safety risks wherever possible.
- It matters to us to comply with legal regulations and other relevant environmental needs, expectations and requirements of interested parties and, where possible, to exceed them.
 - We measure the extent to which we are succeeding.
 - We are focused on the key challenge of climate change and the 2050 objectives of the Paris Agreement. Our efficiency measures are contributing to a reduction in CO2 emissions. This applies in particular in relation to:
 - Production and our building inventory.
 - Products and services.
 - The potential use of renewable energy sources
 - Water, the global availability of water and sustainable hazardous substance management are on the corporate sustainability agenda. We are committed to the responsible use of water and use it as sparingly as possible. Our goal is to minimize emissions to water.



iwis' environmental, energy, occupational health and safety policy

- Occupational health and safety management is realized by compliance with the following principles:
 - Workplace design, including workplace ergonomics
 - Optimization of the work process
 - In-house improvement management
 - Safe machinery and equipment
 - Fire protection measures
 - Substitution of hazardous substances and sustainable hazardous substance management
 - As an important aspect of occupational health and safety in our company, hazardous substance management refers to all measures that contribute to the safe handling of hazardous substances.
 - We adopt preventive measures, including collaboration between the company doctor, occupational health and safety staff and specialist supervisors to ensure the health and safety of our employees at work.
- All iwis employees are called upon to make an active contribution to the protection of the environment, to occupational safety and to the responsible use of energy. We run information campaigns and provide training to promote environmentally aware, safe and sustainable behavior.



iwis' environmental, energy, occupational health and safety policy

- With new products and production processes, we take environmental protection requirements relating to energy efficiency, the way energy is used and how much is consumed into account right from the development phase. From the early phases of planning production processes and when setting up and operating our technical equipment, we strive to use the best available and economically relevant technology to ensure that our employees can work safely.
- We readily make use of any opportunity to save energy and raw materials in our manufacturing processes.
- The aim is to eliminate or reduce the amount of pollutants, greenhouse gas emissions, waste and noise generated by our production processes. We aim to re-use resources.
- The suitability, adequacy and effectiveness of the management systems are regularly reviewed by senior management based on internal audits and periodic management reviews of corporate environmental protection, energy and occupational health and safety management. The necessary resources are made available to achieve continuous improvement and meet the defined targets.



iwis' environmental, energy, occupational health and safety policy




Our business activities, our operational processes and our decisions are guided by economic, ecological and social considerations. In particular, we support the 17 UN sustainable development goals in our activities.



Safe and healthy working conditions are being created in order to prevent work-related injuries and illnesses.

Environmental, energy management and occupational health and safety (OH&S) are important components of our corporate policy worldwide. We also expect our suppliers to promote and disseminate these principles in their own supply chain to the best of their ability.

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Compliance

- iwis is a family-run company with a firm commitment to reliability and integrity that goes far beyond simply abiding by laws and rules.
- We have therefore drawn up an iwis Code of Conduct which gives clear guidance on how to act correctly in case of doubt. This Code of Conduct represents a binding obligation for us and our employees and ensures the successful continuation of our business activities in the long term.
- Doing the right thing – in compliance with the law and statutory provisions – is not a spontaneous decision, but instead demands reliable, clearly-defined structures and guidelines. It equally requires structures that governs decisions for the benefit of all and ensure respectful and targeted cooperation. Our employees receive regular training on the subject of compliance.



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



17 PARTNERSHIPS FOR THE GOALS



Compliance Code of Conduct - Compact

- iwis is convinced that we can only secure the company's sustainable economic success by committing ourselves to upholding fair market conditions and acting lawfully.
- Business relations with customers, suppliers and other business partners must be characterised by openness and dependability.
- iwis trusts in the loyalty of its employees.
- iwis relies on legally irreproachable business relations.
- Without reservation, iwis is committed to a policy of fair contractual arrangements with its business partners and adheres to the principles of fair and open competition.
- iwis and its employees accept their responsibility for natural resources, conduct their business with respect for the environment and ensure optimum occupational safety in order to protect the life and health of employees and third parties.

- iwis employees accept their obligation to protect the company's property.
- iwis complies with national and international social rights laws and principles.
- iwis treats its communication opportunities seriously, thus protecting the company's reputation.
- iwis recognises the importance of data privacy and is committed to global data protection.
- In the light of the company's commitment to behaving legally, iwis will not accept any violation of the law.

5 GENDER EQUALITY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



Our company mission statements

Our company mission statement describes what drives us, what makes us what we are and what is important to us: our motivation, our goals, and the principles that determine our actions. iwis encourages and empowers its employees to take responsibility for their own performance. This empowerment of our employees and recognition of their abilities and performance have made iwis what it is today.



CORPORATE PHILOSOPHY

Our corporate philosophy describes our drive, the factors which define us, what is important to us: our motivation, our goals and the principles on which our actions are based



MANAGEMENT PHILOSOPHY

The day-to-day working relationships at iwis is defined by the management and staff philosophy. These set our standards, our attitude and the framework for our daily cooperation.



STAFF PHILOSOPHY

The staff philosophy describes the rules of cooperation and the company's claim to health and ethics of the individual.

Philosophy for those striding ahead

Corporate -, Management- and Staff Philosophy



Patience Responsibility
Geduld Commitment Ambition Wissbegierde
Kundenorientierung Reason
iWIS Engagement
Vernunft Circumspection
Umsicht Verantwortung
Customer Service
Passion Freude
Competence Ehrgeiz



1.1 The company

Turning visions into reality: iwisions

- It often only takes a tiny step – a creative brainwave – to make entire technologies obsolete overnight, which is why we are already thinking about tomorrow’s world today.
- We know from experience that true development pioneers must free themselves from conventional ways of thinking and mental barriers.
- Our constant wish and desire is to redefine the boundaries of what is possible – and what is not – in the field of automotive and industrial drives. We may not be able to predict the future, but we can help to shape it by turning visions into reality: iwisions!



iwis worldwide

The scope of the report covers Germany:

Plant München

- iwis mobility systems GmbH & Co. KG (iwis ms MUC)
- iwis antriebssysteme GmbH & Co. KG (iwis as MUC)
- iwis SE & Co. KG (iwis SE MUC)

Plant Landsberg

- iwis mobility systems GmbH & Co. KG (iwis ms LL)

Plant Wilnsdorf

- iwis antriebssysteme GmbH (iwis as WiSo)

Plant Sontra

- iwis antriebssysteme GmbH (iwis as WiSo)

Plant Rieden

- iwis smart connect GmbH (iwis sc)

Plant Schwaigern

- iwis mechatronics GmbH & Co. KG (iwis me)

Plant Kaufbeuren

- iwis e-tec GmbH (iwis etec)

Company business areas

Decentrally organized – shaped by our understanding of ourselves as a family business



AUTOMOTIVE

iwis mobility systems



- Timing drive systems, camshaft drives, mass balancing mechanism and oil pump drives for the automotive industry
- Complex mobility systems with integrated electronics, gears and e-motors

INDUSTRY

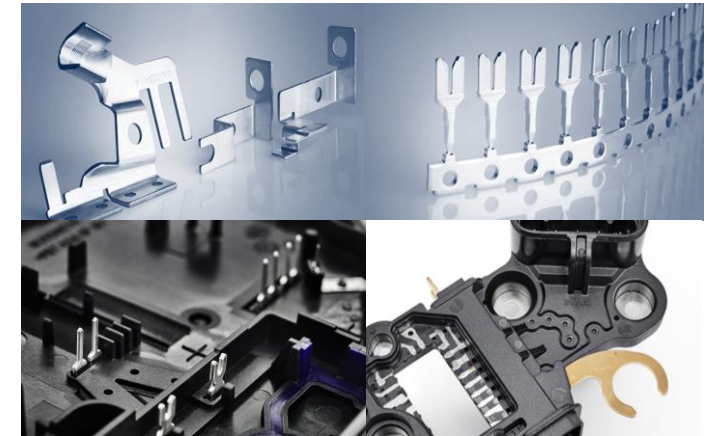
iwis antriebssysteme



- Precision chains, sprockets and chain tensioners for power transmission and conveyor technology
- Agricultural chain systems as well as technical service provider for agricultural technology

MECHATRONICS

iwis smart connect, iwis e-tec, iwis mechatronics



- High-precision sheet metalworking, stamping and bending, in particular in electrical connection technology
- Hybrid electromechanical components with bondable surfaces, plastic-metal interconnections

Company business areas

Strong foundation in the automotive sector – at home in many industries



IWIS SE & CO. KG

mobility systems



High-quality chain drive systems for camshafts, injection pumps, balancer shafts, etc. As a system partner to all major carmakers, our solutions can be found in almost every vehicle on the roads today.

antriebssysteme



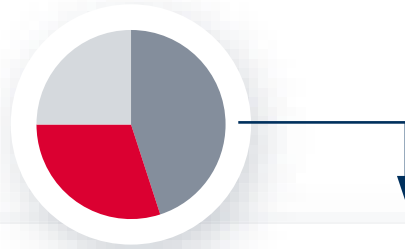
Two 680-metre JWIS precision chains ensure smooth transport of the typical square chocolate moulds on their way through the production plant.

mechatronics



Our products can be found throughout the drivetrain in electric cars: We supply components for batteries, power electronics and motors and are an important player in the mobility revolution

Share of sale
<30%



AUTOMOTIVE

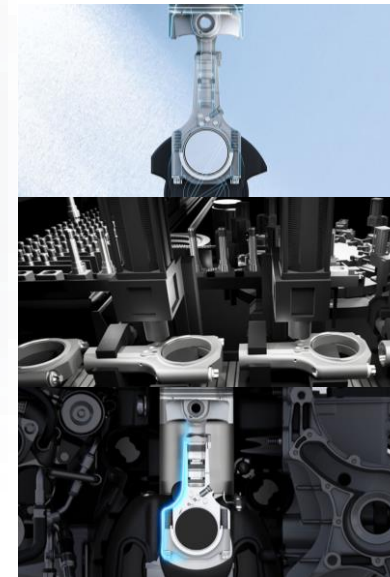
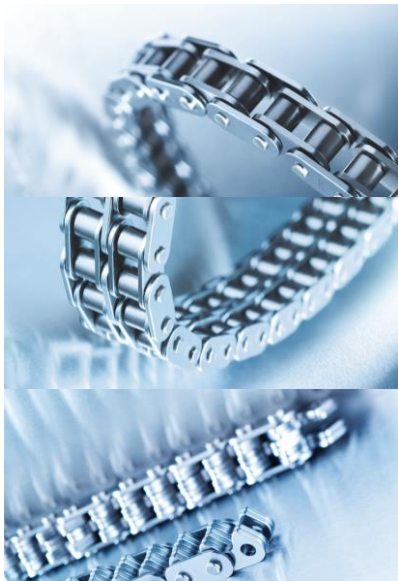
Timing chains

Timing Drives

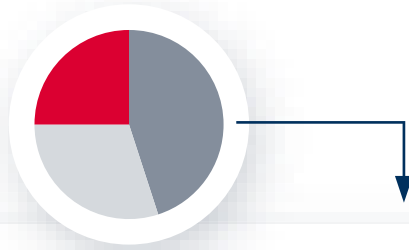
Oilpump drives

Variable
combustion system

Aftermarket



Share of sale
>25%



INDUSTRY

Roller chains

Attachment chains

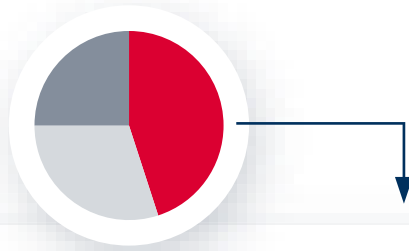
Agri chains

Sprockets

CCM

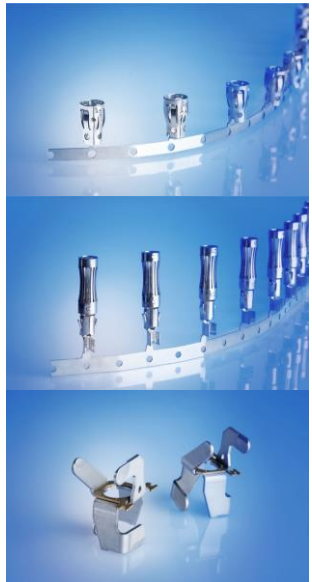


Share of sale
>45%

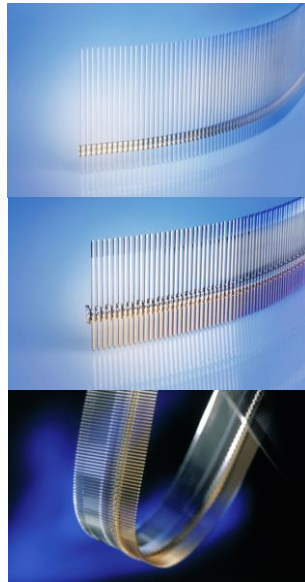


MECHATRONICS

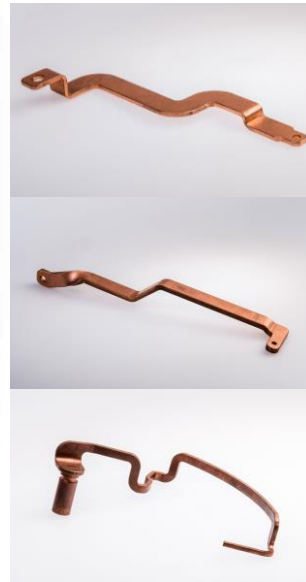
Punching and bending parts



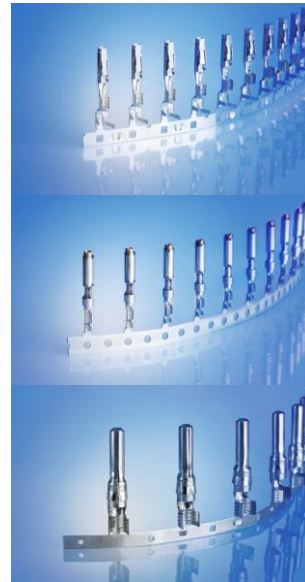
Wire pens



Busbars



Contact technology



Shields / Housings



Mechanical and electro-mechanical components



Our core competence: production



Patience Responsibility
Geduld Commitment Ambition Wissbegierde
Kundenorientierung Reason
Kompetenz Engagement
iWIS Circumspection
Vernunft Verantwortung
Umsicht Customer Service Freude
Passion Competence Ehrgeiz



1.2 Certificates, awards

Current Certificates, awards and public appreciations

IATF 16949:2016



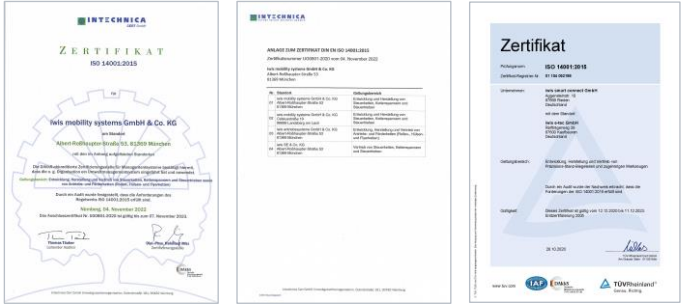
Valid until 01/2024 01/2024 09/2024 10/2024 10/2024 04/2025

ISO 9001:2015



Valid until 01/2024 01/2024 03/2023

ISO 14001:2015



11/2023 11/2023 12/2023

ISO 50001:2018



11/2025 11/2025

Current Certificates, awards and public appreciations

Honda Award



Award Winner 2017 und 2018

John Deere Crop Award



Award Winner 2017

John Deere „Partner-level Supplier“ Award



Award Winner 2018 bis 2021

John Deere „Supplier of the Year“ Award



Award Winner 2020

Familienlöwe



Award Winner 2018

Capital – Beste Ausbilder Deutschlands



Award Winner 2017 bis 2020

General Motors' 2018 Supplier of the Year



Award Winner 2018

BAYERNS BEST 50



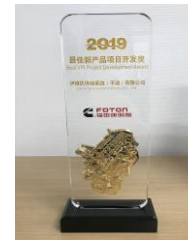
Award Winner 2019

Familienpakt Bayern



Award Winner 2019

Foton Cummins Best VPI Projekt Development Award



Award Winner 2019

Best supplier of Yunnei



Award Winner 2020

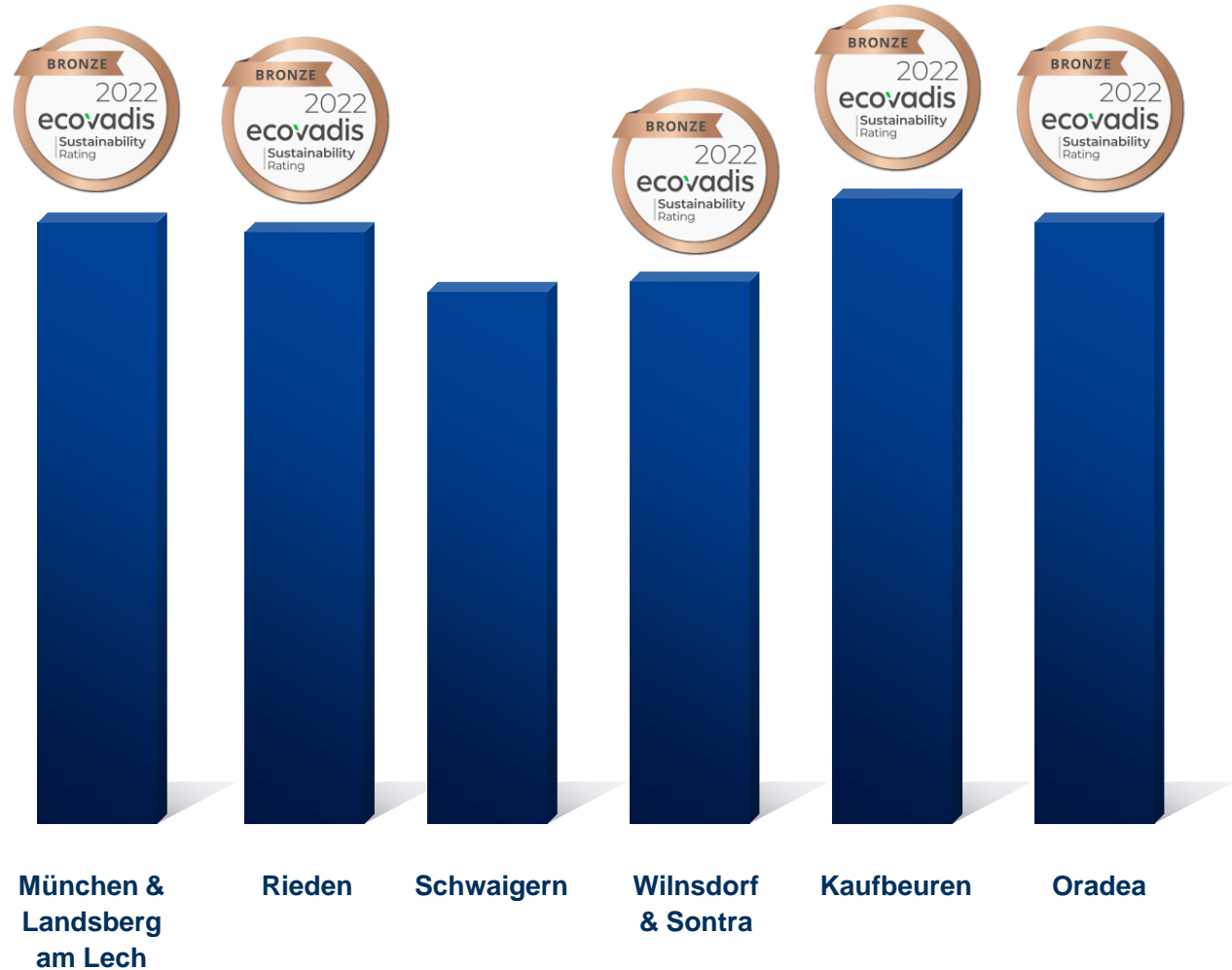
EcoVadis “Bronze-Medal“ for sustainability achievement



Award Winner 2022

Bronze medal for sustainability

- EcoVadis provides the leading solution for monitoring sustainability in global supply chains. Backed by a powerful technology platform and a global team of specialists, EcoVadis' sustainability scorecards provide detailed insights into environmental, social and ethical risks across more than 200 sourcing categories and more than 160 countries. We can be proud of the results: In terms of sustainability performance, iwis mobility systems is among the top 27 % of the companies assessed by EcoVadis, and in terms of environmental performance, iwis made it into the top 9 % of the companies assessed.
- Almost all iwis locations in Germany were awarded bronze medals in 2022.



2. Social

Our importance : employees



Social Responsibility

„The strongest link in our chain: our employees.“

- The decisive factor in our success is the individual strengths of our employees, their dedication to iwis, their professional qualifications and the strong belief in common values at our company.
- iwis supports its employees according to their skills and potential, and in a modern, agile work environment. In the last few years, iwis has also become an increasingly intercultural company that welcomes diversity with open arms.
- iwis employees on all five continents make valuable contributions based on their own personal viewpoint and experiences. This richness and diversity is the basis for the innovative products and solutions we offer our customers. In 2017, iwis was awarded the Family-Friendly Employer Quality Seal for the fourth year running.

- What really drives our company is the motivation of its employees, because our products and services need the people at iwis to bring them to life. We believe in creating an environment of mutual respect and a readiness to engage in frank, open dialogue in order to ensure mutual cooperation and confidence
- These values are not only the basis of our corporate culture, but also an integral part of our overall mission statement. Other important factors at iwis are further qualifications, industrial health and safety, health management and work-life balance, because we can only create important innovations and secure our long-term future if our employees are contented
- Our employees are the foundation stone of our competitive advantage. Their strengths are an essential factor in our success, so supporting and developing our employees is one of our main priorities, pursued as rigorously as our development of innovative products and services. In this way, we invest in the development of people around the world and at every level of the company.



Our importance : employees



iwis currently employs around 120 apprentices.

Vocational training at iwis

iwis is the future!



Vocational training and staff training

Das Gerhard Winklhofer Bildungswerk e.V.



- Vocational training
- Academic education
- Staff and management development
- General education



Exceptional approaches to outstanding training

Young talent at iwis mechatronics

iwis placed an appealing little advertorial in the local Moritz magazine to draw attention to the ways in which our vocational training in Schwaigern is special. The magazine has a circulation of almost 20,000 in the catchment area and is distributed at over 500 outlets (restaurants, retailers, bars, etc.).

“With its hybrid plastic and metal assemblies, iwis mechatronics is working on the global challenges of tomorrow. Its focus is on the megatrends of mobility, renewable energies and Industry 4.0. That’s why the company needs the brightest minds and utterly dedicated colleagues and invests a lot in well-founded and comprehensive vocational training for its future staff. All trainees are assigned an experienced mentor from their specialist field, whom they can turn to at any time. In addition, there is a technical training centre with qualified instructors who also act as examiners for the professional associations. If there is special expertise or machinery at other locations in the Group, the apprentices are also sent there. In addition to technical training, several seminars lasting several days are held to promote personal development. One of them is the apprentices’ theatre. Here, the trainees come together over several weeks to write their own play with the help of a professional actor – and they then perform it in public. This not only fosters team spirit, but also promotes important soft skills such as the ability to speak and hold presentations confidently. After successful completion of their training, they are offered permanent employment. And even then, new colleagues continue to be supported: The ‘fit for team’ support programme ensures that the transition to full employment with the company goes well and that future career prospects in the international iwis Group are shaped together.”



We are committed to playing our role in society



- In 1973, the “Kinderkette” was founded as a company Kindergarten.
- Since 1993, the kindergarten has been a charitable association: “Die Kinderkette” Kindergarten e.V.
- It was expanded to include a crèche in 2007.
- The “Kinderkette” also offers places for children from the Sendling district



3. Environment



Context of the organization und Stakeholder

Depending on the context, iwis defined internal and external issues relevant to the strategic direction of the organization, as well as the expectations and requirements of interested parties, including on sustainability issues.

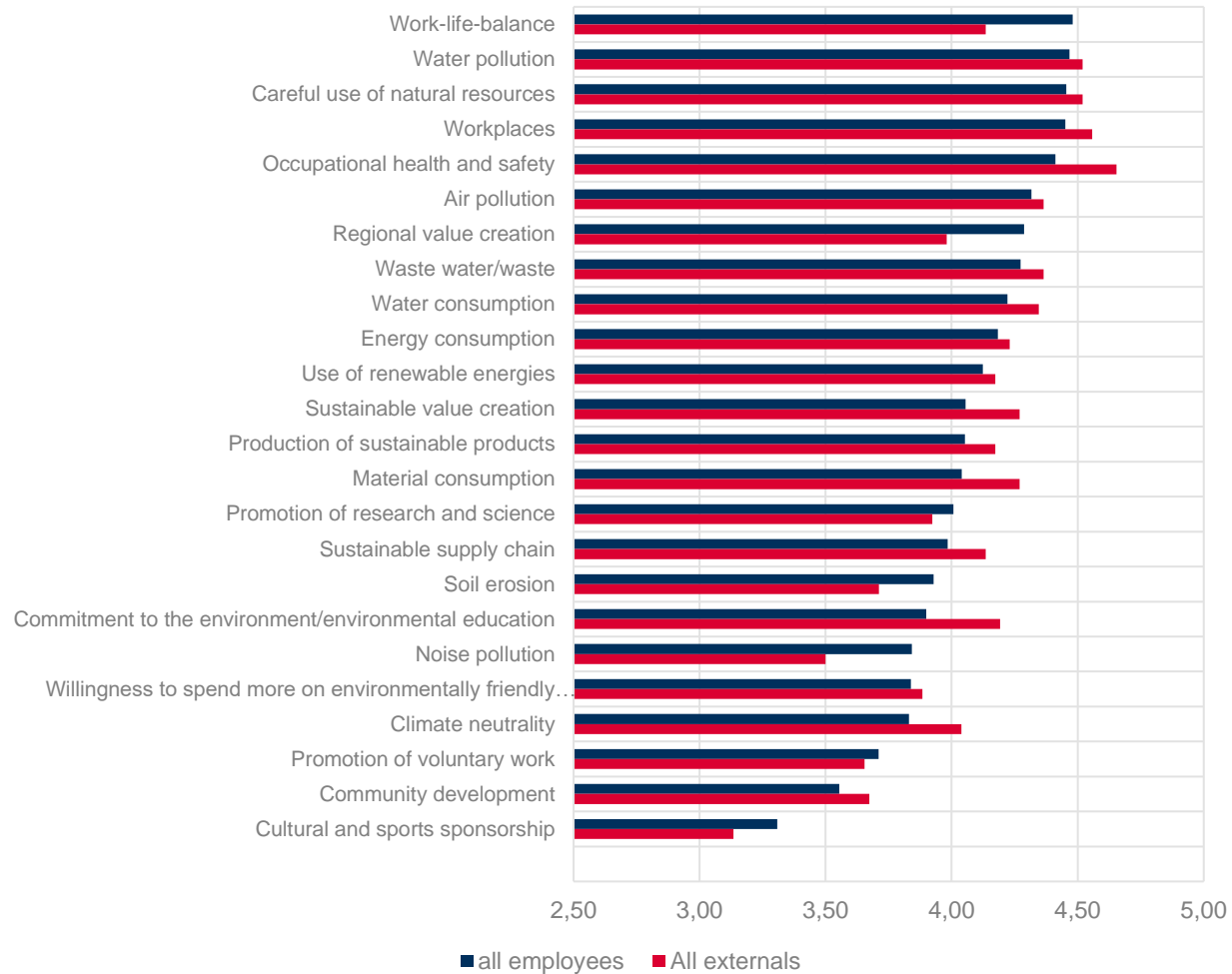
- Owner/Shareholder
- Employees/trade union/works council
- Residents
- State, authority and company (incl. certification company)
- Community/city
- NGOs
- Customers
- Suppliers
- External companies/services/testing companies
- Lenders
- Consumer organizations
- Cooperation partners
- Universities, Chambers of Industry and Commerce, consulting organizations
- Competitors
- Management



- Energy efficiency
- Water/Wastewater
- Waste (hazardous/non-hazardous)
- Biodiversity as an environmental aspect
- Emissions, e.g. CO2, noise, odor
- Immissions
- Material efficiency
- Energy, resource and raw material consumption
- Handling of hazardous substances
- Serious occupational accidents
- Accident frequency
- Ergonomics at the workplace/ workplace design

Evaluation of the relevance of sustainability issues in 2022

Overall evaluation of the German iwis locations



- In the survey on aspects of sustainability in summer 2022, internal and external stakeholders were asked to rate the topics listed on the left according to their relevance (from 1 – unimportant to 5 – very important).
- The chart shows the averaged results from all participants for 2022, grouped by internal stakeholders (employees) and external stakeholders (customers and suppliers) and sorted according to their relevance for employees.
- All topics tended to be rated as important. In order to highlight the differences, the mean value scale was adjusted to values between 2.5 and 5.0.
- It can be seen that the issue of work-life balance is most relevant for the staff, followed by issues such as water pollution, careful use of natural resources and jobs.
- The external evaluation shows that the issue of occupational health and safety is the most important, followed by issues such as jobs, water pollution and the careful use of natural resources.

Suggestions for improvements from employees on the topic of sustainability

Overall evaluation of the German iwis locations



Some of the aspects most frequently mentioned

- Job security in Germany and location development
- Social justice, recognition
- Solar and PV systems, heat recovery, more efficient use of resources
- Professional education and training as part of the transition to electromobility
- Raising awareness for energy saving and sustainability
- Work-life balance, working from home
- Development of new, carbon-neutral products
- Sustainable cooperation among colleagues (working atmosphere)



CO₂-Reduction

Customer benefits



- Excellent capacity for innovation to meet future technical challenges such as reducing CO₂emissions.
- As suppliers of system and development services to the automotive industry, extensive development expertise in calculating, designing, testing and mass-producing valve train mass balancing and oil pump drives – tried and tested in over 150 engine development projects worldwide.
- Efficient customer-focused project organization with powerful key account management system.
- Outstanding value chain from suppliers through to end customers thanks to our worldwide integrated supply chain management and effective logistics concept

7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION



The Zero Carbon 2040 strategy forms part of iwis' sustainability transformation activities

and means taking robust, sustainable steps to achieve goals

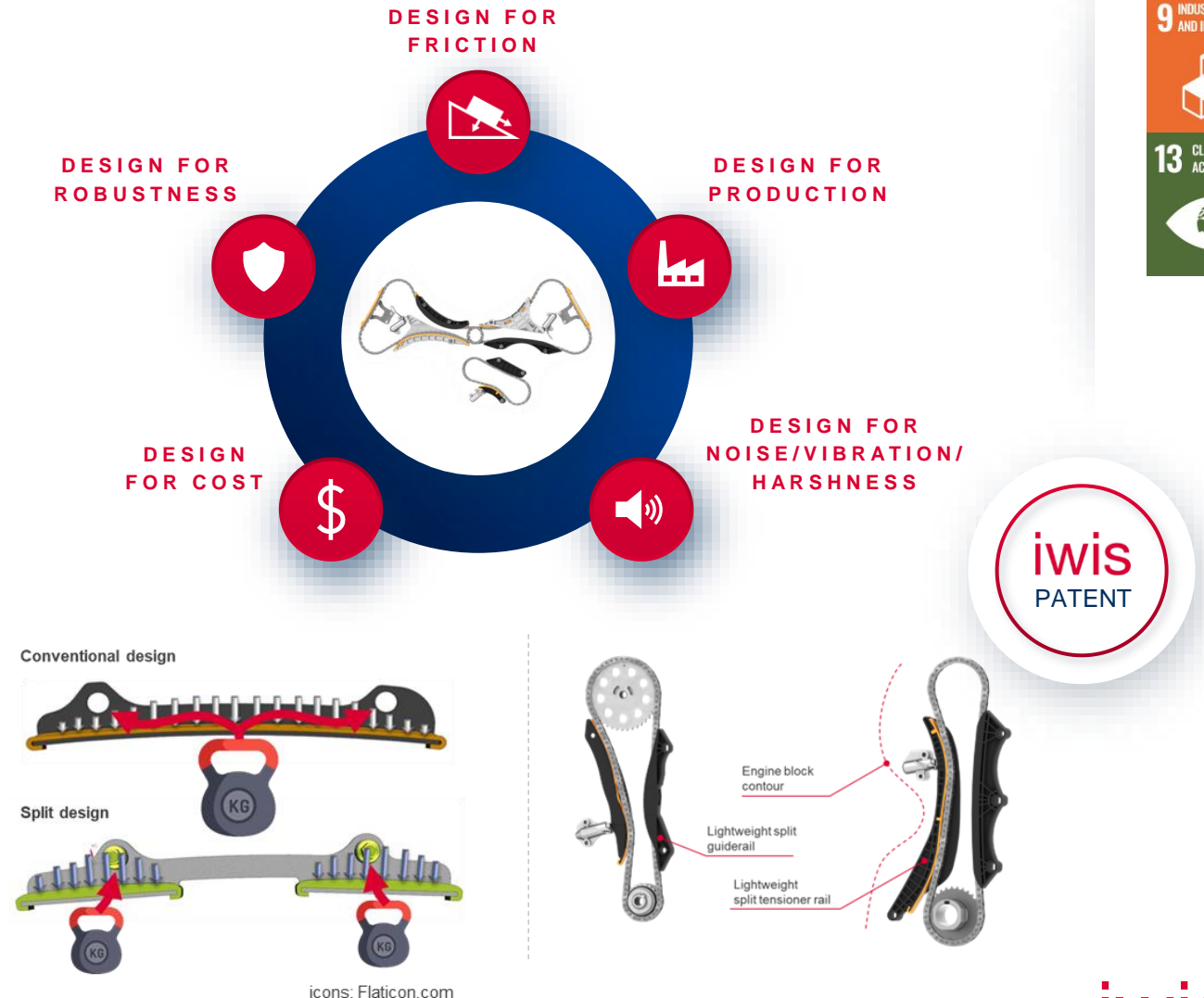
- Many companies are taking steps to become carbon-neutral when manufacturing their products. This is good for their image - and is increasingly becoming a decisive competitive factor: Carmakers are specifically choosing suppliers who are role models in respect of CO2 emissions.
- As a leading manufacturing company, iwis is also pursuing the clear goal of reducing the environmental impact of its business activities to an absolute minimum. In doing so, the company places particular emphasis on minimizing its own CO2 balance.
- In preparing its CO2 balance, iwis strives to calculate and report all relevant greenhouse gas emissions. Alongside direct emissions from combustion processes (scope 1) and emissions from purchased electricity (scope 2), other indirect emissions are also included in the calculation. Since 2018, we have included not only company vehicles in the scope 3 calculation, but also the employee and shift shuttles. Deliveries to customers and business travel have also been assessed since 2018.
- Further measures on the path to carbon-neutral production will also be implemented in the coming years. In 2022, iwis prepared a GHG (greenhouse gas) inventory according to EN ISO 14064-1 for all German locations and determined the complete carbon footprint. On this basis, greenhouse gas emissions were subsequently reduced.
- By 2040, our production will be carbon-neutral at all production facilities worldwide, thus allowing us to make our contribution to increased protection of the climate in respect of scope 1 and 2 emissions. This goes hand in hand with the continuous expansion of our overall climate protection ambitions and the gradual inclusion of the entire supply chain, mobility and other scope 3 sources. In collaboration with our partners from the entire value chain, we intend to reduce scope 3 emissions by 50 percent in absolute terms by 2040. In this way, we are also making climate protection a common endeavour. Because ultimately, this goal cannot be achieved without the collaboration of our suppliers and partners.
- The primary goal, Zero Carbon 2040, means that iwis will be greenhouse gas neutral (net zero) by 2040 in respect of scope 1 and 2.



Saving CO2 with our products: Requirements for modern timing drives

Split Design – Finding a concept that optimizes and rethinks contact between rail and chain

- Contact between Rail and Chain has a significant influence on the friction in a chain drive. Every bit of Energy wasted on friction means emission of additional CO2 that does not serve the purpose of propulsion and is therefore unwanted. Using an innovative technology called „Split Design“, iwis tackles CO2 in a new approach: This design solution concentrates the loads produced by the chain to where the Rails are supported by bolts, thus allowing us to remove parts of the rail completely, saving weight and further CO2. Moreover, limiting the contact between Rail and Chain to the bare necessity, we reduce friction itself
- A side-by-side comparison of two identical chain drives with and without split design rails shows a significant drop in friction torque, directly translating into saved CO2 emissions.
- As a nice side-effect, the sleek rails obtained by omitting noncritical chain contacts allow us to design chain drives in ever more constricted boundary conditions of modern engines.



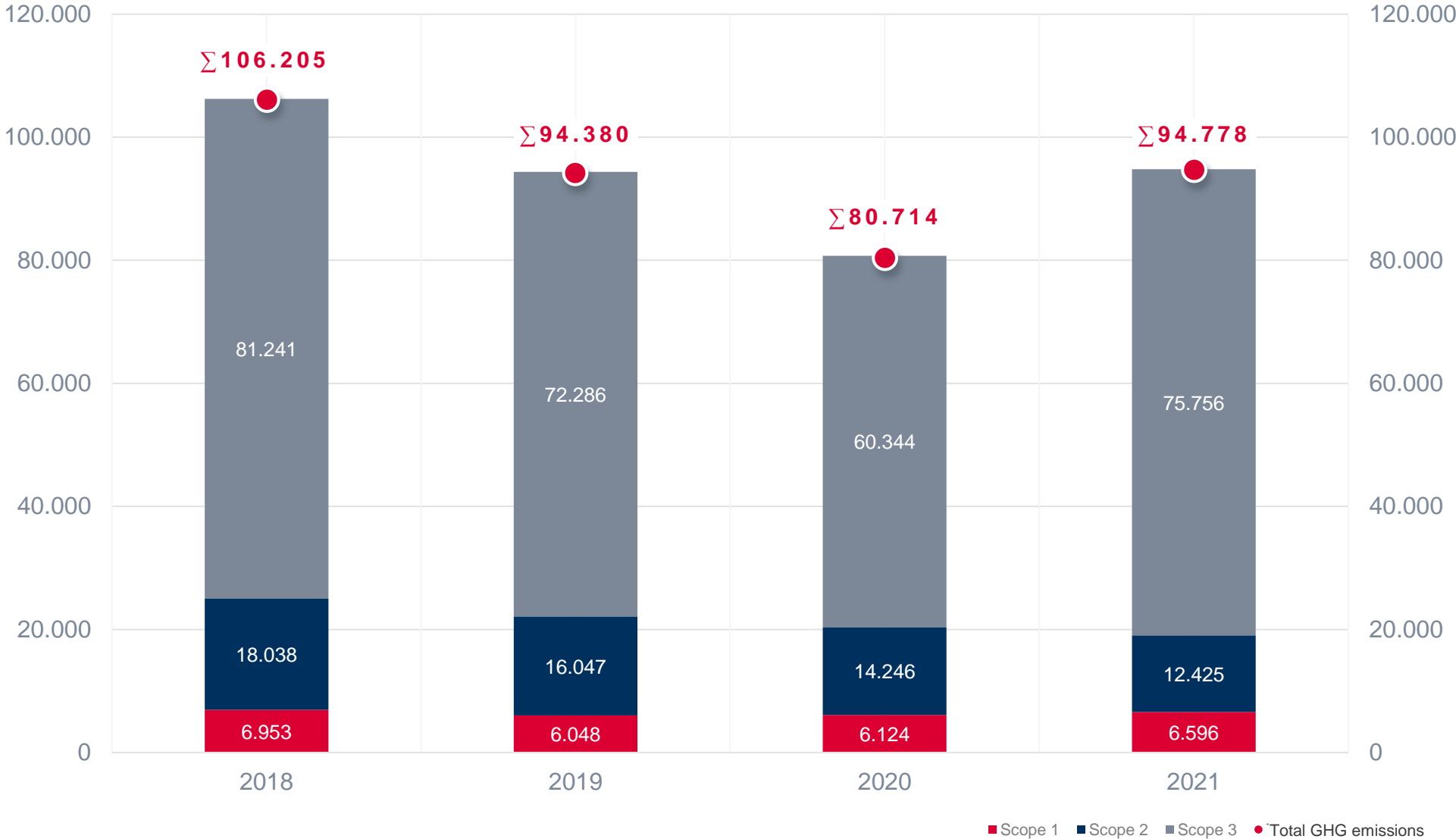
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



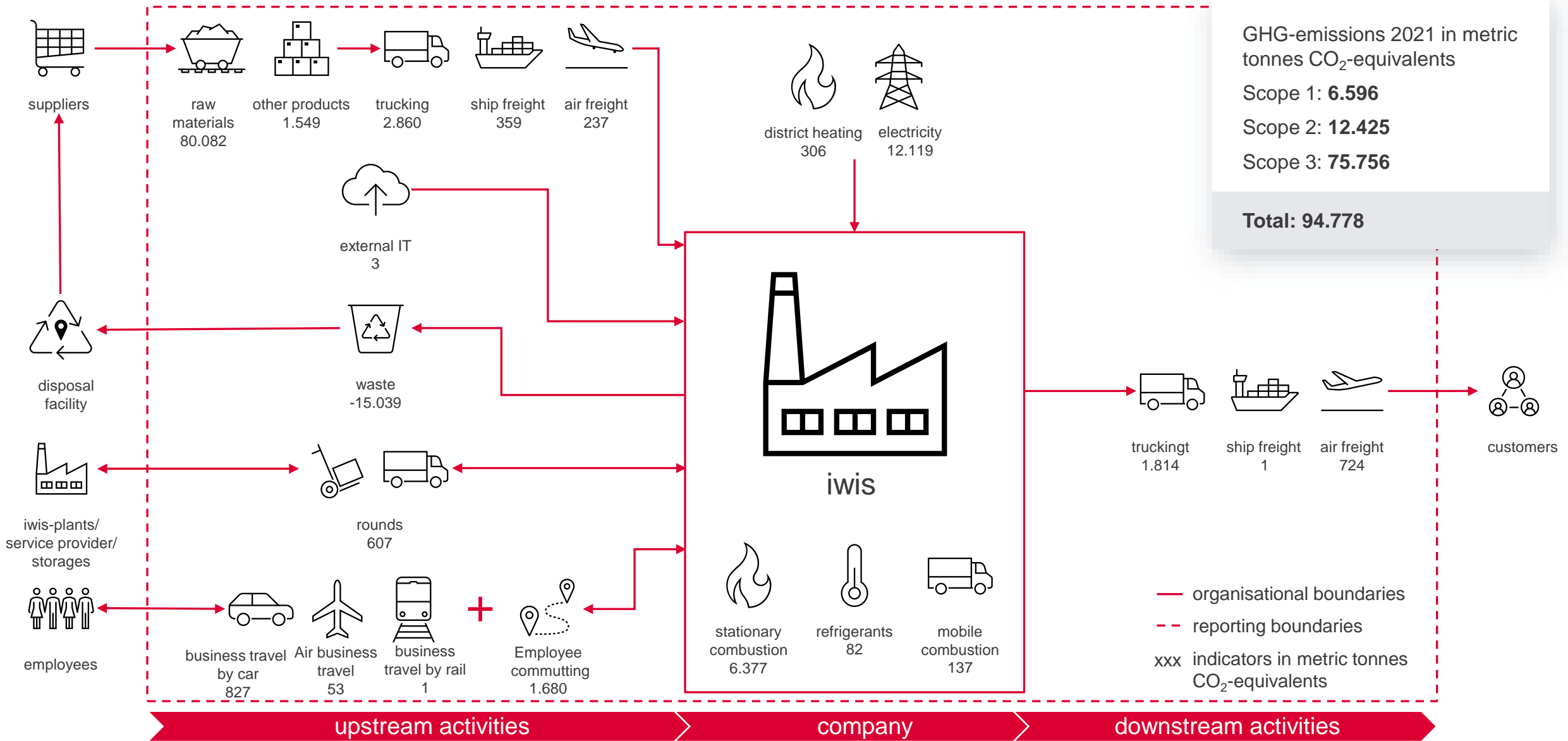
13 CLIMATE ACTION



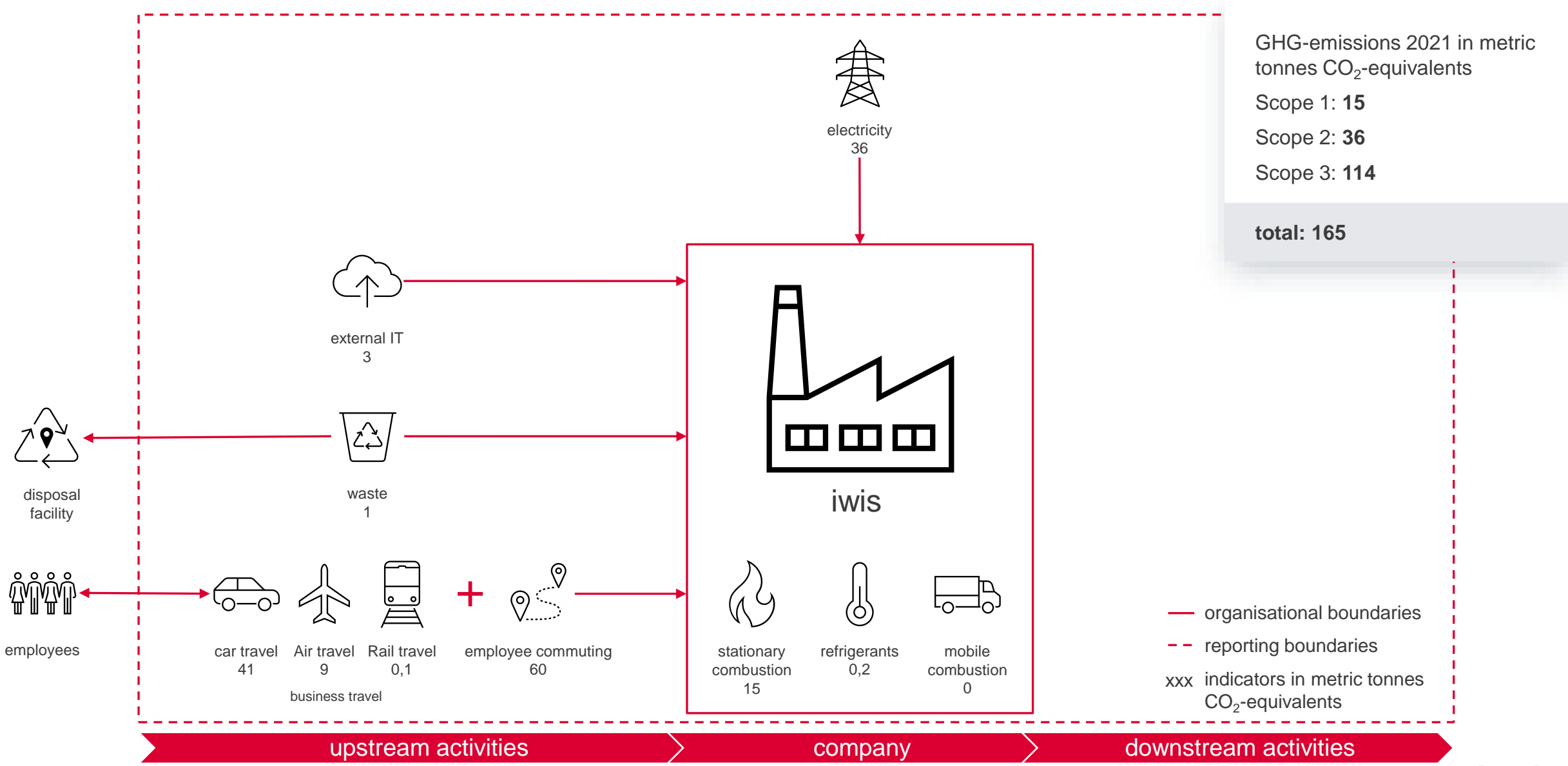
Carbon Footprint / Overall evaluation of the German iwis locations in tons CO₂e



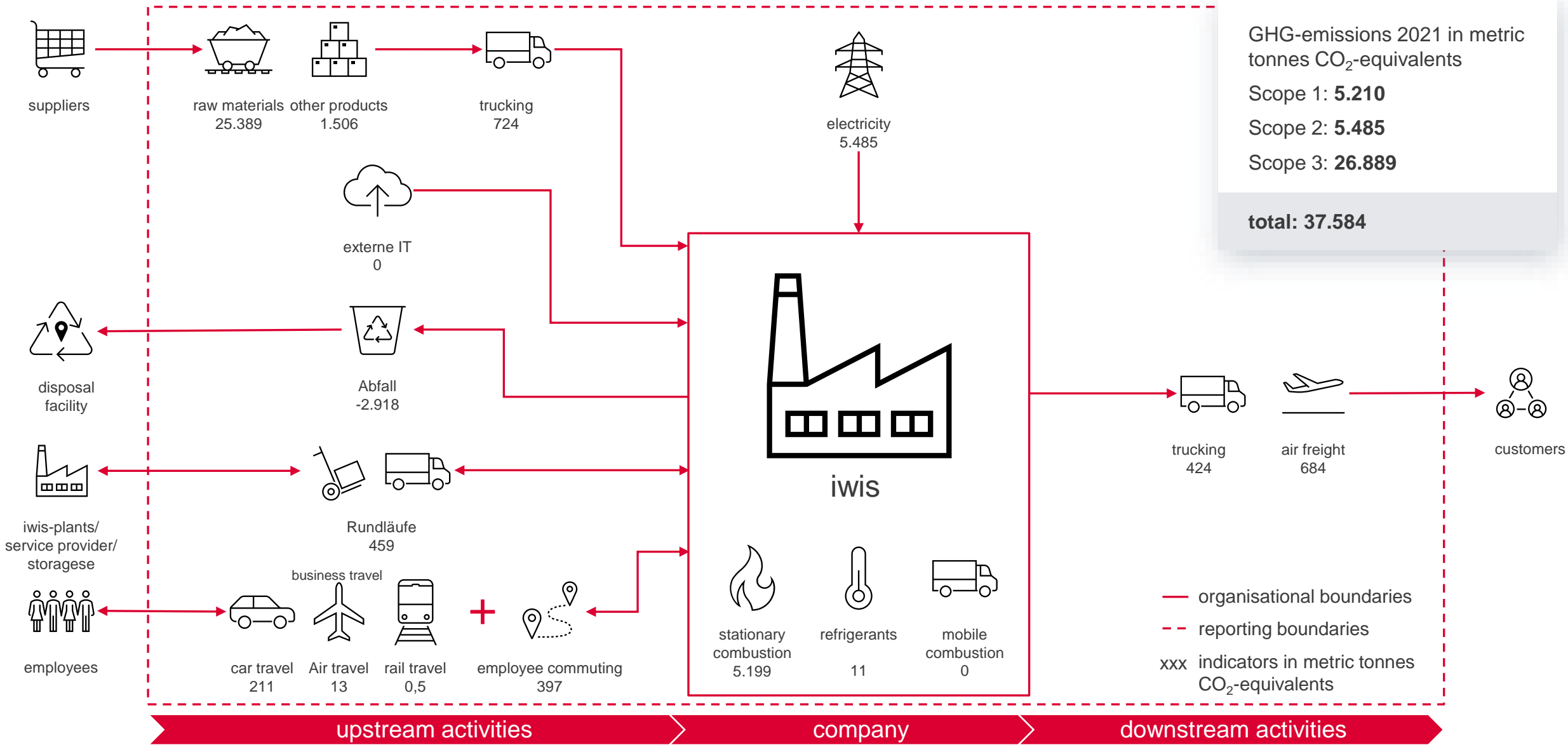
GHG inventory boundaries iwis Germany in total



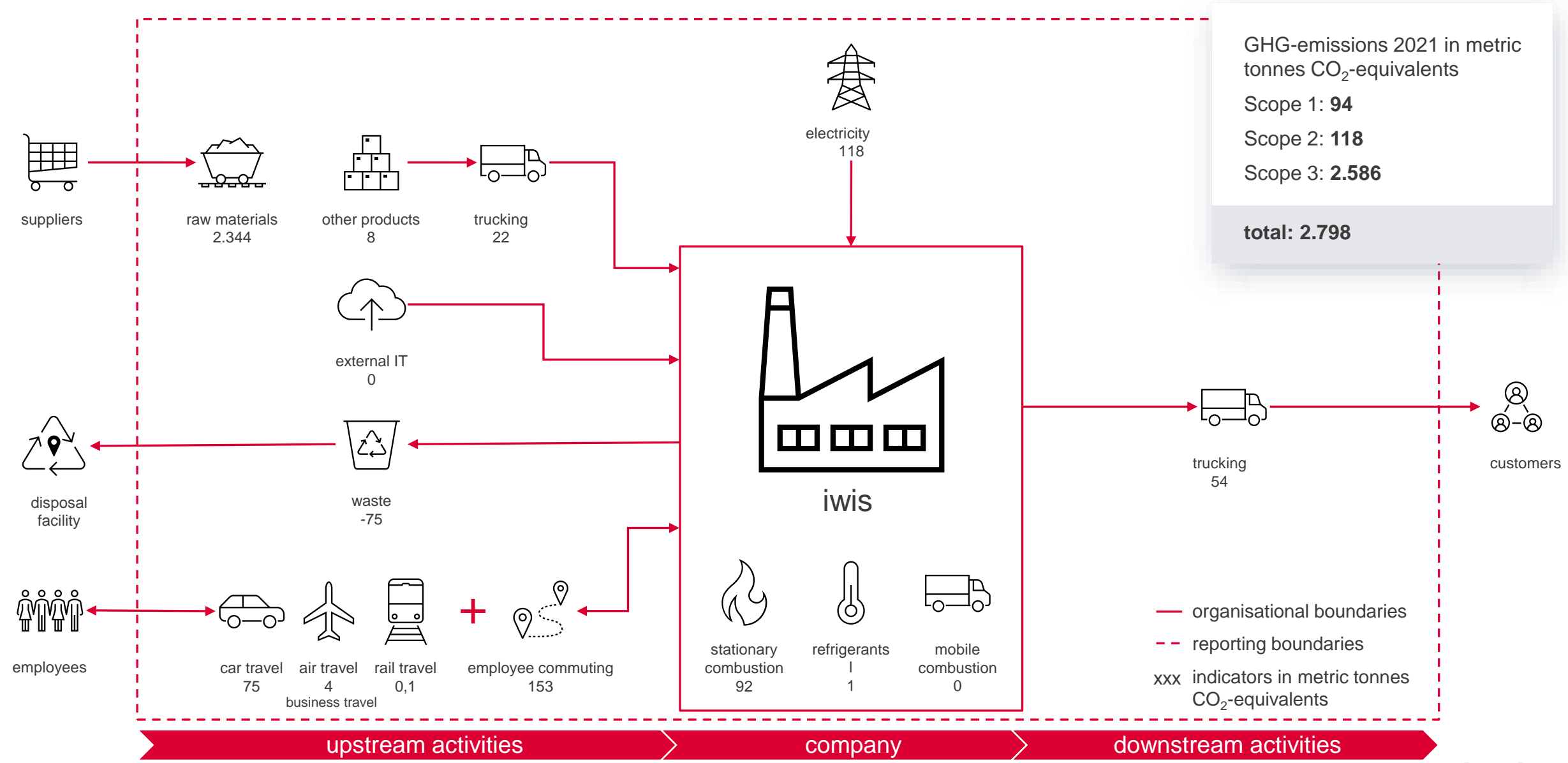
GHG inventory boundaries iwis SE (Standort München)



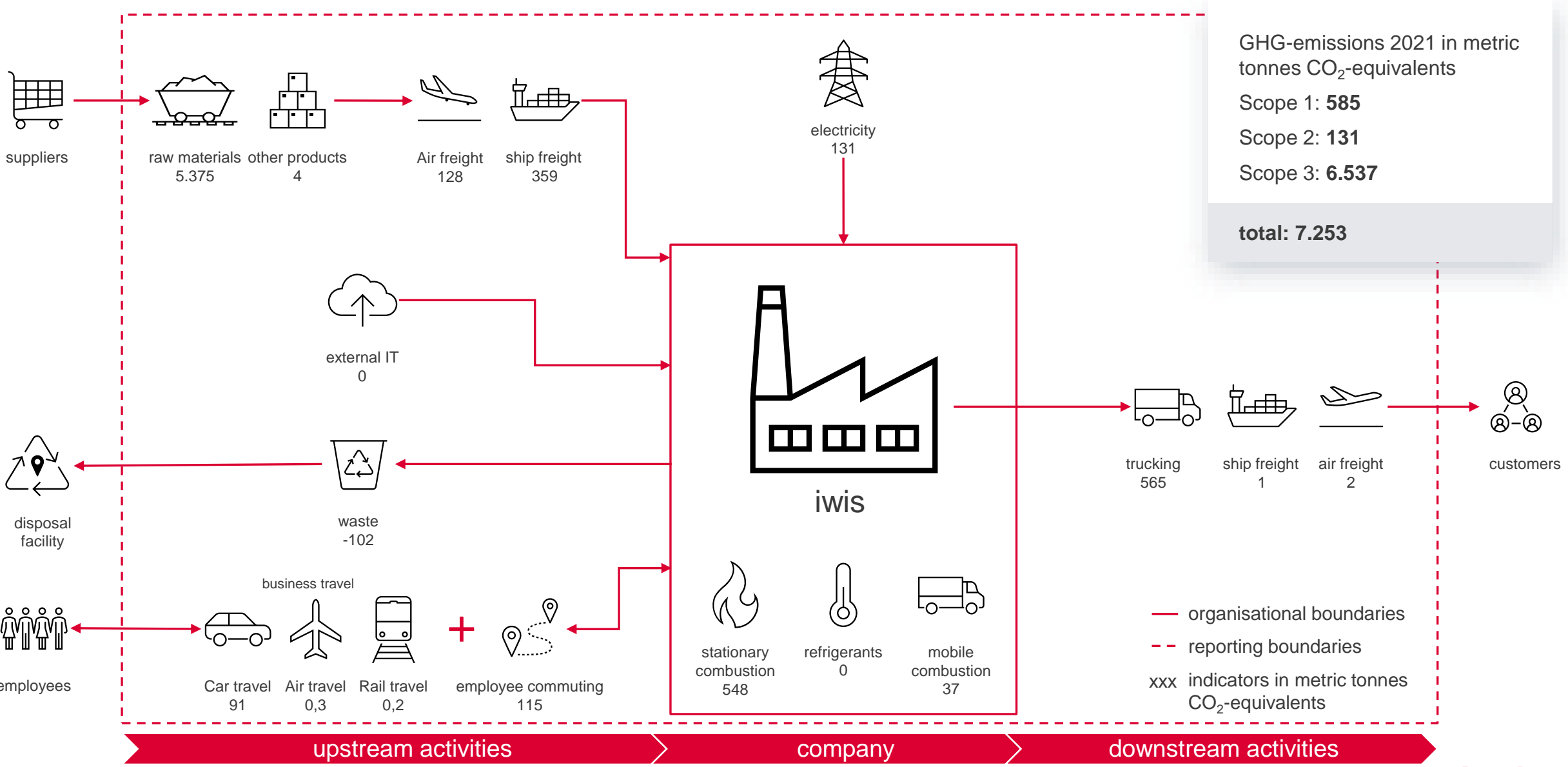
GHG inventory boundaries iwis mobility systems (Munich and Landsberg)



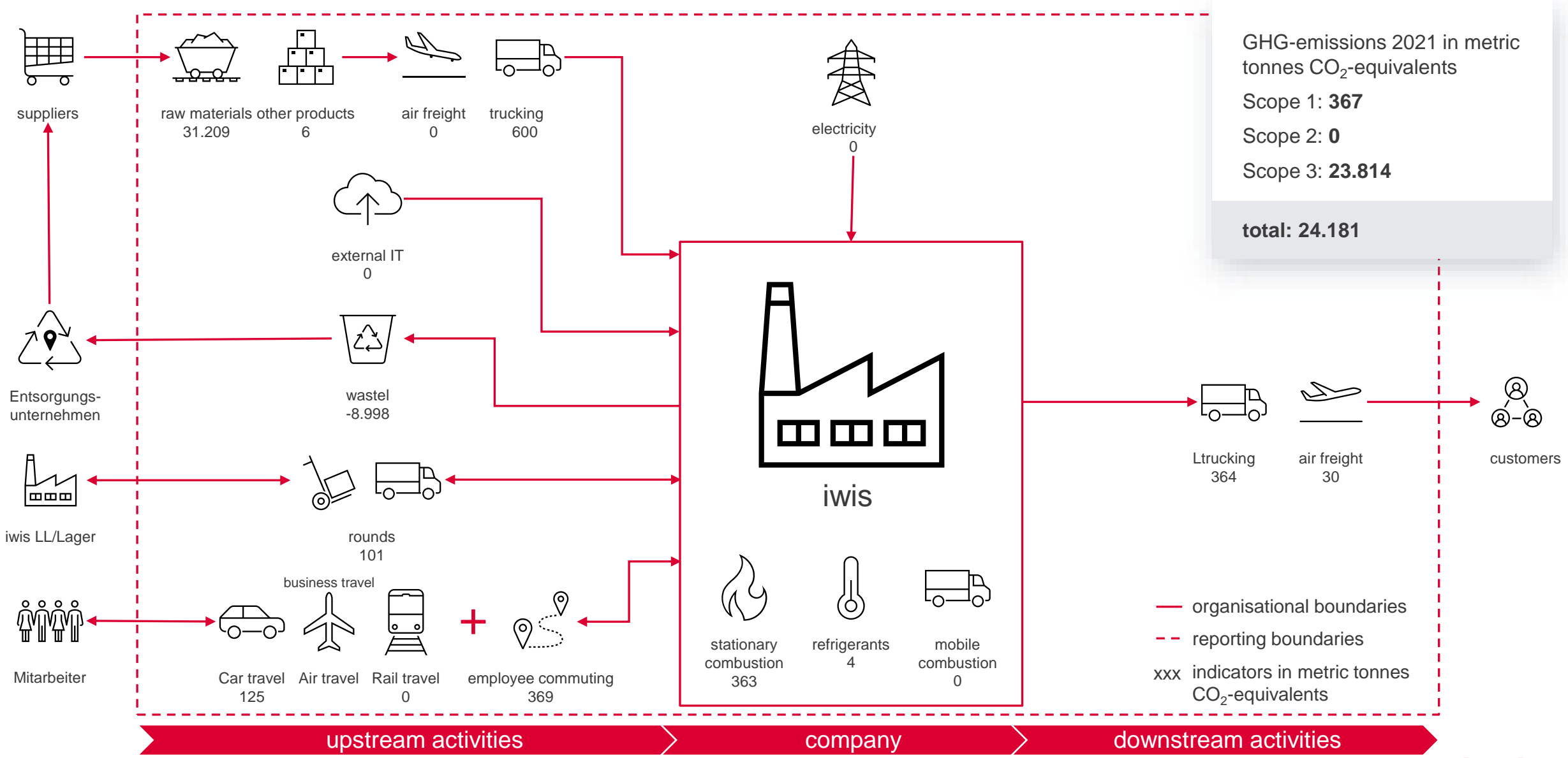
GHG inventory boundaries iwis antriebssysteme (Munich location)



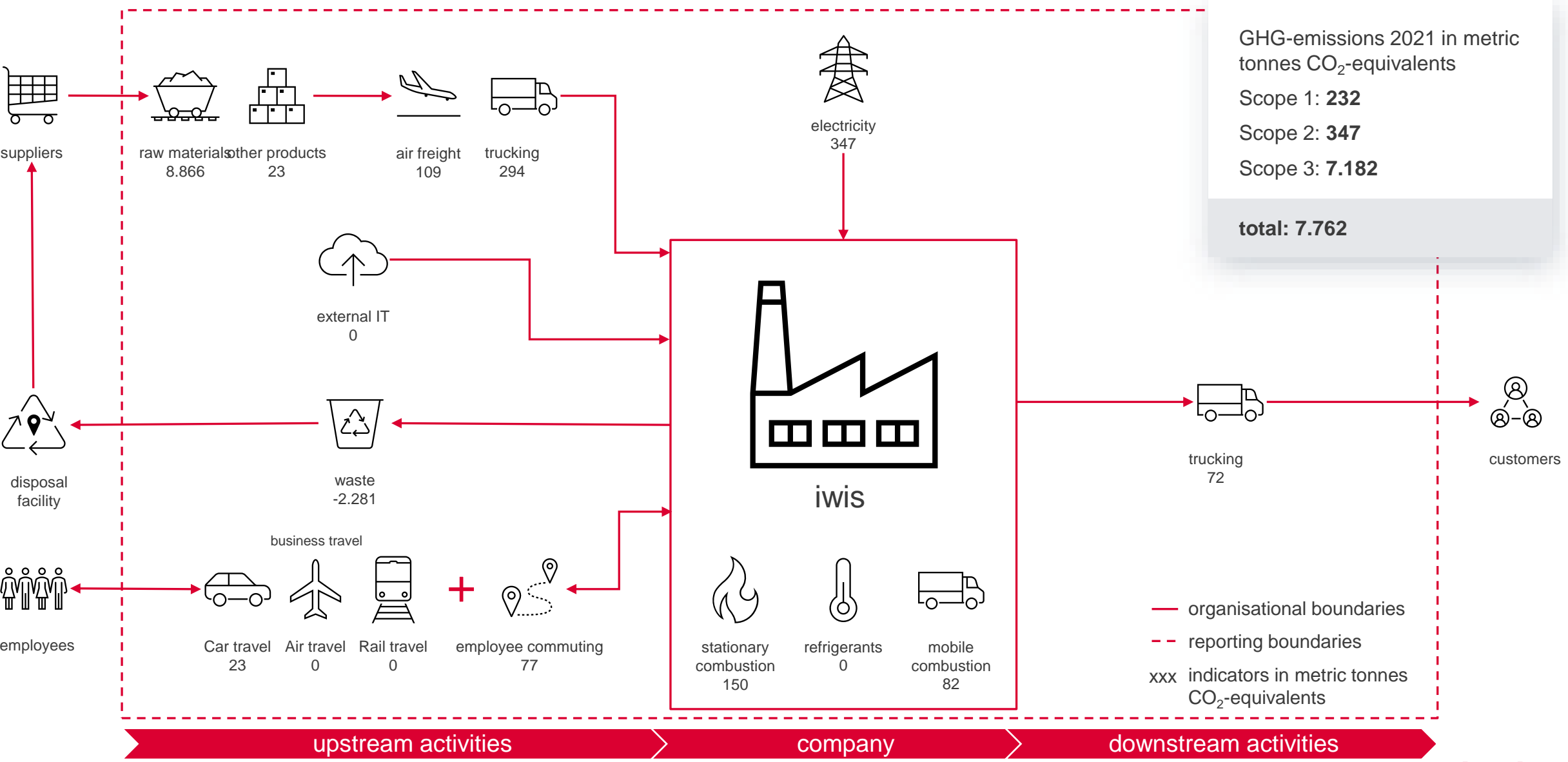
GHG inventory boundaries iwis antriebssysteme (Wilnsdorf and Sontra)



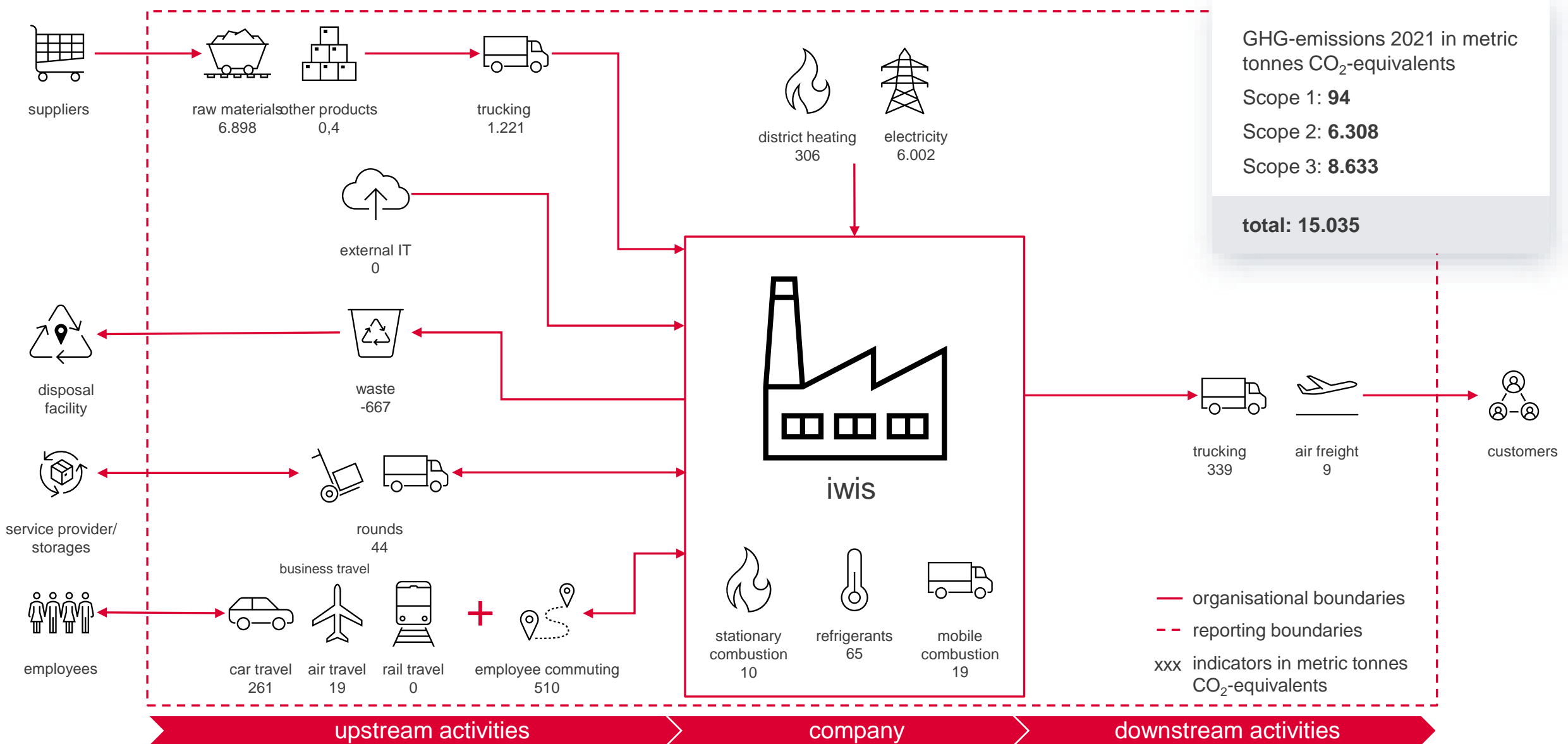
GHG inventory boundaries iwis smart connect (Rieden)



GHG inventory boundaries iwis e-tec (Kaufbeuren)



GHG inventory boundaries iwis mechatronics (Schwaigern)



Our route to carbon-neutral production PV systems in Landsberg and Rieden

- As a leading manufacturing company, iwis is also pursuing the clear goal of reducing the environmental impact of its business activities to an absolute minimum. In doing so, iwis places particular emphasis on minimizing its own CO2 balance.
- The first steps have been taken! By the end of the first quarter of 2023, iwis plans to have installed two PV systems on all suitable roof surfaces at the Landsberg and Rieden locations, thus allowing it to produce its own carbon-neutral electricity.
- The planned systems will deliver around 1000 MWh of electricity per year; and iwis will thus save over 200 tonnes of CO2 per year.



Mobility and sustainability survey

- As part of iwis' sustainability management activities and “Zero Carbon 2040” strategy, we conducted a mobility and sustainability survey in the summer of 2022.
- For each participant, iwis donated € 1.50 to the BayWa Foundation's “O'pflanzt is!” tree-planting project.
- The management generously increased the donation from the original € 1 per participant by 50% to € 1.50.
- We were able to reach a total of € 1790 for a sustainable cause.

- **Project description:**
- The aim is to strengthen the native mixed forest and thus prepare it to cope with climate change.
- BayWa AG will match every donation made. This extra money will be used for the Foundation's “Forest School” environmental education project, which raises children's awareness of nature and the forest habitat.
- Thus, with your donation, we are creating a sustainable mixed forest and a better awareness of nature among children



Jede Spende wird von der BayWa AG verdoppelt!



3.1 Sustainability in figures



Scope and terms

The scope of the report covers iwis Germany

Werk/Standort	Company name	Terms in data tables
Plant Munich	iwis mobility systems GmbH & Co. KG	iwis ms (MUC)
	iwis antriebssysteme GmbH & Co. KG	iwis as (MUC)
	iwis SE & Co. KG	iwis SE (MUC)
Plant Landsberg	iwis mobility systems GmbH & Co. KG	iwis ms (LL)
Plant Wilnsdorf & Plant Sontra	iwis antriebssysteme GmbH	iwis as (WiSo)
Plant Rieden	iwis smart connect GmbH	iwis sc (R)
Plant Schwaigern	iwis mechatronics GmbH & Co. KG	iwis me (Sch)
Plant Kaufbeuren	iwis e-tec GmbH	iwis etec (K)



CRI-Indicator		Unit	iwis (Germany)	iwis SE (MUC)	iwis ms (MUC)	iwis ms (LL)	iwis as (MUC)	iwis as (WiSo)	iwis sc (R)	iwis etec (K)	iwis me (Sch)
GRI 2-7a	net sales	Ts. Euro	371.807	12.786	16.510		40.400	44.353	107.865	25.168	124.725
GRI 2-7a	total number of employees	number	2.324	82	606		141	258	428	111	698
GRI 2-7b	Total number of employees by gender (female)	number	771	45	107		38	181	108	25	267
GRI 2-7b	Total number of employees by gender (male)	number	1553	37	499		103	77	320	86	431
GRI 2-7b	Total number of employees by gender (diverse)	number	0	0	0		0	0	0	0	0
GRI 2-7b	Total number of employees by employment type (full-time)	number	2.150	69	577		132	245	404	101	622
GRI 2-7b	Total number of employees by employment type (part-time)	number	174	13	29		9	13	24	10	76
GRI 403-9	The number of hours worked	hours	3.479.524	118.209	848.360		209.664	400.002	608.110	171.037	1.124.142
GRI 301-1	Materials used by weight	tons	37.371	n.d.	2.215	14.505	898	2.695	12.575	2.120	2.363
Incl.	Raw materials	tons	20.603	n.d.	1.815	6.702	n.d.	2.289	5.366	.2068	2.363
Incl.	associated process materials	tons	7.914	n.d.	181	109	8	355	7.209	52	n.d.
Incl.	semi-manufactured goods & parts	tons	8.695	n.d.	150	7.645	890	10	n.d.	n.d.	n.d.
Incl.	materials for packaging purposes	tons	159	n.d.	69	49	n.d.	41	n.d.	n.d.	n.d.
GRI	Production / Output	tons	12.598	n.d.	2.411	3.968	902	1.934	3.383	n.d.	n.d.



CRI-Indicator	unit	iwis (Germany)	iwis SE (MUC)	iwis ms (MUC)	iwis ms (LL)	iwis as (MUC)	iwis as (WiSo)	iwis sc (R)	iwis etec (K)	iwis me (Sch)
GRI 302-1 Total energy consumption	kWh	80.729.876,00	212.224,47	18.860.551,75	24.426.401,00	901.081,78	1.324.422,00	6.614.699,00	2.134.820,00	26.255.676,00
electricity consumption	kWh	50.176.003,00	143.087,00	7.437.108,00	14.355.700,00	470.848,00	534.864,00	4.920.739,00	1.434.919,00	20.878.738,00
natural gas consumption	kWh	24.724.471,75	0,00	11.423.443,75	10.070.701,00	0,00	789.558,00	1.693.960,00	699.901,00	46.908,00
heating, cooling, and steam purchased for consumption	kWh	5.829.401,25	69.137,47	0,00	0,00	430.233,78	0,00	0,00	0,00	5.330.030,00
GRI 303-3 Water withdrawal	m3	1.373.219,00	s. iwis ms MUC	401.662,00	960.521,00	s. iwis ms MUC	197,00	2.605,00	597,00	7.637,00
Water withdrawal: Surface water	m3	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Water withdrawal: Groundwater	m3	1.330.783,00	0,00	375.262,00	955.521,00	0,00	0,00	0,00	0,00	0,00
Water withdrawal: Third-party water	m3	42.436,00	s. iwis ms MUC	26.400,00	5.000,00	s. iwis ms MUC	197,00	2.605,00	597,00	7.637,00
GRI 303-4 Water discharge	m3	1.373.219,00	s. iwis ms MUC	401.662,00	960.521,00	s. iwis ms MUC	197,00	2.605,00	597,00	7.637,00
Water discharge: Surface water	m3	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Water discharge: Groundwater	m3	1.330.783,00	0,00	375.262,00	955.521,00	0,00	0,00	0,00	0,00	0,00
Water discharge: Third-party water	m3	42.436,00	s. iwis ms MUC	26.400,00	5.000,00	s. iwis ms MUC	197,00	2.605,00	597,00	7.637,00
GRI 306-3 Waste generated, excluding steel scrap	tons	2.850,57	s. iwis ms MUC	700,74	686,93	s. iwis ms MUC	175,11	154,82	223,07	909,90
Hazardous waste	tons	1.317,79	s. iwis ms MUC	598,47	570,78	s. iwis ms MUC	n.d.	148,43	n.d.	0,11
non-hazardous waste	tons	1.128,21	s. iwis ms MUC	102,27	116,15	s. iwis ms MUC	n.d.	n.d.	n.d.	909,79
Steel scrap	tons	7.858,16	s. iwis ms MUC	226,72.	3.684,81	s. iwis ms MUC	99,37	2650,00	985,48	211,78



CRI-Indicator		Unit	iwis (Germany)	iwis SE (MUC)	iwis ms (MUC)	iwis ms (LL)	iwis as (MUC)	iwis as (WiSo)	iwis sc (R)	iwis etec (K)	iwis me (Sch)
	Total GHG emissions	metric tons of CO2 equivalent	94.777,61	165,07	12.071,72	25.511,98	2.798,16	7.253,16	24.181,02	7.761,66	15.034,83
GRI 305-1	Direct (Scope 1) GHG emissions	metric tons of CO2 equivalent	6.596,42	15,05	2.616,87	2.593,40	93,66	584,66	366,75	232,13	93,90
GRI 305-2	Energy indirect (Scope 2) GHG emissions	metric tons of CO2 equivalent	12.425,20	35,98	1.870,00	3.614,92	118,39	131,00	0,00	347,27	6.307,64
GRI 305-3	Other indirect (Scope 3) GHG emissions	metric tons of CO2 equivalent	75.755,99	114,04	7.584,85	19.303,67	2.586,11	6.537,50	23.814,26	7.182,27	8.633,29
	Raw materials	metric tons of CO2 equivalent	80.082,08	0,00	5.638,57	19.750,35	2.344,46	5.375,06	31.209,36	8.865,99	6.898,28
	Metal alloying / refining	metric tons of CO2 equivalent	74,00	0,00	74,00	0,00	0,00	0,00	0,00	0,00	0,00
	Process gases	metric tons of CO2 equivalent	829,56	0,00	361,77	441,66	0,00	0,00	6,10	20,03	0,00
	Lubricants	metric tons of CO2 equivalent	621,77	0,00	152,05	460,97	3,88	4,47	0,00	0,00	0,40
	Cleaning agents	metric tons of CO2 equivalent	23,24	0,00	15,62	0,00	4,60	0,00	0,30	2,72	0,00
	IT	metric tons of CO2 equivalent	3,02	3,02	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	Business travel by car	metric tons of CO2 equivalent	826,75	40,85	115,14	95,69	74,62	91,06	125,40	23,19	260,80
	Business Travel Rail	metric tons of CO2 equivalent	0,90	0,07	0,26	0,22	0,13	0,23	0,00	0,00	0,00
	Business travel air	metric tons of CO2 equivalent	53,42	9,33	7,03	5,85	4,11	0,26	7,72	0,00	19,10
	Total business travel	metric tons of CO2 equivalent	881,07	50,26	122,43	101,76	78,87	91,55	133,12	23,19	279,91
	Employees Commuting	metric tons of CO2 equivalent	1.679,65	59,67	229,21	168,24	152,52	114,82	368,62	76,59	509,98
	Goods delivery by truck	metric tons of CO2 equivalent	2.860,48	0,00	185,15	538,42	21,98	0,00	599,68	294,47	1.220,78
	Goods delivery air	metric tons of CO2 equivalent	236,56	0,00	0,00	0,00	0,00	127,61	0,00	108,95	0,00
	Goods delivery by ship	metric tons of CO2 equivalent	358,86	0,00	0,00	0,00	0,00	358,86	0,00	0,00	0,00
	Deliveries by truck	metric tons of CO2 equivalent	1.813,90	0,00	0,00	423,99	50,18	564,67	364,27	71,71	339,07
	Air deliveries	metric tons of CO2 equivalent	723,78	0,00	0,00	683,54	0,00	1,54	30,00	0,00	8,70
	Deliveries by ship	metric tons of CO2 equivalent	0,65	0,00	0,00	0,00	0,00	0,65	0,00	0,00	0,00
	Round trips	metric tons of CO2 equivalent	606,86	0,00	53,71	404,90	4,17	0,00	100,55	0,00	43,52
	Total transport	metric tons of CO2 equivalent	6.601,09	0,00	238,86	2.050,85	76,33	1.053,33	1.094,51	475,13	1.612,07
	Waste, positive emissions	metric tons of CO2 equivalent	1.837,85	1,09	940,72	675,30	6,30	15,45	65,25	108,36	25,38
	Waste, negative emissions	metric tons of CO2 equivalent	-16.877,34	0,00	-188,37	-4.345,46	-80,84	-117,19	-9.063,00	-2.389,75	-692,73

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