



Sustainability Report Business Year 2023

Foreword

Dear readers,

Balancing environmental protection, ensuring fair working conditions and business integrity is part of our corporate responsibility. Our mission „Equipping the Factory of the Future“ therefore stands not only for the technology and performance of our products, but also for the sustainability of the company.

Sustainability has become a fixed strategic factor for Broetje-Automation in recent years. Measures and projects are being driven forward at a noticeable pace. 2023 marks another successful year for the company: In addition to numerous other measures, we have joined the UN Global Compact - an initiative of the United Nations with the aim of jointly and globally shaping a more sustainable economy together. As a participant, we are committed to the ten principles in the areas of human rights, fair working conditions, environmental protection and anti-corruption as well as to supporting the 17 Sustainable Development Goals of the United Nations.

One focus in the 2023 financial year was the preparation of the EU Green Deal regulations relevant to our business. On the way to implementing automated ESG controlling, the development and definition of key figures in accordance with current sustainability reporting standards was completed. A first success was the validation of the Scope 1 and 2 emissions of the entire Broetje-Automation Group and the Scope 3 emissions of the German sites in accordance with the GHG Protocol by an external body. The next step will be to introduce a data tool for regular reporting, initially for the head office in Germany and, in a second step, for the entire Group. Efficient data management is essential for us.

Internal and external networking is an accelerator for sustainability in practice. For this reason, we further expanded our sustainability network within the Broetje-Automation Group across all locations and departments last year and are pleased with the successful cooperation. In this report, we present our sustainability activities in more detail.

The management

Lutz Neugebauer



Dr. Axel Peters



Jiangxian Dai







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1

Company and Strategy





As a leading supplier of complex production systems to the aerospace, wind energy and other industrial sectors, we are committed to the benefit of our customers, employees, the environment and society. We therefore have an overarching responsibility to contribute to a sustainable and future-oriented world.

This responsibility has been a fundamental part of our corporate strategy for many years, alongside our commitment to providing leading edge technology to improve the effectiveness and efficiency of our customers' production.

Company profile

Broetje-Automation is the world's leading expert in production processes for large and complex structures, e.g. in the aerospace and wind energy industries. We design and implement machines and systems for our customers at 23 locations and service centres worldwide.

We combine technology, research, project management and service to design the factory of the future. We provide high-tech robotic and machine automation, turnkey factory planning and digital integration. Our global service teams ensure that our customers' production runs smoothly and efficiently around the clock.

Working in interdisciplinary teams with more than 20 nationalities is a way of life for us and the basis of our success. Our team spirit is based on friendliness and helpfulness, respect and recognition.

In the more than 45 years since the company was founded in 1979, Broetje-Automation has developed into the world market leader for automated fuselage assembly in the aircraft industry. Our customers include all the world's leading manufacturers of aircraft and their components, as well as their suppliers.

As the company developed from a manufacturer of special machines to a full-service provider of intelligent and integrated production systems, the product portfolio was continuously expanded. Today, the Broetje-Automation Group offers its customers worldwide solutions for equipping complete factories - from small hand tools to complete assembly lines.

This makes Broetje-Automation not only the market leader in many product segments, such as riveting automation, but also an important supplier and partner for many customers in the aerospace industry for production technology, from factory planning to machine maintenance. Broetje-Automation has developed from a mechanical engineering company to a full service supplier of production technology.

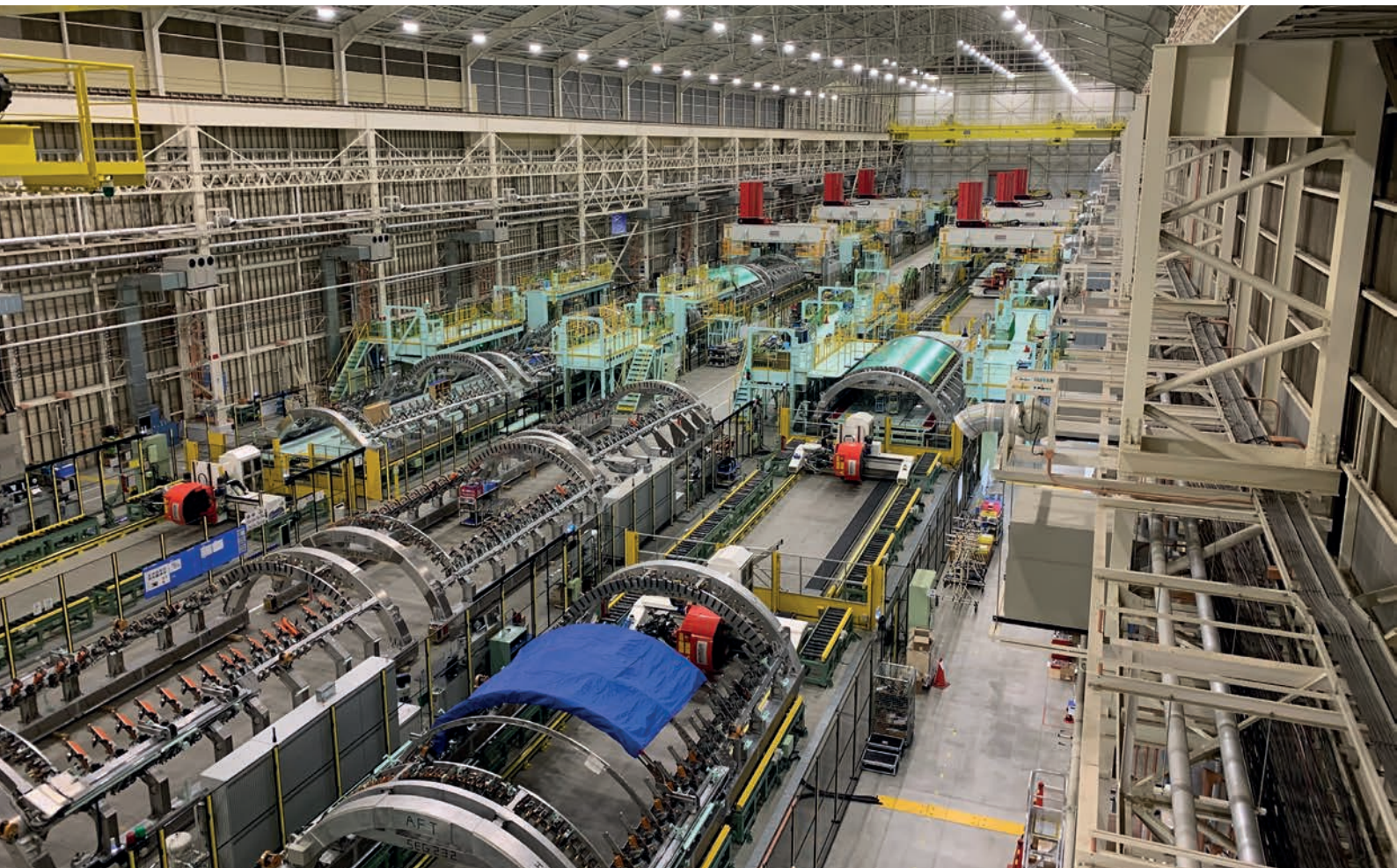
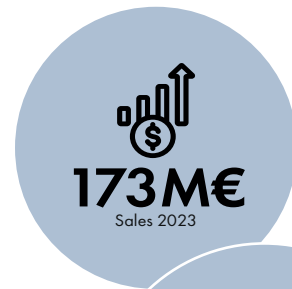


In recent years, the company has also broadened its customer and market profile to include other sectors. In particular, business development has focused on machines and systems for the automated production of composite components and the assembly of wind turbines.

In 2023, Broetje-Automation generated revenue of around EUR 173 million (2022: EUR 123 million) with a total of 648 employees (2022: 533 employees).

The core of the Broetje-Automation Group is Broetje-Automation GmbH, based in Rastede, Germany. In the 2023 financial year, BA Services GmbH, which had previously existed as a subsidiary, was integrated into the company and will continue to operate as a division. Compose 2 Compete GmbH continues to exist as a consulting company and wholly-owned subsidiary of Broetje-Automation GmbH, specializing in consulting and engineering services for customers worldwide.

It also has subsidiaries in the USA, UK, France, China and Japan to serve local markets. The Group has manufacturing and assembly facilities in Chicago, Toulouse and Shanghai. It has a total of 23 locations worldwide. Since 2015, Broetje-Automation is part of the Shanghai Electric Group.





Business model

The Group's business model is largely based on long-term, trusting customer relationships.

Our aim is to keep our finger on the pulse of the times with the latest high-tech solutions. We have a clear focus on cutting-edge technologies that are closely aligned with our customers' needs and add value to their production systems. Good customer relationships are essential to this.

This is reflected in our product and service portfolio. In addition to automated machines and systems for composites, fastening, assembly, jigs & tools and mobile systems, we use our extensive process and technology expertise to create individual solutions for our customers. This applies to both customised tooling and high-precision process automation. An extensive portfolio of specialised software solutions (Digital Solutions) also reflects this know-how digitally.

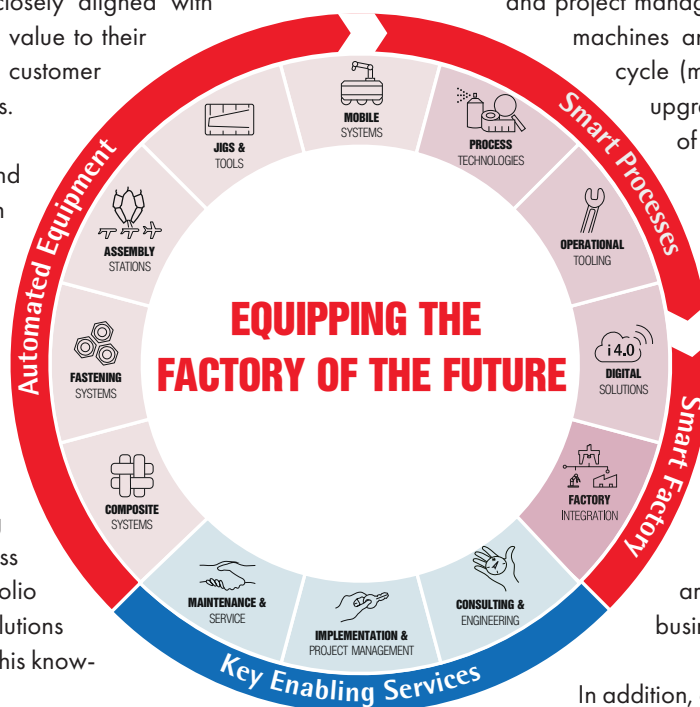
As a turnkey supplier, Broetje-Automation also supports its customers with complex factory integrations and creates turnkey assembly lines.

In addition to the supply of hardware and software, the Broetje-Automation Group has developed a broad range of services in recent years.

Factory planning, engineering services, modern implementation and project management as well as support for all machines and systems over their entire life cycle (maintenance and repair services, upgrades & modifications, retrofitting of complex machines and systems) have been significantly expanded in recent years and make a significant contribution to the company's business success.

Broetje-Automation's core markets are in North America, Europe and Asia. The aerospace industry is particularly active in these markets, but these regions are also very important for new business areas such as wind energy.

In addition, countries such as Turkey, Mexico, South Korea and India, which are gradually moving into the production of aircraft components, are becoming increasingly important as our customers restructure their value chains.





Corporate strategy

A clear corporate strategy ensures goal orientation and sets the course for the long-term and sustainable development of the Broetje Automation Group.

The corporate strategy is reviewed at regular intervals and adapted to changing objectives and conditions. In this way, the strategy is continuously updated and developed in line with the market and environmental situation.

At the heart of our corporate strategy is our mission: **Equipping the Factory of the Future.**

- » Equipping means more than just supplying machines and systems. We offer our customers everything they need to equip their factory of the future. Our portfolio therefore includes a wide range of products, from the right hardware, deep process integration and digitalisation to solid service and support throughout the entire life cycle. When all the components work together like a well-functioning machine and networked working becomes possible, real added value is created for our customers.
- » Our area of expertise - our „arena“ - is industrial production, the factory - that of our customers, but also our own. This is also where research projects find their place, for future innovations, improved work processes and sustainable employee safety are carried out.
- » We are driven by our vision for the future. It stands for state-of-the-art technology and process expertise, as well as modern organisational and management skills.

For the future, we are aligning the business model and all activities of the entire Group with the Mission, the fundamental objective of the company.

The claim to be a leader in production technology for complex products such as aircraft, wind turbines and other large components goes hand in hand with the comprehensive approach in the product portfolio and the focus on high technology.

Since 2021, the company has also been systematically diversifying outside its traditional aerospace market. The skills and expertise that Broetje-Automation has built up over 45 years in the field of complex production systems offer potential for the rate increase in renewable energies, especially wind energy. The change in energy policy, which is being driven by many countries around the world in order to meet sustainability targets, requires sufficient industrial production capacity. This is the only way to achieve the expansion targets for offshore wind energy in particular.

It is therefore a strategic goal for Broetje-Automation to contribute to this expansion with automation technology. Both classic automation technology for assembly tasks and extensive process expertise, particularly in new materials (e.g. in composite automation), offer promising approaches for the future.

Sustainability strategy

To provide a solid foundation for the Group's business, we have made sustainability a core element of our corporate strategy.

The sustainability strategy is based on four thematic pillars, each of which contributes to several of the United Nations' 17 Sustainable Development Goals:

Lead Production Technology: Excellence in automation is an essential part of our DNA. We believe we can make a positive impact on the world with our products and services, and with our relentless drive to develop our portfolio. With our expertise in advanced, highly flexible production technology in various sectors that promote sustainability, we serve the aerospace industry as well as the wind energy sector as a key element of a sustainable energy supply.

Environmental friendliness, resource efficiency and resource conservation are our innovation drivers: investing in sustainable R&D projects opens up long-term opportunities for us to successfully meet today's challenges together with our partners. The components of our systems are reused in the sense of a circular economy, while at the same time the technology is renewed. This reduces the use of resources and increases efficiency.

Empower People: Our employees, with their knowledge, daily commitment and team spirit, are the foundation of our success. Broetje-Automation therefore offers above-average working conditions, promotes safety at work and attaches great importance to training and further education. It is important for us to have a trusting exchange and for everyone to contribute to the

overall project, including improvements. Respect for human and labour rights in the supply chain is firmly anchored in our Supplier Code of Conduct. We have also reaffirmed our commitment by joining the UN Global Compact from 2023.

Protect Nature: We are rising to the challenge of protecting the climate and preserving biodiversity in the best possible way. As a supplier to the aerospace industry, we have a special responsibility. We are harnessing the potential that exists within our own organization and at our customers' sites. Production technology and sustainable service concepts act as enablers to reduce the climate and environmental impact of aviation by rapidly bringing resource-efficient aircraft generations to market. We are also using the levers at our disposal to make our own production more sustainable.

Safeguard Integrity: Compliance with laws and ethical principles is the foundation of our business and governance. We promote a culture of open communication and transparency. In this way we strengthen the trust of our stakeholders. Broetje-Automation attaches great importance to mutual respect and fairness within the company and with our business partners.



2

Organization and Governance





Our corporate structure and culture are based on the principles of good corporate governance:

Transparency through communication, constructive cooperation with employee representatives, effective risk management and a sustainable business strategy. Independent subsidiaries have been established in France, the UK, the USA, Japan and China to provide local market development and sales support for the product units. We also have local manufacturing facilities in France, the USA and China. We now have a total of 23 sites worldwide.

Good governance as a guideline for corporate management

The structure of the market naturally means that the few leading manufacturers of medium and large commercial aircraft and their Tier 1 suppliers in North America, Europe and Asia are particularly important to our customer portfolio. The competitive environment is also highly concentrated in a small number of highly specialised companies. This leads to very close interdependencies between companies in the supply chain.

We believe it is essential to work closely with our customers, to provide parts of the value chain locally and to continuously adapt our global value chain network accordingly. In this market environment, we maintain a clear set of rules and strict adherence to compliance and legal requirements to ensure professional project execution. The central guideline for the entire Broetje-Automation Group is a binding code of conduct and ethics („Code of Conduct“), which is centrally anchored in the company and serves as a code of conduct for all employees. Managers and employees receive regular training on this subject.

Sustainability expertise

As sustainability has become increasingly important to the success of our business, we have expanded our corporate strategy accordingly. Monthly reviews with the Executive Board and senior management on sustainability status, targets and improvements are now firmly established.

Regular ESG management workshops are held to ensure that the entire management team has the necessary expertise on key sustainability issues and requirements: These include the EU Green Deal, the forthcoming European Sustainability Reporting Standards (ESRS), the implementation of the dual materiality analysis and the EU taxonomy regulations. This not only updates the knowledge about the final version of the Corporate Sustainability Reporting Directive (CSRD), which will be published in July 2023, but also makes the upcoming legal requirements and the resulting potential for Broetje-Automation transparent and anchored at management level.

Transparency within the company is essential for the success of the sustainability strategy. Information events („coffee breaks“), staff meetings and digital training and information materials have proven to be good ways to better involve the workforce in sustainability activities and to build up sustainability expertise.

The management introduces itself

Lutz Neugebauer

Chief Executive Officer

Lutz Neugebauer was born in Varel, Germany in 1965. He graduated from the Jade University of Applied Sciences in Germany with a degree in electrical engineering and electronics. Between 1991 and 2006, he held various management positions at Broetje-Automation before joining Claas Fertigungstechnik as Director of the Aerospace Technology Centre. From 2013, he was CEO of BA Services GmbH at Broetje-Automation until he was appointed Chief Operations Officer of the Broetje-Automation Group in 2017. Since 2019, Lutz Neugebauer has been the CEO of the Broetje-Automation Group and, among other things, is driving forward the strategic sustainability approaches with great vigour.

Dr. Axel Peters

Chief Technology Officer

Dr Axel Peters was born in 1966 in Bremen, Germany. After graduating in automation technology from RWTH Aachen University, he became head of automation in the automation technology department of the Laboratory for Machine Tools and Production Engineering (WZL) at RWTH Aachen University. He received his doctorate in automation in 2001 and subsequently held various management positions in the technology division at LSW/Kuka. Dr. Axel Peters has been with Broetje-Automation since 2008, first as Chief Operations Officer and since 2014 as President BA Composites and Executive Vice President Fastening. He has been a member of the Management Board as Chief Technology Officer since 2017. His high level of technical expertise provides a strong tailwind for more sustainable product development and is valuable and indispensable for further sustainability goals.

Jianxian Dai

Chief Financial Officer

Jianxian Dai was born in Shanghai, China in 1963. In 1983, he graduated from Zhejiang University of Economics in China with a degree in Finance and Accounting and in 1985, he graduated from Shanghai University of Finance and Economics in Shanghai, China with a postgraduate degree in Accounting. In 1997, he graduated with a degree in Business Administration from the Niederrhein University of Applied Sciences, Germany. His professional experience began at the Ningbo University of Technology in China as a lecturer and deputy head of the Faculty of Finance. Since 1997 he has held various management positions as Managing Director and Chief Financial Officer in China, until 2000 at Messer (Hoechst) Gas Systems Tianjin Co. Ltd. until 2000, Stateline Telecom Co. Ltd, Shanghai, until 2003 and Voith Hydro Shanghai Co. Ltd. Since 2020 he has been Managing Director and Chief Financial Officer of the Broetje-Automation Group. The close integration of finance and sustainability, especially in the area of regulation and ESG controlling, makes Mr Dai one of the most important interfaces for the company's sustainability-related activities. The cooperation is particularly positive thanks to the support of Mr Dai and his team.



Dr. Axel Peters

Lutz Neugebauer



Risk and opportunity management

Robust risk and opportunity management is a key factor in the sustainability of tomorrow's businesses. The regulatory framework of the ESRS (European Sustainability Reporting Standards) places greater emphasis on the consideration of opportunities and risks. The aviation certification of Broetje-Automation in Rastede (EN9100) already includes a comprehensive risk assessment for the company. This has significantly accelerated the integration of sustainability risks and impacts.

It is essential to minimise risks and avoid damage: Our risk and opportunity management system implements the requirements of the German Corporate Sector Supervision and Transparency Act (KonTraG) and is also based on the requirements of ISO 31000. The aim is to systematically identify and assess the key risks and opportunities for our business, and to manage and monitor them in a targeted manner. This is done on an ongoing basis by managers at business and process level, and on an annual basis as part of the identification and analysis of risks and opportunities by senior management.

In 2023, in addition to risks and opportunities, the impact of climate change will increasingly be taken into account: ESG risks, opportunities and their impacts were now also included in the annual risk assessment and confirmation.

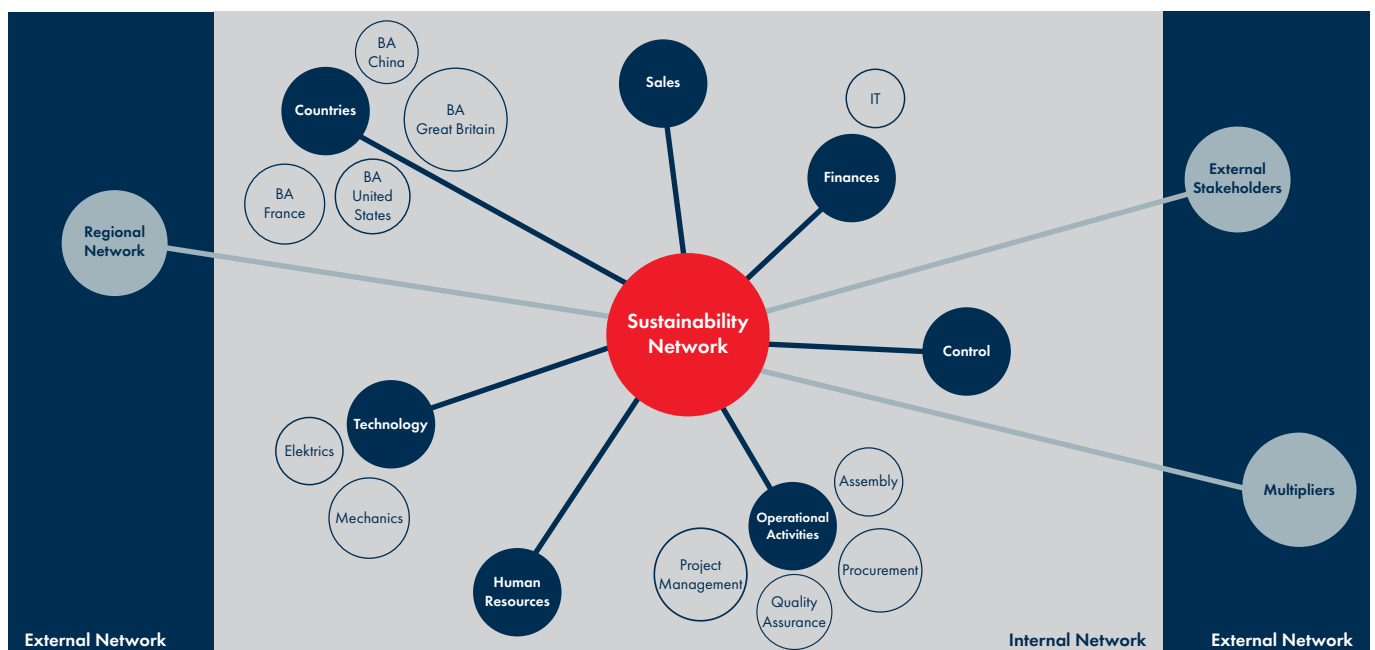
Sustainability Network

To manage and embed sustainability in the organisation, we rely on management involvement and a network presence throughout the Group. From the CEO to the sustainability team, a network of about 20 coordinators spans all departments and units of Broetje-Automation worldwide.

The Head of Sustainability and Total Quality Management reports directly to the CEO on a monthly basis, leads the group-wide sustainability network with quarterly status meetings and provides additional information via established communication channels. She also represents sustainability at monthly strategy meetings attended by senior management and the works council.

We also network with stakeholders and multipliers in the industry and the region. This includes regional working groups (e.g. Sustainability Network Northwest), participation in industry associations such as the German Aerospace Industries Association (BDLI), the Wind Energy Network (WAB e.V.), participation in STEM activities in the region and membership in the UN Global Compact networks.

In order to raise public awareness of these activities, Broetje-Automation regularly participates in events, podium discussions, etc. and actively communicates externally on the subject of sustainability.



Internal and external sustainability network of the Broetje-Automation Group



Stakeholder Management

Another component of our sustainability strategy is to take into account the interests and views of our stakeholders. We place particular emphasis on a continuous, trusting and professional exchange.

The company's key stakeholders include:

- » Customers,
- » Suppliers,
- » Employees,
- » Subsidiaries,
- » the parent company Shanghai Electric

Other stakeholders such as financial institutions, landlords, neighbours, politicians and the media are also involved. There are opportunities for dialogue and exchange with all stakeholders. Communication with stakeholders identified as highly relevant has been institutionalised on an ongoing basis.

Cooperation between the subsidiaries and with the Broetje Automation Group includes, in particular, joint strategic alignment and implementation of the sustainability organisation and strategy. The focus on the international locations will further expand the topic of sustainability in the future. An appropriate

communication architecture has already been established.

We cannot succeed without the satisfaction, loyalty and commitment of our employees. This stakeholder group is formally represented by our Works Council. Issues such as job security, appreciation, health and safety, development opportunities and motivating work are frequently mentioned. In order to promote the articulation of employee interests, the company and its management actively support employee committees and trade union involvement in the company.

Close contact with customers is an important part of stakeholder management and our long-term success. Close cooperation is necessary to understand customer needs, improve products and services, and jointly implement sustainability efforts in areas such as aerospace and wind energy. For example, joint research projects are being initiated to explore opportunities, particularly in the area of resource and energy efficiency. Suppliers are another important stakeholder group - and for Broetje-Automation an important pillar of project success. The aim of stakeholder management is to maintain long-term business relationships and the quality of the products supplied. Regular communication with suppliers takes place primarily through the purchasing department and, if necessary, through the design and quality departments. In



In addition, Broetje-Automation arranges meetings with interested suppliers to discuss the potential of a sustainable supply chain.

The relationship with the shareholder, the Shanghai Electric Group, is of particular importance to Broetje-Automation. Shanghai Electric supports the professional global organisation of the Broetje-Automation Group and its strong customer focus.

Broetje-Automation takes the views and interests of its stakeholders seriously in order to meet their needs and to maintain a trusting relationship.

3

Essential Topics





ESG issues offer a variety of possible starting points for companies to become active in the area of sustainability. A strategic and focused approach is essential to address the issues that are material to an individual company. In this way, a stable foundation can be created and sustainability measures can be used as an accelerator for future business performance.

The Broetje-Automation Group has been focusing on some of the relevant ESG issues for many years, not least because of its industrial and tariff affiliation: environmental protection and resource conservation are firmly anchored in our ISO 14001 certification and the associated environmental management system. Our reputation as an excellent employer is well known in the industry and in the region thanks to the working conditions we offer.

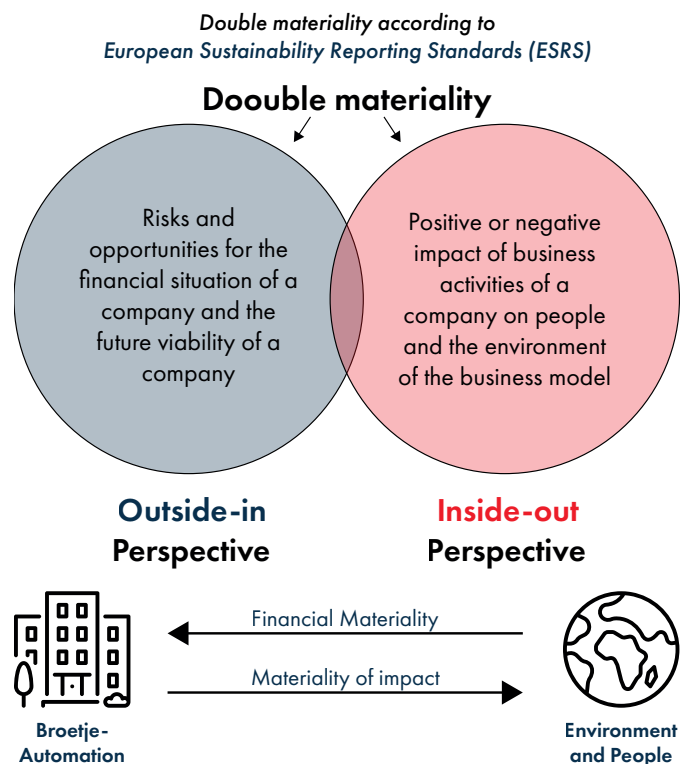
Methodology: Implementation of the materiality analysis

The identification of the material issues for Broetje-Automation was based on the requirements of the EU Corporate Sustainability Reporting Directive (CSRD), which will be mandatory for our company from the financial year 2025. In the future, the so-called „double materiality“ will determine the company’s sustainability considerations and analyses. This means that it will also be of particular importance in the coming years. We have already adopted this approach in our sustainability strategy.

Double materiality distinguishes between the external, financial impact („outside-in“) and the impact of business activities („inside-out“) on society and the environment. Issues are material to a company if they are either financially relevant or significant to the company’s impact - or both.

Financial materiality refers in particular to those aspects of sustainability that affect the company from the outside and that result in opportunities and risks for Broetje-Automation. Opportunities and risks are assessed according to the probability of occurrence and the potential financial impact.

In order to examine the impact of Broetje-Automation on the environment and people, the first step was to divide the impact into actual and potential impacts, and the second step into positive and negative impacts. A distinction was also made between



impacts that occur within the company's own operations and those that occur within the value chain. The severity of the impacts was assessed according to the factors of magnitude, scope and, in the case of negative impacts, irreversibility.

For this analysis, we first collected scientific papers, statistics and other business-related articles on sustainability aspects through desktop research and evaluated them with regard to their relevance for Broetje-Automation.

Finally, the resulting list of key sustainability aspects was benchmarked against similar companies in the industry and thus extended to include industry-specific issues. A complementary stakeholder analysis provided the perspectives of the company's most important stakeholders. These have been included in the materiality assessment.

The Sustainability Team has carried out the dual materiality analysis described above as part of an internal process. For this purpose, a staff unit was created with a direct reporting line to the Executive Committee.

A series of workshops with management, senior management and the works council ensured that the CSRD, ESRS and the relevant components of the materiality analysis were embedded in the day-to-day business. As a result, the sustainability strategy is an elementary part of Broetje-Automation's corporate strategy.

Results of the materiality analysis

The European Standard for Sustainability Reporting (ESRS) focuses on material issues. The basis for this is the so-called „ESRS materiality analysis“. An initial assessment was carried out for Broetje-Automation in the 2023 financial year. The following topics were classified as material:

Environment theme

- » Climate change and energy
- » Environmental Management
- » Circular Economy
- » Sustainable R&D

In addition to the ESRS standard, investment in sustainable R&D projects, remanufactured products and diversification into environmentally friendly industries were also considered as important for Broetje-Automation.

Social theme

- » Fair working conditions
- » Occupational safety
- » Further education and training
- » Diversity
- » Labour and Human Rights

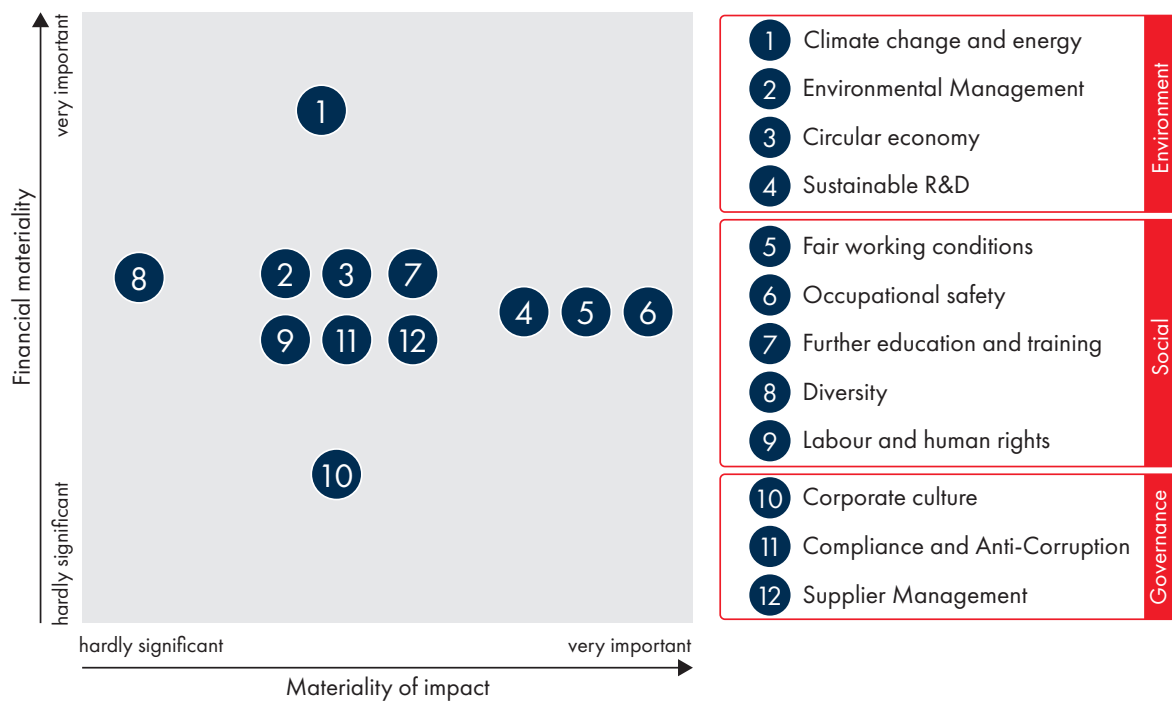
For Broetje-Automation, length of service, trainees and international diversity are also of particular importance. For workers in the supply chain, working conditions, labour rights, and the exclusion of child and forced labour are essential.

Governance theme

- » Corporate culture
- » Compliance and Anti-Corruption
- » Supplier Management



Double materiality analysis for Broetje-Automation



Assignment of the identified topics to the double materiality for Broetje-Automation

Areas of action - 4 pillars

A strategy is only as good as the action priorities it defines. For this reason, we have translated the results of the dual materiality analysis into four action areas within our sustainability strategy, which are backed up by specific measures and projects.

Sustainability is a shared responsibility. It is about the continued existence of the economy, society and the environment, especially taking into account the involvement of all relevant stakeholders of the company.

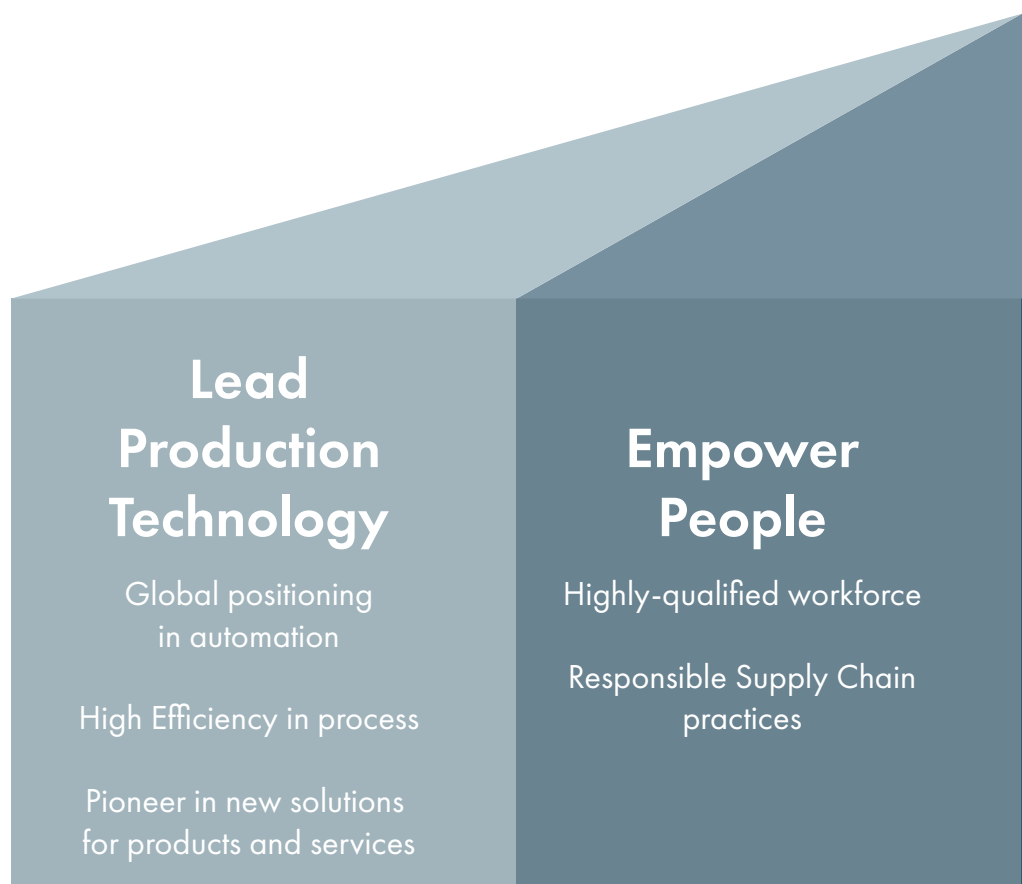
For Broetje-Automation, the sustainability strategy is based on four pillars. They form the basis for the company's actions and integrate the social and entrepreneurial perspective into a coherent implementation strategy. Accordingly, they take into account

1. the fields of action recognised in the context of sustainability „Environment“, „Social“ and „Governance / Corporate Governance“ (ESG)
2. the economic success of the company and its technological contribution to the sustainability goals

The focus areas for each pillar have been identified using the materiality analysis (page 21) and are described in the Sustainability Strategy section (page 11). Measures and Key Performance Indicators (KPIs) were defined and implemented for the material issues.

The result: 4 pillars and fields of action in which Broetje-Automation acts within the framework of its strategic orientation and aligns the company's success with the requirements of sustainability.

Equipping the Fac



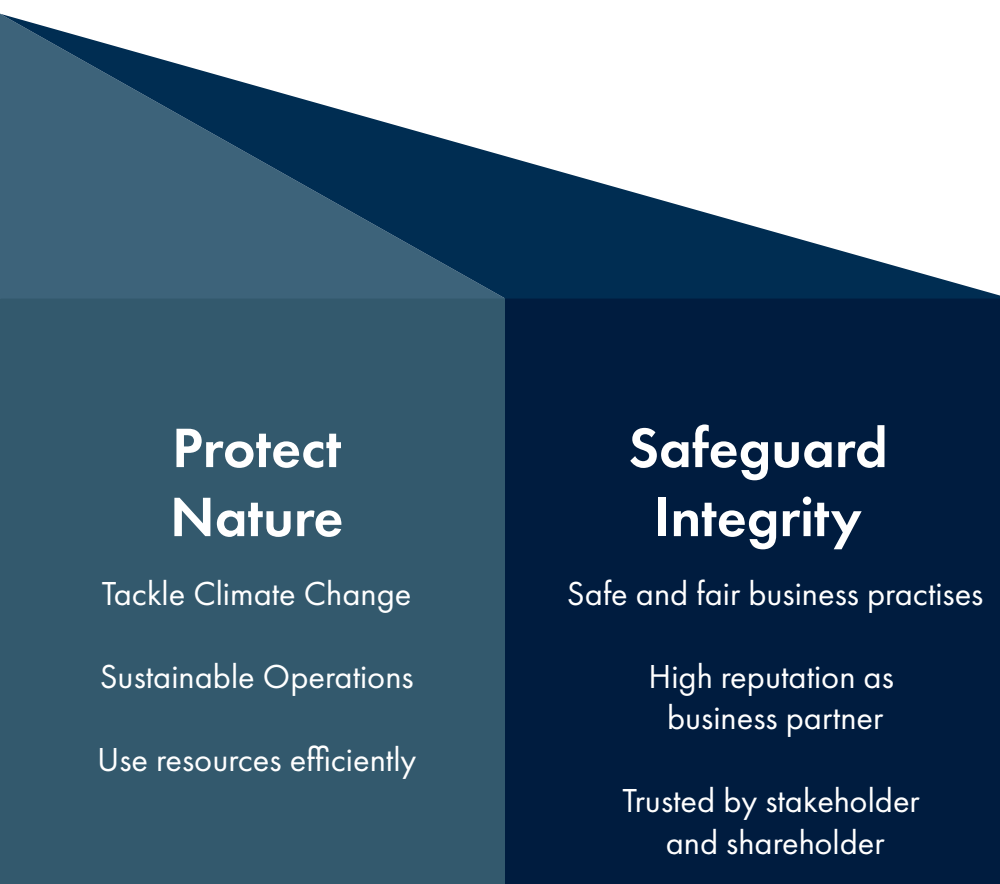
As a company, the most visible pillar is the economic dimension. „Lead Production Technology“ is the driver of our business success and the use of technology is our greatest ambition. Broetje-Automation is globally positioned and through innovation wants to reach new markets and customers with new solutions and thus remain competitive.

For us, empowering people means providing our employees with everything they need to work together on Broetje-Automation's mission ‚Equipping the Factory of the Future‘. This requires every single employee with his or her knowledge and skills. Empower People also creates a clear link to the supply chain: This pillar includes working closely with our suppliers to ensure the success of our products through high quality components, and to uphold human and labour rights throughout the supply chain.

The world's biggest challenge for the economy is climate change and its consequences. Broetje-Automation takes its responsibility and wants to protect the environment by firmly anchoring environmental protection in the third pillar of its sustainability strategy „Protect Nature“.

„Safeguard Integrity“ as the fourth pillar represents the governance component in the definition of corporate sustainability. The aim here is to manage Broetje-Automation in a safe manner and to model and implement the values and ethical behaviour of everyone in the company. Only in this way can we ensure the continued existence of the company and strengthen the trust of our stakeholders.

story of the Future



Fields of implementation of the sustainability strategy for the Broetje-Automation Group: „4-pillar model“

4

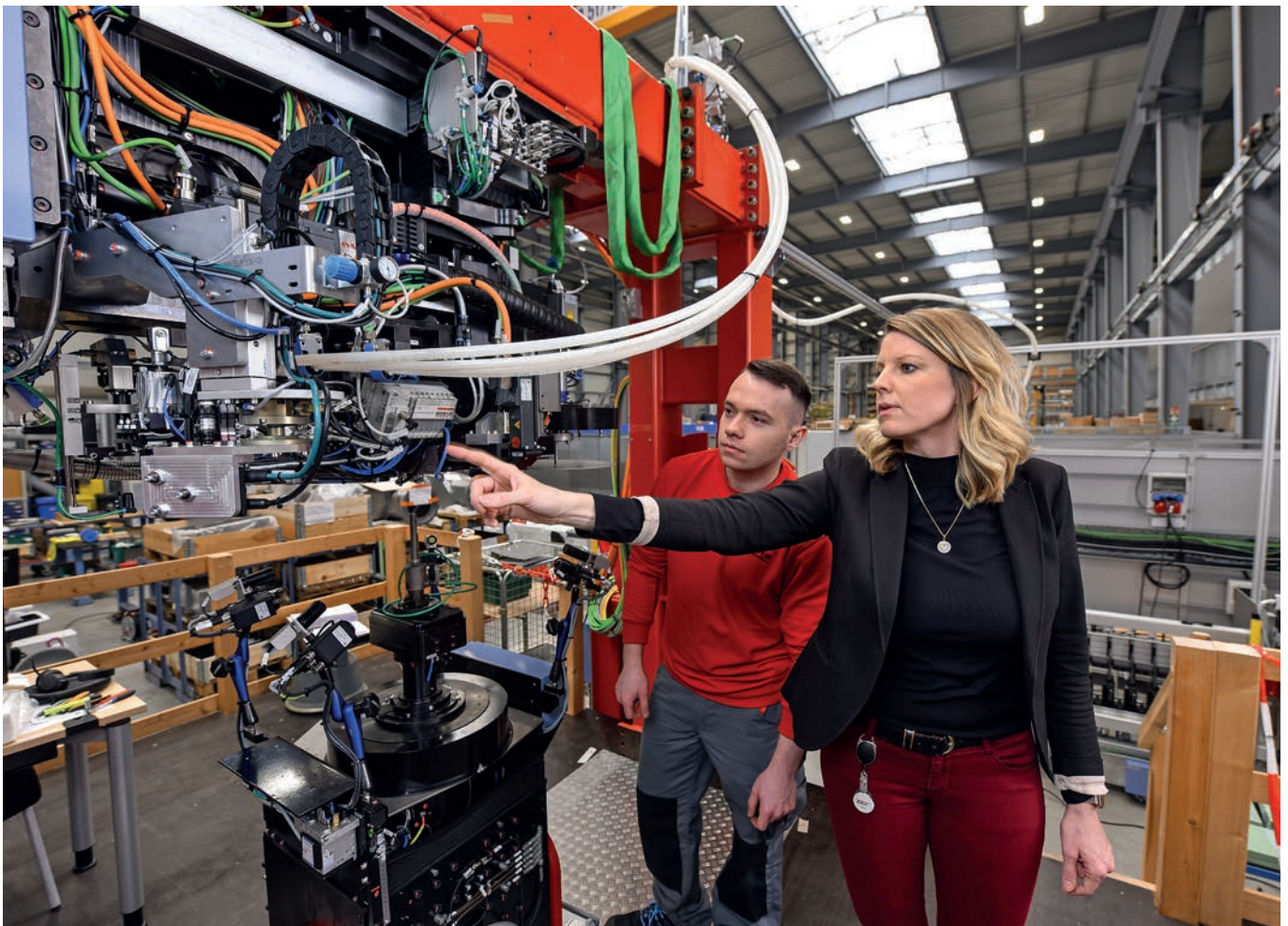
Lead Production Technology





Environmental friendliness, resource efficiency and savings are not only important from a sustainability perspective, they have always been our innovation drivers: Investments in sustainable R&D projects open up long-term opportunities for us to work with partners to successfully meet today's environmental challenges. Components of our systems are reused in a closed loop, renewing the technology and increasing efficiency at the same time.

Cutting-edge production technologies are also key to bringing resource-saving future aircraft generations to market quickly and reliably. Automation and modern equipment in production facilities can also support various sustainable industries, including the wind energy sector, and thus the energy transition.



Circular economy as a service

One way of reducing the negative impact on the environment and at the same time improving efficiency and profitability is to maximise the service life of all the components in a production plant. That is why Broetje-Automation, in addition to maintenance and spare parts supply, has developed upgrades and retrofits of old plants as a business line many years ago.

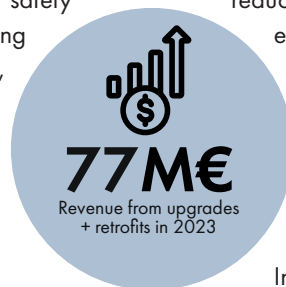
Retrofits are aimed at modernising existing industrial installations in order to improve their efficiency, performance, safety and environmental sustainability, while extending their life cycle. The integration of new technologies, components or systems into existing plants is our long-standing contribution to the principle of circular economy. Our team has more than 20 years of experience in this field to support our customers in the best possible way.

The modular design of Broetje Automation riveting systems makes it possible to implement state-of-the-art technology even after many years of operation. Modernisation measures bring the assembly lines up to date and ensure a higher degree of automation, productivity, resource efficiency and less machine downtime.

Increasing the level of automation on a machine is a significant change. Installing advanced tool change systems or new digital NC controls makes machine operation simpler and more intuitive. We improve the quality of production and ensure greater process reliability through intelligent and sensor-controlled monitoring and smart camera systems.

Retrofits also offer great opportunities to improve efficiency and reduce the carbon footprint of the production system, for example by reusing large steel structures and avoiding the need to rebuild foundations. Retrofits have the advantage of offering similar production efficiency to a new system, but saving time in the workshop by reusing parts of the system, while reducing the carbon footprint.

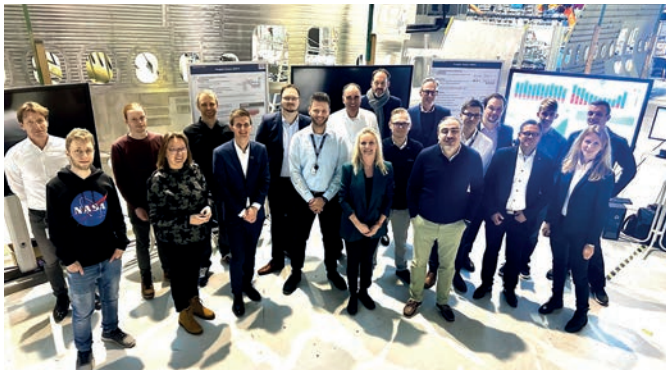
In addition to increasing the efficiency and productivity of individual machines, retrofits also extend the range of components in a system. This allows the system to continue to be used even if the customer makes design or programme changes. Broetje-Automation has a turnover of 76.97 percent in 2023.



Innovation

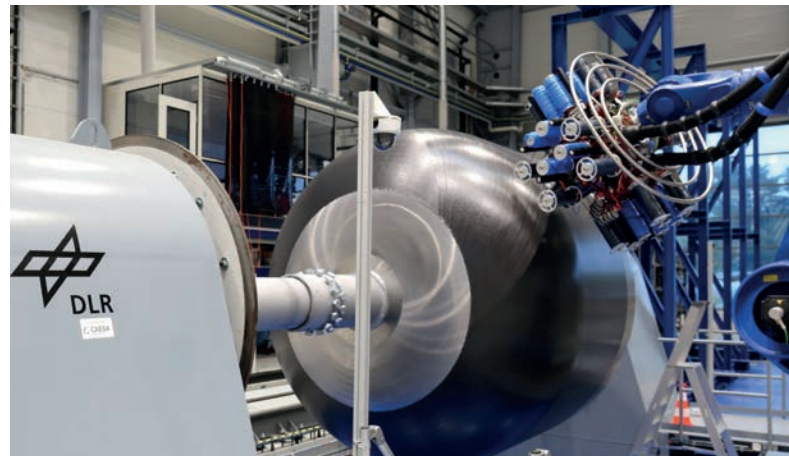
Resource efficiency and savings are an integral driver of innovation at Broetje-Automation and also play an important role in our corporate and sustainability strategy. By using alternative materials, new processes and the highest quality standards, we are committed to gentle production for our customers. In particular, collaboration with research institutes and technology partners on new products and process technologies is a key element of our innovation efforts. For 2023, three innovative projects deserve special mention:

Project GREEN: Broetje-Automation has successfully worked with a broad industry consortium to identify ways to reduce the environmental impact of today's production equipment and facilities. Measures have been taken to reduce the energy consumption of older equipment by up to 85% in certain application areas. Retrofitting older, more energy-intensive equipment can make a significant contribution to more sustainable industrial production.



Final meeting of the project partners in the GREEN project

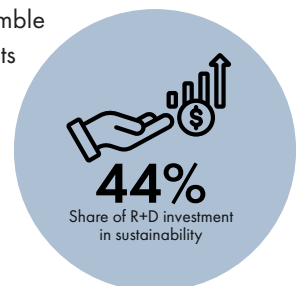
Another innovation project, HyTank, is a tank system for storing hydrogen, which is to be implemented by 2026 in cooperation with several partners. To achieve long-term market success, the German aviation industry must respond to the growing demand for zero-emission flying. Cryogenic hydrogen as a fuel is the most efficient solution. Intensive research is therefore being carried out into tank systems for liquid hydrogen to enable weight-optimised storage as a key element in the implementation of zero-emission flying.



Demonstrator production of a hydrogen storage system with STAXX Flex AFP system

Due to its specific density, the use of carbon fibre reinforced plastics (CFRP) can significantly reduce the structural weight of a hydrogen tank. It is important to consider the material-specific manufacturing processes, which are fundamentally different from metallic processes, and to assess the specific challenges that need to be overcome through research and development.

One of these challenges is how to assemble all the necessary CFRP components into an LH2 tank, since the aerospace proven riveting process cannot be used for a hermetically sealed tank. To answer this question, Hytank relies on Broetje-Automation's fibre placement technology.



SHOREliner is an innovation project for Broetje-Automation, also to be launched in 2023, to bring CO₂-neutral and low-noise flying in the feeder and short-haul aircraft segment economically to the market and to enable its production. In cooperation with other industrial partners, Broetje-Automation is making a contribution to the necessary mobility and climate change and is investing in a future-proof and absolutely successful technology: The SHOREliner will be an aircraft for short distances, even under difficult coastal conditions. At present, the SHOREliner is the only electrically powered aircraft under development in this segment. This innovation project with several research partners is planned until 2026.

Diversification into the wind energy sector

The production of renewable energy is one of the most important challenges facing society today. Wind power plays a crucial role as a source of this sustainable approach. Today's production of wind turbines is almost exclusively based on manual activities. In order to achieve the sustainability goals of Germany and the world, an increase in the industrial production of wind turbines is inevitable.

Automation can support this necessary industrialisation of wind turbines. However, short product cycles, price pressure and the high complexity of the production process have not allowed a higher degree of automation in the past.

Modern technologies can significantly increase productivity for the production of wind turbines. In addition, quality is improved, resulting in fewer faulty parts and reliable operation of the wind turbines.

For the employees, automation not only improves ergonomics, but can also reduce accident-prone or other health-endangering activities, thus contributing to greater safety in the workplace.

Broetje-Automation has more than four decades of experience in the technical assembly of large structures. We offer the necessary process know-how to successfully ramp up wind turbine production and meet the demands of the energy transition.



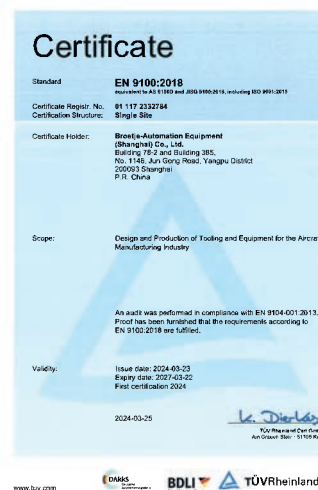
Quality Management System

Our mission is to design and manufacture the highest quality systems for the factory of the future. Product and process quality are top priorities for us and our business partners. They have always been at the heart of our business endeavours and are therefore key to Broetje-Automation's sustainability strategy.

Organisationally, we support this basic idea through the joint anchoring of quality and sustainability with direct reporting to the management. Operationally, project management based on lean principles with all specialist departments completes this focus on quality.

As part of Broetje-Automation's continuous improvement, the focus is on process compliance, maintaining long-standing certifications and, if necessary, establishing new certifications and constant optimisation within the entire company. This is also confirmed by the ISO 9001 and EN 9100 certifications.

Our processes are designed to meet the needs of our customers. They form the basis of our high quality products and services. Product quality requirements are checked against defined criteria throughout the supply chain, right up to customer approval. It is important to define quality standards internally and together with our suppliers and to monitor compliance.



5

Empower People





With their knowledge, their daily work and their team spirit, our employees are the foundation of our success. Broetje-Automation therefore offers above-average working conditions, promotes safety at work and attaches great importance to training and further education.

It is important for us to have a trusting exchange and for everyone to contribute to the overall project, even if there are improvements to be made. By participating in the UN Global Compact, Broetje-Automation confirms its respect for human and labour rights in the value chain.

Our employees

The world of work has changed dramatically in recent years. Digitalisation, the networking of all people and mobile working have become indispensable in everyday working life. Added to this is demographic change, which is becoming increasingly apparent in Germany in the form of an ageing society. At the same time, all these developments pose new challenges for companies. In particular, the increasing shortage of skilled workers in Germany, and thus also at Broetje-Automation, is a serious factor in the recruitment of new, qualified employees.

The human resources strategy follows the requirements of Broetje-Automation's corporate strategy - to grow worldwide, to enter new markets and industries and to position the company for the future. This requires highly qualified personnel who operate in an international context and have the specialist knowledge of a large plant manufacturer. It also requires the ability to anticipate potential opportunities. This is why we are working to further strengthen our employer brand, offer above-average working conditions, further expand our personnel development and network with educational institutions. In this way we have built up an excellent reputation as an employer in the region.

At Broetje-Automation, we attach great importance to trusting and respectful interaction with each other and with our business partners. The company's Code of Conduct contains guidelines for responsible and ethical behaviour by all employees. It also commits us to respecting human and employee rights, implementing ISO 45001 health and safety standards, eliminating discrimination and promoting equal opportunities within the company. In particular, we demonstrate our commitment to human and labour rights through our participation in the UN Global Compact.

We have developed a catalogue of HR performance indicators to enable us to monitor our HR strategy in a measurable way on an ongoing basis. This will enable us to measure the impact of our actions over and above current legal standards and our certifications. From 2024, this catalogue of indicators will be used to make our efforts transparent and to implement successful people management.



Measures

Below we describe our practices in key areas such as co-determination, training, health and safety, and more.

Social dialogue

The representation of our employees by the works council has a long tradition and is an essential part of co-determination at Broetje-Automation. The company and its management attach great importance to respecting the rights of employees. This is supported by the relevant committees and company agreements. The works council is the elected representative body of all employees and represents their interests. For management, this is also a success factor for a stable and future-oriented company. There is a close, regular and trusting relationship between management and the works council.

Quarterly meetings are held at the Rastede site to ensure direct communication with the workforce. In addition to face-to-face meetings, the works meetings are also organised as hybrid events to ensure that employees who are unable to attend in person can still participate.

All employees have the opportunity to express their concerns or comments in a protected environment and to seek dialogue with the works councils, the Human Resources Director or an independent ombudsman.

Diversity and togetherness

Broetje-Automation attaches great importance to a family atmosphere. Each member of our family of companies contributes his or her individual strengths to the company. Friendliness, helpfulness, respect and recognition are the essential tools for this.

Interdisciplinary teams across departmental and national boundaries are the driving force and cornerstone of our success. We promote intercultural understanding through training and networking at all hierarchical levels, and encourage open and tolerant cooperation.



T-shirt campaign „Team Broetje“



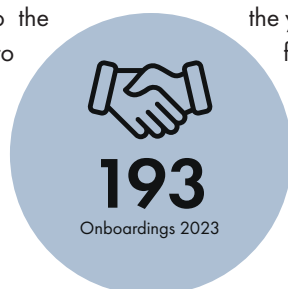
Works meeting at the Rastede site



Running group Broetje-Automation

Education and training

Broetje Automation attaches great importance to the continuous qualification of its employees in order to meet future personnel requirements. Regular training and the skills of each individual are key factors. As part of the onboarding process, our employees are provided with information about the corporate culture, work safety and other relevant topics.



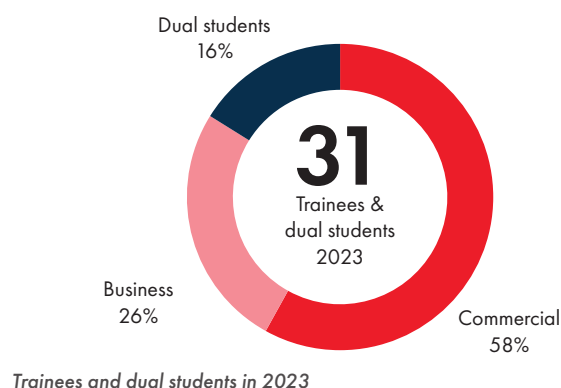
the young colleagues in the best possible way to prepare for professional life.

To support this approach, we maintain close links with various educational institutions and participate in projects between business and education. This starts in the school environment and extends to various training networks, university collaborations and research.

One success in 2023 was the move to a digital platform for this onboarding process. This has made it possible to harmonise and intensify the transfer of knowledge throughout the Group across national borders. The implementation of the e-learning platform will be further expanded to promote learning for all employees, regardless of time and place.

In 2023, for example, we hosted the AHOI_MINT Cluster Northwest to get young students excited about technology. The acronym MINT stands for Mathematics, Informatics, Natural Sciences and Technology.

The basic measure against the risk of a shortage of skilled workers in our company is the offer of training or a dual study programme. For Broetje-Automation, this means taking on young, motivated talents every year and training them according to their needs. This ensures qualified specialists for the future, who understand the challenges of our industry and develop innovative solutions. The transfer of our trainees to our dedicated team is therefore the goal for every trainee. Training as a specialist in the fields of electronics for industrial engineering, industrial mechanics, warehouse logistics, computer science for Integration and at the commercial level takes place in a practical and on-the-job manner in order to offer the most varied and interesting training possible and to train



Trainees and dual students in 2023



AHOI_MINT Network Meeting, 08.11.2023 in Rastede

Health and safety

At Broetje-Automation, health and safety at work are key issues, which is why our health and safety management system has been ISO45001 certified for many years. The HSE management team controls all relevant measures relating to safe working conditions in our company. It is responsible for the planning, implementation, control and optimisation of operational processes in the areas of health, safety and environmental management.

An international health and safety committee coordinates the cooperation in HSE matters at all locations of the Broetje-Automation Group. It meets quarterly and is responsible for the implementation of the measures. Providing safe working conditions for the best possible protection of our employees is our top priority.

Another elementary focus is health protection. To support our employees in the long term, we offer regular check-ups by our company doctor and other measures, such as ergonomic support for day-to-day work. This ensures the well-being of our employees and helps to maintain their health.

We are also involved in preventive measures such as company fitness, regular information events, health days, driver safety training, blood donation and vaccination campaigns, and active support for measures to promote physical activity.

Professional and private life

Broetje-Automation also supports its employees in balancing their professional and private lives in order to meet the changing demands. We have implemented flexible working time models and offer the possibility of part-time work. There is an extremely flexible arrangement for mobile working („home office“), which can be adapted to individual workplaces and needs. Under certain conditions, employees can also convert parts of their remuneration into time off.

We take measures to counteract the particular stresses that arise, for example, from frequent international travel, including the assembly and commissioning of machines. These include separate remuneration, free vaccinations and compensatory time off for special time pressures caused by travel.

Length of service

A quality feature of our personnel development is the long service record of our employees. Many of our employees have already completed their training with us. Many families have strong links with the company. It is not uncommon for several generations of a family to work for the company. For us, this bond does not end with retirement.

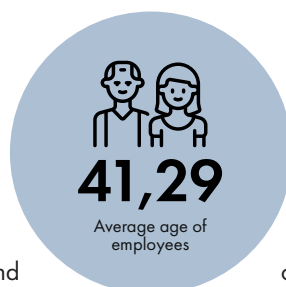


Supply chain

In recent years, the importance of a reliable supply chain has increased for companies. Late deliveries, volatile pricing and rising raw material prices are just some of the issues facing business. In addition, there are other regulatory requirements and laws governing the management of international supply chains.

In particular, the implementation of due diligence obligations for the protection of human and labour rights along the supply chain is a key area of responsibility for corporate procurement in Germany and Europe due to the legal framework. Another regulatory reporting obligation is the implementation of the CO2 Border Adjustment Mechanism (CBAM) for the import of certain groups of goods outside the European Union. These increasing requirements also affect Broetje Automation.

Ensuring the supply of high quality products, components and services is a priority for Broetje Automation's purchasing department. Core elements of the procurement strategy are the optimisation of cost structures, the extension of the supply chain and the minimisation of risks. Our goals are internal customer focus, collaboration with suppliers, international orientation and optimisation of the supply chain in terms of quality, costs and



deadlines. In particular, the digital development and expansion of our supplier management is intended to meet the requirements of our corporate objectives of continuous growth and diversification of our business.

The implementation of legal requirements, particularly in the areas of sustainability and due diligence, is to be met at an early stage. Integrating sustainability aspects into supplier management is therefore also part of our strategy. Compliance with due diligence obligations is a particular concern of Broetje-Automation.

The complete overview of Broetje-Automation Germany's supply chain structure by procurement volume and region shows that the majority of our procurement volume (~80%) is concentrated in Germany and Europe (~12%). Only a small proportion is sourced in North America (~2%) and Asia (~6%). There are currently no sourcing activities in South America.

As a supplier to the aerospace industry, Broetje-Automation is continuously certified according to EN 9100. With the certification of our quality management, there is also a clear focus on our supply chain and compliance requirements.

Excerpt from a press release of the „NORDMETALL Viewpoints“ from March 2023

[...] The company was formed in 1979 from August Brötje, a mechanical engineering and heating technology company based in Rastede. At that time, Hans-Joachim Hein, known as Akki, had already been with the company for more than a decade and a half. The now 76-year-old has worked for Broetje-Automation and its predecessors all his life. Hein completed his apprenticeship as a machine fitter at the heating technology specialist Brötje and joined Broetje-Automation after the spin-off. Among other things, Hein has been a trainer for all industrial trainees, shift leader in production, safety specialist, quality manager and - by the way - the ‚good soul‘ of the company.

Used and appreciated

„The company is like a family to me,“ he says. „I knew the old boss and grew up with the company. That’s why I like it so much“. Just like the people who work here. Many of today’s managers went through his school, such as current production manager Robert Wawrzynowski. This explains why Akki Hein did not retire years ago. He says: „I still have so much to do here and I also feel that I am needed. He still organises retiree meetings and company events, celebrated his 60th anniversary, but is no longer on the payroll. Nevertheless, he still visits „his company“ at least twice a week. His boss, Lutz Neugebauer, expressly welcomes these activities. „We maintain a very personal relationship here and rely on the experience and knowledge of our older colleagues. Our door is always open for Akki Hein.“ (Source: <https://issuu.com/articles/3705714>)



8 MINUTE READ

„Silver Workers“ bereichern die Arbeitswelt.



from NORDMETALL Standpunkte
03/2023

by NORDMETALL & AGV Nord



Mehr als eine Million Menschen arbeiten in Deutschland, obwohl sie älter als 67 Jahre sind – und das keineswegs nur aus finanziellen Gründen.



During the year, collaboration between the Procurement and Sustainability teams was intensified to analyse and integrate existing and future legal requirements. As a result, several measures have been adopted to strengthen the integration of sustainability aspects into supplier management.

The aim is to further integrate the sustainability performance and due diligence obligations of our suppliers into the assessment and, where necessary, to implement appropriate supplier development measures to meet them.

In 2024, both the Supplier Code of Conduct and the Supplier Self Disclosure will be revised and expanded. Our further due diligence process will include an initial risk analysis of the supply chain structure based on existing and future legislation.

Procurement volume by region

Region	2023
Germany	79,88%
rest of Europe	11,76%
North Amerika	2,14%
Asia	6,22%

6

Protect Nature





We are facing the challenge of how best to protect the climate and preserve biodiversity. As a supplier to the aerospace industry, we have a special responsibility. We are harnessing the potential that exists within our own organisation, but also at our customers' sites.

Production technology and sustainable service concepts are the enablers for reducing the climate and environmental impact of aviation by rapidly bringing resource-efficient aircraft generations to market.

Environment and climate

The need for protection and the value of our environment have become increasingly important around the world. Potential hazards and pressures resulting from environmental change can have a negative impact on a company's operations and financial stability. These risks can vary and often depend on a company's industry, geographical location and specific business activities.

The effects of climate change are felt globally and across industries. Recent years in particular have shown that extreme weather events are becoming more frequent as a result of climate change. Politics, society and business are therefore facing major new challenges.

With our focus on production technology for the global aerospace industry, we have a special responsibility. According to calculations by the German Aerospace Centre (DLR), international aviation is responsible for around 3.5% of global climate impact. It is therefore important to support and drive forward the introduction of new aircraft generations through high-speed automation in the transition to climate-friendly aviation. High-efficiency, high-availability production technology can play a key role here.

The legal framework is also becoming more binding for companies of all sizes and in all industries, especially with regard to sustainability reporting requirements. One example is the planned transformation of the EU by 2050, with the goal of becoming the first climate-neutral continent. This is also reflected in the ambitions of business.

The EU's ambitious climate targets are accompanied by increasing regulatory requirements. The European Climate Change Act sets the course for the Community to achieve 'net-zero' greenhouse gas emissions by 2050, making Europe the first greenhouse gas-neutral continent. Companies in all sectors and of all sizes are facing increasing demands to disclose their environmental impacts.

In response to these challenges, we have already begun to systematically integrate the management of our own environmental impact into our corporate structure and culture.

Broetje-Automation is facing the new challenges, but at the same time sees a great opportunity for the future development of the company. The fight against man-made climate change is an opportunity to expand our business model: more environmentally friendly technologies and services to increase resource and energy efficiency, as well as diversification into other industries, are expected to have a positive impact on sales in the coming years. The formulation of a comprehensive climate strategy is planned for 2024, starting at the company's headquarters in Rastede. The aim is to identify the most important decarbonisation levers and set scientifically founded emission reduction targets in line with the 1.5° Paris target.

Environmental and climate protection measures are therefore a fundamental part of our corporate strategy. The first quick wins have already been successfully implemented, both in our own working and production methods and in our product portfolio.

Environmental management and climate protection

Broetje-Automation integrates environmental considerations into its operations to minimise environmental impact and promote sustainable business practices. The aim is to reduce environmental pollution, meet legal requirements, strengthen environmental awareness and ensure the long-term competitiveness of our company. We have firmly anchored these principles in our Code of Conduct and our Sustainability Policy.

Transparency is important to us. Our environmental management system is certified to the international standard ISO 14001. This certification enables us to continuously improve our environmental performance, meet our commitments and raise environmental awareness internally. This includes defining responsibilities, training employees, and communicating and documenting internal processes.

Environmental management and climate change are implemented in Broetje Automation's internal guidelines and processes, such as the company-wide Sustainability Policy and the Code of Conduct.

Climate change is of particular importance as an international challenge, and the issue is therefore at the top of the agenda. The CEO, supported by the Sustainability Team and the Environmental Manager, is responsible for the strategic direction. Measures are also formulated and implemented within this framework. The company-wide and cross-border sustainability network (see page 15) is used to create transparency throughout the Group and to network it with other companies.

The Group's management structures are currently being further differentiated and aligned for the coming years. The aim is to reduce emissions in the long term. We create transparency about the current status of emissions and climate change by participating in the annual audits of the world-renowned Climate Disclosure Project (CDP). This enables us to assess the effectiveness of our efforts, which have already led to a positive improvement in our rating over the past two years.



Planting of fruit trees to upgrade the location in Rastede, 06/2023

Measures

Measures and funds related to climate strategies are rapidly implemented, particularly in the business model: investments in diversification projects and resource-saving R&D projects are made available annually to generate sales in more climate-friendly industries.

In 2023, following an environmental risk analysis, the physical risks of climate change were classified for the first time and their consequences assessed: Overall, the Broetje-Automation Group's sites are not currently seriously affected, but this could change in the future. Our products must also be able to withstand extreme weather conditions, such as heat waves, and remain operational.

Data collection

In order to further develop the climate strategy, the measurement of energy and emissions in Broetje-Automation's value chain is a priority. In addition to the gradual development of ESG data collection, the implementation of an ESG controlling tool is a further step towards rapid data calculation and improved reporting.

A solid, valid database will be used to formulate a precise climate strategy and targets, and to identify the key levers for decarbonisation, initially at the Rastede site and then across

Awareness campaign

An important measure is to raise employee awareness through training on emissions and other environmental impacts of our business activities. In particular, the Sustainability Coordinators are to gain a thorough understanding of the company's emissions calculation. In 2023, a training course on corporate emissions calculation will be offered on a voluntary basis. The training material is available as e-learning for all employees.

the Group. There are also opportunities to carbon neutralise the energy supply at the Rastede headquarters.

As a first step, we started in 2022 to measure emissions according to the internationally accepted standard of the GHG Protocol.

Firstly, the direct and energy-related emissions of all sites („Scope 1“ and „Scope 2“) were considered and validated by DEKRA Assurance Services GmbH. Building on this, we started to measure our indirect („Scope 3“) emissions along the value chain.

Energy consumption

Germany	Share	2023
Gas	41,7%	582,61 MWh
District heating	0,5%	6,89 MWh
Electrical energy	57,8%	809,26 MWh
of which renewable	34,0%	475,99 MWh
of which non-renewable	23,8%	333,27 MWh
Consumption	100%	1.398,76 MWh

Locations worldwide	Share	2023
Gas	50,9%	1.217,10 MWh
District heating	0,3%	6,89 MWh
Electrical energy	48,8%	1.166,96 MWh
of which renewable	34,0%	552,74 MWh
of which non-renewable	14,8%	614,22 MWh
Consumption	100%	2.390,96 MWh

The majority of Scope 3 emissions in 2022 have not yet been captured. In order to get closer to this goal, the next step was to conduct a materiality assessment of all upstream and downstream issues.

As a manufacturer of large-scale equipment for automated production, the majority of our emissions, almost 90%, are in Scope 3 category 11 „Use of products sold“, with the second largest share in category 1 „Purchased goods and services“. Based on current research and available statistics, it can be assumed that these two categories account for approximately 95 percent of Broetje-Automation's total emissions (source: CDP Guidance).

Accordingly, these two categories have been focused on in the Scope 3 calculation and validated by an external body.

Greenhouse gas emissions

Locations worldwide	Unit	2023
Scope 1	t CO ₂ eq	485,5
Scope 2 market-related	t CO ₂ eq	360,9
Scope 2 location-related	t CO ₂ eq	471,3
Scope 3 Category 1	t CO ₂ eq	4.404,3
Scope 3 Category 11	t CO ₂ eq	23.365,8
Total market-related	t CO₂ eq	28.616,5
Total location-related	t CO₂ eq	28.726,9

Germany	Unit	2023
Scope 1	t CO ₂ eq	357,4
Scope 2 market-related	t CO ₂ eq	248,1
Scope 2 location-related	t CO ₂ eq	359,5
Total market-related	t CO₂ eq	605,5
Total location-related	t CO₂ eq	716,9

t CO₂ eq = tons of CO₂ equivalents



Measures to enhance the working environment



Settlement of a beehive

Realization of „quick wins“

As a locally based company, we see it as our responsibility to preserve and promote biodiversity in the Ammerland region. Together with an Oldenburg start-up company, several green spaces at the company's headquarters in Rastede were transformed into bee-friendly flowering meadows and a total of 13 apple trees, five cherry trees and four pear trees were planted.

Thanks to the efforts of one of the company's employees, a permanent bee colony has also been established on the site. In the future, not only will 1.5 to 2 tonnes of fruit be harvested each year, but also honey. The aim is to increase biodiversity, adapt to climate change and improve the working environment at the Rastede site.

In the Rastede office building, unused equipment such as printers and screens has been greatly reduced to promote digitalisation and save electricity. In addition, the installation of LED lighting is planned for 2024.

In the area of mobility, the conversion of company cars to electric cars has been promoted and electric charging stations have been installed in the company car park. Employees also have the option of leasing e-bikes to travel to work without a car.

7

Safeguard Integrity





Compliance with laws and ethical principles is the foundation of our business and governance. We foster a culture of open communication and transparency, thereby strengthening the trust of our stakeholders. At Broetje-Automation we value mutual respect and fairness within the company and with our business partners.

Compliance

Compliance with laws and regulations and ethical behaviour are fundamental to business. The importance of compliance both inside and outside the company has increased in recent years. Misconduct by companies and their employees can lead to fines, immense damage to the company's reputation and the associated high economic damage.

At Broetje-Automation, the topic of compliance is directly anchored in the organisation by the Chief Financial Officer. In addition, the employees concerned and, if necessary, third parties are informed about the compliance programme and the defined roles and responsibilities, so that they can adequately understand and properly perform their tasks in connection with compliance.

Integrity, credibility and transparency underpin all our business activities and our dealings with stakeholders. For Broetje-Automation, the consistent observance of legally binding regulations on a national and international level, as well as all voluntary commitments, is a natural basis for all actions.

The ethical and legal requirements for companies and directly in the workplace are becoming more and more demanding. We want to take this development into account and consistently align ourselves with legal and ethical standards. We want to take responsibility for the success of our company, for the laws and for our society.

On the basis of the general business objectives and an analysis and weighting of the rules that are important to the business, management defines the objectives to be achieved through compliance management. This includes, in particular, the definition of the relevant compliance sub-areas, their risk assessment and the rules to be observed in the individual sub-areas.

Based on a risk analysis, the sub-areas have been defined as follows: competition and antitrust law, anti-corruption law, data protection and data security regulations, patent law and product liability law. Each sub-area is assigned to a responsible person and underpinned by guidelines. Sub-area managers are responsible for communication within their sub-areas. In addition to specific measures and processes for individually identified risks, there are fixed tools and requirements established at a higher level for the management of compliance risks: Our Code of Conduct is the central document of our guidelines for action and behaviour and provides every employee with guidance on ethically correct behaviour. It summarises our principles on various topics and is centrally accessible.

As part of the onboarding process and at regular intervals, employees receive training on compliance issues and our Code of Conduct. This includes guidelines on competition and antitrust law, anti-corruption, data protection and security, patent law and product liability. A final test assesses the knowledge acquired.

Broetje-Automation has also set up a whistleblower system and follows up on all reports and notifications of possible rule violations and misconduct in order to protect the company from greater damage. Information can be submitted through an internal reporting office or anonymously through an independent ombudsman. The identity of the whistleblower will be protected and the information will be treated confidentially. No employee, business partner or third party will be discriminated against as a result of making a report. This applies even if the report is subsequently found to be unfounded.

The adequacy and effectiveness of compliance management is monitored regularly and in an appropriate manner. If weaknesses in compliance management or non-compliance are identified, these are reported to senior management. This ensures the enforcement of compliance management, the elimination of deficiencies and the improvement of the system.

Compliance monitoring is the monitoring by process-independent bodies. Monitoring and control are ensured by internal and external audits. The results of the monitoring and the effectiveness of the compliance management system are assessed in the annual management review.

Information Security

Information encompasses security information technologies and the protection of computer systems and networks from attack. Increasing digitalisation not only opens up opportunities and efficiency potentials for companies, but also the potential for threats to information systems. The number and quality of attacks is constantly increasing.

Broetje-Automation's IT strategy offers uniform, standardised and highly available overall structures. Our IT management ensures the smooth interaction of all components and the effective and continuous adaptation of systems, security strategies and concepts in all group companies to current requirements and developments.

Cybersecurity measures are regularly developed, evaluated and, if necessary, adjusted as part of the continuous improvement process. Our information security management system is based on high standards and controls the issue throughout the organisation. Regular employee awareness and training on potential threats plays a key role.

In particular, the IT infrastructure we have chosen has been able to withstand the new requirements for home offices and will continue to enable flexible, mobile working and international collaboration in the future.



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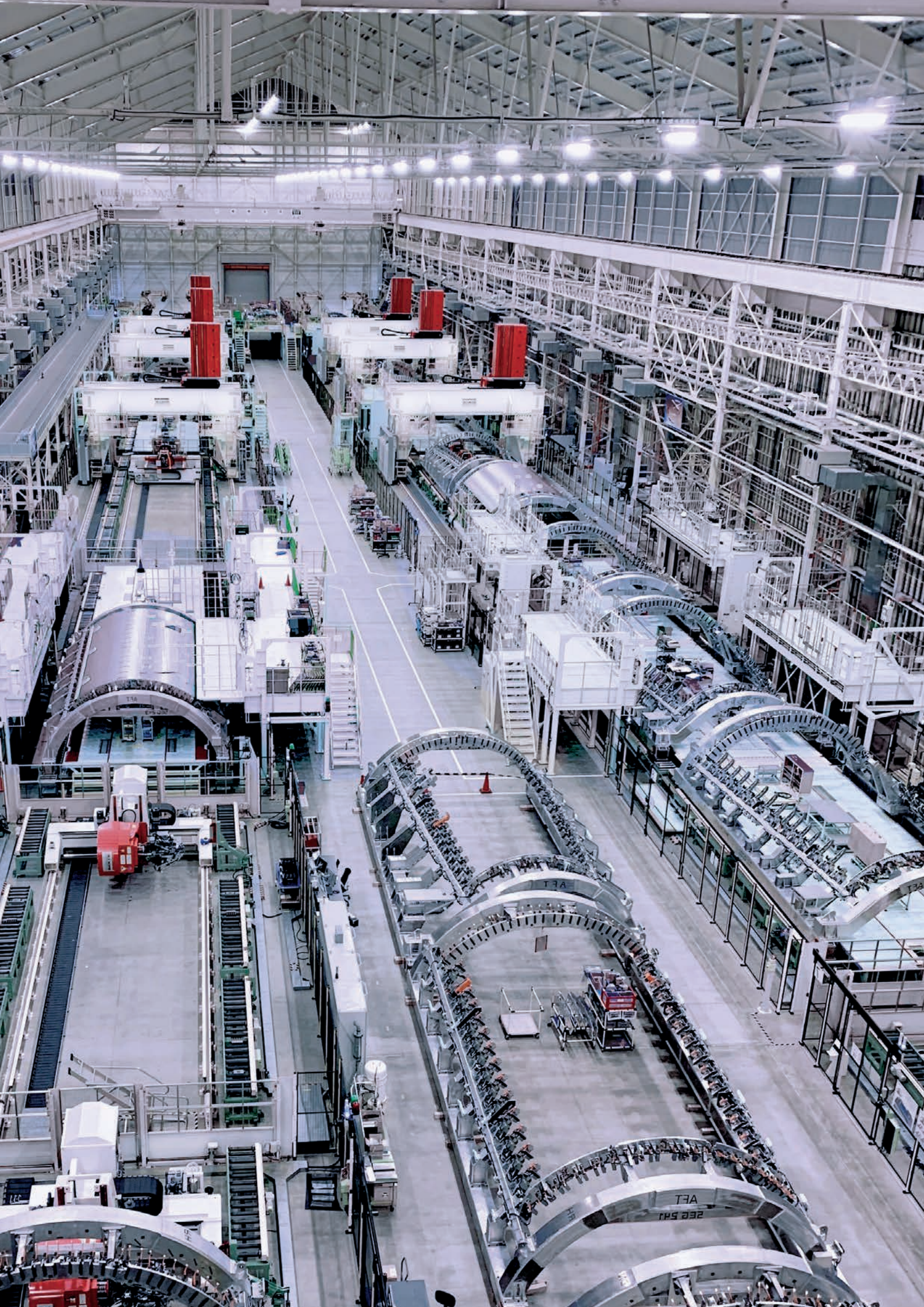


Appendix

From the financial year 2025 onwards, Broetje-Automation GmbH will be obliged to disclose sustainability information in accordance with the Corporate Sustainability Reporting Directive (CSRD). For the 2023 financial year covered by this report, we are already basing our reporting on the underlying European Sustainability Reporting Standards (ESRS, see chapter 3). As we are currently in the process of setting up the associated sustainability controlling system, some indicators still deviate from the above standards. The ESG datasheet provides an initial insight into the information available for the 2023 financial year.

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ESG Data Sheet*

Lead Production Technology

Funding for sustainable product development

	Unit	2023
Share of funding volumes on sustainable product development	Percent	44

Circular economy as a service

	Unit	2023
Revenue from upgrades and retrofits	EUR million	77

Empower People

Employees of the BA Group by country

	2023
Germany	461
France	80
United States	57
China	33
United Kingdom	12
Japan	5
Total	648

(incl. temporary work, service providers)

New appointments

	Unit	2023
Employees	Number	193

(incl. temporary work, service providers, students)

Fluctuation**

	Unit	2023
Fluctuation rate	Percent	6,91

Non-salaried employees* *

Category	Unit	2023
Temporary workers	Number	52
Service providers	Number	24
Student freelancers	Number	8
Total	Number	84

Gender distribution of the workforce* *

Sex	Unit	2023
female	Percent	15
male	Percent	85

(incl. trainees, students)

Age structure workforce* *

Age groups in years	Unit	2023
under 30	Number	90
30 to 50	Number	212
over 50	Number	127
Average age	Years	41,29

(incl. trainees, students)

Trainee

Apprenticeship	Unit	2023
Commercial	Number	18
Business	Number	8
Dual students	Number	5
Total trainees	Number	31

Occupational safety

	Unit	2023
Total accidents	Number	5
Accident frequency*	Number	4,85

*per 1 million hours worked

Occupational safety management system

ISO 45001	Unit	2023
Employee coverage	Percent	100

Share of purchasing volume by region

Region	Unit	2023
Germany	Percent	79,88
Europe	Percent	11,76
North America	Percent	2,14
Asia	Percent	6,22

Protect Nature

Environmental

ISO 14001	Unit	2023
Employee coverage	Percent	100

Energy consumption (Germany)

Energy Typ	Unit	2023
Gas	MWh	582,61
District heating	MWh	6,89
Electricity	MWh	809,26
Share of renewable electricity	MWh	475,99
nonrenewable	MWh	333,27
Consumption	MWh	1.398,76

Energy consumption (locations worldwide)

Energy Typ	Unit	2023
Gas	MWh	1.217,10
District heating	MWh	6,89
Electricity	MWh	1.166,96
Share of renewable electricity	MWh	525,74
nonrenewable	MWh	614,22
Consumption	MWh	2.390,96

Emissions (Germany)

Category	Unit	2023
Scope 1	† CO ₂ eq	357,4
Scope 2 market-related	† CO ₂ eq	248,1
Scope 2 location-based	† CO ₂ eq	359,5
Total market-related	† CO₂ eq	605,5
Total location-based	† CO₂ eq	716,9

Emissions (locations worldwide)

Category	Unit	2023
Scope 1	† CO ₂ eq	485,5
Scope 2 market-related	† CO ₂ eq	360,9
Scope 2 location-based	† CO ₂ eq	471,3
Scope 3 Category 1	† CO ₂ eq	4404,3
Scope 3 Category 11	† CO ₂ eq	23365,8
Total market-related	† CO₂ eq	28616,5
Total location-based	† CO₂ eq	28726,9

Safeguard Integrity

Participation of employees in training courses* **

Schulungsthema	Unit	2023
Code of Conduct	Number	51
Compliance Management	Number	47

(incl. temporary work, service providers, students)

* Unless otherwise stated, all data refer to Broetje-Automation GmbH

** Broetje-Automation GmbH and Compose 2 Complete GmbH



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