

*#GROB<sup>4</sup>Sustainability*



# SUSTAINABILITY REPORT FY 24/25



# About this report

With its fifth, voluntary sustainability report, the GROB Group continues to fulfill its responsibility to inform the company's stakeholders. According to the present legal situation, there is no legal obligation for GROB to prepare this report. The report describes the company's performances based on non-commercial values.

This sustainability report is based on the current standards of the Global Reporting Initiative (GRI). The references to the GRI are presented in the GRI index in this sustainability report. This report was not audited by an external third party.

## Content and structure of the report

The relevance of the topics was validated in discussions with various functionaries in the company and divided into the following action areas with regard to sustainability:

- ✚ General
- ✚ Environment
- ✚ Social affairs
- ✚ Governance
- ✚ Global

The order of the chapters is not a reflection of their importance.

## Reporting period and additional information

Unless specified otherwise, the reporting period comprises the 24/25 fiscal year (March 1, 2024 to February 28, 2025). The statements essentially refer to the main plant in Mindelheim. The "Global" chapter explicitly presents the sustainability activities of the GROB production plants in Brazil, China, USA, and Italy. The sustainability report is published annually. The presented values are rounded in part for better readability.

The contact person for this sustainability report is the Sustainability Officer for GROB-WERKE GmbH & Co. KG Dr. Michael Jahn (michael.jahn@grob.de, +49 (8261) 996-7211).

## Statements about the future

Predictions and statements about the future in this sustainability report are based on current assessments and are therefore subject to uncertainty.





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# Introduction

## Dear readers,

We are pleased to present to you our sustainability report for FY 24/25. This report illustrates not only our previous progress, but also provides an outlook on the coming steps toward sustainable development.

The past fiscal year 24/25 again brought new challenges, but also opportunities. In view of occurring global environmental, social and economical changes, we have continued to intensify our efforts to firmly entrench sustainable practices in our corporate culture. Sustainability is long past being a buzzword for us, but is instead an obligation we consistently fulfill. It is particularly important to us that our company slogan, "Excellence in sustainable technology", is not just words on paper, but the practical reality we work in daily. This means that we do not focus solely on the power of our machines, but at the same time we consistently promote their energy and resource efficiency in all processes.

In this report, we illustrate how we implemented progress in the areas of environment, social affairs, and governance (ESG) – from determining our Group-wide CO<sub>2</sub> emissions to the increased use of renewable energy to innovative projects for resource efficiency. A central component of our vision is continuous development of a sustainable corporate strategy for the entire GROB Group. We are particularly proud of our social initiatives: Training programs and measures for the promotion of diversity and inclusion allow us to create a work environment that is fair, motivating and inspiring for all employees. We are convinced that the diversity of our workforce is one of our greatest strengths and that this plays a major role in our success.

But our responsibility does not end at the factory doors. We consider ourselves part of a global community and are actively committed to sustainable development in all the regions in which we operate. We work together closely with local partners to effect long-term change and create positive momentum. We firmly believe that sustainability and economic success can go hand in hand, and invite you to join us on this path.

We wish you an enjoyable read

**Your GROB family and the Management Board of  
GROB-WERKE GmbH & Co. KG**

*J. Grob*  
Florian Grob

*C. Grob*  
Christian Grob  
Chairman of the  
Supervisory Board

*G. Wankmiller*  
German Wankmiller  
Chairman  
of the Board & CEO

*W. Weber*  
Wolfram Weber  
Vice Chairman  
of the Board & CSO

*C. Müller*  
Christian Müller  
Member of the  
Board & CSO



**Sustainability is the future we  
live by at GROB:**

By including our international locations, we create solutions with global impact that effect sustainable change locally.

”





# 01

## General

GROB is a global leader that sets itself apart through innovation, quality, and sustainable business practices.

This sustainability report provides a comprehensive overview of GROB's sustainability efforts. The following chapter presents strategic collaborations, new products, and innovations as well as activities in the area of sustainability management, among other things.

GROB operates in a range of industries and has a broad portfolio of products and services that are tailored to the needs of a diverse, global customer landscape. As a result, the company places great importance on environmental sustainability, social responsibility, and transparent corporate governance.

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# GROB worldwide

GROB strives for continuous progress and improvement. Not only does GROB strive to develop outstanding solutions and products for its customers, we also seek to make a difference for our environment and future generations. This is firmly anchored in the corporate philosophy and is lived every day.

As a global, family-owned company, GROB has been developing manufacturing systems and machine tools for almost 100 years. Customers include the world's leading automotive manufacturers, their component suppliers, and other companies from a broad range of sectors. GROB has international reach with production plants in Mindelheim (Germany), Bluffton (USA), São Paulo (Brazil), Dalian (China), Pianezza (Italy), and Bangalore (India), as well as worldwide service and sales offices. The GROB Group employs 9,600 people and generates €2.0 billion in revenue (fiscal year 24/25) globally.

The portfolio ranges from universal machining centers to highly complex manufacturing systems with dedicated automation through to manual assembly stations and fully automated assembly lines. It also includes production plants for electric motors and manufacturing lines for battery and fuel cell technology. In addition, individual solutions are implemented for the machining of turbine housings as well as the machining of structural and chassis components. The proprietary GROB-NET<sup>®</sup> Industry software, developed for the digitalization and networking of production processes, enables the digital and transparent presentation of production processes.

80 % in-house manufacturing

EUR 2.0 billion revenue (FY 24/25)

EUR 1.7 billion orders received (FY 24/25)

7 sectors

60 % of orders received from e-mobility (FY 24/25)

## EUROPE

**Mindelheim, Germany**

**Pianezza, Italy**

Stratford-upon-Avon, Great Britain

Hengelo, Netherlands

Senlis, France

Baar, Switzerland

Poznań, Poland

Győr, Hungary

Istanbul, Türkiye

## NORTH AMERICA

**Bluffton, Ohio, USA**

Detroit, Michigan, USA

Querétaro, Mexico

371,100 m<sup>2</sup> production area worldwide

15 sales and service subsidiaries

9,600 employees worldwide

6 production plants

## SOUTH AMERICA

**São Paulo, Brazil**

## ASIA

**Dalian, China**

**Bangalore, India**

Shanghai, China

Yokohama, Japan

Suwon, South Korea

Haiphong, Vietnam

Bangkok, Thailand



# News from the global plants



*The 24/25 fiscal year was marked by global challenges for us as well.*

In a constantly changing world, we have stood for speed, flexibility, and dynamics for almost 100 years. Our success is largely due to our adaptability, particularly also in view of climate change. We bear a huge level of responsibility for our employees and the environment, and strive for sustainability in all our business activities.

German Wankmiller,  
Chairman of the Board & CEO of  
GROB-WERKE GmbH & Co. KG

## GROB Mindelheim

In 2024, GROB invested over 110 million euros in the Mindelheim location to further strengthen the company and prepare it for the future. Around 40 million euros were invested in the construction of new buildings, including modern production facilities and a parking structure. Another 10 million euros were invested in state-of-the-art production facilities for GROB's own manufacturing. About 60 million euros were used for focused development of new technologies and machines to further support our role as technological leaders. Investment in Hall 15 A/B, which is closely connected to the fast-growing battery system sector, is a central project here. These projects do not just require space, but must also be highly flexible, as changes are often required at short notice. Additionally, a third energy center is being built, powered by renewable raw materials, contributing to decentralized heat supply. The third major development project is the construction of a six-level parking structure with 1,575 spaces and a pedestrian bridge over Federal Highway B16.



## GROB Brazil

With the introduction of the G400, GROB Brazil is expanding its portfolio in the 4-axis machine segment. This new machine represents a significant advance in the product line and provides an innovative solution for a wide range of requirements. The G400 was developed through close collaboration between teams in Mindelheim, Brazil, and China – pooled international know-how. The machine is perfectly suited for industries like mechanical and plant engineering, automotive, as well as agricultural and construction machinery. Its versatility and performance make it the optimum solution for a wide range of different manufacturing processes.



## GROB USA

At GROB Bluffton, the battery systems segment is also a top priority, offering tremendous potential in the American market. In recent months, intensive preparations have been made in Bluffton: GROB USA employees collaborated on projects in Mindelheim and training was also provided in Mindelheim for American employees from various departments. In addition, safety and EHS measures were reviewed and implemented. The technology transfer was facilitated by the exchange of employees between the Mindelheim and Bluffton plants.



## GROB China

GROB China achieved major successes in e-mobility in 2024, securing key customer projects. For example, a cell-to-pack line and a hairpin access line were sold in China for the first time. This is a significant milestone in further establishing GROB in the e-mobility sector within the Chinese market and staying competitive in a highly price-sensitive environment with extremely short delivery times.



## GROB Italy

GROB Italy is following developments in the electromobility market with great interest. Through targeted market analysis and the development of specialized expertise, GROB Italy aims to further strengthen its position in this promising sector and deliver innovative solutions for the mobility of tomorrow.



## GROB India

With the grand opening of its sixth production plant worldwide in India on May 7, 2024, GROB is strengthening its presence in the Indian market while further expanding its long-term strategic commitment both regionally and globally as an export-oriented company. The plant near Bangalore marks another significant milestone in the GROB Group's efforts to ensure the company's growth and secure jobs at all its locations.





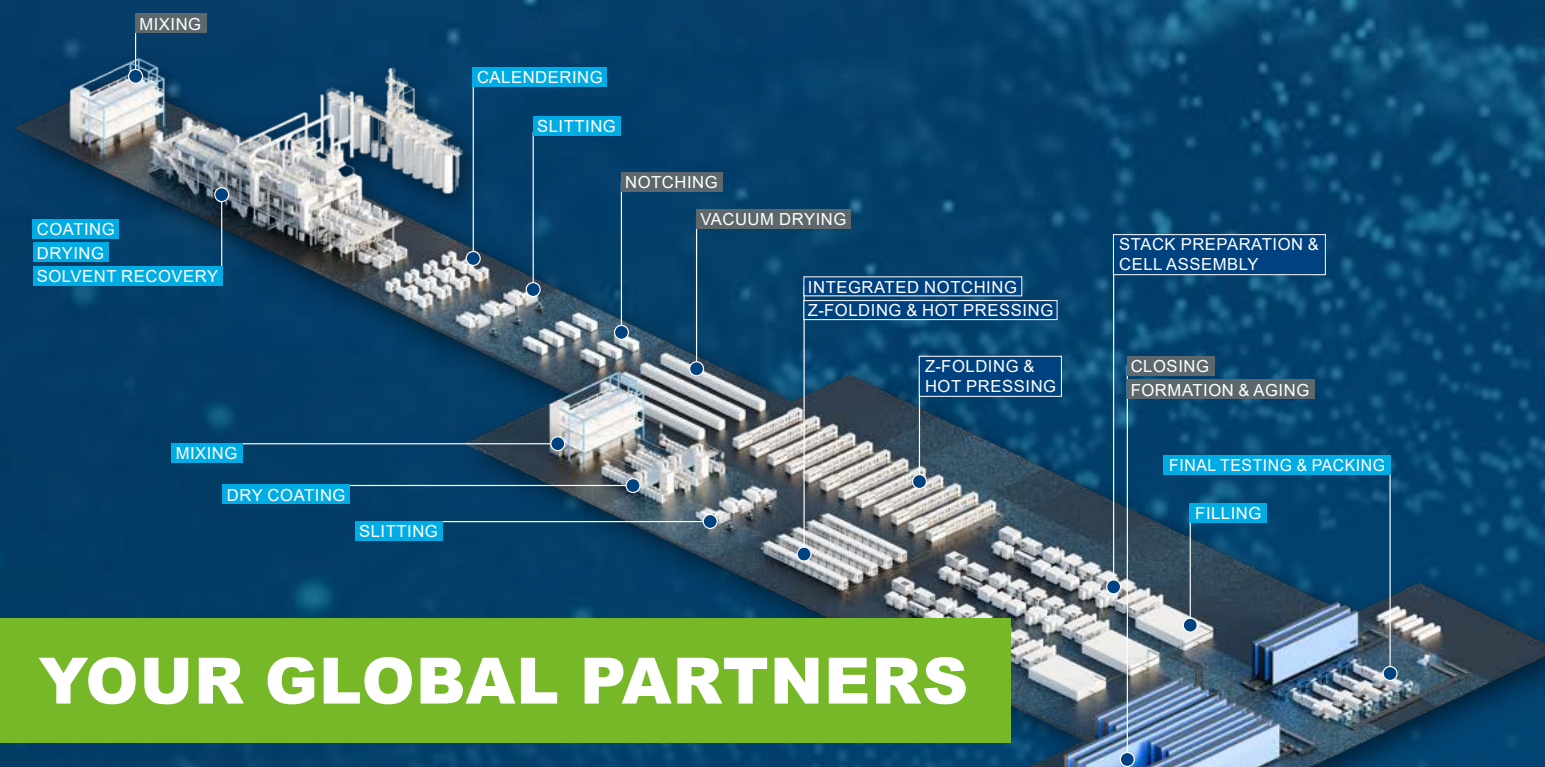
# Strategic cooperation



**GROB-WERKE GmbH & Co. KG** and **Dürr AG** are continuing their strategic cooperative venture to jointly acquire and implement projects for fitting out complete battery factories. Following the departure of **Manz AG**, which wanted to focus more on its own future, the two remaining partners continued consistently developing their existing technologies, or developed new ones to provide almost the entire value chain for battery cell production from European sources.

The partnership, which has existed since September 2022, has proven to be groundbreaking for European battery production.

**GROB**, as a pioneer in the sector, has extensive expertise in the development and production of high-volume production plants for the automotive industry, while **Dürr** is continuously expanding its competences in electrode manufacturing and other steps for cell production and battery cell assembly. Process steps originally covered by the third partner are now managed entirely by the two companies with their expanded portfolios.



**YOUR GLOBAL PARTNERS**

**FOR LOCAL BATTERY PRODUCTION**

## » Sustainability through innovation and efficiency

A central part of this cooperation is the development of sustainable production technologies. The partners have fundamentally improved their original reference factory and presented it as a concept factory at the Battery Show Europe 2025 in Stuttgart. In focus are revolutionary technologies such as **dry-coating for electrodes** with no solvents or an energy-intensive drying process, as well as powerful **Z-folding technology** for cell assembly with integrated notching. These innovative approaches allow for a **50 percent reduction in spatial and energy requirements** and at the same time highest-quality battery cells. The **Activated Dry Electrode® process** from Dürr eliminates the conventional slurry process, and instead uses dry-mixed active material pressed into a free-standing foil and then laminated. This saves not only energy and space, but also improves material efficiency due to the complete return of excess foil to the production process.

## » Increased market focus

Our strategic cooperation focuses on the **automotive sector** and the fast-growing **market for stationary battery storage systems**. These last items play a decisive role in the transition from fossil fuel energy, as they can absorb surplus energy from solar and wind power, compensating for fluctuations in the power supply. In addition, they serve as home accumulator solutions for solar energy from private system, thus contributing to decentralized and sustainable energy supplies.

## » Digitalization for maximum efficiency

Comprehensive digitalization is used to create a digital clone of the entire factory during the planning phase, allowing simulation and optimization before production even begins. The MES/MOM software from Dürr subsidiary iTAC controls and manages all production steps, and, through traceability and quality analysis, ensures production with high overall system effectiveness and minimal scrap rates.

## » Successful project implementation

Our cooperation has already yielded tangible success: **Dürr** has received a major order from Italian battery manufacturer **FIB** for a turnkey electrode coating system at their Teverola plant near Naples, designed for an annual capacity of 8 gigawatt hours. Together, **Dürr** and **GROB** supply machines for the production of high-performance batteries to a major German automobile manufacturer. Where Dürr installs systems for wet coating and a pilot system for sustainable dry coating, GROB supplies the complete cell assembly system based on innovative lamination technology.

## » Safety and environmental protection

As the production of battery cells occasionally involves the use of harmful substances, the safety of employees and protection of the environment continue to be top priority. The systems exceed all legal and manufacturer-specific requirements. Innovative transport systems minimize contact between workers and critical materials, while the high degree of automation of the systems ensure availability of up to 95 percent. This cooperation between **GROB** and **Dürr** is increasingly establishing itself as a powerful European alternative to Asian providers, setting new "Made in Europe" standards for sustainable and more efficient battery production.



# Products and innovations

## Sustainable solutions for maximum performance

GROB's development engineers are constantly reviewing whether the use of new technologies can improve energy efficiency. For instance, an entire portfolio of measures to increase the energy efficiency of the machining centers has been developed.







The majority of these measures are now included in the standard machine configuration at no extra cost to our customers. Additional measures are available as optional features.

### STANDARD:

-  Selection of the motorized spindle according to process requirements
-  Hydraulic power unit with demand-based intermittent operation
-  **IE3** MOTOR  
Highly efficient drives
-  LED work area lighting
-  Efficient cooling
-  Regenerative frequency converter
-  Frequency-controlled work area exhaust system



### OPTION:

-  OFF  
Switch-off function during machine standstill
-  Motorized butterfly valve for central exhaust system
-  Frequency-controlled high-pressure cutting fluid pump
-  Intelligent cutting fluid circulation
-  Minimum quantity lubrication
-  Consumption monitoring

## ENERGY EFFICIENCY OPTIMIZATION OF MACHINING CENTERS!

In today's world, where resource management and sustainability are more important than ever, energy efficiency has become a key factor in both business competitiveness and environmental responsibility.

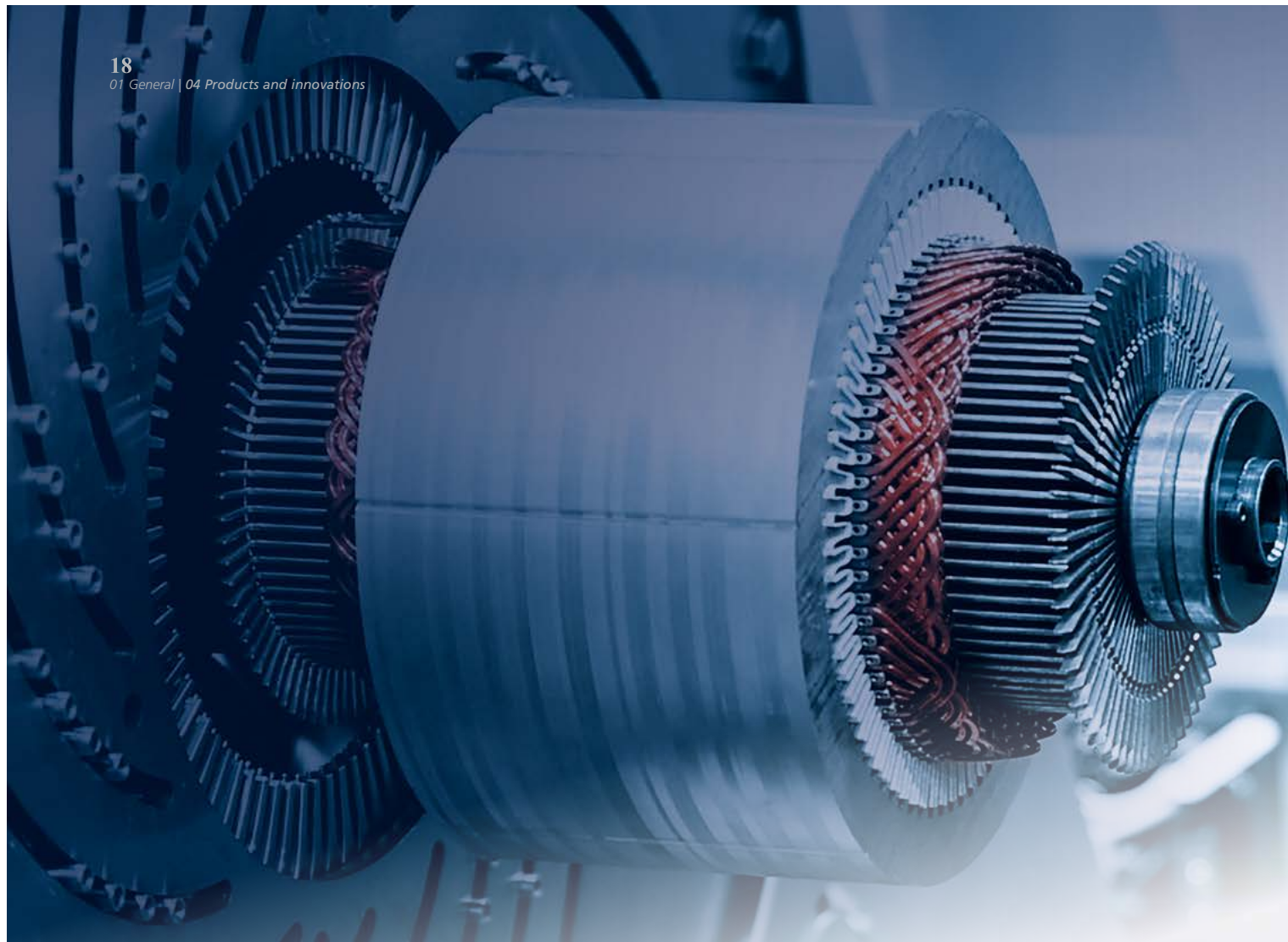
That's why we're committed to tackling this critical issue – improving energy efficiency in machining centers – and offering in-depth insights and practical solutions to help you optimize your production processes. We have created our own brochure on this topic.

Marcus Ostler  
Director of BU Machining Systems  
of GROB-WERKE GmbH & Co. KG

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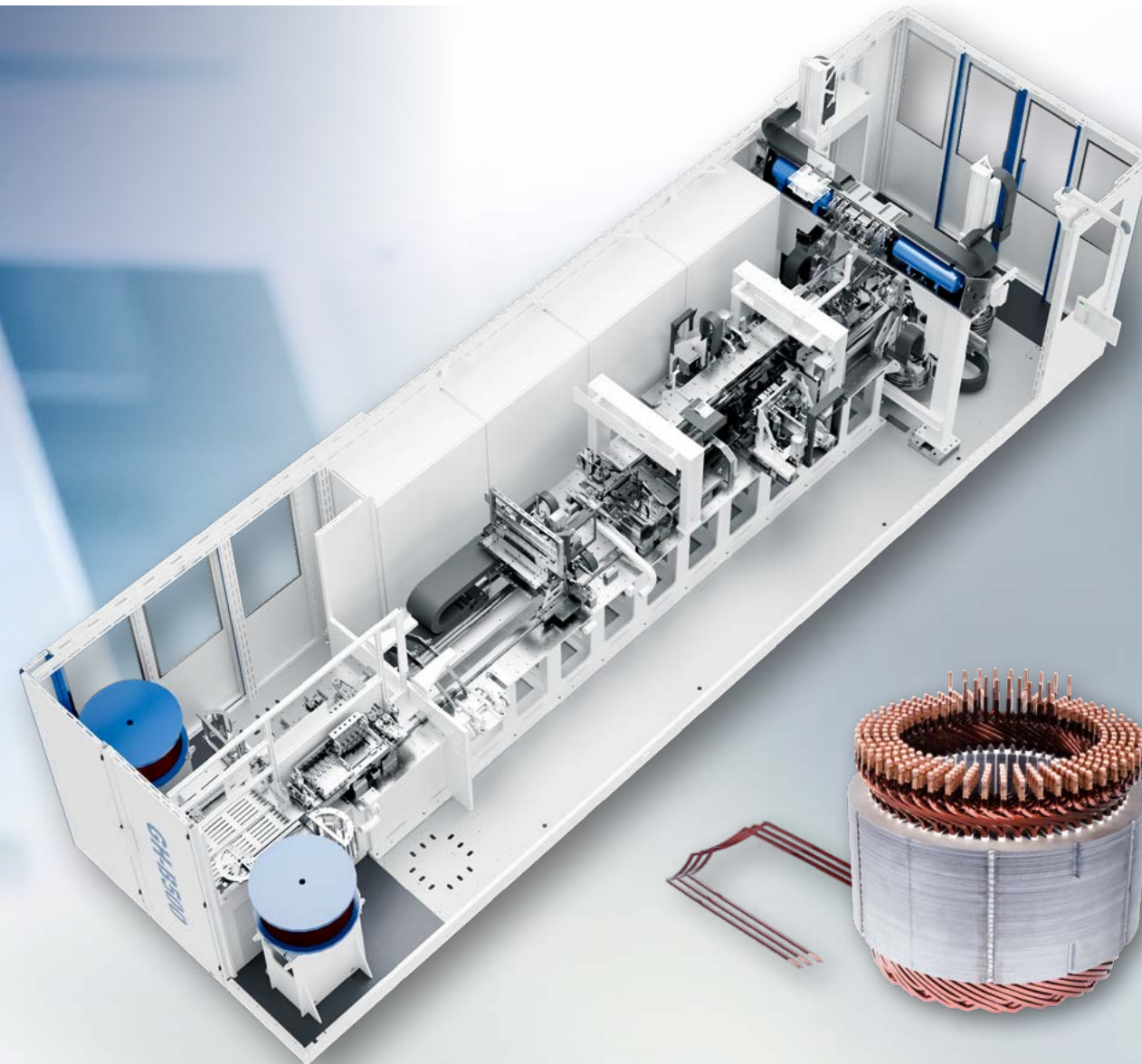


# Products and innovations

## *Electric drive systems*

Building on the expertise gained from more than 70 assembly lines installed worldwide for the production of stators since 2018, the introduction of the fourth generation of systems has further optimized and advanced the flexibility, modularization, and standardization of hairpin systems technology. With the new systems concepts, production of multiple stator types on one system is now possible with no loss in productivity.

This also further reduces the carbon footprint and spatial requirements for an assembly line, as separate systems are not required for each type of stator when manufacturing different stator types.



The standardized and modularized system concepts enable an increase in the use of identical parts across projects, as well as easier component replacement and the option of upgrading or converting to a new stator type at a later date. This can significantly increase the system service life.

Despite higher quality and material requirements, the introduction of new inline testing and control processes and further development of existing ones along the individual process steps has enabled a further reduction in rejected parts.

## *Thermal impregnation process for stators*

In terms of sustainability, impregnation with its sub-processes remains the most energy-intensive step in the manufacturing processes of a stator. For this reason, developing systems concepts and testing new processes for optimization and increase of overall efficiency are the focus for GROB engineers and process technology specialists. This is achieved by the implementation of new processes, such as the use of induction or infrared for stator heating and curing in connection with completely revised systems concepts. With this new overall concept for impregnation, the required systems technologies and systems footprint can be reduced significantly.

In addition, our specialists work closely with material suppliers to ensure that our systems technologies are designed optimally for innovative and environmentally-friendly resins and powders.



# Products and innovations

## Battery technology

In the previous year, GROB established a Technology and Applications Center for battery technologies. There, newly-developed systems or individual system parts for battery cell assembly are tested, optimized, and the production process is verified. From the insight gained, the next generation of systems for battery cell stacking has emerged, with a significant increase in output. As a result, the spatial requirements for a series production system for battery cells are reduced.

GROB focuses on continuous improvement of product quality on its systems. This includes the development and integration of inline cleaning systems, detection of defects by strategically placed sensors and camera technologies, and an exhaust system to remove particles generated during the process. In spite of high requirements for quality and cleanliness, the reject rate, and consequently material use and its connected cost, can be reduced by this.

By training specialist teams, interdisciplinary collaboration between different departments and experience in assembly technologies, systems technologies for cell production and energy storage systems can be continuously improved in terms of availability, spatial requirements and reject parts. The latter is particularly important, as battery storage systems use a range of rare raw materials for which sourcing is becoming increasingly difficult and more cost-intensive for the system operator.

*We are working hard on the continued improvement of the energy efficiency of our products!*

This includes increasing output and reducing spatial requirements, improving the energy efficiency of the individual assembly systems, as well as optimizing system availability and the reject rate. The latter is particularly important, as battery storage systems use a range of rare commodities and recycling is extremely laborious.

*Christian Lisiecki, Director  
Head of Business Unit Battery Systems  
of GROB-WERKE GmbH & Co. KG*





# Government funding at GROB

## *Funding as strategic leverage for sustainable development*

Integrating sustainability into the economy: Federal and state government funding programs are now explicitly oriented toward sustainability targets – an approach that GROB actively supports and has integrated into its corporate strategy.

In particular, measures that achieve positive effects such as **increasing energy efficiency** are promoted. GROB uses these programs specifically as strategic financing components – currently, for example, for the implementation of energy-efficient plant technologies or the development of innovative technologies.

## *Central funding unit as the key to project finance*

GROB has set up a central funding unit to make specific and effective use of funding for the implementation of innovative and sustainable projects. This unit serves as a company-wide coordination and contact point for all questions relating to management of funding. The aim is purpose-driven, transparent, and compliant use of public funding.

### **ITS MAIN TASKS INCLUDE:**

Identification of suitable funding programs as well as comprehensive support, from submission of the application through project coordination all the way to timely completion and the continued use of funded items in the company in accordance with funding requirements – including a thorough risk assessment.

As the internal and external interface point, the central funding unit ensures information flow between the departments, project partners and funding institutes, such as project sponsors or government departments.

## *Current funding projects overview – Efficient. Digital. Sustainable.*

Just under 40 % of GROB's current funding projects are digitalization initiatives involving artificial intelligence representing an approved funding volume of over 1.2 million euros. Content-wise, these projects cover the entire value chain, beginning with the analysis of key production figures and AI-based support for actions and decisions to condition monitoring.

These technologies are central components of intelligent production control in mechanical engineering and enable forward-looking, flexible, and efficient production. With this, these provide an important contribution to sustainable, resource-saving production.

## *Transparency through reporting*

The central funding unit is a specialist administrative department that reports directly to the Management Board, meaning that it reports directly to the company's management.

In addition to this, management and the relevant development departments receive a weekly trend report showing new market developments and innovative sustainable technologies, providing GROB with early insight on relevant innovation potential.



*Innovation  
is created  
via strategic  
partnerships!*

*Government subsidy programs are more than just a financial instrument for us, they are strategic leverage for driving innovation, energy efficiency and sustainable technologies in our company in a focused manner.*

German Wankmiller,  
Chairman of the Board & CEO of  
GROB-WERKE GmbH & Co. KG



# Industrial property rights



*Property rights are fundamental to our innovative capacity!*

With a strong patent portfolio, we focus specifically on quality, securing our technological leadership in the long term – from electromobility to battery cell production.

Dr. Carsten Krug  
Patent Attorney, European Patent,  
Trademark and Design Attorney  
of GROB-WERKE GmbH & Co. KG

GROB comprehensively safeguards new developments for production facilities as well as associated manufacturing processes across all areas of technology with industrial property right applications in a range of relevant countries. The patent department carries out the processes required for industrial property right applications and works together with numerous attorneys in Germany and abroad. The number of industrial property right applications has increased significantly in recent years, mainly due to our activities in the area of electromobility, with a peak in 2019 due to the developments in hairpin production technologies for electric motors.

The scope of the industrial property right applications was consolidated in subsequent years by broad activities, in particular in the area of electromobility. Besides industrial property right applications for production facilities and production systems for electric motors, for which GROB covers a broad range of technologies, as well as for additive manufacturing, the number of industrial property right applications for battery cell production increased again significantly in the year 2024. As in the year 2024, 18 initial applications were submitted and numerous subsequent applications were made abroad. For this, the quality of the patent submissions is prioritized higher than the quantity of submitted patents to further increase GROB's already strong patent portfolio.

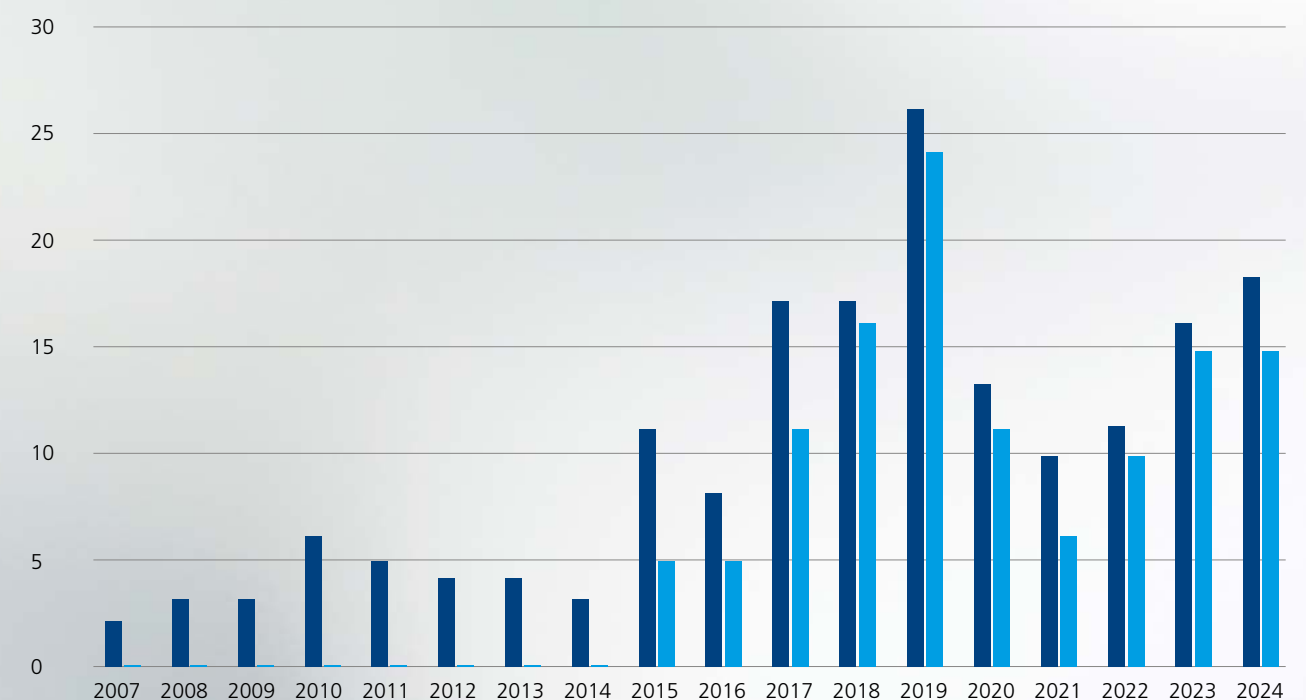
Besides its own industrial property right applications, GROB also comprehensively monitors competitor industrial property rights. In addition to Asian suppliers, many European ones are active for production equipment and production systems for electric drives, and submit a great number of patent applications for this field. In contrast, most patent applications for production equipment and systems in the field of battery cell production are filed by Asian competitors.

GROB aims to further strengthen its market position and differentiate itself from the competition with outstanding technologies and developments. To generate strong brand recognition worldwide, the GROB brand is protected not only in Germany and the EU, but also in 33 other countries around the world. The GROB Group owns 34 product brands.



## Industrial property right applications from 2007 to 2024 (As of: January 1, 2025)

■ Total applications  
■ E-mobility proportion





# Sustainability management at GROB



## Our sustainability principles

With our sustainable actions...

- ⊕ ... we secure our financial base.
- ⊕ ... we fulfill our legal requirements.
- ⊕ ... we improve our economic success.
- ⊕ ... we improve our image both internally and externally.
- ⊕ ... we play our part as a socially and environmentally responsible employer and business partner.

Dr. Michael Jahn  
Sustainability Officer  
of GROB-WERKE GmbH & Co. KG

## Our vision for sustainability

Sustainability has been an integral component of GROB's corporate ethics for over 95 years. For three generations, GROB has focused not only on economic success, but has also always taken responsibility for the environment, climate, employees, and society. This understanding of values developed over time continues to shape the company's corporate activities to this day. As a pioneering, international provider of highly innovative production and automation systems, GROB wishes to continue to assume ecological and social responsibility in the future, thus actively contributing to the preservation of a livable world for coming generations. The company's actions are always guided by its guiding principle, "**Excellence in sustainable technology**".

## Sustainability management and guiding principles

GROB is currently pushing ahead with the implementation of its Group-wide sustainability strategy, a process already introduced in fiscal year 23/24 with the structural integration and concretization of the targets. A **Sustainability Officer** and a core interdisciplinary team consisting of specialists from **Legal & Compliance**, **Energy Management** and other central **management systems** now coordinate all activities across locations.

For this, these work closely with corporate areas such as **Human Resources**, **Occupational Safety**, **Development/Engineering** and **Marketing**. The aim of the team is to address the diverse topics in a targeted and consistent manner, as well as to consider all relevant aspects comprehensively. Sustainability is understood as interdisciplinary teamwork. Accordingly, measures are not only restricted to the Mindelheim location, but are instead coordinated and implemented Group-wide. The central team has direct sustainability contacts at every GROB production location for this. Strategic sustainability management orientation is carried out in close coordination with management.

To illustrate GROB's corporate vision of sustainability, five guiding principles were developed that clarify the shared understanding and comprehensive approach to sustainability efforts.

Central sustainability management content was added to the GROB website in the 24/25 fiscal year. Via a separate navigation area, internal and external interest groups have access to a comprehensive presentation of the company showcasing GROB's vision of sustainability as well as the most recent advances in resource efficiency and environmental protection. The sustainability reports in particular can be found on the landing page.

GROB places great importance on transparency and open dialog. This is why there is also the option to contact the Sustainability Officer directly. Additionally, more information on GROB's social, environmental and corporate involvement is available on the website.





# Sustainability management at GROB

## Sustainability activities

The reduction of CO<sub>2</sub> emissions is one of the central challenges of the 21st century. This challenge can only be successfully mastered by joint action and concentration of all forces. As part of its sustainability strategy, GROB has also set itself the goal of continuously reducing emissions at all levels of the company and in all relevant emission categories (scope 1, 2, and 3). The company observes recognized standards for this (the Greenhouse Gas Protocol (GHGP) and the Science-Based Target Initiative (SBTi)) to reduce its environmental footprint.

In accordance with EU requirements, GROB aims to reduce its CO<sub>2</sub> emissions to net zero by 2050. To achieve this ambitious goal, GROB continues to actively implement its CO<sub>2</sub> strategy step by step and adapt to the many continuously changing circumstances.

## The following measures directly or indirectly affect the CO<sub>2</sub> reduction inside the GROB Group:

- + Annual **assessment of GROB's corporate carbon footprint** by a certified service provider in accordance with the GHGP
- + Definition of **CO<sub>2</sub> reduction targets** based on the SBTi, as well as the derivation of a Climate Action Plan
- + **Incorporation of the sustainability concept** in our "Excellence in sustainable technology" corporate vision
- + **Site certification** for Mindelheim (Germany), Bluffton (USA), São Paulo (Brazil), and Dalian (China) in accordance with DIN EN ISO 14001 (environmental management) and the Mindelheim site in accordance with DIN EN ISO 50001 (energy management)
- + **Above-average EvoVadis** and **supplier assurance assessment** with continuous rating improvements in the environmental segment, among others
- + **Annual publication** of a **voluntary sustainability report**
- + Performance of a **climate risk analysis** including the potential positive and negative effects of GROB's activities on the environment

- + **The formulation of specific sustainability expectations** for GROB business partners (especially suppliers and customers) with regard to sustainability activities in the GROB Group's new Code of Conduct for Business Partners (CoC4BP)
- + **Raising workforce awareness** for environmentally friendly action by specifically conveying the urgency of the topic, anchored in the Code of Conduct (CoC), our corporate vision and the sustainability management of the GROB Group

GROB views its responsibility to society as greater than ever, especially in the face of global crises whose effects are not only felt internationally, but also increasingly at the regional and local levels. Against this background, GROB is actively committed to a fair future, both for its employees as well as for society.

Strengthening commitment through effective projects, promoting equal opportunities, and increasing diversity are important issues for GROB. To provide a socially equitable environment for our employees and raise motivation, GROB works closely with Human Resources and Occupational Safety on continuous improvement of appropriate concepts.





# Stakeholder dialog

Trust, appreciation, reliability, credibility, and a sense of responsibility make up the central pillars of GROB's guiding corporate principles. These values shape open and continuous dialog with all stakeholders. GROB maintains active dialog for joint promotion of sustainable decisions, understanding needs and expectations, and creating transparency. For GROB, taking the interests of internal and external stakeholders into consideration is very important for the development of the company for joint assumption of responsibility for sustainability issues. The needs, concerns, and views of partners are carefully integrated into the processes.

The continuous expansion of GROB's central sustainability management ensures that the company is able to identify and fulfill regulatory requirements as well as stakeholder demands to GROB. Early detection of new or changed requirements and the corresponding close exchange with partners are essential for GROB's corporate success. Stakeholder satisfaction is greatly relevant to GROB, as they help shape the future of the company.

- ✚ **EMPLOYEES**  
(Staff meetings, employee surveys, intranet, idea management)
- ✚ **BUSINESS PARTNERS**  
(Customer/supplier meetings, code of conduct, audits, exhibitions)
- ✚ **LEGISLATORS / AUTHORITIES**  
(Dialog with legislators, collaboration on standards)
- ✚ **SCIENCE / RESEARCH**  
(Cooperation with educational institutions, support for research projects)
- ✚ **PUBLIC**  
(Website and social media, contact with specialist and local media)
- ✚ **LENDERS**  
(Inclusion of ESG clauses in loan agreements)

The Sustainability Officer and the central sustainability team work closely with various departments and maintain continuous dialog with management. The interface with Human Resources can be used to identify needs and expectations in the area of social sustainability. For example, GROB's corporate benefits were expanded, more targeted measures for addressing potential trainees were developed, and events such as the company run were organized.

Reduction of occupational accidents is also an important goal for sustainability management. For this reason, incidents have been analyzed in conjunction with the Occupational Safety department and reasonable measures have been derived. The Sustainability Officer is also in contact with the Idea Management Officer.

By this, the Sustainability Officer receives direct feedback from the workforce on possible improvements in the area of sustainability, both on current topics as well as on future developments. These impulses are incorporated into the sustainability strategy in a targeted manner, and enable employees to actively participate in the further development of sustainability management.

GROB engages in direct dialog with its customers, for example at trade events and exhibitions such as the Battery Show in Stuttgart, where topics including the scaling of European battery production were discussed. In addition, GROB presented a plethora of innovative technologies at the AMB in September 2024. Independent of this, interested parties were provided in-depth insight into the company's forward-looking solutions during a multi-day in-house exhibition at the Mindelheim site.

A multi-level parking facility for employees is expected to be completed in 2025. This construction project required intense dialog with the municipality and the surrounding residents to include various perspectives, detect possible obstacles early and develop solutions together.

GROB also places great importance on the exchange of experience on current sustainability topics. GROB and other regional companies participated in a sustainability meet by the company Elobau in the Allgäu region in November 2024. In addition, GROB is involved in trade associations such as the VDMA (Verein deutscher Maschinenbau-Anstalten, the German Mechanical Engineering Industry association) and the VDW (Verein Deutscher Werkzeugmaschinenfabriken, the Association of German Machine Tool Factories), and actively participates in various working groups to advance topics such as the calculation of the product carbon footprint or reporting within the framework of the Corporate Sustainability Reporting Directive (CSRD).



*We are in  
regular contact  
with our  
stakeholders.*

We inform our employees continuously on current issues, either through staff meetings or our intranet. We additionally conduct regular employee surveys for valuable feedback. The works council is also closely involved in dialog with the workforce, collecting suggestions and providing transparent information on relevant developments such as new company agreements.

”  
*Wolfram Weber*  
*Vice Chairman of the Board & CFO*  
*of GROB-WERKE GmbH & Co. KG*



# Cooperation with educational institutions and associations



*By working together closely with universities, research institutes and specialist committees,*

we actively shape the future of manufacturing, from digital production concepts and sustainable technologies to the promotion of young talent.

German Wankmiller,  
Chairman of the Board & CEO of  
GROB-WERKE GmbH & Co. KG

GROB continues to maintain close cooperation with renowned university institutes, including the **Institute for Machine Tools and Industrial Management at the Technical University of Munich**, the **Professorship for Manufacturing Automation and Product Systems at the FAU in Erlangen-Nuremberg**, and the **Institute for Beam Tools at the University of Stuttgart** within the framework of various research projects. As part of these collaborations, research is conducted on digitalization in production, as well as on future-oriented production concepts, with special focus on applications in electromobility.

GROB actively supports universities by providing modern machine tools for research and teaching, as well as with practical guest lectures. These research and development activities not only reinforce the transfer of knowledge, but also contribute significantly to GROB maintaining its leading position in the global market and continuing to provide productive, efficient manufacturing solutions.

In addition, GROB organized an information day with a diverse program for students of the Ulm University of Technology and the Technical University of Munich. This included inspiring specialist lectures and reports on personal experiences from various departments. Supplementing this, participants were given lots of information on GROB as a company and about entry-level opportunities and career options. To promote regional talent development, GROB also participated in various university fairs in Augsburg and Kempten.



As part of an assistant excursion in the summer of 2024, a round table on current challenges in mechanical and systems engineering was held together with the scientific staff of the Institute for Production Technology at the KIT in Karlsruhe. In addition to the interesting exchange, participants were able to tour the factory premises.

To detect new development trends at an early stage and actively help shape these developments, GROB not only works closely with its customers, but is also involved in expert committees such as the Association of German Machine Tool Factories (VDW), as well as in national and international DIN and ISO standardization committees. GROB experts are currently part of a VDW working group on the topic of product carbon footprint, together with other member companies. This group develops product category rules for machine tools (VDMA standard sheet 34178). This involves a method of calculation for determining the CO<sub>2</sub> footprint for a machine tool.

As a member of the German Welding Society (DVS, Deutscher Verband für Schweißen und verwandte Verfahren e.V.), GROB takes part in various specialist committees.



# Materiality analysis

In preparation for the CSRD (Corporate Sustainability Reporting Directive), a comprehensive double materiality analysis in line with the requirements of the CSRD was carried out during fiscal year 24/25 with external support. This has made expanding the scope of previous analyses of key sustainability issues and refining them in detail possible.

The aim of the double materiality analysis is systematic identification and evaluation of the most important sustainability issues. This takes into account both the impact of the company on the environment and society (inside-out perspective) and the financial impact of sustainability issues on the company itself (outside-in perspective).

## Materiality analysis project steps

This comprehensive examination is based on the following described six structured steps from value chain analysis (determination of the scope) and creation of a long list with all potential relevant topics in the areas of environment, social affairs, and governance to the identification and evaluation of impacts, risks and opportunities (IROs) and defining the relevant ESRS (European Sustainability Reporting Standards) data points.

The ESRS makes a distinction between two perspectives on materiality: The materiality of the impacts and the financial materiality. These two perspectives form the basis for the evaluation of relevant sustainability topics, both with regard to social and environmental impacts and to their financial consequences.

The assessment of negative impacts is carried out using 4 criteria: Severity, extent, scope, and irreversibility. Risks and opportunities, on the other hand, are evaluated via the combination of the probability of occurrence and the potential financial effect.



With this methodic approach, GROB ensures that all relevant sustainability topics are properly documented, evaluated and communicated transparently, both in accordance with regulatory requirements as well as the expectations of the broadly based stakeholder dialog. The results are also shared with our international locations. Currently, the following key materiality standards can be derived from the materiality analysis:

<i>Dimensions</i>	<i>Key topic areas*</i>
<i>Environment</i>	<ul style="list-style-type: none"><li>⊕ Climate change</li><li>⊕ Environmental pollution</li><li>⊕ Circular economy</li></ul>
<i>Social affairs</i>	<ul style="list-style-type: none"><li>⊕ Workforce of the company</li><li>⊕ Workforce in the value chain</li></ul>
<i>Governance</i>	<ul style="list-style-type: none"><li>⊕ Corporate management</li></ul>

\* This list is not exhaustive, it merely provides an insight into GROB's key sustainability topics.

The stakeholders are also included in the entire process. The implementation of the resulting sustainability activities is ensured in particular by the fixed integration of sustainability management in the company and in the GROB sustainability guiding principles (please refer to the chapter on sustainability management).



# Influence on the Sustainable Development Goals

In 2015, the United Nations adopted a total of 17 Sustainable Development Goals (SDGs) as part of its Agenda 2030. These are intended to promote balanced economic, ecological, and social development worldwide. In addition to political actors, businesses and civil society especially are called upon to contribute.

As an internationally active company with locations on three continents, the GROB Group is aligned with these goals. Eight SDGs that GROB can influence directly with its actions have been identified – these serve as clear guidelines for our sustainable economic activity and our societal responsibility.

## SUSTAINABLE DEVELOPMENT GOALS



### HEALTH & WELL-BEING

Responsible leadership and employee-oriented work and health management are central elements for maintaining and promoting the well-being and performance of employees. Employees have access to a wide range of services in the areas of health, fitness, physical therapy, and preventive care, among other things. The consistent implementation and compliance with all relevant safety factors and regulations at production facilities, subsidiaries, and construction sites ensures the safety and health of employees and also third parties. Occupational health and safety is subject to a continuous improvement process. The highest safety standards are adhered to also during development and marketing of GROB products, always in compliance with all applicable laws and regulations.



### HIGH-QUALITY EDUCATION AND TRAINING

The individual and continuous advancement of employees is a high priority at GROB. Flexible learning formats in combination with various personal development programs and offers are provided by the GROB Academy. To continue to meet the need for qualified specialists in the future, GROB provides training in a variety of professions. In addition, the company specifically supports external educational institutions to promote sustainable educational structures and take social responsibility.



### GENDER EQUALITY

Gender equality is a universal human right and is an inherent part what GROB strives to achieve. Empowering women in the workplace is essential both economically and socially. GROB promotes this by creating the corresponding framework conditions with the aim of continuously and sustainably increasing the proportion of female employees.



### AFFORDABLE AND CLEAN ENERGY

For building and process cooling, GROB has been using particularly energy-efficient groundwater cooling for many years. In addition, GROB plants are supplied with renewable district heating by a local utility company. The upgrade of photovoltaic systems (for example on the roof of assembly hall 14), the expansion of the charging infrastructure for electric vehicles, and the gradual increase in the use of local green electricity highlight our journey toward increased usage of renewable energy.



### DECENT WORK AND ECONOMIC GROWTH

GROB offers its employees a wage that exceeds the wage under collective agreements as well as comprehensive social benefits, and supports the compatibility of work and private life (for example, the company agreement on the topic of "Mobile work"). The working conditions and work equipment at all locations worldwide are of the highest standard. GROB firmly believes that employees can only fully commit and develop their creativity if this is supported by the general working conditions. GROB emphatically rejects child labor and forced labor in any form. This is also emphasized in the GROB Group's Code of Conduct as well.



### INDUSTRY, INNOVATION, AND INFRASTRUCTURE

In the constant pursuit of excellence, GROB detects changing market requirements at an early stage and develops innovative solutions based on extensive and versatile know-how. GROB helps shape the mobility of the future with its innovative products, such as stator, rotor, and electric motor assembly, as well as battery and fuel cell assembly. GROB applies the highest standards that align with the principles of sustainability in its global modernization, renovation, and new construction projects in production and infrastructure.



### SUSTAINABLE CONSUMPTION AND PRODUCTION

GROB is committed to protecting the environment, using resources responsibly, and using environmentally friendly materials and technologies in manufacturing its products. To make the value chain sustainable, GROB takes care to minimize the amount of waste and residual material, and to continuously increase the recycling rate. If production areas need to be expanded, GROB places great importance that hall space is used sparingly, including the creation of buffer areas. For instance, in 2024 we started construction of a car park on an existing GROB parking lot in order to minimize the area required for future car parking spaces.



### MEASURES FOR CLIMATE PROTECTION

Starting from the 21/22 fiscal year, GROB has been determining its annual CO<sub>2</sub> footprint based on the provisions of the Greenhouse Gas Protocol (GHGP). The Group-wide CO<sub>2</sub> footprint was determined for the very first time in the 22/23 fiscal year. The scope 1, scope 2, and scope 3 emission categories were taken into account for this. GROB has defined targets in scopes 1, 2, and 3 for reducing Group-wide emissions and has begun determining the necessary measures for this. The impact of climate change is also evaluated, for example as part of the double materiality analysis, and appropriate measures are derived where necessary.



# Certifications and ESG ratings

In development and production of its systems, GROB consistently aims for highest quality with optimum working conditions and minimal environmental harm.

To achieve this goal, GROB has established an integrated management system based on various standards for quality, environment, energy, and occupational health and safety. Compliance with these standards is regularly checked by accredited certification companies as part of on-site audits.

## *In addition to the standards mentioned, GROB has other certifications at the Mindelheim site:*

- ✚ Quality management DIN EN ISO 9001
- ✚ Quality management VDA 6.4
- ✚ Environmental management DIN EN ISO 14001
- ✚ Energy management DIN EN ISO 50001
- ✚ Specialized operation in accordance with the AwSV (Verordnung über Anlagen zum Umgang mit wassergefährdenden Stoffen, German Ordinance on Installations for the Handling of Substances Hazardous to Water)/WHG19 (Wasserschutzgesetz, German Water Act)
- ✚ Occupational and health protection management
  - ▶ Currently compliant with OHRIS with ISO 45001 declaration of conformity (certificate expires on May 19, 2025, as the OHRIS standard will be discontinued)
  - ▶ Initial certification audit in July 2025 according to ISO 45001
- ✚ Welding technology DIN EN ISO 3834-2
- ✚ Authorized Economic Operator
- ✚ Information security management TISAX



## *Current sustainability ratings*

For several years, GROB has had its sustainability performance assessed regularly by specialized rating agencies. These assessments are used on the one hand as a means of internal positioning for and self-reflection with regard to our own sustainability activities, and on the other hand, they function as credible verification for customers, business partners, and financial institutions.

The financial market in particular is showing increasing interest in sustainably managed companies, and gives preference to ones with continuously improving ESG (Environment, Social, and Governance) performance.

The rating results provide valuable impulses for further development of our sustainability strategy and support GROB on the way to a more responsible and sustainable company. GROB is delighted with the positive results in the ESG ratings to date – clear evidence for our sustainable approach. But we are by no means satisfied with that: Our goal is the continuous improvement of our sustainability performance and remaining standard-setting in the future.



# *At a glance!*

## *Current sustainability ratings*

### **ECOVADIS 2024:**

#### **56 out of 100 points**

*(the areas of the environment, labor and human rights, ethics, and sustainable procurement were assessed)*

*This rating means that GROB is better than 56% (56th percentile) of the companies assessed by Ecovadis*

### **NQC | SUPPLIER ASSURANCE 2024:**

#### **92 out of 100 points in the SAQ 5.0**

*(the areas of business management, working conditions and human rights, occupational health and safety, business ethics, environment, supplier management, and the responsible procurement of raw materials were assessed)*

*The industry average in the SAQ 5.0 assessment was 59 out of 100 points, which shows that GROB is well above average*

### **CDP DISCLOSURE INSIGHT ACTION 2024:**

*Climate change: C (global average: C)  
Water: C (global average: C)  
Supplier engagement: C (global average: C)*

*Scale from A (best rating) to D- (worst rating)*





# 02

## Environment

The conservation and protection of the environment are integral parts of the GROB corporate philosophy and practice.

GROB's commitment to the environment is reflected in targeted projects and measurable goals, and is improved continuously.

This chapter of the sustainability report takes a look at the various measures and initiatives that are taken to minimize the environmental footprint and conserve natural resources.

### In this chapter

- 01 Environmental management
- 02 Environmental performance
- 03 Energy consumption
- 04 Corporate carbon footprint



# Environmental management

As a global company with six production sites on three continents and numerous service and sales offices, GROB is aware of its responsibility for climate and environmental protection. GROB is constantly working to improve energy and resource efficiency at all its sites. The aim of environmental and energy management is to reduce production-related environmental impacts, to conserve resources, to increase energy efficiency, and to further develop the products to sustainably decrease their environmental impact (including energy and resource consumption).

Energy efficiency is an integral part of the energy transition, as every kilowatt hour of electricity or heat saved does not need to be laboriously generated and transported through grids. The energy saved also helps avoid CO<sub>2</sub> emissions and reduce costs.

The GROB-WERKE headquarters in Mindelheim have been certified according to the international environmental management standard DIN EN ISO 14001 since 2002. A total of five out of six production sites of the GROB Group are certified according to DIN EN ISO 14001. In addition to the main plant in Mindelheim, these are the locations in Bluffton (USA), São Paulo (Brazil), Dalian (China), and Pianezza (Italy). As part of the environmental management, all relevant environmental data is recorded regularly in the GROB environmental impact assessment with the corresponding key figures (heating energy, water consumption, recycling rate, and CO<sub>2</sub> emissions).

A regular interdisciplinary environmental meeting is held with participants from the areas of occupational safety, sustainability, waste management, energy management, facility management, logistics, production, and maintenance. Items on the agenda of this meeting include the creation of the environmental and work safety program for the following year, the review of environmental aspects and applicable legal provisions, and the update of annual reports for authorities.

## Water management

In 2024, GROB-WERKE at the Mindelheim site drew 47,796 m<sup>3</sup> of water from the local waterworks. Compared to 2023, this represents an increase in water consumption of 1,000 m<sup>3</sup>, or roughly 2.5 %. It must be noted here that both company performance (+15 %) and the number of employees (+8 %), as well as the building volume (+7 % due to the newly-constructed hall 15, among other things) increased significantly during this period. The waste water (46,218 m<sup>3</sup>) is fed into the municipal sewage treatment plant via the sewage system. The rest (1,578 m<sup>3</sup>) is disposed of by certified waste management companies. Groundwater extraction (well water), which is used, for example, to cool our machines and buildings, amounts to 3,817,993 m<sup>3</sup> and is returned in full in accordance with the official permit.

## Waste management

Compared to 2023 (7,566 t), the total amount of waste increased in 2024 (7,893 t) by a total of 327 t, ergo by approx. 4.3 %. The amount of hazardous waste rose from 1,688 t to 1,803 t, which is 6.8 %.





# Environmental performance

## GROB Mindelheim

Input	FY 2023	FY 2024	Difference
Water from third parties [m³]	46,638	47,796	+2.5 %
Groundwater/well water [m³]	3,226,944	3,817,993	+18.3 %
Total water procurement [m³]	3,273,582	3,865,789	+18.1 %
Heating oil [l]	17,356	2,957	-83 %
Natural gas (heating purposes) [m³]	949,967	1,015,948	+7 %
Natural gas (process) [m³]	78,752	90,459	+14.9 %
Diesel (vehicle fleet) [l]	428,160	531,416	+24.1 %
Output	FY 2023	FY 2024	Difference
Waste water to sewage system [m³]	45,167	46,128	+2.1 %
Waste water disposal via third parties [m³]	1,471	1,578	+7.3 %
Return of groundwater/well water [m³]	3,226,944	3,817,993	+18.3 %
Total quantity of waste [t]	7,566	7,893	+4.3 %
Hazardous waste [t]	1,688	1,803	+6.8 %
Non-hazardous waste [t]	5,878	6,090	+3.6 %
Quantity of recyclable waste [t]	5,610	6,433	+14.7 %
Key data	FY 2023	FY 2024	Target value
Hazardous waste/total quantity of waste [%]	22.3	22.8	Currently without target definition
Non-hazardous waste/total quantity of waste [%]	77.7	77.2	Currently without target definition
Recyclables waste/total quantity of waste [%]	74.1	81.5	>70
Heating energy/building volume [kWh/m³]	8.4	8.61	<11.5
Water consumption/employee [m³/employee]	8.3	7.9	<9
Recyclable material credit/disposal costs [%]	330	298	Currently without target definition
Reference parameters	FY 2023	FY 2024	Difference
Building volume [m³]	2,269,269	2,429,264	+7 %
Number of employees	5,600	6,046	+8 %
Recyclable material credit [€]	1,687,345	1,888,828	-11.9 %
Net disposal costs excluding VAT [€]	511,672	633,081	+23.7 %

For the data and key figures, it must be taken into account that both company performance and the number of employees increased in FY 24/25 compared to FY 23/24.



# Energy consumption

Part of the heating requirements for the GROB plant in Mindelheim is currently covered by regenerative district heating from a local supplier. The other part of the plant is supplied by a natural gas-powered energy center with an integrated combined heat and power plant (CHP), among other things. The CHP enables the particularly efficient use of natural gas, as in addition to heat, decentralized electricity is also generated for the plant, which does not have to be transported through the power grid.

## Energy consumption – GROB Mindelheim (FY 24/25)

Energy source	Energy consumption [MWh]
Electricity (grid)	40,891
District heat	11,231
Natural gas	13,436
Heating oil	28*
Pellets	1,351**
<b>Total</b>	<b>66,937</b>

\* 2,907 liters | Heat value 9.8 kWh/liter

\*\* 281,460 kg | 4.8 kWh/kg

In the 24/25 fiscal year, a total of 40,891 MWh was drawn from the mains power supply. The consumption of regenerative district heat during the same period amounted to 11,231 MWh. Additionally, 13,436 MWh of natural gas and 28 MWh of heating oil were purchased. Total energy consumption therefore amounted to 66,937 MWh.

Total fuel consumption within the organization from non-renewable sources (natural gas, heating oil) amounts to 13,465 MWh. Fuel consumption within the organization from non-renewable sources (natural gas, heating oil) totaled 1,351 MWh.





# Corporate carbon footprint

In the 24/25 fiscal year, the corporate carbon footprint (CCF) was prepared for the entire GROB Group with the aid of an external expert. Through an ad hoc recalculation and subsequent adjustment of the calculation methods, GROB was determined to actually have emitted fewer tons of CO<sub>2</sub> in fiscal year 22/23 than stated in the sustainability reports of previous years. In fiscal year 24/25, GROB continued to pursue ambitious goals that could be reached due to the increase economic performance and growing employee numbers to reduce the CCF values.

## Corporate carbon footprint – GROB Group

Scope	FY 22/23 [t CO <sub>2</sub> e]	FY 24/25 [t CO <sub>2</sub> e]
Scope 1	6,965	9,730
Scope 2	24,730	18,334
Scope 3	1,050,477	1,150,457
<b>Total</b>	<b>1,082,172</b>	<b>1,178,521</b>

## Corporate carbon footprint – GROB Mindelheim

Scope	FY 22/23 [t CO <sub>2</sub> e]	FY 24/25 [t CO <sub>2</sub> e]
Scope 1	3,501	4,649
Scope 2	10,341	1,765
Scope 3	626,308	603,408
<b>Total</b>	<b>640,150</b>	<b>609,822</b>

The calculation was carried out by an external expert based on the Greenhouse Gas Protocol (GHG Protocol). The results are indicated in CO<sub>2</sub> equivalents (CO<sub>2</sub>e). The total CO<sub>2</sub>e emissions of the GROB Group in fiscal year 24/25 was 1,178,521 t CO<sub>2</sub>e.

These emissions are divided into three categories (scopes). Scope 1 includes direct emissions from combustion in mobile or stationary installations and plants. Scope 2 covers purchased energy sources. Scope 3 is the broadest scope with a total of 15 subcategories. This takes account of all relevant upstream and downstream categories. The "Use of sold products" (proportion of approx. 55 %) and "Purchased goods and services" (proportion of approx. 36 %) subcategories together account for the largest share of the GROB Group's total emissions.

To reduce CO<sub>2</sub> emissions, the GROB Group is implementing a comprehensive package of measures worked out in detail in the Climate Action Plan. The focus is continuous improvement of energy and resource efficiency in all areas of the company. In addition, the company's own fleet of electric vehicles is being gradually increased.

With its "Electric Trucks for Company Transport" pilot project, GROB shows that trucks with electric drives are already commercially viable over short distances, setting a new milestone for reducing CO<sub>2</sub> emissions at its locations. Problem-free use is possible thanks to a range of 270 km and a new 300 kW on-site quick-charge facility. The CO<sub>2</sub> savings on the defined route from Mindelheim to Ulm to Mindelheim is over 123 tons per year. Additionally, GROB will save €0.36 per kilometer thanks to the toll exemption until the end of 2025.

The project is being supported by the Federal Ministry of Transport and Digital Infrastructure (BMDV), NOW GmbH, and the Federal Logistics and Mobility Office, which provides 80 percent of the funding to cover the additional costs of an electric truck compared to a standard diesel truck. Another central element is the increase in in-house power generated by the company's own energy center and modern photovoltaic systems. A new solar energy system has been in operation since the end of 2024 on the roof of a hall.

From 2025 onward, additional electricity will be purchased via Power Purchase Agreements (PPA) from a regional solar plant in Mindelheim. Additionally, the company gets 18,300 MWh of certified renewable energy from the Alpine region to sustainably cover remaining energy needs.



*We have set ourselves ambitious, Group-wide CO<sub>2</sub> targets for the 26/27 fiscal year!*

In scope 1 + 2 (absolute emissions), our aim is to reduce emissions by around 21 % by the 26/27 fiscal year compared to the 22/23 fiscal year. In scope 3 (intensity), we are looking to reduce emissions by around 23 % by the 26/27 fiscal year compared to the 22/23 fiscal year.

*German Wankmiller,  
Chairman of the Board & CEO of  
GROB-WERKE GmbH & Co. KG*





# 03

## Social affairs

Promoting and supporting social causes is a fundamental part of the day-to-day activities at GROB.

This chapter presents the various initiatives and programs that GROB is implementing to strengthen social responsibility and public welfare. The focus is on establishing fair working conditions, promoting diversity and inclusion, as well as supporting local communities.

GROB is committed to sustainable social practices and responsible governance to effect positive change in the workforce and society as a whole.

### In this chapter

- 01 GROB as a fair and attractive employer
- 02 Human resources management in numbers
- 03 In-house training as a key to success
- 04 GROB training in numbers
- 05 Occupational safety
- 06 Health care and health management
- 07 Representation for severely disabled persons
- 08 Idea management



# GROB as a fair and attractive employer



*Our employees  
are the backbone  
of the company!*

As a family-owned company, we are committed to long-term, sustainable growth on the basis of our own strengths. We have high expectations, while at the same time offering comprehensive opportunities for further individual training. We open up manifold career paths in a globally active technology company.

Our employees are the company's backbone, our key success factor, and our shaping force. They are instrumental to ensuring not only our presence among the international competition, but also to further enhancing our technology and market leadership.

Christian Grob,  
Chairman of the Supervisory Board  
of GROB-WERKE GmbH & Co. KG

## **GROB as an attractive employer**

GROB employees are an important foundation for the company's success. GROB works constantly on improving its excellent reputation as an employer. GROB connects the stability of almost 100 years of family history with the opportunities of an internationally active, progressive technology company.

This good reputation is also confirmed by external institutes and employer rankings – for example, GROB has received the "Top Company" and "Open Company" awards from the "kununu" rating portal.

## **Employee handbook**

The GROB Employee Handbook provides an overview of the most important regulations concerning the employment relationship. It includes, for example, general regulations governing the employment relationship and information about GROB's benefits.

## **Performance-based compensation in line with the market**

Employee compensation is based solely on professional qualification and performance and is determined independent of gender. In Germany, the company bases salaries and wages on collective labor agreements, and statutory provisions are observed worldwide. GROB bases its remuneration models worldwide on the various remuneration models applicable for the respective market conditions.

## **Achieving a work-life balance – flexible work time models**

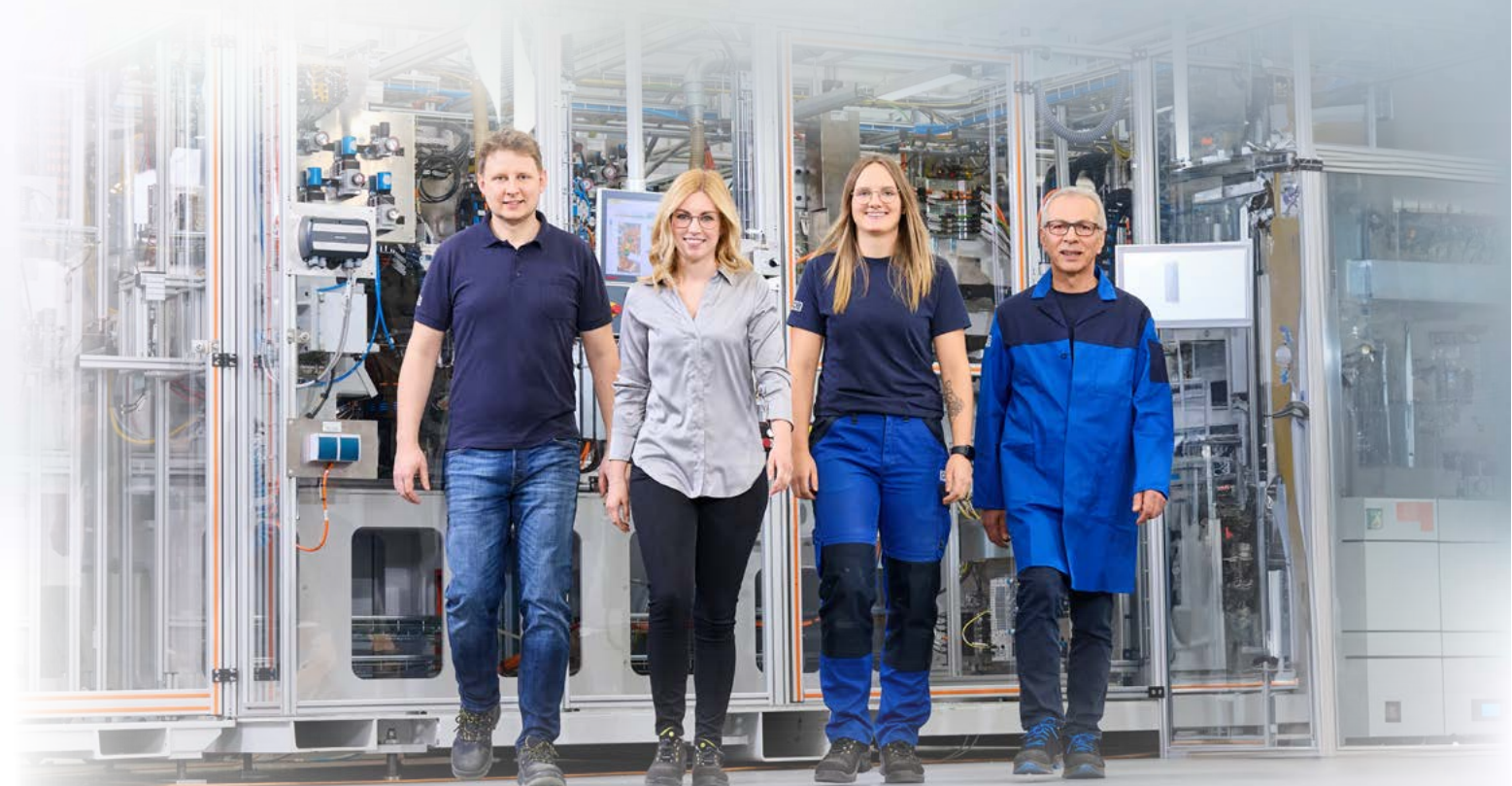
Employees care about the compatibility of work and private life or family. The stated goal is providing our employees an attractive work environment, including flexible work time models compatible with their individual life situations. Employees who are sick for more than 6 weeks receive a so-called recovery package from GROB. The successful integration of employees returning from parental leave to suitable work models and the partial retirement models developed to ensure employees have a suitable transition into retirement are just individual examples confirming the success of flexible working time models.

## **GROB Academy**

For many years, GROB has provided training and qualification options for its employees via our own GROB Academy. Highly qualified employees are essential for guaranteeing and improving competitiveness. Especially in times of digitalization and rapidly changing circumstances, new competencies must be developed to successfully respond to these challenges and prepare employees as well as possible for the challenges they will face in their careers.

## **Strengthening employee loyalty – Augsburg company run**

In May 2024, over 14,000 runners participated in the 5.3-kilometer long company run in Augsburg. Once again, the GROB team was well-represented. Approx. 452 runners even made GROB the third-largest participating company. GROB is proud to have participated in this fantastic initiative that contributes to a range of good causes.





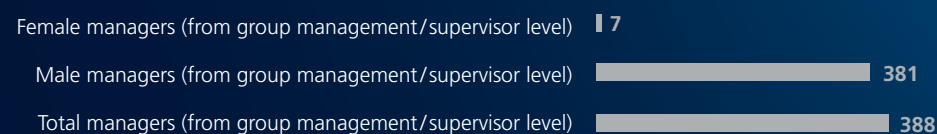
# Human resources management in numbers

## Staff levels

GROB Mindelheim employed a total of 6,309 staff in the 24/25 fiscal year.



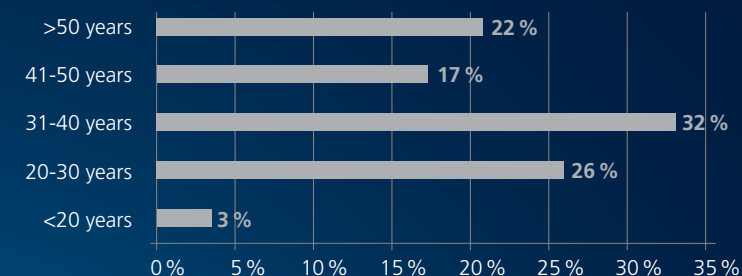
## Managers



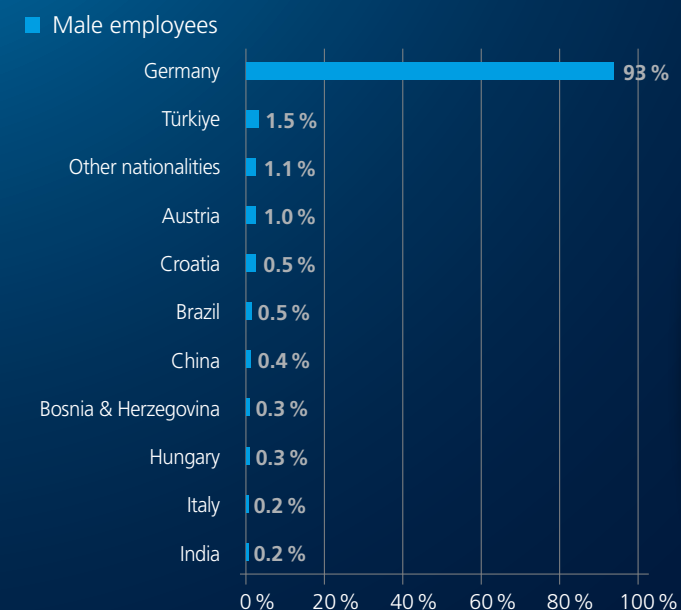
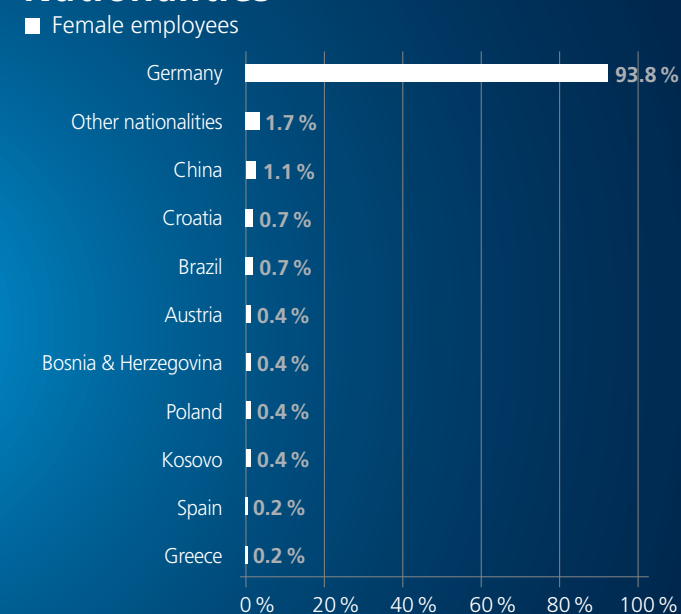
## Other key figures



## Age distribution



## Nationalities



*One Team.  
One Vision.*

*At GROB, we are proud that our employees are as diverse as the challenges that we face. This is reflected in all areas of the company and at all of our sites. In promoting diversity, we see a sustainable foundation for innovation and growth.*

Florian Grob  
GROB-WERKE GmbH & Co. KG



# Human resources management in numbers



## Key human resources development figures for GROB Mindelheim for FY 24/25

	Actual figures for FY 24/25			Target figures for FY 25/26		
	Number of training sessions	Number of participants	Time in h	Number of training sessions	Number of participants	Time in h
Internal training programs	666	8,047	37,794	403	5,004	27,298
Technical qualifications	365	3,227	31,015	155	1,185	14,829
Customized training/Q programs	115	1,617	10,617	90	958	13,372
Trainee training	27	412	6,894	27	412	6,895
External training	237	427	11,418	150	281	5,847
BGHM seminars	45	97	1,204	50	70	979
Online training	3,000	1,665	1,407	3,000	2,098	1,773
Company tours	46	1,345	3,363	30	750	1,875
Team development activities	29	570	4,171	20	292	2,560
LEAN Academy	35	316	1,426	22	154	610
Department presentations	27	131	172	22	110	138
Student programs	5	50	250	6	4	232
Management development programs	34	362	4,935	36	420	5,820
Site manager programs	3	34	1,190	4	48	1,680
Qualification programs	0	0	0	2	24	8,400
Project manager programs	57	50	720	6	66	924
<b>Total</b>	<b>4,691</b>	<b>18,350</b>	<b>116,576</b>	<b>4,023</b>	<b>11,876</b>	<b>93,232</b>

## Comparison of GROB Mindelheim, M&E companies, and the overall economy

	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Number of employees (as of February 28)	4,476	4,733	5,286	5,869	6,081
Advanced training costs [€]	428,860.00	551,758.64	773,392.33	1,231,030.86	1,456,515.96
Direct costs for advanced training/employee [€]	95.81	116.58	146.30	209.75	239.52
Advanced training days/employee	1.2	1.5	2.27	2.16	2.7
	GROB Mindelheim*		M & E**		Overall economy / industry***
Direct costs for advanced training/employee [€]	239.52		228.63		896.00
Advanced training days/employee	2.7		1.2		1.16

\* Figures for GROB Mindelheim without travel expenses for external training sessions; these are included in the other studies

\*\* bayme vbm, M&E Benchmark (2020): Participation of 59 member companies

\*\*\* Advanced training survey by the German Economic Institute (Institut der deutschen Wirtschaft, 2020): Participation of 1,340 companies from all sectors, using figures from the industry sector

## GROB Mindelheim employee/satisfaction survey

	FY 23/24	FY 24/25
Number of employees surveyed	3,326	2,811
Response rate	2,385 (71.7 %)	2,169 (77.2 %)
Result (actual/maximum)	7.47/10	7.53/10



# In-house training as a key to success

An integral part of human resources management is training, which sustainably keeps expertise and know-how in the company. Training at GROB has great value globally and is a long tradition. GROB Mindelheim is not only the largest employer in the region, but also the largest training company in the area. In Mindelheim alone, more than 2,250 young people have undergone training since the foundation of the plant, most of whom are still active in our company today. These all value the opportunity of long-term prospects in the company and the corresponding security to plan their lives, including the options for further training in the company.

Training is also provided at the subsidiaries in the USA, Brazil, and China. In order to ensure a Group-wide standard, an examination pool with qualitatively and quantitatively equivalent final examinations is used.

## At a glance!

*Facts and figures:*

**293**  
trainees and dual study  
program students total  
– including 45 women  
(as of: February 2025)

### *Flextime during training*

Since September 2020, trainees have also been able to make use of a flextime model. Trainees have the option to work flexible hours during a time period that is determined by the company.

### *3D printing*

GROB uses 3D printers to manufacture spare parts and components for the operating material. With the new 5-head XL printer, multicolored and significantly more complicated objects can be printed at a faster pace. For small-series production, for separate operating material for training, and for prototype assembly, for example. With the aid of the 3D printer in the electric systems workshop, spare parts can very easily be printed for operating material, devices, or attachments.

### *Expansion and renovation of the training center*

Since the fall of 2024, the training center in Mindelheim has been undergoing extensive expansion and modernization. As part of the renovation, the offices, laboratories and classrooms have been completely redesigned. The existing ceiling lights have been replaced with energy-efficient LED lights. In addition, an integrated ventilation system ensures the required climate control in rooms, providing a pleasant indoor climate and concentrated work even in the summer. A low-noise study and work environment is ensured by the use of a high-quality mineral fiber ceiling.

Among other things, the laboratories have been upgraded with standardized emergency off switches and the corresponding indicator lights and equipped with professional laboratory tables to ensure safe work with electrical systems. The number of permanently installed computer workstations was also increased. In addition, an extension to the existing training hall will create a generous training and event room offering a wide range of uses in the future. During planning, particular emphasis was placed on making the best possible use of the hall's existing resources. This renovation will create optimum conditions for modern teaching formats, seminars and internal events in the future and strengthen the quality of training sustainably.

Completion of the renovation is planned for September 2025. The works council and the youth and trainee representative committee were involved in all of the renovation work carried out at the training center, and their suggestions were taken into account.

### *Trainees assist in setting up test benches and operating material for the departments*

In the training center, the trainees assist the departments in carrying out various tasks. From new construction of operating equipment to plant renovations, trainees have the opportunity to assist in maintaining the electrical and mechanical machinery and operating equipment. They are included in the projects from planning and implementation to monitoring, and they create the corresponding documentation. This support eases the burden on production and provides a good opportunity for trainees to gain initial experience with real-world activities.





# In-house training as a key to success

## *Certification presentation including vehicle award for the 3 best trainees/students*

For presentation of the certifications, GROB hosts an annual graduation ceremony. Trainees with the best results are especially honored and were granted an event voucher from the local Mindelheimer newspaper, or even the key card for a vehicle from our electric vehicle fleet that can be used for 6 months.

## *Trainee benefits*

Trainees have been eligible for "Trainee benefits" since 2023. These include monetary benefits as well as other incentives for good performances. The benefits allow trainees to enjoy a monthly meal allowance, a travel allowance, as well as the E-GYM Wellpass offer, among other things.

## *Recruiting measures*

In 2024, GROB attended a total of 29 recruiting exhibitions. This included the BAM vocational training exhibition at the Forum in Mindelheim, the vocational training exhibitions in Memmingen, Kaufering, Bad Wörishofen and many more. At the same time, the training department organized plant tours with the partner schools (e.g., the Maria-Ward Realschule middle school) and numerous trial internships. As part of the inclusion program, students from the Josef Felder School in Mindelheim and the Ursberg Special Education Center also had the opportunity to take part in a trial internship.

The largest recruiting event is the GROB's "Job4You" vocational training exhibition, which took place on July 20, 2024. The event was a great success with many practice-oriented stations, a prize draw, and delicious catering. As it does every year, GROB participated in GirlsDay to provide young girls with greater access to trade professions.

## *Women's meetings*

For female trainees, the Youth and Trainee Council again arranged women's meetings. This allowed trainees to openly discuss gender-specific concerns in their training with other women and address specific topics.

## *Health management*

The health of our trainees is very important to us. Fresh fruit is therefore provided daily for all trainees free of charge. In addition, GROB again held a nutrition workshop for the trainees with the support of a state-certified dietician/nutritionist. This workshop includes topics such as healthy nutrition in daily life, food science, how food is processed, as well as a joint cooking session and meal. Trainees in their last year of training attended a first aid course and were trained as first responders by the Malteser emergency services in Mindelheim. Also, the "Fit Trainee" campaign was held in February 2025. As part of this, the trainees spent a day in the "ProPhysio" physical therapy practice in Mindelheim. The therapists put together an informative program for the trainees, including strength measurement, lectures on nutrition, circuit training, ergonomic exercise, and more.

## *Energy Efficiency Day*

Raising trainee awareness on energy efficiency early on is important to GROB. For a number of years already, GROB has organized an "Energy Efficiency Day" for this reason with its trainees in cooperation with the Mindelheim Vocational College. The event initially focuses on teaching the basics of energy production. The trainees learn about the amount of work required to generate energy using simple practical examples. The trainees can then develop concepts as teams to utilize existing energy efficiently, and thus sustainably, using the example of an "energy town".

The insights gained during this project day demonstrate for the young people very clearly that resource efficiency is not just a job for specialists, but that every individual shares responsibility.

## *Environment Days*

Since last year, GROB has been participating in aptly-named "Environment Days" with the German State Association for Bird Protection (LBV, Landesbund für Vogelschutz). Here, the trainees in their third year of training assist the Association in maintaining the surrounding nature reserves in groups.



# In-house training as a key to success

## *Trainee exchange with GROB plants in Brazil, the USA, and China*

In July 2024, the training department arranged an exchange with the subsidiaries in the USA, China, and Brazil. Two trainees each traveled to Brazil and China, while four traveled to the USA.

For three weeks in the respective subsidiaries, they could actively participate, explore different departments, and get to know new work processes. Of course, there was also enough time on the weekends to explore the respective country and spend time with the local trainees and trainers. Conversely, 8 trainees from the subsidiaries were able to travel to Mindelheim.





# GROB training in numbers



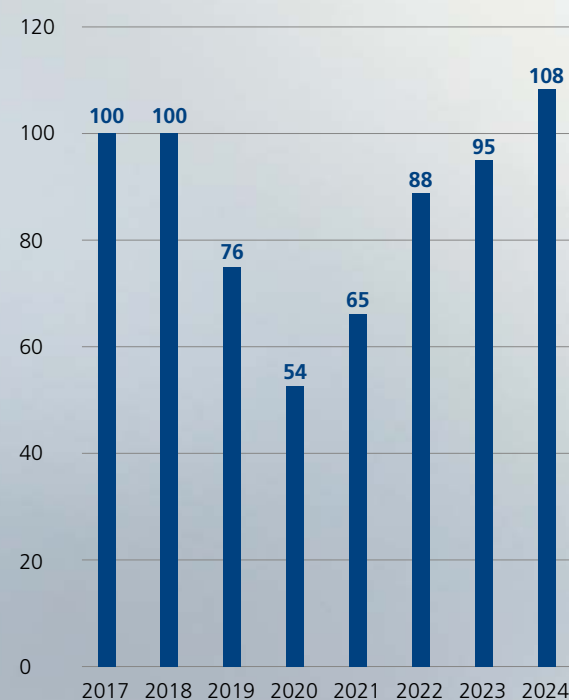
*In 2024,  
we recruited  
108 trainees  
and dual studies  
program students!*

In 2024, we received 642 applications and held 22 recruitment tests, as well as 241 job interviews. 6 young people are currently completing an entry-level qualification (EQ), a long-term internship with a good chance of being hired. One of the highlights: The hiring of two trainees from South Korea – one more step toward internationalization. Our goal for 2025 is to take on 115 new trainees and dual study program students, despite the lack of high school graduates in the dual study programs.

Andreas Jedelhauser  
Mechanical Systems Training Officer  
at GROB-WERKE GmbH & Co. KG

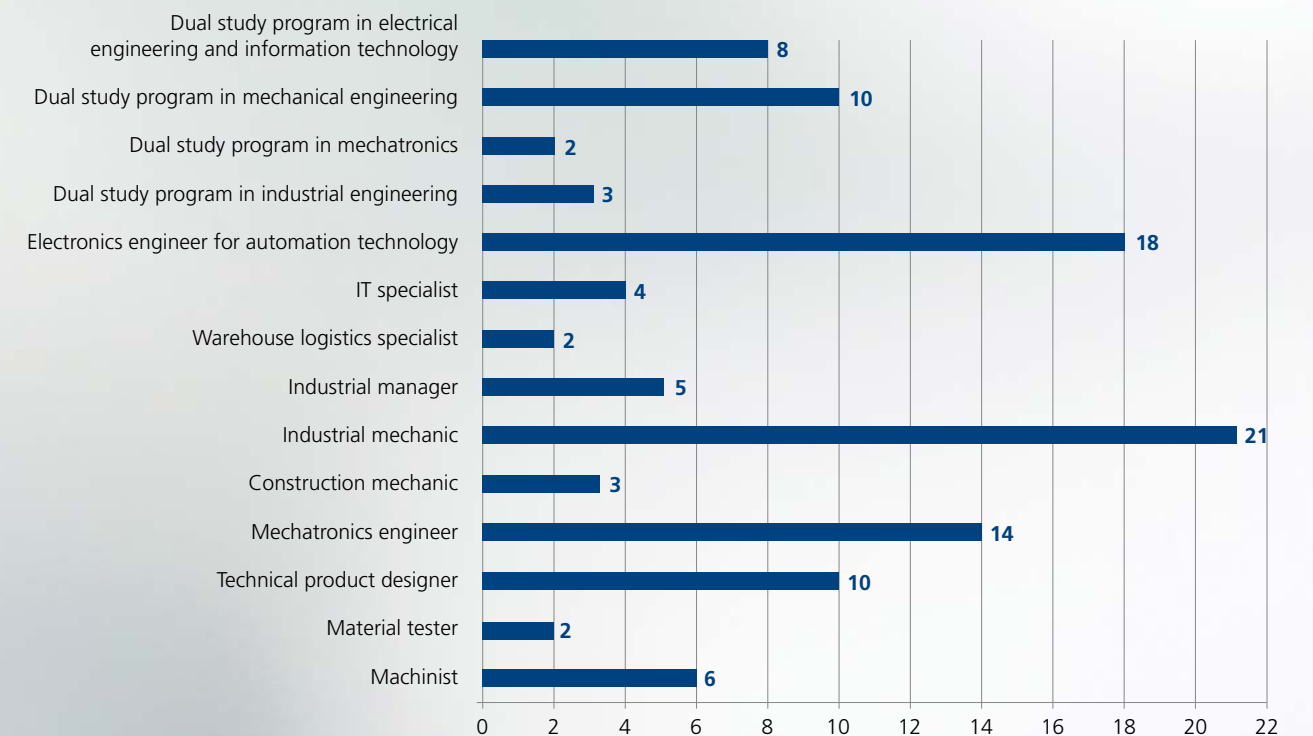
## Development of the number of newly employed trainees

(as of: September 1, 2024)



## Distribution of 2024 trainees and dual study program students across the certified professions

(as of: September 1, 2024)





# Occupational safety

GROB's management is aware of the importance of a positive attitude toward occupational health and safety and promotes this consistently at all levels. As a social employer, GROB is responsible for ensuring that all employees are able to work in a safe and healthy work environment.

By consistently implementing and maintaining all relevant safety factors in our production locations and subsidiaries, as well as at our development sites, we help protect the life and health of our employees as well as third parties. The accident risk is reduced to a minimum with this.

GROB constantly seeks to do more to improve occupational health and safety beyond the required minimum standards. To this end, GROB has established and introduced an occupational and health protection management system, among other things. Functional occupational health and safety protection is not just a chore that needs fulfilling, but already part of our daily lives.

Among other things, GROB Mindelheim is certified in accordance with the German occupational health and safety management system OHRIS (Occupational Health and Risk Management), which satisfies the requirements of DIN ISO 45001:2018. OHRIS is an integral part of our management system and demonstrably meets national and international standards. GROB Mindelheim will undergo an external audit for DIN ISO 45001 certification in 2025, thus replacing OHRIS with DIN ISO 45001 in the long term.

## ***Rollout of the "International Occupational Safety" training strategy***

Employees who work at the subsidiaries receive basic training in occupational safety at GROB in accordance with GROB standards for their work in the global environment.

- ⊕ Training as a crane operator
- ⊕ Training as an aerial work platform operator
- ⊕ Operation of pedestrian-controlled industrial trucks
- ⊕ Safe working at heights

## ***REACH and PFAS and their sustainable avoidance***

The REACH Regulation and PFAS (per- and polyfluoroalkyl substances) Regulation have been further tightened for substances such as diisocyanates and fluorine-free substances; GROB began preparation for this early on and has implemented these requirements. Working materials and hazardous substances are strictly monitored and replaced with alternatives free of harmful chemicals.

At the Mindelheim plant, around 500 employees were trained in the use of diisocyanates. This training is valid for five years. A process for new employees with regard to training on diisocyanates has also been implemented.

With regard to PFAS regulations, a further 400 fluorine-free fire extinguishers were inspected and replaced as necessary. As a result, GROB no longer has any fire extinguishers containing fluorine in use.

In the long-term, the procurement of fluorine-free fire extinguishers and agents will be ensured.

## ***Behavior-based occupational safety***

Among other things in FY 24/25, the following occupational safety initiatives were carried out:

- ⊕ Proper use of cut-resistant gloves
- ⊕ Keeping escape and emergency routes clear
- ⊕ Function of fire barriers and fire doors
- ⊕ Scooters – driving behavior and lighting
- ⊕ Misconduct by internal and external employees with on-site corrective measures



# Occupational safety

*Occupational safety is measurable at GROB!*

*Key figures for GROB Mindelheim* (FY 24/25)

<b>Number of reportable industrial accidents with absence ≥1 day</b> (Industrial accidents, excluding commuting accidents, of GROB employees and temporary workers)	94
<b>Number of reportable industrial accidents with absence ≥3 days</b> (Industrial accidents, excluding commuting accidents, of GROB employees and temporary workers)	80
<b>Severity</b> (Absence in hours by industrial accidents/hours worked) * 1,000,000	1.47
<b>Frequency</b> (Number of accidents ≥1 day/hours worked) * 1,000,000	10.70
<b>KPI3d</b> (Number of work accidents with absence ≥3 days/hours worked) * 1,000,000	9.10
<b>Reportable industrial accident rate per 1,000 full-time employees</b> (Number of reportable industrial accidents with absence ≥3 days/number of employees) * 1,000	12.91
<b>Number of first-aiders</b>	1,000
<b>Number of safety officers</b>	122
<b>Number of individual training sessions</b>	136
<b>Number of employees who received training in initial training sessions</b>	1,118
<b>Number of employees who received training in cranes and aerial work platforms</b>	447
<b>Number of employees who received training in "Work safety at heights"</b>	205
<b>Number of fire extinguishers that were inspected</b>	1,154
<b>Percentage of production sites certified in line with ISO 45001 or comparable standards for work management</b> (3 of 5 GROB production sites: GROB Mindelheim/Germany, GROB Dalian/China, and GROB São Paulo/Brazil)	60 %

## High safety level at GROB!

All GROB employees are insured by its liability insurance association. Common injuries include cuts, head injuries, as well as ankle and foot injuries. No deaths from industrial accidents were recorded at the site. A comprehensive accident analysis headed by Occupational Safety was launched immediately after every accident. Measures to prevent these kinds of accidents in the future were defined and implemented according to the S-T-O-P (Substitution, Technical, Organizational, and Personal protective measures) principle.

Among other things, the reportable industrial accident rate per 1,000 full-time employees of 12.91 shows that GROB has a very high level of safety when compared with comparable companies in the industry. GROB increased its workforce in 2024 significantly and altered their product portfolio, driven primarily by the ongoing transition to e-mobility. These changes posed a particular challenge for the onboarding of new employees and for organization. It is therefore all the more pleasing that the rate of reportable industrial accidents could still be lowered in comparison with the previous year.

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# Health care and management



## Company medical care

In addition to the statutory requirements enshrined in the German Occupational Health and Safety Act, company medical care pursues an integrated approach. In the foreground is comprehensive employee consultation for all health concerns. For instance, employees are given comprehensive heart and circulation check-ups in collaboration with cardiologists upon request. The 6-person team of company doctors includes 2 specialists for occupational healthcare. The team is complemented by two physical therapists. In addition to acute care, the "Physiotherapy" unit is actively involved in promoting occupational health, and is therefore an important part of the overall occupational health management concept at GROB.

## Occupational medical care at GROB

In fiscal year 24/25, almost 6,000 people were employed at the Mindelheim site. Aside from check-ups as defined in the German Ordinance on Preventive Occupational Health Care (ArbMedVV, Arbeitsmedizinische Vorsorgeverordnung), the company medical office at GROB has daily open consultation hours, during which employees can seek advice on health and wellbeing, as well as on their physical and mental concerns. Open relations are absolutely critical for a relationship based on mutual trust between the company physician and the workforce. In 2024, there were over 6,900 visits during consultation hours.

## Company health management and prevention measures

Next to campaigns like Health Days or Foot Consultation Days, regular fitness courses with a high rate of participation are provided for employees. In addition to this, over 1,300 physical therapy treatments were received.



### 1. quarter

- 01 Yoga
- 02 Back training
- 03 Self-defense course
- 04 "All about running" health day
- 05 Foot Consultation Days
- 06 Nordic walking course
- 07 Running training
- 08 Company run

### 2. quarter

- 01 Yoga
- 02 Back training
- 03 "Stress-free at work" health day
- 04 Eye training
- 05 Stress-free with mindfulness
- 06 Trainee fitness break
- 07 Movement breaks in the departments
- 08 Foot Consultation Days

### 3. quarter

- 01 Yoga
- 02 Back training
- 03 Departmental movement breaks
- 04 Impulse lecture on men's health
- 05 Apollo mobile
- 06 Foot Consultation Days

### 4. quarter

- 01 Yoga
- 02 Back training
- 03 Manpower fitness course
- 04 Self-defense course for women
- 05 Departmental movement breaks
- 06 Foot Consultation Days
- 07 Flu vaccination campaign



# Health care and management

## *Company health management*

Healthcare and health management in the workplace are essential for ensuring the long-term wellbeing and performance of our employees. Preventive measures and regular health checks not only help to prevent diseases, they also foster a positive work atmosphere and improve the motivation and satisfaction of our employees.

### *Occupational medicine in line with the German Occupational Safety Act (ASiG) and the German Ordinance on Preventive Occupational Health Care (ArbMedVV)*

- + Hazard assessments
- + Workplace inspections
- + Industrial Health and Safety Committee meetings
- + Hazardous substance analyses
- + Physical agents
- + Biomonitoring
- + Shift work
- + New forms of work

### *Medical care*

- + Open consultation hours
- + Emergency outpatient department
- + Instrument-based diagnostics and laboratory tests
- + Comprehensive consultation
- + Cooperation with the local health system

### *Company reintegration management*

- + Identification of employees with health impairments or disabilities
- + Reintegration in the workforce
- + Risk assessment for pregnancies
- + Cooperation with social security providers

### *Company health promotion*

- + Fitness and relaxation courses
- + Nutrition counseling
- + Healthy Eating offer
- + Moving breaks
- + Health Days
- + Company run

### *Additional services*

- + Crisis management in emergencies
- + Fitness examinations
- + Vaccination campaigns (influenza, tetanus, TBE)
- + Fit Trainee campaign
- + Absence analysis
- + Management qualification
- + Addiction prevention





# Health care and management

## Company reintegration management

One of the key pillars in company health management is company reintegration management. Long-term illness cases are discussed in regular meetings between HR officers, works councils, the representation for severely disabled persons, and the company physicians, and the individuals are then invited for a company reintegration management meeting. Solutions are then discussed together with the company representatives. The goal is to identify performance-adapted and appropriate workplaces for physically restricted employees to preserve their long-term employability, improve quality of life, and safeguard expertise at the workplace.

## New occupational health challenges

From an occupational health standpoint, new challenges mostly appear in the context of projects in the area of new technologies, such as the development of systems and battery cell assembly lines. Medical issues and challenges in working with new technologies must be comprehensively assessed and classified to achieve the best possible prevention for employees.

Increasing internationalization also requires occupational healthcare coverage. Travel medicine with country-specific consultation and vaccination provision remains a very important milestone in prevention with respect to the global deployment of employees.

*At a  
glance!*

*Facts and figures:*

**2,427**

optional and mandatory  
check-ups

**6,902**

doctor's  
visits

**5,518**

technical  
examinations  
(ECG, hearing test, eye test, etc.)

**95.2 %**

health  
rate

**831**

participants in company  
health promotion measures





# Representation for severely disabled persons

GROB-WERKE GmbH & Co. KG is aware of its social responsibility and is ever-committed to providing suitable conditions for people with disabilities. Diversity and inclusion are actively promoted at GROB and are part of a continuously-evolving process. A central component of this responsibility is the work of the representation for severely disabled persons (RSDP).

## *The representation for severely disabled persons (RSDP) and its function*

In addition to the works council, the RSDP is an independent employee representative body established in Social Security Code IX, Section 177 et seq. It promotes the integration of severely disabled people in the company, represents their interests, and provides counsel and support with any issues. The RSDP works together closely with the works council for this, as well as with employer representatives and the company's inclusion officers.

The RSDP accompanies employees for company reintegration management, and in particular supports sustainable return to the workforce. The RSDP also provides counsel on applying for a degree of disability or equal treatment. In addition, employees are provided with information and supported in questions about entry into retirement, partial retirement and the transition to retirement.

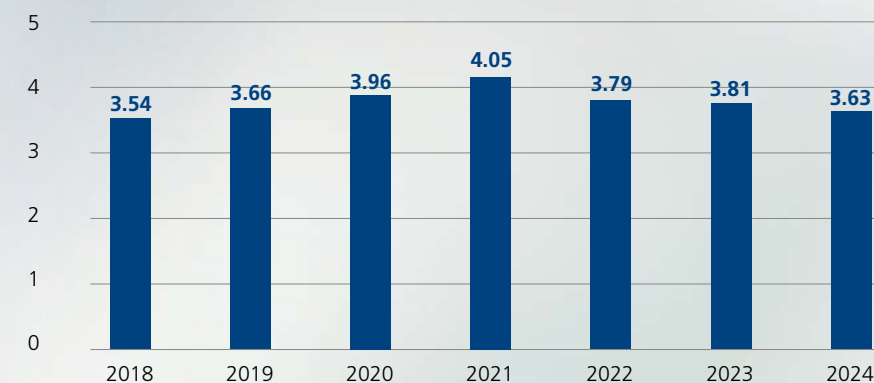
Transfers and development interviews are actively shaped to promote inclusive, fair, and timely communication. The RSDP also participates in occupational health and safety meetings and safety inspections to identify barriers and highlight potential opportunities for accessible workplaces. Specific workplace inspections are carried out upon request of individual employees.

The cooperation with the sheltered workshops in the Unterallgäu region was continued with an order volume of 1.59 million euros, meaning that no compensatory levy was payable. Through the Bavarian office for inclusion, GROB received funding to the amount of approx. €80,000 for the use of sign language interpreters. The RSDP also provides support for the other GROB locations. A comprehensive survey for all GROB locations is currently planned to make the concerns of the colleagues employed there more transparent, and to provide more specific support services.



## *Development of the proportion of severely disabled persons at GROB Mindelheim*

Fulfilling the statutory requirement of a 5 % rate of severely disabled workers continues to be our priority target. This table shows the development of the proportion of severely disabled worker in relation to the total workforce.





# Idea management

## *Supporting the commitment, motivation, and expertise of all employees*

Submitted ideas benefit not only the ones providing the ideas, but also the company, management and everyone involved. A win-win situation. To ensure that this added value remains in place in the long run, suggestions need to be assessed quickly. The implementation of successful ideas provides employees with the option for personal development and an opportunity for attractive bonuses.

In FY 24/25, 581 employees submitted 726 ideas at the Mindelheim site. Savings to the amount of 2.2 million euros were achieved with the implementation of 326 ideas. Idea management also provides an option for employees to contribute their ideas in the area of sustainability to the organization. Of the total of 726 submitted ideas, 147 were about environmental aspects, 160 were about improving work safety, and 447 submissions were about optimization of working conditions. Some ideas can cover several topics at the same time.

For the third year in a row now, monetary bonuses for successful ideas from the workforce, as well as extensive and attractive special bonuses (incl. high-quality electronic devices or vouchers for shopping at local retailers) were awarded. These were defined in consultation between the Management Board, the works council, and the Idea Management Officer, and distributed to the entitled idea provider.

These numerous ideas show that the workforce wants to be actively involved in the company's change processes. Employees are getting increasingly involved in solving environmental and social challenges. For instance, they make a decisive contribution to GROB's ongoing development in the area of sustainability. All true to the motto of "Your ideas shape the future!"



*At GROB,  
we welcome new  
ideas openly and  
enthusiastically.*

We systematically implement impulses and monitor their effectiveness together as a team. Each individual plays an important role as a role model for this. We rely on innovation and progress to steadily increase our performance capacities. We look into new approaches with flexibility and creativity, promote inquisitiveness and further the ambition of our colleagues. This environment inspires innovative solutions and raises productivity sustainably, which is to us a source of pride.

Wolfram Weber  
Vice Chairman of the Board & CFO  
of GROB-WERKE GmbH & Co. KG





# 04

## Governance

Strong and transparent corporate governance is the foundation for sustainable growth and is critical for long-term corporate success. The topics of responsibility, environmental protection, social justice, and equal opportunity are integrated in the company's governance activities.

GROB has implemented various measures, codes of conduct, and processes in the area of governance that demand and promote compliant behavior, integrity, as well as responsible and ethical manager and employee conduct.

GROB has established a multi-stage, effective management structure to ensure transparent, balanced decision-making within the framework of the statutory provisions. The associated processes, procedural instructions, guidelines, and control mechanisms ensure that decision-makers can reach informed decisions.

### In this chapter

- 01 Compliance management
- 02 Data protection and information security
- 03 German Supply Chain Due Diligence Act
- 04 Tax governance



# Compliance management

## Our tone from the top – few words, great impact

The GROB Group management takes responsibility and pursues clear expectations: This "tone from the top" is both an expression of the role model function of GROB management and the cornerstone of an effective compliance culture in our company. Our aim is to involve everyone – because, like any corporate goal, compliance can only be achieved together. A particular focus of the Legal & Compliance OU (organizational unit) in fiscal year 24/25 was the continued expansion of the general compliance structures, starting with the Mindelheim site:

- In fiscal year 23/24, internal and confidential compliance interviews were conducted with various departments. The identified (potential) risks are determined with a revised risk survey form with an evaluation system weighted in particular according to severity and probability of occurrence. Building on these, the necessary risk mitigation and avoidance measures are derived in consultation with management, which were and are being continuously implemented depending on the risk priority.
- Looking to the general compliance management system, we are working on the creation and consolidation of a standardized manual containing both general and specialized content for individual compliance areas. The aim is to create a standardized, central document that provides a comprehensive and current overview of all compliance structures.
- The Group-wide Code of Conduct (CoC) was published in May 2024 (see Compliance – GROB-WERKE) and defines the fundamental positions and applicable benchmarks with regard to business ethics, human rights, and environmental concerns within the GROB Group. The Code of Conduct replaces the Compliance Guideline, which had been in place since 2018. In addition, a Code of Conduct for Business Partners (CoC4BP) was drafted, in which GROB addresses its concrete expectations in these areas in relation to its stakeholders, especially suppliers, but customers as well. The CoC4BP was published in July 2024 and replaced the previously applicable Supplier Sustainability Standards.

## Compliance – We take responsibility

This is our firm belief: Only a stable and reliable foundation enables sustainable success. We rely on clear rules, binding values, transparent structures, and respectful cooperation for this. At GROB, we therefore define compliance not just as compliance with the law. Our commitment to integrity and compliance goes beyond national and international laws and industry standards, and also includes the values and rules to which we have committed ourselves as well as our business partners. As a global third-generation family business, this is what we expect from ourselves and our employees, as well as our business partners.

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- A range of communication and awareness-raising measures were taken with regard to the prevention of corruption and money laundering risks. In particular, the existing processes for onboarding new business partners were extensively revised. In connection with this, the internal business partner audit process is currently undergoing revision to ensure systematic targeted risk evaluation for every new business partner based on best practice standards while ensuring a dual control principle. In addition, an updated gratuities policy is being written to raise employee awareness even better and establish Group-wide standards.
- Moreover, the Human Resources department, together with the Group Data Protection Officer and Information Security Officer, developed a training concept to complement the basic training, which must be completed by all GROB Group employees and includes special training topics (for example on antitrust law) for selected departments. The training courses start to their full extent in January 2025 for the Mindelheim location. Group-wide implementation of the process after this is intended and is currently in preparation.
- Another focus area of the compliance activities was on supporting the measures to implement statutory sustainability regulations and contractual obligations. The processes for compliance with the German Supply Chain Due Diligence Act have been undergoing continuous optimization (for details, see "German Supply Chain Due Diligence Act" in this sustainability report).

All of the aforementioned measures will be implemented across the Group. Specific contact persons will be appointed for this as compliance officers for the GROB subsidiaries (Dalian/China, Bluffton/USA, São Paulo/Brazil, Pianezza/Italy, Bangalore/India) who will remain in regular communication. They handle incoming reports concerning the specific subsidiary within the scope of the GROB whistleblower system, working largely autonomously or in collaboration with authorized employees from the Legal & Compliance OU in Mindelheim if necessary. In the GROB service companies, the local managing directors currently act as the central contact for compliance-related topics. The main office in Mindelheim handles incoming reports here.

There were no confirmed anti-corruption regulation violations in the 24/25 fiscal year regarding GROB Mindelheim. Five internal reports concerning GROB Mindelheim were received via the GROB whistleblower system. No external reports were submitted. All reports were processed in the 24/25 fiscal year. Three of these were finalized within the fiscal year.



*Consistent success begins with stability and reliability!*

We rely on clear rules, binding values, transparent structures, and respectful cooperation for this. At GROB, we therefore define compliance not just as compliance with the law. Our commitment to integrity and compliance goes beyond national and international laws and industry standards, and also includes the values and rules to which we have committed ourselves as well as our business partners.

As a global third-generation family business, this is what we expect from ourselves and our employees, as well as our business partners.

Dr. Korbinian Feller,  
General Counsel/Head of Compliance  
of the GROB Group

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# Data protection and information security

## ***Data protection management at GROB – strengthening trust with clear structures***

Data protection is an integral part of the GROB processes and business activities. GROB is absolutely committed to protecting the privacy of its employees, customers, suppliers, and other concerned parties. GROB therefore considers the constant improvement of the data protection management system to be one of its most important missions, so that employees, business partners, and other stakeholders can continue to trust GROB without reservation.

The software for data protection management in use at GROB has proven itself for the purposes of the company and sustainably supports the structured implementation of legal and regulatory requirements. It also enables GROB to map processes and documentation that promote a uniform approach within the GROB Group to data protection to fulfill GROB's responsibility in handling this data.

GROB closely monitors the regulatory developments as well as the reports, guidelines, recommendations, and statements of the responsible data protection authorities and the European Data Protection Board and new requirements for the GROB data protection management system are implemented accordingly.

Numerous country-specific data protection laws are relevant for the GROB Group, such as the EU General Data Protection Regulation (GDPR) for the main plant in Mindelheim, the plant in Italy and the subsidiaries in Europe, but also, for example, the Personal Information Protection Law (PIPL) relevant to the plant in China, or the Digital Personal Data Protection Act (DPDP Act) relevant to the plant in India. Their regulations are reflected in the Group's joint data protection guidelines and, if necessary, supplemented by the respective local guidelines in different countries. For even better positioning in future here within the framework of internal structures, the Group-wide data privacy policy was revised in this year and supplemented, for example, with a more detailed organizational structure in the area of data protection. With this internal network of Group-wide contact partners on data protection coordinated by the Group Data Protection Officer in Mindelheim, GROB ensures competence and security. To provide clear internal rules in future as well for working with social media and advanced technologies such as artificial intelligence, the corresponding policies were drafted this year and will come into effect in the coming year.

The IT security architecture reflects the current legal requirements as well as the requirements of business partners, in particular customers and insurers, and is constantly updated to reflect the state of the art, meet customer requirements, and meet international standards.

Comprehensive data protection organization also includes appropriate monitoring of data protection compliance, as no-one is infallible and there is always room for improvement, despite best efforts and diligence.

The process restructured last year for carrying out internal data protection audits has proven itself, and many improvements for GROB's data protection compliance resulted from the implementation of the measures derived from these audits. The Group will continue this strategy and implement it consistently in dealings with service providers to ensure long-term data protection-compliant data handling there as well at a high technical and organizational level.

GROB places great value on all employees being constantly well-trained in matters of data privacy for responsible handling of all data. GROB has planned improvement of the current training system in this year, and will implement this new strategy with better and proactive training courses in the coming year for the entire GROB Group, so each individual employee can live up to the responsibility of data handling.

### ***Data protection at GROB Mindelheim in numbers for FY 24/25*** (As of: February 29, 2024)

- ⊕ Number of data protection incidents reported to the data protection supervisory authority: 0
- ⊕ Number of data protection incidents affected persons were informed of: 0
- ⊕ Number of requests by data affected persons: 0
- ⊕ Number of requests for deletion: 2
- ⊕ Number of data protection audits performed: 3

## ***Significance and purpose of information security***

Information security includes protection of information in terms of confidentiality, integrity and availability. It is a central component of modern management and affects all areas, from IT systems to business processes to employee conduct. The objective is the minimization of risks, ensuring compliance and strengthening the confidence of customers and partners alike.

An effective information security policy is defined at the highest management echelon and monitored regularly in various audits. It is based on the business strategy, legal requirements, and current risk situations, and contains clear responsibilities, objectives, and control mechanisms.

### ***Information security at GROB Mindelheim in numbers for FY 24/25*** (As of: February 29, 2024)

- ⊕ Percent of establishments with an information management system certified in accordance with ISO 27000 or a comparable standard: 16.67 %
- ⊕ Number of confirmed information security incidents: 4
- ⊕ Persons trained in information security: 2
- ⊕ Total number of valid complaints about violations of customer data protection: 0
- ⊕ Total number of identified cases of data theft and data loss connected to customer data: 0



# Data protection and information security



## Requirements

GROB-WERKE is obliged by the requirements of various stakeholders to comply with and implement normative and legal requirements.

### Normative requirements

ISO/IEC 27001 and TISAX (VDA ISA) are some of the most important standards for information security. The TISAX standard in particular is a basic requirement for information security for GROB-WERKE.

- ⚙ **ISO/IEC 27001:** This international standard is the basis for our systematic information security management system (ISMS).
- ⚙ **TISAX (VDA ISA):** In the automotive industry, TISAX is an established standard. The most important requirements are derived from ISO 27001 and organized in control groups.

### Legal requirements

GROB-WERKE are subject to various legal requirements on information security. In particular, this includes:

- ⚙ **The NIS-2 Directive:** The NIS-2 Directive is a new EU directive on network and information security. It obligates companies to introduce technical and organizational measures, security incident reporting and employee training.
- ⚙ **The Cyber Resilience Act (CRA):** The Cyber Resilience Act supplements the NIS-2 Directive with cybersecurity requirements for digital products. Manufacturers must provide security updates and continuous vulnerability management.

## Implementation

The implementation of information security is carried out via a regularly updated and audited ISMS.

### Information security and current state of the art

GROB-WERKE is able to meet constantly changing requirements with continuous focus on the latest technologies. In particular, this involves routine adjustments to internal security processes, primarily via established vulnerability management, improvements to the IT security architecture, and regular risk-based reviews by means of control tests.

### Audits

Internal audits and external controls (e.g., TISAX) ensure continuous improvement of our security structure. Management is included in information security issues and actively promotes establishment of a security culture in the company. Preparations for ensuring TISAX recertification for the next fiscal year are currently underway.

### Employee training

GROB places great value on all employees being consistently well-trained in matters of information security and responsible handling of all data. GROB has tackled improvement of the current training system in this year, and will implement this new strategy with better and proactive training courses in the coming fiscal year for the entire GROB Group so each individual employee can live up to the responsibility of data handling.



# German Supply Chain Due Diligence Act



*We see the legal requirements as an opportunity!*

For GROB, the due diligence obligations defined in the German Supply Chain Due Diligence Act are not simply additional regulatory requirements. We instead view the legislative requirements as an opportunity to effectively contribute to the sustainable design of the global value chain together with the other companies bound by this Act. Regardless of legal provisions, ensuring respect for human rights and the environment both inside and outside our own factory gates is a company concern. With the Due Diligence Act, we now have a legal framework for action that is equally binding for all companies in Germany. We welcome the upcoming Europe-wide standardization by means of European legal requirements.

Dr. Korbinian Feller,  
General Counsel/Head of Compliance  
of the GROB Group

## *Sustainable supply chains*

GROB is aware of the global challenges along the supply chains in terms of social justice, equal opportunity, and environmental protection, and takes responsibility.

## *Statutory due diligence obligations – an incentive for GROB*

GROB views the implementation of the requirements of the German Supply Chain Due Diligence Act as a Group-wide challenge that extends across a range of divisions and departments. Fiscal year 24/25 has been used to develop and optimize processes. This task fell, in particular, to the Strategic Purchasing, Sustainability Management, Quality Management, and Legal & Compliance units. These units involved other departments such as Human Resources, Environmental Management and Occupational Health and Safety as necessary.

The Due Diligence Act formulates a range of corporate due diligence obligations to ensure that potential and existing threats to human rights and environmental risks in the supply chain are analyzed and prevented or minimized with appropriate measures. Any violations that have already occurred must be remedied immediately. For this, both our own business area, including (foreign) subsidiaries, and direct and applicable indirect suppliers are reviewed as part of an established risk management process. In addition to regular reviews, event-driven risk analyses are also carried out as required. If a risk is identified, preventive and remedial measures are initiated immediately. In addition, a complaint system available to both employees and external third parties has been established, which is maintained and managed by the Legal and Compliance department. Legally obligated companies are also required to report on the processes and measures they have initiated.





# German Supply Chain Due Diligence Act

## Implementation of the German Supply Chain Due Diligence Act for the external business segment

GROB Purchasing is responsible for evaluating and qualifying new suppliers and service providers. The process for incorporating new suppliers is structured, centralized, and software-supported for integrated supplier management. New suppliers can find out more about the GROB Group's purchasing organization and our requirements at <https://www.grobgroup.com/unternehmen/lieferantenportal/>. They can then apply independently using a digital process.

In the ongoing abstract risk analysis, we first consider the potential risk to human rights and the environment that a supplier faces simply because of their sector affiliation and the country in which the headquarters are located. Based on this, all those suppliers for whom a relevant risk level was identified in this abstract risk analysis are subjected to a specific risk analysis and specific preventive and remedial measures are derived as a result.

By supplementing typical purchasing criteria (such as prices, delivery times, technological competence and quality) with the criteria of sustainability, we create a comprehensible overview of our suppliers for sustainable procurement.

## Key figures – GROB Mindelheim (FY 24/25)

Number of suppliers who have already signed the new CoC4BP compliance agreement

487

Number of Strategic Purchasing employees trained in sustainable procurement

31

## Implementation of the German Supply Chain Due Diligence Act for the internal business segment

The risk analysis in the internal business segment fundamentally covers all GROB Group companies in line with its legal obligations. As a first step, all GROB Group companies (GROB-WERKE GmbH & Co. KG and foreign subsidiaries, including production plants as well as pure service companies) undergo a software-based abstract risk analysis. To prepare for the specific risk analysis, all GROB companies have received and completed structured questionnaires that explicitly address human rights and environmental risks.

To implement the specific risk analysis in the specific business segment, the Sustainability Officer at the site in Mindelheim works together primarily with the Human Resources, Occupational Safety, Engineering, and Environmental Management departments. In our subsidiaries, the respective on-site contacts of the Sustainability Officer are responsible for compiling the required information. Where necessary, the Sustainability Officer uses the completed questionnaires to coordinate details with the individual departments in Mindelheim or their contacts at the subsidiaries to identify possible Due Diligence Act risks or even violations. Where needed, other department specialists are consulted at the subsidiaries.



*Stable supply chains are essential to our activities!*

As a long-standing company, stable supply chains and enduring business relationships are essential to our activities. In the course of implementing the requirements of the Due Diligence Act, we specifically audit our business partners for compliance with human rights and environmental standards, and make the establishment or continuation of the business relationship dependent on the outcome, among other things.

Our Supplier Sustainability Standards were replaced by our comprehensive Code of Conduct for Business Partners in the 24/25 fiscal year. It includes the ethical and social principles of conduct that are mandatory for us and which we expect all our suppliers to comply with.

Andreas Girlich  
Department Manager of Strategic Purchasing  
of GROB-WERKE GmbH & Co. KG



# German Supply Chain Due Diligence Act

## *The following measures in particular have been implemented in fiscal year 24/25 for observance of the Due Diligence Act*

- ⊕ Purchasing staff and managers of the GROB Group responsible for supplier and product group management are continuously trained by the Due Diligence Act team (representatives from Strategic Purchasing, Legal and Compliance, and the Sustainability Officer) on the Due Diligence Act, the connected due diligence obligations for GROB and the resulting risk management, as well as on further supplier handling.
- ⊕ The GROB-WERKE GmbH & Co. KG Vice Chairman of the Board (the CFO) is regularly informed of the status of the implementation process and pending measures for realizing the Due Diligence Act. These meetings are regularly attended by the Compliance Officer of GROB-WERKE GmbH & Co. KG in their capacity as the responsible person within the meaning of Section 4 (3) LkSG, as well as employees from Strategic Purchasing familiar with the implementation and the Sustainability Officer of GROB-WERKE GmbH & Co. KG familiar with the operational implementation in their own business area.
- ⊕ The Code of Conduct for the GROB Group as well as the Code of Conduct for Business Partners have been implemented and published. The Code of Conduct for Business Partners is directed toward the business partners and ensures social and ethical standards of conducts in the business environment. In contrast, the Code of Conduct is directed at the GROB Group employees themselves, and establishes a Group-wide code of conduct. Together with the GROB Group's policy statement on human rights strategy, these documents set binding guidelines establishing fundamental ethical principles in addition to the relevant legal framework. They also emphasize our belief that success should not only be measured by financial indicators, but also by the contribution to a fairer, safer, and more sustainable economy. All GROB management are expected to function as role models and set an example to fulfill this corporate vision. In addition, all employees are obligated to comply with the principles of the Code of Conduct and to bring them to life.

The policy statement, as well as the Code of Conduct and the Code of Conduct for Business Partners have been published on the GROB website (<https://www.grobgroup.com/unternehmen/compliance/>).



# Tax governance

Regular monitoring and release of the tax strategy by the CFO underscore management's clear commitment to communication, transparency and responsibility. The Finance department takes on a key role in ensuring tax compliance within the organization. Its tasks include timely submission of all tax statements and fulfilling all connected documentation duties. In addition, it ensures that relevant internal processes and guidelines are continuously updated and reviewed in order to comply with all tax regulations.

As part of its tax strategy, GROB-WERKE promotes a corporate culture characterized by mindfulness and a sense of responsibility. Employees and external third parties alike are expressly encouraged to report any information or suspicions via the provided online reporting platform. This early warning system allows prompt identification of potential irregularities and the appropriate response to secure the integrity of tax activities in the long term.

## Political orientation

GROB-WERKE is committed to ethically correct conduct in all business areas. The company strictly rejects any unfair or illegal actions, especially those aimed at unlawfully influencing third parties. In accordance with the core values of fairness and transparency, GROB acts independently and neutrally, free from political influence or partisan interests.

## Donations to local institutions

In the 24/25 fiscal year, a total of 124 thousand euros were donated to non-profit organizations in Mindelheim and the surrounding region. These funds are used in particular to support social projects and educational initiatives. GROB-WERKE makes its donation decisions with responsibility and in accordance with tax provisions and Group-internal compliance guidelines.

## Tax strategy

The tax strategy at GROB is geared toward diligently fulfilling all tax obligations worldwide and maintaining a trusting, respectful relationship with the tax authorities. The processes and control mechanisms implemented as part of GROB tax compliance ensure that all fiscal provisions are consistently observed and properly applied. These structures allow the company to identify tax risks early and to implement corrections as needed. GROB pursues a responsible fiscal policy based on economic principles, and distances itself explicitly from improper tax arrangements.

As a globally operating company, GROB regularly faces the challenge of complying not only with national laws but also with the diverse legal frameworks of the countries in which the company operates. To meet these complex requirements, the internal specialists at GROB, including tax consultants and lawyers, refer to the expertise of external, international specialists as necessary.







# 05

## Global

The integration of sustainability at the global sites is an integral part of the GROB sustainability strategy.

GROB relies on global standards and local adjustments to increase efficiency, conserve resources, and improve the quality of life of its employees. The commitment to sustainable practices in our global plants is reflected in a variety of innovative projects and measurable targets that promote GROB's environmental and social responsibility worldwide.

### In this chapter

- 01 Sustainability at GROB Brazil
- 02 Sustainability at GROB China
- 03 Sustainability at GROB USA
- 04 Sustainability at GROB Italy



# Sustainability at GROB Brazil

## Environment



## Into the future with efficiency and sustainability!

GROB Brazil has continued to secure its strategic role within the GROB Group and meets the highest international quality standards. Investment in efficient production and close cooperation with other locations have increased our competitiveness significantly. With regard to sustainability, we implement specific measures to reduce emissions and raise efficiency, always consistent with our Group-wide goals.

Michael Bauer, CEO  
B. GROB do Brasil S.A., Brazil

### Energy efficiency

GROB Brazil has secured its strategic role within the GROB Group and developed continuously to meet the highest international quality standards. The result is a strong presence in North American and European markets, both through company-wide projects and direct sales. GROB Brazil is oriented toward the newest technical solution, and was able to implement major conversion and modernization projects in collaboration with major local customers during the fiscal year.

Investment in production efficiency in the fields of machining and sheet metal processing has resulted in an exceedingly high production volume. The continuous exchange of knowledge with the German main plant and other GROB Group plants has accelerated the learning curve with new technologies and best-practice solutions.

With regard to sustainability, GROB Brazil creates measures based on its greenhouse gas emissions inventory and initiatives to reduce accidents and to increase efficient operation. GROB Brazil ensures compliance with overall sustainability targets via suitable measures.

### Waste

GROB Brazil has been recognized locally as a "forest-friendly company" for its special process for treating industrial wastewater.

### CO<sub>2</sub> footprint

In the 24/25 fiscal year, the corporate carbon footprint (CCF) was prepared for the entire GROB Group with the aid of an external expert. Through an ad hoc recalculation and subsequent adjustment of the calculation methods, GROB Brazil was determined to actually have caused fewer tons of CO<sub>2</sub> in fiscal year 22/23 than stated in the sustainability reports of previous years. In fiscal year 24/25, GROB Brazil continued to pursue ambitious goals to reduce CCF values. The new calculated values are displayed in the following overview:

Scope	FY 22/23 [t CO <sub>2</sub> e]	FY 24/25 [t CO <sub>2</sub> e]
Scope 1	262	238
Scope 2	887	835
Scope 3	72,565	110,775
<b>Total</b>	<b>73,714</b>	<b>111,848</b>





# Sustainability at GROB Brazil

## *Social affairs*

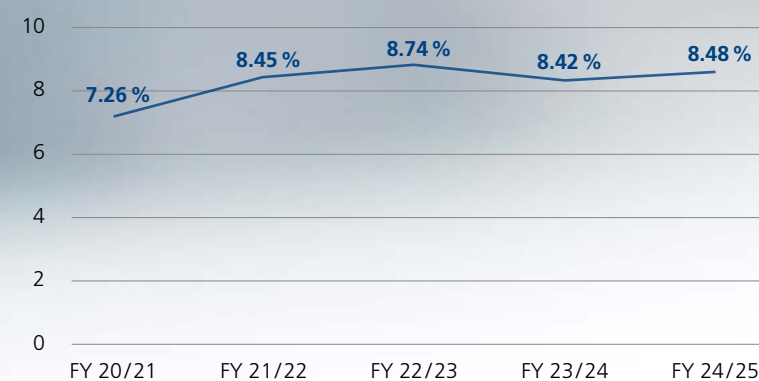
### **Social events**

As part of its clear commitment to social integration and community support, GROB Brazil organized numerous events in fiscal year 2024/25. They reflect the company's responsibility toward society, the well-being of its employees and active inclusion in the local community.

- ⊕ Sports championships: Football, tennis and bowling
- ⊕ Pink October and Blue November: Events to raise awareness for breast and prostate cancer
- ⊕ International Women's Day: Events to support the women in the company
- ⊕ Vaccination campaign: Campaign promoting employee health
- ⊕ Safety week: Activities on the topic of occupational health and safety

### **Training programs**

The number of trainees hired annually rose from 10 to 17. There were 256 training programs with more than 2,300 participants total for employees. In fiscal year 24/25, GROB Brazil further developed its work safety processes. As an example of these efforts, a safety week was held focusing on ergonomics, material handling, movement in the workplace, and first aid. Additionally, various health-oriented events and medical check-ups were organized to promote employee well-being.



### **Ratio of women**

The rate of female employees has risen slightly. At total of 8.48 % of all employees are women. The proportion of women in executive roles is 6.06 %, and 18.75 % among trainees.





# Sustainability at GROB Brazil

## *Governance*

### **Compliance**

Creation and expansion of the Group-wide compliance structures was a central task of fiscal year 24/25. In cooperation with GROB Mindelheim, GROB Brazil appointed its own compliance officers responsible for the development and monitoring of the local compliance processes.

#### ***Training courses and workshops***

Preparations for the introduction of the GROB training concept in the areas of compliance, data protection, and information security at GROB Brazil are currently underway at the Mindelheim location. An initial test phase has already been completed; the official rollout is planned for 2025. Next to general compliance training for all employees, topical training courses, for example on the prevention of corruption or cartel law, are planned for selected employees in contact with our business partners.

#### **Code of Conduct**

The central Code of Conduct developed by GROB Mindelheim applies Group-wide, including for GROB Brazil. Both the Code of Conduct and the Code of Conduct for Business Partners have been published in Portuguese and successfully established at GROB Brazil during the reporting period.

A range of communication and awareness-raising measures were taken with regard to the prevention of corruption and money laundering risks, and processes also applying to GROB Brazil were revised. In particular, the onboarding process for business partners is currently being fundamentally revised in Mindelheim before it too is adopted in GROB Brazil. Besides this, the Code of Conduct as well as the Code of Conduct for Business Partners also address corruption and money laundering prevention as central topics. In the reporting period, GROB Mindelheim worked on new company guidelines to be applied Group-wide upon completion to ensure consistent standards.

#### ***Whistleblower system***

The GROB whistleblower system was introduced centrally in the beginning of 2023, and has also been available since then for GROB Brazil employees and external third parties for reporting on possible violations and misconduct. Submitted reports affecting GROB Brazil are processed separately by the Compliance Officer in GROB Brazil. 21 reports pertaining to GROB Brazil have been submitted via the system in the reporting year, all of which were processed, and 20 of which were completed during the reporting period.

#### ***Supply chain and risk management***

Implementation of the German Supply Chain Due Diligence Act also affects GROB Brazil. In the external business segment, the implementation is controlled centrally by Strategic Purchasing at GROB Mindelheim. GROB Brazil's Purchasing department handles operational implementation for suppliers. In the internal business segment, the risk analysis is conducted by the GROB Mindelheim Sustainability Officer together with the ESG contact person at GROB Brazil.



# Sustainability at GROB China

## *Environment*

### *Environmental and energy management system*

To comply with the Group-wide sustainability goals, GROB China is also committed to climate and environmental protection and works continuously to improve energy and resource efficiency. GROB China has consistently implemented these principles for 13 years and is certified in accordance with the ISO 14001:2015 (supports UN SDGs 3, 4, 7, 8, 9, 12, 13) and ISO 50001:2018 (supports UN SDGs 7, 12, 13) international standards by the German Southern Technical Inspection Association.

### *E-shuttle buses and e-trucks*

GROB China has provided shuttle buses for employee transportation for over 12 years. To minimize emissions at the location, all shuttle buses have been replaced with electric ones. E-trucks are additionally used for transport between plants I and II and the external warehouses. Charging stations have been installed on the premises.

### *Emissions monitoring and CO<sub>2</sub> footprint*

After replacement of the paint line in 2023, emission measurements were carried out at both locations. Multi-point samples have also been taken on the upwind and downwind property boundaries to ensure no harmful emissions are expelled into the environment. No irregularities were found despite strict monitoring. The greenhouse gas statistics for fiscal year 24/25 were generated in accordance with the Greenhouse Gas Protocol, supporting UN sustainability targets 9 and 13.

In the 24/25 fiscal year, the corporate carbon footprint (CCF) was prepared for the entire GROB Group with the aid of an external expert. Through an ad hoc recalculation and subsequent adjustment of the calculation methods, GROB China was determined to actually have caused fewer tons of CO<sub>2</sub> in fiscal year 22/23 than stated in the sustainability reports of previous years. In fiscal year 24/25, GROB China continued to pursue ambitious goals to reduce CCF values. The new calculated values are displayed in the following overview:

Scope	FY 22/23 [t CO <sub>2</sub> e]	FY 24/25 [t CO <sub>2</sub> e]
Scope 1	735	1,632
Scope 2	8,896	10,453
Scope 3	231,353	216,896
<b>Total</b>	<b>240,984</b>	<b>228,981</b>





# Sustainability at GROB China

## *Social affairs*

### *Human resources development*

GROB China currently employs 1,238 people, including employees in the Shanghai and Peking subsidiaries. At the end of February 2025, 49.8 % of employees working at GROB China had been there for more than 5 years, and 25.8 % for more than 10 years. Employees reaching their ten-year anniversary were honored with a ceremony. More than 30 employees were also honored with certificates and awards.

### *Diversity and inclusion*

The GROB China personnel team, with the support of China Merchants Bank, organized a special event in March to celebrate International Women's Day. An updated statistical overview includes the number of male and female employees, employees in executive positions, the age structure percentages and employees with disabilities. The number of female employees remained constant in fiscal year 24/25, and was 11.3 % of the workforce. The number of women in management positions rose from 18.5 % to 18.9 %.

### *Fair wages*

To ensure that local and international standards are upheld, the wage ratio is analyzed continuously. Wages were 70 % above what is required in the city of Dalian in the reporting period.

*At a  
glance!*

*Facts and figures:*

**1,238**  
total employees  
at GROB China

**11.3 %**  
female  
employees

**18.9 %**  
women in  
management positions



### *Education and professional development*

GROB China has maintained an intensive education cooperation with one university in Dalian and 4 other technical universities. This cooperation promotes training for young people and provides practical experience and career options. With 827 employees participating in the 2024 annual survey on employee satisfaction, an overall rating of 9.0 of 10 points (excellent) was achieved.

### *Occupational health and safety*

GROB China's occupational health and safety management system is certified in accordance with the international ISO 45001:2018 standard (contributes to UN SDGs 3, 5, 8, and 9) and is supported and monitored by the German Southern Technical Inspection Association. Statistically and in accordance with GROB Group standard calculations, the accident rate for fiscal year 24/25 is at 6.9 per 1,000 employees (with sick leave  $\geq 24$  hours). This is a significant improvement over 8.8 per 1,000 employees in fiscal year 23/24, which was achieved by effective revision of safety measures and processes. In the summer of 2024, two external medical centers performed annual check-ups for the employees on location. 50 examinations for various age groups were provided, with 986 employees (approx. 80 %) participating. The company and the trade union promote a healthy lifestyle with measures like healthier meal options in the cafeteria, a fitness center on the premises, sports competitions (badminton, table tennis) and more.



# Sustainability at GROB China

## Governance

### Compliance

GROB China's compliance management system was upgraded and improved in the 24/25 fiscal year. The local Compliance Officer is responsible for monitoring and improvement of compliance processes for GROB China, as well as for the implementation of required preventive measures for risk minimization. Regular consultations take place with the Compliance department at GROB Mindelheim.

In March of 2024, the compliance management system of GROB China was assessed in accordance with the standards of the Responsible Business Alliance (RBA) version 7.0 via external audit. These guidelines define requirements for companies' social responsibility in areas such as working conditions, occupational health and safety, environmental management, ethical conduct, and supply chain duties. GROB China achieved a very good result, scoring 165 out of a maximum of 200 points. This audit verifies the effectiveness of the existing compliance management system.

The training concept created by GROB Mindelheim also includes GROB China and is expected to start in 2025. Managers have already received training on topics including corruption and prevention by the local Compliance Officer. In addition, the trade union organized internal training sessions on the Chinese Civil Code (2020) in May 2024 for all employee representatives to promote legal awareness. These training sessions are an integral part of continuous development and raising the awareness of the workforce for legal matters, and also serve to reduce compliance risks. The Group-wide Code of Conduct and Code of Conduct for Business Partners published in the reporting year has already been published in Chinese and applies accordingly in China as well.

GROB China participates actively in Group-wide communication and awareness-raising measures on corruption and money laundering prevention, both in initiatives that have already been implemented, as well as in planned measures to optimize existing processes.

A Group-wide business partner audit process is currently under development in GROB Mindelheim, which will also be introduced in GROB China upon completion.

Strategic Purchasing at GROB Mindelheim manages the implementation of the German Supply Chain Due Diligence Act centrally for the external business segment for GROB China as well. The local Purchasing department is responsible for operational implementation at the relevant suppliers of GROB China. In the internal business segment, the risk analysis is conducted by the GROB Mindelheim Sustainability Officer together with the ESG contact person at GROB China, as well as with experts from other departments as needed.

Since the introduction of the Group-wide whistleblower system in 2023, GROB China has also had access to it. Since then, incoming reports have been handled independently by the local Compliance Officer. One report concerning GROB China was received via the system in the reporting year, which was then processed and finalized.

### ESG rating

GROB China achieved a very high sustainability score of 91 % as part of the SAQ 5.0 implemented by the Supplier Assurance ESG rating platform. The sustainability assessment questionnaire (SAQ 5.0) includes topics such as corporate governance, human rights and working conditions, health and safety, business ethics, the environment, responsible management of the supply chain, and responsible procurement of resources.



*GROB China has  
established an effective  
compliance system.*

With the successful upgrade of our compliance management system and the 'very good' rating according to the RBA standard, GROB China makes a strong statement for integrity, responsibility and sustainable growth. Close cooperation with GROB Mindelheim as well as local initiatives for employee training and awareness-raising strengthen our culture of prevention and systematically reduce compliance risks.

” Sebastian Klingler, CEO  
GROB Machine Tools (China) Co., Ltd.



# Sustainability at GROB USA

## *Environment*

### ***Environmental management system***

GROB USA has been certified in line with international environmental management standard ISO 14001 since 2000. As part of its environmental management, GROB USA is committed to efficient waste management, fosters the collaboration of all stakeholders in the proper disposal of waste, and looks for alternatives to reduce the amount of waste sent to landfills.

### ***Energy management***

GROB USA employs a range of measures to reduce energy consumption. For example, a project to replace existing lighting with modern, energy-efficient LED lights was started with the objective of replacing 100 % of the old local lightbulbs by 2025. This project is being implemented in collaboration with the Hancock-Wood Electric Cooperative program for commercial and industrial lighting. In October of 2024, a central compressed air monitoring and control system was installed at the site. This system not only minimizes the time for the compression chamber, but also significantly reduces the respective energy consumption, as well as maintenance costs and downtimes.

### ***Sustainability in the cafeteria***

The cafeteria at the Bluffton (USA) location is operated by ISS Guckenheimer, a company that focuses on sustainable management. During the reporting period, food waste was successfully reduced by around one ton. This outcome is the result of the implementation of numerous strategic measures, including optimized menu composition and demand-based quantity planning. This approach is supplemented by a specific supplier management focusing on high-quality products and based on seasonal availability. GROB USA was able to achieve these set goals for waste reduction effectively in this manner.

### ***Waste stations***

GROB USA has set up new waste stations for oily media, waste contaminated by solvents, single-stream recycling, residual waste and cleaning supplies. Every station has improved signage and clear identification. These clearly arranged and marked collection points enable correct waste separation and make it easy for employees to follow Group-internal waste management guidelines. GROB USA expects improved waste separation and higher participation in the waste management program in accordance with its commitment to environmental responsibility from these measures.

### ***Environmental audits***

GROB USA has a specific program for assessing the environmental compliance of its waste management service providers. This program applies only to these service providers and ensures that all relevant standards and legal provisions are observed. Assessment is carried out based on what are known as audit packages provided by the suppliers containing information on the company, certifications, and type of service provided. In addition to this, GROB USA conducts annual on-site audits to monitor compliance with requirements. Five of these audits were carried out successfully in 2024.

Environmental performance	FY 22/23	FY 23/24	FY 24/25
Total volume of waste [t]	1,027.90	925.89	1,394.54
Hazardous waste [t]	1.36	7.99	9.62
Non-hazardous waste [t]	172.77	166.50	580.77
Recyclable waste [t]	853.77	751.41	804.16

### ***CO<sub>2</sub> footprint***

In the 24/25 fiscal year, the corporate carbon footprint (CCF) was prepared for the entire GROB Group with the aid of an external expert. Through an ad hoc recalculation and subsequent adjustment of the calculation methods, GROB USA was determined to actually have emitted fewer tons of CO<sub>2</sub> in fiscal year 22/23 than stated in the sustainability reports of previous years. In fiscal year 24/25, GROB USA continued to pursue ambitious goals to reduce CCF values. The new values can be found in the following table:

Scope	FY 22/23 [t CO <sub>2</sub> e]	FY 24/25 [t CO <sub>2</sub> e]
Scope 1	1,609	1,763
Scope 2	4,002	4,291
Scope 3	116,379	202,484
<b>Total</b>	<b>121,990</b>	<b>208,538</b>



*At  
GROB Systems,  
sustainability is  
a fundamental  
part of our  
daily practices.*

We are proud to support a shared vision that prioritizes and highlights some of the most important aspects of our company.

Tracy Dular  
ISO Internal Auditor Supervisor  
GROB Systems, Inc.



# Sustainability at GROB USA

## *Social affairs*



*GROB Systems recognizes that effective sustainability requires coordinated efforts across the entire GROB Group.*

*We are dedicated to continuously supporting the GROB Group in integrating sustainable practices across all ESG pillars. Our priority is to promote a positive impact on all our stakeholders.*

Michael Hutecker, CEO  
GROB Systems, Inc.

GROB USA is actively committed to providing fair and attractive working conditions based on ethical standards, diversity, equality, mutual respect, and social responsibility. The company's commitment is visible in all personnel-related processes, from transparent recruitment and selection processes to comprehensive social benefits to targeted training initiatives increasing both occupational qualifications as well as work safety at the location. In addition, GROB USA maintains close ties with the local community, making responsible contributions with many projects and cooperations.

### **Fair working conditions**

GROB USA greatly values creating a positive and rewarding work environment, and promotes diversity, equal opportunity, mutual respect and social engagement among its employees. Employees have access to a digital in-house training system enabling them to continuously develop their specific skills. Additionally, there is an internal idea management system that actively documents, evaluates, and implements suggestions for improvement from the workforce.

### **Volunteer work**

In October 2024, GROB USA introduced a volunteer policy to encourage employees to become actively involved in social causes. The aim is to support employees' engagement in social organizations and programs with positive effects for the well-being of the community. This policy gives employees the opportunity to participate in volunteer activities reflecting their personal interests and values as part of paid leave. As a token of appreciation, employees making use of this offer receive a small gift.



### **Social events**

During the reporting period, GROB USA organized various internal events promoting team spirit and employee commitment. These included an Easter egg hunt and a "Breakfast with Santa" for employees and their families, with suitable children's activities and food. 60 employees participated in a 2.5-mile run at the annual GROB Company Run. A new team-building program was also introduced in cooperation with the Bluffton YMCA, which included volleyball and softball games. Guided company tours provided both friends and family members (526 participants), but also potential trainees (243 participants) with a look into the location and the work environment at GROB. Trainees also continue to be involved in the local community. Trainees participated in the annual "Blaze of Lights" Christmas parade in Bluffton during the reporting period, helping out with repairs and setting up a festive light show.

### **Human resources development**

GROB USA continues to expand its initiatives for employee training and development with its Learning & Development department. Since the start of the GROB Academy in April 2024, participation in these programs has risen steadily from month to month. Employees can take part in in-person training workshops to hone their skills and exchange ideas, or complete online training courses on a myriad of occupational and technical topics. The platform is now also used for training courses to ensure compliance. New employees participate in online training courses during the onboarding period to facilitate their entry into the company.

### **Ratio of female employees** (As of: March 31st, 2025)

GROB USA seeks to publish job postings that attract a wide range of applicants. The recruitment and selection process is carried out via objective criteria, ensuring equal opportunities.

- + Total employees: 934
- + Number of female employees: 92 (9.85 %)
- + Women in management positions (supervisory level): 3 (3.26 %)
- + Women in management positions (management level): 7 (7.61 %)



# Sustainability at GROB USA

## *Social affairs*



### Training

The GROB USA Training department works closely together with local schools and universities, and actively participates in local job fairs.

#### Activities in the 24/25 fiscal year:

- ✚ 23 visits from schools to provide a deeper insight into the company
- ✚ 8 visits to local high schools to present information on GROB and its training programs
- ✚ 57 STEM activities at local elementary schools
- ✚ Participation in 18 local career fairs
- ✚ 84 work shadowing participants at GROB
- ✚ 22 different activities (job interviews, consultations, etc.)

#### Key data

- ✚ Total trainees (male, female): 89
- ✚ Number of female trainees: 6 (6.74 %)
- ✚ Number of trainees recruited in FY 24/25 (female, male): 48
- ✚ Number of female trainees recruited in FY 24/25: 2 (4.17 %)

### Idea management

GROB USA encourages all employees to take part in the company's idea management to improve work performance, efficiency and general quality. Submissions can be about a broad range of areas, such as technical solutions, workplace safety, sustainability and cost reduction. The number of submitted ideas has increased steadily in the last few years:

- ✚ FY 22/23: Total number of ideas: 76
- ✚ FY 23/24: Total number of ideas: 86
- ✚ FY 24/25: Total number of ideas: 98

### Workplace safety

GROB USA demonstrates a strong commitment to occupational health and safety. Observance of applicable work safety laws and regulations is a basic requirement, supported by structured safety programs and effective risk monitoring measures, intended to prevent hazards and reduce risk.

GROB USA is committed to observing all applicable work safety laws and regulations, and pursues a systematic approach to promote occupational health and safety. Structured safety programs and effective risk control measures are used to identify and minimize specific risks.

In line with the innovative company strategy and the integration of new technologies, a safety engineer has been tasked with spearheading battery safety efforts. This role focuses on developing safety and emergency procedures, and the provision of specialized personnel and equipment for minimizing potential risks in conjunction with energy storage systems.

Key data	FY 22/23	FY 23/24	FY 24/25
Industrial accidents ≥1 day	1	0	1
Industrial accidents ≥3 days	1	0	0

### Employee appreciation

Various measures for employee retention and showing appreciation were implemented in the reporting period. This includes awards for long years of company service (5, 10, 15, 20, and 25 years) with all those honored receiving a certificate and having the opportunity to celebrate together with the management team. Many employee retention activities are provided in addition.



# Sustainability at GROB USA

## Governance

### Compliance

In the reporting year, GROB USA has expanded and optimized its compliance management system (CMS). The local Compliance Officer is responsible for all compliance topics. Consultations are held with GROB Mindelheim as needed to shape compliance structures as uniformly as possible. GROB USA also prepares employee interviews for this intended to detect location-specific structural risks early on and derive the corresponding prevention measures as needed.

### Code of Conduct

The Code of Conduct and the Code of Conduct for Business Partners was published in slightly modified form in English for GROB USA. These take into account local circumstances requiring small adjustments to the documents – the provided basis remains, however.

### Planned compliance training

The training concept for the coming fiscal year will be extended to GROB USA with regard to the planned compliance training courses. In addition, GROB USA is planning to hold training sessions of its own on the GROB Code of Conduct and GROB Code of Conduct for Business Partners in 2025. To enhance general corruption and money laundering prevention, GROB USA will be participating in Group-wide planned measures, including communication and awareness-raising measures to improve existing processes. The verification process for business partners currently being developed by GROB Mindelheim in this context will be established Group-wide upon completion to ensure a uniform approach. The gratuities policy revised by GROB Mindelheim during the reporting year will also be established Group-wide when published.

### German Supply Chain Due Diligence Act

Implementation of the German Supply Chain Due Diligence Act in the external business division is managed centrally from GROB Mindelheim. GROB USA's Purchasing department performs the operational implementation for the relevant suppliers in international business, including the inclusion of suppliers in the general risk analysis software. In the internal business area, risk analysis is carried out via close cooperation of the ESG contacts at the location, the Sustainability Officer of GROB Mindelheim, and further specialists as necessary. The aim is to identify human rights and environmental aspects for the USA plant as well to derive and implement location-specific measures.

### Whistleblower system

Since the beginning of 2023, all GROB USA employees, business partners and other third parties have access to the whistleblower system of the GROB Group. GROB USA processes incoming submissions on its own. No notifications relevant to GROB USA were submitted in the reporting period via the system.

### ESG rating

GROB USA was again able to improve its sustainability score on the SAQ (Sustainability Assessment Questionnaire) rating platform maintained by Supplier Assurance in the reporting year. The SAQ includes topics such as human rights, working conditions, occupational health and safety and responsible supply chain management.



*We continue to  
commit ourselves to  
operating legally and  
ethically and to hold  
ourselves accountable  
to the highest  
business standards.*

Julia Benziger, In-house Compliance Counsel  
GROB Systems, Inc.





# Sustainability at GROB Italy

## Environment

### Environmental and energy management system

GROB Italy is aware of its environmental responsibility and ever-increasing political and societal demands. GROB Italy has decided on the introduction of an environmental management system in accordance with international standards (UNI EN ISO 14001) for this reason in the reporting period. The objective of this system is the systematic identification and monitoring of relevant environmental impacts in order to reduce them in the long term. GROB Italy bases its approach in particular on the following sustainability values for this:

#### Legal compliance

to always work in accordance with the laws, regulations and voluntary environmental standards applicable the context and for GROB Italy's activities.

#### Reduction of significant environmental impact

- ✚ **Energy** – Optimization of consumption, investment in direct power generation from renewable sources and preferential supply by companies guaranteeing a sustainable energy mix
- ✚ **Waste production** – Promotion of activities reducing the production of waste, recycling in plants authorized to produce EoW (End of Waste) or energy, investment in researching new technological solutions for upcycling production waste, reduction of electricity consumption, and reduction of overall CO<sub>2</sub> emissions
- ✚ **Water use** – Promotion of sustainable resource usage by improving water quality
- ✚ **Atmospheric emissions** – Measures for air quality optimization for a sustainably healthy ecosystem

#### Promotion of a sustainable corporate culture

via the implementation of a comprehensive training, communication, and awareness plan that actively involves both internal employees and external stakeholders and the local community in sustainability issues.

### Goals for the 24/25 fiscal year

- ✚ Improvement of hazardous waste management
- ✚ Optimization of solar power generation
- ✚ Monitoring and reduction of energy consumption
- ✚ Reduction of the CO<sub>2</sub> footprint
- ✚ Promotion and improvement of knowledge, competence and awareness for sustainability topics in the company
- ✚ The focus is on specific improvement of specialist knowledge and awareness in sustainability to raise awareness and promote the development of competence Group-wide

### Emissions monitoring and CO<sub>2</sub> footprint

In the 24/25 fiscal year, the corporate carbon footprint (CCF) was prepared for the entire GROB Group with the aid of an external expert. Through an ad hoc recalculation and subsequent adjustment of the calculation methods, GROB Italy was determined to actually have caused fewer tons of CO<sub>2</sub> in fiscal year 22/23 than stated in the sustainability reports of previous years. In fiscal year 24/25, GROB Italy continued to pursue ambitious goals to reduce CCF values. The new calculated values are displayed in the following overview.

Scope	FY 22/23 [t CO <sub>2</sub> e]	FY 24/25 [t CO <sub>2</sub> e]
Scope 1	114	150
Scope 2	370	565
Scope 3	1,950	11,030
<b>Total</b>	<b>2,434</b>	<b>11,745</b>





# Sustainability at GROB Italy

## *Social affairs*

### **Human resources development**

Human resources development is a key component of sustainable human resources management at GROB Italy and includes strategic investments in educating employees, improving their skills, and promoting their careers. The company considers personal development to be a top priority to ensure sustainable development. This includes both training as well as the opportunity for professional development. Investment in personal development does not just benefit every individual, it also strengthens the entire workforce in the long run. The strength of the company can be seen not only in what we produce, but also in the way we grow together.

### **Diversity and inclusion**

Diversity is viewed as a core strength at GROB Italy. The company supports cooperation between employees of different cultural backgrounds and creates an inclusive environment that favors innovation, boosts global synergies and prepares employees for success in a connected world.

### **Further training**

A central component of GROB Italy's social strategy is the advancement of its employees. The company carries out structured training programs specifically tailored to the further development of skills and individual development needs. 13 trainees are currently participating in a dual education program including an international exchange with the German parent plant. GROB Italy has received the "Premio Duale 2024 – Special Mention" award for this effort in recognition of its contribution to professional and personal development via international learning experiences.

### **Learning and digital tools**

Continuous learning is actively promoted with technical training courses as well as software training programs. In February of 2025, the "TeamSystemHR" HR portal was introduced, allowing employees to independently manage personal HR matters such as vacation, payroll, and business travel.

### **Employee retention goals and measures**

GROB Italy combines technological progress with a marked sense of responsibility toward society, and promotes a corporate culture that focuses on the well-being, inclusion, and professional development of its employees.

### **Employee well-being and motivation**

The company provides extensive social benefits and various team-building workshops – all with the goal of creating a positive and motivating working environment. These initiatives highlight GROB Italy's belief that business success is based on employee satisfaction.

### **Improving working conditions**

To improve everyday life in the workplace, GROB Italy has implemented several modernization measures, including changes to the company cafeteria, improved parking facilities, renovation of many offices and the Technical Application Center (TAC), and expansion of the material storage areas for the machine tools division.

### **Safety and health**

Safety is a top priority. GROB Italy has had no workplace accidents for three consecutive years.

*Taking  
responsibility  
for the future  
together!*

*We see sustainability not only as a strategic goal, but as an integral part of our daily labor. At the heart of our activities are specific investments in innovative solutions and the active involvement of our customers, partners and employees in the joint transition towards greater environmental responsibility.*

Pier Paolo Villois, CEO  
GROB Italy S.r.l.





# Sustainability at GROB Italy

## *Governance*

### **Compliance**

GROB Italy has implemented the compliance structures established by GROB Mindelheim in a manner specific to its location. With awareness-raising measures, potential compliance risks are tackled early on and the necessary awareness is established among employees.

#### **Code of Conduct**

The central Code of Conduct and the Code of Conduct for Business Partners apply to the entire Group, and therefore also to GROB Italy. Both documents have been published in Italian. A range of communication and awareness-raising measures were taken with regard to the prevention of corruption and money laundering risks, and cross-location processes were revised.

#### **Planned compliance training**

Specific training courses were conducted at the Italy location on this, as well as on other areas relevant to compliance. The newly developed training concept by GROB Mindelheim is expected to be launched for the entire GROB Group in 2025, including GROB Italy. The business partner verification process, which underwent a major overhaul during the fiscal year, will also apply to GROB Italy once it has been completed to create uniform standards. The gratuities policy revised by GROB Mindelheim during the reporting year will also be published Group-wide when completed.

#### **German Supply Chain Due Diligence Act**

The implementation of the German Supply Chain Due Diligence Act at the Italian location is managed centrally by GROB Mindelheim, as GROB Italy's and GROB Mindelheim's supplier base have significant overlap.

#### **Whistleblower system**

In the internal business area, risk analysis is carried out by the local ESG contact person and the GROB Mindelheim Sustainability Officer, who consult relevant experts as needed. Since the beginning of 2023, the GROB whistleblower system has been available to employees in Italy for reporting possible violations and misconduct.

This portal is also freely accessible to third parties. Due to the geographical closeness and the largely similar legal bases, incoming reports are currently processed centrally by the responsible compliance officers at GROB Mindelheim. In the reporting period, no reports regarding GROB Italy were received via the system.



# GRI Index

The reporting by GROB-WERKE GmbH & Co. KG in this sustainability report for the 24/25 fiscal year is based on the Global Reporting Initiative (GRI) standard (GRI 1: Foundation 2021). The list of individual sections from the GRI does not mean that the report provided by the referenced chapter in this sustainability report aligns entirely with this GRI.

<b>GRI</b>	<b>Topic area</b>	<b>Chapter</b>
<b>#GRI 2</b>	General disclosures	<b>Chapter 1 General</b>
<b>#GRI 3</b>	Material topics	<b>Chapter 1 General</b>
<b>#GRI 201</b>	Economic performance	<b>Chapter 1 General</b>
<b>#GRI 202</b>	Market presence	<b>Chapter 1 General</b>
<b>#GRI 204</b>	Procurement practices	<b>Chapter 4 Governance</b>
<b>#GRI 205</b>	Anti-corruption	<b>Chapter 4 Governance</b>
<b>#GRI 207</b>	Tax	<b>Chapter 4 Governance</b>
<b>#GRI 301</b>	Materials	<b>Chapter 2 Environment</b>
<b>#GRI 302</b>	Energy	<b>Chapter 2 Environment</b>
<b>#GRI 303</b>	Water and effluents	<b>Chapter 2 Environment</b>
<b>#GRI 305</b>	Emissions	<b>Chapter 2 Environment</b>
<b>#GRI 306</b>	Waste	<b>Chapter 2 Environment</b>
<b>#GRI 308</b>	Supplier environmental assessment	<b>Chapter 4 Governance</b>
<b>#GRI 401</b>	Employment	<b>Chapter 3 Social affairs</b>
<b>#GRI 403</b>	Occupational health and safety	<b>Chapter 3 Social affairs</b>
<b>#GRI 404</b>	Training and education	<b>Chapter 3 Social affairs</b>
<b>#GRI 405</b>	Diversity and equal opportunity	<b>Chapter 3 Social affairs / Chapter 4 Governance</b>
<b>#GRI 406</b>	Non-discrimination	<b>Chapter 3 Social affairs / Chapter 4 Governance</b>
<b>#GRI 414</b>	Supplier social assessment	<b>Chapter 4 Governance</b>
<b>#GRI 415</b>	Public policy	<b>Chapter 4 Governance</b>
<b>#GRI 418</b>	Customer privacy	<b>Chapter 4 Governance</b>

You can find further information on our [GROB Homepage](#) (company mission statement and products, as well as other topics) and on the [GROB Compliance](#) site (Code of Conduct and declaration of principles as defined in the German Supply Chain Due Diligence Act).





[www.grobgroup.com](http://www.grobgroup.com)

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