



# From an early stage,

our company founders, Hermann and Dr. Ernst Mahle, associated corporate success with social responsibility.



After more than 100 years, MAHLE is now a company active world-wide and was always aware of its social responsibility. We believe that our most important task is to balance sustainable development and technological progress. Our goal is to be an innovative driving force for efficient and environmentally compatible mobility. Through our long-term planning, we strive to reconcile the economic success of our company with the requirements of the environment, society and our employees. Sustainability is an important operational principle for the foundation-owned company MAHLE.

## MAHLE ESG Facts & Figures - At a Glance

With this ESG Fact Sheet, MAHLE provides an overview of important sustainability aspects. The embedded links will take you to publications with further information. If you have any further questions or suggestions, please do not hesitate to contact the MAHLE Investor Relations team: investor.relations@mahle.com.

ESG-RELATED INFORMATION		
Sustainability Report	Link	
Roadmap Zero CO <sub>2</sub>	Link	
ESG Ratings & Rankings	Link	
The MAHLE Business Code	Link	
Supplier Code of Conduct	Link	
Annual Report	Link	
Half-Year Financial Information	Link	
Investor Call Presentations	Link	
Key figures – at a glance	Link	



#### **ENVIRONMENT**

		2022	2023
Environmental Management System	Certified in accordance with the environmental management system ISO 14001 or EMAS (number of production locations)	140 of 152	145 of 148
	Scope 1 (kt CO <sub>2</sub> e)	197	186
CO <sub>2</sub> Emissions	Scope 2 (kt CO <sub>2</sub> e)	747	637
	Scope 3 (kt CO <sub>2</sub> e)	31,171	32,760
	Total electricity consumption (GWh)	2,139	2,174
	• of which renewable (GWh)	336	372
Energy	Total Energy consumption (GWh)	3,184	3,189
	Relative energy consumption as measured against sales (MWh/EURmn sales)	256	249
Matau	Total water withdrawal (ML)**	9,166	6,048
Water	Recycled water (ML) / reused water***	85	69
	Non-hazardous waste for incineration (tons)	-	2,022
	Non-hazardous waste for landfill (tons)	-	33,564
	Non-hazardous waste for material recycling (tons)	-	94,555
	Non-hazardous waste for thermal or other recycling (tons)	-	5,786
	Non-hazardous waste in preparation for reuse (tons)	-	3,218
	Hazardous waste for incineration (tons)	-	4,797
Waste***	Hazardous waste for landfill (tons)	-	5,626
	Hazardous waste for material recycling (tons)	-	16,671
	Hazardous waste for thermal or other recycling (tons)	-	4,894
	Hazardous waste in preparation for reuse (tons)	-	7,469
	Total Generated Waste (tons)	-	178,601
	Overall generated waste as measured against sales (tons/EURmn sales)	-	14

 $<sup>^{\</sup>star}$  All GHG emissions are calculated as  $\mathrm{CO_2}$  equivalents in accordance with the Greenhouse Gas Protocol.

## ADDITIONAL INFORMATION / TARGETS

Climate Targets*	<ul> <li>Scope 1+2: -49% until 2030 (base year 2019); carbon-neutral by 2040 in terms of all direct CO<sub>2</sub> emissions</li> </ul>	
	Scope 3 (cat. 1 + cat. 11): -28% until 2030 (base year 2019)	
SBTi**	Climate Targets have been validated by SBTi	
Energy Targets	■ MAHLE aims to increase energy efficiency by 2% every year	

<sup>\*</sup> Scope 3 category 1 (purchased goods and services) and Scope 3 category 11 (use of sold products). These two categories make up 96 percent of our Scope 3 emissions in 2023.

<sup>\*\* 2022</sup> figure including 216 ML groundwater withdrawn processed

<sup>\*\*\*</sup> The 2023 figure reflects the change of scope from third party recycling to on-site recycling.

<sup>\*\*\*\*</sup> MAHLE aligned its waste accounting in 2023 to upcoming reporting changes of the new European sustainability reporting standard. The waste amounts cannot be compared in various categories and hence build a new table.

 $<sup>^{\</sup>star\star} \ \ \textbf{SBTi Commitment is available here: https://sciencebasedtargets.org/companies-taking-action\#table}$ 



#### SOCIAL

		2022	2023
Health & Safety Management	ISO 45001 certified Health and Safety Management System (number of production locations)	103 of 152	123 of 148
Health & Safety	Accident Rate* (accidents per mn working hours)	3.0	2.8
Workforce / Diversity	Total number of employees worldwide	71,947	72,373
	<ul><li>thereof female</li></ul>	26%	27%
	<ul> <li>thereof Europe/Africa</li> </ul>	31,983	32,483
	thereof America	23,532	23,749
	<ul> <li>thereof Asia/Pacific</li> </ul>	16,432	16,141
	Average age of global workforce	41	42
	Global proportion of female executives (first executive level)	8.3%	8.4%
	Global proportion of female executives (second executive level)	11.2%	11.1%
Working conditions	Employees covered by collective bargaining agreements (% of employees worldwide)	72%	71%

<sup>\*</sup> LTIR accident rate considering accidents leading to days away per one million working hours (≥1 day)

## ADDITIONAL INFORMATION / TARGETS

	<ul> <li>By 2024 MAHLE aims to certify all locations in accordance with ISO 45001</li> </ul>	
Health & Safety Targets	<ul> <li>Further reduce the LTIR accident rate, goal for 2024:</li> <li>2.8 accidents/million working hours</li> </ul>	
	■ By 2030 MAHLE wants to reach a global LTIR of 2.3	



## GOVERNANCE

		2022	2023
Quality Management Systems	ISO 9001 or IATF 16949 certified Quality Management Systems (% of production locations)	100%	100%
	EcoVadis	57/100	61/100
Ratings	CDP Climate Change	В	В
	CDP Water Security	B-	В
Product Innovation	Employees in research and development	5,456	5,726
	Number of new patents registered	462	341
	Investment in research and development (EURmn)	671	673
	Investment in research and development (in % of sales)	5.4%	5.3%
Compliance	Total number of employees trained in prevention of corruption and antitrust law*	25,741	4,250
Management Board	Members	7	7
	thereof female	2	2
Remuneration	Total remuneration of Management Board (MAHLE GmbH) (EURmn)	17.1	12.1
	Supervisory Board (EURmn)	0.8	1.0

 $<sup>^{\</sup>star}$  Refresher trainings for the target groups take place every two years.

## ADDITIONAL INFORMATION / TARGETS

Corporate Structure	The nonprofit MAHLE Foundation controls 99.9 percent of the company's shares, 0.1 percent of the shares are held by Verein zur Förderung und Beratung der MAHLE Gruppe e.V. (MABEG), which also holds all of the voting rights and thus exercises the shareholder rights.	
Sustainability Management	<ul> <li>Strategic Decisions related to sustainability goals are made in the Management Board.</li> <li>Sustainability management is regularly reviewed by the Sustainability Steering Committee consisting of members of the Management Board, Corporate Sustainability &amp; Occupational Health, Safety &amp; Environment and other departments such as Sales</li> </ul>	
Sustainability Report	<ul> <li>MAHLE's Sustainability Reports are prepared in accordance with the Global Reporting Initiative (GRI) Standards.</li> <li>Sustainability Reports with external assurance.</li> <li>Aligned with the upcoming reporting changes of the new European sustainability reporting standard.</li> </ul>	
Remuneration and ESG	<ul> <li>Bonus System on Executive Level has been adjusted in order to better comply with the transformation requirements.</li> </ul>	



## SDG Index

#### **UN Sustainable Development Goals relevant to the MAHLE Group**

SDG	Goals	2023 Status
3 GOOD HEALTH AND WELL-BEING	<ul> <li>Certify all production plants in accordance with ISO 45001 by 2024</li> <li>Further reduce the LTIR accident rate, goal for 2024: 2.8 accidents/million working hours</li> </ul>	<ul> <li>ISO 45001: 123 locations certified</li> <li>LTIR accident rate 2023: 2.8</li> </ul>
5 GENDER  SOUNLITY  TO REDUCED  NEQUALITIES	<ul> <li>New targets for proportion of women were set: by 2025, 25% in the Supervisory Board by 2027, 29% in the Management Board by 2030, 13% on first executive level and 18% on second executive level</li> <li>Equal pay guarantee</li> </ul>	<ul> <li>Target of 20% representation of women on Supervisory Board met</li> <li>8.4% on first executive level and 11.1% on second executive level were reached in 2023</li> <li>Global diversity and inclusion commitment</li> </ul>
6 CLEAN WATER AND SANITATION	Identify locations with water risks	<ul> <li>21 locations with water risks identified</li> <li>Improved water reporting to the CDP Water, Rating B</li> </ul>
7 AFFORMABLE AND CLEAN ENGREY	<ul> <li>Operate our own PV systems</li> <li>Increase energy efficiency by 2% every year</li> </ul>	<ul> <li>Energy consumption as measured against sales: 248 MWh, YoY: -3%</li> <li>29 locations with certified energy management system, eleven in accordance with ISO 50001, and 18 according to EMAS</li> <li>PV installation in Izmir, Turkey became operational</li> <li>100% use of renewable electricity in Germany and Austria</li> <li>Reduction of Scope 1 and 2 emissions by 43% compared to 2019</li> </ul>
8 DECENT WORK AND ECONOMIC GROWTH	Ensure high-quality working conditions	<ul> <li>Communication with employee representation bodies</li> <li>Conform with statutory regulations and offer supplementary benefits at many locations</li> <li>MAHLE Business Code</li> <li>MAHLE Principles on Social Responsibility released in 2022</li> </ul>
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Contribute to sustainable mobility	<ul> <li>Affirmed strategic focus on Electrification, Thermal Management and highly efficient Internal Combustion Engines</li> </ul>
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	<ul> <li>Assess environmental impacts of products</li> <li>Increase the share of recycled content</li> </ul>	<ul> <li>New LCA methodology externally approved</li> <li>5.3% recycling content of resins</li> <li>Waste as measured against sales: 14 tons/1 million EUR</li> <li>145 locations certified in accordance with ISO 14001</li> </ul>
13 CLIMATE	<ul> <li>Become CO<sub>2</sub> neutral by 2040 (Scope 1 and 2)</li> <li>Reduce Scope 1 and 2 emissions by 49% by 2030</li> <li>Reduce Scope 3 emissions Cat. 01 and Cat. 11 by 28% until 2030</li> </ul>	<ul> <li>Report carbon emissions to CDP, Rating B</li> <li>Scope 1 and 2 emissions as measured against sales:</li> <li>62 kt/EUR million sales (–18% YoY)</li> <li>German locations set CO<sub>2</sub>e neutral</li> <li>Near term climate targets 2030 validated by Science Based Target initiative</li> </ul>

SDGs chosen based on analyses of customer requirements and the MAHLE Materiality Matrix.