

SUSTAINABILITY REPORT 2021

UN Global Compact Communication on Progress



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FOREWORD

Above all, the persisting Covid-19 pandemic as well as bottlenecks in the supply of semiconductors and other materials characterised the year 2021 for LEONI. At the same time, the ecological requirements of our customers rose because of the aggravating climate crisis. We also took this as an incentive to give our commitment to humanity and the environment emphasis with our new ReWire sustainability programme. With the war in Ukraine, a country where we manufacture, particularly our social commitment was now put to a tough test at the beginning of 2022, one that LEONI staff are mastering with reliability, solidarity and empathy every day afresh.



ReWire: THE NEW SUSTAINABILITY PROGRAMME OF LEONI

Beyond everyday developments, LEONI thoroughly underpinned its aspiration to be a preferred partner for climate-friendly and resource-efficient mobility with its ReWire sustainability programme set up in 2021. To do justice to this aspiration and our responsibility for sustainability, the task at hand is to make our line of business environmentally and socially compatible along the entire value chain. For instance, we are making a meaningful contribution to the mobility turnaround with our products.

External demands on LEONI are also increasing, as are the requirements of new statutory regulations such as the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation. In developing the ReWire sustainability program, we were guided by these and numerous other framework conditions.

The sustainability programme 'translates' these conditions into specific, measurable targets and milestones along a roadmap that raises our level of ambition, concentrates our

commitment on three principal areas and extends across our entire value chain: in the first focus area of **climate protection**, we have, for example, set ourselves the goal of becoming climate-neutral by 2045 by reducing direct and indirect emissions as well as offsetting unavoidable residual emissions. In the second focus area of **material efficiency & resource conservation**, we are pursuing a holistic strategy aimed at closing all product and resource cycles in the long term. In the third focus area of **decent work**, the main emphasis alongside LEONI's appeal as an employer is also on commitment to the communities where our facilities are located.

Social commitment at LEONI is presently evident above all in the countless acts of solidarity with our colleagues in Ukraine. Given the awful events in this production country of ours, we are devoting a whole chapter to these people to support LEONI locally as well as the numerous colleagues in other countries who have been providing support by all available means since the outbreak of war. We would at this point like to expressly thank everyone for the interpersonal

solidarity that we have been witnessing all the more clearly at LEONI in view of this tragedy. Together we shall in future, too, stand categorically against this and any other war.

Our intention with this report is to go forward with confidence. Let us therefore look back on the past year at LEONI, during which we drafted a new sustainability programme that meets the global challenges of our time. The path is before us. Now it is time to walk it.

Nuremberg, July 2022-LEONI AG

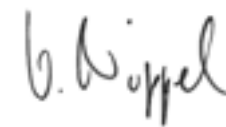
The Board of Directors:



Aldo KAMPER
Chief Executive Officer (CEO)



Dr. Ursula BIENERT
Member of the Board of Directors
(CHRO) and Labour Director



Dr. Harald NIPPEL
Member of the Board of Directors
(CFO)



Ingo SPENGLER
Member of the Board of Directors
(COO)

ABOUT THIS SUSTAINABILITY REPORT

This Corporate Sustainability Report is also our UN Global Compact Communication on Progress, which comprises our principal ecological and societal developments during the 2021 financial year. The reported content reflects our activity to support the Ten Principles of the UN Global Compact in the past reporting period and documents the corresponding action and results.



An [index](#) at the bottom of this document provides references to the relevant text passages that report on our progress in implementing the guiding principles. The corresponding key figures are compiled in the table at the end of this report. In principle, all disclosures apply to the entire Group; any deviation is expressly highlighted. The key figures are presented clearly and transparently so that they can be drawn upon as references in subsequent years, especially after the pending carve-out of the Wire & Cable Solutions Division (WCS) in the wake of its sale.

The SDGs of the United Nations that LEONI has prioritised are:



LEONI has devised its sustainability programme in line with the Sustainable Development Goals (SDGs) of the United Nations. The sections containing information on the Sustainable Development Goals of the United Nations ((SDGs) are therefore marked with the corresponding symbols of the SDGs. In addition to this detailed Sustainability Report, LEONI has submitted a Non-Financial Statement in accordance with Section 315b of the German Commercial Code (HGB) to meet the statutory requirements for CSR reporting. This is provided as part of the 2021 Combined Management Report in our [2021 Annual Report](#), which can be accessed on our [website](#).

LEONI publishes its Sustainability Report exclusively in digital form. It is available as a PDF with complete contents. Our Sustainability Report appears in German and in English.



LEONI is a global provider of products, solutions and services for energy and data management in the automotive industry. Its value chain ranges from standardised cables and special cables through to highly complex wiring systems and related components. Through the development of cable and wiring systems of the next generation, LEONI supports its customers as an innovation partner and solution provider with distinctive development and system expertise on the way to increasingly sustainable and networked mobility concepts.

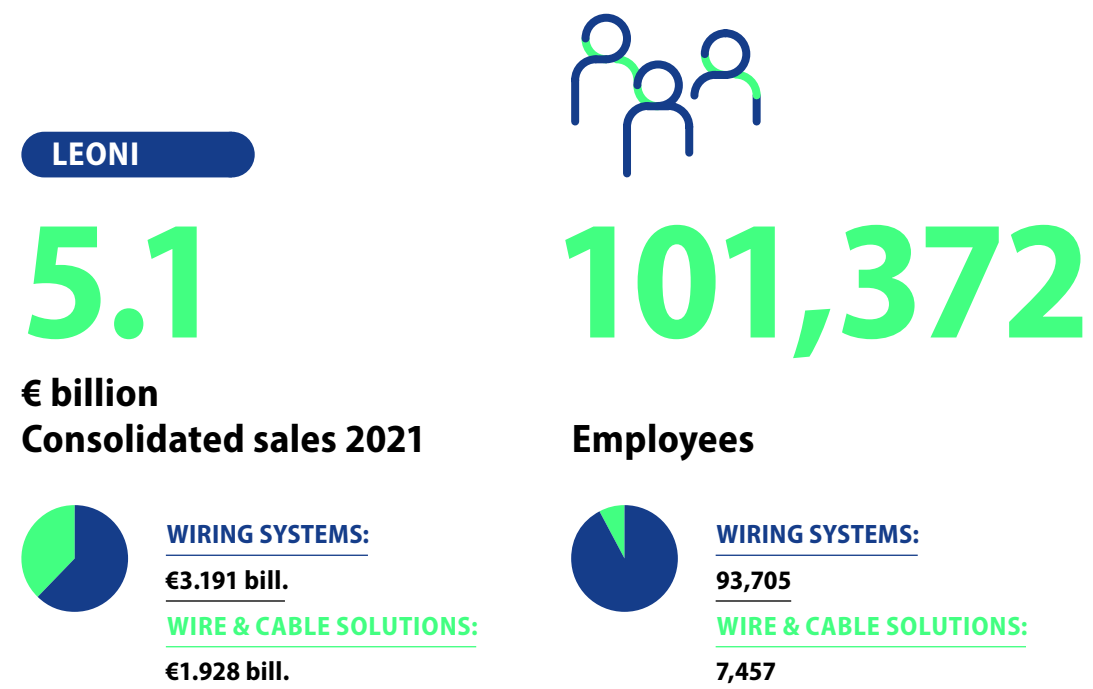
THE LEONI GROUP

LEONI's business is organised into two divisions (or segments): The Wiring Systems Division (WSD) is one of the world's leading providers of complete wiring systems and customised cable harnesses for the motor vehicle industry. Its products and services comprise development and production of sophisticated cable harnesses through to integrated wiring systems, high-voltage (HV) wiring systems for hybrid and electric vehicles, power distribution components and special connectors.

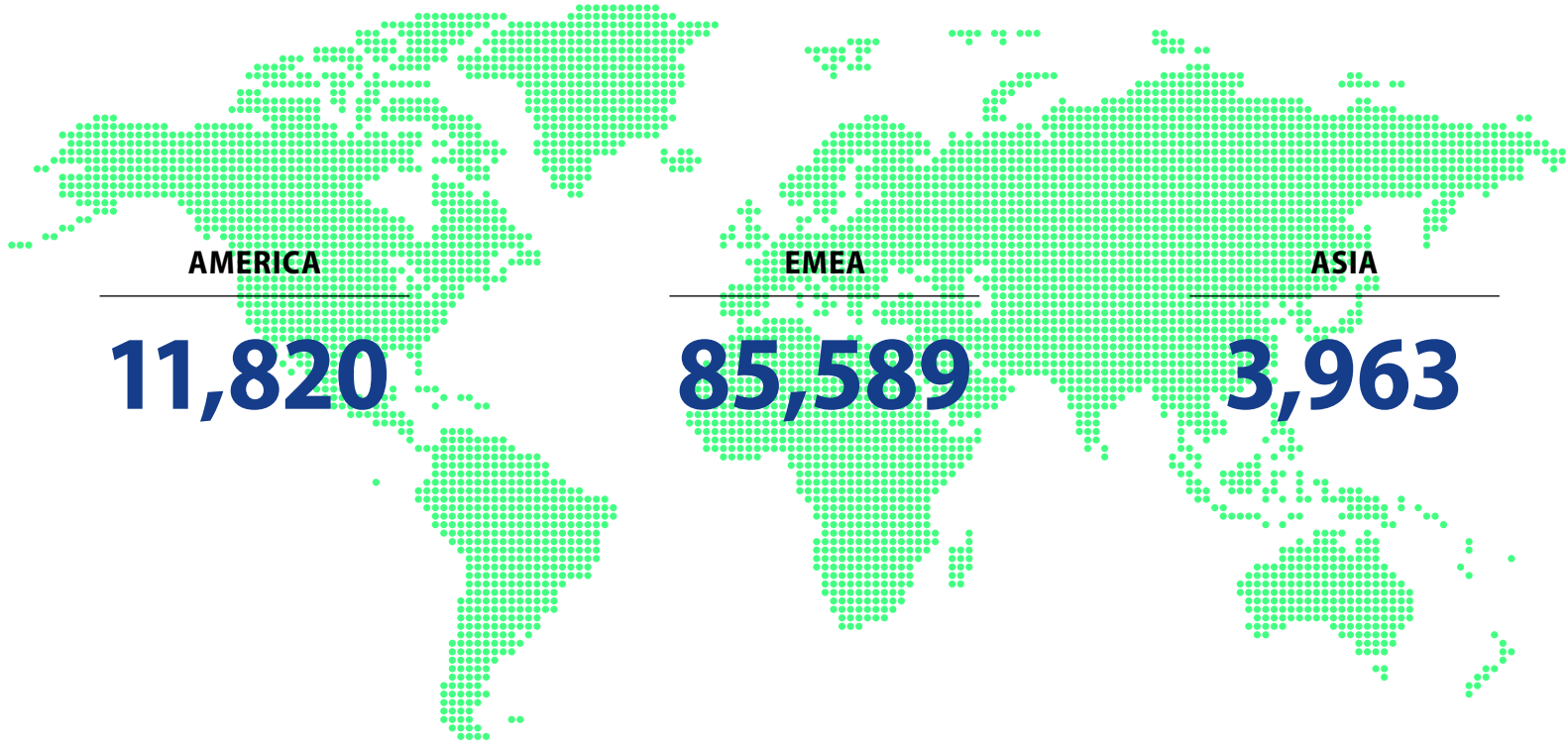
As systems providers, we cover the entire spectrum from design through to series production as well as complementary services. In so doing, we are increasingly positioning ourselves as a provider of invehicle data and energy management solutions to supply our customers with innovative products and services in line with the automotive megatrends of electromobility, connectivity and autonomous driving. We are also reinforcing our expertise in the fields of electronics and software to enhance our position as a systems supplier.

The Wire & Cable Solutions Division (WCS) is a leading manufacturer of wire and cable systems. In 2021, its products and services encompassed wires, strands and optical fibres, standardised cables, special cables and fully assembled systems as well as related services for customers in various areas of the automotive, capital goods, medical devices, telecommunications, energy and infrastructure industries. The focus was on technologically sophisticated products and customer-specific applications for the automotive market as well as for industrial niche markets.

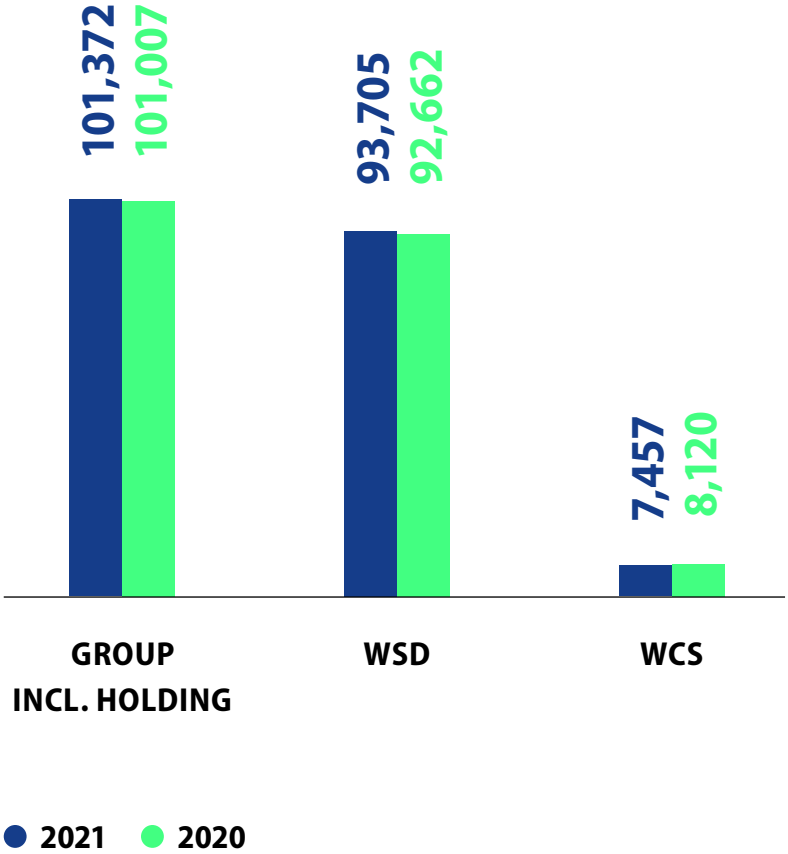
The two divisions are structured differently and operate in differing market environments. They are to develop independently in future so they can fully unleash their potential. LEONI will therefore concentrate mainly on the wiring systems business and will be parting with the WCS Division. During the preparation of this report, the active units of WCS were still the business unit Automotive Cable Solutions, whose sale was agreed in May 2022, and the Wire Products and Solutions unit in the Group.



Headcount 2021



	2021	2020
EMEA	82.9%	82.6%
Germany	4.4%	4.6%
Europe	2.0%	2.1%
Eastern Europe	37.3%	35.6%
Africa	39.2%	40.3%



EMPLOYEE STRUCTURE

	2021	2020
Blue Collar (direct)	71.5%	71.6%
Blue Collar (indirect)	13.1%	12.7%
White Collar (indirect)	15.4%	15.7%

RESPONSIBLE CORPORATE GOVERNANCE



As a company operating globally whose history goes back to 1569, future-proof and sustainable work is a mainstay of business activity for us. With our ReWire sustainability programme, which is part of our corporate strategy, we are embedding sustainability in all of our business areas and our value chain for the long term. We are thereby contributing to achieving the Sustainable Development Goals (SDGs) of the United Nations.

ReWire: five questions, five answers

WITH ReWire, LEONI IS FOR THE FIRST TIME PURSUING A HOLISTIC APPROACH TO INTEGRATING SUSTAINABILITY IN ITS CORPORATE STRATEGY. BUT WHAT EXACTLY DOES THIS ENTAIL? LEONI ANSWERS THE MOST IMPORTANT QUESTIONS CONCERNING ITS NEW SUSTAINABILITY PROGRAMME.

01

WHAT IS ReWire?

ReWire is LEONI's strategic sustainability programme – the part of its corporate strategy that covers all sustainability targets and activity along the value chain. The programme's aim is to develop a shared, clear understanding of sustainability across all business units and to motivate staff on all levels to actively participate in shaping sustainability at LEONI.

02

HOW DID THE ReWire PROGRAMME NAME COME ABOUT?

Wiring systems are and will remain our business. This business will in future increasingly involve rethinking mobility from the ground up. That calls for new connections in both a technical and a figurative sense – from sustainable supply chains to efficient production processes, through to high-performance as well as resource-saving wiring systems. The name ReWire is intended to express this new linking of our skills and processes.

03

WHICH AREAS OF SUSTAINABILITY DOES ReWire COVER?

We have identified three principal focus areas for ReWire, each of which comprises different sustainability issues: The focus area of climate protection encompasses the sustainability issues of renewable energy and energy efficiency as well as environmentally friendly transport. The focus area of material efficiency & resource conservation is aimed at responsible handling of resources and using recycled materials as well as having sustainable supply chains. In the focus area of decent work we are concerned with LEONI being an attractive and responsible employer as well as the health and safety at work of our staff.

04

HOW DOES ReWire AFFECT LEONI'S CORE BUSINESS?

Sustainability is not a short-term trend, but will permanently change our core business. With our products, we intend in future to increasingly opt for recycled metals and plastics and, in the long term, to close all material cycles. That means not only precisely knowing and rethinking material properties, but also developing alternative solutions together with our customers and suppliers. This will ultimately change not only our materials procurement, but also our production processes. At the same time, reducing emissions requires further commitment at both corporate and local levels, for example to source renewable energy in different countries and to record saved emissions. Alongside changes in our operating business, this means increased spending on data management, also at our production locations. Cables and wiring systems for the motor vehicle industry will continue to be our core business. Our commitment to staff must not, on the other hand, continue to develop independently of our core business. Here, the aim is to support the existing human resources work and local commitment, thereby ensuring good working conditions at LEONI.

05

WHAT'S NEXT FOR ReWire?

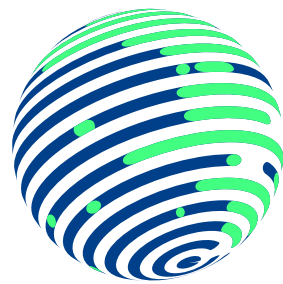
The next major step involves briefing our roughly 101,000 employees worldwide on our new sustainability programme as well as implementing and developing it together with them. To achieve this, we will start in the course of 2022 to run various internal communication campaigns and training sessions. LEONI's message on ReWire is clear: we must all pull together and everyone can simultaneously make a contribution with their own new ideas on taking LEONI forward in a sustainable way.

Sustainability: understanding and programme

FOCUS AREAS AND OVERARCHING TARGETS OF THE ReWire SUSTAINABILITY PROGRAMME

LEONI's understanding of sustainability is based on the vision of a future in which climate-friendly and resource-efficient mobility is accessible to all humankind. LEONI products are playing an important role on the path to this future as the 'nervous systems' of many vehicles. With its key components and solutions, LEONI aims to enable its customers to contribute to the mobility turnaround as well as to responsible production and value chains. The substantial deployment of material and labour needed for these products entails the responsibility to be sparing with resources as well as to ensure decent working and living conditions. LEONI is therefore working on establishing transparency and circular material flows along its entire production and value chain, and is committed to its employees and their environment. In this way, LEONI is positioning itself as a preferred partner for sustainable mobility.

In order to meet this goal, LEONI developed its new ReWire sustainability programme in 2021, which replaces the previous Agenda 2030. Within this framework, LEONI's commitment to sustainability has been focused on key sustainability issues, extrapolating their relevance for corporate strategy. Sustainability issues with specific, realistic roadmaps are assigned to the three focus areas, which make the progress of sustainability at LEONI measurable. The most significant new features compared with the previous Agenda are a CO₂ reduction pathway with science-based reduction targets and a sharper focus on supplier management against the backdrop of the Act on Corporate Due Diligence Obligations in Supply Chains.



REWIRE CLIMATE

CLIMATE PROTECTION

We consider global climate change and the related, mounting statutory and economic requirements to be part of corporate responsibility. One of the aims this involves is to reduce and avoid emissions. The largest sources of emissions at LEONI include energy sources used in generating power for our production facilities and logistics. LEONI intends to remain an attractive supplier to its customers and to contribute to the mobility turnaround through efficient use of renewable energy and environmentally friendly transport.

Key sustainability issues:

- Renewable energy and energy efficiency
- Environmentally friendly transport

Overarching goal:

Reduction of emissions aligned to science-based targets



REWIRE RESOURCES

MATERIAL EFFICIENCY & RESOURCE CONSERVATION

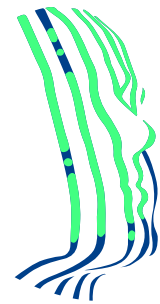
There is only a limited supply of many natural resources, while worldwide demand for them is simultaneously rising. In view of the resultant shortage of resources, we are contributing by using materials efficiently and, going forward, by closing raw material cycles. At LEONI, this concerns particularly such metals as copper and aluminium as well as plastics as PVC. LEONI is making its products environmentally and socially more compatible – while keeping quality consistently high – through responsible procurement as well as sparing use and replenishment of these materials with limited availability by deploying recycled alternatives.

Key sustainability issues:

- Responsible handling of raw materials
- Use of recycled materials

Overarching goal:

Closed product and raw material cycles and fulfilment of due diligence obligations in supply chains



REWIRE PEOPLE

DECENT WORK

Social sustainability means good working and living conditions as well as upholding internationally recognised human rights. It is especially important for our labour intensive business that this is ensured for our employees and across our entire supply chain. At LEONI, we aim to motivate staff, make business processes efficient and promote quality of life through our commitment to people and communities in the countries where we produce.

Key sustainability issues:

- An attractive and responsible employer
- Health and safety at work

Overarching goal:

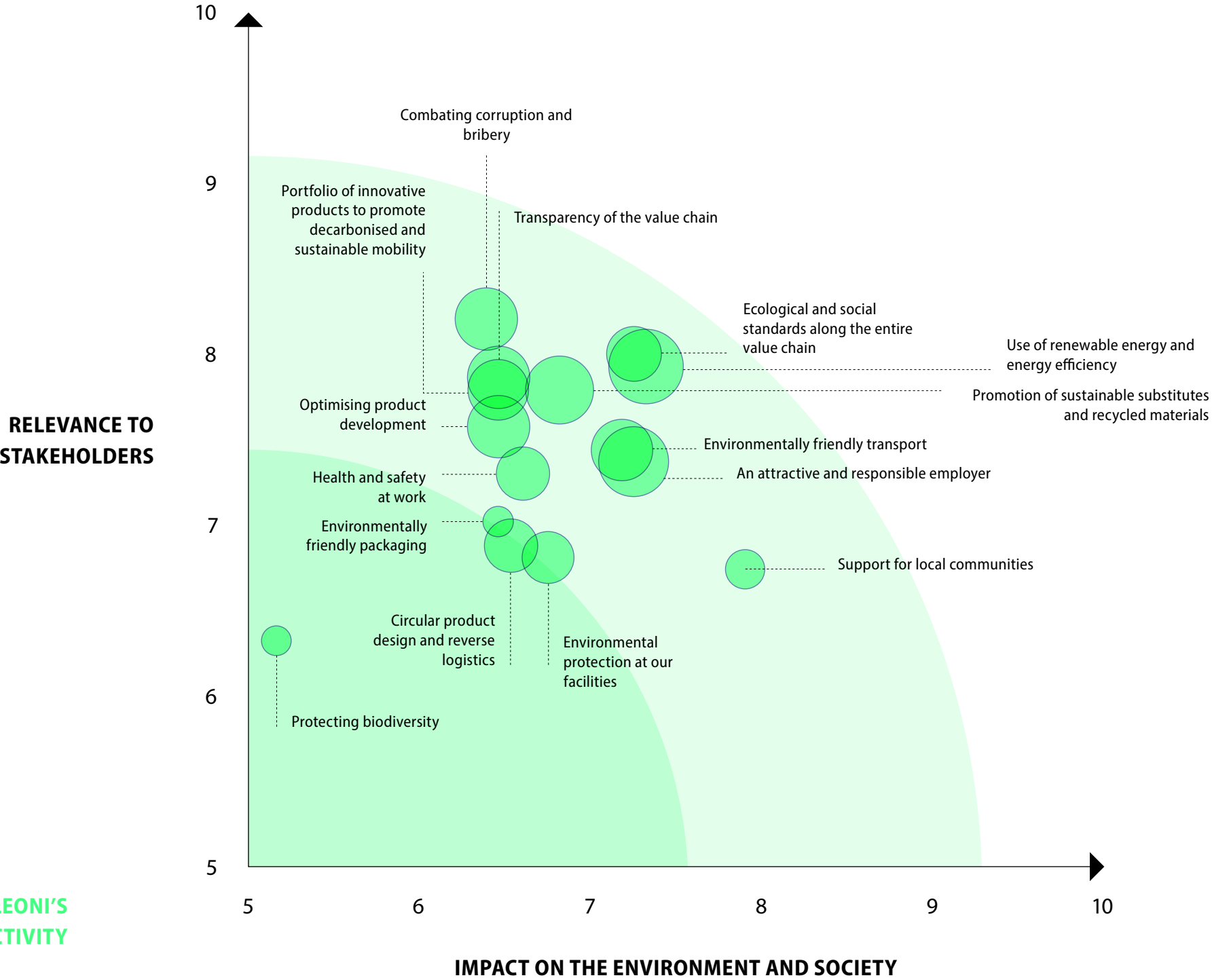
Positioning as an attractive employer and supporting local communities

Our choice of key focus areas is based on the materiality analysis carried out according to the requirements of the Global Reporting Initiative (GRI). As part of the analysis, we initially evaluated and validated a population of potentially relevant sustainability issues and focus areas that impact at LEONI in both its upstream and downstream value chains on the environment and society.

We have revised the key sustainability issues of the previous Agenda and partially restructured or renamed them to establish the strategic basis for LEONI's future, sustainable positioning. This was necessary because of new legal requirements, mounting expectations from customers and other stakeholders, the demands of technical departments and benchmarking of new sustainability issues.

The next step involved the sustainability issues being quantitatively assessed with the participation of our sustainability team and representatives of departments based on the three dimensions of 'relevance to stakeholders', 'impact on the environment and society' and 'influence on LEONI's business activity'. The findings were transferred into a materiality matrix. The findings were validated in a workshop including in-house experts from the Corporate Sustainability department as well as outside sustainability consultants and were subsequently affirmed by the Board of Directors. Specific, strategic targets and sustainability roadmaps were subsequently developed for sustainability issues identified as material or especially relevant to certain stakeholders and likewise adopted by the Board of Directors.

Findings of the materiality analysis



The three dimensions of ‘impact on the environment and society’ (x-axis), ‘relevance to stakeholders’ (y-axis), and ‘relevance to LEONI’s business performance’ (size of the dots) are mapped in the matrix. Our assessments of corporate strategy, our customers’ requirements and statutory provisions are incorporated in the dimension of ‘relevance to business performance’. These influences are reflected in the issues of ‘promotion of sustainable substitutes and recycled materials’ (corporate strategy), ‘use of renewable energy and energy efficiency’ (customers) and ‘ecological and social standards along the entire value chain’ (regulations). All issues that fall entirely inside the pale green-coloured area were defined as material issues.

The issues of ‘support for local communities’ and ‘health and safety at work’ were rated slightly below the materiality threshold in the dimension of ‘relevance to business performance’. Our approximately 101,000 employees worldwide are the most important pillar of our success and are the core of the LEONI company. We therefore want to take advantage of our great reach to support our staff as well as their families and their local communities. We consequently decided as a follow-up to our materiality process to include these two sustainability issues in our ReWire sustainability programme.

IMPACT ON LEONI'S
BUSINESS ACTIVITY

Organisation and responsibility

Until January 2022, the issue of sustainability at LEONI was embedded with the position of the CFO (Chief Financial Officer). On 1 February 2022, responsibility for sustainability at LEONI was passed to the newly established Board of Directors position of CHRO (Chief Human Resources Officer). The CHRO decides on our commercial and strategic sustainability targets in coordination with the whole Board of Directors. The Corporate Ethics, Risk & Compliance department, which also encompasses our Sustainability Management, comes under the remit of the CHRO on the Board of Directors. The Sustainability Management section has Group-wide responsibility in this respect. It is responsible for strategy, targets and governance, supports the operational setting of targets and carries out our internal and external sustainability reporting. Operational implementation is handled locally in the technical departments while involving our Management Areas. The Sustainability Coordinators are the interfaces between Sustainability Management and the executing operational departments.

Sustainability Coordinators are currently in operation in the areas of Research & Development, Sales, Safety-Health-Environment, Strategic Purchasing and Value Chain Management.

This ensures that our sustainability targets are embedded in all Management Areas. Ideas on all sustainability issues, projects and measures are exchanged via Sustainability Management in regularly held working groups with the Sustainability Coordinators. Apart from technical exchange of ideas, these groups cover new findings, ways to develop, legislation changes and other current topics concerning sustainability.

The Corporate Ethics, Risk & Compliance department at the same time reports to the Supervisory Board and its Audit Committee.

The management of the Corporate Ethics, Risk & Compliance department regularly informs the members of the Board of Directors on the latest developments in the area of sustainability and they are consulted on key decisions. The Sustainability Steering Committee functions as a corporate sustainability body. As required, it deliberates two to three times a year on strategic direction-setting and presents identified areas for action and target parameters in each Management Area. Finally, the Steering Committee agrees the planned content with Corporate Ethics, Risk & Compliance, which is in charge of the meetings and submits the findings of the meetings to

the Board of Directors for decision-making. During the year under report, this task was transferred to the Sustainability Project Steering Committee and the heads of division to develop the new ReWire sustainability programme.

The organisational structure of sustainability at LEONI enables the technical departments to exchange their knowledge with each other so they can fulfil the demands placed on them with ample capacity and in the best possible way. Since 2019, a global, digital reporting organisation has also supported this exchange of knowledge: The sustainability department annually gathers the sustainability data of all locations by means of an assessment and records it on a corporate input system. This enables not just the evaluation and comparison of the progress of facilities in the area of sustainability – Group-wide, too, attention is drawn to the roadmaps and to ecological and social matters.

Risk management and compliance

Systematic and early identification of non-financial risks is a precondition for responsible business operation over the long term. LEONI has established this condition with a multi-stage risk management system in which the risks are recorded as well as analysed and evaluated with respect to their probabilities of occurrence and their effects. Under application of the German CSR Directive Implementation Act (CSR-RUG), this involves assessing the possible impact of non-financial risks on both LEONI and on the environment, society and employees.

Abstract risks, i.e. events that could potentially occur, are also captured in the risk management system. Such abstract risks are defined by a team of experts and managed at corporate or division level provided there is no obligation for the operational risk owners to report them. The risk process merges into an overall assessment of the non-financial risks in the operational units. No highly probable risks with seriously negative consequences as defined by the CSR-RUG were identified in 2021.

In addition to its risk management system, LEONI uses an audited Compliance Management System (CMS) in accordance with the IDW PS 980 auditing standard to ensure the commercial sustainability of its activity. Our CMS comprises fundamental principles for promoting rule-compliant conduct within our company and serves to avoid or recognise early any such compliance issues as money laundering, corruption or acts of economic crime. The Compliance Management Dashboard contains corresponding modules on compliance guidelines, training material and business partner checks, conflicts of interest, gifts, invitations, donations, sponsorship and much more.

The duty of all LEONI employees to conduct themselves responsibly, with integrity and in a rule-compliant manner is documented in our compliance guidelines and our e-learning course on anti-corruption as well as our LEONI Code of Conduct introduced in 2017. The e-learning course on anti-corruption is part of the onboarding process for all new employees. It needs to be retaken at regular, three-year intervals. As of 2021, about 14,200 employees have successfully completed it – 93 per cent of those obliged to do so. This put the fulfilment ratio one percentage point higher than in the previous year. Our Living Code is another interactive platform for providing information. It serves to convey to staff the most important compliance principles including the LEONI Code of Conduct by means of examples, checklists, explanatory videos, charts, links etc. The related Living Code Quiz is obligatory for all non-commercial staff who have a workstation with monitor – about 16 per cent of the workforce. By 2021, 95 per cent of them had successfully completed this (previous year: 76 per cent).

As a guideline for responsible and lawful conduct, the LEONI Code of Conduct is of prime importance to compliance at LEONI. Since 2019, there has been a version of the LEONI Code of Conduct for our direct business partners, which was updated in 2021 with respect to the issues of sustainability and human rights. The codes of conduct are based on external legal, market- and customer-specific requirements and internal corporate values. A new version of the LEONI Code of Conduct is to be published in 2022 based on the values of care, result-orientation, responsibility and collaboration that were newly defined in 2021.

Compliance breaches can be reported in various ways. Our employees and also such outsiders as suppliers, customers or other third parties can submit information on rule-breaking conduct directly to the Ethics, Risk & Compliance department by email or via the Integrity Platform whistleblower system. All reported breaches are investigated, disclosed and – if the suspicion is confirmed – penalised accordingly.

IN 2021, LEONI CARRIED OUT, AMONG OTHERS, THE FOLLOWING MEASURES IN THE AREA OF RISK MANAGEMENT & COMPLIANCE:

- update of the guideline on combating corruption and bribery (released in Q1/2022),
- adaptation of the e-learning course on anti-corruption and assignment to relevant members of staff and
- further development of the Compliance processes and courses as well as the Compliance Management Systems.
 - ➔ Distribution of guidelines and training material;
 - ➔ running compliance audits of business partners;
 - ➔ documentation and approval of conflicts of interest;
 - ➔ documentation and approval of gifts, invitations, donations and sponsorship as well as
 - ➔ recording of memberships of associations.

Portfolio of innovative products



43%

is the share of cable harness for electric and hybrid vehicles in LEONI's Wiring System Division in 2021 in view of new orders.

With its products, system solutions and services, LEONI facilitates operating more energy-efficiently and being easier on resources, cutting emissions and thereby reducing environmental pollution. Such alternative drive concepts for mobility of the future as hybrid systems, electric motors and fuel cells are key building blocks in this respect. As one of the market leaders in this field, LEONI provides integrated solutions for high-voltage wiring systems and the infrastructure required for alternative drive systems – ranging from charging cables to high-voltage cables and through to complex wiring systems.

The high proportion of cable harnesses for electric and hybrid vehicles in our order books shows how significant new mobility concepts already are for LEONI. In LEONI's Wiring System Division, their share reached about 43 per cent in 2021 in view of new orders. LEONI is, furthermore, active in such other innovative fields as connected mobility, autonomous driving, automated production as well as intelligent products and services. LEONI thereby pursues the aim of driving global development towards sustainable, environmentally friendly products and technologies further forward with needs-based solutions.

LEONI is also contributing to sustainable mobility of the future with resource-efficient, energy-saving production and by avoiding waste. Among other ways, this is achieved by reducing conductor cross-sections: in the Adascar® Sensor product line, for example, the cross-section was trimmed from 0.50 to 0.13 mm². This not only saved material but also contributed to lower vehicle weight and consumption.

Transparency and responsibility in the supply chain

With its statement on respecting human rights, the LEONI Code of Conduct for Business Partners, the LEONI Social Charter and its General Purchasing Conditions, LEONI calls upon its suppliers to uphold social and ecological standards. New suppliers of production materials that are not stipulated by customers must undergo a corresponding qualification process before working with LEONI. Breaches by existing suppliers especially of internationally recognised human rights such as modern slavery and people trafficking are not tolerated. In 2021, there were no confirmed cases of breaches of social and ecological standards at LEONI.

According to LEONI's current general terms and conditions, suppliers that undergo the qualification process must adhere to the LEONI Social Charter and or the principles of the UN Global Compact. In addition, suppliers must complete a self-assessment that, alongside delivery conditions and commercial matters, also queries such measures relating to environmental protection as ISO 14001 certification. The environmental certificates are regularly checked by an in-house service team and requested afresh upon expiry.

LEONI presently does not assess suppliers explicitly by sustainability criteria, but is trialling a corresponding concept in a pilot project. The concept provides that at least those suppliers that are in the top 80 per cent in terms of the

production material procurement volume are subjected to a sustainability assessment. Furthermore, purchasing conditions and LEONI's standard contracts are to be linked with the LEONI Code of Conduct for Business Partners from 2022. This will oblige all new suppliers to recognise the Code of Conduct or to show equivalent measures that meet the legal requirements and to support LEONI in implementing LEONI-specific requirements.

In the WCS Division, the plan up until 2025 envisages quantitatively determining the carbon emission rates of all insourced components, introducing a sustainability-related supplier risk analysis in 2022 and establishing greater transparency in the copper supply chain. Copper is a principal element of LEONI products, which is often mined and processed under poor social and ecological conditions. To identify improvement potential along the supply chain, suppliers are initially to be queried and, in a second step, there will be an assessment of human rights and environment-related risks.

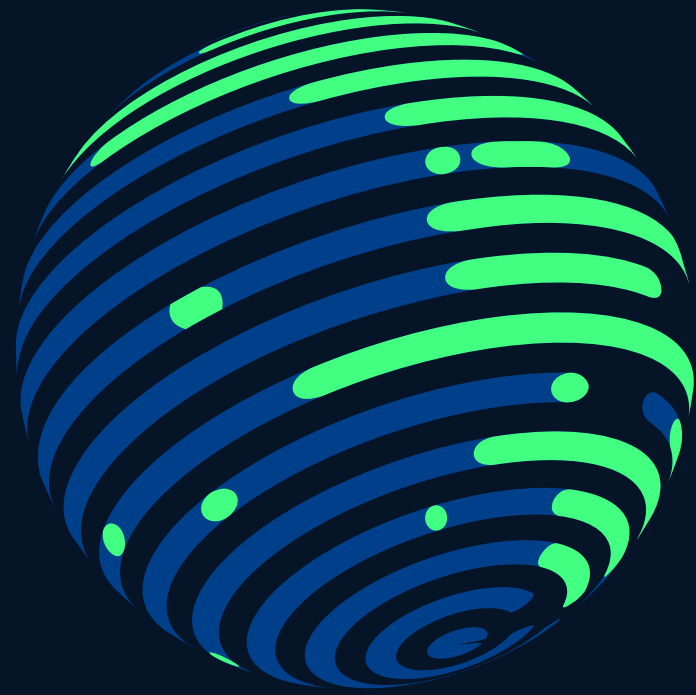
IN 2021, LEONI IMPLEMENTED VARIOUS MEASURES CONCERNING TRANSPARENCY AND RESPONSIBILITY IN THE SUPPLY CHAIN, INCLUDING THE FOLLOWING:

- further development of the LEONI Code of Conduct for Business Partners with respect to sustainability and the Act on Corporate Due Diligence Obligations in Supply Chains as well as its broadening to include specific expectations concerning environment and climate protection-related issues,
- analysis of present and future legal requirements and reporting obligations concerning human rights, especially with respect to the Act on Corporate Due Diligence Obligations in Supply Chains as part of the Human Rights project,
- adaptation of the sustainability criteria of the WCS Division's suppliers' self-assessment,
- incorporation of the LEONI Code of Conduct for Business Partners in the purchasing conditions of the WCS Division to commit business partners to fulfilling LEONI's expectations with regard to environmental protection, human rights and applicable laws and regulations and
- analysis of additional requirements placed on processes in the WCS Division to establish more transparency along the value chain (implementation planned by Q4/2022).

TARGETS & PROGRESS

KEY FIGURE	TARGET FIGURE	TARGET DATE	2021 FIGURE (BASE-LINE YEAR)	2020 FIGURE (PREVIOUS YEAR)	
Proportion of production materials procured from suppliers with a sustainability self-assessment	80.0%	2023	Newly defined target	Newly defined target	
Preparation for and definition of (by 2022) as well as implementation of processes required by the Act on Corporate Due Diligence Obligations in Supply Chains	Completed	2023	Not completed	— *	
Development of a sustainability auditing process for suppliers	Completed	2023	Not completed	Not completed	* The Act on Corporate Due Diligence Obligations in Supply Chains had not yet been passed in 2020.

CLIMATE PROTECTION



REWIRE CLIMATE

Climate change is one of the major challenges of the 21st century – including for LEONI. Our Group-wide targets for reducing CO₂ emissions along our own value chain and the entire supply chain make their contribution to limiting global warming to a maximum of 1.5 degrees Celsius, in line with the Paris Climate Agreement. If we and our suppliers change our behaviour, this has an immediate impact on the climate. In this way we are able to make a valuable contribution to climate protection and be a role model for others.

OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT



ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL



MAKE CITIES AND RESIDENTIAL AREAS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS



UNDER THE MOROCCAN SUN

BY 2030 AT THE LATEST, THE GOAL IS FOR ALL LEONI LOCATIONS TO BE OPERATED EXCLUSIVELY USING RENEWABLE POWER. TO ACHIEVE THIS, EVERY INDIVIDUAL LEONI SITE WILL HAVE TO MAKE ITS CONTRIBUTION. WHAT THIS CONTRIBUTION LOOKS LIKE IS SHOWN BY THE EXAMPLE OF OUR WIRING SYSTEMS DIVISION (WSD) IN MOROCCO, A COUNTRY WITH IDEAL CONDITIONS TO SUPPLY OUR LOCATIONS WITH SOLAR AND WIND POWER.

With up to 2,500 kilowatt-hours per square metre, the sun in Morocco shines more intensively than virtually anywhere else while the wind speed of just under nine metres per second is similar to that on the North Sea, blowing across some of the stormiest regions found along the country's coast. Morocco is using these rich energy sources to set a good example when it comes to the switch to renewables. For more than a decade the country has been investing in a large number of wind and solar farms – including the solar power station in Ouarzazate, one of the biggest of its kind, which is fitted with LEONI cables.

The three LEONI sites of the Wiring Systems Division (WSD) in Morocco seek to contribute to our own switch to renewables there. However, the supply of renewable energies to the economy via the public grid will probably be limited to the most energy-intensive industries until 2023. Until then LEONI stands in readiness to be among the first businesses with medium requirement levels to obtain renewable

energy from Morocco's state-run power stations.

This does not, however, stop us from making clear our intention to supply the LEONI sites in Morocco with self-generated renewable energy right now. To this end, all three existing sites will be supplied with solar roofs, and a fourth planned site will be built equipped with a solar roof. This capacity covers the energy requirement during sunshine hours. Thus LEONI is planning to cover around half of WSD's electricity requirement in Morocco with self-generated solar power. For overnight supply, subsequently from 2023 to 2025 an increasing volume of renewable energy will be purchased from external generation to increase the share of this type of energy incrementally to 90 per cent.

50 %

of the electricity demand can probably be covered by the generated solar power.

25 %

savings potential of energy costs through the measures taken.



Production site in Morocco



Fakhri Bouguerra, Managing Director of LEONI Morocco (middle) with his task force for the switch to renewable energy.

“WE INVEST IN DIFFERENT WAYS TO GET TO GREEN ENERGY.”

Fakhri Bouguerra

MORE CLIMATE PROTECTION – LESS COSTS

The ecological and economic benefits of solar roofs are demonstrated by the example of LEONI in Berrechid: Alongside the 15 per cent reduction in energy-related Scope 1 and 2 emissions, during sunshine hours the price per kilowatt-hour can be expected to be two thirds lower. In terms of the total direct energy costs of this site, this corresponds to a 25 per cent saving, not taking into account any potential subsidies.

Working in collaboration with the Moroccan government and the German representative offices in the country, such as the embassy and the German Chamber of Industry and Commerce, LEONI is working towards improving the conditions of renewable energy supply in Morocco, including beyond the boundaries of our company's operations. One prospect is feeding excess electricity into the public grid.

Renewable energy and energy efficiency

At LEONI, climate action is firmly enshrined as the common task of all LEONI employees in the Code of Conduct. With regard to our energy issues, all requirements of corporate SHE management are controlled company-wide. At our facilities worldwide, our local SHE managers implement the necessary measures and the regulations applicable in the relevant country. In order to minimise greenhouse gas emissions and other environmental impacts of every single site, LEONI uses a certified environmental and energy management system that applies internationally recognised standards. In 2021, 86 per cent of LEONI's production facilities had an environmental management system according to ISO 14001 in place.

Through its new ReWire sustainability programme, LEONI is defining its long-term targets of a 90 per cent reduction in its greenhouse gas emissions by 2050 when compared with the baseline year of 2021 and to offset them in full from 2045 onwards ([see page 27](#)). These specific targets correspond to the reduction path established by climate science, which, if followed, will allow global warming to be kept at 1.5 degrees Celsius above pre-industrial levels. In order to achieve these targets, LEONI is focusing on renewable energies at all the company's sites and on measures to push ahead with energy efficiency at LEONI. The sites in question define projects that are suitable in light of local conditions and the available infrastructure and pursue them steadily as part of the continuous improvement process.

CO₂ emissions at LEONI are created both during production and along the entire associated value chain. In line with the principles of Greenhouse Gas Protocol, emissions are recorded in three scopes: Scope 1 includes all direct emissions caused by the generation of heat or steam or by the burning of energy sources to generate electricity for own use. Scope 2 comprises all indirect emissions through external energy production. Scope 3 emissions are indirect emissions in the upstream and downstream supply chain, e.g. when selling or processing purchased goods and services.

In 2021, LEONI used some 100 megawatt-hours*, around 14 per cent less energy per million euros in sales than in the previous year (118 megawatt-hours) – and this despite a slight increase in total consumption from 487,303 to 513,556 megawatt-hours. Scope 1 and 2 emissions came to 186,296 tons of CO₂ equivalents (previous year: 260,654 tons of CO₂ equivalents). 94 tons of CO₂ equivalents were emitted when burning bioethanol and wooden pellets. Recorded Scope 3 emissions came to 618,523 tons of CO₂ equivalents (previous year: 559,655 tons of CO₂ equivalents). The following three categories were recorded: purchased goods and services (for two materials), indirect fuel and energy-related emissions, and business travel.



86%

of LEONI's production facilities had an environmental management system according to ISO 14001 in 2021.

*

Energy consumption and the emissions data were calculated using the annual sustainability query, which comprises all operating units and all sites with at least 50 employees. The query covers all units that together cover 95 % of consolidated sales.

IN 2021, LEONI IMPLEMENTED VARIOUS CLIMATE ACTION MEASURES, INCLUDING THE FOLLOWING:

- introduction of a data query to calculate the percentage of renewables purchased and sources of energy used in the Wiring Systems Division;
- communication of the targets set by the Safety-Health-Environment (SHE) unit for the period 2021–2023 to all WSD sites;
- identification of measures and creation of roadmaps to switch the WSD sites to renewable energy supply;
- switch to green electricity by one German and one Mexican site;
- switch to LED lighting and decision to install solar panels at all WSD sites in Mexico;
- successful implementation of external audits of the SHE management at head office in Kitzingen without non-conformities;
- ISO 14001 certification of all audited WSD operational units;
- group certification of 30 WCS sites according to ISO 14001 and
- audit of two additional WSD sites according to ISO 14001 (certification in April 2022).

FURTHER DEVELOPMENT OF CO₂ BALANCING IN 2022

To allow the development of suitable measures to reach the science-based reduction targets, it is necessary to calculate LEONI's full carbon footprint including indirect emissions. At present, this cannot be done because emissions in the upstream and downstream supply chains (Scope 3), in particular, are not recorded in full. For this reason, LEONI implemented a project together with external consultants in January 2022 that seeks to account for all of LEONI's greenhouse gas emissions. From this, the correct strategic conclusions will be drawn in order to reduce emissions along the path defined in the ReWire sustainability programme.

At the start of the project, the status quo was examined using the carbon footprint calculated for the year 2021. As part of this process, the completeness, materiality and plausibility of the available figures and categories within the meaning of the Greenhouse Gas Protocol and the report's requirements were audited. The findings were documented in a gap analysis. From this followed such specific improvement measures as a materiality analysis to expand CO₂ balancing in the Scope 3 area.

Since the second quarter of 2022, reduction measures have been defined across all material categories of Scope 1 and 2, which have been evaluated and measured as part of a pilot project in Romania. This project will help decide which measures are best to achieve the science-based reduction targets most effectively and cost-efficiently. These findings can then be used to model a variety of emissions scenarios for LEONI to identify the best package of measures designed to reduce carbon emissions across the Group.



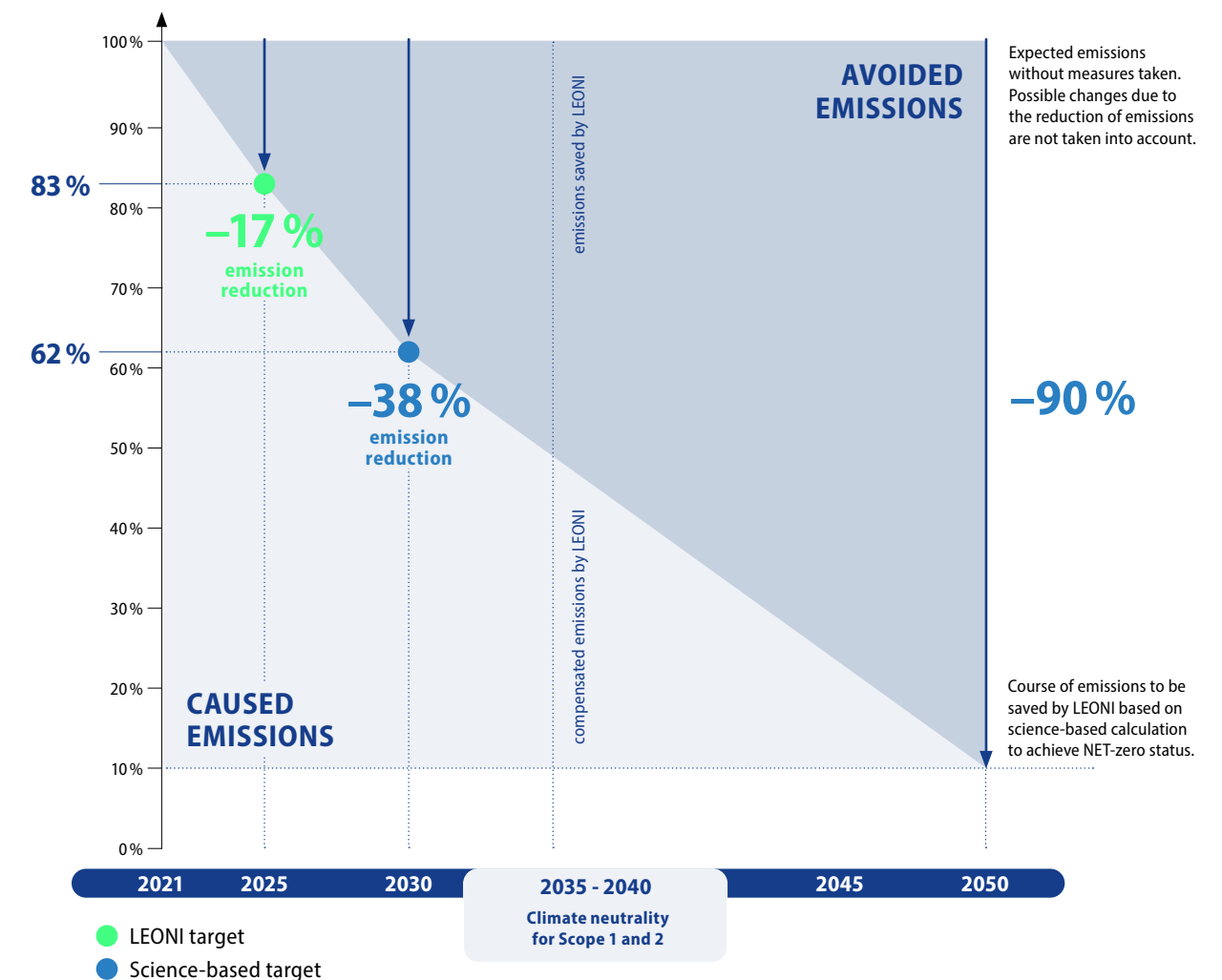
LEONI's science-based reduction targets (baseline year 2021)

How does the Greenhouse Gas Protocol work?



The diagram shows the three Scopes according to the Greenhouse Gas Protocol. LEONI causes Scope 1 emissions e.g. through the burning of gas and heating oil and Scope 2 emissions through the purchase of energy, e.g. in the form of electricity. Scope 3 emissions are recorded in 15 different categories that occur in LEONI's value chain.

Reduction of LEONI's Scope 1 and 2 emissions



LEONI has calculated a reduction plan to reduce its Scope 1 and 2 emissions and to contribute to the 1.5 degrees Celsius target. Accordingly, we aim to save 17 % in emissions by 2025 and 38 % by 2030 (compared to the baseline year 2021). Through continuous reduction measures LEONI plans to cause 90 % fewer emissions by 2050 when compared with 2021. In order for LEONI to become carbon-neutral as early as 2035, from 2035 onwards emissions which cannot be saved will be offset by certificates. The targets for 2030 and 2050 are science-based calculations for a 1.5 degree Celsius pathway.

TARGETS & PROGRESS

KEY FIGURE	TARGET FIGURE	TARGET DATE	2021 FIGURE (BASELINE YEAR)
Reduction of Scope 1 and 2 emissions*	–17.0% –38.0%	2025 2030 (SBT)	Newly defined target
Reduction of Scope 3 emissions*	–10.0% –23.0%	2025 2030 (SBT)	Newly defined target
Reduction of Scope 1 to 3 emissions	–90.0%	2050 (SBT)	Newly defined target
Renewable share of electricity used	80.0% 100%	2025 2030 (SBT)	Newly defined target
Carbon neutrality (Scope 1 and 2)**	achieved	2035–2040	Newly defined target
Carbon neutrality (Scope 1 to 3)*	achieved	2045	Newly defined target

LEONI redeveloped its targets in early 2022 based on the figures for 2021.

*
In addition to the LEONI milestones, science-based reduction targets until 2030 have been defined to reduce Scope 1 and 2 emissions by 38 per cent and Scope 3 emissions by 23 per cent.

**
The renewable share of electricity used has so far not been recorded.

Environmentally friendly transport

At LEONI, emissions are also caused by transport operations. Materials and products need to be transported between the LEONI sites and its customers and suppliers, in some cases over long distances. At present, there is no overarching management approach designed to reduce the accompanying greenhouse gas emissions. LEONI is, however, taking individual measures that can help reduce the carbon intensity of transport associated with its business activities.

Among other things, LEONI is working to optimise logistics flows by combining transport and full utilisation of transport media, as well as by purchasing from regional suppliers. Transport by rail is preferred provided that connections are sufficiently frequent, fast and economical. In addition, LEONI uses returnable load carriers that circulate between its own locations and customer locations over a period of several

years. The corresponding small-load carriers are mostly made of plastic, while bulk carriers are made from wood as a renewable resource.

In 2021, these efforts were made more difficult due to the semiconductor crisis, the Covid-19 pandemic and the associated disruptions to global supply chains and transport networks. Additional trips were therefore required to maintain the production and logistics required to serve LEONI's customers. Due to the persistent pandemic effects, especially in China, and the war in Ukraine we expect this to continue.

IN 2021, LEONI IMPLEMENTED VARIOUS MEASURES TO ENSURE ENVIRONMENTALLY FRIENDLY TRANSPORT, INCLUDING THE FOLLOWING:

- the successful trial of a system for the real-time identification of logistical disruptions and minimisation of the associated exceptional freight costs (especially sea freight) as part of a pilot project (launch in 2022) and
- the procurement of 80% volume-reducible, returnable wooden load carriers as part of one of our biggest customer projects.

TARGETS & PROGRESS

KEY FIGURE	TARGET FIGURE	TARGET DATE	2021 FIGURE (BASELINE YEAR)	2020 FIGURE (PREVIOUS YEAR)
Completion of logistics emissions data	Completed	2023	Not completed	Not completed

Further activities and targets for this sustainability measure will be defined over the coming years.

MATERIAL EFFICIENCY & RESOURCE CONSERVATION



REWIRE RESOURCES

LEONI's business is dependent on such critical raw materials as copper, the mining and production of which partially entails ecological and social problems. For us, this means that we have a responsibility to use resources efficiently and to reuse them, as well as to campaign for human rights, climate action and the protection of the environment in our supply chains.

OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT



ENSURING SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS



STRENGTHENING THE MEANS OF IMPLEMENTATION AND FILLING THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT WITH NEW LIFE

GREEN HARNESS: GREENER AT THE PUSH OF A BUTTON

‘ReWire RESOURCES’ MEANS MORE THAN THE CAREFUL AND EFFICIENT HANDLING OF RAW MATERIALS. RATHER, IT IS ABOUT DIRECTING ALL MATERIAL FLOWS IN AN ENVIRONMENTALLY AND CLIMATE-FRIENDLY DIRECTION, FROM PROCUREMENT THROUGH TO THEIR USE. OUR ‘GREEN HARNESS’ PROJECT SHOWS HOW WE IMPLEMENT THIS IN PRACTICE AT LEONI. WORKING IN CLOSE COLLABORATION WITH CUSTOMERS AND SUPPLIERS, WE ESTABLISH SUSTAINABLE MATERIALS AS A FUNDAMENTAL DESIGN PRINCIPLE OF OUR CABLE HARNESSES.

With its ReWire sustainability programme, LEONI has for the first time included the development of products made from recycled materials as a strategic issue.

Even before receiving the first customer enquiry for a more environmentally friendly cable harness, here at LEONI we grappled with the carbon footprint of our products very early on. Two studies looked at the calculation of the carbon footprint from 2014 onwards, and in mid-2021 this led to the establishment of the

CO₂

"We are increasing the transparency of the CO₂ footprint of our products."

'Green Harness' project. The goal of the project is to establish and improve the carbon footprint for two cable harnesses of different complexity. First, it aims to improve the carbon footprint of cable harnesses; secondly, it seeks to increase the recycled material content. We want to be able to calculate the exact impact that a particular recycled



With its ReWire sustainability programme, LEONI has for the first time included the development of products made from recycled materials as a strategic issue.

WE INVOLVE OUR SUPPLIERS INTENSIVELY IN THE GREEN HARNESS PROJECT TO BENEFIT FROM THEIR KNOW-HOW.

clad material content in a component has on the product's carbon footprint. To do this, we rely on detailed emissions data of our input products. Accordingly, we tell our suppliers to record this data in future and to forward it to us, and we will step up our efforts to urge them to do so even more in future.

This product information will, in future, be recorded using a piece of software that allows our developers to opt consciously for more environmentally friendly materials within the framework of specific design provisions, thereby creating cable harnesses that are as 'sustainable' as possible.

IN-DEPTH DIALOGUE WITH SUPPLIERS

Beyond data recording, we also involve our suppliers closely in the Green Harness project to benefit from their knowledge. We collaborate with suppliers in this project to identify, as quickly as possible, products that are kind to the environment and to the climate and that meet the electrical and mechanical requirements of our customers.

In many cases, this means weighing up: How much can the cross-section of a copper cable be reduced before it overheats or breaks when it is bent? How many different kinds of materials and colours are needed to achieve an ideal balance between functionality and recyclability? Another uncertainty factor during times of overloaded supply chains is the limited availability of many materials, such as aluminium with a recycled material content.

The changing material composition of cable harnesses also confronts production with fresh challenges. For example, in order to cast components from recycled rather than conventional plastic, adapted injection moulding tools are required in many cases. In addition, although LEONI already processes plastic components with a recycled material content of up to 100 per cent, the characteristics of each new material must be individually checked. To this end, as part of the Green Harness project, we produce sample cable harnesses made from the most promising materials and subject them to various tests.

100%

recycled material is currently only technically possible for very few products.

A number of other tasks need to be tackled before we can improve the carbon footprint of our cable harnesses on a systematic basis. From the repository of ideas of those involved we have to select and validate those that actually match the requirements of customers, production and the sustainability targets. The selection criteria for alternative and recycled materials, such as the minimum and maximum permitted recycled material content, must be defined. In addition, the carbon calculations of the materials need to be consolidated. These issues are due to be resolved in 2022 in order to arrive at design rules and to implement them in our development software. This creates the foundation for designing our cable harnesses to be more environmentally friendly in the future – almost automatically at the push of a button. ●

Responsible handling of raw materials

Large amounts of natural and synthetic raw materials are required to produce the LEONI wiring systems, cable harnesses and cables. The most important materials are copper and plastic (PVC). Purchasing volumes in 2021 were around 137,000 tons for copper and 17,500 tons for PVC. It is not only the large amount of copper in our products but also the risks associated with the production and processing of the raw material, such as conflicts with the indigenous population, possible damage from hazardous materials and chemicals and the considerable carbon footprint, which mean that copper as a raw material is of special importance to us. The risks of PVC are mostly due to the fact that it is non-degradable even though PVC is not classified as a critical raw material in the automotive sector. More detailed information on the relevance of various raw materials for LEONI's business can be found in our [Annual Report 2021](#).

To reduce raw material intensity, production at LEONI is subject to a continuous improvement process in accordance with the Kaizen principles. The aims of this process include an increase in material and cost efficiency on a steady and sustained basis with the help of a variety of management principles. One example of such a system is the Kaizen production system and the element of total flow management (TFM), which is pushed by the Production and Efficiency Management (PEM) of the WCS division and deployed at the locations in or-

der to optimise production flows as well as internal and external logistics flows. Employees are familiarised with TFM in hands-on training and workshops where they come up with initial improvements to real processes. This enables employees to develop their own solutions for the responsible deployment of materials and resources at LEONI.

The responsible handling of raw materials for LEONI means setting ecological and social minimum standards for suppliers, reducing the materials requirement of products and processes, and avoiding and recycling waste. In 2021, a total of around 46,300 tons of waste was created at LEONI – 19 per cent more than in the previous year; it is worth remembering here that operations in 2020 were limited due to the Covid-19 pandemic. 95 per cent of waste was non-hazardous, in other words, it was recyclable or reusable in other ways. This non-hazardous waste originated from production (79 per cent) and other activities such as office or canteen operations (21 per cent). The remainder was hazardous waste created during the disposal of wire drawing coolants, electroplating, oil and lubricant waste, for example.

IN 2021, LEONI IMPLEMENTED VARIOUS MEASURES TO ENSURE THE RESPONSIBLE HANDLING OF RAW MATERIALS, INCLUDING THE FOLLOWING:

- ongoing optimisation of production processes to reduce the use of resources;
- development of 50 individual measures to reduce transport routes for two processes at two WCS sites by 35 per cent using the Kaizen production system and
- several projects at the WCS site in Roth to reduce downtime and the associated waste incurred during strand changes.

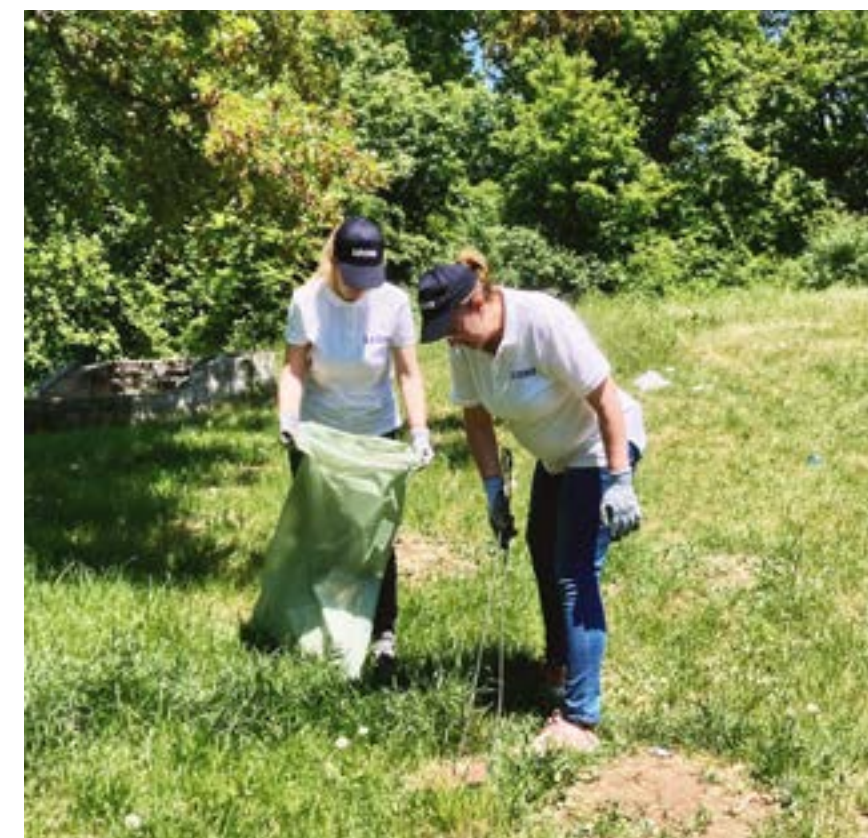
PURCHASING VOLUMES OF RAW MATERIALS 2021

137,000 TONS FOR COPPER
17,500 TONS FOR PVC



TRASH CHALLENGE

Our employees set a good example when it comes to waste disposal – for example here in Serbia, where they took part in a trash challenge and helped clear waste from one of the most popular picnic locations at our site in Niš.



Use of recycled materials

With its ReWire sustainability programme, LEONI has for the first time included the development of products made from recycled materials as a strategic issue. Working in collaboration with our customers and suppliers, we aim to increase the recycled material content of our products as much as possible.

We achieved an initial success with copper: among other things, we source our copper from one of the world’s biggest secondary copper producers whose cathodes contain an

average of 45 per cent of recycled material. In addition, we are working on a solution to produce secondary copper granulate in-house. The use of secondary copper harbours great potential for sustainability at LEONI. After all, copper accounts for most of the material used in our products.

IN 2021, LEONI IMPLEMENTED VARIOUS MEASURES TO ENSURE THE USE OF RECYCLED MATERIALS, INCLUDING THE FOLLOWING:

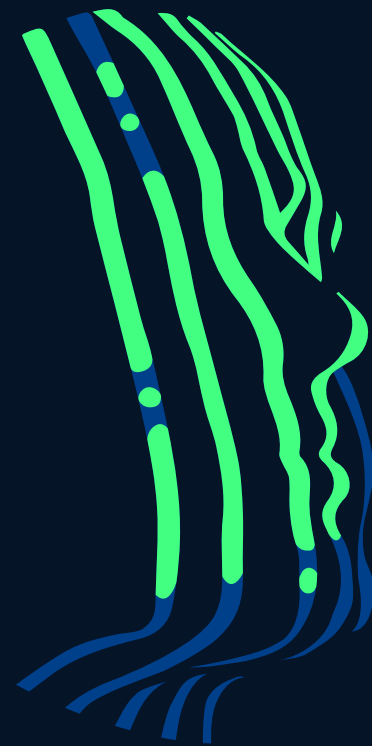
- ▶ launch of the Green Harness project, as part of which we establish the potential and translate this into design rules for product development, and
- ▶ definition of a standard for the in-house recycling of copper scrap including the required technical equipment.

TARGETS & PROGRESS

KEY FIGURE	TARGET FIGURE	TARGET DATE	2021 FIGURE (BASELINE YEAR)	2020 FIGURE (PREVIOUS YEAR)
Recording of secondary raw material share	Completed	2023	Not completed	Not completed

Further activities and targets for this sustainability measure will be defined over the coming years.

DECENT WORK



REWIRE PEOPLE

At LEONI, around 101,000 employees the world over contribute to the mobility of the future every single day. The creation of good working conditions for our employees is one of the main pillars of our success. For this reason, we are continuously working to remain attractive and future-oriented as an employer, and we take responsibility for our employees.

OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT



ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR EVERYONE AT ALL AGES



ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL



Edgar Seleme, Head of SHE WSD Americas at LEONI Wiring Systems de Yucatán, Mexico.

“TELLING PEOPLE WHAT TO DO IS NOT THE WAY TO GET THEM TO CHANGE THEIR THINKING.”

SAFETY-HEALTH-ENVIRONMENT (SHE) IS AN IMPORTANT AND VERY COMPREHENSIVE TOPIC AT LEONI. THE RESPONSIBILITY FOR THIS REMIT LIES WITH EDGAR SELEME AS HEAD OF SHE WSD AMERICAS AT LEONI WIRING SYSTEMS DE YUCATÁN. AT OUR SITE IN MÉRIDA IN SOUTHERN MEXICO, EDGAR SELEME SHOWS US THE MEASURES LEONI IS TAKING TO PROTECT EMPLOYEES AGAINST INJURY AND ILLNESS, AND THE PARTICULAR CHALLENGES HE FACED AS HE TOOK UP HIS NEW POST RIGHT IN THE MIDDLE OF THE CORONAVIRUS PANDEMIC.

Mr Seleme, you have been responsible for safety, health and environment since February 2021, not just at our Mexican facilities but at all WSD sites the world over. How have you settled into your new role?

Edgar SELEME: I made a very good decision when I decided to take up this post. I meet people from around the world and I am learning to handle our cultural and regulatory differences. Alongside our standards that apply worldwide, every country has its own statutory provisions and challenges, which are not always easy to implement. At times, we need to do a lot of persuading. But I see this more as an opportunity to learn new things and not so much as a challenge. Ultimately, it is about what matters: creating a safe workplace for all our colleagues at LEONI.

What are the main tasks involved in your work?

➤ My main task as Head of SHE is to ensure that LEONI complies with the global work, health and environmental standards. My responsibilities also include collaborating with my colleagues in the development of our own internal standards. This is primarily about involving the different cultures to enable us to develop a joint understanding of the globally applicable provisions and country-specific requirements and, ultimately, to ensure we all speak the same language.

“Speaking the same language”: what does that mean specifically?

➤ For example, if we want to carry out a Group-wide risk analysis or audit, we need a uniform understanding of the basis on which we are working and of the topics or processes that are the subject matter. Joint values also play a key role. One value that we at LEONI stand for is care. In my view it describes perfectly what our work in the area of

SHE is primarily about: care for all our colleagues, care for the company, for LEONI.

How is care as a corporate value expressed in the SHE remit? What is worth noting when it comes to this care?

➤ We deal mainly with risks in two areas: the work environment and behaviour. The first area is about the entire safety infrastructure on site – the protection systems for our machinery, anti-slip floors, fire protection systems, safety notices, evacuation plans and the like. Here on the Gulf of Mexico, for example, our production buildings must be able to withstand category 4 hurricanes. At other sites located in flood or earthquake areas we need to take different safety precautions to protect our employees. The personal protection equipment, too, is dependent on the specific working environment and the prevailing risks there; the standard equipment of a warehouse clerk is different from that of a production employee. Something we attach importance to in all cases is that our employees put on their protective equipment at work as a matter of course, just like you put on a coat when it is cold.

Is that what you mean by “behaviour”?

➤ Precisely. Prevention for us is the most important thing – preventative behaviour by which the employees protect themselves. To prevent accidents, LEONI carries out practical drills such as regular fire drills as well as training and awareness-raising prevention campaigns. They are designed to make our employees aware of the importance of protective measures. This includes, for example, the following: not to modify safety arrangements, not to write text messages on one’s mobile while walking and not to be distracted by phone calls.

What do such campaigns at LEONI look like?

➤ Telling people what to do is not the best way to get them to change their thinking. We have a zero-injury approach to avoid all accidents by optimising work safety and by living a work safety culture, by changing habits related to this topic through a variety of activities and by raising awareness.

It starts with the executives: we have expanded our daily quality assurance walk, called a Gemba walk, to include safety control issues. These walks are used, for example, to check whether fire extinguishers are functioning, aisles are unobstructed and switch cabinets closed. Another example of how management promotes a corporate culture of quality is the successful Quick Response Quality Control (QRQC): the management team meets daily at a board that documents any incidents and carries out an in-depth trouble-shooting analysis within five days. In the past, it has often been the case that premature conclusions were drawn from incidents until I asked, “Have you talked to the people and listened to what they thought?” After all, we are dealing with human beings. We need to take the time to talk to them in order to understand a problem and to signal to them that they do not have to accept unsafe working conditions.

The coronavirus pandemic has affected us all. It is bound to have had far-reaching effects at LEONI facilities.

➤ Absolutely. This has been, and remains, a huge challenge that has put our department in the spotlight. After we halted production worldwide in 2020, we had to take a variety of far-reaching infection protection measures to allow us to resume operations, from temperature measuring at the entrance to the creation of hand washing stations and ensuring that our company coaches were filled

to no more than half their capacity. Resuming the activities of SHE was not easy. It was no longer about just creating an awareness of the issue of SHE. It concerned the specific threat and thus the lives of our employees. We continue to protect them by following the occurrence of infection, by promoting vaccinations and, in some cases, carrying out on-site vaccinations.

Leaving aside the coronavirus measures, which of your successes in your first year as Head of SHE are you particularly proud of?

➤ The coronavirus measures aside, I can think of two other important measures: First, at the end of 2021 we successfully passed an external audit of our SHE management in Kitzingen as no non-conformities were identified. This means that we took a major step on our path to the planned global certification of our work, health and environmental protection systems according to ISO 45001 and 14001 in June 2022. Secondly, in a pilot project at our site in Indonesia we introduced 'Ten Golden Rules' for occupational health and safety protection at LEONI, which we developed in collaboration with our SHE managers across the world. In the second quarter of 2022, we aim to roll out the Ten Golden Rules to all sites with a global launch campaign.

What is the first Golden Rule?

➤ The health and safety of our employees is paramount. Accordingly, the first rule is: *Safety first!*

**We are looking forward to the campaign.
Thank you for talking to us, Mr Seleme.**

“WHAT OUR WORK IN THE AREA OF SHE IS PRIMARILY ABOUT: CARE FOR ALL OUR COLLEAGUES, CARE FOR THE COMPANY, FOR LEONI.”

Edgar Seleme

Edgar Seleme instructing LEONI staff on our safety plan.



Attractive and responsible employer

A corporate culture of responsibility is a fundamental requirement for LEONI in its efforts to combine ecological and social sustainability. It is not enough to comply with regulatory requirements. LEONI aims to create a constructive, motivating performance environment that promotes employees in their development and enables them to assume responsibility for interesting tasks.

To this end, sustainable human resources management is required, which takes forward-looking strategic decisions and implements them systematically. What is certain is that sustainability cannot be achieved overnight, nor can it be at the expense of social justice. For this reason, investments in fairness and diversity along with those in ecological sustain-

ability remain necessary in order to live up to our claim to be an attractive and responsible employer, and ultimately, to attract and retain competent and committed employees.

Human Resources (HR) is primarily responsible for promoting employee matters at an organisational level at LEONI, although the management teams of the legal entities and all executives are also called on to stand up for their employees. The regional and/or pan-divisional HR managers are tasked with recruitment, employee retention and with the implementation of HR governance regulations and parameters. At a local level, the responsibility for employees lies with the senior management teams of the relevant sites.

In order to do even better justice to the company's claim of sustainable HR policies in future, since April 2022 the HR manager has been reporting to the CHRO (Chief Human Resources Officer), who is responsible for sustainability and for the newly created Human Resources portfolio on the Board of Directors. The main tasks of the Human Resources board member are needs-based recruitment for our labour-intensive production and for assisting employees. In the context of the new HR strategy that is currently being developed on the basis of the business and sales strategy, further changes will be made going forward. As a first step, we are renewing our processes and systems to enable us to offer HR services at all sites.



LEONI colleagues in conversation about assessing sustainability risks

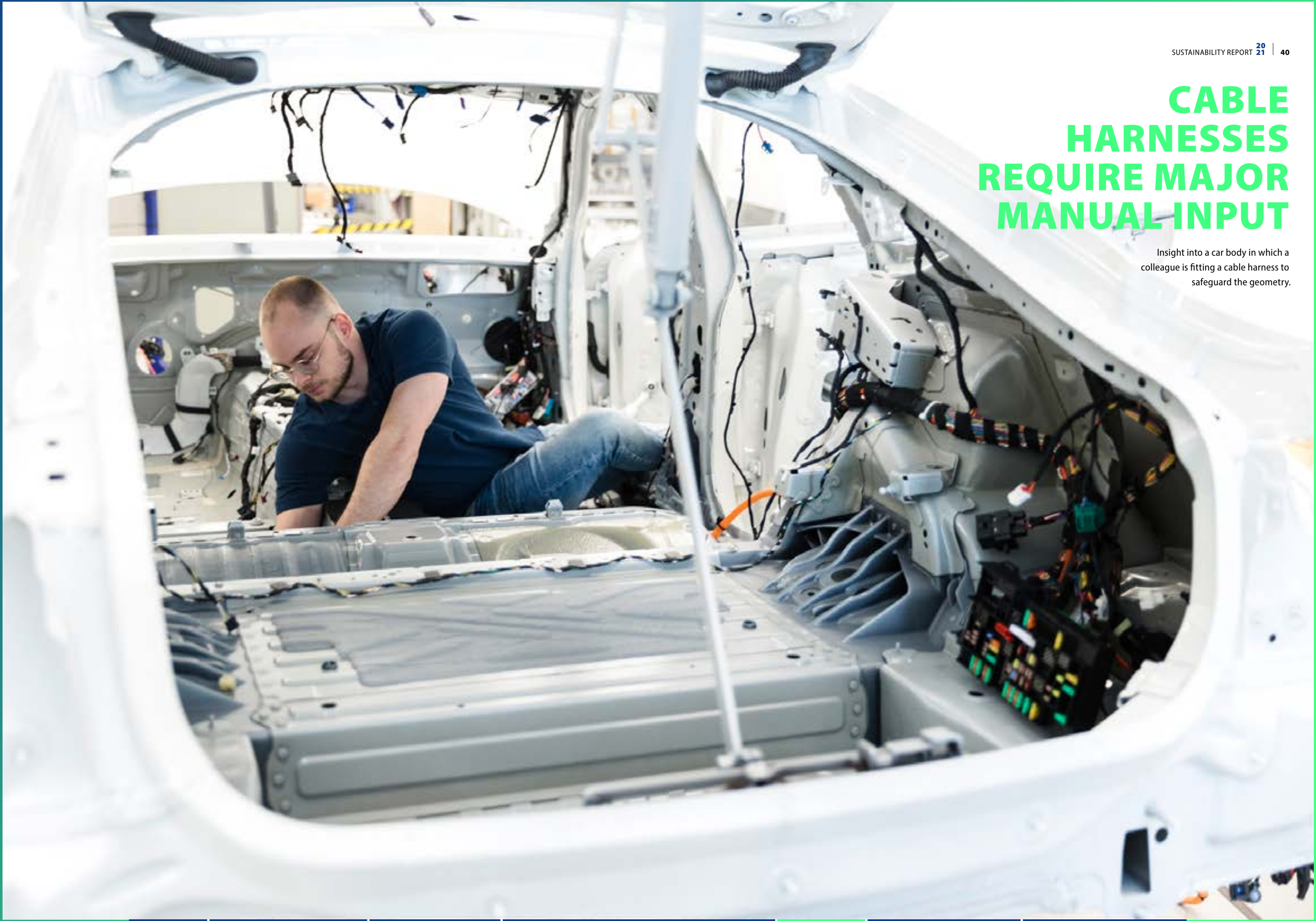
“SUSTAINABILITY WILL NOT BE ACHIEVED OVERNIGHT, NOR SHOULD IT BE ACHIEVED AT THE EXPENSE OF SOCIAL JUSTICE.”

TARGETS & PROGRESS

KEY FIGURE	TARGET FIGURE	TARGET DATE	2021 FIGURE (BASELINE YEAR)	2020 FIGURE (PREVIOUS YEAR)	
Number of annual training units per employee	2	2025	Newly defined target*	—	* The figures were previously not recorded.
Percentage of sites with at least one social project per year	100%	2025	37.0%	39.0%	** In the WCS Division the target refers to executive levels 1–2.
Female members of the Board of Directors	≥ 1	—	1	1	*** Until 2020, the quota of women and non-German citizens was recorded for a different group of executive level positions.
Quota of women at executive levels 1–3**	20.0%	2030	14.8%	6.3%***	**** The figures for the WCS Division have not yet been recorded.
Quota of women in leadership positions	40.0%	2040	36.0% ****	Newly defined target*	
Quota of non-German citizens at executive levels 1–3**	60.0%	2030	50.0%	24.0%***	

CABLE HARNESSES REQUIRE MAJOR MANUAL INPUT

Insight into a car body in which a colleague is fitting a cable harness to safeguard the geometry.



The right to an attractive place of work is guaranteed for all LEONI employees through the corporate values and Group-wide provisions such as the LEONI Code of Conduct and thus forms an integral part of our corporate culture. In light of this, the ReWire sustainability programme places particular emphasis on employee satisfaction, qualifications and social projects in the communities where LEONI employees live. They apply in addition to minimum standards such as a ban on discrimination of any kind, the freedom of association, the right to collective bargaining and the fulfilment of the statutory minimum requirements for remuneration, occupational safety, occupational health and working hours and holidays in the countries in question. The responsibility for implementing these and future requirements lies with the managing directors at the sites.

An aspect of particular importance to LEONI is the diversity of its workforce, not only with regard to gender but also to age, ethnic, cultural and professional background and mindset.

This forms the basis for a corporate culture that promotes mutual respect and international collaboration between our personnel-intensive sites. Only in this way are we able to tackle the ever more complex tasks and challenges of a globalised economy with success. Accordingly, we place particular emphasis on establishing international heads with a diverse cultural background in our management positions and set ourselves targets for the internationalisation quota of our executive levels. Alongside a good gender balance – 52 per cent of LEONI's staff in 2021 was female (previous year: 55 per cent), and since 1 August 2019 at least one Board of Directors position has been held by a woman – we are therefore focusing on international experience and international secondments to develop executives who are competent in both technical and intercultural terms.

IN 2021, LEONI IMPLEMENTED VARIOUS MEASURES IN ITS DESIRE TO BE AN ATTRACTIVE AND RESPONSIBLE EMPLOYER, INCLUDING THE FOLLOWING:

- drafting, definition and publication of the new LEONI corporate values and the corresponding principles of conduct that will characterise our corporate culture going forward and which will be rooted globally with offerings such as management training events in 2022;
- secondment of employees and managers to other countries in order to perform tasks in management or in important projects such as the establishment of a plant or product ramp-ups; and
- maintaining employee-friendly conditions such as flexible working hours, part-time working and working from home to take account of the diversity of life models.

LEONI'S CORPORATE VALUES

**Care • Result orientation •
Respect • Responsibility •
Collaboration**

Health and safety at work

Occupational health and safety at LEONI is the responsibility of the corporate function of Safety-Health-Environment (SHE) in Quality Management & SHE. The head of SHE reports to the COO and is responsible for the occupational health and safety policies. She stipulates global targets and guidelines for our production facilities, where they are implemented by local SHE managers together with the relevant national requirements. At the same time, they receive ongoing support through information and further education offerings.

To promote the health and safety of our employees we apply internationally recognised standards and certify our sites so as to provide our customers and other third parties with proof of our commitment. In addition, SHE stipulates general principles for action. The activities designed to promote occupational health and safety range from first aid courses and health check-ups through to vaccination campaigns –

because healthcare at LEONI does not end at the site boundaries. In 2021, 60 per cent of LEONI sites surveyed had a certified occupational health and safety protection management system. Safety drills were carried out at 96 per cent of sites and attended by an average 81 per cent of employees. The occupational accident rate was 0.42 per 100 employees. In addition, LEONI offers its employees the company’s own medical services at 68 per cent of LEONI sites. This also includes health insurance, the scope of which is often above the national average. In most cases, it includes an employee’s family members. In future, LEONI will implement such benefits in an international insurance scheme with even better terms. Using a survey of sites about the existing insurance policies and terms that is scheduled for 2022, in 2023 LEONI will prepare an appropriate initial concept for an insurance scheme that will apply at all LEONI facilities world-wide.

IN 2021, LEONI IMPLEMENTED VARIOUS MEASURES IN THE AREA OF OCCUPATIONAL HEALTH AND SAFETY, INCLUDING THE FOLLOWING:

- ▶ implementation of a recording system applicable worldwide for the central documentation of all safety measures and reviews and of industrial accidents at LEONI. The company has further improved occupational safety through an exchange of best practices between sites and SHE managers;
- ▶ successful implementation of external audits of the SHE management at head office in Kitzingen without non-conformities;
- ▶ various initiatives designed to promote the occupational health and safety of employees, such as safety drills and preventative medical check-ups; each location has its own specific focus areas and
- ▶ the continuation of coronavirus measures at the sites that go beyond statutory requirements, such as the expanded offer of vaccinations, avoidance of contact, hygiene concepts, masks, coronavirus test offerings, the detailed monitoring of infection developments and monthly information updates to employees.

OCCUPATIONAL HEALTH AND SAFETY

38%
facilities certified with ISO 45001

0.42
Accident rate per 100 employees

68%
sites with medical services

TARGETS & PROGRESS

KEY FIGURE	TARGET FIGURE	TARGET DATE	2021 FIGURE (BASELINE YEAR)	2022 FIGURE (PREVIOUS YEAR)
Percentage of production facilities with certified occupational health and safety protection (ISO 45001 or similar)	100%	2025	38.0%	38.0%
Percentage of sites with annual occupational health and safety protection projects	100%	2025	85.0%	88.0%
Accident rate per 100 employees	≤ 0.3	2023	0.42	0.55



OCCUPATIONAL HEALTH AND SAFETY AT LEONI IS THE RESPONSIBILITY OF THE CORPORATE FUNCTION OF SAFETY-HEALTH-ENVIRONMENT (SHE) IN QUALITY MANAGEMENT & SHE.

SHE AT LEONI: PRINCIPLES FOR ACTION

- Social and ecological action are key corporate targets.
- The protection of occupational health and safety and of the environment are elements of all leadership responsibility.
- Providing safe and healthy places of work and working conditions to avoid work-related injuries and illnesses.
- Ongoing improvement of measures relating to occupational safety, health and environmental protection.
- Adhering to all binding obligations concerning occupational safety, health and environmental protection (legal and other requirements). The applicable national standards are our minimum requirement.
- Establishing and promoting mutual trust through dialogue with all concerned interest groups; inside the company especially with our employees and their representatives.

COMMUNITY ENGAGEMENT



LEONI sees social commitment as a value for society, environment and the economy. We actively make our contribution worldwide with social projects in the region of our sites, for these regions. Since February 2022, our focus has been particularly on the humanitarian situation in Ukraine, Help and support are our top priority. From the outset, we have engaged our local employees and their families wherever possible. We promptly provide aid and will not stop doing so.

OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT



STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALISE
THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT



LEONI helpers distributing toys and sweets to the families of colleagues

LEONI IN UKRAINE: TOGETHER AGAINST THE WAR

THE RUSSIAN ATTACK ON UKRAINE CONSTITUTES A TURNING POINT – FOR THE WORLD, FOR EUROPE AND FOR LEONI. THE POLITICAL AND ECONOMIC CONSEQUENCES OF THE WAR ARE DRAMATIC, BUT THEY PALE IN SIGNIFICANCE COMPARED TO THE HUMANITARIAN EMERGENCY IN THE COUNTRY. THE THOUSANDS OF EMPLOYEES OF OUR SITES IN KOLOMYIA AND STRYI ARE ALSO AFFECTED. LEONI HAS BEEN SUPPORTING ITS EMPLOYEES, THEIR FAMILIES AND COMMUNITIES SINCE THE START OF THE WAR WITH NUMEROUS MEASURES TO TAKE AT LEAST SOME OF THE BURDEN OFF THEIR SHOULDERS.

When hundreds of thousands of Russian troops invaded Ukraine on 24 February 2022 and covered it with artillery and aerial bombardment, the defeat of Kyiv seemed only a matter of time. Even in the west of the country, which is far away from the frontline and where LEONI has two production facilities, the first bombs and rockets soon hit. Given the highly worrying safety situation, at LEONI we decided on the second day of the war to halt production at our sites in Kolomyia and Stryi for the time being.

LEONI's facilities in Ukraine are among our biggest in Europe. They employ around 7,000 staff members, who immediately became the focus of our attention: we rapidly set up a Ukraine taskforce headed by COO Ingo Spengler and consisting of around 30 international specialists from different (specialist) departments, including HR, Risk, Real Estate, Purchasing, IT and Communication. They have been coordinating our crisis management with regard to war events. This also includes the organisation of humanitarian aid campaigns.

EXTENSIVE DONATIONS OF GOODS AND MONEY

LEONI is procuring and delivering aid worth hundreds of thousands of euros based on a list prepared by colleagues in Ukraine. It extends from long-life food such as baby food, clothing and goods of daily use such as toiletries, blankets and sleeping bags to medication and dressing material, tools and technical equipment such as powerbanks, torches, radio equipment and generators. On their arrival in Kolomyia and Stryi, the aid supplies are distributed to our employees and others in need as required. Similar donation campaigns are organised time and again privately by LEONI employees in various countries.

In addition to donations in kind, LEONI is also calling for monetary donations. Here, we cooperate with the aid organisation HERMINE e.V. and the charitable giving platform Betterplace. On the first Wednesday of the month, called 'Matching Mittwoch' (Matching Wednesday), Betterplace increases every individual donation up to 200 euros by 10 per cent. To date, we have been able to collect several tens of thousands of euros in donations through Betterplace and HERMINE e.V. In addition, we have ourselves made available 280,000 euros, which were used to procure items such as



LEONI organising donations of goods and money for Ukraine

around 50 tons of food and two ambulances.

RESUMPTION OF OPERATIONS IN MARCH

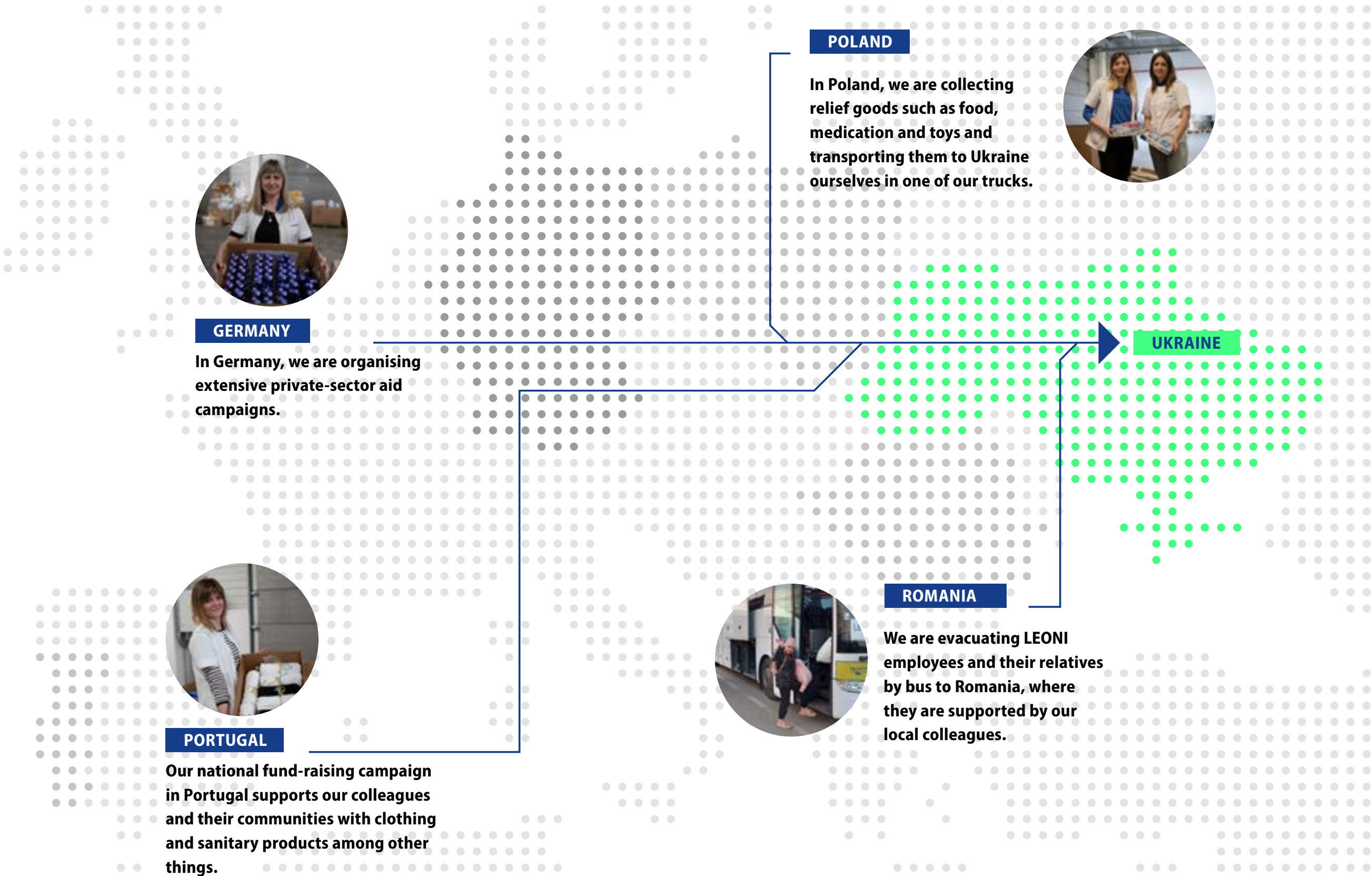
When the security situation in western Ukraine showed a slight improvement in early March due to the faltering Russian advance, we resumed operations in Kolomyia and Stryi to a limited extent. The decision was taken in agreement with our colleagues on site and in accordance with the attempts by the Ukrainian government to prevent the country's economy from collapsing. The conditions remained extreme: our employees regularly had to flee to bunkers for protection during air raids. Those who were not willing to work under these conditions didn't have to. The fact that many employees decided to continue carrying on with their job is all the more worthy of recognition. It gives witness to their unconditional optimism and unbroken will to preserve their home country, something that has distinguished the Ukrainian people since the start of the war.

Most male employees in Kolomyia and Stryi have returned to work – although some have joined the war effort. We wish them all the best from the bottom of our hearts and hope that they will return soon.

We organised bus transfers to our Romanian sites in Arad and Bistrita for hundreds of female colleagues and their relatives wishing to leave the country. There, the women are integrated into everyday working life on a voluntary basis and the children into the local nurseries and schools. We would like to take this opportunity to express our heartfelt thanks to the Romanian authorities for their support.

But our biggest thanks and respect go to our colleagues in Ukraine who continue to work for LEONI under the most difficult of circumstances, and to our employees and private individuals the world over who support our aid campaigns to the best of their ability. Together we continue to stand in solidarity with our local employees and the entire Ukrainian population to give them strength and hope in these difficult times. All of LEONI stands together – against war and for a life in freedom. ●

SOLIDARITY WITH UKRAINE: EXAMPLES OF OUR AID CAMPAIGNS



Key 2021 sustainability figures

KEY FIGURES IN ABSOLUTE TERMS

LOCATIONS

LOCATIONS INCLUDED

UNIT

Number

2021

93 (WSD: 56 • WCS: 36 • Holding: 1)

2020

88

2019

84

COMPLIANCE

FULFILMENT RATE, POLICY FOR COMBATING
CORRUPTION AND BRIBERY

%

87.0
(WSD: 87.0 • WCS: 85.0 • Holding: 98.0)

78.0

76.0

FULFILMENT RATE, E-LEARNING ON ANTI-CORRUPTION

%

93.0
(WSD: 93.0 • WCS: 94 • Holding: 95.0)

92.0

86.0

FULFILMENT RATE, LIVING CODE QUIZ

%

95.0
(WSD: 95.0 • WCS: 97.0 • Holding: 97.0)

76.0

73.0

Key 2021 sustainability figures

KEY FIGURES IN ABSOLUTE TERMS

	UNIT	2021	2020	2019
ENERGY CONSUMPTION				
ELECTRICITY	MWh	371,654 (WSD: 152,052 • WCS: 218,063 • Holding: 1,539)	356,320	392,783
DISTRICT HEATING	MWh	12,552 (WSD: 10,440 • WCS: 1,508 • Holding: 604.0)	10,182	7,640
FOSSIL FUELS	MWh	123,168 (WSD: 38,665 • WCS: 84,503 • Holding: 0.0)	113,269	117,576
RENEWABLE ENERGY SOURCES	MWh	6,181 (WSD: 6,181 • WCS: 0.0 • Holding: 0.0)	7,532	3,474
TOTAL ENERGY CONSUMPTION	MWh	513,556 (WSD: 207,337 • WCS: 304,077 • Holding: 2,142)	487,303	521,473

GREENHOUSE GAS EMISSIONS				
SCOPE 1	t CO ₂ e	35,124 (WSD: 17,711 • WCS: 17,273 • Holding: 140.0)	23,183	24,884
SCOPE 2	t CO ₂ e	151,172 (WSD: 68,830 • WCS: 81,309 • Holding: 1,033)	237,470	167,087
SCOPE 3*	t CO ₂ e	618,523* (WSD: — • WCS: — • Holding: —)	559,655	644,486
SCOPE 1 AND 2 EMISSIONS (ABSOLUT)	t CO ₂ e	186,296 (WSD: 86,541 • WCS: 98,582 • Holding: 1,173)	260,654	191,971
BIOGENIC EMISSIONS	t CO ₂ e	94.0 (WSD: 94.0 • WCS: 0.0 • Holding: 0.0)	— **	— **

*
At the moment, Scope 3 emissions are recorded only in part and are not broken down by division. Carbon accounting is in the process of being developed.

**
Emissions from the combustion of bioethanol and wooden pellets have only been recorded since 2021.

Key 2021 sustainability figures

KEY FIGURES IN ABSOLUTE TERMS

	UNIT	2021	2020	2019
WATER CONSUMPTION				
SURFACE WATER	m ³	724,332 (WSD: 472,528 • WCS: 250,023 • Holding: 1,781)	743,225	654,484
GROUNDWATER	m ³	798,412 (WSD: 338,334 • WCS: 460,078 • Holding: 0.0)	805,280	965,032
RAIN WATER	m ³	99,933 (WSD: 99,843 • WCS: 90.0 • Holding: 0.0)	97,153	5,134
TOTAL WATER CONSUMPTION	m ³	1,622,677 (WSD: 910,706 • WCS: 710,191 • Holding: 1,781)	1,645,658	1,624,650
WASTE GENERATION				
NON-HAZARDOUS WASTE	t	43,812 (WSD: 22,035 • WCS: 21,631 • Holding: 146.0)	35,963	40,192
OF WHICH RECYCLED NON-HAZARDOUS WASTE	t	35,402 (WSD: 18,812 • WCS: 16,590 • Holding: 0.0)	29,265	31,311
HAZARDOUS WASTE	t	2,470 (WSD: 417.0 • WCS: 2,053 • Holding: 0.0)	2,963	3,413
OF WHICH RECYCLED HAZARDOUS WASTE	t	2,141 (WSD: 359.0 • WCS: 1,782 • Holding: 0.0)	2,748	2,250
TOTAL WASTE	t	46,282 (WSD: 22,452 • WCS: 23,684 • Holding: 146.0)	38,926	43,605

Key 2021 sustainability figures

SPECIFIC KEY FIGURES*

LOCATIONS

LOCATIONS INCLUDED

UNIT

Number

2021

93 (WSD: 56 • WCS: 36 • Holding: 1)

2020

88

2019

84

ENERGY CONSUMPTION

ELECTRICITY IN RELATION TO SALES	MWh / € mill. in sales	72.6 (WSD: 29.7 • WCS: 42.6 • Holding: 0.3)	86.2	80.4
DISTRICT HEATING IN RELATION TO SALES	MWh / € mill. in sales	2.5 (WSD: 2.0 • WCS: 0.4 • Holding: 0.1)	2.5	1.6
FOSSIL FUELS IN RELATION TO SALES	MWh / € mill. in sales	24.1 (WSD: 7.6 • WCS: 16.5 • Holding: 0.0)	27.4	24.1
RENEWABLE ENERGY SOURCES IN RELATION TO SALES	MWh / € mill. in sales	1.2 (WSD: 1.2 • WCS: 0.0 • Holding: 0.0)	1.8	0.7
TOTAL ENERGY IN RELATION TO SALES	MWh / € mill. in sales	100.4 (WSD: 40.5 • WCS: 59.5 • Holding: 0.4)	117.9	106.8

GREENHOUSE GAS EMISSIONS

SCOPE 1 IN RELATION TO SALES	t CO ₂ e / € mill. in sales	6.9 (WSD: 3.5 • WCS: 3.4 • Holding: 0.0)	5.6	5.1
SCOPE 2 IN RELATION TO SALES	t CO ₂ e / € mill. in sales	29.5 (WSD: 13.4 • WCS: 15.9 • Holding: 0.2)	57.4	34.2
SCOPE 3 IN RELATION TO SALES	t CO ₂ e / € mill. in sales	120.8*	109.3	125.9
SCOPE 1 AND 2 EMISSIONS IN RELATION TO SALES	t CO ₂ e / € mill. in sales	36.4 (WSD: 16.9 • WCS: 19.3 • Holding: 0.2)	63.0	39.3
BIOGENIC EMISSIONS IN RELATION TO SALES	t CO ₂ e / € mill. in sales	0.0 (WSD: 0.0 • WCS: 0.0 • Holding: 0.0)	— **	— **

*
At the moment, Scope 3 emissions are recorded only in part and are not broken down by division. Carbon accounting is in the process of being developed.

**
Emissions from the combustion of bioethanol and wooden pellets have only been recorded since 2021.

Key 2021 sustainability figures

SPECIFIC KEY FIGURES*

	UNIT	2021	2020	2019
WATER CONSUMPTION				
SURFACE WATER IN RELATION TO SALES	m ³ / € mill. in sales	141.5 (WSD: 92.3 • WCS: 48.9 • Holding: 0.3)	179.8	134.0
GROUNDWATER IN RELATION TO SALES	m ³ / € mill. in sales	156.0 (WSD: 66.1 • WCS: 89.9 • Holding: 0.0)	194.8	197.6
RAIN WATER IN RELATION TO SALES	m ³ / € mill. in sales	19.5 (WSD: 19.5 • WCS: 0.0 • Holding: 0.0)	23.5	1.1
TOTAL WATER CONSUMPTION IN RELATION TO SALES	m ³ / € mill. in sales	317.0 (WSD: 177.9 • WCS: 138.8 • Holding: 0.3)	398.1	332.7
WASTE GENERATION				
NON-HAZARDOUS WASTE IN RELATION TO SALES	t / € mill. in sales	8.6 (WSD: 4.3 • WCS: 4.3 • Holding: 0.0)	8.7	8.2
OF WHICH RECYCLED NON-HAZARDOUS WASTE IN RELATION TO SALES	t / € mill. in sales	6.9 (WSD: 3.7 • WCS: 3.2 • Holding: 0.0)	7.1	6.4
HAZARDOUS WASTE IN RELATION TO SALES	t / € mill. in sales	0.5 (WSD: 0.1 • WCS: 0.4 • Holding: 0.0)	0.7	0.7
OF WHICH RECYCLED HAZARDOUS WASTE IN RELATION TO SALES	t / € mill. in sales	0.4 (WSD: 0.1 • WCS: 0.3 • Holding: 0.0)	0.7	0.5
TOTAL WASTE IN RELATION TO SALES	t / € mill. in sales	9.1 (WSD: 4.4 • WCS: 4.7 • Holding: 0.0)	9.4	8.9

Key 2021 sustainability figures

KEY FIGURES IN ABSOLUTE TERMS

	UNIT	2021	2020	2019
EMPLOYEES				
ALL EMPLOYEES (ACTIVE)	Number	101,372 (WSD: 93,705 • WCS: 7,457 • Holding: 210)	101,007 (WSD: 92,662 • WCS: 8,120 • Holding: 225)	94,928 (WSD: 86,100 • WCS: 8,543 • Holding: 285)
		Blue Collar (direct) 71.5%	71.6%	69.1%
		Blue Collar (indirect) 13.1%	12.7%	14.1%
EMPLOYEE STRUCTURE	Number	White Collar (indirect) 15.4%	15.7%	16.8%
NUMBER OF ANNUAL TRAINING UNITS PER EMPLOYEE	Number	Newly defined target*	—	—
PERCENTAGE OF SITES WITH AT LEAST ONE SOCIAL PROJECT PER YEAR	%	37.0%	39.0%	—
FEMALE MEMBERS OF THE BOARD OF DIRECTORS	Number	1	1	1
QUOTA OF WOMEN AT EXECUTIVE LEVELS 1–3 **	%	14.8%	6.3% ***	6.0%
QUOTA OF WOMEN IN LEADERSHIP POSITIONS	%	36.0% ****	— *	— *
QUOTA OF NON-GERMAN CITIZENS AT EXECUTIVE LEVELS 1–3 **	%	50.0%	24.0% ***	22.0%

*
The figures were previously not recorded.

**
In the WCS Division the target refers to executive levels 1–2.

Until 2020, the quota of women and non-German citizens was recorded for a different group of executive level positions.

The figures for the WCS Division have not yet been recorded.

Key 2021 sustainability figures

KEY FIGURES IN ABSOLUTE TERMS

	UNIT	2021	2020	2019
ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY PROTECTION MANAGEMENT				
SHARE OF PRODUCTION SITES WITH CERTIFIED ENVIRONMENTAL PROTECTION (ISO 14001)*	%	86.0 (WSD: 87.0 • WCS: 83.0 • Holding: 0.0)	91.0	88.0
SHARE OF PRODUCTION SITES WITH CERTIFIED OCCUPATIONAL HEALTH AND SAFETY PROTECTION (ISO 45001)*	%	38.0 (WSD: 60.0 • WCS: 3.0 • Holding: 0.0)	38.0	32.0
ACCIDENTS AT WORK	Number	429 (WSD: 273 • WCS: 153 • Holding: 3)	551	615
ACCIDENT RATE	Accidents per 100 employees	0.42	0.55	–
SHARE OF SITES WITH OCCUPATIONAL HEALTH AND SAFETY PROTECTION PROJECTS	%	84.0 (WSD: 82.0 • WCS: 89.0 • Holding: 0.0)	88.0	6.0
SHARE OF SITES OFFERING MEDICAL SERVICES	%	68.0 (WSD: 77.0 • WCS: 53.0 • Holding: 100)	66.0	39.0

*
These key figures are not recorded by Group-wide survey, but directly by the SHE departments of the divisions.

UN Global Compact Index

UN GLOBAL COMPACT PRINCIPLES

IMPLEMENTATION BY LEONI

INFORMATION

Information on guidelines, systems, results and key figures in this report

HUMAN RIGHTS: BUSINESSES SHOULD ...

PRINCIPLE 1 ... SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS WITHIN THEIR SPHERE OF INFLUENCE; AND

LEONI Code of Conduct

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PRINCIPLE 2 ... MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.

LEONI Code of Conduct for Business Partners

LEONI Social Charter, statement on respecting human rights, guideline on conflict materials

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LABOUR STANDARDS: BUSINESSES SHOULD ...

PRINCIPLE 3 ... UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING;

LEONI Code of Conduct

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PRINCIPLE 4 ... THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR;

LEONI Code of Conduct for Business Partners

LEONI Code of Conduct

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PRINCIPLE 5 ... THE EFFECTIVE ABOLITION OF CHILD LABOUR; AND

LEONI Code of Conduct for Business Partners

LEONI Code of Conduct

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PRINCIPLE 6 ... THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.

LEONI Code of Conduct for Business Partners

LEONI Code of Conduct

LEONI Code of Conduct for Business Partners

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ENVIRONMENTAL PROTECTION: BUSINESSES SHOULD ...

PRINCIPLE 7 ... SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;

ISO 14001 certification

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PRINCIPLE 8 ... UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND

SHE principles for action

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LEONI Code of Conduct

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LEONI Code of Conduct for Business Partners

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Accounting of GHG emissions

»»»» Pages 22–27

Projects to lower climate-related emissions

»»»» Pages 22–28

Projects to raise the proportion of recycled material

»»»» Pages 30–33

PRINCIPLE 9 ... ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

Sustainable product development

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CORRUPTION: BUSINESSES SHOULD ...

PRINCIPLE 10 ... WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.

LEONI Code of Conduct, LEONI Code of Conduct for Business Partners

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**“THE PATH
IS BEFORE US.
NOW IT IS
TIME TO
WALK IT.”**



LEONI AG

Marienstraße 7 | D-90402 Nuremberg | Telephone +49 911 2023-0 | corporate-sustainability@leoni.com | www.leoni.com