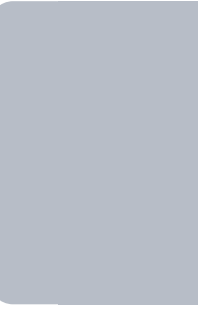




**AUNDE**  
Group

**SUSTAINABILITY REPORT**

# AUNDE Group



Rolf Königs, Chairman & CEO

## Foreword

**As AUNDE Group, we combine individual brands – with their traditions and their specific expertise.**

As AUNDE Group, we combine individual brands – with their traditions and their specific expertise. Together we are an international family, characterized by loyalty, honesty, fairness and respect - both in a friendly atmosphere as well as towards our customers and partners. Thus, we create an environment in which new ideas can arise. We offer our customers high-quality, innovative products with which we establish ourselves as a technical pioneer for all mobility solution interiors.

Even as a group, we remain a family-run company and act as one with economic reason in the right framework. Our activities are all based on the premise of sustainable action. We are committed not only to our environment but also to our employees and partners along the supply chain.



***Even as a group, we remain a family-run company and act together in the right framework***

**” with economic reason.**

Rolf Königs, Chairman & CEO

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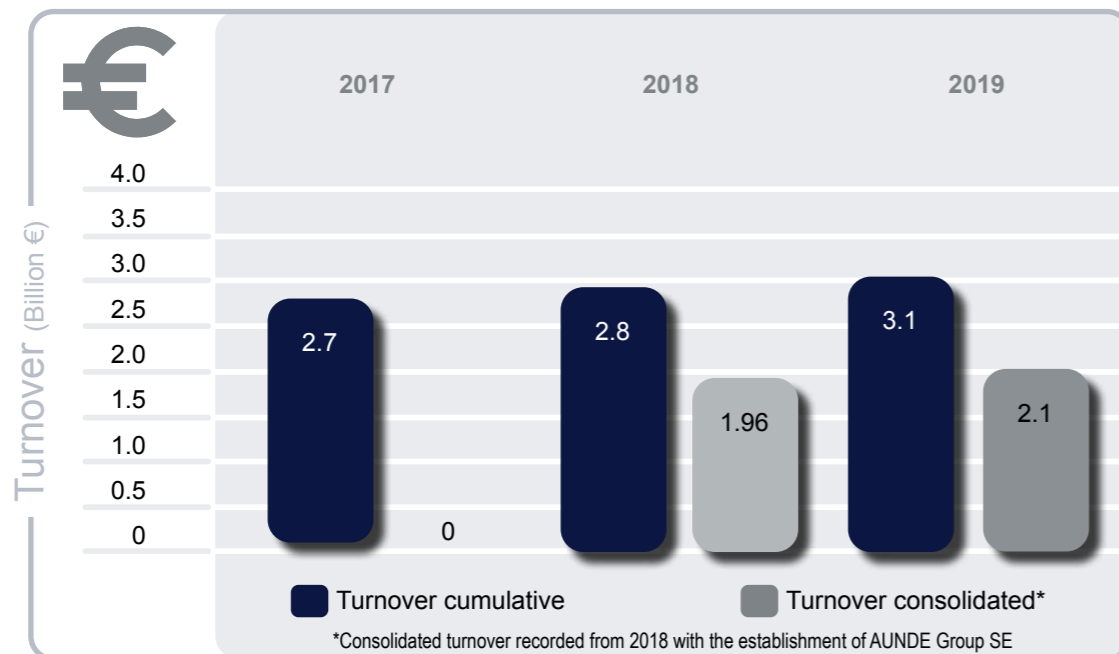
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# AUNDE Group at a glance

Both the number of employees and the turnover reflect the continuous growth of the group.

AUNDE  
Group

- 17th largest German automotive supplier  
*Automobilwoche July 2020*
- 85th largest family-owned German company
- 191st largest German company  
*FAZ July 2019*
- 67th largest automotive supplier  
*Automobilwoche Juli 2020*
- 92nd German world market leader  
*Die Deutsche Wirtschaft September 2019*



# Sustainability reporting

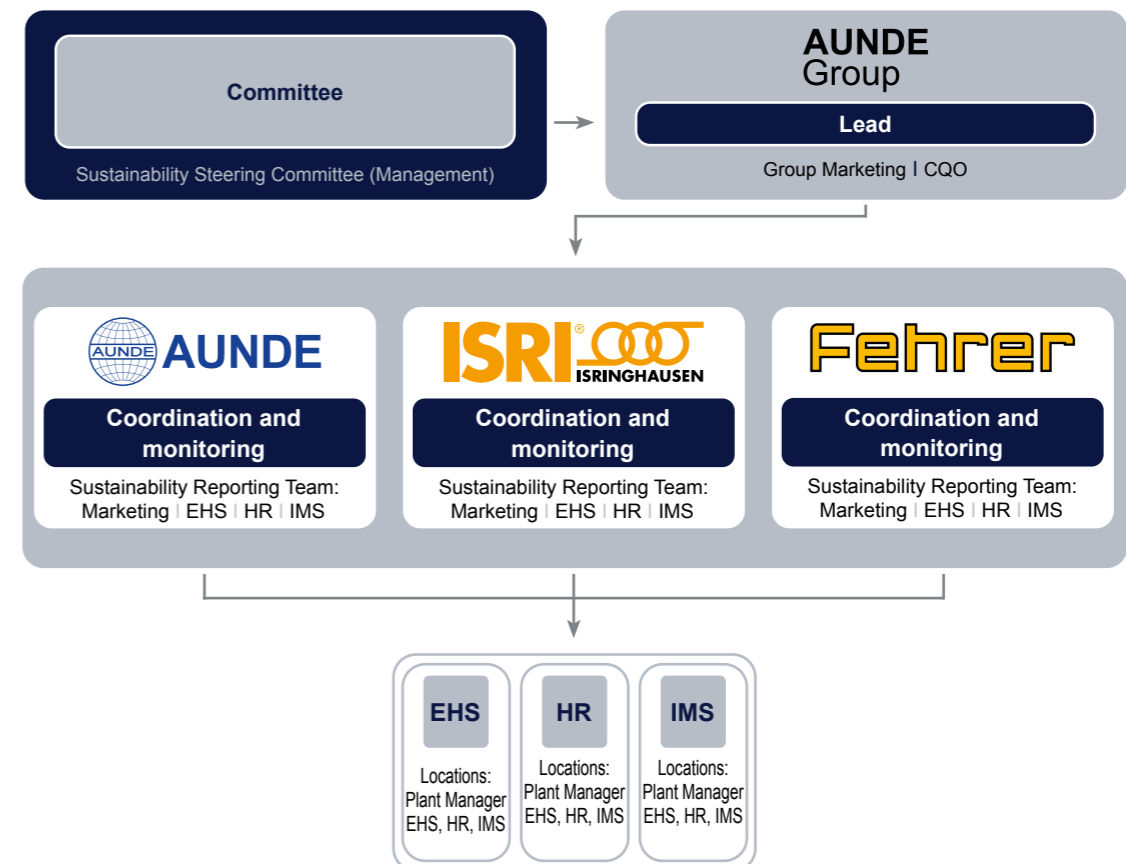
The core team for sustainability reporting is made up of persons responsible for Environment, Health & Safety, Quality, Human Resources and Marketing.

The first sustainability report of the AUNDE Group 2017 initially focused on the German sites. The current report now has a much more international character.

The reporting period are the years 2017 to 2019.

In this reporting period, we have consolidated the fields of action of the last report and expanded them into the following fields of action, as well as reassigned goals and programs. This allows us to focus on sustainability across a broader spectrum within the company:

- Sustainable corporate management
- Future-oriented product design
- Supply chain responsibility
- Employee appreciation
- Social commitment
- Environment and resources



## Materiality analysis

In a materiality analysis, we have subdivided the individual fields of action into further topics of importance to the company.

In order to establish the fields of action in the organization, we have assigned a guiding principle to each field which employees should follow:

### Sustainable corporate management

- Customer management
- Digital infrastructure
- Compliance
- Dialogue facilitation

*We manage the company in a future-oriented way, involving all partners*

### Future-oriented product design

- Product life cycle analysis (cradle-to-cradle)
- Innovative and sustainable products

*We develop products for tomorrow*

### Supply chain responsibility

- Sustainable standards in the supply chain
- Packaging and recycling

*We take responsibility for sustainable supply chains*

### Employee appreciation

- Compatibility of family and career
- Attractive employer
- Diversity and co-determination
- Personnel development
- Health management

*Our most important capital is our employees. We want them to like being part of the AUNDE Group.*

### Social commitment

- Human rights
- Social projects

*We take responsibility*

### Environment and resources

- Climate protection (energy and emissions)
- Preserve habitat (water/soil, bio-diversity, land use)
- Convey material cycle

*We act environmental- and climate-friendly*

## Sustainable Development Goals

Worldwide climate and sustainability goals are not only to be considered globally, they can only be achieved if everyone strives to make a contribution – including us as a company.

Our key areas of action should therefore also serve to assign our sustainability activities thematically to the worldwide „Sustainable

Development Goals“ adopted by the member states of the United Nations in 2015.

## SUSTAINABLE DEVELOPMENT GOALS



UN Sustainable Development Goals  
Source: <https://www.un.org/sustainabledevelopment/>

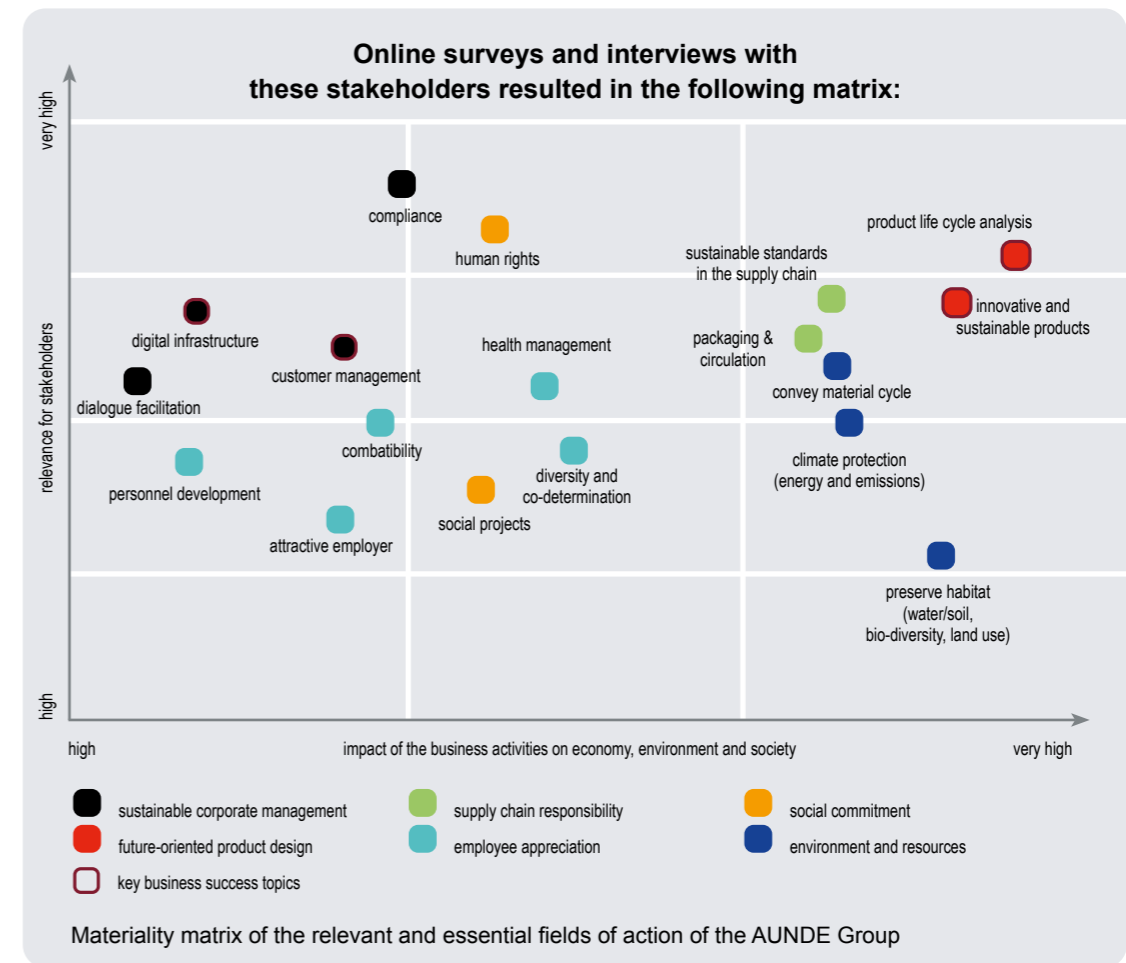
# Sustainable Development Goals



Fields of action	Essential topics	Impact within the company	Impact outside the company	Addressed Global „Sustainable Development Goal“
<b>High materiality</b>				
<b>Sustainable corporate management</b>	customer management	AUNDE Group and consolidated subsidiaries	customers	9, 12, 17
	digital infrastructure		suppliers, logistics companies, customers	8, 9, 17
	compliance		society and communities, environment	5, 6, 10, 11, 12, 14, 15, 16
	dialogue facilitation		society and communities	17
<b>Future-oriented product design</b>	innovative and sustainable products	AUNDE Group and consolidated subsidiaries	customers	7, 9, 12
	life cycle analysis (cradle-to-cradle)		society and communities, customers, suppliers	12, 13, 14, 15
<b>Supply chain responsibility</b>	sustainable standards in the supply chain	AUNDE Group and consolidated subsidiaries	suppliers, logistics companies, customers	9, 12, 17
	packaging and circulation		society and communities, environment	11, 12
<b>Employee appreciation</b>	compatibility of family and career	AUNDE Group and consolidated subsidiaries		3, 5, 8, 10
	attractive employer		society and communities	3, 4, 5, 10
	diversity and co-determination	AUNDE Group and consolidated subsidiaries		5, 10
	personnel development			4
	health management			3
<b>Social commitment</b>	human rights	AUNDE Group and consolidated subsidiaries	society and communities	1, 2, 4, 5, 6, 10, 16
	social projects		society and communities	1, 2, 11, 13, 14, 15
<b>Environment and resources</b>	climate protection (energy and emissions)	AUNDE Group and consolidated subsidiaries	society and communities	7, 12, 13
	preserve habitat (water/soil, bio-diversity, land use))		society and communities	14, 15
	convey material cycle		society and communities customers, supply chain	12

These topics were evaluated according to their relevance for stakeholders of the AUNDE Group and compared with the impact of the business activities on economy, environment and society.

- Identified stakeholders of the AUNDE Group are:
- Customers
  - Employees / works council
  - Investor and owner
  - Legislature and authorities
  - Supplier chain
  - Society and communities



The most relevant topics for the AUNDE Group include „product life cycle analysis“, „innovative and sustainable products“, „packaging and recycling“, „sustainable standards in the supply chain“, „climate protection“, „promoting material cycles“ and „preserving habitats“.

Concrete targets have now been derived from these, which either apply to the entire Group, only to a single business unit or to a site.

## Goals and programs

In order to prioritize the company or project goals, we orientate ourselves to the global goals of the entire company. A distinction is made of short-, medium- and long-term/continuous goals as well as between operational and strategic goals. The alignment of the measures takes place at fixed intervals.

Both internal business unit and Group-wide projects for the areas „Environment“, „Products and Supply Chain“ and „Employees and Society“ from 2017 were continued. For this reporting period, we have included the projects still in progress in our restructured program.

We frequently launch pilot projects in one of our business units and discuss the appropriateness of rolling out certain measures to the Group in the course of the project.

In 2017, we as a Group have set ourselves the goal of continuously improving our sustainability activities, particularly in the areas of energy, waste disposal and water, as well as accidents per 1,000 employees and days lost per employee.

The following shows that an improvement has been achieved in all areas, although the 2017 report is not comparable with the present report. Data collection in the previous report was regionally limited whereas the current report has a global approach.

Below you will find an overview of all measures with which we have implemented our goals, but at the same time also new activities to further advance the topic of sustainability in areas other than those mentioned above.

	Year 2017	Year 2018	Year 2019
<b>Energy use</b> TWh/billion € turnover	114	115	107
<b>Waste</b> Kt/billion € turnover	65	89	52
<b>Water</b> Consumption in m³	854.261	878.555	790.965
<b>Accidents at work</b> Accidents per thousand empl.	27	20	17

Fields of action	Goal	Activities	Status	Target date	Target value	Target relevant
<b>Sustainable business management</b>	Agile corporate structures	Harmonize corporate structure and business processes	ongoing	na.	Structure & IMS	Group
		Adapt strategy for sustainability initiative to current circumstances	ongoing	na.	Revised strategy	Group
		Adapt and expand sustainability team to global corporate structure	new	2021	Team structure & report	Group
	Raising awareness in the use of sources	Implement framework and guidelines for global sustainability initiative	new	2021	Global guidelines & specifications	Group
		Code of Conduct revise	new	2021	CoC adjusted	Group
		Establish framework and guidelines for global CO <sub>2</sub> improvement	new	2021	Global guidelines & specifications	Group
		Consolidate the compliance program of the business units and establish it for the entire group	new	2022	AUNDE Group compliance policies and programs	Group
	Expand compliance management	Improving the verification of legal compliance	new	2023	Software implemented	Group
<b>Future-oriented product design</b>	Develop sustainable products and processes	Further promotion of research and development with sustainable materials	ongoing	na.	Sustainable products	Group
		Develop and establish a uniform tool and method for cradle-to-cradle analyzes	new	2021	Method implemented	Group
		Integrate aspects of sustainability even more strongly in the advance development process	new	2021	Process documentation	Group
<b>Supply chain responsibility</b>	Promote awareness of sustainability in the supply chain Improve the recycling rate along the value chain	Specify supplier specifications on the topic of sustainability	new	2021	Guidelines	Group
		Specify and query key figure for worldwide locations	new	2021	Guidelines	Group
<b>Employee appreciation</b>	Promote employee qualifications	Offer cross-divisional training in the area of Quality & EHS	implemented	2019	Qualified employees	Group
		Conception & implementation of a systematic qualification process	implemented	2018	Process documentation	Group
		Implementation of personnel management software	implemented	2019	Software implemented	FEHRER
		Development and revision of the PE instruments and processes	implemented	2018	Process documentation	FEHRER
	Retaining employees over the long term	Offer opportunities for training in various professions	ongoing	na.	Number of trainees	Group
		Employee development program	new	2022	Program	Group
	Further improve occupational health and safety	Further promote active accident prevention (analyze near-accidents, derive measures and programs)	ongoing	na.	Process documentation	Group
		Promote best business practice exchange in the group	new	2021	BBP identified and implemented	Group
		Various health prevention initiatives	ongoing	na.	Actions taken	Group
		Establish noise emission register for the entire group and reduce noise emissions	new	2022	Noise register and catalogue of measures	Group
		Revise the AUNDE Group website	implemented	2020	Revised website	Group
	Increase attractiveness as an employer	Implementation of applicant management software	implemented	2018	Software implemented	Group
	<b>Social commitment</b>	Targeted increase in social engagement	Various activities to promote dialogue between the locations and society	ongoing	na.	Different activities
<b>Environment and resources</b>	increase of energy efficiency	Integrate all AUNDE Group locations into the group's energy management system	ongoing	2023	Number of locations involved	Group
		Expand the energy scout initiative in the group	ongoing	2022	Implementation at different locations	Group
	Improve recycling rate	Improvement of the location infrastructure	implemented	2019	Improved infrastructure	ISRINGHAUSEN
		Consistent recording of waste streams and deriving programs and measures	ongoing	na.	Recycling rate	Group
	Improvement of the CO <sub>2</sub> balance at the locations	Determine the CO <sub>2</sub> balance and derive measures and programs	ongoing	na.	CO <sub>2</sub> balance	Group
	Reduction of the amount of natural gas used	Use of a heat recovery system	implemented	2018	Heat recovery systems installed	AUNDE MG & Mexico
	Reduction of noise emissions	Project	implemented	2018	Noise reduction	AUNDE MG

## Sustainable corporate management

**We manage the company  
in a future-oriented way,  
involving all partners**

Goal	Activities	Status	Target date	Target value	Target relevant
Agile corporate structures	Harmonize corporate structure and business processes	ongoing	na.	Structure & IMS	Group
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Expand compliance management	Consolidate the compliance program of the business units and establish it for the entire group	new	2022	AUNDE Group compliance policies and programs	Group
	Improving the verification of legal compliance	new	2023	Software implemented	Group

## Company structure

### The AUNDE Group SE - Automotive supplier for over 100 years

The AUNDE Group SE as a holding company comprises the business units AUNDE, ISRINGHAUSEN and FEHRER. As traditional, always family-led companies in the automotive supply industry all three brands follow the strategy of being a joint system supplier for automotive interior for all types of mobility.

We have expanded the production depth and increased our added value by taking over the companies ISRINGHAUSEN and FEHRER into the AUNDE Group with their already strongly positioned brands on the automotive supply market. With the know-how and expertise of these three brands we will be able to pursue our strategy successively and, above all, sustainably, to achieve our goal of becoming a global technological and innovative market leader for automotive interiors.

In doing so, the independence of the individual brands will be maintained and special attention is paid to their respective core competences. In this way, we can learn from each other and exploit important synergy effects that take us further on our journey and continue to make our company successful in the long run.

The company's portfolio ranges from the manufacture of yarn to the production of textile surfaces, the cutting and sewing of covers and the individual manufacture of seats, to interior modules and composite components.

The vertical range of manufacture will be further expanded through targeted cooperation and joint ventures. For example, modern LED lighting technology complements the existing portfolio for the automotive industry and other branches of industry.





## Strong brands – united in tradition

AUNDE, ISRINGHAUSEN and FEHRER – three strong brands each alone. We owe this to decades of experience and assertion on the market.

The AUNDE Group umbrella brand will position us in the future as powerful partner on the international market – offering our customers innovative and tailor-made solutions from a single source with our experts at AUNDE, ISRINGHAUSEN and FEHRER.

**AUNDE**, founded in 1899 as Achter und Ebels, specialized in the development and production of upholstery fabrics and innovative textiles for the automotive industry as early as 1920. Today AUNDE offers its customers a complete package from the individual design, over the technical conception up to the delivery of technical textiles and upholstery materials with appropriate certifications. AUNDE can produce all textiles both as finished cover and as textile web in its regional locations, supported by local design, development and sales teams.

Technical textiles and upholstery materials from AUNDE are also used for further processing within the AUNDE Group. AUNDE offers its customers a full service from one source.

**ISRINGHAUSEN** founded in 1919, is the international market leader in the development and production of innovative seating systems for the automotive and commercial vehicle industry. In more than 50 plants and 20 countries, ISRINGHAUSEN manufactures a broad product portfolio – from driver, passenger and passenger seats for trucks, vans, buses and off-road vehicles. A maximum of reliability, quality and economy is the focus of our activities. ISRINGHAUSEN meets the high demands of its customers with high development and ma-

nufacturing competence and market-oriented innovations. From the product idea, exclusive design, styling and development to prototype and series production, ISRINGHAUSEN offers its partners worldwide an individual JIT/JIS service and develops new seating technologies of tomorrow together with its customers.

Founded in 1875 in Kitzingen, Germany, **FEHRER** is one of the world's leading specialists for components in vehicle interiors. The product spectrum covers form pads for vehicle seats, seat modules such as arm rests, consoles and side parts as well as lining and structural parts for the vehicle interior.

Service centers and production plants in geographical proximity to its partners as well as customized service along the entire value chain are FEHRER's hallmark of customer orientation. From the in-house development of optimal material recipes, innovative engineering, planning of the production process, mould and tool making, mechanical and plant engineering to series production, FEHRER offers everything from one source.

FEHRER's well-founded know-how and many years of experience are the basis for realizing future-oriented, economical solutions for tomorrow in close alliance with partners of the automotive industry today.

### Vision

We become the market leader for mobile interiors.

### Mission statement

We develop and produce innovative mobile interiors at locations around the world.

We are and remain an independent, family-run company.

We think globally and are committed locally – equally at all of our production sites.

We work in partnership, transparently and sustainably – in the interests of our employees, our business partners and our environment.

### Values

- Family business
- In partnership
- Open-minded
- Innovative
- Sustainable

## Our values

**Our values are the basis of our actions. Therefore, the management of the AUNDE Group has questioned the understanding of the values of the group of companies and has adapted and reformulated them together in the interest of all employees of the individual business units - always with the vision in mind to be one of the market leaders for mobile interiors:**

### Family business

We are a family-run company that operates independently and economically. We see ourselves as a large international family. We respect and cultivate cultural differences. We live openness and partnership in dealing with each other. We create permeable hierarchies and short coordination channels.

### Innovative

We think ahead and know what will be in demand in our market in the future. We create an environment in which new ideas are valued and encouraged. This enables us to assert ourselves as a technological pioneer in the industry.

### In partnership

We guarantee our customers flawless products and high delivery reliability. We are transparent, fair and reliable towards our partners. Because we know that we can only be successful if our partners are successful.

### Open-minded

We can only achieve our goals in the global market if we set up our production internationally. We are strategically expanding responsibly – in the interest of our economic success and of all employees at all production sites.

### Sustainable

We are responsible for our environment and for the people at our locations. We are committed to training and promoting young people. We are reducing our ecological footprint with optimized processes and sustainable products.

## Sustainability in the AUNDE Group

At the AUNDE Group, sustainability is already anchored in the overarching formulation of values. Here the strategic basis is created to communicate the topic of sustainability to all levels of the company.

In particular, the environment, health and safety departments of the individual business units provide support in implementing the strategic guidelines in practice.

## Compliance: Code of Conduct

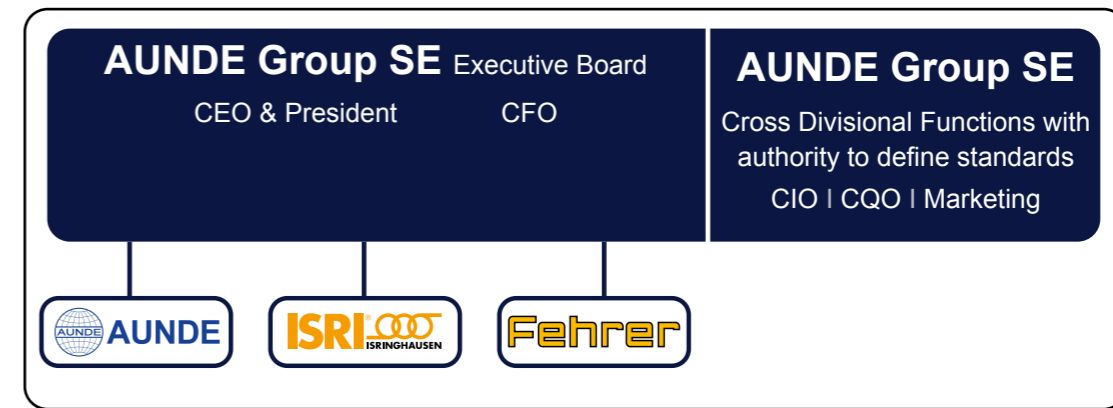
The AUNDE Group acknowledges its social, ecological and economic responsibility. As a global player in an increasingly networked market, we meet the challenges associated with this with an awareness of our responsibility to integrate human rights, labor, social and ecological standards into our value-added processes.

This Code of Conduct is based on the internationally recognized principles for the protection of human and labor rights, as expressed in the United Nations Universal Declaration of Human Rights, the ILO core labor standards, the UN guiding principles for business and human rights, and the OECD guidelines for multi-national corporations. In addition, the Code is based on relevant international agreements on environmental protection.

We also expect this awareness from our suppliers and contractual partners in order to ensure a successful and sustainable cooperation. The published Code of Conduct obliges our suppliers and contract partners as well as our own employees to strive for and act according to these principles if they are currently or in the future in business relations with the AUNDE Group.

In the future, we would like to increase awareness throughout the organization of the contents of our Code of Conduct, and in particular of ethics.

## Company Structure



## Integrated Management System (IMS)

### One common goal, one team, one management system

The basis of the Integrated Management System (IMS) is the AUNDE Group Management System which is valid and published throughout the group. The IMS brings together

the corporate principles, strategic orientation and business processes of the group.

## Worldwide orientation and standardization in the AUNDE Group

The IMS forms the basis for all standards and processes for the AUNDE Group and is used at all locations worldwide. For this reason the group certification for ISO 14001 (environment), OHSAS 18001/ ISO 45001 (occupational health & safety) and ISO 50001 (energy) was established and continuously expanded. The AUNDE Group sites are generally certified according to IATF 1694 and ISO 14001. A large number of the sites also have OHSAS 18001 and ISO 50001 certification. In the coming years, the group certification for these standards will be continuously expanded and aligned with the new ISO 45001 and ISO 50001 standards.

### Certification Status of the sites

IATF 16949 Certificates (including Remote Locations and Site Extension)	53*
ISO 14001 Certificates	53*
OHSAS 18001 Certificates	53*
ISO 50001 Certificates	40*

\* The figures should take into account that several sites can be assigned to one certificate (extended workbench) and therefore the number of certificates does not correspond to the number of total plants.

The German FEHRER sites will be certified according to the ISO 45001 occupational health and safety management systems in order to integrate these sites into the group certification of the AUNDE Group for occupational safety.

All standards are regularly reviewed and confirmed by recognized certification organizations. This enables us to take a holistic view of the management system and to identify and initiate improvements. In general, the internal and external audits provide a good reflection on potential weaknesses and areas for improvement in order to continuously improve the IMS and make it more solid.

During the reporting period, a cross-divisional EHS work team was established, consisting of technical experts from the various business units. The aim of this working group is to drive forward the standardization and harmonization of the management system for environment, occupational health & safety and energy worldwide.

To ensure that global and cross-divisional cooperation functions even better in the future and best practices are available at all sites, we are planning to implement new software for our management system (IMS).

### Global IMS meeting for interdepartmental exchange



Due to the global orientation of the group, it is essential to involve and inform the locations and to ensure a comprehensive exchange. For this reason, the so-called IMS meeting is held once a year to bring the further developments of our management system into the Group. The meeting is a fixed item in

the calendar of the AUNDE Group and has been taking place for more than 15 years. The topics cover a broad spectrum and include not only the classic topics such as Quality & EHS, but also the topic of sustainability and integration into the management system.

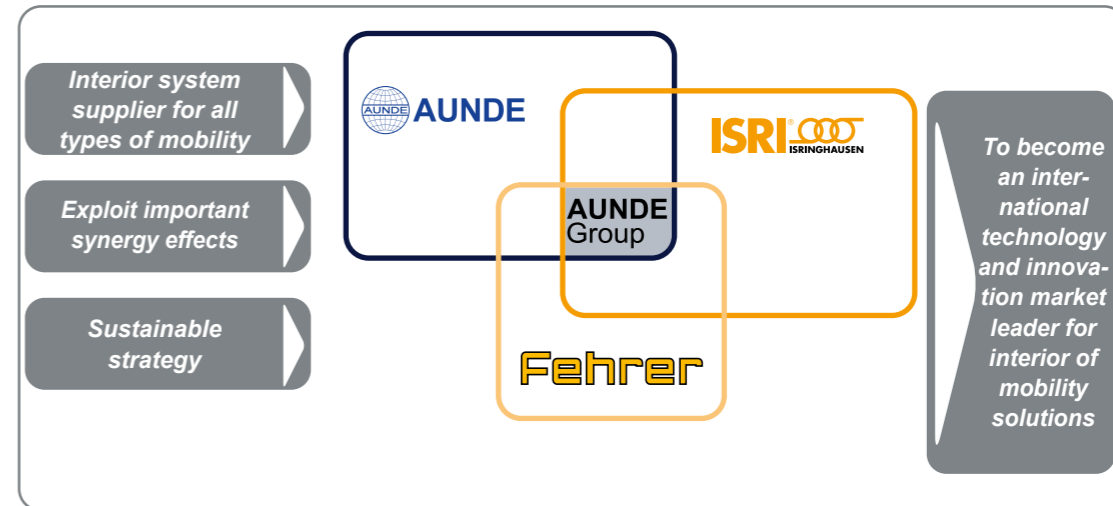
### Sustainable company portfolio

The product portfolio of the AUNDE Group includes intelligent and innovative Solutions from textile surfaces to interior systems. We also develop and produce products from renewable and recycled raw materials and focus on the use of sustainable materials in

the future. As an innovation leader, we drive new solutions and expand our commitment in a responsible and economically successful manner.

This claim applies to all activities of the company.

#### Value-added chain AUNDE Group – core brands and group companies



## Future-oriented product design

**„ We develop products for tomorrow**

Goal	Activities	Status	Target date	Target value	Target relevant
Develop sustainable products and processes	Further promotion of research and development with sustainable materials	ongoing	na.	Sustainable products	Group
	Develop and establish a uniform tool and method for cradle-to-cradle analyses	new	2021	Method implemented	Group
	Integrate aspects of sustainability even more strongly in the advance development process	new	2021	Process	

## Management approach

Our industry is changing and autonomous driving and electrification are without question the key issues of the future. What is certain is that the interior is becoming more and more important and sophisticated. The interior is the new exterior! Automobiles are already being developed from the inside out. The exterior styling is no longer the only thing that matters, the focus has shifted to comfort in the interior of a vehicle.

Equally important is the development of sustainable components. Therefore we pursue the strategic approach that our products make a contribution to resource and environmental protection. In doing so, we comply with customer requirements, legal requirements and, last but not least, our own standards.

## Sustainable product development

Our products are always developed with regard to the following aspects:

- Lightweight construction as a fundamental development approach in the PEP (product creation process)
- Use of locally available raw materials
- Reduction of the CO<sub>2</sub> footprint by taking into account optimized logistics chains
- Easy dismantling and avoidance of material hybrids
- Optimal use of recyclate taking into account the required technical property profiles

The goals are a high installation rate of recyclable and usable materials. Intelligent design reduces the noise generated by mechanical components. When selecting the raw materials, we pay attention to reducing interior emissions. The observance of these principles is part of the PEP for newly developed products before the start of series production and thus forms a prerequisite for series production. In advance development, we are constantly looking for alternative and renewable raw materials. Natural fibers and paper honeycombs are already being used in current series products. In addition, we expect the use of further bio-based raw materials in series products in the short term.

The choice of productive materials are inter alia the following requirements and guidelines:

- Customer-specific and technical requirements
- Directive 2000/53 / EG ELV (End of Life Vehicles )
- Legal requirements (e.g. REACH or GADSL (Global Automotive Declarable Substance List))

The brands of the AUNDE Group stand for the development of high-quality components for automotive interiors worldwide. Our design and development network AUNDE offers tailor-made solutions for our customers from yarn to driving experience. The use of sustainable and recycled yarns, recyclable interior components, as well as the reduction of waste from the production chain through improved technology and production processes is ever more important. We are working on developing single-variety products that can be returned to the material cycle after their useful life.

## New innovation strategy: The new innovation management format InnovationLAB

In order to meet the future requirements of the market, the format and the process of the previous Innovation Forum have been strategically developed. An interdisciplinary team has developed the new InnovationLAB format. The InnovationLAB is controlled by a core team consisting of members from the areas of advance development, sales and marketing.

With the help of campaigns in the areas of sustainability, autonomous driving, light-

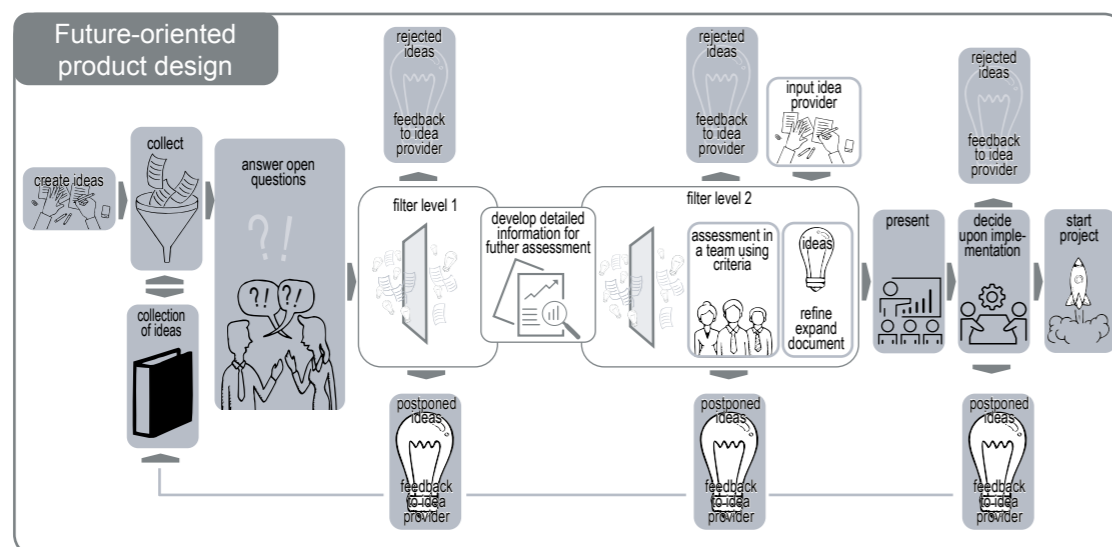
weight construction and others, the Core-Team collects product innovation ideas from employees of the AUNDE Group worldwide. These innovation ideas are then further developed together with the idea generators through individual, dynamic short presentations. The idea suggestions are presented personally to the decision-making body by the idea generator. The committee immediately decides on the approval of the idea to start an innovation project.

### The key messages of our innovation strategy

- We are prepared for market developments through proactive and forward-looking concepts
- Our developments are driven forward with emotion and passion
- We discover new things
- We maintain an open culture
- There are both brand-specific and combined AUNDE Group technologies
- All regions in which the AUNDE Group operates are integrated into the innovation process

One of the most important goals in these product innovation ideas is the aspect of sustainability. The holistic and efficient innovation process systematically guides and bundles global innovation activities and places the AUNDE Group in the automotive industry as a straight forward innovation leader. Joint product innovations will henceforth be centralized, controlled and prioritized within the AUNDE Group with the InnovationLAB.

In addition, the InnovationLAB also serves as a strong identification point within the company and to secure technological know-how.



## Sustainable product development

### TexBlue and TexGreen

**From an extensive material study, we have developed two product lines for our textiles that are already being used in series production. In articles from the line TexBlue come to 100% recycled materials used articles from the line TexGreen from material consisting of 30% renewable raw materials.**

In our plant in Luxembourg we produce our TexBlue polyester yarns with 100% recycled polyester from PET bottles. These yarns are also spun-dyed - the technical properties correspond to those of conventional (virgin) polyester.

We also work with recycled polyamide. The raw material comes from used fishing nets, carpet waste and production waste and can be recycled several times without any loss of quality. Polyamide yarns have the best abrasion and tear resistance, and we achieve the necessary color fastness through spun dyeing.

TexGreen is the label for our textiles that are made from renewable raw materials (share at least 30%) – both on a vegetable (cellulose) and animal basis (wool).

After extensive material tests with natural fibers (wool, linen, hemp, nettle) as well as viscose fibers from renewable raw materials (wood), we continue to focus on sheep wool with a proportion of at least 40% for use in automobile interiors.

The wool perfectly meets the technical and design requirements: it has excellent thermal properties, is dirt and water repellent, antibacterial, flame retardant, does not permanently absorb odors and is 100% biodegradable.

We also use alpaca wool, which is available in natural colors in a beautiful color palette. In mixtures with undyed virgin wool or polyester, the textiles have a particularly soft feel.

The range of new materials made from renewable raw materials, organic waste, modified, more rapidly degradable and bio-based plastics is constantly growing. The suitability for use in automotive interiors is continuously checked according to the technical specifications of our customers.





## Best Practice spun dyeing

The majority of our textiles are made with spun-dyed yarns. In spin dyeing, pure color pigments (masterbatch) are added to the polymer in the melt phase and spun out as fibers. In contrast to conventional water-based liquor dyeing, there is no waste water. The energy consumption is reduced by 94% per kilogram of yarn, the CO<sub>2</sub> emissions are reduced by 97%.

The technical behavior of spun-dyed yarns is also excellent: the color fastness and the wear behavior meet the highest standards.

	Spun-Dyeing	Yarn Dyeing	Piece Dyeing
<b>Energy</b> in kWh/kg	0,043	0,8	2,0
<b>CO<sub>2</sub> Emission</b> in kg	0,00095	0,49	1,2
<b>Water</b> in liter	-	16	20

## TexLeather

AUNDE has developed a new strategic business area: vegan leather for vehicle interiors. The demand for artificial leather as a decorative material in interiors has increased sharply in recent years.

The new project constellation combines the best of the fashion and automotive world: progressive, quickly implementable designs in automotive quality. The first projects from both the car and commercial vehicle sectors have already started.

We are pioneers in the automotive industry and have had the product certified as „vegan“ according to the standards of the ISTITUTO CERTIFICAZIONE ETICA AMBIENTALE (ICEA).



Yarn Dyeing



Piece Dyeing



Spun-dyeing



Spun-dyeing

## Future concepts for the van segment

Lightweight construction is one of the fundamental components of sustainable products. In order to achieve intelligent lightweight construction solutions, ISRINGHAUSEN focuses on the geometrical structure design as well as the targeted use of materials in terms of material and dimensioning.

The systematic use of contemporary FEM simulation tools for component design as well as for strength and fatigue strength analysis makes a significant contribution to achieving a holistic optimum. At the pre-development level, future topics relevant to lightweight construction, such as the link between the results of the virtual topology optimization and additive manufacturing, are examined.

The knowledge gained in this way is taken into account in the development of future series products.

The concept study of the New Van Seat is an example:

Flowing forms in connection with an integrated headrest create a compact design and emphasize the aspects of safety and ergonomics. In every driving situation, the adjustment systems with their newly designed, non-slip control elements ensure an ergonomic and comfortable seating position.

The backrest structure of the ISRINGHAUSEN seat study shows what could be hidden under the seat cover and the ergonomically shaped foam cushions in the future: additively manufactured components. The use of generative manufacturing technologies offers a lot of potential, not only in the area of prototype construction. Components produced by means of layering processes allow a high degree of functional integration with optimized geometry. This reduces the number of parts and material-related additional costs can be compensated.

In the van sector, suspension seats as driver workplaces are becoming more and more popular and ISRINGHAUSEN's specialty.

The oscillation system made of aluminum represents a possibility for the realization of structural lightweight construction by material substitution of conventional steel by aluminum. Alternative embodiments of the oscillation system, for example using components made of modern press-hardened steels, are also possible and offer specific weight savings potential. The overall effect of the weight reduction with regard to the environmental impact must be considered for every alternative approach in the sense of a life cycle assessment in order to identify the most sustainable concept.



The New Van Seat concept study with an integrated aluminum oscillating system



The sectional seat New Van Seat shows the 3D printed seat structures

## Recycled fleece from textile production waste

In an advance development project by FEHRER, it was possible to develop a fleece in which 25% recycled fibers are used. Together with a partner, the waste is first torn into fibers and PUR foam flakes and then processed into a thermally deformable fleece in a special process with polyester fibers and BiCo polyester fibers. A so-called embossing fleece is produced from this fleece at FEHRER, which is then foamed into a PUR seat foam part as a reinforcement material. It replaces existing embossing fleeces made of 100% virgin polyester. This means that in future the waste will have a new use in a new product and no longer has to be disposed of in the landfill.

In other projects, chemical development has investigated various recycling processes for flexible foams and integrated the resulting recycled polyols in corresponding foam systems. A permanent exchange and cooperation with well-known raw material manufacturers takes place here in order to increase the chances of using recycled polyols in the soft foam seat cushions.

To illustrate the sustainability of PU foam, FEHRER works with raw material manufacturers and associations to develop comprehensive LCA (Life Cycle Analysis or Assessment) for the entire PU flexible foam process. The aim is a complete analysis starting with the manufacture of the raw materials, through to the production of the soft foam seat cushions, the usage phase and ending with product disposal.

## Sustainable PUR foam

In order to promote the use of sustainable raw materials, our central chemical development department has tested the bio-based polyols available on the market and validated them in various FEHRER formulations. Depending on the technical requirements for the soft foam seat cushions, quantities of up to 15% of bio-based polyols can be used. It has been in the development of Rezeptu to re-emphasize that in the production of bio-based used polyols does not lead to competition for land with food production. Concrete projects with various OEMs are being implemented.

## Composite components

For a new type of backrest cover with functional integration, an innovative lightweight composite based on natural fiber fleece was developed together with a customer. Despite high functional strength and very good acoustic properties, it was possible to achieve a low weight. The backrest cladding is used for the first time in various versions in a vehicle in the luxury segment.

Instead of conventional metal parts, a lightweight backrest structure with a significant weight reduction was developed for a customer vehicle. The material basis of this lightweight backrest structure is a fiber-reinforced PUR rigid foam which, thanks to the intelligent use of materials, offers a high level of functional integration and at the same time optimally meets all technical requirements, including vehicle crashes.

## Seat modules

For a console armrest, the use of a special foam injection molding process for the first time enabled both the material use of the thermoplastic used and the total weight of the console armrest to be significantly reduced. The function and the mechanical property values were fully retained.

With various new console armrests, seat-mounted armrests and rear center armrests, weight reductions could be achieved through the use of fiber-reinforced thermoplastics in the support structures. Here, metal was substituted by recyclable thermoplastic, whereby, in addition to the weight reduction, a lower CO<sub>2</sub> footprint was achieved.

## Use of natural fibers as reinforcement material

Another new advance development project is the development of rigid polyurethane foam parts reinforced with natural fiber materials (e.g. flax, hemp, kenaf) instead of glass or carbon fibers. The aim is to increase the proportion of renewable raw materials in

vehicles, a lower CO<sub>2</sub> footprint during production and a weight reduction compared to glass fiber reinforcement. The aim is to initially use the natural fiber-reinforced rigid foam in structural tubs for rear seats.



Form fleece with 25% recycled fibers



## Supply chain responsibility

**„ We are responsible for sustainable supply chains**

Goal	Activities	Status	Target date	Target value	Target relevant
Promote awareness of sustainability in the supply chain	Specify supplier specifications on the topic of sustainability	new	2021	Guidelines	Group
Improve the recycling rate along the value chain	Specify and query key figure for worldwide locations	new	2021	Guidelines	Group

### Management approach

In accordance with our corporate culture, we supply our customers with flawless products and a high level of delivery reliability. We are transparent, fair and reliable towards our partners. Because we know that we can only be successful if our partners are also successful. Our partners include our suppliers and the system can only work with a proper supply chain running smoothly.

### Supplier relationships

As a company, we have to guarantee that orders can be checked, awarded and processed in a traceable manner. That is why we place high demands not only on ourselves, but also on our suppliers.

Compliance with the respective local legal provisions on environmental protection and labor law as well as the consistent avoidance of corruption and forced labor are the basic

principles for our daily actions – and thus also for the actions of our suppliers.

In our Code of Conduct and in the general terms and conditions of purchase, our basic understanding of partnership-based cooperation and the requirements for compliance issues as well as environmental and social standards are formulated. The purchasing conditions serve as the basis for the contractual agreements with our suppliers, who also undertake to pass on these requirements to sub-suppliers.

Since 2016, procurement criteria for purchasing energy-related products have been specified for our suppliers. These should help both us and our suppliers to find the right solutions for us.

As a further new task, we have set ourselves the goal, in addition to the queries that have already been implemented, to specify group-wide specifications for supplier evaluation with regard to sustainability within a supplier audit.

### Sustainability in the supply chain

Sustainability in the supply chain is an important field of action for AUNDE Group Purchasing when dealing with potential risks in the procurement process. The AUNDE Group avoids and minimizes these risks by requesting regular self-reports from our suppliers. All sustainability issues are recorded and evaluated in this self-assessment.

Supplier violations of contractually stipulated standards can ultimately lead to the termination of business relationships.

The AUNDE Group expects its suppliers and service providers to act proactively in order to adequately counter the risk of a violation of the requirements, be it in its facilities, its manufactured products or in its supply chains.

### Conflict minerals

We also dealt with the issue of conflict minerals in the current reporting period. In accordance with the corporate principles, we attach great importance to social and ecological aspects such as the protection of human rights, the fight against corruption and environmental protection.

The AUNDE Group does not purchase materials that contain „conflict minerals“. We scrutinize to understand where our products contain „conflict minerals“ and to determine the source and origin in our supply chain. These activities are based on the established frameworks of the Organization for Economic Cooperation and Development (OECD) and other industry initiatives. We contact our direct suppliers to increase the transparency regarding the products they supply.

### Material specifications according to REACH, GADSL and RoHS

The hazardous materials used by the AUNDE Group include in particular PU raw materials, adhesives, electroplating, resins, lubricants and industrial chemicals.

In order to avert harmful influences through the use of certain substances and to ensure the protection of the environment, the AUNDE Group fulfills all requirements set by the REACH regulation.

In the course of this, the AUNDE Group attaches great importance to compliance with customer requirements in accordance with

the material / substance restrictions from the GADSL and the RoHS for electronic components that are used for purchased parts and components.

By reducing the variety of substances, hazard potentials and costs should be equally influenced in a positive way. Wherever possible, we try to eliminate particularly critical substances and promote the use of low-risk substitutes and the standardization of safety standards in the company.

### Environmental management at suppliers

Environmental management is the holistic and forward-looking integration of all environmental aspects into the company. In their principles, we describe the essential environmentally relevant aspects of materials, emissions, waste and water.

The control and monitoring of the environmental performance takes place by means of environmental indicators. They are used to set goals and to plan necessary investments to drive continuous improvement.

## Employee appreciation

**Our employees are  
our greatest asset.  
We want you to be part  
of the AUNDE Group.**

Goal	Activities	Status	Target date	Target value	Target relevant
Promote employee qualifications	Offer cross-divisional training in the area of Quality & EHS	implemented	2019	Qualified employees	Group
	Conception & implementation of a systematic qualification process	implemented	2018	Process documentation	Group
	Implementation of personnel management software	implemented	2019	Software implemented	FEHRER
	Development and revision of the PE instruments and processes	implemented	2018	Process documentation	FEHRER
Retaining employees over the long term	Offer opportunities for training in various professions	ongoing	na.	Number of trainees	Group
	Employee development program	new	2022	Program	Group
Further improve occupational health and safety	Further promote active accident prevention (analyze near-accidents, derive measures and programs)	ongoing	na.	Process documentation	Group
	Promote best business practice exchange in the group	new	2021	BBP identified and implemented	Group
	Various health prevention initiatives	ongoing	na.	actions taken	Group
	Establish noise emission register for the entire group and reduce noise emissions	new	2022	Noise register and catalog of measures	Group
Increase attractiveness as an employer	Revise the AUNDE Group website	implemented	2020	Revised website	Group
	Implementation of applicant management software	implemented	2018	Software implemented	Group

## Management approach

The AUNDE Group bears special responsibility for its currently 24,600 employees as a family-run business. Healthy, qualified, motivated and committed employees are the engine of our success.

Wherever possible, we strive for long-term employment relationships and offer our employees an attractive working environment and individual development opportunities and career paths.

Investing in the talents of our employees, recognizing and awakening their skills, understanding and taking into account their wishes and needs is therefore always our concern.

As a global company, it is our greatest challenge to continue to find answers to the rapidly changing demands on the job markets around the world.

In order to meet this challenge, we need capable employees at the right time with the required skills at the right location.

The following key issues in particular contribute to achieving these goals:

- Personnel development, training and further education
- Attractive employer
- Health management
- Compatibility of family and work
- Diversity and participation

Through measures such as modern applicant and personnel management systems, systematic qualification processes, cross-departmental training and further education programs, the group-wide further development of health and occupational safety and the expansion of the company work-life balance, we want to qualitatively improve our personnel work at the AUNDE Group as well as internally make processes leaner and more efficient.

Activities and personnel processes of the individual business units are always harmonized and optimized with one another.

Not only health, but also family care, our junior staff and our long-term employees (senior experts) are our top priority.



## Personnel development, training and further education

The future of the AUNDE Group lies in the young staff as well as in the promotion of the already existing workforce. Increasing demographic change and the orientation from the employer to the labor market pose the challenge of not just asserting ourselves against the competition in our sales market, but also positioning ourselves as an attractive employer on the labor market.

Particular attention is paid to increasing the attractiveness of commercial training occupations and the development and expansion of company work-life balance concepts. As part of our long-term personnel development strategy, we want to promote and develop talent.

Meeting the demand for skilled workers will continue to be a major challenge for the entire group of companies in the future. We always strive to employ 10% of our workforce as apprentices.

Eight different apprenticeships and two dual study programs are offered at the AUNDE Mönchengladbach location.

Thanks to the textile academy that was recently opened, the number of training positions at the Mönchengladbach location was increased. This is primarily possible because vocational school lessons for the training professions product designer – textile (m/f/d) and textile laboratory technician (m/f/d) are now offered regionally again. The trainees benefit from the digitisation of the vocational school and the direct connection to the Niederrhein University of Applied Sciences, through which vocational school lessons are made more attractive and qualitative. Digitisation means that our trainees are optimally prepared for the future world of work. The trainees also attend further training courses at the Textile Academy, which help them, among other things, to prepare for exams. From 1980 to 2019, 502 young people were trained in commercial and industrial professions in Mönchengladbach.

ISRINGHAUSEN meets this challenge, among other things, with a steadily increasing range of apprenticeships and dual courses of study.

Since 1980, a total of 902 young people have been trained as skilled workers at ISRINGHAUSEN.

Meeting the need for skilled workers will continue to be a major challenge for the entire group of companies in the future. For that reason, we are constantly working on increasing these numbers all the time.

In addition to the dual study „Industrial Mechanic + Mechanical Engineering“ or optionally „Innovative Production Systems“ in cooperation with the OWL Technical University in Lemgo, ISRINGHAUSEN has also been training punching and forming mechanics and electronics technicians for automation technology since 2018. The latter profession in particular significantly contributes to meet the growing demands that digitisation and Industry 4.0 place on companies. Overall, the record number of 31 new trainees in 2017 was also maintained in the following years. 30 trainees were hired in 2018 and 25 trainees in 2019. Apprenticeships for 25 young people are again planned for 2020.

As part of our holistic training, our trainees are supported in various areas of competence. In addition to technical instruction, there are seminars on IT and data protection as well as training on driving safety, addiction prevention and etiquette training on behavior in the company. The trainees also have the opportunity to further develop their independence and methodological skills in various projects.

Career discovery days for students as well as internships and degree theses are a matter of course for our company. In 2018 and 2019, a total of 108 internships and degree theses were carried out.



FEHRER trainees in Kitzingen 2018

At FEHRER, too, promoting young talent is very important in all areas of the company. From 1980 to 2019 a total of 391 young people were trained in both commercial and technical professions and in dual degree programs. The Kitzingen location offers the dual study program in cooperation with the DHBW Bad Mergentheim/Mosbach in various courses.



Orientation days at AUNDE



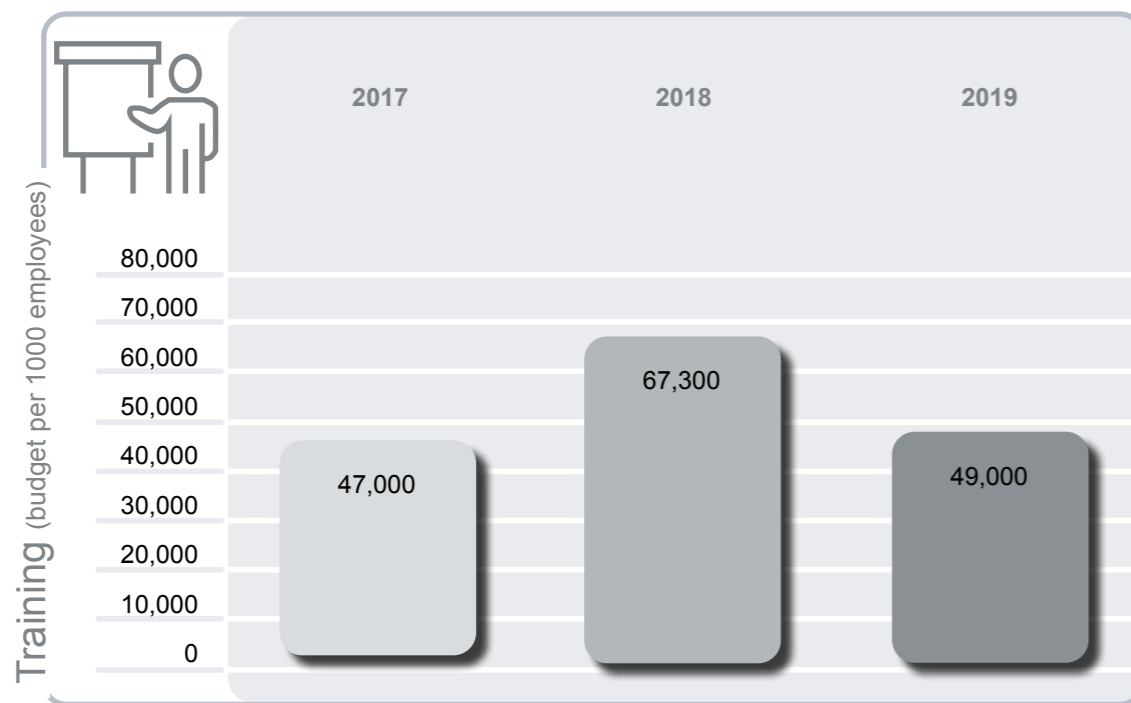
In order to make the firm entry as easy as possible, the training or study always begins with an orientation week. All newcomers have the opportunity to get to know their colleagues and the work environment better. For a safe start into professional life, instructions in occupational safety and accident prevention are organized. During their training, our junior staff is always supported and encouraged and challenged at all times by our training team.



In the area of continuing education, we qualify and develop the skills of our employees on a wide variety of topics. In addition to the „training on the job“ numerous qualifications as well as methodological or social skills are developed through external and internal trainings. In the future, group-wide training courses in the area of Quality & EHS are to be set up.

In the context of our demand-oriented further education group-wide a total of around € 54,000 per 1,000 employees on an average were invested in training programs from 2017-2019.

As a specific measure from the NHB 2017, we have revised our qualification process. This allows the needs to be determined and implemented individually and in a targeted manner. As a result, the training budget per thousand employees could be reduced without losing quality in education and training.



## Promotion of young talent

IHK (Chamber of commerce) project „see, be amazed, feel – what is industry“.

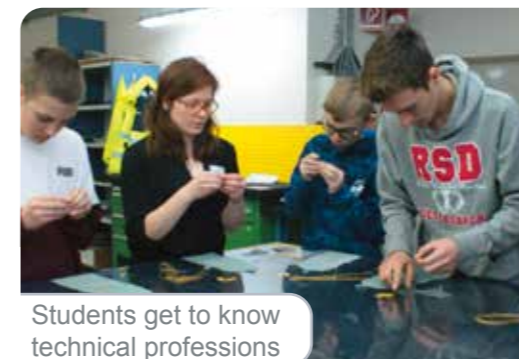
When it comes to recruiting young professionals, we start with the very little ones!

Since 2018 ISRINGHAUSEN trainees take part in the project ‚see, be amazed, feel – what is industry“ within the local campaign ‚Industry – Future in Lippe“. The project is aimed at fourth year primary school children and aims to teach in a playful way what „industry“ is, which products come specifically from Lippe and which professions can be learned in industrial companies. The trainees took over the teaching part in this „Industry“ lesson.

## Technology – and future days

As part of the professional orientation, the AUNDE Group offers students the opportunity to get to know practice-oriented technical apprenticeships. With the ISRINGHAUSEN Future Days or FEHRER –Technology Day students can spend a whole day in the company. They get information during tours of operations about professional training in the respective industry and learn „hands on“ how to make their own workpiece.

With a view to their strengths and interests, the young people can expand their range of career choices. They also look at occupations that are more „gender atypical“. A total of 107 participants attended the „Technology Days“ in Kitzingen in 2018 and 2019. In 2018 and 2019, a total of 33 students took part in the „Future Day“ in Lemgo.



Students get to know technical professions

## IHK Training Ambassadors

IHK (Chamber of commerce) training ambassadors.

Some of our trainees have been trained as training ambassadors by the chamber of commerce. As training ambassadors, our trainees now regularly visit schools and present their apprenticeship to interested students.

## Attractive employer

Numerous small and large campaigns take place in the corporate group, which promote our concern that our employees are happy to be part of the AUNDE Group family.

Among other things, a major project was the external presentation of our company through our new website. In this way, both our employees and the general public got informed about the AUNDE Group. During the development of the new appearance, consideration was given to addressing young people with a more modern design.

## Erasmus+ program

The Erasmus + program, named after the theologian Erasmus von Rotterdam, is an EU funding program. It promotes learning and intercultural cooperation in Europe in the fields of education and youth. With the help of the program it is possible, for example, to complete part of your training abroad, to attend advanced training as a teacher outside of your home country or to complete an internship abroad. The participants are supported financially. However, the funding goes beyond financial support. For example, courses on intercultural preparation are also offered, such as language courses.

Every year our trainees have the opportunity to take part in this program and get to know the country and its people for a few weeks at one of our European locations.

## AUNDE Group length of service

In 2019, the average length of service is around 8 years in the AUNDE Group. In addition, we have employees who have been working in the company for a significantly

longer period of time. For us, this reflects the loyalty to our company. This achievement is honored within the framework of an jubilee ceremony.



## Jubilee ceremony

From 1980 to 2019, AUNDE honored a total of 216 employees for 25, 40 and 50 years of service.

FEHRER honored a total of 46 anniversaries in the years 2017 to 2019.

At ISRINGHAUSEN, 18 employees were honored from 2017 to 2019 because of 40 years of service and 108 employees because of 25 years of service.

## Best Practice AUNDE – employee summer party

The AUNDE employee party took place in the Borussia Park in 2018. On a beautiful summer evening, optimal provisions were made not only for the physical well-being of the employees:

beside a rich buffet, there was "table football" and a juggler could be admired.



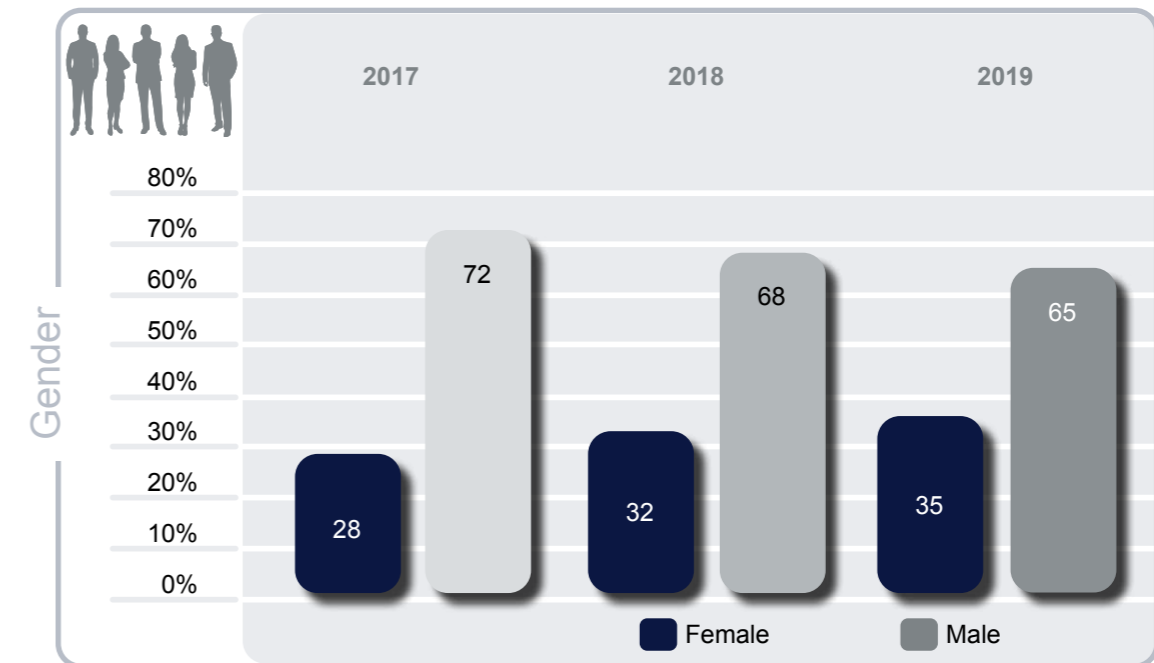
## Diversity and participation

As a global company, we respect and value the local characteristics at our global locations. This is anchored in our corporate culture:

We are convinced that we can only achieve our goals in the global market if we set up our production internationally. At the same time, we respect and cultivate cultural differences and live openness and partnership in our dealings with one another. We expand strategically responsible - in the interests of our economic success and of all employees at all production sites.

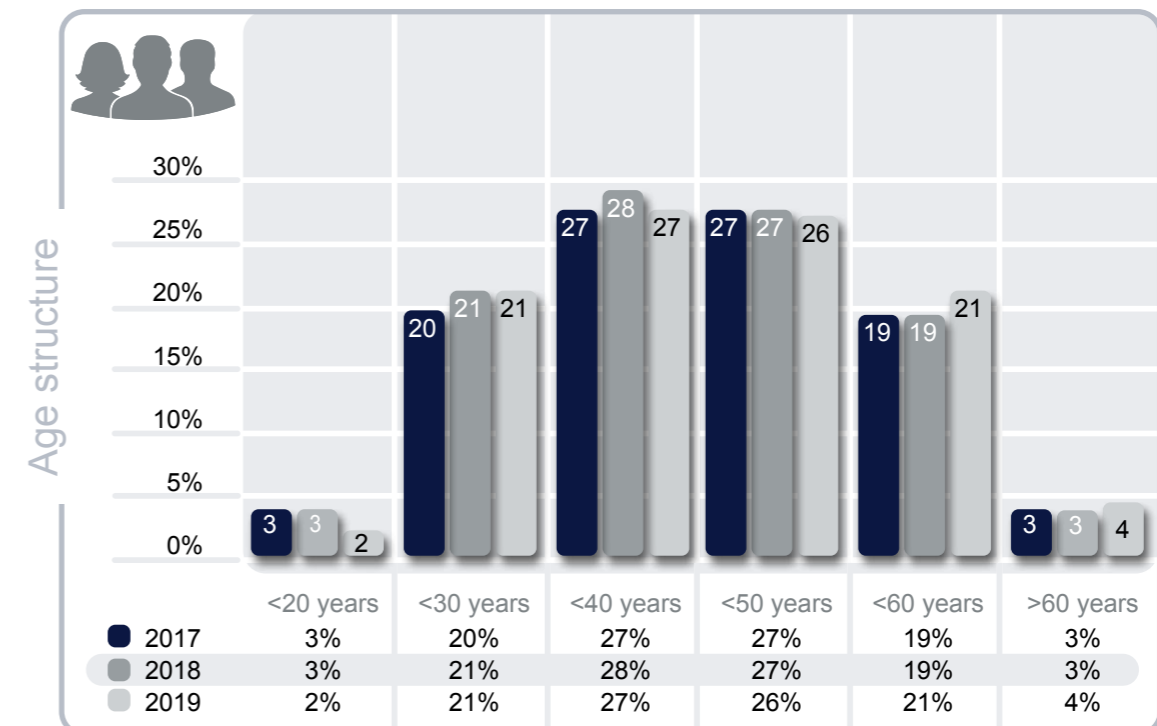
We believe that diversity is a strength in different areas and contributes to the company's success. The regular exchange in our international development team can result in innovative and diverse ideas.

As already described, we organize a global IMS meeting every year. One focus here is group work in which the teams are deliberately mixed according to nationalities and thus intercultural exchange takes place.



Due to the classic commercial job profiles in the industry, the gender distribution in the AUNDE Group is „normal“. The proportion of female employees increased by 7% from 2017-2019, but we would like to continue promoting the addition of all genders and to the advantage of employees and the company. We would like to set the „course“ very early on and use the „Technology and Future Days“ to give the youngsters an insight into „gender atypical“ jobs at an early stage.

The majority of our workforce is between 40 and 60 years old. This reflects the strength in the form of senior knowledge in our company. Nonetheless, we have to expand our HR activities to the target group of younger employees in order to rejuvenate the company in the short term and to create a long-term balance between „young“ and „old“.



## Women in leadership positions

In the AUNDE Group, equal opportunities and diversity are already important elements of the existing corporate philosophy. In the future, too, we want to further promote the potential of well-qualified female managers and achieve a balanced variety at management levels.

In the future we will have a targeted overview of the current employment situation of women in management positions in the Group in reserve and take necessary measures to promote.

## Work-life balance

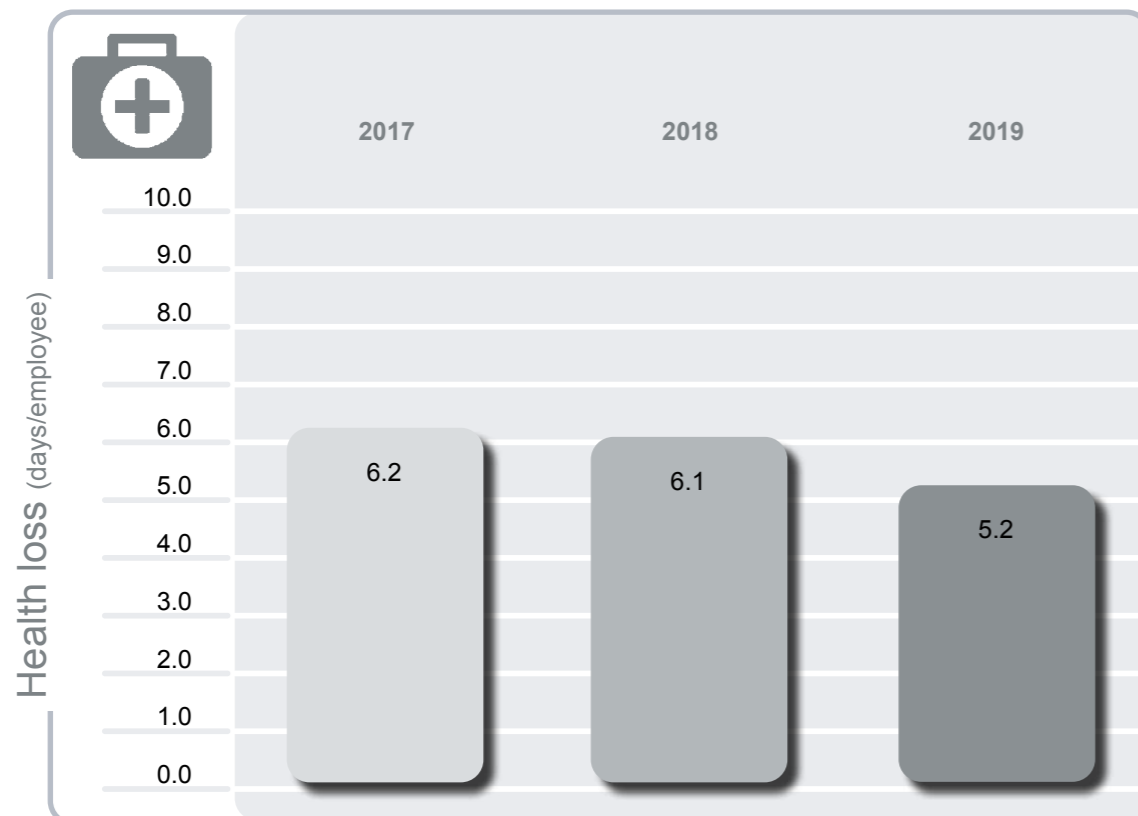
As a family-run company, the compatibility of family and work is a matter of concern. Flexible working time models are an integral part of the group-wide personnel policy and are implemented by local personnel management.

Varying flexitime and part-time models as well as trust-based working hours and shift models enable our employees to organize and combine family and work according to their own needs.

## Corporate health management

... is the creation of sustainable structures and processes in the company with the aim

of maintaining or improving the health and wellbeing of our employees.

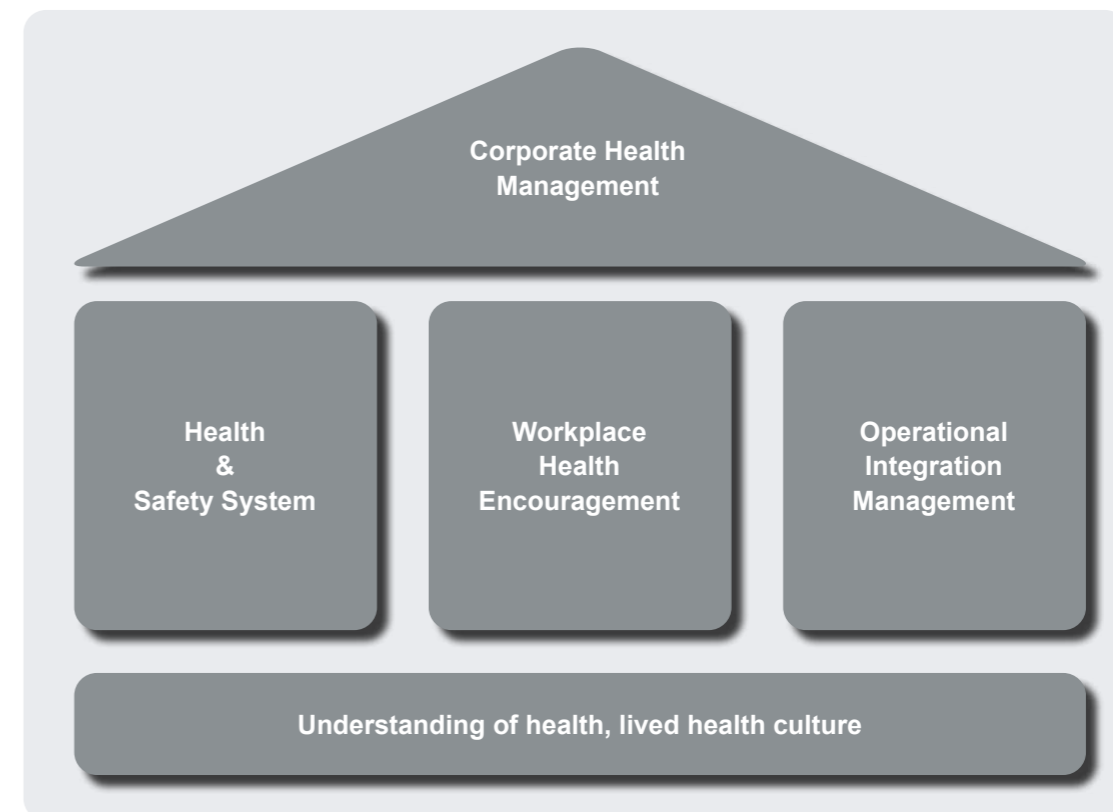


The loss due to health issues per employee has steadily improved in the reporting period. The reasons lie in the preventive health management of the AUNDE Group:

Our employees are our greatest asset. We want to actively influence the satisfaction and well-being of our employees as the basis for maintaining their health and ability to work. In addition to the question of disease-causing conditions and factors, the question of what health maintains is in focus of health management. In doing so, we take into account the behavior of employees as well as the employment relationships and condi-

tions. The focus of our actions are health-promoting working and organizational conditions that we as an employer can actively shape.

The sport, the health and safety of our employees in the corporate group shall be further promoted. Prophylactic health promotion will become more and more important in the future, because we all spend a large part of our time at our workplace. So what could be more natural than to ensure that our work environment is designed in such a way that it is beneficial for our health? We therefore want to make health promotion a management task.

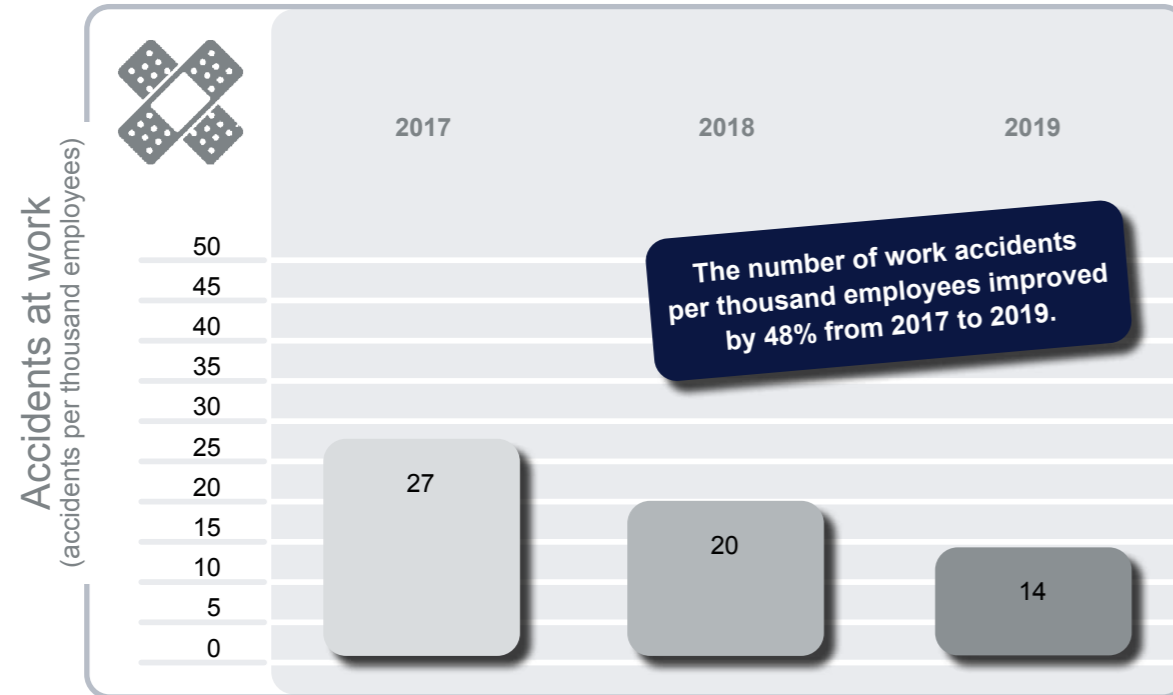


So far, the offer ranges from water dispensers in individual areas to flu vaccinations, day seminars such as „health days“ and sports offers to company reintegration management. The „fruit baskets“ campaign was introduced in 2017 and is distributed in the departments at regular intervals. In the future, the focus will be more on group-wide campaigns.

Company health management is based on three pillars. Holistic BGM comprises the fields of action of the legally mandatory occupational health and safety, the WHP and the individual cases prevention, with the aim of obtaining the individual working capacity, which, inter alia, describes the core of the legal order for the Company Integration Management.

## Health & Safety System

- Occupational health measures (mandatory)
- Risk assessments
- Instructions
- Personal protective equipment
- Systems and work equipment
- First aid & fire protection



### Best Practice emergency kits for business trips abroad

In our global company, business trips to distant countries are essential. However, these trips also harbor dangers and burdens for the health of the traveling staff. Therefore, basic medical examinations (G35) are mandatory for long-distance trips to tropical countries. The employee receives comprehensive medical advice and vaccination recommendations.

The Group provides emergency kits. Useful tools for emergencies are compiled. It contains the essentials for minor emergencies, from bandages to disinfectants, insect repellents and tweezers. There is also space to store a small collection of emergency medication.

## Workplace health encouragement:

- sporting events
- water dispenser
- Actions for healthy canteen food
- Employee surveys
- Healthy workplace design
- Healthy staff leadership
- Further training opportunities on the subject of health
- Job rotation
- Flexible working hours
- Open communication
- Code of Conduct

### Best Practice sporting events

#### Company runs

FEHRER again took part in the company run with 59 registered participants. The organisation team changed the venue, which was previously in Würzburg, to Eibelstadt. The runners were satisfied with the new route – the response was consistently positive. The company run covers six kilometers around the wine town of Eibelstadt (Würzburg district).



2019: 70 FEHRER employees started in Eibelstadt.

Runners also started at ISRINGHAUSEN – our employees successfully took part in the AOK company run in Bad Salzufen and the Hanselauf.



ISRINGHAUSEN at the AOK company run and Hanselauf





## Bicycle

Also the campaign „Cycle to Work“ sponsored by the AOK health fund finds supporters within the AUNDE Group:

During the campaign in Lemgo in 2018, a total of 35 ISRINGHAUSEN cyclists cycled for a good climate. 4,196 km were completed successfully in 3 weeks. This saved 595.8 kg of CO<sub>2</sub>. Lemgo teams took tenth place out of 46 cycling activist teams.

In the summer months from May to August, FEHRER employees also cycle to work. 40 employees registered for the open-air campaign. According to the regulations, the length of the route is not decisive.



Employees switch to cycling in summer. This benefits your health and the environment.

The only important thing is: the participants have to change - to the bike. In Mönchengladbach, too, people went for their bikes: 31 employees covered a distance of 11,536 km, saving 1,615 kg of CO<sub>2</sub>. „Going to work by bike“ is a campaign backed by the AOK health fund with the support of the employer.



## Dragon boat racing

The dragon boat measures 12.49 meters and is moved ahead only by the synchronous paddle stroke and the muscular strength of its crew. In June 2018, FEHRER started with two boats - and a crew of 34 employees in total - at the Kitzinger Weinfest weekend. With success: both boats took part in the

finals of the six fastest. The race in which Kitzingen clubs, companies and students compete on the river Main is now a tradition. Since the beginning - in 2011 - FEHRER has also been involved.



A strong community: FEHRER dragon boat athletes.

## Operational integration management:

### Our goals for operational integration management are ongoing:

- Overcoming and preventing periods of incapacity for work
- Maintaining, promoting and restoring the ability to work / health
- Reduction of health-related risks at the workplace
- To secure the job in the long term
- Avoidance of chronic illnesses

## Integration and inclusion

Under the motto „work unhindered“, we actively involve employees in our company and have implemented various initiatives for this purpose. The percentage of employees with disabilities has been at a similar level over the years.

The goal is to keep an eye on the health, performance, resilience, motivation and satisfaction of the employees and to take measures to achieve these goals. This is intended to ensure the most permanent possible participation in working life. The focus is on care – improving working conditions that support the motivation and health of the employees.

## Best Practice at FEHRER

In cooperation with the "Mainfränkische Werkstätten", FEHRER offers inclusive workplaces for adults with disabilities, according to the motto: „Work unhindered“. People with disabilities actively support the production of our products with their cooperation. The transfer of tasks takes place in coordination with the integration supervisor; FEHRER employees can be contacted in the company at any time and are appointed as reference persons / supporters. Since 2013, this cooperation for the participation in the working life of disabled people has been sustainably integrated into our processes – „INCLUSIVE ! - Working together“ a successful model in practice!



## Social commitment

**„ We take responsibility**

Goal	Activities	Status	Target date	Target value	Target relevant
Targeted increase in social engagement	Various activities to promote dialogue between the locations and society	ongoing	na.	Different activities	Group

## Management approach

As a company with regional roots, the subsidiaries of the AUNDE Group see it as their duty to support local projects. To this end, we want to encourage dialogue between the locations in order to initiate global projects from local actions.

## Best Practice Long Industry Night – „Lange Nacht der Industrie“

AUNDE Mönchengladbach took part for the 11th time at the nationwide event „Long night of industry“: Launched in 2008 as an initiative to improve the image of the industry, this event is now established nationwide and is supported by the regional chambers of commerce.

Last year, 667 companies opened their doors in 12 regions for a total of around 80,000 participants to give an insight into the supposedly so „dusty“ industry. Visitors could see for themselves that many companies are not dusty but modern and high-tech. AUNDE Mönchengladbach has been there from day one and likes to show what is produced in the factory.

## Promotion of social projects

When we speak about our environment, we also mean our immediate surroundings at the various locations of the AUNDE Group. Our values therefore not only include responsibility for our environment, but also for the society within which we operate. We are primarily involved locally in the areas of training and the promotion of young talent. However, our understanding and our observance apply to all aspects of the different cultures in the individual countries of our

locations. Our partnership principle becomes a decisive element of our corporate identity.

The AUNDE Group is an important driver of regional associations, clubs and institutions. With our many years of experience, we sustainably promote our region and fill important positions with our partners.

We are proud that we are active in over 24 projects in Germany alone.

## Best Practice AUNDE Group worldwide



## Textile technology courses

In collaboration with the union, a groundbreaking project was started in the region in which AUNDE Brazil introduced a course in textile technology. In addition to the development of people in technical and professional activities, the aim is also to promote socio-economic growth in the region and strengthen the entrepreneurial attitude to social responsibility. This initiative is a project that not only imparts industrial sewing technologies and productive process knowledge, but also brings people into the labor market. It is a completely free professional growth opportunity for local society. The program underscores our responsibility to provide our community with opportunities for development.



## AUNDE choir

A valuable project strengthens our social commitment in the region. In 2018 the AUNDE choir was launched with a small group of employees.

The AUNDE choir project strengthens the connection between our employees and the company by contributing knowledge in the areas of music education, creativity, social psychology and improving the quality of life.

The dedication of our team surprised everyone with the rapid development of the classes in which they participated.

Participating in an activity like the choir is an opportunity to explore another side of your life, which has a positive impact on professional and personal behavior. Each performance is both a challenge and a great reward for each of them.

## Environment and resources

**We act environmentally –  
and climate-friendly**

Goal	Activities	Status	Target date	Target value	Target relevant
Increase of energy efficiency	Integrate all AUNDE Group locations into the group's energy management system	ongoing	2023	Number of locations involved	Group
	Expand the energy scout initiative in the group	ongoing	2022	Implementation at different locations	Group
	Improvement of the location infrastructure	implemented	2019	Improved infrastructure	ISRINGHAUSEN
Improve recycling rate	Consistent recording of waste streams and deriving programs and measures	ongoing	na.	Recycling rate	Group
Improvement of the CO <sub>2</sub> balance at the locations	Determine the CO <sub>2</sub> balance and derive measures and programs	ongoing	na.	CO <sub>2</sub> balance	Group
Reduction of the amount of natural gas used	Use of a heat recovery system	implemented	2018	Heat recovery systems installed	AUNDE MG & Mexico
Reduction of noise emissions	Project	implemented	2018	Noise reduction	AUNDE MG

### Management approach

The AUNDE Group is a global technology company. We see it as our corporate responsibility to use resources and energy efficiently and sustainably at all locations around the world. The aim is to continuously reduce our negative impact on the environment along the entire value chain. In this way, we not only make a contribution to global climate protection, but also create measurable added value for our company.

As an integral part of our globally applicable IMS (Integrated Management System), we meet the standards of ISO 14001, OHSAS 18001 / ISO 45001, ISO 50001 and IATF 16949.

Corporate environmental protection aims at minimizing all environmental impacts

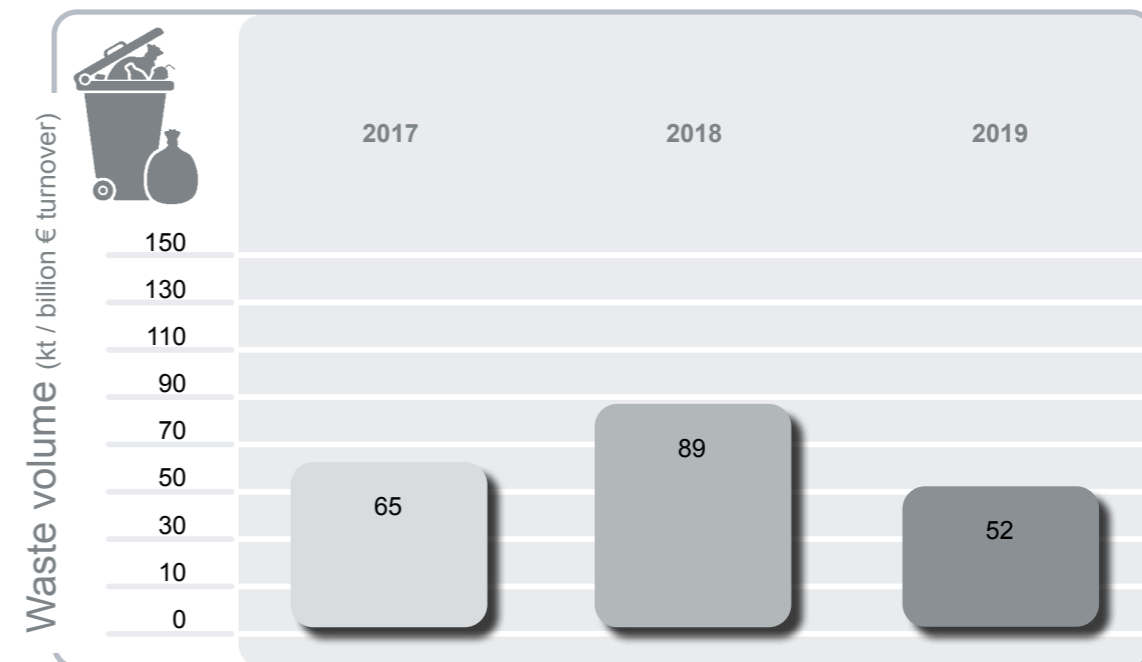
emanating from the company. Another focus of activities is on strategic and operational management and ensuring compliance with environmental regulations.

The standardization of the systems takes place centrally in a matrix certification, the coordination and the operational environment takes place separately in the individual company areas. In addition to location-related questions, questions about hazardous materials management, training courses and courses are also coordinated here.

Thanks to the exchange with the plants within the Group, we can also quickly communicate new knowledge and technologies across our brands and use synergies. In terms of lean production and continuous improvement, we will continue to discover new potential and further develop both our system and our locations. In doing so, we are also guided by the recommendations of the German Energy Agency on energy efficiency potential in industrial cross-sectional technologies. This is how we make our contribution to energy efficiency and thus secure our competitiveness. We record relevant information on occupational safety, health and environmental protection across the Group in a standardized reporting system.

In doing so, we orientate ourselves in many respects to international sustainability standards. In the multi-dimensional areas of environmental protection and energy, we are developing our CO<sub>2</sub> footprint across the entire value chain with the addition of the environmental assessment process Ecological Scarcity Method (ESM).

These key figures will help us to review our target-oriented measures for sustainable action.

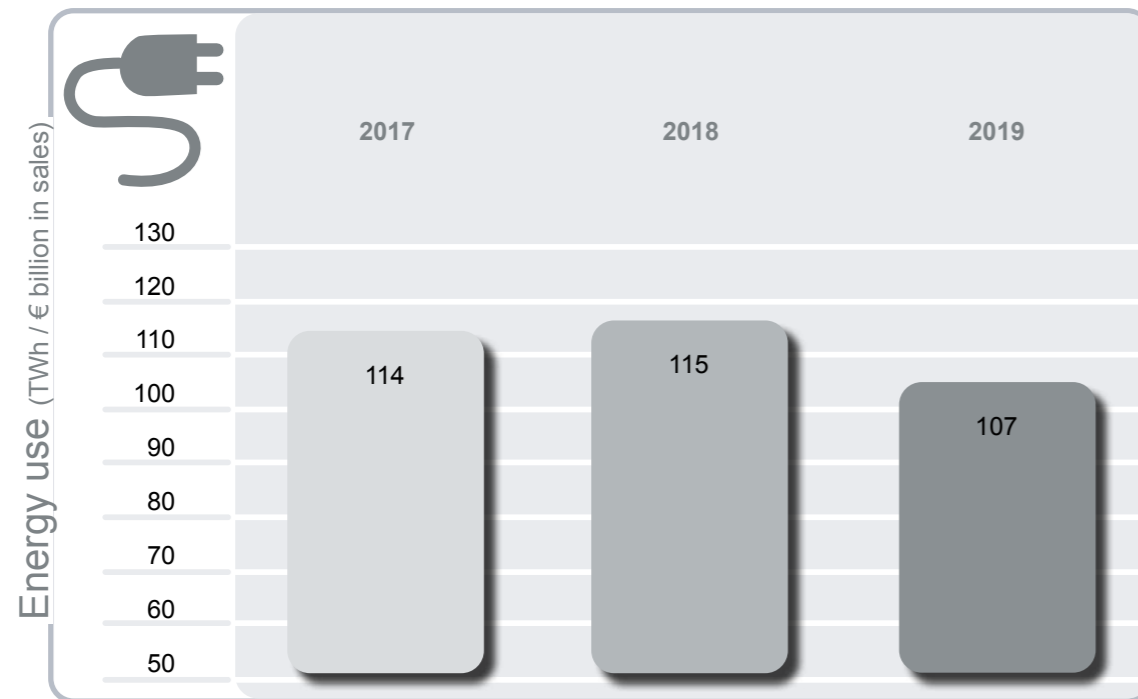


## Increase of energy efficiency

With the introduction of our energy management system, we support our energy efficiency strategy. An essential component of the system is the ongoing analysis of energy requirements and their consumption at our locations and the derivation of potential savings.

Since its introduction in 2015, the energy team has developed a catalog of various potential for improvement, which is evaluated and implemented at regular intervals.

Thanks to the introduction of global energy management, we are also able to identify and analyze efficiency potentials in a more targeted manner in order to derive the appropriate measures. Group-wide communication by a cross-divisional EHS team, as well as the targeted integration and participation of our employees in the numerous activities and measures are the guarantee of success for the identification of potentials and the associated implementation within our group of companies.



## Best Practice AUNDE Group worldwide

The „Energy Scouts“ are a project of the Chamber of Industry and Commerce, whereby trainees from various companies work in small groups on a project in your company in which energy and resources can be saved.

In this project, we trained apprentices to be „energy scouts“ at various locations. They took part in various workshops, in which various facts were learned from saving resources to calculating the payback period. Our projects include the topics of heat reco-

very and the sensitization of employees with regard to energy and electricity consumption, for which an employee day to provide information on these topics is planned. These projects will be presented to a jury at the closing event.

The „energy scouts“ can help us as the training company to the extent that they go through the company with open eyes and notice possible weak points in terms of energy consumption. If these points are then rectified, energy is saved and the company also acts more sustainably.

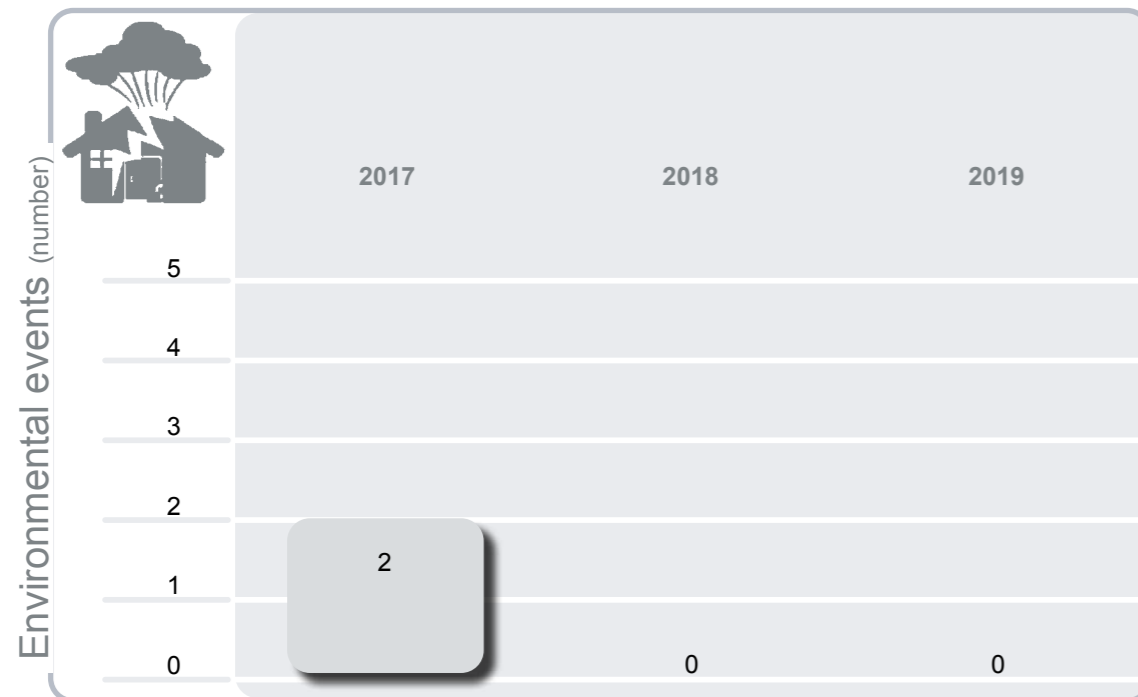
## EHS risk management

Overall, consistent compliance with the requirements of our Integrated Management System (IMS) has resulted in the number of environmental incidents being reduced since 2017. In 2018 and 2019 there was no incident in the AUNDE Group with an impact on the environment.

EHS is an integral part of the AUNDE Group's integrated management system. When developing our EHS processes, standards and methods contained here, a "risk-based approach" is taken into account, which is also used in other regulations such as IATF 16949, ISO 14001, etc.

With the tools for risk management that are established in our IMS, environmental aspects are systematically determined, the associated risk is assessed, measures are derived and effective implementation is monitored.

This preventive approach contributed to improving the environment. In the entire reporting period, we have to report two environmental incidents, one of which can be traced back to a natural event. The events had no impact on the ground, air and water and were at all times within the permitted limits.



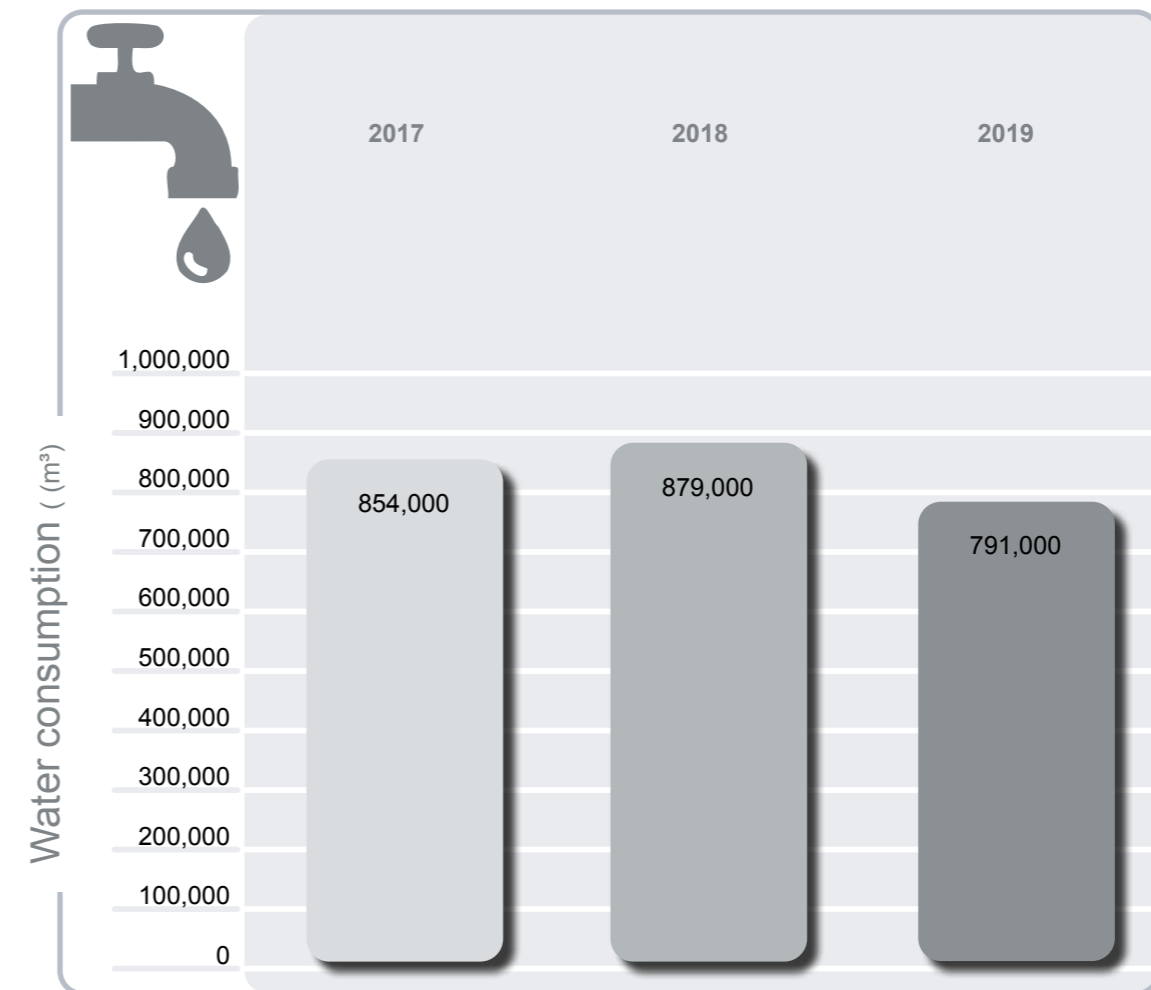
## Activities in water management

Water is local. Water is a valuable resource. In industry in particular, the use of water must increasingly be made more efficient in order to save this valuable resource.

The production process for the manufacture of textiles has a significant influence on water consumption in our Group. Here we have already completely eliminated bath

dyeing from our production process and in series production we predominantly work with 100% spun-dyed yarns.

In addition, our washing recipes have been improved over many years and made more efficient in order to save water.



## Best Practice AUNDE Group worldwide



### BBAC awards environmental prize to FEHRER Shenyang



At the beginning of May 2019, BBAC (Beijing Benz Automotive Company) awarded an environmental award as part of the Supplier Day in Shenzheng / China. All efforts in environmental issues have paid off: the award for 2019 was given to FEHRER Shenyang.

As a supplier to BBAC for Mercedes center armrests of the C- and E-Class, the GLC as well as variants of the A- / B-Class in China, FEHRER Shenyang has been able to demonstrate outstanding achievements in environmental protection since last year. The focus of this environmental work is on saving energy, avoiding emissions and waste, conserving resources, and emergency plans. These efforts were rewarded: this year's environmental trophy went to FEHRER Shenyang.

In order to emphasize matters relating to the environment, BBAC created this award in order to appreciate the diverse activities of its suppliers in the context of environmental, nature and climate protection. The award is intended to recognize and contribute to motivating others to join in and follow suit.

## Best Practice AUNDE Group worldwide



### Biological sewage treatment plant

AUNDE Mexico employs around 900 people in 3 shifts. That is why around 70 cbm of wastewater is generated every day. Therefore it was decided to install a biological sewage treatment plant. All sanitary wastewater flows into a system with 4 basins. These basins serve to separate the solid parts present in the wastewater and the coarse dirt settles out. The pre-cleaned water then flows into the next basin, where it is further cleaned by a special type of bacteria.

The water then flows through a reed plant, which is used to filter the water on its way into an AUNDE-shaped fountain. In this fountain and in a cistern the water is collected and then used in the evening to water the garden through an irrigation system.



## Heat recovery system – air-water system

The so-called „finishing“ is one of the most energy-intensive individual processes in the textile production chain. The washed goods are dried and the textile are thermally fixed. Since a considerable part of the process heat is given off again with the exhaust air, we can realize a significant energy saving potential here.

In AUNDE Mexico, 4 tenter frames are used. In order to cool down the existing heat of about 130 degrees °C in the tenter frames, cold water is introduced into tubes in the air



Heat recovery system AUNDE Mexico

exhaust and thereby cools down to the high air temperature, and heats the cold water. The resulting hot water is fed directly or indirectly into a water tank in the 3 existing washing machines. This means that the water no longer has to be heated by gas and there no more energy costs arise.

The air cooled by contact with the water is then passed on to a filter system, in which it is freed of oils with the help of electrostatic filters and then released into the environment without pollutants. The air leaves the factory at around 45 degrees °C and is free of pollutants, which is why hardly any smoke comes out of the chimneys.

The successful use of this system serves as a pilot project for the entire Group and was also used in Mönchengladbach. In the future, when our equipment lines are redesigned, the integration of heat recovery units is planned.

In addition, we will also retrofit existing systems.

## Air-to-air system

The principle is the same as for the water system, but here the hot air is filtered and fed back into the frame in order to reduce energy costs here, too. The filtered air is used in the winter months as radiant heat source for a new hall.

## Chemical sewage system

The 3 washing machines generate around 150 cbm of wastewater per day. Spinning oils and chemical products have to be separated, flocculated and pressed in this system. The purified water of this quality can be fed directly into the sewer.

With these investments, AUNDE Mexico has created a role model in the textile industry in Mexico and can claim to meet all requirements with regard to global industrial standards for wastewater and exhaust air.

## Epilogue

With the experience from the first report, we took a different approach to the reporting of this report. As part of the team, we developed a systematic reporting process that served us to query specific data. We were able to identify our strengths and weaknesses and define future goals and programs.

Working on the report showed us how important a holistic philosophy is throughout the company for the successful implementation of ecological, economic and social activities.

Aligning the company with sustainability is a process of constant improvement.

Checking ourselves regularly by collecting data and finally reporting on it helps us to work on ourselves and to make our contribution to achieving sustainability goals set by the global community.

The sustainability team, consisting of the project managers:

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... are open to criticism, suggestions and ideas relating to our sustainability work relate and look forward to exciting topics in your daily work in the AUNDE Group that can be included in our next Sustainability Report 2023. Please get in touch with your respective contact person.



# Imprint

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