

A hand is shown in profile, holding a glowing, fiery globe of the Earth. The background is a dark blue sky filled with stars, suggesting a cosmic or futuristic theme. The lighting is warm, with a bright glow emanating from the globe and the hand.

DIEHL
Metall

**SUSTAINABILITY
VISION AT DIEHL
METALL**

THE 17 SUSTAINABLE DEVELOPMENT GOALS [SDG] OF THE UN*

*The 17 goals for sustainable development of the UN

 THIS FRAMEWORK GUIDES OUR SUSTAINABILITY VISION

BACKGROUND

- The 2030 Agenda for Sustainable Development was adopted on September 25, 2015 at the **UN Sustainability Summit** attended by Heads of State and Government.
- The 17 goals from this agenda encompass targets with respect to content and timelines for ensuring the **sustainable development of the UN member states** in social, ecological and economic terms.
- The goals of the UN were chosen as the guiding framework for sustainability at Diehl Group level.
- The 17 goals also serve as a basis for us at the **Corporate Division Metall**. With the Sustainability Vision (see pages 4 and 5) and the Sustainability Strategy that builds upon it, we want to create a foundation for ourselves. Particularly important aspects are: our ecological footprint, a sustainable value-adding chain, the well-being of our employees, diversity, and appropriate management systems.



SUSTAINABILITY VISION – THAT'S WHERE WE WANT TO GO



SUSTAINABILITY STRATEGY AND MANAGEMENT SYSTEM

We anchor sustainability across our entire organization by setting high sustainability standards at all our sites and by documenting this through certification. In so doing, we set ourselves quantifiable goals and actively report on our sustainability progress at Diehl Metall in our Sustainability Report (start: 2022).



SUSTAINABLE VALUE-ADDING CHAIN

We assume responsibility for the entire value-adding chain, i.e. including upstream and downstream stages. This involves optimizing the circularity of our products and working responsibly with suppliers according to sustainability criteria (due diligence).

ECOLOGICAL FOOTPRINT



To limit our carbon footprint, we exploit opportunities for increasing efficiency in order to reduce the use of primary energy. In this context, we also support the conversion of our power supply to CO₂-free energy sources, for example by generating our own electricity in-house using renewable energies. We take into account all types of emissions – a fully integrated approach to improvement matters to us.

EMPLOYEE WELL-BEING AND DIVERSITY



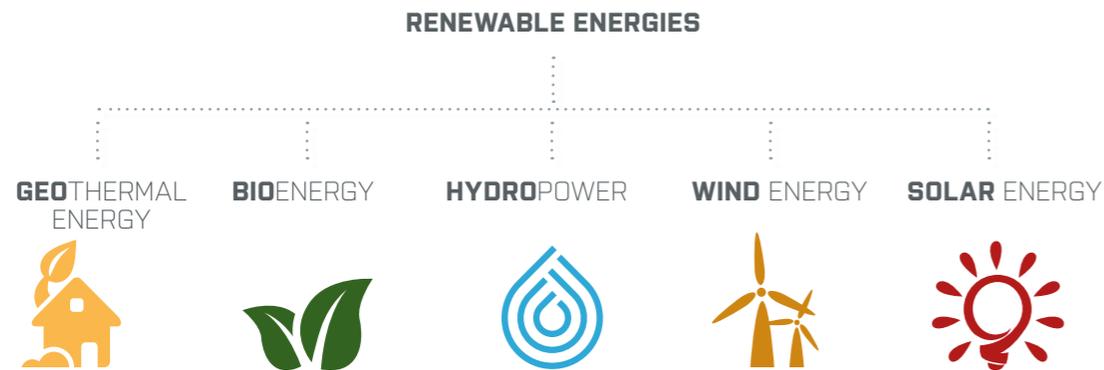
The well-being of our employees is a top priority for us. That is why we proactively transfer our best practices in the areas of occupational safety as well as employee health and satisfaction to all our sites. We train our employees on the topic of sustainability and raise their awareness of it, thereby shaping the value framework at the company. Walking the talk on diversity is an integral part of this.



**ASPECTS OF OUR
SUSTAINABILITY VISION
– WHAT IS IMPORTANT TO US?**

CONCRETE WAYS TOWARD AN ECOLOGICAL FOOTPRINT: ENERGY SUPPLY

The most important **energy sources** at Diehl Metall are **electricity and natural gas**. The share of green power from renewable energies is determined by the **energy mix** provided by the energy supplier. The energy mix refers to the proportional composition of energy from conventional sources (coal, oil, natural gas or nuclear energy) and from renewable energies.



Generating electricity from conventional sources produces **CO₂ emissions**. These are proportionately included in the company's carbon footprint as **indirect emissions** for the conventional electricity consumed by Diehl Metall.



INFO:

The German government passed the **Fit for 55 package** in July 2021. Here, twelve existing directives and regulations for implementing the **EU Green Deal** were revised and the requirements for companies were made even more stringent. For example, the EU Emissions Trading System, the **Energy Taxation Directive** and the **Renewable Energy Directive** will require higher taxes and levies to drive forward the energy transition.



WHICH IMPROVEMENT OPPORTUNITIES ARE THERE?

Energy efficiency measures not only save costs, but also lower CO₂ emissions: Energy consumption is reduced or the energy mix used is optimized. For the latter, there is the option of purchasing a higher proportion of green electricity through contracts with the energy supplier, or of entering into in-house electricity generation – for example, by building photovoltaic systems on the roofs of our production halls.

Examples of energy consumption reductions at our sites include the switch to LED lighting, the use of waste heat in Production, or – especially in the energy-intensive foundry – the installation of new induction coils with higher efficiency at the melting furnaces. The energy saved by one coil is equivalent to the average annual energy consumption of over 100 households.

The certification of the energy management system at each site in accordance with the internationally recognized ISO 50001* standard provides a solid foundation for continuous improvement and for monitoring energy consumption.

*For more information on certification, please see p.12

CONCRETE WAYS TOWARD EMPLOYEE WELL-BEING: OCCUPATIONAL SAFETY AND HEALTH

WHAT IS OCCUPATIONAL SAFETY AND HEALTH?

Occupational safety and health, as defined by the **German Occupational Safety and Health Act (ArbSchG)**, encompasses measures to prevent accidents at work as well as work-related health hazards, including measures for ensuring humane working conditions. The **prevention of hazards** at source is the top priority. In addition to objective protective measures achieved through technical and organizational means (e.g. safety technology, occupational medicine, ergonomics, industrial hygiene), there are also **individual protective measures**, such as personal protective equipment, health protection signage as well as instruction and training of employees.

In the area of occupational safety and health, we use a **bundle of measures** to achieve greater protection at work for us all. The term occupational safety and health is also used to delineate responsibilities at organizational level (e.g. Occupational Safety and Health department).

HOW DOES THIS RELATE TO SUSTAINABILITY?

Sustainability stands for the **responsible use of resources**. This not only applies to **ecological resources**, but also to **social resources**. The well-being of employees plays a crucial role in the sustainable and successful existence of a company. For this reason, we pay particular attention to **health protection for Diehl Metall employees** and promote occupational safety and health measures as part of our Sustainability Strategy.

HOW CAN WE PRESENT OCCUPATIONAL SAFETY AND HEALTH MEASURES AT OUR COMPANY IN A TRANSPARENT WAY? EXAMPLES FROM OUR INTERNATIONAL SITES:

- Certification of the occupational safety and health management system according to ISO 45001
- Key performance indicators on occupational accidents, training intensity, investments in personal protective equipment, etc.
- Documents on occupational safety and health (directive, manual, etc.)



CONCRETE WAYS TOWARD THE SUSTAINABILITY STRATEGY AND SUSTAINABILITY MANAGEMENT SYSTEM: CERTIFICATION

WHAT DOES CERTIFICATION MEAN AT THE COMPANY?

Existing processes or **management systems** that regulate sustainability aspects within the company are certified according to **officially recognized standards** in order to generate credibility and comparability for the public at large. Internationally recognized norms include, for example, the **ISO standards**. After an auditor has checked the company for compliance with defined rules in accordance with the requirements of the relevant standard, a certificate is issued upon successfully passing the audit.

HOW DOES THIS RELATE TO SUSTAINABILITY?

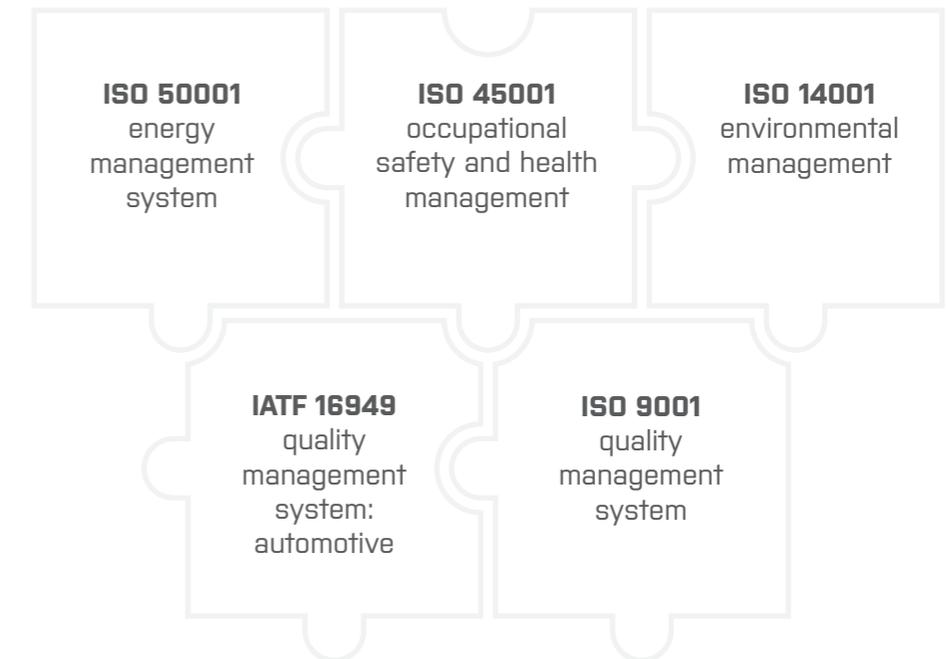
Sustainability demands both **ecological and social responsibility** from companies. Diehl Metall has the following **certifications**:

- **ISO14001 / EMAS** for the environmental management system
- **ISO50001** for the energy management system
- **ISO 45001** for the occupational safety and health management system



Issued certificates provide **credibility and transparency**.

A company can use them to verify its commitment to the various aspects of sustainability (ecological and social). There is also the possibility of establishing a uniform **sustainability management system** within the company. However, there is not yet an internationally recognized certification option for this.



ISO = International Organization for Standardization

IATF = International Automotive Task Force

CONCRETE WAYS TOWARD A SUSTAINABLE VALUE-ADDING CHAIN: CIRCULARITY

WHAT DOES CIRCULARITY MEAN?

The goal of circularity is to slow down, reduce and close **energy and material cycles** by minimizing resource use, waste production, emissions and energy consumption. **Metals** have a **particularly high recycling rate**. Copper and other non-ferrous metals can be recycled completely and as often as required, without any impairment to quality. Metals are not consumed but used, and they can be reused after their intended purpose has been fulfilled.

HOW DOES THIS RELATE TO SUSTAINABILITY?

Recycled metals mean sustainable raw materials for industry:

This results in less energy consumption, fewer CO₂ emissions, as well as less water pollution and water consumption than in the production of virgin metals.

WHAT IMPROVEMENT OPPORTUNITIES ARE THERE?

- Designing products with a view to better recyclability
- “Generating” / “strengthening” customer demand for recyclability
- Further increasing the use of non-primary metals – i.e. scrap



QUOTE FROM THE ASSOCIATION OF GERMAN METAL TRADERS (VDM):

By recycling non-ferrous metals, Germany is able to reduce its CO₂ emissions by around eight million tons per year and is well on the way to achieving industrial production that is more resource-efficient and more sustainable. Recycling metals is active climate protection.

Example: The production of one ton of recycled copper produces 62 percent less CO₂ than the primary process.





CONCRETE WAYS TOWARD EMPLOYEE WELL-BEING: DIVERSITY

WHAT IS DIVERSITY?

Diversity is about recognizing the **wide range of different achievements and experiences** of us all and drawing on the potential offered by this. An **appreciative approach** to diversity and individuality, especially with regard to age, gender, ethnicity, social origin, sexual orientation, as well as physical and mental condition, is crucial. The central goals here are **eradicating discrimination** and **promoting equal opportunities**.

HOW DOES THIS RELATE TO SUSTAINABILITY?

Diversity is an integral component of sustainability, as reflected in the UN's Sustainability Development Goals [SDG; see p. 3]: Goal 5 "Gender Equality", Goal 8 "Decent Work and Economic Growth", Goal 10 "Reduced Inequalities". The decisive factor here is that sustainability is not only about protecting the environment, but also about ensuring the well-being of society.

Particularly for the sustainable success of a company, innovative capability and flexibility are indispensable. To this end, we want to break down old patterns of thought in order to support those with new and different mindsets. In turn, the basis for this is diversity in the company.

HOW DOES THIS BENEFIT THE COMPANY?

The theory behind this approach is that employees with diverse backgrounds are **more creative and more efficient problem solvers** because they approach challenges in different ways. **Innovative thinking** is promoted within the company, decision-making processes are optimized thanks to different perspectives, and the **company's image** is boosted. Diversity also improves a company's chances of recruiting top talent, counteracts the shortage of skilled workers, and ensures improved **employee motivation and loyalty**.

Furthermore, diversity has a **positive** impact on **customer relationships**, as hiring that takes diversity into account creates greater understanding for the needs of the international customer base.

EVERY CONTRIBUTION COUNTS

Each and every one of us can make an important contribution to sustainability, even by changing just a few small things in our everyday lives. Actions we can take include avoiding and properly separating waste, minimizing the number of documents we print out, as well as using heating and lighting sparingly wherever possible.

Use the climate calculator to determine your CO2 emissions and obtain helpful tips on how you can reduce your carbon footprint in the long term.

Simply scan the QR code and get started!



Footprint calculator from the myclimate Foundation



DO YOU HAVE ANY QUESTIONS ON THE TOPIC OF SUSTAINABILITY AT DIEHL METALL?

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