



STANDARD PROFIL

Our Sustainability Commitment

Sustainability Report 2022



STANDARD PROFIL

SUSTAINABILITY VISION & COMMITMENT

VISION

We at SP strive for that our business activities will be performed in full accordance with sustainable environmental and social principles. Therefore and for the benefit of future generations environmental and social principles are considered in all our business activities aiming to become a net-zero company while simultaneously respecting human rights and making a contribution to society.

COMMITMENT

- to comply with our corporate policies (health & safety, environment, ethics, human resources, information security, energy management), human rights, all relevant legal sustainability regulations, sustainability requirements of our stakeholders and international sustainability standards in our processes
- to apply our energy efficiency and environmental management systems to protect sustainable natural resources and to decrease energy consumption
- to use green electric/renewable energy to decrease CO₂ / greenhouse gas emissions in our business activities to combat climate change to
- reduce the amount of waste and to apply recycling as much as possible to contribute to a circular economy
- to share our Sustainability Vision & Commitment with our employees, suppliers and other stakeholders to increase their Sustainability awareness and sensitivity
- to make our strategic suppliers commit to our social and environmental requirements to create sustainable and ethical global supply chains
- to integrate Sustainability issues into trainings to ensure high level of awareness among our employees
- to review and evaluate our Sustainability goals and objectives periodically, to provide sufficient information, expertise and economic resources to achieve them
- to audit and report our Sustainability performance to provide continuous improvement in our Sustainability culture
- to involve the consultation and participation of our stakeholders to our related Sustainability processes.




Dr. Klaus Elmer
CEO


Otto Tomaschek
CFO


Marc Imbach
COO

AUGUST 2023

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① Foreword

Dear Readers,

At Standard Profil (SP), sustainability lies at the **core of our purpose and commitment to a better world**.

For us it has become mission critical to recognize the **impact** we have on the environment and future generations.

Sustainability is not just about reducing our **carbon footprint**, but also about making sure that our business practices are **ethical and responsible** in every manner.

By making sustainability **become part of our strategic agenda** of Standard Profil in 2022, we do contribute to a **healthier planet** and also create **long-term value** for our stakeholders and the communities we serve.

We understand that sustainability is not an optional extra, but a **fundamental aspect** of doing business in a world where resources are **finite** and the consequences of inaction are **dire**.

That's why we feel a strong commitment at SP to contribute our part to build a **more sustainable future**, both for ourselves and for generations to come.

This is the **first edition** of the "SP Sustainability Report" and it was compiled in accordance with the requirements of **GRI** (Global Reporting Initiatives). However, it does not yet claim to cover all future legislative requirements to come, e.g. **CSRD/ ESRS**. Standard Profil is taking preparations to fulfill all legal requirements related to the Corporate Sustainability Reporting Directive in years to come.

Sincerely,



Marc Imbach
COO

Dr. Klaus Elmer
CEO

Otto Tomaschek
CFO

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② Standard Profil At a Glance.



OUR COMPANY

SP is a leading **European manufacturer of automotive body sealing solutions**. Founded in **1977** and headquartered in **Eschborn, Germany**, SP develops and produces automotive body sealing solutions to protect the cabin and interior vehicle compartments against **water, dust and heat** and to provide **noise insulation**. SP supplies its products to **major OEMs**. The well-invested, strategically located **production network** is not only designed to allow SP to efficiently serve the customers in multiple geographic regions but also to position the company as a **supplier of choice** for global OEMs.

OUR PRESENCE



② Standard Profil In Numbers.



 **1977**
Year of establishment.

 **7,005**
No. of employees.

 **11**
No. of countries being present.

 **40+**
No. of carmakers supplied.

 **90+**
No. of OEM plants supplied.

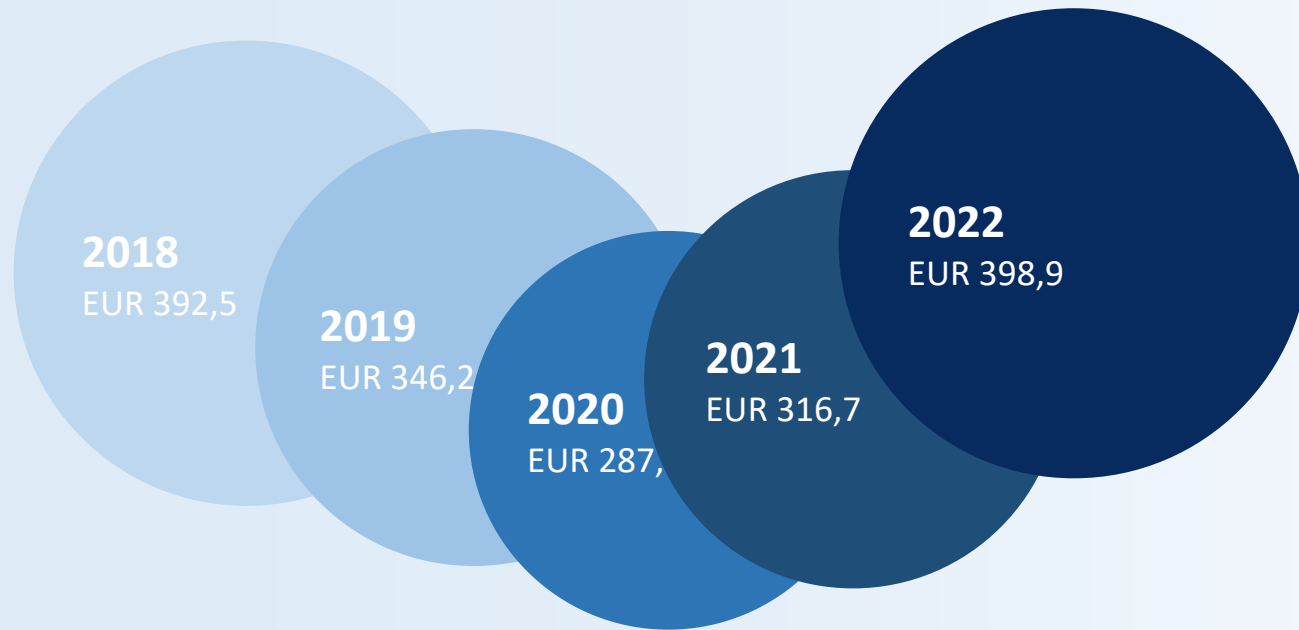
 **400**
Approx. sales in FY 2022 (EUR m).

② Standard Profil

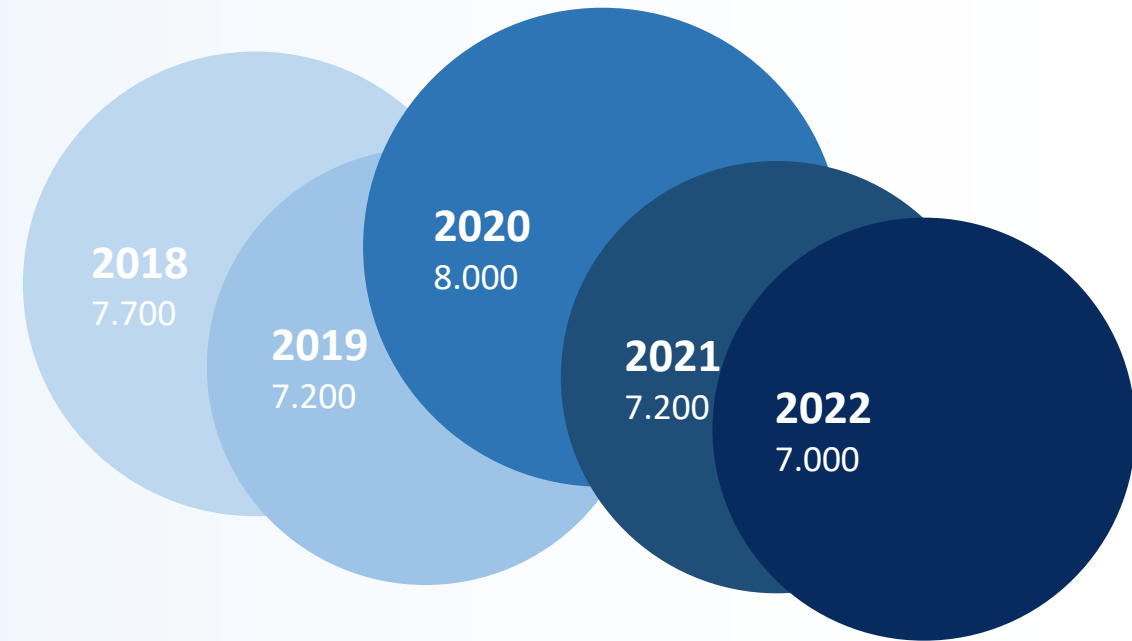
Key Financials.



REVENUE DEVELOPMENT 2018-2022
IN EUR M



NUMBER OF EMPLOYEES 2018-2022



② Standard Profil Product Portfolio.



STATIC BODY SEALINGS

Static body sealings **maintain their shape** and include glass run channels that guide sliding window glasses, glass encapsulations for fixed side windows and inner and outer waist belts that seal the window glass to the door flange (rim on which the seal is attached) or trim which additionally stabilize and clean windows.



DYNAMIC BODY SEALINGS

Located between moving parts of the vehicle and the vehicle body, dynamic body sealings are elastic sealing solutions that partially **change shape** in order to absorb impacts and to mold around parts of the vehicle such as the door, trunk and hood.



CUSTOMIZED SEALING SOLUTIONS

Upon customer request Standard Profil is capable to deliver **highly customized** sealing solutions, which go beyond “one size fits all” solutions.

② Standard Profil

Our Sustainable Sealing Brands.



NATURLITE

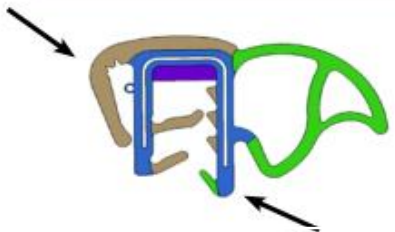
Sustainable Low Dense

General Properties

- 1.10 - 1.15 g/cm³
- With RFF (renewable functional fillers)
- Formula with replaced Carbonblack
- Reduced Carbonfootprint

Target Area

- Answer to a sustainable low dense
- Carrier Compound
- Cosmetic Lip



RELITE

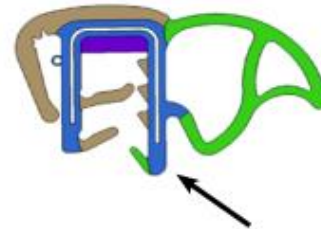
Recycled Low Dense

General Properties

- 1.15 - 1.25 g/cm³
- With micronised EPDM
- Recycled

Target Area

- Answer to a recycled compound
- Carrier Compound



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③ Sustainability Management.

*“In today's dynamic and interconnected business environment, incorporating sustainable practices into our strategy is crucial to **ensure our long-term success**, as well as to **positively impact the communities and environment** in which we operate.”*



Tobias Keil
Director Strategy and Sustainability

③ Sustainability Management.

Our Sustainability Strategy at a Glance.

OVERALL STRATEGIC TARGET



Scope 1 and 2 CO₂ emissions
by 2030 (reference year 2021), in
accordance with SBTi.

FIVE ACTION FIELDS



1. Products & Customers

- Innovative sealing systems
- Product safety & quality
- Circular economy



2. Supply Chain

- Social, ethical and ecological standards along the value chain
- Compliance



3. Operations

- Climate and environmental protection



4. Employees

- Well-being of employees
- Training & education
- Diversity & equality

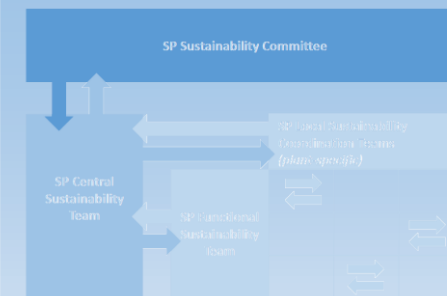


5. Society

- Community engagement

OPERATIONALIZATION

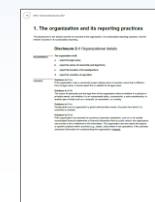
Governance structure



Local action plans

Area	Objective	Measure	Responsible	Start date	End date	Progress	Comments
1. Climate change	Reduce CO2 emissions	Implement energy efficiency measures	SP Sustainability Committee	2021	2023	100%	Completed
2. Circular economy	Reduce waste	Implement waste management system	SP Sustainability Committee	2021	2023	100%	Completed
3. Social	Improve working conditions	Implement safety training	SP Sustainability Committee	2021	2023	100%	Completed
4. Environmental	Protect the environment	Implement environmental management system	SP Sustainability Committee	2021	2023	100%	Completed
5. Diversity & equality	Improve diversity	Implement diversity training	SP Sustainability Committee	2021	2023	100%	Completed

KPI framework (in accordance with GRI)



③ Sustainability Management.

KPIs applied by Action Field.

KPIS WITH REFERENCE TO GRI SELECTED FOR EACH ACTION FIELD.



Products & Customers

- GRI 301-1**
Materials used by weight and volume
- GRI 301-2**
Recycled input materials used
- GRI 416-1**
Assessment of the health and safety impacts of product and service categories



Supply Chain

- GRI 308-1/414-1**
Percentage of new suppliers that were screened using social and environmental criteria
- GRI 308-2a/414-2a**
Number of suppliers assessed for social and environmental impacts
- GRI 308-2b/414-2b**
Number of suppliers identified as having significant actual and potential negative social and environmental impacts



Operations

- | | | |
|---|--|---|
| <ol style="list-style-type: none">GRI 302-1
Energy and fuel consumption from renewable and non renewable sources (electricity, heating, cooling, steam, in mWh)GRI 302-3
Energy intensity ratio for the organization (in kWh / ton of production)GRI 302-4
Amount of reductions in energy consumption 2022 v. 2021 (in %)GRI 303-4
Water consumption | <ol style="list-style-type: none">GRI 303-5
Water consumption per ton of productionGRI 305-1, 305-2
Scope 1 emissions (in tons)GRI 305-4
GHG intensity ratio (in tons of scope 1&2 emissions by ton of production)GRI 305-5
GHG reduction ratioGRI 306-3
Waste generation (in tons) | <ol style="list-style-type: none">GRI 306-4
Waste diverted from disposal (reuse and recycling)GRI 306-5
Waste directed to disposal (incl. hazardous waste) |
|---|--|---|

③ Sustainability Management.

KPIs applied by Action Field (cont'd).

KPIS WITH REFERENCE TO GRI SELECTED FOR EACH ACTION FIELD.



Employees

- | | | |
|---|--|---|
| <p>1. GRI 2-7
General information about the number of employees by gender and region</p> <p>2. GRI 2-8
Workers who are not employed</p> <p>3. GRI 2-30
Collective bargaining agreements</p> <p>4. GRI 205-1
Operations assessed for risks related to corruption</p> <p>5. GRI 205-2
Communication and training about anti-corruption policies and procedures</p> | <p>6. GRI 205-3
Confirmed incidents of corruption and actions taken</p> <p>7. GRI 401-1
New employee hires and turnover rate</p> <p>8. GRI 403-8
Workers covered by occupational health and safety management system</p> <p>9. GRI 403-9
Work related injuries</p> <p>10. GRI 404-1
Average hours of training per year per employee</p> | <p>11. GRI 405-1
Gender and age group of governing bodies</p> <p>12. GRI 405-2
Salary ratio among men and women</p> <p>13. GRI 406-1
Incidents of discrimination and corrective actions taken</p> <p>14. GRI 407-1
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</p> <p>15. GRI 408-1
Operations and suppliers at significant risk for incidents of child labor</p> |
|---|--|---|



Society

- 1. GRI 413-1**
Operations with local community engagement, impact assessments, and development programs
- 2. GRI 413-2**
Operations with significant actual and potential negative impacts on local communities
- 3. GRI 415-1**
Political contributions

③ Sustainability Management.

Committment to UN SDGs.

WE ARE PARTICULARLY FOCUSED ON 9 OF THE 17 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS).

3 GOOD HEALTH AND WELL-BEING



SP contributes to ensure healthy lives and promote well-being for all at all ages, by conducting dedicated initiatives relating to health, safety and environment (HSE) in our plants, by promoting health related initiatives and by offering medical rooms and dedicated health personnel in our plants.

4 QUALITY EDUCATION



SP contributes to ensure inclusive and equitable quality education and promote life-long learning opportunities for all, committing to the overall well-being of our employees by providing suitable working conditions, company culture and development opportunities.

5 GENDER EQUALITY



SP contributes to achieve gender equality and empower all women and girls, by raising awareness on gender equality with recurring trainings, by supporting female employees of low income and by promoting SP Gender Equality Codes.

6 CLEAN WATER AND SANITATION



SP contributes to ensure availability and sustainable management of water and sanitation for all, by reducing and reusing water consumption in production and preventing hazardous wastes from entering the nature.

7 AFFORDABLE AND CLEAN ENERGY



SP contributes to ensure access to affordable, sustainable, and reliable modern energy for all, by consequently increasing the usage of green electricity in our eight production facilities where possible.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SP contributes to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation, by working on Research & Development initiatives aiming to replace fossil-based raw materials by sustainable ones".

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



SP contributes to ensure sustainable consumption and production patterns, e.g. by continuously developing process innovations to improve the recycling rate related to our production processes.

13 CLIMATE ACTION



SP contributes to take urgent action to combat climate change and its impacts, by following and reducing carbon emissions in all our production facilities around the world.

15 LIFE ON LAND



SP contributes to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss, e.g. by planting new trees as part of our Act For Good initiative to bring nature back to life.

③ Sustainability Management. Latest Ratings.

STANDARD PROFIL PARTICIPATES IN VARIOUS RATINGS ON ITS SUSTAINABILITY PERFORMANCE.



INFO

CDP is an international non-profit organization that helps companies and cities disclose their environmental impact.



NQC is a sustainability portal that manages sustainability issues and implements control mechanisms to verify compliance in customer's supply chain using the automotive industry's latest SAQ 5.0.



Ecovadis is an environmental sustainability ratings platform to assess corporate social responsibility and sustainable procurement.

SP RATING

D

(„Disclosure“)

83

(„Green“)

47

(„Good“)

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④ Sustainability Governance and Compliance.

*“Establishing appropriate **governance structures** is key, as it ensures that **ethical considerations, compliance to defined standards and legislations, stakeholder engagement, and transparency** are embedded in all decision-making processes, and fosters a culture of accountability and continuous improvement.”*



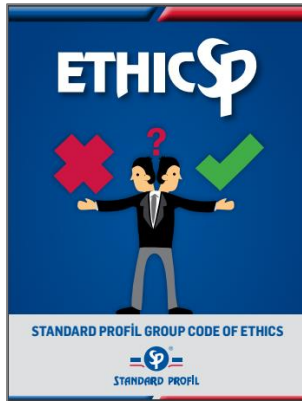
Mustafa Kemal Tapkan
Director Internal Audit and Compliance

④ Sustainability Governance and Compliance.

Key Compliance Policies.



OUR COMPLIANCE PROCESSES ENSURE THAT OUR EMPLOYEES AND THIRD PARTIES ADHERE TO BOTH LAWS, REGULATIONS AND SOCIETAL VALUES IN ALL COUNTRIES STANDARD PROFIL OPERATES IN AND TO OUR INTERNAL RULES.



CODE OF ETHICS

At Standard Profil Group, we are committed to fully comply with the laws of the countries in which we operate, as well as the universal values and principles of ethics, and sets high standards in this regard for all our employees and stakeholders, e.g. suppliers. Specified by SP's Ethics Committee with the involvement of SP employees, these standards and working principles guide us in our daily duties as a basic code of conduct and working principles. Considering the complicated and challenging business environment, we update and improve our codes continuously, staying true to our values.



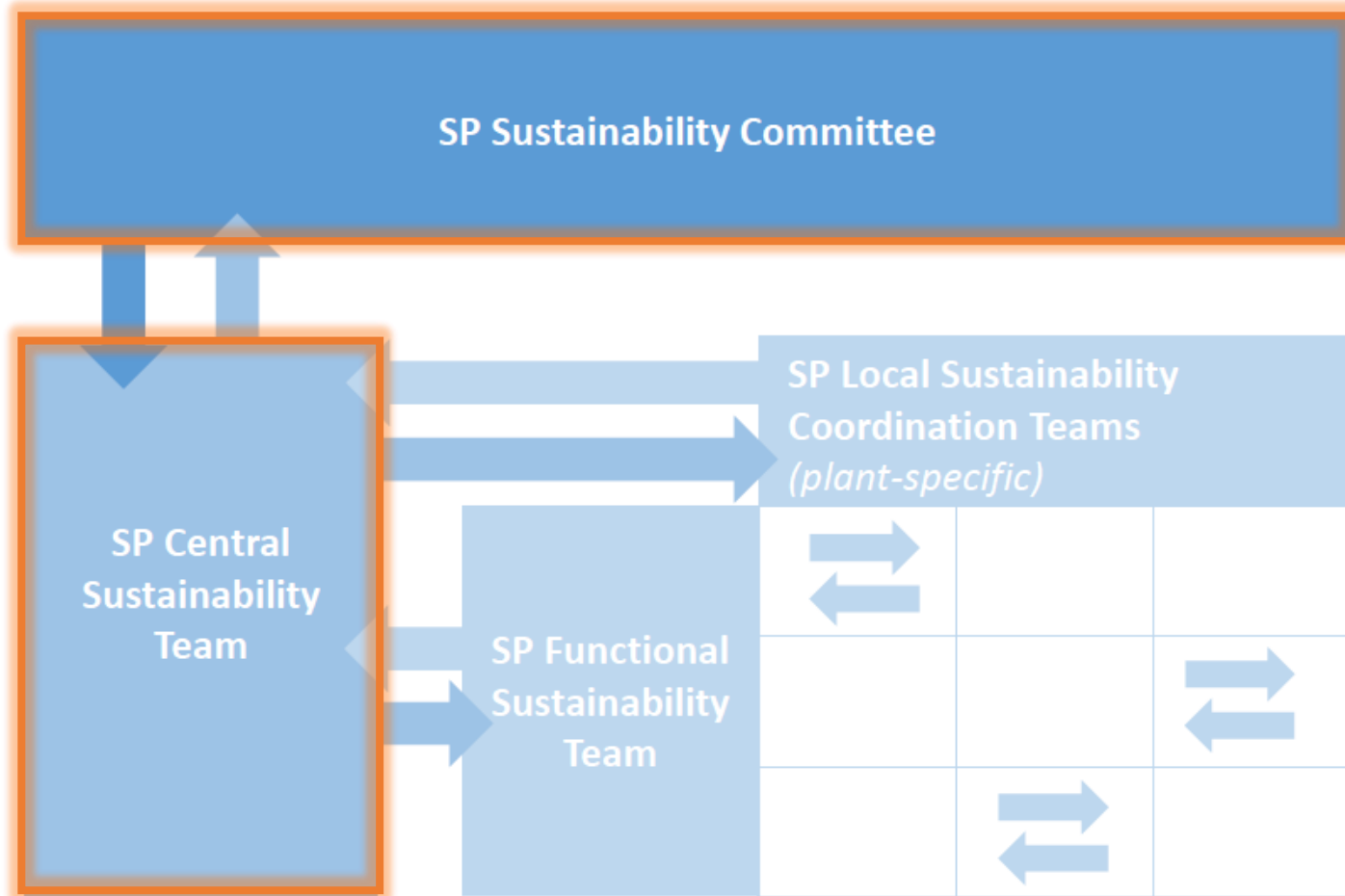
ANTI BRIBERY POLICY

The purpose of this Policy is to protect Standard Profil Group and Employees from breaches of anti-bribery laws. Standard Profil Group does not tolerate any form of bribery and is committed to complying with applicable anti-bribery laws in all countries in which Standard Profil conducts business. Anti-corruption and anti-bribery policies of Standard Profil are assessed as an integral part of Standard Profil Group Business Ethics Policies (GD-IA-04).

④ Sustainability Governance and Compliance.

Sustainability Governance Structure.

SP SUSTAINABILITY GOVERNANCE STRUCTURE



SP SUSTAINABILITY COMMITTEE

- **Members:** CEO (chairman), CFO (deputy chairman), COO, VP Human Resources, VP Sales & Program Management, VP Quality, Director Purchasing, Group Audit and Compliance Director, Head of Central Sustainability Team.
- **Main tasks / responsibilities:** Central decision making body , incl. on overall strategy, decision on budget distribution, approval of sustainability reports.
- **Meeting frequency:** Quarterly.

SP CENTRAL SUSTAINABILITY TEAM

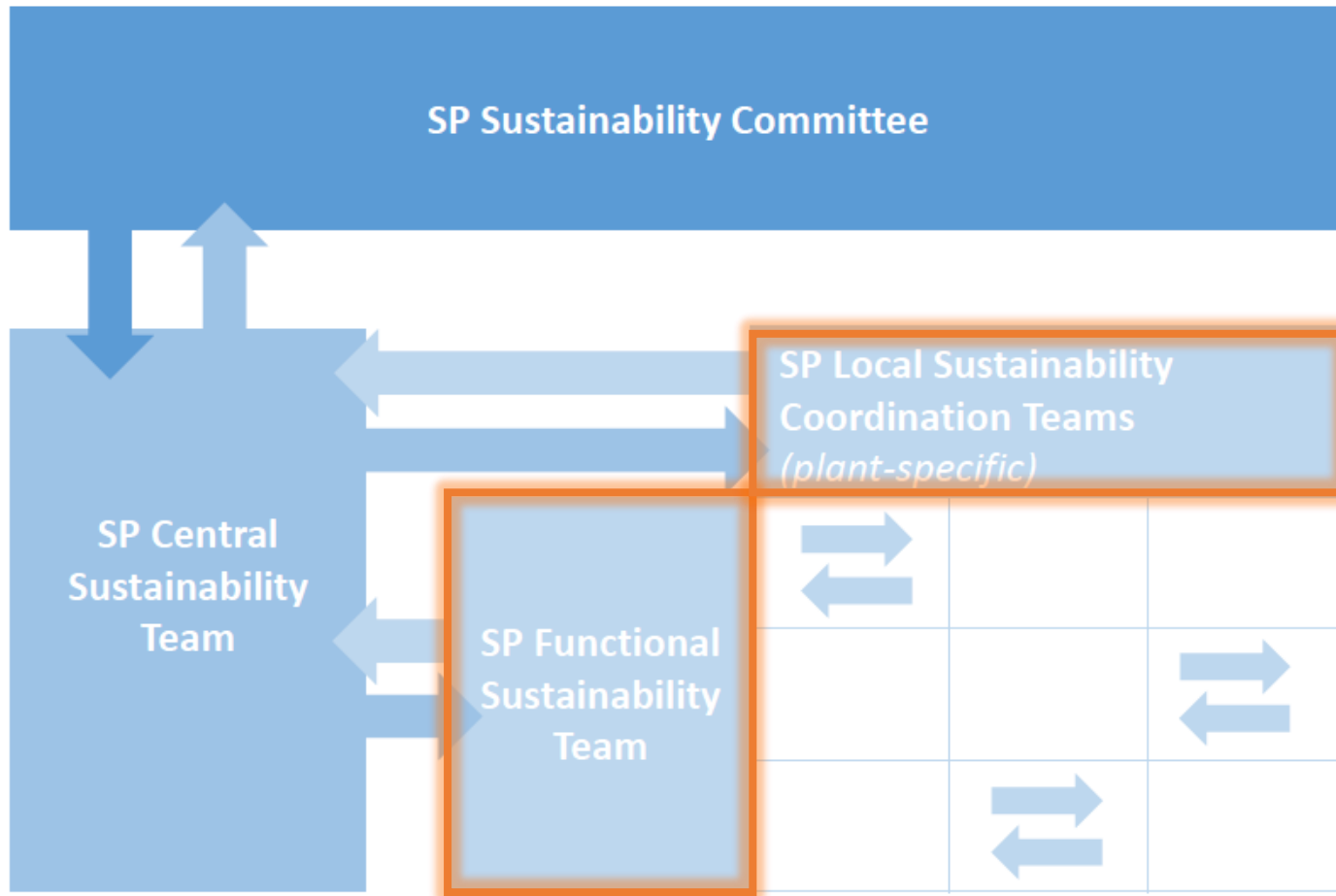
- **Members:** Strategy Director, HSE & Global Sustainability Team Leader.
- **Main tasks / responsibilities:** Strategy development & deployment incl. suggestions for target ambition, definition of action plans for local plants and group functions, aggregation of group-wide sustainability data, internal reporting to SP Sustainability Committee and external reporting (“SP Sustainability Report”), coordination of committees, working groups and exchange rounds, internal & external stakeholder communication, organizational enablement.
- **Meeting frequency:** Weekly.

④ Sustainability Governance and Compliance.

Sustainability Governance Structure (cont'd).



SP SUSTAINABILITY GOVERNANCE STRUCTURE



SP FUNCTIONAL SUSTAINABILITY TEAM

- **Members:** Action field responsible person from each affected group function (one responsible per action field)
- **Main tasks / responsibilities:** Ensures implementation of action field specific measures and processes in group functions, collection of budget needs and communication to central sustainability team, collection and provision of sustainability data.
- **Meeting frequency:** Upon request.

SP LOCAL SUSTAINABILITY COORDINATION TEAMS

- **Members:** General Manager, Local Sustainability Coordinator, representatives from all relevant plant functions (R&D + Quality, Procurement, GM, HR)
- **Main tasks / responsibilities:** Deployment of sustainability action plan on plant level, collection of budget needs and communication to central sustainability team, collection and provision of sustainability data.
- **Meeting frequency:** Monthly / upon request.

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⑤ Action Field 1: Products & Customers.

*“As consumers become increasingly aware of the impact their **purchasing decisions** have on the environment, the utilization of **sustainable materials** becomes more and more important in ensuring a **brighter future** for ourselves and future generations.”*



Werner Gehring
Vice President Sales and Program Management

⑤ Action Field 1: Products & Customers. Our Commitment.



WE AT STANDARD PROFIL ARE COMMITTED TO ADD
VALUE TO CLIMATE-NEUTRAL MOBILITY TO BECOME
THE **PARTNER OF CHOICE** FOR SUSTAINABLE SEALING
SYSTEMS.

⑤ Action Field 1: Products & Customers.

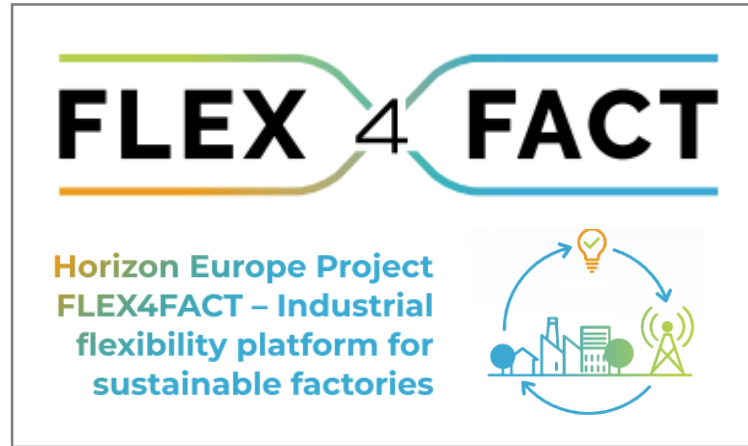
Selected 2022 Highlights.



SEALING SUSTAINABILITY

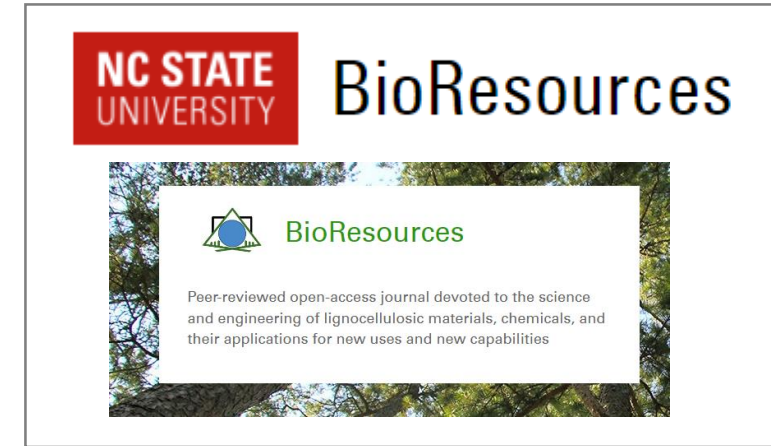
At DKT IRC 2021 (held in 2022) Standard Profil presented a joint study on the performance of an EPDM Sealing System incorporating **UPM Renewable Functional Fillers (RFF)**. The result is a lightweight nature, **90% lower carbon footprint emission** when compared to traditional carbonblack.

This Research has been mentioned in **European Rubber Journal (ERJ)** articles in two different issues (Sep/Oct 2022, Jan/Feb 23)



SUSTAINABLE FACTORIES

Our H2020 research proposal „**FLEX4FACT**“, prepared with a consortium was accepted for funding alignment inline with **EU greendeal**. SP aims to make its extrusion lines more flexible by adjusting its production schedule and considering external factors as decision variables such as energy price and related CO₂ emissions through local availability of **PV self-generation**, feasibility of **green hydrogen use**, using hydrogen as fuel for gas ovens in a suitable mixture with natural gas will **decrease the CO₂ emissions** of the furnaces.



LIGNIN IN PLACE OF CARBON BLACK

Together with Hacettepe University, Istanbul University, Düzce University our RD Department has published an original research on the **influence of lignin in an altered EPDM formulation**.

Research has been published in **NC State University BioResources Journal** (ISSN: 1930-2126).

⑤ Action Field 1: Products & Customers.

Our KPIs.

GRI 301-1

Materials used by weight and volume

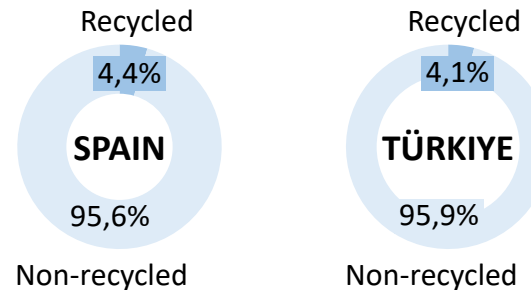
Material	2021 volume (tons)	2022 volumes (tons)
EPDM	8.105	9.598
Carbon black	9.987	11.656
TPE	4.782	5.273
Outsourced compound	6.459	8.362
Steel	4.378	5.015
Aluminium	1.698	1.474
Glass	53.368	38.461

- The most important materials for production processes are **EPDM, TPE and carbon black**.
- **Steel and aluminum** are used as carriers for sealings while **glass** is used for encapsulated parts and components.
- It is our target to **reduce the amount of used materials** by leveraging our R&D capabilities to optimize our product designs.

GRI 301-2

Recycled input materials used (*last three months of 2022*)

- **TPE/V, PVC and PP production**
% of input materials from recycled or remanufactured content



- **EPDM compound production:** In early 2023 Standard Profil has initiated trials to increase the recycling quota in EPDM compound production to up to 10% by using **micronized rubber** (see chapter “Supply Chain” for details).

GRI 416-1

Assessment of the health and safety impacts of product and service categories

- At Standard Profil, **standard processes for product safety (PEP)** ensure that our product design is compliant with global requirements and legal regulations as well as product safety.
- This process is **applied in all our production facilities** around the globe.
- Standard processes for **Quality management** and a close contact with our customers allow to detect field damages at an early stage.
- Our products are designed with environmental conscious materials and components so that **no negative health and safety impacts** are given to end users.

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⑤ Action Field 2: Supply Chain.

*“As Standard Profil is dedicated to the reduction of CO₂ emission, we target to work with suppliers who are **committed to the application of sustainability principles themselves**. Thus, we are about to implement **effective tools and processes** in order to monitor our sustainability criteria: From supplier selection to qualification system”.*



Mesut Karakoç
Vice President Purchasing

⑤ Action Field 2: Supply Chain. Our Commitment.

A large cargo ship with many colorful shipping containers stacked on its deck, sailing on the water under a hazy sky.

**WE AT STANDARD PROFIL ARE COMMITTED TO CREATE
SUSTAINABLE AND ETHICAL GLOBAL SUPPLY CHAINS BY
DEFINING SOCIAL AND ENVIRONMENTAL RESPONSIBILITY
REQUIREMENTS FOR OUR SUPPLIERS.**

⑤ Action Field 2: Supply Chain.

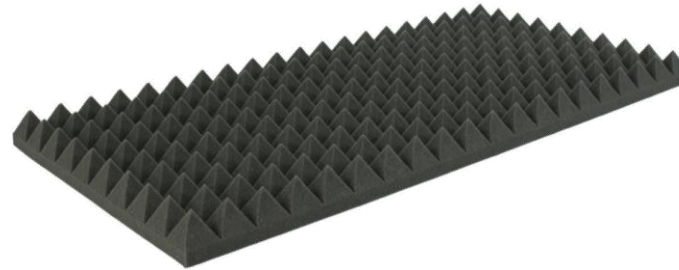
Selected 2022 Highlights.



MICRONIZED RUBBER

At for instance our production site located in **Logroño (Spain)**, we embrace the **circular economy** by incorporating **recycled micronized EPDM granulate** into our manufacturing processes. This choice allows us to achieve a **recycling quota of up to 10%** in our EPDM compound, reducing waste and promoting sustainable practices.

By utilizing this innovative material, we actively contribute to a more **environmentally conscious and efficient production cycle**.



SUBSTITUTION OF EVA FOAM

In our commitment to sustainability, we are **replacing EVA foam with recycled carton**. This eco-friendly switch not only reduces our environmental impact but also promotes a circular economy.

By utilizing recycled carton, we are taking significant steps towards **minimizing waste** and **embracing innovative alternatives** in our production processes.



RECYCLED TPE

Standard Profil is continuously working on increasing the amount of **recycled TPE** (thermoplastic elastomer) in the production process.

In 2022, **4,4%** of all TPE input materials in our Spanish facilities stemmed from recycled or remanufactured content while it was **4,1%** in our Turkish facilities. TPE recycling allows Standard Profil to **reduce waste** and develop towards **circularity**.

⑤ Action Field 2: Supply Chain.

Our KPIs.



GRI 308-1/414-1

Percentage of new suppliers that were screened using social and environmental criteria



GRI 308-2A/414-2A

Number of suppliers assessed for social and environmental impacts



GRI 308-2B/414-2B

Number of suppliers identified as having significant actual and potential negative social and environmental impacts



Explanatory Note: Implementation of Sustainability criteria in the Supply Chain

- In alignment with our commitment to responsible business operations, Standard Profil has embarked to **integrate sustainability-related criteria** into Purchasing processes.
- The objective of this initiative is to **establish robust guidelines** that will govern our **supplier selection and evaluation processes**, specifically targeting concerns such as the prevention of child labor, slavery and forced labor in our supply chain.
- By setting stringent sustainability criteria, we aim to ensure that our procurement activities align with **ethical standards** and **promote social and environmental responsibility**.
- While this process is currently **underway**, we acknowledge that it is **not yet completed**. However, we are confident in our ability to **implement these sustainability measures by the end of the year 2023** and start **screening new and existing suppliers from 2024 onwards**. Our dedicated team is actively engaged in conducting research, collaborating with stakeholders, and consulting industry experts to develop comprehensive criteria that will guide our procurement decisions in accordance with the **Supply Chain Act**.

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⑤ Action Field 3: Operations.

*“Putting our focus on sustainability is crucial for us from an Operations point of view because it helps us **reduce waste, save costs, and minimize our environmental impact** while ensuring the **long-term viability** of our business.”*



Marc Imbach
Chief Operating Officer

⑤ Action Field 3: Operations. Our Commitment.

A wide-angle photograph of a large industrial factory floor. In the foreground, a tall grey electrical cabinet with a yellow warning label 'TR3 B3' and a lightning bolt symbol stands on the left. The floor is marked with blue and yellow lines. In the background, various industrial machines, conveyor belts, and workers in blue uniforms are visible under bright overhead lights.

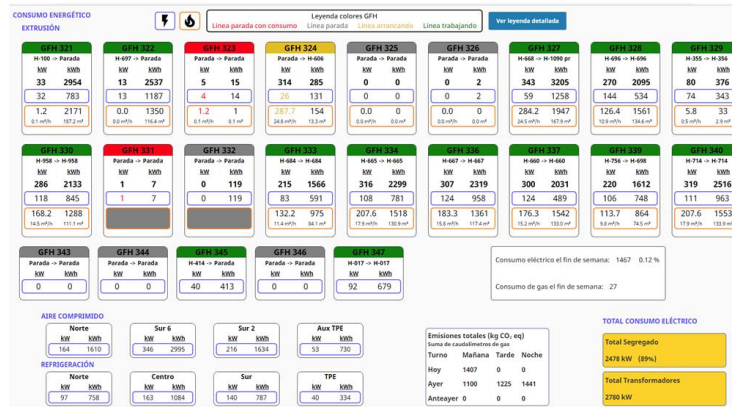
**WE AT STANDARD PROFIL ARE COMMITTED
TO ENSURE SUSTAINABLE OPERATIONS AND ALIGN OUR
ACTIONS TO PRESERVE LIMITED RESOURCES AND MINIMIZE
OUR CO₂ FOOTPRINT.**

⑤ Action Field 3: Operations. Selected 2022 Highlights.



GREEN ELECTRICITY IN SPAIN

We have made a significant shift towards sustainability by transitioning to nearly **100% green electricity** for our production facilities in Spain. This move has enabled us to drastically **reduce our local scope 2 emissions**, demonstrating our commitment to combating climate change. By embracing renewable energy sources, we are actively working towards a **greener future** while maintaining the highest standards in our operations.



SMART METERS

In our Cantabria and Varea facilities in the Logroño area (Spain) more than **50 smart meters** have been installed on the shop floor in order to increase the transparency of **natural gas and electricity consumption** and to identify measures how to reduce the consumption of both natural gas and electricity and thereby to **reduce GHG emissions**.

The installation of smart meters will be rolled out across the SP production network.



INSTALLATION OF PV CELLS

A total investment of RMB 6.000.000 (EUR 834,600) was made in our Jingzhou plant to install **2.776 photovoltaic panels** on the roof of the plant (each panel having a total size of 2,5m²).

The photovoltaic system is designed to generate up to **1,4 million kWh of green electricity per year**, which equals up to 25% of the entire electricity consumption of SP's Jingzhou plant.

⑤ Action Field 3: Operations.

Our KPIs (1/4).

GRI 302-1

Energy and fuel consumption from renewable and non renewable sources (electricity, heating, cooling, steam, *in mWh*)



GRI 302-3

Energy intensity ratio for the organization (*in kWh / ton of production*)



GRI 302-4

Amount of reductions in energy consumption 2022 v. 2021 (*in %*)



Explanatory Note: Calculation of energy consumption in FY 2021 / 2022

- A structured approach to calculate energy and fuel consumption across all production facilities of Standard Profil was **initiated in 2022**.
- Therefore, **2021 figures are not available**. Year-on-year comparison (2023 v. 2022) to be available in **next year's Sustainability report** for the first time.

⑤ Action Field 3: Operations.

Our KPIs (2/4).

GRI 303-4

Water consumption (in m^3)



- Total water consumption across all SP production facilities grew by **16%** year-on-year.
- While most sites consumed more water **due to rising output**, SP's **Jingzhou plant** was temporarily faced by heavy construction work with considerable consumption of fresh water.

GRI 303-5

Water consumption per ton of production (in m^3)



- Water consumption per ton of production increased by **10%** year-on-year.
- Primary driver was the **temporary increase of water consumption** at our Jingzhou plant in China due to heavy local construction work.

⑤ Action Field 3: Operations.

Our KPIs (3/4).

GRI 305-1, 305-2

Scope 1 emissions (*in tons*)



- It is our target to **reduce CO₂ emissions** (scope 1 & 2) by **50%** until 2030 (base year: 2021).
- CO₂ emission data is collected from all plants with by an **ISO 14064-1 compliant** carbon management system and is **officially certified** by certification company CTR.

GRI 305-4

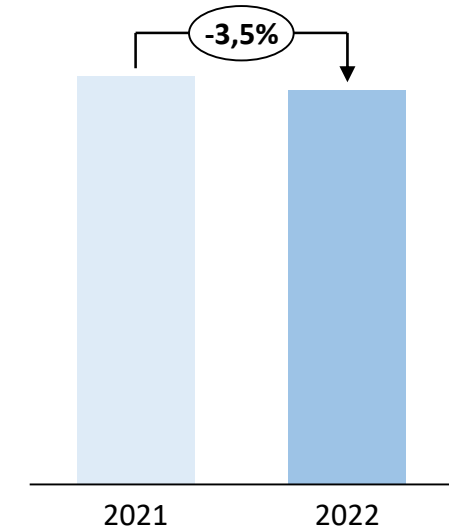
GHG intensity ratio (*in tons of scope 1&2 emissions by ton of production*)



- GHG intensity ratio is calculated by dividing the **absolute GHG emissions** (see GRI 305-1/2) by **total ton of production**.

GRI 305-5

GHG reduction ratio



- GHG emissions reduced as a **direct result of reduction initiatives**, in metric tons of CO₂ equivalent.

⑤ Action Field 3: Operations.

Our KPIs (4/4).

GRI 306-3

Waste generation (*in tons*)



- Total waste generation across all plants **decreased by 12%** year-on-year.
- Primarily caused by improved **process improvements** allowing for lower scrap rates.

GRI 306-4

Waste diverted from disposal (reuse and recycling)



- Ratio of reused / recycled waste **went up by 13%p** year-on-year.
- Enabled by waste related process improvements such as **strict waste separation** on plant-level.

GRI 306-5

Waste directed to disposal (incl. hazardous waste, *in kg/ton of production*)



- Total amount of hazardous waste per ton of production **improved by 11%** year-on-year.
- Primarily caused by major recycling improvements in **Morocco and Türkiye**.

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⑤ Action Field 4: Employees.

*“As a **responsible** and **forward-thinking** company, we are fully committed to Sustainability and care about the **well-being** of our employees and the community, as well as the **conservation** of the environment.”*



Stefan Schulz
Vice President Human Resources and Corporate
Communications

⑤ Action Field 4: Employees. Our Commitment.



WE AT STANDARD PROFIL
ARE COMMITTED TO THE
OVERALL WELL-BEING OF
OUR EMPLOYEES BY
PROVIDING SUITABLE
WORKING CONDITIONS,
COMPANY CULTURE AND
DEVELOPMENT
OPPORTUNITIES.

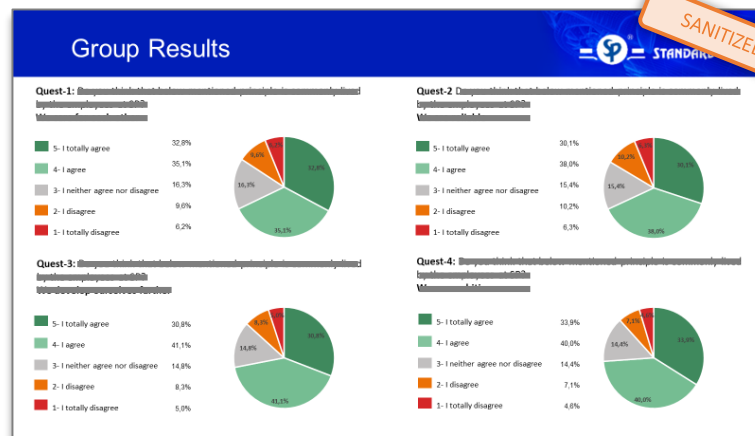


⑤ Action Field 4: Employees. Selected 2022 Highlights.



“LEAD AS ONE”

The Lead as One leadership principles describe with concrete behavioral anchors, what we understand by **good leadership at SP**. Through their behavior, our leaders create an environment in which our employees feel valued, enjoy their work and are willing to develop themselves in the long run. The goal is to **create a company culture** and working conditions which pay into the company success and strengthen the emotional binding of our employees to SP.



“SP PULSE CHECK”

The SP Pulse Check is an employee survey in the form of a **short and focused questionnaire** that can also be used to address broad issues. By conducting Pulse Checks on a regular basis, we can **measure the general mood of our employees** on specific topics or issues and figure out where to put our priorities.

With this approach, we track the extent to which we are living up to **Lead as One and Work as One**.



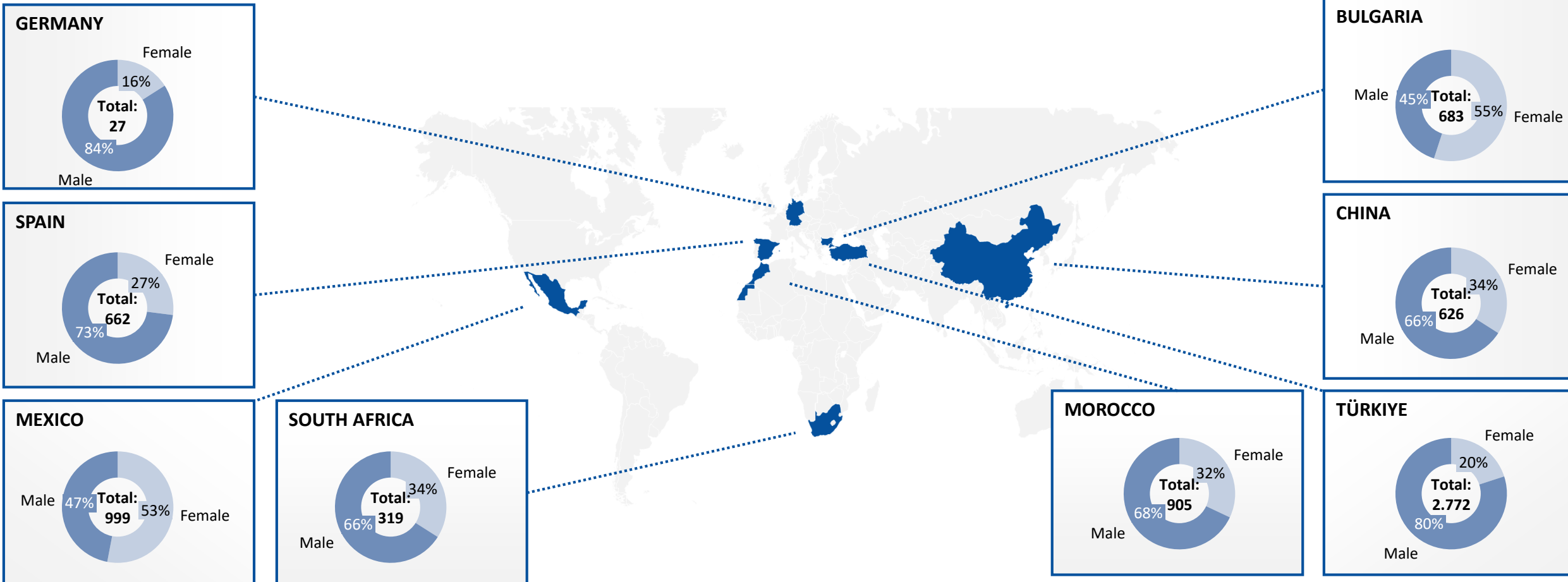
INTERNAL TRAINER PROJECT

Beginning with our plant in China, the **internal Trainer project** targets on employees who are willing and able to share their knowledge internally. On the one side we offer **individual career opportunities** for the selected trainers and on the other side we ensure the **transfer of individual knowledge**, experience and expertise to other colleagues. An appropriate selection process is used to match the ideas and skills of the candidates with the requirements for being a trainer.

⑤ Action Field 4: Employees. Our KPIs (1/6).

GRI 2-7

General information about the number of employees by gender and region (as per December 31, 2022)

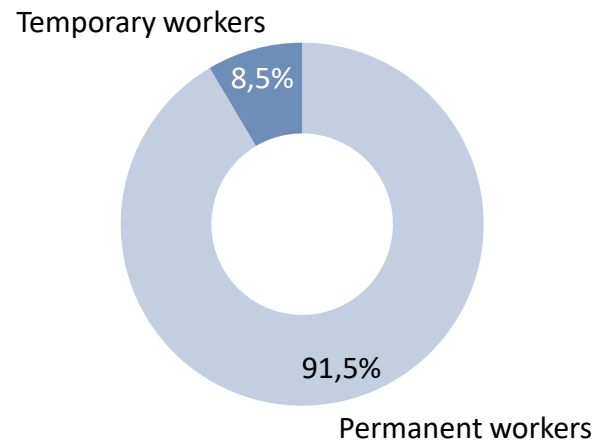


Note: No. of diverse employees is 0 across all locations.

⑤ Action Field 4: Employees. Our KPIs (2/6).

GRI 2-8

Workers who are not employed



- As of December 31, 2022, approximately **8.5%** of our total headcount was made up of **temporary employees** across a variety of countries, which gives us a certain **degree of flexibility** to manage labor costs in line with volume fluctuations.
- The variable nature of our labor costs has assisted our strategic planning and allows us to **adjust our workforce** in response to fluctuating and seasonal demand of our products.

GRI 2-30

Collective bargaining agreements (*percentage of workers being covered by a collective bargaining agreement*)

Region	2022
Spain	95%
Türkiye	76%
Mexico	75%
Bulgaria	0%
Morocco	0%
China	0%
South Africa	0%
Germany	0%

- As of December 31, 2022, approximately **53% of our employees** (3.700 out of 7.000) were covered by a collective bargaining agreement.

⑤ Action Field 4: Employees.

Our KPIs (3/6).



GRI 205-1

Operations assessed for risks related to corruption

- Corruption and bribery risks are integral parts of the **Standard Profil risk universe**, and the internal audit function monitors all risks and prepares the risk basis according to internal audit plans. In every internal audit engagement, these risks are taken into consideration and audited for compliance.
- Due to **confidentiality reasons** (protection of business secrets), neither the total number and percentage of the SP locations audited for corruption risks, nor the corruption risks identified, are reported.

GRI 205-2

Communication and training about anti-corruption policies and procedures

- The Standard Profil **“Anti-Bribery and Corruption Policy”** is available in all relevant languages and is communicated to employees on different channels, e.g. as printout.
- Due to confidentiality reasons **no further information is published** beyond the training figures reported as part of GRI 404 in this action field “Employees”.
- The Standard Profil **“Supplier Code of Conduct”** includes a reference to corruption prevention activities. A quantification of **the informed business partners** is not possible for reasons of confidentiality.

GRI 205-3

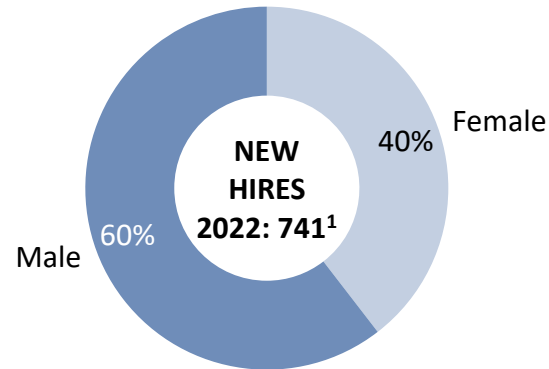
Confirmed incidents of corruption and actions taken

- In the event of confirmed cases of corruption - as in the case of other compliance violations - **sanctions will be imposed on responsible employees** if violations can be individually attributed. Sanctions are determined in accordance with defined processes and cover, for example, the avoidance of a risk of repetition and the individual misconduct.
- They cover the **entire range of possible measures**, including personnel measures, such as admonishment, warning, bonus reduction, transfer and (immediate) termination.
- Due to confidentiality reasons (competition considerations and protection of business secrets), we **do not make any statements** about the outcome and details of internal investigations.

⑤ Action Field 4: Employees. Our KPIs (4/6).

GRI 401-1

New employee hires and turnover rate



- In 2022, **741 new employees** were hired (2021: 569). Thereof **293 female** workers and **448 male** workers (2021: 182 female, 387 male).
- Company-wide **turnover rate** 2022 amounted to **12% in average** across all locations.

(1) - Without Mexico

Note: No. of diverse employees is 0 across all locations.

GRI 403-8

Workers covered by occupational health and safety management system



- Health & safety of our workers has **highest priority** at Standard Profil.
- SP adheres to all **local health and safety regulations** and applies **uniform standards** worldwide.

GRI 403-9

Work related injuries (*per 1.000 employees*)



- Numbers indicate total number of accidents in our plants in 2022 (2021 respectively).
- Reduction of **1/3** realized year-on-year due to education, trainings etc.

⑤ Action Field 4: Employees.

Our KPIs (5/6).

GRI 404-1

Average hours of training per year per employee

2021
12,5h



2022
16,5h

- Primarily impacted by COVID-19 restrictions, average hours of face-to-face trainings were **low in 2021** (12,5h) but **increased to 16,5h** in 2022.
- Note: Figures do not include **South Africa, Mexico and Morocco**.

GRI 405-1

Gender and age group of governing bodies

- Standard Profil has a **dual management structure** consisting of a Management Board and a Board of Directors.
- The **Management Board** consists of **three members**: CEO (60 years, male), CFO (53 years, male), COO (45 years, male).
- The **Board of Directors** consists of **five members**: All of them are **male** and **between 40 and 70 years** old.

GRI 405-2

Salary ratio among men and women

- Within Standard Profil, the **same principles apply to remuneration and fringe benefits**, irrespective of gender, religion, origin, age, disability, sexual orientation or country-specific characteristics.
- Standard Profil regularly reviews the **remuneration and variable compensation** of all genders employed.
- In 2022 there were **no significant differences** in the overall compensation package between genders.

GRI 406-1

Incidents of discrimination and corrective actions taken

- The Standard Profil Code of Conduct stipulates the **fair and equal treatment** of all employees. SP **does not tolerate any form of discrimination or harassment** because of race, gender, ethnic or national origin, religion, or belief, disability, age, sexual orientation, or other characteristics protected by law.
- Incidents of discrimination can be addressed with HR or directly with the **Group Whistle Blowing Hotline**.
- Internal Auditing** is responsible for objective and independent assessment of each case reported.
- To date, violations of our principles are **neither known to SP nor otherwise apparent or obvious**.

⑤ Action Field 4: Employees.

Our KPIs (6/6).



GRI 407-1

Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

- Beyond our own processes, we are also committed to protecting **the right to freedom of association and collective bargaining** among our supplier base.
- Corresponding **requirements for suppliers** are set out in the Standard Profil “Supplier Code of Conduct”.

GRI 408-1

Operations and suppliers at significant risk for incidents of child labor

- Standard Profil’s exposure with respect to **child labor** is **considered very low** because of its industry, business model and the countries in which business activities are carried out, its high level of vertical integration as well as its high quality requirements in the supply chain.
- Standard Profil commits itself to the **protection of human rights** in its **Code of Conduct**. Child labor is categorically rejected.
- The basic principles set out in the **Code of Conduct** for Suppliers explicitly include standards for the exclusion of child labor.
- In 2022, there were **no cases of child labor revealed**.

GRI 409-1

Operations and suppliers at significant risk for incidents of forced or compulsory labor

- Standard Profil’s exposure with respect to **forced or compulsory labor** is **considered very low** because of its industry, business model and the countries in which business activities are carried out, its high level of vertical integration as well as its high quality requirements in the supply chain.
- Standard Profil commits itself to the **protection of human rights** in its **Code of Conduct**. Forced and compulsory labor are **categorically rejected**.
- The basic principles set out in the **Code of Conduct for Suppliers** explicitly include standards for the exclusion of forced or compulsory labor.
- In 2022, there were **no cases forced or compulsory labor revealed**.

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⑤ Action Field 5: Society.

*“Sustainability means to us to contribute to a better world by promoting **environmental protection**, **social responsibility**, and **economic progress** in a balanced and equitable way.”*



Otto Tomaschek
Chief Financial Officer

⑤ Action Field 5: Society. Our Commitment.

A photograph showing a series of hands, from different people, holding small green seedlings in soil. The hands are arranged in a line, creating a sense of unity and growth. The background is blurred, focusing on the hands and plants.

WE AT STANDARD PROFIL ARE COMMITTED TO ADD VALUE
TO SOCIETY BY ENGAGING IN **SOCIAL AND COMMUNITY**
INITIATIVES AND EMBRACING DIVERSITY AT ALL OUR
LOCATIONS.

⑤ Action Field 5: Society.

Selected 2022 Highlights.



FORESTATION

A team of SP Düzce gathered at the **SP Memorial Forest in Bolu** to help bring nature back to life. The team experienced the joy of **adding 150 new trees** to the forest.

Another benefit was to contribute to the development of **environmental awareness** by the participation of many children who participated with their families in this tree planting event.



TOY DONATIONS TO CHILDREN

We are adding value to children's lives, making them happy in all the geographies we operate.

On 6th of January, **Magi King Day**, a team distributed toys that SP Mexico employees had donated throughout December, to children in the **neighborhood of Los Julianes**, near our Mexico plant.



INTERNATIONAL WOMEN'S DAY

Standard Profil experienced the passion of March 8 in all our locations. And all together, SP delivered the message, **"Careers Have No Gender"**.

As a part of SP's Women's day celebrations, SP realized a session titled **"Gender Equality at Work"** with Attorney Aslı Karataş . SP works to spread awareness of gender equality in all areas of life.

⑤ Action Field 5: Society.

Our KPIs.



GRI 413-1

Operations with local community engagement, impact assessments, and development programs

We are committed to adding value to the societies in which we operate, by conducting corporate social responsibility projects in all our locations with the "**SP Act for Good**" initiative.

In 2022, **all Standard Profil plants** contributed to "SP Act for Good".

Among others activities included **donations to global non-profit organizations**, e.g. UNICEF, and to **local initiatives**, e.g. the Municipality Stray Animals Rehabilitation Center and Temporary Nursing Home in Düzce. We celebrated special occasions together with our employees such as the **Women's day** on March 8, or the **International Day of Disabled Persons** on December 3 and contributed to **renaturation** by planting 150 trees in the greater Düzce area.

GRI 413-2

Operations with significant actual and potential negative impacts on local communities

There are **no negative impacts** on local communities caused by Standard Profil's business activities.

GRI 415-1

Political contributions

Our Anti-Bribery and Corruption/Ethical Policy mandates that **no political contributions** are to be made and none have been made in 2022.

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⑥ Outlook: Standard Profil to continue its path towards its 50% CO₂ reduction target.

KEY STRATEGIC ITEMS OF STANDARD PROFIL'S SHORT- TO MID-TERM SUSTAINABILITY AGENDA



SBTI APPLICATION

Commit to SBTi targets and submit targets.

CSRD COMPLIANCE

Prepare to fulfill all CSRD requirements (as part of the EU taxonomy).

CIRCULARITY STRATEGY

Develop a common vision for circularity at SP.

SCOPE 3 EMISSIONS

Take preparations to report scope 3 emissions.

GREEN ENERGY

Drive the utilization of green energy across all SP locations.

AWARENESS CREATION

Foster the awareness for sustainability related matters among SP employees.

SUPPLY CHAIN

Include sustainability in procurement processes, supplier selection & ratings.

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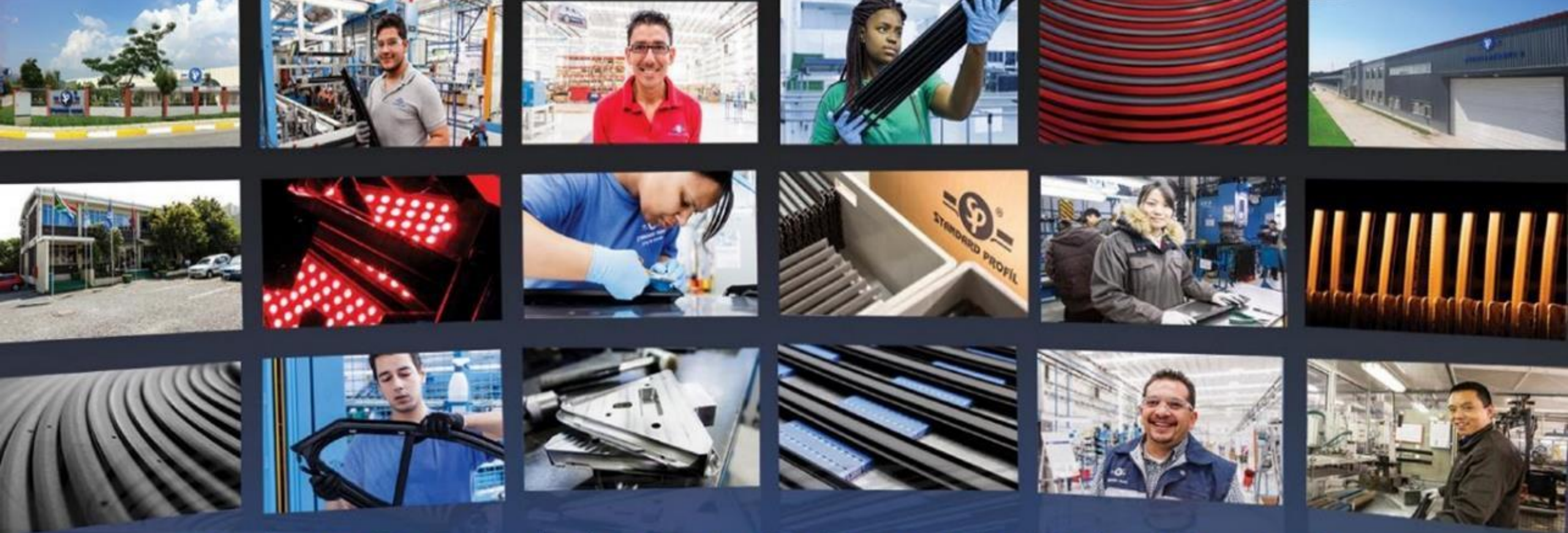
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TAILOR-MADE SOLUTIONS IN **AUTOMOTIVE SEALING SYSTEMS**