wieland

Sustainability Report

2019/20

[Con|tent]

Introduction

[Fore|word]

Dear Readers,

[GRI 102-14] Climate protection is a matter of constitutional importance in Germany, the Green New Deal is gaining momentum under U.S. President Biden, and the EU is expanding its CSR reporting requirements – sustainability is often behind headlines like these. What does this mean for the Wieland Group?

Especially in times of crisis, sustainability can also be an anchor of stability – because it creates resilience in the face of challenges. The COVID-19 pandemic is a good example of this, but it is first and foremost the climate crisis that highlights the principle. As the world's leading specialist for copper and copper alloys, Wieland has an important role to play in addressing these challenges: copper is the key material for electrification and, as a result, for the transition to a low-carbon economy.

Sustainability has always been a top priority in Wieland's 200-year company history and is a core component of our corporate strategy. Today, we are in the midst of a transformation process that is leaving its mark on every corner of the economy and placing high demands on us. We want to live up to our aspiration as an industry pioneer. We are ambitious not only in terms of our immediate business objectives, but also in terms of what the up-and-coming generations expect of us.

That is why we have set ourselves ambitious environmental, social and governance (ESG) targets in our sustainability strategy, illustrating how we will contribute to achieving the United Nations Sustainable Development Goals (UN SDGs). We have identified six strategic focus fields in our quest to achieve this:

- **Environment:** Decarbonization, circular economy and eco-friendly extension of product portfolio
- **Social:** Health and safety as well as diversity and inclusion
- **Governance:** Responsibility in the supply chain.

Quantifiable medium-term targets have been defined for each of these focus fields – for example, 90% recycled content within our products, a 42 % reduction in our Scope 1 and 2 greenhouse gas emissions, and a 12 % reduction in Scope 3 emissions, with each of the targets to be achieved by 2030. We have defined our climate targets in line with the specifications set out by the Science Based Targets initiative (SBTi) and are currently in the process of reviewing them.

We aim to use this ambitious sustainability roadmap to systematically continue on our path of transformation to a more sustainable economy, while continuing to achieve profitable growth and hold our own on the competitive stage. At the same time, we see our ambitions as an expression of our inner convictions and forward thinking. We are working on this fundamental transition process with our highly motivated global team and the new functions we have set up to manage our sustainability activities across the Group. As we are focusing first and foremost on pioneering technical innovations, we have assigned the area of sustainability directly to our Corporate Function Research, Development & Innovation. This new positioning allows us to once again demonstrate both to the people in our company and to our external stakeholders just how much importance we attach to the issue of sustainability here at Wieland.

We will be reporting transparently on our progress and developments in the field of sustainability in our annual Sustainability Report going forward. My sincere thanks go to everyone at Wieland who has helped forge ahead with the implementation of our sustainability strategy and made this publication possible amidst the ongoing challenges created by the COVID-19 pandemic.

Now, on behalf of all of our employees, I wish you an interesting and informative read.

Dr. Erwin Mayr – CEO

Sustainability program

	Target	Excerpt subtargets & measures	Status 2019/20
Environment			
Environmental management	Continuously improve environmental protection	Introduce DIN EN ISO 14001:2015 certification at all major production locations[1] by 2024	82 %
		Develop a Group-wide target for air pollution control by 2022	In progress
		Provide Group-wide information on metal emissions in wastewater by 2022	
		Introduce a global waste database by 2023	
Decarbonization	Achieve net zero by 2045	Reduce Scope 1 and 2 emissions by 42 % by 2030	–14 %
		Reduce Scope 3 emissions by 12 % by 2030	–10 %
		Develop a Group-wide decarbonization roadmap to reduce Scope 1 and 2 emissions	In progress
		Implement a green power concept	
		Expand recycling activities to reduce Scope 3 emissions (primary metals)	USD 100m investment in NA announced
Circular economy	Further develop circular business models ("closing the loop") through backward integration and customer engagement	Increase the share of recycled raw materials in product manufacturing to 90 % by 2030	75.6 %
		Introduce DIN EN ISO 14021:2016 certification for selected product segments to calculate and disclose the recycling rate	In progress
Eco-friendly extension of product portfolio	Continuous sustainability assessment and optimization of the existing product portfolio	Increase the share of lead-free machining brass (extruded and drawn products) to > 60 % by 2030	12 %
		Ensure that the origin of our metals is 100% certified by 2030 (e.g. The Copper Mark)	In progress
		Achieve "The Copper Mark" certification for the Wieland Group	Possible as of 2023 on The Copper Mark's side
		Expand sustainability criteria in product development processes	In progress
		Expand sustainability criteria in planning and procurement processes (e.g. for plant and machinery)	In progress
		Implement a product carbon footprint methodology and continuous calculation of our products	In progress
Social			
Employee issues	Realize potential and strengthen Wieland's profile as a sustainable, future-oriented employer	Ensure that employees have the skills they need now and in the future	Ongoing
		Continuous further development of a flexible and attractive working environment and measures to promote work-life balance (e.g. daycare center)	Ongoing
		Further develop global data collection and and the harmonization of HR systems	Ongoing
		Expand the company-wide employer branding strategy	Ongoing
Human rights	Protect and observe human rights	Introduce a Human Rights Impact Assessment by 2022	In progress
		Implement an advanced training on our human rights principles by 2022	

[1] *The report relates to the 17 main production locations of the Wieland Group* *About this report*

Health and safety	Work at Wieland to be 100 % safe by 2030	Reduce the LTI rate	2,6
		Implement a certified health and safety management system at all major production locations[1] by 2024	53 %
		Global rollout of a central occupational safety incident database by 2023	Ongoing
		Introduce the "Behavior Based Safety" occupational safety approach by 2022	In progress
		Implement programs for occupational safety-conscious behavior	In progress
Diversity and inclusion	Promote diversity and inclusion in the company	Develop a global strategy for diversity and inclusion in FY 21/22	In progress
		Strive to increase the proportion of women in management positions (goal: increase to 15 % by 2025 and 20 % by 2030)	12 %
Civil engagement	Expand engagement based on regional stakeholder requirements	Develop and implement a Group-wide concept for civil engagement incl. defined contract award criteria and standards	In progress
Governance			
Corporate governance	Establish our values in the corporate culture in the long term	Obtain clear, explicit commitment of all stakeholders to our values	Ongoing
		Expand our Group-wide compliance program	In progress
		Certify our Compliance Management System by 2025	In progress
Responsibility in the supply chain	Increase the volume of relevant materials purchased from certified or audited suppliers to 100% by 2030	Introduce an ESG business partner screening tool starting in 2022	In progress
		Evaluate 90 % of strategic suppliers of primary raw materials and sheets by the end of 2022	
		Increase the transparency of the product carbon footprint in the supply chain by 2025	

[1] *The report relates to the 17 main production locations of the Wieland Group* *About this report*

1. [Stra|te|gy & ma|nage|ment]

As a company with a long tradition, the Wieland Group is supported by a strong system of values. Our values shape our actions as well as our corporate culture. For us, thinking in the long term, being aware of the social and ecological implications of our business activities and economic success go hand in hand.

We have systematically set out on the path towards a more sustainable future with our ambitious sustainability roadmap. We aim to use the measures we are taking to make our contribution to achieving the UN's Sustainable Development Goals (SDGs). The following SDGs are the focus of our sustainability activities.

Content

The Wieland Group at a glance

[GRI 102-3/4/6/7]

8,300

Employees
(as of: September 30, 2020)

3,948

EUR million
in total turnover

Ulm

Headquarters

91

EUR million
invested in tangible assets

76

Locations

Total turnover by sector

based on NACE (classification of economic activities), in %

33

Metal products

16

Automotive construction

16

Trade

16

Electronics & Electrical Engineering

15

Mechanical engineering

4

Other

1.1 Company profile and business model

Company profile

[GRI 102-1/3/4/6/7] The Wieland Group has been offering its customers products made of copper and copper materials for 200 years now. Today, the Ulm-based company is one of the world's leading suppliers of semi-finished products made of copper and copper alloys. The Wieland Group is represented by production locations, service companies and sales offices in a total of 76 locations in North America, Asia and Europe. The company uses this global network to offer a diverse portfolio of products, technologies and services. 8,300 employees across the globe contribute to the company's success.

Business model

[GRI 102-2/6/10] In the 2018/19 fiscal year, the Wieland Group acquired the U.S. metalworking company Global Brass and Copper (GBC), which has become a wholly owned subsidiary of the Wieland Group as a result. This acquisition resulted in the establishment of further Business Units in the North American market. Today, we serve the global market with seven Business Units:

– Engineered Products
– Extruded Products
– Rolled Products
– Rolled Products North America (formerly GBC Olin Brass)
– Thermal Solutions
– Wieland Chase (formerly GBC Chase Brass)
– Wieland Metal Services (formerly GBC A.J. Oster)

The Business Units Extruded Products, Rolled Products, Rolled Products North America and Wieland Chase concentrate on the manufacture and distribution of traditional semi-finished products. The Business Units Engineered Products and Thermal Solutions focus on products with higher added value: such as finned tubes and heat exchangers, slide bearings and components for electromobility. The Business Unit Wieland Metal Services offers a broad service and product portfolio at its locations in the U.S, including, for example, slitting, tinning or coating of strip.

Based on a wide range of high-performance materials and components, we develop the necessary technical solutions for forward-looking segments such as electromobility, digitalization, or refrigeration and air-conditioning technology. In addition to copper and copper alloys, other metals such as aluminum, titanium, a wide range of steels and, more recently, also plastics are used.

This allows the Wieland Group to offer product solutions for a whole number of sectors: electronics and electrical engineering, automotive, mechanical engineering, refrigeration, air conditioning and heating technology, as well as construction and installation. Consultancy and planning services, e.g. in product and process development, machine tool construction and automation technology, are also part of the services on offer.

Wieland product portfolio

1.2 Strategy and values

Fit for the future thanks to a corporate culture based on values

[GRI 102-16] The sustainable transformation of the Wieland Group is a central strategic task for the company. In order to rise to this challenge successfully, it is crucial for the company to have a shared understanding of values and a strong corporate culture. The value-based culture we strive for is designed to foster collaboration internally, as well as with our external partners, and to make the Wieland Group as a whole even more successful. In 2020, we published a Group-wide cultural vision with this goal in mind. It is founded on the idea of a corporate culture with a positive effect that radiates well beyond company boundaries and attracts the best talent to Wieland in order to create sustainable value. We have identified three requirements as being fundamental in this regard:

1. Freedom to act
2. Ownership of results
3. Casual intensity, i.e. the ability to interact casually without losing focus and momentum

By meeting these requirements, we encourage our employees to make independent decisions and take independent action – in Wieland's best interests and with increasing speed, efficiency and transparency. At the heart of our cultural vision are the values of ambition, respect, reliability, diversity and optimism. These values are based on the greatest possible degree of entrepreneurial self-responsibility, without neglecting our health, safety or the environment at any point along the way.

OWNERSHIP
OPTIMISM
RESPECT
RELIABILITY
AMBITION
SAFETY, HEALTH & ENVIRONMENT
DIVERSITY

Revamped leadership culture

Modern leadership concepts form an important part of our corporate culture. They represent key success factors for the future of the Wieland Group. This is why we have been organizing annual leadership workshops since 2013 – initially to implement and later on to further develop our leadership culture. In two-day workshops, participants deal with specific leadership tasks and discuss leadership models, styles and other tools. Around 350 executives and members of the Board took part in the event during the reporting period.

When we developed our new cultural vision in 2020, we also redefined parts of our leadership culture, the motto being "How we lead". The following principles are central to this vision: focus on results, commitment and consistency as well as familiarity and openness. The executives of the future avoid micromanagement, communicate clearly, show empathy in listening to others, practise what they preach, and act as coaches and enablers. The leadership principles help us to make our collaboration more successful and, as a result, also to safeguard the Wieland Group's earnings power. After all, we can only succeed in this quest if we constantly seek out the best solutions, set ourselves binding targets and ensure that our cooperation is founded on trust and mutual appreciation.

Binding vision and standards defined

The current version of our cultural vision is available to all employees on the Wieland One intranet, where it is communicated with the help of videos on the individual values, among other things. We have also started to appoint cultural ambassadors. They serve as a port of call and interface between our employees and the "culture team". The culture team guides the development and communication of our vision and coordination with the cultural ambassadors that support the global translation process.

Alongside a motivating cultural vision, the Wieland Group relies on clear guidelines to encourage its employees to behave with integrity and in accordance with the law. In its Code of Conduct, it has laid down minimum standards that apply throughout the Group. The document is available in German and English and summarizes the most important rules that all employees of the Wieland Group must comply with. Our Code of Conduct helps our employees make the right decisions independently at all times.

Code of Conduct

Strategic focus on profitability and transformation

In the year under review, the Wieland Group can look back on 200 years of history. We owe the long-term success and the Wieland Group's lasting position as an industry leader to the forward-looking decisions of previous generations. Profitability has always been the main pillar of the Wieland Group's commitment. It secures the future of our company and allows us to invest in new technologies and innovative solutions, as well as to drive sustainability. In order to continuously build on our earnings power, we are pursuing three main directions with the Wieland Group's strategy:

- **Internationalization and differentiation:** The semi-finished copper product industry is characterized by intense international competition and diverse geographical markets. With the aim of maintaining and further expanding our leading position, we are continuing to internationalize and differentiate our company. The Wieland Group's presence on the international markets was significantly strengthened in the year under review by the acquisition of Global Brass and Copper Holdings, Inc. (GBC). The international expansion associated with the acquisition and the extension of the customer and product portfolio will make a decisive contribution to the differentiation of the Wieland Group. In addition to copper and semi-finished copper products, the product range now also includes other materials such as aluminum.

- **Forward integration:** In addition to strengthening its core business through internationalization and differentiation, a globally positioned company like the Wieland Group can also benefit from the vertical expansion of its activities along the value chain. This "forward integration" of previously downstream production stages has the potential to increase the efficiency of the entire value-adding process. This is reflected in the product and service portfolio of the Business Unit Engineered Products, which manufactures machined copper alloy components through to complex components and systems for the automotive industry.

- **Backward integration:** The Wieland Group has always strived to use valuable raw materials like copper and the alloying elements used as sustainably as possible. Waste, such as extrusion remnants or turning chips, as well as production-related returns, are fed back into the manufacturing process as part of a closed loop. In addition to these materials from our own production activities, there is also the scrap resulting from customer production processes. We also use scrap from the recovery of raw material when the life cycle of the end products concerned ends. Improved overall conditions and new technologies and processes will allow us to further increase what is already a high recycling rate in the future. This is why we are also investigating further opportunities for backward integration as part of the strategy process so that Wieland can further maximize the proportion of recycled material.

[GRI 102-15] True to our pioneering role, we aim to achieve not only profitability but also the transformation of the Wieland Group that our stakeholders expect with regard to climate change, sustainability as well as digitalization and automation. In the year under review, this prompted the Wieland Group to update and further specify its strategy at corporate and Business Unit level across all divisions.

We are aware of the problems associated with global climate change and the urgent need for sustainable development. This is why we have made the issue of sustainability a pillar in the company's strategic orientation. This means that sustainability is an integral part of many of our investments, decisions and activities and plays a key role in driving the transformation of the Wieland Group.

Sustainability management and organization

Another key prerequisite for the Wieland Group's long-term success is the systematic digitalization and automation of our business and production processes. It supports our company's transformation as another strategic cornerstone and paves the way for committed, transparent and flexible collaboration among all employees worldwide.

We are committed to further stepping up our digitalization and automation efforts. A dedicated organizational unit has been set up to drive digitalization and automation initiatives. Its central task is to support all activities and projects relating to digitalization and automation. Key objectives of the digitalization initiative include improving quality, productivity and safety, reducing costs and the volume of capital tied up, and expanding the pool of data to support decisions.

1.3 Sustainability management and organization

Throughout the Wieland Group, we have to create a culture of transformation – because this is the only way in which we can turn our strategic ambitions in the area of sustainability into a reality. In order to drive the company's transformation, the Executive Board adopted a corresponding roadmap in the 2019/20 fiscal year.

Together with our partners at all stages in the value chain, we are aiming to achieve our ambitious medium-term targets by 2030 at the latest. Six strategic focus fields form the cornerstones of our Group-wide sustainability management:

- **Decarbonization:** We want to actively counteract climate change and continuously reduce our direct and indirect greenhouse gas emissions. Specifically, this means reducing our Scope 1 and 2 emissions by 42 % by 2030 compared to the 2018/19 baseline, and reducing our Scope 3 emissions by 12 % over the same period. In the long term, we are aiming to achieve the goal of "net zero" – meaning that by 2045, our business activities are no longer to have any negative impact on our climate at any stage in the value chain.
  Decarbonization

- **Circular economy:** Our aim is to close the material loop and conserve resources. By 2030, we want to increase the share of recycled raw materials in our product manufacturing to 90 % and take targeted action to develop circular business models.
  Circular economy

- **Eco-friendly extension of product portfolio:**
  We want to make our product portfolio increasingly eco-friendly. For example, we aim to increase the share of lead-free alloys in sales of machining brass to at least 60 %. We are also currently in the process of developing quantifiable medium and long-term targets for the Wieland Group as a whole in order to measure our progress in this area.
  Eco-friendly extension of product portfolio

- **Health and safety:** Our vision is to ensure that no occupational accidents occur in the Wieland Group, meaning that working with us is 100 % safe. By 2030, the number of occupational accidents is to be continuously reduced as against the previous year's figure.
  Health and safety

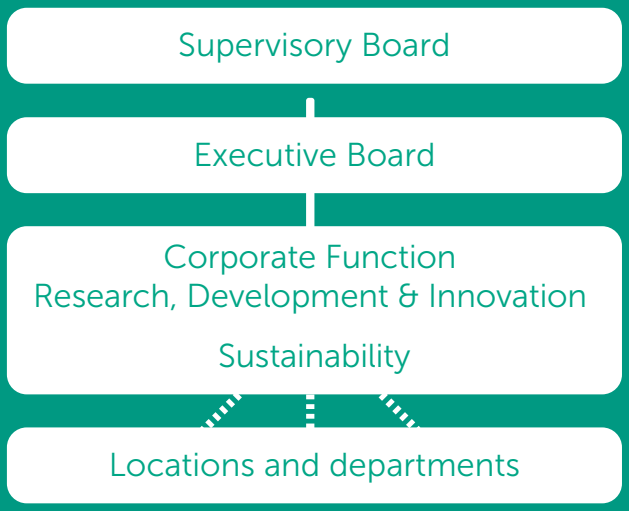
- **Diversity and inclusion:** We have set the goal of promoting diversity in our company. In this context we will, *inter alia*, strive to increase the proportion of women in management positions. Our goal is to increase the proportion of women in management positions to 20 % by 2030.
  Diversity and inclusion

- **Responsibility in the supply chain:** We want to establish the concept of sustainability throughout our entire value chain. In addition, 100 % of relevant procurement spending[1)] is to be with certified or audited suppliers by 2030.
  Responsibility in the supply chain

[GRI 102-18] Within this context, we have reorganized our governance structures within the Wieland Group. A new Sustainability department, which is assigned to the Corporate Function Research, Development & Innovation, has been responsible for, and at the helm of, global sustainability management since 2020.

[1)] *Primary raw materials, sheets and secondary raw materials (excl. customer scrap)*

Wieland Group sustainability governance structure



Overall responsibility for the topic of sustainability within the Wieland Group rests with the Chief Executive Officer. The Executive Board and the Supervisory Board are kept regularly informed about current developments by the head of the Sustainability department. The department also acts as an interface to the relevant specialist areas and exchanges information with them at regular working meetings. Monthly meetings are held with the Corporate Functions Metal Supply and Metal & Recycling, as well as with Global Engineering, to work on the topics of decarbonization and the climate protection strategy that the company has adopted on a cross-functional basis.

One of the central tasks of the Sustainability department is to enhance and continuously review the Wieland Group's sustainability strategy. The department defines key performance indicators and helps the specialist areas to implement sustainability measures. It is also responsible for internal and external sustainability reporting and communication and for organizing stakeholder dialogue.

Sustainability-related topics are implemented, in operational terms, in the various Corporate Functions and regions of the Wieland Group – in close coordination with the Sustainability department.

Looking ahead to the coming reporting year, we also plan not only to publish the Sustainability Report, but also to report internally on current developments in the strategic focus fields in a monthly "Sustainability Performance Report". It is to be submitted to the Chief Executive Officer and the Supervisory Board, among others.

1.4 Materiality and stakeholder management

Assessment of our material sustainability topics

[GRI 102-44/46/47] Which sustainability issues are particularly relevant for the Wieland Group and its stakeholders? To find out the answer to this question, we conducted a materiality analysis in 2020. A total of 17 topics were classified as material.

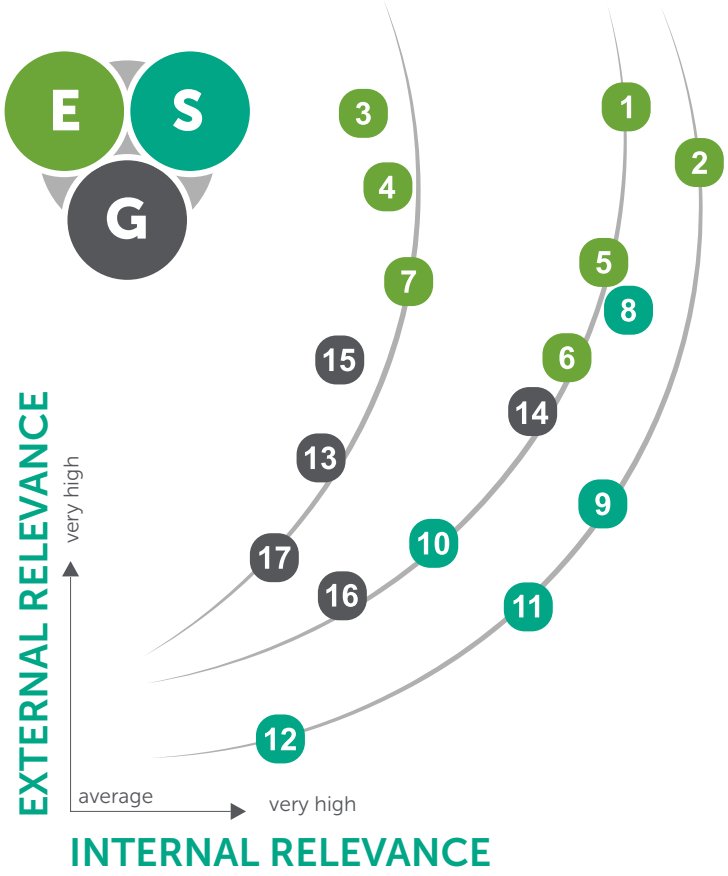
First, we surveyed three of the Wieland Group's key stakeholder groups – international managers from our company, various customers and financial market players – asking them specifically about their views and requirements. The focus was on the importance of sustainability for the company, the prioritization of topics and control parameters, and the evaluation of our current sustainability performance. A total of 75 executives took part in the survey. We also invited 357 customers from all Business Units, with 76 taking part. What is more, we held talks with four banks so as to also incorporate the perspective of the capital market.

We also conducted a comprehensive document analysis. As part of a benchmark assessment, we looked at how key players along our supply chain perform on ESG criteria – i. e. environmental, social and governance aspects. We also incorporated external influences into the topic assessment, including regulatory requirements, market developments and relevant SDGs (Sustainable Development Goals) of the United Nations (UN).

Finally, we summarized all of our findings in a materiality matrix. Within our sustainability strategy, the topics with the highest score make up the focal areas that we will be concentrating on in particular.

We update our materiality analysis every two years, with the next review set to take place in 2022. We always keep an eye on regulatory requirements for sustainability reporting in the process. If necessary, we adapt our materiality approach, for example in relation to the planned reform of the EU Non-Financial Reporting Directive (NFRD).

Materiality matrix



1. Environmental protection
2. Energy efficiency
3. Carbon footprint
4. Responsible consumption & production
5. Circular economy
6. Eco-friendly extension of product portfolio (including innovation, product design, sustainable cities)
7. Pollution & waste
8. Health and Safety
9. Diversity
10. Employee issues (including expertise, training, compensation)
11. Human rights
12. Social engagement
13. Product liability
14. Responsibility in the supply chain
15. Business ethics
16. Strong cooperations
17. Transparency

How we shape our approach to stakeholder management
[GRI 102-12/13/40/42/43/44] We regularly evaluate which stakeholder groups are particularly relevant for the Wieland Group, most recently as part of the newly developed strategic sustainability roadmap. Based on this assessment, the Wieland Group's primary stakeholders include owners, employees, customers, suppliers, financial institutions, and individuals from politics and civil society. We communicate with them in a variety of ways – also via collaborations, at trade fairs, at on-site events such as annual general meetings or roadshows, and conducting employee surveys.

As part of our materiality analysis, we survey our stakeholder groups on sustainability issues every second year. We use the results of the survey not only to define our key sustainability-related topics, but also to continuously address new impetus with a view to our sustainability strategy. The issues that were brought to our attention in the last survey are varied. They range from energy and environmental management and the reduction of carbon emissions to the supply chain and raw materials procurement, as well as topics such as transparent sustainability reporting and diversity.

The Wieland Group is an active member of the most important national and international business, industry and trade associations in our field of business. Increasingly complex overall conditions and requirements mean that the interests of the Wieland Group have to be actively safeguarded. The aim of our association work is to help shape the political framework for processes and products and to share experience and knowledge.
Overview of memberships

The topic of sustainability has always been a top priority in our association work. We have been supporting the European Commission and the German government through our non-ferrous metal associations Eurometaux and WirtschaftsVereinigung Metalle for many years now, helping to shape regulations to promote sustainability. Examples include our involvement in pilot projects to calculate product environmental footprints, the German resource efficiency programs and work to define workplace limits to protect our employees. Activities are currently focused on the contributions made by the non-ferrous metals sector to the European Green Deal and, in particular, on the topics of energy & climate change, circular economy and sustainable products, zero pollution ambition and green financing.

Joining the Science Based Targets initiative (SBTi) in March 2021 was also a crucial step. As part of this initiative, we have determined how we can reduce our direct and indirect greenhouse gas emissions on a scientific basis. Our climate targets are currently under review by the SBTi.
Decarbonization

We aim to engage in even more intensive dialogue with our stakeholders in the future. Starting in 2022, for example, we plan to hold an annual stakeholder dialogue event inviting internal and external participants to jointly shape the process of transformation to create a more sustainable economy and society.

2. [En|viron|ment]

The Wieland Group's business activities have an impact on the environment and also depend on an intact environment at the same time. We take responsibility for the efficient use of raw materials and for reducing energy consumption and greenhouse gases. We have set ourselves ambitious targets in these areas as part of our sustainability strategy. We will achieve these targets by decarbonizing processes and products and closing material loops.

This will allow us to make a significant contribution to achieving the climate targets of the Paris agreement and the UN Sustainable Development Goals (SDGs). We have the greatest leverage with regard to SDGs 7 and 13. We contribute to climate protection by taking various measures, buying green electricity or generating it ourselves. Overall, we contribute to the following SDGs:

Content

2.1 Environmental management

[GRI 103-1] The Wieland Group is aware of its responsibility for the environment and climate protection. In order to limit its environmental impact, the company places particular emphasis on eco-friendly production. The aim is to avoid water, soil and air pollution, to deal responsibly with waste and contaminated sites, and to promote biodiversity.

Our approach to environmental management

[GRI 103-2] Wieland has set itself the goal of conserving resources and leaving a clean environment behind for the generations to come. This applies not only to our own processes, but at all stages in the Wieland Group's value chain. The company has set its own standards in this regard, some of which go further than the applicable regulations and laws. No breaches of environmental protection legislation were identified during the reporting period.

The Executive Board, together with the Head of Corporate Environmental Protection, is responsible for the strategic focus of Wieland's company-wide environmental management system. This includes, among other things, defining the minimum standards for corporate environmental protection and setting environmental protection targets. Operational implementation of environmental management is managed via a matrix organization based in the Corporate Function Manufacturing Services. It reports directly to the Executive Board. This organizational structure has already been implemented at Wieland-Werke AG. There are plans to expand the structure globally to cover the entire Wieland Group over the next few years. The Wieland Group has also appointed local environmental protection officers at its various production locations. They are closely involved in the planning, evaluation and management of site-specific environmental measures and in the individual planning processes.

To manage its energy and environmental issues at its main production sites[1)], the Wieland Group has already largely implemented an integrated energy and environmental management system based on the international standards DIN EN ISO 50001:2018 for energy management and DIN EN ISO 14001:2015 for environmental management, with plans to expand this system in the future. The coverage rate for the reporting year is 82 % for DIN EN ISO 14001:2015 and 47 % for DIN EN ISO 50001:2018.

Further production locations are to have been certified by 2024, establishing international environmental management standards throughout the Group. Particularly in light of our international expansion, it is important that our new locations are also covered by appropriate standards and certifications. Going forward, the Wieland Group will be providing information on the progress made as part of this process in its annual Sustainability Report.

The management systems referred to above allow for systematic improvements in environmental and energy performance at the company's production locations in accordance with the required "Plan-Do-Check-Act" control cycle. The continuous development of management processes is reviewed at least once a year in internal and external audits. In the year under review, the system certifications were confirmed by surveillance audits.

Employee engagement

The Wieland Group is convinced that the commitment of its employees is crucial when it comes to achieving its environmental protection goals and boosting energy efficiency. As a result, it provides employees with ongoing information on all environmental and energy-related topics and offers them training in online and face-to-face training courses. Via the Wieland One intranet, all employees also have access to information that is relevant to environmental protection and can access the Integrated Environmental Management System.

Continuous improvement in commitment to environmental protection

In order to achieve its environmental protection goals, the Wieland Group implements various measures at its production locations. These are monitored and managed using key figures that are recorded on site on a regular basis. Key measures implemented in the reporting year are presented in the sections below.

Wieland also carries out regular incident and emergency drills in consultation with the responsible authorities, documenting and evaluating their outcome. Emergency or alarm and hazard prevention plans are in place for the individual locations in order to effectively avoid environmental impacts in the event of an emergency and to protect employees and the population at large.

Ensuring good air quality

[GRI 103-2, 305-7] Emissions are produced during the production of semi-finished non-ferrous metal products in the Wieland Group's plants, especially when metals are smelted. In addition to greenhouse gases, air pollutants such as dust or nitrogen oxides (NO_x) are also released. It is the company's

[1)] A definition of our production locations can be found in the report profile (About this report)

stated aim to further reduce the emissions generated during production. As a result, its environmental management program involves performing regular checks on the exhaust air at the sites.

By systematically using the latest filter technologies, the Wieland Group has been able to significantly reduce the specific dust emissions from its largest emission sources at the foundries in East Alton (USA), Pine Hall (USA) and Vöhringen (Germany). Looking ahead to 2022, the Executive Board and the Head of Corporate Environmental Protection are preparing a target for air pollution control that will apply to the entire Wieland Group. In the future, regular information on the progress of its implementation will be provided in the Sustainability Report.

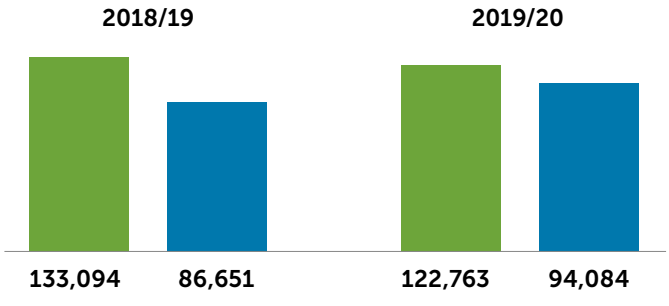
NO_x emissions from pickling processes were also significantly reduced in the period from 2010 to 2020 by largely eliminating nitric acid as a pickling medium. The goal is to reduce these emissions to zero. From 2023 onwards, the aim is that no more exhaust gas containing NO_x is to be released at the Vöhringen production location, our only site with NO_x pickling processes.

The company is also working on programs to reduce NO_x emissions at all production locations with heating and annealing processes. In order to achieve this, the burner technology used in the heating and annealing furnaces used is being converted to low-nitrogen oxide combustion processes.

Total air emissions

[GRI 305-7]

in kg



Overview of key figures

Key measures

– Carbon emissions from the combustion of fossil fuels have been systematically reduced at the German locations using increased heat recovery, energy-saving measures in buildings, and more efficient firing.

– Evaporative cooling towers and wet separation plants can be sources of Legionella emissions that can cause severe respiratory illness. Legionella emissions are completely prevented at our German production locations thanks to the introduction of regular monitoring measures, analyses, facility renovation measures and their targeted disinfection.

– At the Pine Hall production location in the U.S., an older casting plant was shut down in October 2020, reducing dust emissions by more than 50 %.

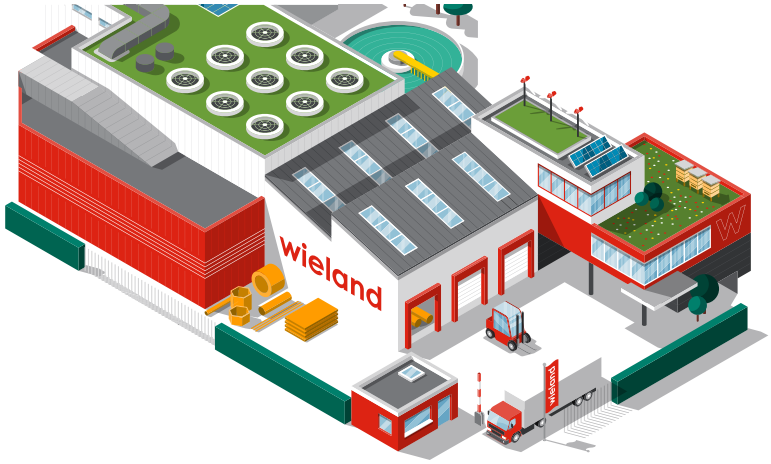
– At the Austrian site in Enzesfeld, the dust extraction system for the centrifugal casting machines used to produce pipes was renewed. This also reduced the amount of dust emissions.

Protection from noise pollution

Noise is generated at various stages in the Wieland Group's production processes. The company's newer manufacturing facilities are all located in industrial areas with a higher noise tolerance. In addition, structural noise protection is a mandatory part of the planning and approval of new production facilities. The older sites, on the other hand, are often located near residential areas. There – especially in Vöhringen, Villingen and Langenberg – protecting residents from noise pollution is a very important matter. As a result, the company ensures, among other things, that the windows, doors and gates of its plants are generally closed at night in these locations.

In addition to the actual production processes, freight trips also cause noise, prompting Wieland to erect noise barriers in various locations. Organizational measures have also been taken to avoid transport-related noise at night, including time restrictions for driving on certain plant roads, for example.

To ensure that noise limits are complied with, the company also carries out voluntary measurements of noise emissions at its sites. The measures have led to a significant reduction in the number of complaints from residents. At the Vöhringen plant, the number of complaints has fallen by around 50 % over the past ten years.



Key measures

– Mandatory maximum sound power levels were defined for the design of the three new exhaust air stacks to be built at the Vöhringen plant in 2020. Compliance with these limits is part of the plant acceptance test.

Water and water protection

[GRI 103-1/2, 303-1/4/5] Water is of key importance for the Wieland Group's production activities, especially for cooling and surface treatment. As a result, the company has set itself the goal of using water resources responsibly and continuously improving water protection. 11.54 million m^3 of water was used at the company production sites in the reporting year: 9.44 million m^3 as cooling water, 1.75 million m^3 as process water and 0.132 million m^3 as drinking water. Some of this water is extracted at Wieland's own production sites. These quantities were released with the involvement of the company's stakeholders as part of regulatory approval procedures. Of the 1.75 million m^3 of process water, 0.85 million m^3 of treated wastewater from production was discharged into public sewers or surface waters. This is done in compliance with, and below, the legally prescribed discharge limits, especially for the substances used in Wieland's production processes, namely copper, nickel, tin and zinc. No scenarios in which the statutory thresholds were exceeded came to light in the year under review.

Metal emissions can enter the environment through the wastewater, which can result in the pollution of bodies of water. In addition to saving water, reducing these emissions is one of the most important tasks of water management at Wieland. By 2022, the company is planning to report metal emissions in wastewater for the entire Group, creating a reliable pool of data for sustainable water management.

[GRI 303-2] In order to prevent pollution of rivers, lakes and canals, the Wieland Group regularly checks and analyzes the water quality at final inspection points set up for this purpose before discharge. These measurements fall well below the statutory thresholds and are usually below the analytical detection limits. To protect the soil and groundwater, the company also ensures careful handling of substances hazardous to water and guarantees appropriate leakage protection.

Key measures

– Metal emissions have been reduced. This was achieved by improving industrial wastewater treatment facilities and reducing the volume of wastewater containing metal from pickling processes.

– The risk of soil and groundwater contamination by substances hazardous to water was reduced, among other things, by replacing containers and recoating concrete collection areas.

Regional water and soil protection measures were also implemented at individual sites:

– In Vöhringen, a pickling line was equipped with new rinsing technology, allowing the rinse water to be used several times. In addition, wastewater treatment in one plant was shifted to a more automated process. This helps to avoid operating errors and ensure a continuously high wastewater quality.

– To protect the soil and groundwater from chemicals, the cellars and collection systems in the emulsion area in Vöhringen and in the Villingen chemical storage facility have been renovated. In the acid storage facilities at both sites, Wieland also replaced and rebuilt containers for acids to prevent leakage.

Water withdrawal

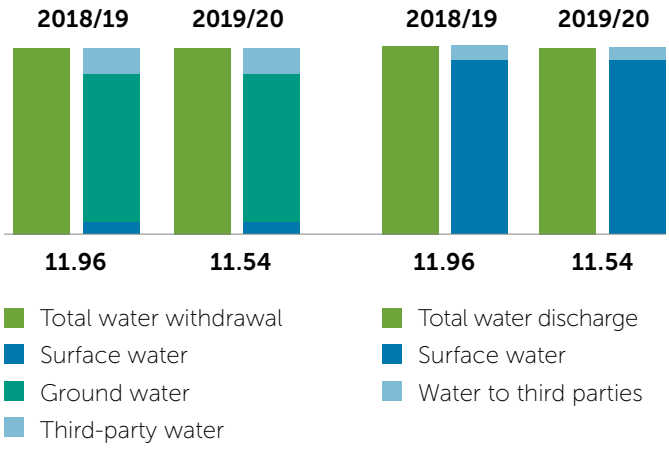
[GRI 303-3]

in M m^3

Water discharge

[GRI 303-4]

in M m^3



Overview of key figures

Responsible handling of waste and contaminated sites

[GRI 103-1/2, 306-2/3] Effective waste management is also one of the cornerstones of corporate environmental protection at Wieland. 100 % of the metal waste generated in production can be reused in the company's own foundries, eliminating the need for external disposal (*Circular economy*). When it comes to the treatment of other waste, the company follows the principles of "prevention before recycling" and "recycling before disposal". In order to extend the product life cycle of

the raw materials used, by-products from one plant are often used as raw materials for another. The total waste generated by the Wieland Group amounted to 61,090 metric tons for the reporting year. By the end of 2023, the company plans to introduce a global waste database to document the main waste processes at all production locations worldwide.

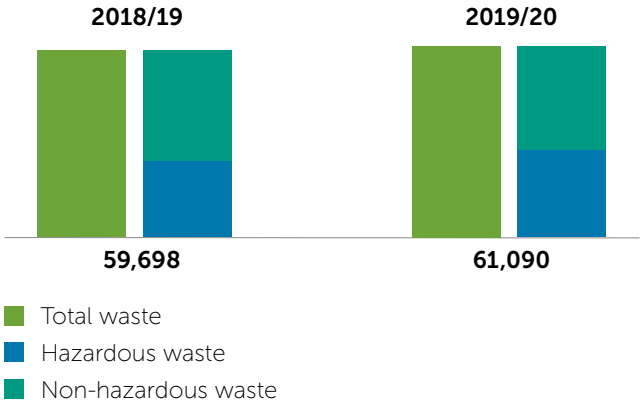
When delivering its products, the Wieland Group primarily uses wooden packaging, which is reused several times as part of a closed-loop process. This means that we offer free return transport of the wood packaging to our wood processing plants, where it can be processed for reuse. Recyclable material that can be fed directly into the local recycling system on the customer's premises is used for packaging films and straps. Through its packaging return system, Wieland-Werke AG reduced its carbon emissions by 160 metric tons CO_2 year-on-year in 2019/20. This is equivalent to saving around 9,700 m^3 (500 truckloads) of timber that would require 21 soccer fields to grow.

[GRI 306-1] Many Wieland sites have a long history behind them. The company has been operating in Vöhringen for over 150 years. In earlier years, hazardous production residue such as tar, phenols or waste acid were not prevented from seeping into the subsurface as consistently as they are today. These soil contaminants can still pose risks. This prompted Wieland-Werke AG to start investigating the subsurface of the operating areas at its sites to check for contamination across the board as early as around 25 years ago. Contaminants identified in this process have been removed by the company in close coordination with the local authorities. With the exception of one source of damage at the Villingen plant, which involves contamination very deep beneath the current production facilities that is difficult to access as a result, all German sites are now free of contamination.

Total waste

[GRI 306-3]

in t



Overview of key figures

Key measures

Wieland-Werke AG reduces the commercial waste it generates by having the following waste streams separated and recycled in addition to the more than 30 types of waste already produced:

- Paper capture in the office environment
- Cardboard sleeves from rolling
- Polluted waste wood
- Oil-soaked white paper
- Insulation waste from pipe manufacturing

To protect the entire aquifer, the contaminated groundwater produced at the contaminated site in Villingen is pumped out and, following an extensive purification process comprising several treatment stages, is discharged into a surface water body in line with all of the statutory limits.

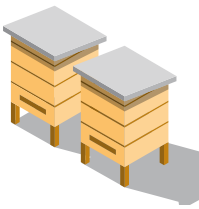
Preserving and protecting biodiversity

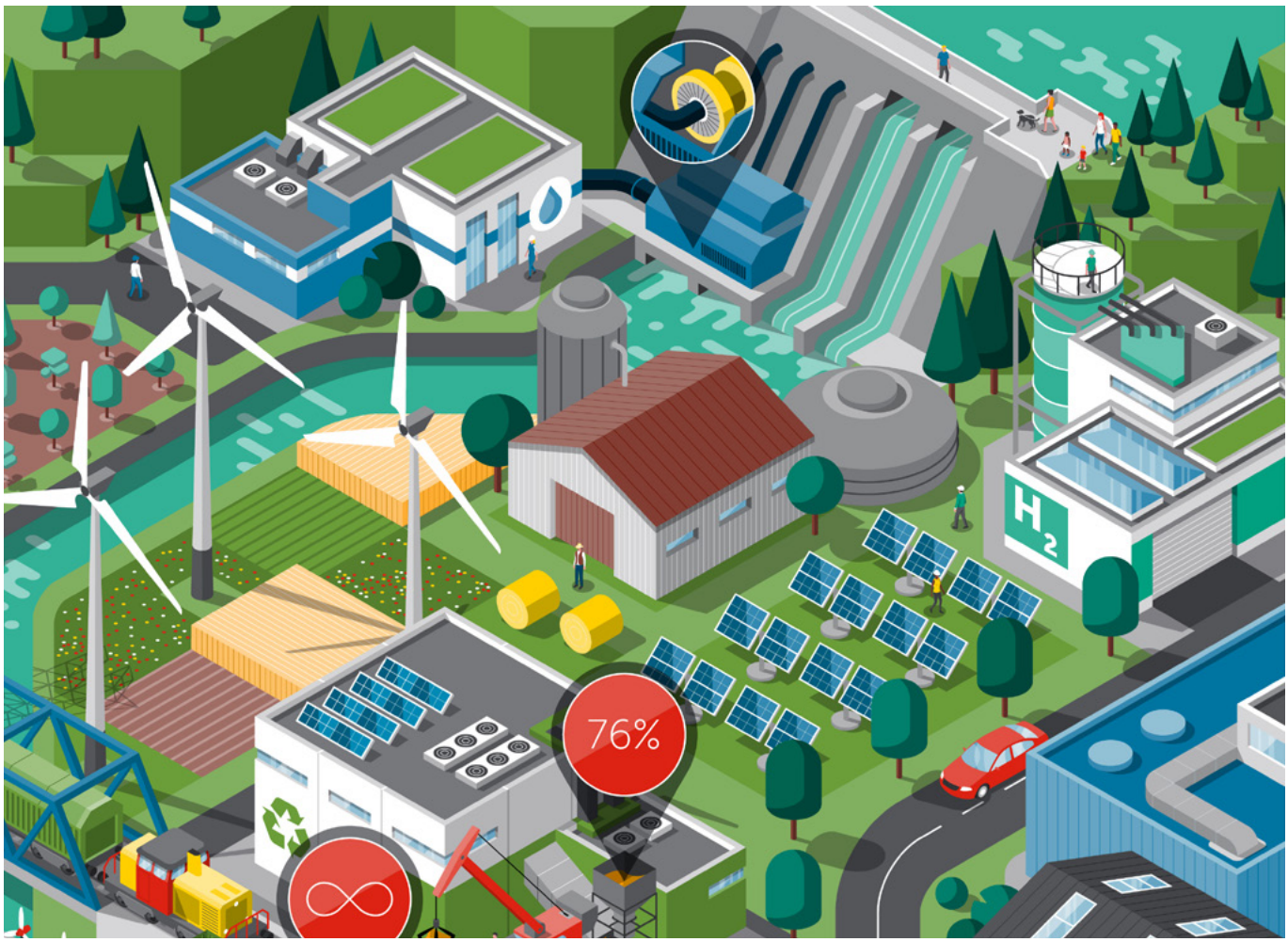
The production processes at Wieland's sites can have a direct and indirect impact on species conservation and biodiversity in the plants and the areas surrounding them. The Wieland Group aims to minimize these impacts – going beyond compliance with the applicable laws and regulations. As a result, it has made the protection of biodiversity one of its environmental objectives.

Due to many years of industrial use of the land at the Wieland sites, potential contamination in the soil may affect biodiversity. The Wieland Group ensures that this contamination is not mobilized and cannot spread. With its measures for wastewater treatment, air pollution control and climate protection, as well as responsible handling of waste and contaminated sites, Wieland also helps to protect natural habitats at its production sites.

Key measures

- At its production site in Vöhringen, the Wieland Group is involved in the Bavarian „Blühender Betrieb" initiative and promotes biodiversity on its plant premises.
- In general, the company endeavors to respect and preserve nature on its plant properties and ensures sustainable planting in harmony with nature.
- To promote regional bee populations, we cooperated with local beekeepers over a period spanning many years as part of the "beefuture" platform. Since June 2021, the company has had its own honeybee colonies at its production sites in Ulm and Vöhringen. The colonies are managed as part of a joint project with our trainees.





2.2 Decarbonization

[GRI 103-1/2] The effects of man-made climate change are becoming increasingly apparent. This means that ambitious climate protection measures are more urgent today than they ever were before. Simply continuing the way things have always been done is not an option for the Wieland Group. As a pioneer in the metal industry, we have faced a large number of social and technical challenges over the past 200 years. We want to continue to play this pioneering role in the future, too. This applies – in addition to quality and service – in particular to sustainability and climate protection. It is true that, unlike in other manufacturing industries, we in the metalworking industry generate hardly any process-related greenhouse gas (GHG) emissions, since most of our processes are already electrified. Other GHG emissions, however, such as those associated with electricity purchases, mean that our business activities also have an impact on the climate. This is why we want to make even greater efforts to decarbonize and further increase our energy efficiency. With this in mind, we have made these ambitions an integral part of our sustainability management.

On March 29, 2021, the Wieland Group made a commitment to pursuing scientifically based CO_2 reduction targets so as to contribute to the 1.5°C goal defined in the Paris Agreement. This allows us to play an active role in the implementation of the German, as well as the planned European, climate protection legislation. We are simultaneously working towards the European Green Deal target of net zero GHG emissions across Europe by 2045.

[GRI 102-43/44, 103-1] Our climate protection efforts respond to key demands of our stakeholders. A 2020 sustainability survey conducted among customers revealed, for example, that environmental concerns are the most important ESG aspect for them. In particular, customer interest was focused on the topics of resource conservation (incl. energy efficiency) and environmental protection.

Our path towards climate neutrality

[GRI 103-2] Climate protection is a key part of Wieland's sustainability strategy and is of mounting importance for business operations and corporate governance. The Corporate Function Manufacturing Services and the Sustainability department are responsible for developing and implementing the Group-wide climate protection targets. The Global Engineering department coordinates the further development of energy management and energy monitoring systems in all relevant production locations. In doing so, it allows the individual locations to adopt a uniform approach and supports them in sharing their experience with each other. This clear allocation of sustainability and climate protection responsibility within our sustainability organization is part of our quest to ensure that all locations work together efficiently and improve their sustainability performance on an ongoing basis. All of the relevant information on the company's climate performance, as well as on the measures initiated and the progress made with regard to the climate targets, is compiled and analyzed within the sustainability organization. The Vice President of Research, Development & Innovation reports the results to the Executive Board and the Supervisory Board on a regular basis.

Group-wide GHG emissions are calculated using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol) and DIN EN ISO 14064-1:2018. The figures are based on data from all production locations from the 2018/19 fiscal year. The collection, evaluation and documentation of this data, as well as the resulting report, will be verified by the technical inspection agency TÜV Nord in 2021.

Our Executive Board set ambitious targets for both direct and indirect GHG emissions in the reporting year[1]. The Wieland Group bases its targets on the Science Based Targets (SBT) and joined the Science Based Targets initiative, which issues these targets, in March 2021. Our goal is to achieve net zero by 2045 at the latest. All activities within our value added chain are to have no negative impact on the climate from this point on. We have defined two milestones as we move towards this target.

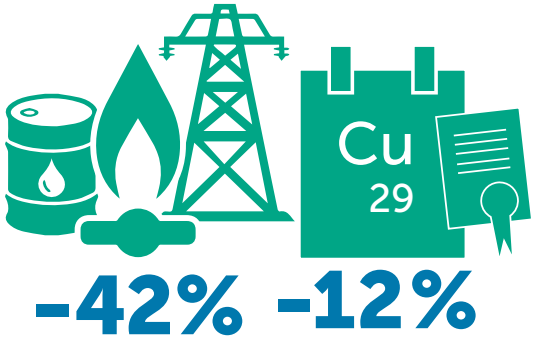
The first interim target relates to our Scope 1 and 2 emissions. We aim to have reduced these by 42 % by 2030 compared to the baseline year of 2018/19. We plan to achieve this primarily by taking technical measures. These measures are expected to save an average of 1,100 metric tons of GHG (measured in CO_2 equivalents, CO_2e) across the Group every year. We have also adopted uniform relative energy savings targets of 0.4 % per year (as against the previous year). They also contribute to reducing Scope 1 and 2 GHG emissions. For the time being, however, the measures are not sufficient to achieve the interim target, as the lion's share of our emissions is generated indirectly, i. e. in Scope 2, also due to the high degree of electrification within the company. We are closing the remaining gap by increasing the share of green electricity in relation to our total electricity consumption. These measures will result in an average annual savings of 4.2 % based on the 2018/19 fiscal year.

We have set ourselves a further interim target for Scope 3 emissions, aiming to cut them by > 12 % by 2030 compared to 2018/19. This corresponds to an average reduction of 1.23 % per year.

How we make our GHG emissions transparent

[GRI 302-1, 305-1/2/3] The total energy requirements of the Wieland Group in the 2019/20 fiscal year came to approximately 1.4 TWh, or around 520,000 metric tons of CO_2e per year. A total of around 1.6 million metric tons of CO_2e were released in connection with our business activities, approximately 94 % of which were indirect emissions. A large part of these indirect emissions, a total of 1.07 million metric tons of CO_2e, is attributable to primary material production, and in particular to the energy-intensive production of copper cathodes and other new metals (Scope 3). By 2025, we also want to make resource use and the associated carbon emissions in the upstream supply chain much more transparent. To this end, we will use the ESG Business Partner Screening Tool which our central purchasing organization will start using in 2022. We also aim to increase the recycled content of our products in order to minimize the sourcing of resource and carbon-intensive primary raw materials and reduce our customers' carbon footprint in the process. GHG emissions from the downstream value chain are not included in the overall assessment.

A further approx. 0.42 million metric tons of CO_2e in the form of indirect emissions are attributable to the purchase of electrical energy (Scope 2). Only 0.1 million metric tons of CO_2 are produced directly – mainly in the heating of the halls and the operation of furnaces using natural gas (Scope 1).



[1] Direct emissions (Scope 1) refer to greenhouse gases released by burning fossil fuels in our own production activities. Indirect emissions arise, for example, in connection with purchased energy (Scope 2) and through the purchase of materials and services in the upstream and downstream value added chain (Scope 3).

Energy Management

GRI 302-1/3

			2018/19	2019/20
Total energy consumption within the organization		MWh	**1,526,271**	**1,412,307**
+ Consumption from non-renewable fuels (Scope 1)		MWh	549,707	523,770
	Natural gas	MWh	530,759	509,043
	Butane	MWh	449	540
	Diesel fuel	MWh	14,047	10,382
	Propellant gas	MWh	3,977	3,434
	Gasoline	MWh	474	371
+ Consumption from purchased secondary energy (Scope 2)		MWh	977,785	903,663
	Electricity purchased	MWh	954,532	881,087
	from non-renewable sources	MWh	954,532	836,038
	from renewable sources	MWh	–	45,049
	Steam	MWh	23,253	22,576
+ Self generation of electricity from renewable sources		MWh	7,018	7,043
– Electricity sold		MWh	–8,239	–22,168
Energy Intensity[1)]		kWh/t	2,022	2,199

[1)] Energy intensity ratio of total energy consumption within the organization to total sales volume Wieland Group

Reduction of energy consumption

GRI 302-4

Reduction of energy consumption[2)]		MWh	–7,213	–4,775

[2)] Reduction of energy consumption via DIN EN ISO 50001:2018 action plan

CO_2 emissions[3)]

GRI 305-1/2/3/4

Scope 1		$ktCO_2e$	102	97
	specific Scope 1 emissions	$kgCO_2e/t$	135	150
Scope 2 (local based)		$ktCO_2e$	451	418
	specific Scope 2 (local based)[3)] emissions	$kgCO_2e/t$	597	650
Scope 2 (market based)[5)]		$ktCO_2e$	499	422
	specific Scope 2 (market based)[4)] emissions	$kgCO_2e/t$	661	657
Scope 1+2 (market based)		$ktCO_2e$	601	519
	specific Scope 1+2 (market based)[4)] emissions	$kgCO_2e/t$	796	808
Scope 3[6)]		$ktCO_2e$	1.188	1.073

[3)] Wieland reports the carbon emissions based on the Greenhouse Gas Protocol/German industry standard DIN EN ISO 14064-1:2018

[4)] Values are based on the volume sold by the Wieland Group

[5)] Market-based emission factors are available for approx. 85% of consumption, with the rest being calculated on a local basis

[6)] The Scope 3 emissions were estimated. Only the metal primary material required to manufacture our products, which accounts for by far the largest proportion of Scope 3 emissions based on a qualitative materiality analysis, was taken into account.

[GRI 305-5] Compared to the previous year, GHG emissions decreased significantly in the 2019/20 fiscal year. Specifically, the drop in Scope 1 was: 5.0 % (–5,062 metric tons of CO_2e), for Scope 2: 15.4 % (–76,745 metric tons of CO_2e) and in Scope 3 emissions that can be traced back to primary materials: 9.7 % (–114,638 metric tons of CO_2e). This development is primarily attributable to reduced production volumes and lower energy and primary material requirements as a result of the COVID-19 pandemic. We only expect this to be a short-term effect.

How we are tackling decarbonization

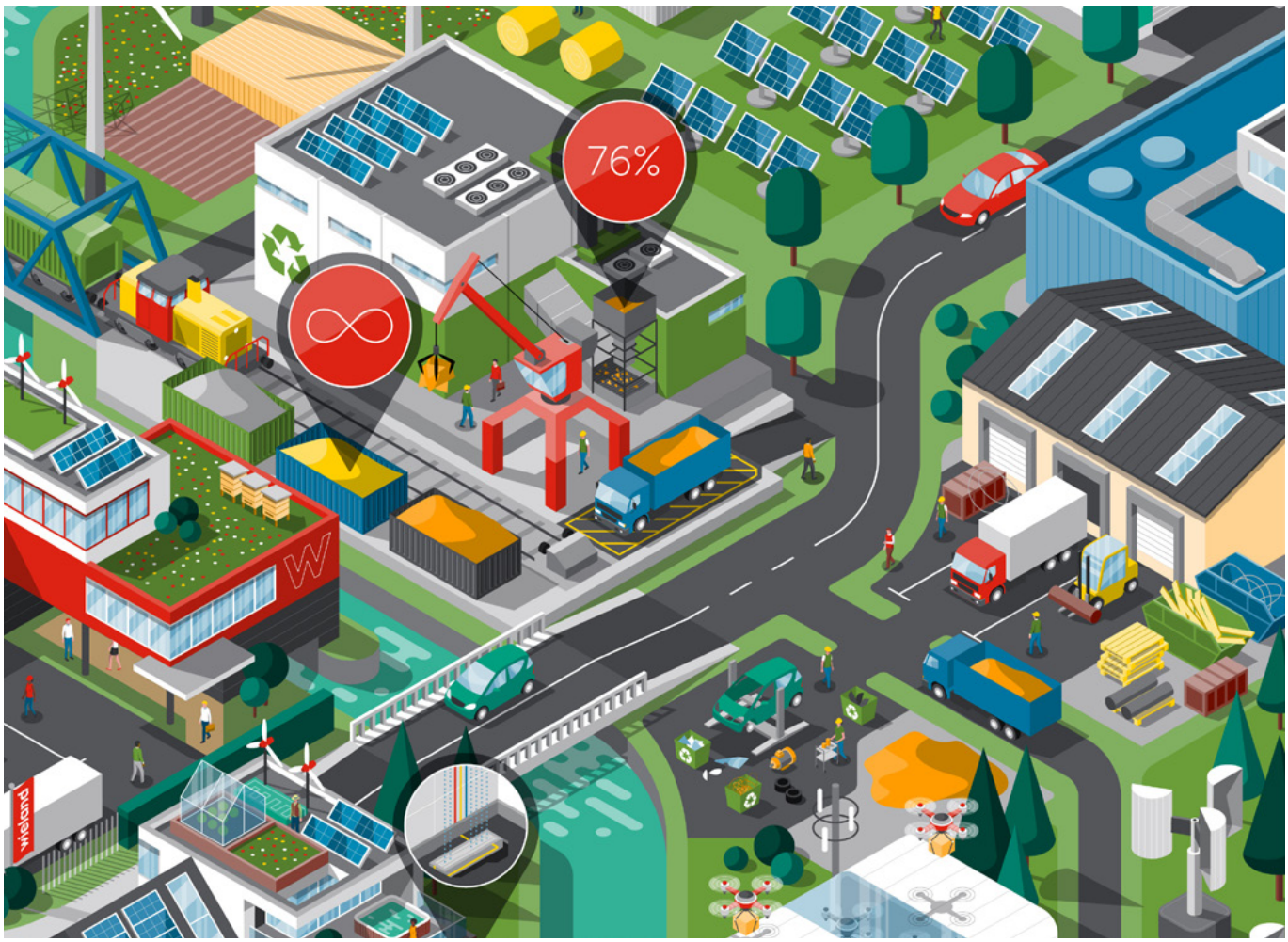
The Wieland Group is switching its processes over to more climate-friendly technologies and energy sources on an ongoing basis. For example, we use waste heat and are increasingly using natural gas to meet our fuel needs. Natural gas has a comparatively low emission factor, meaning that it can be considered a "bridge" energy source.

In the long term, the Wieland Group also intends to electrify gas-operated processes and to make greater use of waste heat from the foundry or annealing processes, for example. In order to draw up a Group-wide catalog of measures to reduce Scope 1 and 2 emissions, we are carefully weighing up the alternatives. The useful life of our plants is also taken into account. As it is quite long in the semi-finished products industry, it would be very time-consuming and expensive to replace all production lines with more efficient equipment in the near future in return for little benefit. As a result, the targets derived from the SBT can only be achieved in the short and medium term by making additional purchases of green electricity. This is an area in which we are focusing on long-term green power purchase agreements and high-quality green power certificates. They accounted for a share of 5 % in the reporting year.

At the same time, we are also focusing on generating our own energy. Around 100 years ago, a waterworks was already used in Vöhringen to help ensure sustainable energy production for Wieland-Werke AG. To ensure the long-term viability of this form of energy, we are currently investing in comprehensive refurbishment and replacement measures for our intake structure and in the complete overhaul of a water turbine, with our work set to continue until October 2021. In addition, a 1.5 MW photovoltaic plant will be built on the plant premises at the Ulm site in two stages in the period through 2023. Further opportunities to increase the share of energy supply from our own renewable sources are currently being investigated for all global sites.

Efficient energy use in production has been a priority for us for many years now, and corresponding efficiency improvements have already been implemented at a large number of production locations. Wieland Metals Singapore, for example, has optimized the air compressors in its plants. They will save a total of 290 MWh of energy every year, reducing GHG emissions by 121.5 metric tons of CO_2e. We have laid the foundation for our efficiency programs by adopting a systematic energy management approach. Wieland-Werke AG has had DIN EN ISO 50001:2018 certification since 2011 (↷ *Environmental management*). This saves an average of around 5 GWh of energy every year, primarily by optimizing production processes.

In addition, we are preparing to invest in new manufacturing technologies, looking into the use of renewable fuels as well as green hydrogen in addition to electrification. In the reporting year, the Corporate Function Manufacturing Services launched a project to investigate and evaluate the potential of these technologies for our manufacturing processes. The results will be disclosed in our next Sustainability Report.



2.3 Circular economy

[GRI 103-1] As a producer of semi-finished products made of copper and copper alloys as well as system solutions, e.g. for the automotive and heat exchanger industries, the Wieland Group processes a wide range of materials. In addition to copper, they also include aluminum, titanium and other metals. All of these metals are increasingly in demand as global industrialization and digitalization continue. Their availability, however, is limited. This makes it all the more important to use these resources responsibly. At Wieland, we are focusing on the systematic further development of the circular economy. As a key sociopolitical issue for the future and a component of the European Green Deal, the circular economy is extremely important for the business development of our company and our customers.

Our approach to the circular economy

[GRI 103-2] Closing the loop is part of the core business and a growth area of the Wieland Group. Responsibility for this business area has been consolidated in the Corporate Function Manufacturing Services, which is responsible for Metal & Recycling. In addition, we established a global organization in 2021 to manage all metal purchasing and work with our suppliers to develop solutions for a higher recycling rate. The Wieland recycling center in Shelbyville (USA) will play a key role in this process. It is expected to be operational by the end of 2022 and will meet the increasing demand for high-quality recycled metal among customers and end users alike. As a hub for the circular economy and a refining center for third-party scrap, it will recycle a wide range of metals and alloys.

With our growing range of high-quality recycled metals, we are also taking an important step towards becoming carbon-neutral. The production of primary copper is energy intensive, while the purchased scrap (pre-industrial and post-consumer) is traded as carbon-neutral in the valuation approach. This means that it enables us to significantly reduce our indirect Scope 3 emissions attributable to purchased primary metals.

Decarbonization

This is one of the reasons why the Wieland Group's recycling strategy aims to reduce the use of virgin metals to the greatest extent possible and to significantly increase the share of recycled material, especially with regard to copper and copper alloys, on a global level. A competitive analysis showed that to date, no uniform and transparent approach has become established for calculating the recycling rate in the semi-finished copper product industry, i. e. many calculations are not exact, hindering comparability. As a result, Wieland has decided to adopt a dual approach:

1) For the management of those global production locations with associated foundries, we have developed a formula that includes the key components that can be influenced by Wieland:

Recycling rate

$$\frac{\text{customer scrap (pre-consumer) + scrap from the free market (post-consumer) + recycled content of virgin metals + recycled content of master alloys + recycled content of sheets}^{1)}}{\text{shipments + metal loss}}$$

Runaround scrap is excluded. We use this indicator for the global measurement and management of our recycling activities. Recycling rates for our suppliers are currently subject to uncertainty, i. e. the primary data for the volumes purchased for virgin metals, master alloys and sheets is incomplete. As a result, the evaluation is based on a conservative approach. Cathodes from distributors, for example, are included in the calculation with a recycling rate of 0 % due to the lack of supplier data. Based on this indicator, we aim to increase the share of recycled raw materials used in the manufacture of customer products from 75,6 % today to 90 % by 2030 and to further develop circular business models in a targeted manner. Over the next few years, we will allocate an amount running into the three-digit millions of euros for this purpose and step up our supplier management activities at the same time. By disclosing our valuation methodology, we hope and expect that comparability will emerge in our industry.

2) In addition, we will be taking DIN EN ISO 14021:2016 as a basis for the certification of selected product segments and the reporting of the specific recycling rate. Certification will be introduced in selected segments starting in the 2021/22 fiscal year.

Our global recycling strategy will allow us to actively contribute to building a circular economy. To help us achieve this, we are not only developing closed-loop solutions for the metals we source and process, but are also helping our customers to optimize their closed-loop processes using resource-efficient products and services. We are continuously expanding our range of services in the process.

[1)] *Purchased shapes, purchased cast bars, billets, wire, and semi-finished products for direct sale*

How we close loops

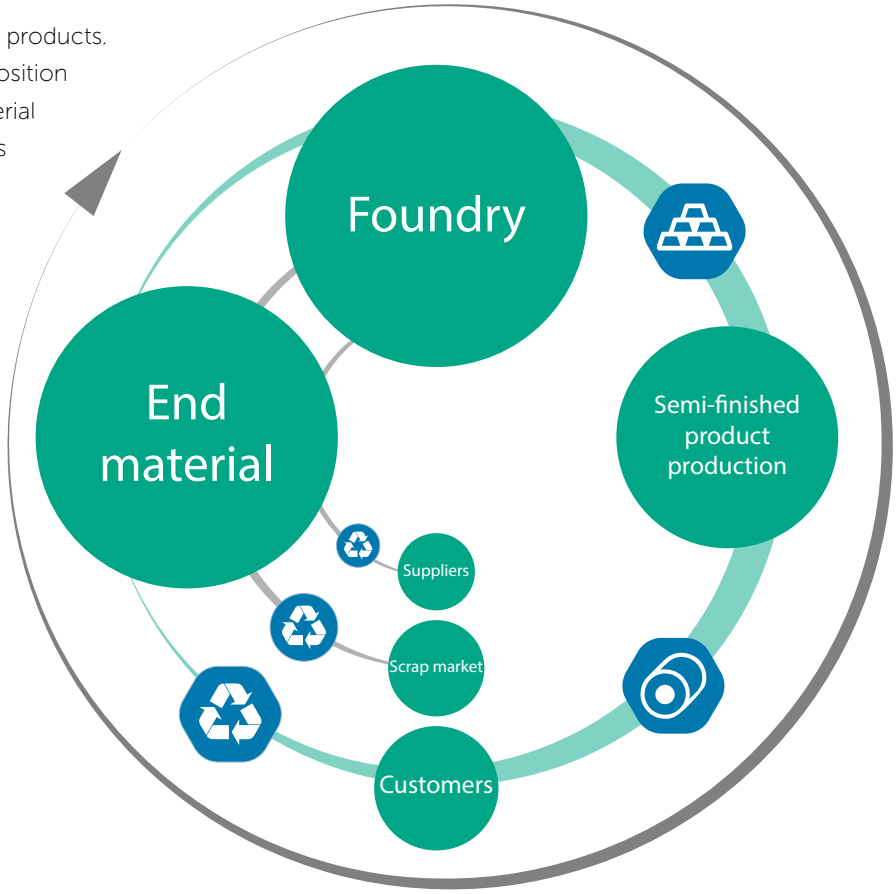
[GRI 301-2] Recycling is an integral part of our corporate strategy. We are focusing on organic and inorganic growth, as well as technology partnerships. In December 2018, Wieland Group invested in the Austrian startup Urban Gold, which specializes in recycling processes from sorting to pyro- and hydrometallurgy, via Wieland Ventures. Together with Urban Gold's experts, concepts for maximizing the recycling rate, as well as the use of by-products, are being developed on an ongoing basis.

With our advanced technologies and process technology, we are already able to achieve a share of recycled material in our semi-finished products of well over 90 % in some cases, depending on the material. The Wieland Group operates a total of three production sites for the processing of recycled materials in the U.S. and four in Europe. These sites play a key role in the further development of the circular economy. In order to provide transformation impetus, we work closely with our customers as well as selected suppliers as part of a relationship based on trust. We are building targeted partnerships that extend beyond the sale of our products to include options for returning the recycling raw materials produced, as well as other service offerings.

As a manufacturer of semi-finished copper products, we have a comparatively good starting position when it comes to setting up closed material loops. Although the copper industry as a whole is energy-intensive due to the extraction of primary raw materials, process-related emissions relating to our production activities are limited *Decarbonization*. In addition, the need for primary raw materials can be reduced significantly, as copper can be recycled indefinitely without any loss of quality.

In addition to copper, the metal scrap we process contains other raw materials such as nickel, tin, lead or zinc, which can be recycled if the alloys are separated. At our Shelbyville recycling site in the U.S., which will be set up in the course of 2021, we are also working on the implementation of mechanical and metallurgical separation and refining processes to achieve the highest possible recycling rate for these metals as well. The site will process around 100 kt of scrap in the first expansion phase. The technology concept was developed with Urban Gold, among others.

Environmental management



2.4 Eco-friendly extension of product portfolio

[GRI 103-1] Demand for copper is growing at an exponential rate, especially in the area of alternative technologies: Goldman Sachs forecasts that the demand for copper for wind, solar, electric vehicles and electric vehicle charging points, among others, will increase by more than 440 % in the period from 2020 to 2030. We see this as confirmation of the strategic decision we made back in 2007 to focus on alternative technologies (particularly with a focus on electric vehicles) when developing new products and expanding our business model. At the same time, we are aware of the environmental impact and the limited availability of copper as a key element for these technologies. In order to rise to these challenges, we are exploiting the high recyclability of copper, establishing the corresponding value-added cycles and further expanding our range of more sustainable copper products.

Driving the transformation of our product portfolio

As part of the Wieland sustainability strategy, we are placing particular emphasis on better environmental performance in the further development of our product portfolio: first and foremost, we are striving to increase the recycled content of our products (↷ *Circular economy*), to avoid using materials that are harmful to the environment, and to maximize the proportion of certified materials, for example through The Copper Mark. This is an area in which we have set ourselves ambitious targets: by 2030, we aim to increase the share of certified materials[1] in our supply chain to 100 %. In addition, we want the share of lead-free alloys in sales of machining alloys to increase to at least 60 %.

Further specific goals and approaches for product development within the Wieland Group are being prepared. Building on this, we plan to establish holistic plant and machinery procurement based on sustainability standards.

In order to further develop the Wieland Group's product portfolio with our environmental goals in mind, we have established a cross-functional team responsible for the strategic field of "Eco-friendly extension of product portfolio". It consists of executives from our seven Business Units and employees from the Corporate Function Research, Development & Innovation. Among other things, the team manages the screening of our TCC[2] products and has been working on defining relevant key indicators and baseline data for our Business Units since the 2020/21 fiscal year. We calculate this baseline data for the three preceding fiscal years. The goal is to identify trends and define specific goals based on the data. Among other things, we collect data on the use of TCC elements in the Wieland Group, as well as the share of recycled materials per alloy for all foundries. In order to be able to precisely assess our environmental and climate impact at all stages in the value chain, we also analyze all process steps as part of an emissions approach. This also includes the accounting of our Scope 1, 2 and 3 greenhouse gas (GHG) emissions in the context of the Greenhouse Gas (GHG) Protocol (↷ *Decarbonization*). Among other things, this helps us calculate the carbon footprint of our products.

To ensure a more eco-friendly extension of our product portfolio, valid standards for responsible production also have to be established throughout the value chain. To this end, we support industry solutions such as The Copper Mark, an initiative that audits and certifies copper production sites, including mines, smelting plants and refineries, in line with sustainability standards. Our goal is to be the first semi-finished product manufacturer[3] in the world to receive The Copper Mark certification, setting an example in our industry.

More eco-friendly products in our Business Units

[103-2, 416-1] The Wieland Group comprises a total of seven Business Units with different products, ranging from the manufacture and distribution of traditional semi-finished products to the development of highly efficient and tailor-made products and ready-to-install components (↷ *Company profile and business model*). The sustainable design of our products plays a major role in this process. Among other things, this enables us to make a significant contribution to reducing our customers' direct and indirect GHG emissions.

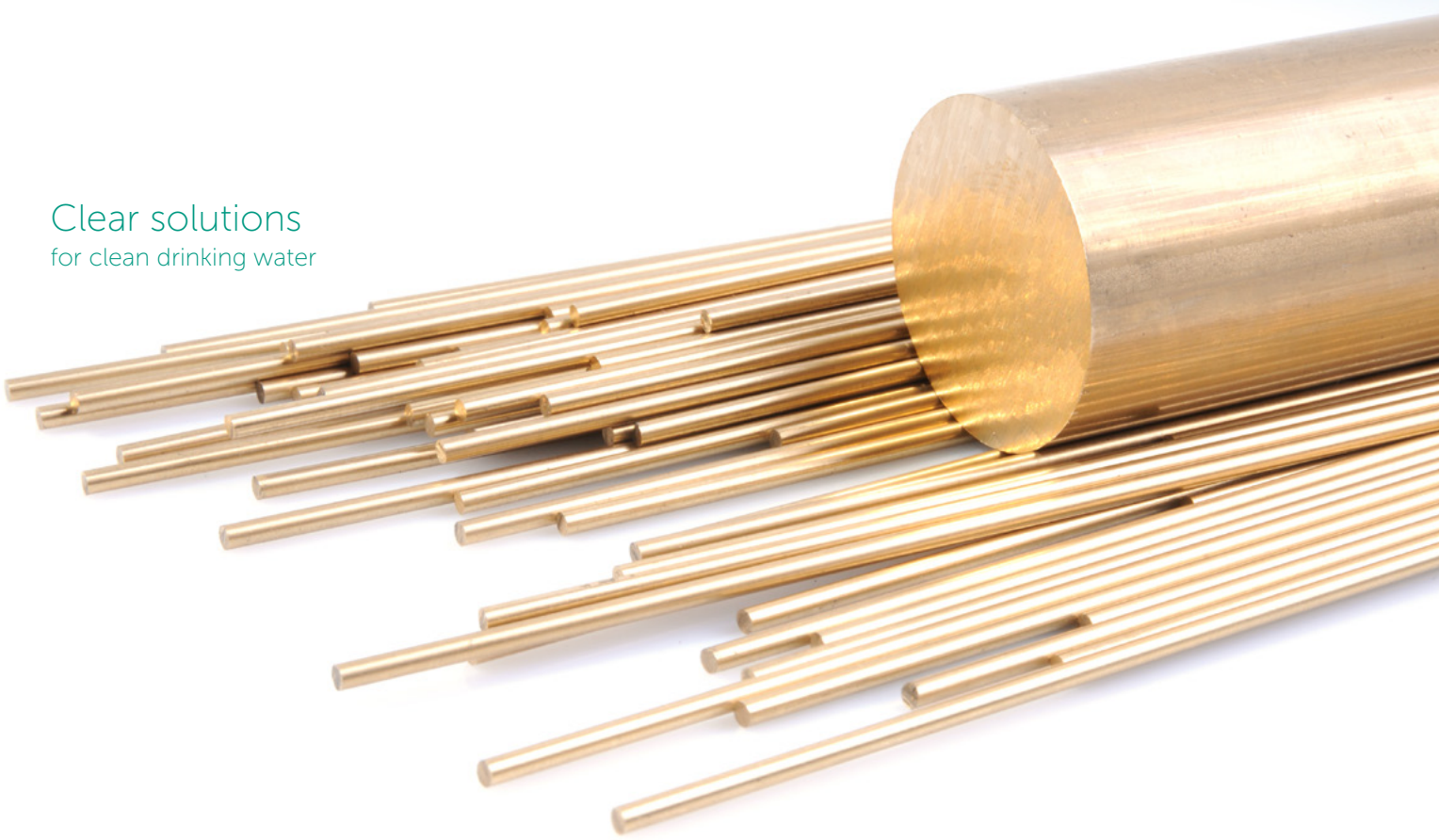
Wieland offers its customers various eco-friendly products and solutions that also help them achieve their own sustainability goals. In order to steadily increase the proportion of these products that are associated with sustainable benefits in our portfolio, we have incorporated sustainability criteria as core requirements in our design processes. In the 2019/20 fiscal year, R&D expenses amounted to around EUR 10 million. A large part of this went into the development of sustainable or eco-friendly products.

[1] *Primary raw materials, sheets, secondary raw materials (excl. customer scrap).*

[2] *TCC elements (toxic, critical, conflict) describe three categories of substances. First toxic elements such as toxic chemicals, second critical materials which are subject to a supply risk and are difficult to replace, and third conflict minerals: the latter originate from conflict-ridden regions, which can have a negative impact on trading in these products.*

[3] *Semi-finished product manufacturers are expected to be able to obtain certification starting in 2023.*

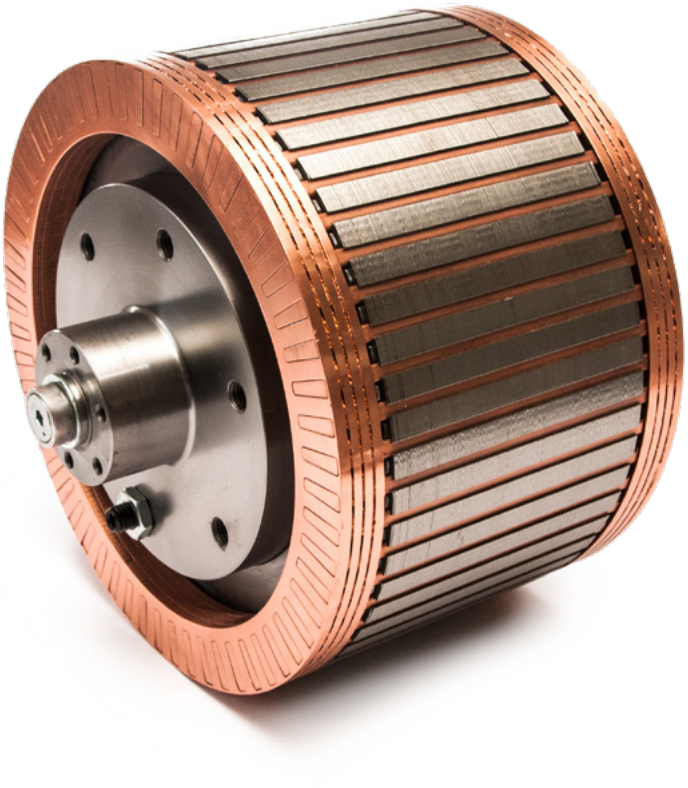
Clear solutions
for clean drinking water



Lead-free machining brass

The Business Units Extruded Products and Wieland Chase, for example, offer semi-finished products made of copper alloys which are processed by customers using machining techniques. Lead is added to the alloy to improve machinability without affecting other properties such as formability, corrosion resistance or conductivity. Lead is one of the oldest metals in use. Environmental and health protection considerations, however, have since sparked increased industry efforts to reduce or eliminate the addition of lead by imposing regulatory requirements. Wieland has a long tradition of developing alloys that are kinder to the environment and to human health, such as lead-free machining brass. The aim of the development projects is to avoid possible toxic components based on the TCC guidelines. The Business Units Extruded Products and Wieland Chase picked up on this trend at an early stage and are pioneers in lead-free machining brass in their respective markets. In the 2019/20 fiscal year, the Business Unit Extruded Products increased the share of lead-free machining alloy sales from 8 % of total turnover in the 2018/19 fiscal year to 12 %. This means that the Business Unit is making a major contribution to the Group-wide target of selling at least 60 % lead-free machining alloys by 2030.

Innovative solutions enable energy efficiency
in electric drives



Efficient drive solutions for electric vehicles

Countries and international organizations are setting increasingly ambitious climate targets. One important way of achieving these targets is by electrifying transport systems. Consumers are now aware of the issue: electromobility is in vogue. At the same time, there is mounting regulatory pressure on automotive companies to contribute more to climate-friendly mobility. Both of these factors increase the demand for electrical and electronic vehicle components, which naturally contain a high proportion of copper. Wieland's Business Unit Engineered Products is involved in this market sector with a wide range of innovations for battery and drive technology. So-called interconnection components for efficient contacting of stators are a good example. Wieland copper rotors also help increase the efficiency of asynchronous motors. In the battery, high-precision shunt resistors from the Business Unit Engineered Products make an important contribution to monitoring the charge status of the high-voltage storage unit.

Material solutions for efficient high-performance combustion engines

to reduce fuel consumption and emissions

Low-friction bearings for more efficient combustion engines and industrial applications

Climate protection-driven growth areas are not, however, limited to the electric drive sector: internal combustion engines will also continue to play a role – for example in conjunction with alternative fuels. As a long-standing partner of the automotive industry, Wieland is helping the industry to produce particularly efficient combustion engines that meet today's Euro 6 (in future Euro 7) emission standard. In addition to conventional slide bearings, the Business Unit Engineered Products offers friction-optimized coating solutions that help reduce losses, increase efficiency and lower emissions.

Efficient and sustainable solutions are also becoming more important outside the automotive sector. The Business Unit Engineered Products offers a wide range of different alloys and components for a vast range of applications. From recyclable monometal bearings for agricultural and construction machinery, to wear-resistant piston systems for mechanical and plant engineering, to low-maintenance bearing solutions for railway networks.

Thermal engineering solutions
for an energy-efficient future

Efficient heat exchangers help save primary energy
The aim of the Business Unit Thermal Solutions is to enable the best thermal performance while keeping energy and material consumption to a minimum, increasing the efficiency of heat exchangers and the plants and systems equipped with them. Heat exchangers are used for heat recovery, among other things. This allows previously unused heat, e.g. process or waste heat, to be additionally used in production, saving primary energy in the process.

Modern refrigeration machines for the air conditioning industry feature enhanced finned tubes that offer up to ten times the efficiency of smooth-bore tube solutions. Continuous development work has allowed us to increase the performance of these microstructured special tubes by up to 50 % over the years. This translates into lower material and energy consumption and reduces GHG emissions.

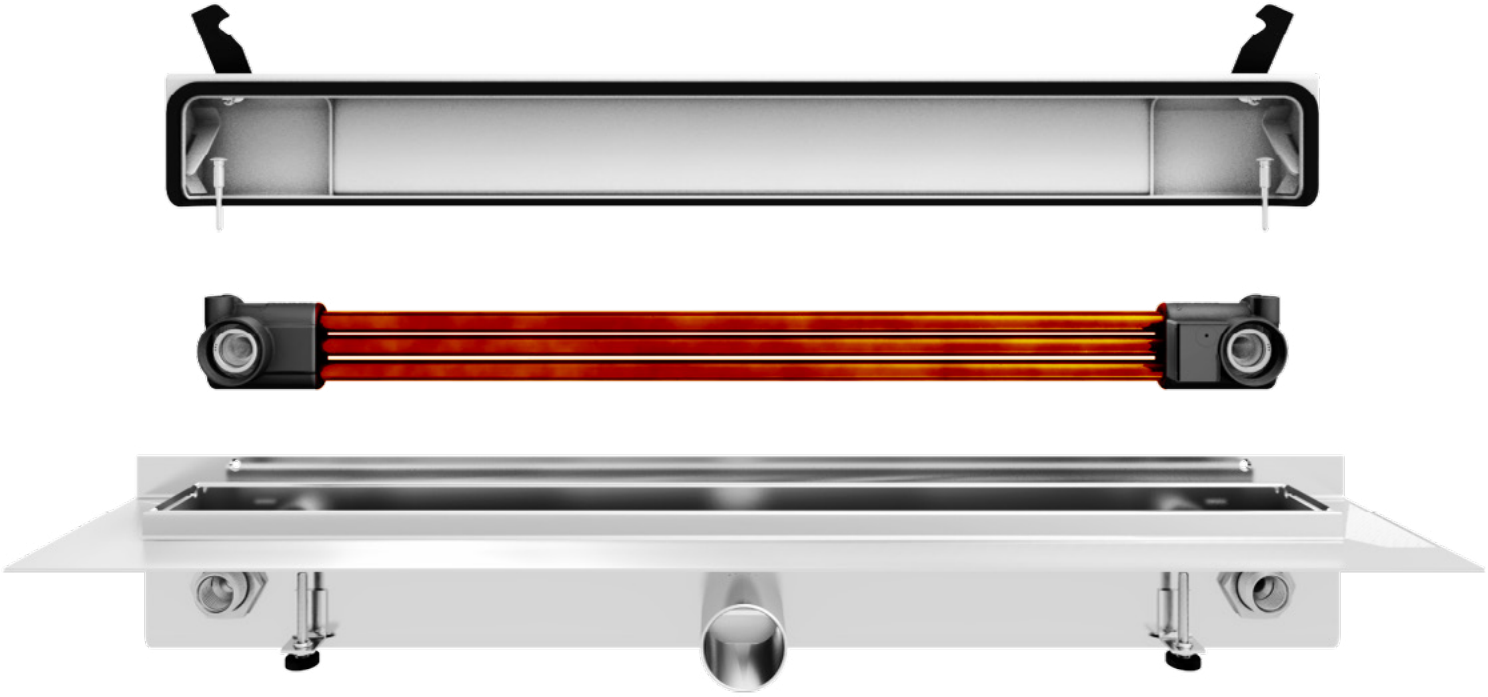
In addition, Wieland has developed heat exchangers for drinking water heat pumps, preventing heat loss during operation. The filling quantity of hydrofluorocarbon refrigerant can also be reduced by up to 50 %. When it comes to heat pumps for heating, we also offer purpose-designed coaxial heat exchangers that are tailored to meet customers' precise requirements. This avoids making systems too big, allowing for savings in material consumption in the process.

Wieland's product portfolio also includes solutions for heat recovery from industrial or supermarket refrigeration systems and from shower and gray water systems. They allow for recovery of up to 80 % of heating energy in both residential and commercial applications.

Solutions such as these allow the Business Unit Thermal Solutions not only to contribute to the savings effects referred to above, but also to significantly reduce the GHG emissions directly and indirectly associated with the operation of equipment and systems.

Shower channel with heat recovery

the efficient joulia inline system



Partnerships with startups for more innovative strength

In the summer of 2020, Wieland acquired a stake in the Swiss startup Joulia SA through the investment company Wieland Ventures, which was established back in 2017.

Joulia SA developed a shower channel with an integrated heat recovery system which can be used in private households, as well as in hotels and other commercial buildings. The centerpiece of every Joulia shower channel is a highly efficient copper heat exchanger with special safety tubes produced by Wieland.

This enables a household to recover more than 50 % of the heat from shower water, which currently tends to dissapear in the wastewater at a high temperature.

This makes a Joulia shower channel an interesting component for meeting the EU's low-energy house standards from an energy and cost-efficiency perspective.

Since 2018, we have also been an official partner of the STARTUP AUTOBAHN innovation platform (powered by Plug and Play): it connects startups with larger companies from the mobility and production sectors to work on new technologies.

3. [So|cial]

As an active part of society, the Wieland Group aims to make its relationships with people and institutions sustainable. Our priority is the well-being of our employees.

In accordance with the global Wieland sustainability strategy, we assume social responsibility everywhere in our sphere of influence – within our company, in our neighborhoods and in our supply chains. We respect labor and human rights, are committed to health and safety, promote diversity and inclusion and enable equal opportunities.

This means that we are making a significant contribution to UN Sustainable Development Goals (SDGs) 3 and 5. We implement the highest health and safety standards and strive to create a diverse and inclusive work environment where our employees feel comfortable. Overall, our social activities have an impact on the following SDGs:

Content

3.1 Employee issues

[GRI 103-1/2] The commitment, experience and knowledge of our more than 8,000 employees are important building blocks in our success. In order to secure this in the long term, the Wieland Group pursues a responsible HR policy. It starts with vocational training and degree programs and extends over an employee's entire professional career. The aim of our HR work is to offer our employees a working environment that is both appreciative and promotes performance. This includes challenging further training opportunities for employees' professional advancement and a high level of social security. Our employees should also be able to organize their work at Wieland as independently as possible using flexible working models.

How we organize our human resources work

[GRI 103-2] Group-wide responsibility for human resources lies with the Corporate Function Human Resources (HR), which has global responsibility for all HR strategy functions. These include employer branding, HR development, but also secondments and compensation systems, as well as the regional operational HR functions in Europe, North America and Asia. Our local HR departments also act as direct contacts for our employees on location. They are responsible for organizing HR work in line with site-specific requirements. Issues that are relevant across the Group, on the other hand, are handled by them in close coordination with the individuals responsible in the regions and the Corporate Function HR.

In the year under review, we focused our HR activities on expanding our employer branding strategy. This strategy will allow us to develop an appealing employer brand and to showcase our attractive working conditions. The aim is to position Wieland more strongly on the applicant market as a leading international company and to ensure that we are perceived by specialists as an interesting and future-oriented employer.

We have also expanded our talent management program further and placed more of a focus on the diversity and individual potential of applicants and employees in our HR processes.

Diversity and inclusion

Workforce development

[GRI 102-8, 401-1] In the 2019/20 fiscal year, the Wieland Group acquired three corporate groups and expanded its operational organization in North America. Our workforce has decreased nevertheless due to redundancies and functional integration measures, among other things. Other reasons include natural staff turnover, reduced hiring and the sale of a business division in North America. We employed 8,300 people in 76 locations worldwide, 589 fewer than in the previous fiscal year. Europe continues to account for the largest share of employees in the Group, at over 70 %.

	2018/19	2019/20	Change compared to prior year
Total no. of employees	8,889	**8,300**	**–6.6 %**
Total male employees	7,568	**7,070**	–6.6 %
Total female employees	1,321	**1,230**	–6.9 %
Total Europe	5,959	**5,724**	–3.9 %
Total North America	2,560	**2,222**	–13.2 %
Total Asia	370	**354**	–4.3 %
Total new hires	2,626	**481**	**–81.7 %**
Total male employees	2,116	**369**	–82.6 %
Total female employees	510	**112**	–78.0 %
Total Europe	387	**170**	–56.1 %
Total North America	2,053	**230**	–88.8 %
Total Asia	66	**21**	–68.2 %
Fluctuation rate[1)]	9.34	**10.19**	**–8.0 %**
Total male employees	8.76	**9.70**	+10.8 %
Total female employees	13.14	**12.91**	–1.7 %
Total Europe	7.11	**5.81**	–18.3 %
Total North America	10.61	**17.13**	+61.5 %
Total Asia	10.60	**7.16**	–32.5 %
Total < 20 years	42.33	**12.14**	–71.3 %
Total 20–29 years	22.10	**19.61**	–11.3 %
Total 30–39 years	8.19	**9.40**	+14.8 %
Total 40–49 years	5.26	**6.28**	+19.4 %
Total 50–59 years	3.21	**5.16**	+60.8 %
Total 60–69 years	12.67	**19.14**	+51.0 %
Total ≥ 70 years	23.68	**25.81**	+9.0 %

The fluctuation rate throughout the Group is around 10.19 %. It varies from region to region: In the 2019/20 fiscal year, it came to just under 5.81 % in Europe, around 17.13 % in North America and around 7.16 % in Asia.

Fair working conditions and family-friendly solutions

[GRI 103-2, 402-1] Workplace co-determination is a top priority for the Wieland Group, which is why we hold regular dialogue sessions with employee representatives and trade unions and make joint decisions. In doing so, we observe the country-specific statutory provisions that apply in each of our locations. In Germany, where co-determination is of particular importance, we specifically created the position of officer for "Labor Relations/Collaboration with the Works Council" in 2019.

[GRI 102-41] Paying fair and performance-oriented compensation for the work of our employees is one of our guiding principles. The basic pay for employees of Wieland-Werke AG in Germany is based on their assignment to a Wieland pay-scale group (WEG), which is based on the collective bargaining agreements with the IG Metall trade union and depends on certain requirements. Around 94.5 % of employees are covered by collective bargaining agreements. By adhering to collective bargaining agreements, we ensure transparent and non-discriminatory pay depending on an employee's position and the complexity of his/her remit. We have also established more extensive compensation components, such as performance bonuses and profit-sharing schemes, as well as a company pension plan.

The Wieland Group aims to offer its employees across the globe an attractive and flexible working environment. To this end, we take into account the overall statutory and social conditions at our locations and tailor our offerings to reflect employee-specific and country-specific requirements. To make it easier for our employees to strike a balance between their professional and personal commitments, we have created flexible working hours models, such as part-time or job sharing, as well as options for taking time off in lieu of overtime and working time accounts.

*[1)] Fluctuation rate = departures / (number of employees at the end of the last reporting year + hires) * 100*

To help our employees strike a better balance between work and family life, we have also set up special childcare facilities at some sites. By way of example, we offer vacation care or places in local daycare centers. We are also currently planning to build an in-house daycare center at our headquarters in Ulm. From mid-2022, around 45 children of Wieland employees will be cared for by educational specialists within the center. We also make it easier for our employees to return to work after interruptions due to parental leave, for example by offering part-time models. Employees on parental leave can continue to participate in our training program.

To balance out the stresses of daily work, the Wieland Group offers its employees various sports and leisure activities.

Health and safety

In 2020, we concluded a new general works agreement on teleworking together with the Works Council. The principles enshrined in the agreement give our employees greater flexibility in organizing their working day – even after the COVID-19 pandemic. In the future, the new approach will also involve training courses for managers. Among other things, participants will learn how to support their employees who are working from home and create additional opportunities for remote collaboration.

Our approach to education and training: focus on potential

[GRI 103-1/2] We can only achieve our ambitious corporate goals by working in partnership with motivated and qualified employees. That is why we encourage and motivate them from day one. We attach a great deal of importance to personal development and support employees with our expertise, as well as with initial and further training opportunities.

Investing in the future: vocational training and degree programs at Wieland

[GRI 103-2] We attach a great deal of importance to providing young people with good opportunities for the future in the form of sound training. This allows us to live up to our social responsibility and at the same time invest in the future of the Wieland Group. As a result, we resolutely continued with our global activities to train and recruit future specialists and managers in the year under review. In the 2019/20 fiscal year, Wieland employed a total of 249 apprentices worldwide, mainly in technical professions. As in previous years, we offered significantly more apprenticeships at our German sites in the reporting year than were actually required to secure our own supply of young talent.

The high proportion of male trainees of 88.76 % is due to the excess number of male applicants. To ensure a balance, we have started to specifically target more up-and-coming female talents.

Diversity and inclusion

We also attach a great deal of importance to closely integrating vocational training, degree programs and professional practice, which is why we also offer dual or cooperative degree programs in Germany. These include both technical and business management courses that Wieland uses to meet its basic need for qualified junior staff within the company.

Our concept for success: professional qualifications and training

[GRI 103-2/3] Further training for employees has also traditionally been very important for Wieland, as professional and personal development also promote employees' willingness and ability to perform, which is why we offer professional development programs. These are based on the requirements of the operating business and are planned and executed based on standardized processes. After each training session, the learning process is evaluated and the achievement of objectives is assessed by the employee's manager.

Many of our training sessions serve to promote our managers' development. Every new manager has to complete a special series of seminars in which he or she can explore Wieland's typical management style in practice in preparation for his or her management role.

All further training courses are bundled under the umbrella of the Wieland Training Academy, which offers face-to face training and e-learning sessions, as well as self-study programs. The offerings are divided into the following areas:

- General skills and methodology training
- Training sessions for managers
- IT training
- Sales training
- Language training
- Individual development
- Ongoing training on a self-study basis (digital library of specialist literature, Wieland further training including informal courses on various topics, including non-work-related topics, for employees as well as their family members)

In addition, the HR Development department develops individual training measures as and when required, e.g. coaching on resilience, leadership, how employees present themselves and what sort of impact they have.

[GRI 404-1] In the 2019/20 fiscal year, our employees in Germany invested an average of 0.4 days in further training. This figure is down on the previous year as the face-to-face training sessions on offer had to be reduced significantly due to the COVID-19 pandemic.

Promoting up-and-coming young talents internationally: our European Professional Program

Every year, we enroll around twelve young employees from all of our European locations in our international program for promoting up-and-coming young talents, the European Professional Program (EPP). In four modules, they learn a variety of practical content – such as personality and team development – and apply the skills in specific projects. They also receive expert advice from specialists, exchange ideas with members of the Executive Committee and participate in regular feedback sessions.

In the year under review, our junior staff chose sustainability as the focus of their project work in the EPP. Working independently and with the involvement of various departments within the company, they developed measures to bring the issue into the spotlight at Wieland – every day and for every employee. Most of the projects developed as part of the program will be implemented in the company in the future.

The following topics were addressed:

- Conservation of resources through waste separation
- Biodiversity and energy management in education
- Conserving resources through digitalization
- Sustainable mobility

Continuous improvement: it pays to make the effort

[GRI 103-3] In order for the Wieland Group to be successful on the world stage, it requires a determination to perform and continuous improvements in labor and plant productivity. In order to achieve both, we involve all employees in our holistic cyclical optimization process. It will help us to strengthen our competitive standing and safeguard jobs throughout the Group. In addition to the measures that are planned systematically, the company suggestions scheme also makes a significant contribution. The scheme is not only used to identify problems and allow employees to make suggestions. Our employees can also play an active role in finding solutions and receive financial recognition if their ideas are successfully put into practice. The amount depends on how useful the idea in question turns out to be. This is determined – as is monetary recognition for suggestions that cannot be calculated – by our steering groups for the Wieland Ideas Competition, which comprise both employer representatives and works council members.

3.2 Human rights

[GRI 103-1/2] The Wieland Group has enshrined the protection of human rights in its corporate principles and rejects any form of child, forced or compulsory labor. As a manufacturer of semi-finished products with global operations, we source primary raw materials from all over the world – including from countries where there may be a potential risk of human rights being disregarded. As a result, protecting human rights at all stages in the entire supply chain is of particular importance to us.

Responsibility in the supply chain

From 2023 onwards, companies in Germany will be required, under the Supply Chain Act (Lieferkettengesetz), to comply with certain due diligence requirements regarding human rights and environmental protection when sourcing goods and services. The European Union is also preparing a corresponding regulation. This has made the topic even more high-profile and has also triggered further measures at Wieland to introduce a corresponding due diligence process.

Our approach to respecting human rights

[GRI 103-2] The Corporate Function Human Resources is responsible for addressing the issue of human rights in the Wieland Group. Due to the relevance for other areas of the Wieland Group – such as purchasing and risk management – various corporate functions work together to continuously develop and improve our approach to human rights. Interdisciplinary collaboration within Wieland is designed to ensure a holistic perspective that covers the entire supply chain.

We are currently working on establishing an integrated management approach to meet our due diligence obligations under the forthcoming Supply Chain Act. This requires a risk analysis that allows clear prioritization of measures to protect human rights in our locations and at our direct suppliers. Based on this, we can develop preventative and corrective measures to prevent potential risks. Our objective is to use this due diligence process to institutionalize the existing protection of human rights within the Wieland Group in a binding manner and, in doing so, to comply with our due diligence obligations in the supply chain in a comprehensive and transparent manner.

Principles and guidelines

[GRI 103-2, 408-1, 409-1] The Wieland Group is explicitly committed to the UN Guiding Principles on Business and Human Rights, the ten principles of the UN Global Compact, and the principles embodied in the provisions of the core labor standards of the International Labour Organisation (ILO). We have established the resulting rules of conduct regarding employee rights and human rights in our binding "Code of Conduct", which applies to all employees. This includes a clear stance taken by the Wieland Group on the subject of human rights and the rejection of child, forced and compulsory labor. Furthermore, in dealings with colleagues, customers and business partners, the Code of Conduct requires that the personal dignity, privacy and personal rights of each individual be respected and that any form of discrimination, unequal treatment that runs contrary to the law, insults or (sexual) harassment be refrained from. We systematically pursue and punish misconduct and violations of our Code of Conduct and the requirements it contains for the protection of human rights. In addition, our Code of Conduct requires us to pay appropriate compensation, which in any case matches the statutory minimum wage that applies in the place of employment concerned, and to offer fair working conditions. It goes without saying that we also comply with the applicable legal requirements.

In addition to the Code of Conduct, the Wieland Group works with a Supplier Code of Conduct. It defines Wieland's fundamental sustainability requirements for all business partners in the supply chains, including human rights, working conditions, environmental protection and anti-corruption measures, and requires them to participate in their enforcement.

For our UK-based subsidiary Wieland Metals Birmingham Ltd., we have a legal obligation under the UK Modern Slavery Act to set out how we are committed to protecting human rights within our supply chain every year. We comply with this disclosure requirement by issuing a corresponding statement, the "Modern Slavery Act Statement".

Responsibility in the supply chain

Risk analysis, prevention, corrective action and regular review

In order for us to fully comply with our human rights due diligence obligations, we have to identify the human rights and environmental risks associated with our business activities at an early stage. This is the only way in which we can initiate appropriate preventive and corrective measures. As a result, we prepare a regular systematic risk analysis structured by Business Unit. For the upcoming reporting year, we plan to introduce a standardized process for this purpose known as the Human Rights Impact Assessment. In the future, the Executive Board will be informed of the results of the analysis on an ad hoc basis as part of internal risk reporting on human rights.

In addition to the impacts directly related to our business activities, we also want to take a closer look at human rights risks in the supply chain. To this end, the Wieland Group started preparing for the introduction of further management tools in the year under review. Plans include a standardized self-assessment questionnaire for suppliers. We also plan to establish a platform to identify and monitor environmental, social and governance (ESG) supplier risks. We plan to use this platform to carry out an ESG business partner screening process for all direct suppliers by 2022, with the results being reviewed annually in the future. We will provide regular updates on our progress in implementing the human rights due diligence process described above in our upcoming Sustainability Reports.

How we communicate due diligence obligations and measures

[GRI 412-2] To make it clear to our employees what we expect of them in terms of human rights, we have incorporated the relevant principles of our Code of Conduct into our mandatory online and face-to-face training courses on compliance. All employee groups that are considered relevant from a compliance perspective have to complete these courses on a regular basis. We have also incorporated human rights principles into our training courses for prospective managers. We are planning further, even more targeted training on our human rights principles for the 2022 fiscal year. At the same time, we want to do more to incorporate human rights aspects into the relevant management and decision-making processes. As a basis for training, discussions and decision-making, we provide all people working in the company with the current Code of Conduct in the Group languages, German and English.

Anyone who would like to report human rights shortcomings or violations within the Wieland Group or at our suppliers, also in confidence if they so desire, can contact our anonymous whistleblower system at any time via our Compliance Hotline.

Responsibility in the supply chain

3.3 Health and safety

[GRI 103-1/2] As a responsible company, the Wieland Group aims to create a working environment that is as free as possible from accidents, injuries and illnesses – for its own employees, for employees of other companies and for visitors. Especially due to the nature of our specialized metal processing, health and safety are a top priority for the Wieland Group. In our global operations, we therefore comply not only with all of the locally applicable legal requirements, but also with our internal guidelines, which often go further than the statutory requirements. Our vision is to achieve zero accidents and enable 100 % safe working.

Our approach:
reducing health and safety risks

[GRI 103-2, 103-3, 403-1, 403-8] Global coordination for health and safety in the Wieland Group is the responsibility of the Corporate Function Manufacturing Services. The Health and Safety department is responsible for putting the necessary framework in place to prevent any work-related accidents or illnesses. It also draws up the Group policy on health and safety and sets Group-wide targets. It reports directly to the Executive Board. The Wieland Group's approach to occupational safety applies equally to employees, agency workers and external service providers.

In Wieland's corporate policy, we are committed to protecting our employees from injury and illness. The principles of safety and health protection as well as role profiles, responsibilities and tasks are also set out clearly in a Group-wide occupational safety concept. Plant managers and executives have overall responsibility for ensuring compliance with applicable laws and our own on-site regulations. They also initiate and monitor the implementation of strategic and operational measures to protect our employees.

Representatives from all locations can exchange information in a global network moderated by the Health and Safety department. The employee representatives also exert influence over the details of health and safety within the Wieland Group. The Works Council participates, for example, in the quarterly meetings of the health and safety committees at the biggest German sites. Among other things, they develop strategies to improve our health and safety performance and assess any training needs.

In order implement statutory requirements and continuously develop our own health and safety processes and standards, we use a comprehensive energy, environmental, and health and safety management system. This system is certified in accordance with BS OHSAS 18001:2007 for the production locations of Wieland-Werke AG in Germany and is audited externally once a year. In the reporting year, the Wheeling production location in the U.S. moved over to the DIN ISO 45001:2018 standard. As a result, the degree of health and safety management system coverage at the production locations came to just under 53 % in the reporting year. The aim is to have certified all production locations[1)] throughout the Group to DIN ISO 45001:2018 by 2024. This will also allow us to take into account the requirements set out in international health and safety standards. From now on, we will report on our progress in our annual Sustainability Report. All areas are also audited internally every three years to enable the continuous development of our comprehensive system.

Assessing hazards correctly – our risk assessment

[GRI 403-2, 403-4, 403-7] A comprehensive risk assessment is a fundamental prerequisite for high health and safety standards. The Wieland Group's risk and impact assessments cover existing and future work processes in regular operations, special work assignments and in the event of an incident. In addition to operational activities, this also includes processes for maintenance, servicing and repair.

Our local safety specialists systematically support the recording, assessment and documentation of health hazards and individual requirements in the workplace. Employees are explicitly involved in this process. These analyses take into account the nature, extent, and probability of occurrence or duration of exposure to a potential hazard. The statutory requirements, supplementary Wieland standards and the hazard catalog of the Federal Institute for Occupational Safety and Health (BAuA) serve as the basis for this process.

Based on the potential health risks resulting from the risk and impact assessments and work area analyses, we define measures and safety-related operating instructions for employee training to increase occupational safety. Workplace measurements and internal audits are used to determine whether they are effective. These audits are conducted every two to three months and on an ad hoc basis. The measures are adjusted if necessary.

In accordance with our occupational safety concept, we encourage all employees to report shortcomings and critical situations to their direct managers. The Wieland Group also explicitly welcomes suggestions for improving occupational safety and actively helping to shape health and safety. Critical situations are discussed at a weekly regular meeting at management level and appropriate measures are adopted.

Reporting and resolving incidents

[GRI 403-2, 403-4, 403-9] The Wieland Group is committed to the concept of Vision Zero. We strive to prevent all work-related accidents, injuries and illnesses. According to the internal reporting system, all locations are required to report accidents resulting in at least one day of absence (LTI event; LTI = Lost-Time Incident) to the Group headquarters within 24 hours; they also have to share these events with the entire Wieland Group via our intranet Wieland One by publishing a Safety Alert together with a detailed accident description, pictures and information on the immediate measures taken. The obligation applies to accidents suffered by the company's own employees and by third parties. The central incident database GIR (Global Incident Reporting) contains all LTI events, hours for which employees were unavailable, any property damage and critical situations in German and English. It can be accessed by every employee via the Occupational Safety section of Wieland One. In North America, a new tool has already been introduced that allows our employees to document incidents directly and independently. The plan is to deploy this tool on a Group-wide basis by 2023. To support this, we offer training in the use of the tool and launch occupational safety campaigns.

The Health and Safety department, the local safety specialists and safety officers as well as the Works Council of Wieland-Werke AG systematically investigate all accidents for technical, organizational and behavioral causes. The root causes and the preventive measures derived from this process are communicated throughout the Group via the GIR event database. In addition, so that we can investigate incidents in which no one was harmed, we encourage all employees to also report near misses.

1) A definition of our production locations can be found in the report profile (↷ About this report)

[GRI 403-9] In the 2019/20 fiscal year, the number of accidents continued to fall compared to previous years. The positive trend witnessed over the last five years continued, a clear sign that the measures introduced are working. Nevertheless, we have to focus on additional means of hazard mitigation to achieve Vision Zero. Internal evaluations show that nearly 80 % of all workplace accidents occur because someone does not follow certain safe behavioral rules – such as not looking in the right direction when walking or showing the wrong reflex reactions. In order to promote positive behavioral change among employees, the Wieland Group plans to introduce the Behavior Based Safety (BBS) occupational safety approach in the 2021/22 fiscal year.

As we progress towards Vision Zero, we have set the following short-term objective: we aim to reduce the lost-time incident rate (LTI), i. e. the number of accidents resulting in at least one lost shift per million hours worked, to below 2.2 by the end of the 2020/21 fiscal year. We also aim to achieve a lost-time rate (LT rate) of 0.30 per 1,000 hours worked. By 2030, the number of occupational accidents is to be continuously reduced as against the previous year's figure.

Rate of occupational accidents involving lost time

	2018/19	**2019/20**
LTI rate[1)]	4.3	**2.6**
LT rate[2)]	0.59	**0.38**
Number of work-related fatalities [3)]	0	**0**

[1)] *Accidents involving lost time corresponding to at least one full shift, based on 1 million working hours.*
[2)] *Absence time, based on 1,000 working hours.*
[3)] *Incl. „third-party"*

Minimizing hazards – initiatives for occupational safety at Wieland

[GRI 403-3, 403-4] Within the Wieland Group, the level of plant safety, technical precautions, protective equipment and overall organizational requirements is very high. Since the majority of incidents are behavior-based, we focused on appropriate preventive protective measures in the reporting year. We also used internal information campaigns to draw attention to potential hazards in everyday work. In addition, our employees developed a safety course for the workforce, which was awarded a prize by the German Employers' Liability Insurance Association for Wood and Metal in 2019. It uses ten interactive stations to show how to avoid hand and finger injuries at work. The SRS course (an abbreviation for Stumbling – Slipping – Falling in German) developed by our junior staff was also awarded a prize in the Baden-Württemberg Sustainability Competition in 2019.

Always up to date – training and information

[GRI 403-3, 403-4, 403-5, 403-7] As qualified specialists, Wieland's occupational safety experts, company physicians and medical staff all have experience in health and safety. Representatives from these areas attend regular health and safety committee meetings and support training measures for our employees, as well as advising the management team.

In addition to general annual training by managers, extraordinary training on specific work-related hazards is organized as and when required. The requirements are assessed by the health and safety committees. This free training session is conducted by specialist staff during working hours. We also use regular safety talks to raise awareness among our employees. They also undergo verbal briefings at least once a year on health hazards in the workplace and necessary precautionary and protective measures. The type and content of the briefing sessions are based on the statutory provisions, the risk assessments and the safety-related operating instructions.

Recurring emergency and evacuation drills are conducted at all sites. We involve our neighbors in these drills if they could potentially be affected in the event of an emergency. The Wieland Group also informs all external service providers of hazards and protective measures as well as the rules of conduct that apply at the site in question before they start work.

Health – prevention and assistance

[GRI 403-3, 403-6] In line with our approach to 100 % safe work for everyone, we pay close attention to the health and well-being of our employees. We consistently implement national and international standards and laws and also use our own initiatives to minimize risks.

Our aim is to provide safe and healthy workplaces at all our international locations. We aim to use this approach to continuously reduce the sick day rate. In the 2019/20 fiscal year, the overall sick day rate at Wieland-Werke AG was 6.3 %; 8.1 % for blue-collar employees and 3.1 % for white-collar employees. In the long term, we have set ourselves the goal of reducing the sick day rate among blue-collar employees to 4.0 %, with a reduction to 2.0 % among white-collar employees.

We use health programs that extend beyond statutory requirements to live up to our social responsibility and are committed to maintaining the health of our employees. The services offered by the Wieland Group in Europe and North America range from flu vaccinations and check-ups to individual measures to promote physical and mental health. Examples include:

- Resilience programs for managers
- Promotion of healthy eating and individually tailored nutrition programs
- Promotion of physical activity
- Addiction prevention and counseling
- Prevention of mental illness, stress management, mindfulness, resilience and resource development
- Workshops on healthy sleep and healthy shifts

At our German sites in Ulm, Vöhringen, Villingen and Langenberg, our employees can take advantage of individual training sessions with trained personnel in the "Vitalwerkstatt" fitness center. We also cooperate with various gyms. Since 2020, we have been offering a number of programs in digital format due to the COVID-19 pandemic. As part of a pilot project, we are building a global virtual platform featuring health programs for the entire Wieland Group. Employees can use the project to become „fit for work" – for example, with regard to their nutrition, personal fitness and work-specific health requirements. The online platform is scheduled to be launched in the 2021/22 fiscal year.

To provide incentives for health promotion, Wieland offers employees in Germany the "Night Shift Active Bonus" among other things. Employees who work night shift can receive a bonus if they attend "Vitalwerkstatt" sessions. Long-standing employees (with at least 20 years of service with Wieland) are offered free participation in the "Wieland Active Week" to raise their awareness of health-related issues. Wieland employees at the Ulm and Vöhringen sites can take advantage of further health protection services via the Wieland BKK company health insurance fund and contact local representatives directly.

We have our own company physicians with first-aid stations at the two largest Wieland-Werke AG locations. At all other sites in Germany, external occupational physicians are commissioned to perform the optional and compulsory examinations. New employees can undergo a health check when they are hired. All other employees are entitled to regular occupational health check-ups. Health-related data is subject to doctor-patient confidentiality and can only be accessed by medical staff. Data can only be passed on with the written consent of the employee concerned.

Protection and solidarity during the pandemic

We always want to act responsibly towards our employees and society as a whole, even in times of crisis. This is why it is a top priority for us to ensure that our employees, as well as third parties that we come into contact with, can always feel safe and enjoy working for or with us, even during the COVID-19 pandemic. In light of this quest, we have taken all of the necessary precautions to protect their health. We also emphasize and exemplify the importance of solidarity in our daily work and beyond.

At the start of the COVID-19 pandemic, the Wieland Group set up local crisis teams and instructed them to develop and implement hygiene concepts. We also developed a concept for company vaccinations to the extent that was legally possible. The current legal situation at the site is decisive when it comes to planning our protective measures. Physical distancing and hygiene rules apply throughout the Group; in addition, face masks must be worn and regular ventilation has to be ensured. At the German sites of Wieland-Werke AG, our hygiene concept is based on the SARS-CoV-2 health and safety regulation. Certain employees, such as those responsible for occupational safety or production, can use a central online catalog to request personal protective equipment (PPE) such as surgical or FFP2 masks. In addition, our first-aid stations offer rapid tests performed by medical personnel and hand out self-tests to our employees. This approach is designed to break chains of infection as quickly as possible and protect all contacts from transmission.

3.4 Diversity and inclusion

[GRI 103-1] We offer people the same opportunities and further development options regardless of religion, political views, age, gender, sexual orientation, state of health or disability, ethnicity and culture. Diversity and inclusion are essential components of Wieland's corporate culture and form one of the strategic focus fields of our sustainability strategy. As a company with international operations, a diverse product portfolio and range of services, we attach a great deal of importance to diverse teams of employees, because diversity is an important driver of innovation, problem solving and engagement. We welcome the idea of people from different backgrounds working together in our company and encourage them to do so. We want them to contribute their individual perspectives and skills to the development of our businesses – in line with our brand promise of „Empowering Success".

Governance

Our approach to diversity and equal opportunity

[GRI 103-2] Diversity and inclusion are not only a strategic focus field in our sustainability roadmap. Rather, they are self-evident and firmly established core values that we put into practice and encourage within our company – also communicating them to our employees every day and across the globe. We have set up corresponding functions for this purpose:

Within the Corporate Function Human Resources, the Wieland Group has commissioned an international team to identify measures we plan to use to strengthen diversity and equal opportunities in our company. We pay particular attention to the diversity priorities of the individual regions within this context. We coordinate the regionally developed measures on a global scale. As one of seven fundamental values, diversity is part of the value system that we unveiled in-house in January 2021. The guiding principles laid down in our value system define how we lead and work together at Wieland. Deviations from our corporate values can be reported confidentially at any time via our anonymous whistleblower system.

Governance

We can only establish diversity and inclusion as a firm component of our corporate culture and everyday working life hand-in-hand with our employees. We are currently developing a Group-wide diversity concept with various objectives. Taking this as a basis, we want to define measures to allow us to do more to promote diversity and equal opportunities in the company than before.

Promoting an environment of inclusivity

Equally significant to our pursuit for increased representation of underrepresented groups (such as: women, minorities, and persons with disabilities) is the environment and relationships within the workplace. An environment of inclusivity ensures everyone feels valued, and subsequently, adds value. It is about the participation of employees, rather than the mere presence. We see diversity and inclusivity as a collective effort – working hand in hand. Rewards are only reaped when you achieve the two together. It is a daily intention – occurring everyday in our interactions (how we cooperate with one another, how we lead).

As the foundation for our collaboration, diversity strengthens our innovative power, unleashes the potential of our employees and contributes to our business success.

Targeted search for, and promotion of, diverse talents

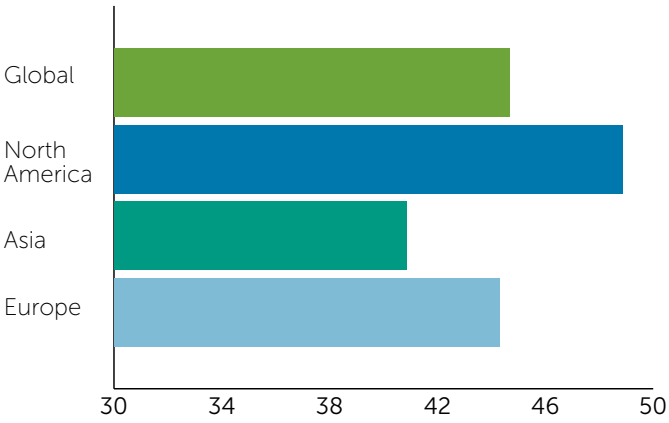
In the reporting year, we made the topic of diversity in the company an even greater focal point of our HR processes, including employer branding, HR marketing, recruitment and talent management. Our aim is to recruit, develop and retain the most promising talent. To this end, we are continuously working on presenting our job advertisements even more systematically in order to achieve even greater clarity regarding the qualities that a person requires for a specific position. This should enable better and more promising recruitment decisions. By focusing systematically on the key skills that the future holder of a position needs to offer, we also avoid biases that could influence the selection process.

In the future, we will also communicate the topic of diversity more strongly in our recruitment marketing campaigns. In order to specifically promote underrepresented groups at Wieland, we also plan to expand our stakeholder network.

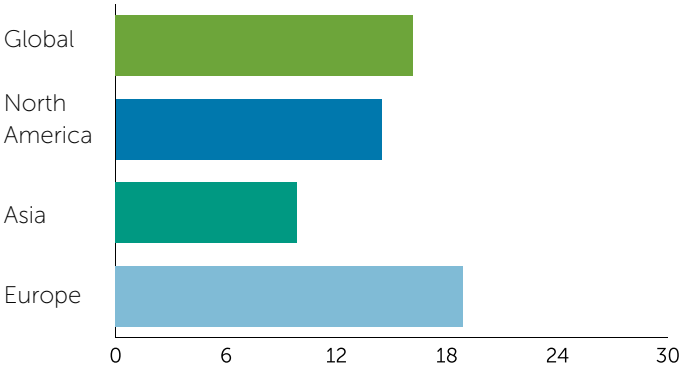
Facts and figures: diversity at Wieland

[GRI 405-1] The demographic breakdown within the Wieland Group varies considerably from region to region. Regardless of location, we aim to maintain the long-term employability of our employees at every stage in their lives. Our varied occupational health management system is one of the tools we use to achieve this (*Health and safety*). The average length of service with the company in the reporting year was 17.3 years, up by around 5 % compared with the previous year (16.4 years). Through our intensive commitment to training and the dual courses of study on offer, we ensure that our company has a continual supply of young talent and that Wieland can rise to the challenges created by demographic change. The age breakdown and length of service within Wieland are as follows:

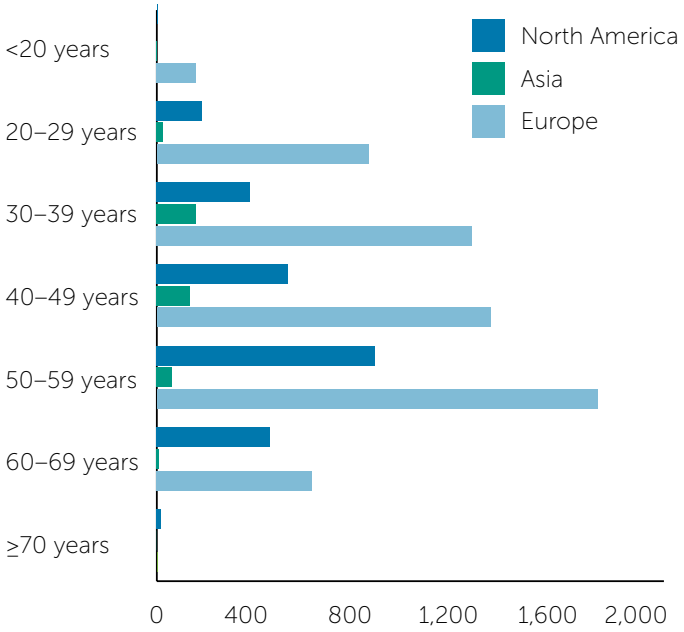
Average age



Average years of service



Global age structure [GRI 405-1]



Overview of key figures

[GRI 405-1] In the year under review, the total workforce employed by the Wieland Group was 14.8 % female, more or less on a par with the previous year. The proportion of women in management positions is currently around 12 %. We are striving to increase this proportion of women in management positions. Our goal is to increase the percentage of women in management positions to 15 % by 2025 and to 20 % by 2030.

	2018/19	2019/20
Total no. of employees	8,889	**8,300**
Male	7,568	**7,070**
Female	1,321	**1,230**

In Germany, the Wieland Group employed around 5.3 % severely disabled employees in the reporting period. This means that the company has exceeded the statutory quota of 5 %.

Attracting more female employees

One focal point of our HR marketing strategy is the advancement of women. There is a lot of catching up to do, because the proportion of women in our industry has traditionally been low. In addition, the proportion of female students studying MINT subjects (MINT = mathematics, information technology, natural sciences and technology) in Germany tends to only come to around 25 %. This is also reflected in the applications for Wieland. As a result, there is a need to take targeted action to get girls and young women interested in technical professions. The industry associations are already contributing to these efforts with their own campaigns. We also make targeted use of events such as „Girls Day" and approach interested women directly, for example at university careers fairs, in order to inspire them to pursue a career at Wieland. We also offer flexible working conditions to improve work-life balance.

Employee issues

International dialogue

As a global company, we have more than 76 locations in over 24 countries. Our workforce includes 65 different nationalities. The associated cultural diversity and the rich experience that our employees have to offer represent great potential for us. As a result, Wieland deliberately promotes the international mobility of its employees and supports them when they move to a new place of residence and work. In the year under review, the number of employees on secondment (expats) fell by around 38 % year-on-year due to the COVID-19 pandemic. We expect this trend to reverse as the pandemic subsides. This will also improve the situation for our students, who usually spend one semester studying abroad. We also allow our vocational trainees to gain international experience at locations abroad.

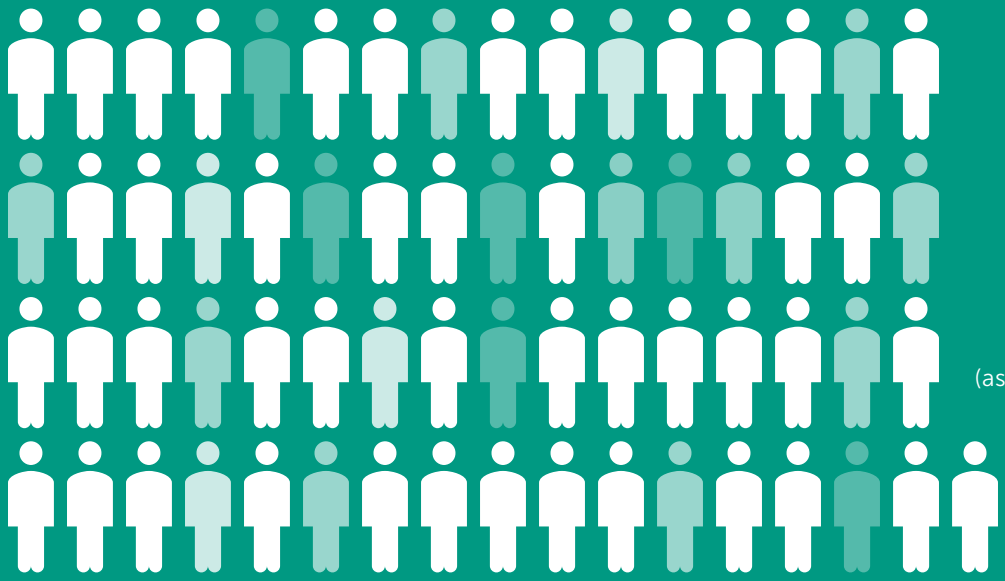
Employee issues

76

Locations

8,300

Employees
(as of: September 30, 2020)



65

Nations
(as of: September 30, 2020)

3.5 Civil engagement

[GRI 103-1/2] As a company with global operations and a long tradition behind it, the Wieland Group has considerable social responsibility. This is also enshrined in our corporate policy. Consequently, we see civil engagement as an integral part of our corporate culture and implement it worldwide in line with the relevant requirements. For many years now, Wieland has been involved, for example, in schools, initial and further training, and in promoting culture and events in the communities surrounding its locations. We make monetary donations and donations in kind, encourage the personal involvement of our employees, and participate in other voluntary initiatives. This is our way of contributing to the greater good, broadening horizons and strengthening our own corporate culture.

[GRI 103-2] We have bundled the diverse activities and projects related to our civil engagement under the motto „Wieland cares – locally and globally". Our long-standing focal areas are „Education and Science" and „Social and Cultural Affairs". Due to the COVID-19 pandemic, Wieland 2020 also focused even more than before on protecting the health of employees and third parties.

How we advocate for education and science

[GRI 413-1] We have been supporting education, research, art and culture through a charitable foundation – Berufsbildungswerk Philipp Jakob Wieland – by making donations, providing employee subsidies and scholarships and covering other expenses since 1970. In schools, the foundation promotes topics such as digitalization in industry or robotics, as well as cookery classes and activities to promote good health.

As part of the Deutschlandstipendium scholarship program, Berufsbildungswerk supported around 20 students from various colleges and universities in the year under review. Other scholarships went to participants in the „Master Online Advanced Oncology" program at the Medical Faculty of the University of Ulm. Together with Wieland-Werke AG, Bildungswerk is also one of the sponsors of the Ulm Innovation Region and the regional "Jugend forscht" youth research competition. It also awards the „Wieland Prize for Technology" as part of the Ulm regional competition. Wieland-Werke AG also awards annual sponsorship prizes, including an innovation prize for students. This award recognizes exceptional commitment to final dissertations that contribute to sustainable development in the areas of ecology, economy and social issues.

Since 1969, the Wieland Rolled Products North America (WRA) Scholarship Program has provided college expenses aid to Wieland employees' children. With up to USD 80,000 per year, the program rewards academic excellence and supports higher education.

Cultural and social commitment

We were also able to continue our cultural and social commitment in the pandemic year of 2020, for example when we marked our 200th company anniversary by organizing numerous activities, including the opening of a permanent exhibition on Wieland's company history. In the future, interested individuals will be able to visit the exhibition in the foyer of the company's headquarters in Ulm, Germany, or even online.

Exhibition on 200 years of Wieland

Wieland regularly supports *Münsterbauverein Ulm*, which has set itself the objective of preserving the Ulm Cathedral as an important cultural monument. The commitment illustrates the company's close ties to the location in which it was founded and helps to preserve an important social reference point in the region. Making this commitment allows us to continue with a long-established tradition, because as early as in 1880, the founding widow and entrepreneur Mathilde Wieland provided financial support to finance the final completion of the church more than 500 years after the foundation stone was laid.

Focus on the greater good

The Wieland Group prefers to direct its donations to charitable organizations and initiatives that do not aim to make a profit. As a general rule, the activities of the recipients have to be consistent with the Wieland Group's Code of Conduct. In the 2019/20 fiscal year, we made over 100 individual donations totaling EUR 133,000 to a total of over 90 charitable institutions. We are currently working on a Group-wide concept for civil engagement and will report on our progress in future Sustainability Reports.

4. [Go|ver|nan|ce]

Corporate governance within the Wieland Group is based on the applicable legislations and the expectations of our stakeholders. We implement the resulting requirements with the aid of modern corporate governance instruments. These include clear structures and values as well as management and control mechanisms – for example, a risk management system that also includes our business partners. Accordingly, a key focus of our sustainability strategy is also responsibility in the supply chain.

Our corporate governance allows us to make a significant contribution to Sustainable Development Goals (SDGs) 8 and 12. We are committed to ensuring humane working conditions at our sites and among our direct suppliers and strive to make the environmental aspects associated with the procurement and use of materials even more transparent. Overall, we contribute to the following SDGs through corporate governance:

Content

4.1 Corporate governance

[GRI 103-1/2] Wieland can look back on a very successful history spanning more than 200 years. Our achievements are based on excellence, reliability, honesty and integrity.

Our actions have always been guided by the principles of good corporate governance – in other words, a holistic system of values geared towards the interests of our stakeholders as a whole. The aim of our comprehensive corporate governance approach is to permanently enforce ethical principles, comply with statutory requirements and internal regulations, and monitor compliance. We also aim to deal with risks appropriately, communicate transparently and always take the concerns of our various stakeholders into account. We review our approach on a regular basis and use new findings to improve our corporate governance in every respect. With our commitment to responsible governance, we also aim to secure and increase the value of the company in the long term. To ensure lasting, increasingly sustainable value creation, the Executive Board and Supervisory Board manage and monitor the company in accordance with nationally and internationally recognized standards. Our Supervisory Board has twelve members, eleven of whom are independent. Half of the Supervisory Board members were elected by the Annual General Meeting and the other half by the workforce. The Code of Conduct of the Wieland Group and the behavioral guidelines based on this code form the basis for the implementation of our objectives in our day-to-day business and for responsible interaction with each other in the company, as well as with business partners and customers.

Wieland Group Code of Conduct

Risk management:
identifying, assessing and controlling risks

[GRI 103-1/2/3] To secure the commercial success and value of the company in the long term, we have to take a responsible approach to corporate risks. The aim of the Wieland Group's extensive risk and opportunity management system is to systematically identify existing risks and opportunities, to evaluate them in terms of how likely they are to materialize and how much of an impact they will have, and to take measures to manage the risks. We consider corporate, compliance and data privacy risks according to their specific characteristics.

The foundation of the Wieland Group's risk management system is made up of risk policy principles as well as general rules of conduct and control mechanisms based on statutory requirements. In addition, we apply a risk control system that complies with the usual industry standards and at the same time takes into account Wieland's specific situation and individual needs. The respective Business Units are responsible for identifying, documenting and assessing risks and the underlying control processes. In addition, a unit independent of the business area is responsible for the central management and monitoring of the risk management system and the risk control system. This means that the risk situation is constantly reviewed and reevaluated. In addition, internal audits are conducted on a regular basis to review the implementation and effectiveness of compliance regulations. We use the results of these audits to continuously develop our measures.

Systematic compliance management:
compliance with laws and values

Compliance is an integral part of the corporate culture at Wieland. In the Code of Conduct, among other things, the Executive Board of the Wieland Group makes an explicit commitment to exemplifying and promoting conduct that complies with the rules. In addition, actions in violation of the rules are sanctioned and the compliance organization is provided with adequate resources.

To ensure that compliance is firmly established throughout the Group, a Compliance Committee has been set up to further develop the overarching guidelines for our compliance, monitor investigations and sanction misconduct. Operational support for the individual topics (e.g. antitrust prevention, money laundering prevention, corruption prevention, tax, export control and data protection compliance) is the responsibility of specialists who in turn have direct access to the individual subsidiaries via local compliance coordinators.

The Wieland Group has implemented a Compliance Management System (CMS) that is based on the PS 980 standard of the Institute of Public Auditors in Germany (IDW). It applies throughout the Group to all companies in which Wieland-Werke AG holds a direct or indirect majority stake. The aim of the CMS is to prevent possible legal violations at an early stage. In order to identify and uncover these breaches, we have a global whistleblower system in place that is operated by an external law firm and protects the anonymity of whistleblowers. The system accepts internal and external reports around the clock online or by telephone in German, English and Spanish. The Compliance Committee evaluates the reports and pursues or sanctions any violations identified. If necessary, cases are processed in cooperation with the relevant government authorities and agencies.

Wieland Group whistleblower system

Comprehensive training program reduces compliance risks

[GRI 103-2, GRI 205-2] We raise awareness of compliance-related issues among our employees in a targeted manner and hold regular training courses on the subject – for example in the form of e-learning, face-to-face training or sessions for self-study. Generally binding, regularly updated basic programs have to be completed by employees and members of the management of the Wieland Group at defined intervals. There are also special in-depth training courses tailored to the relevant field of activity. This is our way of systematically counteracting concrete risks that are specific to a particular area. In order to firmly establish the content of the training courses in people's minds, even after the training sessions, we implement further topic-specific measures in our intranet publications, for example.

Responsible data management fosters trust

[GRI 103-1/2/3] In a world of digital business processes, data protection and data security have to meet statutory requirements while at the same time helping to foster trust. Our customers, suppliers and employees expect us to handle their data responsibly and securely. In addition to a Group Data Protection Officer, the Wieland Group has standard processes that are reviewed on a regular basis. They ensure that the rights of data subjects and other obligations arising from data protection legislation are complied with. The individual departments and the IT Security and Data Protection departments exchange information at an early stage and as part of a relationship based on trust, for example, in order to comply with the GDPR requirements of „Privacy by Design" and „Privacy by Default" – i. e., data protection due to technology design or data protection-friendly default settings. Data protection audits are used to review internal processes to check that they are effective and, where necessary, adapt them to reflect the state of the art.

4.2 Responsibility in the supply chain

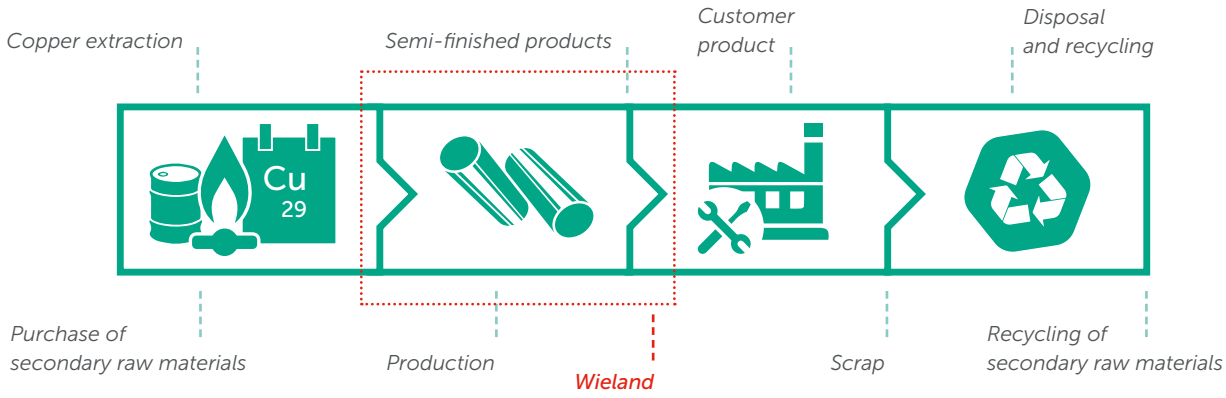
[GRI 102-9, 103-1] Responsible procurement is one of the core issues of corporate governance that is founded on the principle of integrity for the Wieland Group. This concerns both compliance with social and environmental standards and the efficient use of resources throughout the supply chain. As a manufacturer of semi-finished products, we source raw materials from all over the world, i. e. also from countries associated with an increased risk with regard to compliance with sustainability standards. This gives rise to special due diligence obligations for us, particularly with regard to human and labor rights, environmental standards and corruption.

Besides raw materials, a large part of the goods we purchase consists of "sheets", such as plates, billets and other preliminary products. We obtain most of these products from suppliers in Europe.

Many of the materials we source, however, are not primary raw materials, but recycled, secondary raw materials. This allows us to make a significant contribution to the circular economy and the decarbonization of our processes. We obtain the majority of our secondary raw materials from sources in Europe and North America.

Suppliers bound by minimum requirements

[GRI 103-1/2, 204-1, 308-1, 409-1, 414-1] As an industrial company with global operations, we also assume responsibility for compliance with applicable laws and recognized standards beyond our direct sphere of influence – for example with our suppliers and upstream suppliers. We aim to work hand-in-hand with them to promote more sustainable and fairer supply chains. We are convinced that responsible business relationships based on trust are of genuine benefit to all parties involved.



The Wieland Group has summarized and communicated the sustainability standards for its value chain in the Supplier Code of Conduct, which will be revamped in 2021. This sets out minimum requirements that extend beyond national laws and internationally recognized guidelines. The code is based on the principles of the United Nations Global Compact (UNGC) and the core labor standards of the International Labour Organisation (ILO). Systematic respect for human rights is a particularly important concern for us in this context. We are preparing for the Group-wide introduction of a responsible due diligence process

Human rights

In addition, we expect our suppliers to join our climate targets and the other ambitions of our sustainability strategy.

Decarbonization

Supplier Code of Conduct

Should a supplier fail to acknowledge our Supplier Code of Conduct without presenting an equivalent code of its own, we reserve the right to impose a number of sanctions, which could go as far as termination of the business relationship. For the 2021/22 fiscal year, we plan to include a corresponding legally valid clause as an award criterion in new framework agreements with strategic suppliers of primary raw materials and sheets. By the end of 2022, 90 % of all new framework agreements with strategic suppliers of primary metals and sheets are to contain this clause. Furthermore, from 2030 onwards, the volume of relevant materials purchased from certified or audited suppliers is to be 100 %. Both primary raw materials and sheets as well as secondary raw materials that do not come directly from a production process are classified as relevant for this purpose.

We use environmental, social and governance (ESG) criteria to manage our sustainability impact, and we also require our suppliers to comply with these criteria. One important factor here is the environmental and climate impact of their business activities. A large proportion of the Scope 3 greenhouse gas emissions attributed to us are released in the upstream supply chain, for example. Our goal is to reduce these Scope 3 emissions by 12 % by 2030 (compared to the 2018/19 fiscal year). To achieve this, we are aiming to use even more secondary raw materials in the future, as they are significantly less carbon-intensive than primary raw materials.

An important prerequisite for the binding implementation of climate protection efforts by the various players in our supply chain is verifiable transparency. This is why, starting in 2022, Wieland will implement an ESG business partner screening tool that will help analyze and evaluate our suppliers' business processes with regard to social and environmental criteria and improve their ESG performance. Among other things, we will examine the extent to which our suppliers comply with the United Nations Global Compact principles on human rights, labor practices, business ethics and the environment. By 2025, transparency on the product carbon footprint in the supply chain, for example, will be increased significantly.

In exercising our duty of care, we will also use standardized questionnaires in 2021 for the self-assessment of suppliers based on ESG criteria, and these will be taken into account in the further awarding of contracts as described. By the end of 2022, 90 % of strategic suppliers of primary raw materials and sheets are to be evaluated, especially when new framework agreements are concluded.

Industry initiatives help to exercise due diligence

[GRI 102-13, 103-2] Our main industry associations, the WirtschaftsVereinigung Metalle (WV Metalle) and the International Copper Association (ICA), have launched initiatives to support their members in the responsible procurement of sustainable raw materials. We are fully committed to these initiatives in order to prove our own sustainability performance and to eliminate any weak points.

By way of example, we are involved in the MARS (Metal Alliance for Responsible Sourcing) initiative of WV Metalle. The aim is to support companies in implementing the mounting requirements for due diligence in the supply chain according to the OECD guidelines in their processes.

In addition, Wieland is a partner in The Copper Mark, a non-profit spin-off of the ICA. The Copper Mark provides an efficient system, recognized by key stakeholders, for independently verifying responsible production of copper using a comprehensive assurance process.

So far, this process has only been used in mines and copper smelters. Together with The Copper Mark, we are working to extend it to cover other players along the supply chain from 2023 onwards. We also plan to then apply for external The Copper Mark certification.

Materiality and stakeholder management

Material compliance

[GRI 103-1/2] The responsible procurement of primary raw materials such as tin, tungsten, tantalum or gold and their ores (cassiterite, columbite-tantalite and wolframite) is an important concern of the Wieland Group. To promote responsible supply chains for conflict minerals, Wieland implements the new EU Conflict Minerals Regulation in its procurement processes systematically and follows the OECD Due Diligence Guidelines. A standardized process is used for this purpose: the „OECD Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas (CAHRA)." With the help of the OECD Guidance, risks in the supply chain can be identified and minimized by implementing targeted measures.

Wieland also relies on compliance audits performed by the Responsible Mining Initiative (RMI). The RMI is a well-known initiative with a particular focus on social and environmental standards in minerals and metals supply chains. Wieland expects its suppliers to consistently fulfill their due diligence obligations at all stages in their own supply chain with regard to conflict minerals on their own responsibility. We prefer to work with business partners who comply with RMI requirements. Their (production) sites must either be RMI-compliant themselves or must source their goods directly or indirectly from smelting plants or refiners listed on the RMI's „Conformant List" or „Active List". Only smelting plants and refineries that have passed an audit to verify compliance with RMI standards or are currently undergoing an audit are included in these lists. Accordingly, we expect our business partners to complete a Conflict Mineral Reporting Template developed by the RMI every year. Wieland also participates in this process as a supplier and makes its own template available to customers that request it.

Based on CAHRA and the statutory requirements of the new EU Conflict Minerals Regulation, Wieland is continuously working to further improve its material compliance processes. Within this context, we published our own Conflict Minerals Guideline in 2021, expanding our internal management system and adapting it to reflect the new requirements.

Wieland Group Conflict Minerals Policy

5.1 About this report

[GRI 102-45/50/52] In this Sustainability Report, the Wieland Group is publishing non-financial information on its business activities for the first time, acknowledging the mounting importance of ecological, economic and social sustainability in the corporate sector. We provide information on how we deal with key sustainability issues, take stock of how we have progressed in the year under review, and explain the impacts associated with our business activities.

[GRI 102-46/54/55] In preparing our Sustainability Report, we follow the internationally recognized standards for sustainability reporting published by the „Global Reporting Initiative" (GRI), the principles of completeness, materiality and stakeholder engagement. This report has been prepared in accordance with the GRI Standards, Option: „Core". Relevant GRI indicators are shown in the text as well as in the GRI Index. You can find the 2019/20 GRI Index here:

GRI Index 2019/20

In order to determine which sustainability issues are material for the Wieland Group, a materiality analysis was carried out in 2020. 17 key topics were identified with the involvement of various internal and external stakeholders. We have assigned these to the three areas of environment, social and governance (ESG). Six of these topics (decarbonization, circular economy, eco-friendly extension of product portfolio, health and safety, diversity and inclusion, responsibility in the supply chain) form the strategic focus fields of our sustainability strategy and are covered comprehensively in this report.

Materiality and stakeholder management

The reporting period corresponds to the 2019/20 fiscal year and extends from October 1, 2019 to September 30, 2020. As this is the first publication of its kind, the report also includes information on significant events that occurred before October 1, 2019 or after October 1, 2020. The editorial deadline was May 15, 2021. In the future, reports will be published annually.

The report covers all Business Units of all corporate entities belonging to the Wieland Group as of the balance sheet date of September 30, 2020, unless otherwise stated. In this context, we also include production-related majority shareholdings that are controlled by the Wieland Group in operational or financial terms. This report was prepared on behalf of the Executive Board, with the approval of the Supervisory Board and was reviewed and approved by the Executive Board.

Principles for data collection and presentation

In some cases, appropriate estimates/projections have to be made when preparing the report in order to fully cover the entire survey period. These estimates/projections are documented within the company. Actual values may differ from these estimates. If necessary, these deviations are corrected in the following year's report. Methodological and structural changes in data collection are corrected as a matter of principle. Deviations exceeding 5 % are also commented on accordingly. Differences may occur due to rounding of amounts and percentages.

In deviation from the above-mentioned principles, employee data is generally the data as of the reporting date of September 30, 2020. The term „employee" in this report refers to all permanently employed individuals who have a valid employment contract with a company of the Wieland Group. This also includes temporary staff, apprentices and interns. Agency employees and employees whose employment relationship is suspended are not included. The scope of consolidation of the key employee figures refers to the entire Wieland Group, including all production locations, service companies and administrative units.

Energy consumption is used as the benchmark for consolidating environmental and energy indicators and GHG emissions. Accordingly, the reporting relates to the 17 main production sites of the Wieland Group (see table). These correspond to the majority of energy consumption and emissions. In the 2018/19 and 2019/20 fiscal years, they were responsible for more than 99 % of the Group's total energy consumption. The coverage rates of DIN ISO 45001:2018, DIN EN ISO 50001:2018 as well as DIN EN ISO 14001:2015 certifications also refer to the production locations listed below.

Major production locations

Wieland-Werke	Ulm, Germany
Wieland-Werke	Vöhringen, Germany
Wieland-Werke	Villingen, Germany
Wieland-Werke	Langenberg, Germany
Schwermetall Halbzeugwerk	Stolberg, Germany
Wieland Recycling	Ulm, Germany
Wieland Austria	Amstetten, Austria
Wieland Austria	Enzesfeld, Austria
Wieland Metals Birmingham	Birmingham, United Kingdom
Wieland Copper Products	Pine Hall, United States
Wieland Chase	Montpelier, United States
Wieland Rolled Products North America	Wheeling, United States
Wieland Thermal Solutions	Wheeling, United States
Wieland Rolled Products North America	East Alton, United States
Wieland Rolled Products North America	Waterbury, United States
Wieland Metals Singapore	Singapore, Singapore
Wieland Thermal Solutions	Shanghai, China

Forward-looking statements in the report

This Sustainability Report contains certain forward-looking statements based on current assessments of future developments and the assumptions and forecasts that are currently available. These statements are always subject to a number of risks and uncertainties, meaning that assumptions may prove to be incorrect and actual developments may differ from those presented in this report. The Wieland Group assumes no liability for, and does not intend to update, these forward-looking statements to reflect future events or developments.

Editorial information

[GRI 102-53] The masculine form chosen in this Sustainability Report is used exclusively in the interests of improving readability, but is to be understood as gender-neutral.

Wieland accepts questions and comments on the subject of sustainability via the following e-mail address sustainability@wieland.com.

5.2 Overview of key figures

This overview compiles the key non-financial indicators from the 2019/20 fiscal year which the Wieland Group uses to measure and evaluate its sustainability performance. The report covers all Business Units of all corporate entities belonging to the Wieland Group as of the balance sheet date of September 30, 2020, unless otherwise stated. In this context, we also include production-related majority shareholdings that are controlled by the Wieland Group in operational or financial terms. For more information on the data collection and presentation principles, please refer to the report profile.

About this report

			2018/19	2019/20	Change compared to prior year
Energy Management GRI 302-1/3					
Total energy consumption within the organization		MWh	**1,526,271**	**1,412,307**	**–7,5 %**
+ Consumption from non-renewable fuels (Scope 1)		MWh	549,707	523,770	–4.7 %
	Natural gas	MWh	530,759	509,043	–4.1 %
	Butane	MWh	449	540	+20.2 %
	Diesel fuel	MWh	14,047	10,382	–26.1 %
	Propellant gas	MWh	3,977	3,434	–13.7 %
	Gasoline	MWh	474	371	–21.6 %
+ Consumption from purchased secondary energy (Scope 2)		MWh	977,785	903,663	–7.6 %
	Electricity purchased	MWh	954,532	881,087	–7.7 %
	from non-renewable sources	MWh	954,532	836,038	–12.4 %
	from renewable sources	MWh	–	45,049	
	Steam	MWh	23,253	22,576	–2.9 %
+ Self generation of electricity from renewable sources		MWh	7,018	7,043	+0.4 %
– Electricity sold		MWh	–8,239	–22,168	+169.1 %
Energy Intensity[1]		kWh/t	2,022	2,199	+8.7 %

[1] *Energy intensity ratio of total energy consumption within the organization to total sales volume Wieland Group*

Reduction of energy consumption GRI 302-4					
Reduction of energy consumption[2]		MWh	–7,213	–4,775	–33.8 %

[2] *Reduction of energy consumption via the DIN EN ISO 50001:2018 action plan*

CO_2 emissions[3] GRI 305-1/2/3/4					
Scope 1		$ktCO_2e$	102	97	–5.0 %
	specific Scope 1 emissions	$kgCO_2e/t$	135	150	+11.6 %
Scope 2 (local based)		$ktCO_2e$	451	418	–7.3 %
	specific Scope 2 (local based)[3] emissions	$kgCO_2e/t$	597	650	+8.9 %
Scope 2 (market based)[5]		$ktCO_2e$	499	422	-15.4 %
	specific Scope 2 (market based)[4] emissions	$kgCO_2e/t$	661	657	–0.6 %
Scope 1+2 (market based)		$ktCO_2e$	601	519	–13.6 %
	specific Scope 1+2 (market based)[4] emissions	$kgCO_2e/t$	796	808	+1.5 %
Scope 3[6]		$ktCO_2e$	1,188	1,073	–9.7 %

[3] *Wieland reports the carbon emissions based on the Greenhouse Gas Protocol/German industry standard DIN EN ISO 14064-1:2018*

[4] *Values are based on the volume sold by the Wieland Group*

[5] *Market-based emission factors are available for approx. 85% of consumption, with the rest being calculated on a local basis*

[6] *The Scope 3 emissions were estimated. Only the metal primary material required to manufacture our products, which accounts for by far the largest proportion of Scope 3 emissions based on a qualitative materiality analysis, was taken into account.*

			2018/19	2019/20	Change compared to prior year
Environmental Management GRI 303-3.4. 305-7. 306-3–5					
Emissions to air					
Dust		t	86.65	94.08	+8.6 %
NO_x		t	133.09	122.76	–7.8 %
Water withdrawal					
Total volume		M m^3	11.96	11.54	–3.5 %
	Ground water	M m^3	9.59	9.30	–3.1 %
	Surface water	M m^3	0.01	0.00	–100.0 %
	Other 3rd party water (incl. drinking water)	M m^3	2.72	2.67	–1.6 %
Intended use of the water					
Cooling water		M m^3	9.62	9.45	–1.8 %
Process water		M m^3	1.86	1.75	–5.7 %
Sanitary water & drinking water		M m^3	0.14	0.13	–7.6 %
Water discharged					
Total volume		M m^3	11.96	11.54	–3.5 %
	Surface water	M m^3	11.61	11.23	–3.3 %
	Municipal sewage plant	M m^3	0.35	0.31	–10.7 %
Volume of treated (on site) (=water reclaimed) and untreated discharged water					
Untreated water		M m^3	11.13	10.70	–3.9 %
Treated water		M m^3	0.83	0.84	+1.5 %
Amount of Waste					
Total volume[2)]		t	59,698.40	61,089.67	+2.3 %
	Waste diverted from disposal	t	52,363.75	53,593.47	+2.3 %
	Waste directed to disposal	t	7,334.65	7,496.20	+2.2 %

[2)] Total amount of waste (sum of all amounts defined as waste)

Type of waste				
Hazardous waste	t	21,734.92	28,952.39	+33.2 %
Non hazardous waste	t	37,963.48	32,137.28	–15.3 %
No. of sites with DIN EN ISO 14001:2015 certficiation (Environmental Management)	%	**82.35**	**82.35**	0.0 %
Circular Economy GRI 301-2				
Recycling rate				
(Customer scrap (pre-consumer) + scrap from the free market (post-consumer) + recycled content of virgin metals + recycled content of master alloys + recycled content of sheets) / (shipments + metal loss)	%	–	75.60	–

			2018/19	2019/20	Change compared to prior year
Eco-friendly ext. of product portfolio					
Total R&D expenses		in million €	10	10	0.0 %
	Share of lead-free alloys[1)]	%	8.00	12.00	+50.0 %

[1)] Share of lead-free alloys in total machining alloys turnover

Human Capital

GRI 102-7. 102-41. 401-1

Number of employees[2)]			**8,889**	**8,300**	**–6.6 %**
Employee turnover – new hires					
	Total	in no. of employees	2,626	481	–81.7 %
	Total Male	in no. of employees	2,116	369	–82.6 %
	Total Female	in no. of employees	510	112	–78.0 %
	Total Europe	in no. of employees	387	170	–56.1 %
	Total North America	in no. of employees	2,053	230	–88.8 %
	Total Asia	in no. of employees	66	21	–68.2 %
	Total <20 years	in no. of employees	135	77	–43.0 %
	Total 20–29 years	in no. of employees	474	180	–62.0 %
	Total 30–39 years	in no. of employees	404	100	–75.3 %
	Total 40–49 years	in no. of employees	512	63	–87.7 %
	Total 50–59 years	in no. of employees	728	45	–93.8 %
	Total 60–69 years	in no. of employees	358	15	–95.8 %
	Total ≥70 years	in no. of employees	15	1	–93.3 %

[2)] The term „employees" in this report refers to all permanently employed persons who have a valid employment contract with a company of the Wieland Group. This also includes temporary staff, trainees and interns. Temporary workers and employees whose employment contracts are suspended are not included. The scope of consolidation of the employee figures refers to the entire Wieland Group, including all production sites, service companies and administrative units.

Fluctuation rate[3)]					
	Total	rate	9.43	10.19	+8.0 %
	Total Male	rate	8.76	9.70	+10.8 %
	Total Female	rate	13.14	12.91	–1.7 %
	Total Europe	rate	7.11	5.81	–18.3 %
	Total North America	rate	10.61	17.13	+61.5 %
	Total Asia	rate	10.60	7.16	–32.5 %
	Total <20 years	rate	42.33	12.14	–71.3 %
	Total 20–29 years	rate	22.10	19.61	–11.3 %
	Total 30–39 years	rate	8.19	9.40	+14.8 %
	Total 40–49 years	rate	5.26	6.28	+19.4 %
	Total 50–59 years	rate	3.21	5.16	+60.8 %
	Total 60–69 years	rate	12.67	19.14	+51.0 %
	Total ≥70 years	rate	23.68	25.81	+9.0 %

*[3)] departures / (headcount at end of last reporting year+new hires) * 100*

Average training days per employee	in days/ employee	**0.6**	**0.4**	–33.3 %

Collective bargaining agreements[4)]		%	**94.70**	**94.50**	–0.2 %

[4)] Percentage of total employees covered by collective bargaining agreements

			2018/19	2019/20	Change compared to prior year
Diversity					
Average age					
	Global	in no. of years	45.89	45.37	–1.1 %
	North America	in no. of years	49.47	48.87	–1.2 %
	Asia	in no. of years	40.88	40.85	–0.1 %
	Europe	in no. of years	44.67	44.29	–0.8 %
Average years of service					
	Global	in no. of years	16.42	17.25	+5.0 %
	North America	in no. of years	14.53	15.16	+4.3 %
	Asia	in no. of years	9.19	9.88	+7.4 %
	Europe	in no. of years	17.69	18.52	+4.7 %
Global age distribution					
	<20 years	in no. of employees	96	149	+55.2 %
	20–29 years	in no. of employees	1,059	963	–9.1 %
	30–39 years	in no. of employees	1,730	1,641	–5.1 %
	40–49 years	in no. of employees	1,897	1,823	–3.9 %
	50–59 years	in no. of employees	2,843	2,713	–4.6 %
	60–69 years	in no. of employees	1,234	993	–19.5 %
	≥70 years	in no. of employees	30	18	–40.0 %
Age distribution – North America					

	<20 years	in no. of employees	4	3	–25.0 %
	20–29 years	in no. of employees	183	166	–9.3 %
	30–39 years	in no. of employees	387	342	–11.6 %
	40–49 years	in no. of employees	525	480	–8.6 %
	50–59 years	in no. of employees	890	800	–10.1 %
	60–69 years	in no. of employees	547	415	–24.1 %
	≥70 years	in no. of employees	24	16	–33.3 %
			2018/19	**2019/20**	**Change compared to prior year**
Age distribution – Asia					
	<20 years	in no. of employees	1	1	0.0 %
	20–29 years	in no. of employees	22	22	0.0 %
	30–39 years	in no. of employees	156	145	–7.1 %
	40–49 years	in no. of employees	122	121	–0.8 %
	50–59 years	in no. of employees	58	56	–3.5 %
	60–69 years	in no. of employees	11	9	–18.2 %
	≥70 years	in no. of employees	0	0	0.00 %
Age Distribution – Europe					
	<20 years	in no. of employees	91	145	+59.3 %
	20–29 years	in no. of employees	854	775	–9.3 %
	30–39 years	in no. of employees	1,187	1,154	–2.8 %
	40–49 years	in no. of employees	1,250	1,222	–2.2 %
	50–59 years	in no. of employees	1,895	1,857	–2.0 %
	60–69 years	in no. of employees	676	569	–15.8 %
	≥70 years	in no. of employees	6	2	–66.7 %
Share of gender within overall workforce					
	Male	in no. of employees	7,568	7,070	–6.6 %
	Female	in no. of employees	1,321	1,230	–6.9 %

Share of gender within management[1] (all levels)					
	Male	in no. of employees	816	785	–3.8 %
	Female	in no. of employees	112	107	–4.5 %

[1] All employees with disciplinary management responsibility.

Share of gender within apprentices					
	Male	in no. of employees	239	221	–7.5 %
	Female	in no. of employees	23	28	+21.7 %
			2018/19	**2019/20**	**Change compared to prior year**
Number of employees in different geographical region – North America					
	Total workforce	in no. of employees	2,560	2,222	–13.2 %
Number of employees in different geographical region – Asia					
	Total workforce	in no. of employees	370	354	–4.3 %
Number of employees in different geographical region – Europe					
	Total workforce	in no. of employees	5,959	5,724	–3.9 %
Total amount of nationalities [1] within Wieland Group		in no. of employees	69	65	–5.8 %

[1] Nationality as stated in official documents

Total amount of expatriates[2] within Wieland Group	in no. of employees	13	8	–38.5 %

[2] Time aborad: between 12 months and 5 years

Health and Safety

Absenteeism Rate[3]					
	wage earning	%	7.40	8.10	+9.5 %
	salaried	%	3.10	3.10	0.0 %

[3] AU times are absences due to illness (sick days). For part-time employees, a day of absence is also counted as a full day.

Sick days (individual hours are rounded up to whole days) / number of employees of the respective company = days lost per employee = absenteeism rate.

LT rate[4]	rate	0.59	0.38	–35.6 %

*[4] Lost time (in h directly caused by incident) / total work hours * 1,000*

LTI rate[5]	rate	4.30	2.60	–39.5 %

[5] If lost time = or > 1 shift (excluding day of incident); 1 LTI = 1 safety alert.

*Number of LTIs / total work hours * 1,000,000*

Number of fatalities of own employees	in no. of fatalities	0.00	0.00	0.00 %

Number of fatalities of third party		in no. of fatalities	0.00	0.00	0.00 %
Coverage rate of ISO Norm					
	DIN ISO 45001:2018 H&S management system	in % of relevant production plants	0.00	11.76	+11.8 %
	BS OHSAS 18001:2007 H&S management system	in % of relevant production plants	52.94	41.18	–22.2 %
	Total H&S management system	in % of relevant production plants	52.94	52.94	0.0 %
	DIN EN ISO 9001:2015 Quality management system	in % of relevant production plants	100.0	100.0	0.0 %

		2018/19	**2019/20**	**Change compared to prior year**
Compliance				
Percentage of employees trained regarding compliance policy / compliancy topics	%	0	100.00	0.0 %
Percentage of Wieland Companies integrated in the Compliance Management System	%	0	100.00	0.0 %
Performed internal investigations[1] (based on whistleblower system)	in no. of investigations	0	0	0.0 %

No data is available for the Wieland Group for the 2018/19 reporting period as this data was not recorded systemically.

As a result, there are no changes compared with the previous report.

[1] Number of internal investigations initiated by the compliance committee

Total board seats occupied by independents	in no. of board seats	11	11	0.0 %

5.3 GRI-Index

GRI Standard		Page	Omission note	SDGs	UNGC
GRI 102: General Disclosures 2016					
Organizational profile					
102-1	Name of the organization	p. 8			
102-2	Activities, brands, products, and services	p. 8			
102-3	Location of headquarters	p. 8			
102-4	Location of operations	p. 8			
102-5	Ownership and legal form		Wieland-Werke AG is an unlisted family business and the parent company of the Wieland Group.		
102-6	Markets served	p. 8			
102-7	Scale of the organization	p. 8			
102-8	Information on employees and other workers	p. 35	The Wieland Group cannot currently provide any breakdown of employees by employment contract and employment relationship, as we are unable to record this data systematically. Collecting this data manually would involve a disproportionate effort. As we continue to enhance the data we collect, we are aiming to refine the breakdown of data into the required categories for the purposes of future reporting.		6
102-09	Supply chain	p. 52			
102-10	Significant changes to the organization and its supply chain	p. 8			
102-11	Precautionary Principle or approach	p. 50			7
102-12	External initiatives	p. 14 p. 52		17	
102-13	Membership of associations	p. 14 p. 54		17	
Strategy					
102-14	Statement from senior decision-maker	p. 3			
102-15	Key impacts, risks, and opportunities	p. 10	The main topic-specific impacts, risks and opportunities are addressed in the management approaches in the chapters covering the strategic action areas in question.		
Ethics and integrity					
102-16	Values, principles, standards, and norms of behavior	p. 8			10
Governance					
102-18	Governance structure	p. 11			
Stakeholder engagement					
102-40	List of stakeholder groups	p. 14			
102-41	Collective bargaining agreements	p. 36			3
102-42	Identifying and selecting stakeholders	p. 14			
102-43	Approach to stakeholder engagement	p. 14			
102-44	Key topics and concerns raised	p. 14 p. 20			

GRI Standard		Page	Omission note	SDGs	UNGC
Reporting practice					
102-45	Entities included in the consolidated financial statements	p. 55			
102-46	Defining report content and topic Boundaries	p. 55			
102-47	List of material topics	p. 13			
102-48	Restatements of information		The 2019/20 Sustainability Report marks the first time that the Wieland Group has reported non-financial information in summarized form. As a result, there are no changes compared with the previous report.		
102-49	Changes in reporting		s. Omission note GRI 102-48: As a result, there are no significant changes compared with previous reporting periods.		
102-50	Reporting period	p. 55			
102-51	Date of most recent report		s. Omission note GRI 102-48: As a result, there is no previous publication date.		
102-52	Reporting cycle	p. 55			
102-53	Contact point for questions regarding the report	p. 56			
102-54	Claims of reporting in accordance with the GRI Standards	p. 55			
102-55	GRI content index	p. 55			
102-56	External assurance		The 2019/20 Sustainability Report was not subject to any external assurance process.		
Material topics					
Environmental protection					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 16		6, 12	7, 8, 9
103-2	The management approach and its components	p. 16			
103-3	Evaluation of the management approach	p. 16	We review the effectiveness of our processes and measures, as well as the achievement of our objectives in our strategic action areas, on a regular basis, and adjust our measures if necessary. To this end, we exchange information with the relevant departments on a monthly basis. Looking ahead to the coming reporting year, we also plan to report internally on current developments in the strategic action areas in a monthly "Sustainability Performance Report". (see chapter on Sustainability management and organization)		
GRI 303: Water and Effluents 2018					
303-1	Interactions with water as a shared resource	p. 18			
303-2	Management of water discharge-related impacts	p. 18			
303-3	Water withdrawal	p. 18 p. 58	A breakdown into freshwater and other water is not included in the consolidated data. Regarding areas with water stress, see explanation under GRI 303-5.		
303-4	Water discharge	p. 18 p. 58	A breakdown into freshwater and other water is not included in the consolidated data. Regarding areas with water stress, see explanation under GRI 303-5.		
303-5	Water consumption	p. 18 p. 58	The information is not available in a sufficient quality. The volume of water withdrawal from areas with water stress cannot be fully assessed at this time. The Wieland Group is working on collecting this information at global level. The area in our Vöhringen plant where the largest volume of water withdrawal takes place is not, however, affected by water stress.		

GRI Standard		Page	Omission note	SDGs	UNGC
Circular economy; responsible consumption & production					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 24		12, 15	7, 8, 9
103-2	The management approach and its components	p. 24			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
GRI 301: Materials 2016					
301-2	Recycled input materials used	p. 26 p. 58			
Energy efficiency; carbon footprint					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 20		7, 13	7, 8, 9
103-2	The management approach and its components	p. 20			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
GRI 302: Energy 2016					
302-1	Energy consumption within the organization	p. 21 p. 57			
302-3	Energy intensity	p. 57			
302-4	Reduction of energy consumption	p. 57			
GRI 305: Emissions 2016					
305-1	Direct (Scope 1) GHG emissions	p. 21 p. 57			
305-2	Energy indirect (Scope 2) GHG emissions	p. 21 p. 57			
305-3	Other indirect (Scope 3) GHG emissions	p. 21 p. 57			
305-5	Reduction of GHG emissions	p. 23 p. 57			
305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	p. 17 p. 58	The Wieland Group currently only collects data on nitrogen oxide and particulate emissions.		
Pollution & waste					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 16		12, 15	7, 8
103-2	The management approach and its components	p. 16			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
GRI 306: Waste 2020					
306-1	Waste generation and significant waste-related impacts	p. 18			
306-2	Management of significant waste-related impacts	p. 19			
306-3	Waste generated	p. 18 p. 58			

GRI Standard		Page	Omission note	SDGs	UNGC
Employee issues					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 35		4, 8, 10	3, 6
103-2	The management approach and its components	p. 35			
103-3	Evaluation of the management approach	p. 38			
GRI 401: Employment 2016					
401-1	New employee hires and employee turnover	p. 35 p. 58	Definition of turnover rate: Employees leaving the organization voluntarily, through redundancy, retirement or death (staff leaving/ staff at beginning of period x 100)		
GRI 402: Labor/Management Relations 2016					
402-1	Minimum notice periods regarding operational changes	p. 36	Under the German Works Constitution Act (Betriebsverfassungsgesetz), the Works Council must be informed of any major changes within the company in good time. The legislation does not, however, provide for any specific deadline.		
GRI 404: Training and Education 2016					
404-1	Average hours of training per year per employee	p. 38	No employee breakdown by gender and employee category can be provided due to the system. Collecting this data manually would involve a disproportionate effort. As we continue to enhance the data we collect, we are aiming to refine the breakdown of data into the required categories for the purposes of future reporting.		
Health and safety					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 41		3, 8	
103-2	The management approach and its components	p. 41			
103-3	Evaluation of the management approach	p. 41			
GRI 403: Occupational Health and Safety 2018					
403-1	Occupational health and safety management system	p. 41			
403-2	Hazard identification, risk assessment, and incident investigation	p. 42			
403-3	Occupational health services	p. 43			
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 42			
403-5	Worker training on occupational health and safety	p. 43			
403-6	Promotion of worker health	p. 44			
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 42			
403-8	Workers covered by an occupational health and safety management system	p. 41			

GRI Standard		Page	Omission note	SDGs	UNGC
403-9	Work-related injuries	p. 42 p. 62	Non-Wieland employees (e.g. contractors or agency staff) are not currently included in the statistics, as we would have to request the necessary figures from their employers and this process is very time-consuming.		
Diversity					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 45		5, 10	6
103-2	The management approach and its components	p. 45			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
GRI 405: Diversity and Equal Opportunity 2016					
405-1	Diversity of governance bodies and employees	p. 46 p. 60	a. For confidentiality reasons, no personal information is provided about the Supervisory Board members. b. The data cannot be broken down by employee category due to the system. Collecting this data manually would involve a disproportionate effort. As we continue to enhance the data we collect, we are aiming to refine the breakdown of data into the required categories for the purposes of future reporting.		
Human rights					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 39		8, 17	1, 2, 3, 4, 5
103-2	The management approach and its components	p. 39			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
GRI 408: Child Labor 2016					
408-1	Operations and suppliers at significant risk for incidents of child labor	p. 40	s. Explanation on GRI 409-1		
GRI 409: Forced or Compulsory Labor 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 40	No information is available at present, as this data is not yet collected. Wieland is working on introducing a human rights management system that includes a risk analysis process (Human Rights Impact Assessment). For more information, please refer to the "Human Rights" chapter. In order to identify human rights risks (such as child, forced or compulsory labor) in the supply chain, the company prepared for the introduction of future processes and systems in the reporting year. These processes and systems are based on the introduction of a Self Assessment Questionnaire (SAQ) and an ESG supplier screening via a supplier platform. For more information on our supplier screening objectives, please refer to the chapter entitled "Responsibility in the supply chain".		
GRI 412: Human Rights Assessment 2016					
412-2	Employee training on human rights policies or procedures	p. 40	No information is available at present. As human rights topics are incorporated into other training sessions, this data is not currently collected. We are working on expanding our human rights training and implementing a data capture system to collect data in the future.		

GRI Standard		Page	Omission note	SDGs	UNGC
Social engagement					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 48		4, 17	
103-2	The management approach and its components	p. 48			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
Responsibility in the supply chain					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 52		8, 12, 17	1, 2, 3, 4, 5, 7, 8
103-2	The management approach and its components	p. 52			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
GRI 204: Procurement Practices 2016					
204-1	Proportion of spending on local suppliers	p. 52	The information is not available in a sufficient quality. An international definition of the geographical term "local" has to be defined first so that more data can be collected. The focus in the next reporting period will be on introducing a uniform definition of this term and collecting corresponding data on the top 10 suppliers with a focus on metal purchasing.		
GRI 308: Supplier Environmental Assessment 2016					
308-1	New suppliers that were screened using environmental criteria	p. 52	No information is available at present, as this data is not yet collected. A supplier portal is to be introduced in the course of the 2020/21 fiscal year and we intend to use it to calculate corresponding key figures for the following year. For more information on our supplier screening objectives, please refer to the chapter entitled "Responsibility in the supply chain".		
GRI 414: Supplier Social Assessment 2016					
414-1	New suppliers that were screened using social criteria	p. 52	No information is available at present, as this data is not yet collected. A supplier portal will be introduced in the course of the 2020/21 fiscal year and we intend to use it to calculate corresponding key figures for the following year. For more information on our supplier screening objectives, please refer to the chapter entitled "Responsibility in the supply chain".		
Product Liability					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 27			9
103-2	The management approach and its components	p. 28			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		
Eco-friendly extension of product portfolio					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 27		9, 12, 13	9
103-2	The management approach and its components	p. 28			
103-3	Evaluation of the management approach		s. Explanation on GRI 103-3 under "Environmental protection"		

GRI Standard		Page	Omission note	SDGs	UNGC
Business ethics, strong cooperations, transparency					
GRI 103: Management Approach 2016					
103-1	Explanation of the material topic and its Boundary	p. 50		16, 17	10
103-2	The management approach and its components	p. 50			
103-3	Evaluation of the management approach	p. 50			
GRI 205: Anti-corruption 2016					
205-2	Communication and training about anti-corruption policies and procedures	p. 51	The information is not available in a sufficient quality. Wieland is an international company and the systems used to collect the data differ from region to region. Data collection has not yet been harmonized.		

Navigation support
The following symbols indicate important information:
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5.4 Legal notice

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