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We are pleased to present to you the Sustainability Report for the year 2023. At SEW-EURODRIVE Polska, we understand that sustainability is the only proper way to conduct business, not just compliance with legal requirements.

Continuing with our plans from last year, we are not stopping and are setting even more ambitious goals. In the Report, we present a series of actions taken in 2023, thanks to which the operational model of SEW-EURODRIVE Polska is more responsible and transparent.

Sustainability is not a new concept for us. We are systematically implementing changes to our product portfolio, adjusting processes and services to drive the world forward in an even more conscious and ecological way, showcasing our green side – #TheGreenSideOfDrive. The commitment and actions taken towards a Sustainability Strategy and digitalization allow for the reduction of carbon footprint and decreased resource consumption.

We are investing in the future and continuously working on the introduction of new technologies and the development of fields that ensure a stable position in the dynamic reality of the 21st century. For development to be sustainable, it must also be balanced. Principles such as environmental protection, a circular economy, efficient resource use, and intergenerational solidarity are the cornerstones of the #TheGreenSideOfDrive strategy.

The driving force behind SEW-EURODRIVE Polska is its employees, and their satisfaction and skills development are our priority. At the foundation of our values lies respect and commitment, which is why we consistently strive to create an open and safe work environment. People are the most important for our organisation, which is why we also support scientists, students and local communities.

Sustainability aspects have been integral to our company's operations for years, which is why we are currently focusing on environmental issues, quality of life for current and future generations, corporate governance and business ethics. Our strategy, in addition to the E, S and G pillars¹, also incorporates an additional element, Q – Quality. The high quality of our devices and services has always been and will remain our trademark.

We have long-lasting relationships with our clients, built on honesty and trust. Stakeholders appreciate our collaborative yet individual approach to each issue. The product lifecycle of SEW-EURODRIVE also offers environmental benefits – there is no better way to reduce emissions and pollution than durability and reliability. At the same time, our priority is the energy efficiency of the drive technology and automation solutions proposed by SEW-EURODRIVE. We support our clients in implementing solutions that reduce energy consumption and greenhouse gas emissions, which also lessens their negative impact on the environment.

Within our framework, we have identified four megatrends: digitalization, deglobalisation, demographic changes and decarbonisation. The actions taken in these areas are in line with global efforts aimed at mitigating the climate catastrophe. Today, it is clear that enterprises bear responsibility in this area and must do everything in their power to minimise the negative effects of these changes.

We understand that the extraordinary complexity of the modern world and the associated risks require comprehensive and holistic action, which is why integrated efforts in the area of ESG are so important to us. Caring for the natural environment, stakeholders, as well as ethical and transparent corporate governance are for us an opportunity to build a competitive advantage.

On behalf of the Management and all our employees, I encourage you to review our achievements and familiarise yourself with the latest development plans of the company.



Tomasz Wieland President of the Management Board of SEW-EURODRIVE Polska Sp. z o.o.

Introduction SEW-EURODRIVE worldwide

[2-1, 2-6]

SEW-EURODRIVE is the international leader in industrial automation. Founded in 1931 in Bruchsal, Germany with humble beginnings, we have grown to a worldwide company with over 22,000 team members. We blend product innovation with incredible customer support to ensure our place as a deserving supplier to our customers.

Vision statement: Our customers are makers. They are doers. They are the drivers of local economies and the foundation for successful communities. Our purpose is to make and support the best industrial automation products on earth for the ones that keep it turning.

Mission statement: To provide our customers the world's finest industrial automation products, people and support.



22,000

employees worldwide

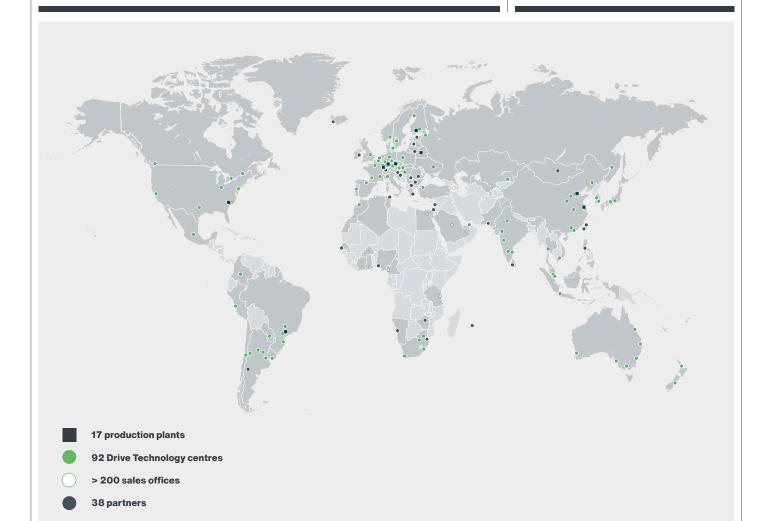
56

countries

~ 110,000

> 3,000

granted patents



20 million

parts/month in 100+ locations

~230,000

gearmotors/ month ~55,000

inverters/ month





About the Company

SEW-EURODRIVE Polska [2-1, 2-2, 2-6]

The report we have the pleasure of sharing with you covers the activities of SEW-EURODRIVE Polska sp. z o.o., located at Techniczna 5, 92-518 Łódź. This company is part of the international SEW-EURODRIVE group and does not have any subsidiaries.

SEW-EURODRIVE Polska is a subsidiary operating in the Polish market of the world's largest manufacturer of drive technology and industrial automation solutions.

Since 1996, we have been a trustworthy partner to the industry, supplying high-quality drive technology, products and know-how to factories and production plants across various sectors of the economy. Thanks to building long-lasting relationships based on quality and cooperation, we have been actively developing our operations in Poland from the very beginning.

Our technical and sales offices are strategically located throughout the country, allowing us to stay close to our customers and offer them comprehensive services and timely support. We also have 2 service locations (Łódź and Tychy) and 3 training centres (Łódź, Tychy and Poznań).

Drive Technology Center

DTC

Headquarters

Technical Office BT





assembly plant (Łódź)

service centres

(Łódź, Tychy)

training centres

(Łódź, Tychy, Poznań)



technical and commercial offices

(Łódź, Tychy, Poznań, Gdańsk. Bydgoszcz, Radom, Wrocław i Rzeszów)





vear of establishment: 1996

headquarters: Łódź

The industries in which we operate

- → Automotive
- → Food and beverages
- → Transport and logistics
- → Construction
- → Cement plants
- Wood processing industry
- → Mining
- Cargo ports and terminals
- Sewage treatment plants
- \rightarrow ... and many others

SEW-EURODRIVE Polska is a global brand of consistently high standards. We continually develop its identity based on the needs and satisfaction of our Clients.

This is clearly evident in the SEW-EURODRIVE brand promise - creating and delivering the highest quality drive technology and production automation solutions along with service and training support.



Rzeszów



Service

Delivery



Promise of our brand

Reliable business partner

Quality of products and services

Knowledge

Training and webinars for Clients



Processes

Digital solutions and modern business management



Marketing

Marketing support

Mission, Vision, Credo



MISSION

- Be a reliable and credible business partner of first choice for our customers in the scope of drive technologies and solutions.
- Be an honest and caring employer and a profitable company for the owners.
- Develop an industrial, social and economic ecosystem while simultaneously protecting the environment.
- Implement technologies and systems in the field of drive technology and industrial automation, logistics, and processes to ensure long-term success for our clients, improve the standard of living, and conserve energy resources.



VISION

- Develop and strengthen the position of a leader in drive technologies and a supplier of innovative solutions while ensuring economic, social and environmental progress, in line with the goals of sustainability.
- Create added value for all stakeholders through sustainability.
- → Set standards in drive technologies.
- Build awareness among clients and employees as a reliable business partner and employer.

CREDO

Commitment, Respect, Trust, Teamwork, Professionalism.



Our credo is comprised of the following values: commitment, respect, trust, teamwork and professionalism.

The mission of SEW-EURODRIVE Polska is primarily to be a reliable and trustworthy business partner for our customers, an honest and caring employer for our employees, and a profitable company for our owners, while developing an industrial, social and economic ecosystem with a simultaneous commitment to environmental protection.



Our vision is the continued development and strengthening of our position as a leader in drive technology and a provider of innovative solutions, while ensuring economic, social and environmental progress in line with the goals of sustainability. We aim to create added value for all stakeholders with full commitment.

Respect and trust are a priority in relationships with our stakeholders. We understand the importance of direct and long-term cooperation, which is why each of our clients is assigned their own guardian – a qualified sales engineer, who, as the first point of contact, provides experience and knowledge in selecting the optimal products and services.

Teamwork is key to our success, which is why we continuously invest in our employees, ensuring their development and maintaining good working conditions. The result of this approach is a positive atmosphere in the teams, confirmed by the high ratings the company receives in surveys conducted among employees. All of this translates into professionalism, appreciated by our partners for nearly 30 years.

Market
leader in
drive
technology
and
automation

Brand Promise
Quality • Delivery • Service

Sustainability

Digitalization

Employees • Products • Processes

Commitment • Respect • Trust • Teamwork • Professionalism

Sustainability Strategy -The Green Side of Drive

[2-23, 2-24, 2-25, 3-3]

2022 Pilot CO2e report 2023 CO2e report

Sustainability as an integral part of the Mission and Vision

prepared based on third-party partnerships - transport

Non-financial information - a starting point for future actions

2024 Non-financial report based on the GRI standard

> ISO Standard 14001:2015

Compliance with 2026 Development of the European Union legislative requirements

Rating EcoVadis

SEW-EURODRIVE Polska facility in the area of training and service

2050 Climate

neutrality

The assumptions presented in 2022, upon which we base our Sustainability Strategy, have defined the directions of our actions in the coming years. In line with our plan, we continuously develop our approach to sustainability because we want our clients, suppliers and partners to see us as a trusted ally with whom they can collaborate towards a more sustainable future.



Ambition, awareness, professionalism and transparency - we follow this principle when building the foundations of sustainability, and it is on this that we base all our assumptions.



As a responsible employer, we care about the safety and satisfaction of our employees, and in our concern for the climate and environment, we continuously implement solutions that reduce the emissions and waste we generate.



Assessment of Significance

In 2023, we conducted a materiality analysis to

familiarise ourselves with the expectations and

regarding environmental, social and corporate governance issues. The result of the study is

the identification of the most important issues.

which we are pleased to present in this report.

frameworks for ESG reporting, including GRI

In order to define key topics, we analysed

and SDGs.

opinions of the company's stakeholders

[3-1, 3-2, 3-3, 2-29]



19

topics addressed in the study

96

people participated in the quantitative study

25

employees participated in the study The study was conducted in accordance with the AA1000 Stakeholder Engagement Standard – the most widely used global standard for stakeholder engagement. This standard assists organisations in their efforts to assess, design and implement an integrated approach to stakeholder engagement, and to communicate fairly and accurately with stakeholders and the public about these activities.

The assessment of significance took place at the turn of October and November 2023, and was conducted through both surveys and indepth interviews with representatives of key stakeholder groups. The procedure was preceded by an organisational meeting attended by 25 employees of the company representing various departments. Thanks to their work and commitment, we have created a framework for a comprehensive analysis of ESG topics.



During the study, key stakeholder groups were identified: employees, suppliers, customers, the Management Board and managerial staff, as well as pupils and students.

Thanks to anonymous surveys, in-depth qualitative interviews and round table meetings, it was possible to identify the main spheres of the company's influence in the area of sustainability and to create a materiality matrix. The study focused on three areas: social, environmental and corporate governance, which together comprised 19 topics.

A total of 96 individuals participated in the quantitative study, representing the stakeholder categories mentioned above, with the largest groups being our employees, management team and clients. The qualitative study was conducted in a round table format with representatives from employees, management, clients, suppliers and subcontractors.

Group meetings were supplemented with seven individual conversations with representatives of key clients, suppliers and subcontractors. Numerous remarks and opinions were also expressed by our stakeholders in the form of additional comments to the surveys. The issues addressed there covered a very broad spectrum of topics, including the organisation of work in various company locations, plans for per product emission accounting, selection of raw materials and subcontractors, export control, waste management and circular economy, as well as equality and transparency in compensation.

17 Global Sustainability Goals

Our priority is to make the world a better place to live, which is why in our activities we follow the guidelines set out in the Sustainable Development Goals developed by the United Nations.

The 2030 Agenda for Sustainable Development, adopted by all United Nations member states in 2015, is a shared plan for peace and prosperity for people and the planet, both now and in the future.

The agenda includes 17 key Sustainable Development Goals that represent a commitment by all countries to take urgent action within a global partnership.

These countries recognise that in order to contribute to the elimination of poverty and other forms of exclusion, appropriate strategies must be developed that will improve health and education, reduce inequalities, and stimulate economic growth, which in turn will counteract climate change and lead to actions to protect our oceans and forests.



































At SEW-EURODRIVE Polska, we have selected six objectives and defined tasks in five areas in order to ensure our local activities have a tangible impact.













We are building a culture of sustainability by raising awareness about ESG+Q aspects in the context of conducting business and the impact of organisations on their immediate and broader environment.

We act

- \rightarrow directly
- → consciously
- ightarrow responsibly

The basis of our business activities



The expressions of appreciation we received were extremely important to us and further motivated us to continue our efforts to improve ESG solutions.

Below, we present some positive feedback (anonymised and standardised):

+

"The company does not skimp on health and safety. Protective clothing and first aid training ensure that safety is maintained at the highest level."

+

"Energy conservation is a huge asset. The company is reducing the amount of waste it produces, looking for biodegradable solutions, and exploring new methods of disposal. It is constantly evolving, constantly developing."

+

"A transparent approach to business makes SEW-EURODRIVE Polska a model for other companies."

+

"A very high level of communication is responsible for the high rate of client satisfaction. I can confirm this from my own experience."

+

"We value honesty and sincerity in relationships. A fair approach to business is fundamental, and SEW understands this."

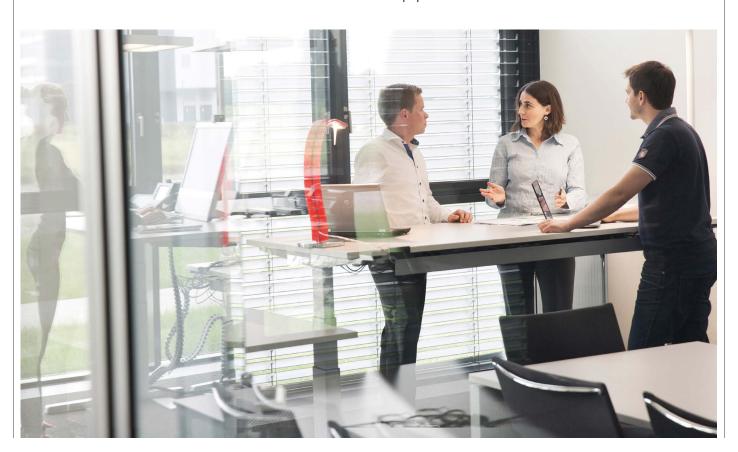
There were also opinions pointing out areas for improvement. Below, we quote some comments from our stakeholders:

ļ

"Surely more can be done when it comes to communicating a company's impact on ESG matters. The company also speaks too little about compliance issues."

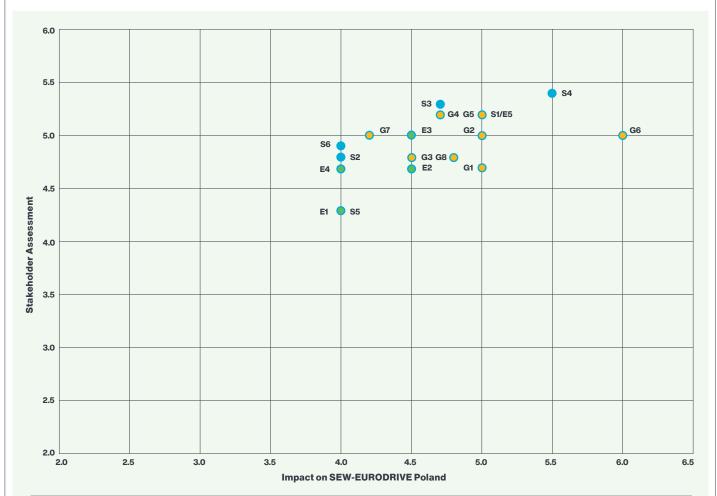
1

"There is a lack of transparency in the area of recycling and waste disposal; we do not know what happens to used devices and materials. It is likely that more can also be done in terms of reusing materials and equipment."



SEW-EURODRIVE Polska Significance Matrix

These ratings related both to the relevance of the topics for the company's operations and to our impact on the subject areas. The study conducted prior to preparing the report was the first of its kind for SEW-EURODRIVE Polska.



Area	Important Issues	GRI Indicator	Stakeholder Assessment	Board Assessment
	Human resource management, employment and compensation policy (pay equity, counteracting employee turnover, recruitment, fringe benefits, etc.)	S1	5.2	5.0
ξ	Diversity policy (equal opportunities, combating discrimination, including on the basis of gender, age, education, nationality, etc.)	\$2	4.8	4.0
Society	Employee development and further training	S 3	5.3	4.7
S	Safe work environment	S4	5.4	5.5
	Activities for local communities and volunteering	S 5	4.3	4.0
	Safety assessment of both existing and emerging products	S 6	4.9	4.0
	Greenhouse gas emissions and methods of their reduction	E1	4.3	4
ent	Energy consumption and methods of reducing energy usage (gas, electricity, heat, etc.)	E2	4.7	4.5
onn	Method of storage and disposal of chemical substances	E3	5.0	4.5
Environment	Efforts to reduce the consumption of chemical substances	E4	4.7	4.0
	Recycling and reusing materials	E5	5.2	5.0
	Risk management and business continuity	G1	4.7	5.0
	Countering corruption	G2	5.0	5.0
•	Reporting irregularities and compliance	G3	4.8	4.5
Governance	Code of Ethics and human rights	G4	5.2	4.7
/ern	Information security and personal data protection	G5	5.2	5.0
Gov	Digitalization of client collaboration	G6	5.0	6.0
	Transparency and the company's approach to sustainability	G7	5.0	4.2
	Verification of the values and principles that guide the Company in various areas of operation in collaboration with suppliers and partners	G8	4.8	4.8

People

Honest and Trustworthy Employer

[2-24, 2-29, 401-2, 404-2, 405-1]

Everyone at SEW-EURODRIVE Polska works under equal conditions and enjoys equal access to the training system and benefits, regardless of the basis of employment.

We care about the rights of all employees, which is why, out of the 197 individuals working for us, 166 are employed under an employment contract at SEW-EURODRIVE Polska, while the rest are employees hired through a temporary employment agency.



>8

average length of employment



23.5% | 76.5%

women

men



4.8%

employee turnover rate



2

number of accidents in 2023



7

injury frequency rate



85%

SEW contracts

15%

outsourcing contracts



ISO 45001:2018

a standard implemented in both production and service locations



28

average number of training hours per employee

GRI 2-7		2023		2022			
Employees	Women	Men	Total	Women	Men	Total	
	division accord the period of en	•		division according to the period of employment			
Employed for a fixed term	4	10	14	2	3	5	
Employed for an indefinite period	35	117	152	36	113	149	
	division accord	ing to the numbe	er of hours	division accord	ing to the numbe	er of hours	
Full-time	37	127	164	36	116	152	
Part-time	2	0	2	2	0	2	
Total number Commuting	39	127	166	38	116	154	

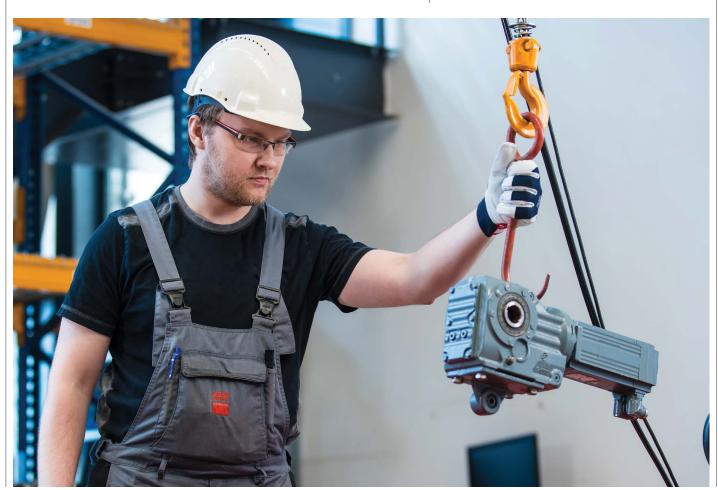
GRI 2-8 Workers who are not		2023		2022		
employees	Women	Men	Total	Women	Men	Total
Persons employed under a contract of mandate	0	1	1	1	1	2
Persons employed under a contract for specific work	0	0	0	0	0	0
Persons employed under an internship/traineeship agreement	0	0	0	0	0	0
Self-employed persons	0	0	0	0	0	0
Employees hired by the Temporary Employment Agency	5	25	30	7	30	37
Total number of collaborators						
	5	26	31	8	31	39

At SEW-EURODRIVE Polska, we have introduced a whole range of additional benefits. We consistently enhance work conditions by providing our employees with top-quality equipment, company computers and phones.

Some employees also make use of company cars, which can be used for private purposes

as well. All employees, regardless of their level or type of employment, can access medical care and also enrol in life insurance.

An additional benefit is also the cafeteria system, which involves paying everyone a bonus that can be used on a wide range of products and services.



The company operates an In-House Social Benefits Fund. The funds amassed there allow for financing team-building programs and trips, holiday bonuses and occasional benefits, reserves for unforeseen events, or initiatives such as "self-arranged countryside holiday".

At all locations, we organise "Fruit Mondays," and in our largest facility in Łódź, employees also have catering services available. Every year, we organise team-building trips, which help foster a positive work atmosphere based on relationships.

We strive for diversity and equality in employment. Currently, women make up 23.5% of our entire staff and 16.7% of our management bodies.

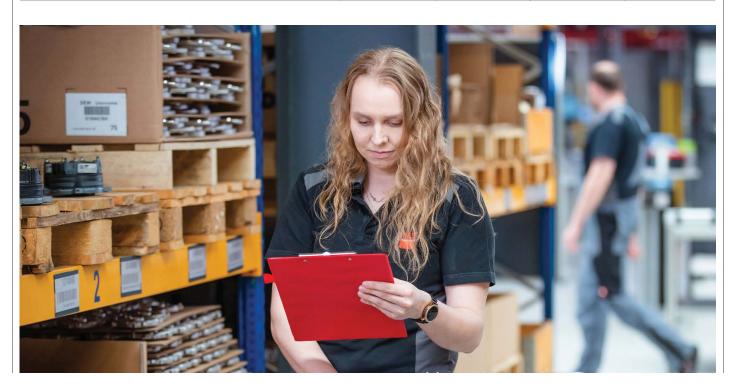
We recognise that having employees of various ages positively influences the potential of the company.

Employees representing various generations present an opportunity to create teams rich in experience, diverse skills, and competencies, and also a way to counteract social exclusion.

We aim to retain our current employees for as long as possible, and we hire new employees solely based on their qualifications, without considering age as a criterion.

GRI 405-1	20	23	2022		
Diversity of governance bodies and employees	Men	Women	Men	Women	
Total	127	39	116	38	
<30 years	13	4	15	7	
30-50 years	97	30	87	26	
>50 years	17	5	14	5	

GRI 405-1	20	23	2022		
Diversity of governance bodies and employees	Men	Women	Men	Women	
Overall management team	22	5	25	6	
Higher level	5	1	5	1	
Mid-level	7	4	7	5	
Lower level	10	0	13	0	



A stable average job tenure and a decreasing employee turnover rate – with a yearly decrease of 1 percentage point – are for us the best proof that our efforts are meaningful and appreciated by the employees.



1%

decline in the employee turnover rate

GRI 401-1	2023				2022			
New employee hires and employee turnover	Men	Rate	Women	Rate	Men	Rate	Women	Rate
Total	16	84.2%	3	15.8%	9	69.2%	4	30.8%
<30 years	6	31.6%	0	0.0%	2	15.4%	2	15.4%
30-50 years	10	52.6%	3	15.8%	7	53.8%	2	15.4%
>50 years	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total number of employee departures	Men	Rate	Women	Rate	Men	Rate	Women	Rate
Total	6	75%	2	25%	7	77.8%	2	22.2%
<30 years	2	25%	1	13%	1	11.1%	0	0.0%
30-50 years	4	50%	1	13%	4	44.4%	2	22.2%
>50 years	0	0%	0	0%	2	22.2%	0	0.0%
GRI 401-1		20	23			20	22	

GRI 401-1	20	23	2022		
New employee hires and employee turnover	Men	Women	Men	Women	
Total by gender	4.7%	5.1%	6.0%	5.3%	
<30 years	1.6%	2.6%	0.9%	0.0%	
30-50 years	3.1%	2.6%	3.4%	5.3%	
>50 years	0.0%	0.0%	1.7%	0.0%	
Total	4.8%		5.8	3%	



Recruitment Practices

Building the image of a trustworthy employer begins already at the recruitment stage. The recruitment process is conducted by our HR department and specialised external companies. Our managers responsible for recruitment possess extensive experience and are regularly trained in soft skills.

The recruitment process is also one of the areas of digitization for us. In the past year, we launched a recruitment platform, thanks to which each subsequent recruitment process is conducted with the support of digital tools. The resulting database of potential employees will streamline the entire process and speed up the stage of filling vacancies.

In addition, the company also operates a referral system, which engages employees in the recruitment process by offering them a bonus dependent on the employment of the recommended candidate.



Fair Compensation

Employees of SEW-EURODRIVE Polska are covered by a system of regular evaluations and bonuses based on their achievements (Management by Objectives, MbO system). The components of compensation and the rules for awarding bonuses are detailed in the salary regulations. Their amounts are evaluated annually and the compensation system is audited twice a year by an external company.

Bonuses under the MbO program are paid together with the salary, and the conditions for their payout are based on the achievement of goals or assessment criteria set with the employee, which are financial, strategic, team-based and individual in nature. The basis for awarding bonuses is the employee's self-assessment, which is verified by their supervisor. The evaluation also includes an assessment of behaviours that reflect our core values. The evaluation system covers 100% of employees.

Development and Education [404-2, 404-3]

We continuously invest in our employees – in their knowledge, skills and well-being. In 2023, we allocated as much as 1.6% of EBIT for training. We understand that funds designated for employee skills development are a path to stable company growth based on a strong team of experts in their fields.

We cover all employees with our training system, offering them courses tailored to their positions and competencies. Employees have a say in choosing the training programs they participate in, including through our myHR learning platform. For each department, training sessions on team relationship building are also organised once a year.



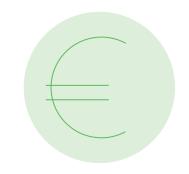
We offer internships and apprenticeships for students of technical universities, as well as for students of mechanical and mechatronic technical schools.

Working in a technologically advanced environment is an opportunity for them to expand their knowledge and skills.



100%

employees covered by the regular assessment system



1.6% of EBIT

allocated for training

Periodic evaluations within the MbO system offer an opportunity to select personalised training programs. Training sessions include sales techniques, communication and public speaking. The sales team employees and engineers also regularly participate in product training sessions, which are conducted at both our local sites and the headquarters in Germany. All employees can also benefit from language courses that are almost entirely funded by the company.

First Time Manager

In the passing year, the individually tailored "CEL" (OBJECTIVE) managerial skills development course, which had been running since 2021, came to an end. Approximately 75% of mid-level management participated in it. The company also offers managerial skills development programs for leaders called "International Development Programs." In the multi-level training, some of the management staff participate, and each stage of the program includes several dozen training hours.

For employees taking on managerial positions for the first time, there is a dedicated program called "First Time Manager," during which participants prepare for their new role and broaden their management skills through five two-day sessions.

GRI 404-1	20	23	2022		
Average hours of training per year per employee	Women	Men	Women	Men	
Management team	25.1	24.6	22.7	12.8	
Other	25.8	29.6	13.8	14.4	
Total	25.6	28.7	15.16	14.07	
	28.0		14.3		



Occupational Health and Safety, and Product Safety

[2-16, 2-24, 2-25, 2-26, 403-1, 403-4, 403-5, 403-6, 403-8, 403-9]

We monitor recurring irregularities and seek methods to completely eliminate them.

Our goal is to maintain the lowest possible accident rates. In the reported year, there were only 2 accidents, and the injury frequency rate decreased compared to the previous year.

Both production sites hold certificates of compliance with standards regarding quality management systems, as well as safety and occupational health (EN ISO 9001:2015 i ISO 45001:2018, respectively). We have a Quality and Occupational Health and Safety Management Policy, which forms the foundation of the Integrated Management System adopted in our company. In this policy, we have committed to supporting the individual and comprehensive development of employees, familiarising them with all aspects of their work and the principles of its safe execution, ensuring the best possible working conditions for employees, and undertaking all possible actions to prevent accidents and events that could potentially lead to accidents, and occupational diseases.

All internal standards and the occupational health and safety system are subject to consultation with employees or their representatives in order to ensure the highest level of safety. In our efforts to enhance the occupational health and safety awareness and qualifications of our entire team, we also conduct awareness and informational campaigns.

At SEW-EURODRIVE Polska, we have implemented a series of meetings called HUB Safety, where representatives from all departments discuss current issues related to occupational health and safety, including the results of internal audits and action plans. This contributes to the exchange of information and good practices in occupational health and safety. Within the HUB Safety, we have also established accident rate indicators and a calendar for periodic inspections, divided into detailed sectors, aimed at monitoring and assessing risk.

At SEW-EURODRIVE Polska, the OHS specialist oversees safety and is tasked with developing accident prevention and safety procedures within the company. An important improvement in this area is the continuously developed system for registering potentially dangerous events (so-called near-misses). The recently observed increase in reported incidents is a good signal for us, indicating a growing awareness of hazards and risks among employees.

100%

employees covered by the OHS management system



GRI 403-9	20	23	2022		
Work-related Injuries	Employees	External Staff	Employees	External Staff	
Total number of accidents	2	0	2	1	
Total number of fatal accidents	0	0	0	0	
Total number of high severity injuries	0	0	0	0	
Total number of hours worked	285,862	N/A	269,101	N/A	
Fatal accident rate	0	0	0	0	
All injury frequency rate (AIFR)*	7	0	7.4	N/A	
Frequency rate of high severity injuries	0	0	0	0	

The All-Injury Frequency Rate (AIFR) is reported as the ratio of all work-related injuries to the total number of hours worked over the course of a year, multiplied by 1,000,000 hours worked

Thanks to internal control analyses, it was possible to introduce additional risk mitigation measures, such as precise designation of areas for storing tools and parts in production halls, equipping forklifts with seatbelt sensors and reverse alarms, or providing painters with new masks that offer greater comfort and safety at work. At SEW-EURODRIVE Polska, an occupational health and safety survey system operates, which, together with the implemented platform and the participation of employee representatives in periodic HUB Safety meetings, allows for ongoing monitoring of any potential hazards and the identification of possible improvements.

Regular evacuation drills and fire safety training are also conducted routinely. Thanks to better marking of evacuation zones during the trial alarms conducted this year, the efficiency of the entire procedure has been significantly improved.

We are committed to providing swift and effective assistance in case of any emergencies, which is why we regularly organise first aid workshops, and have designated individuals in the facility who provide it as a first response. In the interest of our guests' safety, we have also established a so-called OHS area in each facility, where every visitor familiarises themselves with the health and safety regulations and the rules for moving around the premises, and also receives appropriate protective clothing.



We understand that employee safety is much more than just safe working conditions, which is why we organise workshops and events aimed at enhancing health awareness and promoting good habits.

Campaign for employees
"Napedzamy z sercem" (Driven with
Heart) – promotion of heart and
circulatory system health care.





Stakeholder Engagement

[2-16, 2-25, 2-26, 2-29]

Dialogue with stakeholders plays a crucial role in analysing the impact of the company and shaping its development strategy. SEW-EURODRIVE Polska organises opinion surveys, workshops and individual meetings for this purpose.

Each of our clients is assigned a dedicated relationship manager – a sales engineer, which allows us to build long-lasting business relationships. Thanks to this, we continuously receive information about our services and products, and direct contact with customer care representatives allows us to base our business model on trust and significantly improve communication on current issues.

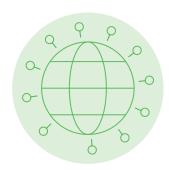
We organise training for clients in mechanical, electronic and automatic fields. We pass on knowledge and teach how to parameterise our solutions. During training sessions, we also gather comprehensive feedback and suggestions regarding the solutions we implement.

Employees are an extremely important group of stakeholders. We strive to ensure that they can express their opinions on every issue and participate in the processes of developing solutions.

We are present at industry trade shows, conferences and training sessions. The feedback collected there from customers, suppliers and employees over the years has proven to be extremely helpful, allowing us to refine our solutions and set new standards in the sector.

Through our social media activities, we are expanding our audience. In the reported year, on YouTube, Facebook and LinkedIn, we achieved a total reach of over 279,000 views and 1,544 new followers.

A distinct type of stakeholder engagement is the materiality assessment process presented in the previous chapter.



279,000

views on social media channels

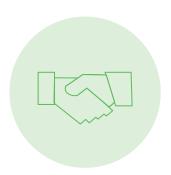
1,544



Local Communities

Through our volunteer program, we successfully planted 500 trees in Tarnowo Podgórne municipality, which will later form a community park, thus serving residents for many generations.

Our employees also engaged in the renovation of a local kindergarten and assisted the Hope Foundation (Fundacja Nadzieja). This included not only organising a collection of art supplies, games, toys and clothing but also performing garden maintenance and playground conservation at the Home for Single Mothers.



An extremely important initiative for us is the "Day for Sustainability" campaign, during which employees can, once a year, engage in ecological and social activities instead of their usual work tasks.

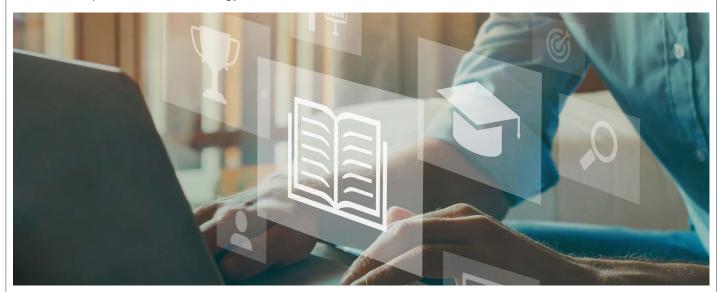
In 2023, 20 employees took advantage of this opportunity, These 20 days were dedicated to 4 initiatives.

Social Organisations, Scientific Centres

In the reported year, as part of the SEWstudentDAY initiative, we conducted training on our drive technologies and manufacturing processes, to which we invited 16 students and 2 lecturers.

The aim of the initiative was to acquaint young enthusiasts of technical fields with the realities of the industry and enable them to make more informed decisions regarding their careers and future, as well as to expand their knowledge about drive technologies.

Two client conferences were also held on the topic of the product lifecycle and the efficiency of IE5 group models, as well as a free public webinar on energy-efficient solutions in the context of ESG.



Trade Unions

[2-30]

At SEW-EURODRIVE Polska, there are no trade unions, and employees are not covered by collective agreements. At SEW-EURODRIVE Polska, a Workers' Council has been established, which allows our staff to contribute their ideas and feedback on various initiatives undertaken at the management level.

Human Rights in the Value Chain

At SEW-EURODRIVE Polska, we have an internal LG3 Export Control procedure and a process for handling suspected sanction violations. We also receive guidelines from the headquarters in Germany regarding changes related to sanctions and embargoes. Once a year, each employee undergoes mandatory training in export control.

We support the principles contained in the International Bill of Human Rights, the UN guidelines on business and human rights, the OECD guidelines for multinational enterprises, and the conventions of the International Labour Organization (ILO) concerning fundamental labour standards, as well as other applicable laws and regulations. Human rights constitute an essential element of the corporate Code of Conduct for the group and the currently designed Code of Conduct for SEW-EURODRIVE Polska. Avoiding collaboration with companies suspected of violations is one of the goals for which we implemented the supplier evaluation system.



Compliance with international human rights regulations and avoiding cooperation with entities from countries under sanctions are crucial elements of our business model.

Products and Services

Overview of Key Information:



Quality management systems according to ISO 9001:2015 standard.



Successful repair rate at 84%.



Over 18 tonnes of paper saved thanks to digital user manuals.

Business Model [2-6]

We strive to build long-lasting relationships with our clients by offering comprehensive and personalised support through training and service available 24 hours a day, 7 days a week. It is appreciated by our clients, as evidenced by the high satisfaction rate² with our comprehensive and personalised services – from production to service.

In our strategy, alongside environmental, social and governance (ESG) issues, we have emphasised a fourth component – **quality**, adding the letter **Q** for quality as a separate cornerstone of our development.

The highest standard of SEW-EURODRIVE products is the result of implemented management systems, which contribute to the company's stable position and its positive impact on the environment and social surroundings.

Quality at SEW-EURODRIVE Polska is an element embedded in the mission and DNA of the company, forming the basis of its approach to business, creation of added value, and building lasting relationships across all areas of operation.

The business model of SEW-EURODRIVE Polska is based on the continuous development of the products and services we offer, through which we deliver the highest quality drive technology and industrial automation solutions.



18 tonnes

of paper saved in 2023

306
rescued trees

4.5 million

saved litres of water

43 tonnes

of produced oxygen



Quality is a cross-cutting aspect in relation to other areas of sustainability and a priority in our value chain. Quality is the degree of customer satisfaction resulting from providing them with a product or service that fully meets their needs and requirements in terms of:

ightarrow Technical execution

with the utmost attention to every detail

ightarrow Reliability

through the selection of the best parameters and components

→ Safety

in various work environments, including that of the user, process or surroundings

→ Efficiency

understood as maximising the benefits from work

- Compliance with the standard precision and representation of assumptions
- Durability reflected in the product life cycle
- → Ease of use and maintenance through intuitive solutions and product complexity
- Customer support appropriate communication, responsiveness to needs, availability
- Innovativeness of solutions, flexibility in creating the product of the future
- → Impact on the environment minimising resource consumption and reducing negative impact on the environment

 ^2ln 2023, we did not repeat the customer satisfaction survey conducted the previous year The NPS score presented in last year's report reached as high as 90%.





At SEW-EURODRIVE Polska, quality is key at every stage of the value chain.

We have chosen it as a cross-sectional category of our strategy because we believe that sustainability primarily means transforming an economy based on quantity into an economy based on quality. We are aware that all employees are key assets of the company. The company's priority is to shape a reputation as an attractive employer who cares about the satisfaction and safety of the entire team.

The quality management system at SEW-EURODRIVE Polska is integrated with the occupational health and safety management system, emphasising the critical importance of both issues for the company's operations.

Continuous investment in employee skills builds a professional and qualified team, thanks to which we consistently elevate the level of our products and services, positively impacting society and the environment.

All of this is confirmed by the opinions of our stakeholders (anonymised and standardised):

+

"Our customer service is excellent; there are never any problems, and it is always clear whom to contact, even if a specific relationship manager is unavailable, the structure is known and the appropriate contacts are clear..."

+

"The company does not skimp on occupational health and safety; we've had first aid training. The level of safety is very high."

+

"They are looking for biodegradable materials and ways of disposal; it's constantly evolving and developing."

+

"(...) attention to the process, a good family-owned company – the employees are happy to be there."

+

"Low employee turnover – I value companies that retain the same people. We have built relationships, and the trainings have really made a significant impact. (...) You can learn from them how to build relationships."

+

"In addition to excellent knowledge and technical skills, a huge advantage is also the communication, very efficient, very fast. We have a relationship manager for our area, (...) who knows everything, and both email and phone contact are of the highest standard."





GREEN SIDE OF DRIVE

Innovative Solutions

[2-6, 306-2]



Products of SEW-EURODRIVE Polska are primarily innovations.

We continuously raise standards for the industry in areas such as digitalization, energy efficiency and durability, as well as the quality of the solutions we offer. Our constantly expanding product catalogue allows us to drive various industrial sectors. Thanks to our modular range of products, including gearboxes, geared motors, inverters, and decentralised technology, complemented by training services, maintenance, and technical support, we maintain our position as a leading supplier of drive technology and industrial automation.



We are laying the foundations for "smart factories" and constantly seeking new ways to ensure sustainability for years to come – for current and future generations.



The products and services we offer are based on the most advanced technologies. We know that only the continual pursuit of improving the level of our operations, both in terms of the quality of services provided and the impact of the company on the natural environment and society, represents an opportunity to build resilience and stability in the 21st century.



87%

Success Factor in 2022



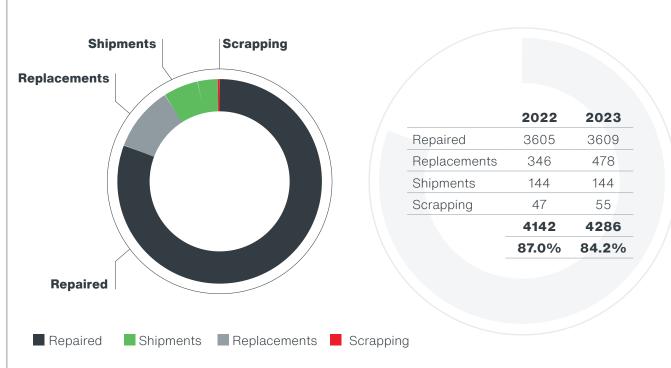
The quality of the services provided allows us to build relationships with clients, convincing them each time that they have chosen the right partner for collaboration.

High quality impacts relationships – this applies to both the service support we provide and the product training sessions we conduct, as evidenced by positive customer reviews and a consistently high Service Success Factor, which has remained above 80% for another year.



84%

Success Factor in 2023





Energy Efficiency of Products

The continual development of technologies we use also results in significant energy savings for our customers. Innovative IE5 class drives consume approximately 13% less energy than comparable models from previous generations. The top-class energy efficiency of SEW-EURODRIVE products helps to reduce the carbon footprint not only of our company but also of the industries that use our products and solutions.



14%

value of orders placed online

Management of Waste-related Impacts [306-2, 2-25]

Consumption of Raw Materials

The fundamental way to reduce the negative impact in terms of waste is for us to ensure the highest quality of the devices we offer. Durable products that serve for years are an element of the circular economy and the highest quality of maintenance services further reinforces this sustainable direction.

We believe that reducing the amount of waste generated begins with optimising the use of raw materials. In 2023, we implemented a program for dismantling machine parts suitable for recycling, repair or reuse, which significantly reduced the number of scrapped drives.

We consistently implement digital solutions. Since April 2023, we have stopped including paper instruction manuals with our products, allowing us to save as much as 18.5 tonnes of paper in just under 9 months. Such a result means the avoidance of cutting down approximately 300 trees and reducing the consumption of about 4,500,000 litres of water.

Over 93% of our invoices are issued electronically, which significantly reduces our environmental impact while also streamlining the document exchange process with our clients.

In the reported year, we also tested the possibility of completely reducing the use of foil for product packaging – the solutions currently being perfected may result in a reduction of the amount of foil purchased by 1,000 kg and reduce the time spent on packing by 125 hours over the course of the entire year.

The development of digital services has also led to an increase in the number of orders placed through the company's Online Support, i.e., via the internet. During the reported period, this accounted for as much as 14% of the total value of orders received.

Thanks to the paper recovery initiative in 2023, as much as 8 tonnes of packaging filler were reused. In this way, we save paper worth about PLN 100,000, proving that caring for the environment simply pays off.



Generated Waste

90%

recovery of used substance through a distillation installation

As a producer of advanced technical solutions, we are registered in the WEEE public register, use the required product markings, and collect, process, recover and recycle materials and used equipment with the support of an external certified company. Maintaining the highest standards in the marketing of electrical and electronic equipment and its disposal is extremely important to us, which is why we make every effort to ensure full compliance with legal standards.

We are constantly searching for new ways to reduce the pollution we generate . An example of this is the solvent distillation system installed at our manufacturing plant, which allows us to recover and reuse up to $90\,\%$ of the previously used substances.

GRI 306-3; GRI 306-5 Waste generated; Waste directed to disposal (in tonnes)

Total	20.100	Waste	0.515	Waste	1,200.504			
Hazardous Waste	20.158	Electronic	Electronic	Electronic	20.158 0.513		Non- Hazardous	99.833

GRI 306-4 Waste diverted for disposal (in tonnes)

madio arroritoa idi arop	700ai (iii 10iiii00)		
	Classification ba	sed on the method of utilisati	on
	On-site	Off-site	Total
	Н	azardous waste	
Reuse	0.472		0.472
Total			0.472
	Non	-hazardous waste	
Recycling		40.070	40.070
Total			40.070
Total recovered			
waste			40.542

All our locations have the appropriate permits for waste production. Proper management of non-electrical and non-electronic waste is ensured through cooperation with certified external companies, whose qualifications are regularly verified in relevant registers. Our waste management system was also subject to an audit, during which it received a positive evaluation.

Production and Business Processes

Overview of Key Information:



Goal - climate neutrality by 2050.



Total emissions in 2023: 1,717,770.99 kg CO2e.



Total annual energy consumption at production and service locations (Łódź and Tychy): **7,754.48 GJ.**



93% of invoices are issued in electronic form.







2050 1.7 million

climate neutrality total emissions in 2023

online invoice

Corporate Governance

[2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18]

The highest governing body of SEW-EURODRIVE Polska is the company's one-person management board. The President of the Board also holds the position of Managing Director. A Proxy was also appointed in the company. The term of the President of the Management Board has not been predetermined – subsequent terms of office are based on the approval granted annually by the General Meeting of Shareholders, which is the body representing the sole shareholder – the German headquarters of the company. The company has not appointed a supervisory board.

Assessment Process: Audits of the integrated management system are regularly conducted on the company in order to verify compliance with the ISO 9001: 2015 and ISO 45001:2018 standards. The regular internal audit is conducted by TÜV SÜD. Moreover, oversight of the Management Board and executive staff is conducted in the form of audits and evaluations carried out by the company's headquarters. All post-audit recommendations are being implemented on an ongoing basis, and areas for improvement are regularly monitored.

The selection of the Managing Director takes place through external or internal recruitment conducted by the company's headquarters in Germany. The annual assessment is based on reports and financial statements, as well as audits.

Within the management structure, the central role is played by the Core Management Team (CMT), which is responsible for the ongoing direction of key issues for the company's operations, as well as for medium- and long-term plans and development strategies. The team consists of the Managing Director, Sales Director, Service Director, Director of Production and Logistics, Business Development Director and Finance Director. Team meetings are held regularly every month. Once a year, as part of the team meeting, a Management Review is also conducted, where objectives, risks and opportunities in the areas of quality, occupational health and safety, and ESG are defined.

Corporate Structure of SEW-EURODRIVE Polska Stanisław **Tomasz** Artur Małgorzata Jarosław Adam Wieland Ruczkowski Grosicka Mizera Synowiec Nawracaj Business Production & Logistics Manager Managing Director President of the Board Finance Manager Service Manager Development Sales Manager Manager • Sales Regions: Order Delivery Assistant to the Accounting Department • Electronic Service Centre Maxolution - West - Centre • Controlling Department • Process Department Mechanical Service CentreService Centre Sales Management Board •Technical-Training •IT Department Production Department • Service Centre Logistics • Technical-Training •HR Department •Representative for -East •IG Department •Logistics •OHS Department • Development of New Solutions grated Management

Management of Sustainability Issues

[2-12, 2-13, 2-14, 2-16, 2-17]



The company also runs a
Sustainability project, which was
initiated by the Management
Board as a cross-functional matrix
project, engaging employees from
all departments across 4 different
locations and representing
distinct groups of specialists and
experts in their fields.

The Managing Director plays a key role in the field of management of ESG topics and monitoring of major risks and opportunities. They exercise direct control over the most important issues, create trends, set long-term goals and provide the means for their realisation. The Managing Director is also responsible for reviewing and authorising all information included in this Report.

The project leader at SEW-EURODRIVE Polska is also a member of the International Sustainability Network, an association of representatives from European subsidiaries within the group. This network hosts monthly online meetings that facilitate the exchange of information, ideas, experiences, best practices, challenges, risks and successes related to sustainability. The network enables seamless communication between the headquarters and the European subsidiaries.

Directors are responsible for achieving objectives within coordinated areas of activity. They manage individual departments and are responsible for the ongoing monitoring of results, including deviations, discrepancies and incidents, which they regularly report to the Managing Director. Individual directors are also responsible for ongoing contact with Stakeholders within their areas of responsibility, which shortens the information flow and ensures efficient communication of ESG issues directly to interested parties.

During Management Team meetings, a review of the achievement of sustainability goals is conducted, focusing primarily on quality, health and safety goals, and the relevant indicators for each area, based on which any necessary adjustments are made. The Director of Production and Logistics is directly responsible for waste management issues, including electronic waste within the framework of the EU WEEE system (Waste from Electronic and Electrical Equipment³) and the creation of appropriate reports.

Management of Material Topics [3-3]

The aforementioned assumptions for the Sustainability Strategy identify four megatrends associated with our challenges and opportunities. Many of these have been reflected in the topics identified as significant for the Report. All issues identified as key for the company or those the company has a particular influence on fall under the competencies of individual departments of SEW-EURODRIVE Polska, ensuring efficient management and the ability to respond promptly through planning and strategies at the managerial levels.

Regular research, consultations and external audits are conducted, covering all areas – from employment, occupational health and safety and management standards to waste and emissions issues.

³ The system introduced by Directive 2012/19/EU of 4 July 2012 on waste electrical and electronic equipment (WEEE) (https://eur-lex.europa.eu/legal-content/PL/TXT/HTML/?uri=CELEX:32012L0019)

Description and Application of the Greenhouse Gas Protocols [305-1, 305-2, 305-3] N2O CH4 CO2 SCOPE 2 Indirect energy-related emissions Leased assets

Purchased goods

and services





Emissions from power generation





Employee

Business travel

District heating and cooling

SCOPI Direct

Com

SCOPE 3 Indirect upstream emissions

To ensure the calculation of greenhouse gas emissions in accordance with GRI and ESRS requirements, the Greenhouse Gas Protocol (GHG Protocol) is used as the guideline in this section.

The Greenhouse Gas Protocol divides emissions into three scopes:



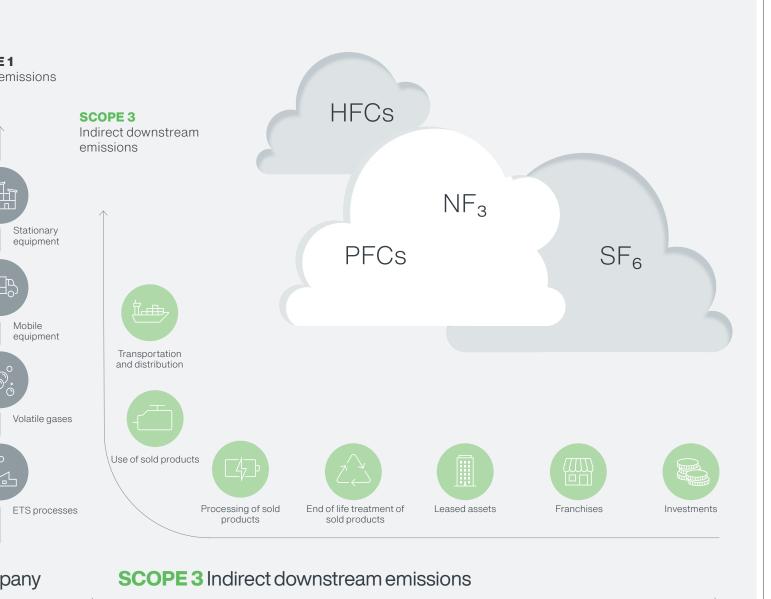
Scope 1 covers CO₂ output from direct greenhouse gas emissions, from burning natural gas, fuel oil, diesel, etc. for stationary systems (e.g. heating) and mobile systems (e.g. the car pool).



Scope 2 covers indirect emissions from the purchase of grid-based energy, including electricity, district heating and district cooling, for example. The emissions are generated by the energy supplier.



Scope 3 covers all other indirect emissions that do not fall under Scope 2, such as the extraction, processing, and transportation of raw materials, the fuel consumption of leased vehicles, waste and wastewater, the operation phase of sold products from our customers, and the disposal of products.



 \longrightarrow

In addition to the subdivision into the individual sub-areas, a distinction is made between market-based and location-based areas, especially in scope 2:

Market-based Emissions

In this context, greenhouse gas emissions are determined according to contractual terms, such as those based on an energy supply agreement with a provider. Existing energy certificates are also taken into account. For example, if only ecological energy is used, no emissions are generated in the market-based area (Scope 2.1). If any information is missing, a combination of the remaining data is used.

Location-based Emissions

These emissions are calculated based on the actual mix of energy sources in the local energy grid. This means that the type of energy that the company obtains due to local conditions is taken into account. Therefore, despite the green energy contract, Scope 2 emissions may occur.



Toward Environmental Neutrality

As SEW-EURODRIVE Polska, we continuously improve solutions that reduce our impact on the environment. Our corporate long-term goal is to achieve climate neutrality by the year 2050.



3 scopes

we have been analysing the company's emissions across all 3 scopes for the last two years GRI – 305-1, 305-2 and 305-3

GRI 305-1	Scope 1	Natural gas	298.87	23 17.4%		22
		Natural gas		17.4 70	403.30	20,.7%
		9	223.14	13.0%	236.94	12.1%
		Diesel	50.44	2.9%	144.05	7.5%
		Petrol	25.29	1.5%	22.31	1.1 %
GRI 305-2	Scope 2		566.85	33.0%	573.52	29.4%
		Purchased electrical energy	566.85	33.0%	573.52	29.4%
GRI 305-3	Scope 3		852.06	49.6%	976.16*	50.0%
		Category 3 – fuel- related and energy- related activities	184.01	10.7%	215.51	11.0%
		Category 4 – Transportation and distribution at earlier stages of the chain	363.07	21.1%	450.76	23.1%
		Category 5 – Waste generated during operations	2.82	0.2%	2.92	0.1%
		Category 6 – Business travel	225.20	13.1%	185.98	9.5%
		Category 7 - Employee commuting	0.88	0.1%	0.65	0.03%
		Category 9 – Downstream market transportation and distribution	76.09	4.4%	120.35	6.2%
		Total	1,717.77	100%	1,952.98	100%

GRI 302-1 Energy consumption within the organization	
Electrical energy	2,695.69
Natural gas	3,959.67
Electrical energy (PV)	Not applicable
Petrol	381.74
Diesel	717.38
Total	7,754.48

In 2023, we reduced the total amount of emissions compared to the previous year – despite an increase in turnover and employment. According to our analysis, several factors are responsible for this.

The reduction in natural gas consumption is the result of optimising the furnace operation at our production site in $\pm \delta d\dot{z}$, which is our unit with the highest demand for this resource.

The reduction of emissions in Scope 3, Category 9 "Transportation and Distribution," in our opinion, is the result of implementing a new delivery model, which has significantly reduced the number of products transported by large vehicles.

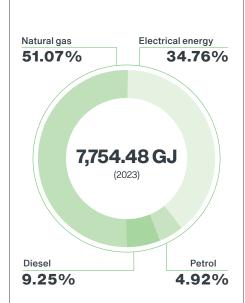
The observed reductions are also due to awareness campaigns that encouraged employees to save energy, as well as lower demand for thermal energy during the heating period.

Low-emission Investments[302-4]

As SEW-EURODRIVE Polska, we have been striving for years to reduce emissions at our locations. In the existing production building in \pm ódź, we plan to install photovoltaic panels over the next 3 years, which will significantly reduce our need for fossil fuel energy. Adjacent to the \pm ódź facility, a new building with an area of 7,579 m² will be constructed on the neighbouring plot. The new investment will increase the total area of our production site to 14.321 m².

In the new building, we are moving away from a gas heating system in favour of district heating, which also represents a step towards independence from high-emission energy sources. In order to minimise heating requirements in the new hall, devices that enable the reuse of collected heat to warm the entire volume will be installed.

The building will be equipped with modern management systems aimed at optimising energy consumption. As part of the modernisation of our facility, electric vehicle chargers will also be installed.





14,321 m²

area after expansion

Supply and Raw Material Chain

Supply Chain

In the assumptions for the Sustainability Strategy, we have identified 4 megatrends that dictate our course of action. One of these is deglobalisation, which is why we are building our operating model based on the goal of shortening supply chains and diversifying suppliers. The experiences of the pandemic and the war in Ukraine have shown how crucial a responsible approach to these issues is.

Our main supplier is SEW-EURODRIVE GmbH & Co KG, which guarantees uniform standards, components and quality for the entire group. Next to the German company, our suppliers of industrial gear units are SEW-EURODRIVE companies in Finland and the Czech Republic. We also collaborate with local companies that meet the high standards set by the headquarters.

We are also extremely pleased with the high quality delivery rate from the headquarters, which reached as much as 99.7% in the reported year. The durability of our products means less material consumption, less energy use and less waste generated.

Creating Value in a Company[2-6]

A responsible approach to various types of capital allows us to generate added value, which benefits not only our company and business partners, but also other social groups and the industry of drive technology and industrial automation.



99.7%

quality coefficient of supplies from the headquarters



Human Capital

SEW-EURODRIVE Polska is primarily about our employees, customers and suppliers. We believe that human capital is the most important asset and that our most valuable resource is our employees – skilled professionals – which is why we have been building long-lasting and trust-based professional relationships within our company for years.

Such an approach is an expression of appreciation for those without whom our company would not exist.



Technological Capital

Our most advanced solutions are now commonplace in so-called smart factories, where thanks to the open Ethernet communication interface, access to every production socket is possible from any location within the factory.

The communicativeness and advanced methods of controlling the drive systems of the MOVI-C® modular automation system allow for the analysis of the drive's condition and verification of its proper operation, and even the prediction of failures. This makes MOVI-C® products become part of the Internet of Things (IoT), serving as precise sensors in prediction systems, such as the SEW-EURODRIVE – DriveRadar® system.



As a manufacturing company, we know that the importance of the highest quality technological solutions cannot be overstated.

We continually strive to maintain top quality, including through the introduction of automation and digitalization of processes.



Additionally, for the convenience of use, the products are marked with QR codes, which quick link to detailed technical data.



Environmental Capital

We are aware of our impact on the environment. We understand and respect the importance of ecosystems, natural resources and biodiversity for both current and future generations. In line with the ECO2 concept, we operate in an eco-friendly and economical manner by offering gearmotors without paint coatings. Activities in the 3R Initiative (Reduce, Reuse, Recycle) are permanently embedded in the DNA of the company's operations and dictate the direction of strategic actions.

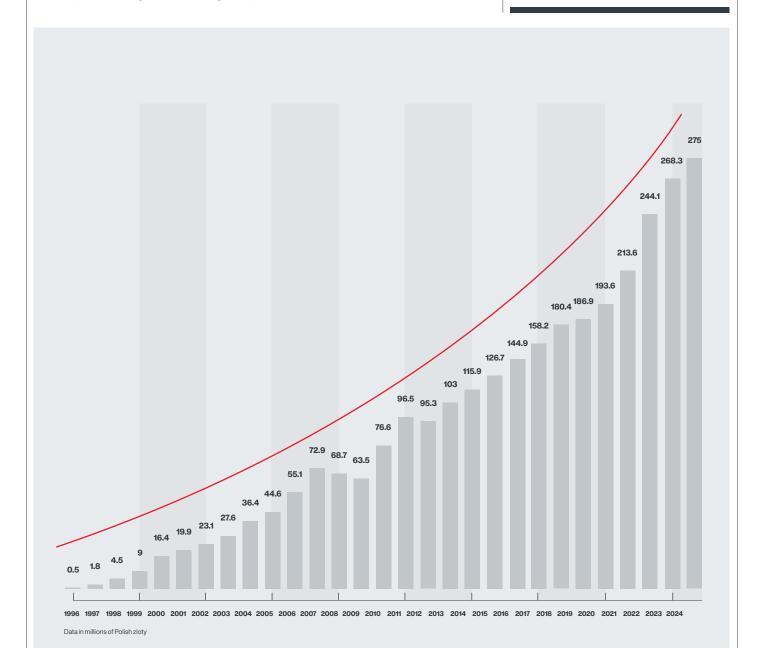
Our priority is to minimise the negative impact on the environment through efficient resource management and conscious waste management. Transparency in this area is extremely important to us at every stage of the value chain.



Our priorities in this area include improving the efficiency of production processes, reducing raw material consumption and implementing circular economy solutions.

Financial Capital

The highest quality of the products and services offered translates into the company's good financial health. Our financial stability is evidenced by our current annual turnover exceeding 250 million Polish zloty, which has been steadily increasing since we began operations in Poland.



Creating Value for Shareholders

Thanks to our skilled employees and years of experience both on the national and global markets, we can create value for our clients and various social groups. The company's activities are profitable and offer opportunities for sustained development, but it is the non-financial value that we can share with the world that fills us with the greatest pride.

1

Care for a safe and inclusive work environment is a value for our employees. Thanks to fair wages and various opportunities for skill enhancement, we provide them with chances for development while maintaining a balance between private and professional life. Our shared goals and values are evidenced by the high average length of employment and a low employee turnover rate.

2

The quality of products and services we offer our clients enables them to develop their activities steadily, knowing that they are collaborating with a trusted and professional partner. This also represents a way to elevate standards in the field of drive technology and industrial automation, which is why SEW-EURODRIVE Polska has been an industry leader for years, contributing to quality building across various industrial sectors.

3

The latest energy-efficient technologies and durable, high-quality products also represent value for the environment. We know that the durability and efficiency of our solutions are a way to minimise the impact of industry on the environment. Our solutions also reduce the amount of emissions and waste generated, meaning significant energy savings and long-term cost savings for our clients.

4

This business model, built around quality, innovation and sustainability, also adds value to the entire economic environment as well as to local communities and academic centres with whom we cooperate within the framework of social and educational initiatives.



At SEW-EURODRIVE Polska, we prove that such an approach simply pays off, as evidenced by our stable leadership position and strong economic performance.

In this way, we generate value for our shareholders, as well as for society, which benefits along with us thanks to our transparent and honest approach to tax obligations.

Ethics and Governance

[205-3]



Compliance with regulations is a top priority for us, therefore, we are very pleased to announce that as SEW-EURODRIVE Polska, we can boast of having no incidents of violations of universally applicable law.

Overview of Key Information:



No instances of legal violations in 2023.



Adoption of the updated Code of Conduct for the SEW-EURODRIVE group.



Appointment of the Compliance Officer and the Export Control Officer.



Maintaining the system according to ISO 9001: 2015 and ISO 45001:2018 standards confirmed by an external audit conducted by the notifying body TÜV SÜD Management Service GmbH.

Implemented Policies

[2-15, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 2-29, 308-1, 414-1]

Code of Ethical Conduct

To ensure that our values are respected at all stages of the value chain, in 2023, SEW-EURODRIVE Group implemented an updated corporate Code of Conduct.

The Code regulates key issues and its provisions cover all SEW-EURODRIVE employees worldwide. It lists core values, identifying universally recognised human rights, environmental protection principles and climate change mitigation as its foundation. It also prioritises fundamental issues for us, such as the health and safety of our employees, as well as the protection of their rights. A crucial part of the Code also includes the framework for anti-corruption policies for the entire group, as well as provisions concerning competition law and conflict of interest.

In the event of a suspected violation of the Code, the Compliance Officer is responsible for conducting inquiry proceedings, and all concerned parties are informed of the outcomes. We encourage our stakeholders to report any concerns regarding the company's practices' compliance with the provisions of the Code. Violations of the Code are continually reported to the relevant company units, including the Management Board.

Additionally, work is also underway on implementing a code of conduct for SEW-EURODRIVE Poland, which is scheduled to be published in 2024.



Procedure for Counteracting Mobbing and Discrimination

To ensure that everyone feels safe and comfortable at work, we have implemented a procedure to counteract mobbing and discrimination. The Employee Relations Committee has been established, consisting of representatives from the HR department, the Employee Council, and mid-level management, totalling 10 members. Every employee has the opportunity to report any violations to the HR department at a special email address: zgloszeniaHR@sew-eurodrive.pl.

All cases are analysed according to the procedure, and individuals participating in the proceedings are continuously informed about the results.

Privacy and Security

In the company, a Data Protection Officer has been appointed whose task is to ensure full compliance with data protection regulations and to conduct proceedings in the event of any risk of breaches. Any detection of a breach will be promptly reported to the relevant authorities, primarily to the President of the Personal Data Protection Office.

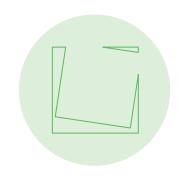
Mechanism for Filing Complaints and Reporting Irregularities

Critical issues may be reported directly to the supervisor or to the human resources department. Reports are reviewed regularly, at the monthly meetings of the Management Team or as needed on an ongoing basis. Once a year during the Management Review, a comprehensive analysis of the company's situation is carried out, covering risks and opportunities, taking into account both external and internal factors.

Matters related to occupational health and safety are communicated through a special communication channel directly to the relevant department, and soon, a dedicated internal platform will begin to operate. Occupational health and safety topics are addressed at monthly meetings with a health and safety specialist. Based on them, an "Annual Analysis of Occupational Health and Safety" is prepared once a year.

Tax Strategy and MDR Procedure

At SEW-EURODRIVE Polska, a tax strategy and Mandatory Disclosure Rules (MDR) procedure (i.e., rules regarding the reporting of tax arrangements) have been implemented. These rules ensure compliance with the law, aiming to identify key risks and establish a clear allocation of responsibilities and competencies within a responsible tax governance framework.



The procedure imposes on all employees the obligation to respect the fundamental values of SEW-EURODRIVE Polska, regardless of the nature and conditions of their employment.

Sanctions may be imposed for any instances of mobbing, discrimination, harassment or violations of the company's values.



Management Systems

We maintain an Integrated Management System, certified in accordance with the ISO 9001:2015 standard and the ISO 45001:2018 standard. In 2024, we also plan to initiate activities aimed at implementing an environmental management system certified to the ISO 14001:2015 standard.

Ethics in the Value Chain

In 2023, we introduced a new evaluation system for external suppliers, which includes surveys covering ESG, OHS and quality management issues. Responses should be supported by appropriate certificates, as they are the basis for supplier classification. In the research process, we inquire, among other things, about the impact on the environment, respect for human rights in the value chain, diversity policies, measures against violence and discrimination, as well as anti-corruption policies, data protection, and solutions related to the circular economy.

We have the capability to conduct third-party audits. We collaborate exclusively with entities that meet specific standards, preferring to work with those who have received the highest ratings in the evaluation process.

Our company consistently strives for sustainability through ethical management, community engagement and environmental care. Thanks to our efforts in minimising CO₂ emissions and increasing the share of renewable energy, we are continually reducing our impact on the environment. Employee training programs and involvement in local communities affirm our commitment to conducting business responsibly and without compromising the opportunities of future generations. Our high standards of workplace safety and continuous improvement of procedures ensure a safe and comfortable work environment for all employees. Diversifying suppliers and optimising the supply chain allow us to effectively manage operational risk. We will continue to strive for improved energy efficiency and minimising our impact on the environment, to further our journey towards sustainability. SEW-EURODRIVE Polska sp. z o.o., with its achievements and commitment, confirms its position as a leader in the industry, ready for the challenges of the future.



The highest quality in corporate governance assures a company a leading position in the industry and a reputation as a reliable business partner.

This would not be possible without the highest standards in management and the ambition, professionalism, and high qualifications of our employees, as well as the atmosphere of trust and cooperation cultivated within the company.



Attachments

Scope and External Verification of the Report [2-1, 2-2, 2-3, 2-4, 2-5]

No external verification is planned for this Report.

This Report covers the reporting period from 1 January to 31 December 2023, identical to the annual financial statement published by SEW-EURODRIVE Polska, and includes only the activities of the Polish subsidiary of the international SEW-EURODRIVE group.

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2-2 Entities included in the organization's sustainability reporting 2-3 Reporting period, frequency and contact point 2-4 Restatements of information 2-4 Restatements of information 2-5 Page: 49 2-6 External assurance 2-6 Activities, value chain, and other business relationships 2-7 Employees 2-8 Workers who are not employees 2-9 Governance structure and composition 2-9 Governance structure and composition 2-10 Nomination and selection of the highest governance body 2-11 Chairman of the highest governance body in overseeing the management of impacts 2-14 Role of the highest governance body in sustainability reporting 2-16 Page: 36 2-17 Pages: 36-37 2-18 Pages: 36-37 2-19 Pages: 36-37 2-10 Pages: 36-37 2-11 Pages: 36-37 2-12 Pages: 36-37 2-13 Pages: 36-37 2-14 Role of the highest governance body in sustainability reporting	2-1	Organizational details	Pages: 6-7 10		
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	2-14		Pages: 36-37		
2-15 Conflicts of interest Pages: 46-48	2-15	Conflicts of interest	Pages: 46-48		
2-16 Communication of critical concerns Pages: 24-26, 37, 46-48	2-16	Communication of critical concerns			
2-17 Collective knowledge of the highest governance body Pages: 36-37	2-17		Pages: 36-37		

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2-18	Evaluation of the performance of the highest governance body	Page: 36		
2-19	Remuneration policies		yes	No remuneration policy has been implemented in the company; these matters are regulated on a general level, including in the Code of Conduct.
2-20	Process to determine remuneration		yes	The recruitment process and determination of the Management Board's remuneration are coordinated at the group level.
2-21	Annual total compensation ratio		yes	Currently, no salary index calculations are being conducted in the company.
2-22	Statement on sustainability strategy	Page: 5		
2-23	Policy commitments	Pages: 23, 46-48		
2-24	Embedding policy commitments	Pages: 12, 18-25, 46-48		
2-25	Processes to remediate negative impacts	Pages:12, 24-27, 34, 46-48		
2-26	Mechanisms for seeking advice and raising concerns	Pages: 24-27, 46-48		
2-27 2-28	Compliance with laws and regulations Membership associations	Pages: 46-48 Page: 50		The company is not a member of any associations.
2-29	Approach to stakeholder engagement	Pages: 13-14, 16-23, 26-27, 46-48		
2-30	Collective bargaining agreements	Page: 27		
3-1	Process to determine material topics	Page: 13, 16-17		
3-2	List of material topics	Page: 17		
3-3	Management of material topics	Pages: 12-17, 37		
205-1	Operations assessed for risks related to corruption		yes	There are no detailed anti-corruption procedures in place at the company. These issues are regulated at a general level, including in the Code of Conduct.
205-2	Communication and training about anti- corruption policies and procedures		yes	Detailed training on corruption was not conducted in the reported year. The company plans to implement a program of such training in subsequent reporting periods.



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