

THE GREEN SIDE OF DRIVE



Contents

CEO Letter [2-22]	5
Introduction	6
About the Company [2-1, 2-2, 2-6]	
Mission, Vision, Values	
Sustainability Strategy – The Green Side of Drive [2-23, 2-24, 2-25, 3-3]	
Sustainable Development Goals (SDGs) [2-23, 3-3]	
Assessment of Significance [3-1, 3-2, 3-3, 2-29]	
People	16
Honest and Trustworthy Employer [2-24, 2-29, 401-2, 404-2, 405-1]	
Occupational Health and Safety, and Product Safety [2-16, 2-25, 403-1, 403-4, 403-5, 403-6, 403-8, 403-9]	
Stakeholder Engagement [2-16, 2-29]	
Local Communities	
Social Organisations, Scientific Centres	
Trade Unions [2-30]	
Human Rights in the Value Chain	
Products and Services	26
Business Model Based on Quality [2-6]	
Innovative Solutions	
Energy Efficiency of Products	
Management of Waste-related Impacts [306-2, 2-25]	
Business Processes	34
Corporate Governance [2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18]	
Management of Sustainability Issues [2-12, 2-13, 2-14, 2-16, 2-17]	
Management of Material Topics [3-3]	
Minimising Environmental Impacts	
Low-emission Production Plants [302-4]	
Value Chain	40
Supply Chain [2-6, 308-1, 414-1]	
Creating Value in the Company [2-6]	
Ethics and Governance	44
Implemented Policies [2-15, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 2-29, 308-1, 414-1]	
Management Systems	
Ethics in the Value Chain	
Attachments	47
Scope and External Verification of the Report [2-1, 2-2, 2-3, 2-5]	
GRI Index	

Sustainability Report

SEW-EURODRIVE Polska

2024



CEO Letter [2-22]

Dear Sir or Madam,

I am pleased to present to you the Sustainability Report of SEW-EURODRIVE Polska for the year 2024. Thus, we continue our tradition of transparently communicating our actions and results in the environmental, social and governance areas, in accordance with the requirements of the international GRI (Global Reporting Initiative) standard.

We ended the previous year’s report with the following sentence: “Sustainability is the only proper way to conduct business, not just compliance with legal requirements”. Today, with the latest reporting standards in mind, we emphasise even more the significance of acting responsibly at each stage of business – from the strategy and risk management to open communication with stakeholders.

We drive the world with awareness, efficiency, and sustainability.

Sustainability is not a new concept for us. This allows us to implement our strategy, #TheGreenSideOfDrive, which emphasises our ambition to further reduce our carbon footprint, use resources in an optimal manner and introduce solutions that are justified both in economic and ecological terms.

ESGs and additional pillar Q – Quality

As part of the implemented ESG strategy, we put particular emphasis on the aspects that are of utmost importance to us in the individual areas.

E (Environment)

We identify solutions that counteract climate change within the framework of our own strategies, activities and process. Activities from the area of circular economy and efficient use of resources are particularly important to us. We also focus on responsible waste management in our own operational processes as well as in business processes. Whereas the durability of the products offered and their highest energy efficiency are the best way to reduce emissions and pollution in the processes and solutions developed by our Customers.

S (Social)

We are aware that people are the key to success, and their engagement and satisfaction with everyday work are strongly correlated with the company’s performance. Employees – their safety, education and intergenerational solidarity are our priorities and the foundations of our success. Long-lasting relationships, based on honesty, respect and trust, are visible both within the organisation and in the dealings with its surroundings. This fosters taking up actions and initiatives limiting the effects of global adverse climate and economic changes as partners.

G (Governance)

For us, ethical and transparent management is reflected not only in the procedures and regulations, but mostly in mutual agreement and understanding of the direction in which we are going together. Business ethics is embedded in our everyday actions.

Q (Quality)

Quality is a cross-cutting aspect in relation to other ESG areas and it is a priority in our actions in the value chain. The quality of our devices, services and processes has always been, still is and will remain our trademark. Product life cycle is one of the key strengths of the SEW-EURODRIVE brand, apart from the efficiency of our solutions and the comprehensive nature of the services we provide.

On behalf of myself and the employees of SEW-EURODRIVE Polska, I encourage you to familiarise yourselves with our achievements and plans for the future presented in this Report. I believe that transparent reporting not only fulfils the regulatory requirement, but is also a confirmation of the fact that we want to play a leading role in paving the way towards sustainable businesses.

Yours faithfully,



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

Introduction

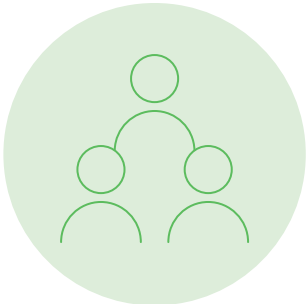
SEW-EURODRIVE worldwide

[2-1,2-6]

SEW-EURODRIVE is an international leader in drive technology and industrial automation. Founded in 1931 in Bruchsal, Germany, as a small family business, it has achieved international reach through intense growth and currently employs over 22,000 workers. We combine product innovation with excellent service to be a trusted supplier for our Customers.

Vision Statement: Our Customers are entrepreneurs, manufacturers, designers. They are doers who change the world. It is for them that SEW-EURODRIVE sets standards and creates the best solutions in drive technology and industrial automation. Together, we drive the world forward while adhering to the principles of sustainability.

Mission Statement: To provide our Customers with the highest quality drive technology and production automation solutions, along with service and training support.



22,000

employees worldwide

57

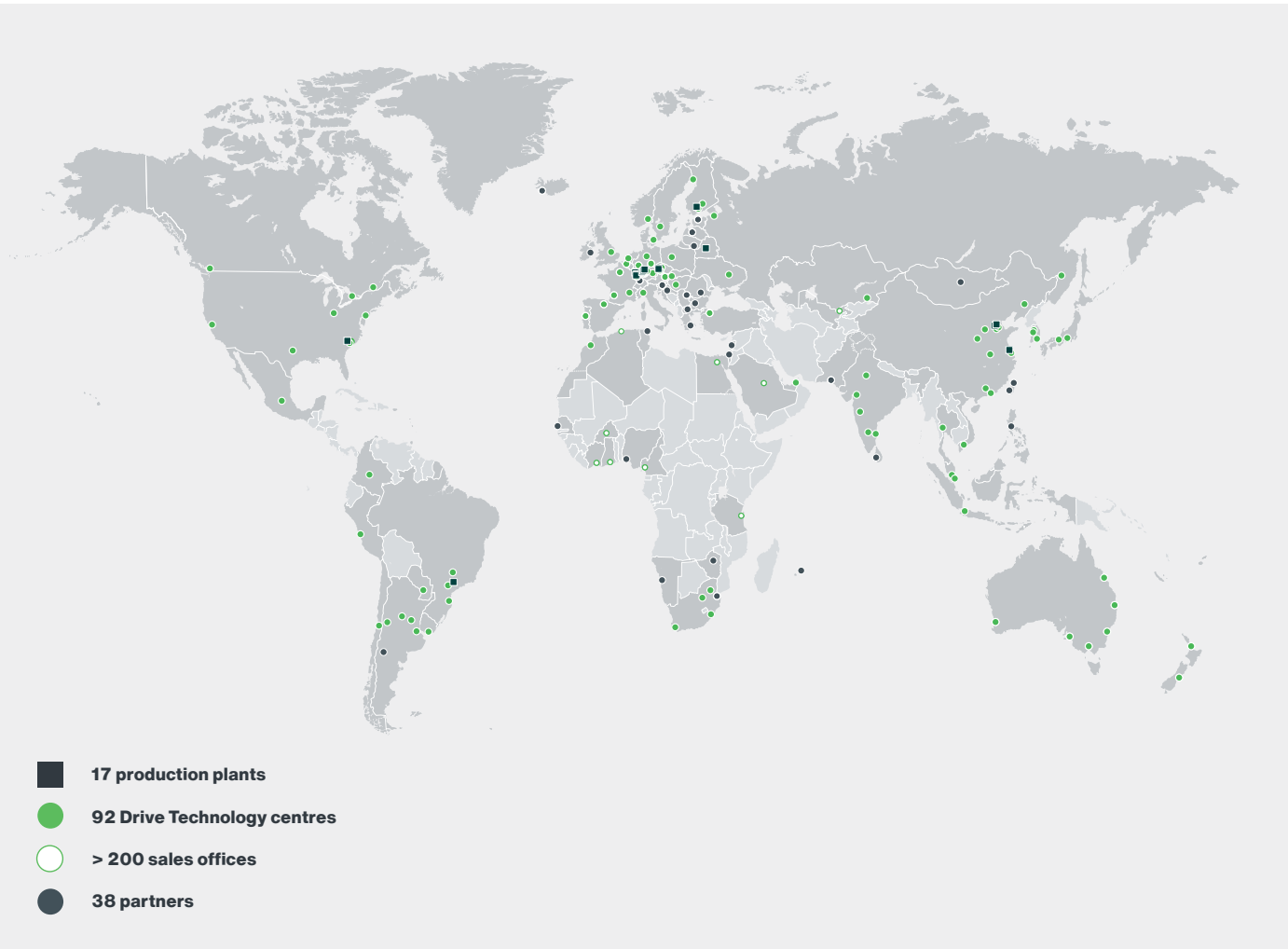
countries

~ 110,000

customers

> 3,000

granted patents



20 million

parts/month in 100+ locations

~ 230,000

gearmotors/month

~ 55,000

inverters/month

About the Company

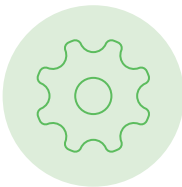
SEW-EURODRIVE Polska [2-1, 2-2, 2-6]

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

SEW-EURODRIVE Polska plays a crucial role in the implementation of the sustainability strategy by adapting global goals to local conditions and needs.

The report presents our achievements, initiatives and plans for the future, which aim to further strengthen our leading position in the field of drive technology. In conducting our business, we take into consideration the sustainability principles on which the company’s strategy has been based.

The report has been prepared in accordance with the standards of the Global Reporting Initiative (GRI) that are recognised worldwide as the best practices of sustainability reporting. The GRI standards ensure transparency, comparability and credibility of the presented data, which allows the stakeholders to fully understand our actions and their impact on the environment, society and economy.



year of establishment: **1996**



headquarters: **Łódź**



Thanks to the application of the international GRI standards, the report of SEW-EURODRIVE Polska provides comprehensive and reliable information on our achievements and challenges with an emphasis on sustainability.

In order to ensure comparability of our results, the information presented include GRI indicators reported in the previous year as well as selected own indicators. This allows us to closely monitor progress and compare our achievements with the previous periods, allowing for more precise assessment of our actions in the area of sustainability.

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, the company has reached its well-established position on the market, as well as its status of a reliable business partner.

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

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

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.



Promise of our brand
Quality of products and services



Delivery
Reliable business partner



Service
24/7/365



Knowledge
Training and webinars for Customers



Processes
Digital solutions and modern business management



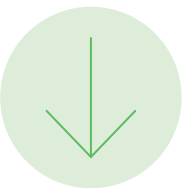
Marketing
Marketing support

Mission, Vision, Values

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, a fair and responsible 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.

CREDO

Commitment, Respect, Trust, Teamwork, Professionalism.



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 sustainable development for present and future generations. We aim to create added value for stakeholders with full commitment.



Respect, trust and commitment are our priority in relationships with stakeholders. We understand the importance of direct and long-term cooperation, which is why each of our customers is assigned their own dedicated relationship manager – a qualified sales engineer with whom they have a long-lasting and individual relationships. As the first point of contact, the relationship manager provides knowledge and experience in selecting the optimal products and services.



Teamwork and professionalism are key to our success, which is why we continuously invest in the development of our employees and maintain good working conditions. The atmosphere in our teams is friendly, even welcoming, which is 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.



Opening of the
headquarters of
SEW-EURODRIVE Polska
in Łódź

1996

Beginning of the expansion

2024

Opening of the new
building

2025

Sustainability Strategy
The Green Side of Drive

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



We are proud to announce the preparation of the sustainability strategy for the coming years. It focuses on creating value for stakeholders in accordance with our long-term goals, while taking environmental, social, economic, as well as quality aspects into account.

We are making every effort for our customers, suppliers and collaborators to perceive us as a trustworthy partner with whom they can act for a more sustainable business.

SDGs



The strategy is supposed to bring the company closer to reporting which complies with the requirements of the European Union, as per the CSR (Corporate Sustainable Reporting) Directive and the provisions of the Accounting Act. In the short-, medium- and long-term perspective, the defined goals are ambitious challenges on the one hand, but also a step that brings us closer to fulfilling legislative obligations and Europe's plan for zero emissions on the other.

After exploring the issue of ESGs and understanding the importance of our activities in the achievement of UN goals (Sustainable Development Goals), we have identified three goals on which we have an actual impact as a business. Thus, we have reduced the number of areas (SDGs) from six to three that are presented on the left. We have assigned specific goals to these areas and determined the tasks that will bring us closer to the fulfilment of EU requirements.

	2025	2026	2027	2030
	<ul style="list-style-type: none">• Compliance with European Union legislative requirements• Process digitalisation	<ul style="list-style-type: none">• Development of the SEW-EURODRIVE Polska facility in the area of training and service• Rating EcoVadis	<ul style="list-style-type: none">• Product carbon footprint• Reduction of CO2e emissions in Scopes 1 and 2	<ul style="list-style-type: none">• Waste management based on circular economy
Area	Short-term goals (2025)	Medium-term goals (up to 3 years)	Long-term goals (above 3 years)	
E	<ul style="list-style-type: none">+ Increasing sales of IE5 products by 10%+ Promoting suppliers who apply sustainable production practices	<ul style="list-style-type: none">+ Energy from RES at the level of 20%+ Increasing sales of IE5 products by another 25%+ Implementing the circular economy model (6Rs)	<ul style="list-style-type: none">+ Energy from RES at the level of 25%+ Reduction of CO2e emissions in Scopes 1 and 2 by 10%+ Increasing sales of IE5 products by another 25%	
S	<ul style="list-style-type: none">+ Employee satisfaction of at least 70%+ Employee turnover < 10%+ Employee volunteering engaging at least 10% of employees+ Programmes to promote physical and mental health of employees	<ul style="list-style-type: none">+ Great Place To Work® certification+ Turnover < 8%+ Employee volunteering engaging at least 15% of employees+ Programmes to promote physical and mental health of employees	<ul style="list-style-type: none">+ Turnover < 8%+ Employee volunteering engaging at least 20% of employees+ Programmes to promote physical and mental health of employees	
G	<ul style="list-style-type: none">+ Correlation of variable remuneration of the executive staff with ESG goals+ Analysis of remuneration in terms of pay gap women vs men+ Analysis of corporate policies in terms of ESG	<ul style="list-style-type: none">+ Correlation of variable remuneration of the executive and managerial staff with ESG goals at the level of up to 10%+ Implementing the EU Pay Transparency Directive+ Updating corporate policies in terms of ESG	<ul style="list-style-type: none">+ Correlation of variable remuneration of the executive and managerial staff with ESG goals at the level of up to 15%+ Obliging key suppliers to comply with the Code of Conduct	
Q	<ul style="list-style-type: none">+ Fixed costs of warranty repairs (refers to the Polish assembly portfolio)+ Number of defective components less than 0.5% of the number of products placed on the market+ SSF above 80%	<ul style="list-style-type: none">+ Fixed costs of warranty repairs (refers to the Polish assembly portfolio)+ Number of defective components less than 0.5% of the number of products placed on the market+ SSF above 80%	<ul style="list-style-type: none">+ Fixed costs of warranty repairs (refers to the Polish assembly portfolio)+ Number of defective components less than 0.5% of the number of products placed on the market+ SSF above 80%	

Assessment of Significance

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

Due to the stability of the industry and our operations, we are of the opinion that key topics have not changed since 2023, which is why we have based the content of the report on the previous analysis. The result of the study is the identification of the most important issues which are presented in the chapter entitled “SEW-EURODRIVE Polska Significance Matrix”. In order to define key topics, we analysed frameworks for ESG reporting, including GRI and SDGs.

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. It was conducted through both surveys and in-depth 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.



19

topics addressed in the study

Stakeholders expressed a number of comments and opinions in additional remarks to the surveys, referring to a wide range of topics, such as organisation of work in various locations of the company, plans for calculating emissions per product, selection of raw materials and subcontractors, export control, waste management and circular economy, as well as equality and transparency of compensation.



In 2024, we started the process of preparation for the implementation of regulations concerning transparency of compensation. As part of these activities, we analyse compensation of our employees to make sure that there is no pay gap in our organisation in similar or the same positions.



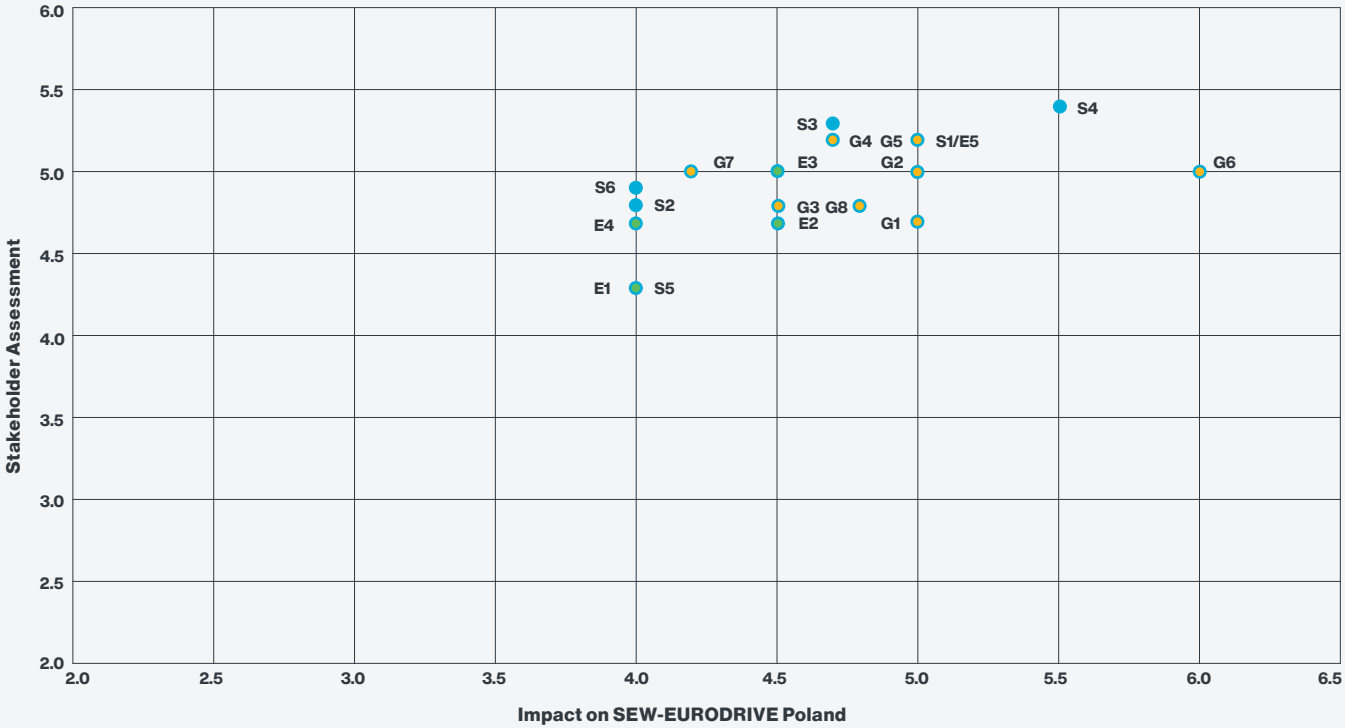
Moreover, we are in the process of building a competence matrix, which will allow for efficient management of the compensation policy. We exercise great degree of care as regards the coherent pay policy also in the process of annual reviews of compensation and pay raises, so that compensation of our employees is transparent.

The report for 2024 is based on the analysis of significance carried out in 2023.



Significance Matrix SEW-EURODRIVE Polska

The study conducted prior to preparing the report was the first of its kind for SEW-EURODRIVE Polska. We are aware that such an analysis needs to be repeated and further deepened on a regular basis, which is why we plan to engage in another dialogue with the stakeholders in the following years.



Area	Important Issues	GRI Indicator	Stakeholder Assessment	Board Assessment
Society	Human resource management, employment and compensation policy (pay equity, counteracting employee turnover, recruitment, fringe benefits, etc.)	S1	5.2	5.0
	Diversity policy (equal opportunities, combating discrimination, including on the basis of gender, age, education, nationality, etc.)	S2	4.8	4.0
	Employee development and further training	S3	5.3	4.7
	Safe work environment	S4	5.4	5.5
	Activities for local communities and volunteering	S5	4.3	4.0
	Safety assessment of both existing and emerging products	S6	4.9	4.0
Environment	Greenhouse gas emissions and methods of their reduction	E1	4.3	4
	Energy consumption and methods of reducing energy usage (gas, electricity, heat, etc.)	E2	4.7	4.5
	Method of storage and disposal of chemical substances	E3	5.0	4.5
	Efforts to reduce the consumption of chemical substances	E4	4.7	4.0
	Recycling and reusing materials	E5	5.2	5.0
Governance	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
	Code of Ethics and human rights	G4	5.2	4.7
	Information security and personal data protection	G5	5.2	5.0
	Digitalisation of customer 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]

We care about the rights of all employees, which is why, out of the 195 individuals working for us, 168 are employed under an employment contract at SEW-EURODRIVE Polska, while the rest are employees hired through a temporary employment agency. Only five persons are employed under a contract of mandate (leave periods, trial periods).



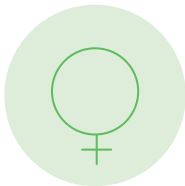
ISO 45001:2018

a standard implemented for the headquarters in Łódź



8.8 years

average length of employment



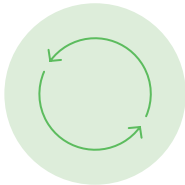
24.7%

women employed



9%

attrition rate



W M
1.2 1.1

turnover rate



3.6

injury frequency rate



19

average number of training hours per employee

GRI 2-7 Employees	2024			2023			2022		
	W	M	Total	W	M	Total	W	M	Total
	division according to the period of employment			division according to the period of employment			division according to the period of employment		
Employed for a fixed term	7	6	13	4	10	14	2	3	5
Employed for an indefinite period	34	121	155	35	117	152	36	113	149
	division according to the number of hours			division according to the number of hours			division according to the number of hours		
Full-time	39	127	166	37	127	164	36	116	152
Part-time	2	0	2	2	0	2	2	0	2
Total number of employees	41	127	168	39	127	166	38	116	154

GRI 2-8 Workers who are not employees	2024			2023			2022		
	W	M	Total	W	M	Total	W	M	Total
Persons employed under a contract of mandate	2	3	5	0	1	1	1	1	2
Persons employed under a contract for specific work	0	0	0	0	0	0	0	0	0
Persons employed under an internship/traineeship agreement	0	0	0	0	0	0	0	0	0
Self-employed persons	0	0	0	0	0	0	0	0	0
Employees hired by the Temporary Employment Agency	3	19	22	5	25	30	7	30	37
Total number of collaborators	5	22	27	5	26	31	8	31	39

All data cover one region (Poland).
The table presents data updated as at 31.12.2024.

We consistently improve work conditions by providing our employees with top-quality equipment, company computers and phones. Some employees also have access to 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 the cafeteria system, which allows employees to use the funds assigned to them on the selected products and services, such as sports passes, additional medical care and entertainment and recreational activities.



we consistently improve work conditions



Benefit Systems

The company operates an In-House Social Benefits Fund. The funds amassed there allow for financing team-building programmes and trips, holiday bonuses and other occasional benefits, reserves for unforeseen events, or initiatives such as “self-arranged countryside holiday”. The employees themselves influence the spending through the opportunity to express their opinions in a survey conducted by the Employee Council.

We promote a healthy lifestyle at all locations by organising “Fruit Mondays” and offering sports passes. Every year, we organise team-building trips, which help foster a positive work atmosphere based on trust and friendly relationships.

Age is not relevant to us. Qualifications and team diversity remain our basic criteria.

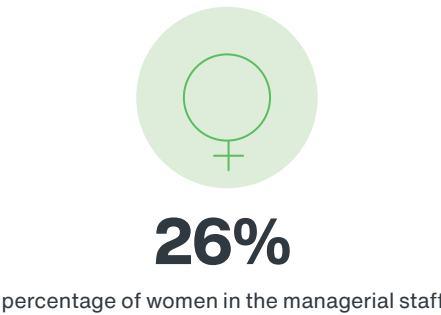
GRI 405-1 Diversity of employees	2024				2023				2022			
	M	%	W	%	M	%	W	%	M	%	W	%
Total	137	100%	45	100%	132	100%	41	100%	123	100%	40	100%
<30 years	12	9%	5	11%	13	10%	5	12%	15	12%	7	18%
30–50 years	102	74%	32	71%	102	77%	31	76%	94	76%	28	70%
>50 years	23	17%	8	18%	17	13%	5	12%	14	11%	5	13%

GRI 405-1 Diversity of governance bodies	2024				2023				2022			
	M	%	W	%	M	%	W	%	M	%	W	%
Overall management team	20	100%	7	100%	22	100%	5	100%	25	100%	6	100%
Higher level	4	20%	1	14%	5	23%	1	20%	5	20%	1	17%
Mid-level	8	40%	6	86%	7	32%	4	80%	7	28%	5	83%
Lower level	8	40%	0	0%	10	45%	0	0%	13	52%	0	0%



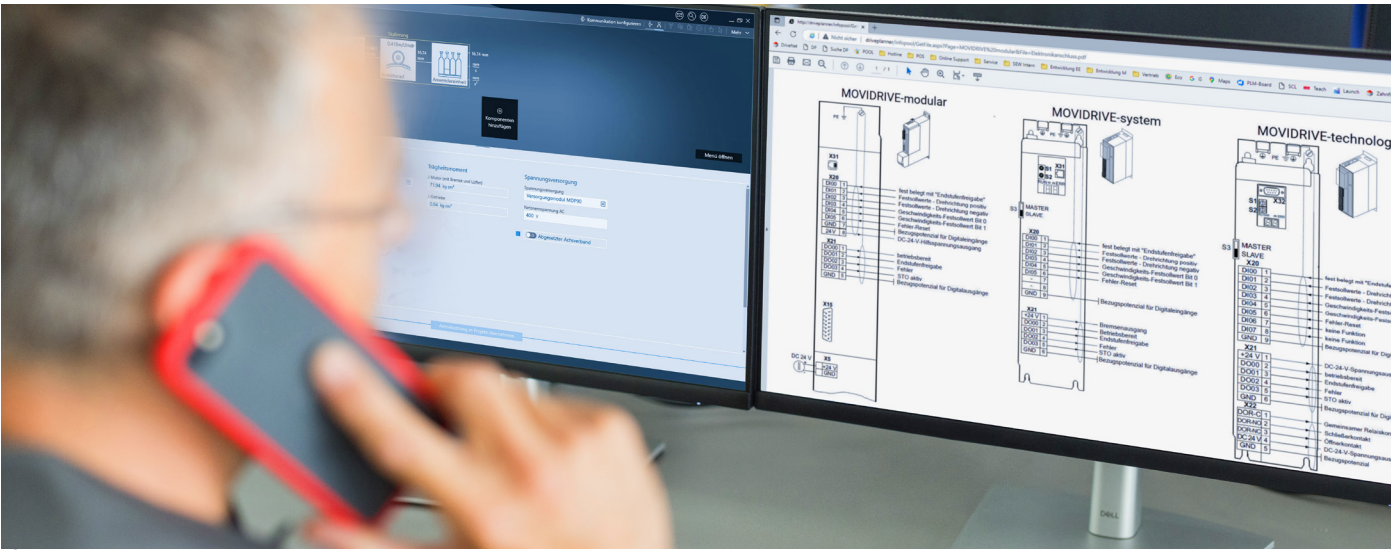
Currently, women make up 26% of our managerial staff and 20% of our executive staff.

We recognise that having employees of various ages positively influences the potential of the company. Employees from various generations offer an opportunity to create teams rich in experience, diverse skills, and competencies, and also a way to counteract social exclusion.



GRI 401-1 New employee hires	2024				2023				2022			
	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Total	11	64.7%	6	35.3%	16	84.2%	3	15.8%	9	69.2%	4	30.8%
<30 years	3	17.6%	3	17.6%	6	31.6%	0	0.0%	2	15.4%	2	15.4%
30–50 years	8	47.1%	3	17.6%	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%	0	0.0%	0	0.0%
Total number of employee departures	M	Rate	W	Rate	M	Rate	W	Rate	M	Rate	W	Rate
Total	10	66.7%	5	33.3%	6	75%	2	25%	7	77.8%	2	22.2%
<30 years	2	13.3%	1	6.7%	2	25%	1	13%	1	11.1%	0	0.0%
30–50 years	6	40.0%	4	26.7%	4	50%	1	13%	4	44.4%	2	22.2%
>50 years	2	13.3%	0	0.0%	0	0%	0	0%	2	22.2%	0	0.0%

Employee turnover	2024	2023	2022
	9.13%	4.8%	5.8%



Recruitment Practices

It is becoming increasingly apparent, already at the stage of recruitment, that ESG aspects are a significant factor taken into account by prospective employees. Having regard to the growing awareness of employees concerning sustainability, we are proud of the fact that as a company striving to act in line with the principles of sustainability, we are a more attractive employer.

Building the image of a trustworthy employer begins already at the recruitment stage. The recruitment process is conducted by our HR department and external companies that support us, contributing to the image of a trustworthy employer. Our managers responsible for recruitment possess extensive experience and are regularly trained in soft skills, including team building and effective communication.

The recruitment process is also one of the areas of digitalisation for us. We have been using a modern platform, thanks to which each subsequent recruitment process is conducted with the support of digital tools. This resulted in the compilation of a database of potential employees, which streamlines the entire process and speeds up the stage of filling vacancies. In addition, the company also has a referral system in place, which engages employees in the recruitment process by offering them a bonus for the employment of the recommended candidate. In 2024, we employed 3 persons in this way.

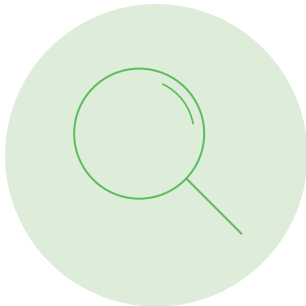
Fair Compensation

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



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



MbO

regular bonuses based on achievements

Development and Education

[404-2, 404-3]

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

Periodic evaluations within the MbO system offer an opportunity to select personalised training programmes. Workshops 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.

We dedicated a programme called “First Time Manager” to employees taking on managerial positions for the first time, during which participants prepare for their new role and broaden their management skills through five two-day sessions.

We continuously invest in our employees – in their knowledge, skills and well-being. In 2024, we allocated as much as 1.2% of EBIT for training. We firmly believe that funds designated for employee skills development are crucial for stable company growth based on a strong team of experts in their fields.



Our myHR learning platform

An online training system for all employees, offering courses tailored to positions and competencies.

GRI 404-1 Average hours of training per year per employee	2024		2023		2022	
	W	M	W	M	W	M
Management team	55.4	38.0	25.1	24.6	22.7	12.8
Other employees	17.1	12.1	25.8	29.6	13.8	14.4
Total	23.0	15.9	25.6	28.7	15.16	14.07
Average	19.4		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]

Our primary production site holds certificates of compliance with standards regarding quality, occupational health and safety, and environmental management systems (EN ISO 9001:2015, ISO 45001:2018, ISO14001:2015).

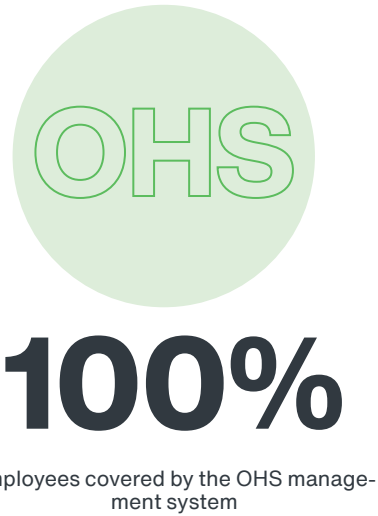
Our Integrated Management System Policy forms the value foundation in the company and sets out the direction for system development. We have committed to supporting the comprehensive development of employees, familiarising them with all aspects of their work and the principles of its safe execution, ensuring the best possible working conditions, and undertaking all possible actions to prevent accidents, near misses, and occupational diseases.

All internal standards and the occupational health and safety system are consulted with employees or their representatives in order to guarantee the highest level of safety. The HUB Safety meetings have become a place to discuss current issues related to occupational health and safety and the environmental system, including the results of internal audits and action plans. These meetings facilitate the exchange of best practices in health, safety, and environmental management. We have also established indicators within the framework of HUB Safety. Indicators: number of accidents, accident rate (the number of days of incapacity for work divided by the number of accidents at work – 3.6 in 2024), safety indicator (results of OHS audits) and a schedule for periodic inspections in individual sectors, aimed at safety monitoring.

At SEW-EURODRIVE Polska, the OHS specialist continuously 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 reporting near misses. The recent increase in the number of reported near misses (78 reports in 2024 vs 10 reports in 2023) indicates a growing awareness of hazards and risks among employees. Last year, the employee who reported the most near misses was granted an award.

GRI 403-9 Work-related injuries	2024		2023		2022	
	Employees	External staff	Employees	External staff	Employees	External staff
Total number of accidents	1	3	2	0	2	1
Total number of fatal accidents	0	0	0	0	0	0
Total number of high severity injuries	0	0	0	0	0	0
Total number of hours worked	275,222	41,283	285,862	n/a	269,101	n/a
All injury frequency rate (AIFR)*	3.6	72.7	7	0	7.4	n/a
Frequency rate of high severity injuries	0	0	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.



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).

Risk analyses that have been carried out contributed to introducing additional risk mitigation measures. We changed the type of lighting in the paint shop to ensure higher comfort of work. We introduced new personal protective equipment, such as cut-resistant gloves located in the freely accessible tool cabinet. We tested new safety shoes. The shoes will be changed at the beginning of 2025.

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 procedure has been improved.

In order to provide swift and effective assistance in case of any emergencies, we regularly organise first aid workshops. We plan to establish a Rescue Team in 2025. Its members will be responsible for the provision of first aid and responding in case of emergencies. Regular meetings will be organised for the team, where various life-threatening conditions will be discussed and training with the use of manikins and a defibrillator will be carried out. In addition, specialist training sessions are also planned for rescuers who are members of the team.

Our facility has the so-called OHS area, where visitors familiarise themselves with the health and safety regulations and the rules for moving around the premises, and can also receive appropriate protective clothing. Due to the success of this solution, a similar area is to be created in the new facility. An EHS notice board is located in the assembly shop in Łódź, where the employees will find up-to-date information about inspections, accidents and the environment. A cabinet with rescue equipment was also installed.

In September, we conducted a series of training sessions as part of the Safety Week campaign. Training sessions on the responsibility and duties of persons managing employees with regard to ensuring safety, fire protection with elements of drills, first aid – including aspects with a traffic accident, with an option of a haemorrhage, and self-defence were held. The latter one was largely attended by women who successfully developed their self-defence skills.



- Our commitments:**
- Conducting business in compliance with the law and requirements
 - Supporting individual development of Employees
 - Ensuring the best possible working conditions
 - Ensuring health and safety of Employees
 - Developing skills
 - Providing Employees with the opportunity to take action for occupational health and safety
 - Minimising environmental impacts

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

In 2024, we conducted a survey on SEW-EURODRIVE Polska brand image, which we commissioned to a company specialising in such market assessments. Its results revealed a very high NPS – the percentage of promoters of our brand among customers less the percentage of critics was 53%, and the average level of satisfaction with the cooperation reached 4.41 out of 5.¹

We have also organised three free training sessions for customers on energy-efficient IE4 and EI5 products of SEW-EURODRIVE. We pass on knowledge, teach how to parameterise our solutions and share our experience.

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

Through our social media activities, we are reaching out to a wider audience. In the reported year, our activities on YouTube, Instagram, Facebook and LinkedIn contributed to a total reach of almost 718,000 views (126% more than in 2023) and 1,645 new followers (6.5% more than in 2023).

Our 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, such as KAIZEN.

One of the more important improvements in 2024 was the optimisation of the process of replenishing material to produce filler in parcels. We have also added new types of recycling bins for post-production waste: waste code 15 02 02*.

We plan to conduct a survey on the engagement of our staff in 2025. Its results will help us take even better care of our employees. A distinct type of stakeholder engagement is the significance assessment process presented in the previous chapter.

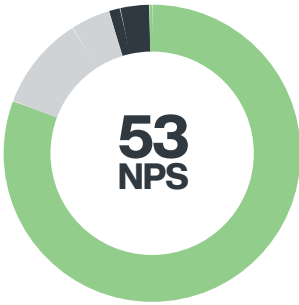
Local Communities

Introduced in 2023, the “Day for Sustainability” campaign remains an extremely important initiative for us, which offers our employees an opportunity to engage in ecological and social activities once a year. In 2024, 23 employees used this opportunity to dedicate a total of 23 days to support two large initiatives (15% more than in 2023), which proves the success of the initiative and its positive reception among the staff of SEW-EURODRIVE.

The company’s employees engaged yet again in performing garden maintenance and playground conservation at the Home for Single Mothers in Łódź. We also managed to organise the “Clean Up the World” campaign as part of which we “put in order” the grove near our headquarters and the adjacent areas around the Augustówka river.

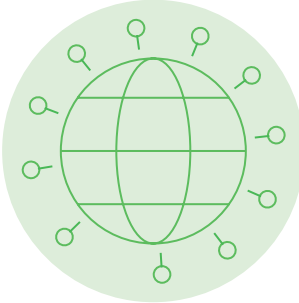
We also supported with a collection of the basic necessities the “Nowy Początek” Hostel and Ochotnicza Obrona Cywilna [Voluntary Civil First Response Organisation] in Łódź that delivered our gifts to flood victims.

¹ Based on the SEW-EURODRIVE Polska brand image survey of 2024.



53%

Net Promoter Score



718,000

views on social media channels

1,645

new followers



Social Organisations, Scientific Centres

SEW-EURODRIVE Polska has started a successful cooperation with the Lodz University of Technology as part of its activities in the area of sustainability and innovation. The cooperation focuses on sharing knowledge and experience regarding methods of assembly, post-production processes and the latest trends in quality maintenance and production efficiency.

An international group of students majoring in Smart Manufacturing, who participated in the project, had the opportunity to gain practical skills and knowledge directly from the experts from SEW-EURODRIVE Polska. This gave them a better understanding of the challenges and opportunities related to modern production technologies and sustainability. The meeting took place in the headquarters in Łódź in November 2024.

The cooperation not only enhances the educational programme of the Lodz University of Technology, but also contributes to the development of future leaders in engineering and production. As an industry leader, SEW-EURODRIVE is proud to support educational initiatives that promote innovation and sustainability.

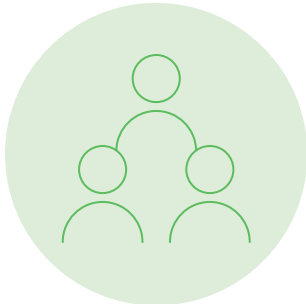
We offer internships and apprenticeships for students of technical universities, as well as for students of mechanical and mechatronic technical schools. Working in a modern, technologically advanced environment is a chance for them to broaden their knowledge and improve their skills.



Trade Unions

[2-30]

At SEW-EURODRIVE Polska, there are no trade unions, and employees are not covered by collective agreements. An Employee Council has been established in the company, which allows our staff to contribute their ideas and feedback on various initiatives undertaken at the management level. The last election took place on 6 December 2024 by secret ballot. The three persons elected gained the largest support of the SEW-EURODRIVE staff.



Human Rights in the Value Chain

Compliance with international human rights regulations and avoiding cooperation with entities from countries under sanctions are a crucial aspect of our business model. At SEW-EURODRIVE Polska, we follow 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 to sanctions and embargoes. Once a year, employees involved in the process undergo training on 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, the conventions of the International Labour Organisation (ILO) concerning fundamental labour standards, as well as other applicable laws and regulations. Human rights constitute an essential element of the Group’s corporate Code of Conduct and our local Code of Conduct. Avoiding collaboration with companies suspected of violating those laws is one of the goals for which we have implemented the supplier evaluation system, but it is not the only one. We wish to cooperate with partners whose activities and goals coincide with the values and principles that guide us.



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.
- ✓ Service Success Factor at 83%.
- ✓ 15 tonnes of paper saved thanks to digital user manuals.
- ✓ ISO 14001:2015 standard implemented in 2024.
- ✓ Successful quality assurance certification carried out by the Headquarters.
- ✓ 4.41 out of 5 – rate of customer satisfaction with the cooperation with SEW-EURODRIVE.



15 tonnes

of paper saved in 2024



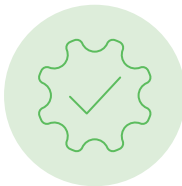
4.5 million

saved litres of water



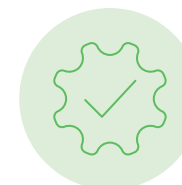
4.41/5

customer satisfaction rate



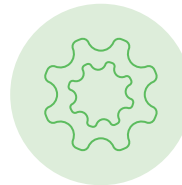
ISO 14001:2015

implemented in 2024



ISO 9001:2015

quality management system



83%

service success factor

Business Model

[2-6]

At SEW-EURODRIVE Polska, quality is key in every area and 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.

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.

We strive to build long-lasting relationships with our customers by offering comprehensive and personalised support through training and service available 24 hours a day, 7 days a week. This is appreciated by our customers, as evidenced by the high satisfaction rate with our comprehensive and personalised services – from production to service. The average level of satisfaction with the cooperation based on a survey was 4.41 on a five-point scale.

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.

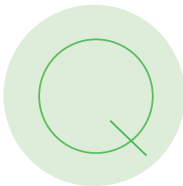
Quality is a cross-cutting aspect in relation to other areas of sustainability and a priority in our value chain. This is our brand promise, which every employee strives to fulfil through their thorough work every day. Our high product standards result from robust management systems, which contributes 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 foundation of its approach to business, creation of added value, and building lasting relationships across all areas of operation. 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:

- Technical execution – with the utmost attention to every detail
- 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 service – 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 surroundings

We continuously invest in the development of employee skills, which allows us to build a professional and qualified team. Thanks to this, we are able to consistently elevate the quality of our products and services, while positively impacting the society and the environment.

We are aware that employees are key assets of the company. The goal is to shape a reputation as an employer who cares about the satisfaction and safety of the entire team. The quality management system at SEW-EURODRIVE Polska complies with the ISO 45001:2018 standard, which emphasises the critical importance of OHS issues for our operations.



Quality is a cross-cutting aspect in relation to other areas of sustainability and a priority in our value chain.



**Certificate
ISO 45001:2018**

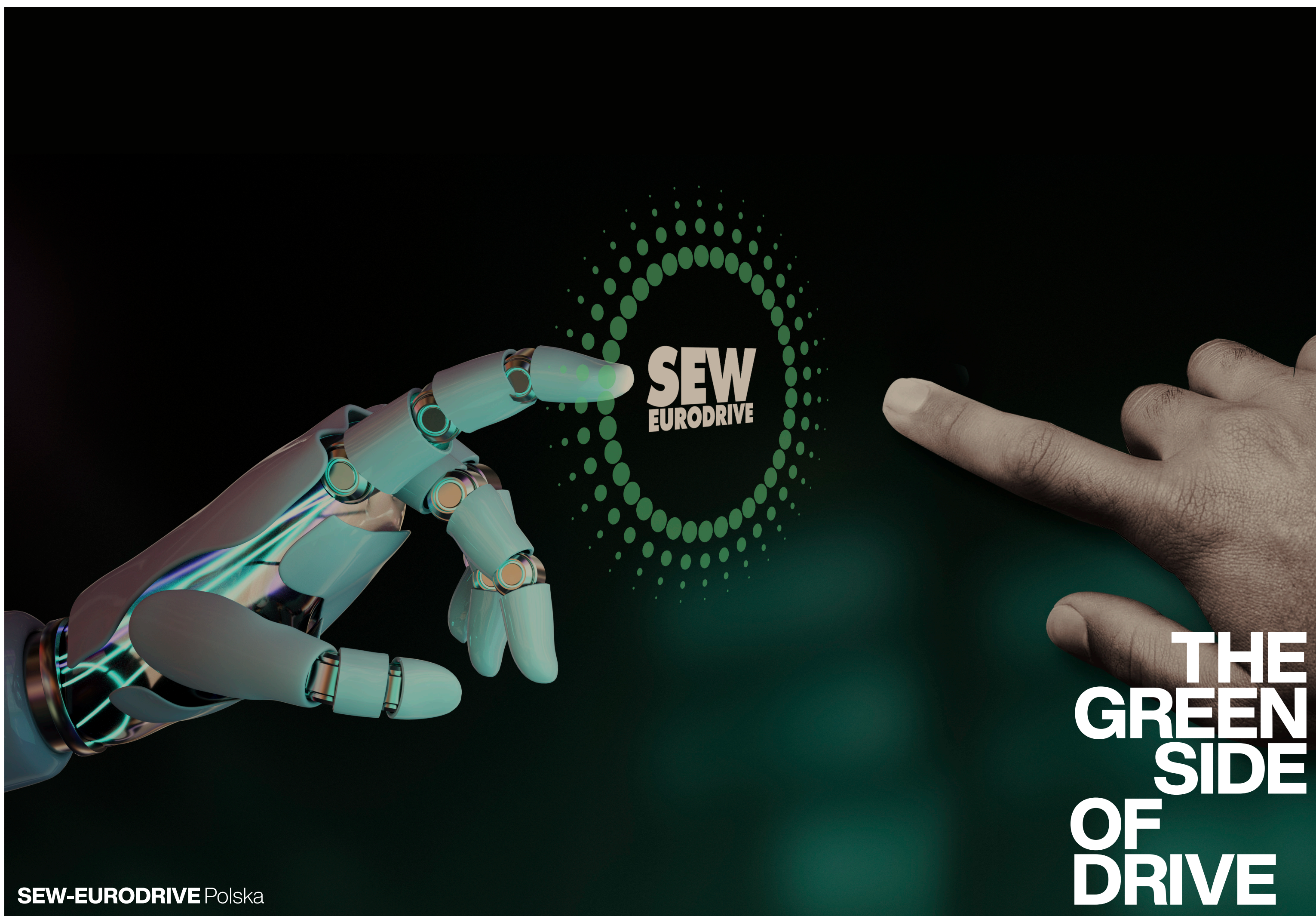


**Certificate
ISO 9001:2015**



**Certificate
ISO 14001:2015**





SEW-EURODRIVE Polska

**THE
GREEN
SIDE
OF
DRIVE**

Innovative Solutions
[2-6, 306-2]

Our products and services are based on the most advanced technologies. We believe that only the continual pursuit of improving the quality of the services provided and minimising the impact on the natural environment and society represents an opportunity to build resilience and stability in the 21st century. We are laying the foundations for “smart factories” and constantly seeking new ways to ensure sustainability for present and future generations. At SEW-EURODRIVE Polska, we continuously raise standards for the industry in areas such as digitalisation, energy efficiency, durability and quality of the solutions we offer.

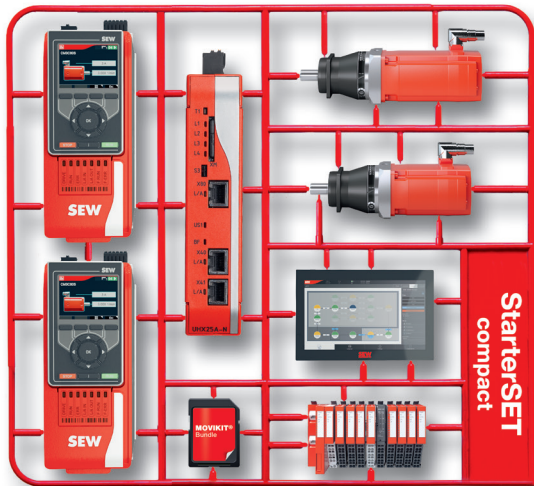
Our constantly expanding product catalogue drives various industrial sectors. We offer technologically advanced solutions dedicated to various industrial sectors. Thanks to our modular range of products, including gearboxes, geared motors, inverters, and decentralised technology, complemented by training 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 present and future generations.

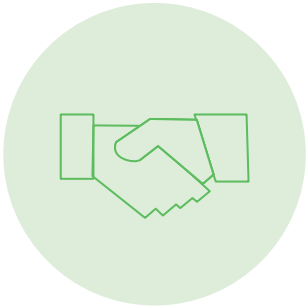


The quality of our services allows us to build relationships with customers, convincing them each time that they have chosen the right partner for collaboration. This applies to both the service support we provide and the product training sessions we conduct, as evidenced by positive customer reviews and a consistently high Service Success Factor, which has remained above 80% for another year. Diagnostic analyses lasted less than 48h for 77% of products, and 50% of repairs were completed in less than 3 days!



83%

Success Factor in 2024

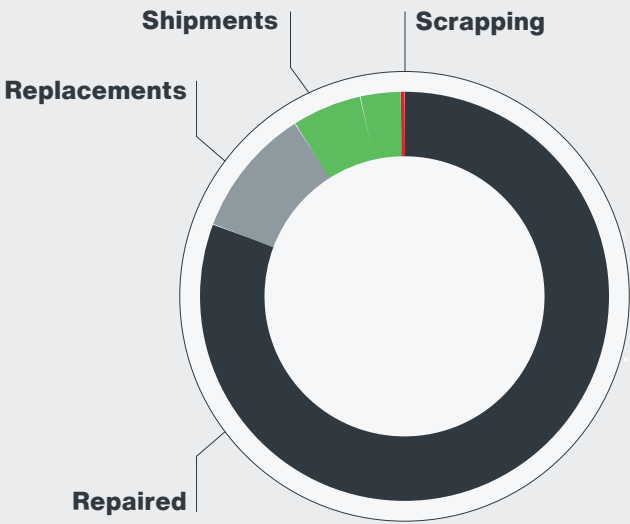


The quality of the services provided allows us to build relationships with customers, convincing them each time that they have chosen the right partner for collaboration.



77%

diagnostic analyses lasted less than 48h for 77% of products



	2024	2023
Repaired	4,010	3,609
Replacements	655	478
Shipments	103	144
Scrapping	58	55
	4,826	4,286
	83.1%	84.2%

■ Repaired ■ Shipments ■ Replacements ■ Scrapping

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 our products helps to reduce the carbon footprint not only of our company but also of the entire industrial sector. We assume an increase in the sales of these particular products in our corporate Sustainability Strategy. This is one of our goals in the environmental area.

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 our devices. Durable products that serve for years are a significant element of the circular economy, which is one of the more important components of our sustainability strategy. In addition, the highest quality of maintenance services further reinforces this sustainable direction.

Optimising the consumption of raw materials is a key element in the reduction of generated waste for us. In 2023, we implemented a programme for dismantling machine parts suitable for recycling, repair or reuse, which allowed us to significantly reduce the number of scrapped drives both in 2023 and 2024.

We consistently implement digital solutions. Since April 2023, we have given up on paper instruction manuals and replaced them with electronic versions available after scanning the QR code placed on products. This allowed us to save approximately 15 tonnes of paper in 2024. Over 88% of our invoices are issued electronically, which significantly reduces our environmental impact and streamlines the document exchange process with our customers.

In the reported year, we started using foil containing 30% of recycled materials.

The development of our digital services has led to an increase in the number of orders placed through the company’s Online Support. During the reported period, online orders accounted for as much as 18% of the total value of orders received.

In 2024, we stopped using water in plastic packaging and plastic disposable cups altogether in both our plants. We favour ecological packaging, which is why we have decided to cooperate with a company providing us with water in glass bottles in a deposit return system.

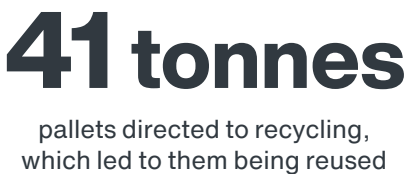
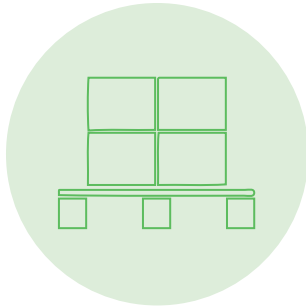


Generated Waste

Maintaining the highest standards in the marketing of electrical and electronic equipment and its disposal is extremely important to us. We make every effort to ensure full compliance with the applicable legal standards.

As a producer of advanced technological solutions, we are registered in the BDO system [Database on Products, Packaging and Waste Management]. We use the required product markings and collect, process, recover and recycle materials and used equipment with the support of an external company.

We are constantly searching for new ways to reduce the pollution we generate. An example of our activities is the solvent distillation system installed at our production plant, which allows us to recover as much as 80% of the previously used substance for reuse (table GRI 306-4 – waste diverted from disposal). We also direct wooden pallets to recycling. In 2024, as much as 41 tonnes of wooden pallets were given their “second life”.



GRI 306-3; GRI 306-5 Waste generated; Waste directed to disposal (in tonnes)					
Hazardous waste	24.69	Electronic waste	1.036	Non-hazardous waste	110.51
Total	136.24				
GRI 306-4 Waste diverted from disposal (in tonnes)					
Classification based on the method of utilisation					
	On-site		Off-site		Total
Hazardous waste					
Reuse	0.592				0.592
Total	0.592				
Non-hazardous waste					
Recycling			40.9		40.9
Total	40.9				
Total recovered waste	40.9				

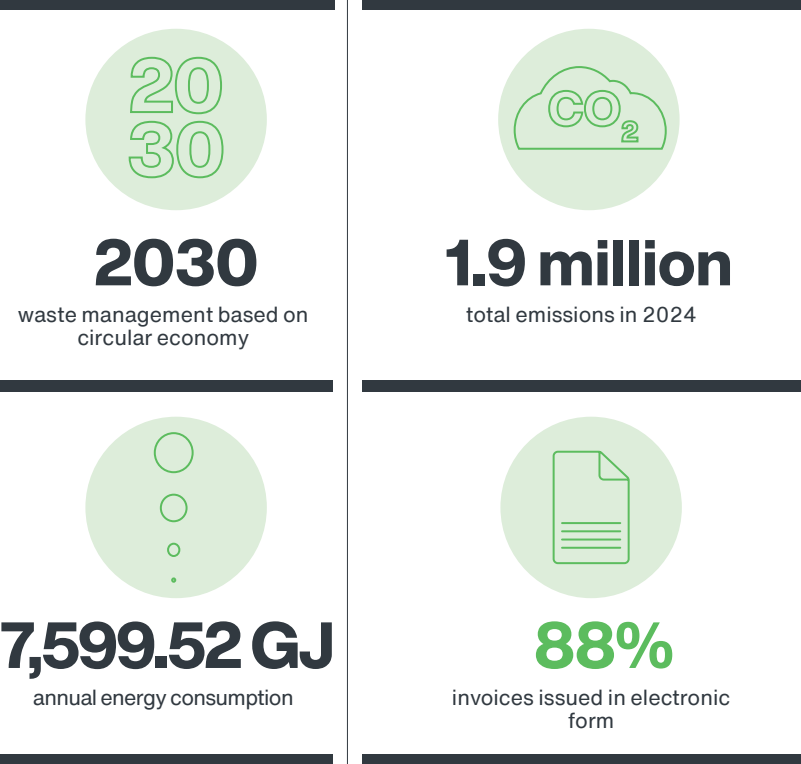
All hazardous waste is directed to a specialised company that has all the decisions on waste collection and processing. We hold complete documentation confirming the amounts released and types of waste. Waste is handed over to the receiver once a week.

All our locations have the required permits for waste production. We ensure effective management of non-electrical and non-electronic waste through cooperation with certified external companies, whose qualifications are regularly verified in relevant registers.

Business Processes

Overview of Key Information:

- ✓ Goal – Waste management based on circular economy by 2030.
- ✓ Total CO2e emissions in 2024: 1,923,578.88.
- ✓ Total annual energy consumption at production and service locations (Łódź and Tychy): 7,599.52 GJ.
- ✓ 88% of invoices are issued in electronic form.



Corporate Governance

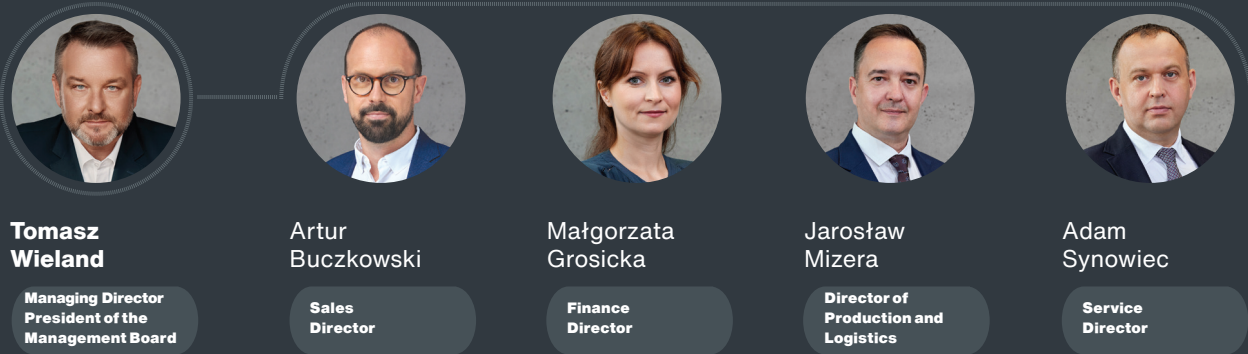
[2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18]

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 compliant with the ISO 9001: 2015, ISO 45001:2018 and ISO14001:2015 standards are regularly conducted in the company. The annual audits are conducted by TÜV SÜD. Moreover, oversight of the Management Board and managerial staff is conducted in the form of audits and evaluations carried out by the company’s Headquarters. Audits commissioned by the Headquarters that were conducted last year led to obtaining new certificates confirming compliance with internal quality standards. 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 management of key aspects of the company’s operations, as well as for the development of medium- and long-term development plans. The Team consists of the Managing Director, Sales Director, Service Director, Director of Production and Logistics and Finance Director. Team meetings are held regularly every month. Once a year, during a special meeting, a Management Review is conducted, where risks and opportunities relating to ESG are defined.

Corporate Structure of SEW-EURODRIVE Polska



Management of Sustainability Issues

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

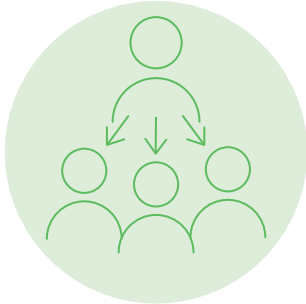
The Managing Director plays a key role in the field of management of ESG topics and monitoring of major risks and opportunities. They exercise direct control over the most important issues, create trends, set long-term goals and provide the means for their implementation. The Managing Director is also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

SEW-EURODRIVE Polska is 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 monitor ongoing results, including deviations, discrepancies and incidents, which they 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 the persons responsible. One of the items in our sustainability strategy is to link the objectives of the executive staff with the ESG goals.

During Management Team meetings, a review of the achievement of sustainability goals is conducted, focusing primarily on quality, occupational 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, including electronic waste within the framework of the EU WEEE system (Waste from Electronic and Electrical Equipment), and the creation of appropriate reports.



The Managing Director plays a key role in the field of management of ESG topics and monitoring of major risks and opportunities.

Management of Material Topics

[3-3]

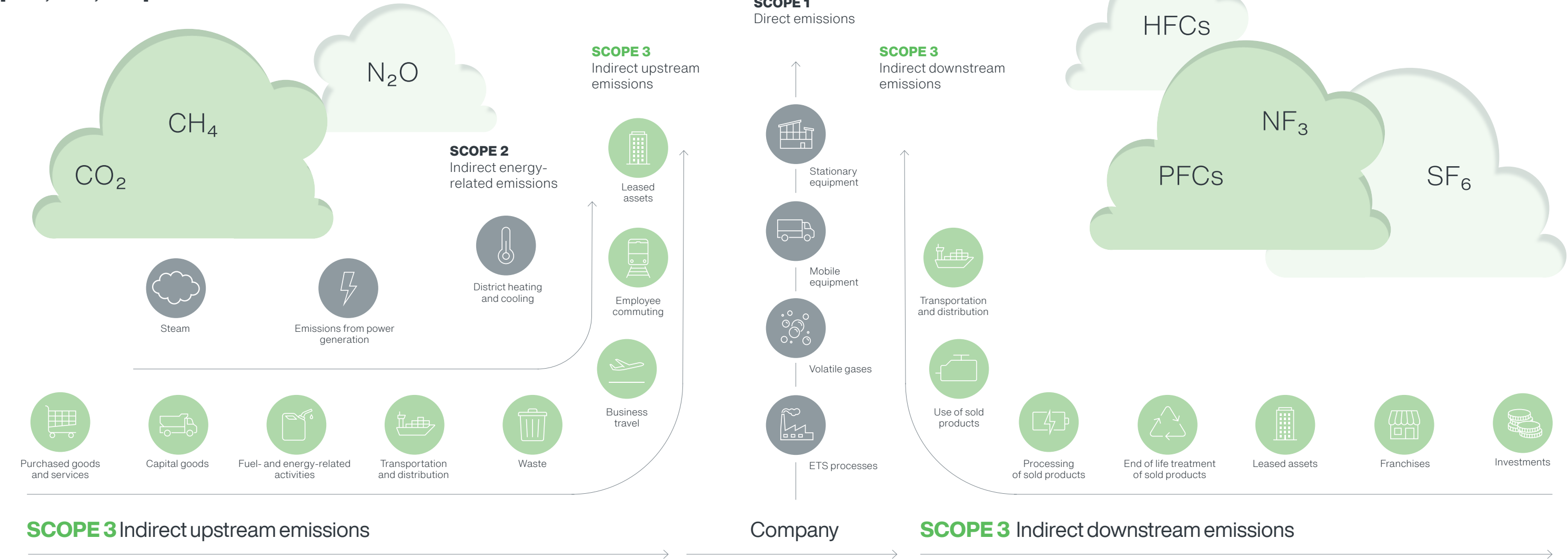
The aforementioned sustainability strategy identifies four megatrends which are perceived both as challenges and opportunities for our company.

Many of these have been reflected in the material topics identified for the purposes of the Report. All issues identified as key for the company or those the company has a particular influence on are managed by individual departments of SEW-EURODRIVE Polska.

This ensures efficient management and the ability to respond promptly through planning and strategies at the managerial levels. We conduct regular research, consultations and external audits, covering all aspects of our activities – from employment, occupational health and safety and management standards to waste, emissions and environmental impact issues.

Description and Application of the Greenhouse Gas Protocols

[305-1, 305-2, 305-3]



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:

1

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).

2

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

3

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.

In addition to the division into the individual scopes, a distinction is made between market-based and location-based areas, especially in Scope 2:

A

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. Energy certificates are also taken into account, if applicable. 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.

B

Location-based emissions

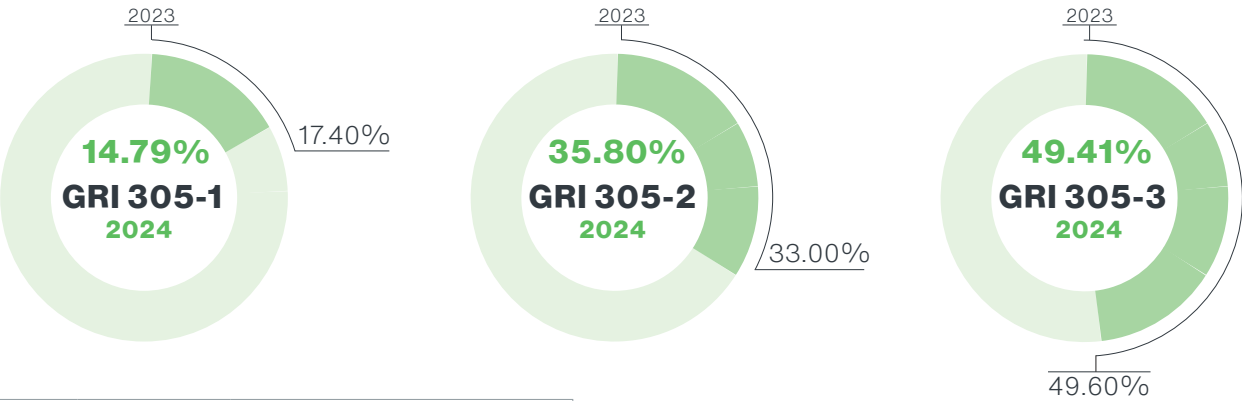
These emissions are calculated based on the actual mix of energy sources in the local energy grid. This means that the type of energy that the company obtains due to local conditions is taken into account. Therefore, despite the green energy contract, Scope 2 emissions may occur.



Minimising Environmental Impacts

As SEW-EURODRIVE Polska, we continuously improve solutions that reduce our impact on the environment. Our corporate long-term goal is waste management based on the circular economy model by 2030.

We have been analysing the company’s emissions across all 3 scopes for the last three years.



Greenhouse Gas Emissions [tonnes CO2e]		2024		2023		2022	
GRI 305-1	Scope 1	284.43	14.79%	298.87	17.40%	403.30	20,,7%
	Natural gas	192.65	10.02%	223.14	12.99%	236.94	12.1%
	Diesel	42.86	2.23%	50.44	2.94%	144.05	7.5%
	Petrol	48.92	2.54%	25.29	1.47%	22.31	1.1%
GRI 305-2	Scope 2	668.71	35.80%	566.85	33.00%	573.52	29.4%
	Purchased electrical energy	688.71	35.80%	566.85	33.00%	573.52	29.4%
		950.44	49.41%	852.07	49.60%	976.16*	50.0%
GRI 305-3	Scope 3						
	Category 3 – Fuel-related and energy-related activities	193.85	10.08%	184.01	10.71%	215.51	11.0%
	Category 4 – Transportation and distribution at earlier stages of the chain	417	21.68%	363.07	21.14%	450.76	23.1%
	Category 5 – Waste generated during operations	1.61	0.08%	2.82	0.16%	2.92	0.1%
	Category 6 – Business travel	251.86	13.09%	225.2	13.11%	185.98	9.5%
	Category 7 – Employee commuting	0.88	0.05%	0.88	0.05%	0.65	0.03%
	Category 9 – Downstream market transportation and distribution	85.24	4.43%	76.09	4.43%	120.35	6.2%
	Total	1,923.58	100%	1,717.79	100%	1,952.98	100%

* the numerical data for the year 2022 have been updated to include values from Category 3, Scope 3



GRI 302-1 Energy consumption within the organisation – sources (GJ)	2024	2023
Electrical energy	3,146.38	2,695.69
Natural gas	3,153.31	3,959.67
Electrical energy (PV)	Not applicable	Not applicable
Petrol	592.84	381.74
Diesel	706.98	717.38
Total	7,599.52	7,754.48

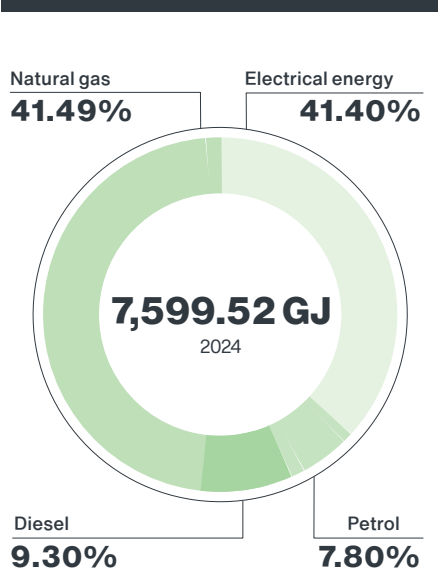
In 2024, we did not manage to reduce the total amount of emissions compared to the previous year. This is primarily due to our investment project that takes up additional amounts of electrical energy (hence 20% more CO2e emissions in Scope 2). Completion of the project is planned for 2025.

Once again, we succeeded in the reduction of natural gas consumption resulting from the optimisation of the furnace operation at our production site in Łódź, which is our unit with the highest demand for this resource.

Low-emission Investments [302-4]

SEW-EURODRIVE Polska has been consistently striving to reduce emissions at its locations. In the existing production building in Łódź, we plan to install photovoltaic panels by the end 2025, which will significantly reduce our need for fossil fuel energy. A construction project is underway on the adjacent plot. A twin building with an area of 7,579 m² is being constructed, which 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 is yet another step towards minimising the use of high-emission energy sources. In order to reduce heating requirements, we will install devices in the new hall that enable the reuse of collected heat to warm the entire space. 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 for use by both our employees and visitors.



14,321m² area after expansion

Value Chain

Supply Chain [2-6, 308-1, 414-1]

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 and successfully complete our supplier evaluation.

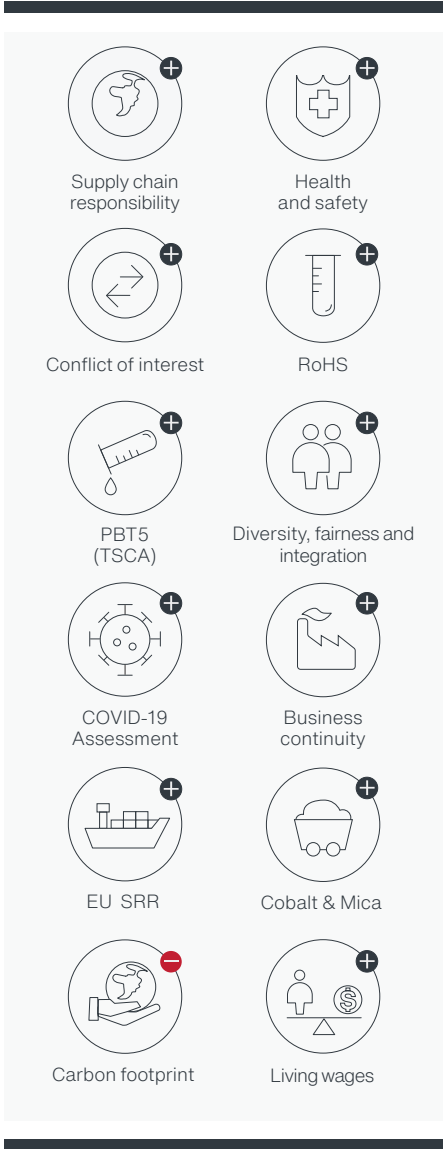
The quality delivery rate from the Headquarters remains consistently at a high level. It reached as much as 99.8% in the reported year, i.e. it is even higher than the year before: 99.7%. The durability of our products means less material consumption, less energy use and less waste generated.

We are present on IntegrityNext. The platform brings together organisations that wish to be assessed in terms of their progress on sustainability topics.

This shows the importance of ESG topics in the entire value chain and their key role in the selection of business partners. We are proud of our score and we are still striving to improve it. This time, we had 15 areas assessed, 14 of which obtained a positive result of the self-assessment.

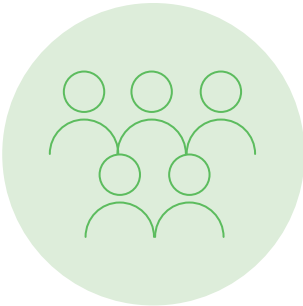
Creating Value in the Company [2-6]

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.



Human Capital

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



skilled professionals are the most valuable resource

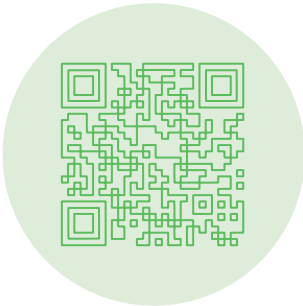
Technological Capital

As a manufacturing company, we are perfectly aware that the role of the highest quality technological solutions cannot be overstated. We continually strive to maintain top quality standards through the introduction of automation and digitalisation of processes.

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

The advanced methods of communication and controlling the drive systems of the MOVI-C® modular automation system allow for the analysis of the drive's condition, verification of its proper operation, and even the prediction of failures. Thus, MOVI-C® products are becoming an integral part of the Internet of Things (IoT), serving as precise sensors in prediction systems, such as the DriveRadar® IoT Suite.

Additionally, for the convenience of use, our products are marked with QR codes, which allow for quick access to detailed technical data and make it possible to dispense with printed information about the products.



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



Environmental Capital

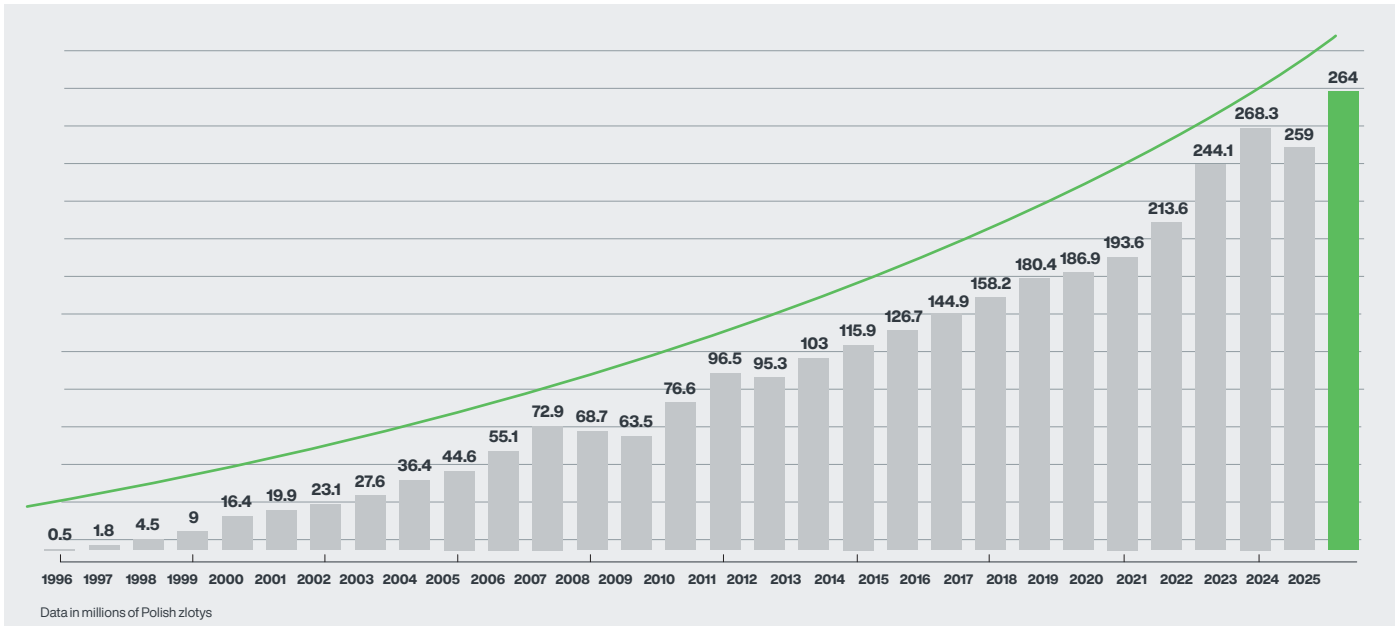
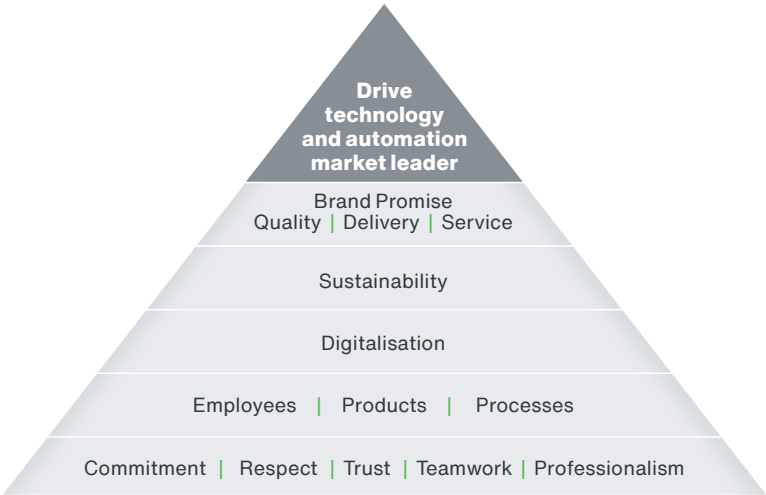
We are aware of our impact on the environment. Our priorities in this area include improving the efficiency of production processes, reducing raw material consumption and implementing circular economy solutions.

In the reported period, we obtained a certificate confirming the implementation of the environmental system within the framework of the integrated management system. ISO 14001:2015 is yet another international standard, whose requirements have been met by our company.

Preparation for the certification itself provided us with the opportunity to carry out pro-environmental campaigns and promote ecological attitudes among our employees.

Financial Capital

High quality of the products and services offered translates into the company’s sound financial health. Our financial stability is evidenced by our annual turnover currently amounting to almost 260 million Polish zloty, which has been steadily increasing since we began our operations in Poland.



we have obtained the ISO 14001:2015 certificate confirming the implementation of the environmental system

Creating Value for Stakeholders

Thanks to our skilled employees and years of experience both on the national and global markets, we can create value for our customers 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.



SEW-EURODRIVE Polska proves that such an approach simply pays off, as evidenced by our stable leadership position and strong economic performance. We generate value for our shareholders, as well as for the society, which benefits thanks to our transparent and honest approach to tax obligations.

1

Care for a safe and inclusive work environment is a priority for our employees. We ensure fair wages and various opportunities for improving qualifications, which allows for skills development while maintaining a work-life balance. Shared goals and values bring us together and create a friendly atmosphere, as evidenced by the high average length of employment.

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 customers.

2

The quality of products and services we offer our customers enables them to develop their activities steadily, knowing that they are collaborating with a trusted and professional partner. It also helps raise standards in drive technology and industrial automation. Due to the above, SEW-EURODRIVE Polska has been an industry leader for years, contributing to quality building across various industrial sectors.

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.



Ethics and Governance

[205-3]

Overview of Key Information:

- Implementation of the whistleblower procedure
- No reports of legal violations in 2024
- Preparation of the new Code of Conduct for SEW-EURODRIVE Polska and regular (once a year) mandatory training sessions for all employees in this respect
- 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 Polska and the environmental management system compliant with the ISO 14001:2015 standard

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

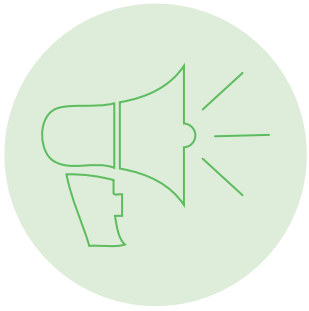
To ensure that our values are respected at all stages of the value chain, in 2023, SEW-EURODRIVE Group implemented an updated corporate Code of Conduct.

The Code of SEW-EURODRIVE regulates key issues concerning all employees of the company worldwide. It lists core values, identifying universally recognised human rights, environmental protection principles and climate change mitigation as its foundation. It also prioritises the health and safety of employees, as well as the protection of their rights.

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 conducts inquiry proceedings, and all concerned parties are informed of the outcomes.

In 2024, we prepared our local Code of Conduct. It covers a wide range of issues that are crucial for the company’s operations. It emphasises the importance of clear, open and fair communication both within and outside the company.

The company encourages its stakeholders to report any concerns regarding compliance of the organisation’s practices with the provisions of the Code. A mechanism for submitting reports to the relevant company units, including the Management Board, has been developed. Compliance with regulations is a top priority for us, which is confirmed by no reports of legal violations in SEW-EURODRIVE Polska.

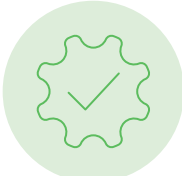


implementation of the whistleblower procedure



ISO 9001:2015

maintaining the system according to the standard



ISO 45001:2018

maintaining the system according to the standard



Code

updated



ISO 14001:2015

new certificate



Procedure for Counteracting Mobbing and Discrimination

To ensure that all employees feel 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 received reports will be analysed according to the procedure, and individuals participating in the proceedings will be continuously informed about the results. The procedure imposes an obligation on all employees 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.

Whistleblowers

We have included the requirements of the Whistleblower Protection Act in our Code of Conduct. We provide a few methods of submitting a report – via an email dedicated to whistleblowers or by phone, and such information can be provided in writing to a special box for reports available at the company’s headquarters.

Privacy and Security

In the company, a Data Protection Officer has been appointed whose main 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.

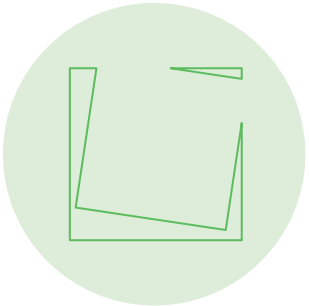
Mechanism for Filing Complaints and Reporting Irregularities

Critical issues may be reported directly to the supervisor or to the payroll and HR 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, both external and internal.

Matters related to occupational health and safety are communicated through a special communication channel directly to the relevant department. We have implemented a system for informing about near misses: HelpDesk Near-Miss. Occupational health and safety topics are addressed at monthly meetings of HUB Safety with a health and safety specialist. On the basis of these meetings, 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 that is updated once a year and Mandatory Disclosure Rules (MDR) procedure including the rules regarding the reporting of tax arrangements have been implemented. The 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 an obligation on all employees 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 an occupational health and safety management system compliant with the ISO 45001:2018 standard. In 2024, we implemented an environmental management system certified to the ISO 14001:2015 standard.

Ethics in the Value Chain

In 2024, we conducted a pilot project involving online surveys covering ESG, OHS and processes, which was addressed to our key paint and oil suppliers. We have awarded points based on the responses, which we included in the supplier evaluation. We collaborate exclusively with entities that meet specific standards, preferring to work with those who have received the highest ratings in the evaluation process.

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 company consistently strives for sustainability through ethical management, community engagement and environmental care.

Employee training programmes and involvement in local communities affirm our commitment to conducting business responsibly and without compromising the opportunities of future generations. High standards of workplace safety and continuous improvement of procedures ensure a safe and comfortable work environment for all employees.

We will continue to strive for improved energy efficiency and minimising our impact on the environment to further our journey towards sustainability, and thereby promote our motto #TheGreenSideOfDrive.

We hope this Report has once again clearly presented our activities and show how involved an employer and a business partner we are.

This Report is not only a summary of our activities, but also a declaration of further ESG commitments. We believe that sustainable value for our customers, employees, shareholders and the community can be built only through responsible management. In a world that puts more and more challenges in our way, including climate, social and economic ones, we believe that corporate responsibility is not only a duty, but also an opportunity. An opportunity to have actual influence, drive positive changes and build a future with present and future generations in mind.



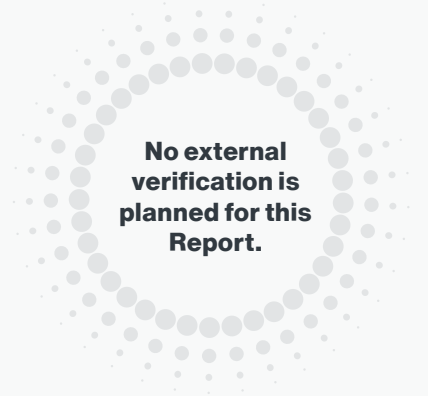
The highest quality in corporate governance assures a company a leading position in the industry and a reputation as a reliable business partner.

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]

This Report covers the reporting period from 1 January to 31 December 2024 and is identical to the annual financial statements published by SEW-EURODRIVE Polska. The Report covers the activities of the Polish company which is part of the international SEW-EURODRIVE group.



GRI	Index Name	Location	Exclusion	Remarks
2-1	Organisational details	Pages: 6-8		
2-2	Entities included in the organisation's sustainability reporting	Pages: 8, 47		
2-3	Reporting period, frequency and contact point	Page: 47		
2-4	Restatements of information	Page: 47		
2-5	External assurance	Page: 47		
2-6	Activities, value chain, and other business relationships	Pages: 6-9, 27, 30-31, 40-43		
2-7	Employees	Page: 16		In 2023, 2 locations covered by ISO certification were indicated by mistake.
2-8	Workers who are not employees	Page: 17		
2-9	Governance structure and composition	Page: 34		
2-10	Nomination and selection of the highest governance body	Page: 34		
2-11	Chairman of the highest governance body	Page: 34		
2-12	Role of the highest governance body in overseeing the management of impacts	Pages: 34-35		
2-13	Delegation of responsibility for managing impacts	Pages: 34-35		
2-14	Role of the highest governance body in sustainability reporting	Pages: 34-35		
2-15	Conflicts of interest	Pages: 44-46		
2-16	Communication of critical concerns	Pages: 22-24, 34, 44-46		
2-17	Collective knowledge of the highest governance body	Pages: 34-35		
2-18	Evaluation of the performance of the highest governance body	Page: 34		
2-19	Remuneration policy		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: 12-13, 23, 44-46		
2-24	Embedding policy commitments	Pages: 12-13, 16-20, 22-23, 44-46		
2-25	Processes to remediate negative impacts	Pages: 12-13, 22-24, 32-33, 44-46		
2-26	Mechanisms for seeking advice and raising concerns	Pages: 22-24, 44-46		
2-27	Compliance with laws and regulations	Pages: 44-46		
2-28	Membership associations	Page: 48		The company is not a member of any associations.
2-29	Approach to stakeholder engagement	Pages: 14-15, 16-20, 24, 44-46		
2-30	Collective bargaining agreements	Page: 25		
3-1	Process to determine material topics	Pages: 14-15		
3-2	List of material topics	Page: 15		
3-3	Management of material topics	Pages: 12-15, 35		
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 programme of such training in subsequent reporting periods.
205-3	Confirmed incidents of corruption and actions taken	Pages: 44-46		
Own indicator	Digitalisation	Page: 34		

302-1	Energy consumption within the organisation	Page: 39		
302-4	Reduction of energy consumption	Page: 39		
305-1	Direct (Scope 1) GHG emissions	Pages: 36-39		In 2023, 42.2 tonnes of CO2e for Diesel were indicated incorrectly.
305-2	Energy indirect (Scope 2) GHG emissions	Pages: 36-39		
305-3	Other indirect (Scope 3) GHG emissions	Pages: 36-39		
306-2	Management of significant waste-related impacts	Pages: 30-33		
306-4	Waste diverted from disposal	Page: 33		
306-5	Waste directed to disposal	Page: 33		
308-1	New suppliers that were screened using environmental criteria	Pages: 40, 46		
401-1	New employee hires and employee turnover	Page: 19		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages: 16-20		
403-1	Occupational health and safety management system	Pages: 22-23		
403-4	Worker participation, consultation, and communication on occupational health and safety	Pages: 24-25		
403-5	Worker training on occupational health and safety	Pages: 24-25		
403-6	Promotion of worker health	Page: 25		
403-8	Workers covered by an occupational health and safety management system	Pages: 24-25		
403-9	Work-related injuries	Page: 22		
404-1	Average hours of training per year per employee	Page: 21		
404-2	Programmes for upgrading employee skills and transition assistance programmes	Pages: 16-20, 22-23		
404-3	Percentage of employees receiving regular performance and career development reviews	Pages: 22-23		
405-1	Diversity of governance bodies and employees	Pages: 16-20		
414-1	New suppliers that were screened using social criteria	Pages: 40, 46		



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