

Å Hoffmann Group

SHAPING THE FUTURE TOGETHER.

Act sustainably.



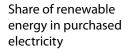
01 FACTS & FIGURES	03
O2 FOREWORD BY THE EXECUTIVE BOARD	04
O3 COMPANY PROFILE	05
04 SUSTAINABILITY STRATEGY	06 – 09
05 CLIMATE & ENVIRONMENT	10 - 13
06 EMPLOYEES & SOCIETY	14 - 16
77 RESPONSIBLE CORPORATE GOVERNANCE	17 – 19
08 IMPRINT	20

The term "Hoffmann Group" covers all group companies of Hoffmann SE in accordance with§§ 15 et seq. AktG. Our partner companies Hch. Perschmann GmbH, Gödde GmbH and Oltrogge Werkzeuge GmbH are not included solely for the purpose of this publication.



FACTS & FIGURES

Purchase of certified green electricity at all German locations



Target for reducing CO₂ emissions (Scope 1 and 2) by 2030:

High proportion of recycled cardboard in shipping cartons

Reduced paper consumption due to 2-year publication of the printed catalogue (tons)











Percentage of recycled material in GARANT GreenPlus series gloves



Funded projects of the Hoffmann Group Foundation (Germany)



Number of participants in face-to-face and live online training (2022)



Confirmed incidents of corruption (2022)



Award for sustainability performance in the EcoVadis rating 2023



Chief Executive Officer

MARTIN REICHENECKER



Sales & Marketing

CLAUDIA LENDERS



Operations

ALEXANDER ECKERT



Product Management & Engineering

BORRIES SCHÜLER



FOREWORD BY THE EXECUTIVE BOARD

Dear readers,

Sustainability and climate change are megatrends and thus have a major impact on the future development of the Hoffmann Group. As Europe's leading supplier and partner of quality tools, workstations and storage solutions and personal protective equipment, sustainable action is one of our basic principles. The Hoffmann Group success story of over 100 years would not have been possible if we had not set high standards for sustainability. As demand for sustainable products and solutions grows, the issue is becoming increasingly important throughout the entire value chain. We work continuously on developing ourselves in environmental, social and corporate governance-related areas (ESG), setting ourselves ambitious targets for the future.

We have developed a strategy for the decarbonisation of the Hoffmann Group. We are convinced that the implementation and further development of the climate strategy and the realisation of the defined CO₂ reduction measures will make us resilient, strengthen the trust of employees and customers in the Hoffmann Group and also promote innovation and our competitiveness. More information can be found on page 10.

It is clear that sustainability is increasingly becoming a differentiating factor and a prerequisite for business success – also for the Hoffmann Group. Events such as the Russian attack on Ukraine make it very clear that sustainability is not limited to environmental and climate issues, but has social and political dimensions. Sustainability thus raises the question of corporate responsibility and the overall social contribution. Together with our employees and through our strong, lasting partnerships with suppliers and customers, we want to live up to this responsibility and shape the future.

Executive Board of Hoffmann SE



COMPANY PROFILE









Together with its affiliated companies, Hoffmann SE employs around 3,500 people (reference date: September 30, 2023). Since 2021, Hoffmann Group has been operating the most powerful tooling logistics facility in Europe with the "LogisticCity" in Nuremberg. LogisticCity can handle up to 40,000 parcels per day and is the Hoffmann Group's central warehouse.

In 1993, the Hoffmann sales companies in GSA founded the Hoffmann Group together with the other family companies Perschmann, Oltrogge and Gödde. SFS, a family-owned business from Switzerland, subsequently joined the group. The range comprises around 500,000 products from more than 500 brands, of which around 120,000 are immediately available from stock. The Hoffmann Group operates in over 50 countries with its own offices or through partners. In 2022, it generated sales of more than 1.4 billion euros.

As the largest company within the Hoffmann Group, Hoffmann SE develops and controls the alignment of the group of companies in coordination with the partner companies. The central tasks include the maintenance and further development of products of the GARANT and HOLEX brands, which are exclusively distributed by Hoffmann Group. A broad, responsible perspective and an absolute focus on customer benefits are the most important criteria here.

In order to further expand international growth, long-standing partners SFS Group AG and Hoffmann SE merged in mid-2022. Thanks to the pooling of forces, the companies offer their customers an even wider range of products and services. As a company with a long tradition, we stand for continuity, stability, reliability and sustainability. We challenge ourselves to live up to this standard every day.

Adopting a sense of responsibility isn't something we feel obliged to do – it's something we truly believe in. That is why Hoffmann Group has been committed to the environment, social issues and good corporate governance for decades. This commitment is an integral part of the culture and the actions of our company. An awareness of our responsibility for our employees, business partners, products and our natural environment has always shaped our corporate policy.

SUSTAINABILITY STRATEGY

As Europe's leading partner for quality tools, workstations and storage equipment, and personal protective equipment, sustainable action is one of our fundamental principles. Sustainability is practised as an integral part of our culture. That is why Hoffmann Group has been committed to the environment, social issues and good corporate governance for decades. We are convinced that we can only generate sustainable added value for our stakeholders, especially our customers, by integrating ESG criteria (environmental, social, governance) into our business activities.





TAKING A HOLISTIC APPROACH TO SUSTAINABILITY

For us, sustainability means taking equal account of economic, ecological and social aspects in our business activities in order to create lasting value.



THE HOFFMANN GROUP HELPS OTHERS TO BECOME MORE SUSTAINABLE

Our innovative product ranges and solutions help our customers to become more sustainable and successful themselves.



THE HOFFMANN GROUP ITSELF MAKES A CONTRIBUTION THROUGH SUSTAINABLE MANAGEMENT

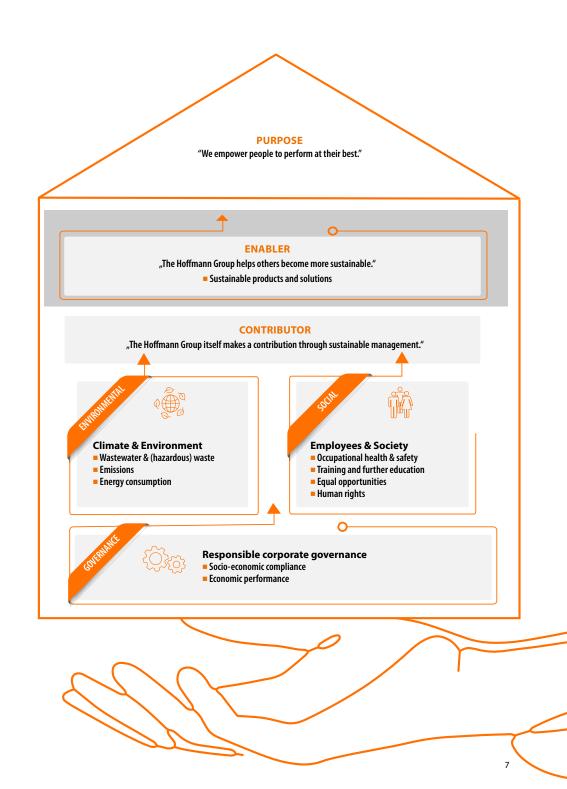
Together with our employees and through our strong, long-term partnerships with our suppliers and customers, we ensure sustainability in our actions.

In 2022, Hoffmann Group developed and presented a Group-wide sustainability strategy. Our goal is to link ESG aspects even more closely with the corporate strategy of the Hoffmann Group and to take a holistic view of the economic, ecological and social performance of the Group. We are consistently working to advance integration, to further develop objectives, key performance indicators and measures in the strategic fields of action, and to improve sustainability performance of the Hoffmann Group.

Based on the results of the materiality analysis, which we review regularly, we define the focus of our sustainability activities. We are already active in all areas with a wide range of measures. In 2023, the focus was on the following topics, among others:

- Development of a climate strategy and definition of CO₂ mitigation measures.
- Measures to electrify the fleet.
- First Sustainability Days.
- Expansion of GARANT GreenPlus product series.
- Improvement of results in sustainability ratings (e.g. EcoVadis)

The Executive Board of Hoffmann SE bears the overall responsibility of the Hoffmann Group for sustainability / ESG. The Compliance, Risk & Sustainability (CRS) division reports directly to the CFO and continuously develops the focus of sustainability activities in line with stakeholder requirements and is responsible for implementing the sustainability strategy and for reporting. CRS provides impetus for the Executive Board, the operating divisions and the Corporate Functions. With its specific expertise, CRS supports all departments and divisions in the implementation of sustainability projects. The ESG team in the area of CRS acts in close coordination with the parent company SFS and defines the guidelines and framework conditions for sustainability activities in the Hoffmann Group.



Hoffmann Group pursues a holistic approach to sustainability management and is convinced that companies can make a positive contribution to achieving social sustainability goals through both sustainable service offerings and sustainable value creation.

The United Nations (UN) Sustainable Development Goals (SDGs) provide the framework for our sustainability strategy. They define global priorities and goals for sustainable development by 2030 and aim to mobilise global efforts to achieve a common set of goals and targets. The Hoffmann Group also wants to contribute to this transformation. Below are the goals that we have identified as particularly relevant for our business activities and their contribution to the SDGs, as well as a selection of measures that have already been implemented.

































Health and wellbeing

- Occupational health management (including Health Day, ergonomic advice and sports courses)
- Other social and fringe benefits such as free company restaurants (selected locations) and company pension scheme.
- Certification according to ISO 45001 (occupational health and safety management systems)



High-quality education

Social engagement within the framework of the Hoffmann Group Foundation.



Gender equality

■ Competence model for the participation of women and equal opportunities in taking on leadership roles.



Affordable and clean energy

- Use of green electricity at all German locations.
- Modern and environmentally friendly energy concepts in LogisticCity.
- ISO certifications for environmental and energy management (ISO 14001 and 50001)

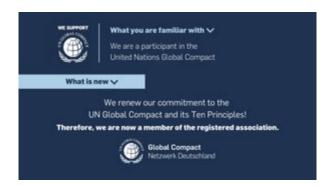


Decent work and economic growth

- Code of Conduct, including essential principles of integrity and ethical conduct.
- Code of Conduct for suppliers, including compliance with human rights standards.

WE SUPPORT





Since the end of 2021, the Hoffmann SE has been a signatory of the United Nations Global Compact (UN) and is therefore expressly committed to its ten principles in the areas of human rights, labour standards, the environment and climate as well as corruption prevention. The United Nations Global Compact is the world's largest and most important initiative for responsible corporate governance.

Based on ten universal principles and the Sustainable Development Goals (SDGs), it pursues the vision of an inclusive and sustainable global economy. By joining, alongside more than 13,000 other companies and organisations from civil society, politics and science in more than 160 countries, we are demonstrating that we want to help shape this vision and gradually strengthen our commitment to sustainability. Reaffirming our commitment to sustainability and the ten principles is particularly important to us in the context of current global challenges. For this reason, we have been a member of the UN Global Compact Network Germany Association since 2023.

The Hoffmann Group is already implementing numerous measures that demonstrate the holistic approach and responsibility with regard to sustainable action. These include the Hoffmann Group Foundation's social commitment to disadvantaged children and adolescents and a company-wide compliance management system for good corporate governance. The measures also include various initiatives in the areas of climate and environmental protection, such as an environmentally friendly packaging concept with recyclable filling and shipping materials, the purchase of green electricity at all German locations, the GARANT GreenPlus product line and certifications in accordance with international standards, for example in the areas of environmental and energy management.



Industry, innovation and infrastructure

- Long service life thanks to the highest product quality and services such as the regrinding service.
- Certification according to ISO 9001 (Quality management systems)



Reduced inequalities

Social engagement in the framework of the Hoffmann Group Foundation.



Sustainable consumption and production

- GARANT GreenPlus product series for more sustainability in workshops and production.
- Use of alternative raw materials as an option for customers (e.g. bamboo for GARANT GridLine), distribution of products from manufacturer brands with sustainability labels (e.g. "protecting planet").



Climate protection measures

- Switch company fleet to electrically powered vehicles.
- Sustainable mobility offers for employees (e.g. service bike, public transport subsidy).
- Environmentally friendly packaging for shipping, with a high percentage of recycled materials.



Peace, justice and strong institutions

- Company-wide Compliance Management System (CMS).
- Internal Trade Compliance Program (Trade ICP) for export control.
- Sustainability directive as a policy document for sustainable action in the company.

CLIMATE & ENVIRONMENT

Strategic thrust

The Hoffmann Group sees it as its responsibility to contribute to achieving the Paris climate targets by reducing direct and indirect greenhouse gas emissions. We endeavour to treat the environment responsibly and to use natural resources sustainably and efficiently and take measures to reduce our energy consumption.





As a company, Hoffmann Group is committed to a responsible and considerate approach to the environment and natural resources. We strive for a sustainable, efficient use of energy and take measures to reduce our energy consumption. We have also implemented processes and procedures for the proper identification, management, handling, disposal and replacement of hazardous substances and prohibited materials. The development and sale of sustainable products and solutions that reduce direct and indirect emissions, optimise the use of raw materials and promote the use of recycled materials is a particular challenge.

Every day, we dispatch thousands of consigments throughout the world, with a high degree of delivery accuracy. Packaging and logistics are therefore an important lever for reducing our waste and thus our downstream emissions. We see the introduction of further recycling concepts to create closed-loop systems and the optimisation of logistics processes with a view to sustainability criteria as one of the key tasks for the future. By using packaging material made from recycled paper, we are already reducing the consumption of water and energy, and CO_2 emissions. In addition, we contribute to climate protection through tree planting campaigns by various German and international locations (e.g. Bremen, Italy and Great Britain).



We see it as the responsibility of every organisation to contribute to achieving the Paris climate targets by reducing greenhouse gas emissions. The Hoffmann Group's greenhouse gas emissions for 2022 were calculated on the basis of CO₂ equivalents (CO₂e). Our carbon footprint includes emissions from direct sources within the company (Scope 1) and from the production of grid-bound energy (Scope 2), as well as emissions that are caused by the company's activities but are not subject to direct control and occur in the upstream and downstream value chain (Scope 3).

2022 greenhouse gas emissions in tons of CO₂e.

Scope 1	7,667
Scope 2	72
Scope 3	391,737
Upstream value chain	278,387
Downstream value chain	113,351
Total	399,476

Based on the calculations of greenhouse gas emissions for 2022, we have defined the target of reducing the scope 1+2 emissions of the Hoffmann Group by at least 50 percent by 2030. In developing the reduction path, we have been guided by the requirements of the Science Based Target Initiative (SBTi) for science-based targets. The main levers for decarbonisation are the gradual conversion of the company car fleet to electric mobility, the switch to alternative energy sources for the heat supply of our buildings and the procurement of green electricity outside of German locations.

Due to the business model, Scope 3 emissions account for the majority of total emissions. The key emission categories in which we intend to implement reductions in future together with our supplier are the purchase of products and services as well as upstream and downstream transport. As a next step, we have set ourselves the goal of developing an SBTi-compliant target for Scope 3. This requires continuous improvement of data quality and processes for data collection for emission calculation.

By defining the reduction path and developing climate management, the Hoffmann Group contributes to the achievement of the SFS Group's climate and environmental targets. In the future, we will regularly verify the objectives and, if necessary, deal with adjustments, among other things against the background of regulatory innovations, changes in the data basis, updates of emission factors and methodological improvements.

Corporate Carbon Footprint (CCF) Explanations

In calculating the CCF, we have used the criteria and definitions of the Global Reporting Initiative (GRI) and the following standards: Greenhouse Gas (GHG) Protocol – Corporate Accounting and Reporting Standard, Corporate Value Chain Accounting and Reporting Protocol of the World Resources Institute (WRI), and World Business Council for Sustainable Development (WBCSD). The Hoffmann Group uses the operational control approach for accounting for the CCF. The base year for the calculation is the calendar year 2022. In the calculation, all relevant greenhouse gases (CO₂, CH4, N2O, HFCs, PFCs, SF6, NF3) were taken into account.

For its scope 1+2 accounting, Hoffmann Group has primarily used a quantity-based data collection process. For the calculation of Scope 1+2 emissions, primary data were collected at all sites >50 Full Time Equivalents (FTE). The other sites were extrapolated on the basis of the FTE in order to show the emissions in full. Scope 1+2 emissions were calculated both market- and location-based. The market-based calculation, which forms the basis for the emission values in the table above, uses emission factors or energy mix data provided directly by the energy suppliers.

For the calculation of Scope 3 emissions, a materiality analysis was carried out at the beginning to identify the relevant Scope 3 categories: Scope 3.1 purchased goods and services, Scope 3.2 capital goods, Scope 3.3 fuel and energy related emissions, Scope 3.4 transport and distribution (upstream), Scope 3.5 waste, Scope 3.6 business travel, Scope 3.7 employee commuting, Scope 3.9 transport and distribution (downstream), Scope 3.11 use of sold products, Scope 3.12

Handling sold products at the end of their lifecycle. Data collection was carried out on a quantity-based basis, if possible.

The ecoinvent version 3.9.1 database was the central source for the other emission factors used. The freely accessible database of the Department for Business, Energy & Industrial Strategy (DBEIS) was used as an additional source for emission factors.



Garant GREENPLUS

HOFFMANN GROUP EXPANDS ITS SUSTAINABLE PRODUCT RANGE

The GARANT GreenPlus product series makes it possible to work more sustainably in workshops and production – with the highest standards of safety, quality and performance. In 2023, the Hoffmann Group presented for the first time the multi-purpose and cut-resistant gloves of the GARANT series GreenPlus. The "green" gloves are made of up to 78 percent recycled material and therefore have a smaller CO₂ footprint. The sustainable GARANT protective glove models of the GreenPlus series are suitable for professional use in dry, wet, greasy and oily environments. Elastic fine knit made of 100 percent skin-friendly nylon, modern coatings and ergonomic fits give them high wearing comfort, good dexterity and touchscreen capability. For precise working in dry environments, the multi-purpose glove made of 18-gauge fine knit with a light palm coating of polyurethane provides an excellent sense of touch. Its carrier material is made of 86 percent recycled nylon. The GreenPlus protective gloves are supplied in plastic-free packaging.

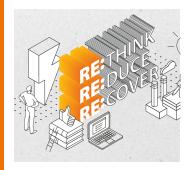
Improving safety at work, protecting the environment, saving costs

Sustainability, safety and efficiency have become key pillars in the business strategy of many companies. Since 2020, the Hoffmann Group has been offering chemical-technical products without hazard labels for workshops and production under the product brand GARANT GreenPlus. In addition to the new protective gloves, the GreenPlus sustainability series thus includes cleaning agents without hazard labels, anaerobic glues without solvents, a grinding oil and an ultrasonic cleaner series without hazard labels. All products in the range are classified as non-hazardous under the CLP Regulation. It is therefore not necessary to store the products in a hazardous material storage area and to train the personnel to handle them. This simplifies work processes, protects the environment, and reduces the costs for occupational health and safety measures, storage, and disposal. With our sustainable products, we optimise the performance of our customers and contribute to the protection of the environment and people.









Sustainable solutions for greater resource efficiency

We are committed to continuously improving our processes and the quality of our products, and have geared our quality policy towards this. This objective is supported by a suitable quality assurance system. In addition to the high product quality, services such as the regrinding service for cutting tools also contribute to increasing the service life of our products. By regrinding tools, our customers can also contribute to environmental protection in addition to saving money on a new purchase. Regrinding has a positive impact on the environment through the reuse of resources such as steel and the reduction of transport capacities. Resource efficiency and sustainable management thus go hand in hand.



Alternative energy concepts and certified management systems

We aim to limit our impact on the environment by using state-of-the-art and environmentally compatible energy concepts in our company buildings. This is especially true for our highly automated logistics center in Nuremberg, which started operations in 2021. In addition, we are aiming for certification according to the LEED (Leadership in Energy and Environmental Design) procedure for the new company headquarters in Munich-Freiham, an internationally recognised certification system for ecological building. We are already certified to ISO 14001 standards at most locations and additionally to 50001 for environmental and energy management systems in Munich.



Hoffmann Group relies on environmentally friendly packaging solutions

Together with an external partner, Hoffmann Group switched from using bubble wrap as the filling material for parcels to a solution made from 100 per cent recycled paper in 2020. In addition, the waste paper (approx. 600 tonnes per year) has been processed in the in-house baling press at LogisticCity in Nuremberg since 2023. The supplier can use the bales produced in this way to produce paper for the paper padding machines used by Hoffmann Group as part of the regular material deliveries. The result of the cooperation is not only a modern, efficient packaging solution, but also a sustainable recycling economy. Another important lever for reducing packaging material is the optimisation of the carton sizes used, which we are continuously working on.



Hoffmann Group continues to expand electromobility

Since 2022, we have tested electromobility in the Hoffmann Group as part of a cross-site pilot project. In this context, we have also expanded our charging infrastructure at selected locations, enabling customers, suppliers, guests and employees to charge their e-vehicles. After the successful completion of the pilot project, the Hoffmann Group went into regular operation in Germany and Austria in 2023. This means that we want to gradually change our fleet and significantly reduce greenhouse gas emissions in the next few years. Hoffmann UK already has a 80 percent share of electric vehicles in the company car fleet.



Reduce paper consumption and expand digital customer offerings

With the publication of its catalogue in 2021/2022, the Hoffmann Group has decided that it will now only be published biennially. The extended useful life of the printed product reduces paper consumption by around 1,000 tons per year and also avoids greenhouse gas emissions generated during transport. By extending the useful life, we can improve our environmental footprint. We are using the resources released as part of this sustainability initiative specifically to expand our digital channels in order to be able to offer our customers an even better service.



Activities of the international locations for climate and environmental protection

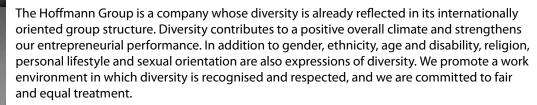
In 2023, Hoffmann Italy implemented a variety of communication and marketing measures to raise awareness of sustainability among its customers and employees and to draw attention to sustainable products and solutions. In addition, the company covers about half of its annual electricity requirements through its own photovoltaic system. Among other things, the subsidiary has increasingly offered customer training on the GARANT GreenPlus product line and has made changes in transport management to reduce CO₂ emissions. Employees in France have campaigned for greater sustainability themselves (e.g. participation in Cleanup Day) and through customer campaigns.

EMPLOYEES & SOCIETY

Strategic thrust

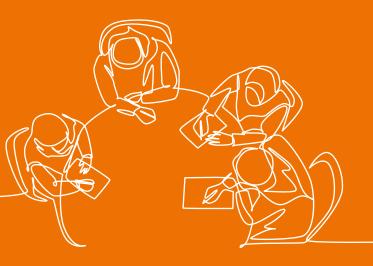
The Hoffmann Group offers an attractive working environment that is characterised by mutual trust and where performance and commitment are rewarded. Occupational safety and health are important criteria for employee satisfaction and are a basic prerequisite for a high level of motivation. Social responsibility and social commitment are an integral part of the company culture.





By adhering to high social standards in the conduct of our business and by promoting awareness and knowledge of ethical values and principles, both within our own staff and among suppliers, the Hoffmann Group can make a positive contribution to society. Social responsibility and social commitment have been an integral part of the corporate culture for decades, which is reflected in the Hoffmann Group Foundation, among other things.

For the first time this year, the Hoffmann Group honey was produced from bees kept at LogisticCity. The honey can be purchased by making a donation for the Hoffmann Group Foundation. This project not only contributes to greater sustainability and biodiversity at the Nuremberg location, but also benefits our company foundation. This year the Hoffmann Group also implemented various other actions in the area of corporate social responsibility, for example for the earthquake victims in Turkey and Syria, the flood victims in Austria and Slovenia, and for people in Burkina Faso, West Africa.





"TOOLS CREATE VALUES": THE HOFFMANN GROUP FOUNDATION HELPS

Under the motto "Tools create values", the Hoffmann Group Foundation has been supporting primarily non-profit institutions in Germany since 2006 that promote the development of disadvantaged and traumatised children and adolescents. These include young people who are disadvantaged or traumatised by the most serious diseases, by disabilities of any kind or by a difficult social environment. The Foundation projects are intended to serve as a place of retreat where children can recharge their batteries, while at the same time offering them plenty of space for creativity and to realise their potential. Working in the workshops is a lot of fun for the children and helps them on many levels. They can try themselves out, grow with their own artwork and gain new self-confidence.

Foundation aims to give children confidence

The Foundation sees itself not only as a funder of charitable institutions and projects, but also acts cooperatively, in partnership and on an equal footing. The range of our support in the workshop, the riding hall or in art, music and dance therapy enables children and young people to discover their talents, develop their skills and thus develop their self-confidence.

The foundation was also able to achieve this major goal in the ORANGE PROJECT Berlin, which opened a year ago, in 2023. The children and young people have achieved a lot in the new creative and therapy workshop and, for example, built furniture or produced great joint projects, such as a large throwing game made of wood, and they were able to spend a varied holiday.









Attractive working environment and fair pay

The Hoffmann Group offers its employees a friendly and rspectful company atmosphere and a secure workplace. We comply with the laws and regulations of the individual countries and regions in which the Hoffmann Group is active in relation to working conditions, wages and working hours, and we are committed to an attractive working environment and fair pay. The extensive range of benefits includes flexible working hours and the option of mobile working throughout Germany. Depending on the location, we also offer a wide range of social and fringe benefits, such as sports courses, discounted tool purchases and company pension schemes.



High value placed on education and training

We consider education and training to be an important social responsibility and a crucial tool for maintaining and strengthening the competitiveness of the Hoffmann Group. We therefore provide individual support for young people entering professional life. Supporting development and expansion of skills includes, among other things, dual forms of education for the targeted training of skilled workers. Transitions into the company or between positions are also facilitated in this way. We also place a high priority on the continuous professional development of our employees. Our certified training academy is one of the ways in which we support the personal and professional development of our employees.



Girls` Day at the Hoffmann Group

Following the positive feedback from the previous year, Hoffmann Group again actively participated in Girls' Day in 2023. For the Future Day for Girls, companies, businesses and universities throughout Germany are opening their doors to schoolgirls from the 5th grade onwards. At the Munich and Nuremberg locations, employees from the TEC, Logistics and IT departments showed young and interested girls the world of work at the Hoffmann Group on April 27th. In Munich, they were allowed to try out files and drills at the workbenches and were thus introduced to the world of machining. Programming tasks were awaiting in IT, and in Nuremberg everything revolved around our logistics and the tasks of the specialist warehouse staff.



Health Day 2023 at the Munich location

Under the motto "Strong and healthy together", the Hoffmann Group focused on employee satisfaction at its Munich location in October and demonstrated how sustainable corporate health management can work. In addition to informative lectures on the subject of exercise, nutrition and resilience, employees also had the opportunity to undergo free examinations and health checks and to participate in sports courses. This enabled us to make an important contribution to raising the awareness of our employees for their own physical and mental health.



Health and safety for employees and customers

Through our quality, environmental and safety policies, we endeavour to ensure the health and safety of our employees in the performance of their duties, prevent accidents at work and promote mental and physical health. We have the appropriate certifications, e.g. according to ISO 45001 (Occupational Safety and Health Management Systems) at our Munich location. We comply with all applicable regulations for the health and safety of our customers. We also have a wide range of personal protective equipment for the industrial workplace in our product portfolio. In addition, we offer training and specialist seminars for customers to effectively prevent damage to health.



Social commitment of the Hoffmann Group

There are numerous options for Hoffmann Group employees to support the Foundation's projects. On the ORANGE Social Days, they can get to know one of the children's facilities and use the day to lend a hand and do good on site. This year, outdoor facilities were repaired, bicycles repaired, a bicycle shelter and a ball pit were built. Employees can also get involved in sporting events, such as company races or cycling events. A highlight in 2023 was the ORANGE SPORTS Challenge. In seven weeks, employees accumulated over 700,000 minutes of sports for a good cause.

RESPONSIBLE CORPORATE GOVERNANCE

Strategic thrust

The Hoffmann Group believes that a strong culture of integrity, reliability and transparency leads to better business performance and is essential not only for our long-term success, but also for the protection and well-being of our employees. Through responsible supply chains, Hoffmann Group also contributes to the protection of human rights and fair working conditions.





Integrity is the foundation for any modern, transparent, and successful business. Clear and convincing parameters that guide all employees are a prerequisite for business success and a good and sustainable future. To anchor integrity and value-based action even more firmly as part of the corporate culture, the Hoffmann Group has established the Compliance department under the leadership of the Compliance Officer. An important building block in this context is a Compliance Management System (CMS) to ensure compliance at all times in all business activities.

We firmly believe that a strong culture of integrity, reliability and transparency leads to better business performance and is essential not only for our long-term success, but also for the protection and well-being of our employees. Through responsible supply chains, the Hoffmann Group also contributes to the protection of international human rights and the avoidance of forced and child labour as well as fair working conditions. We are a fair partner and set the highest standards for our actions.

The Code of Conduct summarises the essential principles and rules that apply to all of our activities. It is a guideline for all employees worldwide and forms the basis for our daily dealings with each other, with customers and with business partners. The Code of Conduct also regulates in particular how human rights should be upheld. We also expect our suppliers to unconditionally respect and uphold human rights and check whether they do so as part of our supplier selection process.

The obligation to respect human rights is also set out in our Supplier Code of Conduct. In addition to the existing rules, the Sustainability Directive forms the basis of the Hoffmann Group's corporate image with regard to sustainability.

HOFFMANN GROUP AWARDED SILVER ECOVADIS MEDAL FOR SUSTAINABILITY PERFORMANCE

At the end of 2022, we received a bronze medal for the entire group in our first sustainability rating by EcoVadis. In 2023, we were able to reach 63 points out of 100 (previous year: 55) and were awarded the silver EcoVadis medal for this achievement. With this result, the Hoffmann Group is one of the top 25 percent of the companies assessed by EcoVadis. This success is recognition and encouragement at the same time to expand our sustainability activities, to further develop objectives and key figures in the strategic fields of action and to continuously improve the sustainability performance of the Hoffmann Group.

The EcoVadis rating is one of the most renowned sustainability ratings internationally. Using a scorecard, the rating measures various indicators such as sustainable objectives, implemented activities, certifications or controlling measures. Depending on the industry, company size or geographical location, the rating considers sustainability criteria along the entire value chain. A total score as well as four individual scores in the areas of environment, ethics, people and labour rights as well as sustainable procurement reflect the assessment and allow comparison with other companies.





No tolerance of corruption or bribery

The Hoffmann Group does not tolerate any form of corruption or bribery, offer or grant, or demand or accept unreasonable benefits or benefits to attempt – or even appear – to unlawfully influence another person's decision or to gain an unfair advantage. This zero tolerance principle applies not only to our employees, but also to all other persons and organisations acting on our behalf or in our interest. The corresponding regulations are listed in the Code of Conduct, the Integrity Directive and the Sustainability Directive, among others.



Data protection as a collective responsibility and legal obligation

We consider education and training to be an important social task and a central tool for maintaining and strengthening the competitiveness of the Hoffmann Group. The entry of young people into the profession is therefore promoted individually. Supporting the development and expansion of skills includes dual forms of education for the targeted training of skilled workers. Transitions into the company or between positions are also facilitated in this way. The continuous further training of our employees is also of great importance. Our certified training academy is one of the ways in which we support the personal and professional development of our employees.



NACHHALTIGKEITSTAGE

ZUKUNFT GEMEINSAM GESTALTEN

MÜNCHEN 20./21. SEPT. 2023













SHAPING THE FUTURE TOGETHER

On 20th and 21st September, the Hoffmann Group hosted Sustainability Days for the first time at its Munich location. Under the motto "Shaping the future together", employees were able to find out about the various aspects of sustainability at numerous stands. In actions and tutorials, they experienced what sustainability means in concrete terms in the corporate and private context.

In addition to the ESG team, various departments demonstrated how they are already acting sustainably today and thus making an important contribution to the sustainability strategy. These included, for example, the general services division with the topics of building management, energy efficiency and saving, sustainable travel as well as disposal and recycling, the Hoffmann Group Foundation with its commitment to disadvantaged children and young people

and the HR department also presented the extensive social and fringe benefits provided by Hoffmann Group once again. In addition, an e-bike parkour and an electric car from the Hoffmann Group vehicle fleet awaited all those who wanted to test electromobility live.

Another focus of the Sustainability Days was the question of how the Hoffmann Group can help its customers become even more sustainable themselves. Therefore, there was also a "GARANT GreenPlus" stand, where the product management team prepared information material on sustainable cleaning and adhesive bonding, presented the effectiveness of the products in use and was available to answer many questions. In addition, employees in a repair and sustainability café passed on their knowledge to interested colleagues in the form of tutorials.

(e.g. "How do I repair my bike", "Up-cycling: Make new out of old!"). And of course, the physical well-being was also taken care of: With a sustainable lunch in the company canteen as well as various tastings, including the first Hoffmann Group honey from beekeeper colleagues from LogisticCity in Nuremberg. In order to make our employees more aware of sustainability in the future, the idea of the Sustainability Days is to be continued and implemented at other Hoffmann Group locations worldwide.

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Further information can be found in the Sustainability Report 2022 of the SFS Group: https://sustainability.sfs.biz/media-sustainability/downloads/sustainability-report-2022-2.pdf

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