

KLÜBER
LUBRICATION

your global specialist

Sustainability and Responsibility

Report 2023/2024



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A message from the Management Board

Dear reader,

Our eighth sustainability report is not only an opportunity for us to reflect on the past year, but also to look to the future: our goal is to be calculatory largely CO₂-neutral by 2045. And we take this goal very seriously – just as our customers do. That is why we are going on this journey together with them. This proves yet again that our business model – which has always been aimed at helping our customers reduce energy, wear and waste – goes hand in hand with global sustainability targets.

At Klüber Lubrication, we regard environmental protection and performance as two sides of the same coin. We are therefore working hard to constantly minimise our own ecological footprint. We also aim to maximise our handprint, i.e. the contribution we make to reducing our customers' footprints.

We are proud to have already reduced our Scope 1 and 2 CO₂ emissions by over 78 % since 2019. Our actions regarding the much more extensive, and therefore more important, Scope 3 – i.e. emissions along the entire value-added chain – are also paying off: since 2019, we have reduced our CO₂eq emissions per ton of product by over 10 %, and year-to-date by over 14 % for Scopes 1 to 3. It is important to us to ensure a decarbonisation mentality is instilled at all levels in our company because Klüber Lubrication is determined to make its contribution to a world with significantly lower fossil fuel consumption.

In 2023, we achieved a further breakthrough in quantifying our Research and Development Sustainability Scorecard and our Sustainability Product Portfolio Segmentation (SPPS): the completion of our automated Life Cycle Assessment (LCA) tool now enables us to compare different lubricant formulations in terms of their CO₂ impact as early as the development stage. We can also create customised product carbon footprints for our customers. These are major steps on our way to being a driver of sustainable innovation.

We were also very pleased that our efforts were recognised by various organisations in 2023. In addition to our second EcoVadis gold medal, we were also presented with the European Responsible Care Award from the European Chemical Industry Council (CEFIC), the ESG Transparency Award from EUPD Research for our sustainability report and the ESG Performance Award at the Xceleration days in China.

In 2024, we received the gold medal from EcoVadis for the third time. In addition to that we are particularly proud of our excellent "Carbon Management Level" rating by Ecovadis, where we were ranked "Leader Level"

We are delighted that you are interested in our path towards a more sustainable and humane future, and we hope you find this report inspiring.



We thank all of our employees for their enthusiastic and tireless support in improving our sustainability and responsibility performance.

Dr. Wolfgang Sammer
Speaker of the Managing Board,
Executive Vice President Sales/Marketing

Markus Murmann
Executive Vice President
Finance/Administration

Dr. Martin Schmidt-Amelunxen
Executive Vice President Technology/R&D

Our sustainability and ESG¹ highlights 2023/2024

**EcoVadis Gold:
for the 2nd
and 3rd
consecutive time**



Klüber Lubrication has been awarded the "Gold Medal" by EcoVadis, putting it among the top 5% of 130,000 companies assessed worldwide.

**Highest rating
from Ecovadis for
carbon management:
"Leader"**



Klüber Lubrication's performance in carbon management received the highest rating level of "Leader" in the EcoVadis Carbon Scorecard.

**Winner of the
Responsible
Care Award**



Climate neutrality category, awarded by CEFIC, the European Chemical Industry Council.

**ESG
Transparency
Award**



"Excellence" rating for our "Sustainability and Responsibility 2022" report from EUPD Research.

**Ahead of schedule:
absolute reduction
in emissions of
78 %**



Scope 1 and 2 emissions have been reduced at our sites since 2019 and the emissions target for 2025 has been exceeded since 2022.

**CO₂eq-emissions
in the value-added
chain (Scope 1–3)
reduced**



Emissions per ton of product reduced by over 14% since 2019.

**Energy and CO₂
savings for
customers thanks
to Klüber Energy
projects**



445,000 MWh, which corresponds to 86,000 tons of CO₂eq.

**All-time high:
42 % of our sales
come from more
sustainable out-
performer products**



The target of 35% was raised to 40% in 2023.²

**Completion of our
automated Life
Cycle Assessment
(LCA) tool**



We can now compare different lubricant formulations in terms of their CO₂ impact as early as the development stage.

**Accidents:
only 2 LDIs (Lost
Day Incidents)
in 2023**



"Good catches" increased by 5.5%, a testament to our safety culture.

**Diversity: propor-
tion of women in
management po-
sitions increased
to 26.4%**



The target of 25% for 2025 was exceeded for the third time in a row.

**Anti-corruption
prevention
reviewed in 100 %
of KL companies**



Inspection of the implementation of the specifications with external partners.

¹ ESG: Environmental, Social and Governance; ² Due to dynamic chemical legislation, falling back under the target is a possibility.

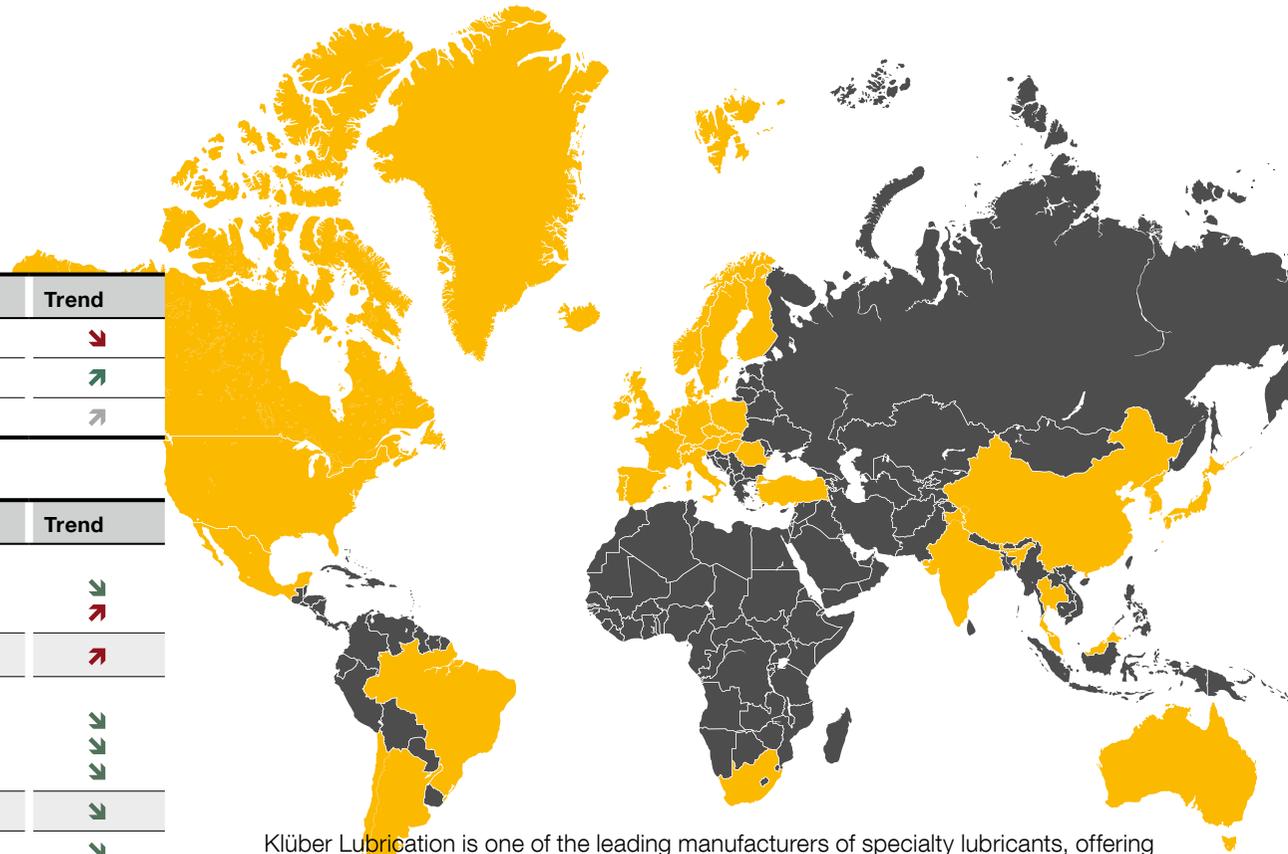
Klüber Lubrication at a glance

General performance indicators and sustainability indicators

General performance indicators	2022	2023	Trend
Sales (€ million)	983	949	↘
Employees	2,524	2,571	↗
Temporary workers	91	239*	↗

Sustainability indicators	2022	2023	Trend
Energy-related CO₂ emissions per tonne of product			
Scope 2: indirect energy	51	50	↘
Scope 1: direct energy	64	74	↗
Total CO₂eq Scope 1 and 2 per tonne of product**	115	124	↗
Absolute CO₂eq emissions			
Scope 2: indirect energy	4,287	3,499	↘
Scope 1: direct energy	5,493	5,272	↘
Scope 1: solvents	1,937	1,642	↘
Total CO₂eq Scope 1 and 2 in tonnes	11,717	10,413	↘
Scope 3	698,299	593,962	↘
Thereof upstream	443,354	362,527	↘
Total-CO₂eq Scope 1-3	698,299	604,375	↘
Specific CO ₂ emissions: tonnes of CO ₂ eq Scope 1-3 per tonne of product	9.0	8.6	↘
Total waste generated per tonne of product [kg/t]	66.8	69.5	↗
Total water consumption per tonne of product [m ³ /t]	0.76	0.85	↗
Work accidents per 1 million workhours (WRIFR)	2.5	0.41	↘
Training days per Klüber Lubrication employee	5.43	4.92	↘

* at 1,650 working hours per temporary worker per year



Klüber Lubrication is one of the leading manufacturers of specialty lubricants, offering high-end tribological solutions to virtually all industries and markets worldwide. Most products are developed and made to specific customer requirements. During its over 90 years of existence, Klüber Lubrication has provided high-quality lubricants, thorough consultation and extensive services, which has earned it an excellent reputation in the market. The company holds all common industrial certifications and operates a testing section hardly rivalled in the lubricants industry.

Klüber Lubrication, set up as a retail company for mineral oil products in Munich in 1929, is today part of Freudenberg Chemical Specialities GmbH, a Business Unit of the Freudenberg Group, Weinheim. Klüber Lubrication has about 2,500 employees in more than 30 countries.

Magazine

On the path to sustainability: faster, higher, further – including in climate protection

Sustainability: thinking one step further

Energy efficiency for rapid cost and sustainability gains for our customers

Digital solutions boost sustainability for users

Always in sight – our handprint solutions for our customers

Protecting biodiversity is a top priority

EcoVadis Gold – recognition and motivation for us

Sustainability achievements 2023: Klüber Lubrication has received multiple awards

On the path to sustainability: faster, higher, further – including in climate protection

Our objective of becoming climate neutral¹ shows that corporate success and responsible action can go hand in hand: quickly achieving climate neutrality and continuing to build on our contribution to a greener tomorrow through specialty lubricants for our customers are the core aspects of Klüber Lubrication's long-term climate protection strategy. It is going to take more than one isolated approach to achieve our goals. That is why we are pursuing a multi-pronged plan, which Sustainability Manager Markus Hermann also explains using the latest facts for 2023.

Klüber Lubrication is a chemical company. Is that not a disadvantage to start with when it comes to such ambitious CO₂ emissions targets?

Markus Hermann: Not at all. It is true that we are part of the problem, and we are working on minimising our impact – our footprint. But Klüber is also part of the solution because we can make a real difference through our products. Their main purpose is to minimise friction as much as possible. This, in turn, saves energy and reduces CO₂ emissions for our customers and their products. That is our handprint, which is far bigger than our footprint. We have aligned our strategy with the requirements of science and credibility: to act faster, focus on higher targets and continually broaden our field of action. In short: faster, higher and further – including in climate protection.

What exactly does this path look like?

Markus Hermann: For our sites worldwide, we have defined a four-stage plan which we take further forward every year based on the successes we have achieved: increase energy efficiency, switch to green energy, use new technologies and offset the remaining footprint. To make our contribution to this

pivotal decade for climate protection, we have set an ambitious target for the 2020s: to reduce CO₂eq by 75 % by 2025, compared with 2019.

What stage is Klüber Lubrication at in this plan? Is it currently “faster, higher and further”?

Markus Hermann: Much to our surprise, we achieved this target in 2022! Our teams around the world have succeeded in lowering our CO₂ eq emissions by an incredible 78.7 % in just four years – from 49,000 to 10,413 tons of CO₂eq per year. My sincere thanks go to everyone around the world for their persistence, focus on solutions and innovative power! We have now increased our new target to -90 % by 2030.

How have you achieved that?

Markus Hermann: Well, it all began with a major negative shock. At the end of 2019, we discovered that a solvent used for cleaning had huge greenhouse gas potential, and this had caused our carbon footprint to triple. We have reported on this extensively in previous reports. It really motivated us to act. Most of the improvement was achieved by us working at record speed to find and test alternative solvents to quickly replace the old one. Basically, we took a technological leap forward.

Have you also made progress in terms of energy?

Markus Hermann: Yes, on a global scale! We are working on increasing energy efficiency through energy audits and by exchanging information on successful measures. Our production facilities have contributed enormously to our success regarding green energy through generation of their own solar power and conversion to green electricity from dedicated



Markus Hermann, Sustainability Manager, Klüber Lubrication

plants, where possible. By 2021, we had already exceeded our 2025 target of 50 % green electricity, and today we are at 78 %. We have therefore increased this target to 100 % by 2030.

And what about oil and gas?

Markus Hermann: After switching to green electricity, the next big challenge is to shift the other 50 % of our energy consumption away from gas and oil to non-fossil energy carriers. That includes both the heating for our buildings and our required process heat as well. We are working on our first pilot projects in this regard. Our aim is to achieve 60 % green energy by 2030. We have a fair chance!

¹ By "(calculatory) climate neutrality" or "(calculatory) climate neutrality 2045" in this report, we mean that Klüber Lubrication aims to first minimise considerably its Scope 1, 2 and 3 CO₂eq emissions in accordance with the Greenhouse Gas Protocol and to offset its remaining annual emissions through offsetting projects or similar measures from 2045 at the latest. We have substantiated our plan with a corresponding strategy and interim targets. For the sake of readability and comprehensibility for our stakeholder groups, especially for our employees, we have so far decided against using other terms or paraphrases for "climate neutrality", such as "carbon net zero" or "carbon neutrality". For more details on scope, data, etc., please also refer to the "About this report" chapter.

“Our business model is part of the solution on the path to global climate neutrality.”

What is the situation with offsetting?

Are you already pursuing that?

Markus Hermann: After it became clear that we would achieve a significant reduction in CO₂eq at our sites, Klüber Lubrication also committed itself to offsetting our sites' annual residual emissions (Scope 1 and 2) from 2022 and implementing this in the same year. Unfortunately, offsetting projects have been the subject of increasing public criticism in 2023. Regulatory uncertainties have also increased. The Freudenberg Group, to which we belong, has therefore decided not to implement any more offsetting until further notice and to focus even more on reducing emissions.

Is this as far as the CO₂ neutrality strategy can go?

Markus Hermann: No. A credible strategy also needs to consider Scope 3 sources under the Greenhouse Gas Protocol. Here, the entire product life cycle needs to be examined, from the extraction of raw materials through to their processing, transportation and ultimately their disposal, or preferably recycling. Other requirements for the provision of our services must also be accounted for and reduced, such as business trips, employee journeys and service processes. Many of us have direct leverage over minimising business flights and particularly air freight! With around 594,000 tons of CO₂eq, Scope 3 emissions make up a huge chunk. It was therefore an important milestone of our sustainability commitment that, in the Sustainability Board in December 2021, we pledged to pursue climate neutrality by 2045 for Scope 3 emissions as well, in line with the German government's climate target. That marked the start of Klüber's conversion – away from fossil fuels and towards non-fossil energy carriers and raw materials. In December 2022, we defined our corresponding 2045 sustainability strategy with interim targets for 2030, 2025 and 2023 and specified these in more detail by May 2023.

Could this long-term strategy also achieve short-term success?

Markus Hermann: Yes. We are very pleased that we were able to reduce our Scope 3 emissions per ton of product by over 10% from 2019 to 2023, which means we have also achieved our 2025 target of -10 % for the first time. Absolute emissions fell to around 594,000 tons. External recognition of our achievements and plans has also been a source of great pride and joy: in addition to our third Ecovadis Gold Medal in the sustainability rating, we were also awarded "Leader Level" in the carbon management rating, we were also awarded "Leader Level" in the carbon management rating. And we won the Responsible Care Award in the "Climate Neutrality" category from the European Chemical Industry Association in 2023. However, in order to achieve our medium and long-term goals in the future, we need the active support of our customers and suppliers – worldwide.

What do you mean by the active support of suppliers?

Markus Hermann: We expect our suppliers to play an active part in achieving the UN's sustainability goals, reducing their emissions and also providing us with relevant data – for example on the CO₂eq footprint of their products. However, it is equally important that they develop innovative products for and with us in order to make lubricants more sustainable and expand their positive effects for our customers. Using our Sustainability Scorecard, we manage new product development and the refinement of our existing product portfolio – going far beyond climate protection!

And how can customers actively contribute to the achievement of climate targets?

Markus Hermann: Well, they need to be prepared to test innovations and incorporate them into their production and their products and also share any likely additional costs – at first at least. And do so quickly. Luckily, many of our customers also have similar climate neutrality targets and are calling for our contribution. What is astonishing is that many of them are not aware what great support lubricants can provide for their production and their products.

What positive effects do innovative products have for the customer?

Markus Hermann: Specialty lubricants are the greener alternative for our customers. They reduce the friction and wear of components, extend their service life and increase their energy efficiency in use. Our digital solutions and services, like the EfficiencyManager, also play a role here. All this helps to conserve valuable resources and reduce waste and CO₂ emissions – by a factor several times that of our own emissions and the footprint of our products. Our business model is therefore part of the solution on the way to global climate neutrality.

What is your motto for Klüber Lubrication's contribution to sustainability?

Markus Hermann: Ultimately, we can only achieve a significant reduction in CO₂ emissions together. That's why we want to encourage all of our suppliers, partners and customers to work together on the path to greater sustainability. We need ambitious targets and quick successes, and we must continually expand our areas of action. Protecting our biodiversity and water reserves is just as much part of sustainability nowadays as social factors and good corporate governance. That's why our new motto is “faster, higher and further – for climate protection and sustainability”.

“Faster, higher, further – for climate protection and sustainability.”



Sustainability: thinking one step further

Thanks to new solvents in production, Klüber Lubrication has been able to significantly reduce its Scope 1 CO₂eq emissions in recent years. The solvent-based share was still over 32,500 tons in 2019 but fell to 1,642 tons in 2022. This was also a major factor in enabling us to achieve our 2025 target of a 75 % reduction in CO₂ emissions ahead of schedule in 2022 and 2023, i.e. within just three years (see diagram). “How did we manage that? Through the close cooperation of Research and Development, Production and other departments. By working together, a new substance was found in 2020 which not only delivers the required performance but also cleans more efficiently and protects our climate,” says Markus Hermann, Sustainability Manager at Klüber Lubrication. A kilogram of the solvent originally used in our production had a global warming potential of around 10,000 kilograms of CO₂eq. With the new solvent, this impact was reduced to 55 kilograms of CO₂eq.

Klüber Lubrication has now switched almost completely to the new solvent for cleaning in the production process and is even going a step further. “We didn’t just want to reduce our own carbon footprint, we also wanted to help our customers achieve sustainability targets faster,” says Gabriele Wirtensohn, Product Portfolio Manager. “For this reason, we investigated solvent alternatives for use in products too and examined whether they were suitable for customers’ requirements.”

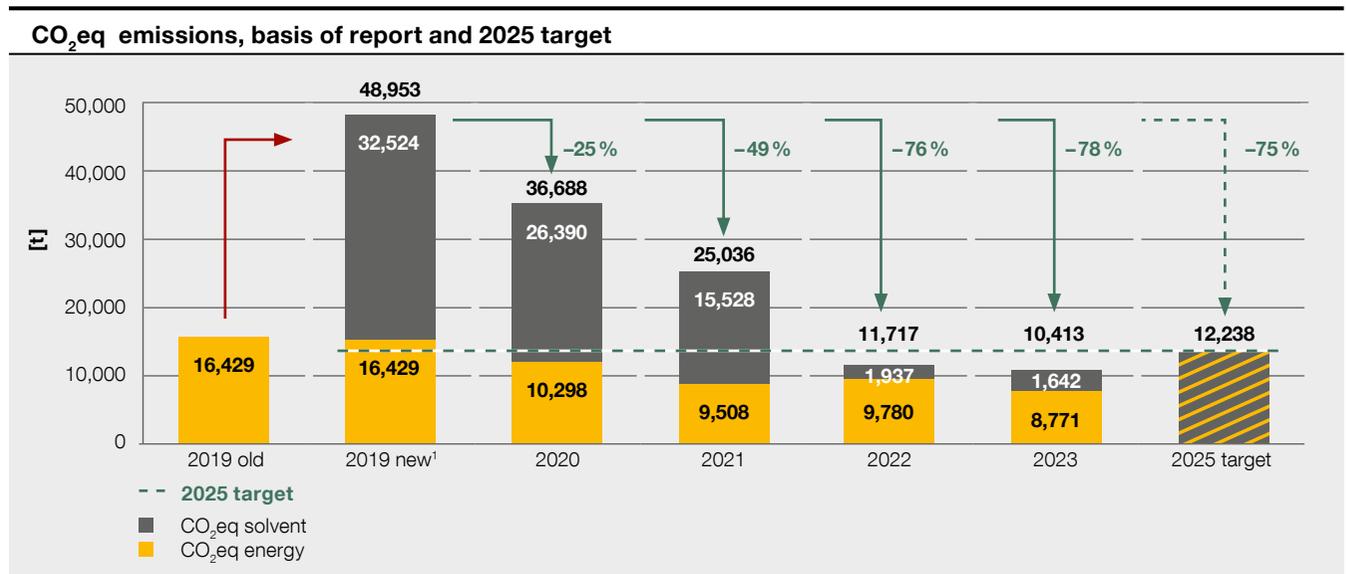
Different ingredients, same effect

Solvents ensure that lubricants are optimally distributed in Klüber products. Before the solvent evaporates, even hard-to-reach areas are wetted with a thin film and are thus effectively protected with lubricants. Solvents also reduce the quantity of lubricants that is actually used. “Each of our products was tested by developers in a separate raw material exchange project. Here, it was important to clarify whether the performance of the product stayed the same,” explains Gabriele Wirtensohn. Among other things, the wetting behaviour had to be identical, with comparable evaporation of the solvent guaranteed. “We achieved this, and the change

also enabled us to reduce the global warming potential to 3 % of the original material,” says the Product Portfolio Manager proudly.

“This result is incredible! By replacing the old solvent in our specialty lubricants, we have helped our customers to save up to around 47,000 tons of CO₂eq per year. In 2023, this figure was still 34,000 tons,” she notes.

Such innovations are made possible thanks primarily to the commitment of our employees, with 200 working in just the Research and Development department alone.



¹ Solvent emissions included.

Energy efficiency for rapid cost and sustainability gains for our customers

High energy costs are a challenge that many companies have had to face in recent years. Many of them are looking for efficiency improvements for economic reasons, but also to support their CO₂ reduction and sustainability targets. With its "Energy Efficiency" programme, Klüber Lubrication has developed a solution that has proven itself in hundreds of projects in many industries worldwide since 2007. Not only are we able to carry out such projects worldwide, but we can also predict expected results of around 4 % on average in many applications.

With our KlüberEnergy service, we help customers significantly boost the efficiency of existing machines, thereby saving energy, CO₂ emissions and related costs. For example, we have been able to show in several customer projects that the energy output of a wind turbine can increase by more than 2 % if Klüber Lubrication's lubricants are used in gearboxes. Maintenance intervals become longer, and friction and noise are reduced. In addition, less lubricant is needed, which means operating costs are reduced and the efficiency of materials and resources is increased.

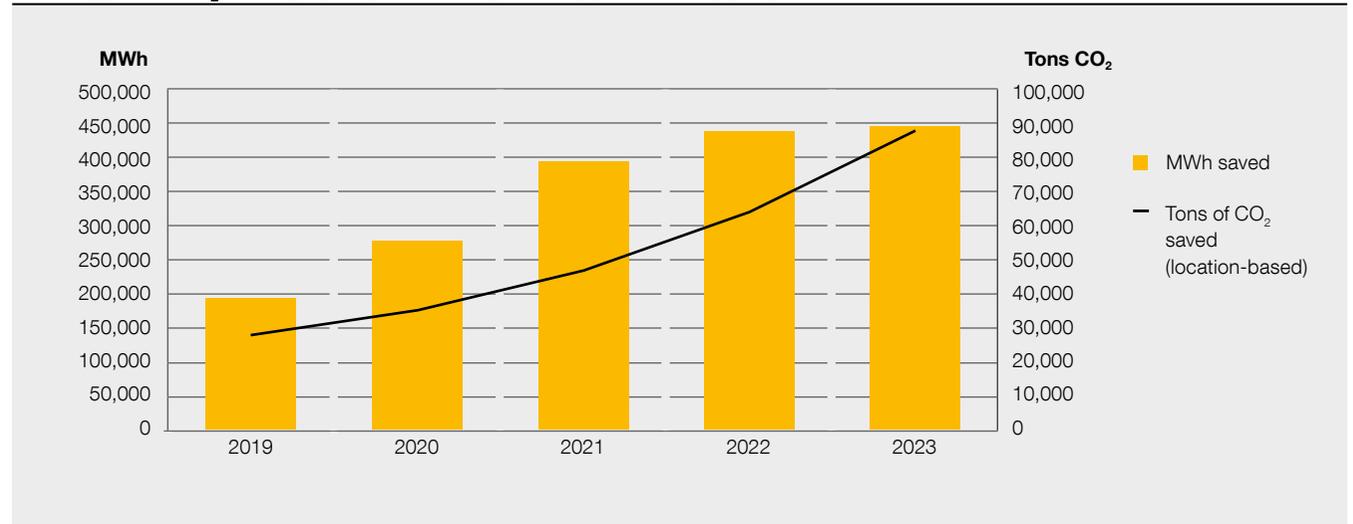
To leverage the full potential of a system, KlüberEnergy analyses and logs the starting situation so that an accurate comparison can be made later on. Based on this analysis, our experts select a suitable specialty lubricant from the product assortment. If necessary, an optimised lubricant is developed by Klüber Lubrication's R&D department.

Frequent energy savings of up to 8 %

Usually, however, suitable products for specialised use are already available. Use of these lubricants significantly extends replacement intervals, which in turn considerably reduces annual waste disposal volumes. To clearly demonstrate the savings to our customers, we provide evidence which has been accurately measured and is in line with international standards. This means our customers have a solid basis for investment decisions and can introduce the improvement measure as part of their ISO 50001 certification.

The savings generated and documented with the KlüberEnergy service amounted to approx. 445,000 MWh in 2023. This corresponds to 86,000 tons of CO₂ (location-based). This is more than the maximum emitted at our locations in one year – 49,000 tons in 2019. It is also more than eight times our own global energy consumption of around 50,000 MWh. We thus achieved our self-imposed target for 2025 much earlier than expected – in 2021. We have set ourselves a new target for 2025: energy savings of 800,000 MWh. This exclusively includes energy savings that we make possible as part of KlüberEnergy service projects and are able to prove based on the measuring method used.

Energy and CO₂ savings per year through energy efficiency projects with customers



The switch usually pays for itself within four to six months

The wind energy industry is not the only industry that can make substantial savings and improve energy efficiency by using Klüber Lubrication lubricants. Whether in the food industry, chemical industry, in cement and steel works or in typical applications such as compressors or gearboxes, KlüberEnergy's analyses help to achieve significant savings in the energy consumption of machines. In particular, the reduction of friction through the targeted use of Klüber Lubrication specialty lubricants often saves up to 8 % electricity, sometimes even much more. Other benefits are longer replacement intervals and less wear to the machines. "Besides the projects that demonstrate on-site gains, what excites me is that our energy efficiency team has accumulated so much data and experience over the last 16 years that they are able to predict typical savings in many applications in high energy consumption industries such as chemicals, food, heavy industry and many more. The world is looking for quick solutions for energy and sustainability efficiency – and they are right here. I'm proud that Klüber Lubrication is part of the solution," says Sustainability Manager Markus Hermann.

Anyone who wants to consistently incorporate sustainability and environmental protection into their production units today must utilise every potential opportunity. We can objectively prove what savings are possible by changing lubricants and therefore help to reduce our customers' carbon footprint and protect the environment. The switch usually pays for itself within four to six months.



Digital solutions boost sustainability for users

Cost savings thanks to improved energy efficiency and reduced wear: these advantages of high-quality specialty lubricants have always had a positive effect on life-cycle assessment. New digital solutions enable lubricants to be used even more efficiently: the most suitable lubricant is used effectively in the right quantity in the correct place.

Keeping a focus on all lubricants, planning maintenance in good time and detecting wear early – using digital solutions such as our EfficiencyManager¹ around the lubrication point make maintenance processes measurably more efficient and enable a more economical and sustainable use of resources.

Neither too much nor too little

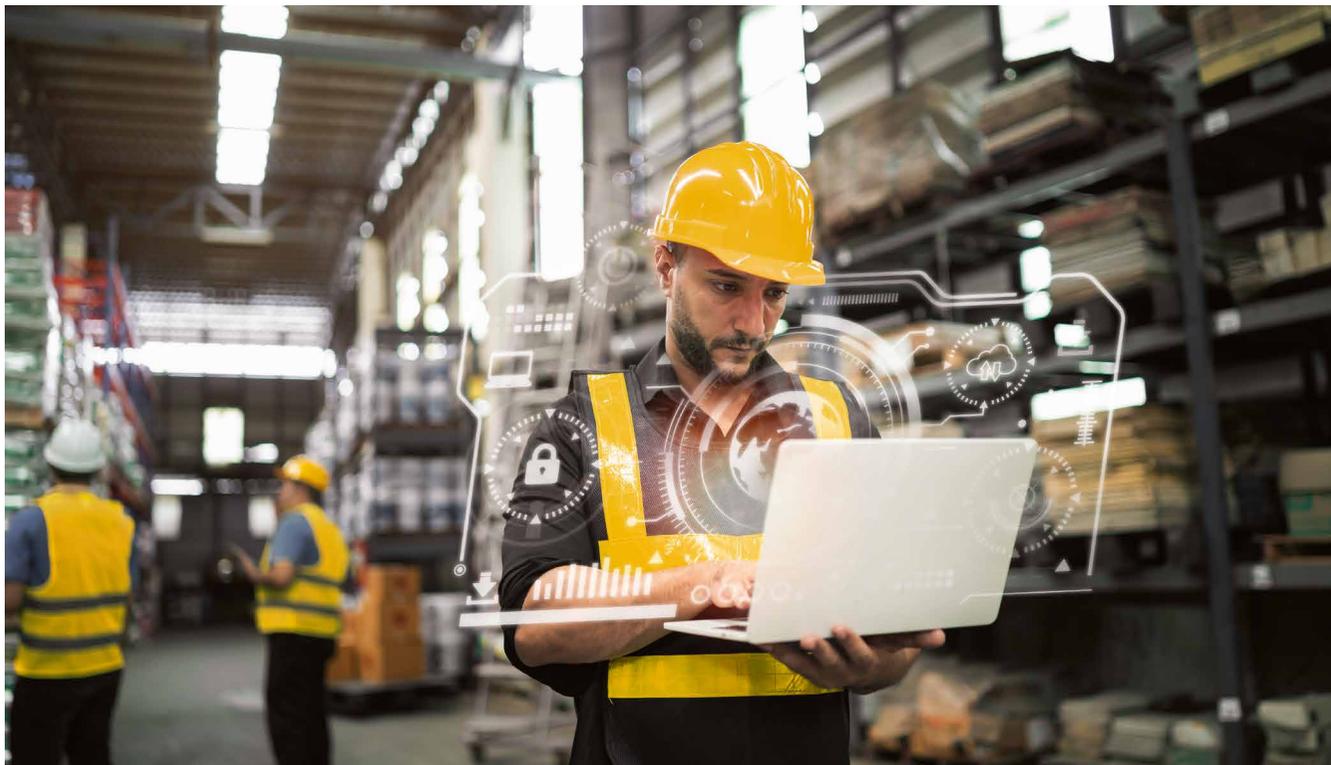
With LuCA (Lubrication Condition Analysis) we have developed a solution that enables the optimal time for a lubricant change to be determined. This prevents increased wear and unnecessary lubricant consumption. The oil and grease analysis service in Klüber Lubrication's laboratories provides information about composition, impurities and wear, as well as oxidation and lubricant aging. Officially introduced in October 2022 and very quickly and enthusiastically received by our customers, LuCA creates the basis for highly efficient maintenance processes and effective predictive maintenance according to the principles of risk management and Total Productive Maintenance (TPM).

No travel required – experts on site

Instant live support for customers from our global network of tribology experts, service engineers and other technical specialists – made possible by Remote Expert. The new, innovative support service using visual inspection technology and remote access to plants thus prevents travel-related CO₂ emissions. Not only that, but users also receive first-class, competent support without delays caused by travel times. This optimises processes, reduces potential downtime and thus also contributes to an efficient and sustainable use of resources..

In focus: Total Productive Management (TPM) and energy efficiency

Our customised digital solutions not only support users in implementing TPM but also help them achieve their sustainability targets. The lubrication points are given a QR code and recorded in the EfficiencyManager. They provide an instant overview of the state of the components. The precise information about the wear point acquired with this method reduces the danger of incorrect lubrication as well as under/over lubrication. Using additional measuring equipment, electricity consumption can also be measured and energy saving potential determined. The new digital measures thus contribute towards reducing costs and also boost sustainability for users.



¹ The EfficiencyManager is a professional web application for managing, documenting and monitoring all lubrication processes in production.

Always in sight – our handprint solutions for our customers

Sustainability Product Portfolio Segmentation (SPPS)

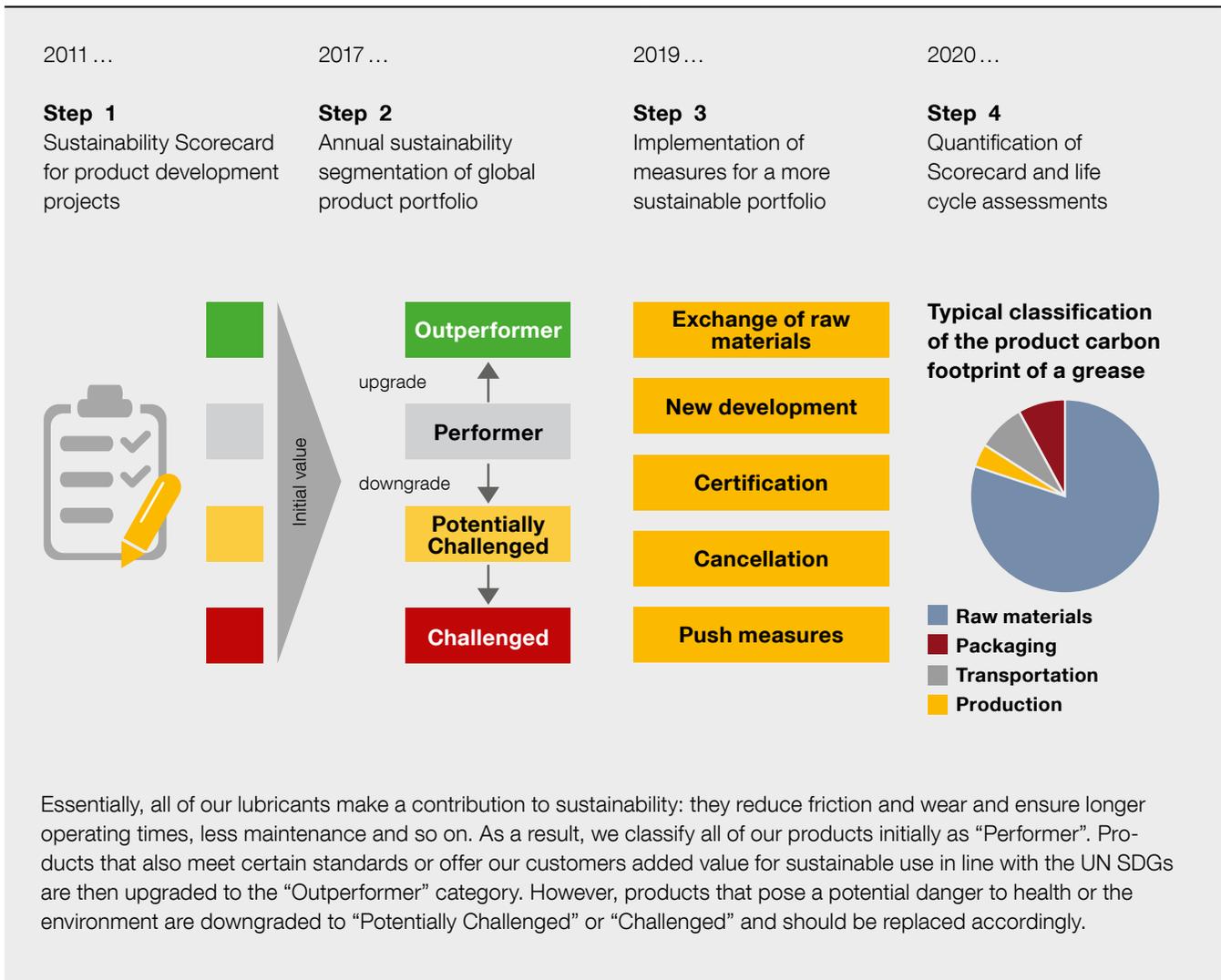
Sustainability is becoming an important issue for companies across more and more industries. The issue is also becoming more significant thanks to new laws and stricter limit values. Klüber Lubrication is always keeping its eye on the increasing sustainability demands and the fast-paced, constantly changing legal requirements.

Back in 2011, we introduced criteria for evaluating the sustainability of product development projects (step 1).

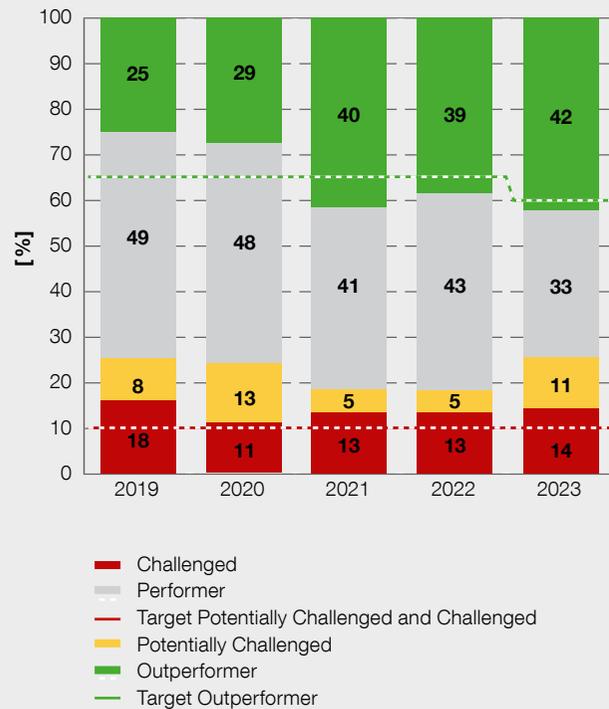
With the aim of significantly increasing the contribution of our products to our sustainability targets and those of our customers, we have been refining these criteria since 2017, based on the recommendations of the World Business Council for Sustainable Development (WBCSD), and carrying them over to our existing product portfolio. From the outset, we have focussed on analysing the entire life cycle and avoiding and minimising hazardous substances – in the purchase of raw materials, during production processes and in our finished products. In order to be able to measure this, we have developed a catalogue of criteria based on the hazardous substance classification of the raw materials that reflects their effect on the overall product concept.

The focus was on the clear evaluability and measurability of the criteria with regard to the effect of our products on people and the environment, as well as sustainable production and resource conservation – in line with the UN SDGs.

Integrated system for assessing and managing a sustainable portfolio



Share of sales of SPPS categories



For the third time in a row, we have exceeded our target for sales of outperformer products – even though we just increased it to 40% last year. The dynamics of global chemical-related legislation mean that product classifications are constantly changing. The extent of the challenges can also be seen in the large fluctuations in the area of "potentially challenged" and "challenged" products, where we have been struggling with our ambitious goal for years.

Since then, we have been applying these criteria of our Sustainability Product Portfolio Segmentation (SPPS) in our integrated approach as a system for the existing product portfolio and, equally, for product development. In this way, we were able to create a quantified scorecard from the qualified scorecard (step 4), which we are continuously developing further.

As a result, multiple measures for sustainable product improvements have already been implemented (step 3); these can be tracked using our key figures. We are thus also supporting the targets of the Responsible Care initiative, whose Charter we recognise.

We have set ourselves the goal of ensuring that we impact the environment as little as possible with our products, facilities and all our activities, and we are making an active contribution towards preserving biodiversity and ecosystems. To achieve this, we pursue the LCA (Life Cycle Assessment) approach and are initially developing a methodology for determining the

carbon footprint of our products, which will then be included in our quantified scoring (step 4).

In 2023, we achieved a breakthrough in quantifying our Research and Development Sustainability Scorecard and our Sustainability Product Portfolio Segmentation (SPPS): with the completion of our automated Life Cycle Assessment (LCA) tool, we can now compare different lubricant formulations in terms of their CO₂ impact as early as the development stage. We can also create customised product carbon footprints for our customers. These are major steps on our way to being a driver of sustainable innovation.

This integrated system lays the foundation for a comprehensive analysis and representation of our impact on the ecosystem. It also provides solutions for reducing our carbon footprint. The aim is to minimise our environmental impacts over the long term and protect our ecosystem and biodiversity.



Using less or running longer saves resources

Less is more. Not just for lubricants, but also for the replacement of machine components. After all, ensuring reliable lubrication while using less lubricant reduces raw material consumption, use of materials and waste, as well as procurement and disposal costs, and therefore improves your carbon footprint.

Another criterion for evaluating our lubricants is their ability to optimise the service life of a component, such as gearboxes or rolling bearings. A good lubricant helps to prevent downtime due to premature wear, ensuring that machines can run efficiently until the end of their service life. This can significantly delay the need for replacement wear parts, helping to reduce costs for maintenance and spare parts. This can also reduce the use of raw materials throughout the machine's or component's running time, as well as the amount of lubricant waste after use. Apply lubricant once and never have to think about it again – that is the principle behind lifetime lubrication. For us, lifetime lubrication is the perfect solution – especially when we are able to establish it for applications that would previously need to be constantly relubricated. However, although lifetime lubrication is not always feasible, even individual steps in this direction are still important milestones for sustainable production. For us, these products have earned the label “outperformer”.



Example:

Repairing a generator or changing rolling bearings in a wind turbine generator system are a particular challenge for service staff, not least due to the extreme height involved. So, what if the components – with a little extra care – ran longer and more efficiently again and needed to be serviced less often? For example, treating the generator bearings with a special cleaning lubricant could remove residues that can damage the surface and thus lead to premature failure. When deposits have been removed after cleaning, the component can then run several times longer with the right operational lubricant. And if damage has already occurred, the system can at least continue to operate until the next scheduled maintenance interval with the appropriate "emergency grease".

This proactively reduces risks in the workplace, conserves resources and helps to increase the profitability of the wind turbine.

Food products without critical oils and greases

That may sound like a diet plan, but these products protect both the health and the wellbeing of consumers and help our customers achieve more sustainable production. Lubricants used in the food and water industries need to be safe for consumers. By meeting the NSF1 standards or drinking water regulations and producing our lubricants in line with ISO 21469*, we help to ensure this.

To avoid endangering human health, it is essential to minimise the risk of contamination with MOSH/MOAH** from lubricants. Combined with extensive analysis of the production and maintenance processes, as well as a specific risk assessment of our recipes, this ensures the protection of users in production and end users is completed.



Example:

Be it drinks, meat, baked goods or one of many other foodstuffs: without refrigeration they all spoil, cannot reach consumers or cannot be produced in the first place. That is why refrigeration compressors are also a core element of food-production. They therefore have special importance, which is also reflected in the operating and energy costs (Total Cost of Ownership – TCO). By switching from mineral oil-based compressor oils to fully synthetic special oils for the food-processing industry, we have frequently already been able to increase oil change intervals fivefold and significantly reduce the operating temperature of the compressors. This enables the service life of the component to be increased and energy requirements to be reduced by more than 7 % in many cases.

Costs can be recovered after just three months and the environmental benefit is apparent immediately in the form of resource conservation, as less material consumption for oil and machines also means less waste. For example, a 7 % energy saving for a typical production facility with 25 compressors equates to a saving of 737.5 kWh and 562.5 t of CO₂ per year. A change that takes into account two important issues at the same time: food safety and sustainability!

¹ ISO 21469 regulates the use of lubricants in the food, cosmetics, pharmaceutical and animal feeds industries.

² MOSH/MOAH are hydrocarbon compounds. MOSH: Mineral Oil Saturated Hydrocarbons. MOAH: Mineral Oil Aromatic Hydrocarbons.

Naturally high performers

Essential criteria for the evaluation of our products are their effect on the environment and their compliance with corresponding regulations. Our “Outperformer” products excel here. They are partially biodegradable and meet numerous environmental standards, including Ecolabel¹, OSPAR² and EAL³, for the protection of both land-dwelling and marine life.

In addition to the use of packaging made with a proportion of recycled materials, which saves resources, the renewable raw materials used offer a further advantage: they absorb and retain carbon dioxide (CO₂) during the growth stage. In doing so, they improve the carbon footprint of the lubricants and thus that of the lubricant users and their finished products as well. That is what makes these lubricants the perfect choice for anyone aiming for CO₂-neutral production.



Example:

Bridges create connections and help overcome obstacles. But sometimes they become obstacles themselves – for example, where a large ship has to pass under a low bridge. Ideally, the bridge should be able to temporarily make way for the ship. Even if the bridge is small, large forces are involved in moving it, and these can only be fully effective with the precise lubricant for the task. In addition, because of the proximity to water, there is a requirement for good corrosion protection coupled with good environmental compatibility. We have put a lot of effort into achieving this and have had these products certified with the EU Ecolabel.

In addition to working so well in the open gears at the bridge, these products can be used in many other applications in the maritime sector – from tourism to ocean freight. Wherever the challenge is great and any possible contact with the environment requires a special level of protection, Ecolabel-certified high-performance lubricants enable components to function without friction and with minimised risk to bodies of water.

¹ Goods carrying the EU Ecolabel meet strict environmental criteria.

² OSPAR is an international convention for the protection of the North Sea and North-East Atlantic. It regulates what may be discharged or introduced into these waters.

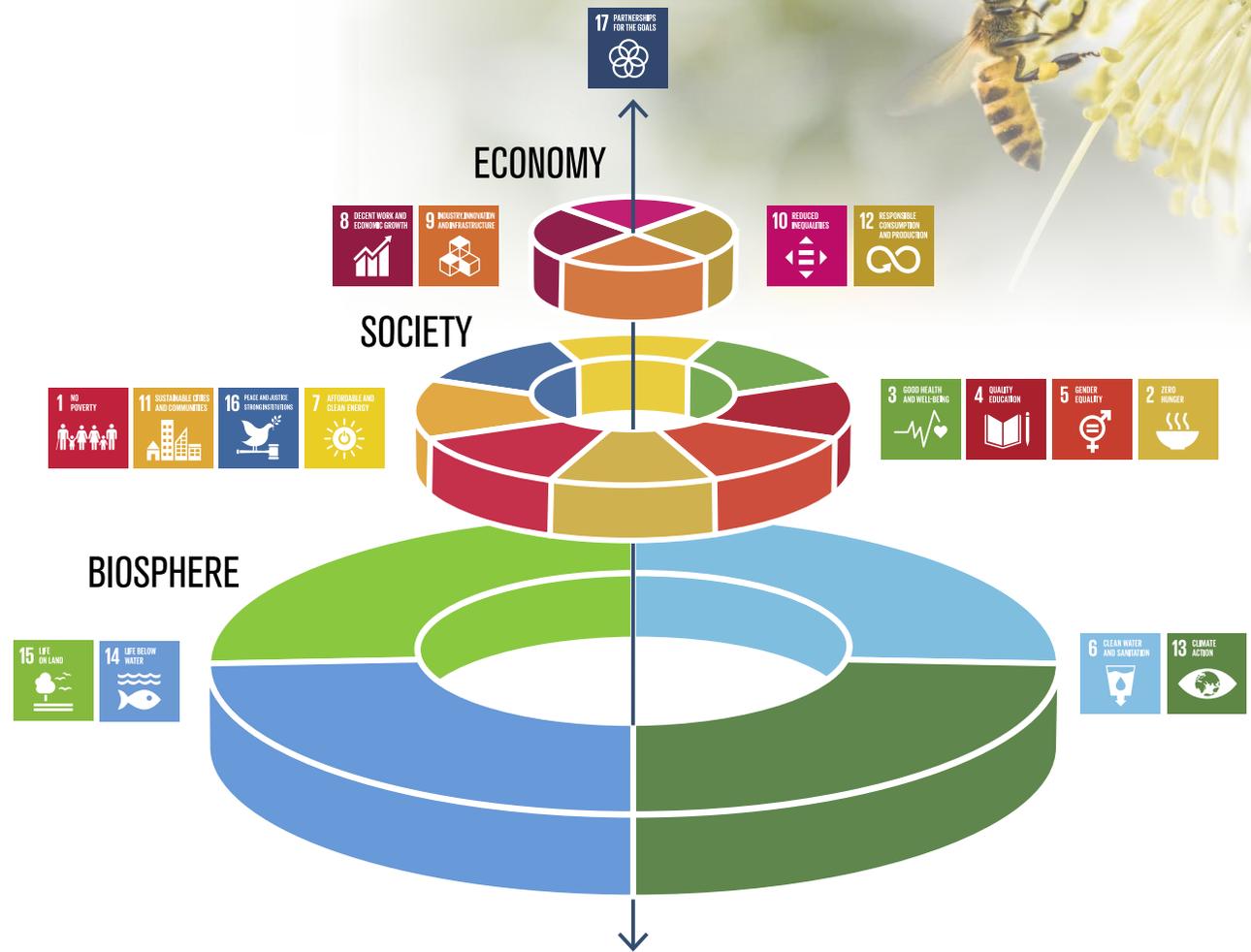
³ EAL (Environmentally Acceptable Lubricants) are environmentally compatible lubricants as defined in the Vessel General Permit issued in the US.

Protecting biodiversity is a top priority

Healthy, biologically diverse ecosystems are not only worthy of protection in themselves – they are also an integral prerequisite for the effective functioning of our society and economy. They are responsible for many processes that secure the foundations of our life, such as good air and water quality, a regulated climate, food and much more. The preservation of biodiversity is therefore a top priority, which is why we have decided to adopt the SDG structure of the Stockholm Resilience Centre. According to this framework, the 'society' and 'economy' goals can only be sustainably achieved when the SDG biosphere targets have been sufficiently met (see diagram).

We have set ourselves the goal of ensuring that we impact the environment as little as possible with our products, facilities and all our activities, and we are making an active contribution towards preserving biodiversity. In 2022, we integrated products into our HSE¹ risk standard and environmental impact assessment with its tools in order to guarantee a holistic view from both a location and a product perspective. This integration of our established systems lays the foundation for a comprehensive analysis and representation of our impact on our ecosystem and for solutions to reduce our biodiversity footprint – to minimise our environmental impacts over the long term and protect our ecosystems.

After taking a closer look at the impact we are having on biodiversity and where we can actively drive forward change, we identified three areas of action:



¹ HSE – Health, Safety and Environment

Products

Our lubricants can be used for many different purposes and are often used in places where they may come into contact with the environment – and therefore may also have an impact on biodiversity. But effective risk management and environmental protection start much earlier and are more extensive. In 2011, Klüber Lubrication therefore started using its RD Sustainability Scorecard, which helps product developers analyse and optimise the entire life cycle of a product. For example, when choosing raw materials – which have a substantial influence on the performance of the lubricant – care is taken as far as possible to choose materials that have only a small impact on people and the environment. Since 2017, the criteria for these have been refined based on the recommendations of the World Business Council for Sustainable Development (WBCSD) and carried over to our existing product portfolio. It is these criteria of our Sustainability Product Portfolio Segmentation (SPPS) that we have been applying ever since through our integrated approach for our existing product portfolio and, equally, for product development.

Essentially, all of our lubricants make a contribution to sustainability: they reduce friction and wear and ensure longer operating times, less maintenance and so on. They generally make a positive handprint contribution and conserve resources.

We have also developed a range of additional positive criteria to determine whether products stand out positively thanks to outstanding sustainability characteristics, in line with the UN SDGs. For example, we have introduced biodegradable product lines which were developed primarily for application fields in which leakage into the environment cannot be entirely ruled out, such as in the marine sector. These products have certifications such as Ecolabel, OSPAR or EAL. Products that are proven to reduce lubricant consumption and thus generate smaller quantities of waste also minimise the impact on the biosphere. We call these products “Outperformers” and identify and specifically promote them with our SPPS system.

However, products that pose a danger to health or the environment are identified using negative criteria, which we then try to remedy quickly and systematically.

Production facilities

It is our aim to understand our impact on the biodiversity at our sites and in the surrounding environment so that we can develop measures to minimise negative effects and promote positive effects. For example, our site in New Hampshire (USA) is nearby a protected area. To ensure that the local diversity and livelihood of species is affected as little as possible, site management has decided that the areas in which we are not obliged to monitor surface water quality for maintenance measures should be left to develop freely in harmony with nature. This extensive, gentle maintenance preserves the natural biodiversity, creating a place on our premises where food can be obtained by insects and thus preserving the natural food chain.

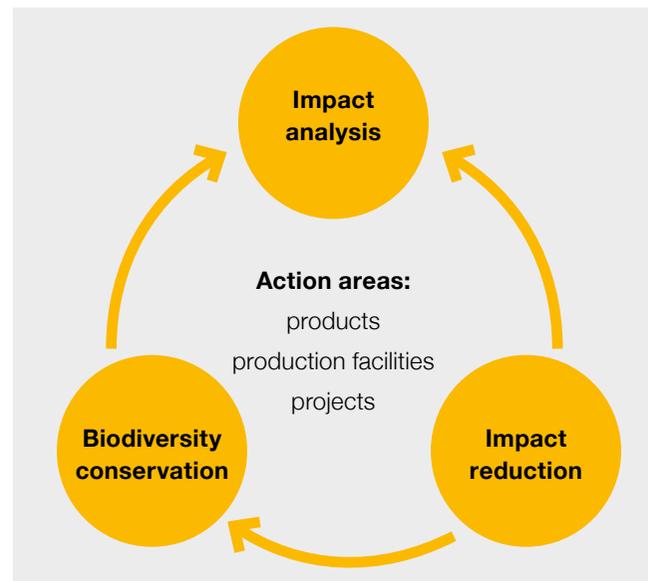


” Klüber Lubrication NA LP supports the goal of preserving biodiversity with a team that follows its passion for beekeeping and has collectively installed and maintained more than 100 beehives. This team also contributes to the community by saving wild bees that unfortunately nest where people don't want them. These rescue operations avoid the use of harmful chemicals and give the bees another chance to continue their important pollination work.

Lonnie Hall, Vice President Regulatory Affairs, Klüber Lubrication North America

Projects

Every year, our sites get involved in various local sustainability projects. This gives our employees the opportunity to actively participate, pitch in and often learn more about the relevance of biodiversity. For example, through planting local trees at various sites such as in Spain and Germany or supporting the protection of marshland near Munich with a donation from the prize money of an environmental project. Beehives belonging to local beekeepers can also be found at many of our properties.



EcoVadis Gold – recognition and motivation for us

Klüber Lubrication has a long tradition of conscious sustainability management. In 1996, our headquarters had its environmental management system certified under EMAS¹, being the first company in Munich to do so. By participating in an EcoVadis assessment, Klüber took this commitment to a new level.

“2023 was a particularly important year for our sustainability management,” explains Markus Hermann, Sustainability Manager. “We received the gold medal for the second time, which put us among the top 4 % of over 100,000 companies assessed by EcoVadis worldwide. For our organisation, this was an important external confirmation which has given us confidence in ourselves – in discussions with customers about ways to achieve greater sustainability, for example. Ultimately, we are part of the solution with our special lubricants!”

”The opportunity to participate in an interview with EcoVadis as part of a joint webinar was very rewarding for both sides. Participation was very high due to our customers’ strong commitment to sustainability, and we also gave different companies the chance to understand why sustainability is important and how we should tackle it. We were able to show how important a sustainability rating like EcoVadis is and what opportunities it offers for the planet, the company and the supply chain.

Patrick Pariente Pons, Sales Engineer, Klüber Lubrication Iberica.

EcoVadis is highly respected worldwide

The fact that Klüber received the gold medal for the third time in 2024, among the top 5 % of over 130,000 companies assessed by EcoVadis worldwide, shows that the company is on the right track. Nevertheless, there is still a lot to do: “EcoVadis gives us extremely valuable feedback on where and how we can improve. The gold medal strongly motivated our employees to support sustainability even more intensively,” says Hermann. “The medal is recognition for our global sustainability team and for the decades of work carried out by many people on which we are continuing to build.”

” Sustainability is playing an increasingly important role for manufacturing companies in India and Southeast Asia. “The decision makers attach great importance to the fact that the suppliers also meet high requirements. EcoVadis plays a key role here because it has a very prestigious reputation.”

Akshay Rajeev, Head of Marketing Communications and Product Management, Klüber Lubrication India.

Since being awarded its first gold medal in March 2022, Klüber has also received very positive feedback from customers. This is primarily because EcoVadis is regarded as a global brand with a high degree of credibility. “Worldwide, our customers are showing a strong interest in EcoVadis and our rating,” says Hermann. “Our field staff in our over 30 subsidiaries are very pleased about that too.”



In addition to the outstanding gold medal in 2024, Klüber Lubrication also received the "Leader" level from EcoVadis in the area of carbon management. According to EcoVadis, this makes Klüber the "company with the best Greenhouse Gas Management System in its class and with strong ambitions for decarbonisation with recognised science-based targets."

Carbon Management Level



” EcoVadis Gold is like getting your first car, only much more environmentally friendly. It has enabled us to move further and faster along the road to sustainability.

Dr. Wallace Zhang, Head of Business Development at Klüber China.

¹ Eco Management and Audit Scheme.

Sustainability achievements 2023: Klüber Lubrication has received multiple awards

In 2023, Klüber Lubrication received a number of prestigious awards for its commitment to sustainability and responsibility. In addition to its second gold medal from EcoVadis, the company also received the European Responsible Care Award 2023, the ESG Transparency Award and the Chinese More Than A Market 2023 Award.

European Responsible Care Award in the "Climate Neutrality" category

Klüber Lubrication was presented with the European Responsible Care Award in the "Climate Neutrality" category for its "Climate protection through solvent replacement" project and for its climate action plan. The award panel particularly emphasised the ambitious concept, presentation of occupational safety, the well-structured climate plan, the facts and figures provided and the clearly developed employee communication. By using new, climate-friendly solvents, Klüber Lubrication was able to significantly reduce its CO₂ emissions and exceed its 2025 target ahead of schedule. The prize is awarded annually by Cefic (European Chemical Industry Council), the European chemical industry association.

ESG Transparency Award for its sustainability report

In addition, Klüber Lubrication was presented with the ESG Transparency Award in the "Excellence" category by EUPD Research for the quality and transparency of its sustainability report. This award emphasises the company's commitment to reporting transparently on its sustainability efforts and receiving external recognition for its progress. The ESG Transparency Award is presented to organisations that have already embarked on the path to greater corporate social responsibility and have implemented forward-looking sustainability concepts in their corporate strategies.

More Than A Market 2023 Award in China

Klüber China was also recognised for its outstanding achievements in the area of sustainability. At the Xceleration Days in Shanghai, Klüber China received the ESG Performance Award (medium-sized companies) for its impressive ESG performance and its commitment to sustainable development and social responsibility in China.

"The acknowledgment from these awards is a strong testament to the hard work and commitment of all departments involved at Klüber Lubrication," says Sustainability Manager Markus Hermann. "They are not only a recognition of our achievements to date but also an incentive for our future endeavours to drive sustainability improvements."



Markus Hermann, Sustainability Manager, Klüber Lubrication



Philip Xu, Jianting Chi, Dr Patricia Flor (German Ambassador to China), Sebastian Homborg and Dr Wallace Zhang (from left to right)

Facts, figures & dates

About this report

Sustainability as part of corporate responsibility

SDGs – focus on the biosphere, society and economy

Our materiality matrix provides guidance for our ESG activities

Energy: efficient use and conversion

CO₂eq emissions and climate neutrality

Working together to reduce Scope 3 emissions in the supply chain

Water and waste

Safety and protection for employees

Sustainable and ethical procurement

Site certifications

Our training enables our employees to work sustainably with a focus on customers.

Diversity and inclusion

Compliance is based on integrity and ethics and strengthens our reputation



About this report

In recent years, our customers around the world have shown an increasing interest in our achievements and solutions in the area of sustainability. We have therefore also significantly expanded the scope of this eighth report. Ever since reporting year 2022, we not only report in detail on environmental issues but also on social matters, good corporate governance and sustainable, ethical procurement.

This sustainability and ESG¹ report was compiled with reference to the standards of the Global Reporting Initiative 2022 (GRI)² and the Greenhouse Gas Protocol. Unless otherwise specified, in this document we report on the activities of all companies of the Klüber Lubrication Group in which the company had a financial majority as of 31 December 2023³. In accordance with the GRI Index, the areas of economic, social and governance are covered.

The Klüber Lubrication Management Board is responsible for the content and issuing of this voluntary report. It was assisted by the Sustainability Manager and selected representatives of the Innovation and Sustainability Board and the Sustainability Steering Team, as well as the Responsibility Council. This document is publicly available on our website.

The current year under review is 2023, which we have supplemented with current, relevant information from the beginning of 2024. We usually publish our key figures for a five-year period. We correct past key figures if the total has changed by more than 10%. An updated sustainability report is published annually. Rounding may result in differences in figures and percentages. The relevant report topics are decided upon in an iterative process by the Sustainability Steering Team with input from the Management Board, the Sustainability and Innovation Boards and the Responsibility Council. We take the following into account:

- the 10 Principles of the UN Global Compact,
- the UN Sustainable Development Goals (SDGs)
- the requirements of our stakeholders as presented to us through ratings, among other things (e.g. EcoVadis, NQC SAQ, Sedex, CDP)
- the standards of the GRI 2022
- the EU's Corporate Sustainability Reporting Directive
- the Greenhouse Gas Protocol
- the "Environment and ESG" materiality matrix, based on the double materiality principle (see document)
- recommendations from associations (e.g. UEIL, WBCSD)

To improve the informative value and comparability of our key figures over the years, the values, where appropriate, are based on production quantities and on hours worked by our employees. When interpreting key figures, it is important to note that we extensively expanded the reporting basis in 2019 through new logistics centres in Germany and the USA and in 2020 through the integration of Traxit with its plants in Germany, the USA and China. Historic comparability of the figures is therefore limited. For energy and CO₂eq, we have ensured comparability from our base year 2019 to present. In purchasing, the integration of Traxit in our systems has not yet been completed, which is why the corresponding figures are not included here.

To ensure a clearer understanding of the key figures, please note that, as a specialty lubricant manufacturer, Klüber Lubrication is not active in mass markets, e.g. for motor oils, and rarely produces high-volume products. We frequently produce many small batches of highly specialised lubricants. Our portfolio has a high proportion of greases from energy-intensive production.

Our Scope 1, 2 and 3 GHG emissions were determined based on the GHG Protocol Corporate Standard for 2019–2023. We used the consumption values for solvents and energy as the basis for calculating Scope 1 and 2. Consumption values for the sales locations were updated for the majority of our sites in 2023; alternatively, previous values were left unchanged. At the end of 2021, we had an external review to check our correct understanding of the GHG Protocol and our calculations. We also implemented recommendations in 2021/2022. The correct understanding of our Scope 3 calculation was reviewed in 2022 by a renowned consulting firm. Including in previously estimated areas, the values for all relevant categories were also calculated for 2019, 2020 and 2021 according to a refined methodology. We determined the underlying consumption data on a worldwide level. A qualified estimate was made for any gaps. We made a projection for 2022 mainly based on our production volume using the 2021 production quantity-related emission factor. In 2023, we recalculated the raw material portion in detail in the Scope 3 categories "1 Purchased goods and services" and "12 End-of-life", which together account for around 80% of our Scope 3 emissions, in order to be able to better assess the impact of our actions. We have calculated air travel in detail for our headquarters and Klüber Lubrication Germany and conservatively extrapolated the rest of the world on this basis, as well as the other modes of transport. For upstream leased capital goods, such as company cars, we used higher factors from 2019, and for waste, factors from 2021, as a conservative basis for the calculation.

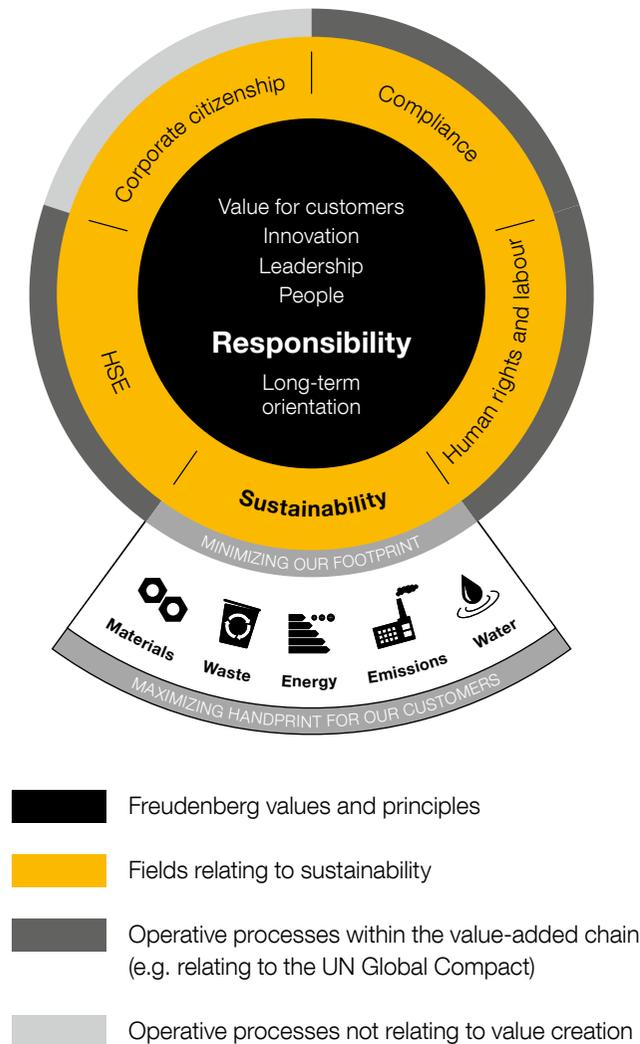
Questions and suggestions concerning this report should be directed to our Sustainability Manager, Markus Hermann, at: Sustainability_Responsibility@Klueber.com

¹ Environment, Social and Governance.

² For the GRI, see also the GRI index with many references and our GRI use statement.

³ An overview of our global sites is available at: <https://www.klueber.com/de/de/unternehmen/standorte/>. Note: The minority holdings in Japan and South Korea are not included in our report.

Sustainability as part of corporate responsibility



In the Freudenberg Group¹ the broad term “sustainability” in the sense of ESG – environmental, social and governance – has been incorporated under the term “responsibility”, which is very important to the family company, and structured both methodically and organisationally (see illustration). At Klüber Lubrication, we have established a Responsibility Council in addition to our Sustainability Team. The Responsibility Council is responsible for comprehensively structuring and driving forward issues and presenting an overall picture of our global activities to our customers, rating agencies and other stakeholders. Our Sustainability Manager, who leads both units, ensures there is close integration. We regard our accreditation from renowned sustainability ratings provider EcoVadis, who awarded us gold medals in 2022, 2023 and 2024, as confirmation of the effectiveness of our long-term, systematic approach.

The “Values and Principles” of our parent company, the Freudenberg Group, define corporate social responsibility, as shown in the diagram (left), and provide the framework for the design of our sustainability programme.

Via Freudenberg, we participate in the UN Global Compact. Its principles on human rights, labour standards, environmental protection and anti-corruption are also embedded in our “Values and Principles”. Compliance with regulatory and ethical principles is the basis for our own code of conduct. We carefully choose suppliers to ensure ethically sound procurement management. We take a proactive and forward-looking approach to compliance with the important regulatory requirements for our industry, such as REACH². As a company in the chemical industry, we also follow the guide-

lines of „Chemie“, the sustainability initiative of the German chemical industry association (VCI), and have committed ourselves to following both the German and the international Responsible Care guidelines. In addition, Klüber Lubrication is one of the founding members of the sustainability initiative in the German Association of the Lubricant Industry (VSI). We have also actively supported the Foundation Development and Climate Alliance since 2022.



RESPONSIBLE CARE[®]
OUR COMMITMENT TO SUSTAINABILITY



¹ Klüber Lubrication is part of the Freudenberg Group and a member of its Freudenberg Chemical Specialties (FCS) Business Group.
² One of several European chemical regulations. REACH stands for Registration, Evaluation, Authorisation and Restriction of Chemicals.

Organising sustainability

The guidelines, strategy and current goals to be achieved with regard to sustainability, as well as the organisation for their implementation, are set out by the interdisciplinary Sustainability Board, on which the Speaker of the Board, the Exec. V.P. Sales and Marketing and the Exec. V.P. Technology and R&D are all represented. Support is provided by the Global Sustainability Steering Team, which offers expertise from various specialist departments. Across regions, the footprint and handprint coordinators bring together central and regional perspectives and implement our strategies locally. This ensures that matters relating to central functions and matters from the various regions and sites around the globe are all heard and considered. It also helps to establish an effective communication structure which facilitates the dialogue and mediation of the various contexts within the far-reaching subject of sustainability. The Sustainability Steering Team reports to the Sustainability Board twice a year, proposes measures for further development of strategies and goals, and can call upon it at any time on urgent matters.

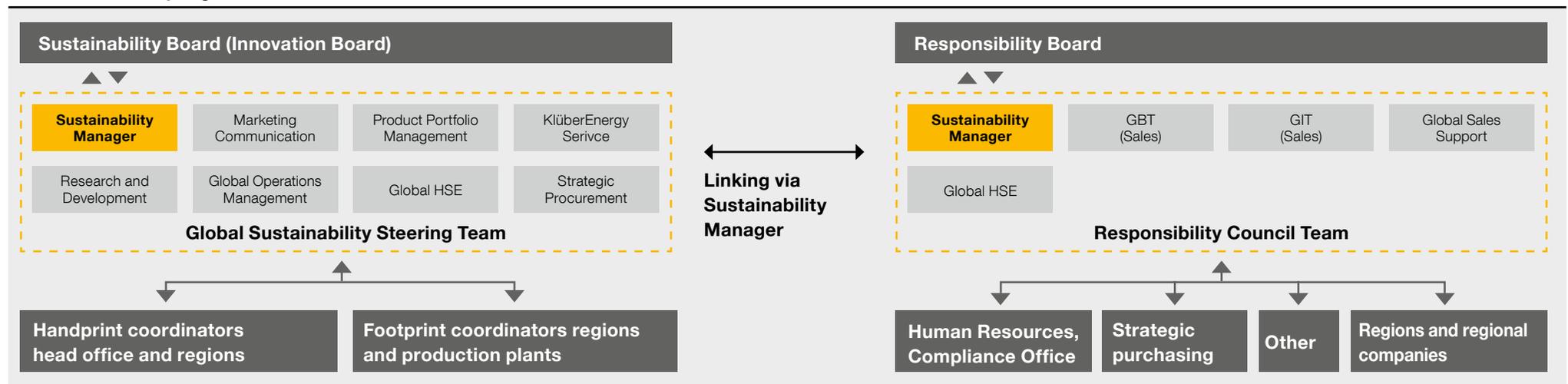
No sustainability without responsibility

Other areas of corporate responsibility – such as equality, anti-discrimination, working conditions, human rights and social commitment, as well as issues relating to ethics, labour law and chemical law, are all managed directly by the Management Board with the relevant departments and global management structure. Since 2021, assistance has been provided here by the Responsibility Council led by the Sustainability Manager who reports twice a year, and also on an ad-hoc basis, to the Management Board – the Klüber Lubrication Group’s highest controlling body. This ensures full consideration of all relevant targets under the UN Sustainability Goals (SDGs). We obtain valuable support and input on all of these topics through communication with the central functions and other subsidiaries of our parent company Freudenberg and also through exchange with its respective companies and functions. We are delighted that EcoVadis awarded us gold medals in 2022, 2023 and 2024 for our sustainability management activities. This means that Klüber Lubrication is in 2024 in the top 5% of over 130,000 companies assessed worldwide.

Global social commitment

We have a societal responsibility in all the countries in which we operate. We sometimes set up social projects ourselves, or we take part in initiatives led by our parent company, Freudenberg. For example, our employees support the social programme e², which was launched by Freudenberg in 2015. e² stands for education and environment and the programme promotes relevant projects wherever Freudenberg does business. A sub-category of the “We all take care” awards conducted across the Group by Freudenberg recognises projects that demonstrate a high level of social responsibility in a particular way, e.g. through improving living conditions, workplace safety or environmental protection. Initiatives from our employees have already received a number of awards.

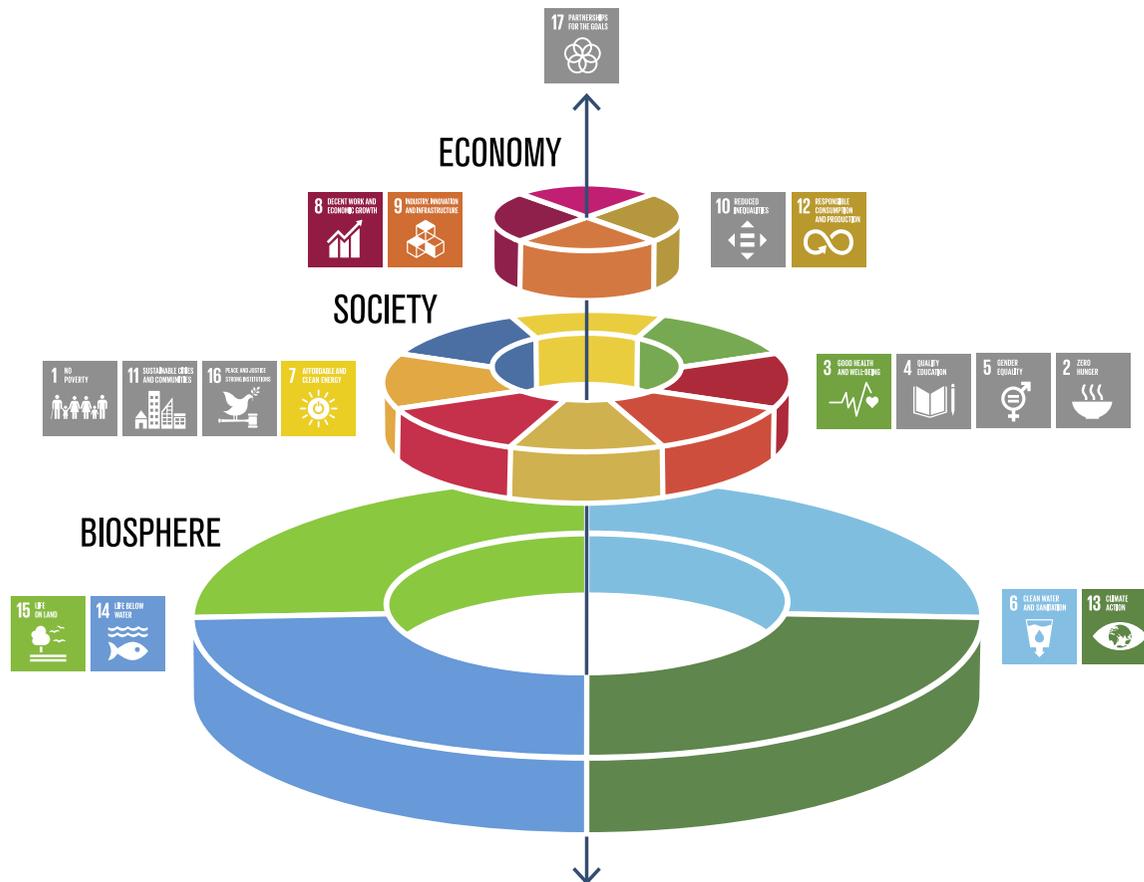
Our sustainability organisation



SDGs – focus on the biosphere, society and economy

We are consistently committed to the UN Sustainable Development Goals (SDGs). Using the targets and indicators of the 17 SDGs, we have analysed which SDGs Klüber Lubrication can contribute to relevantly and directly along the value-added chain.

We are focusing on nine SDGs, which we have grouped together in the categories of biosphere, society and economy. The illustration below from the Stockholm Resilience Centre is particularly useful for practical work and for understanding the SDGs.



Biosphere:



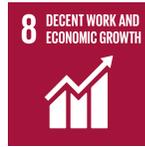
Protecting our biosphere is crucial for conserving resources for future generations. We have therefore set ourselves the goal of reducing the environmental impact of our chemical products, facilities and all our activities and preserving biological diversity. We are encouraging more wild, natural areas on our company premises to create habitats for native plants and animals. We also support afforestation projects with selected, preferably native trees fit for climate change in Spain and Germany, for example. Also, when selecting CO₂ offset projects, e.g. the Agrocortex South Amazon forest protection project in Brazil, the protection of biodiversity is an important criterion for us. Climate protection is a core component of our sustainability management activities.

Society:



Affordable, clean energy is essential for a well-functioning society. Klüber is playing its part here by promoting sustainable power generation. In 2018, we set ourselves the ambitious target of increasing the proportion of electricity we obtain from renewable sources to 50 % by 2025, and we underpinned this with a package of relevant measures. We significantly exceeded our target ahead of schedule in 2021 with 73 %, increased it to 76 % in 2022 and have further raised it to 100 % by 2030. In addition, we are aiming to increase the proportion of green, non-fossil energy in our total energy consumption from 38 % currently to 50 % by 2025. We are protecting the health of our employees through extensive occupational safety initiatives. We avoid using substances that are hazardous to health in our products – many of which are even certified for use in food production. Some of our products are also important components of medical equipment. Health and safety have a lot to do with the objectives and economic activities of our enterprise.

Economy:



Our substantial contribution to SDGs 8, 9 and 12 consists of promoting and demanding resource and energy efficiency along the value-added chain and leveraging our innovative power to create new solutions. Beginning with the selection of raw materials and our purchasing decisions, we make a direct contribution towards reducing negative effects on the environment and improving safety and health protection.

We follow this principle when designing and modernising our production facilities, and when developing and manufacturing our products. Our production plants are certified in accordance with the relevant standards. Independent audits of environmental management and occupational health and safety are carried out at all locations. More and more of our products are also winning awards for their environmental compatibility. We have set ourselves the goal of minimising the proportion of products with problematic sustainability features and increasing the high proportion of products with positive sustainability features. Innovation, together with stakeholders, along the entire value-added chain is key to

tackling huge sustainability challenges. Innovation and a pioneering spirit are core competencies that we are particularly proud of and support accordingly.

To create innovations, especially in the sustainability field and, above all, implement them quickly, we maintain a constant dialogue with our customers and suppliers. In line with our shared responsibility for ethical behaviour along the entire supply chain, our suppliers are required to achieve comprehensive goals and provide evidence.



Our materiality matrix provides guidance for our ESG activities

Since both the internal and external expectations and requirements of Klüber are constantly changing, we regularly review the important issues we have identified and update them. We carried out the first formal materiality analysis on aspects relating to sustainability in 1996 with the introduction of our environmental management system in accordance with the EU's Eco-Management and Audit Scheme (EMAS). We were the first company in Munich to do so. In this analysis, we examined the topics relevant for us as a company (internal) and

for our stakeholders (external) and set out how we specifically aimed to develop them further. By expanding our global environmental management system and the internationally recognised certification of all our sites in accordance with ISO 14001, we are regularly updating these considerations.

The Freudenberg Group became a signatory to the UN Global Compact in January 2014. It is a voluntary agreement with currently around 24,500 members – including more

than 12,000 companies from over 160 countries – who have pledged to do business in a value-driven, sustainable way. We are guided by the UN SDGs – Sustainable Development Goals. In this context, the materiality matrix below was created and subsequently updated at regular intervals. In addition to our footprint, it explicitly shows the handprint¹ and important action areas.

		FOOTPRINT			HANDPRINT (Footprint of our customers)	
		Procurement	Production	Transport	Application	Life cycle end
Use of resources and recycling economy	Materials 	Raw material selection			Regulative conformity	Innocuousness
	Waste 	Reduction			Lifetime lubrication	Utilisation and recycling
Climate change	Energy 	Green Energy	Optimisation		Reduced energy consumption and emission reduction	
	Emissions 	Local procurement	Minimisation	Local production		
Use of resources and recycling economy	Water 	Consumption reduction/ Water protection			Biodegradable products	
Labour	Health/ Safety 	Protection in the value-added chain			Protection of users	

The diagram shows the potential benefits to be gained with regard to both footprint and handprint. The vertical bar on the left shows the fields of action or materialities.

¹ By "handprint" we mean aspects with which we help our customers reduce the footprint of their sites and their products through our products and services.

Facts, figures & dates | Our materiality matrix provides guidance for our ESG activities

ESG standards are continuously evolving. These include the standard of the Global Reporting Initiative (GRI), which has been important to us for years, and the new European Sustainability Reporting Standard (ESRS). These now call for the double materiality analysis regarding environmental, social and corporate governance issues. In the double materiality analysis, companies report on how they are impacted by sustainability factors (outside-in) and how their activities impact sustainability factors (inside-out). Since Klüber is actively involved in the Freudenberg process to assess

double materiality, partial results have already been acquired and a supplementary materiality matrix developed. This now systematically represents our previous actions and helps us identify and optimise important action areas (see diagram). This matrix currently serves as a guide for us and is the basis for the information published in this report. Due to the detailed consideration of selected HSE topics identified as essential, the original matrix is retained as a supplement to the new matrix and continues to apply.



ESG materiality matrix

Environmental	Climate change	Energy
		Emissions (Scope 1, 2, 3)
	Resource use and recycling economy	Materials
		Waste
	Water	
Social	Work forces (own and partly from the value-added chain)	Health and safety
		Diversity and equal opportunities
		Working conditions (own and value-added chain)
Corporate governance	Management	Management structure
		Risk management
		Internal audit
	Business conduct (ethics)	Anticorruption
		Competition law

Stakeholder engagement



The identified stakeholders are of particular interest to Klüber because Klüber's actions as a manufacturing company have an impact on them. At the same time, however, these stakeholders also influence the actions of the company. For this reason, two-way communication is very important so that all stakeholder groups are heard, and their needs and expectations can be addressed. We communicate with stakeholders mainly via our external publications such as the homepage or the sustainability report, via internal reports, surveys and via face-to-face

interaction at trade fairs and information events, for example. When communicating with stakeholders and implementing the sustainability strategy, Klüber takes account of legal requirements such as the Supply Chain Act, global standards like the GRI and rating platforms like EcoVadis, NQC and Sedex.

Vulnerable groups are taken into account within the stakeholder group suppliers, and in the field of our employees.

In our stakeholder engagement activities, we pursue the following aims:

- continuous exchange of relevant information, e.g. on new regulations or internal rule changes and requirements
- ensure transparency
- maintain dialogue and thus obtain stakeholder feedback and expectations
- identify new trends and associated opportunities and risks
- adapt, renew and further develop the materiality matrix and the strategy regarding stakeholder expectations or binding requirements, with a particular focus on the sustainability strategy

Energy: efficient use and conversion to renewables demonstrate responsibility

Our goals

We have set ourselves the goal of increasing both energy efficiency and the use of green energy, thereby supporting one of our most important objectives: namely to reduce our absolute CO₂ emissions. To this end, we have defined specific individual goals:

We already achieved the target we set in 2019 of sourcing 50 % green electricity by 2025 in 2022. We have used this success to raise our target: in 2030, we want to be using 100 % sustainably generated electricity in the Klüber Group, including at our many sales locations, which are small compared to our production plants. We aim to have converted the production plants for globally active customers of our core brand Klüber Lubrication's products by 2025, provided that the local markets offer suitable products, and it makes sense to produce our own solar panels.

We also want to increase the proportion of green energy to 60 % of our total energy consumption by 2030 and 90 % by 2045. In our current strategy period, we are working to achieve the interim target of 49 % by 2026.

In order to use energy more efficiently, our goal is to reduce energy consumption per ton of product to 575 kWh by 2025.

Key figures: energy

KL Group including sales sites	2019	2020	2021	2022	2023
Total direct energy (gas oil, renewable energy, self-generated energy) (MWh)	25,032	23,030	23,066	25,067	24,662
of which renewable/self-generated	0	780	808	349	604
Total indirect energy (electricity, steam, district heating) (MWh)	24,902	24,157	25,868	25,080	22,349
of which renewable	4,687	12,871	18,759	19,223	16,579
Total energy in MWh	49,934	47,187	48,934	50,147	47,011
Total renewable energy, including self-generated	4,687	13,651	19,567	19,223	17,183
Renewable (green) electricity as % of indirect energy and self-generated electricity	19	55	73	76	78
Renewable energy as % of total energy	9	29	40	38	37



Our measures

In recent years, we have carried out external energy audits worldwide at the locations that are responsible for the majority of our total energy consumption. The potential savings recognised during the energy audits are recorded as improvement projects in a central application. They form the key elements of our Sustainability Roadmap. Project progress, possible savings targets and the associated investments are shared and analysed transparently. This allows us to focus on the projects with the greatest impact on our footprint.

Other important initiatives in the coming years include: expanding energy monitoring and energy management, converting all remaining lighting to LED, optimising compressed air consumption including loss reduction, replacing energy-intensive systems, enabling the demand-driven provision of heat for production processes, conducting a feasibility assessment of the use of waste heat from production processes and ensuring employees are involved in and informed about reducing energy consumption.

A promising initiative for our European production facilities consists of ensuring that the demand for process energy is more accurately matched to actual need. The optimisation of production planning along with specially adapted heating curves for our thermal oil systems offer great potential for saving direct energy from fossil fuels.

When sourcing green electricity, we ensure we purchase from dedicated plants (power purchase agreements) and try to continue increasing its share, obtaining certificates of origin. There is also our own generation. The current photovoltaic systems in India and Mexico were supplemented by an additional system at our Spanish site in 2023. In the following years, we plan to install further solar collectors in France, Italy, Belgium and the USA.

Results and recommendations

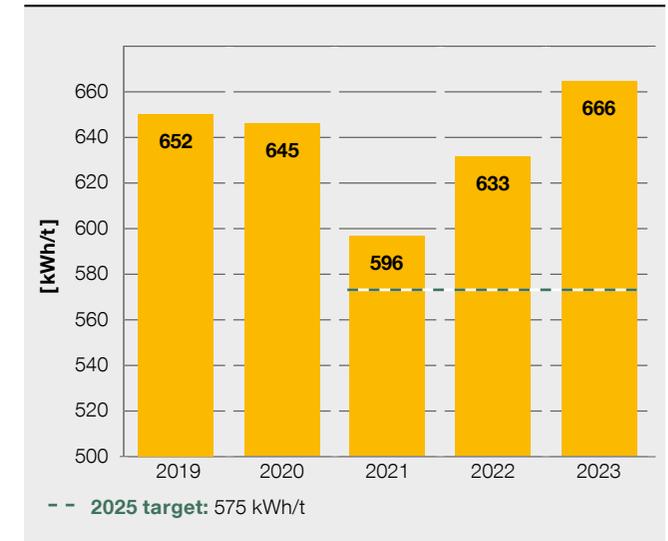
In 2023, we also made further progress towards our goal of further increasing the proportion of green electricity. We have now been able to increase this to 78%. Alongside our Chinese colleagues and our parent company Freudenberg, we once again tried to source green electricity in China this year. This is still proving difficult due to local regulations. We achieved this for the first time in December – which gives us confidence for 2024 and our goals!

It is even more difficult to switch our overall energy consumption to green energy, i.e. to replace other fossil fuels such as gas in addition to green electricity. After a continuous increase in the share of renewable energy in our total energy consumption from 9% in 2019 to 40% in 2021, we have seen a consolidation of 37–38% in recent years. This is partly due to the new challenges in the energy sector caused by geopolitical conflicts, among other things. On the other hand, a reduction in our absolute electricity consumption has also led to a shift in the energy mix towards direct energy and thus to a reduction in the proportion of renewable energy. Despite a further increase in the share of electricity from renewable sources to 78% in 2023, the share of green energy fell to 37%.

In 2023, we saw a decline in our energy efficiency, i.e. energy consumption per ton of product. This key figure, which is important to us, rose to 666 kWh/t due to lower utilisation of our production capacities. Efficiency gains at individual locations were cancelled out by this effect.

After coping with the upheaval caused by the energy crisis in 2022, we must focus on switching to green, non-fossil energy supplies – reducing gas consumption in particular – and continuing to increase energy efficiency. However, our top priority for years has been to rapidly reduce our absolute CO₂ emissions. We have achieved greater success here than we thought possible, as we will show in the next chapter.

Energy consumption per tonne of product



CO₂eq emissions and climate neutrality – the key challenge of this decade: Scope 1 and 2

Our goals

One of our most important goals in recent years has been to rapidly reduce our absolute CO₂ emissions in absolute terms. To date, we have focussed on emissions at our locations, i.e. Scope 1 and 2 according to the Greenhouse Gas Protocol definition.

In 2020, the Klüber Lubrication Innovation Board formulated an ambitious plan to reduce its CO₂eq emissions by 75 % between 2019 and 2025 (Scope 1 and 2). Following our great successes and the necessity of international climate protection, we already raised the next target to 90 % for 2030 in 2022.

We had already previously formulated a sub-target for this, which only relates to our production plants and their energy consumption: by 2025, we want to reduce our energy-related CO₂ emissions per ton of product by 50 % (to 104 kg/t) compared to 2019 emissions.

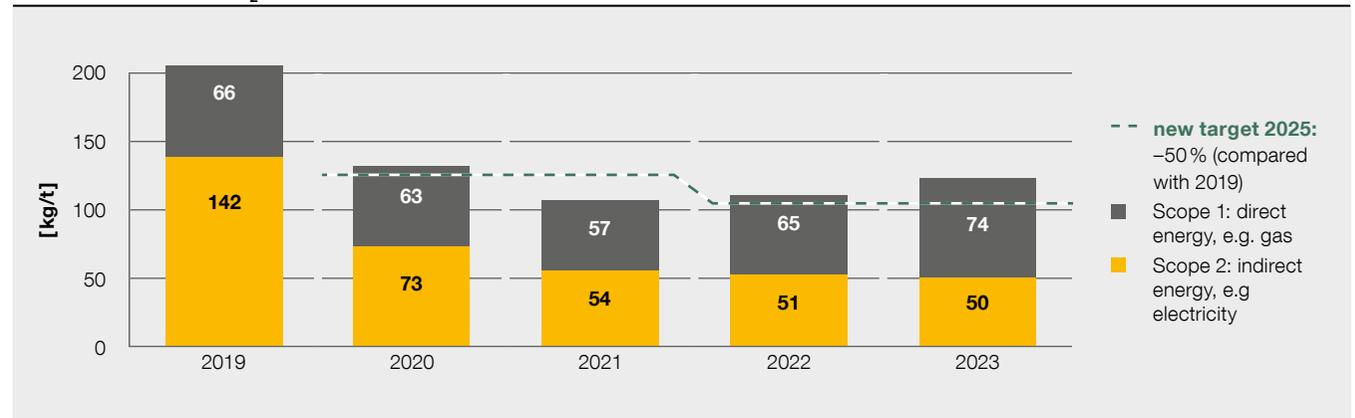
Klüber Lubrication has also committed itself to not only further reducing its annual remaining residual emissions but also, from 2022 onwards, to offsetting them through

external projects and thus becoming theoretically climate neutral. We have also done this for 2022. Due to the ongoing and intensifying discussions regarding offsetting projects, the legal uncertainties and the insufficient international framework to avoid double counting of projects, our parent company Freudenberg and Klüber Lubrication have decided to suspend this component of our climate neutrality strategy until further notice. Instead, the company's own energy efficiency and CO₂ reduction projects are to be promoted even more strongly.

Our measures

We implement our multi-step climate neutrality strategy every year. The priorities are: replacing solvents with high greenhouse potential, switching to high-quality green electricity, including in-house production, and carrying out energy efficiency measures. At the end of 2021, we had our carbon footprint verified by external specialists in line with the Greenhouse Gas Protocol. Their recommendations were implemented immediately.

Energy-related CO₂ emissions per tonne of product



Results and recommendations

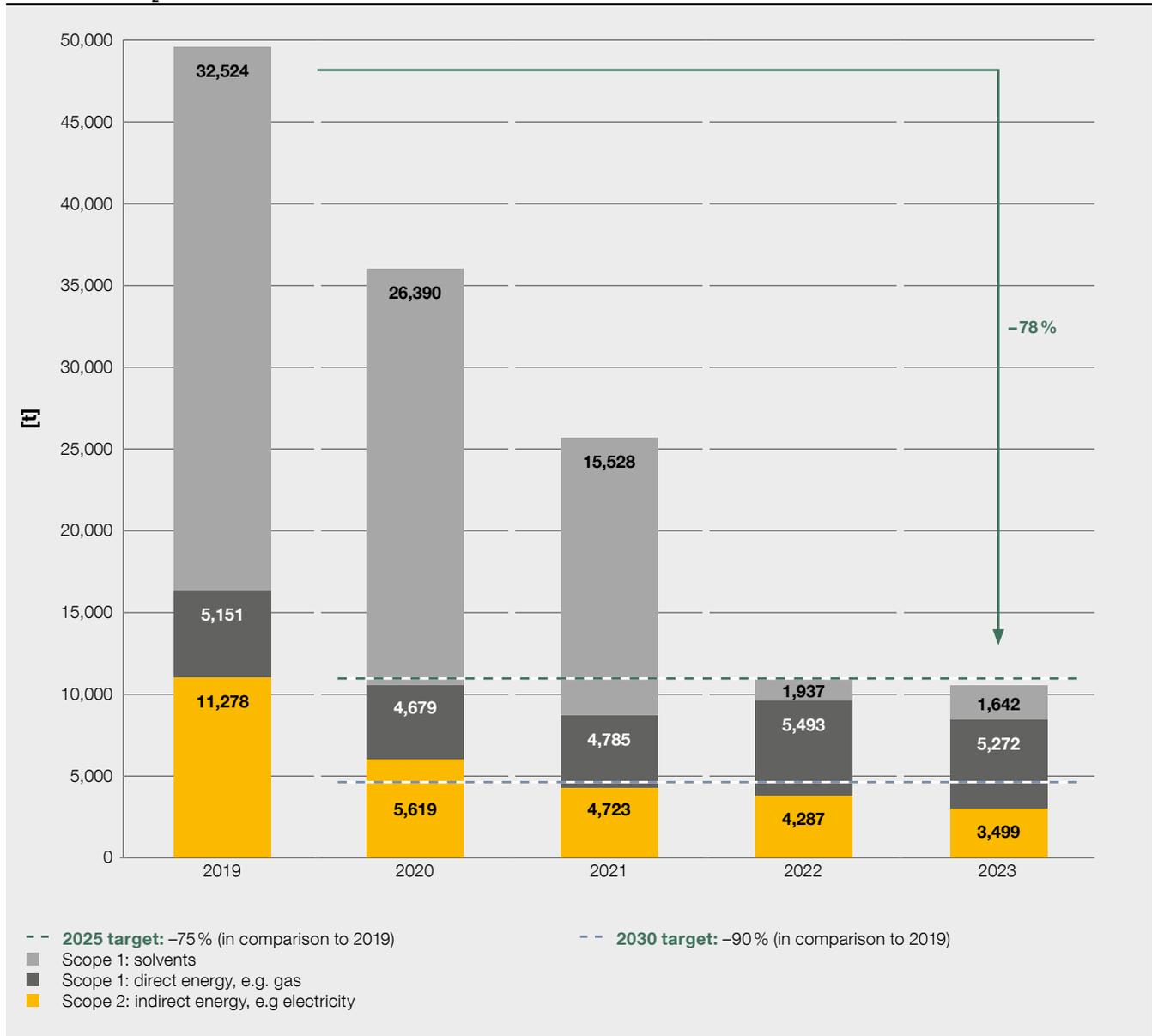
We were able to reduce our absolute CO₂eq emissions by a further 11 % to 10,413 tons in 2023. We were thus able to confirm the very pleasing trend of decreasing CO₂eq emissions seen in previous years. The target of reducing emissions by 75 % by 2025 compared to 2019 was already exceeded in 2022 and again in 2023, with more than 78 % now achieved.

The reduction of CO₂eq emissions at Klüber since 2019 significantly exceeds the SBT (science-based target¹) by an average of -20 % per year. However, the rate of improvement will be lower in the coming years because there is only another 21 % of the original amount left to improve.

Energy-related Scope 2 CO₂ emissions per ton of product were reduced for the fourth year in a row in 2023, to 50 kg/t. In Scope 1, however, the lower utilisation of production capacities led to an increase to 74 kg/t. In 2023, we were not yet able to achieve our self-imposed target of reducing our total energy-related CO₂ emissions to 104 kg/t by 2025, instead having a total of 124 kg/t.

Following the emissions at our own sites, we have increasingly focussed on CO₂ emissions along the entire value-added chain in recent years. This is a very complex topic, which we will describe in the next chapter.

Absolute CO₂eq emissions



¹ The Science Based Targets Initiative (SBTI) is a joint initiative between the CDP (Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). It aims to set science-based climate targets.

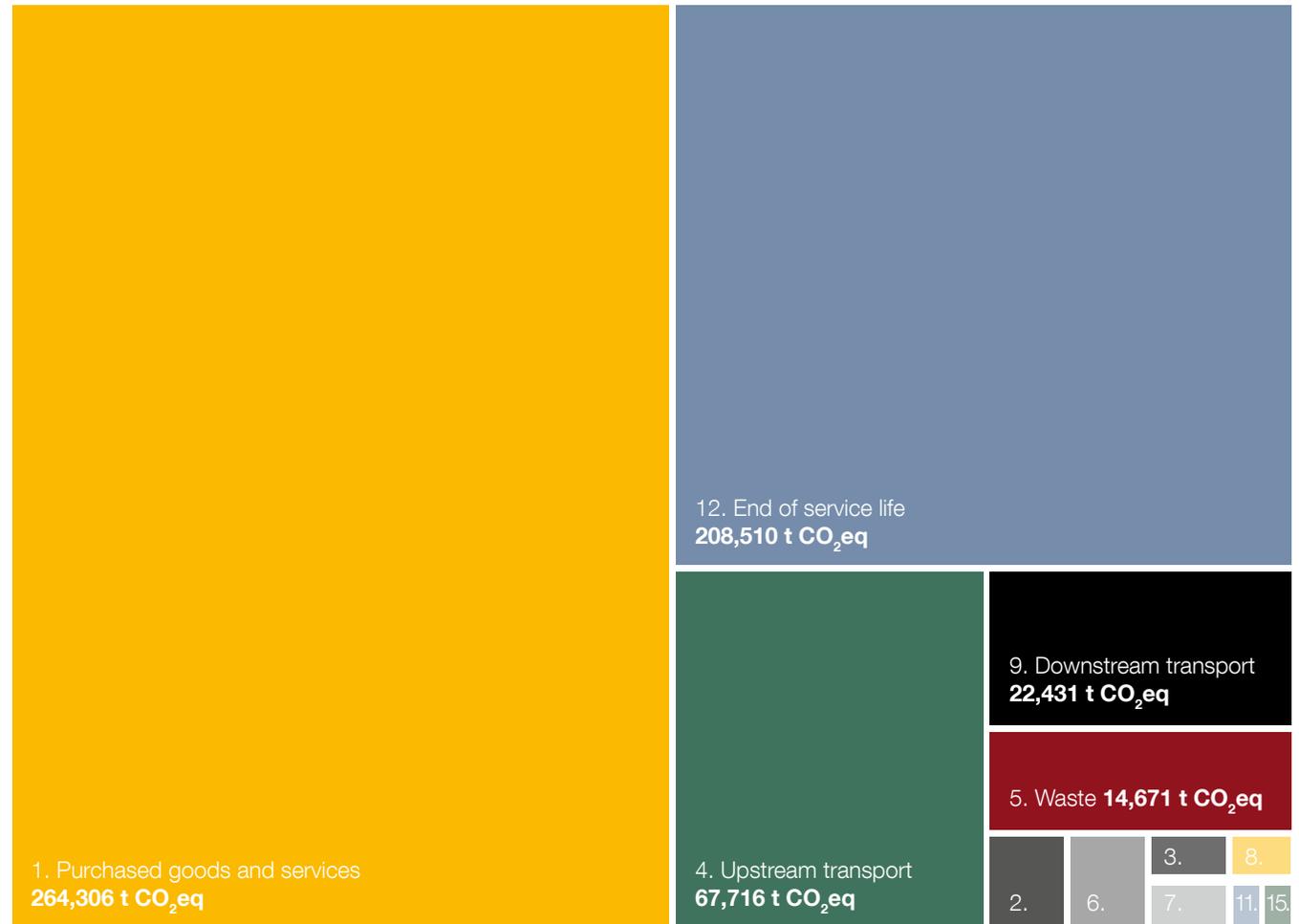
An even greater challenge: working together to reduce Scope 3 emissions in the supply chain

Our goals

Klüber Lubrication plans to be theoretically carbon neutral by 2045 for Scopes 1, 2 and 3. For us, this means reducing the corresponding CO₂eq emissions as far as reasonably possible and then offsetting the remainder. It is important to substantiate this long-term goal with constantly updated short, medium and long-term action plans. As Scope 3 emissions in particular are heavily dependent on the development of production volumes, our first goal is to improve specific emissions in relation to production volumes and to increase our efficiency to achieve this. In this way, we want to achieve a reduction in absolute emissions even as production volumes increase. By 2025, our goal is to improve Scope 3 emissions per ton of product by a stable 10% compared to 2019, which we have currently achieved. We aim to increase this to 25% by 2030.

- 2. Investment goods **4,232 t CO₂eq**
 - 3. Fuel-related and energy-related activities **2,313 t CO₂eq**
 - 6. Business trips **4,775 t CO₂eq**
 - 7. Employee commuting **2,116 t CO₂eq**
 - 8. Upstream leased equipment **2,398 t CO₂eq**
 - 11. Use of sold products **212 t CO₂eq**
 - 15. Capital expenditure **282 t CO₂eq**
- Total:** 593,962 tonnes CO₂ equivalent

Corporate Carbon Footprint 2023: Total 593,962 tonnes CO₂eq equivalent



Numbering corresponds to Scope 3 categories.

Raw materials and other purchased goods and services account for over 80 % of our Scope 3. Since 2019, Klüber Lubrication's Innovation Board has set out the following in our sustainability mission statement and our 2045 sustainability strategy: in conjunction with our suppliers, we strive to achieve ethical procurement and to continually improve our raw materials footprint. We also aim to optimise the sustainability of our product portfolio and new developments to improve impacts throughout their life cycles and for our customers.

Until 2025, our goal is to stabilize Scope 3 emissions per ton of product by 10 % compared to 2019, which we have currently achieved. By 2030, we aim to increase this to 25 %.

Our measures

In 2022, we worked with a renowned external consulting firm to define our Scope 3 emissions more precisely and formulate action plans. The initial focus is on replacing climate-damaging solvents and PFC-optimised (PFC perfluorocarbons) raw materials and products. In 2022, we defined partial targets for Scope 3 for 2025, 2030 and 2045. We refined these further in 2023.

We continuously raise awareness of the importance of the Scope 3 action plan and require this topic to be included in the strategies of all Klüber Lubrication specialist departments, regions and sites.

The following additional measures currently form the focus:

- Increasing the proportion of "renewable carbon" raw materials, i.e. more bio-based and recycled materials and packaging in particular
- Sustainability targets for our suppliers and intensification of cooperation
- Implementation of initial measures in our sustainable packaging strategy created in 2023
- Reducing air freight and improving our supply chain management
- Refinement of our Scope 3 data collection, including a focus on being able to measure the impact of our actions

Corporate Carbon Footprint Scope 1-3 absolute and per tonne of product (emission intensity)

CO ₂ eq in tonnes, Scope 1, 2 and 3 – total quantities	2019	2020	2021	2022	2023
Scope 1	37,675	31,069	20,313	7,430	6,914
Scope 2	11,278	5,619	4,723	4,287	3,499
Scope 3	720,065	675,685	743,844	698,299	593,962
davon Scope 3 Upstream	477,440	432,625	479,936	443,354	362,527
Scope 1–3	769,018	712,373	768,879	710,017	604,375
Emission intensity: tons of CO₂eq Scope 1–3 per ton of product	10.0	9.7	9.4	9.0	8.6
Difference compared to previous year in %		–3.0	–3.9	–4.4	–4.3
Diff. to 2019 in % – emission intensity: tons of CO₂eq per scope per ton of product					
tons of CO ₂ eq per ton of product Scope 1		–13.6	–49.7	–80.9	–80.1
tons of CO ₂ eq per ton of product Scope 2		–47.8	–60.9	–63.3	–66.3
tons of CO ₂ eq per ton of product Scope 3		–1.7	–3.6	–6.3	–10.4
Emission intensity in %: tons of CO₂eq Scope 1–3 per ton of product		–3.0	–6.7	–10.8	–14.7

Results and recommendations

We have specified the climate neutrality obligation for Scope 1–3 as a key objective for all strategy reviews. The proper understanding of Scope 3 methodology and of our status has been achieved. We have defined essential key resources and already approved some. However, ongoing internal efforts are required to raise awareness.

In Scope 3 (2023), the categories “Purchased goods and services” and “End-of-life” (of products) account for 80 %, followed by “Upstream and downstream transportation”, which represents a further 15 %. Our focus here is on finding levers and realising potential for improvement.

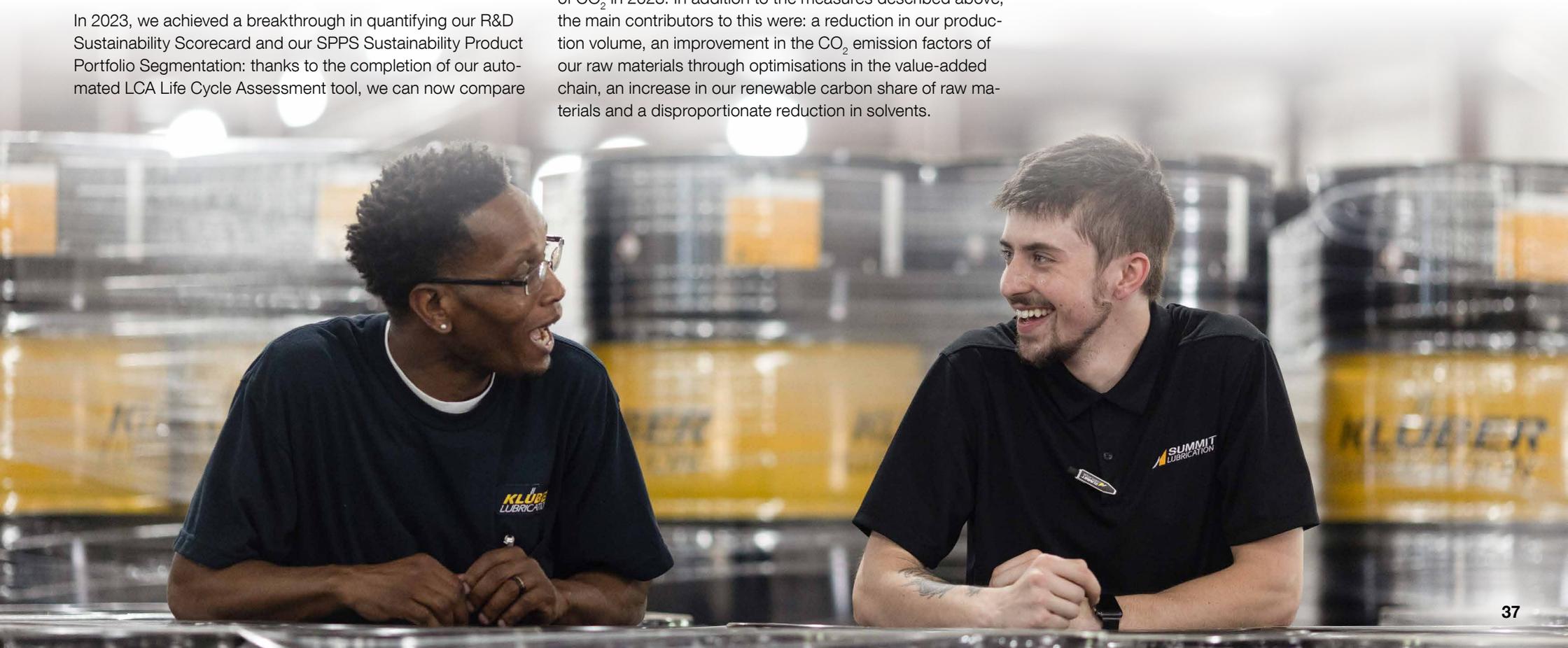
In 2023, we achieved a breakthrough in quantifying our R&D Sustainability Scorecard and our SPPS Sustainability Product Portfolio Segmentation: thanks to the completion of our automated LCA Life Cycle Assessment tool, we can now compare

the CO₂ impact of different formulations as early as the development stage. We can also create PCFs (Product Carbon Footprints) for our customers. This opens up new dimensions in our endeavours to be a driver of sustainable innovation.

We are continually improving our sustainability product portfolio management system and optimising GHG-relevant products, for example by replacing solvents with high GHG potential in products. By 2023, we were able to complete nine out of eleven replacement projects and save a peak of 47,000 tons of CO₂eq per year, which represents over 80 % of the corresponding potential.

Our absolute Scope 3 emissions fell by 18 % or 126,000 tons of CO₂ in 2023. In addition to the measures described above, the main contributors to this were: a reduction in our production volume, an improvement in the CO₂ emission factors of our raw materials through optimisations in the value-added chain, an increase in our renewable carbon share of raw materials and a disproportionate reduction in solvents.

It is informative for us to consider Scope 1, 2 and 3 together. Due to Scope 3's significant dependency on production volumes, it makes sense to consider the relative emission intensity as a target: through a variety of our efforts, we succeeded in improving Scope 1, 2 and 3 emissions by a further 4.3 % in relation to the production volume. This adds up to an optimisation of 14.7 % in the period from 2019 to 2023. In collaboration with our suppliers, partners and customers, we will work on further expanding these improvements – and preferably quickly!



Water and waste – important elements of optimal resource use

Our goals

In our guideline on quality, environmental protection, workplace safety, health and diversity, we have set ourselves the goal of reducing the environmental impact of all our activities and preserving biological diversity. With this in mind, we are continuously working on reducing the relative energy consumption and the amount of material we need to produce one ton of specialty lubricant. We have set ourselves the following measurable targets:

From 2021 to 2025, we want to reduce product waste by 4 % to 54.5 kg/t. We want to reduce our water consumption per ton of product by 3.7 % to 0.79 m³/t in the same period.

Our measures

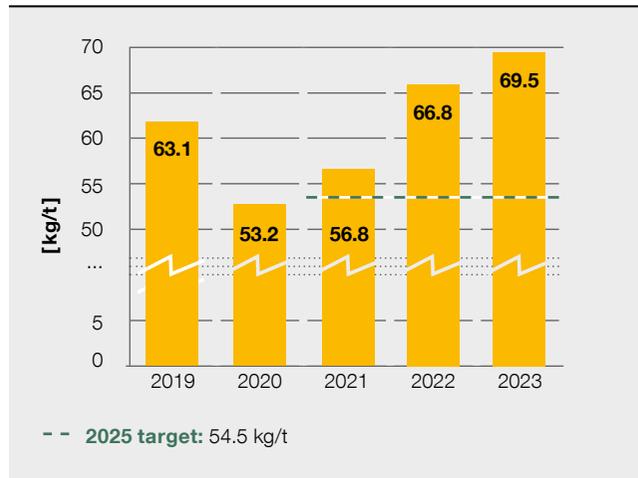
One of our strengths lies in the deep understanding of processes that our colleagues in the local production plants have acquired over decades. And we want to utilise this strength. We pursue a decentralised approach and support our locations in developing and implementing ideas to optimise waste and minimise their relative water consumption. Here, too, the focus is on global exchange between our subsidiaries, which we have institutionalised in various forms.

- We implement the following measures to avoid waste, optimise its recycling and reduce our water consumption:
- Regular awareness-raising and training of our employees
 - Consistent waste separation in accordance with local regulations
 - Optimisation of the cleaning processes of our production boilers
 - Tailoring our production range and production planning to enable bigger sequences of batches with optimised cleaning

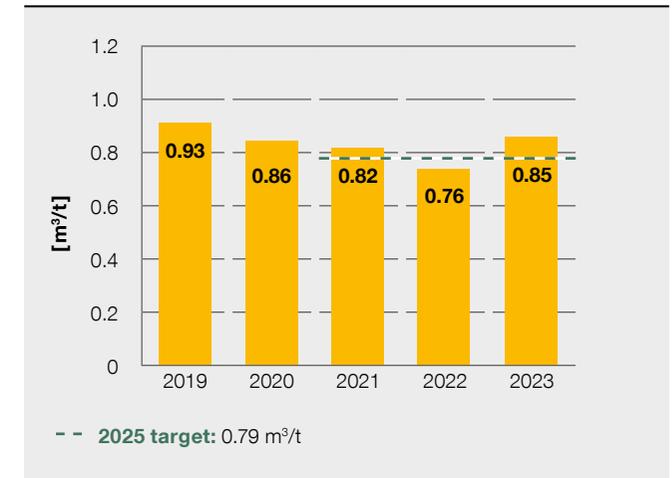
- Incorporation of internal production residual quantities, in strict compliance with the relevant quality specifications
- Improvement in our warehousing to avoid storing goods for too long
- Re-use of pallets

Innovative projects, such as minimising sample quantities or increasing cargo safety and waste reduction by using drum guards instead of one-way securing mechanisms, have spread quickly via global exchange.

Total waste generated per tonne of product



Total water consumption per tonne of product



Results and recommendations

The total amount of waste per ton of product increased by +4% from 66.8 kg/t to 69.5 kg/t in 2023. In joint analyses with our sites, we are aiming to better understand the causes of this negative development so that we can define appropriate actions and initiate a turnaround. A solid database is essential for this. And to further improve the quality of our waste data, we will improve the level of detail of the waste figures collated in our central HSE platform.

After the positive trend of previous years, our water efficiency per ton of product deteriorated for the first time since 2019. This key figure, which is important to us, rose by 11.8% from 0.76 m³/t to 0.85 m³/t in 2023. A significant influencing factor here is the lower utilisation of production capacity at our Traxit plants and the closure of one of their plants. The average water efficiency of the production processes for Traxit wire drawing lubricants is significantly higher than in the production of other specialty lubricants. A reduction in the production figures for wire drawing lubricants therefore leads to an average reduction in water efficiency in the Klüber Group. In view of increasing water scarcity in many countries, we will continue to work on optimising our water consumption. The recording of water consumption figures and the breakdown by type and origin of the water used will also be transferred to our joint HSE platform in future. Statistical fluctuations, various influencing factors and emerging trends in the data can thus be better assessed.



Safety and protection for our employees, temporary workers and third parties

Our goals

In the Freudenberg Group, we have been pursuing the “Zero accidents” campaign since 2003. Klüber pursues this overarching goal with an integrated HSE management system that contains specific preventive measures for our processes and is continuously improved with the global HSE team. Klüber has developed its own guideline on quality, environmental protection, workplace safety, health and diversity. Among other things, it states that we must consistently comply with laws, regulations, and internal and external system standards, as well as aim to provide safe and healthy workplaces. It also states that we aim to minimise risks for customers and hazards for employees.

We aim to make sure that people in our sphere of influence do not come to any harm. This applies to anyone on our company premises, including temporary workers and contractors. It also applies to our employees when they are on premises belonging to other companies.

In order to be able to compare the results of our efforts with measurable values, we have chosen an LDIFR¹ of less than 0.6 and a WRIFR¹ of less than 1.5 as target values in the Klüber Group.

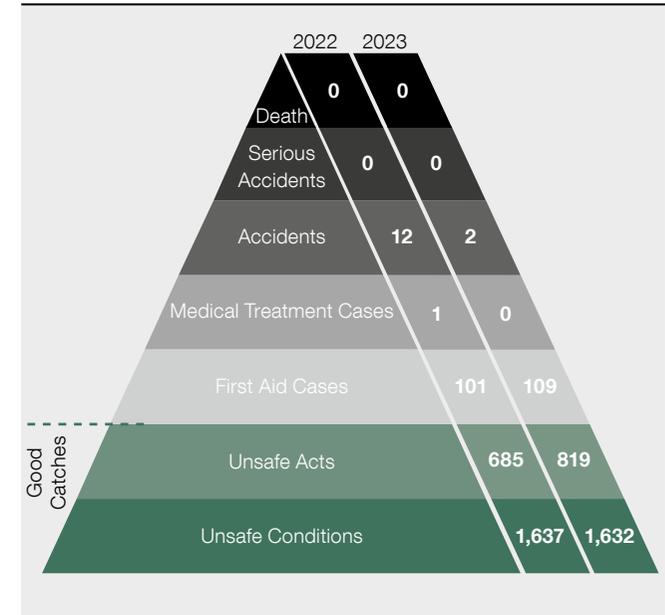
Our measures

We are continuously working on further improving our safety culture. Our global "HSE Community" provides the perfect framework for this. Here, we discuss incidents of all kinds, share solutions and learn together. At site level, we have also continued to carry out more Gemba² tours, with a particular focus on the great value of the 5S methodology³ for occupational safety.

We have started to transfer our risk assessments to a global cloud solution to ensure further cross-learning regarding the identified risks. We hope that this will enable us to minimise our risks in a targeted manner in the coming years.

The ability to proactively identify potential for improvement ("good catches") in order to learn from them has been part of our standard procedure for many years. The centralised recording of good catches now also makes it possible to identify key content areas and improve them in a targeted manner.

Accident pyramid 2022 / 2023



Graphic representation of the various impacts of an accident. The accident pyramid stands on a wide base made up of recorded improvement potential (the “Good Catches”). In 2023 2,451 Unsafe Acts and Unsafe Conditions were proactively identified, an increase of 5.5%, which we are very pleased about.

¹ See glossary on the next page

² Gemba: means “workplace” here

³ 5S is a methodology that creates a safe, clean and uncluttered workplace and environment. In English, the 5S can be interpreted to mean: sort, set in order, shine, standardise and sustain.

Results and recommendations

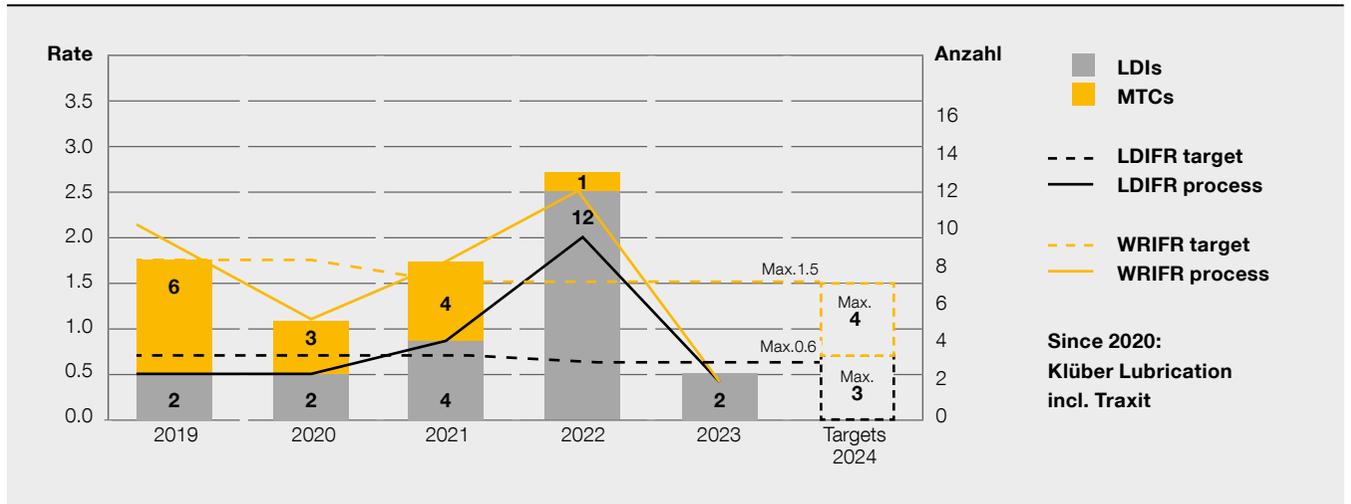
In 2023, the Klüber Group only recorded two occupational accidents with one or more Lost Day Incidents (LDI). This enabled us to reduce the accident rate (LDIFR) by more than 80 % compared to the previous year (to 0.41). The number of days lost due to accidents also fell significantly to 6.9. The severity of accidents, i.e. the number of days lost per LDI, fell to just 3.5 days.

Even more than this decline in accident figures, in which statistical factors can always play a role, we are pleased about the positive trend in the number of proactively recorded potential improvements in occupational safety ("good catches"), which has continued for several years. From 2,134 in 2021 and 2,363 (+10.7 %) in 2022, their number rose by a further approx. 3.7 % to 2,451 in 2023.

We regard this medium-term development as the result of a continuously improving safety culture. Openly sharing mistakes, best practices and improvement measures within our organisation makes an important contribution to this. Our HSE experts will be able to reduce the time required for office work in the future and thus have more time for interaction with employees on site because of the mobile digital solutions which we have started to introduce as a global standard.

Once again, a lack of space is one of the causes of safety-related incidents in our plants. Its cause is located in unstable supply chains, among other things, which resulted in fewer reliable deliveries of raw and packaging materials as well as delivery peaks at our sites.

Operational safety – target and actual



The figures shown in the graph include all accidents for which treatment by a medical professional was required, as well as accidents resulting in an absence lasting longer than one day.

Glossary of occupational health and safety abbreviations

Abbreviation	Meaning		Explanation
WRI	Work Related Incident (employee or temporary worker)	Accident at work (employee or temporary worker)	LDI and MTC
LDI LDI1	Lost Day Incidents with 1 day or more of inability to work	Accident at work with 1 day or more of inability to work	One of the key figures used to record the number of accidents of a severity requiring 1 or more days of interruption to work
MTC	Medical Treatment Case (employee or temporary worker)	Accidents with medical treatment that exceeds first aid (employee or temporary worker)	One of the key figures used to record the number of accidents of a severity requiring more than first aid
LDIFR1 WRIFR	LDI1/WRI Frequency rate per 1 million work hours	LDI1/WRI Frequency rate per 1 million workhours	Key figure used to record the frequency rate of accidents of a severity requiring more than first aid

Sustainable and ethical procurement

Our goals

We aim to enforce ethical, legally compliant and sustainable behaviour throughout our entire supply chain. Our suppliers are expected to apply best practice standards which enable us to continuously improve the footprint and handprint of our products and our business, minimise risks, boost customer satisfaction and promote sustainability. Our supply chain plays a key role in reducing our Scope 3 CO₂ emissions and meeting ESG requirements, which is why we are driving even greater cooperation and transparency.

Our measures

Klüber Lubrication has long-standing business relationships with its raw material and packaging suppliers and is in regular contact with them. The suppliers are usually multinational, i.e. they have plants in different countries. Well over 50 % of our suppliers are based in North America and Europe. We seek to work with local suppliers within the country or the continent, as far as the international orientation of the company allows. Global and strategic suppliers are handled by lead buyers in the company's headquarters. Only suppliers that are exclusively relevant for individual production plants are managed by buyers in the respective plants.

We have developed our own comprehensive standard for sustainable procurement, which serves as the basis for our collaboration with suppliers. A supplier code based on the UN Global Compact has therefore been in place since 2015. It is mandatory for existing suppliers and for new suppliers. When onboarding new suppliers, the response of the supplier is rated and assessed.

To detect potentially negative impacts regarding the environment and human rights in the supply chain, we use the EcoVadis platform, which was introduced in 2022. With EcoVadis IQ, we are able to carry out a risk analysis in the supply chain and also gain an insight into further supplier assessments via EcoVadis ratings. If necessary, remedial and corrective actions are also initiated. This enables us to create transparency around corporate social responsibility issues in the supply chain.

In 2022, our parent company Freudenberg set up a complaints office which can also be used by Klüber's suppliers. A process was established to deal with incidents relating to Klüber Lubrication. Previously, neither internal nor external complaints about incidents in the supply chain had been reported.

In Germany and Austria, we regularly award contracts to centres for people with disabilities in order to make a contribution towards inclusion.

The sustainable use of resources is becoming more and more important for many people – whether they are private individuals, consumers or employees of Klüber Lubrication. For us as a lubricant solution supplier, it is not just about the lubricant itself – the packaging is also becoming increasingly relevant. The EU Green Deal and our own corporate sustainability targets require us to cut down on packaging waste and reduce the "CO₂ rucksack" of our products. Through intensive collaboration between Development, Purchasing and Product Management, it has been possible to introduce more containers made from recycled plastic (PCR). We see it as our responsibility to gradually switch from virgin materials to PCR packaging. One particular milestone was the introduction of intermediate bulk containers (IBCs) con-



taining post-consumer recycled (PCR) plastics at our largest production plant in Europe, where more than half of the IBCs already contain recycled material. Our efforts extend not only to the primary packaging of our products, but also to the secondary and tertiary packaging used in shipping. This includes, for example, the conversion of strapping bands and the conversion of moulded parts for transport protection to versions which use PCR components. Other projects, such as the replacement of polystyrene frost protection with recyclable cardboard inserts, are currently in the changeover phase.

All this and much more is part of our global packaging strategy which has also been presented to Klüber's European national companies at various roadshows and rolled out there step-by-step as part of initial projects. In addition to making progress in the sustainability of packaging, we are also working intensively on improvements in the area of raw materials. In our laboratories, we continuously carry out trials to identify, test and introduce alternative and more sustainable raw materials. These efforts reflect our commitment to not only minimising the environmental impact of our packaging but also improving the entire product life cycle.

This enables us to improve the footprint of our products, reduce environmental impacts and conserve fossil resources.

Of course, we are also involving our suppliers in our efforts to achieve our target of becoming theoretically climate neutral, including Scope 3, by 2045. We have identified milestones and key topics and informed 100% of our suppliers of direct and indirect materials worldwide about our goals and expectations. For example, we inform them that we calculate and continuously improve the carbon footprints of products. We also require our suppliers to do this. Suppliers are encouraged to continuously improve and offer innovative solutions.

We raise awareness of CSR topics among our lead buyers and enable them to regularly participate in training. In 2022, all lead buyers received basic training as part of the introduction of EcoVadis. More in-depth and advanced training courses were held in 2023. Certain topics are also part of the personal goals of some lead buyers to help shape and promote sustainable procurement.

Expectations of suppliers up to 2035

	2025	2030	2035
Innovation	Offering solutions that contribute to climate neutrality and sustainability		
Product carbon footprint	100%	Continuous methodological improvement including expansion to Life Cycle Assessment (LCA)	
CO ₂ footprint ¹	-30%	-50%	-75%
Proportion of recycled material	25%	50%	75%
Green energy	50%	75%	90%
Responsible and ethical conduct	Participation in EcoVadis assessments and achievement of > 45 points		

¹ Improvement per product, base year 2022.

² Our definition of local means the same continent as the relevant production plant.

Results and recommendations

Suppliers must agree to abide by our code of conduct, have their own code of conduct that meets our expectations, or be a signatory to the UN Global Compact. We do not work with suppliers who fail to meet this condition. 100% of Klüber Lubrication’s raw material and packaging suppliers comply with this condition.

In 2023, a business relationship was started with 44 new suppliers for raw materials and packaging. 100% of these suppliers start in accordance with the requirements above and are also subject to a risk assessment with EcoVadis IQ on the topics of the environment and human rights.

Since the introduction of EcoVadis, selected suppliers have been invited to an in-depth assessment based on an abstract analysis. As of the reporting date of 31 December 2023, we had received evaluation results for 47% of our direct suppliers, which corresponds to a doubling of supplier participation compared to the previous year and significantly increases transparency in our supply chain.

Our suppliers achieve better results than the EcoVadis benchmark, which emphasises our efforts in terms of sustainability and social responsibility.

	Average of Klüber Lubrication suppliers	Average of all companies assessed by EcoVadis
Environmental	62	46
Labour and human rights	60	49

We did not have to terminate any business relationships with suppliers due to serious problems relating to the environment or human rights. Other suppliers are continually invited to EcoVadis ratings, in line with the risk analysis.

We seek to work with suppliers who are based in the same country or on the same continent as the relevant production plant.

Proportion of local ² suppliers (raw materials and packaging)			
North America	South America	Europe	Asia
93%	77%	96%	95%

Site certifications

Certification refers to a process that helps to prove compliance with certain requirements. Certifications are often awarded for a limited period of time by independent certification bodies who are also responsible for independently monitoring compliance with standards. To fulfil all the requirements of our customers and meet increasing demands in the quality and environment sector, Klüber Lubrication maintains certifications at all of its production facilities. Each production facility has different requirements with regard to its markets, customers or know-how and adapts its certifications accordingly.

With our subsidiary Traxit, which we acquired in 2020, we are pursuing a long-term integration plan which also includes the development of certifications.

To meet further requirements from key markets and customers, we have decided to demonstrate the status of our commitment at an even more detailed level by joining several CSR reporting, rating and auditing initiatives covering topics such as human rights, child labour, business ethics and compliance, as well as ethical and sustainable supply chains. In addition to EcoVadis, these initiatives also include Sedex and NQC. Sedex is one of the world's leading membership organisations for ethical trade and works with companies to improve working conditions in global supply chains (www.sedex.com). Klüber Lubrication has decided to be an active Sedex member in order to meet all the requirements of the various markets.

NQC Ltd. is an external service provider that operates the supplierassurance.com portal, where the Self-Assessment Questionnaire (SAQ) must be completed and verification documents uploaded. The SAQ is a joint questionnaire from the Drive Sustainability Initiative. In this initiative, 11 OEMs work together to improve sustainability in the automotive supply chain.

Location	Quality		Environmental protection	Workplace safety	Food and pharma	
	ISO 9001	IATF 16949	ISO 14001	OHSAS 18001/ISO 45001	ISO 21469	Kosher, halal
Austria	✓	✓	✓	✓		
Belgium	✓	✓	✓	✓		
Italy	✓		✓	✓		
Germany	✓	✓	✓	✓	✓	✓
Spain	✓	✓	✓	✓	✓	✓
Turkey	✓		✓	✓		
Argentina	✓		✓	✓		
Brazil	✓	✓	✓	✓	✓	✓
Mexiko	✓		✓	✓		
USA, Londonderry	✓		✓	✓	✓	✓
USA, Tyler	✓		✓	✓	✓	✓
China	✓	✓	✓	✓	✓	✓
India	✓		✓	✓		
Traxit Germany	✓		✓	✓		
Traxit China*	✓					
Traxit USA						

* Closure of one of two Chinese sites decided in 2022, and therefore no longer listed here.

We continuously monitor other relevant initiatives to evaluate whether there is sufficient added value for us and our customers.

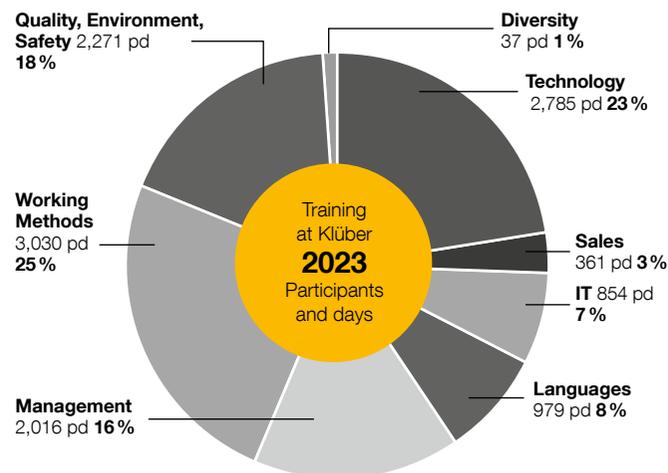
Our training enables our employees to work sustainably with a focus on customers

Our goals

Our primary "Learning & Development" goal is to create a dynamic and supportive learning culture at Klüber Lubrication that enables our employees to continuously develop their capabilities and competencies. The demands on our workforce are constantly changing and we therefore rely on targeted training programmes, advanced training and development initiatives to ensure that our teams can always keep pace with the latest industry-specific developments.

Our "Learning & Development" strategy is based on individualised learning paths that are tailored to the specific needs and goals of each employee. We identify skills gaps through regular demand analyses and develop tailor-made training programmes on this basis. We attach great importance to integrating innovative learning methods that promote motivation and participation, be it through e-learning, interactive workshops, mentoring or other contemporary approaches. In addition, we aim not only to strengthen technical proficiencies but also to support the personal and professional development of our employees. This includes soft skills, leadership competencies and the promotion of teamwork and cooperation.

We do not only measure the effectiveness of our "Learning & Development" on the basis of participation rates. Above all, we recognise effectiveness through specific improvements in performance and increased employee satisfaction. By continuously gathering feedback and adapting our programmes to changing requirements, we strive to establish a sustainable and successful development culture in our organisation.



pd: participant days
%: Share of the topical field in all trainings

Our measures

In order to achieve our "Learning & Development" goals, we implement a variety of targeted measures. These include: demand analysis, regular evaluation of skills requirements, identification of individual and team-wide development opportunities, integration of flexible learning formats such as e-learning platforms, learning management systems (LMS), workshops, seminars and mentoring. We use innovative learning methods, modern technologies and digital teaching materials to increase learning motivation and effectiveness. Special measures to support the personal development of all employees include: integration of training to promote soft skills such as communication, teamwork, problem solving and time management, the implementation of targeted feedback mechanisms and more. In order to identify and develop leadership potential, we have implemented special mentoring programmes and leadership workshops. We also promote leadership and management skills with targeted programmes.

We objectively evaluate the effectiveness of our "Learning & Development" by measuring performance and tracking our KPIs and performance metrics. We are actively and continuously working to improve our training programmes.

To this end, we regularly obtain feedback from employees at all hierarchical levels. We attach great importance to being flexible and adaptable to changing requirements and technologies. Together, these measures form a comprehensive "Learning & Development" strategy that aims to promote the individual development of our employees while ensuring that the company has highly qualified and motivated teams to successfully meet future challenges.

The implementation of this strategy is supplemented by a range of content that is developed and made available in our specialist departments both worldwide and locally, and is not always included in our global statistics, such as training courses on handling hazardous substances, preventing (environmental) accidents or training courses following safety-related incidents from which lessons can be learnt ("good catches").

In 2023, we launched a new, modular training programme on the topic of sustainability and responsibility, which was very well received worldwide. Firstly, an e-learning programme provides basic knowledge (Level 1). Introductory videos build on this, explaining the strategy, objectives, measures, successes and important tools for the subject areas. We have also rolled out our responsibility management in webinars with around 200 participants worldwide (Level 2). In Level 3, we explain topics of overarching importance, such as our Sustainability Strategy 2045-2023, in greater depth via video. In total, we have achieved over 500 views since August.



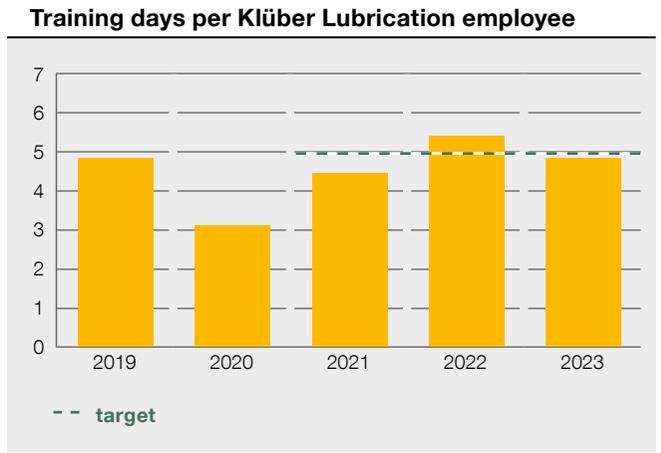
Results and recommendations

In 2023, an impressive 100% of all Klüber Lubrication employees worldwide took part in training activities. This was due to the global commitment of our colleagues, training departments and Freudenberg's increasingly cooperative "Learning & Development" community.

We recognise other relevant trends that have a strong influence on our KPIs: increasing knowledge transfer, formal and informal learning and the use of artificial intelligence, Chat GPT, for example, significantly reduce learning times while also increasing the frequency with which content is used, learnt and actively implemented in day-to-day business.

This can be clearly seen by the fact that e-learning and videos are no longer viewed in full, but only the essential content is used. Mandatory training courses must be completed and finished so that they can be included in our tracking. Content that we do not track is used until the target is met but is not necessarily completed. Training courses that are available outside our system, on public platforms, for example, are therefore not tracked. We will evaluate this in 2024 using an anonymous survey.

There was a significant increase in the number of our learning content media in 2023, from 2,200 to well over 40,000. In 2023, we achieved 4.93 recorded training days per employee. This means that we are 0.08 days below our KPI of 5 training days per employee. However, this shows that we are part of a global trend towards more but shorter content, which defines how efficient learning is organised today. 5 training days will continue to be made available to all employees.



Respecting diversity and promoting inclusion are cornerstones of our corporate culture

Our goals

As a company within the Freudenberg Group, we align ourselves with its management principles. This includes rejecting “all forms of discrimination and harassment. We show and demand understanding and respect when interacting with one another. We promote a multicultural environment where employees work together in worldwide teams to enrich our corporate culture and capability.”¹

Our measures

In order to meet our own requirements, we implemented the following measures, among others:

- Our Global Diversity Council and the Regional Diversity Councils in Europe, North America, Asia-Pacific, China and South America/Australia holding quarterly progress meetings

- Introduction of Freudenberg’s Diversity and Inclusion Curriculum for all employees
- Promotion of gender diversity, through the creation of women’s networks (as in Germany, South America, India and Turkey), for example
- Selection of a coaching provider with a special focus on the development of female candidates
- Making a voluntary commitment to find and invite (if qualifications are suitable) at least one female for each position. We continuously monitor compliance with this requirement
- Increase in ethnic diversity in the USA, for example through scholarships for ethnically diverse students and participation in the Society of Women’s Engineers Career Fair.
- Investment in services provided by companies who employ people with disabilities
- Partnership with a non-profit organisation that promotes the integration of mentally disabled young adults through work

- Implementation of various training courses and workshops at our locations with a focus on diversity, inclusive leadership, sustainability and countering bias in applicant selection and in the workplace.

Proportion of women in leadership positions

2025 target	2020		2021		2022		2023	
	Number	Proportion	Number	Proportion	Number	Proportion	Number	Proportion
25 %	110	24.2 %	124	25.4 %	136	25.9 %	141	26.4 %

Results and recommendations

Klüber Lubrication has reached its target of increasing the proportion of women in management positions by 2025 and has raised it further.

We have increased the proportion of women in technical sales positions through successfully recruiting women for field staff positions in Germany, Eastern Europe and Turkey.

¹ Freudenberg Guiding Principles.



Compliance is based on integrity and ethics and strengthens our reputation

Our goals

A major factor for the success of Klüber Lubrication is its good reputation. Through our parent company Freudenberg, we are part of a values-based family of companies whose business is built on strong ethical principles. We therefore explicitly reject all illegal or unethical practices in our business operations. A professional compliance management system helps us achieve this goal. Compliance is thus an integral component of our corporate strategy. We foster a culture of openness at all levels so that compliance remains an intrinsic part of our company DNA. Klüber Lubrication espouses the principles of the Freudenberg Code of Conduct and has developed a wide range of its own compliance guidelines. In addition, we adhere to the guidelines issued by our parent company, particularly the Freudenberg Guiding Principles, Freudenberg business principles, the Antitrust Guideline, the Anti-Bribery and Anti-Corruption Guideline and the Catalogue of Standard Internal Controls. In principle, all our policies are valid worldwide.



Our measures

Klüber Lubrication pursues compliance according to a structured plan. The Klüber Group's Compliance Office is tasked with continuously reviewing the requirements of our compliance system, conducting risk analyses and establishing an efficient organisation. The Klüber Group's compliance management system was evaluated in 2023 and the next steps were defined. The further integration of compliance into the company's specialised processes has a high priority.

Klüber Lubrication's structured compliance management plan

In 2023, the focus of the risk analysis was on the prevention of corruption. 100% of Klüber companies have used a standardised procedure to review the implementation of the rules for dealing with business support partners, the approval processes for gifts and invitations and the rules for donations.

With the help of a new compliance database from D&B, Klüber Lubrication is able to recognise increased business partner risks even more quickly and adapt the necessary duty of care in the area of corruption and money laundering prevention to the situation.

Investigating compliance violations and protecting whistleblowers are our top priority. Accordingly, the implementation of the new Whistleblower Protection Act was given very high priority at Klüber Lubrication. All employees have been informed about the official internal and external reporting centres they can contact in the event of compliance violations and also enjoy legal protection. In the past year, comments and violations continued to be processed strictly in accordance with the principles of our Case Management Policy.

Since compliance rules are only as good as their enforcement, we place great emphasis on the fact that a good compliance culture motivates employees to adhere to our rules. The Compliance Office's homepage is an important communication tool in this regard. We regularly publish articles on our intranet to raise awareness of critical topics such as conflicts of interest or corruption. A video message from the Management Board affirms Klüber's commitment to behaviour which is unconditionally adherent to the rules. The new Klüber standard KS009 clearly describes the compliance management processes at Klüber Lubrication and is available to all stakeholders in our process map.



Klüber Lubrication employees have access to a wide range of e-learning courses on various compliance topics. Managers are trained in dealing with critical situations by means of a compliance simulation game. Another important tool for establishing compliance in specialist processes is the management letter which is used annually in a bottom-up approach by departments and subsidiaries to confirm that they are familiar with and are applying the compliance rules.

Results and recommendations

Klüber Lubrication has developed a climate of openness in which employees can be sure that compliance with rules is worthwhile. This trust in the company is fostered by a clear message from management that compliance is an indispensable component of sustainable business success. A risk-based compliance concept helps to achieve this goal.

In addition, Klüber Lubrication decided to carry out an external Sedex audit every three years from 2021 onwards, including in the areas of labour standards and business ethics, in order to take an independent perspective into account. The audits carried out were passed successfully.

GRI-Index

With this year's sustainability report, we are once again aligned with Global Reporting Initiative (GRI) standards and are reporting with reference to the GRI standards 2023. The corresponding GRI index is presented below. Information on particular standards

can be found on the corresponding pages of the sustainability report. We have also included links to relevant information on our website or noted information in the comment column. In the index, we also refer to the relevant contribution to the UN Sustaina-

ble Development Goals (SDGs), which are an important foundation for our work in the areas of sustainability and responsibility.

Statement of use	Klüber Lubrication München GmbH & Co. KG has reported the information cited in this GRI content index for the period 01.01.2023 - 31.12.2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI-Standard	Disclosure	Location	Comments	SDG
GRI 2: General Disclosures 2021	2-1 Organizational details		2-1-a Klüber Lubrication München GmbH & Co. KG 2-1-b Klüber Lubrication is a business division of Freudenberg Chemical Specialities GmbH and has belonged to the Freudenberg Group since 1966. The Freudenberg Group is based in Weinheim, Germany. 2-1-c Munich, Germany 2-1-d https://www.klueber.com/global/en/company/locations/	
	2-2 Entities included in the organization's sustainability reporting	p. 23		
	2-3 Reporting period, frequency and contact point	p. 23		
	2-4 Restatements of information	p. 23	No significant changes or corrections were made.	
	2-6 Activities, value chain and other business relationships	p. 5	Overview industries and components: https://www.klueber.com/global/en/company/klueber-lubrication-an-overview/	
	2-7 Employees	p. 5		
	2-8 Workers who are not employees	p. 5		
	2-9 Governance structure and composition	p. 25		
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 23, 25		
	2-13 Delegation of responsibility for managing impacts	p. 25		
	2-14 Role of the highest governance body in sustainability reporting	p. 23, 25		
	2-16 Communication of critical concerns	p. 25		
	2-17 Collective knowledge of the highest governance body	p. 25		
	2-22 Statement on sustainable development strategy	p. 3		
	2-23 Policy commitments	¹⁾		
	2-24 Embedding policy commitments	p. 25, 42, 43, 45, 48, 49		

¹⁾ https://www.klueber.com/ecoma/files/Guideline_HSE_EN.pdf <https://www.freudenberg.com/company/responsibility>

GRI-Index

GRI-Standard	Disclosure	Location	Comments	SDG
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	p. 49		
	2-28 Membership associations	p. 24	Focus on sustainability and ESG	17
	2-27 Compliance with laws and regulations	p. 48, 49		
	2-29 Approach to stakeholder engagement	p. 30		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 28, 29		
	3-2 List of material topics	p. 28, 29		
	3-3 Management of material topics	p. 28, 29	All material topics covered here are described below in related indexes. We do not add repeated reference to page 28 and 29.	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	p. 5		8
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	p. 43		12
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	p. 4, 24, 28, 29, 48, 49		16
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 7, 31, 32		13
	302-3 Energy intensity	p. 5, 32		7, 13
	302-4 Reduction of energy consumption	p. 4, 31, 32		7, 12, 13
GRI 303: Water and Effluents 2018	3-3 Management approach	p. 24, 26, 35		
	303-5 Water consumption	p. 38		6, 12, 14
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	p. 18, 19		6, 13, 14, 15
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 3, 4, 5, 7, 9, 33, 34, 36		3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	p. 4, 5, 7, 9, 33, 34, 36		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	p. 4, 5, 8, 9, 35, 36, 37		3, 12, 13, 14, 15
	305-4 GHG emissions intensity	p. 4, 5, 8, 33, 36		3, 12, 13, 14, 15
	305-5 Reduction of GHG emissions	p. 4, 5, 7-8, 9, 34, 36		3, 12, 13, 14, 15
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p. 13, 14, 38, 39		3, 6, 11, 12, 13, 14, 15
	306-2 Management of significant waste-related impacts	p. 13, 14, 38, 39		3, 6, 12, 13
	306-3 Waste generated	p. 38, 39		3, 6, 11, 12, 13, 14, 15

GRI-Index

GRI-Standard	Disclosure	Location	Comments	SDG
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	p. 42, 43		12
	308-2 Negative environmental impacts in the supply chain and actions taken	p. 42, 43		12
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	p. 40		3, 8
	403-2 Hazard identification, risk assessment, and incident investigation	p. 40, 41		3, 8
	403-3 Occupational health services	p. 40, 41		3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 40, 41		3, 4, 8
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 36, 37		3
	403-8 Workers covered by an occupational health and safety management system	p. 40, 41		
	403-9 Work-related injuries	p. 5, 40, 41		3, 8
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	p. 5, 45 46		4, 8
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	p. 47		5, 12, 16
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 47		5, 8, 10, 16
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	p. 42, 43	https://www.klueber.com/ecoma/files/Ethical_standards_for_suppliers_EN.pdf	4, 8, 10, 16
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 42, 43	https://www.klueber.com/ecoma/files/Ethical_standards_for_suppliers_EN.pdf	4, 8, 10, 16
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	p. 43		8, 12
	414-2 Negative social impacts in the supply chain and actions taken	p. 43		8, 12
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	p. 13, 14, 28		3, 12
GRI 417: Marketing and Labeling 2016	Requirements for product and service information and labeling	p. 13, 14, 17	https://www.klueber.com/global/en/company/compliance-of-all-raw-materials-and-products-with-chemicals-law/	3, 6, 12, 14, 15

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Our passion is creating innovative tribological solutions. Through personal support and consultation, we help our customers to be successful, around the globe, in every industry. By utilising complex engineering concepts and experienced, competent employees, we have mastered the growing demand for high-performance, cost-effective special lubricants for over 90 years.

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