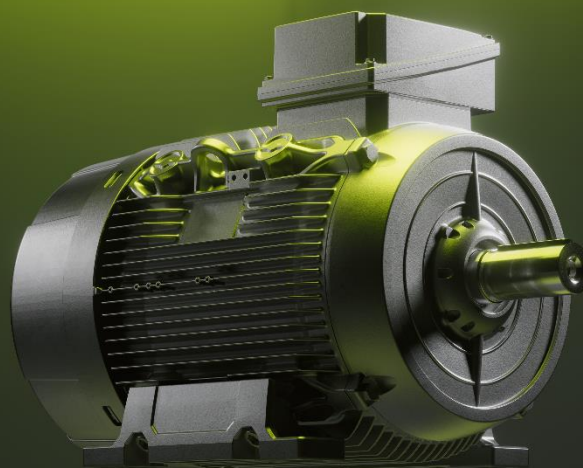
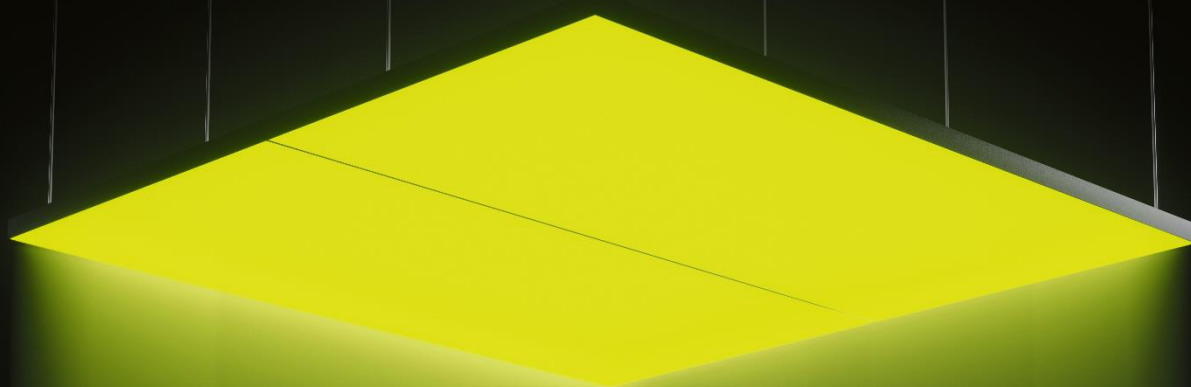


# **INNOMOTICS**

*Reliable motion for a  
better tomorrow*



*Sustainability Report*  
**2024/2025**

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Throughout this report, we have used the following icon to include hyperlinks to relevant external websites. These links are provided to offer you additional information and context on selected topics. All hyperlinks were valid at the time of publication.

## Opening Words from the Chief Executive Officer and Chief Sustainability & DEI Officer

Dear reader,

As we reflect on our fiscal years 2024 and 2025, we are proudly reaffirming our unwavering commitment to sustainability, innovation, and responsible growth. With our innovative portfolio, we empower our customers to transform towards an eco-efficient and decarbonized economy. This transformation is not only a strategic imperative – it is a cornerstone of our purpose: Redefining reliable motion for a better tomorrow.

As a leading manufacturer of electric motors, converters and drives, we recognize the critical role we play in supporting the global energy transition. Our technologies are at the heart of electrification, energy efficiency, and industrial decarbonization. This responsibility drives us to continuously improve the environmental performance of our products, reduce emissions across our value chain, and support our customers in achieving their own sustainability goals.

During 2025, the regulatory landscape in Europe evolved significantly. The European Commission has introduced the intensively discussed “Omnibus Package”. While these changes offer companies more time to prepare, they do not diminish the urgency or importance of transparent, high-quality Environmental, Social and Governance (ESG) reporting. On the contrary, they reinforce our belief that sustainability must be embedded in every aspect of our business – from strategy and operations to innovation and stakeholder engagement.

This sustainability report is intended to provide you with the vision, strategy, governance and initiatives that drive our sustainability journey. Therefore, we will provide you with key figures for our fiscal year 2024 (October 1, 2023 to September 30, 2024), along with the development steps for our fiscal year 2025 (October 1, 2024 to September 30, 2025) that we have taken since becoming a standalone entity up to the preparation date of this report on January 16, 2026.

Together with our stakeholders – including customers, employees, partners and shareholders – we are shaping a future where reliable motion drives sustainable progress.

We thank you for your continued trust and support on this journey. At Innomotics, sustainability is a core value that drives our culture, innovation and growth. We understand that sustainability is a journey that cannot be addressed alone and that only through empowered inclusion can we achieve real positive impact. Our sustainability strategy highlights the importance of decarbonization, circularity, people and partnerships, while adhering to external environmental and social legislations.

Together with you, esteemed readers, we want to continue our path to a more sustainable and responsible future. We wish you an insightful experience reading this report. Thank you for your trust and support.

Sincerely,



**Michael Reichle**  
Chief Executive Officer  
Innomotics GmbH



**Ivonne Hofmann-Maruri**  
Chief Sustainability & DEI Officer  
Innomotics GmbH



**Alexander Walz**  
Global Head of Sustainability  
Innomotics GmbH

About Innomotics

**We are  
reliable  
motion you  
can count  
on.**



A dark, industrial background featuring a complex metal structure with various bolts, nuts, and beams, likely part of a motor or drive assembly. The lighting is dramatic, highlighting the metallic textures and creating deep shadows.

# #1

in High Voltage Motors globally

in Medium Voltage Drives globally

in Low Voltage Motors globally

# ~15,000

Experts

# 49

Countries

# 17

Factory Locations



# 150+

Years of experience

# 3

bn

Revenue and continuously growing

# 5

Business Lines

## Our Supervisory Board

The Supervisory Board is committed to ensuring responsible corporate governance and long-term value creation. In its oversight role, the Board actively monitors the company's strategic direction, risk management, and compliance with ESG standards.

The Supervisory Board of Innomotics GmbH consists of twelve members, equally representing shareholders and employees – six appointed by the shareholders and six serving as employee representatives. This balanced structure reflects the company's commitment to inclusive governance and ensures that diverse perspectives are considered in strategic decision-making. Notably, five of the twelve members are women, representing approximately 42 % of the Board and highlighting our ongoing efforts to promote gender diversity.

The shareholder-appointed members bring a wide range of professional expertise across key corporate functions, including corporate development, sales, procurement, marketing and communications, finance and treasury, and people & organization. This diversity of experience strengthens the Board's ability to provide informed oversight and strategic guidance.

Through its composition and active engagement, the Supervisory Board plays a vital role in supporting Innomotics' sustainability ambitions and fostering a culture of accountability and continuous improvement.



*Innomotics Supervisory Board*

## Our Business Lines

**LVM**

Low Voltage Motors in induction, synchronous reluctance, and permanent magnet technology. High quality and efficiency offering.

**HVM**

High Voltage Motors outperforming global standards in industrial applications and supporting megatrends in key vertical applications.

**MVD**

Medium Voltage Drives are the first choice for a better, more sustainable future in primary & process industry and in all applications, including power-to-power.

**SO**

Solutions support our customers in efficiency and sustainability with our state-of-the-art electrification, automation, and digitalization solutions.

**CS**

Customer Services that provide industry leading services & digitalization to ensure the productivity, availability, and reliability of our customers' assets.

**Our Purpose**

**Redefining  
reliable  
motion for a  
better  
tomorrow.**

# About this Sustainability Report

## Report and Scope Boundaries

This report provides an overview of the Innomotics Group, headquartered in Nuremberg, Germany. For the purposes of this report, the Innomotics Group includes **Innomotics GmbH, Germany**, along with all affiliated legal entities, and **Innomotics LLC, USA**. A complete list of all affiliated legal entities is provided on the following page. For the purpose of this report all respective parent holding companies are excluded. A total of 11 employees from Siemens Ltd., China and Siemens Factory Automation Engineering Ltd., China have been organizationally assigned to Innomotics and remain part of the organization.

The data presented covers our **fiscal year 2024 (FY24)**, spanning from October 1, 2023, to September 30, 2024. As a voluntary sustainability report, we offer a broad overview of relevant KPIs that were available at the time of reporting for FY24, and initiatives that demonstrate how sustainability and responsible practices are embedded in our operations from **FY24 onward** (incl. FY25: October 1, 2024 – September 30, 2025), going beyond Innomotics GmbH and Innomotics LLC.

Unless otherwise stated, “our”, “us”, “we”, or other similar terms refer to the Innomotics Group as defined in this chapter as a whole and are kept intentionally wide for the ease of readability of the report. The report covers all the legal entities unless stated otherwise in respective sections. For the environmental KPIs in chapter “Active Environmental Protection”, only those entities with factories – as can be seen in chapter “Our Factory Locations” – are considered. All figures and numbers are stated in the English format.

## Independent Assurance

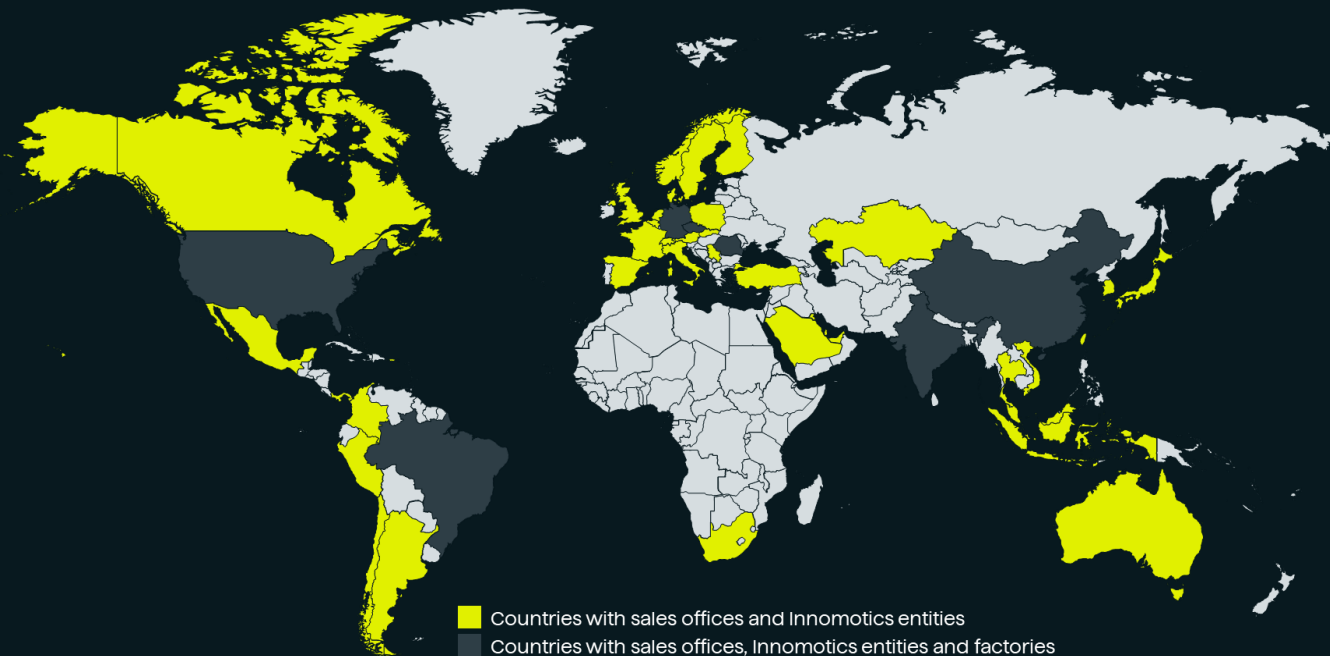
To enhance the reliability of the disclosed information, this report has undergone a **limited assurance review for FY24 and FY25** by an independent auditing firm. The chapter “Country Deep Dive: Innomotics Chile FY25” was exempted and is clearly marked as excluded from the review within the report.

## Innomotics Group and all affiliated legal entities

Entity	Country	Entity	Country
<b>Innomotics GmbH</b> <i>and its affiliated legal entities</i>	<b>Germany</b>		
Innomotics S.A.	Argentina	Innomotics Company for Repair and Maintenance of Light and Heavy Equipment W.L.L	Kuwait
Innomotics Pty Ltd	Australia	Innomotics Sdn.Bhd	Malaysia
Innomotics GmbH	Austria	Innomotics Motors S.de R.L.de C.V	Mexico
Innomotics N.V.	Belgium	Innomotics AS	Norway
Innomotics Motores e Grandes Conversores Ltda	Brazil	Innomotics S.A.	Panama
Innomotics Inc.	Canada	Innomotics S.A.C	Peru
Innomotics S.A.	Chile	Innomotics Sp.z o.o	Poland
Innomotics Electrical Large Drives (Shanghai) Ltd.	China	Innomotics Motors and Large Drives W.L.L	Qatar
Innomotics Large Drives (Shanghai) Co., Ltd.	China	Innomotics SRL	Romania
Innomotics Large Motors (Tianjin) Ltd.	China	Innomotics Ltd.	Saudi Arabia
Innomotics Mechanical Drives (Tianjin) Co. Ltd.	China	Innomotics d.o.o	Serbia
Innomotics Standard Motors Ltd.	China	Innomotics Pte. Ltd.	Singapore
Innomotics S.A.S.	Colombia	Innomotics s.r.o.	Slovakia
Innomotics s.r.o.	Czech Republic	Innomotics (Pty) Ltd.	South Africa
Innomotics A/S	Denmark	Innomotics Employee Ownership Trust	South Africa
Innomotics SAS	France	Innomotics Limited	South Korea
Innomotics Beteiligungs GmbH	Germany	Innomotics S.L.	Spain
Innomotics Real Estate GmbH & Co. KG	Germany	Innomotics AB	Sweden
Innomotics India Private Limited	India	Innomotics Limited	Thailand
PT Innomotics Motors and Solutions	Indonesia	Innomotics Motorlar Ve Yüksek Güçlü Sürücüler Anonim Sirketi	Türkiye
Innomotics S.r.l.	Italy	Innomotics Contracting LLC	United Arab Emirates
Innomotics G.K.	Japan	Innomotics Motors and Large Drives Limited	United Kingdom
Innomotics LLP	Kazakhstan	Innomotics Limited Company	Vietnam
<b>Innomotics LLC</b>	<b>United States of America</b>		

## Our Factory Locations

At Innomotics we are committed to being close to our customers, partners and stakeholders around the world. This enables us to drive innovation and sustainability while maintaining close proximity to our markets and partners.



Our Innomotics Factories are spread across all continents based on our **Meta-Region** structure:

Germany	Business Line	Americas	Business Line
Nürnberg, Germany (HQ)	MVD / HVM	Norwood, USA	HVM
Berlin, Germany	HVM	New Kensington, USA	MVD
Erlangen, Germany	HVM	Kansas City <sup>1)</sup> , USA	CS
Tübingen, Germany	LVM	Jundiaí, Brazil	MVD
Maroldsweisach, Germany	LVM		
Europe & Africa	Business Line	China	Business Line
Mohelnice, Czech Republic	LVM	Yizheng, China	LVM
Frenštát, Czech Republic	LVM	Tianjin, China	LVM / HVM
Drásov, Czech Republic	HVM	Tianjin, China	LVM
Sibiu, Romania	HVM	Shanghai, China	MVD
Asia Pacific & Middle East	Business Line		
Mumbai, India	MVD		

Due to the carve-out <sup>2)</sup> and transition to a standalone company, certain factories are currently excluded from our sustainability reporting. The excluded factories are stated in the respective sections of this report. These exclusions are primarily due to the lack of clear operational and data separation between Innomotics sites and those of our former parent company. We are actively working on a solution to ensure full transparency and aim to include all relevant sites in our future sustainability reporting.

<sup>1)</sup> Our Kansas City facility is only a repair shop without actual manufacturing facilities.

<sup>2)</sup> From the time we were part of the former parent company up to the date of this report, we have accumulated over 150 years of combined experience.

## Our Partnerships, Initiatives & Certifications

**Innomotics proudly fosters partnerships with organizations around the world to drive sustainability with reliable motion for a better tomorrow.**

This chapter applies to Innomotics GmbH Germany and its affiliated legal entities globally.

# United Nations Global Compact

## Our Global Contribution:

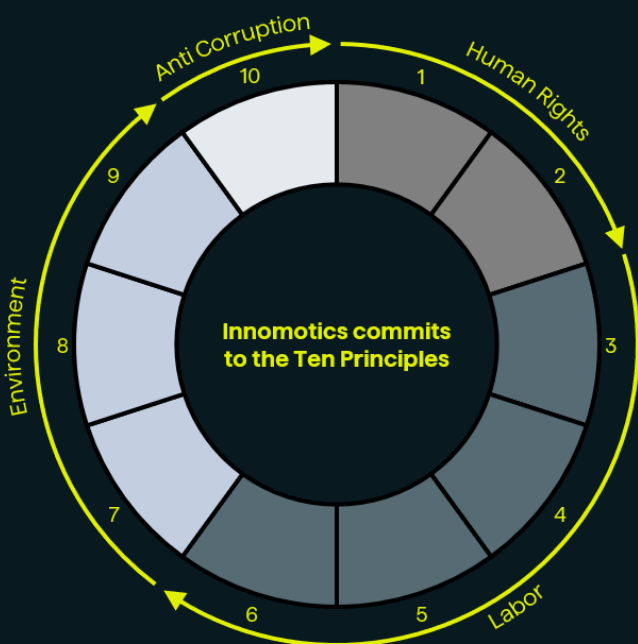
### Reaffirmation of our reliability and commitment to Sustainability



At Innomotics, we are proud to have joined the United Nations (UN) Global Compact as a committed participant.

#### We support UN Global Compact and the Ten Principles:

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.
7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.



# United Nations Women's Empowerment Principles

## Our Strong Commitment:

### Gender equality across workplace, marketplace and community



Michael Reichle, Maike Schiller and Ivonne Hofmann-Maruri sign the WEPs

Joining the UN Women's Empowerment Principles (WEPs) marks a meaningful step in our journey toward greater gender equity.

#### We support UN WEPs and the 7 Principles:

1. Establish high-level corporate leadership for gender equality.
2. Treat all women and men fairly at work – respect and support human rights.
3. Ensure the health, safety and well-being of all women and men workers.
4. Promote education, training and professional development for women.
5. Implement enterprise development, supply chain and marketing practices that empower women.
6. Promote equality through community initiatives and advocacy.
7. Measure and publicly report on progress to achieve gender equality.

The seven principles provide a framework for promoting gender equality in the workplace, marketplace, and community. They emphasize leadership commitment, fair treatment, health and safety, education and training, inclusive supply chains, community engagement, and transparency. By integrating the WEPs, we aim to foster a more diverse and equitable work environment, enhance innovation, strengthen our brand reputation, and contribute to sustainable economic growth.

## Charta for Diversity, Equity & Inclusion

### Our Biggest Asset:

~15,000 experts.

### We Include, Empower and Impact

Our mission is to develop reliable drive technology that serves people – our customers, our employees, and society. Our Charta for Diversity, Equity & Inclusion (DEI) and Business Conduct Guidelines (BCGs) form the foundation of how we act and collaborate. Through our GEARed-Up Sustainability Framework, we focus on empowering both employees and local communities.

We strive to foster a fair, respectful, and inclusive work environment where everyone feels empowered to be themselves and reach their full potential.

At Innomotics, we place strong emphasis on environmental protection, health and safety, with strict policies against discrimination and harassment, and a particular focus on supporting vulnerable groups. We aim to cultivate a culture of respect, mindfulness, and mutual support.



Our shareholders, top management and workers' council have committed to the Charta for Diversity, Equity & Inclusion

## Sustainability Ambassadors

### Our Sustainability Voice:

### Our Sustainability Ambassadors are empowered to amplify the voice of sustainability globally

The Sustainability (SUS) Ambassadors Program at Innomotics is a strategic initiative designed to support the local implementation of our global sustainability agenda. As key points of contact and dedicated representatives for sustainability within their respective countries of operation, SUS Ambassadors facilitate the communication, promotion, and tracking of local sustainability initiatives, while actively supporting the deployment of global strategic priorities at the local level.

The SUS Ambassadors are provided with targeted training sessions covering a wide range of sustainability-related topics, to effectively support them in their role. These sessions enhance their subject-matter expertise and equip them to raise awareness, foster engagement, and encourage best practices among colleagues. Furthermore, the program fosters a cohesive and collaborative network of ambassadors who actively exchange insights and coordinate sustainability-related activities across the organization. By bridging strategic direction with regional execution, the SUS Ambassadors Program strengthens our collective capacity to embed sustainability into everyday business practices and drive meaningful, long-term impact.

As of today, the program includes **25** ambassadors across **30** countries we are present in, and the network continues to grow.

## Diversity, Equity & Inclusion Champions

### Our Inclusive Champions:

#### Driving Diversity, Equity & Inclusion across borders

Our Global DEI Champions Program is a significant milestone in our ongoing commitment to fostering a more inclusive, equitable, and diverse workplace at Innomotics. This initiative enables us to standardize and scale best practices across business segments, regions, and countries. By empowering colleagues to lead DEI efforts locally, we help embed our global strategy in the unique realities, challenges, and opportunities of each region.

#### What Our DEI Champions Do:

- Monitor, report, and promote DEI initiatives within their respective regions.
- Support the rollout and communication of our overarching DEI strategy.
- Serve as local DEI contact points, sharing updates and developments.
- Act as a bridge between employees and leadership, voicing ideas, concerns, and suggestions.
- Present a Diverse and Global Network of Champions.

As of August 2025, we are proud to have 20 **DEI Champions** representing the rich cultural and regional diversity of Innomotics. Together, they reflect at least 16 nationalities, span multiple generations, and bring varied cultural backgrounds, abilities and perspectives. These Champions reflect the spirit we aim to cultivate across our organization. Together, they contribute to building a culture of respect and belonging, where every employee feels seen, heard, and valued.

## Women in Mining

### Our Women Empowerment:



#### Innomotics supports the Women in Mining initiative



Innomotics sponsored the 2024 edition of the “100 Global Inspirational Women in Mining” (WIM100), an initiative that highlights female leadership and promotes a more inclusive and sustainable mining industry. The WIM100 serves as a platform to showcase the achievements of women whose contributions inspire future generations and reinforce the sector’s commitment to sustainability. The initiative aligns with Innomotics’ efforts to encourage young women to pursue STEM subjects (Science, Technology, Engineering, and Mathematics) and consider engineering as a rewarding career path. Through this collaboration, Innomotics aims to promote greater female participation in mining while driving the energy transition and electrification of mines – particularly in South America – through our advanced technologies and solutions.

We at Innomotics emphasize the importance of diverse perspectives in developing effective solutions for global markets. This diversity is fostered through a culture of collaboration, which is essential for innovation and progress. Innomotics recognizes the mining sector’s growing commitment to Diversity, Equity, and Inclusion, and sees organizations like Women in Mining (WIM) as key drivers of this transformation.

## Academy of Mining Digitalization for Women

**Our Digitalization Empowerment:**  
**Innomotics supports the Academy of Mining Digitalization for Women**



Participants of the 2024 Academy of Mining Digitalization for Women edition in Mexico

### More than 300 Women Trained in Mining Digitalization across Latin America.

In a significant step toward building a more inclusive and technologically advanced mining sector, the Mining Digitalization Academy for Women has successfully trained more than 300 women across six editions since 2022. The program has been implemented in Chile, Peru, and Mexico, equipping women from mining companies with key digital competencies critical for the future of mining, including regional highlights:

- Chile hosted three editions in 2022, 2023, and 2024
- Peru held two academies in 2023 and 2024
- Mexico joined in 2024, with its inaugural edition

The success of the Academy has been made possible through strong collaborations with industry organizations, such as the WIM chapters in Chile, Peru, and Mexico.

These partnerships have ensured regional relevance and strong industry alignment, fostering an environment where participants gain both technical knowledge and leadership skills.

## AXA Climate School

**Our Climate Edge:**

**Empowering sustainable action for our global sustainability ambassadors and experts with the AXA Climate School**

In 2024, Innomotics partnered with AXA Climate School to train and transform our workforce towards more climate-conscious and responsible decisions and actions. The focus of this partnership is further incorporating our ESG targets into our company vision, culture and governance globally. With this three-step-process we sustainably anchor learning and consciousness into our organization.

### Regular Training

Our Sustainability Ambassadors take regular training sessions to develop consciousness

### Global Voice

Sustainability Ambassadors cascade the learnings and development in their region & organization

### Long-Term Integration

The developments are implemented into vision, strategy & operations on a local level

## Anglo American

**Our Partnership for Development:**

**Driving socio-economic development through participation in initiatives**

We proudly signed a Memorandum of Understanding with Anglo American, one of the world's leading multinational mining companies, renowned for its commitment to sustainable mining practices. This intended strategic alliance represented a significant milestone in both organizations' efforts to generate long-term value through sustainability, innovation, and employee empowerment.

### A Partnership Rooted in Shared Purpose

Anglo American and our organization partner to empower employees through active participation in sustainability and STEAM initiatives. We aim to share knowledge and best practices to strengthen sustainable operations, while co-developing pilot programs that test innovative ideas. Together, we continuously identify new opportunities to deepen our collaboration and drive long-term socio-economic impact.

## Our ISO Certifications

# Standards, health and safety, environment and cybersecurity matter.

At Innomotics, we regularly initiate external audits to maintain and expand our ISO and other certifications. These certifications are not just formalities – they reflect our deep commitment to sustainability, occupational health and safety, and robust cybersecurity practices. In particular, our ISO certifications serve as a framework for embedding sustainability into our organizational structures and operational processes.

They help us continuously improve our environmental performance, resource consumption, and ensure compliance with international standards. By aligning our business practices with globally recognized norms, we contribute to a more responsible and future-oriented industrial landscape. Our certifications include but are not limited to the drivers of sustainability in our organizational structures and processes. The specific sites that hold the respective ISO certifications can be viewed on our website, ensuring transparency and accessibility for all stakeholders.

### ISO 45001

**Occupational Health & Safety Management**

**Our purpose:**

Ensuring safe and healthy workplaces.

### ISO 50001

**Energy Management**

**Our purpose:**

Systematically control and optimize energy consumption.

### ISO 9001

**Quality Management**

**Our purpose:**

Driving continuous improvement and customer satisfaction.

### ISO 27001

**Information Security Management**

**Our purpose:**

Protecting sensitive data and systems.

### ISO 14001

**Environmental Management**

**Our purpose:**

Promoting sustainable and eco-conscious operations.

The ISO certifications apply to Innomotics GmbH Germany and its affiliated legal entities globally, including Innomotics LLC. The specific entities and sites that hold the respective ISO certifications can be viewed in the [Download Center](#) on our website.

Our GEARed-Up Framework

# Our GEARed-Up Framework acts as our North Star for Sustainability.

**G**

lobal Governance

**E**

mpowered Employees and Communities

**A**

ctive Environmental Protection

**R**

eliable and Sustainable Products

# Our Four Key Pillars for a Sustainable Future

Just like the right gear is essential to reaching a mountain summit, we are GEARed-Up with our Sustainability Framework to reach our sustainability targets. With a holistic strategic approach, our GEARed-Up Framework is designed to navigate every aspect of ESG, with a focus on bringing mutual value to our company, as well as to our customers and partners.

Innomotics is committed to advancing clear ESG priorities and ambitions embedded within four pillars and will transparently report on progress.



## Global Governance

Ensuring ethical business practices and responsible procurement standards.



## Empowered Employees and Communities

Emphasizing workplace safety and well-being, equity, diversity and inclusion, effective talent acquisition and retention, and active community engagement.



## Active Environmental Protection

Managing resources efficiency, safeguarding the environment, and addressing decarbonization efforts.



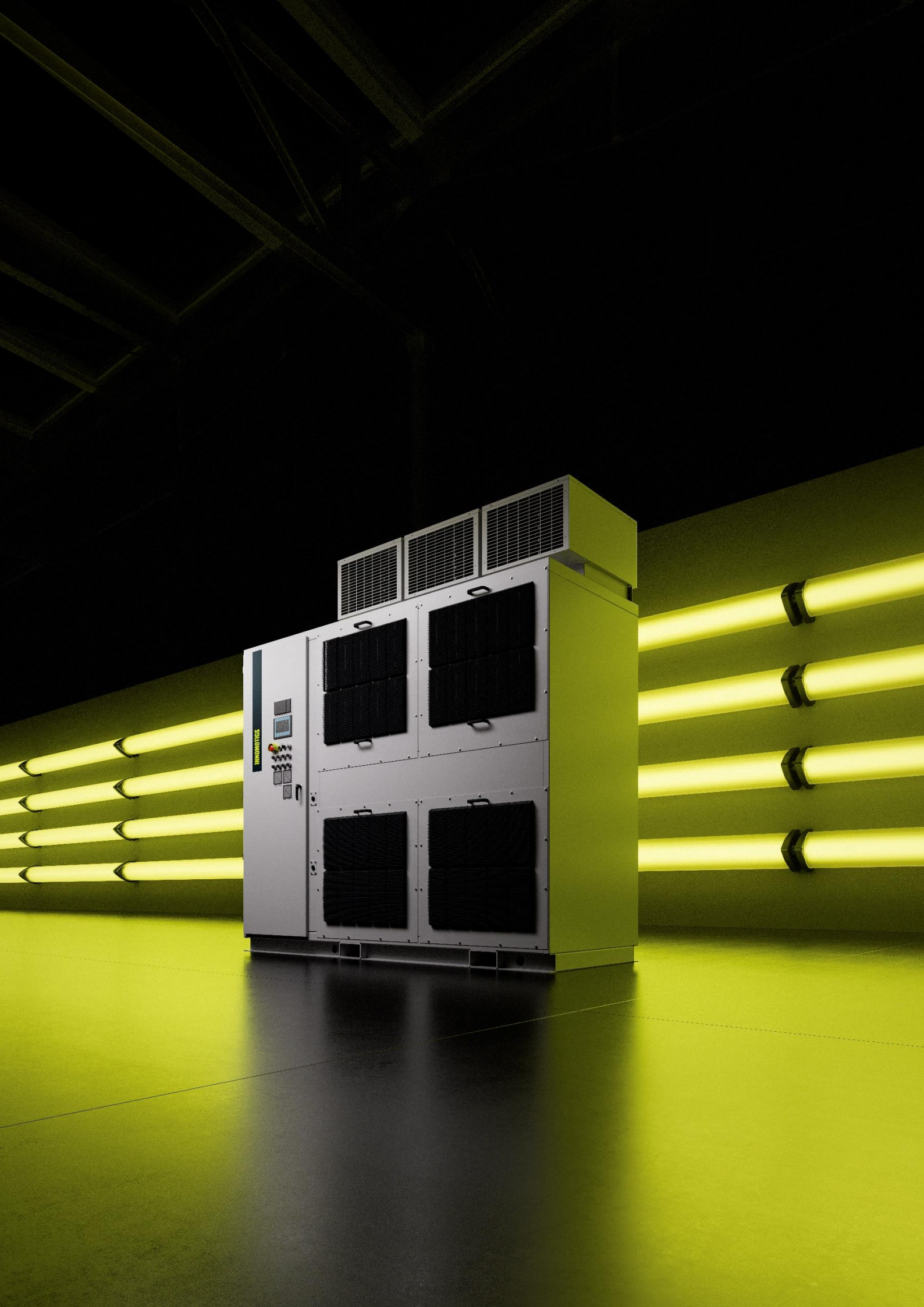
## Reliable and Sustainable Products

Focusing on creating a positive impact for customers and embracing circularity principles.

# Our Contribution to the UN Sustainable Development Goals

We at Innomotics are aware of our responsibility towards society, environment and biodiversity. Through our participation in the UN Global Compact, we actively contribute to the UN Sustainable Development Goals (SDGs). The table below illustrates where our GEARed-Up Framework aligns with selected SDGs, serving as a roadmap for our actions and initiatives. The following chapters will provide you, dear reader, with an overview of our framework and illustrate how each section maps to the relevant SDGs.

UN Sustainable Development Goals	GEARed-Up Framework Section
<b>SDG 1</b> – No Poverty	
<b>SDG 2</b> – Zero Hunger	
<b>SDG 3</b> – Good Health and Well-being	<b>E</b> mpowered Employees & Communities
<b>SDG 4</b> – Quality Education	<b>E</b> mpowered Employees & Communities
<b>SDG 5</b> – Gender Equality	<b>E</b> mpowered Employees & Communities
<b>SDG 6</b> – Clean Water and Sanitation	<b>A</b> ctive Environmental Protection
<b>SDG 7</b> – Affordable and Clean Energy	<b>A</b> ctive Environmental Protection
<b>SDG 8</b> – Decent Work and Economic Growth	<b>E</b> mpowered Employees & Communities
<b>SDG 9</b> – Industry, Innovation and Infrastructure	<b>R</b> eliable and Sustainable Products
<b>SDG 10</b> – Reduced Inequalities	<b>E</b> mpowered Employees & Communities
<b>SDG 11</b> – Sustainable Cities and Communities	<b>E</b> mpowered Employees & Communities
<b>SDG 12</b> – Responsible Consumption and Production	<b>A</b> ctive Environmental Protection, <b>R</b> eliable and Sustainable Products
<b>SDG 13</b> – Climate Action	<b>A</b> ctive Environmental Protection
<b>SDG 14</b> – Life Below Water	
<b>SDG 15</b> – Life on Land	<b>A</b> ctive Environmental Protection
<b>SDG 16</b> – Peace, Justice and Strong Institutions	<b>G</b> lobal Governance
<b>SDG 17</b> – Partnerships for the Goal	<b>E</b> mpowered Employees & Communities



# Global Governance

Newfound setup. Same ethical principles.

16 PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



# Our Ethical Business Conduct

## Compliance System

Compliance with legal requirements is the foundation of ethical business conduct and to be a trustworthy partner to all our stakeholders, we must clearly articulate the rules that govern our actions. To ensure clear and binding principles of conduct that guide all our employees, including senior management, in their day-to-day activities, we have established these principles in our BCGs, which are mandatory for all employees across our global operations. The Innomotics Compliance System covers the following activity fields:

- **Anti-Corruption**
- **Anti-Trust**
- **Anti-Money Laundering**
- **Data Privacy**
- **Human Rights**

The compliance system is built on the pillars of **Prevent**, **Detect**, and **Respond**, aimed at driving transparency & accountability. It is designed to support adherence to all applicable laws and regulations worldwide and includes preventive measures such as training and policies, as well as mechanisms for identifying and addressing violations. Reports of misconduct can be submitted through various channels, including the anonymous “INtegrity Channel”, as described in sub-chapter “Whistleblowing”. To encourage and protect those who report misconduct, the reporting and investigation process is handled in a confidential and structured manner, aligned with the Directive (EU) 2019/1937 of the European Parliament and of the Council (“EU Whistleblower Directive”).

Innomotics is committed to ethical and responsible conduct that goes beyond mere legal compliance. The BCGs define ethical principles that guide all employees, including senior management, and business partners in their daily decisions and actions. Leadership is expected to set a strong example (“tone from the top”), foster a culture of integrity and openness, and to uphold **honesty** and **strong values**. The Chief Compliance Officer (CCO) leads the compliance organization and reports directly to executive management, and any local regulations may only be introduced with the CCOs approval. Regular “Entity and Factory Health Checks” initiated by our Chief Auditor aim to ensure continuous improvement and alignment with evolving legal and regulatory standards.

## Business Conduct Guidelines



We are committed to promoting ethical business conduct through our BCGs, which provide standards for honesty, integrity, and accountability. Employees receive training to apply these standards and to support anti-corruption and prevent anti-competitive practices, pursuing the goal of compliance with applicable laws and regulations. The BCGs also cover respect for dignity, privacy, and rights of individuals, fostering a respectful and inclusive environment.

To extend these principles across our value chain, we select partners that align with our values of transparency, integrity, and legal compliance. Ethical procurement practices are defined in our Code of Conduct (CoC) for Suppliers and Third-Party Intermediaries, which sets requirements on human rights and labor conditions – including fair wages, safe working environments, and the prohibition of child and forced labor – as well as fair operating practices, environmental protection, climate action, natural resource conservation, and responsible minerals sourcing. Compliance with these requirements is monitored through regular external sustainability audits.

## Whistleblowing

As a cornerstone of its corporate governance and compliance framework, Innomotics has implemented a comprehensive and transparent whistleblowing system. This system is designed to promote ethical conduct, ensure legal compliance, and support a culture of integrity throughout the organization. It is aligned with the **Directive (EU) 2019/1937** of the EU Parliament and Council (“EU Whistleblower Directive”). The central reporting platform, known as the “**INtegrity Channel**” is accessible to all employees and external stakeholders via web or phone and allows for confidential and, if desired, anonymous reporting.

**INNOMOTICS**  
**INTEGRITY CHANNEL**

Additional reporting options include direct contact with compliance officers, managers, or employee representatives. All reports are handled under strict confidentiality, following the “need-to-know” principle and in compliance with data protection regulations. The Legal & Compliance department is responsible for managing the whistleblowing process, coordinating investigations with relevant departments such as People & Organization (P&O), Environmental, Health & Safety (EHS), and Supply Chain

Management. Each report is assessed for plausibility and, if necessary, a formal investigation is initiated. Investigations are conducted impartially and result in detailed reports with recommendations for disciplinary actions or other remedial measures, which are monitored and documented. Retaliation of any kind based on the complaint against people who have made good faith reports will not be tolerated and constitutes a compliance case itself. This whistleblowing system directly supports Innomotics' ESG objectives:

**Environmental:** Reports related to environmental risks, such as pollution, are investigated and addressed through appropriate measures, contributing to environmental protection and regulatory compliance.

**Social:** The system enables the reporting of human rights violations, discrimination, harassment, unsafe working conditions, and other forms of workplace misconduct. It ensures fair and transparent resolution of such issues, reinforcing a safe, inclusive, and respectful work environment.

**Governance:** By ensuring accountability, transparency, and legal compliance, the whistleblowing system strengthens Innomotics' governance structure. It includes safeguards against retaliation, encourages a speak-up culture, and protects individuals who report in good faith.

Through this structured and principled approach, Innomotics not only mitigates compliance risks but also reinforces its commitment to responsible business conduct and long-term sustainable value creation.

## Anti-Corruption, Anti-Competitive Practices & Anti-Money Laundering

Innomotics does not tolerate any form of bribery or corruption - this applies to all internal operations and external partnerships. This includes active or passive bribery and public or private corruption. To manage these risks effectively, we apply a structured risk management approach based on the Three Lines of Defense:

- First Line of Defense: Operational management, which owns and manages risks in day-to-day business activities.
- Second Line of Defense: Risk management and compliance functions, which provide oversight, guidance, and support to the first line.
- Third Line of Defense: Internal Audit, which offers independent assurance on the effectiveness of risk management and control processes.

In addition, we have implemented internal processes to ensure that funds are only disbursed or reimbursed for

legitimate business purposes. Rules governing **Benefits to Individuals (Gifts and Hospitality)** and **Benefits to Organizations (Sponsoring, Donations and Memberships)** help prevent even the appearance of non-compliant behavior. For third-party engagements, we apply compliance due diligence and verify the identity and economic background of business partners. We also check the legitimacy of both incoming and outgoing payments to ensure they are not used for bribery, corruption, money laundering or terrorist financing. Transactions with indications of money laundering or terrorist financing - such as unusual or implausible business activities and suspected disguising of fund sources or involved persons - are immediately stopped and employees inform Legal & Compliance or their direct manager. Where required, Innomotics reports suspicious activity to law enforcement authorities.

## Respecting Dignity, Privacy, and Inherent Rights of Individuals

Respect for human rights and data privacy is a top priority at Innomotics. In line with our corporate responsibility, we are committed to respecting human rights and protecting personal data in compliance with applicable laws and external regulations. Employees are expected to avoid contributing to human rights violations and proactively identify, prevent or mitigate adverse impacts that may be linked to Innomotics' business relationships. For projects with an increased risk of potential human rights violations a **Human Rights Due Diligence** must be performed. This assessment is an integral part of the **Compliance Risk Evaluation** and ensures that potential adverse human rights impacts are identified, prevented or mitigated. For this, specific measures across all project phases - including pre-sales, project sales, and project execution - have been integrated into the **Limits of Authority** process.

## Labor Laws and Labor Rights

At Innomotics, we are committed to upholding international labor standards and ensuring fair, respectful, and safe working conditions for all employees. We foster a culture of cooperation between management, employees, and their representatives, while protecting fundamental rights such as freedom of association and collective bargaining. A key element of this commitment is our works council, which enjoys extensive participation and information rights and maintains a close, trustful, open, and constructive dialogue with management. Discrimination, harassment, and intimidation are strictly prohibited, and we are committed to equal treatment regardless of personal background or identity. We reject all forms of forced and child labor and ensure that employment is

freely chosen. Fair wages, equal pay, and compliance with working-hour regulations are core principles of our compensation practices. Through constructive dialogue and long-term collaboration, we strive to balance the interests of our workforce with those of the company.

## Tax Compliance

Compliance with tax regulations is of critical importance to Innomotics. Companies bear a tremendous responsibility for complying with tax laws and paying taxes on time – a responsibility that Innomotics consciously accepts. It is a matter of course for the company that tax payments must be made on time and in full. We also reaffirm our intention to comply with the applicable tax regulations.

## Cybersecurity & Data Protection

Innomotics aims to develop a **core Information Security Management System (ISMS)** with a focus on cybersecurity at its headquarters in accordance with **ISO 27001**. Our ISMS is a systematic approach for establishing, implementing, operating, monitoring, reviewing, maintaining and continually improving the organization's information security. The objective of the ISMS is to protect Innomotics from information security issues that could have an impact on our quality of service and our reputation. On a global scale, we act according to ISO 27001, however, not all entities are certified under ISO 27001. For a comprehensive list of our ISO 27001-certified entities, please visit our [Download Center](#) to access the relevant certificates.

Our ISMS helps Innomotics to preserve the **Confidentiality, Integrity** and **Availability** of information – through applying best practices as **per ISO 27001**. We empower employees and management with high security awareness and follow the ISO 27001 framework to protect confidentiality, integrity, and availability of information assets.

- **Confidentiality:** Information is not made available or disclosed to unauthorized individuals, entities and processes
- **Integrity:** Information is accurate and complete
- **Availability:** Information is accessible and usable upon demand by an authorized entity

Innomotics' management alongside the ISMS committee is responsible for guiding and driving the execution of the information security rules, controls with clear interfaces to and responsibility for the business lines and the implementation of information security training and awareness programs for employees. In addition, the goals, risks and effectiveness are reviewed by the management team on an annual basis. Awareness training is conducted to support individuals to ensure their understanding of

information security requirements. We take a holistic approach to cybersecurity, covering **Information Technology (IT), Operational Technology, and Product & Solution Security**. Our strategy follows defense-in-depth principles, securing products, services, and operations with industry's best practices.

In FY24, Innomotics did not report any Cybersecurity breaches or incidents where personally identifiable information was retrieved or stolen.

Number of Cyber breaches	FY24
Cyber breaches	0

## ESG Risk Management

### Our Risk Management Approach

At Innomotics, ESG risk management is a key strategic initiative of our commitment to sustainable and responsible business practices towards all our stakeholders. We systematically identify, assess, and manage ESG risks – both at the corporate level and across business opportunities we pursue in the market. Our ESG assessment is fully embedded in the sales process, ensuring that customers and opportunities are evaluated for ESG risks before a product or solution is bid for. This risk-based approach enables us to detect potential sustainability related risks early while responsibly pursuing business opportunities. We embed our ESG risk management process directly into our standard business workflows and connect it with leading ESG data sources. This ensures that our approach is efficient, transparent, and scalable – while allowing us to remain flexible in our business decisions.

### Our ESG Risk Framework

Our ESG Risk Framework is built on the Innomotics business rationale and reflects clearly defined risk areas. It enables consistent and objective decision-making through well-structured risk levels and definitions. This ensures that ESG considerations are not only strategic but also operationally actionable. In the following sections, we illustrate how this framework applies first to our sales activities and then to procurement processes.

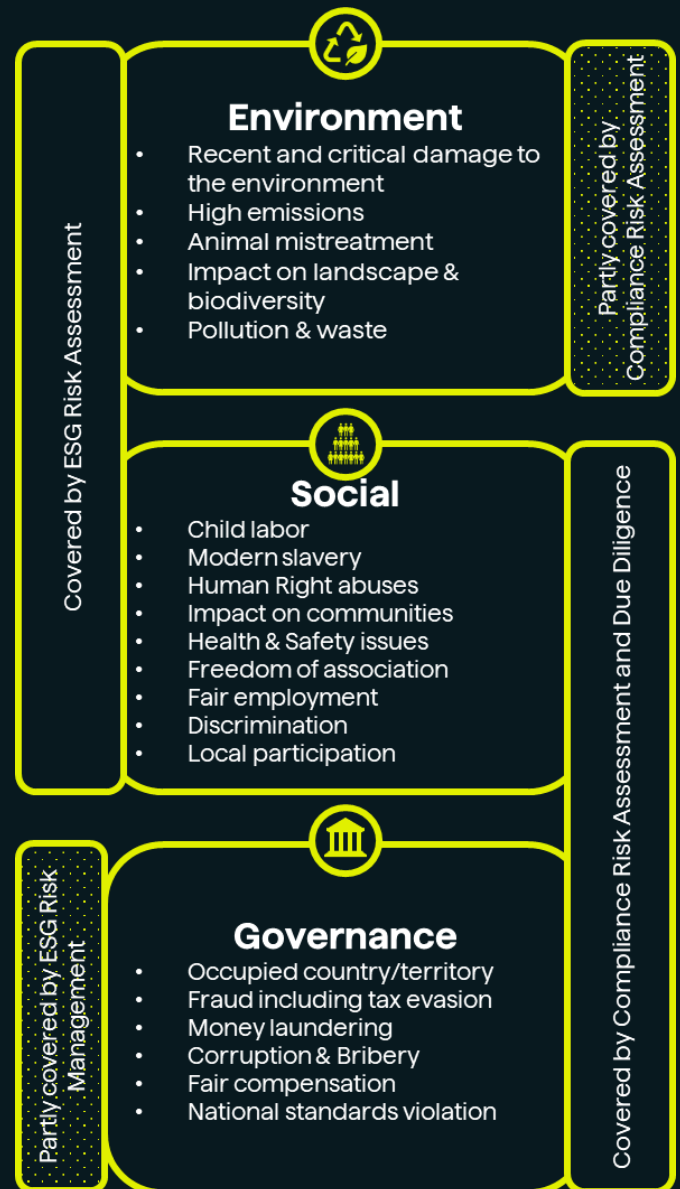
### Integrated ESG Risk Assessment in Sales

To manage ESG risks in our customer engagements, we are in the process of implementing an integrated ESG risk assessment process within our Sales tool OneSAM. Risks are analyzed at a very early stage of the sales cycle, allowing for timely identification and escalation to the appropriate stakeholders, such as the Legal & Compliance department, when necessary. Additionally, once fully integrated, we aim to conduct regular reviews of customer accounts to identify account-related risks as well as monitor ongoing opportunities for emerging risks. Our assessment will be supported by a third-party tool, aiming to ensure an unbiased and market-accurate evaluation of ESG risks in our business relationships.

### ESG Risk Process

To streamline ESG integration, we have developed an integrated ESG risk classification system, derived from our internal framework, that reduces manual effort. The process is planned to be embedded within our OneSAM Sales platform, making it intuitive and easy to follow. It will

be seamlessly integrated into the Limits of Authority decision flow, ensuring that ESG risks are considered at the early bidding and offer release stages of the bid process. Clear and actionable guidance is provided for mitigation measures, with a strong focus on high-risk and large-volume opportunities – ensuring that our efforts are targeted where they matter most. Our ESG Risk Matrix covers all ESG aspects to take a detailed assessment and derive a fact-based decision.



## Ethical Procurement

### Supplier Collaboration & Engagement with Law-Abiding Partners

At Innomotics we aim to collaborate with reputable and law-abiding partners. Compliance, together with Procurement, defines requirements for due diligence, monitoring, and risk mitigation measures in the supply chain. Suppliers and third parties must accept and adhere to the **CoC for Suppliers and Third-Party Intermediaries** and respect the environmental and social clauses embedded in it. Any suspected violations in the supply chain, including those involving indirect suppliers, are expected to be reported and mitigated in accordance with our internal compliance procedures.

### Ethical Procurement Practices

At Innomotics, ethical procurement is a cornerstone of responsible business conduct. We are committed to ensuring that our sourcing practices not only meet legal and regulatory standards but also reflect our values around sustainability, integrity, and social responsibility. This commitment is embedded throughout our procurement processes and supplier relationships. Two pillars are particularly important:

**Sustainability Assurance** involves ensuring compliance with sustainability requirements mandated by legislation and expected by our customers, investors, and other stakeholders. The process begins with our suppliers' commitment to the Innomotics CoC and culminates in Supplier Sustainability Assessments, which are detailed in the CoC brochure.

**Sustainability Performance** refers to evaluating how well our suppliers perform in sustainability-related areas, such as human rights.

Innomotics promotes ethical procurement by consistently applying its Procurement Principles and BCGs. We strive to ensure that our suppliers act responsibly by embedding the CoC into new and renewed purchasing agreements through the Corporate Responsibility Clause, aiming to continuously increase coverage and awareness across our supplier base.

### Supplier Assessments and Audits

A risk analysis is conducted prior to supplier assessments or audits, based on the supplier's country of operation and other relevant risk factors. Suppliers are categorized according to characteristics such as operations in high-risk countries, involvement in the sourcing of critical raw materials, and regulatory exposure to e.g., REACH (Registration, Evaluation, Authorization and Restriction of

Chemicals) or RoHS (Restriction of Hazardous Substances). This enables early identification and mitigation of sustainability risks within the supplier qualification process.

To ensure compliance, Innomotics conducts regular **External Sustainability Audits**. These audits are based on a risk-oriented assessment that identifies suppliers requiring closer examination due to potential sustainability or compliance risks. Based on Innomotics suppliers risk assessment, independent third-party providers carry out audits at the selected suppliers, which evaluate adherence to environmental, social, and ethical standards, including labor rights, anti-corruption measures, and environmental management systems.

The respective suppliers receive detailed audit reports along with recommended corrective actions. If needed, follow-up audits or Corrective Action Plans are initiated and monitored via the third party's monitoring system. To maintain eligibility for continued collaboration, suppliers must achieve a minimum audit score of 70 % with no major findings. In cases of non-compliance or refusal to participate, alternative suppliers are considered in purchasing. For suppliers operating in high-risk countries and exceeding a defined Purchase Volume (PVO) threshold, Innomotics additionally requires completion of a Corporate Responsibility Self-Assessment. This online questionnaire, integrated into the procurement Enterprise-Resource-Planning system, must be completed every three years to ensure ongoing compliance with the CoC.

Through these measures, Innomotics aims to ensure that its supply chain partners uphold the company's values and contribute to its broader ESG goals.

### Responsible Minerals Sourcing



Innomotics is committed to ensuring that minerals used in its products are sourced responsibly and do not contribute to conflict or human rights violations in Conflict-Affected and High-Risk Areas. This includes regions such as the Democratic Republic of the Congo and its neighboring countries, where the trade in minerals like tin, tungsten, tantalum and gold (3TG), is often linked to armed conflict and exploitation.

Our approach is aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and we take systematic steps to identify the origin and source of these minerals within our supply chain to derive further possible actions. We work closely with our suppliers and expect them to provide transparent data, including the identification of smelters and refiners. To support this, we have established a uniform and enterprise-wide process

for supply chain due diligence, including our **Responsible Minerals Sourcing Policy**, the Responsible Minerals Assurance Process; and we use the Conflict Minerals Reporting Template developed by the Responsible Minerals Initiative to report on our own due diligence efforts.

We compare smelters reported by suppliers against verified industry standards to ensure that only responsibly sourced minerals are used. By signing our CoC, suppliers are expected to avoid sourcing from unverified or high-risk sources and to support transparency throughout the supply chain.

Rather than imposing blanket bans, Innomotics promotes informed purchasing decisions that support both ethical sourcing and the economic development of local communities in Conflict-Affected and High-Risk Areas. This approach also helps our customers meet regulatory requirements, such as those of the U.S. Securities and Exchange Commission.

## Strengthening Partnerships through the Supplier Awards Program

At Innomotics, we believe that strong supplier relationships are essential to building a resilient, sustainable, and innovative supply chain. With our Supplier Awards Program, we aim to recognize outstanding performance, foster long-term partnerships, and encourage continuous improvement among our valued suppliers. The program highlights excellence across multiple dimensions, celebrating suppliers who demonstrate exceptional commitment to quality, sustainability, collaboration, and innovation. The awards are structured around six key categories:

- Reliability & Quality Award
- Environment & Social Impact Award
- Supplier Collaboration & Innovation Award
- Best Newcomer Award (Challenger Award)
- Award for Extraordinary Support
- Best Supplier Award (Oscar)

By celebrating excellence and highlighting best practices, the Supplier Awards Program supports our broader commitment to sustainable procurement and continuous value creation throughout our global supply chain.

## Carbon Web Assessment

At Innomotics, we believe in the power of collaborative efforts to build a sustainable future. Our Carbon Web Assessment program is designed to support our valued upstream business partners in advancing environmental

sustainability and is committed to assisting our partners in various aspects of carbon reduction, promoting transparency, and enhancing overall environmental performance. Our free support services include:

- **Creating Transparency in Carbon Emissions:** We aim to provide a clear understanding of our suppliers' carbon footprint.
- **Measuring Emissions Reduction Performance:** Assessing and monitoring of our suppliers' efforts to reduce carbon emissions.
- **Providing Ideas and Levers for CO2 Reduction:** Offering innovative solutions and strategies to achieve meaningful carbon reduction.
- **Identifying Growth Potential:** Exploring opportunities for sustainable growth within our suppliers' operations.
- **Increasing Competitiveness:** Enhancing our suppliers' competitive edge through environmentally responsible practices.

Through this initiative, Innomotics encourages suppliers to share their decarbonization plans via the platform supplier+s developed by crtl+s GmbH and take steps toward reducing emissions. This not only supports our efforts to address environmental impacts in the supply chain but also helps suppliers identify efficiency opportunities, prepare for future regulatory requirements, and strengthen their own sustainability performance.

## Global Governance Framework KPIs

KPI	FY24
Training coverage on the BCGs of white-collar employees	93 %
Share of PVO covered by signed CoC	
<i>With required signed CoC</i>	95 %
<i>Without required CoC</i>	3 %
<b>Total PVO covered</b>	<b>98 %</b>
Accumulated Number of executed onsite External Sustainability Audits by 3 <sup>rd</sup> party auditor (FY23 onwards)	86



# Empowered Employees & Communities

Our most powerful engine:  
~15,000 dedicated employees



# Our People

At Innomotics, our almost 15,000 dedicated and international employees are our most powerful engine and at the heart of our transition. As a newly standalone global company headquartered in Germany, we have made it a priority to shape a P&O approach that reflects the agility and needs of a global mid-sized, future-focused business. All percentages shown in this section refer to the total number of employees worldwide and reflect our commitment to transparency in workforce reporting. In the scope of this report, “employee” or “senior management” refers to every natural person in an active employment relationship with an Innomotics company, excluding employees that are inactive, such as those on parental leave or on delegation abroad. In addition, apprentices, dual students, interns, working students and other internal workforce are not counted as employees. Unless otherwise stated, “employee” refers to both employees and senior management.

Global Workforce	FY24
Innomotics Employees	14,868
Number of Nationalities	91

Our global P&O structure – led by the Chief People Officer and composed of functional and regional teams – serves as a strategic partner across the entire employee lifecycle. From attracting over integrating to developing, our goal is to empower our employees to bring their best selves to work.

In our ongoing transition, we are continuously developing and optimizing our P&O portfolio. Our People agenda is guided by three strategic pillars:

**Reliable PEOPLE:** attract, retain and develop the right people.

**Innovative CULTURE:** create an environment that fosters innovation, high performance, and team spirit.

**Sustainable LEADERSHIP:** equip leaders to drive organizational success and inspire teams.

The following sections provide an overview of our key focus areas, highlighting the core of our evolving P&O portfolio.

## Talent Attraction & Onboarding

### Employer Branding

In 2025, Innomotics was honored with two prestigious recognitions by Kununu: The **Top Company 2025** award and the **Top-Rated Salary Satisfaction 2025** award. Kununu, an online platform in the DACH region, enables employees and job applicants to anonymously evaluate and review employers based on factors such as workplace culture, salary, benefits, and overall job satisfaction. The Top Company award reflects our commitment to providing an attractive working environment, while the Top-Rated Salary Satisfaction award acknowledges the high level of satisfaction of our employees with regard to remuneration and employee benefits.

### Talent Attraction

At Innomotics, we remain firmly committed to transparent and equitable recruitment practices, guided by our **Diversity, Equity, and Inclusion Hiring Principles**. Our objective is to ensure that we attract the best talent from the market, which requires active engagement with a diverse candidate pool spanning various regions and cultures. We believe that high performing teams thrive best in environments that are fair, respectful, open, and inclusive. Accordingly, we aim to ensure hiring talents regardless of age, gender identity, marital or parental status, disability, race, religion or sexual orientation. For more detailed information on how diversity, equity, and inclusion is embedded at Innomotics, please refer to Section DEI.

### Onboarding

Since 2023, our onboarding initiatives have equipped new hires at Innomotics for a successful journey, facilitating quick integration and development of meaningful connections from the start. The hybrid initiatives combine virtual sessions with on-site activities, delivering an inclusive and flexible onboarding experience. While our onboarding initiatives adhere to a globally standardized framework, they also encourage local adaptations to ensure relevance within regional and local contexts.

One example is our onboarding program in **Chile**:

Prior to their start date, our new hires receive essential information about the company and their first day from our local P&O team. During the initial two weeks, each new employee is paired with a buddy who provides onboarding support and guidance. Following this period, our local P&O team conducts regular check-ins to ensure ongoing engagement and address any needs or questions. After the three-month mark, new employees are

invited to a brief survey to share their onboarding experiences, enabling us to continuously refine and enhance the process. Every two months, our local P&O team hosts a “get-together” event, during which various departments present themselves, fostering cross-functional understanding and connection.

## People Development

As a responsible employer, Innomotics offers a wide range of learning and development opportunities to our people in many areas and for different target groups within the organization. Besides globally steered people development opportunities, we offer multiple regional, local, and functional development activities to ensure fit to local needs, requirements, and demand.

On a global level, we support our employees in all our five **Meta-Regions**

Distribution by Meta-Region	FY24
Germany	3,243 21.8 %
Americas	2,793 18.8 %
Europe & Africa (w/o Germany)	4,671 31.4 %
China	3,449 23.2 %
Asia Pacific & Middle East	712 4.8 %

In FY24, Innomotics recorded an employee turnover rate of 7.54 %, excluding temporary workers. This figure reflects our strong organizational culture, targeted employee development programs, and a stable working environment. In addition, our employees’ average tenure as of FY24 was 12.6 years, based on their starting date in our previous parent company.

Global Workforce	FY24
Employee Turnover Rate (excl. Temporary Workers)	7.54 %
Average Tenure	12.6 years

## Mentoring

Launched in early 2024, our **Global Mentoring Program** supports the connection and growth of our talents worldwide by mentoring partnerships with senior leaders, experts, and experienced mentors. The program is globally steered, fully flexible, and mentee-driven – new participants can join at any time, and each mentoring partnership follows a defined, time-bound structure. Mentees can select a mentor out of our global mentor pool or identify one beyond, depending on the mentoring goals. To support both mentees and mentors, the program includes comprehensive guidance materials, such as conversations tips and reflection templates.

## Career Development

Our **My Development Journey** guide is available to all employees across the organization and serves as a practical tool to structure personal career development goals and guide meaningful career development conversations with leaders, P&O, or mentors. Embedded into our Talent & Leadership Development intranet site, we aim to foster a proactive mindset around career growth and make development opportunities more visible to everyone.

## Upward Feedback

Our **Upward Feedback** process supports employees on management level in gaining valuable insights into their leadership, communication, and overall effectiveness directly from their team members. The material is available to all managers globally and can be P&O-moderated upon request. It gives employees a structured opportunity to share constructive feedback on strengths, areas for improvement, and ways to enhance the work environment toward leaders. The process promotes open dialogue, builds trust, and supports continuous leadership growth.

In addition, we strongly encourage internal mobility through various individual development activities, such as leading Innomotics-wide projects, participating in (virtual) job shadowing or job swapping, and our internal job market. We also support employee development through connections to coaches in our coach pool.

On a regional, local, and functional level, key people development examples include:

### Talent Network FINANCE Africa | Europe

Launched in October 2024, our **Talent Network FINANCE Africa | Europe** is a new talent development program for all Finance-related roles in Europe and Africa. The program includes 18 months of comprehensive development activities – from leadership skills to Finance-related

learnings and networking opportunities with senior leaders. The program combines in-person meetups with virtual elements. The second wave of participants started at the beginning of 2025.

### Shift Leaders Academy in the Czech Republic

In FY25, Innomotics offered the second round of the **Shift Leaders Academy** at our Mohelnice factory in the Czech Republic to support the development of blue-collar shift leaders in production. Each participant received different training sessions, combining soft skills like communication and feedback with technical topics such as quality, lean management, digital tools, and safety. The program reinforces our commitment to empowering frontline leaders and fostering a culture of continuous improvement in our factories.

### Team Leader Circle Program in China

Innomotics' **Team Leader Circle Program** in China is a structured leadership development initiative tailored for first-time managers. It focuses on five key areas: team building, strategy alignment, decision execution, effective communication, and employee coaching. The program combines digital learning with on-site practice, and follow-up mentoring to ensure a strong impact. What sets this local program apart is its strong focus on applying knowledge in real-world settings – for example, participants translate our corporate strategy into actionable team priorities or practice coaching with fellow members.

Looking ahead, Innomotics remains committed to strategic and future-ready people development and is exploring new initiatives to further strengthen this focus in FY26. These include, for example, further global talent development initiatives, trainings for first-time managers – piloted in Germany in October 2025, and business-owned talent development programs, for example in our Customer Service and IT functions – already in planning. Further programs, projects, and initiatives will be developed based on business and employee needs.

## Lifelong Learning

As part of our ongoing transition into a stand-alone organization, our new **Innomotics Learning Platform** was launched in November 2024. The platform presents a cornerstone to enhance our employees' learning opportunities, providing a streamlined and user-friendly experience for every employee globally within Innomotics.

With the **Employee View**, employees can browse and enroll in a variety of training courses, track their learning progress, and start to build their learning history in the new

system. With the **Manager View**, people managers get an overview of their team's learning activities, approve and monitor ongoing and overdue trainings.

Two **external companies** have been selected as global standard Learning providers for Innomotics, covering the following scope:

- Standard 24/7 e-learning courses with more than 5,000 training sessions are currently available on our learning platform for all Innomotics employees worldwide.
- Easy-to-use tool to design e-learnings in-house, accessible for selected learning contacts within all functions, divisions and regions.
- Develop virtual and onsite training content and certification programs.
- Facilitator-led trainings (virtual and onsite), with the first interactive virtual trainings live since August 2025.

These partnerships support our commitment to providing accessible, high-quality learnings for all employees worldwide. In addition, our new Innomotics learning strategy is under development, supporting key company priorities such as digitalization, standardization, and innovation with training hours as the KPI set as a global standard within Innomotics to measure learning success within our organization.

## Performance Management

### Empowering Performance and Growth at Innomotics

At Innomotics, we believe our success begins with our people. That is why we are introducing **GPG - Goals | Performance | Growth** a new performance management approach designed to empower employees, support continuous development, and strengthen our culture of accountability and excellence.

GPG goes beyond measuring outcomes. It fosters a performance-driven culture rooted in clear goals, personal growth, and meaningful dialogues – placing each employee in the driver's seat of their own development journey. It is a clear and standardized approach that enables employees to:

- Set ambitious **GOALS**
- Boost individual **PERFORMANCE**
- Drive long-term **GROWTH**

We have translated this into a seven-step cycle that enables employees and their respective managers to collaborate effectively toward shared success and continuous development. Importantly, GPG builds on our

established practices of performance dialogue and people development. Over the past years, while still part of our former parent company, we have already conducted targeted leadership round tables, where the performance of top-level executives was regularly reviewed and discussed. These foundations have paved the way for GPG and will be further strengthened by the implementation of SuccessFactors, our global digital platform, which will provide an integrated and scalable framework for managing performance and growth going forward.

By rolling out GPG, we are creating a **unified approach to performance management** that will:

- Drive productivity and performance excellence
- Foster continuous development and career growth
- Strengthen accountability and personal ownership
- Enhance employee engagement and retention
- Enable regular feedback and recognition

In summer 2025, the pilot was successfully launched in our Czech Republic organization. The GPG approach will be rolled out step by step across Innomotics locations worldwide. Further countries will follow in 2026, as we continue to embed this transformative approach throughout our global operations. By aligning organizational and personal goals, GPG supports our broader sustainability mission – driving both human potential and long-term business impact.

## Succession Risk Management

At Innomotics, we recognize the strategic importance of succession planning as a key component of sustainable leadership and long-term business continuity. To proactively manage succession risk, we identify key roles across the organization and ensure that **both short-term and mid-term succession plans** are in place for these business-critical positions – considering **both internal and external candidates**.

We implement targeted development measures for high-potential succession candidates, including personalized development plans, sponsorship, and mentoring, to prepare them for future leadership roles within the company.

As part of a structured global process, we conduct annual succession reviews for all key roles. This process is jointly led by our global P&O team and Innomotics executive management, ensuring transparency, accountability, and strong alignment with our long-term people strategy.

## Transformation & Change

As we progress in our transition into a standalone company, we are committed to supporting our employees and fostering successful, sustainable change. To empower and accompany our people along the transition journey, we provide a suite of tools and resources designed to build leadership capability in navigating change and support engagement. Among these are pre-selected change management training, as well as our globally accessible, interactive **Engagement Guide** for leaders and teams, and our **Change Guide** for leaders. These resources offer change management know-how, practical guidance, and tools, to successfully and confidently navigate periods of transformation.

## Gender Diversity in Leadership

To foster gender diversity and increase the representation of women in leadership roles, Innomotics GmbH Germany has set female leadership aspirational targets in August 2024. Our ambition is to have a 25 % female share in top management, particularly the first two leadership levels below our Management Board of Innomotics GmbH, by end of September 2029. As of July 2024, 22 % and 24 % of top management positions were held by women globally in the first and second level, respectively.

Our equality commitment is not limited to top management, and we strive for equal opportunities for everyone at our company.

## Apprenticeship and Student Programs

This chapter only applies to Innomotics GmbH Germany, where we view vocational training and dual study programs as a cornerstone of our commitment to social responsibility and long-term sustainability. By investing in the education and development of young professionals, we actively contribute to building a future-ready workforce that supports innovation and resilience across our industry.

In FY24, we employed **57** apprentices and **45** dual students, achieving an apprenticeship quota of **3.2 %** <sup>3)</sup>. The programs span **8** vocational training paths and **5** dual study programs, with a strong emphasis on technical and industrial disciplines. The most common vocational training path was Mechatronics, with **29** apprentices, followed by Industrial Mechanic with **13** apprentices. Our dual study offerings were led by the B.Eng. <sup>4)</sup> in Electrical and Information Technology with **21** students and the B.A. <sup>5)</sup> in Business Administration with **8** students, highlighting a balanced interest in both technical and commercial fields.

Apprentices & Dual Students	FY24
<b>Apprentices</b>	<b>57</b>
Male	51
Female	6
<i>Number of Vocational Training Programs</i>	<b>8</b>
<b>Dual Students</b>	<b>45</b>
Male	35
Female	10
<i>Number of Dual Study Programs</i>	<b>5</b>

This diversity in educational pathways reflects the evolving aspirations of young professionals and aligns with our strategic workforce planning. By offering structured, high-quality apprenticeships in key areas such as automation, electronics, IT, and business, we are not only addressing current skill gaps but also laying the foundation for a sustainable and competitive organization. For FY25, we offered the following apprenticeship programs:

- Electronics Technician for Automation Technology
- Electronics Technician for Industrial Engineering
- IT Specialist
- Industrial Mechanic
- Mechatronics Technician
- Technical Product Designer
- Cutting Machine Operator
- Industrial Clerk

In addition, we offered a broad spectrum of dual study programs in business, engineering and IT.

- B.Eng. Electrical and Information Technology
- B.Sc. <sup>6)</sup> Computer Science
- B.Eng. Mechatronics
- B.Sc. Business Information Systems
- B.A. International Management



Our apprentices and dual students in Nuremberg in March 2025

Subject to business conditions and individual performance, our goal is to provide permanent positions, reinforcing our commitment to long-term workforce sustainability.

Looking ahead, we will take full ownership of apprentice and dual student recruitment starting in 2026 and continue expanding our outreach through a planned career fair visit in Berlin. Our goal is to strengthen Innomotics' position as a training provider and to ensure long-term employment opportunities, including a guaranteed one-year placement offer for graduates of IHK-certified programs.

<sup>3)</sup> The Apprenticeship Quota (Germany) is the share of Apprentices and Dual Students in the total Headcount (Germany FY24), calculated as Apprentices and Dual Students (Germany) divided by Headcount (Germany FY24).

<sup>4)</sup> Bachelor of Engineering

<sup>5)</sup> Bachelor of Arts

<sup>6)</sup> Bachelor of Science

## Employee Engagement

At Innomotics, the **Global Employee Survey** is a key initiative designed to gather insights from all our employees on engagement and workplace experience. The survey aims to assess Employee Engagement (Net Promoter Score) annually and globally. Preparations are ongoing, including internal expert interviews as well as market research, to ensure a successful survey rollout.

The engagement survey will focus on four key pillars to measure what drives engagement at Innomotics:

- What we work – work content, level of autonomy
- How we work – communication, job security
- Who we work with – internal & external collaboration
- Where we work – workplace, equipment

## Compensation and Benefits

Our compensation and benefits strategy is a key pillar of our commitment to sustainable business practices and responsible employment. We aim to create fair, competitive, and socially inclusive working conditions in all the countries that we operate in by applying the following principles:

### Fair and Transparent Compensation

We are committed to providing equitable and competitive pay structures that reflect local market standards while ensuring fairness across all employee groups. We ensure that our transparent compensation scales and pay policies comply with all legal minimum wage requirements. Moreover, we strive to offer living wages that go beyond the legal minimum, enabling employees and their dependents to maintain a decent standard of living. Remuneration of our employees is annually reviewed in our merit review cycle and thrives for internal equity, external competitiveness, and transparency. We actively work to eliminate unjustified pay gaps by defining objective factors such as experience, expertise, performance, and skills for salary increases in our global merit framework.

### Global Principles, Local Relevance

Our **Global Compensation Framework** defines core principles for base pay, variable compensation, and long-term incentive programs. These principles are adapted locally to respect cultural and regulatory differences, while ensuring consistency with our global values and business objectives.

## Inclusive Benefits and Employee Wellbeing

We offer a comprehensive range of employee benefits tailored to the diverse needs of our global workforce. In certain countries, these benefits exceed legal requirements, including health and wellness programs, retirement and insurance plans, as well as work-life balance initiatives such as flexible work arrangements and parental leave policies. Additional benefits include transportation support, medical check-ups, and subsidized meals.

In Germany, Innomotics offers employees a general tax-free childcare allowance of up to €100 per calendar month per child for the care of preschool-age children at a day-care center or similar facility. This benefit is also available to part-time employees as well.

Innomotics continues to develop and deliver employee programs that foster a positive and transparent culture and guarantee the well-being of our employees across the company.

## Health & Safety of Our Workforce

### Mission and Vision

At Innomotics, the health, safety, and well-being of our workforce are a top priority. Our **Policy on Quality, Occupational Safety, Health Protection and Energy Management** reflects our commitment to protecting the health of employees and third parties such as contracted workers on site, preventing serious accidents, and minimizing threats and occupational health and safety risks. This commitment is embedded in our operational culture through proactive risk identification and analysis, transparent communication, and the active involvement of our workers in decision-making processes. With this in mind, we have set ourselves the goal of establishing a Zero Harm Culture by continuously improving occupational safety and working conditions. Our BCGs reinforce this by emphasizing that protecting the physical and mental well-being and personal security of our workforce is a critical part of our culture and a responsibility we all share.

### Governance and Leadership

Senior leaders set the tone for health and safety performance. The CEO and heads of organizational units are accountable for implementing the health and safety governance framework, providing resources and monitoring effectiveness. They are supported by a dedicated governance department that issues guidance and oversees implementation company wide.

## **Health and Safety Management System**

As part of this commitment, most of our sites are certified under ISO 45001. This internationally recognized standard provides a structured framework that supports our efforts to systematically manage occupational health and safety risks and continuously improve our overall safety performance. This certification was renewed recently, reaffirming our commitment to maintaining safe and healthy working environments. Employees and their representatives are actively involved in the development, planning, implementation and continuous improvement of the management system, ensuring that the voices of those most impacted are heard and valued.

We put this commitment into practice through a range of measures embedded in our daily operations, supported by a structured, global approach to risk management. Through our Hazard Identification, Risk Assessment and Control process within our EHS Standard Control of Occupational Health Risks, we follow key requirements for proactive risk management. While health and safety emergency action plans are in place, regular inspections and audits help us to further support our efforts to maintain safe and compliant workplaces. Our EHS representatives in each region adapt global standards to local requirements and support the implementation.

In Germany, formal joint health and safety committees ensure active participation of employee representatives. These committees foster open and collaborative approaches to addressing health and safety concerns.

## **Awareness Raising and Training**

To ensure consistent understanding and application of safety protocols across the organization, health and safety documentation and training materials are accessible in the key languages spoken throughout our workforce. Employees receive regular training tailored to their roles and responsibilities to reinforce safe working practices and maintain a strong safety culture across the organization. In addition to protecting our employees, our safety protocols also extend to third parties such as contracted workers on site, ensuring a safe environment for everyone involved in our operations.

## **Contractor and Partner Safety**

When third parties such as contractors or service providers operate on company premises, health and safety requirements are clearly defined within contractual agreements and communicated in advance. Before commencing any activities, these parties must complete all mandatory training programs, comply with permit-to-

work requirements, and demonstrate the capability to perform their tasks safely. Non-compliance with company safety standards may result in suspension of activities until corrective measures are implemented. This approach ensures that all individuals on site – whether employees, contractors, or partners – operate within the same health and safety framework.

## **Risk Management and Assessment**

Risk management is the cornerstone of Innomatics' approach to occupational health and safety. Each department systematically identifies, assesses, and documents workplace hazards and risks, revisiting these evaluations whenever operational changes occur or new processes are introduced. This process covers start-up activities, modifications to facilities, and the introduction of new equipment or technology, ensuring that risks are proactively managed at every stage. Comprehensive standards govern the control of occupational health risks, including the safe handling of hazardous substances, radiation protection, and emergency preparedness measures. Employees working in potentially hazardous environments are provided with appropriate protective equipment, and measures are in place to manage exposure to hazardous substances. Risk assessments also encompass ergonomic factors, climate-related health impacts, and potential effects on psychological well-being. Identified risks are prioritized, and targeted measures are implemented to mitigate or control them.

## **Emergency Preparedness and Response**

Innomatics prioritizes robust emergency preparedness to safeguard employees, contractors, and visitors. Comprehensive standards cover potential incidents such as fire, explosion, radiation, and other critical events. These standards ensure that contingency plans are in place, all personnel receive appropriate training, and regular emergency drills are conducted. Established reporting channels allow employees to raise incidents, risks, or concerns, which are promptly investigated. If needed, corrective actions are implemented to prevent recurrence and strengthen future preparedness.

## **Monitoring, Audits and Continuous Improvement**

Performance monitoring and continuous improvement are integral to Innomatics' health and safety management system. We regularly track performance against defined health and safety indicators, assessing progress toward established goals and regulatory requirements. Internal audits and annual management reviews evaluate the effectiveness of health and safety programs, ensuring compliance with corporate standards, legal obligations,

and industry best practices. Findings from these reviews lead to targeted corrective and preventive actions. Lessons learned from incidents and near misses are formally documented, analyzed, and used to strengthen processes, enhance controls, and prevent recurrence.

Innomotics also fosters a culture of transparency and engagement by encouraging employee feedback on health and safety measures and incorporating suggestions into improvement plans. This continuous feedback loop ensures that the health and safety system evolves in response to operational changes, technological advancements, and workforce needs.

### Our Performance and Targets

In FY24, we recorded a Lost Time Injury Rate (LTIR) of 0.16 and a Total Recordable Incident Rate (TRIR) of 0.44, calculated in accordance with standards set by the Occupational Safety and Health Administration (OSHA), per 200,000 hours worked. These figures reflect our ongoing efforts to create a safe and healthy working environment for all employees.

Looking ahead, we remain committed to building a Zero Harm Culture across all our operations. These goals reflect our belief that safety is not just a target, it is a shared responsibility.

Health and Safety KPIs	FY24
Lost Time Injury Rate (LTIR)	0.16
Total Recordable Incident Rate (TRIR)	0.44

### Characteristics of Our Workforce

In FY24, Innomotics employed a total of **14,868** employees across our global operations. The following tables provide insights into the structure of our workforce, including the distribution between **blue-collar and white-collar roles**, as well as the **types of employment contracts** in place.

Among our workforce, 11,659 employees identified as male, 3,199 as female, and 10 employees did not disclose their gender. While this distribution mirrors the current demographic trends in the industry, Innomotics is actively working to foster a more inclusive and equitable workplace. Through targeted initiatives and inclusive policies, we aim to strengthen diversity, promote equal opportunities, and support a respectful and collaborative working environment across all areas of the company.

Distribution by Gender & Age Group	FY24
<b>Male</b>	<b>11,659</b>
	78.4 %
<30 years	1,228
30-50 years	7,290
>50 years	3,141
<b>Female</b>	<b>3,199</b>
	21.5 %
<30 years	372
30-50 years	2,150
>50 years	677
<b>Not Disclosed</b>	<b>10</b>
	0.1 %
<30 years	2
30-50 years	6
>50 years	2

The age distribution of our workforce further highlights the depth of experience and generational diversity within the company: 10.8 % of employees are under 30 years old, 63.5 % are between 30 and 50, and 25.7 % are over 50. This structure is typical of the mechanical engineering sector, where long-term expertise and technical know-how are essential. At the same time, we are committed to attracting young talent and ensuring knowledge transfer across generations to secure innovation and continuity in a rapidly evolving industrial landscape.

With 7,010 in blue-collar roles and 7,858 in white-collar positions, this balanced workforce structure reflects the nature of the mechanical engineering industry, which depends on both highly skilled production staff and specialized technical and administrative professionals. As a technology-driven manufacturer, Innomotics benefits from the close collaboration between operational and strategic functions, enabling innovation, efficiency, and quality across the value chain. Our commitment to sustainability and continuous improvement is supported by this diverse and experienced workforce.

Blue Collar / White Collar	FY24
	7,010
<b>Blue Collar</b>	<b>47.1 %</b>
Male	5,838
Female	1,169
Not Disclosed	3
	<b>7,858</b>
<b>White Collar</b>	<b>52.9 %</b>
Male	5,821
Female	2,030
Not Disclosed	7

In FY24, 88.5 % of Innomotics employees held permanent contracts, while 11.5 % were employed on a temporary basis. This high proportion of permanent employment reflects the long-term orientation and stability typical of the mechanical engineering industry, where continuity, expertise, and process reliability are essential. Permanent contracts support employee retention and foster deeper engagement, which is particularly valuable in a sector that relies heavily on specialized knowledge and operational excellence. At the same time, temporary contracts offer flexibility to respond to changing market demands and project-specific needs.

Distribution by Contract Type	FY24
	13,159
<b>Permanent Contract</b>	<b>88.5 %</b>
Male	10,474
Female	2,675
Not Disclosed	10
	<b>1,709</b>
<b>Temporary Contract</b>	<b>11.5 %</b>
Male	1,185
Female	524
Not Disclosed	0

## Diversity, Equity and Inclusion

At Innomotics, embedding DEI into the foundation of our business was not a retrospective fix, it was a deliberate design from the very beginning of our transition. Originating from a strong heritage within our former parent company, we maintained and advanced these commitments throughout the transition to independence. The carve-out provided an opportunity to further shape a culture aligned with our values, ambitions, and global responsibilities. By embedding DEI into our governance and operational structures through formalized policies and continuous action, we have created a framework where inclusion is expected – not optional. Our DEI approach is rooted in several key policies and guidelines:

- **Business Conduct Guidelines** set the standard for respectful, inclusive behavior across all roles and locations.
- **DEI Charter** affirms that a truly successful company includes everyone.
- **Policy on Diversity, Equity & Inclusion** aligns with the UN SDGs and serves as a strategic compass for inclusive practices.
- **Inclusive Hiring Guide** provides structured tools for unbiased recruitment, aiming to attract and retain diverse talent.
- **Volunteering Program Policy** allows employees two paid days annually to engage in projects related to STEAM and biodiversity, fostering equity and community empowerment.

These policies are not static documents; they are reinforced through a dynamic blend of communication, training, and leadership.

DEI is regularly featured on our intranet, internal campaigns, and global observances such as International Women's Day and Pride Month. We host SUS & DEI newsletters, learning modules on unconscious bias and inclusive leadership, and interactive storytelling initiatives to deepen awareness.

At Innomotics, we believe that creating positive impact goes beyond our business operations – it extends into the communities we serve. Volunteering is a powerful way to foster this impact, and we are proud to support our employees in giving back. To encourage active participation in social and environmental initiatives, every employee is entitled to **two paid days off per year specifically for volunteering**. Whether it is supporting local charities, participating in environmental clean-ups, or

contributing to educational programs, these volunteering days empower our team to make a meaningful difference. By integrating volunteering into our GEARed-Up Framework, we not only strengthen our connection with the community but also cultivate a culture of empathy, engagement, and shared responsibility. Together, we are building a more sustainable and inclusive future. Our key local volunteering initiatives include:

### South Korea

In April 2025, the **Korea EHS Plogging Campaign** was held in South Korea to mark International Mother Earth Day. This initiative combined jogging with litter collection, as employees volunteered to clean up Namsan Mountain and surrounding streets. We worked together with the Euljiro District Office, which provided cleanup kits. Through this joint effort, we not only demonstrated our company's strong commitment to sustainability but also highlighted the importance of collaboration in driving environmental progress.



Employees participating in the EHS Plogging Campaign in South Korea

### USA

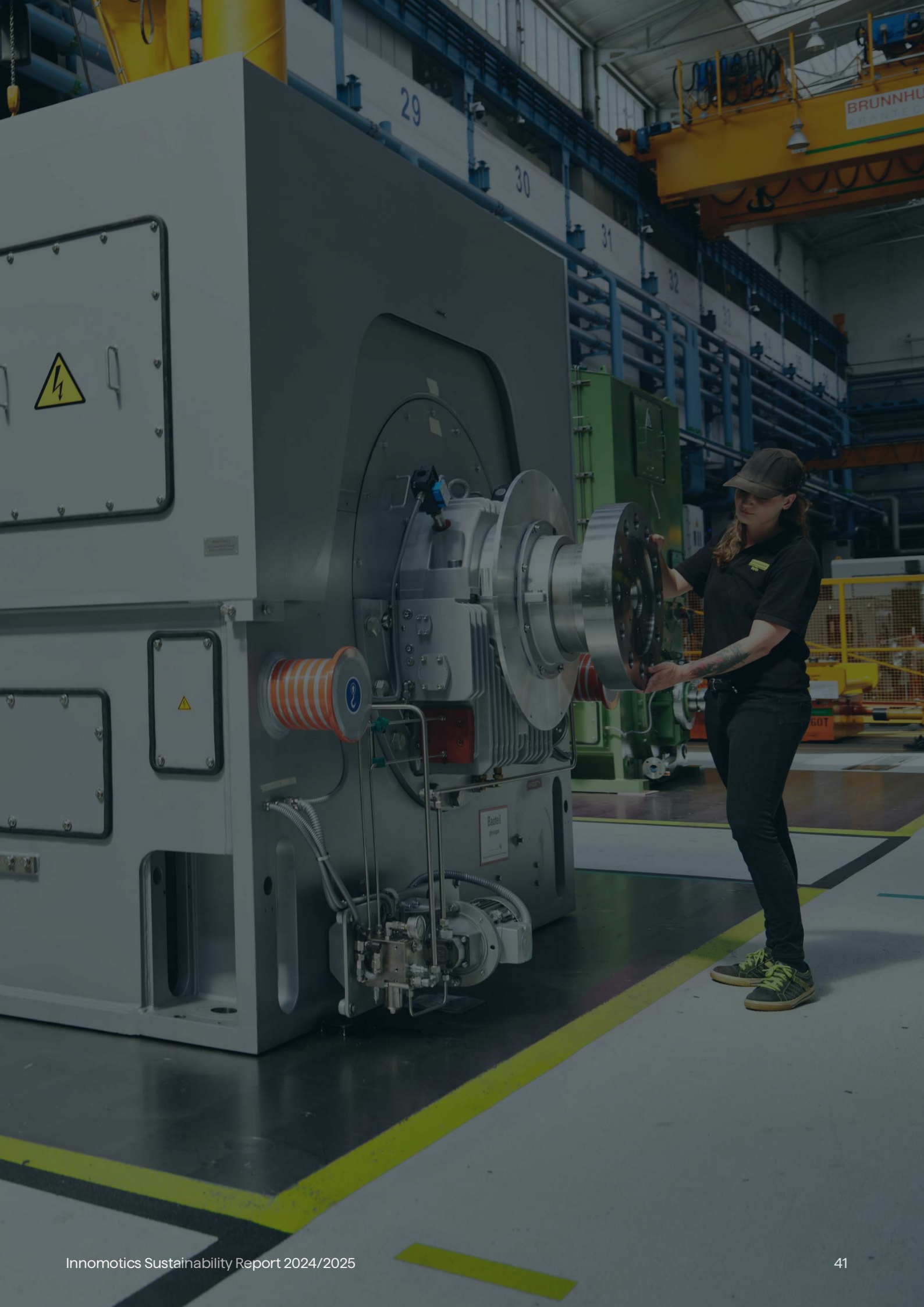
At the Norwood Motor Plant, the Innomotics USA team has proudly joined Adopt a Class – a Cincinnati-based nonprofit organization dedicated to breaking the cycle of poverty through mentorship and career exposure – for the past four years to mentor fifth-grade students from Norwood View Elementary School. Through monthly hands-on STEAM activities, our employees bring science and engineering to life, culminating in a plant tour and electric motor-building project. Now in its fifth year, this program continues to inspire young learners while fostering employee engagement and reinforcing our commitment to community impact.

### Middle-East / United Arab Emirates



Employees kicking off a joint-tree-planting initiative in the United Arab Emirates

The Innomotics team in the United Arab Emirates launched a joint-tree-planting initiative in May 2024, engaging volunteers and planting 100 trees. Once fully grown, these trees are expected to absorb around 2.4 tons of CO<sub>2</sub> annually – representing a contribution to an eco-friendlier future.



# Active

# Environmental Protection

We walk the talk on sustainability

<b>6</b> CLEAN WATER AND SANITATION 	<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 
<b>13</b> CLIMATE ACTION 	<b>14</b> LIFE BELOW WATER 	<b>15</b> LIFE ON LAND 

# Our Environment

At Innomotics, we recognize the importance of measuring and managing greenhouse gas emissions as a key step toward climate responsibility and long-term sustainability. Transparent and consistent emissions reporting enables us to identify reduction potentials, track progress, and contribute to global decarbonization efforts. Our environmental and energy management systems are certified according to **ISO 14001** and **ISO 50001**, underscoring our structured approach to improving environmental performance and energy efficiency. Within the scope of this chapter, emissions, energy usage, waste, water and the respective intensities per €1M Revenue are considered only for factory locations as outlined in **Our Factory Locations** excluding the sites in Erlangen (HVM), Jundiai (MVD), Tianjin (LVM), and Mumbai (MVD).

## Our Net Zero Strategy

Innomotics is fully committed to a robust and forward-looking decarbonization strategy in support of global climate goals. As part of this commitment, we have set the ambition to achieve net zero emissions from our own operations (Scope 1 and Scope 2) by 2045. We monitor our emissions on a quarterly and annual basis in accordance with the Greenhouse Gas (GHG) Protocol. While our targets are not yet science-based, we are actively implementing reduction measures and continuously evaluating our progress. To identify and mitigate CO<sub>2</sub>e emissions within our operational boundaries, we conduct annual Carbon Web Assessments and perform sustainability audits with our suppliers. These efforts are complemented by targeted training programs that support our suppliers in adopting best practices for decarbonization. Although we have not yet defined a Scope 3 target – due to our recent establishment and current market conditions – we plan to review this in the coming years.

A concrete example of our decarbonization efforts is the planned implementation of a new heating system at our geared motors factory in Tübingen, Germany. The system replaces an older setup with a high-efficiency, low-emission solution that significantly reduces the site's Scope 2 emissions by up to **350 tons** of CO<sub>2</sub>e emissions per year. This project not only contributes to our climate targets but can also serve as a blueprint for similar upgrades at other locations. It demonstrates how targeted investments in infrastructure can deliver measurable environmental benefits while maintaining operational excellence.

## Emissions

At Innomotics we quantify our greenhouse gas emissions and define Scope 1 and Scope 2 reduction targets based on the internationally recognized **Greenhouse Gas Protocol**, using the **market-based** approach. During the reporting period, emissions from Scope 1 and Scope 2 were systematically recorded. For the first time, upstream emissions from the value chain – classified as Scope 3.1 – were assessed using a **spend-based approach**. In accordance with the Kyoto Protocol, all relevant greenhouse gases were converted into CO<sub>2</sub> equivalents.

### Scope 1 Emissions

Scope 1 emissions include only direct emissions from our factories. Emissions from pure office locations are not included.

Scope 1 Emissions in CO <sub>2</sub> e	FY24
Scope 1 Emissions	12.8 kt

Scope 1 emissions for the upcoming fiscal years are expected to increase due to the inclusion of additional production sites that were not part of the FY24 reporting. During that period, several facilities operated under mixed organizational structures between Innomotics and our former parent company, making a clear separation and allocation of emissions data unfeasible. With improved organizational clarity, we will be able to include these sites in future reporting, ensuring more comprehensive and transparent reporting going forward. We expect a reported increase of approximately **2,100 tons** per year after the inclusion of the factories in Erlangen (HVM), Jundiai (MVD), Tianjin (LVM), and Mumbai (MVD).

### Scope 2 Emissions

In this initial sustainability report for Innomotics, Scope 2 emissions have been excluded from the assessment due to the immateriality in relation to our overall environmental impact. The primary focus of this report is on Scope 1 and Scope 3 emissions, which represent the most significant sources of GHG emissions within our operations and value chain.

### Scope 3.1 Purchased Goods and Services

Scope 3.1 emissions refer to indirect GHG emissions resulting from the procurement of goods and services from external suppliers. These emissions represent a significant part of our overall carbon footprint and are influenced by how supplier relationships are categorized. To calculate these emissions, we use the "item+s" model developed by the external provider ctrl+s GmbH. item+s is

a holistic, consistent model for upstream supply chain emissions. The model follows the principles of a spend-based method and incorporates life cycle assessment approaches. It covers all gases required by the GHG protocol and distinguishes emission factors for over 500 sectors for all countries in the world, with specific emission intensities that follow the “cradle-to-gate” principle. To facilitate emissions reductions in our supply chain, we utilize a web-based tool called supplier+s platform for supplier engagement (hosted by ctrl+s) that highlights the main sources of suppliers’ CO<sub>2</sub>e emissions and provides guidance on how to reduce them. By completing the short self-assessment, suppliers provide us with their primary data through the tool on a yearly basis. The tool offers the opportunity to also invite their suppliers to provide data on carbon emissions.

The platform supplier+s is based on the following methodology:

Suppliers are categorized according to the type of product or service they provide, as well as their country of origin. We nominate our suppliers to provide information via the supplier+s platform about their implemented and planned CO<sub>2</sub>e reduction measures and their overall CO<sub>2</sub>e management. Based on their responses, the resulting emissions reduction and the remaining carbon footprint of the supplier will be calculated considering their modeled emissions via item+s. Following our transition to a standalone company for FY25, we are continuing the program independently under Innomatics. While specific metrics – such as emissions transparency based on primary data – are not yet available, we are ramping up the initiative from 2025 onwards. Our objective in the coming years is to significantly increase emissions transparency by leveraging supplier-specific primary data.

During FY24, Innomatics was part of Siemens. Therefore, purchases from Siemens were accounted for as intra-company trading, which does not contribute to Scope 3.1 emissions. However, an alternative assumption considers Siemens as an external supplier already in FY24. Under this assumption, emissions from Siemens are included in the Scope 3.1 calculation, resulting in a higher reported value as can be differentiated as follows:

Scope 3.1 Emissions in CO <sub>2</sub> e	FY24
Scope 3.1 emissions assuming Siemens as 3rd party supplier	1,074 kt
Scope 3.1 emissions assuming Siemens as intra-company trading	1,014 kt

Following the carve-out from Siemens, Innomatics anticipates an increase in reported Scope 3.1 emissions, as future purchases from Siemens will be treated as external supplier transactions. This shift reflects a more comprehensive and transparent accounting of our upstream emissions, resulting in a difference of **60,000 tons** of CO<sub>2</sub>e.

### Scope 3.11 Use of Sold Products

Our portfolio is designed for industrial applications that typically involve continuous operation over long periods. As these products rely on electricity to function, the emissions generated during their use phase represent the most significant portion of our value chain emissions. These emissions are categorized under Scope 3, Category 11 Use of Sold Products, as defined by the GHG Protocol. Scope 3.11 emissions are accounted in the reporting year in which the product is sold and represent the GHG emissions generated over the full expected use phase at the customer site, reflecting the future climate impact of today’s revenue.

There are different interpretations of the GHG Protocol for calculating emissions in this category, particularly relevant for electric motors. Both the energy input approach (emissions are calculated based on energy input for the overall use of the product at the customer) and an energy losses method (emissions are calculated based on energy losses of that particular product) are used within the market to disclose emissions from the use of sold products. At Innomatics, we apply the more conservative energy input method as our standard approach for calculating emissions under Scope 3.11.

## Methodology

To estimate these emissions, we calculate the expected lifetime energy consumption of each product type and convert this into GHG emissions using global electricity emissions factors sourced from S&P Green Rules 2024. The calculation is based on the following parameters:

Parameter Type	Parameter
<b>Activity Parameter</b>	Number of products sold
<b>Constant Parameters</b>	<ul style="list-style-type: none"> <li>Average power</li> <li>Average efficiency</li> <li>Load factor</li> <li>Operating hours per year</li> <li>Lifetime of the product</li> </ul>

The constant parameters can vary by product size and product type across our portfolio of Low Voltage and High Voltage Motors as well as Medium Voltage Drives.

These parameters allow us to calculate the following values:

- (1) Total electricity consumption over the product's lifetime
- (2) Energy losses due to inefficiency
- (3) Total energy used (including losses)
- (4) CO<sub>2</sub>e emissions, calculated by multiplying total energy use with the applicable electricity emission factor

The use of products sold in FY24 will generate 296.03 million metric tons of CO<sub>2</sub>e over their operational lifetime. As a reference, when accounting for energy losses for the relevant portfolio, such as motors, rather than the energy input, the value would amount to 21.70 million metric tons of CO<sub>2</sub>e. Emissions generated during the use phase of our products are largely influenced by the carbon intensity of the electricity grid. As global energy systems gradually decarbonize, the emissions associated with product use are expected to decline in future reporting years. Complementing this broader transition, our commitment to sustainability drives us to continuously develop high-performance motors and drive systems that reduce electricity consumption from the outset.

## Scope 3 Emissions

Scope 3 Emissions in CO <sub>2</sub> e	FY24
3.1 Purchased Goods and Services	1,070 kt
3.11 Use of Sold Products	296,030 kt
<b>Total Scope 3 Emissions reported</b>	<b>297,100 kt</b>

Currently, only Scope 3.1 and Scope 3.11 are reported. These categories have been prioritized as they represent the most relevant sources of indirect emissions within our value chain. Other Scope 3 categories are currently not included, as their contribution to total emissions is negligible for FY24.

## Emissions Intensity

In FY24, Innomatics achieved low direct emissions intensity relative to our global revenue. With just 4.11 tons of Scope 1 emissions per €1 million revenue, our operational footprint reflects a high level of energy efficiency and environmental responsibility within the industrial sector. These values underscore the effectiveness of our decarbonization measures and demonstrate our commitment to minimizing the environmental impact of our own operations.

At the same time, we recognize the significant climate impact of our downstream value chain. Our Scope 3.11 emissions – which account for emissions from purchased goods and services – amounted to 296 million tons CO<sub>2</sub>e, resulting in an intensity of 95,144 tons per €1 million revenue. This figure highlights the importance of addressing indirect emissions and reinforces our responsibility to act beyond our own boundaries.

We are fully aware of this responsibility and are actively working to reduce emissions along our upstream supply chain. Through supplier training, sustainability audits, and the use of the supplier+s platform, we aim to increase transparency and drive meaningful reductions in Scope 3.1 emissions. Tackling these emissions is a central part of our long-term climate strategy and essential for supporting global decarbonization efforts.

Emissions Intensity in CO <sub>2</sub> e	FY24
Scope 1	4.11 t / €1 M revenue
Scope 3	95,144 t / €1 M revenue

## Energy Consumption

In FY24, Innomotics consumed a total of 674,926 Gigajoule (GJ) (or 187,479 Megawatt-hours (MWh)) of energy globally. With an energy intensity of just 216.16 GJ or 60.04 MWh per €1 million revenue, these figures reflect efficient energy usage across our operations. This efficiency plays a crucial role in reducing our environmental footprint and supports our broader decarbonization strategy.

Energy Usage (incl. Natural Gas)	FY24
Total Energy Used (incl. Natural Gas)	674,926 GJ
Total Energy Used (incl. Natural Gas)	187,479 MWh

### Share of Carbon-neutral Energy

This KPI only applies to all our factories of Innomotics GmbH in Germany, including Erlangen (HVM).

Share of Carbon-neutral Energy	FY24
Electricity	100 %

By continuously optimizing energy consumption and investing in clean technologies, we contribute to climate protection while maintaining strong operational performance. These results reinforce our commitment to responsible resource management and sustainable growth.

## Environmental Compliance

In FY24, no significant environmental violations were reported at Innomotics. Since FY25, we conduct quarterly global reporting to monitor environmental compliance across all our sites. In the event of any incident or suspected violation, we initiate a structured investigation and implement appropriate corrective measures, if needed. Where legally required, notifications to relevant authorities are made in accordance with applicable regulations. This systematic approach ensures that we uphold our environmental responsibilities and continuously improve our performance.

## Waste

In a production environment, waste generation is often unavoidable. At Innomotics, we are committed to minimizing environmental impact by systematically tracking and managing waste across all our global production sites. In FY24, we disposed of a total of 77,901 tons of waste, of which 75,066 tons were recycled, resulting in a recycling rate of 96.36 %. This high recycling share

underscores our efforts to conserve resources and reduce landfill dependency.

We strive to ensure that all waste is handled by professional waste management companies, promoting safe, legal, and environmentally sound disposal. Importantly, Innomotics neither exports nor imports waste, further reinforcing our commitment to responsible and localized waste handling. Regulated waste and landfill volumes are closely monitored, aiming to ensure continuous improvement.

Waste	FY24
Total Waste Disposed	78 kt
Recycled Waste	75 kt
Recycling Rate	96.36 %
Total Regulated Waste Disposed	2 kt
Total Waste to Landfill	0.5 kt

### Waste from Electrical and Electronic Equipment (WEEE)

Innomotics GmbH Germany complies with the Directive 2012/19/EU of the European Parliament and of the Council ("WEEE Directive") and is registered with the responsible authorities, the EAR in Germany under WEEE Reg.-Nr. DE 60457979. All EU-manufactured products carry the legally required labeling, the producer identification mark and producer registration details.

## Water Usage

In FY24, Innomotics recorded an estimated total water usage of 280,758 m<sup>3</sup> across its production sites. This translates to a water intensity of around 89.92 m<sup>3</sup> per €1 million in revenue, suggesting a generally efficient and responsible approach to water use in our industrial operations. Water use and discharge figures cover only locations with manufacturing facilities and office buildings; sites used solely for office purposes are excluded. The difference between water used and water discharged is minimal and is largely attributed to natural evaporation losses.

Water	FY24
Total Water Used	280,758 m <sup>3</sup>
Total Water Discharged	275,448 m <sup>3</sup>

We aim to monitor water usage across our manufacturing sites and strive to align with both local and international

environmental regulations. Our initiatives are directed toward reducing water waste, improving process efficiency, and identifying opportunities for reuse and recycling. Responsible water management is a key element of our sustainability approach and contributes to the preservation of natural resources.

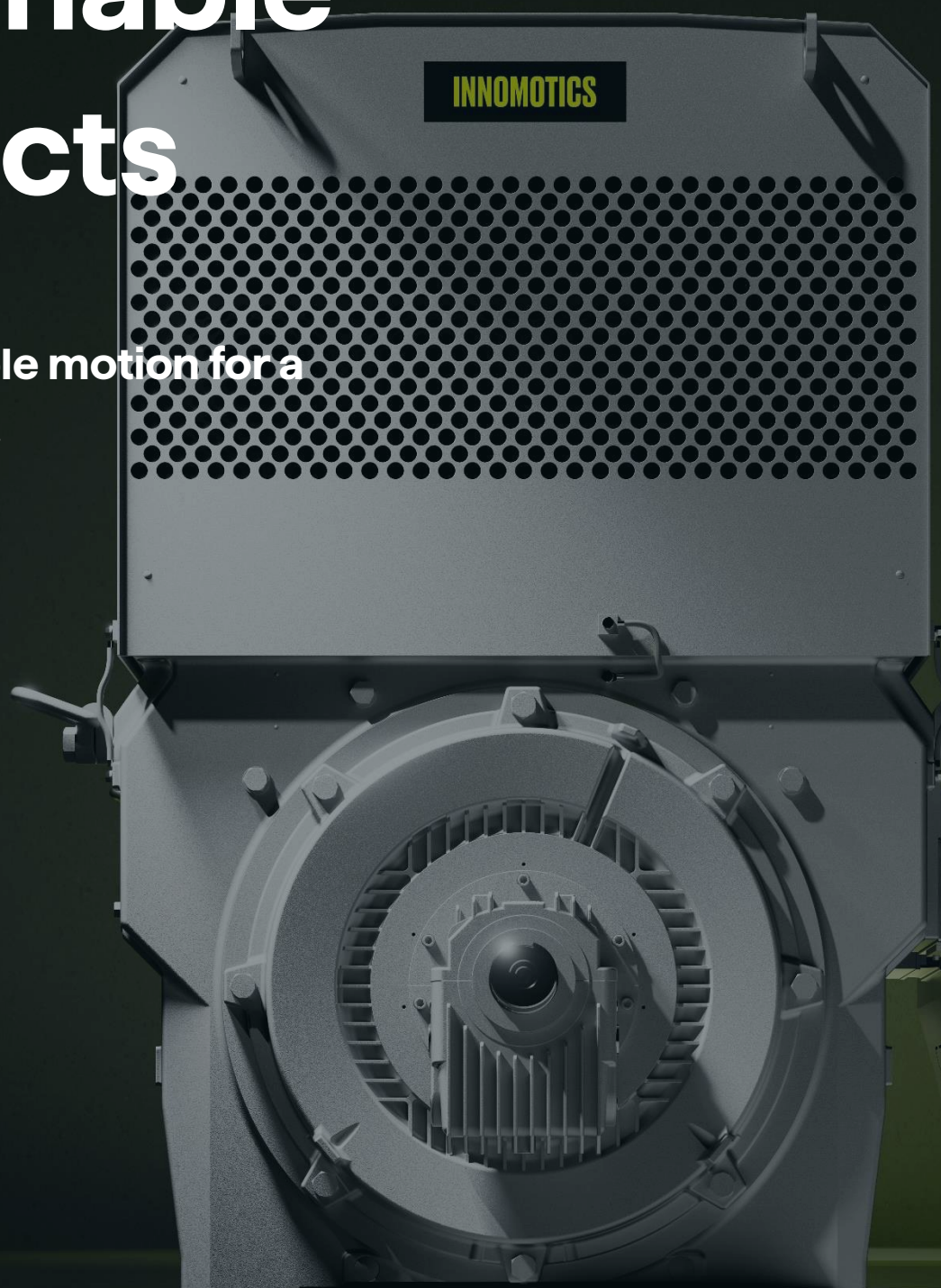
## **Biodiversity Promotion**

Innomotics integrates biodiversity and nature conservation into our EHS Principles to ensure that business activities at factory and office sites do not result in any avoidable reduction of biodiversity. Consideration for biodiversity can begin at the site planning stage, with measures such as incorporating regionally typical planting and preserving existing habitats. Biodiversity and nature conservation are given due consideration when designing maintenance concepts for local units. Other processes are also assessed to establish their negative effect on biodiversity so that any necessary countermeasures can be taken. One such example is the current preparations for the EU Deforestation Regulation, controlling the import of timber products to prevent illegal timber felling.

Additionally, employees across Innomotics contribute to biodiversity promotion at their respective sites through a variety of local initiatives. Examples include planting indigenous plants and trees, such as Lily, Wild Garlic, and Yellowwood in a site in South Africa, to enhance local habitats and support native species; planting trees in India to celebrate World Environment Day; and participating in Let's Do It! Romania as part of World Clean Up Day, during which two sites were cleaned.

# Reliable and Sustainable Products

Redefining reliable motion for a better tomorrow



# Our Products and Services

At the heart of our product strategy lies a commitment to reliability and sustainability. We develop solutions that meet the highest standards of performance and durability, while striving for responsible sourcing, long-lasting design, and resource-efficient production. Our goal is to deliver products that our customers can trust – today and in the future.

## Circularity

Since becoming a stand-alone company, a major milestone in our sustainability efforts has been the development of our circularity framework: **Circularity IN Motion**. This framework serves as a strategic foundation for embedding circular thinking into the way we design, operate, and create value. It reflects our commitment to generating long-term benefits for our customers, while reducing environmental impact across the lifecycle of our portfolio.

**Circularity IN Motion** is structured around three core pillars: **ReINvent**, **ReFresh**, and **ReINtegrate**, each addressing a distinct phase of the product lifecycle. Together, they provide a structured approach to embedding circularity into our design, operations, service, and end-of-life strategies.

The framework is guided by the **9-R strategies** defined by the European Commission's Categorization System for the Circular Economy: refuse, rethink, reduce, reuse, repair, refurbish, remanufacture, repurpose, and recycle. These strategies are mapped across the three pillars and applied in combination to maximize material value, minimize waste, and regenerate resources. More than a technical approach, they represent a mindset shift to one that fosters innovation, enables new business models, and strengthens collaboration across our value chain.

**ReINvent** focuses on the early stages of the lifecycle. As the name suggests, it is about rethinking how we design and deliver our products, embedding circularity from the very beginning. This means designing products that are durable, adaptable, and resource-efficient, while rethinking business models that reduce material use and avoid waste. This pillar is guided by the strategies of *refuse, rethink, and reduce*.

**ReFresh** is about giving products a longer and more valuable life. It reflects our commitment to keeping what we make in use for as long as possible. By applying the strategies of *reuse, repair, refurbish, and remanufacture*, ReFresh helps extend the performance and reliability of our products, preserving material value and supporting a more efficient and circular use of resources.

## Circularity IN Motion | Lifelong value for our Customers & Planet

Our framework aims to align with the core principles<sup>1</sup> of the circular economy: eliminating waste, circulating materials at their highest value, and regenerating resources.



- 1 ReINvent**
  - Design products that are durable, adaptable, and resource-efficient.
  - Rethink business model to minimize waste and optimize resource use.
- 2 ReFresh**
  - Maximize product life and value through lifetime-extending services.
  - Promote product and component reuse to preserve long-term value.
- 3 ReINtegrate**
  - Reduce the need for virgin materials by closing the loop with existing resources.
  - Partner for responsible end-of-life treatment and waste reduction.

We have begun implementing this pillar within our Customer Service business unit through the Innomotics ReFresh portfolio. This includes the specialized refurbishment of power cells for our Perfect Harmony GH180 drives and Integrated Gate Commutated Thyristor (IGCT) phase modules for GM150 and SM150 drives. In addition, our Customer Service offering provides a broad range of lifecycle-focused solutions such as repair and maintenance services, spare parts supply, and system retrofits and upgrades. Backed by a global network of service experts and facilities, we help customers extend equipment lifespans, reduce downtime and maintain high performance, integrating circularity into the core of our service offering.

**ReINtegrate** addresses the final stage of the lifecycle. It's about closing the loop by ensuring that materials and components are responsibly returned to the value chain. Through the strategies of repurpose and recycle, this pillar focuses on minimizing waste and reducing the need for virgin materials, ensuring materials continue to flow through the value chain instead of becoming waste.

**Circularity IN Motion** is already helping us shape how we approach circularity across our business. It supports key areas of our **GEARed-Up** strategy, especially Active Environmental Protection and Reliable and Sustainable Products. With the framework now in place and first steps underway, we are committed to expanding its use across all three pillars.

As we move forward, our goal is to create value for our customers and the planet by developing resource-efficient products designed to last, keeping materials in use longer, and reintegrating them responsibly at end-of-life, preserving material value and supporting circular use of resources across the lifecycle.

## Customer Avoided Emissions

At Innomotics, we are committed to driving industrial decarbonization by delivering innovative, energy-efficient technologies that enable measurable climate benefits for our customers. One of the key indicators of this impact is our Customer Avoided Emissions (CAE), which quantify the GHG emissions our products and solutions help avoid during their use phase. CAE represent the difference between the CO<sub>2</sub>e emissions of an Innomotics offering and the CO<sub>2</sub>e emissions of a reference scenario. CAE highlight the positive contribution of our products and solutions to our customers' decarbonization efforts.

### Customer Avoided Emissions in CO<sub>2</sub>e FY24

Customer Avoided Emissions	28,993 kt
----------------------------	-----------

In FY24, Innomotics' portfolio enabled customers to avoid almost 29 million metric tons of CO<sub>2</sub>e emissions over the lifetime of the products and solutions sold during the year. This impact was primarily driven by high-efficiency frequency converters, which optimize energy use across motor-driven systems in various industries, and by the electrification of gas and steam turbine systems, particularly in brownfield projects within energy-intensive sectors. These technologies not only enable significant emissions avoidance but also support our customers in achieving their climate goals, enhancing energy efficiency, and reducing operational costs.

Our CAE demonstrate how we apply innovative know-how to deliver measurable climate benefits. By helping reduce energy use and emissions in our customers' operations, CAE play a key role in supporting industrial decarbonization and reflects our commitment to redefining reliable motion for a better tomorrow.

### Our Approach to Reporting Customer Avoided Emissions

CAE are increasingly reported across industry; however, there is currently no universally accepted standard for their calculation. As a result, methodologies and outcomes often differ, influenced by varying definitions and product portfolios, which can limit comparability. At Innomotics, we apply an internal reporting methodology that reflects recognized principles and follows guidance from the GHG Protocol and the World Business Council for Sustainable Development.

CAE are calculated for all products and solutions sold during the fiscal year, focusing exclusively on the use phase at the customer site, in alignment with Scope 3, Category 11 Use of Sold Products. Emissions from other lifecycle stages, such as production, supply chain, and end-of-life, are excluded from CAE accounting.

To be included in CAE, a product or solution must demonstrate a direct and significant decarbonization impact. This includes end-use technologies that reduce emissions at the point of application, intermediary solutions that enable downstream efficiency gains, and system optimization offerings that improve overall energy performance. Products with no material impact, or where reliable quantification is not feasible are excluded from the metric.

CAE account, where appropriate, for all six greenhouse gases defined under the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs), expressed in CO<sub>2</sub>e using 100-year global warming potential. The reference scenario represents the most

likely alternative in the absence of the Innomotics solution. Where actual customer usage data is unavailable, conservative assumptions are applied and transparently documented.

The emission factors used in the calculation of CAE are selected based on a conservative approach. For solutions that improve electrical efficiency, we apply dynamic emission factors that reflect the evolving carbon intensity of electricity grids. These are sourced from the S&P Green Rules 2024, which incorporate projected grid decarbonization and are particularly relevant for long-lifetime technologies. In contrast, for electrification projects that replace gas or steam turbines, we use static emission factors from the International Energy Agency to ensure a conservative estimation. Where available, regional or country-specific factors are applied to enhance accuracy. All CAE calculations undergo internal review for consistency.

## Turbine Replacement



Our leading technologies are designed to support our customers on their decarbonization journey. One of the most impactful ways we contribute to heavy industries such as oil and gas and chemicals is by replacing conventional turbines, where mechanical power is typically delivered through gas or steam, with high-speed electric drive train systems.

Turbine replacement is a proven strategy to reduce carbon emissions in energy-intensive operations. By switching to electric drive trains, we can mostly eliminate the need for on-site combustion, whether it is burning natural gas to power process machines or generating steam through fossil fuel-based boilers. This transition enables a shift toward more efficient and lower-emission operations. When connected to renewable power sources, these systems operate completely emission-free.

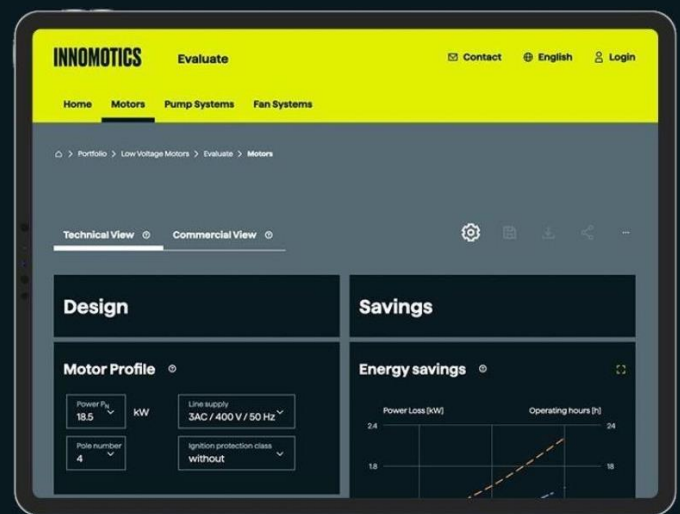
Beyond sustainability, turbine replacement can also improve reliability. Our electric drive systems are built on proven, pre-tested technology that combines high-speed motors and advanced drive systems to ensure stable, uninterrupted operation. Designed for easy integration, they fit smoothly into existing compressor setups.

By electrifying turbine-driven systems, we help our customers improve operational efficiency, reduce emissions and carbon-related costs, and take meaningful steps toward a more sustainable industrial landscape. This is how we bring our vision of redefining reliable motion for a better tomorrow to life, by combining deep technical expertise with innovative solutions for our customers.

## Supporting Our Customers in Their Decarbonization Journey

At Innomotics, we go beyond delivering motors and drives. We provide transformative solutions that help our customers make measurable progress towards net-zero objectives. Through advanced electrification, high-efficiency technologies, and lifecycle-optimized engineering, we enable industries to reduce energy consumption, cut CO<sub>2</sub> emissions, and maintain high levels of reliability and performance.

To support our customers in identifying the most impactful decarbonization opportunities, we offer **Innomotics Evaluate** for our low- and medium-voltage portfolio – a digital tool that helps users estimate potential energy savings, CO<sub>2</sub>-emission reductions, and amortization periods across motor, pump and fan systems. With just a few inputs, customers can explore the potential benefits of upgrading to high-efficiency technologies and make informed decisions. Innomotics Evaluate analyzes various configurations and efficiency levels, enabling users to assess upgrading scenarios and prioritize sustainability-driven investments.



Innomotics Evaluate

Our collaboration with Repsol at the Puertollano Olefins Plant is another prime example. By replacing a steam turbine with a high-speed motor and GH180 drive system, we achieved an estimated 25% reduction in energy consumption and avoided approximately 68,000 tons of CO<sub>2</sub> emissions each year.



Repsol's Puertollano Olefins Plant in Spain



Repsol's Puertollano Olefins Plant in Spain

In the Netherlands, we partnered with ENECO to power the country's largest heat pump system at the Utrecht wastewater treatment facility.



ENECO wastewater treatment facility in Utrecht

Equipped with eight GH180 frequency drives and A-compact PLUS units from Innomotics, the system recovers heat from 65 million liters of treated wastewater daily, generating 25–27 MW of renewable heating for approximately 20,000 households, representing about 15% of local demand, and reducing CO<sub>2</sub> emissions by an estimated 30,000 tons annually. This achievement highlights the role our technologies play in enabling large-scale, community-level decarbonization.



ENECO wastewater treatment facility in Utrecht

Through these and many other projects, Innomotics continues to support customers in their decarbonization journey, proving that reliable motion and sustainability can go hand in hand. By combining engineering excellence with a commitment to measurable impact, we remain a trusted partner in building a climate-resilient future.

## Country Deep Dive: Innomotics Chile FY25

This chapter focuses exclusively on our legal entity Innomotics SA, Santiago de Chile, Chile (“Innomotics Chile”) and its local operations. It has **not undergone the external review for limited assurance** and was **fully excluded** from the review.

This country deep dive serves as a key summary of the internal sustainability report of Innomotics Chile, providing insights and a deeper understanding of our local operations in Chile. The preparation process was supported by the **Chilean-German Chamber of Commerce and Industry (AHK Chile)**.

### Our Values

Our corporate DNA is oriented towards progress, operational excellence, comprehensive and efficient solutions, and innovation focused on generating a positive impact for our customers and on our surroundings. At Innomotics Chile we understand sustainability as a strategic pillar for driving innovation, efficiency, and positive impact in the communities where we operate. In terms of sustainability, our country has an energy matrix undergoing transformation, rich biodiversity, and growing environmental awareness. We seek to be a key player in the transition toward more sustainable development, contributing with innovation, talent, and commitment. Therefore, our approach to sustainability is fully aligned with Innomotics’ global **GEARed-Up** framework, which urgently drives us to be prepared for the changes that are transforming our environment and redefining how our activities should be approached.



CEO Michael Reichle inaugurating the Innomotics Technology Center in Chile

With our global CEO, Michael Reichle, and representatives from various business lines in attendance, we inaugurated the Innomotics Technology Center in Chile – a major milestone that strengthens our local presence and innovation capabilities.

## Strategic Pillars of our EHSQ Road Map

Innomotics Chile’s Environmental, Health, Safety and Quality (EHSQ) Road Map 2023–2025 establishes six strategic pillars that guide environmental, health, safety, and quality management. Each of these pillars is directly linked to the commitments expressed in this sustainability report, the prioritized material topics, and the UN SDGs.

The first pillar, **Zero Harm Culture**, reflects our commitment to occupational safety and incident prevention. This approach is aligned with the material topic of **organizational culture in safety** and contributes directly to SDGs 3 (Good Health and Well-being) and 8 (Decent Work and Economic Growth) by promoting safe and healthy work environments.

The second pillar, **Quality Management**, seeks to standardize best practices and processes, strengthening continuous improvement. This aspect is related to the material topic of **performance development and management** and is linked to SDGs 9 (Industry, Innovation and Infrastructure) and 12 (Responsible Consumption and Production) by promoting operational efficiency and responsible management.

The third pillar, **Occupational Health and Healthy Living**, addresses the **comprehensive protection of employees, including physical, mental, and emotional health**. This pillar is directly connected to the corporate psychosocial protocol and SDGs 3 (Good Health and Well-being) and 5 (Gender Equality), by promoting well-being and equity in the workplace.

The fourth pillar, **Sustainability**, promotes the development of environmental competencies and the implementation of responsible practices. It relates to several material issues such as **carbon footprint, water management, waste, and energy efficiency**, and contributes to SDGs 6 (Clean Water and Sanitation), 12 (Responsible Consumption and Production), and 13 (Climate Action).

The fifth pillar, **Skills Development**, supports continuous training and conscious leadership, in line with the organization’s leadership model. This pillar is linked to the material topic of **professional development and performance management**, and to SDGs 4 (Quality Education) and 8 (Decent Work and Economic Growth), by strengthening internal capacities.

The final pillar, **Operational Controls**, seeks to deepen EHS management from early stages to maturity, using tools, critical controls, and traceability platforms. This pillar reinforces the material topics of **safety culture and crime prevention** and is related to SDGs 8 (Decent Work) and 16 (Strong Institutions).

## Stakeholder Analysis

As part of the methodological process of the sustainability report, a systematic analysis of stakeholders relevant to Innomotics Chile's operations was carried out. This analysis identified their needs, expectations, and levels of influence and impact, enabling us to define targeted action plans for each group.

We identified stakeholders through an internal analysis of Innomotics Chile's operating environment, focusing on key players with some kind of relationship, interest, or influence on the business. This process involved reviewing strategic documents, sustainability reports, organizational charts, and past project experiences. Each stakeholder was then assessed across two dimensions: influence – their ability to affect business decisions or outcomes – and impact – the extent to which our operations affect the stakeholders. Both dimensions were rated on a scale of 1 (very low) to 10 (very high), enabling us to prioritize and manage relationships with the most relevant stakeholders.

### Customers and End-Users

Customers are vital to our sustainability, as they directly receive the products and services, and their perception, trust and satisfaction are crucial for operational continuity. They expect world-class suppliers that deliver efficient, safe, and competitive operations. Implementing certifications and training, developing joint KPIs, establishing clear communication channels and applying verifiable security measures have been defined as actions to meet these expectations.

### Suppliers and Contractors

Suppliers and contractors are key players in the supply chain, providing inputs, technical services, and operational support that enable the efficient development of the business. To strengthen these relationships, we propose to establish collaborative partnerships, promote sustainable practices, and assess performance against environmental and social criteria. Likewise, external contractors value clear processes, timely payments, and objective evaluations, which is why we have defined actions such as supplier certification, feedback visits, and transparent commercial terms.

### Regulatory Authorities and Government Bodies

This group includes governmental bodies and regulatory agencies that establish the regulatory framework within which the business operates. The proposed actions focus on strict compliance with laws, participation in public consultation processes, and the generation of compliance reports.

### Employees

Our employees are our greatest asset, and their well-being is fundamental to the success and sustainability of our business. This group requires a safe, stable, and respectful work environment that promotes work-life balance, fair wages, and opportunities for development. The proposed actions for this stakeholder group include the integration of behaviors aligned with the organizational culture, internal and external salary studies, talent retention and development programs, as well as participation in workplace climate measurement initiatives such as "Great Place to Work".

### Headquarters and Factories

Our headquarters and factories play a strategic role in positioning our product portfolio in the market, ensuring compliance with financial targets and alignment with global guidelines. To strengthen this relationship, we focus on actions such as the distribution of corporate guidelines, the implementation of targeted training, the execution of internal and external audits, and the monitoring of technical gaps that could impact competitiveness.

## Community Commitment and Success Stories

Innomotics Chile has consolidated its commitment to sustainable development through initiatives that generate shared value in the communities where we operate. During the reporting period, programs aimed at job creation, technical training, and local economic development have been implemented, with a special emphasis on STEM education, inclusion, and community collaboration.

A key highlight was the recognition awarded by CODELCO's Andina Division Community Development Department to the Impulsa Mujer project team of Andina for its support to the communities of Media Luna, Los Quillayes, and El Sauce in Los Andes. This recognition reflects the positive impact of the collaborative partnerships between Innomotics and local actors, strengthening trust and territorial ties. Innomotics is recognized by CODELCO for its commitment to local communities.

In addition, Innomotics has strongly promoted the Mining Digitalization Academy for Women, a training initiative that has certified more than 170 women in the mining sector in Chile since 2022. Developed in partnership with the UC Innovation Center and with the participation of WIM Chile, the program fosters inclusive leadership, the development of digital skills, and the creation of collaborative networks. Its third edition in 2024 advanced topics such as artificial intelligence, digital twins, and cybersecurity earning an

average participant rating of 4.85/5. Beyond individual benefits, the academy had an institutional impact, positioning Innomotics as a benchmark in inclusion, sustainability, and digital transformation in mining. A regional edition was held in 2025, including participants from Chile, Peru, and Mexico, reaffirming our commitment to developing female talent across Latin America's mining industry.

Another initiative with a strong impact on local communities and workforce diversity is our participation in the Impulsa Mujer program, reinforcing our commitment to female inclusion in mining operations. The project aims to significantly increase the number of women in operational roles, promoting gender equality in a historically male-dominated sector. Under the Impulsa Mujer Andina contract with CODELCO's Andina Division, the initiative includes strategic partnerships with educational institutions to boost the number of female applicants and temporary service contracts through the BEL Program (from the Spanish acronym *Baja Experiencia Laboral*) for candidates with limited experience in mining. These efforts are actively monitored by our P&O, EHSQ, and Operations teams, ensuring alignment with our diversity goals and creating inclusive employment opportunities for local communities.

The development of Innomotics Chile's internal sustainability report marks a key milestone in our journey toward greater transparency, continuous improvement, and responsible management of economic, social, and environmental impacts. It is the beginning of a path toward a cleaner, more inclusive, and resilient industry - built on responsibility, innovation and shared purpose to redefine reliable motion for a better tomorrow.

## Outlook

Dear reader,

As Innomotics transitioned into a standalone company, we remain committed to leading the market while driving the sustainable energy transition forward. Our focus stays on delivering innovative products and solutions that redefine reliable motion for a better tomorrow.

This first sustainability report marks a significant milestone for Innomotics. It reflects months of dedicated effort, cross-functional collaboration, and strategic alignment – and more importantly, it signals our long-term commitment to responsible business practices. Publishing this report is a major achievement and a foundational step toward transparent, impactful sustainability communication.

Looking ahead, we remain steadfast in our ambition to drive meaningful change. As global challenges become more complex, we understand that sustainability must be deeply embedded into our business model, culture, and decision-making. Our journey is just beginning, and we are committed to continuously evolving and improving. In the years to come, we will focus on several key areas to further accelerate our transition:

- **Energy Transition Contribution:** We will continue to actively support our customers and partners in their **energy transition** efforts, - improving energy efficiency across our operations, and driving innovation that enables low-carbon solutions.
- **Emission Reporting:** Building on our current foundation, we will advance the quality and granularity of our emission data. By expanding coverage while aligning with leading frameworks, we aim to deliver more robust insights into our climate performance.
- **Stakeholder Engagement:** We will deepen our dialogue with stakeholders to better understand their expectations and co-create solutions that deliver shared value.
- **Sustainability Reporting:** Starting with our next reporting cycle, we will continue working toward aligning our sustainability disclosures with the **Corporate Sustainability Reporting Directive (CSRD)**. This will enhance transparency, comparability, and accountability – ensuring our reporting meets the highest standards.
- **Strategic Integration:** Sustainability will remain a core element of our strategic planning, risk management, and operational excellence.

As a result of our ongoing sustainability efforts, we were honored to have been selected as a finalist for the **Reuters Global Sustainability Awards 2025** in the category **Business Transformation**. This recognition affirms the relevance and effectiveness of our sustainability strategy and motivates us to continue pushing boundaries and setting new standards.



We believe that sustainability is not a destination, but a continuous journey of transformation. By working together, staying curious, and remaining accountable, we are confident that we can shape a future where business success and sustainability go hand in hand.

This report is a starting point – and we are excited for what lies ahead.

Sincerely,

*M. Reichle*

Chief Executive Officer

*Q. Hofmann-Maruti*

Chief Sustainability & DEI Officer

*A. Walz*

Global Head of Sustainability

# Overview of Key Performance Indicators

## Environmental

### Scope 1 Emissions FY24

Scope 1 Emissions 12.8 kt

### Scope 3.1 Emissions FY24

Scope 3.1 emissions assuming Siemens as 3rd party supplier 1,074 kt

Scope 3.1 emissions assuming Siemens as intra-company trading 1,014 kt

### Scope 3 Emissions FY24

3.1 Purchased goods and services 1,070 kt

3.11 Use of sold products 296,030 kt

**Total Scope 3 Emissions in kt 297,100 kt**

### Emissions Intensity FY24

Scope 1 4.11 t / €1 M revenue

Scope 3 95,144 t / €1 M revenue

### Energy Usage (incl. Natural Gas) FY24

Total Energy Used (incl. Natural Gas) 674,926 GJ

Total Energy Used (incl. Natural Gas) 187,479 MWh

### Share of Carbon-neutral Energy FY24

Electricity 100 %

### Waste FY24

Total Waste Disposed 77,901 t

thereof Recycled Waste 75,066 t

Recycling Rate 96.36 %

Total Regulated Waste Disposed 2,216 t

Total Waste to Landfill 485 t

### Water FY24

Total Water Used 280,758 m<sup>3</sup>

Total Water Discharged 275,448 m<sup>3</sup>

### Customer Avoided Emissions in CO<sub>2</sub>e FY24

Customer Avoided Emissions 28,993 kt

# Social

Global Workforce	FY24
Innomotics Employees	14,868
Number of Nationalities	91

Distribution by Meta-Region	FY24
Europe & Africa	4,671 31.4 %
Americas	2,793 18.8 %
Asia Pacific & Middle East	712 4.8 %
Germany	3,243 21.8 %
China	3,449 23.2 %

Global Workforce	FY24
Employee Turnover Rate <sup>7)</sup> (excl. Temporary Workers)	7.54 %
Average Tenure	12.6 years

Apprentices & Dual Students	FY24
<b>Apprentices</b>	<b>57</b>
Male	51
Female	6
<i>Number of Vocational Training Programs</i>	<b>8</b>
<b>Dual Students</b>	<b>45</b>
Male	35
Female	10
<i>Number of Dual Study Programs</i>	<b>5</b>

Health and Safety KPIs	FY24
Lost Time Injury Rate (LTIR) <sup>8)</sup>	0.16
Total Recordable Incident Rate (TRIR) <sup>9)</sup>	0.44

<sup>7)</sup> Turnover rate is defined as the ratio of permanent headcount exits from Innomotics during FY24 to the average number of permanent headcount at the start and end of FY24.

<sup>8)</sup> Lost Time Injury Rate (LTIR) acc. to OSHA: number of lost-time cases (LTC) × 200,000 / total working hours. LTC refer to recordable incidents where employees are unable to work due to injury or illness. The factor 200,000 represents the hours worked by 100 full-time employees. Total working hours are estimated at 29,048,650 hours, based on 14,868 employees working an average of 39.08 hours per week over 50 weeks.

<sup>9)</sup> Total Recordable Incident Rate (TRIR) acc. to OSHA: number of recordable incidents × 200,000 / total working hours. Recordable incidents include all OSHA-recordable cases such as fatalities, lost workdays, restricted work, and medical treatment beyond first aid. The factor 200,000 represents the hours worked by 100 full-time employees. Total working hours are estimated at 29,048,650 hours based on 14,868 employees working an average of 39.08 hours per week over 50 weeks.

Distribution by Gender & Age Group	FY24
<b>Male</b>	<b>11,659</b>
	<i>78.4 %</i>
<30 years	1,228
30-50 years	7,290
>50 years	3,141
<b>Female</b>	<b>3,199</b>
	<i>21.5 %</i>
<30 years	372
30-50 years	2,150
>50 years	677
<b>Not Disclosed</b>	<b>10</b>
	<i>0.1 %</i>
<30 years	2
30-50 years	6
>50 years	2

Distribution by Contract Type	FY24
<b>Permanent Contract</b>	<b>13,159</b>
	<i>88.5 %</i>
Male	10,474
Female	2,675
Not Disclosed	10
<b>Temporary Contract</b>	<b>1,709</b>
	<i>11.5 %</i>
Male	1,185
Female	524
Not Disclosed	0

Blue Collar / White Collar	FY24
<b>Blue Collar</b>	<b>7,010</b>
	<i>47.1 %</i>
Male	5,838
Female	1,169
Not Disclosed	3
<b>White Collar</b>	<b>7,858</b>
	<i>52.9 %</i>
Male	5,821
Female	2,030
Not Disclosed	7

## Governance

Number of Cyber breaches	FY24
Cyber breaches	0

KPI	FY24
Training coverage on the BCGs of white-collar employees	93 %
<hr/>	
Percentage of PVO covered by signed CoC <sup>10)</sup>	
<i>With required signed CoC</i>	<i>95 %</i>
<i>Without required CoC</i>	<i>3 %</i>
<b>Total PVO covered</b>	<b>98 %</b>
<hr/>	
Accumulated Number of executed onsite External Sustainability Audits by 3 <sup>rd</sup> party auditor (FY23 onwards)	86

<sup>10)</sup> Share of relevant 3<sup>rd</sup> party PVO covered by a signed CoC. Relevant suppliers and required to sign the CoC are only those exceeding a certain PVO threshold, excluding intra-group suppliers and those of the former parent company.

## Glossary

### 3TG

Tin, tungsten, tantalum and gold

## A

### Adopt A Class

Adopt A Class is a community mentoring program in the USA.

### Apprenticeship & Dual Students

In the scope of this report, both apprentices and dual students are not considered in the general headcount reporting.

## B

### BCGs

Business Conduct Guidelines

Only white-collar workers were in the relevant target group for the training coverage due to the nature of their employment, in some cases interacting with business partners outside the organization.

### Blue Collar

Within Innomatics, blue collar refers to Jobs that normally require manual or physical labor such as mechanics, electricians and production workers.

## C

### CAE

Customer Avoided Emissions

### CoC

Code of Conduct for Suppliers and Third-Party Intermediaries

## CS

Innomotics' Customer Services Business Line

## CSRD

The Corporate Sustainability Reporting Directive is an EU directive that significantly expands sustainability reporting requirements for companies by introducing mandatory disclosures on ESG topics according to the European Sustainability Reporting Standards.

## D

### DEI

Diversity, Equity and Inclusion

## E

### EHS

Environmental, Health and Safety

### EHSQ

Environmental, Health, Safety and Quality

### Entity and Factory Health Checks

Entity and Factory Health Checks are internal reviews aimed at ensuring continuous improvement and alignment with evolving legal and regulatory standards.

### ESG

Environmental, Social and Governance

### Expert

We use the term "expert" synonymously with "employee". The term refers to all employees and senior managers.

## G

### GHG

Greenhouse Gas

### GPG

Goals | Performance | Growth is Innomatics' new performance management approach.

## H

### High-risk countries

The identification of high-risk countries is based on the [OECD Participants' country risk classification](#).

### HVM

Innomotics' High Voltage Motors Business Line

## I

### Impulsa Mujer

Impulsa Mujer is an initiative to promote female inclusion in mining.

### ISMS

Information Security Management System

### Intensities

All intensities are normalized per €1 M revenue.

## L

### LTIR

Lost Time Injury Rate

### LVM

Innomotics' Low Voltage Motors Business Line

## M

### Mt

Megatons

### MVD

Innomotics' Medium Voltage Drives Business Line

## O

### OECD

Organisation for Economic Co-operation and Development

## OSHA

Occupational Safety and Health Administration

## P

### Permanent Contract

A permanent contract is an indefinite employment agreement without a fixed end date.

### P&O

People & Organization

### PVO

Purchase Volume

## S

### SDGs

Sustainable Development Goals set by the UN

### SO

Innomotics' Solutions Business Line

### STEAM

Science, Technology, Engineering, Arts and Mathematics

### STEM

Science, Technology, Engineering, and Mathematics

### SUS

Sustainability

## T

### Temporary Contract

A temporary contract is an agreement between Innomotics and an employee for a limited, specified duration, often used to cover seasonal work, projects, or employee absences.

### TRIR

Total Recordable Incident Rate

## **U**

### **UN**

United Nations

## **W**

### **Water**

Water used refers to water supplied by wells, surface, industrial partner, or municipal supplies and used in a manufacturing process. Excludes domestic/office water use (e.g. drinking, irrigation, restrooms, etc.).

Water discharged refers to the discharge of wastewater generated through industrial processes via an outfall or municipal treatment system. Includes wastewater treated and untreated on-site prior to discharge. Does not include wastewater hauled off site and disposed of as "solid waste," which is to be included with Total Waste Disposed.

### **WEEE**

Waste from Electrical and Electronic Equipment

### **WEPs**

Women's Empowerment Principles are a UN framework for gender equality.

### **White Collar**

White collar refers to office workers and professionals in non-physical occupations, such as managers, engineers or accountants.

### **WIM**

Women in Mining is an initiative promoting female leadership in mining.

### **WIM100**

100 Global Inspirational Women in Mining is a publication that celebrates the contributions of 100 women across the global mining industry.

## Contact & Legal Notice

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