

EUROPART
Sustainability Report 2022



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EUROPART Group GmbH aims to produce a sustainability report that meets the content and formal requirements of the CSR-RUG (Directive Implementation Act). The components and scope of the report are based on section 289c (2) and (3) of the German Commercial Code (HGB).

For the sake of better readability, the language forms male, female and diverse (m/f/d) are not used simultaneously. All references to persons apply equally to all genders.

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Consideration

For materiality reasons, EUROPART's Sustainability Report for 2022 includes EUROPART Group GmbH and the following entities consolidated for the same period, such as EUROPART Holding GmbH, EUROPART Trading GmbH, EUROPART Materials GmbH, EUROPART Portugal, S.A., EUROPART Danmark A/S, EUROPART i Sverige AB, EUROPART Polska S.A. and EUROPART Hungaria Kft. All facts in the report are from 2022 unless otherwise stated.



**QUALITY AWARENESS AND TECHNICAL
EXPERTISE ARE A MATTER OF COURSE
FOR US AND ARE INCORPORATED INTO
ALL OUR DECISIONS.**

**EURO
PART** 

INTRODUCTION FOREWORD

As a technical wholesaler, we believe that true sustainability starts with high quality, durable and innovative products. For EUROPART, however, culture and mindset are also among the drivers of economic transformation. The mindset must be right and is based on curiosity, openness to new technologies, shared values and the courage to start and try out new things.

Quality awareness and technical expertise are a matter of course for us and are incorporated into all our decisions. The process of product and supplier qualification is based on the very highest automotive standards. This applies both to the selection of our brand partners, but also in particular to our strong own brand EUROPART Premium Parts. The environment and the conservation of natural resources play a fundamental role in the alignment of the company in general and in the composition of the product range in particular. Proof of this corporate policy is the certification of our environmental management system according to ISO 14001:2015, which we have been holding since 2008 and which is audited annually by an external accredited certification company.

Remanufacturing has become increasingly important in the composition of our product range in recent years – with a view to 2022, we have seen a sharp rise in customer demand for remanufactured parts.

As early as September 2021, we launched a successful project in Germany aimed at reducing CO₂ emissions and fuel consumption. The Mobile-Integrated-Photovoltaic-Technology (MIPV), developed by Green Energy Scandinavia, enables highly flexible, shockproof solar cells that are only three millimetres thick and ideally suited for mobile applications such as on trucks, buses, vans or motorhomes. EUROPART is not only supplementing its product range with this environmentally friendly technology, but has also become Green Energy's exclusive sales partner for Europe. The first projects with major customers have already been launched in 2021.

Additional long-term goals, such as the transition to green electricity, are well on their way. For instance, since January 2021, we have been relying on 100 % electricity from renewable sources at the headquarters in Hagen; 30 of 33 locations in Germany have also been converted to green electricity. In addition, the European social distancing restrictions brought about by the coronavirus pandemic have permanently changed travelling behaviour, which has had a fundamental impact on our traditional way of working. The increased use of online video conferencing and permanently implemented tools, such as the introduction of our own employee app, have not only had a positive impact on employee communication, but are also making a significant contribution to reducing CO₂ emissions within the EUROPART Group.

OLAF GIESEN
EUROPART HOLDING GMBH
CEO

A handwritten signature in blue ink, consisting of stylized initials 'OG' followed by a horizontal line extending to the right.

OUR MILESTONES

FROM FAMILY BUSINESS TO MARKET LEADER IN EUROPE

- 1948** Founded as Westdeutsche Federnzentrale Wachenfeld & Co.
- 1979** European orientation begins with first branches in Denmark and later in Great Britain
- 1995** Introduction of the company's own EUROPART brand
- 2000** The company name changes to EUROPART forced international expansion
- 2005** Central warehouse opened in Werl
- 2007** First branch outside of Europe in Dubai
- 2010** Establishment of the workshop concepts TrailerSTATION and TruckSTATION
- 2011** Takeover by financial investors Triton and Paragon
- 2013** Strategic realignment and focus on core business of commercial vehicle parts
- 2014** Establishment of China purchasing platform and opening of office in Shanghai
- 2015** Expansion of the product line and specialised competence in the bus segment
- 2016** Expansion of the network in Sweden – takeover of LvD and Trailereffekter
- 2017** Takeover by financial investor Alpha Private Equity Funds
- 2019** Introduction of a state-of-the-art and future-oriented ERP system

EUROPART INTRODUCES ITSELF

EUROPART, which has been successfully active in the market for vehicle spare parts since 1948, is today the leading partner for commercial vehicle workshops as well as operating companies for truck, trailer, van and bus fleets in Europe.

A Europe-wide network with 177 own locations and more than 1,700 employees in 21 countries as well as a delivery programme comprising more than 400,000 parts are a reflection of the continuous growth of our company. In addition, EUROPART customers also benefit from the quality products of our own brand EUROPART Premium Parts with 7,500 available parts, from EUROPART's own quality management, from our worldwide sourcing with on-site supplier certification and from our close and long-standing cooperation with numerous well-known brand manufacturers.

EUROPART generated an annual turnover of 533 million euros in 2022. 220 employees work in the administrative division at our headquarters in Hagen. About 160 employees work in the areas of warehousing, dispatch, purchasing, scheduling and quality management at the logistics centre in Werl, which went into operation in early 2005.

Our main customer groups include not only European and national key account customers from the truck, trailer, bus and waste disposal segments, but also self-repairing forwarding companies, independent workshops and authorised workshops. EUROPART also supplies vehicle manufacturers, public operating companies and parcel services with spare parts and accessories for commercial vehicles of all classes.

THERE IS A CLEAR STRATEGIC OBJECTIVE FOR THE FUTURE: THE FURTHER STRENGTHENING OF OUR FOCUS COUNTRIES GERMANY, SWEDEN, DENMARK, POLAND, HUNGARY AND PORTUGAL IN ORDER TO ACHIEVE AND SECURE A LEADING MARKET POSITION.

Central and Eastern European countries are among EUROPART's clear growth markets in Europe. In 2022, processes, systems and structures were optimised and expanded so that valuable impetus for the further successful expansion of EUROPART sales in these important regions are guaranteed in the medium term.

VISION

The vision of the future is based on the notion that there is a close relationship between what we want and desire for us, and what we can create and shape. To put it simply:

We choose the future which we want to see!

What should our company look like in a couple of years? What is working for EUROPART like?

This is what the management team worked out at the end of 2019.

**THE RESULT: AN INSPIRING,
EMOTIONAL, ATTRACTIVE, AND
TANGIBLE FUTURE VISION – THE
VISION OF A FUTURE STATE OF
SUCCESS, CUSTOMER SERVICE,
PASSION, AND ENTHUSIASM
WHICH WE WANT TO SEE.**

Unlike a strategic or business plan which lays down concrete steps for the years ahead, the vision of the future takes the opposite route.

It describes the desired state at a certain point in the future, taking all the good things from the past and present and working out what can and must be done today and tomorrow to make this vision of the future a reality.

For the complete vision of the future:

<https://www.europart.net/de/unternehmen/vision>



OUR SUSTAINABILITY GOALS

Climate change has been around for a long time and it is time for a responsible company to step up and take responsibility. But responsibility also means taking action. As the EUROPART Group, we have intensified our commitment to greater sustainability in 2022, initiated important projects and also set ourselves concrete goals for the future. Our sustainability goals are based on the three fields of action "Governance" (responsible corporate management), "Social" (social issues) and "Environmental" (environment), which with their different focus topics form the framework for our corporate actions.

STRATEGIC FOCUS ON SUSTAINABILITY MANAGEMENT

In order to make decisive progress on the topic of sustainability at EUROPART, we launched the strategic project "Sustainable Transformation" in 2022. The aim of the project is to coordinate our Europe-wide sustainability activities and identify new sustainability initiatives.

THESE INCLUDE STRATEGIC AS WELL AS OPERATIONALLY RELEVANT TOPICS SUCH AS CLIMATE CHANGE AND ITS IMPACTS, HUMAN RIGHTS, SUSTAINABLE PRODUCTS AND TECHNOLOGIES, PACKAGING, PRODUCT SAFETY AND MANAGEMENT SYSTEMS.

The project results will be translated into a new organisational structure for sustainable business in 2023. The new department for sustainability management (Sustainable Transformation) will be integrated vertically, horizontally and cross-functionally into our organisational structure to effectively implement sustainable business practices. The CEO of the EUROPART Group has the overall responsibility for the EUROPART sustainability strategy and for the compliance organisation to ensure compliance with the law and internal policies. The new department is staffed as a central decision-making entity consisting of members from various central divisions and functions of the company, such as Marketing, Category Management, Controlling, Legal, Human Resources, Logistics and Sales. This committee exercises coordination, initiative and control functions in sustainability issues on behalf of the management.

OUR STAKEHOLDERS

Many sustainability projects and ideas have been initiated in recent years in the various fields of action and some have already been implemented. At the same time, it was particularly important for us in 2022 to regularly challenge ourselves in order to readjust our course. And by us we mean not only the EUROPART Group itself, but also the entire ecosystem in which we operate on a daily basis. In order to meet all needs and expectations, we are in close exchange with our stakeholders, i.e. all groups of people who are directly or indirectly affected by the activities of our company.

Our key stakeholders include our employees, customers, our competitors in the independent parts trade and our purchasing cooperation partners. Likewise, we regard the media and associations, as well as investors, as important stakeholders.

MATERIALITY MATRIX

Within the framework of a materiality analysis, we developed the central environmental and sustainability aspects at EUROPART in 2021. The basis for the analysis was first the definition of all relevant internal stakeholder groups. The groups, which comprise the various departments of EUROPART Group GmbH, were divided into: Human Resources, Marketing, Sales Center Europe, Controlling, Category Management, Legal, Logistics, Finance as well as CEO Eastern Europe and CEO Nordics.

A questionnaire was sent to each department. A total of 27 topics were asked (divided into the five aspects according to HGB section 289c paragraph 2), which were derived from current sustainability activities in the company, recognised standards (including GRI, DNK) and a comprehensive analysis of the environment (peer group review).

We attach importance to the following

Using the questionnaire, the departments were asked to assess the business relevance of the topic (outside-in perspective), the impact of business activities on the topic (inside-out perspective) and the general stakeholder relevance (internal & external). The returned results were evaluated and transferred into a matrix. According to this evaluation, 19 essential topics as well as 10 top topics (topics that were rated highest in all three areas) could be derived.

THE RESULT IS THE EUROPART MATERIALITY MATRIX. THIS CLEARLY SHOWS WHAT IS PARTICULARLY IMPORTANT TO US AND OUR STAKEHOLDERS AND IN WHICH AREAS WE WANT TO DEVELOP FURTHER AND BECOME EVEN MORE INVOLVED IN THE FUTURE.

OUR FOCUS TOPICS DERIVED FROM THE MATERIALITY MATRIX

- 6.1 GOVERNANCE
 - 6.1.1 DATA PROTECTION
 - 6.1.2 COMPLIANCE
- 6.2 SOCIAL
 - 6.2.1 HUMAN RESOURCES MANAGEMENT
 - 6.2.2 HUMAN RESOURCES DEVELOPMENT, EDUCATION AND TRAINING
 - 6.2.3 WORK-LIFE BALANCE
 - 6.2.4 DIVERSITY AND EQUAL OPPORTUNITIES
 - 6.2.5 FAIR PAY
 - 6.2.6 EMPLOYEE HEALTH AND SAFETY
 - 6.2.7 EMPLOYEE/EMPLOYER RELATIONSHIP
- 6.3 ENVIRONMENTAL
 - 6.3.1 ENVIRONMENTAL CERTIFICATIONS
 - 6.3.2 PRODUCT EFFICIENCY
 - 6.3.3 RAW MATERIAL AND MATERIAL CONSUMPTION
 - 6.3.4 ENERGY CONSUMPTION & EMISSIONS

GOVERNANCE DATA PROTECTION

In the field of data protection and data security, we are dedicated to meeting the highest standards and requirements. The protection of the data of our customers, suppliers and business partners, but also of our employees, has the very highest priority.

The Management Board is responsible for data protection and data security and for compliance with the legal regulations resulting from the European Data Protection Regulation (GDPR). Our company is supported by a data protection officer who advises us on all data protection issues and on compliance with legal requirements. Of course, it goes without saying that we contractually commit our employees and business partners to comply with data protection laws, in particular the GDPR.

**EUROPART WAS NOT AWARE OF ANY CASES OF DATA
LEAKS, DATA THEFT OR LOSS OF CUSTOMER DATA IN THE
2022 FINANCIAL YEAR, NOR WERE THERE ANY COMPLAINTS
IN THIS REGARD.**

COMPLIANCE

with applicable laws by our employees and business partners is a prerequisite for our corporate success and the basis of our actions. Compliance therefore is an essential responsibility for all employees, managers and the Management Board.

In order to fulfil this task, a code of conduct and internal guidelines have been established. In addition, there is a living compliance culture, which instructs the employees to act in accordance with the law through the role models of the executives and the Management Board.

Combating any form of corruption or bribery is a key focus. Unlawful benefits may not be granted, offered or accepted. This applies not only to public companies and authorities, but to all companies, institutions and private individuals. Whether a benefit is lawful or not is determined by the law and, above all, by our internal guidelines.

In addition, employees, but also business partners, have the opportunity to report violations of the law or the Code of Conduct and internal guidelines via our anonymous whistleblowing system.

THE WHISTLEBLOWING SYSTEM CAN BE ACCESSED VIA OUR CORPORATE WEBSITE AND IS AVAILABLE IN SIX LANGUAGES. INFORMATION RECEIVED THERE IS FIRST CHECKED BY AN EXTERNAL LAW FIRM AND PROCESSED IMMEDIATELY. NECESSARY INVESTIGATIONS AND COUNTERMEASURES ARE INITIATED AND IMPLEMENTED WITHOUT HESITATION.

No violations of the Code of Conduct, human rights violations or cases of corruption became known in 2022.



SOCIAL

HUMAN RESOURCES MANAGEMENT

EUROPART is the European market leader in its industry. The Group (including joint ventures) is represented in 29 countries. The Group is divided into four main regions: West Europe (Germany), South-West Europe, East Europe and Other Countries.

As at 31 December 2022, a total of 1,639.7 FTEs were employed in these countries/regions. Not including the joint venture, the number was 1,260.8 FTEs.

A total of 9.6 FTEs were employed in the area of Human Resources (hereinafter referred to as HR) and thus responsible for the associated processes for the Group companies based in Germany. For the Scandinavia and Eastern Europe region, 1.0 FTE each.

This corresponds to a ratio of 108.7 FTEs per FTE employed in HR.

The "smaller" organisations/countries do not have separate HR resources.

This function is usually performed by the country managers or in a secondary function.

IN 2020, THE SO-CALLED MATRIX ORGANISATION WAS INTRODUCED. THIS INCLUDES BOTH DISCIPLINARY MANAGEMENT OF THE FOREIGN HR STAFF BY THE COUNTRY MANAGER AND FUNCTIONAL MANAGEMENT BY THE HR MANAGEMENT AT HOLDING LEVEL.

HUMAN RESOURCES DEVELOPMENT, EDUCATION AND TRAINING

Personnel development and training are important factors for economic success in all country organisations.

A sustainable, comprehensive process in the selection and subsequent intensive support of employees and trainees is crucial. The degree of centralisation of this process also depends on the number of employees in HR. The processes in Germany, for example, can be managed in a highly centralised manner. In the foreign organisations, the processes are more decentralised.

Given the particular challenges in the commercial vehicle service and parts market, companies such as EUROPART cannot satisfy their own demand for skilled personnel in Germany in the long term by recruiting skilled personnel from the market alone. The aim of training and further education is to support and promote employees and trainees in the best possible way through the training programme as well as personnel development programmes.

IN GERMANY, FOR EXAMPLE, THE MAJORITY OF TRAINEES WHO SUCCESSFULLY PASS THEIR EXAMS ARE OFFERED A PERMANENT CONTRACT EVERY YEAR. SINCE THIS EMPLOYMENT IS ALSO TIED TO THE FINAL GRADE AND THE INTERNAL ASSESSMENTS WITH WHICH THE CANDIDATE COMPLETES HIS OR HER TRAINING, THIS ALSO DEMONSTRATES THE SUCCESS OF EUROPART'S OWN PROGRAMME.

In 2022, we welcomed a total of 75 trainees to EUROPART. We are proud that we can offer our trainees high-quality training that enables them to enhance their individual potential.

Particularly pleasing is the trainee retention rate, which was 61.9 % in 2022. This result reflects not only the quality of our training, but also our efforts to offer young people long-term career opportunities at EUROPART. Our training programme is designed to give trainees a solid foundation for their professional development.

We invest in their personal and professional development to ensure that they can develop their skills to the fullest.

In order to find suitable candidates for an apprenticeship at EUROPART, the search for personnel (again using Germany as an example) begins at an early stage through EUROPART's active presence at training fairs and comparable events organised by external organisers, where young people have the opportunity to discuss their career paths with potential training companies.

As part of our selection process, we offer applicants an introductory day to give them the opportunity to get a first insight into the EUROPART world. This day is not only about personal exchange, but also includes a comprehensive check of the applicants' aptitude and performance level in various areas.

Training young people is not only a strategic step for us, but also an important contribution to social responsibility and sustainability. By providing young people with a sound education, we help to improve their future career opportunities.

We are proud of the success of our trainees and will continue to invest in their development. By creating a nurturing learning environment and building strong relationships with our trainees, we want to ensure that they can develop their full potential and become valuable professionals.

Particular focus is also placed on the use of social media, with the company's own EUROPART app being explicitly mentioned. This app is available to all employees of the Group (national / international). But other forums, such as LinkedIn, are also used by our companies in Poland, Hungary and Germany.

The targeted support and further training of young people who finally start their apprenticeship at EUROPART after the selection process continues after the start of the apprenticeship, for example:

- Trainees take part in in-house lessons, where the school contents are deepened and they are prepared for the final examination;
- Trainees also receive further training in product technology within the framework of internal and external training courses;
- Apprentice projects dealing with operational and strategic issues are carried out on a regular basis;
- International internships are offered on a regular basis to reflect the international orientation of the group;
- Once a year, trainees must commit to a social project of their choice (charity day) for one day outside the company (in consultation with the responsible training manager).



HR Management is a strategic issue for the Management Board and owners of the EUROPART Group. It goes without saying that the areas of training, personnel development and recruitment are essential for the sustainable retention of young people in the company. In view of the increasingly apparent shortage of skilled workers and the challenge of continuing to find suitable personnel on a permanent basis in a difficult labour market, efforts must be stepped up in this area. This is why the recruitment and personnel development processes (including training) have been re-evaluated and optimised.

EUROPART ALSO SEES THE INCREASING NUMBER OF FEMALE TRAINEES, WHO HAVE CHOSEN TO TRAIN IN A "TYPICAL MALE INDUSTRY" AT EUROPART IN RECENT YEARS, AS PARTICULARLY POSITIVE. THE COMPANY HAS THUS BEEN ABLE TO SUCCESSFULLY EXPAND THE POOL FOR RECRUITING TALENTED JUNIOR STAFF

All in all, this is reason enough to constantly develop the processes already implemented in Germany and also, in the sense of the matrix organisation, to transfer them to the international organisations. In this respect, there is still potential for improvement in the future.

WORK-LIFE BALANCE

Trust is an essential component when it comes to designing flexible working time models. Achieving a balance between leisure and work is another major goal EUROPART has set itself for the future. Work should be enjoyable and this is best achieved when it suits people and their lifestyles. EUROPART therefore caters to the individual needs of its employees. At EUROPART, there are many possibilities for flexible working hours, depending on the basic orientation of the respective organisation. While our central warehouse in Werl, for example, works in shifts, the employees at the headquarters in Hagen work within the framework of a trust-based working time model. In addition, part-time working models or unpaid leaves of absence are possible and are also taken advantage of by the employees.

TAKING PARENTAL LEAVE IS A MODEL THAT IS JUST AS NATURAL FOR US. IN 2022, A TOTAL OF FIVE FEMALE EMPLOYEES AND 13 MALE EMPLOYEES TOOK ADVANTAGE OF THE PARENTAL LEAVE MODEL IN GERMANY.

Mobile working

Mobile working is also a constant feature at EUROPART in 2022. With the onset of the coronavirus pandemic, the necessary preconditions were quickly put in place and on average around 50 % of employees worked remotely.

MOBILE WORKING IS PRACTISED AS A MATTER OF COURSE IN ALL NATIONAL AND INTERNATIONAL ORGANISATIONS WHEREVER NO OPERATIONAL REASONS SPEAK AGAINST IT.

In most cases, operational reasons are related to the specific nature of the work. For example, it is not or only to some extent possible for warehouse workers or employees in internal sales to do their work from home.

In order to further establish mobile working as an integral part of everyday working life, we are consistently working on the modernisation and digitalisation of our mobile workplaces. We started to introduce mobile work devices in individual projects during the coronavirus pandemic and to find pragmatic solutions in the interest of the workforce. We were able to react quickly during the first lockdown and enable most of our colleagues in administration and some in the branches to work from home. And every one of our meetings can now take place completely independently of location via online video conferencing.



DIVERSITY AND EQUAL OPPORTUNITIES

Over the years, EUROPART has developed into an internationally active company with its headquarters in Germany. For us, people are the focus of attention at all times.

WITH ITS CORPORATE CULTURE CHARACTERISED BY CULTURAL DIVERSITY, EUROPART OFFERS TALENTED PEOPLE FROM ALL OVER EUROPE THE OPPORTUNITY TO PURSUE A CAREER WITH A FUTURE-ORIENTED TECHNICAL DEALER WITH CLEAR VISIONS AND GOALS.

Cultural diversity – not just a matter of course for EUROPART, but an integral part of our corporate strategy. Experienced, well-trained personnel are essential for business success in the highly competitive aftermarket for commercial vehicles. This means that a strategic policy of staff retention and recruitment that is explicitly based on employee diversity criteria is of decisive importance.

Diversity Charter

By signing the Diversity Charter – an initiative launched in 2011 under the patronage of Dr Angela Merkel – companies pledge to create a working environment that is free of prejudice and exclusion. The initiative rather pursues the goal of creating an open corporate culture based on a system of values and mutual respect.

EUROPART ALSO ACTIVELY IMPLEMENTS THE DIVERSITY CHARTER. IN 2022, EMPLOYEES FROM AROUND 27 DIFFERENT COUNTRIES WORKED AT EUROPART.

In addition to putting diversity management into practice, the EUROPART Group has also set itself the goal of promoting women in a professional environment dominated by men. For instance, at branch level there are now women in the position of branch manager and other women in team leader or division manager functions at the head office. It is the declared aim of the EUROPART Group to successively increase the representation of women both among managers and at the level of departments with an operational business connection such as purchasing, sales or logistics. This is based on the conviction that new approaches must be taken, not least against the backdrop of the imminent shortage of skilled workers. In 2022, a total of 223 women and 802 men (headcounts) were employed in Germany. This corresponds to a female quota of 21.8 %.

Vocational training:

The definition of criteria that take into account the future need for employees from the perspective of "equality & diversity" starting with the selection of trainees.

Staff recruitment:

Definition of guiding principles and standards for the entire recruitment process.

Staff development:

In order to strengthen diversity within the workforce as well as the proportion of women in key positions in our company, the personnel development process is set up in a correspondingly diverse manner.

Diversity Charter:

In the future, various activities are planned in the area of employer branding, where we will explicitly embed the "Diversity Charter" and make it more visible.

Sustainability:

Establishment of an internal working group for the targeted further development of all sustainability topics. Diversification is an essential part of this.

FAIR PAY

Comparing compensation structures at the country level is fundamentally difficult, as there are often very different framework conditions. Whereas in Sweden, for example, trade unions have a strong influence on wage and salary developments, German organisations are not subject to any collective bargaining agreements and are thus not influenced by trade unions. The sometimes considerable differences in general wage levels (e.g. Romania vs. Germany) must be mentioned here. However, different wage levels can also be observed within Germany.

Fair pay is a fundamental claim that the entire EUROPART organisation asserts for itself.

The industry is subject to high competition with regard to the demand for qualified personnel. It is therefore the rule (both nationally and internationally) that our employees receive enquiries and offers from competitors. This leads to a good overall view in terms of wage structure development and to a regular comparison of our salary structures.

The instruments used include performance-related remuneration, as well as the granting of holiday and Christmas bonuses.

Furthermore, employees (especially in Germany) are granted additional benefits to the "pure" salary components, which are part of our "Employer Benefit" programme.

These include:

- 30 days of holiday
- Flexible working hours in several areas
- Mobile working
- Capital-forming benefits
- Company bike "Lease a Bike"

Corporate Benefits Programme

These additional benefits are often a monetary advantage for employees and are therefore also part of "fair pay" in a broader sense.

EMPLOYEE HEALTH AND SAFETY

EUROPART and MEDITÜV

With its external partner MEDITÜV, EUROPART relies on a team with long years of experience and appropriate qualifications. The MEDITÜV team in Hagen, North Rhine-Westphalia, consists of medical specialists, engineers, technicians and specialist assistants. Together, we pursue the goal of putting the employees in the foreground and ensuring personal health at the workplace through a prevention concept. At the same time, we want to promote employee satisfaction and strengthen employee loyalty through these measures.

Our activities to ensure and improve the safety and health of our employees include:

- Ensuring occupational health care by company doctors and psychologists from our external partner MEDITÜV
- Ensuring safety-related support by internal occupational safety specialists and fire protection officers
- Regular inspection and auditing of our sites to identify potential for improvement in occupational safety and health protection
- Providing preventive occupational health care as needed and at regular intervals, e.g. on ergonomics at computer workstations or in the case of increased physical strain
- Advice and implementation of examinations and follow-up care in the case of long-term illnesses and mental stress
- Counselling and support in occupational re-integration management procedures
- Offer of and support with other health services, such as cost sharing for a fitness studio and cooperation with a health insurance company.
- Flu vaccinations and COVID-19 vaccinations are offered.

The HR department provides advice and support to employees with the following

- **Re-integration management discussion**
- Employer subsidy for VDU glasses
- Addiction prevention for substance abuse
- Support after long-term illnesses
- Support for personal difficulties in the family
- Support in the event of illness or care of relatives

Health cooperation with Hansefit GmbH & Co. KG

In order to further raise awareness of health promotion among employees, a health cooperation was formed in 2021 together with Hansefit GmbH. To this end, an employee survey was conducted to gauge interest among EUROPART employees, with the result that the first 120 employees have been able to access a EUROPART subscription company fitness programme since February 2022.

THROUGH THE HANSEFIT NETWORK, WE MAKE IT POSSIBLE FOR EVERY EMPLOYEE TO TRAIN AT ONE OF 5,000 HANSEFIT PARTNERS THROUGHOUT GERMANY.

In doing so, EUROPART covers more than half the cost of each licence membership, providing a further incentive to participate in a wide range of activities, such as yoga, fitness, swimming, outdoor, dancing, climbing and much more. In addition to various exercise offers, Hansefit also provides various digital modules and courses that can be accessed at any time via the Hansefit app. The focus here is on prevention and mindfulness (stress management, Pilates, meditation, healthy eating, etc.).

Use of exoskeletons in the Werl central warehouse

Constant heavy lifting or shifting permanently reduces the performance of every employee. This makes it all the more important, especially in goods management, to protect qualified employees in the long term.

For several years now, EUROPART has been providing targeted support for everyday work in special departments of the central warehouse with so-called exoskeletons.

THE USE OF EXOSKELETONS INCREASES WORKPLACE SAFETY, REDUCES WEAR AND TEAR OF MANY INDIVIDUAL WORK STEPS AND AT THE SAME TIME INCREASES EFFICIENCY IN THE RELEVANT SPECIALIST AREA.

In the warehouse itself, the following aspects can be better controlled with the help of an exoskeleton:

- Support in monotonous or stressful postures.
- More even load distribution when lifting, moving and handling heavy objects
- Reduction of safety risks through a mix of function and protection (including certain surfaces)
- Less vibration which, if sustained, increases the risk of musculoskeletal disorders (MSDs)





Company bike leasing

By entering into company car leasing, we promote sustainable mobility concepts that simultaneously strengthen employee health and motivation.

The company bike leasing concept offers all permanent employees of the EUROPART Group the opportunity to use a high-quality bicycle, e-bike or cargo bike for a period of three years and to purchase this bike permanently at the end of the leasing period for an affordable down payment.

This is made possible by a legal provision of German tax law, whereby the monthly leasing instalments are deducted from gross income as part of salary conversion.

THIS RESULTS IN INDIVIDUAL SAVINGS ON TAXES AND SOCIAL SECURITY OF UP TO 40 % IN COMPARISON TO THE PRIVATE PURCHASE OF A BICYCLE.

To make this even more appealing, EUROPART supports each participant in the company bike leasing scheme with an additional €15 per month.

Using a calculator on the individual EUROPART homepage, each employee can calculate his or her individual savings – based on salary, personal tax class and purchase price of the bike. This provides comprehensive transparency on the running costs to be expected.

EUROPART has opted for the company bike leasing model of the provider Lease a Bike, which has long-standing expertise in the environment of the Volkswagen Group as the parent company of various bike manufacturers (including Kalkoff, Royal Dutch, Gazelle) and whose network includes all relevant bicycle dealers in Germany. Lease a Bike is completely brand-independent. The programme has been running since October 2021 for all employees of EUROPART Holding, Materials, Trading and Group.

The management and the works council agreed on an upper limit of €5,000 for the value of the bike to be leased. However, it is also possible to lease two bikes with a total value of up to €10,000, so that partners and family members of EUROPART employees can also benefit from company bike leasing.

Naturally, employees are free to choose how they use their company bike. However, in order to also support the use for journeys to work, a bicycle stand and a special area for parking the bikes have been set up at the headquarters in Hagen. This is intended to sustainably promote the use of the company bike and contribute to taking EUROPART a further step towards sustainability and further reducing its ecological footprint.

FOR 2022, 150 EMPLOYEES HAVE REGISTERED TO PARTICIPATE IN COMPANY BIKE LEASING.

A pleasing development since the start of the company bike leasing is the steady growth in the number of users – a total of 123 bicycles have been issued to our employees so far, 91 of these in 2022.

EMPLOYEE/EMPLOYER RELATIONSHIP

The involvement of employees in both business and social decision-making processes is a particularly important factor within the EUROPART Group – it can promote transparent and trusting cooperation between employer and employees and in this way bring about a stronger identification of the workforce with the company.

In order to integrate sustainability as an integral part of the processes, EUROPART has defined a sustainability strategy with three central fields of action:

- Governance (responsible corporate management),
- Social (Social Affairs) and
- Environmental.

In addition, seven focus topics were defined within the framework of the "Social" field of action: Human Resources Development, Education and Training, Work-Life Balance, Diversity and Equal Opportunities, Fair Pay, Employee Health and Safety, and Employee-Employer Relations.

Within these focus topics, a trusting cooperation with the works council is always the basis. As a result, legal and company regulations are jointly implemented there, which sustainably promote business development, but also the interests of the workforce.

MOST OF THE EMPLOYEES IN THE BRANCHES, IN THE CENTRAL WAREHOUSE AND IN THE HEAD OFFICE ARE REPRESENTED BY THE WORKS COUNCIL.

Representatives of the workforce are involved in nearly all decisions of the EUROPART Group as elected members of the works council.

In accordance with the specified co-determination and other participation rights, the works council at EUROPART is informed and involved in good time, opinions are obtained, co-determination is practised and agreements are reached. EUROPART cooperates consistently, intensively and in a spirit of trust with the works council.

ENVIRONMENTAL ENVIRONMENTAL CERTIFICATION ISO 14001

A quality and environmental management system has been introduced at EUROPART to satisfy contractually agreed customer requirements, to comply with official and legal requirements for the planning, implementation, monitoring and improvement of all quality and environmentally relevant activities, to improve customer satisfaction and to improve the company's performance.

In 2001, when the company was first certified, the focus was on the internationally recognised quality management standard ISO 9001.

SINCE THE INTEGRATION OF THE ENVIRONMENTAL MANAGEMENT STANDARD ISO 14001 IN 2008, WE ALSO WANT TO INCORPORATE THE IDEA OF SUSTAINABILITY AND THE CONSERVATION OF RESOURCES INTO OUR CORPORATE ACTIVITIES.

Our programme defines goals, performance indicators, measures, responsibilities and deadlines; the programme is revised annually by the management.

In order to reduce our environmental impact, our goals include above all the reduction of energy consumption, waste avoidance and the reduction of transport kilometres. The goals are evaluated every year by the Management Board in the management review and checked for their achievement.

In addition to the quality-related criteria, environmental relevance, such as existing certification according to an environmental and energy management standard or, for example, resource conservation through the use of reusable systems, is also included in the annual evaluation of our suppliers.

In order to be able to evaluate the progress made in the development of our company, we have ourselves certified at regular intervals by an independent external auditing company.

CURRENTLY, OUR GERMAN CENTRAL SITES IN HAGEN AND WERL AS WELL AS BUDAPEST IN HUNGARY ARE CERTIFIED ACCORDING TO THE ENVIRONMENTAL STANDARD ISO 14001



Remanufacturing

EUROPART is committed to further promoting the aspect of sustainable use of natural resources and, wherever possible, to specifically strengthening it with regard to the design of its product range. Specifically, this means that remanufacturing is a high-level engineering process and not a repair in the classic sense (certified according to ISO 14001:2015 and IATF 16949). A remanufactured part performs at least the same function as a new original part and has at least the same warranty as a new original part. Depending on the weight of the respective component, a remanufactured product can save up to 186.4 % CO₂, 90 % material, 80 % energy and up to 30 % costs (source: APS Germany).

The remanufactured products are traded with comprehensive technical service and support throughout the organisation. Important strategic

WE HAVE SAVED >500,000 KG CO₂ IN 2022 THROUGH REMANUFACTURING

A major milestone here was the start of our cooperation with APS Germany in 2020 and the subsequent expansion of our partnership cooperation.

Under the rema.germany brand, we have been able to achieve CO₂-savings of 521,509.76 kg through the purchase of remanufactured "reman products" in the areas of brakes, exhaust gas aftertreatment and recirculation, steering systems and transmissions. This corresponds to a saving of 1,241,689.90 kwh in 2022.

We can be really proud of the results and we will continue to take ecological responsibility in order to be part of a better future!



partners in the field of remanufacturing are APS Germany, Knorr-Bremse with its associated EconX product series for trucks, buses and trailers, Wabco and ZF. With this wide range of products, we round off the programme for the second-value repair of vehicles in a resource-saving and sustainable manner.

In the main range, EUROPART also stocks such repaired parts as clutches (Valeo), engine parts (Bosch), compressed air and brakes (Knorr and Wabco), steering parts (Bosch, APS Germany and TRW), or components from the electrical sector (Bosch and Lucas).

The "Remanufacturing Parts" product range is being further developed with priority importance. The aim here is to identify further product groups in the future in order to conserve natural resources even more.

EUROPART battery recycling circuit

The commercial vehicle market is undergoing a rapid transformation. For example, the transport of goods is constantly increasing; in 2022, the road transport of domestic trucks in Germany alone was approx. 3.1 billion tonnes (Source: Kraftfahrt-Bundesamt (Federal Motor Transport Authority) (KBA) Flensburg, Status 25 April 2023). The resulting growth in overnight stays in the driver's cab is prompting vehicle manufacturers to react to this situation and to focus more on increasing comfort equipment and assistance systems for the professional driver. These additional consumers such as TV, laptop, smartphone and mobile transmission of vehicle data etc. place an additional burden on the vehicle battery. As a technical wholesaler, we have a successful and long-standing partnership with Clarios and the Varta brand, especially in the battery segment.

**BY PROVIDING TARGETED JOINT
ADVICE AND TRAINING IN 2022,
WE SUPPORT OUR CUSTOMERS IN
THE CORRECT HANDLING OF THE
BATTERY IN ORDER TO IMPROVE
THE SERVICE LIFE THROUGH
CORRECT CHARGING AND
MAINTENANCE.**

The focus here was also specifically on new battery technologies, such as the Clarios AGM (Absorbing Glass Mat) battery. The PowerFrame technology integrated in Clarios batteries consumes 20 % less energy and releases 20 % less greenhouse gas emissions than conventional plate manufacturing processes.

Recycle vehicle batteries responsibly and professionally

Whether in commercial vehicles or passenger cars – nothing works without a battery. EUROPART uses a wide range of battery types: Starter, supply, drive or lighting batteries. With our supplier Clarios, we have had a strong partner at our side since 2010. Clarios is not only the world's largest producer, but also, according to its own information, the largest recycler of vehicle batteries. We rely on an established recycling cycle especially for the German market. This exchange system is based on an additional environmental contribution that is refunded to the customer when the used battery is returned. As a result, approximately 1,598 tonnes of batteries were returned to the end-of-life cycle in the 2022 financial year.

The role of the conventional car battery in starting the engine has proven itself in the automotive industry. According to market diagnoses, it will continue to be of great importance in the future. 99 % of the lead content of a conventional car battery is recyclable. Furthermore, in Europe and North America, 99 % of all car batteries are already successfully recycled, making the battery the most recycled product in the world. Energy consumption savings and greenhouse gas emissions are also 90 % for batteries made from recycled materials.

Green Energy: New mobile solar cell technology reduces fuel consumption and lowers CO₂ emissions

EUROPART has increasingly introduced the novel solar cell sets of the Scandinavian manufacturer Green Energy in 2022 and tested them in various pilot projects. We are pursuing the goal of offering this solar cell solution for all segments of the transport industry as the exclusive distribution partner for Europe in the 24 volt segment. The systems offer numerous advantages and can be easily mounted on different vehicles: Trucks, trailers/semi-trailers, buses, vans, emergency vehicles, campers, caravans and stationary systems (containers and lighting systems).

For many reasons, batteries represent a sore spot on trucks. On the one hand, more and more electrical consumers – from the electrically adjustable driver's seat to the refrigerator to the TV – are putting a strain on the battery, which repeatedly causes deep discharges and consequently leads to costly failures. On the other hand, the generator for charging the batteries needs part of the power of the drive engine, which consumes additional fuel and causes CO₂ emissions.

ONE OF EUROPART'S CORPORATE GOALS IS TO ACHIEVE CONTINUOUS IMPROVEMENT IN THE ECOLOGICAL FOOTPRINT OF OUR CUSTOMERS THROUGH THE USE OF INNOVATIVE PRODUCTS.

Green Energy's solar cell technology, developed specifically for vehicles, can help reduce the CO₂ emissions of our customers' fleets while improving fuel economy.

Flexible and robust solar cells for the vehicle roof

Danish company Green Energy specialises in developing solar systems for mobile applications. In contrast to conventional solar cells with cells made of crystalline silicon, the CIGS solar cells developed by the company are flexible, extremely resistant and thus protected against damage as well as spontaneous combustion. Due to the fact that they are only three millimetres thin and very flexible, the solar cells are particularly suitable for use on vehicle roofs. EUROPART supplies the solar cells in pre-configured MIPV (Mobile Integrated Photovoltaic) sets including charge controller, cut-off relay, fuse and matching inverter in different power levels. Data loggers and 230-volt inverters for connecting standard electrical equipment are available as options. The sets are certified, which means that the vehicle manufacturer's factory warranty is retained. The data on the electricity generated and its use can be collected for each vehicle by means of IoT for the entrepreneur. Here, proof of the actual CO₂ savings is already possible today and thus the documentation for the customer's sustainability report is given.



EUROPART supplies the Duvenbeck Group with the solar cells in pre-configured MIPV sets (165 Wp Mobile Integrated Photovoltaic) as well as inverters and accessories.





Assembly in your own workshop

So as to support the use of the new solar cell technology, EUROPART, together with its supplier Green Energy, is conducting on-site training for mechanics so that the installation of the MIPV sets can take place in the customer's own workshop in the future.

Innovative technologies and concepts, such as CIGS solar cell technology, are strategic components in the sustainability concept and in the product range with which we offer our customers economical solutions for more climate-friendly operation of their vehicle fleets.

EUROPART oils and waste oil disposal

Our supplier for own-brand oils has already been producing climate-neutrally since 1 January 2020 and is certified in accordance with the ISO 50001 energy standard. It is also a founding member of the Nasch Task Force, a sustainability initiative of the oil industry.

EUROPART workshop customers can dispose of their used oil free of charge and professionally from as little as 600 litres. By using state-of-the-art and innovative processes, waste oil recycling closes the loop between used lubricants and hydraulic oils to produce reusable base oils for industry and workshops that are as good as new. It promotes sustainability in two ways:


FOR ONE, IT MEANS CONSERVING PETROLEUM RESERVES, AND FOR ANOTHER, THE MODERN PROCESSES FOR REPROCESSING USED OIL GENERALLY PRODUCE LOWER CO₂ EMISSIONS THAN PETROLEUM REFINING.

EUROPART work gloves with bio-based polyethylene fibre

When it comes to body protection, there is no compromise in terms of quality and safety. Combining these aspects with sustainability is our highest priority. As a technical dealer, we seek intensive exchange with new suppliers who focus on innovative and sustainable products. In the field of hand protection, for example, we cooperate with Ejendals, a Swedish family business. Ejendals specialises in the development, production and marketing of high-quality safety products for hand and foot protection. Especially with a view to sustainable solutions in material selection, we at EUROPART promote these new innovative development processes and actively sell the products on the market.

The advantages of Ejendals work gloves:

- Reduced dependence on fossil fuels.
- The carbon footprint is reduced without sacrificing proven performance.
- Gloves with bio-based Dyneema yarn have a 90 % lower carbon footprint than conventional HMPE fibres.
- ISCC certified, meaning all raw materials come from sustainable certified sources.



**THE PRODUCT IS THE RESULT OF A
PROCESS. BY CONSISTENTLY IMPLEMENTING
THE ZERO-DEFECT STRATEGY BOTH
INTERNALLY AND EXTERNALLY, WE ARE
ACTING WITH A SENSE OF RESPONSIBILITY
TOWARDS INTERESTED PARTIES.**

EUROPART Own brand

Specialising in truck, trailer, van and bus spare parts maintains close partnerships with numerous well-known brand manufacturers of original spare parts and consumables, as well as suppliers of high-quality, non-branded products. The majority of our suppliers are certified and quality-tested - by our own quality management, but also by independent testing organisations. Thanks to our excellent long-term supplier relationships, customers can always benefit from high availability and prices in line with the market.

With an external turnover of nearly 20 % in our own brand, we are not only the owner of a product brand, but also feel responsible for the entire supply chain. Our primary goal is to comply with applicable laws, rules, and regulations in our business activities.

For example, we defined entry criteria at an early stage that are mandatory for every supplier of our own brand. We see the observance and implementation of fundamental standards in the areas of human rights, labour standards, environmental protection and business integrity as an opportunity to demonstrate our socially and ecologically responsible corporate governance in the supply chain. Compliance with the Code of Conduct is consequently mandatory for all our own-brand suppliers.

The use and handling of resources are further aspects to which we pay special attention in the admission criteria. Here, too, we hold our suppliers accountable.

THUS, THEY MUST AT LEAST MAINTAIN A QUALITY MANAGEMENT SYSTEM ACCORDING TO THE CURRENT ISO 9001 WITH A ZERO-DEFECT OBJECTIVE.

This and other criteria are embedded in our quality assurance agreement. The quality assurance agreement is equally binding for our suppliers as the Code of Conduct mentioned above.

When it comes to supplier and product qualification for our own EUROPART Premium Parts brand, we do not just rely on certifications and advertising statements from potential manufacturers, but pursue our own philosophy here.

EUROPART has created an organisation and processes at the trade level that are unparalleled in the market. Procurement and quality experts collaborate in interdisciplinary teams at three different locations. Depending on the project, different areas of expertise are involved in order to consistently implement the zero-defect strategy.

The processes defined at the EUROPART Group for product realisation in the own brand ensure the necessary product safety.

WE FOLLOW THE CONTINUOUS IMPROVEMENT PROCESS IN OUR DAILY ACTIVITIES. SUPPORTING IT SYSTEMS, PROCESSES, WORKING METHODS AND INSTRUCTIONS ARE CONSTANTLY CHECKED FOR THEIR CAPABILITY AND CONTINUOUSLY ADAPTED TO CHANGING REQUIREMENTS.

Existing resources are planned and used responsibly. Documenting results is of great importance to us and does not only serve as an end in itself, but is a value-adding activity.

Performance indicators provide the necessary transparency. In the area of complaints, for instance, various key figures are recorded and evaluated that have a direct influence on the satisfaction of our customers. Necessary corrective and improvement measures are initiated accordingly, and we then evaluate their effectiveness.

The product is the result of a process. By consistently implementing the zero-defect strategy both internally and externally, we are acting with a sense of responsibility towards interested parties. We thereby ensure that waste due to product failure or necessary rework is minimised. The result is reflected in our overall complaint rate, which is currently 0.015 % (2022).

With the three-year guarantee, we are underscoring that we are absolutely convinced of the quality of EUROPART Premium Parts and are letting our customers share in our success by introducing the 3-year guarantee.

RAW MATERIAL AND MATERIAL CONSUMPTION

Resource-saving print products

In the wake of digitalisation, EUROPART has been using online sales promotions for several years to ensure fast and widespread marketing. In the future, it will continue to be our goal to offer digital and printed products in a targeted manner and in accordance with customer needs. When we do print, we do so in a resource-conserving and climate-neutral way.

As the EUROPART Group, we have taken further steps in the strategic selection of suitable printing service providers. This means that in 2022 we will continue to have sales promotions on paper made from recycled material and various paper products produced with the FSC seal. The FSC seal of the Forest Stewardship Council (FSC) guarantees that the wood used comes from sustainable and environmentally friendly forest management. The complete conversion of all advertising material to FSC paper is planned over the next few years.

Climate-neutral printing with the climate initiative of the print and media associations

Additionally, we continue to support the climate initiative of the Bundesverband Druck und Medien e. V. (German Printing and Media Industries Federation (bvdm)) with every new print job in the area of sales promotions. This initiative of the print and media associations exclusively supports climate protection projects that comply with "The Gold Standard", the leading independent quality standard for climate protection projects, which in turn was co-developed by the WWF. It is only awarded to projects that verifiably lead to a reduction of greenhouse gases and at the same time have a positive impact on the local environment and social concerns of the population. We supported the following climate protection projects to offset CO₂ emissions in 2022:

EUROPART Purebred catalogue Germany: CO₂ equivalents: 22,346 kg.

CO₂ reduction certificate ID number 22121777, Well systems East Africa (27/07/2022)

Fan News Monthly Action January: CO₂ equivalents: 809 kg.

CO₂ reduction certificate ID number 21106544, Well systems East Africa (15/12/2021)

Fan News Monthly Action February: CO₂ equivalents: 797 kg.

CO₂ reduction certificate ID number 21112048, Well systems East Africa (29/12/2021)

Fan News Monthly Action March: CO₂ equivalents: 804 kg.

CO₂ reduction certificate ID number 22113817, Well systems East Africa (07/02/2022)

Fan News Monthly Action April: CO₂ equivalents: 809 kg.

CO₂ reduction certificate ID number 22115390, Well systems East Africa (03/03/2022)

Fan News Monthly Action May: CO₂ equivalents: 831 kg.

CO₂ reduction certificate ID number 22117002, Well systems East Africa (07/04/2022)

Fan News Monthly Action June: CO₂ equivalents: 825 kg.

CO₂ reduction certificate ID number 22118298, Well systems East Africa (09/05/2022)

Fan News Monthly Action July: CO₂ equivalents: 826 kg.

CO₂ reduction certificate ID number 22119790, Well systems East Africa (13/06/2022)

Fan News Monthly Action August: CO₂ equivalents: 840 kg. CO₂ reduction certificate

ID number 22121040, Rehabilitation of well systems, Eritrea (11/07/2022)

Fan News Monthly Action November: CO₂ equivalents: 768 kg. CO₂ reduction certificate

ID number 22125766, Rehabilitation of well systems, Eritrea (17/10/2022)

Fan News Monthly Action December: CO₂ equivalents: 769 kg. CO₂ reduction certificate ID number 22127659, Rehabilitation of well systems, Eritrea (11/11/2022)

Seats catalogue CO₂ equivalents: 7,443 kg. CO₂ reduction certificate ID number 21110439, Well systems East Africa (18/11/2021)

TOP100 brochure: CO₂ equivalents: 1,569 kg. CO₂ reduction certificate ID number 22112542 Well systems East Africa (13/01/2022)

DeMinimis brochure: CO₂ equivalents: 1,194 kg. CO₂ reduction certificate ID number 23133486, Rehabilitation of well systems, Eritrea (03/02/2022)

Air-conditioning technology brochure: CO₂ equivalents: 1,496 kg. CO₂ reduction certificate ID number 22113738 Well systems East Africa (04/02/2022)

Green Energy brochure: CO₂ equivalents: 976 kg. CO₂ reduction certificate ID number 22115125 Well systems East Africa (03/03/2022)

Load securing devices brochure: CO₂ equivalents: 2,246 kg. CO₂ reduction certificate ID number 22115129 Well systems East Africa (03/03/2022)

Wheel and tyre brochure: CO₂ equivalents: 2,361 kg. CO₂ reduction certificate ID number 22115427 Well systems East Africa (10/03/2022)

Compressed air brochure: CO₂ equivalents: 1,546 kg. CO₂ reduction certificate ID number 22124537, Rehabilitation of well systems, Eritrea (16/09/2022)

Save taxes brochure: CO₂ equivalents: 1,772 kg. CO₂ reduction certificate ID number 22125957 Well systems East Africa (14/10/2022)

Winter primer brochure: CO₂ equivalents: 1,553 kg. CO₂ reduction certificate ID number 22126089, Rehabilitation of well systems, Eritrea (24/10/2022)

Rehabilitation of well systems in East Africa

The project aims to reduce flue gas emissions from the boiling of contaminated water. In rural regions of Malawi, outdated and no longer usable well systems are being rehabilitated, thus ensuring access to clean water.

Rehabilitation of well systems in Eritrea

The project aims to rehabilitate existing wells in the central and northern regions of Eritrea that have become unusable. The aim of the project is, besides the drinking water connection of the local population, the avoidance of greenhouse gases.

Additional climate protection commitment in Germany

Whereas the actual compensation of our emissions takes place via one of the aforementioned climate protection projects certified in the Gold Standard, we at the same time support regional climate protection by choosing to plant trees through the "Unternehmen Wald" foundation. As part of this project, the bvdM commissions its partner Stiftung Unternehmen Wald to plant trees in Germany. Under the guidance of forestry experts, suitable areas are selected and planted with native and site-appropriate deciduous and coniferous species. The desired goal is to create mixed, species-rich and stable forests that provide a richly structured habitat for plants and animals and are adapted to climate change.

On behalf of the Bundesverband Druck und Medien e. V., the Stiftung Unternehmen Wald confirms that 210 trees were planted in Schleswig-Holstein for EUROPART print products in 2022.

Palettenlager



Dispatch of electronic invoices

It is important to us to further reduce the amount of paper we use. The continuous digitalisation of various work processes contributes to this. In the interest of environmental protection and nature conservation, we also ask our customers in Germany, Denmark, Sweden and Hungary to forego sending their invoices by post, for example, and to conveniently use our electronic invoices instead.

As a result, we have been able to significantly reduce the number of printed documents in the period 2018-2022.

Dispatch of electronic invoices	
2018	374,520
2019	521,689
2020	673,171
2021	774,867
2022	821,733

With a total of 1,291,574 electronic invoice pages, the following resources could be saved in 2022

	Recycled paper	Fresh fibre paper
Waste paper/wood/kg	7,217.8	13,881.3
Water / l	72,177.7	324,477.4
Energy / kWh	26,854.0	483,777.7
CO ₂ / kg	5,297.3	6,257.6

Sustainability certificate: Waste disposal central warehouse Werl

The future is fast approaching and poses central challenges to our society, economy and politics: Scarcity of resources and environmental protection are certainly issues that play an essential role in this context, which means that the focus is increasingly on the best possible disposal of the waste streams that arise.

IN ORDER TO ALSO VISUALISE THIS IN FIGURES FOR OUR CENTRAL WAREHOUSE IN WERL, WE WERE ABLE TO REALISE A SUSTAINABILITY CERTIFICATE FOR THE YEAR 2022 TOGETHER WITH OUR WASTE MANAGEMENT SERVICE PROVIDER REMONDIS.

This sustainability certificate is based on a unique, scientifically founded verification, which shows the savings in primary raw materials, energy consumption and CO₂ emissions achieved within the framework of waste management. The assessment is carried out with the help of a scientifically tested calculation model, which is created by the independent Fraunhofer Institute for Environmental, Safety and Energy Technology UMSICHT, Sulzbach-Rosenberg branch, and is continuously adapted to the company and market conditions.

In 2022, the Werl central warehouse made the following contributions to the environment:

- Primary raw material savings totalling 1,158.4 tonnes, including 250.6 tonnes of fossil fuels, 851.9 tonnes of wood, 54.7 tonnes of metals and 1.2 tonnes of minerals.
- Energy savings or recovery amounting to 4,483.6 MWh, which corresponds to the annual electricity and heat consumption of 263 model households.
- Greenhouse gas savings amounting to 582.1 tonnes of CO₂ equivalent, which corresponds to the emissions of 259.9 tonnes of burnt hard coal.

The waste streams taken into account were:

Mixed waste for recycling // Scrap metals // Foils, plastics // Wood // Paper, cardboard, cardboard packaging // Edible oils and fats // Aerosol cans // Steel scrap.

ENERGY CONSUMPTION AND EMISSIONS

Natural gas accounts for most of the direct energy consumption of the EUROPART companies. The existing infrastructure and the technical equipment of the buildings are decisive for efficient energy management. Since most of the business premises are rented, EUROPART has little influence on renovation measures for the building shells or on heating systems, so that a reduction in emissions is hardly possible in this area.

However, as can be seen from the table, it was possible to reduce CO₂ emissions overall by around 321 tonnes in 2022 compared to the previous year. Since 01/01/2021, 98 % of the electricity demand in Germany has been purchased as green electricity.

Tab.1: Energy consumption Germany and Core Countries

	Consumption / Emissions 2022				Consumption / Emissions 2021			
	kWh	in %	CO ₂ t	in %	kWh	in %	CO ₂ t	in %
Heating oil	24.250	0.2 %	0.0	0.0 %	24,250	0.2 %	6.7	0.2 %
Natural gas	6,097.168	45.6 %	1,320.5	53.7 %	8,015,328	52.4 %	1,674.1	60.2 %
District heating	1,964.154	14.7 %	393.2	16.0 %	1,912,430	12.5 %	438.3	15.8 %
Heating consumption	8,085.572	60.5 %	1,713.7	69.7 %	9,953,008	65.1 %	2,119.1	76.3 %
Electricity consumption	5,286.879	39.5 %	744.0	30.3 %	5,337,626	34.9 %	660.0	23.7 %
Total	13,372.450	100.0 %	2,457.7	100.0 %	15,290,634	100.0 %	3,779.1	100.0 %

Tab.2: Energy consumption Germany

	Consumption / Emissions 2022				Consumption / Emissions 2021			
	kWh	in %	CO ₂ t	in %	kWh	in %	CO ₂ t	in %
Heating oil	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Natural gas	5,414.488	59.4 %	1,132.7	93.4 %	6,776,433	64.0 %	1,362.1	94.3 %
District heating	204.991	2.2 %	57.4	4.7 %	204.991	1.9 %	57.4	4.0 %
Heating consumption	5,619.479	61.7 %	1,190.1	98.2 %	6,981,424	65.9 %	1,419.5	98.3 %
Electricity consumption	3,494.306	38.3 %	22.4	1.8 %	3,611,877	34.1 %	24.4	1.7 %
Total	9,113.785	100.0 %	1,212.5	100.0 %	10,593,301	100 %	1,443.9	100 %



The forklift charging stations in our central warehouse in Werl.

Energy efficiency measures

Since 2016, the changeover of lighting to LED technology has been taking place successively at all locations in Germany and abroad. In Germany, 23 locations have been converted so far. As a result of these and other measures (time setting of the heat pump in Hagen, mobile working), electricity consumption could be reduced by 11.7 % from 2021 to 2022 (without including the Werl central warehouse, as the largest energy consumer, in the comparison).

Planned energy efficiency measures

In 2022, 4 locations (branches in Trier, Papenburg, Mühlau and Roggentin) were converted to LED technology. Further conversions in Germany (Münster, Nuremberg and Arnsberg branches) are planned for 2023.

Furthermore, the re-tendering of gas supply contracts will examine whether it is possible and economical to supply the German locations with climate-neutral natural gas.

Electromobility: Alternative drive types in the company fleet

The introduction of alternative drive types is an essential part of our approach to our own CO₂ reduction.

AFTER THE SUCCESSFUL COMMISSIONING OF THE WALL BOXES AT OUR HEADQUARTERS IN HAGEN, THE EXPANSION OF THE CHARGING INFRASTRUCTURE IN OUR BRANCHES HAS ALSO STARTED AND IS PROCEEDING AT FULL SPEED.

To make our contribution to sustainability as large as possible, our employees can also charge their private e-vehicles at our EUROPART infrastructure free of charge.

In collaboration with our service provider for fuel cards, we also offer our company car users support for the procurement of an appropriate wallbox at home, so that e-mobility becomes "easy". The cost of a PreCheck for the installation of a Wallbox @home is covered by EUROPART. EUROPART is also making charging on the road as uncomplicated as possible with charging cards and apps, so that no restrictions stand in the way of our goal of increasing the proportion of e-vehicles every year.

Despite delivery problems, the first pilot vehicle with an alternative drive system was followed by 4 more by the end of 2022 and many more are still being ordered.

We are constantly reviewing, expanding and supplementing the Car Policy in order to roll out the use of e-mobility to the entire vehicle fleet. The leasing periods for diesel vehicles have already been reduced to 36 months, and the possibility of e-mobility is examined and advocated for in every replacement order. A mandatory e-vehicle requirement under certain conditions is being examined.

CO₂ emissions - Purchased/leased cars — Core Countries

CO₂ emissions in Germany and abroad were determined on the basis of vehicle-specific manufacturer data.

KM mileage according to fuel card statements (excluding Denmark, Sweden = estimated values)

	Currency/- Factor Tonnes of CO ₂ emissions	2022
1	Germany	660
2	Denmark	57
3	Portugal	92
4	Poland	163
5	Sweden	189
6	Hungary	213
7	Core Countries	1,375



DIGITALISATION – A 360-DEGREE TOPIC IN SUSTAINABILITY

Foresight ensures the future viability of the EUROPART Group. In summary, this means: The challenge for EUROPART as a wholesaler is to combine the complex issues of digitalisation and sustainability. Efforts to merely maintain the status quo will not be effective in the long term. Rather, focusing on customer needs and reducing one's own process complexity require a consistent rethink.

Digitalisation is an important accelerator that we need to achieve our ambitious sustainability goals. For EUROPART, this means: Fear is a bad advisor – rather, courage and a can-do mentality are needed to take a leading role in shaping the future in the industry.

In 2022, the following digital milestones were achieved:

Employee app

Introduction of our own corporate communication app with high security and data protection compliance, hosting and operation in Germany/Frankfurt. The app is certified according to ISO27001 and C5. Its aim is to provide every employee with essential information from the network and to communicate transparently and quickly across departments.

eCommerce & Data Development

Establishment of an independent department to improve data quality, optimise item creation and automate recurring master data processes. One important step in 2022 was the further development of product information management (PIM) in the direction of a future-proof cloud solution. Work has also been done on setting up workflows and implementing business rules as well as WebUI. The fundamental benefits are quickly tangible: significant process improvement and access for the entire company to the company's own master data.





ERP project

Introduction of a state-of-the-art, future-oriented ERP system for the entire group of companies with a high degree of process digitalisation/ automation as well as standardisation of interfaces and data formats. Back in 2021, the system based on Microsoft D365FO was completely set up and put into operation in the Microsoft Cloud (Amsterdam). The master data for articles, customers and suppliers as well as data interfaces for communication were also successfully established.

THE MILESTONES ACHIEVED IN SYSTEM AVAILABILITY AND MASTER DATA AVAILABILITY FORM AN EXCELLENT BASIS FOR IMPLEMENTING FURTHER SPECIALIST PROJECTS.

Hybrid live events – Kick-off event 2022 national/international

Hybrid events were held in 2022 in the spirit of preserving the environment and sustainability. The resulting elimination of travel resulted in significant CO₂ savings and is reason enough for EUROPART to continue to focus increasingly on digital meeting formats in the future.

EXTERNAL RECOGNITION – TOP 100 AWARD IN 2022

TOP 100 seal for outstanding innovative strength in the retail sector


In the TOP 100 innovation competition, EUROPART was awarded the TOP 100 seal in 2022. This valuable award, with which a top-class jury honours particularly innovative medium-sized companies, confirms EUROPART's sustainable innovative strength. The credit for this goes first and foremost to our dedicated team of highly motivated and highly skilled employees, who work passionately every day to meet the needs of our customers."

EUROPART underwent a rigorous process of scientific selection for the competition. Commissioned by compamedia, the organizer of the TOP 100 innovation competition, innovation researcher Prof. Dr. Nikolaus Franke and his team set out to examine our company's innovative strength. The researchers' examination was based on around 120 criteria from five categories: Innovation promoted by executive management, innovation climate, innovative processes and organisation, external orientation/open innovation, and innovation success. The scientists examined whether innovations are the result of a planned approach or a product of chance. They also assessed whether and to which extent the corresponding solutions are successful on the market. Given the current situation, a special section was also included this time around to examine the entrepreneurial response to the coronavirus crisis.

And not just since the coronavirus: EUROPART is going digital

Digitisation has been at the top of EUROPART's agenda for many years. Ever new developments and innovative new approaches, for example in the online ordering of parts, are not only intended to simplify and accelerate processes. Our primary focus in the ongoing development of the system is on expanding useful functions for our customers. For instance, the latest version of the EUROPART online ordering and consulting system EWOS features fast and reliable parts identification, also on the basis of chassis numbers. The user can also easily compare items, calculate prices, access fleet data as well as invoices and delivery notes in real time – seven days a week, 24 hours a day. What's more, users can access repair instructions, working times, maintenance schedules, and inspection and adjustment values in EWOS. The mobile version for smartphones also serves as an item scanner and offers other convenient functions, such as uploading photos.





the future. A state-of-the-art 360-degree film studio including a show trailer presentation area was established. The high-end studio features an all-round LED screen and enables livestream broadcasts using 24 different camera positions. This innovative setup is therefore ideal for digital events such as product presentations, sales meetings with connected conference rooms, management dialogue with employees and customers across Europe, and much more. The EUROPART Group's first online event took place in early February 2021 with around 550 continuously logged in terminals and around 700 people in Europe. The 360-degree studio's capabilities also complement the EWOS online ordering and consulting system, as well as another recent innovation: the app for employees.

Internal communication at an entirely new level

EUROPART has been offering a smartphone app for internal communication for all employees since February 2021. This allows the EUROPART Group to reach its employees at any time – regardless of whether they are at their desks, in the warehouse or on the road. In this context, the app with its newsfeed not only serves as an information and data medium from the company. With its integrated chat and group function, video conferencing program and translation tool, employees can now communicate more effectively with each other – and everything in compliance with data protection laws.

EUROPART IS FIRMLY COMMITTED TO SUSTAINABILITY. INNOVATION IS THE BASIS FOR OUR SUCCESSFUL FUTURE.

This is why we are continuing to invest in innovative ideas and technologies for the benefit of our customers and our more than 1,600 employees. For us, being awarded the TOP 100 seal 2021 is proof that we are on the right track with this strategy.

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