

## ESG

Company name: Zeitfracht GmbH & Co. KGaA, hereafter as Zeitfracht Group  
 Date: 21/04/2023

Throughout the questionnaire, **please differentiate between non-available and non-applicable data.**

### 1. General

1.1. Has the company implemented a formalized ESG policy, CSR policy, and/or a Code of Conduct?  
 Please elaborate.

Zeitfracht has a code of conduct in place for all group employees since 2021. The code of conduct includes all business and behavioral principles of Zeitfracht Group and all affiliated companies.

1.2. Is the company a signatory of the UN Global Compact (UNGC)<sup>1</sup> and does the company commit to any other international standards, industry (association) guidelines, reporting frameworks, or initiatives that promote ESG? Please provide a list of the most relevant standards/certificates in the table below:

UN Global Compact (UNGC)	NO
OECD Guidelines for Multinational Enterprises	NO
ISO 9001	YES
Green button / fashion retail	YES

If so, does the company have any policies or processes to monitor the compliance to one or more of the above standards/certificates?  
 Please elaborate.

ISO 9001

- Quarterly internal audit to achieve steady progress
- Yearly external audit to renew the ISO 9001 certificate

1.3. Has the company once been involved in a violation of the UNGC or the OECD Guidelines for Multinational Enterprises?

No, there has been no involvement in a violation of the UNGC or the OECD Guidelines for Multinational Enterprises.

<sup>1</sup> Please refer to <https://www.unglobalcompact.org/participation>

1.4. Does or did the company support projects related to any UN Sustainable Development Goal<sup>2</sup>?  
Please elaborate in the table below.

UN Sustainable Development Goal	Applicable		Description of initiatives
	Yes	No	
No Poverty	<input type="radio"/>	<input checked="" type="checkbox"/>	Zeitfracht supports selective projects to avoid poverty.
Zero Hunger	<input type="radio"/>	<input checked="" type="checkbox"/>	
Good Health & Well-Being	<input type="radio"/>	<input checked="" type="checkbox"/>	
Clean Water & Sanitation	<input type="radio"/>	<input checked="" type="checkbox"/>	
Sustainable Cities & Communities	<input type="radio"/>	<input checked="" type="checkbox"/>	
Quality Education	<input checked="" type="checkbox"/>	<input type="radio"/>	Support of the "Deutscher Kinderbuchpreis" (financial and administrative).
Gender Equality	<input type="radio"/>	<input checked="" type="checkbox"/>	
Decent Work & Economic Growth	<input type="radio"/>	<input checked="" type="checkbox"/>	
Reduced Inequalities	<input type="radio"/>	<input checked="" type="checkbox"/>	
Industry, Innovation & Infrastructure	<input type="radio"/>	<input checked="" type="checkbox"/>	
Affordable & Clean Energy	<input type="radio"/>	<input checked="" type="checkbox"/>	
Climate Action	<input type="radio"/>	<input checked="" type="checkbox"/>	
Responsible Consumption & Production	<input type="radio"/>	<input checked="" type="checkbox"/>	
Life on Land	<input type="radio"/>	<input checked="" type="checkbox"/>	
Life Below Water	<input type="radio"/>	<input checked="" type="checkbox"/>	
Peace, Justice & Strong Institutions	<input checked="" type="checkbox"/>	<input type="radio"/>	Support (financial) of the "Deutsches Soldatenhilfswerk".
Partnerships	<input type="radio"/>	<input checked="" type="checkbox"/>	

1.5. Has the company ever faced any kind of conflict with a third party over the past? (such as litigations, stakeholder complaints, negative press, NGO campaigns, etc.). If applicable, please elaborate in the table below.

	Description
Environmental matters	No
Social matters	No
Governance matters	No

<sup>2</sup> Please refer to <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>.

## 2. Environmental

2.1. Does the company substantially contribute or significantly harm to one of the six environmental objectives, as set by the EU Taxonomy<sup>3</sup>? Please indicate and explain in the following table accordingly:

<b>Environmental objective</b>	<b>Substantially contribute (Please explain if applicable)</b>	<b>Significantly harm (Please explain if applicable)</b>
Climate change mitigation and adaption	n/a	n/a
Sustainable use and protection of water and marine resources	n/a	n/a
Transition to a circular economy	n/a	n/a
Pollution prevention and control	n/a	n/a
Protection and restoration of biodiversity and ecosystems	n/a	n/a

2.2. Is the company or one of its subsidiary active in the fossil fuel sector, i.e. where the company:  
 (i) derives any revenues from exploration, extraction, distribution (incl. transportation, stockage and trade) of refining of hard coal and lignite / liquid fossil fuels, or;  
 (ii) derives any revenues from exploring and extracting fossil gaseous fuels or from their dedicated distribution (incl. transportation, storage and trade)

No.
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<sup>3</sup> Please refer to [https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities\\_en](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en).

### 3. Energy

3.1. If applicable, please describe previous and present initiatives, aiming at carbon emission reduction aligned with the Paris Agreement and which generally improve the company's environmental performance:

- Regular modernization of truck fleet
- Overall reduction of company car fleet
- Downsizing of company car categories
- active energy management (for example regarding heating) and campaigning at all companies and group locations
- active idea management program for carbon emission reduction
- overall reduction of business trips and promotion of the utilisation of the railway

3.2. If applicable, please describe the envisaged future initiatives, aiming at carbon emission reduction aligned with the Paris Agreement and which generally improve the company's environmental performance:

- All initiatives mentioned under 3.1 will continue over the coming years

3.3. Please provide the carbon emissions of the company for the last 2 measurement periods (in **tCO<sub>2</sub>**). If possible, provide data for each three scopes of emissions<sup>4</sup>:

	Period 1 (01/01/2022 – 31/12/2022)	Period 2 (01/01/2021 – 31/12/2021)
Scope 1	31.600 t CO <sub>2</sub> e	35.200 t CO <sub>2</sub> e
Scope 2	15.550 t CO <sub>2</sub> e	16.400 t CO <sub>2</sub> e
Scope 3	190.000 t CO <sub>2</sub> e	204.600 t CO <sub>2</sub> e
Total	237.100 t CO <sub>2</sub> e	256.200 t CO <sub>2</sub> e

3.4. Please provide the amount of renewable<sup>5</sup> and non-renewable energy production and consumption of the company for the last 2 measurement periods (in **GWh**):

		Period 1 (01/01/2022 – 31/12/2022)	Period 2 (01/01/2021 – 31/31/2021)
Consumption	Renewable	2,273 GWh	2,143 GWh
Consumption	Non-Renewable	60,71 GWh	55,29 GWh
Production	Renewable	n/a	n/a
Production	Non-Renewable	n/a	n/a

<sup>4</sup> Please refer to <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

<sup>5</sup> Renewable as referred to in Art. 2(1) of Directive (EU) 2018/2001 of the European Parliament and of the Council

3.5. Please indicate, for the following categories<sup>6</sup> corresponding to a segment of the company, the attributable revenue (mEUR) and energy consumption (in GWh) for the last reporting period (01/01/2022 – 31/12/2022):

	Revenues	Energy consumption
Agriculture, Forestry, and Fishing	0	0
Mining and Quarrying	0	0
Manufacturing	Net revenue: 47,5 Mio €	Sauter: Renewable: 0,68 GWh Non-Renewable: 4,9 GWh
Electricity, Gas, Steam, and Air Conditioning Supply	0	0
Water Supply; Sewerage, Waste Management, and Remediation Activities	0	0
Construction	0	0
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Net revenue: 335,8 Mio €	Adler: Non Renewable: 24,9 GWh
Transportation and Storage	Net revenue ZF Medien GmbH: 562,9 Mio €  Net revenue ZF Logistik GmbH: 100,1 Mio €	ZF Medien GmbH: Renewable: 0,62 GWh Non Renewable: 25,8 GWh  ZF Logistik GmbH:  Non Renewable: 1,43 GWh
Real Estate Activities	0	0

Remark: if none of the sectors correspond, the table may be left empty.

3.6. Please provide the following sustainability metrics for the last 2 measurement periods (in **tons**):

	Period 1 (01/01/2022 – 31/12/2022)	Period 2 (01/01/2021 – 31/31/2021)
Emissions to water generated	0	0
Hazardous waste generated	0	0

3.7. Please indicate if one or more site(s) of the company is located near a bio sensitive area and, to which extent this area is or might be negatively affected by the site(s):

n/a
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<sup>6</sup> These categories are the so-called *high impact climate sector*, as defined by the Regulation (EC) No 1893/2006 of the European Parliament and of the Council of the European Union

#### 4. Social

4.1. Please fill out the following table and provide explanations where necessary:

Statement	Fully agree	Partially agree	Not agree	Description
The company provides an attractive working environment and pays salaries being higher than collective minimum agreements proposed by relevant trade unions.	x	o	o	At all group companies, Zeitfracht offers a modern working environment being in a contemporary form and technology. Zeitfracht pays salaries exceeding the statutory minimum all over the Zeitfracht group and being competitive in the labour market. Where a trade union is involved, Zeitfracht pays salaries according to collective agreements.
The company does not fail and does not cooperate with any suppliers failing to comply with human rights.	x	o	o	
Products manufactured and services provided by the company are neither unhealthy nor unsafe for the consumers, nor lead to a negative impact for the community.	x	o	o	

4.2. Please provide the following metrics (reporting date: 31/12/2022) and provide explanations if necessary:

Metric	Value	Description
Women within the workforce (in %)	60%	Especially Adler has a great majority of women in the workforce (70%).
Average gross hourly earnings (male) – <b>including</b> c-level management	27,00 €	
Average gross hourly earnings (male) – <b>excluding</b> c-level management	23,26 €	
Average gross hourly earnings (female) – <b>including</b> c-level management	22,50 €	
Average gross hourly earnings (female) – <b>excluding</b> c-level management	20,23 €	
Total number of work accident (during the year)	18	
Total number of workdays lost due to injury (during the year)	85.800	Total number of workdays lost due to sick note (illness rate: 6,5%)
Total hours worked (during the year)	12.456.000	
Total number of fatal work accidents (during the year)	0	

4.3. Has the company implemented prevention policies for workplace accident?

Yes, Zeitfracht HR team offers a variety of programs ranging from prevention for employees with physical activities or for resilience for employees in administrative jobs. Moreover a BEM ("Betriebliches Eingliederungsmanagement") program has been implemented.

4.4. If applicable, please describe previous and present initiatives to mitigate social-related shortcomings from above and to generally improve the company's social performance:

Zeitfracht pays inflationary adjustment bonus all over the group as a compensation for rising energy prices. Moreover Zeitfracht has implemented home and mobile office all over the group to compensate rising fuel costs.  
Zeitfracht has implemented a conflict management avoiding conflicts to escalate and giving employees the possibility to learn how to communicate and behave in stressful situations.  
All leaders get a modular training and education so that they can exercise such leadership reducing discrimination e.g. against women or xenophobic.

4.5. If applicable, please describe the envisaged future initiatives to mitigate the social-related shortcomings from above and to generally improve the company's social performance:

Zeitfracht will work on a code for leadership, communication and collaboration, ethical rules of behaviour. It will be in effect, latest by August 2023

**5. Governance**

5.1. Please fill out the following table and provide explanations where necessary.

Statement	Fully agree	Partially agree	Not agree	Description
The compensation for the management team as well as the dividend policy is well-connected to the company's performance and documented in a respective policy.	x	o	o	
The company has a strong internal risk management process, internal control system and cyber security in place.	x	o	o	
The company was never subject to any allegations with respect to bribery, tax scam, unfair competition, or any other type of fraud	x	o	o	

5.2. What is the proportion of **independent members** as well as the proportion of **women** within the company's board of directors?

Proportion of women within board of directors: 2/6, i.e. roughly 33%.

5.3. To which extent is the compensation for directors and executives connected to the company's performance?

25% of the compensation for directors (board of directors) is connected to the company's performance.

5.4. Has the company exposure, through suppliers or clients, to sensitive industries (e.g. defense, fracking, etc.) or to controversial weapons (antipersonnel mine, cluster munitions, chemical/biological weapons)?

No.



5.5. If applicable, please describe previous and present initiatives to mitigate governance-related shortcomings from above and to generally improve the company's governance performance:

No specific initiatives. Zeitfracht group is continuously working on overall process and governance improvement by steadily evaluating the effectiveness of the group's governance. The processes are undergoing a permanent review.

5.6. If applicable, please describe the envisaged future initiatives to mitigate the governance-related shortcomings from above and to generally improve the company's governance:

See 5.5.