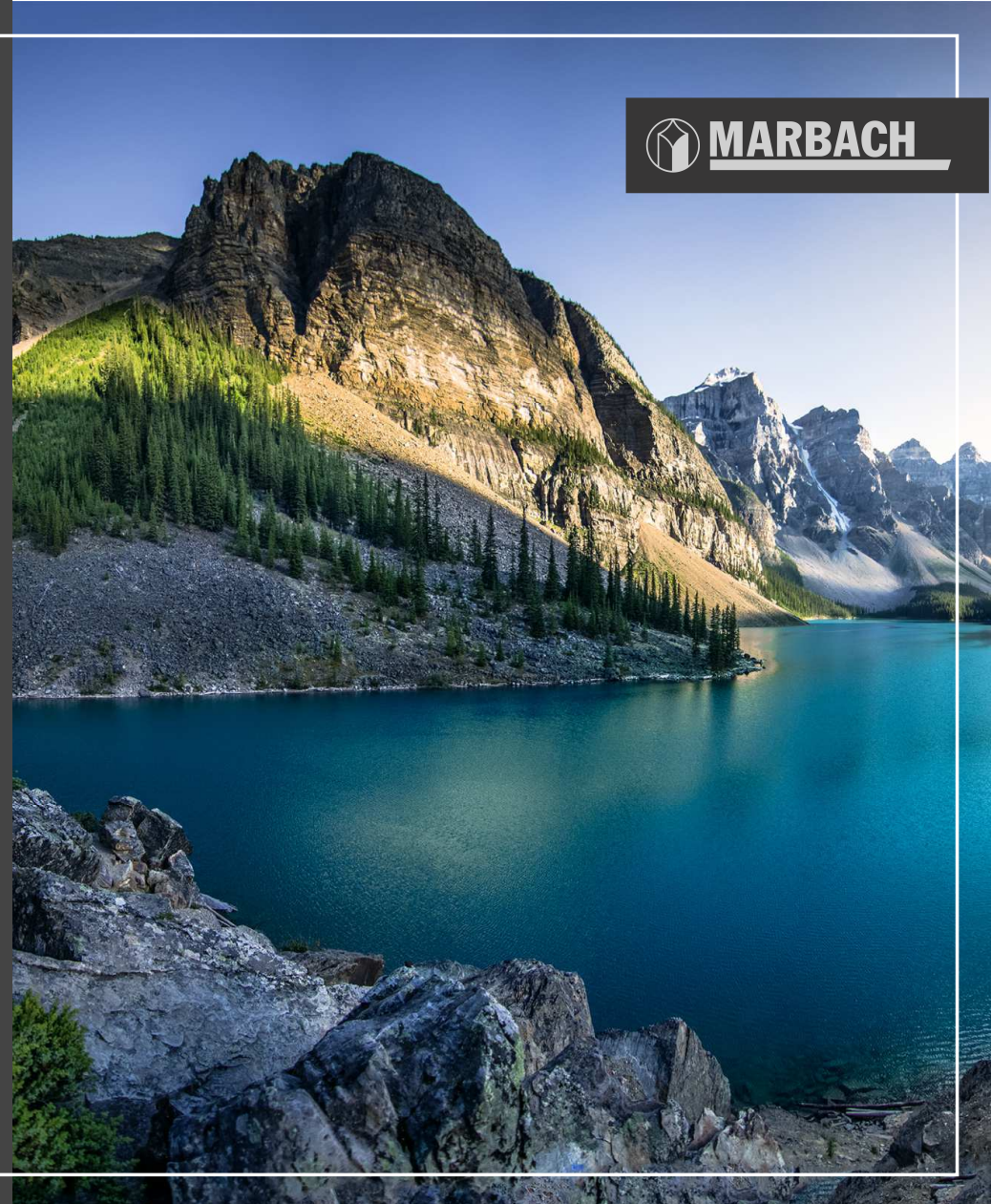


# MARBACH GROUP. **SUSTAINABILITY REPORT 2023.**

Karl Marbach GmbH & Co. KG and  
Marbach Werkzeugbau GmbH



# SUSTAINABILITY REPORT 2023.

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# INTRODUCTION.

As a traditional family business with a 100-year history, sustainability is a core value that guides our business activities. We take responsibility as a company and strive to meet the needs of the present in a way that does not restrict the opportunities of future generations.

Since the Marbach company was founded in 1923, we have mastered numerous challenges: Inflation, war, recession, pandemic and procurement crisis. And yet our company has always endured and today it is impossible to imagine the industry without it. We want to secure this existence in the future as well.

That is why sustainability has been an integral part of our corporate philosophy for many years, and we continue to drive it forward step by step. For us, sustainability means the future: the future for following generations, the future for our earth and the future for our company. Our sustainability activities cover the following areas:

## 1. Ecology:

By acting in an ecologically responsible way, we support the preservation of the environment for future generations and the halting of climate change. For an earth with a future.

## 2. Economy:

By acting economically, we ensure the continuation of our company in the 3rd generation for more than 100 years. And thus, the future of Marbach and its

employees. But we also serve society in the respective country in which we are active through our performance in terms of the provision of funds (taxes).

## 3. Social:

We support the future of our society through socially meaningful actions and social commitment. But that's not all: as an attractive and valued employer, we create an optimal working environment and individually promote and challenge our employees.

Our sustainability activities were rewarded with an EcoVadis Silver Medal in November 2023. We are delighted that our sustainability efforts have been recognised by an independent institution.

**In the following Sustainability Report, you will find out what sustainability means to us in concrete terms and what goals we have set for ourselves. I invite you to join us on our journey and wish you an enjoyable read.**



**Peter Marbach**  
Owner and Managing Director

# PRESENTATION OF THE MARBACH COMPANY.

## OUR COMPANY HISTORY.



Our market is the packaging market in the area of sustainable basic materials fibres and plastics.

We are an internationally operating group of companies with headquarter in Heilbronn. Marbach employs 1,600 people at 20 locations worldwide.

With its die-cutting technology and toolmaking, the company group is an important partner for the global packaging industry.

→ More details about the history:  
[www.marbach.com/history](http://www.marbach.com/history)

### 100 years of Marbach. From a 3-man workshop to a world market leader.

100 years of Marbach. That means 100 years of innovations, performance and tool technology par excellence. In 1923, the Marbach company started as a 3-man operation in Heilbronn (Germany).

#### The founding years.

On 16 July 1923, Karl Marbach Senior and two partners founded a mechanical workshop in Heilbronn. The company's most important products were manual top knives for the regional shoe industry. After a short closure in the founding year, the business resumed after three months. In response to an enquiry from an advertising material factory, Marbach Senior began producing steel rule dies in 1926.



Workshop around 1925.

#### The war years 1941-45.

In 1944, the company building in Heilbronn was partially hit during an air raid and the production was relocated for a short time. After the war, the company was able to move back to Heilbronn. In 1955, the second generation joined the company with Karl Marbach Junior.



Workshop around 1939.

#### Milestone Laser introduction.

In 1972, a major milestone for Marbach followed: the investment in the first CNC-controlled CO<sub>2</sub> laser cutting system for cutting-die production in Europe. The introduction of this technology was a quantum leap in diemaking and brought Marbach the market leadership in Europe, which the company could also consolidate in the following years as an innovation leader.



Building 70s.



# PRESENTATION OF THE MARBACH COMPANY.

## OUR COMPANY HISTORY.



### Trade fair participation as a success factor for growth.

In 1977 Marbach exhibited for the first time at a leading international trade fair: The drupa in Düsseldorf.

This trade fair still accompanies Marbach today as an important leading trade fair, as does the international plastics trade fair K.



Exhibition booth drupa 1977.

### Technologies, innovations and patents: Marbach sets market standards.

Over the years, Marbach has introduced numerous technologies and innovations to the market, many of which remain standards in the industry today. These include mpower, marbastrip, the crease-plate-die and the greenplate. The list of Marbach innovations is long and getting longer all the time. With the CONNECT|M solutions, Marbach is gearing up for Industry 4.0.



Digital system solution CONNECT|M.

### Since 1984 - Expansion and internationalisation: The Marbach Network.

Internationalisation began in 1984 with a shareholding in the company Arden Dies in Stockport (England). Today the Marbach Group consists of more than 20 production and sales subsidiaries as well as joint ventures and franchising partners.



Marbach worldwide.

### More space and modern working: The new buildings.

The Marbach Group is constantly growing. Over the years, this growth repeatedly led to cramped conditions in the existing buildings and thus to the need for new buildings. It began with the reconstruction of the building in Heilbronn's Fögerstraße, after the Second World War. After that, new constructions took place at the current location from 1963 onwards. However, investments have not only been made in Heilbronn over the past decades, but also at the international locations. Modern buildings and technology are a success factor in the future orientation of the company and for more sustainability.

# PRESENTATION OF THE MARBACH COMPANY.

## OUR COMPANY HISTORY.



### Three generations: The family business.

The secret of the Marbach company's success is linked to the Marbach family and to the people who founded, expanded and made this company successful. Those whose tireless commitment and wealth of ideas have ensured the company's continued existence even in times of crisis. The family behind the company, who for three generations have done everything to ensure that the company becomes, is and remains successful.

Karl Marbach Senior



Karl Marbach Junior



Peter Marbach



**All three generations – from Karl Marbach Senior, to Karl Marbach Junior, to the current Owner and Managing Director Peter Marbach – have one thing in common: their foresight to recognise the changing times and to act accordingly.**

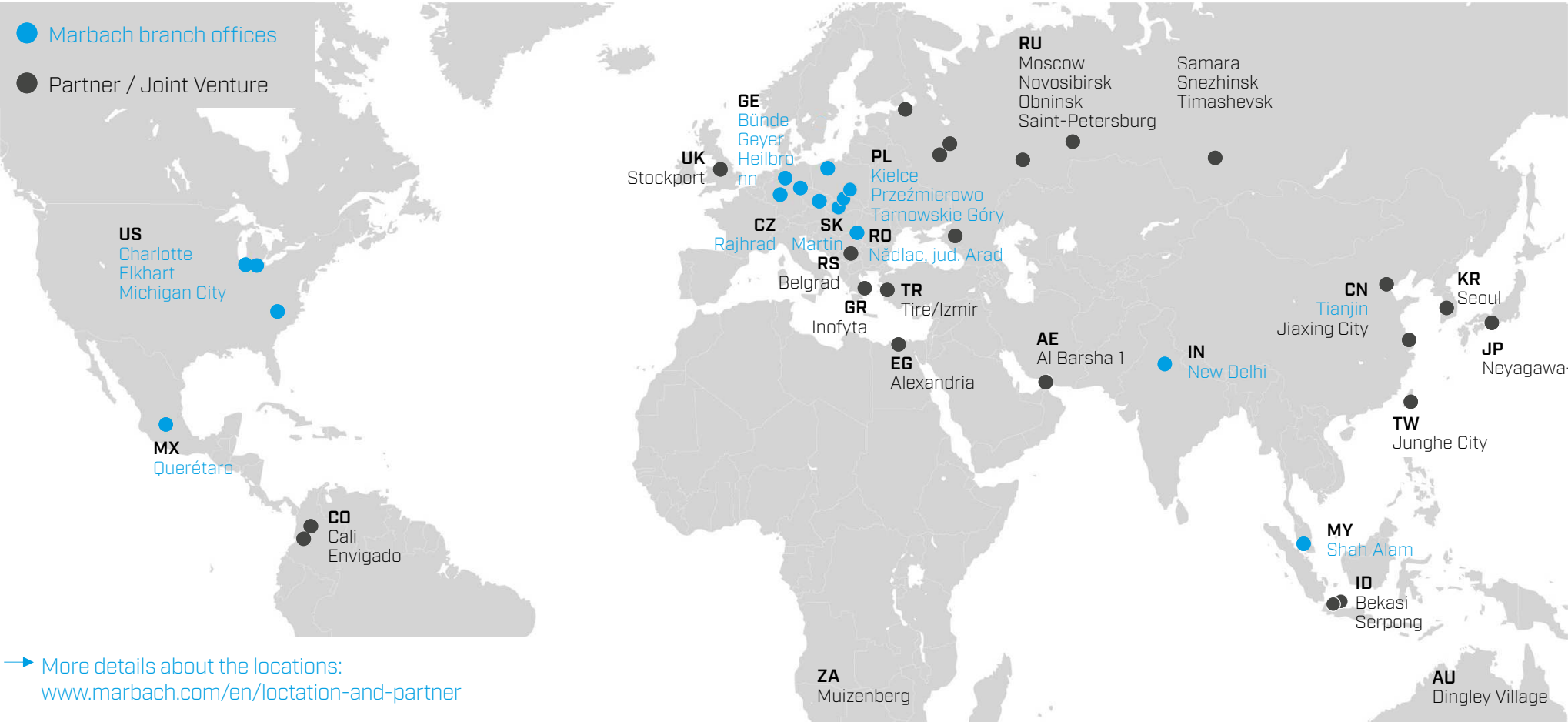
**With these virtues, the three generations of the Marbach family have turned the company from a small craftsman's business into what it is today:**

A world market leader in the production of tools  
for the packaging industry.

→ More details about the history:  
[www.marbach.com/history](http://www.marbach.com/history)

# PRESENTATION OF THE MARBACH COMPANY.

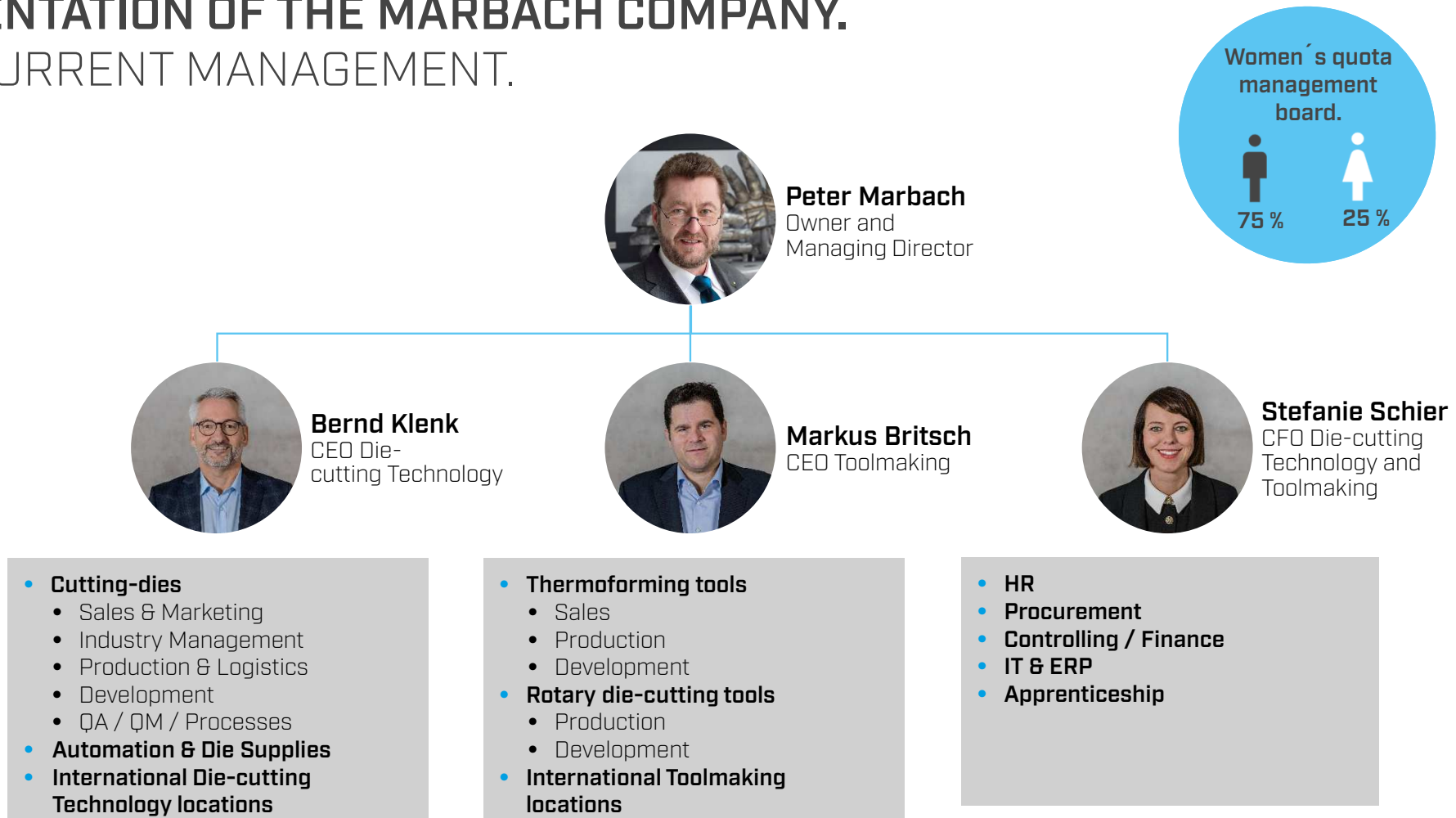
## OUR LOCATIONS.



➔ More details about the locations:  
[www.marbach.com/en/location-and-partner](http://www.marbach.com/en/location-and-partner)

# PRESENTATION OF THE MARBACH COMPANY.

## OUR CURRENT MANAGEMENT.





# PRESENTATION OF THE MARBACH COMPANY.

## OUR BUSINESS MODEL.



### **The Marbach Die-cutting Technology ...**

supplies the global packaging industry and its partners with tools for packaging production (die-cutting tools, stripping tools, blanking tools, embossing tools) as well as machines, materials and services related to die-cutting.

### **The Marbach Toolmaking...**

supplies the global packaging industry with thermoforming tools to produce cups, lids and menu trays made of plastic, composite materials and fibres. The portfolio also includes various thermoforming services as well as Form, Fill & Seal (FFS) and high-precision special applications.

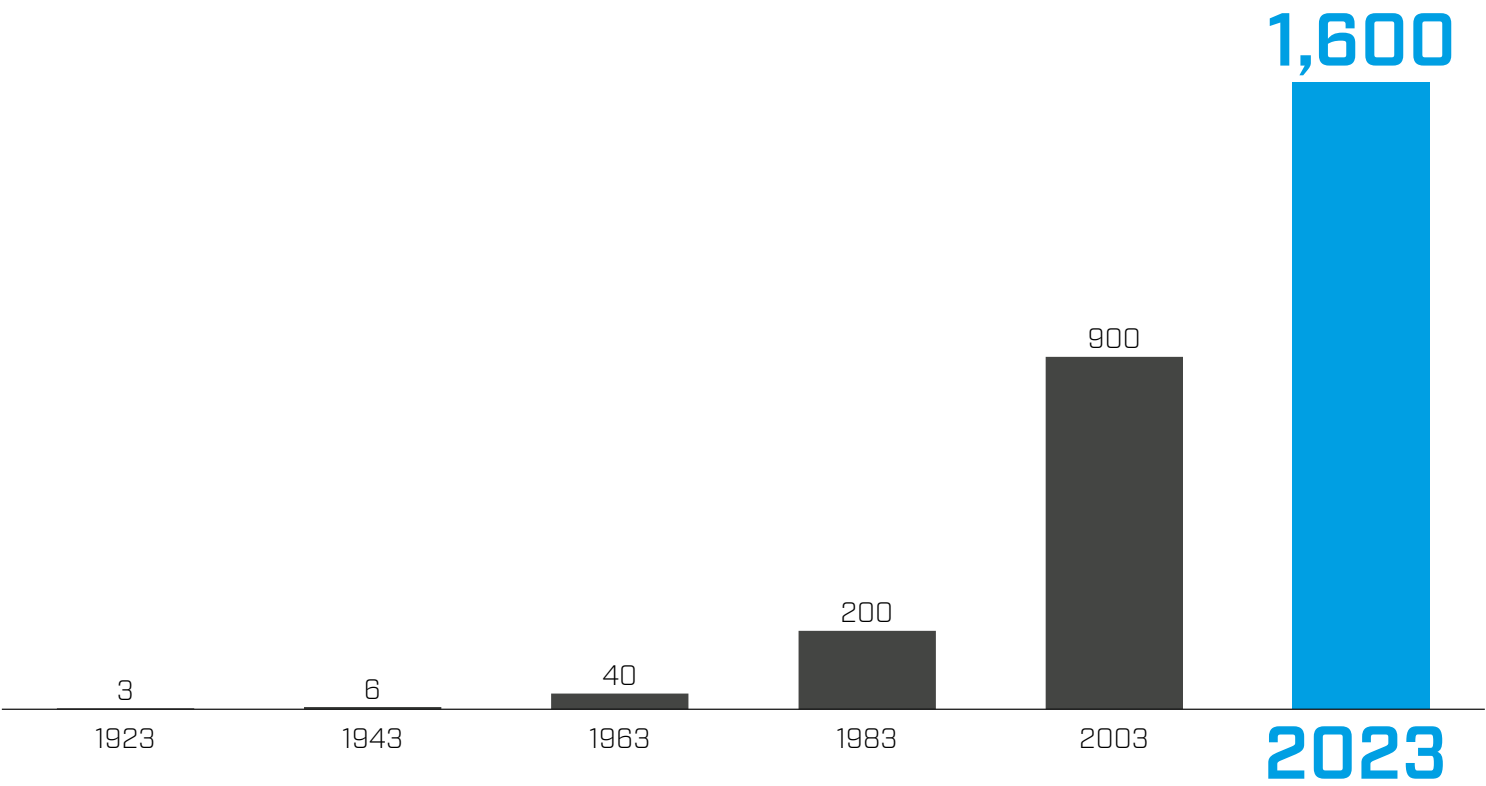
### **What sets us apart.**

We supply our customers not only with tools, but also with services related to die-cutting and thermoforming of packaging. We inspire with technologies and solutions that demonstrably generate customer benefits and bring our customers maximum performance in the production of their packaging.

# PRESENTATION OF THE MARBACH COMPANY. OUR EMPLOYEES.



Development of the employee numbers.



Worldwide

**1,600**

Die-cutting Technology: 1,350  
Toolmaking: 250

---

Germany

**800**

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Heilbronn total

**650**

Die-cutting Technology: 460  
Toolmaking: 190

# SUSTAINABILITY AT MARBACH. OUR VISION AND MISSION.



## We are leaders in the field of sustainability.

We understand this claim to mean that environmental and climate protection as well as resource efficiency are motivation for us in our daily work. When developing new products and operating production facilities, we make sure that all impacts on the environment and climate is kept as low as possible. Climate change affects us all: Our goal is to avoid negative impacts on the environment and climate as well as to reduce greenhouse gas emissions – at our own sites, throughout the supply chain and at our customers' sites. In doing so, we are contributing to the implementation of the Paris Climate Agreement and to the achievement of the specific UN Sustainable Development Goals: **SDG 4 - quality education, SDG 7 - affordable and clean energy, SDG 8 - decent work and economic growth, SDG 9 - industry, innovation and infrastructure, SDG 12 - responsible consumption and production, and SDG 13 - climate action.**

In terms of sustainability in the social sphere, we see ourselves as an active member of society and get involved in a wide variety of ways. We bear responsibility for our employees, their families and our partners at all Marbach Group locations worldwide. We are also involved in a wide range of social projects.



With the defined measures, we want to optimise ourselves step by step on all levels of sustainability in the future and contribute to ensuring that our company, our employees, our country, our society and our environment can develop in a positive way.

# SUSTAINABILITY AT MARBACH.

## ECOVADIS RATING 2023.



**As a company with more than 100 years of history, sustainability is of fundamental importance to us.**

In order to not only put our sustainability activities into practice, but also to have them assessed by an independent body, we underwent an audit by EcoVadis – and successfully passed with a silver medal.

We are delighted that our work has been recognised by EcoVadis!

**About EcoVadis**

EcoVadis is an independent, global provider of corporate sustainability assessments. EcoVadis conducts comprehensive assessments in the areas of environment, labour and human rights, ethics and sustainable procurement.



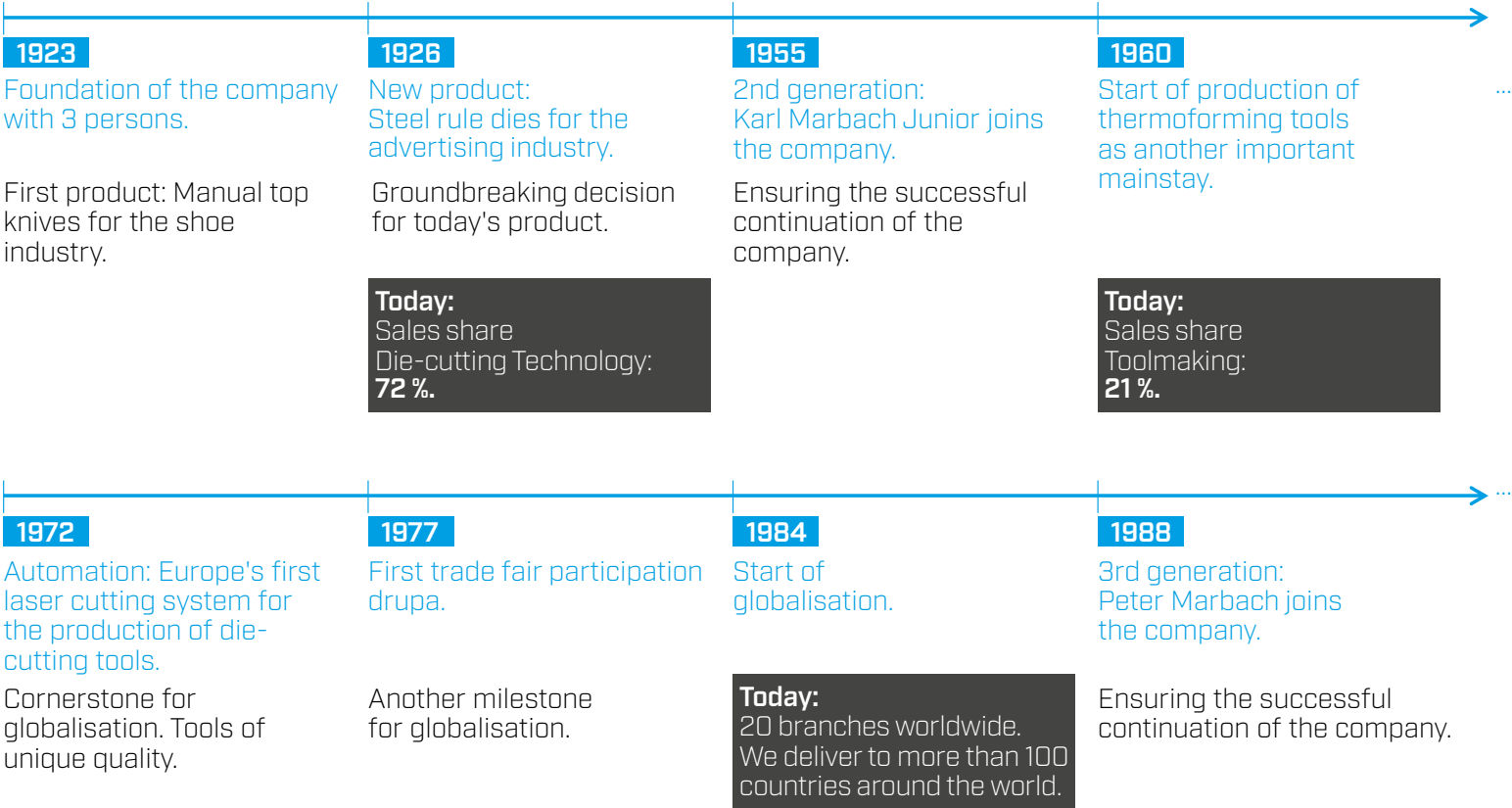
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# SUSTAINABILITY AT MARBACH.

## OUR ECONOMIC MILESTONES 1/2.



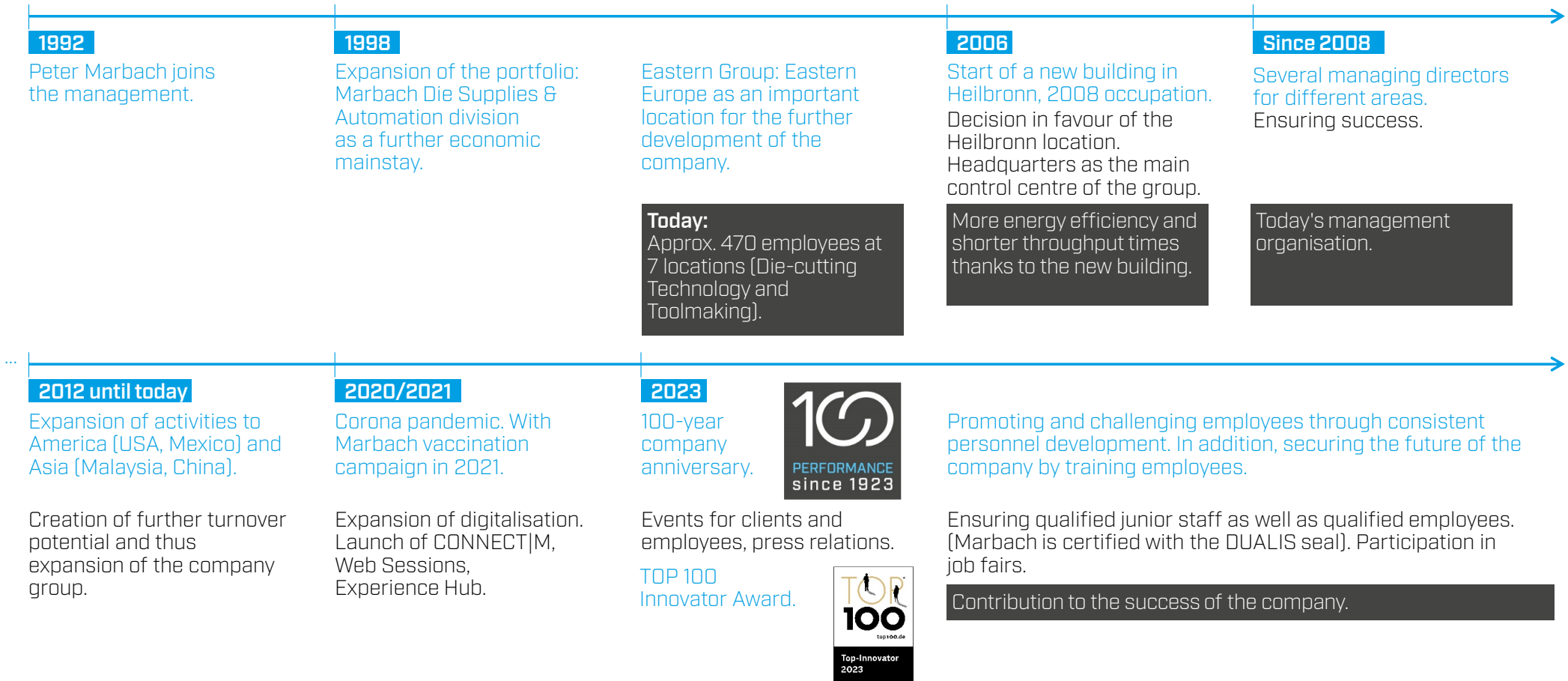
**How did it all begin?**  
 The Marbach company was founded in the worst possible times: 1923 was the height of hyperinflation. Shortly after launching the company, it had to close again due to the poor economic situation, only to open again three months later. Over the decades until today there have been numerous challenges for the company. Through prudent and sustainable decisions, which always considered the development of the company's size – especially when setting up the management structure – the company was able to grow healthily to its current size and market position. During this time, numerous milestones were achieved in the most diverse areas of sustainability: **Economic, ecological and social.**





# SUSTAINABILITY AT MARBACH.

## OUR ECONOMIC MILESTONES 2/2.



# SUSTAINABILITY AT MARBACH.

## OUR ECOLOGICAL MILESTONES 1/2.



**As of 2006**

New buildings at numerous locations. Improved working environment, energy & CO<sub>2</sub> savings. Future-orientated energy, lighting and air-conditioning concepts, investments in highly efficient units such as central ventilation, vacuum and cooling systems and a modern vehicle fleet.

Energy efficiency.

**2008**

Heilbronn: Concrete core temperature control.  
Heilbronn: Solar cells for energy generation.

**2009**

Application for the trademark **marbagreen** at the European Union Intellectual Property Office (EUIPO). Path to a green and sustainably successful future was launched.

**2012**

Heilbronn Declaration. Sustainability as the main theme of drupa.

Start of the intensive examination with the topic of sustainability.

**2013**

First CSR report based on the Heilbronn Declaration. Eco Scouts (energy saving).

**2018**

First E-vehicle in the Marbach fleet.

**2020**

Energy audit according to DIN-EN 16247-1. Identified potential for saving and efficient use of energy is exploited. Residual materials are separated, collected and professionally recycled or disposed of by certified specialist companies. ALBA-CO<sub>2</sub> certificates per year.

# SUSTAINABILITY AT MARBACH.

## OUR ECOLOGICAL MILESTONES 2/2.



Photovoltaic plant in Romania.

### 2023

Sustainability project in the Marbach Group.  
Definition of the climate targets and creation of the materiality matrix.

Global Compact.  
Signature.

#### WE SUPPORT



CDP rating.  
Result c+.

EcoVadis rating.  
Silver status.



LED lighting.  
Heilbronn Die-cutting Technology.

### Preview 2024

Energy project Heilbronn.  
In the future, mechanical refrigeration will be used for cooling people and processes instead of (heating) heat from gas burners.

Photovoltaics (Toolmaking).  
Photovoltaic systems are to be installed in Poland.

LED lighting.  
Heilbronn Toolmaking.

Insulation (thermal insulation).  
Roof of the Toolmaking building.

E-Mobility.  
5 new charging stations with 10 charging points at the Die-cutting Technology building in Heilbronn.  
Expansion of the E-fleet.

# SUSTAINABILITY AT MARBACH.

## OUR SOCIAL MILESTONES 1/3.



**1928**

Start of training for young people.

**Since 2006**

Every 2 years, a staff party is held with the family [Family Day].  
Group-wide, decentralised organisation.

**Since 2017**

Holding a winter village on the last working day before Christmas.  
Heilbronn.

**Today**

42 apprentices/students in 11 professions/study courses.

**Today**

Number of participants Heilbronn approx. 1,200 people.

**Today**

Number of participants: approx. 350-400 people.

**2023**

Renewed certification by IHK-Heilbronn with the DUALIS seal.

**2023** Large anniversary celebration for Marbach employees from Heilbronn including family members with around 1,800 guests.

**Since 2023**

Marbach After Work 1x per month, approx. 250 participants - e.g. bowling, mini golf, visit to Experimenta,...



# SUSTAINABILITY AT MARBACH.

## OUR SOCIAL MILESTONES 2/3.



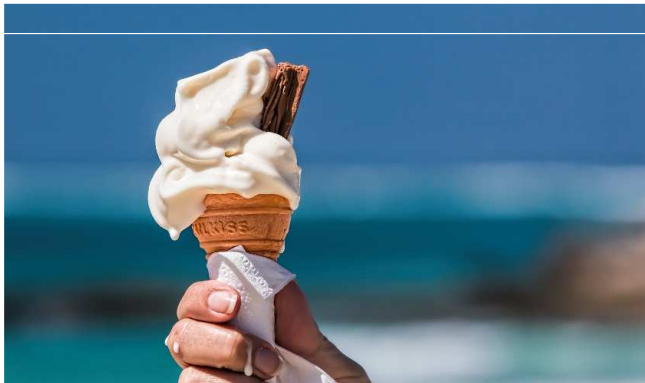
### 2023

#### Summer ice cream campaign.

Ice cream freezers in a central location in the company for self-service. The campaign takes place regardless of the weather.

#### 2023 – the anniversary year.

- 100-year company anniversary.
- 95 years of education.
- 25 years of FIT proposals and Marbach information events.
- 10 years of DUALIS certification.



### Preview 2024

#### After work events.

Various after work events.

- Bowling evening.
- Laser tag.
- Black light mini golf.
- Event at the location “Alte Reederei”.
- Soccer EURO 2024: Public Viewing.







# SUSTAINABILITY AT MARBACH.

## OUR SOCIAL MILESTONES 3/3.

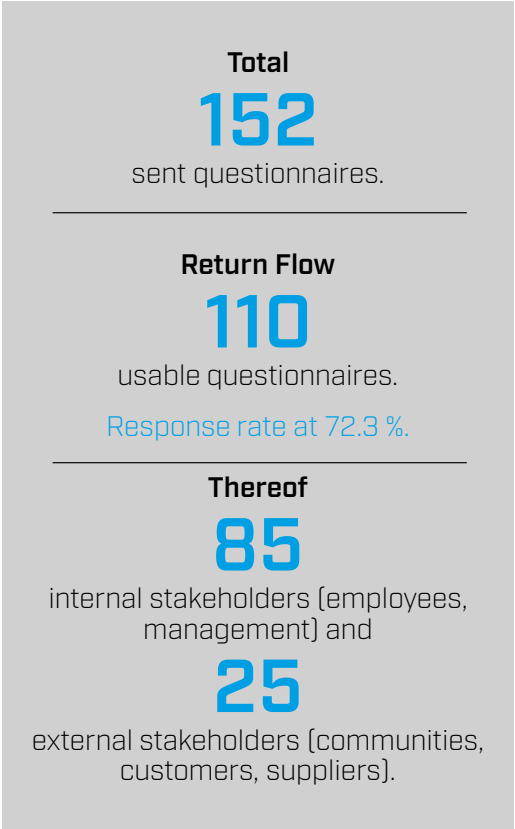


Slovakia: Campaign "Cycle to work".	Since 2002. Fruit Week every 2 months.	Families Ukraine - Accommodation in Heilbronn.	FIT Programme. Award "Fit Proposal of the Year".	1997 Introduction MBS. Employees receive bonuses depending on the company's success.	Sponsoring Employees: participation in sporting events (Trollinger Marathon, Stimme Firmenlauf, ...).
Actions with schools and kindergartens.	Leadership tools: Leading with goals, NTT, leadership training.	Since 2017. Job bike.	Cooperation with health insurance companies and corresponding campaigns and health courses.	Monthly After Work activities for employees.	Award for employees who recruit new employees.
Kita Kinderbunt: 4 places for employees' children in Heilbronn.	Donation for various organisations.	Discounted leasing hardware for employees.		Advantage purchasing programme for employees: Corporate Benefits.	Global soccer tournament: "Marbach Cup".
	Trainee project: „Planting trees“.	Trainee project: EcoScouts.	Support Lions Club.		

# SUSTAINABILITY AT MARBACH.

## OUR SUSTAINABILITY CLAIM: MATERIALITY ANALYSIS.

In order to identify the ecological, economic and social challenges that are particularly important for the future development of the company, we conducted a materiality analysis in 2023. The target group of the survey were internal and external stakeholders. With the help of an online questionnaire, we asked them to assess the relevance of key topics.



# SUSTAINABILITY AT MARBACH.

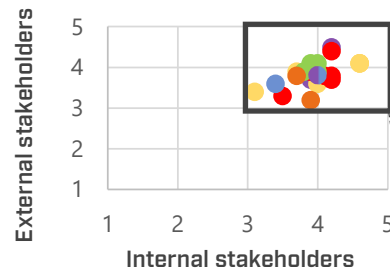
## OUR SUSTAINABILITY AMBITION: MATERIALITY ANALYSIS.



### Our Marbach Materiality Matrix.

Based on the different interests and assessments of the stakeholder groups (external view) as well as the assessment of the effects of the business activities (internal view) on the topics, a matrix was created. This forms the basis for the Marbach Group's future sustainability strategy and the corresponding sustainability programme. With the materiality matrix, we define the relevance of various topics for the future design of our sustainability strategy and sustainability measures until 2028.

The main topics are those that have been identified as MUST topics for the majority of stakeholders, as well as 2 additional topics that have been identified as MUST topics by the company.



1 = Not material  
3 = Material  
5 = Top priority



# SUSTAINABILITY AT MARBACH.

## OUR STRATEGIC CORPORATE GOALS UNTIL 2028.



### Our strategic corporate goals and aspirations/claims.

In our materiality matrix, we have formulated the topics on which we want to focus strongly by 2028. From this, we have derived corresponding goals. For a structured and goal-focused approach, we have quantified the goals we set and translated them into corresponding KPIs. Based on these KPIs, we will define measures to achieve the goals and regularly monitor the success of the measures as well as the degree of goal achievement on a regular basis.



# SUSTAINABILITY AT MARBACH.

## OUR STRATEGIC CORPORATE GOAL OF SUSTAINABILITY: FOCUS TOPICS.



**Our final list of prioritised topics that we will work on with a strong focus until 2028.**

1	<b>Compliance with legal framework conditions and guidelines</b>	The Marbach Group respects and complies with national and international legislation in all areas of the company, as well as with the company's own guidelines and codes, such as the CoC or CoC for Suppliers. It prepares itself for upcoming legislation.
15	<b>Compliance with human rights in the Marbach Group</b>	In its own company, the Marbach Group ensures compliance with the UN human rights principles.
4	<b>Development of innovative and sustainable tools (incl. processing of sustainable materials)</b>	The Marbach Group focuses on the development of new tools and technologies with the potential to realise sustainable improvements in the customer's manufacturing environment (e.g., efficiency and productivity increases, energy savings, reduction and optimisation of material usage). This includes the innovative solutions that enable the customer to process new materials such as bioplastics, recycled plastics, monomaterials, fibre-based materials with high recycled content and alternative materials.
5	<b>Development of innovative and sustainable services</b>	The Marbach Group focuses on the development of new services and smart services with the potential to realise sustainable improvements in the customer's manufacturing environment (e.g., efficiency and productivity increases, energy savings, reduction and optimisation of material usage).
16	<b>The reduction of GHG emissions including the increase of energy efficiency</b>	Reducing the CO <sub>2</sub> footprint at company level, including the supply chain, is a central goal of the Marbach Group. Ambitious targets across all three scopes will be set with a climate strategy. In relation to the entire company, the Marbach Group will not increase the consumption of energy per m <sup>2</sup> and employee through intelligent energy management. The focus will be on CO <sub>2</sub> -neutral energy consumption.
13	<b>Talent Attraction</b>	Retaining knowledge carriers in the company and bringing new innovative minds into the company, is an important issue for the Marbach Group. The company is actively working to strengthen its employer branding and to be an attractive employer for both existing employees and future professionals.



# SUSTAINABILITY AT MARBACH.

## IMPLEMENTATION OF THE FOCUS TOPICS.



Our sustainability targets and KPIs for topics **1** and **15**.

Our aspiration  
for 2028:

**We are leaders in  
sustainability.**

We have translated this into the  
following overarching goals for the  
sustainability strategy pillar.



- 1** Compliance with legal framework conditions and guidelines.
- 15** Compliance with human rights in the Marbach Group.

### GOALS:

- We actively protect labour and human rights in the Marbach Group.
- We are up-to-date in the implementation of legal framework conditions and guidelines.
- We demand and promote compliance-compliant behaviour within and outside the Marbach Group.
- Implementation of whistleblower channel in 2023.

### WE ACHIEVE THIS THROUGH:

- Training on company guidelines such as CoC or CoC for Suppliers.
- An assessment of the human rights performance of the Marbach Group's most important suppliers.
- The active communication of our whistleblower channel.

### OUR KPIs:

- Number of compliance incidents.
- Number of reports whistleblower channel.



**SDG 8,7 & 8,5**

# SUSTAINABILITY AT MARBACH.

## IMPLEMENTATION OF THE FOCUS TOPICS.



Our sustainability targets and KPIs for topics 4 and 5.

Our aspiration  
for 2028:

**We are leaders in  
sustainability.**

We have translated this into the  
following overarching goals for the  
sustainability strategy pillar.



- 4 Development of innovative and sustainable tools (incl. processing of sustainable materials).
- 5 Development of innovative and sustainable services.

### GOALS:

- We create value for our customers through innovative and sustainable products and services.
- We drive product and process innovation to optimise the product life cycle.

### WE ACHIEVE THIS THROUGH:

- Intensive cooperation with our customers.
- Transparent communication – internally and externally.
- Joint projects with our customers to develop new, innovative products.
- Increased range of services to increase resource efficiency.

### OUR KPIS:

- Number of innovation ideas per year.
- Number of roll-outs of new products per year.
- Number of FIT proposals per year.



SDG 9,4



SDG 12,5

# SUSTAINABILITY AT MARBACH.

## IMPLEMENTATION OF THE FOCUS TOPICS.



Our sustainability targets and KPIs for topic **13**.

Our aspiration  
for 2028:

**We are leaders in  
sustainability.**

We have translated this into the  
following overarching goals for the  
sustainability strategy pillar.



### **13** Talent Attraction.

#### **GOALS:**

- We want to position the Marbach Group as an attractive employer for the future.
- We want to promote talents.
- We want to keep knowledge carriers in the company and attract new innovative minds to the company.

#### **WE ACHIEVE THIS THROUGH:**

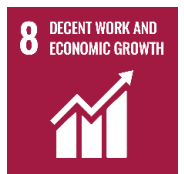
- Strengthening our employer branding.
- Developing a talent management process by the end of 2023.
- Targeted talent development.
- Improving our staff fluctuation rate.
- Strengthening the personal responsibility of our employees.

#### **OUR KPIS:**

- Health rate.
- Staff fluctuation rate.
- Number of training courses.
- Number of annual employee appraisals.
- Number of apprentices.



**SDG 4,7**



**SDG 8,5**

# SUSTAINABILITY AT MARBACH.

## IMPLEMENTATION OF THE FOCUS TOPICS.



### Our sustainability targets and KPIs for topic 16.

Our aspiration  
for 2028:

We are leaders in  
sustainability.

We have translated this into the  
following overarching goals for the  
sustainability strategy pillar.

#### 16 The reduction of GHG emissions including the increase of energy efficiency

**GOALS:**

- As the Marbach Group, we make our contribution to achieving the Paris climate goals.

**WE ACHIEVE THIS THROUGH:**

- A reduction in GHG emissions in all three scopes and an associated increase in energy efficiency.
- Joining the SBTi Near Term Targets by 2030.
- Savings in Scopes 1, 2 and 3.
- An increase in the annual share of electricity from renewable energy sources.

**OUR KPIS:**

- Amount of emissions saved in Scope 1+2 (base year 2022).
- Amount of emissions saved in Scope 3 (base year 2022).
- Proportion of electricity from renewable sources.



SDG 13,1



SDG 7,2

# SPECIFIC GOALS IN THE ENVIRONMENT PILLAR.

## OUR GOALS, MEASURES AND KPIS 1/2.



Our main focus in the environment pillar is to reduce emissions and increase resource efficiency in order to make our contribution to achieving the Paris climate targets. In 2023, we will join SBTi and reduce emissions in Scope 1 + 2 by 42% and Scope 3 by 25% by 2030. Our specific key figures:



### CO<sub>2</sub> emissions.

#### Reduction of carbon dioxide emissions.

**📌 We are reducing our Scope 1+2 emissions by 10% from the base year 2022 to 2025.**

- By using LED-lighting, we will achieve a reduction of approximately 5% in total electricity consumption by 2025.
- Through additional photovoltaic installations, we will increase the share of renewable energies by 20 % by 2025.

- Electricity savings in %.

- Renewable energy/electricity in %.

**📌 We reduce fossil gas consumption by 10% from the base year 2022 to 2025.**

- Measures in all locations to reduce of a further 10 % fossil gas by 2025.

- Fossil gas savings in %.

#### Reduction of energy consumption.

**Identify further opportunities to increase energy efficiency.**

- Preparation of a list of measures for the production sites by the Sustainable Production Team in 2024. Based on this, an implementation plan is adopted for each participating site by Q4 2024.

- Implementation plan per site based on the identified measures.

- Monitoring the progress of implementation.

**Projects for energy-saving measures.**

- In 2023 and 2024, employees at all sites will be encouraged to submit proposals for energy-saving measures.

- Number of proposals submitted.



# SPECIFIC GOALS IN THE ENVIRONMENT PILLAR.

## OUR GOALS, MEASURES AND KPIS 2/2.



### Circular economy.

#### Reduction of resource consumption.

##### 📌 Reducing the amount of waste and increase recycling rates.

- In 2024, conduct a survey of the largest fractions and define a plan (starting with Germany and expanding to other locations).
- From 2025 to 2028, implement measures to reduce waste to increase recycling in all areas of the company.
- Saving packaging material and using reusable packaging materials.

- List of waste generation incl. action plan.
- Recycling rate across all sites (in t and %).
- Concept development.

##### 📌 No Printer Initiative (base year 2022).

- Reduction in the number of printers (unless required for legal reasons).
- Reduce the number of printers by 25 % by 2025.

- Survey of the number of printers in the Marbach baseline.
- Reduction of printers in %.

### Trainings.

#### Awareness raising.

**We want to deal consciously and sensitively with the environmental impact of our activities to strengthen the responsibility of our employees.**

- We create a multilingual training to strengthen environmental awareness in the Marbach Group by 2025.

- Completed training material.
- Number of languages offered.
- Indication of completed trainings of the staff in %.

# SPECIFIC OBJECTIVES IN THE AREA OF THE ENVIRONMENT. BIODIVERSITY AT MARBACH.



## Trainee project: “Planting trees“.

12/2023

On 13 December 2023, the Marbach trainees planted a total of 3 trees and almost 50 wild bushes on the biodiversity trail in Heilbronn.



## Field of Flowers on the Marbach site.

04/2023

In April, a new colourful field of flowers (650 m<sup>2</sup>) was created on the Marbach site in Heilbronn. This field is set to provide a living space for various useful insects.

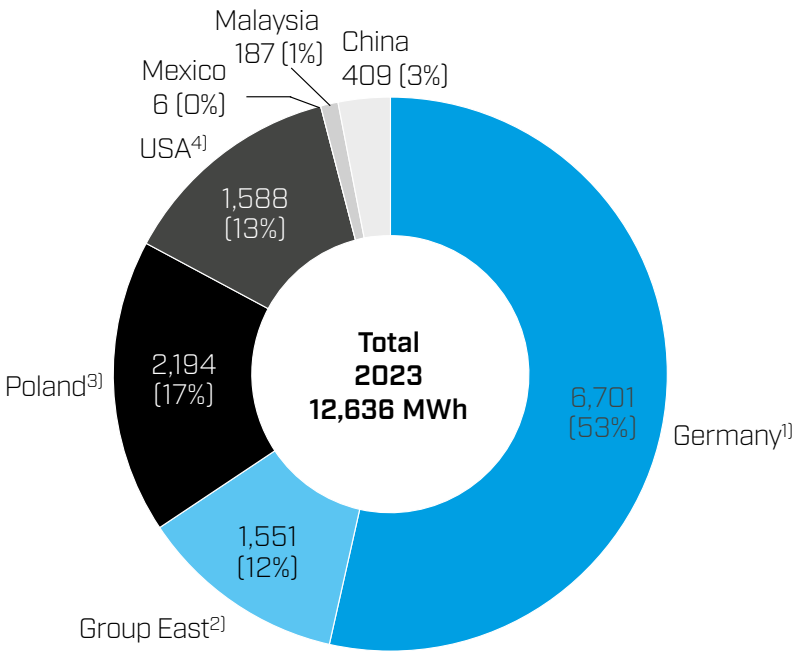


# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR ENERGY CONSUMPTION FOR ELECTRICITY.

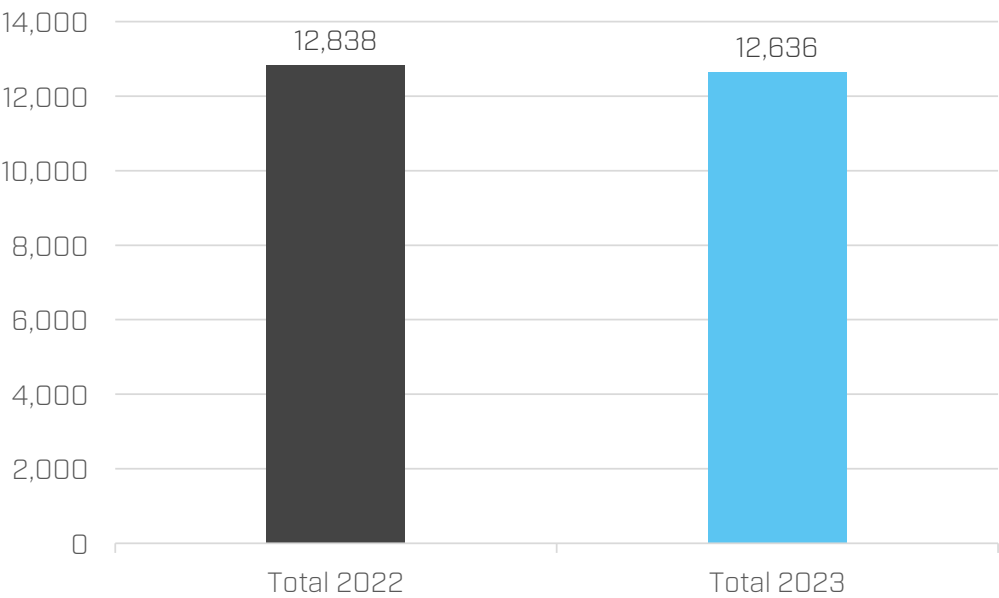


**Total electricity consumption 2023.**  
[in MWh]



1) Consolidated companies (Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer)  
2) Consolidated companies (Marbach CZ, Marbach SK, Marbach RO)  
3) Consolidated companies (Marbach Polska (TG, KI, PO), Marbach Budowa)  
4) Consolidated companies (Marbach America (NC, MC), Marbach tool & equipment)

**Comparison of total electricity consumption 2022 to 2023.**  
[in MWh]



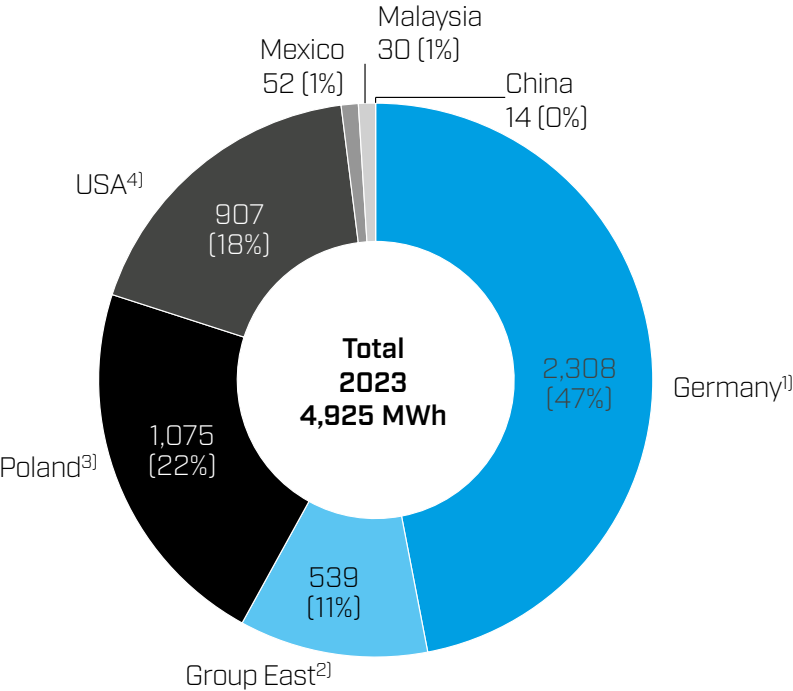
**Analysis of the change from 2022 to 2023.**  
Energy saving measures in Germany.

# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR ENERGY CONSUMPTION FOR FOSSIL FUELS.

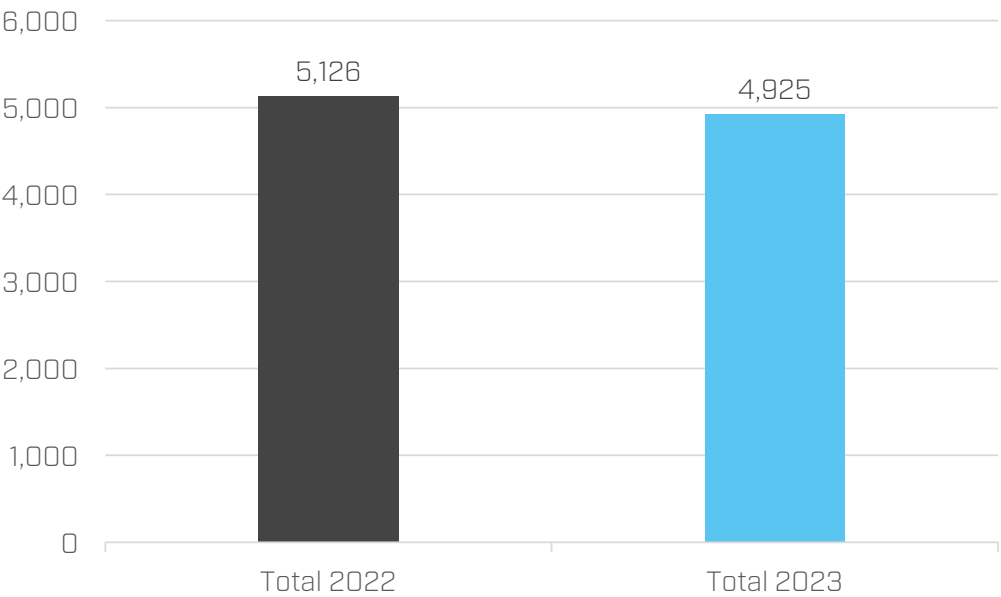


**Total fossil fuel consumption 2023.**  
[in MWh]



1) Consolidated companies (Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer)  
 2) Consolidated companies (Marbach CZ, Marbach SK, Marbach RO)  
 3) Consolidated companies (Marbach Polska (TG, KI, PO), Marbach Budowa)  
 4) Consolidated companies (Marbach America (NC, MC), Marbach tool & equipment)

**Comparison of total fossil fuel consumption 2022 to 2023.**  
[in MWh]



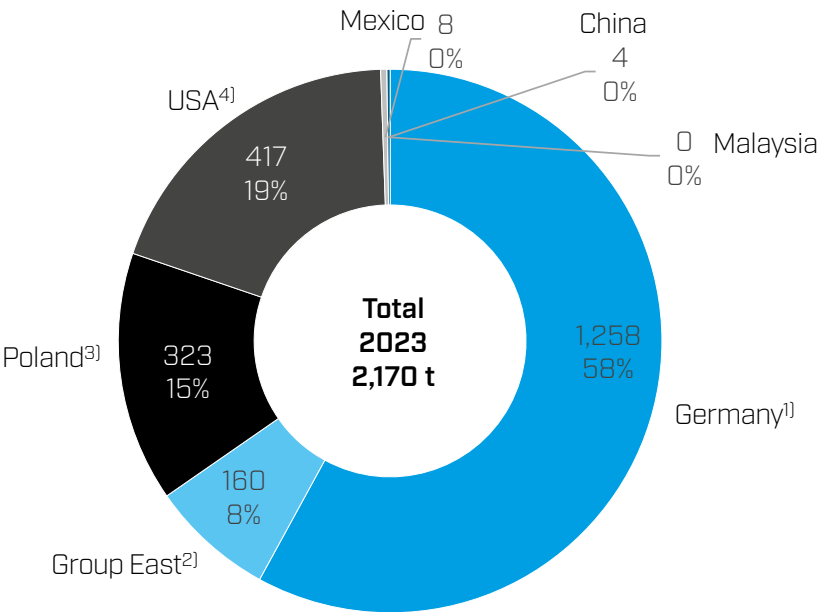
**Analysis of the change from 2022 to 2023.**  
 Lower demand for fossil fuels thanks to various energy-saving measures.

# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR TOTAL WASTE VOLUMES.

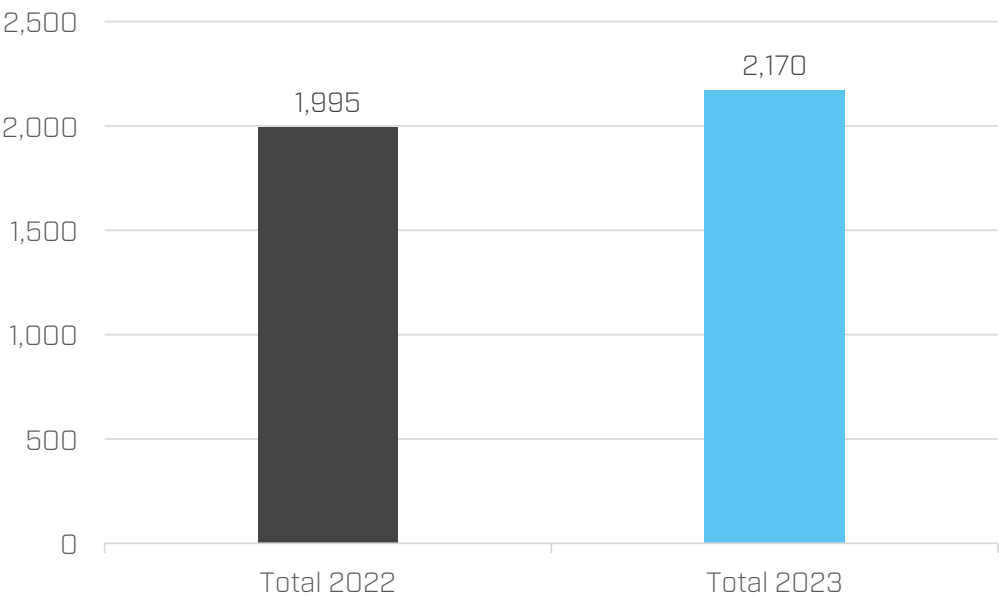


**Total waste volume 2023.**  
[in t]



1) Consolidated companies (Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer)  
 2) Consolidated companies (Marbach CZ, Marbach SK, Marbach RO)  
 3) Consolidated companies (Marbach Polska (TG, KI, PO), Marbach Budowa)  
 4) Consolidated companies (Marbach America (NC, MC), Marbach tool & equipment)

**Comparison of total waste volume 2022 to 2023.**  
[in t]



**Analysis of the change from 2022 to 2023.**  
Adjustment of total waste volumes in 2022 due to data cleansing.

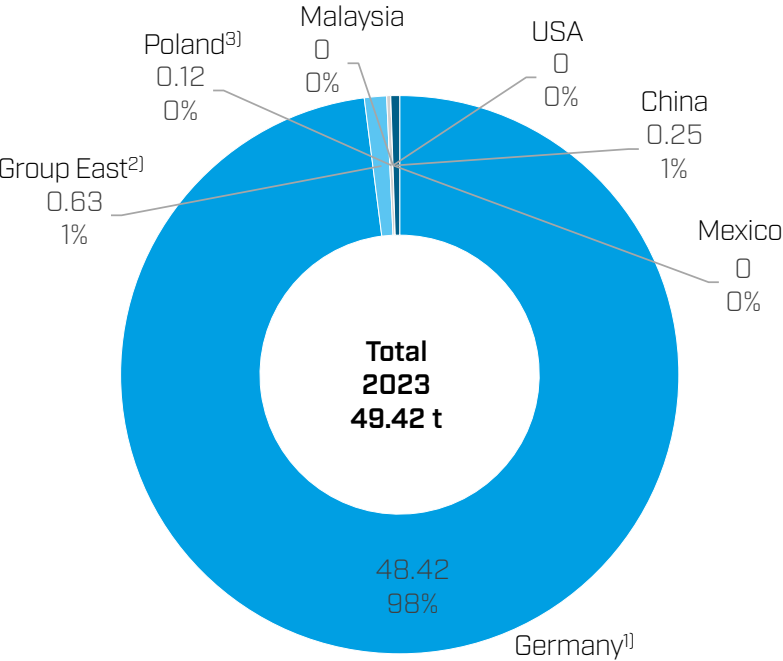


# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR TOXIC WASTE.

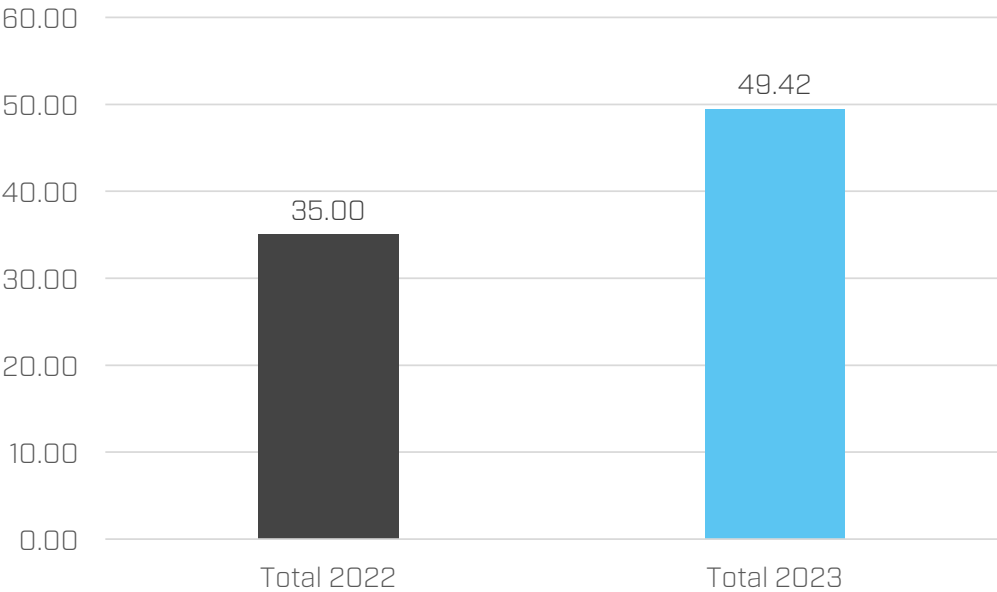


**Toxic waste quantities 2023.**  
[in t]



1) Consolidated companies [Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer]  
2) Consolidated companies [Marbach CZ, Marbach SK, Marbach RO]  
3) Consolidated companies [Marbach Polska (TG, KI, PO), Marbach Budowa]  
4) Consolidated companies [Marbach America (NC, MC), Marbach tool & equipment]

**Comparison of toxic waste volumes 2022 to 2023.**  
[in t]



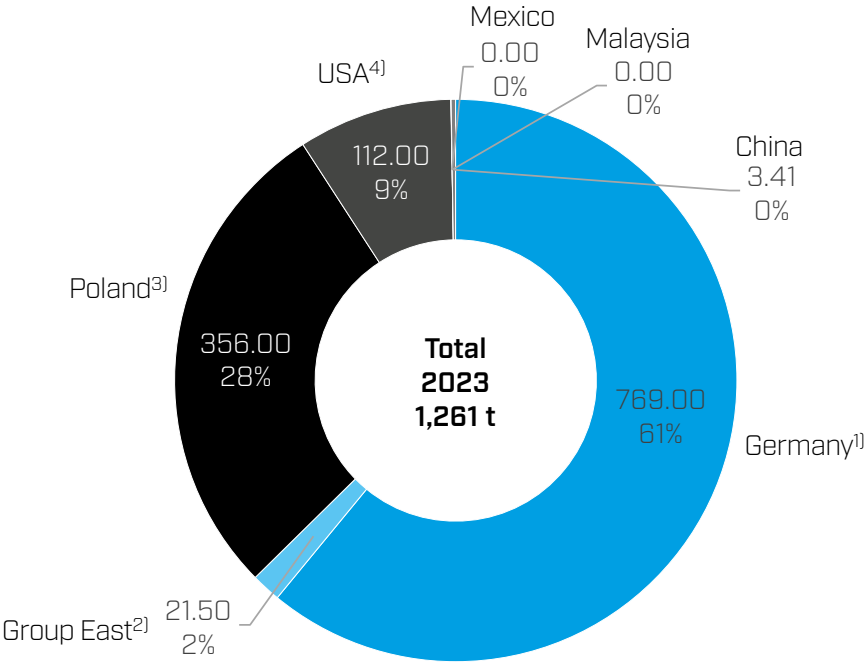
**Analysis of the change from 2022 to 2023.**  
The general replacement of cooling lubricants in all machines at the Marbach Toolmaking Heilbronn site in 2023 will greatly increase the quantities of toxic waste.

# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR RECYCLED WASTE.

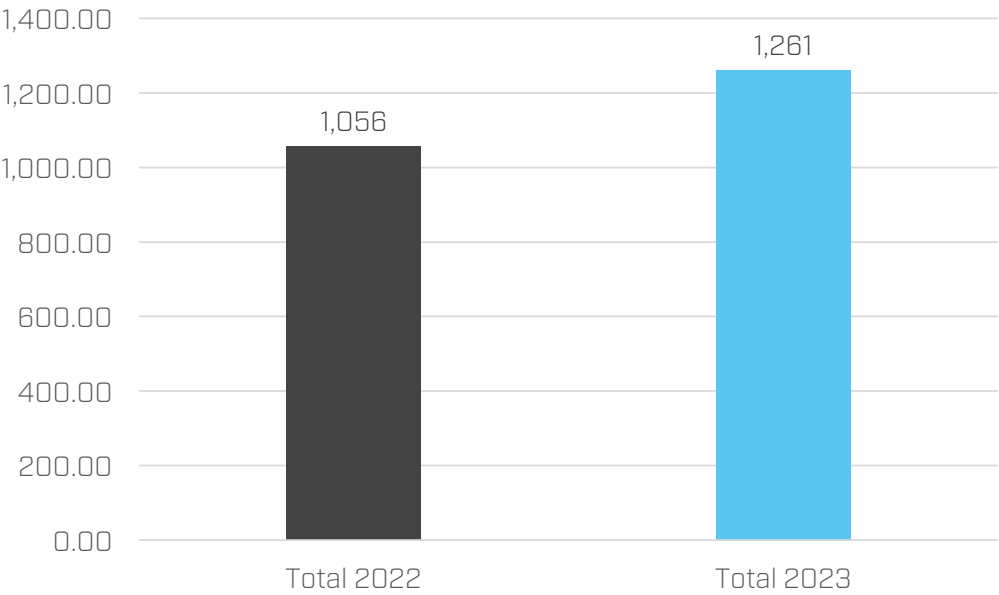


**Recycled waste quantities 2023.**  
[in t]



1) Consolidated companies (Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer)  
 2) Consolidated companies (Marbach CZ, Marbach SK, Marbach RO)  
 3) Consolidated companies (Marbach Polska (TG, KI, PO), Marbach Budowa)  
 4) Consolidated companies (Marbach America (NC, MC), Marbach tool & equipment)

**Comparison of recycled waste volumes 2022 to 2023.**  
[in t]



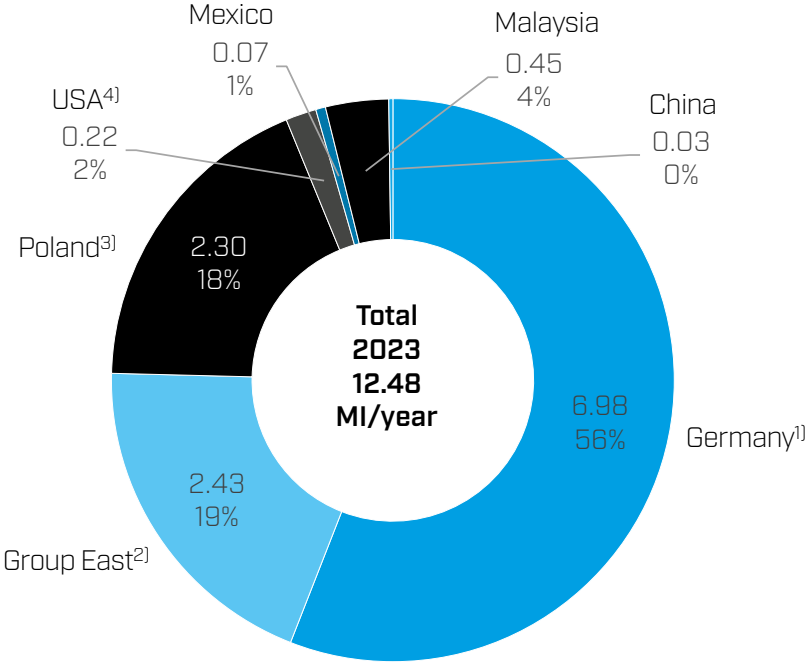
**Analysis of the change from 2022 to 2023.**  
 Adjustment of reused waste volume in 2022 due to data cleansing.  
 Increase in product areas with recyclable production waste.

# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR WATER CONSUMPTION.

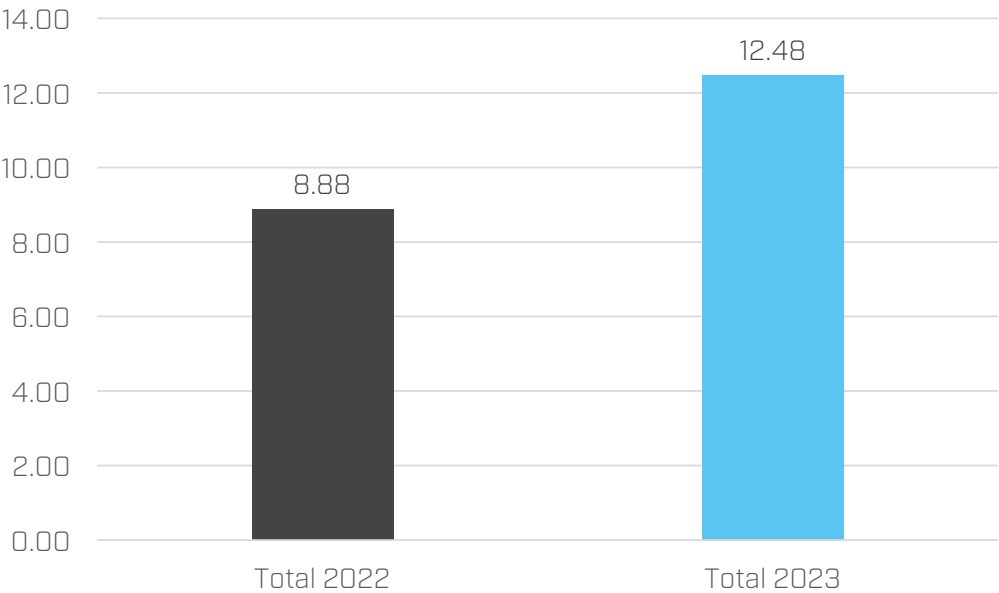


**Total water consumption 2023.**  
[in megaliters per year]



1) Consolidated companies (Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer)  
 2) Consolidated companies (Marbach CZ, Marbach SK, Marbach RO)  
 3) Consolidated companies (Marbach Polska (TG, KI, PO), Marbach Budowa)  
 4) Consolidated companies (Marbach America (NC, MC), Marbach tool & equipment)

**Comparison of total water consumption 2022 to 2023.**  
[in megaliters per year]



**Analysis of the change from 2022 to 2023.**  
 Increase in water consumption due to the irrigation of green spaces and changes in the capacity utilisation of production areas that work with water.

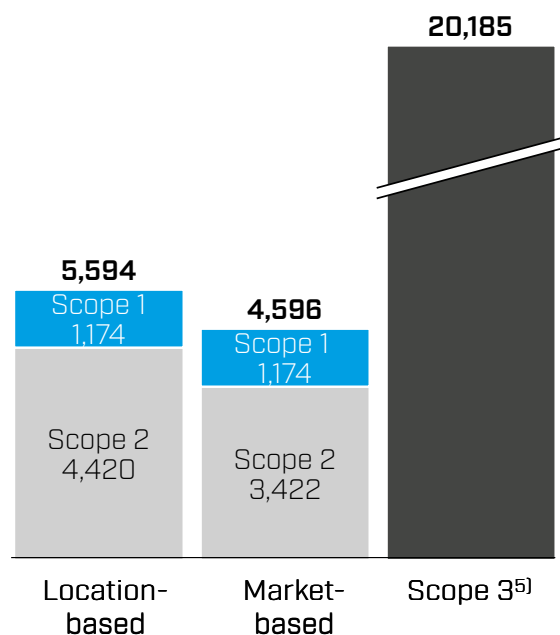
# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## OUR CO<sub>2</sub> GREENHOUSE GAS EMISSIONS IN ALL THREE SCOPES.



### Emissionen 2023.

(in t CO<sub>2</sub>e)



### Scope 1 & 2 emissions by region.

(Market-based, in t CO<sub>2</sub>e)

Land	Scope 1	Scope 2
Germany <sup>1)</sup>	506.89	1,879.50
Group East <sup>2)</sup>	134.15	251.61
Poland <sup>3)</sup>	295.34	410.57
USA <sup>4)</sup>	214.28	549.71
Mexico	12.91	2.61
Malaysia	7.66	78.91
China	3.17	248.70

1) Consolidated companies (Karl Marbach Stanzformtechnik Heilbronn, Marbach Werkzeugbau Heilbronn, Marbach in Bünde, Marbach in Geyer)

2) Consolidated companies (Marbach CZ, Marbach SK, Marbach RO)

3) Consolidated companies (Marbach Polska (TG, KI, PO), Marbach Budowa)

4) Consolidated companies (Marbach America (NC, MC), Marbach tool & equipment)

5) Calculation of the inventory with the CarbonAltDelete calculation tool.

# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

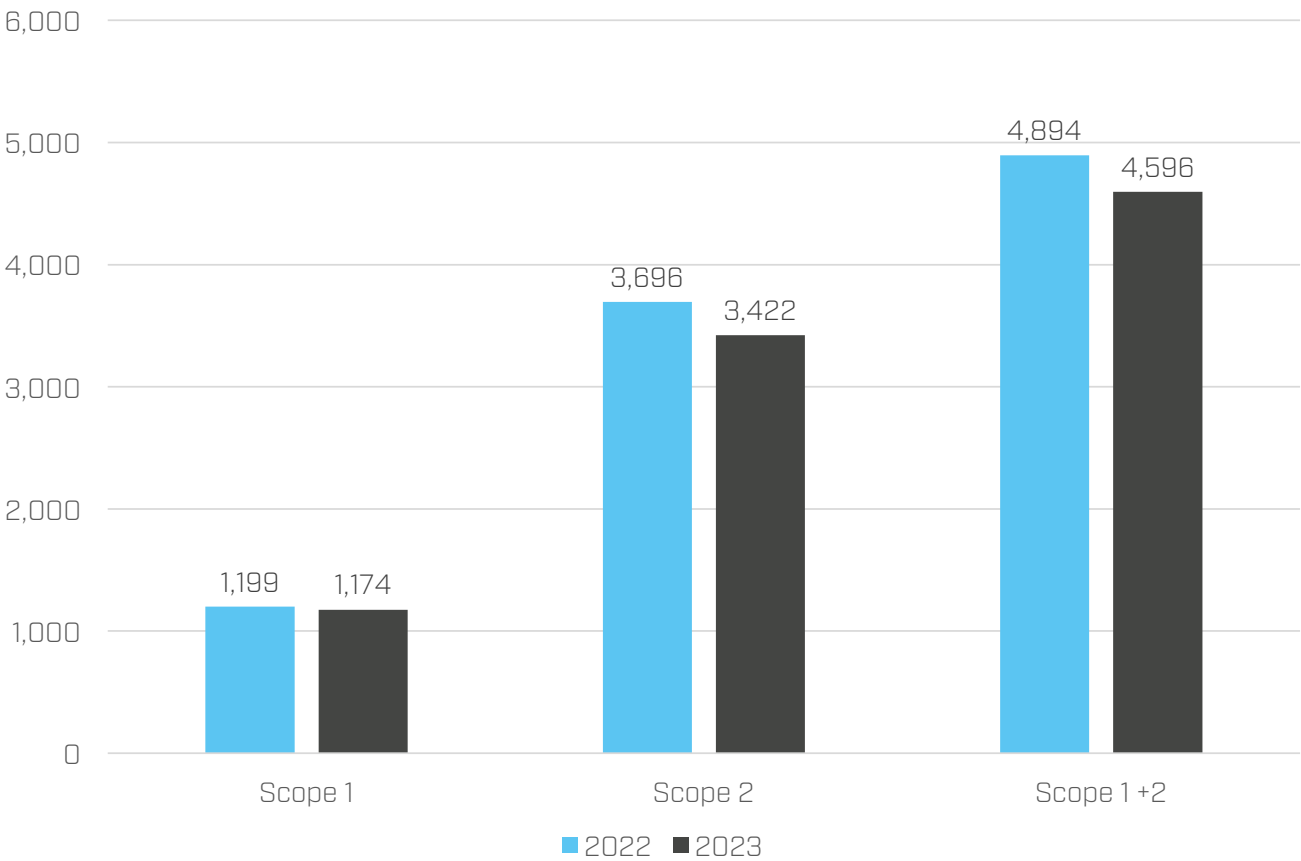
## SCOPE 1 & 2 | COMPARISON 2022/2023.



**Analysis of the change from 2022 to 2023.**

**Scope 1:**  
Saving fossil fuels through measures such as insulating buildings and e-mobility.

**Scope 2:**  
Energy savings through LED lighting and expansion of photovoltaic systems.





# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

## UPSTREAM & DOWNSTREAM EMISSIONS IN THE VALUE CHAIN.



Scope 3 Category <sup>1)</sup>	Emissions in t CO <sub>2</sub> e.
3.1 Purchased goods & services	10,790
3.2 Capital goods	2,149
3.3 Fuel and energy-related activities	261
3.4 Upstream transport	1,981
3.5 Generated waste	555
3.6 Business travel	280
3.7 Commuting of employees	835
3.8 Upstream leased assets	0
3.9 Downstream transport	1,004
3.10 Processing of sold products	0
3.11 Use of sold products	1,428
3.12 End of life cycle	903
3.13 Downstream leased assets	0
3.14 Franchises	0
3.15 Investments	0
<b>Scope 3 Total</b>	<b>20,185 t CO<sub>2</sub>e<sup>1)</sup></b>

1) The emission values only include 5 sites (Karl Marbach GmbH & Co. KG, Marbach Werkzeugbau GmbH, Marbach America Inc., Marbach in Geyer, Marbach Polska (TG, KI, PO)) - however, according to a materiality analysis, these account for at least 80 % of the total Scope 3 emissions. A survey of the other sites will follow in the next years.

# ENVIRONMENTAL KPIS 01.01. - 31.12.2023.

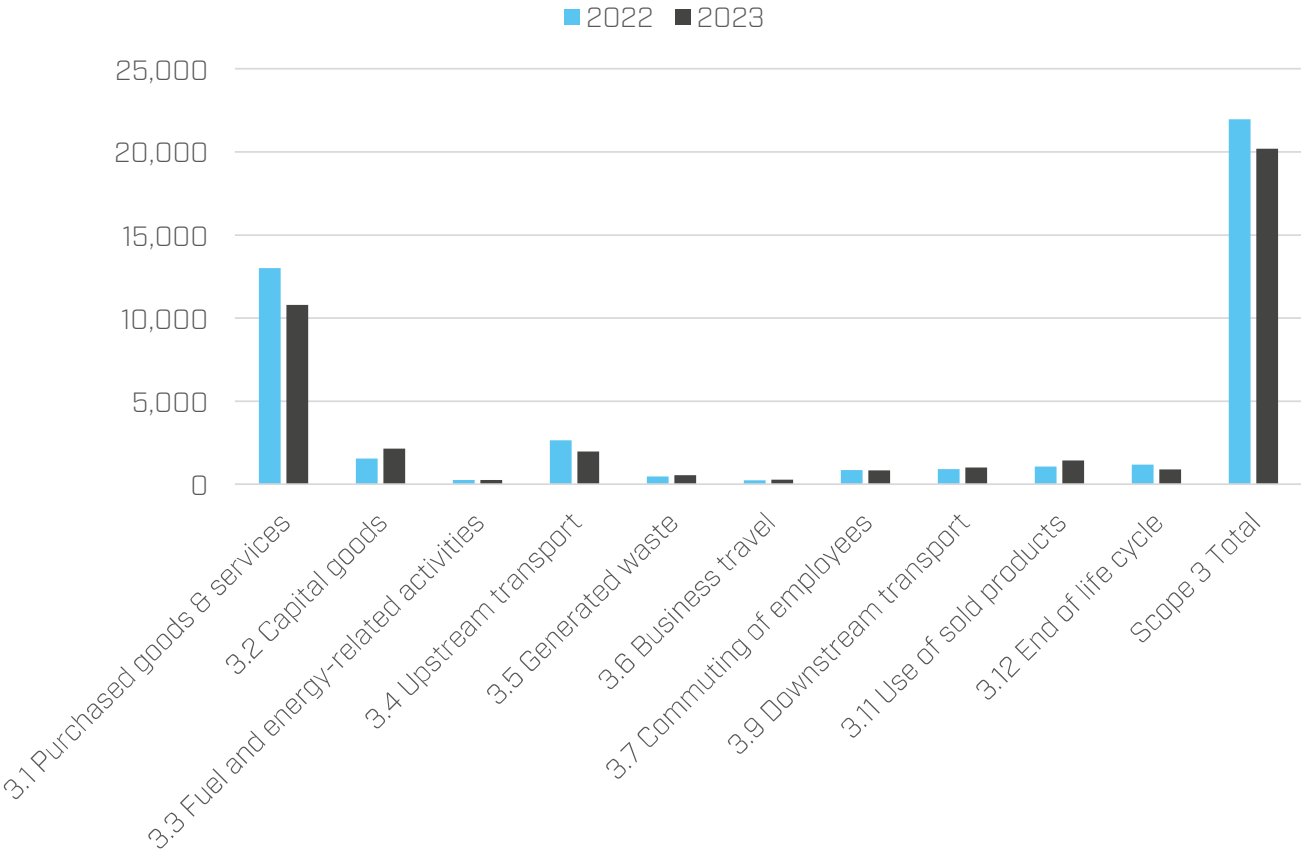
## SCOPE 3 | COMPARISON 2022 / 2023.



### Analysis of the change from 2022 to 2023.

- 3.1 / 3.4 Reduction of inventories from 2022.
- 3.2 Increase due to investments.
- 3.11 Increase due to emission factors.

In 2022, Scope 3 emissions were reported for the first time using an expenditure-based estimate. The materiality threshold at that time was 67%. In 2023, the data will be more accurately calculated using new software, more up-to-date specific emission factors, and expenditure and activity-based data. The materiality threshold is now 80%. In addition, the changes to the calculation methodology and materiality threshold for the 2022 baseline have been retrospectively adjusted to provide a consistent view of the data.



# SUMMARY.

## GOAL ACHIEVEMENT ENVIRONMENT KPIS.



### CO<sub>2</sub> emissions.

#### Reduction of carbon dioxide emissions.

We are reducing our Scope 1+2 emissions by 10% from the base year 2022 to 2025.

- a) **Goal:** By using LED-lighting, we will achieve a reduction of approximately 5% in total electricity consumption by 2025.

**KPI:** Electricity savings in %.

**Goal achievement:**  
2022 → 2023: -2.7 %



- b) **Goal:** Through additional photovoltaic installations, we will increase the share of renewable energies by 20 % by 2025.

**KPI:** Renewable energy/electricity in %.

**Goal achievement:**  
2022 → 2023: +3.04 %



#### Reduction of energy consumption.

**Active involvement of the employees to collect ideas and projects for energy-saving measures.**

**Goal:** In 2023 and 2024, employees at all sites will be encouraged to submit proposals for energy-saving measures.

**KPI:** Number of proposals submitted.

**Goal achievement:**  
2022 → 2023: +7 proposals



#### Further KPIs for Scope 1 and 2.

**Emission intensity per FTE employee (in t CO<sub>2</sub>e):**

2022: 3.66  
2023: 3.42

**Emission intensity per total energy consumption (in t CO<sub>2</sub>e):**

2022: 0.27  
2023: 0.26

# SUMMARY.

## GOAL ACHIEVEMENT ENVIRONMENT KPIS.



### Circular economy.

#### Reduction of resource consumption.

##### Reducing the amount of waste and increase recycling rates.

**Goal:** From 2025 to 2028, implement measures to reduce waste to increase recycling in all areas of the company.

KPI: Recycling rate across all sites (in t and %)

##### Goal achievement:

2022: 53%  
2023: 58%



##### No Printer Initiative (base year 2022).

**Goal:** Reduce the number of printers by 25 % by 2025.

KPI: Reduction of printers in %

##### Goal achievement:

2022 → 2023: -5.8%



### Trainings.

#### Awareness raising.

**We want to deal consciously and sensitively with the environmental impact of our activities to strengthen the responsibility of our employees.**

**Goal:** We create a multilingual training to strengthen environmental awareness in the Marbach Group by 2025.

a) KPI: Number of languages offered

##### Goal achievement:

2022 → 2023: + 2 languages



b) KPI: Indication of completed trainings of the staff in %

##### Goal achievement:

2022 → 2023: +2%



# SPECIFIC GOALS IN THE SOCIAL PILLAR.

## OUR GOALS, MEASURES AND KPIS 1/2.



Our focus in the social pillar is, on the one hand, how we can master the current challenges of the labour market, how we can retain knowledge carriers in the company and attract new innovative minds to the company and, on the other hand, how we can track our commitment to respecting labour and human rights at our own sites.

Our aspiration  
for 2028:

We promote and  
challenge our  
employees.

### Employee orientation.

#### We promote and challenge our employees.

- We support our employees by offering a wide range of benefits.
- We want to retain knowledge carriers and attract new ones to the company.
- We want to ensure the health, future security and well-being of all employees.

• Indicate the number of initiatives/projects implemented by the end of 2024.

• Improving the fluctuation rate. **2023: 9.7 % | 2022: 10.9 %**

• Improving the health rate. **2023: 95.7 % | 2022: 94.9 %**

#### Analysis of the change from 2022 to 2023.

Improvement in fluctuation and health rate.

### Employer branding.

#### We promote and challenge our employees.

- Another important point for us is to attract new, imaginative employees to our company. We are actively working to strengthen our employer branding and to be an attractive employer for both existing employees and future professionals.



# SPECIFIC GOALS IN THE SOCIAL PILLAR.

## OUR GOALS, MEASURES AND KPIS 2/2.



### Employer branding & talent management process, whistleblower channel and training hours.

#### We are introducing a talent management process.

- We want to keep our knowledge carriers in the company.
- We regularly conduct employee appraisals and employee surveys, analyse the results (most recently in 2022 at all German locations) and take appropriate measures as needed to ensure employee satisfaction in their working environment.
- We live an open and fair corporate culture. Employees can communicate with each other when problems arise. We find solutions together to achieve a good and effective cooperation.

- Improving the labour turnover rate.

- Regular staff appraisals.

- Conduct staff survey.

#### Qualification: Our target is 8 hours of training per employee/year.

- We want to promote the qualification and further development of our employees and ensure the quality of our processes and products at a high level.
- We monitor the qualifications of our employees using a qualification matrix. This matrix is updated annually. The training planning of each individual employee is derived from it.
- We manage the trainings in our dedicated training software.

- Number of training hours/per employee/year.

### Measures 2023

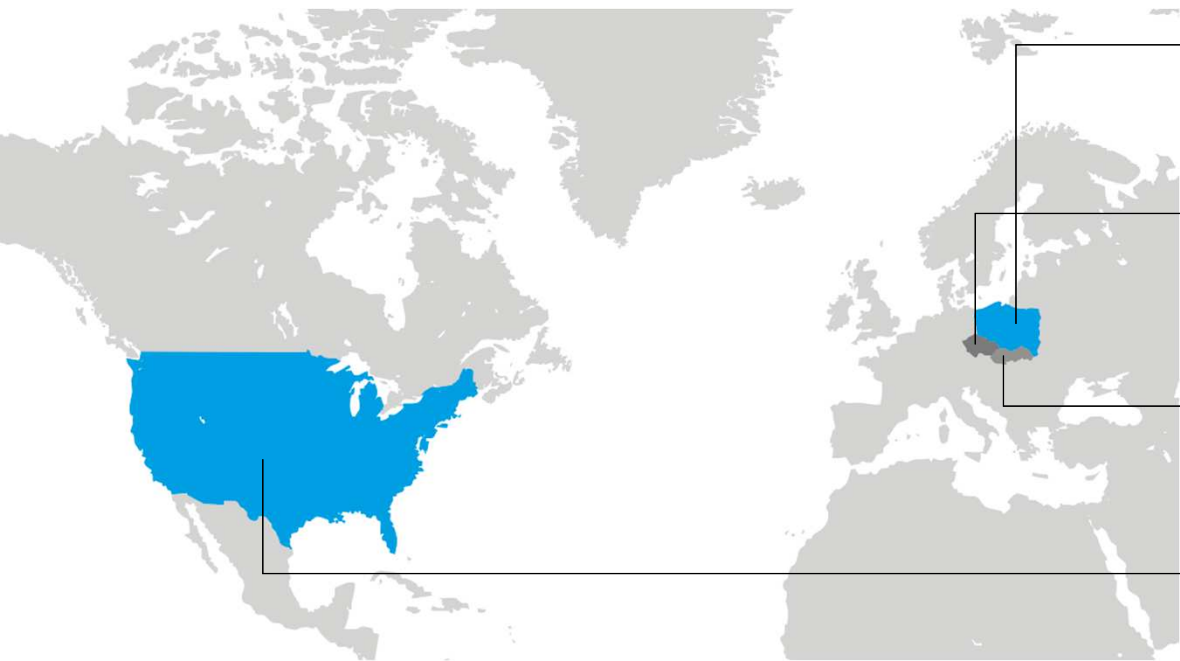
- ✓ Regular staff appraisals.
- ✓ Employee survey 2023 CZ, SK, RO, PL, USA, MY.
- ✓ Implementation of Mobile Working/Home Office Policy in Germany.
- ✓ Qualification matrix for deriving training needs.
- ✓ Introduction to whistleblower channel globally.
- ✓ Implementation of 2023 awareness campaigns.
- ✓ Training CoC and whistleblower system for all employees in Marbach Polska.
- ✓ Conduct potential analyses.
- ✓ Start of e-learning for selected learning topics.
- ✓ Successful DUALIS 2023 recertification (certified training company).
- ✓ Pilot AI training implemented in Germany (cooperation R&D+HR).

# SOCIAL ENGAGEMENT 01.01. - 31.12.2023.

## OUR SOCIAL ACTIVITIES 1/3.



### Social projects and donations to social institutions: Marbach Group.



- Poland.**

Our subsidiaries in Poland (Die-cutting Technology and Toolmaking) have supported the local volunteer fire brigade and several primary schools with a cash donation.
- Czech Republic.**

Our branch in the Czech Republic has donated money for charity work in Ukraine. In addition, a diocesan charity organisation and a local association for cultural events were supported financially with a donation.
- Slovakia.**

Our site in Slovakia once again participated in the national campaign "Cycle to Work" initiated by the Minister of Transport.
- USA.**

Our Marbach America site supported the football players from a high school with a cash donation. Money was also donated for food packages for various countries such as Ukraine and Haiti. In addition, Marbach Tool & Equipment sponsored a golf tournament and a high school cheerleading team.

# SOCIAL ENGAGEMENT 01.01. - 31.12.2023.

## OUR SOCIAL ACTIVITIES 2/3.

### Social projects and donations to social institutions: Germany.

The German Marbach sites organized numerous fund-raising campaigns in favour of social projects.

Donation total  
2023:  
~25,000 €



#### **Heilbronn:** **Christmas gifts "Wish list from the tree".**

At the company's headquarters in Heilbronn, an annual Christmas tree was set up and small pieces of paper were attached to it with products that the food banks wanted for people in need. Marbach employees were able to take the paper and buy the product they wanted. All the requests were collected at the head office and handed over to the food banks in Heilbronn. In this way, people in need received a small Christmas surprise.

#### **Heilbronn:** **Support for schools.**

Various schools/institutions and initiatives were supported with a cash donation: HN University, ASS School, Fascination of Technology and the Packaging Museum.

#### **Heilbronn:** **Support for sports clubs.**

Various sports clubs (soccer, handball, ski club, cycling) were supported with donations and sponsorship packages.

#### **Geyer:** **Support for sports clubs and initiatives.**

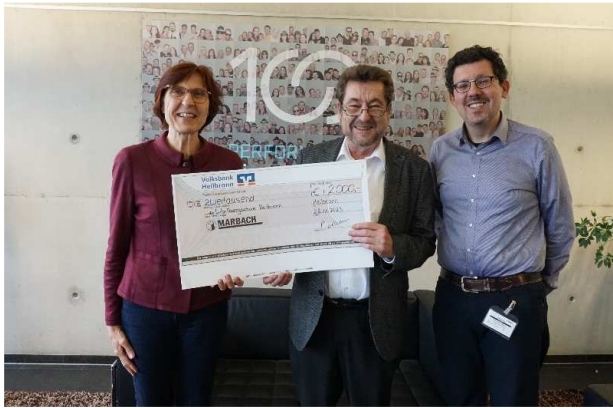
Various sports clubs and activities (cycling, horse riding, bowling, dancing, social day, regional kindergarten) were supported with donations and sponsorship packages.

# SOCIAL ENGAGEMENT 01.01. - 31.12.2023.

## OUR SOCIAL ACTIVITIES 3/3.



### Social projects and donations to social institutions: Heilbronn.



#### Annual Christmas donation.

For many years, Marbach has decided not to give presents to its customers, but to donate to various aid organisations instead. The donation of 10,000 euros was split between a regional and an international charity.

In 2023, 8,000 euros were donated to the aid organisation Help – Hilfe zur Selbsthilfe e.V. and 2,000 euros to the Wartberg School in Heilbronn. With the donation to Help, Marbach is supporting the "Winter Aid for Ukraine" campaign. This includes the insulation and repair of windows and doors as well as the procurement and distribution of stoves and fuel. In this way, Marbach has given many people in the Ukraine a warm home for the winter.

The donation to the Wartberg School was made for the "Fit at the Start" project. This is a special support programme for children starting school, where an occupational therapist works with first graders to develop their basic skills. "Fit at the Start" supports the children as they enter school and provides them with basic skills for their future school life. The donation was also used to purchase learning aids to support the development of individual children with potential.

The great thing about this year's Christmas donation is: The German Federal Foreign Office considers the project of the aid organisation "Help" supported by Marbach to be particularly worthy of funding and financed 90 percent of it. The Marbach donation was included into Help's own 10 percent contribution and will thus be increased tenfold. In other words: 8,000 euros in donations trigger 80,000 euros in aid money. Together with the donation to the Wartberg School, this means that a total of 82,000 euros will reach people in need.

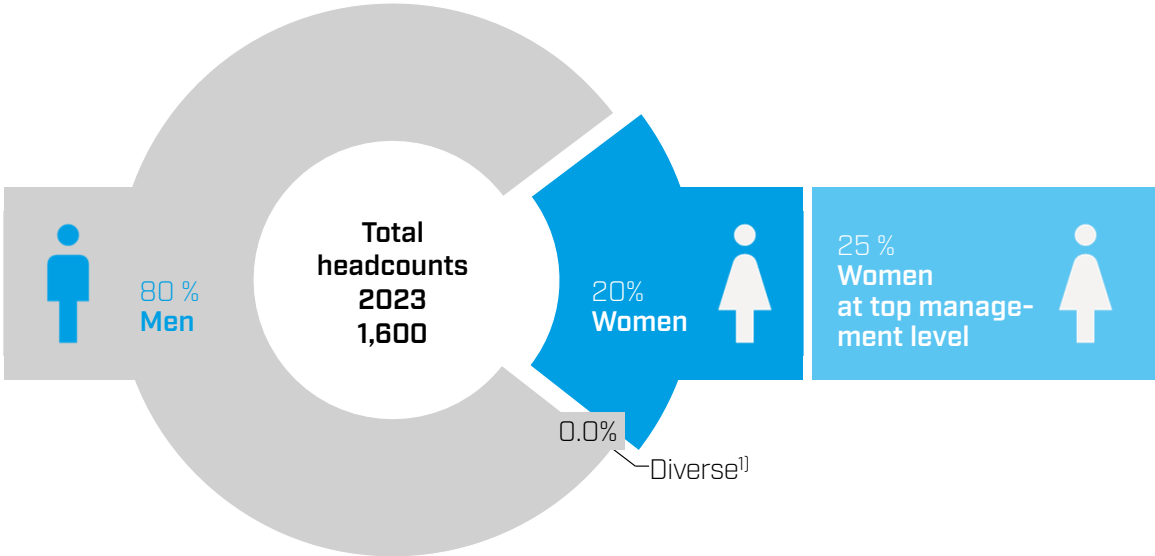
Nov./Dec. 2023



# SOCIAL KPIS 01.01. - 31.12.2023.

## OUR STAFF STRUCTURE.

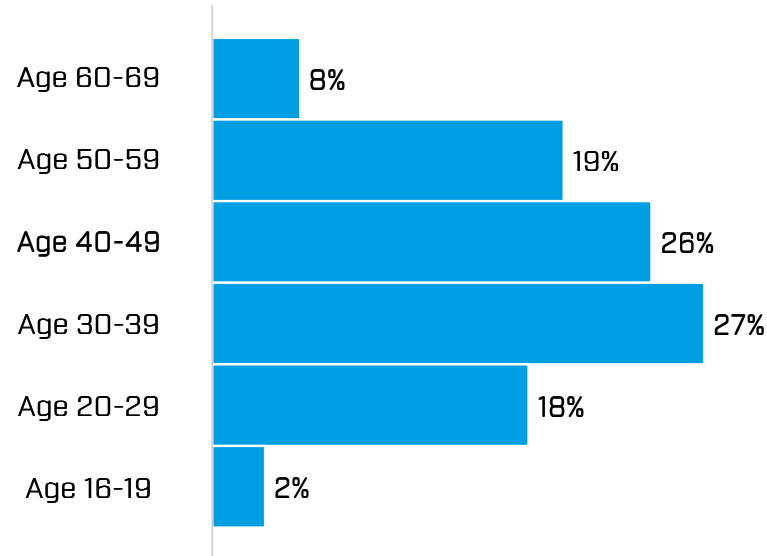
### Total number of headcounts and gender distribution.



- 1,600 employees (headcounts) work for the Marbach Group in total.
- At the top management level, the Marbach Group employs 25% women.
- The proportion of women employed is 20 % in the entire Marbach Group.
- In the field of technology, the Marbach Group employs 14% women.

<sup>1)</sup> Diverse: Due to different local legislation (data protection) and behaviour, this is not collected.

### Age distribution of all sites.



## SOCIAL KPIS 01.01. - 31.12.2023.

### OUR HEALTH PROMOTION.



Locations.	The workplace is equipped according to legal, ergonomic requirements.	Do you have health-promoting offers for your employees?	Occupational accidents (1,000-man rate).
Germany	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<b>2023</b>  <b>Occupational accidents: 42</b>  <b>1,000-man rate: 30</b> based on 1,000 employees
Eastern Group	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	
Poland	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	
America	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, 2 of 3 locations	
Mexico	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Malaysia	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
China	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	



## SOCIAL KPIS 01.01. - 31.12.2023.

### HEALTH & SAFETY IN THE MARBACH GROUP.



Locations.	Risk assessment for health and safety.	Is there a person responsible for health and safety in your company?	Committee for Safety and Health Protection.
Germany	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
Eastern Group	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Poland	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, 3 of 4 locations
America	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, 1 of 3 locations
Mexico	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
Malaysia	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
China	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

## SOCIAL KPIS 01.01. - 31.12.2023.

### OUR WORKING CONDITIONS AND SOCIAL DIALOGUE.



Locations.	Flexible working models are provided.	Satisfaction surveys are conducted for employees.	Percentage of employees receiving regular performance and career development reviews.
Germany	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, last time in 2022	82%
Eastern Group	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, last time in 2023	100%
Poland	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, last time in 2023	100%
America	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, last time in 2023	100%
Mexico	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes, last time in 2023	100%
Malaysia	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes, last time in 2023	100%
China	<input type="checkbox"/> No	<input type="checkbox"/> No	No

# SOCIAL KPIS 01.01. - 31.12.2023.

## OUR HEALTH & SAFETY TRAINING.



Total training hours and specific key figures for health and safety training in year 2023.



Locations.	Total number of trainings [#].	Total hours of training [h].	Coverage workforce [%].
Germany	796	398	100%
Eastern Group (Eastern Group)	4	10	100%
Poland	95	64.5	52%
America	25	12.5	90%
Mexico	0	0	0%
Malaysia	2	2	100%
China	2	2	50%

# SOCIAL KPIS 01.01. - 31.12.2023.

## OUR SELECTED TRAININGS 2023.



In particular, training was provided on IT security and compliance with ethics, human and labour rights. There was also a focus on sustainable procurement and the Human Rights Directive.

Participants of the training courses.	IT Security training.	Awareness Environmental training.	Compliance training for Management.	Sustainable Procurement.
	Awareness training LUCY	Training on environmental issues	Ethical Business Conduct/ Labour & Human Rights	Training risk assessment suppliers
	Trainings 906	Trainings 3	Trainings 8	Trainings 2
	Hours 694.5	Hours 17	Hours 8	Hours 3
	Coverage employees 62%	Coverage employees 2%	Coverage employees 12%	Coverage employees 1%
		Coverage participants 100%	Coverage buyer 100%	

# CORPORATE GOVERNANCE.

## INTRODUCTION.



Good corporate governance is crucial for the success and sustainability of a company. It ensures that the company works efficiently, that clear goals are pursued and that well-founded decisions are made. It also ensures that resources are used in an optimal way, and employees are managed efficiently. It creates a culture of responsibility and ethics.

Efficient corporate management consequently supports us as the Marbach Group in optimising our internal processes and increasing our productivity. A clear organisational structure and a coordinated approach as well as good communication between all activities in the company help to avoid conflicts of objectives and ensure that all areas are optimal involved in achieving the defined corporate goals. Efficient corporate management thus promotes a good communication and improves the cooperation among the employees in the company.

One of the most important tasks of our managers is to lead our employees. We recognised this in an early stage and introduced therefore the program "leading with goals" as a management tool in early 1994. Our managers support the employees in realising their full potential and contributing to the success of the company. Committed and intrinsically motivated employees contribute their ideas and suggestions in order to continually advance the company. This strength leads to the sustainable success of the entire Marbach Group. In addition, our corporate management places great emphasis on a culture of accountability and ethics.

The entire Marbach Group follows ethical standards, complies with legal requirements and strives for transparency in the management of the company. This is defined in our Code of Conduct, which is binding for everyone. As a result, we as a company gain the trust of customers, partners and society.

**Peter Marbach**  
Owner and Managing Director

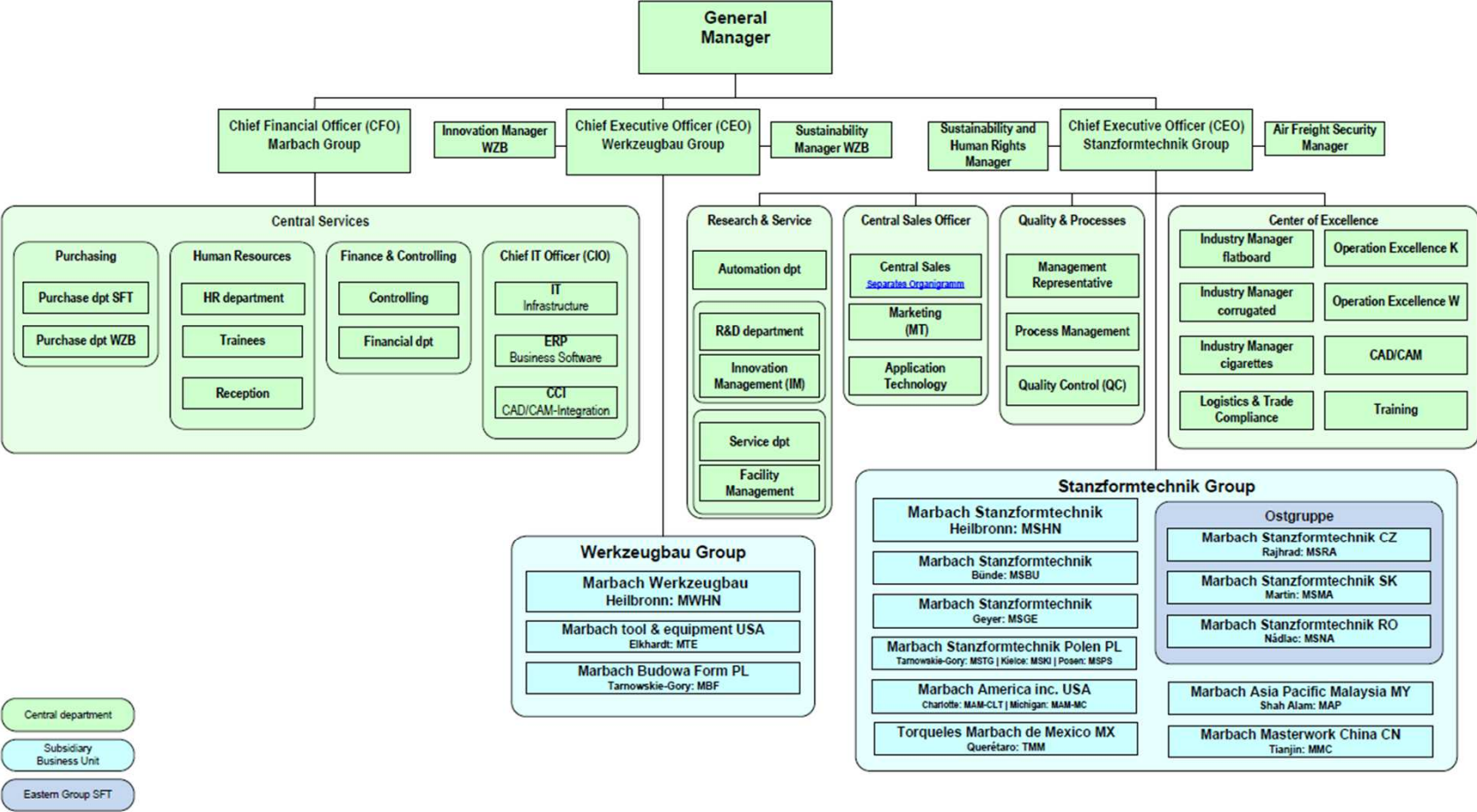
**Bernd Klenk**  
CEO Die-cutting Technology

**Markus Britsch**  
CEO Toolmaking

**Stefanie Schier**  
CFO Die-cutting Technology and Toolmaking

# CORPORATE GOVERNANCE.

## ORGANIGRAM.





## SPECIFIC GOALS IN THE CORPORATE GOVERNANCE PILLAR.

### OUR GOALS AND MEASURES 1/2.

Our highest priority in the pillar of corporate governance is establishing a strong leadership culture.

We want to ensure that clear values and visions are embedded in our organisation.

A strong leadership culture will strengthen employee retention and motivation and create a foundation for our long-term success.





# SPECIFIC GOALS IN THE CORPORATE GOVERNANCE PILLAR.

## OUR GOALS AND MEASURES 2/2.



<p><b>1. Promoting innovative strength and creativity.</b></p> <p><b>We want to create a working environment that enables our employees to develop new ideas and introduce new technologies.</b></p> <p>This focus on innovation helps our company to gain a competitive advantage, enter new markets and move our whole company forward.</p>	<p><b>2. Strengthening employee development &amp; promotion.</b></p> <p><b>We provide training, development programmes and mentoring to our employees to help them realise their full potential and prepare them for future challenges.</b></p> <p>By investing in the development of our people, we create an engaged workforce that drives our business forward.</p>	<p><b>3. Promoting a sustainable corporate culture.</b></p> <p><b>We are committed to implementing environmentally friendly working practices, reducing emissions, waste and using resources responsibly.</b></p> <p>Through these measures, we want to fulfil our ecological responsibility and contribute to the protection of the environment.</p>	<p><b>4. Strengthening the customer orientation.</b></p> <p><b>We place great emphasis on customer satisfaction by products and services and communicating effectively with our customers.</b></p> <p>Long-term customer relationships are very important, in order to increase our market success.</p>	<p><b>5. Promotion of diversity and inclusion.</b></p> <p><b>We are committed to diversity and inclusion.</b></p> <p>For us, this means creating a work environment where different perspectives are valued, and all employees have an equal opportunity to succeed.</p> <p>By promoting diversity and inclusion, we strengthen our innovative power and create a positive corporate culture.</p>
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**In order to consistently pursue the implementation of the sustainability strategy for all parts of the company, we have established a new sustainability structure in 2023.**

A sustainability management coordinates the implementation and monitoring of the Marbach Group's sustainability programme. In addition, there are officers responsible for the topic's environment, energy, waste and compliance at all locations worldwide. Furthermore, there is a Human Rights Officer at the level of the Marbach Group. The persons responsible for environmental and energy management systems actively promote compliance with environment-related requirements at all locations worldwide. It is their task to propose suitable measures for the improvement of operational environmental protection and to accompany their implementation. They are the contact persons for all questions and concerns regarding environmental and climate issues.

# GOVERNANCE KPIS 01.01. - 31.12.2023.

## OUR ACTIVITIES IN THE CORPORATE GOVERNANCE PILLAR.



### Measures 2023

**Training “Sustainability Strategy 2024-2028”:** All Marbach managers, held by the General Management. ✓

**International, hybrid meeting:** All branches. Location: A congress centre in Germany. ✓

**Own Intranet-Page:** Important information on the topic of leadership. ✓

**Management guidelines.** ✓

**Training “absence times” - promotion of health:** All managers Geyer (DE) 2023. ✓



# THE FOUR BUILDING BLOCKS OF OUR CORPORATE POLICY.



## THE BASIC CORPORATE POLICIES OF THE MARBACH GROUP.



### 1. Code of Conduct of the Marbach Group.

The Code of Conduct describes our corporate responsibility in the management of our business based on our corporate values <sup>1)</sup>.

Guidelines available in German, English, Czech, Romanian, Polish, Spanish and Chinese.

### 2. Guideline Environmental policy

The guideline clarifies the Marbach Group's position on environmental and climate issues.

### 3. Declaration of Human Rights Principles

In the Declaration of Principles on Respect for Human Rights, the Marbach Group commits itself to respecting labour and human rights at its own sites and cooperations and at its most important suppliers.

### 4. Health and Safety Guideline

Contains essential safety standards of the Marbach Group, which must also be observed by service providers, subcontractors and suppliers.

<sup>1)</sup> The Code of Conduct also applies to suppliers and is part of all contract documents as a CoC for Suppliers

# COMPLIANCE SYSTEM.

## OUR MARBACH WHISTLEBLOWER SYSTEM.



Legal Terms

Hazardous substances

Privacy Policy

General Terms And Conditions

Compliance

Whistleblower system

News

Events

Downloads

search

DE | EN

DIE CUTTING

THERMOFORMING

SERVICES

ABOUT US

CAREER

USER PORTALS

Whistleblower system.

Our whistleblower system offers, not only all employees of the Marbach Group, but also third parties, a confidential contact for enquiries as well as information regarding compliance issues or violations.

Reason for the whistleblower system.

Purpose of the whistleblower system.

Procedure with your enquiries/ information.

Direct contact to our whistleblower representative for enquiries/ information.

Personal protection for the whistleblower.

What if my enquiry/ information relates to a matter in which I have myself violated rules or acted dishonestly?

Saving enquiries/ information.

Will I be informed about the result?

Information to affected employees.

No information flow to superiors.

Investigations based on enquiry/ information.

Inspection by third parties.

Important:  
Communication  
internally and  
to external  
stakeholders!

### Reason for the Whistleblower System.

The Marbach Whistleblower System helps employees and other external stakeholders to report misconduct and illegal or unethical behaviour quickly and easily. Our employees and stakeholders can thus inform us about situations that have arisen due to possible breaches of rules, dishonesty, possible weaknesses in the process, areas of risk or opportunities for improvement by employees or business partners. Here we rely on open communication. In the first instance, employees can turn to their manager. If this is not possible, employees as well as external stakeholders are welcome to contact the Marbach Whistleblower Officer. If the identity should not be revealed, enquiries or tips will of course be handled anonymously.

Possible compliance issues:

- Compliance with laws.
- No bribery and corruption.
- No discrimination and harassment.
- Health and safety in the workplace.
- No child labour or forced labour.
- Information security, data protection.
- Protection of the environment.

Source: [Whistleblower system \(marbach.com\)](https://www.marbach.com/whistleblower-system)

# COMPLIANCE SYSTEM KPIS 01.01. - 31.12.2023.

## GOVERNANCE.

### Governance KPIs.

- Number of training Code of Conduct
- Number of training Guidelines for handling gifts and donations
- Information about the Whistleblower-Channel
- Number of training on ethical business conduct
- Data protection management System
- IT security incidents



0

compliance incidents

0

incidents reported via the  
whistleblower system

0

dangerous IT security  
incidents

100%

Campaign awareness training  
(CoC, policy on handling gifts  
and donations)



# SUSTAINABLE PROCUREMENT.

## SPECIFIC GOALS AND MEASURES IN THE AREA OF SUPPLY CHAINS.



### Purchasing (procurement of goods) plays a central role in our efforts to act sustainably.

We understand that our procurement decisions have an impact not only on our immediate business operations, but also on the environment and society in the communities in which we operate. Therefore, we have taken steps to ensure that our purchasing process pays attention to sustainable principles and criteria. **Our efforts in terms of sustainable procurement of goods cover several aspects.**

#### 1. Selection of suppliers, which meet ethical and environmental standards.

In doing so, we look out for topics such as environmental certifications, fair working conditions, social responsibility and compliance with environmental laws. Through close partnerships with our suppliers, we ensure that they share our values and requirements and work together to implement sustainable practices.

#### 2. Reduction of our ecological footprint.

We prioritise the purchase of environmentally friendly and energy-efficient products and services. In doing so, we consider the entire life cycle of the products and pay attention to the origin of raw materials, production processes, transport and disposal. The aim is to conserve resources, minimise waste and to reduce the impact on the environment.

#### 3. Transparency and communication.

We regularly inform our employees about our sustainable procurement practices and encourage them to actively participate. In addition, we maintain an open dialogue with our suppliers to clearly communicate our expectations and achieve common goals.

On the following pages, we present detailed information about our progress, goals and achievements in the area of sustainable procurement. We address specific actions we have taken to make our supply chain more sustainable. We also report on challenges we have faced and the specific goals we have set ourselves as a company.



# SUSTAINABLE PROCUREMENT.

## SPECIFIC GOALS AND MEASURES IN THE AREA OF SUPPLY CHAINS.



### 4. Expanding and integrating sustainable procurement guidelines.

**By the end of 2024, we will ensure that all our main suppliers are informed about our Code of Conduct and actively engaged in its implementation.**

- We want to further expand our existing sustainable procurement guidelines and integrate them even more strongly into the corporate mission statement.
- Our Code of Conduct sets out clear expectations and standards that our suppliers must meet in relation to the environment, labour and human rights.

### 5. Reduction of conflict materials.

**We want to reduce articles that contain conflict materials such as tin, tantalum or gold.**

- We have taken extensive measures to ensure that our supply chain is free of such materials.

### Measures 2023

**Develop a Code of Conduct for suppliers.**



**Regular audits and reviews.**





# SUSTAINABLE PROCUREMENT.

## SPECIFIC GOALS AND MEASURES IN THE AREA OF SUPPLY CHAINS.



### 6. Selection of suppliers in relation to the REACH regulation.

**Our goal is to reduce the number of suppliers still manufacturing, selling or purchasing products covered by REACH by 2025.**

We have engaged intensively with our suppliers and made a rigorous selection to ensure that the materials and products they provide comply with REACH requirements.

- We check that all chemical substances contained in our products have been registered and evaluated and that no substances are used that are restricted or banned.
- Similarly, we have worked to minimise the use of SVHC products [Substances of Very High Concern] and the goal is to replace them completely. We currently still use SVHC products in small quantities above the 0.1% limit. According to legal regulations, there is a duty to inform the consumer about the presence of SVHCs in products if the concentration is 0.1 % or higher.
- We aim to reduce or eliminate the use of highly critical chemicals and ensure that our supply chain meets the highest environmental and health standards. By complying with the REACH regulation, we actively contribute to the promotion of sustainable development according to SDG 12.

### 7. Integrating social and environmental factors into procurement.

**We want to integrate social and environmental factors into procurement.**

#### Measures 2023

Regular on-site audits on environmental and social issues.



Training of buyers on social and environmental issues.



**We want to introduce an adapted supplier assessment including social and environmental criteria in 2024.**

**We want to introduce human rights on-site audits by 2025 and achieve 100% implementation of the updated Code of Conducts for main suppliers by the end of 2024.**

These tools are used to ensure that our suppliers share the same values and standards as we do and implement them in their own supply chain. We work closely with our suppliers to achieve continuous improvement and maintain sustainable practices.

# SUSTAINABLE PROCUREMENT.

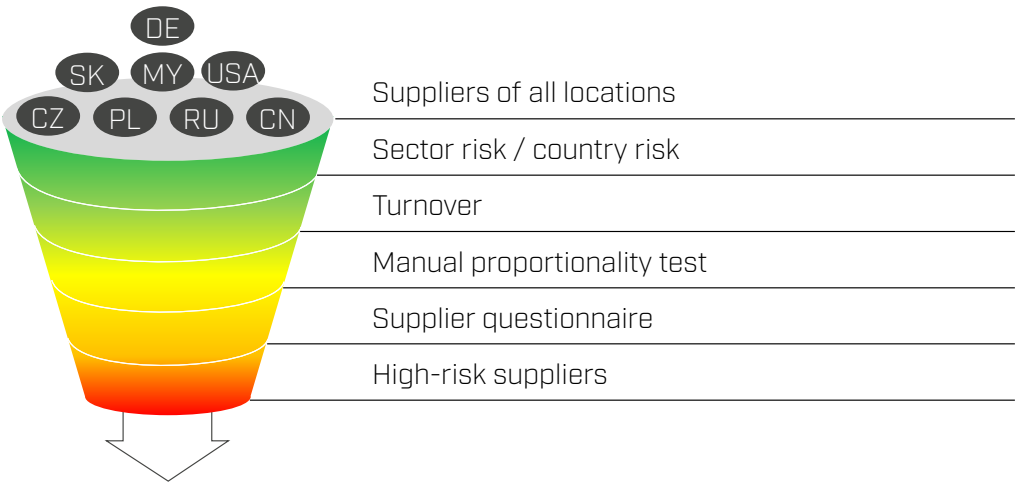
## OUR SCHEDULE AND CRITERIA OF RISK ANALYSIS SUPPLIERS.



### Schedule.



### Risk analysis criteria.



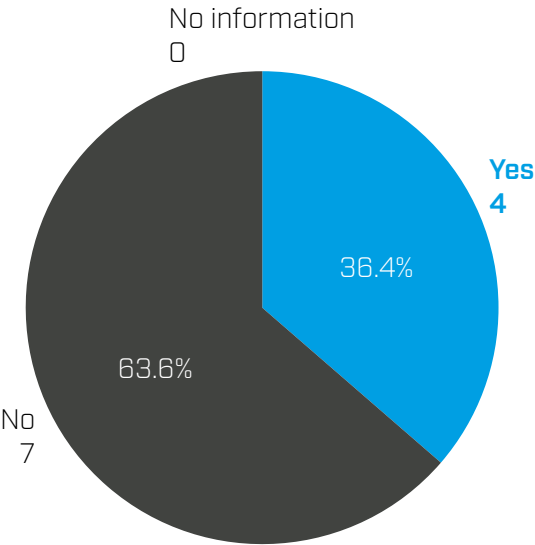
# SUSTAINABLE PROCUREMENT KPIS 01.01. - 31.12.2023.

## OUR KPIS.



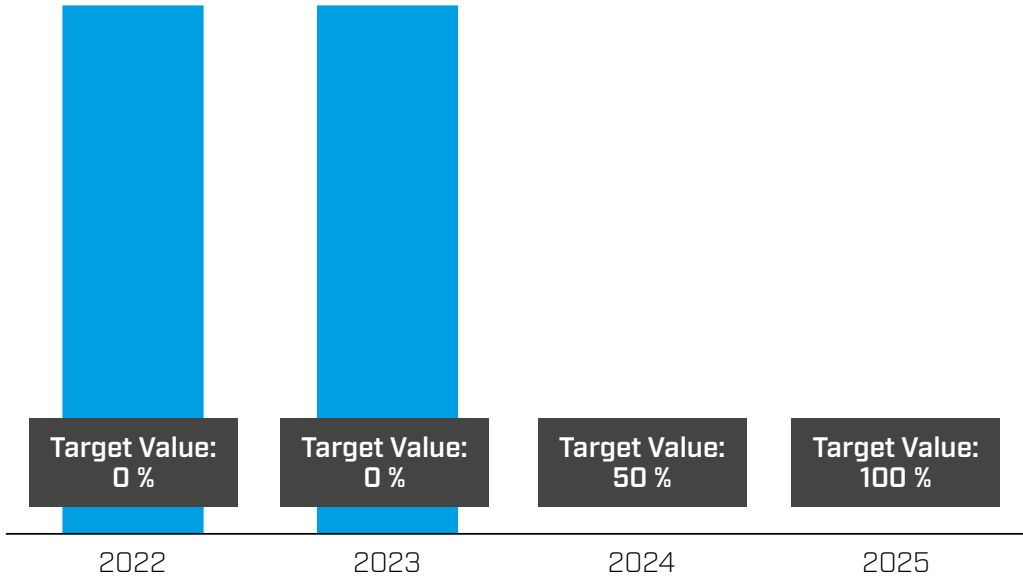
### Import of conflict minerals.

We did a "test run" for a questionnaire on the use of conflict minerals with 11 suppliers. These are the responses:



### Total suppliers with possible conflict minerals.

It is our goal to have all suppliers classified and queried till 2025.

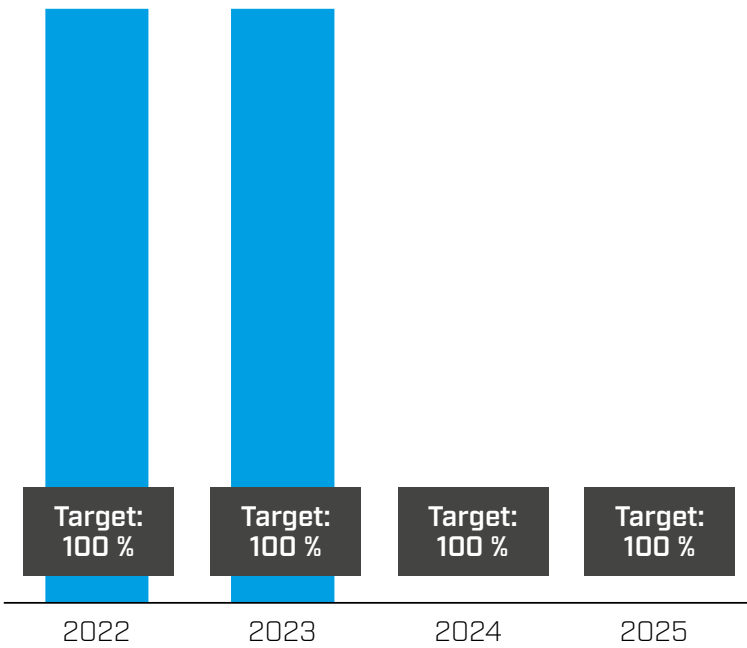


# SUSTAINABLE PROCUREMENT KPIS 01.01. - 31.12.2023.

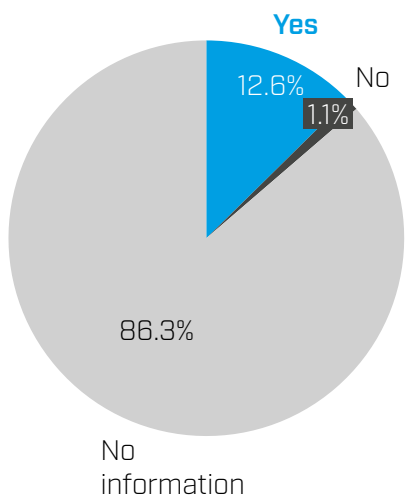
## OUR KPIS.



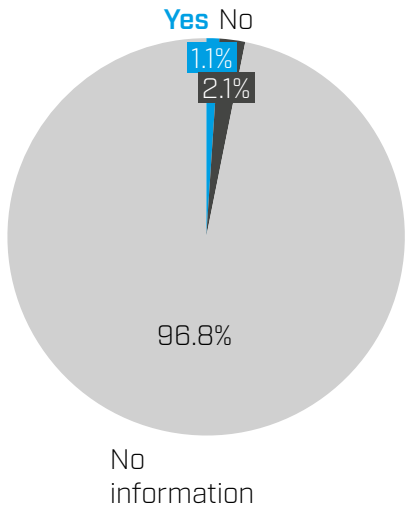
Number of suppliers questionnaire REACH.



Signed Marbach Code of Conduct.



Own Code of Conduct.



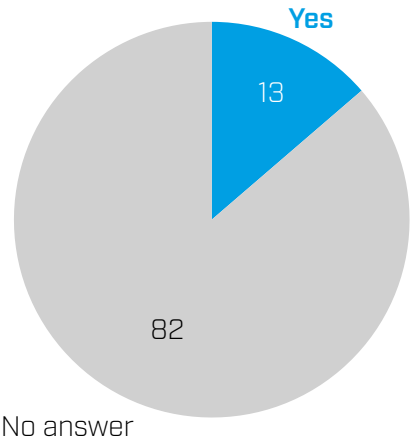
Target Value:  
100 suppliers top down according to risk

# SUSTAINABLE PROCUREMENT KPIS 01.01. - 31.12.2023.

## OUR KPIS.

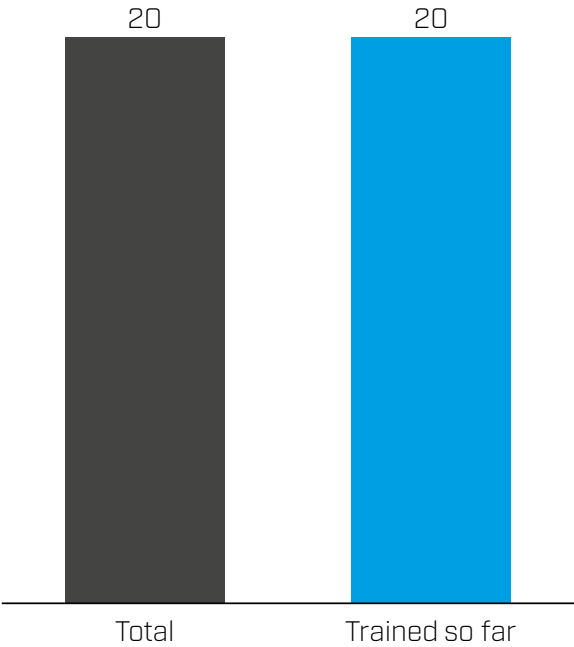


Supplier questionnaire.



Target:  
100 suppliers top down by risk in 2023

Training buyers 2023.



# CERTIFICATIONS.

## OUR CERTIFICATIONS AND AWARDS.

### DIN EN ISO 9001:2015.



ISO 9001 is an internationally recognised standard for the creation and implementation of a quality management system in a company.

### Dualis IHK Heilbronn-Franken.



Dualis is a certificate of the Chamber of Industry and Commerce that assesses the training quality of a company. Certified companies offer their trainees more than the legal standard.

### ISEGA certification.



ISEGA is an independent testing and certification institute. A product can be certified by ISEGA for use in the food sector. At Marbach, this is the rubber marbaject.

### Energy Audit DIN EN 16247-1.



EN 16247 is a European standard that sets requirements for good quality energy audits. Within the scope of an audit, the energy consumption of a company is analysed. This analysis serves as a basis for improving the energy efficiency.

### ALBA certificate resources saved.



ALBA is a regional waste management company (Heilbronn, Germany) that uses recycled materials to determine how many tons of resources and greenhouse gases are saved each year.

### TOP 100.



The "Top 100" competition is based on a scientific selection process. On behalf of compamedia, the organiser of the comparison, innovation researcher Prof. Dr. Nikolaus Franke from the Vienna University of Economics and Business Administration and his team examined medium-sized companies from a wide range of sectors based on more than 100 criteria from five categories.

## CONCLUSION. THANK YOU.

I hope you have enjoyed the journey through our 2023 Sustainability Report, and we have been able to give you an insight into how we, as an international group, are helping to make the future better for generations to come.

I would like to take this opportunity to say THANK YOU.

THANK YOU to everyone who has actively contributed to this Sustainability Report.

THANK YOU to all our employees who put our sustainability philosophy into practice every day.

And, of course, THANK YOU for your interest in our Sustainability Report.



**Peter Marbach**  
Owner and Managing Director





# GRI CONTENT INDEX.

THE MARBACH GROUP HAS REPORTED THE INFORMATION REFERRED TO IN THIS GRI CONTENT INDEX FOR THE PERIOD 01.01. - 31.12.2023 WITH REFERENCE TO THE GRI STANDARDS CORE 2021.



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