



Content

Introduction	
Contribution of our products	:
Outlook Emissions reduction	•
Climate protection	
Use of resources	;
Own workforce	1
Outlook Regulation	1

Introduction

As a provider of filtration solutions, the protection of people and nature is important to us. For more than 60 years, we have focused on the high sustainability requirements of our customers. With this in mind, we undergo sustainability assessments on established platforms such as EcoVadis and SupplierAssurance

and consistently achieve above-average results. In 2021, we also committed to achieving climate neutrality by 2030.

As there have been intensive discussions about the concept of climate neutrality in recent years, we have specified our goal:

"We are committed to reducing emissions from the combustion of fossil fuels by own installations and vehicles to zero by 2030 and to source 100% of our electricity from renewable sources."

Contribution of our products

Our filtration solutions contribute to sustainability in many ways, particularly in terms of environmental protection, resource efficiency, health and quality of life. Filters play a crucial role in the purification of air and liquids. They reduce the emission of pollutants and thus prevent them from entering the environment. The air quality indoors and in production environments can also be positively influenced by the use of filters. Whether dust, pollen, viruses or pollutants - good air quality is important for people's health.

Our filter products are always optimized for low air resistance in the process. Less air resistance in the filtration units significantly reduces energy consumption. This not only minimizes costs, but also reduces the ecological footprint.

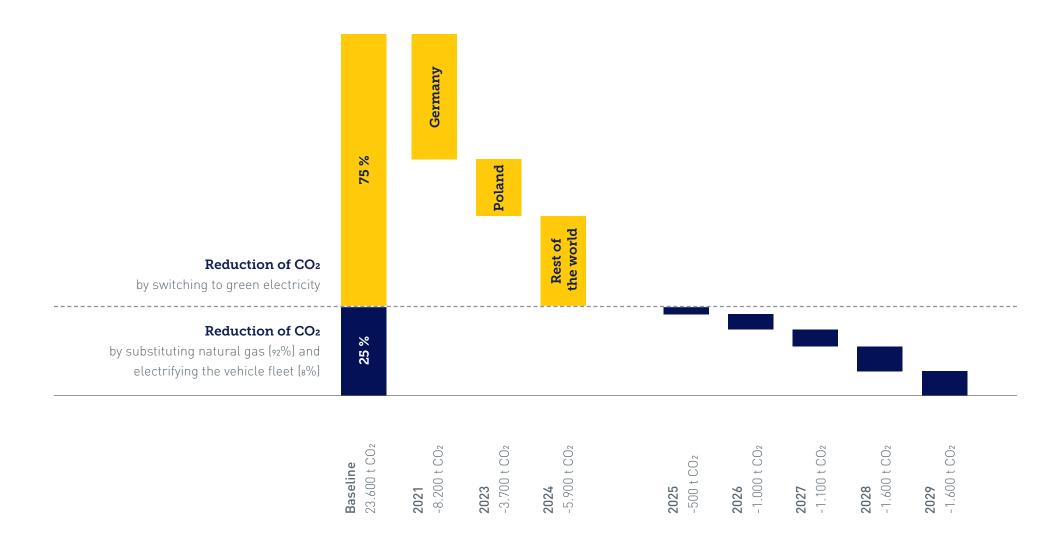
The use of filters also extends the service life of equipment. Machines and systems are protected from the ingress of pollutants, run longer and energy-intensive new production can be reduced.

Outlook | Emissions reduction

Hengst Filtration remains committed to the goal of reducing emissions from the combustion of fossil fuels through its own plants and vehicles to zero by 2030 and sourcing 100% of its electricity from renewable sources. After the German locations have already been supplied with 100% green electricity since 2021, the Polish locations will follow in 2023. From 2024, all remaining locations are to obtain 100% green electricity.

At Hengst Filtration, fossil fuels are mainly burned in the form of natural gas to heat production halls, warehouses and offices, as well as in various production processes. These combustion processes will be gradually replaced by 2030 or redesigned in such a way that fossil fuels are no longer burned. To this end, we will start developing a transformation concept for the Münster and Nordwalde sites in 2023, where the Hengst Group consumes the most natural gas. Using

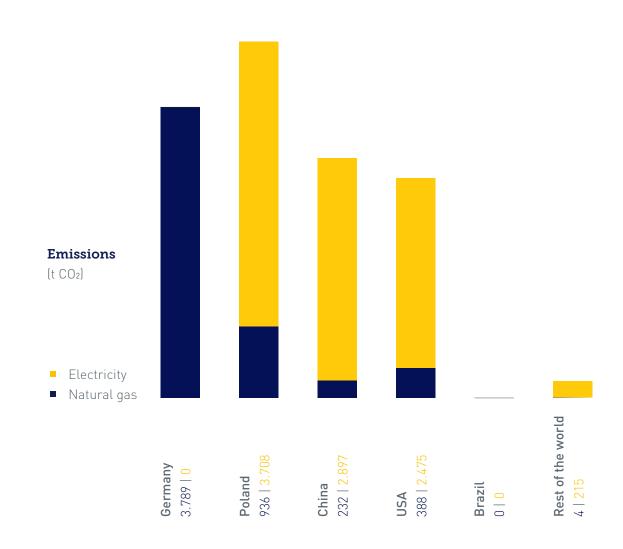
a holistic approach, the relevant energy flows will be analyzed and target paths developed, which may include various components such as waste heat recovery, insulation of buildings and electrification of processes. This transformation concept is intended to serve as an investment roadmap and help us to implement the transformation as cost-effectively as possible. With a slight time lag and incorporating initial findings from Münster and Nordwalde, the other locations are also developing comparable transformation concepts.

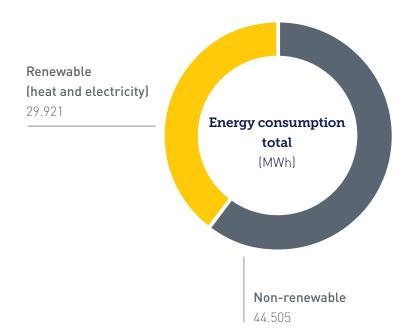


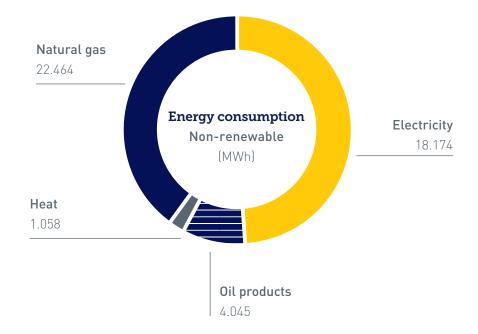
Climate protection

As a manufacturing company with numerous primary forming processes in which aluminum and plastics are melted, Hengst Filtration has a significant energy consumption, mainly from electricity and natural gas.

At the same time, we assume that most emissions are generated in upstream processes in the production of purchased goods and services. However, we want to set a good example and first significantly reduce our own emissions before we make this demand on our suppliers. For example, we have already switched to green electricity for our German sites in 2021.







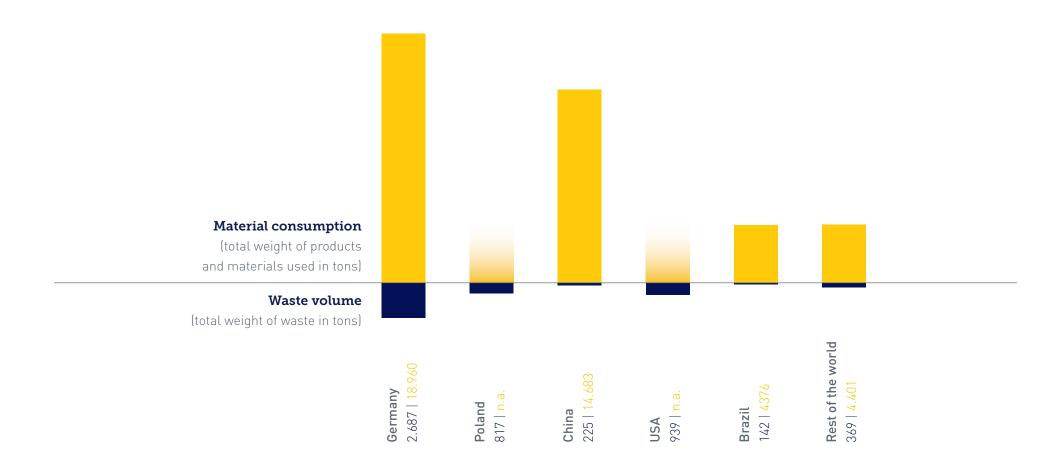
Energy consumption (MWh)			
Non-renewable	Natural gas		
Non-renewable	Oil products		
Non-renewable	Heat		
Non-renewable	Electricity		
Renewable	Heat and electricity		

Total	Germany	Poland	China	USA	Brazil	Rest of the world
22.464	15.915	3.930	973	1.628	0	18
4.045	2004	329	1.315	64	99	234
1.058	80	0	0	0	0	978
18.174	0	5.954	4.716	7.002	0	502
29.921	26.461	0	0	0	2.309	1.151

Use of resources

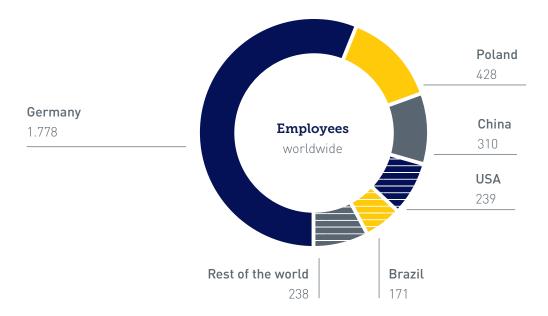
Hengst Filtration's product portfolio can be divided into filter cartridges and systems. Filter cartridges generally remain in the system for a limited time and are usually sent for incineration at the end of their service life. We have achieved a breakthrough in this area and are now using plastic components made from recycled material for the first time. This allows us to significantly reduce the consumption of primary raw materials.

Most of the packaging materials and individual filter media used at Hengst Filtration are wood-based. With FSC certification of our Münster site, we can offer wood-based products from sustainable forestry. The certification of other sites, for example in Poland and Romania, is in preparation.



Own workforce

In order to live up to our mission and aspirations every day, building a sustainable workforce is a must. That is why we see lifelong learning as an essential part of our corporate culture. We put people at the center of everything we do and create the foundations for a safe and trusting cooperation. Occupational health and safety, workplace health promotion and respect for applicable employee rights form the basis for this at Hengst Filtration. We offer fair and performance-related pay as well as flexible working time models to improve the work-life balance. After all, a healthy, motivated and productive workforce is the guarantee of success for any company.



Hengst employees (excluding leased employees)
Female
Male
Unlimited
Limited
Full-time
Part-time
Number of leased employees
Accident rate /LTIR*

Total	Germany	Poland	China	USA	Brazil	Rest of the world
1.046	384	277	116	102	68	99
2.118	1.394	151	194	137	103	139
2.981	1.675	387	297	239	167	216
184	103	41	13	0	4	23
2.996	1.625	427	310	239	167	228
169	153	1	0	0	4	11
332	178	55	6	86	0	7
8,6	10,3	6,6	0	11,8	3,2	15,5

^{*} Number of accidents during working hours per million paid working hours. Counted from more than one day of absence, i.e. with at least one day of absence beyond the day of the accident.

Outlook | Regulation

Hengst Filtration supports the European Green Deal of the European Commission.

Nevertheless, the associated requirements for companies in the EU also pose major challenges for the Hengst Group. For example, we are dealing extensively with the requirements of the Corporate Sustainability Reporting Directive (CSRD), the EU taxonomy and the Carbon Border Adjustment Mechanism (CBAM).

As a first step, a comprehensive materiality analysis with personal stakeholder dialog will be carried out in 2023. The results of the analysis will be incorporated into the Hengst Group's strategy and will also define the scope of non-financial reporting in accordance with CSRD.

Hengst SE

Nienkamp 55–85 48147 Münster Germany +49 251 20202-0

hengst.com

