

Sustainability Report 2022

# Empowering our customers to perform more sustainably

*MOVING YOUR WORLD*



## *MOVING YOUR WORLD*

# **Empowering our customers to perform more sustainably**

**Keeping the world moving. That is our ambition. Thinking in new ways. Walking on unexplored paths – alongside our customers. We not only develop lubricants, but intelligent lubricant solutions for the challenges of our time. We give impulses, set standards, expand possibilities. And we support our customers in acting efficiently and sustainably.**

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## 1.1 Foreword

**Dear Readers,**

For FUCHS, sustainability has always been an essential part of what we do. FUCHS products allow our customers to operate in more sustainable ways, for example by helping them to reduce their carbon footprint or minimize the wear and tear on their machines. As a result, sustainability is not just part of our daily activities, but also a fundamental component of our FUCHS2025 strategy. For FUCHS, however, sustainability goes beyond purely ecological considerations – it also includes social and economic aspects.

In line with this, FUCHS communicated specific targets for two aspects of sustainability in 2022. Firstly, we are aiming for EBIT of €500 million in 2025 and, secondly, we are the first lubricant company worldwide to announce a Net Zero ambition for 2040. In concrete terms, this means that FUCHS will reduce its CO<sub>2</sub> emissions by at least 42% (Scope 1 and 2) and by at least 25% (Scope 3) by 2030 and by at least 90% by 2040, compared to the base year 2021. To achieve these highly ambitious targets, interdisciplinary teams are working intensively to define initial measures.

In 2022, we were confronted with several challenges that, collectively, are unprecedented in recent industrial history. The long-term consequences of these challenges will require considerable efforts by FUCHS in the years to come. Thanks to our outstanding FUCHS team and our clear strategy, we not only mastered all the challenges excellently, but also worked persistently on the implemen-

tation of our sustainability measures. This includes, for example, that we succeeded in having verified our internally developed method for calculating the product carbon footprint (PCF) by the German technical inspection agency TÜV Rheinland. In addition, our chairing of the Sustainability Committee of the Union of the European Lubricants Industry (UEIL) enabled us to make a significant contribution to the development of a uniform Europe-wide PCF calculation standard. This common standard will be a key driver in paving the way for much-needed comparability of product-related emissions and is expected to be published by the end of 2023.

Through a combination of many different measures in all FUCHS companies worldwide, we've succeeded in further reducing our voluntary, annual CO<sub>2</sub> compensation for the third time in a row. Since 2019, the total annual offset reduction for our remaining gate-to-gate emissions amounts to around 15%.

FUCHS continued to expand its social commitment in 2022, at a time when Covid-19 affected us severely for the third year in a row. FUCHS increased both the number of FUCHS companies actively involved in social projects from 37 to 44, and the number of projects supported from 151 to 175. We are proud of this latest increase, which illustrates our sustainable social commitment worldwide and which would not have been possible without the personal commitment of so many FUCHS colleagues. As in the past, all of these projects were directly supported by the respective FUCHS subsidiaries.



In this Sustainability Report, in addition to the examples briefly outlined here, you will find further information, giving you a more in-depth picture of our commitment to sustainability.

I hope you enjoy reading it.

Yours,



Sebastian Heiner,  
Member of the Executive Board/CTO

# Becoming more sustainable together – how FUCHS leads by example

Products from FUCHS enable customers to become more sustainable and thus improve the ecological footprint of the entire value chain. However, the company's own sustainability targets have also been tightened: FUCHS is committed to being climate-neutral by 2040. CEO Stefan Fuchs explains how this can work and what a new name has to do with it.

**//** Human beings are central to our company. We're aware of our social responsibility and actively embrace our social role. **//**



## 1.2 Interview

**Mr. Fuchs, following the Covid-19 pandemic and the supply chain crisis, FUCHS has been going through very challenging times – how much importance has been given to sustainability up to now and going forward at FUCHS in these difficult times?**

Every challenge brings opportunities. I'm incredibly proud of how our global team has handled the challenges of the last three years. We were able to keep our customers supplied at all times and to show what "uncompromising reliability" means to FUCHS. During the lockdown phase, we made the most of the time and pushed forward our FUCHS2025 strategy. Sustainability plays a central role here. We also remained a reliable employer for our team. We are currently still using the flexibility of working from home and saving CO<sub>2</sub> by traveling less through the use of video conferencing.

**Let's stay with social sustainability – at its headquarters in Mannheim, FUCHS is known to be very involved as a sponsor in the cultural and social spheres. What is happening on this score worldwide?**

Human beings are central to our company. We're aware of our social responsibility and actively embrace our social role. At our headquarters, we've already awarded 22 FUCHS sponsorship prizes. In addition to the financial support, showing appreciation for the people who work on a voluntary basis plays a major role here.

At all of our subsidiaries worldwide, we've made it a point to promote social projects that are local to our locations.

**Clear goals are undoubtedly important – what goals has FUCHS set itself regarding ecological sustainability?**

We've set ourselves the goal of being climate-neutral by the year 2040. This is an important goal for us, which we're currently making concrete through milestones and actions. However, since more than 90% of the emissions attributable to us are already incurred when the raw materials are on our premises, this can only be achieved in cooperation with our suppliers and with sufficient quantities of alternative raw materials.

**What happens inside FUCHS is one thing – but what about the impact of your lubricants on your customers and how do you assess what happens afterwards?**

That's the fundamental question for me. A truly functioning circular economy will help the world significantly reduce greenhouse gases. We use so-called life cycle analyses to calculate the effectiveness and emissions of using our lubricants, from raw material extraction to reprocessing or thermal recycling. This is an exciting undertaking, based on assumptions for which we're developing standards together with the chemical industry.

**The discussion about sustainability is often associated with the electrification of vehicles. In Europe, the decision has been made to phase out combustion engines from 2035. Do you think this decision will make a contribution to sustainability and what role can FUCHS play here?**

I learned to save electricity as a child. In current times, this debate has shifted into the background. Yet it also concerns electrically powered cars: We need sufficient green electricity and we must also have it available in every region. It's questionable whether that will be achieved by 2035.

I would also like to see a more balanced debate that incorporates fuel cells and clean fuels. The fact is that electrically powered vehicles won't play a role in the heavy-duty sector and for people who drive 50,000 kilometers or more per year. For FUCHS, it is the whole range of requirements that is highly interesting. More specialized products with new attributes such as electrical conductivity and prevention of copper corrosion are needed. These kinds of technological breakthroughs have always benefited us as specialists.

**FUCHS PETROLUB SE will shortly be renamed FUCHS SE. How does this relate to sustainability?**

The word PETROLUB refers to the origin of the raw materials. It is not relevant today in terms of brand communication or in the company names of the Group companies and can also lead to a misconception about our business



“ We have a holistic view with the goal of circularity in mind. ”

model. Given the growing technical requirements and sustainability efforts, the focus is on high-performance raw materials from sustainable sources. For this reason, the name component PETROLUB has lost its relevance. What’s more, the word PETROLUB does not feature in the company name of the 56 subsidiaries worldwide and is therefore not relevant from our customers’ point of view.

#### What makes FUCHS different from other companies in the lubricants industry when it comes to sustainability?

We have a holistic view with the goal of circularity in mind. We also want to avoid even giving the slightest impression that we are “greenwashing”. As the largest independent lubricant supplier, we’re actively involved in setting standards for CO<sub>2</sub> calculation at the various stages of the value chain. We use our global presence to leverage the most effective sustainability projects and ideas worldwide and transfer them to other countries. Moreover, we use our extensive range of products, with almost 10,000 formulations, to disseminate sustainable solutions across product groups.

#### How does FUCHS work with other players in the lubricants industry and other sectors to promote sustainability?

We are working with the associations as well as the chemical industry on standards for CO<sub>2</sub> calculation along the entire value chain. Since this involves making numerous assumptions, we need to give our customers access to comparable figures. We’re working on this in several bodies at the national and European level.

#### To what extent does the topic of the circular economy play a role at FUCHS?

The circular economy is particularly close to our hearts, as we believe that especially when lubricants are recycled after use, CO<sub>2</sub> pollution can be effectively minimized and resources conserved. With the increasing electrification of motor vehicles as well as in the heating requirements of buildings, the demand for refinery products will decrease significantly. This will also be accompanied by a reduced supply of base products for our lubricants. Consequently, whatever is still available then will have to be reused several times. This is already technologically feasible but still not efficient enough today. However, the necessary infrastructure for a sufficient supply of circular solutions still needs to be built.

Stefan Fuchs,  
Chairman of the Executive Board

## 2.1 Business model

FUCHS produces lubricants and functional fluids that are primarily used in customers' operations to ensure and improve problem-free functioning of machinery and equipment by reducing wear and friction and protecting against corrosion. High-quality lubricants help extend the service life of machinery and increase its energy efficiency. FUCHS collaborates closely with many customers to develop customized products that are precisely tailored to the application so as to ensure optimal operation and minimize losses. Meanwhile, FUCHS also works closely with upstream suppliers to prepare individual lifecycle analyses over the entire value chain. For this capability, FUCHS is building up its own resources to balance unavoidable emissions from the extraction and manufacturing process with the savings in use, in accordance with uniform standards.

Through its business activities, FUCHS (in accordance with UEIL – Union of the European Lubricants Industry) principally exerts an influence in terms of the following four UN Sustainable Development Goals (SDGs):



FUCHS products and services enable the building of resilient infrastructure, empower the transformation to sustainable industrialization, and foster innovation.



FUCHS lubricants and functional fluids support sustainable consumption and production.



FUCHS products help reduce energy wastage, improve efficiency and thus support the fight against climate change and its consequences.



FUCHS maintains and establishes partnerships along the lubricants value chain and actively drives the transformation towards more sustainable and carbon-neutral industry.



## 2.2 Sustainability organization

### Sustainability organization at FUCHS



FUCHS assumes corporate and social responsibility. This responsibility comprises legal and socio-ethical aspects that FUCHS intends to adhere to while operating successfully as a company. FUCHS is committed to conducting business fairly and transparently, and behaves in a legally compliant manner in all countries in which the company operates. At FUCHS, responsibility for sustainability is shared by the Executive Board as a whole. The Executive Board member directly responsible is the Chief Technology Officer (CTO). The Executive Board defines the strategic framework for sustainability in close coordination with the Group's Sustainability Division headed by the Vice President for Global Sustainability (Chief Sustainability Officer, CSO).

In cooperation with FUCHS' core sustainability team, the Regional and Local Sustainability Officers (RSOs, LSOs) and the Executive Board, the Sustainability division bundles the respective requirements and derives FUCHS' future sustainability strategy from them. This is accompanied by an ongoing dialog with the sales units, supply chain representatives, development and product management representatives and the procurement organization to map out FUCHS' sustainability efforts throughout the supply chain. The Sustainability Core Team consists of sustainability representatives from every continent where FUCHS operates, and it meets six times per year.

To accommodate different regional requirements and transformation speeds with regard to sustainability, FUCHS is currently introducing a regional management level. These Regional Sustainability Officers (RSOs) have already been coordinating the FUCHS regions North and South America and EMEA since 2022; the structure for Asia will be defined in 2023. The RSO function coordinates all the sustainability activities of the LSOs in the respective region, collects and bundles requirements from the region and maps central decisions as well as the strategy in the region. The RSO functions are closely coordinated with the CSO.

The LSOs are organized in a network structure and are the connecting links between the Group company in Mannheim and every national unit. In addition to the LSOs of the manufacturing companies, representatives from all non-manufacturing FUCHS companies and all Joint ventures and associates are represented to achieve maximum penetration within the organization. The Local Sustainability Officers are the first point of contact on site for all matters relating to sustainability. They also monitor the recording and development of sustainability performance indicators and coordinate the local implementation of sustainability activities. This is done in coordination with the respective management teams. The LSOs report suggestions and local necessities back to the Group's Sustainability Division or to the RSOs. The LSO network meets at least every three months at the invitation of the Chief Sustainability Officer.

## 2.3 Sustainability management

The FUCHS mission statement with the set of values – trust, creating value, respect, reliability and integrity – form the foundation and benchmark for the responsible conduct of FUCHS. The two core elements, mission statement and set of values, enable the organization to act target-oriented within a fair and transparent corporate culture.

To ensure future viability, sustainability is firmly embedded in the values of FUCHS. Taking social and ecological responsibility is part of FUCHS' corporate identity. Therefore the three sustainability dimensions of economy, ecology and society are core elements of good corporate governance for FUCHS.

For FUCHS, sustainability also means continuous optimization and improvement, coupled with further development adapted to the changing imperatives of our time. These form the cornerstones of sustainability at FUCHS.

Since establishing the independent Sustainability division in 2011, we have been working continuously on improvements in cooperation with various divisions of the company and all national units; in 2022, we achieved further milestones at FUCHS and in cooperation with the relevant lubricants industry associations.

Highlights include:

- Implementing the “Ecological and Social Sustainability” strategic initiative as a contribution to the FUCHS2025 strategy process: In this context, ten projects were defined that will keep on developing sustainability as one of six strategic pillars of the FUCHS Group. The aim is to develop new systems, processes and solutions for different issues in the areas of ecological and social sustainability. As a first milestone, FUCHS has developed a methodology for the standard-compliant calculation of Product Carbon Footprints (PCF) for FUCHS products and their precursors. This will serve as the basis for a system-based calculation methodology for PCF calculation to be introduced at a later date and underwent an external audit by TÜV Rheinland in 2022. Further projects already launched include work on developing a sustainability classification system for products which will later enable the identification of sustainable products based on facts and create the foundations for sustainable business management. Three projects were completed in 2022. A communication and training concept was developed and rolled out, the process and scope of KPI collection for computing the corporate footprint was revised, and a unified process was defined from emissions generation through benchmark collection to computing the corporate footprint (CCF, “gate-to-gate”) with the following compensation. FUCHS plans to complete all the other projects in 2023. → [19 3.1.1 Economic sustainability](#)
- Continuous further development of the sustainability KPI catalog and data capture basis: The key figures from 54 Group companies and Joint ventures are quarterly collected for 183 sites worldwide on the basis of a reporting system developed in-house.
- Active support of the sustainability activities of the European lubricants associations UEIL and ATIEL. In this context, FUCHS chairs the sustainability committee of UEIL and has played a key role in the establishment of a cross-association working group that will create a uniform methodology for calculating product carbon footprints in the course of 2023. The goal of all these activities is to develop standards specific to the industry on the basis of and in line with generally applicable standards, that take into account the special considerations of the lubricants industry and the entire associated value chain. The end product would then be a uniform basis of calculation that, above all, would enable comparable results for all companies in the industry.
- Preparation of the expansion of the FUCHS sustainability strategy with the aim of developing clear, scientifically based medium- and long-term emission reduction targets by 2030 and 2040 (net zero).

## 2.4 Sustainability strategy

Already in 2019, FUCHS committed to offsetting its CO<sub>2</sub> emissions in the “gate-to-gate” scope from 2020 for all producing FUCHS companies. As early as 2021, for the first time FUCHS also extended the recording of its corporate footprint and offsetting for all Joint ventures to 100%. For this purpose, all greenhouse gas emissions of FUCHS that are directly attributable to our business activities (“gate-to-gate”) have been determined retroactively since 2019 and are offset by investments in climate protection projects. FUCHS restricts its choice of projects for this purpose to high-quality certifications such as UN Gold Standard or VERRA.

Nevertheless, offsetting measures are only the last step undertaken once avoidance and reduction measures have met their limits. FUCHS is therefore continuously expanding the proportion of renewable energies that make up its power supply, with the aim of gradually sourcing its electricity worldwide from renewable sources.

- FUCHS continues to work on gradually switching sites to direct green power supply.
- FUCHS is also steadily expanding the proportion of electrical energy generated in-house. New solar power installations with a total peak power capacity of 181 kWp were added in 2022 at the sites in Lviv (Ukraine), Kungsbacka (Sweden), and Johannesburg (South Africa).



**“Also in 2022, more solar installations were commissioned and sites converted to green electricity. When we approve investment projects, we pay particular attention to their contribution to our sustainability goals.”**

**Holger Karnetzky, Vice President Supply Chain**

Both of these measures combined ensure that 52%<sup>1</sup> of FUCHS’ electricity consumption can already be met by green power. → [25 3.1.2 Ecological sustainability](#)

FUCHS is also working intensively on screening emissions in the upstream value chain more precisely:

- A detailed assessment of emissions in the upstream value chain (Greenhouse Gas (GHG) Protocol Scope 3 upstream) has been started for the base year 2021.

- Uniform definition of the methodology for PCF calculation not just at FUCHS, but also at our suppliers, with a view to increasingly calculating the corporate and product CO<sub>2</sub> footprints based on primary data.
- Consistent request to all suppliers to record, report, and optimize their product emissions and to offset the remaining emissions.

<sup>1</sup> FUCHS production, sales and holding companies.

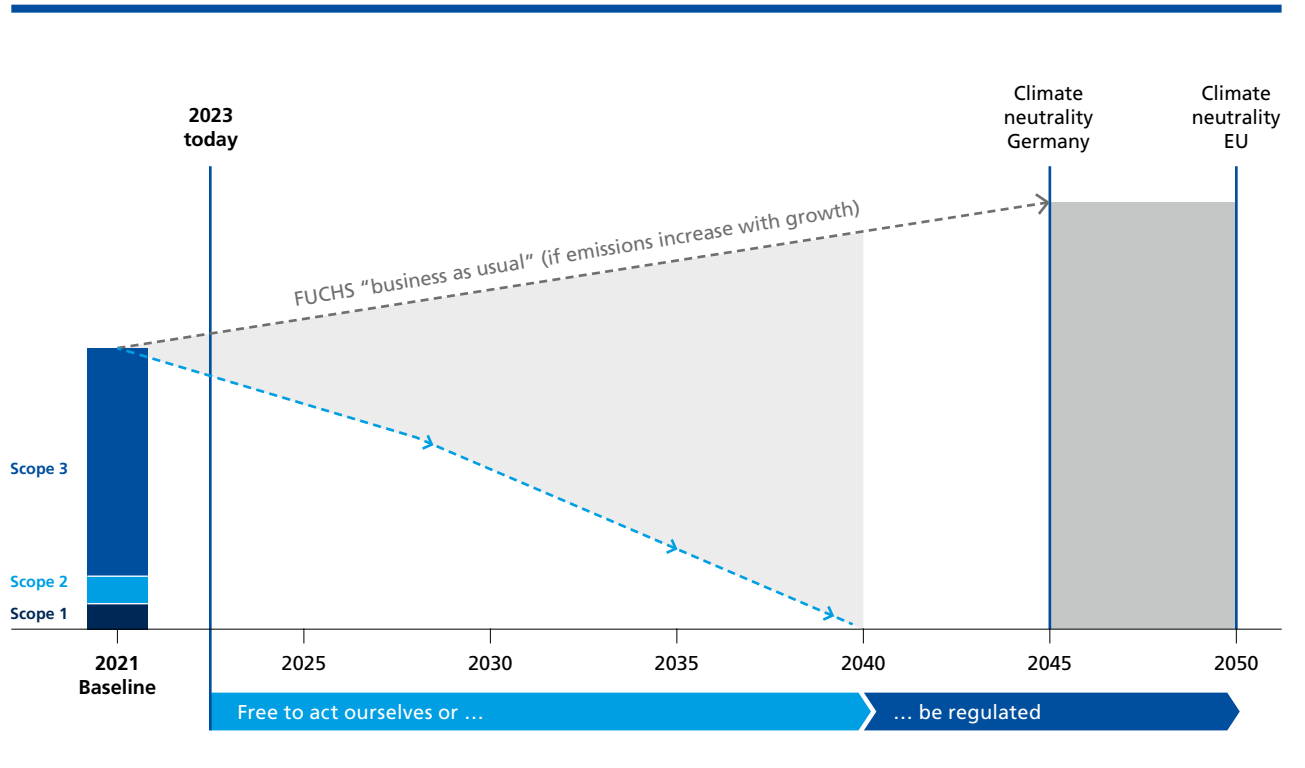
2.4 Sustainability strategy

In addition, FUCHS 2022 has been working on the development of a longer-term sustainability strategy for the Group with science-based targets.

As part of this strategy, FUCHS has committed to reducing emissions along the entire value chain (“cradle-to-grave”) by at least 90% compared to the base year 2021 via medium-term targets in 2030 until the net zero target year 2040.

In this context, related fields of action and objectives were also developed with the Group functions development, purchasing, product management, and supply chain management and projects for implementation were defined. The publication of core elements of this expanded strategy is planned for 2023.

**FUCHS net zero emissions reduction path**



# Two giant leaps to zero

## FUCHS accelerates on challenging path towards climate neutrality

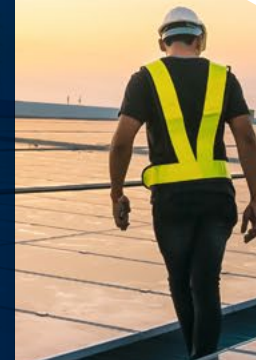
FUCHS aims to achieve **climate neutrality by 2040** – a more than ambitious goal. To reach it, we've defined a path along science based targets. Simply put, we'll do what the latest climate science deems necessary to limit global warming to 1.5°C. And that includes a mid-term goal, a long-term goal and a way to categorize emissions based on where they occur.

**Our mid-term goal** – set for 2030 – reads as follows: Reduce all direct and energy related emissions in our factories by at least 42%. But what about the emissions that occur outside our gates? Think raw materials, transportation and waste. We'll cut them down, too. By at least 25%.

**And the long-term goal?** A 90% reduction of our emissions in these two categories by 2040. Or, in terms of science based targets: net zero carbon neutrality.

mid-term goal  
2030

long-term goal  
2040



## 2.5 Circular economy

Our sustainability strategy aiming at decarbonisation will also include conceptualising strategic areas of activity for aspects of the circular economy. To gradually become less dependent on fossil raw materials, FUCHS will increasingly switch to recycled raw materials and will likewise contribute to ensuring that the waste streams generated by FUCHS lead downstream to material recycling.

The urgent need for far-reaching steps in the direction of a circular economy is evident, not least due to the current raw material shortage, and is being driven forward by legislators (including the European Commission's Circular Economy Action Plan of March 2020).

The deep anchoring of sustainability in FUCHS' set of values has already been outlined in section 2.3. We want to play an active role in shaping the circular economy and we see these developments as great opportunities for us to support our customers on this journey.

In our view, the circular economy has to be seen as a holistic concept of interlinked elements along the entire value chain. Only through this integrated approach the goals of the circular economy can be implemented on a sustainable basis: reducing waste to a minimum and reusing, remanufacturing and recycling materials as often as possible.



For FUCHS, this holistic concept consists of three guiding principles that can be mapped along our entire value chain:

1. Prioritising of renewable raw material sources
2. Maximisation of product benefit
3. Recovery of by-products and waste

We are already active in all three areas, however. This includes, for example:

### 1. Prioritising renewable raw material sources

- Redesigning product formulations to include renewable raw materials. Particular focus here: increased use of circular base oils (re-refined or from biomass)

- Recycling flushing oil generated during production, along with efforts to minimize waste during the production process

- Increasing the proportion of recyclates in packaging

### 2. Maximisation of product benefit

- Extending product run times through improved product properties
- Condition monitoring of process fluids to extend change intervals
- Developing smart services to provide targeted services with sustainable benefits to customers

### 3. Recovery of by-products and waste

- Recovery and recycling of lubricants in the area of chemical process management

- Targeted steering of waste volumes (from FUCHS) into circular reuse




These three principles are supported by ten concrete strategies (Circular Opportunity Areas – COA) that we have formulated as part of the sustainability strategy development process (see table on the right).

Not all of these ten strategies can be directly influenced by FUCHS. Some of them can only be influenced in collaboration with partners along the value chain.

Our aspiration is to expand these activities further and also to consolidate our credentials as a technology leader and provider of holistic solutions in the field of circular economy.

A global survey conducted in 2022 across all management regions found that FUCHS is already able to assign specific local or global activities to seven of the ten strategies globally.

#### Circular economy principles and strategies at FUCHS

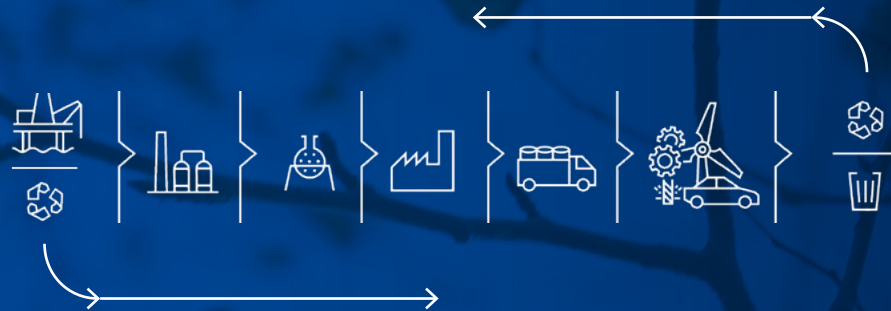
|                            | Principles   | COA                              |
|----------------------------|--|----------------------------------|
| How we design our input    |  <p>Prioritise Renewable Feed</p>       | 1 Circular Sourcing              |
|                            |  | 2 Sustainable by Design          |
|                            |  | 3 Resource Efficiency            |
| How we design our offering |  <p>Maximise Product Utilization</p>    | 4 Product as a Service           |
|                            |  | 5 Digitalization of Assets       |
|                            |  | 6 Usage Optimization             |
|                            |  | 7 Reuse / Redistribution         |
| How we treat our output    |  <p>Recover by-products and waste</p> | 8 Refurbishing / Remanufacturing |
|                            |  | 9 Recycling from Manufacturing   |
|                            |  | 10 Recycling from Consumption    |

# Time to ACT

Renewable, bio-based, recycled – striving towards circular economy

FUCHS aims to achieve climate neutrality by 2040. But in order to reach this goal in time, we have to act now. And deploy one of our biggest sustainability instruments yet: **Advanced Circular Technologies or ACT.**

ACT answers the challenge to **fully transform our value chain from linear to circular without compromising on performance.** As a first step, we gradually replace finite with renewable, bio-based or recycled materials and make sure that everything leaving our factories can itself be effectively recycled. For example, future lubricants might be based on something like birchbark instead of crude oil. But this is only the **first step of our move towards circular economy.** Stay tuned for future updates on ACT.





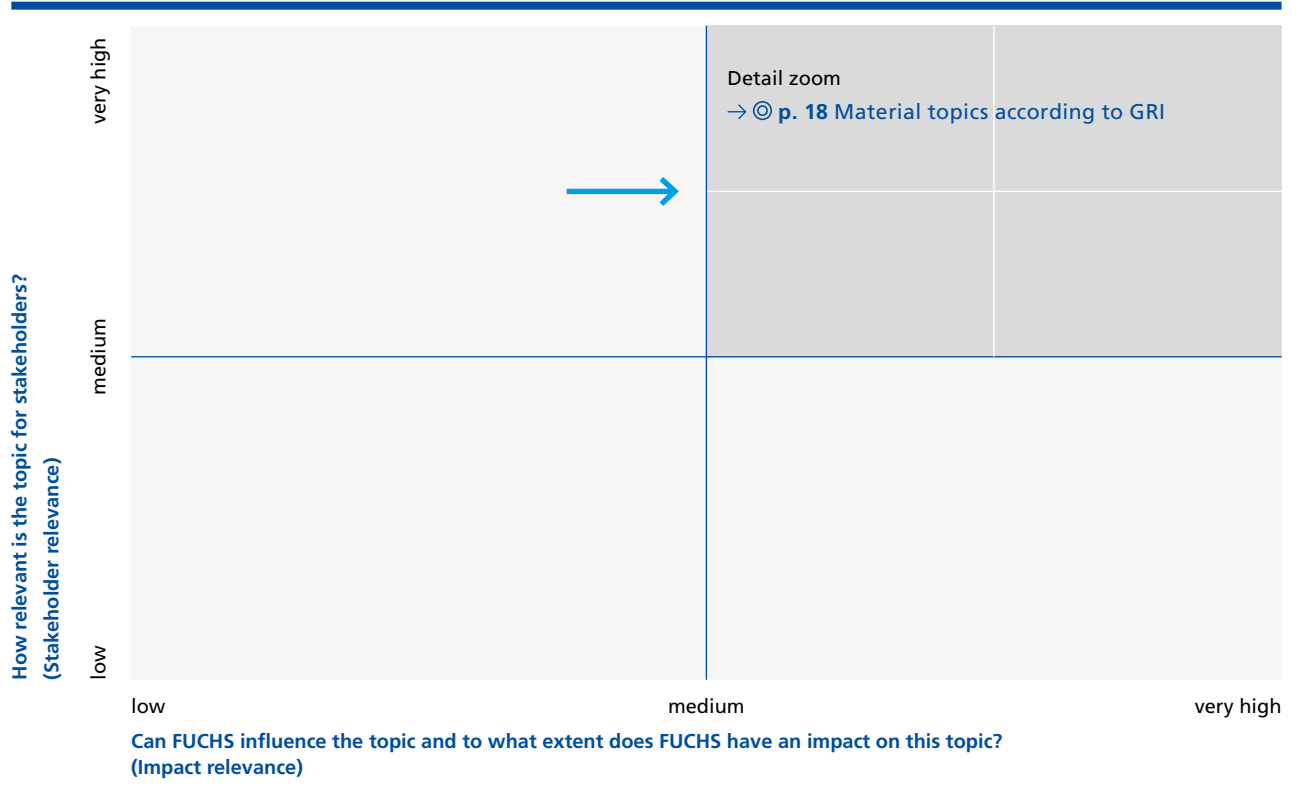
## 2.6 Materiality analysis

In 2021, FUCHS conducted a comprehensive materiality analysis in order to identify the key issues (material topics) for the non-financial declaration.

These topics were assessed with the involvement of the main stakeholders in FUCHS. For this purpose, the relevant stakeholders were identified by means of a stakeholder analysis. From a tentative list of potentially material topics, a short list was created based on an internal assessment of relevance to FUCHS, which was inputted into the FUCHS' stakeholder dialogue. The stakeholder dialogue was implemented using an electronic standardized survey and evaluated in a materiality matrix format.

The result of the materiality analysis also serves as the basis for this Sustainability Report. Unlike the Annual Report 2022, the Global Reporting Initiative (GRI) framework is authoritative for this Sustainability Report, which is why the material topics are presented in this graphic according to business/impact relevance and stakeholder relevance:

**Materiality analysis – principle of dual materiality according to GRI**



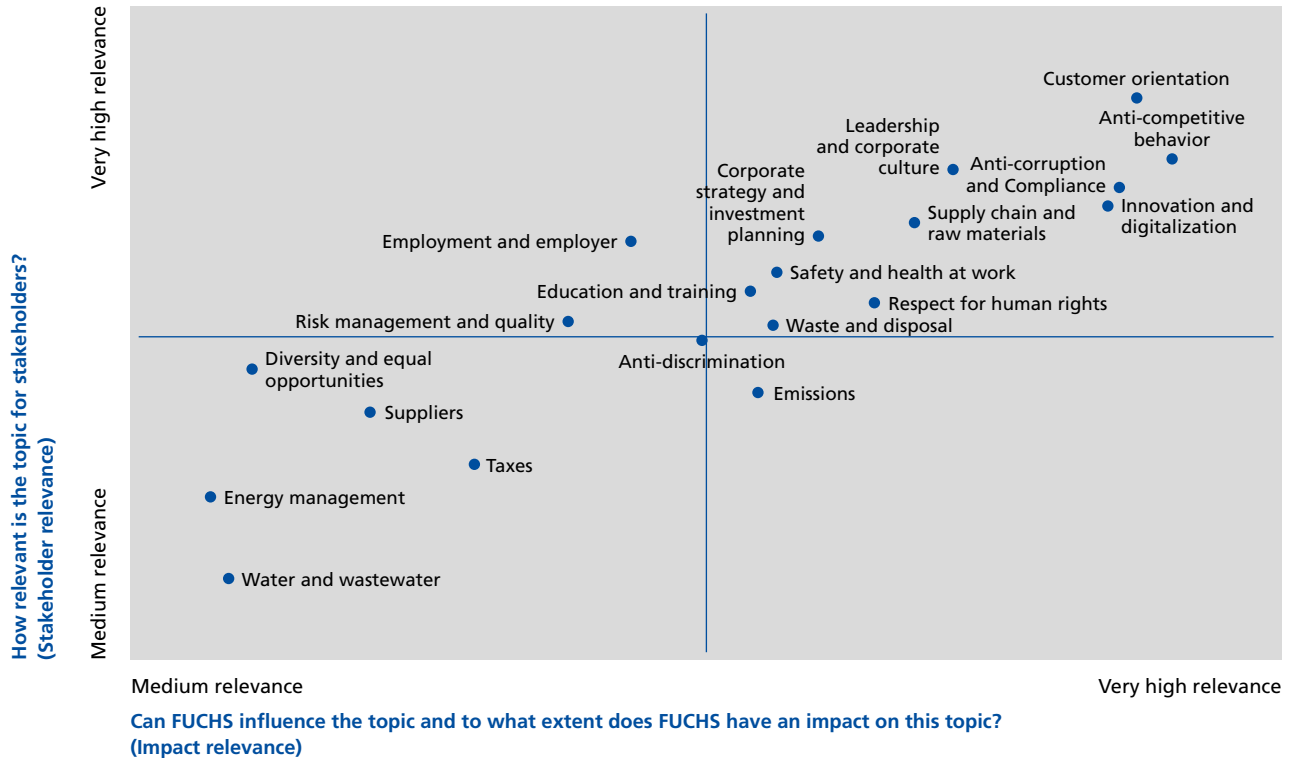
2.6 Materiality analysis

A total of 20 themes were identified to which the dual materiality criterion applies with regard to business and stakeholder relevance in accordance with GRI and which have a medium to high business or impact relevance in the materiality matrix.

This extract from the materiality matrix is shown in the following diagram.

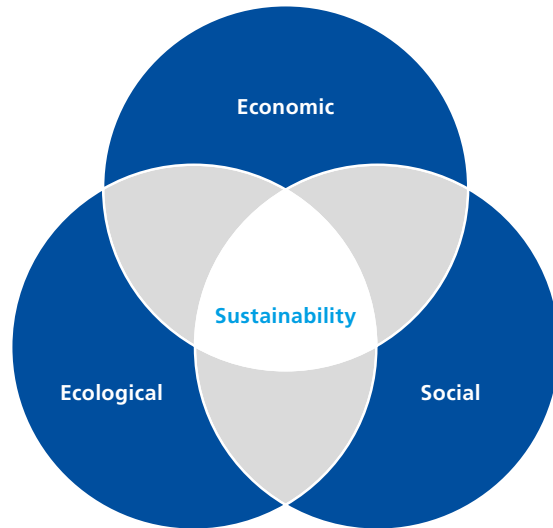
The result of the materiality analysis from 2021 was reviewed for relevance in preparation for sustainability reporting. FUCHS is preparing for future requirements at European level (Corporate Sustainability Reporting Directive (CSRD)) and will follow the framework of the Global Reporting Initiative (GRI), as in the previous year, until a CSRD-compliant reporting format is implemented.

Material topics according to GRI



## 3.1 Economic, ecological and social sustainability

### Three pillars of sustainability at FUCHS



FUCHS' sustainability activities are assigned to the three sustainability dimensions of economy, ecology and society.

FUCHS regards sustainability applied to its economic activities as a principle of long-term business alignment and safeguarding and has committed itself to a continuous and sustainable increase in the value of the company as well as the creation of shareholder value in order to be a stable and reliable factor in the long term for both our business partners and employees.

FUCHS develops, produces and sells application-oriented, emission-reducing lubricants and functional fluids. We are also committed to using ecologically friendly production methods and are continuously working to improve our processes, also with the aim of achieving greater ecological sustainability. As a result, FUCHS contributes to reducing energy consumption and protecting resources, and thus helps to achieve sustainability in the ecological sense. The systematic transfer of knowledge at all levels of the FUCHS Group, as well as the implementation of specified guidelines continuously improve the safety and efficiency of plants, production processes and products.

FUCHS is very much aware of its social responsibility and carries out its activities with this responsibility in mind. We comply with applicable laws at local, national, and international level and act in accordance with the basic principles of the UN Global Compact.

### 3.1.1 Economic sustainability

The KPI for corporate control of the Group as a whole is FUCHS Value Added (FVA), which is a catchall term covering both EBIT and capital employed. EBIT is the relevant profit indicator. Capital employed is reflected in the net assets and financial position. Value is only added when the recorded earnings are higher than the costs of the capital employed.

Capital invested is largely influenced by investments in property, plant and equipment, investments on intangible assets, as well as by the changes in net operating working capital (NOWC). Property, plant and equipment is managed on the basis of investment appraisals, while NOWC is monitored through the targeted management of its components (inventories as well as trade receivables and trade payables, advance payments received and liabilities from customer discounts).

Other key performance indicators for FUCHS besides the FVA are growth in sales revenues, profitability, and liquidity. For each of these indicators, FUCHS has defined clear metrics and targets: The aim is to achieve annual growth in sales revenues in the mid-single-digit percentage range. The key indicator for managing profitability is earnings before interest and tax (EBIT), with the goal of achieving EBIT of €500 million by 2025 and an EBIT margin of 15% at the Group level in the long term. FUCHS uses free cash flow before acquisitions and the cash conversion rate,

## 3.1 Economic, ecological and social sustainability

defined as the ratio of free cash flow before acquisitions to earnings after tax, as liquidity indicators. The goal is to achieve an average cash conversion rate of 0.8. → [2022 Annual Report p. 42 et seq. Management Report](#)

## Economic indicators

| in € million   | 2022       | 2021       | 2020       |
|--|------------|------------|------------|
| FUCHS Value Added (FVA)                              | 172        | 205        | 165        |
| Earnings before interest and tax (EBIT)              | 363        | 363        | 313        |
| Free cash flow before acquisitions                   | 61         | 90         | 238        |
| Cash conversion rate                                 | 0.2        | 0.4        | 1.1        |
| <b>Dividend distribution (for the previous year)</b> | <b>143</b> | <b>137</b> | <b>135</b> |

## Corporate strategy and investment planning

As part of the FUCHS2025 transformation program, the 2025 Strategy, in which FUCHS sets out its plans and aspirations for the future, was published in 2020. The transformation program itself highlights the three dimensions of strategy, culture and structure, because FUCHS strongly believes that all three aspects must be in step with each other in order to achieve success in the long term.

The strategy is based on six strategic pillars. These serve as guidance for strategic action with the aim of fulfilling the “Being First Choice” vision for 2025. Specific strategic goals have been defined within each pillar. Even at the



**“External, neutral sustainability ratings such as CDP are an important yardstick of our sustainability transformation, and we use them as a critical basis upon which we evaluate and align our activities.”**

Sebastian Heiner, CTO

top strategic target level, the themes of sustainability as well as employees and organization are firmly anchored. This underlines the importance of environmental and social sustainability to the Group, but also the responsibility as an employer company towards employees and society. → [2022 Annual Report p. 39 et seq. Group Strategy](#)

The strategy is carried out by means of several implementation elements. On the one hand, strategy development and implementation are reflected in the holistic market segment approach adopted in customer and market-related activities. In addition, we have set up the Group-wide topic areas on a project basis as strategic initiatives with global, cross-functional teams. In this way, we ensure that cultural, specialist, and market-specific viewpoints are incorporated in the implementation of the objectives.

Secondly, important core elements of the strategy are addressed and managed with global projects.

In 2021, FUCHS strategically chose to have the company’s sustainability development progress reflected upon and externally evaluated using the Carbon Disclosure Project (CDP) rating system. For this reason, FUCHS also completed the “Climate Change” and “Water Security” questionnaires for the Group in 2022 (“Forest” is not relevant to FUCHS’ activities) and managed to achieve a rating of B– for both categories for 2022. This corresponds to the “management level” in CDP’s classification and represents the second-highest rating class.

# Feasting for circular economy

## Bacteria unlock new material source

Banana peels, old bags, diapers – waste like this is a tiny bacterium's favorite food. And the best part: It digests them into bioplastics that can be used as **new raw materials** – they're called Polyhydroxyalkanoates (PHAs).

PHAs represent a huge chance for lubricants and circular economy. And this is why FUCHS, Fraunhofer UMSICHT and others have teamed up to research them. Part of this is figuring out and modifying the basic **characteristics** of our little helper's digestive products: Solubility, mechanical and thermal properties and so on.

Another part is identifying **applications** in which PHAs perform particularly well. The idea is to add technical on top of ecological value. For example in the form of better friction reduction. It's still too early to tell which products that might be. But greases and solid film lubricants are strong contenders.



## 3.1 Economic, ecological and social sustainability

In the Supplier Engagement Rating (SER) derived from this, FUCHS achieved a B rating, which is significantly better than the average for the chemical industry reported by CDP or the overall European and global average (all C). In the categories “Supplier Engagement” and “Scope 3 Emissions (including verification)” FUCHS was able to obtain the highest rating “A”.

A multi-stage collaborative planning process has been implemented with regard to specific capital asset planning (construction of new plants and other major areas of investment). This ensures that the broad experience available in the area of operations/supply chain is exploited in the planning of new projects. As part of the regional investment planning workshops, all major supply chain investment projects were clustered to determine whether they contribute to our sustainability goals. The aim is to further develop and formalize this approach in the future.

FUCHS’ production locations are mostly based in purely industrial zones or business districts. In planning and operating these, FUCHS is guided by internal and external environmental and safety regulations so that the impact of FUCHS’ activities on the environment, nature, and biodiversity can be kept to a minimum.

**Innovation and digitalization**

Innovation and digitalization are seen as great opportunities for the sustainable and positive development of the Group. Drivers and focus areas in this regard differ from one region to another. To make the most of the opportunities that this offers, FUCHS is leveraging its global position and strengthening regional structures, especially in the three centers of Mannheim (Germany), Chicago (USA) and Shanghai (China) in the area of research and development and digitalization – two key cornerstones for innovation.

In research and development, which is centrally controlled by the Chief Technology Officer, FUCHS continues to strive to build on and expand its technological edge and promote innovation in strategically important areas. → [2022 Annual Report p. 43 et seq. Research and development](#)

In 2022, regional Chief Digital Officers (CDOs) and Digital Transformation Managers who work closely with the Group’s CDO were given an introduction to the area of digitalization. Regular reporting to the Executive Board or the Group Management Committee (GMC) ensures the involvement of the Group’s management. Competencies in the field of data and AI were built upon. Implementation of the digital strategy “FUCHS goes Digital”, developed in 2022 as part of FUCHS2025, has begun and will guide the Group through the years of its digital transformation. The focus here is on a broad setup in the customer channels with an appropriate customer experience. Focusing inwards, “FUCHS goes Digital” aims to improve efficiency and the necessary skills of employees. On top of the

already introduced FluidsConnect solution, other applications will be added to the Smart Services portfolio from 2023.

The aim is to create an improved culture of innovation to support the development and digitalization strategy and, at the same time, to increase the innovation-driven mindset and innovative strength overall. Innovation programs have been implemented at local and global levels to promote the culture of innovation. Digitalization is an important component in this regard.

For research and development, this means, among other things: using chemical and mechanical simulation models to increase understanding of the interactions between the lubricant and its environment; designing experiments to develop the optimum product through statistical evaluation with as few trials as possible; and using smart technologies to support service concepts through sensors and accelerate product condition analysis in the application. In addition, the laboratories are being progressively automated to reduce input errors and speed up routine activities. Both chemical and mechanical simulation models aim to increase efficiency and achieve predictability in the performance of new formulations. More targeted formulations are intended to reduce development times.

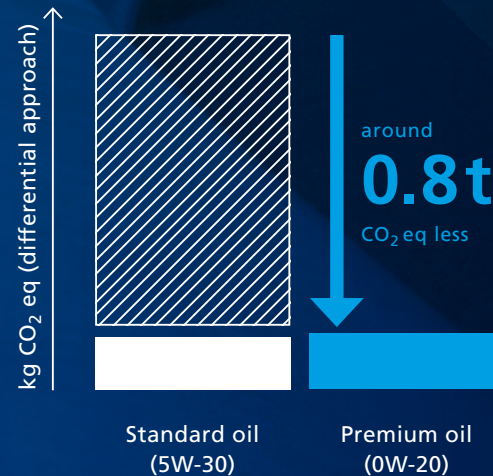
# Simple change, big effect

## Comparative lifecycle assessment of engine oils

We enable our customers to perform more sustainably. But how does that work? Generally speaking, better lubrication reduces friction. And that means lower energy consumption and a smaller impact on the environment – savings that accumulate over the lifetime of anything lubricated. We can measure these effects with a lifecycle assessment (LCA).

For example, we compared two engine oils: a standard SAE 5W-30 and higher-grade SAE 0W-20. Both were put to the test in a standard compact vehicle under close to realistic conditions on a dynamometer. Also taking into account the oils own lifecycle and aging.

The results: While the higher-grade oil had a slightly larger product carbon footprint during production, it **significantly improved fuel economy**. Projected onto a car's entire lifetime, this simple switch can save around 0.8t CO<sub>2</sub> equivalent per car. Which is 5.5 times the amount needed to produce the 0W-20 itself. A modest contribution for a single car. Then again, there are quite a lot of cars around ...



## 3.1 Economic, ecological and social sustainability

**Customer orientation**

As part of FUCHS2025, the Group Executive Board has defined customer orientation as one of six strategic pillars and is actively working to implement this within the company. We value long-term customer relations that are based on mutual trust as well as on the ability to identify and understand our customers' requirements and implement these together with them. With our emotional statement "MOVING YOUR WORLD" we stand alongside our customers, provide impetus, and set their world in motion.

FUCHS with its lubricant solutions helps our customers to run their business more sustainably. Our mission is to achieve this with innovative products and services and thus to always be able to offer customers added value.

# 50%

of the global business in managed business segments, will be reached by FUCHS as target in 2023.

Despite the challenging market conditions, raw material shortages, logistical bottlenecks, and lockdowns, we managed at all times to ensure supply to our customers. We will conduct our next customer satisfaction analysis globally in mid-2023. From this, targeted actions will be initiated to respond to the needs of our customers.

We will reach the target of over 50% of the global business in managed business segments by 2023 and will continue to increase the share (2021: 50.9%/2022: 51.1%). In these business segments, cross-functional teams work closely with their respective customers to identify sustainable lubricant solutions.

In the vehicle industry, this means FUCHS is involved at an early stage, for example when new engines or transmissions are created in order to develop lubricants tailored to aggregates and make these available to customers worldwide to the same level of quality.

In the production and manufacturing industries, our focus is on ensuring the maximum operational availability of machines at our customers. As well as supplying the right product, FUCHS allows customers to focus on creating their own value through individual service concepts relating to the lubricant.

Through the FUCHS Smart Services product line and the systematic integration of the Nye products into our segment/product portfolios, we are making ourselves more attractive to our customers in the long term.

The merger of our companies in Germany into FUCHS LUBRICANTS GERMANY will enable us to serve German customers in future from a single source with the entire FUCHS portfolio, including specialty lubricants and high-performance lubricants.

**Risk management**

As part of the existing risk management system, FUCHS considers and assesses the potential material risks associated with its business activities, its business relationships and its products and services that are very likely having or will have severely negative repercussions on the non-financial aspects. No reportable net residual risks within the meaning of Section 289c (3) 3 and 4 of the German Commercial Code (HGB) were identified for the year 2022. → [2022 Annual Report p. 67 et seq. Opportunity and risk report](#)

**Tax**

FUCHS PETROLUB SE's corporate tax department advises the group management and local management on tax matters and reports directly to FUCHS' Chief Financial Officer. Tax department staff have the necessary professional qualifications, and these are regularly updated through external training. FUCHS is assisted by external tax advisors in the assessment of tax matters and in the determination of tax positions as well as its tax return. FUCHS pays taxes in the countries it operates in. It is the responsibility of local management to submit tax returns correctly and on time, as well as to pay taxes in full and on time, and is an expression of responsibility to stake-



holders in the respective countries. In this context, national legal provisions and relevant case-law each form the legal framework. Some tax regulations leave room for different interpretations. If FUCHS represents a tax position that differs from the interpretation of the tax authorities, FUCHS shall disclose this to the tax authorities in a transparent manner. Tax strategies aimed at tax avoidance are strictly rejected. Business decisions and operational structures are based on economic considerations rather than the objective of generating any tax benefits. To illustrate this, the tax rate can be used as a ratio of income taxes to the FUCHS Group's 2022 earnings before tax, adjusted by at equity income, of 27.9% (29.8%). FUCHS aims to achieve a high level of transparency and legal certainty in tax matters. Respectful and open communication with the relevant authorities is maintained worldwide.

### 3.1.2 Ecological sustainability

Ecological sustainability is one of the main points of lubricants in their own right. They make a crucial contribution to reducing corrosion, wear and friction. Protection against corrosion and wear allows a piece of machinery or a tool to have a longer life, thereby enabling more sustainable investment in machinery and reducing energy and cost of materials incurred through early replacement of capital goods.

In turn, lower friction means lower energy requirements when operating machinery of all kinds. This way, our products actively help our customers to conserve natural resources in the use phase. This resource conservation is already a top priority in the production process at FUCHS. In an age when natural resources are becoming ever scarcer, the primary objective must be to use energy, water and raw materials responsibly so that future generations will also be able to live a life worth living. This applies to production at FUCHS and also to use by our customers.

#### Material topics

##### Emissions

Emissions are a key issue for FUCHS as a production company. As part of the annual Corporate Carbon Footprint (CCF) collection and accounting, direct and indirect emissions are captured and converted to CO<sub>2</sub> equivalents.

Currently, the collection of CO<sub>2</sub> emissions in line with the GHG Protocol Corporate Accounting and Reporting

Standard relate exclusively to the production- and operations-related processes within the factories, also referred to as "gate-to-gate" scope. Firstly, Scope 1 emissions generated directly from FUCHS are included in the calculation. These include, for example, own heat generation, leaks in refrigeration systems, and the vehicle fleet. Secondly, (indirect) emissions generated in the production of purchased energy, such as electricity, steam and district heating, are covered by Scope 2. Other selected categories from Scope 3 are also part of the data collection and emissions calculation, to the extent that FUCHS can assign them directly to the business under the "gate-to-gate" scope:

- Category 3.1: Purchased goods  
Here: Fresh water consumption
- Category 3.3: Fuel and energy-related emissions (not in Scope 1 and 2)
- Category 3.5: Wastewater and waste generation
- Category 3.6: Business travel
- Category 3.7: Employee commuter traffic

Scope 3 categories going beyond this such as emissions stemming from purchased raw materials (upstream) (3.1) or generated in the use phase (downstream) or avoided emissions from customers are not included in the calculation, as they are outside the chosen "gate-to-gate" scope.

## 3.1 Economic, ecological and social sustainability

For some rented distribution sites, consumption-related emissions were partially extrapolated based on the leased space.

In addition to its efforts to continually reduce emissions, FUCHS compensates for its remaining emissions by purchasing climate protection certificates that meet certification standards, such as the UN GOLD standard or one of the VERRA standards.

According to the triad “Avoid – Reduce – Offset”, the aim is to further cut down on generated emissions in order to gradually reduce future investment in climate mitigation projects that serve as offsetting measures. To achieve this and improve transparency even further, FUCHS is currently working to increase data quality and leverage emissions-related KPIs in operational units to optimize and reduce emissions.

FUCHS has set itself the goal of reducing its “cradle-to-grave” emissions to zero by 2040 (“Net Zero”). A concrete, data-based target development of this reduction path continues to be our clear goal, and we will complete this in 2023. The following emission categories are considered for the 2021 baseline:

- Scope 1: Direct emissions
- Scope 2: Indirect emissions from energy
- Scope 3:
  - 3.1 Purchased goods and services
  - 3.2 Capital goods
  - 3.3 Fuel- and energy-related emissions (not in Scope 1 and 2)
  - 3.4 Upstream transport and distribution
  - 3.5 Waste
  - 3.6 Business travel
  - 3.7 Employee commuter traffic
  - 3.12 Handling of products sold at the end of their life cycle



**“We’re proud to have pioneered the lubricants industry with the development of our PCF methodology and we actively support the development of a consistent methodology for the entire lubricants industry.”**

**Markus Garb, Vice President Global Sustainability**

The emission fields not mentioned in the above listing of Scope 3 categories were analyzed and found to be either non-material or irrelevant.

Category 3.1 “Purchased goods and services” accounts for a large proportion of “cradle-to-grave” emissions. In order to build the (primary) database needed to do so, we have been requiring our raw material suppliers to provide Product Carbon Footprint (PCF) data on sourced raw materials since 2022.

3.1 Economic, ecological and social sustainability

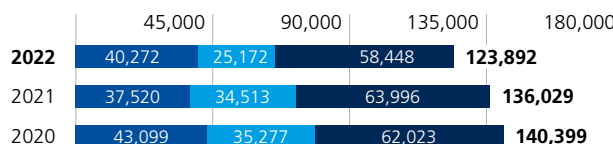
To achieve comparability of raw material data and to enable the systematic calculation of Product Carbon Footprints (PCF), FUCHS produced and published a methodology document for calculating PCF in 2022. All suppliers are required to provide PCF data according to this methodology. The PCF methodology document was successfully reviewed by TÜV Rheinland in 2022. Since 2022, FUCHS has been actively engaged through European lubricant associations in the development of a general PCF calculation methodology for the entire lubricant sector. → <https://www.fuchs.com/group/technology-sustainability/sustainability/product-carbon-footprint/>

The absolute “gate-to-gate” CO<sub>2</sub> emissions<sup>1</sup> of the FUCHS companies<sup>2</sup> were reduced by 9% in 2022 compared to the previous year, with a 6% decrease in production volume. For the Joint ventures, these emissions were reduced alongside a 7% increase in production volume. Specific emissions (emissions per ton produced) decreased by 3% at the FUCHS companies and by 18% at the Joint ventures as a result.

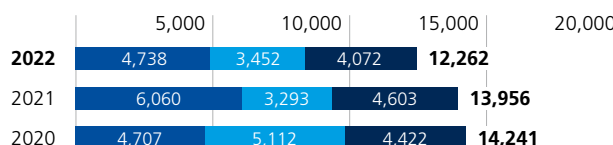
In addition, FUCHS retrospectively determined for the first time in 2022 the upstream supply chain’s Scope 3 emissions for 2021. In addition to the Scope 3 emissions already reported in the “gate-to-gate” scope, these include primarily sourced raw materials, as well as packaging, capital goods and upstream logistics (3.1, 3.2 & 3.4). The assessment of packaging and raw material emissions is currently still subject to inaccuracies, as FUCHS does not receive accurate data from most suppliers on the PCFs of materials purchased. In the absence of such data, generally

Development of absolute CO<sub>2</sub> emissions

FUCHS production, sales and holding companies (in tons CO<sub>2</sub>)



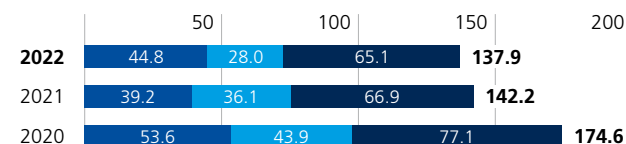
Joint ventures (in tons CO<sub>2</sub>)



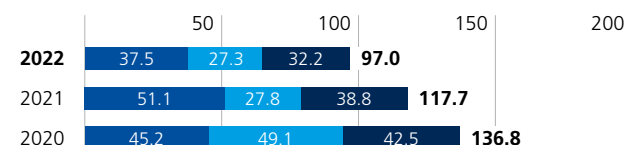
- Scope 1: Direct emissions, including own energy generation.
  - Scope 2: Indirect emissions through purchased energy.
  - Scope 3: Other indirect emissions along the value chain.
- Basis: CO<sub>2</sub> emissions of FUCHS production, sales and holding companies or Joint ventures (without offsetting for certificates of origin for “green electricity”).

Development of specific CO<sub>2</sub> emissions

FUCHS production, sales and holding companies (in kilograms CO<sub>2</sub>/ton produced)



Joint ventures (in kilograms CO<sub>2</sub>/ton produced)



- Scope 1: Direct emissions, including own energy generation.
  - Scope 2: Indirect emissions through purchased energy.
  - Scope 3: Other indirect emissions along the value chain.
- Basis: CO<sub>2</sub> emissions of FUCHS production, sales and holding companies or Joint ventures (without offsetting for certificates of origin for “green electricity”).

<sup>1</sup> Estimates have been made for average distances attributable to official travel and employees commuting, as well as for the number of actual days worked on site.

<sup>2</sup> Fully consolidated production, distribution and holding companies.

3.1 Economic, ecological and social sustainability

available approximations from public databases and sources were used. Taking these uncertainties into account, the upstream supply chain (“cradle- to-FUCHS-inbound-gate”) Scope 3 emissions for 2021 were determined at 1.9 million tons of CO<sub>2</sub> equivalent<sup>3</sup>. These emissions are not part of FUCHS’ voluntary offsetting, as they exceed the “gate-to-gate” scope currently chosen.

An assessment of upstream value chain Scope 3 emissions for 2022 could not be completed prior to the publication of this report, but will be completed in 2023.

The switch in 2021 to the quarterly collection of emissions-related ecological KPIs for all sites helps FUCHS to increase data quality and make these indicators trackable and usable in a timely manner for optimization at the company sites.

**Energy management**

Responsibility for energy management and consumption lies with the FUCHS companies. This requires setting and pursuing individual objectives based on local circumstances. FUCHS has decided to use the ISO 50001 energy management standard as a tool to record, monitor, and reduce its energy consumption. To do this, FUCHS is working on a plan to have its main plants certified in line with ISO 50001. Currently, six production sites in the EMEA region are ISO 50001-certified. These companies cover 32% of the energy used in the FUCHS Group.

In addition to energy saving through rigorous energy management, the switch to electricity from renewable sources (“green power”), in-house production of electricity, and the use of waste heat from production processes form part of this management approach.

As a manufacturing company, FUCHS will always have an external energy requirement. To reduce energy-related emissions, FUCHS is working on progressively switching from electricity to “green power”.

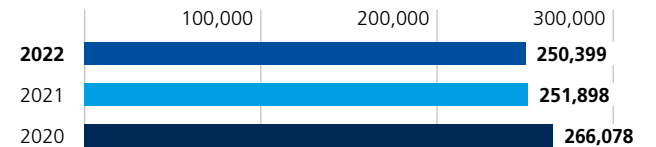
To reduce its external energy requirement, FUCHS is also focusing on expanding its in-house energy generation capacity, for example through solar power installations. For example, ten FUCHS sites already have such installations in their buildings, generating 2,033,308 kWh of electricity in 2022.

In addition, FUCHS uses waste heat from production to heat plants or buildings in pilot and new construction projects.

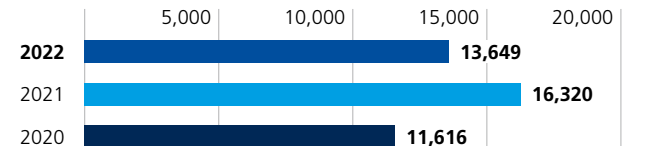
The absolute energy consumption of FUCHS companies was slightly reduced by 0.5% in 2022 compared with the previous year, with an almost 6% decrease in production volume. The same consumption for JVs decreased by 16%, with a 7% increase in production volume.

**Development of absolute energy consumption**

**FUCHS production, sales and holding companies**  
(in MWh)



**Joint ventures**  
(in MWh)



Basis: CO<sub>2</sub> emissions of FUCHS production, sales and holding companies or Joint ventures.

<sup>3</sup> The calculation of the upstream supply chain’s Scope 3 emissions and hence the level of CO<sub>2</sub> equivalents was not part of PwC’s audit of the Annual Report 2022.

# Teaming up for new standards

## FUCHS cooperates with European lubricant associations to develop common PCF methodology

Since late 2022, FUCHS is working with UEIL and ATIEL to develop a single common product carbon footprint (PCF) methodology that the lubricant industry can commit to. The advantage for our customers: **certified, harmonized PCF calculations based on the same approach.**

This represents a **complex task involving the entire supply chain** from the generation of raw materials through refining up to the lubricant manufacturer's exit gate. What are the boundaries? Which data should be included, which left out? Since we developed our own methodology last year, these issues are quite familiar, which means we can contribute **not only data and resources but also a lot of experience.** However, there still is a lot of work to be done before our customers can be sure to compare apples with apples and not apples with oranges.



Exploration



Refinement



Production  
(e.g. FUCHS)



PCF

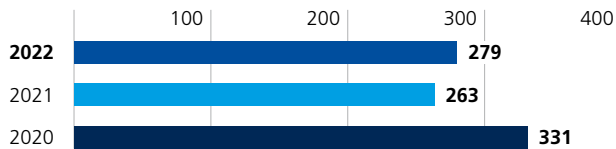


3.1 Economic, ecological and social sustainability

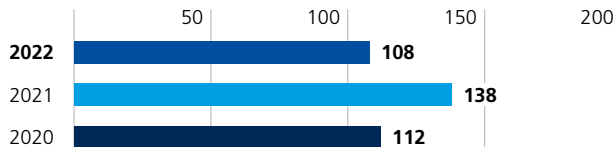
This increased the specific energy consumption (energy consumption per ton produced) by almost 6%. The increase in specific energy consumption can be explained by investments in higher production capacities and the associated non-production base load.

Development of specific energy consumption

FUCHS production, sales and holding companies  
(in kWh/ton produced)



Joint ventures  
(in kWh/ton produced)



Basis: CO<sub>2</sub> emissions of FUCHS production, sales and holding companies or Joint ventures.

For the JVs, specific energy consumption was reduced by 22%.

As in the previous year, the European sites were supplied with energy in 2022 through the acquisition of certificates of origin for renewable electricity from wind power (“green electricity”). This tool will be used until all sites and locations are able to sign direct “green power” supply contracts with their energy supplier. In this way, CO<sub>2</sub> emissions were reduced by an additional 4% in 2022.

New solar installations with a total peak power capacity of 181 kWp have been added at the sites in Lviv in Ukraine, Kungsbacka in Sweden, and Johannesburg in South Africa. The new workshop building in Mannheim, built in 2022, was also equipped with a solar system for self-supply, but was not yet connected to the grid in 2022. The new workshop building will be heated using waste heat from steam condensate resulting from production. A district heating connection serves only as a backup power supply.

The new, energy-efficient holding building in Mannheim, obtained in April 2022, is equipped with a solar system that will also be connected to the grid in 2023. In addition, the new administrative site is equipped with approximately 100 charging stations for electric vehicles, which employees can use for both business and private vehicles.

**100 charging stations**  
for electric vehicles, which employees can use for both business and private vehicles, can be found at the administrative site in Mannheim.

The existing solar system at the Wedel, Germany site has more than doubled its peak power from 78 kWp to 177 kWp.

In 2022, the peak photovoltaic power installed at FUCHS sites worldwide amounted to 1,985 kWp.

Water and wastewater

Each of the FUCHS companies is responsible for its water management. Water and wastewater account for only a small share of FUCHS’ “gate-to-gate” emissions, at 0.22%. Only a small proportion of the product range uses water as a raw material.

There is no global target for water consumption. With new plant buildings, care is taken to keep drinking or

3.1 Economic, ecological and social sustainability

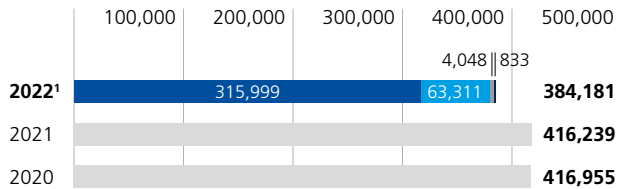
groundwater consumption as low as possible. Depending on local conditions, efforts are made to use rainwater and reduce wastewater.

The reported absolute water consumption of the FUCHS companies<sup>1</sup> fell by 8% in 2022, a year where production

**Development of absolute water consumption**

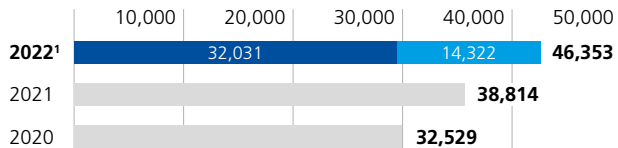
**FUCHS production, sales and holding companies**

(in cubic meters)



**Joint ventures**

(in cubic meters)



■ Mains water      ■ Groundwater      ■ Total  
 ■ Surface water      ■ Rainwater

<sup>1</sup> Detailed breakdown only available from 2022.

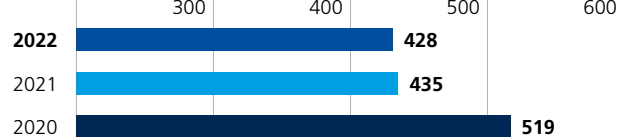
volume decreased by nearly 6% compared with the previous year. For the JVs, this consumption figure increased by 19%.

For the year 2022, the absolute wastewater volumes at the sites were recorded. These amount to 290,401 cubic meters for FUCHS companies and 18,141 cubic meters for Joint ventures.

**Development of specific water consumption**

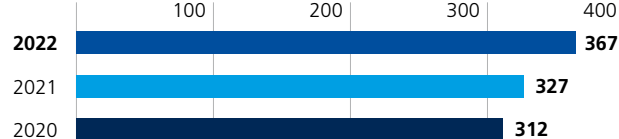
**FUCHS production, sales and holding companies**

(in liters/ton produced)



**Joint ventures**

(in liters/ton produced)



<sup>1</sup> FUCHS production, sales, and holding companies.

As a result, the specific water consumption (water consumption per ton produced) was reduced by 2% for the FUCHS companies<sup>1</sup> and increased by 12% for the JVs.

15% of the Group-wide water consumption at FUCHS was met by using collected rainwater or surface water. FUCHS also focuses on the amount of wastewater: For example, the new plant in Wujiang, China, operates a wastewater evaporation system to reduce discharged wastewater volumes and associated costs and to avoid overloading the local wastewater system.

**Waste and disposal**

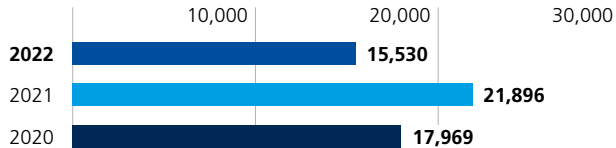
Waste management is the responsibility of the individual FUCHS companies. This requires setting and pursuing individual objectives based on local circumstances. In 2022, the CO<sub>2</sub> equivalents generated by the disposal of waste during the production of the lubricants accounted for 21% of total emissions, a significant share of the chosen “gate-to-gate” Scope 3 emissions. In order therefore to achieve the overall goal of continuously reducing “gate-to-gate” emissions, a focus on effective waste management is essential.

Investment in modernizing plants is also made with the aim of reducing lubricant quantities used in plants, thus making them more resource-efficient. For example, in the new polyurea grease production plant in Kaiserslautern, an innovative flushing concept has been implemented that

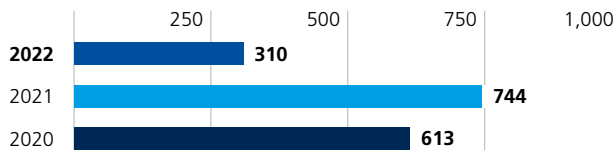
3.1 Economic, ecological and social sustainability

**Development of absolute waste volume**

**FUCHS production, sales and holding companies<sup>1</sup>**  
(in tons)



**Joint ventures<sup>1</sup>**  
(in tons)



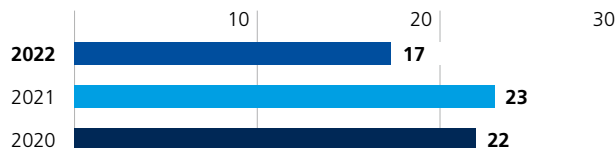
Basis: Waste generated by FUCHS production, sales, and holding companies or Joint ventures.

completely prevents the occurrence of flushing oil waste during continuous production of the same product and reduces the occurrence of flushing oil by at least 60% during product changes.

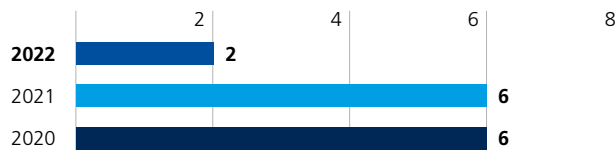
<sup>1</sup> Not including recycled amounts of flushing oils and finished products.

**Development of specific waste volume**

**FUCHS production, sales and holding companies<sup>1</sup>**  
(in kilograms/ton produced)



**Joint ventures<sup>1</sup>**  
(in kilograms/ton produced)



Basis: Waste generated by FUCHS production, sales, and holding companies or Joint ventures.

Absolute waste generation of FUCHS companies decreased disproportionately by 29% year-on-year in 2022 with a 6% decrease in production volume. This was partly because the dismantling of the Swedish plant in Nynashamn, which was included in the previous year's figure, has been completed. The associated waste volumes led to a noticeable increase in absolute waste generation in 2021, which in 2022 fell well below 2020 levels.

For the JVs, absolute waste generation was actually reduced by 58% compared with the previous year. (Landfill statement). As a result of this reduction, the specific waste volume (waste volume per ton produced) also decreased by 25% year-on-year.

**Materials and raw materials**

The manufacture of these products involves a large number of externally procured raw materials from renewable and fossil sources.

FUCHS produces almost none of its own raw materials. As a result, most greenhouse gas emissions associated with the products are not produced on the company's directly controllable premises ("gate-to-gate"), but instead further upstream in the supply chain at the raw material suppliers. Accordingly, FUCHS has been working in partnership with its strategic suppliers for several years, for example, to meet expectations with a view to a stage-by-stage recording and communication of greenhouse gas emissions caused by suppliers. As a result, the importance and requirements in the strategic supplier assessment are also gradually increasing in terms of sustainability considerations. As part of last year's strategic supplier assessment, more than 35% of strategic suppliers have improved their sustainability rating compared with the previous year in spite of more stringent criteria.

In the financial year 2022, FUCHS, together with selected partners, also identified more products and packaging in further pilot projects to all be quantitatively assessed in



3.1 Economic, ecological and social sustainability

terms of their ecological sustainability in comparison with standard products over the entire life cycle. The results of these studies are expected in the course of 2023. Work in the coming years will continue aiming to present these analyses in quantitative, as opposed to qualitative, terms for the entire portfolio. In 2022, FUCHS succeeded in supporting the goal of sustainability in individual regions by converting different packaging to more sustainable alternatives. For example, in addition to the introduction of new HDPE containers with recycled content, positive results have been achieved especially in the case of steel packaging, through the saving of material.

**Offsetting emissions**

For the year 2023, FUCHS has also chosen to voluntarily offset the remaining emissions by purchasing climate protection certificates, in addition to the emissions savings achieved. The offsetting of emissions for a financial year is based on the previous year’s “gate-to-gate” emissions less the credit for proofs of origin for “green electricity” in Europe and offsets already made by the supplier for eco-gas. Thus, the amount of emissions to be offset was 128,316 tons for 2022, a fall of 8.4% compared to the previous year. FUCHS will retire climate protection certificates to compensate for this amount. As a result, for the third consecutive time, FUCHS has achieved its goal of continuously reducing voluntary offsetting benefits, managing a drop of 15.3% since 2019.

To offset, FUCHS has acquired certificates from the following projects, which are being retired for the follow-



**“We will no longer be able to afford to buy unsustainable goods in the future.”**

Bruno Chauat, VP Procurement

ing year on a pro rata basis according to the amount of emissions to be offset:

**Climate protection projects to compensate for 2023**

| Country   | Project name   | Standard      |
|-----------|--|---------------|
| Argentina | Manantiales Behr Wind Farm                           | VCS           |
| Brazil    | RMDLT Portel-Pará REDD                               | VCS           |
| China     | Jianxi Province Le’An County Forest Farm Carbon Sink | VCS           |
| India     | Vishnuprayag Hydroelectric Project                   | VCS           |
| Indonesia | Renun Hydro  | VCS           |
| Indonesia | Sidrap Wind Farm Project                             | Gold Standard |
| Turkey    | Catalca Wind Power                                   | Gold Standard |
| Turkey    | Cevizlik Run-of-River Hydroelectric Power Plant      | VCS           |
| Zimbabwe  | Kariba REDD+ Project                                 | REDD+         |

**3.1.3 Social sustainability**

Social sustainability has an internal and an external component, and for FUCHS it means taking responsibility for the employees and for society in equal measure.

**Material topics**

**Leadership and corporate culture**

An essential element of the FUCHS2025 strategy is culture development within the company. This involves the further development of a culture encompassing the increasingly agile market environments and requirements for future business success. The two key elements here are an actively practiced open feedback culture and hier-

## 3.1 Economic, ecological and social sustainability

archy-free communication. Employees are called upon to see themselves as a self-responsible element that is part of one “great whole” and to actively engage in line with the globally defined competencies. These include creative drive and initiative, an agile mindset, application of critical thinking in all activities, the development of communication skills, and collaboration and teamwork. The goal of the above mentioned “whole” is to sharpen customer focus so that internal and external customers receive services and products geared to their needs. In collaboration with the supply chain division, the competency model was derived for the production division as part of a bachelor’s thesis, which deals with supportive and obstructive behaviors in collaboration and teamwork. The goal is to jointly achieve the best possible results for the customer. To develop the culture, it needs managers who are aware of their role model function and therefore lead by example. To ensure clarity on the requirements for managers with regard to the transformation, the role has been more sharply defined in leadership behaviors and incorporated into a training concept entitled “Leadership in a changing world”. The training concept is being rolled out by in-house trainers in countries and regions; in 2022, internal trainers were given appropriate methodological and content-related training for this purpose. Managers encourage and promote change, are role models and make the essential decisions to drive change processes and cultural development forward. Clear communication and identifying with change is just as much a part of their

tasks as actively keeping up with change by maintaining the necessary activities within the organization.

### Employment and employers

The company is systematically pursuing the goal of striking a balance between the Group’s business interests and the private and family needs of employees. Flexible working time models are an important part of this. In addition to traditional flextime models, flexible part-time options are also available in Germany, ranging from 15 to 32 hours per week, which can also involve job-sharing or shift work. The flexible work-at-home arrangements tested in the pilot have now been transferred from a pandemic emergency option into regular practice and integrated in the interest of self-determined work and in keeping with the agreement on personal flexibility. The increasing shortage of specialists means that it is vital for FUCHS to get young parents in particular back to work quickly. More and more fathers also wish to spend precious time with their children and therefore take parental leave. FUCHS facilitates this by offering part-time working hours during parental leave, for instance. Also, individual part-time programs have increasingly been flexibly adapted to changing individual needs and working hours have been modified. Moreover, the promotion of daycare and covering of holiday periods, for example through subsidized holiday programs, is increasingly being sought by applicants and will therefore continue to gain importance in the future.

The main social indicators relating to the interests of employees are listed in the table below.

### Social indicators

|  | 2022 | 2021 | 2020 |
|--|------|------|------|
| Average age of employees in years                            | 43   | 43   | 44   |
| Age structure of employees in %                              |      |      |      |
| < 30 years   | 14   | 15   | 14   |
| 31– 40 years   | 28   | 28   | 28   |
| 41– 50 years   | 27   | 27   | 28   |
| > 50 years   | 30   | 30   | 30   |
| Average length of service of employees in years              | 10   | 10   | 10   |
| Employee fluctuation <sup>1</sup> in %                       | 7    | 5    | 3    |
| Work-related accidents <sup>2</sup> per 1,000 employees      | 12   | 10   | 9    |
| Days lost due to sickness per employee                       | 10   | 9    | 9    |
| Proportion of women in management positions in %             | 24   | 24   | 24   |
| Average further training and education per employee in hours | 13   | 12   | 13   |

<sup>1</sup> Share of employees leaving the company voluntarily.

<sup>2</sup> Number of accidents with more than three absence days.

## 3.1 Economic, ecological and social sustainability

Almost all social indicators remained largely unchanged compared with the two previous years. Only fluctuation among employees increased from 3% to 5% in 2021 due to competition for skilled workers and a general increase in fluctuation during the Covid-19 crisis. In 2022, turnover rose again by 2 percentage points from 5% to 7% due to the continuing increase in competition for skilled workers and after the labor markets recovered from the Covid-19 pandemic with increasing offers for those wishing to change jobs. In particular, the situation in the USA due to the burgeoning “Great resignation,” now scientifically described as an economic phenomenon, drove the figure upward.

**Safety and health at work**

Workplace safety is of great importance to FUCHS. The company is subject to various national and international regulations on occupational health and safety at its different locations. The respective applicable occupational health and safety provisions form the minimum standard for the measures to be implemented.

The entire FUCHS workforce is informed at least once a year of the laws, regulations and internal occupational health and safety guidelines relevant to them and are instructed to comply with them.

Each FUCHS company’s training plans to be prepared annually also include statutory recurring training or instruction in occupational health and safety. If the training is not completed, or not completed on time, appropriate measures are taken.

Particular focus is placed on the issue of safety in the sense of “awareness” in order that unsafe conditions and behaviors can be identified and rectified at an early stage to avoid serious accidents.

Suggestions for improvement in terms of health and safety from employees are encouraged.

In 2022, there were a total of 12 notifiable occupational accidents in the FUCHS Group with more than three absence days per 1,000 full-time employees. FUCHS is aiming to reduce the number of notifiable occupational accidents by 5% every year on a continuous basis. Unfortunately, this goal was not achieved in 2022. The analysis found that the majority of accidents were caused by inattention and unsafe behavior. Therefore, in 2023, the focus in the area of occupational safety will be on additional safety training and regular safety inspections. These measures are intended to help achieve the target set in 2023.

As of the end of 2022, 13 out of a total of 25 manufacturing companies worldwide were certified in line with the ISO 45001 standard for occupational health and safety. This represents 52% of all manufacturing companies, a 2% increase year-on-year. FUCHS plans to continue increasing the number of certified manufacturing companies by 2% annually.

Occupational health management now includes training in areas such as load handling, skin protection, and ergonomics at computer workstations. Influenza vaccinations,

which have been offered for many years, were also increasingly used by employees in 2022. In addition, FUCHS encourages initiatives from employees to play a variety of sports together and also set up partnership arrangements with fitness clubs. These will be stepped up again and used actively once the pandemic situation has improved. Some offerings, such as yoga, have also in some cases been moved online.

The crisis teams set up to collaborate closely with the operational health service and with the company doctors and respective site management in order to contain the effects of the Covid-19 pandemic were maintained again in 2022. The hygiene concepts have been adapted to the changing pandemic situation. Training on correct conduct during the pandemic, the distribution of necessary protective equipment, and the change in work models during critical phases of the pandemic, e. g. by reducing presence in the rolling system and rearranging shift models, made a significant contribution to keeping the number of infections at FUCHS very low. At some FUCHS sites, centralized vaccinations against Covid-19 were also provided to protect employees in a timely manner. The aim of these protective measures has been to best protect employees and to minimize the risk of death and illness in the working environment, and has largely succeeded in this.

**Anti-competitive behavior, anti-corruption and compliance**

In competition, FUCHS relies on the quality and intrinsic value of its products and services. The FUCHS Code of Conduct, together with the Anti-Corruption Directive and

## 3.1 Economic, ecological and social sustainability

the Antitrust Directive – the latter having been updated in the 2022 financial year – contains binding guidelines to prevent corrupt or anti-competitive conduct of any kind and assists all employees in complying with laws and regulations to prevent corruption, bribery and anti-competitive conduct. It aims to ensure that neither employees of FUCHS nor business partners or officials allow themselves to be influenced by unlawful and inappropriate conduct in their business decisions. The aim is also to ensure the proper conduct of FUCHS employees in line with the anti-trust law requirements.

FUCHS has set up a Compliance Management System (CMS) that comprises the entire Group and that is based on the Principles for the Proper Performance of Reasonable Assurance Engagements Relating to compliance management systems (IDW PS 980). Important components of the CMS are the establishment and dissemination of a suitable compliance culture by the Executive Board of FUCHS PETROLUB SE and the managers of the FUCHS Group, the Group-wide compliance organization and a compliance program geared to adequate and effective measures, e.g. in the form of consulting, training courses, information events, an electronic whistleblower platform for employees and business partners, and other measures and processes derived from the compliance guidelines.

The company's compliance organization has developed various objectives to be achieved with the Group's CMS, based on the risks and regulations that are of particular importance to FUCHS. At FUCHS, one of the primary goals of the CMS is the prevention, detection, and sanctioning

of violations of the law and misconduct, including corruption and bribery as well as anti-trust law violations. The guidelines and accompanying materials are available to all employees of the FUCHS Group on the intranet. The Code of Conduct is publicly available on the FUCHS website.

→ <https://www.fuchs.com/group/the-company/corporate-governance/guidelines>

FUCHS has implemented a centralized and decentralized compliance organizational structure. Belonging to the centralized organization are the Chief Compliance Officer (CCO) and the Group Compliance Committee (GCC). The decentralized compliance organization is represented by the Local Compliance Officer (LCO) appointed in each Group company and the appointed Regional Compliance Officer (RCO). In communicating and consolidating the culture of compliance, the Executive Board and senior management play a leading role and act as role models. Compliance objectives are communicated through various channels such as the Code of Conduct, policies and guidelines, training, the intranet, and other information. Implementation is carried out by the Group-wide compliance organization, managed by the CCO together with the GCC.

The Executive Board continuously monitors and reviews the quality of the CMS, decides on how to deal with the findings from the risk analyses and compliance investigations, and consults regularly with the Supervisory Board and the Audit Committee. The Executive Board continues to develop the CMS and ensures that identified weaknesses in the CMS are addressed through appropriate action. These measures can include both procedural and

organizational adjustments to the CMS. Violations of compliance stipulations pose a threat to key success factors for FUCHS and are not tolerated. Potential compliance violations are identified and resolved as part of the defined compliance process. All employees are required to report potential compliance violations. Any identified violations are sanctioned appropriately, with the specific sanction dependent, among other things, upon its nature, severity, duration and degree of culpability. Sanctions can be imposed to the full extent permitted by law, including extraordinary termination of employment, claims for damages and criminal charges.

The most effective measure in ensuring a functioning CMS as well as eliminating its possible weaknesses is to educate and train employees on the relevant compliance topics. With a view to combating corruption and bribery, all managers as well as FUCHS employees from relevant fields are required at all Group sites worldwide to provide basic compliance training through online training. This training must be repeated every three years. In addition, the FUCHS Group provides online further training in the areas of corruption prevention and fair competition. The global target group of these repeated and additional training courses every two years consists of the senior management levels as well as all sales and procurement employees. These training courses are available in all relevant Group languages.

To monitor the functionality and adequacy of the CMS, FUCHS assesses the level of information of employees on the compliance fields that are relevant to them. This mea-

## 3.1 Economic, ecological and social sustainability

asures the extent to which employees have successfully completed the training they need in the areas of compliance relevant to them. The aim is to educate as many of the company's employees as possible about the compliance fields of relevance to them in each case. Besides basic training sessions on compliance, training in compliance areas such as prevention of corruption and compliance with anti-trust law is also paramount. Measurement is carried out by determining the rate of e-learning and other compliance training delivered by the respective defined target group by the reporting date. At the end of the financial year, a training rate of 83% was achieved in the aforementioned online training courses.

A further measure is the continuous performance of compliance risk analyses on which basis any need to amend the CMS is identified. A business-related risk assessment of the relevant compliance areas up to the level of the individual Group company is the basis for the regular anal-

ysis of compliance risks. Relevant data from third parties, such as the Corruption Perception Index (CPI) issued by Transparency International Germany e.V., may also be used to assess risks. This indicates that the main risk areas for the CMS include the risks of violations against anti-trust law and against the prohibitions of corruption and bribery.

When integrating newly acquired companies and businesses into the FUCHS CMS, the objective is to swiftly integrate the acquisitions into the compliance processes relevant to them and the company's risk evaluation.

Internal Audit reviews the functionality and adequacy of the CMS, both in the form of regular and ad-hoc audits.

Further information on the CMS can be found in the unaudited Declaration of Corporate Governance. → [2022 Annual Report p. 114 Declaration of Corporate Governance](#)

**Respect for human rights**

For FUCHS as a responsible company, observance of human rights is an essential part of business ethics. It forms the basis of all its business activities and therefore also includes relationships with customers, suppliers, and other business partners as a matter of course. The FUCHS Code of Conduct, which was last updated by the Executive Board in the financial year 2022, is a material expression of this lived understanding within the Group, and is the guideline for safeguarding our due diligence obligations regarding human rights. In accordance with the Code of Conduct, FUCHS respects and considers human rights and supports the United Nations Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration of Principles, and the sustainable and responsible corporate governance initiative (UN Global Compact). These include freedom of association, the right to collective bargaining, the elimination of forced and child labor, and the prohibition of discrimination in employment and occupation. The Code of Conduct is publicly available on the FUCHS website and has been assigned to all employees worldwide through the e-learning tool for the purposes of self-study. In its global purchasing conditions, FUCHS obliges its suppliers to adhere to the ten principles of the UN Global Compact as well as the four basic principles of the ILO. The five FUCHS values – trust, creating

## 3.1 Economic, ecological and social sustainability

value, respect, reliability and integrity – are the foundations of the Group’s business activities and an essential element of FUCHS2025, the key strategy for FUCHS. The Modern Slavery Act Statement submitted each year in the UK underscores FUCHS’ unconditional commitment to preventing the criminal exploitation of human labor, for instance in the form of human trafficking, forced and child labor and slavery, beyond its own operations and in its supply chain as well. FUCHS ensures respect for human rights in the upstream value chain at its suppliers by means of contractual agreements, self-regulatory declarations by the supplier and on-site audits. Potential violations can be reported anonymously by any person via an electronic whistleblower platform accessible to the public through the FUCHS website. Any such information is followed up as part of our internal investigations. In 2022, we received no indications of human rights violations.

**Education and training**

Alongside vocational training, needs-driven continuing professional development remains the foundation for developing specialist personnel and high potentials. To meet these needs more specifically and in a more forward-looking manner in future, further progress on the establishment of a structured, global personnel development program was made in 2022. The global staff development strategy has been expanded to include digital skills needed which will be re-launched next year. As part of general continuing professional development, topics such as the Code of Conduct, compliance and IT

tools through to specific knowledge relating to FUCHS were offered in addition to basic technical subjects relating to lubricants. More up-to-date content was added to the onboarding program, ensuring that new employees understand the context in which they are working. Through various different learning phases and topic areas in their own training area, they have the opportunity to gain knowledge about FUCHS and the corporate culture. This enables employees, especially new hires, to acquire knowledge that applies worldwide to our business and how we work together, in the spirit of ACT GLOBAL, regardless of the site at which they are based.

The management-level pilot program, launched as part of the FUCHS2025 strategy to highlight the role of managers in transformation and developing company culture, was extended and adopted as standard. Due to its success, the program will be introduced worldwide by in-house trainers in 2023. For the onboarding of new managers, the existing executive program has been expanded by adding elements from FUCHS2025.

As part of the e-learning strategy set out in 2020, the entire spectrum of training courses continued to be offered across borders and time zones, ranging from specialized training to culture-related topics. In addition, so-called learning pathways have been developed. In future, these will be covered by the integration of external training content.

Traditional classroom training will still be offered in the future by the FUCHS ACADEMY. As a global training institution, the FUCHS ACADEMY regularly offers a wide range of technical and specialist seminars and provides our sales experts, for instance, with sound background knowledge of the products and their applications. In 2022 the trainers’ network was given new impetus through joint workshops and collaborative exchanges. The FUCHS ACADEMY is also a very popular learning platform for junior staff and employees with high potential, which helps to secure the continuous and targeted further development of employees. New in-house trainers from special disciplines such as product management, quality management, research and development and the divisions were recruited and received substantial training, enabling them to create their own training concepts independently and provide them in virtual as well as in-person formats.

Some of the projects of the HR initiative under FUCHS2025 were concerned with the development of junior staff. For this purpose, the global talent management strategy has been completely revamped and relaunched. Regarding global talent management, the new entrants were selected using updated evaluation criteria and their continuing professional development was started. In addition to the new selection criteria, the core competencies and leadership behaviors have also been integrated into the program. A recommendation concept for local talent was adopted for implementation in the countries and regions. This, too, includes competencies required by managers in

a changing world. At the same time, in another project, guidelines were created, and deployed for the first time in 2022, to help sites plan and budget for continuing professional development in accordance with defined criteria.

In light of the global structure of the Group organization, intercultural competence is a key success factor for staff. These competencies can be developed in day-to-day practice through increased networking and international exchanges. The aforementioned measures are complemented by language courses. FUCHS thus ensures that English, the Group language, forms a reliable basis for the exchange of knowhow.

FUCHS has set itself the goal of investing significantly in the establishment and development of employee competencies. To this end, a KPI in the area of sustainable professional development for employees has already been adopted. Each employee's professional development hours are now recorded, reported and tracked worldwide using an improved system, in accordance with a guideline with precise definitions. For 2022, this KPI was gathered for the first time in the new structure. It is considered the baseline for the coming years. KPI-based tracking ensures that professional development activities are more transparent, making it easier to identify areas where improvement is required. Following the introduction of the improved fundamentals in 2022, an annual target achievement analysis will in future be produced based on ambitious medium-term targets.

### **Non-discrimination, diversity and equal opportunities**

To FUCHS, a responsible HR policy means equal opportunities and strictly prohibiting discrimination. FUCHS supports the International Labor Organization's Declaration on Fundamental Principles. These include freedom of association, the right to collective bargaining, the elimination and prohibition of forced and child labor and the prohibition of discrimination in employment and occupation. FUCHS does not tolerate any form of discrimination and, within the framework of the respective statutory provisions, is committed to upholding the principles of equal opportunities when hiring and promoting employees. Furthermore, FUCHS respects employees' rights to equal treatment, regardless of their race and nationality, religion or belief, gender or sexual orientation, political or trade union activity, age, illness or disability, or other personal characteristics. FUCHS takes into account peoples' disabilities and creates an environment in which they can use their skills in the business.

FUCHS ensures a non-discriminatory working environment and actively promotes the various aspects of diversity. The integration of different nationalities is a matter of course for the company. As part of globalization, colleagues from the sites are increasingly motivated to apply internally for vacancies abroad. Vacancies are posted internally through the Human Capital System, and accessible to all employees. By focusing job searches on factual expertise, experience and in behavioral terms on the globally binding core competencies model, the selection cri-

teria for internal candidates is made as transparent as possible and is materially scrutinized by means of the new competency-based interview techniques and process, thus minimizing any possible discrimination through objectification. In 2022, FUCHS ranked first among the 100 largest listed companies in the BCG Gender Diversity Index.

Since its establishment, FUCHS PETROLUB SE has been part of an initiative of German economic leaders that presented a Code of Responsible Conduct for Business under the patronage of the Wittenberg Center for Global Ethics. As a subscriber to the model, the Executive Board is committed to a success-driven and value-oriented system of corporate governance in the sense of the social market economy. This includes fair competition, a social partnership, the performance principle and sustainability.

We consider mixed management teams to be a significant strengthening of our company. For this reason, FUCHS also places particular emphasis on the targeted support of women and ensure that appropriate consideration is given to them when filling management positions in the company. As in the previous year, women accounted for 26% of the total workforce. The share of women in management positions remained stable at 24%.

## 3.1 Economic, ecological and social sustainability

## Suppliers

A competitive and reliable supply of raw materials, services and technical goods is ensured by close, open, and transparent cooperation with suppliers. The aim is, in collaboration with suppliers, to continuously drive transparency and sustainability all the way along the supply chain. To achieve this, a binding supplier code of conduct has been created. This is based, inter alia, on the principles of the UN Global Compact and explicitly formulates FUCHS' expectations of its suppliers. FUCHS calls on its suppliers to recognize the supplier code of conduct and ensure that they comply with it along the value chain. Furthermore, only raw materials that comply with all applicable EHS regulations (environment, health and safety) are used. Interdisciplinary teams of experts work continually together with the suppliers to utilize alternative raw material solutions from renewable sources, thereby gradually reducing the use of fossil-based raw materials.

Raw materials are key to ensuring the consistent quality of the products, and therefore the ongoing maintaining and monitoring of raw materials and supplier portfolios plays a vital role. Both supplier management and raw material procurement are organized and carried out in line with standard global Group specifications.

In 2022, we made a major change to the purchasing organization with the aim of improving expertise in the markets. To this end, we have introduced a category



structure, which replaces the existing lead-buyer concept. In addition, we have established regional structures in the three world regions of North and South America, Asia-Pacific and EMEA to monitor and process the regional markets.

As part of its active supplier management, FUCHS evaluates all its strategic raw material suppliers every year. The supplying companies are asked to self-assess issues such as quality, pricing and sustainability. In addition, various functions within FUCHS also carry out a systematic and transparent evaluation. If this comparison finds room for improvement or expectations that have not been fulfilled,

clear action plans are agreed at regular intervals with the relevant companies and a strict follow-up process conducted at regular intervals is established to ensure these have been implemented. The demands made by FUCHS regarding compliance, the barring of discrimination and child labor, and with regard to compliance with laws and recognized labor and environmental standards are part of the supplier code of conduct, delivery conditions and annual assessment of strategic suppliers. FUCHS is conscious of the responsibility it has as a leading independent lubricants company, and promotes efforts to develop industry sustainability standards in the lubricants sector via various working groups and committees in national



## 3.1 Economic, ecological and social sustainability

and Europe associations. For example, FUCHS chairs the Sustainability Committee of UEIL (Union of the European Lubricants Industry), which aims to develop and adopt uniform standards for calculating the Product Carbon Footprint (PCF) by 2023, among other things. This is particularly important because FUCHS can only calculate the PCF for its products in a meaningful way if the suppliers for the raw materials supplied to FUCHS calculate the respective PCF in a comparable way and based on uniform standards. By combining direct actions in its own supply chain and indirect actions through collaboration in various working groups, FUCHS supports social sustainability criteria and ethical behavior along the value chain of the lubricant industry.

As part of supply chains, FUCHS has already been actively involved in the German Supply Chain Due Diligence Act (LkSG). Due to the implementation deadline of January 1, 2024, FUCHS already sees an obligation to begin preparations for implementing due diligence obligations.

For this purpose, a cross-company task force has been set up at FUCHS to actively address and deal with the law, due diligence and related tasks. Since FUCHS has already implemented activities and processes in these areas, it is important to examine the existing processes for potential improvement and to introduce further processes. In this context, various events were attended and initial workshops held to raise awareness of the project among the

relevant internal stakeholders. Our business partners and suppliers have been made aware of the upcoming law and the requirements for a FUCHS partner through a new edition of the FUCHS Supplier Sustainability Letter.

In order to identify, assess, and avoid human rights and environmental risks and violations within our own operations and supply chains, as a first step we have developed a risk analysis. We are aware that risks and violations can occur at different levels, such as the country, industry or commodity level. The complexity of the supply chains, the potential risks, and the monitoring obligation led us to decide to draw on external expertise by using a cloud-based INTEGRITY NEXT platform.

In addition to the digital solution, we also see tremendous potential in sharing and collaborating with other companies. This is why we are actively involved in the Automotive Industry Dialogue, a multi-stakeholder initiative of which we are a member.

# Climbing levels

## FUCHS attains Management level in CDP Ranking

In 2022, FUCHS has reached the second-highest level in the Carbon Disclosure Project's (CDP) rating system: Management. With this score, the CDP attests that we are taking coordinated action on issues of climate change and water security.

We take pride in this acknowledgment. Firstly, because it represents an objective, external perspective that reflects the important role ecological considerations play at FUCHS. Secondly, it encourages us to continue on our path. After all, we have steadily improved our ranking since we started to work with the CDP in 2020.

But we will not stop there. Our next step is to solidify our Management rating. And from there attempt to improve to the highest level – Leadership. It's still a long way to go, but we will continue to strive forward.



## 3.1 Economic, ecological and social sustainability

### 3.1.4 CSR projects

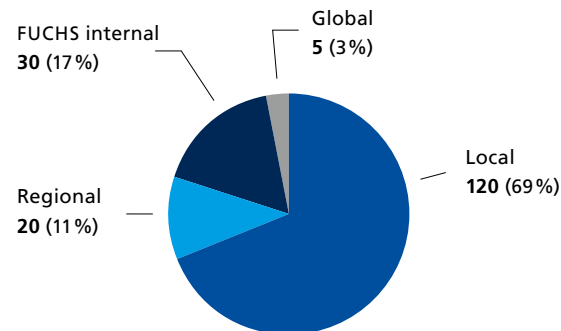
In 2020, the FUCHS sustainability division launched a project on “CSR at FUCHS” as part of the FUCHS2025 strategy. The result of this project was the creation of a sharepoint-based reporting system in which all FUCHS companies worldwide were able to register their sustainability projects according to certain requirements and KPIs. Unless otherwise specified, each company’s LSO is responsible for the annual reporting. The new reporting system enables the current reports for one year to be viewed at any time and provides the uniform basis for external (audited) reporting. The information in the reporting system must therefore be accurate, correct and complete. Overall, however, the reporting platform is also intended to provide transparency and inspiration for all companies to develop their own projects based on ideas that have been implemented elsewhere.

Every company is called upon to report all projects in the reporting system, and likewise if no projects have been carried out. Since the introduction of a central query in 2021, the number of supported projects has been steadily increasing.

The number of CSR projects for the year 2022 was also further increased in the second year since its inclusion in the CSR reporting tool. In 2022, a total of 175 social projects were supported by 44 FUCHS companies (including New Zealand and JVs) worldwide.

Of the 175 reported projects, 30 (internal) projects (approximately 17%) benefited FUCHS employees (2021: 10 projects), while 135 external social projects were funded. Most of these have a local focus. Almost 70% or 120 projects support people in the immediate vicinity who are in need, socially disadvantaged and suffering. This underlines the principle of operating in the immediate local area. There is also a smaller number of projects that have a regional (20 projects or about 11%) or a global (5 projects or about 3%) impact.

**Proportion of global, regional and local projects (incl. Joint ventures)**



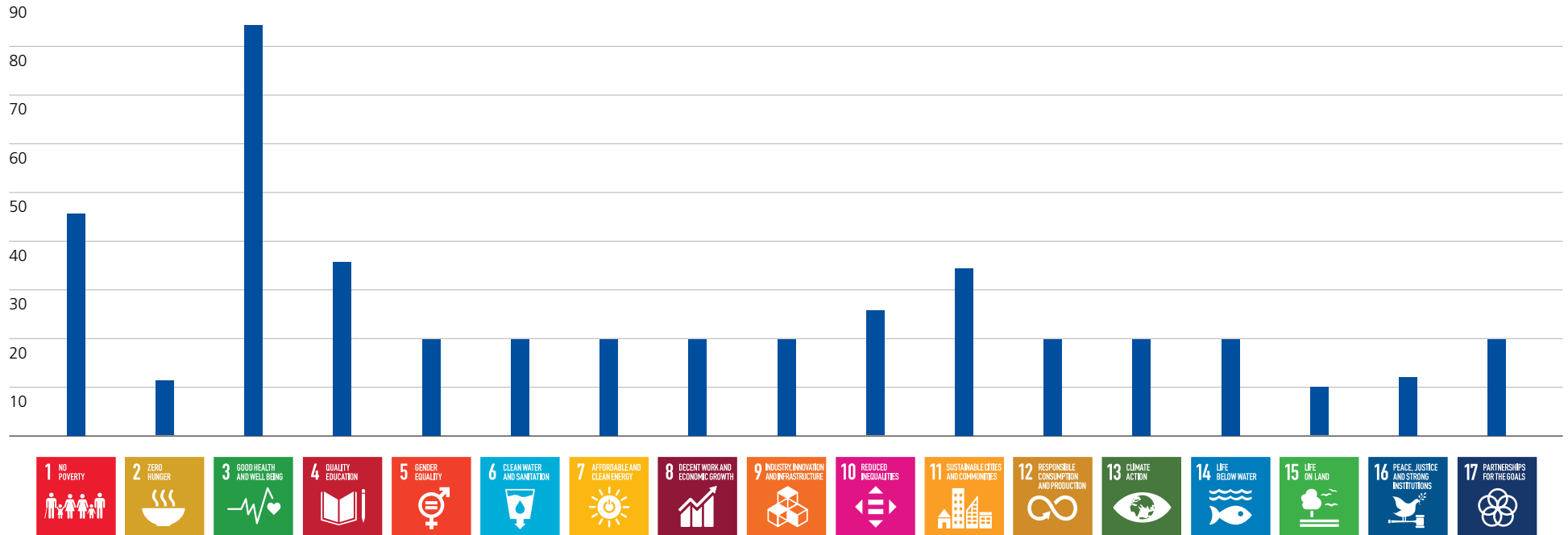
All CSR projects at FUCHS must be associated with at least one of the 17 SDGs (Sustainable Development Goals).

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call for action to end poverty, protect the planet and ensure that all people live in peace and prosperity by 2030. Countries have committed themselves to giving priority to those who are lagging furthest behind. The SDGs aim, for instance, to end poverty, hunger, AIDS and discrimination of women and girls.

At FUCHS, 279 SDGs were assigned to the 175 CSR projects in 2022. Multiple nominations per project are possible because many projects can also cover multiple SDGs. The four most frequently cited of all SDGs mentioned account for just under 72% of all assigned goals. Interestingly, just like last year, the same four SDGs have remained at the top, albeit shifting individual positions amongst each other slightly.














3.1 Economic, ecological and social sustainability

**Assignment of FUCHS CSR projects to UN Sustainable Development Goals (SDGs)**












Still ranked top is SDG 3 *Good health and well-being*, with 84 nominations, followed by SDG 1 *No Poverty* (46 project nominations), SDG 4 *Quality Education* (36 projects) and SDG 11 *Sustainable Cities and Communities* (34 projects). This shows that the FUCHS companies predominantly support projects focusing on health, poverty and education.









## 3.1 Economic, ecological and social sustainability

| FUCHS Company                               | Beneficiaries   | Project description   | Significantly influenced SDGs   |
|---|---|---|---|
| FUCHS AUSTRIA<br>SCHMIERSTOFFE GMBH         | Ein Lächeln für Kinder<br>("A smile for children")        | Support for families and children in need   |   |
|   | Lebenshilfe Werkstätte Rogatsboden<br>("Life Aid Center") | This institution offers people with disabilities meaningful employment.   |   |
|   | Red Cross   | Treatments and therapies for a three-year-old girl after accident   |   |
|   | Red Cross   | Treatment of a seven-year-old boy after car accident  |   |
|   | Flachgauer Tafel<br>("food bank")                         | Rescue and distribution of food to economically disadvantaged people  |   |
| FUCHS LUBRICANTS<br>(Australasia) PTY. LTD. | Asylum Seeker Resource Centre (ASRC)                      | Donations to the ASRC as part of Harmony Week   |   |
|   | The Salvation Army  | Donations to The Salvation Army, which currently operates over 700 social programs, activities and centers throughout Australia |    |
|   | Cancer Council  | ABMT is a community event that raises funds to fight cancer.  |    |







## 3.1 Economic, ecological and social sustainability

| FUCHS Company                            | Beneficiaries                                      | Project description   | Significantly influenced SDGs   |
|--|--|---|---|
| FUCHS LUBRICANTS (Australasia) PTY. LTD. | The Distinguished Gentleman's Ride and Movember    | Participation in the Ride to raise funds against prostate cancer  |    |
|  | Lifeline Australia                                 | This push-up challenge raises funds for youth mental health.  |    |
|  | Black Dog Institute                                | Donation to the Black Dog Institute, a facility for treatment and prevention of mental disorders such as depression |    |
|  | Red Cross  | Donations for flood victims in Queensland and New South Wales   |    |
|  | Betterplace & CARE Australia in support of Ukraine | Donation to two Institutions for Ukraine  |    |
|  | Camp Quality                                       | Fundraising as part of a three-day MotoCyc charity ride   |   |
|  | K'gari (Fraser Island)                             | Sponsorship for the K'gari (Fraser Island) cleanup  |   |
|  | Red Cross Australia                                | Call for blood donations and \$50 Gedl donation for each blood donation   |    |

3.1 Economic, ecological and social sustainability












| FUCHS Company                            | Beneficiaries  | Project description   | Significantly influenced SDGs   |
|--|--|---|---|
| FUCHS LUBRICANTS (Australasia) PTY. LTD. | Special Children’s Christmas Party in Melbourne and Perth                            | Financial support for an event for children with serious illnesses, physical disabilities, etc. |     |
|  | State Emergency Service (SES) in New South Wales & Queensland                        | Supporting SES services that have helped flood victims  |     |
|  |  |               |   |
| FUCHS LUBRICANTS BENELUX N.V./S.A.       | EPPE – Eglise de Pentecôte du Plein Évangile (Pentecostal Church of the Full Gospel) | Project EPPE helps people in need by bringing people closer together through music.             |   |
| FUCHS LUBRICANTES DO BRASIL LTDA.        | Patinhas Unidas Brasil NGO   | Recycling collected bottle caps to rescue abandoned animals on the street                       |    |

3.1 Economic, ecological and social sustainability

















| FUCHS Company                       | Beneficiaries                                  | Project description   | Significantly influenced SDGs   |
|-------------------------------------|--|---|---|
| FUCHS LUBRIFICANTES DO BRASIL LTDA. |  |                     |   |
| FUCHS LUBRICANTS CANADA LTD.        | Northern Alberta Institute of Technology       | Donation to assist with the funding of student awards and scholarships                                |    |
| FUCHS LUBRICANTS (China) LTD.       | Shanghai/WJ/YK Charity Foundation              | Charity Donation for poor and ill people in the local community                                       |   |
|                                     | Shanghai Jiading World Foreign Language School | Supporting neighboring school through arranging professional soccer course for students in all grades |  |
|                                     | Employees of FUCHS China                       | Psychological counseling for employees during the Covid-19 pandemic                                   |  |
|                                     | Employees of FUCHS China                       | Creating a harmonious and caring workplace  |  |











## 3.1 Economic, ecological and social sustainability

| FUCHS Company                        | Beneficiaries   | Project description   | Significantly influenced SDGs   |
|--------------------------------------|---|---|---|
| FUCHS OIL CORP. (CZ)<br>SPOL. S R.O. | FUCHS Mastyla Ukraina LLC                                       | Direct financial support to Ukraine suffering from the war                                |    |
|                                      | FUCHS Mastyla Ukraina LLC                                       | Voluntary fundraising for support of Ukrainian colleagues                                 |    |
|                                      | Stopa bezpečí s.r.o.  | Printing of a brochure for children to support general education                          |    |
|                                      | Sports club of Říčany firefighters                              | Financial donation for the sport club of the local Fire Department                        |     |
| FUCHS PETROLUB SE                    | Starkmacher e.V.  | Support young people in their career orientation  |    |
|                                      | myBuddy   | The aim is to promote cultural integration and forge new friendships.                     |   |
|                                      | Johanniter-Unfall-Hilfe e.V.<br>Regionalverband Baden           | School paramedic training for students to provide first aid on site                       |    |
|                                      | Kinderladen Hafengebände – Verein für<br>Vorschulerziehung e.V. | Preparation of a circus performance to strengthen self-esteem and neighborhood solidarity |    |









## 3.1 Economic, ecological and social sustainability

| FUCHS Company     | Beneficiaries   | Project description  | Significantly influenced SDGs   |
|-------------------|---|--|---|
| FUCHS PETROLUB SE | Förderverein Jugendhaus Vogelstang e. V.  | Sustainable further development of the species conservation project; physical activity in nature |    |
|                   | Die Traum-Schmiede  | Personal development courses for people from marginalized social groups                          |    |
|                   | Rhein-Neckar Schwimm- und Sportverein Mannheim e. V.                            | Free swimming lessons for families in need   |     |
|                   | Kulturparkett Rhein-Neckar  | Establishment of a network of social and cultural institutions                                   |     |
|                   | Nice to meet you e. V. Mannheim   | Free language courses for women with a refugee or migrant background                             |     |
|                   | Enactus Mannheim e. V.  | Inclusion of autistic people in companies  |   |
|                   | Freireligiöser Wohlfahrtsverband Baden e. V.                                    | Promoting encounters and exchanges between elderly people and children                           |     |
|                   | Regionale Arbeitsgemeinschaft Selbsthilfegruppen/Gesundheitstreffpunkt Mannheim | Promoting self-help groups – improving access routes, strengthening volunteerism                 |    |













## 3.1 Economic, ecological and social sustainability

| FUCHS Company     | Beneficiaries                  | Project description   | Significantly influenced SDGs   |
|-------------------|--------------------------------|---|---|
| FUCHS PETROLUB SE | Enjoy Jazz                     | Cultural sponsorship for the “Enjoy Jazz” music festival  |    |
|                   | Kurpfälzisches Kammerorchester | Cultural sponsorship of the Schwetzingen SWR Festival   |    |
|                   | Nationaltheater Mannheim       | Cultural sponsorship for the “Opera” section of the National Theater Mannheim   |    |
|                   | Schwetzingen SWR Festspiele    | Cultural sponsorship of the Schwetzingen SWR Festival   |    |
|                   | Anpiff ins Leben e. V.         | Social sponsorship of young athletes and people with amputations  |    |
|                   | Metropolregion Rhein-Neckar    | Financial support for regional development and regional marketing   |   |
|                   | Stadtmarketing Mannheim        | As a co-partner, FUCHS PETROLUB assumes special responsibility for contributing to Mannheim’s successful development. |  |
|                   | Mannheimer Morgen              | Newspaper reading sponsorship for Mannheim schools to promote general education                                       |  |

## 3.1 Economic, ecological and social sustainability

| FUCHS Company     | Beneficiaries                      | Project description   | Significantly influenced SDGs   |
|-------------------|------------------------------------|---|---|
| FUCHS PETROLUB SE | National Center for Tumor Diseases | Benefit concert to support innovative research projects in the fight against cancer                                 |    |
|                   | Stiftung Leben mit Krebs           | Running campaign "Bewegung gegen Krebs" to improve the quality of life of cancer patients with therapeutic measures |    |
|                   | Gesundheitstreffpunkt Mannheim     | Support for self-help groups in Mannheim  |    |
|                   | Mannheimer Kunstverein             | Support for the Mannheimer Kunstverein (Art Association)  |    |
|                   | Mannheimer Philharmoniker          | Cultural sponsoring for the Mannheim Philharmonic Orchestra   |    |
|                   | Dommusik Speyer                    | Cultural sponsorship of the Speyer Cathedral Music Festival   |   |
|                   | Palatina Klassik e. V.             | Cultural sponsorship of the Palatina Klassik concert series   |  |
|                   | Heidelberg Spring                  | Cultural sponsorship of the Heidelberg Spring Music Festival  |  |






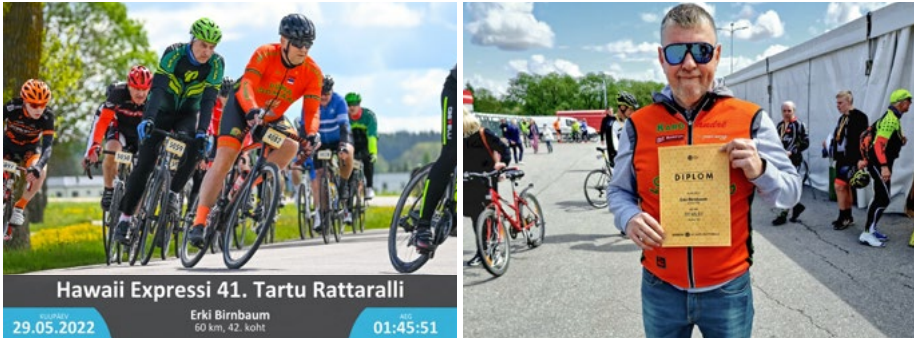
3.1 Economic, ecological and social sustainability

| FUCHS Company                 | Beneficiaries                           | Project description  | Significantly influenced SDGs   |
|-------------------------------|---|--|---|
| FUCHS PETROLUB SE             | Kunsthalle Mannheim                     | Annual support for the ongoing operations of the Mannheim Art Gallery                            |    |
|                               | Children’s hospice Sterntaler           | Admission to the motor racing circuit for parents of seriously ill children and their caregivers |    |
| FUCHS LUBRICANTS GERMANY GMBH | Besi & Friends                          | Support for people with autoimmune and neurological diseases                                     |    |
|                               | Local volunteer fire brigade Wachenheim | New working-shirts for the members of the local volunteer fire brigade                           |     |
|                               | FUCHS Employees                         | Bike sport event for FUCHS Employees   |    |
|                               | Gehörlosenverein                        | Financial support for the deaf association   |     |
|                               | Hospitz Kaiserslautern e. V.            | Donation through the purchase of Christmas cards   |    |
|                               |   |  |    |













3.1 Economic, ecological and social sustainability

| FUCHS Company                 | Beneficiaries              | Project description  | Significantly influenced SDGs |
|-------------------------------|----------------------------|--|-------------------------------|
| FUCHS LUBRICANTS GERMANY GMBH | Kinderhospiz Sternenbrücke | Support to local hospice work  |                               |
|                               | Gewerkschaft der Polizei   | Support for the publication of a coloring book about road traffic for school beginners |                               |
|                               | Arm-Alt-Allein e.V.        | Support to local initiative taking care of elderly people living alone                 |                               |
|                               | Landfrauenverein Rodenbach | Support to a the local club “Rural woman Rodenbach”                                    |                               |
|                               | Bürgerbus Rodenbach        | Support for elderly persons in daily life with a citizens’ bus                         |                               |
|                               | FUCHS UKRAINE              | Financial support for FUCHS Employees in Ukraine                                       |                               |

3.1 Economic, ecological and social sustainability










| FUCHS Company                 | Beneficiaries                                    | Project description  | Significantly influenced SDGs   |
|-------------------------------|--|--|---|
| FUCHS LUBRICANTS GERMANY GMBH | Offener Kanal Kaiserlautern                      | Unhindered access for media for all citizens   |  |
| BREMER & LEGUIL GMBH          | Kinderhospiz Regenbogenland Düsseldorf           | Support for terminally ill children and their families   |  |
|                               | DASA Deutsche Arbeitsschutz Ausstellung Dortmund | Donation for an exhibition focusing on occupational health and safety  |  |
|                               | Kinderhospiz Recklinghausen                      | Support for terminally ill children and their families   |  |
| FUCHS LUBRICANTS ESTONIA OÜ   | FUCHS Employees                                  | Encouraging employees to participate in skiing, running and cycling competitions   |  |
|                               |  |  <p data-bbox="808 1271 1263 1339"> <b>Hawaii Expressi 41. Tartu Rattaralli</b><br/> <small>Erki Birnbaum</small><br/> <small>60 km, 42. koht</small><br/> <small>29.05.2022</small> <small>01:45:51</small> </p> |   |

## 3.1 Economic, ecological and social sustainability









| FUCHS Company                  | Beneficiaries  | Project description   | Significantly influenced SDGs   |
|--------------------------------|--|---|---|
| FUCHS LUBRICANTS<br>ESTONIA OÜ | Employees of FUCHS Ukraine                                       | Material support for Ukraine  |    |
|                                | Red Cross  | Donation of blood   |    |
| FUCHS LUBRICANTES<br>S.A.U.    | Asociación Española de Hiperplasia Suprarrenal Congénita (AEHSC) | Donation to AEHSC to fight the disease Congenital Adrenal Hyperplasia                               |     |
|                                | Associació Autisme Pallejà                                       | Donation to the non-profit organization that supports people with autism                            |     |
|                                | Terrassa Ajuda A Nens D'ucraïna (Tanu)                           | Donation to help children in Ukraine  |     |
|                                | Fundació Nexe  | Donation through the sale of roses on Sant Jordi Day, in favor of children with severe disabilities |   |
|                                | Association #no more matildas                                    | Stories of female scientists to promote scientific interest among young girls and teenagers         |    |
|                                | FUCHS Employees  | Development of the actions defined in the Equality Plan   |    |








## 3.1 Economic, ecological and social sustainability

| FUCHS Company                | Beneficiaries  | Project description   | Significantly influenced SDGs   |
|------------------------------|--|---|---|
| FUCHS OIL FINLAND OY         | LPPY   | Donation for a guide on road safety for children and young people                           |    |
| FUCHS LUBRIFIANT FRANCE S.A. | FUCHS Employees  | Workshops for employees: mindful meditation, nutrition and massage                          |    |
|                              | Médecins sans frontières (MSF)   | Fundraising through photo exhibition of previous fundraising successes                      |    |
|                              | Special Olympics   | Across the company run to raise funds for an association                                    |    |
|                              | National association of patients and relatives involved in the fight against inflammatory bowel diseases (IBD) | Fundraising through a team marathon with concerts along the route                           |    |
|                              | FUCHS Employees  | Beehives to collect honey for employees   |   |
|                              | FUCHS Employees  | Contribution to the promotion of local biodiversity with employee involvement and awareness |    |
|                              | ESAT Jean Charcot  | Gardening for people with disabilities  |   |












3.1 Economic, ecological and social sustainability

| FUCHS Company              | Beneficiaries                              | Project description   | Significantly influenced SDGs  |
|----------------------------|--|---|--|
| FUCHS LUBRICANTS (UK) PLC. | "Motocross Challenge" Project              | Lessons for young people who are excluded from mainstream schools   |   |
|                            | Newcastle Strikers (Newcastle Under Lyme)  | Buying of football kit and ground banners   |   |
|                            | Clifton Rangers (In Yorkshire)             | Providing tracksuits for a local youth soccer team  |   |
|                            | Hospice for end-of-life care               | To raise money for hospices that support end of life care   |   |
|                            | PAPYRUS – Prevention Against Young Suicide | Fundraise for charity and raise awareness on the topic of suicide   |   |
| FUCHS HELLAS S.A.          | "Lighthouse for the Blind of Greece"       | Supplying metalworking fluids and providing support in the form of service and training to the blind in the metalworking industry |    |














3.1 Economic, ecological and social sustainability

| FUCHS Company          | Beneficiaries                          | Project description  | Significantly influenced SDGs   |
|------------------------|--|--|---|
| FUCHS HELLAS S.A.      | "The Smile of the Child"               |  |    |
| FUCHS MAZIVA D.O.O.    | Say No to drugs, school kids in region | Donation for a guide on road safety for children and young people                  |   |
| FUCHS OIL HUNGARIA KFT | FUCHS Employees                        | Sport benefits for employees   |  |
| PT FUCHS INDONESIA     | Youth community around Cikarang Plant  | Festive allowance for people living in the vicinity of the Cikarang plant          |  |






## 3.1 Economic, ecological and social sustainability

| FUCHS Company                      | Beneficiaries                             | Project description   | Significantly influenced SDGs   |
|------------------------------------|---|---|---|
| PT FUCHS INDONESIA                 | Jugendausschuss der Umgebung von Cikarang | Support for the youth on Independence Day or during sporting events     |    |
| PT FUCHS LUBRICANTS INDONESIA      | Neighborhood                              | Donation of clothes and books during a charity event for people in need |       |
| FUCHS LUBRICANTS (India) PVT. LTD. | SSRVM School                              | Donation of notebooks and textbooks                                     |    |
|                                    | Rotary Club of Bombay Mid-Town            | E-learning software for pre-school schools in remote village            |    |
|                                    | Mehli Mehta Music Foundation              | Promotion of art and culture  |    |
|                                    | Majhi Maitrin Charitable Trust            | Extra coaching of girl students of class 8, 9 and 10                    |     |
|                                    | Kamla Mehta School for the Blind          | Supporting the school for the blind by paying teachers' salaries        |    |
|                                    | Anugrah Vidya Mandir School               | Fees of 100 poor children, college fees of 2 girls and nursing fees     |   |

## 3.1 Economic, ecological and social sustainability

| FUCHS Company                      | Beneficiaries                         | Project description                                      | Significantly influenced SDGs   |
|------------------------------------|---------------------------------------|--|---|
| FUCHS LUBRICANTS (India) PVT. LTD. | Saifee Hospital Trust                 | Healthcare equipment for underprivileged                 |       |
|                                    | Foster Care                           | Sponsorship of poor children                             |    |
|                                    | Annamrita Foundation                  | Mid-day meals for 667 students                           |       |
|                                    | KD Vora Industrial Home for Blind     | Vocational education of blind girls                      |       |
|                                    | Prem Daan Convent                     | Streetlights for remote school area                      |    |
|                                    | NASEOH                                | Mobility aids for differently able people                |   |
|                                    | Punyatma Prabhakar Sharma Seva Mandal | Education of hearing-impaired tribal children            |   |
|                                    | Rotary Club of Badlapur               | Building toilets for a remote school for tribal children |   |

3.1 Economic, ecological and social sustainability








| FUCHS Company                  | Beneficiaries   | Project description   | Significantly influenced SDGs   |
|--------------------------------|---|---|---|
| FUCHS LUBRICANTI S.P.A         | Onlus Frati Minori Convento Sant'Antonio da Padova Torino | Financial support to the association that distributes meals to homeless people      |   |
| FUCHS LUBRICANTS LITHUANIA UAB | FUCHS Employees   | Taking care of the health of employees during public skiing or cycling competitions |    |
|                                | FUCHS Employees of Ukraine, ukrainian population          | Financial support for medical services for Ukrainian people affected by the war     |   |



**“We select projects that not only help improve the lives of the people included, but also help alleviate the social-economic problems our country ist facing.”**









Esther Seabi, Transformation Director FUCHS LUBRICANTS SOUTH-AFRICA

3.1 Economic, ecological and social sustainability

| FUCHS Company                             | Beneficiaries                                    | Project description   | Significantly influenced SDGs   |
|---|--|---|---|
| FUCHS LUBRICANTS LATIVA SIA               | FUCHS Employees of Ukraine, Ukrainian population | Financial support for medical services for Ukrainian people affected by hostilities |   |
|   | Red Cross  | Donation of blood for people who urgently need blood                                |    |
| LUBRICANTES FUCHS DE MEXICO, S.A. DE C.V. | Caritas IAP                                      | Delivery of food and pantry items to support homeless people                        |   |
|   | FUCHS Employees; environment                     | Tree planting campaign for employees to raise awareness on this issue               |    |
| FUCHS PETROLUBE (Malaysia) SDN. BHD.      | NGO "Orphanage Home – Victory Home"              | Providing school uniforms for the children of the orphanage                         |    |











3.1 Economic, ecological and social sustainability














| FUCHS Company                        | Beneficiaries   | Project description  | Significantly influenced SDGs   |
|--------------------------------------|---|--|---|
| FUCHS PETROLUBE (Malaysia) SDN. BHD. |  |  |    |
| FUCHS LUBRICANTS NORWAY AS           | FUCHS Employees   | Contribution to exercise cards for employees                                       |    |
| FUCHS LUBRICANTS (New Zealand) LTD.  | Ronald McDonald House Charities New Zealand                                       | The FLA Foundation Committee donated money in support of an employee.              |    |
| FUCHS OIL CORPORATION (PL) SP Z O.O. | Foundation "ISKIERKA"   | Art therapy classes for young oncology patients                                    |   |
|                                      | Local preschools; scientific associations; children's theater, etc.               | Improving the level of education by co-financing materials, conferences, etc.      |  |
|                                      | Polish Association for the blind and Association for the Hepl of Disabled         | Funding of materials, conferences, etc. to improve the level of education          |  |









## 3.1 Economic, ecological and social sustainability

| FUCHS Company                        | Beneficiaries  | Project description  | Significantly influenced SDGs   |
|--------------------------------------|--|--|---|
| FUCHS OIL CORPORATION (PL) SP Z O.O. | Foundation "Solidarni Górnicy – KWK Bogdanka"  | Financial support for injured, sick or poor miners   |    |
|                                      | "Fundacja Gram, Kibicuje, Pomagam";<br>"Stowarzyszenie Kopalnia talentów Sośnica";<br>"Klub wysokogórski w Katowicach" | Financial support for local sport and culture  |    |
| FUCHS LUBRIFICANTES UNIPESOAAL LDA.  | Instituto Profissional do Terço  | Assistance with home furnishings for young people who have to leave their institution from the age of 18 |   |
|                                      | Associação Conto Mil Sonhos  | Financial support for a summer camp for poor children to provide education and hope                      |   |
|                                      | Bombeiros de Rebordosa   | Support for firefighters   |   |

3.1 Economic, ecological and social sustainability

| FUCHS Company                       | Beneficiaries                                  | Project description  | Significantly influenced SDGs   |
|-------------------------------------|--|--|---|
| FUCHS LUBRIFICANTES UNIPessoal LDA. | Associação Caritativa do Bazar Alemão do Porto | Christmas bazaar to raise funds for charity                          |     |
|                                     | Bombeiros Voluntários de Moreira da Maia       | Support for the volunteer fire department in Moreira da Maia         |     |
|                                     | Liga Portuguesa contra o Cancro                | Help cancer patients and their families                              |     |
|                                     | Associação das Aldeias de Crianças SOS         | Financial support for the aid organization “SOS Children’s Villages” |     |
|                                     | Refood Maia                                    | Food rescue and distribution to people in need                       |     |

## 3.1 Economic, ecological and social sustainability

| FUCHS Company                               | Beneficiaries  | Project description  | Significantly influenced SDGs   |
|---|--|--|---|
| FUCHS LUBRICANTS ROMANIA SRL                | Daruieste Viata (NGO)  | Donation for the building of a hospital for children with cancer                               |    |
| OOO FUCHS OIL                               | Boarding school for children with developmental disabilities | Donation for household expenses, necessary equipment purchasing for garden and kitchen service |    |
| ALHAMRANI-FUCHS PETROLEUM SAUDI ARABIA LTD. | “Yanbu Industrial College” Students                          | Free training for college students   |    |
| FUCHS LUBRICANTS SWEDEN AB                  | “Womengineer” foundations                                    | Support on the way to a gender-equal engineering industry                                      |    |
|   | Trafikkalendern  | Support of a brochure on traffic education for students and teens                              |   |

3.1 Economic, ecological and social sustainability

FUCHS Company

Beneficiaries

Project description

Significantly influenced SDGs

FUCHS LUBRICANTS SWEDEN AB

Students at local universities of applied sciences

Collaboration with local universities of applied sciences to provide opportunities for internships










FUCHS LUBRICANTS PTE. LTD.

Society for the Aged Sick (SAS)






Fundraising for a nonprofit nursing home














3.1 Economic, ecological and social sustainability

| FUCHS Company   | Beneficiaries             | Project description  | Significantly influenced SDGs   |
|---|---------------------------|--|---|
| FUCHS OIL CORPORATION (SK) SPOL. S R.O.   | Svetielko nádeje          | Donations for the care of children with oncological diseases   |    |
|   | FUCHS Mastyla Ukraina LLC | Fundraising to support Ukrainian colleagues                    |   |
| FUCHS MAZIVA LSL D.O.O.   | PD ZABUKOVICA             | Donation to the hiking club for sports activities for children |    |
| FUCHS LUBRICANTS (Thailand) CO., LTD.   | Doi Kham Royal Project    | Support for local farmers in the north of Thailand             |    |
|   | Baan Nokkamin Foundation  | Donations of clothes, dolls and toys for homeless children     |    |
|  |                           |  |   |







3.1 Economic, ecological and social sustainability

| FUCHS Company  | Beneficiaries                        | Project description  | Significantly influenced SDGs   |
|--|--------------------------------------|--|---|
| <p>OPET FUCHS MADENİ YAĞ SANAYİ VE TİCARET</p>                                     | <p>Children with leukemia</p>        | <p>Organization of an information seminar and blood donation for children suffering from leukemia</p>            |    |
|  | <p>FUCHS Employees</p>               | <p>Information session on early detection of breast cancer and pink ribbons for employees to raise awareness</p> |    |
|  |                                      |  |   |
| <p>FUCHS LUBRICANTS TAIWAN CORP.</p>   | <p>The Garden of Hope Foundation</p> | <p>Providing disadvantaged families with the goods they need</p>   |   |
|  | <p>St. Anne's Home</p>               | <p>Donations of goods by FUCHS Employees to NGOs for disadvantaged people</p>                                    |  |

3.1 Economic, ecological and social sustainability







| FUCHS Company                 | Beneficiaries   | Project description  | Significantly influenced SDGs  |
|-------------------------------|---|--|--|
| FUCHS LUBRICANTS TAIWAN CORP. |  |      |  |
| FUCHS LUBRICANTS CO.          | Communities with an overall higher poverty rate                                   | Funding for afterschool program, Thanksgiving Baskets, and Holiday Toys                |   |
|                               | "My Joyful Heart" Association   | Donation for school supplies, food, and Christmas gifts                                |    |
|                               | The Emergency Assistance Center – Twinsburg                                       | Donation to the local emergency assistance center                                      |    |
|                               | Twinsburg City School District  | A program against hunger among children provides food to children in need in the area. |    |
|                               | Akron Canton Food Bank  | Donation to the local food bank to assist people in need                               |   |

3.1 Economic, ecological and social sustainability




| FUCHS Company  | Beneficiaries                  | Project description   | Significantly influenced SDGs   |
|--|--------------------------------|---|---|
| FUCHS LUBRICANTS VIETNAM COMPANY LTD.  | FUCHS Employees                | Promoting health through joint participation in a marathon race                             |    |
|  |                                |   |   |
| FUCHS LUBRICANTS SOUTH AFRICA (PTY) LTD.   | Unemployed youths              | Offer of work experience to unemployed youths   |    |
|  | Tertiary Education students    | Bursary scheme for tertiary students  |  |
|  | School children from employees | Sponsorship of school fees, uniform and study material for employees earning lower salaries |  |
|  | Grade 8, 9 and 10 students     | Additional math lessons for students  |  |



3.1 Economic, ecological and social sustainability

| FUCHS Company                            | Beneficiaries                          | Project description   | Significantly influenced SDGs   |
|--|--|---|---|
| FUCHS LUBRICANTS SOUTH AFRICA (PTY) LTD. | Small businesses                       | Small business development support for companies and suppliers  |    |
|  | CANSAs and Childhood cancer foundation | Sponsorship to community organizations assisting cancer patients  |    |
|  | FUCHS Employees, Environment           | Cleaning up the neighborhood and raising community awareness about pollution                                    |    |
|  | Homeless people                        | Donations to nonprofit organization running children’s homes and care centers for homeless people               |    |
|  | Suppliers                              | Sustainability goals were presented to suppliers and an external ESG expert was invited to provide information. |   |
| FUCHS ZIMBABWE (PVT) LTD                 | Hurungwe community, Environment        | Forest reforestation project “MyTrees Trust” and creation of additional jobs                                    |  |

3.1 Economic, ecological and social sustainability

| FUCHS Company            | Beneficiaries                     | Project description   | Significantly influenced SDGs   |
|--------------------------|-----------------------------------|---|---|
| FUCHS ZIMBABWE (PVT) LTD | Bumi Hills Foundation             | Donation to reduce illegal poaching, improve health care in the region, education, etc. |  |
|                          | Animal rights group "SPCA Harare" | Donation to a veterinary clinic for the treatment and rehoming of the animals           |  |
|                          | KidzCan Cancer Charity            | Sponsorship of the KidzCan MudRun to support children with cancer in Zimbabwe           |  |

## 3.2 EU taxonomy

EU taxonomy is an important component of the EU European Green Deal and the action plan “Financing Sustainable Growth”, which aim to make the EU climate neutral by 2050. The key objectives of EU taxonomy are to create transparency for capital market participants and to direct capital flows into sustainable economic activities. The EU Taxonomy Regulation was published in July 2020. The delegated act on the first two environmental objectives, climate change mitigation and adaptation, and the act on disclosure requirements (Art. 8 of the EU Taxonomy Regulation) became effective at the end of December 2021. In addition, the EU Commission published further FAQ documents in December 2022 to explain application issues.

The EU taxonomy is a classification system that describes the economic activities already in force under the first two environmental objectives. These economic activities are in principle taxonomy-eligible. Based on criteria specified in the EU Taxonomy Regulation, economic activities can be classified as environmentally sustainable, or taxonomy-aligned. Evidence of environmental sustainability is provided through a three-stage process. In principle, a

substantial contribution to one of the six environmental objectives must be given in the first step:

- 1) Climate change mitigation
- 2) Climate change adaptation
- 3) Sustainable use and protection of water and marine resources
- 4) Transition to a circular economy
- 5) Pollution prevention and control
- 6) Protection and restoration of biodiversity and ecosystems

This is evidenced by the fulfillment of technical assessment criteria defined in the EU Taxonomy Regulation. In the second step, this also includes the so-called “do no significant harm” (DNSH) test, that none of the five environmental objectives may be significantly impaired. In the final step, the minimum protection criteria “human rights, including workers’ rights, bribery and corruption, taxation, fair competition” must be met. Only if all criteria are met cumulatively an economic activity is considered taxonomy-aligned.

Economic activities that do not fall within the scope of the EU Taxonomy Regulation are taxonomy-non-eligible and therefore also taxonomy-non-aligned.

An activity is only classified as taxonomy-aligned if all criteria are cumulatively fulfilled.

With the phased introduction of the EU taxonomy set out in the delegated act on Art. 8 of the EU Taxonomy Regulation, listed companies such as FUCHS were already required by 2021 to report the taxonomy-eligible share of sales revenues, capital expenditure (CapEx) and operating expenses (OpEx) for the first two environmental objectives. As of the financial year 2022, taxonomy-aligned shares of sales revenues, capital expenditure and operating expenses for the first two environmental objectives also have to be reported.

### Our approach

As part of our EU taxonomy implementation project, as we did last year, we have first matched all of FUCHS’ economic activities with regard to the scope of the EU Taxonomy Regulation and identified the taxonomy-eligible economic activities. The development, production and distribution of lubricants do not fall within the scope of the EU Taxonomy Regulation, therefore no taxonomy-eligible sales revenues can be derived. The economic activities of FUCHS that are relevant for the EU Taxonomy Regulation relate exclusively to CapEx and OpEx, which can be divided into two subsections:

### Our approach



## 3.2 EU taxonomy

a) Real-estate-related activities include the following activities:

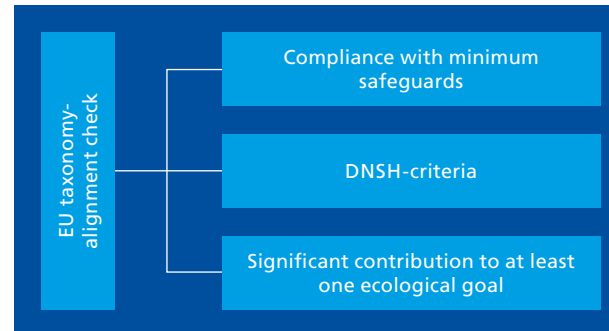
- 7.1 Construction of new buildings (FUCHS' new construction projects)
- 7.2 Renovation of existing buildings (energy renovation of production and non-production buildings)
- 7.3 Installation, maintenance and repair of energy-efficient equipment (windows replacement)
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and in parking lots attached to buildings (installation of charging points)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (installation of smart metering equipment)
- 7.6 Installation, maintenance and repair of renewable energy technologies (installation of photovoltaic systems)
- 7.7 Acquisition and ownership of buildings (leasing)

b) Vehicle-related activities include the following:

- 3.6 Manufacture of other low-carbon technologies (electric forklifts)
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (company vehicles)
- 6.6 Freight transport services by road (trucks)

Results derived via a group-wide analysis were validated by an interdisciplinary team of controlling, finance, and governance.

The taxonomy-eligible economic activities of FUCHS were then analyzed with regard to their taxonomy-alignment by means of three testing steps:



The review of the technical assessment criteria was carried out throughout the Group on the basis of checklists completed by the local companies. At central level, these checklists were evaluated and aggregated by individual economic activities. In many cases, the economic activities were classified as taxonomy-eligible but could not meet the technical screening criteria. For example, the state-of-the-art new holding company building in Mannheim could

not be classified as taxonomy-aligned due to a life cycle CO<sub>2</sub>-potential calculation that could not be subsequently determined. A climate risk analysis in accordance with Appendix A of the EU Taxonomy Regulation is also required as part of the conformity assessment. To address this requirement, geographic site data were matched with climate data for temperature, wind, water, and solids. For temperature risks, the RCP 8.5 scenario was used, which represents a worst-case scenario. In addition, data from an insurance partner of the FUCHS Group on the risks of earthquake, wind and flooding were included in the risk analysis. The analysis did not reveal any significant physical climate risks for the FUCHS sites and thus for the activities of FUCHS. Compliance with minimum safeguards with regard to human rights, including workers' rights, bribery and corruption, taxation and fair competition is ensured by FUCHS.

→ [2022 Annual Report p. 94 et seq. Employee concerns](#)

→ [2022 Annual Report p. 97 et seq. Social concerns](#)

→ [2022 Annual Report p. 100 et seq. Respect for human rights; Combating corruption, bribery and anti-competitive behavior](#)

## 3.2 EU taxonomy

A taxonomy-aligned share of CapEx or OpEx is only reported if all criteria of the test steps are met cumulatively. The details for each indicator can be found in the explanations below.

When analyzing and determining the key performance indicators (KPIs), it was also ensured that there was no double counting within the KPIs. The amounts for sales revenues, CapEx and OpEx associated with individual activities were clearly identified and marked for this purpose. Since all activities of FUCHS relate to the environmental objective 1 “Climate protection”, double counting within the environmental objectives 1 and 2 can be excluded.

### Key figures

#### Turnover

The EU taxonomy defines turnover as revenues from customer contracts in accordance with IFRS 15 (denominator according to EU taxonomy). Due to the fact that FUCHS does not fall within the primary scope of application of the EU taxonomy, there is no taxonomy-eligible or aligned turnover (numerator according to EU taxonomy). For the financial year 2022, turnover amounts to €3.4 billion.

→ [p. 78 Turnover](#)

#### CapEx

The EU taxonomy defines capital expenditure as all additions to and investments in intangible assets, property, plant and equipment in accordance with IAS 16, rights of use in accordance with IFRS 16 and, where applicable,

capitalized development costs in accordance with IAS 38 (denominator in accordance with EU taxonomy). The numerator represents the taxonomy-eligible or taxonomy-aligned portion of the CapEx attributable to the above activities. The allocation to the different activities was based on the closing positions as well as a separate group-wide poll.

It is irrelevant whether FUCHS performs the activity itself or has it performed by a third party. According to 1.1.3.2 letter c of the annex to the legal act on disclosure requirements, the acquisition of such services should also be covered.

Activities 3.6, 6.5 and 7.1 to 7.7 were initially quantified and described as part of a query. taxonomy-alignment was checked on the basis of product descriptions, technical data sheets, energy efficiency certificates and invoices as part of random sampling.

The total amount of CapEx in fiscal year 2022 is €91 million. This includes the items “property, plant and equipment” (€74 million), “intangible assets” (€5 million) and “capitalised rights of use” (€12 million). → [p. 79 CapEx](#)

The breakdown of taxonomy-aligned CapEx on the economic activities is as table below:

#### OpEx

The EU taxonomy defines operating expenses as expenses for non-capitalized research and development costs, short-term leasing, low-value leasing, building maintenance as well as maintenance and repair (denominator according to EU taxonomy). The numerator includes taxonomy-eligible or taxonomy-aligned operating expenses for buildings (e.g. maintenance).

#### Breakdown of taxonomy-aligned activities (CapEx)

| Activity     | Additions to PPE<br>in € million | Additions capitalised right-of-use assets<br>in € million | Sum<br>in € million | Thereof acquired through company mergers<br>in € million | Thereof part of a CapEx-plan<br>in € million |
|--------------|----------------------------------|---|---------------------|--|--|
| 7.4          | 0.3                              |   | 0.3                 |  |  |
| 7.5          | 0.1                              |   | 0.1                 |  |  |
| <b>Total</b> | 0.4                              | 0.0   | 0.4                 | 0.0  | 0.0  |









## 3.2 EU taxonomy

**FUCHS' internal contribution to sustainability**

FUCHS supports the overarching objective of the EU Taxonomy Regulation to promote private financing of sustainable economic activities in order to make Europe the first climate-neutral continent in the world by 2050. As a company aiming to establish a climate-neutral business model across its value chain by 2040, we welcome initiatives that serve this goal. For this purpose, we as a company have set ourselves specific goals and are systematically accountable for their achievement every year.

The scope of EU taxonomy currently covers nine defined economic sectors, which together account for 93.5% of greenhouse gas emissions in the EU. In the view of the European Commission's experts, these sectors can make a significant contribution to reducing emissions. The European Commission's above-mentioned approach and focus mean that lubricant producers such as FUCHS are not directly within the scope of the environmental objectives of climate change mitigation and adaptation, and can

therefore only report activities to a limited extent in this regard.

Although FUCHS is currently unable to identify any products and related sales revenues as taxonomy-eligible and -aligned in line with the definition of the EU taxonomy criteria set out above, the lubricants and functional fluids manufactured and supplied by FUCHS generally serve the environmental objectives of climate protection and adaptation to climate change enshrined in the EU taxonomy:

- The use of lubricants in our customers' applications results in reduced friction, in turn resulting in increased efficiency and/or lower energy consumption.
- The use of lubricants leads to less wear and tear and thus to a longer lifetime of components.
- In addition, lubricants contribute to the corrosion protection of components in many applications, thereby reducing material consumption and indirectly reducing energy consumption.

FUCHS products contribute to climate protection in a wide range of applications. For example, according to an externally audited eco-efficiency analysis, an excavator saves around 9,600 liters of diesel over an operating period of 8,000 hours using premium FUCHS' hydraulic oil. This corresponds to a CO<sub>2</sub> equivalent of nearly 30 tons. Together with associations, research partners and suppliers, FUCHS is constantly setting new standards and driving sustainability in the industry.

Many of our customers' taxonomy-eligible and potentially aligned activities are made more efficient, or even made possible, through the lubricants developed and manufactured by FUCHS. In particular, these include lubricants for use in wind turbines, functional fluids in electric drives of motor vehicles, and cleaners for solar panels.

FUCHS also demands the highest standards in the production process of lubricants in terms of energy efficiency, use of renewable energy and resource-efficient processes.

## 4.1 About this report

### Sustainability Report 2022

FUCHS published its first Sustainability Report in 2011. This 2022 Sustainability Report is FUCHS' twelfth Sustainability Report and it is published separately from the 2022 Annual Report. FUCHS refers to these passages for individual topics that have already been explained in detail in the 2022 Annual Report.

This Sustainability Report is intended to provide stakeholders in FUCHS with information on how we advance our business and make FUCHS more sustainable.

For this purpose, the reporting period extends from January 1, 2022 to December 31, 2022, unless otherwise stated. FUCHS' next, thirteenth Sustainability Report will be published in the first half of 2024.

In case of deviations between this English translation and the original German version of this Sustainability Report, the original German version takes precedence.

### Procedure and material report contents

With this 2022 Sustainability Report, FUCHS continues to focus on key topics in sustainability reporting.

In accordance with the GRI requirements, we assess the material topics for this report based on the principle of double materiality according to impact relevance and stakeholder relevance.

The materiality analysis carried out in 2021 identified 20 material topics that are current, balanced and complete for this reporting year. More information on this can be found in chapter 2.6 Materiality analysis. FUCHS will review this every year and aims to update the materiality analysis every three years.

The report on material topics is structured according to the three sustainability dimensions of economic, ecological and social sustainability defined for FUCHS and is flanked by information on the business model, the sustainability organization and management, as well as the sustainability strategy, the circular economy and EU taxonomy.

Overall the Executive Board is responsible for sustainability. The Executive Board member responsible for this is the CTO, who has approved the content of this report and confirms that it takes into account all sustainability topics that are material for the stakeholders and FUCHS.

### Data collection, scope, and limits of the report

The data collection includes all relevant companies worldwide that belong to the scope of consolidation for the consolidated financial statements of FUCHS PETROLUB SE from January 1, 2022 to December 31, 2022.

FUCHS also reports the values for all Joint ventures and associates separately and additionally for the ecological key figures for the sake of better transparency. The key figures of the Joint ventures and associates are reported at 100%

(not at equity). The calculation of CO<sub>2</sub> emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard and relates exclusively to the production- and operations-related processes within FUCHS' factories, also referred to as "gate-to-gate" scope, unless explicitly stated otherwise.

The data used to calculate Scope 1 emissions in terms of gas, oil, and district heating consumption, as well as emissions from our vehicle fleets, leakage from air-conditioning systems, and direct emissions from the combustion of exhaust gases, are primarily based on actual consumption values. For sites where no exact utilization values are available, estimates are included in the calculation based on the square meter size as well as the number of employees working there. This is mainly the case for some smaller distribution locations, e.g. if the premises are rented and consumption is not shown transparently.

The emissions from Scope 2, i.e. the utilization of electricity, steam, and district heating, are generally collected "site-based". This means that individual conversion factors for each country are used to calculate emissions. In a few cases where relevant information is available directly from the supplier, "market-based" factors are used, individually mapping the supplier's emissions for the respective energy source. This was done, for example, for the first time in 2022 for the external procurement of steam at our Mannheim site.

FUCHS currently calculates the emissions generated within Scope 3 of the GHG Protocol in accordance with the gate-to-gate scope for the categories of business travel, commuter traffic, water and wastewater, and waste generation. The underlying data is identified in the respective national companies and calculated by an external service provider using standard emissions databases. For commuter traffic, estimates of average distances and exact days of presence on site due to individual arrangements for working from home are used if no precise data can be determined.

## GRI

This report was prepared for the financial year based on GRI standards, with FUCHS switching to the 2021 version of GRI in contrast to the previous year's report. FUCHS aims to progressively increase the compliance with the GRI standards over the next few years, provided that they are in line with new sector-specific standards in the long run. FUCHS is continuously monitoring future specifications for sustainability reporting, such as CSRD of the EU.

## External audit

This Sustainability Report has not been subjected to an external audit. However, all ecological key figures (emissions, energy, water, waste) for the 100% FUCHS companies were reported in the 2022 Annual Report as part of the non-financial statement and subjected to a limited assurance audit to this extent. For more information and the corresponding audit opinion, please refer to the 2022 Annual Report. → [2022 Annual Report p. 111 et seq. Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting](#)

## Mapping of material topics<sup>1</sup>

| Material topics                            | GRI           | GRI chapter   |
|--|---------------|---|
| <b>ECONOMIC</b>                            |               |   |
| Corporate strategy and investment planning |               | Are not reflected in GRI  |
| Innovation and digitalization              |               | Are not reflected in GRI  |
| Customer orientation                       |               | Are not reflected in GRI  |
| Risk management and quality                | 103<br>102-30 | Management approach<br>Effectiveness of risk management procedures      |
| Tax  | 207           | Tax   |
| <b>ECOLOGICAL</b>                          |               |   |
| Emissions                                  | 305           | Emissions   |
| Energy management                          | 302           | Energy  |
| Water and wastewater                       | 303           | Water and wastewater  |
| Waste and disposal                         | 306           | Wastewater and waste  |
| Materials and raw materials                | 301           | Materials   |
| <b>SOCIAL</b>                              |               |   |
| Leadership and corporate culture           | 102           | 102-18 – 102-39 Corporate management                                    |
| Employment and employers                   | 401           | Employment  |
| Safety and health at work                  | 403           | Safety and health at work   |
| Anti-competitive behavior                  | 206           | Anti-competitive behavior   |
| Anti-corruption and compliance             | 205           | Anti-corruption   |
| Respect for human rights                   | 412           | Audit and respect for human rights                                      |
| Education and training                     | 404           | Education and training  |
| Non-discrimination                         | 406           | Non-discrimination  |
| Diversity and equal opportunities          | 405           | Diversity and equal opportunities                                       |
| Suppliers                                  | 308<br>414    | Environmental assessment of suppliers<br>Social evaluation of suppliers |

<sup>1</sup> Material topics are arranged in the order in which they are mentioned in the report.

## 4.2 GRI Index

| Statement of use                |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |  |        |                             |  |   |      |   |
|---------------------------------|------------|--|--|--------|-----------------------------|--|---|------|---|
| GRI 1 used                      |            | GRI 1: Foundation 2021   |  |        |                             |  |   |      |   |
| GRI Standard/<br>other Source   | Disclosure | Location   | Omission                                 |        |                             | Comment  | Relevant<br>SDG   | UNGC |   |
|                                 |            |  | Requirement(s)/<br>Omitted               | Reason | Explanation                 |  |   |      |   |
| <b>General disclosures</b>      |            |  |  |        |                             |  |   |      |   |
| GRI 2: General Disclosures 2021 | 2-1        | Organizational details   | AR p. 17, 29 et seq.                     |        |                             |  | Headquarters: FUCHS Petrolub SE, Mannheim Germany   |      |   |
|                                 | 2-2        | Entities included in the organization's sustainability reporting   | AR p. 197 et seq.                        |        |                             |  |   |      |   |
|                                 | 2-3        | Reporting period, frequency and contact point  |  |        |                             |  | The reporting period has not been changed.  |      |   |
|                                 | 2-4        | Restatements of information  | SR p. 17, 18, 82, 83                     |        |                             |  | This year's report has focused on the key issues derived from the materiality analysis that were internally reviewed and deemed of current relevance. |      |   |
|                                 | 2-5        | External assurance   | SR p. 82                                 |        |                             |  |   |      |   |
|                                 | 2-6        | Activities, value chain and other business relationships   | AR p. 3, 4, 5, 6, 8, 40, 56 – 59, 98, 99 |        |                             |  | <a href="http://www.fuchs.com/group/products-industries/product-program/">www.fuchs.com/group/products-industries/product-program/</a>                |      |   |
|                                 | 2-7        | Employees  | AR p. 15, 40, 44 – 46, 94 – 97, 159, 213 |        | Confidentiality constraints | Information is available to the company, but it is not reported. |   | 8    | 6 |
|                                 | 2-8        | Workers who are not employees  | AR p. 15, 40, 44 – 46, 94 – 97, 159, 213 |        | Confidentiality constraints | Information is available to the company, but it is not reported. |   |      | 7 |

| Statement of use                   |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |  |        |             |         |   |      |
|------------------------------------|------------|--|--|--------|-------------|---------|---|------|
| GRI 1 used                         |            | GRI 1: Foundation 2021   |  |        |             |         |   |      |
| GRI Standard/<br>other Source      | Disclosure | Location   | Omission   |        |             | Comment | Relevant<br>SDG                           | UNGC |
|                                    |            |  | Requirement(s)/<br>Omitted                           | Reason | Explanation |         |   |      |
| GRI 2: General<br>Disclosures 2021 | 2-9        | Governance structure and composition   | SR p. 5 – 7<br>AR p. 19–27,<br>111, 112, 194,<br>195 |        |             |         |   |      |
|                                    | 2-10       | Nomination and selection of the highest governance body  | AR p. 118–123  |        |             |         | 5, 16                                     |      |
|                                    | 2-11       | Chair of the highest governance body   | AR p. 118, 120                                       |        |             |         | 16  |      |
|                                    | 2-12       | Role of the highest governance body in overseeing the management of impacts  | SR p. 9, 10<br>AR p. 23–28,<br>117–122               |        |             |         |   |      |
|                                    | 2-13       | Delegation of responsibility for managing impacts  | SR p. 9<br>AR p. 117                                 |        |             |         |   |      |
|                                    | 2-14       | Role of the highest governance body in sustainability reporting  | AR p. 117, 122                                       |        |             |         | Audit Committee examines reported content |      |
|                                    | 2-15       | Conflicts of interest  | AR p. 119, 128                                       |        |             |         | 16  |      |

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|---------------------------------|------------|--|----------------------------|--------|-------------|--|-----------------|------|
| GRI 1 used                      |            | GRI 1: Foundation 2021   |                            |        |             |  |                 |      |
| GRI Standard/<br>other Source   | Disclosure | Location   | Omission                   |        |             | Comment  | Relevant<br>SDG | UNGC |
|                                 |            |  | Requirement(s)/<br>Omitted | Reason | Explanation |  |                 |      |
| GRI 2: General Disclosures 2021 | 2-16       | Communication of critical concerns   |                            |        |             | Any concerns may be raised at the Annual General Meeting. A total of 37 questions were raised at the last Annual General Meeting, mainly regarding the new compensation systems for Executive Board and Supervisory Board members ( <a href="http://www.fuchs.com/gruppe/verguetungsbericht">www.fuchs.com/gruppe/verguetungsbericht</a> ). Other topics included the conversion to registered shares and various questions on the operating and strategic business. |                 |      |
|                                 | 2-17       | Collective knowledge of the highest governance body  | AR p. 124, 125             |        |             | Close involvement in the development of the sustainability strategy by the CSO   | 4               |      |
|                                 | 2-18       | Evaluation of the performance of the highest governance body   | *                          |        |             |  |                 |      |
|                                 | 2-19       | Remuneration policies  | AR p. 115 *                |        |             |  |                 |      |
|                                 | 2-20       | Process to determine remuneration  | AR p. 27, 115 *            |        |             |  |                 | 16   |

SR = Sustainability Report, AR = Annual Report ([https://fuchs.azureedge.net/fileadmin/Home/Investor\\_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL\\_GB22\\_englisch\\_final\\_interaktiv.pdf](https://fuchs.azureedge.net/fileadmin/Home/Investor_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL_GB22_englisch_final_interaktiv.pdf))

\* [https://fuchs.azureedge.net/fileadmin/Home/Investor\\_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL\\_VB22\\_englisch\\_final\\_interaktiv.pdf](https://fuchs.azureedge.net/fileadmin/Home/Investor_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL_VB22_englisch_final_interaktiv.pdf)

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|------------------------------------|------------|--|---|--------|-------------|---|-----------------|------|
| GRI 1 used                         |            | GRI 1: Foundation 2021   |   |        |             |   |                 |      |
| GRI Standard/<br>other Source      | Disclosure | Location   | Omission                                    |        |             | Comment                                 | Relevant<br>SDG | UNGC |
|                                    |            |  | Requirement(s)/<br>Omitted                  | Reason | Explanation |   |                 |      |
| GRI 2: General<br>Disclosures 2021 | 2-21       | Annual total compensation ratio  | AR p. 115 *                                 |        |             |   |                 |      |
|                                    | 2-22       | Statement on sustainable development strategy  | SR p. 5–7                                   |        |             |   |                 |      |
|                                    | 2-23       | Policy commitments   | AR p. 24, 25, 75, 76, 100–102, 114–117, 124 |        |             |   | 16              | 10   |
|                                    | 2-24       | Embedding policy commitments   | AR p. 100–102, 114–117                      |        |             |   |                 |      |
|                                    | 2-25       | Processes to remediate negative impacts  |   |        |             | There was no occurrence in this regard. |                 |      |
|                                    | 2-26       | Mechanisms for seeking advice and raising concerns   | AR p. 94, 114–117                           |        |             |   | 16              | 10   |

SR = Sustainability Report, AR = Annual Report ([https://fuchs.azureedge.net/fileadmin/Home/Investor\\_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL\\_GB22\\_englisch\\_final\\_interaktiv.pdf](https://fuchs.azureedge.net/fileadmin/Home/Investor_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL_GB22_englisch_final_interaktiv.pdf))

\* [https://fuchs.azureedge.net/fileadmin/Home/Investor\\_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL\\_VB22\\_englisch\\_final\\_interaktiv.pdf](https://fuchs.azureedge.net/fileadmin/Home/Investor_Relations/Geschaeftsbericht/Zwischenbericht/2022/FPL_VB22_englisch_final_interaktiv.pdf)

| Statement of use                   |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |  |  |         |                 |      |
|------------------------------------|------------|--|----------------------------|--|--|---------|-----------------|------|
| GRI 1 used                         |            | GRI 1: Foundation 2021   |                            |  |  |         |                 |      |
| GRI Standard/<br>other Source      | Disclosure | Location   | Omission                   |  |  | Comment | Relevant<br>SDG | UNGC |
|                                    |            |  | Requirement(s)/<br>Omitted | Reason                                 | Explanation  |         |                 |      |
| GRI 2: General<br>Disclosures 2021 | 2-27       | Compliance with laws and regulations   |                            | Information unavailable/<br>incomplete | In the cases recorded by the compliance organisation, there were no material violations of laws and regulations in which fines or non-monetary sanctions were imposed. Unless relevant for the consolidated financial statements, no further data on material violations of laws and regulations are recorded centrally. |         |                 |      |
|                                    | 2-28       | Membership associations  | AR p. 73                   |  |  |         |                 |      |



| Statement of use                |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |                                    |  |         |  |      |  |
|---------------------------------|------------|--|----------------------------|------------------------------------|--|---------|--|------|--|
| GRI 1 used                      |            | GRI 1: Foundation 2021   |                            |                                    |  |         |  |      |  |
| GRI Standard/<br>other Source   | Disclosure | Location   | Omission                   |                                    |  | Comment | Relevant<br>SDG  | UNGC |  |
|                                 |            |  | Requirement(s)/<br>Omitted | Reason                             | Explanation  |         |  |      |  |
| GRI 2: General Disclosures 2021 | 2-29       | Approach to stakeholder engagement   | SR p. 17                   |                                    |  |         | Out of 23 potential stakeholders identified, the following nine were consulted either electronically, in person or via a representative:<br>– Executive Board/Group Management<br>– Supervisory Board<br>– Fuchs family<br>– Shareholders/analysts<br>– Managers/departments<br>– Employees<br>– Customers<br>– Suppliers<br>– Environmental and sustainability management<br>Stakeholder analysis<br>Stakeholder dialogue |      |  |
|                                 | 2-30       | Collective bargaining agreements   |                            | Information unavailable/incomplete | There is no global indicator. Most of the German Group companies are bound by the collective wage agreement. The other companies comply at least with the statutory minimum wages. |         | 8  | 3    |  |

| Statement of use                         |            |  | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |   |   |         |                 |      |
|--|------------|--|--|----------------------------|---|---|---------|-----------------|------|
| GRI 1 used                               |            |  | GRI 1: Foundation 2021   |                            |   |   |         |                 |      |
| GRI Standard/<br>other Source            | Disclosure |  | Location   | Omission                   |   |   | Comment | Relevant<br>SDG | UNGC |
|  |            |  |  | Requirement(s)/<br>Omitted | Reason                                    | Explanation   |         |                 |      |
| <b>Material topics</b>                   |            |  |  |                            |   |   |         |                 |      |
| GRI 3: Material<br>Topics 2021           | 3-1        | Process to determine<br>material topics      | SR p. 17   |                            |   |   |         |                 |      |
|  | 3-2        | List of material topics                      | SR p. 17, 18,<br>82, 83  |                            |   |   |         |                 |      |
| <b>Procurement practices</b>             |            |  |  |                            |   |   |         |                 |      |
| GRI 3: Material<br>Topics 2021           | 3-3        | Management of material<br>topics             | SR p. 40, 41   |                            |   |   |         |                 |      |
| GRI 204: Procure-<br>ment Practices 2016 | 204-1      | Proportion of spending on<br>local suppliers |  |                            | Information<br>unavailable/<br>incomplete | FUCHS has not<br>implemented an<br>analysis method that<br>distinguishes be-<br>tween local, region-<br>al or global supply.<br>In terms of cate-<br>gory strategy, the<br>regional approach is<br>preferred. |         | 12              |      |
| <b>Anti-corruption</b>                   |            |  |  |                            |   |   |         |                 |      |
| GRI 3: Material<br>Topics 2021           | 3-3        | Management of material<br>topics             | SR p. 36, 37<br>AR p. 86,<br>99–102  |                            |   |   |         |                 |      |

| Statement of use                 |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                                  |                                    |  |         |                 |      |
|----------------------------------|------------|--|----------------------------------|------------------------------------|--|---------|-----------------|------|
| GRI 1 used                       |            | GRI 1: Foundation 2021   |                                  |                                    |  |         |                 |      |
| GRI Standard/<br>other Source    | Disclosure | Location   | Omission                         |                                    |  | Comment | Relevant<br>SDG | UNGC |
|                                  |            |  | Requirement(s)/<br>Omitted       | Reason                             | Explanation  |         |                 |      |
| GRI 205: Anti-corruption 2016    | 205-1      | Operations assessed for risks related to corruption  |                                  | Information unavailable/incomplete | Various compliance risks are audited as part of the compliance management system. Currently, no site-specific data has been broken down specifically on the topic of corruption. |         | 16              | 10   |
|                                  | 205-2      | Communication and training about anti-corruption policies and procedures   | SR p. 36, 37<br>AR p. 100–102    |                                    |  |         | 16              | 10   |
|                                  | 205-3      | Confirmed incidents of corruption and actions taken  | SR p. 36, 37                     | Confidentiality constraints        | Corruption incidents are isolated cases. For reasons of confidentiality, the total number of confirmed corruption incidents and the actions taken are not reported.              |         | 16              | 10   |
| <b>Anti-competitive behavior</b> |            |  |                                  |                                    |  |         |                 |      |
| GRI 3: Material Topics 2021      | 3-3        | Management of material topics  | SR p. 36, 37<br>AR p. 86, 99–102 |                                    |  |         |                 |      |

| Statement of use                        |            |   | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |        |             |   |                 |      |  |
|---|------------|---|--|--------|-------------|---|-----------------|------|--|
| GRI 1 used                              |            |   | GRI 1: Foundation 2021   |        |             |   |                 |      |  |
| GRI Standard/<br>other Source           | Disclosure | Location  | Omission   |        |             | Comment   | Relevant<br>SDG | UNGC |  |
|   |            |   | Requirement(s)/<br>Omitted   | Reason | Explanation |   |                 |      |  |
| GRI 206: Anti-competitive Behavior 2016 | 206-1      | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | SR p. 36, 37   |        |             | There were no proceedings against the company for anti-competitive behavior, cartels or monopolies in 2022.                                     | 16              |      |  |
| <b>Tax</b>                              |            |   |  |        |             |   |                 |      |  |
| GRI 3: Material Topics 2021             | 3-3        | Management of material topics   | SR p. 24, 25   |        |             |   |                 |      |  |
| GRI 207: Tax 2019                       | 207-1      | Approach to tax   | SR p. 24, 25   |        |             | FUCHS is committed to transparency, legal certainty and a sense of responsibility. Tax strategies aimed at tax avoidance are strictly rejected. |                 |      |  |
|   | 207-2      | Tax governance, control, and risk management                                    | SR p. 24, 25   |        |             |   |                 |      |  |
|   | 207-3      | Stakeholder engagement and management of concerns related to tax                | AR p. 99, 100  |        |             |   |                 |      |  |
|   | 207-4      | Country-by-country reporting  | AR p. 100, 158   |        |             | Country-specific reporting is carried out as part of the country-by-country tax reporting.  |                 |      |  |

| Statement of use              |            |                                    | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |  |   |         |                 |      |
|-------------------------------|------------|------------------------------------|--|----------------------------|--|---|---------|-----------------|------|
| GRI 1 used                    |            |                                    | GRI 1: Foundation 2021   |                            |  |   |         |                 |      |
| GRI Standard/<br>other Source | Disclosure |                                    | Location   | Omission                   |  |   | Comment | Relevant<br>SDG | UNGC |
|                               |            |                                    |  | Requirement(s)/<br>Omitted | Reason                                 | Explanation   |         |                 |      |
| <b>Materials</b>              |            |                                    |  |                            |  |   |         |                 |      |
| GRI 3: Material Topics 2021   | 3-3        | Management of material topics      | SR p. 32, 33   |                            |  |   |         |                 |      |
| GRI 301: Materials 2016       | 301-1      | Materials used by weight or volume | SR p. 32, 33<br>AR p. 98, 99   |                            | Information unavailable/<br>incomplete | The manufacture of these products involves a large number of externally procured raw materials from renewable and fossil sources. Exact weight data are not currently recorded. |         | 8, 12           | 7, 8 |
|                               | 301-2      | Recycled input materials used      |  |                            | Confidentiality constraints            | FUCHS already uses recycled starting materials today. These are currently not recorded and reported separately.   |         | 8, 12           | 8    |

| Statement of use              |  | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |  |   |         |                 |      |
|-------------------------------|--|--|----------------------------|--|---|---------|-----------------|------|
| GRI 1 used                    |  | GRI 1: Foundation 2021   |                            |  |   |         |                 |      |
| GRI Standard/<br>other Source | Disclosure   | Location   | Omission                   |  |   | Comment | Relevant<br>SDG | UNGC |
|                               |  |  | Requirement(s)/<br>Omitted | Reason                                 | Explanation   |         |                 |      |
| GRI 301: Materials 2016       | 301-3 Reclaimed products and their packaging materials | SR p. 32, 33<br>AR p. 86   |                            | Information unavailable/<br>incomplete | FUCHS develops circular business models that can also include the return and recycling of products. FUCHS already uses recycled packaging materials (e.g., steel drums and returnable containers (IBC)). Through our participation in GVÖ in Germany, FUCHS is actively involved in recovering lubricant containers. The new automotive core container is currently manufactured with at least 30% recycled content. Key figures on recycled products and packaging materials are currently not recorded and reported separately. |         | 8, 12           |      |

| Statement of use              |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                              |                             |  |         |                 |      |
|-------------------------------|------------|--|------------------------------|-----------------------------|--|---------|-----------------|------|
| GRI 1 used                    |            | GRI 1: Foundation 2021   |                              |                             |  |         |                 |      |
| GRI Standard/<br>other Source | Disclosure | Location   | Omission                     |                             |  | Comment | Relevant<br>SDG | UNGC |
|                               |            |  | Requirement(s)/<br>Omitted   | Reason                      | Explanation  |         |                 |      |
| <b>Energy</b>                 |            |  |                              |                             |  |         |                 |      |
| GRI 3: Material Topics 2021   | 3-3        | Management of material topics  | SR p. 11, 28, 30<br>AR p. 91 |                             |  |         |                 |      |
| GRI 302: Energy 2016          | 302-1      | Energy consumption within the organization   | SR p. 30<br>AR p. 91, 92     |                             |  |         | 7, 12, 13       | 7, 8 |
|                               | 302-2      | Energy consumption outside of the organization   | AR p. 91                     | Confidentiality constraints | Energy consumption outside the organization, particularly in the upstream supply chain, was determined as part of a GHG Scope 3 emissions screening. The basis for calculating total emissions is partly confidential. |         | 7, 8, 12, 13    | 8    |
|                               | 302-3      | Energy intensity   | SR p. 28, 30                 |                             |  |         | 12, 13          | 8    |
|                               | 302-4      | Reduction of energy consumption  | SR p. 30<br>AR p. 91, 92     |                             |  |         | 8, 12, 13       | 8, 9 |
|                               | 302-5      | Reductions in energy requirements of products and services   | SR p. 30<br>AR p. 91, 92     |                             |  |         | 8, 12, 13       | 8, 9 |

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|-----------------------------------|------------|--|-------------------------------------|--------|-------------|---------|---|------|
| GRI 1 used                        |            | GRI 1: Foundation 2021   |                                     |        |             |         |   |      |
| GRI Standard/<br>other Source     | Disclosure | Location   | Omission                            |        |             | Comment | Relevant<br>SDG   | UNGC |
|                                   |            |  | Requirement(s)/<br>Omitted          | Reason | Explanation |         |   |      |
| <b>Water and effluents</b>        |            |  |                                     |        |             |         |   |      |
| GRI 3: Material Topics 2021       | 3-3        | Management of material topics  | SR p. 30, 31<br>AR p. 92, 93        |        |             |         |   |      |
| GRI 303: Water and Effluents 2018 | 303-1      | Interactions with water as a shared resource   | SR p. 30, 31<br>AR p. 93            |        |             |         | Water is used as a raw material for products on a very limited scale; the biggest drivers of water consumption are used as a cooling or heating medium, cleaning, and sanitation. | 7, 8 |
|                                   | 303-2      | Management of water discharge-related impacts  |                                     |        |             |         | When it comes to water recycling, FUCHS follows the requirements of ISO 14001. 70% of all producing FUCHS companies are certified according to ISO 14001.                         | 7, 8 |
|                                   | 303-3      | Water withdrawal   | SR p. 30, 31                        |        |             |         |   | 7, 8 |
|                                   | 303-4      | Water discharge  | SR p. 30, 31                        |        |             |         |   | 7, 8 |
|                                   | 303-5      | Water consumption  | SR p. 30, 31<br>AR p. 93            |        |             |         |   | 7, 8 |
| <b>Emissions</b>                  |            |  |                                     |        |             |         |   |      |
| GRI 3: Material Topics 2021       | 3-3        | Management of material topics  | SR p. 25, 26, 27, 28<br>AR p. 89–91 |        |             |         |   |      |



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|-------------------------------|------------|--|------------------------------|--------|----------------|---|----------------------|------|
| GRI 1 used                    |            | GRI 1: Foundation 2021   |                              |        |                |   |                      |      |
| GRI Standard/<br>other Source | Disclosure | Location   | Omission                     |        |                | Comment   | Relevant<br>SDG      | UNGC |
|                               |            |  | Requirement(s)/<br>Omitted   | Reason | Explanation    |   |                      |      |
| GRI 305: Emissions<br>2016    | 305-1      | Direct (Scope 1) GHG emissions   | SR p. 27, 28<br>AR p. 89, 90 |        |                |   | 3, 12, 13,<br>14, 15 | 7, 8 |
|                               | 305-2      | Energy indirect (Scope 2) GHG emissions  | SR p. 27, 28<br>AR p. 89, 90 |        |                |   | 3, 12, 13,<br>14, 15 | 7, 8 |
|                               | 305-3      | Other indirect (Scope 3) GHG emissions   | SR p. 27, 28<br>AR p. 89, 90 |        |                |   | 3, 12, 13,<br>14, 15 | 7, 8 |
|                               | 305-4      | GHG emissions intensity  | SR p. 27, 28<br>AR p. 89, 90 |        |                |   | 3, 12, 13,<br>14, 15 | 8    |
|                               | 305-5      | Reduction of GHG emissions   | SR p. 27, 28<br>AR p. 89, 90 |        |                |   | 3, 12, 13,<br>14, 15 | 8, 9 |
|                               | 305-6      | Emissions of ozone-depleting substances (ODS)  |                              |        | Not applicable | Direct emissions such as refrigerants for air conditioning systems are included in the calculation of our corporate carbon footprint (CCF), but are not reported separately. These represent only an immaterial part of total emissions, which is why they are not reported separately. | 3, 12, 13            | 7, 8 |

| Statement of use              |   | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |  |   |   |                                |      |  |
|-------------------------------|---|--|----------------------------|--|---|---|--------------------------------|------|--|
| GRI 1 used                    |   | GRI 1: Foundation 2021   |                            |  |   |   |                                |      |  |
| GRI Standard/<br>other Source | Disclosure  | Location   | Omission                   |  |   | Comment   | Relevant<br>SDG                | UNGC |  |
|                               |   |  | Requirement(s)/<br>Omitted | Reason                                 | Explanation   |   |                                |      |  |
| GRI 305: Emissions 2016       | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | SR p. 27, 28<br>AR p. 89, 90   |                            | Not applicable                         | Any emissions are below local limits and are therefore not reported separately. |   | 3, 12, 13                      | 7, 8 |  |
| <b>Waste</b>                  |   |  |                            |  |   |   |                                |      |  |
| GRI 3: Material Topics 2021   | 3-3 Management of material topics   | SR p. 31, 32<br>AR p. 92, 93   |                            |  |   |   |                                |      |  |
| GRI 306: Waste 2020           | 306-1 Waste generation and significant waste-related impacts                          | SR p. 31, 32   |                            |  |   |   |                                |      |  |
|                               | 306-2 Management of significant waste-related impacts                                 |  |                            |  |   | Waste is predominantly disposed of by handing it over to recycling companies. Any disposal to landfills or through thermal recovery will be avoided where locally feasible. | 3, 6, 12                       | 8    |  |
|                               | 306-3 Waste generated   | SR p. 31, 32<br>AR p. 92–93  |                            |  |   |   | 3, 6, 11,<br>12, 13, 14,<br>15 | 8    |  |
|                               | 306-4 Waste diverted from disposal  |  |                            | Information unavailable/<br>incomplete | Data collection in progress   |   | 3, 6, 12,<br>13, 14            | 8    |  |
|                               | 306-5 Waste directed to disposal  | SR p. 31, 32   |                            |  |   | Regarding the flushing oils and finished products categories, the reported waste quantities only include the quantities that were not recycled.                             |                                |      |  |

| Statement of use                                |            |  | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |        |             |  |                 |      |
|---|------------|--|--|--------|-------------|--|-----------------|------|
| GRI 1 used                                      |            |  | GRI 1: Foundation 2021   |        |             |  |                 |      |
| GRI Standard/<br>other Source                   | Disclosure | Location   | Omission   |        |             | Comment  | Relevant<br>SDG | UNGC |
|   |            |  | Requirement(s)/<br>Omitted   | Reason | Explanation |  |                 |      |
| <b>Supplier environmental assessment</b>        |            |  |  |        |             |  |                 |      |
| GRI 3: Material Topics 2021                     | 3-3        | Management of material topics  | SR p. 11, 40, 41   |        |             |  |                 |      |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1      | New suppliers that were screened using environmental criteria                                      | SR p. 40, 41   |        |             | An evaluation system reviews each new supplier as part of the onboarding process. The sustainability principles of FUCHS, including those in the context of the Supply Chain Act, must be fulfilled by each supplier.  |                 |      |
|   | 308-2      | Negative environmental impacts in the supply chain and actions taken                               | SR p. 32, 33, 40, 41<br>AR p. 91–93  |        |             |  |                 |      |
| <b>Employment</b>                               |            |  |  |        |             |  |                 |      |
| GRI 3: Material Topics 2021                     | 3-3        | Management of material topics  | SR p. 34, 35<br>AR p. 94, 95   |        |             |  |                 |      |
| GRI 401: Employment 2016                        | 401-1      | New employee hires and employee turnover   | SR p. 34, 35<br>AR p. 44, 97   |        |             |  | 5, 8            | 6    |
|   | 401-2      | Benefits provided to full-time employees that are not provided to temporary or part-time employees | SR p. 34, 35, 48, 53, 55, 56, 57, 59, 62, 64, 70, 72<br>AR p. 94   |        |             | We use temporary employees to an extent that is not significant in relation to the overall global workforce. All types of additional benefits that we grant in Germany are available to all applicable employees in accordance with the Part-Time and Fixed-term Employment Act. | 8               |      |

## 4.2 GRI Index

| Statement of use                             |            |  | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |        |             |  |                 |      |
|--|------------|--|--|----------------------------|--------|-------------|--|-----------------|------|
| GRI 1 used                                   |            |  | GRI 1: Foundation 2021   |                            |        |             |  |                 |      |
| GRI Standard/<br>other Source                | Disclosure |  | Location   | Omission                   |        |             | Comment  | Relevant<br>SDG | UNGC |
|  |            |  |  | Requirement(s)/<br>Omitted | Reason | Explanation |  |                 |      |
| GRI 401: Employment 2016                     | 401-3      | Parental leave                                   | AR p. 94   |                            |        |             | FUCHS offers a wide range of options such as flexible working hours, part-time work, or vacation time care to help balance family and career. Through this, FUCHS creates the conditions for all employees to be able to exercise their legal right to parental leave. Further details cannot be given at present. | 5, 8            | 6    |
| <b>Occupational health and safety</b>        |            |  |  |                            |        |             |  |                 |      |
| GRI 3: Material Topics 2021                  | 3-3        | Management of material topics                    | SR p. 35, 36<br>AR p. 96, 97   |                            |        |             |  |                 |      |
| GRI 403: Occupational Health and Safety 2018 | 403-1      | Occupational health and safety management system | SR p. 35, 36<br>AR p. 95, 96   |                            |        |             | FUCHS has recognized ISO 45001 as a leading management principle, and nearly 60% of all producing FUCHS companies are currently certified. All production sites will be certified over the next few years.   | 3, 8            |      |

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|--|------------|--|------------------------------|--------|-------------|---|-----------------|------|
| GRI 1 used                                   |            | GRI 1: Foundation 2021   |                              |        |             |   |                 |      |
| GRI Standard/<br>other Source                | Disclosure | Location   | Omission                     |        |             | Comment   | Relevant<br>SDG | UNGC |
|  |            |  | Requirement(s)/<br>Omitted   | Reason | Explanation |   |                 |      |
| GRI 403: Occupational Health and Safety 2018 | 403-2      | Hazard identification, risk assessment, and incident investigation   | SR p. 35, 36<br>AR p. 95, 96 |        |             | All work-related incidents are investigated. The ISO 45001 certified companies already carry out systematic risk assessment procedures. Over the next few years, all production sites will be certified, which will enable global and systematic risk assessment. | 3, 8            |      |
|  | 403-3      | Occupational health services   | SR p. 35, 36<br>AR p. 95     |        |             |   | 3, 8            |      |
|  | 403-4      | Worker participation, consultation, and communication on occupational health and safety  | SR p. 35, 36<br>AR p. 95     |        |             |   | 3, 8            |      |
|  | 403-5      | Worker training on occupational health and safety  | SR p. 35, 36<br>AR p. 95     |        |             |   | 3, 8            |      |
|  | 403-6      | Promotion of worker health   | SR p. 35, 36<br>AR p. 95     |        |             |   | 3, 8            |      |
|  | 403-7      | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  | SR p. 35, 36<br>AR p. 95     |        |             |   | 3, 8            |      |
|  |            |  |                              |        |             |   |                 |      |

| Statement of use                             |            | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                              |        |             |  |                 |      |
|--|------------|--|------------------------------|--------|-------------|--|-----------------|------|
| GRI 1 used                                   |            | GRI 1: Foundation 2021   |                              |        |             |  |                 |      |
| GRI Standard/<br>other Source                | Disclosure | Location   | Omission                     |        |             | Comment  | Relevant<br>SDG | UNGC |
|  |            |  | Requirement(s)/<br>Omitted   | Reason | Explanation |  |                 |      |
| GRI 403: Occupational Health and Safety 2018 | 403-8      | Workers covered by an occupational health and safety management system   | SR p. 35, 36<br>AR p. 95     |        |             | Approx. 60% of all FUCHS manufacturing companies are now ISO 450001 certified. This coverage will be systematically expanded over the next few years. Most company measures to promote health and well-being apply to workers who are permanent employees or whose workplace is controlled by the organization. Appropriate occupational safety measures shall be provided to all persons carrying out work on the site. | 3, 8            |      |
|  | 403-9      | Work-related injuries  | SR p. 35, 36<br>AR p. 97     |        |             |  | 3, 8            |      |
|  | 403-10     | Work-related ill health  | SR p. 35, 36<br>AR p. 97     |        |             |  | 3, 8            |      |
| <b>Training and education</b>                |            |  |                              |        |             |  |                 |      |
| GRI 3: Material Topics 2021                  | 3-3        | Management of material topics  | SR p. 38, 39<br>AR p. 94, 95 |        |             |  |                 |      |
| GRI 404: Training and Education 2016         | 404-1      | Average hours of training per year per employee  | SR p. 38, 39<br>AR p. 94, 95 |        |             |  | 4, 5, 8         | 6    |
|  | 404-2      | Programs for upgrading employee skills and transition assistance programs  | SR p. 38, 39                 |        |             |  | 8               |      |

| Statement of use                              |  | FUCHS Petrolub SE has reported the information cited in this GRI content index for the period Jan. 1, 2022 – Dec. 31, 2022 with reference to the GRI Standard. |                            |                             |   |         |                 |      |  |
|---|--|--|----------------------------|-----------------------------|---|---------|-----------------|------|--|
| GRI 1 used                                    |  | GRI 1: Foundation 2021   |                            |                             |   |         |                 |      |  |
| GRI Standard/<br>other Source                 | Disclosure   | Location   | Omission                   |                             |   | Comment | Relevant<br>SDG | UNGC |  |
|   |  |  | Requirement(s)/<br>Omitted | Reason                      | Explanation   |         |                 |      |  |
| GRI 404: Training and Education 2016          | 404-3 Percentage of employees receiving regular performance and career development reviews | SR p. 34   |                            | Confidentiality constraints | Regular appraisals and associated regular feedback discussions by the manager are provided as part of the Leadership Principles. Since 2021, FUCHS has successively introduced a uniform, software-supported performance management process worldwide that takes into account performance assessments at least once a year. An open, hierarchy-free feedback culture is always practiced. |         | 5, 8            | 6    |  |
| <b>Diversity and equal opportunity</b>        |  |  |                            |                             |   |         |                 |      |  |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | SR p. 39, 40<br>AR p. 96, 97   |                            |                             |   |         |                 |      |  |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees   | SR p. 39, 40<br>AR p. 96, 97, 119  |                            |                             |   |         | 5, 8            | 6    |  |

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| GRI 1 used                                    |            | GRI 1: Foundation 2021   |                              |        |             |   |                 |      |
| GRI Standard/<br>other Source                 | Disclosure | Location   | Omission                     |        |             | Comment   | Relevant<br>SDG | UNGC |
|   |            |  | Requirement(s)/<br>Omitted   | Reason | Explanation |   |                 |      |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-2      | Ratio of basic salary and remuneration of women to men   |                              |        |             | FUCHS fills relevant positions according to their competence and compensates them depending on the scope of responsibility and duties, irrespective of personal characteristics such as gender. FUCHS is the most diverse MDax company and achieved first place overall in the BCG Gender Diversity Index 2022 of the 100 largest listed companies in Germany. This is shown by the analyses of BCG and the Technical University of Munich (TUM). Companies that promote gender diversity in top management act more socially, ecologically, and sustainably (bcg.com). | 5, 8, 10        | 6    |
| <b>Non-discrimination</b>                     |            |  |                              |        |             |   |                 |      |
| GRI 3: Material Topics 2021                   | 3-3        | Management of material topics  | SR p. 39, 40<br>AR p. 96, 97 |        |             |   |                 |      |
| GRI 406: Non-discrimination 2016              | 406-1      | Incidents of discrimination and corrective actions taken   |                              |        |             | Incidents are reported through the whistleblowing hotline, after which they are addressed on a case-by-case basis in accordance with internal regulations and applicable law.   | 5, 8, 16        | 6    |



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| GRI 1 used                               |            |   | GRI 1: Foundation 2021   |                            |                                    |   |  |      |
| GRI Standard/<br>other Source            | Disclosure |   | Location   | Omission                   |                                    | Comment   | Relevant<br>SDG  | UNGC |
|  |            |   |  | Requirement(s)/<br>Omitted | Reason                             |   |  |      |
| <b>Supplier social assessment</b>        |            |   |  |                            |                                    |   |  |      |
| GRI 3: Material Topics 2021              | 3-3        | Management of material topics                                 | SR p. 40, 41<br>AR p. 98, 99   |                            |                                    |   |  |      |
| GRI 414: Supplier Social Assessment 2016 | 414-1      | New suppliers that were screened using social criteria        | SR p. 40, 41<br>AR p. 98, 99   |                            |                                    |   | All suppliers are required to recognize the Supplier Code of Conduct and ensure compliance with it in the value chain. In preparation for the German Supply Chain Act (Lieferkettengesetz), a self-assessment of suppliers has been implemented that included social aspects. The outcome of the evaluation will influence the annual supplier evaluation. |      |
|  | 414-2      | Negative social impacts in the supply chain and actions taken | SR p. 40, 41<br>AR p. 98, 99   |                            | Information unavailable/incomplete | This key figure is currently not yet recorded globally. |  |      |

## Imprint

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