



SUSTAINABILITY REPORT 2021





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FOREWORD

Sustainability in the FEV Group

Since the founding of FEV in 1978, the business has focused on the responsible development of sustainable and efficient mobility. Sustainability is firmly anchored in the corporate DNA and determines the daily activity of this family-run and therefore independent company. At the same time, FEV views sustainability as a process that requires regular evaluation, optimization and reinforcement. Social, ecological and economic evaluation factors ensure that process.

Guided by that outlook over the course of the past 40 years, FEV's numerous solutions have established its worldwide reputation as an innovative and visionary provider of development services.

One essential characteristic of FEV and its worldwide workforce, which currently comprises 6,251 highly qualified employees, has always been and continues to be the ability to recognize the challenges of the times and develop suitable mobility solutions. Many of those innovations have been integrated into series production where they are now absolutely indispensable. But even somewhat unconventional solutions such as the Breeze fuel cell range extender or the SVEN urban mobility concept also demonstrate how the company's innovative spirit and sustainability principles go hand in hand. Whereby the underlying goal is always to improve locomotion and significantly reduce emissions for people and the environment.

In that context, FEV's open-minded attitude toward new technologies is a matter of conviction. Over time, this has enabled the company to establish numerous fields of expertise where it provides expedient solutions. As a result, along with its important electromobility activities, FEV has already been working on fuel cell and hydrogen engine projects for nearly two decades now. Moreover, the creation of the eDLP – the world's largest independent battery development and testing center for passenger and commercial vehicles – is making tremendous improvements in the safety and efficiency of batteries


for future vehicles. The energy used to operate the facility is 100% green and produced in large part by its own 12,000 m² photovoltaic system.

FEV is also actively involved in various joint projects and research consortia aimed at accelerating the market-readiness of sustainable drive concepts – in the area of hydrogen, for example – as well as renewable, CO₂-neutral e-fuels. The latter offer the decisive benefit of having a positive impact on the existing fleet of more than a billion vehicles.

To ensure that FEV employees act in an environmentally sound, sustainable and responsible manner, the company also conducts continuous training programs, audits and certifications concerning environmental protection, occupational health and safety, data protection and information security, as well as quality and sustainability management.

With the present report, FEV aims to fully inform its partners, customers and all interested parties about these and other activities and services that the company undertakes with sustainable development in mind. The data listed in this report first relate to the largest subsidiary, FEV Europe GmbH, with approximately 1,500 employees.

All the employees deserve thanks in this regard.


– Executive Board –

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COMPANY PROFILE



1

Corporate structure and management

For more than 40 years now, FEV has been creating innovations and carrying out forward-looking projects in the mobility sector. Over the years, the company has continuously expanded its areas of expertise while further developing its specialized competences. Today FEV is an independent service provider for hardware and software in vehicle and drive development and the energy industry. With 6,251 employees in 22 countries, FEV is one of the

world's leading companies in the sector. Along with 18 German subsidiaries, the Group also includes 30 subsidiaries outside of Germany – in Europe, Asia, Africa, and in North, Central and South America. The Group headquarters is located in Aachen, Germany.

The parent company is FEV Group GmbH. It sets the strategic direction and determines the values that FEV upholds (cf. Chapter 1, "Corporate values").

In addition, it provides support to the subsidiaries with central functions such as Legal Affairs, Compliance, Marketing and Communication, Sales, Controlling, IT, Personnel Man-

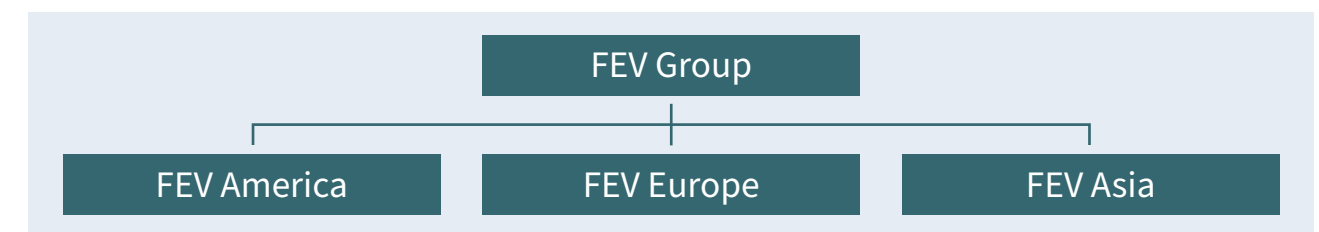
agement, Quality Management, and Health, Safety and Environmental Protection.

The general assembly of FEV Group GmbH has established a voluntary Advisory Board that advises the Executive Board. The Advisory Board also makes recommendations concerning further development to the partners. FEV ensures compliance with group-wide standards through Group policies and guidelines and through shareholdings in the subsidiaries.

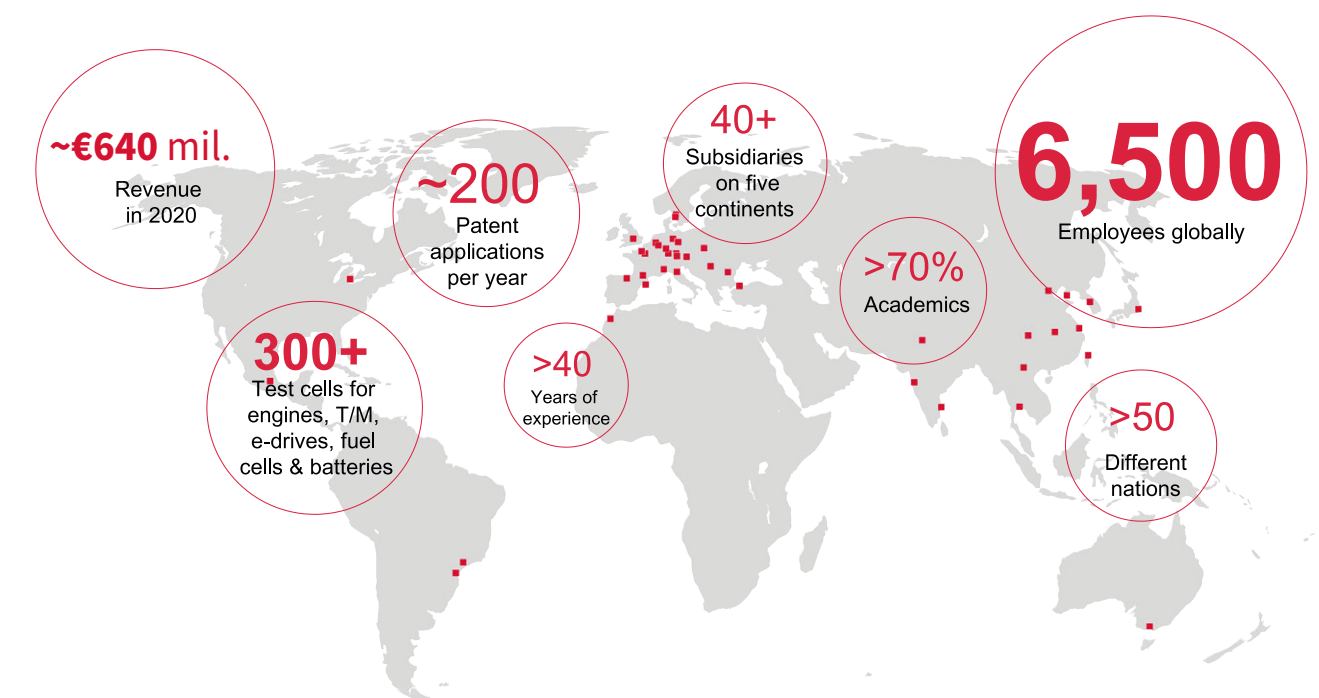
FEV Group's many locations focus on development services for the automotive industry and other technology-driven areas of the transport sector such as aviation and maritime transport as well as the energy sector. The headquarters in Aachen provides access to large development centers with comprehensive research and test facilities. FEV also operates additional facilities in close proximity to its customers the world over and at its subsidiaries outside of Germany. The following gives an idea of the wide range of our services and highlights specific projects (cf. Chapter 1, "Services" and Chapter 3).

The three-person Executive Board of FEV Group GmbH is led by its President, Stefan Pischinger, who is also the Managing Partner (CEO). Norbert Alt is Executive Vice President and Chief Operating Officer (COO), with global responsibility for the technology-driven business units, sales, and marketing and communications. Along with his role as Executive Vice President, Jürgen Koopsingraven is Chief Financial Officer (CFO) with global responsibility for finance, controlling, personnel, IT, procurement, quality and legal affairs, as well as sustainability and CSR (corporate social responsibility).

FEV Europe GmbH and its companies in Europe are led by Johannes Scharf as Chairman of the Executive Board. Patrick Hupperich is Chairman of the Executive Board of FEV North America Inc. and in that role manages the business activities of FEV companies in North and South America. The Chairman of the Executive Board of FEV Asia GmbH is Ulrich Pfahl. He is in charge of the business activities of the FEV companies in Asia.



General corporate structure



FEV serves customers worldwide (key performance indicators).

Services

The demands placed on modern mobility solutions are constantly growing. Today the process of vehicle development includes many disciplines and requires the integration of expertise from different areas. To meet these challenges, FEV offers its customers professional project management, innovative systems and teams of highly specialized experts. The company has decades of experience in the management of

challenging projects such as powertrain integration, attribute development and vehicle engineering. In that context, the significance of electrified powertrains is increasing much faster than that of IC engine-based powertrains. Having recognized the transformation in the sector early on, FEV now offers unmatched expertise in various drive technologies.

The company provides both hardware and software solutions, which are validated with virtual and real test-based methods. Among other things, its expertise also includes cost planning, vendor selection, advanced quality planning and release management. Digital networking ensures smooth workflow by facilitating the highly responsive collaboration of flexible global teams. In that way, FEV provides support to its customers through all phases of their projects – from the initial concept to series production. FEV is organized into the following business units:

Vehicle

Whether advanced driver assistance systems, Human-Machine Interface (HMI), electrification or connectivity: An end-

native BEV platform. This can be used for vehicles with two different types of drive: the pure battery electric-driven variety and those with high-efficiency energy conversion systems. This offers automakers a major advantage, because it eliminates the costly parallel development of two different platforms

Powertrain Development and Electrification

FEV provides many years of experience and comprehensive expertise for an extremely wide range of application cases in powertrain development. The services span mild, full and plug-in hybrid vehicles as well as pure battery electric vehicles. This also includes complete battery systems – including Battery Management Systems (BMS), power electronics and bat-



FEV is a partner for engineering services and consulting in the mobility and energy sectors.

less series of new innovations is defining vehicle development. In that context, FEV provides support to the research and pre-development departments of automakers and their suppliers, helping them to integrate all components into large-series production, smoothly and on schedule. The company offers OEMs and their suppliers new approaches and perfectly adapted concepts – to implement projects according to plan all the way to series production.

FEV develops tailor-made solutions for all vehicle sub-assemblies, such as chassis, electrical and electronic systems, body, doors and hatches, as well as exterior and interior design. Additional services are related to light and sound, vehicle performance and production (test equipment, fixture/equipment construction, etc.). FEV approaches each and every project holistically and individually. In addition to weight reduction, safety, aerodynamics and thermal management aspects, the in-house specialists also consider factors such as functionality, aesthetics and cost optimization. FEV uses regular audits to guarantee high quality throughout the development process.

In the development of sustainable vehicle platforms, FEV relies on the “hybrid BEV,” for example, which is based on a

tery testing. FEV relies on standard modules and its own BMS (FEV LiONMAN), but also proposes new products according to the requirements of its customers on request. With the eDLP, FEV also has the world’s largest independent battery development and testing center for passenger and commercial vehicles. This enables the development of batteries that are both safer and more powerful.

As a company that is open to new technologies, FEV has also been developing fuel cell applications for about 20 years now and participates in many international research and development projects as a result. Another area of activity is hydrogen combustion engines. At the same time, the company specializes in highly efficient IC engines, transmission solutions and turbocharging. In that context, it is committed to the development of regenerative fuels (e-fuels) for the sustainable, CO₂-free operation of the existing worldwide fleet of vehicles, billions of which are still in operation. In the course of its development work, the company relies on a global network of in-house development centers (including EVA Fahrzeugtechnik GmbH) with dedicated test stands for the different types of powertrains.

Intelligent Mobility & Software

The FEV portfolio reflects the megatrends in the mobility segment. Because the vehicles of tomorrow will be embedded in the digital life of the users. Software-controlled areas such as ADAS/AD, infotainment or networked functions will represent a significant differentiating factor in the customer experience. Due to their complexity, software upgrades and the constant flow of data between vehicles, infrastructure, people and the cloud backend significantly affect how modern cars are developed these days. And as a result, they also have a direct impact on customer needs and the rate of development. FEV’s scenario-based and model-based systems engineering methodologies represent a unique selling point and help master even the most complex systems. This enables FEV to close the gap between vehicle and ITC (information technology and communication) and deliver state-of-the-art networked solutions with an end-to-end view of data pipelines from the vehicle to the backend. FEV’s service spectrum in intelligent mobility spans systems engineering, functional safety and cyber security, networked mobility, ADAS/AD systems, infotainment, SW & EE platforms and SW & EE integration.

Energy

The company realizes synergies between the mobility sector and the power and heating sector. It creates solutions that intelligently network and coherently optimize power and heat generation, mobility and industry. The goal is to make effective use of renewable energies and to master the transformation to a CO₂-neutral society.

The resulting business activities are just as diverse as the possible means of producing, storing, transporting and using renewable energies. FEV is involved, for example, in the system design of photovoltaic systems, in the optimal dimensioning and regulation of photovoltaic battery storage heat generation systems, in fuel cell combined heat and power stations, and in stationary energy storage facilities. In the automotive segment, the development and integration of bidirectional charge management is a promising area. In that context, for example, FEV is developing smart regulation strategies for energy management in domestic and industrial environments and for the intelligent charging and discharging of connected vehicle batteries. For all of the applications mentioned here, FEV assumes the role of system integrator.

Software & Testing Solutions

To ensure that development processes run extremely efficiently, FEV Software & Testing Solutions (STS) provides innovative solutions. These include state-of-the-art test facilities and measurement, conditioning and control devices, as well as intelligent software. They make it possible to relocate

many important tests from the road to the test stand – or even to the computer simulation – thereby reducing costs for the customer.

FEV works in a model-based, collaborative development and validation framework. This fulfills all development, testing and calibration requirements, for example regarding WLTP and RDE cycles (WLTP = worldwide-harmonized light test procedure, RDE = real driving emissions), e-mobility and automated driving. The basis forms a revolutionary, interdisciplinary approach: The engineer dimensions and validates a powertrain and its electronic system remotely on a scalable platform. The team can refer back to that model throughout all project phases – from the hardware-in-the-loop and powertrain test stands to the road tests. At the same time, the platform enables experts from different areas to exchange their knowledge easily and to work together on a solution.

FEV Software & Testing Solutions also has seven test centers and more than 180 test stands available for customers worldwide. This includes the eDLP as the battery development and test center for passenger and commercial vehicles. Moreover, FEV STS offers its customers the turnkey installation and start-up of such centers.

Consulting

FEV combines top management consulting with extensive technical expertise from 40 years in the automotive and aviation industries. Together with its clients, FEV Consulting finds innovative solution approaches to all challenges. The consultants formulate and implement successful business strategies, determine product and market options, and optimize value creation chains as needed. In addition, FEV conveys methods for establishing new product and process technologies over the long term, thereby developing new markets.

The global teams of experienced experts advise clients on three levels. First, they are there to assist the senior management in facing the most difficult challenges of the industry. At the same time, they determine sophisticated solution approaches for critical business problems, relying on proven methods. In addition, they optimize operative processes to reduce costs and enable sales and margin growth

Management of opportunities and risks

FEV systematically evaluates opportunities and risks that can have an impact on business success. This takes place on the strategic, process and project level. The evaluation of strategic opportunities and risks is reviewed annually in the context of the global integrated strategy process and documented in the Group Management Report. As a development services provider with international operations, FEV Group's business opportunities and risks arise primarily from foreseeable economic developments in various countries as well as technological and legal changes. Aspects concerning fiscal matters, taxation, legal affairs and personnel are also taken into consideration. The Management Report comprehensively presents the current developments in the individual areas. The possible effects on the financial position, results of operations, and net assets are subsequently assessed on the basis of the likelihood of their occurrence.

The risk-based approach is ensured on the process level by the internal Quality Management, whereby FEV meets the requirements of the international standard ISO 9001. For sub-areas such as Environmental Protection, Occupational Health and Safety, additional specific management systems are implemented. Project-specific opportunities and risks are managed with specially developed project management tools and a monthly project assessment using a traffic light system (cf. Chapter 4 "Sustainable customer relationships").



Risk management consists of three levels.

Corporate values

"We form global partnerships to develop future mobility solutions" – this is how FEV formulates its vision. How the company achieves that vision and what its DNA consists of have also been summarized in a motto stating: "We act with passion, we are innovative and fast, and no road is too difficult for us – we want success." These statements are the two pillars of our internal corporate identity. From that corporate identity, the Executive Board felt it was important to derive binding company values that provide orientation to all people at FEV. As a result, since 2018 a consistent system exists that comprises five values.

To implement those values, FEV carried out a cultural change. That included inviting all employees to participate in a lively

dialog at numerous events worldwide. These events involved not only reaching a common understanding, but also finding out how values are lived and implemented in the context of everyday work. The entire communication was documented and evaluated to learn more about the needs of the employees. Because the purpose of the company values is to support and motivate them, to build trust, and to provide them with identification potential.

All decisions made by the people at FEV are based on the FEV vision, the FEV DNA and the company values. They form the foundation for all internal and external actions as well as for the complete communication. Sustainability is an integral part of the FEV value system at all levels.

Five values determine the actions of the FEV Group



Customer focus

Our customers come first. Service orientation and proximity to the customer are a given for us. We deliver added value that exceeds their expectations. Their satisfaction motivates us and results in long-term partnerships.



Professionalism

Our professionalism helps us achieve excellent quality in all areas. Proactive thinking and strategic planning prepare us for the future. We communicate clearly and effectively. We react and act rapidly. Continuous improvement and learning ensure qualifications at the highest level.



Commitment

We make clear agreements and hold to them. Together and with passion, we reach our objectives. We accept responsibility, are reliable, and meet deadlines.



Open-mindedness

We meet the requirements of the future. We think outside the box and are prepared for changes. We look for new business areas. We are innovative. We are inquisitive.



Respect

We respect and trust each other. We view diversity as an asset. We are open to different perspectives. We communicate openly and honestly.

SUSTAINABILITY MANAGEMENT

2

Acting on behalf of man and the environment

Sustainability is one of the most urgent topics today. That's why the development of sustainable drive technologies and forward-looking mobility concepts has such a high priority at FEV (*cf. Chapter 3*). Overall, the mobility and transport sector is undergoing a dramatic transformation, in which sustainability, digitalization and new drive systems will determine the future picture.

Four fields of action emerge as a result: sustainability, electrification, software development and new work models.

The sustainability approach enables the Group to take responsibility at all levels – for the environment just as much as for the people who work for and with the Group.

Sustainability	Electrification	Software development	New work models
<ul style="list-style-type: none">■ Active participation in the achievement of global climate protection goals■ Taking political and social developments into account	<ul style="list-style-type: none">■ Electric vehicles will become standard■ Research and development budgets in the powertrain area will be invested mainly in e-mobility	<ul style="list-style-type: none">■ The vehicle of the future will be defined through software■ Digitalization will penetrate all business areas	<ul style="list-style-type: none">■ Recruiting and retaining talented staff will be decisive■ Flexible work options will be needed, e.g. remote work and shared-use workplaces

Focal topics in the automotive industry: Toward a responsible future

Sustainability management and organization

The sustainability approach at FEV corresponds to a triad of equally ranked economic, ecological and social goals, with the overall objective of a strong anchoring at all corporate levels.

In 2021, FEV established structures to systematically bundle all questions relative to sustainability in the company. The goal is to identify prospects and risks early on and to initiate appropriate optimization measures – also with regard to external stakeholders. The sustainability coordinator plays the

central role. His job is to further develop the Sustainability Management program and to prepare the Sustainability Reports. The procedure is subject to the decisions of a steering committee, which sets strategy, goals and measures together with the Executive Board. A work group comprising representatives of all disciplines takes over the implementation of the measures. In addition, the topic of sustainability is integrated in the established committee structure of the existing management systems.

Social	Ecological	Economic
<ul style="list-style-type: none">■ Employee retention and appreciation■ Stronger social engagement for a better future	<ul style="list-style-type: none">■ Contribution toward achieving global climate goals■ Focus on innovative ideas for emission-free mobility	<ul style="list-style-type: none">■ Sustainable profitability of FEV■ Investments with a view toward sustainability and the future success of FEV

The sustainability approach of FEV concentrates on three pillars.



The vision of FEV is: We want to develop and strengthen global partnerships to develop the mobility solutions of the future. But these solutions must contribute to sustainability – one of the most important and most urgent topics of our time. We at FEV would like to make our contribution to achieving the global climate goals. That's why we place special emphasis on the E in our name: E for **Energy** Technology.



Stefan Pischinger, CEO

Stakeholder engagement

It is clear to FEV that its stakeholders expect consistently sustainable policies and actions. Customers regularly evaluate their service providers and supplier companies with regard to social, ecological and economic responsibility. Moreover, investor companies and financial institutes prepare ratings and rankings, whereby they orient those analyses in line with the general ESG criteria. The findings help FEV derive improvement measures and compare its performance with that of its competitors. The Group has the ambition of establishing a sustainable technological, social, ecological and econom-

ic framework – thereby strengthening not only its own future viability but above all setting a benchmark for comparison across the industry.

In ratings and rankings given by its customers, FEV consistently achieves very good evaluations. In 2021, FEV Europe GmbH successfully passed the evaluation of the NQC Supplier Assurance platform with a score of 84%. Companies behind the NQC Supplier Assurance program include FEV customers such as Volkswagen, Mercedes-Benz Group and BMW. FEV Eu-

rope GmbH's rating is significantly above the industry average for services in the areas of engineering, research and technology. At the request of a customer, FEV North America Inc. participated in the EcoVadis survey assessment and earned Silver status. In terms of the number of points obtained, FEV North America Inc. is also above the industry average.

In dialog with stakeholders

What do people and companies that deal with FEV wish for? What requirements, needs and suggestions do they have? Continuously exchanging ideas and information with the stakeholders and discovering new optimization potentials are important to FEV. For sustainability management, key stakeholders were identified and documented within the framework of an expert workshop. Along with customers, external stakeholders also include business partners, associations and investor and supplier companies. FEV also places a priority on dialog with market participants, the media, government authorities, policymakers and the scientific community. Along with FEV employees, internal stakeholders also include their representatives (e.g. Works Council) and the Advisory Board.

FEV uses numerous communication channels. Traditionally, these are primarily trade fairs and congresses, which offer a platform for the exchange of ideas and information. Every year, FEV is represented at more than 130 industry and cross-industry events worldwide. At these events, the company engages in dialog with potential customers and interested parties and discusses the future of sustainable mobility. It also takes the opportunity to present some advanced tech-

nologies and solutions. To decarbonize the transport sector and adjacent markets, FEV positions itself with more than 100 publications and presentations in trade press and at internationally renowned congresses. With presentations and an exhibit, among other things, the company helps set the direction of the internationally renowned Aachen Colloquium Sustainable Mobility, which places a clear focus on sustainable mobility solutions. In addition, the Group invites colleagues to attend the annual International Zero CO₂ Mobility Conference (cf. Chapter 3). This event gives participants a chance to look beyond the confines of the automotive industry. International experts from neighboring industries gather there to actively participate in creating a CO₂-neutral future. They come from other transport sectors, from energy production and supply, from infrastructure, socioeconomics and policymaking. The advisory board of this event includes renowned members from the scientific community and the individual industries.

Other examples of FEV's globally oriented events focusing on sustainable technologies include:

- FEV Future Mobility Conference Shanghai
- FEV Conference High Efficiency Diesel and H2 Propulsion Systems Turin
- FEV Day of Smart New Energy Vehicle Beijing
- FEV Day of Future Mobility Solutions Turkey
- FEV India Tech Day Pune

FEV places high value on transparent communication. That's why the company regularly fields questions from the media. This takes the form of in-person discussions and interviews, press conferences, roundtable discussions, press releas-

es, media partnerships, trade articles, and even podcasts. FEV regularly provides information about the development of drive technologies and mobility concepts – for example, topics such as software and battery development, holistic e-mobility, hydrogen applications, e-fuels, sector coupling in the energy area, total vehicle development, and much more. And dialog via social media is also being reinforced. The company shares news about innovations, conferences and publications with its community on LinkedIn and Twitter. In addition, employees can find information on the intranet. A global newsroom reports on all important topics. In articles, interviews and videos, colleagues discover all the latest news concerning the company, its solutions and products, and individual teams, as well as collaboration and partnerships. And aid projects are also presented, such as the one for the victims of the flooding in 2021.

The Executive Board has a particularly keen interest in the close exchange of ideas and information with the workforce and its representatives. It regularly and transparently informs employees about the development of the company, among other things through video messages from the CEO, electronic newsletters and in-house notices. Regular staff meetings are held, both in-person and also virtually. Colleagues can subsequently ask questions and give feedback. Close cooperation with the works council is also assured at all times. The latter informs the workforce by digital means and during works council meetings.

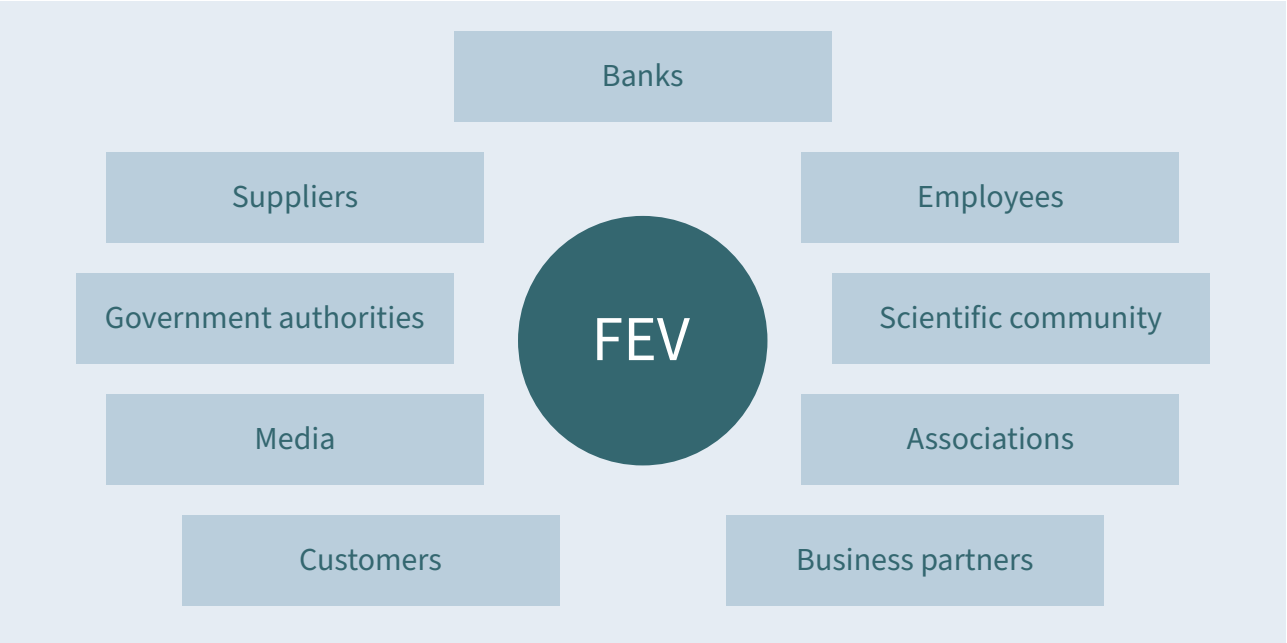
Materiality assessment

Discussions with internal and external stakeholders have an important purpose: to continuously refine and improve sustainability goals and processes. That's why there are regular discussions with the stakeholders to clarify which aspects they consider essential.

To determine the materiality of sustainability topics, the stakeholders' expectations and the company environment were analyzed. In that context, an internal group of experts identified key topics of importance to sustainable action in the company. In addition, the topics were mirrored with regard to industry relevance to confirm their significance. This analysis was based on a questionnaire that was completed by a total of 24 participants. Everyone rated the materiality of the key topics independently from each other on a scale from 1 to 10 (10 = highest relevance).

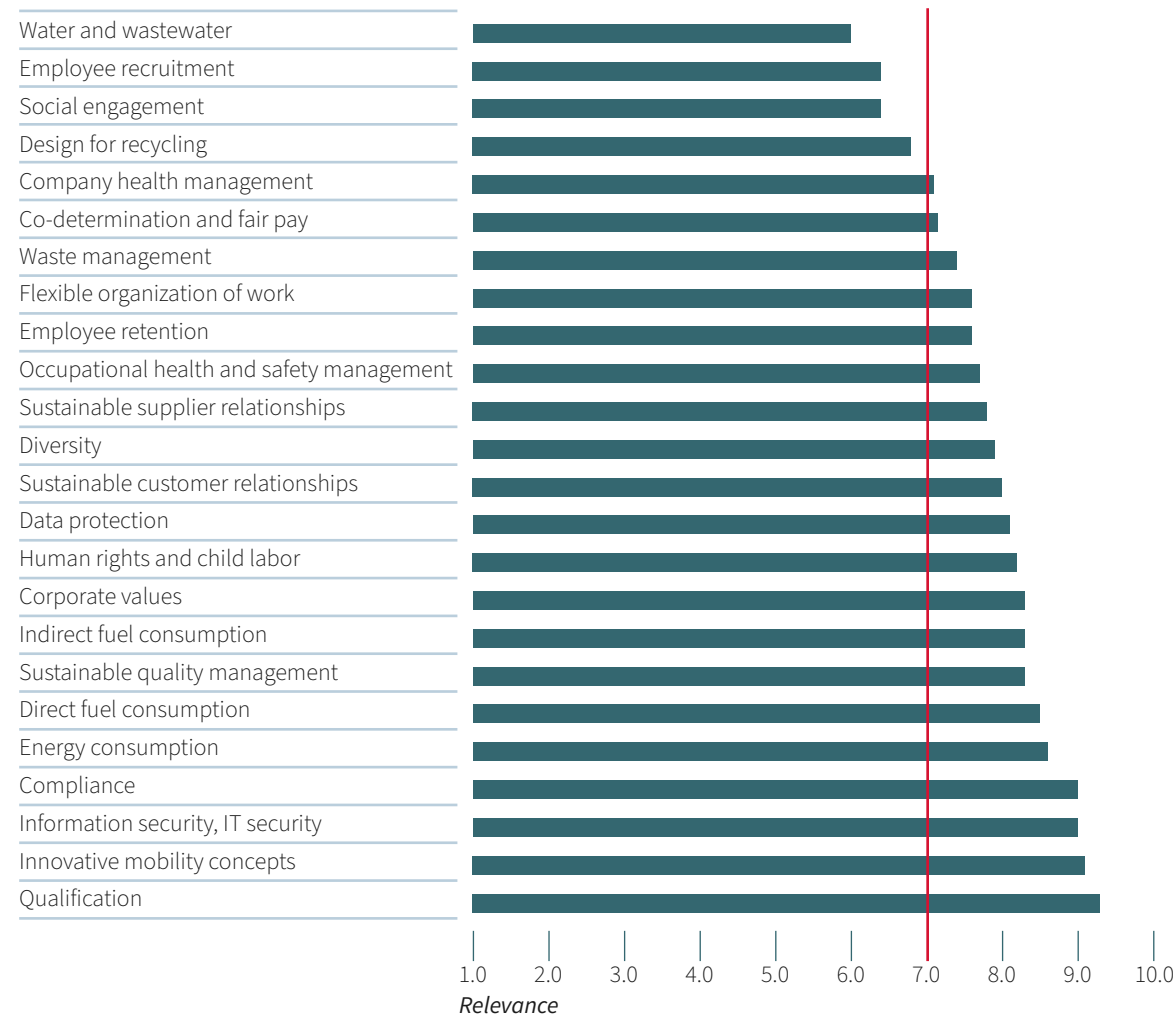
FEV is a member of influential associations and institutions:

- German Association of the Automotive Industry (VDA)
- United Trade Associations of Aachen (VUV Aachen)
- North Rhine-Westphalian Academy of Sciences, Humanities and the Arts (AWK)
- Deutsche Technion-Gesellschaft e. V.
- FISITA International Connected Community
- Austrian Society of Automotive Engineers (ÖVK)
- acatech – German Academy of Science and Engineering
- SAE International
- The American Society of Mechanical Engineers – ASME
- Association of German Engineers (VDI)
- The German Section of the Combustion Institute
- German Mechanical Engineering Industry Association (VDMA)



Relevant stakeholders of FEV for sustainability management

This assessment was reviewed by external sustainability experts, whereby the topics defined by FEV were scrutinized with regard to actual and potential impacts. The mathematical mean of the participant assessments provides a prioritization of the sustainability topics. As a consequence, all topics whose value exceeds seven are considered essential for FEV and presented in this report. The findings also have an impact on the sustainability strategy and goals and therefore on the associated measures. This materiality analysis is audited and updated at one-year intervals.



Ranking of sustainability topics

DEVELOPMENT OF SUSTAINABLE TECHNOLOGIES AND CONCEPTS

3



The people at FEV work day in and day out to create an environmentally sound future for mobility, energy and society – with many innovative ideas and on numerous projects. The company sees itself as a driver of the sustainable and digital transformation of mobility. A selection of exciting examples from the individual business units (*cf. Chapter 1*) at a glance:

SVEN – Shared Vehicle Electric Native Business unit: Vehicle Development

In urban settings, car sharing with electric vehicles offers the opportunity to significantly reduce traffic volumes and to make a valuable contribution to the protection of the climate and the environment. With this in mind, FEV has developed an ideal model – the Shared Vehicle Electric Native, or SVEN for short. At 2.50 m in length and 1.75 m in width, this prototype provides room for up to three passengers. If additional storage space is needed, the passenger seats fold up easily.

SVEN is emission-free and produces its own electricity for the on-board power system – the solar panels on the roof take care of this. Moreover, state-of-the-art camera and radar sensors prepare the vehicle perfectly for autonomous driving

functions. Another highlight is the innovative “FlexBody” body concept, which provides additional crash safety.

Depending on the intended use, the vehicle concept can be customized. To do so, users store a personal profile in an app. This enables them to select their preferred interior temperature, their desired seat position or their favorite audio playlist. Operators and provider firms also benefit from the digitalization – the stored IT architecture enables them to establish different usage models. Since 2021, SVEN has been exhibited in the “Verkehrszentrum” transport museum of the Deutsches Museum in Munich, Germany. It is a central exhibit of the “Future of Mobility” topic area in the “Urban Transport” exhibition.

Optimization of thermal propagation Business unit: Powertrain Development & Electrification

Sustainability absolutely must include reliability and security. That’s why FEV addresses safety risks with the highest possible priority. One example of this is the high-voltage batteries used in hybrid and electromobility. In rare cases they can overheat and under unfavorable conditions even catch fire. In such a chain reaction, first the so-called “thermal runaway”



SVEN includes everything that can, in our opinion, play an important role in urban transport in the future. Its electric drive system will conceivably become the new standard; in addition, it offers lots of room in a very compact design, which is a tremendous advantage on the narrow streets of large cities. We were particularly impressed by the way the FEV concept opens up numerous options for individualization within the car sharing approach. That makes SVEN the perfect prototype of a new urban mobility, in which the means of transport are shared without having to dispense with the personal touch.

Lukas Breitwieser, curator at the Deutsches Museum in Munich



Exhibit in the Deutsches Museum in Munich: SVEN



The vehicle offers lots of room in the smallest traffic area.

of a cell occurs, whereby the battery becomes very hot. This can trigger a subsequent reaction, causing thermal propagation. As a result, the temperatures increase to several hundred degrees in a fraction of a second, which can cause serious damage. That's why FEV developed a new combined simulation and testing process for the optimization of thermal propagation. This approach substantially reduces the risks while saving development time and costs at the same time. The key to success is a combination of fundamental simulation technologies with a cascaded testing approach. This enables customers to improve the design of their high-voltage battery packs and significantly reduce the risk of thermal runaway and thermal propagation.

International Zero CO₂ Mobility Conference

For six years already, FEV has been regularly inviting colleagues to attend the International Zero CO₂ Mobility Conference in Aachen, where decision-makers from the mobility and energy industries present the latest trends and solutions for CO₂-neutral mobility. In November 2021, participants once again sketched a picture open to all kinds of technologies and using various solution approaches. The event focused on the goals of the Paris Climate Agreement. Topics included, among other things, a lighter CO₂ backpack of electric cars, the transformational turbo of battery technology, the electrification of

heavy-duty transport and hydrogen applications as well as e-fuels as a complement.

At the first conference in 2016, most of the technology approaches presented at the time still seemed like pure science fiction. Today, much has already become reality and there's no such thing as a scenario that's too aggressive – especially for the market development of pure battery electric powertrains. Electromobility is becoming more and more the generally considered next norm. The latest FEV forecasts, for example, anticipate implementation of the scenario currently under discussion in Brussels, whereby electrified passenger cars will represent more than 85% of new car registrations in Europe already by 2035. Other topics of this trailblazing conference included:

- CO₂-neutrality along the value creation chain through decarbonization programs of automakers
- More effective solutions in battery technology, including battery recycling
- New charging infrastructure concepts for electric cars, such as the on-street charging solution
- Heavy-duty transport with alternative drive concepts
- Use of natural gas pipelines for hydrogen transport
- Non-road applications for hydrogen, such as maritime transport and aviation
- E-fuels: Rules for the reduction of fossil fuels

Autonomous driving and advanced driver assistance systems (AD and ADAS systems) Business unit: Intelligent Mobility & Software

Autonomous driving is undoubtedly one of the most widely discussed topics in the automotive industry today. The major challenge in the development of autonomous driving systems are general conditions such as weather, light or unforeseeable traffic situations. The most promising technology in this area at the moment is LiDAR (light detection and ranging). It is not only able to optically measure distance and speed, but can also precisely determine the position of stationary and moving objects. Ibeo Automotive Systems GmbH is an internationally leading provider of LiDAR technology. FEV cooperates with the company to promote potentials for the broad utilization of state-of-the-art ADAS and AD functions with regard to autonomous driving and to make road transport even safer as a result.

Mobile power bank for electric vehicles Business unit: Consulting

No electric vehicle without a charging station. An efficient charging infrastructure is an important prerequisite for e-mobility to gain a foothold across the board – especially where fluctuating charging requirements give operators reason to doubt the business benefits and discourage them from installing permanent charging stations. It was with those operators in mind that the leading German and internationally active energy company Uniper decided to develop a concept study – and brought FEV Consulting on board. Together they asked the question: How to cover peak demands without having to invest huge sums to expand the grid and install transformer stations? The result is an innovative charging infrastructure concept – the Mobile Fast Charging (MFC) power bank. It centers on a mobile fast charging station that FEV developed and produced for Uniper. It can be operated independently from the power grid – when the batteries of the charging device are empty, the station is simply replaced by a fully charged one, recharged and installed in another location.

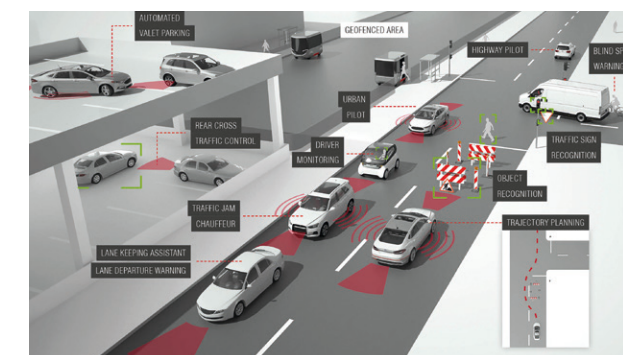


Mobile charging station (Mobile Fast Charging)

The station can charge two electric vehicles simultaneously with high charging output, which can then operate for a range of up to 1,000 km. Uniper provides the mobile charging station as an Infrastructure-as-a-Service solution. Operators administer the charging station as an Internet of Things (IoT) device. This enables them to keep an eye on the status of the station and its control at all times. The processes associated with charging and replacement are handled via a dedicated power supply grid and logistics network using 100% CO₂ emission-free energy. Completely recharged stations ensure seamless energy provision and exchanged MFC devices will be charged at a special charging hub before being redeployed. With a footprint of 1.2 x 1.25 m and a height of 2.50 m, the charging stations are very compact. End users can pay for the use of the IoT device very simply via the backend connection.

Program “France Relance” – FEV France

France Relance – that's the name of the large-scale economic recovery plan of the French government. It involves a total expenditure of 100 billion euros. Among other things, the program aims to support investments in leading companies through dedicated funds – and in so doing, to promote the transformation of the automotive and aerospace sectors. It will also promote know-how relative to ecology, competitiveness and cohesion. FEV is one of the eight companies selected for the program from the automotive sector. In that context, FEV France developed an investment project for test bench equipment. It enables the company to intensify its activities regarding the electrification of the mobility sector and adjacent markets. For this project, FEV France is further expanding its test facilities for high-voltage batteries in France. In the future, the total area of the battery development and testing facility there will cover 600 m². In Germany, FEV also already operates the world's largest battery development and testing center for high-voltage batteries (cf. Chapter 5, page 28).



LiDAR (Light Detection And Ranging) enables autonomous driving.

CORPORATE RESPONSIBILITY

4



Code of Conduct

Our world is moving closer together every day. Processes and business relationships are becoming more and more complex. Under the circumstances, a growing international Group faces the challenge of always meeting its responsibilities on an ecological, social and economic level. To achieve that goal, a company must act according to a value system. But values cannot be lived by all employees in all business units unless and until top management takes an active interest in them. That's why FEV has defined a Code of Conduct based on its understanding of its values (cf. Chapter 2). Accordingly, the Executive Board and the workforce undertake to maintain integrity and to engage in ethical and sustainable behavior – and the company expects the same from its suppliers. To ensure that this ambi-

tion is achieved effectively in all processes and activities at its headquarters and in other subsidiaries, FEV also operates certified management systems for quality, environment and occupational health and safety as well as information security. FEV is dedicated to the principle of a just and sustainable world. The Code of Conduct codifies FEV's commitment to ethical and honorable behavior as well as sustainable corporate governance. This code of conduct is binding for all employees and executives along with the members of the regulatory bodies of all companies of the FEV Group. It has been adopted by the global management and along with many other points also covers all aspects of sustainability (see adjacent graphic).

Sustainable customer relationships

Customer satisfaction and conformity in the performance of services are ensured not only by the motivation, duty of care, and competence of the employees, but also by a certified

Quality Management system according to ISO 9001. Other responsibilities, processes and the risk-based approach are regulated by the certified management systems for environ-

ment, occupational health and safety, and a TISAX label. Even without certification, notably with regard to performance and the fulfillment of customer requirements, there are in-house regulations and principles that must be complied with as mandatory standards throughout the Group.

For every project, the responsible persons regularly audit and document the requirements and their implementation relative to compliance (including non-disclosure agreements, technical compliance, etc.), customer needs and customer satisfaction. The project manager uses a traffic light system

to evaluate customer satisfaction monthly. Project reviews are then held to assess project risks at higher-order corporate levels.

Systematic project controlling is also carried out according to the project management gate process. This involves dividing the overall project plan into six main sections – from acquisition to completion. Each section ends with a gate that uses a checklist to determine the quality of the project's progress. An external third party audits and approves those gates according to the dual control principle.

Supplier relationships

In the performance of services, FEV is supported by numerous supplier and partner firms. Most of them come from the areas of professional services, information technology, and test equipment and services. Along with price, performance and delivery reliability, FEV places special emphasis on ecological and social aspects when selecting its suppliers and partners. These requirements play a uniformly central role in the evaluation of the supplier and partner relationships of all FEV subsidiaries, without which the company would be unable to continue fulfilling its duty of care obligations in the future. Wherever possible, procurement processes are handled locally. In this way, FEV establishes regional proximity with its business partners, avoids long transport routes, and minimizes procurement risks.

Due diligence in the supply chain is taking on ever greater importance. Relying on more than certification alone to satisfy the concrete demands of its duty of care, FEV also uses two IT programs: SAP S/4Hana as an ERP system and the online supplier portal COUPA. These systems provide for transparent and digital recording, evaluation and further development of communication in all supplier and partner relationships. COUPA is used, for example, to distribute and evaluate supplier surveys. In this way, FEV ensures the meticulous selection of its suppliers based on defined processes and role-based decision-making authorities – thereby efficiently supporting service performance.

Corporate responsibility

- Product safety and compliance
- Adhering to fair labor practices
- Conflict of interest
- Corruption prevention, fair competition
- Accounting
- Export control and customs
- Procurement system

Ecological responsibility

- Environmental protection
- Chemicals management

Social responsibility

- Human rights
- Equal opportunity and respect
- Safety in the workplace

Insider information

- Data protection
- Confidential information
- Intellectual property rights
- Protection of corporate property
- Whistleblowing

Code of Conduct: Basis for commitment

To meet changing and increasing demands relative to social and ecological standards, FEV takes care to maintain close collaboration and regular exchange with supplier and partner firms. This enables the company to identify and eliminate possible risks within the supply chain early on.

The content of the Supplier Code of Conduct corresponds to the above-mentioned Code of Conduct and obligates suppliers and partners to act in compliance with the law and statutory provisions as well as with societal, cultural, and social standards and values. The goal is to assert FEV's sustainability and value framework among its business partners.

Our customers are not the only ones who expect things from us – the government does too. Moreover, FEV has set the bar high for itself when it comes to ethical, honorable and sustainable collaboration. But those high compliance standards cannot be met unless all participants also clearly understand what they actually mean. That's why we provide support – with training courses, for example – to help our employees satisfy internal and external expectations.

Jens Adler, Chief Compliance Officer

Respect for human rights

Respect – that's one of the five FEV values that serve as the basic principles underlying all of the company's actions (cf. Chapter 1, "Corporate values" section). In so doing, the Group takes a clear stand regarding respectful, tolerant, and sincere interaction with all people. This relates especially to upholding the human rights of all persons employed by FEV or involved in the activities of FEV and its suppliers. Adherence to labor laws and human rights is an integral part of the Code of

Conduct. In that regard, it mirrors internationally recognized requirements such as the Global Compact of the United Nations and the core labor standards of the ILO (International Labour Organization). FEV obliges its suppliers accordingly to adhere to human rights and labor laws through the Code of Conduct (see above).

Compliance management

Compliance means more than mere adherence to laws and internal regulations. It also encompasses organizational provisions enabling the workforce to meet its responsibility to employees, business partners, society and the company. The Code of Conduct includes a commitment to ethical, honorable and sustainable behavior (see above).

It focuses primarily on the following aspects:

- Anti-corruption
- Competition
- Information security and data protection
- Insider information
- Technical compliance/functional security
- Export control
- Anti-discrimination
- Environmental protection and occupational health and safety

FEV promotes the compliance culture with a group-wide Compliance Management System (CMS). The company uses it to ensure that internal and external requirements are implemented, reported, audited and, if necessary, modified. All of the actions taken are based on defined FEV Group policies and guidelines, which detail the specific responsibilities and obligations for the various areas. The policies and guidelines that FEV companies receive from the Group to be implemented specify the minimum requirements. Reports are regularly submitted to inform the Chief Compliance Officer about the current status of the CMS.

Furthermore, every year all employees must participate in at least one training course covering relevant compliance topics. Those who work in sensitive areas or are responsible for the implementation of the CMS receive separate, particularly

comprehensive training content. Among other things, the goal is to raise awareness about conflicts of interest, competition law, and corruption (bribery, fraud, favoritism, etc.).

Sponsoring campaigns are conducted only outside ongoing projects under clearly defined conditions and rules.

Supplier firms must acknowledge the Supplier Code of Conduct. The supplier is expected to pass along the obligations to its own supply chain. The Supplier Code of Conduct covers the full spectrum of sustainability aspects discussed in the present report.



To give suitably high priority to technical compliance, in parallel FEV has implemented its own dedicated Technical Compliance Management System (TCMS) along with the associated, globally active organizational structure. The Group Vice President Technical Compliance is responsible for the implementation and continuous management of Technical Compliance.

Stefan Trampert, Group VP Technical Compliance

CMS organizational structure

Responsibility for the Compliance Management System of FEV Group GmbH is under the purview of the Management Board, which assigns a Chief Compliance Officer (CCO) with its implementation. The latter is supported by Regional Compliance Officers for the Americas, Europe and Asia. Responsibilities in alignment with corporate guidelines are also defined within the individual FEV companies.

In the context of the quarterly Group Compliance Report, the management of FEV Group GmbH is informed about the status of reports and incidents.

FEV does not tolerate any harassment, retaliation, intimidation, victimization or reprisals against whistleblowers, i.e. persons who express concerns regarding FEV. The Code of Conduct states this explicitly.

For the year under review, we are aware of no significant fines or other sanctions due to violations of applicable law.

In the separately organized Technical Compliance function, the installation of global managers outside of the operative

business units enables them to manage Technical Compliance independently of individual project interests, thereby ensuring neutrality in the evaluation and in individual project decisions. A systematic monitoring of projects at the global level ensures the minimization of all Technical Compliance risks through continuous exchange between the Technical Compliance team and the operative areas and prevents any violation of Technical Compliance. The essential steps of a Technical Compliance process are anchored in a project management gate process and actively affirmed by the responsible project managers.

For general orientation and key technical questions, a Technical Compliance Committee advises and issues decisions at regular intervals. Especially where the legal situation is unclear or the regulations leave latitude for interpretation, however, the government's intended purpose remains the primary consideration. This guarantees the greatest possible vehicle safety and environmental compatibility along with responsible action in the implementation of technically feasible mobility solutions

Information security, data protection and prototype protection

For FEV as a provider of development services, the protection of its own know-how and of its customers' intellectual property is essential. Accordingly, from the customer query all the way through to the delivery of a work result, a high level of trust is required and sensitive data must be carefully protected

against loss or unauthorized modification. Careful treatment of sensitive and privileged research and development data is second nature to all employees, because without it potential losses are inevitable. That's why FEV operates a certified Information Security Management System (ISMS). In the past, the



It is impossible to imagine a company like FEV without information security. It ensures the confidentiality, integrity and availability of information and data. We create the necessary information security regulations and measures and support their implementation in existing business processes to meet the respective protection needs. A high degree of maturity and continuous improvement measures relative to information security are used to minimize the existing risks. The level of information security achieved undergoes regular external audits in TISAX assessments

Sebastian Stoll, CIO & CISO

company was certified according to DIN EN ISO 27001. Today FEV participates in the TISAX® (Trusted Information Security Assessment Exchange) and accordingly undergoes external assessments. This involves the use of the VDA Information Security Assessment (VDA ISA), an audit list published by the German Association of the Automotive Industry (VDA) which has become the leading standard in the automotive sector.

Based on the FEV corporate information security guidelines, there are binding regulations for information security, prototype protection and cyber defense. The FEV training concept provides target group-specific, mandatory training courses for the relevant employees.

The processes of the ISMS include, among other things, risk classification, the definition of responsibilities, goals and measures, training and knowledge management, key perfor-

mance indicator tracking, and emergency prevention. In addition to external assessments, internal audits are also conducted. They, too, confirm the high degree of maturity of the management system. The FEV Executive Board is informed regularly, and also as necessary, about the status of the ISMS.

As a consequence of growing cyber threats, the cyber defense department has been expanded and is now supported 24/7/365 by an external Security Operation Center (SOC). Continuous monitoring is conducted with state-of-the-art technology. Vulnerability detection and mitigation, an own hunting team to track down threats, and a purple team that works to close security gaps in the monitoring and alarm system are important components of the cyber defense. In view of this exemplary concept, Microsoft is currently preparing a case study on FEV's high cyber security standards

Data protection

Data protection is another area where the management shoulders its obligations. Data protection measures are defined by the Group Data Protection Policy, a Group-wide policy. It specifies and details all responsibilities and tasks. A specialized external attorney serves as Group-wide Data Protection Officer and reports annually to the Management Board. Furthermore, the introduction and coordination of the Group-wide Data Protection Management System has been transferred to the General Counsel. Responsibility for compliance with data protection regulations must occur at the level of the individual FEV companies. Accordingly, every German company of the FEV Group has not only a Data Protection Officer, but also a so-

called Responsible Contact, who is the contact person for all data protection law-related issues of the respective employees as well as of the management. For Group-wide questions, a Group Data Protection Coordinator serves as the contact person. The transmission of personal data within our Group is regulated by order processing agreements in line with Article 28 of the General Data Protection Regulation.

During the period under review, the volume of queries and complaints from affected parties was low, whereby they mainly involved the affected parties' disclosure rights

ECOLOGICAL RESPONSIBILITY

5

Environmental management at FEV

Protecting the environment must be one of the most important goals of every large company. FEV knows that its actions necessarily affect the human biosphere and the climate. This applies both to projects and to site operations. That's why environmental protection measures are a top priority of FEV.

The company is convinced that its research and development can make a valuable contribution to an ecological mobility industry. For that reason, it works together with its customers on eco-friendly powertrain and mobility systems (*cf. Chapter 3*). Furthermore, since 2003 it has undertaken to implement a voluntary systematic Environmental Management.

Unambiguous environmental protection policy

The corporate management has made a commitment to a strict environmental policy. That's why it took on the task of implementing ISO 14001-certified Environmental Management systems at all major international locations. This estab-

lishes responsibilities and integrates environmentally relevant aspects in all processes. Those aspects concern questions of energy consumption, emissions, waste, and material consumption. Special emphasis is placed here on optimizing the hazardous material management procedures. FEV redefines its environmental goals and programs every year to continuously develop its environmental management – according to its customers' requirements. In the next major step, FEV will expand the existing Environmental Management system in 2022 to include the young subsidiary FEV eDLP GmbH in Sandersdorf-Brehna, Germany. In so doing, FEV will extend its ISO 14001 certification to a very significant part of the company from an environmental protection perspective.

Environmentally relevant areas

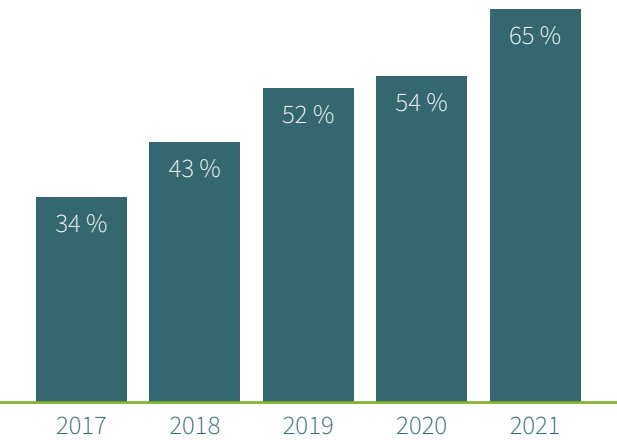
The materiality analysis (*cf. Chapter 2*) showed that two aspects must take priority: specifically, energy consumption – as fuel, electricity or natural gas, for example – and the associated air pollutant emissions as well as waste generation. The company's energy demand primarily involves testing in combination with conventional technologies but also includes

heating of the facilities at the locations. By comparison, it has relatively little environmental impact on biodiversity, water and wastewater, noise, and the use of resources (apart from fuels). The quantity of water drawn relative to the number of employees is low and well below that of households. The environmental aspect of noise plays only a minor role, because the tests take place on separate test stands in enclosed halls. Moreover, the test stands at the German locations are approved according to the German Federal Immission Control Act.

As a service provider, FEV uses a negligible amount of material compared to manufacturing companies. The largest share comprises fuels, which are used as operating material. The next chapter examines these in greater detail.

FEV's sustainability strategy (cf. Chapter 2) is very clearly reflected in the business growth of environmentally sound powertrain and mobility systems in the "Alternative Drives," "Innovative Mobility Concepts," and "Conventional ICE Technology" segments (cf. Chapter 3). As a key performance indicator, FEV tracks the growth of these sustainable businesses that make a positive contribution to environmental

protection. In recent years, sustainable customer projects as a share of the total FEV business rose continuously from 34% in 2017 to 65% in 2021



Share of sustainable FEV business with a positive contribution to environmental protection

The goal is to significantly increase that share even further in the coming years.

- Reduction of office space through desk sharing (6% in 2021)
- Replacement of defective lighting by energy-saving LED lighting
- Elimination and prevention of leaks in compressed air systems
- Modernization of the cold-storage rooms in the industrial kitchen at the Alsdorf site

Energy efficiency through digitalization

FEV is making effective use of digital tools to save energy. By using professional simulation tools in the early development phase, teams avoid expensive and resource-consuming test stand or road testing with real prototypes later on. Simulation techniques save the company about 10% in the overall scope of testing.

Moreover, FEV has digitalized the collaboration of its international project teams, thereby further reducing energy consumption and emissions. The use of a full range of professional IT infrastructure with MS Teams, webcams, touch-screen notebooks and even 3D visualization has significantly enhanced teamwork. This has eliminated the need for employees to travel by air and car for many in-person appointments – to the benefit of the environment.

Contribution to climate protection

FEV is also improving its CO₂ balance sheet by procuring green electricity on a targeted basis. For 2022, FEV Europe GmbH has already secured 30 GWh of certified, climate-neutral green electricity from Klimainvest. The goal is for the German locations to procure 100% of their electricity from regenerative sources in 2022.

FEV offsets the CO₂ emissions generated in the course of its business operations according to the internationally accepted rules of the GHG Protocol. The company currently discloses Scope 1 and 2. Only incomplete data for Scope 3 are available at the present time. FEV is working to compile complete records to report them in the future.

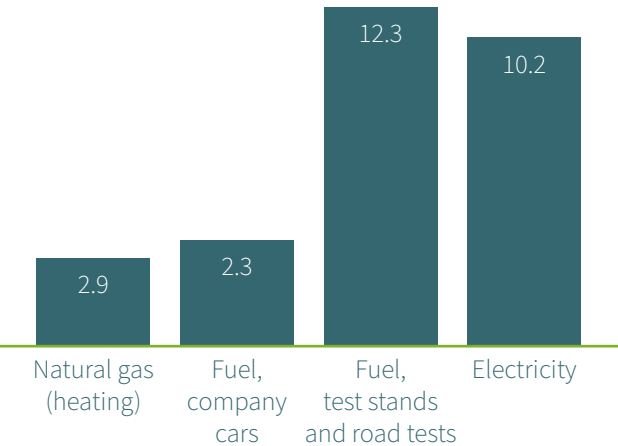
Estimates of FEV's CO₂ emissions are based on an extrapolation of energy consumption data. The climate-harming gases emitted by the company correspond to the ecological footprint of about 2,000 households in Germany.

Energy consumption by sector

2021	GWh
Electrical power consumption, total	10.2
Regenerative electricity from own production	2.2
Regenerative electricity procurement	4.7
Natural gas consumption for heating*	2.9
Fuel consumption, test stands and road tests*	12.3
Fuel consumption, company cars*	2.3

* Aachen / Alsdorf

Energy consumption by sector (GWh)



An extrapolation from the above data results in the following picture for FEV as a whole:

(Specific) Energy consumption by sector for FEV

2021	MWh / employee	GWh*
Electricity consumption	7.0	44
Natural gas consumption	2.0	13
Fuel, test stands and road tests	8.4	53
Fuel, company cars	1.6	10
Total	19.0	120

* Extrapolation for the FEV group of companies

» As one of the leading international companies in the industry, it is our ambition to meet our ecological responsibility in every respect. We are achieving this through eco-friendly processes – but also with innovations that help make the future of mobility more sustainable, step by step.

Franz Maassen, Global VP Management Systems

Energy management and climate protection

To protect our planet, energy consumption and the associated air pollutant emissions absolutely must be reduced. That's why effective energy management is extremely important to FEV. The company's energy consumption is highly dependent on its customers' requirements. When the use of engine test stands is required, this often results in a greater need for fossil fuels.

Optimizing energy consumption

At the German locations, FEV last conducted an energy audit according to DIN EN 16247-1 in 2019. It evaluated both project-related and non-project-related primary energy consum-

ers in the company. The audit found that the overall significance of fossil fuels is continuously diminishing due to the reduced share of projects with conventional powertrains. At the same time, electricity consumption at the individual locations is increasing due to the higher share of battery electric drives and the growing importance of battery system testing. Along with this, FEV analyzed the consumption of natural gas used for heating purposes. This largely depends on the fluctuating weather conditions. The goal of the audit was to reduce energy consumption and improve the transparency of energy use. FEV achieved this through the following energy efficiency measures:

CO₂ emissions according to GHG Protocol (Scope 1 and 2)

2021	t CO ₂ /employee	t CO ₂ *	Explanation
Scope 1	3.19	20,000	Direct emissions from combustion of natural gas and fuel: heating, test stands, company car fleet
Scope 2	2.20	14,000	Indirect emissions from purchase of electricity
Total Scope 1 + 2	5.39	34,000	
Scope 3	–	–	No Scope 3 data are currently available (indirect emissions from upstream and downstream processes).

* Extrapolation for FEV

FEV’s goal is to estimate the CO₂ emissions for Scope 3 starting from 2023 to analyze the materiality.

Reduction of CO₂ emissions

Direct CO₂ emissions in the company are generated by testing activities and by the vehicle fleet (as of Jan. 2022: 59 hybrid and electric vehicles). The CO₂ emissions of the testing activities depend on the number and scope of the tests. In 2021, FEV Europe GmbH emitted about 3,000 metric tons of CO₂ from fuel combustion at the test stands alone. That figure is trending downward due to the reduced demand for internal combustion engine technologies and the strategic shift to-



In Leipzig, FEV operates the test center for development and testing of high-voltage batteries for passenger cars and commercial vehicles.

- Development support and testing options for cells, modules and packs
- Testing of power electronics
- Eco-friendly operation with photovoltaic system and flue gas scrubber

The photovoltaic system on the roof of the test center produces about one million kWh of electricity per year. That corresponds to about 20% of the eDLP’s annual electric power requirement.

ward sustainable e-mobility. In the vehicle fleet, the acquisition of hybrid and electric vehicles has continuously reduced specific CO₂ emissions. In 2020, for example, FEV Europe GmbH still emitted 1,273 metric tons of CO₂, and one year later that figure was only 912 metric tons. Furthermore, in the future FEV will limit the selection of company cars according to environmental criteria. Climate-harming gases (F-gases) emitted by refrigeration units had a negligible impact on the climate balance in the year under review.

Electrical charging infrastructure at the locations

In 2021 and 2022, 74 charging stations for e-mobility were established at FEV’s headquarters. The charging infrastructure is used for company cars, for test vehicles, by guests, and to a certain extent by the general public. Visitors do not pay to charge their vehicles. An additional 17 charging stations have been installed at other

FEV locations in Germany. With increasing demand, the charging infrastructure is under continuous expansion. Moreover, FEV is studying the charging technology and developing it further to enhance the performance characteristics of the charging stations and to reduce costs.

Waste management

Through systematic waste management, FEV is reducing environmental impacts by recovering either energy or valuable raw materials if possible. Like energy consumption, waste generation also largely depends on the size and type of the customer projects and the required testing procedures. And the trend toward new technologies is likewise having a similarly positive effect on the environment. With the decreasing demand for conventional powertrain systems, the number of test stands has been reduced, and as a result the volume of waste produced has diminished significantly in recent years.

The remote work requirement with which FEV complied during the COVID-19 pandemic also had a positive effect on waste generation.

Waste types and quantities

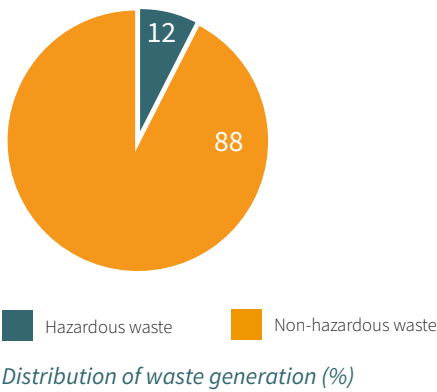
Type of waste*	Metric tons	Treatment method
Waste oil / emulsions	20.3	Material recycling
Fuels	7.9	Energy recovery
Antifreeze	12.3	Material recycling
Other	9.6	Mainly combustion
Total hazardous waste	50.1	
Grease separator residues	8.9	Energy recovery
Paper	101.6	Material recycling
Wood	25.9	Material recycling
Metals	90.9	Material recycling
Household-type commercial waste	116.2	Material recycling
Other waste	25.7	Partial recycling
Total non-hazardous waste	369	
Total weight	419.1	

* Waste types < 10% of the total volume remain unaccounted for here.

Waste reduction and disposal

Non-hazardous waste includes packaging, plastic films, wooden pallets, paper and residual waste. In recent years, FEV Europe GmbH has used separation systems to continuously reduce the share of residual waste. The waste classified as hazardous essentially concerns the operating materials required for the testing services: waste oils, antifreeze and fuels.

FEV Europe GmbH disposes of unavoidable waste exclusively through certified specialist companies pursuant to the statutory provisions of waste legislation. As a rule, this includes material recycling or energy recovery. The waste generation corresponds to that of about 400 private households in Germany.



An extrapolation from the above data results in the following picture for FEV as a whole:

2021	kg/em- ployee	Metric tons*	Waste types
Hazardous waste	34	220	e.g. waste oils, emul-sions, antifreeze, and fuels
Non-hazardous waste	253	1600	e.g. paper, wood, metals, grease separator residues
Total	287	1820	

* Extrapolation for the FEV group of companies

SOCIAL RESPONSIBILITY

6

People at FEV

6,251 dedicated employees contribute to the success of the globally active FEV Group. The company takes seriously its responsibility for the people who work here. It has to foster a culture in which each and every individual can realize their own ideas and apply their personal potential day in and day out in a respectful and collaborative manner. The precondition for this takes the form of a safe and attractive work environment based on the FEV values: customer focus, professionalism, commitment, open-mindedness and respect (*cf. Chapter 1, Corporate values*).

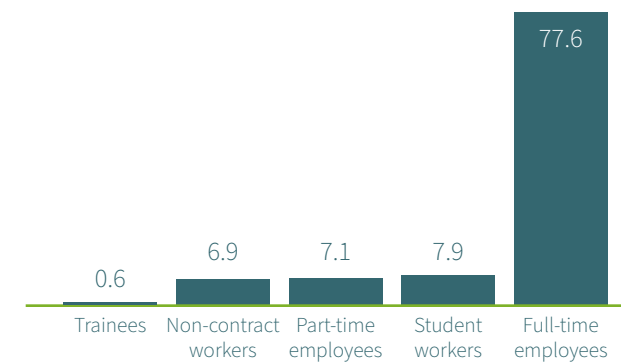
It's all about living and working together on equal footing: All employees are treated equally and deserve the same respect, regardless of their position. To reinforce this notion, FEV has encouraged the use of the familiar form of address with the first name (which is generally uncommon in German culture). It happens on a strictly voluntary basis, of course: Everyone should be addressed as they wish. The familiar form of address is also used in in-house correspondence to create an atmosphere of solidarity and proximity. It is intended to help

colleagues engage in dialog with managers and executives as employer-friendly persons.

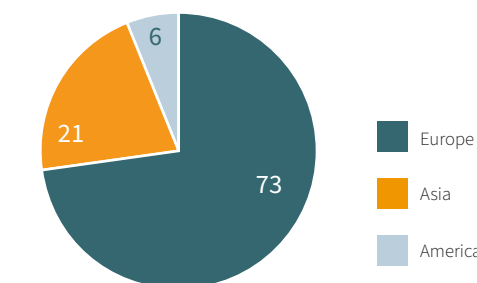
For the concerns of the workforce

Co-determination is ensured through local works councils as well as the General Works Council of FEV Europe GmbH and the Group Works Council – in this way, the interests and rights of the employees remain in full view at all times. The parties conclude works agreements that primarily involve work time models, remuneration systems, EDP systems, employee suggestion systems, in-house job postings, protection of non-smokers, additional paid vacation for disabled people and those afforded equivalent status, or also learning management.

Employees are always informed early on about operational changes that impact them significantly. In some cases, the Executive Board addresses the workforce directly with recorded video messages and e-mail newsletters. And in other cases, Personnel Department informs the works councils about changes. The general management also holds regular staff



Share of the workforce (%)



Global workforce distribution (%)

meetings where relevant topics are presented and discussed in an open forum. And for their part, the works councils organize works meetings, to which the general management is also invited.

Harmonizing work and life

FEV aims to foster an inspiring work environment – one that enables everyone in the company to flourish and maintain a sense of well-being. That's why it has concluded works agreements establishing mobile work and flexible working hours. In this way, employees can organize 40% of the hours they work

each week according to their own needs. Certain situations in life require extra latitude, such as the birth of a child or the need to care for a relative. With this in mind, FEV offers its employees rapid and straightforward individual agreements that modify the working hours model, for example, or provide a temporary break from work.

Remuneration within FEV Europe GmbH is regulated by five qualification-based wage and salary schedules that apply as guidelines throughout the Group. Along with that remuneration, there are additional benefits that differ from region to region – for example:

- Annual leasing program for electronic devices
- Corporate benefits program with exclusive offers
- Fixed contingent of places at a childcare center in Aachen
- Bike leasing program
- Use of the FEV gym

Collaboration during the pandemic

The coronavirus posed huge challenges for all companies in Germany and worldwide. To protect the health of the workforce and minimize personal contact, management and labor representatives expanded the rules for flexible workplace organization. Depending on the field of activity, those expanded rules permitted full-time mobile work. The new work conditions could not be allowed to detract from useful and creative collaboration in any way, however. To continue providing everyone with the opportunity to exchange information and ideas and to develop solutions together, FEV redoubled its digitalization efforts. This made it easier for employees to take advantage of video conferences and interactive platforms.

Due to the pandemic, FEV and the works councils established options that deviated from the standard core working hours and flex-time arrangements and instead authorized work at unusual hours of the day and on Saturdays. This helped families organize childcare and in so doing, better protect their health.



We are proud of our talented staff and want to create a work environment where they can develop in line with their skills and interests and act autonomously. The individual contribution of each and every employee is visible and acknowledged. In that context, diversity is not only accepted, but embraced as an enrichment and an essential part of our corporate culture.

Stefan Brindt, Global VP Human Resources

Recruiting and advancement

Attracting new talent

Our society is undergoing constant change. With each new generation, another new spirit of the times evolves, but digitalization and demographic aspects also affect how we live and work. Accordingly, the demands placed on employers have also changed in recent years. What employees want now includes such things as flexible and modern work models, tasks that reflect their values, and family-friendly work-life balance. FEV intends to satisfy those demands, and communicates this with the employer branding campaign “Enter the Next Level.” The centerpiece is the current career page with success stories about talented FEV staff. And it, too, has been successful: In 2021 – and likewise in the previous year – some 20,000 people submitted job applications to FEV in Germany alone.



To attract new talent, personal contact is especially important to FEV. That’s why the Group has continued to participate in in-person trade fairs in recent years, to the extent possible during the pandemic. And FEV was also represented on on-line job fairs for the first time. The company always takes part in Girls’ Day as well, to interest girls and women in technical careers – and to encourage them to apply to FEV in particular.

To develop direct dialog even further, future efforts will also continue to focus on in-person job fairs. Moreover, recruiting starts with business networks such as XING and LinkedIn, to make direct contact with suitable candidates and to extend the range of job postings. In all, the group of companies expects to add several hundred employees to its workforce over the course of the next few years.

A good place to start

FEV favors junior staff from its own ranks and offers outstanding opportunities for trainees and young professionals. The skilled occupations sought most by the businesses include industrial clerks and administrators, IT specialists and automotive mechanics. Students can gain their first professional experience as an intern or a student worker. In 2021, 154 students were employed at FEV. Numerous graduate theses are also based on FEV projects every year.

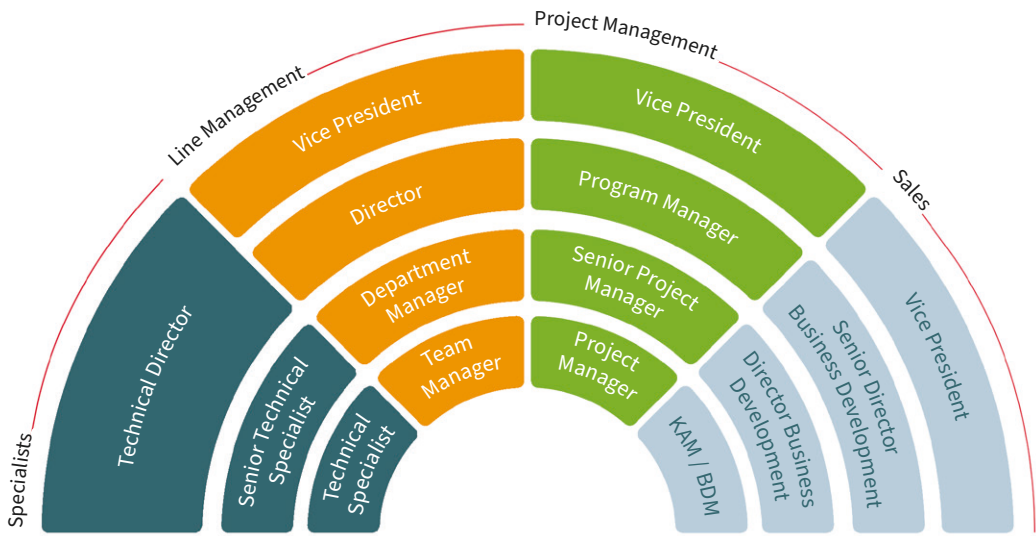
There is a close partnership with RWTH Aachen University. Stefan Pischinger heads the Chair of Thermodynamics of Mobile Energy Conversion Systems there. For many years now, he has regularly advised doctoral candidates who combine their research with practical applications at FEV. The company supports students from RWTH Aachen University and the Aachen University of Applied Sciences within the framework of the German federal government’s “Deutschlandstipendium” scholarship program. Despite the difficult COVID situation, the company was able to maintain its funding for this program: In 2021, a total of five scholarships were granted. Starting from 2022, a mentoring program will help scholarship recipients get started in the company and give them advice and assistance. As a result, the students will gain insight into the work of the business operations and the associated training opportunities (internships, graduate thesis work or student worker programs). Job application coaching rounds out the mentoring program.

Effectively fostering innovative spirit

Employee development that demonstrates appreciation for the individual undergirds the success of FEV. People can achieve their full potential only when they are empowered to use their specific strengths. This not only helps to motivate each and every individual but also strengthens the innovative force of the company overall. In-house know-how and expertise are valuable capital that safeguard FEV’s market position over the long term. This explains the importance of offering comprehensive qualification opportunities.

One essential component of this is the Digital FEV Academy, a digital Learning Management System (LMS) that is undergoing continuous expansion and optimization. It features

Qualification and advanced training



Presenting development opportunities: FEV career paths

a broad spectrum of continuing education options. The offerings range from specific technical seminars to software classes to soft skills training courses. To enable colleagues the world over to participate, many modules are available in both English and German.

The Digital FEV Academy comprises a general area and a personal area. In the general area, the FEV Academy Catalog, employees receive an overview of the continuing education courses, their content, dates and the registration process. Colleagues can select from among four main categories:

- PM Academy
- Sales Academy
- Leadership Academy
- Specialist Academy

The basic foundation of the FEV Academy Catalog comprises the common area for interdisciplinary courses, such as for soft skills. Existing lists of potential participants are used to determine training needs. The program planning also takes into account experience, the number of new hires, and customer needs. Developments in the area of alternative mobility concepts (cf. Chapter 3), for example, have resulted in new training needs and offerings.

The personal area is a learning environment where employees can view their individual training history and allocated courses and document and track their participation. They can also submit requests for outside technical training courses there. In 2021, the program provided an average of about six hours of training per person.

All employees of FEV Europe GmbH and FEV Group GmbH currently have full access to the LMS. In the future, all FEV companies will be included in the Digital FEV Academy. As a rule, the companies that have yet to be integrated into the program organize training courses on their own – according to the specific conditions in their region.

Custom-fit trajectories: FEV career paths

Which career is right for whom? FEV offers four career path models, so every talented employee receives the appropriate development opportunities. Each model defines separate career steps that can be achieved depending on qualification level and experience. The four career paths comprise the line management career path, project management, sales, and the technical career path.

Identifying and developing potential

FEV has set itself the goal of developing potential managers early on. Suitably talented employees are supported with a leadership development workshop early in their career, wherein their leadership and management skills are analyzed. Upon completion of the workshop, participants receive individual feedback regarding their potential and development opportunities.

In addition, a committee made up of internal and external observers convenes and possibly recommends the candidate for a management trainee program. This results in the continuous, needs-based development of the required skills.

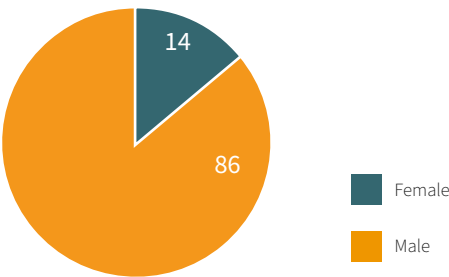
Part of a successful team

The automotive industry is undergoing dramatic changes. To confront this challenging situation, FEV initiated its transformation early on, becoming a company that specializes in mobility, software and vehicle development with new business and growth areas. The new specialized fields require new knowledge and skills, and this represents a huge challenge for the employees. To prepare colleagues for the future, the “Bx – Together for Future” initiative was launched. As part of that initiative, the company invited the workforce to participate in in-house job fairs, where it presented new business units and answered questions. The format set the stage for a series of events.

Employees affected by the changes were given the opportunity to choose a new career path, whereby FEV actively supported them with qualification programs and individual training plans. The initiative was a great success. Despite the extremely difficult transformation processes, FEV was able to place all colleagues in new jobs and was not forced to dismiss anyone for operational reasons.

Diversity and equality

Diversity is a social reality. At FEV, that reality is appreciated. That’s why the company supports diversity, inclusion and equal opportunity. All people in the company have a right to be themselves and to feel secure and free from discrimination at all times. For that reason, all employees are treated equally, irrespective of skin color, nationality, gender, sexual orientation, age, ethnic origin, religion or disability. This goes hand in hand with the FEV values. Equal opportunity and respect are firmly anchored in the Code of Conduct, which applies throughout the company. All violations of the principles formulated there are investigated and penalized.

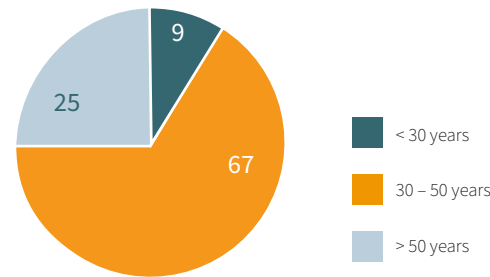


Gender ratio (%)

In 2021, the company posted a voluntary resignation rate of 7%. To make the company more attractive as an employer and to strengthen employee loyalty, the Attractiveness Project was launched in 2021. It comprises interdisciplinary teams in the areas of employee development, boundary conditions and empowerment. The teams develop new ideas and formats to make FEV a consistently exciting employer for talented workers. The Attractiveness Project has given rise to a wide range of solutions, including a mentoring program for scholarship recipients, an onboarding program for new hires, the promotion of team events, the creation of continuing education programs, development plans and training courses, bike leasing, and much more. Another important program is the in-house idea management portal FEV Idea, which has been in place since 2015. Employees have the opportunity to submit improvement suggestions there. Every suggestion that is implemented is rewarded. More than 800 suggestions have already been submitted since 2015.

To ensure equal pay for equal work, various wage and salary schedules have been implemented at FEV in the form of works agreements. Those schedules regulate remuneration according to qualifications and job description, irrespective of age or gender. The Works Council audits the classification of the employees. At affiliates and foreign subsidiaries, the principles anchored in the Code of Conduct mandate fair labor practices.

Because STEM subjects are still studied mainly by men, the share of women in most engineering firms is low, and FEV is



Age distribution (%)

no exception. The figures for FEV Europe GmbH exemplify the problem: In 2021, 14% of the workforce there were women. The share of women in management positions was 2.9%.

In the future, FEV would like to make it easier for women to pursue a career and also wants to effectively raise the share of women at the management level. That’s why the company launched the “Female Leadership Group” initiative. This involves a network of female managers at FEV Europe GmbH, who, in collaboration with the general management, support and encourage the women in the company – by pointing out career opportunities to them, for example. The program en-

Occupational health and safety

Health is our most precious commodity. That’s why comprehensive protective measures are indispensable in the industrial workplace. But office work, too, can have long-term effects on health. It goes without saying that FEV ensures a safe and healthy work environment in all fields of activity. The main focus here is on prevention, whereby the measures taken in the operating facilities often go beyond the minimum legal requirements. Inasmuch as those requirements differ from country to country, the Group does not control this function at the corporate level – the individual entities are responsible for occupational health and safety. In Germany, the most significant hazards are found at the main locations. That’s why they have already been operating management systems certified by the Verwaltungs-Berufsgenossenschaft (VBG, the German Administrative Professional Association) there since 2011.

Meanwhile, all the locations of FEV Europe GmbH are now certified according to the international standard DIN ISO 45001. The certificate currently covers about one third of the global FEV workforce. Moreover, the affiliates define specific requirements and regulations relative to occupational health and safety to ensure the best possible protection of employees in a given region. Other FEV companies are also working to have their own occupational health and safety management systems certified.

Occupational health and safety management according to the DIN ISO 45001 standard is part of an integrated management system that is optimally matched to all business processes and guarantees effective procedures. It is subject to continuous improvement – in accordance with the VBG model. In the future, FEV will record, analyze and report the accident figures listed below on a worldwide basis.

At the test stands and testing facilities, safety is tremendously important. They present many risks, including risks due to high temperatures and pressures, hazardous materials, lasers,

sure that female employees have the same opportunities for development and advanced training that the male employees have. The “Female Leadership Group” is currently reviewing a proposed partnership with female network partners to supplement the concept with a series of presentations by outside female speakers. Moreover, FEV will also participate again this year in the herCAREER job fair and in Girls’ Day. FEV would like to become not only an attractive employer for women, but also a modern employer and an employer of choice. With its respectably long average length of company service of 9.8 years, the company is clearly on the right path. The age distribution reflects the experience and expertise of FEV.

etc., and increasingly from electricity – in destructive testing at the battery test center (eDLP GmbH), for example.

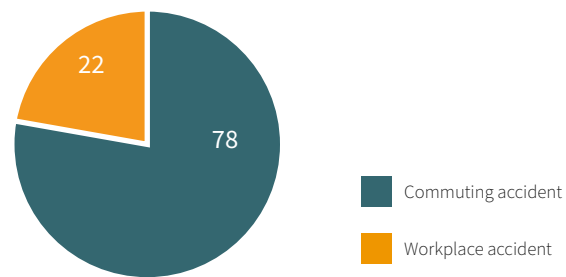
Correct assessment of the hazards and the associated preventive measures are confirmed by their success. FEV Europe GmbH had set the ambitious target of fewer than five on-the-job accidents (Lost Time Injuries) per 1,000 full-time employees. From 2019 through 2021, the company consistently achieved that goal. By contrast, the commercial sector in Germany averages about 21 reportable accidents per 1,000 employees per year. In terms of accident severity (days absent per accident event), however, FEV had to post a significant increase in 2021. This was due to two serious commuting accidents which resulted in prolonged absences from work. To prevent recurrence of accidents, FEV analyzes all incidents in detail and subsequently initiates appropriate safety measures. No fatal accidents occurred during the reporting period.

Accident rate per 1,000 employees (number)

	2021
Accident rate	4.8
Target	5.0

Accident severity (lost workdays)

	2021
Accident severity	18.0
Target	10.0



Reportable workplace and commuting accidents (%)

An ounce of prevention is worth a pound of cure: Over the years, the preventive assessment of possible hazards and their prevention have become standard practice in the company. As a result, FEV Europe GmbH has more than 200 risk assessments of all kinds on file. They concern not only project-specific risks, but also routine conditions, and are always available for consultation on the FEV intranet.

One particularly challenging issue arises from the technological transformation. The transition from classical powertrain systems to electric motors in recent years has dramatically altered occupational health and safety requirements. To meet current safety needs, the responsible managers have the support of experts such as work safety specialists and site medical officers, and determine the necessary measures according to the STOP principle (substitution, technical protection, organizational protection, personal protection). First they check to see whether an alternative exists for the hazardous situation (substitution). Where no such substitution is possible, they then consider an ordered series of solutions involving the technical equipment, the organization and, ultimately, personal protective equipment. FEV monitors these activities with regular inspections and audits.

Safety first – with every project

For various FEV customer projects, employees had to go to great heights – test drives at altitudes of more than 4,000 meters above sea level were required. That's why all participants underwent a high-altitude tolerance examination (hypoxia tolerance test). Among other things, the check-up included a stress ECG and measured blood oxygen saturation level, heart rate and blood pressure under atmospheric conditions.

Company health management

Although there are no recognized occupational diseases associated with FEV operations, even desk jobs can permanently impair workers' health. Stress, sedentary behavior and poor posture are just a few of the causes. In the modern work world, there are more and more physical stresses in particular. That's why the company is focusing on risk assessment in this area in 2022. FEV has established a work group that will conduct a detailed examination of the causes and develop effective preventive measures.

To help employees tend to their wellness, the German locations provide the following offerings:

- Fitness centers
- Flu vaccination
- Massages
- Bike leasing
- Bicycle safety training
- Company sports club
- Reintegration measures, e.g. after prolonged illnesses
- Electric height-adjustable desks

Regular events are also held and consultations by professional partners are provided. Colleagues at the Aachen and Alsdorf locations can participate in an ergonomic consultation, for example, or an endurance check. In addition, they receive information about burnout prevention. Due to the pandemic, these offerings are currently extremely limited.

Site medical officers provide the occupational medical care and consultation. This depends on the specific location and is organized according to national requirements. All FEV employees receive occupational health and safety instruction as required by law. All relevant information can also be accessed on the FEV intranet at any time. Employee participation is ensured by the Occupational Safety Committee (OSC), which meets quarterly at the German locations.

Outside companies that perform work on FEV premises are instructed in advance regarding site-specific conditions and hazards.

No matter the burdens involved, FEV is there for each and every employee. The catastrophic flooding in 2021 also affected employees who work at the Aachen and Alsdorf locations. FEV assisted those affected by organizing a fundraising campaign, enabling employees to take time off from work, and providing psychological support. This latter assistance was provided in collaboration with the external site medical officer, the local hospital and Aachen's police chaplain.



Fit all over – and around the clock

Always in form: At the Aachen location, all the members of the company sports club have access to a fully equipped, 24-hour fitness center with locker rooms and showers. In the equipment room, users can train around the clock on steppers, back trainers, treadmills, etc. Another room contains mats, resistance bands and dumbbells – perfect for floor exercises. Courses are also held there.

On opening day, professionals provided detailed instruction to interested parties. They created their own individual training schedules and learned how to use the equipment correctly. Before the pandemic, the center averaged 45 visits per week.

Well-protected throughout the pandemic

Everyone faced unexpected challenges as a result of Covid-19. To confront them in the workplace, FEV formed an international Coronavirus Task Force right from the start of the pandemic. This gave colleagues the world over the opportunity to exchange information about best practices and to learn from one another. In so doing, measures were implemented that went beyond the statutory regulations. The Coronavirus Task Force rapidly provided protective materials such as masks, self-tests, and disinfectant. It also established a health mailbox to provide for in-house contact tracing. Where the work allowed it, employees worked from home and held virtual

meetings in place of in-person appointments. In addition, the Coronavirus Task Force organized several vaccination campaigns. The Coronavirus Task Force documented and analyzed the Covid-19 cases worldwide.

As a result of pandemic-related restrictions, some of the above-mentioned offerings at the locations were limited or even suspended entirely. The fitness centers were forced to close completely, for example, because the coronavirus hygiene conditions could not be monitored.

ABOUT THIS REPORT



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The present Sustainability Report was compiled for the 2021 financial year (January through December) and with reference to the GRI Standards. It is FEV's first Sustainability Report. The report was commissioned by the Executive Board of FEV Group GmbH. All content was carefully reviewed by the departments in the context of a defined approval process and then examined and approved by the Executive Board after a final analysis. FEV reports on the status of current and planned ecological, economic and social activities with regard to company-wide sustainable development. Furthermore, FEV provides an overview of its numerous projects and activities in the area of sustainable drive technologies and mobility concepts, the overall importance of which is increasing. This Sustainability Report relates to the entire FEV Group. As a rule, the data listed in this report relate to the largest subsidiary, FEV Europe GmbH, whereby that subsidiary can be viewed as representative of the entire company. The scope is always specified in the text of the report.

Neither FEV Europe GmbH nor the entire FEV Group was obligated to issue a Sustainability Report in the 2021 financial year, because FEV is not subject to the reporting obligation for non-financial reporting according to § 289b of the German Commercial Code (HGB). Nevertheless, FEV would like to inform the external and internal stakeholders about the full scope of its sustainable development activities. For that reason, the company is using this format to provide relevant facts and figures and to present its wide-ranging activities in various areas. This report has not been subjected to an external audit and is also not part of the FEV financial statement. FEV believed that it was important to reference the content to the GRI Standards, however, and to take the requirements of its customers, investors, and other stakeholders into account. For this reason, FEV conducted a materiality analysis and sought dialog with the stakeholders. The findings served as the basis for selecting the report content. For more information about this, refer to Chapter 2 of this report.

This Sustainability Report is also available as a PDF in English and German at www.fev.com.

GRI content index

Statement of Use	FEV reported the information listed in this GRI content index for the period from January 1, 2021 through December 31, 2021 with reference to the GRI Standards.
GRI 1	GRI 1: 2021

GRI Standard	GRI indicator	Page reference	Comments
GRI 2: General Disclosures 2021	2-1 Information about the organization	6 – 7	
	2-2 Organizational units covered in the sustainability reporting of the organization	6 – 11 38	List of companies in the appendix
			This is the first FEV Sustainability Report. An annual reporting interval is planned.
	2-3 Reporting period, frequency, and contact point	38	
	2-6 Activities, value creation chain and other business relationships	7 – 9	
	2-7 Employees	30 – 31, 34 – 35	Consolidated presentation
	2-9 Governance structure and composition	6 – 7	
	2-11 Chairmanship of the highest governing body	6 – 7	
	2-12 Role of the highest governing body in supervising the management of impacts	12	
	2-13 Delegation of responsibility for the management of impacts	12	
	2-14 The role of the highest governing body in sustainability reporting	12	
	2-22 Statement on sustainable development strategy	3, 13	
	2-23 Obligations of responsible corporate governance	20 – 24	
	2-24 Integration of obligations in the business activity and business relationships	20 – 24	
	2-25 Process for eliminating negative impacts	20 – 24	
	2-26 Mechanisms for obtaining advice and reporting concerns	22 – 23	
	2-27 Compliance with laws and regulations	20 – 24	No quantitative data
	2-28 Membership associations	15	
	2-29 Approach for involving stakeholders	13 – 15	
	2-30 Collective agreements	30 – 31	No quantitative data
GRI 3: Material Topics 2021	3-1 Process for determining material topics	13 – 16	
	3-2 List of material topics	15 – 16	
	3-3 Management of material topics		Is described individually for each material topic.

GRI Standard	GRI indicator	Page reference	Comments
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	6 – 7	For further details, refer to the FEV Management Report.
	205-2 Communication and training on anti-corruption policies and procedures	22	Qualitative statement
			As a service provider, the amount of material used is negligible relative to the amount used by a manufacturing company. The largest share comprises fuels, which FEV uses as operating material.
GRI 301: Materials 2016	301-1 Materials used by weight or volume	26 – 27	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	26 – 28	
	302-3 Energy intensity	26 – 28	
GRI 305: Emissions 2016	305-1 Direct greenhouse gas emissions (Scope 1)	26 – 28	
	305-2 Indirect greenhouse gas emissions from energy (Scope 2)	26 – 28	
			No Scope 3 data are currently available; materiality will be analyzed in 2023.
	305-3 Other indirect greenhouse gas emissions (Scope 3)	26 – 28	
	305-4 Intensity of greenhouse gas emissions	26 – 28	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	29	
	306-2 Management of significant waste-related impacts	29	
	306-3 Waste generated	29	
	306-4 Waste diverted from disposal	29	
	306-5 Waste directed to disposal	29	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	32 – 34	Consolidated resignation rate listed
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice period regarding operational changes	30 – 31	General statement only, no quantitative data in weeks.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	35 – 37	
	403-2 Hazard identification, risk assessment, and incident investigation	35 – 37	
	403-3 Occupational health services	35 – 37	No quantitative data
	403-6 Promotion of worker health	35 – 37	
	403-9 Work-related injuries	35 – 37	
	403-10 Work-related ill health	35 – 37	Qualitative statement
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	33 – 34	Consolidated presentation
	404-2 Programs for upgrading employee skills and transition assistance programs	33 – 34	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	34 – 35	Share of women in the workforce and in leadership positions
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	22 – 23	

The FEV Group

AAA Automotive Association GmbH, Aachen	FEV India Private Ltd.
ATC Automotive Test Center Morocco, SAS	FEV Italia s.r.l
B&W Automotive Engineering Mexico, S. de R.L	FEV Japan Co., Ltd.
B&W Automotive Engineering Shanghai Co. Ltd.	FEV Korea Ltd.
B&W Fahrzeugentwicklung GmbH	FEV Mobility and New Energy Co., Ltd.
D2T Korea Co. Ltd.	FEV Netherlands B.V.
EDL Rethschulte GmbH	FEV New Energy (HeBei) Co. Ltd.
etamax space GmbH	FEV Norddeutschland GmbH
EVA Fahrzeugtechnik GmbH	FEV North Africa Sarlau
FEV America Latina Ltda.	FEV North America, Inc.
FEV Asia GmbH	FEV Polska sp.z.o.o
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Legal notice

The information and data contained in this report were compiled by FEV with great care and verified by the persons specifically responsible for them. Notwithstanding this, the possibility of errors cannot be excluded. For this reason, the report cannot serve as the basis for liability claims of any kind.

Any statements made concerning the future development of FEV are based on the information and prognoses available at the time of publication. Such statements are subject to known and unknown risks and uncertainties, so that the actual development can deviate from expectations.

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Collaboration and post-production	TÜV Rheinland Consulting GmbH, Am Grauen Stein, 51105 Cologne, Germany
Image credits	Title page and page 38: Adobe Stock / karepa (No. 217146288); page 2: FEV Group; page 6: FEV Group; page 7: FEV Group; page 8: FEV Group; page 11: FEV Group; page 12: Adobe Stock / Westend61 (No. 370852212); page 13: FEV Group; page 17: Key Visual ZERO CO ₂ Mobility Conference, FEV, Rendering; page 18: philipprupprecht photography; page 19 left: FEV Group / right: FEV, M. Heinrichs; page 20: Adobe Stock / Gorodenkoff (No. 478802076); page 25: Adobe Stock / Maskot (No. 422420073); page 28: FEV Group; page 30: Adobe Stock / Jacob Lund (No. 170544737); page 32: FEV, M. Heinrichs; page 37: FEV, M. Heinrichs
Layout	TÜV Media GmbH, FEV Group GmbH
Published date	July 1, 2022
Disclaimer	We took great care in compiling the information and data on which this report is based. All report contents have been reviewed by the persons specifically responsible for them. Nevertheless, we cannot entirely exclude the possibility of errors. Any statements we make concerning the future development of our com- pany are based on information and prognoses that were available at the time of publication. The present Sustainability Report was published in German on July 1, 2022 with the title “FEV Nachhaltigkeitsbericht 2021” (“FEV Sustainability Report 2021”).



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