

Sustainability Report 2023

Empowering our customers to perform more sustainably

MOVING YOUR WORLD



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Empowering our customers to perform more sustainably

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

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1.1 Foreword

Dear Readers,

A lot has changed since the publication of our first Sustainability Report in 2011, and at the same time many things have remained constant. Then as now, securing our future viability through sustainable action is firmly anchored in our FUCHS values. FUCHS products enable our customers to operate more sustainably by helping them to reduce their CO₂ footprint and minimize wear on their machines, among other things. The three dimensions of sustainability – economy, ecology and social issues – are and remain an integral part of our corporate principles.

Of course, we are constantly adapting our actions and the underlying principles to the expanding and in the meantime rapidly increasing regulatory requirements. This means, for example, that from next year there will be a combined Annual and Sustainability Report that will follow the requirements of the European Union in accordance with the guidelines of the Corporate Sustainability Reporting Directive (CSRD).

In 2023, we continued our efforts in various European working groups to create a uniform framework for sustainability reporting: Under our chairmanship, we have succeeded in publishing a standardized method for calculating the CO₂ footprint of products (PCF) for the lubricants sector, which has been accepted by both European lubricant associations – the Union of the European Lubricants Industry (UEIL) and the Association Technique de l'Industrie Européenne des Lubrifiants (ATIEL) – and audited by TÜV Rheinland.

In addition to that, we have advanced our efforts to take a holistic view of environmental impacts along the entire value chain and completed additional life cycle analyses (LCA).

Thanks to a variety of different measures in all FUCHS companies, we once again succeeded in reducing our “gate-to-gate” emissions in Scope 1, 2 and 3 by a further 7% last year. However, future emission reductions, especially in Scope 3, will only be possible if existing or new suppliers provide us with CO₂-reduced raw materials at competitive prices. These can come from either bio-based or circular sources.

We have also further expanded our social commitment. The number of FUCHS companies actively involved in social projects rose from 41 to 45. The number of supported projects was once again significantly increased from 168 to 298. As far as joint ventures are concerned, we are very pleased that the number of projects has almost doubled from seven to thirteen. All projects were supported directly by the respective FUCHS national companies, both financially and conceptually.

To protect our resources, we have continued to drive forward our Advanced Circular Technology (ACT) approach. We are gradually switching from fossil to recycled and bio-based raw materials, thereby not only combining sustainability with performance for our customers, but also transforming a completely linear value chain into a circular



one. This exemplary strategy was honored with the prestigious Global Transition Award in 2023.

I hope I have given you a little impression of our diverse activities and wish you a good read.

Yours,

Sebastian Heiner,
Member of the Executive Board/CTO

The marathon after the sprint – how FUCHS contributes to a sustainable future

Becoming sustainable is not a task to be solved overnight. Making FUCHS climate neutral requires not only long-term goals and strategies, but also close cooperation with partners and suppliers. An interview with CEO Stefan Fuchs.



1.2 Interview

Mr. Fuchs, the previous strategy cycle with FUCHS2025 is coming to an end soon, but the sustainability strategy has a future going far beyond that. What's next for the business strategy and how can business be linked with sustainability?

That's right, with FUCHS2025 we are entering the final implementation phase and all FUCHS employees are on board to meet the ambitious business goals. With regard to the sustainability strategy, we looked much further into the future from the outset in order to describe the goal. We will shortly be extending our business strategy into the next decade. It will be called FUCHS100 and will outline how FUCHS is supposed to be positioned when we celebrate our 100th anniversary in 2031.

What are the issues that FUCHS can address immediately and what are those for the long-term? Are there any things that FUCHS cannot solve on its own?

Our Net Zero strategy is a marathon, but there are some issues we address right at the beginning of the sprint: Green electricity by 2025, electrification of the vehicle fleet in several steps, saving energy, avoiding and partially reusing waste. We have tackled these issues but have certainly not yet exploited their full potential.

For other issues, we need more time and depend on partners in the value chain because the majority of our emis-

sions come from the upstream value chain. We all need to gradually reduce the use of fossil fuels and replace them with renewable sources. To implement that, we need partners who can provide us with the necessary materials in sufficient quantities and at market prices. There are lots of good ideas, but commercial scaling and availability are often lacking. If our suppliers don't reduce their emissions, we can't either. An entire industry has to change. But here we benefit from our independence. We can decide what we purchase and from whom. Reducing Scope 3 emissions is a task for the next 15 years. That is the marathon after the sprint.

What are the biggest difficulties in your transformation to becoming a climate-neutral company?

When working on this kind of strategy, it's easy to be tempted to try to solve everything at once. We have recognized that sustainable transformation cannot be achieved alone. There are tasks we have to tackle ourselves, and for other, no less important tasks, we depend on our suppliers. It is also important that our products support our customers in their own transformation towards sustainability. With lubricants, we have a great deal of influence here; our products reduce friction and corrosion and contribute to CO₂ reduction for our customers. In short, the path to climate neutrality is a collective challenge for everyone involved in the value chain. Everyone has to play their part.

Our products reduce friction and corrosion and contribute to a reduction of CO₂ for our customers.

The topic of circular economy is of major importance at FUCHS. Have you made any progress here?

We have launched the ACT (Advanced Circular Technology) program – transforming the value chain from linear to circular – without compromising on performance. We start at the very beginning of the value chain and aim to gradually replace finite raw materials. This can be done through recycled materials or biomass and can involve raw materials, packaging or process materials. It is a very long journey that will take a long time and will require further innovations. But we are already on the way to using products from the circular economy, such as the first plastic packaging made from 100% recycled material.

“ We want to break new ground and combine performance with sustainability. ”

How can FUCHS benefit from the ever-increasing demands for sustainable products with a clear focus on research and development?

FUCHS has always seen itself as a champion of innovation. New requirements for sustainable products allow us to explore new paths and combine performance with sustainability. In Europe, for example, we have just converted a product family of automatic transmission oils to renewable raw materials – the products party have better properties than before and help us on our way to products in the circular economy.

Can you give examples of social initiatives or programs your company has run that have had a positive impact on communities?

We don't have enough space here to give an overview of the more than 300 projects that our national companies carried out in 2023. It would also be unfair to single out individual ones, as all of them have an impact and a local benefit that we can be proud of. But one project in particular has stuck in my mind: Our colleagues in India support a school for underprivileged children who cannot afford a proper education. During my visit in the spring of this year, I found out that one of the teachers who is currently working there had already been there as a student – this is an example of the impact that social commitment can have, effects that reach across generations and become reinforced. I would say that is a wonderful example of social sustainability.

How do you manage to get your employees on board with your sustainability journey?

That is a major challenge, especially because the concept of sustainability is understood differently in different regions and develops at different speeds. We have to perform a balancing act: On the one hand, global objectives can only be achieved if everyone contributes to them, but on the other hand, we must include everyone on the same journey. Good results arise from the shared attitude that everyone can and must contribute to achieving the goals. Our approach is: We do not dictate centrally what has to be done, but we have established our global climate strategy at all levels of our worldwide sustainability network: In every society there is a person who is responsible for sustainability and who communicates and discusses the issues locally. That way everyone is included and their contributions are taken into account. Doing so also allows those responsible in the local sites to set their own priorities, as local conditions can vary greatly. To achieve our global goal, we need the full commitment of the entire team!

Stefan Fuchs
Chairman of the Executive Board

2.1 Business model

FUCHS produces lubricants and related specialties that are primarily used in customers' operations to ensure and improve problem-free functioning of machinery and equipment by reducing wear and friction and protecting against corrosion. High-quality lubricants help extend the service life of machinery and increase its energy efficiency. FUCHS collaborates closely with many customers to develop customized products that are precisely tailored to the application so as to ensure optimal operation and minimize losses.

Meanwhile, FUCHS also works closely with upstream suppliers to prepare individual life cycle analyses (LCA) along the entire value chain. This methodology and expertise was also built up internally in terms of personnel at FUCHS in 2023 and will be further expanded in the coming years. The aim is to use uniform standards to compare unavoidable emissions from the extraction and manufacturing process with the savings in the use phase, while at the same time accurately analyzing the effects on other environmental factors as well as avoiding undesired "burden shifting". For example, in previous years, FUCHS already published an LCA for hydraulic oils of different quality

levels in a real-world application in a construction machine. In 2023, FUCHS and a partner completed an LCA for the application of high-efficiency engine oils in passenger cars and performed external testing in accordance with ISO 14040/44. Furthermore, as a basis for a future packaging strategy, an LCA was completed on different types of containers made of different materials and externally tested in line with the above-mentioned standards.

→ <https://www.fuchs.com/group/technology-sustainability/sustainability/empowering-to-perform-more-sustainably/>

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



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



FUCHS lubricants and functional fluids support sustainability in consumption and production.



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



FUCHS cultivates and establishes partnerships along the lubricant value chain and actively drives the transformation towards a more sustainable and carbon-neutral industry.

2.2 Sustainability organization

Sustainability Organization at FUCHS



FUCHS assumes corporate and social responsibility. This responsibility comprises legal and socio-ethical aspects that FUCHS intends to adhere to while operating successfully as a company. FUCHS is committed to conducting business in a fair and transparent manner and aims to behave in accordance with the law and regulations in all countries where the company operates.

At FUCHS, responsibility for sustainability is shared by the Executive Board as a whole. The Executive Board member directly responsible is the Chief Technology Officer (CTO). The Executive Board defines the strategic framework for sustainability in close coordination with the Group's Sustainability Division headed by the Vice President for Global Sustainability (Chief Sustainability Officer, CSO).

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

To accommodate different regional requirements and transformation speeds with regard to sustainability,

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

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

2.3 Sustainability management

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

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

To FUCHS, sustainability also means constantly evolving and optimizing. FUCHS respects human rights and actively fights against corruption and bribery. Business activities are also focused on the supply chain as a strategically important part of our business relationships.

Since establishing the independent Sustainability division in 2011, we have been working continuously on improvements in cooperation with various divisions of the company and all national units; in 2023, we achieved further milestones at FUCHS in cooperation with the relevant lubricants industry associations.

Particular highlights include:

- Completion of the strategic initiative “Ecological and Social Sustainability” as a contribution to the FUCHS 2025 strategy process:
In this context, projects were defined that further develop sustainability as one of the FUCHS Group's six strategic pillars. The aim of this project is to develop new systems, processes and solutions for different issues in the areas of ecological and social sustainability. Beyond 2023, FUCHS is working on the introduction of a system-based calculation methodology for PCF calculation. This project was completed in 2023 with the pilot launch of the system in the EMEA region. FUCHS also worked on developing a sustainability classification system for products, which will later enable fact-based identification of sustainable products and lay the foundation for sustainable portfolio management. All other projects of the strategic initiative were successfully completed in 2023.
- Ongoing further development of the sustainability KPI catalog and the data collection basis: The key figures of 54 group companies and joint ventures are collected quarterly for 179 locations worldwide based on a self-developed reporting system.

- Active support of the sustainability activities of the European lubricants associations UEIL and ATIEL. FUCHS chairs the UEIL Sustainability Committee and played a key role in a cross-association working group that developed a standardized methodology for calculating the product CO₂ footprint (PCF) of lubricants in October 2023. This industry-specific methodology was independently audited by TÜV Rheinland in November 2023 and confirmed to be compliant with ISO 14067:2018. The goal of all these activities is to develop standards specific to the industry on the basis of and in line with generally applicable standards. These are intended to take into account the special considerations of the lubricants industry and the entire associated value chain and should result in a uniform basis of calculation that, above all, would enable comparable results for all companies in the industry.
- Publication and expansion of the FUCHS sustainability strategy with clear, science-based medium- and long-term emission reduction targets by 2030 and 2040 respectively (Net Zero).

2.4 Sustainability strategy

Already in 2019, FUCHS committed to offsetting its CO₂ emissions in the “gate-to-gate” scope from 2020 for all producing FUCHS companies. In 2021, FUCHS also extended the recording of the corporate footprint and compensation to all joint ventures for the first time. For this purpose, all greenhouse gas emissions of FUCHS that are directly attributable to our business activities (“gate-to-gate”) have been determined retroactively since 2019 and are offset by investments in climate protection projects. When selecting these projects, FUCHS limits itself to high-quality certifications such as UN Gold Standard or VERRA. Nevertheless, offsetting measures are only the last step undertaken once avoidance and reduction measures have met their limits. FUCHS is therefore continuously expanding the proportion of renewable energies that make up its power supply, with the aim of gradually sourcing its electricity worldwide from renewable sources.

- FUCHS continues to work on converting all locations to green electricity by 2025.
- FUCHS is also steadily expanding the proportion of electrical energy generated in-house. New solar installations with a total output of 2,197 kWp were added in 2023 at sites such as Melbourne (Australia), Yingkou (China), Västerhaninge (Sweden) and New Castle (USA).



“The switch to green electricity by 2025 is a big step for us. However, we would like to provide part of the energy supply ourselves and are planning further solar systems for the future.”

Dr. Michael Mertler, Vice President Global Operations

Together, these two measures ensure that 52%¹ of FUCHS’ electricity consumption is already covered by green power. This brings the theoretical peak photovoltaic power installed at FUCHS sites worldwide in 2023 to 3,763 kWp. → [25 Chapter 3.1.2 Ecological sustainability](#)

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

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

- Uniform definition of the methodology for PCF calculation not just at FUCHS, but also at our suppliers, with a view to increasingly calculating the corporate and product CO₂ footprints based on primary data.
- Consistent request to all suppliers to record, report, and optimize their product emissions and to offset the remaining emissions.

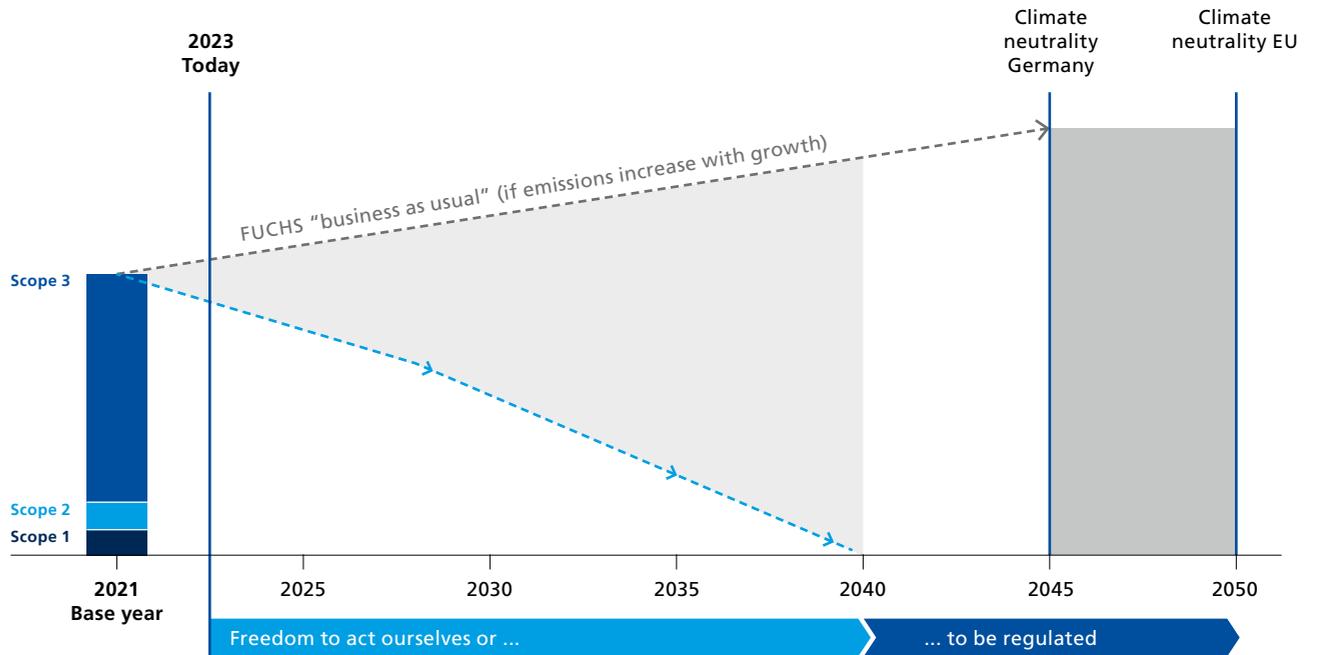
¹ Production, sales and holding companies.

In addition, FUCHS 2023 has completed the development of a longer-term sustainability strategy with science-based targets. These science-based targets support the ambition to limit global warming to 1.5°C.

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

Underlying fields of action and objectives were also developed with the Group functions development, purchasing, product management, and supply chain management, and projects for implementation were defined. Key elements of this enhanced strategy were published in 2023.

“Net Zero” emission reduction path



Our Approach to Sustainability

In a nutshell: Two main aspects of the FUCHS sustainability strategy



ENGINEERING

to make change happen

Our path to sustainability leads through technological progress. As an independent lubricant manufacturer, we will **transform our raw materials, processes and technologies** to achieve these goals. Research and development are our main approaches, as well as a holistic perspective. We consider the entire value chain to **find key levers for meaningful change** – both inside and outside our plant gates.



EMPOWERING

to perform more sustainably

We deliver **efficient lubrication solutions that enable our customers to save energy, resources, and CO₂**. In that sense, empowerment is at the very core of our business. We also rely on this principle for social issues: we primarily support projects in the field of education and development that enable communities to shape a better future. Enabling others to become more sustainable is our strongest lever as a technology company.

2.5 Circular economy

Defossilization as part of our sustainability strategy also includes the conceptualization of strategic fields of action for aspects of the circular economy. To gradually become less dependent on fossil raw materials, FUCHS will increasingly switch to raw materials from circular sources and will likewise contribute to ensuring that the waste streams generated by FUCHS lead downstream to material recycling.

Far-reaching steps towards a circular economy are absolutely necessary, as the current shortage of raw materials makes clear, and are also being promoted by legislators (including the European Commission's Circular Economy Action Plan of March 2020).

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

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



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

1. Prioritise renewable feed
2. Maximise product utilization
3. Recover by-products and waste

We are already active in all three areas, as the following examples show:

1. Prioritise renewable feed

- Redesigning product formulations that contain renewable raw materials. Particular focus here: increased use of circular base oils (recycled or from biomass)

- Recycling of the flushing oil generated during production and efforts to minimize waste during the production process

- Further increase in the proportion of recycled materials in packaging

- ACT program

2. Maximise product utilization

- Extending product run times through improved product properties

- Condition monitoring of process fluids to extend change intervals

- Expanding our catalog of smart services to offer customers targeted services with sustainable benefits

3. Recover by-products and waste

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

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

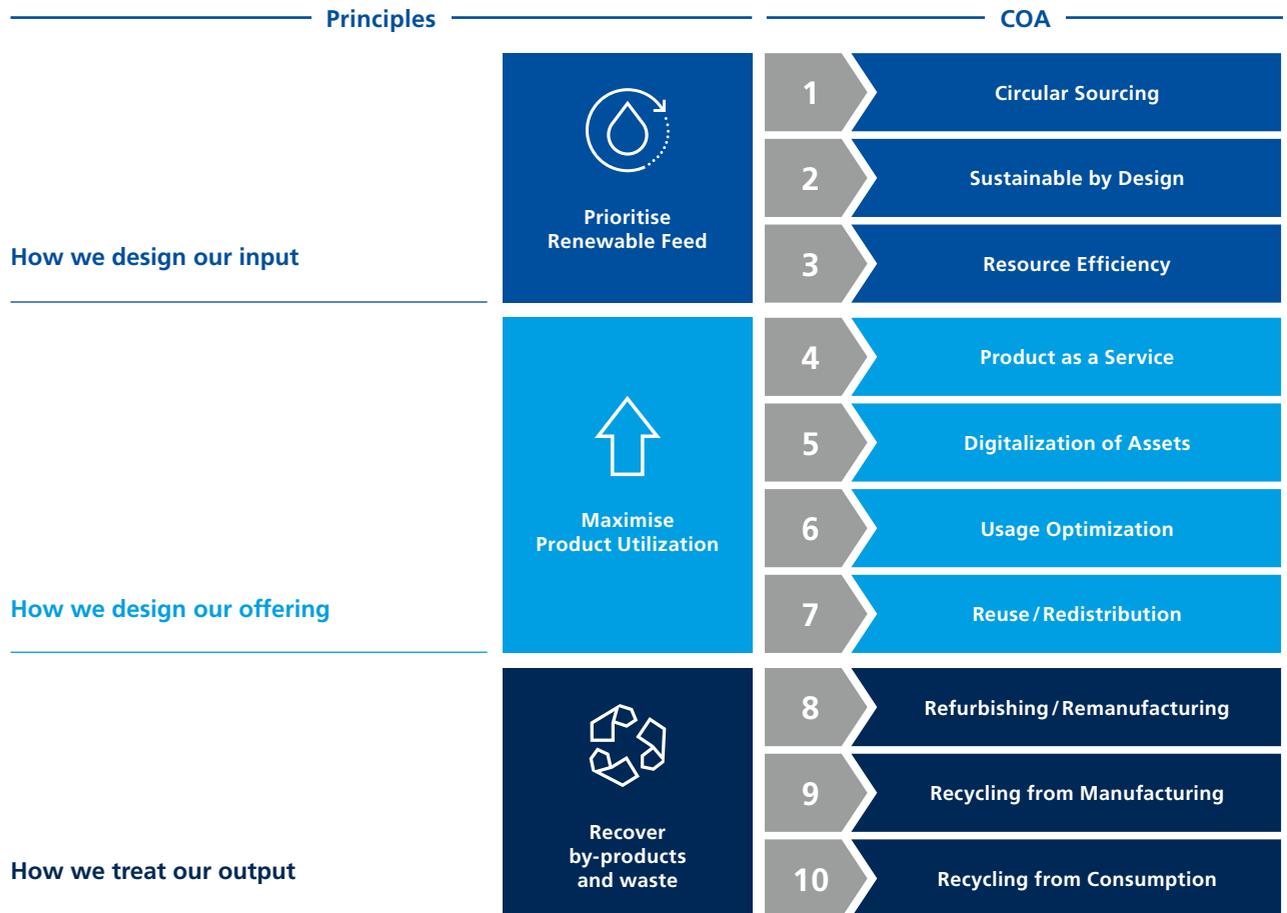
To these principles can be assigned 10 specific strategies (Circular Opportunity Areas – COA), which we formulated when developing the sustainability strategy:

Not all of these 10 strategies can be implemented directly by FUCHS. Some of them require collaboration with partners along the value chain.

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

A global survey in 2022 in all management regions showed that FUCHS was already able to assign specific local or global activities to 7 of the 10 strategies. FUCHS built on this in 2023 and further developed its activities.

Circular economy principles and strategies at FUCHS





ACT in Motion

An update on Advanced Circular Technologies

Last year, we introduced ACT or Advanced Circular Technologies. ACT sums up everything we do to **transform towards a circular value chain – without compromising on performance**. Starting with raw materials all the way to the end of the product life cycle.

ACT is our **most important instrument to cut down emissions** that occur both inside and outside our factory gates (Scope 3). As such, it is central to reaching net zero.

Since introducing the program, we have been **making progress worldwide**, picking up pace as local material availabilities allow.

In Europe, for example, we **redesigned a family of products from our premium performance TITAN line**, which are now built on renewable base oils. Same quality, same performance, smaller PCF. In addition, we completed transitioning our **automotive small packs to 100% recycled material**.

But these are just some short examples – check our socials and website for more details and further updates on ACT.

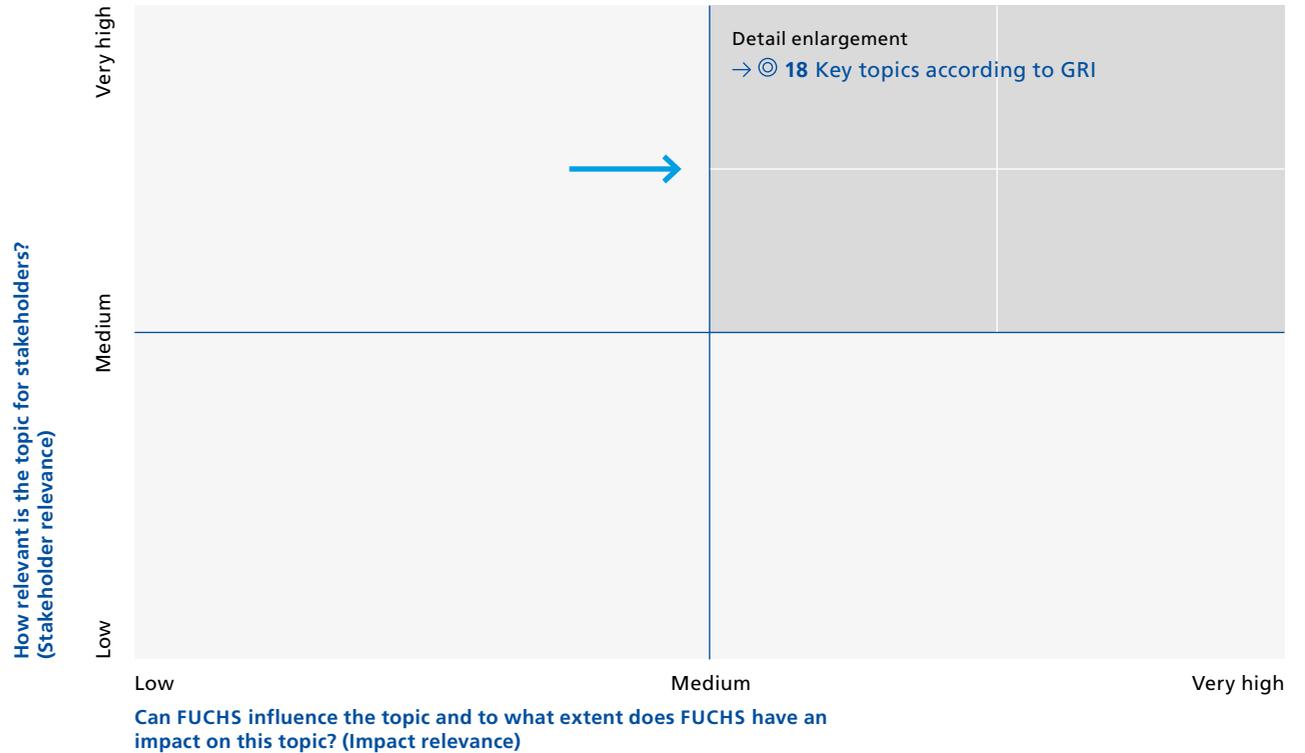
2.6 Materiality analysis

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

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

The result of the materiality analysis also serves as the basis for this Sustainability Report. Unlike the 2023 Annual Report, the Global Reporting Initiative (GRI) framework is authoritative for this Sustainability Report, which is why this graphic shows the material topics according to business/impact relevance and stakeholder relevance:

Materiality analysis – principle of dual materiality



2.6 Materiality analysis

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

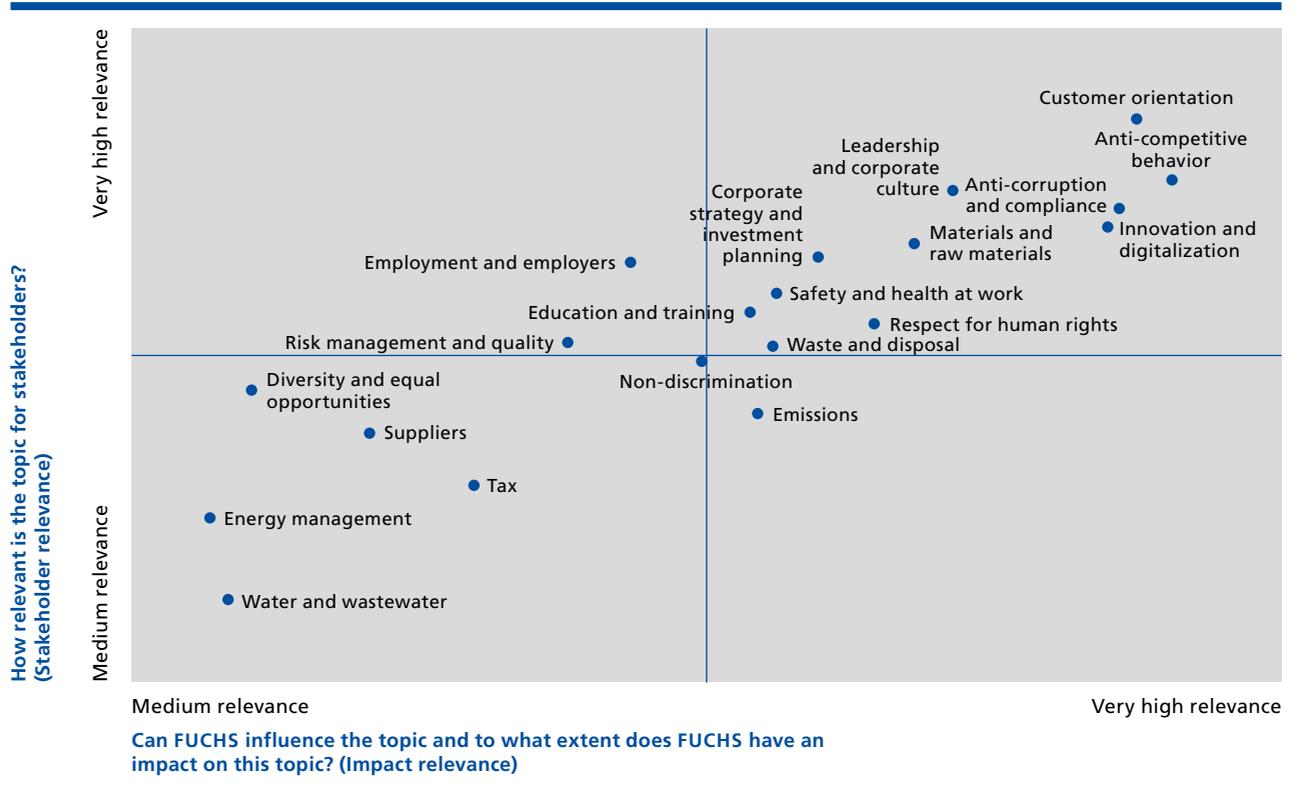
This extract from the materiality matrix is shown in the following graphic.

The result of the materiality analysis from 2021 was reviewed for relevance in preparation for sustainability reporting.

FUCHS is preparing for future requirements at European level (Corporate Sustainability Reporting Directive – CSRD) and will prepare a combined Annual and Sustainability Report in accordance with CSRD from the 2024 reporting year. For this purpose, FUCHS carried out a new materiality analysis in 2023 with IRO (Impacts, Risks and Opportunities) workshops based on it. However, the results of the 2023 materiality analysis will only be used for the combined CSRD Report, not for this Sustainability Report.

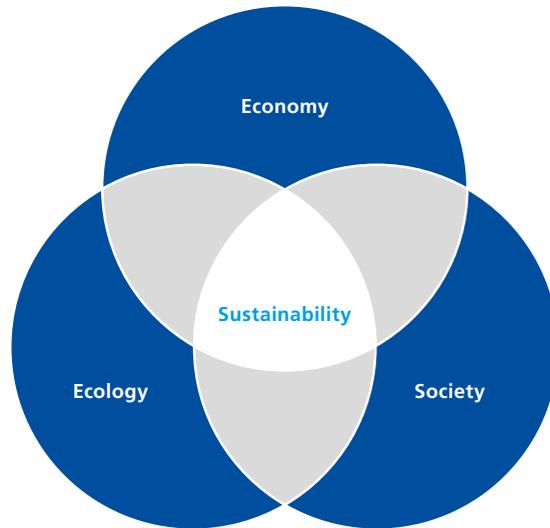
The combined Annual and Sustainability Report according to CSRD will replace the separate Sustainability Report from the 2024 reporting year.

Key topics according to GRI



3.1 Economic, ecological and social sustainability at FUCHS

Three pillars of sustainability at FUCHS



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

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

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

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

3.1.1 Economic sustainability

The FUCHS Value Added (FVA), which takes into account both EBIT and capital employed, is the key performance indicator for the Group as a whole. EBIT is the relevant profit indicator. Capital employed is reflected in the net assets and financial position. Value is only added when the recorded earnings are higher than the costs of the capital employed.

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

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

3.1 Economic, ecological and social sustainability at FUCHS

before acquisitions and the cash conversion rate, defined as the ratio of free cash flow before acquisitions to earnings after tax, as liquidity indicators. The goal is to achieve an average cash conversion rate of 0.8.

→ [Annual Report 2023 p. 30 et seq. Management Report](#)

Economic key figures

in € million	2023	2022	2021
FUCHS Value Added (FVA)	212	172	205
Earnings before interest and tax (EBIT)	413	365	363
Free cash flow before acquisitions	465	61	90
Cash conversion rate	1.6	0.2	0.4
Dividend distribution (for the previous year)	145	143	137

Corporate strategy and investment planning

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

The strategy is based on six strategic pillars. These serve as guidance for strategic action with the aim of fulfilling the “Being First Choice” vision for 2025. Specific strategic

goals have been defined within each pillar. Even at the top strategic target level, the themes of sustainability as well as employees and organization are firmly anchored. This underlines the importance of environmental and social sustainability to the Group, but also the responsibility as a company towards employees and society. → [Annual Report 2023 p. 32 et seq. Group Strategy](#)

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

In 2023, FUCHS expanded its corporate strategy to include a sustainability strategy, the core element of which is a science-based target formulation to reduce emissions along the value chain (“cradle-to-grave”) down to “net zero” emissions by 2040. FUCHS was guided in this measure by the rules of the Science Based Targets Initiative (SBTi). 2021 has been used as the base year for determining the target path.

In 2021, FUCHS strategically chose to have the company’s sustainability development progress reflected upon and

externally evaluated using the Carbon Disclosure Project (CDP) rating system. For this reason, FUCHS continued to respond to the Group’s “Climate Change” and “Water Security” questionnaires in 2023 (“Forest” is not relevant to FUCHS’ activities) and achieved a rating of B- for both categories again in 2023 against a backdrop of increased demands from CDP. This corresponds to the “management level” in CDP’s classification and represents the second-highest rating class.

In the resulting Supplier Engagement Rating (SER), FUCHS scores B-, better than the global average given by CDP and is on par with the average results of European companies and the chemical industry. In the “Supplier Engagement” category, FUCHS achieved the very good rating A-.

A multi-stage collaborative planning process is being implemented with regard to specific capital asset planning (construction of new plants and other major areas of investment). This will ensure that the broad experience available in the area of operations/supply chain is exploited in the planning of new projects. As part of the regional investment planning workshops, all major supply chain investment projects were clustered to determine whether they contribute to our sustainability goals. The aim is to further develop and formalize this approach in the future. Since 2023, sustainability has been a fixed point of assessment in the investment approval process.

3.1 Economic, ecological and social sustainability at FUCHS

FUCHS' production sites are mostly based in purely industrial zones or business districts. In planning and operations, FUCHS is guided by internal and external environmental and safety regulations. Residents or neighbouring communities will be involved in removal/remodelling projects pursuant to local regulations.

Innovation and digitalization

Innovation and digitalization are seen as a great opportunity for the sustainable and positive development of the FUCHS Group. Drivers and priorities differ from region to region. To make the most of the existing opportunities, FUCHS is using its global presence and strengthening the centers of Mannheim (Germany), Chicago (USA) and Shanghai (China) in the areas of research and development and digitalization – two key components for innovation.

In research and development, centrally managed by the Chief Technology Officer, FUCHS continues to strive to build and expand its technological lead in strategically important areas and to drive innovation. → [Annual Report 2023 p. 36 Research and development](#)

In 2022, regional Chief Digital Officers (CDOs) and Digital Transformation Managers who work closely with the Group's CDO were given an introduction to the area of digitalization. In 2024, the network will continue to expand and the digital strategy will continue to be implemented. Regular reporting to the Executive Board or the Group

Management Committee (GMC) ensures the involvement of the Group's management. Competencies in the processing of large amounts of data and artificial intelligence have been built up. Implementation of the digital strategy "FUCHS goes Digital", developed in 2022 as part of FUCHS2025, has begun and will guide the Group through the years of its digital transformation. The focus here is on a broad setup in the customer channels with an appropriate customer experience. Focusing inwards, "FUCHS goes Digital" aims to improve efficiency and the necessary skills of employees. The existing digital solutions will be continuously expanded functionally from 2024 onwards and rolled out into further application areas.

From the digitalization strategy, FUCHS derived its SAP strategy and decided to carry out a transformation project to modernize/standardize processes and ERP for the years to come. In 2023, FUCHS successfully completed its S/4 HANA pre-project. In 2024, the implementation partner will be selected and construction of the S/4 HANA template will begin.

In order to support the strategies of R&D and digitalization, a strong culture of innovation is required that simultaneously promotes an innovation-oriented mindset and general innovative strength. Innovation programs have been implemented at local and global levels to promote the culture of innovation, with digitalization an important component of this.

For research and development, this means, among other things: using chemical and mechanical simulation models to increase understanding of the lubricant's interactions with its environment; designing experiments to develop the optimal product through statistical evaluations with as few trials as possible; and smart technologies that will enable new service concepts to help customers maintain lubricant performance at its original level for an extended period of time. In addition, the evaluated data can lead to improvements in lubricants and production processes at the customer. In addition, the laboratories are being progressively automated to reduce input errors and speed up routine activities. Both chemical and mechanical simulation models aim to increase efficiency and achieve predictability in the performance of new formulations. More targeted formulations are intended to reduce development times.

Customer orientation

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

3.1 Economic, ecological and social sustainability at FUCHS

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

Despite challenging market conditions, raw material shortages and logistical constraints, we were able to ensure supply to our customers at all times. In 2023, the FUCHS Group again conducted a customer satisfaction analysis. Fourteen national companies, which account for 85% of the Group's direct sales revenues, sent out a questionnaire to their customers. As in the last survey in 2021, the overall result was at a good level with 5.2 out of a possible 6.0 points. In particular, the quality of FUCHS products was rated positively with 5.4 points.

In 2023, we once again achieved our goal of mapping over 50% of our global business in managed business segments. We aim to continue to increase the share of sales revenues generated by globally managed business segments in the future (2021: 50.9%, 2022: 51.1%, 2023: 54.4%). Growth in 2023 was driven by an increase in existing focus segments and the selection of additional focus segments. In these business segments, cross-functional teams work closely with their respective customers to identify sustainable lubricant solutions.

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

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

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

Risk management

As part of the existing risk management system, FUCHS considers and assesses the potential material risks associated with its business activities, its business relationships and its products and services that are very likely having or will have severely negative repercussions on the non-financial aspects. No reportable net residual risks within the meaning of Section 289c (3) 3 and 4 of the German Commercial Code (HGB) were identified for 2023. → [Annual Report 2023 p. 60 Opportunity and risk report](#)

Tax

FUCHS SE's corporate tax department advises the Group management and local management on tax matters and reports directly to FUCHS' Chief Financial Officer. Tax department staff have the necessary professional qualifications, and these are regularly updated through external training. FUCHS is assisted by external tax advisors in the assessment of tax matters and in the determination of tax positions as well as its tax return. FUCHS pays taxes in the countries where it operates. It is the responsibility of local management to submit tax returns correctly and on time, as well as to pay taxes in full and on time, and is an expression of responsibility to stakeholders in the respective countries. In this context, national legal provisions and relevant case-law each form the legal framework. Some tax regulations leave room for different interpretations. If FUCHS represents a tax position that differs from the interpretation of the tax authorities, FUCHS shall disclose this to the tax authorities in a transparent manner. Tax strategies aimed at tax avoidance are strictly rejected. Business decisions and operational structures are based on economic considerations rather than the objective of generating any tax benefits. To illustrate this, the tax rate can be used as a ratio of income taxes to the FUCHS Group's 2023 earnings before tax, adjusted by at equity income, of 30.3% (27.9%). FUCHS aims to achieve a high level of transparency and legal certainty in tax matters. Respectful and open communication with the relevant authorities is maintained worldwide.

3.1.2 Ecological sustainability

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

Lower friction, in turn, means less energy is required to operate all types of machines. Our products therefore actively contribute to the conservation of natural resources during the usage phase for our customers. This resource conservation is already a top priority in the production process at FUCHS. In an age when natural resources are becoming ever scarcer, the primary objective must be to use energy, water and raw materials responsibly so that future generations will also be able to live a life worth living. This applies to production at FUCHS and also to use by our customers.

Material topics

Emissions

Emissions are a key issue for FUCHS as a production company. As part of the annual corporate carbon footprint (CCF) recording and accounting, direct and indirect emissions are recorded and converted to CO₂equivalents (CO₂e) based on the Greenhouse Gas (GHG) Protocol requirements.

Currently, the detailed survey of CO₂e-emissions for the reporting year 2023, based on primary data, relates exclusively to the production and operational processes within the plant gates, also known as the “gate-to-gate” scope. As with the GHG Protocol Corporate Accounting and Reporting Standard, included in the calculation are, firstly, Scope 1 emissions that originate directly at FUCHS. These include, for example, own heat generation, leaks in refrigeration systems, and the vehicle fleet. Secondly, (indirect) emissions generated in the production of purchased energy, such as electricity, steam and district heating, are covered by Scope 2. Other selected categories from Scope 3 are also part of the data collection and the emissions calculation of the CCF, insofar as FUCHS can directly allocate them to the business activity within the “gate-to-gate” scope:

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

For some rented distribution sites, consumption-related emissions were partly calculated on the basis of the space rented.

Scope 3 categories beyond this such as emissions stemming from purchased raw materials (upstream) (3.1) or generated in the use phase (downstream), or avoided emissions from customers are not included in the calculations, as they are outside the chosen “gate-to-gate” scope. These are nonetheless partially identified, albeit with a time delay, as the identification of the baseline data and the calculation are significantly more complex and cannot be completed within the time frame of producing the non-financial declaration (nfd). Therefore, information on the “cradle-to-grave” CCF is not part of the nfd for the reporting year 2023. Further information on the previous year’s “cradle-to-grave” CCF can be found at the end of this section.

3.1 Economic, ecological and social sustainability at FUCHS

The reported “gate-to-gate” CCF includes both location-based (in accordance with GHG Protocol) and market-based (in accordance with GHG Protocol) emissions.

The absolute “gate-to-gate”-CCF¹ of the FUCHS companies² was reduced by an above-average 7% in 2023, despite a 2% decrease in production volume compared to the previous year. This resulted in a 5% reduction in specific emissions (emissions per ton produced).

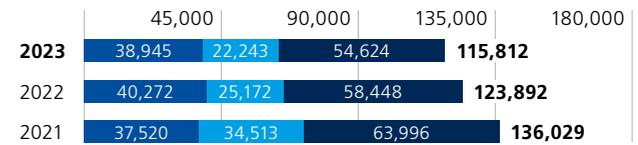
In the joint ventures, absolute emissions were reduced by 3% while production volume fell by 1%. Specific emissions (emissions per ton produced) were reduced by 2%.

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

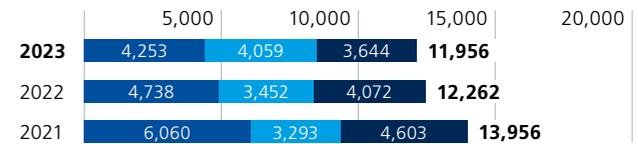
To reduce its “cradle-to-grave” (Net Zero) emissions to zero by 2040, FUCHS has the following plan: Based on a science-based targeting methodology (taken from the Science Based Target initiative, SBTi), FUCHS is committed to reducing by the 2030 medium-term target its Scope 1 and 2 emissions by at least 42%, and its Scope 3 emissions by at least 25% compared to the 2021 base year. By 2040, FUCHS plans to reduce total “cradle-to-grave” emissions by at least 90%. An action plan has been established and is being validated and further completed. FUCHS is following the development of a sectoral SBTi standard for the chemical industry with much interest.

Development of absolute CO₂ emissions

FUCHS production, sales and holding companies
(in tonnes of CO₂)



Joint ventures
(in tonnes of CO₂)



- Scope 1: Direct emissions, including own energy production.
 - Scope 2: Indirect emissions through purchased energy.
 - Scope 3: Other indirect emissions along the value chain.
- Basis: CO₂ emissions of the FUCHS production, sales and holding companies or joint ventures (without taking into account guarantees of origin for “green electricity”).

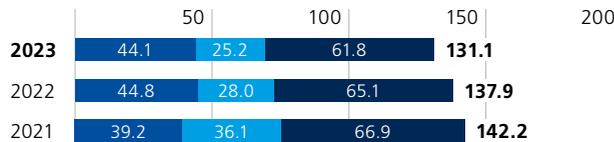
¹ Estimates were made for average distances for business trips and employee commuting, as well as for the number of actual working days on site.

² Fully consolidated companies in accordance with the control approach under the GHG Protocol.

3.1 Economic, ecological and social sustainability at FUCHS

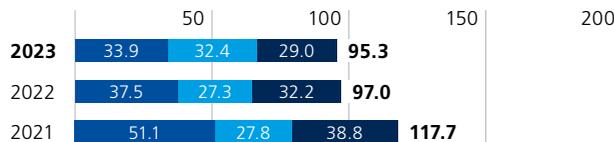
Development of specific CO₂ emissions

FUCHS production, sales and holding companies
(in kilograms of CO₂/ton produced)



Joint ventures

(in kilograms of CO₂/ton produced)



- Scope 1: Direct emissions, including own energy production.
 - Scope 2: Indirect emissions through purchased energy.
 - Scope 3: Other indirect emissions along the value chain.
- Basis: CO₂ emissions of the FUCHS production, sales and holding companies or joint ventures (without taking into account guarantees of origin for "green electricity").

The following emission categories are considered to determine the 2021 "cradle-to-grave" emission base:

- Scope 1: Direct emissions³
- Scope 2: Indirect emissions from purchased energy³
- Scope 3
 - 3.1 Purchased goods and services
 - 3.2 Capital goods
 - 3.3 Fuel- and energy-related emissions (not in Scope 1 and 2)³
 - 3.4 (Upstream) transport and distribution
 - 3.5 Waste³
 - 3.6 Business travel³
 - 3.7 Employee commuting³
 - 3.12 Handling of products sold at the end of their life cycle

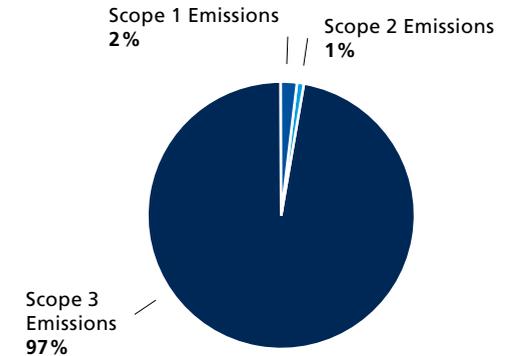
The emission fields not mentioned in the above listing of Scope 3 categories were analyzed and found to be either non-material or irrelevant.

The assessment of packaging and raw material emissions is subject to inaccuracies, as FUCHS does not receive accurate data from most suppliers on the PCFs of materials purchased. In the absence of such data, generally available secondary data from public databases and sources were used. FUCHS works with external service providers to

expand and improve specific secondary data for purchased raw materials.

Taking these uncertainties into account, FUCHS' emissions along the value chain for 2023 ("cradle-to-grave" CCF) were determined to be 2,112,306 tons of CO₂ equivalents⁴ (2022: 2,043,968 t CO₂; 2021: 2,101,870 t CO₂e)⁴. At 3%, Scope 1 and 2 emissions only account for a small proportion of this; the majority of emissions are found in the Scope 3 categories, which make up 97% of the total "cradle-to-grave" CCF:

Corporate carbon footprint (CCF) "cradle-to-grave" according to GHG Protocol Scopes 2023



³ Taken from the calculation of the "gate-to-gate" CCF (also applies to category 3.1 water).

⁴ The calculation of the upstream supply chain's Scope 3 emissions and hence the level of CO₂ equivalents was not part of PwC's audit of the Annual Report 2023.

3.1 Economic, ecological and social sustainability at FUCHS

Within GHG Scope 3, category 3.1 “Purchased goods and services” has the highest share at 85%. Any emissions beyond the “gate-to-gate” scope are not part of FUCHS’ voluntary compensation.

The “cradle-to-grave” CCF has thus increased slightly by around 3% compared to the previous year. Scope 1 and 2 emissions, i.e. the emissions that FUCHS can influence directly by saving energy, switching energy sources and other measures, have fallen by around 5% compared to 2022. The increase in the overall CCF results from more precise assessments of raw materials in Scope 3.1 (due to PCF activities, FUCHS receives more and more primary data from suppliers) and a changed database for assessing emissions from capital goods and logistics in the upstream value chain. This increases total Scope 3 “cradle-to-grave” emissions by 3%.

Looking ahead to emissions in 2024, it should be noted that many raw material-related emission values (Scope 3.1) are currently being reassessed. This means that in the database for calculating the PCF of fossil raw materials, the methane leakages that have to be taken into account during the extraction of fossil base materials (crude oil, natural gas) are now given a significantly higher rating. FUCHS expects that these changes will lead to some significant increases in the PCFs reported by suppliers by 2024 and 2025 at the latest. A forecast is subject to many uncertainties, but FUCHS expects average increases in raw

material-related emissions of 10 to 15% for 2024. It should be emphasized that this is a reassessment. Neither the properties of the raw materials nor the mix at FUCHS have changed.

FUCHS wants as a matter of principle to further increase transparency in the recording and calculation of emissions. Upstream Scope 3 emissions have a special weight in this regard, and particularly those in category 3.1 including “purchased raw materials”. In order to build the (primary) database needed to do so, we have been requiring our raw material suppliers to provide Product Carbon Footprint (PCF) data on sourced raw materials since 2022. In order to achieve comparability of the raw material data, FUCHS uses a method document for PCF calculation published in 2022. All suppliers are required to provide PCF data according to this methodology. As in the previous year, in 2023 FUCHS worked intensively with the Union of the European Lubricants Industry (UEIL) and the Association Technique de l’Industrie Européenne des Lubrifiants (ATIEL) to harmonize PCF calculation in the lubricants sector. Under the chairmanship of FUCHS, the UEIL Sustainability Committee, in a joint working group with ATIEL and other stakeholders, has developed and published a harmonized methodology document for calculating PCF for lubricants. This methodology was subjected to an external audit by TÜV Rheinland towards the end of 2023.

→ <https://www.fuchs.com/group/technology-sustainability/sustainability/product-carbon-footprint/>

Energy management

Responsibility for energy management and consumption lies with the FUCHS companies. This requires setting and pursuing individual objectives based on local circumstances. FUCHS has decided to use the ISO 50001 energy management standard as a tool to record, monitor, and reduce its energy consumption. To do this, FUCHS is working on a plan to have its main plants certified in line with ISO 50001 by 2027. Currently, six production sites in the EMEA region are ISO 50001-certified. These companies cover 28% of the energy used in the FUCHS Group.

In addition to saving energy through consistent energy management, the switch to electricity from renewable sources (“green electricity”), self-generation using renewable energies, and the use of residual heat from production are elements of this management approach.

As a manufacturing company, FUCHS will always have an external energy requirement. In order to reduce energy-related emissions, FUCHS is working on a gradual global switch to “green electricity” by 2025, provided these instruments are available in the respective countries.

A Big Step

FUCHS to transition to 100% green electricity by 2025

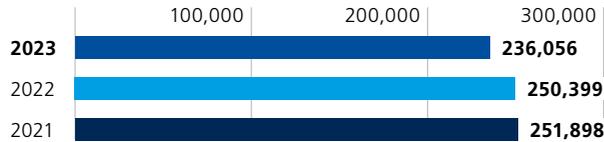
It is official: Wherever available, we will transition FUCHS sites around the world to 100% green electricity by 2025. A **massive cut to our energy-related emissions (Scope 2)** and a **big first step on our road to net zero by 2040** in this category. Why is it the first? Many of the activities we pursue to reach net zero are incredibly long term, involving cooperation with partners and suppliers. However, how we source our energy is entirely up to us – and the pace we set.

And that pace is fast: More than 50% of our worldwide electricity consumption is already green. We are going to achieve the other half by two means: The first is exclusively **purchasing electricity from renewable sources**. The second is **expanding our own solar capacities** even further. Again, we press ahead and take action our-selves: Only last year, the biggest FUCHS solar array yet went on grid in China. As a result, our **global peak power generation soared up to 3.8 MWp** – an increase by 46%.

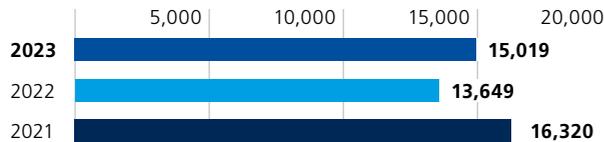
3.1 Economic, ecological and social sustainability at FUCHS

Development of absolute energy consumption

FUCHS production, sales and holding companies (in MWh)



Joint ventures (in MWh)



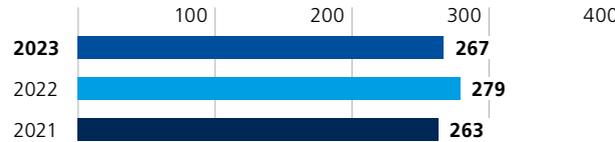
Basis: Energy consumption of FUCHS production, sales and holding companies or joint ventures.

The absolute energy consumption of FUCHS companies was reduced disproportionately by 6% in 2023 compared to the previous year, with a 2% decrease in production volume. In the joint ventures, absolute energy consumption increased by 16% while production volumes fell by 1%.

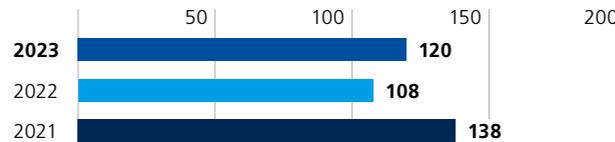
This reduced the energy intensity (energy consumption per ton produced) by almost 4%. The decreased energy intensity can be explained by lower heating requirements at the

Development of specific energy consumption

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



Joint ventures (in kWh/ton produced)



Basis: Energy consumption of FUCHS production, sales and holding companies or joint ventures.

sites in Kansas City (USA), Mannheim (Germany) and Isando (South Africa), among others, as well as lower electricity consumption at the Harvey (USA) and Suzhou (China) sites, for example. Specific energy consumption at the joint ventures increased by 11%.

In 2023, European sites were supplied with energy from green electricity on the basis of supply contracts with energy suppliers or, as in the previous year, through the

purchase of certificates of origin for renewable energy from geothermal block heating plants ("green electricity") at sites whose supply contracts could not yet be switched to green electricity.

To reduce its external energy requirement, FUCHS is also focusing on expanding its in-house energy generation capacity, for example through solar power installations. For example, 13 FUCHS sites already have such installations in their buildings, generating 2,082,666 kWh of power in 2023. New solar installations with a total output of 2,197 kWp were added in 2023 at sites such as Melbourne (Australia), Yingkou (China), Västerhaninge (Sweden) and New Castle (USA). This brings the theoretical peak photovoltaic power installed at FUCHS sites worldwide in 2023 to 3,763 kWp.

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

3.1 Economic, ecological and social sustainability at FUCHS

Water and wastewater

Each of the FUCHS companies is responsible for its water management. Water and wastewater account for only a small share of FUCHS' "gate-to-gate" emissions, at 0.2%. Only a small proportion of the product range uses water as a raw material.

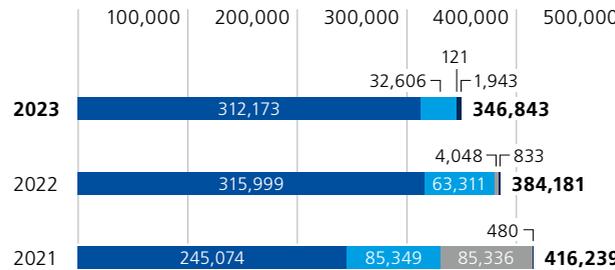
There is therefore no global target for water consumption. Nevertheless, attention is paid to keeping drinking or groundwater consumption as low as possible in factories' new buildings and maintenance. Depending on local conditions, efforts are made to use rainwater and reduce wastewater. For example, FUCHS operates a sewage evaporation plant at its site in Suzhou to reduce the amount of sewage discharged and to relieve the burden on the sewage networks.

The reported absolute water consumption of the FUCHS companies fell by 11% in 2023, a year where production volume decreased by 2% compared with the previous year. The main drivers of this drop were reduced water usage, especially at the plants in Kaiserslautern (Germany), Kansas City and Harvey (both United States).

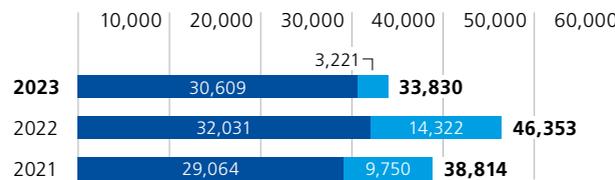
As a result, water intensity (water consumption per ton produced) was reduced by 10% at the FUCHS companies and by 27% at the joint ventures.

Development of absolute water consumption

FUCHS production, sales and holding companies
(in cubic meters)



Joint ventures
(in cubic meters)

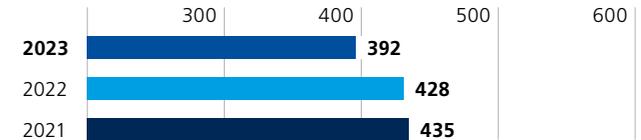


■ Mains water (cf CSR22) ■ Groundwater
■ Surface water ■ Rainwater

FUCHS was able to cover 9% of Group-wide water consumption with collected rainwater or surface water.

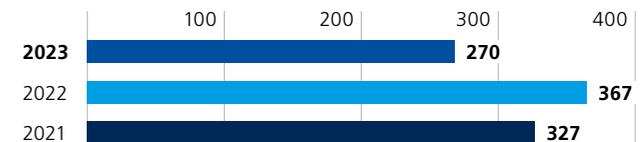
Development of specific water consumption

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



Joint ventures

(in liters/ton produced)



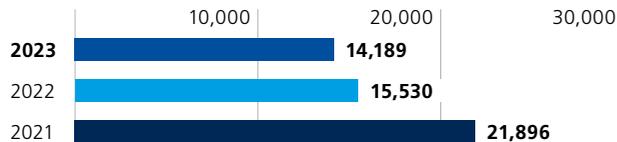
Waste and disposal

Waste management is the responsibility of the individual FUCHS companies. This requires setting and pursuing individual objectives based on local circumstances. In 2023, the CO₂ equivalents generated by the disposal of waste during the production of the lubricants accounted for a large share, 20%, of the chosen "gate-to-gate" Scope 3

3.1 Economic, ecological and social sustainability at FUCHS

Development of absolute waste generation*

FUCHS production, sales and holding companies
(in tons)



Joint ventures
(in tons)



*Without proven recycled quantities of rinsing oils and finished products.
Basis: Waste generation from FUCHS production, sales and holding companies or joint ventures.

emissions. Hence, to achieve the overall goal of continuously reducing "gate-to-gate" emissions, a focus on effective waste management is essential.

Investment in modernizing plants is also made with the aim of reducing flushing oil used in plants, thus making them more resource-efficient. For example, in the new polyurea grease production plant in Kaiserslautern, an

Development of specific waste generation*

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



Joint ventures
(in kilograms/ton produced)



*Without proven recycled quantities of rinsing oils and finished products.
Basis: Waste generation from FUCHS production, sales and holding companies or joint ventures.

innovative flushing concept was implemented in 2022 that completely prevents the occurrence of flushing oil waste during continuous production of the same product and reduces the occurrence of flushing oil by at least 60% during product changes. This concept has been applied since then and will consequently also reduce the amount of waste produced in subsequent years.

Absolute waste generation of FUCHS companies decreased disproportionately by 9% year-on-year in 2023, with a 2% decrease in production volume. This effect was mainly achieved by reducing flushing oil quantities at the Harvey (USA) and Melbourne (Australia) plants and by reducing waste from finished products, mainly in Kaiserslautern (Germany) and Suzhou (China).

The absolute volume of waste generated by the joint ventures was reduced by 14% compared to the previous year.

As a result of this reduction, the waste intensity (amount of waste per ton produced) at the FUCHS companies also decreased by 7% compared to the previous year, while at the joint ventures the value decreased by 14%.

Materials and raw materials

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

FUCHS produces almost none of its own raw materials. As a result, most greenhouse gas emissions associated with the products are not produced on the company's directly controllable premises ("gate-to-gate"), but instead further upstream in the supply chain at the raw material suppliers. Accordingly, FUCHS has been working in partnership with its strategic suppliers for several years, for example, to meet expectations of a stage-by-stage recording and communication of greenhouse gas emissions caused by suppliers. In 2023, FUCHS therefore once again

3.1 Economic, ecological and social sustainability at FUCHS



“FUCHS cannot currently do without plastics in packaging, but we are working to reduce the amount of plastic and switch our plastic packaging to recycled material as part of our ACT program.”

Jörg Wehrle, VP Global Product & Masterdata Management

requested the PCF figures for the raw materials it procures from its top 40 European key suppliers. This monitoring query will be repeated regularly in the future and, as the PCF calculation methodology is rolled out, similar data collections will be carried out by suppliers in the other FUCHS regions. As a result, the importance and requirements in the strategic supplier assessment are also gradually increasing in terms of sustainability considerations.

As part of its packaging strategy, FUCHS, together with certain partners, selected packaging in further pilot projects in the 2023 financial year, which were jointly quantitatively analyzed with regard to their ecological sustain-

ability compared to standard offerings over the entire life cycle. The aim remains to be able to carry out such quantitative analyses instead of qualitative considerations for the entire portfolio. In 2023, FUCHS succeeded in supporting the goal of sustainability in individual regions by converting different packaging to more sustainable alternatives. In cooperation with suppliers, the proportion of recycled material in FUCHS's own HDPE containers has already been significantly increased to 30%, and further increases are planned for 2024. In Europe, the barrel structure of FUCHS steel barrels has also been optimized by reducing the wall thickness, thus saving material and CO₂ in the long term.

Offsetting emissions

For 2024, in addition to the emissions savings achieved FUCHS has also chosen to voluntarily offset the remaining emissions by purchasing climate protection certificates that meet certification standards such as the GOLD standard or one of the VERRA standards. In line with the triple-element “Avoid – Reduce – Offset” approach, the aim is to further cut down on generated emissions in order to gradually reduce future investment in climate mitigation projects that serve as offsetting measures.

The compensation of emissions for the 2024 financial year is based on the “gate-to-gate” emissions of the FUCHS companies and joint ventures in 2023, less the credit for proofs of origin for “green electricity” in Europe and offsets for green gas already made by suppliers. Thus, the amount of emissions to be offset was 121,285 tons, a fall of 6% compared to the previous year. In 2024, FUCHS will cancel climate protection certificates to compensate for this amount. As a result, for the fourth consecutive time, FUCHS has achieved its goal of continuously reducing voluntary offsetting benefits, managing a drop of 20% since 2019.

→ <https://www.fuchs.com/group/technology-sustainability/sustainability/our-path-towards-climate-compensation/>

3.1 Economic, ecological and social sustainability at FUCHS

To offset, FUCHS has acquired certificates from the following projects, which are being mothballed for the following year on a pro rata basis according to the amount of emissions to be offset:

Climate protection projects for compensation for 2023

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

3.1.3 Social sustainability

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

Material topics

Leadership and corporate culture

An essential element of FUCHS2025 is the development of the culture within the company. This involves the further development of a culture encompassing the increasingly agile market environments and requirements for future business success. The two key elements here are an actively practised open feedback culture and hierarchy-free communication. Employees are called upon to see themselves as a self-responsible element that is part of one "great whole" and to actively engage in line with the globally defined competencies. These include creative drive and initiative, an agile mindset, application of critical thinking in all activities, the development of communication skills, and collaboration and teamwork. The Cultural Scouts publicized the "Growth Mindset" concept as part of the annual FUCHS2025 roadshow and through an e-learning offer as a training concept this year. One of the aims of this cultural work is to sharpen our customer focus, so that both internal and external customers receive targeted services and products. To develop the culture, it takes managers who are aware of their role model function and therefore lead by example. In order to provide clarity about the requirements for managers as part of the transformation process, they received management training on their role in the leadership behaviours. Managers encourage and promote change, are role models and make the essential decisions to drive change processes and cultural development forward. Clear communication and identifying with change are just as much a part of their tasks as actively keeping up with change by maintaining the necessary activities within the organization.

Employment and employers

FUCHS is systematically pursuing the goal of striking a balance between the Group's business interests and the private and family needs of employees. Employee flexibility is gaining importance as a means of recruiting talented and motivated specialists and becoming an attractive employer. Flexible working time models are an important part of this. In addition to traditional flextime models, flexible part-time options are also available in Germany, ranging from 15 to 32 hours per week, which can also involve job-sharing or shift work. Flexible work-from-home arrangements allow office staff additional opportunities in terms of self-determined work and personal flexibility as part of the long-established trust-based working schedule arrangement for management, or flexible working time arrangements. The increasing shortage of specialists means that it is vital for FUCHS to get young parents in particular back to work quickly. More and more fathers also wish to spend precious time with their children and therefore take parental leave. FUCHS facilitates this by offering part-time working hours during parental leave, for instance. Also, individual part-time programs have increasingly been flexibly adapted to changing individual needs and working hours have been modified. Moreover, the promotion of daycare and covering of holiday periods, for example through subsidized holiday programs, is increasingly being sought by applicants and will therefore continue to gain importance in the future.

3.1 Economic, ecological and social sustainability at FUCHS

Social indicators

	2023	2022	2021
Average age of employees in years	43	43	43
Age structure of employees in %			
< 30 years	13	14	15
31–40 years	28	28	28
41–50 years	28	27	27
> 50 years	31	30	30
Average length of service of employees in years	10	10	10
Employee fluctuation in %	5.6	6.6	4.7
Work-related accidents per 1,000 employees	9	12	10
Days absent from work due to sickness per employee	10	10	9
Number of fatal accidents	0	0	0
Proportion of women in management positions in %	25	24	24
Average further training and education per employee in hours	15	13	12

Safety and health at work

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

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

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

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

Suggestions for improvements to safety and health based on personal initiative are encouraged.

In 2023, there were a total of 9 notifiable occupational accidents in the FUCHS Group with more than 3 absence days per 1,000 full-time employees, 3 of which were accidents on the way to or from work. As in the previous year,

there were no fatal accidents at work. FUCHS is aiming to reduce the number of notifiable occupational accidents by 5% every year on a continuous basis. This target was not just achieved in 2023, but was exceeded by a significant margin. This shows that the measures in the field of occupational safety have been successful. Nevertheless, we will continue in 2024 with additional safety training and regular safety inspections. These measures are intended to help achieve the target set in 2024.

At the end of 2023, 17 of a total of 32 manufacturing companies worldwide were certified in accordance with the occupational health and safety management standard ISO 45001. This represents 53% of all manufacturing companies and represents an increase of 1% compared to the previous year. Although the target of a two-percent increase was narrowly missed, FUCHS plans to continue to increase the number of certified manufacturing companies by 2% annually.

Occupational health management now includes training in areas such as load handling, skin protection, and ergonomics at computer workstations. The Mannheim site provided new offerings in the areas of skin screening, bowel cancer prevention, and stroke prophylaxis. Influenza vaccinations, which have been offered for many years, were also increasingly taken up by employees in 2023. In addition, FUCHS encourages initiatives from employees to play a variety of sports together and also set up partnership arrangements with fitness clubs.



Pioneering Climate Strategies

FUCHS SE receives Global Transition Award 2023

According to the jury of the Global Transition Award, FUCHS is one of the “leading companies whose climate strategies drive the transformation towards a 1.5°C-compliant economy”. The award was presented by the renowned German-language business newspaper Handelsblatt and its scientific and industrial partners.

The jury recognized our comprehensive **reports on emissions along all scopes as well as our ambitious emissions targets** – including the aim to become a net zero company by 2040.

In particular, the jury also attributed to FUCHS a **leading role in transforming the entire value chain**. For example, by developing standards to quantify sustainability, or by researching innovative solutions such as waste-based raw materials for fluids. In addition, all climate-related aspects were embedded in a comprehensive strategy.

We see the award as an appreciation of our ongoing commitment – and an encouragement to **continue on our science-based road to net zero**.

3.1 Economic, ecological and social sustainability at FUCHS

The crisis teams set up to collaborate closely with the operational health service and with the company doctors and respective site management in order to contain the effects of the COVID-19 pandemic were dissolved in 2023. The hygiene concepts were adapted to the changed situation (endemic). Protective measures, such as the offer of tests and masks, as well as regular advice on proper behavior in the event of illness, were of course retained.

Anti-competitive behavior

In competition, FUCHS relies on the quality and intrinsic value of its products and services. The FUCHS Code of Conduct, together with the Anti-Corruption Directive and the Antitrust Directive – the latter having been updated in the financial year 2022 and adapted in the financial year 2023 to reflect the change of company name – contains binding guidelines to prevent corrupt or anti-competitive conduct of any kind and assists all employees in complying with laws and regulations to prevent corruption, bribery and anti-competitive conduct. The aim is to ensure that neither FUCHS employees nor business partners or officials are influenced by unlawful and inappropriate conduct in their decision-making. The aim is also to ensure the proper conduct of FUCHS employees in line with the anti-trust law requirements.

FUCHS has established a compliance management system (CMS) that covers the entire group and is consistent with the IDW auditing standard: Principles of Proper Audit of Compliance Management Systems (IDW PS 980). Impor-

tant components of the CMS are the establishment and dissemination of a suitable compliance culture by the Executive Board of FUCHS SE and the managers of the FUCHS Group, the Group-wide compliance organization and a compliance programme geared to adequate and effective measures, e.g. in the form of consulting, training courses, information events, an electronic whistleblower platform for employees and business partners, and other measures and processes derived from the compliance guidelines.

The company's compliance organization has developed various objectives to be achieved with the Group's CMS, based on the risks and regulations that are of particular importance to FUCHS. At FUCHS, one of the primary goals of the CMS is the prevention, detection, and sanctioning of violations of the law and misconduct, including corruption and bribery as well as anti-trust law violations. The guidelines and accompanying materials are available to all employees of the FUCHS Group on the intranet. The Code of Conduct is publicly available on the FUCHS website.

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

FUCHS has implemented a centralized and decentralized compliance organizational structure. Belonging to the centralized organization are the Chief Compliance Officer (CCO) and the Group Compliance Committee (GCC). The decentralized compliance organization is represented by the Local Compliance Officer (LCO) appointed in each Group company and the appointed Regional Compliance

Officer (RCO). In communicating and consolidating the culture of compliance, the Executive Board and senior management play a leading role and act as role models. Compliance objectives are communicated through various channels such as the Code of Conduct, policies and guidelines, training, the intranet, and other information. Implementation is carried out by the Group-wide compliance organization, managed by the CCO together with the GCC.

The Executive Board continuously monitors and reviews the quality of the CMS, decides on how to deal with the findings from the risk analyses and compliance investigations, and consults regularly with the Supervisory Board and the Audit Committee. The Executive Board continues to develop the CMS and ensures that identified weaknesses in the CMS are addressed through appropriate action. These measures can include both procedural and organizational adjustments to the CMS. Violations of compliance stipulations pose a threat to key success factors for FUCHS and are not tolerated. Potential compliance violations are identified and resolved as part of the defined compliance process. All employees are required to report potential compliance violations. Any identified violations are sanctioned appropriately, with the specific sanction dependent, among other things, upon its nature, severity, duration and degree of culpability. Sanctions can be imposed to the full extent permitted by law, including extraordinary termination of employment, claims for damages and criminal charges.

3.1 Economic, ecological and social sustainability at FUCHS

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

To monitor the functionality and adequacy of the CMS, FUCHS assesses the level of information of employees on the compliance fields that are relevant to them. This measures the extent to which employees have successfully completed the training they need in the areas of compliance relevant to them. The aim is to educate as many of the company's employees as possible about the compliance fields of relevance to them in each case. Besides basic training sessions on compliance, training in compliance areas such as prevention of corruption and compliance with anti-trust law is also paramount. Measurement is carried out by determining the rate of e-learning and other compliance training delivered by the respective defined

target group by the reporting date. At the end of the financial year, the following training rates were achieved for the e-learning training courses:

- Basic compliance training: 87 %
- Training on prevention of corruption: 89 %
- Antitrust training: 87 %

A further measure is the continuous performance of compliance risk analyses on which basis any need to amend the CMS is identified. A business-related risk assessment of the relevant compliance areas up to the level of the individual Group company is the basis for the regular analysis of compliance risks. Relevant data from third parties, such as the Corruption Perception Index (CPI) issued by Transparency International Deutschland e.V. may also be used to assess risks. This indicates that the main risk areas for the CMS include the risks of violations against anti-trust law and against the prohibitions of corruption and bribery.

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

The internal audit department reviews the functionality and appropriateness of the CMS in the form of regular audits.

Further information on the CMS can be found in the unaudited Declaration of Corporate Governance.

→ [Annual Report 2023 p. 113 Declaration on corporate governance](#)

Respect for human rights

For FUCHS as a responsible company, observance of human rights is an essential part of business ethics. It forms the basis of all its business activities and therefore also includes relationships with customers, suppliers, and other business partners as a matter of course. The FUCHS Code of Conduct, which was last updated by the Executive Board in the 2022 financial year and adapted in 2023 in line with the company name change, is a material expression of this lived understanding within the Group, and is the guideline for safeguarding our human rights due diligence obligations. In accordance with the Code of Conduct and the Human Rights Policy implemented in early 2024, FUCHS respects and devotes attention to human rights and supports the United Nations Universal Declaration of Human Rights, the Declaration of Principles of the International Labour Organization (ILO) and the Sustainable and Responsible Corporate Governance Initiative (UN Global Compact). These include freedom of association, the right to collective bargaining, the elimination of forced and child labour, and the prohibition of discrimination in employment and occupation. The Code of Conduct is publicly available on the FUCHS website and has been assigned to all employees worldwide through the

3.1 Economic, ecological and social sustainability at FUCHS

e-learning tool for the purposes of self-study. Finally, at the end of 2023, FUCHS also adopted and published a comprehensive Supplier Code of Conduct (more on this in the “Suppliers” section). All of the above documents are publicly available on the FUCHS website.

→ https://fuchs.azureedge.net/fileadmin/Home/Corporate_Governance/Human_Rights/FUCHS_Human_Rights_Policy.pdf
 → https://fuchs.azureedge.net/fileadmin/Home/Contentseiten/Corporate_Governance/Guidelines_EN/FPL_CodeOfConduct_englisch_final_geschuetzt.pdf
 → https://fuchs.azureedge.net/fileadmin/Home/Company/About_FUCHS/Human_Rights/FPL_Supplier-Code-of-Conduct_englisch_web_01.pdf

In its global purchasing conditions, FUCHS obliges its suppliers to adhere to the ten principles of the UN Global Compact as well as the four basic principles of the ILO. The five FUCHS values – trust, creating value, respect, reliability, and integrity – are the foundations of the Group’s business activities and an essential element of FUCHS2025, the key strategy for FUCHS. FUCHS has the unconditional commitment to prevent criminal exploitation of human labor, such as human trafficking, forced and child labor or slavery, not only in its own operational business but also in the supply chain. FUCHS ensures respect for human rights in the upstream value chain at its suppliers through contractual agreements, self-commitment declarations by suppliers and also through on-site audits. Potential violations can be reported by anyone (including all suppliers)

directly at hre-supplychain@fuchs.com or anonymously via an electronic whistleblower platform, which is publicly accessible via the FUCHS website.

→ <https://www.bkms-system.net/bkwebanon/report/clientInfo?cin=6fuchs19&c=-1&language=eng>

Any such information is followed up as part of our internal investigations. In 2023, we received no indications of human rights violations.

Education and training

Alongside vocational training, needs-driven continuing professional development remains the foundation for developing specialist personnel and high potentials. To meet these needs more specifically and in a more forward-looking manner in future, further progress on the establishment of a structured, global personnel development program was made in 2023. The global human resources development strategy has been expanded to include digital skills needs. In order to implement the digital education strategy, the objectives for structured training plans to prepare for the digital transformation have been established together with a wide range of stakeholders from different fields of expertise. For the first time, a global talent management strategy has been developed with the countries, and in future this will form a kind of bracket function for education, training, talent development and succession planning. As part of general continuing professional development, topics such as the Code of Conduct, Compliance and IT tools through to specific

knowledge relating to FUCHS were offered in addition to basic technical subjects relating to lubricants. Specific training on diversity and equal treatment for employees and managers has been implemented for the holding company, as has a new concept for inducting new employees. The Resilience learning pathway was designed for the first time and offered globally to cope with complex requirements in a constantly changing world. In addition, the learning pathways Performance Management as well as Networking have been initiated to enhance the competencies of managers. The pilot training for managers on their role in transformation and culture development, which was implemented in 2022, was rolled out globally in 2023 using in-house trainers, giving managers key tools to ensure a work environment in which employees can utilize their skills and talent to the best of their ability. For the onboarding of new managers, the existing Executive Program was adapted to the strategic developments and the new participants were nominated.

In this way, managers acquire important skills to be able to lead employees in a targeted manner and across sites in a globalized environment in the spirit of ACT GLOBAL.

An international working group and the HR IT team designed a reboot in 2023 – both conceptually and in terms of content – for the entire e-learning sector. In addition to introducing technical innovations and improvements for users, the strategic goal of lifelong learning has been incorporated in a redesigned learning offer.

3.1 Economic, ecological and social sustainability at FUCHS

Employees can now access over 100 interactive virtual training sessions and dedicated learning paths in different languages for free, based on learning goals agreed with their line manager. Our training catalogue includes courses on business and leadership skills, as well as communication and interaction skills, and also provides valuable support for personal development and growth. Traditional classroom training will still be offered in the future by the FUCHS ACADEMY. As a global training institution, the FUCHS ACADEMY regularly offers a wide range of technical and specialist seminars and provides our sales experts, for instance, with sound background knowledge of the products and their applications. In 2023, discussions were held with the global function holders on how the offering can be set up even more broadly in the future and how its reach can be widened. Some of the projects of the HR initiative under FUCHS2025 dealt with the training and development of junior staff. In line with the new concept, a group of global talents selected in 2022 were trained in several modules on leadership topics. In addition, current projects in the company were selected in which participants can collaborate on milestones and thereby apply newly acquired skills and knowledge about tools directly in their work. For local talent, a recommendation concept for introducing career paths in the specialist functions has been finalized and presented in the HR Community. This enables the specialist functions to show employees career paths independently of purely hierarchical career opportunities.

In light of the global structure of the Group organization, intercultural competence is a key success factor for staff. These competencies can be developed in day-to-day practice through increased networking and international exchanges. Accordingly, working and learning together was also the focus in 2023.

FUCHS has set itself the goal of continuing to invest significantly the establishment and development of employee competencies in the future. For this reason, the decision was made in 2021 to measure professional development hours per employee with the aim of increasing them by 5% annually. The KPI measured for the first time in 2022, professional development hours per employee, was increased by 2 hours from 13 hours to 15 hours in 2023. This represents an increase of 15%. Each employee's professional development hours are now recorded, reported and tracked worldwide using an improved system, in accordance with a guideline with precise definitions. KPI-based tracking ensures that professional development activities are more transparent, making it easier to identify areas where improvement is required. The implementation of the ambitious medium-term targets for the professional development hours KPI is reviewed in an annual target achievement analysis.

Non-discrimination, diversity and equal opportunities

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

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

3.1 Economic, ecological and social sustainability at FUCHS

experience and in behavioral terms on the globally binding core competencies model, the selection criteria for internal candidates is made as transparent as possible and is materially scrutinized by means of the new competency-based interview techniques and process, thus minimizing any possible discrimination through objectification.

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

We consider mixed management teams to be a significant strengthening of our company. For this reason, FUCHS also places particular emphasis on the targeted support of women and ensure that appropriate consideration is given to them when filling management positions in the company. As in the previous year, women accounted for 26% of the total workforce. The proportion of women in management positions increased by one percentage point to 25%.

Suppliers

A competitive and reliable supply of raw materials, services and technical goods is ensured by close, open, and transparent cooperation with suppliers. The aim is, in collaboration with suppliers, to continuously drive transparency and sustainability all the way along the supply chain. To this end, FUCHS calls on its suppliers to recognize the newly created and binding Supplier Code of Conduct, which is based, among other things, on the principles of the UN Global Compact, and to ensure compliance with it along their value chain. In addition, the FUCHS Code of Conduct has been revised and important expectations of suppliers with regard to compliance, the prohibition of child labor and discrimination as well as compliance with human rights, laws and recognized labor and environmental standards have been added. Furthermore, only raw materials that meet all applicable EHS (Environment, Health and Safety) regulations, i. e. environmental, health and occupational safety requirements, are used. Interdisciplinary teams of experts work continually together with the suppliers to utilize alternative raw material solutions from renewable sources, thereby gradually reducing the use of fossil-based raw materials.

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

Back in 2022, we made major changes to the purchasing organization with the aim of improving expertise in the markets. To this end, we have introduced a product-based structure. In addition, we have established regional structures in the three world regions of North and South America, Asia-Pacific and EMEA to monitor and process the regional markets. In 2023, based on the new structure, we adapted and documented various processes and procedures to enable a more efficient way of working. We have also completed the implementation of the new organizational structure in the three regions mentioned above.

As part of its active supplier management, FUCHS evaluates all its strategic raw material suppliers every year. The supplying companies are therefore asked to self-assess issues such as quality, pricing, and sustainability. In addition, various functions within FUCHS also carry out a systematic and transparent evaluation. For the first time in

3.1 Economic, ecological and social sustainability at FUCHS



“For us, alternative raw materials and packaging from renewable sources are a highly effective lever for reducing emissions. In addition, we are working with our suppliers to continuously reduce emissions from purchased materials in order to meet our ambitious goals.”

Bruno Chaouat, VP Procurement

2023, similar to the global strategic supplier assessment, a regional assessment was also conducted in the EMEA region, an exemplary process that demonstrates the synergies that can be achieved with the new regional organizational structure. If this comparison reveals potential for improvement or identifies unfulfilled expectations, we agree specific action plans with the respective company, the implementation of which is consistently followed up at regular intervals. The demands made by FUCHS regarding compliance, the barring of discrimination and child labor, and with regard to compliance with laws and recognized labor and environmental standards are part of the supplier code of conduct, delivery conditions and annual assessment of strategic suppliers. FUCHS supports compliance with social sustainability criteria and ethical behavior along the value chain of the lubricant industry through direct measures in its own supply chain. In addition, there

are indirect measures such as the establishment of interdisciplinary internal working groups and participation in external working groups on the topic of sustainability and human rights.

As part of last year’s Strategic Supplier Assessment, which included aspects such as reliability, quality, compliance with sustainability requirements and technical cooperation, more than 30% of key suppliers were given an A status in sustainability, despite the streamlining of human rights criteria. Status A corresponds to more than 80-percent fulfillment of the tested criteria, status C to less than 70 percent.

FUCHS was already actively involved with the German Supply Chain Due Diligence Act (LkSG) before its implementation obligation on January 1, 2024. A cross-com-

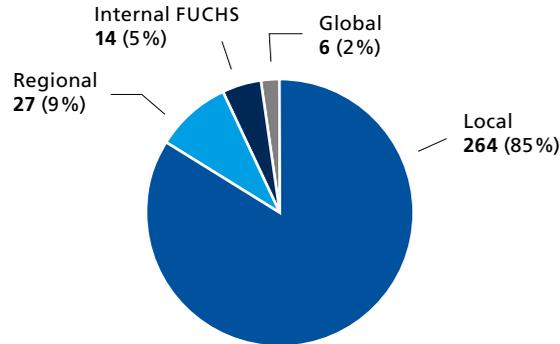
pany task force has been set up to actively deal with the law, due diligence obligations and the associated tasks. Since FUCHS has already implemented activities and processes in these areas, it is important to examine the existing processes for potential improvement and to introduce further processes. In this context, various events were attended and initial workshops held to raise awareness of the project among the relevant internal stakeholders. Our business partners and suppliers were informed about the new law and the requirements for a FUCHS partner through a new edition of the FUCHS supplier sustainability letter.

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

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

3.1 Economic, ecological and social sustainability at FUCHS

Share of global, regional and local projects (including JVs)



3.1.4 CSR projects

For FUCHS, social acceptance is a key requirement for economic success. Many of our FUCHS companies have deep roots in their regions. The company sees itself as a partner in these regions, and takes part in educational and cultural initiatives and cooperation partnerships. In addition, FUCHS supports numerous social projects and non-profit organizations through the FUCHS Sponsorship Award.

In order to extend the development of social projects to all local entities and anchor them in their respective local objectives, FUCHS has committed all fully consolidated

companies to the goal of spending at least 0.1% of local EBIT on CSR projects. By 2023, 75% of all FUCHS companies will have met this target. Joint ventures are invited to adopt this objective.

Each company is required to report all projects in a reporting system, even if no projects have been carried out. Since the introduction of central monitoring in 2021, the number of projects supported has increased continuously.

The number of social projects was increased again in 2023. In 2023, a total of 298 social projects were supported by 45 FUCHS companies worldwide. A further 13 projects were supported by four joint ventures.

Of the total of 311 projects reported, 14 (internal) projects (approx. 5%) benefited FUCHS employees (2022: 30 projects), while 297 external social projects were funded. Most of these have a local focus. Almost 85% or 264 projects support people in the immediate vicinity who are in need, socially disadvantaged and suffering. This underlines the principle of operating in the immediate local area. There is also a smaller number of projects that have a regional (27 projects or about 9%) or global (6 projects or about 2%) impact.

All CSR projects at FUCHS must be associated with at least one of the 17 SDGs (Sustainable Development Goals). The Sustainable Development Goals, also known as the Global Goals, were adopted by the United Nations in 2015 as a

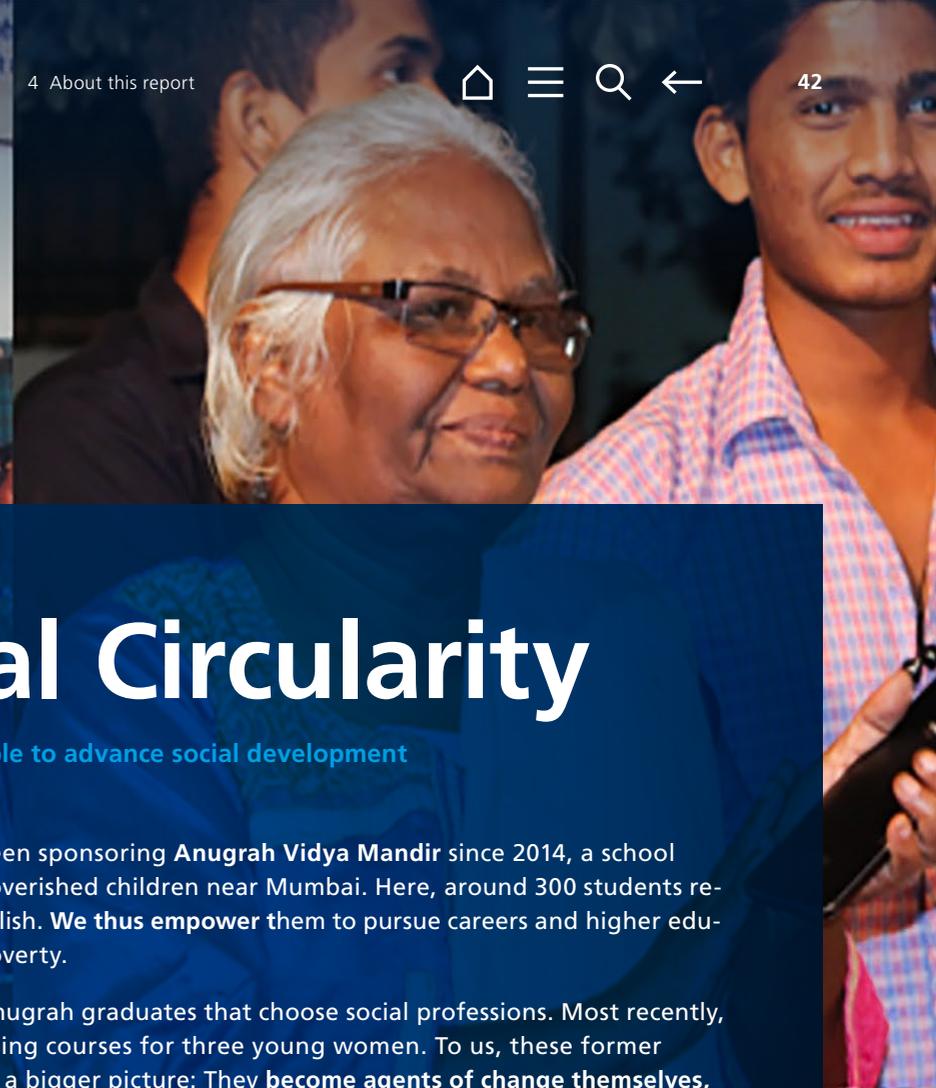
universal call to action to end poverty, protect the planet and ensure that all people live in peace and prosperity by 2030. Countries have committed themselves to giving priority to those who are lagging furthest behind.⁵

At FUCHS, 612 SDGs were assigned to CSR projects in 2023. Multiple nominations per project are possible because many projects can also cover multiple SDGs. The top 4 of all SDGs mentioned cover almost 72% of all assigned goals.

The frontrunner is still SDG 3 “Good health and well-being” with 190 mentions, followed by SDG 1 “No poverty” (110 project mentions), SDG 4 “Quality Education” (71 projects) and SDG 11 “Sustainable Cities and Communities” (68 projects). This shows that the FUCHS companies predominantly support projects focusing on health, poverty and education.

It should be noted that, just as last year, multiple SDGs could be assigned to each project, as some projects support more than one SDG.

⁵ Source: Sustainable Development Goals | United Nations Development Programme (undp.org)



Social Circularity

Empowering people to advance social development

FUCHS India has been sponsoring **Anugrah Vidya Mandir** since 2014, a school and home for impoverished children near Mumbai. Here, around 300 students receive lessons in English. **We thus empower** them to pursue careers and higher education, escaping poverty.

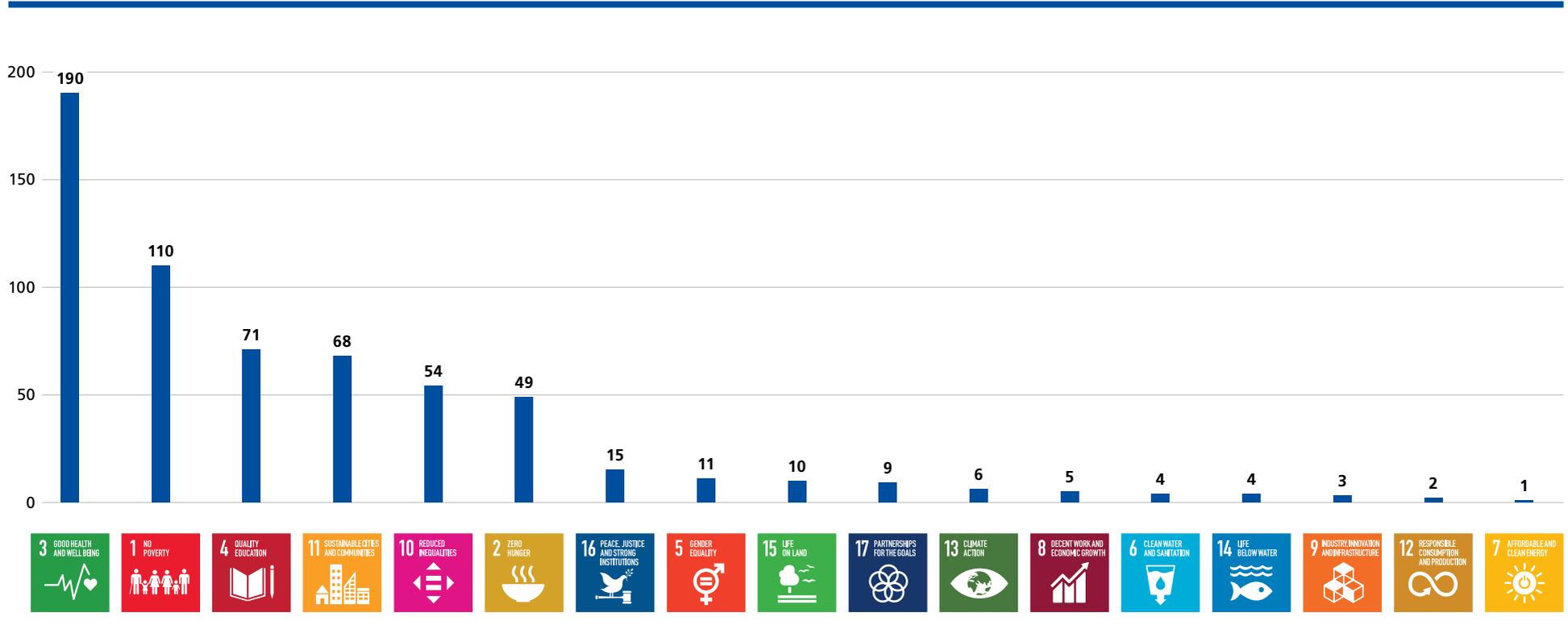
We also support Anugrah graduates that choose social professions. Most recently, by sponsoring nursing courses for three young women. To us, these former students exemplify a bigger picture: They **become agents of change themselves**, improving not only their own lives, but those of others as well.

When talking about circular economy, technical terms like “recycling” and “renewables” come to mind. However, we believe that the core principle of circular economy – a self-supporting system – has merit in social development as well.



3.1 Economic, ecological and social sustainability at FUCHS

Allocation of FUCHS CSR projects to the Sustainable Development Goals (SDGs) of the United Nations
(Number of FUCHS CSR projects)



3.1 Economic, ecological and social sustainability at FUCHS

Americas

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
AR10	FUCHS ARGENTINA S.A.	Local Fireworkers	Supporting local fireworkers to improve their supplies/tools	
BR10	FUCHS LUBRIFICANTES DO BRASIL LTDA.	CMDCA – Sorocaba	Support for various actions improving the lives of children in the city of Sorocaba	
				
CA10	FUCHS LUBRICANTS CANADA LTD.	Nutrition for Learning	Donation to local nutrition assistance organization for children in need	 
CL10	FUCHS LUBRICANTS (Chile) SPA	LIGA CHILENA CONTRA LA EPILEPSIA	Support for four months of treatment for a child with growth and development disorders	

3.1 Economic, ecological and social sustainability at FUCHS

Americas

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
MX10	LUBRICANTES FUCHS DE MEXICO S.A. DE C.V.	Centro de Autismo de Querétaro	Support for 40 kids with autism to enable a therapy	 
				
US20	FUCHS LUBRICANTS CO.	Sleep in Heavenly Peace	Twenty FUCHS employees volunteered to help build bed frames for children.	 
				

3.1 Economic, ecological and social sustainability at FUCHS

Americas

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
US30	ULTRACHEM INC.	Children's Tumor Foundation	Donation to neurofibromatosis (NF) research foundation	
US40	NYE LUBRICANTS INC.	St. Vincent de Paul	Donation to the St. Vincent de Paul Society for food, rent, clothing etc.	  

A total of 70 projects were supported in Americas, not all of them are shown in this table which shows only one project per company.

3.1 Economic, ecological and social sustainability at FUCHS

EMEA

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
AT10	FUCHS AUSTRIA SCHMIERSTOFFE GMBH	Flachgauer Tafel (Food bank)	Saving food and providing it to poor people	
BE10	FUCHS LUBRICANTS BENELUX N.V./S.A.	Lizette & Lucien	Support for a soup and lunch bar for people with disabilities to work together in the restaurant	 
CZ10	FUCHS OIL CORP. (CZ) SPOL. S R.O.	Stopa bezpečí, s.r.o.	Financial support for the publication of the brochure: Life with a handicap	
DE01	FUCHS SE	Das andere SchulZimmer gemeinnützige UG	Language support for pupils with a migration or refugee background	 
DE10	FUCHS LUBRITECH GMBH	Kinder-Hospiz Sternenbrücke	Help for incurably ill children, teenagers and young adults	  
DE20	BREMER & LEGUIL GMBH	Sucht- und Jugendhilfe e.V.	Support to addiction and youth services	
EE20	FUCHS LUBRICANTS ESTONIA OÜ	People diagnosed with cancer via Hille Tänavsuu Cancer Foundation The Gift of Life	Support for cancer foundation to help cancer patients	 

3.1 Economic, ecological and social sustainability at FUCHS

EMEA

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
ES10	FUCHS LUBRICANTES S.A.U.	Fundació NEXE	Donation through the sale of roses in favor of children with severe disabilities	 
FI10	FUCHS OIL FINLAND OY	The Association of Friends of the University Children's Hospitals	Donation to children's hospitals for equipment	
FR10	FUCHS LUBRIFIANT FRANCE S.A.	ESAT Jean Charcot	Gardening for people with disabilities	 
GB10	FUCHS LUBRICANTS (UK) PLC.	Cancer Charity	Support for a local charity looking after local people requiring cancer care	
GR30	FUCHS HELLAS S.A.	Special Vocational Education Laboratory (EEEEK) of Agios Dimitrios	Support of EEEK for kids with mental retardation, autism and multiple disabilities	 
HR10	FUCHS MAZIVA D.O.O.	Klinika za dječje bolesti Zagreb	Donation for the children's hospital in Zagreb	
HU10	FUCHS OIL HUNGÁRIA KFT	FUCHS employees	Subsidy for employees for sport related monthly season tickets	
IT20	FUCHS LUBRIFICANTI S.P.A.	Onlus Frati Minori Convento Sant' Antonio da Padova Torino	Financial support to the Association that distributes meals to homeless people	 

3.1 Economic, ecological and social sustainability at FUCHS

EMEA

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
LT10	FUCHS LUBRICANTS LITHUANIA UAB	Warm Visits Programme	Support for lonely people, mostly elderly, who rarely leave their homes due to health	 
				
LV10	FUCHS LUBRICANTS LATVIA SIA	Latvian SOS Childrens Villages Association	Supporting of SOS families for children left without the care of their parents	   
NO20	FUCHS LUBRICANTS NORWAY AS	Rælingen Alpin club	Donation for equipment, that sport is possible for everyone	  

3.1 Economic, ecological and social sustainability at FUCHS

EMEA

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
PL10	FUCHS OIL CORPORATION (PL) SP. Z O. O.	Nasz Śląsk im. gen. Jerzego Ziętka Foundation	Fundraising for orphanages in Silesia	
PT10	FUCHS LUBRICANTES UNIPessoal LDA.	Misericórdia da Maia – Centro Comunitário Vermoim Sobreiro	Support of the community center for meals given to people in need	 
RO10	FUCHS LUBRICANTS SRL (ROMANIA)	Daruieste Viata (NGO)	Financial support for building the new children's hospital campus in Bucharest	
RU10	OOO FUCHS OIL	Boarding school for children with developmental disabilities	Purchasing special equipment for the school kitchen	
SE20	FUCHS LUBRICANTS SWEDEN AB	Womengineer Foundations	Support of gender-equity in the engineering	
SK10	FUCHS OIL CORPORATION (SK) SPOL. S. R. O.	Svetielko nádeje	Support for the "Light of Hope" association for the care of children with oncological diseases	
SL10	FUCHS MAZIVA LSL D. O. O.	Lions Club Brezice	Support to purchase sport shoes for children in need	 
UA10	TOV FUCHS MASTYLA UKRAINA	Auxiliary school of the Christian-Catholic Organization Love and Charity (Caritas)	Providing Christmas gifts and school stationery for students	 

3.1 Economic, ecological and social sustainability at FUCHS

EMEA

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
ZA20	FUCHS SOUTHERN AFRICA (PTY). LTD.	Scholars at 5 local schools	Sponsorship of maths extra classes	  



A total of 169 projects were supported in EMEA, not all of them are shown in this table which shows only one project per company.

3.1 Economic, ecological and social sustainability at FUCHS

APAC

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
AU10	FUCHS LUBRICANTS (AUSTRALASIA) PTY. LTD.	Love Your Sister	Fundraising to help provide precision medicine for cancer patients 	

3.1 Economic, ecological and social sustainability at FUCHS

APAC

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
CN99	FUCHS CHINA	Students in need	Providing food, stationary, electronic dictionaries for students from low-income families	   
				
ID99	FUCHS INDONESIA	Community surrounding Cikarang Plant	Organization of events that benefit the communities near the plant	 

3.1 Economic, ecological and social sustainability at FUCHS

APAC

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
IN10	FUCHS LUBRICANTS (INDIA) PVT. LTD.	Anugrah Vidya Mandir School, Ambernath	School fees of 100 children, 2 college girls and nursing course for 2 girls	  
				
JP10	FUCHS JAPAN LTD.	Community of Shichihongi, Iga	Clean up campaign of the surrounding of the plant and community	 
KR10	FUCHS LUBRICANTS (KOREA) LTD.	Korea Food for the Hungry International	Sponsoring of Wish boxes for low-income families and children	 

3.1 Economic, ecological and social sustainability at FUCHS

APAC

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
MY10	FUCHS PETROLUBE (MALAYSIA) SDN. BHD.	Rumah Hope – orphanage home	Feeding and supporting orphanage and provide groceries and necessities	 
 				
SG10	FUCHS LUBRICANTS PTE. LTD.	Society for the Aged Sick (SAS)	Support of a charitable nursing home with donations like food and daily necessity	  

3.1 Economic, ecological and social sustainability at FUCHS

APAC

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
TH20	FUCHS LUBRICANTS (THAILAND) CO., LTD.	Pattaya Orphanage and Sotpattana School	Donations of education fund and lunch sponsorship for kids	   
			 	
TW10	FUCHS LUBRICANTS TAIWAN CORP.	The Garden of Hope Foundation	Providing disadvantaged families with goods needed	 

A total of 59 projects were supported in APAC, not all of them are shown in this table which shows only one project per company.

3.1 Economic, ecological and social sustainability at FUCHS

Joint Ventures

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
EG10	FUCHS EGYPT LUBRICANTS LLC	Egyptian clothing bank	Donation of blankets and clothes for poor families and orphaned children	
TR20	OPET FUCHS MADENI YAĞ SANAYI VE TICARET A.S.	Earthquake victims in Turkey	Provide clinical psycho-social support to earthquake victims	  




3.1 Economic, ecological and social sustainability at FUCHS

Joint Ventures

	FUCHS Company	Beneficiaries	Project description	Influenced SDGs
ZM10	FUCHS ZAMBIA LIMITED	“Elephant Charge” Off Road Challenge	Donation of the team proceeds of this race to Zambian charities, e.g. for animal, land and species protection or to support school children	   
				
ZW10	FUCHS ZIMBABWE (PVT) LTD	Hurungwe Community	Indigenous trees reforestation project and creation of additional jobs	   

A total of 13 projects were supported by the joint ventures, not all of them are shown in this table which shows only one project per company.

3.2 EU Taxonomy

The EU Taxonomy is an important component of the European Green Deal and the action plan “Financing Sustainable Growth”, which aims to make the EU climate neutral by 2050. The key objectives of EU Taxonomy are to create transparency for capital market participants and to direct capital flows into environmentally sustainable economic activities. The EU Taxonomy Regulation was published in June 2020. The delegated act on the first two environmental objectives, climate change mitigation and adaptation, and the act on reporting obligations (Art. 8 of the EU Taxonomy Regulation) entered into force at the end of December 2021. In June 2023, the European Commission published the Delegated Regulation (EU) 2023/2486 (“Environmental Act”) for environmental objectives 3 to 6, to supplement Delegated Regulation (EU) 2020/852 of the European Parliament and of the Council. This Environmental Act contains, among other things, four annexes on the technical assessment criteria for the activities of environmental objectives 3 to 6. At the same time, the Delegated Act amending the Climate Law Act (Regulation 2023/2485/EU) was published, which contains adjustments to established activities as well as new activities under objectives 1 and 2. In addition, a large number of other EU Taxonomy documents, such as FAQs, have been published.

The EU Taxonomy is a classification system that describes specific economic activities for the six environmental objectives. These economic activities are, in principle, eligible under the taxonomy. Based on criteria specified in the EU Taxonomy Regulation, the economic activities can be classified as environmentally sustainable, or Taxonomy compliant. The assessment of environmental sustainability is undertaken in a three-step process. Essentially, a substantial contribution to one of the six environmental objectives must be made in the first step:

- 1) Climate Change (CCM)
- 2) Climate Change Adaptation (CCA)
- 3) Sustainable use and protection of water and marine resources (WTR)
- 4) Transition to a circular economy (CE)
- 5) Pollution prevention and control (PPC)
- 6) Protection and restoration of biodiversity and ecosystems (BIO).

This is demonstrated by the fulfillment of technical assessment criteria defined in the Delegated Acts of the EU Taxonomy Regulation. The second step then follows, known as the “do no significant harm” (DNSH) test, according to which none of the other five environmental objectives must be significantly affected. In the final step, the minimum safeguard criteria “human and consumer protection, anti-corruption and bribery, taxation and fair competition” must be met. Only when all the criteria are met cumulatively is an economic activity considered to be taxonomically compliant.

Economic activities that do not fall within the scope of the EU Taxonomy Regulation are not classifiable under the taxonomy and therefore not taxonomy compliant.

With the phased introduction of the EU Taxonomy set out in the delegated act on Article 8 of the EU Taxonomy Regulation, listed companies such as FUCHS already had to report the proportion of sales revenues, capital expenditure (CapEx) and operating expenditure (OpEx) subject to the taxonomy for the first two environmental targets for 2021. In financial year 2022, the reporting requirement was extended to include taxonomy-compliant proportions of sales revenues, capital expenditure, and operating expenditure for the first two environmental targets. As of financial year 2023, the reporting requirement for taxonomically identifiable proportions of sales revenues, capital expenditure (CapEx) and operating expenditure (OpEx) for environmental objectives 3 to 6 as well as the new activities of environmental objectives 1 and 2 also apply for the first time.

3.2 EU Taxonomy

Our approach

As part of our EU Taxonomy Implementation Project, as we did last year, we first checked all of FUCHS' economic activities against the scope of the EU Taxonomy Regulation and identified the economic activities on which the taxonomy has a bearing. The development, manufacture and distribution of lubricants are outside the scope of the EU Taxonomy Regulation, so revenues that are subject to taxonomy cannot be derived. FUCHS' economic activities relevant to the EU Taxonomy Regulation relate exclusively to CapEx and OpEx, which can be divided into two sub-areas:

- a) Real-estate-related activities include the following activities:
 - Construction of new buildings
 - Renovation of existing buildings
 - Installation, maintenance and repair of energy-efficient equipment

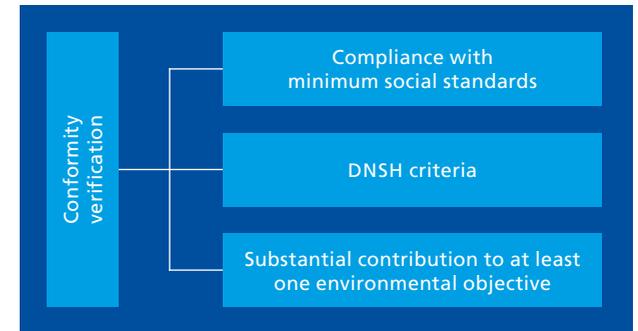
- Installation, maintenance and repair of charging stations for electric vehicles in buildings and in parking lots attached to buildings
- Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings
- Installation, maintenance and repair of renewable energy technologies
- Acquisition and ownership of buildings (leasing)

b) Vehicle-related activities include the following:

- Manufacture of other low-carbon technologies
- Transport by motorcycles, passenger cars and light commercial vehicles
- Freight transport services by road

Based on the key financial figures of all fully consolidated companies of the FUCHS Group, the results were validated by an interdisciplinary team from controlling, finance and governance as part of a Group-wide analysis.

The eligible economic activities for environmental objectives 1 and 2 subject to the taxonomy were subsequently analyzed by FUCHS for compliance via three testing steps:



The technical evaluation criteria were reviewed throughout the Group on the basis of checklists completed by the national companies. At the central level, these checklists were evaluated and grouped by individual business activities. In many cases, the economic activities were classified as being subject to the taxonomy but could not meet the technical evaluation criteria. A climate risk analysis in accordance with Appendix A of Regulation 2021/2139/EU is also required as part of the conformity assessment. To address this requirement, geographic site data were matched with climate data on temperature, wind, water, and solids. For climate risks, the RCP 8.5 scenario, which is a worst-case scenario, was used. In addition, data from an insurance partner of the FUCHS Group on the risks of earthquakes, wind, and flooding were included in the risk analysis. The analysis did not reveal any significant physical

Our approach



3.2 EU Taxonomy

climate risks for the FUCHS sites and thus for the FUCHS activities CCM 6.5, CCM 7.4, CCM 7.5 and CCM 7.6. FUCHS ensures compliance with procedures on minimum social standards in the areas of human rights including employee rights and consumer protection, bribery and corruption, taxation, and fair competition.

→ [Annual Report 2023 p. 88 Employee concerns](#)

→ [Annual Report 2023 p. 92 Social concerns](#)

→ [Annual Report 2023 p. 94 Respect for human rights; fight against corruption, bribery and anti-competitive conduct](#)

A taxonomy-compliant proportion of CapEx or OpEx is only reported if all criteria of the test steps are met cumulatively. The details per key performance indicator are given in the explanations below.

All FUCHS activities relate to Environmental Goal 1 “Climate Change Mitigation” (hereinafter “CCM” for “Climate Change Mitigation”) as no separate CapEx or OpEx were identified for environmental goal 2 “Adaptation to climate change” that specifically contribute to adaptation to climate change. Activity CCM 7.1 New Construction has the potential to contribute to environmental objective 4 “Transition to a Circular Economy” (hereinafter “CE” for “Circular Economy”), and Activity CE 3.1, respectively. The activity Renovation of Existing Buildings CCM 7.2 also has the potential to contribute to environmental objective 4 “Transition to a Circular Economy” or Activity CE 3.2. In the reporting forms in accordance with Annex V of the amendments to the Annexes to Delegated Regulation (EU) 2021/2178, the environmental objective 1 “Climate pro-

tection” for activities CCM 7.1 and CCM 7.2 is indicated in bold to avoid double counting of economic activities in the KPIs of financial companies.

Key figures

Sales revenues

The EU Taxonomy defines sales revenues as net sales revenues (denominators as per EU Taxonomy, sales revenues from customer contracts in accordance with IFRS 15). The fact that FUCHS does not fall within the primary scope of EU Taxonomy does not result in sales revenues that are covered by or comply with the taxonomy (numerator as per EU Taxonomy). In the 2023 financial year, sales revenues amounting to €3,541 million were achieved.

→ [Annual Report 2023 p. 130 Consolidated Financial Statements of FUCHS SE](#)

→ [Annual Report 2023 p. 130 Income Statement](#)

CapEx

The EU Taxonomy defines capital expenditure as all additions and investments in intangible assets, property, plant and equipment as defined in IAS 16, rights of use as defined in IFRS 16, and, where applicable, capitalized development costs as defined in IAS 38 (denominator as defined in the EU Taxonomy). The numerator shows the proportion of the CapEx corresponding to the aforementioned activities that is eligible to the Taxonomy or that is taxonomy-compliant. Based on the key financial figures from the annual financial statements of all fully consolidated companies, the various activities were allocated to the items in the financial statements by means of a separate Group-wide query.

It is irrelevant whether FUCHS performs the activity itself or has it performed by a third party. In accordance with 1.1.3.2. Point (c) of the Annex to the legal act on disclosure requirements should also cover the acquisition of such services.

Description of significant activities in the past financial year with contribution to the CapEx KPI

CCM 3.6 Manufacture of other low-carbon technologies, (Electric forklifts; IAS 16: €0.5 million; IFRS 16: €1.1 million)

CCM 6.5 Transport by motorcycles, passenger cars and light commercial vehicles, (category company vehicles M1; IAS 16: €0.4 million; IFRS 16: €1.0 million)

CCM 6.6 Freight transport services by road (heavy goods vehicles of category N2 and N3; IFRS 16: €0.1 million)

CCM 7.1/CE 3.1 Construction of new buildings, (FUCHS new construction projects; IAS 16: Vietnam, new plant €3.8 million; China, PU grease plant and warehouse €12.0 million)

CCM 7.2/CE 3.2 Renovation of existing buildings, (energy-related renovation of production and non-production buildings; IAS 16: Spain €1.3 million and USA €1.2 million)

CCM 7.3 Installation, maintenance and repair of energy-efficient equipment (IAS 16: USA, heating systems, LED bulbs, etc. €1.4 million)

3.2 EU Taxonomy

CCM 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and on parking lots attached to buildings, (installation of e-charging stations; IAS 16: in Australia, Germany and France)

CCM 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings, (installation of smart metering equipment; IAS 16: Italy €0.2 million)

CCM 7.6 Installation, maintenance and repair of renewable energy technologies (installation of photovoltaic systems; IAS 16 China €0.6 million)

CCM 7.7 Acquisition and ownership of buildings (IAS 16: Brazil €6.9 million; IFRS 16: Germany; Duisburg extension of office building €3.1 million, Sweden extension of rent

for office building €1.3 million, USA €1.0 million, Australia €0.9 million)

The activities were initially quantified and described as part of a query. The taxonomy compliance of the CCM 7.4, CCM 7.5 and CCM 7.6 activities was verified using product descriptions, technical data sheets, energy efficiency benchmarks and invoices on a sample basis. In the case of activity CCM 6.5 Transportation by motorcycles, passenger cars and light commercial vehicles, the CO₂ emissions, the Euro 6 Standard and the mass percentages of recyclability and recoverability were checked on the basis of the registration documents. In addition, the values for rolling noise and the rolling resistance coefficient of the tires were determined for the road vehicles in class M using the purchase or leasing contracts or by asking dealers.

The taxonomy-eligible and taxonomy-compliant activities amount to €46.1 million and include additions from property, plant and equipment in accordance with IAS 16 in the amount of €33.8 million, as well as capitalized right-of-use assets in accordance with IFRS 16 in the amount of €12.3 million. Of the taxonomy-eligible activities, €1.5 million are taxonomy-compliant.

The audit of the taxonomy conformity of the CCM 6.5 activity initially resulted in a reported amount of €0.4 million, which essentially led to the increase in the taxonomy-compliant CapEx KPI compared to the previous year.

The taxonomy-compliant CapEx breakdown of economic activities is shown in the table on the previous page.

→ [# Breakdown of taxonomy-compliant activities \(CapEx\)](#)

The total amount of CapEx in the financial year 2023 is €101 million. This includes the balance-sheet items "Tangible fixed assets" (€79 million); "Intangible assets" (€4 million) and "Capitalized rights of use" (€18 million).

OpEx

The EU Taxonomy defines operating expenditure as expenses for uncanceled research-and-development costs, short-term leasing, low-value leasing, building maintenance, and maintenance and repair (denominators as per EU Taxonomy). The numerator includes operating expenses for buildings that are subject to the taxonomy and taxonomy-compliant (e. g. maintenance).

Breakdown of taxonomy-compliant activities (CapEx)

Activity	Additions of owned property, plant and equipment	Additions to capitalized rights of use of property, plant and equipment	Total	Of which acquisitions in the context of mergers	Of which part of a CapEx plan
	in € million	in € million		in € million	in € million
CCM 6.5	0.1	0.3	0.4		
CCM 7.4	0.1		0.1		
CCM 7.5	0.2		0.2		
CCM 7.6	0.8		0.8		
Total	1.2	0.3	1.5		

3.2 EU Taxonomy

The total amount of OpEx in the financial year 2023 is €105 million. This includes the profit & loss items: “repair and maintenance expenses”; “research-and-development expenses”; and “rent and lease expenses for short-term leases”. In determining repair and maintenance costs that are subject to the taxonomy, the percentage of building repair and maintenance expenses in the total repair and maintenance expenses of selected representative individual companies amounted to 8.6% (2022: 4.9%) and was transferred to the overall group.

The taxonomy-eligible but non-taxonomy-compliant activities amounting to €9.0 million are limited exclusively to the activity “Renovation of existing buildings”, which serve the environmental objectives of climate change mitigation and transition to a circular economy CCM 7.2/CE 3.2. The taxonomy-eligible expenditure of €9.0 million for the renovation of existing buildings is not taxonomy-compliant.

For financial year 2023, the key figures are as follows¹:

¹ FUCHS not a service provider or supplier in the field of energy generation and is therefore not significantly affected by the activities relating to natural gas and nuclear energy (activities 4.26–4.31). Due to this the specific reporting forms required by the Delegated Regulation in relation to economic with regard to economic activities in certain energy sectors are not used.

3.2 EU Taxonomy

Turnover¹

	2023		Substantial contribution criteria							DNSH criteria ("Does not Significantly Harm")							Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
	Code (2)	Turnover (3)	Proportion of Turnover, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
Economic Activities (1)	€ million	in %	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								0.0			
Of which enabling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								0.0	E		
Of which transitional	0.0	0.0	0.0													0.0		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)											
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								0.0			
A. Turnover of Taxonomy-eligible activities (A.1+A.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								0.0			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities	3,541.0	100.0																	
Total	3,541.0	100.0																	

- a) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
b) EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

3.2 EU Taxonomy

Turnover

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CapEx

	2023			Substantial contribution criteria						DNSH criteria ("Does not Significantly Harm")							Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
	Code (2)	CapEx (3)	Proportion of CapEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
Economic Activities (1)	€ million	in %	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.4	0.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		T
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.1	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.2	0.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.8	0.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.5	1.5	1.5	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.4		
Of which enabling		1.1	1.1	1.1	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.4	E	
Of which transitional		0.4	0.4	0.4						Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)										
Manufacture of other low carbon technologies	CCM 3.6	1.6	1.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1.0	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.3		
Freight transport services by road	CCM 6.6	0.1	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3		
Construction of new buildings	CCM 7.1/CE 3.1	19.6	19.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								26.9		
Renovation of existing buildings	CCM 7.2/CE 3.2	3.5	3.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.4		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1.9	1.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Acquisition and ownership of buildings	CCM 7.7	16.9	16.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8.2		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		44.6	44.0	42.4	0.0	0.0	0.0	0.0	0.0								46.8		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		46.1	45.5	45.5	0.0	0.0	0.0	0.0	0.0								47.2		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities		55.3	54.5																
Total		101.4	100.0																

a) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

b) EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

3.2 EU Taxonomy

CapEx

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.5%	45.5%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	22.8%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

3.2 EU Taxonomy

OpEx

	2023		Substantial contribution criteria							DNSH criteria ("Does not Significantly Harm")							Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
	Code (2)	OpEx (3)	Proportion of OpEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
Economic Activities (1)	€ million	in %	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y; N; N/EL (a)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.0	0.0														0.0			
Of which enabling	0.0	0.0														0.0	E		
Of which transitional	0.0	0.0														0.0		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)	EL; N/EL (b)											
Renovation of existing buildings	CCM 7.2/CE 3.2	9.0	8.6	EL	N/EL	N/EL	N/EL	EL	N/EL							4.9			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		9.0	8.6	8.6	0.0	0.0	0.0	0.0	0.0							4.9			
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		9.0	8.6	8.6	0.0	0.0	0.0	0.0	0.0							4.9			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities		95.9	91.4																
Total		104.9	100.0																

- a) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
b) EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

3.2 EU Taxonomy

OpEx

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	8.6%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	8.6%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

3.2 EU Taxonomy

FUCHS' contribution to sustainability in the downstream value chain

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

→ www.fuchs.com/sustainabilityreport

The current scope of the EU Taxonomy covers defined economic sectors at present which are jointly responsible for a substantial proportion of greenhouse gas emissions in the EU. In the view of the European Commission's experts, these sectors can make a significant contribution to reducing emissions. The European Commission approach and focus described above means that lubricant producers such as FUCHS are outside the direct scope of the six environmental objectives and are therefore able to report only a limited amount of activity in this regard.

Although FUCHS is currently unable to identify products and related sales revenues as taxonomically eligible and taxonomy compliant due to the above definition of EU taxonomy, the lubricants and functional fluids manufac-

tured and supplied by FUCHS serve the environmental objectives of climate change mitigation, adaptation to climate change, sustainable use and change mitigation of water and marine resources, and the transition to a circular economy, which are anchored in the EU taxonomy:

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

Many of our customers' activities covered by and subject to the EU Taxonomy are made more efficient, or even made possible, through the lubricants developed and manufactured by FUCHS. These include, in particular, lubricants for use in wind turbines, functional fluids in electric powertrains of motor vehicles, and cleaners for solar panels.

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

4 About this report

Sustainability Report 2023

FUCHS published its first sustainability report in 2011. This Sustainability Report 2023 is the 13th sustainability report by FUCHS and is published separately from the Annual Report 2023. Reference is made to these passages for individual topics that are already explained in detail in the 2023 Annual Report.

This Sustainability Report is intended to provide FUCHS' stakeholders with information on how we drive our business forward and develop FUCHS' sustainability.

Unless otherwise stated, the reporting period extends from January 1, 2023 to December 31, 2023. This edition will be FUCHS' last separate Sustainability Report. From the 2024 reporting year onwards, FUCHS will publish a combined Annual and Sustainability Report in accordance with the obligations of the Corporate Sustainability Reporting Directive (CSRD), the non-financial report section of which will be fully aligned with the framework of the European Sustainability Reporting Standards (ESRS) subject to the CSRD. FUCHS already began preparations for this changeover back in 2023. The first CSRD-compliant report will be published in the first quarter of 2025.

Procedure and material report contents

With this 2023 Sustainability Report, FUCHS continues to focus on key topics in sustainability reporting.

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

The materiality analysis carried out in 2021 identified 20 material topics that are current, balanced and complete for this reporting year. More information on this can be found in chapter 2.6 Materiality analysis.

FUCHS has reviewed and confirmed for the year 2023 the validity of the materiality analysis according to GRI from 2021.

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

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

Data collection, scope, and limits of the report

The data includes all relevant companies worldwide that belong to the scope of consolidation for the consolidated financial statements of FUCHS SE from January 1, 2023 to December 31, 2023 are included in the data collection.

FUCHS also reports the values for all joint ventures and associates separately and additionally for the ecological key figures for the sake of better transparency. The key figures of the joint ventures and associates are reported at 100% (not at equity). The calculation of CO₂ is in line with the GHG Protocol Corporate Accounting and Reporting Standard and relates exclusively to the production- and operations-related processes within FUCHS' factories, also referred to as "gate-to-gate" scope, unless explicitly stated otherwise.

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

Emissions from Scope 2 – consumption of electricity, steam and district heating – are generally recorded on a “site-based” basis. This means that individual conversion factors for each country are used to calculate emissions. In a few cases where the relevant information is available directly from the supplier, “market-based” factors are used that individually reflect the supplier’s emissions for the respective energy source.

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

GRI

FUCHS is currently preparing intensively for the new reporting framework according to CSRD and the ESRS standards defined therein.

Starting with the 2024 reporting year, FUCHS will switch to CSRD/ESRS as the leading framework for sustainability reporting. In preparation for this change, FUCHS has dispensed with the GRI index in this report, but continues to establish a link between material topics and GRI chapters in the GRI mapping.

External audit

This Sustainability Report has not been subjected to an external audit. However, all ecological key figures (“gate-to-gate” emissions, energy, water, waste) for the wholly owned FUCHS companies were reported in the 2023 Annual Report as part of the non-financial statement and subjected to a limited assurance audit to this extent. For more information and the corresponding audit opinion, please refer to the 2023 Annual Report. → [2023 Annual Report: p. 110ff. Independent auditor’s report on a limited assurance engagement on the non-financial reporting](#)

Mapping the material topics¹

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

¹ Material topics are listed in the order in which they are mentioned in the report.

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Publisher

FUCHS SE
Einsteinstraße 11
68169 Mannheim, Germany

Telephone: +49 621 3802-0
Telefax: +49 621 3802-7190

www.fuchs.com/group
kontakt@fuchs.com

Photography / Image credits

FUCHS database
iStock by Getty Images
Midjourney/3st
Jochen Rolfes
WESTEND 61
Elmar Witt