



REPORT ON
SUSTAINABILITY
2021/22



SCHMERSAL
THE DNA OF SAFETY

Think global, act local





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HOW WILL WE PRODUCE
IN TEN YEARS?

WHAT STANDARDS AND
PRINCIPLES WILL WE
THEN BE GUIDED BY?

TAKING RESPONSIBILITY

Not only we at Schmersal are convinced:
In the next few years, a transformation will take place in the industry
that cannot be compared to what we have experienced
and helped to shape in the past years.

The main drivers of this transformation were and are digitalisation and production according to the principles of Industry 4.0. We have adapted to producing ever smaller batch sizes with high efficiency. We bring new developments to series maturity more quickly and use new technologies, some of which we have developed ourselves, to further improve the safety of machines.

These trends will accelerate in the coming years. We will have to be even more agile, but we will also be supported by new technologies such as artificial intelligence.

Beyond that, however, the entire way of doing business will change. It will have to change because we have reached limits with the principles we have used so far. Resources are becoming scarcer, the signs of climate change can be felt in many ways – in Wuppertal, in Boituva, in Ranjangaon and everywhere else in the world.

The transformation that follows will be more comprehensive than that resulting from digitalisation. We, the Schmersal Group, started early to adapt to these changed conditions. As a second and third generation family business, we think in the long term and conservatively in the original sense of the word: we have a responsibility for the environment, for our employees, for our fellow human beings and for future generations.

Therefore, in the future, we will also be measured by how sustainably we work. The carbon footprint of our products and our production sites will be a Key Performance Indicator (KPI), and our ambition is to keep improving on this metric as well.

With this first sustainability report of the Schmersal Group, we document what we have already achieved. We show the numerous initiatives at the individual locations, which are adapted to the individual circumstances according to the principle “Think global, act local”.

The report also vividly shows the diverse commitment of those responsible and the workforce to a continued intact environment. We support this commitment with vigour and conviction – and are doing our part to complete the transformation to a sustainable business.



Philip Schmersal
Executive Director of the Schmersal Group

WITH COMMITMENT
AND TRANSPARENCY
INTO A SUSTAINABLE
FUTURE

Responsibility for the environment has been part of the Group's DNA for a long time. Rather, it is firmly anchored in the value system and there have already been many successes in the past in the goal of reducing the environmental impact of production. In this first sustainability report of the Schmersal Group, we provide information about this.

In doing so, we are turning many screws – from the use of renewable energy sources to the reforestation of forest areas and the recycling of production residues. And even during the development of new products, we keep an eye on their life cycle balance in terms of CO₂ emissions and resource consumption.

This report documents for the first time the many different projects worldwide, and it discloses the key environmental figures of the individual production sites. With this we show: We are, step by step, on the way to a sustainable economic and production system.

For this path, there is a mission statement, a strategy and a clear commitment from the management. This sustainability report is part of this strategy. It will document the continuous progress and underpin the “always better” with hard facts and figures.

This not only fulfils the requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and of customers, especially in the automotive industry. The report goes far beyond these requirements and shows: The Schmersal Group takes responsibility for the future – for the reduction of the CO₂ footprint and for a production that demonstrably follows the principles of sustainable business.



SUSTAINABILITY

“WE WORK
IN AN ACTIVE AND
SUSTAINABLE WAY
TO REDUCE THE IMPACT
OF OUR ACTIVITY ON
THE ENVIRONMENT.”

This is one of seven principles
that make up the Schmersal Group’s
mission statement.

For many years, our actions have been value-oriented and our current mission statement shows great consistency with the seventeen UN Sustainable Development Goals (SDGs) defined as part of the 2030 Agenda (see graphic). These goals have been implemented by countries worldwide in national development plans since 2016.

Businesses have a major role to play in achieving these goals because they consume resources and energy. But that is only one aspect. The SDGs also take social aspects into account to a large extent, such as:

- the fight against poverty
- the health and well-being
- the elimination of inequality
- decent work and social growth

The Schmersal Group has always felt strongly committed to these goals as a “good corporate citizen” – at all locations, but especially in countries with lower social standards, poorer medical care and lower gross national product than in Germany.

In these countries – specifically: in Brazil, China and India – about 700 employees of the Schmersal Group are working. Giving them and their families access to a good life is a commitment we take very seriously. In addition, the management and staff at these locations are committed in many ways to supporting the disadvantaged – through donations, but also through project work. ■

Schmersal values: UN Sustainable Development Goals

- 1 To have safety as our #1 priority



- 2 To value people



- 3 To work as one company



- 4 To act in the right way



- 5 To take care of our planet

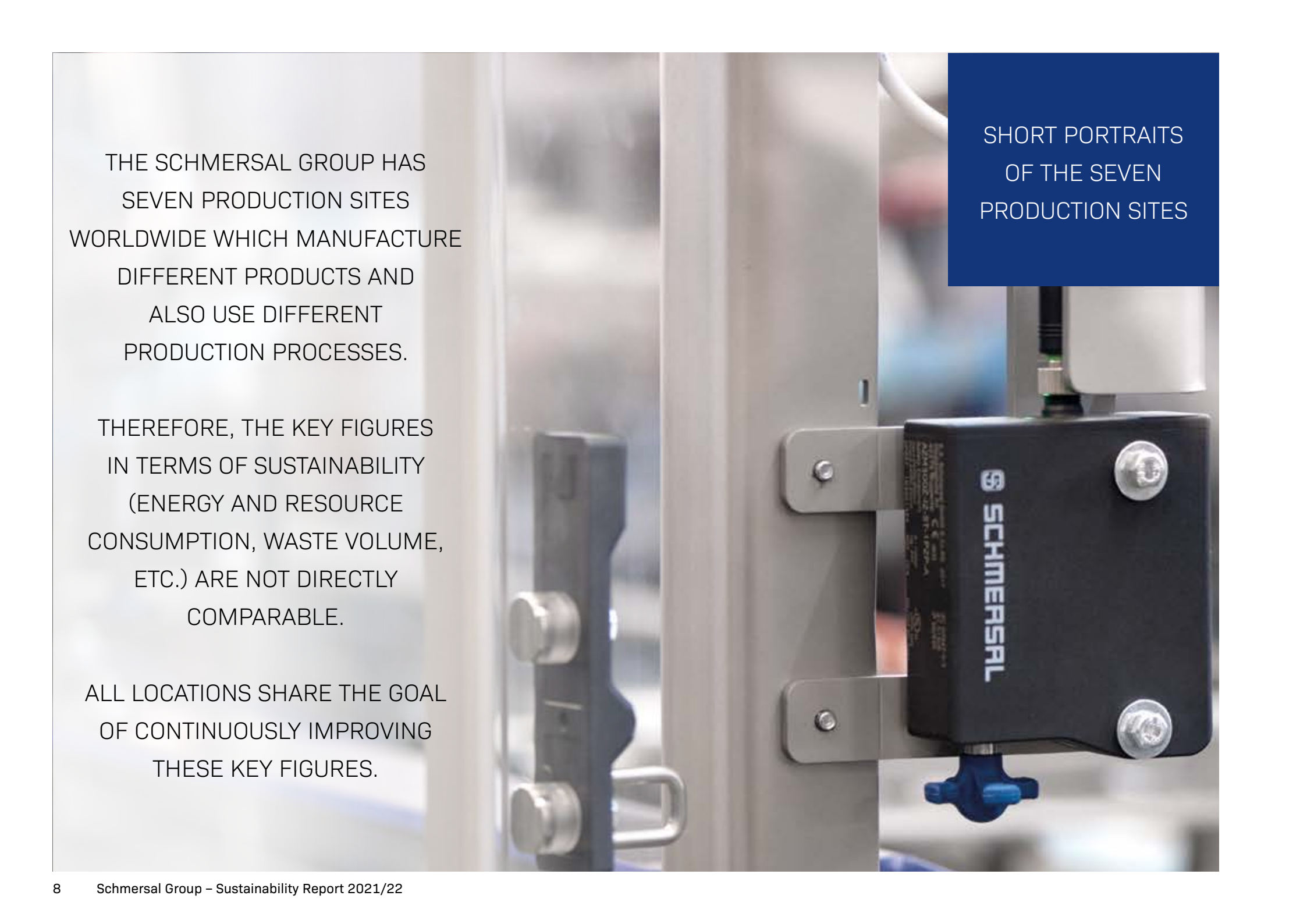


- 6 To strive for excellence and to be solution oriented



- 7 To be aware of our social responsibility





THE SCHMERSAL GROUP HAS SEVEN PRODUCTION SITES WORLDWIDE WHICH MANUFACTURE DIFFERENT PRODUCTS AND ALSO USE DIFFERENT PRODUCTION PROCESSES.

THEREFORE, THE KEY FIGURES IN TERMS OF SUSTAINABILITY (ENERGY AND RESOURCE CONSUMPTION, WASTE VOLUME, ETC.) ARE NOT DIRECTLY COMPARABLE.

ALL LOCATIONS SHARE THE GOAL OF CONTINUOUSLY IMPROVING THESE KEY FIGURES.

SHORT PORTRAITS
OF THE SEVEN
PRODUCTION SITES



Wuppertal, Germany

Since 1945, the headquarters of the Schmersal Group have been located at the founding site in Wuppertal with the central functions such as research & development, purchasing, product management, marketing and sales. The central logistics centre for the European markets is also located there, as is the tec.nicum training centre and the company's own accredited testing laboratory.

In the global production network, Wuppertal is the "lead factory" where new manufacturing and testing processes are tested first.

Schmersal employs around 750 people in Wuppertal. Switchgear and systems for safety, automation and lift technology are manufactured. The production depth is high. For example, the plastic housings of the switchgear and sensors are manufactured in-house, as are numerous systems and devices for production.



Boituva, Brazil

ACE Schmersal in Boituva near São Paulo was founded in 1974 and today employs around 500 people.

They produce a wide range of electromechanical and electronic switchgear for all three of Schmersal's business fields: safety technology, automation and lift technology.

The product range includes safety switchgear, command and signalling devices, proximity switches, foot switches and pull-wire switches. The devices are manufactured primarily for the American markets.



Wettenberg, Germany

The Wettenberg plant emerged from the 1952 founded Elan Schaltelemente GmbH & Co. KG, which was taken over by Schmersal in 1997 and integrated into K.A. Schmersal GmbH & Co. KG in 2012.

As early as the 1980s, switchgear with a personal protection function was developed at the site. The plant in Wettenberg has also taken on a pioneering role in the development of safety-oriented bus systems and innovative ways of safeguarding robot workstations.

Today, one of the development focuses is on safety-related control technology, two others are the production of (safety) switchgear for hygiene-sensitive areas and for explosion protection. Around 150 Schmersal employees work in Wettenberg. →



Shanghai, China

In 1999, the Schmersal Group established a production plant in China, which was subsequently expanded several times. The continuous growth made a completely new building in Qingpu, Shanghai, necessary in 2014. The building complex of Schmersal Industrial Switchgear Shanghai Co. Ltd. (SISS) comprises 9,500 m² of production area, a 4,000 m² warehouse and a five-storey administration building with 1,700 m² of floor space. The building was constructed according to European building standards and is equipped with the latest environmentally friendly technology; the heating, for example, is supplied by a geothermal system.

Around 200 employees assemble and produce position and safety switches as well as lift switchgear for the East Asian market there. Since 2008, our own development department has been modifying existing series according to the specific wishes of our customers.



Mühldorf, Germany

Safety Control GmbH, founded in 1994, still concentrates on the development and production of optoelectronic protective devices.

The product range includes optoelectronic safety devices (safety light barriers, light grids and light curtains) for safeguarding danger points on machines, for access guarding at danger points, for area guarding and for general automation technology.

In 2008, the company was taken over by the Schmersal Group and developed into a competence centre for optoelectronic safety devices. Around 30 people are employed at the site.



Ranjangaon, India

In Ranjangaon near Pune/India, the youngest production plant of the Schmersal Group was built in 2012/13.

The plant, with almost 4,000 m² of production and storage space, employs around 100 people and manufactures safety switchgear and lift switchgear for the Indian market.

Schmersal India Private Ltd. (SIPL) supplies not only the “global players” in mechanical engineering but also the domestic production facilities of German manufacturers as well as leading Indian corporate groups. In addition, Schmersal India supplies its products and solutions to all countries of the South Asian Association for Regional Cooperation (SAARC).





Bergisch Gladbach, Germany

In 2012, the Schmersal Group took over Böhnke + Partner GmbH Steuerungssysteme, which is one of the leading suppliers of lift control systems.

As Schmersal has been one of the leading manufacturers of lift switchgear for decades, the integration has created a system provider for the equipment of lifts with innovative, coordinated control, switching and operating systems.

In Bergisch Gladbach, around 80 employees develop and manufacture components, controls and remote diagnostic systems for the lift industry. →

IN ADDITION TO THESE SEVEN PRODUCTION SITES,
THERE ARE SCHMERSAL GROUP SALES OFFICES
AT 36 GERMAN LOCATIONS AS WELL AS SUBSIDIARIES
AND COMMERCIAL AGENCIES IN 84 COUNTRIES.

At these locations, too, the group of companies as well as the employees assume responsibility for sustainable energy use and the gradual minimisation of the use of resources.



WHEN TECHNOLOGY TRENDS
CAN LEAD TO A LARGER
PRODUCT CARBON FOOTPRINT



The market and also the products and system solutions of machine safety, which Schmersal develops and produces, have changed considerably in recent years. Basically, a simple position switch (with an associated relay module for safe evaluation) is sufficient to safeguard a hazardous area on a machine. This is how it was handled for decades. Today, however, more complex safety systems are used in many cases, especially for high-value and high-performance machines and systems. They enable a higher level of safety and also a better integration of safety functions into operations.

■ This means:

The carbon footprint of the safety switches on a modern machine may well be higher at the product level. However, this not only makes the machine safer, but also more efficient to operate. Therefore, current generations of safety switches and sensors, even if their production should require more material and energy, will “on balance” also contribute to CO₂ savings. The “machine carbon footprint” is likely to be lower due to state-of-the-art machine safety systems such as those manufactured by Schmersal. ■



ENERGY CONSUMPTION AND PRODUCTION

A group of companies with seven plants and a total of around 2,000 employees consumes no small amount of energy every day.

In our production, plastic injection moulding of components is one of the most energy-intensive processes. The main part of the value creation – the assembly – consumes comparatively little energy. In the case of purchased parts, which must also be taken into account in terms of an overall CO₂ balance (Scope 2 according to the GHG Protocol), semiconductors and cast metal housings, among other things, require a relatively high amount of energy.

① We determine energy consumption at all locations and pursue the goal of continuously reducing consumption within the scope of economically and technically feasible possibilities – not only in production, by the way, but also in administration. We define the measures for this, the successes of the implementation are documented and communicated throughout the company within the framework of the “best practice” idea. Examples from the sites are presented from page 31 of this report.

② Energy production (as CO₂-neutral as possible) has a key role to play when it comes to meeting climate targets and reducing CO₂ emissions. There are many ways to reduce energy consumption, but without externally supplied energy, no machine and no industrial production will survive. In order to gradually reduce company-related CO₂ emissions at this level as well, we rely on renewable energies at our production sites (photovoltaics at all four German plants), but also on particularly energy-saving energy generation, e.g. through combined heat and power plants (Wuppertal). ■





CLIMATE CHANGE AND RISING ENERGY PRICES REQUIRE QUICK SOLUTIONS TO MINIMISE ENERGY CONSUMPTION.

REDUCING SPECIFIC ENERGY CONSUMPTION IS AN IMPORTANT PART OF THE COMPANY'S POLICY.

IN DOING SO, WE ESSENTIALLY PURSUE TWO STRATEGIES:

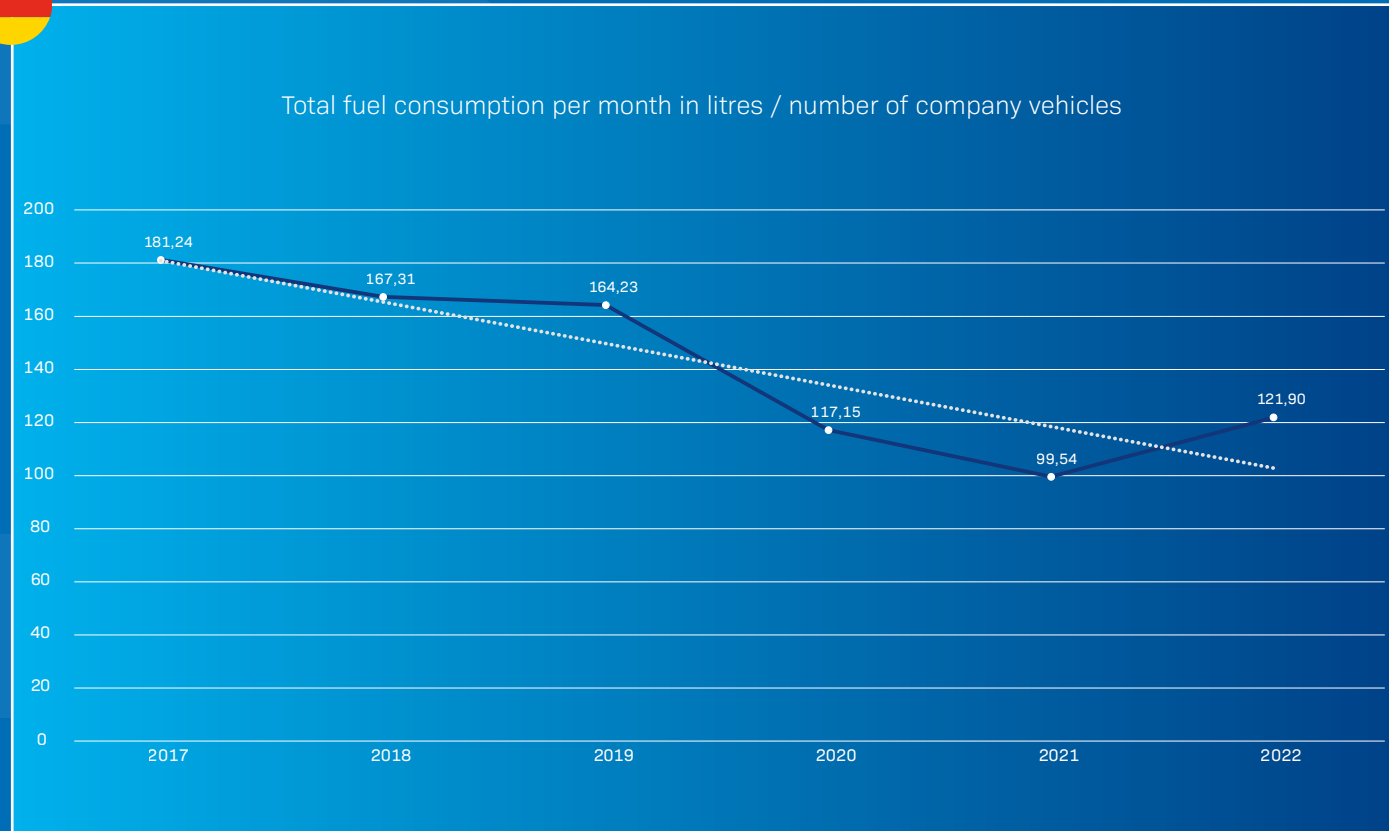


We have introduced a uniform energy management system certified according to DIN EN ISO 50001 at our German sites.

An environmental management system in accordance with ISO 14001 was established in Boituva, Brazil.

We regularly draw up energy balances for the entire group of companies in order to identify and exploit further savings potential in the sense of benchmarking.

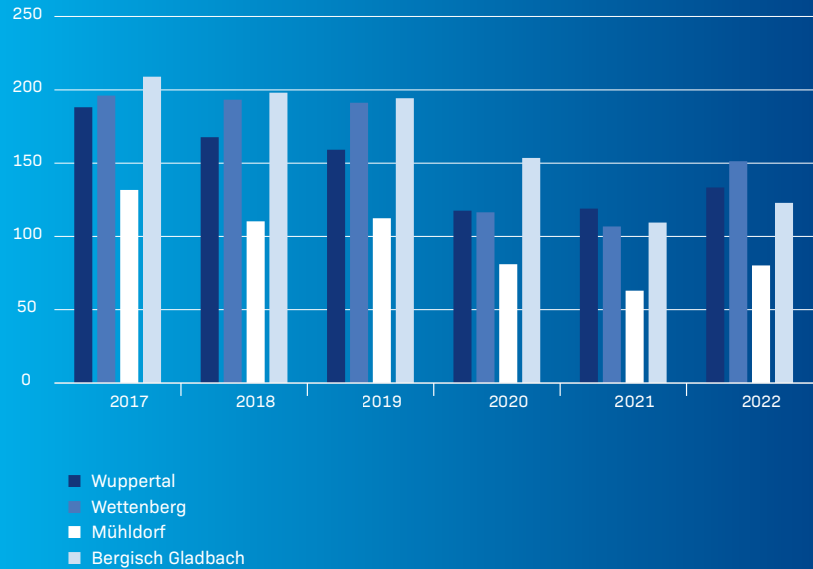
KEY FIGURES OF THE SEVEN PRODUCTION SITES AT A GLANCE



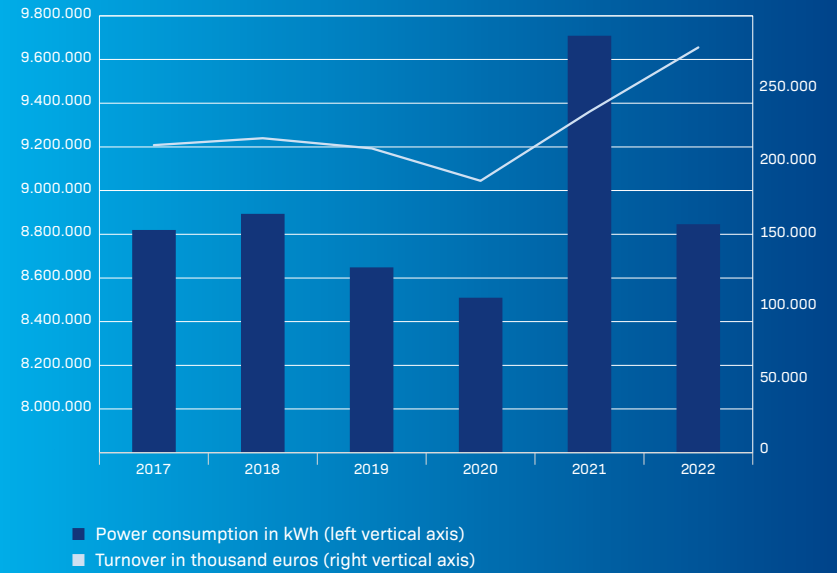
FUEL CONSUMPTION HAS INCREASED IN 2022.
THIS IS DUE TO THE UNCHARACTERISTICALLY LOW VALUES IN THE COVID YEARS 2020/2021,
WHEN MOBILITY WAS SIGNIFICANTLY REDUCED. COMPARED TO THE PRE-COVID YEARS,
HOWEVER, A DECREASE IN FUEL CONSUMPTION CAN BE SEEN AS A LONG-TERM TREND.



Fuel consumption per month in litres per company vehicle



Power consumption and turnover



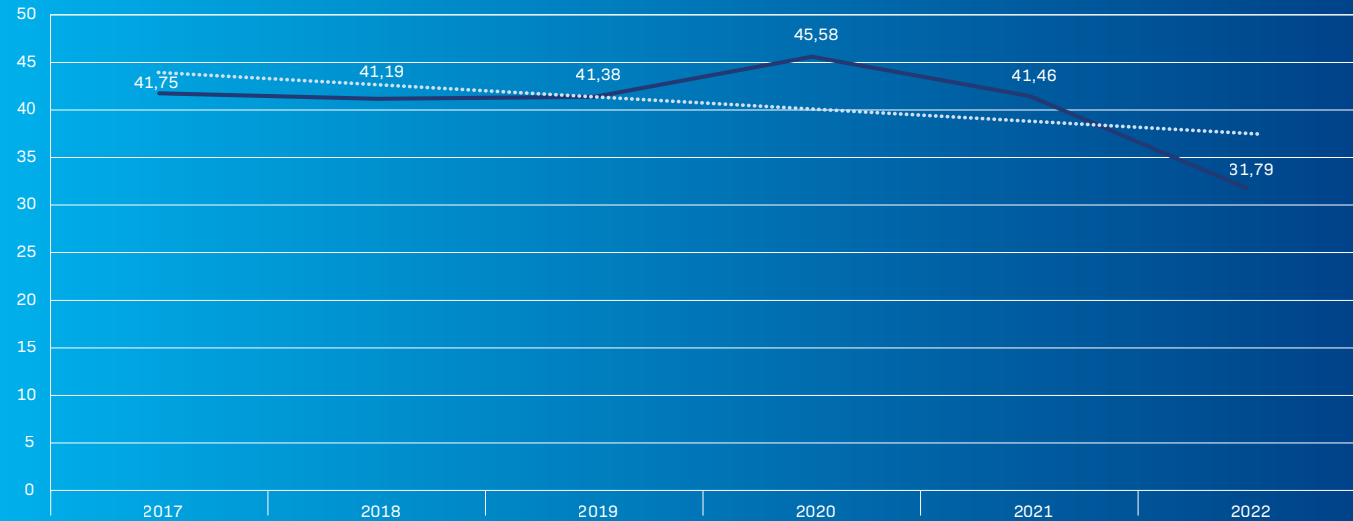
MOBILITY IS ESSENTIAL IN THE CONSULTANCY-INTENSIVE MARKET OF MACHINE SAFETY. WE ARE WORKING TO REDUCE THE FUEL CONSUMPTION OF OUR VEHICLE FLEET.

INITIATIVES TO REDUCE ELECTRICITY CONSUMPTION ARE IN PLACE AT ALL SITES. IF CONSUMPTION NEVERTHELESS RISES, INCREASED PRODUCTION FIGURES ARE THE MAIN REASON.

KEY FIGURES
OF THE SEVEN
PRODUCTION SITES
AT A GLANCE



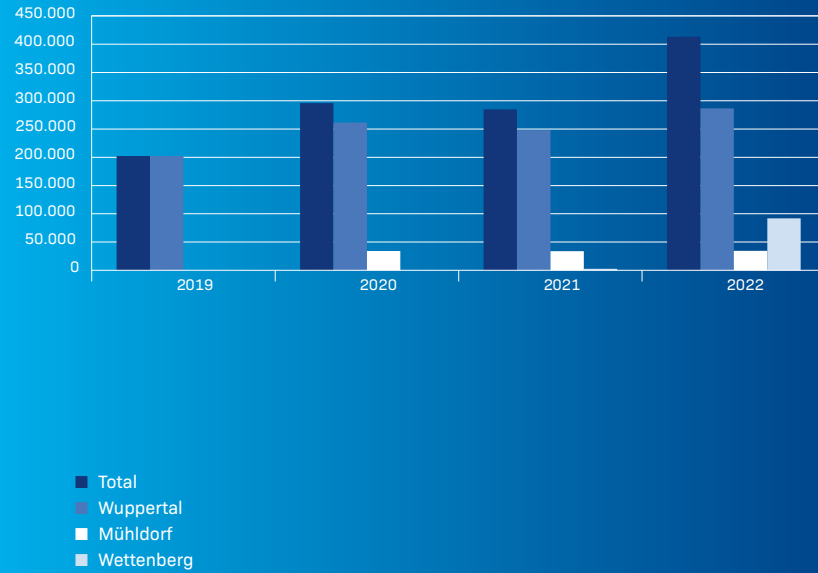
Electricity consumption in kWh per thousand euros of turnover



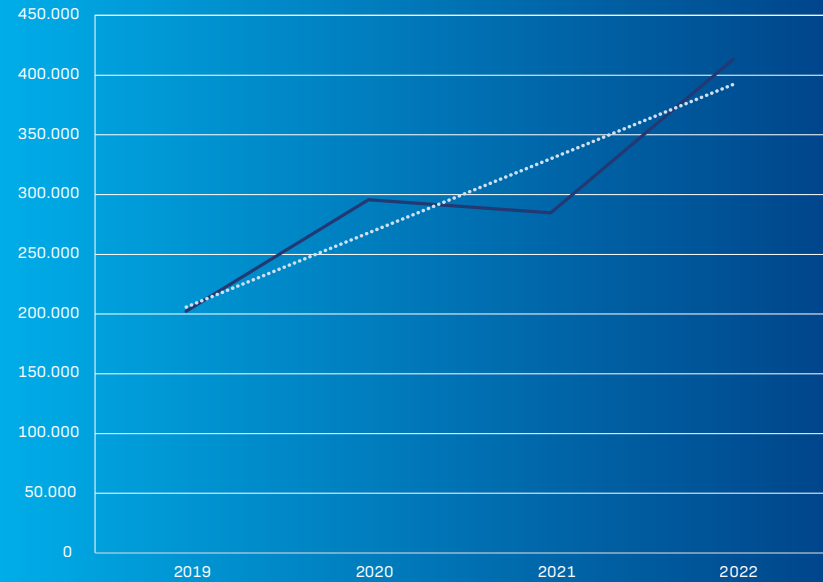
ELECTRICITY CONSUMPTION IS FALLING IN RELATION TO TURNOVER. THIS TREND WILL CONTINUE. BECAUSE THE PRODUCTION DEPTH IS HIGH, THE PROPORTION OF SCOPE 1 EMISSIONS (WHICH CAN BE INFLUENCED "IN-HOUSE") IS AT A CORRESPONDINGLY HIGH LEVEL.



Photovoltaics in kWh

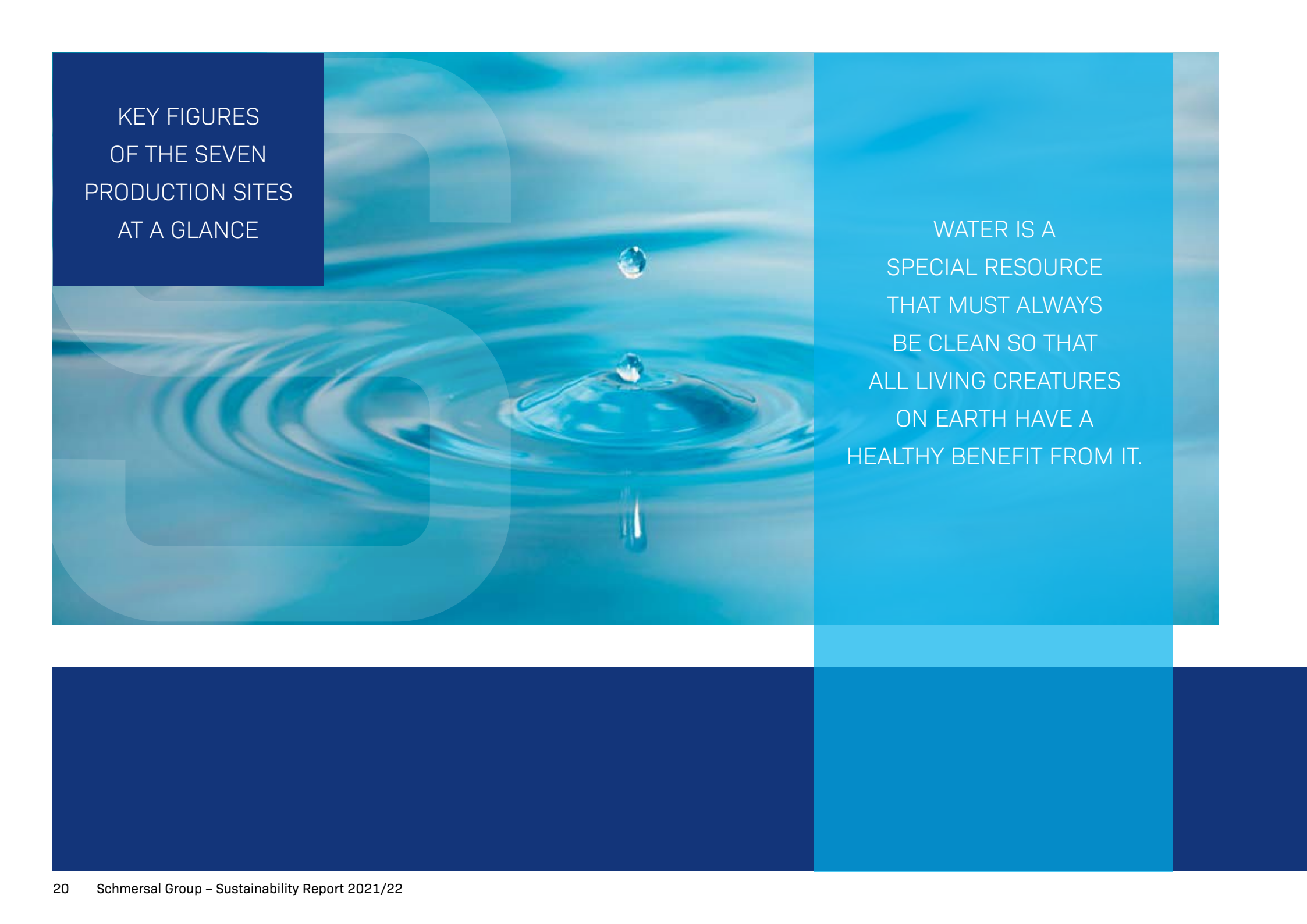


Total photovoltaics in kWh



SOLAR POWER IS GENERATED FOR THE COMPANY'S OWN USE AT FOUR GERMAN PRODUCTION SITES.

THE TOTAL OUTPUT OF PHOTOVOLTAICS IS CONTINUOUSLY INCREASING.

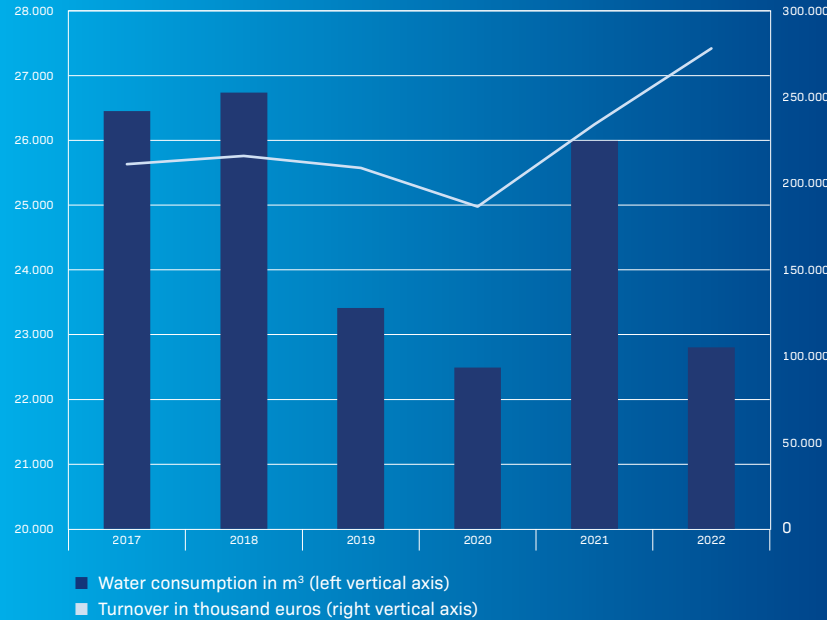


KEY FIGURES
OF THE SEVEN
PRODUCTION SITES
AT A GLANCE

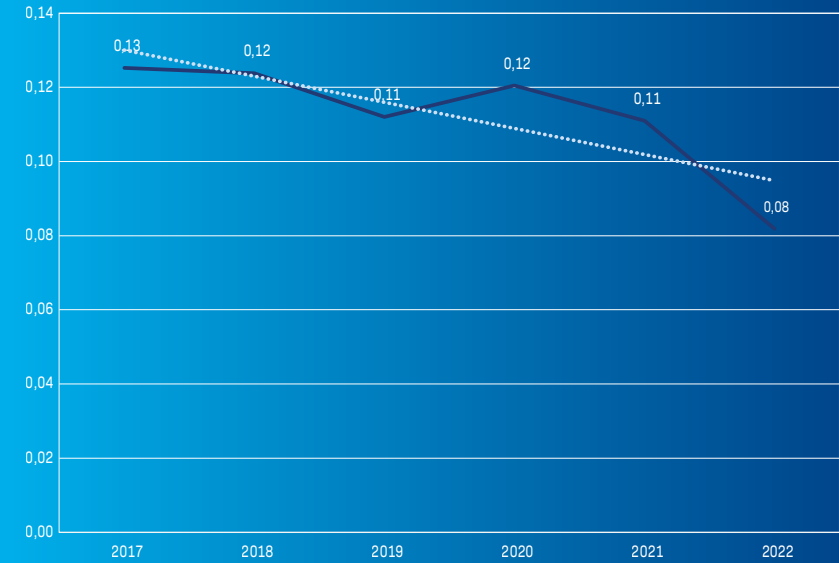
WATER IS A
SPECIAL RESOURCE
THAT MUST ALWAYS
BE CLEAN SO THAT
ALL LIVING CREATURES
ON EARTH HAVE A
HEALTHY BENEFIT FROM IT.



Water consumption in relation to turnover



Water consumption in litres per euro of turnover



WATER IS USED AT THE PRODUCTION SITES AS INDUSTRIAL WATER, BUT ALSO FOR MACHINE COOLING.

THE DECREASE IN WATER CONSUMPTION (IN RELATION TO TURNOVER) SHOWS THE SUCCESS OF THE MANY MEASURES IMPLEMENTED.

ONE OF THE MAJOR
TRANSFORMATION
PROCESSES THAT
INDUSTRY WILL UNDERGO
IN THE COMING YEARS
IS THE CHANGE
TO A CIRCULAR ECONOMY.



ON THE ROAD TO A CIRCULAR ECONOMY

This means saying goodbye to the previous, “linear” resource utilisation, from extraction through processing and use to disposal or recycling. Instead, raw materials are recycled after product use without “downcycling” or the products are reprocessed in such a way that their mission time is significantly increased in the sense of a “second life”.

We have been relying on this principle in production for a long time. For example, we use so-called “post-industrial recyclate” (PIR) in the injection moulding of plastic housings. And we are looking for further recycling opportunities for recyclates (see page 58).

The foundation for sustainable products in the sense of the circular economy must be laid during development.

Our designers take into account in their work that the environmental impact caused by the product to be developed during production, use and recycling or disposal at the end of the product life cycle is as low as possible. Thoughtful use of resources is just as important here as the selection of energy-efficient production processes.

Another increasingly important aspect is the ease of repair of safety switchgear. This is ensured, among other things, by the use of recycling-friendly compo-

nents (e.g. made of mono-materials) and repair-friendly joining and assembly processes.

■ Challenging task

Safety retrofit instead of new investment. However, the Schmersal Group’s efforts to use materials and resources as comprehensively as possible go beyond the aspects mentioned so far – which are more or less valid for the entire industry.

Technically very demanding and fitting to Schmersal’s core competence is the offer of safety-related retrofitting for older machines. Certified safety engineers draw up a concept for the modernisation of machines and plants in accordance with the current requirements of machine safety and also implement this concept – if necessary in cooperation with partners – up to commissioning on site.



■ The result

The user can continue to use the machine, safety for man and machine is guaranteed, and the “product carbon footprint”, i.e. the CO₂ expenditure for the production of a new machine, is saved as well as the capital expenditure. ■

NEW MOBILITY –
MORE THAN JUST
“FUEL & CARS”



MOBILITY IS A FACTOR IN THE CARBON FOOTPRINT
OF GLOBALLY ACTIVE INDUSTRIAL COMPANIES
THAT SHOULD NOT BE UNDERESTIMATED.

Mobility is a factor in the carbon footprint of globally active industrial companies that should not be underestimated. 2,000 employees visit their workplace every day. In Germany, around 50 sales engineers travel to their customers, and an average of around 600 shipments are sent to European customers every day from the logistics centre in Wuppertal alone.

This is therefore a “lever” for reducing the CO₂ emissions of the entire company (corporate carbon footprint). We address this task with several measures.

- We recommend the use of company cars with hybrid or purely electric drive (at least efficiency class A). In Germany, the share of company vehicles with these drives is 16%.
- Furthermore, we recommend the use of CarPooling and public transport for business trips.
- At the German locations, we have launched a “Job Bike” programme, which is currently being used by 91 employees. 77 of them ride e-bikes as company vehicles, 14 use normal bicycles.
- In China, we also recommend and support travelling to work by bicycle or e-bike.

In Germany, we offer employees mobile working as an option for two days per week, with a defined quota of homeworking days per year. This not only saves considerable amounts of CO₂, it also ultimately avoids unnecessary travel times and contributes to employee satisfaction. ■

THE SUPPLY CHAIN ACT AND ITS CONSEQUENCES

The Schmersal Group traditionally relies on a high production depth and on long-standing relationships with its suppliers. Both principles make it easier to ensure compliance with social standards in the supply chain. The German Obligation to Exercise Due Diligence in the Supply Chain Act, which has been in force since 1 January, 2023, confirms this position.

It is not only since this law came into force that we have fulfilled our due diligence obligations throughout the entire supply chain with a practical risk management system. We have been committed to the ZVEI Code of Conduct for many years. Regulations on working conditions and diversity, among other things, are an integral part of contractual commitments with suppliers. The beginning of a cooperation with new suppliers includes a supplier visit with the aim of guaranteeing compatibility with Schmersal's values. ■



SOCIAL
RESPONSIBILITY

IN THE SENSE OF THE ESG
(ENVIRONMENTAL, SOCIAL AND GOVERNANCE)
GUIDING PRINCIPLE AND THE BASIC IDEA OF
“CORPORATE CITIZENSHIP”,
THE SCHMERSAL GROUP ASSUMES
RESPONSIBILITY FOR THE SOCIAL WELL-BEING
NOT ONLY OF ITS EMPLOYEES
BUT ALSO OF THE PEOPLE
IN THE SURROUNDING AREA.



Environmental,
Social and Governance

This is also enshrined in the seventeen UN Sustainable Development Goals (SDGs) (see chapter “Anchored in the Mission Statement: Sustainability” on page 7).

That is why Schmersal is involved in local initiatives and (aid) projects, especially at its seven production sites in Brazil, China, India and Germany.

Often these are projects where the company (co-) finances the projects and the employees donate their time and knowledge. Examples of the diverse social commitment are presented from page 31 onwards. ■



THE SCHMERSAL GROUP AS AN EMPLOYER

We offer employees at all locations a wide range of opportunities for qualification, promotion and advancement within the company. Training in both the commercial and industrial sectors (with our own modern training workshop in Wuppertal) is a high priority. Currently, Schmersal employs twelve apprentices and eight dual students in seven apprenticed professions and three dual study courses.

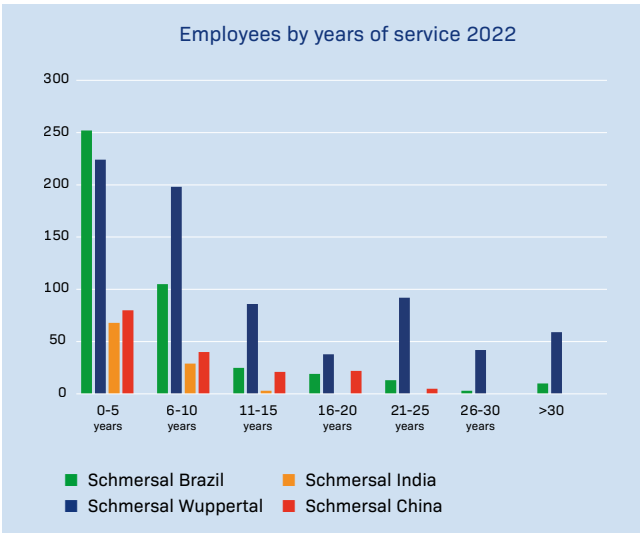
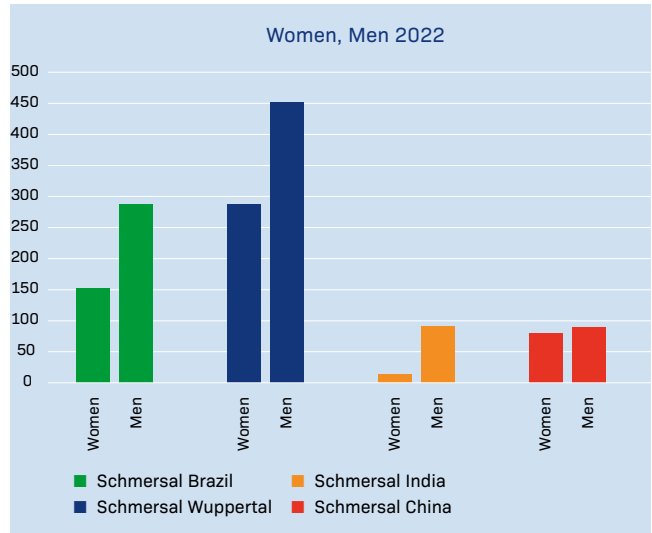
The further training programme at the Wuppertal site (in the affiliated in-house training centre tec.nicum) shows the variety of qualification options. In 2022, 359 employees participated in 38 courses and seminars. The focus here is on languages, IT and new product series. However, courses on “Microsoft Modern Workplace – Basic Training” are also popular and in demand.

Awards:

- **Brazil:**
2020 Great Place to Work fifth place (Awards since 2012)
- **Brazil:**
Award for contributions to the city
- **Wuppertal:**
“Wuppertal’s most attractive employer” (Statista, Capital 2019, 2020, 2021)
- **Wuppertal:**
“Most family-friendly employer” (Freundin, kununu 2021)
- **Wuppertal:**
“Best Employer 2022” (FOCUS Business Ranking)
- **Wuppertal:**
Kununu Top Company and Kununu Open Company
- **Wuppertal:**
Premium for the introduction of operational integration management (LVR Inclusion Office, 2022)

Current projects and initiatives of the Schmersal locations to promote employees and strengthen the employer brand are presented from page 31 onwards. ■

A TYPICAL CHARACTERISTIC
OF A MEDIUM-SIZED
AND OWNER-MANAGED
FAMILY BUSINESS
IS THE RESPONSIBILITY
FOR THE EMPLOYEES,
MANY OF WHOM (NOT
ONLY AT THE HEADQUARTERS
IN WUPPERTAL) ARE ALREADY
WORKING FOR SCHMERSAL
IN THE SECOND GENERATION.



ZVEI-VDMA Code of Conduct:
Companies commit to social
responsibility



The GHG Protocol
(Greenhouse Gas Protocol)

THE DIVERSITY OF SUSTAINABILITY

Product carbon footprints and energy balances represent the big picture of a corporate sustainability concept. We take this task – as can be seen in this report – very seriously.

However, sustainability does not only consist of numbers and targets. It also arises when people with ideas have the desire to change the world for the better, when they work together and start projects and also proceed unconventionally.

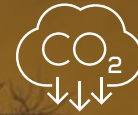
There are many examples of such projects in the Schmersal Group. They were and are initiated by the management, the site management, the environmental officers, the employees, the trainees... The examples are very diverse. We briefly describe some of them here. ■



EXEMPLARY
PROJECTS



ENVIRONMENTAL PROTECTION
AND CO₂ REDUCTION



CIRCULAR ECONOMY



SOCIAL



EMPLOYEES





HOW IMPORTANT IS SUSTAINABILITY?



The seventeen global UN Sustainable Development Goals (SDGs) aim to reconcile economic growth, ecological balance and social progress.

The overarching goal is: all people should have equal opportunities and be able to lead a better life without endangering our planet.

Stable economic growth means: eradicating poverty and hunger to ensure a healthy life. Conservation of natural resources is necessary to ensure that universal access to the basics of our civilised lives remains possible: Water, sanitation and sustainable energy. Social progress and equality will reduce inequalities in the world – including and especially gender inequalities.

We, Schmersal India, are making our contributions to this. We promote sustainable management in the company, for example, by using 100% recycled materials for packaging and reusing packaging materials. In this way, we reduce waste, reduce the quantities going to landfill and minimise the environmental impact of our operations.

We also achieve the same by installing solar energy lamps that use clean and renewable energy to generate electricity. We have also invested in LED lighting. This helps us reduce our carbon footprint and reconcile economy and ecology.

And we operate our own rainwater harvesting system, which enables us to save several 100,000 litres of groundwater and service water every year.

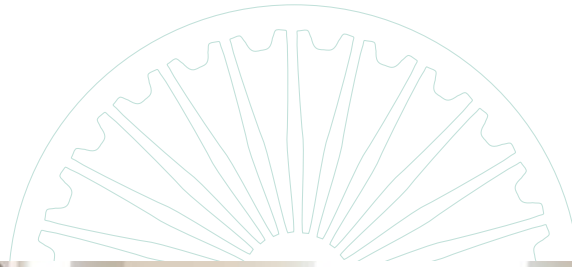
We will continue on this path. Because sustainable development will allow all nations to adapt to the challenges of climate change and minimise its impacts. This in turn helps to preserve existing and finite natural resources for future generations. This is all the more important as the world's population continues to grow. By 2050, 9.7 billion people are expected to live on this planet, and all of them have a right to a good life.

Sagar Bhosale
Managing Director, Schmersal India Private Limited (SIPL)





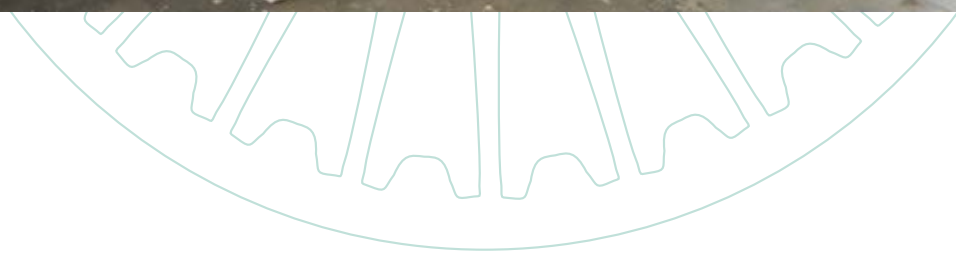
SOCIAL



CSR IN TIMES
OF THE PANDEMIC:
AROUND THE
COMPANY

Corporate Social Responsibility, CSR for short, has always been part of the “Corporate Identity” of the entire Schmersal Group and also of Schmersal India. All employees at the Ranjangaon plant see the obligation they have towards themselves, the “stakeholders” (especially the customers) and society. This is also laid down in the basic values of the Schmersal Group: **Among other things, our tasks include valuing other people; acting correctly and always being aware of our social responsibility.**

During our discussions with the local authorities about the resumption of production in Ranjangaon near Pune, after the COVID-related lockdown, the management became aware of the depressing situation of the many migrant workers in the vicinity of the industrial area. They were helped by the authorities with shelter and basic food – and they asked for our help, which we gladly provided. We then donated 150 kilograms each of rice and wheat flour as well as pulses, cooking oil and spices. ■

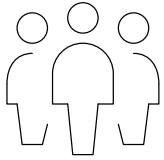




CLEAN WATER FOR SCHOOLS



Access to clean, i.e. filtered and germ-free water is imperative for a healthy life. Most schools in Ranjangaon and the entire Pune region have their own filtration systems for their drinking water, but not all. Therefore, we donated a water treatment plant to the boarding school for the hearing and speech impaired, Nhavare Phata in Shirur. This is a sign of social responsibility and of our concern for the health of the pupils. ■



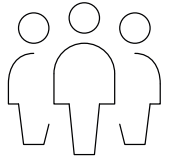
EMPLOYEES

CSR IN TIMES
OF THE PANDEMIC:
IN THE COMPANY



Right at the beginning of the pandemic, the management of Schmersal India took proactive protective measures. This included providing RT-PCR and antigen testing at the factory, distributing COVID-19 protection kits and raising awareness about spacing and the purpose of the protective masks.

In June 2021, a vaccination campaign was also held for all employees and their family members. More than 200 people had themselves vaccinated here – at a time when vaccine was still scarce and hardly available. Sagar Bhosale, Managing Director, Schmersal India, said, “At the time, the world was battling the second wave of Covid-19, which has affected our families and communities, our work and way of life in unprecedented ways. Our priority was to protect our staff and their families as early as possible from this disease, which has claimed more than 500,000 lives in India alone. In doing so, we have not only protected the employees, but also their families, and we have contributed to the containment of the pandemic.” ■



FAMILY HEALTH INSURANCE

Family health insurance improves medical care for the approximately 100 employees at the Ranjangaon plant in India and their dependents. ■

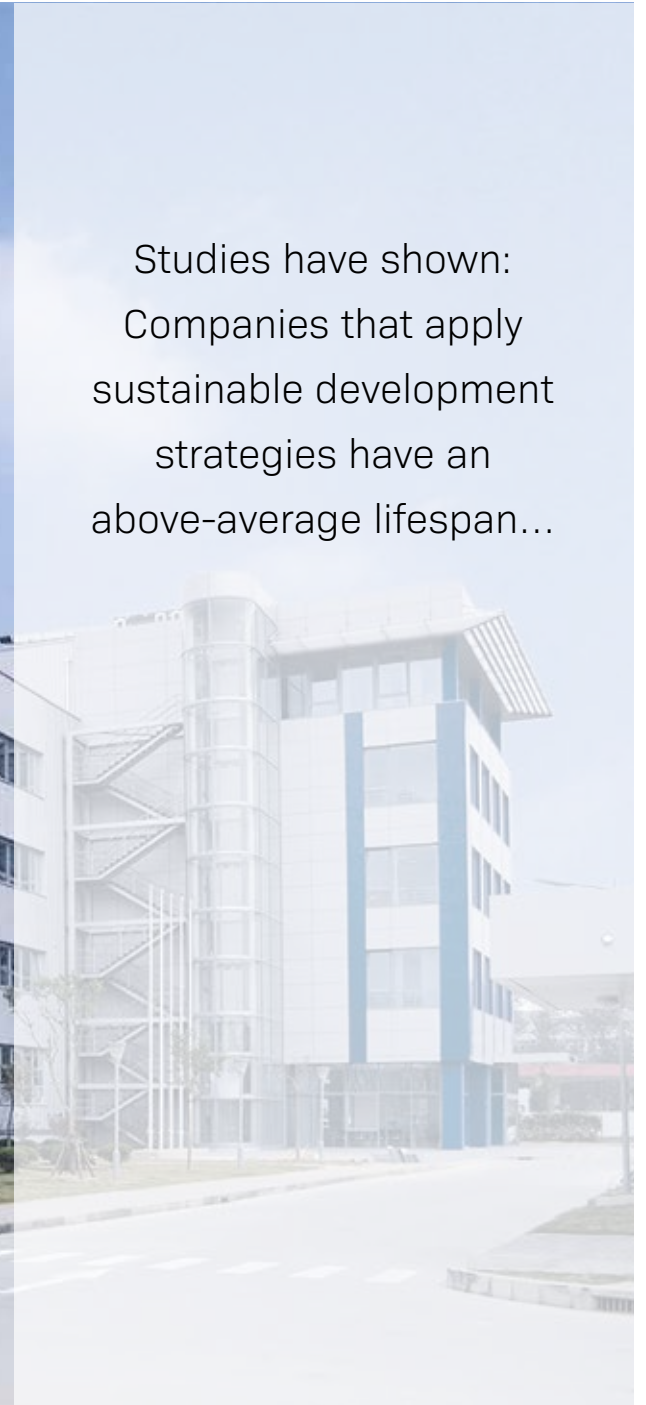




THOSE WHO
LIVE SUSTAINABLY
LIVE LONGER



Studies have shown:
Companies that apply
sustainable development
strategies have an
above-average lifespan...



...they can develop in the long term because they are more careful with their resources. And they maintain their vitality through continuous innovation. The motivation of employees also increases when they and their employer are jointly committed to sustainable production and management.

We put this concept into practice every day – on both a small and a large scale. Here are some examples:

- The share of recycled materials in our raw materials is continuously increasing.
- Over 90% of packaging is made from renewable materials.
- Long-life and energy-saving LED lamps are used in production.
- Charging stations for e-bikes make it easier for employees to commute by bike.
- We collect recyclable waste and recycle it.

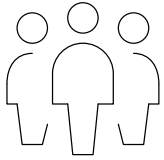
Why are we doing this?

Because we take responsibility for the future and our planet. And because we believe that a company will achieve good economic results in the long term through sustainability – that is, through the prudent use of natural and human resources. ■

Michele Seassaro

Managing Director, Schmersal Industrial Switchgear (Shanghai) Co. Ltd.

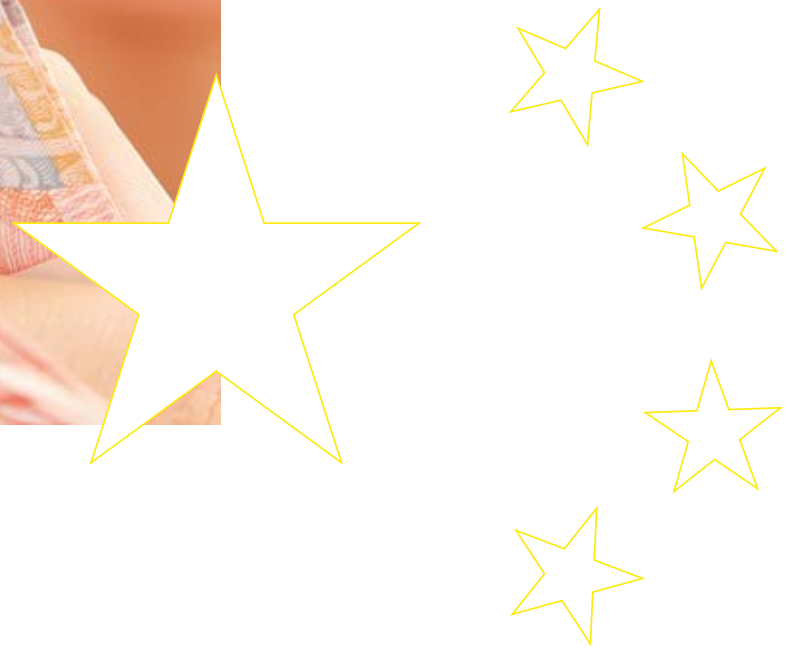


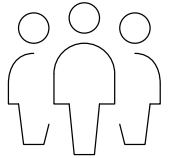


EMPLOYEES

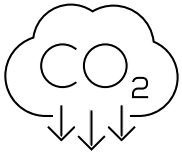
BONUSES AND ALLOWANCES

Employees in our Chinese factory receive various voluntary special payments each year, including on public holidays and their birthdays. In the case of serious illnesses, they are given access to special medical care – based on the German concept of aid. ■





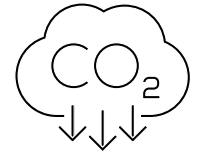
This example shows how strong the commitment of employees in a family business can be. When the COVID-related lockdown was relaxed in Shanghai, China on 3 May 2022, 39 employees of Schmersal Industrial Switchgear Co. Ltd. settled permanently in the company building (after approval by the authorities). There they maintained production and logistics under isolation conditions for a period of six weeks – voluntarily, of course, and provided with everything they needed by the management. It is just as natural that they subsequently received a generous additional payment for this unusual commitment, which had not been agreed upon beforehand. ■



RECYCLING SHARE
GROWS – FOR
RAW MATERIALS
AND PACKAGING



The proportion of recycled input materials at the Chinese Schmersal plant is continuously increasing. Wherever it is feasible in terms of quality and functionality, recycled materials are used – in the spirit of the circular economy. The proportion of recovered paper in packaging is already more than 90%. Waste, especially packaging waste, is separated by type and recycled. Non-recyclable waste is collected and disposed of centrally. ■



COMMUTING –
BEST WITH
AN E-BIKE



E-bikes are very popular in China. We encourage our employees to commute by bicycle or e-bike to reduce fossil fuel consumption. To encourage this, we offer sufficient charging points for e-bikes. ■



WE TAKE
OUR VALUES
VERY SERIOUSLY

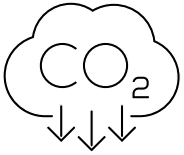


Environmental and sustainability issues are linked to the value of “Caring for our planet”, and we have developed several measures in this context.

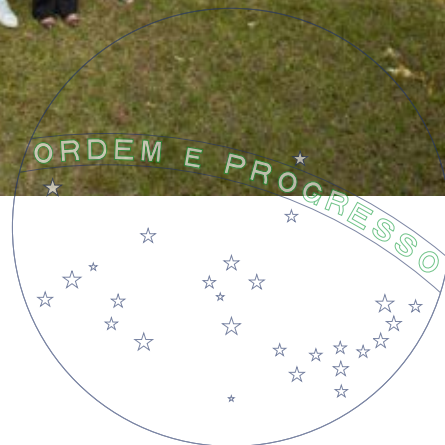
One of the highlights is the Oxygen project, which aims to reduce greenhouse gas emissions and offset 100% of the unavoidable remainder by planting trees. Other examples include ISO 14001 certification, the use of rainwater, the Friendship Forest and the use of environmentally friendly fuels. To ensure a safe future, protecting our planet is a priority. ■

Rogério Baldauf
Managing Director
ACE Schmersal Eletroeletrônica Industrial Ltda.





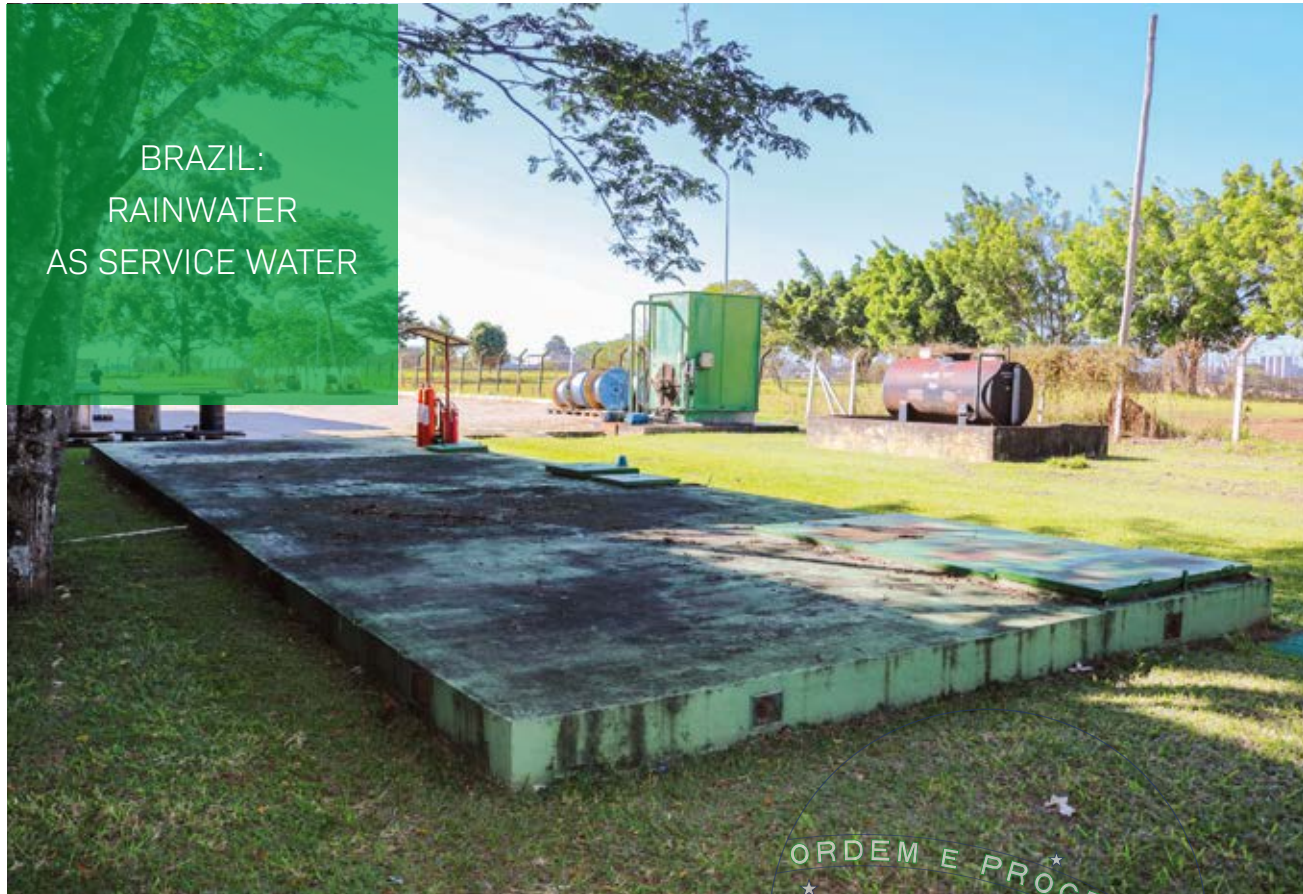
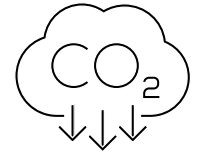
“FRIENDSHIP
FORESTS”
IN BOITUVA AND
RANJANGAON



For many years, a forest has been growing in Boituva, which the Friends of Schmersal have planted and continue to plant. Employees, business partners, customers and suppliers are invited to plant a tree in this forest and thus contribute to reforestation.

Each tree in the “Friendship Forest” receives a plaque with the name of the person who planted it, and every year this friend of the Schmersal Group receives a picture of the tree, which grows steadily and makes the world a little bit “greener” by binding CO₂. In the meantime, this idea has set a precedent.

There is now also a – still young – “Friendship Forest” on the factory premises in Ranjangaon. ■



Drinking water is already scarce in many regions of the world, and global warming is likely to make it even scarcer. Especially in industry, it is often not necessary to use treated water, i.e. water that can be used as drinking water. The plant in Brazil therefore uses rainwater – for a total of around two thirds of its overall consumption. In this way, we conserve the region’s drinking water supplies and save on operating costs at the same time. ■





SOCIAL



THE
“SCHOOL IN
THE COMPANY”

The initiative “Escola Formare” runs training programmes for young people from low-income families in Brazil. As part of a comprehensive cooperation, it has set up a class for a maximum of 20 pupils on the factory premises in Boituva, which is partly taught on a voluntary basis by suitably qualified Schmersal employees.

The success of this project is impressive from the point of view of everyone involved. Since 2011, 40 volunteer teachers from the Schmersal workforce have trained around 170 students. 78 of them subsequently found a job at Schmersal, the rest found qualified jobs with other employers. ■

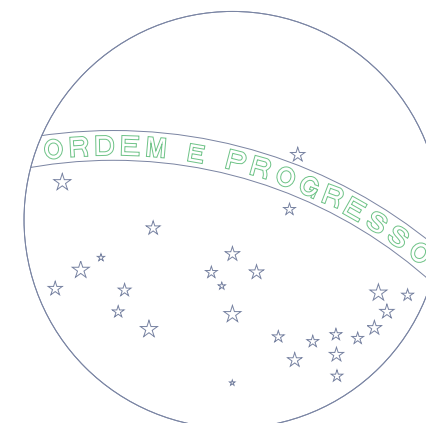


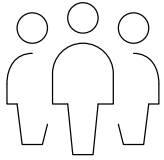


SUPPORT OF
A CHILDREN'S
AID PROJECT



For more than 150 years, the SBA Girassol support association in the south of São Paulo has been committed to the education and qualification of young people from difficult social backgrounds – according to the motto “Paving the way out of poverty through education”. Schmersal Boitova has been supporting the project for almost fifteen years with regular financial donations. ■





EMPLOYEES

MEDICAL
SUPPORT
FOR EMPLOYEES

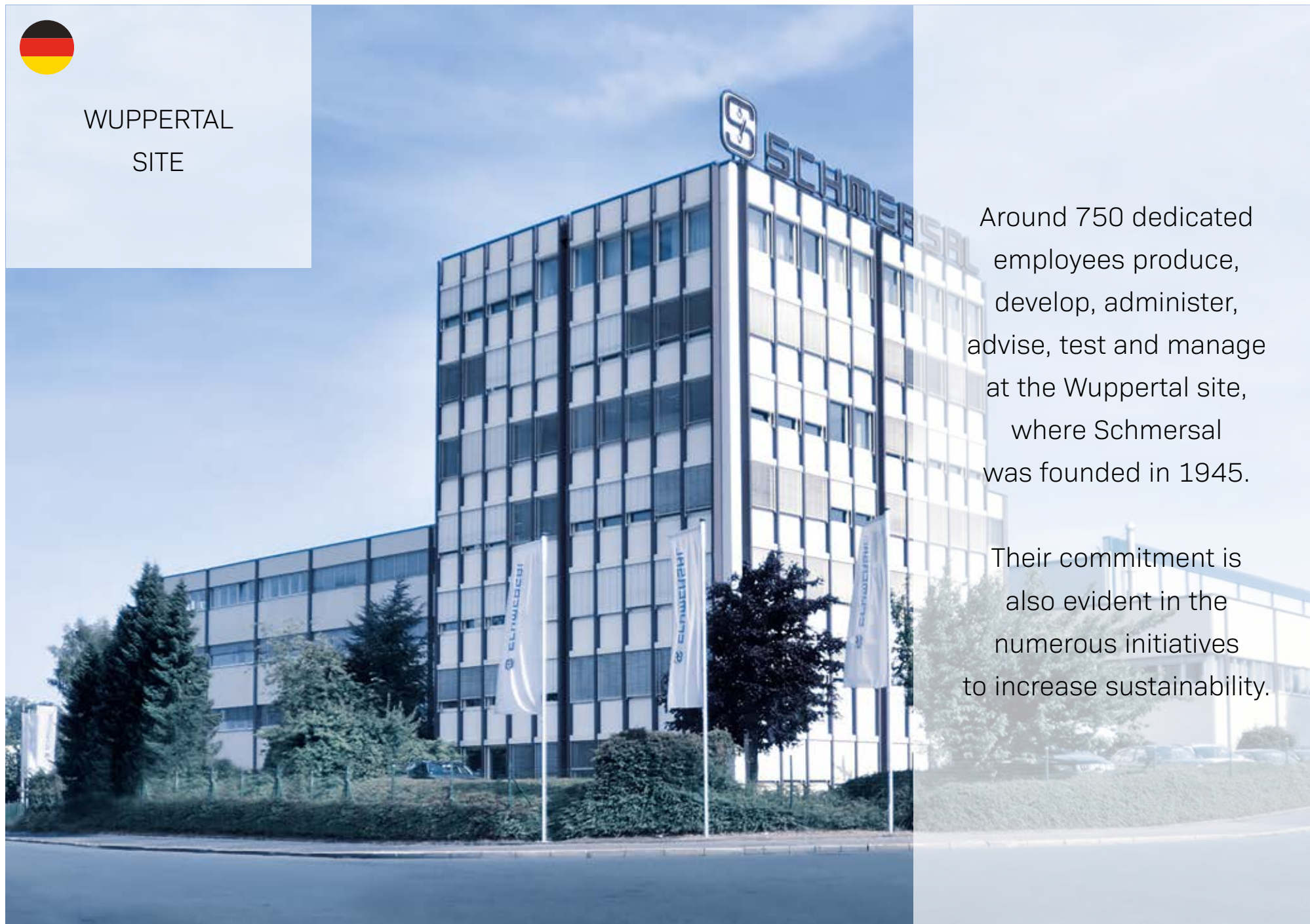




Even though there is free access to basic health care in Brazil, (additional and paid) services are standard. For the employees in our Brazilian plant, we have made corresponding agreements with pharmacies and also provide financial support beyond that. ■



WUPPERTAL SITE



Around 750 dedicated employees produce, develop, administer, advise, test and manage at the Wuppertal site, where Schmersal was founded in 1945.

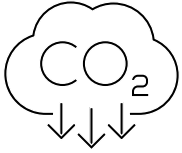
Their commitment is also evident in the numerous initiatives to increase sustainability.

The motto of the sustainability activities at the Wuppertal site is not: We are better, smarter and further than the other sites. Our first sustainability report impressively documents that there are various activities in all plants of the Schmersal Group, for example to reduce CO₂ emissions or to promote social projects in the vicinity of the sites.

But Wuppertal is the largest location of the Schmersal Group. This means that this is where we have the greatest “leverage” to make a difference, and this is exactly what we are doing with vigour. Whether it is the energy centre in the basement with a combined heat and power plant, the company kindergarten, the reuse of sprue material in the injection moulding shop or the beehives on the roof: we consistently pursue the goal of keeping our CCF – the corporate carbon footprint – as small as possible and making our contribution to ensuring that life on our planet is and remains worth living for all people. The examples on the following pages show the levers we pull here in Wuppertal – and how strongly our employees are involved. ■

Philip Schmersal
Executive Director of the Schmersal Group

Continuously reducing
energy and resource
consumption, recycling
packaging and
preserving the habitat
of native animals
such as bees:
Sustainability at
the Wuppertal site
has many aspects.



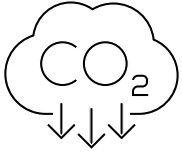
ENVIRONMENTAL PROTECTION AND CO₂ REDUCTION

AT SIX
LOCATIONS:
“GREEN ELECTRICITY”
FROM OUR OWN
PHOTOVOLTAIC
SYSTEMS



In all four German production facilities, photovoltaic systems contribute to resource-saving, renewable, energy generation. This also applies to omnicon engineering GmbH in Kirkel-Limbach, a member of the Schmersal Group, which advises its customers as a service provider in questions of machine safety, as well as to Schmersal Ibérica S.L. in Barcelona, Spain. ■

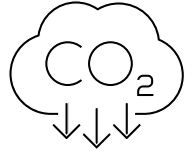




HONEY
FROM THE HIVE



Bees make an invaluable contribution to our ecosystem and, of course, to food production by pollinating crops and wild plants.

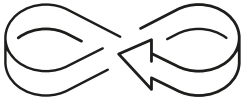


HONEY FROM THE HIVE



Currently, many bee species around the world are threatened with extinction, and we are working to do our part to preserve bees and thus protect a valuable part of our environment.

The sweet harvest of our first bee colony – a total of 20 kg of honey, mainly from lime blossoms – was filled into small jars and presented to our customers as a gift. Of course, we also tasted ourselves and can say that the initiative is a win on several levels: not only does it make ecological sense in many ways and supports the preservation of biodiversity, the results are also very, very tasty. Our flying colleagues have already been very busy this year, too, and both colonies together have “produced” more than 50 kg of honey. ■



CIRCULAR ECONOMY



In Wuppertal, developers are working on concepts to make new products more repair-friendly. In addition, existing product series were analysed with regard to their reparability. This is intended to increase the repair rate in the medium term and increase the service life (and thus the sustainability) of the products. ■



NEW LIFE
FOR SMD ROLLS

In the electronics production at the Wuppertal plant, large quantities of electronic (SMD) components are processed, which are delivered in rolls. On the initiative of an employee, the “Makerspace” DevLab TSA – an association with its own machinery that develops creative solutions for production and recycling – uses these rolls to extrude plastic sheets. ■

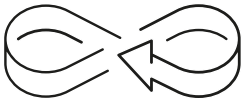


More information
on the association



More information
on the project





CIRCULAR ECONOMY



In the case of injection-moulded plastic components, the raw material accounts for the largest share of the CO₂ footprint. For the promotional items (giveaways) that we are now producing after an internal design competition, this proportion is omitted. Cable winders for charging and headphone cables are made from the recycled material from our own production. Thus, various plastics (elastomers and non-reinforced thermoplastics) are used almost 100% sensibly. The packaging also consists largely of recycled plastic material, which is (re-)recovered at the Wuppertal plant. ■



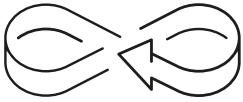


MOBILE
PHONE CASES
MADE FROM
OUR OWN
RECYCLED PLASTICS



Due to the principle of injection moulding, not 100% of the plastic granulate can be used. We recycle the residues from the sprue material as “post industrial” recycle by returning them to the material cycle. In this way, we improve the material and CO₂ balance.

For residual materials that are not sorted by type, we develop in-house recycling options. One example: As part of the “Schmersal tinkers” programme, four trainees and working students at the Wuppertal site developed a cover for the company’s mobile phones – from the design to the construction of the tool to the packaging concept and the organisation of sales. ■



A KITCHEN KNIFE
MADE OF “SECOND
LIFE” MATERIALS



It looks like a normal kitchen knife and cuts like one too. But all components – blade, handle and packaging – are manufactured 100% without the consumption of raw materials and thus entirely in the spirit of the circular economy: the blade from high-quality industrial knives, the packaging from recycled material and the handle from plastic recyclate, which is created in Schmersal’s injection moulding plant in Wuppertal.

That, in a nutshell, is the idea behind the “RegRess” project, implemented by six companies in the Bergisches Land region and the University of Wuppertal. The result: an exemplary resource-efficient and resilient value chain. Only one seventh of the energy is needed for production, water consumption is reduced to one hundredth and the CO₂ footprint to one sixth, transport routes are eliminated.

Those involved in the project at Schmersal were and are committed and convinced. Kubilay Garipoğlu, foreman in the plastic injection moulding department: “We were very happy to contribute here, this is a great project. Because responsibility for the environment is not only one of our core corporate values. We also implement this guiding principle through consistent recycling and numerous other projects and actions in our production.” ■



A PEN FOR LIFE

Around 3,000 pens are purchased annually in the Schmersal Group as “giveaways” and for the company’s own staff. In future, these pens will come from our own “production” and recycled materials will serve as the material. The fibres of used ESD workwear are used to make the covers of ballpoint pens. A replaceable refill creates the conditions for sustainable use of this “second life” writing tool.

Incidentally, this idea was brought to the attention of the marketing department by an employee in Wuppertal. Carolin Mies, Strategic Organisational Development: “At the sustainability fair ‘Fair Friends’ I got to know the company Manaomea, which makes pens and interior pieces from textile waste. With Schmersal’s annual pen requirements and the waste of worn ESD clothing, this sounded like a very good solution for two of our issues at once. The idea was implemented and the first Schmersal pens in ESD shirt grey and ESD shirt black are already on their way.” ■





SOCIAL

SUSTAINABLE FROM
THE (PROFESSIONAL)
START: TRAINING
AT SCHMERSAL



For us, sustainable personnel management means: We want to attract good and committed employees, promote them according to their abilities and goals, and find the best place for them in the company.





Let's start at the beginning: with the training. In Wuppertal alone, we offer training in twelve professions and – in cooperation with the region's universities – four dual courses of study.

Graduation is coming up – and you are looking for a future-proof apprenticeship that offers you interesting tasks and good prospects? Great. Then take a look at our training offers.

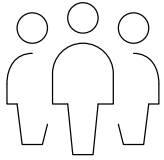
We have significantly modernised and expanded our training programme and our training workshop in recent years. However, we do not only want to provide our trainees with solid technical knowledge, but also with other skills that are needed in professional life. We work together with recognised institutions such as the BZI Remscheid (Vocational Training Centre of the Industry – Competence Centre for Technology and Business).

And: We take the time to really look after our junior staff. This also includes regular exchange among the trainees. There are regular team events.

In addition, we offer health workshops especially for our trainees, which not only provide practical tips, e.g. on nutrition, but also aim to make the best possible use of inner resources in the sense of a holistic approach.

Students often find it difficult to imagine working life in a company. That is why we offer pupils the opportunity to gain an insight into working life and in this way support them in their choice of career.

Experience shows that an internship is an opportunity to answer the questions "What do I actually want?" and "Is this job description right for me?" Of course, we do everything we can to show the best side of ourselves to the interns. After all, we want to attract capable minds for vocational training at Schmersal! ■



EMPLOYEES



In order to promote the compatibility of family and work, the Schmersal company kindergarten was opened on the Wuppertal premises in 2008. This is an attractive offer for young families, especially since there are many women working both in administration and in switchgear assembly. The ambitious pedagogical concept: Because children of pre-school age are particularly receptive and inquisitive and really learn “through play”, this learning ability is to be specifically promoted. ■

Reducing the corporate carbon footprint is an evolved and ongoing task that we can only successfully accomplish in cooperation with our customers and partners. In the communication of the Schmersal Group, we would like to contribute to this.

We – and that means the executive board, the management and all employees – set out years ago to reduce the environmental impact of our production. We will continue to make progress on this and also report on it regularly. We do not focus on the marketing aspect, but on the serious effort to be a good corporate citizen in every respect.

And of course, for an almost eighty-year-old, third-generation family-run company, this is also about responsibility for the future. We as the Schmersal Group can be as well positioned and innovative as we are – if, for example, a “tipping point” were to be reached with regard to climate change, not only the company would be endangered, but the basic conditions of doing business would be called into question.

That is precisely what we are trying to prevent with our forces. In the process, we network within the company, develop ideas, learn from other locations, communicate and cooperate and experience a lot of support. This too – open communication across the hierarchies – is part of Schmersal’s lived values. It is very encouraging to see these values being brought to life for a good cause.

It was a great pleasure and my heartfelt wish to take responsibility for the realisation of this first sustainability report of the Schmersal Group. A team was quickly found, because everyone involved has the same big goal – to pass on a healthy planet to future generations. As a mother, this is particularly important to me. I am very confident that we can achieve this goal with sustainable management. We are working on it! ■

Constanze Compes,
Head of Marketing, Schmersal Group



Philip Schmersal and Constanze Compes at the presentation of the 2017 Business Award in Wuppertal

17 UN SUSTAINABLE DEVELOPMENT GOALS

“Sustainable Development Goals (SDGs)” are 17 goals and a global plan to promote sustainable peace and prosperity and protect our planet. Since 2016, all countries have been working to translate this shared vision to fight poverty and reduce inequalities into national development plans. It is particularly important to address the needs and priorities of the most vulnerable populations and countries – because only if no one is left behind can the 17 goals be achieved by 2030.



No poverty: More than 700 million people in the world still live in extreme poverty. Basic needs such as food, water or education are often not met. For a more sustainable future, we need to work together and fight poverty around the world.



Zero hunger: More than 750 million people in the world still suffer from hunger. Sustainable development also includes solving the social ills of our society.



Good health and well-being: Even today, people in many countries, especially in developing countries, suffer from diseases. More than five million children still die in their first year of life. The UN has set itself the goal of providing universal health coverage and access to medicine as well as vaccinations.



Quality education: Education helps reduce inequalities and enables people to lead healthier and more sustainable lifestyles. Goal No. 4 forms the basis for the fulfilment of many other SDGs. However, half of all children and young people still do not have sufficient reading and mathematics skills. Therefore, the UN's goal is to provide access to quality primary and secondary education for all.



Gender equality: Gender inequalities are an obstacle to social progress. On average, women still earn 23% less than men in the global labour market. At the same time, they take on three times as much unpaid work in the household. To this end, 70% of jobs in the health and social sector are held by women. Gender equality is a fundamental prerequisite for a progressive and sustainable world.



Clean water and sanitation: Access to water and sanitation is a basic human right. Nevertheless, billions of people face difficulties in making use of this fundamental right every day. By investing in infrastructure and sanitation services, protection and restoration of water-based ecosystems, and education in hygiene, this goal can be achieved.



Affordable and clean energy: Energy production is one of the driving forces behind climate change. And although the amount of energy generated is continuously increasing, millions of people do not have access to it. It is necessary to invest in climate-neutral generation methods and to expand the infrastructure around the world in order to be able to deliver climate-neutral energy to all people.



Decent work and economic growth: We need sustained, inclusive and sustainable economic growth to achieve full and productive employment worldwide and to promote decent work for all. The corresponding infrastructure (e.g. social security and financial services) must also be provided.



Industry, innovation and infrastructure: Technical progress forms the basis for achieving environmental goals. Without technology and innovation there will be no industrialisation, and without industrialisation there will be no development. There must be more investment in high-tech products to increase efficiency and also, for example, to promote global communication and networking of people.



Reduced inequalities: Income inequality is one of the most acute problems facing humanity. The poorest 40% of people earn less than 25% of total global income. This inequality endangers social and economic development. Therefore, concepts specifically tailored to disadvantaged and marginalised groups should be developed to counteract this.



Sustainable cities and communities: Half of the world's population lives in cities, and the trend is rising. This trend far exceeds the further development of urban housing, infrastructure and services. Sustainable development cannot take place without cities becoming more sustainable. This means access to safe and affordable housing, investments in public transport, the creation of green spaces and inclusive urban planning.



Responsible consumption and production: If the world population is 9.8 billion by 2050, we will need the equivalent of 3 planets to sustain our current lifestyle. Our ecological footprint must be reduced by changing how we use our resources and recycle our waste.



Climate action: Man-made climate change poses a threat to all of humanity. Rising sea levels and extreme natural events such as floods, forest fires and droughts could lead to large numbers of climate refugees. Therefore, it is necessary to invest in climate-neutral technologies to transform our economy in an environmentally friendly way.



Life below water: Oceans cover three quarters of the Earth's surface, provide a source of food, medicine and other products, and act with their coastal ecosystems against storm damage. But their condition is far from optimal: 30% of fish stocks suffer from overfishing, and pollution of the seas and coasts is reaching alarming levels. The resource of the sea must be protected.



Life on land: Even though the global unemployment rate has fallen over a longer period of time, the Coronavirus pandemic has cost many millions of jobs, thus counteracting this development. Creating good, fairly paid jobs therefore remains a task for all countries.



Peace, justice and strong institutions: Investment in infrastructure – transport, water, energy and information – is imperative for sustainable development. This includes, for example, the availability of the internet, which is still not available to 46% of the world's population.



Partnerships for the goals: The UN SDGs are aimed at all countries in our world. They require cooperation between governments, the private sector and the civilian population. Only together and with the use of all possible resources is it possible to achieve these goals.

PERSPECTIVE:
BASIS FOR
CONTINUOUS
IMPROVEMENT

This first sustainability report of the Schmersal Group sets the starting point for continuous reporting in the coming years.

The goal of all those involved is to continuously improve the parameters documented here – at all locations. The figures and tables are also a good basis for benchmarking the sites and sharing best practices.

In addition, the Board and Management will continue to support any employee engagement aimed at improving the environmental performance of the Schmersal Group, conserving resources, alleviating hardship and promoting social interaction.

This is also in line not only with our values, but also with the seventeen Sustainable Development Goals (SDGs) of the United Nations. ■



IMPRINT

Publisher

K.A. Schmersal GmbH & Co. KG
Möddinghofe 30, 42279 Wuppertal

Phone: +49 202 6474-0
Telefax: +49 202 6474-100

info@schmersal.com, www.schmersal.com

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Photo material

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Think global, act local

x.000 / L+W / 11.2023 / Teile-Nr. 103052886 / EN / Ausgabe 01



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