



# SUSTAINABILITY REPORT 2024

ifm group of companies

# ABOUT THIS REPORT

## THE THREE PILLARS OF SUSTAINABILITY



ifm's mission statement describes a guiding principle that harmonises the three pillars of sustainability.

This report for the 2024 reporting year is a revised version of the previous year's report. As in 2023, the contents of the report were prepared in accordance with the GRI Standards, but were not reviewed this time by GRI. The environmental statements on products and manufacturing in this report were taken from the environmental report, which was prepared in accordance with EMAS and verified by an external environmental auditor. ifm currently publishes its sustainability report on a voluntary basis.

The Environmental Protection and Sustainability Department was responsible for preparing the report, with support from other departments. If you have any questions about the report, please contact [sustainability@ifm.com](mailto:sustainability@ifm.com).

## CHANGES COMPARED TO THE PREVIOUS YEAR

The calculation principles remained unchanged in the 2024 financial year. The scope of our environmental reporting has been expanded to include some international locations for the first time and is to include all in the future.

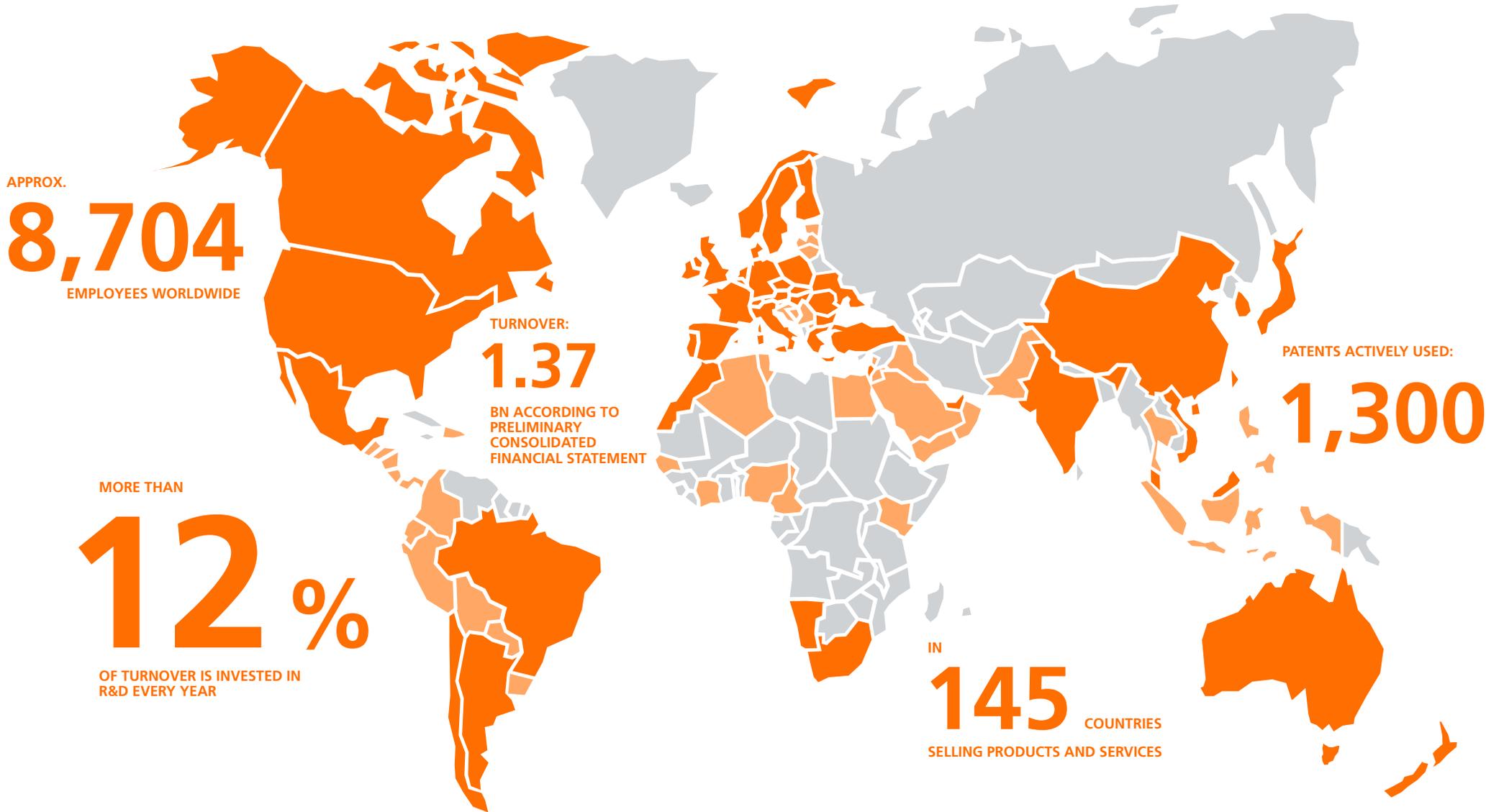
### Editorial note:

This report is published in German, English and French. For reasons of easier readability, the generic masculine form is used in continuous text. This is not intended to discriminate against other genders. Any designations used apply for all gender identities.

Texts marked with this element are taken from the environmental report which has been validated by an external environmental auditor.



# AT A GLANCE



# FOREWORD



Martin Buck and Michael Marhofer, co-CEOs and Chairmen of the Board of Directors of the ifm group of companies

## DEAR READER,

2024 was characterised by global challenges and economic uncertainties that left their mark worldwide. Nevertheless, for ifm, it was a year in which our resilience, innovative strength and teamwork proved themselves once again. We are proud to have further consolidated our position as one of the leading companies in the automation industry.

Integral components of this success are our customer focus, which we emphasise with our slogan “close to you”, and our innovative strength, which enables us to continuously develop new technological solutions. This is evident in, among other things, around 100 new patent applications in 2024 and numerous successful market launches, such as our magnetic-inductive, hygienic flow sensor SM Foodmag. With developments such as these, we specifically provide stimulus for innovative and sustainable applications – for example in the food and agricultural industries.

We are sincerely grateful to our customers for their trust and cooperation in 2024 – and we look forward to successfully continuing these partnerships in 2025. We also thank our employees, whose expertise and commitment make a vital contribution to ifm's success and who actively contribute to our sustainable development with their many ideas.

In our 55th year of existence, we took significant measures to set our course for the future. Our conception of ourselves as a family company remains unchanged – our values remain the foundation of our long-term success. At the same time, we are consistently developing further. In 2024, for example, we took an important step which laid the foundations for a generation change by renaming the company ifm group se.

Significant developments also lie ahead for us regarding sustainability. By progressively including international locations in our environmental reporting and further developing our integrated management system, we are laying the foundation for meeting the future requirements of the Corporate Sustainability Reporting Directive (CSRD). At the same time, we are pressing further ahead with our climate strategy, gradually reducing our emissions and resource consumption and remaining on course to achieve greenhouse gas neutrality by 2030.

This report is intended to give you an overview of our sustainability activities and progress in 2024. Our thanks go to everyone who has contributed to this publication and we hope you find it interesting to read.

Yours sincerely

Board of directors of the ifm group of companies

**Martin Buck**  
co-CEO and Chairman of  
the Board of Directors

**Michael Marhofer**  
co-CEO and Chairman of  
the Board of Directors

# CONTENTS

## 01 INTRODUCTION

Company profile	p. 08
Membership in associations	p. 11
Innovations	p. 11



## 02 STRATEGY & MANAGEMENT

Sustainability strategy	p. 16
Sustainability management	p. 18
SDGs	p. 20

## 03 GOVERNANCE

Management processes	p. 24
Risk management	p. 24
Compliance management	p. 25
The Act on Corporate Due Diligence	
Obligations in Supply Chains	p. 27
Duty of care with regard to information security	p. 28
Further corporate duties of care	p. 29
Further control mechanisms	p. 30

## 04 VALUE CREATION

Economic performance	p. 33
Customer-oriented sustainable product development	p. 33
Quality management and product safety	p. 34
Responsible procurement	p. 35
Shipping and logistics	p. 37

## 05 SOCIAL

Organisation and management	p. 41
Remuneration	p. 42
Employee rights	p. 42
Attractive employer	p. 42
Opportunities and risks	p. 43
Management approach	p. 44
Occupational health and safety	p. 45
Training and further education	p. 47
Diversity and equal opportunities	p. 49
Social engagement	p. 50



## 06 ENVIRONMENT

Environmental organisation	p. 53
Key environmental topics	p. 54
Product-related environmental protection	p. 55
Environmental aspects in the supply chain	p. 56
Environmental protection through improvements in manufacturing	p. 57
Environmental protection figures	p. 60
Digitalisation	p. 67

## APPENDIX

p. 72

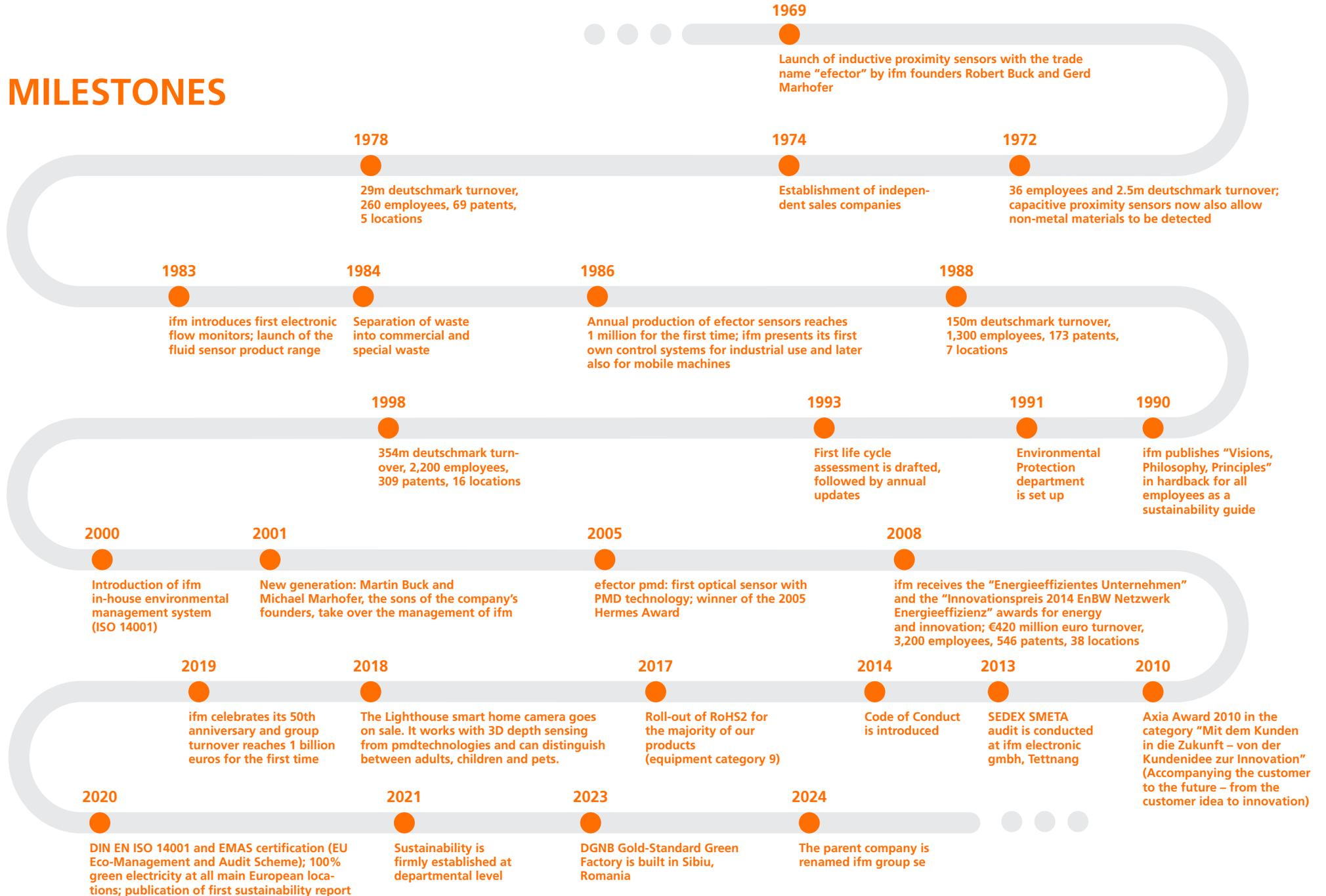




# INTRODUCTION



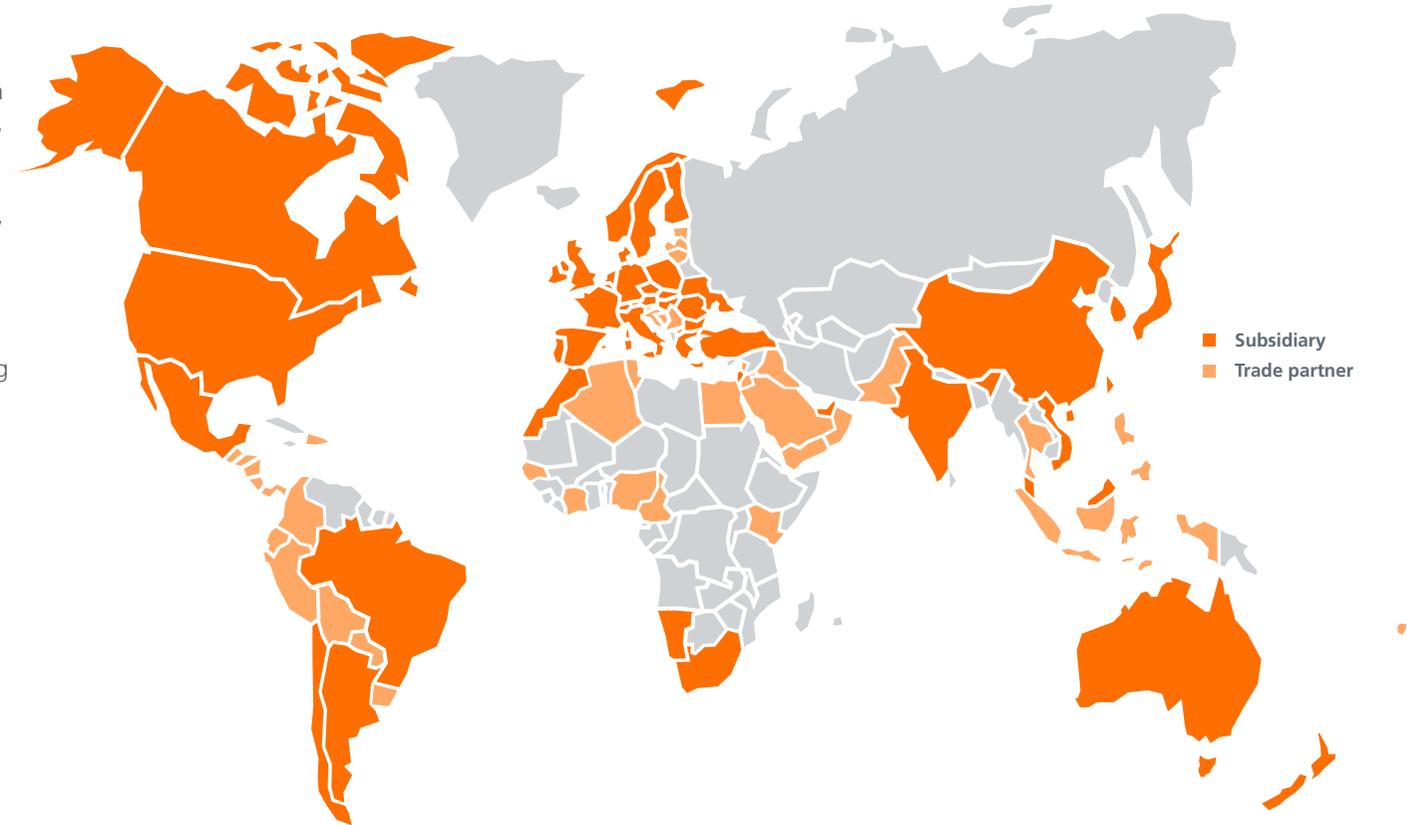
# MILESTONES



## COMPANY PROFILE

First a passion, then an idea transformed into success – when it comes to pioneering automation and digitisation technology, the ifm group is the ideal partner. Ever since it was founded in 1969, ifm has developed, produced and sold sensors, controllers, software and systems for industrial automation and for SAP-based solutions for supply chain management and shop floor integration worldwide. As one of the pioneers of Industry 4.0, ifm develops and implements comprehensive solutions to digitalise the entire value chain “from sensor to ERP”. The ifm group is a family company led by the second generation and one of the market leaders worldwide today. The group combines the internationality and innovative strength of a growing group of companies with the flexibility and close customer contact of a medium-sized company.

ifm stands for high-value, high-quality products “Made in Germany”. With its corporate headquarters in Essen and development and production in the Lake Constance region, ifm is firmly rooted in Germany as an industrial base. Having additional production facilities in major sales markets such as Asia and the USA provides access to international talent and reduces currency risks.





## MARKETS AND INDUSTRIES

The markets supplied correspond to the regions where we have production sites and sales offices. The most important industries for us are:

- Automotive industry and component suppliers
- Renewable energy generation
- Conveyor technology
- Agriculture
- Food industry
- Logistics
- Metalworking
- Mobile machines
- Robotics & automation
- Steel industry and metal production
- Packaging machines
- Machine tools
- Water management

## ORGANISATION

As the ultimate holding company and parent company of the ifm group of companies, ifm group se is responsible for the strategic orientation and management of the ifm group. Operationally, ifm electronic gmbh represents the ifm group of companies vis-à-vis third parties. ifm electronic gmbh is responsible for selling our products and services. ifm group services gmbh, on the other hand, which does not operate directly in the external market, backs up the business processes as a legally independent company and pools the central services for the entire ifm group of companies in Germany and abroad. This ensures the best possible service for our customers and guarantees that environmental and social responsibility requirements are met.

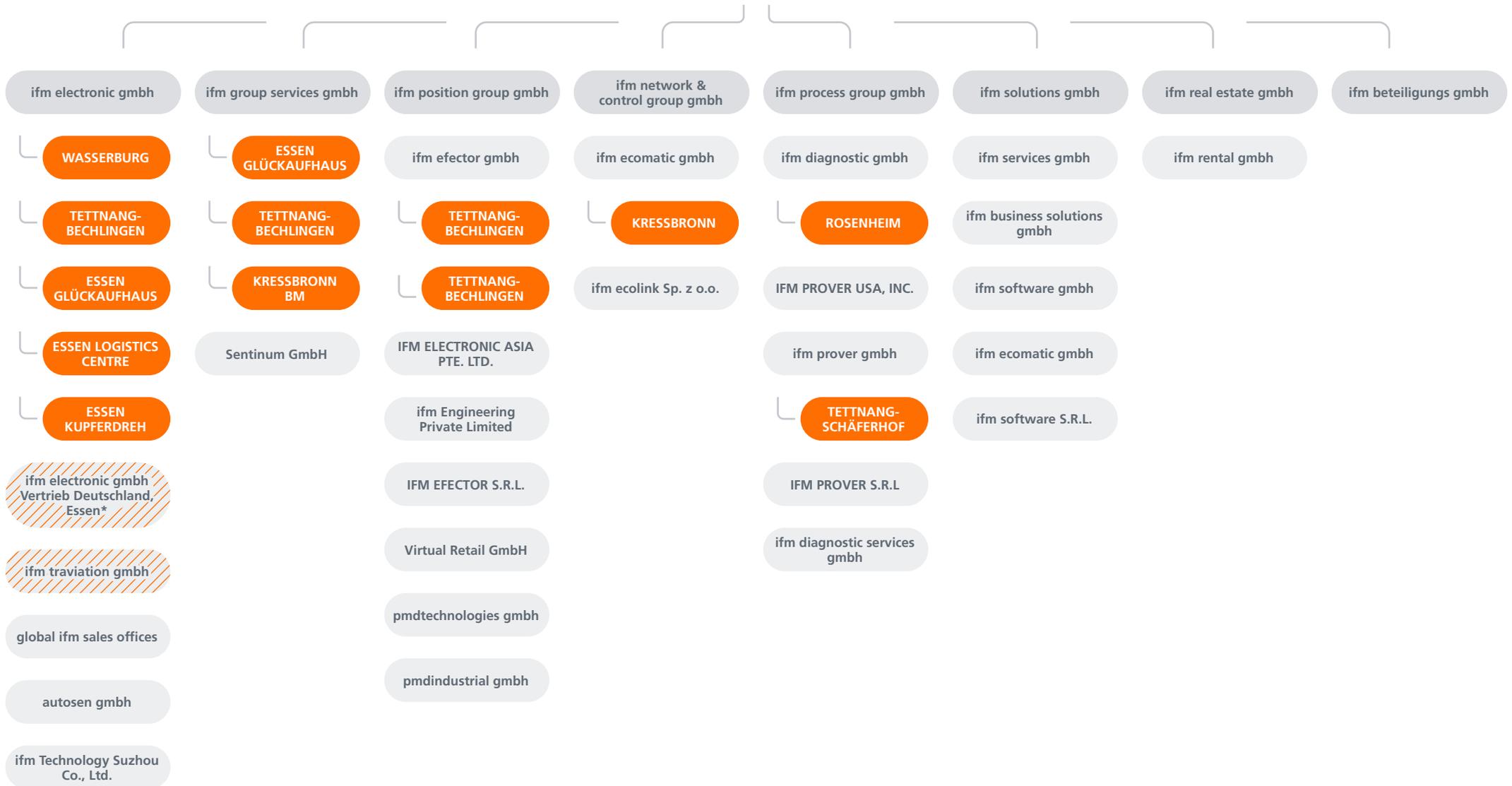
Overall responsibility and lead function with regard to sustainability has been assigned for the time being to the managing director of ifm group services gmbh. He is also a member of ifm's central board of management: Steffen Fischer,

Central Managing Director HR. Furthermore, there are four divisions on behalf of which ifm electronic gmbh acts vis-à-vis third parties:

- ifm position group gmbh (Position sensors and object recognition)
- ifm network & control group gmbh (Connection technology, evaluation systems, power supplies)
- ifm process group gmbh (Fluid sensors and diagnostic/inclination sensors)
- ifm solutions gmbh (Software solutions for Industry 4.0)

These entities' main locations in Germany are fully included in the scope of sustainability reporting. For the first time, environmental data of some international locations are also contained in the 2024 report, and more will be added in the future.

# IFM GROUP SE



\* Essen is used here as a distribution centre and at the same time to represent all distribution locations. Data from ifm traviation (travel services) are included in the reporting.



## MEMBERSHIP IN ASSOCIATIONS

We live our corporate philosophy in various co-operations, participate in the exchange of knowledge and always look for partnership-based and sustainable solutions. To this end, we are members of the following organisations, among others:

- AGORIA (through ifm Belgium)
- Arbeitgeberverband Südwestmetall
- AS-interface CZ (AS-INTERNATIONAL ASSOCIATION e.V.; through ifm Czech Republic)
- Bundesverband IT-Mittelstand Deutschland (BITMi)
- Bundesverband Materialwirtschaft, Einkauf und Logistik e. V. (BME)
- Deutsche Gesellschaft für Qualität e. V. (DGQ)
- Deutsche Kommission Elektrotechnik Elektronik Informationstechnik (DKE) in DIN und VDE
- German-Czech Chamber of Industry and Commerce (DTIHK; through ifm Czech Republic)
- Erfolgsfaktor Familie
- European Committee for Electrotechnical Standardisation (CENELEC)
- Fachverband der deutschen Flughafenindustrie (GATE)
- European Machine Vision Association (EMVA)
- IDTA (Industrial Digital Twin Association)
- IHK Bodensee-Oberschwaben (Presidency)
- Industrial Automation Association (ENOSAD; through ifm Turkey)

- International Electrotechnical Commission (IEC)
- IO-Link Consortium
- Open Industry 4.0 Alliance (founding member)
- Plattform Industrie 4.0
- Society for Automation, Instrumentation, Measurement and Control (SAIMC; through ifm South Africa; cooperation with the Suppliers Advisory Council)
- Stifterverband der deutschen Wirtschaft
- Stiftung Ordnungspolitik
- Swissmem (through ifm Switzerland)
- swissTnet (through ifm Switzerland)
- Unternehmer-Initiative Bleiberecht durch Arbeit
- Verband deutscher Elektrotechnik, Elektronik und Informationstechnik e. V. (VDE)
- Verband Deutscher Maschinen- und Anlagenbau e. V. (VDMA)
- Zentralverband Elektrotechnik- und Elektronikindustrie e. V. (ZVEI)

As a matter of principle, we support various international initiatives that are in line with our values. These include the Core Labour Standards of the International Labour Organization (ILO) and the Universal Declaration of Human Rights (UN Charter).

## INNOVATIONS

The following is a selection of innovation highlights that are of strategic importance for our own sustainable business development, for our customers' sustainability efforts or for sustainable development in general.

### MAKING COMPRESSED AIR CONSUMPTION SUSTAINABLE

Only those who know their consumption can save. Compressed air is a widely used energy source in industry and crafts and is required in many industrial processes, such as for cleaning and for driving and controlling machines and tools. The ifm SD series of compressed air meters enables our customers to monitor and measure their compressed air consumption. With precise measurement data, they can make energy consumption more efficient.

### WIDE RANGE OF INNOVATIVE PRODUCTS

ifm's exceptionally large product range covers not only all relevant standard solutions, but also the special requirements of individual industries. In addition to position and process sensors, our product range includes sensors for motion control and safety technology. Furthermore, ifm offers products for industrial imaging and communication as well as identification systems and systems for mobile machines.

### IFM SENSORS FOR AGRICULTURE

The food and agricultural industry plays a crucial role in achieving sustainability targets. For more than five decades, ifm has dedicated itself to developing reliable automation solutions that optimise processes throughout the entire food supply chain, thereby supporting sustainable agriculture and food production for millions of people worldwide. ifm's automated and digitised solutions for the value chain ensure efficient and sustainable operations at every stage – from the farm to the table. The use of ifm's O3D camera in agriculture, for example, has enabled fully automated milking systems that improve animal welfare and offer farmers greater flexibility. Thanks to sophisticated robot technology, the cows experience a gentle and stress-free milking process. The innovative technology also ensures reliable product quality, preventing contamination of dairy products during processing and meeting strict quality standards.

ifm's product range and software solutions make it easy for dairies to monitor production lines and milk quality and obtain real-time data analysis that helps reduce downtime, optimise workflows and prevent sub-standard products from being produced. This technology enables dairies to respond quickly to changing market requirements and to produce high-quality products in a sustainable manner. Our commitment to sustainability is shown in our ongoing efforts to develop reliable automation solutions that increase operational efficiency, improve product quality and reduce environmental impact. In addition, ifm shares its successful experience in the areas of energy management, wastewater, waste treatment and renewable energies with its users in order to support them in sustainably developing the food and agricultural industry.

In March 2024, ifm announced the market launch of the first magnetic-inductive hygienic ifm flow sensor, "SM Foodmag", at the Anuga FoodTec trade fair. This represents a significant milestone on the path of innovation and customer-oriented development. In mid-May 2024, we delivered the first SM Foodmag sensors to our customers. Our journey with SM Foodmag is just beginning, and we are looking forward to reaching even greater heights together with our customers and partners.



SM Foodmag





02

STRATEGY &  
MANAGEMENT



Steffen Fischer, Managing Director, Human Resources and Sustainability



**In 2024, more than 21 million ifm products were manufactured. Is there a product in our range that stands out among them?**

**FISCHER:** Although sustainability is a fundamental aspect in the development of all our products, one sensor in particular stands out: our intelligent compressed air sensor from the SD series. It was developed to simultaneously measure four key parameters in compressed air systems: volume flow, pressure, temperature and total consumption. This multifunctionality reduces the number of sensors required during installation to begin with, simplifies installation and thus also lowers hardware and maintenance costs.

The precise recording of all process values not only makes actual consumption transparent, but also enables energy costs to be allocated exactly to individual machines or production areas. The integrated leakage monitoring system allows significant

energy losses to be detected and prevented. This is important because in many systems, unnoticed leaks can waste 20 to 30 per cent of the compressed air produced.

Another particularly relevant aspect for many customers is that the sensor provides a robust basis for systematic energy management in accordance with DIN EN ISO 50001. This not only reveals potential savings, but also meets the requirements for standard-compliant recording and optimisation of energy consumption.

Thanks to the integrated TFT display, all measured values can also be conveniently visualised at any time – both directly on the system display and via IO-Link connection for central evaluation and further data analysis.

All in all, this example clearly illustrates how sustainability, digitalisation and economic benefit can be directly linked using intelligent sensor technology.

**How important is partnership-based cooperation with customers for jointly developing and implementing more sustainable solutions?**

**FISCHER:** Working in partnership with our customers is a key factor in integrating sustainability aspects with practical relevance into the development of new solutions at an early stage. Many sustainability challenges today are highly application-specific and require a profound understanding of the customer's respective processes. Close coordination with the customer enables technical solutions to be developed as early as in the concept phase, combining ecological advantages with economic benefits.

A current example is the development of an intelligent sensor system for demand-driven coolant flow in machine tools. Together with a mechanical engineering partner, we have put into practice a solution that adjusts the coolant throughput to

the actual requirements of the machining process in real time. This significantly reduces coolant and energy consumption without compromising process reliability. At the same time, the solution enables better process monitoring and reduces maintenance requirements. Such developments demonstrate how close cooperation can achieve tangible sustainability effects for our customers.

**ifm is pursuing ambitious CO<sub>2</sub> reduction targets. How are you dealing with the increasingly complex requirements regarding Scope 3?**

**FISCHER:** Scope 3 emissions currently represent the greatest challenge in climate management for many companies – ours included. While Scope 1 and Scope 2 refer to direct emissions from our own processes and purchased electricity, Scope 3 covers all upstream and downstream emissions throughout the entire value chain. Let me give you a simple example. Our suppliers' direct (Scope 1) emissions are included in our Scope 3 balance sheet. At the same time, our own Scope 1 emissions become relevant as Scope 3 emissions for our customers when they use our products.

In order to systematically address these complex interrelationships, we have begun a comprehensive inventory to gradually incorporate the most significant Scope 3 emissions.

An important starting point is the development of efficient and resource-saving products. For example, sensors that optimise energy consumption in customer systems also indirectly contribute to reducing our customers' emissions. At the same time, we are working to improve recording of the carbon footprint of our preliminary products, raise our suppliers' awareness for climate issues and further optimise packaging and logistics.





### On the subject of the skills shortage, would you say that ifm is an attractive employer?

**FISCHER:** I can answer that question with a resounding yes. Our company's growth, our low staff turnover and the high number of job applications we receive attest to our attractiveness to skilled workers. We are a family-run company with a high degree of innovation. This is evidenced by our more than 100 patents. With approximately 9,000 employees worldwide, I would describe us as a medium-sized family-owned company. Despite our noticeably SME roots in the Lake Constance region where our technological heart beats, we serve customers in over 180 countries worldwide (through our own sales offices and sales agencies).

Our corporate culture is shaped by the guiding principle of "growing successfully in security", which was enshrined in our philosophy back in 1990. We are proud of this philosophy and live by it every day.

### How do you make ifm attractive to young talent?

**FISCHER:** For ifm, too, the shortage of skilled workers is one of our greatest challenges for the coming years. In order to counteract the shortage of skilled workers, we as a company must become even more attractive to young talented people in particular. At ifm, we are investing in young people who are currently still in training or studying. We provide further training for them in house. We offer various benefits specifically for our trainees and sandwich-course students. In addition to a travel allowance, this includes a book allowance and bonuses

for successful completion of studies. We offer financial support to trainees/sandwich-course students who are planning a stay abroad as part of their professional activities. Our high retention rate makes ifm particularly attractive to young talents who are interested in vocational training or an integrated degree and training programme. With the help of flexitime models and compensatory time off for overtime, we create a good work-life balance, which is a decisive criterion, especially for young talents. Creating a modern working environment also makes us more attractive. ifm's own occupational health management programme offers a wide range of sports and fitness courses for ifm employees. Since February 2023, employees have had access to another attractive offer with the introduction of the company-subsidised bicycles through bike leasing.

### How is the subject of employee appreciation addressed in your company?

**FISCHER:** At ifm, employee appreciation is an integral part of our corporate culture. We firmly believe that our employees form the core of our company. This conviction is reflected in various aspects of our daily work and our strategic orientation. Our culture is characterised by respect, openness, diversity, courage and appreciation. We promote and demand an atmosphere in which every individual feels valued and supported.

We are also continuously working to improve our internal employer branding. Our aim is to establish a strong and positive employer brand that reflects our values and our appreciation of our employees. For this reason, we chose "Do what you love" as the slogan for our employer brand. We want to give all ifm employees the opportunity to contribute their individual strengths and do what truly fulfils them.

Each of our employees is a source of innovation, and they are encouraged and supported in implementing new projects. We offer a wide range of prospects and scope for personal development. Most recently, we launched the "We're glad you're one of us" campaign to emphasise our appreciation for our employees even more strongly. This campaign is an expression of our appreciation and aims to strengthen the sense of belonging within the ifm family.

## SUSTAINABILITY STRATEGY

Our sustainable development is guided by the goal of making a tangible contribution to our customers, society and the environment through our products and services. In doing so, we use challenges and even crises as opportunities and actively shape change. Our sustainability strategy is therefore an integral part of our corporate strategy and is embedded in all our processes.



**Because we all have a social, economic and ecological responsibility for the future.**

**ifm corporate philosophy**



We focus on long-term goals and responsible action – rather than short-term successes. These fundamental ideas behind our actions, along with our values, guiding principles and long-term development paths, were formulated by the company founders as the ifm philosophy back in 1990. Part of it also states that we demand and promote environmentally conscious decisions and behaviour within our company. We welcome our employees' ideas and suggestions and actively incorporate their input into the further development of climate and environmental protection measures.

## IDENTIFY TRENDS AT AN EARLY STAGE

Our strategic early reporting system supports the continuous development of our strategy by identifying relevant developments, trends and influences at an early stage. For this purpose, we draw on a wide range of information sources, including external sources and feedback and assessments from our international executives. This provides an overview of current trends which is regularly reviewed and further developed. In doing so, we evaluate individual aspects and prioritise them according to their potential relevance to our company. We keep an eye on changes in the assessment of individual topics and use them specifically for strategic learning – with the aim of responding flexibly to new conditions and identifying opportunities at an early stage.

Based on the results, the Board of Directors of ifm group se, together with the management, formulates guidelines in the form of a strategic management matrix describing internal and external influences. This is used to create and revise strategies for the business divisions and functions.

When it comes to external influences, one thing is clear: we cannot escape change. Therefore, to ensure that the company is well positioned, we process internal input from employees and external input coming from megatrends and customer needs in an agile strategy development process. Sustainability itself is embedded in our management matrix with the following strategic objectives in particular:



**We have an integrated management system including all relevant sustainability aspects.**



**The continuous further development and improvement of our company with regard to sustainability is anchored in the organisation.**



**We practise sustainability on a daily basis in connection with both the environment and social aspects.**



**When developing new products, we consider their impact on the environment throughout their life cycle and differentiate ourselves in the market through innovative sustainable products and solutions.**



**We seek to balance economic, ecological and social aspects and pursue the goal of carbon neutrality by 2030. By 2025, we will reduce net greenhouse gas emissions to 45% (reference year 2019).**

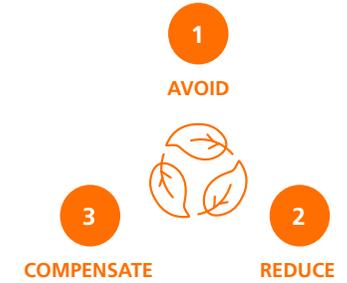
In accordance with these principles, specific tasks and responsibilities are assigned at the highest management level. This includes, for example, integrating sustainability aspects into the management system and addressing issues such as environment-friendly packaging or requirements relating to substances contained in our products.

# ifm CLIMATE STRATEGY

An integral part of our sustainability strategy is our climate strategy.

By 2030, we will be climate-neutral in our business operations<sup>1</sup>.

THREE-STEP APPROACH:



GERMANY

INTERNATIONAL TECHNICAL LOCATIONS

END OF  
2022

EARLY 2023

2025

BY 2030

Roadmap<sup>2</sup> created for the optimised use of tetrafluoromethane<sup>3</sup>

Recording of total emissions (most of which are already covered by ISO 14001/EMAS)

55% of net greenhouse gas emissions to be reduced to zero (base year 2019)

Finalisation of climate strategy (2025 – 2030)

## SCOPE 1 AND 2 EMISSIONS



Recording of global greenhouse gas emissions (GHG)

100% of the global net GHG emissions to be reduced to zero  
Remaining GHG emissions of the German locations  
GHG emissions of international technical locations

## SCOPE 3 EMISSIONS



Recording and avoidance, reduction and/or compensation of selected Scope 3 emissions

<sup>1</sup>Scope 1 and 2 emissions

<sup>2</sup>Examination of the technical alternatives

<sup>3</sup>Process gas: major emitter in the production of carrier films

We are still in the process of revising our climate strategy and targets to take all relevant requirements into account and set ourselves science-based targets. Despite the unclear legal situation, we aim to complete this revision by the end of 2025. The roadmap for handling CF<sub>4</sub> has been drawn up with a focus in the short term on burning the inert gas. In the long term, the switch to alternative processes is being examined, and initial tests are already being carried out. In 2024 we already achieved our target of reducing our greenhouse gas emissions by 55% by 2025 compared to 2019.

## SUSTAINABILITY MANAGEMENT

### THE IFM MANAGEMENT SYSTEM AS A BASIS FOR SETTING PRIORITIES, OBJECTIVES, MEASURES AND ACTION PLANS

The founders of ifm realised early on that their company would only be successful in the long term if they systematically took the environmental impact of all their activities into account. This includes aspects such as opportunities and risks arising from sustainability issues and resilience. The process-oriented ifm management system is divided into three areas: governance, value creation and support processes. It integrates the requirements of several international (ISO) standards relating to assessing the environment and planning and implementing improvements. The integrated standards currently comprise the ISO 9001 quality standard, the ISO 14001 and EMAS environmental standards and ISO 45001 for occupational health and safety.

Alignment with ISO standards means that the management system complies with the harmonised structure of ISO, according to which all standards for management systems derived from ISO are now structured. This provides ifm with a relatively simple option for expanding into further aspects of its business activities – including sustainability in the broadest sense.

### MATERIALITY ANALYSIS

While drawing up our sustainability report, we conducted a materiality assessment to systematically identify and prioritise the sustainability topics relevant to our company. The aim was to identify those topics that were of particular importance for the ifm group of companies.

Such an analysis follows the principle of double materiality as described in the European Sustainability Reporting Standards (ESRS). Sustainability topics are considered from two perspectives: on the one hand, the impact of our business activities on the environment and society (inside-out); on the other hand, the financial materiality (outside-in), which is an assessment of the extent to which environmental or social risks and opportunities can have a financial impact on our company.

In preparation for this analysis, a comprehensive list of topics was drawn up covering the environment, employees & society and governance. This was based on the topics defined in the ESRS and supplemented by findings from the context analysis, stakeholder interests and industry-specific aspects of the electrical industry. Building on the basis provided by these topics, the potential impacts, risks and opportunities (IROs) for the ifm group of companies were identified and subsequently assessed in collaboration with the relevant departments. The

ESRS assessment criteria were applied in the assessment. At the same time, the environmental aspects relevant to our EMAS locations were also taken into account as part of this process, with the aim of using synergies between the reporting requirements and ensuring a consistent, holistic assessment.

The materiality analysis will be reviewed regularly and adjusted as necessary to ensure that it meets changing regulatory requirements and the expectations of our stakeholders.

### KEY SUSTAINABILITY ASPECTS



#### ENVIRONMENT

Climate change  
Environmental pollution  
Circular economy



#### SOCIAL

Company employees  
Workforce in the value chain



#### GOVERNANCE

Corporate culture  
Protection of whistleblowers



### STAKEHOLDER INTERESTS AND DIALOGUE

The principal stakeholders in the ifm group of companies apart from the owners are our employees, suppliers and customers. We remain in contact with them via various communication channels:

- **Employees:** Our employees are encouraged to contribute their ideas and suggestions for improvement in all areas of the work process. We communicate with them via the intranet (including in the “Questions to ifm management” section), at health day events, at staff meetings, on the company network, through the employee newsletter, as part of the occupational health and safety management programme and on social media.
- **Suppliers:** We invest in close, long-standing partnerships with our suppliers. All suppliers undergo a defined assessment process before a contract is concluded. We meet our partners at trade fairs, during visits and through development partnerships.
- **Customers:** We are in constant dialogue with our customers, as we place great emphasis on active consultation and support. We regularly exchange information and views via newsletters, brochures, podcasts and social media. We strengthen relationships at trade fairs, in forums, when launching new products and technologies, and at workshops and seminars.

We also engage with local interest groups and exchange information with educational and research institutions via university fairs, through collaboration with teaching staff and by hiring working students. We are also in regular dialogue with politicians, other companies and standards committees at meetings of trade and industry associations and in working groups. We cooperate closely with authorities and state institutions.

### COMPLIANCE WITH LAWS AND REGULATIONS

In our view, new technological approaches and processes must be technically and ecologically manageable before they can actually be put to use. Relevant markets and applicable laws, standards and regulations are included in the overall assessment at an early stage. Quality planning includes all the processes that are necessary to meet the customers' requirements and ensures compliance by means of defined milestones and checks. Environmental requirements are, of course, also taken into account.

“Growing successfully in security” – this goal is central to everything we do. It also includes compliance with applicable laws and guidelines in all markets in which we operate. To ensure this, we added a Code of Conduct > [Download PDF](#) to our ifm philosophy as long ago as in 2014.

## SDGS

The fundamental environmental sustainability objectives of the ifm group of companies are derived from the environmental aspects of our business activities, the obligations associated with them and the risks and opportunities we have identified. However, we are operating within a broader context, as described by the United Nations' Sustainable Development Goals (SDGs). The reasons why some of the SDGs are particularly relevant to us are listed below:



### ENSURE A HEALTHY LIFE FOR ALL PEOPLE OF ALL AGES AND PROMOTE THEIR WELL-BEING

- Occupational health management (OHM)
- Occupational health and safety management



### ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL

- Collaboration with colleges and universities
- Donation to educational institutions of functioning obsolete products
- The development and advancement of employees is the responsibility of all managers.
- The ifM Learning Factory as a shared platform for personnel development



### ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

- Gender, religion or other factors are irrelevant to remuneration
- "Prädikat familienbewusstes Unternehmen" (Family-friendly company award) 2023, with additional seal of approval "Ausgezeichnet digital" for corporate digital culture
- Equal opportunities when filling management positions
- Participation in Girls' Day



### ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

- Wastewater treatment from film technology
- Water quality – mitigation of water pollution
- Efficient use of water, e.g. cooling circuits



### ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

- Reduction of energy consumption (electricity and heat)
- Use of green electricity
- Use and expansion of renewable energies



### PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

- Recognition of the UN Bill of Human Rights and compliance with our own Code of Conduct
- SEDEX Members Ethical Trade Audit (SMETA)
- We want to grow successfully in security (ifm philosophy)



### BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

- Innovative solutions with appropriate expenditure in research and development
- Process reliability through ifm products



### MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

- Numerous applications and functions of ifm sensors in local authority districts
- ifm climate strategy
- Highest standards in environmental protection with external certification (EMAS)



### ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

- Approximately 60 t of paper saved through digitisation of operating instructions
- Evaporation of rinsing liquid to minimise hazardous waste
- Sustainable production and procurement
- Reduction of product-related electricity and resource consumption
- Use of ifm products for process optimisation in all sectors of industry



### TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

- Greenhouse gas neutrality in business operations (Scope 1 and 2) by 2030
- Installation of downstream combustion of CF<sub>4</sub> greenhouse gas
- Analysis of Scope 3 emissions



### PROTECT, RESTORE AND PROMOTE SUSTAINABLE USE OF TERRESTRIAL ECOSYSTEMS

- Development of a biodiversity strategy
- Responsibility in the supply chain



### STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALISE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

- Involvement in associations to promote communication and exchange



03

GOVERNANCE

# OBLIGATION MEETS CONVICTION

## The German Act on Corporate Due Diligence Obligations in Supply Chains



Responsible corporate governance means complying with legal requirements and implementing sustainable practices. Compliance with due diligence obligations in the supply chain plays a central role in this regard.

The Supply Chain Due Diligence Act (LkSG) was passed by the German Parliament in 2021 with the full title "Act on Corporate Due Diligence to Prevent Human Rights Violations in Supply Chains". It came into force on 1 January 2023 and obliges us to observe due diligence obligations in connection with human rights and the environment in an appropriate manner, to minimise risks in these areas or to end any breaches of the corresponding obligations. We comply with these legal obligations out of conviction (a detailed description of which can be found on page 27).

## MANAGEMENT PROCESSES

The > [ifm Code of Conduct](#) provides all employees with a guideline that sets out our legal and ethical standards. This guideline clearly states that applicable laws and ethical values form the basis of our actions. We are committed to the United Nations Declaration of Human Rights and to globally recognised minimum social standards. We speak out against child labour or forced labour. We promote diversity and urge all our employees not to discriminate against anyone on the basis of age, gender, religion, origin, sexual orientation or for any other reason. We also stand for fair competition and reject any form of corruption. All our employees are called upon to observe the rules described in the ifm Code of Conduct. In order to raise awareness for compliance with the rules, the Compliance Officer of the ifm group of companies conducts regular training sessions (a detailed description of which can be found on page 26). Furthermore, we require our suppliers to adhere to our values by accepting our "Code of Conduct for Business Partners". (For more information, see the chapter on Responsible Procurement.)

## RISK MANAGEMENT

The management has stated the following in the ifm philosophy: "Each growing company has to take risks to operate successfully. The partners and management will only take risks that are in the interest of normal business activities and are appropriate to the size of the ifm group." Risk management is part of ifm's integrated management system.

As part of the annual top-down risk management review at board level, the group's material risks are identified and analysed in order to assess the extent of their potential damage and the probability of their occurrence.

The risks are prioritised on the basis of their assessment and summarised in a top risk list. Based on this list, targeted risk management measures are developed, with the intensity of the measures being aligned with the priority levels of the risks. This focus on the main risks enables efficient risk management, as the company's limited resources can be used in a targeted manner to minimise these risks.

When assessing risks, a distinction is made between net and gross risks. Net risks are the actual risks that remain after taking implemented preventive or reactive measures into account, while gross risk refers to risk exposure without measures.

To ensure a consistent and transparent view of the material risks to the company, an annual risk report is drawn up to ensure adequate risk communication at board level.

Risk management is proactive in nature and aims to establish a continuous improvement process in order to identify potential risks at an early stage and initiate appropriate measures. Risk assessment takes a stakeholder-based approach and considers the interests of various stakeholders, such as employees, customers, suppliers, public authorities and society in general, in order to strengthen trust in the company and promote stakeholder engagement.

Continuously optimised proactive risk management contributes to the long-term success of the ifm group of companies and has a positive impact on society and the environment.





## COMPLIANCE MANAGEMENT

The principles set out in the ifm philosophy are a clear commitment that our group is aware of its social and environmental responsibility. The guiding principle “ifm intends to be a moral company” is an integral part of our daily activities.

ifm group services gmbh has appointed a Compliance Officer for the ifm group of companies who is organisationally assigned to the main Governance department. Both the head of the Governance department and the Compliance Officer, who together form the Compliance function, have been given defined tasks and authority within the entire group of companies. In fulfilling its duties, the Compliance function is solely bound by instructions and information from the Board of Directors and reports directly to it.

Our primary compliance objectives apply worldwide to the ifm group of companies (excerpt from the ifm corporate policy entitled “Compliance”):

- Clarification of any suspicious circumstances or reports of violations of applicable laws and internal rules or guidelines that have become known
- Submission of proposals on how the responsible central and business units should handle violations of applicable laws and internal rules or guidelines appropriately
- Further expansion and improvement of the existing compliance function and compliance organisation

- Provision of training in the area of compliance
- Support in drafting and revising guidelines and provision of points of contact in compliance matters for all employees

In addition, the Board of Directors of ifm group se regularly commissions the Internal Audit department to carry out independent and objective audits and provide consultancy services in the companies and central divisions of the ifm group of companies. The audits may be process, financial or forensic audits. Process audits involve regularly examining selected business processes with regard to security and correctness. In doing so, Internal Audit always issues an audit opinion on the state of the internal control system and proposes measures to remedy any weaknesses identified. In addition, Internal Audit also conducts targeted compliance audits.

### WHAT WHISTLEBLOWING OPTIONS ARE THERE?

ifm introduced an electronic whistleblower system for the entire group of companies as early as in 2019. By implementing internal guidelines and processes, ifm ensures adequate protection for whistleblowers. This enables potential violations of applicable law, ethical standards or internal guidelines to be reported without fear of reprisals. These measures reflect the company's commitment to a trustworthy corporate culture in which whistleblowers are regarded as important actors.

The whistleblower system is available not only to all employees, but also to our business partners via the website <http://www.ifm.com/de/compliance>.

ifm meets the requirements of the EU Whistleblower Protection Regulation (2019/1937) and the relevant national laws based on it, including the German Whistleblower Protection Act introduced in 2023.

In 2024, 18 reports were received and investigated. The reports were received via the ifm whistleblower system, by email (e.g. using the email address [compliance@ifm.com](mailto:compliance@ifm.com)) or in person. No reports of corruption were received, nor is the Compliance function aware of any cases of corruption during the reporting period. All reports are considered to have been analysed sufficiently and the internal investigations closed. All proven violations resulted in appropriate consequences. In one case, a warning was issued. On the basis of these cases, measures were introduced in 2024 and have largely been implemented. This includes, for example, the creation of a new guideline.

Longer-term measures will be continued in 2025. The success of the measures introduced is monitored by the HR department (focusing on issues such as bullying and unfair treatment) and the Compliance function (focusing on issues such as fraud and embezzlement).

**INTERNAL COMPLIANCE COMMUNICATION**

We regularly publish information on the Code of Conduct and various compliance topics in the internal "Knowledge Network" and in the company magazine, which is distributed to all employees worldwide.

In-person compliance training courses were also conducted for our employees in 2024. In addition, ifm is working on the introduction of an e-learning module on compliance, which is to be rolled out across the entire group.

**Period covered: 2022-2024****Last updated: 01.02.2025**

Year	Country	Subsidiary	Training topic	Employees trained
2024	DE	ifm electronic gmbh	lead <sup>2</sup> - Avoiding illegal employment	7
2024	DE	ifm group services gmbh	lead <sup>2</sup> - Avoiding illegal employment	11
2024	DE	ifm electronic gmbh	- Avoiding illegal employment	7
2024	DE	ifm group services gmbh	- Fair working conditions	11
2024	CN	ifm electronic (Shanghai) Co. Ltd. China	Gift & entertainment	85
2024	CN	ifm electronic (Shanghai) Co. Ltd. China	No weapon technology	53
2024	DE	ifm business solutions gmbh	- Introduction to compliance	3
2024	DE	ifm ecomatic gmbh	- Anti-corruption	2
2024	DE	ifm software gmbh	- Anti-bribery	2
2024	DE	ifm solutions gmbh	- ifm policy management	2
2024	DE	ifm solutions gmbh	- ifm speak-up culture	3
<b>Total 2024</b>				<b>184</b>
2023	DE	ifm electronic gmbh	lead <sup>2</sup> - Avoiding illegal employment	13
2023	DE	ifm group services gmbh	lead <sup>2</sup> - Avoiding illegal employment	12
2023	DE	ifm electronic gmbh	- Avoiding illegal employment	13
2023	DE	ifm group services gmbh	- Fair working conditions	12
2023	UK	ifm electronic Ltd.		10
2023	CN	ifm electronic (Shanghai) Co. Ltd. China		21
2023	IN	ifm engineering private limited	- Introduction to compliance	33
2023	TW	ifm electronic Limited	- Anti-corruption	10
2023	CA	ifm efector Canada Inc.	- Anti-bribery	10
2023	CA	ifm efector Canada Inc.	- ifm policy management	26
2023	US	ifm prover USA Inc.	- ifm speak-up culture	13
2023	US	ifm prover USA Inc.		10
<b>Total 2023</b>				<b>173</b>
2022	DE	ifm electronic gmbh	lead <sup>2</sup> - Avoiding illegal employment	41
2022	DE	ifm group services gmbh	lead <sup>2</sup> - Avoiding illegal employment	47
2022	DE	ifm electronic gmbh	- Avoiding illegal employment	41
2022	DE	ifm group services gmbh	- Fair working conditions	47
2022	RO	ifm electronic		22
2022	RO	ifm prover		8
2022	RO	ifm efector	- Introduction to compliance	7
2022	PL	ifm ecolink	- Anti-corruption	56
2022	PL	ifm ecolink	- Anti-bribery	21
2022	PL	ifm electronic	- ifm policy management	21
2022	SG	ifm electronic Asia Pte. Ltd	- ifm speak-up culture	8
2022	SG	ifm electronic Pte. Ltd		17
2022	MY	ifm electronic Pte. Ltd		17
<b>Total 2022</b>				<b>332</b>
<b>Total number of employees trained</b>				<b>689</b>
<b>Total number of employees worldwide</b>				<b>8,604</b>
<b>Percentage of employees who have received training</b>				<b>8</b>



## THE GERMAN ACT ON CORPORATE DUE DILIGENCE OBLIGATIONS IN SUPPLY CHAINS

We use an AI-based software solution to comply with the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). This enables us to categorise our supplier base in terms of country and industry risks. In addition, selected suppliers are monitored and evaluated via daily global media screening. As a preventive measure, we demand a code of conduct and environmental management in accordance with ISO 14001, EMAS or comparable standards. Approximately 53% of our series suppliers currently have a corresponding standard in place. Furthermore, the scope of our supplier certification documents has been expanded to include the requirements of the LkSG. All category managers and supplier developers have been included in the ifm training programme on human rights.

For the 2024 financial year, we are not aware of any LkSG violations by our suppliers of series materials, commercial goods, services and investments.

## HUMAN RIGHTS AND THE ACT ON CORPORATE DUE DILIGENCE OBLIGATIONS IN SUPPLY CHAINS

Like many other companies in Germany, the ifm group of companies faces the challenge of guaranteeing and ensuring human rights and environmental standards throughout the supply chain. An effective risk management system that identifies risks, deduces effects and implements measures forms the basis for fulfilling the duty of care of the ifm group of companies in terms of human rights and the environment.

In order to adapt our risk management to the constantly changing risk landscape, we draw on information sources from a wide range of departments within the company. Our risk management incorporates insights from the group's Purchasing, Compliance, Human Resources and Environmental Protection & Sustainability departments. We use software-based risk management systems to systematically track risks within our supply chain. To underscore our commitment to corporate values, our Human Rights Officer is part of the group management board and reports directly to the Board of Directors. The added value of these findings is incorporated into our risk management and initiates a continuous improvement process for our analyses and implementation of measures. The ifm group of companies recognises the opportunity to continue emphasising and continuously improve its corporate values among its suppliers and customers, as well as within the company itself, through the Act on Corporate Due Diligence Obligations in Supply Chains. All of our operating sites have also been assessed with regard to their impact on and risks to human rights in the context of the LkSG.

## CORRECTIVE MEASURES

As soon as we become aware of any violations of the LkSG, a working group is convened immediately to work towards remedying the situation. If a violation of the LkSG is imminent or occurs in one of our own divisions, measures are taken as quickly as possible to prevent such a violation or minimise the effects of the LkSG violation. If a direct or indirect supplier within the ifm supply chain violates the LkSG, a plan including a timetable will be drawn up with the supplier with the aim of ending the LkSG violation. With this concept, we try to use our influence to work towards preventing any violations of human rights or environmental laws. In addition to the measures taken to date, we have initiated a continuous improvement process that adapts to the changing risk landscape.

No human rights or environmental legislation violations within the meaning of the LkSG were identified for the 2024 reporting year. The abstract risk analysis identified potential risks arising from industry or country risks which were specified and prioritised on the basis of various criteria (type and scope of business activity, probability of occurrence, severity of potential violation, influence on the supplier and causal contribution). This enabled effective preventive measures to be developed and implemented for the respective company sites and suppliers to ensure that these potential risks continue to be avoided in any area of our own company and in the supply chain.

## DUTY OF CARE WITH REGARD TO INFORMATION SECURITY

In order to fulfil our duty of care with regard to information security, ifm electronic gmbh, ifm group services gmbh and ifm solutions gmbh in Essen, Tettngang and Siegen, along with their respective relevant subsidiaries, are certified according to ISO 27001. In 2024, ifm was for the first time awarded the TISAX label – at a total of 16 locations, including both German and international production sites. This enables us to continuously improve our information security management system in the areas of development, production and sales of sensor technology, software development and integration solutions for customers.



### ifm locations with TISAX or ISO 27001 certification

Company	Address		TISAX	ISO 27001
ifm stiftung & co. kg	Friedrichstr. 1	45128 Essen	Germany	x
ifm stiftung & co. kg	IFM-Str. 1	88069 Tettngang	Germany	x
ifm electronic gmbh	Friedrichstr. 1	45128 Essen	Germany	x
ifm efector gmbh	IFM-Str. 1	88069 Tettngang	Germany	x
ifm group services gmbh	Friedrichstr. 1	45128 Essen	Germany	x
ifm group services gmbh	IFM-Str. 1	88069 Tettngang	Germany	x
ifm solutions gmbh	Martinshardt 19	57074 Siegen	Germany	x
ifm electronic gmbh Vertrieb Deutschland	Friedrichstr. 1	45128 Essen	Germany	x
ifm electronic gmbh	IFM-Str. 1	88069 Tettngang	Germany	x
ifm ecomatic gmbh	Im Heidach 18	88079 Kressbronn am Bodensee	Germany	x
ifm prover gmbh	Waldesch 9	88069 Tettngang	Germany	x
ifm software gmbh	Martinshardt 19	57074 Siegen	Germany	x
ifm services gmbh	Martinshardt 19	57074 Siegen	Germany	x
ifm business solutions gmbh	Martinshardt 19	57074 Siegen	Germany	x
G.I.B Sales & Development GmbH	Martinshardt 19	57074 Siegen	Germany	x
pmdtechnologies ag	Martinshardt 19	57074 Siegen	Germany	x
ifm efector srl	Com. Christian, Strada L 3	557085 Sibiu	Romania	x
ifm prover srl	L 50 Nr. 3	557085 Sibiu	Romania	x
ifm ecolink Sp. z o.o.	Pólnocna 6	45-805 Opole	Poland	x
ifm electronic Asia Pte. Ltd.	2 Tuas Ave 8	639216	Singapore	x
ifm prover USA, Inc.	420 Lapp Road	Malvern, PA 19355	USA	x

## FURTHER CORPORATE DUE DILIGENCE OBLIGATIONS

In many mining regions – so-called conflict and high-risk areas – the sale and extraction of certain raw materials serves as a means of financing armed conflicts or entails the violation of human rights and international law. Against this background, tin, tantalum and tungsten and their ores and gold, which are mined in the Democratic Republic of Congo, for example, are referred to as conflict minerals. Other minerals such as cobalt and mica are considered critical raw materials.

Immediate proof of origin for the minerals, which would make it possible to retrace the connection between raw material extraction and conflict financing, can only be achieved at smelter level. Therefore, seamless and product-related certification from the raw material to the end product is not a productive approach. In this context, the guidelines of the Organisation for Economic Co-operation and Development (OECD) offer a sensible and systematic solution with the concept of certified smelting operations, which ifm supports.

The Conflict Minerals Reporting Template (CMRT) developed by RMI (formerly CFSI) for 3TG and the Extended Minerals Reporting Template (EMRT) for other minerals have established themselves as the standard by which to meet the due diligence obligations. These reporting templates enable the transfer of information regarding the origin of minerals and the smelters and refiners involved throughout the entire supply chain. As a result, in addition to companies that are directly bound by law, a large number of other companies are indirectly affected by the due diligence obligations and measures – including ifm.

The issue of conflict minerals has been incorporated into ifm's orders, purchasing conditions and purchasing contracts. Potential new suppliers are informed about ifm's minimum requirements regarding conflict minerals as soon as they enter the onboarding process. ifm began requesting CMRTs and EMRTs from existing suppliers for the first time in the second quarter of 2022.



## OTHER CONTROL MECHANISMS

Each of ifm's technical locations has a certified quality management system in accordance with ISO 9001. The occupational health and safety management system of ifm electronic gmbh and ifm group services gmbh was certified according to ISO 45001 for the first time in 2023.

In 2022, the SEDEX SMETA audits were conducted by an independent organisation at the ifm electronic locations in Tett nang and Wasserburg, as well as at ifm prover USA Inc. The audit was successfully completed for the fourth time at ifm electronic in Tett nang and for the second time at ifm prover USA Inc.

The 'SEDEX Members Ethical Trade Audit' (SMETA) is one of the most frequently used audit concepts for ethical trade audits worldwide. Sedex (Supplier Ethical Data Exchange) is an organisation for companies committed to continuous improvement of ethical behaviour in their supply chains.

ifm electronic gmbh and ifm prover USA Inc. were evaluated on the basis of a compilation of best practices for ethical trade. The SMETA methodology uses the code of the Ethical Trade Initiative (ETI) as well as any requirements contained in the respective national legislation as an assessment benchmark and comprises four pillars:

- Health and safety
- Labour standards
- Environment (optional)
- Business ethics (optional)

The audit findings are recorded on the SEDEX online platform and made available to customers as required.

## ECOVADIS ASSESSMENT

At the request of some customers, ifm has been participating in the Ecovadis assessment annually since 2022. In this assessment, the quality of the sustainability management system is analysed using a questionnaire based on documented evidence and assessed in the four categories of environment, labour and human rights, ethics and sustainable procurement. Following the reassessment in November 2024, ifm was awarded a "Committed" badge. This places ifm in the top 20% of companies assessed by Ecovadis in the electronic components and printed circuit board manufacturing industry.





04

VALUE CREATION

# INNOVATION FOR ENVIRONMENTAL PROTECTION

## Flow sensors for machine tools



Lubricants are used in processes involving machine tools. They are indispensable for high machining quality, but they also have an impact on the environment, among other things due to the energy consumption of the pumps that convey the cooling lubricants. DMG MORI, a world-leading manufacturer of high-precision machine tools and sustainable technologies, uses pressure control for dosing the cooling lubricant in its machines. The lubricant is applied at the machining point at constant pressure. Since the amount of cooling lubricant is irrelevant, the pump delivers large quantities according to the principle of "the more, the better". This results in unnecessary energy consumption due to the pump running continuously at full pressure.

In partnership with DMG Mori Pfronten, we developed a concept that replaces the previous pressure control with flow control. Flow sensors measure the flow rate of the cooling lubricant very precisely, even if the medium is contaminated with machining chips.



## ECONOMIC PERFORMANCE

We take an integrated approach in working to achieve our corporate goals and grow successfully in security. We measure and manage business performance using standardised KPIs for sales, production, personnel, costs, development and innovations, efficiency and quality. Sales, cash flow and ROI targets are set by the company management.

The audit of the consolidated financial statement for the year 2024 was completed by the auditors Ernst & Young in May 2025. In 2024, the ifm group of companies recorded a 2.9% decline in group turnover to 1,366.4 million euros (2023: + 3.0%). To be ideally prepared for the future, we focus our investments on innovations. In the year under review, for example, we spent 166.5m euros on research and development (2023: 157.8m euros). This means that 12.2% of annual turnover was invested in R&D. Investing in training and jobs, however, is also important for sustainable growth. We believe that providing secure jobs makes a significant contribution to social value creation in the region. Global personnel expenses, including wages and salaries, social security contributions and social benefits, amounted to 577.5m euros in 2024 (2023: 580.5m euros). The worldwide input volume of raw materials, supplies and purchased goods in the year under review amounted to 368.1m euros (2023: 409.5m euros).

### Key financial figures

In million euros	2022	2023	2024
Turnover	1,366.0	1,407.2	1,366.4
Procurement*	419.0	409.5	368.1
Personnel expenses	572.2	580.5	577.5
Research & Development	141.1	157.8	166.5

\* COST OF RAW MATERIALS, SUPPLIES AND PURCHASED GOODS

## CUSTOMER-ORIENTED SUSTAINABLE PRODUCT DEVELOPMENT

The ifm group of companies optimises its customers' production processes – this is both a vision and a core business. For this purpose, we anticipate developments, develop flexible solutions and provide them in the best quality. We have 1,530 employees working in research and development on new technologies and innovations every day. Moreover, we currently have 1,300 patents in active use and registered as many as 100 new applications in the year under review alone. To ensure that our products are used effectively and safely, we rely on an exceptionally large sales and service team of approx. 2,150 employees.

## THE SUMMIT – A BENCHMARK FOR THE FUTURE

The SUMMIT provides a joint headquarters for the Siegen-based companies belonging to the ifm group: pmdtechnologies ag, GIB S&D, ifm statmath gmbh, ifm services gmbh, ifm software gmbh, ifm solutions gmbh and ifm business solutions gmbh. More than 440 specialists from all areas work together on visionary ideas and successful solutions in the fields of camera technology, IIoT and SAP-based supply chain management. With an eye to the future, The SUMMIT stands for the further development and supply of standardised 3D sensors and software solutions.



## QUALITY MANAGEMENT AND PRODUCT SAFETY

The entire development process is part of the ifm management system: from the initial idea to the business plan, system definition and the concept and detail development phases to the execution phase and preparation for series production. We also consider the sustainable design of our products at an early stage of development. For products currently in production, we regularly review our product range for compliance with the requirements of RoHS (RoHS – European Parliament Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment) and REACH (EU Regulation standing for "Registration, Evaluation, Authorisation and Restriction of Chemicals").

To ensure compliance with the applicable legislation, our management system includes a process that describes the responsibilities for the areas to which the legislation applies and the communication to the divisions and departments concerned. Identified violations are dealt with within this framework.

In addition, we rely on a well-managed risk register and a comprehensive security concept that takes the following aspects into account:

- the procurement of products whose suppliers are certified according to ISO 9001 or higher
- developing products for process reliability
- obtaining the required application and market-specific approvals
- conformity assessment regarding the applicable EU CE marking directives

All development and production sites are certified according to DIN EN ISO 9001 in its current revision status and are regularly audited. Quality management is managed centrally, is implemented locally and essentially relies on the attention of each individual employee. Both process results and customer feedback are analysed daily. On this basis, suitable optimisation measures are initiated in small and large control loops as required.

We continuously improve our quality management and adapt it to the needs of all parties involved. To this end, in addition to regular planning meetings of the management team, we conduct an annual assessment at management level once a year. This is evaluated by the management who adapt or add target definitions, if necessary. This evaluation focuses on the results and effectiveness of the audits carried out, key customer satisfaction and process performance indicators, measures from the previous management assessment and process risks and opportunities.

During the reporting period, there were no violations relating to the impact of our products and services on our customers' health and safety. Customer surveys are conducted to gauge overall satisfaction with our products and our company.

### MEMBERSHIP IN COMMITTEES AND ASSOCIATIONS

In order to further develop standards with regard to product safety and data protection, we actively share our experience in national and international bodies and standardisation committees and thereby keep ourselves up to date about future guidelines. We are principally active in the following bodies and committees:

- Zentralverband Elektrotechnik- und Elektronikindustrie (ZVEI): working groups on explosion protection, CE marking (safety covering all EU directives among manufacturers, substance policy, product-related environmental protection and ATEX safety aspects in explosion protection)
- expert committees and working groups of the German Commission for Electrical, Electronic and Information Technologies, the European Committee for Electrotechnical Standardisation (CENELEC) and the International Electrotechnical Commission (IEC)

Through its committee work in OI4, IDTA and PI4.0, ifm supports the establishment of standards for factory digitalisation and thus develops interoperable cross-company solutions.

Through our work in the IEC committees, we have been able to make a significant contribution to the international technical specification "IEC TS 63208 Edition 1: Security Aspects" in the IEC SC 121A/MT7 standardisation committee. This was very well received among the relevant manufacturers of low-voltage switching and monitoring devices, as there was previously no sector-specific IEC standard for security (functional security over the product life cycle) for such products.

### GREATER SAFETY THROUGH ifmPRODUCTS

We also contribute to greater occupational safety at our customers' facilities through our products. We develop electro-sensitive protective equipment, door switches, actuating elements and control systems. In industrial production, for example, our fail-safe inductive sensors reliably detect whether a safety gird or safety door is closed. Safety light curtains and grids are used where hazardous areas must be reliably secured. Door switches with guard locking also ensure that movable protective equipment such as safety guards, safety doors and other covers remain closed in hazardous situations.

### RESPONSIBLE PROCUREMENT

As a globally operating company, ifm generates a significant part of its value added through its cooperation with its suppliers, which makes long-term, trust-based partnerships crucially important to us. We expect our suppliers to comply not only with our technical requirements, but also with clear standards regarding social aspects and environmental conditions.

For materials used in series production, Central Purchasing has a pool of around 692 suppliers and a worldwide purchasing volume of around 262m euros.

This is primarily made up of material groups such as electronic and electro-mechanical components and sub-assemblies, machined metal parts, cables and cable assemblies, plastic injection-moulded components and tools, while the global procurement of electronic components is for the most part handled through the distribution market in Germany. At regional level, procurement can be broken down as follows:

Company domicile	
	Number of suppliers in 2024
America	32
Asia	58
Europe	602
<b>Total</b>	<b>692</b>



We work with around 180 suppliers for bought-in products. The purchasing volume here amounted to approximately 65m euros in the reporting period. About 97% of this is sourced in Europe – mainly in Germany and Italy.

For non-production materials under the responsibility of the purchasing department in Tettngang, we cooperate with about 1,474 suppliers. The purchasing volume for capital goods, services and materials not bound by the bill of materials for our Lake Constance locations amounted to 42m euros in the reporting period. Approx. > 95% of this is procured in Europe – mainly in Germany. The focus of capital goods procurement is on production equipment, operating equipment and storage systems as well as on materials for production equipment construction.

Provided that economic size and quality are comparable, our strategic approach is "local for local". This is why our procurement regions are often close to the locations of our sites. If possible, we purchase our key material groups from regional suppliers as well. For example, > 70% of the raw cable required for the plant in Poland is now supplied by the local market. We source the bulk of the weight- and volume-intensive materials for our European sites from local companies within a radius of up to 200 km.

### CLEAR STANDARDS FOR BUSINESS PARTNERS

The central purchasing department of the ifm group of companies follows a systematic process in the selection and promotion of suppliers. This takes into account commercial, quality and environment-related aspects as well as social issues such as freedom of association, collective bargaining and respect for human rights. We visit all new suppliers prior to approval and evaluate at least the supplying production site. In this process, we pay special attention to new series suppliers. In the course of the business relationship, further on-site visits are made in connection with supplier development and promotion or because of joint projects.

We expect all our suppliers to respect and share our values. Therefore, we have a code of conduct based on the ifm philosophy and the ifm Code of Conduct that applies to all our business partners. This code expressly forbids discrimination, corruption and bribery and forced or child labour. Our business partners must comply with all applicable laws, guidelines and standards, ensure data protection and promote environmental protection and occupational safety within their own sphere of influence.

All our business partners that supply materials for series production, bought-in products and capital goods are obliged to sign the code of conduct and thereby acknowledge the requirements set out in it. If new or divergent elements are added to it, we require a new signature.

If a business partner does not sign the code of conduct, we will contact them directly. Our aim is for 100% of our business partners to sign and thus agree to our requirements. 98.5% of our suppliers of series materials and bought-in products have accepted and signed our code of conduct.

The basic principles of the code of conduct are also contained in the contracts concluded with our strategic suppliers. In addition, our requirements are stipulated in our conditions of purchase. This includes respect for human rights.

In addition to the code of conduct and purchase conditions, when placing orders we refer to our environmental and chemical management specifications. Our integrated environmental management system also requires our business partners to continuously improve their environmental performance by means of appropriate environmental management. In future, we will therefore increasingly demand standardised environmental management systems from all existing strategic and new suppliers. For this purpose, we conduct annual reviews to establish which of our suppliers have introduced an environmental management system. Series suppliers with an environmental management system will be given preference in case of identical prices and conditions. About 43% of our series suppliers currently have an environmental management system in accordance with ISO 14001, EMAS or comparable standards. Our supplier standards also require in particular responsible chemicals management. The purpose of this is to ensure that relevant laws and regulations, in particular the EU Chemicals Regulation (REACH), the hazardous substances regulations and occupational safety regulations, are complied with.

Compliance with REACH and the EU Directive on the use of certain hazardous substances in electrical and electronic equipment (RoHS) is a fixed criterion in the approval process for all parts purchased from series suppliers. All relevant articles our suppliers deliver to us, must comply with EU Directive RoHS2 (2011/65/EU). An appropriate internal monitoring procedure is intended to ensure additionally that certain hazardous substances are not unintentionally used in our products.

The process descriptions specify that all the necessary documents and evidence regarding environmental protection are to be provided by the potential supplier as an integral part of the approval process. They include documents such as full material declarations, entries in the International Material Data System (IMDS) or a supplier declaration according to the ECHA list of substances of very high concern (SVHC) which provides information about the hazard potential of chemical substances.

If a supplier violates fundamental requirements of the supplier relationship, we will initiate appropriate measures. These may range from a warning and a request to meet the requirements in the future to termination of the business relationship.

In addition to the above requirements for a standardised environmental management system in accordance with ISO 14001, suppliers of series production materials are also increasingly required to obtain certification regarding occupational health and safety in accordance with ISO 45001. Suppliers who cannot demonstrate compliance with relevant environmental management or occupational safety standards are required to complete relevant questionnaires on these subjects. The target here was to achieve 100% with respect to the following key performance indicator: at least 80% of the total purchasing volume for series materials should be sourced from suppliers who are certified or audited in this way with regard to environmental protection and occupational safety. The target achievement rate is currently 88.3%.

## SUPPLIER AUDITS AND EVALUATION

Suppliers are audited on all relevant aspects of the code of conduct. In addition to our annual audit planning, further audits are conducted as required. The decision on this is made by the responsible head of the Supplier Management department in consultation with the Procurement Category Management department. In total, around 40 audits are carried out each year.

The degree of completion of the planned audits is also visualised in the audit programme. The target is a completion rate of  $\geq 90\%$  by the end of the year. Only audits that have been planned and agreed with the respective supplier developer are used for the calculation. The degree of fulfilment of this target has been around 95% over the past two years.

Each new supplier of series parts is visited by a buyer or supplier developer before being included in the ifm supplier pool. If gross environmental protection violations become apparent on site, the supplier is not added to the pool of suppliers. During the initial meetings with the supplier, our environmental requirements – including suitable chemicals management – are also addressed in order to comply with regulations such as REACH. No violations of environmental laws and regulations were reported in 2024.

We pay particular attention to our suppliers' observance of human rights. For example, supplier developers or buyers visit our series suppliers and evaluate them with regard to social aspects. In 2024, there were no irregularities regarding anti-competitive behaviour, incidents of discrimination or violations of laws and regulations. Worldwide, we do not see any suppliers posing significant risks concerning child labour, and in the year under review, we did not detect any cases of child labour among our suppliers.

## SHIPPING AND LOGISTICS

The majority of the finished products from all our Lake Constance locations are transported daily from Tettngang to the logistics centre in Essen. Approximately 15% of these products are delivered directly from Tettngang to major customers. Both the logistics centre in Essen and the Tettngang-Bechlingen site are "known consignors" as approved by the German Federal Aviation Authority. The products from all our technical locations worldwide also arrive at the logistics centre in Essen.



Logistics centre, Essen

The logistics centre also receives bought-in products. Packaging waste is generated as a result of products being unpacked and, in some cases, repacked. To reduce this waste as far as possible, all ifm companies use standardised system cardboard boxes for dispatch that are also used for storage and transport to the customers. Some of our larger suppliers of bought-in products also deliver their products in such boxes.

The products are then stored in a fully automated system. Prior to shipping, the customer orders are placed on pallets for collection and transport by the logistics service providers. As the logistics centre is still relatively new, it was possible to integrate a highly energy-efficient system right from the start. The extremely low energy consumption is due to the shuttle and lift loads being lower than in conventional storage and retrieval systems. In addition, the logistics centre is equipped with a smart electricity monitoring system in which energy is recovered whenever the shuttles and lifts brake. The system earned the manufacturer the VDI innovation award for logistics in 2016.

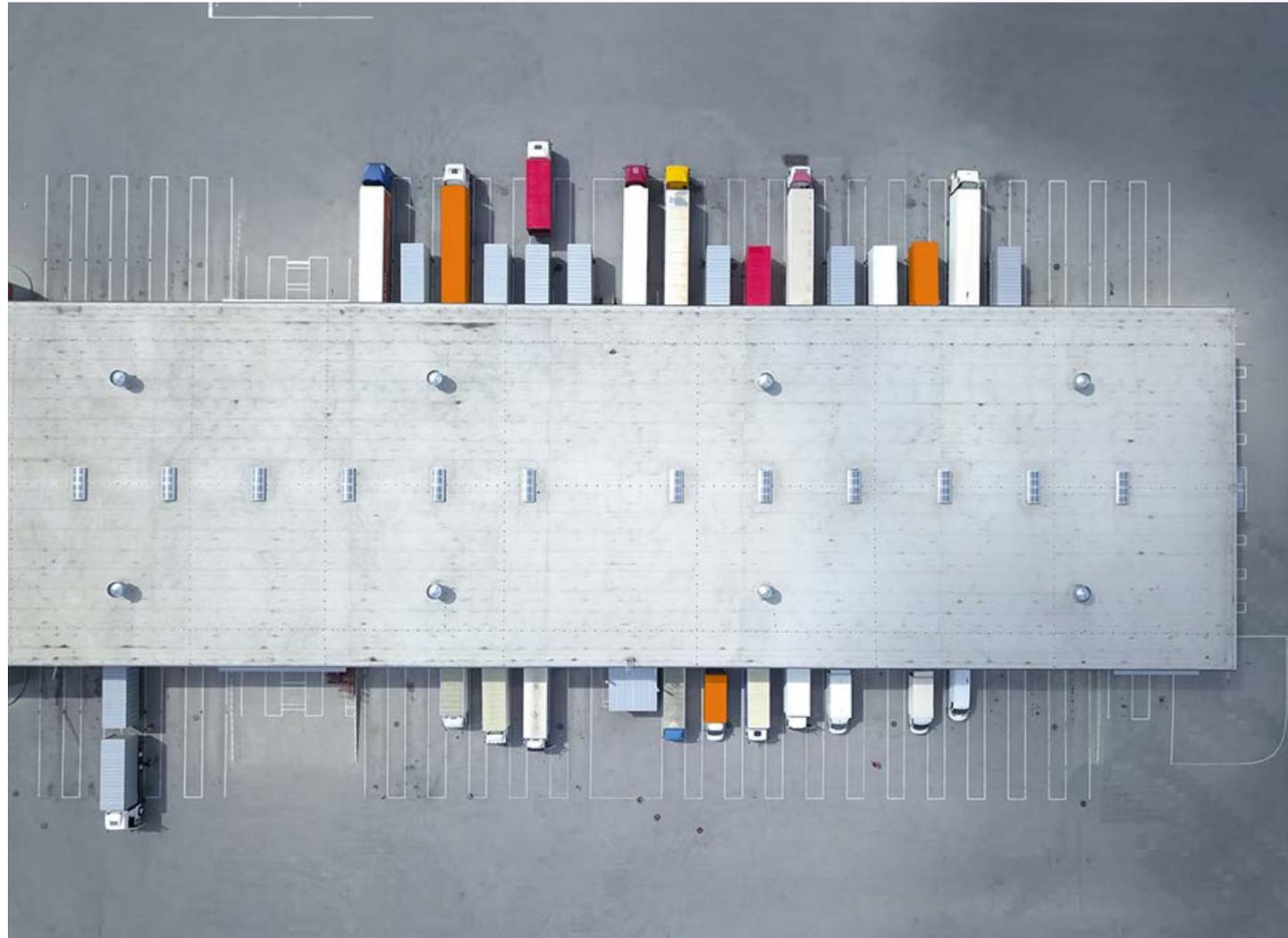
The drop-shipping service (shipping from technical locations to customers) is being expanded, and in future the production companies will also be able to ship goods to customers independently. Shipping is carried out by air freight and lorry transport.

### THIRD-PARTY TRANSPORT

All international shipments are handled by external forwarders and are transported mainly by road and air. Due to the long transport time, water transport is only used in exceptional cases. Within Europe, goods are transported by road. Rail transport is currently very difficult due to national borders (e.g. train control systems that have not yet been standardised). Outside Europe, a rail link to China has been considered, but this does not currently represent a viable alternative due to higher costs and significantly longer transport times. Shipments to countries outside Europe are sent by air. Air freight accounts for approximately 8.5 million euros out of total shipping costs of 20.3 million euros. This is because delivery capability is a key competitive factor for ifm. For example, air freight shipments are sent to China and the USA five times a week. Shipments to countries outside Europe first arrive at our own warehouses in the respective country before being forwarded to the customer.

Only the major freight forwarders are used for international shipments, while regional carriers are also used for domestic transport. Over 1.28 million packages are shipped each year. To keep packaging to a minimum, four different sizes of standard cardboard box are used.

To optimise transport routes, our drop-shipping service is being expanded. This means that foreign technical locations ship their products directly to customers without having to go through the logistics centre in Essen. This was implemented across Europe for the location in Poland in 2019 and extended to destinations in the USA and China in 2020.





05

SOCIAL

# “PEOPLE ARE AT THE HEART OF EVERYTHING WE DO”

ifm combines the advantages of a family-run company with those of a global technology developer. The result is a secure and attractive working environment in which fairness, respect and our employees' creativity can flourish.



Steffen Fischer, Central Managing Director HR.

Not only due to the German Act on Corporate Due Diligence Obligations in Supply Chains introduced on 1 January 2023, but also due to numerous other audits and surveys, the subject of human rights has become a very topical one. Respect for human rights is a fundamental responsibility of every company, regardless of its industry or size. As a socially responsible company, we recognise the importance of upholding human rights in order to create a sustainable and just future. Not only are we aware of the importance of this, but as a group of companies we are also setting an example by explicitly appointing our Chief Human Resources Officer as Social Sustainability Manager and Human Rights Officer for the ifm group of companies at management level, in addition to his other duties. In this way, we want to ensure a coordinated approach in all our companies worldwide.



It may be possible sometimes to buy the employees' liking. However, it is not worth much if it is not given voluntarily.

ifm corporate philosophy



We are aware that we as a company have a significant impact on society and the environment, and therefore have a responsibility to ensure that we conduct our business in accordance with fundamental human rights. In this social sustainability report, we would like to transparently present the efforts we are making and the progress we have made in observing human rights and reaffirm our commitment to respecting and promoting these rights in all areas of our business. We believe that only through close cooperation with our employees, suppliers, customers and stakeholders can we achieve a sustainable future for all.



## ORGANISATION AND MANAGEMENT

Our human resources principles are defined in the ifm human resources strategy. It supports our corporate strategy and is based on the ifm philosophy and its guiding principle, "People are at the heart of everything we do". Our decisions always take account of key megatrends, such as demographic transition, changing values, digitalisation and virtualisation, globalisation and dwindling resources. For this reason, the ifm group has defined five core topics for human resources management which have been further developed as part of the 2021–2025 HR strategy:

### GROWTH AND DEVELOPMENT

Our attractiveness as an employer in the local surroundings of our locations worldwide is outstanding. We are expanding our feedback channels and increasing employee involvement. Examples of formats for this include questions to the management and fireside chats. Cooperation with works councils is also being optimised at all locations. Additionally, training courses will mainly be offered internationally in the future.

### INTERNATIONALISATION

We train apprentices and upskill staff at all our locations worldwide. We engage in lifelong learning and prepare ourselves for the requirements of the future. We ensure active intercultural exchange, especially with a view to improvements.

International growth is also supported through human resources. To this end, regular international exchange takes place on important HR topics. Our first-ever international HR handbook is intended to help us achieve our strategic goal.

## GLOBALISATION & DIVERSITY

The values defined in our company philosophy are shared by all ifm employees across countries and cultures. Regardless of language, culture or religion, we are a strong ifm team. We oppose all forms of discrimination and foster a culture of appreciation and openness towards all differences, which we consider to be a source of added value.

### DIGITALISATION

Digitalisation simplifies processes and increases our efficiency. Teams use smart collaborative technologies to optimise the way they work and to communicate transparently.

In order to achieve the strategic digitalisation target, digital tools are being used more extensively to increase the effectiveness and efficiency of our HR processes, for example. The ifm Learning Factory also offers further training courses focusing on digitalisation and Work 4.0. A revised framework concept for remote working/working from home was adopted for Germany for the post-Covid period and has been kept in practice in the 2024 reporting year.

### SUSTAINABILITY

We at ifm have an image as an employer that lives sustainability in both environmental and social respects that is outstanding in our industry and can be perceived and experienced by all.

With regard to the strategic goal of sustainability, we conduct regular employee surveys on topics such as "work and life" and "health". Measures derived from the findings of these surveys are then implemented within the company.

As part of our sustainability process, we have also appointed a Social Sustainability Manager and are developing a concept that outlines what social sustainability means for ifm within the framework of the three-pillar model. This concept was further refined in the 2024 reporting year, and the topic of social sustainability was given further importance in the form of the expansion of resources through the appointment of a Social Sustainability Officer.

We have also developed the pilot project "Orange Greenies", which acts as an important multiplier in promoting a holistic view of sustainability: employees from different areas of the company have been trained as sustainability ambassadors to contribute to an overall understanding of energy-efficient processes, sustainable supply chains and more conscious behaviour in everyday working life.

In 2024, a page was published on the intranet providing information on all areas of social sustainability. This includes support services such as childcare during school holidays and care navigators, as well as general information, for example on dealing with marginalised groups or on the support we offer in the area of social engagement.

In addition, a new initiative to promote women was launched in 2024: the Women's Network Café. It serves as a forum for women within our company to exchange ideas and to network.

To successfully shape the growth of the ifm group of companies, we centrally coordinate and standardise key human resources topics wherever possible. At the same time, we implement our human resources strategy in a decentralised structure, so that we can respond flexibly to local and market-specific requirements. Centralised and decentralised responsibilities are defined in corresponding manuals.



We are setting up further special dialogue forums for the continuous improvement of operative human resources processes. In addition, we are working to gain a holistic view of individual processes that are not yet related and connecting them where necessary. We continuously monitor new developments, human resources topics and megatrends, and increasingly respond to them with coordinated, centralised solutions.

## REMUNERATION

We offer our employees fair, appropriate and regionally adjusted remuneration. Our remuneration model is designed in such a way that each position is assigned to a salary range according to the required qualifications, professional experience and knowledge. Aspects such as gender, religion or other factors are immaterial. Moreover, each employee participates in the success of the company in the form of a bonus scheme. According to our salary systems, there are no differences in remuneration between women and men. Any deviations there can be explained by objectively justified reasons that comply with anti-discrimination legislation, such as differences in professional experience or individual qualifications. As a rule, our salaries are above the living wage. Part-time jobs such as mini-jobs may constitute exceptions, but these are justified on an individual basis. Temporary workers are not included in this payroll system. However, shift bonuses are passed on to temporary employment agencies.

We have developed our own remuneration model NExx based on the collective remuneration framework agreement (ERA). NExx is recognised by our industry association and is now recommended as an alternative to ERA. ifm is not associated with any collective agreement because the terms of ERA do not correspond to the company's personnel policy, particularly with regard to performance-related pay.

The remuneration principles are also reviewed regularly in management.

## EMPLOYEE RIGHTS

As a supporter of the Ethical Trading Initiative (ETI), we have recognised the ETI Base Code which includes freedom of association for our employees. The ETI Base Code is stored in all available languages in ifm's internal knowledge network and is also regularly displayed on notice boards. We inform our employees in due time and observe statutory notice periods. We are convinced that this is the best way to promote employee rights and respect for human rights. In the 2024 reporting year, we developed our own group guideline on compliance with human rights at ifm and updated the existing Code of Conduct.

We are particularly committed to ensuring

- that all workers have the right to join unions of their own choosing and to bargain collectively,
- that the employer adopts an open attitude towards the activities of trade unions and their organisational activities,
- that employee representatives are not discriminated against and have the freedom to exercise their representative functions in the workplace, and
- that where the right to freedom of association and collective bargaining is restricted by law, the employer facilitates rather than hinders the development of parallel means of independent and free association and bargaining activities.

In 2019, ethics audits were carried out at ifm electronic gmbh and at ifm prover USA Inc. by an independent third party under the Sedex Members Ethical Trade Audits (SMETA) scheme. These audits also review compliance with the ETI Base Code (for more information see the chapter on compliance management). Another audit was carried out in 2022. In the

year under review, the right of employees to freedom of association or collective bargaining was not violated or seriously threatened at any operating site.

## ATTRACTIVE EMPLOYER

### CHALLENGES

The prevailing shortage of skilled workers, combined with demographic change, is increasingly limiting the pool of potential job candidates in Germany. The ifm group of companies is also faced with this problem at all its locations. Added to this is the fact that competitors face the same challenges, which is driving a competitive labour market. Also, part of the shortage of skilled workers in our industry in particular stems from the very limited specialist expertise among applicants. Furthermore, low unemployment in the regions where ifm has its locations – particularly in the Lake Constance district – makes it very difficult to fill vacancies.

In addition to developments on the free market, internal processes also present specific challenges that we at ifm must address. Thanks to steady growth and major successes in recent business years, ifm is steadily and inexorably evolving from a medium-sized company to a global corporation. As a result, structural and organisational requirements have increased, as has the need for a corresponding maximisation of human resources. Furthermore, the challenges of digitalisation call for new operating processes and tools in human resources, both for supporting existing employees (upskilling) and for attracting new talent (digital recruiting). Our focus is on standardising our processes and offerings in order to act holistically in the market in line with the ifm group's interests.



## OPPORTUNITIES AND RISKS

### OPPORTUNITIES

Due to the steady growth of the ifm group of companies and the commitment defined in our philosophy not to make any of our employees redundant for operational reasons, ifm is able to position itself as a secure and reliable employer. In order to further enhance ifm's generally positive image and also create new digital contact points along the candidate journey, the launch of a global career portal was planned for 2024. This increases mobility within the Group, but also creates transparency for global talent and expands our talent pool. This will be supported by the rollout of an international human capital management suite (HCM suite) in the coming years. Jobs will be advertised worldwide on this HCM suite. The global career portal will serve as a platform where the positions are stored. This will facilitate cooperation and coordination among the various human resources departments. With the help of our international branches, we can significantly expand our talent pool.

Our adherence to our philosophy allows us at the ifm group of companies to stand out from our competitors. In particular, the moral principles defined in it represent a unique selling point in a time when giving people a sense of purpose at work is becoming increasingly important.

It is important to us that both managers and employees identify with the company and its philosophy. We enhance our reputation as an attractive employer by offering competitive remuneration systems, working time models and fringe benefits, including upskilling and development pathways, a company health management system, a growing range of childcare offerings and company pension options. With our "Recruit a friend" bonus programme, we reward our employees' commitment in filling vacant positions. We frequently receive applications based on employee recommendations. We reward this commitment with a standard bonus. This increases the suitability of incoming job applications and thus generate a high level of commitment to ifm as an employer.

### RISKS

ifm's evolution into a group also entails risks. In particular, the necessary adjustments to organisational structures, such as a stronger emphasis on central guidelines and standards, might be implemented too slowly or inadequately, thereby holding back further growth.

Individually, our different locations face their own specific challenges. The coming years will show to what extent the course we have set will overcome these challenges and where it will lead to new problems. It also remains to be seen whether ifm will need to establish new locations where the required talent can best be found. Due to demographic change, which will gather pace in most Western industrialised countries over the next ten years in particular, competition will intensify further.

## MANAGEMENT APPROACH

The management is aware of the importance of satisfied and motivated employees. Ultimately, the ifm group of companies can only attract new employees and retain existing ones if it offers attractive working conditions. Here, we pursue a clear and transparent communication policy. Both the owners and all the members of management regularly answer questions from employees or provide information in the form of podcasts or interviews. In addition, ad-hoc surveys are conducted among our employees, are then systematically evaluated and used as the basis for recommending appropriate courses of action. In addition, review websites such as glassdoor.com are analysed and reviews posted there are responded to.

We are currently focusing on the following topics:

- Greater focus on topical issues such as work-life balance, childcare and health/wellbeing
- Strategies and concepts regarding relevant social sustainability topics
- Opportunities for further development (grow!)
- Improvement of leadership/management training (Lead<sup>2</sup>)
- We are investing in junior staff who are still in training or studying and upskilling them within the company.

## MEASURES AND EXAMPLES

In order to attract and retain new talent, we are expanding our candidate management and our employee retention management. To this end, we are stepping up both our human resources marketing and recruiting measures and

introducing a global HCM suite to digitally optimise strategic human resources management.

Cooperation with recruitment service providers is increasingly being coordinated centrally in order to set more uniform standards.

### Employees

	31.12.2022	31.12.2023	31.12.2024
<b>Total</b>	<b>8,595</b>	<b>8,896</b>	<b>8,704</b>
Germany	5,127	5,266	5,128
<b>Production abroad</b>	<b>1,764</b>	<b>1,845</b>	<b>1,760</b>
<b>Sales abroad</b>	<b>1,704</b>	<b>1,785</b>	<b>1,816</b>
<b>Total abroad</b>	<b>3,468</b>	<b>3,630</b>	<b>3,576</b>
<b>Type of contract (excluding temporary workers and freelancers)</b>	<b>8,397</b>	<b>8,778</b>	<b>8,604</b>
Temporary	1,755	1,663	1,325
Permanent	6,642	7,145	7,279
<b>Gender</b>	<b>8,595</b>	<b>8,896</b>	<b>8,704</b>
Female	3,939	3,952	4,951
Male	4,656	4,944	3,753
<b>Employee category</b>	<b>8,595</b>	<b>8,896</b>	<b>8,704</b>
Trainees	228	232	240
Temporary workers	198	118	100
Blue-collar workers	2,844	2,709	2,473
White-collar workers	5,325	5,837	5,891
<b>Staff turnover in per cent*</b>	<b>5.67</b>	<b>5.64</b>	<b>5.53</b>

\*excl. fixed-term contracts, incl. retirement, termination by employee and employer, termination agreement



## RESULTS

In the year under review, we gained 749 new employees worldwide and took on 27 trainees who had completed their training. We see the length of service among our employees, in some cases of up to 44 years, and low employee turnover as proof of the good working climate at ifm.

## OUTLOOK AND OBJECTIVES

In the coming years we aim to position ifm as the employer of choice for even more people within the relevant target groups. For this purpose, employer branding is being stepped up and a new design rolled out worldwide to clearly communicate the employer value proposition. In addition, the structures within the HR organisation are being adapted to meet the changing demands of a growing organisation, duplicate structures are being eliminated where possible and responsibilities defined more clearly. In addition, all those involved in the recruitment process are receiving more intensive training, so that they can implement modern, innovative recruitment measures and improve the candidate experience.

ifm has been consistently listed as an excellent company for trainee programmes since 2015 and ranks among the top employers in the annual Fokus magazine survey.

## OCCUPATIONAL HEALTH AND SAFETY

We attach particular importance to a safe working environment and active health promotion. In this way, we enhance the motivation and performance of our employees.

We also expect our business partners to maintain a high level of compliance with applicable work safety standards worldwide and to promote the health and safety of their employees (for more information see the chapter on responsible procurement).

As already mentioned in the previous year's report, certification according to ISO 45001 has been successfully completed. While we want to identify previously unrecognised risks more quickly by means of this certification, we also want take advantage of the associated opportunities to continuously improve working conditions.

With Vision Zero, we are pursuing the goal of completely eliminating occupational accidents, occupational illnesses and work-related health hazards. We are convinced that every accident can be prevented if health and safety at work are given top priority. That is why we put people first and focus on a culture of prevention. Through responsible leadership, the active participation of all employees and continuous improvement, we create safe and healthy working conditions. For us, Vision Zero is not just a goal, but a shared journey – towards a working environment that is free of physical and health hazards.

We want our employees to return home to their families in good health at the end of the working day. As part of our occupational health and safety management system, we will increasingly apply the methods of the PDCA cycle in the future, combined with open, targeted and respectful communication at all levels within and outside the company.

We will also involve all management levels and all employees in the continuous improvement process we have launched, using a simple system of performance indicators and clearly communicated objectives.

We have begun to review occupational health and safety activities at our locations in Germany and, where possible, to consolidate them. The first success was to establish a common basis for the individual occupational health and safety management groups at our various locations.

Existing performance indicators and established processes form the basis for our current actions. However, they will be reviewed as part of our ongoing continuous improvement process. This involves critically examining how they fit into the highly innovative environment at ifm. If the processes or indicators do not stand up to this examination, they must be adapted to the changed conditions in close consultation with those responsible, both managers and employees. As in the past, occupational health and safety employees continued to receive further training in the 2024 reporting period in order to maintain the usual standards and monitor current topics.

## OCCUPATIONAL SAFETY

Risk assessments are carried out at all our locations in order to identify and avoid hazards to our employees at an early stage. This entails assessing workplaces, machinery and hazardous materials and then defining and implementing protective measures. The managers responsible are advised and supported in this by the company doctor and occupational safety specialists.

If residual risks remain, employees are made aware of them in briefings or operating instructions. The necessary rules of behaviour are explained or described. All incidents that have resulted in injuries are documented and regularly discussed in relevant committees, such as the quarterly occupational safety committee meeting, in order to determine preventive measures.

In the area of occupational safety, we work closely with the company health management team and always strive to design innovative measures to promote the health and safety of our employees.

### Key figures on occupational safety at the Lake Constance and Essen sites + Sales

	2024
Number of reportable workplace accidents	Lake Constance: 14 Essen + Distribution: 4
Number of days lost due to reportable workplace accidents	Lake Constance: 260 Essen + Distribution: 35
Number of reportable commuting accidents	Lake Constance: 21 Essen + Distribution: 0
Number of days lost due to reportable accidents on the way to work	Lake Constance: 603 Essen + Distribution: 0

### workplace accidents

	2024
workplace accidents 1000-employee ratio	Lake Constance: 12 Essen + Distribution: 4.62

### IMPROVEMENTS IN HEALTH PROTECTION

Only healthy and well-balanced employees can contribute the motivation and performance that a dynamic and growing company needs. That is why occupational health management (OHM) remained an integral part of human resources strategy in 2024. OHM is based on three pillars: health promotion, healthy working environment and healthy leadership. These encompass a diverse range of measures – from sports offerings and preventive health screenings to targeted knowledge transfer.

The OHM programme specifically attempts to meet the different needs of various stakeholders, such as shift workers or part-time employees. Examples include the meal-prep service specifically for night shift workers and the lecture "Safety when out and about" as part of the women's advancement programme.

In 2024, the OHM programme focused on two key areas. In the first half of the year, the focus was on the subject of "A healthy mind". Numerous events were offered within this framework, including lectures on mindfulness, meditation, mental load, brain food and mental health in night work. These were supplemented by practical workshops on stress management, healthy eating and conscious living. Individual formats such as one-to-one coaching and stress type assessments were also offered, giving employees the opportunity to strengthen their personal mental health in a targeted manner. Topics such as perfectionism, isolation, embodiment or the connection between mental health and gut health were clearly conveyed in lectures, workshops and interactive formats such as "Neurofitness for Business".

In the second half of 2024, the OHM programme shifted its attention to "The healthy environment". The focus was particularly on topics such as social relationships, healthy communication and legal frameworks in everyday life. In addition, numerous keynote speeches were held on topics including "Digital detox", "The wise person plans ahead" and "The supermarket maze". In addition, a workshop on "healthy social profiles" enabled participants to engage in an in-depth discussion of social interaction in the workplace. There were also exercise-oriented activities such as yoga and stand-up paddleboarding on Lake Constance. Employees received individual support with specific one-to-one coaching sessions on communication improvement, for example. In addition,

various preventive health screenings were carried out throughout the year, including metabolic analyses, skin and vein screenings and testosterone tests.

Managers received targeted offerings as part of the "Healthy Leadership" series, supplemented with formats on personality-oriented leadership and the role of being a healthy role model. In addition, they received a special medical offering: the executive check-up from our partner ias PREVENT. Managers at levels 0 to 4 have the opportunity to undergo a comprehensive professional health check-up every two years.

A particular highlight of the year was Health Week, which took place across Germany in October and included numerous in-person events, supplemented with online offerings. In addition, awareness of health matters was raised through lectures, cinema events and information campaigns – for example on lifestyle habits.

Also in 2024, the OHM Hub was made available on the company intranet. The new information platform brings together all health-related content in a clear and structured manner in one place. Employees can use it to find offerings for specific locations and across locations, current events, permanent measures and general information about occupational health management. Long-term offerings such as psychological counselling or active breaks are also permanently accessible there. The OHM Hub serves as a central point of contact for obtaining low-threshold information at any time about all measures, campaigns and developments in the field of health in the workplace. At the same time, articles on health-related topics are published there in order to promote awareness of physical and mental well-being in everyday working life in the long term.

## TRAINING AND EDUCATION

The ifm group aims to offer its employees challenging tasks and, at the same time, enable them to master them. Everyone is required to make an active contribution to the company's success. For this purpose, we rely on systematic training and further education – in line with our corporate philosophy 'Growing successfully in security'. From this follows our aspiration to have the right employees in the right number, in the right place, in the right organisation and at the right time.

In accordance with the needs of the different departments, we constantly readjust our training and further education programmes and regularly check the requirements with the departments. For example, we have increased our training capacities in the area of IT skills. Personnel development is implemented at both national and international level. It is embedded in our global personnel strategy, offers our employees long-term prospects and contributes equally to the achievement of our corporate goals. The ifm talent strategy that is anchored there underlines the great importance of talent management.

Ifm organises, funds and allows time off for external seminars or in-house training and further education through the personnel development programme or the corresponding department. For external training and further education, such as master craftsman's qualification and bachelor's or master's degrees, there is the possibility of receiving financial support from ifm. Educational leave can be applied for at any time. We also make it possible for our employees to reduce their working hours to ensure that they can study while working.

On average, employees at group services gmbh Tettngang completed 2.95 days of training and further education in the reporting year. Employees of ifm electronic gmbh Tettngang completed an average of 1.18 days of training and further education in the reporting year (across ifm group services and electronic + Essen: 5.39 days of training and further education per employee) as well as 798 hours of English lessons (ifm group services) and 760 hours of English lessons (electronic gmbh Tettngang). Our sales staff took 480 hours of English lessons last year. In Essen, our employees used an average of 1.26 days for soft skills and specialist training courses and received over 283 hours of English lessons. In addition, a total of 540 employees took part in product training courses. In 2024, employees in the German sales department attended a total of around 480 hours of English training (2023: 2,400). Training courses on diversity, equity and inclusion were also offered in 2024.

The development and advancement of our employees is a key task for all managers, who should guide and motivate their employees along this path and support them in implementing the measures. This means that employees at ifm receive targeted support and assistance in their personal development.

In order to build up employees for management positions, we adopted and successfully implemented a trainee programme in Essen in 2020. Two trainees are currently taking part in the programme and two more trainees will join in the near future. We are currently strengthening management skills based on the "K8 Model". Executive training has been organised nationally and internationally since 2018. The K8 management competency model defines eight areas of management skills that make a major contribution to ensuring the company's long-term success and to implementing the guiding principles anchored in the company philosophy (competencies: problem-solving, technology and processes, conflict resolution, communication and cooperation, social and intercultural, leadership, entrepreneurship and systematic implementation, and innovation). All managers in the NExx system receive a performance appraisal in two annual meetings (K8 meeting and performance appraisal meeting) and agree on specific goals that can trigger targeted further training measures. All employees receive either a regular performance appraisal, career development feedback or qualified feedback on their performance.



# 540

EMPLOYEES PARTICIPATED IN PRODUCT TRAINING COURSES

The aim of the grow! programme is to bring existing potential in the company to light. ifm wants to identify and promote talent in order to be able to draw on internal potential in succession planning. This applies both to talented individuals who do not yet hold an expert or management position, and for whom no specific target position has been determined, and to existing employees, managers and experts who are in line for promotion within the next two years. The grow! talent programme was launched as a pilot project at ifm group services gmbh and ifm electronic gmbh at the Tettngang, Kressbronn and Essen sites in January 2022. Since 2023 this programme has been in place at all the ifm companies in Germany. For employees, managers and experts who are being developed for promotion within the next two years, grow! involves attending a development centre (followed by an individual development journey).

The lead<sup>2</sup> programme focuses on the targeted and individual development of our experts and managers. Mandatory training courses, workshops, coaching etc. make for regular and individual development. The development programme consists of mandatory and elective elements. While mandatory elements must be completed, the elective elements can be chosen individually as required. 10 hours of training is required per year. Lead<sup>2</sup> was launched on 1 January 2022.

As part of a cross-mentoring programme at the Lake Constance locations, experienced executives from various companies share their experience with junior managers. In this way, they not only gain new perspectives, but also learn more openly and trustingly from their mentors outside the company's own hierarchy.

### ifmLEARNING FACTORY

The ifm Learning Factory is the virtual umbrella organisation of the decentrally organised personnel development departments of all the ifm locations in Germany. In addition to this joint personnel development platform, the decentralised organisation is decisive for reliable and sustainable knowledge and quality assurance.

The ifm Learning Factory team comprises the personnel development managers from all the ifm locations in Germany and is the central point of contact for all further education topics. These are grouped in eight pillars:

**Training** We are committed to equipping our trainees with the tools they need and providing our trainers with the best possible support. We offer regular training courses and workshops for trainees, students and training personnel.

**Mandatory training** The mandatory training courses include all further education measures that are required regularly, such as soldering courses for production employees, safety training or first aid courses.

**ifm knowledge** Under the motto "Employees train employees", we want to contribute to the transfer and communication of company-specific knowledge. The measures include company presentations, product information, innovations and technologies.

**Management development** General training courses for managers are organised centrally. Special training courses for managers, such as coaching or cross-mentoring, are available by arrangement with personnel development.

**Language and intercultural competence** In view of our growing internationalisation, we offer our employees needs-based language training and presentations on topics such as intercultural competence and diversity.

**Software training** Due to the dynamic changes in software, we offer basic and refresher courses as well as open software training courses in all relevant programmes such as SAP.

**Work and life** In the area of health management, the responsible project groups at our locations offer a wide range of health-related programmes, including prevention courses or a company sports group.

**General topics** Training courses are also held on other subjects, such as methods and social skills, working techniques, and time or project management.

Our education landscape in Germany is being further expanded on the basis of the ifm Learning Factory organisation. All employees are regularly informed about further education and training opportunities.

## DIVERSITY AND EQUAL OPPORTUNITIES

As an internationally operating company, the ifm group embraces and appreciates the diversity of its workforce. In times of globalisation, individualisation and skills shortages, we regard our workforce as both a market and a competitive advantage. The skills shortage, which had been predicted for years in the form of a “war for talent”, has now intensified further and poses a major challenge for the ifm group of companies. We see people with different backgrounds and individual characteristics as an opportunity for achieving our corporate goals, as we benefit from a diversity of problem-solving approaches stemming from different cultural contexts and ranges of experience. At the same time, we see the risk that this process of social change will not succeed. The company management has a particularly important part to play in this process, as it must ensure that corporate goals are met, while also promoting a positive corporate culture and continuing to develop attractive working conditions for employees. An important measure is to focus on these management requirements in the newly created “grow!” and “lead²” management development programmes, with managers being selected according to the criteria defined there.

In addition, a concept introduced in 2017 defines our group’s approach to diversity and stipulates that each employee is to be considered on an individual basis. The concept is now gradually being implemented. Beyond that, our Code of Conduct includes a ban on discrimination on the basis of age, gender, religion, origin, or other reasons.

Within the ifm group, a fundamental equality of opportunity applies when management positions are to be filled, and the policy is to fill vacant management positions based on performance. As a result, 103 women held management positions in Germany in the reporting year (2023: 95). This represents a share of 13.73 per cent (2023: 13.46%).

### WORKING TIME MODELS AND PARENTAL LEAVE

We offer our employees flexible working time models. We have various part-time models across all departments that are also used in production, especially by our female employees. To ensure working efficiency, two part-time employees share one shift. In addition to this, we have been testing the principles of desk and job sharing in the human resources department for more than a year. Here, two employees share one full-time job on a part-time basis. To ensure smooth handovers, both employees work together on one day per week.

To make it easier for parents to work during their children’s school or nursery holidays, childcare is provided every year during the summer holidays at the Tett nang-Bechlingen site.

A similar service was also offered at the ifm locations in Essen and Siegen. In 2024, a total of 134 children of ifm employees were looked after during the holidays at the Tett nang-Bechlingen site (2023: 108). 19 children at the Siegen site (2023: 24) and a total of 50 children in Essen (2023: 41) were supported during the reporting year.

We strive to make the return to work after parental leave and the balancing of work and private life as easy as possible. In 2024, a total of 219 employees took parental leave for a certain period (2023: 212). Of these employees, 74 parents have since returned to work and 15 have left the ifm group. For comparison: in the previous year, 69 employees returned to work and nine left the company.



# 203

**CHILDREN OF ifm  
EMPLOYEES WERE  
LOOKED AFTER IN ESSEN,  
SIEGEN AND TETT NANG  
DURING THE HOLIDAYS**

## SOCIAL ENGAGEMENT

As a family company with roots in the region, we are aware that we have not only an economic but also a social responsibility, and therefore we want the local community to share our success. We maintain an open dialogue with our stakeholders and involve them in our social engagement efforts. We aim to present our responsibility transparently and, at the same time, commit ourselves to continuing to act responsibly in the future and achieving our sustainability targets. It is often difficult to do justice to the various stakeholder groups, to properly understand their needs and, at the same time, to achieve fair distribution. A major risk with regard to social engagement within our group of companies is ensuring compliance with all legal requirements and regulations in order to avoid compliance risks. We clearly see our social engagement as an opportunity to strengthen our reputation as a local company and to motivate our employees more strongly if they can identify with our corporate culture and our corporate goals. This also sets us apart from our competitors in the "war for talent".

### We are engaged in various areas:

- Education and science: collaboration with universities, for example, by sponsoring a lecture theatre, supporting student projects such as Formula Student and participating in events such as Girl's Day.
- Cultural events: support for Tett nang's city marketing office, for example, at the Tett nang Baroque Castle event.
- Social projects: fundraising for social institutions and associations (URMEL Children's Cancer Aid, children's homes in the region, Radio 7 Drachenkinder, etc.) by organising a raffle at the company's in-house Christmas market, funding of projects such as "Football Meets Culture".
- Personal engagement by employees: paid leave for employees to participate in disaster relief efforts with the THW (Federal Agency for Technical Relief), for example, creation of a position in the company to provide assistance for employees who have relatives in war or disaster zones.

After the war in Ukraine began in 2022, we initiated a large-scale project offering various forms of assistance to refugees. We still employ refugees from this aid project in almost all of our companies.

In the reporting year 2024, ifm electronic gmbh donated a total of 199,046 euros to charities (2023: 266,062 euros). We are aware that assuming social responsibility is an ongoing process and are working to continuously expand our engagement in this area. In 2023, ifm was once again recognised as a family-friendly company, even receiving the additional seal of approval "Excellent digital".



**199,046**  
EUROS DONATED TO  
CHARITABLE CAUSES



# 06

# ENVIRONMENT

# PHOTOVOLTAICS

INSTALLED  
CAPACITY:



TOTAL:

# 1,961 KWP

180% increase from 2023 to 2024

For the year 2024

FOR THE FIRST  
TIME, REPORTING  
IS EXTENDED TO  
INCLUDE ENVIRONMENTAL  
INDICATORS FOR  
INTERNATIONAL  
LOCATIONS



## PAPER SAVING

- Digitisation of delivery notes / no more photocopies
- Gradual transition to digital production orders in manufacturing
- Digital provision of HR documents such as monthly payslips



# 100 %

## GREEN ELECTRICITY

(European production sites)

## REDUCTION IN EMISSIONS

resulting from the use  
of CF<sub>4</sub> process gas by



# 4,600 t

OF CO<sub>2</sub>eq

## ENVIRONMENTAL ORGANISATION

Thanks to ifm's many years of in-house environmental management, both operational and product-related environmental protection are firmly established. Our environmental management system covers our products' entire life cycle – from the procurement of raw materials and components to the involvement of suppliers by means of environmental standards to manufacturing and disposal at the end of the product's service life. A particular focus is on activities, products and facilities with significant environmental aspects that we can influence.

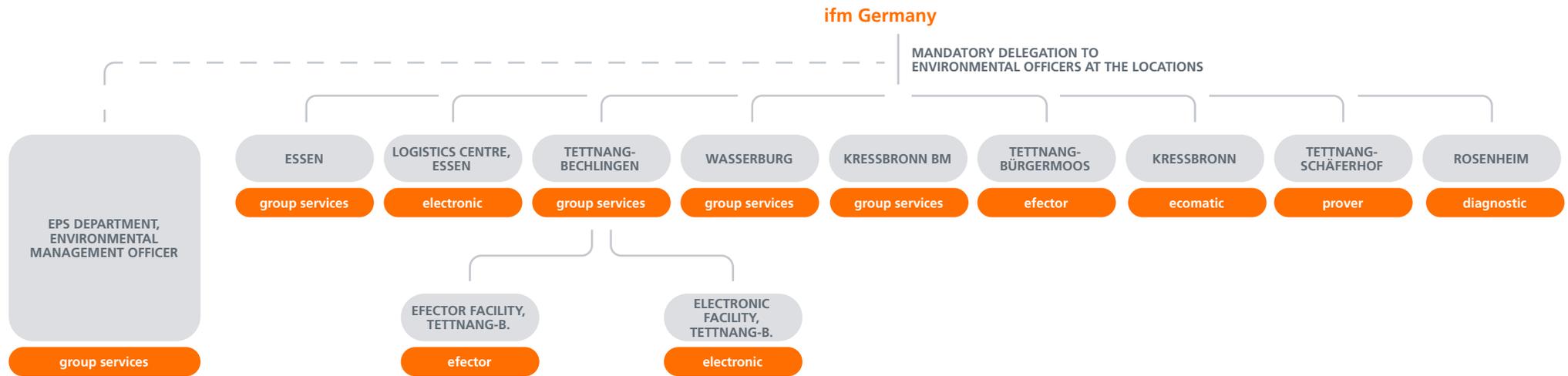
Our environmental management system, which is certified according to EMAS/ISO 14001, applies to the ifm companies at Lake Constance, in Essen and in Rosenheim.

## RESPONSIBILITIES

For the ifm group of companies, the Central Managing Director Human Resources is responsible for environmental affairs as interim sustainability manager and for social aspects as the human rights officer. The role is based at the Tett nang-Bechlingen location.

To ensure compliance with the EMAS environmental management system requirements, the implementation and monitoring duties have been delegated to the site managers at all three companies within the scope of EMAS. Further environmental protection obligations have been delegated to relevant department managers. Each location has an environment officer, usually one of the management team. For Tett nang-Bechlingen, environment officers have been appointed for each of the three companies based there.

The head of the Environmental Protection and Sustainability (EPS) department has been appointed Environmental Management Officer. The Hazardous Materials Officer and (voluntary) Waste Management Officer are also based in the EPS department. In addition, there are persons responsible under the German Water Resources Act (WHG) and persons who have completed a basic WHG course. For hazardous materials, in addition to the Hazardous Materials Officer, there are also various authorised employees and employees acting on instructions. Energy-related issues are handled by the Energy Officer, the manager of the Building Management department. The Environmental Protection and Sustainability department, which is part of ifm group services and reports to the Chief Technical Officer, plays a key role in environmental and sustainability topics throughout the ifm group of companies. The department monitors environmental guidelines and communicates them to the relevant departments.



Environmental responsibility and technical support in ifm's environmental organisation within the scope of EMAS



The EPS department answers all enquiries relating to the environment and sustainability and organises environmental training courses. The assessment and monitoring of all chemicals used worldwide by the ifm group of companies is also managed centrally. The EPS department is involved in the final approval/commissioning of new systems and machinery and in the planning of new buildings. The procurement and storage of chemicals and the disposal of hazardous waste are managed centrally by ifm electronic gmbh, meaning that the production facilities themselves only store small quantities of these materials. The hazardous materials storage and disposal centre is located on the site in Tett nang-Bechlingen. Chemicals are delivered to and hazardous waste is collected from other ifm locations in the Lake Constance region on a daily basis using our own transport and trained drivers, in compliance with quantity restrictions.

The business processes relevant to environmental management are described in ifm's management system.



### EMAS LOCATIONS

The locations included in the EMAS scope cover all of the ifm Group's key activities, as this is where pre-production, final assembly, development, administration, sales and dispatch are based. These locations are the main development and production sites, which is also reflected in the fact that these locations account for around 70% of machine hours. Central pre-production for plastic and metal parts and electronic assemblies with rigid printed circuit boards takes place in Tett nang-Bechlingen, while flexible circuit carriers are manufactured in Wasserburg. The German technical sites receive the preliminary products from ifm electronic gmbh, from their own pre-production or from external suppliers via the warehouse in Tett nang-Bechlingen. The end products are also returned there for further shipping.



## MATERIAL ENVIRONMENTAL TOPICS

Significant environmental aspects across all locations are:

### 1. GREENHOUSE GAS EMISSIONS

Greenhouse gas emissions have been identified as a material environmental aspect for the entire ifm group of companies, not least due to our decision to achieve greenhouse gas neutrality in our business operations by 2030. We have drawn up a climate strategy on how to proceed. This explicitly includes Scope 3 emissions.

### 2. PRODUCT DESIGN

During the development phase, we determine the environmental impact of the products all the way from production (including the manufacture of bought-in parts). In addition to the potential negative effects, the focus is on the positive environmental aspect of resource savings for customers through the use of our products.

### 3. PACKAGING

Product packaging is procured centrally by the purchasing department and used by all our manufacturing companies. Transport packaging is primarily used at locations with larger dispatch areas.

Further environmental aspects are weighted differently for the individual locations. This includes energy consumption and resource use, also with regard to waste generation.



## PRODUCT-RELATED ENVIRONMENT PROTECTION

ifm products fundamentally contribute to environmental protection, as they make processes more efficient, reduce wear and tear on plant and machinery, and help to prevent accidents involving damage to property or personal injury.

Extending product life cycles is a high priority for ifm and is a key component in reducing resource consumption and avoiding waste. This is reflected, for example, in our five-year warranty period. Already at the product development stage, we pay special attention to the economical and sustainable use of resources – both in the product and in its production. When developing ideas for new products, we consider potential environmental issues and check the applicability of relevant regulations and standards. When introducing new processes or procuring new systems, we carry out an environmental assessment in consultation with the Environmental Protection and Sustainability department.

Methodological expertise in circular economy is being strengthened both in the Environmental Protection and Sustainability department and throughout the entire company. We have launched initiatives in promising areas such as reducing or eliminating product packaging and increasing product reusability. In addition, we work closely with scientific institutes such as the Fraunhofer Institute to evaluate the most suitable circular economy strategies. These results will serve to systematically integrate circular economy capabilities into our innovation process.

To avoid adverse environmental impact, we focus on the materials contained in our products. Full material declarations for bought-in components are highly important for ensuring compliance with legal regulations and customer requirements in the long term.

When legal regulations are amended, for example concerning the use of lead, existing products are adapted as quickly as possible. Product sustainability requirements set out in the EU's Green Deal present risks and opportunities for development that need to be addressed. The sometimes extensive changes, such as possible wide-ranging substance bans (PFAS), pose major challenges for development. In order to avoid waste during production, higher-quality parts are constructed, where possible, in such a way that they may be disassembled and reused in the event of errors. Consistent efforts are, of course, also being made to reduce scrap.

The level of emissions from electricity consumption when our products are in use largely depends on our customers, as they decide on the operating time and the electricity mix used. Thus, the influence that the ifm group of companies can exert on emissions through the use of its products lies in keeping the specific energy consumption of the products as low as possible. This corresponds to the endeavour to keep heat generation as low as possible.

During the product development phase, environmental aspects are systematically assessed by the Development and Industrial Engineering departments. To this end, we have integrated a check list into the innovation process which is completed for every new development. In addition to the materials used in the product and packaging and the energy consumption of the products during operation, we also consider and assess other environmental aspects throughout the product life cycle. However, the benefits of ifm products are also important, as the products are generally used for process optimisation and thus contribute to resource conservation. In addition, they are used in processes that directly serve to protect the environment, such as the generation of renewable energies, wastewater treatment or sustainable food production.



## ENVIRONMENTAL PROTECTION IN THE SUPPLY CHAIN

We are aware that our impact on the environment, particularly regarding raw materials and water reserves and effluent, is caused not only by our own company, but also by our supply chain. The mining of metals such as copper, nickel and tin, as well as cobalt and indium, which are used in electronic components, is in some cases highly water intensive and can contaminate wastewater. Tin is found in solder, metal alloys, electronic components, etc. However, ifm does not purchase pure metals directly, but procures stainless steel, solder, components and cables from specialist suppliers. However, for all these suppliers, we are only a small customer with little influence.

We are currently unable to measure the environmental impact of externally sourced parts or products precisely. In order to minimise the known effects as much as possible, we impose certain requirements on our suppliers. Every new supplier of series parts is visited by a buyer before a contract is concluded. If any breaches of environmental protection requirements are observed on site, no contract will be concluded with this supplier. During initial talks with suppliers, the environmental requirements of the ifm group of companies are also discussed. In addition to compliance with all relevant environmental regulations, these requirements call for an appropriate chemicals management system to comply with regulations such as REACH and to substitute potentially hazardous chemicals and substances. As we attach great importance to full

material declarations, it can also be assumed that suppliers who provide these declarations handle them responsibly. Chemicals are sourced exclusively from the EU/EEA, thus ensuring compliance with certain minimum standards in their manufacture and shipping. In addition, risk mitigation is achieved by focusing on a small number of approved distributors and component suppliers.

Another measure is to survey all series and tier-A suppliers of bought-in products regarding their environmental management and environmental activities. Of the suppliers for whom information is available, 70% have environmental management certification.

## ENVIRONMENTAL PROTECTION THROUGH IMPROVEMENTS IN MANUFACTURING

### PRODUCTION

The hardware for an ifm product basically consists of electronic components, a housing and the electrical connection to further processing systems. The final assembly of the sensors comprises mounting the electronics in a housing and further processes related to assembly and connection technology to ensure connectivity and a defined tightness and robustness of the housing.

In line with the design-for-environment approach, the ifm group of companies takes care during product development that resources are used as sparingly as possible. We identify and avoid potential environmentally relevant problems as early as possible.

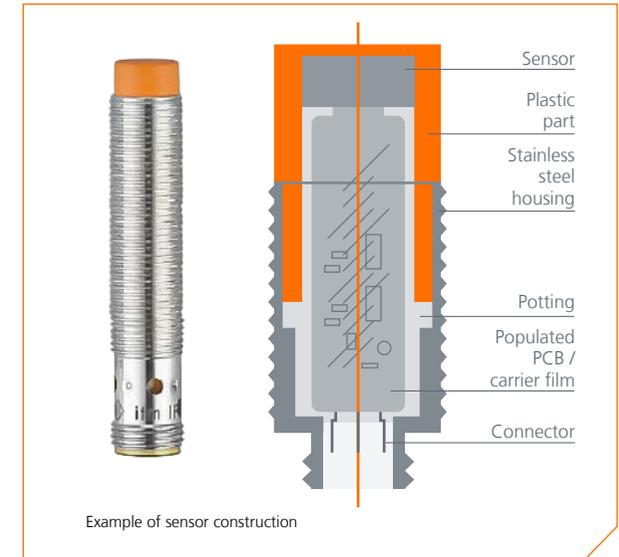
The Product Development department collaborates closely with the Industrial Engineering and Environmental Protection & Sustainability departments to assess relevant manufacturing processes and adjust them as required

### PREFABRICATION

Prefabricated products are manufactured at the Tettnang-Bechlingen and Wasserburg locations. These prefabricated products are supplied to all ifm manufacturing companies worldwide.

### RIGID PRINTED CIRCUIT BOARDS

Printed circuit boards are assembled in the prefabrication facility at ifm electronic gmbh. In this process, components are mounted and soldered on printed circuit boards, which requires energy, soldering material and nitrogen. As a rule, solder containing lead is not used. We only make exceptions in the case of corresponding customer requirements and always in accordance with legal requirements. Depending on the intended application, components must be underfilled (with material containing SVHC) and the circuit boards must then be coated to protect them from environmental influences. Before being dispatched to all technical locations worldwide, the circuit boards undergo a 100% inspection.



### FLEXIBLE CARRIER FILM

Flexible electronic circuits are manufactured at ifm electronic gmbh in Wasserburg. They are produced by treating copper-coated polyimide film (carrier film) in various process steps. Among other things, it is laminated with photosensitive film (photoresist), then exposed, deoxidised, etched and printed with solder resist before going on to assembly.

The steps with a high level of environmental relevance are primarily the wet processes: deoxidation, development, etching and stripping, as well as deoxidation and passivation. These require large quantities of chemicals. However, the number of different chemicals involved is relatively low. Apart from the wet processes, one other process that is extremely relevant for the overall emissions of the locations within the scope of EMAS is plasma etching with the greenhouse gas  $CF_4$  (tetrafluoromethane). A roadmap has been drawn up to reduce these emissions. The printed circuit boards are assembled and soldered using a reflow



Roll-to-roll process for manufacturing flexible carrier film

soldering process in specially constructed soldering booths. Soldering is done without a nitrogen atmosphere. Here too, a 100% inspection is carried out after assembly and before dispatch to the technical locations.

### SLEEVE MANUFACTURING

Stainless steel housings for ifm sensors are mostly produced at ifm electronic gmbh. For this purpose, bought-in stainless steel tubes are cut to the desired size and then threaded. A smaller turning lathe downstream which can also process short pieces helps to prevent major waste. The cooling lubricant is circulated and does not need to be replaced. The sleeves are cleaned with solvents containing VOCs, the use of which is monitored according to the 31st Federal Immission Control Ordinance (BImSchV). ifm has been able to extend the replacement cycle of the solvent by several weeks by means of a spinning process. Furthermore, the metal shavings produced are collected according to type and recycled after the lubricant has been allowed to drip off.



Stainless steel sleeves

### INJECTION MOULDING

Plastic parts for ifm sensors are mainly produced on site in the injection moulding facility of electronic gmbh. The environmentally relevant factors in this process are the use of granules and the resulting waste. The latter mainly takes the form of sprues and scrap produced when changing colours. For new products and therefore the design of new moulds, which also takes place in prefabrication, hot runner technology is used wherever possible to minimise the number of sprues. A project currently underway is investigating how to recycle these pieces to the process.

Hydraulic-powered machines are gradually being phased out and replaced with more economical hybrid or fully electric machines. The injection moulding machines automatically switch to standby mode when not in use.



Injection-moulded parts

## FINAL ASSEMBLY

Finished products are manufactured by the **ifm companies ifm efector gmbh, ifm ecomatic gmbh and ifm prover gmbh.**

The processes involved in manufacturing the end products – assembly, soldering, gluing and casting – are currently still largely done by hand. The products are also packaged at the technical locations. Constant monitoring of the manufacturing processes helps to minimise waste and thus electronic scrap.

Final assembly soldering has been converted to lead-free solder, with a few permissible exceptions (high-temperature lead solder). Casting resin and polyurethane foam are used as casting materials. The foam consumption is monitored within the framework of the 4th Federal Immission Control Ordinance (BImSchV), although the quantities we use are well below the threshold.



PN7094 sensor



## ENVIRONMENTAL PROTECTION DATA

The data for the entire scope of the ifm group of companies across all locations is presented below. The underlying data per location can be found in the [environmental statement](#).

- > [All locations](#)
- > [Essen](#)
- > [TT-Bechlingen](#)
- > [TT-Schäferhof](#)
- > [TT-Bürgermoos](#)
- > [Wasserburg](#)
- > [Kressbronn](#)
- > [Rosenheim](#)

### ENERGY

The EMAS locations primarily use electricity as an energy source. Electricity accounts for roughly 74% of energy consumption and is required in particular for machinery, systems, process cooling and compressed air. District heating and gas provide the necessary thermal energy, which is also used for air conditioning in the production facilities. Various fuels are also used for cars, trucks and aircraft. In recent years, we have been able to reduce our energy consumption by switching to LED lighting, minimising cooling and heating losses by re-insulating the cooling

and heating pipes and checking the compressed air network for leaks. In addition, we regularly implement heat recovery measures.

#### Energy consumption at EMAS locations

in MWh	2022	2023	2024
Electricity	25,372	25,367	25,289
Gas/district heating	9,689	8,956	8,757
Fuel	4,445	4,443	4,595
<b>Total</b>	<b>39,516</b>	<b>38,766</b>	<b>38,641</b>
Of which renewable energy consumption	25,911	25,875	25,791

### ELECTRICITY

All new air/exhaust air systems are being equipped with heat recovery technology, with the corresponding optimisation being made whenever reconstruction work is done. All air compressors have also been equipped with heat recovery systems.

### HEAT

Natural gas is mainly used for heat generation at the Lake Constance and the Essen Kupferdreh locations. District heating is used at the other locations in Essen (Glückaufhaus and logistics centre) and Rosenheim. Special features of some locations are listed in the respective chapter of the environmental statement.

## WATER

ifm's water supply comes exclusively from the public network. Wastewater is disposed of solely via the municipal sewage system. Production water refers to the amount of treated water that is mainly used for cooling or air treatment in production areas or processes. However, it is also used to cool individual office areas.

At the Wasserburg location, water is used directly in production. This is the only location where there is significant water consumption in production processes. In order to keep this consumption as low as possible, the water is reused with 4-5 cascades in each system.

#### Water consumption at EMAS locations

in m³	2022	2023	2024
Total	52,630	53,422	49,692
of which recycled/reused water (new in report from 2024)	2,159	1,747	1,714

### MATERIALS

The Central Purchasing department at ifm electronic gmbh is responsible for purchasing for all locations, in particular for series parts for production and for bought-in products. Apart from a small number of exceptions, such as technical gases, goods for production are delivered to the Tettngang-Bechlingen location and transported from there to the Lake Constance locations, meaning that warehousing is only necessary at the Tettngang site. The total input therefore refers to all materials purchased for all the Lake Constance locations and, to a lesser extent, to technical locations abroad. Key materials for the production sites in the Lake Constance region are chemicals, electronic components and packaging on account of their environmental relevance. Currently, components and packaging cannot be converted to a single variable (number, mass, length or volume), which means that using these metrics is of little use. Only the quantity of chemicals can be consistently stated in kilograms.

### PAPER AND PACKAGING

A large quantity of paper is used in production for order documents. Therefore, we are aiming for paperless manufacturing, in which the relevant order-related information is passed on electronically. The first production lines at various locations have been converted, but full implementation will still take some time. Work instructions are already displayed on screens at workstations. Due to legal requirements, operating instructions must be included in printed form with some products and therefore cannot be eliminated. Otherwise, operating instructions are currently being completely eliminated to the extent permitted by law. This saves approximately 60 tonnes of paper per year.

The externally sourced Minigrip plastic bags have been replaced with bags with a recycled material content of 30% - 50%. In order to reduce paper consumption in office areas as much as possible, printers have been largely eliminated from individual offices, so that printing is only possible at central printing stations, where double-sided printing is set as the default. Customers are encouraged to receive invoices online, and suppliers have also switched to digital invoices where possible, with filing also being digitised accordingly. Agreements are made with regional suppliers as far as possible to use returnable packaging.

### CHEMICALS

All chemicals used at ifm are recorded and assessed in a chemicals database – including those that are processed externally, but are later used in manufacturing ifm products. Chemicals are sourced exclusively from the EU and the European Economic Area. The volumes used at our locations in the Lake Constance area have developed in recent years as follows:

Material (Lake Constance area)			
in t	2022	2023	2024
Chemicals	1,998	2,096	1,857

The development in the input of chemicals, based on working hours and machine hours, has therefore been as follows:

Material (Lake Constance area)			
in kg/h	2022	2023	2024
Chemical input/working + machine hours (direct employees)	0.64	0.69	0.71

According to the environmental assessment, the 1,961 chemicals active and assessed in 2024 (2023: 1,929) fell into the following categories:

- 50% (2023: 51%) no concerns
- 46% (2023: 45%) some concerns
- 3% (2023: 3%) strong concerns
- 0.3% (2023: 0.3%) strong objections/subject to approval by management/Board of Directors

A chemical is assessed as being subject to strong concerns or strong objections if it contains a substance that is strictly regulated by law. When such chemicals are introduced, specific measures and follow-up procedures are defined.

## WASTE

As with the supply of hazardous materials, ifm electronic gmbh also disposes of hazardous waste centrally for all the Lake Constance locations. Hazardous waste for disposal or recycling is collected by ifm electronic gmbh at the Lake Constance locations, gathered at the hazardous materials and waste disposal centre and disposed of by the appropriate specialist companies. However, due to the obligation to offer hazardous waste for disposal to the local authority, waste from the Wasserburg location must be disposed of locally. Non-hazardous waste such as commercial waste similar to household waste, waste covered by the dual waste system, waste paper and organic waste is usually disposed of via the respective local waste disposal system or by appropriately commissioned companies. Exceptions to this are non-hazardous waste fractions such as metals, electronic scrap, cables and washing/rinsing fluids, which are disposed of through ifm electronic gmbh in Tettnang.

31 tonnes (previous year: 27 t) of hazardous waste was collected from ifm electronic (locations in the Lake Constance area). All hazardous waste is collected and disposed of by certified waste disposal companies. The waste from the other Lake Constance locations disposed of through ifm electronic is specified in the data for all locations; the individual locations show the waste that is collected on site by the waste disposal company.

The separate collection quotas specified in the commercial waste ordinance are met, and at locations where residual waste accounts for more than 10%, the waste is disposed of under the auspices of the administrative district office and is not sorted further.

Waste volumes were further reduced due to lower production capacity utilisation.

### Input/output (Lake Constance area – disposed of through ifm electronic gmbh)

Waste (in t)	2022	2023	2024
Non-hazardous waste	781.3	816.5	711.9
Hazardous waste	56.3	58.9	48.5

## EMISSIONS

Greenhouse gas emissions are recorded for all EMAS locations together. To enable a uniform comparison, the values are given in tonnes of CO<sub>2</sub>.

### Input/output (emissions)

Emissions category according to Greenhouse Gas Protocol			Quantity in t CO <sub>2</sub>		
			Report scope	2022	2023
Total Scope 1, 2, 3.6	Energy, travel and industrial facilities (total Scope 1, 2 + business travel)	EMAS locations	14,170	9,599*	8,582
Scope 1	Industrial facilities (CF <sub>4</sub> , refrigerants, dry ice) in CO <sub>2</sub> eq	EMAS locations	8,274	3,082	2,161
Scope 1	Company-owned aircraft		1,469	1,541	1,367
Scope 1	Fleet vehicles incl. HGVs		177	188	168
Scope 1	Company cars		993	1,021	1,047
Scope 1	Heat (gas)		2,095	1,941	1,902
Scope 2	Heat (district heating)		223	201*	168
Scope 2	Emissions from electricity		20	20	21

### Scope 3 emissions

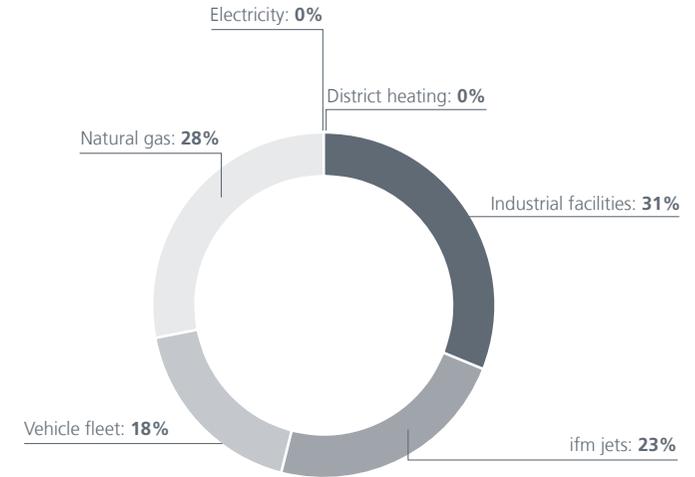
Scope 3.1 & 3.2	Bought-in products, services and capital goods	ifm group			252,910
Scope 3.3	Fuel- and energy-related emissions	Technical locations			2,730
Scope 3.4	Transport and distribution upstream (data incomplete)	ifm group			25,259
Scope 3.6	Business trips	EMAS locations	918	1,604	1,753
Scope 3.7	Employee commuting	ifm group			12,420
Scope 3.12	Handling of sold products at end of life cycle	ifm group			4,197

\* Adjustment compared to the previous year

The key indicator for emissions from plants has been adjusted, also retroactively, as the vast majority of emissions, despite a significant reduction, continue to originate from the process gas CF<sub>4</sub> which is now only used at the Wasserburg location. Plant emissions (especially CF<sub>4</sub>) were significantly reduced thanks to the implementation of a combustion process. Travel activities continue to increase due to internationalisation.

### Emission factors

Units listed line by line	2022	2023	2024
Emissions from heat/m <sup>2</sup> of floor space used (t CO <sub>2</sub> /m <sup>2</sup> )	0.02	0.02	0.019
Emissions from travel/employees (E) (t CO <sub>2</sub> /E)	0.86	1.02	1.07
Emissions from industrial facilities (CF <sub>4</sub> , dry ice, refrigerants/machine hours) (t CO <sub>2</sub> eq/h)	0.099	0.040	0.032



Scope 1: Industrial facilities, ifm jets, vehicle fleet, natural gas  
Scope 2: District heating, electricity

## SCOPE 1 EMISSIONS

According to the Greenhouse Gas Protocol, direct CO<sub>2</sub> emissions resulting, for example, from the use of company-owned vehicles or physical or chemical processing are classified as Scope 1 emissions.

### EMISSIONS FROM NATURAL GAS

Natural gas is mainly used for heat generation at the Lake Constance locations. Emissions are calculated based on consumption using the conversion factor from GEMIS<sup>1)</sup>.

### COMPANY-OWNED VEHICLES

The emissions of vehicles registered at EMAS locations were calculated based on fuel consumption and the respective conversion factor from GEMIS<sup>1)</sup>. All locations have a charging infrastructure for electric and hybrid cars. The company cars are leased, and both business and private use are recorded and charged.

Emissions from business travel using the two company-owned aircraft are recorded in the legally required emissions report and calculated using EUROCONTROL's EU-approved support facility. The majority of these emissions (65%) are produced by domestic flights, 84% of which are regular flights between locations in the Lake Constance region and Essen (figures from 2024).

<sup>1)</sup>International Institute for Sustainability Analysis and Strategies (IINAS), 017. Gemis Database 4.95. Available at: <http://iinas.org/ueber-gemis.html>

## EMISSIONS FROM INDUSTRIAL FACILITIES

ifm does not operate any facilities that must be approved/declared according to the Federal Immission Control Act (BImSchG), 4th BImSchV or 31st BImSchG. All facilities in which solvents or polyurethane foam are used are monitored.

At ifm electronic gmbh in Wasserburg, tetrafluoromethane (CF<sub>4</sub>) gas is used for plasma etching. In this case, the industry reference standards for the electrical and electronic equipment industry recommend using disposal techniques at the point of use. When measurement was conducted, it was found that the CF<sub>4</sub> not used in the process is emitted in pure form. Only approximately 25% of the CF<sub>4</sub> is actually used in the process. In 2022, an incinerator was purchased to burn off the inert gas downstream and has been in continuous operation since May 2023. According to measurements, it eliminates approximately 80% of the CF<sub>4</sub> gas. Only one system could not be connected to the incinerator. An adsorber and an exhaust air scrubber are connected to the system to neutralise the remaining exhaust gas from the plasma etching system and the wet process.

The climate impact is calculated according to the GWP factor from the F-Gas Regulation. In 2024, 1,224 kg of CF<sub>4</sub> was procured for the Wasserburg location. In the process itself, 25% of the gas is used. The incineration plant has been running continuously since April 2023, burning approximately 80% of the gas. In total, 2,159 tonnes of CO<sub>2</sub>eq emissions were produced from CF<sub>4</sub> gas at the Wasserburg location.

Dry ice (CO<sub>2</sub>) is used to clean the assembled carrier films, but this process has been partly replaced by an alternative cleaning method. This amount used in 2024 was 6.8 tonnes.

## SCOPE 2 EMISSIONS

Scope 2 emissions are indirect emissions resulting from the consumption of electricity and district heating.

### ELECTRICITY

Since 1 January 2020, over 99% of ifm's locations in Germany, Romania and Poland have switched to 100% green electricity. The Essen-Kupferdreh location is supplied with electricity by the site owner and does not purchase green electricity. As no more precise data is available, the location-based approach is used for calculations. The switch to green electricity for almost all locations marked a first major step towards greenhouse gas neutrality. Emissions from electricity consumption accounted for over 25% of the CO<sub>2</sub> emissions considered in 2019. As the proportion of plug-in hybrids and BEVs continues to grow, electricity consumption from external sources is also increasing. Although we assume that green electricity is generally used here as well, we have no evidence to support this assumption. Therefore, the emission factor of the German electricity mix (location-based) is assumed for this electricity consumption.



Certificate for ifm electronic gmbh (referring to the German locations)

In addition to purchasing green electricity, the company is also expanding its own electricity generation. Photovoltaic systems are currently in operation at the Tett nang-Bechlingen and Tett nang-Schäferhof locations, with a total installed capacity of 738 kWp. A system will be installed at the Kressbronn location of ifm ecomatic gmbh in 2025.

### HEAT

District heating is used at the locations in Essen and Rosenheim. The information provided by the suppliers, based on the CO<sub>2</sub> Cost Act and the Carnot method, was used as the emission factor. This means that the emission factor for district heating for Rosenheim is no longer given as 0.

### SCOPE 3 EMISSIONS

Scope 3 emissions are other emissions resulting from the organisation's activities that cannot be directly influenced by it. Consequently, they are more difficult to record. The balance sheet framework includes emissions generated up to our factory gates, or caused by the logistics service providers commissioned by us, on the way to the customer. This excludes the usage phase of the products, as we have no influence on the actual use of the products – such as the operating time and the electricity used. However, we try to keep these emissions low by developing devices that are as economical as possible. To quantify Scope 3 emissions, different approaches were chosen depending on the category and calculations were made using the Corporate Value Chain Standard<sup>2)</sup>. For this purpose, the entire ifm group of companies and technical locations worldwide, and not just the EMAS locations, were considered. A more accurate calculation is being sought for some emission categories, in particular for bought-in products and services (Scope 3.1) and employee commuting (Scope 3.7). In addition, the effects of using cloud services are also to be quantified.

### BOUGHT-IN PRODUCTS AND SERVICES (INCLUDING CAPITAL GOODS) – SCOPE 3.1, 3.2

Approximately 30% of Scope 3 emissions are caused by bought-in products and services. This was calculated on the basis of the spend-based approach using the scope3analyzer tool.

<sup>2)</sup>World Resources Institute and World Business Council for Sustainable Development. Corporate Value Chain (Scope 3) Accounting and Reporting Standard. 2011

### TRANSPORT AND DISTRIBUTION – SCOPE 3.4

Emissions from upstream transport services (Scope 3, Category 4) were partially recorded or calculated on the basis of supplier-specific data. This includes transport between production sites, international deliveries from Germany, series material deliveries from Europe and sea freight from Asia, insofar as ifm bears the transport costs. Assumptions were made for shipments from Europe not paid for by ifm. Other transport routes are not yet fully covered, but an expansion of data collection is planned. The expansion of local procurement by international technical locations is intended to reduce the number of journeys required to deliver production supplies to the international production sites from the Lake Constance locations. For example, as part of the process of switching packaging materials, regional suppliers are now used, which alone eliminates two lorry trips per month from Tett nang to Sibiu, Romania.

### BUSINESS TRAVEL – SCOPE 3.6 (EMAS SCOPE ONLY)

Reliable figures are available for business trips using means of transport not belonging to ifm. As a general rule, travel by train is considered climate-neutral (Deutsche Bahn business customer programme). Emissions from rental cars are provided by the rental company. In the case of scheduled flights, the majority of emissions (69%) are caused by flights between Europe and non-European countries, which account for roughly 22% of total flights. Emissions from all business travel and company vehicles (Scope 1 and 3) are as follows:

**Means of transport**

	2022		2023		2024	
	t CO <sub>2</sub> EMAS scope	Share	t CO <sub>2</sub> EMAS scope	Share	t CO <sub>2</sub> EMAS scope	Share
Car rentals	45	1%	50	1%	62	1%
Fleet vehicles + HGVs	177	5%	188	4%	168	4%
Company cars	993	28%	1,021	23%	1,047	23%
ifm aircraft	1,469	41%	1,541	35%	1,557	34%
Scheduled flights	873	25%	1,554	36%	1,690	37%

The only realistic approach to reducing emissions caused by travel (both Scope 1 and Scope 3) is to increase the use of video conferencing. ifm has a good infrastructure in place for this and is further expanding it. Nevertheless, as a result of having two locations and poor rail connections in the Lake Constance region, a certain number of flights will always be necessary. Car journeys are not an alternative due to the journey time of more than 5 hours each way.



Video conferencing can reduce travel, especially for departments with employees in multiple locations. However, quantifying this is difficult, even if the number of video conferences is tracked.

### COMMUTING BY EMPLOYEES – SCOPE 3.7

Due to the rural location and poor public transport connections, most employees at the Lake Constance sites travel to work by car. In order to make commuting more environmentally friendly, a car-pooling platform was made available to employees in the Lake Constance area in 2019. However, this offer attracted little interest and was therefore discontinued. There have been several attempts to improve public transport links to the production facility in Tettngang, but here, too, it has been virtually impossible to find satisfactory solutions.

Since the beginning of 2023, employees have been given the option of leasing a bicycle through the company. In 2024, 672 employees took advantage of this offer. ifm is also a member of a mobility network with other companies from the Lake Constance region aiming to jointly develop solutions for more sustainable mobility.

The scope3analyzer tool was also used for the emissions calculation.

### HANDLING OF SOLD PRODUCTS AT THE END OF THEIR LIFE CYCLE – SCOPE 3.12

To calculate the emissions generated by the disposal of sold products at the end of their life cycle, a flat-rate emission factor was used for electric/electronic scrap and the weight of the products sold. As we do not know what countries our devices will ultimately be used in and disposed of, it is not possible to provide a more precise calculation.

**NOISE**

The majority of ifm's production sites are located in industrial estates. In the past, noise was measured only for the Tett nang-Bechlingen location. Although the production site is located in an industrial estate, it borders on a residential area. The emission guidance levels specified in the Technical Instructions on Noise Protection are not exceeded. The guidance levels for an industrial area (day: 65 dB(A) / night: 50 dB(A)) are complied with.

**WASTE HEAT**

The ventilation systems at the production sites are equipped with heat recovery wheels that achieve a recovery rate of 70 to 85%. In addition, workplace extraction systems and air compressors are integrated into the heat recovery system. The waste heat from the compressors is measured using heat meters. When purchasing new compressors, the possibility of utilising waste heat is an important selection criterion. In addition, we are planning a comprehensive energy concept that will make targeted use of all waste heat potential – especially that generated by pipe-bound cooling. Specifically, the return flow, which is approximately 30°C, will be used to operate a heat pump.

This extracts heat directly from the water and raises the temperature level to around 60°C to make it usable for further applications. At the same time, it cools the water, significantly reducing the load on coolers and refrigeration systems. This makes the use of both heating and cooling energy more efficient.

**DIGITALISATION**

Digitalisation is one of the major influences on ifm. From an environmental perspective, it presents opportunities in the areas of travel and paper consumption in particular. This applies to our sales channels, for example. This involves digitalising sales, which is being tested, continued and improved out of necessity.

Our Marketing function is also increasingly switching to digital solutions. Content should always be available digitally first and only additionally in printed form if necessary.

Of course, digitalisation is also of major importance on the product side for ifm as an automation specialist. A prime example of this is the product moneo, a software platform for digitalising machines and processes that enables customers to make their processes more transparent and thus more efficient.

**BIODIVERSITY**

There are large green spaces at the Tett nang-Bechlingen location. A large lawn in front of the Tett nang-Bechlingen canteen is mainly used as a play area for the children of ifm employees, for whom childcare is provided during the school holidays. A herb garden has been planted in front of the canteen. This is one of the reasons why strict care is taken not to use chemical weed killers, but to remove weeds mechanically. The outdoor lighting is insect-friendly. Regional tree species are selected for new plantings. In connection with a traditional licence to distil fruit brandies at the Tett nang-Bechlingen location, there are also always sufficient fruit trees in the grounds.

The Tett nang-Bürgermoos location of ifm efactor gmbh also has large green spaces, and a flower meadow has been created on one of the lawns. There is also a large, insect-friendly green roof there. At the Kressbronn location of ifm ecomatic gmbh, among other things there are retention basins that are visited by ducks, for example. In 2023, biodiversity measures, such as setting up insect hotels and planting biologically valuable native plants, were carried out at the locations.

**INTERNATIONAL LOCATIONS**

The international locations, for which environmental metrics are being reported for the first time in the 2024 financial year, are presented briefly below.

# ifm ecolink Sp. z o.o. in Opole, Poland



The Opole-based location of the ifm group is ifm ecolink Sp. z o.o. There are 762 employees at this location working in a modern building complex that has been continually expanded since 2012. One of the most recent investments is the ifm5 building which was constructed in accordance with the principles of DGNB certification for sustainable construction and reflects a long-term commitment to environmental protection and energy efficiency.

The site's activities are based on the principle of sustainable development – from design and production to recycling. ifm ecolink Sp. z o.o. operates its own research and development centre where interdisciplinary teams develop innovative and reliable technological solutions. The result is patented products and proprietary technologies that strengthen the company's market position.

ifm ecolink Sp. z o.o. develops and manufactures high-quality industrial cables and signal distribution systems based on M8 and M12 connectors. In addition, the location specialises in master and device communication systems based on the IO-Link standard – a key component for intelligent automation in modern industry. The product range also includes the manufacture of position sensors, which further expands the offering of products in the field of industrial automation from ifm ecolink Sp. z o.o. The location has recently expanded its capabilities by introducing printed circuit board assembly using state-of-the-art production technologies, thereby further strengthening its innovation and production capacity.

With the moneo platform, the location has implemented an intelligent Industry 4.0 system that enables real-time monitoring and optimisation of production processes. At the same time, digitalisation is being driven forward in order to increase operational flexibility, reduce costs and support the achievement of quality and environmental targets.

### Key figures

Units listed line by line	2024
Energy consumption – electricity from the grid (MWh)	5,015.07
Self-generated electricity (MWh)	0
Heating energy consumption (MWh)	1,863.61 (district heating)
Water consumption (m <sup>3</sup> )	7,367
Total waste (kg)	213,537,000

# ifm electronic Asia Pte. Ltd. in Singapore



ifm electronic Asia Pte. Ltd. is located in Tuas, an industrial centre in the western part of Singapore, on a site of approximately 11,000 m<sup>2</sup> in a building with a gross floor space of approximately 5,300 m<sup>2</sup>. The building was constructed in 1982 and ifm electronic Asia Pte. Ltd. decided to carefully renovate it and equip it with the latest technology. The gross floor space has more than doubled compared to the predecessor building.

Electricity consumption, however, most of which is required for air conditioning in the new building, is only about 5% higher than in the predecessor building. This is achieved by using the most energy-efficient air conditioning systems and providing cooling only where it is needed and in exactly the required quantity. The site also includes a training centre where colleagues from the sales organisation and customers are trained and have the opportunity to see our production facilities. The company currently employs around 110 people from a wide variety of fields and cultures.

ifm electronic Asia Pte. Ltd. in Singapore was established in 2010 with the objective of focusing its business activities on the development and production of standard optoelectronic sensors for the efe200 product group. The location has a self-sufficient structure with all the necessary functions such as development, production and industrial engineering, supply chain with warehouse, quality, HR and finance, and an IT hub for the APAC region. Currently, ifm electronic Asia Pte. Ltd specialises in smaller housing sizes.

Following production, the products are packed and shipped to the logistics centre in Essen. From there they are distributed to ifm sales offices worldwide and then to customers.

### Key figures

Units listed line by line	2024
Energy consumption – electricity from the grid (MWh)	1,014.47
Self-generated electricity (MWh)	0.153
Heating energy consumption (MWh)	0
Water consumption (m <sup>3</sup> )	1,435
Total waste (kg)	221,818.50

# ifm efector s.r.l. in Sibiu, Romania



Established in Cristian, Sibiu County, in 2015, ifm efector s.r.l. is central to ifm's global production and development network. The plant is strategically located in the western industrial zone near Sibiu Airport and plays a crucial role in the manufacture of high-precision position sensors, particularly inductive sensors, that are used in industrial automation worldwide.

The first production building covers approximately 9,000 m<sup>2</sup> and includes modern production halls, offices, laboratories, meeting rooms, a canteen and logistics areas. In 2018, a second building was added, expanding production capacity by a further 4,000 m<sup>2</sup>.

Starting with a team of around 60 employees in 2015, the company has grown steadily and now employs 421 people. ifm efector s.r.l. is known for its structured induction programmes, a strong culture of continuous improvement and high quality and safety standards. With its focus on operational excellence, team development and innovation, ifm efector s.r.l. is further consolidating its position as a flagship location within the ifm group of companies.

In 2023, the location gained international recognition when it took part in the international "Factory of the Year" competition organised by Kearney and the trade journal "Produktion" and won the prestigious "Factory of the Year" award (category: Series Production). This award highlights the site's top-class performance, streamlined processes and digital integration.

### Key figures

Units listed line by line	2024
Energy consumption – electricity from the grid (MWh)	2,122.45
Self-generated electricity (MWh)	0
Heating energy consumption (MWh)	1,552.38 (gas)
Water consumption (m <sup>3</sup> )	13,910
Total waste (kg)	97,066

# ifm prover s.r.l. in Sibiu, Romania



Alongside ifm efector s.r.l. in Cristian, Sibiu County, ifm prover s.r.l. is an important part of the European production and development ecosystem of the ifm group of companies. Established in 2017, this technical site specialises in manufacturing pressure, level and flow sensors which are used in a wide range of industrial applications.

The 312 employees at ifm prover s.r.l. work in close cooperation with its neighbour ifm efector s.r.l. and the local sales team. This location promotes efficient collaboration and knowledge sharing between teams and departments.

In 2022, ifm prover s.r.l. began construction of a new, sustainable building known as the Green Factory, with an area of around 13,000 m<sup>2</sup>. The factory was designed and built in accordance with the DGNB International Gold certification standards. It is equipped with photovoltaic modules and heat pumps – a reflection of ifm's strong commitment to energy efficiency and environmental responsibility. In 2023, the building became the first industrial facility in Europe to be officially awarded the DGNB Gold Certificate.

With its focus on smart technologies, digital manufacturing and sustainable practices, ifm prover s.r.l. stands out as a future-focused production site and a benchmark for responsible industrial development.

### Key figures

Units listed line by line	2024
Energy consumption – electricity from the grid (MWh)	2,334.11
Self-generated electricity (MWh)	435
Heating energy consumption (MWh)	164.62 (gas)
Water consumption (m <sup>3</sup> )	14,104
Total waste (kg)	123,675

## APPENDIX

## Sustainability programme

Target	Target date	Status	 Social	 Environment	 Value creation	 Strategy and management
100% of the employees at our German sales locations are offered the opportunity to have a personal development review.	2022	Completed: Last year, 100% of employees at German sales locations were offered a performance review (for employees in the collective remuneration system) or a K8 review (for all persons not covered by the collective agreement).	●			
We introduce an ISO 45001-based occupational health and safety management system at the Lake Constance and Essen locations of ifm electronic.	2023	Completed	●			●
We have about 50% of our production sites worldwide validated according to EMAS.	2023	Completed		●		●
We analyse the availability of plastic packaging and plastics for the manufacture of packaging with recycled content and the suitability of such recyclates for processing on our packaging lines.	2023	Target adjusted: 100% recycled content is currently unfeasible. Certification of plastics with a 30% recycled content is underway.		●	●	
We promote environmental awareness by designing a series of training courses leading to HRM Green Consultant as an extra-occupational qualification	2024	Completed: Pilot project Orange Greenies	●	●		
We map our supply chain back to the first upstream supply chain level (tier 2) of selected suppliers.	2024	Tool available, expansion of data to all material groups ongoing	●		●	
We monitor our water consumption at all production sites and conduct a water risk analysis.	2025			●		
We introduce energy consumption monitoring (incl. survey of share of green electricity) at our international production sites.	2025			●		
We examine our current sourcing of conflict minerals (3TG – tin, tantalum, tungsten, their ores and gold).	2025		●		●	
We increase the proportion of full material declarations for bought-in products to 50%.	2025			●	●	
We establish a compliance management system (CMS).	2025		●			●
We develop a biodiversity strategy for the near-natural design of company grounds.	End of 2025	Draft prepared		●		
We prepare a building standard taking energy and environmental aspects into account for future building projects.	End of 2025	Draft prepared		●		●
We introduce mandatory environmental training (every two years).	2027	Start of pilot (ifm electronic and ifm group services gmbh)		●		
We achieve climate neutrality for our operating business (production sites).	2030			●		●



## CONTACT

**PUBLISHED BY:**

ifm electronic gmbh  
Friedrichstr. 1, 45128 Essen  
Email: [info@ifm.com](mailto:info@ifm.com)

**CONTACT FOR THIS REPORT:**

Email: [sustainability@ifm.com](mailto:sustainability@ifm.com)

**ifm** – close to you!