

Sustainability Report 2022 to 2023



This report refers to the period from 01.01.2022 to 31.12.2023 and applies to all production locations in Europe and Asia. All data shown in this report are future-oriented and are based on those data available as and of editorial deadline on 31.01.2024.

This report is available in English and in German.

Although the masculine form has been used throughout the entire text for legibility reasons, it is understood as a matter of course that they equally apply to all gender identities.



Management Foreword

Dear Reader,

Sustainability means responsibility for every one of us.

Our world is confronted more and more with challenges like climate change, international conflicts and economic crises. Our enterprise is also affected by all of these challenges, and we have to face ever new demands and competitive conditions which we have to master in order to guarantee stable conditions in future.

“The future depends on what you do today.” (Mahatma Gandhi)

Management is fully involved in the area environmental management and considers it a matter of urgency to further improve these, and supports every necessary activity.

That is why we want to contribute through environmental and socially responsible actions to ensure a livelihood for future generations. It is not easy at times, however, in collaboration with our staff members we are nearing the given objective more and more by implementing the ultimate goals through their personal commitment, abilities and knowledge.

We have invested a lot last year to reduce our dependence on energy supply. This enabled us not only to guarantee an affordable energy supply, but also to achieve progress on the way to a CO₂-neutral society.

We are convinced that this strategy will contribute to the overall success of our enterprise.

We have joined the UN Global Compact in 2011 in order to make known our commitment to sustainability. We are still supporting all objectives in the areas of human rights, work standards, environmental protection and anti-corruption policy by our responsible activities and further development in social and ecological areas.

We treat this report in an honest and transparent way, so that we can meet our business partners trustworthily at all times.

Viersen, February 2024

Wolfgang Pflug
-CEO-

Your Expert in Electrical Drive Techniques For more than 75 years

Turnover in Germany 2022: 21,832 TEUR
Turnover in China 2022: 14,317 TEUR
Turnover in Serbia 2022: 205 TEUR

Turnover in Germany 2023: 18,200 TEUR
Turnover in China 2023: 12,134 TEUR
Turnover in Serbia 2023: 345 TEUR

Groschopp at a glance



Germany:

118 staff

male: 83
female: 35

Apprentices: 4

Ages 18-30: 12
Ages 31-45: 27
Ages 46-65: 76
Ages over 65: 3



China:

67 staff

male: 36
female: 31

Apprentices: 0

Ages 18-30: 1
Ages 31-45: 38
Ages 46-65: 28
Ages over 65: 0



Serbia:

13 staff

male: 10
female: 3

Apprentices: 0

Ages 18-30: 10
Ages 31-45: 3
Ages 46-65: 0
Ages over 65: 0

Groschopp introduces itself

The name Groschopp provides for more than 75 years electrical drive techniques of the highest quality. We are specialist in customer-tailored solutions. Every drive is manufactured to custom-fit and to satisfy any special requirement and request of our customers. Groschopp develops and produces electrical drives, motors and controllers as well as complete solutions for small and medium-sized appliances. In particular, the food, packing, pharma and chemical industries, but also selected special areas within mechanical engineering like the feeding of welding wires, enveloping or conductor board production: Groschopp has suitable solutions available in the area conveyor technique



Groschopp introduces itself

Groschopp's philosophy comprises a high level of quality service and customer support throughout, thus guaranteeing our successful business relations.

We have consulted with our customers for many years with absolute professionalism and technical Know-How, and we manufacture by using the highest quality standards and deliver outstanding quality. Our customers come from enterprises of various sizes and branches, and we also advise them with implementing their projects. Having Groschopp at their side, our customers have a competent partner for their electrical drive technique. Groschopp provides everything from one source to consultation, planning, and production of complex drive solutions.



Experience

Qualification

consultation

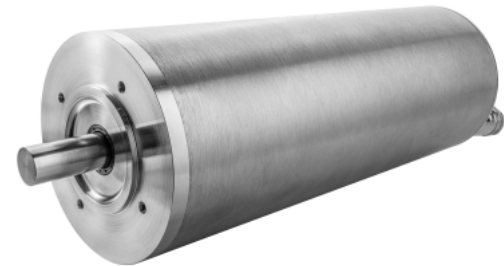
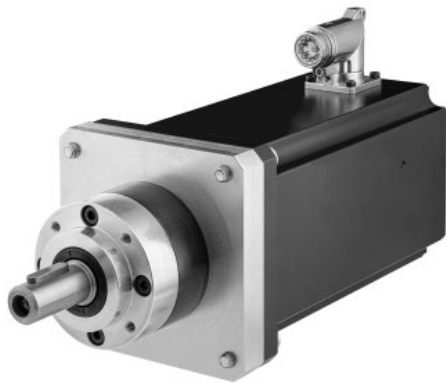
Quality

General Principle

We manufacture electrical drives for specific applications to provide individual technical drive solutions most optimally.

Achievement through Passion

- To develop and improve innovative and specific drives
- To design long-lasting products in terms of sustainability
- To achieve and maintain the highest customer satisfaction and delivery reliability





We assure sustainability in our enterprise



We increase surplus value and reduce our ecological footprint



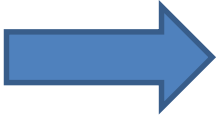
We assume responsibility along the entire supply chain



We continually develop our sustainability



We assume responsibility for our staff members



We focus on tomorrow

Sustainability Strategy

The history of Groschopp AG Drives & More extends as far back as 1948. Hence, sustainability is an inherent part and is always at the forefront of our enterprise. Everyone who knows us is aware that we embrace tradition as well as experience and quality combined with innovation. Our position is unshakable and that is why we set the bar exceptionally high. This applies likewise to our entrepreneurial responsibility and sustainability. It is for our company a basic requisite to assume responsibility for mankind and the environment to fulfil our demand not only for the highest quality but also for our understanding of values.

Sustainability will in future not be the only focus, because we are confronted with great challenges which, however, also offer multifarious opportunities. The world population is increasing steadily and, consequently, also consumption and use of resources. This demands a radical re-thinking and the use of all energy sources diligently and considerately. Even the events of the last years, be it climate change or international conflicts, show clearly that we must treat existing resources more sensibly and operate more economically.

Furthermore, it is often important for enterprises, due to technological trends, to be supplied at short notice. On the other hand, “Sustainability through Quality” aims for product longevity and production using as few resources as possible. Hence, we can evaluate, re-design and test again prototypes and new ideas using controlled conditions to find the most effective solution. Therefore, such a process may often require an extended delivery time.

Sustainability Strategy

The company Groschopp AG believes that this is the only way to secure the right conditions for success in the long run.

All drive components used by Groschopp AG are made 100% from recyclable materials and all drives produced are calculated to yield a maximum power density. Furthermore, the necessary installation space is kept as compact as possible. We attach great importance to the reparability of our drives, guaranteeing an intensively used resources fund. Our customers receive, thus, a compact solution, optimally designed with speed and efficiency for the specific application.



We adhere, of course, to the conditions laid down in §15 of the packing instructions, and we offer our customers to return packing material so we can reuse it. The packing law aims to conserve global resources and to reuse all packing materials for further use.

Therefore, the excellent quality of our products, made to withstand even extreme loads, is of utmost importance and the basis of our success.

Customer satisfaction is of the utmost importance to the success of our company. We continue to strive to ensure our customer's needs are met to the highest satisfaction.

Sustainability Strategy

Our joining the UN Global Compact in 2011, as well as an extensive environmental and quality management system mark the sustainability strategy of Groschopp AG and contribute to improving the energy efficiency of the company considerably and sustainably.

We still explicitly profess the specified contents of the Global Compact, and we affirm anew that we fully support these and that we are continually seeking to find improvements in terms of the Global Compact.



We ensure sustainability

The bedrock of all our decisions is to secure sustainability. We want to ensure a future-oriented economy by using reliable, sustained and modern technology.

We are partaking in diverse research projects in the areas of E-Mobility and environmental matters which were developed together with medium-sized companies and universities. The results of this research are helping us to develop concepts continually and to implement concrete provisions for future-oriented

Exacting and sustained quality can only be achieved through their efficient implementation in our daily production while taking careful account of the ever-changing environmental conditions.

We also support our customers with their conceptual design of new projects regarding sustainability and eco-balance by integrating all sustainability aspects from the outset of planning our products for the intended application.

Thus, an optimal “Sustainability through Quality” can be achieved.



Surplus Value through Sustainability

We treat all resources responsibly. We take pains to avoid any possible strain on the environment when using raw materials. The majority of the power demand in our company Groschopp AG is provided by CO₂-optimised energy generation.



Through our efficient usage of 100% recyclable materials we strive to create additional value in the area of sustainability and, in addition, we want to reduce our ecological footprint. We are furthermore able to increase the innovative ability of our company through our sustained economic activities. Last but not least contributing to all sustained economic activities make our company location more attractive, enabling us to further unlock economic advantages.

Surplus Value through Sustainability

As a company committed to sustainability, we profit from all implemented activities in the areas of cost reduction, risk reduction, secured delivery chain, access to new markets and customer loyalty.

We are creating additional values in the social and civic areas by our active health and safety management for our staff members, and by paying fair wages.

Fair working conditions, environmental protection and careful handling of all resources – these are factors for which our customers are willing to pay even more.



Responsibility in the supply Chain

Globalisation has led many enterprises to produce worldwide. Our supplier base is one of the most important resources and has, therefore, a significant influence on our ecological footprint.

We are at all times in close contact with our suppliers and ensure that they and their accredited contractual partners pursue and adhere to the same ambitious objectives we have set for ourselves, thus, achieving sustainability for their products. We have compiled and unified all necessary supply standards and stipulations for our suppliers in a Code of Conduct which is based on the ten principles of the Global Compact of the United Nations, which are regularly audited for their adherence. In addition, we conduct supplier audits worldwide.

All our suppliers must guarantee quality and supply assurance at all times. Besides economic and operative key data, environmental and social aspects are more and more coming to the fore. This calls for our ambitious requirements for all suppliers to be unified worldwide. We expect from every supplier that their entrepreneurial activities correspond to our high demands for sustained economic activities.

Responsibility in the Supply Chain

Our subsidiary company in Asia manufactures many components for our drives and ships them to us for the completion of those drives in our main plant. This bypasses the external supply and creates an arranged supply chain. In that way, we can detect weak spots promptly and increase the efficiency and effectiveness of processes.

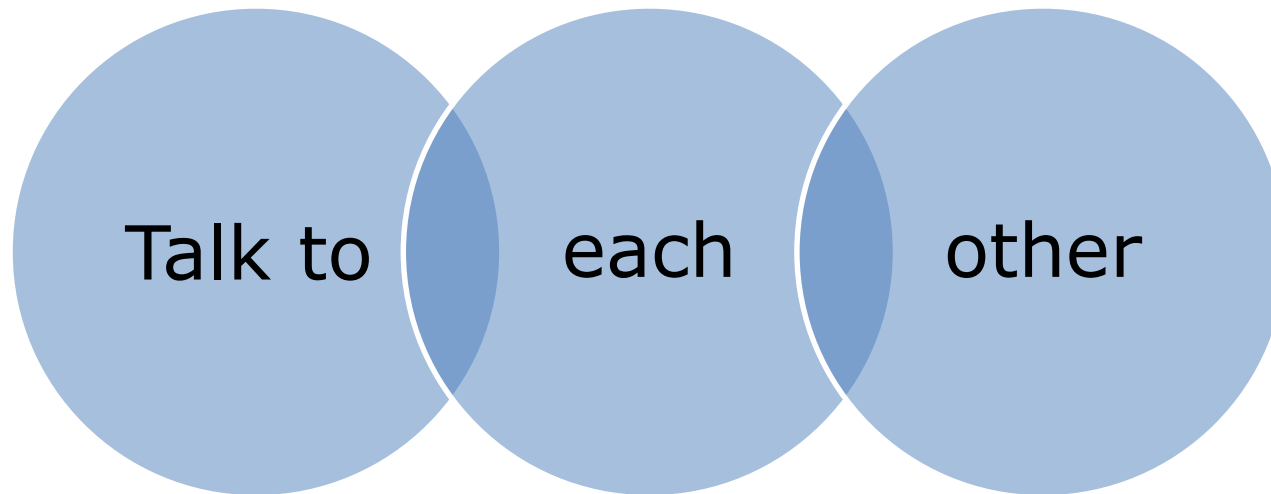
We aim to strengthen the global supply chain through transparency.



Further Development of the sustainability Strategy

We intend to focus on the topic of Sustainability with all its facets even more in future and to develop further and intensify in a steady process all reports with our business partners.

The dialogue with our stakeholders helps us to get to know other viewpoints and integrate these into our moral concepts. In this way, we intend to make the world a better place.



Responsibility for our Staff Members

Long-term success, especially during challenging times, can only be achieved with content and engaged staff members.

To achieve this, we foster in our staff members all knowledge and engagement relating to sustainability. It is our objective to communicate to staff members our strategy and our obligation concerning sustainability.

Naturally, fair remuneration is to be paid within a socially acceptable personnel policy. There is no wage difference between male and female members of staff: the same wages are paid for the same work performed. We value an open communication exchange and we have had good experiences so far.



Mobile working has proven positive during the pandemic, and it will become in future even more important in our company. We have come to realise that our staff members are improving their private lifestyle through flexible working in their home or the company, and we support them all the way. We also offer flexible working time and part-time work.

Responsibility for our Staff Members

Our staff comprises 16 different nationalities. We strengthen our team by respecting all cultural differences and backgrounds, as well as equality of opportunity, in short, we respect all our staff members and their values. This cultural diversity induces vibrancy and variety and creates an avid exchange of ideas. This has a positive impact on our already excellent working atmosphere. There are also regular small and large events organised which are commonly accepted by all.



In that way, we are creating a superb working climate and enhancing the motivation of our staff members by identifying their values within the company.

A further important factor for our company is the health of our staff. We take all necessary steps to safeguard the wellbeing of all staff members. Our staff spends most of the daytime at their workplace, and that is why we ensure suitable work environments which best prevent accidents and ill health. Our deputy for work safety and the company doctor advise all personnel responsible for work protection. Furthermore, we offer training opportunities for staff members to ensure that everyone in our company is competent in matters of work protection. These are paramount criteria for the success of our enterprise.

No industrial accident was noted during the entire year 2023.

Responsibility for our Staff Members

Our goals strive to ensure the well-being of all our staff members. This, we believe, enables a positive working environment which in turn leads to increased productivity

Regular training for first aid personnel is in place. Also, we provide further education to ensure optimal assistance in case of need for our staff members.



We regularly review our safety, health and environment (SHE) standards. Such standards are also strictly adhered to in our sister companies.

Additionally, we provide electro-bicycles to be used by our staff members at a subsidised cost. These bicycles are fully insured and have a full-service package for their upkeep.



We strive to ensure our company cars are using the best technology available. Our goal is to ensure more hybrid and electric cars going forward.

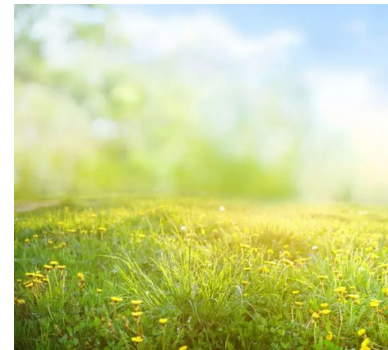
Focus on tomorrow

We are pursuing long-term objectives in line with the Sustainable Development Goals of the United Nations.

We want to demonstrate that environmental protection and economic/sustainable systems are the way forward.

Our business model continues to grow more sustainably as we lean into this “green” future.

We conduct courses for our staff members relating to environmental aspects to better educate them in matters of environmental protection/sustainability.



Operating figures

Information and results obtained from the environmental operating figures between 2022 to 2023:

We conduct regular audits at our subsidiaries, in which all environmental operating figures are recorded and evaluated. The results are archived, questioned and checked during governmental audits.



Operating figures

We have successfully reduced our waste production; in 2023, as compared to 2022, there was a reduction of 42 % for non-reusable waste and a reduction of 50 % for reusable waste.

non-reusable	1990:	100,0 t
reusable	1990:	87,0 t
non-reusable	2022:	53,84 t
reusable	2022:	81,48 t
non-reusable	2023:	30,98 t
reusable:	2023:	40,98 t



Operating figures

Consumption data for gas and electricity were as follows:

2022:

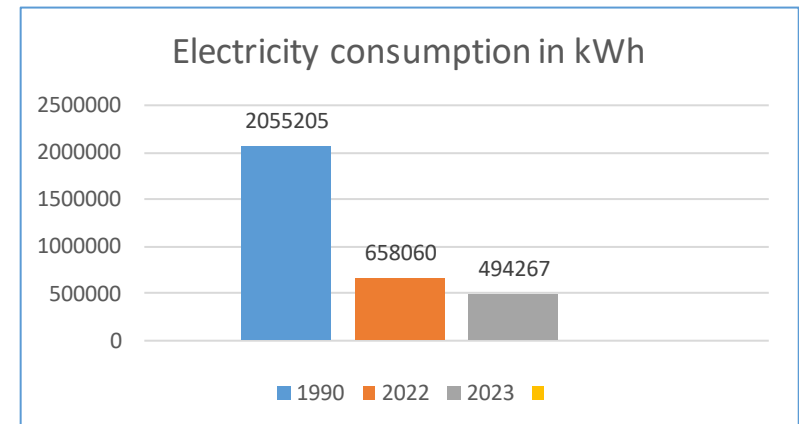
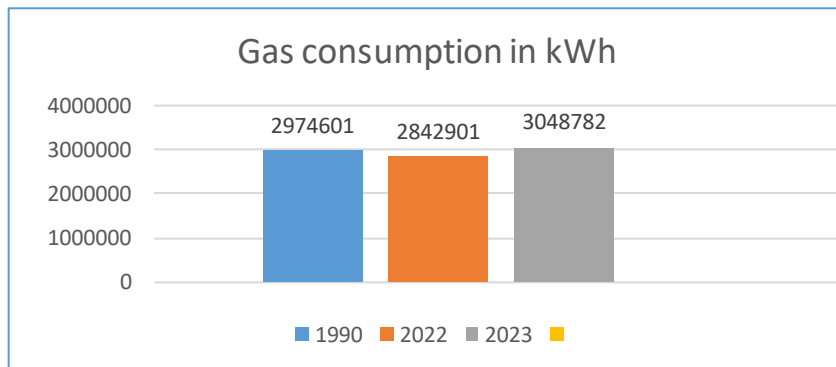
Gas usage: 2.842.901 kWh
 Electricity usage: 658.060 kWh
 CO₂-load: 643 t

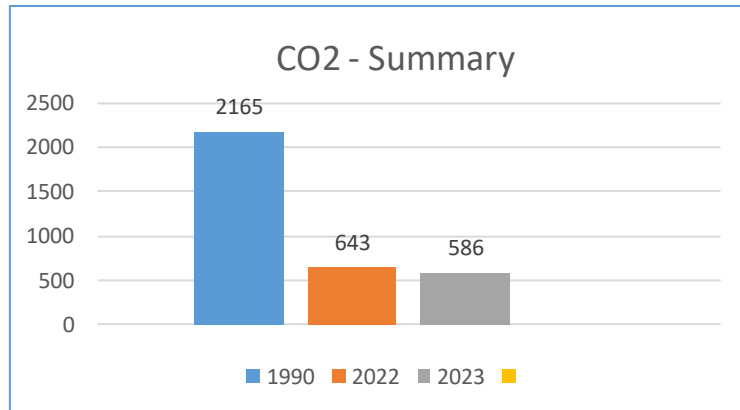
1990:

Gas usage: 2.974.601 kWh
 Electricity usage: 2.055.205 kWh
 CO₂-load: 2.165 t

2023:

Gas usage: 3.048.782 kWh
 Electricity usage: 494.267 kWh
 CO₂-load: 586 t





We have invested in two thermal power stations, supplying our entire electricity demands. Any surplus electricity generated is fed into the common power network for third-party usage.

We were able to reduce our consumption figures even further last year. Therefore, we have made substantial progress on the road to a reduction of CO₂-emissions.

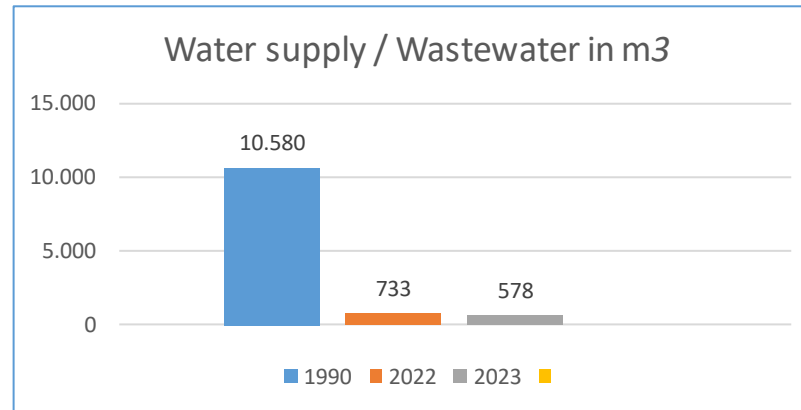
Operating figures

The usage of water and the amount of wastewater were ascertained as follows:

1990: 10.580 m³

2022: 733 m³

2023: 578 m³



Operating figures

Two thermal power stations have been installed for some years.

Solar panels were supplied last year, and we have planned to equip our parent company in Viersen with solar panels by mid-2024.



Our sister companies share the same belief in a more sustainable future. To this end, environmentally friendly, and reusable packing material is increasingly used between our factories in Asia and Europe, and the packing material is considerably reduced by this ecologically sound transport method.

We also try, as a matter of course, to further reduce the usage of electricity, water/wastewater and gas, and to try and to minimise the annual amount of residual waste.

We also ensure that all environmentally relevant equipment is known and documented, and are verifiably operated and controlled according to rules and regulations.

We are conforming to our ecological responsibility and we are certified according to the international accredited norm ISO 14001



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Further Information available under www.groschopp.de
