

The background of the entire page is an aerial photograph of a winding road through a dense forest. The trees are in autumn, with many showing shades of orange and yellow. The sky is filled with soft, colorful clouds from a sunset or sunrise, with the sun low on the horizon. The road has a few small cars visible, and the overall scene is peaceful and scenic.

2021 SUSTAINABILITY REPORT

JOST Werke AG Sustainability Report 2021

JOST

ROCKINGER

TRIDEC

Quicke

ABOUT JOST

JOST is a leading global manufacturer and supplier of safety-relevant systems for the commercial vehicle industry with the core brands JOST, ROCKINGER, TRIDEC and Quicke. JOST's international market-leading position is underpinned by its strong brands, long-term customer relationships, served by its global sales network, and its efficient, low-investment business model. With sales and manufacturing facilities in 25 countries on five continents, JOST has direct access to all major manufacturers of trucks, trailers and agricultural tractors worldwide as well as to all relevant end customers in the commercial vehicle industry. JOST currently employs over 3,300 people worldwide and has been listed on the Frankfurt Stock Exchange since 20 July 2017.

Sustainability at a Glance

	Unit	2021*	2020**	Change in %
Financial indicators				
Sales	€ million	1,048.6	794.4	+32.0 %
Adjusted EBIT	€ million	104.8	73.2	+43.2 %
Adjusted EBIT margin	%	10.0	9.2	+0,8 %- points
Innovations				
Research & development expenses	€ million	18.0	17.2	+4.6 %
Research & development intensity	%	1.7	2.2	-0.5 %- points
Number of patent registrations		17	12	+21.4 %
Employees				
Number of permanent employees	yearly average	3,324	3,055	+4.1 %
Number of temporary workers	yearly average	632	373	+69.4 %
Accident rate (reportable accidents per 1,000 employees)	Accidents/1,000 employees	16	12.6	+27 %
Continued professional development costs per employee	€/employee	200.2	138	+45.1 %
Proportion of female employees	%	15.0	14.0	+1.0 %- points
Proportion of female employees in management positions	%	16.2	10.8	+5.4 %- points
Environment				
Proportion of production sites certified according to ISO 14001	%	67	61	+6 %- points
CO _{2eq} -emissions intensity (Scope 1+2)	kg CO _{2eq} /prod. hour	4.8	6.3	-24.0 %
CO _{2eq} -emissions absolute (Scope 1+2)	thousand t CO _{2eq}	35.83	35.95	-0.3 %
Electricity consumption intensity	in kWh/prod. hour	7.1	8.8	-19.2 %
Electricity consumption	million kWh	53.5	50.5	+5.9 %
Natural gas and district heating Intensity	kWh/prod. hour	6.7	8.4	-19.8 %
Natural gas and district heating	million kWh	50.3	47.9	+5.1 %
Water consumption intensity	m ³ /prod. hour	0.018	0.022	-19.8 %
Waste	thousand t	19.0	15.9	+19.2 %
Responsibility and compliance				
Number of judicially determined discrimination cases		0	0	0 %
Number of reported indications		5	25	-80 %

* The key figures and ratios for 2021 were adjusted by the contribution of Jost UK Ltd., which was sold effective April 30, 2021, and whose activities will no longer be continued.

** The figures and ratios for 2020 now include the contribution from the Ålö Group, which was acquired effective February 1, 2020.

LETTER BY THE MANAGEMENT BOARD

GRI 102-14

Dear Business Partners
of JOST Werke AG,

The year 2021 continued to be dominated by the coronavirus pandemic. While global markets recovered from the economic crisis caused by the pandemic in the previous year, many fundamental changes to everyday life remained in 2021.

The health and safety of our employees and business partners remained our top priority. In addition to the extensive measures taken to contain the spread of the virus, we conducted several vaccination campaigns, making it possible for our employees and their immediate family to be vaccinated directly at JOST.

Despite the very challenging environment, JOST achieved excellent performance in fiscal 2021. For

the first time in the company's history, we generated sales revenue above EUR 1 billion. We also intensified our sustainability activities and supplemented them with quantitative targets and specific performance indicators. In 2021, we launched the ESG Council to set sustainability targets and drive JOST's ESG activities.

As members of the Executive Board, all three of us are part of the ESG Council and oversee and monitor the implementation status of any adopted measures. We believe that business success and social responsibility are not mutually exclusive, quite the contrary – they support each other. That is why sustainability is and remains a key management task.

In the 2021 fiscal year, we made significant progress toward our goal of reducing JOST's greenhouse gas emissions per production hour by 50% by 2030. Due

to the strong increase in productivity compared to the previous year that was burdened by the pandemic, we were able to reduce CO_{2eq} emissions per production hour by 24.0% compared to 2020. But also in absolute terms, we were able to reduce our Scope 1 and Scope 2 CO_{2eq} emissions by 0.3% compared to the previous year, although the significantly higher production volume led to a 5.5% increase in energy consumption compared to 2020.

Since 2021, as part of our product development process we have also been preemptively assessing each application to decide how the planned innovation can contribute to the United Nations Sustainable Development Goals (SDGs) pursued by JOST. Our goal for the future is to increasingly support the decarbonized and autonomous use of commercial vehicles for transportation and agriculture, while further improving

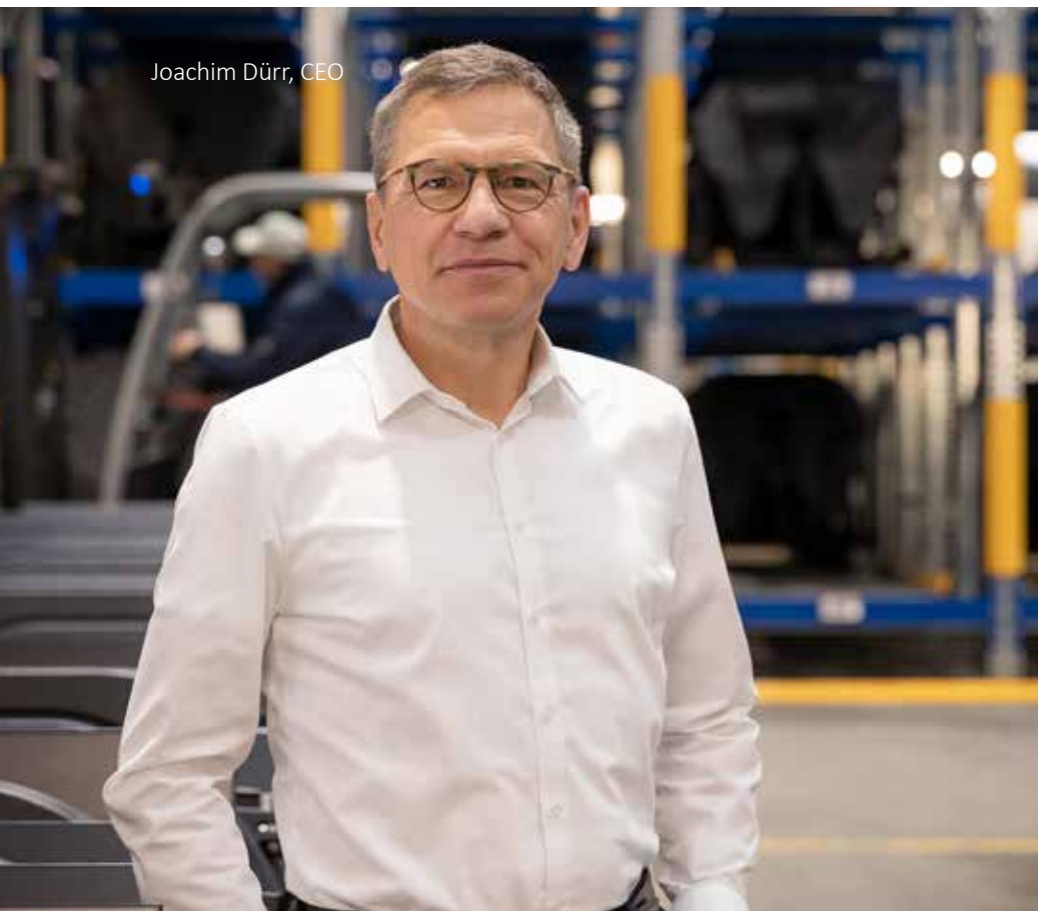
safety and convenience for users and productivity in the field.

We continue to work hard to embed sustainability at all levels within the company and to strike a balance between JOST's commercial success and our social and ecological responsibility as a company operating on the international stage.

With this report, we present the status of our sustainability activities and our strategy for achieving a sustainable future.

The Executive Board of JOST Werke AG
Neu-Isenburg, March 16, 2022

Joachim Dürr, CEO



Dr. Ralf Eichler, COO



Dr. Christian Terlinde, CFO



HOW JOST CONTRIBUTES TO SUSTAINABILITY

GRI 102-12

In September 2015, the United Nations adopted seventeen global targets for sustainable global development as part of its Agenda 2030. The focus of these targets is on the pursuit of economic development that also take social and environmental aspects into account.

Participation by the private sector has a decisive role to play in implementing these targets by 2030. JOST is strongly committed to this agenda and will contribute to its implementation through its corporate strategy and by engaging with sustainability issues.

During the 2020 fiscal year, JOST conducted an analysis of the seventeen overarching development targets and the 169 sub-targets. From this analysis, we derived targets and action areas in which JOST, by virtue of its product portfolio and business activities, can achieve the greatest impact on mankind, the environment, and society.

Furthermore, JOST supports the implementation of additional goals. Of particular note are Goal 3 "Good Health and Well-being", Goal 5 "Gender Equality" and Goal 10 "Reducing Inequality" in dealings with employees and business partners.

In particular, JOST focuses on the following sustainability goals:



Goal 2 – Zero Hunger: JOST wants to market its products for agricultural tractors in developing countries. By doing so, we can make an important contribution to increasing agricultural productivity in these countries, contributing to alleviate the risks of hunger.



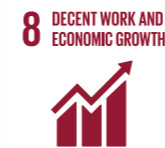
Goal 9 – Industry, Innovation and Infrastructure: As a market leader, JOST sees innovation as the driver of its future growth. The development of eco-friendly products and processes that also meet the complex requirements of our customers is the key to our commercial success.



Goal 4 – Quality Education: Through measures in the area of training and further vocational education, JOST provides its employees worldwide with opportunities for professional advancement. Our apprenticeship and talent management programs are aimed primarily at giving young employees new development prospects within JOST.



Goal 11 – Sustainable Cities and Communities: With our systems, we can help make the delivery of goods to cities and rural areas more sustainable and more efficient. Part of our research and development work is focused on developing efficient transport solutions for the logistics sector.



Goal 8 – Decent Work and Economic Growth: JOST pursues ambitious growth targets worldwide. In so doing, we pay attention to the health and safety of all our employees and ensure that human rights and social standards are respected. This also includes preventing all forms of discrimination.



Goal 12 – Responsible Consumption and Production: JOST strives to minimize the consumption of resources during its production activities. We are constantly working to make our production processes more efficient and to reduce waste.



Goal 13 – Climate Action: As a manufacturer catering to the transport industry, we want to reduce our own greenhouse gas emissions substantially and help our customers in their quest for carbon neutrality. This important goal of our sustainability activities is reflected in our product innovations.



BUSINESS MODEL

GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-10

JOST Werke AG is a listed corporation headquartered in Neu-Isenburg, Germany. It is the parent company of JOST Werke Group (“JOST”), a leading global manufacturer and supplier of safety-relevant systems for the commercial vehicle industry. Under the four brands JOST, ROCKINGER, TRIDEC and Quicke, JOST Werke Group offers a diversified product portfolio for the transport and agriculture sectors.

Long-term and close relationships with customers as well as a capital-efficient business model support the Group’s market-leading position worldwide. JOST has an extensive international distribution network that supplies original equipment manufacturers (OEMs) of trucks, trailers, and agricultural tractors worldwide. As part of its trading business, JOST also sells components to major spare parts companies of the OEMs as well as to wholesalers, which in turn cater for smaller OEMs, vehicle fleets, repair workshops, farmers, and other end users.

The JOST operational business is structured according to region and divided into the three geographical segments of Europe, North America, and Asia, Pacific and Africa (APA).

As of the reporting date of December 31, 2021, JOST Werke Group comprised 42 companies (2020: 46). The reduction is attributable both to the disposal of Jost UK Ltd, which has not been part of the consolidated group of companies since April 30, 2021, and to the merger of three Ålö companies. Annual Report 2021/consolidated group of companies. Furthermore, JOST holds 49 % of the shares in a joint venture in Brazil, which is accounted for using the equity method and does not belong to the consolidated group of companies.

In the 2021 fiscal year, JOST generated sales revenues of EUR 1,048.6 million (2020: EUR 794.4 million), adjusted for the sales revenue of the divested Jost UK Ltd. amounting to EUR 2.3 million. In 2021 JOST employed 3,324 people on average worldwide (2020: 3,055). With 21 production facilities (including the joint venture in Brazil) and a large number of sales companies spread across 25 countries on five continents, JOST is a global company with excellent access not only to all manufacturers of trucks, trailers, and agricultural tractors worldwide, but also to all relevant end customers. The equity of the company was valued at EUR 307.2 million as of December 31, 2021. Borrowings amounted to EUR 677.7 million.

The strong global presence of JOST is reflected in the sales of products by destination. In the 2021 fiscal year, JOST generated 49.0 % of its sales in Europe. The second-largest region was North America with a sales share of 27.5 %, followed by Asia, Pacific and Africa (APA) with a sales share of 23.4 %. The Latin American market is mainly served by the joint venture in Brazil. These sales are not consolidated and are therefore not included in the consolidated sales. In 2021, sales revenue from our Brazilian joint venture increased to EUR 78.1 million (2020: EUR 45.7 million).



Europe	P	S	North America	P	S
Germany	●	●	USA	●	●
Spain	●	●	Canada		●
Italy		●			
France	●	●	South America	P	S
United Kingdom		●	Brazil	●	●
Russia	●	●			
Poland	●	●	Asia-Pacific-Africa (APA)	P	S
Hungary	●		China	●	●
Netherlands	●	●	India	●	●
Portugal	●		Australia	●	●
Turkey	●		New Zealand		●
Sweden	●	●	Singapore		●
Denmark		●	Thailand		●
Norway		●	Japan		●
			South Africa	●	●

P = Production company // S = Sales company

GRI 102-4

ORGANISATIONAL STRUCTURE AND SUSTAINABILITY

GRI 102-16, 102-18, 103-1, 103-2, 103-3

In the structure of a German stock corporation (Aktiengesellschaft – AG), the Supervisory Board supervises and advises the Executive Board, which in turn is responsible for the strategic and operational management of the Company.

In line with the underlying concept of the German Corporate Governance Code, the JOST Werke AG Executive Board and Supervisory Board are responsible for ensuring the continued existence and sustainable development of the Company in line with the principles of the social market economy. As a result, good corporate governance, integrity, comprehensive compliance and the ethical conduct of every manager and employee are firmly established elements of JOST's corporate management.

In order to act sustainably, the right values, action guidelines and organizational structures must be firmly embedded within the Group. This will enable JOST to help its employees and executives to act responsibly in the interests of a values-based and safety-conscious corporate management. JOST identified and specified the company's core values in consultation with its employees. As part of a series of workshops, employees participated in group discussions during which they linked the values with JOST's vision and

The JOST DNA



CUSTOMERS
We put the customer first



ORGANIZATIONS
Our approach is crossfunctional



SOLUTIONS
We develop solutions



EMPLOYEES
Our employees make the difference



ADDED VALUE
We create long-term added value



mission and then identified specific action areas for their respective areas of work. These core values form part of JOST's corporate culture. They help employees to make decisions, prioritize appropriately, and carry out their roles for the benefit of the Company.

As of the 2021 fiscal year, the Chief Financial Officer bears ultimate responsibility for sustainability issues. The control and further development of specific sustainability topics remains the responsibility of the relevant specialist functions. The ESG Council (Environmental, Social, Governance) was established in the 2021 fiscal year. The entire Executive Board as well as expert specialists from the areas of Production, Quality and Environmental Management, Purchasing, Human Resources, Legal, Research and Development, Sales, Marketing and Investor Relations meet twice a year as part of the ESG Council to analyze the ESG activities of the JOST Werke Group, set ESG targets and adopt short- and medium-term measures as well as monitor the status of their implementation.

The following specialist functions within the Group are responsible for and drive forward the operational implementation of the actions:

Quality and environment

Our quality and environmental management system is responsible for compliance with and continual improvement of the environmental, safety and quality standards within JOST. Our strategy is to create an integrated quality and environmental management system worldwide. QHSE (Quality, Health, Safety & Environment) departments have been set up at local level to support all our production sites and assist them with implementation. The quality and environmental management system is also responsible for the environmental, safety and quality certification of all JOST sites. We rely on internationally accepted standards and certifications to help us develop consistent corporate policies and directives and to maximize the standardization levels of processes and action guidelines at our various sites.

Human Resources

Human Resources is responsible, among other things, for personnel strategy, employee development and compliance with regulations on employee rights at JOST. The management of Global Human Resources, manages and coordinates our strategic objectives globally, with responsibility for local implementation delegated to each individual site.

Compliance

In addition to the Chief Compliance Officer (CCO), who is appointed by the Executive Board, all subsidiaries have local compliance officers who help the CCO to communicate compliance-related matters at the local level and to implement and execute particular compliance measures in the subsidiaries. Our compliance program allows for the timely development and implementation of measures to counteract unlawful or unethical activities within the Group and thereby prevent improper conduct. Details of our compliance organization are provided in the "Compliance" section of this Sustainability Report.

Procurement

The Procurement department qualifies, evaluates and negotiates with the suppliers of the JOST Werke Group. It ensures the supply of materials for the Group and is responsible for supplier management. Through a direct exchange with the suppliers and a careful pre-screening as part of the qualification process, Purchasing ensures that our direct suppliers are aware of the values of our Supplier Code of Conduct and are committed to acting accordingly. The strategic development and global coordination of the department are organized and managed by the central purchasing department. Responsibility for implementation lies at the local level.



Production

As a manufacturing company, Production is the biggest lever for achieving our internal sustainability goals, particularly with regard to the environment and employees. The local sites are responsible for implementing the measures adopted, such as reducing energy consumption and CO₂ emissions. The regional Production managers monitor the implementation status of the measures and report to the Executive Board and the ESG Council on site-specific implementation.

Research and Development

The department Research and Development makes a key contribution to our sustainability activities. The department Research and Development works closely with customers and end users to bring new products to market and further develop existing products. Since 2021, new product development is analyzed with regard to its contribution to the United Nations Sustainability Goals, which JOST has committed to. The impact that the use of our products has on the environment and the user is given special consideration. Our products are aimed at increasing the safety and comfort of users and at the same time, making a positive contribution to the environmental footprint of our customers.

Risk management

Direct responsibility for identifying and managing business risks at an early stage lies with the risk owners in each of our operating areas. Their responsibility also extends to risks in the areas of the environment, human resources, product management, and compliance. Each risk owner is responsible for carrying out risk monitoring on a decentralized basis. The general control and consolidation of information is handled by central risk management. The Executive Board will be informed promptly of any acute risks and opportunities. Details can be found in the section "Report on opportunities and risks" in the 2021 Annual Report.



STRATEGY

GRI 102-16

The JOST sustainability strategy is embedded in the Group strategy. Our goal is for all business areas to act in a responsible and sustainable manner, thereby contributing to the long-term success of JOST and the associated continuous growth in the Company's value.



We want to reconcile the priorities of economic growth on the one hand and environmental and social responsibility on the other. Commercial success is a prerequisite for providing JOST with the resources and opportunities to fulfill its obligations towards society and the environment.

With our Group strategy, we are not only targeting sales growth above the trend in each market but also high profitability and strong cash flows. To outperform the market, we are constantly developing new products and services to enable our direct customers and end users to operate more efficiently and sustainably. In this way, our solutions can help achieve further improvements in the economic, environmental, and social balance of the transport and agriculture sectors. To achieve this, we concentrate on the following strategic action areas:

Product innovations: We want to further consolidate and expand our position as a preferred partner to our customers. As one of the world's leading manufacturers of safety-relevant systems for the commercial vehicle industry, we have brought a large number of high-quality, robust, and long-lasting branded products to the market over the past few decades. With our qualified employees, wide-ranging expertise, and outstanding product and service quality, we harness new and further developments to deliver the right solutions to our customers for their commercial vehicle applications. We position ourselves as development partners for our customers, using our products and systems to help them negotiate the technological transition to more complex, greener, and smarter commercial vehicles. Autonomous driving, digitalization and sustainability remain key drivers of growth that are reflected in JOST's product innovations – both in the transport industry as well as in agriculture.

Growth initiatives: We want to further strengthen our international market position through organic and external growth. Our long-term customer relationships,

our existing distribution channels and infrastructures as well as our global presence, supported by our high brand recognition, form the basis for successful expansion. Building on our strong traditional core business in the transport sector, we continue to drive growth at JOST and consolidate our product range both on and off the road. We are actively pursuing the targeted expansion of our product portfolio into related areas of the commercial vehicle industry in order to open up new revenue streams. Megatrends such as urbanization and e-commerce present major growth opportunities for us in the freight transport sector. In the agricultural sector, we benefit from strong demand for investment among end customers in order to boost agricultural productivity and improve global food production, especially in emerging and developing countries. We want to use our products and systems to further consolidate our existing markets and open up new markets.

Resource efficiency and cash flow: We want to further extend the competitive advantages of our products and services and successfully set ourselves apart from the competition through profitable growth. We constantly strive to make efficient and effective use of our resources not only to generate above-average margins but also to further reduce the carbon footprint of our production activities. We ensure the necessary flexibility to compete successfully in cyclical end-user markets. At the same time, our asset-light business, efficient use of resources and modular product design enable us to profit from a strong operating cash flow that we can invest in ongoing business growth.

PRINCIPLES AND REPORTING STANDARDS

GRI 102-45, 102-46, 102-47, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56

Our Sustainability Report has been informing our stakeholders about non-financial topics since 2017. It describes how JOST influences the environment and society. It also shows the central key figures as well as the goals and actions that we use to manage our sustainability activities.

This Sustainability Report contains the legally required non-financial report of JOST Werke AG, in accordance with Sections 315b and 315c of the Handelsgesetzbuch (German Commercial Code – HGB). The content to be reported was defined in 2020 by means of a materiality analysis in accordance with the requirements of the German CSR Directive Implementation Act (CSR RUG).

As in the previous year, this report has been compiled in accordance with the Global Reporting Initiative (GRI) standards ("Core" option). The presentation and information content of the previous year have been retained. As the results of the materiality analysis carried out in the 2020 fiscal year are used for the presentation of this report, there is no change in the material topics compared with the previous year. The materiality analysis is to take place in a two-year cycle. The next analysis will be carried out in the second half of 2022.

The report supplements and enhances our reporting with its coverage of non-financial issues, and includes all Group companies over which JOST exercises control – in other words, 100 % of consolidated sales. Due to the disposal of Jost UK Ltd. in the second quarter of 2021 and to the merger of three Ålö companies, the number of companies included in the group of consolidated companies has decreased compared with the previous year.

→ Consolidated group of companies in Annual Report 2021

We therefore collect and report key figures in such a way that they are representative of the JOST Werke Group as a whole. We make mention of special circumstances and exceptions. This report covers the 2021 fiscal year, which is the same as the calendar year. The most recent non-financial report was prepared on March 17, 2021, and published along with the 2020 Sustainability Report on March 25, 2021.

We have only been able to include the upstream and downstream parts of our value chain and outsourcing activities to a limited extent because our influence over these areas is limited. We exercise effective control only when we maintain influence over a company's financial and operating decisions.

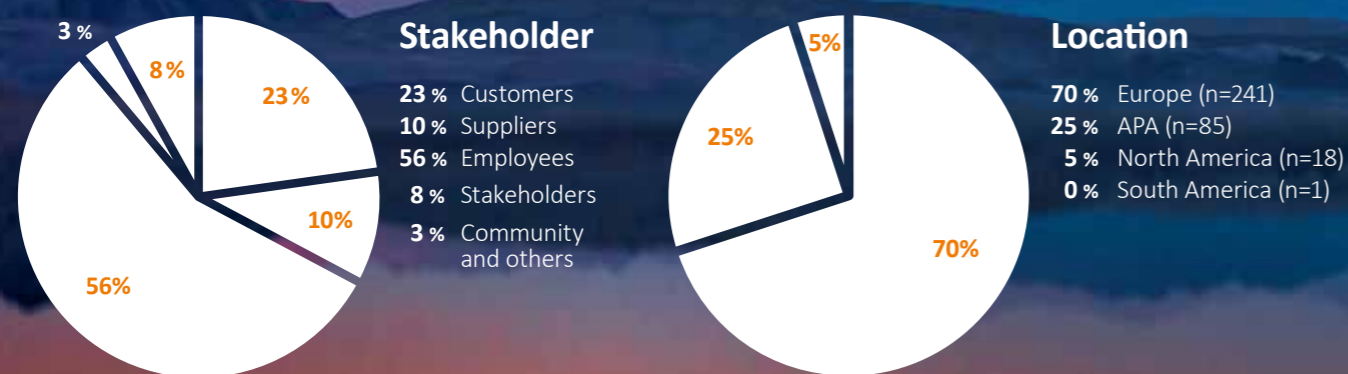
The significant non-financial content as defined in Section 315c in conjunction with Section 289c of the Handelsgesetzbuch (German Commercial Code – HGB) as part of the separate non-financial report was audited by Spall & Kölsch GmbH Wirtschaftsprüfungsgesellschaft (limited assurance), as commissioned by the Supervisory Board.

The report is issued annually. The next Sustainability Report for fiscal year 2022 will therefore be published in March 2023.

STAKEHOLDER AND MATERIALITY

GRI 102- 40, 102-42, 102-43, 102-44, 102-46, 102-47, 103-1, 103-2, 103-3

We see it as our corporate responsibility to strengthen the trust of our stakeholders by creating sustainable values and dealing proactively with the impact of our actions. To do this, we need to identify, evaluate and actively manage the positive and negative effects as well as the opportunities and risks of our business activities.



As a general rule, we engage closely and intensively with all of our stakeholders. We do so on a regular basis by various means, such as customer visits, surveys, supplier audits, employee meetings, roadshows as well as investor and analyst meetings. Our most important stakeholders are customers, suppliers, employees, investors and communities.

We carry out a materiality analysis once every two years that lays the groundwork for our sustainability reporting. As the last analysis took place in fiscal 2020, a new survey will be conducted in 2022. The results of the last survey therefore also provide the basis for reporting this year. This analysis involved external stakeholders for the first time through a global online survey.

The questions were structured based on the ESG (Environmental, Social, Governance) thematic areas. This gave us the opportunity to survey important topics relating to the environment, social issues and corporate governance in order to identify the key topics for JOST's business activities. In total, we considered 16 possible priorities/key topics.

The survey was sent by various specialist executives, from areas such as Sales and Purchasing, to the

respective business partners. Cities and communities were also included, and investors and analysts also had an opportunity to participate in the survey. We achieved a high response rate from our employees, who were also able to take part in the survey.

Results of the stakeholder survey

A total of 662 stakeholders took part in the survey. Of these, 345 stakeholders completed the questionnaire. Only the completed questionnaires were included in the evaluation.

The opening question asked about the most important contribution that JOST makes to sustainability. The following points emerged as the most important aspects for our stakeholders:

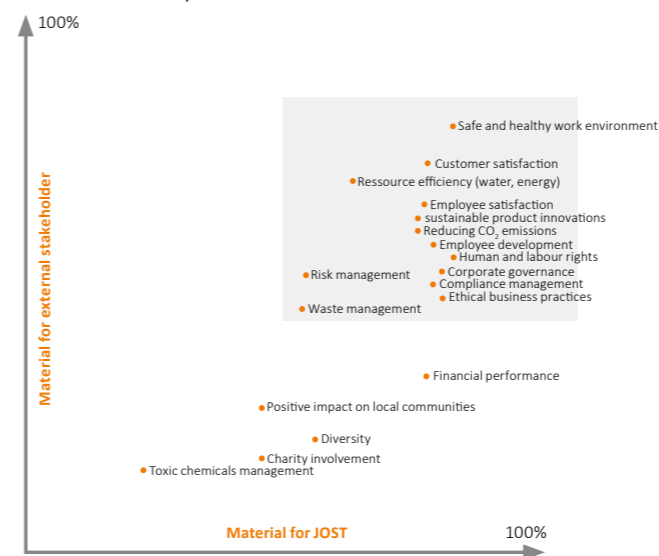
- 1. Business conduct:** How JOST acts and takes responsibility for the social and environmental impacts of its business activities in order to become more sustainable.
- 2. The JOST product range:** How JOST's products help customers to operate in a more sustainable manner.

All other questions referred specifically to the ESG topics. Based on the results, a materiality matrix was compiled to define the priorities for reporting purposes. The

results of the stakeholder survey were combined with the evaluation of corporate governance to determine the materiality for JOST. The aspects are considered to be significant if they are important from both perspectives.

Accordingly, the following matrix also applied to JOST in the 2021 fiscal year:

The following key topics are the focal points of the non-financial reporting. They were confirmed by the Executive Board in 2020 and there were no changes in the 2021 fiscal year:



Sustainability rankings

To enable our business partners to assess for themselves how JOST is continuously improving social, environmental and governance aspects, we annually increase the transparency of our non-financial reporting and are open

Environment	Resource efficiency (water, energy)
	Sustainable product innovations
	Reducing CO ₂ emissions
	Waste management
Social	Safe and healthy work environment
	Employee satisfaction
	Employee development
Governance	Human and labor rights
	Customer satisfaction
	Corporate governance
	Compliance management
	Risk management
	Ethical business practices

to comments from our stakeholders. Since JOST introduced sustainability reporting in 2017, we have continually improved the quality of our reporting on non-financial topics. This can be seen in various sustainability rankings from rating institutes such as MSCI

ESG, ISS ESG, Gaia Rating and Sustainalytics. In recent years, JOST has improved its rating from Gaia and MSCI ESG Research and also from Sustainalytics (from High Risk to Medium).

EU taxonomy

JOST has assessed the application of the EU taxonomy on the product portfolio and in conjunction with this on its sales in the 2021 fiscal year.

As a manufacturer and supplier of products and systems for trucks, trailers and tractors, other than engines and other than electronic equipment, JOST's economic activity falls under NACE code C29.3.2 "Manufacture of other parts and accessories for motor vehicles." JOST products are not included in the economic activities envisaged by the EU taxonomy that represent a significant contribution to climate change mitigation and adaptation.

While JOST products may contribute to climate change mitigation as envisaged by the EU taxonomy by being used on "vehicles of categories N2 and N3 not dedicated to transporting fossil fuels with a technically permissible maximum laden mass exceeding 7,5 tonnes that are zero-emission heavy-duty vehicles", as defined in Article 3, point (11), of Regulation (EU) 2019/1242 or 'low-emission heavy-duty vehicles' as defined in Article 3, point (12) of that Regulation." However, since our products are model-independent and their use is determined by the manufacturers of the trucks and trailers, we do not know which of our products are used in the production of heavy-duty trucks that can be classified as relevant to climate protection according to the above definition under the Taxonomy Act.

Furthermore, we have no way to rule out that these trucks are not used by end users (fleet operators) to transport fossil fuels.

For these reasons, we consider the proportion of consolidated sales that can be classified as material to climate protection and adaptation within the meaning of the EU taxonomy to be zero.

INNOVATION AND PRODUCT MANAGEMENT

GRI 103-1



We are experiencing a major transition in the transport and agricultural sectors towards greater sustainability, more digitalization and more intelligence and autonomy. Our position as an innovative and service-oriented provider of branded products and system solutions opens up new opportunities that we will seize.

The need for sustainable and eco-friendly transport solutions as well as for new, efficient, and environmental ways to feed a growing global population, especially in emerging and developing countries, is a key sustainable development goal that JOST can and will promote with its products and innovations.

INNOVATIONS

Product innovations are a key pillar of our corporate strategy. We want our products and systems to help drive the technological transition to more efficient, greener and smart commercial vehicles in the transport and agricultural sectors. At the same time, we want to design our products and production processes to be sustainable so as to minimize the resources and energy they consume, thereby increasing resource efficiency.

We set high standards of quality, safety and reliability for our products in order to further enhance JOST's competitiveness. We involve our customers in our innovation processes at an early stage so that we can develop products that address their needs. In this way, we can help them make their business more efficient but also more sustainable. Our goal for the future is to support increasingly decarbonized and autonomous forms of transport, as well as to further increase the safety and convenience for users. In this way, we want to contribute to the sustainable supply of society. In agriculture, we want to deploy intelligent systems to further enhance the productivity of commercial vehicles, in addition to safety for users, thereby optimizing harvests.

JOST continually develops new, innovative products to meet our customers' current and, more importantly, future needs. When developing new products, we

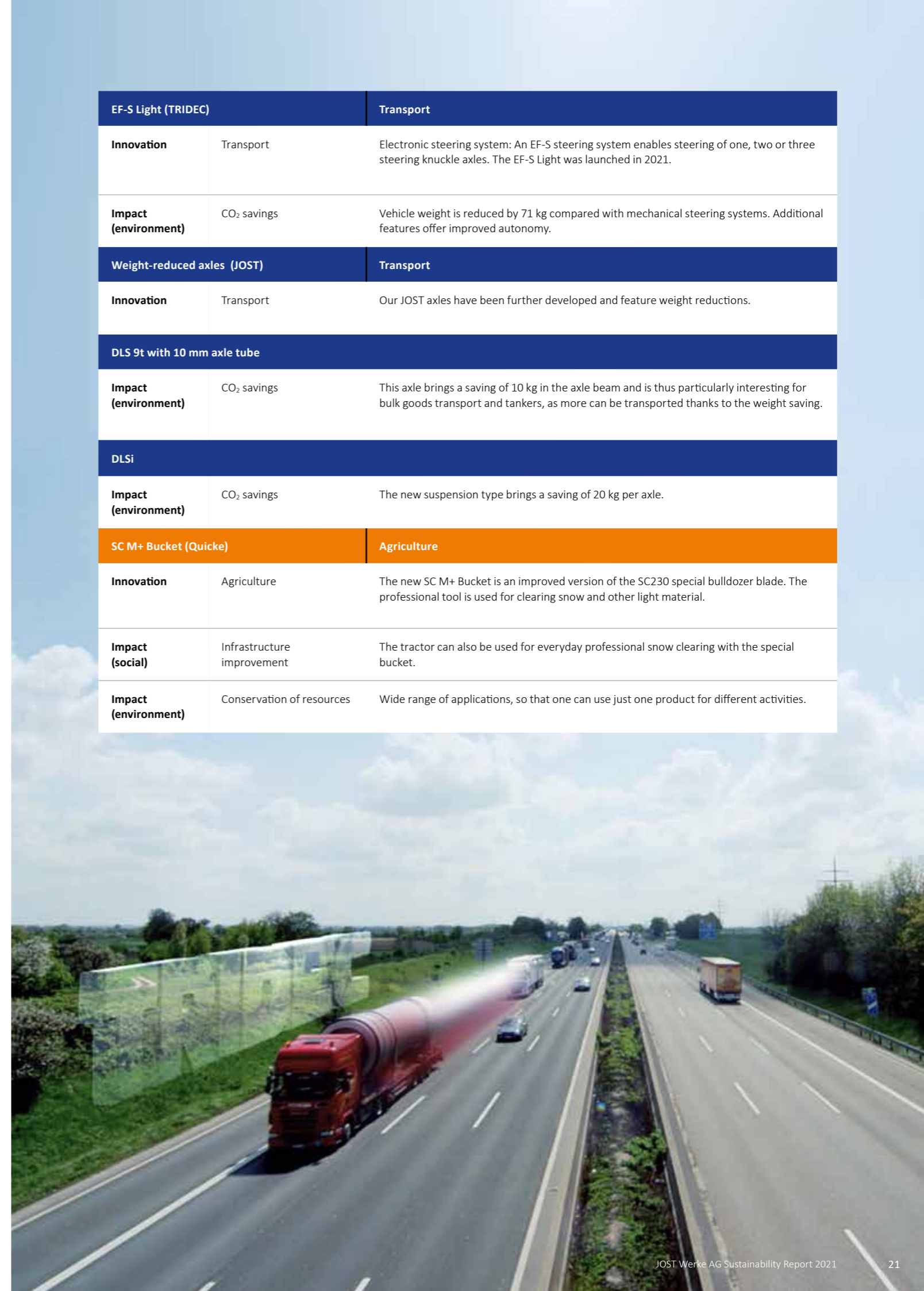
strive to meet the needs of our end users while reducing waste by extending the service life of our products. For example, we track product repair costs and believe that our end users and the environment benefit from our focus on this indicator.

Through close interaction with end users via surveys and conversations, we learn about the use of our products and where there is room for improvement in terms of both safety and environmental impact.

Since 2021, the general project application for new developments has been expanded to include additional requirements. Among other things, each application must be preceded by an assessment of how the innovation will contribute to the United Nations Sustainable Development Goals (SDGs), which have been signed by JOST. The applicant must note that new projects can be attributed to at least one SDG goal.

We were able to bring the following products to market in the 2021 fiscal year:

EF-S Light (TRIDEC)		Transport
Innovation	Transport	Electronic steering system: An EF-S steering system enables steering of one, two or three steering knuckle axles. The EF-S Light was launched in 2021.
Impact (environment)	CO ₂ savings	Vehicle weight is reduced by 71 kg compared with mechanical steering systems. Additional features offer improved autonomy.
Weight-reduced axles (JOST)		Transport
Innovation	Transport	Our JOST axles have been further developed and feature weight reductions.
DLS 9t with 10 mm axle tube		
Impact (environment)	CO ₂ savings	This axle brings a saving of 10 kg in the axle beam and is thus particularly interesting for bulk goods transport and tankers, as more can be transported thanks to the weight saving.
DLSi		
Impact (environment)	CO ₂ savings	The new suspension type brings a saving of 20 kg per axle.
SC M+ Bucket (Quicke)		Agriculture
Innovation	Agriculture	The new SC M+ Bucket is an improved version of the SC230 special bulldozer blade. The professional tool is used for clearing snow and other light material.
Impact (social)	Infrastructure improvement	The tractor can also be used for everyday professional snow clearing with the special bucket.
Impact (environment)	Conservation of resources	Wide range of applications, so that one can use just one product for different activities.



At the Neu-Isenburg site, the ISO 26262 Automotive Functional Safety Standard was also implemented in the JOST development process. This process ensures the development of safety-relevant electronics with a low risk of safety-related malfunctions. It supports the development of new technologies such as automated driving and electrification. This contributes to the development of environmentally friendly and innovative technologies.

In addition, the FMEA process has been improved. A new methodology and the use of a software tool support the development of products with low technical and environmental risks in an efficient and structured way.

In this way, we contribute to the quality training of employees in order to establish and maintain a culture of safety at JOST, which also takes environmental safety into account.

Our technical customer service also supports the innovation and further development of our products. By observing the markets, we gather facts and findings about customer wishes and market requirements. These findings flow back into the development process. This allows JOST to respond to changing market requirements in its new developments and product adaptations. Our products thus offer a high level of user benefit, human safety, functional safety, ergonomics, user-friendliness and occupational safety.

By observing the markets, we gather facts and findings about customer wishes and market requirements. These findings flow back into the development process.

Prospects

JSK35DW (China) (JOST)		Transport
Innovation	Transport	Top liner made of metal, is wear resistant and saves grease lubrication.
Impact (environment)	Less environmental pollution	Needs no lubrication on top plate, less wear and tear.



In addition our completely new developments, we focus on the existing product portfolio, which we continue to develop and adapt in line with changing customer requirements.

PRODUCT MANAGEMENT

In addition our completely new developments, we focus on the existing product portfolio, which we continue to develop and adapt in line with changing customer requirements. Our research and development expenses increased by 4.6 % to EUR 18.0 million (2020: EUR 17.2 million). Our research intensity (research and development expenses as a percentage of sales) amounted to 1.7 % (2020: 2.2 %). This reduction is mainly attributable to the very strong increase in sales as the market recovers in 2021. During the 2021 fiscal year, we implemented a total of 265 further developments to our existing products (2020: 214).

The following overview represents the contribution to sustainability of selected JOST products that are already in our existing product portfolio:

JOST KKS (automatic coupling system) (JOST) Transport	
JOST has fully automated the coupling process between semitrailer trucks and trailers.	
Impact (social)	Additional occupational health and safety
Impact (environment)	CO ₂ reduction thanks to more efficient coupling
Drawbar Finder (integrated camera system) (ROCKINGER) Transport	
Supports the coupling procedure with the help of a camera system integrated into the trailer hitch. The reversing camera system (Drawbar Finder) helps the truck line up correctly with the drawbar on the trailer. An overlay software system supports the driver in adjusting the height of the truck to match that of the drawbar on the trailer.	
Impact (social)	Additional occupational health and safety
Self-steering axle (JOST) Transport	
The new self-steering axle (ZGA) increases the maneuverability of vehicle combinations while also boosting efficiency.	
Impact (social)	CO ₂ reduction and lower non-exhaust emissions and microplastics pollution
Remote control systems for self-steering (TRIDEC) Transport	
The new remote control can be combined with electric self-steering axles to guarantee optimum and simple steering control. It also enables multi-axle steering for complex steering tasks.	
Impact (social)	Occupational safety

Quicke Control System (Quicke) Agriculture	
The Quicke Control System comprises an ergonomic control element, the Q ^E -Command (joystick) and a digital operating and display device Q-companion.	
Impact (social)	Improved ergonomics, greater work efficiency and higher convenience
Bio high performance lubricant (JOST) Transport	
The bio high-performance lubricant ensures reliable lubrication of the fifth wheel coupling plate and the locking hook of the fifth wheel coupling. Our LubeTronic system ensures an active reduction in the amount of grease required.	
Impact (environment)	Environmentally friendly, as biodegradable and minimal consumption
JSK42ASW (AUSTRALIA) (JOST) Transport	
The JSK42ASW is designed to improve the safe use and operation of a fifth wheel coupling for connecting trucks and trailers.	
Impact (social)	The design allows transport companies to improve the use of existing sensors and remote operation; Additional worker safety and health protection.
LV-O (TRIDEC) Transport	
Our independent suspension reduces the assembly space for the wheels, opening up cargo volume, resulting in a 60 % increase in load capacity.	
Impact (environment)	The LV-O increases transport efficiency for volume transports and significantly reduces the number of runs, cuts cost and saves the environment.



CLIMATE AND ENVIRONMENT

GRI 103-1, 103-2, 307-1

We are keen to minimize our environmental impact and avoid it where possible in the course of our business activities. As a result, integrated quality and environmental management is part and parcel of the culture of JOST. It is our goal is to make our production sites safe and sustainable. Our quality and environmental management teams are responsible for making sure that this goal is met.

A structured program of employee training, combined with regular appraisals of health, safety, quality and environmental management, supports the implementation of established standards and policies and helps with the early identification of any areas in need of intervention. As part of our risk management system, we continuously and systematically identify risks and potential hazards in order to minimize them. On-site experts check compliance with local standards and the regulations that govern the safe operation of the plant.

In addition, regular external audits are carried out for the purposes of certification in accordance with the DIN ISO 9001 quality management standard, the DIN ISO 14001 environmental management standard, the OHSAS 18001 occupational health and safety management standard and the IATF 16949 automotive industry standard. If the results of the audits show potential for improvement, we implement the appropriate measures.

It is our mission to expand the certification of our sites on an ongoing basis. Certifications enable us to make continuous improvements to the local management systems at our production plants. The annual external audits inject new stimuli into the Group, which we can roll out to other sites by exchanging best practices. Due to the coronavirus pandemic, our roll-out schedule for further certifications to the environmental management standard ISO 14001 in the 2021 fiscal year was postponed. Travel restrictions and additional internal measures that strictly limited access of external visitors to the production plants prevented us from certifying new sites. At present, 67 % of our production plants are certified to ISO 14001, which equates to 14 of our 21 sites (2020: 61 %). The increase compared with the previous year is due to the sale of the production site in the UK, as this reduced the total number of JOST production sites. Once again, we received no complaints during the 2021 fiscal year relating to environmental impacts and breaches of environmental legislation or regulations (2020: 0). Consequently, there were no environmental offenses and no sanctions to report.

MATERIALS USED

Since the commercial and environmental impacts of resource consumption are closely linked, they often point in the same direction. For instance, efficiency measures often have a positive impact on the environment by minimizing the consumption of resources. The greatest environmental risks in the production of our products are to be found in the upstream value chain, for example, in iron smelting or in forges and foundries that generate high climate-

relevant emissions during the production of steel products. Approximately 76.5% (2020: 76 %) of the materials we use are pre-processed steel and iron products. A detailed study carried out in 2018 by “Drive Sustainability, the Responsible Minerals Initiative” on the sustainability risks of various raw materials assessed the risks of environmental damage from the introduction of hazardous chemicals or acids into the environment during steel production and processing as low. In contrast, it judged the environmental damage from carbon emissions to be high. Likewise, the risk that iron smelting could pose a danger to nature reserves was rated as high. JOST limits such risks through the responsible selection of our direct suppliers. However, we do not have a reliable overview or only limited possibilities to control the upstream suppliers of our suppliers. However, our Code of Conduct for suppliers requires that our direct suppliers uphold sustainability standards and exercise control over their own supply chain. Signing this Supplier Code is a prerequisite for new supplier relationships.

ECOLOGICAL INDICATORS GRI 103-1, 103-2

Resource efficiency is a key goal of our corporate strategy. We constantly strive to make efficient and effective use of our resources not only to generate above-average margins but also to further reduce the carbon footprint of our production activities. The evaluation of the materiality analysis shows that resource management and cutting CO₂ emissions are also relevant for our stakeholders. The general goal of our climate and environmental responsibilities is to continually improve our output-related environmental performance. In so doing, we want to become more efficient and more eco-friendly while at the same time supporting our customers’ efforts to create more sustainable supply chains. Our environmental management system tracks and monitors our performance with regard to energy consumption, waste volume, water consumption and climate-relevant emissions on an annual basis.



5 CORE-INDICATORS OF THE ENVIRONMENTAL MANAGEMENT SYSTEM

	ISO 9001: 2015	ISO 14001: 2015	IATF 16949: 2016	KBA Confirmation	ISO 45001: 2015
Europe					
JOST-Werke Deutschland GmbH, Neu-Isenburg, Germany	●	●	●	●	
JOST-Werke Deutschland GmbH, Wolframs-Eschenbach, Germany	●	●			
ROCKINGER Agriculture GmbH, Waltershausen, Germany	●	●		●	
JOST Hungária Kft, Hungary	●	●	●	●	
JOST Ibérica S.A., Spain	●	●	●	●	
JOST Polska Sp. z o.o, Poland	●	●	●	●	
JOST TAT OOO, Russia	●	●		●	
TRIDEC B.V., The Netherlands	●	●			
TRIDEC – Sistemas Direccionais para Semi-Reboques Lda., Portugal	●	●			
JOST Otomotiv Sanayi Ticaret A. Ş., Turkey	●			●	
ÅLÖ AB, Sweden	●	●			
Agroma S.A., France	●				
North- and South America					
JOST Brasil Sistemas Automotivos Ltda., Brazil	●	●	●	●	●
JOST International Corporation, Grand Haven, USA	●				
JOST International Corporation, Greenville, USA	●	●	●		
Alo USA Inc., Simpsonville, USA	●				
Asia-Pacific-Africa					
JOST Australia Pty Ltd., Australia	●				
JOST (China) Auto Component Co. Ltd., China	●	●	●	●	●
JOST India Auto Component Pvt. Ltd., India	●	●	●	●	
JOST (South Africa) Pty. Ltd., South Africa	●				
Alo Agricultural Machinery (Ningbo) Co. Ltd., China	●				
Percentage of certified plants	100 %	67 %	38 %	47 %	10 %

In the 2020 fiscal year, JOST set itself the target of reducing Scope 1 and 2 CO_{2eq} emissions per production hour by 50 % by 2030 compared with the 2020 fiscal year.

Climate protection and energy efficiency

(GRI 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5)

In the 2020 fiscal year, JOST set itself the target of reducing Scope 1 and 2 CO_{2eq} emissions per production hour by 50 % by 2030 compared with the 2020 fiscal year. The year 2020 was chosen as the base year because the acquisition and integration of the Ålö Group in 2020 significantly changed JOST's energy

and carbon footprint compared with previous years.

Accordingly, fiscal 2020 provides a better basis for measuring future development.

The calculation of the target excludes emissions that may be caused by future acquisitions. We are concentrating on emissions generated by our production activities and associated energy consumption (Scope 1 and Scope 2). Since we operate in a cyclical industry in which absolute production volumes are subject to strong fluctuations depending on the position of the cycle, the goal refers to emissions intensity (kg of CO_{2eq} emissions per production hour).

Indicator	Unit	2020*	2021**	Change vs. previous year
Electricity consumption	in million kWh	50.5	53.5	5.9 %
Electricity consumption intensity	in kWh/prod. hr.	8.8	7.1	-19.2 %
Natural gas and district heating	in million kWh	47.9	50.3	5.1 %
Natural gas and district heating Intensity	in kWh/prod. hr.	8.4	6.7	-19.8 %
Total energy consumption	in million kWh	98.4	103.8	5.5 %
Energy consumption intensity	in kWh/prod.-hr.	17.2	13.8	-19.5 %
CO _{2eq} emission (Scope 1)	in t CO _{2eq}	12,745.6	13,037.0	2.3 %
CO _{2eq} emission (Scope 2)	in t CO _{2eq}	23,206.8	22,792.9	-1.8 %
CO _{2eq} emissions absolute (Scope 1+2)	in t CO _{2eq}	35,952.4	35,829.9	-0.3 %
CO _{2eq} emission (Scope 1+2) per revenue sales	kg CO _{2eq} / k EUR	45.3	34.2	-24.5 %
CO _{2eq} emissions intensity (Scope 1+2)	kg CO _{2eq} / Prod.-hour.	6.3	4.8	-24.0 %

*) Data from 2020 was subsequently adjusted based on final accounts from energy suppliers, as extrapolated data based on consumption in the first 11 months was assumed for some sites in the Sustainability Report 2020.

**) Some data was extrapolated based on the first 11 months of 2021 since the final bills for some sites were not available at the time of preparation of this report. In fiscal 2021, values from the US site in Simpsonville, South Carolina are included for the first time. In the previous year, data from the site could not be determined due to the relocation from Telford, Tennessee to Simpsonville, South Carolina.

In the 2021 fiscal year, the JOST's total energy consumption increased by 5.5 % to 103.8 million kWh compared with the previous year (2020: 98.4 million). This increase is due to the strong growth in business volume as the market recovers. The decision by governments to impose lockdowns to contain the pandemic resulted in the temporary closure of our production plants in some countries such as China, India, South Africa and Brazil in the previous year, resulting in lower overall energy consumption in 2020.

The intensity key figures for electricity and natural gas consumption (both per production hour) improved significantly compared with the previous year. This is because key plant installations such as the systems for cathodic dip painting (CDP) must continue to run continuously using a basic process load even if the plant is closed. This is why it was not possible to reduce energy consumption consistently in line with the number of production hours in the previous year. Conversely, energy consumption in 2021 grew at a lower rate than the increase in production hours, as JOST was able to use the energy employed more efficiently due to the continuously high production capacity utilization in 2021.

Thus, energy consumption (+5.5% to 103.8 million kWh) increased at a significantly lower rate than sales (+32.0 % to EUR 1,048.6 million). The disposal of the production site Jost UK Ltd. also contributed to the below-average low increase. Adjusted for the energy consumption of Jost UK Ltd., the total energy consumption of the Group in fiscal 2021 increased by 18.3 % year-on-year.

Energy consumption intensity improved by 19.5 % to 13.8 kWh per production hour (2020: 17.2 kWh per production hour). Adjusted for the disposal effect, it improved by 11.2 % compared with the previous year. Despite the increase in energy consumption, JOST succeeded in reducing Scope 1 and 2 CO₂ emissions by -0.3 % year-on-year to 35,829.9 CO_{2eq} metric tons (2020: 35,952.4 metric tons CO_{2eq}). Adjusted for the disposal effect, Scope 1 and 2 CO₂ emissions also increased at a lower rate than the Group's energy consumption (+16.9 %), at 10.7%. The improvement is predominantly due to the better electricity mix of purchased electricity.

The share of renewable energies in total electricity consumption amounted to 5.9 %, or 3.1 million kWh. This figure refers to the sites that obtain 100 % of their electricity consumption from renewable energy sources.

In fiscal 2021, JOST conducted feasibility studies on the expansion of solar roofs at three production sites

as part of its activities to improve energy efficiency and reduce CO₂ emissions. The construction of the photovoltaic system at the Portugal site has been decided and is to be carried out in 2022. Further sites will follow. In addition, analyses have been carried out to identify the most energy-intensive production processes. An interdisciplinary group is working on measures that could lead to a reduction in energy use in these production processes.

JOST has also examined the electricity mix of global purchased electricity. All electricity supply contracts were analyzed and locations were identified where a switch to a less carbon intense electricity mix could be implemented after the existing supply contracts expire.

JOST was able to significantly improve Scope 1 and 2 CO₂ emissions per production hour in the 2021 fiscal year compared with the previous year thanks to better



utilization of the plants and improvements in the electricity mix. This dropped by 24.0 % to 4.8 kg CO_{2eq} / production hour (2020: 6.3). The strong improvement was particularly supported by the considerable year-on-year increase in productivity at the plants. Adjusted for the effect of the disposal of Jost UK Ltd., Scope 1 and 2 CO₂ emissions per production hour decreased by 16.9 % compared with 2020.

During the production of fifth wheels, most of the CO₂ emissions are attributable to the material used (Scope 3). We estimate this proportion to be approximately 83 % of overall CO₂ emissions. In the case of landing gears, the estimated share of total emissions that can be attributed to materials used (Scope 3) of 94 % is even higher. The use of the material (mainly steel or steel products) is necessary to fulfill the stability, safety and durability requirements of both product groups.

2020:
0.022
CUBIC METERS PER
PRODUCTION HOUR

2021:
0.018
CUBIC METERS PER
PRODUCTION HOUR

WATER CONSUMPTION

-19.8 %

2020: 2.77 KILOGRAM
PER PRODUCTION HOUR

2021: 2.52 KILOGRAM
PER PRODUCTION HOUR

TOTAL WASTE

-9.1 %

Water efficiency (GRI 303-1, 303-5)

Water is consumed at JOST mainly for cleaning production equipment and buildings, operating the CDC systems and for hygiene purposes for employees.

JOST's water consumption in fiscal 2021 increased by 5.1 % to 133.1 thousand m³ compared with the previous year (2020: 126.6). Here too, temporary plant closures and lower production utilization due to the coronavirus pandemic in the previous year were the main reasons for the increase compared with 2020. In fiscal 2021, all plants were in continuous production, resulting in higher water consumption. Adjusted for the consumption of the divested company Jost UK Ltd, water consumption at JOST 2021 increased by 11.0 % compared with 2020.

Water consumption also increased at a lower rate than production hours and sales, with the result that water consumption per production hour decreased by 19.8 %. Adjusted for the disposal effect, consumption per production hour improved by 16.7 %.

During the 2021 fiscal year, the relevant key figures for water consumption developed as follows:

Indicator	Unit	2020*	2021**	Change vs. previous year
Water consumption				
	in thousand m ³	126.6	133.1	+5.1 %
Water consumption intensity				
	in m ³ /prod. hour.	0.022	0.018	-19.8 %

*) Data from 2020 was subsequently adjusted based on final accounts from water suppliers, as extrapolated data based on consumption in the first 11 months was assumed for some sites in the Sustainability Report 2020.

**) Some data was extrapolated based on the first 11 months of 2021 since the final bills for some sites were not available at the time of preparation of this report. In fiscal 2021, values from the US site in Simpsonville, South Carolina are included for the first time. In the previous year, data from the site could not be determined due to the relocation from Telford, Tennessee to Simpsonville, South Carolina.

In countries such as India, we collect and use rain water to minimize consumption of supply water. In Europe and North America, water is sourced from the public supply network.

Waste

Due to the increase in business volume as the market recovered, the Group-wide waste volume increased by 19.2 % to 18,955 tons in fiscal 2021 (2020: 15,904 tons). Again, the increase is lower than the 32.0 %

increase in sales. Adjusted for the waste volumes of the divested Jost UK Ltd, the Group-wide waste volume also increased at a below-average rate of 23.7 % compared with the previous year.

Due to better capacity utilization and higher business volumes, waste intensity (waste volume per production hour) improved by 9.1 % to 2.52 kg of waste per production hour compared with the previous year (2020: 2.77 kg).

The share of scrap metal in our total waste volume remained on the same level as in the previous year at 72.2 % (2020: 72.4 %). This relates exclusively to metals such as steel that are returned to economic circulation and recycled.

The share of hazardous waste compared with the total waste volume has decreased to 4.4 % (2020: 5.7 %). JOST's hazardous waste includes grease, paint and oil sludges that are using during production. This waste is generated primarily from the painting of products and from cleaning and maintaining the production equipment. It is disposed of professionally by certified waste disposal companies.

The reduction in the proportion of hazardous waste compared with the previous year was partly influenced by the disposal of Jost UK Ltd. This company manufactured exclusively hydraulic cylinders, the

production of which requires the use of greases and oils.

Non-hazardous waste includes wood, paper, plastic and residual waste. During fiscal 2021, the proportion of non-hazardous waste across the Group increased to 23.4 % (2020: 21.9 %). By separating waste, JOST strives to return the reusable share of its non-hazardous waste to the economic cycle. The remaining share is professionally disposed of by certified waste disposal companies.

In the 2021 fiscal year, the relevant waste key figures developed as follows:

Indicator	Unit	2020*	2021**	Change vs. previous year
Total waste				
	in tons	15,904	18,855	+19.2 %
Waste Intensity				
	in kg/ prod. hour	2.77	2.52	-9.1 %

*) Data from 2020 was subsequently adjusted based on final accounts from water suppliers, as extrapolated data based on consumption in the first 11 months was assumed for some sites in the Sustainability Report 2020.

**) Some data was extrapolated based on the first 11 months of 2021 since the final bills for some sites were not available at the time of preparation of this report. In fiscal 2021, values from the US site in Simpsonville, South Carolina are included for the first time. In the previous year, data from the site could not be determined due to the relocation from Telford, Tennessee to Simpsonville, South Carolina.



Treating all employees responsibly and respectfully is a key aspect of our business conduct. Dedicated employees are the key to strong company performance, successful change and ultimately sustainable corporate success.

In 2021, we again had to set different priorities with regard to our employee concerns. Against the backdrop of the ongoing pandemic, the focus of our activities remained primarily on occupational health and safety for all employees. As a manufacturing company where only a small proportion of the workforce can avail of the option of working from a home office, we had to introduce particularly strict protective measures to safeguard our employees at the production departments. Our primary goal remains to protect the health of all our employees, to lead them safely through the pandemic while at the same time maintaining business activities.

EMPLOYMENT (GRI 102-8, 401 -1)

In the 2021 fiscal year, we employed an average of 3,324 employees worldwide – a year-on-year increase of 8.8 % (2020: 3,055). This increase is due to the global rise in activity levels as the market recovered in 2021. This was offset by the disposal of Jost UK Ltd, which had 130 employees.

OUR EMPLOYEES

GRI 103-1, 103-2, 103-3



In addition to the already high importance of occupational health and safety, the protection of our employees has become even more of a priority since the pandemic began.

The integration of the Ålö Group employees into JOST, already started in fiscal 2020, continued in 2021. There was a regular exchange of information between the various teams and departments, and information on the production sites, for example, was published on the intranet.

The Group-wide employee turnover rate rose to 18.8% (previous year: 11.3 %). The rate reflects the number of employees who chose to leave the Group or retired as a proportion of the total workforce. The increase in this figure is due to the high turnover in the US, which was partly caused by the coronavirus pandemic.

Average numbers of employees by function			
	2021	2020	Change vs previous year
Production	2,220	2,062	7.7 %
Sales	624	555	12.4 %
R&D	147	137	7.3 %
Administration	333	301	10.6 %
Total	3,324	3,055	8.8 %

Type of employment by gender*		
	Male	Female
With permanent contracts	81.75 %	90.57 %
With fixed-term contracts	18.25 %	9.43 %
Full-time	98.53 %	86.89 %
Part-time	1.47 %	13.11 %
Newly hired	87.10 %	12.90 %

Newly hired by region 2021*	
Europe	48.06 %
North America	28.65 %
APA	23.29 %

* Currently, there is no database that allows us to determine this breakdown by age. The data was determined based on the reporting date of November 30, 2021.

In the 2021 fiscal year, a total of 876 new employees were hired. Of this number, 763 were male (87.10 %) and 113 were female (12.9 %). Looking at the age distribution of new hires, it is as follows:

< 30 years		30 – 50 years		> 50 years	
342	39.04%	423	48.29 %	111	12.67 %

In 2021, JOST introduced an international job market. All employees are able to access this market on the intranet and view which sites have vacancies. We want to use this to improve international exchange and give our employees the opportunity to work for another JOST location.

OCCUPATIONAL HEALTH AND SAFETY

(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-9)

Occupational health and safety are essential elements of our business activities. In total, 78 % of our stakeholders identified this point as a key aspect of our business activities. As a manufacturing company in which production and warehouse staff in particular are exposed to an increased health risk, we have a responsibility to create and maintain a safe working environment for the entire workforce.

In addition to the already high importance of

occupational health and safety, the protection of our employees has become even more of a priority since the pandemic began. Necessary changes to working conditions were already introduced in fiscal year 2020 and further developed in fiscal year 2021. For example, employees still had the option of working from home when possible, and adjusted shift systems continued to be taken into account in production. Hygiene measures were a high priority and employees were able to regularly test themselves for coronavirus.

The coronavirus crisis management group, which was convened to deal with the pandemic, also met regularly in fiscal 2021 and made decisions to protect employees. This crisis group comprises human resources management, plant management, logistics management and the works council. The crisis group reacts promptly to developments and thus makes the best possible decisions for protecting our employees' health.

Since the statutory requirements for dealing with the pandemic varied greatly depending on the country and even city or municipality, local teams were given responsibility for enacting and implementing protective measures.

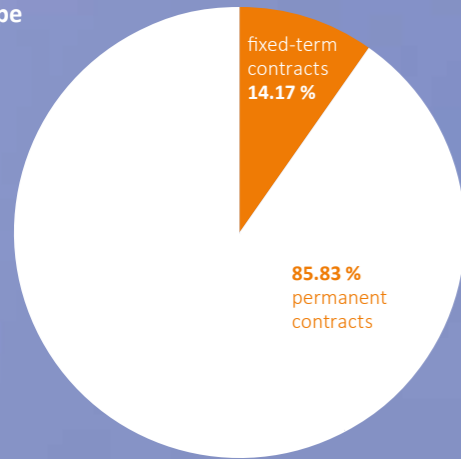
Prevention of workplace accidents

The prevention of workplace accidents remains a top priority to ensure the occupational health and safety of our employees. To this end, JOST sets high safety standards worldwide for dealing with dangerous substances and other potential hazards. We also believe in the importance of raising the safety awareness of our employees and adding to their skills. Regular information, instruction, training and further education courses, whether legally required or voluntary, help us to achieve high safety standards and enable us to maintain and encourage safe working practices in all areas of the Group, both industrial and commercial, and at all of our sites.

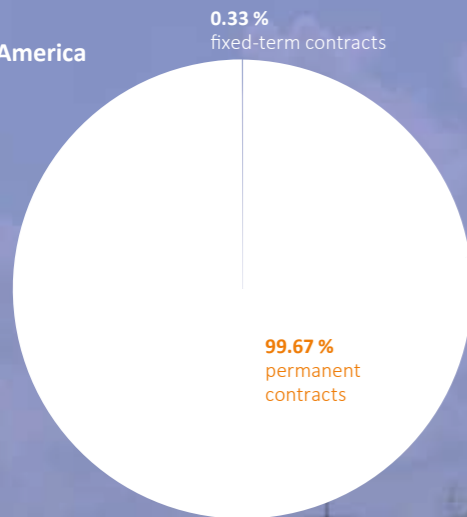
In order to identify hazards, we carry out regular workplace inspections, which also include risk assessments, at our production sites. These inspections are conducted by the head of the department, the works council, the company doctor, the safety officer and an employee from the operational area being inspected. Various types of risk, such as mechanical or physical hazards, are identified and evaluated during the inspection. If a potential hazard is discovered, the same group carries out a joint risk assessment and initiates effective preventative or remedial action. A total of 24 workplaces were assessed in Neu-Isenburg in 2021. The assessment is conducted every two years and the implementation of measures is monitored on a quarterly basis. If there are any technical, organizational or other changes to jobs, this two-year rule is voided and the jobs

Type of employment by region*

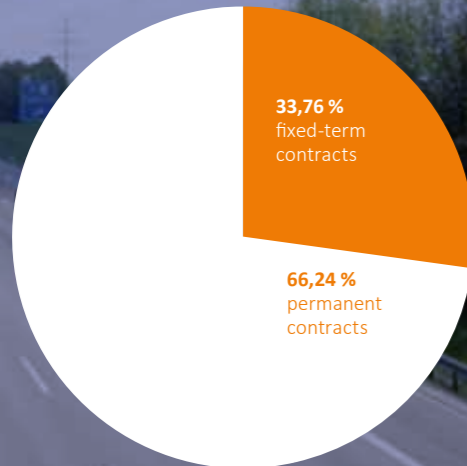
Europe



North America



APA



* Currently, there is no database that allows us to determine this breakdown by age. The data was determined based on the reporting date of November 30, 2021.



are reevaluated.

Near-accidents must also be reported to a line manager in order to enable an immediate direct response, such as providing additional sensitization training for employees. In the event of an accident, JOST responds immediately by analyzing the accident and then initiates measures to prevent any future re-occurrence. In these situations, guidelines are often re-drafted and re-issued for the specific purpose of preventing another similar accident. These procedures rely on active communication and discussion between our employees and the divisional managers.

Monthly meetings are held at many sites to discuss occupational health and safety at the sites and to review accidents and introduce further occupational safety measures. External audits are also conducted as part of the certification of our management systems. We are certified in accordance with DIN ISO 9001 (quality), DIN ISO 14001 (environment) and 18001 (occupational safety). We have refrained from obtaining additional OHSAS 18001 certification in countries that already have stringent statutory occupational health and safety requirements such as those in Europe and North America. We have obtained OHSAS 18001 certification at our sites in China and Brazil in order to establish comparable occupational health and safety standards across the Group. More detailed information is available on our website at <https://www.jost-world.com/certificates>.

We record and evaluate work-related accident figures at regular intervals. In the 2021 reporting year, the Group-wide rate of reportable accidents per 1,000 employees was 16 (2020: 13; 2019: 18; 2018: 20). This calculation takes into account all employees, including temporary workers.

The increase in the rate of reportable accidents per 1,000 employees compared with the previous year is partly due to the integration of Ålö into the survey and partly to the fact that, unlike in the previous year, all production plants were in continuous production in fiscal 2021. In the previous year, the outbreak of the pandemic meant that in many regions our plants had to close for several weeks due to lockdowns. For this reason, the number of production hours increased sharply compared with the previous year, and so did the risk of workplace accidents. Our aim is to continually reduce the number of accidents at work.

In addition to his involvement in the risk assessments, the company doctor in Germany offers a variety of different services to the employees. For instance, he provides advice on how to wear personal protective equipment correctly, helps organize first aid in the plant, and advises on the layout of workplaces. He also attends the regular meetings of the occupational safety committee in Neu-Isenburg.

In Neu-Isenburg, personal ear protection was expanded in fiscal year 2021. The employees received ear protection that can be adjusted to suit the individual and

thus has a very high level of acceptance. The Varioband in the assembly line was also renewed. This ensures better ergonomics and has a positive effect on the employees concerned.

The site in Hungary is also supported by a company doctor, who examines the employees annually and conducts on-site first aid courses. In addition, colleagues who work with hazardous materials undergo a special examination to ensure their health and to counteract any problems at an early stage.

Smaller sites, such as in Turkey, have a contract with an external service provider who is on site once a week and performs safety checks. They report their observations to management and follow up on the completion of outstanding and necessary actions.

TRIDEC has provided special training for employees who work with an overhead crane in the production area.



Occupational health management (GRI 403-6)

Occupational health support and occupational health management were also implemented further during the 2021 fiscal year. However, the pandemic also imposed restrictions in this area. Occupational health management is implemented by each location and is not under centralized control. This means that cultural and country-specific offerings are organized for employees at each location. The 2021 fiscal year saw a greater number of medical examinations performed due to the pandemic. Employees also received regular updates covering topics such as how to prevent infection. A major initiative was the coronavirus vaccination campaign at several JOST sites. Employees were offered vaccinations against the virus. In India, in addition to employees and their families, people in the neighboring area to the production plant were also vaccinated.

In Germany, the “active lunchbreak” initiative was launched at the site in Kassel. Virtual training sessions were held under the expert guidance of a trainer during lunch breaks. This training initiative was expanded to other German sites.

In Hungary, employees were provided with vitamin packs so that they could strengthen their immune systems. In some countries like Germany, Norway, and Denmark, JOST supported its employees to use various sport training facilities at a reduced cost with a company subsidy. This was not everywhere possible in 2021 due to the pandemic-related closures of the training facilities, but it will be resumed in the 2022 fiscal year.

TRAINING AND EDUCATION

(GRI 404-2, 404-3)

As we are aware of the risks relating to employee recruitment and loss, one of JOST’s major goals is to position the Group as an attractive employer to rapidly recruit qualified employees for each area and to retain them. This will ensure that all positions are filled, allowing us to remain competitive. With the help of our corporate values, we want to look beyond purely technical qualifications to find the right employees, and identify, develop and make optimum use of the talent within the Group. As an employer, we want to appeal to employees and talented young professionals, and earn their long-

term commitment to the Company.

Our mission is to treat employees fairly, motivate them and continuously develop their skills. Even in the 2021 fiscal year, long-term employee development played a vital role in this context. To promote this, we place significant emphasis on providing our staff with opportunities for continuing professional development. After all, their knowledge is a fundamental building block for JOST’s lasting success.

Our average expenditure on continued professional development per employee increased to EUR 200.2 in the 2021 fiscal year (2020: EUR 138). Compared with the previous year, this corresponds to an increase of 45 %, which is mainly attributable to the unusually low training costs in the previous year due to the pandemic. In addition to regular general training and instruction, the focus is also on targeted training. These development needs are identified in detail as part of regular performance reviews to ensure that we can support the potential and interests of our employees appropriately. In concrete terms, these annual performance reviews

are used to engage with our employees, evaluate and motivate them and encourage them in the right direction. Based on the exchange with employees, specific further training opportunities are discussed and necessary measures are initiated. In fiscal 2021, a total of 1,706 employees (2020: 1,676) received an individual appraisal from their supervisor. This corresponds to a share of 50 %. (2020: 52.4 %).

This can be broken down as follows between the genders and employee categories:

Performance reviews conducted				
	2021		2020	
By gender	Number	% of total	Number	% of total
Male	1,437	47.85 % of male employees	1,435	52.16 % of male employees
Female	269	55.12 % of female employees	241	53.19 % of female employees
By employees category	Number	% of total	Number	% of total
Production	895	37.12 % of production employees	903	42.96 % of production employees
Sales	426	71.24 % of sales employees	420	69.42 % of sales employees
Research and Development	117	81.25 % of research and development employees	124	87.32 % of research and development employees
Administration	268	79.29 % of administrative employees	229	65.62 % of administrative employees

To actively develop high achievers, JOST established a Talent Program a few years ago, which began a new round in 2020. The program includes 18 people who have been selected worldwide. Once again, the talented youngsters will be individually supported by JOST's experienced executives worldwide as part of a mentor program and by Talent Program alumni. In the 2021 fiscal year, two modules took place virtually. These two modules focused on "Feedback & Communication" and "Project Work & Virtual Leadership." The modules are predominantly about group work and exercises as well as theoretical inputs. In addition to this work, they also had the opportunity to choose projects from a selection to work on until the end of the program (spring 2023). For these projects, there were internal sponsors who served as contact persons. There were also regular appointments in small groups between the modules to work on homework and questions, among other things.

In addition, the mentors and managers are still available to help and coordinate with the talents. These mentors and managers were trained separately for this new challenge in an introductory event in the summer of 2021. Three more modules are planned for 2022: "Entrepreneurial Thinking," "Conflict Management" and "Change Management."

An additional independent development program was launched in 2021 at the Grand Haven, Michigan, and Greeneville, Tennessee, sites in the US. The program developed for managers at the Grand Haven site in the previous year was also carried out in Tennessee. The program was also continued in Grand Haven. Modules included "Transformational Leadership" and "Leadership Team Performance & Lean." A total of 36 participants

took part in 2021, 18 of them at each site.

The 2021 fiscal year saw the start of another apprenticeship intake of commercial and industrial apprentices. In total, we had 12 apprentices: 8 industrial clerks, 3 apprentices specializing in warehouse logistics and one IT apprentice specializing in system integration at the Neu-Isenburg site. We continue to pursue the goal of eventually offering our commercial and industrial apprentices permanent jobs upon completion of their training. Of the four apprentices who completed their training in 2021, 75 % were subsequently employed by the Group (2020: 100 %). JOST's training activities were supplemented by three dual students from October 2021, with one student in Human Resources and two students in Product Development.

EMPLOYEE SATISFACTION

Um ein ehrliches Feedback unserer Mitarbeitenden zu To receive honest feedback from our employees, we conduct employees surveys at regular intervals. In the previous fiscal year 2020, all employees of the companies in China, Australia and New Zealand were given the opportunity to participate in an anonymous survey.

We were able to fully meet our target of conducting the survey Group-wide in fiscal 2021. A total of 1,824 employees took part in the Great Place to Work survey. Of these, 790 were salaried workers and 1,034 were hourly workers. It was important to us to reach all employees, so at sites where employees have only limited access to computers, we implemented the survey using printed questionnaires. The employee survey also consisted of

quantitative and qualitative questions. The qualitative questions again focused on specific situations at the individual sites.

25 years of JOST Hungary

In September 2021, JOST Hungária invited all employees and their families to celebrate the company's 25th anniversary. Three hundred and fifty employees and their families celebrated a quarter of a century of success. After the difficult times of the last two years during the coronavirus pandemic, the celebration was a welcome reminder of how far we have come in Hungary and what local employees have built together over the last decades.

A family-friendly program featured children's activities, plant tours, stilt walkers, a band, a colorful balloon farewell and much more. In addition to the Hungarian employees, JOST employees from Germany and Poland were also present to personally congratulate their Hungarian colleagues on this milestone.

DIVERSITY AND EQUALITY

(GRI 405-1, GRI 406-1)

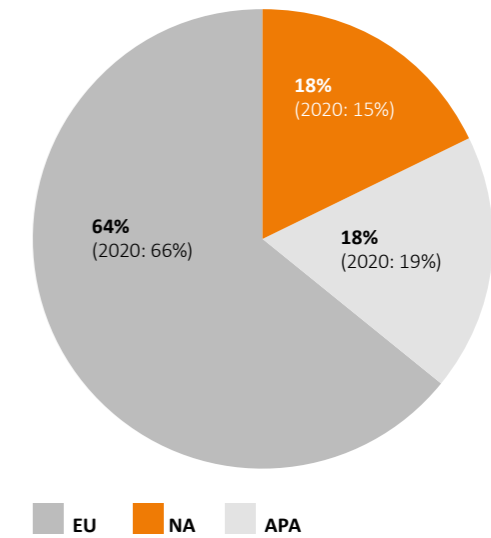
"Diversity and equality" is a key point that is influenced by our corporate governance. After all, society these days is defined by a wide variety of backgrounds and lifestyles. As a company operating internationally, we have instilled a culture that respects the individuality of every person and promotes equal opportunities irrespective of age, gender, disability, ethnocultural origin, religion, ideology or sexual identity.

Worldwide, we employ people from 56 nations at JOST. The average age is 43 (2020: 41) and the average length of service increased again to 5.65 years (2020: 5).

We are particularly committed to gender equality. It is important to us that we offer all employees in our company the same opportunities. We are striving to achieve a balance between genders at all employee levels. However, increasing the number of women employed in the Group is a challenge as JOST's business focuses heavily on technical professions, in which women are still underrepresented both in higher education and in the application process. In the 2020 fiscal year, the Group-wide share of women increased to 15 % despite this (previous year: 14.0 %).

We increased the Group-wide proportion of women in management roles at the two management levels below the Executive Board to 16.2 % (2020: 10.8 %). We have thus achieved our new goal of increasing the proportion of women in management positions to at least 15 % by 2025 (previous target: 10 % by 2020). Going forward, the Executive Board will continue to take diversity into account when hiring senior management and, in doing so,

Breakdown of employees by region as of December 31, 2021*.



* Currently, there is no database that allows us to determine this breakdown by age.

consider female candidates in particular. The professional and personal qualifications of each candidate remain our primary focus when making the final selection.

As of the reporting date of December 31, 2021, the proportion of women in management positions at JOST Werke AG had risen to 33 % (previous year: 25 %). JOST Werke AG has thus reached its target level of 25 %. The proportion of women on the Supervisory Board of JOST Werke AG remained unchanged at 17 % in the 2021 fiscal year (2020: 17 %). Target 1 of 6 has thus been met. The Supervisory Board aims to increase the proportion of women on the Executive Board to 25 % by fiscal 2025 (2021: 0 %).

Cases of discrimination can be recorded using the JOST reporting system (for additional information, refer to the compliance section). No cases of discrimination as defined by the International Labor Organization (ILO) were reported in 2021.

POLITICS AND COMMUNITY

POLITICS (GRI 415)

Once again, neither the JOST Group nor its local units exercised political influence in fiscal 2021. Therefore, the expenditure for this was EUR 0 (previous year: EUR 0).

COMMUNITY

In the past, JOST has participated in social projects at local level in order to build community spirit. In this context, these activities are not subject to any overarching central control process, but are rather organized on a decentralized basis and implemented by the local sites.

When the devastating floods hit western Germany and neighboring areas in the summer of 2021, JOST showed solidarity as a company. JOST supported the people affected and those helping with donations in kind. Useful Quicke tools, which could be used for clearing up

mud among other needed activities, were donated to the value of EUR 100,000. These were able to be used directly on site through our distribution partners. In South Africa, JOST participated in "Mandela Day", a day of remembrance intended to encourage humanitarian behavior. A sum of money as well as clothing, blankets and food were donated to a foundation for charity and empowerment.

Our site in India participates in different social projects every year. In the 2021 fiscal year, orphanages and families in a village near JOST India were again given support during the COVID-19 pandemic. In addition, the site also contributed to the renovation and construction of two local schools.

Ålö in Sweden also got involved again in 2021. It made financial donations to several organizations that, among other things, care for children and people in particularly poor regions. The local floorball team was also supported so that it could obtain new team uniforms.







Ålö in the US participated in a fundraising campaign for the local food bank during Thanksgiving, where employees prepared and donated food. A total of 120 kg of non-perishable food was collected. The Neu-Isenburg site organized a forest run in October 2021 and employees raised donations through their athletic performance. A total of EUR 2,000 was donated to the local food bank.

During this week, more attention was focused on the topic of sustainability and we carried out campaigns targeted at various SDGs. The campaigns mainly took place at the headquarters, but other sites were also motivated to participate.

We plan to participate in this campaign again in September next year, and our aim is to reach even more employees and motivate them to take part in the planned activities.

PARTICIPATION IN THE "GERMAN SUSTAINABILITY ACTION DAYS" CAMPAIGN WEEK

In the 2021 fiscal year, JOST participated for the first time in the "German Sustainability Action Days" campaign week, which has been held annually in Germany since 2015.

Campaign	Successes	Campaign location	SDGs
Cell phone collection campaign Employees were able to bring their old cell phones to be recycled.	A total of 17 cell phones were collected during the campaign.	Neu-Isenburg	  
Outdoor break Employees were motivated to spend their break outdoors and preferably in doing some form of exercise. Employees' photos meant that the best breaks could be shared with the intranet community.	The outdoor break was promoted as a small competition and many colleagues from different locations took part. That way, they all did something to promote their health.	Global	
Tree planting campaign JOST encouraged employees to participate in a tree donation campaign. To this end, JOST first secured a base fund and for every euro collected by the employees, another euro was donated by JOST.	JOST's base fund was EUR 3,000 and with the donations of the employees, a total of EUR 3,608 was raised, corresponding to 3,789 trees and a neutralization of about 83,358 kg of CO ₂ . These trees were planted through the company Grow My Tree.	Germany	 



COMPLIANCE



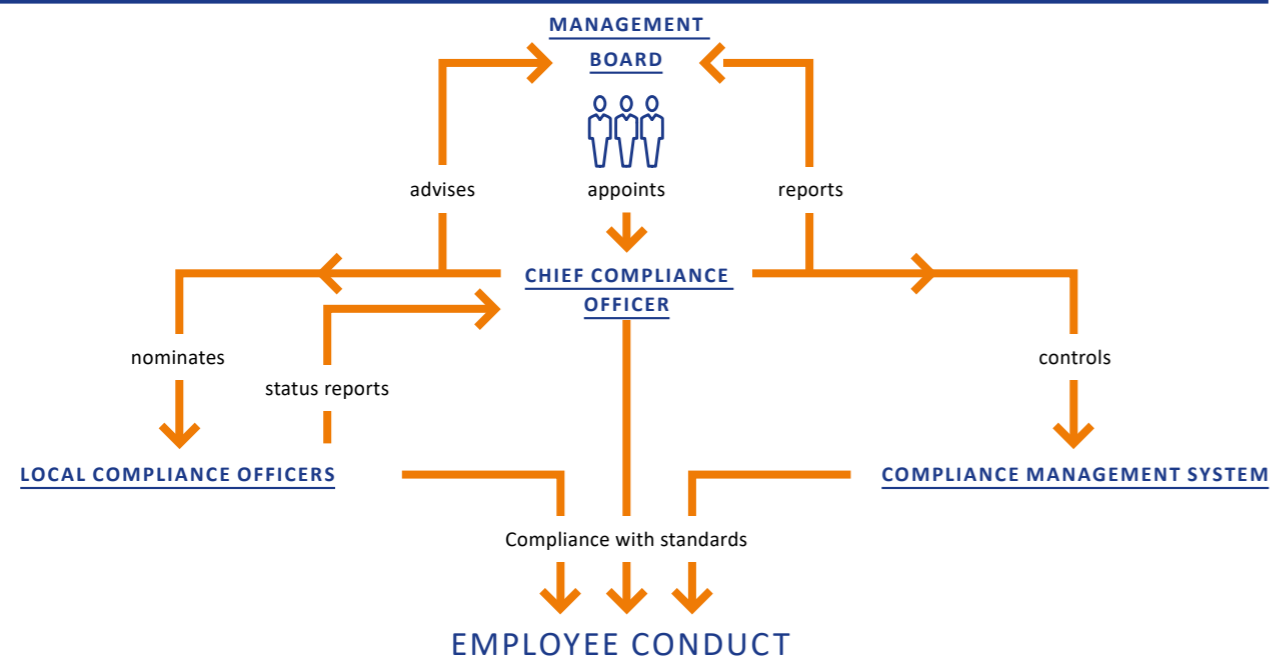
Compliance management at JOST aims to ensure that all of the Group's activities comply with the law. Both lawful and responsible conduct and respect for human rights are firmly rooted within our company. By living out our corporate values, we create trust among our employees, customers, business partners, shareholders and the general public. This is vital for the long-term success of our company.

Compliance management at JOST aims to ensure that all of the Group's activities comply with the law. Both lawful and responsible conduct and respect for human rights are firmly rooted within our company. By living out our corporate values, we create trust among our employees, customers, business partners, shareholders and the general public. This is vital for the long-term success of our company.

The Executive Board bears overall responsibility for compliance with laws, standards and principles within the Group and reports to the Supervisory Board in this regard. When performing its obligations, the Executive Board is required to delegate the relevant duties to various functions within the JOST Werke Group. The Chief Compliance Officer (CCO) monitors and checks compliance with laws, standards and internal policies within the Group (compliance), using the compliance

management system to support employees to act with integrity and adhere to the rules. The COO is appointed by the Executive Board and reports directly to the Chief Financial Officer. In addition, they are responsible for the compliance management system and advises the Executive Board on any compliance issues.

The CCO nominates the local compliance officers at the subsidiaries, reviews compliance at JOST on an ongoing basis and proposes general compliance objectives and individual compliance-related measures to be implemented at JOST to the Executive Board. They also manage the process and possible investigative measures in the event of reports or identification of potential compliance incidents.



GRI 102-11, 102-16, 102-18, 103-1, 103-2, 103-3, 412-2, 419-1

The local compliance officers support the CCO with all compliance-related communication at local level as well as the introduction of specific compliance measures at the subsidiaries. The local compliance officers report to the CCO regularly on the status and progress of the compliance measures introduced at the respective subsidiaries as well as on the occurrence of any compliance incidents. A key task of the local compliance officers and the CCO is to serve as a contact for all employees at the respective local unit regarding any compliance-related issues.

ANTI-CORRUPTION, ANTI-COMPETITIVE BEHAVIOR AND HUMAN RIGHTS ASSESSMENT

(GRI 205-2, 205-3, 206-1, 408-1, 409-1, 412-2, 419-1)

JOST works in accordance with the recommendations of the Universal Declaration of Human Rights by the United Nations, the core labor standards of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises as well as the United Nations Convention on the Rights of the Child.

In this context, the JOST Werke Group's internal Code of Conduct and the legal requirements and voluntary ethical principles it contains represent a central element that forms the basis of our compliance management system. The Code provides an essential basis for the day-to-day actions of our employees and executives. Every employee is given the Code of Conduct and an explanation of it when they join the company. All other employees have already received training regarding the Code in previous years. In this way, we can ensure that every employee is aware of its contents.

Risks associated with violations of laws and policies are addressed by our risk management system. We continue to conduct regular checks to determine whether the risk assessment (probability of occurrence and possible extent of damage) needs to be adjusted. In the 2021 fiscal year, the organization did not identify any cases of non-compliance with laws and regulations that would have resulted in a fine or other sanctions.

In the 2021 fiscal year, JOST's share of consolidated sales generated in countries with a corruption index

< 60 was around 16.9 % (2020: 17.9 %). The evaluation is based on the Corruption Perceptions Index (CPI), which is compiled by Transparency International and lists countries according to the degree of corruption perceived in politics and administration. The lower this value, the greater the risk of corruption in the respective country. Initiatives for the early detection and prevention of corruption are therefore particularly important.

No cases of corruption were confirmed in 2021 (2020: 1).

E-learning training courses on compliance, data privacy and IT security continued in fiscal 2021. Our goal for 2022 is to expand existing e-learning offers and provide more target group-specific training. In addition, compliance training is to be launched as a refresher starting in summer 2022.

DISCLOSURES AND COMPLAINT MANAGEMENT

(GRI 102-17, 103-2, 406-1, 408-1, 409-1, 412-2, 419-1)

To ensure that possible violations of statutory regulations and internal policies can be detected and uncovered at an early stage, our employees as well as our business partners have the option, in addition to confronting the individuals involved directly, of using a whistleblowing system, if necessary, anonymously. The system can be accessed both externally via the JOST website and internally via the intranet. Users can use the whistleblowing system in their respective national language by phone or in writing. New employees receive an explanation of how to use the whistleblowing system when they join the company. Further information is available to all employees on the intranet.

In the 2021 fiscal year, we received a total of 5 disclosures (2020: 25), 4 of which were reported using the reporting system with a further 1 delivered in person. The disclosures related primarily to the behavior of colleagues or supervisors and to occupational safety. All these cases were investigated by the Compliance department and local (HR) departments within a reasonable period of time and either clarified or resolved.



CUSTOMERS AND SUPPLIERS

More and more of our OEM customers and the end users of our products, fleet operators and farmers are insisting on sustainable actions and sustainable products.

CUSTOMERS

(GRI 103-1, 416-2)

More and more of our OEM customers and the end users of our products, fleet operators and farmers are insisting on sustainable actions and sustainable products. Customer satisfaction therefore contributes significantly to our business activities by enabling us to operate successfully on the market. We continuously develop our products to meet the requirements of our business partners. To achieve this, we involve our customers in development projects at an early stage. Our products are designed to help customers operate more efficiently and sustainably.

→ *Innovation and product management*

In addition to involving customers in the innovation process, it is also important for us to maintain regular contact. Trade shows are one way of doing this, but so are regular phone calls and visits. In 2021, we created yet another opportunity for exchange with our customers and workshops. Thanks to the learning management system that was introduced for the entire Group, training courses on our products can now also be offered to external parties. The training system is currently in the test phase and is used in various ways. It uses a combination of in-person and online learning for testing organizations such as TÜV and DEKRA. In this type of training, a face-to-face seminar is held first, followed by a survey and a knowledge test, which are run via the platform. The training also helps participants prepare themselves for the practical seminar so that everyone is

up to speed. In 2021, this type of training was carried out for the KKS project.

A total of 36 external and internal persons were trained using our platform during the 2021 test phase.

Further training courses are already planned for the 2022 fiscal year. More training sessions for the KKS project are already on the table. A KKS driver training, KKS briefing for sales and field service and a KKS OEM training are planned. In addition, classic e-learning units on service topics such as maintenance and repair are to be offered.

Internally, we also want to provide product training for new employees as part of the onboarding process via the platform. However, this is not planned until next year.

Practical tips, helpful information and diverse insights into the JOST World were featured in our new JOST Truck Stop format on different social media platforms in the 2021 fiscal year. JOST Truck Stop is a video series in which facts and application tips about our products and solutions were shown in short video clips to offer our customers and other interested parties additional digital added value. A total of 16 episodes were published in 2021 and more are scheduled to appear in the following year.

We are not aware of any incidents of non-compliance concerning the health and safety impacts of products and services during the 2021 fiscal year.

PRODUCT SAFETY AND SERVICE QUALITY

As a producer of safety-relevant components, quality and the associated product safety as well as a high quality of service are our top priorities. The highest responsibility for product safety lies with the entire Executive Board. This is also reflected in our corporate policy.

For our daily work, we set ourselves targets for preventing errors. These targets and their fulfillment are published internally in the monthly quality report, thus ensuring regular monitoring. Our targets are defined and broken down to plant level.

We conduct safety audits at regular intervals to ensure safety. Thus, in addition to general audits, we also have product audits, conformity of production audits in accordance with homologation specifications, and requalification audits.

If errors occur during field tests, these cases are analyzed via a risk assessment. We use various methods for this, such as the RAPEX method. Contingency plans are then derived from this assessment and based on this, a decision is made on how to proceed in each specific case. In the event of issues with product safety or errors, an Internet website is created that allows us to communicate with our customers. Customers affected by the fault can then obtain information and make complaints directly online or by telephone.

Employee training for safety-related topics is available at Production level as well as in Sales and Customer Service. On the one hand, it is important that employees in Production are properly and thoroughly trained so that they can do their job and thus ensure quality and safety during the production steps. On the other hand, for the

downstream steps, the employees in the field are trained so that they can see whether the products are working properly at the customer's location. This is completed with training from customer service for workshops on the correct handling and use of our products.

SUPPLIER MANAGEMENT AND SUPPLY CHAIN

GRI 102-9, 102-16, 103-1, 103-2, 308-1, 408-1, 409-1

For us, it is particularly important that we also include our suppliers in our efforts to promote sustainability at JOST. We expect all of our business partners along the entire value chain to comply with the law and act with integrity and consider this to be a prerequisite for successful, long-lasting business relationships.

With this in mind, a code of conduct for suppliers is mandatory as standard for all new contractual relationships and is increasingly being introduced to existing relationships. This is particularly important for JOST as a steel processing company because corruption in iron smelting presents a high risk to sustainability according to analysis from "Drive Sustainability - the Responsible Minerals Initiative". This is because many steel-producing countries have weak governmental structures and exhibit shortcomings when it comes to the rule of law and/or suffer from high levels of corruption. Our suppliers are therefore also exposed to this risk.

With our Supplier Code, we can ensure that our suppliers address topics such as respect for human rights and the prevention of child labor. At the same time, the Supplier Code enables us to address environmental and social issues with our suppliers. One hundred percent of new

RISKS AND OPPORTUNITIES

GRI 102-15

supplier relationships are assessed on this basis to ensure that suppliers are complying with these requirements. In addition to stipulating regulations about environmental protection and conflict commodities, the JOST Supplier Code requires provisions for monitoring and verifying conformity in the suppliers' own supply chains to ensure that our standards are also adhered to there. In 2021, a purchasing volume of 57 % was covered by our Supplier Code.

We will also conduct supplier audits and potential analyses on site at regular intervals. In fiscal 2021, we conducted a total of 70 supplier audits worldwide. In May 2021, we introduced a JOST Supplier Decision Meeting (JSDM) at JOST, a new process for supplier, project and component approval. There is a cross-functional approval team that deals with purchased parts. The JSDM creates sustainable documentation and takes decisions accordingly.

Mandatory training courses were held worldwide for all purchasing managers, covering the criteria we use to select suppliers. Strict documentation was introduced for all new suppliers, including a self-disclosure on ESG issues, which is decisive in determining whether a supplier is eligible for further negotiations.

In general, we realigned our purchasing organization in 2021. In addition to the integration of Quicke into the JOST purchasing structures, the purchasing organization was expanded to include supplier quality and supplier development.

As part of the reporting process, we have checked whether there are any risks associated with our own business activities, relationships, products and services that are highly likely to have serious negative consequences for non-financial aspects stipulated by law, either now or in the future. We have not identified any risks as defined by the German CSR Directive Implementation Act (CSR RUG) based on this net risk assessment as well as general legal regulations relating to the selection of significant report contents.

However, JOST is exposed to non-financial risks that do not result from our business activities. These risks in all areas (including Personnel, IT, Law, Procurement, Quality, Environment) are already taken into consideration by risk managers throughout the Group and are addressed in the risk report. In addition to the consideration of the coming planning year, non-financial risks are also assessed for the subsequent second and third year.

Along with the risks, however, we can see sustainability opportunities for JOST. Thanks to increasing levels of awareness and the growing importance for a sustainable value chain both in the transport sector and in agriculture, new prospects are opening up for us. As a company that thinks and acts along sustainable lines, we can not only use our products and developments to help our direct customers and the end users of our products to become more sustainable. We can also influence our own business activities and discover possible ways to operate more efficiently and conserve resources.

As this assessment forms part of the Company's risk reporting, a more detailed description of the risks and opportunities can be found in the Risk Report section of the Annual Report 2021.

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

To JOST Werke AG, Neu-Isenburg

We have been engaged to perform a limited assurance engagement on the non-financial report of JOST Werke AG, Neu-Isenburg (hereinafter the "Company") in accordance with Section 315b Para. 3 HGB et sqq. (German Commercial Code), for the period January 1 to December 31, 2021.

Management's responsibility

The officers of the company are responsible for the preparation of the non-financial report in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter: "GRI-Criteria") and for the selection of the disclosures to be evaluated.

This responsibility of Company's officers includes the selection and application of appropriate methods of sustainability reporting as well as making assumptions and estimates related to individual sustainability disclosures, which are reasonable in the circumstances. Furthermore, the officers are responsible for such internal control as they have considered necessary to enable the preparation of the non-financial report that is free from material misstatement, whether due to fraud or error.

Audit firm's independence and quality control

We are independent of the company in accordance with the provisions under German commercial law and

professional requirements, and we have fulfilled our other ethical responsibilities in accordance with the relevant provisions within these requirements.

Our audit firm applies the German national legal requirements and the German profession's pronouncements for quality control, in particular the by-laws regulating the rights and duties of Wirtschaftsprüfer and vereidigte Buchprüfer in the exercise of their profession (Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer) as well as the IDW Standard on Quality Control 1: Requirements for Quality Control in Audit Firms [IDW Qualitätssicherungsstandards: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis (IDW QS 1)].

Auditors' responsibility

Our responsibility is to express a limited assurance conclusion on the non-financial report, based on the assurance engagement we have performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform the assurance engagement to obtain limited assurance whether any matters have come to our attention that cause us to believe that the non-financial report of the Company for the period January 1 to

December 31, 2021 has not been prepared, in all material respects, in accordance with the GRI-Criteria.

We do not, however, issue a separate conclusion for each disclosure. In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore significantly less assurance is obtained than in a reasonable assurance engagement. The auditing firm is responsible for the selection of evidence-gathering procedures, according to their reasonable discretion.

Within the scope of our engagement we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organisation and of the stakeholder engagement;
- Evaluation of the design and implementation of systems and processes for the collection, processing and monitoring of disclosures on environmental, employee and social matters, respect for human rights, and combating corruption and bribery, including data consolidation;
- Inquiries of personnel involved in the preparation of the non-financial report regarding the preparation process, the internal control system relating to this process and selected sustainability information;
- Evaluation of selected internal and external documents;
- Identification of the likely risks of material misstatements of the non-financial report under consideration of the GRI-Criteria;
- Analytical evaluation of selected disclosures in the non-financial report;
- Comparison of selected sustainability information with corresponding data in the consolidated financial statements and in the group management report;
- Assessment of the presentation of selected sustainability information.

Conclusion

We issue this report on the basis of the engagement agreed with JOST Werke AG, Neu-Isenburg. The assurance engagement has been performed for the purpose of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement and must not be used for purposes other than those intended. The report is not intended to provide third parties with support in making (financial) decisions.

Intended use of the Assurance Report

We issue this report on the basis of the engagement agreed with JOST Werke AG, Neu-Isenburg. The assurance engagement has been performed for the purpose of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement and must not be used for purposes other than those intended. The report is not intended to provide third parties with support in making (financial) decisions.

Engagement Terms and liability

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften)" dated January 1, 2017 are applicable to this engagement and also govern our relations with third parties in the context of this engagement. In addition, please refer to the liability provisions contained in No. 9 and to the exclusion of liability towards third parties. We assume no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we do not update the assurance report to reflect events or circumstances arising after it was issued unless required to do so by law. It is the sole responsibility of anyone taking note of the result of our assurance engagement summarized in this assurance report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Kronberg, 16 March, 2022

Spall & Kölsch GmbH
Wirtschaftsprüfungsgesellschaft (Auditing firm)

Christian Spall
Wirtschaftsprüfer
[German Public Auditor]

Ralph Becker
Wirtschaftsprüfer
[German Public Auditor]

Legal disclaimer:

This document contains forward-looking statements. These statements reflect the current views, expectations and assumptions of the management, and are based on information currently available to the management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Therefore, actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Neither the Company nor any of its affiliates undertakes to update the statements contained in this report.

This sustainability report has been translated into German. Both language versions are available for download on the Internet at <https://www.jost-world.com/responsibility>. In case of any conflicts, the German version of the report shall prevail over the English translation.

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