



Corporate Social Responsibility REPORT 2024

E. Hawle Armaturenwerke GmbH



made for generations.

Foreword

Sustainability is not simply a trend for Hawle, but rather a responsibility that we put into practice. As a family business with over 75 years of experience, we are aware that our economic success is inextricably linked to our social and ecological behavior. The responsibility we bear not only extends to our workforce of some 1,700 employees, but also to their families, our long-standing customers, suppliers and partners, as well as to all those people who gain access to clean drinking water through the work we do. With our brand promise “Made for Generations”, we are committed to long-term solutions, quality and reliability - for the generations of today and for those of tomorrow.

Climate change poses a multitude of challenges which require us to rethink our approach on many levels. As a manufacturer of durable and resource-efficient products, we are already making an active contribution to reducing our environmental impact. However, we are going one step further: Thanks to our Environmental Product Declaration (EPD), we provide transparent information on the ecological impact of our products and continuously identify areas with potential for improvement. Another key priority is expanding our use of renewable energies. In 2023, we therefore commissioned the first photovoltaic systems at our locations in Vöcklabruck and Frankenmarkt, enabling us to meet part of our energy requirements sustainably. Furthermore, we take responsibility for our emissions: Our CO₂ footprint according to Scope 1+2 is calculated annually and offset by international projects tackling climate protection.

These projects are just a few examples of our profound commitment. For Hawle, sustainability also means encouraging our employees to develop their personal and professional skills, setting the highest standards in occupational health and safety and developing our entire supply chain from an ecological perspective. With our high level of in-house production and our regional procurement sources, we play an active role in conserving resources, and strive for short transportation routes that reduce our carbon footprint.

We rise to the challenge of reconciling economic growth with ecological responsibility. As the Hawle Austria Group, we are convinced that sustainable practices are not just a promise, but also form the foundations for a successful future - for our company, our partners and society as a whole.



Michael Bassani

COO Hawle Beteiligungsgesellschaft m.b.H.



Martin Kast

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**Who we
are and
what we do**





1.1 It started with an idea

It is 1948. Trained machinist Engelbert Hawle is sitting in his modestly equipped workshop, asking himself how to connect two pipes together. The passionate inventor was already devoting his time to solving this problem while working at the Steyr factories during the Second World War. His job was to keep the water supply running. This simple question led to a revolutionary idea and the foundation of the company in the Austrian town of Vöcklabruck in 1948. **The ground-breaking invention was the 'spar flange' – a ring made of cast iron,** which made it possible to connect two pipes together and seal them.

The years that followed produced many more milestones, as valves and fittings for water distribution were developed. The Hawle Austria Group remains a family-run company based in Austria, but is now active all over the world. We manufacture high-quality valves and fittings that have distributed and controlled vital water supplies for decades.

Many of our cast products are manufactured in our own foundry in Austria and 91 per cent of our purchasing volume comes from Europe. Thanks to the short transportation routes this involves, we protect the environment and reduce our ecological footprint.

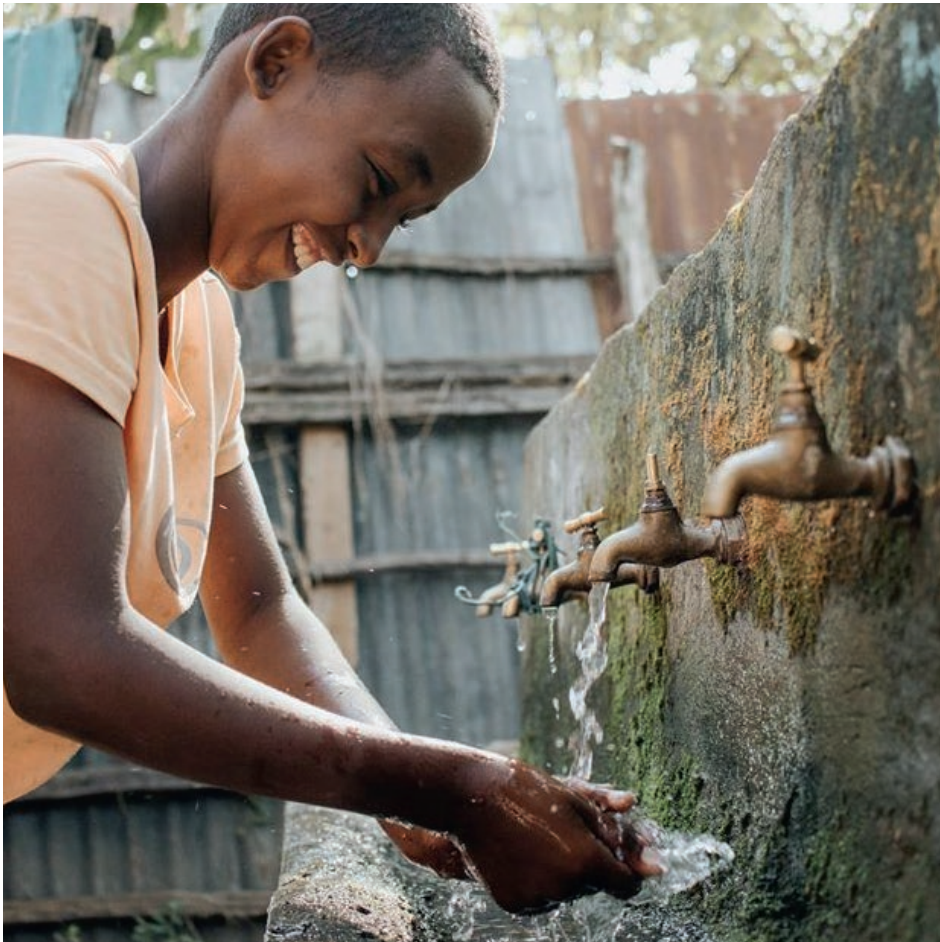
After all, our brand promise is “Made for Generations”. This refers not only to our products, but also to leaving a livable planet for future generations.

1.2 **Why** do we do what we do?

Potable water is the world's most precious resource. Even though the UN declared this vital element a human right in 2010, millions of people still do not have access to clean water.

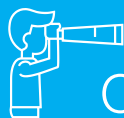
Many people don't think twice when turning on the tap and enjoying a glass of fresh water. Only rarely do people wonder about the journey the water has been on before it flows out of the tap. The water has a long way to go from the source before it reaches our homes and houses. This is a job for our innovative valves and fittings for water distribution. Hidden from view, they work away to ensure the water we all need to live can flow where it is needed. This is what we're about.

Our products play an active role in securing a reliable water supply all over the world.



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1.3 Our vision, our mission, our values.



OUR VISION

Clean drinking water means life. Life means commitment. That's why we provide the most reliable connections for drinking water supply around the world.



OUR MISSION

With pioneering spirit, reliable products, solution-oriented and partner-driven teamwork, we are actively shaping a reliable water supply around the world.



OUR VALUES

Passion

Engelbert Hawle's greatest passion was to continue breaking new ground after coming up with his revolutionary idea. This drive to evolve is therefore in our DNA. A passion and enthusiasm for innovation can be found throughout the company to this day, and it spurs us on to develop new inventions, technologies and processes. Hawle does not plan on losing its curiosity – and its aim will always be to find the best solutions for its customers.

Reliability

Water is a vital resource, which is why Hawle attaches the utmost importance to the reliability and functionality of its products. To us, reliability also means focusing on the future and acting responsibly in everything we do. For this reason, stable relationships with employees, partners and customers are the basis of a culture of commitment that underpins the Hawle brand. Security also means financial stability and reliability of supply. We make sure that both of these are upheld through long-term relationships with and professional management of our suppliers, as well as by manufacturing a large number of parts in-house.

Partnership

For our family business, partnership means putting people first. Hawle views the partners with which it cooperates as equals. Our corporate culture is built on respect, honesty and a willingness to listen. We find the best solutions by working as a team.



Sustainability in the Hawle Austria Group



2.1 Sustainability as a trend?

Today, everything has to be “sustainable”. But do you know what “sustainability” actually means? The term originally comes from forestry and means that no more wood is felled than can grow back at any given time. **Its modern meaning is that no more should be consumed than can be regrown, regenerated, and provided again in the future.** The goal is to preserve the natural regenerative capacity of our systems.

Hawle attaches particular importance to environmental protection and resource conservation. So, alongside the high quality of our products and efficient occupational health and safety protection, all-round conservation of the environment and economical use of energy are equally important goals for securing the future of the company and the jobs it provides.

We therefore rely on a range of certifications in the area of sustainability too. As well as the ISO 9001 quality management standard, almost all sites of the Hawle Austria Group are certified to the ISO 14001 environmental management standard. In addition, some Hawle companies have already been certified to ISO 50001 Energy Management and ISO 45001 Occupational Health and Safety Management.

2.2 The company policy we live by

Our quality, safety, environmental and energy policy (QSE) is based on our strategic mission statement and our corporate vision. We regularly question our policies in order to ensure our ultimate goal – satisfied stakeholders and therefore sustainable corporate success. We maintain a holistic and integrated management system. The Executive Board of the Hawle Austria Group lays down the basic principles of our policy on quality, energy, occupational health and safety, and environmental protection, and monitors its implementation.

This ensures that the policy

- Corresponds to the (core) competence and organizational structure of the company and is fit for purpose
- Increases customer satisfaction, employee orientation, and profitability, and provides a framework for defining and evaluating objectives for occupational health and safety, environmental protection, quality, and energy
- Is a prerequisite for providing the information and resources needed to achieve the defined objectives
- Contributes to the fulfillment of applicable legal and other requirements and is appropriate in terms of the nature and extent of the occupational health and safety risks, environmental impacts, and energy aspects of the company's purchasing, activities, products, or services
- Ensures a commitment to the implementation and continuous improvement of the IM system
- Is regularly reviewed and evaluated for its effectiveness
- Is communicated and understood within the company.



2.2.1 Quality policy

- We inspire through quality with products that reliably fulfil their function over decades.
- All processes are subject to continuous improvement and further development with the aim of constantly improving the entire value chain.
- All process flows are transparent and clearly defined. Our understanding and awareness of quality is known to all employees and is applied in all processes.
- The focus on a “zero-defect target” is a matter of course for every employee. We apply the principle of preventive error avoidance and risk-based thinking and constantly review this.
- We continuously qualify our employees to satisfy our customers' requirements to the highest degree.
- We strive to establish long-term business relationships with reliable and high-quality suppliers in order to strengthen our competitiveness.

2.2.2 Environmental policy

- In all our corporate activities, we pay attention to sustainable and environmentally conscious thinking and actions, taking into account the personal responsibility of our employees.
- We are committed to protecting the environment and preventing environmental pollution.
- We implement the legal environmental requirements and binding obligations in a timely manner and strive to constantly improve our standards.
- We produce using modern manufacturing equipment and methods and work to continually reduce our direct and indirect environmental impact.
- To this end, we use a certified environmental management system within the Group and continually strive to improve it.

2.2.3 Energy policy

- We set ambitious energy targets, implement appropriate measures to achieve them and monitor their attainment.
- We provide the information and resources necessary to achieve the energy targets and continuously improve the energy management system.
- We implement the legal requirements and binding obligations in a timely manner and strive to constantly improve our standards.
- We produce using modern manufacturing equipment and methods and work to continually reduce our energy-related output.

- We strive to continuously improve energy management
- In all our corporate activities, especially in the construction of new buildings, machinery, and the procurement of products and services, we look for sustainable and energy-conscious ways of thinking and doing, incorporating the latest energy-saving technologies.
- We are committed to protecting Planet Earth and reducing climate-damaging greenhouse gases.

2.2.4 **Safety policy**

- We are committed to providing safe and healthy working conditions for our employees and persons acting on our behalf, and regularly instruct and train them.
- Regular safety inspections, audits and workplace evaluations identify and eliminate hazards and minimize safety and health risks.
- Every employee is obliged to comply with the specifications and guidelines on occupational health and safety and to report incidents. Employees, works councils and safety representatives are continuously informed, consulted and involved in decision-making processes.
- We analyze and document all accidents, near-accidents and work-related illnesses and implement appropriate measures to prevent a recurrence and minimize the associated days lost.
- We implement legal requirements and binding obligations in a timely manner and strive to continuously improve our standards.
- We strive for continuous improvement in safety and health management.

In all our corporate activities we look for sustainable and environmentally conscious ways of thinking and doing, and consider it our duty to protect the environment and leave a livable planet for our future generations.



Michael Bassani, COO



Systematic risk management along our supply chains means that we will also be equipped to react quickly and flexibly to customer demands in the future.

2.3

Strong partnerships through successful risk management

Quality leadership is only possible with strong partnerships. This is why Hawle turns to long-term partners at a local and global level at every stage of its value chain. Systematic risk management along our supply chains means that we will also be equipped to react quickly and flexibly to customer demands in the future.

In the procurement guideline of the Hawle Austria Group, we commit ourselves to ensuring quality and adherence to the agreed schedules and quantities at optimized procurement costs. In the supplier qualification process, we regard quality, environment, risk assessment, and responsibility as equally valid criteria.

Our material group strategy requires us to implement dual or multiple sourcing for strategic material groups, thereby ensuring that the supply chain is doubly or even multiply secured. Hawle uses a risk management tool to proactively identify, assess, and reduce risks within the supply chain. The supply network is made transparent at all levels and draws on publicly accessible risk data from expert databases on natural hazards and country risks, government sanctions lists, social media channels, and news portals. This enables Hawle to identify supplier-related risks even before the award decision is made or during supplier onboarding.

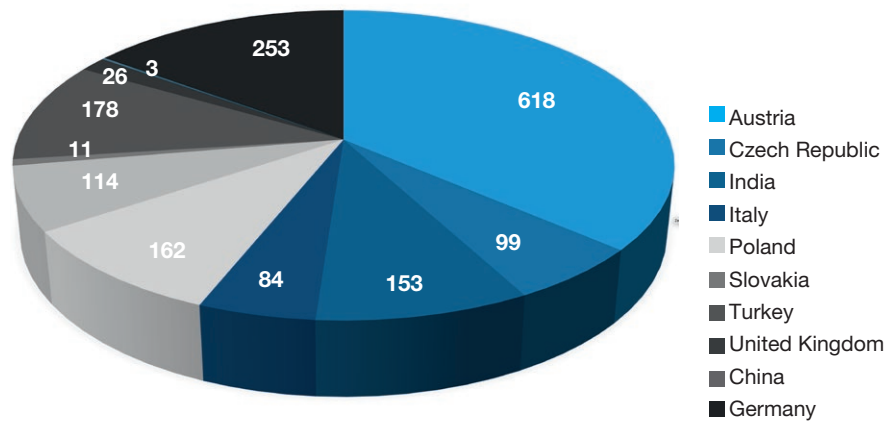
Using ready-made action plans, we can preemptively mitigate previously identified weak points in the supply chain and extend the response time in case of a risk event. Ongoing monitoring allows us to provide rapid and timely information about risk events and respond to the impact of unforeseen incidents with suitable mitigation measures.

Especially during the Covid pandemic, it has been found that basing Hawle's procurement activities on close, long-term supplier relationships, multi-level risk management, and supply chain resilience is enormously valuable when it comes to delivering products to our customers on time.



2.4 The diversity of our employees

The Hawle Austria Group employs colleagues from different nations and cultures. Based on our Austrian roots, an international corporate culture is emerging on the basis of growing markets and close cooperation between international subsidiaries. We rely on this diversity in our workforce to create an innovative working atmosphere. In 2024, the Hawle Austria Group employed around 1,700 people in 11 different countries:



Hawle is expressly opposed to forced or child labor and discrimination of any kind. This fundamental approach is an essential part of our corporate culture and policies. If an applicant's professional qualifications and attitude match Hawle's quality standards, the door to the Hawle world is open to anyone and everyone. New employees are selected and trained on the basis of defined personnel requirements. These requirements are set out transparently in staffing plans or job descriptions.

In Austria, we currently employ seven people with disabilities at Hawle Beteiligungsgesellschaft m.b.H. and its largest subsidiary, E. Hawle Armaturenwerke GmbH. We are very proud to offer all our employees a working environment where the inclusion of people with health challenges is a matter of course.

With regard to the social rehabilitation of colleagues after prolonged illness or accidents, we cooperate with public institutions and offer many framework and support measures. Examples include part-time return to work, flexible working time models, and working from home.

2.5 Social engagement – more than just polishing our reputation.

Our actions as a family business are characterized by a down-to-earth attitude and a spirit of partnership. This is something we would like to pass on to the rest of the world beyond Hawle. Hence, we support projects that are in line with our corporate philosophy.

As a manufacturer of valves and fittings for water distribution, we are aware of the importance of water as a vital resource and are therefore pleased to support **Viva con Agua Austria**. This non-profit organization is committed to sustainable water projects run by Welthungerhilfe, giving people in many different countries access to potable water, sanitation, and hygiene facilities. Since 2013, Viva con Agua Austria has been funding WASH projects at primary and secondary schools in Malawi. **WASH** stands for **W**ater, **S**anitation, and **H**ygien – hygiene has be-

come a particular focus of global attention due to the Covid pandemic. Hand washing is a very effective measure not only against the spread of coronavirus, but also against diarrheal diseases, which kill about one thousand children world-wide every day. Regular hand washing with soap can reduce this rate by 40 %.

Viva Con Agua's vision of “water for all – all for water” could not be closer to Hawle's heart.



In addition to projects focusing on vital water, we also support social projects and activities. Every year at Christmas, Hawle and its employees take part in the Ö3 Christmas Miracle donation event in aid of the Licht ins Dunkel (Light into the Dark) association. LICHT INS DUNKEL is a unique aid campaign throughout Europe that has been paving the way for inclusion for more than 50 years. As such, the association promotes social cohesion and supports families threatened by poverty and people with disabilities in a variety of ways. We also provide regular support for the Austrian Children's Cancer Aid charity and individual cases of need.

Our social commitment is also directed towards **our workforce**. As part of its charitable activities, Hawle offers colleagues at its Austrian sites the opportunity to take time off work: our employees are granted paid leave to attend duties as **volunteer firefighters** during working hours.



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In addition, training leave amounting to three working days per year is granted to volunteer firefighters who also act as fire safety officers or their deputies in our company.

As a traditional family business, we also treat our employees as members of a strong and connected family. In difficult times or when exceptionally severe stresses occur, such as sickness or natural disasters, we provide support where we can.

” Martin Kast, CEO





Sustainability at E. Hawle Armaturenwerke GmbH



3.1 Growth with responsibility

E. Hawle Armaturenwerke GmbH is the largest subsidiary of the Hawle Austria Group. The first production site, set up in Vöcklabruck, Austria, in 1948, was followed in 1962 by the branch in Frankenmarkt. E. Hawle manufactures and sells valves and fittings for water distribution – products that are used in municipal water management from the source to the service connection. Hawle has been in family ownership ever since it was founded. This stable environment and commercial success provide the company with the necessary support for long-term planning and investment, as well as the security needed to undertake even complex development projects.

3.1.1 We are financially independent.

Our financing is largely based on liquid capital. We are so well capitalized that debt financing is seldom necessary. If we require debt financing, this is provided by internal Group funds. This excellent equity ratio underscores our security as an employer as well as our long-term financial independence as a family business. This guarantees independence from financial markets, giving us the financial scope to take advantage of investment and growth opportunities and to come through periods of crisis unscathed, making us a safe employer.

3.1.2 We support the local economy.

We are passionate about supporting and driving the local economy. E. Hawle's product assortment thus features a tremendously high level of vertical integration. Most of our added value therefore originates in Austria. Furthermore, 91 % of the necessary raw materials are sourced within Europe.

3.1.3 Sustainable research and development are important to us.

Through intensive research and development, we create system solutions and quality products for generations. Throughout the research and development process, environmental impact and environmental requirements are integral to our focus. E. Hawle is committed to making all processes and activities environmentally friendly and sustainable. In particular, during a product development

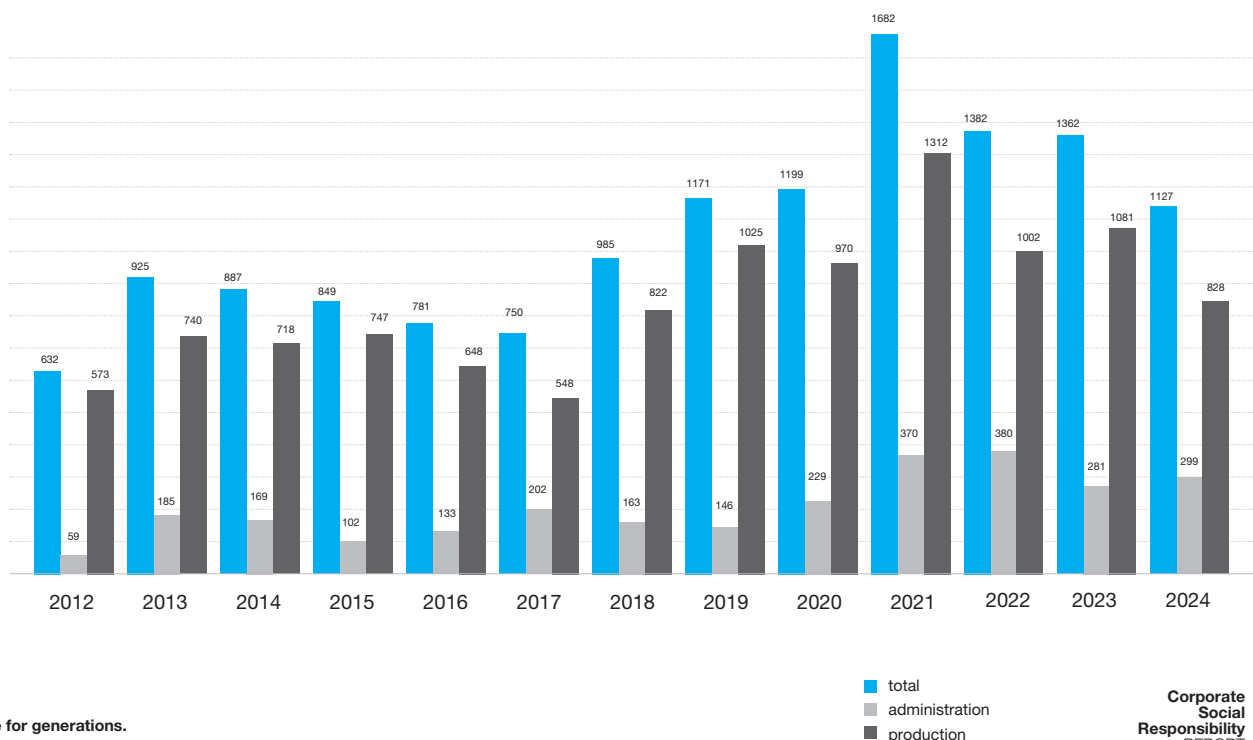
process, attention is paid to the quality of our products, resource conservation, health, and climate protection. This focus enables us, among other things, to manufacture durable products, and, as a result, conserve the earth's resources. The best example is our 60-year-old, fully functional Hawle 'Vulkan' valve. Manufactured in 1960, the Vulkan valve was dug up in the course of modernizing a water supply network at Traunsee lake in Austria. It did its duty reliably over decades and still works perfectly, despite its considerable age.

3.1.4 We invest in sustainable projects.

We regard climate protection as a challenge to be taken seriously and we accept our responsibility in this regard. Hence, we feel it is important to continuously implement climate protection measures in our operations. One example is the energy savings achieved by recuperation brakes on the storage and retrieval machines at the new logistics center in Frankenmarkt, where we can save up to 232,000 kWh/year of electricity. We are particularly delighted that two PV systems were put into operation at the Vöcklabruck and Frankenmarkt locations in 2023. With a total installed capacity of 398 kWp, we are now able to generate around 4.7% of our electricity requirements ourselves.

3.1.5 We aim to identify and exploit improvement potential.

The Hawle Improvement Process² (HVP²) is an integral part of our daily working lives, because we are convinced that “small things can make a big difference”. All employees are encouraged to identify and realize potential for improvement in their own working environment in order to create an environment that is improving all the time. The goal of HVP² is to increase customer benefit and make processes more efficient, so as to increase quality, improve environmental and energy performance, and drive down costs. We are proud to report that 1,127 proposals were successfully implemented through HVP² in 2024. The fact that we have identified and successfully realized so much improvement potential shows how committed we are to achieving continuous improvement.



3.2 Living sustainably

3.2.1 Our belief in environmental and energy management.

For many, the term sustainability is still a trend. At E. Hawle, we have been operating in a way characterized by sustainability – environmental, social, and economic – for many years,

because all processes and procedures have complied with the guidelines of the ISO 9001 quality management system since 1995. We act responsibly by improving environmental performance and reducing energy consumption. This approach is an essential part of our corporate policy. We have also used the ISO 14001 environmental management system since 2012 and the ISO 50001 energy management system since 2016. In order to improve customer satisfaction even further, we continually examine and evaluate the requirements set out in these standards, both internally and through external organizations.

The measures to achieve the objectives are summarized in the QSE program with actions and objectives. **We regard environmental protection as an important management task.** Responsibilities are clearly defined. Rapid and successful implementation of the environmental and energy targets can only succeed with the support of all employees. We therefore regularly inform them about our company's environmental and energy efficiency measures. As part of their work, Hawle trains employees in personal responsibility and environmentally-conscious and energy-efficient behavior in the workplace.

We also pass on our high environmental protection standards to our suppliers. The needs and requirements are defined and documented. Where necessary, we carry out risk analyses – for example in the form of a forward-looking risk assessment or an FMEA (Failure Mode and Effects Analysis). These analyses are used to find potential sources of defects in products or processes in advance, to determine their significance and to evaluate them, so that we can then define suitable measures to avoid them in the future where necessary. High costs of troubleshooting and follow-up can be avoided or significantly reduced in this way.

Hawle also carries out a systematic energy planning process. Energy planning includes a review of those activities of the organization that affect energy performance. It is in line with the energy policy and aims to continuously improve energy performance. This serves to minimize greenhouse gas emissions, other environmental impacts, and energy costs resulting from business activities.

Essentially:

“Our goal is to constantly improve the energy efficiency and effectiveness of our systems and processes in order to reduce our specific energy consumption and conserve resources in a sustainable manner.”

3.2.2 Metrics lead us to our goal.

The standards governing environmental and energy management require our organization to develop environmental and energy performance metrics for key resources, waste groups, and energy sources. As part of the continuous improvement of our management systems required by these standards, we review these metrics on a regular basis to ensure they are meaningful and complete. As a result, we are constantly adding new metrics to the existing ones.

We collect data all the time in order to develop the metrics. At the end of the year, an annual report containing the most important metrics and changes is prepared and submitted to the management board. Based on this report, targets are developed for the following year, or targets previously defined are corrected and adjusted.

The following example illustrates how we define and monitor environmental targets: The management board releases metrics for monitoring environmental performance. The management board sets targets for certain parameters, and their attainment is monitored monthly in the form of a metric and reported quarterly.



Other environmental indicators and targets (also monitored by Hawle on a monthly or annual basis):

- Reduction of hazardous waste relative to production output by **2 % p.a.**
- Reduction of energy consumption relative to production output **0.9 % p.a.**
- Reduction of electricity consumption relative to production output **3 % p.a.**
- Reduction of heat consumption relative to production output **3 % p.a.**

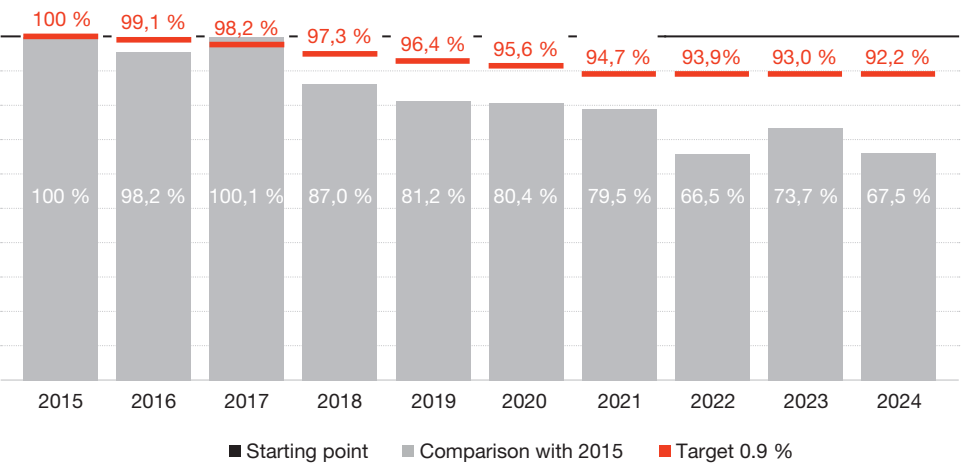
ENERGY METRICS

E. Hawle Armaturenwerke GmbH requires four energy sources:

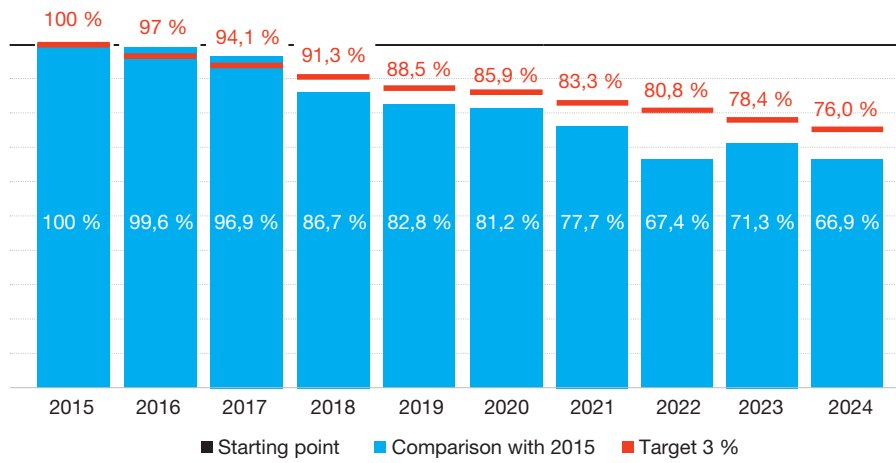
- Electricity
- Local and district heating
- Fuels
- Heating oil

To monitor consumption, a metric is defined for each energy source, representing energy consumption (kWh) relative to production output (€). The following charts show the change in this metric compared to the baseline.

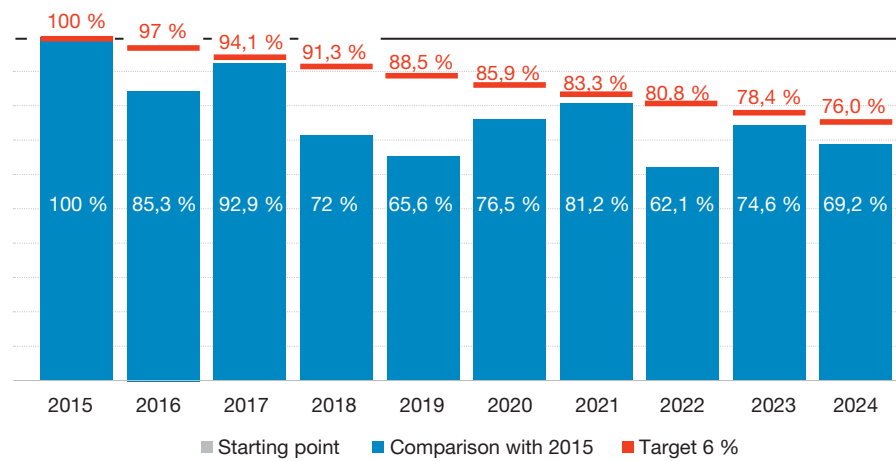
Total energy consumption
per sim. unit of production output*



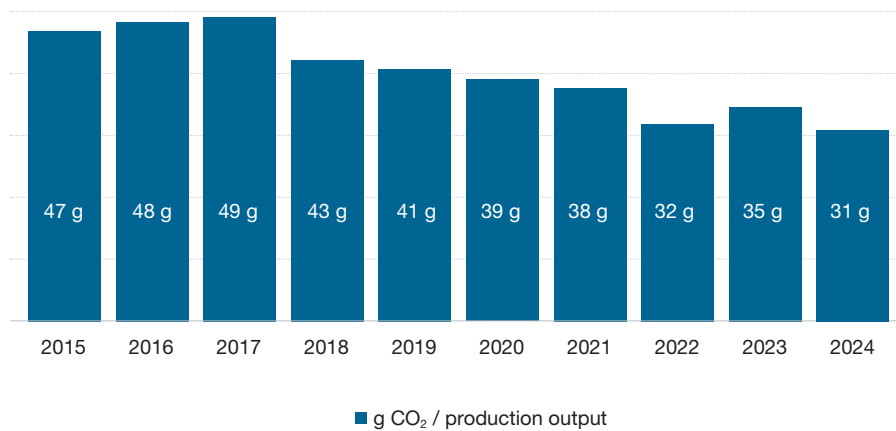
Electricity consumption per simulated unit of production output*



Local and district heating per simulated unit of production output*



Grams of CO₂ per euro** per simulated unit of production output*



* The values from the years 2015 to 2021 have changed slightly from those in the CSR Report 2021, as the energy accounting has been completely revised.

** The figures shown here are CO₂ emissions attributable to energy consumption. Other emissions that contribute to the greenhouse effect are not shown here or are negligible, e.g. refrigerants.

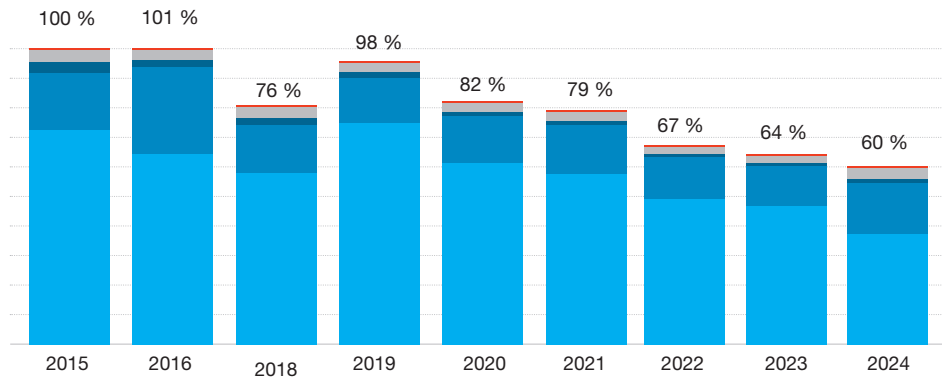
ENVIRONMENTAL METRICS

We also monitor environmentally relevant variables on a monthly and annual basis. Here, the ratio is calculated as the ratio of consumption (kg or m³) to production output (€). The charts show the percentage change compared to 2015.

- Relevant raw materials
- Waste and residual materials
- Water consumption

Relevant raw materials

quantities relative to production output and compared to 2015

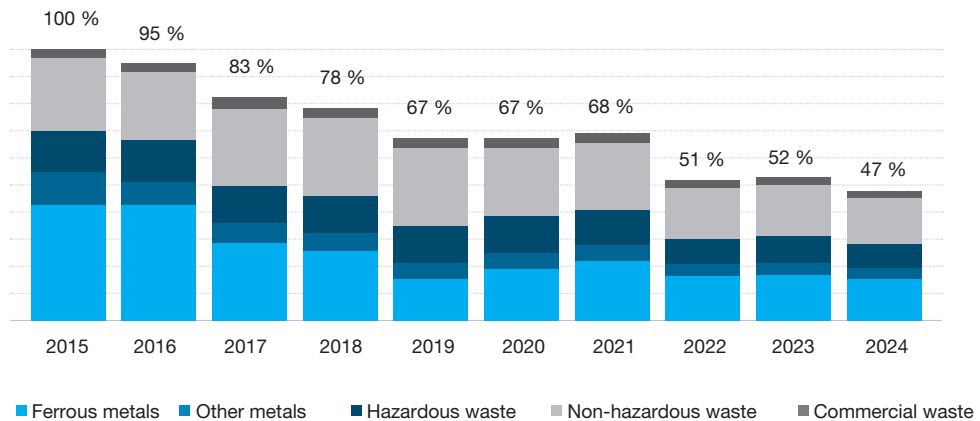


Complete data could not be collected in 2017 due to the system changeover to SAP. Because of a system changeover in SAP, data acquisition has been adapted in 2022, which results in minor changes of the key figures with a retroactive effect back to 2018.

■ Cast Iron ■ Raw material ■ Rubber ■ Plastic ■ Hazardous substances

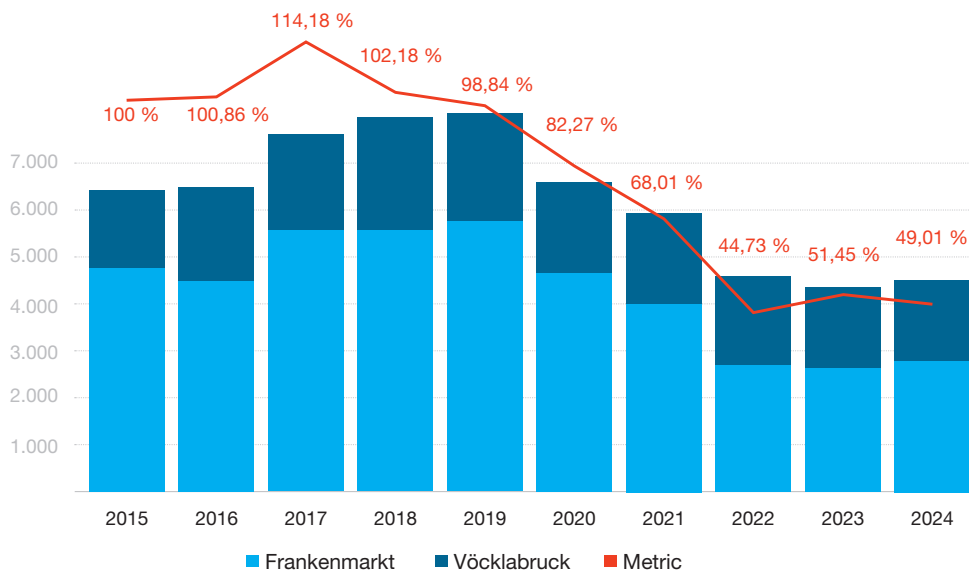
Waste and residual materials

quantities relative to production output and compared to 2015



■ Ferrous metals ■ Other metals ■ Hazardous waste ■ Non-hazardous waste ■ Commercial waste

Water consumption



3.2.3 Emergencies and hazards: we are prepared.

Emergency planning and hazard prevention is something we take very seriously at Hawle. **Conceivable emergencies are reasonably considered in order to prevent possible environmental impacts in case of an incident.** For these emergencies, we run through realistic scenarios on the basis of which we assess the risk and take appropriate precautionary or hazard prevention measures.

As a manufacturing company, our plants present various environmental hazards, such as fires, explosions, or the release of hazardous materials into the environment. But external influences can also create dangers for the environment. For example, the plants in Vöcklabruck and Frankenmarkt are equipped with emergency apparatus to deal with floods or heavy rainfall events.





ECOVADIS

Hawle was awarded the silver medal in the most recent EcoVadis Sustainability Rating in 2024. This means that we are among the top 15% of the companies assessed, a result which reflects the high standards we are committed to.

The EcoVadis rating, which has conferred this silver award on us, is one of the most recognized assessments of sustainability performance. EcoVadis assesses over 100,000 enterprises worldwide according to rigorous criteria, including guidelines, policies and key figures in the areas of the environment, labor and human rights, ethics and sustainable procurement.

Our achievement of 66/100 points is not only affirmation of our efforts to date, but also shows us in which areas we still have room for improvement. It is particularly worth emphasizing that it took a considerable amount of time to compile the extensive documentation required for the rating - almost 500 responses had to be supported by documentary evidence.

As the formal criteria are very stringent, as a result of which a number of supporting documents were regrettably rejected, we can be unofficially proud of an even better performance in the next rating, which we firmly aim to achieve and, above all, substantiate. Notwithstanding, we can look back on a very pleasing result with our silver medal.

3.2.4 Putting ideas into action.

Our management systems are systems that we have established in order to identify and carry out necessary measures. To demonstrate this credibly, some of the measures we have implemented in recent years are listed below:

- Optimization of procedures and processes
- Investments in machinery and plant
- Improvement of the building infrastructure

IMPLEMENTED ENVIRONMENTAL PROJECTS

- Improvement of test water circulation by installing UV lamps and filter systems
- Uniform environmental standards for packaging specifications for suppliers
- Recycling of blasting abrasive residues
- Acquisition of a new supplier recognised for sustainable recycling in the area of packaging materials
- Hawle Intercompany Packaging Manual: standardised systems, reusable industrial boxes
- Implementation of new, resource-efficient overseas packaging
- Implementation of new, thinner films for products (resource and energy savings)
- Environmental protection: An infiltration trench with a downstream collection tank was installed to minimise the risk of pollutants entering the public sewerage system
- Acquisition and retrofitting of emergency kits
- Cadastral revision of possible noise sources at the production sites to protect neighbouring residents
- Use of PE regrind for the production of gate valve edge protection and cover plates

IMPLEMENTED SUSTAINABILITY PROJECTS

- Environmental Product Declarations (EPDs) for gate valves and Combiflex; more are at the planning stage
- CO2 compensation projects to offset our Scope 1 and Scope 2 greenhouse gas emissions
- Awarded the Ecovadis Silver Medal

IMPLEMENTED ENERGY PRODUCT

- Replacement of old lighting fixtures with efficient LED lighting
- Heat recovery for ventilation systems
- Electricity recovery through regenerative brake systems for storage and retrieval machines
- 100 % green energy from hydroelectric power
- PV system with an installed capacity of 398 kWp

An Environmental Product Declaration (EPD) provides transparent information

An EPD presents the results of a life cycle assessment (LCA) calculation. The required emission factors, such as CO₂ footprint, are calculated at every stage from raw material extraction through to final utilisation of the product. This enables us to identify potential for improvement ourselves and also support our customers by providing ample environmental information.

CO₂ compensation Scope 1+2

Even if we are not yet able to achieve carbon-neutral production, we still embrace our responsibility. Our CO₂ footprint according to Scope 1+2 (Greenhouse Gas Protocol) is calculated annually and subsequently offset via international projects such as the Gold Standard. In recent years, we have been able to support potable water purification, green electricity plants and other amazing projects, particularly in less developed countries.

Converting to LED lighting saves 600,000 kWh/year.

This electricity saving in our production facilities at the Austrian sites in Vöcklabruck and Frankenmarkt could power approximately 136 Austrian households (one household with 2.2 persons). We achieved this saving by switching to LED lighting. Hawle makes electricity savings of between 30 and 70 %, depending on the type of light fitting used.

Buy in Europe and cut transport distances.

Traffic on our roads is responsible for a substantial share of global CO₂ emissions. We produce castings for our products at our own foundry in Austria. Moreover, 91% of our purchasing volume (raw materials used in production) comes from within Europe. This results in very short transport distances to the other production sites. No flights or overseas journeys. To illustrate: a 23-ton shipment of castings via ship and truck, from Shanghai to Frankenmarkt, would cause 2.65 tons of CO₂ emissions. In contrast, a delivery by truck from our subsidiary EGM to the production site in Frankenmarkt causes 0.28 tons of CO₂ emissions – only about a tenth as much! In this way, we reduce our carbon footprint.

How our new storage and retrieval machines save electricity.

In the new logistics center at the Frankenmarkt site, we are using new storage and retrieval machines with a power recovery system. These automated storage and retrieval machines have two motors – one for vertical and one for horizontal movements. Both motors are supplied with electricity from so-called “power caps” (capacitors – similar to a battery). When the storage and retrieval machine is braked, the kinetic energy is converted into electricity via recuperation brakes and fed back into the power caps. This new technology on the one hand smooths power peaks and on the other hand saves around 232,000 kWh per year through power recovery. This equates to the annual electricity consumption of almost 52 households!

Water – our precious element.

On all test stands for valves and hydrants, the water is collected and reused for the next test. Water is a precious resource and the focus of our activities, because man cannot live without water. Through our products, we make an important contribution to ensuring a reliable water supply.

Generating sustainable energy through photovoltaics

In 2024, Hawle was able to generate 376,590 kWh of electrical energy with the company's own photovoltaic systems, thereby saving around € 39,000 in energy costs per year. With a payback period of just 5.7 years - based on the electricity and grid prices forecast for 2025 - the investment is sustainable from both an environmental and an economic perspective. Another step towards an energy-efficient future!



3.3 Putting people **at the center**

We offer our employees the opportunity to develop their own ideas and expand their horizons. Together with a passionate team, we develop and produce products for a reliable water supply. As a pioneer in the field of valves and fittings for water distribution, we combine traditional values and the career opportunities offered by an international company.

The corporate culture at Hawle is characterized by long-term partnerships. Hawle views the partners with which it cooperates as equals. Our corporate culture is built on respect, honesty and a willingness to listen. We find the best solutions by working as a team.

3.3.1 **Hawle employees: Made for Generations.**

Hawle has been family-owned since its establishment and is a company that is 'Made for Generations'. Many of our employees spend years or even decades of their working life at Hawle. Around 20 % of our colleagues have been with the company for more than 20 years, 38 % for more than 10 years. It is not unusual for several generations of a family to work for us.

We are especially proud of these long-term partnerships, since they are an important pillar of our company's success. What counts for us is the interplay of practical know-how and new, innovative ideas. We provide a suitable working environment in which many generations can work together effectively.

We are proud to employ people who have been with us for many years. We are especially proud of those employees who carry on a family tradition, because their grandparents, aunts, mothers, or fathers worked for us previously.



Julia Traußnig, Human Resources Management

	E. Hawle total*	Over 50s	Staff turnover
Employees	392	103	8.15 %
Percentage	100	26.28	

* with leasing employees

Putting people at the center – that is what partnership means to us. We maintain these relationships and partnerships beyond retirement: all generations of the Hawle family are invited to every celebration – our apprentices, team members on leave of absence, retired staff, and, of course, agency staff. At our anniversary celebration, we express thanks above all to our long-standing employees for their commitment and trust.

3.3.2 All-round safety in the workplace.

We are especially determined to protect our employees from hazards specific to our business, so as to keep them in the best possible health and ensure the highest possible level of safety. We implement all statutory occupational health and safety requirements aimed at effectively preventing accidents and health hazards.

Managers and employees are equally involved in the continuous improvement of safety in the workplace and health protection. Our company uses specially trained personnel to raise employee awareness about hazards in the workplace.

Our safety officers and safety specialists offer advice to staff at the respective sites and are actively involved in implementing the necessary activities. They are the first point of contact for all colleagues on safety-related issues in their daily work. Regular information, inspections, and training reinforce and promote responsible health and safety-conscious behavior among all employees. Specially

trained first aiders are on hand at every Hawle site to provide first aid on the spot in case of emergency.

Regular workplace evaluations carried out in consultation with the Occupational Health Service identify health and safety risks in the workplace. **For this purpose, we have experts from the fields of occupational medicine, occupational psychology, and workplace ergonomics at our disposal.** Within this framework, potential risk factors are identified and steps taken to eliminate them. An avoidability and substitution test is performed before hazardous substances are used. Hawle only uses substances that pose the lowest potential risk to people and the environment.

WE TAKE CARE:

We encourage all colleagues to report near misses and particular incidents, whether or not they had actual consequences such as injuries or damage to property. This enables us to detect safety issues and prevent damaging events in the future. We also organize regular safety training for all personnel. The transfer of knowledge from managers to their respective colleagues is supported by an app that enables learning independently of time and place.

We constantly monitor safety metrics and work continuously to improve occupational and process safety throughout the company.

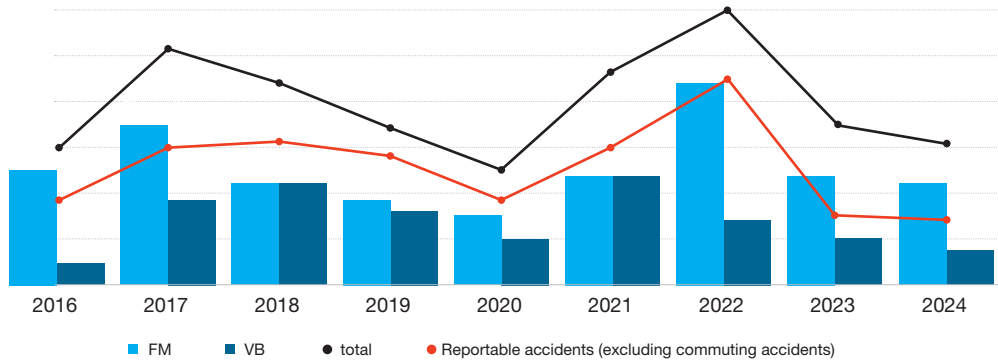
WHEN SOMETHING DOES HAPPEN:

At the Frankenmarkt site, we recorded 11 occupational accidents in 2024. Of these, 6 were reportable (downtime more than 3 days).

At the Vöcklabruck site, we recorded 3 occupational accidents in 2024. Of these, 1 was reportable (downtime more than 3 days).

All accidents

(excl. commuting accidents; incl. non-reportable)



Through our internal Hawle Improvement Process (HVP²), we encourage colleagues to make suggestions on how we can improve our processes with regard to quality, the environment, energy, and safety. We take these suggestions on board and implement them wherever possible.

The Austrian sites in Vöcklabruck and Frankenmarkt receive a large number of safety suggestions each year.

2018	212 suggestions
2019	272 suggestions
2020	289 suggestions
2021	327 suggestions
2022	285 suggestions
2023	245 suggestions
2024	183 suggestions





3.3.3 Hawle apprentices: securing our future.

Apprentices are a vital element of any company's strategy to ensure its future success. Well-trained specialists ensure the innovative strength, competitiveness, and growth of a company. We have been training commercial apprentices at our Austrian sites since 1979 and industrial apprentices since 1991.

The year 2004 saw the opening of our own training workshop at the Frankenmarkt site. This workshop is equipped with state-of-the-art machinery, which ensures that our training programmes always comply with the latest standards. Young people who decide to do an apprenticeship with us are given the opportunity to contribute their strengths, talent and ideas in an international environment. We attach great importance to the training and further education of our apprentices and offer numerous further and advanced training courses.

In 2017 we received the **accolade of "State Approved Training Company"**. In 2022, we were honored with INEO certification as an "exemplary teaching company" for a further three years were also named the winner of the special award "Girls in technical apprenticeships". The INEO Award stands for the values of Innovation, Sustainability, Engagement, and Orientation. These awards are clear evidence of the quality of our teaching activities.

3.3.4 We go the extra mile.

Every employee makes a significant contribution to the success of our company. As well as an above-average salary, we therefore have various bonus schemes in place, such as performance bonuses, referral bonuses (for employees who recruit other employees), and bonuses for suggestions on how we can improve. In 2021, the workforce received a "Covid bonus" by way of thanks and appreciation for their performance under the challenging conditions of the Covid pandemic.

We also offer our team extensive social benefits, such as an allowance for travel expenses, and support measures as part of the company's program to promote health in the workplace. The compensation policies practiced at Hawle are designed to ensure attractive, market-appropriate compensation for all employees and to strengthen our competitive position.

3.3.5 **A workplace with prospects.**

ONBOARDING: WE ARE THERE FOR EACH OTHER FROM DAY ONE.

We support our employees by offering a comprehensive and well-structured onboarding process, not only when they join the company, but also if they change their position within it or take on a management role. The onboarding process is designed to provide our colleagues with an optimum introduction to our company and help them integrate smoothly and with success. During the pre-boarding process, we are in constant contact with future employees before they start work and inform them about any company-relevant issues. If colleagues move to a new position internally or there are changes to their current role, they receive relevant information on the new challenge facing them and refresh their knowledge of processes and procedures so that they can master it successfully.

“We aim to make new employees feel part of the Hawle family from day one. A structured onboarding programme makes it easier to settle in and imparts not only technical knowledge, but also a deep understanding of our quality, environmental and energy standards. In this way, we create a strong basis for collective growth and sustainable success.”



Claudia Lämmerhofer, Manager - Group Human Resources

EMPLOYEE DEVELOPMENT AND QUALIFICATION.

Our motivated and committed employees can take advantage of an extremely wide range of development opportunities - whether in terms of technical expertise or their career paths. We welcome ideas and input to help us develop our products and processes continuously and innovatively; opportunities within the Hawle Austria Group can also be explored internationally. Our managers benefit from our in-house leadership programme which we use to provide training in leadership tools and techniques, while at the same time preparing our junior managers for their executive responsibilities.

The Hawle Academy offers a diverse range of courses, seminars and training programmes to enhance and promote the skills and perspectives of our employees. Placing the focus on strategy, goals and requirements is equally as important to us as sharing ideas and information, and receiving feedback from participants. Managers and employees discuss teamwork, social and professional skills, and



qualifications as part of employee appraisals. This serves as the basis for comparing specific needs or requirements (target) with the existing conditions (actual). The areas of responsibility and skills required are summarised in the job description and updated periodically.

LIFELONG LEARNING WITH THE HAWLE ACADEMY.

The further education and professional development of our employees is of paramount importance at Hawle. Our in-house training institute, the Hawle Academy, allows us to offer Hawle-specific training courses and combine practical expertise with the requirements of our markets. Every single one of our employees and partners contributes to Hawle's success and image on a daily basis. They represent Hawle both within and outside the company.

The internal and external training programmes offered at the Hawle Academy focus on the following areas:

- Specialised further education and professional development
- Leadership skills
- Personality & methodological expertise
- IT & software
- Language skills
- Hawle knowledge (including, in particular, the transfer of practical Hawle product knowledge)
- Onboarding

In 2024, employees of E. Hawle Armaturenwerke GmbH attended a total of 548 training courses, with an average duration of 7.99 hours per course.

	Number of training hours
Total	4.380,32 hours p.a.
Per employee (FTE)	13,41 hours p.a.

As part of our visitor group management, we qualify, inspire and inform our visitors and partners. Tours of the plant and pipe-laying training courses are offered here, while knowledge is shared on product expertise and developments specific to Hawle.

3.3.6 **Helping our employees achieve a good work-life balance.**

Hawle offers a range of models for optimally reconciling the demands of career and family life. Around ten percent of colleagues at E. Hawle work on part-time models. For optimal working time organization, we rely on flexible working hours – such as flextime without core hours, part-time models and much more besides.

Our modern working time models allow for the needs of childcare and the like.

Our aim is to allow employees to organize their working hours as individually as possible, while at the same time making optimum allowance for operational requirements. Flextime options for shop-floor workers and white-collar staff are set out in a company agreement. This offers employees a high degree of self-reliance and autonomy.

	Full-time employees*	Part-time employees*	Share of women*
Absolute figure	307	34	63
Percentage	90 %	10 %	18 %

* without leasing employees

3.3.7 What do our employees say?

Our employees are our most valuable resource. **We therefore attach great importance to employee satisfaction and offer the best possible conditions for them to work productively and in a congenial atmosphere.**

Employee participation plays a key role at our company. We therefore conduct employee surveys at regular intervals. This helps us to measure the satisfaction of our workforce and identify specific potential for improvement in our company. Our aim is to provide our colleagues with the best possible conditions for their daily work. We regard the employee survey as a tool for the workforce to contribute their views, help shape the company, and develop it further together.

A response rate of 84 % and overall satisfaction of 83 % in our last employee survey at the Austrian sites are **clear evidence of our colleagues' satisfaction.** Employees emphasize, in very positive terms, the way they are appreciated by managers and within teams. 84 % of all colleagues also confirmed that they see their long-term future at Hawle.

Dialog with employees is also strengthened through **annual employee appraisals** with the respective line manager. The employee appraisal serves as a tool for management by objectives and as an important basis for our employees' personal development. The individual framework of the interview allows feedback from



3.3.8 Hawle Vital – promoting health in the workplace.

Staying healthy together both inside and outside work: the aim of promoting health in the workplace is to help employees stay healthy through a range of offers.

“Hawle Vital” makes a significant contribution to our employees' well-being. **The program offers a wide range of health promotion activities designed to help**

individuals to improve the way they look after their own health and encourage them to stay fit.

“Hawle Vital” includes all kinds of programs to boost mind, body and community spirit. As a company, it is important to us to offer our employees a safe and healthy workplace. A focal point of Hawle Vital is our **occupational healthcare concept**. Three external preventive healthcare specialists from the fields of occupational medicine, occupational psychology, and ergonomics, together with our internal safety specialist, support our company in all aspects of occupational safety.



3.4 **Responsibility and integrity: at our partners too.**

Quality leadership is only possible with strong partnerships. **That is why we at Hawle maintain close, long-term relationships with suppliers in order to jointly provide our customers with innovative products of the highest quality and on schedule.** An interdisciplinary team carefully selects suppliers and strategic partners as part of the qualification process. In a multi-stage onboarding process, Hawle suppliers undergo a qualification audit. Here we ensure – as a first

step – that potential candidates meet our high standards. The criteria of quality, environment, risk assessment, and social responsibility apply.

Suppliers apply to us via a supplier relationship management portal and are required to complete a supplier self-disclosure for those products they wish to supply to Hawle. Strategic Purchasing checks the information and, as a next step, invites the supplier to complete a questionnaire specific to the product category. In parallel with this process, an initial risk review of the supplier is performed using our risk management tool. **The makes the value chain transparent and identifies risks related to the supplier.** We use the Integrity Next platform, which is embedded in our risk management system, to ensure environmental sustainability and social responsibility compliance. We monitor supply chains through self-disclosure and social media monitoring.

Once the potential Hawle supplier has successfully completed these steps, an interdisciplinary team visits the supplier and verifies the submitted information on site as part of a formal qualification audit. Suppliers who ultimately qualify as Hawle suppliers are periodically evaluated in the categories of quality, environment, delivery reliability, and service.

Hawle is committed to acting responsibly and with integrity and to conveying a strong sense of social, ethical, environmental, economic and social responsibility that goes beyond legal requirements, and demands the same of its suppliers.

In our collaborations with our partners, we observe the relevant compliance guidelines. Our supplier relationships are characterized by fairness, transparency and free competition. Through our supplier relationship management portal, we ensure that suppliers submit comparable offers on fair terms and that contracts are awarded transparently on the basis of the criteria used by Hawle. Unethical business practices, such as accepting gifts that are tied to obligations or expectations, are alien to the company and will not be tolerated.

As a family-run company, we feel a sense of social responsibility and refuse to accept poor working conditions in the production of our products. We are committed to the protection of human rights, feel obliged to stand up for equality and reject any form of discrimination. As a basic requirement, we also expect this attitude from our suppliers in their business practices.

Environmental protection is another cornerstone of our corporate philosophy. Hawle suppliers therefore manufacture products sustainably and without wasting resources. **The aim of our procurement strategy is to support regional and Europe-wide sourcing in such a way as to strike a balance between cost effectiveness, short transport distances, and optimum delivery capacity for customers.** As a result, Hawle succeeded in procuring 91 per cent of its goods within Europe in 2024.

We remain as committed as ever to the European procurement market, as the about-turn in the thinking of many companies shows that Hawle has been right to focus on **stable supply chains and rapid response capability.**

We visit existing suppliers in person to conduct regular audits in order to satisfy ourselves that they comply with our ethical and social requirements and high quality standards. If a supplier breaches any aspect of sustainability, we initiate

necessary measures and check that they are implemented. If non-compliance is detected, cooperation with a supplier may be terminated. To date, we have not come across any such case during the audits performed.

Hawle stands for proactive cooperation with its suppliers. Through mutual dialog, we ensure that the principles of fair, high-quality production of certified products are upheld. We foster relationships with our customers and suppliers and continue to develop them in line with our high quality standards.

“Our customers have always taken center stage at Hawle.

We have consistently worked closely with them to develop customized solutions that meet the highest quality standards. Thanks to our dedicated team and our broad-ranging product portfolio, we can find the right solution for any challenge that presents itself - reliably, sustainably and innovatively.”



Jarosław Pomykalski, CSO

Be the change you want to see in the world.



Mahatma Gandhi

Hawle Austria Group in figures

(2024)

13,000

PRODUCTS

1

FAMILY

317 million

EUROS REVENUE

16

SUBSIDIARIES

15 million

INVESTMENTS

1,700

EMPLOYEES

0 %

LOAN CAPITAL

100 %

QUALITY CONTROL








CORPORATE DETAILS

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