

▶▶ SUSTAINABILITY REPORT 2024

Including EMAS environmental statement for the reporting year 2023



Baden-Württemberg
Environmental Award
2020

Winner in the category
Industrial companies
with fewer than 250 employees



▶▶ We are climate-neutral – you can become so too!

Foreword

Dear readers,

There were major challenges for us to overcome in our anniversary year 2023 (60 years of BRUGGER). Despite general and broad-based price adjustments, we were unable to achieve our corporate target of € 18 million in sales. The general economic situation also affected us from July 2023 with a sharp decline in incoming orders.

The issue of sustainability in harmony with economy, ecology and social interaction remains an important and very central topic at Brugger. In 2023, however, we can successfully report that we have been implementing the new ERP system since the beginning of November. This is certainly a milestone in the company's history.

Let this sustainability report inspire you!

We are convinced that the more people and companies work towards a world fit for grandchildren - no matter how small the proportion - the better. That's why you'll find our concrete implementation in our sustainability report.

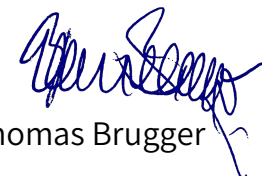
Economical. Sustainable. Fair.

This is how we create individual magnet and fastening solutions.



The Board of Directors at Brugger: Sascha Bausch, Georg Brugger-Efinger und Thomas Brugger (from left to right)

Enjoy reading it.



Thomas Brugger

Hardt, dated 28.02.24

►► Our motivation for sustainability

Our Earth



This beautiful Earth is our home.
It is unique – and we really cannot go anywhere else.
It is fundamental to our life, and its resources are finite.

Our Future

The grandchildren of company founder Rudolf Brugger are our direct and greatest source of drive. We wish to keep the world a place worth living in for our children and grandchildren. We believe, the running of a business as though there were no tomorrow would be short-sighted. We therefore base our actions on creating a world *fit for grandchildren*.

Our motivation is to make our contribution, and to take as many people as possible with us along this way.



►► CSR – Our understanding of sustainability

What is CSR?

CSR stands for *Corporate Social Responsibility* and describes the responsible attitude our company has towards society.

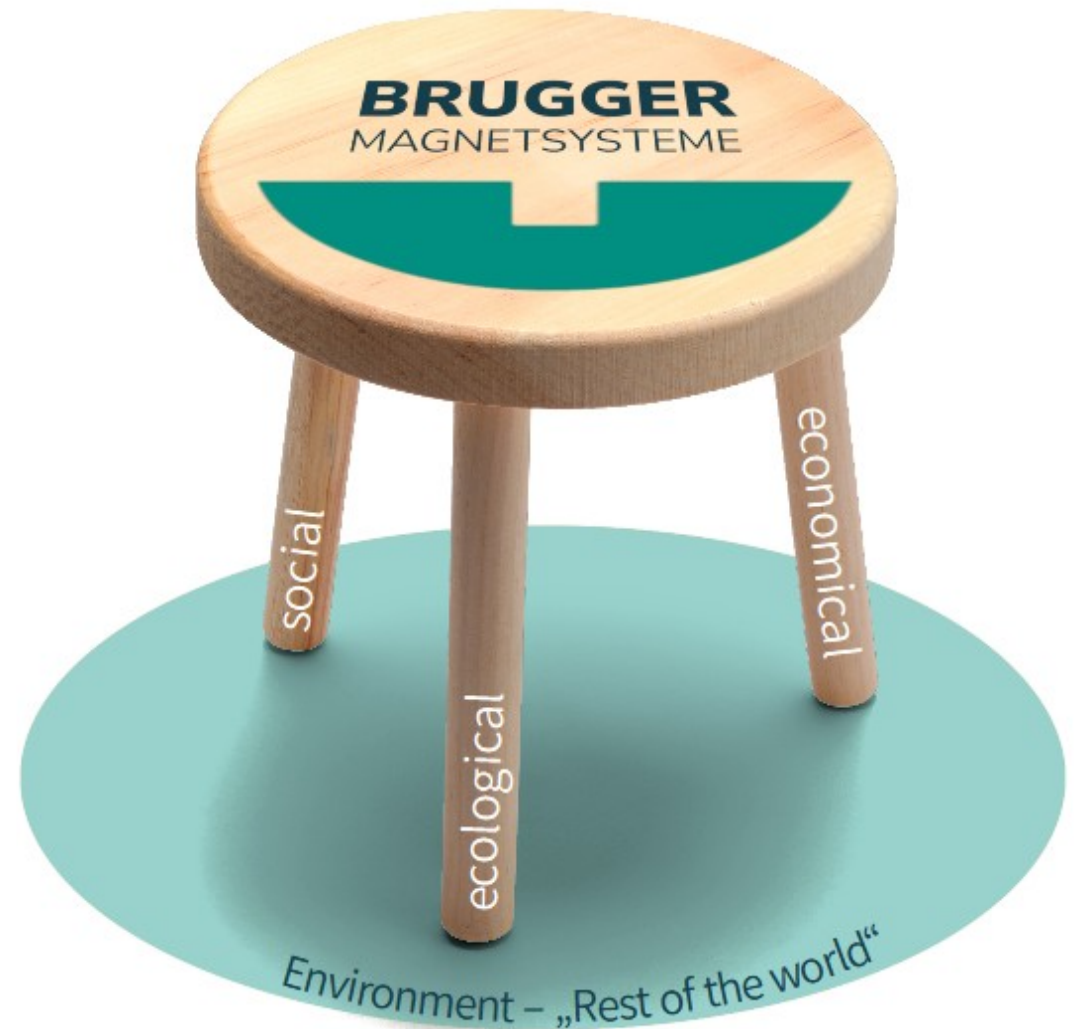
What does CSR show?

CSR makes it clear that sustainability always includes three components: *economical, ecological and social*. The long-term success of business and of society in general can only be achieved if these three components are in balance.

Acting economically has an immediate impact, while social factors do not have such an immediate impact, and ecological topics often need decades to deliver their effects.

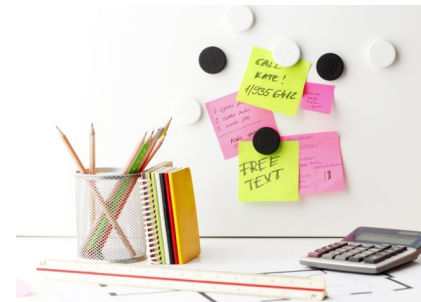
It is therefore tempting to focus on the economy and to neglect the other aspects.

However, in respect of our children, we quickly became aware once again of this: the only way to obtain a world fit for grandchildren is to establish that balance.



▶▶ Brugger Magnetsysteme – A world of possibilities

Products and applications



At our location in Hardt more than 120 employees produce bar magnets, flat pot magnets, organisation, decoration and rubber coated magnet systems. As well as magnetic wheels and filter bars. Our magnets get used in every sector: mechanical engineering, lighting technology, office technology, metal-processing industry, automotive manufacture or retail.



▶▶ Our guidelines

Mission statement

Our mission statement expresses the vision and values of our company.



You can find detailed information at:

<https://www.brugger-magnet.de/en/company/philosophy>

Corporate policy

Management – Values – Community – Health

The Board of Directors and management staff run the company in accordance with a defined set of values. The health and personal development of our employees, and a sense of social responsibility are matters of importance to us.

Precision – Market – Processes

We wish to manufacture competitively priced products to a consistently high standard of quality using precise machinery, tools and test equipment in conjunction with a high level of employee expertise. This strengthens our market situation. We control and govern our procedures in defined, measurable processes that are therefore capable of improvement.

Partners – Customers – Employees and other stakeholders

As defined in the Sustainability Report, we view our stakeholders as partners on an equal footing.

We respect and value our customers, employees, suppliers and all other stakeholders.

We are committed to satisfying the requirements of our customers and we focus on selling them genuine solutions.

Innovation – CIP - principle of cost-effectiveness - Investments

Our ambition to innovate is driven in large part by customers to whom we provide solutions based on joint development efforts. Continuous improvement plays a decisive role in all of our processes.

We pay attention to cost-effectiveness and try to achieve 80% of a success from 20% of an effort (Pareto principle). We are also investing continuously in new (environmental) technology and IT.

Sustainability – Environment - Energy

We act sustainably and are committed to protecting the environment, and we involve our business partners and employees in that endeavour. We are committed to compliance with all legal provisions that apply to us. On a regular basis, with our Environmental Declaration, we inform our employees and our contractual partners as well as the general public about our environmental activities. We prevent environmental pollution, we always look for ways to reduce energy consumption and we focus on renewable resources. We also scrutinise new purchases to achieve the economical use of energy and materials. We continuously improve our environmental performance.

Threats – Opportunities – Knowledge - Error culture

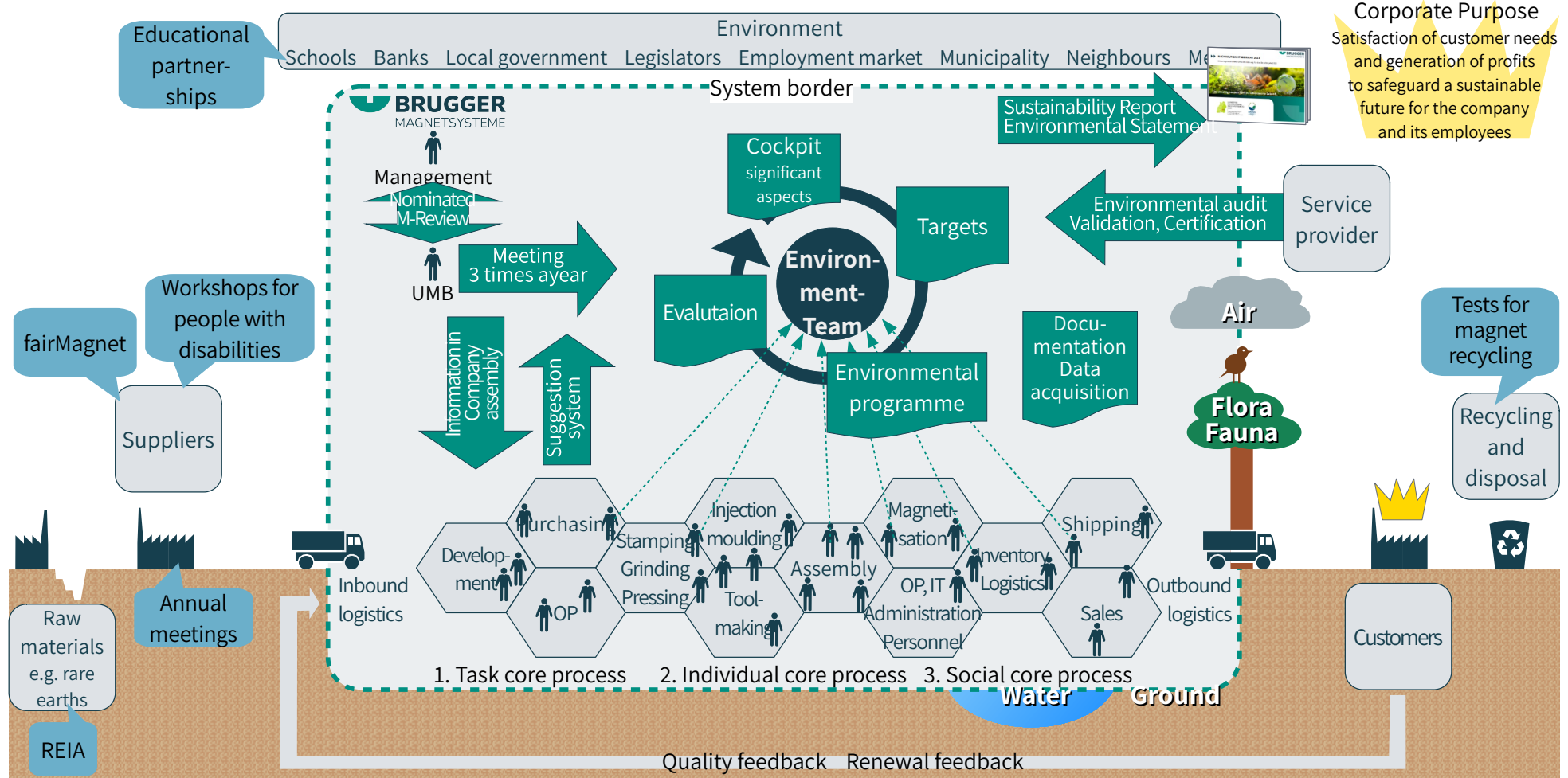
We view and assess the threats that affect us in broad-based threat assessments and in case-specific risk evaluations. We try to identify opportunities and to weigh up any attendant potential threats.

We recognise knowledge as a valuable resource and 'store' it in different forms and media.

We wish with an effective and efficient error culture to contribute towards the sustainable improvement of our products.

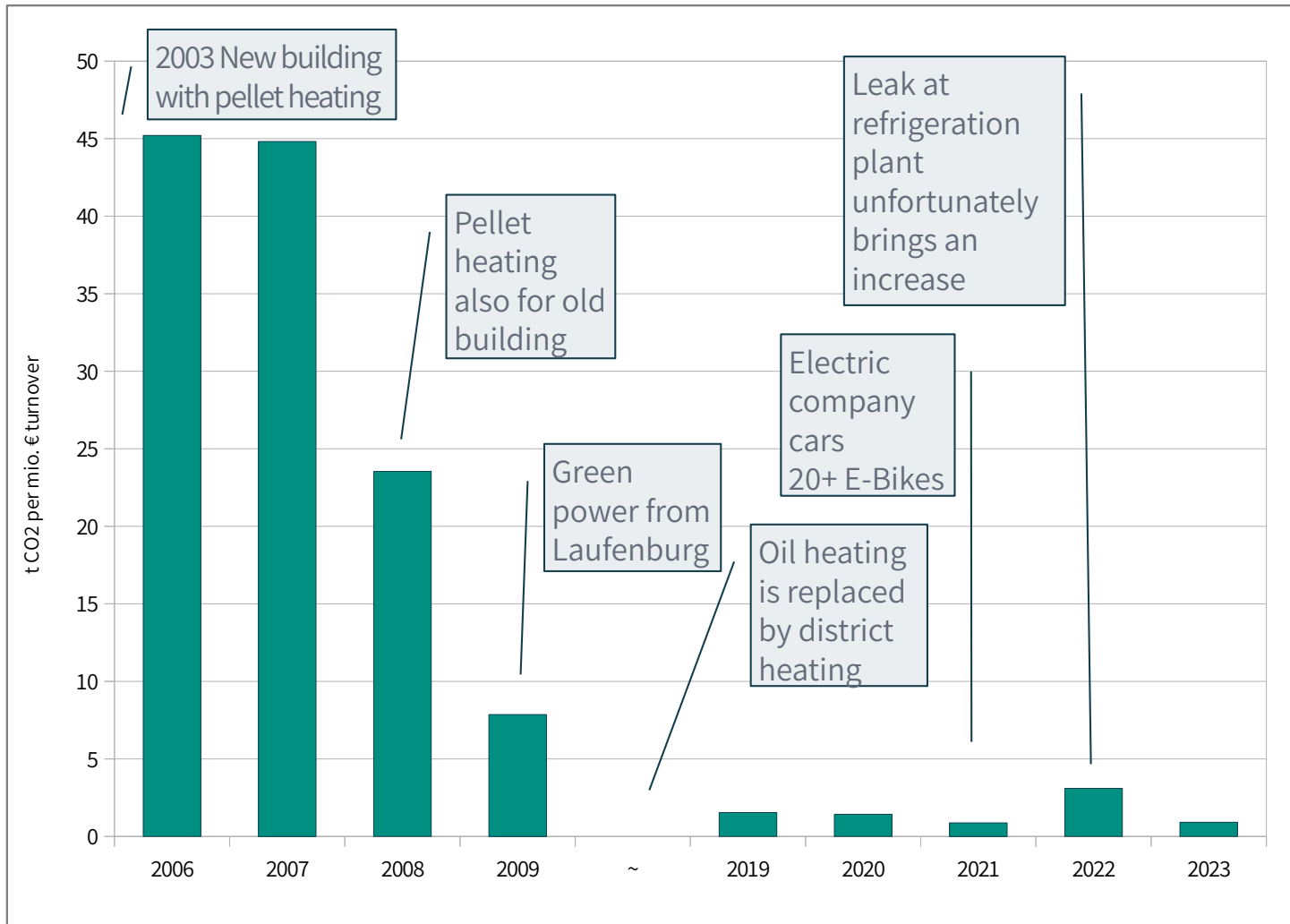
Brugger and environment

Environmental management system und CSR activities



The *grey* elements describe Brugger the company, and its stakeholders, who include suppliers, customers and the wider social context.
 The *green* elements show the structure of our environmental management system with its functional method and its most important elements.
 The *blue* speech bubbles provide an overview of activities that extend beyond the environmental management system.

►► What we do – Milestones and their influence on our CO2 emissions



Since 2007, we are EMAS-certified. The diagram on the left shows our current position and demonstrates clearly the path we have been following up until now. We are proud that we have successfully reduced our CO2 emissions through a few of the measures we have taken.

Today our emissions are only 3% of the amount that a 'Fossil' would produce.

*(Electricity of federal mix, heating oil, diesel cars)

We managed to compensate the remaining emissions in 2019 for the first time.

►► Our milestones – be inspired to create a world fit for our grandchildren!



Energy recovery through heat exchangers (1995)

New building with pellet heating (2003)

Photovoltaic plant on the roof (2003)



Toilet flushing via rainwater tank (2004)



EMAS in convoy and validation (2007)

Regranulation machine for recycling plastic sprue (2007)

Green power from Laufenburg (2009)

Package belt made of paper, CO2-neutral parcel shipment (2010)



All internal products such as coffee, milk, sugar and detergents (without microplastics) are purchased from bio shops (2011)

Acoustic measures implemented to reduce noise levels in the pressing, punching and injection departments (2012)



Height-adjustable desks in all office workplaces to allow alternate standing or sitting work positions (2013)

Start of the weekly round of health talks (2013)



Purchase of the first 8 E-bikes for employees (2013)

►► Our milestones – be inspired to create a world fit for our grandchildren!



Water dispensers in Administration and Production (2014)

Oil heating is replaced by district heating from a large joinery (2014)

Launch of the CSR project in China. This gives rise to FairMagnet. (2014)

Prize received for "100 businesses for resource efficiency, examples of excellence in Baden-Württemberg" (2016)



Height-adjustable benches throughout Production (2015)

Silver Seal for Attractive Employer awarded by the Chamber of Industry & Commerce, the ICC (2016)



Annual Health Days with training, good food and pleasant company (since 2012)



Conversion of the vehicle fleet to electric cars or hybrids (since 2017)



Lighting changed over to LED (2017)

Management development (2017)

►► Our milestones – be inspired to create a world fit for our grandchildren!



All employees can acquire a bicycle through BusinessBike (2018)



Founding member of REIA (Rare Earth Industry Association) (2019)

Gold Seal for Attractive Employer awarded by the Chamber of Industry & Commerce, the ICC (2020)

Company-wide introduction of the "Feedback" method (2019)

CO2 neutrality of Brugger (2019)

Winner of the Baden-Württemberg Environmental Award (Industrial companies with fewer than 250 employees) (2020) [Link](#)

Award "Place full of Energy" from the Ministry of the Environment (2020)

Presentation of our way to a climate-neutral company as part of an event of the wvib with 35+ members (2020)

CSR prize More than a Market - Award in China (2021) [Link](#)

Silver Seal for Attractive Employer awarded by the BVMW (2022)

BRUGGER purchases only lead-free materials (2022)



Brugger celebrates the company's 60th anniversary (2023)

Award for the company's 60th anniversary, Chamber of Industry & Commerce, the ICC (2023)



▶▶ Highlights

Code of Conduct Care in the supply chain is important to us



For many years, we have paid attention to good dealings with our suppliers in the various supply chains. We buy locally wherever possible and if not - as in the case of magnets with China, for example - we pay attention to good working conditions and are helping to increase the quality of life of local people and along that also improve the quality of our products. With our Code of Conduct we now obligate our suppliers as well as ourselves to behave accordingly.

<https://www.brugger-magnet.de/en/company/code-of-conduct>

we are lead-free End of 2022 conversion to lead-free alloys

Lead in free-cutting steel, brass and aluminum alloys has long been a thorn in our side. The exemptions for RoHS are coming to an end, and we also dislike the obligation to provide information about lead for REACH. We have therefore decided to switch to "lead-free". From the end of 2022, we will therefore only order alloys that do not contain lead. Of course there are still stocks. But they are gradually being phased out.

We are an attractive employer Resting is out of the question



We have now had the "Attractive Employer" seal in silver since 2016. In the 2022 re-audit, we successfully achieved silver once again.

"You are one of the best companies in Germany," said auditor Hugo Frey when he presented the seal in December 2022.

We are proud that our mission statement is an actual reflection of our behavior.



<https://www.brugger-magnet.de/en/news/ihk-attractive-employer-seal-awarded-in-silver-125>

Input-output analysis

Input						
Item	Unit	2019	2020	2021	2022	2023

Water						
municipal water	m ³	223	288	288	219	357

Energy						
Energy (providers + our solar power)	kWh	549.408	465.635	583.438	621.495	528.540
Heating oil	kWh	3.469	5.348	4.115	5.378	2.117
District heating	kWh	249.200	233.420	262.130	213.850	212.870
Pellets	kWh	51.600	59.100	60.200	31.970	34.632
Propane	kWh	2.838	2.696	4.115	2.980	1.987
Diesel	kWh	34.105	30.206	18.337	21.235	18.009
Petroleum	kWh	33.229	25.953	24.976	27.450	31.372
Natural gas (LNG)	kWh	6.320	7.856	2.660	2.672	4.961

Total electricity	kWh	549.408	465.635	583.438	621.495	528.540
Total heating energy	kWh	304.269	297.868	326.445	251.198	249.619
Total energy, climate-adjusted	kWh	366.589	334.683	358.731	275.436	273.705
Total fuels	kWh	76.492	66.711	50.088	54.337	56.329

Raw and operating material						
Steel	t	155	120	168	174	144
Plastics	t	41	34	30	37	33
Refridgerant R134a	kg	0	0	0	27	0
Paper white, chlorine-free bleached	m ²	10.695	9.392	9.648	10.977	10.345

Significant indirect environmental aspects

Purchasing

Ways to work for employees

Improvement by

Purchasing guidelines, e.g. regional providers, sustainable products.

With the e-bikes, about 0 tons of CO2 are saved annually.

Output						
Item	Unit	2019	2020	2021	2022	2023

Waste water						
Sewage	m ³	223	288	288	219	357
Rainwater	m ³	3.185	3.185	3.185	3.185	3.185

Waste						
Total non-hazardous waste	t	40,6	23,9	32,0	37,1	26,0
Total metal waste	t	65,0	57,1	67,4	87,5	58,5
Total hazardous waste	t	3,6	4,2	2,7	3,9	3,7

CO ₂ emissions						
Electricity	kg	0	0	0	0	0
Heating energy	kg	1.286	1.790	1.490	1.619	743
Fuels	kg	20.482	17.802	13.360	14.556	15.095
Refridgerant R134a	kg	0	0	0	38.610	0
Total CO ₂ -emissions	kg	21.768	19.592	14.850	54.785	15.838

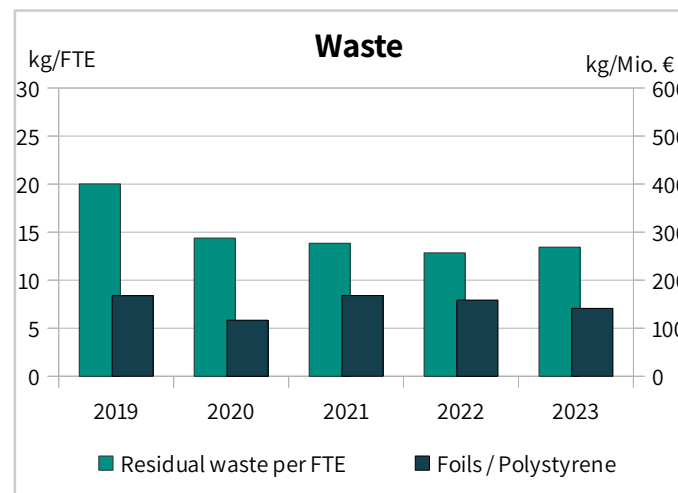
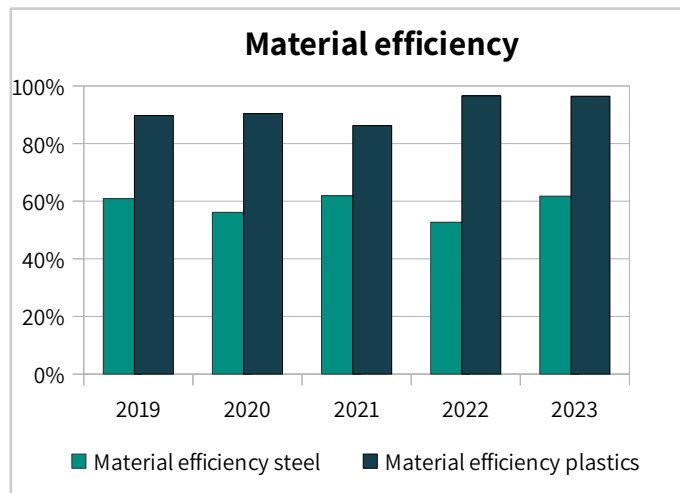
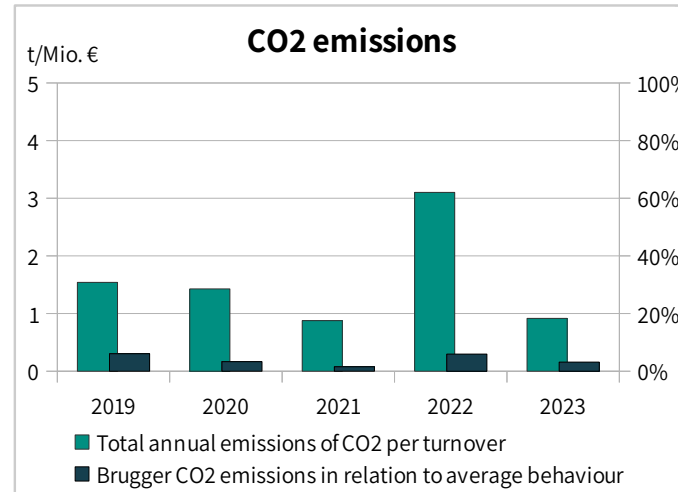
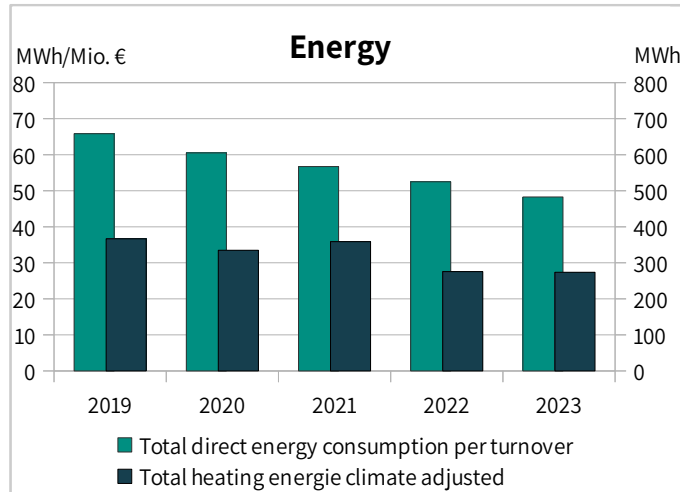
NO _x emissions						
Electricity	g	0	0	0	0	0
Heating energy	g	101.242	97.924	108.139	83.744	83.853
Fuels	g	12.757	11.131	7.755	8.649	8.359
Total NO _x emissions	g	113.999	109.055	115.895	92.393	92.212

SO ₂ emissions						
Electricity	g	0	0	0	0	0
Heating energy	g	34.722	34.183	37.292	28.912	28.414
Fuels	g	10.386	9.110	5.768	6.641	5.845
Total SO ₂ emissions	g	45.108	43.293	43.060	35.553	34.260

PM10 emissions						
Electricity	g	0	0	0	0	0
Heating energy	g	42.513	41.400	45.568	34.817	34.959
Fuels	g	4.561	3.871	2.885	3.225	3.207
Total PM10 emissions	g	47.075	45.271	48.453	38.042	38.166

▶▶ Environmental cockpit

Illustration and assessment of the major environmental aspects



Our energy consumption remains at a consistently low level. In fact, we have the lowest heating energy consumption within the periods under review. Our measures have had an impact here. Our remaining direct CO2 emissions come almost exclusively from vehicle fuels. For the third time (since 2019), we have offset our remaining emissions. Unfortunately, a loss of refrigerant R134a (27kg≈34tCO2e) resulted in a sharp increase in emissions.

Material efficiency is very good, especially for plastics due to the regranulator. In the case of steel waste, there is still a high level of waste due to the mostly round shape of our die-cut parts. A new rectangular series will slightly improve the situation in the next few years. The absolute waste volume of foils has again increased (5%), while the volume of polystyrene has decreased significantly (36%). The relative change is smaller due to the slightly increased sales.

EMAS core indicators

	Unit	2021	2022	2023
Reference				
Turnover	Mio. €	16,93	17,66	17,29

Energy efficiency				
Total direct energy consumption	MWh	960	927	834
Use of renewable energy (external)	MWh	825	758	681
Use of renewable energy (self-generated)	MWh	89	114	100
Percentage of renewable energy	%	95,20 %	94,02 %	93,62 %

Material efficiency				
Annual mass-flow steel	t	168	174	144
Annual mass-flow plastics	t	30	37	33

Water				
Total annual water use	m ³	288	219	357

Waste				
Non-hazardous waste	t	31,99	37,12	26,05
Hazardous waste	t	2,73	3,94	3,71
Metal waste	t	67,35	87,47	58,49

Biodiversity				
Total use of land	m ²	10.097	10.097	10.097
- sealed	m ²	4.504	4.504	4.504
- unsealed	m ²	5.593	5.593	5.593
- unsealed natural	m ²	5.393	5.393	5.393

Emissions				
Total annual emissions of CO ₂	t	14,8	54,8	15,8
Total annual emissions of NO _x	kg	115,9	92,4	92,2
Total annual emissions of SO ₂	kg	43,1	35,6	34,3
Total annual emissions of PM ₁₀	kg	48,5	38,0	38,2

	2021	2022	2023
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56,7	52,5	48,3	MWh/Mio. €
48,7	42,9	39,4	MWh/Mio. €
5,2	6,5	5,8	MWh/Mio. €
95,20 %	94,02 %	93,62 %	%

9,9	9,8	8,4	t/Mio. €
1,8	2,1	1,9	t/Mio. €

17,0	12,4	20,7	m ³ /Mio. €
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1,89	2,10	1,51	t/Mio. €
0,16	0,22	0,21	t/Mio. €
3,98	4,95	3,38	t/Mio. €

596	572	584	m ² /Mio. €
266	255	261	m ² /Mio. €
330	317	324	m ² /Mio. €
319	305	312	m ² /Mio. €

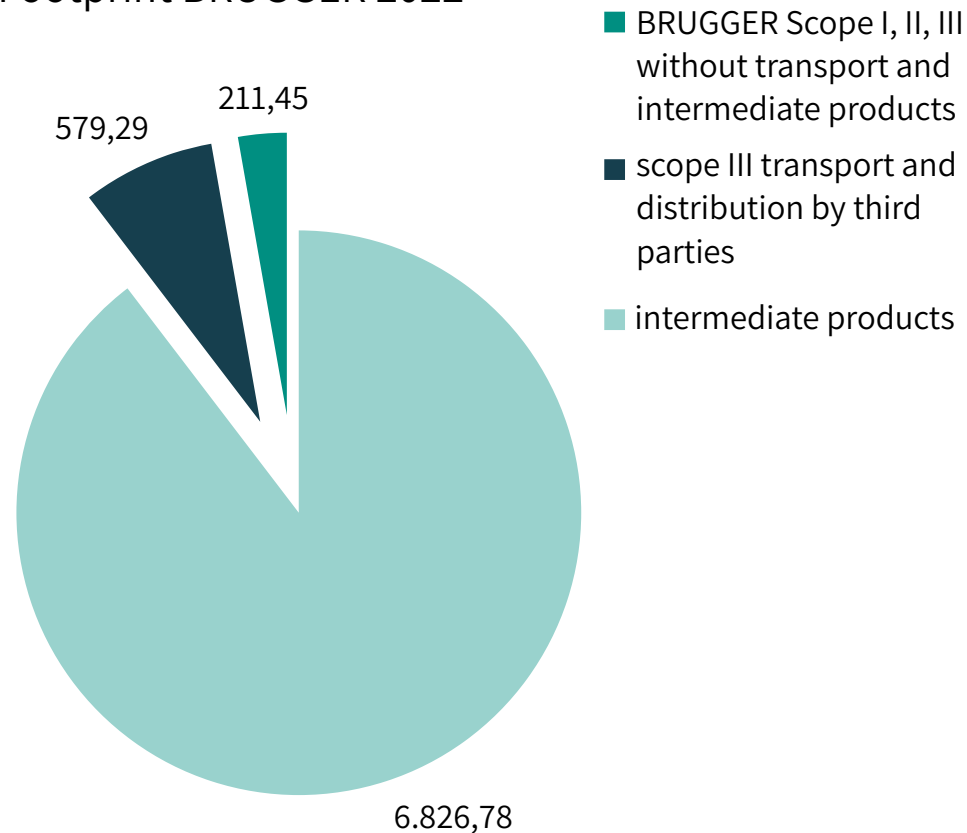
0,9	3,1	0,9	t/Mio. €
6,8	5,2	5,3	kg/Mio. €
2,5	2,0	2,0	kg/Mio. €
2,9	2,2	2,2	kg/Mio. €

According to Annex IV of Regulation (EC) No 1221/2009 (EMAS III) the environmental statement shall contain defined core indicators, which refer to the same reference. As we have very different processes this is not very suitable to assess the environmental performance. Though to comply with the regulation we publish the core indicators for the last three years.

►► Where we stand and how we can best progress

CO₂ footprint (scope 3) in tons of CO_{2e}

CO_{2e} Footprint BRUGGER 2022



Key findings

Currently, we only make 2.8% of that footprint directly.

- e-bikes improve the indirect environmental aspect of employee ways to work
- the conversion of the vehicle fleet to alternative drives is having an effect
- The factor for CO_{2e} was changed significantly for transportation → hence the increase. The quantities here have not changed to the same extent.

Nearly 90% are caused by energy-intensive upstream products such as turned parts, magnets and plastics.

- The big lever for improvement lies in the supply chain (Pareto principle)
- For this, we use our influence in purchasing

▶▶ How we continue

Achievement of our 2022 programme

No.	Action	CSR reference	Status
1	Complete CO2 compensation/neutrality	ecological	achieved
2	Switch building lighting outside to LED and motion detectors	ecological	achieved
3	Switch lighting in production to LED and zone areas.	ecological	not achieved
4	Introduce and pick up on the employees' environmental understanding of environmental issues	ecological, social	achieved
5	Rare earth magnets collect for recycling	ecological	achieved
6	Suppliers of turned parts purchase CO2-neutral electricity	ecological, supply chain	partly achieved

New programme for 2022

No.	Action	CSR reference
1	Climate neutrality	ecological
2	Relatively reduce electricity consumption (lighting, compressed air, machinery)	ecological / economical
3	Create transparency about energy consumption (electricity and heat) and energy generation (photovoltaic)	ecological / economical
4	Environmentally friendly and cost-saving to and from work	ecological / economical
5	Reduce carbon footprint of Chinese suppliers	ecological

▶▶ Do you have any questions, requests or criticisms? Get in touch with us!

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The Sustainability Report with integrated Environmental Declaration is being approved for publication:

28.02.24, Thomas Brugger

28.02.24, Georg Brugger-Efinger

28.02.24, Sascha Bausch

►► Validation of Environmental Statement

The next consolidated Environmental Statement will be available for validation February 2023 latest.

In accordance with Art. 2 No. 28 EMAS III, this updated Environmental Declaration will not be getting validated.

