



SUSTAINABILITY REPORT

2020



SUSTAINABILITY REPORT 2020

As part of the CSR Directive Implementation Act (CSR-RLUG), MAX Automation SE has been reporting on key sustainability aspects in a separate Non-Financial Report since financial year 2019. This report is based on the requirements of the German Sustainability Code (DNK).

Sustainability is at the heart of the MAX Group's entrepreneurial activities. The following applies to the MAX Group as a supplier of complete machines, plants and integrated automation solutions: Doing business sustainably means acting responsibly in the long term and creating added value economically, socially and ecologically for all of MAX Group's stakeholders. It is the MAX Group's understanding that strategy and sustainability aspects cannot be separated. The question of long-term growth sectors and the associated optimal technological solutions cannot be answered without taking ecological aspects into consideration.

THE BUSINESS MODEL

MAX Automation SE, headquartered in Düsseldorf, Germany, is the management company of a globally active Group of medium-sized companies. The Group companies offer their customers innovative solutions and complex systems in the field of efficient production and automation. As full-range suppliers of machines, systems and integrated automation solutions, the companies develop solutions in close coordination with customers, both in Germany and internationally. In addition, they also offer complementary services such as consulting (including analyses, tests and feasibility studies), production support as well as service, repairs and software development. The companies of the MAX Group are active in various sales markets, industries and business fields, therefore there is a high degree of diversification within the Group. In some cases, the companies occupy market niches and strive for product or quality leadership.

The MAX Group companies operate through an international network of sales and service locations in Europe, North America, South America and Asia. Its development and production sites are mainly located in Germany as well as in the United States, Poland and Italy. As of the balance sheet date, the MAX Group consisted of MAX Automation SE and its investments as well as its subsidiaries in Germany and abroad.

The companies of the MAX Group are allocated to four operating segments, which corresponded to the reportable segments according to IFRS in financial year 2020.

In the Process Technologies segment, the focus of bdtronic GmbH and its subsidiaries is on the development and production of machines and systems with integrated software solutions for high-precision production processes such as dispensing and impregnation, in particular for customers in e-mobility as well as the electronics industry and medical technology.

In the Environmental Technologies segment, Vecoplan AG and its subsidiaries develop and install machines and systems for the sustainable use of primary and secondary raw materials as well as biomass, especially for the recycling, energy and raw materials industries.

The Evolving Technologies segment brings together five different companies and its subsidiaries that offer optoelectronic solutions, machinery and equipment for use in medical technology and packaging, as well as robot-based production systems and automation solutions.

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The three segments Process Technologies, Environmental Technologies and Evolving Technologies represent the core business areas of MAX Automation.

The Non-Core Business segment comprises companies that are no longer part of MAX Automation's core business. This primarily includes ELWEMA Automotive GmbH, a company that implements production solutions in cleaning, testing and assembly technology, particularly for the areas of engines, steering and transmissions. The other companies in the segment have already discontinued their operations and only handle existing customer projects (IWM Automation Bodensee GmbH, IWM Automation GmbH). IWM Automation Poland will cease operations in the course of 2021.

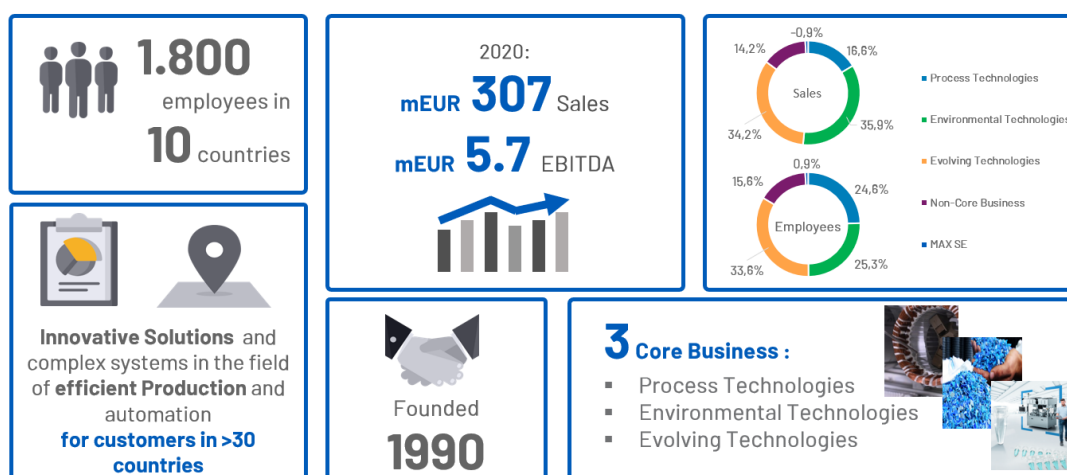


Fig. 1: MAX Automation at a glance

We are convinced that technological solutions will only be successful in the long term if they not only an able technological progress to be made, but also provide benefits to society. MAX Automation's goal is to create added value for its shareholders and stakeholders and to achieve above-average growth in terms of sales, earnings and cash flow.

MAX Automation is currently working on further developing its Group strategy and the respective governance structure that meets changing operational requirements while continuing to fulfill the highest standards. The new strategy is to be presented in the course of 2021. In this context, the goal is to collect defined non-financial key figures within the MAX Group and to set up a systematic reporting process for this purpose. Accordingly, sustainability reporting is also to be further expanded.

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STAKEHOLDER AND MATERIALITY ANALYSIS

The inclusion of the stakeholder perspective is essential to the strategy and sustainability process at the MAX Group. The broad range of heterogeneous stakeholder views gives us the opportunity to reflect the aspects of our actions with the most diverse bases of claims and demands.

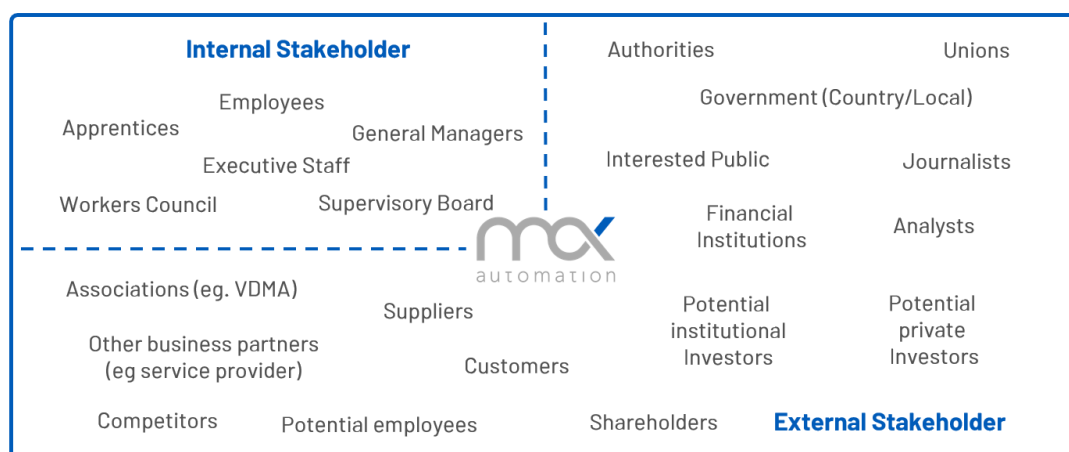


Fig. 2: MAX Automation Stakeholder Overview

The following key topics have emerged from the discussions with our stakeholders in relation to the three aspects of sustainability:

I. Environmental

It is particularly important to our customers that we offer technological solutions that optimize their own production processes and thereby make an indirect contribution to improving their ecological balance. With this strategic orientation, we are also offering our shareholders and investors an investment case that is geared towards sustainable profitability.

II. Social

Social responsibility is a multifaceted topic that has an impact both internally and externally. From an internal perspective, we can only ensure sustainable profitability together with our employees. Consequently, we must actively deal with new requirements resulting from generational change and digitalization, among other topics. We apply this same approach to our active communication with the outside world.

III. Governance

Sustainable entrepreneurial activity requires a holistic management principle that bundles the requirements of all stakeholders in the best possible way. We believe that good corporate governance comprises responsible, value-based management, and control and steering of the Company geared toward achieving long-term success. It is our mindset to manage internal and external risks in the best possible way.

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When applied to the five subject areas defined in the CSR-RLUG, the aspects mentioned can be specified as follows:

- Environmental concerns:
 - Reduction of CO₂ emissions.
 - Increase resource efficiency
- Employee concerns:
 - Recruitment and further development of committed employees
 - Protection of their health and occupational safety
- Social issues:
 - Adding value for customers through innovative and high-quality products
 - Strengthening our dialogue with stakeholder groups
- Respect for human rights
 - Avoidance of human rights violations
 - Prohibition of child labor
- Combating corruption and anti-competitive behavior
 - Code of Conduct
 - Acting with integrity

In the following, these topics are described further as part of the ESG approach of the MAX Group. In this context, the topic areas “Employee concerns,” “Social concerns” and “Respect for human rights” have been integrated into the “Social” chapter and the topical area “Combating corruption and anti-competitive behavior” has been integrated into the “Governance” chapter. “Environmental concerns” are discussed in the “Environmental” chapter below.

ESG – THE MAX GROUP’S APPROACH

E for Environmental

The protection of the environment and our climate is one of the major challenges we face today. The MAX Group positions itself in future markets that are characterized by sustainable environmental trends. As natural resources become increasingly scarce, the world’s population grows and consumption increases, the demands on the management of natural resources are steadily increasing. These challenges affect both the MAX Group itself and its customers. We as a Group strive to gear our own actions towards minimizing the emission of greenhouse gases and maximizing resource efficiency.

The companies of the MAX Group are mainly active in mechanical and plant engineering and cause comparatively little direct environmental impact within the manufacturing industry. Nearly all production sites are located in Germany, the European Union or the United States and are therefore subject to strict environmental laws, norms and/or high standards. The MAX Group considers environmental impacts to be reduced to the lowest possible level through compliance with these regulations.

The management of environmentally relevant issues is decentralized within the individual Group companies. Overall, the MAX Group sees it as its task not only to act in an environmentally friendly manner in everyday life, but also to make a significant contribution to the eco-balance of its customers. This is done primarily by ensuring that MAX Group products and solutions contribute to improving ecological efficiency and conserving resources.

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Process Technologies

In the Process Technologies business unit, our focus is on the development and production of machinery and equipment as well as related software solutions for high-precision production processes, particularly in the automotive and electronics industries. Our latest developments electrify the automotive industry. The number of electric vehicles has been rising steadily for years. Manufacturers and their suppliers are adapting to the growing demand and relying on efficient solutions such as those that our Process Technologies offer. We have been working on dispensing technology and the preparation, mixing and dispensing of single and multi-component reaction casting resins, sealing materials, adhesives, foams and thermal conductive pastes for three decades. Our customers benefit from this know-how in processing challenging materials as well as from our excellent, in-depth technological expertise.

Over the past 10 years, we have expanded our product portfolio in the area of dispensing technology. The process we have developed in impregnation technology (trickling instead of dipping) for stators, for example, is faster and more cost-efficient than conventional methods. This enables our customers to manufacture stators for electric motors quickly, efficiently and over the long term, thereby driving e-mobility forward. In addition, the segment also offers a modern coating process for insulating the welding tips on the stator. Powder coating the pins welded into the stator with epoxy requires a reliable process in order to be able to produce a defect-free and reliable product. This is ensured by the coating process.

Goals and measures:

- The segment's processes and technologies help promote e-mobility by making production processes for manufacturing electric and hybrid motors more efficient and cost-effective.
- Our customers' eco balance is indirectly improved by using more efficient manufacturing processes.
- CO₂ emissions can be directly reduced through increased use of e-mobility.

The automotive industry, especially in Germany, is still dominated by conventional technological approaches such as the combustion engine. Consequently, risks exist primarily in terms of the speed of implementation of new technological approaches combined with the acceptance of new forms of mobility.

Environmental Technologies

While awareness of the responsible use of natural resources is on the rise, the challenges are still enormous: the growing world population, increasing prosperity in many emerging markets and the associated rise in consumer demands necessitate intelligent technologies. More and more waste must be disposed of and processed in an environmentally friendly manner. The recycling and/or reuse of resources and materials within the value chain is a decisive success factor in sustainable production.

Our Environmental Technologies business unit develops and installs machinery and systems for the sustainable use of primary and secondary raw materials and biomass, especially for the recycling, energy and raw materials industries. We offer a range of solutions for the efficient recycling of resources and waste with the aim of returning these materials to the production cycle or using them as substitute fuel for energy recovery.

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Goals and measures:

- To produce innovations that give customers a technological edge and contribute to the more efficient use of resources through continuous technology development.
- To promote a circular economy to reduce resource requirements through recycling.

The waste disposal industry is heavily regulated by law due to stringent environmental standards. For this reason, it cannot be ruled out that legislative projects will have effects on the MAX Group's business model. The MAX Group takes such risks into account by adapting segment strategies and business models to such changes at an early stage.

Evolving Technologies

In connection with rising standards of living worldwide, the demand for high-quality products at the lowest possible prices is also growing. This redefines the requirements for industrial manufacturing: Fast, precise and efficient processes are needed to protect natural resources and to survive in global competition. Digitalization also requires know-how in the areas of networked production and robotics. With its Evolving Technologies business unit, the MAX Group develops, implements and integrates, among other things, holistic assembly systems and robot-supported production systems with high manufacturing flexibility.

The worldwide demographic development is accompanied by increasing awareness of our health among the population. Every day, millions of so-called products for in-vitro diagnostics, such as pipette tips, reaction vessels and cuvettes, are required and used in medical and pharmaceutical as well as non-medical areas for analysis purposes. Demand for these products continues to grow, and the need for fully and partially automated production solutions for in-vitro diagnostic products is increasing. Better automated systems simultaneously reduce energy and resource consumption during production. The MAX Group's Evolving Technologies business supplies the medical device industry with manufacturing, testing and assembly equipment for medical devices such as contact lenses, diagnostic consumables, medical technology injection molding components, insulin pens, auto-injectors, and pipette tips and reaction vessels. MA micro automation, a company active in this segment, is GMP (Good Manufacturing Practice) certified and works in accordance with the guidelines for quality assurance of the manufacturing processes and environment in the production of pharmaceuticals and active ingredients.

Goals and measures:

- As a leading partner for innovative automation solutions and services, we want to offer networked systems and workflow processes in order to enable efficient production.
- To sustainably improve the standard of living of a steadily aging society by optimizing fully and partially automated assembly systems for medical technology solutions.

The solutions the MAX Group offers stand for sophisticated technology concepts for production optimization. One of the risks is that this technological claim will be diluted by market changes – shifts from specialist markets to mass markets. In addition, the shortage of skilled workers and heavy regulation in the medical technology industry pose a risk to the development of innovation capability, which is the driving force behind the invention of new sustainable and resource-saving technologies and automated systems.

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S for Social

Employee matters

The success of the MAX Group is based in no small part on highly motivated employees who bring their expertise, ideas and passion to their work. Every employee is an ambassador for the Company. Working for the MAX Group means being on the move in growth markets and developing future-proof solutions that set standards in mechanical engineering. That is why it is important to create a pleasant working environment and offer appropriate remuneration. The MAX Group Code of Conduct commits to exemplary and fair dealings with each other. Respect for the privacy and dignity of others is essential for a good working environment. Loyalty, mutual support, respect, appreciation, openness and fairness are the characteristics of MAX's work ethics.

Goals and measures:

- Ensuring the health and safety of employees
- Ensuring an attractive working environment
- Offering attractive training opportunities for young people

Relevant risks may arise from employees' health being impaired. Attracting qualified employees and ensuring their long-term loyalty to the Group companies pose challenges against the backdrop of demographic developments.

Therefore, attracting, developing and retaining excellent employees is a top priority for the MAX Group. All companies of the MAX Group are reliable employers who offer first-class prospects for potential and current employees. The MAX Group views training its young people as an important part of its social responsibility. Vacant positions can then also be filled with our own qualified junior staff. Nearly all Group companies are training companies. In addition, they offer the opportunity to write bachelor's and master's theses as well as to complete dual studies in various disciplines and internships.

The high speed of change in our markets requires continuous improvement of our processes and products. Qualification and further education is essential for MAX as a Group and for employees. The MAX Group stands for individual qualification concepts in order to raise the best potentials of the employees and to proactively pick up the new market developments and changes in the Group companies.

Occupational health and safety

The health and occupational safety of the MAX Group's employees is of the highest priority. The importance of good health and occupational safety for employees is particularly evident against the backdrop of the COVID-19 pandemic. But these remain important issues even beyond that. New challenges are associated with technological progress and demographic change. The MAX Group is committed to the core labor standards of the International Labour Organization (ILO). All Group companies understand occupational safety and health protection as management tasks and conduct regular training on occupational safety and health protection. As part of various TÜV/ISO certifications of our subsidiaries, measures have been defined to ensure the safety of employees in the workplace. These are reviewed regularly after implementation and adjusted where necessary. All of the MAX Group's operating sites have high standards for workplace design and processes and are planned, set up, equipped, operated and monitored with the aim of preventing work-related illnesses, eliminating hazards and avoiding accidents.

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A number of measures are taken for the machines and systems manufactured by the Group companies when they are handed over to the customer to ensure that customers use the products supplied safely. These include, in particular, training and familiarization sessions during commissioning and the handover of detailed documentation. In addition, service and support offers are also available to customers after commissioning.

Diversity and appreciation

The individuality of the employees in the MAX Group contributes considerably to the Company culture as well as to a good working atmosphere. Our Company culture is based on appreciation. Different religious beliefs, sexual orientations or ideological views are treated with respect.

Discrimination is fundamentally contrary to the core values of the MAX Group. Any form of discrimination, whether in relation to employees or third parties, is therefore prohibited.

Discrimination refers to any form of distinction, exclusion or preference that limits equal treatment or access to work and employment and may be based on color, gender, religion, political opinion, age, national, social or ethnic origin, family responsibilities or similar considerations.

Employees and external stakeholders are given the opportunity to report incidents of discrimination anonymously via the Whistleblower Report. No incidents were reported to the Company in financial year 2020.

COVID-19 pandemic

The global COVID-19 pandemic presented the MAX Group and its employees with many challenges during the past year. As a result, a variety of measures were taken during the year to protect MAX employees and help contain the virus. Thus, in March 2020, the Management Board of the MAX Group set up a crisis task force to continuously assess the situation and make decisions on this basis. As part of the programs implemented by the crisis task force, all Group companies maintained their operations as far as necessary and possible with top priority given to health and safety, also in order to be able to increase production again in line with the dynamics of developments. In view of the worsening situation with regard to the pandemic, with increasingly difficult economic conditions, the remedy of short-time working was used in some companies. As a result, layoffs due to the pandemic were largely avoided. Hygiene concepts were also introduced at the sites: These included preventive safety and hygiene measures, changes to production and administrative processes, and the temporary use of mobile working solutions. Non-essential business trips were reduced to a minimum. The IT infrastructure was expanded to enable mobile working, also to technically guarantee the possibility of video and telephone conferences. Health-related absences in the MAX Group's operations did not lead to serious restrictions in day-to-day business as a result of the measures introduced.

Social issues

Mankind can only overcome the major ecological and social challenges, such as climate change or the increasingly aging population, by working together. The MAX Group makes its contribution by the Group companies contributing their expertise to the social dialogue and working with others to find solutions.

Goals and measures:

- Creating added value for customers through innovative and high-quality products

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- Strengthen the dialogue with stakeholder groups
- Avoiding human rights violations and prohibiting child labor

We see potential risks primarily in possible reputational damage due to non-compliance with human rights or social concerns. The MAX Group's Code of Conduct, as an essential component of a comprehensive compliance structure, provides basic rules and standards of behavior to which every employee of the Group, regardless of hierarchical level, is expected to adhere. We consider the risks for the MAX Group to be limited if the requirements are complied with.

Customer relationships

The worldwide demographic development is accompanied by increasing health awareness among the population. The demand for high-quality and at the same time low-priced products is also increasing more and more. The MAX Group's goal is to make a positive contribution to the improvement of living conditions and the continuous development of society through innovative products. A long-term, trusting customer relationship is a key success factor for this. MAX Group companies such as Vecoplan, MA micro automation and bdtronic use trade fairs such as LIGNA, CWIEME or PHARMINTECH to bring innovations to life and to identify new customer needs.

The goal of the MAX Group's companies is to provide customers with high-quality products and solutions. To this end, products are improved and processes stabilized in cooperation with customers. To meet their quality requirements, the Group companies maintain comprehensive quality management systems in some cases. Most MAX Group companies have valid certificates in accordance with globally recognized quality norms and standards, such as ISO 9001:2015 and ISO 14001:2015 or ISO Standard 13485, the standard quality management system for the manufacture of medical products.

Stakeholder involvement

It is important for MAX Group to remain in continuous contact with the various stakeholder groups. This makes it possible to look at the development of MAX and its Group companies from different perspectives and to identify and pick up on new trends. Exchanging experiences and early discussion of possible controversial topics also play a key role. The primary stakeholders of the MAX Group are shareholders, customers of the MAX Group companies, employees and suppliers. The MAX Group's goal is to engage in a dialogue that is goal-oriented for all sides. In addition, MAX and the Group companies regularly exchange information with analysts, associations, trade unions, the media, local authorities and residents in the vicinity of MAX sites. The Group companies also maintain regular contact with representatives of the scientific and political communities.

Respect for human rights

The MAX Group's expectations of its employees and its understanding of respect for human rights are anchored in the MAX Code of Conduct. The Code of Conduct as well as other topic-related guidelines, such as the Compliance Guideline, apply to all MAX Group employees regardless of hierarchical level.

The MAX Group is also committed to the United Nations Universal Declaration of Human Rights (AEMR). This also includes the prohibition of child labor. The MAX Group observes the prohibition of child labor in accordance with the standards of the International Labour Organization ILO. No one may be employed or forced to work against his or her will. The MAX Group does not use forced labor or compulsory labor.

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G for Governance

The public expects the MAX Group to act responsibly and lawfully. The MAX Group summarizes its values in a Code of Conduct that contains basic rules and principles that are binding for the entire Group. At MAX Automation SE, good corporate governance is seen as an integral part of the management philosophy for the entire Group.

Goals and measures:

- Acting responsibly and based on values
- Conscientious handling of risks
- Creating and maintaining trust among investors, the financial markets, business partners, employees and the general public

Risks arising from inadequate corporate governance, such as corruption, criminal acts or breaches of legal requirements, can lead to sustained damage to the MAX Group's reputation and/or major financial losses. The MAX Group has corporate governance regulations and a comprehensive compliance structure in place that is intended to ensure that all employees of the MAX Group act in accordance with the rules.

Corporate Governance

Compliance with nationally and internationally recognized standards for responsible corporate management and control (corporate governance) is an important criterion for the investment decisions of investors. MAX Automation SE is subject in particular to the provisions of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (SE Regulation), the Act Implementing Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (SE Implementation Act – SEAG), as well as the majority of the provisions of German stock corporation law and capital market regulations, as well as the provisions of the Articles of Association issued for the SE. Since the conversion, MAX Automation SE has had a monistic management structure which is characterized by the fact that the responsibility for the management of the SE is vested in a single management body, the Supervisory Board.

The Supervisory Board determines the strategy as well as the fundamentals of the business activities and monitors their implementation by the Managing Directors. In accordance with the Articles of Association, the Supervisory Board is composed of five members who are elected by the Annual General Meeting, as the second body of MAX Automation SE. It appoints and dismisses the Managing Directors, decides on their remuneration system and determines the respective remuneration. At least one member must have expertise in the fields of finance, accounting or auditing. The composition and work of the Supervisory Board is presented in detail in the 2020 Financial Report. The corporate governance statement is made available at <https://www.maxautomation.com/de/investor-relations/corporate-governance/>.

The Managing Directors of MAX Automation SE manage the Company's business in joint responsibility with the aim of sustainable value creation. The Supervisory Board and Managing Directors are committed to the interests of the shareholders and the welfare of the Company. Their internal order is governed in each case by rules of procedure, which supplement the regulations and the Articles of Association.

Compliance and risk management

Compliance in the MAX Group is more than just observing laws and internal regulations. It forms the basis of the decisions and activities of the Group companies. Responsible behavior is permanently anchored in the

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thinking and actions of the entire workforce through a MAX Group Code of Conduct. It can be viewed and downloaded from the MAX Automation website. (https://www.maxautomation.com/media/2020/02/2018-03-code-of-conduct_de.pdf). The values and standards of conduct laid down in this code are binding for all employees, managers and Managing Directors of the MAX Group worldwide. Key requirements are also summarized in a Group-wide compliance guideline. Questionable actions or violations can either be reported anonymously via the MAX Automation Whistleblowing System or directly to the Compliance Officer.

Compliance and risk management are important management and control components of the MAX Group and are backed by clear organizational responsibilities. The established early risk detection system supports both the operating business units and the management of MAX Automation SE in analyzing risk classes and thereby provides a systemic basis for actively controlling risks. In doing so, the management aims to combine risk management with opportunity management.

The principles for adherence to relevant legal requirements are supported by a separate compliance guideline and other compliance documents. The development of compliance documents is structured in a risk-based manner and is supported by an independent compliance organization. The compliance documentation is designed to provide pragmatic guidelines and orientation for employees. Moreover, employees have permanent contacts available to them for compliance issues.

A whistleblower system also enables internal and external stakeholders to submit compliance information to the Company anonymously.

Fair competition

The MAX Group is fully and unconditionally committed to fair competition. We compete in the market solely on the basis of value for money and the high quality of our innovative products and services. Compliance with all laws and regulations to prevent unfair competition represents an integral part of MAX's corporate policy.

The MAX Group strives for fairness in all business transactions and does not seek to gain an unlawful advantage over customers, suppliers or competitors. This also includes compliance with laws against restraints of competition. All antitrust regulations and restrictions are complied with. The MAX Group does not engage in agreements or other practices that violate antitrust law.

Avoidance of Corruption

The MAX Group categorically rejects any form of corruption. MAX Group employees and authorized representatives must avoid any kind of corruption and even its appearance. All suspected cases of corruption are to be reported by employees and authorized representatives to the Compliance Officer.

Money laundering prevention

The MAX Group supports all necessary measures to prevent the financing of transactions related to or in support of criminal activities (such as international terrorism). The MAX Group does not carry out cash transactions on a large scale.

Information handling and data protection

The MAX Group attaches the highest importance to transparent and truthful reporting and communication on the Company's business transactions to shareholders, business partners, employees, the authorities and

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the general public. Every employee of the MAX Group is obliged to treat internal Company information as confidential.

As a listed Company, MAX Automation is also subject to strict capital market regulations. Among other things, these prohibit insider trading by employees of the MAX Group. In case of knowledge of confidential processes which could have an impact on the stock exchange price of MAX Automation shares when they become known (so-called insider information), the personal use and/or disclosure to third parties is prohibited by law and punishable by law. It is also prohibited to recommend the purchase or sale of securities to another person on the basis of insider information.

The MAX Group respects the interest in personal data protection and ensures compliance with data protection regulations and data security.

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INDEX TO THE GERMAN SUSTAINABILITY CODE

Strategy	Report Page	Explanatory Notes
Strategic analysis and actions		
The company must disclose whether it pursues a sustainability strategy. It must explain which specific actions it takes in order to operate in harmony with material and acknowledged industry-specific, national and international standards.	Page 1 ff	For the MAX Group, sustainability and corporate strategy are inseparable. The CSR report is based on the German Sustainability Code (DNK).
Materiality		
The company must disclose which aspects of its own business activities materially impact upon aspects of sustainability, and what material impact aspects of sustainability have upon its business activities. It must analyze the positive and negative effects and state how these findings feed into its own processes.	Page 3/4	Identifying the material issues in relation to the five subjects of the CSR Directive Implementation Act (CSR-DLUG): environment, employees, society, human rights, anti-corruption and anti-competitive behaviour.
Goals		
The company must disclose which qualitative and/or quantitative as well as time-defined sustainability goals are set and operationalized and how the degree to which these are achieved is monitored.	Page 2/3	See also explanatory notes on the strategic objectives of core business areas. Specific targets together with non-financial key performance indicators are going to be defined in the course of the next years as part of the development of a new Group strategy.
Depth of value chain		
The company must disclose the importance attached to aspects of sustainability in respect of the value chain and how far down the value chain the investigation of sustainability criteria extends.	No Information	CSR aspects within the value chain are investigated as the occasion arises.
Process management		
Responsibility		
Responsibilities for sustainability at company management level must be disclosed.	Page 1/10/11	The Management takes unified responsibility for the implementation of sustainability and the strategy process.
Rules and processes		
The company must disclose how the sustainability strategy is implemented in its business operations through rules and processes.	Page 1/2	Sustainability is part of the strategy process and associated controls.
Control		
The company must disclose which sustainability performance indicators are used in regular internal planning and control, and how these are used. It must disclose how suitable processes in respect of reliability, comparability and consistency of data are employed to safeguard internal control and external communication.	No Information	Non-financial key figures as well as performance indicators on sustainability are to be defined as part of the development of a new Group strategy.
Performance indicator G4-56 / Code of conduct and ethics	Page 10	Code of Conduct online available for inspection at: https://www.maxautomation.com/media/2020/02/2018-03-code-of-conduct_de.pdf
Incentive systems		
The company must disclose how target agreements and remuneration for managers and employees are also oriented towards the achievement of sustainability goals and long term value added. The extent to which the achievement of these goals forms part of the evaluation of the highest tier of management (management board/company management) by the relevant control body/supervisory board/advisory board must be disclosed.	No Information	See Remuneration Report as part of the Financial Report 2020.
Performance indicator GRI 102-35 / Remuneration Policy	No Information	See Remuneration Report as part of the Financial Report 2020.
Stakeholder participation		
The company must disclose how social and economically relevant stakeholders are identified and integrated into the sustainability process. It must be disclosed whether and how a continuous dialog is maintained with these parties and the results integrated into the sustainability process.	Page 3/9	Stakeholder analysis: the inclusion of the stakeholder perspective is essential for the MAX Group. Stakeholder inclusion: key stakeholders for the MAX Group are shareholders, customers of all MAX Group companies, employees and suppliers. All the companies of the Group regularly exchange views with analysts, associations, trade unions, media, local authorities as well as local residents in the area surrounding their sites. The companies also maintain regular contact with representatives from the scientific and political communities.
Performance indicator GRI 102-42 / Stakeholder Analysis	Page 3	Chart and explanatory text.
Innovation and product management		
The company must disclose how via suitable processes it helps to ensure that innovations in products and services lead to an improvement in sustainability in respect of its own use of resources and for users. It must also be disclosed whether and how the current and future effects of material products and services are evaluated in the value chain and in the product life cycle.	Page 1/2/9	The majority of the MAX Group companies hold valid certificates in accordance with globally recognized quality norms and standards, such as ISO 9001:2015 and ISO 14001:2015 or, for example, ISO standard 13485, the standard quality management system for the manufacture of medical devices. See also explanatory notes on the business areas and the Financial Report 2020.

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Environment	Report Page	Explanatory Notes
Utilization of natural resources		
The company must disclose the extent to which natural resources are utilized in its business activities. This includes materials as well as the input and output of water, soil, waste, energy, ground area, biodiversity and emissions over the life cycle of products and services.	No Information	The Group companies are primarily active in mechanical and plant engineering and cause relatively low direct environmental impact. Aspects such as water use, biodiversity, etc. are not relevant for the MAX Group due to its business model and production processes. Specific key figures are to be collected in the coming years.
Resource management		
The company must disclose which qualitative and quantitative goals it has set itself in respect of resource efficiency, especially the use of renewable energy, increasing raw material productivity and reducing the use of ecosystem services, which actions and strategies it is pursuing to this end, how these are to be fulfilled and will be fulfilled in future, and where risks are perceived.	Page 4 ff	Chapter: E for Environmental The MAX Group is committed not only to acting in an environmentally friendly manner everyday, but also to playing a significant role in the environmental performance of its customers. The management of environmentally relevant issues is carried out decentrally within the individual companies. Almost all production sites are located within Germany or the European Union or the USA and are therefore subject to strict environmental laws, norms and/or high standards. The MAX Group considers environmental impacts to be reduced to the lowest possible level by complying with these regulations.
Climate-relevant emissions		
The company must disclose its greenhouse gas emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based thereon and declare the goals it has set itself to reduce emissions.	No Information	Due to the business model and the production intensity of the companies in the MAX Group, the emission of climate-relevant emissions plays a subordinate role.
Society		
Employee rights		
The company must report on how it complies with nationally and internationally recognized standards in respect of employee rights and promotes employee participation in the company and in the company's sustainability management, which goals it sets for itself, which results have so far been achieved and where risks are perceived.	Page 7 ff.	Chapter: S for Social - Employee issues: commitment to the core labor standards of the International Labor Organization (ILO); human rights.
Equal opportunities		
The company must report on how it implements processes nationally and internationally and which goals it has set to promote equal opportunities and diversity, job security and health and safety, co-determination, integration of migrants and disabled persons, appropriate remuneration and reconciliation between work and family life, and how it implements these.	Page 7/8	Chapter: S for Social - Employee issues: health and safety; special measures to protect employees from coronavirus; integrity principles; work ethics; diversity and appreciation for employees; equal opportunities; discrimination incidents can be reported through a whistleblower function.
Community		
The company must disclose how it contributes to the community in the regions in which it conducts material business activities.	Page 9	Goal of the MAX Group is to make a positive contribution to the improvement of living conditions and the continuous development of society through innovative products. A long-term, trusting customer relationship is a key success factor for this. See also the Notes of the Financial Report 2020.
Performance indicator GRI 201-1: Directly generated and distributed economic value.	No Information	See the Notes of the Financial Report 2020.
Political influence		
All material inputs into legislative processes, all entries in lobby lists, all material payments of membership fees, all contributions to governments and all donations to parties and politicians must be disclosed, broken down by regional states/countries.	No Information	Many subsidiaries of the MAX Group are members of the VDMA - the German Mechanical Engineering Industry Association. The association provides balanced representation for the interests of the industry. Beyond this, no further independent activities are undertaken within the MAX Group.
Qualification		
The company must disclose which goals it has set and which actions taken to promote employability, that is to say, the ability of all its employees to participate in the world of work and careers and to adapt same to demographic development, and where risks are perceived.	Page 7	Explanations in the Chapter S for Social: almost all Group companies provide training and offer opportunities for bachelor's and master's programs as well as dual studies in various disciplines and internships. Following reorganization, defined performance indicators will be recorded at business area level.
Human rights		
The company must disclose which actions, strategies and goals are applied to achieve worldwide respect for human rights and prevent the use of forced and child labor and exploitation of any kind. The results of actions and any risks must be described in detail.	Page 9/10	Chapter: Social Issues/Respect for Human Rights. There were no known breaches in financial year 2020.
Compliance with laws and directives		
The company must disclose which actions, standards, systems and processes exist to avoid unlawful conduct and in particular corruption, how these are tested, what are the results and where risks lie. It must disclose how corruption and breaches of the law are prevented, detected and sanctioned within the company.	Page 10/11/12	Chapter: G for Governance - Compliance and Risk Management; prevention of corruption and money laundering. There were no known corruption offenses in financial year 2020, consequently no sanctions required.