



SUSTAINABILITY REPORT

M&M[®]
MILITZER & MÜNCH

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INTRODUCTION





Introduction

1.1 Foreword

GRI 2-22

Sustainability is becoming increasingly important in all areas of life – including the logistics industry, where economic efficiency and environmental responsibility go hand in hand. The Paris Climate Agreement of 2015 marked a turning point by setting globally recognized targets: to reduce CO₂ emissions by 50% by 2030 compared to 1990 levels and to achieve net zero emissions by 2050. These ambitious goals underline the need to take early and consistent action – a challenge that M&M Germany, as an international forwarding and logistics company, is ready to meet.

In 2024, against the backdrop of a challenging economic environment with rising energy prices and global uncertainties, our corporate group has firmly committed itself to a sustainable future. With our “MissionZero” program, we aim to significantly reduce our CO₂ footprint by 2040, making an important contribution to climate neutrality. Our

comprehensive sustainability strategy incorporates all modes of transport – from road logistics and rail transport to air and sea freight.

To put this strategy into practice, we have introduced a voluntary sustainability management system that allows us to systematically calculate the CO₂ emissions of our transport services. This tool helps us to continuously improve our environmental performance while providing our customers with detailed CO₂ data related to their transportation processes. In doing so, we not only meet legal requirements but also actively promote sustainable decisions throughout our value chain.

Our reporting is based on the internationally recognized Global Reporting Initiative (GRI) standards. This holistic approach ensures that, alongside environmental aspects, economic and social factors are also considered – an essential element in addressing the challenges of the 21st century.

With this Sustainability Report, we aim to clear-

ly demonstrate how our company contributes to protecting our natural environment while advancing sustainable business practices in a dynamic market. The consistent integration of environmental protection, social responsibility, and economic performance forms the foundation for our long-term success – both in our core markets in Eurasia and North Africa and in the global arena.

We invite you to take a closer look at our sustainability initiatives and the progress we have made over the past year, and we look forward to continuing this journey toward a responsible future.



Holger Seehusen



Viola Rockelmann



Thomas Winter



1.2 Portrait MILITZER & MÜNCH

ABOUT MILITZER & MÜNCH

GRI 2-6

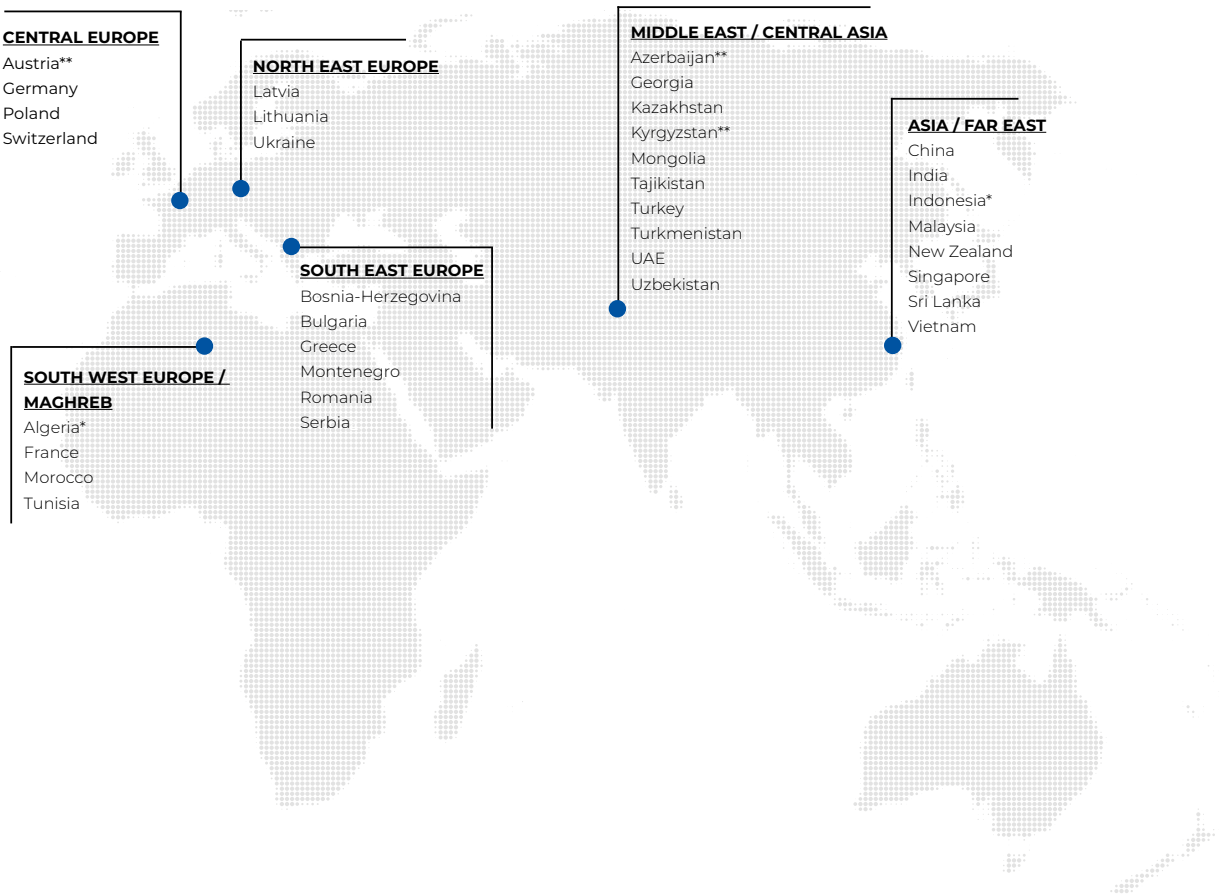
Founded on April 1, 1880, by Richard Militzer and Werner Münch in Bavaria, Militzer & Münch (M&M) has evolved from a modest forwarding company into a global logistics leader. Initially focusing on rail transport, M&M expanded its services to include air freight in the mid-20th century. By the 1930s, the company had established itself as a key freight agent for major ocean carriers and airlines. The appointment as an official agent of the International Air Transport Association (IATA) in 1949 marked a significant milestone in M&M's growth trajectory.

Over the decades, M&M has consistently pursued innovation and expansion, opening new branches and entering emerging markets in Eastern Europe, Central Asia, and China. Today, as part of the Swiss TransInvest Holding AG, the M&M Group operates at around 100 locations in 35 countries, offering comprehensive logistics solutions across road, air, rail, and sea transport.

All of this was achieved while staying true to our core values. As a family-owned business, the requirements of our customers have been

the engine that drives us to keep creating ideal transport solutions, even in the most challenging markets. The pioneering spirit of our founders is being kept alive as we were the first to handle overland transports to destinations in the East during the 1960s and played a key role in systematically developing the freight forwarding business between Europe, Central Asia, and China.

By combining local expertise with international standards, the over 2000 logistics experts employed by the M&M Group are able to customize individual solutions even for the most complex projects and exotic destinations. To complement our own company-network, we cooperate with carefully selected partners worldwide to guarantee trustworthy, reliable, and safe shipping.



* associated company
** delegation/branch



ABOUT M&M GERMANY

GRI 2-1, 2-2, 2-7

The present report focuses on M&M Germany and its respective subsidiaries which are part of the M&M Group. M&M Germany offers the same services as the other entities of M&M Group with a regional focus on the German market. The services we offer span the global market but by having a regional focus we gain proximity to our clients and can ensure to address their requests in an efficient and timely manner. Overland transportation by truck accounts for the largest share of our transportation services (approx. 40%) followed by air freight for more urgent transportation requests (approx. 30%). Transportation by rail and by sea account both for about 15% of the total transportation services provided.

M&M Germany consists of the following subsidiaries:

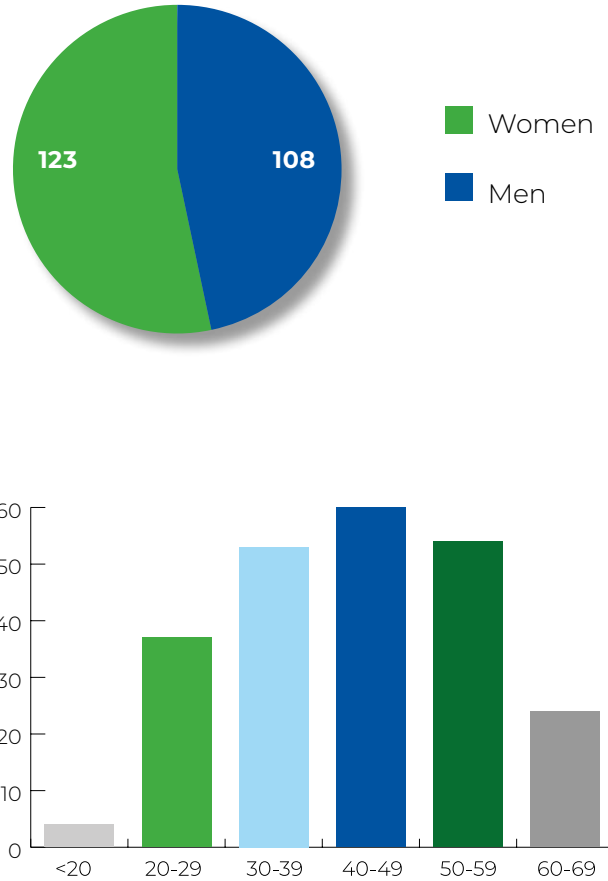
- **M&M Militzer & Münch Deutsche Holding GmbH**
Acts as administrative hub for all subsidiaries in the areas of bookkeeping, controlling, accounting and taxes. Employee topics such as HR, payroll and insurance are also covered as well as aspects such as quality management, data protection, work safety and environmental issues. Sustainability management for M&M Germany is assigned to this section.

- **M&M Militzer & Münch GmbH**
Focuses on the markets in Eurasia and North Africa. In cooperation with the Car-goLine groupage network, comprehensive services in road and intermodal freight transport are offered, leveraging its specific expertise in Eastern Europe.
- **M&M air sea cargo GmbH**
Organizes and coordinates air freight groupage services, direct loads and charter services for our customers, as well as handling the transport of hazardous goods and pharmaceuticals. We take care of customs management and provide special services such as the complete handling of emergency shipments (e.g. the procurement of spare parts for globally active airlines). Sea freight services range from full container load, less than container load, project shipments, full or partial charters to seaworthy packaging. Services such as picking and scheduling of hinterland transport and customs management round off the range. In addition, we are continuously expanding our rail transport portfolio.
- **MMcom GmbH**
As the Group's internal IT system house, MMcom GmbH operates our own data centre in Hof and is responsible for the implementation of IT projects, IT support, IT consulting, IT security, system integration and operation as well as hosting and communication for the entire Group.

- **M&M Premium Car Logistics GmbH (founded in 2024 - 51% participation M&M)**
Core competence of our joint venture is the transport of vehicles. It is designed to cover the demand for transport services by air, sea and land. In addition, we offer customs services for export and import. Our target customers include major car manufacturers, but also suppliers to the automotive industry as well as small, exclusive dealers and private collectors of classic cars.
- **M&M Militzer & Münch Projects GmbH (dormant)**

Among these subsidiaries, 231 employees are working at our Headquarters in Hof and at our other sites in Germany. M&M Germany employs a diverse workforce from around 30 different national backgrounds.

Overview of M&M Germany's employees by gender and age group



The data provided in the graphs is as of 31.12.2024 and doesn't include any employees on parental leave.

1.3. Management Structure and Governance

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18

GOVERNANCE STRUCTURE

A defining strength of the M&M Group is its decentralized governance approach, with nearly all companies operating under local management. While M&M Germany is an integral part of the Group, it maintains its own corporate governance structure and management team. This team reports to the Group leadership approximately every two months, ensuring alignment with overall strategic objectives.

M&M Germany's management is accountable to the Swiss holding company in St. Gallen, operating within the framework of the TransInvest Management Manual and the more specific Internal Rules of Procedure for Directors. These guidelines also govern the selection process for the German management team, ensuring consistency and adherence to Group principles.

The TransInvest Management Manual outlines the fundamental structures, responsibilities, and operational procedures of the Group, as well as the administrative and reporting relationships. It serves as a core reference for

all management levels, promoting efficiency and coherence across the organization. The Internal Rules of Procedure for Directors clearly define roles and responsibilities, ensuring that overall management is a shared effort while specific accountability is assigned to designated areas. Significant commercial actions beyond routine operations require prior approval from group management, providing an additional layer of oversight. The guidelines also mandate regular communication regarding major business policies, long-term commitments, and investment plans to maintain transparency and consistency. These rules support sustainable and well-coordinated decision-making throughout the organization.

M&M Germany's management is divided between two operational managers which either focus on air and sea freight and overland transport and the commercial manager for finance, controlling, HR and administration. Topics such as health & safety, environment and quality, which are also where most sustainability issues are handled, are delegated to a manager which directly reports to the management team.

To ensure that the management team is well informed about relevant sustainability topics and enabled to keep M&M Germany ahead of important developments, regular training sessions and workshops are attended. Exter-

nal experts are brought in to provide specific expertise and new perspectives on ESG matters. Members of the management board also participate in industry-specific sustainability events, such as those held at HSG St. Gallen, to keep track of developments.

Annual performance reviews are conducted between the German and Group leadership team and supplemented by needs-based reviews on special occasions. Regular feedback rounds between the Group and the managing directors ensure transparency and objectivity. Indicators on economic, environmental and social impacts are discussed during these meetings and potential measures evaluated. The German management team is responsible for reviewing and approving the information disclosed in the present sustainability report and for the selection of topics. The reporting is also discussed internally in a joint review meeting and formally approved by the management.

REMUNERATION POLICY

GRI 2-19, 2-20

Our compensation policy is designed to ensure fair and competitive wages for all employees of M&M Germany. On a management level, it distinguishes between operational and

commercial/IT management. Compensation consists of a fixed salary and a variable component. For operational management, the variable component depends on the annual budget achievement, while for commercial/IT managers, specific tasks and targets are defined at the beginning of the year. Bonuses or additional incentives are generally not provided. Severance payments are based on legal regulations, and there are no claw backs for unmet conditions or goals.

Pension plans are regulated by law for all employees, including management. Our financial and monetary compensation components aim to provide employees with pay that corresponds to their tasks and responsibilities. At the same time, personal performance and the achievement of agreed-upon goals are appropriately rewarded. Performance incentives and goal agreements are based on business-related and result-oriented factors, contributing to motivation and performance improvement.

The compensation of the managing directors is approved by the leadership of M&M Group, while the compensation of branch managers is approved by the management of M&M Germany, reflecting M&M's decentralized governance. Payments are recorded and documented in the year-end review by the Group and verified by auditors at the Germany level.



RESPONSIBLE BUSINESS CONDUCT

GRI 2-15, 2-16

At M&M, we are committed to upholding our internal Code of Ethics that governs the actions of all our employees. This commitment to compliance is deeply embedded in our corporate culture and forms the foundation of our relationships with customers, business partners, and stakeholders. We adhere to the highest ethical standards, ensuring that integrity and fairness guide all our business practices.

The Code of Ethics and the TransInvest Management Manual also ensure the avoidance and minimization of conflicts of interest on management level. Cross-shareholdings with suppliers or other stakeholders must be disclosed if they exist. The Code requires leadership team members to organize their personal and business affairs in the spirit of the TransInvest Code of Ethics and employees to inform Corporate Management if potential conflicts are identified. Critical concerns can be reported directly to the leadership team in Germany over the implemented channels. In a streamlined process, departments summarize relevant topics and concerns and forward them directly to the leadership team for further review and management. In the reporting year, no critical concerns were identified.

1.4. Sustainability at M&M Germany

GRI 2-23, 2-24, 2-25, 2-26, 2-27

Our employees are united through our core corporate values which guide our thoughts and actions from day to day. At the heart of our corporate values lies the respect for cultural diversity, recognizing the uniqueness of our employees, customers, and business partners as a vital source of innovation. Loyalty, integrity and respect define the daily interactions between our employees and towards our customers. We are unwavering in our commitment to high-quality standards, driven by an entrepreneurial spirit that embraces great responsibility towards humanity, the environment, and the goods we transport. Our dedication to sustainability is reflected in our far-sighted decision-making and careful use of natural resources. Additionally, binding safety standards, regular certifications, and national audits form the backbone of our transport logistics services, ensuring excellence and reliability.

■ **Quality that compels:** Our quality management system is crucial for guiding M&M's ongoing development and optimizing our processes to benefit our customers. Consistent, company-wide quality guidelines, along with internal training and audits, ensure a high level of service and underpin our ISO 9001:2015 certification.

- **Responsibility that matters:** Sustainable profitability is crucial for M&M. We consistently consider social and ecological aspects in our daily decisions, ensuring our transport routes are efficient and resource friendly.
- **Safety and security that convince:** Safety and security are critical for effective supply chain management, encompassing occupational and transport safety, as well as data and information security. Militzer & Münch continuously implements various measures to adapt international supply chains to the growing demand for security.
- **Doing what's right:** M&M is committed to adhering to our internal Code of Ethics, which serves as a binding foundation for all employee activities. Compliance is integral to our corporate culture and underpins our relationships with customers, business partners, and stakeholders. We are guided by the highest ethical standards and are dedicated to integrity and fairness.

At M&M Germany, all business activities and relationships are aligned with our guidelines for responsible behavior. These principles are firmly anchored in our daily processes and are clearly communicated in our contractual partnerships. Accountability lies with managers at every level. The Management Board provides strategic direction, while department heads

and employees are responsible for the practical implementation in their areas.

1.5. Stakeholder Engagement

GRI 2-28, 2-29

As a specialist and provider of transport and logistics solutions for Eurasia and North Africa, our ability to offer products that meet both customer requirements and the applicable legal and regulatory requirements is linked to a whole range of interested parties. The better we understand their needs and expectations, the more successfully we will prioritize our business and achieve our goals.

To this end, we consider the following organizations and authorities to be parties with a significant interest in our management system and the way we carry out our processes:

- Customers
- Receiving agents and forwarders
- Subcontractors
- Customs offices and customs authorities
- Legislative bodies and other authorities
- Shareholders/investors
- Banks
- Insurance companies
- Employees



M&M Germany pursues a transparent and dialogue-oriented approach in its dealings with stakeholders to promote shared values and build sustainable relationships. The company engages with various stakeholder groups through regular communication, transparent decision-making processes, and the integration of feedback into the company's development. This stakeholder engagement aims to understand needs and expectations, identify risks, and ensure that the corporate strategy remains responsible and sustainable.

M&M Germany is also active in a range of different associations and interest groups to collaborate on industry-specific challenges, strengthen exchange between peers and form long-lasting partnerships. We are part of the following associations:

- **CargoLine:** network of around 80 forwarding and logistics companies offering standardized transport solutions.
- **International Federation of Freight Forwarders Association (FIATA):** membership-based NGO representing the interests of its members by engaging with international regulators, agencies and organisations.
- **FUTURE:** air freight alliance to collaborate with other freight forwarders to purchase shared freight space from airlines

- **IGLU:** interest group to enable individual freight forwarders to have concentrated purchasing power, competitive rates and secure capacities
- **Group'99:** leading association of sea freight forwarders
- **Global Container Group (GCG):** leading association of sea freight forwarders
- **International Air Transport Association (IATA):** membership association representing the airline industry
- **Landesverbände Spedition sowie Bundesverband (DSLVB):** umbrella and federal association representing the interests of German freight forwarding and logistics service providers.

PHILANTHROPIC ENGAGEMENT

Apart from our industry-specific partnerships, we have long-lasting relationships with local charitable organizations. M&M Germany annually supports educational institutions with monetary donations at the end of the year. In the reporting year, these donations supported the "Förderverein Schwarzbachschule", a special pedagogical education and counselling center with locations across Ger-

many (€ 2500) and the local fire brigade day care center (€ 1500). M&M is also collaborating with local health organizations. In the reporting year, a donation of € 2500 supported the "Gesellschaft für Mukopolysaccharidosen (MPS) e.V.", an organisation that supports people affected by mucopolysaccharidosis, mucopolipidosis and mannosidosis and their families in a variety of ways.



CLIMATE CHANGE





Responsibility that matters

GRI 3-3

The transport and logistics sector is particularly vulnerable to climate-related disruptions, such as extreme weather events; affecting supply chain and operational efficiency. M&M Germany is aware of the risks that climate change poses for our business model; but also, our corporate responsibility in addressing our impacts on the environment and people.

M&M Germany influences climate change directly through its operational activities, including the fuel consumption of its own fleet as well as the energy usage of office and warehouses. However, by far the biggest impact on the environment happens through our supply chain and business partners in the sourcing of transport services. M&M Germany sources various logistics services upstream, such as air, water and road transport. The impact of upstream activities on climate change

is significant, particularly fuel consumption and emissions from transportation contribute to greenhouse gas emissions, which exacerbate global warming. The environmental impacts of climate change can also intensify inequalities, affecting vulnerable communities disproportionately and endangering their livelihoods.

Climate change can lead to more frequent and severe weather events, resulting in risks for M&M Germany due to disrupting logistics and transportation networks, resulting in increased operational costs. Potential regulatory changes and reputational damage if the company fails to address the topic of climate change are further risks which need to be managed.

We do, however, also see opportunities for

M&M Germany in addressing climate change to enhance our resilience, reduce costs through energy efficiency, and improve our reputation by demonstrating environmental responsibility and innovating in sustainable logistics solutions.

To date, M&M Germany engages with various stakeholders, including suppliers, customers, and employees, to promote sustainable practices and ensure adherence to environmental standards. Moreover, M&M Germany is actively working on reducing its carbon emissions and improving energy efficiency through a range of measures.



Ambition

GRI 3-3

We are committed to addressing climate change and reducing M&M Germany's environmental impact. The M&M Group has introduced the program "MissionZero" to significantly reduce emissions until 2040. More specifically, under the pillar "responsibility that matters" ecological considerations are embedded into the daily operational decision-making process. For this purpose, M&M Germany maintains a fully accredited, internationally recognized environmental management system standard ISO14001 to track and improve on its environmental performance. Additionally, M&M Germany requires transport suppliers to adhere to our business conduct guidelines, which contains requirements for suppliers to have processes in place that contribute to the reduction of GHG emissions and usage of renewable energy sources.

For the future, a specific climate transition plan detailing actions and targets will be developed while preparing for future disclosures under the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS).

Measures and Activities

GRI 3-3

M&M Germany is dedicated to addressing climate change through its commitment to the ISO 14001:2015 accreditation, which sets out the criteria for an effective environmental management system. This system provides us with a framework for managing environmental impacts, ensuring compliance with legal and other requirements, and achieving environmental objectives.

To achieve our environmental goals and reduce our emissions, M&M Germany has undertaken several measures:

- **Promoting climate-friendly supply chains:** We continuously work on enhancing energy efficiency for our clients. This includes optimizing transportation routes to reduce fuel consumption and emissions. For road transport, we require our suppliers to commit to utilizing trucks that fulfil at least the EURO-5 Standard, ensuring the use of modern technology to reduce emissions and pollution.
- **Energy efficiency improvements:** We constantly try to reduce our own energy consumption and associated emissions. For this purpose, we have switched to modern

LEDs across our offices; and when replacing hardware, we are aiming for more energy-efficient products. When sourcing energy at our locations we prefer contracts with energy providers with a high ratio of renewable energy.

- **M&M's Mobility:** The entire company car fleet has been updated to ensure that all passenger vehicles at a minimum fulfil the EURO-6 Standard. Additionally, M&M Germany constantly invests in alternative propulsion/drive technologies, such as increasing the share of electric vehicles in our fleets (PHEV ((Plug-in) Hybrid-electric vehicle) & BEV (Battery-electric vehicle)).
- **Company Bike Leasing:** M&M Germany offers its workers the possibility to lease bicycles. In turn, those can be used for commuting (as well as private use), contributing to reducing emissions caused by employee commuting as well as improving the health and wellbeing of our workers.

While we are implementing measures to reduce our own footprint, we also aim to influence other parties to join us in our efforts. For this reason, we involve various stakeholders in our environmental measures to ensure a collaborative approach:

- **Suppliers:** M&M Germany collaborates closely with its suppliers to ensure they adhere to environmental standards and practices. This collaboration helps in reducing the overall environmental footprint of our supply chain. For this purpose, a [guidance development for cooperation](#) has been developed.
- **Own employees:** M&M offers its employees regular sustainability training to increase their environmental awareness and strengthen capacities in this area.
- **Customers:** The company engages with customers to promote sustainable logistics solutions and encourages them to consider environmental factors in their transport operations.

Indicators and Evaluation

GRI 3-3

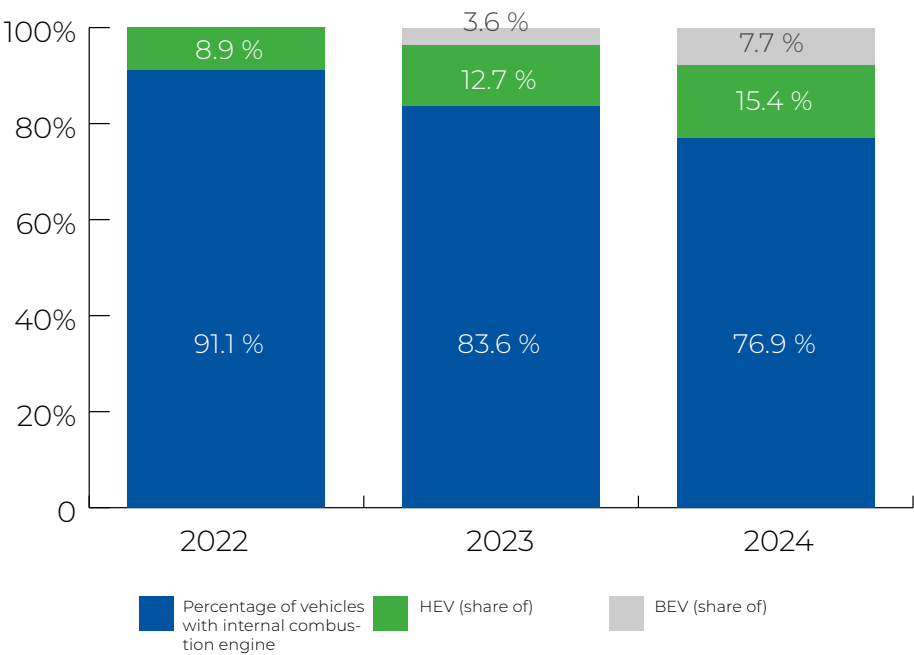
M&M Germany is committed to continuous improvement in its environmental performance as part of its ISO 14001:2015 accreditation. Through systematic evaluation and the Plan-Do-Check-Act (PDCA) cycle, the company ensures that its Environmental Management System remains effective and adapts to changing conditions, leading to ongoing enhancements in sustainability practices.

For future years, M&M Germany plans to further develop and enhance its environmental performance and track metrics regarding its emissions and energy consumption aligned with the CSRD requirements. For the meantime, we are already able to report on share of BEVs, our electricity usage and the number of shipments for which we can track the CO₂ emissions in road transport.

Share of BEVs

Over the last 3 years, the percentage of vehicles with alternative propulsion systems has constantly increased. Step by step, the car fleet is being replaced to more efficient electric vehicles.

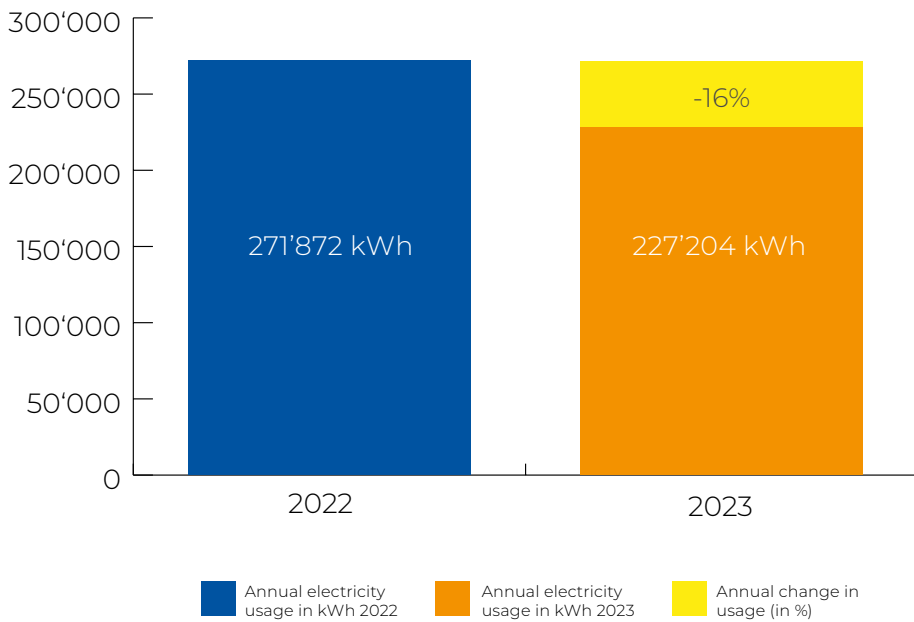
Percentage Distribution of Propulsion Technologies in Vehicles: ICE, BEV, and HEV



Electricity usage

The data contains the total electricity usage of M&M Germany across all our locations. Importantly, in some of the smaller locations including airports, where M&M is just renting a small space, the actual usage might slightly differ as it based on estimates. However, ~2/3 of our electricity usage occurs at our headquarters in Hof, where we can monitor the usage accurately. A significant factor in the high electricity consumption at this location is the company-operated data centre. In this location, we have also been able to achieve the biggest reduction in energy consumption, by upgrading the lighting system of the entire building complex.

Electricity usage in kWh



GHG Emissions

For 2024, we were able to track the CO₂ emissions for 97% of shipments made by road transport. We provide this data to all our road transport clients, to enable them to report their emissions accurately. We are currently working on implementing solutions to also track the emissions for marine and air transports. For future years, we are planning to gather further insights into our emissions, such as a corporate carbon footprint to accurately measure our progress on reducing emissions.

Air Pollution

While our efforts to reduce greenhouse gas emissions are crucial for combating climate change, it is equally important to address the air pollution caused by the same sources, such as road, air, and maritime transport, to protect public health and the environment.

Air pollution from the logistics sector, particularly from road, air, and maritime transport, poses significant environmental and health challenges. The operation of vehicles and vessels releases harmful pollutants such as nitrogen oxides (NO_x), sulfur oxides (SO_x), and particulate matter (PM), which degrade air quality and impact public health, especially in densely populated areas.

We are committed to reducing air pollution through the adoption of advanced technologies and smart logistics solutions. By leveraging innovative propulsion systems and optimizing routes, we aim to minimize the emission of harmful pollutants.

To achieve our goals, we collaborate with suppliers that embed environmental standards throughout their operations in the vehicles they provide for transport. These requirements are outlined in our Guidelines for cooperation which need to be signed by suppliers before any form of collaboration. Additionally, our optimization of logistic routes further decreases air emissions and any measures aimed at reducing GHG-emissions also decrease our overall air pollution.





OWN WORKFORCE





Dedication for our people

GRI 3-3

Our workers are the most crucial aspect for M&M Germany, significantly influencing the company's operational success and overall sustainability. A well-supported and motivated workforce can drive productivity, foster innovation, and enhance the company's reputation. Conversely, neglecting workforce issues can lead to operational inefficiencies, loss of knowledge, legal challenges, and damage to the company's reputation.

M&M Germany's workforce policies and practices have far-reaching impacts on our people, their livelihoods and local economies. The company plays a role in job creation and economic stability within the regions it operates. For individuals, ensuring fair wages, safe working conditions, and opportunities for professional growth are essential to ensure long-term wellbeing. Furthermore, upholding their indisputable rights, such as pro-

tection from discrimination and freedom of association, is fundamental to creating a fair and equitable workplace.

There are numerous opportunities for M&M Germany to enhance employee engagement, attract top talent, and cultivate a culture of continuous improvement. While this requires effort and investment, we are convinced that the resulting benefits, such as improved business performance and a competitive edge, will significantly outweigh any associated costs. This is especially true, if we factor in the potential risks, including potential legal issues, employee dissatisfaction, and high turnover rates if workforce management is not adequately addressed.

M&M Germany exerts influence on workforce-related issues through its direct employment practices and policies. This includes recruitment, training, development programs, and health and safety measures.

The company also collaborates with its supply chain and business partners to ensure they adhere to similar standards, thereby extending its influence beyond its immediate operations.



Ambition

GRI 3-3

M&M Germany is committed to the wellbeing of its workers and providing good labor conditions. This includes a comprehensive compensation package, a healthy work-life balance and opportunities for professional development.

Measures and Activities

GRI 3-3

M&M Germany addresses workforce-related issues through a variety of measures aimed at improving labor conditions, health and safety, training and development opportunities, and diversity. Our Code of Ethics outlines the expectations we have of our employees and their behavior. A specific policy on health and safety provides necessary guidance to avoid injuries and other health issues.

To achieve our workforce goals, we have undertaken several measures:

- **Health and Safety:** Implementing comprehensive health and safety programs to ensure a safe working environment for all employees. See below for additional information.

- **Training and Development:** Offering continuous professional development opportunities to enhance employee skills and career growth. M&M Germany offers all its employees an access to eLearning via Spedifort.
- **Diversity and Inclusion:** Promoting a diverse and inclusive workplace where all employees are treated with respect and have equal opportunities.

Health and Safety

The health and safety of our employees are paramount, as we are committed to creating a safe and healthy work environment that ensures the well-being of everyone in our organization. M&M Germany provides an occupational medical service for its employees. This includes the prevention of work-related illnesses, participation in regular occupational safety committee meetings, involvement in workplace safety inspections, and preventive medical examinations. Strict confidentiality towards the employer is maintained, especially during preventive examinations and in cases of work-related illnesses. Risk assessments, basic and workplace evaluations are conducted based on legal regulations to identify hazards. These procedures are guided and supported by trained safety specialists and local (external) occupational medical care.

Indicators and Evaluation

GRI 3-3

M&M Germany is committed to continuous improvement in its workforce management practices. The company regularly monitors key indicators such as employee turnover rates, training participation, and health and safety incidents. If an indicator shows an undesirable trend measures are implemented in time to counter the respective trend. Through systematic evaluation and feedback, M&M Germany ensures that its workforce initiatives remain effective and relevant, leading to ongoing enhancements in labor conditions and employee satisfaction.

Health and wellbeing

M&M Germany had no accidents to report last year, showcasing the strong commitment, but also established procedures to keep all employees safe. We aim to keep this high level of workplace safety and to continuously monitor and improve its processes.

	2023	2024
Number of accidents per 1000 employees	4,13*	0

* In the year 2023 there has been one minor accident at an operational site.

The average percentage of sick days across all employees at M&M Germany has remained stable over the last two years. With our measures, we aim to improve the wellbeing of our employees and ensure that we limit stress and other factors which might contribute to illness across our workforce.

	2023	2024
Average percentage* of days of sick leave across all employees	3,63%	3,54%

**Total number of sick days/total number of working days for all employees.

Employee Retention

Turnover Metrics	2023	2024
Turnover rate***	15%	16%

*** The turnover rate is calculated as the total number of employees who left M&M Germany during the reporting period divided by the total headcount of employees at M&M Germany at the last day of the reporting period.



Case study example: TransInvest's Talent Management Programme

TransInvest's Talent Management Programme exemplifies a forward-thinking approach to leadership development. By partnering with the Institute of Supply Chain Management at the University of St. Gallen, TransInvest provides young talents with comprehensive training to become future leaders. The program includes intensive modules on strategy, leadership, and digitalization, along with experiential learning opportunities like a module held in Istanbul. Participants also develop essential soft skills and expand their international network through interactions with experienced experts. Following the program, personalized development plans are created to guide participants' personal growth. Graduates can profit therefore a lot from going through the program, and connect directly with employers like M&M for their future professional career.





WORKERS IN THE VALUE CHAIN



Respecting our partners

GRI 3-3

Apart from our own workforce, the working conditions of workers in the value chain are a critical concern for M&M Germany as well, as they directly impact the efficiency, safety, and sustainability of our company's operations. Workers in road transport, shipping, air freight, and warehousing face unique challenges that require targeted measures to ensure their well-being and productivity.

In the road transport sector, drivers often endure long working hours and irregular shifts, leading to chronic fatigue and health issues. Limited control over work schedules and routes can contribute to stress and job dissatisfaction. Additionally, the high risk of road accidents due to long hours, time pressure, and potentially inadequate safety measures poses significant safety concerns.

Shipping industry workers face high injury rates due to heavy machinery, harsh and

quickly changing weather conditions as well as complex logistics. Human error, often resulting from insufficient rest and inadequate training, is a major contributor to shipping accidents. The physical demands of the job, coupled with exposure to hazardous materials, can lead to respiratory issues and musculoskeletal injuries. Long periods away from home and isolation also contribute to mental health challenges among seafarers.

In the air freight sector, workers such as cargo operators are prone to musculoskeletal disorders due to heavy lifting and awkward postures. The fast-paced and physically demanding nature of the work increases the risk of acute injuries and chronic pain. Ensuring safety in a busy and dynamic environment requires continuous training and adherence to safety protocols.

Warehousing workers face ergonomic hazards

from repetitive lifting, bending, and handling heavy materials. Common injuries include those from slips, trips, falls, and being struck by moving equipment. Handling hazardous chemicals can pose significant health risks, and the high work demands, and fast-paced environments can lead to stress and fatigue.

Additionally, migrant workers across all these segments often face further challenges, including exploitation, poor living conditions, and lack of legal protection. They are frequently deceived by recruitment agents, pay high recruitment fees, and are trapped in poor working conditions. Many live in cramped and unsanitary conditions with limited access to healthcare and other basic services, and they often lack adequate legal protection and face barriers to accessing justice and remediation for labor rights abuses.



Ambition

GRI 3-3

M&M Germany is committed to ensuring and further improving the working conditions of workers in its value chain. Our code of ethics and additional guidelines for cooperation are at the core of our commitment to all workers in the value chain. They ensure that the companies we source our services from are adhering to international frameworks and guidelines on workers rights, such as the ILO, the UN Declaration of Human Rights and the SA8000 standards. Our ambitions are also closely aligned with the United Nations Sustainable Development Goals (SDGs), particularly Goal 8 (Decent Work and Economic Growth). By promoting fair labor practices and ensuring safe working conditions, M&M Germany contributes to global efforts to achieve sustainable economic growth and decent work for all.

Measures and Activities

GRI 3-3

M&M Germany addresses the working conditions of workers in its value chain through a variety of measures aimed at improving labour conditions, health and safety, and respecting human rights. For this purpose, M&M Germany maintains a management system that includes:

- **Supplier Evaluation:** As part of our quality management, we evaluate suppliers based on criteria like reliability, service quality, and contract compliance. This ensures our partners meet our standards and continuously improve their practices.
- **Collaboration Principles:** We aim for close and long-lasting partnerships with our suppliers, expecting them to follow legal, ethical, and social standards. Regular communication ensures our requirements are understood and implemented.
- **Review and Evaluation:** We use methods like self-assessments, occasional reviews, and training programs to evaluate suppliers. These help us identify risks early and maintain high standards across the supply chain.
- **Child Labor and Young Workers:** Our partners must protect the rights and well-being of children and young workers, addressing their unique needs and vulnerabilities.
- **Wages and Benefits:** Our partners should provide fair and competitive wages and benefits to all employees, recognizing them as valuable assets.
- **Working Hours:** Our partners are expected to promote a healthy work-life balance by ensuring reasonable working hours in a safe and productive environment.
- **Modern Slavery:** Our partners must prevent and eradicate all forms of modern slavery within their operations and supply chains.
- **Freedom of Association and Collective Bargaining:** Our partners should uphold the fundamental rights of freedom of association and collective bargaining for all employees.
- **Harassment and Non-Discrimination:** Our partners must maintain a work environment free from harassment and discrimination, treating every employee with respect and dignity.

Additionally, our company is committed to regularly reviewing and enhancing our management system with practical, actionable solutions. We adapt processes to current requirements, engage in open dialogue with stakeholders, and provide regular training to ensure social and ethical standards are upheld in daily operations.

M&M's measures aim to improve the overall working conditions of all workers within its supply chain, particularly aimed at the following areas – as laid out in our code of ethics:

To achieve meaningful change in our value chain, we need to involve various stakeholders in our measures and ensure a collaborative approach:

- **Suppliers:** Working closely with suppliers to ensure they adhere to fair labour practices and standards.
- **Workers in the value chain:** At M&M Germany, we have a whistleblowing policy and an anonymous reporting portal for logistics workers to report any suspected illegal or unethical behavior without fear of retaliation. This helps us identify and address potential legal violations in areas such as supply chain, finance, personnel, data protection, IT security, discrimination, and other legal issues.

Currently, we do not collect specific indicators and metrics regarding the workers in the value chain. In our ambition for the wellbeing of all workers and in light of the regulatory reporting under the CSRD, we will develop further measures and ways of measuring our progress in the coming years.



code

ethics

integrity

honesty

BUSINESS CONDUCT





Doing what's right

GRI 3-3

Global transportation involves interactions with various stakeholders including customs officials, port authorities and regulatory authorities. Each of these interactions must be handled cautiously, responsibly, and in respect of local customs and cultures. The diverse and complex landscape of regulations and compliance requirements in different jurisdictions need to be considered and upheld as well. Navigating these regulations can be a strenuous and challenging task, increasing the risk of bribery or corruption to speed up certain process steps. Due to the interconnected nature of supply chains, such instances at one point in the process can lead to ripple effects which can negatively impact the following steps as well. Corruption and bribery are not only negatively affecting the directly affected parties but can generally increase inefficiencies and inequalities in local economies.

As a global provider of transportation services, our clients entrust us with their goods and rely on us for the safe and timely delivery of their products. Adhering to high standards of business conduct is crucial because any failure in delivering our promises of quality, responsibility, and safety would cause considerable losses for our clients and damage our long-lasting partnerships. In the logistics sector, these partnerships are essential for M&M's long-term success. Misconduct would not only harm M&M but also our clients, employees, and other workers in our value chain, such as drivers and logisticians and potentially local communities as well. Failure to uphold our high safety standards for example could lead to negative impacts along our transport routes, for example through pollution or accidents.

Our commitment to compliance is deeply embedded in our corporate culture and forms the foundation of our relationships with customers, business partners, and stakeholders. We adhere to the highest ethical standards, ensuring that integrity and fairness guide all our business practices.



Ambition

GRI 3-3

Our Code of Ethics is the central document for our commitments to responsible business conduct. In it, we as M&M Germany and all our employees commit to compliant and integer behavior in all areas of responsibility and influence. These cover for example the respect of local communities and relevant land, forest and water rights as well as the environment in general. It also outlines our commitment to transparency and integrity in our organization and our engagement against bribery and corruption.

These commitments flow directly into our corporate strategy as well as into operational guidelines and processes. Every project is to be planned and executed on the basis of these guidelines to ensure responsible behavior.

Measures and Activities

GRI 3-3, 2-23, 2-24, 2-25, 2-26, 2-27

Our Code of Ethics outlines the high expectations we have from ourselves as a company

but also from our employees and business partners. We expect our colleagues to contribute actively to securing and improving the environmental conditions in the areas we operate. We also recognize that we have a responsibility to treat our stakeholders fairly and with respect, and in a manner that is socially responsible. To ensure that our employees and business partners are aware of these requirements, the documents are shared with internal stakeholders through the intranet (and upon entering M&M) and shared with business partners ahead of any form of collaboration.

In our business relationships, we implement the commitments through transparent communication and clear contractual agreements. We select partners who share the same values and work closely with them to promote responsible behavior.

While we do our best to identify potential sources of risks regarding responsible business conduct ourselves, we also want to be prepared for any potential breaches at our own operations or in our value chain. To enable internal and external parties to report human rights and environmental risks, as well as violations, or other forms of misconduct, we have established a grievance mechanism which is aligned to the requirements of the Act on

Corporate Due Diligence Obligations in Supply Chains by the German government. The central channel for complaints and reports is an electronic whistleblower system which can be accessed online and is free of charge for users. External persons are informed about this system on the homepage of M&M Germany. Our employees are also informed about the existing complaints channel via the intranet and upon entry to the company. Complaints and indications can be given in German or English, whereupon the person entering the report receives instructions on how to remain in contact with the responsible people while remaining anonymous. The reporting office managing those complaints has been set up at a law firm commissioned by M&M Germany to ensure an independent and impartial handling of the report. After an initial screening by the law firm, the report is forwarded to the responsible people at M&M Germany if necessary for further handling.

This procedure is reviewed for effectiveness at least once a year or as required by M&M Germany's management. If necessary, adjustments are made to the procedure, or corrective measures are taken to ensure ongoing effectiveness.

Indicators and Evaluation

GRI 3-3

To monitor potential developments in our operations and value chain early on, we monitor the annual number of grievances which are reported through our complaints system. In the reporting year, there were no complaints in our own operations and in our broader value chain.



About this Report

This first sustainability report by M&M Germany covers the reporting year from 01.01.2024 to 31.12.2024. It has been created with reference to the GRI Standards 2021 to ensure the quality of the report and with the requirements of the European Sustainability Reporting Standards (ESRS) in mind. In the coming years the report will be further developed and supplemented with additional data points by GRI and the ESRS in particular.

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GRI Content Index

Statement of use	M&M Germany has reported the information cited in this GRI content index for the period 01.01.2024 to 31.12.2024 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standard/ Other source	Disclosure	Location
General disclosures		
The organization and its reporting practices		
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	2-2 Entities included in the organization's sustainability reporting	p. 6
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	2-4 Restatement of information	
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Governance		
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	2-10 Nomination and selection of the highest governance body	p. 7
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	2-17 Collective knowledge of the highest governance body	p. 7
	2-18 Evaluation of the performance of the highest governance body	p. 7
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	2-23 Policy commitments	p. 8, 24
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	2-27 Compliance with laws and regulations	p. 8, 24
	2-28 Membership associations	p. 8-9
Stakeholder engagement		
GRI 2: General Disclosures	2-29 Approach to stakeholder engagement	p. 8-9

Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 11-14
Own indicator	302-1 Energy consumption within the organization	p. 13
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Own workforce		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 16-17
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 16-17
GRI 403: Occupational Health and Safety 2018	Number of accidents per 1000 employees	p. 17
	Average percentage of days of sick leave across all employees	p. 17
Workers in the value chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 20-21
Business conduct		
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 23-24
GRI 205: Anti-corruption 2016	Number of grievances reported	

