

**PREPARED  
FOR  
TOMORROW**



Sustainable transformation is one of the biggest challenges for the economy. The Dürr Group sees this transformation as an opportunity. We are opening up new areas of business and offering our customers energy- and material-efficient solutions for tomorrow's business — be it the coating of battery electrodes, the construction of climate-friendly timber houses or the operation of resource-saving paint shops. Our brands, Dürr, Schenck, and HOMAG, feature intelligent and low-consumption technologies that enable users to make the switch to sustainable production processes.

**PREPARED FOR TOMORROW!**

**120**

LOCATIONS IN 33 COUNTRIES

**€3,536.7**

MILLION SALES



**17,802**

EMPLOYEES

**>30,000**

SUPPLIERS WORLDWIDE



15.1%

PROPORTION OF TAXONOMY-ALIGNED SALES



€123.9

MILLION R&D EXPENDITURE



€1.4

BILLION SUSTAINABLE FINANCING VOLUME



11

YEARS AVERAGE LENGTH OF SERVICE



€867,000

DONATIONS AND SPONSORSHIPS

The Dürr Group is one of the world's leading mechanical and plant engineering firms. Our technology boasts automation and a high degree of digitalization, and it helps customers make their production more efficient while conserving resources. Business with automotive manufacturers and their suppliers accounts for around 50% of our sales. We generate almost 40% from the sale of woodworking machinery and systems. Other customer industries include the chemical, pharmaceutical and medical technology sectors.

DÜRR GROUP: 5 GLOBAL DIVISIONS

|   |  |   |   |  |
|---|--|---|---|--|
| <p><b>Paint and Final Assembly Systems</b></p> <ul style="list-style-type: none"> <li>• Paint shops</li> <li>• Final assembly systems</li> <li>• Testing and filling technology for the automotive industry</li> <li>• Assembly and test systems for medical devices</li> </ul> | <p><b>Application Technology</b></p> <ul style="list-style-type: none"> <li>• Paint application technology</li> <li>• Gluing technology</li> <li>• Sealing technology</li> </ul> | <p><b>Clean Technology Systems</b></p> <ul style="list-style-type: none"> <li>• Air pollution control</li> <li>• Noise abatement systems</li> <li>• Coating systems for battery electrodes</li> </ul> | <p><b>Measuring and Process Systems</b></p> <ul style="list-style-type: none"> <li>• Balancing equipment</li> <li>• Diagnostic technology</li> <li>• Industrial filling technology</li> </ul> | <p><b>Woodworking Machinery and Systems</b></p> <ul style="list-style-type: none"> <li>• Machinery and equipment for the woodworking industry</li> </ul> |
|---|--|---|---|--|



CLIMATE TARGETS 2030:

-70%

SCOPE 1 AND SCOPE 2 EMISSIONS



-15%

SCOPE 3 EMISSIONS



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# FOREWORD TO THE 2021 SUSTAINABILITY REPORT

## Dear Readers,

Decarbonization is prompting the economy to reinvent itself. This is because climate change is linked to dramatic ecological, economic, and social risks, which must be mitigated. Companies therefore have the task of lowering greenhouse gas emissions and bringing their products, services, and processes in line with the requirements of environmental and climate protection. This is not just a challenge but – in our case – also an opportunity.

Being one of the world's leading mechanical and plant engineering firms, we have innovative strength as well as the knowledge and motivation to develop solutions that support the sustainable transformation of the economy. Our technologies lower energy consumption in our customers' factories and reduce their ecological footprint. It was only 15 years ago, for example, that around 1,500 kWh of energy was required to paint a car. We have reduced this figure by two thirds. Depending on the energy mix, we are already capable of building emission-free paint shops. Our innovations also enable us to make existing plants more sustainable: In Europe alone,

**For the  
Dürr Group,  
sustainability is  
an opportunity.**

Dr. Jochen Weyrauch

there are still over 200 paint booths left that bind excess paint using water. If these were converted to our economical dry-separation technology, their energy consumption could be lowered by almost 60% in one fell swoop. To put things into perspective: This would help save the amount of CO<sub>2</sub> emissions that 100,000 German households generate each year through their energy consumption.

Our technologies play an equally important role when it comes to manufacturing better products for a CO<sub>2</sub>-neutral society. HOMAG systems for building climate-friendly timber houses are a prime example. They are in greater demand than ever; in 2021, our order intake

in this area more than doubled. A similar case is production technology for emission-free electric cars, where orders reached a new all-time high of around €775 million. Our solutions for electrode coating are also pioneering. In Europe, in particular, additional capacities are needed to manufacture cells for battery cars – we offer the technology required for this.

## We are an enabler for a CO<sub>2</sub>-neutral future.

Our role as an enabler for sustainable management is also reflected in our new climate strategy. We have set ourselves ambitious targets, validated by the Science Based Targets initiative, for reducing greenhouse gas emissions and we are contributing to the 1.5°C target set out in the Paris Climate Agreement. We are doing this through our own climate protection measures, such as investments in photovoltaic systems at our sites, and through the positive effect our products have on our customers' CO<sub>2</sub> emissions.

In 2022, we are continuing our commitment to an environmentally sustainable and socially just future. The focus is on implementing our climate strategy and enforcing high environmental and social standards in our global supply chain. In addition, we are keeping a close eye on the Green Deal and the Taxonomy Regulation, with which the European Union is promoting investments in eco-friendly technologies. We are one of the first companies to report voluntarily not only on taxonomy-eligible but also on taxonomy-aligned sales, investments, and operating expenditures. What remains unchanged are our commitment to the United Nations Global Compact and our ambition to contribute to the 2030 Agenda of the United Nations with its 17 Sustainable Development Goals.

The challenges we face are enormous. But we are well prepared for the future – this is also reflected in the title of this report. The Dürr Group has a high-performing core business and a broad portfolio of sustainable and digital technologies. We are investing in future-oriented business fields such as battery coating and the production technology for climate-friendly timber houses. Together with many people in the Group who are curious and open to transformation, sustainability, and diversity, we are modernizing our corporate culture. We are also forging new paths in further developing our employees, for example through our Digital Days, the online learning platform LinkedIn Learning or the Dürr Group Academy. After all, it is our almost 18,000-strong workforce around the world that develops new, creative, and pioneering ideas on a daily basis. By promoting their technical and personal skills, we encourage them to put their ideas into practice and help our company move forward.

With this report, I invite you to learn more about the progress we have made in terms of sustainability and about the road that still lies ahead. Feel free to send us your feedback and ideas on this – we look forward to the exchange!

Sincerely



**Dr. Jochen Weyrauch**  
CEO

Bietigheim-Bissingen, June 20, 2022



# BOARD OF MANAGEMENT OF DÜRR AG



**Dr. Jochen Weyrauch (55)**  
CEO



**Dietmar Heinrich (58)**  
CFO

# THE DÜRR GROUP

The Dürr Group is one of the world's leading mechanical and plant engineering firms with extensive expertise in automation and digitalization. Our machines, plants and services stand for efficiency and sustainability, whether in the automotive industry, which still accounts for approximately 44% of our sales, or in other sectors such as the woodworking, mechanical engineering, the chemical, pharmaceutical, medical devices and electrical engineering industries.

We operate from 120 locations in 33 countries. Our business extends globally, especially with our Dürr, Schenck and HOMAG brands. In addition to North America and Western Europe, we also maintain a strong presence in the → **emerging markets**, which accounted for 44% of our order intake and 43% of our sales in fiscal year 2021. At year's end 2021, approximately 34% of the workforce were employed in the emerging markets. Almost 2,250 employees (including around 250 external employees) work in Shanghai (China) alone.

Our lead sites in Germany control the Group's global operations. The Dürr Campus in Bietigheim-Bissingen (approx. 2,300 employees) is the Group's corporate headquarters and also the head office of Paint and Final Assembly Systems, Application Technology and Clean Technology Systems. The Darmstadt location (around 550 employees) coordinates the operations of Measuring and Process Systems. The HOMAG Group head office in Schopfloch (approx. 1,700 employees) manages the business activities of Woodworking Machinery and Systems.

## DÜRR GROUP: 3 GLOBAL BRANDS



An overview of all subsidiaries and investments of the Dürr Group is provided in the [Annual Report 2021, page 231](#).

### Dürr Systems subgroup

The Dürr Systems subgroup stands for paint shops, robot technologies for the automated application of paint, sealants and adhesives, environmental technology, final assembly, testing and filling technology, noise abatement systems and coating systems for battery electrodes, testing systems for electric and hybrid drives, and production systems for medical products.

### Schenck subgroup

The Schenck subgroup offers balancing and diagnostic technology as well as solutions for the automated filling of refrigerators, air-conditioning systems and heat pumps with refrigerants.

### HOMAG subgroup

The HOMAG Group is the world's leading supplier of woodworking machinery and systems, for example, in the production of furniture and in timber house construction.

## BUSINESS MODEL

Our core competence is the → **engineering** of efficient production technology. We offer our customers a full range of options from individual machines to turnkey manufacturing systems. As part of → **Industry 4.0**, we are expanding our offering in digital networking and control of production systems. Our technologies and services are designed to help our customers achieve efficient and sustainable production, relying primarily on the following factors:

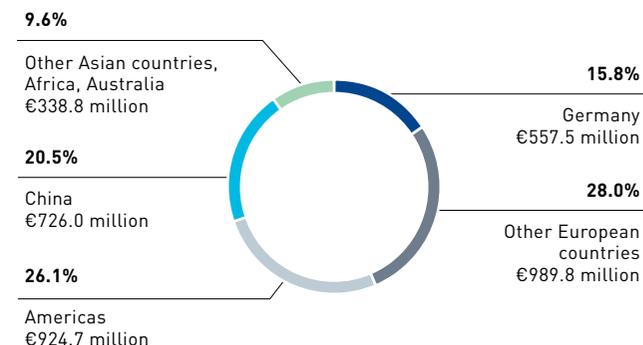
- development of material-efficient and energy-saving products
- digitalization and technological innovation
- planning, engineering and order processing know-how
- a comprehensive range of services over the entire life cycle of our products
- global presence, proximity to customers in all market regions

We operate globally in niche markets, where we are either the market leader or among the largest suppliers, with market shares ranging from 20% to 50%. 58% of Group sales come from mechanical engineering and 42% from plant engineering.

## SELECTED KEY ECONOMIC FIGURES

| in € million  | 2021     | 2020     | 2019     |
|---|----------|----------|----------|
| Incoming orders   | 4,291.0  | 3,283.2  | 4,076.5  |
| Sales revenues  | 3,536.7  | 3,324.8  | 3,921.5  |
| EBIT (earnings before interest, income taxes and income from investments) | 175.7    | 11.1     | 195.9    |
| Research and development expenses   | -123.9   | -107.7   | -110.8   |
| Capital investment (excluding acquisitions)                               | 107.8    | 76.4     | 102.6    |
| Personnel expenses  | -1,170.4 | -1,051.9 | -1,136.9 |

## CONSOLIDATED ORDER INTAKE BY SALES REGION (2021)





The Dürr Group operates globally in the market through its three brands: Dürr, Schenck, and HOMAG.



# STRATEGY AND ORGANIZATION

With the 2030 Agenda adopted in 2015, the United Nations has opted for a comprehensive environmental and social reform program to take decisive steps toward sustainable development within 15 years. The 2030 Agenda contains 17 Sustainable Development Goals — also known as SDGs — with a total of 169 targets.

We have identified eight SDGs that map the key impacts of the Dürr Group's business and corporate strategy. Derived from this, our aim is to systematically expand our positive contribution to these goals by continuously improving our internal business practices and products, seizing new opportunities while effectively limiting our negative impact.



# SUSTAINABILITY FIRMLY EMBEDDED IN STRATEGY

We are convinced that sustainability makes a significant contribution to achieving our corporate goals. For this reason, it is firmly embedded as one of four “enablers” in our Group strategy. In this way, we not only assume our economic, environmental and social responsibility, but also make targeted use of the business opportunities that sustainability provides.

## Group strategy

The current mid-term strategy was adopted in late 2019. It provides the roadmap for profitable growth and for our evolution as a mechanical and plant engineering group that seizes opportunities in different market niches and customer segments. Automation, digitalization and sustainability are the key drivers of our business. We are systematically pursuing the strategic guiding theme of sustainability, for example in the expansion of activities in the solid wood sector for sustainable construction, in the electromobility segment and in the environmental technology business of the Clean Technology Systems division.

Our four strategic fields are global presence, innovation, efficiency and life cycle services. In addition, four central

enablers, i.e. supporting functions relevant for the successful implementation of our strategy, back up our operations: Sustainability, Mergers & Acquisitions, Finance Management and People Development.

## Enabler Sustainability

### NEW CLIMATE STRATEGY ADOPTED

More and more customers and business partners are asking for evidence as to the sustainability of our activities and actions before they sign contracts with us. Our credibility as an employer, an issuer in the capital market and as a participant in public life requires us to adopt a responsible approach to the use of resources and the interests of our → [stakeholders](#), and to observe the principles of → [corporate citizenship](#), → [compliance](#) and → [corporate governance](#).

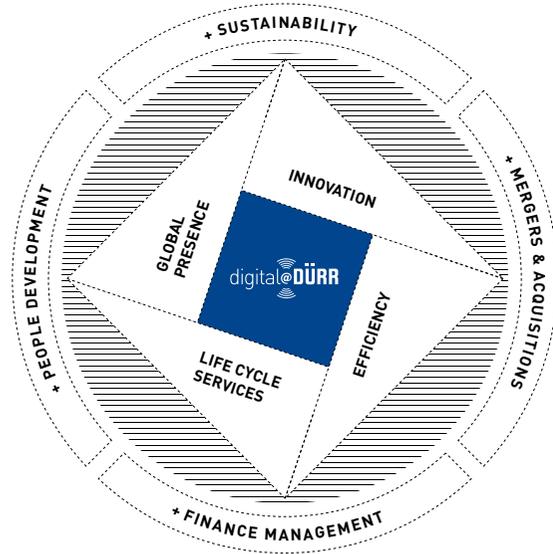
Our willingness to take responsibility for climate protection is reflected in the climate strategy announced in 2021. With this strategy, we have made a pledge to contribute to the → [1.5°C target](#) under the → [Paris Climate Agreement](#) — limiting

global warming to 1.5°C — by reducing → [greenhouse gas emissions](#) accordingly by 2030. For detailed information, please refer to the → [“Climate strategy”](#) section.

### PARTNER FOR SUSTAINABLE PRODUCTION PROCESSES

Our customers are increasingly investing in making their production processes sustainable. We are an important partner for this goal, developing low-consumption and low-emission products that can be used to significantly reduce the ecological footprint of automotive plants and other factories. In addition, our environmental technology systems help reduce emissions in various industrial sectors, resulting in fewer pollutants and cleaner exhaust air. There is growing potential for marketing these products — especially as customers looking to make a purchasing decision are increasingly paying attention to the contribution new technologies make to their sustainability agenda. We will seize this opportunity systematically. For further information, please refer to the section → [“Sustainable products and systems”](#).

THE DÜRR GROUP'S MID-TERM STRATEGY



**+2–3% p.a. organic**

SALES

**≥8%**

EBIT MARGIN

**≥25%**

ROCE

**≥30%**

SERVICE SHARE

**SERVICE BUSINESS ENSURES LONGEVITY OF MACHINERY AND SYSTEMS**

With an average service life of our machines and systems generally well over 10 years, our service business plays a significant role. This is also reflected in our strategic objective of achieving a service share in total sales of at least 30%. Through general overhauls, modernizations, modifications and the provision of spare parts, we ensure the longevity of our products and extend their useful life. We thus contribute to the → **circular economy**, conserve valuable resources and reduce the ecological footprint.

**CONTRIBUTION TO THE TRANSFORMATION TOWARD A CLIMATE-NEUTRAL SOCIETY**

We are using the transition to electromobility as a business driver. We offer painting, assembly and testing technology for electric vehicles, solutions for balancing and testing electric motors as well as technologies for battery production. The business with systems for coating battery cells plays a prominent role: In order to be able to produce enough batteries for the growing number of electric cars, additional factories will be needed, especially in Europe.

In addition, sustainable construction with timber is one of our key growth sectors. With production technology for timber house construction, we already cover a large part of the value chain in the manufacture of timber construction elements. We thus contribute to a sustainable and climate-friendly development of the building sector.

**GLOBAL PRESENCE**

- Global business with local supply chain
- Strong regional set-up (North America, Asia, Europe)
- Expand in Southeast Asia

**INNOVATION**

- Technology leader with software as differentiator
- Enter new business fields supported by trends
- Efficient & sustainable products

**EFFICIENCY**

- Drive synergies, esp. scale, processes, standardization, costs
- Lean and agile organization
- Optimize global footprint

**LIFE CYCLE SERVICES**

- Leverage vast installed base
- Strengthen brownfield business
- Optimize life cycle by using asset data intelligence

## Our sustainability concept

We take a holistic view of the topic of sustainability. Five fields of action form the structure for sustainability management in the Dürr Group. Our economic activities are consistent with environmental and social issues as well as responsible corporate governance.

### Management and governance

Our corporate activities are focused on profitable growth and on future-oriented business areas and sectors. In the process, we always observe the principles of good → **corporate governance**.

### Products and services

As a global innovation and technology leader, we develop low-consumption and low-emission products for various industrial sectors. As a partner, we support our customers in making their production processes sustainable and reducing their ecological footprint.

### Value creation and supply chain

In our own business operations, we consistently focus on measures to reduce our environmental footprint. At the same time, we focus on a transparent and sustainable supply chain.

### Employees and qualification

Our Company considers itself an attractive and fair employer that offers its employees a wide range of career opportunities and options for further development.

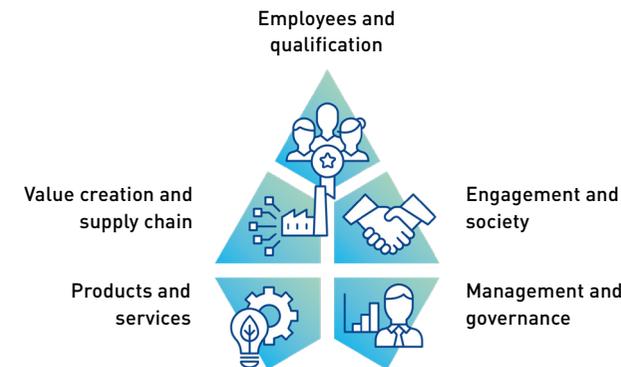
### Engagement and society

We contribute to society through social engagement, partnerships and participation in global sustainability initiatives.



The holistic approach of our sustainability activities and the five fields of action are reflected as segments of a leaf in our “Dürr Group Sustainability” logo. For each field of action, we have defined strategic goals (→ “**Sustainability goals**”).

### OUR FIVE FIELDS OF ACTION



## Materiality analysis

In order to determine which sustainability topics are particularly relevant for the Dürr Group and its → **stakeholders**, we carried out a comprehensive → **materiality analysis** in the year 2020. The business criticality of various non-financial matters was determined on the basis of discussions with specialized departments, interviews with managers and a management workshop. In addition, the importance of the topics was analyzed from the perspective of selected stakeholders. For this purpose, we held 20 internal discussions with responsible persons from the Investor Relations and Sales departments of the various divisions. In addition, we conducted an international survey of a representative sample of employees, in which 360 persons participated. We compared the results from this internal survey with the views of various stakeholders based on a media analysis. At the same time, we assessed the economic, environmental and social impacts of our business activities and had them validated by external sustainability experts.

In 2021, we further specified our materiality analysis. Since then, we have classified the issue of environmental and climate protection as material. The change comes as environmental protection — in particular climate protection — has continued to grow in importance in politics, business and society, and in the perception of our stakeholders. In addition, we see a higher relevance of the topic of “responsible supply chain” for our stakeholders, especially against the backdrop of the [German Supply Chain Due Diligence Act \(LkSG\)](#), which was passed in 2021.

The following materiality matrix illustrates our 20 key sustainability topics, their allocation to the five fields of action, their relevance from a stakeholder perspective, and their impact on the economy, the environment and society.

**MATERIALITY MATRIX 2021**



**Management and Governance**

- 1 Compliance and anti-corruption
- 2 Profitable growth and financial stability
- 3 Sustainable businesses
- 4 Privacy protection and information security
- 5 Corporate governance
- 6 Emergency management and crisis management



**Products and Services**

- 7 Sustainable products and systems
- 8 Life cycle services
- 9 Digitalization and automation
- 10 Technology and innovation leadership
- 11 Customer satisfaction and relationships



**Value Creation and Supply Chain**

- 12 Responsible supply chain
- 13 Environmental and climate protection



**Employees and Qualification**

- 14 Attractive employer and fair working conditions
- 15 Health and safety
- 16 People development and further training
- 17 Global collaboration and diversity



**Engagement and Society**

- 18 Association work and partnerships
- 19 Global initiatives and commitment
- 20 Donations and sponsorship

○ **material topic in keeping with the CSR-RUG (German CSR Directive Implementation) Act (CSR-RUG)**

## Sustainability management

The Sustainability Council is the central decision-making body for sustainability issues in the Dürr Group. Its members adopt sustainability strategies and objectives, track the Group's progress toward meeting them and support the implementation. The CEO of Dürr AG, Dr. Jochen Weyrauch, chairs the Sustainability Council and has overall responsibility for corporate sustainability. The members of the Supervisory Board advise and

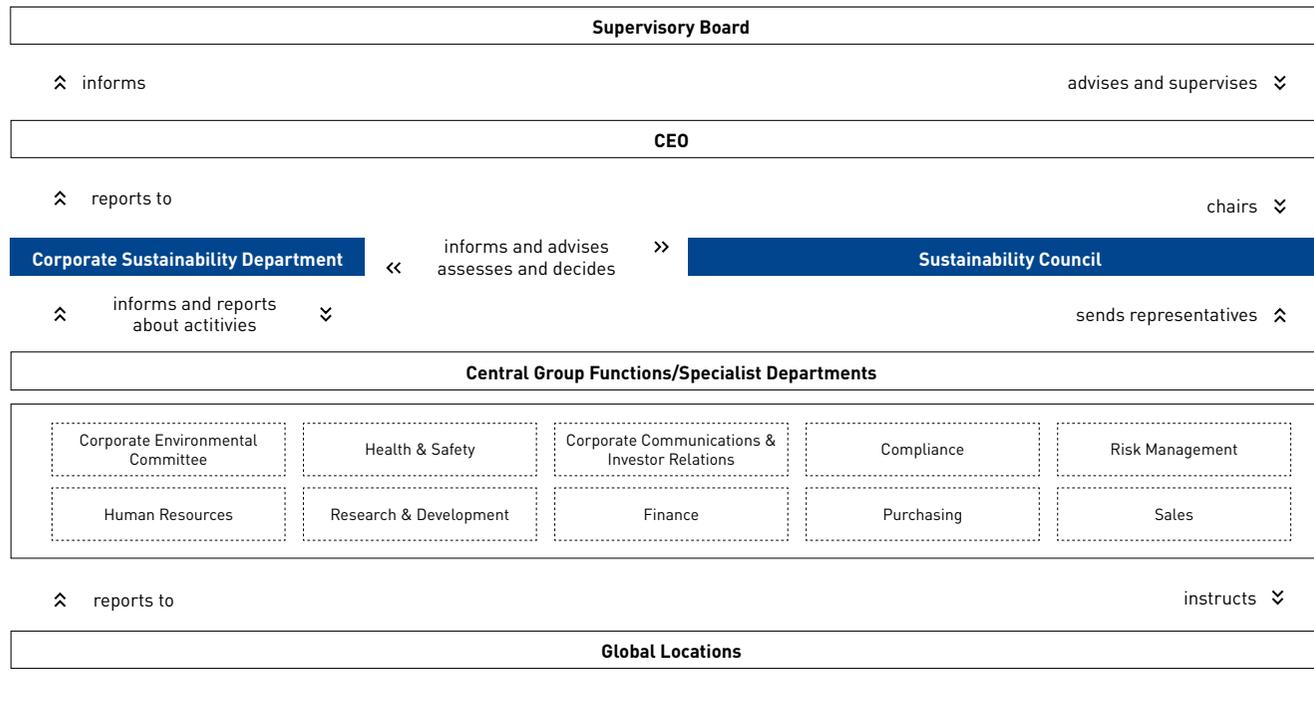
support the CEO on sustainability issues. Since 2021, there has been a permanent contact person for sustainability issues on the Supervisory Board, who is also a permanent member of the Sustainability Council. The members of the Supervisory Board will participate in a further training seminar in 2022 in order to strengthen the body's expertise in the area of sustainability.

In August 2021, the Sustainability Council held a meeting focused on the planned climate strategy. Special attention was paid to

the expert presentation by guest speaker Ingo Speich, Head of Sustainability and Corporate Governance at Deka Investment, who explained the investors' perspective on the Dürr Group's sustainability activities.

We control our activities and processes in the area of sustainability in the relevant specialist areas through integrated management systems. Among other things, we make use of internationally established standards and have their standard-compliant application verified by external auditors. We have set ourselves the goal of having the environmental management systems of all locations certified that possess production, assembly facilities or a technical center and where hazardous substances are regularly handled. The relevant certifications are based on the environmental management standard ISO 14001. 42% of the relevant sites are already certified according to this standard. Eleven HOMAG Group sites have a certified energy management system according to ISO 50001. A number of sites conduct energy and quality audits. We aim to implement the occupational safety standard ISO 45001 at all major Group sites by the end of 2023.

### RESPONSIBILITY AND ORGANIZATION IN THE AREA OF SUSTAINABILITY



### DÜRR GROUP LOCATIONS WITH CERTIFICATIONS

|   | Status as of:<br>March 31, 2022 |
|---|---------------------------------|
| Sites with quality management certified to ISO 9001 <sup>1</sup>                                    | 61                              |
| Sites with production, assembly or technical center and/or hazardous substances                     | 50                              |
| of which sites with environmental management certified to ISO 14001 <sup>1</sup>                    | 26                              |
| Sites with energy management certified to ISO 50001 <sup>1</sup>                                    | 11                              |
| Sites with occupational health and safety management certified to ISO 45001 <sup>1</sup> or similar | 23                              |

<sup>1</sup> Sites used by several companies of the Dürr Group sometimes hold multiple certificates.

## Management of sustainability risks

Our strategy is to manage the risks associated with our entrepreneurial actions so as to achieve a balanced ratio to the opportunities. To this end, we make use of a risk management system that also integrates various sustainability aspects. It is deployed throughout the Group, tailored to the global mechanical and plant engineering business and covers all specific risks, provided they are identifiable and sufficiently concrete and exceed a certain materiality threshold. Non-quantifiable strategic risks are recorded separately.

We see an opportunity for our business in the growing demands of customers for the sustainability properties of our products and systems. For example, we support the transition to electromobility with machinery and systems for the production of batteries and electric motors.

There are potential social and environmental risks in our supply chain. Against the backdrop of the German [Supply Chain Due Diligence Act \(LkSG\)](#), which was passed in the summer of 2021, we are reviewing the appropriateness of our risk management system and will adjust it if necessary. For further information on managing supply chain risks, please refer to the ["Sustainable supply chain"](#) section.

In 2021, we further expanded our Group-wide [Business Continuity Management system](#), which is designed to protect us in the event of crises and emergencies. More information is available in the ["Corporate Security"](#) section.

We are adapting to the increasing requirements for transparency in sustainability reporting. Among other things, we are intensifying our sustainability communication with the capital market and on our website, and we are also expanding our sustainability reporting. With our first reporting according to the [EU Taxonomy](#), we have positioned ourselves as a pioneer. However, we take a critical view on the fact that the EU Taxonomy, which is part of the European Union's [Green Deal](#), leads to greatly increased administrative expenditure, as it requires an extensive collection of information and key figures on "green" business activities. For further information, please refer to the ["Pioneer in EU Taxonomy"](#) section.

Risks associated with climate change are becoming increasingly relevant for us. However, we see ourselves as being primarily exposed to [transition risks](#): In the short term, more stringent legal requirements, regulations, standards and guidelines will have an impact on our daily business. Potential emission limits, [CO<sub>2</sub>](#) pricing and increasing energy costs are potential risks that we monitor closely, taking appropriate action where necessary. In 2021, we conducted [climate risk and vulnerability assessments](#) for selected production sites for the first time. As a result, we were able to identify only a low risk for these sites. In the 2022 fiscal year, we plan to expand climate risk and vulnerability assessments to additional relevant sites.



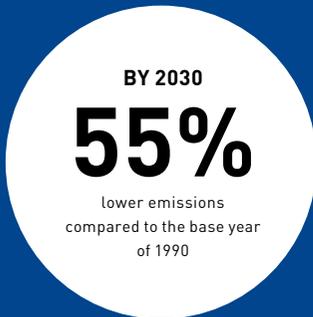
We record sustainability risks as part of our Group-wide risk management system.

# Climate strategy

The Dürr Group is committed to the European Green Deal and therefore adopted a comprehensive climate strategy in 2021.

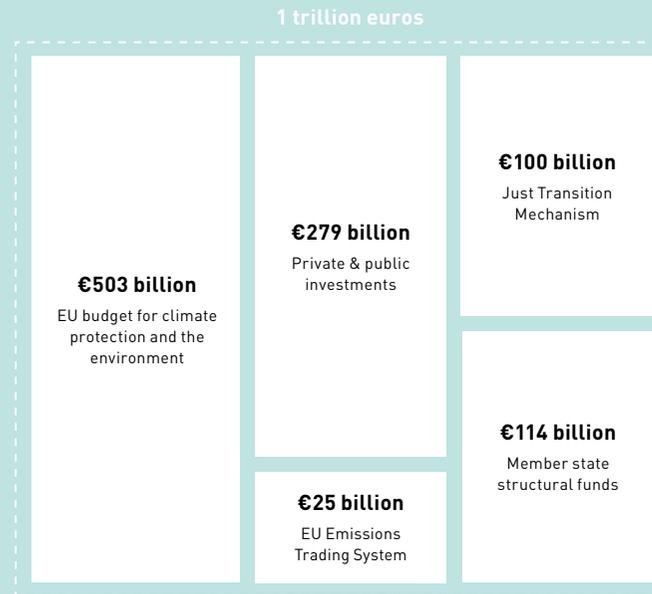
## THE "FIT FOR 55" PACKAGE

The EU wants to make its laws fit for the new climate targets through new and reformed directives and regulations.



## 1 TRILLION EUROS FOR CLIMATE PROTECTION

A third of the investments from the NextGenerationEU recovery package and from the EU's seven-year budget will go toward the Green Deal. Added to that are resources from other funds. In total, the economy has funding worth just over one trillion euros available for climate protection.



## MAKING EUROPE CLIMATE-NEUTRAL BY 2050

The European Green Deal is designed to strengthen Europe and support a fair, competitive, and ecological transformation. It comprises eight fields of action:



## THE FAST ROUTE TO CLIMATE PROTECTION

- EU milestones
- Dürr Group milestones



# OUR 2030 CLIMATE STRATEGY

The Dürr Group has used sound, standardized approaches for developing its climate strategy. We have thus created transparency, defined targets and had them scientifically validated. This has allowed us to derive the necessary measures. Our credo: invest rather than compensate.

## FIVE PILLARS FOR CLIMATE PROTECTION

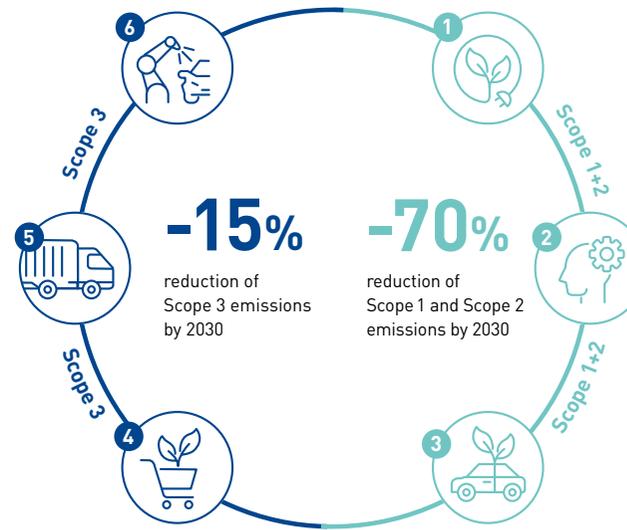
The Dürr Group is fully committed to its responsibility for climate protection.

|  |  |
|--|--|
| <h3>1</h3> <p>We are committed to the decisions of the <b>Paris Climate Agreement</b>.</p>                             | <h3>2</h3> <p>Application of the <b>Greenhouse Gas Protocol</b> as a standardized approach for calculating emissions</p> |
| <h3>3</h3> <p>Validation of targets by the <b>Science Based Targets initiative (SBTi)</b></p>                          | <h3>4</h3> <p>Science-based climate strategy in line with the <b>1.5°C target</b></p>                                    |
| <h3>5</h3> <p><b>Invest rather than compensate.</b><br/>As things stand today, climate certificates are no option.</p> |  |

## OUR MEASURES FOR DECARBONIZATION

There are six levers for a significant reduction of emissions from our own business activities (Scope 1 and 2) as well as from the upstream and downstream value chain (suppliers, logistics, and products, Scope 3).

- 6 Products**
  - Sustainable products**  
Increase of resource and energy efficiency of our customers
  - Green sources**  
Switch from fossil to green energy sources
  - Green portfolio**  
Enabler for e-mobility and solid wood construction
- 5 Logistics**
  - Transport modes**  
Shift toward green modes of transport
  - Order placement**  
CO<sub>2</sub> footprint as basis for order placements
- 4 Procurement**
  - Supplier training**  
Supplier training on environmental goals
  - Supply chain finance program**  
Financial incentives for green suppliers



- 1 Energy**
  - Green electricity**  
100% at all locations worldwide by 2023
  - Energy efficiency**  
1%-2% p.a. increase of energy efficiency
  - Self-generation of electricity**  
Investments in photovoltaic systems
- 2 Awareness**
  - Idea collection**  
Employee involvement and rewards
  - Communication**  
Internal and external stakeholder dialog
- 3 Mobility**
  - Company fleet**  
CO<sub>2</sub>-neutral fleet in Germany by 2030
  - Staff commuting**  
Offers to incentivize emission reductions

|  |   |  |   |  |   |   |   |  |  |
|--|---|--|---|--|---|---|---|--|--|
| <p><b>June 2021</b><br/>The European Climate Law comes into force.</p> | <p><b>July 2021</b><br/>Package of proposals on the climate-friendly restructuring of the European economy. The EU Parliament and the member states agree on a legislative package.</p> | <p><b>from June 2021</b><br/>The consumption data already available forms the basis for further data collections, analyses, and calculations in accordance with the Greenhouse Gas Protocol.</p> | <p><b>November 2021</b><br/>Dürr presents the Group-wide 2030 climate strategy, sets ambitious, science-based targets, and takes comprehensive measures to reduce greenhouse gas emissions.</p> | <p><b>January 2022</b><br/>The Dürr Group's climate targets are validated and approved by the Science Based Targets initiative (SBTi).</p> | <p><b>by 2023</b><br/>Global switch to green energy</p> | <p><b>by 2030</b><br/>The EU is to reduce its emissions by at least 55% compared to 1990.</p> | <p><b>by 2030</b><br/>A zero-emission vehicle fleet is to be in use at the German sites.<br/><br/>Scope 3 emissions are to be cut by 15%, and Scope 1 and Scope 2 emissions by 70%.</p> | <p><b>by 2050</b><br/>Climate neutrality</p> | <p><b>by 2050</b><br/>Climate neutrality</p> |
|--|---|--|---|--|---|---|---|--|--|

## THE COMMON TARGET IS 1.5°C

Climate change is one of the greatest and most pressing challenges of our time. Global warming of more than 1.5°C above pre-industrial levels would result in significant risks and irreversible damage to our natural habitats, ecosystems and biodiversity.

For that reason, the global community has set itself a clear climate protection target with the adoption of the → **Paris Climate Agreement**: Global warming must be limited to well below 2°C, preferably to a maximum of 1.5°C. This requires politics, business and society to act in a united, fast and effective manner.

## AMBITIOUS CLIMATE STRATEGY WITH SCIENCE-BASED TARGETS

We also accept responsibility for the future of our planet: In November 2021, we adopted a climate strategy with ambitious, science-based climate protection targets. The fact that we have thus embarked on the right path, including from the perspective of climate science, was confirmed in January 2022 by the → **Science Based Targets initiative (SBTi)**. The SBTi examines the effectiveness of reduction targets based on the latest scientific findings. According to the SBTi, the Dürr Group's climate targets contribute to achieving the → **1.5°C target** — and can thus be officially designated as "Science Based Targets." In addition, we have underscored our commitment by signing the [Business Ambition for 1.5°C](#) and participating in the global [Race to Zero](#) initiative.

## COMPREHENSIVE GREENHOUSE GAS BALANCE IN ACCORDANCE WITH THE GREENHOUSE GAS PROTOCOL

The basis of our climate strategy is a greenhouse gas balance drawn up in 2021 in accordance with the requirements of the → **Greenhouse Gas Protocol (GHG Protocol)**. The GHG Protocol is the world's leading standard for carbon accounting and classifies greenhouse gas emissions into three so-called scopes:

**Scope 1** comprises all direct emissions generated by fuel combustion in our own facilities. This also includes the emissions of our global vehicle fleet.

**Scope 2** are all emissions associated with the purchase of energy, such as electricity and district heating.

**Scope 3** includes emissions from the upstream and downstream value chain.

→ **Greenhouse gases** are atmospheric gases that trap heat in the atmosphere, thus contributing to the increase in global average temperature. Their respective → **Global Warming Potential (GWP)** indicates the impact of greenhouse gases on the climate compared to the impact of carbon dioxide. In order to improve comparability, all greenhouse gas emissions were converted into so-called → **CO<sub>2</sub> equivalents (CO<sub>2</sub>e)**.

## GLOBAL CLIMATE PROTECTION INITIATIVES:



We describe the methodology and our approach to carbon accounting in detail in our [„Methodology Paper“](#).

## Scope 1 and Scope 2

### INFORMATION ON GREENHOUSE GAS EMISSIONS

As part of the recalculation of our greenhouse gas emissions in accordance with the requirements of the GHG Protocol, we have adjusted the figures for 2019 and 2020 compared to the previous year's report. The Scope 2 emissions published in this report are based on specific information provided by our energy suppliers (market-based). Indexed environmental key figures allow us to compare our environmental performance over several years. Values below 100 represent improvements.

Greenhouse gas emissions directly attributable to the Dürr Group from Scope 1 and Scope 2 amounted to approximately 48,000 tons of → CO<sub>2</sub>e emissions in 2021 (2020: approximately 49,000 tons of CO<sub>2</sub>e emissions). Compared to the previous year, our Scope 1 emissions remained virtually constant. By contrast, Scope 2 emissions fell by around 5%, since we were able to reduce the consumption of conventional electricity.

**3 million kWh**

OF OWN POWER GENERATION  
ON AVERAGE PER YEAR

### KEY FIGURES FOR CO<sub>2</sub>e EMISSIONS (ABSOLUTE) FOR SCOPE 1 AND SCOPE 2

|  | 2021          | 2020 <sup>2</sup> | 2019 <sup>2</sup> | 2021/2019 Change in % |
|--|---------------|-------------------|-------------------|-----------------------|
| <b>CO<sub>2</sub>e emissions (in t)</b>                                  |               |                   |                   |                       |
| Scope 1: Direct emissions (heating oil, gas and vehicle fleet)           | 25,553        | 25,260            | 28,034            | -8.8%                 |
| Scope 2: Indirect emissions <sup>1</sup> (electricity, district heating) | 22,819        | 24,099            | 28,649            | -20.3%                |
| <b>Total Scope 1 and 2 emissions</b>                                     | <b>48,372</b> | <b>49,359</b>     | <b>56,683</b>     | <b>-14.7%</b>         |

<sup>1</sup> Market-based: Calculation based on specific information from our energy providers

<sup>2</sup> Adjustments due to recalculation on the basis of the Greenhouse Gas Protocol

### KEY FIGURES FOR CO<sub>2</sub>e INTENSITY AND CO<sub>2</sub>e EMISSIONS (INDEXED) FOR SCOPE 1 AND SCOPE 2

|  | 2021 | 2020 <sup>2</sup> | 2019 <sup>2</sup> |
|--|------|-------------------|-------------------|
| <b>CO<sub>2</sub>e intensity (in t per €1 million in sales)</b>                        |      |                   |                   |
| Scope 1: Direct emissions (heating oil, gas and vehicle fleet)                         | 7.23 | 7.60              | 7.15              |
| Scope 2: Indirect emissions <sup>1</sup> (electricity, district heating)               | 6.45 | 7.25              | 7.31              |
| <b>CO<sub>2</sub>e emissions indexed (in relation to sales; base year: 2019 = 100)</b> |      |                   |                   |
| Scope 1: Direct emissions (heating oil, gas and vehicle fleet)                         | 101  | 106               | 100               |
| Scope 2: Indirect emissions <sup>1</sup> (electricity, district heating)               | 88   | 99                | 100               |

<sup>1</sup> Market-based: Calculation based on specific information from our energy providers

<sup>2</sup> Adjustments due to recalculation on the basis of the Greenhouse Gas Protocol

### OUR GOAL: 70% FEWER EMISSIONS IN SCOPE 1 AND SCOPE 2

In our climate strategy, we have set ourselves the target of reducing the environmental footprint of our own locations, i.e. our Scope 1 and Scope 2 emissions, by 70% by 2030 compared to the 2019 base-year level. This is to be achieved primarily by investing in climate-friendly technologies and buildings, by switching to electricity from fully renewable energy sources, and by generating our own renewable energies. Because: The guiding theme of our new climate strategy is "invest rather than compensate." Instead of compensating emissions by payments, we prefer to invest in climate-friendly technologies such as photovoltaics in order to minimize → greenhouse gas emissions.

Selected measures to reduce our Scope 1 and Scope 2 emissions include:

**Self-generated electricity:** Installation of photovoltaic systems at our locations

- Commissioning of two photovoltaic systems in Shanghai in 2021
  - Total surface area: approximately 4,000 sqm
  - Average annual electricity generation: 850,000 kWh
  - Annual → CO<sub>2</sub> reduction: around 846 tons
- Commissioning of further photovoltaic systems in Bietigheim-Bissingen, Schopfloch and Holzbronn at the beginning of 2022
  - Total surface area: approximately 12,000 sqm
  - Average annual electricity generation: 2.2 million kWh, equivalent to around 10% of the Dürr Group's Germany-wide electricity consumption
  - Annual CO<sub>2</sub> reduction: around 750 tons

**Purchase of green electricity:** Worldwide conversion to → **green electricity** by the end of 2023

- Conversion to green electricity at our German locations at the beginning of 2022

**Purchase of green gas:** Climate-neutral natural gas as a bridging technology for supplying heat to our locations, with the long-term goal of gradually minimizing our gas consumption and switching to alternative technologies

- Conversion to green gas at our German locations at the beginning of 2022

**Sustainable mobility:** Gradual conversion of the entire fleet of company vehicles in Germany to alternative power trains by 2030 at the latest

- Further expansion of the charging infrastructure for battery-powered vehicles
  - Installation of six additional charging stations with eleven charging points in Darmstadt in December 2021
  - Installation of two additional charging stations with four charging points in Bietigheim-Bissingen in March 2022

## Scope 3

### INFORMATION ON GREENHOUSE GAS EMISSIONS

We identified the most relevant Scope 3 categories for the Dürr Group in a materiality analysis. On this basis, we calculated in detail the → **greenhouse gas** emissions for the following categories: 3.1 Purchased goods and services, 3.4 Upstream transportation and distribution, 3.6 Business

travel, 3.7 Employee commuting, and 3.11 Use of sold products. For the remaining categories, we have made assumptions and estimates.

In 2021, 85% of our total greenhouse gas emissions were attributable to the use phase of our products (base year 2019: 88%). The share of upstream greenhouse gas emissions in our supply chain was significantly lower in 2021 at 13%. Nevertheless, there is considerable reduction potential here as well (base year 2019: 11%). Further details on our → **CO<sub>2</sub>e** emissions can be found in our regularly updated [Methodology Paper](#).

#### KEY FIGURES FOR CO<sub>2</sub>e EMISSIONS (ABSOLUTE) FOR SCOPE 3

|  | 2021             | 2020             | 2019             | 2021/2019<br>Change<br>in % |
|--|------------------|------------------|------------------|-----------------------------|
| <b>CO<sub>2</sub>e emissions (in t)</b>                                      |                  |                  |                  |                             |
| 3.1 Purchased goods and services   | 1,032,276        | 658,490          | 804,078          | +28.4%                      |
| 3.2 Capital goods  | 33,183           | 23,099           | 23,099           | +43.7%                      |
| 3.3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2) | 7,690            | 5,783            | 6,804            | +13.0%                      |
| 3.4 Upstream transportation and distribution                                 | 92,439           | 91,559           | 81,107           | +14.0%                      |
| 3.5 Waste generated in operations  | 225              | 222              | 261              | -13.7%                      |
| 3.6 Business travel  | 6,219            | 6,544            | 18,650           | -66.7%                      |
| 3.7 Employee commuting   | 6,774            | 6,272            | 20,315           | -66.7%                      |
| 3.11 Use of sold products  | 6,761,024        | 8,304,657        | 7,164,991        | -5.6%                       |
| <b>Total Scope 3 emissions</b>   | <b>7,939,830</b> | <b>9,096,625</b> | <b>8,119,306</b> | <b>-2.2%</b>                |

### OUR GOAL: 15% FEWER EMISSIONS IN OUR UPSTREAM AND DOWNSTREAM VALUE CHAIN (SCOPE 3)

As a machine and plant manufacturer, our greatest leverage for reducing greenhouse gas emissions is to reduce the energy consumption of our machines and systems in the downstream value chain. In our climate strategy, we have set ourselves the target of reducing emissions from the upstream and downstream value chain by at least 15% by 2030 compared to the base year 2019. This depends to a large extent on the willingness of customers to use resource-conserving, energy-efficient and low-emission technologies offered by us. In addition, emissions from our machines and systems can be reduced considerably if green electricity instead of gas and conventional electricity is used for operation. Therefore, the electrification of our products is one focus of our R&D agenda.

In the future, we also intend to increasingly work toward climate protection with our suppliers (upstream supply chain) and are developing a program that offers financial incentives for suppliers with climate-friendly processes. In logistics, more goods transports are to be shifted from road to rail and transports by air freight are to be avoided wherever possible. In addition, the carbon footprint of logistics partners is to play a role when awarding contracts.

>99%

OF GHG EMISSIONS ARE ATTRIBUTABLE TO OUR UPSTREAM AND DOWNSTREAM VALUE CHAIN



We save no  
**energy,**  
 we save no  
**time,**  
 we save no  
**resources...**  
 when it comes to  
 what truly counts:  
**climate  
 protection.**

**WE TAKE RESPONSIBILITY** With our 2030 climate strategy, we want to help achieve the 1.5°C target set out in the Paris Climate Agreement. Keen to find out how?

[Discover more now.](#)

## Dialog with stakeholders

Within the scope of our business activities, we engage in a lively exchange of views with various → **stakeholders** in society. We rely on strong relations based on a spirit of mutual trust with our stakeholders in order to identify their expectations in a timely manner and prepare for changes. We consider representatives of groups on whose satisfaction we are particularly dependent for the success of our Company to be strategically important stakeholders. These include primarily:

- Employees
- Customers
- Business partners and suppliers
- Shareholders and other investors, lenders

Our stakeholders also include governments and authorities, local residents, the media and selected non-governmental organizations (→ **NGOs**). Our stakeholders' expectations are diverse and differ depending on the group.

We are in contact with our stakeholders through various channels and with varying frequency. In the past few months, we have further intensified our dialog with certain groups. To this end, we have used various formats, such as the "Climate Protection in the Bundestag" series of events or the "Green Finance Conference 2022." Another example of the exchange with politicians was the visit of Dr. Andre Baumann, State Secretary in the Baden-Württemberg Ministry of the Environment, Climate Protection and the Energy Sector, to the Bietigheim-Bissingen site in order to receive information about product solutions for climate-friendly manufacturing.

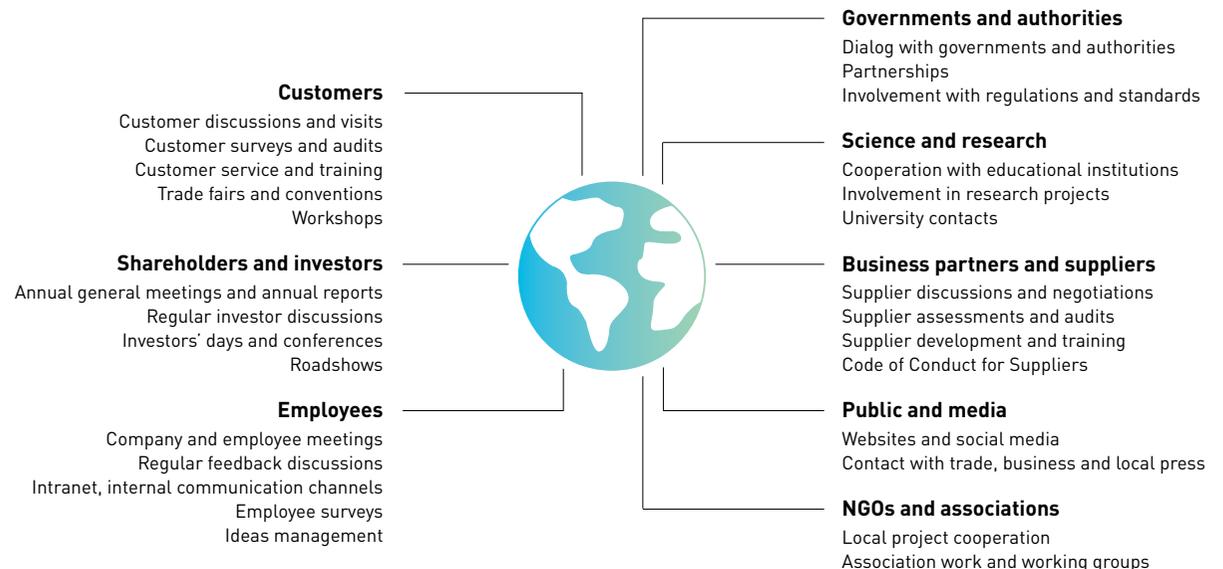
In 2021, Dürr Systems AG held its main customer event — the Open House. Over a period of four days, we presented innovations in paint shop and paint application technology to more than 2,000 participants in a virtual format.

Customers and business partners are regularly surveyed on their experience and satisfaction with the Dürr Group via the Customer Experience department. Investors attend annual general meetings, Investors' Days and other capital market events, receive information letters and are welcomed as guests at our Company. Employees are involved via the intranet as well as company and employee meetings, and communicate with the company management in the form of breakfast meetings, fireside

evenings and often also on an informal basis. We also conduct a detailed employee survey every three years, asking them about their satisfaction within the Company. The next global survey will take place in the fall of 2022. For more information, please refer to the → "**Employees and Qualification**" chapter.

As a member of the [United Nations Global Compact \(UNGC\)](#), the world's largest initiative for responsible corporate governance, we are committed to the ten principles in the areas of human rights, labor standards, environment and anti-corruption, and to the central principles of corporate sustainability based on relevant UN conventions.

### STAKEHOLDER ENGAGEMENT



In 2021, Dürr Group companies were members of the following organizations, among others:

- DRIVE+ — CSR Europe
- Fair Company Initiative, Handelsblatt-Verlag
- Promotional Association for the German Academy of Science and Engineering
- Association of Arts and Culture of the German Economy
- SEF — Smart Electronic Factory
- Donors' Association for the Promotion of Humanities and Sciences in Germany
- VDA — German Association of the Automotive Industry
- VDMA — Mechanical Engineering Industry Association
- ZVEI — Electrical and Electronics Manufacturers' Association

Questions? [sustainability@durr.com](mailto:sustainability@durr.com)  
[www.durr-group.com/en/sustainability](http://www.durr-group.com/en/sustainability)



## Customer Experience

The satisfaction of our customers is the highest standard that we can apply to our products and services. We aim to not only meet, but to exceed our customers' expectations and create an all-around positive customer experience. In order to evaluate the impressions, experiences and lessons learned that customers have with our products and services, the Dürr Group has been pursuing a comprehensive Customer Experience (CX) program since 2013.

The CX team reports directly to the CEO of the Dürr AG and organizes global customer surveys in the Dürr Systems, Schenck and HOMAG subgroups. In 2021, we conducted more than 600 feedback interviews with our customers worldwide, significantly increasing the number of customer surveys in all three subgroups. In addition to online surveys, the CX team also conducts personal feedback interviews, either by telephone or on site.

The aim of the CX program is to analyze customer experiences with our products and services and to gather feedback for improvement measures that will have a positive impact on the satisfaction of our customers. One important indicator is the Dürr Promoter Score (DPS), a company-specific derivative of the Net Promoter Score. This indicator measures the extent to which customers would recommend a product or service to others. Furthermore, we plan to determine the Customer Effort Score (CES) as part of customer workshops. This metric provides insight into how customers perceive their interaction with our Company, contributing to better customer understanding.

In 2021, we once again achieved a high level of satisfaction among our customers throughout the Group. In the country-specific evaluation of customer satisfaction in the Dürr Systems subgroup, customers in the USA took the leading position, followed by customers in China and Korea. Customers in particular highlighted the expertise and professionalism of our employees, the collaboration based on mutual trust and the quality of the products. We want to continue to improve in the areas of training, spare parts processes and communication with customers.

## Sustainability ratings

Our commitment to greater sustainability in the Company and among our customers is becoming increasingly popular in the sustainability-oriented financial market. We are actively working to continuously improve our sustainability performance and report on it. In this way, we meet the increasing transparency requirements of the capital market and provide ESG (Environmental, Social, Governance) rating agencies with current data. We are continuously incorporating the feedback from the ratings into the further development of our sustainability activities.

### OVERVIEW OF SELECTED SUSTAINABILITY RATINGS

|   | Current rating   | Rating previous year                                  |
|---|--|---|
|    | 66 out of 100 points<br>Silver medal                   | 58 out of 100 points<br>Silver medal                  |
|   | Climate change: "C"<br>Water: "B-"<br>(Scale: A to D-) | Climate change: "C"<br>Water: "C"<br>(Scale: A to D-) |
|  | Rating: "AA"<br>(Scale: AAA to CCC)                    | Rating: "AA"<br>(Scale: AAA to CCC)                   |
|  | Rating: "C-"<br>(Scale: A+ to D-)                      | Rating: "C-"<br>(Scale: A+ to D-)                     |
|  | 26.3 out of 100 points<br>"medium risk"                | 28.5 out of 100 points<br>"medium risk"               |



Our business activities are consistent with responsible corporate governance.



# MANAGEMENT AND GOVERNANCE

Our business activities are focused on profitable growth, future-oriented businesses and industries as well as responsible corporate governance. We therefore consider integrity and legality to be central components of our corporate culture. We manage our company in a forward-looking, responsible and risk-conscious manner — in classical management, in legal matters and in financing



**SDG 8.5**  
Decent work and equal pay for work of equal value

Our economic activities are consistent with ecological and social concerns as well as responsible corporate governance. In doing so, we go beyond compliance with the law and have imposed extensive voluntary commitments on ourselves. We respect internationally recognized human rights, stand up for fair working conditions and offer an attractive working environment with a wide range of company benefits.



**SDG 16.5**  
Reduce corruption and bribery in all its forms

Our corporate principles are based on a clear commitment to compliance with legal requirements and ethical standards. We are committed to fair competition and reject any form of corruption, extortion or bribery. With regular mandatory training, we educate our workforce on compliance and anti-corruption and follow relevant anti-corruption guidelines when selecting our business partners.

# RESPONSIBILITY AS THE BASIS FOR OUR ACTIONS

We take a holistic view of the topic of sustainability, have integrated it into our strategy and incorporate it into business decisions — whether in product development and procurement issues, employment, production or financing. Against this backdrop, we are guided by the principles of integrity and legality in all our business activities. It is also important for us to further strengthen our trustworthiness as an employer, issuer on the capital market and player in the public sphere, and to deal responsibly with our → [stakeholders](#) and resources.

## Responsible corporate governance

Dürr AG, as the holding company of the Dürr Group, is a stock corporation under German law. Its most important permanent bodies are the Board of Management, which has consisted of two members since January 1, 2022, and a twelve-member Supervisory Board. Directly below the Board level is Senior

Executive Management, which consists of the heads of the five divisions.

Dürr AG is managed in compliance with the German Corporate Governance Code (GCGC). The Code contains rules and recommendations for the responsible management and control of companies listed on the stock exchange. For further information, please refer to the [“Corporate Governance” section in the Annual Report 2021, pages 61 to 64](#), and to [www.durr-group.com/en](http://www.durr-group.com/en).

A new remuneration system was implemented for the Board of Management of Dürr AG effective January 1, 2021. It follows the recommendations of the GCGC in its current version, includes a number of variable performance criteria, including for measuring the sustainable development of the Group, and is made up of fixed and variable compensation components. The variable, performance-based compensation consists of a short-term and a long-term component (short-term incentive “STI” and long-term incentive “LTI”), so that there is an

appropriate incentive system for implementing the corporate strategy and achieving sustainable value creation and increase in value. The short-term incentive is a performance-related bonus based on financial and non-financial results of the respective fiscal year, 10% of which depend on the achievement of the ESG targets. The sustainable business orientation and social and environmental responsibility of Dürr AG are thus also reflected in the annual ESG targets of the Board of Management.

# 4

ESG TARGETS ARE PART OF THE COMPENSATION PLAN OF THE BOARD OF MANAGEMENT

ESG goals are defined as environmental, social and responsible corporate governance goals. The Supervisory Board defined the ESG performance criteria and the methods for performance measurement for the Board of Management before the start of fiscal year 2022. The performance criteria relate to an ESG rating, progress in implementing a sustainable supply chain, employee satisfaction and implementation of the climate strategy. For ESG, total target achievement is calculated on the basis of average target achievement for the individual performance criteria. Further details regarding target achievement are provided in the [🔗 Remuneration Report in the Annual Report 2021, pages 115 to 133](#).

## Tax strategy

Taxes are an important source of income for the state and a prerequisite for public spending. Companies are obliged to comply with the respective tax laws and to apply relevant tax practices. This basic principle provides the framework for how Dürr Group companies deal with taxes in the countries in which they operate.

The tax strategy of the Dürr Group is embedded in the Compliance Management System (CMS) and the [🔗 Code of Conduct](#) for employees. It is reviewed annually by the Board of Management. The Chief Financial Officer and the Head of Corporate Tax are

responsible for the fulfillment of tax obligations. Significant tax issues and projects are regularly presented to the Board of Management for information or approval. Tax reporting within the framework of the annual report is audited by an independent auditing firm.

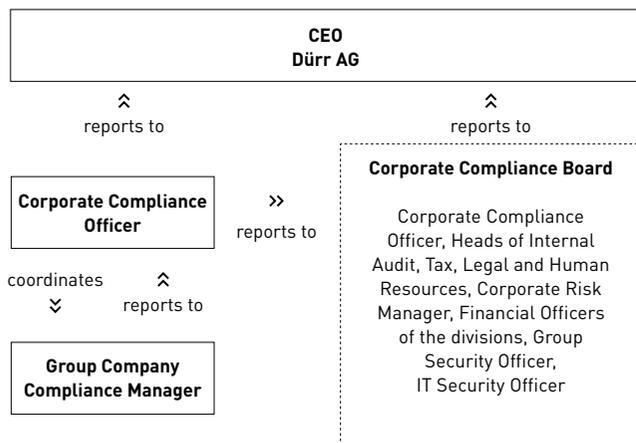
Appropriate internal precautionary measures and control procedures are intended to enforce compliance with the respective tax laws and to avoid penalties and a loss of reputation for the company. In line with the Code of Conduct, every transaction must have a sound legal and economic basis. This precludes artificial tax structures. Examples of such arrangements would be the absence of commercial purposes or the allocation of taxable income to locations where there are no underlying activities. Both our employees and third parties can report suspicions or specific incidents of tax fraud through the various compliance reporting channels.

In order to incorporate the views of various [→ stakeholders](#) in the decision-making process, we seek the opinions of external experts where appropriate. We also strive to achieve a good and trusting collaboration with the tax authorities. If the interpretation of tax laws is unclear, we actively seek an assessment from the tax authorities in order to be in a better position to assess any risks. In addition, the Dürr Group regularly provides the relevant tax authorities with the so-called [→ country-by-country reporting](#).

## Compliance and anti-corruption

[→ Compliance](#) and integrity play a vital role in our business success, so it is essential that all employees comply with applicable law and ethical standards in their daily business activities. Our aim is to avoid any violation of compliance rules in our Company. The central body of our compliance organization is the Corporate Compliance Board, whose responsibilities include defining and further developing the compliance management system. The board was expanded in 2021 to include one person each responsible for Group Security and IT Security. Local Compliance Managers in the Group companies support the employees in meeting compliance requirements. The Corporate Compliance Officer coordinates all operational compliance issues at Group level. He is the contact person in the event of potential compliance violations and notifies the CEO and the Corporate Compliance Board of any concrete grounds for suspicion. The board examines the need for further steps on a case-by-case basis.

**COMPLIANCE MANAGEMENT STRUCTURE**



Our Compliance Management System provides the framework for action so that all activities in business operations can be carried out in accordance with the law and internal requirements. The three elements of prevention, early detection, and response are core components of the CMS. A Group-wide company directive on compliance defines responsibilities, communication channels and measures. A Group-wide anti-corruption company directive also provides our employees with rules of conduct for their dealings with business partners and in the event of conflicts of interest. The risk of corruption is also addressed by regulations such as the separation of functions, approval procedures and the four-eyes principle. The selection and commissioning of

business partners for sales-related services and the handling of donations are further → **compliance**-relevant topics that are regulated in Group-wide company directives.

Employees, business partners and third parties who have justified suspicions of legal violations, for example corruption or money laundering, or violations of the Dürre [Code of Conduct](#), can contact us through various channels — anonymously, if they wish. One option is the [Dürre Group Integrity Line](#). Reports are reviewed by the Corporate Compliance Officer, who initiates further steps in justified cases and coordinates measures in consultation with the various departments.

In 2021, the Corporate Compliance Officer received 38 tips (2020: 35). There were no confirmed violations of anti-corruption regulations (2020: one confirmed case of corruption).

Our training courses are designed to substantially contribute to the avoidance of compliance violations. They include onboarding events for new employees, online compliance training courses, and training on data privacy. These trainings are mandatory for all employees, and refresher courses must be completed every two years. In 2021, we trained nearly 5,800 employees on compliance and data privacy (2020: nearly 12,800). The decrease is primarily the result of the two-year refresher training cycle as well as the postponement of some training courses to 2022 due to the revision of the online compliance training program. All managers and particularly exposed functional areas, such as sales and purchasing, must complete in-depth training. These include the advanced modules “Protection against Corruption”, “Fair Competition” and “Payment Fraud”. Refresher courses

must also be completed every three years starting from 2022. In 2021, we counted 488 participations in the module “Protection against Corruption”, 508 participations in the module “Fair Competition” and 915 participations in the module “Payment Fraud.”

We also take compliance and integrity into account when selecting our business partners. For the sake of successful collaboration, we require that they share our understanding of responsible corporate governance. In addition to the relevant anti-corruption requirements, we have implemented other policies, including a contractual provision governing sales-related services, which provides for the screening of business partners. Further due diligence obligations in dealing with business partners are set out in a guideline on the prevention of money laundering and terrorist financing. There is also a guideline on collaboration with business partners, which requires, among other things, an anti-corruption declaration on the part of the business partner.

**NO CONFIRMED VIOLATIONS**

OF ANTI-CORRUPTION REGULATIONS IN 2021

## Corporate Security

The protection of our corporate activities against risks and disruptions is the task of the central Corporate Security function. On the basis of a company directive, it protects our employees as well as information and assets from damage. We regard economic protection as part of our integrated management system and responsible corporate governance aimed at safeguarding and preserving corporate assets. Risk management reduces company-related security risks, which are bundled in the newly created risk field "Enterprise Security and Information Security," worldwide and at individual sites.

In 2021, we implemented further measures to improve site security. We updated existing protection concepts on the basis of a site security framework. In new construction projects at home and abroad, we have already integrated aspects of site and information security into the planning phase.

We also continued the development of a uniform emergency and crisis management system as a Group-wide → **business continuity management system**. In this way, we aim to increase the protection of our employees and our corporate assets as well as strengthen the resilience of the company. The aim is to prevent the interruption of critical processes and projects and to facilitate a rapid restart of activities in the event of an incident. Our focus in 2021 was on expanding the capabilities of our site-specific emergency teams and preparing → **business impact analyses**.

The Group crisis management team continued to manage global measures to provide protection against the corona pandemic in 2021. For further information, please refer to the → **"Health and Safety"** section.

## Information and data security

More and more companies are exposed to threats from the internet, thus facing a variety of security challenges. Examples of IT risks are data loss, hacking, virus attacks or availability failures. We protect information, business secrets, and know-how of our own company and of business partners against unauthorized access, unauthorized disclosure, misuse, theft, and loss. Our Group-wide Information Security Management System (ISMS) is based on the ISO 27001 standard and takes into account national, international and industry-specific regulations. We have established specifications for the ISMS and adapted them to the specific requirements of the business units in unit-specific workshops.

In addition, we are having our sites successively certified in accordance with the requirements of the "VDA Information Security Assessment" (TISAX® Label). For 2022, we plan to carry out further TISAX® certifications at foreign sites, such as in Poland, Italy and Mexico.

In 2021, we took various measures to protect our IT infrastructure even better from threats. This included setting up up-to-date firewall and antivirus programs, back-up servers and redundant data lines. In 2021, we had to deal with

cyber threats, for example ransomware attacks, once again. We addressed the threat in cross-divisional workshops and developed action plans to counter it. The measures were documented in emergency plans.

## DATA PROTECTION

By the company directive "Protection of personal data," we fulfill the requirements for the processing of personal data as defined by the EU General Data Protection Regulation and reduce the risk of violations. The Board of Management of the respective Group company is responsible for the topic of data protection. Each of these Boards appoints a person responsible for data protection.

The cross-functional team Data Protection was set up in order to comply with data protection laws and to promote a comprehensive exchange of experience and best practice approaches on the subject of data protection. The team is tasked with ensuring a uniform level of data protection throughout the Group. In addition, all employees receive comprehensive and regular training on the topic of data privacy (→ **"Compliance and anti-corruption"**). In 2021, there were no substantiated complaints from external parties or supervisory authorities regarding the violation of customer data protection, only individual tips from customers. Appropriate investigations were carried out in these cases, and neither theft nor loss of data was detected. Nevertheless, we reported the cases to the respective state data protection authority as a precaution.

## Sustainable corporate financing

Dürr AG has made a name for itself as a pioneer in sustainable financing. Since 2019, we have linked all new components of our corporate financing with a sustainability element. This means that our financing costs will rise or fall depending on how we perform in the ESG areas of Environmental, Social and Governance.

### ECOVADIS RATING AS A BENCHMARK

The sustainability rating prepared by the [EcoVadis](#) agency is decisive. In its assessment, the agency takes account of the areas of environment, labor and human rights, as well as ethics and sustainable procurement. The respective results are weighted differently, with industry affiliation playing a role. Based on 21 evaluation criteria, a maximum score of 100 points can be achieved. The assessment takes into account aspects such as energy and water consumption, → **CO<sub>2</sub>** emissions, anti-corruption measures and the social practices of suppliers. In 2021, we were once again able to improve compared to the previous year, increasing our overall score from 58 to 66 points. This means that we continue to hold Silver status from EcoVadis and rank among the top 25% of all companies rated by EcoVadis.

The decisive factor in raising the rating was progress made in the area of sustainable procurement. For example, a new system for classifying sustainability risks at suppliers was introduced. Our goal is to achieve a score of at least 67 points and thus Gold status by 2023. This would place us in the top 5% of companies rated by EcoVadis.



### FINANCING VOLUME OF €1.4 BILLION WITH ESG COMPONENTS

We have linked a total of three → **Schuldschein loans**, a → **syndicated loan** and a → **convertible bond** to our sustainability performance. This results in a total financing volume of €1.4 billion, the interest on which is directly dependent on our EcoVadis rating.

By improving the rating at the beginning of 2022, we will benefit from an interest rate that is up to 5 basis points more favorable for our sustainable financing instruments. In addition, the rating improvement allows us to avoid compensation payments. If we fail to achieve a certain minimum score in the rating, we would have to pay a fixed amount to UniCredit Bank, which uses it to support sustainable projects. We invest the financial resources saved in climate protection projects at our sites, for example in → **energy efficiency measures** and the in-house generation of renewable energies.

### SUSTAINABLE FINANCE FRAMEWORK

Together with the core banks ING and LBBW, we will stipulate a binding framework for sustainable action. With this → **Sustainable Finance** framework, we will support our claim to be a pioneer in the field of sustainable financing. It will provide a framework for future sustainable financing of Dürr AG by linking the use of funds in line with EU taxonomy, our sustainability strategy and sustainability indicators. ISS ESG, the sustainability agency of the voting advisor ISS (Institutional Shareholder Services), acts as a → **second party opinion provider**.



We offer production technology for timber construction elements and complete modules for houses.



# PRODUCTS AND SERVICES

Our sustainable products and services are characterized by reliability, efficiency and resource conservation. With our technologies, we help customers achieve their sustainability and climate protection goals and reduce their environmental footprint. As a global innovation and technology leader, we set standards and use the trend toward digitalization as an opportunity to drive efficiency and resource conservation in production.



**SDG 9.4**  
Efficient use of clean and environmentally compatible technologies and industrial processes

As an innovation and technology leader, we have a direct impact on the development and provision of clean and environmentally sound technologies. Through our R&D activities and production technology, for example, we ensure greater energy efficiency and resource conservation in various industrial sectors. In addition, we are making an important contribution to the transformation toward a climate-neutral society in growth sectors such as electromobility and sustainable construction with timber.



**SDG 12.2**  
Sustainable management and efficient use of natural resources

For our customers, we are a partner for sustainable production processes. In this context, the efficient use of natural resources is an essential building block for greater sustainability. Through our service activities, we ensure the longevity of our products and extend their useful life. We thus contribute to the circular economy, conserve valuable resources and reduce our ecological footprint.

# TRAILBLAZER FOR SUSTAINABLE TRANSFORMATION

Many customers are increasingly investing in the sustainable design of their production processes and have set themselves targets for achieving → CO<sub>2</sub>-neutral production in recent years. Our development work therefore focuses on the resource-saving and low-emission operation of our plants, the industrial processing of sustainable materials and exhaust air purification. This makes us an important partner for our customers when it comes to decarbonization.

We also collaborate with some customers on life-cycle analyses. In doing so, we measure how sustainable our plants are over a longer period of time, from the procurement of primary products to their disposal.

## Product safety

In addition to innovations for greater environmental compatibility, the safety of our products in use is also a material requirement in the area of sustainability. While the safety features of products are largely prescribed by technical standards and legal regulations, we always go the extra mile in

order to satisfy our customers. Our Group-wide “Product Safety company directive” and our annual customer satisfaction surveys are among the measures serving this goal.

Overall responsibility for product safety lies with the respective management of the individual Group companies. Each Group company ensures that product risks are identified at an early stage and avoided. For that purpose, the Product Safety company directive describes the individual process steps in terms of a minimum requirement. All employees involved in the production process receive in-depth training to guarantee the safety of the products. Depending on the respective legal situation, our products are provided with all the necessary test labels.

## Innovation and technology

Our research and development (R&D) work focuses on the development of efficient production processes that conserve resources and support the transformation to a climate-neutral society. Through innovation, we wish to set ourselves apart

from the competition and safeguard our market leadership. Digital competence is more important than ever — it is the key to incorporating decades of experience with our customers’ production processes into software solutions that provide real added value. Our products should be globally applicable, practice-oriented and modular — and offer a clear advantage for the customer. Close collaboration with purchasing and sales plays an important role in successful R&D work.

Responsibility for R&D lies with the divisions. The cross-functional team “R&D/Technology/Digital” coordinates cross-functional R&D activities and promotes the use of best-practice solutions in the divisions, and it reports to the CEO. Processes and detailed issues relating to R&D work are governed by guidelines within the divisions. The development of new solutions represents around 70% of our R&D expenditure, with around 30% going toward maintaining existing products. Our R&D activities are aimed at concrete solutions. Basic research is inherently of minor importance in our business.

## R&D KEY FIGURES

|  | 2021   | 2020   | 2019   |
|--|--------|--------|--------|
| R&D expenditure (in € million)             | -123.9 | -107.7 | -110.8 |
| of which for external R&D services         | -54.5  | -45.9  | -42.2  |
| Group R&D ratio (in %)                     | 3.5    | 3.2    | 2.8    |
| Grant public research funds (in € million) | 1.9    | 0.3    | 0.2    |
| % of R&D expenditure                       | 1.6    | 0.3    | 0.2    |
| R&D employees (Dec. 31)                    | 922    | 795    | 789    |
| % of the number of employees               | 5.2    | 4.8    | 4.8    |

## NEW DEVELOPMENTS AND PATENTS

In 2021, our R&D work resulted in 95 product innovations. As of December 31, 2021, we had 7,341 individual patents divided among 1,403 patent families (Dec. 31, 2020: 6,946 and 1,323). As in previous years, the Application Technology division accounted for the largest number of patents. The costs for protecting our intellectual property amounted to €10.0 million (2020: €8.6 million).

Further information on our R&D focus can be found in the [Annual Report 2021, pages 38 and 39](#).

## HEINZ DÜRR AWARD

For the employees of the Dürr Group, developing forward-looking ideas is all in a day's work. We encourage them to do so — for example with the Heinz Dürr Award. Since 2001, the award has been presented every year in various categories and is endowed with €7,500 each.

In 2021, we awarded prizes to four projects in the "Innovation" category:

- **Overspray-free painting:** The EcoPaintJet robotic system and its further development, the EcoPaintJet Pro, can be used to apply paint over large areas or in simple patterns with high edge definition. One hundred percent of the paint lands on the surface without any waste, two-tone painting can be applied fully automatically with this technology — and all this in a faster, more energy-efficient and resource-saving manner than before.
- **Digitalization of Sales:** Smart RFQ Management improves the complex sales process for requests for quotation (RFQ), which involves thousands of documents. New technologies such as bots and artificial intelligence (AI) contribute to greater efficiency, improved risk management and higher standardization.

- **One hundred percent production transparency:** With digital value stream optimization production data is recorded digitally. Based on these movement profiles and location data, redundant, cost-intensive processes can be identified and optimized — regardless of machine type, manufacturer or application area.

- **Extension of the spin test stand functions by dynamic expansion measurements of rotors:** In spin test stands, technicians test the load limit of rotors. Supplemented by modern software and digital measurement technology, such as optical sensors, laser beams and electrical fields, deformations of the rotor surface can now also be traced in detail at any speed. The knowledge acquired from these dynamic expansion measurements can be used to further develop high-speed drives in order to reduce costs, improve energy efficiency and extend service life.

In addition, one project each received an award in the "Sustainability" and the "Customer Experience" categories. The awards are traditionally presented by the patron and Honorary Chairman of the Supervisory Board, Dr.-Ing. E. h. Heinz Dürr. The award is an important part of the Group's culture of innovation.

[Discover more now.](#)

## Sustainable products and systems

The use of our products and systems has a significant impact on the environment. For instance, the operation of large-scale paint shops requires a high input of energy, resources, and materials. We are therefore working specifically on reducing the negative environmental impact of our products, for example by reducing consumption, floor space, noise emission and materials. Digital technologies are becoming increasingly important in this process, as they can be used to analyze and optimize the consumption of water, energy and other resources as well as the need for fresh air in production.

By reducing the environmental footprint of our products, we help our customers achieve their sustainability goals — whether in decarbonization, waste prevention or resource consumption. We are convinced that this function will continue to gain strategic importance as a sustainability enabler. We therefore expect that in addition to focusing on costs and production efficiency, customers will increasingly consider which technology provider contributes most to the achievement of sustainability goals when awarding their orders.

### PAINTING TECHNOLOGY: ENVIRONMENTALLY ORIENTED INNOVATIONS

With the “paint shop of the future,” we have developed an innovative combination of particularly environmentally compatible components. The central component is the **EcoProBooth**, a pioneering new development in the paint booth that sets standards in energy consumption and efficiency. The **EcoProBooth** has a highly recirculated air rate, thanks to its low energy needs with a ratio of recirculated air to fresh air of 95:5. This allows

to reduce energy consumption by up to 75% compared to a conventional line with wet separation.

Another material-efficient and energy-saving innovation is the **EcoPaintJet** robot-based application system. In this process, 100% of the paint reaches the intended surface — → **overspray** is completely avoided when the paint is applied. For example, decorative stripes or contrasting colors can be applied fully automatically. Since the **EcoPaintJet** offers high-precision and razor-sharp painting, two-color cars no longer have to be masked using film before painting. This saves nearly 50 minutes of time and around 15 m<sup>2</sup> of film and tape per vehicle. In addition to paint savings of around 25%, energy consumption in the painting process can also be reduced by over 50% compared to conventional processes.

The paint shop is the biggest energy consumer in automotive manufacturing, accounting for around 40% of total energy. In recent years, we have introduced innovations that can reduce the energy consumption of the entire paint shop by up to 66%. In a reference project in China, we succeeded in significantly reducing energy and resource requirements compared with the state of the art. The following reductions were achieved per car body:

- the energy requirement fell from around 800 kWh to 400 kWh
- VOC emissions fell from 3.0 kg to 0.75 kg
- fresh water consumption fell from 1.5 m<sup>3</sup> to less than 0.5 m<sup>3</sup> and
- the process waste water volume fell from 0.8 m<sup>3</sup> to 0.3 m<sup>3</sup>

### BATTERY MANUFACTURING TECHNOLOGY: ELECTRODE COATING, BATTERY ASSEMBLY AND TESTING

Lithium-ion batteries are a key technology in electric mobility. We are represented in this important future-oriented market with innovative systems for coating electrodes. As a supplier of complete lines, we supply coating technology as well as dryers and solvent recovery systems. We have an innovative technology developed by Dürr Megtec for simultaneous coating of both electrode sides, which ensures maximum production efficiency and reduced energy consumption.

The range is complemented by fully automated solutions in cell and battery assembly. In addition to technologies for bonding battery cells and modules, our product portfolio includes the application of a thermal interface material as well as solutions for testing battery modules and packs.

In the context of electromobility and in view of the strong capacity expansion planned by the battery industry, we see great opportunities in this business area. In order to be able to produce enough batteries for the growing number of electric cars, additional factories will be needed, especially in Europe.

### TECHNOLOGY FOR ELECTROMOBILITY: TEST STANDS AND BALANCING SYSTEMS

In addition to battery manufacturing technology, we offer other technologies for the construction of electric cars. These include systems for testing completely assembled electric and hybrid drives from our Group subsidiary Teamtechnik. The test stands are used to test mechanical and fluidic variables, the electrical properties and the efficiency of the e-drive in a highly automated manner. Safety tests also play an important role in

electromobility. In particular, high-voltage circuits in electric vehicles are the focus of tests at the end of the assembly line. Modular testing systems from Dürr can be used to ensure that no risks, such as dangerous short circuits, will result from the high-voltage circuits in battery vehicles.

The subsidiary Schenck Rotec supports the production of electric motors, for example with the eTENO balancing system, which measures and compensates for imbalances in electric armatures for electric drives. Schenck Rotec also offers the Centrio spin test stand for material tests on electric motors. This enables automotive manufacturers to determine the maximum rotational loads to which their aggregates may be subjected.

### RENEWABLE ENERGY TECHNOLOGY: ENABLING ENERGY TRANSITION

Extending the use of renewable energies is of central importance for energy transition. We manufacture important technologies for this purpose. For example, we produce stringer systems for the solar industry. These connect individual solar cells together to form → **strings**, which are then used to manufacture solar modules.

Biogas is produced by fermenting biowaste, for example in wastewater treatment plants and landfills. In order to use it efficiently and feed it into the natural gas grid, it has to be

# +20%

ORDER INTAKE FOR PRODUCTION TECHNOLOGY FOR THE MANUFACTURE OF ELECTRIC CARS

purified and refined. We offer purification systems for the treatment of biogas.

We also offer technologies for generating electricity from geothermal and solar thermal energy or from thermal energy generated by the combustion of renewable fuels. The → **ORC (Organic Rankine Cycle) technology** from Dürr Cyplan® suitable for this purpose is already being used in various industries for climate-friendly and decentralized power generation. In this process, the thermal energy generated in industrial processes is converted into green electricity and, if applicable, useful heat.

### ENVIRONMENTAL TECHNOLOGY: FEWER EMISSIONS FOR CLEAN EXHAUST AIR

From the chemical and pharmaceutical industries to plastics production and the food industry: During the manufacture of many products, pollutants may be released that are harmful to humans and the environment. As the world market leader in industrial exhaust air purification technology, the Clean Technology Systems division contributes to the reduction of emissions in many industrial sectors.

Our exhaust-air purification systems render volatile organic compounds (VOCs) harmless. These are released, for example, during the processing of solvents contained in paints and coatings. Substances with unpleasant odors are also treated using exhaust-air purification systems, as is exhaust air from the chemical industry that contains substances such as chlorine, bromine, fluoride, sulfur and nitrogen. Carcinogenic formaldehydes, too, are removed from exhaust air using Dürr technology. With our oxidation plants installed worldwide, our customers are able to reduce their → **greenhouse gas** emissions by a total of around 100 million metric tons per year. This corresponds to about half of the industrial greenhouse gas emissions of the Federal Republic of Germany in 2021.

An example of thermal processes for exhaust-air purification is the flameless regenerative thermal oxidizer (RTO) Oxi.X RV. The system can be operated with electricity and achieves VOC exhaust-air purification levels of up to 99.7% — thanks to flameless operation and without generating thermal nitrogen oxides (NO<sub>x</sub>).

### WOODWORKING TECHNOLOGY: MACHINERY FOR FURNITURE PRODUCTION AND TIMBER HOUSE CONSTRUCTION

The trend favoring use of timber in construction is being driven by several advantages, including, for example, climate-friendliness, rapid regrowth of the raw material and the swifter completion of buildings. HOMAG offers a variety of solutions for processing the sustainable material wood. The portfolio includes machines for the production of windows, doors and stairs as well as plants for the largely automated manufacture of prefabricated house components and room modules.

With the acquisition of the Danish mechanical engineering companies System TM (2020) and Kallesoe (2021), HOMAG has expanded its coverage of the value chain. System TM offers machines for solid wood optimization; Kallesoe specializes in high-frequency presses for the production of cross laminated timber boards. We thus cover a large part of the value chain in the manufacture of timber construction elements and aim to establish ourselves as a leading systems supplier of plants that manufacture construction elements for sustainable timber houses. Regardless of the actual material properties, timber houses are considered much more sustainable compared to buildings made of other materials because wood binds → **CO<sub>2</sub>**, so that the buildings can be transformed from a CO<sub>2</sub> source to a CO<sub>2</sub> sink. → **“Tackling the housing shortage with timber construction”**

# Pioneer in EU Taxonomy

The Dürr Group already reports on taxonomy-aligned economic activities for the year 2021.

With the European → **Green Deal**, the European Union (EU) has set itself the goal of becoming climate neutral by 2050. In order to finance this goal and to make the economic and financial system in the EU more sustainable, capital flows are to be directed toward sustainable investments. To this end, the European Commission has developed the → **Action Plan on Financing Sustainable Growth**. The core element of this action plan is the → **EU Taxonomy** Regulation. It represents a classification system for environmentally sustainable economic activities, such as products and services, which defines six environmental objectives:

- 1 **Climate change mitigation**
- 2 **Climate change adaptation**
- 3 **Sustainable use and protection of water and marine resources**
- 4 **Transition to a circular economy**
- 5 **Pollution prevention and control**
- 6 **Protection and restoration of biodiversity and ecosystems**

According to the taxonomy specifications, economic activities are “environmentally sustainable” if they

- substantially contribute to the achievement of one or more of the six environmental objectives listed (Substantial Contribution)
- do not significantly harm the achievement of the five other EU environmental objectives (Do No Significant Harm, DNSH)
- comply with minimum social safeguards (Minimum Safeguards)

→ **Technical screening criteria** must be used to verify that an economic activity makes a substantial contribution to one of the objectives and does no significant harm to the achievement of the five other objectives. In 2021, the EU only had criteria for the first two environmental objectives. Therefore, information must only be provided on these two objectives for fiscal year 2021. The addition of the remaining four environmental objectives by the EU is planned for 2022.

Under the EU Taxonomy, a distinction is made between taxonomy-eligible and taxonomy-aligned economic activities.

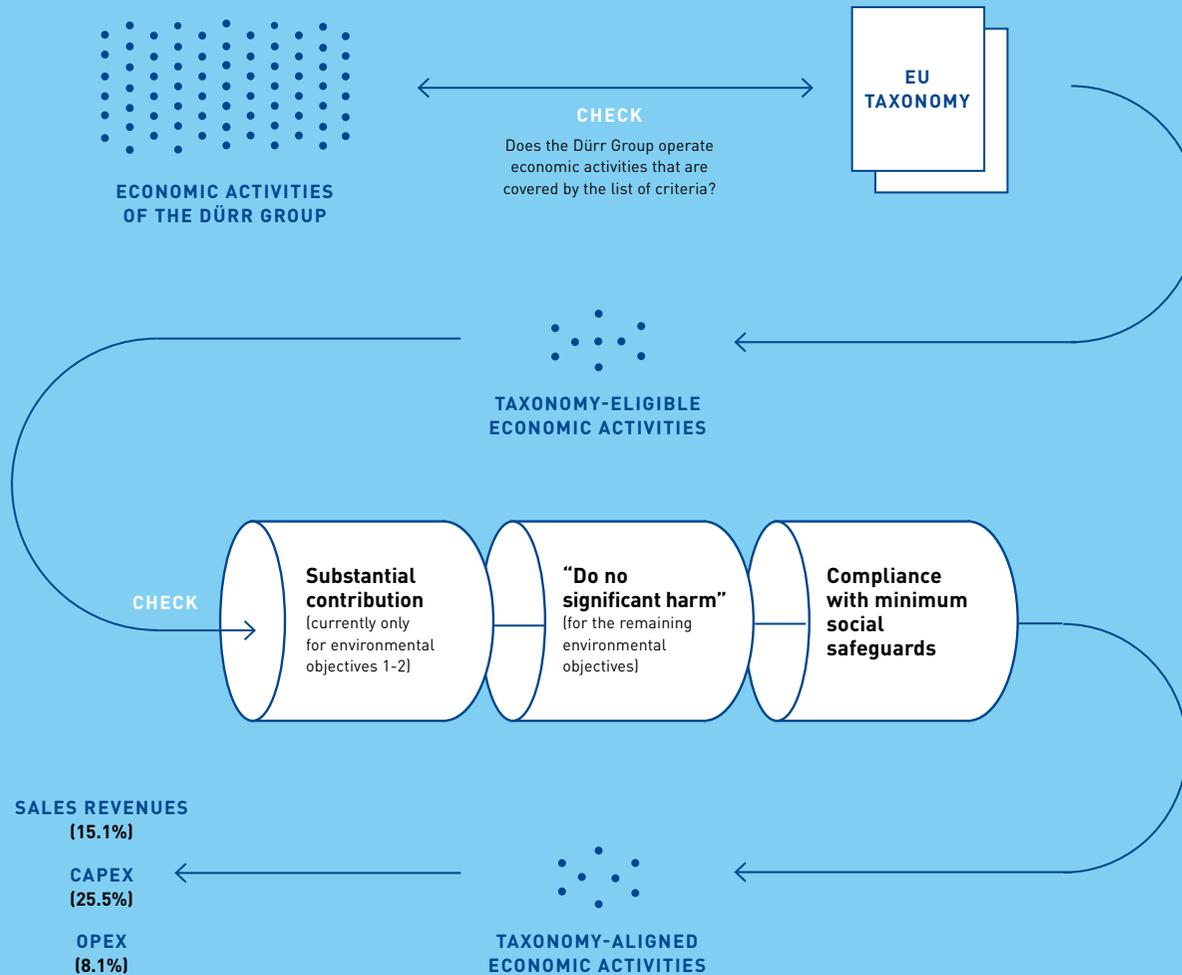
Economic activities are “taxonomy-eligible” if they comply with the activity description as set out in Annexes I and II to the → **delegated act** of June 4, 2021. Activities are “taxonomy-aligned” if the taxonomy-eligible economic activities also meet the technical screening criteria described therein. Furthermore, compliance with minimum social safeguards must be ensured as part of the activities.

Against the backdrop of the EU Taxonomy Regulation, we will report for the first time for the 2021 fiscal year on the proportions of sales revenues, capital expenditures (CapEx) and operational expenditures (OpEx) attributable to taxonomy-eligible and non-taxonomy-eligible economic activities. In addition, we are one of the first companies in Germany to make voluntary disclosures on taxonomy-aligned sales, CapEx and OpEx already for the 2021 fiscal year. We have successfully subjected our disclosures on the EU Taxonomy, including the taxonomy-eligible and taxonomy-aligned key figures, to a limited assurance engagement by an independent auditing firm as part of the non-financial statement.

## DESCRIPTION OF THE PROJECT PROCEDURE

For the Group-wide implementation of the taxonomy requirements, we have set up a project team with the participation of experts from the areas of controlling, communications and sustainability in 2021. Reports on the procedure and interim results were provided to the Board of Management on a regular basis. For further information on the procedure, please refer to the [Annual Report 2021, page 43](#).

## EU TAXONOMY: METHODOLOGY AND PROCESS



## ASSIGNMENT OF ECONOMIC ACTIVITIES TO RELEVANT TAXONOMY CRITERIA

The following activities defined by the EU Taxonomy Regulation have been identified for the recognition and assignment of sales revenues, CapEx and OpEx of the Dürr Group:

- 3.1 Manufacture of renewable energy technologies
- 3.2 Manufacture of equipment for the production and use of hydrogen
- 3.6 Manufacture of other low carbon technologies
- 4.11 Storage of thermal energy

The following additional activities were identified in relation to the recognition and assignment of CapEx and OpEx for the Dürr Group:

- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles
- 7.2 Renovation of existing buildings
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 7.6 Installation, maintenance and repair of renewable energy technologies
- 7.7 Acquisition and ownership of buildings

## MECHANICAL AND PLANT ENGINEERING AT A DISADVANTAGE

Large portions of the Dürr Group's business activities are not directly covered by the taxonomy requirements, as the current version of the EU Taxonomy Regulation is not directly aimed at the mechanical engineering industry. According to the German Engineering Federation (VDMA), this puts mechanical and plant engineering products and technologies at a disadvantage, as they are not explicitly listed in the screening criteria, but still make a significant contribution to the green transformation of the European industry.

Against this backdrop, the activity description "3.6 Manufacture of other low carbon technologies" and the associated technical screening criteria are of particular relevance to us. In order to identify taxonomy-eligible technologies, we have filtered the Dürr Group's portfolio for low carbon technologies and classified as taxonomy-eligible only those technologies that contribute to a significant reduction in greenhouse gas emissions and achieve significantly lower emission levels compared to the most efficient reference technology predominantly available on the market.

In this regard, the description of the technical screening criteria does not specify a concrete target or minimum value for a substantial reduction. From the Dürr Group's perspective, a substantial reduction means a decrease in greenhouse gas emissions by at least 20% during the use phase. The Dürr Group has therefore set this value as the minimum level for a substantial reduction in CO<sub>2</sub> emissions. With regard to the reference standard, we base it on the technology commonly used in the market today. The reference technology is thus the most powerful alternative technology predominantly available on the market.

## SELECTION OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

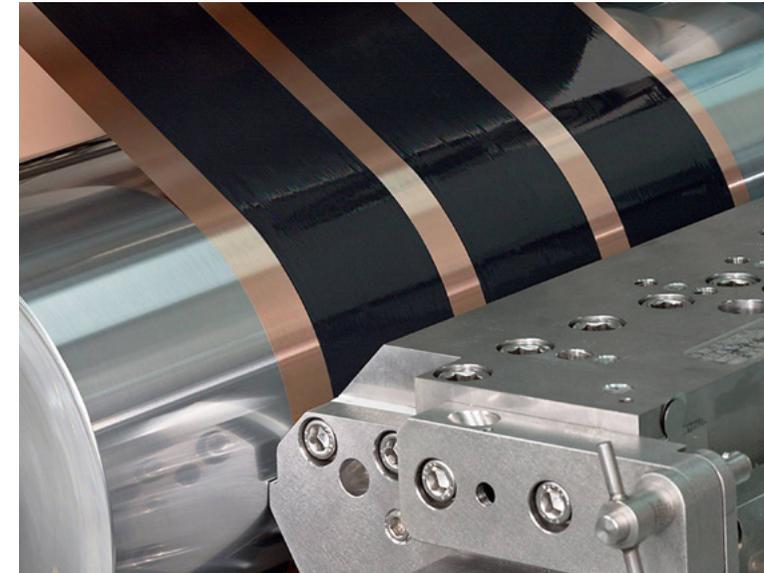
Within the framework of the analysis, the following taxonomy-eligible and taxonomy-aligned revenue-generating economic activities were identified:

### 1. Painting technology

Despite considerable technological leaps in recent years, modern paint shops continue to be among the biggest energy consumers in the production of automobiles. In particular, paint application and drying of the car bodies are responsible for the majority of energy and resource consumption in the paint shop. In these areas, we have technologies at our disposal that result in significant reductions in → **greenhouse gas** emissions compared to the market standard. Examples include selected solutions for dry separation of paint → **overspray** and our latest **EcoProBooth** paint booth concept. For further information, please refer to the section → "**Sustainable products and systems**".

### 2. Battery manufacturing technology

The Dürr Group manufactures specific technologies for the production of rechargeable battery packs and accumulators for the transportation sector as well as stationary or decentralized energy storage systems. This primarily includes machines and systems for the coating and drying of battery electrodes as well as assembly and testing technology for lithium-ion cells and for battery modules and packs. Furthermore, we provide gluing application technologies for battery systems. In this way, our technologies support the EU's key objectives with regard to accelerated introduction of low-emission modes of transport and decarbonizing the energy sector.



Lithium-ion batteries are a key technology in electric mobility – we offer the technology for this.

### 3. Technology for electromobility

The Dürr Group develops and sells technologies specifically used in the production of electric motors for the transportation sector. These include, for example, equipment for filling electric vehicles with highly specific refrigerants, balancing and spin-testing systems for rotors in electric drives, and modular end-of-line test stands for electric drives. The Dürr Group's business activities thus aim to considerably reduce lifecycle emissions in the transportation sector.



So far, timber has been used mostly for building smaller residential houses; now, this sustainable material is also increasingly being used for large buildings and entire housing units.

#### 4. Renewable energy technology

The Dürr Group manufactures technologies for renewable energies. These include, in particular, technologies for the production of solar cell → **strings**, cleaning systems for biogas purification, and technologies for generating electricity from thermal energy during the combustion of renewable fuels and/or from geothermal or solar thermal energy.

#### 5. Environmental technology

Through environmental technology systems, the Dürr Group makes a significant contribution to reducing emissions in various industrial sectors. We develop and supply modern plant technologies that enable efficient disposal of waste gases and residues and reduce energy consumption in the use phase. In addition, other Dürr environmental technology systems ensure substantial savings in → **greenhouse gas** emissions.

#### 6. Woodworking technology

Through the Group subsidiary HOMAG, we are represented on the market with technologies for the solid wood manufacturing sector that are specifically used for the industrial production of wooden construction elements and wooden windows and doors. Thus, the Dürr Group’s business activities are aimed at significantly reducing lifecycle emissions in the building sector.

For further information on the selection of our taxonomy-eligible and/or taxonomy-aligned technologies as well as on the verification of DNSH criteria and compliance with minimum social standards, please refer to the [Annual Report 2021, from page 45](#).

### ENVIRONMENTALLY SUSTAINABLE SALES REVENUES, CAPEX, OPEX

#### TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SALES REVENUES, CAPEX, OPEX IN FISCAL YEAR 2021

|                | Absolute (€ million) | Non-taxonomy-eligible (%) | Taxonomy-eligible (%) | Taxonomy-eligible and taxonomy-aligned (%) |
|----------------|----------------------|---------------------------|-----------------------|--|
| Sales revenues | 3,537                | 84.9                      | 15.1                  | 15.1                                       |
| CapEx          | 226                  | 70.6                      | 29.4                  | 25.5                                       |
| OpEx           | 123                  | 91.9                      | 8.1                   | 8.1  |

In accordance with the → **EU Taxonomy**, CapEx includes investments in intangible assets (excluding goodwill) and property, plant and equipment, including rights to use leased assets. This also includes additions to non-current assets resulting from company acquisitions which were consolidated for the first time in the fiscal year.

OpEx as defined by the EU Taxonomy takes into account non-capitalizable expenses for research and development, building refurbishment measures, short-term leasing, maintenance and repair, and all other direct expenses for the upkeep of property, plant and equipment to ensure that the taxonomy-eligible or taxonomy-aligned assets are ready for operation.

For detailed information on the calculation of the key figures, please refer to the [Annual Report 2021, from page 47](#).

# TACKLING THE HOUSING SHORTAGE WITH TIMBER CONSTRUCTION



Affordable living space in a large city? There's no such thing! This is the experience of people who are looking there for somewhere to live. The B&O Group is not prepared to accept this. Bringing fresh ideas, it constructs new apartment buildings within a very short time frame. In doing so, it relies on the sustainable raw material timber — and systems offered by HOMAG's subsidiary Weinmann.

TEXT: HEIMO FISCHER — PHOTOS: B&O GROUP, PETER JÜLICH



**A LOOK INTO THE FUTURE** Uwe Dohrn heads up the timber construction segment of the B&O Group. The company, which was once a roofing firm, has developed into a technical real estate service provider. Today, B&O is driving the development of timber construction for multi-story buildings.

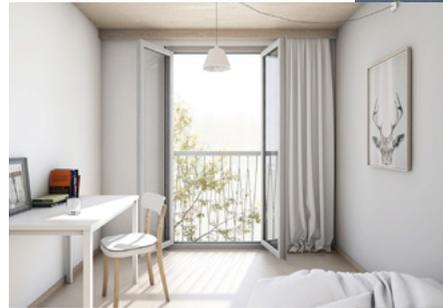
Hiding behind a row of trees, the facade has a plain elegance about it — and yet, this four-story building next to Munich’s Dantebad swimming pool is the flagship of the B&O Group. The building, comprising 111 apartments, firstly consists for the most part of timber; secondly, it rests on stilts above a car park; and thirdly, it was erected within just six months. For Uwe Dohrn, Managing Director of B&O’s timber construction segment, this is an ideal combination. “This way we have created sustainable and affordable living spaces in Munich’s metropolitan area within a very short time frame.”

The company from the Bavarian town of Bad Aibling, which was once a roofing firm, over time developed into a service provider to the housing industry, with sales of half a billion euros. The objective of B&O is to radically reinvent the culture of house construction. “Today, buildings are still erected using a high proportion of manual labor,” says Dohrn. This is slow and expensive. B&O therefore relies on prefabricating solid-wood walls and ceilings in factories in a standardized way, and assembling them on site.

The building next to Dantebad is a result of this method. However, producing high-quality walls and ceilings in series requires first-class technology. B&O relies on systems made by world market leader Weinmann. The HOMAG Group’s subsidiary has been providing equipment to carpentry businesses and factories for timber construction for years, and is expanding this business that continues to grow.

**Positive eco-balance**

Prefabricated houses made of timber are on trend. The market for systems used to produce timber construction elements is growing by more than six percent a year. Around every fifth new house in Germany is being manufactured using this sustainable raw material. Every cubic meter of timber used in buildings binds one ton of CO<sub>2</sub>, which is thus removed from the carbon



**LIVING NEXT TO DANTEBAD** The four-story building rests on stilts above an existing car park. This means no natural ground had to be sealed.

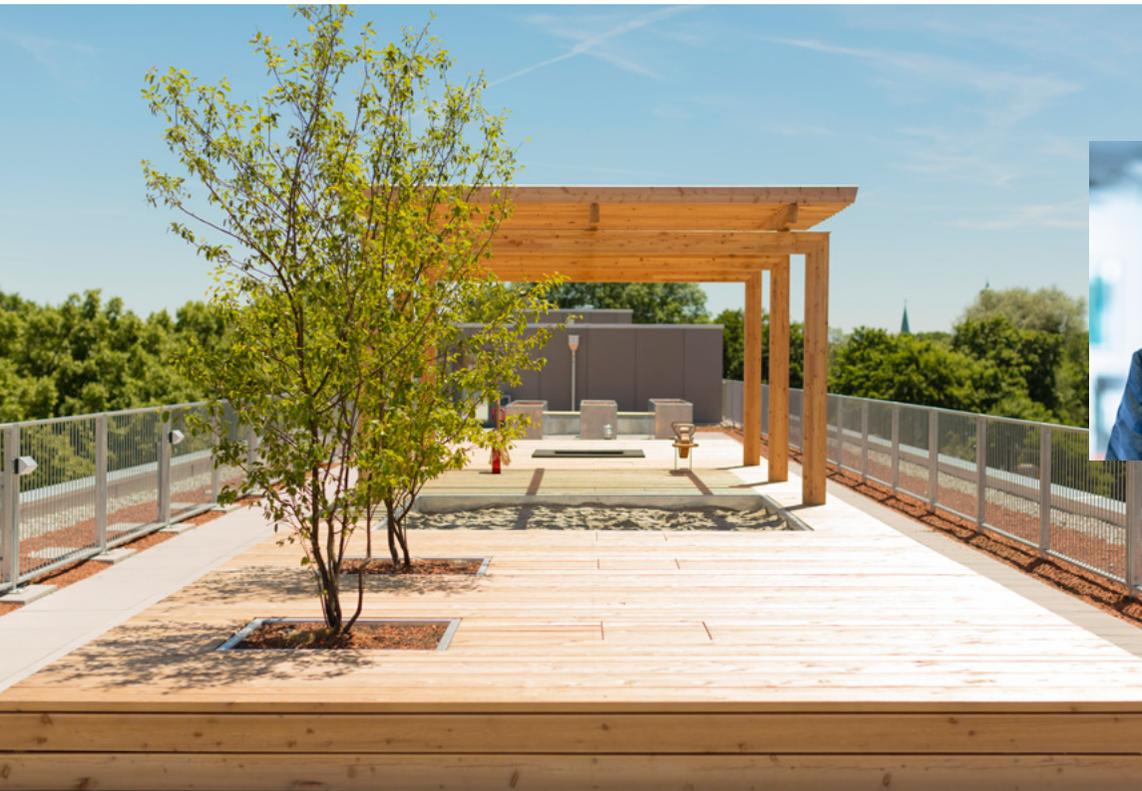


cycle for a long time. And more wood is growing back than is required today or will be required in the future. Sustainable forestry ensures that every felled tree is replaced by planting a new one. The eco-balance for conventional concrete and brick construction, by contrast, is considerably worse.

The B&O Group went into timber construction when it first extended houses by building another story to create additional living space. “This lends itself mainly to metropolitan areas, where real estate is at a premium,” explains Dohrn. Conventional structures made of brick or concrete are not suitable for this due to their heavy weight. Timber, on the other hand, is so light that the structure of the house can cope with an additional story.

“Going forward, we want to build in a more and more standardized way.”

UWE DOHRN,  
MANAGING DIRECTOR OF B&O’S  
TIMBER CONSTRUCTION SEGMENT



**A PLACE OF CALM** The roof terrace of the residential building next to Munich's Dantebad is a welcoming place to unwind. Weinmann, a company belonging to the Dürr Group, delivered the modern machines that were used to manufacture the timber components for the building. Managing Director Josef Zerle (above) supported the project.

Adding density to existing built-up areas in this way is a popular method, especially in large cities such as Munich. More living space is thereby created without the need for any additional building land. Experts have been pointing out for years that undeveloped land is a natural resource which must be protected. According to estimates, an area the size of 122 soccer fields is being built on every day in Germany. This restricts the habitat of plants, animals, and microorganisms.

Whereas so far, mainly one- and two-family houses have been built of wood, an increasing number of multi-story buildings are now being constructed with this natural material. B&O is one of the pioneers in this field. "Around ten years ago, we built our first four-story timber house," says Dohrn. It was part of a building project on the land of a former army barracks in Bad Aibling, where all buildings were constructed using timber. The experience gained back then has since been used in other projects.

### A house on stilts

Lack of space was an important incentive for building the 115-meter-long house next to Dantebad for the city of Munich. The existing car park there had to be preserved for legal reasons. Erecting the building on stilts was therefore an obvious idea. This left enough space under the house for parking for use by the residents or the visitors to the neighboring swimming pool. Another advantage: The parking area was already sealed. Not one square meter of natural ground had to be turned into building land. The building owners could also dispense with an underground car park.

The architect in charge was familiar with timber house construction and had planned all rooms in a way that allowed for the facades and ceilings to be machine-made without any problems. As he decided against any unnecessary frills and many parts looked the same, production using the Weinmann systems of a B&O partner company proceeded quickly.

1 ton  
of CO<sub>2</sub>

IS BOUND BY EACH CUBIC METER OF  
WOOD USED FOR BUILDING

111

APARTMENTS WERE CREATED IN  
THE BUILDING NEXT TO DANTEBAD

“If we use wood in the right way structurally, its durability is extremely high.”

JOSEF ZERLE,  
MANAGING DIRECTOR AT WEINMANN



In prefabricated timber construction, cranes lift the assembled components into place within minutes. Even complete bathrooms can thus be installed into the building.

A novel building method also helped to keep the construction time short. To make sure the workers didn't step on each other's feet, the planning was based on a staggered approach. The various different tradespeople worked their way from one side to the other. While on the right-hand side the shell of the building was already finished, work at the left end was still going on to complete the concrete platform that would support the timber structure.

The interior work progressed in an equally systematic way. Windowsills, roller shutters, and conduits for electricity and water already came prefitted in the timber elements. Even fully fitted bathrooms, complete with wash basin, shower, and tiles, were lifted into place within a matter of minutes using a crane. The result: All interior rooms were finished five weeks after the building shell had been completed.

### A preference for solid wood

The common practice in timber construction is to use so-called timber frame construction elements. To this end, the frames for the wall are assembled in the factory using different-sized timbers and enclosed with panels of wood or other sustainable materials. Multi-function bridges subsequently cut out the recesses for doors, windows, and ducts. The remaining cavities are then filled with insulating material and are also enclosed with recyclable panels.

B&O, by contrast, prefers prefabricated solid-wood elements. This means the walls are made up of thin wooden strips, also known as studs. In factories, these are placed side by side until a continuous wooden structure is created — and thus a load-bearing solid-wood core. This method has a significant advantage: The lengths of the individual studs are chosen to ensure that the intended openings remain free. “Windows, doors, and ducts therefore don't need to be cut out at a later stage, which would usually be the case,” says Dohrn. This saves around 20 percent of the material used.

Weinmann has adapted its systems for this type of manufacturing. “We all brainstormed together to find the best way,” says Josef Zerle, Managing Director at Weinmann. The careful use of resources was also at the forefront of these discussions. Timber construction elements can be reused when the building has reached its end of life. And this can take a long time, according to Zerle. “If we use wood in the right way structurally, its durability is extremely high. Evidence of this can be seen in timber buildings that are still standing after several hundred years.”

### Modular building systems

Creating living space that is both durable and affordable is one of B&O's primary goals. “Going forward, we want to build in a more and more standardized way,” says Dohrn. This starts as early as the planning. “What happens today is that architects design buildings and only later think about how they can put their ideas into practice structurally.” This is followed by a planning process, which costs time and money. “It makes more sense if all the data required to build the necessary parts in the factory is available right from the design phase.” The digitalization of the entire process plays a vital role in this.

Does that mean all houses will look the same because of the use of standard elements? According to Dohrn, this won't be the case. Arranging the elements creatively will still provide for variety and individuality. He sees automakers as an example. They use a modular system to build very different models using identical platforms.

B&O firmly believes in the potential of timber construction and is investing in its own factory in Frankfurt/Oder. There, the company is planning to manufacture patented solid-wood elements using automated series production. The HOMAG Group is also on board: Its subsidiary Schuler Consulting has supported B&O in the factory planning, while Weinmann is delivering the production systems.

## Life cycle services

Repairing machines and systems or installing spare parts can make an important contribution to sustainability — both extend their service life, save material and resources and reduce the ecological footprint. The spare parts and modernization business is operated on a Group-wide basis. We set up older machines and systems to accommodate current and future requirements. This includes, for example, updating control units and hardware as well as retrofitting them with connectivity technologies for digital applications. Digital services such as remote analysis, maintenance assistants and performance checks are becoming increasingly important.

The service business has strategic relevance in two respects: It generates above-average margins, and it contributes greatly to customer loyalty. We align our service activities to the entire life cycle of our machines and systems, concentrating on three focus areas:

- **Leveraging the installed base:** Our broad installed base offers plenty of potential for service growth. We want to exploit this potential to the best of our ability.
- **Digitalization:** In order to generate more service business, we are increasingly focusing on connectivity and the analysis of machine data. On this basis, we can provide customer-specific suggestions for increasing overall equipment effectiveness.
- **Brownfield expansion:** We are expanding the brownfield business with plant modernizations. Retrofitting with digital products is becoming increasingly important.

In 2021, despite the ongoing corona pandemic, the Application Technology division alone carried out around 5,200 repairs with a total of around 13,700 components (2020: around 4,800 repairs with a total of around 13,200 components), including dosing pumps, valve units, turbines and → **atomizers**. Repairs and general overhauls are also part of our range of services at HOMAG and Schenck. At HOMAG, this primarily relates to the preparation of gluing aggregates. In 2021, around 6,800 components were repaired, around 2,000 factory overhauled components were sold and a further 2,850 components were reconditioned for stock.

## Digitalization and automation

Digitalization and the use of artificial intelligence are the dominant trends in manufacturing technology. We are ready for the transformation in mechanical and plant engineering — thanks to our extensive digital expertise. Our digital solutions enable customers to reduce their costs and increase plant availability through predictive maintenance. Virtual reality technology and simulations facilitate the efficient commissioning and ongoing operation of the plants. Digitalization is an important pacesetter for innovation management, with a growing impact on our service offerings. We are constantly expanding our range of data-based applications, intelligent products, digital services and corresponding business models in order to offer our customers solutions for the digital optimization of their production. In step with the further development of our software portfolio, we are creating new business models. In addition, digital processes and tools are the key to efficient collaboration and global networking within the Group. → **“New ways of working”**



The DXQ software portfolio enables the seamless recording of process and consumption data in manufacturing, which in the future will be evaluated using artificial intelligence.

## SOFTWARE SOLUTIONS

We offer a broad range of software for digitalization — from → **MES solutions** to smart analytics and smart maintenance applications with artificial intelligence. One important innovation project is our manufacturing operations management (MOM). This integrated software system coordinates and optimizes factory processes. It marks the next step for our manufacturing execution systems, which have been installed in over 500 factories worldwide. The MOM is to be completed in full in 2022, with individual functions already in use.

### DXQENERGY.MANAGEMENT — INTELLIGENT ENERGY MANAGEMENT

We combine the software development of the subgroups in digital factories. They cooperate with each other to leverage synergies and offer new digital products more quickly. Products and services of Dürr's Digital Factory form the software family "DXQ — Digital Intelligence by Dürr."

**DXQenergy.management** refers to intelligent control software that allows the identification of potential savings throughout the entire paint shop. The software is not only an innovative tool for dynamic monitoring and analysis of energy and media consumption, but also enables optimization of overall energy use by comparing consumption values and production data.

With sophisticated analysis functions and various visualizations, **DXQenergy.management** identifies potential savings and thus enables consumption-optimized production while maintaining overall equipment effectiveness. **DXQenergy.management** thus makes an important contribution to greater transparency and sustainability in paint shops.



## PARTNERSHIPS AND COLLABORATIONS

In view of the complexity of digital transformation, we rely on partnerships. One example is the IIoT platform ADAMOS, a combination of network and technology of the → **Industrial Internet of Things (IIoT)** especially for machine and plant engineering. The network consists of Software AG, PwC and more than 20 mechanical engineering companies. ADAMOS allows the partners to reduce their resource requirements by harnessing synergistic benefits and sharing development results and experience.

## AUTOMATION

Automation is one of our core competencies and a growth business in which we are systematically investing. With the acquisition of a majority stake in Teamtechnik and the takeover of Hekuma, we have entered new markets in automation technology. Teamtechnik is a leading provider of testing systems for electric and hybrid drivetrains — a business area offering strong potential in the electromobility era. Teamtechnik's other main focus is on production systems for medical devices, such as injection systems or inhalers. Hekuma is also active in the medtech market with complementary automation solutions.



# Turning old into SUSTAINABLE

Sustainability is becoming a focus of attention also for vehicle manufacturers. Dürr is positioning itself as a partner for the green ambitions of its customers. Damir Wagner is a Key Account Manager in the service department and supports automakers in retrofitting their existing plants with resource-saving and low-emissions technologies.

TEXT: STEPHAN KÖHNLEIN — PHOTOS: PETER JÜLICH

Damir Wagner prefers to be on site with his customers. Yet due to the coronavirus pandemic, this is currently not always possible as much as usual. And still: Grabbing a cup of coffee in the morning and booting up his computer is the only constant in his workdays. "Every day is different; it always depends on what my customers need at the time," says the 59-year-old. Wagner is a Key Account Manager at Dürr. In this function, he supports Volkswagen and other automotive manufacturers, offering so-called plant assessments for upgrades of existing paint shops. This is a market that promises strong growth for various reasons.

←  
**10-15**  
PLANT ASSESSMENTS  
a year are carried out by Dürr  
for its customers worldwide



### Why an upgrade is worthwhile

More than 60 percent of all paint shops in the automotive industry worldwide are over 20 years old and therefore often no longer up to date. Outdated technologies increase the need for maintenance and cause high operating costs. In addition, there is the risk that old equipment will fall short of the growing environmental standards. Plus, they often no longer meet the automakers' own requirements for energy-efficient and sustainable production.

But the costs for building a new paint shop are sometimes in the three-digit million euros. With figures like these, it is worthwhile for a company to take a closer look at whether its existing equipment can be modernized for significantly less money. Another advantage: While a new plant usually takes more than a year to build, Dürr can generally carry out necessary upgrades within a few weeks, sometimes even during ongoing operation.

### Assessment only takes seven to twelve days

"Today, new paint shops are almost exclusively being built in Asia," Wagner explains. "In other regions, for example in Europe and North America, we examine the existing plants and see what can be done there." And there is a wide range of options that Dürr offers its customers, tailored to their needs. During the assessment, which usually takes between seven and twelve days, a team from Dürr first checks the equipment and analyzes the relevant data. Subsequently, a tool calculates the savings potential. On this basis, Dürr experts discuss various measures that are then implemented according to the customer's wishes. "There is no such thing as impossible when upgrading an existing facility," Wagner says.

In his experience, the automakers' biggest concern is that the conversion measures will lead to longer production downtimes. For the modernization of paint booths, Dürr has therefore developed a step-by-step conversion concept in which the individual steps can be implemented during the regular plant closures over the company holidays, when the assembly lines in the production halls are at a standstill anyway.

### Paint separation as the biggest lever

The most effective step on the way to more sustainability in the paint booth is Dürr's **EcoDryScrubber**. Unlike conventional processes, this system does not separate the excess paint particles — the so-called overspray — using water and chemicals. Instead, it uses limestone powder as a natural bonding agent. The effect: The elaborately conditioned booth air remains dry and can therefore be used several times. Wastewater treatment and the disposal of paint sludge are also no longer required.

BY **2050**  
many automotive manufacturers  
want to be carbon neutral



**33%**  
LOWER  
CO<sub>2</sub> EMISSIONS  
in the paint shop  
after switching to  
the EcoDryScrubber

The switch from wet to dry separation alone reduces energy consumption in the entire paint shop by around 25 percent. CO<sub>2</sub> emissions decrease by as much as one third. If you consider the complete manufacturing process of a car, these savings also make a difference: Here, energy requirements can be reduced by 10 percent — a huge lever on the way to a more sustainable automotive factory.

The market for such solutions is considerable: In Europe alone, around 200 paint booths are still operating with wet separation — and Dürr is asserting its position as market leader in the conversion to the dry and significantly more sustainable alternative. Wagner sees several reasons for this.

**Experience and personal contact**

Dürr, for one thing, offers comprehensive solutions from a single source, ranging from application technology to central control — all technically coordinated and highly efficient. For another, Dürr also supports the systems of other manufacturers. And then there are the many years of expertise of the company and its employees. The assessment of a plant only works in a team combining different perspectives and approaches. Professional experience is a very important factor here. “You are dealing with old equipment,” Wagner says. “Young colleagues first have to familiarize themselves with the technology of 20 years ago. So, it is good to have someone with the appropriate knowledge and experience on your team.”

Wagner has been with Dürr for 32 years. Having worked in spare parts sales and as a project manager, he moved up the ranks to become department manager. For the past two years he has been responsible for important key customers in the service area sales department. In doing so, he benefits greatly from his knowledge about Dürr and its products that he has acquired over the decades.

←  
**10%**  
LESS ENERGY is required by auto-makers during the entire production of a vehicle, thanks to the EcoDryScrubber



But in addition to expertise and solutions from a single source, there is another important factor: personal contact with customers on site. A close relationship of trust has grown with many of them over the years. “Of course, it is better if I can put across the benefits of our solutions to customers in personal meetings,” says Wagner. “Above all: The activity is at the customer’s site. Only when I can see the situation with my own eyes do I know what I have to do after that.”

**“There is no such thing as impossible when upgrading an existing facility.”**

DAMIR WAGNER,  
KEY ACCOUNT MANAGER IN THE SERVICE DEPARTMENT



For us, developing sustainable products also means reducing our own consumption of energy and resources.



# VALUE CREATION AND SUPPLY CHAIN

We work continuously to minimize the environmental impact at our own sites. By means of targeted environmental and energy management, we are not only reducing the consumption of raw materials, but also optimizing our internal processes with regard to energy efficiency, water conservation and waste reduction. We also keep an eye on our supply chain: We are increasingly integrating social and environmental aspects into our procurement processes, thereby meeting our human rights due diligence.



**SDG 8.7**  
**Eradicate forced labor, end modern slavery, human trafficking and child labor**

As a global employer, we have an impact on regional employment as well as a decent and safe working environment in our communities. Respecting human rights and ensuring fair working conditions are therefore the basis of our corporate responsibility. A binding component of the contracts with suppliers is our globally applicable Supplier Code, which explicitly requires compliance with human rights. As part of audits, we check compliance with social and environmental standards in our global supply chains.



**SDG 13.2**  
**Integrate climate protection measures into strategies and planning**

Climate change is one of the greatest and most pressing challenges of our time. With our climate strategy, we have made a pledge to contribute to the achievement of the 1.5°C target under the Paris Climate Agreement. Our goals by 2030 are: 70% reduction in GHG emissions at our own sites (Scope 1 and Scope 2) and 15% reduction in GHG emissions in our upstream and downstream value chain (Scope 3) compared to the base year 2019.

# ADVANCING ENVIRONMENTAL PROTECTION AND SOCIAL JUSTICE TOGETHER

As an → **engineering** company, our consumption of energy, materials and resources is lower than that of other automotive industry suppliers and, with a vertical depth of production of around 40%, we have a smaller environmental footprint. Accordingly, the → **greenhouse gas** emissions generated by our own business activities are also relatively low. The specific measures we have adopted to reduce greenhouse gas emissions as part of our climate strategy are described in the → “**Climate strategy**” section.

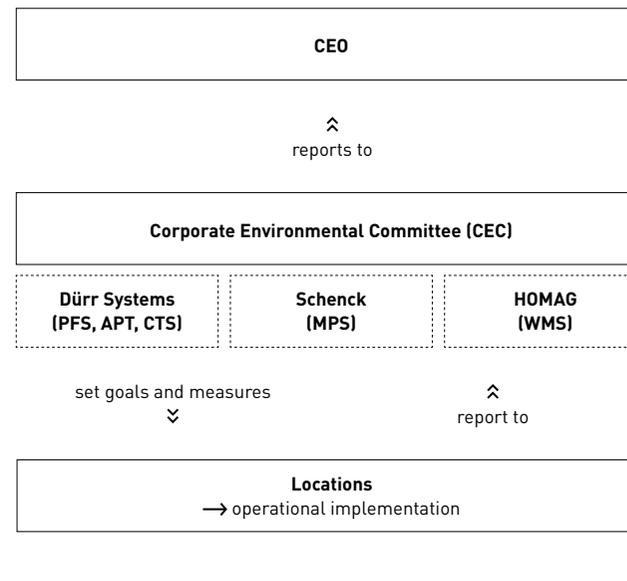
With the help of certified environmental and energy management systems, we are reducing the environmental impact at our production sites and along the entire value chain. We have set ourselves the goal of having the environmental management systems of our production and assembly sites as well as all sites with technology centers certified according to ISO 14001. At the beginning of 2022, almost 42% of our production sites were already certified to this international standard for environmental management systems. Eleven locations of the HOMAG subgroup had a certified energy management system according to ISO 50001 at the end of 2021. Numerous

sites regularly conduct energy audits in accordance with DIN EN 16247-1 as well as quality audits. We are working to continuously increase the level of certification.

## Energy efficiency and conservation of resources

In the Dürr Group, the Corporate Environmental Committee (CEC) is responsible for the strategic direction and management of all environmental and climate protection activities. It consists of the persons responsible for management and environmental management systems in the three subgroups Dürr Systems, Schenck und HOMAG, and reports to the CEO of Dürr AG. The CEC provides recommendations on environmental and climate issues to the Sustainability Council, defines targets and derives fields for action. The main responsibility for environmental issues lies with the management of our local companies, which are subject to site-specific environmental action plans.

### RESPONSIBILITY AND ORGANIZATION IN THE AREA OF ENVIRONMENT



A Group-wide [environmental policy](#) describes our understanding of environmentally sustainable management and provides a framework for action. In addition, it defines three concrete approaches for ecological improvements along our entire value chain: The focus is on further improving the environmental properties of our products, particularly in the use phase (→ “[Sustainable products and systems](#)”), designing an ecologically sustainable supply chain (→ “[Sustainable supply chain](#)”), and reducing our own environmental footprint (→ “[Climate strategy](#)”).

To complement the Group-wide environmental policy, Dürr Systems AG also has a guideline entitled “Values, Policy and Strategy (quality, environmental protection, health and safety).” The HOMAG Group Process Model (HGPM) is an integrated management system that also includes energy management in accordance with ISO 50001, among other things. For many years, Schenck has also relied on a process-oriented, integrated management system, which was supplemented in 2021 by the business-specific “Environment, Health and Occupational Safety” policy.

## ENERGY

We record our consumption of energy and resources as well as our emissions throughout the Group and implement measures for reduction following an economic efficiency audit. In 2021, we continued the conversion of lighting to LED technology in the Dürr Systems subgroup worldwide and equipped another 5,000 m<sup>2</sup> of floor space with long-lasting, energy-saving lighting technology.

In the Schenck subgroup, we have also replaced conventional lighting with LED lighting in further production halls. In addition, the installation of new windows and roof refurbishment on older production halls was continued as planned in order to optimize the thermal insulation of buildings and reduce energy consumption.

Similarly, the HOMAG subgroup further reduced its energy consumption by using LED lighting, energy-efficient drives and shorter switch-on times for ventilation systems. The renewal of the CNC machining centers has increased energy efficiency by more than 15% and reduced electricity consumption.

### ENERGY CONSUMPTION AND ENERGY INTENSITY

|  | 2021           | 2020 <sup>1</sup> | 2019 <sup>1</sup> |
|--|----------------|-------------------|-------------------|
| <b>Energy consumption (in MWh)</b>                                   |                |                   |                   |
| Heating oil and gas  | 67,926         | 66,148            | 66,310            |
| Electricity from conventional sources                                | 49,974         | 50,956            | 57,976            |
| Electricity from renewable energies                                  | 4,656          | 3,235             | 3,768             |
| District heating   | 5,108          | 3,986             | 3,772             |
| <b>Total</b>   | <b>127,665</b> | <b>124,326</b>    | <b>131,825</b>    |
| <b>Energy intensity (consumption in MWh per €1 million in sales)</b> |                |                   |                   |
| Heating oil and gas  | 19.2           | 19.9              | 16.9              |
| Electricity from conventional sources                                | 14.1           | 15.3              | 14.8              |
| Electricity from renewable energies                                  | 1.3            | 1.0               | 1.0               |
| District heating   | 1.4            | 1.2               | 1.0               |
| <b>Total</b>   | <b>36.1</b>    | <b>37.4</b>       | <b>33.6</b>       |

<sup>1</sup> Adjustments due to recalculation on the basis of the Greenhouse Gas Protocol

Compared to 2020, we consumed more energy in total in the year under review. However, our sales increased disproportionately to energy consumption, resulting in a reduction in energy intensity. We have also reduced the consumption of conventional electricity and increased the proportion of electricity from renewable energy sources accordingly.

## WATER AND WASTE WATER

Fresh water is used at most locations for sanitary areas, for cleaning, as drinking water and in dining halls. At some locations, fresh water is also used as process water (cooling lubricants, sprinkler systems, plant and equipment in technical centers, cooling of buildings) or for the irrigation of green areas. At all locations except Dürr Systems in India, drinking water from the public network can be used. Two sites use rainwater. Only three sites are located in regions that are threatened by seasonal water shortages and are therefore subject to restrictions on use (Dürr Systems in Mexico, China, South Africa).

At HOMAG, only small quantities of process water are used for cooling during machining processes. The water is fed into recirculating cooling systems and maintained by filtering and purification processes. As a result, these small quantities only have to be replaced and disposed of once a year. Schenck completely recirculates its small quantities of process water. Waste water from toilets, tea kitchens and dining halls is fed into the municipal wastewater treatment plant.

The waste water at the sites of the Dürr Group is generally hardly contaminated. At locations in western industrialized countries, it is fed to the wastewater treatment system through the public sewer system. In other regions, the procedure varies and the data have not yet been fully collected. Waste water from processes is properly disposed of depending on the degree and type of contamination.

#### WATER AND WASTE WATER

|   | 2021    | 2020    | 2019    |
|---|---------|---------|---------|
| <b>Water and waste water absolute</b>                 |         |         |         |
| Water consumption (m <sup>3</sup> )                   | 175,587 | 166,998 | 201,979 |
| Waste water output (m <sup>3</sup> )                  | 142,388 | 156,316 | 191,388 |
| <b>Water and waste water intensity</b>                |         |         |         |
| Water consumption (m <sup>3</sup> /€1 million sales)  | 49.6    | 50.2    | 51.5    |
| Waste water output (m <sup>3</sup> /€1 million sales) | 40.3    | 47.0    | 48.8    |

In 2021, water consumption in the Dürr Group increased by about 5% compared with the previous year. This was caused by the expansion of production in the course of the business recovery and the acquisition of companies with a high degree of vertical depth. The higher water consumption is also due in part to pipe damage at one site. This explains the relatively large difference between water consumption and waste water output.

At selected Dürr Group sites in 2021, we conducted analyses on the topics of water stress, seasonal fluctuations in water availability, drinking water supply, and the supply of sanitary facilities. We evaluated the current situation and considered scientific projections for a business-as-usual scenario for the year 2040. As a result, individual sites are at risk of being affected

by water stress in the medium to long term. However, we can reduce the risk to a non-critical level through countermeasures already implemented and planned. It is therefore not expected that our production activities will be restricted in the future by water shortages or regulatory requirements.

#### WASTE MANAGEMENT

In compliance with the rules of application valid in the European Union, some of our products are subject to the regulations of the EU Directive on Waste Electrical and Electronic Equipment (EU-WEEE) or to the corresponding German Electrical and Electronic Equipment Act (ElektroG). Therefore, the relevant product categories in Germany are listed in the Waste Electrical and Electronic Equipment Register (EAR), and the quantities placed on the market are properly reported to the register every year. A practicable concept for taking back used machines from the customer after the end of use is currently being developed.

In the Dürr Systems subgroup, waste from all locations and construction sites worldwide is collected and disposed of separately by type of waste in accordance with local requirements. Waste management is the responsibility of the individual locations. The subgroup takes stock of the volume of waste produced every six months as part of its environmental management system. In 2021, the waste concept for its German sites was fundamentally revised and a responsible person was appointed in each case to supervise the waste collection points. A clear separation by waste type can further reduce the residual waste rate. In order to reduce packaging waste during deliveries, packaging materials that accumulate at the incoming goods department are sorted and forwarded to the shipping department for further use. Packaging that can no longer be used is sold as compressed bales on the secondary

raw materials market at individual sites. A site-specific product packaging guideline for shipping specifies how materials are to be efficiently packaged so that they arrive safely at the customers' premises and generate as little waste as possible. Especially manufactured packaging, which is recirculated, is available for some standard components. Similar processes also exist in the HOMAG and Schenck subgroups.

In 2021, the Group generated 2,156 tons of hazardous waste. These are residual quantities of paints, adhesives, sealants and thickeners, operating and assembly aids such as metal cleaners and solvents, as well as waste oils and cooling lubricants from machining that are generated in the course of tests in the technical centers. This waste is collected separately, temporarily stored and disposed of in a professional manner.

#### WASTE

|  | 2021   | 2020  | 2019   |
|--|--------|-------|--------|
| <b>Waste absolute</b>                  |        |       |        |
| Waste volume (t)                       | 10,556 | 9,725 | 12,235 |
| of which recycled (t)                  | 5,199  | 6,685 | 8,838  |
| <b>Waste intensity</b>                 |        |       |        |
| Waste volume (t/€1 million sales)      | 3.0    | 2.9   | 3.1    |
| of which recycled (t/€1 million sales) | 1.5    | 2.0   | 2.3    |

The main reason for the decline in waste recycling in 2021 was a more differentiated definition of recycling than in previous years.

Indexed environmental indicators allow us to compare our environmental performance over several years. In doing so, we compare the measured key figures of the base year 2019 with

the developments of the years 2021 and 2020. Thus, the ratio of consumption to sales in 2019 was set at the index value of 100. Values below 100 accordingly represent efficiency gains.

**ENVIRONMENTAL INDICATORS INDEXED  
(IN RELATION TO SALES; BASE YEAR: 2019 = 100)**

|                                       | 2021 | 2020 | 2019 |
|---------------------------------------|------|------|------|
| <b>Consumption</b>                    |      |      |      |
| Heating oil and gas                   | 114  | 118  | 100  |
| Electricity from conventional sources | 96   | 104  | 100  |
| Electricity from renewable energies   | 137  | 101  | 100  |
| District heating                      | 150  | 125  | 100  |
| Water                                 | 96   | 98   | 100  |
| <b>Waste water and waste</b>          |      |      |      |
| Waste water output                    | 82   | 96   | 100  |
| Waste volume                          | 96   | 94   | 100  |
| of which recycled                     | 65   | 89   | 100  |

## Sustainable supply chain

We want to make our supply chain sustainable. In doing so, we not only consider the ecological impact, but also fulfill our human rights due diligence. We expect our suppliers to operate in an eco-friendly and climate-conscious manner, to respect human rights and to ensure fair working conditions. We monitor sustainability requirements in our supply chain as part of our supplier management and purchasing process.

## PROCUREMENT

We have a broad procurement base, consisting of over 30,000 suppliers, and we purchase goods and raw materials globally. In addition, we rely on local suppliers, who primarily provide manufacturing components and installation services. When it comes to important commodity groups, we have worldwide framework agreements in place to achieve better terms through economies of scale. In Asia, we are increasingly buying manufacturing products and components for projects and plants in other markets. We exclusively manufacture certain core products ourselves, thus protecting our know-how and ensuring quality and on-time deliveries. To ensure supplier availability, we forecast our needs in the sales stage, we set store by long-term capacity planning, and we closely monitor deadlines when dealing with suppliers.

In plant engineering, aside from raw materials and semi-finished products, we primarily purchase installation and engineering services, along with complete units, modules, and assemblies. In mechanical engineering, we purchase many finished parts and pre-assembled modules. Other important procurement groups are mechanical and electrical bought-in parts, such as drives and sensors. Measured against sales, the proportion of bought-in goods and services in the Dürr Systems subgroup is higher than in the Schenck and HOMAG subgroups, both of which have a higher proportion of in-house production.

In 2021, supply chains had difficulty coping with the sharp recovery of the global economy. Aside from a lack of raw materials and upstream products, logistics problems had a negative impact on their timely availability. The main reasons for this were a shortage of containers, port closures due to the pandemic, and the obstruction of the Suez Canal. Procurement prices increased across the board, particularly in the second half of 2021, especially for the raw materials relevant for us: aluminum, copper and steel. In plant construction, it should be noted that we mainly purchase steel that has already been processed or complete assemblies, such as dip tanks for paint shops. In the Paint and Final Assembly Systems division (plant engineering), an average of around 25,000 metric tons of steel were used per year in recent years — roughly equivalent to 3.5 times the weight of the Eiffel Tower. To ensure prompt and cost-optimized supply, we have taken numerous measures. Nevertheless, the price increases and logistics problems had an adverse impact on our procurement costs and material supply.

## HUMAN RIGHTS DUE DILIGENCE

Our aim is to respect and protect human rights. In doing so, we relate our corporate due diligence not only to our own business activities, but also to the supply chain. We have committed ourselves to this aim by signing the [UN United Nations Global Compact](#).

Responsibility for ensuring compliance with employee rights and human rights lies with the Human Resources Managers of the subgroups. Across the Group, human rights issues are coordinated by the Group Human Resources Director in consultation with the Compliance and Corporate Sustainability departments. The Chief Procurement Officer (CPO) manages the approach to human rights compliance in the supply chain. He defines the strategy for sustainable procurement, which is

>30,000

SUPPLIERS IN OUR  
GLOBAL SUPPLY CHAIN

implemented operationally by the purchasing managers in the subgroups.

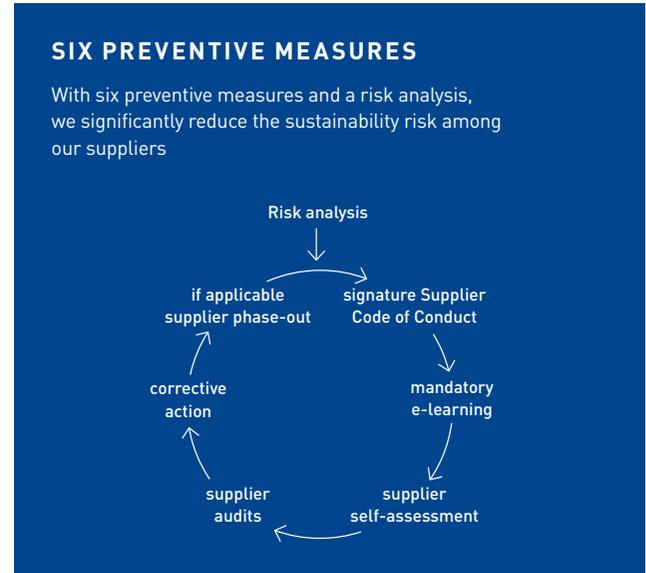
In our Group-wide [Code of Conduct](#), we commit ourselves to observing human rights. At the beginning of 2021, we adopted a [Human Rights and Fair Working Conditions Policy Statement](#). We thus underline and substantiate our corporate due diligence. A binding component of contracts with suppliers is our globally valid [Supplier Code of Conduct](#), available in twelve languages, which was revised in March 2022 and explicitly requires compliance with human rights.

In the Dürr Systems subgroup, we take social criteria into account early in the supplier selection process by means of a general self-assessment questionnaire. In 2021, we also tested the use of a sustainability-specific self-assessment questionnaire with selected Dürr Systems suppliers in China and India. In the case of new and existing suppliers, the Dürr Systems and Schenck subgroups review the observance of human rights and employee rights as part of audits using checklists. In the event of a failure to respect these rights, we reserve the right to terminate the collaboration. In the future, we will use the [IntegrityNext](#) platform for supplier self-assessment throughout the Group, covering all important sustainability aspects.

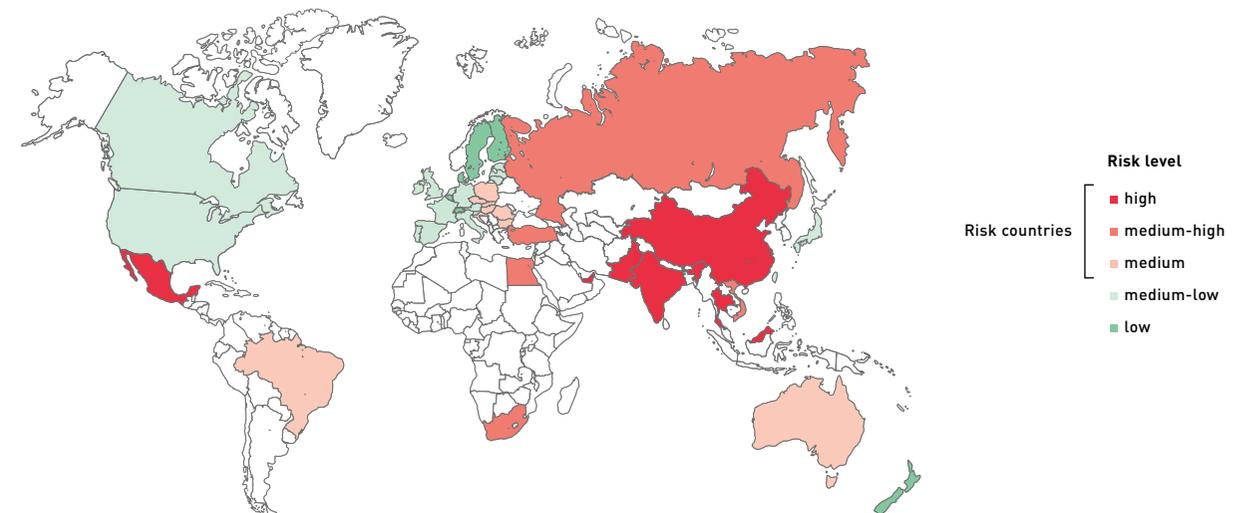
For potential high-risk suppliers, we have developed an e-learning module on the topic of sustainability, which will be introduced in 2022. It is designed to make suppliers aware of sustainability issues, highlight the importance of our Supplier Code and inform them about the [Dürr Group Integrity Line](#).

### Country-specific risk analysis

In 2021, we used eight country-specific indices to rank the sustainability risk of our global direct suppliers. We took into account various indices from the areas of labor and human rights as well as environmental protection, such as the Global Slavery Index (GSI), the SDG Index, the Corruption Perceptions Index (CPI), and country-specific greenhouse gas emission factors. Based on these evaluation criteria, we identified 27 risk countries in a first step. Around 10,000 of our suppliers operate in these countries. In a second step, we considered those suppliers that together account for 80% of the purchasing volume in each risk country. As a result, we were able to identify over 1,000 potential risk suppliers in 2021, accounting for just under 24% of our purchasing volume. In the future, the risk rating will serve as the basis for appropriate supplier monitoring and will be reviewed annually.



### COUNTRY-SPECIFIC SUSTAINABILITY RISK RATING IN THE DÜRR GROUP





We create a safe working environment – on construction sites, in plants, and in offices.



# EMPLOYEES AND QUALIFICATION

Our innovative products and services are the result of the commitment and performance of our nearly 18,000 employees around the world. Our aim is to offer employees the best possible conditions with a wide range of career opportunities and future-oriented people development and further training options. By becoming even more agile, modern and open as a company, we are continuing our journey into the digitally networked, globalized working environment.



**SDG 4.4**  
**Increase the number of youth and adults who have relevant skills, including technical and vocational skills**

As a technology company, our corporate success depends to a large extent on qualified personnel and prudent management. That is why we attach great importance to comprehensive training and qualification opportunities for our workforce, thus creating the basis for high-quality professional and personal development of our employees. We also promote self-guided and flexible learning with new digital training offerings.



**SDG 8.8**  
**Protect labor rights and promote safe and secure working environments for all workers**

The health and well-being of our employees and business partners are an essential prerequisite for our success and an important basis for sustainable regional development. Through our Group-wide strategy Striving for Excellence in Safety, we aim to ensure the integrity of our employees and business partners, promote a safe and decent working environment, and minimize health risks.



**SDG 10.2**  
**Promote social and economic inclusion and empowerment**

Diversity, equal opportunities and equal treatment in the workplace are part of our core values and determine our daily actions and behavior. We promote an inclusive culture regardless of personal or genetic characteristics, are committed to the principle of gender equality in all areas of business, and do not tolerate any form of discrimination.

# NEW

## WAYS OF WORKING

Whether video meetings, group chats, or interactive platforms — digital tools pave the way for modern and flexible forms of working. In the Dürr Group, a dedicated team is therefore driving the use of new apps and tools.

TEXT: HEIMO FISCHER — PHOTOS: SASCHA FEUSTER



**ENJOYING HER JOB** Ricarda Hohn helps staff familiarize themselves with the new, digital working world.

Time was pressing when Ricarda Hohn was asked for advice by a colleague. For the first time, he had to lead an online workshop with 30 people attending. “He had only little experience with this type of exchange,” she says. She quickly explained several apps to him that are easy to use, among them the whiteboard — a template for virtual brainstorming that enables the whole group to collaborate simultaneously in real time. The feedback received after the workshop: The facilitation went well and the colleagues did a great job participating.

It is feedback like this that Ricarda Hohn and her colleague Mona Daub are particularly pleased about. The two are part of the Modern Workplace team. Together with employees from

various parts of the Group, including IT, Communications, and HR, they are driving internal digitalization in the company's day-to-day operations in order to enable contemporary ways of working. This is a task that has become crucial due to the pandemic and the trend toward mobile and hybrid working.

### Leaving no one behind

Hohn and Daub search for interesting software on the market and think about whether it can be deployed in a useful manner in the company. This includes collaboration tools as well as project planners and digital platforms for exchanging information. In between these tasks, the two explain apps in one-on-one meetings, advise departments, and organize software training for the entire Group, such as the Digital Training Days. During this one-week training, employees were able to participate in various webinars, learning about the Microsoft Teams collaboration tool and working in the cloud, among other things. Instead of relying on external coaches, the Modern Workplace team counted on the expertise within the workforce. The principle was successful, and the presentations by employees from the company's own ranks met with great approval.

Like everywhere else, the working world is also changing faster and faster in the Dürr Group, and no one should be left behind. "The pace of change is high," confirms Mona Daub. Modern software is updated every few months. You have to get used to the fact that a familiar button suddenly looks different, a menu has been rearranged, or the app has been equipped with a new function overnight. These are instances for which the Modern Workplace team also raises awareness among their colleagues. It rarely happens that employees take a fundamentally skeptical view of the use of new apps. In most cases, however, some rethinking is required when previously unknown applications encounter well-established work processes.

### Unconventional ideas are welcome

To prevent the introduction of a digital tool from taking up too much time, employees can also continue their training in between tasks, in the staff kitchen or at their desks. Tutorials or interesting tips on new apps are regularly available on the intranet. One example is TeamsTalk, where the Modern Workplace team answers questions about the Microsoft application.

Hohn and Daub regularly think about additional formats. They have a lot of freedom in the process. Unconventional ideas are welcome. One example is TeamsToni — a character familiar to everyone in the Dürr Group who uses the collaboration tool. The

stylized fox pops up in the Teams chat function several times a week with information about training courses or tips on how to use the software.

Is it older employees who tend to need tutoring in the digital world and must be guided by younger ones because the latter have fewer reservations? Ricarda Hohn considers this. "Not necessarily," she concludes. Older employees often contribute practical experience, which can be crucial for the appropriate use of digital tools. Besides, she thinks that it's more a question of character, not age. "There are many colleagues who have been with Dürr for 30 years and still love to deal with new things."



**The Modern Workplace team promotes internal digitalization in everyday business operations to enable contemporary ways of working.**

**A VIBRANT WORKING ENVIRONMENT** Mona Daub heads up the Modern Workplace team.

# IMPLEMENTING FUTURE-ORIENTED IDEAS TOGETHER

## Workforce development

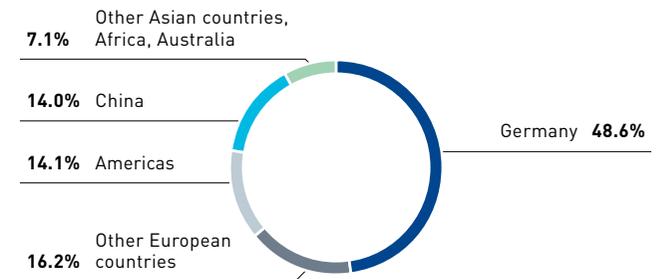
As of December 31, 2021, the Group had 17,802 employees. This represents an increase of 1,277 employees, or 7.7% more than at the end of 2020. As much as 80% of the increase resulted from the majority acquisition of Teamtechnik, Kallesoe and Roomle, as well as the acquisition of Cogiscan and Hekuma. In addition, we have moderately increased the workforce in some divisions, particularly Woodworking Machinery and Systems, in view of the growing volume of business. By contrast, we reduced overcapacities in Western European automotive business. This was part of a restructuring initiated in 2020 and affected the Paint and Final Assembly Systems, Application Technology and Measuring and Process Systems divisions.

The increase in staffing numbers was mainly attributable to Germany, where most Teamtechnik and Hekuma employees are based. At the end of the year, 8,643 persons were employed at the German locations, representing 48.6% of the

Group workforce. The countries with the largest number of employees after Germany are China (2,488), the USA (1,398) and Poland (1,338).

As an internationally operating Company, open-mindedness and → **diversity** are key components of our corporate culture. The average age of our employees is 42. Across the Group, 31% of employees are under 35 years of age; the proportion of this age group is particularly high in China, at 42%. Germany has the oldest workforce with an average age of 44 years. 47% of our employees have a university degree, while 50% have chosen non-academic vocational training. Most of our employees — namely 28% — work in assembly and manufacturing. More than 2,900 (16%) are employed in service worldwide. 9% of our employees take care of administrative tasks and our IT infrastructure.

EMPLOYEES BY REGION (AS OF DEC. 31, 2021)



|  | 2021          | 2020          | 2019          |
|--|---------------|---------------|---------------|
| Germany                                  | 8,643         | 7,931         | 8,181         |
| Other European countries                 | 2,888         | 2,638         | 2,617         |
| Americas                                 | 2,511         | 2,229         | 2,382         |
| China                                    | 2,488         | 2,434         | 2,064         |
| Other Asian countries, Africa, Australia | 1,272         | 1,293         | 1,249         |
| <b>Total</b>                             | <b>17,802</b> | <b>16,525</b> | <b>16,493</b> |

### SHARE OF FEMALE EMPLOYEES BY REGION (IN %, AS OF DEC. 31)

|  | 2021        | 2020        | 2019        |
|--|-------------|-------------|-------------|
| Germany                                  | 15.4        | 15.2        | 15.1        |
| Other European countries                 | 20.0        | 17.6        | 18.5        |
| Americas                                 | 14.7        | 14.8        | 14.6        |
| China                                    | 21.7        | 21.8        | 20.6        |
| Other Asian countries, Africa, Australia | 10.6        | 10.7        | 10.7        |
| <b>Total</b>                             | <b>16.7</b> | <b>16.2</b> | <b>16.0</b> |

### AVERAGE LENGTH OF SERVICE BY GENDER (IN YEARS, WORLDWIDE, AS OF DEC. 31, 2021)

|  | Total       | Women      | Men         |
|--|-------------|------------|-------------|
| Germany                                  | 14.2        | 12.8       | 14.5        |
| Other European countries                 | 6.8         | 6.7        | 7.6         |
| Americas                                 | 8.9         | 7.3        | 9.3         |
| China                                    | 7.1         | 6.5        | 7.4         |
| Other Asian countries, Africa, Australia | 7.3         | 6.3        | 7.4         |
| <b>Total</b>                             | <b>10.7</b> | <b>9.4</b> | <b>11.2</b> |

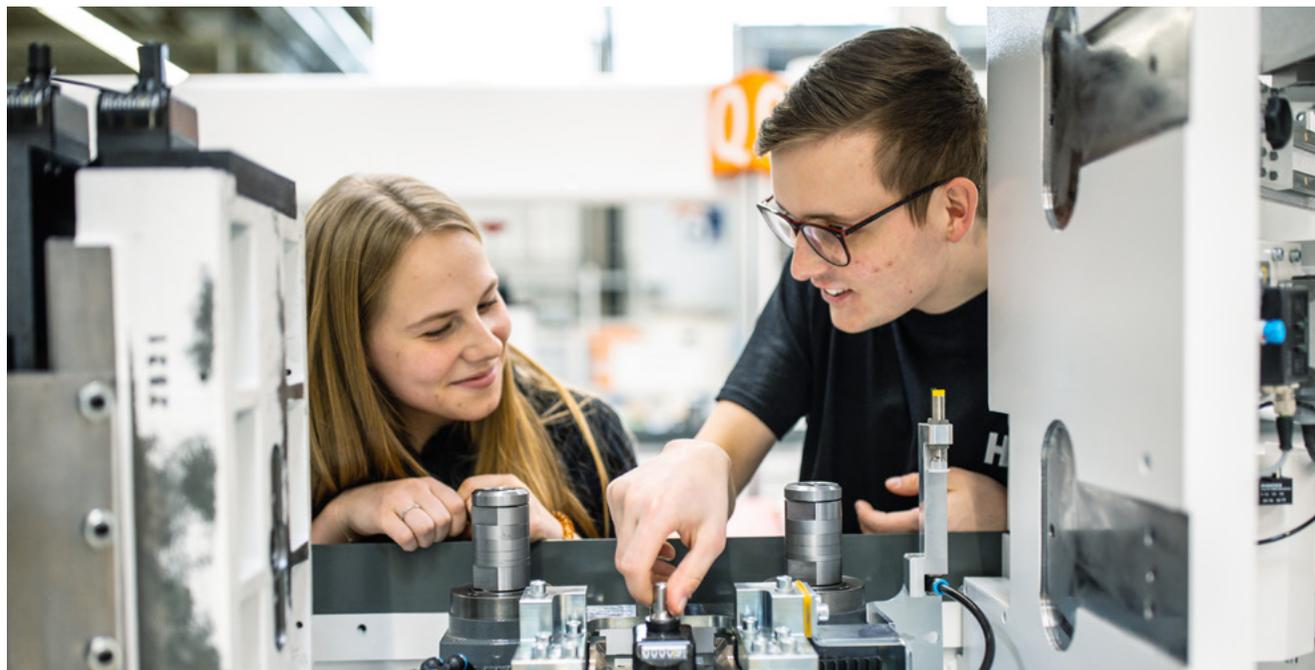
# 505

APPRENTICES  
AND STUDENTS  
IN 2021

### FURTHER PERSONNEL KEY FIGURES (WORLDWIDE)

|   | 2021   | 2020   | 2019   |
|---|--------|--------|--------|
| Number of employees (Dec. 31)   | 17,802 | 16,525 | 16,493 |
| of whom apprentices and students at universities offering work-study programs (Dec. 31) | 505    | 425    | 450    |
| of whom employees working part-time (Dec. 31)   | 633    | 573    | 598    |
| of whom employees with fixed-term contracts (Dec. 31)                                   | 203    | 166    | 309    |
| Number of external employees (temporary work) (Dec. 31)                                 | 856    | 724    | 1,250  |
| Average length of service (years)   | 11     | 12     | 11     |
| Employee turnover (%)   | 9.7    | 9.5    | 8.2    |

As of December 31, 2021, 98% of employees in Germany were on permanent contracts; 2.3% of women and 1.6% of men had fixed-term contracts at the end of the year. In Germany, 7% of employees worked part-time, around 70% of them women.



Every year, dozens of young people start their vocational training at the Dürr Group and play a part in shaping our company's future as the skilled staff of tomorrow.

## Global freedom of association

Freedom of association and collective agreements are high values in the Dürr Group. In Germany, the relationship between companies and employee representatives is governed by the Co-determination Act, which emphasizes the aspect of cooperation. In accordance with our [Code of Conduct](#), our employees abroad throughout the Group are also free to participate in interest groups within the framework of their national legislation. We reaffirmed this by signing the [United Nations Global Compact](#) in 2020. Works councils or other employee representative bodies may participate in collective negotiations.

In accordance with the German Works Constitution Act, operational changes that directly or indirectly affect the German locations must be reported to the Economic and Personnel Committee in a timely manner so that the works council can effectively exercise its right of consultation and co-determination. However, a fixed notification deadline is not specified by law. Laws, collective agreements and Group company agreements regulate all major issues affecting the concerns of employees. Employee concerns are also reported by their representatives to the Supervisory Boards of Dürr AG and HOMAG Group AG, which are composed of an equal number of shareholder and employee representatives. At our German sites, there is a regular exchange between the works councils of the individual subgroups to promote the co-determination of all employees. So far, there is no works council in the Dürr Group at the European or global level with a mandate to negotiate on cross-border issues. In the event of conflicts between employees and the company, works councils and HR officers at the sites are direct points of contact.

### PAY SCALE EMPLOYEES AND PAY SCALE EQUIVALENT EMPLOYEES 2021 (AS OF DEC. 31)

|  | Number of employees | of which pay scale absolute | of which pay scale in % |
|--|---------------------|-----------------------------|-------------------------|
| Germany                                  | 8,643               | 6,072                       | 70.3                    |
| Other European countries                 | 2,888               | 340                         | 11.8                    |
| Americas <sup>1</sup>                    | 2,511               | 578                         | 23.0                    |
| China                                    | 2,488               | 402                         | 16.2                    |
| Other Asian countries, Africa, Australia | 1,272               | 0                           | 0                       |
| <b>Total</b>                             | <b>17,802</b>       | <b>7,392</b>                | <b>41.5</b>             |

<sup>1</sup>excluding Stiles and Universal Inc.

## People development and further training

The success of our Company depends to a large extent on qualified personnel and prudent management. That is why a comprehensive range of advanced training and development opportunities is very important to us. Our people development and further training programs are designed to prepare our employees properly for new tasks, to ensure the availability of well-qualified managers and promote the development of young, skilled personnel from the Company's own ranks.

In the Dürr Group, overall responsibility for human resources lies with Corporate Human Resources. Cooperation between Corporate Human Resources, the HR departments of the three subgroups and the local HR managers is governed by a company directive. As part of Corporate Human Resources, the Corporate People Development department is responsible

for managing and coordinating people development and further training within the Dürr Group. Structures and processes of people development are regulated by a Company directive. Our software-supported personnel development process "People Development" helps us identify and develop potential managers within the Company and make the best possible use of young talents. At annual people development conferences, staff responsible for people development and managers communicate about the advancement of high-potential employees and about succession planning. In 2021, we fundamentally revised and significantly expanded succession planning for the Dürr Group to ensure that key positions can be filled quickly and adequately.

All international senior managers receive regular individual performance assessments in the form of people development interviews. No interviews were scheduled for 2021 (2020: 89). In Germany, all employees covered by collective agreements (82.1% of the workforce covered by collective agreements or similar agreements) received performance assessments; non-pay scale employees received a target agreement.

The Dürr Group Academy (DGA) is our Group-wide platform for further training. It pools all further training offers and is available in 12 languages. Internally organized training courses on topics such as leadership, working methods, collaboration, intercultural skills or IT and digitalization can be attended both online and in person by our employees. By training new course administrators from Europe and the USA, we were able to expand our range of international courses within the DGA.



Most of our further training events in 2021 took place virtually. We recorded just under 42,000 attendances in online training sessions (2020: approximately 46,000). Training courses that focused on communication, the exchange of experience, and team development were held in a hybrid format, combining the advantages of e-learning and in-person events. With over 3,500 participants, the attendance at in-person training sessions increased (2020: 1,778). Overall, the participation rate was 2.5 training sessions per employee (2020: 2.9). We measured a total learning time of 109,097 hours. Training events to further build on specialized qualifications accounted for almost one-third of all attendances (2020: around 20%).

# 42,000

ATTENDANCES IN  
ONLINE TRAINING SESSIONS

We have also complemented our training spectrum with new digital offerings. With the introduction of the online learning platform LinkedIn Learning, all employees have access to over 17,000 online courses in seven different languages at any time. This allows them to independently acquire knowledge in business, technical and creative areas. Within the first 8 weeks, 4,657 employees registered on LinkedIn Learning, and we measured a total learning time of around 3,200 hours. In addition, we have hosted two digital training weeks since mid-2021. In various online events, our employees could find out how to integrate collaborative applications from Microsoft into their daily work routines and use them to work together. We also promote collaboration, networking and knowledge

sharing with the Working Out Loud (WOL) initiative, which was successfully continued in 2021 — mostly virtually, thus enabling exchange across locations. We also support our employees in their personal career planning through orientation and development centers.

We continued our internationally staffed corporate training events. 1,188 employees (2020: 1,225) attended best-practice training courses on project management, sales, and leadership. Our corporate training also includes special qualification programs for (prospective) managers. The Fit for Leadership Program was redesigned in 2021 and now combines online sessions in international, virtual working groups with local in-person events. In 2021, 179 future executives attended (2020: 132). In 2021, the proportion of women among future executives was 14.4%, which was slightly below their proportion in the Group as a whole (16.7%). The Advanced Leadership Program was used by 41 experienced managers (2020: 28). For the first time, a change simulation game was also conducted to prepare managers for dealing with change.

The Dürr Group Graduate Program is open to university graduates who want to join the Company as trainees in four specialized fields: technology & innovation, software engineering & data science, finance, and sales & service. The finance specialization was added in 2021 and is offered in Germany, Poland and Mexico. The HOMAG Group recruited sales & service trainees for the first time.

## RECRUITING OF EMPLOYEES

We require a large number of highly qualified employees. Filling vacancies is becoming increasingly challenging, due to the competition for well-trained staff as well as for demographic reasons. It is thus all the more important for us to position ourselves as an attractive employer. While we were very restrictive concerning new hires in 2020 (779) as a result of the coronavirus crisis, we were able to hire 1,815 new employees in 2021 (up 133%) on the back of the significant recovery in the market.

In order to stand out in the competition for qualified staff, we use our attractive employer profile as well as our image as an innovative and digitally oriented Company. We approach potential candidates at university and graduate fairs, through our careers page on the internet, and through online job boards. We continue to expand our employer presence in social media such as Twitter, Instagram, Facebook and LinkedIn. For the year 2022, we are planning to revise the Dürr Group's brand presence as an employer, in the course of which an Instagram channel on the subject of careers will be launched. HOMAG already operates an apprentice channel on [Instagram](#) and an [apprentice podcast](#). For 2022, we are also planning to introduce an integrated human resources platform with overarching recruitment processes for all subgroups.

Students who are about to enter the job market can gain practical experience in our Company in the form of internships or work experience or by completing their theses. In 2021, we hosted 313 young people (2020: 296) and introduced a talent pool for students, which allows us to keep in touch with young talents and hire them at a later date. As a member

and supporter of the Handelsblatt “Fair Company” initiative, we are committed to the fair treatment and remuneration of interns and trainees. In addition, we support five students with a Germany scholarship.

Our reputation as an attractive employer is underscored by independent awards and rankings:

- **Kununu Top & Open Company:** We have achieved average scores of 4.0 (Dürr Systems), 4.1 (Schenck), and 3.4 (HOMAG) on the Kununu evaluation platform. The industry average is 3.5 (possible top score: 5).
- **FOCUS Best Employers:** In the employer ranking published by German magazine FOCUS, Dürr Systems was ranked 20th out of a total of 49 mechanical and plant engineering firms rated in 2021.
- **Stern Germany's Best Employers:** In the employer ranking published by German magazine Stern, Dürr Systems and HOMAG achieved the 6th and 30th place in the mechanical and plant engineering sector.
- **Market research firm Trendence:** The Dürr Group Graduate Program has repeatedly been recognized as a fair and career-enhancing trainee program.

## HIGH-QUALITY VOCATIONAL TRAINING

We offer young people a wide range of opportunities to start their careers. In 2021, we expanded our offering to include apprenticeships and work-study programs in the digital field, bringing the number of professions covered by our vocational training program to 19 and the number of work-study programs to 13. We employed — mainly in Germany — 505 apprentices and students in work-study programs (2020: 425); of these, around 57% were employed by HOMAG companies. The training rate in the Dürr Group rose slightly to 2.8% (2020: 2.6%). We also rely on the model of in-company training abroad: At our US site in Southfield, we are a cooperation partner of the work-study program Michigan Advanced Technician Training (MAT<sup>2</sup>).

According to a study conducted by the business magazine Capital, the subsidiaries Dürr Systems, Schenck Rotec, HOMAG and Teamtechnik once again ranked among Germany's best companies for vocational training in 2021. On Kununu, we achieved an average rating of 4.5 out of a maximum of 5 points across all training locations.

## Global cooperation and diversity

Our employees work at 120 locations in 33 countries. Their skills are shaped by different backgrounds, cultures and experiences. In view of the international nature of our business, intercultural diversity and tolerance represent important values in the Dürr Group. Therefore, → **diversity** is one of the five core values that guide our actions and behavior. Our values are also set out in the [Code of Conduct](#), which applies throughout the Group.

## VALUES IN THE DÜRR GROUP



### Creating customer-focused value

We want to ensure Dürr's future through long-term and stable profitability, high value for customers and the lasting motivation of our employees.



### Entrepreneurial thinking and acting

Each of our employees views themselves as an entrepreneur within the company. This means having the freedom for decisions and taking responsibility for results. In order to remain successful in global competition, we promote an agile learning and working culture, and use the potentials of digitalization for new business models.



### Innovation and technology

Outstanding, networked products and services are the basis of our leading position in the global market. Together, we constantly develop improvements and apply a wealth of ideas and agile working methods to create innovations setting us apart from the competition.



### Guaranteeing sustainability

Our future lies in long-term and globally successful business relationships. We focus on using resources conscientiously in order to preserve them for future generations' use.



### Valuing diversity

The skills of our employees worldwide are influenced by their varied backgrounds, cultures and experiences. By taking advantage of these skills, we achieve the best results. As a globally active company, we stand for an appreciation of one another, and encourage teamwork.

Our idea of human dignity is not compatible with discrimination, be it on the grounds of gender, age, religion, illness, origin, skin color, sexual orientation or for other reasons. We ensure diversity and equal opportunities when hiring staff. We promote equal opportunities through flexible working time models, which meet individual needs. We have also appointed an Equal Opportunity Officer at Dürr Systems AG.

Global cooperation and cultural diversity are a part of management training in the Dürr Group. These include international Leadership Project Management programs, such as the one held in China in 2021. In addition, we offer intercultural training in in-person and online formats. Employees who are sent to a location abroad for a longer period of time can attend special preparatory courses and participate in reintegration training upon their return in the future.

### APPOINTMENT TO MANAGEMENT LEVELS AND SUPERVISORY BOARD

Since 2016, the Supervisory Board of Dürr AG has had four female members. This corresponds to a women's quota of 33%, which fulfills the 30% minimum quota required by law.

When appointing members to the Board of Management, the Supervisory Board primarily pays attention to professional and social skills as well as long-term experience in comparable positions in our industry and in an international environment. Added to that are character aptitude and an appropriate

educational background. The gender, nationality or entry age of a candidate does not constitute a decisive factor. With a view to a balanced age structure, there is an age limit of 63 years for members of the Board of Management.

The percentage of women on Dürr AG's Board of Management is 0%. The target applicable until June 30, 2022, also stood at 0%. In May 2022, the Supervisory Board formulated the target of appointing a woman to the Supervisory Board going forward. The period for achieving this target is from July 1, 2022, to June 30, 2027.

A further target, going forward, is to have a woman join the first senior management level below Dürr AG's Board of Management. This was decided by the Board of Management in June 2022. The period for achieving this target is from July 1, 2022, to June 30, 2027. As of June 20, 2022, the first senior management level consisted of ten men and no women. This corresponds to a women's quota of 0%, in line with the target applicable until June 30, 2022.

The second senior management level below Dürr AG's Board of Management consisted of one woman and eight men as of June 20, 2022. The women's quota thus stood at 11%, which was below the 20% target applicable until June 30, 2022. However, from July 1, 2022, Dürr AG aims to increase the number of women at the second senior management level to two by June 30, 2027. One of the reasons we have not yet managed to increase the women's quota at the second senior management level despite our target is that Dürr AG is solely a management

holding company and therefore has a relatively small number of employees and senior managers. Consequently, a single personnel change can be equivalent to a change of over 10 percentage points. In addition, despite intensively searching for suitable female candidates to fill recent positions, the most relevant profiles in our view were those of male candidates.

### OUR CODE OF CONDUCT



Our philosophy of responsibility goes beyond compliance with the law and also includes extensive voluntary commitments. Our Group-wide Code of Conduct forms the ethical foundation of our relationships with employees, customers, partners and shareholders. It outlines our corporate principles and our clear commitment to comply with legal requirements and ethical standards, including in the areas of corruption prevention, environmental protection and labor standards. We address the issues of respect for human rights, tolerance and equal opportunities in detail. For example, we are committed to fostering

an inclusive culture where diversity is valued and accepted. We do not tolerate discrimination and harassment. The Code is available in ten languages and is an integral part of our mandatory onboarding training for all new employees.

Via the [Dürr Group Integrity Line](#), our employees have the opportunity to report justified suspicions of violations of the [Code of Conduct](#) — anonymously, if they wish. We treat all information confidentially. We exclude any form of discrimination based on a report that is made in good faith but subsequently proves to be unfounded. In 2021, one case of discrimination was reported. We investigated the case and found that the report was unfounded.

## Health and Safety

Our aim is to preserve and promote the safety and health of all persons affected by our business activities. When it comes to health and safety in offices, production areas and on construction sites, we strive to go beyond the respective statutory minimum standards in the individual countries.

A cross-functional team is responsible for the Group-wide implementation of the health and safety strategy “Striving for Excellence in Safety”, the Head of which reports to the CEO of Dürr AG. In addition, the Cross Functional Team provides monthly updates to Board members on current issues and any

OUR HEALTH AND SAFETY STRATEGY:

# STRIVING FOR EXCELLENCE IN SAFETY

accidents. The team is supported by local health and safety managers who implement our standards and processes on site. Furthermore, all managers are in charge of conducting a proper risk assessment and implementing appropriate measures to prevent injuries and occupational illness. It is equally important that all employees assume responsibility for safety at work — for their own safety and that of their colleagues.

The principles of the health and safety strategy are set out in a Group-wide [policy](#), which was fundamentally revised in 2021. It encompasses general principles and values as well as concrete specifications for eight practical focus topics, such as emergency management and fire protection. Processes and instructions pertaining to the policy are described in Group-wide and subgroup-specific health and safety guidelines. These guidelines define responsibilities and mandatory minimum standards. In 2021, the guideline of the Dürr Systems subgroup was adapted to the requirements of the ISO 45001 occupational safety standard. Such a revision is also in progress at the Schenck and HOMAG subgroups.

Through our occupational health and safety management system, we aim to minimize the risk of damage to health and accidents in the workplace. It covers the safety of all internal and external employees, as well as workplace equipment and processes for our activities. At Dürr Systems, 21 sites have an occupational safety management system certified in accordance with ISO 45001, at Schenck it is 2 sites. We plan to certify all major Dürr Systems and Schenck sites to the occupational safety standard ISO 45001. This process has been delayed due to the corona pandemic and will be continued in the current year. At the beginning of 2022, 6,593 employees of Dürr Systems and Schenck were already working at correspondingly certified sites. Measured in terms of the number of employees at all sites of the two subgroups earmarked for certification, this corresponds to a proportion of 73%. For the German HOMAG companies, ISO 45001 certifications are planned for the beginning of 2023.

Regular inspections and internal audits, which take place at least once a year in each division, are designed to ensure that health and safety specifications and processes are being adhered to at construction sites as well as at our plants and offices. However, if hazardous situations or even work-related accidents do occur, they are investigated in detail by the Health & Safety officers. Causes of accidents are evaluated according to ten categories. The categories highlight focus areas and are intended to help avoid similar incidents. Training and communication priorities in the area of Health & Safety are also aligned with this goal.

An important element of accident prevention is the mandatory online safety training for all employees. The training sessions consist of a basic part for new employees and an annual refresher course. In 2021, over 97% of all eligible employees completed our health and safety training, which also included our coronavirus protection measures (2020: over 95%). Employees in particularly high-risk work areas, such as warehouses, logistics, assembly or technical centers, receive activity-specific in-depth training.

Employees have the option at any time to refuse work that they believe could cause injury or illness, without having to fear personal disadvantages. We encourage our employees to inform managers or security officers about work-related hazards and dangerous situations. Employees can also contact the Corporate Compliance department anonymously via the [Dürr Group Integrity Line](#).

By providing information on the Company intranet, we aim to raise awareness of occupational safety and health issues. In addition, a meeting of the respective local occupational safety committee is held at least quarterly at our German sites, which is also attended by members of the works council, which represent the interests of the employees. The committees serve as a forum for exchange between employers and employees and make recommendations on occupational safety and accident prevention. At our sites abroad, the health and safety managers inform the local management at least every six months.

**HEALTH AND SAFETY KEY FIGURES**

|  | 2021 | 2020 | 2019 |
|--|------|------|------|
| Number of work-related accidents <sup>1</sup> absolute (including external staff <sup>2</sup> , excluding commuting accidents)               | 228  | 207  | 309  |
| Number of work-related accidents <sup>1</sup> per thousand employees (including external staff <sup>2</sup> , excluding commuting accidents) | 10.3 | 9.2  | 14.1 |
| Work-related accidents <sup>1</sup> per 1 million hours worked (including external staff <sup>2</sup> , excluding commuting accidents)       | 5.3  | 4.7  | 7.0  |
| Work-related accidents <sup>1</sup> resulting in death — internal staff  | 0    | 0    | 0    |
| Work-related accidents <sup>1</sup> resulting in death — external staff <sup>2</sup>   | 1    | 1    | 0    |

<sup>1</sup> A work-related accident is an incident which requires at least medical treatment.  
<sup>2</sup> also on construction sites

In 2021, an employee of a subcontractor suffered a fatal accident at one of our construction sites. We deeply regret this accident and have investigated it carefully. The results of the investigation demonstrate that despite the highest requirements and controls, only a limited influence can be exerted on individual actions in hazardous areas. Nevertheless, we will continue to intensively review which additional possibilities exist to increase occupational health and safety.

**INTERNATIONAL SOS: WORLDWIDE EMERGENCY MANAGEMENT SERVICE WHILE TRAVELING**

We protect not only the workforce at our locations, but also business travelers, expats and project staff. We inform our employees about hazards at their destination before and during their stay abroad. After a serious event, such as a natural disaster or an attack, they can be located and contacted. In case of emergencies while traveling, they are supported by a professional emergency management service.

**PHYSICAL HEALTH AND WELL-BEING**

The Group-wide sick leave rate was 2.7% in 2021 (2020: 3.1%). We usually organize health days and fitness offers for employees, especially at our German locations. In 2021, however, many of these offerings had to be canceled due to the pandemic or were converted to online formats. Only in some cases did in-person courses take place under strict hygiene rules. On health days, we offer our employees health checks and inform them about further treatment options and preventive measures. Our fitness offerings include yoga, pilates and mindfulness classes, back health and ergonomic workouts, and strength and endurance training. Sports such as soccer, basketball and badminton are also offered at foreign sites, for example in China. Furthermore, our occupational health management includes vaccination consultations for foreign assignments.



## CORONA PROTECTION MEASURES

For health and safety managers, protecting the employees from coronavirus infections remained the dominant issue in 2021. Through mobile working, social distancing, virtual meetings and hygiene plans, we were able to prevent uncontrolled outbreaks of infection. A COVID-19 task force has been established at management level to make Group-wide decisions on how to deal with the coronavirus. Employees were informed about the Company's protective measures on the intranet. As part of a pilot project at the Bietigheim-Bissingen location, employees were able to receive a vaccination against the virus as early as May 2021. Starting from June, the Company vaccination campaign was extended to other German locations and was resumed in December in view of the renewed wave of coronavirus infections. We were also able to provide in-company vaccination offers at several locations in the USA and India.

## Attractive employer

With a comprehensive range of company benefits and offers, we provide an attractive working environment. These include further training and career opportunities. Variable working time models facilitate the reconciliation of work and private life, thus also promoting equal opportunities between the sexes.

Our goal is to be an attractive employer for existing and future employees. By offering a wide range of programs, we want to set ourselves apart from other companies. In Germany in particular, a wide range of benefits is available to our employees. These

include company pension schemes and capital-forming benefits, continued payment of wages in the event of illness, as well as accident and foreign health insurance and a voluntary profit-sharing scheme. Employees covered by collective agreements are entitled to holiday and Christmas bonuses and use a flexible working time account (lifetime working time account). Different part-time models can be realized depending on the individual situation in life and working time expectations. Special payments are made for anniversaries and for special family occasions. In addition, we contribute to improving the work-life balance through sports, health and stress prevention courses as well as cultural activities.

## MEASURING THE SATISFACTION AND RETENTION OF OUR EMPLOYEES

Satisfied and motivated employees are an important basis of the Company's success. We therefore measure the satisfaction of our employees worldwide every three years and implement improvement measures if required.

The central Corporate Human Resources department is responsible for the Group-wide recording of employee satisfaction levels. Employees' needs and suggestions are discussed locally between the senior management, the HR department, the respective employees and, if necessary, the works councils' representatives. If strikingly negative results occur in certain organizational units, we use them to derive improvement measures and review the implementation and success of the measures through follow-up surveys.

We also conduct random pulse surveys on various focus topics at least once a year. A pulse survey conducted in 2020 and evaluated in 2021 confirmed that, from the employees' point of view, we are well on our way to shaping the best possible future of work in the Dürr Group. Three-quarters of the approximately 1,500 interviewees see the Dürr Group as particularly well positioned in the area of digitalization.

The most recent global survey of our employees was conducted in 2019. The subsequent follow-up process focused on improvement measures in the key topics of processes/cross-functional cooperation, performance-related development opportunities, and knowledge of strategy. Among other things, we launched a strategy communication campaign on the Company intranet in 2021. Furthermore, the follow-up process addressed the organizational units with strikingly negative results. The revealed weaknesses were analyzed and, in 2021, almost two-thirds of these units achieved improvements.

We map the overall satisfaction of our employees with an approval indicator that takes into account several criteria. In the last Group-wide survey, the indicator showed an approval rating of 70%. Compared with a peer group of other industrial companies, we achieved better results on the majority of questions. In the fourth global workforce survey due in 2022, we aim to improve our good results from 2019 and once again outperform the industry average.



At the “Butterfly Soccer Cup” in Shanghai, our employees scored goals for a good cause.



# ENGAGEMENT AND SOCIETY

We not only see ourselves as a part of society, but also want to actively and effectively shape it. It is therefore a matter of course for us to support a wide range of different projects in the fields of education, sports, social affairs and culture that benefit society and make a real difference — at our locations and around the world. By entering into long-term partnerships and participating in various global initiatives, we are committed to a socially just and environmentally sustainable future.



**SDG 17.16**  
**Enhance the global partnership for sustainable development and exchange of knowledge**

We value the importance of global partnership for sustainable development. We therefore engage in a lively exchange of views with various stakeholders in society in order to identify their expectations in a timely manner and actively help shape change. As a member of the UN Global Compact and other international sustainability initiatives, we reinforce our responsibility to society and the environment.

# GLOBAL COMMITMENT — LOCAL ENGAGEMENT

We make an active contribution to society through social commitment, partnerships and participation in global initiatives. We strengthen the economic power in the vicinity of our locations through jobs, the associated purchasing power and through tax payments. In addition, we are involved in a number of charitable projects.

## Global commitment

By joining the [United Nations Global Compact \(UNGC\)](#) in 2020, Dürr AG also committed to responsible corporate governance at an international level. As a signatory, we actively promote the company-wide application of ten principles in the areas of human rights, labor standards, environmental protection and corruption prevention by developing and implementing corresponding goals and measures. In doing so, we support the protection of human rights, exclude child and forced labor, enable freedom of association and collective agreements worldwide, and advocate the elimination of all forms of discrimination.

We are committed to a precautionary approach to environmental risks, promote a sense of responsibility for environmental and climate protection among our employees, and drive forward the development and dissemination of environmentally compatible technologies. Within the framework of the tenth principle of the UNGC, we work to combat all forms of corruption, extortion, and bribery. This Sustainability Report also serves as a progress report on the implementation of the UNGC in the Dürr Group. The → [“UNGC Index”](#) at the end of the report refers to the relevant text content in which we describe the concrete implementation of the ten principles.

We participate in two global climate protection initiatives: [Business Ambition for 1.5°C](#) and [Race to Zero](#). By signing the Business Ambition for 1.5°C, we have committed to working toward limiting the global temperature increase to 1.5°C. As part of the global Race to Zero campaign, we aim to reduce our emissions of climate-damaging greenhouse gases to net zero by 2050. To this end, our climate strategy contains corresponding targets for the reduction of → [greenhouse gases](#) and defines further climate protection measures. As a company with its roots in Baden-Württemberg, we also joined the state initiative [“Klimaschutzbündnis Baden-Württemberg”](#) in 2021.

WE SUPPORT



BUSINESS AMBITION FOR 1.5°C



## Donations and sponsorship

We honor our social responsibility and support projects in the social, cultural and scientific fields. We provide targeted support in the form of donations and sponsorship, as well as with knowledge and contacts. The guiding principles for our sponsorship activities are included in a Group-wide donations and sponsorship policy. We primarily support projects, associations and institutions in the neighborhood of our sites. As a rule, we make donations in cash and in kind. From time to time, we also get involved in work assignments in communities and neighborhood initiatives. In 2021, we donated a total of €867,000 for charitable purposes (2020: €498,000).

### SOCIAL COMMITMENT OF THE DÜRR GROUP

| Amount in €k | 2021       | 2020       | 2019       |
|--------------|------------|------------|------------|
| Donations    | 740        | 360        | 435        |
| Sponsorships | 127        | 138        | 308        |
| <b>Total</b> | <b>867</b> | <b>498</b> | <b>743</b> |

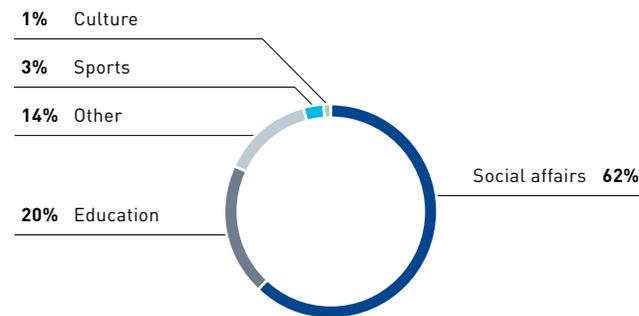
€867,000

DONATED FOR CHARITABLE PURPOSES

Our four priorities of support are:

- **Social affairs:** Humanitarian and charitable projects
- **Education:** Training and education, technology and science, universities, schools, kindergartens
- **Sports:** Popular, youth and disability sports clubs
- **Culture:** Cultural circles, support associations, donor associations, cultural projects for the general public

### DONATIONS BY PRIORITIES OF SUPPORT (2021)



At the Group's headquarters in Bietigheim-Bissingen, we have been supporting social projects such as the hospice foundation, the Lebenshilfe charity, the Tafel food bank and the civic foundation, which is committed to affordable housing, for several years. In the field of culture, we support a number of non-profit associations in the form of corporate memberships.

The spectrum ranges from the local music school to the State Theater and the University of Stuttgart to the Cultural Circle of German Business.

In February 2021, we donated €25,000 to the city of Bietigheim-Bissingen to purchase tablets for secondary schools. Thus, even students who didn't have their own digital device were able to participate in distance learning during the corona pandemic. With the donation, we contributed to equal opportunities for young people by ensuring that they were not cut off from education or disadvantaged despite lockdowns and quarantine.

After the devastating floods in Germany in July 2021, we supported the affected people with a comprehensive aid package (→ "Helping hands"). The Dürr Group and the HOMAG Group works council each contributed €100,000 to the cash donation of €200,000. At the same time, the HOMAG subgroup provided unbureaucratic emergency aid to affected customers whose operations were flooded: HOMAG lent out machines, granted substantial discounts to those affected and carried out free inspections. As a result, craft businesses in the flooded areas were able to quickly resume production and secure jobs. Dürr Systems in Bietigheim-Bissingen also supported the relief efforts and not only donated money, but also handed over two cars from its fleet to the German Federal Agency for Technical Relief (THW). The THW Bietigheim-Bissingen was on several missions in the flood zones in the summer of 2021.



We donated €25,000 to purchase tablets for schoolchildren during the coronavirus pandemic.

In August 2021, we donated €50,000 to the Ludwigsburg District Road Safety Organization. With this amount, we support the construction of a road safety center for the Ludwigsburg district in Asperg and contribute to increased safety in road traffic, especially for children. Another donation of €50,000 is to follow in 2022.

We continued our cooperation with UNICEF in 2021. As part of the Christmas campaign “Donations instead of gifts”, we transferred €50,000 for UNICEF’s nutrition programs. Most recently, in March 2022, we supported humanitarian aid for people from Ukraine with a donation of €150,000 to Caritas international. The relief organization takes care of war refugees, providing them with food and drinking water, among other things. Independently of this, various domestic and foreign companies also made donations, and numerous employees volunteered their time to help people in the war zones.

Our Group sites outside Germany also made contributions to local communities in 2021. In order to provide help during the corona pandemic, our subsidiary Dürr Vietnam donated €2,000 to the “Breathe Again” initiative, which provided hospitals with protective equipment and medical supplies. The company provided a further €2,000 to support the “Direct help in challenging times” fundraising campaign, which provided food to people in need in Ho Chi Minh City during the corona pandemic. By financing an isolation room for persons suffering from corona, Dürr’s Indian subsidiary once again supported the Anbagam Rescue & Rehabilitation Center in Chennai for homeless, elderly and mentally disturbed people. Dürr Brasil and its employees supported families in need with donations in kind at Christmas time. Dürr China donated €27,000 to the Shanghai Debra Center, which helps those affected by the rare skin disease Epidermolysis bullosa (“butterfly disease”). The company’s employees also participated in a charity soccer tournament that raised social awareness of the rare disease. HOMAG employees in Poland also collected donations for a good cause by participating in sporting events. The company also donated school supplies to a Polish orphanage.

With its “HOMAG Cares” initiative, the HOMAG Group has been providing donations in kind and cash for more than ten years. HOMAG supports charitable organizations around the globe. In 2021, the support association for children with cancer “Förderverein für krebskranke Kinder Tübingen e. V.” received a donation of €5,000 for the third time. In addition, the subgroup donated €6,000 to the vocational schools in Freudenstadt for the procurement of tablets and supported the Vocational Academy for Wood Technology in Melle with €2,400.

Among other things, Schenck donated €9,000 for educational purposes in 2021. The subgroup thus supported the University of Mannheim and students at the University of Darmstadt with a Germany scholarship. In addition, €1,000 each went to the Diakonie welfare organization and the Caritas addiction support center in Darmstadt.



We supported humanitarian aid for people from Ukraine with a donation of €150,000.



# HELPING HANDS

In the night from July 14 to 15, 2021, the flood in the West German Ahr Valley destroys Maik Rönnefarth's business. Like many other businesses in the region, the master carpenter and his employees are left with nothing. But shortly afterwards, the willingness of friends and strangers to help is so great that fast reconstruction becomes possible. It is a story about cohesion and optimism.

TEXT: HEIMO FISCHER — PHOTOS: PETER JÜLICH

One day before the disaster, Maik Rönnefarth has his business in Dernau polished to perfection. A camera team has been ordered to shoot a commercial. The master carpenter is as yet unaware that these will be the last images of this workshop, with its state-of-the-art machine park. Then it starts to rain — and won't stop for a long time.



**ALL HANDS ON DECK** Now that the aftermath of the flood has been cleared, there is plenty to do in the carpentry workshop again. Customers have been waiting patiently — now all orders are being completed.

When the tranquil little river Ahr swells into a raging torrent, the carpenter and his employees at first try to keep the water out. “We used sandbags and chipboard to seal the building,” Rönnefarth says. Today, the 45-year-old has to laugh about it. “We actually thought that might be enough.”

Shortly thereafter, a 1.40-meter-high column of water presses against the outer walls of the company building. At around 9 p.m., there are several thunderclaps. The gates can no longer withstand the pressure, and burst. Water rushes into the building, flooding the workshop and offices.

The murky brew also makes its way into the machines. They are the pride of the workshop — the carpentry workshop has regularly invested in new models. Its preferred supplier is the Dürr subsidiary HOMAG. Only recently, a digitally controlled machining center has been added, which saws, drills, and mills fully automatically. It is the showpiece of the company, which was founded in 2003 in a garage and has 30 employees today. Its cost: 270,000 euros. Now the machine is only worth its scrap value.

**DAMAGE REMOVED**  
Thanks to the great help, the carpentry workshop can now work again as before.



**REMINDER OF A DRAMATIC NIGHT** Maik Rönnefarth shows pictures of the flooded workshop.

**Pictures of the flood night**

Where there was rubble and debris in July 2021, six months later it smells of fresh paint. The first new machines are humming in the clean halls that cover a total of 2,200 square meters; employees are bent over their workbenches. Wearing a hoodie with the company logo, Rönnefarth sits in a meeting room and shows photos of the flood night over coffee and cookies. The total damage amounted to more than 4 million euros. The 18 destroyed machines alone accounted for 1.5 million euros.



**€200,000**

In addition to loan machines and discounts for affected HOMAG customers, the Dürr Group’s aid package following the flood disaster also included a cash donation.



**GUARDIANS OF THE WORKSHOP** Maik Rönnefarth with dog Thaya in front of a new machining center

Damage of this magnitude threatens the very existence of a craftsman's business. Months may pass before the insurance company pays out, but many costs continue unabated. However, quitting was not an option for the master carpenter, who only makes important decisions together with his staff. "We never lost confidence in ourselves," he says, describing the mood. And as strange as it may sound, he says, the positive experiences from that time are more important to him than the images of the disaster. They helped him a lot in the reconstruction.

### Rushing to the rescue of data

One reason is the enormous willingness to help that became apparent in the weeks after the flood, but also the commitment of his own employees. He tells of his workshop manager, who, thinking quickly, runs into the IT room when the water enters and brings the server to a dry place, thus saving the valuable data. Others secure the computers installed in some machines.

Together with 13 of his employees who have rushed back to the workshop on the evening of the flood, he spends the night on the top floor of the building. There, they wait without electricity or drinking water until the flood level drops again after several hours, encouraging each other.



After the flood disaster, Rönnefarth and his team demonstrated cohesion and perseverance.

The next day, the extent of the devastation becomes apparent. The workshop is gone, numerous finished orders, including entire kitchens and dressing rooms, have been carried away by the water. Wooden boards, tools, small equipment — all gone. "We didn't even have any brooms or shovels left to clean up mud and debris," Rönnefarth says.

But soon after, a farmer with his tractor appears at the carpentry workshop. A neighbor has got hold of an excavator and offers to help. Together, they clear away the largest debris. They remove the swollen chipboard from the rack storage, salvage machine parts, and remove the remains of destroyed furniture that was to be delivered before the summer break.

### Store manager donates food

Later, a customer who runs a swimming school comes forward. He mobilizes 35 athletes who sweep, clean, and shovel. On the way to the carpentry workshop, he buys mineral water, food, and cleaning equipment. When the store manager learns that the goods are destined for the flood zone, he refuses payment. "It was really incredible," Rönnefarth says.

It is stories like these that the master carpenter keeps coming back to. The photos he produces show thoughtful faces, but also helpers laughing, high-fiving, and enjoying their work.

Over the next few days, more and more people rush to the Ahr Valley to help. This figure will rise to around 200,000 in the subsequent months. More volunteers also arrive at the carpentry workshop. How do you feed so many people? “We had unexpected help there, too,” Rönnefarth says. A restaurant owner, who is a friend of his, brings a snack bar to his courtyard. For several weeks, he provides a cook who prepares complete meals free of charge for all those present, three times a day.

Ten days later, even the power supply is up and running again in the company. And this is how it happened: A man learns about the precarious situation of the carpentry business on Facebook. Subsequently, he gets hold of a huge power generator in northern Hesse, which is taken 300 kilometers to Dernau by truck. A team of helpers connects the power unit. Rönnefarth can't remember exactly who the men are or where they come from. “They did it and we trusted them.”

### Large machines through short official channels

Two weeks after the flood, large sections of the carpentry workshop are ready for operation — only the machines are still missing. But there is already a solution for this problem as well: A HOMAG team from service and sales has made every effort to help the customer get back on his feet as quickly as possible. While some provide on-site assistance with insurance appraisals, others organize new machinery for the company. Since HOMAG usually sells individually configured models, this is not so easy.

Nevertheless, they find a way. A panel dividing saw, provided by a distribution partner from Düsseldorf, and a sanding machine from the HOMAG warehouse are the first to arrive. A machining center that is normally located in a HOMAG sales room is also transferred to the carpentry workshop on a transitional basis. Gradually, the company resumes its work as the cleanup continues. After a few months, HOMAG is also able to deliver the first new machines — of course, with price discounts and long payment terms. The short official channel has worked. Maik Rönnefarth feels vindicated. “Obviously, we have been loyal to the right people over the years.”

A few weeks after the flood, HOMAG was able to deliver new plants to its customer.



*“Obviously, we have been loyal to the right people over the years.”*

MAIK RÖNNEFARTH,  
MASTER CARPENTER

This also applies to financial matters. The firm's banks grant him interim loans, which the company needs until the insurance companies pay out. The managing director of the district savings bank even stops by in person and donates three laptops to the company.

Willingness to help and insurance policies can, of course, never replace all the damage that occurs in such an event. “Now we have to make the most of the situation,” says Rönnefarth. He has used the momentum of the redevelopment to realize a long-planned building extension. The company is growing and needs space. The amount of work has not diminished, even after the flood. Not a single order was cancelled. The next machines are about to be delivered — and just six months after the disaster, the company is working as before.

# SUSTAINABILITY GOALS

| Area   | Goals  | Target year | Progress  |
|--|--|-------------|---|
|  <b>MANAGEMENT AND GOVERNANCE</b> |  |             |   |
| Sustainable corporate financing  | Development and publication of a "Sustainable Finance Framework" for future, long-term oriented corporate financing  | 2022        |    |
| Sustainability ratings   | Continuously improve our sustainability performance with ESG rating providers EcoVadis, ISS ESG, Sustainalytics, MSCI and CDP with the goal of being among the top 10% of companies in our industry                                    | -           | ongoing   |
| Sustainability reporting   | Preparation for the requirements of the Corporate Sustainability Reporting Directive (CSRD)  | 2022/2023   |    |
|  | Complete reporting on taxonomy-eligible and taxonomy-aligned economic activities for all six environmental objectives of the European Union under the EU taxonomy  | 2022/2023   |    |
| Materiality analysis   | Validation of the materiality analysis conducted internally in 2020 through a comprehensive external stakeholder survey of our customers and investors   | 2022/2023   |    |
| Corporate Security   | Expansion of the Group-wide ISMS by extending TISAX® certifications at selected locations of the Dürr Group and appointing information security coordinators in key business areas   | 2022        |    |
|  | Establishment of site-specific risk management of security and information security risks  | 2022        |    |
|  | Further development of crisis, emergency and business continuity management by training site-specific emergency teams abroad and conducting operational business impact analyses   | 2022        |    |
| Risk management  | Establishment and implementation of a process for recording Group-wide sustainability risks  | 2022/2023   |    |
|  <b>PRODUCTS AND SERVICES</b>    |  |             |   |
| Climate strategy (Scope 3 — downstream)  | Reduction of Scope 3 emissions in the use phase of our machines and systems by at least 15% (compared with the base year 2019)   | 2030        |  |
| Sustainable products and services  | Selection and labeling of particularly energy-efficient and resource-saving products and solutions of the Dürr Group with the "Dürr Group Sustainability Logo"   | 2022/2023   |  |
|  | Further development of the energy management software <b>DXQ</b> energy.management (among other things, successful completion of a beta site as well as development of new functions for anomaly detection and consumption prediction) | 2022/2023   |  |
|  | Continuous expansion of the Group-wide product portfolio with energy-saving and resource-conserving solutions as a result of stronger integration of sustainability aspects in product development                                     | -           | ongoing   |
|  | Expansion of our service portfolio to enhance energy and resource efficiency of our products in existing plants during the use phase   | -           | ongoing   |
| Customer experience  | Fundamental revision of the Group-wide customer experience (CX) program  | 2022        |  |
|  | Extension of customer surveys to the Dürr Group's digital product portfolio  | 2022        |  |
|  | Introduction of a Group-wide complaint management system for customers   | 2023        |  |

| Area   | Goals   | Target year | Progress  |
|--|---|-------------|---|
|  <b>VALUE CREATION AND SUPPLY CHAIN</b> |   |             |   |
| Climate strategy (Scope 1 and 2)   | Reduction of Scope 1 and 2 emissions by at least 70% (compared to the base year 2019)   | 2030        |    |
|  | Revision of Group-wide environmental policy and definition of reduction targets for Group-wide water consumption and waste volumes  | 2022/2023   |    |
|  | Revision of the German-wide vehicle policy to promote the switch to fully electric vehicles   | 2022        |    |
|  | Worldwide conversion to green electricity at Dürr Group locations   | 2022/2023   |    |
|  | Expansion of global environmental management certifications in accordance with ISO 14001 at our Group-wide production and assembly sites and all sites with technical centers and/or hazardous substances | -           | ongoing   |
| Climate strategy (Scope 3 — upstream)  | Reduction of upstream Scope 3 emissions in the supply chain by at least 15% (compared to the base year 2019)  | 2030        |    |
| Due diligence in the supply chain  | Development, implementation and execution of sustainability-specific supplier trainings   | 2022        |    |
|  | Definition of minimum criteria for high-risk suppliers as a prerequisite for the future awarding of contracts   | 2022        |    |
|  | Signing of our supplier code by 75% of active high-risk suppliers   | 2022        |    |
|  | Obtaining self-declarations from 50% of active high-risk suppliers  | 2022        |    |
|  | Definition and implementation of the specifications of the German Supply Chain Due Diligence Act (LkSG)   | 2022        |    |
|  | Development and implementation of a financial incentive system for suppliers to increase transparency and sustainability in the supply chain  | 2022/2023   |    |
|  <b>EMPLOYEES AND QUALIFICATION</b>     |   |             |   |
| People development and further training  | Intensification of use of the online learning platform LinkedIn Learning  | 2022        |    |
|  | Redesign of the performance management process <sup>1</sup>   | 2022        |    |
|  | Revision of the Group-wide talent management process  | 2022        |   |
| Health and Safety  | ISO 45001 certification of all companies in the Dürr Systems, Schenck and HOMAG <sup>2</sup> subgroups with operational value creation and sales of at least €10 million per year                         | 2022/2023   |  |
|  | A group-wide maximum of 11 work-related accidents per 1,000 employees per year  | -           | ongoing   |
|  | Recording, thorough analysis and global reporting of at least 70% of near misses that occur per year  | -           | ongoing   |
|  | Performance and documentation of at least 500 global safety audits per year   | -           | ongoing   |
| Attractive employer  | Introduction of a new idea management system in the Dürr Group incl. implementation of an idea campaign on the topic of sustainability  | 2022        |  |
|  | Conduct a Group-wide survey of our employees with the goal of improving our 2019 results and outperforming the industry average   | 2022        |  |
|  <b>ENGAGEMENT AND SOCIETY</b>        |   |             |   |
| Donations and sponsorship  | Revision of the global donation and sponsorship process   | 2022        |  |
|  | Selection of a Group-wide social sponsorship project with a long-term focus   | 2022        |  |

<sup>1</sup> The performance management process includes, among other things, competence assessment and development dialog between manager and employee.

<sup>2</sup> only German companies

# GLOSSARY

## 0–9

### 1.5°C target

With the → [Paris Climate Agreement](#), the global community in 2015 committed to limiting the man-made global temperature increase to “well below 2°C,” and, if possible, to no more than 1.5°C compared to pre-industrial levels.

## A

### Action Plan on Financing Sustainable Growth

An action plan on → [“Financing Sustainable Growth”](#) published by the European Commission in March 2018 on the implementation of the → [Green Deal](#). One of the goals of the Action Plan on Sustainable Financing is to redirect capital flows toward sustainable investments. One measure of the action plan is the → [EU Taxonomy Regulation](#).

### Atomizer

Atomizers provide a uniform spray pattern for the paint application.

## B

### Business continuity management

Measures for continuing the company’s activities after an emergency situation has occurred or during the course of disturbances over an extended period of time.

### Business impact analysis

Business impact analysis can be used to identify disruptions that have an impact on business processes. The method is used in → [business continuity management](#).

## C

### Circular economy

The circular economy aims to reduce resource consumption, emissions and waste generation. To this end, materials and energy are reused as often as possible or used in cycles. The opposite of the circular economy is the “throwaway economy.”

### Climate risk and vulnerability assessments

Climate risk and vulnerability assessments can be used to analyze the vulnerability of regions to the impacts of climate change.

### CO<sub>2</sub>

Carbon dioxide — a so-called → [greenhouse gas](#) — that is generated during the combustion of hydrocarbon energy sources like oil, coal and natural gas and that verifiably contributes to climate change.

### CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

Unit used to make the effects of different → [greenhouse gases](#) on the climate (→ [global warming potential](#)) comparable.

### Compliance

The observance of laws, directives and in-house rules within the company.

### Convertible bond

Corporate bonds that can be converted into shares.

### Corporate citizenship

Civil or social commitment, for example donations and sponsorship activities.

### Corporate governance

Corporate governance is generally understood as managing and leading a company in accordance with good and responsible management principles.

### Country-by-country reporting

Country-by-country, public reports that companies must provide to make their tax data transparent to the relevant tax authorities for each country.

## D

### Delegated act

The first delegated act of the → [EU taxonomy](#) of June 4, 2021, establishes the → [technical screening criteria](#) for economic activities that can make a significant contribution to climate change mitigation or adaptation.

### Diversity

In the corporate context it refers to the diversity of people in relation to gender, skin color, provenance/nationality, religious faith, world view, sexual orientation, etc.

## E

### Emerging markets

Growth markets in Asia, South and Central America, Africa and Eastern Europe, which are considered the markets of the future.

### Energy efficiency

The ratio of the quantity of the energy used compared with a defined use — for example the electricity consumption as a ratio of the performance of a machine.

### Engineering

Development and construction of machinery and systems. In the Dürr Group, frequently the development of technical solutions specifically tailored to the customer's production target.

### EU Taxonomy

Classification system designed as part of the European Union's → [Green Deal](#) to define environmentally sustainable economic activities. Six environmental objectives are pursued in the EU Taxonomy Regulation.

## G

### Global Warming Potential (GWP)

The greater the global warming potential of a → [greenhouse gas](#), the more the gas contributes to global warming. The index indicates the effect of a greenhouse gas compared to the same amount of CO<sub>2</sub>. CO<sub>2</sub> has the value 1.

### Green Deal

Plan presented by the European Union in December 2019. It is intended to assist in achieving climate neutrality in the EU by 2050 through a number of legislative initiatives. In this context, a number of directives and regulations need to be agreed and adopted by the member states into national law. For more information, please visit the ["website of the European Commission"](#).

### Green electricity

Green electricity refers to electricity that comes from renewable energy sources. Examples of such energy sources are sun, water and wind.

### Greenhouse gases

Carbon dioxide (→ [CO<sub>2</sub>](#)), methane (CH<sub>4</sub>) and other gases are regarded as greenhouse gases because they do not break down completely, collect in the upper layers of the atmosphere, and therefore do not permit the heat of the sun to dissipate. This creates a greenhouse effect.

### Greenhouse Gas Protocol (GHG Protocol)

The world's leading standard for measuring and managing → [greenhouse gas](#) emissions in organizations.

## I

### Industrial Internet of Things (IIoT)

The term Industrial Internet of Things refers to the use of the Internet of Things in industrial production. The Internet of Things is the digital connection of, and communication between, smart machines and appliances via the internet.

### Industry 4.0

Industry 4.0 stands for the digital networking of industrial production. The goal is the "smart factory," in which manufacturing plants and logistics systems largely organize themselves.

## M

### Materiality analysis

The analysis of material topics in the context of sustainability management. The definition of materiality may vary. Generally, this is all about balancing topics that the company itself believes are material with the views of external → [stakeholders](#). The — positive and negative — impacts of a company on the environment and society are also taken into account.

### MES solutions

Manufacturing Execution Systems are systems for higher-level production control. Their areas of application are, for example, quality control, root cause analysis or predictive maintenance.

## N

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### NGO — Non-Governmental Organization

Non-governmental organization or civil society organization.

## O

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### ORC technology

ORC: Organic Rankine Cycle. A procedure for the generation of electricity by means of a steam power process with an organic working medium.

### Overspray

Excess paint that does not land on the surface to be painted when it is atomized. (→ [Atomizer](#))

## P

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### Paris Climate Agreement

Agreement under the auspices of the United Nations that was concluded at the climate negotiations in Paris in 2015. (→ [1,5°C target](#))

## S

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### Schuldschein loan

A loan that is issued through a Schuldschein or promissory note. Generally, this is a large long-term loan similar to a bond. Contrary to the situation with a bond, the promissory notes are not traded on the stock exchange.

### Science Based Targets initiative (SBTi)

The alliance of the Carbon Disclosure Project, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature tests reduction targets against the latest climate science. According to SBTi, the Dürr Group's climate targets contribute to achieving the → [1.5°C target](#) and can thus be described as "science-based targets."

### Second party opinion provider

Second opinion from an independent organization that has extensive expertise in sustainability.

### Stakeholders

Social groups that can directly or indirectly influence the success of a company and which are themselves impacted by the activity of the company. Examples of stakeholders are investors, employees, government authorities, media, organizations in civil society, etc.

### Strings

In the field of photovoltaics, this refers to the series connection of several modules or solar cells within a module.

### Sustainable Finance

Generic term for political efforts to align the financial market with sustainable criteria and thereby indirectly the real economy. The European Union is pursuing a [Sustainable Finance Action Plan](#), and the German Federal Government has set up a [Sustainable Finance Advisory Council](#).

### Syndicated loan

A loan granted by at least two banks at the same conditions.

## T

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### Technical screening criteria

Technical screening criteria are used to assess whether and to what extent economic activities are environmentally sustainable within the meaning of the → [EU taxonomy](#).

### Transition risks

Risks for companies which result from climate change, although they do not relate directly to the physical consequences of climate change (e.g., temperature increase and increased extreme weather phenomena), but to combatting climate change by political means (e.g. greater regulation, → [CO<sub>2</sub> prices](#)).

# ABOUT THIS REPORT

With this Sustainability Report 2021, the Dürr Group is already in its eleventh year of regular reporting on its sustainability performance. This year, we once again transparently and comprehensively demonstrate to our stakeholders our achievements in the economic, ecological and social dimensions of corporate sustainability.

We have prepared our Sustainability Report for the second time in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards). This report has been prepared in accordance with the GRI Standards: option "Core." In addition, for the first time, we are providing climate-related information in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). By creating transparency about how we deal with climate-related risks and opportunities, we are responding to the increased interest of our stakeholders in the topic of climate protection. In addition, this Sustainability Report also serves as a progress report on the implementation of the Global Compact (UNGC) in the Dürr Group.

The report addresses all interested stakeholders of the company, but also provides specific answers to questions raised by the financial market.

The information in this report relates to the entire Dürr Group including its worldwide subsidiaries and Group brands. Data that does not relate to the entire Group is appropriately identified. The reporting period corresponds to the fiscal and calendar year 2021. In some cases, current developments from the first half year of 2022 were also included. Minor variances may occur in the computation of sums and percentages in this report due to rounding.

The Sustainability Report of the Dürr Group is published annually. The next publication is scheduled for mid-2023.



# GRI CONTENT INDEX

| Disclosures                   | Page   | Comment   | UNGC |
|-------------------------------|--|---|------|
| <b>GRI 101</b>                | <b>Foundation 2016</b>                                       |   |      |
| <b>GRI 102</b>                | <b>General Disclosures 2016</b>                              |   |      |
| <b>ORGANIZATIONAL PROFILE</b> |  |   |      |
| 102-1                         | Name of the organization                                     | 8   |      |
| 102-2                         | Activities, brands, products, and services                   | 8–9   |      |
| 102-3                         | Location of headquarters                                     | 8   |      |
| 102-4                         | Location of operations                                       | 8   |      |
| 102-5                         | Ownership and legal form                                     | 26  |      |
| 102-6                         | Markets served   | 8–9   |      |
| 102-7                         | Scale of the organization                                    | 8–9, 58, AR <sup>1</sup> 135–137                        |      |
| 102-8                         | Information on employees and other workers                   | 59–60   | 6    |
| 102-9                         | Supply chain   | 53–54   |      |
| 102-10                        | Significant changes to the organization and its supply chain | AR 28–29, AR 36–37                                      |      |
| 102-11                        | Precautionary principle or approach                          | 16, 29, 32, 65, 68                                      |      |
| 102-12                        | External initiatives   | 10, 23–24, 26, 67–68, 80                                |      |
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| <b>STRATEGY</b>               |  |   |      |
| 102-14                        | Statement from senior decision-maker                         | 5–6   |      |
| 102-15                        | Key impacts, risks, and opportunities                        | 10, 11–14, 16, 25, 29, 31, 49, 55, 67, 75–76, AR 95–106 |      |
| <b>ETHICS AND INTEGRITY</b>   |  |   |      |
| 102-16                        | Values, principles, standards, and norms of behavior         | 27–28, 53–54, 62–63                                     | 10   |

<sup>1</sup> AR = Annual Report 2021

| Disclosures                   |   | Page                           | Comment  | UNGC |
|-------------------------------|---|--------------------------------|--|------|
| <b>GOVERNANCE</b>             |   |                                |  |      |
| 102-18                        | Governance structure  | 15, 26–27                      |  |      |
| 102-21                        | Consulting stakeholders on economic, environmental, and social topics | 15, 23–24                      |  |      |
| 102-22                        | Composition of the highest governance body and its committees         | 15, 26, 63, AR 227, AR 132–133 |  |      |
| 102-23                        | Chair of the highest governance body                                  | AR 10–17, AR 227, AR 132–133   |  |      |
| <b>STAKEHOLDER ENGAGEMENT</b> |   |                                |  |      |
| 102-40                        | List of stakeholder groups  | 23                             |  |      |
| 102-41                        | Collective bargaining agreements                                      | 60                             |  | 3    |
| 102-42                        | Identifying and selecting stakeholders                                | 23                             |  |      |
| 102-43                        | Approach to stakeholder engagement                                    | 13, 23–24, 66                  |  |      |
| 102-44                        | Key topics and concerns raised  | 13–14, 23–24, 66, 80           |  |      |
| <b>REPORTING PRACTICE</b>     |   |                                |  |      |
| 102-45                        | Entities included in the consolidated financial statements            | 80                             | A list of all Dürr Group shareholdings and subsidiaries is provided in the <a href="#">Annual Report 2021, from page 231</a> .   |      |
| 102-46                        | Defining report content and topic boundaries                          | 13                             |  |      |
| 102-47                        | List of material topics   | 14                             |  |      |
| 102-48                        | Restatements of information   | 20, 51                         | Due to validation processes, some of the information and key figures presented in the previous year's report have been corrected. These have been disclosed accordingly. |      |
| 102-49                        | Changes in reporting  | 80                             |  |      |
| 102-50                        | Reporting period  | 80                             |  |      |
| 102-51                        | Date of most recent report  |                                | The Sustainability Report 2020 was published on May 06, 2021.  |      |
| 102-52                        | Reporting cycle   | 80                             |  |      |
| 102-53                        | Contact point for questions regarding the report                      | 89                             |  |      |
| 102-54                        | Claims of reporting in accordance with the GRI Standards              | 80                             |  |      |
| 102-55                        | GRI content index   | 81–87                          |  |      |
| 102-56                        | External assurance  |                                | The report is not externally assured.  |      |

| Topic-specific disclosure |   | Page                     | Comment   | UNGC |
|---------------------------|---|--------------------------|---|------|
| <b>GRI 201</b>            | <b>Economic Performance 2016</b>  |                          |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 26–27                    |   |      |
| 201-1                     | Direct economic value generated and distributed                                 | 9, AR 135                |   |      |
| 201-2                     | Financial implications and other risks and opportunities due to climate change  | 16                       |   |      |
| 201-4                     | Defined benefit plan obligations and other retirement plans                     | 33                       |   |      |
| <b>GRI 203</b>            | <b>Indirect Economic Impacts 2016</b>   |                          |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 67–69                    |   |      |
| 203-1                     | Infrastructure investments and services supported                               | 69–70                    |   |      |
| <b>GRI 204</b>            | <b>Procurement Practices 2016</b>   |                          |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 11–12, 53–54             |   |      |
| 204-1                     | Proportion of spending on local suppliers                                       | 11–12                    | Recording and quantified disclosures not yet available. Until 2023, a comprehensive SRM system will be introduced. We will report on this from 2024 onward.   |      |
| <b>GRI 205</b>            | <b>Anti-corruption 2016</b>   |                          |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 25, 27–28, 54, 63–64, 69 |   |      |
| 205-2                     | Communication and training about anti-corruption policies and procedures        | 27–28, 53–54             |   | 10   |
| 205-3                     | Confirmed incidents of corruption and actions taken                             | 28                       | There were no confirmed violations of anti-corruption regulations in the year under review.   | 10   |
| <b>GRI 206</b>            | <b>Anti-competitive Behavior 2016</b>   |                          |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 27–28                    |   |      |
| 206-1                     | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | 27–28                    |   |      |
| <b>GRI 207</b>            | <b>Tax 2019</b>   |                          |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 27                       |   |      |
| 207-1                     | Approach to tax   | 27                       |   |      |
| 207-2                     | Tax governance, control, and risk management                                    | 27                       |   |      |
| 207-3                     | Stakeholder engagement and management of concerns related to tax                | 27                       |   |      |
| 207-4                     | Country-by-country reporting  |                          | A detailed presentation of country-by-country reporting has been omitted, as disclosing this data would reveal competitively sensitive information. All legally required information on income taxes is provided in our group management report ( <a href="#">Annual Report 2021, from page 23</a> ) and consolidated financial statements ( <a href="#">Annual Report 2021, from page 167</a> ). |      |

| Topic-specific disclosure |   | Page                     | Comment  | UNGC    |
|---------------------------|---|--------------------------|--|---------|
| <b>GRI 301</b>            | <b>Materials 2016</b>   |                          |  |         |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 50–51, 53                |  |         |
| 301-1                     | Materials used by weight or volume  | 53                       | Until 2023, the commodity group specification for the entire Dürr Group will be harmonized and a comprehensive SRM system will be introduced. We will report on this from 2024 onward. |         |
| <b>GRI 302</b>            | <b>Energy 2016</b>  |                          |  |         |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 20–21, 31–32, 49–51      |  |         |
| 302-1                     | Energy consumption within the organization                                      | 51                       |  | 7, 8    |
| 302-3                     | Energy intensity  | 51                       |  | 8       |
| 302-4                     | Reduction of energy consumption   | 20–21, 50–51, 53         |  | 8       |
| 302-5                     | Reductions in energy requirements of products and services                      | 21, 31, 34–35, 38–39, 45 |  | 9       |
| <b>GRI 303</b>            | <b>Water &amp; Effluents 2018</b>   |                          |  |         |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 50–53                    |  |         |
| 303-1                     | Interactions with water as a shared resource                                    | 51–52                    |  | 7, 8    |
| 303-2                     | Management of water discharge-related impacts                                   | 51–52                    |  | 7, 8    |
| 303-3                     | Water withdrawal  | 51–52                    |  | 7, 8    |
| <b>GRI 305</b>            | <b>Emissions 2016</b>   |                          |  |         |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 19–21, 31–32, 49–50      |  |         |
| 305-1                     | Direct (Scope 1) GHG emissions  | 20–21                    |  | 7, 8    |
| 305-2                     | Energy indirect (Scope 2) GHG emissions   | 20–21                    |  | 7, 8    |
| 305-3                     | Other indirect (Scope 3) GHG emissions  | 21                       |  | 7, 8, 9 |
| 305-4                     | GHG emissions intensity   | 20–21                    |  | 8       |
| 305-5                     | Reduction of GHG emissions  | 20–21, 32                |  | 8, 9    |
| 305-7                     | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 19–21                    |  | 9       |
| <b>GRI 306</b>            | <b>Waste 2020</b>   |                          |  |         |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 49–50, 52                |  |         |
| 306-1                     | Waste generation and significant waste-related impacts                          | 52                       |  | 7, 8    |
| 306-2                     | Management of significant waste-related impacts                                 | 52                       |  |         |
| 306-3                     | Waste generated   | 52                       |  |         |
| <b>GRI 307</b>            | <b>Environmental Compliance 2016</b>  |                          |  |         |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                         | 50                       |  |         |
| 307-1                     | Non-compliance with environmental laws and regulations                          |                          | No incidents were reported in the year under review.   | 8       |

| Topic-specific disclosure |   | Page          | Comment  | UNGC |
|---------------------------|---|---------------|--|------|
| <b>GRI 308</b>            | <b>Supplier Environmental Assessment 2016</b>   |               |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)   | 21, 49, 53–54 |  |      |
| 308-1                     | New suppliers that were screened using environmental criteria   | 53–54         | From 2022 onward, we will use the IntegrityNext platform for supplier self-assessment on various sustainability aspects and report on these.   | 8    |
| <b>GRI 401</b>            | <b>Employment 2016</b>  |               |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)   | 25, 55, 58–59 |  |      |
| 401-1                     | New employee hires and employee turnover  | 59, 61        | New employee hires cannot currently be specified by gender, age group, or region. We will report on this in the future.  | 6    |
| 401-2                     | Benefits provided to full-time employees that are not provided to temporary or part-time employees            | 66            |  | 6    |
| 401-3                     | Parental leave  | 66            | In Germany, the right to parental leave is regulated by law. Moreover, we are committed to reconciling work and family life and make it as easy as possible for our employees to return to work. |      |
| <b>GRI 402</b>            | <b>Labor/Management Relations 2016</b>  |               |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)   | 60            |  |      |
| 402-1                     | Minimum notice periods regarding operational changes  | 60            |  | 3    |
| <b>GRI 403</b>            | <b>Occupational Health and Safety 2018</b>  |               |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)   | 15, 55, 64–65 |  |      |
| 403-1                     | Occupational health and safety management system  | 15, 55, 64    |  |      |
| 403-2                     | Hazard identification, risk assessment, and incident investigation  | 65–66         |  |      |
| 403-3                     | Occupational health services  | 65–66         |  |      |
| 403-4                     | Worker participation, consultation, and communication on occupational health and safety                       | 64–66         |  |      |
| 403-5                     | Worker training on occupational health and safety   | 65            |  |      |
| 403-6                     | Promotion of worker health  | 64–65         |  |      |
| 403-7                     | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 32            |  |      |
| 403-8                     | Workers covered by an occupational health and safety management system  | 15, 55, 64    |  |      |
| 403-9                     | Work-related injuries   | 55, 64–65     |  |      |

| Topic-specific disclosure |  | Page                  | Comment   | UNGC |
|---------------------------|--|-----------------------|---|------|
| <b>GRI 404</b>            | <b>Training and Education 2016</b>   |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 55, 60–62             |   |      |
| 404-1                     | Average hours of training per year per employee  | 61                    | We are currently unable to give a valid figure for the average number of hours spent on training. We report on the trainings attended, the participation rate, and the total learning time. |      |
| 404-2                     | Programs for upgrading employee skills and transition assistance programs                                      | 60–63                 |   |      |
| 404-3                     | Percentage of employees receiving regular performance and career development reviews                           | 60                    |   |      |
| <b>GRI 405</b>            | <b>Diversity and Equal Opportunity 2016</b>  |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 55, 62–63, 66         |   |      |
| 405-1                     | Diversity of governance bodies and employees   | 55, 58–59, 62–63      |   | 6    |
| <b>GRI 406</b>            | <b>Non-discrimination 2016</b>   |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 55, 62–64             |   |      |
| 406-1                     | Incidents of discrimination and corrective actions taken   | 64                    |   | 6    |
| <b>GRI 407</b>            | <b>Freedom of Association and Collective Bargaining 2016</b>   |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 23, 49, 53–54, 60, 68 |   |      |
| 407-1                     | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | 53–54, 60             |   | 3    |
| <b>GRI 408</b>            | <b>Child Labor 2016</b>  |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 23, 49, 53–54, 68     |   |      |
| 408-1                     | Operations and suppliers at significant risk for incidents of child labor                                      | 53–54                 | No incidents were reported in the year under review.  | 5    |
| <b>409</b>                | <b>Forced or Compulsory Labor 2016</b>   |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 23, 49, 53–54, 68     |   |      |
| 409-1                     | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | 53–54                 | No incidents were reported in the year under review.  | 4    |
| <b>GRI 412</b>            | <b>Human Rights Assessment 2016</b>  |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 49, 53–54, 68         |   | 1    |
| 412-1                     | Operations that have been subject to human rights reviews or impact assessments                                | 53–54                 | No incidents were reported in the year under review.  | 2    |
| <b>GRI 414</b>            | <b>Supplier Social Assessment 2016</b>   |                       |   |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)  | 49, 53–54, 68         |   | 1    |
| 414-1                     | New suppliers that were screened using social criteria   | 53–54                 | From 2022 onward, we will use the IntegrityNext platform for supplier self-assessment on various sustainability aspects and report on these.  |      |

| Topic-specific disclosure |   | Page  | Comment  | UNGC |
|---------------------------|---|-------|--|------|
| <b>GRI 415</b>            | <b>Public Policy 2016</b>   |       |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                                       | 23    |  |      |
| 415-1                     | Political contributions   | 69    | The Dürr Group does not permit political donations.              |      |
| <b>GRI 416</b>            | <b>Customer Health and Safety 2016</b>  |       |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                                       | 32    |  |      |
| 416-1                     | Assessment of the health and safety impacts of product and service categories                 | 32    |  |      |
| 416-2                     | Incidents of non-compliance concerning the health and safety impacts of products and services |       | No incidents were reported in the year under review.             |      |
| <b>GRI 418</b>            | <b>Customer Privacy 2016</b>  |       |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                                       | 29    |  |      |
| 418-1                     | Substantiated complaints concerning breaches of customer privacy and losses of customer data  | 29    | There were no substantiated complaints in the year under review. |      |
| <b>GRI 419</b>            | <b>Socioeconomic Compliance 2016</b>  |       |  |      |
| GRI 103                   | Management approach (including GRI 103-1, 103-2, 103-3)                                       | 27-28 |  |      |
| 419-1                     | Non-compliance with laws and regulations in the social and economic area                      |       | No incidents were reported in the year under review.             |      |

# TCFD INDEX

| Category  | Recommended Disclosures  | References  |
|---|--|---|
| <p><b>GOVERNANCE</b><br/>Disclose the organization’s governance around climate-related risks and opportunities</p>  | <p>Describe the board’s oversight of climate-related risks and opportunities</p> <hr/> <p>Describe management’s role in assessing and managing climate-related risks and opportunities</p>   | <p>→ <a href="#">Sustainability management, page 15</a><br/> <a href="#">Annual Report, page 41</a><br/> <a href="#">CDP Climate Change 2021 – C1</a></p>   |
| <p><b>STRATEGY</b><br/>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material</p> | <p>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term</p> <hr/> <p>Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning</p> <hr/> <p>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</p> | <p><a href="#">CDP Climate Change 2021 – C2.1</a></p> <hr/> <p>→ <a href="#">Management of sustainability risks, page 16</a><br/> <a href="#">Methodology Paper, page 13</a><br/> <a href="#">CDP Climate Change 2021 – C3.3</a><br/> <a href="#">CDP Climate Change 2021 – C3.4</a></p> <hr/> <p><a href="#">CDP Climate Change 2021 – C3.2a</a></p>   |
| <p><b>RISK MANAGEMENT</b><br/>Disclose how the organization identifies, assesses, and manages climate-related risks</p>   | <p>Describe the organization’s processes for identifying and assessing climate-related risks</p> <hr/> <p>Describe the organization’s processes for managing climate-related risks</p> <hr/> <p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management</p>   | <p>→ <a href="#">Management of sustainability risks, page 16</a><br/> <a href="#">CDP Climate Change 2021 – C2.1</a><br/> <a href="#">CDP Climate Change 2021 – C2.2</a></p> <hr/> <p><a href="#">CDP Climate Change 2021 – C2.2</a></p> <hr/> <p><a href="#">CDP Climate Change 2021 – C2.1</a><br/> <a href="#">CDP Climate Change 2021 – C2.2</a></p>  |
| <p><b>METRICS AND TARGETS</b><br/>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</p>                                  | <p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p> <hr/> <p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</p> <hr/> <p>Disclose the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>                   | <p><a href="#">CDP Climate Change 2021 – C2.1</a><br/> <a href="#">CDP Climate Change 2021 – C2.3</a><br/> <a href="#">CDP Climate Change 2021 – C2.4</a></p> <hr/> <p>→ <a href="#">Scope 1 and Scope 2, page 20</a><br/> → <a href="#">Scope 3, page 21</a><br/> <a href="#">Annual Report, page 58</a><br/> <a href="#">Methodology Paper, page 6-12</a><br/> <a href="#">CDP Climate Change 2021 – C4</a><br/> <a href="#">CDP Climate Change 2021 – C5</a><br/> <a href="#">CDP Climate Change 2021 – C6</a></p> <hr/> <p>→ <a href="#">Scope 1 and Scope 2, page 20</a><br/> → <a href="#">Scope 3, page 21</a><br/> <a href="#">Annual Report, page 58</a><br/> <a href="#">Methodology Paper, page 6-12</a><br/> <a href="#">CDP Climate Change 2021 – C4</a></p> |

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## **Published by**

Dürr AG

Carl-Benz-Straße 34

74321 Bietigheim-Bissingen, Germany

## **Concept & Design**

Kirchhoff Consult, Hamburg, Germany

The Sustainability Report is also available [🔗 in German](#).

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