

# TAKING ACTION

# TAKING ACTION

It's time to act. To limit global warming, many things need to change — including industrial production. We are working on this by developing energy-efficient and low-emission production technologies for our customers. But we are also reducing emissions in our own business operations.

In addition, we are taking decisive action to increase our efficiency and profitability. We are operating with a focus on margins, reducing costs, increasing earnings resilience, and leveraging synergies through the OneDürrGroup program. And we are investing in promising, future-oriented business areas such as automation, battery production, and timber construction.

142

LOCATIONS

32

COUNTRIES



20,597

EMPLOYEES

>80

NATIONALITIES

# THE YEAR 2023 IN FIGURES

3,896

MWH  
SELF-GENERATION OF ENERGY  
FROM PHOTOVOLTAICS

€~2.4

BILLION  
SUSTAINABLE  
FINANCING VOLUME

100%

ELECTRICITY CONSUMPTION  
FROM  
RENEWABLE ENERGIES

€794,000

DONATIONS  
AND  
SPONSORSHIPS

€20.4

MILLION  
EU TAXONOMY-ALIGNED  
INVESTMENTS IN  
SUSTAINABLE BUILDINGS

536

APPRENTICES AND STUDENTS  
IN WORK-STUDY PROGRAMS

10

YEARS  
AVERAGE LENGTH  
OF SERVICE

-55%

SCOPE 1 AND  
2 EMISSIONS  
(COMPARED TO 2019  
BASE-YEAR LEVEL)

17%

PROPORTION OF  
FEMALE EMPLOYEES

~30,000

SUPPLIERS  
WORLDWIDE

-8%

SCOPE 3 EMISSIONS  
(COMPARED TO 2019  
BASE-YEAR LEVEL)

€151.4

MILLION  
R&D EXPENDITURE

>250

FEEDBACK  
DISCUSSIONS  
WITH CUSTOMERS

€4,627.3

MILLION  
IN SALES

16.1%

EU TAXONOMY-ALIGNED  
SHARE OF SALES

# TABLE OF CONTENTS

## 05 FOREWORD

## 08 THE DÜRR GROUP

## 15 STRATEGY AND ORGANIZATION

- 16 Corporate strategy
- 17 Sustainability approach
- 18 Materiality analysis
- 20 Sustainability management
- 20 Sustainability opportunities and risks
- 22 Climate strategy
- 31 Dialog with stakeholders
- 33 Customer Experience
- 36 Sustainability ratings

## 37 MANAGEMENT AND GOVERNANCE

- 38 Responsible corporate governance
- 40 Tax strategy
- 41 Compliance and anti-corruption
- 42 Information and data security
- 42 Corporate Security
- 43 Sustainable corporate financing



## 44 PRODUCTS AND SERVICES

- 47 Product safety
- 48 Innovation and technology
- 49 Sustainable products and systems
- 56 EU Taxonomy



## 65 VALUE CREATION AND SUPPLY CHAIN

- 66 Environmental and energy management systems
- 67 Energy and resource efficiency
- 71 Sustainable supply chain



## 74 EMPLOYEES AND QUALIFICATION

- 78 Workforce development
- 79 Attractive employer
- 80 People development and further training
- 83 Respect for human rights
- 85 Diversity, equity, and inclusion
- 86 Global freedom of association
- 87 Occupational health and safety



## 90 ENGAGEMENT AND SOCIETY

- 91 Global commitment
- 92 Donations and sponsorship

## 94 SUSTAINABILITY GOALS

## 97 IMPACT REPORTING

## 98 GLOSSARY

## 102 INDICES AND TABLES

## 112 ABOUT THIS REPORT

## 113 CONTACT





**Dr. Jochen Weyrauch,**  
CEO of Dürr AG

# FOREWORD TO THE 2023 SUSTAINABILITY REPORT

## Dear Readers,

In May 2024, the global average temperature reached a record high for the twelfth consecutive month. According to the European climate service Copernicus, the temperature in May was 1.52 degrees above preindustrial levels, and the average temperature increase over the past twelve months was even 1.63 degrees. The data shows that climate change is no longer a future scenario. Therefore, now more than ever: It is time to take action to limit global warming. In the Dürr Group, we are already doing this today — in keeping with the title of the report, “Taking action.” I would like to give you some concrete examples of how we are contributing to a sustainable transformation of the economy — for our customers and suppliers as well as at our own locations.

As a mechanical and plant engineering company, we develop pioneering solutions for climate-friendly automotive production. Our innovative coating technologies enable our customers to save energy and avoid emissions in their plants. For example, we recently completed the first paint shop for a German automobile manufacturer that can be operated CO<sub>2</sub>-free and meets the strict requirements of the EU Taxonomy. The plant is equipped with energy-efficient technologies and runs exclusively on electricity. Another example is the long-term strategic partnership agreed with Mercedes-Benz in 2023. The aim is to optimize the energy efficiency of vehicle painting in three German plants and to make it CO<sub>2</sub>-free, either by using green electricity or with the help of particularly energy-efficient Dürr technologies.



## Sustainability is a non-negotiable part of our business activities and is reflected in our products, processes, and decisions.



We are also a key partner for our customers in the series production of low-emission products. One example is the systems for the automated production of HOMAG's elements for timber house construction. For the Swiss company Nokera, for example, we have equipped an entire factory with fully automated production lines for the serial construction of climate-friendly timber houses. The plant went into operation at the end of 2023, and since then, sustainable housing space has literally been rolling off the production line at Nokera: Wall and ceiling elements for up to 20,000 prefabricated residential units made of timber can be produced each year.

It goes without saying that our own business activities are also geared towards climate protection. In 2023, we were able to reduce greenhouse gas emissions in Scope 1 and Scope 2 by 28% compared to the previous year, and by as much as 55% compared to the base year 2019. This was largely due to the conversion of all locations to green electricity. We have also reduced the energy intensity of our business, using 8% less energy per €1 million in sales than in 2022. In addition, we allocated a total of €47 million to green investments, such as sustainable buildings, photovoltaic systems, and the development of sustainable products. We intend to consistently continue on this path in order to contribute to the 1.5°C target of the Paris Climate Agreement.

Our progress in the area of environmental and social sustainability is also reflected in the continuous improvement of our external sustainability ratings. We have achieved Prime status in the ISS ESG Corporate Rating and are among the top 20% in the mechanical and plant engineering sector. The

EcoVadis rating agency has awarded us a platinum medal, placing us in the top 1 percent of all companies rated. An important reason for the rating upgrades was that we have strengthened our measures to create a responsible supply chain in 2023. Together with our suppliers and business partners, we are working systematically to improve environmental and social standards and to prevent human rights violations in the supply chain.

We are also continuing on our path mapped out towards sustainability in corporate financing. In 2023, we issued a green "Schuldschein" loan in the amount of €300 million, followed by another green "Schuldschein" loan in the amount of €350 million in 2024. The proceeds are fully reserved for financing sustainable product innovations and climate-friendly projects in accordance with the EU Taxonomy. The positive response on the capital market shows that investors support our commitment. The fact that half of our free-float shares are already held by sustainability-oriented investment companies is further evidence of this.

Through responsible business activities and our sustainable products, we also make a contribution to the 17 UN Sustainable Development Goals. I would also like to take this opportunity to reaffirm our commitment to the United Nations Global Compact.

The examples show: Sustainability is a non-negotiable part of our business activities and is reflected in our products, processes, and decisions — and not least in our corporate culture. This is a conviction that is also lived by our more than 20,000 employees on a daily basis. With their determination to develop new technological solutions and thus actively shape the transition to a more sustainable economy, they make a decisive contribution to the future viability of the Dürr Group. You can find out where we stand today and what we have planned for the future in this report.

I wish you an informative and interesting read!

Best wishes

**Dr. Jochen Weyrauch**

CEO of Dürr AG

Bietigheim-Bissingen, June 20, 2024

# BOARD OF MANAGEMENT OF DÜRR AG



**Dietmar Heinrich (60)**  
CFO

**Dr. Jochen Weyrauch (57)**  
CEO



# THE DÜRR GROUP

The Dürr Group is one of the world’s leading mechanical and plant engineering firms with extensive expertise in automation, digitalization, and energy efficiency. Our machines, systems, and services stand for economical and sustainable production processes. In 2023, we generated 48% of our sales from the automotive industry and 35% from producers of furniture and timber houses. The remaining sales were distributed among sectors such as chemicals, pharmaceuticals, medical devices, electrical engineering, and battery production.

As of December 31, 2023, we had 20,597 employees. In addition to North America and Western Europe, we are also strongly represented in the emerging markets. These accounted for 44% of our order intake and for 36% of our workforce in fiscal 2023.

The Dürr Group consists of Dürr AG and its subsidiaries. An overview of all subsidiaries and investments can be found in the [Annual Report 2023, from page 263](#). Dürr AG has its registered offices in Stuttgart and is registered with the local court in Stuttgart, Germany (HRB 13677). Its business address is Carl-Benz-Straße 34 in 74321 Bietigheim-Bissingen, Germany. Dürr AG is one of the 100 largest listed companies in Germany. We have been listed in the SDAX since December 18, 2023. Previously, we had been a member of the MDAX since 2012.

The Dürr Group’s operating business is conducted by five divisions. It should be noted that the division structure has

changed in the 2023 fiscal year. The Industrial Automation Systems division was newly formed in the third quarter and consists of the former Measuring and Process Systems division and the Production Automation Systems business unit. The reason for the change was the acquisition of BBS Automation in August 2023. Further information on the change in the division structure can be found in the [Annual Report 2023, from page 24](#).

We operate 142 business locations in 32 countries. The lead sites in Germany control the Group’s global operations. The Dürr Campus in Bietigheim-Bissingen (approx. 2,500 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 HOMAG head office in Schopfloch (approx. 1,800 employees) manages the business activities of Woodworking Machinery and Systems. The Darmstadt location (around 560 employees) coordinates the operations of Schenck (Measuring and Process Systems) within the Industrial Automation Systems division, while Freiberg (Teamtechnik Group, around 500 employees) and Kunshan in China (BBS Automation, around 350 employees) are the largest sites of the Production Automation Systems business unit.

## OUR FIVE DIVISIONS

### Paint and Final Assembly Systems

- Paint shops
- Final assembly systems
- Testing and filling technology for the automotive industry

### Application Technology

- Paint application technology
- Gluing technology
- Sealing technology

### Clean Technology Systems

- Air pollution control
- Noise abatement systems
- Coating systems for battery electrodes

### Industrial Automation Systems

- Assembly and test systems for automotive components, medical devices, consumer goods
- Balancing and diagnostic systems
- Industrial filling technology
- Tooling systems

### Woodworking Machinery and Systems

- Machinery and equipment for the woodworking industry

### Reporting at subgroup level

Sustainability reporting below the level of the Dürr Group does not generally relate to the five divisions, but to the three subgroups Dürr Systems, Schenck, and HOMAG. The main reason for this is that certain relevant functional areas, such as environmental management and occupational safety, are not located at the level of the individual divisions, but in the respective subgroups. This applies primarily to the Dürr Systems subgroup and the Paint and Final Assembly Systems, Application Technology, and Clean Technology Systems divisions. Starting from fiscal year 2024, we will change our sustainability reporting and report at division level instead of by subgroup.

### Consideration of companies acquired during the year

The key figures of this report include the corresponding figures for BBS Automation since the start of consolidation on August 31, 2023, unless otherwise stated. The integration of BBS Automation into the Dürr Group's organizational structures and processes relevant to sustainability began at the end of 2023 and will continue in 2024. Accordingly, BBS Automation was not yet involved in most of the processes, structures, and activities described in this report in 2023, or was involved only partially and for a short period of time. Ingecal, which was acquired in November 2023, was only in some instances involved in sustainability-related processes, structures, and activities during the few weeks between the start of consolidation and the end of the year, and generally did not contribute any values to the key figures shown in this report for fiscal year 2023, except for the information on the [→ EU Taxonomy](#).

## 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. In this context, our offering in digital networking and control of production systems is becoming increasingly important. Our technologies and services are designed to help our customers achieve efficient and sustainable production by focusing on the following primary factors:

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

We operate in niche markets, where we are either the market leader or among the largest suppliers, with market shares ranging from 15% to 55%. In 2023, 61% of Group sales came from mechanical engineering and 39% from plant engineering.

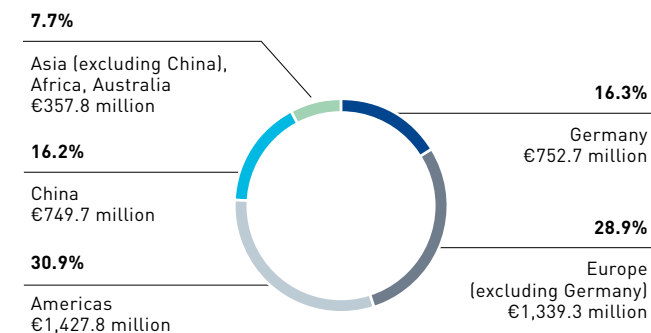
### SELECTED BUSINESS FIGURES

in € million	2023	2022	2021
Order intake	4,615.5	5,008.4	4,291.0
Sales	4,627.3	4,314.1	3,536.7
EBIT (earnings before interest, income taxes, and income from investments)	191.4	205.9	175.7
Research and development expenses	-151.4	-136.5	-123.9
Capital expenditure (net of acquisitions)	157.1	138.5	107.8
Personnel expenses	-1,426.8	-1,316.6	-1,170.4

## SALES DEVELOPMENT

Sales rose by 7.3% to a new high of €4,627.3 million in 2023. Compared to the previous year, we benefited from the improved supply chain situation and the absence of pandemic-related restrictions in project execution. The growth in sales was underpinned by all five divisions. The greatest increase of 31.9% was achieved by Industrial Automation Systems, mainly due to the first-time consolidation of BBS Automation. The other divisions recorded single-digit growth rates.

### CONSOLIDATED SALES BY SALES REGION (2023)



We achieved the highest sales of €1,427.8 million in North and South America, representing 30.9% of total sales. In Europe (excluding Germany), sales amounted to €1,339.3 million, which corresponds to a share of 28.9%, followed by Germany with €752.7 million or 16.3%.

# ONE VISION

In 2022, we developed a new corporate statement for the Dürr Group as part of the One Vision project. The corporate statement is an important building block for our future. The priority here is to create a common corporate culture that gives our actions both a basis and direction, and moves the Group forward as a whole.

## VISION

With our sustainable solutions, we achieve excellence in resource efficiency in mechanical and plant engineering. For our customers, the society, and the environment.

## PURPOSE

We assume responsibility for the next generation.

We combine economic efficiency and environmental sustainability in industry and craftsmanship.

Our solutions enable the safe and resource-efficient production of goods that billions of people use every day.



## MISSION

### PEOPLE

The people in our company take center stage and are the most important success factor. We offer them attractive jobs and support them in their further development and in taking on responsibility. We appreciate diversity and individuality, and we integrate everyone within the company.

### INNOVATION

Technological leadership forms the basis of our market-leading position. Developing sustainable and highly efficient production processes is an integral part of our DNA.

### CUSTOMER SOLUTIONS

We enable our customers to be successful through leading-edge solutions, future-oriented digital expertise, reliable order execution, and comprehensive service. In doing so, we focus on proximity to our customers and on the skills of our experts.

### MARKET GROWTH

Our economic success is the foundation for investments in new business fields with good opportunities for profitable growth. To this end, we focus both on our own innovations and on acquisitions.

### SUSTAINABILITY

We reduce our environmental impact and support our customers in making their production processes sustainable. In addition, we enable the manufacture of products for a climate-neutral society. We promote culture, education, and social cohesion in the areas surrounding our sites.

## VALUES

We stay **CURIOUS**.

We show **COURAGE**.

We embody **TRUST**.

We **COOPERATE** as a team.

We demonstrate **RESPECT**.

We assume **RESPONSIBILITY**.





# Values built to last

**WE SHOW COURAGE**  
 In the tower game, each player takes turns pulling out one block after the other until the increasingly wobbly structure collapses.

Building blocks, quiz cards, and bamboo canes — all Dürr Group employees complete a two-and-a-half-hour workshop to explore their company’s sense of identity. CEO Dr. Jochen Weyrauch joined a team from the production department at their workshop.

TEXT: HEIMO FISCHER — PHOTOS: SASCHA FEUSTER

The tower, which initially consisted of 60 building blocks, now looks like a skeleton with only half of the blocks remaining. Who wants to pull out the next block? The Group’s CEO bends down and moves a piece of wood. Tension rises, the tower starts to wobble. Seconds later, the blocks are on the ground. The group cheers. Jochen Weyrauch smiles: “I specialize in making unstable things collapse.”

The atmosphere is relaxed at the Values-Competences-Workshop in Bietigheim-Bissingen. Over the past few months, hundreds of teams worldwide have completed these workshops. Many others are set to follow over the coming months. The goal of the exercise is to engage with the Group’s corporate statement.

Starting on this day is a team that normally manufactures painting robots. The three women and seven men carry out different tasks. Some manufacture the components, some assemble them, and others program the software or check the quality of the end product. What one person does has an effect on the others. This requires trust, responsibility, respect, curiosity, cooperation, and courage. These values of the corporate statement are explored in depth during the workshop.



**WE WORK TOGETHER AS A TEAM**

Easier said than done: Working together to place the bamboo cane on the ground with outstretched index fingers. In the “magic bamboo” group exercise, the cane will often inexplicably move up first.

to important everyday matters such as short communication channels, shared experiences, and product testing. Above all, trust, expertise, and respect for other opinions have enabled good cooperation in the past.

**Card quiz with Group products**

The final exercise is about “curiosity.” Here, the participants must guess Dürr Group products depicted on quiz cards.

During the subsequent discussion, the conversation turns to major projects that the Dürr Group implements for automakers. Several team members express that they would like to be informed more quickly about how satisfied customers are with the result. Weyrauch nods. “An important tip that I’ll take on board.”

Going forward, the group aims to continue thinking outside the box to maintain their good cooperation. One participant adds that, depending on the situation, you also need courage to let go of responsibility and relinquish control.

CEO Jochen Weyrauch accompanies the team at the workshop. He wants to observe what the staff associates with the values. Over the last two years, he has personally driven the development of the corporate statement.

**Shared vision provides direction**

Why is a corporate statement so important? “The world is undergoing profound changes. This constantly gives rise to new challenges to which we must respond quickly,” says Weyrauch. He believes that conventional decision-making processes are too long for this. “Going forward, employees must be even more capable of thinking and acting proactively.” To do this, they need a compass to point them in the right direction. This is provided by the corporate statement.

The exercise with the tower is all about courage. The winning team is the one that pulls out the most blocks without causing the tower to fall. But who wants to be the person responsible for the inevitable collapse? Courage is important to take on this responsibility.

Do such scenarios also exist in day-to-day work situations? This is what moderator Katja Stiber wants to find out from the participants afterward. “When we admit our mistakes,” suggests one employee. Others think that “disagreeing with superiors” or “pushing through changes in the production process” also requires courage. In the second step, participants are asked to come up with recent situations where the team has lacked courage and why.

**Gentle exercise with a hard cane**

In the second exercise, the team focuses on “cooperation.” To warm up, the participants are instructed to place one long bamboo cane on the tips of their index fingers and slowly lower it to the ground. The cane must not tilt or fall down. This means everyone must bend their knees at the same time, which requires sensitivity and cooperation.

After this exercise, a new round of questions begins: Where has the team worked together well, or not so well, recently? What were the reasons for this? Soon the conversations turn

**STAYING CURIOUS**

Curiosity is an important value at the Dürr Group. It helps employees and the company to develop further.





# Always on an equal footing

THE GROUP'S CEO DR. JOCHEN WEYRAUCH TALKS ABOUT KEY VALUES AND TRUE MOMENTS OF HAPPINESS.

## You joined a robot production team at the Values-Competences-Workshop. What did you learn?

**WEYRAUCH** I was impressed by how open the discussions were and how strong the awareness is of working together in a global group and sharing the same values.

## Do you believe that values are becoming more important in the corporate world?

**W** Absolutely. Aside from healthy financial figures, companies need an identity that everyone shares. If you don't know who you are as a company, it is hard to achieve a common goal.

## At the workshop, you were on an equal footing with the participants. Is this an everyday occurrence or an exception for a CEO?

**W** I always try to engage with other people on an equal footing. I listen to arguments and we make joint decisions whenever possible. But it goes without saying that I must personally stand behind a decision, as I am ultimately responsible.

## Which value is most important to you in life?

**W** I wouldn't narrow it down to a single value, especially since values overlap. Successful cooperation is only possible with mutual respect. Courage and responsibility also go hand in hand. I try to align my actions with a framework of values.

## Does a CEO need to have courage?

**W** Courage is an important trait for fulfilling this role. We make decisions based on known facts. However, the broader parameters can change. That's why I sometimes feel unsure when making important decisions. You do need courage in situations like that.

## You once said that you wanted to open a motorcycle store in Paris after leaving school. Would you still have the confidence to do that today?

**W** Why not? I now understand much more about running a business — admittedly, a somewhat larger one! But I probably wouldn't get a start-up loan from the bank anymore due to my advanced age ...

## At what point in your career did curiosity play an important role?

**W** Curiosity is always important. Without curiosity, you stop evolving. My curiosity has been particularly sparked whenever I have taken on a new responsibility and have thus been able to learn a lot of new things in a short space of time. But it is very important to maintain curiosity in everyday life as well.

## Who do you have great respect for?

**W** For people who take a clear stance, even if their point of view leads to controversy. Of course, I know from my own experience that it is often necessary to find the right balance between consensus and controversy.



## For example?

**W** To promote sustainability and climate protection, we must take bold steps while simultaneously strengthening the industrial core of our country. This requires entrepreneurial spirit and innovation, but also a consensus in society in order to drive sustainable change.

## Are you planning to go into politics?

**W** (Laughs) No. I am very happy with my current position.

## Are there people you trust blindly?

**W** Of course, I would trust my wife, my mother, or my children blindly. But I assume the question is aimed at my role in the company. There, I put a great deal of trust in everyone at the outset. However, anyone who leads a company must never blindly rely on others, otherwise they would not be fulfilling their responsibilities.

## What does happiness mean to you?

**W** Happiness means being at peace with myself. This includes health and living in a good environment. For me, happiness often lies in the little things.

## What are they?

**W** Honest and open encounters with people, just like today at the workshop. Talking and listening to employees. Moments of exchange where you also have fun together. Those are moments of happiness for me.

Dr. Jochen Weyrauch on values:  
"If you don't know who you are as a company, it is hard to achieve a common goal."



The Dürr Group is one of the world's leading mechanical and plant engineering firms.



# 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 (SDGs) — with a total of 169 targets.

We have identified eight SDGs that are relevant to our business activities and our corporate strategy. Derived from this, our aim is to systematically expand our positive contribution to these goals by continuously improving our business practices and products, seizing new opportunities while effectively limiting our negative impact.



# SUSTAINABLE PRODUCTION PROCESSES FOR CLIMATE-FRIENDLY PRODUCTS

Our corporate strategy is oriented to both profitability and growth. It aims to act on opportunities in the established core business as well as in new or high-growth business areas. Sustainability is becoming increasingly important as a business driver and as a guiding principle for our actions. It is therefore a central component of the corporate strategy. In the following, you will learn more about our strategic positioning as a partner for sustainable production processes and as an enabler for the manufacture of e-cars, timber houses, and other climate-friendly products. A comprehensive presentation of the corporate strategy is provided in the [Annual Report 2023, from page 31](#).

## Corporate strategy

We are strategically orienting our business activities to three primary trends that are of high relevance for our customers: sustainability, electromobility, and automation.

### Sustainability

Sustainability is now the most important trend in our markets. Many customers want to reduce their ecological footprint and are looking for alternatives to fossil fuels in order to decarbonize their operations. The energy crisis triggered by the war in Ukraine and the ensuing price increases have intensified this reorientation, as have the demands of the climate protection movement and increasing regulation. As a mechanical and plant engineering company, we are an important pioneer in the sustainable transformation of our customers' production processes. Over the next few years, our expertise in energy and material efficiency will continue to grow in importance and be a central driver of our business. This is because, looking forward, operators will invest even more in the environmental and climate compatibility of their plants.

We are not only improving the sustainability of production processes but also supporting our customers by offering them technologies for the production of sustainable products for a largely CO<sub>2</sub>-neutral society. A good example is the expansion of the Construction Elements Solutions business area by our Group subsidiary HOMAG, which is one of the largest suppliers of systems for the production of construction elements for timber

houses. Building with timber is not only climate-friendly, but can also be easily automated. This is a simple means of creating affordable housing and helping to solve one of the most urgent problems facing urban societies.

### Electromobility

Electromobility enables the compatibility of individual mobility and climate protection. We support the automotive industry in the transformation process toward e-mobility by providing efficient production facilities for the resource-saving large-scale production of battery vehicles. Electromobility offers opportunities for the Dürr Group: This is because it requires high investments by our customers in new production technologies and the conversion of existing plants. At the same time, the emergence of new producers of electric vehicles is widening the customer base, while the international expansion of these producers' manufacturing structures is generating further business potential. In 2023, more than 50% of order intake in automotive business was accounted for by production technology for electric vehicles. Our product range — and, hence, also our sales potential — is somewhat greater for electric cars than for conventional vehicles, as we are also active in battery production technology.



**Automation**

Automation is one of the Dürr Group’s key competences. We are expanding our position in this area, as automation technology will continue to grow in importance. This is indicated by the increasingly severe shortage of labor and the reshoring of production facilities to industrialized countries with higher labor costs. At the same time, we are specifically tapping into industries which require particularly efficient automation solutions due to the large quantities and high quality requirements involved. Examples include the high-speed production of plastic products for use in medical technology, automated assembly systems and → **test stands** for electric motors, and the production of solar modules.

**STRATEGIC FIELDS AND ENABLERS**

We have identified five strategic fields that are critical for achieving our goals and expanding our leadership in the global market: glocal (global/local), technology leadership, digitalization, efficiency, and life cycle services. We have also defined four enablers, i.e. supporting functions, which are particularly important for the successful implementation of the strategy: These are sustainability management, mergers & acquisitions, finance management, and people development. The following paragraph provides information on sustainability management. An overview of all strategic fields and enablers can be found in the [Annual Report 2023, from page 34](#).

**Sustainability management as an enabler**

We are guided by the principles of sustainable business in order to do justice to our responsibility toward society and the environment as well as the requirements of customers, investors, employees, and other → **stakeholders**. At the same time, we are convinced that, as a partner for sustainable production processes, we only have credibility if we, for our part, act responsibly. The sustainability management within the Group ensures that we meet regulatory requirements and those requested of us by stakeholders, and are one of the leading companies in our industry in terms of sustainability. For further information, please refer to the → **“Sustainability management”** section.

**STRATEGIC FIELDS AND ENABLERS**



GLOBAL	TECHNOLOGY LEADERSHIP	DIGITAL@DÜRR	EFFICIENCY	LIFE CYCLE SERVICES
<ul style="list-style-type: none"> <li>Global business with local supply chain</li> <li>Strong regional setup (Europe, Asia, North America)</li> </ul>	<ul style="list-style-type: none"> <li>Most efficient &amp; sustainable products</li> <li>Rethinking production processes</li> <li>Highest quality</li> </ul>	<ul style="list-style-type: none"> <li>Software as differentiator</li> <li>From smart apps to MES and whole ecosystems</li> <li>Internal digital transformation</li> </ul>	<ul style="list-style-type: none"> <li>Drive synergies, esp. scale, processes</li> <li>Lean and agile organization</li> <li>Optimize global footprint</li> </ul>	<ul style="list-style-type: none"> <li>Leverage vast installed base</li> <li>Whole range of consulting, training, support</li> <li>Predictive &amp; fast</li> <li>&gt; 30% of sales</li> </ul>
<b>Enablers</b>	<b>Mergers &amp; Acquisitions</b>	<b>Sustainability Management</b>	<b>Finance Management</b>	<b>People Development</b>

**5% – 6%**  
CAGR SALES REVENUE  
(BY 2030)

**≥ 8%**  
EBIT MARGIN BEFORE  
EXTRAORDINARY EFFECTS  
(MID-CYCLE TARGET)

**≥ 25%**  
ROCE  
(MID-CYCLE TARGET)

**Sustainability approach**

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 long-term profitable growth and on future-oriented business areas and sectors. In the process, we 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 pursue 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 opportunities for career development and advancement.

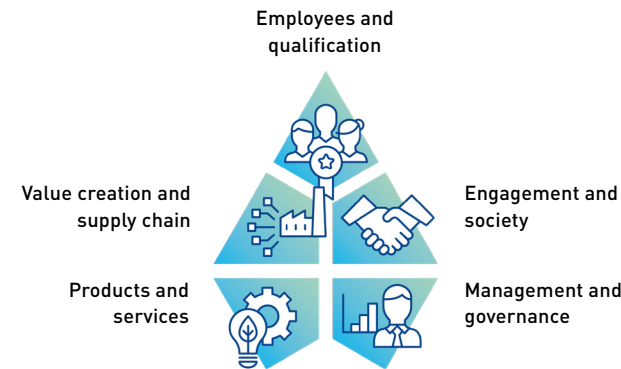
**Engagement and society**

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 sustainability issues 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 Investor Relations and the sales departments of the various divisions. In addition, we conducted an international survey of

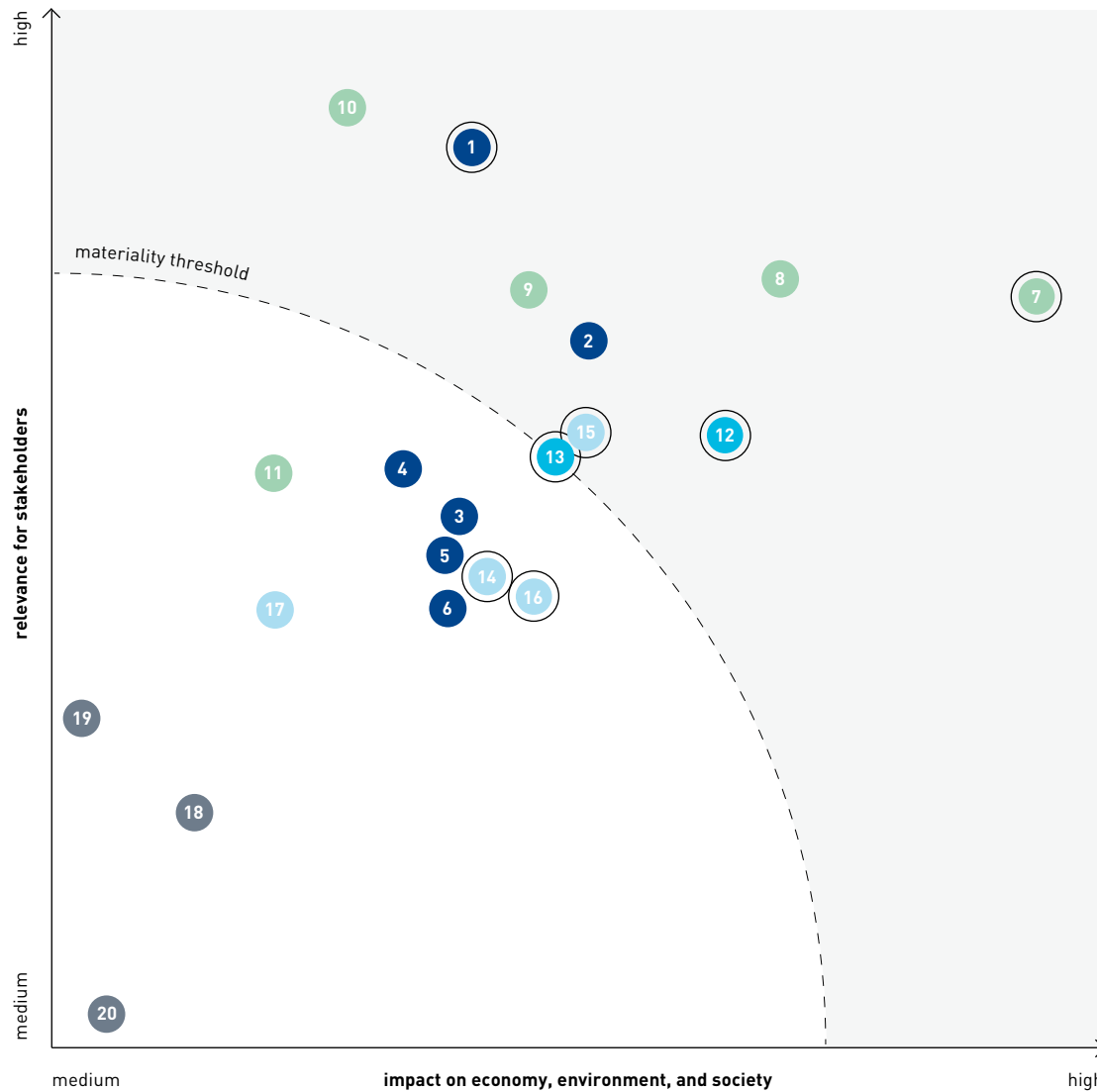
a representative sample of employees, in which 360 persons participated. We compared the results from this internal survey with the views of various stakeholders based on a media analysis. At the same time, we assessed the impact of our business activities on the economy, the environment and society, 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 “sustainable supply chain” for our stakeholders, especially against the backdrop of the German [Supply Chain Due Diligence Act \(LkSG\)](#), which came into force on January 1, 2023. In 2023, we began to comprehensively revise our materiality analysis with regard to the requirements of the → [Corporate Sustainability Reporting Directive \(CSRD\)](#). For each topic, we consider both the risks and opportunities for our company (“financial materiality”) and the impact of our business activities on the environment and society (“impact materiality”). When defining our key sustainability topics, we focus on the entire value chain and involve various stakeholders.

The following materiality matrix illustrates our 20 sustainability topics that we currently consider important, 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 2023**



**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 Sustainable 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 topics in keeping with Section 289c of the German Commercial Code (HGB)**

## Sustainability management

### CORPORATE SUSTAINABILITY

The Corporate Sustainability department bundles and coordinates sustainability activities in the Dürr Group. Corporate Sustainability provides an interface for → ESG issues between the different specialist departments. These include in particular environmental and climate protection, sustainable products and services, sustainable supply chain, human rights, employee concerns, occupational safety, and social commitment. The CEO of Dürr AG, Dr. Jochen Weyrauch, has overall responsibility for Corporate Sustainability. The department supports the Board of Management in developing and establishing company-wide structures and processes for sustainability management. This includes the implementation of the sustainability approach, the alignment of Group-wide sustainability goals, and the coordination of corresponding measures.

### SUSTAINABILITY COUNCIL

The Sustainability Council is the central decision-making body for sustainability issues in the Dürr Group. Its members adopt sustainability strategies and targets, track the Group's progress toward meeting them, and support their implementation. The CEO of Dürr AG chairs the Sustainability Council and has overall responsibility for Corporate Sustainability. The Sustainability Council met twice in 2023. The main topics were the new reporting

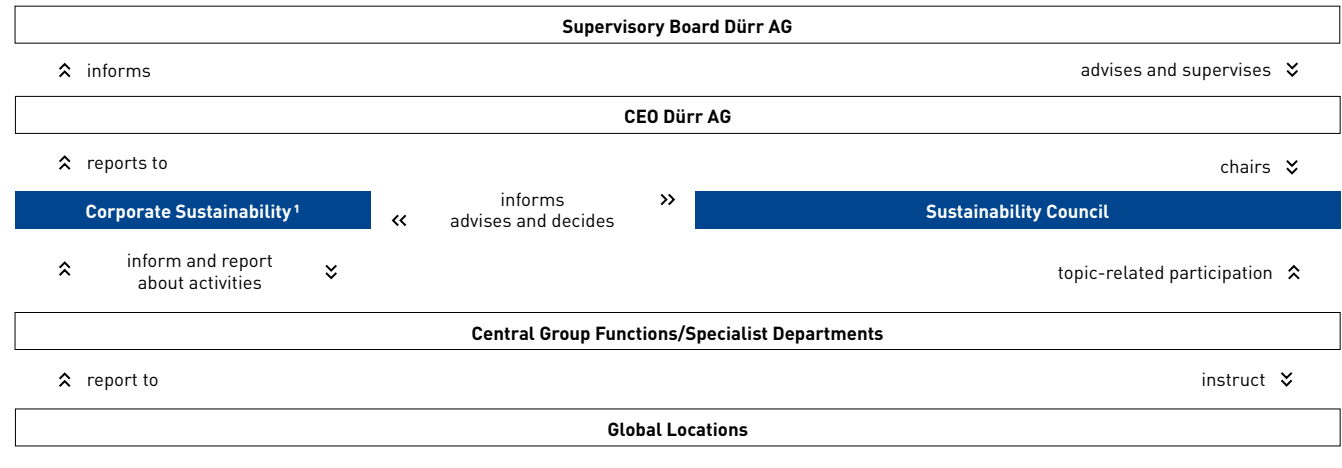
requirements of the CSRD, the due diligence obligations under the LkSG, the implementation of the climate strategy and the EU Taxonomy Regulation. For the year 2024, two meetings of the Sustainability Council are planned.

The Supervisory Board advises and supports the Board of Management on sustainability issues and appointed one of its members, Dr. Anja Schuler, as a sustainability expert. The Sustainability Council invites the sustainability expert to its meetings on a case-by-case basis. In 2023, the Supervisory Board held an extraordinary meeting on the future reporting obligations of the CSRD. Its members also attended various external training events, including on EU Taxonomy, the LkSG, and the requirements for the Supervisory Board with regard to sustainability.

## Sustainability opportunities and 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. Further information on the Dürr Group's risk management system can be found in the [Annual Report 2023, from page 113](#).

### RESPONSIBILITY AND ORGANIZATION IN THE AREA OF SUSTAINABILITY



<sup>1</sup> The Human Rights Officer is part of the Corporate Sustainability department and reports directly to the Board of Management of Dürr AG.

## TRANSITORY OPPORTUNITIES AND RISKS

The reduction of → **greenhouse gases** and adaptation to global warming mainly offer opportunities for the Dürr Group in new or growing market segments. For example, we offer technologies for manufacturing products that play an important role in the transition to a largely CO<sub>2</sub>-neutral society. Examples include production systems for electric cars or elements for timber house construction. At the same time, we see an opportunity for our business in the increasing demands of our customers for energy-efficient and resource-saving production technologies. Conversely, these developments may also lead to risks. In the short term, stricter norms and standards will have an impact on our business. Potential emission limits, CO<sub>2</sub> pricing or the introduction of a Europe-wide CO<sub>2</sub> limit offset (→ **Carbon Border Adjustment Mechanism (CBAM)**) as well as rising costs for energy and raw materials are risks that we are monitoring.

There are human rights risks in our supply chain and within our own business area. Against the backdrop of the LkSG, we have expanded our risk management system. We identify, assess, and prioritize human rights and environmental risks on an annual basis and when circumstances require. We derive prevention and remediation measures from our risk analysis in order to respect human rights and environmental standards and to prevent violations. For more information on dealing with human rights risks, please refer to the → **“Human rights due diligence in the supply chain”** and → **“Respect for human rights”** sections.

We are adapting to the increasing requirements for transparency in sustainability reporting. Among other things, we are intensifying the sustainability communication with the capital market and on our website, and we are constantly expanding our sustainability reporting. Since the year 2021, we have been reporting on taxonomy-aligned sales revenue, capital expenditures (CapEx), and operating expenses (OpEx) in accordance with requirements of the → **EU Taxonomy**. We take a critical view on the fact that, despite the expansion of the EU Taxonomy to include criteria for environmental objectives 3 to 6 and the adjustment of individual criteria for environmental objectives 1 and 2, large portions of the Dürr Group's business activities are still not directly covered by the taxonomy requirements, as the current version of the EU Taxonomy Regulation is not directly aimed at the mechanical engineering sector and the supplier industry. Since 2023, we have been creating the preconditions for reporting in accordance with the → **Corporate Sustainability Reporting Directive (CSRD)**, the application of which will be mandatory for the Dürr Group from 2024. A CSRD project team adapts the existing responsibilities, reporting structures, and processes to the new reporting requirements.

## PHYSICAL ENVIRONMENTAL AND CLIMATE RISKS

We have already identified potential harm to relevant locations due to physical climate risks by means of climate scenario and vulnerability analyses in the past. The analyses are based on the → **Shared Socioeconomic Pathway scenarios (SSP scenarios)** SSP2-4.5 and SSP5-8.5 and include short-, medium-, and

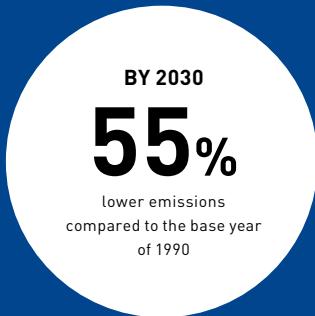
long-term climate hazards. Identified local damage potential was checked for relevance and, if necessary, mitigation measures were initiated and documented. In the 2023 fiscal year, we analyzed 120 locations for physical climate risks. This represents 85% of all locations. In addition to the scenarios already mentioned, we have also considered the SSP1-2.6 and SSP3-7.0 scenarios. Our analysis included the systematic consideration of climate-related risks that may arise from floods, tropical cyclones, rising sea levels, weather-related fire hazards, extreme drought and aridity, heat stress, and extreme precipitation. In doing so, we considered the existing risk profile at the time of the analysis as well as a change in the risk profile taking into account the SSP2-4.5 scenario in 2050. The results of the analysis show that our locations are affected to varying degrees by climatic changes. While 49 locations (23 of which are production locations) are currently affected by high to extreme water risks, the number would only increase slightly to 51 sites (25 of which are production sites) in 2050. Currently, 22 locations (12 of which are production locations) are affected by high to extreme heat-related risks, although this number could increase to up to 42 locations (20 of which are production locations) in the period under review. We have based our assessment and disclosure of risks in particular on the → **European Sustainability Reporting Standards (ESRS standards)** of the CSRD. We have also integrated the recommendations and approaches of the → **Task Force on Climate-related Financial Disclosures (TCFD)** into our risk assessment. Our medium-term goal is to extend the analysis to the entire value chain. This enables us to even better assess the impact of climate risks on our business processes.

# Climate strategy

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

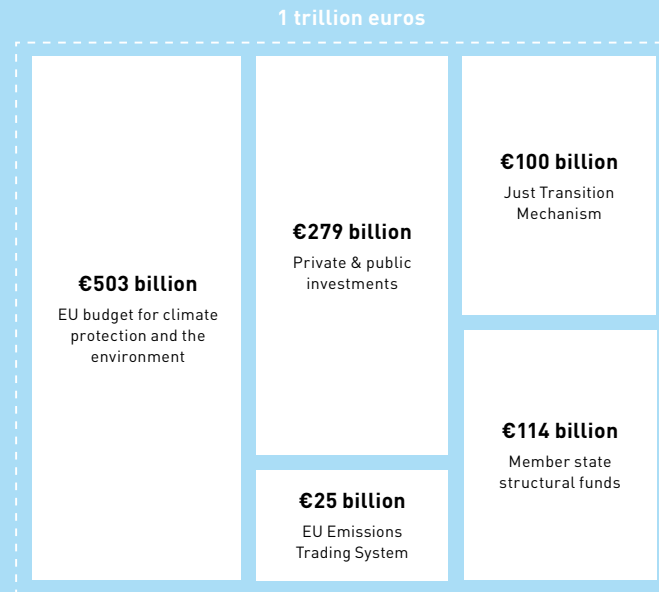
## THE "FIT FOR 55" PACKAGE

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 1 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

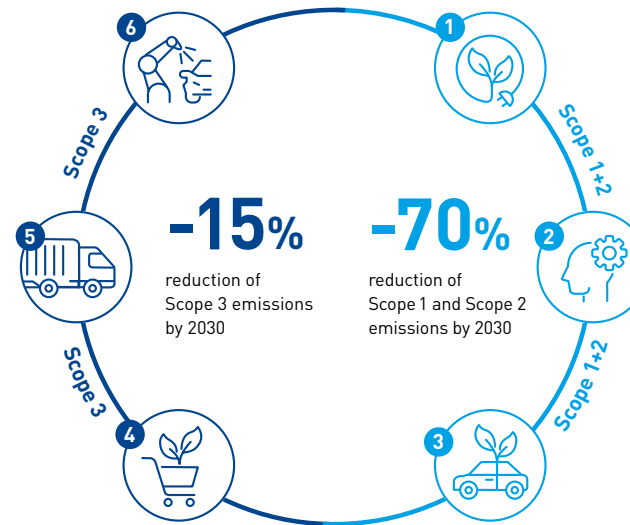
The Dürr Group is fully committed to its responsibility for climate protection.

<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> 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> The European Climate Law comes into force.</p>	<p><b>July 2021</b> 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> 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> 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> The Dürr Group's climate targets are validated and approved by the Science Based Targets initiative (SBTi).</p>	<p><b>December 2023</b> Global switch to green energy (excluding Ingecal)</p>	<p><b>by 2030</b> The EU is to reduce its emissions by at least 55% compared to 1990.</p>	<p><b>by 2030</b> A zero-emission vehicle fleet is to be in use at the German sites.  Scope 3 emissions are to be cut by 15%, and Scope 1 and Scope 2 emissions by 70%.</p>	<p><b>by 2050</b> Climate neutrality</p>	<p><b>by 2050</b> Climate neutrality</p>
--	---	--	---	--	---	---	---	--	--

## OUR CLIMATE PROTECTION MEASURES AT A GLANCE

In 2023, we implemented measures to reduce greenhouse gas emissions at numerous locations in Germany and abroad. Examples include the installation of photovoltaic systems, the switch to green electricity, and investments in energy-efficient building technology. This has enabled us to further improve our climate footprint: Compared with the previous year, Scope 1 and Scope 2 emissions fell by 28%, and by as much as 55% compared to the base year 2019.

### ENERGY



We completed the conversion of all Group locations to green electricity by the end of 2023. 100% of the electricity comes from renewable energy sources, i.e. wind energy, hydropower, and solar energy.

Although we are still using natural gas as a bridging technology for supplying heat in Germany, we make a voluntary contribution via our energy supplier for investments in projects to promote renewable energies. However, we do not credit the resulting reductions in emissions to our company. The aim is to gradually minimize gas consumption and switch to alternative energy sources. For example, we have started to replace the heating system at the Holzbronn site (Germany) with air heat pumps.

With the energy-efficient refurbishment of buildings and the conversion of lighting and heating systems to low-consumption technology, we are further reducing our energy requirements. In 2023, for example, we continued with the planned renovation of the roofs of older production halls at the

Darmstadt (Germany) site and switched to energy-saving LED lighting. In new construction projects, we use energy-efficient building technology and the sustainable building material wood, wherever possible. In 2023, we drafted a Europe-wide guideline for sustainable construction in the Dürr Group, which is to be adopted in 2024.

In 2023, we equipped further factory and office buildings with photovoltaic systems, for example at our German sites in Schopfloch and Lemgo, in Gqeberha (South Africa), and in Uxegney (France). At the end of 2023, all of the systems installed in the company achieved a total output of just under 4,800 kilowatts peak (kWp) and generated a total of 3,896 megawatt hours (MWh) of electricity. This is an increase of almost 46% compared to the previous year (2,669 MWh). 72% of the energy generated was used by the locations for their own consumption, the rest is fed into the public power grid. This means that more than 4% of the Group's annual electricity consumption has already been covered by self-generated energy from photovoltaic systems.

#### PURCHASED GREEN ELECTRICITY BY ENERGY SOURCE (2023)

Energy source	in %
Wind energy	52.3
of which onshore wind turbines	51.9
of which offshore wind turbines	0.4
Hydropower	39.7
Solar energy	8.0
of which photovoltaic systems on open spaces	3.1
of which photovoltaic systems on roof surfaces	4.9
<b>Total</b>	<b>100.0</b>



Photovoltaic system in Schopfloch

### MOBILITY



In 2023, we further expanded the charging infrastructure for battery-powered vehicles at our locations, for example in Freiberg am Neckar, Pfalzgrafenweiler and Schopfloch (all in Germany) and in Höri (Switzerland). Our Bietigheim-Bissingen location also has charging stations for e-bikes and e-scooters. We are also planning to gradually convert the entire company vehicle fleet in Germany to alternative power trains by 2030 at the latest.

### AWARENESS



We continuously strengthen the environmental and climate awareness of our employees through information and reporting on the intranet. We use introductory events and training courses to raise awareness of the topic of sustainability among new employees and prospective managers.





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.](#)



## 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

In November 2021, we adopted a climate strategy for the Dürr Group 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 SBTi, the Dürr Group's climate targets contribute to achieving the → **1.5°C target** and can thus be 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. In 2024, we began a review of our climate strategy. We base it on the latest findings in climate science. We plan to publish our new climate strategy in our Annual Report 2024.

## 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 balancing → **greenhouse gas emissions** and classifies them 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

### 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 completely to electricity from renewable energy sources, and by renewable in-house generation. Because the guiding theme of our 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

#### KEY FIGURES FOR CO<sub>2</sub>e EMISSIONS IN SCOPE 1 AND SCOPE 2

	2023	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>CO<sub>2</sub>e emissions (in t)<sup>1</sup></b>				
Scope 1: Direct emissions (heating oil, gas, and vehicle fleet)	24,079	24,991 <sup>2</sup>	-3.7	-14.1
Scope 2: Indirect emissions <sup>3</sup> (electricity <sup>4</sup> , district heating)	1,190	9,937	-88.0	-95.8
<b>Total Scope 1 and 2 emissions</b>	<b>25,269</b>	<b>34,929<sup>2</sup></b>	<b>-27.7</b>	<b>-55.4</b>

<sup>1</sup> Sources for emission factors: local energy suppliers, VDA 2022, IRENA 2023.

<sup>2</sup> Voluntary payments for investments in projects to promote renewable energies by our energy supplier are no longer counted towards reducing emissions. The figures have been adjusted accordingly compared to the original figures.

<sup>3</sup> Market-based: Calculation based on specific information from our energy providers. Scope 2 emissions calculated using the location-based emission factors: 29,395 tons of CO<sub>2</sub>e (previous year: 29,892 tons of CO<sub>2</sub>e).

<sup>4</sup> Since the end of 2023, all locations have been using green electricity (with the exception of Ingecal companies).

minimize → **greenhouse gas emissions**. Selected measures to reduce our Scope 1 and Scope 2 emissions are presented in the → “**Our climate protection measures at a glance**” section.

### Information on greenhouse gas emissions

The Scope 2 emissions published are based on specific information from our energy providers (→ **market-based**). Compared to the previous year, our Scope 1 and Scope 2 emissions decreased by 27,7%. Compared to the base year 2019, the decrease was 55,4%. This brings us a big step closer to our climate target of achieving a 70% reduction in Scope 1 and Scope 2 emissions by 2030 (base year 2019). The main reason for the significantly lower CO<sub>2</sub> emissions was the conversion of all

#### KEY FIGURES FOR CO<sub>2</sub>e INTENSITY IN SCOPE 1 AND SCOPE 2

	2023	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>CO<sub>2</sub>e intensity (in t per €1 million in sales)<sup>1</sup></b>				
Scope 1: Direct emissions (heating oil, gas, and vehicle fleet)	5.2	5.8 <sup>2</sup>	-10.2	-27.2
Scope 2: Indirect emissions <sup>3</sup> (electricity <sup>4</sup> , district heating)	0.3	2.3	-88.8	-96.5
<b>Total Scope 1 and 2 emissions</b>	<b>5.5</b>	<b>8.1<sup>2</sup></b>	<b>-32.6</b>	<b>-62.2</b>

<sup>1</sup> Sources for emission factors: local energy supplier, VDA 2022, IRENA 2023.

<sup>2</sup> Voluntary payments for investments in projects to promote renewable energies by our energy supplier are no longer counted towards reducing emissions. The figures have been adjusted accordingly compared to the original figures.

<sup>3</sup> Market-based: Calculation based on specific information from our energy providers.

<sup>4</sup> Since the end of 2023, all locations have been using green electricity (with the exception of Ingecal companies).

locations to → **green electricity** at the end of 2023. Since 2021, we have had our Scope 1 and Scope 2 emissions validated by independent auditors as part of a limited assurance review.

## SCOPE 3

### Our goal: 15% fewer emissions in the 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 use phase. 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 the 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 general, the decarbonization of the global electricity supply plays an important role in achieving our climate targets.

In the future, we intend to increasingly work toward climate protection with our suppliers (upstream supply chain). Even though the share of our greenhouse gas emissions attributable to the upstream supply chain and transportation is lower than the share attributable to the use phase and recycling of our machines and systems (downstream value chain), the supply chain is still an important lever for reducing emissions. In 2023, we launched a pilot project at Dürr Systems with the aim of recording CO<sub>2</sub> emissions along the supply chain even more accurately and systematically reducing them. From 2024, the process is to be introduced across the Group.

We are also taking climate protection measures in the area of logistics. For example, we have changed the calculation of → **greenhouse gas emissions** at several subsidiaries, which together account for the majority of the Dürr Group’s transportation volume, from the → **spend-based method** to the more accurate → **distance-based method**. This enables us to better identify approaches for avoiding emissions. Moreover, the carbon footprint of logistics partners will play a greater role in the awarding of contracts in the future. Since 2023, some subsidiaries have had airfreight up to 2.5 tons transported by a more sustainable service provider committed to reducing its own emissions.

**Information on greenhouse gas emissions**

We identified the most relevant Scope 3 categories for the Dürr Group in a materiality analysis. On this basis, greenhouse gas emissions were calculated in detail 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 2023, the Dürr Group’s Scope 3 emissions amounted to just under 7.5 million tons of CO<sub>2</sub>e and were therefore 7.8% below the value for the 2019 base year. 83.9% of greenhouse gas emissions were attributable to the use phase of our products (base year 2019: 88.3%). The share of upstream emissions from the purchase of goods and services amounted to 13.9%.

Indirect emissions from the use of sold products (Scope 3.11) by our customers can vary significantly from year to year. They are influenced in particular by the number, the technical parameters, the energy mix, and the use of our machines and systems in major projects. At 42.7%, our products in the environmental technology segment account for the highest share of emissions in the Group. The operation of paint shops

also requires a high use of energy and resources, so that 40.5% of the Dürr Group’s Scope 3.11 emissions are attributable to the painting systems business. By contrast, machines and systems in the final assembly, test systems, automation technology, balancing and diagnostic solutions, and woodworking technology business areas are less emissions-intensive and show lower annual fluctuations. The emissions resulting from the use of our sold products were 12.4% lower in 2023 than in 2019. The main reason for this decrease is the relatively small number of paint shops that were put into operation in 2023. Another reason is that our customers — particularly in the automotive industry — are increasingly investing in sustainable production technologies.

Indirect emissions related to purchased goods and services (Scope 3.1) increased by 29.0% compared to the 2019 base year. This is primarily due to the Dürr Group’s higher order intake (+13.2%) as a result of organic and inorganic growth compared to 2019. The resulting purchasing volume rose noticeably, which led to an increase in purchasing-related emissions. Greenhouse gas emissions from the transportation and distribution of goods contributed 1.2% of Scope 3 emissions in 2023 (base year 2019: 1.0%). Emissions from the remaining Scope 3 categories, i.e. business travel and employee commuting, remained at low levels in 2023.

We continue to regard emissions from the disposal and treatment of sold products at the end of their life cycle as not material. Our machines and systems are mainly made of steel, aluminum, and copper. This usually ensures a high level of recyclability. The Fraunhofer Institute for Building Physics IBP prepared life-cycle greenhouse gas balances for representative products on our behalf. These showed that the high recyclability of the materials used can even result in negative emissions. We have therefore refrained from calculating these emissions separately again in 2023.

For further details on greenhouse gas emissions, please refer to our [Methodology Paper](#).

**KEY FIGURES FOR CO<sub>2</sub>e EMISSIONS IN SCOPE 3**

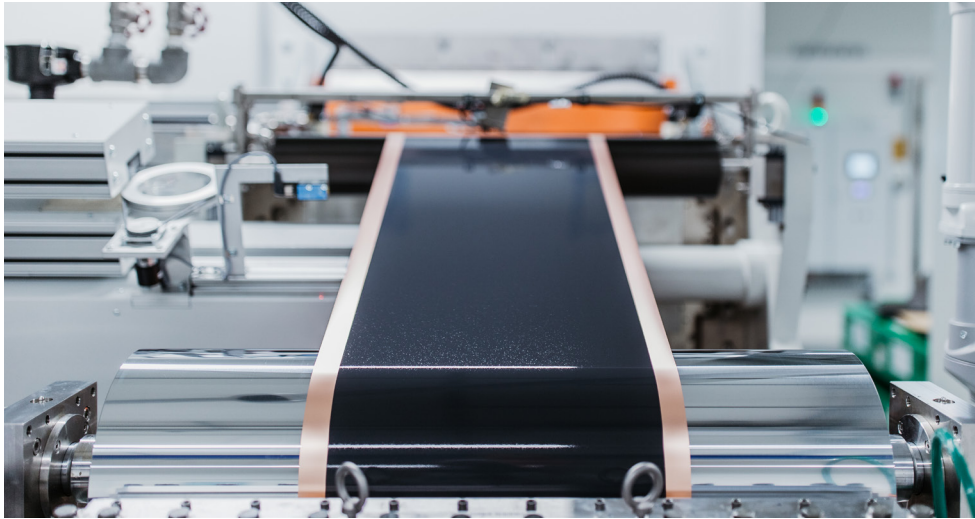
	2023	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>CO<sub>2</sub>e emissions (in t)<sup>1</sup></b>				
3.1 Purchased goods and services	1,036,971	1,149,959	-9.8	29.0
3.2 Capital goods	44,678	40,788	9.5	93.4
3.3 Fuel and energy-related emissions (not included in Scope 1 or Scope 2)	9,088	8,955	1.5	33.6
3.4 Upstream transportation and distribution	86,338	94,391	-8.5	6.4
3.5 Waste	282	238	18.5	8.0
3.6 Business travel	12,988	10,072	28.9	-30.4
3.7 Employee commuting	16,611	11,483	44.7	-13.6
3.11 Use of sold products	6,277,160	5,163,031	21.6	-12.4
<b>Total Scope 3 emissions</b>	<b>7,484,116</b>	<b>6,478,917</b>	<b>15.5</b>	<b>-7.8</b>

<sup>1</sup> The main sources for emission factors for the conversion of activity data (energy consumption) into CO<sub>2</sub>e emissions are the German Association of the Automotive Industry (VDA), the International Renewable Energy Agency (IRENA), the Department of Business, Energy and Industrial Strategy (DBEIS), the Department for Environmental, Food & Rural Affairs (DEFRA), the Climate Action Tracker (CAT), the European Environmental Agency (EEA) and the German Association of Freight Forwarding and Logistics (DSLVL).



# A factory made in Europe

Shift work: The drying process follows shortly after electrode coating.



Together with its partners Grob and Manz, Dürr will offer complete battery factories in the future. In doing so, they will cover the entire value chain from the cell to the finished storage unit. The range of technologies required for this is a unique selling point of this business partnership — no other European provider has a comparable offering.

TEXT: HEIMO FISCHER — PHOTOS: DÜRR

The visit to the battery factory takes place with a bird's-eye view, as it currently only exists as a video animation. But its construction from a single source can now become a reality. In their cooperation, each of the three companies contributes its expertise. This enables the entire battery production value chain to be mapped — from the cell through to integration into the vehicle.

So far, only Asian companies have been able to supply complete production facilities for lithium-ion batteries. Joining forces, the Dürr, Grob, and Manz trio is now the first European supplier to enter this field. “We are particularly focused on the needs of the automotive industry, which places high demands on safety and quality,” says Dr. Hannes Schmüser, CEO of Dürr's Clean Technology Systems division, to which this business area belongs. Since the demand for electric cars really took off, new battery factories have been emerging worldwide — in Europe alone, around 60 projects were being planned in 20 countries by the end of 2023.

The factory has been jointly designed by Dürr, Grob, and Manz. The digital production management comes from Dürr's own software subsidiary iTAC. The end of 2023 saw a further expansion of competencies: With the acquisition of the French mechanical engineering company Ingecal and a new partnership with the US coating expert LiCAP, Dürr has increased its technology portfolio for electrode coating. Dürr Consulting advises clients on factory planning, site selection, and ongoing production.

## Challenging processes

Manufacturing battery cells is a demanding undertaking. Therefore, Dürr and its partners offer customers comprehensive advice, which is essential for the factory setup. It is also about deciding which batteries to produce in the first place. “Depending on their purpose, battery storage units have different compositions and shapes. They can be flat,

“We are particularly focused on the needs of the automotive industry, which places high demands on safety and quality.”

DR. HANNES SCHMÜSER,  
CEO OF THE CLEAN  
TECHNOLOGY SYSTEMS DIVISION

prism-shaped, or cylindrical,” explains Yannick Wildermuth, who is providing strategic support for the project.

Every battery has a negative pole (cathode) and a positive pole (anode). Today, the anodes of lithium-ion batteries are made from graphite and carbon, while the cathode is made from a mixture of lithium, nickel, and other metals. However, mixtures such as iron phosphates will also become more widely used in the future. Therefore, each factory must be completely customized.

**Stirred, not shaken**

The source materials are powders that are stirred to form pastes and applied to copper or aluminum foil. The coated foils pass through a dryer before a roller presses them together using several tons of pressure. The foil is then cut into longitudinal strips. This material is later turned into a battery cell.

Dürr provides the expertise and technology for this first production stage. Coating and drying are also relevant in painting technology, although the processes are of course not identical. Dürr also knows a thing or two about exhaust-air purification — it is important in battery production because harmful solvents are as yet indispensable.

When the foils are ready, systems from the partner companies Manz and Grob come into play. A machine cuts the strips to the exact length and stacks them on top of each other — alternating between copper foil (anode) and aluminum foil (cathode). A piece of separator foil is always added in-between for insulation — similar to layering lasagna.

This is followed by rolling, cutting, gluing, welding, or sealing — depending on the final shape the battery should have. What is still missing is the electrolyte, a liquid that ensures ions can move back and forth between the positive and negative poles during charging and discharging.

**The energy is rising**

There is no life in the cell yet. It is electrically charged during the formation. Only cells of the right quality and maturity are to be processed further. This involves work steps that vary depending on the type of battery and are covered by technology from Dürr, Grob, or Manz.

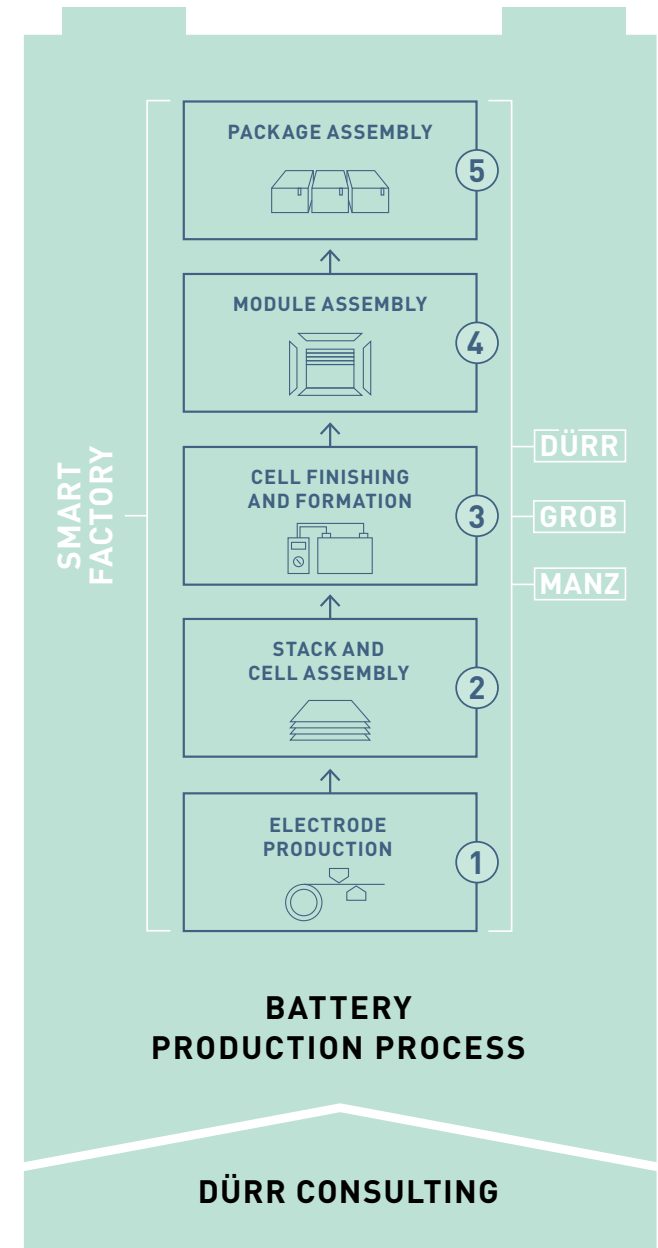
The battery cell must be fully sealed. Moisture must not penetrate, nor must the electrolyte escape. Testing of the electrical properties concludes the cell production process. The tests are performed by machines from the Group’s subsidiary Teamtechnik.

The cells are then ready for dispatch. In most cases, they are assembled into modules at other locations, then interconnected into battery packs and installed in the vehicle. These work steps are also performed by machines and systems from the three partners.

**A new, dry process**

Battery technology is constantly evolving. With the acquisition of Ingecal, Dürr can now also supply calendaring systems, which play a central role in the coating of electrode foils. At the moment, experts in the field are also working on what is known as dry coating. Dürr’s new partner LiCAP has developed a method for producing electrodes without the use of liquid material. “The material is compressed under pressure and then laminated onto the metal foil,” says Wildermuth. The resource-intensive drying of materials after coating is eliminated, reducing the factory’s energy consumption.

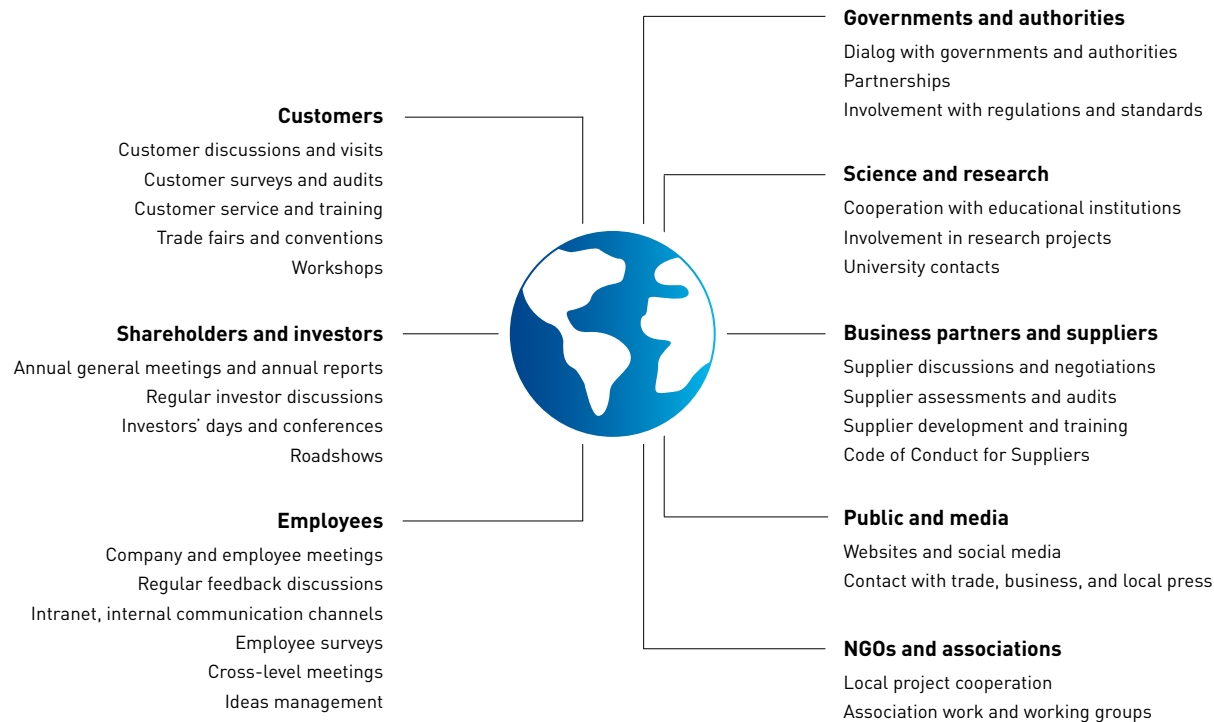
Dry coating is also a milestone on the way to solid-state batteries, where the electrolyte consists of solid material, making them more powerful, safer, and more climate-friendly than their predecessors. It is regarded as the next major innovation step in battery technology — and it will also be available in a factory from the Dürr, Grob, and Manz partnership in the future.





## Dialog with stakeholders

### STAKEHOLDER ENGAGEMENT



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 primarily include employees, customers, business partners, and suppliers as well as lenders, shareholders, and other investors. Our stakeholders also include governments and authorities, local residents, the media, science and research, 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. 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 and often also on an informal basis. We also regularly conduct a detailed employee survey, asking them about their satisfaction within the company. The last survey took place in September 2023. For more information, please refer to the → **"Measuring the satisfaction and loyalty of our employees"** section. In October 2022, we also introduced a platform for uniform ideas management under the name of "Spark," which strengthens exchange across departments and locations, and opportunities for employees to participate. For more information, please refer to the → **"Employees and Qualification"** section.

Customers and business partners are regularly surveyed on their experience and satisfaction with the Dürr Group via the Customer Experience department. For more information, please refer to the → [“Customer Experience”](#) section. We are in close contact with our suppliers through our purchasing organization. In order to raise awareness of human rights and sustainability in the supply chain among our purchasing employees worldwide, we are successively adding relevant content to existing training courses. For more information, please refer to the → [“Human rights due diligence in the supply chain”](#) section.

The interest of our investors in sustainability and climate protection continued to increase in 2023. Investors attend annual general meetings, Investors’ Days and other capital market events, receive information letters and are welcomed as guests at our company. The investor relations team communicates with capital market participants in numerous telephone calls, video conferences, and e-mail messages. We also participated in several investment conferences specifically for sustainably oriented investors.

We are actively involved in the political process and are in direct dialog with governments, members of parliament, and authorities. As set out in our Group-wide [Code of Conduct](#), we do not participate in party-political activities and do not make direct or indirect political donations to persons running for office, public officials, or political parties. As in the previous year, we are not aware of any breaches of the aforementioned regulations

in 2023. We do not engage in active lobbying, but we are involved as a member in various industry associations, including the German Engineering Federation (VDMA). We provided a total of €1.364 million for memberships in associations in 2023 (previous year: €1.405 million). We cooperate in various ways with research institutes and universities. In the past years, for example, we conducted life-cycle greenhouse gas balances for selected machines and systems with the Fraunhofer Institute for Building Physics IBP with a view to the EU Taxonomy. Our HOMAG subgroup is part of the Black Forest Campus, a center for teaching, research, and technology transfer between companies from the Freudenstadt region and the University of Stuttgart. HOMAG and Dürr Systems have also implemented various research projects, for example with the University of Stuttgart and the Fraunhofer Institute for Production Technology and Automation IPA. We also collaborate with universities on case studies, trade fair events, and specialist lectures. Our collaboration with scientific institutes and development partners contributes to state-of-the-art R&D work.

As a member of the [United Nations Global Compact \(UNGC\)](#), the world’s largest initiative for responsible corporate governance, we are committed to 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. For further information, please refer to the → [“Global commitment”](#) section.

In 2023, Dürr Group companies were members of the following organizations, among others:

- 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
- VDMA — Mechanical Engineering Industry Association
- ZVEI — Electrical and Electronics Manufacturers’ Association



## 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 is pursuing a comprehensive Customer Experience (CX) program.

The CX team reports directly to the CEO of Dürr AG and organizes global customer surveys in the Dürr Systems, Schenck, and HOMAG subgroups. In addition to online surveys, the CX team also conducts personal feedback interviews, either by telephone or on site. In 2023, we conducted more than 250 feedback interviews with customers worldwide (previous year: more than 300).

Since 2022, the CX team has also offered in-house workshops. Participation is open to employees from departments or companies that want to understand their customers even better, identify potential for improving products, processes and services, or tap into new markets. The focus is on customer needs and the question of how customers can be supported even better. The workshops take place with the participation of relevant departments, for example sales, marketing, or product management, and are based on customer interviews. In the workshops, methods and tools are used to analyze customers, products and markets, and to identify approaches

for improvements along the customer journey. The result is a comprehensive CX scorecard.

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 version of the Net Promoter Score. This indicator measures the extent to which customers would recommend a product or service to others. In the year 2023, we once again achieved a high level of satisfaction among our customers throughout the Group. In 2024, the DPS will also be included in the remuneration of the Board of Management and other senior managers (→ **“Responsible corporate governance”**).

In the evaluation of the Dürr Systems subgroup, customers in China took the leading position in terms of customer satisfaction, followed by customers in India and Spain. Highlighted were the competence of the employees, the collaboration based on mutual trust and reliability, and the quality of the products. We want to continue to improve in the areas of communication with customers, spare parts and delivery processes, and flexibility in relation to customer requirements.



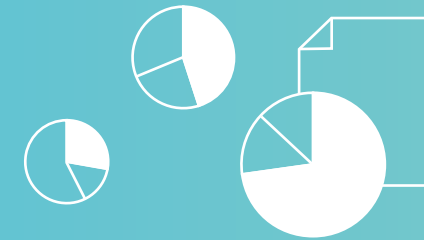
The CX team has been offering in-house workshops since 2022.

> 250

FEEDBACK DISCUSSIONS WITH CUSTOMERS IN 2023

# Giving customers a voice

The Dürr Group has regularly surveyed customers and business partners about their experiences and satisfaction with the company for ten years. What began with random samples and individual studies has now developed into a Group-wide process and the central Customer Experience function. The aim: not only to meet customer expectations, but to exceed them.



**“Customer satisfaction is an important element of our corporate culture.”**

DR. JOCHEN WEYRAUCH,  
CEO OF DÜRR AG

## 2012

Dürr Systems commissions an external study on the German automotive market to find out how customers perceive the company, the competition, and the market in general. Individual Dürr companies had already conducted similar studies. In order to standardize such individual initiatives, the topic of customer experience is to be approached systematically in the future. The project is called “Customer Excellence.” An important step, because customer satisfaction is becoming increasingly relevant.



## MID-90S

### THE BEGINNINGS

In the mid-1990s, Schenck, which later became a subsidiary of the Group, began randomly surveying customers about their experiences of working with the company. The aim of the telephone surveys is to increase customer loyalty and generate new orders. Similar initiatives have been in place at the Dürr Systems subgroup since 2005: In the USA, new and key customers in particular are asked about their satisfaction in personal interviews.



## 2013

A standardized process for customer experience is being developed. This includes a standardized approach to customer surveys and the introduction of the Dürr Promoter Score (DPS) as an indicator of customer satisfaction. At the same time, the majority of employees receive training in customer orientation. Dürr Systems rolls out the process at its largest locations in Germany, China, and the USA over the course of the year. Schenck also introduces the process.



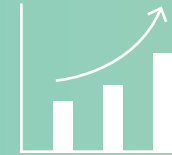
### 2014

The roll-out continues at Dürr Systems and Schenck. A systematic customer survey process is now being launched worldwide: Customers are regularly contacted by e-mail and asked for feedback. If any questions remain open, follow-up conversations are held between the customers and their respective direct customer experience contacts at Dürr Systems and Schenck.

### 2019

HOMAG also starts to conduct regular customer surveys. Initially, these include surveys on satisfaction with the service hotline and spare parts service.

In 2019, the Heinz Dürr Award in the "Customer Experience" category is also presented for the first time. The prize is awarded annually to employees of the Dürr Group who have shown outstanding commitment to their customers. Most recently, the award went to a HOMAG team that had ensured the customer-oriented and ultimately on-time completion of a project that had initially been severely delayed [\[Watch the video\]](#).



### 2024

For the first time, customer satisfaction is included in the remuneration of the Board of Management and other senior managers in the form of the DPS ([→ "Responsible corporate governance"](#)).

### 2021

Over the years, new companies have been added to the Dürr Group, while at the same time the company has grown ever closer together. Processes in the area of customer experience are also to be harmonized even more throughout the Group.

### 2020

The Customer Experience department becomes a central function within the Group.

### 2022

The Customer Experience team offers internal workshops for the first time. Employees from departments or companies can use them to understand their customers even better, identify further potential for improving products, processes and services, or prepare to tap into new markets.



**"Thank you very much for taking me seriously. To be honest, this is the first time I've ever participated in a survey that anyone actually cared about."**

CUSTOMER FEEDBACK

# 124

SUGGESTIONS FOR IMPROVEMENT developed since the start of the workshops

## 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 working to improve our sustainability performance, and report on it. In this way, we meet the increasing transparency requirements of the capital market and provide ESG rating agencies with current data. We incorporate the feedback from the ratings into the further development of our sustainability activities.

The sustainability ratings from EcoVadis and ISS ESG also have an impact on the Dürr Group’s financing costs: Since 2019, we have integrated a sustainability component into every new component of our medium- to long-term corporate financing (→ “**€2.4 billion financing volume with ESG components**”). With a **Sustainable Finance Framework**, we have defined the framework conditions for corporate financing based on the principles of sustainability (→ “**Sustainable Finance Framework**”).

### Prime status in the ISS ESG Corporate Rating

In September 2023, we achieved Prime status in the ISS ESG sustainability rating. This places us in the top 20% of companies in the mechanical and plant engineering sector. The ISS ESG Corporate Rating measures the sustainability performance of companies on a scale from “A+” (highest score) to “D-” (lowest





score). Around 100 industry-specific → **ESG indicators** are included in the assessment. Companies achieve Prime status if they meet or exceed the requirements defined for their sector. The promotion to Prime status is also an important step with regard to the Dürr Group’s financing costs (→ “**Sustainable corporate financing**”). In addition, the ISS ESG sustainability rating is included in the long-term variable remuneration for the Board of Management (→ “**Responsible corporate governance**”).

### Platinum in the EcoVadis rating

In March 2024, we received the highest award, a platinum medal, in the EcoVadis sustainability rating for the first time. This places us in the top 1 percent of all companies rated. The EcoVadis rating also has an impact on the Dürr Group’s financing costs (→ “**Sustainable corporate financing**”).

In its assessment, the sustainability rating agency EcoVadis 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.

## OVERVIEW: SUSTAINABILITY RATINGS (STATUS AS OF: MAY 31, 2024)

	Current rating	Previous rating
	80 out of 100 points Platinum medal	72 out of 100 points Gold medal
	Climate Change: “B” Water: “C” (Scale: A to D-)	Climate Change: “B” Water: “B-” (Scale: A to D-)
	Rating: “AA” (Scale: AAA to CCC)	Rating: “AA” (Scale: AAA to CCC)
	Rating: “C+” (Scale: A+ to D-) (Status as of: September 1, 2023)	Scale: “C” (Skala: A+ to D-)
	23.2 out of 100 points “medium risk”	26.3 out of 100 points “medium risk”



Our aim is to give equal consideration to economic, ecological, and social aspects in our business activities.



# MANAGEMENT AND GOVERNANCE

Our business activities are focused on long-term profitable growth, future-oriented businesses, and industries as well as responsible corporate governance. We 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.

# CORPORATE RESPONSIBILITY AS THE BASIS FOR OUR ACTIONS

Sustainability is an important part of our strategy — whether in product development and procurement issues, employment, production or financing. In addition, it is important to us to further strengthen our credibility as an employer, an issuer on the capital market, and as a participant in public life, by taking a responsible approach to our → [stakeholders](#) and resources, and observing the principles of → [corporate citizenship](#), → [compliance](#), and → [corporate governance](#).

## 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 two-member Board of Management and the 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 guided by the German Corporate Governance Code (GCGC), which contains rules and recommendations for the responsible management and control

of companies listed on the stock exchange. Further information can be found in the chapter [“Corporate Governance” of the Annual Report 2023](#), and [www.durr-group.com/en](#).

### BOARD OF MANAGEMENT

The CEO of Dürr AG, Dr. Jochen Weyrauch, and the CFO, Dietmar Heinrich, manage the business and perform their duties in accordance with the schedule of responsibilities for the Board of Management prepared by the Supervisory Board. Dr. Jochen Weyrauch’s current appointment runs until December 31, 2026, while Dietmar Heinrich’s employment contract runs until September 30, 2026.

### SUPERVISORY BOARD

In accordance with the German Co-determination Act, the Supervisory Board of Dürr AG is composed of an equal number of six shareholder representatives and six employee representatives. The Supervisory Board has been chaired by

Gerhard Federer since 2020. According to the opinion of the Supervisory Board, seven members of the Supervisory Board, including Gerhard Federer, are independent. This means that the proportion of independent members is 58%. The Supervisory Board has formed four committees from among its members:

- Personnel Committee/Executive Committee: four members (75% of whom are independent)
- Audit Committee: six members (50% of whom are independent)
- Mediation Committee: four members (50% of whom are independent)
- Nomination Committee: three members (66% of whom are independent)

The Supervisory Board has not established a Sustainability Committee, as it believes that a separate committee would not be compatible with the fact that sustainability ultimately affects the entire business activities of the Dürr Group. As of January 1, 2023, the Supervisory Board appointed its member Dr. Anja Schuler as a sustainability expert. In addition, the Audit Committee regularly deals with sustainability issues.



## PROPORTION OF WOMEN AT MANAGEMENT LEVEL AND ON THE SUPERVISORY BOARD

Four women have been members of the Supervisory Board of Dürr AG since the elections in 2016. This corresponds to a women's quota of 33%, which fulfills the 30% minimum quota required by law.

The Board of Management of Dürr AG consists of two men. In its resolution adopted on May 13, 2022, the Supervisory Board formulated the target of appointing a woman to the Board of Management by June 30, 2027, at the latest. In 2022, the Supervisory Board carefully considered the option of expanding the Board of Management but found no need to do so. The Supervisory Board will continue to review this option going forward. If it resolves to expand the Board of Management in the future or if a successor for an existing member needs to be appointed, the Supervisory Board will favor the appointment of a woman provided that the requirements in terms of qualification and personality are met.

# 15%

IS THE SHARE OF ESG TARGETS IN THE SHORT-TERM, VARIABLE BOARD OF MANAGEMENT REMUNERATION FROM 2023

The Board of Management's resolution adopted in May 2022 sets out that, going forward, one woman is to be part of the first senior management level below the Board of Management, and two women are to be part of the second level. The deadline for achieving these targets is June 30, 2027. As of December 31, 2023, no women were employed in the first senior management level and two women were employed in the second senior management level. When considering our target achievement, account must be taken of the fact that Dürr AG, being a management holding company, has a relatively small number of employees and senior managers. Consequently, a single change in personnel can already result in a change in the proportion of women of more than 10 percentage points. Going forward, when selecting candidates for senior management positions, we will focus more keenly on the targeted appointment of women in order to achieve our goals.

## GREATER CONSIDERATION GIVEN TO SUSTAINABILITY IN THE REMUNERATION FOR THE BOARD OF MANAGEMENT

A new system for the remuneration of the Board of Management has been in place since 2023, which is based even more strongly than before on the sustainability performance of the Dürr Group. This helps to reconcile profitable growth and sustainable management in the best possible way.

In contrast to the previous system, the long-term variable remuneration (long-term incentive, LTI) now also includes a sustainability component. In addition, the sustainability target for the short-term variable remuneration (STI) is weighted more heavily than before. This supports a balanced consideration of the criteria relevant for variable remuneration: earnings, performance, and sustainable development. Under the new

system, the fixed, non-performance-related remuneration of the Board of Management continues to consist of the fixed annual salary, the company pension, and fringe benefits. A detailed description of the remuneration system applied to the Board of Management in 2023 can be found in the remuneration report, which is included in the [Annual Report 2023, from page 137](#).

## ESG target for short-term variable remuneration (STI)

As a performance-related bonus, the STI is based on financial and non-financial results for the respective fiscal year. In the new remuneration system, the weighting of the ESG target has been increased to 15% in 2023 (previously: 10%) in order to place greater emphasis on the aspects of sustainable management, and social and environmental responsibility. The other criteria relevant for the STI were weighted as follows in 2023: operating EBIT margin 40%, free cash flow 30%, strategy targets 15%.

The Supervisory Board selects the ESG target or the corresponding sub-targets for the STI from the areas of environmental, social, and responsible corporate governance. The targets and the associated performance criteria and methods for performance measurement are established for each member of the Board of Management before the beginning of each fiscal year. Performance criteria may include, for example, greenhouse gas emissions, customer and employee satisfaction, ESG ratings, energy efficiency, diversity, or occupational health and safety. The total target achievement of the ESG target is calculated as the weighted average of the achievement of the individual performance criteria for the ESG sub-targets.

In 2023, the ESG target relevant for the STI consisted of two sub-targets, each with a 50% weighting. One sub-target related to "employee satisfaction" and the other to the area of "occupational health and safety." The employee satisfaction sub-target was determined by the results of the employee survey

conducted in 2023. This resulted in a target achievement of 200%. The second sub-target “occupational health and safety” related to the Group-wide rate of work-related incidents. The target achievement here was 176%. Accordingly, the total achievement of the ESG targets in 2023 was 188%.

In 2024, the ESG targets for the STI will again consist of two sub-targets. These relate on the one hand to customer satisfaction and on the other hand to the rate of work-related incidents.

### ESG target for long-term variable remuneration (LTI)

The LTI (Long-Term Incentive) is based on a performance share plan and focuses on sustainable growth. The calculation of the LTI payout amount is based on four different performance parameters. Since the beginning of 2023, this also includes the achievement of a defined ESG target during the three-year term of the respective LTI tranche. The other performance parameters are (1.) the development of Dürr’s share price between grant and payment of the LTI, (2.) the average operating EBIT margin over the three fiscal years from the grant year, and (3.) the total shareholder return (TSR) compared to a defined peer group.

The ESG target relevant for the LTI tranche from 2023 to 2025 refers to the ISS ESG Corporate Rating carried out for Dürr AG by the consulting firm Institutional Shareholder Services Inc. (ISS). In 2023, the first year of the tranche, ISS rated our sustainability performance with a score of “C+.” This corresponds to Prime status in our industry (Industrial Machinery and Equipment) with ISS.

### Sustainability component in the remuneration of other senior managers

In the three lead companies below Dürr AG (Dürr Systems AG, HOMAG Group AG, Carl Schenck AG), the remuneration of the Boards of Management includes a sustainability component in the STI and LTI since 2023. In addition, we have also included a sustainability component in the remuneration system for other senior managers from 2024: In Germany, part of the short-term variable remuneration (STI) is now linked to the achievement of Group-wide sustainability targets for all employees from pay grade AT3 (AT: non-pay scale, AT3 generally corresponds to a departmental management function). In 2024, these targets relate to customer satisfaction and the rate of work-related incidents. In the Dürr Group’s foreign companies, the same applies to members of the management and, where applicable, to the second level of management.

## Tax strategy

Taxes are an important source of revenue 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. In addition, the tax returns filed are regularly audited by the respective local tax authorities. Transfer prices within the Dürr Group are always based on the [→ arm’s length principle](#) and comply with the applicable legal provisions. This is clearly stipulated in our corporate guidelines.

Appropriate internal precautionary measures and control procedures are designed to guarantee 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 inform us about suspicions or specific incidents of tax fraud using the various compliance reporting channels.

We strive to achieve a good and trusting collaboration with the tax authorities and other stakeholders. 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](#). Further information on the subject of taxes can be found in the [Annual Report 2023, from page 118](#).

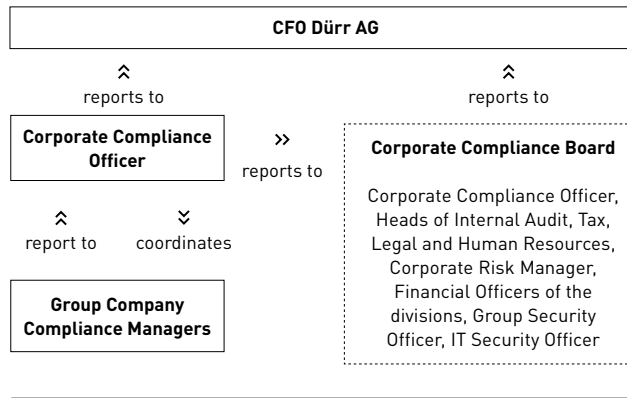
## Compliance and anti-corruption

→ **Compliance** and integrity play a vital role in our business success. It is therefore essential that all employees and business partners 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. Local Group Company 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 is responsible for notifying the CFO, the Corporate Compliance Board, and the Audit Committee of the Supervisory Board of any concrete grounds for suspicion. The board examines the need for further steps on a case-by-case basis.

Our Compliance Management System (CMS) provides a framework for action so that all activities in business operations can be carried out in accordance with legal 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. An anti-corruption company directive for the Group 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. There were no confirmed violations of anti-corruption regulations in 2023 (previous year: one confirmed case of corruption).

### COMPLIANCE ORGANIZATION



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. An international compliance meeting is usually held every two years to promote the exchange of information between the compliance officers within the Dürr Group. The virtual Group Compliance Calls, which have been held regularly since 2023, also provide an opportunity for exchange.

#### OUR WHISTLEBLOWING HOTLINE:

## DÜRR GROUP INTEGRITY LINE

Employees, business partners, and third parties who suspect legal violations, for example corruption or money laundering, or violations of the Dürr Group's [Code of Conduct](#), can contact us through various channels — anonymously, if they wish. One option is the [Dürr Group Integrity Line](#). Further information on our whistleblowing system can be found in the → [“Dürr Group Integrity Line”](#) section.

In 2023, the Corporate Compliance Officer received 42 tips (previous year: 28). The tips included suspicious activity reports on corruption, bribery, embezzlement, IT security, export control, and antitrust law.

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 2023, we trained around 11,300 employees on compliance and data privacy (previous year: nearly 17,900). The decrease is the result of the two-year training cycle. All managers and particularly exposed functional areas, such as sales and purchasing, must complete in-depth training in the advanced modules “Protection against corruption,” “Fair competition,” and “Payment fraud” every three years. In 2023, there were 543 attendances in “Protection against corruption” (previous year: 870), 548 attendances in “Fair competition” (previous year: 871), and 418 attendances in “Payment fraud” (previous year: 289). We held the “Behavior when authorities arrive” training course for the first time in 2023. This was attended by 36 participants. We also carried out internal audits in Mexico and China to clarify potentially compliance-relevant issues.

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 implement 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. We comply with the legal requirements for auditing business partners in the form of business partner checks in the central purchasing department. In coordination with Corporate Compliance, sanctions lists, embargoes, ongoing proceedings, and international press databases are reviewed. If there are restrictions or negative reports on our suppliers, we decide on a case-by-case basis and take individual remedial action.

## 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 most important standard for information security, ISO 27001, 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). Re-certification of all

German sites that are active in the automotive business was successfully completed in 2023. Moreover, four international sites were newly certified. Dürr Group Services GmbH, which provides Group-wide services in the areas of information technology and human resources, was audited and certified in accordance with ISO 27001 for the first time.

With a strategic roadmap for IT security, we created the prerequisites for the continuous further development of technical and process-related information security in the Dürr Group in 2023. On the basis of a separate risk assessment, we have defined overarching information security goals and assigned individual measures to them.

### 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. A Data Protection Manager appointed as of January 1, 2024, will deal with this issue at Group level.

The cross-functional Data Protection team 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 2023, there was one reportable incident related to a breach of customer data protection, which was not

followed up by the authorities (previous year: no reportable incidents or substantiated complaints). We have reviewed the incident internally in order to prevent similar incidents in the future wherever possible.

## 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, which is aimed at safeguarding and preserving corporate assets. Risk management reduces company-related security risks, which are bundled in the risk field "Enterprise Security & Information Security," worldwide and at individual sites.

In 2023, we implemented further measures to improve site security, for example by expanding the use of smart video systems. We have further developed existing protection concepts on the basis of a framework for site security. In addition to the assessments carried out as part of the TISAX® and ISO certifications, we conducted additional security assessments at eight locations and derived corresponding improvement measures from them.

We also continued the development of a uniform emergency and crisis 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 measures of → **Business Continuity Management** are intended to prevent the interruption of critical processes and projects, and to facilitate a rapid restart of activities in the event of an incident. In 2023,

we continued to focus on expanding the capabilities of our site-specific emergency teams and on preparing → **business impact analyses** and business continuity plans. As of December 31, 2023, a total of 31 production sites had an emergency team. This means that 78% of all relevant production sites are already integrated into the Group-wide emergency and crisis organization (excluding BBS Automation and Ingecal). Implementation at the other sites is underway.

In 2023, we continued to assess security-relevant risks in order to reduce their impact on our processes and increase the resilience of our company. In addition to the strategic risks arising from global conflicts, we also considered local security challenges in our projects.

## Sustainable corporate financing

Dürr AG is a pioneer in the field of sustainable corporate financing. Since 2019, we have integrated a sustainability component into every new component of our medium- to long-term corporate financing. The design is derived from the reduction targets for → **greenhouse gas emissions** defined in our climate strategy and the development of our sustainability ratings from EcoVadis and ISS ESG. This means that our financing costs fall or rise depending on how we perform in the → **ESG areas** of environmental, social, and governance.

### SUSTAINABLE FINANCE FRAMEWORK

Our ↗ **Sustainable Finance Framework** provides the standard framework for corporate financing guided by sustainability principles. It specifies how sustainable financing instruments,

such as green bonds and → **“Schuldschein” loans**, are to be structured. This is an important prerequisite for being able to raise funds on the financial market for environmental and climate protection projects or the development of sustainable products. The projects include, for example, the construction of energy-efficient buildings as well as the installation of photovoltaic systems and charging stations for e-cars at the locations. According to the framework, up to three sustainability indicators can also be embedded in the financing. If these are met, interest payments will decrease; if they are not met, the payments will increase. A target value known as the Sustainability Performance Target (SPT) was defined for each indicator. One example of this are the reduction targets for greenhouse gas emissions embedded in our climate strategy (→ **“Climate Strategy”**). In addition, we are committed to improving the sustainability rating prepared by the ISS ESG sustainability agency. We reached our goal of achieving Prime status by 2025 as early as in September 2023 (→ **“Sustainability ratings”**).

### FINANCING VOLUME OF €2.4 BILLION WITH ESG COMPONENTS

To date, we have linked a total of four Schuldschein loans, a → **syndicated loan**, and a → **convertible bond** as well as other → **bilateral guarantee lines** to our sustainability performance. At the end of 2023, this resulted in a total financing volume of around €2,440 million, the interest on which is dependent on our EcoVadis sustainability rating, the ISS ESG Corporate Rating (→ **“Sustainability ratings”**), and our reduction targets for greenhouse gas emissions. By continuously improving our ratings, we benefit from a more favorable interest rate for our sustainable financing instruments.

In line with our Sustainable Finance Framework, we placed a green Schuldschein loan in both April 2023 and April 2024. The proceeds of €300 million and €350 million, respectively, are fully reserved for financing sustainable product innovations and climate-friendly projects. In December 2023, we adjusted a syndicated loan that has been in place since 2019 to our increased business volume and simultaneously extended its term. The loan now consists of a cash line of €750 million (previously €500 million) and a guarantee line of €500 million (previously €250 million). The interest rate is linked to the reduction of our CO<sub>2</sub> emissions. An overview of our financing structure can be found in the ↗ **Annual Report 2023, from page 103**.







We offer solutions for the assembly and testing of battery modules and packs.



# 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 digitalization to reduce the energy and material consumption of our products.



**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.



# Teamwork is the cure



Process knowledge meets digital expertise: A conversation with Oliver Iglauer-Angrik and Imke Kuschel.



He is responsible for the process, while she takes care of the software. Oliver Iglauer-Angrik and Imke Kuschel work on the further development and optimization of drying processes for paint systems. A collaboration where boundaries blur — even between the generations.

TEXT: HEIMO FISCHER — PHOTOS: SASCHA FEUSTER

## You work together on new products, for example on paint curing ovens. How do your roles differ?

**IMKE KUSCHEL** I work in Dürr's digital factory, where we develop software to make machines and systems more efficient and sustainable. But I don't do any programming myself; instead, I work at the interfaces with process experts like Oliver and with our customers.

**OLIVER IGLAUER-ANGRIK** In my role as senior expert, I am the Group's global contact point for paint curing ovens. I have been involved in this area for 25 years. Nowadays, the development of new drying processes can no longer be separated from their digitalization, as we aim to align both aspects with practical customer needs right from the outset. I see my task in working with the digital factory as rethinking processes digitally while keeping an eye on the added value for the customer. Imke is an important point of contact here.

## What kind of innovations are you working on?

**I-A** One example is the **EcoInCure** paint curing oven — a product that was launched on the market in 2016. It allows hot air to flow into the car body through the windshield opening. This innovative technology enables us to dry complex car bodies faster and more gently, while providing better paint quality. But what was still missing in our view was the digital proof of the drying process — a highlight that has been part of our product portfolio since 2020.

## What exactly have you come up with?

**K** We have developed simulation software that analyzes a large amount of data. This allows the paint curing process to be digitally mapped for each car body, starting as early as the production run. This enables an automaker to monitor the quality of the curing process for each individual car body at any time. The software can provide this for any car body model that passes through the oven.

### What advantages does the software offer?

**K** In normal operation, our software offers the operator the option to map all body-specific heating parameters. This is used, for example, for documentation in the event of subsequent paint or rust-through warranty claims. In addition, the oven simulation serves as a decision-making aid to determine whether the paint quality is acceptable or not after process faults have occurred. In the past, in cases of doubt, a car body would continue to be painted after a disruption. It was only discovered at the end of the painting line that the body couldn't be used due to insufficient quality. With our software, car bodies are now immediately removed from the process, thus avoiding any unnecessary further painting. This saves time during analysis and conserves valuable resources.

**IMKE KUSCHEL** is 34 years old and studied technical cybernetics, a subject that deals with mathematical modeling, simulation, and control of complex systems. At Dürr's digital factory, she works as a member of a scrum team at the interface between process experts and programming specialists. Her extensive product knowledge and specialist expertise in the software field are prerequisites for translating process requirements into functional software in collaboration with the programmers. She is also responsible for implementing and commissioning software from Dürr's DXQ product family at the customer's site.

### Is sustainability a personal concern for you?

**I-A** Using the world's resources responsibly is important to me. I'm not the only one who feels this way. I meet many people in the Group who hold the same belief. It is important to me that the concept of sustainability is also an integral part of our "One Vision" corporate statement and must therefore be considered from the outset when developing new products or production processes.

**K** When we develop software in the digital factory, the sustainability aspect plays a prominent role. We also want to convey this to our customers: Opting for software that conserves resources and increases efficiency is an important investment.

### You have grown up in the digital world, Ms. Kuschel, and have been with Dürr for five years. Mr. Iglauer-Angrik has been with the company five times longer. How does this affect your cooperation with an old-school mechanical engineer?

**K** The age difference isn't an issue in our cooperation. In fact, we benefit from each other's expertise. Oliver shares his process and system knowledge around paint curing ovens, while our contribution relates to mathematical correlations and data expertise.

**I-A** That's the great advantage of a company like Dürr: the combination of digital know-how with expert knowledge of production processes. We cooperate very closely at our working level, learn a lot from each other, and can therefore take an effective interdisciplinary approach — perhaps more than other companies.

**K** It starts with communication and understanding. When Oliver and I began working together, we explained the technical terms of our respective fields to each other.

**I-A** Web Frontend, NoSQL database, Red Hat — the exact meaning of terms like these have only become clear to me over time and, just like learning vocabulary in a foreign language, I am always learning new things here as well.

**OLIVER IGLAUER-ANGRIK** is 55 years old and has been with Dürr for 25 years. Having studied mechanical engineering, he has held various positions in the company and now works in research and development as a senior expert for drying technology. In addition to heating the bodies of painted electric vehicles, his work focuses on efficiency enhancement and electrification of drying and exhaust-air purification systems in the context of CO<sub>2</sub>-neutral paint shops. His exploration of thermodynamics also led him to teach at the Baden-Württemberg Cooperative State University for several years.



**K** I, on the other hand, have learned quite a lot about paint curing ovens. Heat transfer coefficients, air balance, Bernoulli's equation, centralized and decentralized heating concepts — all of these were unfamiliar territory for me. I am now the expert on ovens in the digital factory.

### Can you name a situation where you complemented each other exceptionally well?

**I-A** In one customer's paint shop, our simulation tool detected unusual heating behavior during measurement runs performed on an oven. We couldn't work out why. We spent a long time looking for a theoretical explanation but couldn't find one. Imke then proposed that we have a look on site.

**K** In the plant, we noticed that a worker was alternating the position of the sensors for the oven measurement runs each week between the driver's and the passenger's side.

**I-A** This example illustrates how important mutual exchange is for solving problems. We would have probably kept searching for a theoretical explanation for some time. Imke's suggestion prompted us to look outside the box together.

# TRAILBLAZER FOR SUSTAINABLE TRANSFORMATION

Many manufacturing companies have set targets for the decarbonization of their production and want to reduce their dependence on fossil fuels. To that end, they are seeking the support of their suppliers. Our development work therefore focuses on the low-emission operation of our plants, the electrification of production processes, the processing of sustainable materials, and exhaust air purification.

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. Under the → [EU Taxonomy](#), we have expanded the preparation of life-cycle analyses. For further information, please refer to the → [“EU Taxonomy”](#) section.

## Product safety

Innovations are intended to make products more environmentally compatible. But sustainability also requires that products are safe. While the safety features are largely prescribed by technical standards and legal regulations, we always go the extra mile to ensure customer satisfaction.

Overall responsibility for product safety lies with the management of the individual Group companies, which communicate regularly with each other. Each Group company ensures that risks relating to product safety are identified at an early stage and avoided. A Group-wide company directive defines legal principles, procedural steps, responsibilities, and communication channels in the area of product safety. In the individual companies, additional process instructions and local responsibilities were introduced as required, going beyond the Group-wide framework requirements. We are thinking ahead and are already training our product safety officers on the new European Machinery Regulation, which will come into force in 2027.

Our machines and systems meet the applicable legal and regulatory requirements. Examples of EU directives by which our actions are guided are the Machinery Directive, the ATEX Directive, and the Pressure Equipment Directive. In addition, our machines and systems comply with the relevant technical standards, such as DIN EN 12100 and DIN EN 60204. Furthermore, our products are provided with all the necessary test labels.

We use a conformity assessment process to ensure that our machines and systems meet the applicable requirements before they go on sale. In the EU, this is the CE conformity assessment process. It comprises various steps, including the identification of the relevant legal specifications and requirements in each case, the performance of risk assessments, tests and inspections, the documentation of measured values, the issuing of a CE declaration of conformity, and a corresponding CE marking on the product. In this way, we help ensure the safety of our customers and prevent potential damage or accidents.

We believe that product safety begins as early as the development stage. To this end, we use recognized methods for risk assessment such as Failure Mode and Effects Analysis (FMEA) or the Finite Element Method (FEM) to identify potential risks at an early stage. The analysis of the hazard as well as the selection of the safety elements and their documentation are supported by tools. Noise emissions are reduced as much as possible during product development. We measure, analyze, and document the noise emissions of a machine as early as in the test field according to standardized procedures. Depending on the design, noise-reduced components are used or supplementary soundproofing devices are installed.

All employees in production receive in-depth training to guarantee the safety of the products. We also instruct our customers on safe operation at the time of handover. With these instructions for proper operation and use, we create the conditions for our customers to be able to implement the safety specifications in their daily work. Furthermore, we provide detailed operating instructions and — if necessary — safety data sheets on hazardous substances for all delivered machines and their components.

By means of a clearly defined product monitoring process, we ensure the safe operation of the machines and systems we sell to our customers during the utilization phase. In the event that safety risks or accidents occur at customers' sites, there is a defined reporting process in place in each subgroup. We are also in constant contact with our customers through our service and sales departments. We carefully analyze all incidents and take corrective action as needed.

## SPECIFICATIONS FOR SUBSTANCES OF CONCERN AND HAZARDOUS SUBSTANCES

In 2021, we established a Group-wide and cross-functional team of experts. Its task is to establish processes and structures to ensure compliance with Regulation [EC] No. 1907/2006 (REACH). To that end, a process has been developed for the Group-wide identification of → **SVHC substances** and their registration in the → **SCIP database** of the European Chemicals Agency (ECHA). We continuously determine the material composition of the materials contained in our products and record the relevant information in material data systems. In this way, we are gradually increasing the required transparency regarding the ingredients of our products.

## Innovation and technology

The products and manufacturing processes developed as part of our research and development (R&D) work are designed to enable our customers to produce in an energy- and resource-efficient manner. This also applies to the digital applications we develop, which incorporate our expertise in all aspects of our customers' production processes. In innovations, we also attach great importance to modularity, global applicability, and high overall equipment effectiveness. To achieve these goals, we rely on the close collaboration of our R&D departments with sales and purchasing.

The individual divisions are responsible for their respective R&D work, and guidelines govern processes and detailed issues. There is also a cross-functional team, "R&D/Technology/Digital," which coordinates cross-functional R&D activities and promotes the use of best-practice solutions across divisional boundaries. Leading the team is the Head of the Application Technology division. The development of new solutions accounts for around 70% of our R&D expenditure, while just under 30% is spent on optimizing and modularizing existing products. Concrete solutions are the focus of our development work; basic research is inherently of minor importance in our business.

### R&D KEY FIGURES

	2023	2022	2021
R&D expenditure (in € million)	-151.4	-136.5	-123.9
of which for external R&D services (in € million)	-80.0	-60.1	-54.5
Group R&D ratio (in % of sales)	3.3	3.2	3.5
R&D employees (Dec. 31)	1,008	971	922
% of the number of employees	4.9	5.2	5.2

### NEW DEVELOPMENTS AND PATENTS

In 2023, our R&D work resulted in 73 product innovations. As of December 31, 2023, we had 7,237 individual patents divided among 1,468 patent families (Dec. 31, 2022: 7,172 and 1,429). As in previous years, the Application Technology division accounted for the largest number of patents. The costs for protecting our intellectual property amounted to €9.5 million (previous year: €10.2 million). Further information on our R&D focus can be found in the [Annual Report 2023, from page 37](#).



## 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 usually 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 using less energy, materials and space, and reducing noise emissions. Digital technologies are becoming increasingly important in this process, as they can be used to analyze and optimize the consumption of 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

The paint shop is the area of automotive production that is particularly important for decarbonization. After all, more than 40% of the energy required by automakers in their plants are used in the painting process. Examples of energy-intensive processes include drying the car bodies and air-conditioning the paint booths. 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
- 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>.

Paint and Final Assembly Systems has developed **EcoQPower**, an intelligent energy network, i.e., a combined heating-cooling system individually optimized for each paint shop. In this way, the energy consumption of a paint shop can be significantly reduced. This network, in conjunction with our electrified → **car body oven EcoInCure** and the **Oxi.X RV** exhaust-air purification system (→ “**Environmental technology: fewer emissions for clean exhaust air**”), enables paint shop operation to be fully electric — and when using → **green electricity** — CO<sub>2</sub>-neutral.

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 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. In this way, it is possible to reduce energy consumption by up to 75% compared to a classic paint booth 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 as well as 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.

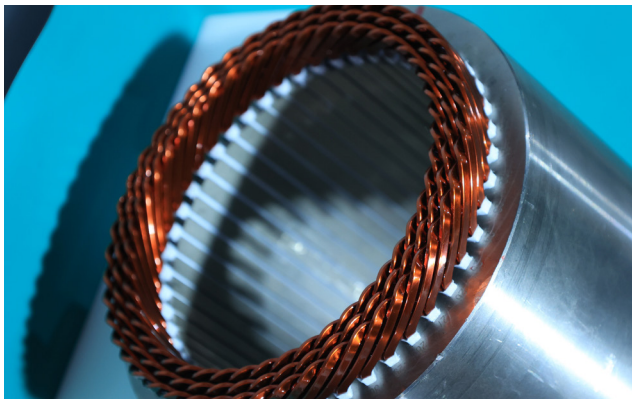
With the new **EcoBell4** → **family of atomizers**, we are helping customers to achieve more sustainable production. Paint losses and rinsing medium consumption can be reduced by 50% when colors are changed or by as much as 91% in combination with the modular **EcoProBooth** painting booth. Improvements are achieved through the unique 4-main needle technology, in which three out of four → **main needles** are available exclusively for the most frequently used paints, as well as by means of changed process parameters during paint application.



With the **EcoBell4** and 4-main-needle technology, color change becomes a matter of seconds — with the lowest possible coating and rinsing agent losses.

## 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 market with innovative systems for → **coating electrodes**. As a supplier of complete lines, we supply not only coating technology but also dryers and solvent recovery systems. We offer an innovative technology for the simultaneous coating of both electrode sides, which ensures maximum production efficiency and reduced energy consumption. Thanks to the acquisition of the French mechanical engineering company Ingecal in November 2023, we can now also supply calendering systems, which play a key role in the coating of electrode foils, to the battery industry. The calendering systems are suitable for both wet and dry coating. Dry coating offers considerable advantages in terms of costs, energy consumption, and CO<sub>2</sub> emissions and can also be used for the production of future solid-state batteries.



Hairpin technology replaces the wound copper rotor coils that generate the magnetic field in the electric motor with innovative hairpin-shaped plug-in coils.

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.

For solvent recovery in the production of lithium-ion batteries, we have developed a process that allows over 99% of the solvents used in coating to be recovered. After the treatment, just over 95% of this can be returned to the process, reducing emissions to less than one milligram per cubic meter.

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

In addition to battery manufacturing technology, we offer other technologies for the construction of electric cars. The subsidiary BBS Automation, which has been part of the Dürr Group since August 2023, offers assembly systems for → **stators**, rotors, inverters, and the electric motor itself. BBS Automation has, for example, developed a hairpin assembly system that produces stators for electric motors. Flat copper wires are used to produce plug-in coils, which are then coated with a layer of lacquer and inserted into the stator stack. By using flat wires, the power density can be increased, which in turn results in better thermal performance and → **NVH (noise, vibration, harshness) behavior**. The new hairpin system covers the entire process chain. The process steps run in different cells, which are also available as individual modules.

Our subsidiary Teamtechnik offers systems for testing completely assembled electric and hybrid drives. 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 the high-voltage circuits in battery vehicles do not pose any risks, such as dangerous short circuits.

Group subsidiary Schenck RoTec contributes balancing systems for electric motor components. One example is 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 waste water treatment plants and landfills. In order to use it efficiently and feed it into the natural gas grid, it has to be 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 heat 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.



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

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. For comparison: ↗ **According to the German Federal Environment Agency**, the industrial sector in Germany emitted approximately 146 million metric tons of CO<sub>2</sub>e in 2023.

An example of thermal processes for exhaust-air purification is the flameless regenerative thermal oxidizer (RTO) with the Oxi.X RV technology. The system can be operated completely electrically 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 manufacturing prefabricated house components, room modules, windows, doors, and stairs, as well as equipment for solid wood optimization and high-frequency presses for producing cross-laminated timber boards.

### DIGITALIZATION/INDUSTRIAL INTERNET OF THINGS (IIOT)

Software solutions are a growing part of our product range. This enables us to keep pace with the ongoing digitalization of production processes. Our digital product range includes, for example, manufacturing execution systems (→ **MES**) for centralized factory control and analytics applications, which often work with artificial intelligence. Their areas of application include quality control, root cause analysis, and predictive maintenance. Our digital solutions are developed in digital factories at Dürr Systems, Schenck, and the HOMAG Group. The three digital factories work with standardized development processes and tools, have a common innovation agenda, and exchange applications and development results. Their activities are coordinated by a cross-functional team.

One product example is the intelligent control software **DXQenergy.management**, which can be used to identify potential savings in paint shops. 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 plant effectiveness. **DXQenergy.management** thus makes an important contribution to greater transparency and sustainability in paint shops.

## CONTRIBUTION TO THE CIRCULAR ECONOMY AND TO THE SERVICE BUSINESS

As early as during the production of our machines and systems, we keep the entire life cycle in mind. This ranges from the procurement of raw materials, through production and use, to recycling or disposal. When developing products, we focus on properties such as environmental compatibility, reparability, and longevity in line with the → **circular economy**. Through services such as modernization, modifications, and general overhauls as well as the provision of spare parts, we increase the useful life of our products. This extends their service life, saves material and resources, and reduces the ecological footprint.

With an average service life of our machines and systems generally well over 10 years, our service business plays a significant role. Our strategic goal is for the service business to contribute at least 30% to sales, in 2023 it was 28.3%. We are aligning our service offering along the entire life cycle of our products and are increasingly offering data-based digital services such as preventive maintenance. We are also expanding our → **brownfield business** by offering plant modernizations, with an increasing focus on improving the ecological footprint. Our range of services includes plant modernization and optimization, audits of plant productivity and energy efficiency, software

updates as well as training, maintenance, repair, and spare parts supply. Digital services such as remote analysis, maintenance assistance, and performance checks are becoming increasingly important.

The spare parts and modernization business is operated on a Group-wide basis. In 2023, the Application Technology division alone carried out almost 5,700 repairs with a total of around 10,000 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 2023, almost 2,000 aggregates were repaired. As in the previous year, the → **Balancing Technology** business segment of Schenck carried out around 800 repairs with a total of around 1,200 components worldwide. These include measuring devices, measuring systems, high-performance gears, spindles, and special assemblies. In the Tooling business segment, the corresponding figures are much higher due to the technical wear and tear on tools caused by their use: In 2023, around 3,500 repairs were carried out on tool systems used by customers, with almost 66,700 spare parts provided. Depending on the operating conditions, the continued service of tool systems can be ensured for one to ten years by means of overhaul and repair.

## PRODUCTION SYSTEMS FOR MEDICAL DEVICES

The world's population is growing and aging, while at the same time spending on medical care is increasing. As a result, demand is growing for systems for the large-scale production of disposable medical products — from vaccination syringes and infusion sets to inhalers and nasal sprays. There is also an increasing demand for slimming injections. As early as in 2021, we commenced business in automated systems for the assembly of medical technology products with the acquisition of Teamtechnik and Hekuma. Since September 2023, BBS Automation has been part of the Dürr Group together with Kahle Automation, a company specializing in production technology for medical supply products. As a result, we have further expanded our position in this sector.



We offer production technology for medical supply products, such as glass syringes for insulin pens.



# JOINING FORCES FOR THE GIGA-FACTORY

HOMAG's subsidiary WEINMANN supplies machines and systems for timber construction. The industrial production of multi-story buildings is playing an increasingly important role in this. Timber houses are climate-friendly, cost-effective, and on trend. When the Swiss start-up Nokera decides to build a gigafactory, WEINMANN is awarded the contract to equip it with facilities. The entire Group pitches in — and leads the project to success together with the customer.

TEXT: HEIMO FISCHER — PHOTOS: BERTRAM BOOS, SASCHA FEUSTER, NOKERA

The wall modules produced by Nokera await their deployment at the construction site.



The route to the large factory leads along gravel roads, past fields and sheep pastures. Even the navigation system doesn't always know its position. The industrial estate on the outskirts of the German city of Magdeburg is constantly growing. Finally, the blue hall appears, 700 meters long and 260 meters wide.

Since 2023, Nokera has been operating the world's largest factory for prefabricated houses here. It consists of six production lines. Robotic arms dance, and machines saw, drill, or nail so fast that the eyes can barely follow. Before long, the walls and ceilings for more than 20,000 prefabricated residential units made of timber are set to roll off the production line every year. Such quantities are unprecedented in the industry — and the key to the serial construction of cost-effective houses.

The production process is precisely coordinated. First, the framework — the skeleton of a wall, so to speak — is made of individual glued wooden beams. The elements, up to several meters high, are turned automatically, and the cavities are filled with insulating material and sealed. All exterior walls are given a decorative façade. Then everything is loaded and transported to the construction site for assembly.



The proportion of housing built with timber has been growing for years.

## 2020

PLANNING CONTRACT FOR THE SYSTEMS IN THE GIGAFACTORY AWARDED TO WEINMANN

## 2021

SUPPLY CONTRACT AWARDED TO WEINMANN AND START OF IMPLEMENTATION

## 2022

START OF ASSEMBLY OF THE MACHINES AND SYSTEMS

## 2023

LAUNCH OF PRODUCTION AT THE GIGAFACTORY NEAR MAGDEBURG



Nokera's show house illustrates what modern construction with timber can look like.

### Catalyst for transformation in the Swabian Alb region

With its modern factory, Nokera has not only set new standards for its own industry. 600 kilometers to the south, the project has also helped WEINMANN in its consistent further development. The HOMAG subsidiary in the Swabian Alb region is the world market leader in timber construction system technology. "We usually supply the prefabricated house industry as well as small and medium-sized carpentry businesses," says WEINMANN Managing Director Josef Zerle.

In 2020, WEINMANN received an order from Nokera to equip an entire factory with fully automated production lines. Machine equipment for serial house construction was not new territory for WEINMANN. But the scope of the project was.

As a global pioneer, Nokera wanted to manufacture modules for multi-story residential buildings made of timber on a production line in the centrally located city of Magdeburg. "It was clear to us right from the start that we would need assistance," says Zerle, not least because the WEINMANN workforce was already working at full capacity due to the buoyant construction market at the time. In addition, we were lacking the knowledge and capacity to plan and implement such a large project.

However, the WEINMANN management believed that the project could be realized if several Dürr Group companies combined their strengths. The Group's top management agreed and gave the go-ahead.

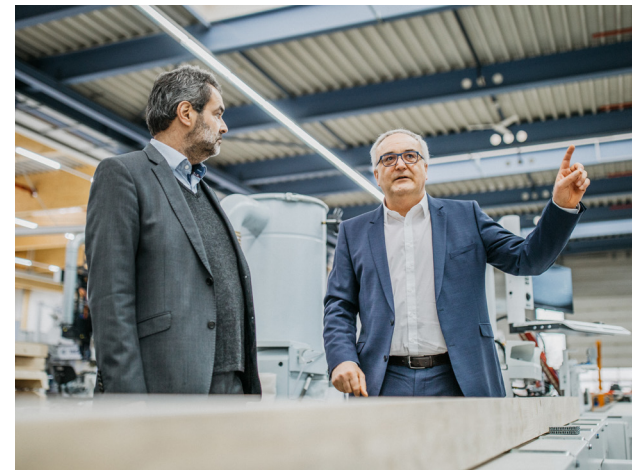
The major effort that followed initiated a transformation of WEINMANN within the Dürr Group. "We said from the outset that this order would showcase the overall competence of the Dürr Group and act as a catalyst for the introduction of new ways of working at WEINMANN," says Zerle. The experience gained from this large-scale order will pay off, as there are strong indications that further major orders of this kind will follow.

### Timber construction is on trend

The proportion of housing built with timber has been growing for years. Around one in four new single-family homes in Germany is already built using this sustainable raw material. The share of multi-story buildings made of timber has almost doubled compared to 2020.

Prefabrication in series is sustainable — not only economically, but also ecologically, as wood stores climate-damaging CO<sub>2</sub> for a long period of time. It also offers solutions for the global shortage of skilled workers. Until now, most buildings have been constructed on site by hand. This costs working time and a lot of money. The factory produces timber buildings more efficiently and with consistently high quality.

Another growth driver for timber construction is the energy-efficient renovation of buildings. "Instead of gluing polystyrene panels to the house, it makes sense to use a mass-produced



Success through collaboration: Precise coordination among the parties involved is essential for Jürgen Dörfeldt (left) and Josef Zerle.

"We said from the outset that this order would be a catalyst for the introduction of new ways of working at WEINMANN."

JOSEF ZERLE,  
MANAGING DIRECTOR OF  
WEINMANN

ecological wooden façade,” explains Zerle. These insulating elements, too, are already being produced using WEINMANN systems.

**No blueprint**

While WEINMANN had not been geared toward realizing such large-scale projects up to that point, it was nothing unusual for the parent company. For decades, Dürr has been planning and building paint shops for automotive manufacturers all over the world. Their order value can easily exceed 200 million euros. The Group’s subsidiary HOMAG has the knowledge and experience to handle large orders for the furniture industry.

The Dürr Group then had to transfer this knowledge to timber construction, because there was no blueprint for the order from Nokera. In the first three months, the Group’s own consulting companies SCHULER and Dürr Consulting were instructed with the initial planning to determine what a gigafactory should look like and how production should take place. “We also had to clarify how the individual stations could be automated and interlinked,” says Jürgen Dörfeldt, who managed the overall project. He has already handled many major orders in Dürr’s paint systems business.

**IN JUST**

**3 months**

Nokera can erect residential buildings thanks to serial construction.

Source: Nokera

**95%**

**OF NOKERA’S BUILDING MATERIALS can be recycled.**

At WEINMANN, the experts considered how they could combine their machines and systems for the high outputs of large production lines. Meanwhile, HOMAG took care of procurement. Not an easy task. A project of this size requires huge quantities of steel, cables, robots, control cabinets, and much more to be in the right place at the right time.

**Fighting supply bottlenecks**

This was only possible with meticulous planning and a lot of experience. Especially in a difficult environment, affected by the coronavirus pandemic and the war in Ukraine. “We had to deal with severe supply bottlenecks, which we countered with a systematic approach, regular consultations, and the consistent commitment of everyone involved,” says Jürgen Dörfeldt. The clear and stringent project management was fundamental to the success. “That is why it always worked,” says the project manager.

Another challenge was WEINMANN’s limited production capacity. In order to produce that many machines in the specified time, several Group locations had to help out. The HOMAG plants in Schopfloch, Lichtenberg (Saxony), and Środa Wielkopolska (Poland) stepped in, as did Dürr Poland in Radom. The automation specialist Teamtechnik was also involved with technical personnel and its plant near Stuttgart.


In July 2022, assembly of the machines and systems began. Here, too, the scale of this extraordinary project was evident. The processes on the construction site had to be organized and deadlines had to be strictly adhered to. This also applied to the agreements with the customer and the suppliers.

At the end of 2023, the factory went into operation. Initially on a trial basis, because before series production begins and transitions into the ramp-up phase, the employees are trained by the WEINMANN Academy to deliver outstanding performance.

But you can already admire what the result will look like. Nokera has built a four-story show house right next door. With an unobstructed view of the gigafactory.

**“We were faced with serious supply bottlenecks. We countered this with a systematic approach and the consistent dedication of everyone involved.”**

JÜRGEN DÖRFELDT,  
SENIOR EXECUTIVE PROJECT DIRECTOR AT DÜRR



The employees of the Dürr Group have already developed many forward-looking ideas. 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 2023, the team that led the construction of the Nokera Gigafactory was honored with the Heinz Dürr Award in the “Sustainability” category.

Find out more about the project and the winners:  
[Watch the video](#)

# EU Taxonomy

With our taxonomy-aligned products, services, and investments, we contribute to the climate-friendly transformation of the economy.

The Dürr Group sees the shift toward greater sustainability as an opportunity. With the Taxonomy Regulation, the European Union (EU) has developed a classification system for environmentally sustainable economic activities, thus creating uniform criteria for companies.

## BACKGROUND AND GOALS

With the European → **Green Deal**, the EU has set itself the goal of becoming climate neutral by 2050. In order to finance the measures required 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 (EU Commission) has developed the → **Action Plan on Financing Sustainable Growth**. The core element of the action plan is the → **EU Taxonomy Regulation**.

The Dürr Group makes disclosures on the EU Taxonomy in accordance with the “Disclosure Delegated Regulation.” Economic activities are “taxonomy-eligible” if they comply with the activity descriptions set out in the Climate Delegated Regulation of June 2021, the Complementary Climate Delegated Regulation of March 2022, the Environmental Delegated

Regulation published in the Official Journal of the EU in November 2023 and the supplements to the Climate Delegated Regulation, and if they potentially contribute to the achievement of one of the following 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, and (6) protection and restoration of biodiversity and ecosystems.

- 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**

In addition, economic activities are “environmentally sustainable” or “taxonomy-aligned” according to the taxonomy specifications, if the taxonomy-eligible economic activities

- 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), and
- ensure compliance with minimum social safeguards (Minimum Safeguards).

At the time of publication of this report, the EU Taxonomy Regulation and the Delegated Acts adopted in this context contained terms and wordings that are subject to uncertainty in terms of interpretation and for which clarifications had not been published in every case. In such cases, we have identified and explained the assumptions made in this report.



## IMPLEMENTATION OF THE TAXONOMY REQUIREMENTS

The Dürr Group provided its first voluntary report on taxonomy-eligible and taxonomy-aligned sales revenues, capital expenditures (CapEx), and operating expenditures (OpEx) for the 2021 fiscal year, beyond the legally required disclosures. We thus created the organizational and content-related prerequisites for the Group-wide implementation of the taxonomy requirements. With the publication of the Environmental Delegated Regulation, there are now reporting requirements in accordance with the EU Taxonomy for all six environmental objectives. We have assessed these new regulatory requirements and included them in this report. For fiscal year 2023, we provide information on taxonomy-eligible and taxonomy-aligned sales revenues, CapEx, and OpEx for the six environmental objectives under review. In the following, we also include acquired business activities that were consolidated for the first time in the 2023 fiscal year.

Despite the expansion of the EU Taxonomy to include criteria for environmental objectives 3 to 6 and the adjustment of individual criteria for environmental objectives 1 and 2, large portions of the Dürr Group's business activities are still not directly covered by the taxonomy requirements, as the current version of the EU Taxonomy Regulation is not directly aimed at the mechanical engineering sector and the supplier industry.

## BUSINESS ACTIVITIES OF THE DÜRR GROUP

Our business activities make a substantial contribution to reducing global greenhouse gas emissions in two respects. Firstly, we develop and sell low-emission technologies for sustainable production processes. When used by our customers, these enable significant reductions in → **greenhouse gas emissions** over the entire life cycle of the product. With the help of many of our technologies, customers can therefore achieve significantly lower emission levels compared to the best performing reference technologies predominantly available on the market. Examples include selected technologies and systems for resource-conserving automotive painting as well as exhaust-gas and exhaust-air purification systems. Secondly, we offer technologies for manufacturing climate-friendly products, for example solutions for producing batteries and electric motors for electric vehicles or machines for the industrial production of timber houses. Against this backdrop, the Dürr Group has a key role to play in the sustainable transformation of sectors such as automotive production, woodworking, mechanical engineering, chemicals, pharmaceuticals, and electrical engineering.

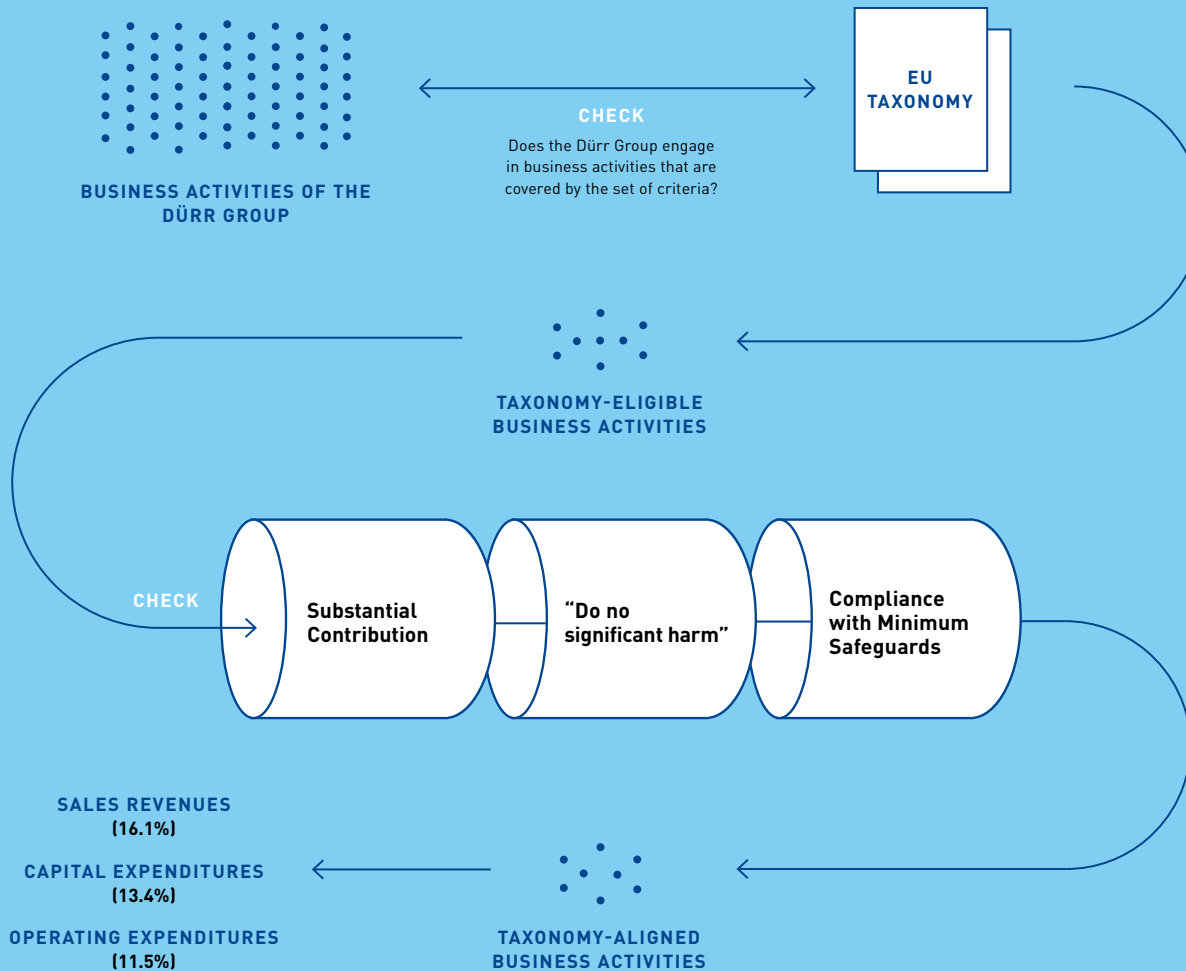
As part of our climate strategy, we are also pursuing the goal of making the Dürr Group's infrastructure sustainable. This includes, among other things, investments in energy-efficient buildings and their technical equipment, the increased use of systems for the generation of renewable energies, and the expansion of our electric vehicle fleet and charging infrastructure.

### ECONOMIC ACTIVITY "3.6 MANUFACTURE OF OTHER LOW CARBON TECHNOLOGIES"

The activity description "3.6 Manufacture of other low carbon technologies" is of particular relevance to the Dürr Group. Due to the generic description of this economic activity, it is necessary to describe our interpretation in greater detail. The economic activity includes activities for the production of technologies that aim at substantial reductions in greenhouse gas emissions in other sectors of the economy.

From the Dürr Group's perspective, a substantial reduction means a decrease in greenhouse gas emissions in the use phase by at least 20%. Such a substantial reduction can usually only be achieved by a technological leap and not by continuous improvements. We have therefore set the value of 20% as the minimum level for a substantial reduction in greenhouse gas emissions.

## EU TAXONOMY: METHODOLOGY AND PROCEDURE



## RELEVANT ECONOMIC ACTIVITIES FOR THE DÜRR GROUP

The following economic activities defined by the EU Taxonomy have been identified for the fiscal year 2023 for the recognition and assignment of the Dürr Group's sales revenues, CapEx, and OpEx to the first environmental objective "climate change mitigation":

- 3.1 Manufacture of renewable energy technologies
- 3.6 Manufacture of other low carbon technologies
- 3.21 Manufacturing of aircraft
- 4.11 Storage of thermal energy

In addition, the following further economic activities have been identified for the recognition and assignment of taxonomy-eligible CapEx and OpEx of the Dürr Group for the first environmental objective "climate change mitigation":

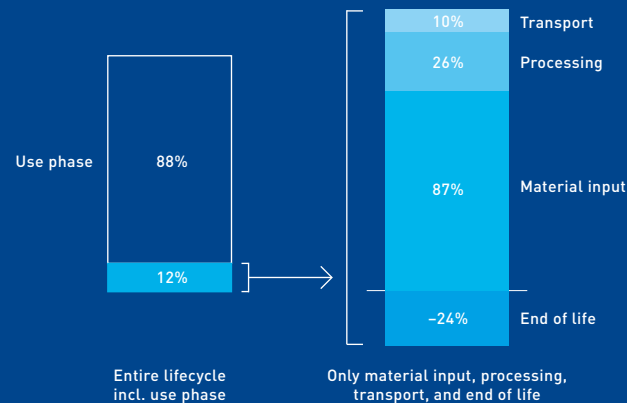
- 6.5 Transport by motorbikes, passenger cars, and light commercial vehicles
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.6 Installation, maintenance and repair of renewable energy technologies
- 7.7 Acquisition and ownership of buildings

## PREPARATION OF LIFE-CYCLE ANALYSES

The → **technical screening criteria** for economic activity 3.6 describe requirements for the quantification of life-cycle greenhouse gas emission balances. We commissioned the Fraunhofer Institute for Building Physics IBP to prepare science-based life-cycle greenhouse gas balances based on the ISO 14067 standard for representative machines and systems. The complete product life cycle (“cradle-to-grave”) was analyzed and the life-cycle phases material input, processing, transport, use phase, and end of life were taken into account. The eco-balance was calculated according to ISO 14040/14044. In assessing the life-cycle emissions of goods manufactured with our machines and systems, we relied on published data and analyses from recognized scientific organizations. As a result, these balances show that the use phase of our machines and systems in particular has a substantial impact on the life-cycle greenhouse gas emissions. By contrast, upstream and downstream emissions relating, for instance, to logistics processes (transportation), the manufacture of purchased parts (material input), and end-of-life recycling, as well as emissions from our internal value chain (processing), have only a minor impact on the life-cycle greenhouse gas emissions of the technologies.

### LIFE-CYCLE ANALYSIS: “ECODRYSCRUBBER”

Carbon footprint per system, relative



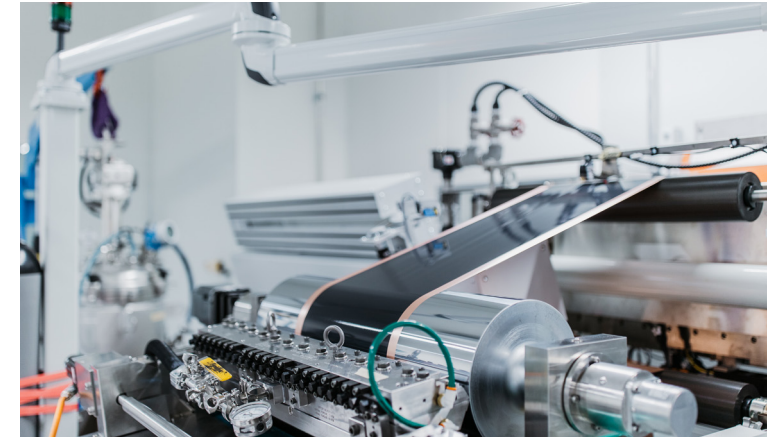
## IDENTIFICATION OF TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES

In order to identify taxonomy-eligible technologies, we analyzed the Dürr Group’s portfolio and classified as taxonomy-eligible those technologies that contribute to a significant reduction in greenhouse gas emissions. Other business activities of the Dürr Group are not included in the activity descriptions of the remaining environmental objectives.

For the 2023 fiscal year, the following business activities of the Dürr Group have accordingly been identified for the recognition and assignment of taxonomy-eligible sales revenues, CapEx, and OpEx.

### 1. Painting technology

Despite significant 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 car body drying are responsible for the majority of energy and resource consumption in paint shops. We offer above-average energy-efficient and resource-saving solutions, which we classify as taxonomy-eligible due to the significant savings of emissions. Examples include selected solutions for dry separation of → **paint overspray**, such as **EcoDryScrubber** or **EcoDryX**, and our latest **EcoProBooth** paint booth concept. Furthermore, our intelligent energy network **EcoQPower** contributes to a significant reduction in the energy consumption of paint shops at factory level through an optimal combined heating and cooling system. For further information, please refer to the → **“Sustainable products and systems”** section.



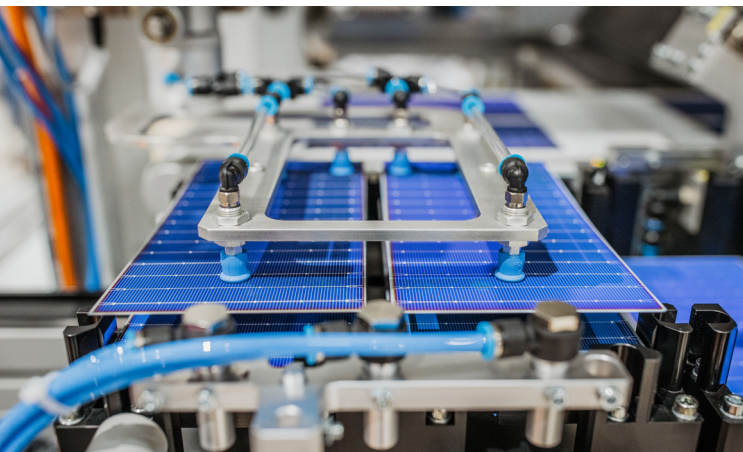
Lithium-ion batteries are a key technology in electric mobility – we offer the technology for this.

### 2. Battery manufacturing technology

The Dürr Group provides specific technologies for producing rechargeable battery packs and accumulators for the transportation sector as well as stationary or decentralized energy storage systems. The Dürr Group offers technical solutions for various process steps in the battery production value chain. These primarily include our → **coating technology**, dryers, and solvent recovery systems for the production of battery electrodes, as well as assembly and testing technology for battery modules and packs. Furthermore, we provide gluing application technologies for battery systems. Our corresponding business activities thus aim to significantly reduce life-cycle emissions in the transportation and energy sectors, so that our technologies support the EU’s key objectives with regard to accelerated introduction of low-emission modes of transport and decarbonizing the energy sector.

### 3. Technology for electromobility

The Dürr Group manufactures technologies specifically used in the production of electric drives and components for emission-free mobility in the automotive sector. Specifically, we develop and supply equipment for filling electric vehicles with highly specific refrigerants, balancing and spin-test systems for rotors in electric drives, and modular → **end-of-line test stands** for electric drives. We also offer our customers automation solutions for the production of electric axle drives, inverters, and DC/DC converters for fully electric vehicles. The drives and components manufactured and tested with our machines and systems form the central element for electrification and thus for improving environmental performance in the automotive sector. Our business activities thus aim to considerably reduce life-cycle emissions in the mobility sector. Our technology portfolio also includes balancing and diagnostic technology for designing electric aircraft engines.



We offer high-performance systems that automatically connect solar cells to rows — the so-called strings.

### 4. Renewable energy technology

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

### 5. Environmental technology

The Dürr Group makes a substantial contribution to reducing emissions in various industrial sectors through environmental technology systems. We develop and supply modern plant technologies that enable efficient disposal of waste gases and residues and that reduce energy consumption in the use phase. In addition, other Dürr environmental technology systems ensure substantial savings in greenhouse gas emissions, which regularly exceed 20%. Our range of technologies includes systems for flameless regenerative thermal oxidation and recuperative thermal oxidation, catalytic filter element systems, high-pressure catalytic systems as well as selected sorptive processes and plants for VOC concentration.

### 6. Woodworking technology

The Dürr Group produces technologies for the solid-wood manufacturing sector that are specifically used for the industrial production of timber construction elements as well as timber windows and doors. These technologies include machines and systems for manufacturing cross laminated timber, for the fully automated production and insulation of wall and ceiling elements of timber houses, and for the production of timber windows and doors. Thus, our technologies are aimed at significantly reducing life-cycle emissions in the building sector.

## IDENTIFICATION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

According to the EU Taxonomy Regulation, taxonomy-eligible economic activities are to be classified as taxonomy-aligned if they make a substantial contribution to the achievement of one or more environmental objectives, do not significantly harm any of the other environmental objectives, and ensure compliance with minimum safeguards in the context of the economic activities.

For further information on the demonstration of the substantial contribution of our technologies as well as on the verification of DNSH criteria and compliance with minimum social standards, please refer to the [Annual Report 2023, from page 61](#).

## PERFORMANCE INDICATORS ACCORDING TO THE EU TAXONOMY REGULATION

In the following, we provide information on our Group-wide taxonomy-eligible and taxonomy-aligned sales revenues, CapEx, and OpEx in accordance with the EU Taxonomy for the 2023 and 2022 fiscal years. Taking into account the → **technical screening criteria**, it is possible that taxonomy-eligible and taxonomy-aligned sales revenues and CapEx differ in their results. Taxonomy-eligible and taxonomy-aligned OpEx of the Dürr Group, on the other hand, regularly correspond to each other.



## TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SALES REVENUES, CAPEX, OPEX

	Taxonomy-eligible share 2023 (in %)	Taxonomy-aligned share 2023 (in %)	Taxonomy-eligible share 2022 (in %)	Taxonomy-aligned share 2022 (in %)
Sales revenues	18.4	16.1	16.8	16.8
CapEx	35.0	13.4	54.0	24.3
OpEx	11.5	11.5	9.3	9.3

### Sales revenues

In the 2023 fiscal year, taxonomy-eligible sales revenues amounted to €850.2 million (previous year: €726.6 million). Compared to the previous year, taxonomy-aligned sales revenues increased by 2.5% to €744.8 million (previous year: €726.6 million). This was due in particular to activities in the context of economic activity “3.6 Manufacture of other low carbon technologies.” The Dürr Group recorded a significant increase in demand in the areas of battery production technology and painting technology. The share of taxonomy-eligible sales revenues increased to 18.4% in the 2023 fiscal year (previous year: 16.8%), with the share of taxonomy-aligned sales revenues slightly below the previous year’s level at 16.1% (previous year: 16.8%). The reason for this was a decline in sales in the solid wood manufacturing sector, which had achieved record sales in the previous year.

### CapEx

Taxonomy-eligible CapEx amounted to €123.4 million in the 2023 fiscal year (previous year: €74.9 million). Of this, €47.2 million (previous year: €33.7 million) met the criteria of the EU Taxonomy Regulation for taxonomy-aligned CapEx. The increase is primarily due to expenditure for the current investment program at HOMAG and the new building for BENZ in Gengenbach, which are assigned to economic activity “7.7 Acquisition and ownership of buildings.” In addition, capitalized development costs in the areas of battery production technology and painting technology as well as investments in the solid wood manufacturing sector caused an increase in environmentally sustainable CapEx in the context of economic activity “3.6 Manufacture of other low carbon technologies.”

### OpEx

As in the previous year, taxonomy-eligible OpEx corresponded to taxonomy-aligned OpEx, amounting to €16.5 million in the 2023 fiscal year. This is equivalent to an increase of €3.6 million compared to fiscal year 2022. The taxonomy-eligible or taxonomy-aligned share of the Dürr Group’s relevant OpEx in accordance with the Taxonomy Regulation amounted to 11.5% in the year 2023 (previous year: 9.3%). An important component were non-capitalizable expenses for research and development, particularly in the areas of battery production technology and solid-wood manufacturing. These expenses contributed 87% to the taxonomy-eligible or taxonomy-aligned OpEx (previous year: 93%).

# 16.1%

SHARE OF TAXONOMY-ALIGNED SALES REVENUES

# 13.4%

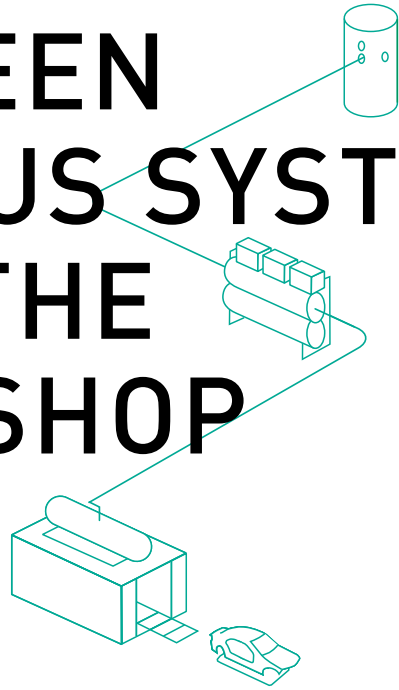
SHARE OF TAXONOMY-ALIGNED CAPITAL EXPENDITURES

# 11.5%

SHARE OF TAXONOMY-ALIGNED OPERATING EXPENDITURES

Further details on the composition of environmentally sustainable sales revenues, CapEx, and OpEx are provided in the [Annual Report 2023](#), from page 63.

# A GREEN NERVOUS SYSTEM FOR THE PAINT SHOP



In order to operate automotive paint shops as energy-efficiently as possible, Dürr looks not only at individual processes and products, but also at the plant as a whole. **EcoQPower** is a combined heating and cooling system that can be individually optimized for each paint shop and interconnects all components in such an intelligent way that virtually no energy is left unused. In an initial customer project, the total energy consumption was reduced by around 21%. Three Dürr employees from engineering, research & development, and sales report on the idea behind **EcoQPower**, its development, and its use by customers.

TEXT: JUDITH HALLWACHS, ANNE ESCHENWECK — PHOTOS: SASCHA FEUSTER, FRAUNHOFER IBP

**Mr. Hammen, you work in engineering and developed the idea behind EcoQPower. How did you come up with the idea of equipping paint shops with a holistic green nervous system?**

**ALEXANDER HAMMEN** The whole idea started about five years ago with a simple question that I couldn't get out of my head: Why do paint shops have such high temperatures in the hot water and such low temperatures in the cold water? Wouldn't it be more efficient to combine the hot and cold water systems and use the energy not needed in one place elsewhere?

When I visited a paint shop in a climatically challenging region, I took the idea a step further: Each location and its climatic conditions must be considered individually. In hot and humid subtropical locations, the conditions are different from those in Scandinavia, for example. That was the starting point for an initial concept that I developed based on an existing plant system. My calculations included all relevant data from the project, such as energy consumption and costs, as well as the readings from the weather station at the location. It turned out that major energy savings were possible if the system was intelligently networked. I shared this insight with my colleagues in research & development. Dietmar Wieland ran the numbers again and came up with the same results. That finally got the ball rolling.



**ALEXANDER HAMMEN** joined the Dürr Group in 2011. In his work in engineering, he mainly deals with the supply and distribution of energy in paint shops.

**“It turned out that major energy savings were possible if the system was intelligently networked.”**

ALEXANDER HAMMEN



**DIETMAR WIELAND** joined the Dürr Group in 1991. He is a senior manager in the research and development team, and works on the energy efficiency of paint shops.

„Plant operators benefit from many energy-related advantages.“

DIETMAR WIELAND

**All of a sudden, Mr. Wieland, you were right in the middle of the action when an idea was turned into a product. How did the development proceed and what exactly is behind the system?**

**DIETMAR WIELAND** It became concrete very quickly: The customer, on whose data our calculations were based, commissioned a feasibility study for a new paint shop. This led to the result that the concept works. The plant is currently being built — for the first time with the **EcoQPower** green nervous system.

Our planning approach is as follows: We determine the heating and cooling requirements taking into account the climatic conditions at the location and data such as the production volume, the vehicle type, and the painting process. This is also known as the source-sink profile. It is used to define the optimum temperature levels and to determine where to install hot and cold water tanks, heat pumps, and cooling towers. This completes the **EcoQPower** system.

In the past, energy supply in automotive paint shops was centralized and often based on a one-size-fits-all approach. Most process steps are supplied with the same temperature level, although not all of them need it. With **EcoQPower**, each process step only receives the temperature level that is actually needed. Cooling and heating are generated electrically on a decentralized basis in the paint shop, recovered to a large extent, and redistributed to the components via an energy network. Even previously unused energy is not lost thanks to this intelligent system: Heat generated as a by-product of various process steps was previously wasted. **EcoQPower** now makes it usable and supplies other areas of the paint shop with the recovered energy. In a nutshell: Plant operators benefit from many energy-related advantages. My colleague Bertram Benning from the sales team, who deals intensively with the sustainability of Dürr products, has the figures.

“The paint shop optimized with the energy network system is around 21% more energy efficient.”

BERTRAM BENNING



**BERTRAM BENNING** has been with the Dürr Group for more than 25 years and has been working in sales for the paint systems business since 2011. Among other things, he deals with sustainability issues.

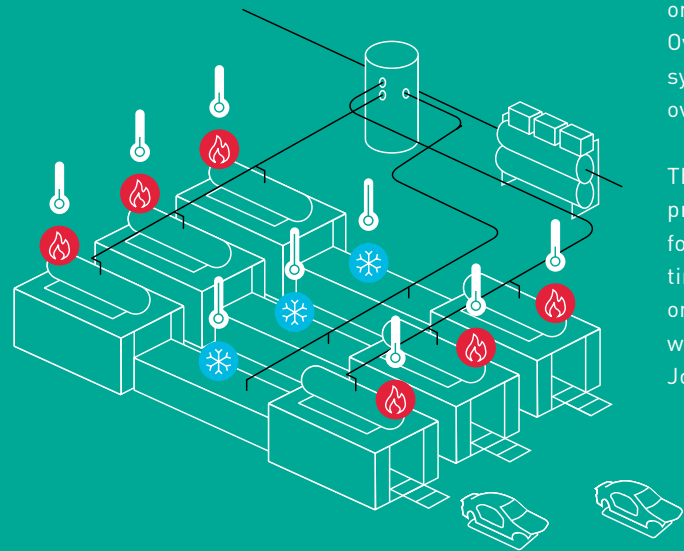
**The first paint shop optimized with EcoQPower is currently being built at a German automotive manufacturer’s plant. In general, interest in the intelligent energy network is very high. Mr. Benning, what do customers expect from using EcoQPower?**

**BERTRAM BENNING** The keyword is decarbonization. The EU wants to be climate-neutral by 2050, and many automotive manufacturers have set themselves ambitious climate targets. In order to achieve these goals, they need to make their production processes as energy-efficient as possible. In the entire car manufacturing process, the paint shops consume the most energy, because cleaning and priming the car bodies, applying the paint and drying it are very energy-intensive — every kilowatt hour not consumed is the best climate protection! This is where **EcoQPower** comes in, and its use can make a real difference. This is shown by the figures from our first customer project: The paint shop optimized with the energy network system is around 21% more energy efficient than a comparable modern standard system.

This is just the first application, as **EcoQPower** can be used worldwide depending on customer requirements. Systems optimized with **EcoQPower** can be operated with both gas and electricity — a big advantage! After all, electrifying the painting process makes customers independent of the fossil fuel gas and is the second most important lever for climate protection alongside energy efficiency. For example, we have developed a fully electrified paint shop for our customer that will be operated using green electricity with zero emissions. Although the operating costs are initially higher due to the purchase of green electricity compared to gas operation, this is offset by the energy savings resulting from the increased energy efficiency thanks to **EcoQPower**. At the same time, it is the first paint shop to meet the requirements of the EU Taxonomy. This shows once again: With pioneering technologies such as **EcoQPower**, we are paving the way for operating cost-optimized and climate-neutral automotive production.

## ECOQPOWER — VERIFIABLY SUSTAINABLE

Sustainability is often promised, but in retrospect it often turns out to be greenwashing. Scientific analyses can provide clarity here. Johanna Meier and Thomas Betten from the Fraunhofer Institute for Building Physics IBP took a close look at Dürr's first paint shop optimized with **EcoQPower**. The scientists report on the procedure for preparing the life-cycle analysis according to the specifications of the EU Taxonomy and on the results of the study.



Life-cycle analyses can be used to determine the environmental impact of products, processes, and services. In the context of the circular economy, the entire life cycle is considered: From the materials used and the transportation routes taken, through production and use, to the end of life. "We conducted the **EcoQPower** study against the background of reporting on the EU Taxonomy," explains Thomas Betten. "That is why the focus was on greenhouse gas emissions. We investigated whether the energy savings of the factory optimized with **EcoQPower** can also reduce greenhouse gas emissions over the entire life cycle." To prove this, the Fraunhofer team calculated the carbon footprint of two comparable, all-electric factories at the same location and with the same performance data — once with **EcoQPower** and once without. This was based on a conventional electricity mix. The comparison shows: Over its entire life cycle, the combined heating and cooling system reduces the factory's carbon footprint by 19.2% over a useful life of 15 years.

The scientists had already analyzed individual Dürr products in the past. However, calculating the carbon footprint of an entire factory was much more complex and time-consuming — a challenge given the fact that they only had three months to complete the calculations. "First, we had to collect a lot of data about the factory," reports Johanna Meier. "Environmental data on the materials

used, such as steel and plastic, can be found in scientific databases, for example. For specific information about the energy requirements of a paint shop or the technical processes, however, we asked Dürr directly." Thanks to the experience gained from previous projects and the good collaboration of all those involved, the analysis was completed on time.

In other sectors, such as the construction industry, life-cycle analysis has long been common practice. In mechanical and plant engineering, many companies only started calculating and reporting the carbon footprint of their technologies at a later stage. "However, we believe that the relevance of this issue will continue to increase in the future," concludes Thomas Betten. "After all, both legislators and customers are increasingly demanding well-founded proof of sustainability."

Further information on the collaboration with Fraunhofer IBP can be found in the → "**Preparation of life-cycle analyses**" section.



**JOHANNA MEIER  
AND THOMAS BETTEN**  
from Fraunhofer IBP  
prepared the life-cycle  
analysis for **EcoQPower**.





At the Dürr Group, we are continuously working to make our value creation processes more sustainable.



# VALUE CREATION AND SUPPLY CHAIN

Our overarching ecological objective is to reduce environmental and climate impacts associated with our business activities. This relates not only to the production sites, but also to the entire value chain, whose individual segments have varying degrees of impact on our environmental footprint. At the same time, we are committed to a transparent and sustainable supply chain and establish processes to respect human rights in our purchasing structures



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



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

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.

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.

# REDUCING ENVIRONMENTAL IMPACT AND PROMOTING SOCIAL JUSTICE

We strive to continuously improve our environmental and climate footprint and align our processes, products, and services accordingly. Our goal is to reduce negative impacts on the environment and climate.

## Environmental and energy management systems

We implement various measures for the reduction of negative environmental impacts resulting from our own business activities. We reduce our own ecological footprint through investments, for example in photovoltaic systems, energy

efficiency measures, and sustainable new buildings, as well as through certified environmental and energy management systems. We have set ourselves the goal of expanding certification for the environmental management systems in accordance with ISO 14001 at relevant locations. These are locations with production or assembly facilities or with a technical center and where hazardous substances are regularly handled. 49% of the relevant locations are already certified according to ISO 14001. Our German sites regularly conduct energy audits in accordance with DIN EN 16247-1 or have a certified energy management system according to ISO 50001. This means that 38% of the relevant locations are certified with regard to energy management. We are working to continuously increase the level of certification. An overview of the certifications can be found on our [website](#).

### ENVIRONMENTAL AND ENERGY MANAGEMENT CERTIFICATIONS (AS OF DEC. 31)

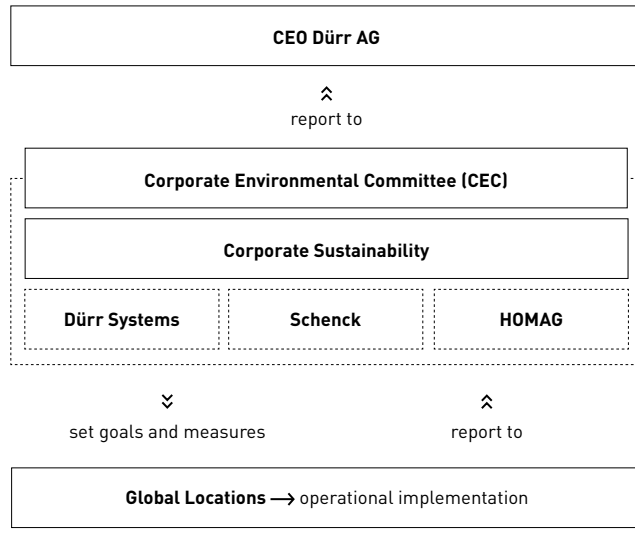
	absolute	relevant sites (in %)
Sites with production, assembly, or technical center and/or hazardous substances	61	100
of which sites with environmental management certified to ISO 14001 <sup>1</sup>	30	49
of which sites with energy management certified to ISO 50001 <sup>1</sup> or similar	23	38

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

## Energy and resource efficiency

The Corporate Environmental Committee (CEC) is responsible for the strategic direction and management of all environmental activities. It consists of the persons responsible for management and environmental management systems in the three subgroups and the Corporate Sustainability department, the head of which reports directly to the CEO. The CEC provides recommendations on relevant environmental aspects to the Sustainability Council, defines targets, and derives corresponding fields for action. It meets on an ad-hoc basis to enable coordination between the subgroups and to drive forward the implementation of the climate strategy. 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



### OUR POLICIES IN THE AREA OF ENVIRONMENT



A policy on environment and climate describes our understanding of environmentally sustainable, climate-friendly management and serves as a basis for our actions. It applies to all Group companies worldwide. In addition to the Group-wide policy, some of our subsidiaries have their own guidelines and policies.

Our vehicle policy, which promotes the switch to fully electric vehicles, applies throughout Germany.

In 2023, we also drafted a Germany-wide guideline for sustainable construction in the Dürr Group, which is to be adopted in 2024.

In order to be able to act quickly and effectively in the event of local accidental pollution, we have established site-specific emergency plans and teams as part of our Group-wide emergency and crisis management system. We qualify emergency responders, conduct regular evacuation drills, and rehearse emergency scenarios. In the event of environmentally relevant incidents, our sites are prepared and an internal emergency chain is triggered.

The protection of the environment and climate is a mandatory requirement for all employees. We expect all employees to act responsibly, with foresight, and in accordance with our requirements in their daily business activities. In this way, everyone makes a contribution to ecological sustainability in their personal working environment.

## ENERGY

To improve our environmental and climate footprint, we aim to continuously reduce the consumption of materials, resources, and energy, the volume of waste generated, and → **greenhouse gas emissions** in relation to sales. We record consumption of energy and resources as well as emissions throughout the Group and implement measures to reduce consumption and emissions following an economic efficiency audit.

### ENERGY CONSUMPTION

	2023	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>Energy consumption (in MWh)</b>				
Heating oil	5,798	5,466	6.1	22.4
Gas	53,805	57,388	-6.2	-9.5
Renewable fuels (e.g. biogas)	3,451	1,780	93.9	63.5
Electricity from conventional sources	0	15,132	-100.0	-100.0
Purchased electricity from renewable energies	55,780	41,759	33.6	1,380.3
Self-used electricity from own generation	7,797	7,018	11.1	-1
District heating	8,197	8,334	-1.6	117.3
<b>Total</b>	<b>134,827</b>	<b>136,876</b>	<b>-1.5</b>	<b>2.3</b>

<sup>1</sup> Data have only been collected since the year 2022.

**ENERGY INTENSITY**

	2023	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>Energy intensity (consumption in MWh per €1 million in sales)</b>				
Heating oil	1.3	1.3	-1.1	3.7
Gas	11.6	13.3	-12.6	-23.3
Renewable fuels (e.g. biogas)	0.7	0.4	80.8	38.5
Electricity from conventional sources	0.0	3.5	-100.0	-100.0
Purchased electricity from renewable energies	12.1	9.7	24.5	1,154.5
Self-used electricity from own generation	1.7	1.6	3.6	-1
District heating	1.8	1.9	-8.3	84.2
<b>Total</b>	<b>29.1</b>	<b>31.7</b>	<b>-8.2</b>	<b>-13.3</b>

<sup>1</sup> Data have only been collected since the year 2022.

Compared to 2022, energy consumption fell by 2%, although sales increased by 7% and the acquired BBS Automation was included on a time-proportionate basis. Accordingly, energy intensity decreased by 8% in 2023. As announced in the previous year, with the exception of the Ingecal companies acquired in November 2023, we sourced 100% of the electricity we purchased worldwide from renewable energy sources.

12% of the electricity requirements were covered through in-house generation (previous year: 11%). We generated a total of 3,896 MWh of electricity using our own photovoltaic systems (previous year: 2,669 MWh), 72% of which we used for our own

consumption (previous year: 71%). We reduced the consumption of gas from conventional sources by 6% compared to the previous year.

**WATER AND WASTE WATER**

A significant part of our value creation as an engineering company is accounted for by the development and construction of market- and customer-specific technical solutions. Production and assembly account for a smaller share of our business than in more production-intensive industrial companies, and the consumption of materials and resources is correspondingly lower.

Fresh water is used at most locations as drinking water, for food preparation, for sanitary areas, and for cleaning. At some locations with production activities, it is also used as process water (for cooling lubricants, sprinkler systems, plant and equipment in technical centers, cooling of buildings). With the exception of the Indian sites, all companies use drinking water from the public network. Occasionally, rainwater is also used for various purposes, for example at Dürr Systems in Brazil, South Africa, and India. 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 very small quantities of process water.

In most cases, waste water at Dürr Group sites is fed to the waste water treatment system through the public sewer system. Contaminated, chemically polluted waste water and waste water

from processes requiring special treatment is properly disposed of depending on the degree and type of contamination.

Every year, we collect information on the procurement and use of water, on water withdrawal, and on waste water volumes at relevant locations. This excludes locations with fewer than 30 employees. Our survey covers 76 sites employing almost 94% of the Group's workforce (excluding BBS Automation and Ingecal).

Compared to the previous year, water withdrawal in 2023 fell by 8%, as water leaks led to increased consumption in 2022. Compared to the 2019 base year, we were even able to reduce water withdrawal by 12%. Both water and waste water intensity have improved compared to previous years.

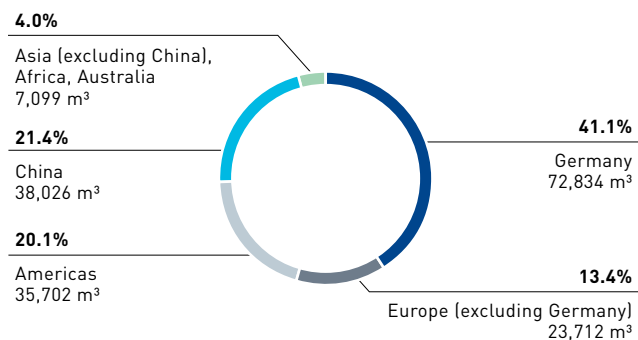
**WATER AND WASTE WATER**

	2023 <sup>1</sup>	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>Water and waste water absolute</b>				
Water withdrawal (m <sup>3</sup> )	177,373	191,761	-7.5	-12.2
Waste water output (water discharge) (m <sup>3</sup> )	156,745	154,609	1.4	-18.1
<b>Water and waste water intensity</b>				
Water withdrawal (m <sup>3</sup> /€1 million sales)	39.2	44.5	-11.7	-23.8
Waste water output (water discharge) (m <sup>3</sup> /€1 million sales)	34.7	35.8	-3.2	-28.9

<sup>1</sup> At BBS Automation, water withdrawal and waste water output were not recorded for 2023; we will report on this from 2024 onwards.



**WATER WITHDRAWAL BY REGION (2023)**



Most production sites are located in Germany. Accordingly, more than 40% of water withdrawal is accounted for by German sites, followed by China (21.4%), and North and South America (20.1%).

**WATER STRESS**

Our goal is to reduce water withdrawal and environmental impact at our sites. To this end, we established a Group-wide process in 2023 for assessing risks of water scarcity. At regular intervals, we analyze relevant sites using various indicators to identify potential local impacts and develop countermeasures as needed. These indicators include water stress, water scarcity, seasonal fluctuations in water supply, changes in groundwater levels, and the risk of droughts. We use indicators from the [Aqueduct Water Risk Atlas \(Aqueduct 4.0\)](#) of the World Resources Institute (WRI) as a data basis.

In spring 2024, we analyzed all 157 Dürr Group sites (including separate warehouses) with regard to the risk of water stress. At the time of the analysis, 28 sites were located in areas of extreme water scarcity (17.8% of all Group sites). In 2023, these locations were responsible for 26.4% of Group-wide water withdrawal and comprised 23.0% of the Group’s workforce. The countries with the most water stress areas are China, India, and Mexico.

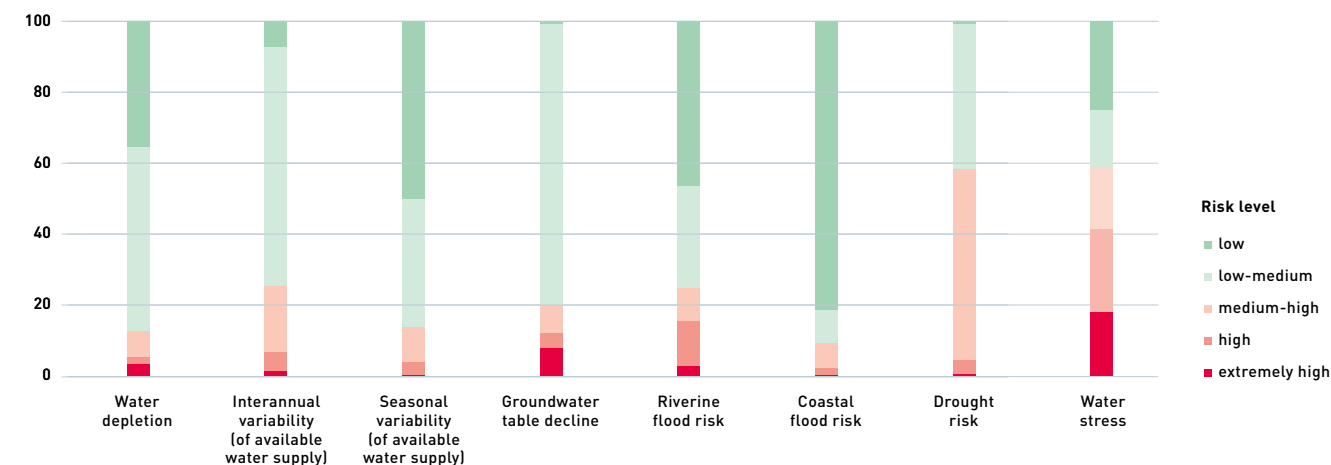
In addition, we simulated the risk of water scarcity at relevant locations for the years 2030 and 2050. We considered three → **Shared Socioeconomic Pathway scenarios (SSP scenarios):** SSP1-2.6, SSP3-7.0, and SSP5-8.5. As a result, we have identified

an increasing number of sites in areas with extreme water scarcity in the future. Accordingly, if the pessimistic scenario SSP5-8.5 were to occur in 2050, a total of 30 locations could be affected by extreme water stress, representing 19.1% of all locations.

At 8.61 m³ per employee per year, water withdrawal in the Dürr Group is relatively low compared with our industry peers. However, we are committed to further reducing our water withdrawal in view of the global water shortage resulting from climate change. We have therefore set ourselves the goal of publishing a Group-wide policy on water use in 2024.

**DISTRIBUTION OF THE GROUP’S SITES ACCORDING TO THEIR EXPOSURE TO WATER RISKS (STATUS AS OF: MARCH 2024)**

Share of Group locations (in %)



## WASTE MANAGEMENT

Some of our products are subject to the regulations of the EU Directive on Waste from Electrical and Electronic Equipment (EU WEEE). This directive was transposed into national law by the EU member states, in Germany by the Electrical and Electronic Equipment Act (ElektroG). The products we place on the market in Germany that fall within the scope of the ElektroG are registered for the relevant product categories in the Waste from Electrical and Electronic Equipment Register (EAR). The quantities placed on the market are reported to the EAR every year. A Group-wide concept for taking back machines from customers at the end of their useful life is currently being developed and will also be applied outside Germany in the EU in the future.

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. As part of its environmental management, the subgroup draws up a half-yearly balance sheet of the waste generated. At each site, there is a responsible person 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 are sorted at the incoming goods department and reused in the shipping department. Packaging that can no longer be used is sold as compressed bales on the secondary raw materials market at individual sites. Site-specific product packaging guidelines for shipping specify how materials are to be efficiently packaged so that they arrive safely and generate as little waste

as possible. Specially manufactured packaging, which is recirculated, is available for some standard components. The HOMAG and Schenck subgroups also have comparable processes for systematically separating waste and recovering or recycling recyclable materials in the best possible way. At HOMAG, metal shavings from mechanical processing are returned to the material cycle, correctly sorted by type.

In 2023, the Dürr Group generated 2,051 tons of hazardous waste (previous year: 2,052 tons), which corresponds to about 15% of the total waste volume (previous year: around 18%). 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. This waste is collected, separated, and temporarily stored in a professional manner according to internal policies. Disposal is carried out by external disposal and recycling companies.

Prior to their introduction, hazardous substances undergo a release process, the application of which is ensured by the respective site or process managers. Procurement requests are reviewed by hazardous materials officers. Where possible, we use environmentally friendly and non-hazardous alternatives. In order to reduce the risk of accidents and injuries, we train our employees in the safe handling of hazardous substances. If necessary, we will provide personal protective equipment. The safe handling of hazardous substances in the Dürr Group is further supported by a list of hazardous substances, safety data sheets, and operating instructions.

Due to clean-up campaigns and organic sales growth, the waste volumes increased by 19% compared to the previous year. The proportion of reused waste stands at 57% and has therefore remained almost constant.

### WASTE

	2023 <sup>1</sup>	2022	Change compared to previous year (in %)	Change compared to base year 2019 (in %)
<b>Waste absolute</b>				
Waste volume (t)	13,208	11,145	18.5	8.0
of which recycled (t)	7,520	6,445	16.7	-14.9
<b>Waste intensity</b>				
Waste volume (t/€1 million sales)	2.9	2.6	13.1	-6.3
of which recycled (t/€1 million sales)	1.7	1.5	11.4	-26.2

<sup>1</sup> At BBS Automation, the amount of waste was not recorded for 2023; we will report on this from 2024 onwards.

## Sustainable supply chain

We want to make our supply chain resilient and sustainable. In doing so, we not only consider qualitative, financial, and ecological aspects, but also human rights issues in particular. 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 compliance with our requirements as part of our supplier management and purchasing process.

### SUPPLIER STRUCTURE AND PROCUREMENT

In plant engineering, aside from raw materials and semi-finished products, we also purchase installation, assembly, and engineering services, along with complete work segments, assemblies, IT components, and units. In mechanical engineering, we purchase many finished parts and pre-assembled modules. Other important procurement groups are mechanical and electronic bought-in parts, such as drives and sensors. We exclusively manufacture certain core products ourselves to protect our know-how and ensure quality and on-time delivery.

At the end of 2023, around 700 employees were working in purchasing. We work with more than 30,000 suppliers worldwide. We purchase around 75% of our goods locally, i.e. from suppliers in the country of the respective subsidiary making the purchase. When it comes to important commodity groups, we have worldwide framework agreements in place to achieve better terms through economies of scale. In 2024, we plan to introduce software for calculating → **greenhouse gas emissions** in the supply chain. Further information on the subject of procurement can be found in the [Annual Report 2023, from page 36](#).

### ENVIRONMENTAL FOOTPRINT IN THE SUPPLY CHAIN

Ensuring that suppliers and business partners comply with our environmental and climate protection requirements is an important prerequisite for cooperation. When selecting and evaluating suppliers, we will take environmental aspects into account to an even greater extent in the future. Our globally valid [Supplier Code of Conduct](#), available in twelve languages, serves as the basis for cooperation. In it, we formulated our expectations of suppliers with regard to social standards, ethical business conduct, and environmental protection. For example, we require suppliers to comply with environmental laws and standards, and urge them to establish suitable environmental management systems. We expect our suppliers to use natural resources responsibly and minimize the consumption of raw materials, water, and energy. With a declaration of commitment, we require suppliers and business partners to comply with our Supplier Code of Conduct.



Suppliers and business partners must sign the Supplier Code of Conduct of the Dürr Group and accept it as part of the contract. [Supplier Code of Conduct](#)

We use the IntegrityNext platform to assess our high-risk suppliers on various sustainability issues (→ **“Human rights due diligence in the supply chain”**). This software supports us in making our sustainability standards an integral part of the supply chain and in managing high-risk suppliers. IntegrityNext provides us with information on the sustainability performance of our suppliers based on self-assessment questionnaires that include, among other things, environmental management certification, energy management, and carbon footprint. We also use the platform to obtain information on product conformity, for example information on the use of certain hazardous substances in electrical and electronic equipment (→ **“Restriction of certain Hazardous Substances” (RoHS) Regulation**) and on suppliers’ handling of chemicals (→ **“Registration, Evaluation, Authorisation and Restriction of Chemicals” (REACH Regulation)**). Our goal is to protect health and the environment from the risks posed by chemicals.

High-risk suppliers must also complete a sustainability-specific e-learning course. In this course, we provide information on aspects such as our climate strategy and our expectations for business partners to comply with environmental and climate protection standards (→ **“Human rights due diligence in the supply chain”**). We continued to review a financial incentive system for suppliers to increase transparency and sustainability in the supply chain. Its finalization has been postponed to 2024. Information on our climate protection measures in the supply chain can be found in the → **“Climate strategy”** section.

## HUMAN RIGHTS DUE DILIGENCE IN THE SUPPLY CHAIN

Our aim is to ensure that human rights are respected and protected. 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, among other things, signing the United Nations Global Compact (UNGC). In complying with our corporate due diligence, we are guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Overall responsibility for human rights due diligence lies with the Board of Management of Dürr AG. As of January 1, 2023, we appointed a Human Rights Officer to support and oversee human rights compliance processes in the Group and in the supply chain. The Human Rights Officer is part of the Corporate Sustainability department. She informs the Board of Management and the Dürr Management Board at least once a year about current human rights issues and any incidents.

Against the backdrop of the [German Supply Chain Due Diligence Act \(LkSG\)](#), which came into force on January 1, 2023, we set up a cross-functional working group in the reporting year. It provides support with the various human rights activities in the Group's own business area and in the supply chain, such as risk analyses, training, preventive and remedial measures, and with monitoring the effectiveness of these measures. Its members belong to the areas of Procurement, Corporate Sustainability, Corporate Internal Controls, Corporate Legal, and Corporate Compliance. Other areas, such as Corporate Human Resources or Corporate Health & Safety, are consulted as appropriate. The integration of human rights due diligence into existing processes and the implementation of measures relevant to human rights is

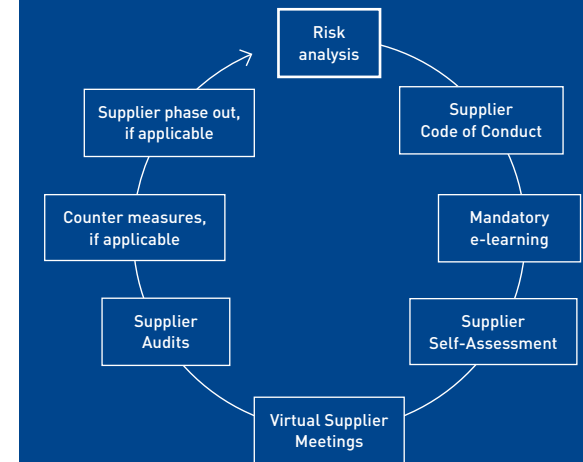
carried out by the relevant Group specialist departments or the specialist departments of the individual companies.

The [Policy Statement on the Respect for Human Rights](#) describes our approach to compliance with corporate due diligence. It contains binding principles on the respect for human rights and fair working conditions and forms the basis for fulfilling our social and environmental responsibility along the entire value chain. Our globally applicable [Supplier Code of Conduct](#), which explicitly requires compliance with human rights, is one component of our contracts with suppliers.

In order to increase transparency with regard to human rights issues in our supply chain, we conduct a risk analysis of our direct suppliers on an annual basis and — if necessary — when circumstances require. The analysis, which was last carried out in the spring of 2024, is an elementary component of our human rights risk management for direct suppliers. In order to assess identified potential high-risk suppliers in detail, we use self-assessment questionnaires to determine the actual risks. We ask suppliers from high-risk countries and industries to complete a self-assessment questionnaire in IntegrityNext on compliance with human rights and other sustainability aspects relevant to us. For example, suppliers must indicate whether they comply with occupational safety regulations and fair working conditions. Based on this information, we perform a risk classification of suppliers using the traffic light colors of red, yellow, and green. If necessary, we conduct feedback discussions and work with the supplier to develop individual action plans and timelines. We keep ourselves informed about their implementation in follow-up meetings.

### EIGHT PREVENTIVE MEASURES

Based on our risk analysis, we initiate supplier-specific preventive measures and contribute to the respect of human rights in the supply chain.





We require high-risk suppliers to take the following preventive measures:

- Suppliers and business partners must sign the [Supplier Code of Conduct](#) of the Dürr Group and accept it as part of the contract. The Code covers, for example, the topics of equal treatment, fair working conditions, occupational safety, and health protection. By signing it, suppliers confirm our principles of responsible corporate governance, human rights due diligence, and environmental management, and assure to be aware of our whistleblowing system, the [Dürr Group Integrity Line](#).
- We use an e-learning module to raise suppliers' awareness of human rights and other sustainability issues, highlight the importance of our Supplier Code of Conduct, and draw attention to the Dürr Group Integrity Line. The online training

is available in ten languages and is concluded with a test. In 2023, 76% of high-risk suppliers have completed the online training.

We have started to carry out on-site audits focusing on sustainability, where necessary. We revised the audit process in 2023 and added sustainability requirements to the audit checklist. In doing so, we have focused on human and employee rights and verify compliance with the standards set out in our Supplier Code of Conduct. In the process, we frequently identify deficiencies in compliance with our occupational safety standards. In cases of non-compliance, we make recommendations for improvement. Suppliers are required to implement these, and we monitor their progress through re-audits. We plan to expand our audits in 2024. We also specified the sustainability criteria for our suppliers and developed a bonus-malus system to take these criteria into account in our purchasing processes in future.

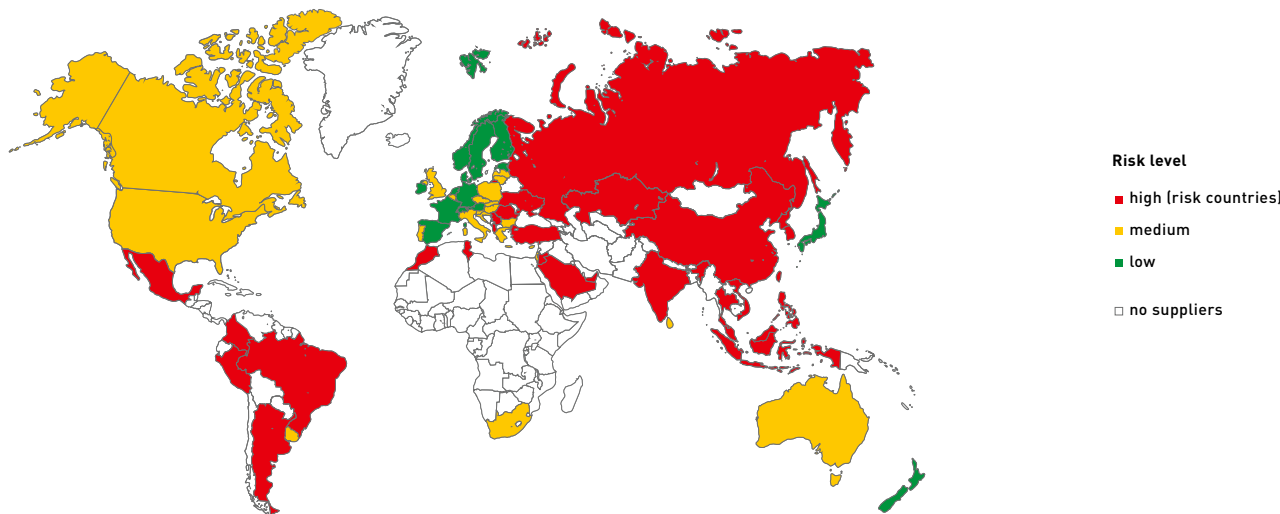
In order to raise awareness of sustainability in the supply chain among our buyers worldwide, we are successively adding human rights and sustainability-specific content to our training portfolio. Since 2023, e-learning for suppliers has also been accessible to our employees in purchasing. We also inform them regularly about relevant changes, for example in the form of our Procurement Colleges. Using this format, we trained around 75% of our employees in purchasing across the Group on the topic of sustainability in 2023 and presented the new processes and prevention measures. After completing the risk analysis in 2024, we will conduct the training again.

### CONFLICT MINERALS

For the manufacture of our machines and systems, we source products that contain, among other things, small amounts of tin, tungsten, tantalum, and gold (→ 3TG). As of January 1, 2021, the EU Conflict Minerals Regulation requires EU importers to source → **conflict minerals** — tin, tantalum, tungsten, their ores, and gold (3TG) — from responsible and conflict-free sources only. This is intended to curb funding for violence and human rights violations in conflict or high-risk areas.

In our Supplier Code of Conduct, we require our suppliers to source the minerals in question exclusively from audited, conflict-free smelters and refineries. Where possible, we gain transparency on the country of origin of minerals and the smelters and refineries involved using the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI). We use the OECD Due Diligence Guide to Promote Responsible Supply Chains for Minerals from Conflict and High-Risk Areas to further improve our process for dealing with conflict minerals.

#### COUNTRY-SPECIFIC SUSTAINABILITY RISK RATING IN THE DÜRR GROUP (DEC. 31)





We offer young, talented staff responsible work in an international environment.



# EMPLOYEES AND QUALIFICATION

Our innovative products and services are the result of the commitment and performance of our more than 20,500 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. As a basic requirement, we create a safe working environment and are committed to a corporate culture characterized by fairness and equality.



**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.



# VOCATIONAL TRAINING: SHAPING TOMORROW,



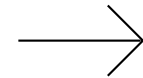
## STARTING TODAY

Well-trained, skilled workers are more sought-after than ever. The Dürr Group offers young people a wide range of vocational training opportunities with attractive prospects. Former and current apprentices share their experiences over four decades. Why did they opt for an apprenticeship? Why did they come to Dürr? What do they appreciate most about their company? Even though the professional world is in constant flux and a lot has changed over the years, they do still find some common ground.

TEXT: STEPHAN KÖHNLEIN — PHOTOS: SASCHA FEUSTER

Thinking back to her apprenticeship as an industrial clerk at Dürr, Sabine Hillebrand notices one change in particular: “When I started at the age of 17, I was very shy and reserved. Today’s apprentices are much more self-confident,” she says. “Back then, when I had to negotiate something in the purchasing department, I preferred to go to an office where nobody could overhear me. Young people today aren’t worried about that. They approach these tasks completely openly and without reservations.”

Hillebrand’s apprenticeship was around 40 years ago now. She has spent her entire professional life at Dürr. Only once did she put her feelers out to other companies. But her former boss brought her into his department and a potential move was off the table. This loyalty to Dürr is not an isolated case. She says, not without pride, that three of the four commercial apprentices who started with her back then are still with the company today.



Industrial clerks  
Lea Ruof (left)  
and Sabine  
Hillebrand share  
their experiences.



**Many paths lead to the Dürr Group**

Hillebrand originally wanted to become a bank clerk. But that didn't work out. Since her father was a department manager at Dürr, she also ended up applying there. That is what connects Hillebrand to Lea Ruof, whose father works for Dürr's subsidiary Teamtechnik. "That's why the company was also on my radar," says the 22-year-old, who is training to become an industrial clerk.

Ruof embodies the young, self-confident generation of apprentices. What she appreciates about Dürr is that she can get involved in many different ways and take on responsibility in projects. During her time in the HR department, for example, she was involved in selecting candidates for the trainee program. In the second year of her training, she completed a four-week work placement in the United States. After her apprenticeship, she first wants to gain professional experience at Dürr before pursuing further training. "I'm not sure yet whether to go for an advanced training qualification or a part-time degree," she says.

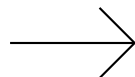
Lena Heßlinger came to Teamtechnik through a school internship. "I live nearby, so it was a no-brainer that I would check it out," she declares. "I really enjoyed the internship. That's why wanting to do my apprenticeship here was an easy decision for me." She is now in her second year of training as an industrial mechanic — a profession in which women are still the minority, although she says they are steadily increasing in number. She is particularly enthusiastic



Benefits of the training workshop: Malte Michelfelder and Lena Heßlinger hone their practical skills on a component.

**“The German training system is a successful model that is copied all over the world.”**

HANS-UWE KLAIBER,  
TRAINING MANAGER AT DÜRR

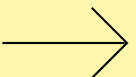


about milling. In fact, she assures us that there hasn't been anything in her apprenticeship so far that she hasn't enjoyed.

Heßlinger also likes the fact that the apprentices at Teamtechnik have their own workshop where they can try out new things. When she compares this with her fellow vocational school students at other companies, this place is really something special. She can also work regularly in other Teamtechnik workshops. She was even on an assembly job in her first year of training. "That was quite cool." Her plans for the future: "First settle in and gain some professional experience," she says, then adds with a mischievous smile: "Maybe then I'll make it to 40 years at Teamtechnik, too."

**It's not just grades that count**

The two training managers at Dürr and Teamtechnik, Hans-Uwe Klaiber and Marcel Rütten, emphasize that vocational training has a future. "It is especially in Germany, where we have few raw materials, that we need to score points with knowledge and skilled workers," says Klaiber. He adds: "The German training system is a successful model that is copied all over the world." Rütten points out that the highly complex equipment of Dürr and Teamtechnik requires a great deal of expertise and that it is therefore important to train skilled workers in-house, specifically for this purpose. In terms of technical training content, they have both observed a shift in focus. "The trend is moving toward more computer science and somewhat away from pure mechanical engineering," says Klaiber.



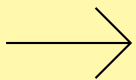


When selecting applicants, both of them look not only at the grades obtained in the main subjects, but also at other qualities such as behavior and participation. Internships or other forms of engagement also have a positive impact. In addition, the cover letter plays a major role. "The applicants should use it to refer to our company and thus demonstrate that they have made an effort to learn about us," says Rütten. Trial work, in-house tests, and job interviews with the designated apprentices also play an important part in the further process. "After all, we want to see that it works for both sides," explains Klaiber.

**The right choice**

Malte Michelfelder started his apprenticeship as a mechatronics technician at Teamtechnik in 2008. Afterward, he went through several departments, completed his master electrician certification alongside his job, and is now a team leader for electrical assembly. Like Sabine Hillebrand, he also thinks that today's apprentices appear more confident. "When I see the topics they are already dealing with at the age of 16, I realize that they are much more mature and grown-up than we were back then."

He adds that he always tells his apprentices how important motivation is — especially when it comes to things they may not enjoy as much. "Even if you don't like something at first, you gain experience and grow from it," he says. He admits that vocational school was a bit of an issue for him during his apprenticeship. He has this in common with Hillebrand, Ruof, and Heßlinger, none of whom are, or were, big fans of the school phases during their training. However, they don't question its fundamental necessity.



“Even if you don't like something at first, you gain experience and grow from it.”

MALTE MICHELFELDER,  
TEAM LEADER ELECTRICAL  
ASSEMBLY AT TEAMTECHNIK

Marcel Rütten (left) and Hans-Uwe Klaiber are experienced in training young people.



All in all, Michelfelder says he has been able to experience and learn a lot of new things during his departmental changes. "It never got boring or tedious." If he had to choose again, he would opt for the same career path. "I've never been a theorist," he explains. "Despite my duties as team leader, I still do a lot of practical work. I wouldn't be happy with a purely office-based job. Studying at university was never an option for me either. There's absolutely no question for me: I would do an apprenticeship again."

# IMPLEMENTING FUTURE-ORIENTED IDEAS TOGETHER

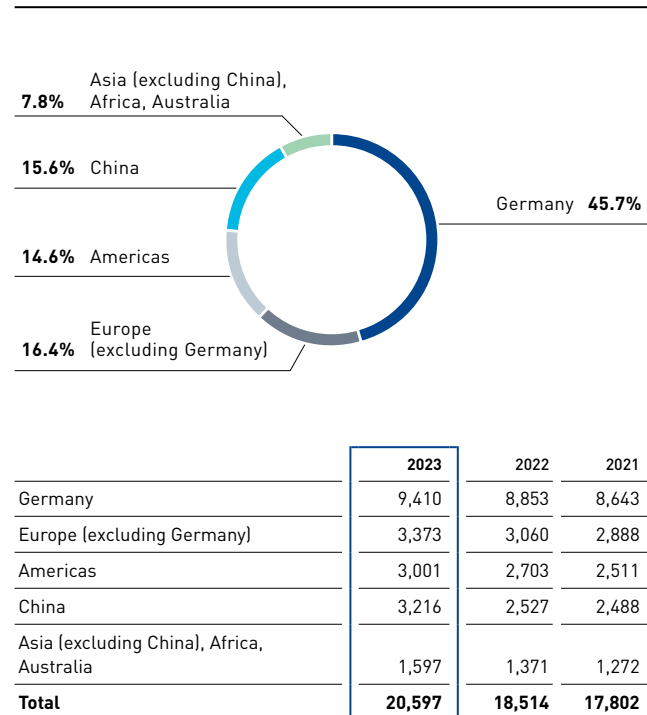
## Workforce development

As of December 31, 2023, the Dürr Group had 20,597 employees, up 2,083 or 11.3% on the end of the previous year. Most of the increase was due to acquisitions: The first-time consolidation of BBS Automation added 1,614 employees, who were assigned to the Industrial Automation Systems division. A further 74 employees joined the Group following the acquisition of Ingecal and are now part of Clean Technology Systems. Adjusted for acquisition effects, the headcount would have grown by only 2.1%. In the case of Paint and Final Assembly Systems and Application Technology, the number of employees increased significantly less quickly than sales, while the headcount at Woodworking Machinery and Systems was reduced in response to the lower order intake. The high growth in the Corporate Center is mainly due to the transfer of employees, for example from IT and HR, who had previously been assigned to the divisions. In addition, there was an increase in staff in the holding functions of Dürr AG in response to the Group's growth in previous years.

At 27.3%, China, where BBS Automation has an extraordinarily strong presence with 806 employees, accounted for the greatest growth in employee numbers by far. The number of employees also increased by a significant 16.5% in Asia (excluding China)/

Africa/Australia, while it grew by 11.0% in the Americas, by 10.2% in Europe (excluding Germany), and by 6.3% in Germany.

### EMPLOYEES BY REGION (AS OF DEC. 31)



Open-mindedness and diversity are key components of our corporate culture. Our employees are on average 42 years old. 32% are younger than 35; Germany has the oldest workforce with an average age of 44. 48% of our employees have a university degree, while 47% have chosen non-academic vocational training. The production/assembly sector is the most employment-intensive with a share of 26%. 15% of employees are assigned to service business.

### EMPLOYEES BY AGE GROUP AND GENDER (IN %, AS OF DEC. 31)

	2023		2022		2021	
	Women	Men	Women	Men	Women	Men
of which <35 years	19.4	80.6	20.0	80.0	19.5	80.5
of which 35-44 years	18.5	81.5	17.8	82.2	17.2	82.8
of which 45-54 years	16.4	83.6	15.6	84.4	15.8	84.2
of which >55 years	12.2	87.8	12.5	87.5	12.0	88.0
<b>Total</b>	<b>17.2</b>	<b>82.8</b>	<b>17.1</b>	<b>82.9</b>	<b>16.7</b>	<b>83.3</b>

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

	2023	2022	2021
Germany	16.6	16.0	15.4
Europe (excluding Germany)	19.6	20.4	20.0
Americas	14.8	15.1	14.7
China	21.4	21.6	21.7
Asia (excluding China), Africa, Australia	11.4	16.0	10.6
<b>Total</b>	<b>17.2</b>	<b>17.1</b>	<b>16.7</b>

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

	Total	Women	Men
Germany	13.6	12.4	14.0
Europe (excluding Germany)	7.8	7.3	8.0
Americas	8.2	6.8	8.2
China	7.1	6.6	7.3
Asia (excluding China), Africa, Australia	6.6	5.3	6.6
<b>Total</b>	<b>10.3</b>	<b>9.2</b>	<b>10.5</b>

# 10 YEARS

AVERAGE LENGTH  
OF SERVICE

### OTHER KEY PERSONNEL FIGURES (WORLDWIDE, AS OF DEC. 31)

	2023	2022	2021
Number of employees	20,597	18,514	17,802
of whom apprentices and students at universities offering work-study programs	536	500	505
of whom employees working part-time	745	696	633
of whom employees with fixed-term contracts	514	467	203
Number of external employees (temporary work)	1,110	1,171	856
Employee turnover [%]	10.7	11.3	9.7

As in the previous year, 99% of employees in Germany were on permanent contracts as of December 31, 2023. 1.4% of women (previous year: 1.9%) and 1.4% of men (previous year: 1.7%) had fixed-term contracts at the end of the year. As in the previous year, 8% of employees in Germany worked part-time, 65% of them women (previous year: 69%). The proportion of non-pay scale female executive employees in middle management in Germany remained unchanged at 7%.

A large proportion of external employees work at our German sites, predominantly within the framework of employee leasing transactions and on the basis of contracts for work and services. Temporary employees work in both industrial and commercial areas, for example in production, incoming goods, as assistants, and as project managers. When commissioning temporary employment agencies, we ensure that they are bound by collective bargaining agreements. By requiring disclosure of

their calculations, we are able to verify that workers are paid according to collective agreements. Independent contractors, for example freelancers, are employed in construction management, commissioning, or maintenance of plants, among other things. If required, we hire external employees for permanent positions.

The right to parental leave is regulated by law in Germany. In 2023, 538 employees in Germany took parental leave (previous year: 458), 39% of whom were women (corrected previous year's figure: 35%) and 61% men (corrected previous year's figure: 65%). 390 employees returned to work from parental leave, 21% of whom were women (corrected previous year's figure: 19%) and 79% men (corrected previous year's figure: 81%).

## Attractive employer

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. We promote the satisfaction and retention of our employees through performance-related remuneration and various advanced training and career opportunities.

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 bonus. Employees covered by collective bargaining agreements are entitled to holiday and Christmas bonuses and can use a flexible lifetime working time account.

With flexible working hours and mobile working, we help employees to balance their work and private lives, thus contributing to equal opportunities between the sexes. Depending on their individual situation in life and working time expectations, employees can realize different part-time models in consultation with their managers. In Germany, pay scale employees with children or dependents in need of care, and those who work shifts are entitled to eight additional days off. In Bietigheim-Bissingen, we provide a number of childcare places within the framework of cooperation with several daycare centers. At that location, we also offer a supervised holiday program for children. Special payments are made for anniversaries and for special family occasions. We also offer sports, health, and stress prevention courses as well as cultural activities to help employees achieve a better work-life balance.

## MEASURING THE SATISFACTION AND RETENTION OF OUR EMPLOYEES

Satisfied and motivated employees are an important basis of our company's success. We therefore survey the satisfaction of our employees 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 are regularly discussed at the individual Group sites between senior management, HR departments, employee representatives, and the respective employees.

We usually measure the satisfaction of our employees every three years with the help of global surveys. These are carried out by an external service provider. The last survey was conducted in September 2023. At the end of 2023, we launched a two-part follow-up process at team and Group level, which we will continue in 2024. We will take a close look at teams with strikingly negative results. The aim is to analyze weaknesses and initiate improvements together with the teams. A follow-up survey of the teams concerned will be used in 2024 to review the implementation and success of the measures. We have also identified the following key areas where action is required across the Group: process optimization, employee integration, as well as development and change processes. We will also develop improvement measures in these areas.

We generally conduct random pulse surveys among our employees at least once a year. These are usually based on issues from the previous employee survey. The next pulse survey is planned for 2024.

## People development and further training

The success of our company depends to a large extent on qualified personnel and prudent management. That is why we attach great importance to further training and development opportunities. Our individual people development and training programs are designed to prepare our employees properly for new tasks, to ensure the availability of well-qualified managers, and to promote the development of young, skilled personnel and young leaders from the Company's own ranks.

### "SPARK" — DIGITAL PLATFORM FOR IDEAS MANAGEMENT

We use the digital platform "Spark" for ideas management. It enables our employees to submit ideas and suggestions for improvement and track the processing status. In 2023, a total of 576 ideas were submitted (previous year: 649). The participation of employees is intended to lead to further improvements and strengthen their identification and satisfaction with the company. Previously, the platform was available at the German locations, but the Polish Dürr and HOMAG companies were also connected to it at the end of 2023. In the future, "Spark" is to be made available worldwide.

**Spark**   
YOUR IDEAS MATTER



In the Dürr Group, overall responsibility for human resources lies with Corporate Human Resources. A company directive governs cooperation between Corporate Human Resources, the HR departments of the three subgroups, and the local HR managers. As part of Corporate Human Resources, the People Development and Change department is responsible for the Group-wide management and coordination of people development and further training.

Structures and processes of people development are regulated by a company directive. As part of the OneHR project, which includes the transformation of the HR area and the introduction of a shared HR IT platform, new processes have been developed for evaluation and talent management. The evaluation management process is about the development dialog between manager and employee, which includes competence assessment and the definition of development goals. The talent management process includes the allocation of high potentials and high performers to talent pools, their development, and Group-wide succession planning. The piloting of the processes originally planned for mid-2023 has been postponed to the first half of 2024. This is due to the fact that the processes are used primarily in the context of employee appraisals, which usually take place in the first half of the year.

In 2023, we introduced a new competency model for managers and employees across the Group, in which we describe eight cross-disciplinary competences that are required to optimally support our Group strategy: showing initiative, shaping change, making decisions, living leadership, communicating clearly and respectfully, working in a team, acting in an entrepreneurial

manner, and driving innovation. The competency model is a central component of the new evaluation and talent management processes and will provide the conceptual framework for the assessment and development of employees' competences in the future.

In Germany, all staff employed under the terms of a collective agreement received performance assessments, while non-pay scale employees received a target agreement. In order to promote the feedback culture and an open dialog between managers and employees, voluntary feedback forms are used in the performance appraisal interviews. These include topics such as collaboration, leadership, work-life balance, and personal development.



As a Group-wide platform for further training, the Dürr Group Academy (DGA) pools all further training offers and is available in 12 languages. Internally organized training programs on topics such as leadership, working methods, collaboration, as well as IT and digitalization can be accessed online by most employees.

Most of our further training events in 2023 again took place virtually. We registered approximately 75,000 online attendances (previous year: approximately 73,000). Most of the training courses that promote the personal exchange of experience, communication, and team development were held as in-person events. We registered over 9,500 attendances here

(previous year: over 6,000). Overall, the participation rate was 4.5 training sessions per employee (excluding BBS Automation and Ingecal; previous year: 4.3). We measured a total learning time of 194,771 hours (previous year: 184,057 hours), which corresponds to a learning time quota of 10.3 hours per person per year (excluding BBS Automation and Ingecal; previous year: 9.9 hours). Specialized training events accounted for 37% of all training attendances (previous year: just under one-third). Total expenditure on training amounted to around €3 million (previous year: just under €4 million), which corresponds to an average of €159 per person employed (excluding BBS Automation and Ingecal, previous year: €215). The main reason for the decline in training expenditure is that some training courses planned for the second half of 2023 were postponed to 2024 for economic reasons.

All employees have access to over 22,000 online courses in seven languages at any time via the LinkedIn Learning platform. This allows them to independently acquire knowledge in business, technical, and creative areas. As of December 31, 2023, 10,687 employees were registered there (previous year: 8,558); learning time totaled 9,217 hours (previous year: 10,492). Through the Working Out Loud (WOL) initiative, we promote collaboration, networking, and knowledge sharing. The project took a break in 2023 and is set to resume in 2024.

We continued our international corporate training events in 2023. 1,185 employees (previous year: 1,806) attended best-practice training courses on project management, sales, and leadership as well as qualification programs for prospective and experienced managers. The Fit for Leadership Program

combines international online sessions with local in-person events. In 2023, 119 future executives attended (previous year: 221). The Advanced Leadership Program was used by 45 experienced managers (previous year: 68). In the Leadership Project Management Program, 62 project managers improved their leadership skills (previous year: 89). The decline in participation figures is due to the fact that some training courses scheduled for the second half of 2023 were postponed to 2024 for economic reasons.

We support our employees in their personal career planning through orientation and development centers. As part of the orientation centers, they receive feedback regarding their motivation and competencies, and gain clarity about their future career path. Based on the results, they have the opportunity to define personal learning areas and development measures together with their manager and the People Development and Change department. The development centers are designed to develop future executives. Based on feedback from a circle of observers, participants can assess their capabilities and their development potential. In a concluding discussion with the People Development and Change department and the respective manager, they receive concrete guidance for a future management career and a corresponding development plan. We revised the orientation and development centers in 2023 to align with the new competency model. In addition, the services are now also available in English and for more employees.

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 human resources.

## 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. In 2023, we hired 2,589 new employees (previous year: 2,439). In the past three fiscal years, we have not made redundancies affecting more than 1,000 employees or more than 5% of the total workforce (mass redundancies).

In order to stand out in the labor market, 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 career page on the internet, and through online job boards. We continue to expand our presence as an employer in social media. For example, HOMAG operates channels on [Instagram](#) and [YouTube](#) as well as a [podcast](#) for apprentices. We have postponed the revision of our employer branding planned for 2023 until 2024, as we focused on the OneHR program in the year under review. The program includes the introduction of an integrated HR IT platform to standardize recruiting processes across the Group.

# 2,589

NEW HIRES IN 2023

Students who are about to enter the job market can gain practical experience in our company in the form of internships, in working student positions, and while writing their theses. As in the previous year, we promoted the development of 340 young people in 2023.

Our reputation as an attractive employer is underscored by independent awards and rankings: The Dürr Group was once again awarded the Fair Company seal of approval by the German business newspaper "Handelsblatt." This seal confirms that we do not hire graduates for internships and that interns are paid appropriately. On the evaluation platform Kununu, we achieved average scores of 3.9 (Dürr Systems), 4.1 (Schenck), and 3.5 (HOMAG) in 2023. The industry average is 3.5 (maximum possible top score: 5). Dürr Systems, Schenck, and BENZ also received the Top Company seal, placing them in the top 5% of employers listed on Kununu.

## HIGH-QUALITY VOCATIONAL TRAINING

We offer young people a diverse training program, which includes 19 professions, plus 13 work-study programs. As of December 31, 2023, we had 536 apprentices and students in work-study programs, mainly in Germany (December 31, 2022: 500); HOMAG companies accounted for almost 60% of this figure. The training rate in the Dürr Group was 2.6% (previous year: 2.7%). In 2023, we introduced a new training assessment system at all German training locations (with the exception of those of Dualis and iTAC). It is used to evaluate the performance of apprentices and students in work-study programs according to standardized criteria and to provide them with structured

feedback. We also successfully completed the introduction of new training management software at all German training locations in 2023. The software enables us to bundle the administration of all key training processes across the Group. 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 Group companies Dürr Systems, Schenck Rotec, HOMAG, and Teamtechnik once again ranked among Germany's best companies for vocational training in 2023. In the Deutschland Test and FOCUS Money training rankings, Dürr Systems took third place in the mechanical and plant engineering sector. On Kununu, we achieved a very good average rating of 4.4 out of a maximum of 5 points across all training locations.

# 536

APPRENTICES AND STUDENTS  
IN WORK-STUDY PROGRAMS

## Respect for human rights

In the Dürr Group, we act in accordance with the maxim that we neither cause nor contribute to human rights violations. We are committed to respecting human rights and promoting fair working conditions in our own business area and at our direct suppliers. As a globally active company, we have a responsibility to all people associated with our business activities. By signing the UNGC, we have once again reaffirmed our commitment to this responsibility. Respect for internationally recognized human rights, as set out in the International Bill of Human Rights and the ten core labor standards of the International Labor Organization (ILO), is essential to us. In implementing these standards, we are guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We urge all employees worldwide to comply with our human rights principles. These principles also apply to members of supervisory boards and comparable supervisory bodies, as well as to members of the Board of Management and the senior management.

Overall responsibility for human rights due diligence lies with the Board of Management of Dürr AG. The Human Rights Officer, who was appointed on January 1, 2023, accompanies and monitors the processes for compliance with human rights within the Group and in the supply chain. A cross-functional working group provides support for human rights activities in our own business area and in the supply chain. Further information on the organization and responsibilities in the area of human rights can be found in the → [“Human rights due diligence in the supply chain”](#) section.

### OUR PRINCIPLES ON THE RESPECT FOR HUMAN RIGHTS AND FAIR WORKING CONDITIONS

- We reject any form of child labor without exception.
- We reject any form of forced or compulsory labor and are strongly committed to the prohibition of human trafficking and modern slavery.
- We provide safe working conditions.
- We are committed to freedom of association, the right to collective bargaining, and the right to strike.
- We do not tolerate discrimination, stand up for tolerance, and promote equal opportunities and equal treatment in the workplace.
- We pay fair wages and salaries.
- We stand up for fair working conditions and reasonable working hours.
- We take measures to reduce greenhouse gases.
- We use natural resources responsibly and avoid negative impacts on people and the environment.

We redesigned our process for assessing human rights risks in our own business area in 2023. It comprises a risk classification of all Group companies on the basis of country-specific indices. As a result, we have identified 18 high-risk countries where almost 40% of our employees work. We used a self-assessment questionnaire to ask all major Group companies about their current processes in areas with human rights risks.

As a result, we were able to exclude certain subject areas, such as child labor, all forms of slavery, and forced labor. We consider the areas of failure to respect occupational health and safety, and unequal treatment of employees to be particularly risky. Further information on processes and measures can be found in the → **“Occupational health and safety”** and → **“Diversity, equity, and inclusion”** sections.

## TRAINING AND RAISING OF AWARENESS

We train our employees and make them aware of our corporate values and principles. In this way, we want to establish a common understanding of human rights and fair working conditions in the Dürr Group and create a respectful working environment. Regular compliance training, which also includes our [Code of Conduct](#) as well as basic and in-depth training courses on occupational health and safety are mandatory for all employees. Managers and employees who aspire to a management position receive specific in-depth training. We expect them to live up to their function as role models and to set an example to employees regarding our corporate values and ethical principles through exemplary behavior. We regularly review the content of the training courses and adjust them as needed. Our awareness measures are further supported by information on the intranet.

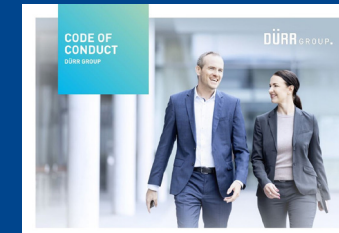
## POLICY STATEMENT ON THE RESPECT FOR HUMAN RIGHTS

Our Group-wide [Policy Statement on the Respect for Human Rights](#) describes our approach to compliance with corporate due diligence in the area of human rights. It contains detailed binding principles on the respect for human rights and fair working conditions, and forms the basis for our social responsibility along the entire value chain. The management of each Group company is responsible for ensuring local compliance with the principles. The policy applies in addition to our Code of Conduct.



## OUR CODE OF CONDUCT

The ethical foundation of our relationships with employees, customers, business partners, and shareholders is the Group-wide [Code of Conduct](#). It outlines our corporate principles and our clear commitment to compliance with legal requirements and ethical standards. The Code of Conduct is available in ten languages and is part of our mandatory onboarding training for all new employees. The Code was updated in 2023 and supplemented by the new corporate values developed as part of the One Vision project (→ **“One Vision”**).



## DÜRR GROUP INTEGRITY LINE

Employees, business partners, and third parties who suspect violations of human rights or other offenses — including with regard to the provisions of our Code of Conduct and the [Supplier Code of Conduct](#) — can contact us at any time through

various channels, anonymously, if they wish. One option is the [Dürr Group Integrity Line](#). This whistleblowing system is publicly accessible to all → **stakeholders** via our website. Information can be submitted via an online form, which is available in ten languages.



Incoming reports are reviewed and assessed for plausibility by the Corporate Compliance Officer, who, in justified cases, will take further action and, in consultation with the various departments, initiate individually appropriate measures. All information is treated confidentially. We will not tolerate discrimination or retaliation against the person who makes a report, even if the report later proves to be unfounded. Employees, suppliers, and business partners as well as third parties will have to expect consequences if they subject whistleblowers to reprisals.

In 2023, we revised the whistleblowing system in response to new legal requirements. Among other things, we have introduced new software that enables us to conduct an anonymous dialog with whistleblowers and to ask questions to clarify the incident described. In addition, new language versions have been added, access to reporting has been made barrier-free, and the user-friendliness has been improved. In March 2024, we published an accompanying company directive. It describes the whistleblowing system, explains how to use it, and defines procedural principles and responsibilities. At introductory events, onboarding training courses, and mandatory basic and refresher compliance training courses, we introduce our whistleblowing system and the company directive to our employees. We also make them aware of this by providing information on the intranet, and regularly refresh their knowledge.

In 2023, there was one indication of a possible human rights violation. This was a potential case of unequal treatment of employees; however, following an investigation, the report proved to be unfounded (previous year: no report of possible human rights violations).

## Diversity, equity, and inclusion

The skills of our employees are shaped by different backgrounds, cultures, and experiences. Given the international nature of our business, intercultural diversity and tolerance are of great importance for the success of the company. The One Vision corporate mission statement — with values such as trust, respect, and responsibility — is a good basis for creating a culture of openness and mutual appreciation (→ **“One Vision”**). The goal is to develop the corporate culture in such a way that diversity is valued and equity and inclusion are actively promoted. All employees should feel respected and be able to reach their full potential.

The basis for promoting diversity, equity, and inclusion is our [Code of Conduct](#) and our [Policy Statement on the Respect for Human Rights](#). We treat all human beings equally, regardless of their personal or genetic characteristics. No form of discrimination is tolerated in the Dürr Group, whether based on gender, age, religion or ideology, illness, disability, ethnic, cultural or social origin, nationality, skin color, sexual orientation, marital status, or for any other reason. We do not tolerate harassment or abusive behavior.

When recruiting employees, we focus on equal opportunities and take individual needs into account, for example by offering flexible working time models. At our German sites, we have Equal Opportunities Officers who are committed, among other things, to reconciling work and family life. Representative bodies for employees with severe disabilities represent the interests of affected persons and provide them with advice and assistance.

At university fairs, we also specifically approach women in order to hire them as employees for our company. We have also participated several times in the annual “Girls’ Day,” a Germany-wide day dedicated to providing girls with guidance on vocational training and university studies. We give female students in grades 7 to 10 insights into apprenticeships or courses of study in the fields of IT, skilled trades, natural sciences, and technology.

In order to promote diversity, equity, and inclusion within the company, we focus on building internal knowledge through further training events. We also gain new impetus by participating in working groups or network meetings.

The first activities to raise awareness of diversity, equity, and inclusion within the company were launched in 2023. For example, we participated in the Diversity Conference of the “Charta der Vielfalt” — an association that promotes a non-biased work environment, strengthened the women’s network, and organized a Women’s Day after-work event at the Group headquarters in Bietigheim-Bissingen. Diversity, equity, and inclusion were also on the agenda of the Dürr Group Executive Meeting in March 2023. The Board of Management and top managers worldwide were made aware of the benefits of active diversity management.

In February 2024, we conducted a survey on diversity, equity, and inclusion at the German sites of the Dürr Systems subgroup. As a result, we have built up a solid database, which we have used to drive forward the development of an open and appreciative corporate culture. The preliminary results of the survey were presented to managers at the Dürr Group Executive Meeting in

March 2024. The next step is to conduct qualitative interviews to better interpret the survey results. Once the evaluation is complete, the results and the next steps will be communicated to the workforce.

In 2024, we also sponsored the “International Weeks against Racism” and participated in the “Unvereinbar” [“Incompatible”] campaign organized by the German Foundation against Racism. We have also joined the “Alliance for Democracy” launched by the employers’ association Südwestmetall and the German metalworkers’ union IG Metall.

Global cooperation and cultural diversity are part of our management training. This includes international leadership project management programs, such as the ones held in Germany and China in 2023. In addition, we offer intercultural training in both in-person and online formats. Employees who are assigned to an international location for an extended period of time can participate in special preparation courses and in reintegration training upon their return.

## Global freedom of association

In Germany, the relationship between companies and employee representatives is governed by the Co-determination Act (One-Third Participation Act) and the Works Constitution Act, which emphasize the aspect of cooperation. In accordance with our [Code of Conduct](#), our employees abroad throughout the Group are also free to organize themselves into interest groups within the framework of national legislation. We have confirmed this by signing the United Nations Global Compact in 2020. Works councils or other employee representative bodies may participate in collective bargaining negotiations.

Certain operational changes affecting the German sites must be reported to the responsible employee representatives in a timely manner in accordance with the German Works Constitution Act, so that they can effectively exercise their consultation and co-determination rights. Laws, collective bargaining agreements, and company agreements regulate all major issues affecting the concerns of employees. The interests of employees are represented by employee representatives on supervisory boards with parity representation and with one-third participation. At our German locations, there is a regular exchange with the local works council committees as well as the general and Group works councils. At the European or global level, there is currently no works council in the Dürr Group with a negotiating mandate for cross-border issues. In the event of conflicts between employees and the company, the works councils and HR officers at the sites are the direct points of contact. In addition, all employees have the opportunity to report violations of freedom of association, co-determination, or collective bargaining agreements via the [Dürr Group Integrity Line](#). Most of our German Group companies are covered by collective bargaining agreements; negotiations for further HOMAG production companies are ongoing.



After-work event on the occasion of the International Women’s Day.

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

	Number of employees	of which pay scale (absolute)	of which pay scale (in %)
Germany	9,410	6,963	74.0
Europe (excluding Germany)	3,373	539	16.0
Americas <sup>1</sup>	3,001	828	27.6
China	3,216	427	13.3
Asia (excluding China), Africa, Australia	1,597	83	5.2
<b>Total</b>	<b>20,597</b>	<b>8,840</b>	<b>42.9</b>

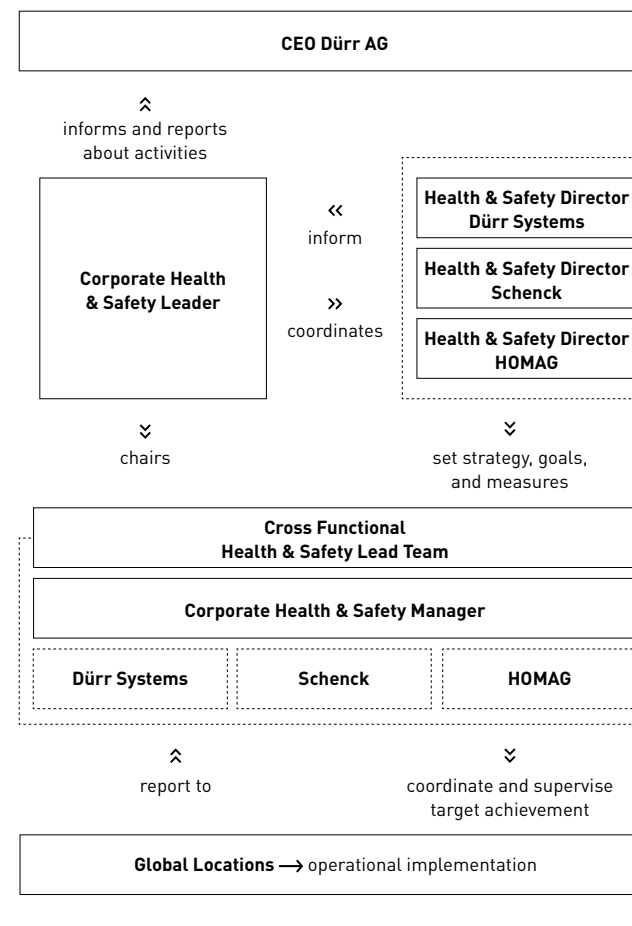
<sup>1</sup> excluding Stiles, Universal Inc., and Homag Machinery North America, Inc.

## Occupational health and safety

Our aim is to preserve and promote the health and safety of all persons affected by our business activities. Irrespective of national laws, our goal is to achieve a minimum standard of health protection and occupational safety that meets the needs of offices, production, and construction sites worldwide.

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. In addition, the members of the Board of Management receive monthly information on current issues and any accidents. Accident statistics, major accidents, and serious (near) accidents are also regularly discussed at meetings of the Dürr Management Board. The Cross Functional Health & Safety Lead Team consists of the health and safety managers of the three subgroups and is supported by local health and safety managers who implement the standards and processes on site. An international meeting of all health and safety managers in the Dürr Group is held once a year. All managers are in charge of conducting a proper risk assessment and implementing appropriate measures to prevent injuries and occupational illness. All employees must assume responsibility for their own safety and that of others while at work.

**RESPONSIBILITY AND ORGANIZATION IN THE AREA OF OCCUPATIONAL HEALTH AND SAFETY**



The principles of the health and safety strategy are set out in a Group-wide [policy](#). It encompasses general principles and values as well as concrete specifications for eight 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. The guidelines define responsibilities and mandatory minimum standards and meet the requirements of the ISO 45001 occupational safety standard.

The occupational health and safety management system aims 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 business processes and workplace equipment. As of December 31, 2023, a total of 25 companies in the Dürr Group had an occupational safety management system certified in accordance with ISO 45001. This means that around 9,200 employees were already working for correspondingly certified companies in 2023. Measured in terms of the number of employees at all sites relevant for certification, this corresponds to a proportion of 48%. We have defined relevant sites as those with operational value creation and annual sales of at least €10 million.

Regular inspections and internal audits, which take place at least once a year, are designed to ensure that health and safety guidelines 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 carefully investigated by the health and safety managers.

We record accidents throughout the Group. Depending on the severity of the accident, a direct report is made to the Dürr Management Board or the CEO respectively. Particularly serious accidents are also investigated separately by the Cross Functional Team. Accident statistics are presented to the Dürr Management Board on a monthly basis. In accordance with our Group-wide Health & Safety Policy, we classify accidents into three categories according to their severity: major accident, serious accident, minor accident. In addition, we classify the causes of accidents into ten categories, for example, falls, fire and explosions, or overexertion. The categories highlight focus areas for our prevention work and are intended to help avoid similar incidents in the future. We also record and analyze near misses on a monthly basis and incorporate them into our prevention work as an important indicator of accident risks. The most common work-related injuries associated with our business activities are minor injuries such as bruises, contusions, and cuts. Less frequent are fractures that occur due to falls or falling objects.

#### OUR HEALTH & SAFETY STRATEGY:

## STRIVING FOR EXCELLENCE IN SAFETY

#### KEY FIGURES FOR OCCUPATIONAL SAFETY

	2023	2022	2021
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	0	1
Number of major accidents not resulting in death (including external staff <sup>2</sup> , excluding commuting accidents)	2	2	3
Number of serious accidents (including external staff <sup>2</sup> , excluding commuting accidents)	26	14	32
Number of minor accidents (including external staff <sup>2</sup> , excluding commuting accidents)	255	327	193
<b>Total number of work-related accidents<sup>1</sup> absolute</b> (including external staff <sup>2</sup> , excluding commuting accidents)	<b>284</b>	<b>343</b>	<b>228</b>
Number of work-related accidents <sup>1</sup> per thousand employees (including external staff <sup>2</sup> , excluding commuting accidents)	11.7	15.7	10.3
Hours worked — internal employees	36,064	33,605	31,711
Hours worked — external employees	9,453	8,465	10,995
Work-related accidents <sup>1</sup> per 1 million hours worked (including external staff <sup>2</sup> , excluding commuting accidents)	6.3	8.2	5.3
Number of near misses (major near misses) (including external employees <sup>2</sup> )	17	14	16

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

<sup>2</sup> At BBS Automation, the number of external employees and work-related accidents among external staff were not recorded for 2023; we will report on this from 2024 onwards.



We very much regret that an employee of a subcontractor had a fatal accident at one of our construction sites in 2023. After a careful review of the circumstances and causes of the accident, we realized that despite high safety requirements and controls, comprehensive training, and regular safety instructions on construction sites, we have only limited influence on the behavior of individuals in hazardous areas. We have taken this as an opportunity to continuously develop our prevention work in order to prevent work-related accidents in the future wherever possible.

An important element of accident prevention is the mandatory online safety training for all employees. The training sessions consist of a foundation course for new employees and an annual refresher course. As in the previous year, more than 98% of all eligible employees completed a health and safety training course in 2023. Employees in particularly high-risk work areas, such as warehouses, logistics, assembly, commissioning, or technical centers, receive activity-specific in-depth training. Since 2023, service providers and other business partners have been able to take part in selected online training courses. Managers receive regular training on their duties and responsibilities for occupational safety. By providing regular information on the company intranet, we aim to further raise awareness of occupational health and safety issues. The key content of our training courses and communication measures is based primarily on particularly important key topics and findings from current accident analyses.

As the accident figures at HOMAG are slightly higher than in the other subgroups, HOMAG launched a safety culture program in 2023 to make employees even more aware of the issue of occupational safety. The measures include, among other things, a survey as well as increased information and communication on the intranet and at the locations. From 2024, as part of

ISO 45001 certification, occupational safety at HOMAG will also be increasingly addressed in management training courses.

At our sites within the EU, meetings of the respective local occupational safety committee are held on a quarterly basis. They serve as a forum for exchange between employers and employees. The committee members make recommendations on occupational safety and accident prevention, and adopt resolutions for improvement measures. In the German companies, the members of the works council represent the interests of the employees in the occupational safety committees. At all locations worldwide, the health and safety managers inform the local management at least every six months.

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 them 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](#).

### 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 that operates worldwide.

### PHYSICAL HEALTH AND WELL-BEING

In 2023, the Group-wide sick leave rate was 3.2% (previous year: 3.9%). We organize health days and fitness courses for employees, especially at our German locations. At the health days, we offer health checks to our employees and inform them about further treatment options and preventive measures. In 2023, employees in Bietigheim-Bissingen were able to take part in preventive screenings for thyroid disease and diabetes, for example. Our range of fitness programs includes yoga, Pilates and mindfulness classes, training courses for a healthy back and on ergonomic working, as well as strength and endurance training. Sports such as soccer, basketball, and badminton are also offered at foreign sites, for example in China. Our occupational health management also includes vaccination consultations and a first-aid kit for foreign assignments. Our company physicians perform occupational medical check-ups for the early detection or prevention of work-related illnesses. These also include health risk assessments when carrying out certain activities, such as work involving a risk of falls or operating industrial trucks.



Our employees collected donations for a good cause at sporting events.



# ENGAGEMENT AND SOCIETY

We not only see ourselves as a part of society, but also want to actively and effectively shape it. That is why we 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

As a signatory to the United Nations Global Compact, we actively promote the company-wide application of the ten principles in the areas of human rights, labor standards, environmental protection, and corruption prevention by developing and

implementing appropriate goals and measures. In doing so, we respect human rights, exclude child and forced labor, support 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 Global Compact, 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 Global Compact in the Dürr Group.

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 towards 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.

## THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT



### Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Businesses should make sure that they are not complicit in human rights abuses.

### Labor standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.
5. Businesses should uphold the effective abolition of child labor.
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.

### Environmental protection

7. Businesses should support a precautionary approach to environmental challenges.
8. Businesses should undertake initiatives to promote greater environmental responsibility.
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.

### Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

## Donations and sponsorship

As a company, we assume social responsibility. We support projects in the social, cultural, and scientific fields in the form of donations and sponsorship, as well as with knowledge and contacts. We focus primarily on projects, associations, and institutions in the local areas surrounding 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 2023, we spent a total of €794,000 on charitable purposes (previous year: €1.094 million).

Requests for donations are reviewed and granted by a donation committee. This consists of representatives from various Group departments and meets as required. A Group-wide donations and sponsorship policy contains the guiding principles for our sponsorship activities. In some cases, we support the voluntary work of our employees through donations. Selected projects are presented as part of the "Heroes after work" series of intranet articles, and the corresponding organizations receive financial support.

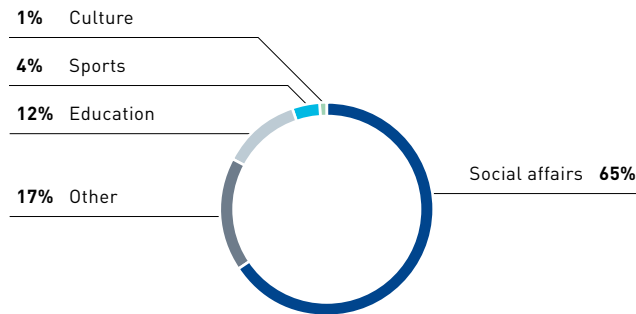
### SOCIAL COMMITMENT OF THE DÜRR GROUP (AS OF DEC. 31)

Amount in €k	2023	2022	2021
Donations	611	819	740
Sponsorships	183	275	127
<b>Total</b>	<b>794</b>	<b>1,094</b>	<b>867</b>

Our four priorities of support are:

- **Social affairs:** humanitarian and charitable projects
- **Education:** training and education, technology and science, universities and colleges, 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 (2023)



At the Group's headquarters in Bietigheim-Bissingen, we have been supporting social projects for several years, such as the Community Foundation, the Hospice Foundation, the "Diakonie" Foundation, and the "Tafel" food bank. In the area of culture, we support associations and institutions. The spectrum ranges from the local music school to the state theater and the Cultural Circle of German Business.

In February 2023, we provided a donation of €150,000 for earthquake relief efforts in Turkey and Syria. The majority of this amount went to the German Red Cross. The relief organization supported people in the affected areas with rescue and salvage operations, blood supplies, food, and clothing. Independently of this, numerous employees made donations in cash and in kind.

We continued our cooperation with the United Nations Children's Fund UNICEF in 2023 and donated €60,000. The money is used to support UNICEF's emergency relief missions to provide children in crisis areas with vital supplies such as drinking water, medicines, and clothing.

Our Group sites outside Germany also made contributions to their local communities in 2023. For example, Dürr India Private Ltd. donated €33,000 to the non-profit Cancer Institute of the Women's Indian Association in Chennai (India). The money will be used to provide free cancer treatment to people in need. Our subsidiary Dürr Systems Inc. based in Southfield, USA, contributed a total of €28,000 to various cultural and social projects. One example is the charity organization March of



Dimes, which promotes the health of newborn babies. Employees of various Group companies, such as Dürr China and HOMAG Poland, collected donations for a good cause by participating in sporting events.

With its "HOMAG Cares" initiative, the HOMAG Group has been making donations in kind and in cash for more than ten years. HOMAG supports various charitable organizations around the globe, such as the support association for children with cancer "Förderverein für krebskranke Kinder Tübingen e. V.," Caritas, the "Malteser" relief organization, and the "Lebenshilfe" charity. The sum of €8,000 was donated to the vocational schools in Freudenstadt (Germany). Among other things, Schenck donated €10,000 for educational purposes in 2023. The subgroup also donated €2,000 to the "Weiterleben e.V." association, which offers free psycho-oncological counseling to cancer patients and their relatives.



In 2023, employees at several German locations were able to hand in used cell phones and smartphones for a good cause. Together with old equipment from company property, this amounted to more than 1,800 devices and thus €13,000. The proceeds were used to support an inclusive training project run by the "Diakonie" charity. Recycling and refurbishing used equipment keeps valuable raw materials in the cycle.





# SUSTAINABILITY GOALS

We have already reported on goals that were specified in the Sustainability Report 2022 and are no longer listed in this Sustainability Report in our [Annual Report 2023](#).

**Symbols:**  
 ■■■■ = fully met  
 ■■■■/■■■■/■■■■ = in progress  
 □□□□ = in planning

Area	Goals	Target year	Degree of target achievement (status as of: May 31, 2024)
 <b>STRATEGY AND ORGANIZATION</b>			
Materiality analysis	Update of the materiality analysis prepared in 2020 in accordance with the requirements of the CSRD	2023/2024	■■■■
Sustainability management	Analysis and implementation of CSRD reporting standards	2023/2024	■■■■
Sustainability opportunities and risks	Financial evaluation of physical climate risks for relevant locations of the Dürr Group	2024/2025	■■■■
Climate strategy	Reduction of Scope 1 and Scope 2 emissions by at least 70% compared to the base year 2019	2030	■■■■
	Increase in self-generation of renewable energies at the locations of the Dürr Group worldwide	ongoing	-
	Reduction of Scope 3 emissions in the upstream value chain by at least 15% compared to the base year 2019	2030	□□□□
Dialog with stakeholders	Reduction of Scope 3 emissions in the use phase of our machines and systems by at least 15% compared to the base year 2019	2030	■■■■
	Conducting at least three strategic customer experience workshops annually with an elaborated set of methods	ongoing	-
	Integration of the customer experience module into the new CRM IT system	2024	■■■■
Sustainability ratings	Connecting all Group companies to the customer experience program	2025	■■■■
	ISS ESG Corporate Rating: Improvement to Prime status (currently: C+)	2025	■■■■
	EcoVadis rating: Placed at least in the top 5% of all companies that received an award (gold medal)	ongoing	-
	Sustainalytics, MSCI and CDP: Continuous improvement of our sustainability performance	ongoing	-
 <b>MANAGEMENT AND GOVERNANCE</b>			
Responsible corporate governance	Appointment of a woman to the Board of Management of Dürr AG	2027	□□□□
Compliance and anti-corruption	Performance of business partner checks in the central purchasing department	2024	■■■■
	Creation of a guideline for the whistleblowing system to embed procedural standards and general process flows	2024	■■■■
	Further development of a uniform, system-supported process for business partner checks throughout the Group	2025	■■■■
	Further development of measures to prevent antitrust and competition law violations	2024/2025	■■■■

Area	Goals	Target year	Degree of target achievement (status as of: May 31, 2024)
Corporate security	Conducting strategic and operational business impact analyses and preparing business continuity plans for selected core business processes	2023	■■■■
	Survey and analysis of the current security situation as well as the implementation of worldwide security standards within the scope of a global security survey	2023	■■■■
	Implementation of at least four phishing simulations to further increase cyber security	2024	■■□□
Information and data security	Expansion of TISAX® certification at selected locations of the Dürr Group in Germany and abroad	2023	■■■■
	Further development of the Information Security Management System (ISMS) in compliance with legal requirements	2024	■■□□
Sustainable corporate financing	Development and publication of a "Sustainable Finance Framework" for future, long-term oriented corporate financing	2023	■■■■
 <b>PRODUCTS AND SERVICES</b>			
Sustainable products and systems	Continuous expansion of the Group-wide product portfolio to include energy-saving and resource-conserving solutions through 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	-
EU Taxonomy	Complete reporting on taxonomy-eligible and taxonomy-aligned economic activities of the Dürr Group	2023/2024	■■■■
 <b>VALUE CREATION AND SUPPLY CHAIN</b>			
Environmental and energy management systems	Expansion of 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	-
Energy and resource efficiency	Annual increase in energy efficiency by 1%–2% at the locations of the Dürr Group	ongoing	-
	Preparation and publication of a Europe-wide guideline for sustainable construction in the Dürr Group	2024	■■■□
	Development of a Group-wide water policy	2024	■■■□
	Continuous recording of water stress areas and derivation of adaptation measures for relevant locations of the Dürr Group	ongoing	-
	Implementation of a Group-wide concept for taking back used machines after the end of use in accordance with the requirements of EU WEEE	2024/2025	■■■□
Sustainable supply chain	Signing of the Supplier Code of Conduct by at least 90% of high-risk suppliers annually	ongoing	-
	Reply to the self-assessment questionnaire by at least 90% of high-risk suppliers annually	ongoing	-
	Completion of the e-learning module on the topic of sustainability by at least 90% of high-risk suppliers annually	ongoing	-
	Development and implementation of a financial incentive system for suppliers to increase transparency and sustainability in the supply chain	2024	■■■□

Area	Goals	Target year	Degree of target achievement (status as of: May 31, 2024)
 <b>EMPLOYEES AND QUALIFICATION</b>			
Attractive employer	Conduct follow-up surveys in teams with strikingly negative results in the 2023 employee survey	2024	□□□□
	Conduct a random pulse survey	2024	□□□□
	Continuation of the Group-wide roll-out of the “Spark” ideas management system	ongoing	–
People development and further training	Piloting of the new evaluation and talent management processes in the new HR IT tool	2024	■□□□
	Implementing talent pools and corresponding talent development programs	2024	■□□□
	Further development and Group-wide roll-out of the development and orientation centers	2024	■□□□
	Development of a change management system to accompany strategic projects in the company	2024/2025	■□□□
	Introduction of talent reviews for talent identification and succession planning as part of the new talent management process	2024/2025	□□□□
Respect for human rights	Expansion of the Group-wide human rights risk analysis for their own business area to all relevant locations of the Dürr Group	2023	■□□□
Occupational health and safety	Recording, thorough analysis, and global reporting of at least 70% of near misses that occurred in the year <sup>1</sup>	ongoing	–
	Group-wide maximum of 11 work-related accidents per 1 million hours worked	ongoing	–
	Performance and documentation of at least 600 safety audits annually worldwide	ongoing	–
	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	2024	■□□□
 <b>ENGAGEMENT AND SOCIETY</b>			
Donations and sponsorship	Revision of the Group-wide donations and sponsorship policy	2024	■□□□

<sup>1</sup> only major near misses

<sup>2</sup> only German companies



# IMPACT REPORTING

In accordance with its [Sustainable Finance Framework](#) and its Green Financing, the Dürr Group intends to report on the environmental impact resulting from the eligible green project portfolio. The data is presented on an aggregated level. Relevant dedicated projects are referenced within this document.

ICMA <sup>1</sup> category	Sub category	CO <sub>2</sub> emissions saved over life cycle (t)
Energy efficiency	Solutions for timber construction	23,147,250
Renewable energy	Photovoltaic systems	28,145
Green buildings	Energy efficient buildings	4,306

<sup>1</sup> International Capital Market Association

## METHODOLOGY

### Solutions for timber construction

The Dürr Group is one of the largest suppliers of technologies for the automated production of construction elements for climate-friendly timber houses. These technologies include machines and systems for manufacturing cross laminated timber and for the fully automated production and insulation of wall and ceiling elements. In contrast to conventional buildings constructed with concrete, the use of natural wood (also referred to as a CO<sub>2</sub> sink) as a building material enables considerable CO<sub>2</sub> savings. In 2022 and 2023, the Dürr Group completed eight major projects with a maximum possible production capacity of 31,000 housing units in total per year. Compared to conventional buildings constructed with concrete, around 23 million tons of CO<sub>2</sub> can be saved over a period of 15 years with a projected capacity utilization of 70%.

More information on this can be found in the chapter → [“Products and services”](#).

### Photovoltaic systems

Renewable energies play a key role in reducing climate-damaging greenhouse gas emissions. In 2022 and 2023, photovoltaic systems with a total output of 3,260 kilowatt peak (kWp) for self-generated electricity were installed at numerous Dürr Group sites. Based on the projected annual electricity generation and applying the local emission factors of the German Association of the Automotive Industry (VDA, 2022), a total of 28,145 tons of CO<sub>2</sub> can be avoided over the expected 20-year usage period.

More information on this can be found in the section → [“Our climate protection measures at a glance”](#).

### Energy-efficient buildings

In 2022 and 2023, the Dürr Group invested in sustainable and energy-efficient buildings, with planning and construction based on the requirements of the EU Taxonomy. The energy efficiency achieved is ultimately verified by the German Sustainable Building Council (DGNB). Over an assumed usage period of 30 years, we will save 4,306 tons of CO<sub>2</sub> compared to the requirements of the Building Energy Act. The primary energy consumption per kWh/m<sup>2</sup> and the net floor area of the buildings were taken into account in the calculation.

More information on this can be found in the section → [“Our climate protection measures at a glance”](#).

# 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.

### 3TG

The term → [conflict minerals](#) covers four chemical elements: tin, tantalum, tungsten, and gold. They are also often referred to as “3TG,” according to their initials.

## 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 its goals is to redirect capital flows toward sustainable investments. One measure of the action plan is the → [EU Taxonomy Regulation](#).

### Arm’s length principle

The arm’s length principle means that affiliated companies apply transfer prices that correspond to those prices that would have been agreed between independent business partners.

### Atomizer

Atomizers provide a uniform spray pattern for paint application.

## B

---

### Balancing technology

Rotating components such as wheels and turbines must be tested for imbalances. Any imbalances are then removed since they would otherwise cause vibrations or oscillations.

### Bilateral guarantee lines

Bilateral guarantee lines refer to credit agreements concluded between Dürr AG and a lending bank for the issuance of guarantees.

### Brownfield business

Projects for the modernization of existing factories or manufacturing facilities.

### Business continuity management

Measures to safeguard time-critical processes against failure as well as continuation of activities after an incident.

### Business impact analysis

A business impact analysis is used to determine which business processes are time-critical, and to define their maximum tolerable downtime and restart time. The method is used in → [business continuity management](#).

## C

---

### Car body oven

Tunnel-like systems for curing freshly applied coats of paint.

### Carbon Border Adjustment Mechanism (CBAM)

The Carbon Border Adjustment Mechanism complements the EU Emissions Trading Scheme and is designed to help achieve the EU’s climate targets (→ [Green Deal](#)). It stipulates that, starting in 2026, certain emissions-intensive goods from third countries will be subject to a CO<sub>2</sub> price when imported into the EU.

### 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.”

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

This unit of measurement indicates the climate impact of different greenhouse gases compared with that of carbon dioxide (CO<sub>2</sub>) (→ [Global Warming Potential](#)).

### Coating of electrodes

Anode and cathode material is applied as a thin paste to both sides of a metal foil and then dried. In the lithium-ion battery cell, the layers of material produced in this way are responsible for energy storage, while the metal foil ensures the dissipation of electricity.

### Compliance

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

### Conflict minerals

The EU Conflict Minerals Regulation (EU) 2017/821 requires EU importers of the conflict minerals tin, tantalum, tungsten, their ores, and gold (→ [3TG](#)) to source only from responsible and conflict-free sources. This is intended to curb the financing of violence and human rights infringements in conflict or high-risk areas.

### Convertible bond

Corporate bond 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.

### Corporate Sustainability Reporting Directive (CSRD)

An EU directive that for the first time establishes a uniform framework for reporting non-financial data and requires companies to publish detailed information on sustainability issues. The aim is to raise sustainability reporting to the same level as financial reporting.

### Country-by-country reporting

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

## D

### Distance-based method

The distance-based method calculates emissions based on the actual weight and mode of each shipment. For this purpose, average distances and emission factors from databases are used. In addition, information about the transport chains is incorporated. The method can be used to monitor and control logistics emissions.

## E

### Engineering

Development and construction of machinery and systems. In the Dürr Group, it often refers to the development of technical solutions specifically tailored to the customer’s production target.

### Environmental, Social, and Governance (ESG)

ESG is frequently used as an equivalent to “sustainability.”

### European Sustainability Reporting Standards (ESRS standards)

Standards developed by the European Financial Reporting Advisory Group (EFRAG) for corporate sustainability reporting. The ESRS standards must be complied with by all European companies that are subject to the → [Corporate Sustainability Reporting Directive \(CSRD\)](#).

### 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 help achieve 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 transposed into national law by the member states. For more information, please visit the [website of the European Commission](#).

**Green electricity**

Green electricity refers to electricity that comes from renewable energy sources.

**Greenhouse gases**

Carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and other gases are considered greenhouse gases because they do not break down completely, accumulate in the upper layers of the atmosphere, and therefore do not allow the heat of the sun to escape. This creates a greenhouse effect.

**Greenhouse Gas Protocol (GHG Protocol)**

Leading standard for the measurement and management of [greenhouse gas emissions](#) in organizations.

**M****Main needle**

Term originating from paint application technology. At Dürr, the main needle is situated in the atomizer only a few millimeters from the atomizing component (e.g. a bell disk). When the main needle is opened, paint is expelled and enables the painting of a car body. If several main needles are installed, the paint colors required for further car bodies can be made ready in advance. This saves time, paint, and solvents for cleaning the paint hoses.

**Market-based**

Market-based figures refer to the emission factors of the electricity supplier or an individual electricity product. Location-based figures, on the other hand, refer to the average emission factors of the area in which the electricity consumption takes place. In most cases, the average at the country level is used here.

**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**

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

**N****NGO — Non-Governmental Organization**

Non-governmental organization or civil society organization.

**NVH behavior**

NVH stands for Noise, Vibration and Harshness and designates all audible or perceptible oscillations in motor vehicles, or of machines. The lower the noise and vibration level, the better the NVH behavior, which is considered a quality characteristic.

**O****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****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](#))

**R****Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)**

The REACH Regulation (EC) No. 1907/2006 is a regulation of the European Union for the Registration, Evaluation, Authorisation and Restriction of Chemicals.

**Restriction of certain Hazardous Substances (RoHS)**

The Directive 2011/65/EU (RoHS Directive) of the European Parliament and of the Council regulates the use of certain hazardous substances in electrical and electronic equipment.



## S

---

### 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 designated as "Science Based Targets."

### SCIP database

Electronic database of the European Chemicals Agency (ECHA) containing information on substances of very high concern (→ **SVHC substances**).

### Shared Socioeconomic Pathway (SSP) scenarios

Shared socioeconomic development pathways established by the Intergovernmental Panel on Climate Change (IPCC). They are used to map different developments in our society to explore the holistic consequences and extent of climate change in a simplified, yet representative way.

### Spend-based method

The spend-based method roughly estimates Scope 3 logistics emissions based on the paid freight costs of each mode of transport. Emission factors from databases are used for this purpose. The application of this calculation method, however, gives rise to considerable uncertainties.

### 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.

### Stator

The stator is one of the most important components of an electric motor. It is immobile and consists of a magnetic core and several windings. When an electric current flows, the windings produce a rotating magnetic field. This interacts with the rotor's magnetic field and thus drives the rotor.

### Strings

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

### Sustainable Development Goals (SDGs)

↗ **Sustainable Development Goals** of the United Nations — 17 goals with 169 targets of the "Agenda 2030" adopted in 2015.

### SVHC substances

Substances that may have serious effects on human health and the environment can be classified as Substances of Very High Concern (SVHC).

### Syndicated loan

A loan granted by at least two banks at the same conditions, which may include both a cash and a guarantee line.

## T

---

### Task Force on Climate-related Financial Disclosures (TCFD)

A global industry-led corporate reporting initiative on climate-related financial opportunities and risks.

### 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**.

### Test stands

End of line systems test the functions of fully assembled vehicles, e.g. headlights and ABS.

# GRI INDEX

## STATEMENT OF USE: GRI USED

The Dürr Group has reported in accordance with the GRI Standards for the period from January 1, 2023, to December 31, 2023.  
GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Comment/Omission
<b>GENERAL DISCLOSURES</b>			
<b>GRI 2: GENERAL DISCLOSURES 2021</b>			
<b>The organization and its reporting practices</b>			
GRI 2-1	Organizational details	8–9	
GRI 2-2	Entities included in the organization's sustainability reporting	8–9, 112, AR <sup>1</sup>	
GRI 2-3	Reporting period, frequency and contact point	102, 112–113	
GRI 2-4	Restatements of information		Restatements are marked and explained at the relevant information
GRI 2-5	External assurance		Some of the contents of the sustainability report are identical to those of the non-financial consolidated declaration. The non-financial consolidated declaration has been subjected to an external audit.
<b>Activities and workers</b>			
GRI 2-6	Activities, value chain and other business relationships	8–9, 16–18, 65, 71, AR	
GRI 2-7	Employees	8, 78–79	
GRI 2-8	Workers who are not employees	8, 79	
<b>Governance</b>			
GRI 2-9	Governance structure and composition	20, 38–39, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance">www.durr-group.com/en/investor-relations/corporate-governance</a>
GRI 2-10	Nomination and selection of the highest governance body	38–39, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance">www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance</a> <a href="http://www.durr-group.com/fileadmin/durr-group.com/Investors/Downloads/duerr-supervisory-board-profile-of-skills-EN.pdf">www.durr-group.com/fileadmin/durr-group.com/Investors/Downloads/duerr-supervisory-board-profile-of-skills-EN.pdf</a>
GRI 2-11	Chair of the highest governance body	38, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/supervisory-board">www.durr-group.com/en/investor-relations/corporate-governance/supervisory-board</a>

<sup>1</sup> AR = Annual Report 2023

GRI Standard	Disclosure	Location	Comment/Omission
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	20, 38 – 39, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance">www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance</a>
GRI 2-13	Delegation of responsibility for managing impacts	20, 38 – 39, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance">www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance</a>
GRI 2-14	Role of the highest governance body in sustainability reporting	20, 38 – 39	
GRI 2-15	Conflicts of interest	41 – 42, AR	
GRI 2-16	Communication of critical concerns	41 – 42, 85	
GRI 2-17	Collective knowledge of the highest governance body	20, 38 – 39	
GRI 2-18	Evaluation of the performance of the highest governance body		<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/supervisory-board">www.durr-group.com/en/investor-relations/corporate-governance/supervisory-board</a>
GRI 2-19	Remuneration policies	39 – 40, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-supervisory-board">www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-supervisory-board</a> <a href="http://www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-board-of-management">www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-board-of-management</a>
GRI 2-20	Process to determine remuneration	39 – 40, AR	<a href="http://www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-supervisory-board">www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-supervisory-board</a> <a href="http://www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-board-of-management">www.durr-group.com/en/investor-relations/corporate-governance/compensation-system-for-the-board-of-management</a>
GRI 2-21	Annual total compensation ratio	AR	
<b>Strategy, policies and practices</b>			
GRI 2-22	Statement on sustainable development strategy	5 – 6, 16 – 18	
GRI 2-23	Policy commitments	20 – 23, 42 – 43, 47 – 48, 72 – 73, 83 – 89, 91	
GRI 2-24	Embedding policy commitments	31 – 32	
GRI 2-25	Processes to remediate negative impacts	24, 26, 47 – 52, 71 – 73, 83 – 85, 87 – 89	
GRI 2-26	Mechanisms for seeking advice and raising concerns	41 – 42, 72, 86 – 87, 85, 89	
GRI 2-27	Compliance with laws and regulations	41 – 42, 85	
GRI 2-28	Membership associations	26, 32, 91	
<b>Stakeholder engagement</b>			
GRI 2-29	Approach to stakeholder engagement	31 – 32	
GRI 2-30	Collective bargaining agreements	86 – 87	

GRI Standard	Disclosure	Location	Comment/Omission
<b>GRI 3: MATERIAL TOPICS 2021</b>			
GRI 3-1	Process to determine material topics	18	
GRI 3-2	List of material topics	19	
GRI 3-3	Management of material topics	18, 20	
<b>MATERIAL TOPICS</b>			
<b>Economic Performance</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	AR	
<b>GRI 201: Economic Performance 2016</b>	GRI 201-1 Direct economic value generated and distributed	9, AR	
	GRI 201-2 Financial implications and other risks and opportunities due to climate change	21, AR	
	GRI 201-3 Defined benefit plan obligations and other retirement plans	AR	
	GRI 201-4 Financial assistance received from government		Data is not collected.
<b>Market Presence</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	AR	
<b>GRI 202: Market Presence 2016</b>	GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage		Data is not collected.
	GRI 202-2 Proportion of senior management hired from the local community		Data is not collected.
<b>Indirect Economic Impacts</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	91 – 92	
<b>GRI 203: Indirect Economic Impacts 2016</b>	GRI 203-1 Infrastructure investments and services supported	92 – 93	
	GRI 203-2 Significant indirect economic impacts		Data is not collected.
<b>Procurement Practices</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73	
<b>GRI 204: Procurement Practices 2016</b>	GRI 204-1 Proportion of spending on local suppliers	71	

GRI Standard	Disclosure	Location	Comment/Omission
<b>Anti-corruption</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	41 – 42	
<b>GRI 205: Anti-corruption 2016</b>	GRI 205-1 Operations assessed for risks related to corruption	41	
	GRI 205-2 Communication and training about anti-corruption policies and procedures	41 – 42	
	GRI 205-3 Confirmed incidents of corruption and actions taken	41	
<b>Anti-competitive Behavior</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	41 – 42	
<b>GRI 206: Anti-competitive Behavior 2016</b>	GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No legal actions for anti-competitive behavior, anti-trust, and monopoly practices in the year under review.
<b>Tax</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	40	
<b>GRI 207: Tax 2019</b>	GRI 207-1 Approach to tax	40	
	GRI 207-2 Tax governance, control, and risk management	40	
	GRI 207-3 Stakeholder engagement and management of concerns related to tax	40	
	GRI 207-4 Country-by-country reporting		A detailed presentation of country-by-country reporting is omitted, as disclosure of this data would reveal information relevant to competition. In our <a href="#">Annual Report 2023 from page 197</a> , we publish all legally required information on income taxes.
<b>Materials</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	52, 70 – 71	
<b>GRI 301: Materials 2016</b>	GRI 301-1 Materials used by weight or volume		Data is not collected.
	GRI 301-2 Recycled input materials used		Data is not collected.
	GRI 301-3 Reclaimed products and their packaging materials	52, 70	



GRI Standard	Disclosure	Location	Comment/Omission
<b>Energy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	24, 66 – 68	
<b>GRI 302: Energy 2016</b>	GRI 302-1 Energy consumption within the organization	67	
	GRI 302-2 Energy consumption outside of the organization		Data is not collected.
	GRI 302-3 Energy intensity	68	
	GRI 302-4 Reduction of energy consumption	67	
	GRI 302-5 Reductions in energy requirements of products and services	49 – 51	
<b>Water and Effluents</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	68 – 69	
<b>GRI 303: Water and Effluents 2018</b>	GRI 303-1 Interactions with water as a shared resource	68	
	GRI 303-2 Management of water discharge-related impacts	68 – 69	
	GRI 303-3 Water withdrawal	68 – 69	
	GRI 303-4 Water discharge	68	
	GRI 303-5 Water consumption		Data is not collected.
<b>Emissions</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	21 – 28	
<b>GRI 305: Emissions 2016</b>	GRI 305-1 Direct (Scope 1) GHG emissions	27	
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	27	
	GRI 305-3 Other indirect (Scope 3) GHG emissions	28	
	GRI 305-4 GHG emissions intensity	27	
	GRI 305-5 Reduction of GHG emissions	26 – 28	
	GRI 305-6 Emissions of ozone-depleting substances (ODS)		Data is not collected.
	GRI 305-7 GRI 305-7 Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions		Data is not collected.

GRI Standard	Disclosure	Location	Comment/Omission
<b>Waste</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	66 – 67, 70	
<b>GRI 306: Waste 2020</b>	GRI 306-1 Waste generation and significant waste-related impacts	70	
	GRI 306-2 Management of significant waste-related impacts	66	
	GRI 306-3 Waste generated	66	
	GRI 306-4 Waste diverted from disposal		Data is not collected.
	GRI 306-5 Waste directed to disposal		Data is not collected.
<b>Supplier Environmental Assessment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	20 – 23, 71	
<b>GRI 308: Supplier Environmental Assessment 2016</b>	GRI 308-1 New suppliers that were screened using environmental criteria	72	
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	71 – 73	
<b>Employment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	78 – 83	
<b>GRI 401: Employment 2016</b>	GRI 401-1 New employee hires and employee turnover	82	New employee hires cannot currently be specified by gender, age group, or region. We will report on this in the future.
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		Benefits are provided to all employees with permanent contracts. For employees with fixed-term contracts, deviating regulations exist in some cases.
	GRI 401-3 Parental leave	79	
<b>Labor/Management Relations</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	79 – 81, 86 – 87	
<b>GRI 402: Labor/Management Relations 2016</b>	GRI 402-1 Minimum notice periods regarding operational changes	86	

GRI Standard	Disclosure	Location	Comment/Omission
<b>Occupational Health and Safety</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	87 – 89	
<b>GRI 403: Occupational Health and Safety 2018</b>	GRI 403-1 Occupational health and safety management system	88	
	GRI 403-2 Hazard identification, risk assessment, and incident investigation	87 – 89	
	GRI 403-3 Occupational health services	89	
	GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	89	
	GRI 403-5 Worker training on occupational health and safety	89	
	GRI 403-6 Promotion of worker health	89	
	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	47 – 48, 887 – 89	
	GRI 403-8 Workers covered by an occupational health and safety management system	88	
	GRI 403-9 Work-related injuries	88	
	GRI 403-10 Work-related ill health		For data protection reasons, work-related ill health may not be recorded.
<b>Training and Education</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	83, 80 – 82	
<b>GRI 404: Training and Education 2016</b>	GRI 404-1 Average hours of training per year per employee	81	
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	80 – 82	
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews	80	
<b>Diversity and Equal Opportunity</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	85 – 86	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	GRI 405-1 Diversity of governance bodies and employees	38 – 39, 79	
	GRI 405-2 Ratio of basic salary and remuneration of women to men		Data is not collected.
<b>Non-discrimination</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	41 – 42, 83 – 86, 91	
<b>GRI 406: Non-discrimination 2016</b>	GRI 406-1 Incidents of discrimination and corrective actions taken	85	In the year under review, there was one indication of a potential case of unequal treatment of employees; however, following an investigation, the report proved to be unfounded.

GRI Standard	Disclosure	Location	Comment/Omission
<b>Freedom of Association and Collective Bargaining</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	79, 86 – 87	
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	72 – 73, 84	
<b>Child Labor</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73, 83 – 85	
<b>GRI 408: Child Labor 2016</b>	GRI 408-1 Operations and suppliers at significant risk for incidents of child labor	72 – 73, 84	
<b>Forced or Compulsory Labor</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73, 83 – 84	
<b>GRI 409: Forced or Compulsory Labor 2016</b>	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	72 – 73, 84	
<b>Security Practices</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73	
<b>GRI 410: Security Practices 2016</b>	GRI 410-1 Security personnel trained in human rights policies or procedures		Data is not collected.
<b>Rights of Indigenous Peoples</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73	
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	GRI 411-1 Incidents of violations involving rights of indigenous peoples		No known incidents.
<b>Local Communities</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73	
<b>GRI 413: Local Communities 2016</b>	GRI 413-1 Operations with local community engagement, impact assessments, and development programs		Data is not collected.
	GRI 413-2 Operations with significant actual and potential negative impacts on local communities		In the year under review, the Dürr Group did not identify any operations that could have a negative impact on local communities.

GRI Standard	Disclosure	Location	Comment/Omission
<b>Supplier Social Assessment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71 – 73	
<b>GRI 414: Supplier Social Assessment 2016</b>	GRI 414-1 New suppliers that were screened using social criteria	72	
	GRI 414-2 Negative social impacts in the supply chain and actions taken	71 – 73	
<b>Public Policy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	31 – 32	
<b>GRI 415: Public Policy 2016</b>	GRI 415-1 Political contributions		Political contributions are not permitted in the Dürr Group.
<b>Customer Health and Safety</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	47 – 48	
<b>GRI 416: Customer Health and Safety 2016</b>	GRI 416-1 Assessment of the health and safety impacts of product and service categories	47 – 48	
	GRI 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>Marketing and Labeling</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	47 – 48	
<b>GRI 417: Marketing and Labeling 2016</b>	GRI 417-1 Requirements for product and service information and labeling	47 – 48	
	GRI 417-2 Incidents of non-compliance concerning product and service information and labeling		No incidents were reported in the year under review.
	GRI 417-3 Incidents of non-compliance concerning marketing communications		No incidents were reported in the year under review.
<b>Customer Privacy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	42	
<b>GRI 418: Customer Privacy 2016</b>	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	42	In the year under review, there was one reportable incident related to a breach of customer data protection, which was not followed up by the authorities. We have reviewed the incident internally in order to prevent similar incidents in the future wherever possible.



# TCFD INDEX

Category	Recommended Disclosures	References
<b>GOVERNANCE</b> Disclose the organization's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities  Describe management's role in assessing and managing climate-related risks and opportunities	<a href="#">→ Sustainability management, page 20</a> <a href="#">↗ Annual Report 2023, page 53</a> <a href="#">↗ CDP Climate Change 2023 – C1</a>
<b>STRATEGY</b> 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	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term  Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning  Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<a href="#">↗ CDP Climate Change 2023 – C2</a> <a href="#">→ Sustainability opportunities and risks, page 20 – 21</a> <a href="#">→ Sustainability opportunities and risks, page 20 – 21</a> <a href="#">↗ Methodology Paper, page 12 – 13</a> <a href="#">↗ CDP Climate Change 2023 – C3.3</a> <a href="#">↗ CDP Climate Change 2023 – C3.4</a> <a href="#">↗ CDP Climate Change 2023 – C3.2a</a>
<b>RISK MANAGEMENT</b> Disclose how the organization identifies, assesses, and manages climate-related risks	Describe the organization's processes for identifying and assessing climate-related risks  Describe the organization's processes for managing climate-related risks  Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	<a href="#">→ Sustainability opportunities and risks, page 20 – 21</a> <a href="#">↗ CDP Climate Change 2023 – C2.1</a> <a href="#">↗ CDP Climate Change 2023 – C2.2</a> <a href="#">→ Climate Strategy 22 – 24</a> <a href="#">↗ CDP Climate Change 2023 – C2.2</a> <a href="#">↗ CDP Climate Change 2023 – C2.1</a> <a href="#">↗ CDP Climate Change 2023 – C2.2</a>
<b>METRICS AND TARGETS</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process  Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks  Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	<a href="#">↗ CDP Climate Change 2023 – C2.1</a> <a href="#">↗ CDP Climate Change 2023 – C2.3</a> <a href="#">↗ CDP Climate Change 2023 – C2.4</a> <a href="#">→ Scope 1, 2 and 3, page 27 – 28</a> <a href="#">↗ Annual Report 2023, page 55</a> <a href="#">↗ Methodology Paper, page 6 – 10</a> <a href="#">↗ CDP Climate Change 2023 – C4</a> <a href="#">↗ CDP Climate Change 2023 – C5</a> <a href="#">↗ CDP Climate Change 2023 – C6</a> <a href="#">→ Scope 1, 2 and 3, page 27 – 28</a> <a href="#">↗ Annual Report 2023, page 56</a> <a href="#">↗ Methodology Paper, page 11</a> <a href="#">↗ CDP Climate Change 2023 – C4</a>

# ABOUT THIS REPORT

With the Sustainability Report 2023, the Dürr Group is already in its thirteenth year of regular reporting. The aim of the report is to provide our stakeholders with transparent and comprehensive information about our performance in the economic, environmental, and social dimensions of corporate sustainability.

The Sustainability Report has been prepared in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards). Our climate reporting follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In addition, the Sustainability Report serves as a progress report on the implementation of the United Nations Global Compact (UNGC) in the Dürr Group.

The report is aimed at all interested stakeholders, but also provides answers to specific questions raised by the financial market.

The information in this report relates to the entire Dürr Group including its domestic and foreign companies in which Dürr AG can directly or indirectly exercise a controlling influence. Data that does not refer to the entire Group is marked accordingly. The reporting periods for the Sustainability Report and the financial reporting are identical and correspond to the fiscal and calendar year 2023. In some cases, the Sustainability Report refers to current developments in the first half of 2024. Due to rounding, minor discrepancies may arise in the calculation of totals and percentages.

Starting in the 2024 fiscal year, we will provide sustainability information in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and publish it as part of the Annual Report 2024.

# CONTACT

Please contact us for further information.

## Dürr AG

### Corporate Sustainability

Carl-Benz-Straße 34

74321 Bietigheim-Bissingen, Germany

Phone +49 7142 78-4387

Fax +49 7142 78-2809

### 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](#).

**Questions?** [sustainability@durr.com](mailto:sustainability@durr.com)

[www.durr-group.com/en/sustainability](http://www.durr-group.com/en/sustainability)



[WWW.DURR-GROUP.COM](http://WWW.DURR-GROUP.COM)